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Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 102^{d} CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Wednesday, May 22, 1991*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Raise up leaders, O God, who will see their duty to do justice; lift up people of character, O God, to set a right example and personal honor; empower people of good will, O God, to work together in the common bond of mutual respect, and lead us all in the way of truth and in the way of peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. NUSSLE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. NUSSLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 284, nays 105, answered "present" 2, not voting 39, as follows:

[Roll No. 104]

YEAS—284

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Bacchus
Barnard
Barton
Bateman
Beilenson
Bennett
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (TN)
Frost
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McEwen
McGrath
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Poshard
Price
Rahall
Ray
Reed
Richardson
Rinaldo
Ritter
Roemer
Rose
Rostenkowski
Roth
Rowland
Russo
Sabo
Sangmeister
Sarpalius
Sawyer
Scheuer
Schiff
Schulze
Schumer
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Wylie
Yates
Yatron

NAYS—105

Allard
Armey
Baker
Ballenger
Barrett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Brewster
Bunning
Burton
Camp
Campbell (CA)
Chandler
Clay
Coble
Coughlin
Crane
Dannemeyer
DeLay
Dickinson
Duncan
Edwards (OK)
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goss
Grandy
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Nussle
Oxley
Packard
Paxon
Porter
Quillen
Ramstad
Regula
Rhodes
Ridge
Roberts
Rohrabacher
Ros-Lehtinen
Roukema
Santorum
Saxton
Schaefer
Schroeder
Sensenbrenner
Shays
Sikorski
Slaughter (VA)
Smith (OR)
Smith (TX)
Solomon
Stearns
Stump
Thomas (CA)
Thomas (WY)
Upton
Walker
Weber
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED "PRESENT"—2

Edwards (TX)
Murphy

NOT VOTING—39

Atkins
Berman
Edwards (CA)
Ford (MI)
Frank (MA)
Gaydos
Gejdenson
Goodling
Holloway
Hopkins
Kaptur
Kolter
Lehman (FL)
Lightfoot
Livingston
Lowery (CA)
Mavroules
McHugh
Miller (WA)
Moody
Nichols
Obey
Pursell
Rangel
Ravenel
Riggs
Roe
Rogers
Roybal
Sanders
Savage
Serrano
Sundquist
Swett
Tallon
Taylor (NC)
Vucanovich
Washington
Wilson

□ 1024

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. TORRES] please come forward and lead the House in the Pledge of Allegiance.

Mr. TORRES led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
May 20, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the unofficial results, received from the Honorable John Hannah, Jr., Secretary of State, State of Texas, certifying that, according to the unofficial returns of the Special Election held on May 18, 1991 the Honorable Sam Johnson was elected to the Office of Representative in Congress, from the Third Congressional District, State of Texas.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

OFFICE OF THE
SECRETARY OF STATE,
May 20, 1991.

DONNALD K. ANDERSON,
Clerk, House of Representatives, U.S. Capitol Building, Washington, DC.

DEAR MR. ANDERSON: In response to your telephone inquiry regarding the 3rd Congressional District Special Election, the candidate receiving the majority of votes as of May 18, 1991, is Sam Johnson. As of that date, Mr. Johnson received 23,999 votes and his opponent, Tom Pauken, received 21,643 votes. Mr. Pauken has conceded the election and no election contest has been filed or is expected.

By temporary restraining order dated March 17, 1991, the Honorable James R. Nowlin, United States District Court Judge for the Western District of Texas, Austin Division, extended the date for counting federal post card application ballots until June 1, 1991. Pursuant to this order, ballots received from military and overseas voters must be counted through June 1, 1991. There are 21 ballots outstanding. As the current margin is greater than 21 votes, the election result will not change. Pursuant to that order, Texas may not tender official election results until after June 1, 1991.

If I can provide further information, please contact me.

Sincerely,
JOHN HANNAH, JR.,
Secretary of State.

SWEARING IN OF THE HONORABLE SAM JOHNSON OF TEXAS AS A MEMBER OF THE HOUSE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that the gentleman from Texas, Mr. SAM JOHNSON, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAM JOHNSON appeared at the bar of the House and took the oath of office, as follows:

> Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. The gentleman from Texas [Mr. JOHNSON] is now a Member of the U.S. House of Representatives.

INTRODUCTION OF THE HONORABLE SAM JOHNSON OF TEXAS

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, I appreciate being recognized for this rare privilege to introduce officially to the House of Representatives the newest Member from the great State of Texas, Mr. SAM JOHNSON.

It is always an exciting moment of the House to swear in any new Member, but this Member is truly exceptional. Those of us who are Texans would say all Texas Members are exceptional, but the gentleman from Texas, Mr. SAM JOHNSON, has truly earned that designation. Most of us probably know about his distinguished record as a veteran in Vietnam where he was held as a POW and in solitary confinement for over 4 years, which is a record for any American service person.

□ 1030

He came back from that undaunted, patriotic, became a leader in his native city of Dallas, was elected to the legislature and had been there for 7 years. He does great credit not just to this body but to the country. It is my distinct pleasure and privilege to introduce to this House the gentleman from Texas, newly sworn in, our colleague, SAM JOHNSON.

FROM POW IN VIETNAM TO TEXAS HOUSE TO HOUSE OF REPRESENTATIVES: A GREAT DAY

(Mr. JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

Mr. JOHNSON of Texas. I thank the Speaker.

Mr. Speaker, and Members, I want you to know that it is a distinct pleasure for me to be here with all of you and to share this experience. It is one of those once-in-a-lifetime things. I think Gib Lewis, the speaker down in Texas, told me when I came back from Vietnam and had gotten to the Texas House that it was like going from hell, to hell. I suppose we can say it is from hell, to hell, to hell.

I know that when I was a POW, I tried to write you guys, and I never got an answer.

I have a lot of friends with me today, and I will tell you what, it is a great day for me. I want you to know that I intend to work with each and every one of you and share the protection of the freedoms that we so richly preserve in this Nation, our United States of America.

Thank you for having me as a part of your group. I appreciate it. I am happy to be here, and thanks again.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following titles:

> H.R. 2127. An act to amend the Rehabilitation Act of 1973 to extend the programs of such Act, and for other purposes; and
>
> H. Con. Res. 155. Concurrent resolution expressing the profound regret of the Congress regarding the assassination of Rajiv Gandhi of India.

A TRAGIC MESSAGE FROM THE WHITE HOUSE

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, last year a campaign ad ran on television with these words:

> You needed that job * * *.
> And you were the best qualified * * *.
> But they had to give it to a minority because of a racial quota * * *.

The White House and their supporters in Congress proved yesterday they will do anything to play that ad again.

Democrats have written a civil rights bill that outlaws quotas, penalizes employers who use quotas, and gives all workers—regardless of their color—access to court if they are victimized by quotas. The Republican bill offers workers no protections against quotas.

But a bill that outlaws quotas still gets labeled by the White House as a quota bill.

President Bush runs the risk of sending a tragic message from the White House. And that is: He cares more about politics than about protecting the rights of all Americans.

He cares more about 30-second spots than a century of progress toward equal opportunity.

He cares more about keeping his job than helping all Americans keep theirs.

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORT AND AMENDMENTS IN DISAGREEMENT ON H.R. 2251, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS FROM CONTRIBUTIONS OF FOREIGN GOVERNMENTS AND/OR INTEREST FOR HUMANITARIAN ASSISTANCE TO REFUGEES AND DISPLACED PERSONS IN AND AROUND IRAQ AS A RESULT OF THE RECENT INVASION OF KUWAIT AND FOR PEACEKEEPING ACTIVITIES AND OTHER URGENT NEEDS ACT OF 1991

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it shall be in order at any time today, or any day thereafter, notwithstanding section 302(f) of the Congressional Budget Act, to consider the conference report and amendments in disagreement, and motions to dispose of amendments in disagreement, on the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, and that the conference report and the Senate amendments be considered as read when called up for consideration.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR MILITARY CONSTRUCTION FOR THE DEPARTMENT OF DEFENSE, FISCAL YEAR 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

Mr. McDADE reserved all points of order on the bill.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR ENERGY AND WATER DEVELOPMENT, FISCAL YEAR 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes.

Mr. McDADE reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ARE WE SERIOUS ABOUT MAKING THE TAX SYSTEM FAIR?

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Mr. Speaker, there has been a lot of talk in this body about tax fairness. If we are serious about making the tax system fair, then we need to address a terrible inequity that exists for retirees. I am speaking of the unfair and inequitable Social Security earnings test. Not only is this elderly tax discriminatory against our senior citizens, but it also hurts America as well. By applying effective tax rates of over 50 percent on meager salaries earned by the working elderly, the Federal Government effectively holds many retirees in poverty. Is this fair? Of course not.

The solution is to repeal the earnings test and allow retirees to work for an honest dollar. Tonight, after the House has completed business, there will be a special order on this important subject. I urge my colleagues to listen closely. I also want to urge everyone who has not already cosponsored one of the bills to repeal the earnings test to join me in cosponsoring H.R. 967. The retirees of this Nation are waiting.

WHITE HOUSE POLITICS DIVIDING OUR COUNTRY

(Mr. GRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY. Mr. Speaker, Willie Horton wasn't enough.

Blowing up the historic negotiations between the Business Round Table and the civil rights groups wasn't enough.

And dismissing yesterday's breakthrough agreement to outlaw quotas, without even bothering to read it, wasn't enough;

Because the President's men do not want to bring our country together;

Because the President's men do not want a consensus that unites us and moves us forward;

Because the President's men have an unquenchable thirst for wedge issues, for political hot buttons—for dividing our country;

Mr. President, it is time to bring the Nation together. It is time to build a consensus and stop playing politics.

Because, Mr. President, enough is enough.

H.R. 1, SLEDGE-HAMMER APPROACH TO CIVIL RIGHTS

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, H.R. 1, the civil rights quota bill will not and cannot help the American working man or woman and should be rejected.

This bill is not a simple restoration bill. It is a sledge-hammer approach to civils rights. Supporters of the bill say it simply overturns 1989 Supreme Court decisions in order to restore employee's rights. But, it goes way beyond that to jury trials and unlimited punitive and compensatory damages.

This bill is not consistent with existing civils rights laws. It transforms civils rights law into a tort system—a scheme that has been debated and rejected dozens of times in the past 25 years.

This bill is not going to result in increased job opportunities for women and minorities. It encourages defacto hiring quotas and unfair preferences which provide opportunities for some but only by taking jobs away from others. There is noting fair about that.

This bill is not a fair bill. It means quotas. It means unnecessary and costly lawsuits.

I urge my colleagues to reject quotas and to reject a bad piece of legislation. H.R. 1 should be rejected

□ 1040

THE POLITICS OF DIVISION AND FEAR

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, the administration has no place to hide now.

The bipartisan civils rights compromise clearly answers an administration that is trying to deny civil rights by claiming quotas.

We have put it into law. Hiring and promotion quotas are outlawed. It cannot be clearer. But the White House is not satisfied.

So it is also clear—and the American people should know this—that there is no language which will satisfy the administration.

They would rather practice the politics of division than bring people together.

They would rather practice the politics of fear than promote fairness and equality for all Americans.

But their game is over.

Quotas are outlawed and they have no place to hide.

UPDATE ON THE SSC

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I rise today to give a brief update on the SSC, one of the most innovative research projects currently under consideration by the Federal Government. This project would unlock the basic secrets of the atom. It is moving ahead of schedule. The magnet contracts have recently been signed with two private companies in the United States. The test results for the magnet are exceeding expectations. We have over 1,200 people working at the laboratory just south of Dallas. We have research project subcontracts under way now in over 30 States. Progress is moving ahead very rapidly.

Mr. Speaker, last week the Subcommittee on Appropriations voted to spend $434 million of the $534 million that the President has requested on the project. Today the full Committee on Appropriations considers this project. I would urge my colleagues on the full Committee on Appropriations to honor the request of the Subcommittee on Appropriations.

IS A BILL OUTLAWING QUOTAS STILL A QUOTA BILL

(Mr. SABO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SABO. Mr. Speaker, this account of John Sununu's secret support for quotas has been largely overlooked. Hear this quote from the recent book by Bob Woodward, "The Commanders":

> Later that day, Cheney went to the White House to see Sununu and personnel chief, Chase Untermeyer. Sununu—in public a strong opponent of racial and gender quotas—told Cheney the White House wanted 30 percent of the remaining top 42 jobs in the Defense Department to be filled by women or minorities.

The White House and the Republican Party need to decide whether they want to do something to outlaw quotas, or whether it just wants to play the politics of division and pit Americans against Americans on the basis of race.

The Democrats have written a proposal to outlaw quotas, prohibit them. And the late word out of the White House is: A bill that outlaws quotas is still a quota bill. Lewis Carroll, George Orwell and, most of all, George Wallace could not have said it better.

FREE TRADE WORKS

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, America's 19 million small business owners create some 60 percent of the new jobs in the United States. We can stimulate that job creation through trade policies that open foreign markets to U.S. small businesses.

However, Mr. Speaker, the administration cannot negotiate tough, fair agreements with our trading partners if other countries know that Congress plans to fiddle with the final product. A straight up or down vote on these trade agreements is the only way to go.

Mr. Speaker, free trade works. When Mexico joined GATT, Mexican tariffs went from 100 percent to roughly 20 percent. United States exports to Mexico more than doubled, creating 22,000 new United States jobs. Fast track means opportunities for small business.

I say to my colleagues, "Saying that you're all for small business is an easy job. It's how you vote that really counts. Vote to give the administration the authority to negotiate trade agreements that will be good for small business, good for jobs and good for our country."

NO QUOTAS IN CIVIL RIGHTS BILL

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, now that the antiquota language has been clearly and unequivocally included in the Civil Rights Act to be considered next week, a vote against that bill is, in my judgment, a vote against civil fairness, civil justice, and civil rights. The language of the bill is important, and I quote:

> Nothing in this bill shall be construed to require, or encourage, or permit an employer to adopt hiring or promotion quotas on the basis of race, color, religion, sex or national origin.

Mr. Speaker, that language ought to put to rest any fears that quotas will be tolerated. We now have an issue that has historically unified the American people, equal justice for all, yet some in the Republican Party continue to drive a wedge between people of common interest in this country. I believe President Bush would desperately like to sign a civil rights bill, but he is being driven by hard-core partisan advisers who are pressing him to make Democrats squirm on the issue of civil rights for political gains in the 1992 election.

Americans historically have stood for equal and fair justice for all. That is the cornerstone of our constitutional system. Making one political party or one segment of America squirm on civil rights is like making Abraham Lincoln or Martin Luther King squirm on the same issue.

Mr. Speaker, we should be bringing people together in this country of ours, not further dividing one group of Americans against the other.

One of our most time honored national matters—e pluribus unum [out of many, one] is best served by passage of this bill.

THE ISSUE IS JUSTICE

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, as a father and a husband I can understand the fear when a father and a husband has to compete for a job, and if the issue is framed as black versus white, or quotas, I can understand the confusion that person must feel.

Mr. Speaker, in the civil rights debate this year the issue is not black versus white or quotas. The issue is simple justice. All of our future depends on our young people. Without justice, young people can have no dreams. This is true no matter what programs or anything that we would pass here in this body.

If the future, Mr. Speaker—if the future is of dreams and aspirations of our young people, then let us not steal that future. Vote "yes" on civil rights restoration.

REALITY AND THE CIVIL RIGHTS ACT

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, I hope the American people are listening to that side of the aisle trying to defend this quota bill. They said a quota bill is a bipartisan compromise. I thought a compromise was something that everybody came together and was consulted on. This quota bill is being negotiated in back rooms by buying off Members with gimmicks. The majority leader said that this so-called compromise outlaws in the bill, quotas.

My colleagues, let me bring back a little reality, something that the other side of the aisle just cannot seem to understand. The provision that outlaws quotas carries no penalty to it. Yet they keep in the unlimited damages for race discrimination and cap the damages for sex discrimination, making women second-class citizens.

So, what is the business person going to do when faced with no penalties for implementing quotas and penalties for not implementing quotas? He is going to implement quotas.

Mr. Speaker, this is a quota bill. The Democrats have got to understand this is a quota bill no matter how many gimmicks are put into it.

□ 1050

IN SUPPORT OF THE AUCOIN-MACHTLEY AMENDMENT

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, today this House will have an important opportunity to support the right to choose and, in this instance, to expand access to reproductive health services. The AuCoin-Machtley-Fazio amendment, which we will consider later, reverses an illogical and unfair Department of Defense policy which was put into effect in 1988 without congressional approval. This policy prevents women in the military and female military dependents stationed abroad from obtaining abortion services in overseas military facilities even if they are stationed in a country where abortion is legal.

Women currently comprise 10 percent of the United States Armed Forces. These brave women have all taken an oath to uphold and protect our Constitution. And yet, these same women are denied a constitutional right available to every other woman in the United States for precisely one reason and one reason only: because they are serving in the military.

My colleagues should remember that the AuCoin-Machtley amendment would make no change in the current prohibition on Department of Defense funding of abortions except when the woman's life is endangered. These women would still have to pay for the procedure with their own funds.

To put it simply the AuCoin-Machtley-Fazio amendment will save lives and reduce hardship. This amendment would allow women abroad the same access to abortion services as women at home. I urge my colleagues to do the right thing. Let's support women who are willing to risk their lives in defense of our country by not making them risk their lives to receive a constitutionally protected health service.

CALL FOR A BIPARTISAN CIVIL RIGHTS BILL

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, nobody wants a bipartisan civil rights bill more than I do. That is why everybody ought to be embarrassed by the games that are being played here today. The Democrats do not want a bipartisan civil rights bill. They want to negotiate with themselves to get the 290 votes necessary to override a President's veto and that is all.

Let us be honest about something. Our leadership has approached your leadership asking for bipartisan negotiations in the House of Representatives. I have followed up personally to your majority leader encouraging and reiterating that desire for bipartisan negotiations.

The other side has not made one gesture to have bipartisan negotiations with the House or with the White House. Now, if they have a bill, let us see it. Let us see this bill that is out there that is supposed to be such a great compromise. The best I can tell from this one-page talking point press release is that they are so antibusiness that on the one hand they want to penalize them if they do not have quotas with punitive and compensatory damages, and on the other hand they want to penalize them if they do.

POSTAL RATE INCENTIVES FOR USE OF RECYCLED PAPER

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, when most Americans go home this evening to open their mail, they will find sandwiched among the bills and letters mail order catalogs. And if your home is like mine, once every few weeks you have to throw away a mountain of mail order catalogs before they fall off the coffee table and crush the family cat.

Last year 40 percent of our mail was third class in America. Over 7 billion pounds of third class mail processed by the Postal Service, that is more than 63 billion pieces of third class mail.

It is time for our postal rates to at least encourage the use of recycled paper. Third class mailers who use recycled paper should pay a lower rate than those who do not.

I have introduced legislation, cosponsored by the gentleman from Minnesota, Mr. GERRY SIKORSKI, to require the Postal Service to create postal rate incentives for mass mailers who use recycled paper.

H.R. 2415 will not cut down on the number of catalogs we receive at home, but it will reduce the number of trees we cut to print them.

TAKING ISSUE WITH H.R. 1

(Ms. MOLINARI asked and was given permission to address the House for 1 minute.)

Ms. MOLINARI. Mr. Speaker, I have stood in this well on several occasions lately to take issue with H.R. 1, the Democrat's civil rights bill. I have said that no matter how one changes the name of the message or massages the pitch, it is still sending out the same message to business.

Mr. Speaker, obviously some Democratic colleagues have the same concerns. That is why we have delayed debate on this bill and have last-minute changes, still not in writing, being proposed to get this bill through.

I thought earlier this week I may have been forced to say bravo to my Democratic counterparts from what I have read. The Democrats are saying they are proposing two solid, sweeping changes, capping damages and eliminating any possibility of imposed quota interpretations.

A reading of these talking points shows it not to be true. Let us talk about it in theory. A bill that bans discrimination, penalizes harrassment, and bans quotas. What great, noble, practical ideas.

These are such good ideas, the President introduced a bill several months ago to do just that, H.R. 1375, the Republican's civil rights bill. I urge my Democratic colleagues to take a look at H.R. 1375. Perhaps, rather than trying to get the political upper hand, we can deal Americans a fair hand.

WILLY RIBBS BECOMES FIRST AFRICAN-AMERICAN TO COMPETE IN INDY 500 CLASSIC

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, this Sunday history will be made at the Indianapolis 500.

Willy T. Ribbs, of San Jose, CA, will make that history by being the first African-American to drive in that classic contest of speed and skill.

Mr. Speaker, it is heartening for me to see one of the last barriers in professional sports brought down, and I can think of no finer American to do it than Willy Ribbs.

I have known the Ribbs family for most of my life. Willy's grandfather, Henry, and Willy's father, known to everyone as Bunny, are two of San Jose's finest individuals.

Mr. Speaker, I must confess that I feel a bit guilty about what I am about to say, since I do chair the Surface Transportation Subcommittee here in the House.

But I for one hope that Willy Ribbs puts the pedal to the metal and wins the Indy 500 going away this Sunday. I suspect all of San Jose would be very proud, and I know I will.

SLAVE LABOR IN CHINA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, as we face the issue of most-favored-nation status for China, I hope my colleagues will consider the question of slave labor. When the gentleman from New Jersey [Mr. SMITH] and I visited China several weeks ago, we visited Beijing Prison No. 1, where 40 demonstrators from Tiananmen Square are now in prison. We received these socks from the prison with pictures of golfers on them and panda bears. These socks are being made by slave labor.

Let there be no question and let me read the enclosed document:

> An Asia Watch document indicates that as late as October 1988, the Beijing Municipal Prisons (including Beijing Prison No. 1) have made goods for export. The document by the chief of labor reform for the Beijing Prison System states that "the uninterrupted growth of the (Beijing Municipal) labor reform production is making exciting achievements. For example, the Gold Dual Horse brand nylon socks are not only deeply welcomed by domestic customers but have also been sold to international markets.

These men are in a difficult situation. They do not have any of the human rights that we have in most other parts of this world. As we consider MFN, consider the prodemocracy human rights people that are working in these prisons, making exports to the West.

DISTORTION OF PUBLIC OPINION ON WOMAN'S RIGHT TO ABORTION

(Mr. AUCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AUCOIN. Mr. Speaker, my colleagues may have seen a right-wing letter sent to the offices about the AuCoin-Machtley-Fazio amendment that will be offered this afternoon or this morning to the defense bill. It completely distorts, as most right-wing letters do, current public opinion on a woman's right to choose an abortion.

Regardless of their personal views about abortion, Americans have consistently supported keeping abortion legal and allowing women to make this most personal of all decisions.

According to a Time magazine/CNN poll in April of this year, 71 percent of the American people favor leaving the decision to have an abortion to a woman and her physician.

Members may have also heard a lot of false and misleading statements about the amendment we are going to be offering from Phyllis Schlafly's Eagle Forum and other right-wing groups. In fact, the AuCoin-Machtley-Fazio amendment is a very moderate measure, and there are many lies that are being perpetuated about it.

□ 1100

The amendment only allows military families stationed abroad the same access to safe and legal abortions as their stateside counterparts and American citizens whose freedoms those service people defend.

GIVE PRESIDENT FAST-TRACK AUTHORITY

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, this week, tomorrow, in fact, this House will cast a very momentous vote. The issue whether or not we will grant the President of the United States an extension of fast-track authority to conduct trade negotiations with Canada and Mexico, to create a North American Free Trade Agreement, a trading alliance that will make the United States, Canada, and Mexico the largest trading block in the world.

Just as the vote we cast a few months ago to give the President authority to use force in the Middle East represented the most important vote of this Congress with regard to our political leadership in the world, I am convinced that this vote is similarly important. It is a vote about the economic future of the United States and our leadership in the world economy. It says everything about the direction the United States will go, or that we choose to go. Will we have the courage to compete economically in the world, or will we withdraw into our shell? Do we believe that we can compete with Japan and the European Community, those emerging trading blocs, or will we try to survive in isolation from the rest of the world?

The vote on fast-track extension is not a vote on an agreement, it is a vote to give the President authority to negotiate, and I hope we have the courage to do so.

EXTEND ABORTION RIGHTS TO AMERICAN MILITARY OVERSEAS

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, today I rise in strong support of the AuCoin-Machtley-Fazio amendment. This is not a debate on the legality of abortions or on the appropriateness of Roe versus Wade. Mr. Speaker, this is about fairness, and about equal rights for all American women, no matter where they are, including women who have chosen to defend our country in the armed services, and the spouses and the daughters of servicemen.

Abortions, like it or not, have been legal in the United States since 1972. Since the landmark Roe versus Wade decision, abortions have become safe. No longer must American women subject themselves to unscrupulous doctors or unsafe medical practices. No longer must American women seek dangerous back alley abortions.

But in 1988, the Department of Defense prohibited women serving in the military and women dependents of the military from having abortions at military facilities, even if they paid for the procedure themselves.

As a result, women serving their country overseas do not have the same rights as women in the United States. Mr. Speaker, not only is this unfair, it is extremely dangerous. Because American military hospitals in the Third World, or in the Middle East, in Asia, and in some allied nations, are the only safe medical facilities available. If we do not allow women to have an abortion at these hospitals, then we force these women to seek a dangerous and sometimes fatal alternative.

Mr. Speaker, I urge Members to extend the same rights to women in the military that they would have had had they not chosen to serve their country.

OPPOSE AUCOIN ABORTION AMENDMENT

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, the amendment to be offered by the gentleman from Oregon [Mr. AUCOIN], later on today, will facilitate the death of unborn children by focusing DOD health facilities to provide abortion on demand. The key issue is whether Congress wants to turn our overseas U.S. military hospitals and health facilities into abortion mills.

I know that the President vehemently opposes this amendment, and will veto the entire bill if this amendment is enacted.

Under the AuCoin language, Mr. Speaker, DOD is forced to provide abortion for any reason whatsoever, and that includes abortion as a means of family planning. Mr. Speaker, this is a circumstance or reason for abortion that has been overwhelmingly rejected by the American public.

A recent Gallup poll, for example, found that 88 percent of Americans were against family planning abortions. This tracks with a Boston Globe poll which found that 89 percent of Americans were against abortion as a means of birth control.

Mr. Speaker, every abortion stops a beating heart—every abortion. Let us keep DOD hospitals havens of life, where life is respected. Oppose the AuCoin amendment.

OPPOSE ABORTION AMENDMENT

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute.)

Mr. DORNAN of California. Mr. Speaker, finding you sitting in the Chair pro tem, the great LES AUCOIN of Oregon, is fortuitous. It is your amendment on the House floor today that will attempt to allow abortions back into military hospitals. Abortions which I cut off as a freshman, I am proud to say, 13 years ago. It has been the law of the land, with some violations. In 1988, the Department of Defense ended all violations and began to fully enforce the law. I wanted you to know, Mr. Speaker, that I get to control the time on the Republican side. This is going to be one heck of a dog fight.

Mr. Speaker, listen to this item from last week's Newsweek: "Not the Love Boat. Much as been made of the U.S.S. *Acadia*'s 36 female crew members who left the ship because of pregnancy," thereby leaving combat, serving their country, "during its recent 7½-month deployment in the Persian Gulf."

By the way, it is hard to get these figures out of the Pentagon. Colonels get terrified, because they know it is career ending, if they appear to take sides. It is a rough road trying to get facts and figures out on this issue.

But the article says about 1,250 women were medevac'd out of the gulf because of pregnancy, and some of them may decide when they come home, if your amendment passes, to have an abortion in the military hospital.

"Military spokesmen took the defense when questioned about the development" with the *Acadia*. "Unnecessary tactic, it turns out: An average 16.2 percent of women crew members abroad all naval ships become pregnant, more than twice as many as the 8 percent of the *Acadia*'s female crew of 450."

Let us not compound this felony by killing the infants in their wombs in military hospitals.

WAKE UP AND LEARN, AMERICA

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, $137 million in the past 5 years, $92 million in the past 5 years, $72 million, $50 million, $40 million, $30 million, $25 million. Does this sound like a reduction of the national debt? No, this is just the salaries and bonuses of America's top CEO's.

Mr. Speaker, it is no wonder America's trading partners think we are so stupid, because we pay these kinds of salaries and bonuses. The American consumers and taxpayers finance bad management. Then when these people get fired, they are rewarded with a golden parachute of hundreds of thousands of dollars, or millions of dollars.

How can America be able to compete with world trade, with corporate leeches sucking the lifeblood out of American business? There are the same people that now want to subsidize Mexico and China and take away business from these companies. When in the hell is America going to wake up and learn.

VOTE NO ON FAST TRACK

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, in a few days we are going to be voting on the fast-track bill with respect to a free trade agreement between the United States and Mexico. Let me just say to my conservative Republican friends, the conservative Republican position should not be in favor of fast track, and it should not be in favor of the so-called free-trade agreement with Mexico.

Mr. Speaker, when Mexico has political freedom, has internal free trade, has the right for businessmen to buy or sell, to hire or not hire, to build a plant or not build a plant, without having to know somebody powerful, they will have prosperity in Mexico, without economic benefits having to be pushed across the border by the United States.

Mexican workers are highly productive. Workers who are employed by the General Motors plants in Mexico City are achieving 80 percent of the productivity of workers in Detroit. When you couple that with wages that are around one-tenth of the wages paid by American manufacturers, one has to conclude that there will be a shift in production. Some people say that it is good for the consumer. Well, consumers are Americans with jobs and paychecks. Vote no on fast track.

□ 1110

KUWAIT MUST GRANT DUE PROCESS TO ALL DEFENDANTS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, earlier this week in the well I said that the national animal of Kuwait is not the camel but the kangaroo, as in kangaroo court, because it is that kind of justice which is being meted out by the Government of Kuwait to mostly Palestinian guest workers whom they accuse of being collaborators with the enemy during the Iraqi occupation of Kuwait.

Mr. Speaker, ironies abound here, because the same government which is trying these poor people as collaborators, in keeping with its tradition of a hedonistic, pleasure-seeking, indulgent nation, sat the war out in air-conditioned hotel rooms in Egypt and around swimming pools in Saudi Arabia while these guest workers remained behind with the dangers and deprivations that that brought.

I am pleased that, following my statement, the President and the State Department urged Kuwait to conduct fair trials. We should do more than just urge them. We should cut off all aid to Kuwait until such time as they grant due process to these defendants and all defendants who ever come into their courts.

SUPPORT DORGAN RESOLUTION OF DISAPPROVAL OF FAST TRACK

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, tomorrow the House will vote on whether to extend the President's fast-track authority for negotiating a free-trade agreement with Mexico.

I urge my colleagues to vote yes on the Dorgan resolution of disapproval and thus to vote against fast track. I urge all Members to ask themselves as they think about how to vote: "What will happen under a Mexico free-trade agreement to the middle-class, middle-income, working Americans of their district who have already seen a 9-percent decline in their wages in the last 10 years?"

Some people say that a free-trade agreement with Mexico is about tariffs. It is not really. It is about eliminating barriers to investment by the United States and American companies in Mexico, and when those barriers are gone, American companies all across America will be tempted to pick up stakes and move to Mexico to take advantage of 70-cent-an-hour labor.

Tomorrow, before Members vote, ask yourself: "What vote will be in the best interests of middle-income Americans in your district?"

NEGOTIATE FAIR TRADE FOR AMERICAN PRODUCERS

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, an author once wrote that the United States has never lost a war and never won a conference. I think of that when I think of our trade negotiations in this world.

We somehow seem to involve ourselves in trade negotiations and always come out on the short end of the stick.

The gentleman from Arizona was in the well a while ago saying, "Well, we need to support the free-trade initiatives, because this country can compete anywhere in the world and we should not shrink from that challenge." Yes, we can compete. I do not doubt that. We can compete anywhere in the world where we can get our goods in their markets, but you cannot compete in a market that is closed. You cannot compete against prison labor. You cannot compete against 11-year-old sweatshop labor. You cannot compete against plants that dump raw sewage in streams and dump pollution in the air.

That might be free trade and negotiate an end to the barriers between those kinds of countries, but it is not fair trade, and it will fundamentally injure this country to continue to insist on this change called "free trade" when it is not fair to American producers.

When we get something that is fair to American producers in trade negotiations, then we will compete, and we will do quite well, but until that time, we ought to vote against fast track and insist that our trade negotiators be starting to negotiate fair-trade arrangements all across this world.

MORE LESSONS TO BE LEARNED FROM GULF WAR

(Mr. KASICH asked and was given permission to address the House for 1 minute.)

Mr. KASICH. Mr. Speaker, as we begin to wrap up the defense bill today, we have heard a lot of speakers talk about the lessons learned from the war in the gulf, but there are some lessons that I do not think we have learned and some things that we ought to consider as we move beyond the defense bill into international politics.

No. 1, I think we ought to prosecute Saddam Hussein for war crimes. We ought to energize the world body to not only be able to prosecute people like Saddam Hussein but then to be able to move against other bad guys like Saddam so we do not have to put our troops out in the field.

The President ought to call an international conference on the sale of conventional weapons, the spiraling escalation of weapons being sold at the same accelerated pace that we had before the war.

And, third, we ought to have an international conference to discuss ways in which to stop the proliferation of weapons of mass destruction, not just chemical weapons, but nuclear weapons as well. The problems of North Korea illustrate the challenges that face us.

So, Mr. Speaker, while we spend our time learning the military lessons, we ought to also spend time studying the geopolitical lessons and, unfortunately, I do not think we have all learned them. I think we had better apply ourselves to learning them to prevent war in the future.

TRIBUTE TO THE FRANKLIN DELANO ROOSEVELT THERAPEUTIC PROGRAM

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, on the top of Pine Mountain, near Warm Springs, GA, is the F.D. Roosevelt Wilderness Therapeutic Program. This is a residential treatment center for young males and females, ages 8 to 15 years. The camp encompasses about 600 acres and is a joint project of the State of Georgia's Departments of Human and Natural Resources.

The camp was established for males in 1983 and the program for females was added in 1989. Behavior problemed youngsters are referred to the program by their parents, along with a community sponsor.

The thrust and purpose of treatment is to bring about behavioral change and improved personal functioning through living with a supportive group of peers and a caring, responsible adult in the wilderness.

I had the pleasure of visiting the camp recently and met with an Iroquis group, ages 14 to 16. I met with Keri, Tamra, Tricia, Nancy, Chrissie, Robin, Victoria, and April, along with counselors Binta and Deborah.

They are but a few of the several hundred young persons who have participated in the combination of classroom learning and its application to outdoor living. The length of treatment varies, but it usually lasts 18 months. Mental health problems are solved here, and I am pleased to call attention to the good work being done at the F.D. Roosevelt Wilderness Outdoor Therapeutic Program.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The SPEAKER pro tempore (Mr. AUCOIN). Pursuant to House Resolution 156 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2100.

□ 1117

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2100) to authorize appropriations for fiscal years 1992 and 1993 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal years 1992 and 1993, and for other purposes, with Mr. DURBIN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, May 21, 1991, the amendment offered by the gentleman from New York [Mr. MRAZEK] had been disposed of and all the amendments printed in part 1 of House Report 102-68 had been disposed of.

The Chair has been notified that amendments No. 1 through 5, 9 through 11, 13 through 15, 17 through 23, and 28 through 30 will be considered en bloc.

It is now in order to consider amendment No. 6 as printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HUNTER: At the end of section 213 (page 31, after line 10), insert the following new subsection:

(h) REQUESTED CAPABILITY.—Any system developed pursuant to this section—

(1) shall have a capability of defending against all ballistic missiles currently being deployed and developed by Iraq, China, Libya, Iran, Argentina, Brazil, North Korea, Pakistan, and Syria, including the CSS-2 missile, the SCUD missile (and all modified versions of that missile), the Condor II missile, the SS-300 missile, the SS-1000 missile, the Prithvi missile, the Agni missile, the Shahin 2 missile, the Al-Hussein missile, the Al-Abbas missile, the Tammuz 1 missile, the Hatf I and II missiles, and the SS-21 missile;

(2) shall have a capability at least equal to that of the SA-12 system, with projected upgrades, of the Soviet Union;

(3) shall be designed so that the warhead destruction mechanism and design is configured to ensure high probability of intercept and destruction of chemical and biological agents, nuclear warheads, and conventional warheads; and

(4) shall be capable of destroying multiple threats of the CSS-2 class (presently being produced and sold by the People's Republic of China), with interceptor destruction occurring at a distance sufficient and with finality to ensure that salvage fusing will not result in significant damage to the defended area.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from California [Mr. HUNTER] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Which Member will be speaking in opposition to the amendment?

Mr. MCCURDY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Oklahoma [Mr. MCCURDY] will be recognized for 5 minutes.

The Chair recognizes the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman and my colleagues, this amendment gives some direction to a very important area of national defense that was highlighted by the war in the gulf, and that is the defense against missiles and particularly against theater ballistic missiles which, in fact, is what the Scuds were which we saw so dramatically being taken down by Patriot missile systems.

The committee recognizes at this point how important ATBM is; that is, a defense against theater ballistic missiles. We have a fairly large portion of money now dedicated to ATBM; that is, $857.5 million.

We recognize also that there are many, many nations now proliferating those missiles including Iraq, which has what I would call not at this point a limited inventory; China, which is building the CSS-2 and selling it around the world; Libya, Iran, Argentina, Brazil, North Korea, Pakistan, and Syria.

The amendment that I have offered is one that goes to the ATBM section, and very simply it sets a standard. It is not micromanagement. It is a policy statement by the House of Representatives saying to DOD, "We want you to build a system—as you spend these millions of dollars that we have dedicated to the ATBM—we want you to build a system that will handle the missiles being generated in these Third World inventories and proliferated to military forces around the world."

□ 1120

If we do not do that, we will be denying the men in our Armed Forces the capability of defending themselves adequately against theater ballistic missiles.

Mr. Chairman, I reserve the balance of my time.

Mr. MCCURDY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we had this debate in the Committee on Armed Services on the amendment offered by the gentleman from California [Mr. HUNTER].

I would say at the outset that he has improved his amendment from the standpoint that he has reduced some of the micromanagement that existed in the earlier version. In the earlier version he indicated a particular system that had to meet particular mach numbers that had to have a certain range and other characteristics, which resembled, as my colleague from South Carolina [Mr. SPRATT] said, looked closer like an RFP, request for proposal, as opposed to a general policy statement of the Committee on Armed Services vis-a-vis the technology and the capabilities we desire in defeating the threat of theater ballistic missiles.

As I said, the gentleman's amendment has been improved. However, it is clear under this amendment that he would require all systems developed in the joint theater missile defense program to meet certain technical criteria, and be able to defend against all ballistic missiles currently being deployed and developed by a certain country.

Therefore, he outlines the number of countries; and what, in effect, it would do is prohibit the Patriot improvements. The improved Patriots would not meet the technical standards set by this amendment. He includes some missile capability, those developed by China, the CSS-2, which appears to be in the 3,000-kilometer range, and also some question about the CSS-3. In fact, those may be crossing into the ICBM arena as well.

So the request at $170.5 million for Patriot improvements could not be spent. Much of the success in the gulf, quite frankly, was due to the success of that particular system. This amendment also requires all systems developed by the joint office or the joint program to "have a capability defending against all ballistic missiles currently being deployed and developed by Iraq and China and several other countries."

As I said, China has deployed ICBM's, and because none of the systems being developed in the joint program will have a significant ABM capability, this amendment would block all spending on the TMB capability. This amendment would block all spending on the TMB systems, Patriot, ERINT, Arrow, and THAAD. Those Members who support theater missile defense have argued consistently that SDIO should be dedicating a large percentage of the funds for this area as opposed to being concentrating on a space-based system.

Now that we have seen the success of the Patriot in the gulf, people are now rushing to try to get on the bandwagon. Unfortunately, the gentleman's amendment undercuts much of the progress we have made.

Finally, I think the principal argument against the amendment is what we are doing on the floor of the House is micromanaging, by setting requirements and standards which the military ought to be developing. They ought to assess the threat, bring it back to the Congress, and have Members debate that as opposed to Members, literally, line by line, requiring certain capabilities at this point. It does not make sense.

I urge a "no" vote.

Mr. Chairman, I yield to my distinguished colleague, the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I think I understand the gentleman correctly to suggest that if we had had the Hunter amendment in place, we could not have deployed the Patriot missile because it did not meet the requirements, because it would not be able to knock out the CSS-2, the Chinese missile; is that correct?

Mr. MCCURDY. It is true that the Patriot missile does not meet the capabilities outlined, is not able to defeat the threat that is emerging in the future.

Mr. DICKS. We could not have developed the Patriot?

Mr. MCCURDY. Not if we had written the standard sometime ago, that is true. Congress should not be writing standards. We are not engineers. We are not the scientists. We are not the experts who say this has to fly at this speed and be able to defeat this threat.

We ought to tell the military, "You come to us, outline what the threat is, and tell us how you will respond to that," as opposed to being "line-itemed" and telling them what to develop.

Mr. DICKS. If the gentleman will continue to yield, I concur that we need to improve the Patriot, but to do it this way is a mistake. I urge my colleagues to vote against the Hunter amendment.

Mr. MCCURDY. There are a number of systems which have tremendous capability, whether ERINT or Arrow, which I support. I believe this amendment works aginst it. I urge a "no" vote on the Hunter amendment.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman from California [Mr. HUNTER] has 3 minutes remaining.

Mr. HUNTER. Mr. Chairman, let me respond to my friend, the gentleman from Oklahoma, and my friend, the gentleman from Washington.

My friend from Oklahoma is absolutely wrong, that we already have in law the standard that the ATBM system that we are developing, including the program with the Arrow be as capable as the SA-12 system, fielded by the Soviet Union. According to the Patriot program office, they have the capability of matching up with SA-12. Arrow, by definition, is supposed to be able to do that.

To my friend from Washington, let me tell my friend that it was members of the Committee on Armed Services, all Republican members, but nevertheless members of the Committee on Armed Services who urged Israel to give up the Levine fighter and build an Arrow missile, and simultaneously urged General Abramson to cooperate at the head of SDI.

Another point the gentleman should know, from what I understand in talking personally with the Arrow program manager, he thinks the idea of what we have done, which is remove Arrow from SDI and put it under the Army systems and under Army guidance, is not well-received by Israel and not going to work to the benefit of that program.

The charges of micromanaging can flow back and forth. Let me just say one last thing to my friend. We are not ombudsmen, we are charged to defend the United States and to give effectiveness to our Armed Forces. The gentleman thinks we should put on an RFP to industry to ask them if maybe they think it is a good idea to defend America, I suggest I have a different standard than he has. There are no velocities in here. There are no ranges. We simply say, "Look at all the Third World countries that are proliferating missiles around the world. Whatever you build, we want them to be able to meet the systems that presently are being sold by China, Libya, and others around the world."

Mr. Chairman, I yield to the gentleman from Oklahoma.

Mr. McCURDY. The comment I make is under the gentleman's amendment. With his requirements, we would not be able to expend the funds on Patriot, ERINT, Arrow or THAAD today. In fact, he has put a hold on the development. That is what we object to.

Mr. HUNTER. Mr. Chairman, let me reclaim my time. Under the analysis, at least this Member has done in talking about the classified aspects of the program that the gentleman has talked about, those systems can, in fact, meet these standards, and it is a matter of leadership at DOD, but they can do it without a problem.

(On request of Mr. DICKS and by unanimous consent, Mr. HUNTER was allowed to proceed for 1 additional minute.)

Mr. HUNTER. I am happy to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, what I am concerned about here is what we should say is, go out and develop the best system possible to meet these threats, but not make a condition precedent, that it meet each individual one, because I am worried that if we do that, there is a possibility that we cannot go out and deploy a system that might be 95 percent effective, but not 100 percent. That is what I think is a worrisome feature of the Hunter amendment here.

The gentleman says it has to be able to defend against every single one. What if it could defend against all but one.

□ 1130

The CHAIRMAN pro tempore (Mr. COX of Illinois). The time of the gentleman from California has expired.

(By unanimous consent, Mr. HUNTER was allowed to proceed for 1 additional minute.)

Mr. HUNTER. Mr. Chairman, let me answer my friend. The operative words here are "capability of defending." I do not think anybody has suggested that if you put in "capability defending" with respect to a weapons system it means that you have to stop every bullet, defend against every explosion, exclude every piece of shrapnel.

So the answer to my friend is this——

Mr. DICKS. Mr. Chairman, if the gentleman will yield, the gentleman says against all ballistic missiles currently being deployed and developed, the gentleman says all.

Mr. HUNTER. Precisely, but it does not say that every single bullet has to be stopped with a shield and that is the only way you can define "capability of defending." I think "capability of defending" has a general application much different from that; but let me just tell my friend this. We have Third World countries proliferating these missiles. If we are not going to direct our ATM office to be able to defend against those threats that are real, that are out there, those systems being sold, then we are not spending this billion dollars, almost a billion dollars, that we are going to authorize and appropriate this year.

Of course, they should be able to knock those things down, and they can do it.

Mr. McCURDY. Mr. Chairman, if the gentleman will yield, let us just add more money, let us take money out of the regular SDI and put it into this.

Mr. DICKS. This is useful.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. HUNTER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HUNTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156, and the Chair's prior announcement, the vote on the amendment offered by the gentleman from California [Mr. HUNTER] will be postponed until after completion of consideration of all of part 2 amendments which are not to be considered en bloc.

It is now in order to consider Amendment No. 7 printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FRANK of Massachusetts:

At the end of title II (page 46, after line 22), insert the following new section:

SEC. 237. TERMINATION OF SMALL ICBM PROGRAM.

(a) PROGRAM TERMINATION.—The Secretary of Defense shall terminate the Small ICBM program (known as the Midgetman missile program).

(b) FUNDING.—Funds appropriated or otherwise made available to or for the use of the Department of Defense pursuant to this Act or any Act enacted after the date of the enactment of this Act may not be obligated or expended to enter into a contract for research, development, test, or evaluation, or for procurement (including long-lead items), in connection with the Small ICBM program.

(c) FISCAL YEAR 1992.—The amount specified in section 201 for research, development, test, and evaluation for the Air Force is hereby reduced by $548,838,000.

Mr. FRANK of Massachusetts. Mr. Chairman, I ask unanimous consent, and this has been cleared with both leaderships, in consideration of offering only this amendment and not the second one, that the 10 minutes and 10 minutes be consolidated to 20 minutes on this amendment, and I will not offer the second amendment. I believe both sides have agreed to that.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. FRANK] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is an amendment to save $548 million. If this amendment passes, the deficit of the United States will be reduced by $548 million. Now, deficit reduction has got more support in principle and less in practice than any virtue I can think of.

What this says is that we do not need the Midgetman missile. People have argued for the Midgetman missile, but as everyone who is paying attention knows, it is very, very likely that we are going to sign a treaty with the Soviet Union to get rid of it.

Now, we have been told for years that we needed it as a bargaining chip. We are now bargaining with the Soviet Union which is about ready to sign this. It has been held up by some disputes over the conventional forces treaty, but what we are being asked to do now is to pay $548 million, a significant sum, to preserve a bargaining chip which we no longer need because the bargaining which necessitated this is essentially set.

No one believes that there will be—well, I should be careful, Mr. Chairman, in this Chamber never say no one; but no one I would care to credit thinks we are going to deploy this system.

So the question is, should we spend $548 million for a system we are not going to deploy, because people say it is a bargaining chip.

Now, Mr. Chairman, I have a riddle. What is the difference between a bargaining chip and buffalo chip? The answer is that the buffalo chip is extinct and the bargaining chip costs us a lot more money.

We have a chance here to save $548 million, and on the other side you can do research on the Midgetman. No one thinks we need it. No one thinks it is going to go into effect.

Mr. Chairman, I am a great supporter of submarines. I voted for the nuclear submarine program. We have Minuteman missiles. We have the B-1 bomber with a cruise missile. I am all for the triad, but I did not maybe get good geometry. I always thought a triad had three things in it. We are getting a five-sided triad. They want to have a Minuteman, a Midgetman, and an MX. That is three sides. I take it back. They have a six-sided triad. Then they got a nuclear submarine and then they got two airplanes, the B-2 and the B-1.

Now, if we are lucky, the B-2 will be gone, so we will not have to worry about that one anymore; but let us add the Midgetman to the pile.

Does anyone think in the current state of the world we should spend—and by the way, this $548 million only makes sense if you are prepared to spend tens and tens of billions of dollars to deploy it. This will be a very expensive system.

Now, I have to say this, Mr. Chairman. I was absent 1 day, and you know, when you miss school 1 day, sometimes you fall behind. This became the Democratic weapon when I was missing 1 day. The Republican weapon was MX and the Democratic weapon was the Midgetman. In other contexts, we are for trains and they are for trucks, but here we were for the trucks and they were for the trains.

Enough is enough, Mr. Chairman. No one thinks it has a military rationale. This weapon has outlived any possible hope of its deployment, any significant strategic mission. The only thing it has still got is a price tag of $548 million.

I offer this $548 million to the membership. It may be in the entire budget process the only chance you will get to vote for a straight 100 percent deficit reduction to no negative cost, and we have not even started to go into production. No one is going to lose their jobs yet. This is $548 million on research for something which will never go beyond the research stage. Let us kill it now.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Is there a Member in opposition to the amendment?

Mr. DICKINSON. Mr. Chairman, I move to strike the last word.

The CHAIRMAN pro tempore. First of all, is the gentleman in opposition?

Mr. DICKINSON. I do not know, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman has the authority to strike the last word.

Mr. DICKINSON. That is what I am asking, Mr. Chairman. I move to strike the last word.

The CHAIRMAN pro tempore. The gentleman from Alabama (Mr. DICKINSON) is recognized for 5 minutes.

Mr. DICKINSON. Mr. Chairman, I have listened to the gentleman as rapidly as I could and as closely as I could. I think the gentleman might be right.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. Does a Member rise in opposition to the amendment?

Mr. RAY. Mr. Chairman, I rise in opposition to the amendment on behalf of the committee.

The CHAIRMAN pro tempore. The gentleman from Georgia [Mr. RAY] is recognized for 10 minutes.

Mr. RAY. Mr. Chairman, the Frank amendment is contrary to last year's agreement for a number of reasons. Section 231 of the fiscal year 1991 authorization bill included this Sense of Congress language which passed twice last year in the House, once in the House bill and again in the conference report.

At a minimum, the United States should continue to develop the ICBM systems for deployment in silos to meet future U.S. ICBM modernizations, its requirements, and arms control objectives, while preserving a realistic option for our subsequent mobile basing and it should require future strategic arms control development also. This approach still makes good sense.

The other reason, the small ICBM is the future of ICBM modernization programs.

The MX missile procurement was terminated by the administration in fiscal year 1992.

Rail garrison is being put on the shelf at congressional direction after completion of R&D and one test shot from a train.

The Missileman II starts retirement in fiscal year 1992.

Minuteman III missiles have been upgraded, but cannot last forever, and whether Midgetman is deployed in silos or on hardened mobile launchers, HLS's are preferable.

It is the only part of the ICBM in development. The small ICBM supports further arms control also. A survivable ICBM will be increasingly important if and when we wrap up START and enter deeper reductions on any follow-on START II negotiations.

The single warhead Midgetman fits perfectly with the deMIRVing we have agreed on with the Soviets to pursue in START II.

START I will allow each side to have up to 1,100 warheads on mobile ICBM's. Midgetman would account for 500 at the most.

There are other reasons. The small ICBM is a prudent hedge. The Soviets have deployed two kinds of mobile ICBM's. R&D on small ICBM's is halfway there.

Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DAVIS].

□ 1140

Mr. DAVIS. Mr. Chairman, we will divide up our 5 minutes on our side against the amendment.

Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

The CHAIRMAN pro tempore. Without objection, the gentleman from Ohio [Mr. KASICH] is recognized for 3 minutes.

There was no objection.

Mr. KASICH. Mr. Chairman, I would like to say I kind of enjoyed this debate because some of my Republican colleagues who are so apoplectic about my position on the B-2 cannot make up their minds as to whether they are for this missile or not.

So I guess it is appropriate in a changing world for people to be able to define their priorities in different ways. Let me say I rise against the Frank amendment basically because I have always been a supporter of the Scowcroft Commission. I would like to see the MX on rail because one of the real lessons we learned from the war is mobility gives you greater stability. But the MX is not what we are discussing here. We are discussing the Midgetman.

What the Midgetman represents is the United States moving away from missiles that carry many warheads into a regimen where you have a single-warhead missile that is mobile.

Now, if we are going to maintain a land-based part of the triad, a missile force that is land based, then I want to have the one that is most stable. I think that an MX missile that fits in a silo where it does not move, with 10 warheads attached to it, becomes a very inviting target for Soviet military planners.

Where I would ultimately like to see the land-based side of the triad is mobile single-warhead systems that can move around, that do not offer very, very desirable aim points to hit.

Now, I have to tell all of you, I know we are all rethinking this whole concept of nuclear deterrence vis-a-vis the Soviets. I think we are all a little bit concerned that we are not going to spend money we do not need to spend. But I think it is necessary that a triad that has worked, that nuclear deterrence does work and that we ought to get those systems that are going to give us the greatest amount of stability but not going overboard whole hog in trying to revitalize every leg of the strategic triad, which is one of the reasons why I fight the B-2.

But I believe ultimately the small missile with a single warhead, mobile, gives us the greatest stability.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from New York.

Mr. DOWNEY. I thank the gentleman for yielding.

Mr. Chairman, I deeply respect and admire the gentleman's opinion on these issues because I think he has shown remarkable courage on his side of the aisle for being realistic.

What concerns me, if I might, is the—and I have been a supporter of the Midgetman Program—is that the world has changed, as the gentleman pointed out. No one would argue for a moment the idea of the need for a triad. There is a synergy that a diad would not have there. I think the idea that we need to have a new missile when the existing missiles are quite capable for the next 10, 15 years, is really the issue we now have to address.

Mr. KASICH. I say to the gentleman, since we are going to keep this missile in R&D and we are not going into production on it, it remains something that is negotiable with the Soviets, and I hope we negotiate the elimination of it. But, ultimately, our goal ought to be to have mobility and single warheads, not things like MX's with 10 warheads which move us away from it, which is why I continue to support the R&D, and I hope the gentleman from New York will continue to support it as well.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The Chair would like to clarify the situation here: The gentleman from Massachusetts [Mr. FRANK] has 6 minutes remaining, the gentleman from Georgia [Mr. RAY] has 2½ minutes remaining, the gentleman from Michigan [Mr. DAVIS] has 2 minutes remaining.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. I thank the gentleman for yielding.

First may I say to my distinguished colleague from Ohio [Mr. KASICH] it is with some reluctance that I rise to challenge my colleague's arguments. Today on the op-ed page of the Washington Post the gentleman and I have an op-ed piece in opposition to the B-2 bomber.

But on this particular issue, let me respond to his argument. The assumption of his argument is that each leg of our nuclear triad must be independently survivable. What the Scowcroft Commission did was to explore the myth that each leg of our triad needed to be independently survivable, as if a Soviet planner would sit there and sometime in the 1990's say, "Ah hah, the land-based missiles are vulnerable, let's attack because we have other weapons capability that would allow us to inflict such incredible, unacceptable damage that they could not survive as a civilized society in modern times."

That concept is called synergism. So it is not each leg of our nuclear triad that must be independently survivable. Survivability is in the aggregate of our nuclear weapons capabilities. And that is the response to my colleague's argument.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to my friend.

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, I just want to say that my goal is to have a land-based missile force that is going to be as stable as possible, and that is why I support the Midgetman, which moves us away from the multiheaded—multiwarheaded—missiles, and that is where I am in that area. That is just to make the point clear.

Mr. DELLUMS. I appreciate the gentleman's argument. I am simply saying that the major thrust of his argument is that each of our legs of the triad must be independently survivable, and that myth was exploded when the Scowcroft Commission wrote its report.

The CHAIRMAN pro tempore. The Chair is assuming that the gentleman from Nevada [Mr. BILBRAY] has assumed the time of the gentleman from Georgia [Mr. RAY]. Is the Chair correct?

Mr. BILBRAY. That is correct.

Mr. Chairman, I yield 1½ minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the Frank amendment. Basically, we have already made some drastic decisions about strategic forces. We have stopped the Trident Program at 18. I do not think there is anybody here who thinks we are going to go ahead and deploy the rail garrison MX Program. I would oppose that. It seems to me, as a prudent hedge to try to maintain some potential survivability in our land-based leg, which is clearly all vulnerable; every missile we have today is in a fixed silo which is vulnerable. The one hedge for survivability is the small single warhead ICBM, Midgetman.

I think we need to maintain that. I have been talking to the chairman here. Chairman ASPIN agrees that we need that. We are going to do this technology, do the R&D, and put it on the shelf.

If we then at some future point have a breakthrough where there is some vulnerability to the submarine leg of the triad, we may well want to come back to Midgetman. But to kill it now I think would be a mistake. I would urge the committee to stay with the chairman, stay with the committee, and continue the R&D on this program.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 30 seconds to the gentleman from Washington [Mr. DICKS].

Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman for yielding.

Mr. Chairman, the gentleman said he is for this because we are not going to deploy the rail garrison. Will he then, as a member of the Defense Appropriations Committee——

Mr. DICKS. We need one survivable land-based missile.

Mr. FRANK of Massachusetts. Yes. But in this bill we have $260 million for the rail garrison that he says is going to go nowhere. Why do we have that? If the gentleman does not think so, what do we have here $260 million to show that we are nice guys?

Mr. DICKS. The gentleman offered the wrong amendment.

The CHAIRMAN pro tempore (Mr. RUSSO). The Chair will state that the gentleman from Massachusetts [Mr. FRANK] has 4 minutes remaining, the gentleman from Michigan [Mr. DAVIS] has 2 minutes remaining, and the gentleman from Nevada [Mr. BILBRAY] has 1 minute remaining.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. I thank my colleague for yielding. Mr. Speaker, I rise in support of the amendments offered by Congressman FRANK.

Before we spend $549 million for more nuclear missiles, and $250 million to place them on rails we must ask ourselves, what for? Who are we defending against?

Are we defending against the Soviets? The cold war is over and the Warsaw Pact has vanished in the morning mist. Meanwhile, the Soviet economy is in a free-fall depression. In fact, President Gorbachev has just asked us for $1.5 billion in food aid. I hardly perceive these developments merit the construction of more ICBM's.

We are already armed to the teeth. An adequate deterrent force is in place. And if we are worried about other members of the nuclear club, then I fail to see how augmenting our already massive collection of nuclear weapons will add to that deterrent force.

Are we worried about accidental or unauthorized nuclear launches? We are, but it seems to me increasing the number of nuclear missiles and placing them on wheels increases, not decreases these risks.

Yet, like the Federal deficit, our nuclear arsenal continues to balloon against all reason.

Our real threat to national security comes from within. It starts with the three out of four children who desperately need Head Start and do not receive it. And continues on through the education system to the 9 million of this Nation's non-college-bound youth who lack any marketable skills.

I urge my colleagues to recognize the end of the cold war and save almost a billion much-needed dollars by passing the amendments offered by Congressman FRANK.

Mr. DAVIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I was going to ask the gentleman from Massachusetts [Mr. FRANK] if he would acquiesce to a friendly amendment and earmark the moneys saved, the $548 million—earmark that money for continuation of the B-2 bomber?

□ 1150

Mr. FRANK of Massachusetts. Mr. Chairman, will be gentleman yield?

Mr. DAVIS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Unfortunately, Mr. Chairman, my respect for semantics prevents me from being agreeable. The gentleman said, "The money saved." If we spent it on a B-2 bomber, it would be wasted, not saved. So I cannot accept that.

Mr. DAVIS. Mr. Chairman, we have already spent $3.5 billion on the small mobile system, and what we are talking about is $548 million to continue the development of the ICBM Small Missile Program. As we all know, the Soviets already have rail garrison, SS-24's. They have road mobile SS-25's. They are continuing their strategic ICBM modernization program in earnest.

Continued development of mobile ICBM, it seems to me, is a very prudent way and a course to follow as arms negotiations are continuing to go on. The small ICBM development entails very little risk. We have already no radical new missile technology. It preserves the technology base and production capabilities for ICBM's, provides the most efficient and flexible ICBM target coverage and mobile basing, provides flexibility in meeting the threat, whatever that might be.

So, even though a lot of people may not be excited, things have changed with the Soviet Union. It seems to me that the prudent thing to do now would be to continue. We have already spent, as I said, $3.5 billion to continue to spend the $548 million to complete at least the research and development on this program.

Mr. Chairman, I recommend that we defeat the Barney Frank amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. RUSSO). The gentleman from Massachusetts [Mr. FRANK] has 2½ minutes remaining, and the gentleman from Nevada [Mr. BILBRAY], who has the right to close, has 1 minute remaining.

Mr. FRANK of Massachusetts. Mr. Chairman, he has got a hard sell, so I do not begrudge him the chance to go last.

Mr. Chairman, I yield myself my remaining time.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. FRANK] is recognized for 2½ minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, I would like to yield this country $550 million. I would like to say to the American people, "Here is $550 million you don't have to spend."

Why should we spend it? Well, some of my friends say, "Oh, you should have killed the MX," but they are going to vote to put it in there. They will have a chance later to kill that.

Others say, "Well, we have to keep it around because we have to have the flexibility." No one has argued that this has a military mission. No one believes it is going to be deployed.

In fact, Mr. Chairman, the Midgetman was invented. Let us do a little political history. The Democrats did not have a weapon. So, we did not want to go for the MX because that was expensive and destabilizing, and it was, so we came up with the Midgetman so we could have a Democratic weapon. In the context that made sense, and that weapon has already served. It won a couple victories in the political war against the Republicans.

Let us bury it in peace because it did a lot better as a political weapon against the Republicans than as a strategic weapon against a decaying Russian empire. No one believes that we are going to ever use it. We have the nuclear submarines with MIRV missiles, we have the B-1 bomber cruise missiles, we have the Midgetman and the silo.

In addition, my friend from California, a great expert on this, said, "Try. It doesn't have to be independently survivable."

Well, it does if we think we are going to go fight three separate wars at one time against three separate enemies, that we are going to fight Russia, China, and whoever. One would be with the planes, and one would be with the trains, and one would be with the submarines. But against Russia are they really going to tell us that all of the nuclear submarines—they do not know where they are, thank God, and cannot find them, and the B-1 bomber with cruise missiles, and the Midgetman; that is not enough? We got to spend $550 million, not to ever put a weapon into place, but to do some research so we will know more about the weapon that we never used?

Let us not be so intellectually curious in this case because that is what we are talking about: $550 million of intellectual curiosity to no purpose, and I will say this: "Please, if you vote against me, that's OK. I don't take it that personal. But don't talk to me about deficits, don't talk about the poor elderly you want to help. Don't talk about the environment. If you can waste $550 million, you can't mean it."

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I say to the gentleman from Massachusetts, "You've convinced me."

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman from Alabama.

The CHAIRMAN pro tempore. The gentleman from Nevada [Mr. BILBRAY] has 1 minute remaining to close debate.

Mr. BILBRAY. Mr. Chairman, it is hard to talk after that, but let me tell my colleagues about what the committee has looked into.

As my colleagues know, we have cut the B-2 bomber out, one leg of the triad. Yes, we have the B-1. We cut the B-2. But the B-1, we have 97 of them. Turn of the century, the aging B-52's will be phased out gradually at that time. We had the rail MX in R&D. It is correct, but many of us feel in the committee, after listening to testimony, that the MX will be traded away as part of the arms negotiations, and maybe all the MX's will be destroyed in return for the destruction of the SS-18 by the Soviets. If we go into the 21st century and we have 97 long-range bombers, we have no new ICBM's, and we are only building 1 submarine per year, we are in deep trouble, and that is why the committee believes firmly that we must continue with the R&D on this missile system. It is important to our national security.

Mr. Chairman, I say to my colleagues, "Whether you're a Democrat or a Republican, you've got to support the committee on this security of our country."

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong opposition to the amendments offered by Mr. FRANK of Massachusetts that would terminate the MX rail garrison program and the Midgetman small ICBM programs, respectively. These shortsighted amendments would have an adverse impact on our national security and the credibility of our nuclear deterrence force.

The Armed Services Committee responsibly decided to continue funding further research and development of both programs. The Peacekeeper, which some still call the MX, is our front-line, modern ICBM capable of carrying 10 nuclear warheads. It provides a significant amount of strength to the ICBM leg of our triad. At present, this missile is based in hardened silos—silos which can be very easily targeted and destroyed by Soviet missiles. The Peacekeeper, like the older, smaller, less accurate, and more vulnerable Minuteman force, is a very tempting target. The MX—Peacekeeper—rail garrison program would increase the survivability of the Peacekeeper and make first-strike targeting by the Soviets or anyone else far more difficult due to this new basing mobility. Complicating the attack plans of our adversaries and increasing the chances that any attack may not achieve a satisfactory level of success increases nuclear stability and provides further incentive to engage in real strategic nuclear arms reduction negotiations.

The Armed Services Committee also responsibly decided to continue funding development of the new small ICBM, aptly called the Midgetman. This single warhead, second-strike ICBM is a critical program for the future. It is designed with strategic nuclear arms reductions—like those proposed in START—in mind. The small ICBM is designed to provide a mobile, highly survivable deterrent for the United States in an era of limited nuclear missiles. If we proceed with the deep cuts in nuclear missiles envisaged by START, we can no longer count on quantity of missiles and warheads to ensure a successful deterrent. The small ICBM would provide the quality and survivability our limited land based missile force would need. For those wanting deep reductions in nuclear missiles, the small ICBM is an important ingredient for any such agreement.

Both the rail-garrison MX and the small ICBM programs undergo intense testing and development at Vandenberg Air Force Base located in my district. In addition to providing critical security benefits to the United States and the free world, these programs are also beneficial to the local economy of northern Santa Barbara County. The Vandenberg AFB area was hard hit by the decision not to launch the space shuttle from the west coast. Other space programs, like the advanced launch system, are still off in the future. Vigorous testing of the Peacekeeper and small ICBM would help offset that loss. This added bonus further strengthens my support for these programs.

While we debate these programs, as we have over and over again for the past years—each time reconfirming our support for them—the Soviets are deploying their MX rail garrison and small ICBM. Rail-mobile SS–24, a fifth-generation missile of comparable size and warhead carrying capability to the MX, is being deployed. The smaller SS–25, which like the Midgetman is a single warhead, road mobile system, joined operational Soviet units in 1985. I urge my colleagues to remember that we cannot look at our programs as if they are in a vacuum. We must factor in our decisions what the Soviets have done and are doing.

I am very encouraged by the extremely positive democratic revolutions in Eastern Europe and the dissolution of the Warsaw Pact. I am also cautiously optimistic that real political and economic reforms can occur in the Soviet Union, though I am troubled by recent crackdowns in the Soviet Union and the recentralization of power in the military and the KGB. During his resignation speech, former Soviet Foreign Minister Eduard Sheverdnadze warned about the return of a hardline dictatorship in the U.S.S.R. It is a warning we should not ignore. While Gorbachev has been very successful in wooing the West with promises of peristroika and reform, the same Mikhail Gorbachev has continued to modernize and strengthen Soviet strategic nuclear forces. To me, actions speak louder than words. While we hope the words come true, we should not ignore the actions as these Frank amendments do. Despite all the euphoria in the West, we're not out of the woods yet. We cannot take chances with our national security.

We've had this debate many, many times before in one form or another. It's the debate over unilateral disarmament. And, let us not be fooled, these Frank amendments are unilaterally disarming our strategic modernization program.

Unilateral disarmament does not work. We proved it in the 1970's through failures like SALT and we proved it in the 1980's through the success of the Reagan-Bush program of peace through strength. Just look at the successful INF Treaty, which eliminated two entire classes of nuclear weapons, and the conventional forces in Europe agreement which will drastically cut military forces in the European theater. We reached these agreements not through unilateral disarmament, but through tough negotiations backed up by credible, effective military modernization programs. The agreements are guaranteed through tough verification regimes.

I strongly believe that the Soviets, who are developing and deploying their own MX rail garrison and small, mobile ICBM's will be more cooperative in reaching an equitable and verifiable strategic arms reduction agreement if they recognize we are working to counter their recent advances. Our experience with the INF Treaty underscores that. Enactment of the Frank amendments remove that incentive and weaken both our national defenses and our negotiating position. What do we end up with? No American modernization, hundreds of new, mobile Soviet missiles we have no way to counter especially with the majority's opposition to the SDI, no new missile reduction agreement, and no way to really verify any agreement we may reach. That's foolish and dangerous.

For both national security and future nuclear arms reduction reasons it is very important for the United States to continue with the MX rail garrison and small ICBM programs. To terminate either or both would severely undercut our negotiators in Geneva, making equal, reasonable strategic arms control agreements much more difficult to achieve. I believe the majority—from both sides of the aisle—on the Armed Services Committee recognize these facts and have wisely provided funds for continued development of both programs. The short-term political gains from terminating either of these programs do not even come close to offsetting the long-term national security losses. I urge my colleagues to join me in supporting the committee's position and opposing these amendments.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. BILBRAY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from Massachusetts [Mr. FRANK] will be postponed until after the completion of consideration of all the part 2 amendments which are not to be considered en bloc.

It is now in order to consider amendment No. 12 printed in part 2 of House Report 102–68.

AMENDMENT OFFERED BY MS. LONG

Ms. LONG. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. LONG: Page 86, line 18, strike out "FEMALE".

Page 87, line 1, strike out "Female members" and insert in lieu thereof "Members".

Page 87, line 3, strike out "female".

Page 87, line 5, strike out "mother of" and insert in lieu thereof "sole care provider for, or one member of a dual-military couple with,".

Page 87, line 7, strike out "her".

Page 87, line 7, insert after the period the following: "The preceding sentence does not apply at the same time to both members of a dual-military couple.".

Page 87, line 8, strike out "female".

Page 87, line 9, strike out "mother of" and insert in lieu thereof "sole care provider for, or one member of a dual-military couple with,".

Page 87, line 11, strike out "her".

Page 87, line 13, insert after the period the following: "The preceding sentence does not apply at the same time to both members of a dual-military couple.".

Page 87, in the matter after line 16, strike out "Female members" and insert in lieu thereof "Members".

The CHAIRMAN pro tempore. Pursuant to the rule, the gentlewoman from Indiana [Ms. LONG] will be recognized for 5 minutes and a Member opposed will be recognized for 5 minutes.

Is the gentlewoman from Maryland [Mrs. BYRON] opposed to the amendment?

Mrs. BYRON. I am, Mr. Chairman.

The CHAIRMAN pro tempore. The Chair recognizes the gentlewoman from Indiana [Ms. LONG] for 5 minutes in support of her amendment.

Ms. LONG. Mr. Chairman, after I have briefly discussed this issue, I will enter into a colloquy with the gentlewoman from Maryland, the chair of the Armed Services Subcommittee on Military Personnel and Compensation.

I commend my colleague from Maryland for her continuing leadership in providing for the welfare of our military members and their families. Once again, the gentlewoman from Maryland has produced a personnel package that will enhance the recruiting and retention of a quality force.

Members became increasingly aware of the inconsistencies regarding military family policies among the various services during the recent military action in the gulf. As a result, a number of Members cosponsored legislation to address military family issues. Mrs. BYRON has incorporated a provision in

H.R. 2100 to limit military duty requirements resulting in the separation of female members from their infant children. My concern is that the gender is so specifically identified in its language that male service members could be prevented from fulfilling family responsibilities under certain circumstances.

Certainly the majority of persons who would choose to care for an infant would be females. However, there are situations where a male parent would be the sole provider for an infant, or where it would be more beneficial for the male in a dual military couple to care for an infant. In my opinion, military families should not be precluded from this option.

I understand that language passed by the House in the Desert Storm supplemental would have done, in part, what the language in my amendment would do. I also understand that the Department of Defense and members of the other body expressed concern about the provision, and the addition of my amendment will likely make the provision increasingly controversial. I do not wish to complicate the legislative process on this matter if the issue can be clarified at this point. Therefore, I would like to enter into a colloquy with Mrs. BYRON, and then we can move foreward on this important bill.

Mr. Chairman, I would like to ask the gentlewoman from Maryland if she concurs with me that there are unique circumstances where a male service member with a newborn infant should not be deployed, particularly in those cases where the male service member has sole custody of the child. Does she believe that the Department of Defense should adhere to a policy that would protect a male member from separation from a newborn in such unique circumstances?

Mrs. BYRON. Mr. Chairman, will the gentlewoman yield?

Ms. LONG. I yield to the gentlewoman from Maryland.

Mrs. BYRON. Mr. Chairman, I thank my colleague for her kind words, and I appreciate the fact that she has worked with the subcommittee on this matter. I can assure the gentlewoman that I am fully supportive of her view that male service members should not be separated from children under the age of 6 months when there are unique and compelling family circumstances, such as sole custody. Such a provision is not included in the bill because I am confident that the services would defer an assignment or deployment for such a member based on hardship criteria already documented in service regulations. You can be sure that I will continue to emphasize to the Department of Defense the need for the services to recognize the special needs of male service members with children under the age of 6 months.

Ms. LONG. Mr. Chairman, I appreciate the response of the gentlewoman and I ask unanimous consent to withdraw my amendment.

□ 1200

The CHAIRMAN pro tempore (Mr. COX of Illinois). Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

It is now in order to consider amendment No. 24 printed in part 2 of House Report 102–68.

AMENDMENT OFFERED BY MR. OWENS OF UTAH

Mr. OWENS of Utah. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OWENS of Utah: At the end of title X (page 180, after line 8), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING UNDERGROUND NUCLEAR TESTS.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Threshold Test Ban Treaty, which entered into force in December 1990, contains a commitment in Article I that the United States and Soviet Union should ". . . continue their negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear weapon tests;".

(2) The Fiscal Year 1991 National Defense Authorization Act expressed the sense of the Congress that ". . . the United States shares a special responsibility with the Soviet Union to continue the bilateral Nuclear Testing Talks to achieve further limitations on nuclear testing, including the achievement of a verifiable comprehensive test ban".

(3) In 1988, States parties to the Limited Test Ban Treaty formally proposed an amendment that would broaden its prohibition on testing in the atmosphere, in outer space, and under water to include underground testing.

(4) The early prohibition of underground nuclear explosions would constrain the development and deployment of new generations of nuclear arms, reduce reliance upon nuclear arsenals, reinvigorate efforts to prevent nuclear proliferation, and end further radioactive contamination of the environment.

(5) The reliability of nuclear weapons of the United States as deterrents to nuclear war can be assured by means other than nuclear explosive testing.

(6) Recent advances in verification techniques and recent agreements and understandings between the United States and the Soviet Union regarding in-country monitoring and on-site inspection have helped open the way to effective verification of a comprehensive test ban.

(7) The Soviet Union has pledged to join the United States in completely and permanently banning nuclear testing.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President should fundamentally reassess the necessity of underground nuclear explosions and support a comprehensive test ban amendment to the Limited Test Ban Treaty.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. OWENS] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Mr. KYL. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN pro tempore. The gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Utah [Mr. OWENS].

Mr. OWENS of Utah. Mr. Chairman, I ask unanimous consent that the pending amendment may be considered in the modified form that I have placed at the desk.

The CHAIRMAN pro tempore. Without objection, the amendment will be considered as modified.

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. OWENS of Utah, as modified: At the end of title XXXI (page 283, after line 22), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING ACHIEVEMENT OF A COMPREHENSIVE TEST BAN.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Threshold Test Ban Treaty, which entered into force in December 1990, contains a commitment in Article I that the United States and Soviet Union should ". . . continue their negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear weapon tests".

(2) The Congress, in section 3142 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510, 104 Stat. 1839), expressed the sense of Congress that ". . . the United States shares a special responsibility with the Soviet Union to continue the bilateral Nuclear Testing Talks to achieve further limitations on nuclear testing, including the achievement of a verifiable comprehensive test ban".

(3) In 1988, several of the nations that are parties to the Limited Test Ban Treaty of 1963 formally proposed an amendment that would broaden the prohibition in that treaty against testing in the atmosphere, in outer space, and under water to include underground testing.

(4) In a January 7, 1991, statement at the Limited Test Ban Treaty amendment conference, the Soviet Union pledged to join the United States in completely and permanently banning nuclear testing.

(5) Recent advances in verification techniques and recent agreements and understandings between the United States and the Soviet Union regarding in-country monitoring and on-site inspection have helped open the way to effective verification of a comprehensive test ban.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should fundamentally reassess the necessity of underground nuclear explosions and immediately pursue negotiations in good faith toward the early achievement of a verifiable comprehensive test ban; and

(2) during the period before a comprehensive test ban enters into force, nuclear weapons testing carried out by the Secretary of Energy should emphasize assuring that the

United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in preparation for such a ban.

Mr. OWENS of Utah. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Armed Services Committee and I have worked with the minority over the last few days to iron out a few disagreements over the language in this amendment. We have reached an agreement which adequately addresses the minority's concerns, I think, without compromising the message which this amendment is intended to convey. I ask unanimous consent that these modifications be included in the amendment under consideration.

This amendment makes two points. First, it expresses the sense of the Congress that the President should fundamentally reassess the necessity of underground nuclear explosions and immediately pursue negotiations in good faith toward the early achievement of a comprehensive test ban. It seeks a review of the administration's opposition to a comprehensive test ban, and is intended to urge the United States to vigorously pursue an end to underground nuclear explosions at the nuclear testing talks, the conference on disarmament, and the limited test ban treaty amendment conference when it reconvenes in the future.

Second, this amendment expresses the sense of the Congress that during the period before a comprehensive test ban enters into force. The United States should focus its efforts on improving the safety and reliability of our existing stockpile of nuclear weapons. We should not be developing a new generation of nuclear weapons, such as Earth penetrating warheads or nuclear directed energy weapons. We should not be testing to improve that last one one-hundredth of efficiency, instead, we should be working to improve the safety of our nuclear arsenal, with a view toward achieving a comprehensive test ban in the very near future.

The Spratt report found significant problems in the safety of the nuclear stockpile, and these are a major concern. This amendment does not mean that the United States cannot address these problems. To the contrary, it means focusing on safety and immediately discontinuing all tests which are not directly related to safety test ban readiness. It means conducting tests only when there is no other alternative.

A comprehensive nuclear test ban is an idea which has been endorsed repeatedly by this House, most recently in last year's defense authorization, which expressed the sense of the Congress that "* * * the United States shares a special responsibility with the Soviet Union to continue the bilateral nuclear testing talks to achieve further limitations on nuclear testing, including the achievement of a verifiable comprehensive test ban." The amendment I wish to offer reiterates this point again this year, at a time when the public is more aware than ever of the costs of continued testing both to the environment and to our efforts to strengthen the international nonproliferation regime.

Mr. Chairman, no single measure will be more effective in controlling the rampant spread of nuclear weapons than a comprehensive test ban [CTB], an objective acknowledged in the Limited Test Ban Treaty of 1963, the Nuclear Nonproliferation Treaty of 1968, and the Threshold Test Ban Treaty of 1974. As you may be aware, in January the parties to the Limited Test Ban Treaty convened an amendment conference in New York to consider a comprehensive test ban.

Of the three nations with veto power over the proposed CTB amendment, only the Soviet Union pledged to support a comprehensive test ban. Regrettably, Great Britain and the United States maintain that nuclear testing must continue as long as national security depends on nuclear deterrence.

This view stubbornly ignores an improved ability to simulate nuclear effects, advances in verification technology, and greatly expanded Soviet openness. Moreover, recent improvements in stockpile reliability and security warrant a new assessment of the costs and benefits of a comprehensive test ban to nuclear deterrence and national security. They also warrant the planned phaseout over this decade of many older nuclear warheads which were designed before recent advances in safety and security occurred.

Continued opposition to a CTB jeopardizes the future of the Nuclear Nonproliferation Treaty [NPT], which must be extended in 1995. As was evidenced at the NPT review conference, and more recently at the limited test ban treat amendment conference, a majority of the States parties are becoming increasingly disgruntled with the U.S. position. Without clear progress toward a CTB by 1995, the nonproliferation treaty may be extended for only a short period, and may ultimately lapse. Such an outcome would destroy the very foundation of the regime to prevent the proliferation of nuclear weapons.

A CTB amendment offers an opportunity to expand and fortify the international nonproliferation regime. Because a comprehensive test ban amendment would apply to all parties to the Limited Test Ban Treaty, passage would include threshold States not currently bound by the nonproliferation treaty in a uniform, nondiscriminatory agreement. More importantly, it offers a chance for the United States to assume a proper leadership role in efforts to contain the spread of nuclear weapons. To ignore this in favor of developing a third generation of exotic nuclear weapons is to ignore real opportunities for the national and global interest.

PARLIAMENTARY INQUIRY

Mr. KYL. Mr. Chairman, I have a parliamentary inquiry.

Might I inquire first, since this amendment is in opposition to the committee bill, whether I have the right to close?

The CHAIRMAN pro tempore. Yes, the gentleman does have the right to close.

Mr. KYL. Mr. Chairman, I yield myself 3 minutes.

First of all, why do we have nuclear testing? Reason No. 1, we do so to ensure the reliability of our nuclear deterrent, and I do not think anyone would deny that our nuclear deterrent must remain reliable.

Second, we conduct nuclear tests in order to improve the safety, the security, the survivability as well as the effectiveness of those weapons. And, as a matter of fact, testing has allowed the introduction of modern safety and security features on our weapons, features that would not have been possible without such testing. It has permitted a reduction by nearly one-third in the total numbers of weapons in the stockpile since 1960, as well as a reduction in the total megatonnage in that stockpile to approximately one-quarter of its 1960 value.

Testing has enabled us to come to many fewer weapons and much less megatonnage. Without the testing, we would still have the old, large, dirty weapons that existed in the 1960's. In that sense, testing is very valuable and must continue.

Third, we conduct tests to ensure that we understand the effects of the nuclear environment on military weapons. In other words, totally apart from nuclear weapons themselves, what happens if there is radiation exposed to our communications equipment or our sensing equipment and other things like satellites? We need to know those things.

Finally, we test because we want to advance our understanding of nuclear weapons design in order to avoid technological surprise by anyone else.

Those are four vital national security goals, and the Departments of Defense and Energy both have indicated that they cannot be met without nuclear testing. We have actually drastically reduced the number of tests, in fact, to the lowest point in the last 30 years, even to the point that there is significant concern about testing, particularly with respect to safety.

My colleague, the gentleman from Utah [Mr. OWENS] referred to the Spratt panel report, of which I am the ranking Republican and the Drell committee, which reported to us on the issue of safety.

Testimony by members of that panel specifically was to the effect that we are going to need more, not less testing, irrespective of any kind of test ban treaty, in order to ensure that our weapons are safe. We are going to need more, not less underground testing.

Finally, I would note that we should probably encourage the Soviets to test because we are not very sure about the safety or security of their weapons. And in order for them to come up to snuff with respect to safety and security, they are going to have to do some testing. I think they ought to do some underground testing.

With respect to the issue of modernization, they have just concluded all their modernization. We have not done ours yet. It is very clear that time on a test ban is important.

Finally, with respect to the second point of this amendment, we already have an existing law, adopted 3 years ago by the Congress, that requires the Defense and Energy Departments to be prepared in the event of a test ban treaty. It is unclear to me whether this language as a sense of Congress is designed to supplement that or be overriding or contradictory or to fit in with it. It is not clear to me why we need two different statements.

I would think we would either want to repeal the existing law or not have the second paragraph of this statement, which in some respects is unclear with respect to the existing law.

Mr. Chairman, with that I reserve the balance of my time.

Mr. OWENS of Utah. Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentlewoman from Colorado, who has been a long time champion of a comprehensive test ban treaty.

□ 1210

Mrs. SCHROEDER. Mr. Chairman, I want to thank the gentleman from Utah [Mr. OWENS] for carrying this very important amendment. I think the gentleman, as always, is thinking in a forward manner.

Mr. Chairman, one of the most horrendous things we did in this century was introduce nuclear weapons. I think that the comprehensive test ban treaty, if there were any way we could get it before the century closed, would be a wonderful, wonderful improvement on the way things are.

Mr. Chairman, there are so many important aspects that have already been hit on in the prior debate. It is a little crazy to go over them, but let us also talk about the fact that there are so many countries thinking about becoming nuclear powers and saying they will not, if we really could get those that have nuclear weapons to agree to a comprehensive test ban. So I think this is one of the very, very important arms control issues that we really need to keep pressure on.

Mr. Chairman, the whole thing is not over yet. I think this is a very important thing to move forward on.

Mr. Chairman, I really thank the gentleman from Utah [Mr. OWENS] for adding this to the bill, to remind us of it all.

PARLIAMENTARY INQUIRY

Mr. KYL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman will state it.

Mr. KYL. Mr. Chairman, the gentleman from Utah [Mr. OWENS] had, I believe, asked unanimous consent to substitute language. Is it my understanding that that language was substituted?

The CHAIRMAN pro tempore. The gentleman is correct. The amendment has been so modified.

Mr. KYL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on that point, while the language is certainly better, in my view, from that originally proposed, of course, I still object to it on the grounds that I discussed earlier. Let me reiterate them, as they have not been responded to here.

Mr. Chairman, we need weapons testing for a variety of reasons. Some of those reasons pertain whether or not we have a comprehensive test ban treaty. We specifically discussed the issue of safety, for example. The Drell panel which studied this issue of safety extensively, recommended that the United States may have to have some additional testing in order to have better security and better safety of our own weapons.

We also have extensive concern about the safety and security of Soviet weapons.

Mr. Chairman, you cannot revise these complicated devices without testing. Therefore, it would be folly for us to actually preclude undergound nuclear testing. We already have a regime under which it is limited. We are clearly cutting the number of tests that we have. But we certainly should not preclude nuclear testing, either for safety or for security's sake.

Mr. Chairman, going to the second point of the amendment, that we should be prepared for an eventual comprehensive test ban treaty, 3 years ago we passed a law that already provides for that, so there is no reason to have the sense of Congress that goes into this to any greater extent.

Moreover, the language that has been accepted here is confusing, because it says we should emphasize assuring that the United States is in a position to retain the reliability, safety, and continued deterrent effect of its stockpile and existing nuclear weapons designs. Then it adds the curious phrase, "in preparation for such a ban."

Mr. Chairman, it is unclear whether we do those things apart from a ban or not. I would suggest that even the gentleman from Utah [Mr. OWENS] would agree that it is important that we be able to continue to assure the reliability, and the security, and safety of our weapons, whether or not we have a comprehensive test ban.

Mr. Chairman, because of the lack of clarity of the amendment, the preexisting law, which could be deemed to be in conflict with this, and the fact that even the Drell Commission has indicated the desirability of continued testing, it is very clear we should defeat the amendment of the gentleman from Utah [Mr. OWENS].

Mr. GREEN of New York. Mr. Chairman, the experience in Iraq has highlighted the need to strengthen further the nuclear nonproliferation regime. One clear step we can take is to enact further restrictions on underground nuclear explosions so as to constrain the development and deployment of a new generation of nuclear arms. Today Congress must send a strong signal to President Bush that the United States must reverse its adamant opposition to a comprehensive test ban [CTB].

It has been 32 years since President Dwight Eisenhower initiated negotiations for a CTB. Yet today, the administration is unwilling even to negotiate on a CTB. This position weakens global nonproliferation efforts in several important ways.

Politically, nuclear testing undermines the Nuclear Non-Proliferation Treaty [NPT], which remains the central element of international efforts to prevent the spread of nuclear weapons. Because a substantial number of nonnuclear weapons states have linked their support for nonproliferation to a complete test ban, continued testing encourages the nuclear efforts of nonnuclear weapons states.

The global community is approaching a milestone in nonproliferation efforts. While the NPT comes up for review every 5 years, article X of the treaty states that in 1995, 25 years after the entry into force of the treaty, "a conference shall be convened to decide whether the treaty shall continue in force indefinitely," as determined by a majority of the parties to the treaty. At the 1990 NPT review conference, which I attended, the unwillingness of the United States to tie progress toward a CTB with extension of the NPT in 1995 prevented the review conference from reaching consensus on a final document reaffirming the NPT.

This situation puts the NPT in some jeopardy. Progress toward a CTB has long been regarded by the nonnuclear weapons states to be an absolute minimum condition for superpower compliance with article VI of the NPT, which encourages weapons states to agree to negotiate good faith reductions of nuclear arsenals. If the Soviets and we will not comply with article VI, we cannot expect the nonnuclear powers to comply with the other parts of the NPT which require those nonnuclear states not to become nuclear states. The longer the superpowers stall on a CTB, the greater the prospects are that some nonnuclear weapons states will resist efforts to extend the NPT in 1995.

In addition, the willingness of the nonsuperpower nuclear weapons nations such as France, the United Kingdom, and the People's Republic of China to cooperate with the United States and the Soviet Union in a more restrictive nuclear test ban is essential to the long-term success of global efforts to limit nuclear warhead development. Those three nations, however, have resisted further restrictions on nuclear testing, believing that the two superpowers must lead the way by first achieving significant cuts in their nuclear and conventional forces before expecting other nuclear weapons states to accept further testing restrictions.

Technically, a CTB encourages nonproliferation because while a technically advanced nation with access to fissionable material can manufacture simple bombs without testing, more advanced fission and thermonuclear weapons require testing.

In short, I believe that the benefits of a CTB, which include restricting other nations' testing programs, strengthening the global nonproliferation regime, and ceasing radioactive underground contamination, greatly outweigh the concern that clandestine testing may occur below the monitoring threshold.

So today I ask my colleagues, is there any greater security challenge facing the 1990's than nuclear nonproliferation? Congress has long pushed the administration on the urgent issue of a CTB, and we must continue that course. I strongly urge my colleagues to support the Owens amendment, so that the Soviets and we can resume talks to achieve a verifiable CTB.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Utah [Mr. OWENS].

The amendment, as modified, was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 25 printed in part 2 of House Report 106-68.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. CONTROLLED SUBSTANCES TESTING PROGRAM FOR EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall establish and implement a random controlled substances testing program for employees of the Department of Defense.

(b) DEFINITIONS.—For the purposes of this section—

(1) the term "controlled substance" has the meaning given such term by section 102 of the Controlled Substances Act; and

(2) the term "employee of the Department of Defense" includes any member of the Department of Defense.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from New York [Mr. SOLOMON] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Mr. MAVROULES. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last week, for the first time we got to hear the reasons why some of our colleagues are opposed to the random drug testing of Federal employees. Never mind that I have been offering this amendment for the past 2 years and they are just now speaking up. But I would like to take a moment to address their concerns.

To begin with, they claim that random drug testing is enormously expensive, something like $77,000 for each positive test result.

This exaggerated number reflects the fact that most individuals in security or safety sensitive positions have the sense to stay off illegal drugs because they know they are likely to be tested. The truth of the matter is it only costs $10 to conduct a drug test. This means that if only 1 in 5—or 200,000—civilian DOD employees were randomly tested, it would cost $2 million but probably not even that. In contrast, the budget for the U.S. Drug Interdiction Program for fiscal year 1991 is over $998 million.

Another claim is that this legislation is unconstitutional. Mr. Chairman, I have studied this from day one.

The truth here is that the Supreme Court has not ruled on the constitutionality of random drug testing of government employees and that is why I am offering the amendment. I want them to do so. And where the courts have upheld testing safety sensitive and security positions, the Supreme Court has supported the decision.

Another outrageous claim is that my random drug testing amendment has circumvented the normal committee process.

That is not so. My bill has been pending before the Committee on Post Office and Civil Service and the Committee on Armed Services for 2 years.

Mr. Chairman, their claims are misleading and inaccurate—and before Members go establishing themselves as being against drug testing as a means to reduce illegal drug use in the United States, they should be aware of all the facts.

My amendment today, requires random drug testing for all the civilian employees of the DOD.

We have to eliminate the market for illegal drugs by eliminating the demand. And this can be done through casual drug user accountability.

Mr. Speaker, the days of regarding casual drug users as victims are over.

If we condition Federal privileges to remaining drug free, we can begin to send the message to illegal drug users that they are a major part of the terrible drug problem facing our Nation and will be held accountable for their actions.

In the last Congress, I introduced legislation to condition the privilege of driving with the responsibility of remaining drug free. This measure was passed by this House and became law. My amendment today continues to condition Federal benefits to the responsibility of remaining drug free by requiring the random drug testing of all civilian employees of the Department of Defense.

This amendment has already been attached to the CIA and NASA authorization bills and I will continue to offer it to every authorization bill in the 102d Congress.

If we are going to get serious about user accountability, what better place to start than right here? As the Nation's largest employer, the Federal Government has a compelling interest in establishing reasonable conditions of employment. Remaining drug free is completely reasonable for all Federal agencies and particularly for the DOD due to the nature of their business. We can't afford to have the personnel of this or any agency using drugs. There is far too much at stake.

Mr. Chairman, our Armed Forces have used this idea with remarkable results ever since Ronald Reagan established it in 1984. As you know, back in 1982, 27 percent of our military personnel were using drugs by their own admission. Then the military instituted a policy of random drug testing and, by 1988, drug use had dropped to 4.5 percent. That's an 82 percent reduction.

If the military could reduce illegal drug use by 82 percent, and if the State and local governments could reduce illegal drug use by 82 percent, then why can't the Federal civilian work force reduce illegal drug use by 82 percent?

And the private sector could reduce illegal drug use by 82 percent, the next thing we would see is no more market for illegal drugs.

GAO has stated that testing some and not all Federal employees has led to discrepancies in the drug testing program. For us to test the military, and, think of this, not to test the civilian employees of DOD, is grossly unfair.

☐ 1220

Are we going to discriminate against our own forces, especially knowing how well this program has worked for them and after all we have done in the Persian Gulf? I think not.

I want Members to support this amendment on behalf of our Armed Forces.

Mr. MAVROULES. Mr. Chairman, I yield 30 seconds to the gentleman from Missouri [Mr. CLAY], chairman of the Committee on Post Office and Civil Service.

Mr. CLAY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. SOLOMON]. Last week, by a vote of 145 to 265, the House defeated a similar amendment. The arguments against this amendment are the same ones that this body heard last week. To save time, let me offer five reasons, any one of which is sufficient, why this amendment deserves to be defeated.

First, it is now well established by the courts that the Government may test any employees in sensitive positions and any employee whose job performance may affect safety or health. The Department of Defense, as with all other agencies, has sufficient authority to implement appropriate drug testing programs as needed. This amendment is unnecessary.

Second, adoption of this amendment will require the Department of Defense to revise its drug testing program in a manner the courts have previously held to be unconstitutional. This amendment is not only unnecessary, it jeopardizes the existing Federal drug testing program. The Department of Defense opposes the amendment for this reason.

Third, this amendment would result in an enormous waste of tax dollars. It presently costs the Federal Government $77,000 for each positive drug test it conducts. If the Congress adopts these amendments, it will add half a billion dollars to the budget. All of this to conduct an unjustifiable testing program in which 99.5 percent of those tested will pass. Though I believe they have substantially underestimated, the Department of Defense estimates that drug testing admendments being proposed by the gentleman from New York will add $10 million to its drug program costs. The Defense Department opposes the amendment being offered by the gentleman from New York on this ground as well.

Fourth, the amendment has not been subjected to the committee process, a process from which this amendment would have benefited tremendously. The gentleman from New York would impose testing on all Federal employees but has neglected to provide any language to safeguard the validity of those tests. He would, without benefit of consideration by the committee of jurisdiction, impose an enormously costly, inefficient program on every agency of the Federal Government. He would impose this program despite the fact that it will jeopardize all existing Federal drug testing programs. And he would force this body to consider his amendment again and again, without benefit of committee consideration, despite the fact that this amendment has already been soundly rejected by this body. Members should not be required to repeatedly vote on this amendment on every authorization bill when the author of the amendment has deliberately sought to circumvent committee procedures.

Fifth, the gentleman from New York believes that all current and prospective Federal employees should be subject to drug tests. He stated last week that he felt all employees, whether public or private, should be subjected to random drug tests. Presumably, in his ideal world, every man and woman in the country and most children beyond the age of infancy should be subjected to random drug testing. Certainly this would discourage drug abuse, but at what cost? I believe that our constituents will support all reasonable, necessary steps to win the war on drugs. They will not, however, willingly surrender privacy rights where there is no reasonable basis for believing the individual ever used drugs and where there is no basis with regard to sensitivity of position, public health or safety for the test. In the name of fighting drugs, the gentleman from New York would administer a lethal overdose to the Constitution of the United States. Beyond being unnecessary, counterproductive, and inordinately wasteful, I believe that the program the gentleman is espousing is also dangerous and insulting. I urge that the amendment be defeated.

Mr. MAVROULES. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, although I have great respect for the gentleman from New York, I must rise in opposition to his amendment. His amendment today is the same as was offered on the State Department authorization last week—except that this one applies to the Department of Defense. The House resoundingly defeated the amendment on the State Department bill 265 to 145. All of the arguments made then against the substance of Mr. SOLOMON'S amendment are still relevant today.

Mr. SOLOMON'S amendment, as offered, does not differentiate between civilian and military employees of the Department of Defense.

All military employees have been subject to random testing since the 1970's. As regards civilians, the Department of Defense has a robust random drug testing program already in place. The Secretary of Defense has established specific testing designated positions for civilians within the Department.

These are positions that have been determined to deal with public health and safety, protection of life and property, law enforcement, and national security issues, and were established with congressional interest in mind. Such positions would include nuclear weapons handlers, police and personnel who handle firearms, and people who handle highly classified material among others.

There are currently 150,000 civilian positions subject to random testing now. In other words, more than 10 percent of the civilian work force, the 10 percent that matters, is already subject to drug testing.

I remind the gentleman from New York that the Supreme Court has said, the Government must demonstrate a compelling Government interest that sufficiently outweighs the individuals' privacy rights under the fourth amendment, before urinalysis tests can be conducted and upheld by the courts. Thus far, the courts have only recognized certain numbers of categories of duties, that justify such warrantless drug testing. The Department testing program conforms to these judicial decisions.

Adoption of this amendment would be costly. It would place a great strain on current facilities that process drug tests. It could divert resources from testing critical personnel to testing noncritical employees. Cost is not my greatest concern, but we must weigh that against doubtful benefits from expanding this program.

And, finally, before I yield, this matter falls clearly within the jurisdiction of the Post Office and Civil Service Committee. They have done a lot of work in this area; and based on my discussions with the chairman of that committee, I believe this amendment should be defeated.

Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Mr. Chairman, I rise in opposition to the Solomon amendments.

Mr. Chairman, I oppose the amendments of my good friend, the distinguished gentleman from New York, for six reasons.

First, this is not a drug test; it is an intelligence test. It is all about testing. The test, however, is not related to any war on drugs, but the intelligence and common sense of this body and this Congress.

We should not vote for any foolish and expensive proposal requiring Federal employees to urinate in a plastic cup any time, anywhere, and at any cost, just because someone waves the war on drugs slogan.

Second, the Department of Defense opposes the Solomon amendments. It is a slap at good people—including the hundreds of thousands of civilian personnel who supported Operations Desert Shield and Desert Storm—they froze Iraqi assets, set up the logistics, operated the Patriot missiles, and helped with every fancy weapons system. It will cost DOD an additional $10 million per year to randomly drug test all civilian employees and an additional $1 million to test all DOD applicants.

Third, all military personnel have been under random drug testing since the 1970's. DOD currently tests civilian employees and applicants whose jobs affect America's national security, health, and safety.

Fourth, the Committee on Post Office and Civil Service clearly holds jurisdiction under the rules of the House, and they have not supported this proposal for good reason. Moreover, this body just last week overwhelmingly rejected a similar amendment to the State Department authorization bill by a vote of 265 to 145.

Fifth, as drug czar William Bennett said: Random drug testing is a distraction. It is also very expensive. The Subcommittee on Civil Service, which I chair, recently finished a survey of 38 Federal agencies that test for drugs. We discovered that for every Federal employee who tests positive for drugs, American taxpayers pay almost $77,000 for each positive test.

Sixth, it will cost the Federal Government more than $139 million to randomly test only 15 percent of the Federal employee population, resulting in a cost to American taxpayers of $100,000 to identify one employee testing postive for illegal drugs. Just imagine, Mr. Chairman, the cost if 100 percent of Federal employees were tested.

Mr. Chairman, my final point is that our Federal civil servants are some of the most hardworking, dependable, family oriented and drug-free employees in America. Surveys show that they are older and more conservative than any other work force, private or public, in America. They stood by our troops in the desert, they stand by us at home, and passage of this amendment is an expensive slap in the face of every one of those dedicated civil servants.

Mr. Chairman, the Federal deficit has never been higher, Federal dollars have never been scarcer, and the scourge of drugs has never been more dangerous. To win the battle against drugs, we must target every dollar for maximum impact and efficiency. Obviously a massive, expensive drug-testing program—requiring the oldest and most conservative work force in America to randomly urinate in a bunch of plastic cups—is not the answer.

For all of these reasons, I strongly oppose the amendment, and ask Members to vote no on Solomon. And no again.

Mr. MAVROULES. Mr. Chairman, I yield my last 1½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I rise in opposition to one of the two amendments. Let me say with respect to the second amendment as it relates to applicants, I believe that is current law under the executive order. It is not law but the executive order currently requires applicants to be tested, and I agree with that. I will not oppose it and do not have a problem with it.

I would say, as the gentleman probably knows, 1.3 percent of applicants have tested positive of those tested.

However, with respect to existing employees, first, the proposal I believe is unconstitutional and second, it is more costly I think in terms of dollars than the gentleman suggests. But as I indicated in the last debate, cost is not the issue here. The cost of undermining the Constitution is very great indeed.

Do we have a problem with the existing executive order? We do not. We do not.

The gentleman is properly proud of what we have done in the Armed Forces. From 27 percent down to 4.5 percent is very positive progress indeed. I would suggest that Armed Forces personnel fall into the category of the currently identified DOD employees that are in security positions or sensitive positions. The executive order covers this.

I will tell the gentleman, notwithstanding OMB's failure to authorize them to say so, the Department of Defense does not believe, does not believe this is necessary.

Why not? Because, I would tell the gentleman, if he will not object, that 89,300 have been tested in the existing random testing process, and less than a third of a percent, .33 percent have been tested positive.

There is no problem which we are addressing. I would urge Members, as we did last time, to overwhelmingly reject this amendment.

The CHAIRMAN pro tempore (Mr. COX of Illinois). All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from New York [Mr. SOLOMON] will be postponed until after completion of consideration of all part 2 amendments which are not to be considered en bloc.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer amendment No. 26.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. DRUG TESTING REQUIRED AS A CONDITION OF NEW EMPLOYMENT WITH THE DEPARTMENT OF DEFENSE.

(a) PREEMPLOYMENT TESTING.—No person may be hired by the Department of Defense unless that person undergoes preemployment drug testing in accordance with this section.

(b) REGULATIONS.—The Secretary of Defense shall issue regulations to carry out subsection (a). Such regulations shall be issued no later than 90 days after the enactment of this Act.

(c) DEFINITIONS.—As used in this section, the term "pre-employment drug testing" means testing before employment for the illegal use of controlled substance (as such term is defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

(d) EFFECTIVE DATE.—This section applies with respect to the hiring of employees by the Department of Defense after the date on which regulations are first issued under subsection (b).

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from New York [Mr. SOLOMON] will be recognized for 5 minutes, and the gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say that the difference between this amendment and the other is that this only applies to applications, people who are seeking employment in the civilian sector of the Department of Defense. It is a part of the executive order today. We offered the amendment because we want to be consistent.

I have in the past offered these same amendments to all branches of government. We are trying to do that, No. 1, to be fair to all Federal employees. There is very little drug use among Federal employees, and I will be the first to stand up and fight for them in that respect. Certainly I do not expect to try to prejudice Federal employees. As a matter of fact, on this side of the aisle I happen to be one of the major sponsors to repeal the Hatch Act because I think that is grossly unfair to Federal employees. And in spite of the public unions coming out very strongly against my amendment, which I sort of resent a little bit the way they are going about it, I will not withdraw my support for the repeal of the Hatch Act. I am going to stick with my beliefs.

But I would just say this to Members on both sides of the aisle who have come under pressure from the public employees' unions, that 10 percent, perhaps, of the members of the Federal employees' unions oppose random drug testing. At least in my district, by my own personal poll, 10 percent of them oppose random drug testing.

□ 1230

The other 90 percent favor it. They do not want their fellow workers using drugs on the job or anyplace else.

So I would just say to the public employee union hierarchy, maybe you had better start listening to your membership, your rank and file back home as I am doing, because in a New York poll, 80 percent of your people are in favor of random drug testing for all employees, Government employees, in all sectors. According to a Gallup Poll taken just recently, 65 percent of the American people are in favor of not just random drug testing of Federal employees but testing every single one of them.

I do not want to go that far. That is fiscally impossible. It would not be fiscally responsible.

Mr. Chairman, I hope the committee is going to accept my amendment. They really should if we want to get rid of drugs.

Mr. Chairman, when the House accepted my amendment the other week requiring applicant drug testing for NASA employees, I called attention to the fact that the courts have already upheld drug testing applicants for employment with Federal agencies. While applicant testing is constitutional, many agencies have partial or no applicant testing programs. There is no reason why we shouldn't be drug testing all applicants to the Federal Government, as it is a reasonable condition of employment and has been upheld by the courts.

Much of the legislation that I have introduced has taken the approach that we can no longer view casual drug users as innocent victims of the drug crisis facing our Nation. They play a very large role in the illegal drug trade and must be held accountable for their actions. If we condition Federal privileges to remaining drug free we can begin to send the message to illegal drug users that they are responsible for their actions and that we are going to hold them accountable.

Last Congress, I introduced legislation to condition the privilege of driving with the responsibility of remaining drug free.

This measure was included in the fiscal year 1991 DOT appropriations bill which became Public Law 101–516. My amendment today continues to condition Federal benefits to the responsibility of remaining drug free by requiring that all applicants to the DOD must be drug tested as a condition of being hired for their position.

Some Members may question the cost of such a program, but when we look at the overall picture, how can you say that a million dollars is too much to spend to help stop the loss of lives we are seeing every day? Casual drug users are the reason why drug dealers continue to deal illegal drugs and face the possibility of death.

If even one person says I will not get started using drugs because I want to be able to work for the Federal Government, the Nation's largest employer, then we are making a difference. If we can save even one life, then we are making a difference.

We must continue to show that we are serious about dealing with the illegal drug problem in the United States. The courts have upheld this proposal and I would like to urge your support so that we can begin a campaign of user accountability. Then we can prove we are committed to ending this violent and tragic plague.

Mr. Chairman, I reserve the balance of my time.

Mr. MAVROULES. Mr. Chairman, reluctantly I must rise in opposition to Mr. SOLOMON's amendment that would require preemployment drug testing before any individual could work in the Department of Defense.

All of the arguments just made in opposition to Department-wide random drug testing apply to this amendment also. The Department already has preemployment drug testing for persons being hired for "testing designated positions" in the Department. As you heard previously, these are the positions designated by the Secretary of Defense as related to public health and safety, law enforcement issues, or relating to U.S. national security.

I believe this amendment to be unnecessary for all the reasons I have previously enumerated and encourage my colleagues to vote "no" on this amendment.

Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I, too, rise in opposition to the amendment proposed by our good friend and distinguished colleague, the gentleman from New York, and let me just point out three things.

The Department of Defense opposes this amendment and the other amendment. It is too costly.

Second, all military personnel have been under random drug testing since the 1970's—both civilian employees and applicants whose jobs affect America's national security, health, and safety.

The DOD has authority to do this under the Executive order. They do not use it because random drug tests are, as William Bennett said, a distraction, and it is very expensive.

Let me just conclude by commenting that my friend from New York says the GAO concluded that agency drug testing plans were unfair because all employees and all applicants were not included. The GAO concluded no such thing. The GAO concluded that the administration of the current testing plans was unfair because they were inconsistent and some were paying a little, some were paying a lot. To then pile onto this crazyquilt of poor administration of drug testing a further obligation flies in the face of the GAO report, and is not consistent with it.

Mr. SOLOMON. Mr. Chairman, before yielding to the gentleman from California, I would just say that the White House, in conversation with me this morning, has put out no opinion on this bill at all.

In speaking with the congressional liaison of the Pentagon, they have not either. I know there is a memorandum from the bowels of the Pentagon over there from somebody whom nobody ever heard of, so, so much for the memorandum.

Mr. Chairman, I yield the balance of my time to my good friend, the gentleman from California [Mr. CUNNINGHAM], who might have some expertise in this matter to share with us.

Mr. MAVROULES. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would just like to go through and give some of my background in the experience we have had with drug testing.

I was commanding officer of a squadron, and the Navy that I joined some 25 years ago was different in the fact that we had drug usage. It was rampant. In the services the morale was pretty low.

We decided to have random drug testing in the U.S. services, and the quality, I think, of Desert Storm and the quality of the troopers that you have in there today are far superior.

If one would go into a squadron today, I am sure they would tell you that, "No, we do not want drug testing." But what is done, every time we had a random drug test, as the commanding officer, I took the same test with them. I always told them, "I would not do anything that I would not ask of you either."

In the end result, people work in the workplace knowing that they are working with drug-free participants, and the morale, the quality of people that you have is better. And, I understand, we had them try and urinate in other people's bottles. We had them go on deployment and try and do those things. But there are ways that they try and beat it, but we can counter all of those things.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I am happy to yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate the gentleman's comments.

First of all, the gentleman maintains, of course, that some years ago, using his term, drug usage was rampant. It was, in fact, somewhere in the neighborhood of about 27 percent or more perhaps at the time as you expressed it.

Mr. CUNNINGHAM. Yes.

Mr. HOYER. This is when they first started testing. Before that it may have been higher, as the gentlemen suggests. It is now down, and the gentleman says essentially drug free. Am I correct?

Mr. CUNNINGHAM. No; no. Last year, I threw out about seven people in a year out of the squadron that tried to beat the system.

Mr. HOYER. It is currently about 4.5 percent, which is that environment of which the gentleman spoke relatively drug free. My problem with this proposal is that currently by testing, DOD has found an incidence rate of the 90,000 people they have tested, not an inconsequential number, one-third of 1 percent, which is I suppose, one-thirtieth of what currently exists in the informed personnel.

My suggestion, therefore, is it is hardly evident. We do not need to extend beyond that which we are already doing pursuant to the President's Executive order.

Mr. CUNNINGHAM. Mr. Chairman, I agree with the gentleman, but on the one hand, there is a lower incidence rate, but if you do not continue the testing, if you start relaxing those requirements, then you are going to go back to the status quo.

In the service, in this squadron when I left it, we had members established that set forth their own drug programs within the squadron. They took such pride in it, and I think the Federal employees can do the same thing across the board. When you have pride in the workplace, because you are in a drug-free environment, that is even more, and that came out of the drug testing that we had to start with.

Mr. MAVROULES. Mr. Chairman, I yield the remainder of my time to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, first of all, I misspoke, and I want to clarify that. I indicated under the Executive order that the gentleman's proposal was what the Executive order was in this case in terms of applicants. I am informed that that is not correct, because this is mandatory and, of course, the Executive order is a "may." That is a very significant difference, and apparently is the basis for the Defense Department's, not OMB's, and not the administration's position. The Defense Department's position, which I understand has not been in any way recently by Secretary Cheney saying, "No, this guy, this unknown person in the bowels of the Pentagon, does not speak for us," notwithstanding the representation of the gentleman from New York.

In any event, the DOD is, in effect, saying, "Yes, we can do this, and we want to have, continue to have, the authority to do it. We do not want to be mandated to do it."

Why? Because contrary to the belief of the gentleman from New York, they believe it will cost very substantial sums and not be justified by the return. The figure that we use in our Dear Colleague to test all Federal employees was $239 million. I do not have off the top of my head what the Department of Defense would be.

□ 1240

I frankly disagree very substantially with the gentleman's proposition.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from New York.

Mr. SOLOMON. The Department of Defense told me it would cost less than $1 million. They verified it cost $10 per test.

Mr. HOYER. In any event, DOD opposes this, notwithstanding that being mandatory, not having the "may" in the Executive order. If the President wants to change his Executive order, he can do that.

Whatever the position of the White House is, they have not done this. I presume they are still in charge. I presume the Commander in Chief is concerned about his Department of Defense. I presume that if the Commander in Chief believed this ought to be done, he would do it. Nothing constrains him from doing it, as my good friend from New York knows.

I suggest we reject this amendment and leave the Commander in Chief in charge.

Mr. SOLOMON. If the gentleman will continue to yield, the gentleman presumes that Mr. Cheney is in charge. How did the gentleman vote on the Cheney-Schwarzkopf-Powell budget yesterday? We took it away from them.

Mr. HOYER. I voted against it, and I am sure if Mr. Cheney, Mr. Schwarzkopf, and Mr. Powell had the opportunity to put a budget together after the war, it would be different than before the war, because like all Members, they learned something.

I would hope that is the case. I would hope that this amendment would be defeated.

Mr. KANJORSKI. Mr. Chairman, I rise in opposition to the Solomon amendment. The Solomon amendment is redundant, costly, and unnecessary.

The Federal Government already drug tests its employees. In 1986, the President issued an Executive order calling for each executive branch agency to establish random drug testing for its employees in sensitive positions. According to the Office of National Drug Control Policy, 122 of the 135 Federal agencies subject to drug testing already have fully approved drug-free workplace plans. Of the agencies with plans in place, 43 are conducting drug testing and represent 70 percent of the Federal work force. Only 13 agencies, mostly very small boards and commissions, do not yet have certified plans.

Guidelines for the President's drug testing program include six different types of drug testing programs: First, random and comprehensive testing of employees in sensitive positions; second, applicant testing; third, reasonable suspicion testing; fourth, voluntary testing; fifth, special condition testing; sixth, followup testing; and seventh, hardship exemptions.

In fact, the Department of Defense currently has a drug testing program for new employees as a condition of employment and it drug tests its current employees. The Department initially authorized random drug testing of civilian employees in 1985. The Department has budgeted $101 million for counterdrug reduction efforts in fiscal year 1992. Of this amount, approximately $80 million is for drug testing of military and civilian personnel. This amount would need to be increased by approximately $10 million if all civilians were subject to the Solomon amendment.

If the Solomon amendment is agreed to, the Department of Defense will have to absorb additional costs for drug testing under conditions when funds are scarce. This could cause the agency to eliminate other valuable programs in order to provide additional testing.

The Government has spent $11.7 million testing 29,000 employees with less than 1 percent of the employees testing positive. Under the Solomon amendment, it will cost the Government $186 million a year to randomly test all employees. It will cost an additional $338 million per year to test all applicants for Federal jobs. There comes a time when we must ask ourselves if this money could be used for better purposes against the war on drugs.

Last, the issue of random drug testing should be addressed by the Post Office and Civil Service Committee, who has jurisdiction over Federal employees, and not on the floor of the House. This committee has studied this issue for years and is performing continuing oversight on agency drug testing programs. Last week, the House extensively debated this amendment and rejected it by a vote of 265 to 145.

The Supreme Court has identified circumstances which drug testing should exist and is justifiable. This amendment would reignite litigation that has already been decided.

The Solomon amendment ignores the current drug testing programs and will cost the American taxpayers millions of dollars in testing alone, not to say how much it will cost to address the various court cases that will most certainly take place if this amendment is passed. The Solomon amendment instead diverts significant resources from important law-enforcement tasks that promise real progress in the war on drugs.

I urge my colleagues to vote against the Solomon amendment.

Mr. HAYES of Illinois. Mr. Chairman, I wish to reiterate my opposition to the Solomon amendments, which would impose on the Department of Defense another random drug testing system. I use the word "another" because Government agencies already have the authority and are implementing drug testing programs in accordance with Executive Order 12564, in a constitutional manner. The Department of Defense has a very successful and cost-effective program tailored to meet that agency's needs.

The Solomon amendments are unconstitutional because they require all employees to be subject to random drug testing and require applicants, without regard to positions or duties at stake, to submit to urine testing as a condition of employment. Enactment of this legislation would result in costly and repetitive relitigation of issues which have been resolved by the courts in the past 5 years.

Last week, when I discussed a similar amendment, I suggested that the millions of dollars which would be wasted by the Solomon proposal could be better spent on interdiction, enforcement, and education. I repeat that objection today. I wonder why so many of my colleagues are quick to throw exorbitant amounts of money at this legislation, but become pennypinchers when asked to support reasonable funding for education and jobs.

Don't vote for these amendments. Don't waste taxpayers money. Save your "aye" vote for programs which will get to the root cause of the problem.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from New York [Mr. SOLOMON] will be postponed until after completion of consideration of all part 2 amendments which are not to be considered en bloc.

It is now in order to consider amendment No. 27 printed in part 2 of House Report 102-68.

AMENDMENT OFFERED BY MR. AU COIN

Mr. AUCOIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. AUCOIN: At the end of title X (page 180, after line 8), insert the following new section:

SEC. . REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074b the following new section:

"§1074c. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074b the following new item:

"1074c. Reproductive health services in medical facilities of the uniformed services outside the United States."

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Oregon [Mr. AUCOIN] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

Mr. DORNAN of California. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DORNAN] will be recognized for 5 minutes in opposition to the amendment.

Mr. AUCOIN. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Mrs. BOXER], a leader on this issue.

Mrs. BOXER. Mr. Chairman, there is broad agreement that women performed magnificently in the military. So magnificently, that the Commitee on Armed Services followed the gentlewoman from Colorado, Mrs. SCHROEDER's lead and voted to remove the restrictions from women in combat.

We trust military women to defend our country. We trust them to be officers in the military. The committee voted to lift restrictions on their assignments.

Surely, surely we should trust them to make a private personal decision of choice. If they are in a country that has outlawed abortion, they were sent there to serve America. They were not sent there to be on vacation. If they find themselves in a horrible situation, they make a difficult and legal choice, their country should be there for them when they have made that tough decision.

Do not forget, Mr. Chairman, they will be using their own resources to exercise their legal right to choose. Let Members treat the women in the military with dignity and fairness. Let Members support the gentleman from Oregon, Mr. AUCOIN's amendment. Vote aye for women in the military.

Mr. DORNAN of California. Mr. Chairman, I yield myself 1 minute to respond quickly to the gentlewoman. I am also a member of the Committee on Armed Services, and I was there for that vote, and voted in the affirmative. It was a highly structured qualified vote not to open up all combat to women, but to open flying slots to college graduate officer women, and at the discretion of the military to decide when they would fly, where, and against what country.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, the amendment offered by the gentleman from Oregon [Mr. AUCOIN] is, in a word, antichild. It forces our defense health facilities to provide abortion on demand.

If enacted into law, this amendment will facilitate the death of children, because every abortion stops a beating heart. The key issue is whether or not Congress wants to turn our U.S. military hospitals into abortion mills.

I know that the President strongly opposes this amendment and will veto the entire bill if it is attached. If the AuCoin amendent prevails, I say to my friends, the Members of Congress who are voting for it will be directly responsible for providing the suction machines, the chemical poisons, the surgical instruments, the ways and means designed to dismember, poison, and kill unborn children for any reason whatsoever.

It will be Members, voting in favor of AuCoin, who provide the mandate for the abortionists to do their killing in military hospitals.

Let there be no mistake about it, the AuCoin language forces DOD hospitals and hospital care facilities to provide abortion for any reason, and that includes abortion as a means of family planning. This is a circumstance or reason for abortion that Americans overwhelmingly reject.

A recent Gallop Poll, for example, found that 88 percent of Americans were against family planning abortions. This poll result—which may be news to some Members—tracks with a Boston Globe poll released on March 31, 1989, which found that 89 percent of Americans want to outlaw abortion as a means of birth control.

I urge Members to vote "no" on the AuCoin amendment.

Mr. AUCOIN. Mr. Chairman, I yield 1¼ minute to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, some of my colleagues, as had just been heard, will try and frame this as an argument between pro-life and pro-choice. It is not that argument.

This amendment is not about abortion on demand. This amendment is not about creating DOD abortion clinics. This amendment is about providing quality, reasonable, equal access to health care for the military women.

In the matter of protecting the health and well-being of our active duty women and dependents, this Congress has a fundamental obligation to ensure that we provide equal access.

We have just congratulated our senior members of the military in Operation Desert Storm. Are we going to treat them differently? Are we going to take away from them constitutional rights which their Stateside contemporaries now enjoy?

When a woman raises her hand to be part of our armed services, she does not, I will submit, give up constitutional rights. Because most of the Members of this Chamber are males, let me leave this one hypothetical: When your daughter calls from Turkey and is in the military and says that she has an overactive thyroid, and her physician has advised her to terminate her pregnancy or face serious health consequences, do not force her into the back alleys of Turkey or the Philippines or another foreign country. Let her have decent military facilities in our foreign countries.

Mr. DORNAN of California. Mr. Chairman, I yield myself 15 seconds to say with all due respect to the gentleman's closing remarks, 1,250 women, which is as close a figure as I can get from the Inspector General's Office, were air-evacuated out of the Desert Storm area back to the United States. No person is rummaging around any back alleys anywhere in the world.

Mr. Chairman, I yield 1 minute to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I rise in strong opposition to the AuCoin amendment which would reverse current policy regarding abortion in overseas military hospitals. This amendment would require U.S. Government facilities to provide abortions for any reason at any time. I do not believe that U.S. taxpayers should be forced to facilitate such a policy of abortion on demand, especially in light of recent Gallup poll findings. According to a Gallup poll released in February of this year, a majority of Americans believe that, in the majority of cases, abortion is wrong and ought to be illegal. At the same time, there is reason to believe that many Americans mistakenly assume that the Nation's abortion laws generally reflect their convictions. If this amendment passes, it will not be a reflection of the general will of the American people. According to Gallop, 74 percent of Americans disapprove of abortion either consistently or often. Only 26 percent of Americans seldom disapprove of the practice. Moreover, 77 percent of Americans believe that abortion, at a minimum, takes a human life. This amendment—while going against the will of the majority of Americans—would not only advocate a policy of abortion on demand, but would also require military hospitals to spend scarce tax dollars to provide facilities and personnel for elective abortions. Proponents of this bill may present hypothetical hard cases, in which they feel abortion is absolutely necessary. It is important to note, however, that the language of the AuCoin amendment does not limit the abortion provision to so-called hardcase situations. Rather, it would mandate a sweeping policy of abortion on demand in U.S. military hospitals. Members should be aware that the current policy already permits the performance of abortions in military facilities when the mother's life is endangered. I urge my colleagues to vote "no" on this amendment.

Mr. AuCOIN. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding this time to me.

Since mid-1988, the Department of Defense has unilaterally prohibited military personnel and their dependents from privately paying for abortions in overseas DOD facilities even if there are no clinically safe private facilities available in the country in which they are stationed. This policy, which was not debated prior to its implementation by DOD, places in grave danger the life, health and welfare of millions of American women who are dependent on the military health care system, which was expressly established for the purposes of meeting all the health care needs of DOD personnel overseas.

Today, more than ever, with thousands of military women and reservists still in the Persian Gulf, where access to the full range of safe reproductive health is unavailable, it is essential that we change this policy. These women, stationed in the Persian Gulf and elsewhere throughout the world, are American citizens who have devoted their lives and careers to upholding the freedoms we all hold so dearly.

Yet in these cases, we force these women, who for very personal reasons may choose to terminate a pregnancy, to choose between unsafe, illegal abortions or traveling at great cost to a medical center in another country. This insensitive policy makes an already agonizing decision even more painful.

While this amendment provides access to medical care, it does not in any way require the Federal Government to pay for abortions and in no way affects the so-called Hyde amendment, which prohibits the use of DOD funds to pay for abortions except where the life of the mother would be endangered. It merely is a matter of fairness for those who serve our country overseas and rely on the Federal Government for their health care. It gives our military personnel overseas the same rights that the rest of us have as long as they are willing to pay for it.

Mr. Chairman, this is not abortion on demand. It simply allows Roe versus Wade to apply for all Americans, regardless whether or not they are serving their country. It is in no way a violation of the conscience clause. Our personnel in these hospitals are not required to perform them if it is against the grain for them personally.

Mr. DORNAN of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, how ludicrous to debate the issue of abortion, a matter of life and death, in 10 minutes, but that is what we have to do.

Yesterday, I am proud to say, the Foreign Affairs Committee protected whales, dolphins and porpoises. We passed House Concurrent Resolution 105 to state our concern about protecting those animals.

Today we come in here and say turn our military hospitals into abortion mills.

Vote for women? I would remind the gentlewoman that over half the unborn are women. Why do we not think of the little baby that is being exterminated? Why is it always the mother? Think of the baby.

Now, this is a radical amendment. There are no limitations; sex determination, late-term abortions, there is not the slightest hint of restraint, and yes, the person seeking the abortion will pay for it, but they are going to use taxpayer facilities.

You are making abortionists out of military doctors, and the conscience clause will not be effectual if this ever becomes law, and I pray it will not.

PARLIAMENTARY INQUIRY

Mr. AuCOIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman will state it.

Mr. AuCOIN. Mr. Chairman, the committee has no position on this amendment; therefore, I believe I have the right to close, is that correct?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. AuCOIN. Mr. Chairman, I then reserve my time.

Mr. DORNAN of California. Mr. Chairman, I yield 30 seconds more to the gentleman from Illinois [Mr. HYDE] to finish his thought.

Mr. HYDE. Mr. Chairman, I think the saddest thing about this is the dissolution of the conscience clause, because once this becomes law, if it indeed ever becomes law, it will be the law that a military person or a dependent will be entitled to an abortion, and it would just take a simple lawsuit to enforce that law by requiring available medical personnel in the military to perform this abortion.

Why not a conscience clause in the bill?

Mr. AuCOIN. Mr. Chairman, if the gentleman will yield, the gentleman knows that is not right.

Mr. HYDE. I know it is right. I would not make a statement that I think is wrong.

Mr. AuCOIN. The gentleman is wrong.

Mr. HYDE. The gentleman from Oregon is wrong. The court will rule against any conscience clause that exists by regulation because the law will supersede a regulation, the gentleman knows that.

Mr. DORNAN of California. Mr. Chairman, I yield myself the remaining 45 seconds.

Mr. Chairman, we had a very passionate debate here on gun control in this country on the Brady bill. The distinguished gentleman from Oregon was passing around this button. I voted for the Brady bill, so I had a right to wear it. It says "Seven days can save a life."

Well, a 7-day trip back to the United States, medivac'd out of some foreign area around the world, may give a young potential mother, as it says in the Bible, "with child" time to think about whether or not she wants to kill that child.

I told all my colleagues on both sides of the aisle that every debate on life I am going to hold up this little medical anatomical figure that they use to teach men and women studying medicine what life is all about in the womb. It is a little 12-week old fetus. You cannot tell the gender yet, but the heart has been beating since the 18th to the 20th day.

Every abortion in or out of a military hospital kills a human being and stops a beating heart.

Mr. Chairman, I include the following material from Cardinal O'Connor, the former archbishop for the military, and Archbishop Ryan, the current military archbishop:

Mr. Chairman, a few closing brief thoughts on why I oppose the AuCoin amendment. The AuCoin amendment states that a woman is entitled to obtain an abortion at the medical facility for her duty station in the same manner as any other type of medical care.

No restrictions upon this absolute entitlement are included in the AuCoin amendment.

What restrictions on this explicit "entitlement" are missing?

Parental consent for minors' abortions.

Second and third trimester abortion limitation.

Prohibitions of gender-selection abortions.

Viability testing of unborn children.

Spousal consent policy.

Those who do not affirm this abortion-on-demand policy should not simply trust that a new statute might be buffered by reasonable regulations. Current regulations treat abortion in a different manner from other medical services by stating that abortion is a procedure which can be subject to some restrictions. This is inconsistent with AuCoin's creation of a Department obligation to provide abortion in the same manner as any other type of medical service.

If enacted, the AuCoin amendment will be the only federal law governing abortions on overseas military bases. Members should not support the AuCoin amendment in the mistaken belief that some other law places limitations on the absolute abortion entitlement which it creates. Roe versus Wade and other Supreme Court decisions allow Congress to place certain limitations on abortion in Federal jurisdictions, but no Supreme Court decision requires any such limitations.

Vote "no" on the AuCoin amendment.

Remarks of Cardinal John O'Connor, Archbishop of New York, Chairman, NCCB Committee for Pro-Life Activities

Re Proposed amendment to H.R. 2100 requiring military hospitals to perform elective abortions

"Having had over 27 years' experience as a Navy chaplain, I am appalled that Congress might require military hospitals to provide facilities and personnel for elective abortions. This proposal was also offered last fall, at a time when U.S. military hospitals faced the most severe test of their medical readiness since the Vietnam war. Congress rightly decided then that these hospitals should not be diverted from their healing goal to become extensions of the American abortion industry.

"There is no reason for a different decision now. On the contrary: The physicians and nurses of the armed forces performed their task of saving lives and caring for the wounded with admirable skill. Until today no one has suggested they could have done their job better by doing more abortions. In fact, according to a recent report by the National Abortion Federation, fewer and fewer hospitals within the United States are performing elective abortions, in part because there is a professional stigma attached to this procedure. Why should our military hospitals now move in the opposite direction? If anything they should be especially careful not to export abortion to host countries whose traditions and legal policies respect unborn human life. Making our military hospitals into "abortion havens" could undermine respect for our society in these host nations.

"As a former chaplain, and as a drafter of the U.S. bishops' 1983 pastoral letter on war and peace, I am acutely aware of the most solemn principle of "just war" theory: Under no circumstances must our armed forces ever direct their attacks against the lives of innocent noncombatants. If the AuCoin amendment became law, we would treat the unborn children of our own military personnel in ways we should not treat the families of our worst enemies. I fervently hope Congress will reject this amendment."

Remarks of Archbishop Joseph T. Ryan, Archbishop for the Military Services

Re Proposed AuCoin Amendment to H.R. 2100 requiring military hospitals to perform elective abortions

"On May 17, 1991 I wrote to members of Congress requesting their assistance in defeating the AuCoin Amendment to the DOD Authorization Bill (H.R. 2100), because it would require military hospitals to perform elective abortions.

"Since then Reps. AuCoin, Machtley, and Fazio have written to their colleagues, challenging my concerns respecting the impact of this amendment on conscience protection for military personnel. They wrote: "Very simply, this is absolutely untrue," and cited military regulations.

"I am well aware of these regulations, and I am equally aware of the experience of several Catholic physicians in the military. Our Vicar General, Bishop Joseph T. Dimino, wrote to the Pentagon on March 4, 1991 in part as follows: ". . . I write to bring to your attention the fact that we have been receiving reports of harassment from several Catholic physicians now serving at military installations. The basis for the harassment and, in some cases, intimidation and discrimination would appear to be the conflict between the demands and expectations of some supervisory medical personnel and the dictates of the consciences of certain subordinate medical practitioners. This conflict is apparently centered around the refusal of particular physicians to prescribe contraceptives and to participate in abortions. We have been informed of physicians in the military who are being insulted and threatened with career difficulties because of their unwillingness to support activities opposed to their moral and religious standards and values. Since this situation is considered quite serious, we intend to do all possible to promote its alleviation."

It is my considered judgment that the passage of the AuCoin Amendment will greatly expand these problems, and I again request the members of Congress to defeat this amendment.

Mr. AUCOIN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I cannot believe the hysteria that has been ginned up against this simple and fair amendment.

Let us get this straight. This is not abortion on demand. It is not Government funding of abortion, and the right wing has been lying this amendment. It does not mandate abortion for any purposes at any point in the pregnancy.

Under the law, under the Constitution, nobody gets an abortion in the third trimester unless the life or health of the mother is at risk or if the fetus cannot survive outside the womb because it is so deformed.

Another thing, despite the hysteria that has been expressed on the floor today, this, is not about abortions for sex selection.

Sex selection? What kind of an impression do you have of our men and women in uniform? Do you really believe that the values of our brave service men and women are so loose as to abort a healthy fetus simply for sex selection? Give me a break. Give them a break.

This amendment applies only to service people abroad in places like the Philippines and Saudi Arabia where you cannot find safe and legal abortions off base. Do not tell us that there is no problem here. Talk to physicians, as I have, like LTC Jeffrey Jensen at the Subic Bay Hospital in the Philippines. He will tell you hair-raising stories, sickening stories about women he has treated in his hospital because of botched back alley abortions, resulting from the regulations that DOD has imposed on American servicewomen and their dependents.

We are talking about real people, military families who put their lives on the line in defense of our freedom here in this country. They are not asking for anything special. They simply want to be able to use what they earn, to exercise their choice as their country men and women do whom they defend.

Mr. Chairman, support the AuCoin-Machtley amendment.

PREFERENTIAL MOTION OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. SMITH of New Jersey moves that the committee now rise and report the bill the House with the recommendation that the enacting clause be striken out.

The CHAIRMAN pro tempore. The gentleman from New Jersey [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. Chairman, I yield to my friend, the gentleman from Illinois [Mr. HYDE].

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Mr. HYDE. I thank the gentleman for yielding to me.

Mr. Chairman, I am sorry we take this extraordinary step, but I think, in view of the remarks the gentleman from Oregon made, that some clarification is in order as to what the law is.

Now, his amendment says an abortion must be provided the same as any other medical service. Now, that is the language the gentleman has chosen.

Now, under the law today, Roe versus Wade, January 22, 1973, and the companion case Doe versus Bolton, the Court decided that during the first trimester the State has no interest in this decision, it is between a woman and her doctor; not the husband, the woman and her doctor.

The second trimester, the State has an interest only insofar as maternal health is concerned, not fetal health.

Now we are up to the third trimester. I hope I have the attention of the gentleman from Oregon. In the third trimester we are now up to 7 months, the Court said, "Oh, yes, the State has an interest, it can even prohibit abortions if the life of the mother is at stake or her health." Then in a companion case, Doe versus Bolton, they define health as the "absence of distress."

So under the most liberal definition of "health," anxiety, distress, abortion on demand is available during the entire 9 months.

Therefore, under the gentleman's amendment, late-term abortions would be permitted up to and including the 9th month. Sex-selection abortions, which do occur, would be permitted. It is without restraint, totally without restraint.

Now, the Roe versus Wade case is so bad as constitutional law that—who was the head of Common Cause?—Archibald Cox, no friend of ours on this issue, said that the Roe versus Wade case is not constitutional law, it is a set of hospital guidelines.

So the gentleman premises his amendment on the law, the constitutional law which, by the way, the Court is backing away from continually, realizing what an abomination it is, but the law permits abortion any time during the 9 months and, therefore, the gentleman's amendment would permit abortions up to the ninth month.

If that is what the gentleman wants to do, I think we ought to know it, instead of the gentleman misstating the law because when you are dealing with life and death it is a good thing to know the law.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The Chair would advise that the gentleman from New Jersey [Mr. SMITH] may not reserve the balance of his time; he either needs to use it or yield it back.

Mr. SMITH of New Jersey. I thank the chairman.

Mr. Chairman, I want to concur, endorse and associate myself with what my good friend, the gentleman from Illinois [Mr. HYDE] has just said. He is absolutely right. Mr. Chairman, the AuCoin amendment creates a new entitlement for abortion on demand—for any reason—and I hope my colleagues recognize that—abortions for any reason whatsoever, at any point in pregnancy, including the second and third trimesters in DOD health facilities overseas. However unpleasant, the fact of the matter is that Roe versus Wade legalized abortion on demand for all 9 months of pregnancy. That some proabortion Members deny this is astonishing. Former Surgeon-General C. Edward Koop, a man whom Members on both sides of the aisle deeply respect, acknowledged this fact in a letter to me in 1984. "Late abortions are legal in the United States. Abortion after 20 weeks, according to CDC figures, probably occurs 30,000 times per year in the United States. Probably about 4,000 of these are in the third trimester. Less than 5 percent of that number have induced abortions because of known defects in the fetus."

It is estimated that there are about 150,000 abortions in the U.S. after the 12th week—a majority of these having nothing to do with the so-called hard cases.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Chairman, I think I agree more with the gentleman from Illinois than the gentleman from Oregon on the Roe versus Wade/Doe versus Bolton cases. But as I remember, too, in the third trimester the State has the right to prescribe for certain reasons. But the gentleman from Oregon's amendment does not prescribe at all, has no prescription, has no conditions, nothing. As a result, we have no Federal law that does it, either.

Therefore, unless he is willing to put conditions in it, it is abortion on demand for any reason whatsoever.

Mr. SMITH of New Jersey. I thank my friend.

Mr. Chairman, I think its worth noting that the AuCoin amendment does not protect the conscience rights of military medical personnel. Since Federal agencies adopt regulations to conform to existing law, current conscience regulations, and they are good ones, could be in great jeopardy.

Mr. Chairman, the AuCoin amendment radically changes existing law and creates a new dilemma for military authorities and medical personnel. The AuCoin amendment would require DOD to provide abortions "in the same manner as any other type of medical care," a policy change that is inconsistent, with current regulations, and is likely to result in an administrative nightmare.

What happens, for example, if there are no physicians at one or several overseas health installations who are willing to participate in abortion-on-demand? What types of pressure might be brought to bear on medical personnel to participate in abortion, especially in those facilities where no one is willing to destroy children in this way? What about the conscience rights of those hospital administrators and other administrative personnel who refuse any complicity in abortion-on-demand.

These are profoundly troubling questions.

Yet, even if the "conscience" issue were to be resolved, the bottomline remains that our military hospitals should not become abortion mills. A military hosptial or health care facility should be a place of healing, a place in which life is to be saved, a place where human life should be protected.

Mr. Chairman, I believe it is evident that abortion stops a beating heart, and that abortion on demand is child abuse.

PARLIAMENTARY INQUIRY

Mr. AUCOIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. AUCOIN. Mr. Chairman, am I not entitled to 5 minutes in opposition?

The CHAIRMAN pro tempore. One Member is entitled to 5 minutes in opposition.

Mr. AUCOIN. Mr. Chairman, I claim the 5 minutes.

The CHAIRMAN pro tempore. The gentleman from Oregon [Mr. AUCOIN) is recognized for 5 minutes.

Mr. AUCOIN. Mr. Chairman, this has been a breathtaking display of opposition to the amendment, largely erroneous. At this moment I yield to the gentlewoman from Colorado [Mrs. SCHROEDER] to shed some light and some facts on the question.

Mrs. SCHROEDER. Mr. Chairman, I just want to point out that the gentleman's amendment is very, very appropriate. It says that women sent overseas to protect what this Nation and this great flag and this Constitution stand for will also be entitled to those rights. Now, they want to have a debate on what the cases say, what the law is, and everything else. That is really irrelevant. The issue is: Are we going to treat all the people in the Armed Forces the same on one side of the Atlantic as we would on another side of the Atlantic or the Pacific? I think the issue should be very clearly "yes."

One of the things I think women were most upset about during the whole Desert Storm issue was that they were being told to comply with some of the Saudi rules and some of the Saudi rules in Arab countries that did not recognize their equality.

This is saying that they have a very basic constitutional right extended to them overseas. It says if they want to utilize it, they must spend their own money. It is not taxpayer funded.

It is the only right thing to do.

I salute the gentleman for bringing this to the floor.

I think that is the issue, and let us keep it clearly focused on what it is.

Mr. AUCOIN. Mr. Chairman, I yield to the gentlewoman from California, [Mrs. BOXER].

Mrs. BOXER. I thank the gentleman for yielding.

Mr. Chairman, sometimes we come on this House floor and we debate the issue at hand. Today what my friends on the Republican side of the aisle are debating—I should correct myself; this is really, in a way, a bipartisan issue—Mr. HYDE, and Mr. SMITH, and Mr. DORNAN are debating an issue that is not before us.

The issue that is not before us is the decision of Roe versus Wade, which is the law of the land. This is not before us. That is before the courts.

What is before us today is whether a woman in the military has an equal right as a woman who is not in the military and who resides in the United States of America.

I say, as these good gentlemen cheer these women home, that the least they can do is give that woman equal rights. That is all Mr. AUCOIN's amendment is about, an equal right to make a tough and difficult decision. And the ability to know that once she has made it, she can go to a hospital and, with her own resources, carry out that choice.

This amendment is not about abortion. It is about equal rights for women in the military.

Mr. Chairman, I commend the gentleman from Oregon and I am proud to stand beside him in this debate.

Mr. AUCOIN. Mr. Chairman, I yield to the gentleman from Oregon [Mr. KOPETSKI].

Mr. KOPETSKI. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the motion. Mr. HYDE, one of the great honors for me as a new Member is to serve with him on the Committee on the Judiciary and on the Subcommittee on Civil Rights. The problem with his motion and his arguments today is he is jump-starting our debate on the Free Choice Act. We are going to have that debate fully before this House chamber in just a few months.

What we have before us today, as the good colleague from California says, is a totally different issue. Are we going to provide safe harbor for women in the Service who are in a foreign land so they can go to a competent doctor? They will write the checks themselves to pay for the Government services, whether it is for the doctor or whether it is hospital services. They pay the bill, not Government.

We will save money in doing so because we have had testimony that shows that women who do end up in the back alleys in the Philippines end up in the Service hospitals there because of the trauma that they incurred in the back alleys.

Let us get back to the main motion before us today.

Mr. AUCOIN. I yield myself the balance of my time.

Mr. Chairman, let me close by trying once again to appeal not to people over there who do not want to listen to the facts but would rather deal with hysterical arguments, but with my colleagues who are really trying to find out the facts and trying to search for the truth.

The truth is that the amendent by statute does not touch the conscience clause that is built into every service's policy. I have the citations right here. If they are in effect today, they are untouched by our amendment. And they protect any health care provider in uniform from being ordered to perform any health care service that is against his or her conscience.

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Mr. Chairman, these regulations were in effect from 1982 to 1988, and they protect those health care providers. They do so again today under the terms of this amendment, and the gentleman from Illinois is wrong when he says that they are somehow overturned.

This is a question of equal application of the law, and I do not think we ought to be consigning military women to back-alley abortions.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The question is on the preferential motion offered by the gentleman from New Jersey [Mr. SMITH].

The preferential motion was rejected.

Mr. WOLPE. Mr. Chairman, I rise in strong support of the AuCoin-Machtley amendment. This amendment would restore the right of women in the armed services to obtain abortions at their own expense in military hospitals overseas. Women in the military had this right until October of 1988 when the Department of Defense began prohibiting military hospitals from performing abortions. I find it unconscionable that the women who are bravely protecting this country abroad are not given the same rights they would have right here at home.

Our Armed Forces are stationed in many countries which prohibit abortion, such as Saudi Arabia, Germany, and the Philippines. An American woman stationed in one of these countries who wanted an abortion would be unable to have one. She would have to wait for room on a transport plane to travel to a country where abortion is legal, delaying the abortion and increasing the risk. Or she could try to obtain an unsafe illegal abortion on the streets. This means that a woman who was risking her life defending her country in Operation Desert Storm would have to give up her right to a safe legal abortion. We should not be in the business of rescinding the rights of those who fought so bravely to protect ours.

The AuCoin-Machtley amendment is a rare opportunity to do something for our military personnel without spending any money. The amendment would not supply funds for soldiers to obtain abortions. It would only allow women in the military to pay for safe legal abortions just as women in this country are allowed to. I urge my colleagues to support AuCoin-Machtley.

Mr. EMERSON. Mr. Chairman, I stand in strong opposition to the amendment offered by Mr. AUCOIN. This amendment would require that abortions be performed, on demand, at overseas U.S. military facilities. This would include third-trimester abortions and abortions sought because the baby is not of the desired sex.

It is of no comfort at all that the amendment requires payment from the patient. Paying for abortions does not camouflage the fact that innocent human life would be taken. The conscientious burden with the issue of abortion is that of life or death, right or wrong, not of who bears the cost. Congress is quick to defend the rights of the poor, the homeless, and the disadvantaged. Yet all too often, we turn a deaf ear to the silent cries of the most helpless of all—the unborn. Mr. AUCOIN's amendment would permanently silence so many of the unborn.

Mr. AUCOIN's amendment does not allow medical personnel at military hospitals the freedom to exercise their conscience. In other words, physicians at military hospitals would have to perform abortions, even if it violated their own precepts, or be in violation of law.

A "yes" vote on this amendment is a vote for abortion. I urge a "no" vote.

Ms. PELOSI. Mr. Chairman, I rise today in support of the AuCoin/Machtley amendment to the fiscal year 1992 DOD authorization bill. I would like to also take this opportunity to thank our colleagues, Congressmen AUCOIN and MACHTLEY, for their leadership on bringing this important issue before the House.

The AuCoin/Machtley amendment states that members of the U.S. military forces and their dependents stationed overseas are entitled to all facets of reproductive health care in a military medical facility. Currently U.S. members of the military serving overseas and their dependents are limited in their options.

In October 1988, the Department of Defense initiated a policy prohibiting military families from obtaining abortion services at military health facilities even if local facilities are unsafe and local laws prohibit abortions. This policy has not only placed an undue burden on women and families in the military, causing them to receive unsafe and/or outrageously expensive health care, but it also has gone against the purpose for which military health facilities were placed overseas. Medical facilities have been established worldwide precisely to meet the needs of military personnel and their families where local facilities are inadequate. This policy also discriminates against the women serving in the military overseas.

This amendment would allow members of the uniformed service to use their own funds to pay for an abortion. Federal dollars would not be used to pay for any abortion services.

The issue before us today is one of fairness. Providing those serving our country overseas with health care is why we have military medical centers overseas. Having volunteered to serve their country, women overseas deserve the same access to health services as Americans at home. I urge my colleagues to support the AuCoin amendment.

Mr. ANDREWS of Maine. Mr. Chairman, I rise today to urge my colleagues to support the AuCoin-Machtley-Fazio amendment to the Department of Defense authorization bill. This amendment will allow military personnel and their dependents to use their own funds to pay for abortion services at overseas military hospitals.

It is patently unfair that women who support their country through service in the military must sacrifice their right to reproductive privacy. This amendment simply upholds the law of the land, returning the right to choose to those women serving in our Armed Forces overseas.

This measure does not cost taxpayers a penny—the patient pays the full cost. It does not provide for abortion on demand. It does not create a new standard regarding reproductive rights. It simpy stops the discrimination against a woman's right to equal access to health care.

Support the AuCoin-Machtley-Fazio amendment. Support a women's constitutional right to access. Our servicewomen support their country by serving overseas; they certainly deserve to be able to exercise the same rights they have at home.

Mr. MATSUI. Mr. Chairman, before us today is the opportunity to reinstate for American women serving in the military overseas the opportunity to exercise their right to choose to have an abortion. The right of American women to choose to terminate a pregnancy is one which is protected. This protection for American women should not stop at our borders. Today we have the opportunity to reaffirm this right to choice for American women living abroad on U.S. military bases.

Since 1988, the health of American servicewomen and women in military families has been put at risk because the Department of Defense believes they should not be able to use their own money to obtain an abortion at a military medical facility. The amendment before us today does not change current restrictions on use of Federal funds to pay for abortions. It simply says that American servicewomen overseas should have the same opportunity to obtain an abortion, using their own money, that exists for women here at home.

These women are overseas either as servicewomen or as family members of service personnel. They are abroad in service to their country, working and fighting to protect the rights we Americans hold so dear. In turn, the Federal Government should recognize and respect their rights as United States citizens to obtain a safe, legal abortion if such services are necessary.

For many of the women living on military bases overseas, a safe, legal abortion is difficult, if not impossible, to find. In some instances, women have to travel outside of the country they are living in to obtain a safe, legal abortion. To limit the opportunity and compromise the health of women living outside the United States in this manner is unacceptable. Deciding to have an abortion is not a simple decision, it is one that women arrive at after much thought. The U.S. Government should not be in the business of making this decision any more traumatic than it is already.

This amendment is about consistency in our policies for American military personnel and their families. These individuals are working to protect our freedoms, it is now time for Congress to work to protect their freedom of choice. I urge my colleagues to vote in support of this amendment.

Mr. REED. Mr. Chairman, I rise in support of the AuCoin-Machtley-Fazio amendment.

As a veteran of 12 years in the military, I know the hardships that face our soldiers.

I do not believe we should add to the burdens that face those who serve our country overseas by denying them rights available to other American citizens here at home.

I urge my colleagues to adopt this amendment.

Mr. GREEN of New York. Mr. Chairman, today we shall have the opportunity to rescind a terribly unfair and ill-conceived restriction on a woman's access to a safe, legal abortion. I urge my colleagues to seize that opportunity and vote for the AuCoin-Machtley-Fazio amendment to the Department of Defense authorization bill for fiscal year 1992.

The AuCoin-Machtley-Fazio amendment will reverse a 1988 administrative decision by the Defense Department that prohibits military personnel stationed overseas from obtaining a privately paid abortion in a military health facility. This ban leaves military women who are stationed in countries where legal abortion is not available and wish to terminate a crisis pregnancy with only two options; to spend exorbitant sums of money, sometimes their life savings, to travel to the nearest country that provides legal abortions; or to risk an off-base, unsafe abortion in the country where they are stationed. Such obstacles are not faced by their counterparts in the United States who can go off base and exercise their constitutional right to a legal abortion.

The adverse effects of the ban on privately paid abortions are real and ugly. I have read statements from a Navy doctor in the Philippines who has treated women in the base hospital for life threatening complications from botched abortions. I maintain that it is unconscionable that U.S. military personnel who are putting their lives on the line for their country should be subject to such a cruel policy. Military personnel must not be denied the constitutional protections that they stand ready to defend with their lives.

I urge my colleagues to vote in favor of the AuCoin-Machtley-Fazio amendment and restore to our military personnel overseas the same rights enjoyed by their stateside counterparts.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon [Mr. AUCOIN].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DORNAN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156 and the Chair's prior announcement, the vote on the amendment offered by the gentleman from Oregon [Mr. AUCOIN] will be postponed until after completion of consideration of all part 2 amendments which are not to be considered en bloc.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN pro tempore. Pursuant to the provisions of section 4 of House Resolution 156, votes will now be taken on those amendments in part 2 of House Report 102-68 on which recorded votes were ordered.

Votes will be taken in the following order: amendment No. 6 offered by the gentleman from California [Mr. HUNTER]; amendment No. 7 offered by the gentleman from Massachusetts [Mr. FRANK]; amendment No. 25 offered by the gentleman from New York [Mr. SOLOMON]; amendment No. 26 offered by the gentleman from New York [Mr. SOLOMON]; and amendment No. 27 offered by the gentleman from Oregon [Mr. AUCOIN].

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

AMENDMENT NO. 6 OFFERED BY MR. HUNTER

The CHAIRMAN pro tempore. The pending business is the vote on Amendment No. 6 offered by the gentleman from California [Mr. HUNTER] on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from California [Mr. HUNTER].

The vote was taken by electronic device, and there were—ayes 161, noes 265, not voting 5, as follows:

[Roll No. 105]

AYES—161

Alexander
Allard
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson

Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goss
Gradison
Grandy
Guarini
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Horton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (NC)
Kasich
Klug
Kyl
Lagomarsino
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Traficant
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wilson
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—265

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Goodling
Gordon
Gray
Green
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Houghton
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Jenkins
Johnston
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Rangel
Ray
Reed
Richardson
Roberts
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—5

Browder
Ford (MI)
Hopkins
Lehman (FL)
Serrano

□ 1333

Messrs. MRAZEK, COSTELLO, and CONYERS changed their vote from "aye" to "no."

Messrs. EMERSON, OXLEY, THOMAS of California, GRANDY, RHODES, SMITH of New Jersey, and RIDGE changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. Cox of Illinois). Pursuant to the provisions of section 4 of House Resolution 156, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 7 OFFERED BY MR. FRANK

The CHAIRMAN pro tempore. The pending business is the vote on amendment No. 7 offered by the gentleman from Massachusetts [Mr. FRANK], on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The vote was taken by electronic device, and there were—ayes 109, noes 317, not voting 5, as follows:

[Roll No. 106]

AYES—109

Abercrombie
Andrews (ME)
Atkins
Beilenson
Bilirakis
Bonior
Boxer
Bryant
Campbell (CA)
Carper
Clay
Collins (IL)
Collins (MI)
Cox (IL)
Coyne
DeFazio
Dellums
Dickinson
Dingell
Donnelly
Dorgan (ND)
Duncan
Durbin
Dymally
Early
Eckart
Edwards (CA)
Evans
Flake
Ford (TN)
Frank (MA)
Gejdenson
Grandy
Guarini
Hayes (IL)
Henry
Herger
Hertel
Hochbrueckner
Johnson (CT)
Johnston
Kennelly
Kildee
Leach
Lewis (GA)
Lowey (NY)
Machtley
Markey
McDermott
McGrath
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Moody
Moran
Morella
Mrazek
Nussle
Oberstar
Owens (NY)
Payne (NJ)
Pelosi
Petri
Poshard
Rangel
Reed
Rhodes
Ritter
Rohrabacher
Rostenkowski
Roybal
Russo
Sanders
Sangmeister
Savage
Scheuer
Schiff
Schroeder
Sensenbrenner
Shays
Sikorski
Slattery
Slaughter (NY)
Smith (NJ)
Stark
Stokes
Studds
Thomas (WY)
Torres
Towns
Traficant
Traxler
Unsoeld
Upton
Vento
Walker
Walsh
Washington
Waters
Weber
Weiss
Weldon
Wheat
Wolpe
Wyden
Yates

NOES—317

Ackerman
Alexander
Allard
Anderson
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Boehner
Borski
Boucher
Brewster
Brooks
Broomfield
Brown
Bruce
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CO)
Cardin
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeLauro
DeLay
Derrick
Dicks
Dixon
Dooley
Doolittle
Dornan (CA)
Downey
Dreier
Dwyer
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Foglietta
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Gray
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Hoagland
Hobson
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (SD)
Johnson (TX)
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long

Lowery (CA)
Luken
Manton
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Mollohan
Montgomery
Moorhead
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Obey
Olin
Ortiz
Orton
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (VA)
Pease
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Regula
Richardson
Ridge
Riggs
Rinaldo
Roberts
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Roukema
Rowland
Sabo
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schulze
Schumer
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stearns
Stenholm
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thornton
Torricelli
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Waxman
Whitten
Williams
Wilson
Wise
Wolf
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—5

Browder
Ford (MI)
Hopkins
Lehman (FL)
Serrano

□ 1342

Mr. DUNCAN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 25 OFFERED BY MR. SOLOMON

The CHAIRMAN pro tempore (Mr. COX of Illinois). The pending business is the vote on amendment No. 25 offered by the gentleman from New York [Mr. SOLOMON] on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from New York [Mr. SOLOMON].

The vote was taken by electronic device, and there were—ayes 157, noes 269, not voting 5, as follows:

[Roll No. 107]

AYES—157

Allard
Applegate
Archer
Armey
Ballenger
Barrett
Barton
Bennett
Bereuter
Bilirakis
Bliley
Boehner
Brewster
Broomfield
Bunning
Burton
Callahan
Camp
Carr
Chandler
Coble
Coleman (MO)
Combest
Condit
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
de la Garza
DeLay
Dickinson
Donnelly
Doolittle
Dornan (CA)
Dreier
Duncan
Early
Emerson
English
Fawell
Fields
Franks (CT)
Gallegly
Gekas
Geren
Gibbons
Gilchrest
Gingrich
Glickman
Goodling
Goss
Gradison
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Hubbard
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kolter
Kyl
Lagomarsino
Lancaster
Laughlin
Lewis (CA)
Lewis (FL)
Lightfoot
Lloyd
Lowery (CA)
Marlenee
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Murphy
Nichols
Nussle
Packard
Patterson
Paxon
Payne (VA)
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Santorum
Sarpalius
Schaefer
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (TX)
Solomon
Spence
Stallings
Stearns
Stenholm
Stump
Sundquist
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weldon
Wilson
Wylie
Yatron
Young (FL)
Zeliff
Zimmer

NOES—269

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Baker
Barnard
Bateman
Beilenson
Bentley
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brooks
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CA)
Campbell (CO)
Cardin
Carper
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gallo
Gaydos
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Leach
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Ridge
Rinaldo
Roe
Roemer
Rose
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Saxton
Scheuer
Schiff
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (OR)
Snowe
Solarz
Spratt
Staggers
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weber
Weiss
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Yates
Young (AK)

NOT VOTING—5

Browder
Ford (MI)
Hopkins
Lehman (FL)
Serrano

□ 1350

Mr. ROSE changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 26 OFFERED BY MR. SOLOMON

The CHAIRMAN pro tempore (Mr. COX of Illinois). The pending business is the vote on amendment No. 26 offered by the gentleman from New York [Mr. SOLOMON] on which a recorded vote is ordered.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from New York [Mr. SOLOMON].

The vote was taken by electronic device, and there were—ayes 197, noes 231, not voting 3, as follows:

[Roll No. 108]

AYES—197

Allard
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bennett
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehner
Brewster
Broomfield
Browder
Bunning
Burton
Callahan
Camp
Carper
Chandler
Chapman
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Costello
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
DeFazio
DeLay
Derrick
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Early
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gibbons
Gilchrest
Gingrich
Glickman
Goodling
Goss
Gradison
Guarini
Hall (TX)
Hammerschmidt

Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hobson
Holloway
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jefferson
Johnson (TX)
Kasich
Klug
Kolbe
Kolter
Kopetski
Kyl
Lagomarsino
Lancaster
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Luken
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Montgomery
Moorhead
Murphy
Neal (NC)
Nichols
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Patterson
Paxon
Payne (VA)
Porter
Poshard
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Spratt
Stearns
Stenholm
Stump
Sundquist
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Torricelli
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wilson
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—231

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Bateman
Beilenson
Berman
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brooks
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CA)
Campbell (CO)
Cardin
Carr
Clay
Clement
Clinger
Collins (IL)
Collins (MI)
Conyers
Cooper
Cox (IL)
Coyne
Darden
Davis
de la Garza
DeLauro
Dellums
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (TX)
Engel
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Grandy
Gray
Green
Gunderson
Hall (OH)
Hamilton
Hatcher
Hayes (IL)
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hughes
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lantos
LaRocco
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Long
Lowey (NY)
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Price
Rahall
Rangel
Ray
Reed
Richardson
Ridge
Roe
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Thornton
Torres
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Yates

NOT VOTING—3

Ford (MI)
Hopkins
Lehman (FL)

□ 1401

Mr. TORRICELLI and Mr. HEFNER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 27 OFFERED BY MR. AUCOIN

The CHAIRMAN pro tempore (Mr. COX of Illinois). The pending business is the vote on amendment No. 27 offered by the gentleman from Oregon [Mr. AUCOIN] on which a recorded vote is ordered.

The Clerk will resdesignate the amendment.

The Clerk redesignated the amendment offered by the gentleman from Oregon [Mr. AUCOIN].

The vote was taken by electronic device, and there were—ayes 220, noes 208, not voting 3, as follows:

[Roll No. 109]

AYES—220

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Anthony
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Boehlert
Boucher
Boxer
Brewster
Brooks
Brown
Bryant
Bustamante
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coughlin
Cox (IL)
Coyne
Cramer
Darden
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Dooley
Downey
Durbin
Dymally
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Glickman
Gonzalez
Gordon
Gray
Green
Guarini
Gunderson
Hamilton
Hayes (IL)
Hefner
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kennedy
Kennelly
Klug
Kolbe
Kopetski
Kostmayer
Lancaster
Lantos
LaRocco
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Long
Lowey (NY)
Machtley
Markey
Matsui
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Molinari
Moody
Moran
Morella
Morrison
Mrazek
Nagle
Neal (NC)
Nichols
Obey
Olin
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Peterson (FL)
Pickett
Pickle
Porter
Price
Ramstad
Rangel
Reed
Richardson
Ridge
Riggs
Roukema
Rowland
Roybal
Sabo
Sanders
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Unsoeld
Valentine
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Zeliff
Zimmer

NOES—208

Allard
Annunzio
Applegate
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehner
Bonior
Borski
Broomfield
Browder
Bruce
Bunning
Burton
Byron
Callahan
Camp
Clinger
Coble
Coleman (MO)
Combest
Costello
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
de la Garza
DeLay
Dickinson
Donnelly
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Dwyer
Early
Edwards (OK)
Emerson
English
Fields
Fish
Gallegly
Gaydos
Gekas
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Hall (OH)
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hobson
Holloway
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Johnson (TX)
Kanjorski
Kaptur
Kasich
Kildee
Kleczka
Kolter
Kyl
LaFalce
Lagomarsino
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Luken
Manton
Marlenee
Martin
Martinez
Mavroules
Mazzoli
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
McNulty
Michel
Miller (OH)
Moakley
Mollohan
Montgomery
Moorhead
Murphy
Murtha
Myers
Natcher
Neal (MA)
Nowak
Nussle
Oakar
Oberstar
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Penny
Perkins
Peterson (MN)
Petri
Poshard
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher

Ros-Lehtinen
Rose
Rostenkowski
Roth
Russo
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Skelton
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Staggers
Stallings
Stearns
Stenholm
Stump
Sundquist
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Thornton
Traxler
Upton
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weber
Weldon
Whitten
Wolf
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—3

Hatcher
Hopkins
Lehman (FL)

☐ 1410

Mr. DWYER of New Jersey changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS EN BLOC AS MODIFIED OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairmam, pursuant to House Resolution 156, I offer amendments en bloc.

The CHAIRMAN pro tempore. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc as modified is as follows:

Amendments en bloc offered by Mr. ASPIN: Pursuant to House Resolution 156, Mr. Aspin of Wisconsin offers the following amendments En Bloc. Numbers refer to the amendments as printed in Part II of the Report of the Committee on Rules providing for the further consideration of H.R. 2100 (H. Rept. 102–68).

Amendment No.	Sponsor	Modified?
1	Mr. Bateman	No.
2	Mr. Hansen	No.
3	Mr. Frank of Massachusetts	No.
4	Mr. Conyers	No.
9	Mr. Pickett	No.
10	Mr. Panetta	No.
11	Mr. Bennett	Yes.
13	Mrs. Byron	No.
14	Mr. Fields	No.
15	Mrs. Bentley	Yes.
17	Mr. Dorgan of North Dakota	No.
18	Mr. Traficant	No.
19	Mr. Mavroules	Yes.
20	Mr. Wise	Yes.
21	Mr. Montgomery	No.
22	Mr. Conyers	No.
23	Mr. Glockman	No.
28	Mr. Andrews of Maine	No.
29	Mrs. Mink	Yes.
30	Mr. Bustamante	Yes.

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. ASPIN OF WISCONSIN

(Amendments 1, 2, 3, 4, 9, 10, 11 (as modified), 13, 14, 15 (as modified), 17, 19 (as modified), 20 (as modified), 21, 22, 23, 28, 29 (as modified), and 30 (as modified) in Part 2 of the Report of the Committee on Rules)

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. BATEMAN OF VIRGINIA

(Amendment 1 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, after line 4) insert the following new section:

SEC. . SSN-21 NUCLEAR ATTACK SUBMARINE PROGRAM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the President's budget request for fiscal year 1993 for the SSN-21 nuclear attack submarine program, which included funds for one submarine, is not sufficient to provide for the national security and should be revised to include funding for two submarines.

(b) FISCAL YEAR 1993 AUTHORIZATION.—There is authorized to be appropriated for fiscal year 1993 the sum of $4,061,000,000 for the SSN-21 nuclear attack submarine program for construction of two submarines.

(c) INDUSTRIAL BASE.—In order to maintain the capability to build nuclear attack submarines at two shipyards and to allow competition for contracts for the construction of nuclear attack submarines authorized for fiscal years after 1993, funds appropriated pursuant to subsection (b) shall be used for the construction of two SSN-21 nuclear attack submarines at different shipyards.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. HANSEN OF UTAH

(Amendment 2 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, after line 4), insert the following new section:

SEC. 125. FUNDING CLARIFICATION FOR THE CHEMICAL WEAPONS STOCKPILE DISPOSAL PROGRAM.

Subsection (c)(3) of section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 50 U.S.C. 1521), is amended by adding at the end the following: "Additionally, the Secretary may provide funds through cooperative agreements with State and local governments for the purpose of assisting them in processing and approving permits and licenses necessary for the construction and operation of facilities to carry out this section. The Secretary shall ensure that funds provided through such a cooperative agreement are used only for the purpose set forth in the preceding sentence.".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. FRANK OF MASSACHUSETTS

(Amendment 3 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, before line 5), insert the following new section:

SEC. . GROUND-WAVE EMERGENCY NETWORK.

Section 132 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1501) is amended by inserting "before October 1, 1992, and" before "until—".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. CONYERS OF MICHIGAN

(Amendment 4 in Part 2 of the Report of the Committee on Rules)

At the end of title I (page 25, before line 5), insert the following new section:

SEC. . TEMPERATURE SPECIFICATION FOR AIR-LAUNCHED CRUISE MISSILE FLIGHT DATA TRANSMITTER; REVIEW OF TESTING METHODOLOGIES.

(a) PLAN.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall develop and begin implementing a plan to correct the failure by the contractor to deliver flight data transmitters for the air-launched cruise missile that comply with the applicable cold temperature specification requiring the data transmitters to operate after prolonged exposure to temperatures as low as minus 65 degrees Fahrenheit.

(b) REVIEW OF TESTING METHODOLOGIES.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall conduct a review of the testing methodologies used to ascertain compliance with cold temperature specifications required under defense contracts, including the specification requiring flight data transmitters for the air-launched cruise missile to operate after prolonged exposure to temperatures as low as minus 65 degrees Fahrenheit. After completing the review, the Secretary shall prescribe a single method for conducting such tests. Such method shall apply uniformly throughout the Department of Defense.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on implementation of the plan developed under subsection (a) and the results of the review conducted under subsection (b).

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. PICKETT OF VIRGINIA

(Amendment 9 in Part 2 of the Report of the Committee on Rules)

At the end of part C of title III (page 59, after line 9), insert the following new section:

SEC. 326. USE OF PROCEEDS FROM THE SALE OF CERTAIN LOST, ABANDONED, OR UNCLAIMED PERSONAL PROPERTY.

(a) TREATMENT OF PROCEEDS.—Notwithstanding section 2575(b) of title 10, United States code, the proceeds from the sale under that section of lost, abandoned, or unclaimed property found on a military installation described in subsection (b) shall be credited to the maintenance and operation account of that installation and used—

(1) to reimburse the installation for any costs incurred by the installation to collect, transport, store, protect, or sell the property; and

(2) if all such costs are reimbursed, to support morale, welfare, and recreation activities under the jurisdiction of the Armed Forces conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces at that installation.

(b) APPLICABLE MILITARY INSTALLATIONS.—The military installations referred to in subsection (a) are Naval Base, Norfolk and Naval Air Station, Norfolk.

(c) RECOVERY OF PROCEEDS.—The owner (or the heirs, next of kin, or legal representative of the owner) of personal property the proceeds of which are credited to a military installation under this section may file a claim with the Secretary of Defense for an amount equal to the proceeds (less costs referred to in subsection (a)(1)). Amounts to pay the claim shall be drawn from the morale, welfare, and recreation account for the installation that received the proceeds under subsection (a). Unless the claim is filed with the Secretary of Defense within five years after the date of the disposal of the property, the claim may not be considered by a court or the Secretary of Defense. A claim may not be filed under section 2575(b) of title 10, United States Code, in the case of property covered by this section.

(c) EFFECTIVE DATE.—This section shall apply with respect to property disposed of under section 2575 of title 10, United States Code, on or after the date of the enactment of this Act.

AMENDMENT TO H.R. 2100 OFFERED BY MR. PANETTA OF CALIFORNIA

(Amendment 10 in Part 2 of the Report of the Committee on Rules)

At the end of part D of title III (page 67, after line 17) add the following new section (and conform the table of contents accordingly):

SEC. 336. ENVIRONMENTAL RESTORATION REQUIREMENTS AT MILITARY INSTALLATIONS TO BE CLOSED.

(a) REQUIREMENTS FOR INSTALLATIONS TO BE CLOSED UNDER 1989 BASE CLOSURE LIST.—(1) All remedial investigations and feasibility studies related to environmental restoration activities at each military installation described in paragraph (2) shall be completed not later than 18 months after the date of the enactment of this Act.

(2) Paragraph (1) applies to each military installation—

(A) which is to be closed pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note); and

(B) which is on the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(b) REQUIREMENTS FOR INSTALLATIONS TO BE CLOSED UNDER 1991 BASE CLOSURE LIST.—(1) All remedial investigations and feasibility studies related to environmental restoration activities at each military installation described in paragraph (2) shall be completed not later than 30 months after the date of the enactment of this Act.

(2) Paragraph (1) applies to each military installation—

(A) which is to be closed pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510) as a result of being recommended for closure in the report transmitted to Congress by the President pursuant to section 2903(e) of such Act on or before September 1, 1991; and

(B) which is on the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. BENNETT OF FLORIDA

(Amendment 11 in Part 2 in the Report of the Committee on Rules)

The amendment as modified is as follows:

Strike out section 344 (page 73, line 11 and all that follows through line 23 on page 74) and redesignate the table of contents accordingly.

Page 196, line 5, strike out "$3,300,000" and insert in lieu thereof "$18,300,000".

Page 203, line 9, strike out "$709,409,000" and insert in lieu thereof "$724,409,000".

Page 204, line 3, strike out "$710,700,000" and insert in lieu thereof "$695,700,000".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MRS. BYRON OF MARYLAND

(Amendment 13 in Part 2 of the Report of the Committee on Rules)

At the end of part A of title V (page 95, after line 18), insert the following new section:

SEC. 513. GRADE OF RETIRED OFFICERS RECALLED TO ACTIVE DUTY.

(a) SERVICE IN HIGHER GRADE HELD WHILE ON ACTIVE DUTY.—Subsection (d) of section 688 of title 10, United States Code is amended—

(1) by striking out "paragraph (2)" in paragraph (1) and inserting in lieu thereof "paragraphs (2) and (3)"; and

(2) by adding at the end of the following new paragraph:

"(3)(A) A retired member ordered to active duty under this section who has previously served on active duty satisfactorily, as determined by the Secretary of the military department concerned, in a grade higher than that member's retired grade may be ordered to active duty in the highest grade in which the member had so served satisfactorily, except that such a member may not be so ordered to active duty in a grade above major general or rear admiral.

"(B) A retired member ordered to active duty in a grade that is higher than the member's retired grade pursuant to paragraph (1) shall be treated for purposes of subsection (b) as if the member was promoted to that higher grade while on that tour of active duty.

"(C) If, upon being released from that tour of active duty, such a retired member has served on active duty satisfactorily, as determined by the Secretary concerned, for not less than a total of 36 months in a grade that is a higher grade than the members retired grade, the member is entitled to placement on the retired list in that grade.".

(b) CONFORMING AMENDMENT.—Section 311(c) of Public Law 102-25 is amended by inserting ", and before the date of the enactment of the National Defense Authorization Act for Fiscal Years 1992 and 1993" before the period.

At the end of part B of title V (page 117, after line 24), insert the following new section:

SEC. 529. MANDATORY RETIREMENT OF REGULAR ARMY WARRANT OFFICERS FOR LENGTH OF SERVICE.

(a) IN GENERAL.—Section 1305(a) of title 10, United States Code, is amended—

(1) by striking out "A permanent regular warrant officer" and inserting in lieu thereof "(1) Except as provided in paragraph (2), a regular warrant officer (other than a regular Army warrant officer in the grade of chief warrant officer, W-5)"; and

(2) by adding at the end the following new paragraph:

"(2)(A) A regular Army warrant officer in the grade of chief warrant officer, W-5, who has at least 30 years of active service as a warrant officer that could be credited to him under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114), shall be retired 60 days after the date on which he completes that service, except as provided by section 8301 of title 5.

"(B) A regular Army warrant officer in a warrant officer grade below the grade of chief warrant officer, W-5, who completes 24 years of active service as a warrant officer before he is required to be retired under paragraph (1) shall be retired 60 days after the date on which he completes 24 years of active service as a warrant officer except as provided by section 8301 of title 5.".

(b) SAVINGS PROVISION.—(1) Subject to paragraph (2), a warrant officer of the Army who on the effective date of this part—

(A) holds a regular chief warrant officer grade; or

(B) is on a list of officers recommended for promotion to a regular chief warrant officer grade; may be retained on active duty until he completes 30 years of active service or 24 years of active warrant officer service, whichever is later, that could be credited to him under section 511 of the Career Compensation Act of 1949 (70 Stat. 114) (as in effect on the day before the effective date of this part), and then be retired under the appropriate provision of title 10, United States Code, on the first day of the month after the month in which he completes that service.

(2) Paragraph (1) does not apply to a regular warrant officer who—

(A) is sooner retired or separated under another provision of law;

(B) is promoted to the regular grade of chief warrant officer, W-5; or

(C) is continued on active duty under section 558 and 564 of title 10, United States Code, as added by this part.

At the end of title VI (page 143, after line 13), insert the following new section:

SEC. . PREMIUM ADDITION FOR OPEN SEASON ENROLLMENT FOR SURVIVOR BENEFIT PLAN.

Section 1405 of the military Survivor Benefits Improvement Act of 1989 (title XIV of Public Law 101-189; 103 Stat. 1586) is amended by adding at the end the following new subsection:

"(j) OPEN ENROLLMENT PREMIUM ADDITION.—Premiums for persons making elections under subsection (a)(1) and (b) shall, in addition to the amount required under section 1452(a) of title 10, United States Code, include an amount prescribed under regulations by the Secretary of Defense which reflect the number of years that have elapsed since the person has been retired.".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. FIELDS OF TEXAS

(Amendment 14 in Part 2 of the Report of the Committee on Rules)

At the end of title VII (page 152, after line 19), insert the following new section:

SEC. . REPORT REGARDING ELIGIBILITY FOR MILITARY HEALTH CARE OF CERTAIN MINORS WHO ARE NOT CHILDREN OF MEMBERS OF THE ARMED FORCES.

(a) FINDING.—Congress finds the following:

(1) Members and former members of the Armed Forces, for good and humanitarian reasons or because of a deep sense of familial responsibility, are taking legal custody of minors who—

(A) are related to a member or former member by blood or adoption;

(B) are neglected, abandoned, abused, or orphaned children; and

(C) are not considered the dependents of a member or former member for purposes of eligibility to obtain care in the military medical health care system.

(2) Under current law, unless a minor referred to in paragraph (1) is also adopted by a member or former member of the Armed Forces, the minor remains ineligible for care in the military medical health care system. A compelling reason for the reluctance of a member or former member to adopt a minor referred to in paragraph (1) is the fact that they are already related by blood or adoption.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) creative solutions should be found to enable a member or former member of the Armed Forces who is eligible for military health care to obtain care in the military medical health care system for a minor who is in the legal custody of the member or former member and is related by blood or adoption to the member or former member; and

(2) the Secretaries of the military departments, in exercising their authority to grant designee status to a minor to receive health care at military treatment facilities, should give special attention and consideration to those cases involving a minor who is related by blood or adoption to a member or former member of the Armed Forces and is in the legal custody of the member or former member.

(c) REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit a report to Congress analyzing the desirability, feasibility, and cost implications of implementing a permanent change to chapter 55 of title 10, United States Code, to expand eligibility for health care in the military medical health care system to minors who are in the legal custody of, and related by blood or adoption to, a member or former member of the Armed Forces and are otherwise ineligible for such care.

(2) The report required by this section shall also include data covering the preceding five-year period to indicate the manner in which the Secretaries of the military departments have handled requests for designee status for minors who are in the legal custody of, and related by blood or adoption to, a member or former member of the Armed Forces and are otherwise ineligible for health care in the military medical health care system. Such data shall include—

(A) the total number of requests for designee status involving these minors during that period;

(B) the total number of these minors given designee status during that period; and

(C) the average distance and range of distances that the minors given designee status must travel for medical and dental care in the military medical health care system.

MODIFICATION TO THE AMENDMENT OFFERED BY MRS. BENTLEY OF MARYLAND

(Amendment 15 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of part A of title VIII (page 155, after line 2), insert the following new section:

SEC. 804. TRANSPORTATION OF COMPONENTS OF DOD CONTRACTOR SUPPLIED ITEMS.

Section 2631 of title 10, United States Code, is amended by inserting "or components" after "supplies" both places it appears.

Page 57, line 12, strike out "paragraphs (1) and" and insert in lieu thereof "paragraphs (1), (2), and".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. DORGAN OF NORTH DAKOTA

(Amendment 17 in Part 2 of the Report of the Committee on Rules)

At the end of title VIII (page 165, before line 14), insert the following new section:

SEC. 815. REQUIREMENT FOR PURCHASE OF GASOHOL IN FEDERAL FUEL PROCUREMENTS WHEN PRICE IS COMPARABLE.

(a) REQUIREMENT.—Section 2398 of title 10, United States Code, is amended—

(1) by inserting "(a) DOD MOTOR VEHICLES.—" before "To the maximum extent"; and

(2) by adding at the end of the following new subsection:

"(b) OTHER FEDERAL FUEL PROCUREMENTS.—Whenever the Secretary of Defense enters into a contract for the procurement of unleaded gasoline for motor vehicles of a department or agency of the Federal Government other than the Department of Defense, the Secretary shall buy alcohol-gasoline blends containing at least 10 percent domestically produced alcohol in any case in which the price of such fuel is the same as, or lower than, the price of unleaded gasoline.".

(b) EFFECTIVE DATE.—Section 2398(b) of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts awarded pursuant to solicitations issued after the expiration of the 180-day period beginning on the date of the enactment of this Act.

(c) REPORT ON EXEMPTIONS.—The Secretary of Defense shall review all exemptions granted with respect to the Department of Defense from the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act (Public Law 96-294; 42 U.S.C. 8871). The Secretary shall terminate any exemptions that the Secretary determines are no longer appropriate. Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the review, with a justification for the exemptions that remain in effect under those provisions of law.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. TRAFICANT OF OHIO

(Amendment 18 in Part 2 of the Report of the Committee on Rules)

At the end of title VIII (page 165, after line 14), insert the following new section:

SEC. 815. BUY AMERICAN ACT WAIVER RECISIONS.

(a) DETERMINATION BY THE SECRETARY OF DEFENSE.—(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any agreement, including any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) REPORT TO CONGRESS.—The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal years 1992 and 1993. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) BUY AMERICAN ACT DEFINED.—For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Department for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. MAVROULES OF MASSACHUSETTS

(Amendment 19 in part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title VIII (page 165, before line 14), add the following new section:

SEC. 815. REPEAL AND AMENDMENT OF CERTAIN POST-EMPLOYMENT RULES.

(a) REPEALS.—(1) The following provisions of law are repealed:

(A) Sections 2397 and 2397a of title 10, United States Code.

(B) Section 281 of title 18, United States Code.

(C) Section 801 of title 37, United States Code.

(2)(A) The table of sections for chapter 141 of title 10 United States Code, is amended by striking out the items relating to sections 2397 and 2397a.

(B) The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(C) The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(b) CLARIFICATION OF COVERAGE.—Section 202 of title 18, United States Code, is amended in the last sentence by striking out "not" before "include enlisted".

(c) INTEGRITY OF CONTRACT ADMINISTRATION.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended—

(1) by redesignating section 28 as section 29; and

(2) by inserting after section 27 the following new section 28:

"INTEGRITY OF CONTRACT ADMINISTRATION

"SEC. 28. (a) PROHIBITED CONDUCT BY CONTRACTORS.—(1) During the administration of a Federal agency contract, no covered contractor performing such contract shall knowingly—

"(A) make, directly or indirectly, any offer or promise of future employment or business opportunity to, or engage, directly or indirectly, in any discussion of future employment or business opportunity with, a contract official administering such contract, except as provided in subsection (b)(2); or

"(B) offer, give, or promise to offer or give, directly or indirectly, any money, gratuity, or other thing of value to any contract official administering such contract.

"(2) A covered contractor may engage in a discussion with a contract official that is otherwise prohibited by paragraph (1)(A) if, before engaging in such discussion, the contract official has been recused in accordance with subsection (b)(2).

"(3)(A) For purposes of paragraph (1)(A), in any case in which a covered contractor performing such contract is contacted by a contract official administering such contract about future employment or business opportunity, the contact shall not be considered a violation of that paragraph for the covered contractor if the contact is unsolicited, if the contact is terminated immediately, if no offer is made, and if the contact is reported under subparagraph (B).

"(B) In any case in which a covered contractor performing such contract is contacted by a contract official administering such contract about future employment or business opportunity, the covered contractor shall promptly report the contact to the official's supervisor and to the designated agency ethics official (or his designee) of the Federal agency in which the contract official is employed.

"(b) PROHIBITED CONDUCT BY CONTRACT OFFICIALS.—(1) During the administration of a Federal agency contract, no contract official administering such contract shall knowingly—

"(A) solicit or accept, directly or indirectly, any promise of future employment or business opportunity from, or engage, directly or indirectly, in any discussion of future employment or business opportunity with a covered contractor performing such contract, except as provided in paragraph (2); or

"(B) ask for, demand, exact, solicit, seek, accept, receive, or agree to receive, directly or indirectly, any money, gratuity, or other thing of value from any such covered contractor.

"(2)(A) Notwithstanding paragraph (1)(A), a contract official may engage in a discussion with a covered contractor performing a contract being administered by the official if, before engaging in such discussion—

"(i) the contract official proposes in writing to disqualify himself from any further administration of the contract (I) for any period during which future employment or business opportunities for such contract official with such covered contractor have not been rejected by either the contract official or the contractor, and (II) if determined to be necessary by the head of such contract official's contracting activity (or his designee) in accordance with criteria prescribed in implementing regulations, for a reasonable period thereafter; and

"(ii) the head of that contracting activity of such contract official (or his designee), after consultation with the appropriate designated agency ethics official, approves in writing the recusal of the contract official.

"(B) For purposes of subparagraph (A)(ii), a recusal shall be deemed approved by the head of the procuring activity of a contract official if such head fails to act on the recusal within 90 days after the contract official proposes the recusal.

"(C) Regulations implementing this paragraph shall include specific criteria to be used in making determinations and approving recusals under subparagraph (A).

"(3)(A) For purposes of paragraph (1)(A), in any case in which a contract official administering such contract is contacted by a covered contractor performing the contract about a future employment or business opportunity, the contact shall not be considered a violation of that paragraph for the contract official if the contact is unsolicited, if the contact is terminated immediately, if any offer is rejected, and if the contact is reported under subparagraph (B).

"(B) In any case in which a contract official administering such contract is contacted by a covered contractor performing the contract about future employment or business opportunity, the official shall promptly report the contact to the official's supervisor and to the designated agency ethics official (or his designee) of the Federal agency in which the contract official is employed.

"(c) Contractual Penalties.—(1) Regulations issued pursuant to subsection (i) shall require that each contract awarded by a Federal agency contain a clause specified in such regulation that provides appropriate contractual penalties for conduct of any covered contractor prohibited by subsection (a).

"(2) The remedies described in subsection 27(g) of this Act are authorized to be included in, and shall be considered in the development of, such regulations.

"(d) Administrative Actions.—(1) If an agency receives or obtains information providing a reasonable basis to believe that a covered contractor has knowingly violated the requirements of this section—

"(A) the agency shall determine whether to void or rescind the contract, to terminate the contract for default, to impose sanctions upon the contractor, or to permit the contractor to continue to perform the contract, subject to review in accordance with, and to the extent provided in, the Contract Disputes Act of 1978, or to take other appropriate actions; and

"(B) if the agency determines that such a knowing violation has occurred, the agency, pursuant to procedures specified in the Federal Acquisition Regulation—

"(i) may impose an immediate suspension, and

"(ii) shall determine whether to initiate a debarment proceeding,

against the covered contractor or other person who committed such violation.

"(2) Any contract official of a Federal agency who engages in conduct prohibited by subsection (b) shall be subject to removal or other appropriate adverse personnel action pursuant to the procedures specified in chapter 75 of titlt 5, United States Code, or other applicable law or regulation.

"(3) The actions taken under paragraph (1) or (2) may be suspended by the agency head upon the request of the Attorney General pending the disposition of any civil action pursuant to subsection (e).

"(e) Civil Penalties.—Any person who engages in conduct prohibited by subsection (a) or (b) shall be subject to the imposition of a civil fine in a civil action brought by the United States in an appropriate district court of the United States. The amount of any such civil fine for such violation may not exceed—

"(1) $100,000 in the case of an individual; or

"(2) $1,000,000 in the case of a covered contractor (other than an individual).

"(f) Ethics Advice.—(1) Regulations implementing this section shall include procedures for a contract official or former contract official of a Federal agency to request advice from the appropriate designated agency ethics official regarding whether such contract official or former contract official is or would be precluded by this section from engaging in a specified activity.

"(2) A contract official or former contract official of an agency who requests advice from a designated agency ethics official pursuant to paragraph (1) shall provide the agency ethics official with all information reasonably available to the contract official or former contract official that is relevant to a determination regarding such request.

"(3) Not later than 30 days after the date on which the appropriate designated agency ethics official receives a request for advice pursuant to paragraph (1) accompanied by the information required by paragraph (2), or as soon thereafter as practicable, the official shall issue a written opinion regarding whether the requesting contract official or former contract official is precluded by this section from engaging in the specified activity.

"(g) Training.—The head of each Federal agency shall establish a contract ethics program for its contract officials. The program shall, at a minimum—

"(1) provide for the distribution of written explanations of the provisions of subsections (a) and (b) to such contract officials; and

"(2) require each such contract official, as a condition of serving as a contract official, to certify that he or she is familiar with the provisions of subsections (a) and (b) and will not engage in any conduct prohibited by such subsections, and will report immediately to the contracting officer any information concerning a violation or possible violation of subsection (a) or (b) or applicable implementing regulations.

"(h) Remedies Not Exclusive.—Nothing in this section shall be construed to limit the applicability of the requirements, sanctions, contract penalties, and remedies established under any other law, but no agency shall be relieved of the obligation to carry out the requirements of this section because such agency has also applied such other requirements, sanctions, contract penalties, or remedies.

"(i) Implementing Regulations and Guidelines.—(1) Government-wide regulations and guidelines appropriate to carry out this section shall be included in the Federal Acquisition Regulation.

"(2) Regulations implementing this section shall—

"(A) define the term 'thing of value' for the purposes of this section and shall include a single uniform Government-wide exclusion at a specific minimal dollar amount; and

"(B) authorize the delegation of the functions assigned to designated agency ethics officials under this section.

"(j) Definitions.—As used in this section:

"(i) The term 'during the administration of any federal agency contract' means the period beginning on the date of the award, modification, or extension of a contract and concluding with cancellation, termination, or completion of performance of the contract, except that, with respect to a contract official who is involved personally and substantially in the negotiation or settlement of a claim or payment under the contract after the cancellation, termination, or completion of performance of the contract, the term means the period beginning on the date of the award, modification, or extension of a contract and concluding with final payment under the contract.

"(2)(A) The term 'contract official administering a contract' means, with respect to the contract concerned, any civilian or military official or employee of a Federal agency who has participated personally and substantially in any of the following, as defined in implementing regulations:

"(i) The management and administration of that contract in the capacity of a program executive officer, program manager, deputy program manager, contracting officer, or position with comparable responsibilities.

"(ii) The oversight of a contractor while assigned on a permanent basis in a Government Plant Representative's Office (including auditors or quality assurance personnel) or a position with comparable responsibilities (as determined under the regulations).

"(iii) Operational and developmental testing.

"(iv) the settlement or negotiation of a contract claim.

"(v) Such other specific contract actions as may be specified in implementing regulations.

"(B) For purposes of subparagraph (A), the term 'employee of a Federal agency' includes a contractor, subcontractor, consultant, expert, or adviser (other than a contractor) acting on behalf of, or providing advice to, the agency with respect to the administration of the agency contract concerned.

"(3) The term 'covered contractor' means—

"(A) any party, including any officer, employee, representative, agent, or consultant of the party, that has entered into a contract directly with a Federal agency (hereinafter in this paragraph referred to as a 'prime contractor'); and

"(B) any party, including any officer, employee, representative, agent, or consultant of the party, that has entered into a subcontract with a prime contractor, if the contract official involved in the administration of the prime contract is personally and substantially involved in the activities referred to in paragraph (2)(A) with respect to the administration of such subcontract.

"(4) The terms 'Federal agency' and 'designated agency ethics official' have the meanings given those terms by section 27(p) of this Act.".

(d) Effective Dates.—(1) The repeals made by subsection (a)(1), the amendments made by subsections (a)(2) and (b), and, except as provided in paragraph (3), section 28 of the Office of Federal Procurement Policy Act (as added by subsection (c)) shall take effect 210 days after the date of the enactment of this Act.

(2) Not later than 120 days after the date of the enactment of this Act, the Federal Ac-

quisition Regulatory Council shall propose interim regulations to implement the repeals made by subsection (a)(1), the amendments made by subsections (a)(2) and (b), and section 28 of the Office of Federal Procurement Policy Act (as added by subsection (c)). Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulatory Council shall promulgate final regulations to implement such repeals, amendments, and new section.

(3) The contractual penalties required pursuant to section 28(c) of the Office of Federal Procurement Policy Act (as added by subsection (c)) shall be included in—

(A) contracts that are awarded pursuant to solicitations issued after the expiration of the 180-day period beginning on the date of the enactment of this Act;

(B) in the case of contracts for which no solicitations are issued, contracts that are awarded after the expiration of the 210-day period beginning on the date of the enactment of this Act; and

(C) contracts with respect to which a change or modification to, or extension of, is made after the expiration of the 210-day period beginning on the date of the enactment of this Act.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. WISE OF WEST VIRGINIA

(Amendment 20 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title X (page 180, after line 8), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING ISSUANCE OF COMMEMORATIVE CARD FOR OPERATION DESERT STORM SERVICEMEMBERS.

(a) ISSUANCE OF CARD.—It is the sense of Congress that the Secretary of Defense shall issue a special commemorative card to each member of the Armed Forces who—

(1) served in the Persian Gulf theater of operations in connection with the Persian Gulf conflict (including service as a member of an air crew over that theater); or

(2) as a member of a reserve component or a retired member, was ordered to active duty in connection with the Persian Gulf conflict.

(b) CONTENT.—The commemorative card shall indicate that the servicemember was a participant in the Persian Gulf conflict.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. MONTGOMERY OF MISSISSIPPI

(Amendment 21 in Part 2 of the Report of the Committee on Rules)

At the end of title X (page 180, after line 8), insert the following new section:

SEC. . TECHNICAL REVISIONS TO CHARTER FOR BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION PROGRAM.

The Barry Goldwater Scholarship and Excellence in Education Act (title XIV of Public Law 99-661) is amended as follows:

(1) Section 1404(b)(3) (20 U.S.C. 4703(b)(3)) is amended by striking out ", at least one of whom" and all that follows through "aerospace education".

(2) Section 1408 (20 U.S.C. 4707) is amended—

(A) in subsection (b), by striking out all after "in" in the second sentence and inserting in lieu thereof "public debt securities of the United States with maturities suitable to the fund."; and

(B) in subsection (c)—

(i) by striking out "(exceptional special obligations issued exclusively to the fund)"; and

(ii) by striking out ", and such" and all that follows through "accrued interest".

(3) Section 1410(b) (20 U.S.C. 4709(b)) is amended by striking out "be compensated" and all that follows through "section 5332" and inserting in lieu thereof "serve as a noncareer appointee of the Senior Executive Service and shall be compensated at a rate determined by the Board in accordance with section 5383".

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. CONYERS OF MICHIGAN

(Amendment 22 in Part 2 of the Report of the Committee on Rules)

At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. REPORT ON MILITARY PERSONNEL IN COLOMBIA, PERU, AND BOLIVIA.

Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter, the President shall submit to Congress a report concerning members of the Armed Forces assigned or seconded to duty or serving in Colombia, Peru, and Bolivia for counter-narcotics purposes. The President may submit each report in classified or unclassified form as the President considers necessary. Each report shall provide the following information for the period covered by that report:

(1) The number of members of the Armed Forces assigned to permanent or temporary duty, seconded, or serving in these countries for counter-narcotics purposes at any time during the period covered by the report and the monthly status of these members.

(2) The missions, goals, and objectives of these members.

(3) The operational chain of command for these members and the control mechanisms being utilized to ensure that members of the Armed Forces do not assume law enforcement tasks or any operational role in counter-narcotics activities.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. GLICKMAN OF KANSAS

(Amendment 23 in Part 2 of the Report of the Committee on Rules)

At the end of title X (page 180, after line 8), insert the following new section:

SEC. 1033. SENSE OF CONGRESS REGARDING REPAIR OF MCCONNELL AIR FORCE BASE CAUSED BY TORNADOES.

(a) FINDING.—Congress finds the following:

(1) On April 26, 1991, tornadoes caused extensive damage to McConnell Air Force Base in Wichita, Kansas.

(2) The immediate repair of the damage caused by the tornadoes is necessary to return this important military installation to its highest state of readiness and to provide the military personnel and their families stationed at this installation the necessary support facilities to assure a quality standard of living.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Secretary of Defense and the Secretary of the Air Force should make every effort to expeditiously repair the damage to McConnell Air Force Base in Wichita, Kansas, caused by the devastating tornadoes on April 26, 1991.

AMENDMENT TO H.R. 2100, AS REPORTED OFFERED BY MR. ANDREWS OF MAINE

(Amendment 28 in Part 2 of the Report of the Committee on Rules)

At the end of title XXVIII (page , after line), insert the following new section:

SEC. 2832. FUNDING FOR ENVIRONMENTAL RESTORATION AT MILITARY INSTALLATIONS TO BE CLOSED UNDER 1991 BASE CLOSURE LIST.

(a) EXCLUSIVE SOURCE OF FUNDING.—(1) Section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510) is amended by adding at the end the following new subsection:

"(d) BASE CLOSURE ACCOUNT TO BE EXCLUSIVE SOURCE OF FUNDS FOR ENVIRONMENTAL RESTORATION PROJECTS.—Beginning with fiscal year 1993, no funds appropriated to the Department of Defense may be used for purposes described in section 2905(a)(1)(C) except funds that are in the Account. The prohibition in the preceding sentence expires upon the termination of the authority of the Secretary to carry out a closure or realignment under this part.".

(2)(A) Section 2905(a)(1)(C) is amended by striking out "or funds appropriated to the Department of Defense for environmental restoration and mitigation".

(B) The amendment made by subparagraph (A) shall become effective on October 1, 1992.

(b) REPORT ON ENVIRONMENTAL RESTORATION COSTS FOR INSTALLATIONS TO BE CLOSED UNDER 1990 BASE CLOSURE LAW.—(1) Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31, United States Code), the Secretary of Defense shall submit to Congress a report on—

(A) the funding needed for the fiscal year for which the budget is submitted for environmental restoration activities at each military installation described in paragraph (2), set forth separately for each military installation; and

(B) a projection of the funding needed for such activities in each of the next four fiscal years at each of the military installations described in paragraph (2), set forth separately for each military installation.

(2) The report required under paragraph (1) shall cover each military installation which is to be closed pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510).

MODIFICATION TO THE AMENDMENT OFFERED BY MRS. MINK OF HAWAII

(Amendment 29 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title XXXI (page 283, after line 22), insert the following new section:

SEC. . SENSE OF CONGRESS CONCERNING TREATMENT OF STRATEGIC TARGET SYSTEM PROGRAM UNDER THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.

It is the sense of Congress that the Strategic Target System program conducted by the Sandia National Laboratories of the Department of Energy at the Kauai Test Facility of the Pacific Missile Range Facility, Kauai, Hawaii, should be treated as a major Federal action significantly affecting the quality of the human environment for purposes of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. BUSTAMANTE OF TEXAS

(Amendment 30 in Part 2 of the Report of the Committee on Rules)

The amendment as modified is as follows:

At the end of title XXXI (page 283, after line 22), insert the following new section:

SEC. 3136. FUNCTIONS OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD.

(a) EXPANSION OF AUTHORITY TO INCLUDE ASSEMBLY FACILITIES.—Section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g) is amended in paragraph (1)(B) by striking out "assembly or".

(b) CONFORMING CLARIFICATION OF FUNCTIONS.—Section 312 of the Atomic Energy Act of 1954 (42 U.S.C. 2286a) is amended—

(1) by inserting "(a)" before "The Board shall perform"; and

(2) by adding at the end the following new subsection:

"(b) The functions of the Board under this chapter do not extend to the safety of atomic weapons. The Board shall have access to weapons information necessary to carry out the functions of the Board under subsection (a).".

The CHAIRMAN pro tempore. Pursuant to House Resolution 156, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 10 minutes and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, this package contains 20 amendments that have been agreed to by both sides.

I would like to thank the gentleman from Alabama [Mr. DICKINSON] for his cooperation in this undertaking.

Six of these amendments have been modified from the version printed in part 2 of the report of the Committee on Rules providing for consideration of H.R. 2100, House Report 102-68.

Mr. Chairman, after the Committee rises, I intend to request general leave authority for Members to submit their written statements and have them appear along with their amendments. We do this in the hope that we can keep down the debate time taken up and appointed at this point.

The amendments to be considered en bloc include the following:

An amendment by the gentleman from Virginia [Mr. BATEMAN]; one by the gentleman from Utah [Mr. HANSEN]; one by the gentleman from Massachusetts [Mr. FRANK]; one by the gentleman from Michigan [Mr. CONYERS]; one by the gentleman from Virginia [Mr. PICKETT]; one by the gentleman from California [Mr. PANETTA]; one by the gentleman from Florida [Mr. BENNETT], which has been modified; one by the gentlewoman from Maryland [Mrs. BYRON]; one by the gentleman from Texas [Mr. FIELDS]; one by the gentlewoman from Maryland [Mrs. BENTLEY], which has been modified; one by the gentleman from North Dakota [Mr. DORGAN]; one by the gentleman from Ohio [Mr. TRAFICANT]; one by the gentleman from Massachusetts [Mr. MAVROULES], which has been modified; one by the gentleman from West Virginia [Mr. WISE], which has been modified; one by the gentleman from Mississippi [Mr. MONTGOMERY]; one by the gentleman from Michigan [Mr. CONYERS]; one by the gentleman from Kansas [Mr. GLICKMAN]; one by the gentleman from Maine [Mr. ANDREWS]; one by the gentlewoman from Hawaii [Mrs. MINK], which has been modified; and one by the gentleman from Texas [Mr. BUSTAMANTE], which has been modified.

Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Chairman, I am pleased that the amendment to bring the Pantex nuclear weapons assembly facility under the jurisdiction of the Defense Nuclear Facilities Safety Board is being considered under the package of en bloc amendments.

The purpose of this amendment is to include the Pantex site within the definition of nuclear facilities and the oversight of the Defense Nuclear Facilities Safety Board.

It is our intent that the Board be responsible for oversight of safety and health issues related to the assembly and disassembly process of nuclear weapons and weapons components located at the Pantex facility.

The proposed amendment does not expand the jurisdiction of the Board to include safety review of the original design of the weapon, transportation of the weapon outside the facility, or operational safety of the weapon.

However, the Board is to have access to all weapons design information necessary to fulfill its oversight responsibility at the Pantex site.

I want to thank Representatives PHIL SHARP and MIKE SYNAR for their cooperation and work on this amendment. This amendment really builds on their past work in this area.

I would also like to thank Representative BILL SARPALIUS for his input in shaping this amendment and for his support. Pantex is the largest employer in Representative SARPALIUS' district, and his backing was critical to the making of this amendment.

Finally, I would like to thank Representative JOHN SPRATT, chairman of the DOE defense nuclear facilities panel, and staffers Bob DeGrasse and Bob Schafer for their encouragement and for their efforts to improve this amendment.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Chairman, I rise in support of this amendment to H.R. 2100, which would modify section 318 of the Atomic Energy Act of 1954.

First, I want to make it clear that I represent the Government facility affected by this amendment. By passing this amendment, it merely brings the Pantex nuclear weapons assembly facility in Amarillo, TX, under the safety oversight of the Defense Nuclear Facilities Safety Board.

This board currently has oversight over the 11 other nuclear weapons manufacturing sites in this country and this amendment extends that oversight to Pantex. I think this is a healthy amendment that will instill confidence in my constituents that the Federal Government is diligent in safeguarding their health and safety and protecting our environment.

Residents of the Texas Panhandle have enjoyed a great relationship with the Department of Energy. I want to see that relationship continue and grow. I believe the independent oversight by the Nuclear Facilities Safety Board will do nothing but help to foster an even better relationship.

I urge my colleagues to join me in the adoption of this amendment.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, my amendment would try to get the Department of Defense to start buying ethanol fuel. They are now required to do so, but the law is littered with exemptions for it. In fact, last year the Federal Government bought 160 million gallons of fuel. We have over 400,000 gasoline-powered vehicles in the Federal Government and only four one-hundredths of 1 percent use ethanol fuel.

We ought to be the leader in stimulating the demand for ethanol. The Department of Agriculture requires that its 32,000 vehicles use ethanol, but only 2 percent of them do because they cannot find ethanol because DOD buys the fuel and they do not buy ethanol; so my amendment would require that the DOD start buying ethanol. Actually that is a requirement that is in the 1980 law, and also that they review the current exemptions for the entire Federal fleet.

I would like to see those 400,000 vehicles in the Federal fleet use ethanol. The way to start that is to get the DOD and its fuel dumps or fuel depots to have ethanol on hand.

I thank the gentleman for his cooperation on this amendment.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I want to thank the distinguished chairman of the Armed Services Committee and also the members and staff of the Energy and Commerce Committee who worked with me on an amendment to expedite the studies that would be made for cleanup on bases that are targeted for closure.

□ 1420

Mr. Chairman, it is absolutely essential, if those bases are to close, that we not penalize the communities by having them just sit there. It is essential they be cleaned up. This amendment will help in that regard.

Mr. Chairman, I thank the gentleman for his cooperation.

Mr. Chairman, I am pleased today to be able to thank the distinguished chairman of the Armed Services Committee for his incorporation of a very important and urgent amendment into an en bloc amendment for consideration by the full House of Representatives.

My amendment would require the Department of Defense to complete remedial investigations and feasibility studies required for the restoration of contaminated sites on military bases due to be closed in a timely manner. It would affect only those military installations designated as Superfund sites by the Environmental Protection Agency [EPA] and slated for closure by the 1989 and 1991 base closure lists.

This amendment would address a serious deficiency in current law in urgent need of correction. Under current law, a Federal agency with a facility on the Superfund national priorities list [NPL] must commence a remedial investigation and feasibility study of the facility within 6 months of its listing on the NPL. Further, section 120(e) of the Comprehensive Environmental Response, Compensation, and Liability Act [Superfund] requires the administration and appropriate State officials to "publish a timetable and deadlines for expeditious completion of the investigation and study phase of the cleanup."

The amendment would clarify the existing requirement for the expeditious completion of RI/FS's at Superfund sites by imposing a deadline of 30 months from the date of enactment of this bill for the completion of such investigations and studies at military posts to be closed pursuant to this year's base closure process. It would also impose a deadline of 18 months from the enactment of the bill for the completion of RI/FS's at bases designated for closure in 1989. Once again, the amendment would govern cleanup RI/FS's only at military bases designated as Superfund sites and slated for closure by the 1989 and 1991 base closure lists.

The overall average for remedial investigations and feasibility studies for the entire Superfund program has been approximately 24 months. Thus, the deadlines at which we have arrived are eminently reasonable and fair to the Department of Defense and in the interests of each community's environment, the States and the EPA. Let me also emphasize that the deadlines in this amendment do not authorize any delay in currently scheduled RIFS's. Rather, the amendment is intended to set out deadlines which do not currently exist in the Superfund statute for completion of RIFS's at closing military bases. In addition, I would note that the amendment would not supersede the provisions of the National Environmental Policy Act as they relate to environmental impact statements on military installations.

Mr. Chairman and colleagues, we are faced with a grave crisis in the base closure process, a crisis that has gone largely unrecognized, particularly in the Department of Defense. Everyone has heard the Department's siren song: All we have to do, the song goes, is sell off each service's "prime real estate," and the Federal Government will recoup great windfalls.

Mr. Chairman and colleagues, I am here to tell you that it simply is not so. That position is a great simplification bordering on falsehood. The facts are, no part of any base placed by the Environmental Protection Agency [EPA] on the national priority list, the so-called Superfund list, can be touched by any other agency or local government or private interest until the entire base has been completely cleansed of all ordnance and hazardous waste. Moreover, this process may last as long as 20 years at some military installations.

I am devoted to the total restoration of all military posts before their transfer to other interests. I will not allow any degradation of the cleanup process to occur. Make no mistake, however. I am determined to find a way safely to expedite this process. I am also convinced that the Congress will not allow unnecessary delay in the Defense Department's conduct of the cleanup process. Let this amendment serve notice that the Congress will find the resources, the manpower and the technology to ensure that the Defense Department acquits its responsibilities to our communities, our environment, and our Nation in a safe and efficacious manner. This amendment is the first step in our effort; many other steps need to be taken. I understand that the Energy and Commerce Committee will be examining these and other issues raised by the base closure process this summer, and I commend the committee for its interest.

Mr. Chairman, I am privileged to have had the cooperation and assistance of the distinguished chairmen of the Energy and Commerce Committee, the Armed Services Committee and the Subcommittee on Transportation and Hazardous Materials, as well as the able staff of each of these gentlemen, in the conception and drafting of this provision. I want to take this opportunity to thank each of them and to offer my commitment to continuing to work with them and with other colleagues to improve the Defense Department's ability to restore its polluted lands and waters both expeditiously and thoroughly.

Mr. Chairman, I urge my colleagues strongly to approve the committee's en bloc amendment, including as it does this provision so vital to communities throughout the Nation.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I have an amendment in the en bloc package that is aimed at consolidating and clarifying existing statutes relating to post-employment restrictions for Government workers.

I want to thank the chairman of the other committees and their staffs who have been working with us—Chairman BROOKS, Judiciary, Chairman CONYERS, Government Operations, and Chairman DINGELL, Energy and Commerce, for their cooperation and for allowing me to pursue this amendment to the DOD Authorization Act. I also want to assure my colleagues that I fully recognize their concerns, that the DOD authorization bill is not the appropriate vehicle for considering Governmentwide changes to revolving door—and that we are not attempting to subvert their jurisdiction in these matters by the action we take today.

During conference, we will work together to make changes to which we can all agree. However, if there is no agreement, then we will make no changes to the underlying statutes. I do hope, however, that ultimately we can make some very necessary changes to our revolving door statutes.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I support the amendment of my distinguished colleague from Massachusetts contained in the en bloc amendments. It represents a great deal of hard work. It was drafted by a coalition of the Government Operations Committee, together with the Armed Services Committee, and others, intent on bringing order and sense to the laws which now govern ethics in Federal contracting.

This is a matter squarely within the jurisdiction of the Government Operations Committee, which I chair. Accordingly, it is troubling to me that we are once again in the position of using a Defense authorization bill to enact this Governmentwide procurement legislation. I understand that the leadership of the Armed Services Committee has come to share my view on this problem, and I doubt that we will see this in the future.

But notwithstanding my difficulty with the choice of the Defense authorization bill as a vehicle for this reform, I think it is a well-considered step toward uniformity and relative simplicity in the Government's revolving door statutes. It will repeal certain revolving door statutes which I think rightly have been called duplicative and overly complicated, while maintaining a strong Governmentwide statute.

This amendment also strengthens existing procurement integrity controls, which govern gifts and gratuities and other improper contacts between contractors and Government officials, chiefly by extending those controls to the post-award period during which a contract is administered and performed.

Based on hearings held by my committee over the past few years into abuses in the procurement system, including fraud in major weapons systems contracts, I can assure you that a strong system of ethics in Federal procurement is needed now more than ever. This amendment will contribute substantially toward that goal, and I urge its adoption.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the en bloc amendments offered by the gentleman from Wisconsin, Mr. ASPIN. Part of that en bloc amendment is language I proposed with respect to tornado damage in my hometown.

Mr. Chairman, a prominent part of my hometown of Wichita, KS, is McConnell Air Force Base. McConnell plays an integral role in the Wichita community and all of south central Kansas, affecting the employment of thousands of Kansans and the economic stability and development of the entire region.

Of even greater significance to this Nation, the people, the facilities, and the equipment at McConnell provide an integral component to our strategic defense system. This military facility is the base to almost one-fifth of this Nation's fleet of B-1B bomers, an entire wing of KC-135 refueling tankers as well as a significant number of Kansas National Guard aircraft.

On April 26, 1991, several tornadoes ripped through Wichita and its surrounding area, killing 19 people, causing hundreds of millions of dollars of property damage and devastating the lives of many in this community. At least one tornado went directly through the heart of the base, destroying the hospital, the gymnasium, the noncommissioned officer's club, the recreation center and the base credit union, while damaging several other buildings, including base housing, the child care center, and the elementary school for dependents of military personnel.

The Air Force's preliminary cost estimate on the damage at McConnell is $85 million. This Nation is fortunate the tornado did not damage any of the military hardware based at McConnell, which could have resulted in, literally, billions of dollars of damage. However, all the facilities it did heavily damage or destroy directly support the quality of life of base personnel. Significant funds will be needed to clean up and eventually rebuild the facilities affected by these killer storms.

With this in mind, I have introduced an amendment expressing the sense of the Congress that the Department of Defense and the United States Air Force should make every effort to expeditiously repair the damage incurred by McConnell Air Force Base in Wichita, KS, caused by the devastating tornadoes on April 26, 1991. This amendment is supported by the committee and has been included in the en bloc amendment.

My amendment further expresses the sense of Congress that such repair is necessary to return this important military installation to its highest state of readiness and to provide the military personnel and their families stationed at McConnell Air Force Base the necessary support facilities to assure a quality standard of living.

I want to thank my friend PATRICIA SCHROEDER, chair of the Armed Services Subcommittee on Military Installations and Facilities and the distinguished chairman of the full Armed Services Committee, LES ASPIN, for their assistance during this difficult period at McConnell. Their support will certainly help maintain McConnell's high state of readiness while ensuring a high quality of life for the personnel who serve there.

Mr. ASPIN. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

(By unanimous consent, Mr. DICKINSON was allowed to speak out of order.)

Mr. DICKINSON. Mr. Chairman, if I may have the attention of the gentleman from Wisconsin, the chairman of the committee, I would like to discuss briefly what I anticipate to be the schedule for the balance of this bill.

As the minority, we have the right to a motion to recommit. It is my intention to take advantage of this position, but it will be without instruction.

I have 10 minutes on the en bloc amendments, and I do not anticipate that there will be any vote here. I would ask that if I am offering my motion to recommit without instructions, since there will be no debate time, I would request 5 minutes to discuss final passage. As far as I know, it is my understanding there would be no vote on this side at least; no request for a vote at the end of the en bloc amendments. There will be some discussion. Then there will be, when we go into the House, a motion to recommit, some discussion but no vote will be called for. Then there will be a vote on final passage.

Mr. Chairman, would the gentleman from Wisconsin see any objection to this, or does he see it differently?

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for his explanation of his intentions. Let me say we certainly see no problem with what the gentleman wants to do. We want to thank the gentleman from Alabama for his cooperation and want to thank him and the gentleman from Arizona and others who have been trying to work on a motion to recommit. We ran into some difficulty with it. But we have sympathy with the position of the gentleman from Alabama and the gentleman from Arizona and will pursue that in another piece of legislation.

I want to thank the gentleman from Alabama for his cooperation on the bill.

Mr. DICKINSON. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time on that portion and go back to my statement for consideration of the en bloc amendments.

The CHAIRMAN pro tempore (Mr. COX of Illinois). The gentleman from Alabama [Mr. DICKINSON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. I thank the gentleman for yielding.

Mr. Chairman, we have a problem with chemical weapons. In that the Congress has decided that they are going to demil all of our unitary weapons. We have a lot of them scattered all over the United States and in other areas.

We have mandated that this will be done. Now, in Johnston Island, 776 miles southwest of the Hawaiian Islands, we have a baseline technology. That is working at this present time on and off, and we hope that it is going.

We are building another one in Terwilla, UT, right now where we have 42 percent of all unitary weapons. Of those 42 percent, about half of them are leakers. So they put them in coffins, then they leak again, and they put them in another coffin. At other places in the United States we have unitary weapons, and the next one will be at Anniston, AL.

We have what we call baseline technology in Johnston Island and Terwilla. Now, when you go to the local building inspector and you say, "Come on in and give us a permit to build this thing," he is accustomed to doing houses, stores, service stations. Now, you say, "Here is a little $200 million deal that we are going to do, and we want you to give us a permit to do it." He has no way of knowing how.

So the States and local entities throw up their hands in despair and say, "How do we possibly do this?" They have no way to figure it out.

So, in effect, they can block what we are trying to do. In effect, they would be blocking our treaties with other nations if we cannot come to some meeting of the minds as to how to work out a permit.

So the Army has merely asked that they can work with the States and work with local entities in coming up with permits to handle these very complicated structures, such as the baseline or whatever other system may be used.

So this amendment is very simple. It just allows the Army to work with the local entities in taking care of permits to build these very necessary facilities which will be part of treaties which we have all been hoping for for many years.

Mr. DICKINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, I rise in support of the Frank amendment, which seeks to delay until fiscal year 1993 the groundwave emergency net program, known as GWEN. I think in the time of the cold war, with the lessened tensions around the world, is an appropriate time for this amendment and one which we should pass.

Mr. DICKINSON. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. I thank the gentleman for yielding time to me.

Mr. Chairman, my amendment included in the Department of Defense authorization bill is a noncontroversial measure since it simply mirrors the intent of the Department of Defense Federal Acquisition Regulations.

Mr. Chairman, the purpose of this amendment is simple and straightforward. It requires DOD to employ U.S.-flag vessels for the ocean transportation of all components and ingredients of equipment, materials, commodities, or supplies.

The U.S. attorney general's office said that components of equipment are subject to the cargo preference requirements. My amendment will prevent this very important issue from further questionable interpretations and will help ensure that U.S. taxpayers dollars are spent in support of U.S. industry, the U.S. economy, and not those of foreign nations.

I urge my colleagues to support my amendment.

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Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last year I stood on the floor and announced that, while I had no particular heartburn with any of the individual amendments contained in the en bloc package, I did have some reservations about the fairness of the process by which the committee fashioned that package.

Today I find myself in somewhat of a role reversal. I am generally pleased with the process this year, but have some questions concerning a few of the so-called noncontroversial amendments that comprise this year's package. I should state that Chairman ASPIN and I have an informal understanding between us which precludes any amendment proposed for en bloc from being accepted if I don't agree to it. Obviously, I don't find any of the amendments in this en bloc package so egregious that I have asked they be pulled out and voted on separately. This doesn't mean that a few of them aren't borderline, though. Indeed there are several in the borderline category, and I would like to submit my views on them for the record.

However, as I stated Monday when we were discussing the rule, the process by which all of the amendments submitted to the Rules Committee were narrowed down to those we have debated and those that are included in this en bloc package was a fair one. I have no complaints about the manner with which Republican Members' amendments were considered. Unlike last year, when our side had process problems with the final en bloc package, this year we were treated equitably. I would like to thank Chairman ASPIN and the Rules Committee for taking the steps necessary to turn the situation around from a year ago.

Mr. Chairman, I support adoption of this amendment and reserve the balance of my time.

Mr. DICKINSON. Mr. Chairman, there are three amendments in the en bloc package that I would like to call to my colleagues' attention.

First, there is a sense of Congress amendment that the Secretary of Defense should issue a special commemorative card to each member of the Armed Forces who served on active duty during the Persian Gulf conflict and was a participant in that conflict. While on its face the amendment seems like a noble thing to do by recognizing only those who participated in the Persian Gulf conflict, it overlooks those who served in a backup role, as well as those who would gladly have served had they been ordered to do so. Moreover, it sets apart our Persian Gulf veterans from our World War II, Korean War, Vietnam War, Grenada, Just Cause, and other veterans. In attempting to recognize the heroics of our Desert Storm veterans the amendment unwittingly characterizes those who did not participate and those who participated in other conflicts as second-class citizens. In summary, I don't think this well intentioned amendment was a well conceived one, and unless we can substantially modify it, I will request to drop it in conference.

The en bloc package also includes an amendment which further revises the procurement conflict of interest laws. This amendment takes a step in the right direction by beginning to chip away at the double standard, presently found in law, which places more restrictions on employees of the Department of Defense than the rest of the Federal work force. Unfortunately, this very modest step ignores many of the remaining drastic and counterproductive revolving door type of restrictions which are scheduled to become effective at the end of this month. It is regrettable that Congress will allow these flawed restrictions to go into effect knowing full well that they will drive many qualified employees from Federal service and keep a larger number from ever entering. I hope that we can build on the amendment in conference by directly attacking the problems plaguing the body of procurement law. We should do away with the remaining DOD-specific restrictions as well as the duplication and definitional problems still found in the statutes. More importantly, we should once and for all reject further attempts to legislate in this area on the basis of perceived problems instead of real ones.

Finally, there is an amendment which does not fit my borderline category but rather is actually a good government idea. The problem is that it is so narrowly targeted at two particular military installations in a single district, when it should be applied to installations in everyone's district. The amendment proposes to use the proceeds from the sale of lost, abandoned, or unclaimed property found on Naval Base Norfolk and Naval Air Station Norfolk: First, to cover the costs incurred to collect, transport, store and sell the property; and second, should these costs be reimbursed in full from the proceeds of the sale, to apply any remaining funds to support morale, welfare, and recreation activities at the installations. This makes sense to me! So why not make the provision applicable across the board—as, I might add—it's author initially intended? The answer apparently lies in the fact that this amendment creates an appropriation in an authorization bill, because the two installation commanders in question would have the authority to spend the money they collected without any further action by the Committees on Appropriations. I will work to broaden this amendment in conference and will also try to strike a deal with the Appropriations Committee to get an expanded version agreed to.

Mr. ANDREWS of Maine. Mr. Chairman, we all agree that unneeded military facilities must be scaled back in a fair and equitable manner. Many of the installations proposed for closure and realignment, however, suffer from moderate to severe environmental hazards.

This greatly concerns me. The DOD has a responsibility to fund needed environmental cleanup at all its U.S. military facilities, open or closed. Years of environmental contamination have taken their toll at military facilities in every State in the United States.

As part of Chairman ASPIN's en bloc amendment is a measure I am offering to ensure proper clean up for the next round of base closure sites. This amendment requires the Department of Defense to fund environmental restoration of closed or realigned facilities out of the base closure account 1990 and provides for reporting of these requirements with the submission of the fiscal year 1993 budget request.

Last year Congress established a dedicated funding source within the base closure account 1988—the first round—for environmental restoration purposes. My amendment will make this the law for the base closure account 1990, beginning in 1993.

The DOD plans to close and then transfer bases to the public. Prior to transfer of the land, these installations must meet certain environmental standards quickly, which is difficult without changing laws or increasing cleanup funding for sites on the closure list. Without a funding source for environmental restoration within the base closure account 1990, the Defense Environmental Restoration Program must pay for these activities, perhaps by rearranging its worst-first standard and postponing needed environmental work already planned at over 17,000 sites at more than 1,800 operating facilities.

In fiscal year 1992, the Defense Department estimates that $133 million is needed for environmental restoration at facilities slated for closure or realignment in round II. At least another $158 million will be required in fiscal year 1993. We still do not have an accurate estimate for the total clean-up costs of these sites proposed for closure and realignment.

Rather than force a trade-off between funding operating and closing facilities, this amendment would establish separate funding sources in fiscal year 1993 to enable both efforts to receive needed environmental work. This amendment would also require DOD to submit a 5-year estimate of the costs for environmental restoration associated with closure and realignment at the round II facilities.

We cannot afford to wait any longer. We must put our country's military facilities in order and protect our citizens from the hazards of environmental pollution in their own communities. I urge my colleagues to support this amendment and help speed up the environmental restoration of this nation's military facilities.

Mr. SYNAR. Mr. Chairman, I rise in support of the amendment offered by my colleague from Texas, Mr. BUSTAMANTE. A year and a half ago, Mr. BUSTAMANTE asked me, as chairman of the Government Operations Subcommittee on Environment, Energy, and Natural Resources, to help him investigate reports of safety and environmental problems at the Pantex nuclear weapons plant near Amarillo, TX. So we asked the U.S. General Accounting Office to review the status of Pantex for us. On April 15 of this year, GAO issued a report confirming that there were numerous instances of safety problems at Pantex and reporting that Pantex has one of the worst worker safety records of all DOE facilities.

The Bustamante amendment would extend the jurisdiction of the Defense Nuclear Facility Safety Board, an independent agency created by Congress to oversee the DOE's nuclear weapons plants, to Pantex. With the board's oversight, made possible with this amendment, I sincerely hope that the next time we send the GAO to Pantex their report will show operations at Pantex to be much improved. I also want to commend the Armed Services Committee for recognizing the merit of this amendment.

Mr. SWIFT. Mr. Chairman, I would like to commend the gentleman from California [Mr. PANETTA], on his amendment to H.R. 2100, which will put the Department of Defense on an enforceable schedule for completion of remedial investigations and feasibility studies [RI/FS] at those closing military bases which are listed on the Superfund national priorities list.

As chairman of the Energy and Commerce Subcommittee on Transportation and Hazardous Materials—which has legislative jurisdiction over the Superfund program—I recently held a hearing on Federal facilities compliance with our Nation's hazardous waste laws. As most of us know, Mr. Chairman, that compliance record has been abysmal, resulting in a significant number of Department of Defense installations winding up on the Superfund list.

In the Superfund Amendments and Reauthorization Act of 1986, we required that the Administrator of EPA include on the Superfund national priorities list all Federal facilities which met the criteria established under the national contingency plan for determining response priorities for releases of hazardous substances.

Once a Federal facility was included on the NPL, the Department owning the facility—in this case, the Department of Defense—was required to commence a remedial investigation and feasibility study for that facility within 6 months. EPA and the appropriate State authorities were then to publish a timetable and deadlines for expeditious completion of the RI/FS.

As most Members know, the RI/FS is an extremely important step at a Superfund site; it is an in-depth characterization of the hazards at a site and provides the blueprint for cleanup. It is crucial that the RI/FS be completed in a timely manner, so that the complex and expensive cleanup activities can begin.

Unfortunately for the communities surrounding closing military bases that are also Superfund sites—which potentially include Fort Ord in Mr. PANETTA's district in California and the Whidby Island Naval Air Station in my district in Washington—the Department of Defense is not as far along as they should be in finishing the RI/FS process and beginning the cleanup. This means that those communities will be even more economically disadvantaged by the closing of the base than they otherwise would be, since environmental contamination will prevent them from making productive use of the property for several years.

Mr. PANETTA's amendment promises to do something about this situation, by giving DOD a firm deadline by which they must have completed the RI/FS process, and so begin actual cleanup.

I'd like to express a note of caution, however, for DOD. The Superfund law requires, as I've noted, expeditious completion of remedial investigations and feasibility studies at Federal NPL sites. The timelines contained in the Panetta amendment are not to be taken as an excuse to drag the process out until the very last minute; they do not stand as the definition of "expeditious completion." Instead, the timelines contained in the Panetta amendment are outside deadlines by which the RI/FS must be complete; a date representing expeditious completion of the RI/FS at many of the NPL sites on the base closure list may very likely fall much earlier than the deadlines contained in the amendment, and in those cases, the committee expects those RI/FS to be complete within that earlier timeframe.

Again, I commend the gentleman from California for this fine effort. I appreciate his working with the Energy and Commerce Committee on his amendment, and urge its passage.

Mr. DURBIN. Mr. Chairman, the amendment I have joined the gentleman from North Dakota [Mr. DORGAN] in offering puts the goal of Congress to increase the use of ethanol back on track. In the wake of the Persian Gulf war and with increasing concern over the environment, ethanol has a greater role to play in our Nation's energy policy than ever before.

It has already been the law of the land for a decade that whenever possible Federal vehicles should operate on motor fuel containing 10 percent ethanol. Every car sold in America today can operate safely on a 10-percent ethanol blend, and each time we fill up the tank with ethanol blends we reduce our need for imported oil from trouble spots such as the Middle East.

Yet, despite the clear benefits of using alternative fuels, virtually none of the fuel purchased by the Federal Government today contains ethanol.

Federal law permits exemptions where they are legitimately necessary, but these exemptions have been abused. Our amendment would close some of the out-of-date and unnecessary loopholes which are preventing the Federal Government from taking full advantage of ethanol.

The Defense Department is the bulk purchaser of motor fuel for all Federal agencies. Our amendment requires that DOD purchase ethanol blends as long as the price of the ethanol blend is the same as or lower than the price of unleaded gasoline. This will ensure that DOD purchases ethanol for fleet vehicles even if the agency doesn't specifically request it.

With regard to the Defense Department's purchases for its own use, our amendment requires that the Secretary of Defense review all exemptions that have been granted and terminate any exemptions that he determines are no longer appropriate. Any remaining exemptions, if any, shall be justified in a report to Congress within 90 days.

I believe that when the existing exemptions are reviewed, the Department of Defense will find that most of them are groundless. When ethanol is already blended into 8 percent of the entire U.S. gasoline supply and American consumers have traveled nearly one trillion miles in vehicles fueled by ethanol blends, there is no good reason why the Federal fleet cannot use ethanol. Considering our dependence on foreign imports for more than 50 percent of the crude oil we need to meet our energy requirements, it is long past time to take advantage of the benefits of using domestically produced, renewable ethanol whenever possible.

Mr. WISE. Mr. Chairman, within this en bloc amendment, I am offering an amendment that will help welcome home the veterans of the Desert Shield/Storm conflict in the gulf.

The amendment seeks the sense of Congress in requesting that the Secretary of Defense issue a special commemorative card to each member of the Armed Forces who served on active duty during the Persian Gulf conflict. This card is in no way intended to replace or interfere with the current military identification process.

The reason for this amendment stems from a program to benefit Desert Storm veterans that I am currently working on in West Virginia. The Desert Storm Discount Program in West Virginia was kicked off on Saturday and 400 businesses across the State are participating by giving a 5 to 50 percent discount to the veterans who served in the Desert Storm conflict.

To make this program work, a special identification card was needed for each veteran in West Virginia. Because National Guardsmen, reservists, and all branches of the active Armed Forces were involved with the gulf conflict, it was difficult to identify all of the soldiers who participated. Only with the help of the West Virginia National Guard and their liaisons to the other branches of the Armed Forces were we able to piece together a complete list. This amendment would save veterans' groups and other civic organizations a considerable amount of time and money in their efforts to show support for the veterans of the Gulf conflict.

In addition, when I was home 2 weekends ago, I met a young soldier who had just gotten home from the gulf. When talking abut the Desert Storm Discount Program, he showed me a card that he purchased as he was leaving Saudi Arabia. The card is similar to a credit card; it bore his signature, it was red, white, and blue, and it had a picture of a tank on it. He is very proud of this card because it is a commemorative card honoring him for his efforts in the gulf. Unfortunately, the only cards available to veterans today are those that they purchased on their own, as my constituent did for 90 cents from two entrepreneurs in Saudi Arabia. It is my hope that the Congress will make this appropriate and timely gesture in support of our troops.

We have learned many lessons from our involvement in Vietnam, but one of the most important is that we cannot afford to neglect those who sacrificed for our country. If we do not want to create another generation of young Americans who feel alienated, forgotten, and disenfranchised by their government, we must make every effort, large and small, to express our gratitude. It is my hope that my amendment will help in this effort.

I hope that you will support my amendment to H.R. 2100.

Mr. LANCASTER. Mr. Chairman, I rise in support of this amendment. In my capacity as chairman of the Armed Services Committee Panel on Morale, Welfare and Recreation, I am well aware of the valuable services provided to our military men and women by this program.

I have visited many military installations to observe efforts to improve quality of life. It is heartening to see the military and their families making the extra effort to generate community funding including volunteerism in child care, Red Cross, family services, and active efforts in recycling. These people have dedicated themselves to helping their community by making up for shortfalls in appropriated fund support. This is one small way we can reciprocate for their dedication.

Allowing this procedure will provide a needed source of revenue to continue programs such as libraries, athletics, recreation, and child care. I urge my colleagues to vote with me in supporting this worthwhile program.

Mrs. MINK. Mr. Chairman, I come before you today to ask your support for my amendment to H.R. 2100, the Defense Authorization Act of 1991.

My amendment would express the sense of the Congress that the Strategic Target System Program [Stars] to be conducted at the Pacific Missile System Range Facility on Kauai, State of Hawaii, should be treated as a major Federal action and that Army Strategic Defense Command should complete an environmental impact statement.

The Stars Program, part of the strategic defense initiative would launch modified Polaris missiles with about 650 pounds of payload capability from the Pacific Missile Range Facility on Kauai to Kwajalein Atoll in an attempt to simulate missile re-entry. The Army has planned up to 40 launches over the next 10 years. Four launches per year with the first test launch scheduled for this month.

In July 1990 the Army completed an environmental assessment [EA] which concluded that the Stars Program would have no significant impact on the human environment surrounding the Pacific Missile Range Facility.

After careful review of the environmental assessment, the entire Hawaii congressional delegation, the Governor of the State of Hawaii, the mayor of Kauai, and the Kauai County Council, raised concerns that were not adequately addressed in the EA. These concerns include the following:

First, the aging characteristics of the 20-year-old Polaris booster that may increase the likelihood of a malfunction or explosion;

Second, accidents may occur during transportation of the liquid propellant over Kauai's roads;

Third, freon emissions from the missiles will deplete the ozone and hydrogen chloride emissions will adversely affect air quality;

Fourth, the launches may damage the nearby Nohili Dunes, which contain Hawaiian burial grounds and native strand vegetation;

Fifth, the launches may damage nearby Polihale State Park, which provides habitat for rare and endangered native Hawaiian plants and recreational areas for visitors and local residents;

Sixth, the launches may damage nearby Na pali Coast State Park;

Seventh, the project will require periodic closure of the Barking Sands recreation area, which visitors and local residents use for fishing, surfing, swimming, and other recreational activities;

Eighth, the launches may damage the nearby Mana wetlands, which provide essential habitat for four species of endangered Hawaiian waterbirds;

Ninth, the launches may endanger the Laysan albatross and candidate endangered plants which grow within the launch hazard area;

Tenth, the launches may harm the endangered humpback whale, the endangered Hawaii monk seal, and the threatened green sea turtle, all of which inhabit the waters offshore of the launch site;

Eleventh, noise from the launches may harm endangered forest birds that reside in the uplands north of the launch site; and

Twelfth, lights at the launch site may disorient fledgling birds of the threatened Newell's shearwater species.

Despite these environmental and safety concerns raised by the previously mentioned parties, the Army has adamantly denied the request for an EIS.

The matter was taken to Federal district court by the State of Hawaii and by the Sierra Club. Last week Friday, the U.S. Federal District Court in Hawaii issued a decision which determined that with respect "to hydrogen chloride [HCL] and freon emissions, the State is entitled to judgment as a matter of law on its NEPA claim".

The court said that the environmental assessment is inadequate to determine whether HCL and freon emissions of the STARS project may have a significant environmental impact. Accordingly, the court did not order the preparation of a full EIS, but required the Army to remedy the deficiencies in its EA on these two accounts.

The court then concluded by enjoining any further activity by the Army with respect to the STARS project on Kauai until the Army has supplemented its EA as directed by the court.

The court's decision was partially supportive of our State's claim, but while all options are being reviewed, it is important for this amendment to be acted upon to specify that this launch is a major Federal activity which requires the preparation of a full environmental impact statement.

The court's failure to require an EIS leaves a number of health, safety, and environmental concerns that have not been adequately addressed. Therefore, it is imperative that the Congress pass this amendment to ensure the continued safety of the residents of Kauai and the protection of our environment.

We in Hawaii continue to support the activities of the armed services in our State. However, these activities should comply with State and Federal law and be carried out in a safe and environmentally responsible manner.

For the sake of ensuring that the environment is protected from harm, I urge Members to vote "yes" on the en bloc amendments.

Thank you Mr. Chairman.

Ms. PELOSI. Mr. Chairman, I rise in support of Mr. PANETTA's amendment which is included in the chairman's en block amendment. This amendment would achieve the much needed goal of speeding up some of the preliminary studies for base closures included on the national priority list of Superfund sites.

The recent base closure list submitted to the Base Closure Commission by the Secretary of Defense includes 16 bases on the national priority list. One-fourth of these bases are in California, and one of them happens to be in my district.

For years, the people of San Francisco look to Hunters Point annex as a potential resource for our community, in the hopes that it might be either revitalized as a Navy base or utilized in a meaningful way for the surrounding neighborhoods.

Now, a recommendation has finally been made for closure, but because the base is a Superfund site, it could be years before these dreams for the community are realized. Mr. PANETTA's amendment addresses the important concern of laboring through unnecessarily long preliminary studies which could be expedited. The study period by the Department of Defense is often as long as 3 years; the amendment would reduce this time, in some cases, by almost 2 years without risking human health or safety.

Base closures are intended to save the Federal Government money. Many of the bases that are also NPL sites include in their cost-savings analysis land sales. As we have found with Hunters Point, cost savings for the Navy and reuse by the community will be dependent on the timing of the Superfund cleanup effort.

I believe the study time can safely be shortened to move the cleanup study process along to create a safe environment for reuse of our military installations for the public good.

I also want to express my strong support for the amendment proposed by Mr. ANDREWS of Maine which would authorize continued funding for environmental restoration of closed military bases. There are over three times the number of NPL bases on Secretary Cheney's list, compared to the 1988 base closure list. We must be able to ensure the safety of these bases for future use by our communities.

I appreciate the work of Mr. PANETTA and Mr. ANDREWS to encourge the environmental restoration of military bases being recycled for public use and I urge my colleagues to support these measures.

Mr. DICKINSON. Mr. Chairman, I reserve the balance of my time.

Mr. ASPIN. Mr. Chairman, I have no further requests for time and yield back the balance of my time.

The CHAIRMAN pro tempore [Mr. COX of Illinois]. Does the gentleman from Alabama [Mr. DICKINSON] yield back the balance of his time?

Mr. DICKINSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendments en bloc, as modified, offered by the gentleman from Wisconsin [Mr. ASPIN].

The amendments en bloc, as modified, were agreed to.

Mr. VENTO. Mr. Chairman, H.R. 2100, the defense authorization bill for fiscal year 1992, appropriately continues down the path of reducing our defense expenditures from the record-high levels of previous years while providing for a strong and efficient national defense. The Armed Services Committee has recognized, in most instances in this bill, the changed nature of the world in which we live in and the realities of fiscal constraint and accountability. The bill authorizes $291 billion for fiscal year 1992, which represents a reduction of about 7 percent from the baseline level which would be required to continue policies that were in place before the budget agreement.

The bill authorizes a total of $3.5 billion for continuing research and development of the strategic defense initiative [SDI], although $858 million, or 25 percent of these program funds, are designated for a new, separate program for defense against short-range tactical ballistic missiles, such as those that were recently used in the Persian Gulf war. The new Joint Tactical Missile Defense [TMD] Program is to be run separately by the Army, which also runs the successful Patriot Program, rather than the existing SDI office.

The bill also bars any funds for the so-called Brilliant Pebbles Program, which would advance the SDI Program beyond research and development toward procurement and deployment of a limited space-based system that would put us on a collision course with the requirements contained in the 1972 Anti-Ballistic Missile [ABM] Treaty.

While the Committee bill moves in the right direction in limiting and redirecting SDI funding, I would go even further by supporting the Dellums-Boxer-Andrews amendment, which would terminate the SDI Program and fund only a basic research program at $1.1 billion. It is time that the Congress face the reality that we cannot continue to spend exorbitant amounts of scarce Federal dollars for a system that will likely never be effective enough to deter a massive long-range ballistic missile attack. Clearly, the more immediate threat today is no longer from the long-range ballistic missiles of the Soviet Union, but from mobile, low-flying, short-range missiles which were used to great effect in the Persian Gulf war and which many nations can now readily afford and acquire.

The bill terminates production of the B–2 Stealth bomber at the currently authorized level of 15 aircraft and does not provide any new funds for procurement, but continues basic research and development.

The bill also provides $298 million above the administration's request for a Radar-Jamming Modification Program for the Air Force's fleet of B–18 bombers, which the Air Force recently terminated for lack of sufficient funds.

I support the committee's efforts to provide funding for existing aircraft systems for upgrades in technology where they are available and where they are technically feasible, such as improvement for the F–117A Stealth, the F–14 fighter, and the M–1 tank.

It seems both logical and fiscally responsible to support such enormous costs associated with developing a new system, such as a new fighter aircraft. The commercial aerospace industry has reaped enormous benefits over the years from developing derivative aircraft from original designs and later developing upgraded technologies in areas such as airframes, powerplants, and avionics. U.S. policy should aggressively seek the same sense of economy in weapons systems where it is technically feasible and economically sensible.

I do not favor the authorization of $549 million for the Midgetman intercontinental ballistic missile, but I do recognize the fact that these funds are limited to continuing research and development. The administration apparently recognizes the limited nature of congressional support for the program and will hopefully move in the future to put the Midgetman in mothballs.

I also have serious reservations concerning the authorization of the administration's request for $1.2 billion for 28 D–5 Trident II missiles, along with startup procurement for 31 more missiles in fiscal year 1993. While the bill wisely mandates $15 million to study the safety of the propellant and rocket motor used on the D–5 missiles based upon safety concerns raised by the panel on nuclear weapons safety, these outstanding safety questions should be answered fully before we provide funding to buy any more D–5 missiles.

Competition in contracting is an essential element in assuring quality and efficiency in defense spending. This is particularly true with respect to big ticket items, such as aircraft, ships, and submarines. I support the Gejdenson amendment which strikes the bill's requirement that the contract for the third Seawolf SSN–21 submarine be awarded to a firm which did not win the first contract for the submarine. That contract was awarded to the Electric Boat Co. of Groton, CT, on the basis of a competitive bid. The effect of the committee bill would be to legislatively designate the Newport News, VA, Shipyard, the only other manufacturer of nuclear submarines, as the contractor for the third SSN–21 with no regard for competition in contracting. In my view, it would be unwise to abandon the principle of competitive contracting where it is successfully being utilized with the Seawolf Program or any other weapons system.

I strongly support efforts to promote burden sharing among our allies in Europe and Asia. Clearly, many of our allies who formerly relied exclusively upon the United States to help them provide for their security are now better situated to provide for their own defense. Additionally, the threats which many of our allies faced from the Warsaw Pact in Europe and from the Soviet Union in Asia have dramatically changed. The United States can no longer afford to pay the huge costs associated with maintaining a permanent cold war military force around the world. We should start down the path of gradual troop reductions in Europe, Japan, and South Korea and should begin to consider an affirmative closing of some foreign military bases. At a time when many local communities in this country are experiencing dislocations due to base closings, we should begin to look at which foreign military bases should be closed.

H.R. 2100 authorizes $78.2 billion for military personnel, including a 4.2-percent pay raise for military personnel effective January 1, 1992. The bill also permanently raises imminent danger pay from $110 to $150 per month and family separation pay from $60 to $75 per month, as well as establishing a standard $6,000 death gratuity. The Armed Services Committee voted to remove the statutory prohibition against women flying combat air missions in the Air Force, Navy, and Marine Corps. This provision in the bill clearly recognizes the unprecedented role of women in the Persian Gulf war and removes one more barrier to equality in the Armed Forces.

The bill sets a ceiling on active-duty personnel at 1.9 million and on Reserve personnel, including Reserves, National Guard, and Coast Guard at 1.2 million—67,000 more than the administration's request. The development in the Persian Gulf this past year was proof positive that the total force concept works. The contributions of Reserve and Guard units from across the nation during the war were outstanding.

Mr. Chairman, I commend the chairman of the Armed Services Committee, Mr. ASPIN, and the members of the committee for their diligent work in producing this major legislation. I hope that we will be able to continue down the path of reducing defense spending and meeting more of our urgent national needs.

Mr. FRANKS of Connecticut. Mr. Chairman, I vote today against passage of H.R. 2100. Few votes we are faced with, as a Congress, are so central to the best interests of this country and the best interests of our vital national security. And as a Congressman from Connecticut, whose economy and industrial base are dependent on defense dollars and a vibrant defense industry, it has been tremendously difficult for me to vote against this act.

On the whole, H.R. 2100 is a solid and workable blueprint for defense spending. The House Armed Services Committee, of which I am a member, worked hard to maintain a strong military posture capable of power projection throughout the world. Unfortunately, the defense numbers and constraints placed upon us by the bipartisan budget agreement made it all but impossible to meet the desired goals and requirements of each of our proud services.

It has been a frustrating process that ends today with an equally frustrating vote. Throughout the last few months I have worked closely with Representatives of our Nation's armed services, Members from both sides of the aisle as well as Connecticut contractors, to ensure that funding was preserved to continue important defense programs and weapons systems integral to our national security.

I worked hard and invested countless hours in hearings before the full committee and the three subcommittee's that I serve on. I have fought hard with my colleague from Rhode Island to preserve the Seawolf Submarine Program in Connecticut.

Connecticut companies have won important contracts which will revolutionize our military's capabilities and I was pleased that this authorization recognized their importance and provided funding. Pratt & Whitney won the advanced tactical fighter, Sikorsky—the light helicopter and Textron Lycoming has won funding for new engines for the M1A2 tank.

On a smaller scale—I have met and worked closely with several small manufacturers, and businesses who are part of the vast network of subcontractors who make up our Nation's all important industrial base. These firms, involved in R&D testing, and as suppliers to the major prime contractors, all have a vested interest in the passage of H.R. 2100.

That is why it has been so difficult for me to vote "no" on a bill which I have invested much time and exerted much effort to bring to the fore.

For while this bill does address a host of security concerns, provides billions for much needed weapons systems and continues to provide for the health and safety needs of our many fine men and women in the service: It fails to adequately meet two key national security concerns.

First and foremost, I cannot vote for this authorization which has effectively killed the B-2 Bomber Program. Second, I believe that it is imperative that we continue SDI research, not only in theater defense, but the space based Brilliant Pebbles Program, as well.

If there were two lessons learned from the Persian Gulf war, it was the value of Stealth and the importance of antiballistic defenses. This authorization is more than dollar figures and applied resources—it is an agenda, a categorization of priorities.

While I weigh heavily my responsibility as a Congressman to my district and the State of Connecticut, of equal importance is my responsibility to ensure the strength and effectiveness of our Nation's security and well-being.

That is why I cannot in good conscience vote for this authorization which has gutted two vital defense programs.

Mr. WEISS. Mr. Chairman, I rise in support of final passage of Department of Defense authorization bill of 1992, H.R. 2100. Although we could make much steeper reductions in defense spending without jeopardizing our national security, this bill takes important steps toward meeting the realities of the post cold war world and is a substantial improvement over the administration's proposed progam request.

This year's authorization bill reduces spending in weapons systems that were developed for a bygone era. For example, it terminates B-2 bomber procurement funding, stopping the program at the 15 previously authorized aircraft. It deletes all funding for Brilliant Pebbles and other phase I schemes which, if deployed, would violate the ABM Treaty. Further, it bans for 2 years the testing of the mid infrared chemical laser [MIRACL] against an object in space, and deletes funds for both the SRAM-T short-range missile, originally designed for the European theater, and the B-90 nuclear depth/strike bomb.

The measure also takes steps to provide the kind of defense we will need for the post cold war era. For example, it recognizes that the theater defense program is important in its own right and should be developed separately from SDI. It therefore invests in short-range tactical missile defense and transfers the current program from SDIO to a newly created Joint Tactical Missile Defense Program headed by the Army.

H.R. 2100 also recognizes that our greatest resource is our people and includes a number of enhancements designed to better protect our men and women in uniform. For example, it adds money to improve a battlefield "Identify Friend or Foe" system—a system designed to prevent future deaths of our ground troops due to accidential friendly fire. The bill upgrades the Army's and Navy's capabilities in the area of mine countermeasures—the detection, avoidance, and elimination of deadly land mines like those we saw in Kuwait. And, for the first time ever, the bill lifts the prohibition on women serving in combat missions in the Air Force and Navy—thus allowing women to fly combat missions as pilots.

Despite these important achievements, the bill authorizes an excessive level of defense spending. It authorizes the same amount that the administration requested, which is $8 billion more than the House-passed level of $283 billion for this year and nearly the same amount authorized in fiscal year 1990, the last year of the cold war.

Therefore, although H.R. 2100 notably reduces spending for several wasteful programs, it saves no money overall. Not one cent of the cuts made in SDI or the B-2 program will go toward deficit reduction. Last year's budget agreement gave us our topline defense spending numbers—that is, maximum spending caps, and specified that any money not spent on defense should go toward improving our economy through deficit reduction. However, rather than allowing savings to go toward deficit reduction, the drafters of this bill redirected every single available cent to beef up other programs.

For example, H.R. 2100 authorizes a total of $642 million on the B-1B bomber program—more than twice the administration request. It also rejects the administration's plan to terminate the F-14 program and authorizes some $680 million for the remanufacture of at least 12 F-14A's, $50 million in advanced procurement, and $166 million in R&D. The administration's plan to terminate the production of the F-16 line after fiscal year 1993 was ignored—the bill provides $1.1 billion for 402 planes (rather than 303) and for R&D. H.R. 2100 authorizes a total of $990 million, none of which was requested, for the V-22 Osprey program.

While the bill makes welcome changes in SDI, the combined strategic and tactical missile defense funding of $3.5 billion remains excessively high. The total is $1 billion more than the House supported and $400 million more than Congress finally approved last year. While the core, nontactical, SDI program was frozen by the committee at $2.7 billion, the Senate will inevitably increase that number, potentially by a considerable margin.

The authorization for the MX rail garrison system exemplifies some of the imprudent spending contained in this bill. Over one quarter of a billion dollars is authoirzed for R&D on the MX system which is to be mothballed as soon as the R&D is completed.

Perhaps the authors of the bill lacked the incentive to produce overall savings. Last year's budget agreement prevents Congress from transferring savings from one discretionary spending category to another, thereby eliminating the incentive to make cuts in any one area because there is no way to use any of the savings for other priorities. For instance, if Members knew that halting production of the highly unsafe and unnecessary D-5 missile program—which the bill authorizes over $1 billion—would translate directly into funds available for pressing domestic needs, perhaps overall savings would have been realized. To address this problem, I have introduced the Congressional Budget Responsibility Act of 1991, which will permit Congress to transfer between the three discretionary spending categories—domestic, defense, and foreign aid.

Overall, as I stated earlier, this authorization bill continues the restructuring and builddown of our military that we began last year, and thus I will vote for final passage. It does not, however, go far enough in cutting wasteful progams and fails to produce any savings overall. Many of my colleagues trumpet the value of fiscal responsibility and deficit reduction. When they are confronted with an opportunity to translate these fine phrases into actions, however, they pass it up. Perhaps the smell of pork is too overwhelming.

Mr. DORGAN of North Dakota. Mr. Chairman, in the early 1980's, Congress passed two laws requiring gasohol to be supplied to Federal vehicle fleets, and requiring Federal agencies to use gasohol in their vehicles as an alternative to gasoline.

One of the two laws pertains to the Department of Defense, and requires DOD to contract for gasohol instead of gasoline whenever it is reasonable to do so. Since that law was passed, DOD has written rules and regulations about supplying its vehicles with gasohol, and has taken a lot of exemptions to the requirement to use gasohol. Implementation has been mostly rule writing and very little gasohol.

Very few Defense vehicles use gasohol despite the fact the gasohol is cheaper in most markets, and despite DOD regulations that state:

> Gasohol is completely interchangeable with unleaded gasoline for use in all DOD-owned or leased administrative automotive vehicles with spark ignition engines under all climatic conditions in the United States.

So, Mr. DURBIN and I propose this amendment to Public Law 97-295 (10 U.S.C. 2398), in which Congress required DOD to buy gasohol—90 percent gasoline, 10 percent ethanol—instead of gasoline, "to the maximum extent feasible and consistent with overall defense needs and vehicle management practices * * *"

In practice, DOD contracts for all fuel for all Federal vehicle fleets. Also, in practice, and as a result of other legislation, DOD also contracts for gasohol for fleets outside of DOD whenever any Federal agency requests that DOD bid gasohol for its use.

Also, in practice, neither DOD, nor other Federal departments, use gasohol in any significant amounts. Of 160 million gallons of gasoline-gasohol that DOD bought in bulk last year for all Federal fleet managers are going in the wrong direction: The total was 770,000 gallons of gasohol in 1987.

This is despite the law I mentioned related to DOD, and a section of the Energy Security Act of 1980 (42 U.S.C. 8871), under which President Carter issued an executive order requiring all Federal agencies to use gasohol as an alternative to gasoline. The Federal departments have taken full advantage of the flexibility Congress provided to exempt certain vehicles or fleets where using gasohol may have compromised what were, at the time, the conventional views of good vehicle management. The Federal departments have virtually exempted to death the requirements to the gasohol.

The amendment does two things:

First, DOD is required by the amendment to review all of the exemptions granted to its own diversions to the requirement to use gasohol. There are many exemptions, some maintained since the early 1980's, before manufacturers had, for example, determined that gasohol has no harmful effects on their vehicles. The amendment requires a review within 90 days of enactment, and a report back to Congress to justify any exemptions to be retained.

Second, a requirement for DOD to buy gasohol instead of gasoline—whenever prices are equal to, or lower, than gasoline—is extended to all of the departments that DOD supplies.

I do not expect our amendment to bring other Federal agencies under compliance with the Energy Security Act requirements, but our amendment will be an important step toward that end. It is a step that addresses the supplier. DOD is the supplier, and so we feel we must address that change in law within the DOD authorization. One of the shortcomings of existing law on this matter is that the same requirements do not address the Federal supplier and the users. The experience is that if you do not make the same requirement of both, very little happens.

To bring about a reasonable implementation of the Energy Security Act with regard to gasohol use in fleets outside of DOD, we will have to amend or amplify that law separately. That is, we will have to tighten the law that addresses the users, so that other Federal agencies can, in fact, order gasohol from the DOD defense fuel supply center.

Mr. DURBIN. Mr. Chairman, I am pleased to rise and express my support for H.R. 2100, the National Defense Authorization Act for fiscal year 1992 and 1993. This authorization provides a substantial increase of $91 million for medical research conducted within the Department of Defense. The authorization targets the areas of combat casualty care, burn treatment, and the research of infectious diseases. By working through these existing programs, DOD can support areas which present the highest yield for civilian, as well as military, populations.

Americans were properly proud of the Armed Forces and their high technology weaponry which served so ably in the Persian Gulf. These weapons were the product of years of bipartisan congressional research and development support. Today, Americans can be proud of a different type of research and development support which is enjoying a similar high yield in the Persian Gulf—medical research.

Over the months that have followed the swift victory in the Gulf, American soldiers have delivered supplies and performed relief efforts that have saved lives. Doctors with the Centers for Disease Control estimate that 70 percent of the 200,000 Kurdish refugees are at risk of dehydration linked to diarrhea and credit the oral rehydration administered by the military and civilian medical corps with saving thousands. Doctors also cite the persistent regional threat of malaria, particularly as the malaria season approaches. Malaria is the single greatest worldwide health threat, with over 270 million active cases in 103 countries, placing 2.1 billion people at risk. Malaria is not limited to Africa, South America, and the Middle East, with over 1,000 cases reported by Americans traveling or working in infected regions and outbreaks have been recorded in California and Florida in 1990.

The Defense Department has made groundbreaking progress in health and medical research, benefiting the American public and the world community, as well as DOD. Defense medical research is implemented in civilian hospitals on a daily basis, aiding the victims of traumatic injury by developing treatment for gunshot and auto accident victims, and improving burn and shock treatment with the development of life-saving salves and ointments. DOD research has made similar contributions to infectious disease treatment as well. DOD recombinant DNA research has produced a hepatitis vaccine, proceeding from preclinical stages to human testing, and potentially promising treatments for malaria are now undergoing voluntary human testing in Thailand and Kenya.

The world is changing and the United States is appropriately reviewing its military role within this increasingly uncertain world. However, as the United States contemplates an expanded role in the post gulf war world, the United States cannot neglect the health risk posed for both American soldiers and the American public at risk of infection.

The New England Journal of Medicine recently identified significant health risks for the service men and women returning from the Persian Gulf. Because many of the diseases, enteric fever, malaria, viral hepatitis and meningococcal diseases, are more common to the Middle East, they receive little attention from the American medical community. Tropical diseases, such as malaria and schistosomiasis, cause half of the world's illnesses, yet receive only 3 percent of its research funds. For those diseases more common to the Middle East, DOD's research programs are among the world's most active. Increased funding for defense medical research can advance the health of our service men and women as well as the general public worldwide.

This authorization's medical research increase also represent support for medical schools, unversities, and research institutions around the country by targeting these funds for extramural research. DOD spends approximately 55 percent of its medical research funds at its own intramural facilities. The committee's authorization directs the increased research funding extramurally to research facilities and medical schools around the Nation, expediting both the research and its dissemination to the broader medical community.

The decreased strategic threat posed by the Soviet Union permits the United States to shift resources, without jeopardizing national security, to improve both American and worldwide health. The authorization targets new Federal resources to existing DOD research programs in areas such as combat casualty care, burn treatment, and infectious diseases.

I am pleased to extend my support.

Mr. WOLPE. Mr. Chairman, I rise in support of H.R. 2100, the National Defense Authorization Act. With the collapse of the Soviet threat and the advent of the Persian Gulf war, our Nation's defense needs have changed drastically over the past 2 years. This bill reflects those changes and will put our country's defense capabilities in excellent position to meet the challenges of the coming decade.

This year the committee was able to study our weapons systems in action. The committee members have done a thorough job and this bill clearly reflects the lessons learned in Operation Desert Storm. The bill includes funds to upgrade the M–1 tank to M–1A2's because the newer version performed much better in the Persian Gulf. The success of the F–117A convinced the committee to fund the F–22 Stealth fighter and to continue buying F–16's until the F–22 gets into production. In addition the bill includes funds for the Army's Blackhawk helicopter and the Marine Corps' V–22 Osprey. Both these aircraft would be useful in operations like the Persian Gulf war which involve transporting large numbers of troops and equipment quickly. These weapons systems will give us a flexible military able to respond to a variety of crises around the world.

I am pleased to note that this year's defense authorization bill also cuts two of the most expensive and wasteful weapons systems, the B–2 bomber and the strategic defense initiative. The B–2 Stealth bomber was designed to penetrate Soviet air defense. The likelihood that this mission will be necessary is declining constantly and it can be carried out by the B–1B in any case. Although not perfect, the Patriot missile performed admirably against Saddam Hussein's Scud attacks. This bill authorizes funds for a tactical missile defense program run by the Army including upgrades and advanced versions of the Patriot. The bill would zero out the Brilliant Pebbles Program which would violate the ABM Treaty and provoke a defensive arms race without providing any real protection from a massive nuclear attack. In addition to these broad moves toward a realistic and strong defense program, the bill contains three provisions with which I am particularly pleased.

First, the bill authorizes $90 million for research into methods of source reduction as defined in the Pollution Prevention Act of 1990 which I sponsored. In this time of reduced threat the Department of Defense has a unique opportunity to use its vast resources to control and limit its impact on the environment.

By stopping pollution before it happens, the Defense Department can save millions of dollars in cleanup fees. This research may also discover new ways to aid civilian agencies in source reduction.

Second, the authorization bill would greatly reduce the President's cuts in the Selected Reserve forces. The men and women serving in the Reserves performed extraordinarily well in Operation Desert Shield and Operation Desert Storm. The Reserves are a critical component of today's All Volunteer Force. In recognition of this fact, this bill would cut the Selected Reserve end strength by only 37,580 instead of 107,526 in fiscal year 1992.

Third, the bill would remove the statutory prohibition on women in combat roles in the Air Force and Navy. As was demonstrated in the Persian Gulf conflict, the lines of the modern battlefield are not at all clear. Preventing women from flying combat missions does not keep them safe; it only keeps them from getting promoted. The bill would not require the Air Force and the Navy to allow qualified women to fly combat mission but it removes the statute which prevents women from doing so. It is my hope that the services will soon allow women to take on any military role for which they are qualified.

The Defense Authorization Act reflects the changing priorities of our country's military. It would make necessary cuts while maintaining and strengthening a flexible fighting force. The committee has done an excellent job in preparing this bill. I urge its passage.

Mr. MACHTLEY. Mr. Chairman, I rise in support of the Frank amendment, which seeks to delay until fiscal year 1993 the Ground Wave Emergency Network [GWEN] Program. We have been considering major reductions in the defense budget, eliminating and reducing several expensive programs. One program also worthy of elimination or at the least slowing down on is GWEN.

GWEN is a two-part network of towers stretching from Maine to California, designed to survive electromagnetic pulse disruptions during the first 15 minutes of a Soviet nuclear attack. When weapons such as GWEN were conceived, the Evil Empire was expected to last well into the next century. The program is rooted in President Reagan's 1981 National Security Directive 12, which calls for a communications system that could survive a nuclear attack.

Currently, there are some 56 towers built, and the Air Force contemplates some 40 more. Thus far, hundreds of millions of dollars have been spent on the GWEN Program, and the Air Force estimates completing the program will cost several million more dollars.

How many towers should be built has always been a mystery to those who have taken interest in the GWEN Program. In testimony before Congress in 1983, Assistant Secretary of Defense for C3 stated, "we need more than 45 and less than 500." The effectiveness of GWEN has also been called into question—no one really knows whether an electromagnetic impulse would pose a communications problem during a nuclear war.

Questions have repeatedly been raised regarding the environmental and health effects of GWEN. That is why the Air Force has requested that the National Academy of Sciences [NAS] undertake a study of health effects of electromagnetic radiation from the GWEN low frequency communications system.

The Frank amendment simply halts the GWEN Program for another year so that we can carefully consider this NAS study once it has been completed. I believe it would be foolish to continue with GWEN so long as there is the slightest possibility that the system will have adverse health effects. As such, I am pleased to strongly support the Frank amendment to delay GWEN for another year.

The CHAIRMAN pro tempore. There being no further amendments on the bill, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore. (Mr. GIBBONS) having assumed the chair, Mr. COX of Illinois, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 2100) to authorize appropriations for fiscal years 1992 and 1993 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal years 1992 and 1993, and for other purposes, pursuant to House Resolution 156, he reported the bill back to the House with amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. (Mr. GIBBONS). Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the adoption of the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DICKINSON. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. DICKINSON moves to recommit H.R. 2100, the Department of Defense Authorization Act for fiscal years 1991 and 1992, to the Committee on Armed Services.

Mr. DICKINSON. Mr. Speaker, I ask unanimous consent that I may be allowed to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request by the gentleman from Alabama [Mr. DICKINSON] for 10 minutes of debate on his motion to recommit?

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 10 minutes.

Mr. DICKINSON. Mr. Speaker, I have already pointed out, as I did in committee, that I thought this bill had serious defects. I voted affirmatively to report it out of committee, and at that time I served notice, that, if the bill were not substantially improved, on the floor my intention would be to vote no on final passage. I am convinced that not only has the bill not improved, but it is in worse shape than when it came out of the committee.

Mr. Speaker, I have here a letter from President Bush which was delivered to me on the floor. I would like to read several paragraphs contained therein which I feel are very pertinent. First,

> DEAR CONGRESSMAN DICKINSON: The National Defense Authorization Act for Fiscal Year 1992 and 1993 (H.R. 2100) as reported by the House Armed Services Committee fails to meet the needs of the Nation's defense. If I am presented the bill reported by the Committee, I will veto it.

Mr. Speaker, one cannot state it much more unambiguously.

The President goes on to say that:

> I urge the House of Representatives to produce a bill that reflects America's real defense needs, in lieu of the bill reported by the Committee on Armed Services.

Mr. Speaker, unfortunately the President's warnings and urgings were ignored. In fact, there were amendments added to the bill, especially in the category of burden-sharing, that made it even more objectionable than the bill reported out by the committee.

I also have a letter from General Powell, Chairman of the Joint Chiefs, which I read in part:

> I am deeply concerned that some of the actions being considered by the House would upset that fine balance. For that reason, I strongly reaffirm my support and the support of the JCS for the President's program as submitted and for the Michel-Dickinson Amendment to the House authorization bill which reaffirms the President's program.

General Powell refers to be Michel-Dickinson substitute which the House defeated yesterday.

Mr. Chairman, I ask unanimous consent that both of these letters be printed in full at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The letters referred to are as follows:

THE WHITE HOUSE,
Washington, May 20, 1991.

Hon. WILLIAM L. DICKINSON, Ranking Member,
Committee on Armed Services, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN DICKINSON: The National Defense Authorization Act for Fiscal Year 1992 and 1993 (H.R. 2100) as reported by the House Armed Services Committee fails to meet the needs of the Nation's defense. If I am presented the bill reported by the Committee, I will veto it.

With the changes in the Soviet Union and Eastern Europe, and with the limitations on resources available for national defense, we plan substantial reductions in the coming years in the size of the U.S. armed forces. To provide forces capable of meeting future challenges within the fiscal limits that American taxpayers can afford, we must spend funds available for national defense with maximum efficiency. There is no room for pork-barrel spending or politics as usual in Congress.

The bill reported by the Committee terminated the B-2 Stealth bomber program that is vital to our defense in the next century. Also, despite the increasing need for effective defenses against missile attacks, the Committee bill slashes funding for the Strategic Defense Initiative, and especially the important Brilliant Pebbles program. While cutting funding for these and other crucial programs, the bill funds unneeded items such as excessive procurement of aircraft and other weapons systems. Finally, the bill prevents the reduction in the size of the Reserve and National Guard components of the armed forces needed for a carefully balanced and effective force structure.

The bipartisan leadership of the Congress and I have agreed to limits on the amounts which we will spend in the next few years on defense. We must spend these funds wisely if we are to provide the American people with the armed forces needed to defend the Nation and its interests around the globe. I urge the House of Representatives to produce a bill that reflects America's real defense needs, in lieu of the bill reported by the committee on Armed Services.

Similar letters have been sent to the Speaker and Congressmen Michel and Aspin.

Sincerely,

GEORGE BUSH

CHAIRMAN OF THE JOINT CHIEFS OF STAFF,
Washington, DC, May 20, 1991.

Hon. ROBERT H. MICHEL,
Minority Leader of the House,
U.S. House of Representatives,
Washington, DC.

DEAR MR. MICHEL: I am writing to provide my full support to the President's defense program for FY 92 and 93 which Secretary Cheney and I and all members of the Joint Chiefs of staff have been supporting in testimony.

I want to assure the members of Congress that the President's program is a very carefully balanced program; one that is responsive to the changing geopolitical situation; one that is fiscally responsible; and one that is consistent with last year's budget summit agreement.

It was not easy putting this program together. Many tradeoffs were made; many programs were eliminated; and the force structure was reduced to insure that it could be fully supported and maintained. The resulting Base Force, as we call it, is the minimum force needed in each service to execute current national security policy and to protect our Nation's interests around the world. It is a finely tuned force and significant changes in the budget request will unbalance the Base Force.

I am deeply concerned that some of the actions being considered by the House would upset that fine balance. For that reason, I strongly reaffirm my support and the support of the JCS for the President's program as submitted and for the Michel-Dickinson Amendment to the House authorization bill which reaffirms the President's program.

Sincerely,

COLIN L. POWELL
Chairman, Joint Chiefs of Staff.

Mr. DICKINSON. Mr. Speaker, it upsets me as a staunch supporter of national defense to vote against my own committee's bill. I have been on this committee for 25 years and have always supported, and always will support, a strong defense. Unfortunately, I can't support this bill at this point in the process because I am convinced that it fails to provide as strong a defense as we could have, and should have.

Mr. Speaker, there are three major problems with this bill, and I mean major.

□ 1440

The first one is the B-2 bomber. We are all familiar with the arguments and it has been debated at length many times. But as we all know, the administration feels emphatically, that this is one element of our nuclear triad that should be funded and that we should go forward and build the requested 75 aircraft.

As the Speaker knows, the President's original plan for 132 B-2's has been scaled back to 75 aircraft. We have bought and paid for 15. There has got to be some number in between which is both politically acceptable and affordable for the country. I do not know what it is, but I believe it is closer to 75 than to 15. Stopping at 15 aircraft does the grossest disservice to the American taxpayer of any available options.

The second contentious issue in the bill is SDI. For almost a decade, successive administrations have said that SDI is critical, that it was the centerpiece of our future strategic posture. After witnessing the benefits of defenses during Operation Desert Storm, I believe more than ever that we need the SDI Program.

H.R. 2100 has decimated SDI. The committee cut the funding almost in half and pulled all of the theater missile defense programs out from under SDIO's control. This is very objectionable to the administration and will lead to a veto.

The third major issue involves end strengths, or our manpower cuts. There is no way that we can reduce our active duty forces by 500,000 people in the years ahead and not have some similar level of reduction in our Reserve and National Guard. There is no one in this Chamber that has a more active, patriotic National Guard than does this Member in the State of Alabama. I believe that my State had more guardsmen and reservists involved in Desert Storm than most any other State. It is a very important component of life in my State and I support the Guard and Reserves.

However, our plus-up of Guard and Reserve Force structure this year, combined with the proposed cuts in fiscal year 1992 and fiscal year 1993, mean cutting 10 active duty personnel for every guardsman and reservist. This inequity will ruin any hope of an effective balanced force structure in the future.

We are protecting the Guard and Reserve because we are reluctant to address the political problem. There should be some equality, some equanimity, some relationship between drawing-down our Guard and Reserve and Active Forces. H.R. 2100 totally ignores this.

So these three issues have become the focal points of administration opposition to the bill. For these reasons, the President rejects this bill in its present form. Therefore, I feel compelled to vote against final passage of H.R. 2100. I am also going to ask my colleagues to vote against the bill.

I do not think that H.R. 2100 is in the best interests of our country, nor does it address our most pressing national security interests.

I believe that the same people who guided us victoriously through Desert Shield/Storm—that is, the President, Secretary Cheney, the Chairman of the Joint Chiefs and General Schwarzkopf—are in a better position to decide what our military needs in the years ahead than we are.

Mr. Speaker, at this time I yield to the distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I feel very much the same way as the gentleman from Alabama [Mr. DICKINSON]. I do not know if ever in my 35 years I have voted against a defense authorization bill as it passed the House. I am not sure if this is going to be the first time or not. I do have the same concerns as does the distinguished gentleman from Alabama [Mr. DICKINSON].

I know that the Constitution itself says that we here in the Congress play our rightful role in determining the size of forces of our Armed Forces for the Nation's security. But in our earlier comments, during consideration of our substitute, we made the point that there were so many deficiencies in this bill as reported by the Committee on Armed Services that the President felt right up front, he had to come out and make his position quite clear that he would have to veto it.

This is not the final step. We all are aware of that. I think in deliberations in the White House several weeks ago, I got the distinct impression that what might come out of the other body would presumably be more acceptable to the President than what comes out of this body. It is just the dynamics of both institutions and the way they are made up. So this is not the final straw.

I would hope that in the consideration of the other body, they would be more attuned to the President's considerations and what he feels strongly about as the Commander in Chief. And then to protect ourselves, I think we are certainly within our rights to vote against this measure, knowing that it is not the final vote on a conference report. And quite frankly, we have found ourselves in some years past so tied up in the authorization process where we could not come to agreement, that we had to tie it all up in the end with an appropriation bill, maybe even a continuing resolution.

That is not the best way to legislate, I will be the first to admit, but it may be the final solution. I hope not.

I hope eventually we can get together. For the moment, to help sustain our Commander in Chief's and the President's position, stronger than what we have seen it reflected by way of the committee bill and the votes that have been taken and the amendments offered, I would urge my colleagues to vote no on the authorization bill this time. This does not prejudice them against any final resolution of this defense authorization bill down the road because none of us want to sell our country short when it comes to defense.

Mr. DICKINSON. Mr. Speaker, let me say in conclusion, I would like to pay my compliments to the chairman of the full committee, the gentleman from Wisconsin [Mr. ASPIN], and to the chairman of the Rules Committee, the gentleman from Massachusetts [Mr. MOAKLEY]. We have been dealt with, I think, very fairly this year. We have had our chance at bat. We have not been precluded from offering amendments that we felt were necessary.

All in all, it has been a fair process as opposed to years past. So I would just pay my compliments to the staff who have done hard work and to the chairman, and thank all concerned and urge all to vote on this bill so that it arms us when we go to conference with the Senate.

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that I may be permitted to proceed for 5 minutes.

The SPEAKER pro tempore. (Mr. GIBBONS). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Speaker, let me just address some of the questions that the gentleman from Alabama [Mr. DICKINSON] raised and the gentleman from Illinois [Mr. MICHEL] raised. I think what they both talk about is very, very important.

Let me first of all compliment the gentleman from Alabama [Mr. DICKINSON] for his cooperation and understanding, and also the gentleman from Illinois [Mr. MICHEL]. They are both very, very important players in this House and very decent, and they have done a very good job here in this bill. And we have worked together very, very closely to fashion a piece of legislation here, which I understand the points of the gentleman from Alabama and the gentleman from Illinois.

Basically, I think that we have here a bill that is a very good piece of legislation, and I hope the Members of the House will vote for it. Let me explain.

The gentleman from Alabama and the gentleman from Illinois say that the Desert Storm success was due to General Powell, General Schwarzkopf, Secretary Cheney, and I agree. They got a lot of credit. The President, all of them get a lot of credit for what was done in Desert Storm, the success of that operation. They deserve a lot of credit.

I think also the Members of this House and the Members of the other body and the Members in Congress generally deserve some credit from this, too. The equipment that they used was the equipment that the House voted for and the Senate voted for and the Congress approved. We are part of the process. We were part of the process of deciding what weapons they buy, and so I think that in essence what we have done in the past, we deserve some of that credit or the people in this House deserve some of the credit in that regard.

Therefore, I think that the notion that we should suddenly all of a sudden now abdicate our responsibility and say we will just go ahead with the weapons systems that the administration has asked for would be an abdication of our responsibilities and run counter to this system which has produced up this successful operation in Desert Storm.

□ 1450

After all, in the years leading up to Desert Storm, we did not approve as a blanket the requests of the administration for defense. We changed it, we modified it, we improved it, and what we had were some weapon systems that worked very very well.

So I would say that Desert Storm is indeed a vindication of Cheney-Powell-Schwarzkopf, the President, and others, but also a vindication of the way we do business over here. I think on both sides we have got things to be proud of.

In terms of the specifics of this defense bill, what we have done with this defense bill is, of course, to improve or make some changes in the area of stealth and in the area of defenses. What we did was to not approve the B-2, any more than 15, but we did do an awful lot in the area of stealth technology. Let me just explain where we are in stealth technology in this bill.

What we have done in this bill is we have money in here to improve the F-117, which is the stealth fighter which performed so well in the gulf. We have money in here, the full request, for the advanced technical fighter, a stealth fighter for the Air Force. We have in this bill the money they requested, the administration requested, for the AX, which is the stealth fighter for the Navy. We have in this bill the money for the advanced cruise missile, which is a stealth cruise missile for the future.

In other words, what we are saying is yes to stealth technology in this bill. I would say one of the results of Desert Storm here is that from now on, every weapons system that we vote for, that we vote on here, that we approve, will have some stealth capability, but that does not mean that everything that is stealth we should vote for. In other words, anything that we vote for ought to be stealth, but it does not mean that everything that is stealth we ought to vote for.

The question then is not the Stealth B-2, but the B-2 itself. Do you need the B-2, how many do you need, et cetera.

The gentleman from Alabama [Mr. DICKINSON] is correct. This is not a question of yes to the B-2 or no to the B-2. The question that is before this House and the Senate and the conference is how many B-2's.

We have already bought and paid for 15 B-2's. The administration wants 75. My guess is ultimately it will end up with some number in between there. I would hope that the number would be pretty close to 15. The administration, the gentleman from Illinois [Mr. MICHEL], the gentleman from Alabama [Mr. DICKINSON] would like it close to 75. But that is the issue.

The question is how many do we buy, not do we buy it, yes or no. That decision we have already made in the past, and we have already decided to buy at least some B-2's.

I think that we will hear from this in the future. The Committee on Armed Services is going to be involved, now that the bill is passed and we are looking forward to conference, and will be holding some hearings and looking at the issue of how do you determine how many B-2's we ought to have, what is the number, what is the right number here to buy.

The people who are for the B-2 always brought forth a chart that showed how much you get for the B-2, how many different packages you get. That was with only two B-2's. We already have 15 B-2's. The question is how many more do you need.

The SPEAKER pro tempore (Mr. GIBBONS). The time of the gentleman from Wisconsin [Mr. ASPIN] has expired.

(By unanimous consent, Mr. ASPIN was allowed to proceed for 5 additional minutes.)

Mr. ASPIN. Mr. Speaker, let me also point out that the other change that we have talked about is the amount of money that we have here in the program for defenses. We have in fact funded three out of four components of the President's SDI Program. One of those components is tactical ballistic missiles. There is no argument here. Both sides agree on that. We funded that. Another is the antitactical weapons system.

Second is the ground-based systems that defend the continental United States. Both sides agree to that. We funded that.

The third component is the advanced technology for the future research and development into advanced systems to perform defenses in the future. We both agree, and we fully funded that.

The one point in disagreement, and it is an important point, I admit, but let us not overemphasize it, is the issue about Brilliant Pebbles. We do have a difference. We have a difference between where we believe on this side of the aisle we ought to go with that program and where the administration and I think some Members on the Republican side of the aisle believe we ought to go with that program. The question is about Brilliant Pebbles, but it is a difference about a particular part of defenses and an argument about some aspects of defenses, not an argument about defenses in general. Because I think basically at the core there is an awful lot of agreement in the House on at least three parts out of four that are parts of the SDI Program.

The final thing that is in disagreement and the President mentioned is the end strength, in particular the Guard and Reserves. It is a very contentious issue.

I would say that we have made a reduction in the amount of Guard and Reserve in this bill, and that it is more than I thought we were going to when we started to mark up this bill. The interest, of course, of a number of Members was no cut in the Guard and Reserve, but I think people began to realize as we worked through it that everybody has to sacrifice something, that defense budgets are coming down, so we need to have some reduction in the amount of money going to the Guard and Reserve and the end strengths need to come down.

This is an issue we have to revisit, and it will be an issue we will revisit in the future.

Mr. Speaker, let me tell Members, this is a very, very difficult question, the question of the composition of our forces in the future. What is the component of Guard and Reserve versus the general mix of people, how many regular, how many Guard, how many Reserve, what is the component of that in the Army, what is the component of that in the Air Force.

So I think basically the bill that we have here is a bill that is different from what the administration would want, but not dramatically. I think in very defensible ways, it is different.

I would say what we want is some B-2's, but not more than 15. What we would want is some SDI, but not Brilliant Pebbles. Those are differences, but they are not fundamental differences of kind. They are rather more differences of approach than what we have had in the past.

Mr. Speaker, I would urge Members to vote for this bill. I think it is a good bill. I think we have worked well together. I urge Members to vote for it.

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DELLUMS. Mr. Speaker, we are now in the last minutes of the debate on the DOD authorization for the next fiscal year. It seems to me that there are at least three positions. Two of them have been enunciated.

One position was enunciated by the distinguished gentleman from Wisconsin [Mr. ASPIN], the chairman of the Committee on Armed Services.

Then there is the position articulated by the gentleman from Alabama [Mr. DICKINSON], in opposition to the bill, for the reasons that the gentleman enunciated.

Then there is a third position that this gentleman from California represents. That is the position in opposition to the work product, for reasons that have to this moment not been enunciated.

Mr. Speaker, let me try to explain the point that I choose to make. I compliment the chairman of the House Committee on Armed Services and the members of the committee for having turned the corner. I believe that this military budget has indeed begun to turn the corner. Perhaps not for all of the reasons that this gentleman would like to see it, but if for no other reason than the matter of budget constraints, pressure, this budget has begun to change.

There are three significant actions taken in this bill that I think speak to it. The fact that we zeroed the B-2 bomber, in this gentleman's opinion, points out that there is no substantive and deep support for the B-2 bomber.

Mr. Speaker, I am not naive enough to believe that if we said to people in an atmosphere of unlimited dollars, would this body buy the B-2 bomber; I believe they would. The B-2 bomber is sort of like a white dinner jacket. You will not buy it, but if someone said with unlimited dollars, "I will give it to you," you will take it. Maybe once in a while you might choose to use it.

So the B-2 bomber is sort of like a white dinner jacket. If you had all the money, you would buy it. But, Mr. Speaker, understand that we do not have all the money, and we cannot buy it.

SDI, about one-quarter of this House believe we ought to go fast forward with the strategic defense initiative. A quarter of this body believe we ought to stop it, that it is a waste of our resources. Put about a billion dollars into basic research, and go no further than that. Do not threaten the ABM Treaty.

About half of this body still believe we ought to go forward, but cautiously, so they cut back on the dollars.

Mr. Speaker, I think Members are beginning to slowly understand that in a limited dollar environment, with a changing world and a changing threat, that we need to look at how we are spending money on SDI.

☐ 1500

The third significant action was taken yesterday in support of the Schroeder amendment, the Durbin amendment and the Dorgan amendment, these burden-sharing amendments that brought together Members on both sides of the aisle across a multiplicity of political thought that made at least two common points. They said the world has changed and continues to change, and No. 2, that in a limited dollar environment, with great pressure on our budget, with millions of American people feeling pain, with our children dying in the streets of America, with unemployment, with inadequately educated people, with a whole range of problems, the homeless, et cetera, that we ought to begin to redirect much of our resources to deal with the fundamental reality of human misery in this country. Whatever the political party or position, people came together in enormous numbers to accept that position.

What that says is that there needs to be fundamental change. And Mr. Speaker, make no mistake, whether we agree with everything in this budget, there has now begun the process of fundamental rethinking. This gentleman is pleased, because in future years there is going to be even bolder steps.

But the reason I stand in opposition to the bill is not because I do not think good work has been done. There have been some excellent decisions made. Not because I think we have not turned the corner. But Mr. Speaker, I stand here saying that I think our strokes must be bolder. The changes in the world are enormous. The Berlin Wall is down. The cold war is over. We are talking about theater threats.

If we could wreak such great havoc on the third largest force in the world, why are we building all of this magnificent capability to go against Third World countries that only have a microscopic degree of the incredible military capacity of this country, but there are millions of American people unemployed, millions of American people homeless, millions of American people hungry, millions of our children who are not adequately educated? If we can be honest with ourselves, we are about the business of losing an entire generation of our children.

So I stand here saying we should be bolder. In this bill, brilliant positions taken notwithstanding, Mr. Speaker, we are still building nuclear weapons in this budget that have no other function but to destroy all human life on this planet.

As I have said over and over for 20 years on this floor and in this debate, for the rational mind there is no useful function for a nuclear weapon.

Yes, we have made changes, but they are not bold enough. Mr. Speaker, what are the alternatives?

The alternative is arms control, test ban treaties and nonproliferation treaties, moving our resources to deal with the human misery of our people and the tragedies around the world. Those are the changes.

This military budget has turned the corner, but not bold enough. So in summary, I applaud my colleagues for their actions. They have taken some major steps here.

So I think one could argue in support of the bill. I cannot argue that. Yes, we have made some rearrangements, but the dollar figure is roughly the same. I think that spending close to $300 billion in a world with such great human misery is still obscene, Mr. Speaker.

So I feel that I would be derelict in my responsibility, derelict in my responsibility to represent a constituency in California and a constituency that goes beyond the border of the Eighth Congressional District in California that believe that spending this kind of money makes no sense. And for these reasons, I will stand in opposition.

The day that RON DELLUMS votes for a military budget is not the day when it just turned the corner, but the day that it got to where it should be, peace in the world and dealing with domestic issues.

The SPEAKER pro tempore (Mr. GIBBONS). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DICKINSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 268, nays 161, answered not voting 2, as follows:

[Roll No. 110]

YEAS—268

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Barton
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Coleman (TX)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (LA)
Hefner
Henry
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Pallone
Panetta
Parker
Patterson
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Rahall
Ravenel
Ray
Reed
Regula
Richardson
Ridge
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland
Russo
Sabo
Sangmeister
Sarpalius
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—161

Allard
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Campbell (CA)
Chandler
Clay
Clinger
Coble
Coleman (MO)
Collins (IL)
Collins (MI)
Combest
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dellums
Dickinson
Doolittle
Dornan (CA)
Dreier
Edwards (CA)
Edwards (OK)
Emerson
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (IL)
Hefley
Herger
Hobson
Holloway
Houghton
Hunter
Hyde
Inhofe
Ireland
Johnson (TX)
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lowery (CA)
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McMillan (NC)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison
Myers
Nichols
Nussle
Orton
Owens (NY)
Packard
Paxon
Payne (NJ)
Petri
Pursell
Quillen
Ramstad
Rangel
Rhodes
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roybal
Sanders
Santorum
Savage
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Serrano
Shaw
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stokes
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Towns
Traficant
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Weber
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—2

Hopkins
Lehman (FL)

☐ 1525

Messrs. MCCANDLESS, RANGEL, and PACKARD, and Mrs. COLLINS of Michigan changed their vote from "yea" to "nay."

Messrs. LEHMAN of California, MCDERMOTT, and PEASE, and Mrs. UNSOELD changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2100, the bill just passed, and that Members who had amendments considered en bloc have permission to insert statements in the Congressional Record immediately before the disposition of those amendments.

The SPEAKER pro tempore (Mr. Thornton). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2100, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2100, as amended, the Clerk be authorized to make such clerical and technical corrections, including corrections in the table of contents, title and section numbers, and cross references, as may be necessary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION TO INCLUDE IN THE RECORD CORRECTIONS TO COMMITTEE REPORT ON H.R. 2100, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

Mr. ASPIN. Mr. Speaker, I ask unanimous consent to include in the Record at this point a list of technical corrections to the report on H.R. 2100, the DOD authorization bill for fiscal year 1992, Report No. 102-60.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The list of corrections is as follows:

On page 127 of the report under the heading "Vectored thrust combat agility demonstrator program"—"recommends a deferral or elimination of the" should read "recommends that the Army not defer or eliminate the * * *."

On page 145 of the report under the heading "V-22 Osprey aircraft"—"Defense Appropriations Act for Fiscal Year 1991" should read "Defense Appropriations Act for Fiscal Year 1989."

On page 163–164 of the report under the heading "Advanced submarine technology" insert "nickel-cadmium batteries" so that it reads "* * * associated with integrated hull coatings, nickel-cadmium batteries, and integrated composite nonpressure hull sections."

On page 138 of the report under the heading "Industrial preparedness" insert "and for Metal Spray Forming" so that it reads "* * * Metalworking and Composite Centers and for Metal Spray Forming. The committee also recommends $10 million * * *."

On page 239 of the report under the heading "Review of Port Chicago Court Martial Cases," the reference to "section 512" should read "section 511."

REPORT ON HOUSE RESOLUTIONS RELATING TO FAST-TRACK PROCEDURES

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 102–72) on the resolution (H. Res. 158) providing for consideration of two resolutions on the subject of fast track procedures for consideration of bills to implement trade agreements which was referred to the House Calendar and ordered to be printed.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On January 14, 1991:

H.J. Res. 77. Joint resolution to authorize the use of U.S. Armed Forces pursuant to U.N. Security Council Resolution 678.

On January 30, 1991:

H.R. 4. An act to extend the time for performing certain acts under the Internal Revenue laws for individuals performing services as part of the Desert Shield Operation.

On February 6, 1991:

H.R. 3. An act to amend title 38, United States Code, to revise, effective as of January 1, 1991, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

H.R. 556. An act to provide for the Secretary of Veterans Affairs to obtain independent scientific review of the available scientific evidence regarding associations between diseases and exposure to dioxin and other chemical compounds in herbicides, and for other purposes.

On February 15, 1991:

H.J. Res. 30. Joint resolution to designate February 7, 1991, as "National Girls and Women in Sports Day".

On March 18, 1991:

H.J. Res. 98. Joint resolution designating March 4 through 10, 1991, as "National School Breakfast Week".

H.R. 555. An act to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to improve and clarify the protections provided by that Act; to amend title 38, United States Code, to clarify veterans' reemployment rights and to improve veterans' rights to reinstatement of health insurance, and for other purposes.

On March 20, 1991:

H.J. Res. 104. Joint resolution to designate March 26, 1991, as "Education Day, U.S.A.".

On March 21, 1991:

H.J. Res. 133. Joint resolution authorizing and requesting the President to designate the second full week in March 1991 as "National Employ the Older Worker Week".

On March 22, 1991:

H.J. Res. 167. Joint resolution designating June 14, 1991, and June 14, 1992, each as "Baltic Freedom Day".

H.R. 180. An act to amend title 38, United States Code, with respect to veterans education and employment programs and for other purposes.

On March 27, 1991:

H.R. 1176. An act to provide authorizations for supplemental appropriations for fiscal year 1991 for the Department of State and the Agency for International Development for certain emergency costs associated with the Persian Gulf conflict, and for other purposes.

On March 28, 1991:

H.R. 1284. An act to authorize emergency supplemental assistance for Israel for additional costs incurred as a result of the Persian Gulf conflict.

H.R. 1316. An act to amend chapter 54 of title 5, United States Code, to extend and improve the Performance Management and Recognition System, and for other purposes.

On April 9, 1991:

H.R. 1285. An act to resolve legal and technical issues relating to Federal postsecondary student assistance programs and to prevent undue burdens on participants in Operation Desert Storm, and for other purposes.

On April 10, 1991:

H.R. 1281. An act making dire emergency supplemental appropriations for the consequences of Operation Desert Shield/Desert Storm, food stamps, unemployment compensation administration, veterans compensation and pensions, and other urgent needs for the fiscal year ending September 30, 1991, and for other purposes.

H.R. 1282. An act making supplemental appropriations and transfers for "Operation Desert Shield/Desert Storm" for the fiscal year ending September 30, 1991, and for other purposes.

On April 18, 1991:

H.J. Res. 134. Joint resolution to designate the weeks of April 14 through 21, 1991, and May 3 through 10, 1992, as "Jewish Heritage Week".

H.J. Res. 197. Joint resolution to designate the week of April 15 through 21, 1991, as "National Education First Week".

H.J. Res. 222. Joint resolution to provide for a settlement of the railroad labor-management disputes between certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference and certain of their employees.

On April 26, 1991:

H.J. Res. 218. Joint resolution to designate the week beginning April 21, 1991, and the week beginning April 19, 1992, each as "National Organ and Tissue Donor Awareness Week".

On May 7, 1991:

H.R. 598. An act to amend title 38, United States Code, to improve the capability of the Department of Veterans Affairs to recruit and retain physicians and dentists through increases in special pay authorities, to authorize collective bargaining over conditions of employment for health-care employees of the Department of Veterans Affairs, and for other purposes.

On May 8, 1991:

H.J. Res. 214. Joint resolution recognizing the Astronauts Memorial at the John F. Kennedy Space Center as the national memorial to astronauts who die in the line of duty.

On May 14, 1991:

H.J. Res. 173. Joint resolution to designate May 1991 and May 1992 as "Asian/Pacific American Heritage Month."

H.J. Res. 194. Joint resolution designating May 12, 1991, as "Infant Mortality Awareness Day."

On May 15, 1991:

H.J. Res. 109. Joint resolution designating each of the weeks beginning May 12, 1991, and May 10, 1992, as "Emergency Medical Services Week."

On May 17, 1991:

H.R. 2122. An act to authorize emergency humanitarian assistance for fiscal year 1991 for Iraqi refugees and other persons in and around Iraq who are displaced as a result of the Persian Gulf conflict.

On May 20, 1991:

H.J. Res. 154. Joint resolution designating the month of May 1991, as "National Foster Care Month."

□ 1530

WAIVING ALL POINTS OF ORDER AGAINST CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 121, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1992

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 157 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 157

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report on the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the United States Government for the fiscal year 1991 and setting forth the congressional budget for the United States Government for the fiscal year 1992, 1993, 1994, 1995, and 1996, and all points of order against the conference report and against its consideration are hereby waived. The conference report shall be considered as having been read when called up for consideration. Debate on the conference report shall be limited to not more than one hour, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

SEC. 2. Rule XLIX shall not apply with respect to the adoption by the Congress of the conference report on the concurrent resolution (H. Con. Res. 121).

The SPEAKER pro tempore. (Mr. THORNTON). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 157 waives all points of order against the conference report for House Concurrent Resolution 121, the budget resolution for fiscal year 1992, and against its consideration. Specifically, the conference report needs a waiver of clause 2 of rule 28. Clause 2 requires that a conference report layover for 3 days prior to its consideration. Since the Appropriations Committee is meeting today and consideration of several appropriations bills is expected early next week, we need to facilitate an orderly budget process and to ensure that the budget resolution conference report will be considered prior to the appropriations bills.

In addition, the conference agreement requires a waiver of clause 3 of rule 28 because it contains several outyear numbers that are beyond the scope of the conference. It also requires a waiver of germaneness, clause 4 of rule 28, because the conference agreement contains sense of Senate language that would have violated the germaneness rule, if offered as an amendment in the house.

The rule further provides that debate on the conference report shall be limited to not more than 1 hour, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

Mr. Speaker, the conference report for House Concurrent Resolution 121 revises the congressional budget for fiscal year 1991 and sets forth the congressional budget for fiscal years 1992, 1993, 1994, 1995, and 1996. The conference report proposes a budget which strictly observes the terms of the "budget summit agreement" reached last year between Congress and the President. Discretionary appropriations for the defense, domestic, and international categories are all within their appropriate spending caps. The resolution calls for no additional taxes and assumes that any tax cuts or entitlement expansions Congress might enact for the fiscal year will conform to the pay-as-you-go requirements of the budget agreement.

Finally Mr. Speaker, the rule states that rule 49 will not apply. Rule 49 requires the enrolling clerk, upon adoption of the budget resolution conference report, to prepare a joint resolution changing the statutory limit on the public debt if necessary to conform to amounts in the budget resolution. There is no need for debt limit legislation this year because last year's reconciliation bill included a sufficient increase.

The committee made some tough choices in formulating this package, which freezes spending in numerous accounts at 1991 levels or below in order to enable us to increase funding in the areas I have mentioned.

Mr. Speaker, this budget will serve the needs of America, and especially those of America's working families, in the coming fiscal year and beyond. I urge all Members to support the rule and the conference report for the budget resolution.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I thank the gentleman for yielding me half the time.

Mr. Speaker, I rise in strong opposition to this rule. Notwithstanding the fact that our weekly Whip notices indicate that conference reports may be brought up at any time, the fact is we still have a little House rule around here that prohibits the consideration of conference reports until the third calendar day after they are filed. That rule is rule 28, clause 2, in case anybody is interested.

The budget resolution conference report was just filed yesterday noontime. The minority members of the Budget Committee and the Rules Committee did not see it prior to yesterday. And if we were to observe House rules around here this would not be eligible for consideration until after tomorrow; so I would ask the question, Mr. Speaker, what is the rush?

Well, the chairman of the Budget Committee tells us we have deadlines to observe and that we should take this up on the floor before we consider appropriation bills.

Let me respond to that, Mr. Speaker. You know, Will Rogers once said that he never met a man he did not like. Well, the Budget Committee has never met a deadline it had to meet, either, not since I have been here for 13 years.

In this case, this budget resolution is already 37 days past its April 15 deadline for final action.

In the second place, under last year's budget summit agreement, the Appropriations Committee was given authority to move forward with its bills after May 15, even if a final budget resolution was not in place; so that argument just does not hold any water.

Third, Mr. Speaker, even if we observed the normal 3-day layover, we could take this up next Tuesday or Wednesday before we begin consideration of the first appropriations bills that are going to come on the floor sometime next week. So the fact is there is no compelling reason to violate the 3-day lay over rule unless, of course, it is the clear intention of the Budget Committee majority to rush this conference report through before Members even know what is in it.

Mr. Speaker, I would bet that there are not 15 Members in this House of 435 Members who have any idea of what is in this budget conference report now before us.

The inability of Members to study this report before they vote on it is not the only problem we have around here, however. This rule waives all points of order against the budget resolution conference report and its consideration.

Let me repeat that. It waives all points of order. We do not even know which ones. It just waives them all.

Now, why would the Budget Committee need a blanket waiver unless it is to hide under the blanket? I do not know. How many House rules or Budget Act provisions are actually being violated by this conference report? I do not think there is anybody here who knows. I certainly do not know.

It is my understanding that they have violated both the scope and the germaneness provisions of House rule 28 which applies to conference reports, not to mention the 3-day layover rule that I mentioned before.

Mr. Speaker, a scope violation is the most serious violation that can be committed by a conference report, because it involves including something that is beyond the limits of what was committed to conference by either House. We have always abided by that. We know that if we pass a bill and the Senate passes a bill, the conference report has to be somewhere between the two.

Mr. Speaker, this rule also limits debate time on the conference report to just 1 hour, even through the Budget Act provides for up to 5 hours, as we all know, of debate on a budget conference report. This rule underscores our suspicions that the majority doesn't want the House to have sufficient time to study and debate this matter.

Just think of that, 1 hour to discuss a $1½ trillion budget which has a $300 billion deficit—1 hour for 435 Members to consider this—here on the floor this afternoon.

Mr. Speaker, I am sure the argument will be made by the supporters of this rule and this conference report that the minority is only blowing off steam about mere procedural or process objections to what is being done on this floor today.

Well, you're darn right we are, and such objections should not be trivialized or minimized. After all, what we are talking about here is a process in itself—the congressional budget process.

If that process is to retain any respect and credibility, we should either adhere to the requirements of that process, and the House rules that surround it, or we should scuttle the whole thing.

Let's not come in here at the last minute before floor consideration and say it's necessary to waive all the procedural rules of the House and Budget Act in order to consider the budget resolution.

Mr. Speaker, that is absurd on its face and an insult to every Member of this House.

I resent the fact that our Republican Members were completely shut out of the negotiations on this conference report. I told them, every single Republican in this House on the Budget Committee, was shut out completely. Every single Senator on the Republican side was shut out.

Mr. Speaker, we have a sunshine rule for conference committees that says all meetings should be public, unless otherwise closed by an action of this House. We did not do that; as far as I can determine, the only public session held by the conferees at all was a photo opportunity at which no substantive discussions were allowed. So much for Congress and so much for the sunshine law.

Mr. Speaker, the budget chairman indicated before the Rules Committee yesterday that he thought there were other matters complicating his task—and he normally does a good job at his task—he had other matters relating to other legislation for which he had no responsibility.

Quite frankly, that certainly has contributed to our anger on this side of the aisle over the quickie scheduling of this conference report by waiving all the rules of the House, and especially the 3-day layover.

But again, this is an important process issue that should be aired as long as we are on this subject.

The scheduling of legislation by the majority has turned this House topsy-turvy, and Members are very frustrated by the on-again off-again announcements we are getting on matters like fast track and civil rights and what is going to be the final versions of those bills when they are finally brought to the floor.

□ 1540

Someone once said that the process of democracy depends on an informed electorate, Mr. Speaker. I would just suggest that first of all it depends on an informed legislature and an informed Congress, and most Members on both sides of the aisle are either being misinformed or not informed at all as to what is going on both procedurally and substantially. This House is in a state of disarray, Mr. Speaker, as far as I am concerned.

For that we are going to pay, we are going to pay. We are going to pay with bigger and bigger and bigger deficits. The price we pay for being misinformed and uninformed will be bad bills and bad laws, and it will be the American people who will suffer in the long run.

So let us get back on track, Mr. Speaker, let us get our act together, let us put our House back in order so that we know what is going on and when it is going on.

Getting back to the rule at hand, Mr. Speaker, I urge a "no" vote on this rule. Let us observe the normal 3-day layover and take this up early next week after we have had a chance to comprehend 1.5 trillion dollars' worth of spending and a $300 billion deficit.

What are we doing to the American people?

Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say one word before I give up my time. For my dear friend who is the ranking member of the Committee on Rules, I have served in this Congress for his entire term with Mr. PANETTA on the Committee on the Budget, when I was a member of the Committee on the Budget; I have worked with him as chairman.

These things that the gentleman has credited to him I think are outrageous. You know, I have never known anyone to accuse him of freezing anyone out or not allowing someone to be a part of the process.

Although I was not there, I rather think that the reverse is true. It was not that he froze anyone out, it was that possibly they would not come into the process. And if in fact these were—does the gentleman plan on supporting the conference report if we could hold it off a day or two? Does the gentleman plan on supporting the conference report if we could hold it off a day or two?

Mr. SOLOMON. If the gentleman is asking me a question, will the gentleman yield?

Mr. DERRICK. I am asking the gentleman a question.

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Speaker, I am going to fight this rule tooth and nail because it is unfair. You treat us fairly, and we will vote with you probably 9 times out of 10. Especially on a rule, we will vote with you 100 times out of 100.

But when the gentleman is saying, and I have the deepest respect for the chairman—

Mr. DERRICK. I am glad to hear the gentleman say that. I would have not thought so after listening to the gentleman.

Mr. SOLOMON. We were not impugning his character, but something went awry here. What was it? Mr. Speaker, I yield to the ranking Republican on the Committee on the Budget for his observations.

Mr. DERRICK. Mr. Speaker, the time was mine.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] has the time, and it is his to yield.

The Chair recognizes the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. I am glad to get that straight. Of course, that was the main reason that I stood up to find out how the gentleman felt about Mr. PANETTA. I am glad to hear that you hold him in such high esteem. I would not have known it had I not pressed the matter.

Mr. SOLOMON. Mr. PANETTA knows how I feel about him. I have the deepest respect for him.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] has 25 minutes remaining.

Mr. SOLOMON. Yes, Mr. Speaker, I would really like to get to the bottom of this disarray.

With all due respect to everybody on both sides of the aisle, every Member of the House——

Mr. DERRICK. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from South Carolina.

Mr. DERRICK. I thank the gentleman for yielding.

Mr. Speaker, I want to assure the gentleman there is no disarray on this side of the aisle. If there is any disarray, it is on the other side of the aisle.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. I thank the gentleman for yielding.

I know the great interest of the House in getting to the bottom of this very serious matter. Let me assure my colleagues that all of the members of the Committee on the Budget, including the Republican members, were fully advised and invited to attend and permitted to attend and participate in the one public meeting which was held as an acknowledged photo opportunity for the budget.

Prior to that session, and subsequent to that session, a number of meetings took place involving Democratic staff and members from both sides of the Capitol; Republican staff and Republican members did not participate in any of those meetings. I was never invited, I would say to my friend from New York, to any meeting other than the very delightful and terribly constructive session which we had for the benefit of the public and the press in order to show the great progress that was being made.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GRADISON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, do I understand the gentleman to say that the only session of the budget conference that the Republicans were invited to was a photo opportunity?

Mr. GRADISON. Well, I would go further: We were able to speak briefly, and we are grateful for crumbs whenever they come our way.

Mr. WALKER. But in essence what the gentleman was invited to was a photo opportunity; the substantive work on the budget took place with no Republicans in the room.

Mr. GRADISON. I believe the gentleman has reached the heart of the issue.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding to me.

Mr. Speaker, I have a few questions about the rule. The first question is: What is being waived? We have these massive waivers in the rule. Can someone explain to me what it is we are waiving?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Speaker, I would just respond that we are waiving everything, every House rule there is.

Mr. WALKER. Specifically what is down in this thing? I have this tome in front of me now, and I would be happy to know what is waived.

Mr. DERRICK. Is the question directed to me?

Mr. WALKER. Anybody who can answer it.

Mr. DERRICK. Well, I will attempt to answer it, Mr. WALKER. I doubt I would answer it to the gentleman's satisfaction, however.

Specifically, the conference report needs a waiver of clause 2 of rule XXVIII. Clause 2 requires a conference report layover for 3 days prior to being considered.

Mr. WALKER. So the 3-day rule is being waived. What else?

Mr. DERRICK. Since the Committee on Appropriations is meeting today and consideration of several appropriations bills is expected early next week, we need to facilitate an orderly budget process and to ensure that the budget—and I am answering the gentleman's question.

Mr. WALKER. If I may reclaim my time.

Mr. DERRICK. Would the gentleman allow me to answer his question?

Mr. WALKER. If I may reclaim my time Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Pennsylvania has the time.

Mr. WALKER. I understand the 3-day rule is being waived. The gentleman is being very helpful.

Mr. DERRICK. Mr. Speaker, in addition to that, the conference agreement requires a waiver of clause 3 of rule XXVIII because it contains several out-year numbers that are beyond the scope of the conference. It also requires a waiver of germaneness of clause 4 of rule XXVIII because the conference agreement contains a sense-of-Senate language that would have violated the germaneness rule if offered as an amendment in the House.

Mr. WALKER. I see. In other words, the out-year figures in this bill in several places exceed the scope of the conference. In other words, the conference has gone over the amount of money that are assured in the out years.

Now, are any of those figures beyond the scope of the budget agreement last year? I understand that some of the figures in this bill have exceeded what the budget agreement was last year. So, in other words, the rule that we are bringing to the floor here is not only a trampling on the processes of the House, it is also a trampling on last year's budget agreement that was supposedly entered in good faith. At least there is a little bit of suspicion.

The gentleman from California is telling me that is not true. I understand just for this year it is over by $1.8 billion.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

The answer is that it is not true.

Mr. WALKER. OK.

Mr. PANETTA. We stay within the budget caps and within the numbers that were in the House resolution.

The only difference here is with regard to some out-year numbers that were raised because of CBO's projections.

Mr. WALKER. I see. So we are now violating the process that said OMB should make some of these determinations. We are now taking CBO's figures and CBO's figures in the out years are different. So we have now exceeded the scope of the conference, and we have now come to the floor with a rule to allow the gentleman to exceed the scope of the conference. Is that right?

□ 1550

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. PANETTA. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. WALKER] for yielding.

Mr. Speaker, I might point out that seven of the last eight budget conferences have used this waiver and have also used the waivers that are included in this rule.

Mr. WALKER. OK; well, have seven of the eight previous conferences also excluded the Republicans from deliberations?

Mr. PANETTA. Mr. Speaker, Republicans were not excluded.

Mr. WALKER. Mr. Speaker, I just heard the gentleman from Ohio, who is the ranking Republican on the committee, who says that the only time he was allowed to show up was for a photo opportunity.

Mr. PANETTA. Mr. Speaker, if the gentleman will yield, I will respond to these arguments in my response.

Mr. WALKER. I would thank the gentleman. I am wondering a little bit about the document itself. I go to the back of the document, and I find out a whole bunch of names have been crossed out.

Are those Republican names that were crossed off the document?

Mr. PANETTA. I am not familiar.

Mr. WALKER. Mr. Speaker, this is his document. This is his conference report, and on the back of it there are no——

Mr. PANETTA. The gentleman from Pennsylvania [Mr. WALKER] is asking whether the Republicans signed the conference agreement. The answer to that is: No.

Mr. WALKER. OK; and the names that were typed in that evidently were crossed off, are those the Republican names?

Mr. PANETTA. I believe that the purpose of that is to avoid them being printed so that it appears that they supported the conference. That, too, is normal procedure.

Mr. WALKER. Mr. Speaker, there must have been some reason why there were no Republicans on this. It may be because they were not included in the deliberation.

But, as my colleagues know, it is kind of an odd conference report. What is all this scribbling that we have got on all these pages as I go through here? There are a whole bunch of pages here that are scribbled, and stuff is knocked out. We have handwritten notes throughout the budget.

What is all that scribbling? Can the gentleman tell me?

Mr. PANETTA. Mr. Speaker, if the gentleman will yield, we have a printed conference report that is rather clean and avoids the gentleman's concerns.

Mr. WALKER. I am glad the majority side has it. When I went back here to the minority side to find the copies which were given to us, this is what we were given, and what the minority side has; I am glad the gentleman got one in print; what we have is one with a whole bunch of scribbling on it that is a little difficult to decipher.

Mr. DERRICK. Mr. Speaker, the gentleman received those so that they could receive it at the very earliest second that it was available.

Mr. WALKER. And, Mr. Speaker, as I understand it, the very earliest second that it was available was yesterday.

Mr. DERRICK. And I would add that that is the same copy that the Committee on Rules received.

Mr. WALKER. Mr. Speaker, I am pleased to know that, and the Committee on Rules, despite the fact what they had is a bunch of scribbling, decided to give this atrocious rule.

Mr. Speaker, I would say that raises question about whether or not the Committee on Rules understood exactly what was in the bill.

Let me just say this about the substance of the budget before us. This is the budget, folks, that helped kill space station the other day in the Committee on Appropriations. As my colleagues know, the chairman came to the floor here a few weeks ago and told us how his budget protected science, space, and technology. We are now finding out that his budget is what is killing off the ability of this country to compete in high technology, and so his budget is partially responsible for the fact that down in the Committee on Appropriations they are killing off one of the high-tech projects in this country, and I would suggest to the people in the Congress that, first of all, this budget has some major problems in it, and one of those major problems is that it is a budget aimed at protecting the welfare state while killing off the entrepreneurial economy of the future, and I thank the gentleman for yielding the time.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I have to rise today in opposition to the rule providing for consideration of this conference report on the fiscal year 1992 budget resolution.

As have been pointed out, the rule provides a blanket waiver of all points of order, including the requirement that the conference report be made available to House Members for 3 days.

The distinguished gentleman from Pennsylvania [Mr. WALKER] who just preceded me and made a very eloquent case for this point of view, and I certainly subscribed to the thoughts that he has expressed so well.

Mr. Speaker, I realize that in the past we have criticized the Committee on the Budget for missing deadlines, and, again this year the April 15 deadline for adopting the budget resolution has not been met. But I would have to ask: What would be the harm in permitting Members to read the conference report before having to actually cast their vote?

Mr. Speaker, the budget resolution will not affect the 602(a) allocation of discretionary spending authority already made to the Committee on Appropriations except that it will now be called the 302(a) allocation. I seriously doubt that the appropriators will reshuffle their 602(b) subcommittee allocations based on their conference report.

Mr. Speaker, it is my understanding that the first two appropriations bills will move to the floor next week. This indicates that the budget resolution will have no further impact on the discretionary priorities already set by the appropriators.

I realize this is the democratic majority budget resolution which reflects the priorities of their party, but it disturbs me the Republicans were not included in the process of the conference between the two bodies except, as has been shown so vividly here, in a ceremonial kickoff meeting.

Mr. Speaker, this is just another indication that the majority party in this House will disregard the rights of the minority anytime that they feel they can get away with it. Now I understand for a Member, in my case, a Member of the House for 35 years, never once having been a Member of the majority party, that it is very difficult for those in the majority to have any kind of empathy or feelings for us that are struck with this plight of being in the minority. However, Mr. Speaker, I am not going to argue this case other than it seems to me we are not a proliferation of parties in the House. We are a majority party and a minority party. It ought not to be all that difficult to at least keep one of the two parties informed as to exactly what is going on at any given time. We will play our role. We lose more than we win. But we have a role of play.

In terms of priorities set by this resolution, I have got to repeat my earlier statement: This budget remains a mystery budget. Discretionary spending for many programs is assumed at levels far higher than the President's budget. Many of us would like to see higher spending, maybe for education and other important programs. It all sounds great, but how are these increases paid for?

Mr. Speaker, the Democrat majority has a $1.8 billion plug in function 950, undistributed offsetting receipts. So, the heavy lifting of actually setting priorities will be left again to the appropriators.

The majority also indicates that there may be legislation to increase various entitlement programs later this year. Well, we have report language and Senate reserve funds which foreshadow such legislation.

But the questions remain: How will these new programs be paid for and will we be faced with a major tax bill this year? There are legitimate questions to ask. We certainly cannot tell from this resolution. It is a riddle wrapped in a mystery inside an enigma enveloped by assumptions.

A budget is meant to set priorities. This budget resolution does not do that.

Therefore, Mr. Speaker, I have to vote against the budget resolution, and, yes, I would urge, as the distinguished gentleman from New York has pointed out, that our colleagues ought to oppose this rule because the rule itself infringes on the rights of the Members of this House.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will not belabor the point, because we want to get on with the vote. But let me just say that it is too bad that we could not have a rule before us, a fair rule that we could all support. We just finished debating the defense authorization bill for this country. It was a fair rule and a fair bill. We sat down. We worked it out in a workshop environment where everyone agreed, even though we did not get all that we wanted. We did not get the Cheney-Schwarzkopf-Powell budget, but, nevertheless, it was a fair fight, and we lost.

However, as my colleagues know, and I am going to say it to them once again across the aisle, "You're not going to be fair to us on Monday and Tuesday on some significant things, and then be unfair on Wednesday, Thursday and Friday. You just are not going to get away with it. We're not going to let you."

I just want everybody to remember that in the budget last year we voted for defense reductions and a $165 billion tax increase in the promise that this Congress would act responsibly in fiscal matters and get its house in order to try to control the growth of spending.

Now I am going to tell my colleagues that in this conference report there is a hidden tax increase. Let me just read from the committee report. It says, and this is the committee's language, I say to the budgeteers over there on the other side of the aisle:

> This budget Resolution does not assume specific pay-as-you-go legislation. Instead, a number of proposals have been identified by the Committee as potential initiatives which address pressing national needs. The Committee expects additional pay-as-you-go proposals to be developed by the House during the 102nd Congress.

□ 1600

As I read that, one could expect some offsets to be made by Congress, but do not count on it.

Members can take this conference report home and read throught it and tell us where the tax increase is. And when Members find it, come back here and complain about it.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, I thank the gentleman for yielding time to me.

I just want, without a great amount of emotion here, to speak on this conference report. I think everybody in the House should know my feelings. This whole budget process and our ability to set the limits and everything else is a fiasco, and this whole budget agreement, I think, was a ripoff to the American taxpayer. But let us put that behind us just for a second and look at the conference report.

It is hard for me to believe that we were not able to get any real negotiating in the conference and that Members like the gentleman from Cincinnati [Mr. GRADISON] were not included. It was really not a very broad participation, but let us forget the question of participation and get down to the fact that it is absolutely mind-boggling to me that in this conference report, I hope Republicans are listening, the discretionary spending exceeds the caps and contains a $1.8 billion budget authority and $500 million outlay plug to bring the numbers in line.

Discretionary spending is out of the roof in the budget agreement, and we still could not stay within the spending caps by violating it by $1.8 billion in budget authority. There is a $2.6 billion plug to handle differences between CBO and OMB.

I heard the chairman of the Committee on the Budget say that we waive this thing all the time. We have been losing this fight. We said we were going to do scoring on the basis of OMB. That was the budget agreement. Now we have got a bill that plays off $2.6 billion more in deficits. It is a phony number here based on CBO's scoring. It is not what we agreed to. We broke that part of the deal.

Then we say we found $10 billion in entitlement spending due to different estimates.

I must talk to the Republicans because the budget game around this Congress has become one of the partisan back and forth and bickering between us and the Democrats and the White House and everybody else. I want to speak to Republicans now. Please do not come to this floor and vote for this conference report. This is not to cast aspersions on my friend, the gentleman from California [Mr. PANETTA], who does the best job he can do in monitoring and bringing together all the different interests within his party. He has got a tough job to do because he has to put together a collection of people who really differ.

But in our party, if you support the President or you support those people who differed with the President last time around on the great budget debate of last year, every Republican ought to come to this floor and vote against this conference report because this exceeds even the agreement that we agreed to that many of us thought was too much. We are breaking the deal.

Nobody ought to come to this floor and vote for this thing in either party who believes that that deal ought to be honored. The only place where we seem to be able to honor the deal and agree to the budget caps is in defense spending, where we keep going below them. The only reason we do not get more amendments to go below that is because we cannot add on the others because we violate those spending caps.

I say to my colleagues on the democratic side who want to honor the sanctity of this agreement, come to the floor and vote no to the conference report. To my Republican colleagues, not one of you ought to be voting for this thing, no matter how you feel in terms of our overall deal, because it breaks the deal, and this is a terrible deal.

Mr. SOLOMON. Mr. Speaker, I would urge all Members of the House to vote no on this rule and then to vote no on the conference report with the hidden tax increase.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Budget Committee, the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I urge Members to support this rule and I regret that the minority is taking the position of opposing this rule. It is very similar to the same kind of rules that we adopt with regard to the budget resolution conference each time we have taken it up.

I think it is particularly important that we endorse the agreement, that both the President and the Congress agreed to, and put it in place as soon as possible.

The reason that we tried to expedite this now is because next week the Senate is off. And if we do not take it up today, it means that there will be that much more time lost before we actually have a conference in place and will be taking up appropriations bills.

If we complete action on the conference report, it will be the second fastest time that we have put a budget conference in place in the last 10 years. The minority has constantly criticized the majority for not meeting its schedule. Here we are at the point of getting a conference adopted, meeting our schedule as close as possible, and the minority argues for delay.

I am reminded of the advice that lawyers often get which is, if facts are not with you, you argue the law. If the law is not with you, you argue the facts. If the law and the facts are not with you, you take off your shoe and pound the table.

What the minority is doing right now is taking off their shoe and pounding the table. There are many Members that have in fact voted against the budget agreement that was made between the President and the Congress, voted against the President's own budget resolution, voted against the House budget resolution. Suddenly, after doing that, the argument is, gosh, after having knifed these resolutions in the back, why are we not included in the operating room in trying to deal with the patient?

Credibility is somewhat strained. The facts are the following: The facts are that this budget conference is very close to the House budget resolution. Out of 17 functions, 15 are the House numbers or slightly higher. Two were basically splits with the Senate, which is normally done in the conference. That is clear to everyone.

In terms of the language that was adopted, the bulk of the language applies to the Senate as sense of the Senate language applying to the Senate only. So in terms of the resolution, if one supported the House budget resolution, this essentially implements the same priorities.

Let me make clear with regard to informing the minority that last Thursday, on May 16, every House conferee was invited to a 1:30 p.m. meeting to discuss the budget conference agreement, the outline. I sat down with members of the conference, both Republicans and Democrats, and went over in great detail the recommendations of the conference agreement that had been worked out by Chairman SASSER, myself, and our staffs. The numbers, budget authority and outlays, were distributed to the Members on both sides of the aisle. Staff walked through each of the 17 key budget functions, described the tentative agreement on budget authority and outlays and the rationale for each of the numbers. The committee's chief counsel explained how the language differences were going to be resolved, including those items which were only going to be sense of the Senate items.

The key issue, practically the only issue that was debated at all, was with regard to the amendment dealing with pay-as-you-go, which the Senate has now dropped.

Six days ago we did this, 6 days ago. The minority had in their hands the essence of the conference agreement. Not one number has been changed from our discussion last Thursday. Not one change in language has been made since our discussion last Thursday. And no one said at last Thursday's meeting that we were going too fast or that we were not included or that something is wrong here. None of that was heard.

For that reason, we proceeded to file the conference report and provided a copy to the minority. We sent out a "Dear Colleague" yesterday and have responded to any questions with regard to the elements of the conference report. So we have provided full information here to the Members with regard to the essence of this conference report.

With regards to the law, the law is that we ought to abide by the budget agreement. That is the deal. We now have the opportunity to stay within the caps and to enforce pay-as-you-go. This conference agreement does that.

The worst thing we can do is back away from that commitment. The bottom line is simply this, there is very little change here from the House budget resolution. If Members voted for the House budget resolution, then Members should vote for the conference. If Members voted against the Gradison motion to instruct, then Members should vote for the conference because that has been eliminated from the Senate's version. So if Members care about this agreement, if Members care about sticking to a schedule, please vote for this rule and the conference.

□ 1610

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. THORNTON). The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 257, nays 164, not voting 10, as follows:

[Roll No. 111]

YEAS—257

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Gray
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Mollohan
Montgomery
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—164

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—10

Dingell
Ford (TN)
Hopkins
Jefferson
Lehman (FL)
Martinez
Mavroules
Moakley
Neal (MA)
Skelton

□ 1630

Mr. WEBER changed his vote from "yea" to "nay."

Mr. JENKINS and Mr. TORRES changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 960

Mr. HATCHER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 960.

The SPEAKER pro tempore (Mr. THORNTON). Is there objection to the request of the gentleman from Georgia?

There was no objection.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 121, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1992

Mr. PANETTA. Mr. Speaker, pursuant to the order of the House, I call up the conference report on the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the U.S. Government for the fiscal year 1991 and setting forth the congressional budget for the U.S. Government for the fiscal years 1992, 1993, 1994, 1995, and 1996, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 157, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of May 21, 1991, at page 11605.)

The SPEAKER pro tempore. The gentleman from California [Mr. PANETTA] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. GRADISON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report before the House complies with the 1990 budget agreement between the President and the Congress and preserves the central purposes of the House-passed budget resolution to try to target additional resources to the needs of working families.

It continues the House priority of investing in children through increased funding for nutrition, education, health, and antidrug programs, and provides for economic strength through additional investments in competitiveness, energy programs, transportation, and other infrastructure. It promotes fairness for all Americans by rejecting the proposed cuts of the administration in Medicare, veterans' programs, student loans, and foster care, and by providing additional resources for rural programs, the working poor, and the homeless.

In sum, in the 17 key functions, the House level was either protected or increased slightly in 15, and in 2 of the functions we basically split the difference between the House and Senate levels.

The House position was agreed to in the energy, transportation, community development, health, Medicare, Social Security, veterans, international affairs, and general government functions. Additional funding above the House-passed levels was agreed to in the education, natural resources, agriculture, and commerce functions.

Compromise levels were agreed to with the Senate in the space and science and in the administration of justice functions.

I will provide for the RECORD a specific in each of these functional areas, but I do want to summarize some of the key functions.

On 050 in defense, both the House and Senate resolutions met the cap for defense set in last year's budget agreement. The conference report sets spending levels exactly at that cap. On international affairs, the Senate receded to the House-passed level. On science and space, the House and Senate agreed on a level midway between the two resolutions. On energy, the Senate receded to the House-passed level. On natural resources, the House agreed to an additional $100 million in this function equaling the higher Senate-passed level. In agriculture, the House agreed to an additional $100 million in this function. On commerce and housing, the House agreed to the Senate-passed level allowing additional funding for the revenue-forgone payment to the Postal Service. On transportation, the Senate receded to the House level which provided additional spending for highways, aviation, and mass transit. In community development, the Senate receded to the House-passed level. In education and training, the House-passed level is increased by $2 billion in the conference agreement. In health care, the Senate receded to the House-passed level. In Medicare, the Senate receded to the House-passed level. In income security, an additional $400 million above the House-passed level was agreed to by the conferees. In Social Security, the Senate receded to the House-passed level. In veterans, the Senate- and House-passed levels were almost identical, and we accepted that level for this function. In the administration of justice, a level midway between the House- and Senate-passed levels was agreed to by the conferees. On general government, the Senate receded to the House-passed level. On 950, the conferees agreed to an unallocated reduction of $1.8 billion in budget authority and $500 million in outlays across all functions within the domestic discretionary cap.

The purpose of this $1.8 billion was to include that part of it would be achieved through development of user fees. The House-passed budget had $300 million in user fees. The President's budget, incidentally, had $2.3 billion in user fees, and that was not included here.

Part of this amount could be achieved as well through decisions made by the Committee on Appropriations as they go through the process of refining the priorities in the domestic discretionary portion of the budget.

In addition, I want to point out to the Members on the pay-as-you-go process, we have here abided by the pay-as-you-go requirements of the budget agreement. The House rejected last week by a vote of 284 to 132 the motion to instruct House conferees to accept Senate language imposing restrictions on what type of pay-as-you-go measures could be considered in the Senate.

The conferees followed the will of the House by rejecting the original Senate approach and replacing it with language which conforms to the 1990 budget agreement and paves the way for consideration of initiatives in the areas of health, nutrition, early childhood development, economic recovery, health care, and transportation, but it must be paid for, and it must be on a deficit-neutral basis.

In summary, I believe the House conferees did a superb job of protecting the priorities set by the House in its fiscal year 1992 budget resolution, and I urge the Members to support this conference report.

If we do, this will be the second-fastest time that we have put a budget conference report in place in the last 10 years. We will be meeting our schedule, but, more importantly, we will be meeting our obligations under the budget agreement agreed to with the President.

Mr. Speaker, I reserve the balance of my time.

Mr. GRADISON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Democrats in the House and Senate faced a dilemma in putting together this conference agreement. Having excluded Republicans from the negotiations, they had to put together a budget that could pass with Democratic votes. They had two possible avenues.

The first was to craft a realistic budget—one that actually made choices and tradeoffs within the available resources. That would have been interesting, but would also have revealed that the Democratic promises were nothing more than that: just promises without the funding needed to make them come true.

The second choice was simply to offer a budget that could pass, because it pretended to fund the various Democratic priorities and initiatives we've all heard so much about. Doing so, however, would demonstrate the irrelevance of this process.

Our Democratic friends took the second of these two avenues—and are offering an irrelevant budget that can, and will, pass with Democratic votes.

Some have argued that passage of a congressional budget will make the Budget Committee relevant and give it clout. I believe the result will be precisely the opposite. The Budget Committee derives its clout solely from its credibility, not from its power. Because this conference report is so sorely lacking in credibility, it will reduce the Budget Committee's clout rather than enhance it.

THE HIDDEN AGENDA

The first time this House debated the budget for fiscal year 1992, the committee's chairman, Mr. PANETTA, argued that a budget is not just numbers and dollar signs, it is priorities and directions.[1] You might call it the Democrats' vision thing. I agree with the chairman's view. But I would go on to say that a true budget does also consist of numbers—numbers that explain how you get to where you are going, how you will achieve your priorities, and how you will stay within your resources. That is what the President laid out in full detail last February. That's what budgets are for.

But this Democratic budget is not on the level. It masks a hidden agenda, and doesn't explain—by the numbers, as it should—how that agenda will be achieved. In that sense the Democrats have chosen irrelevancy for themselves and the Budget Committees.

Let me be a bit more specific.

First, look at the domestic discretionary accounts. During the budget debate in the House last month, it was obvious that when it came to new themes and priorities, funding levels could not begin to match rhetorical levels. There simply was not enough room within the domestic discretionary cap to make good on all the promises. No surprise that when the "bidding war" began to see who could promise the most for education, the funds had to be stolen from other areas—environmental protection, fighting drug abuse, tax enforcement.

PLUGGING THE GAP

First the House, then the Senate, shifted funds toward attractive priorities at the expense of basic, but boring, government activities.

When the Democratic conferees—no Republicans were invited to decision-making meetings—tried to compromise House and Senate versions against the budget agreement cap, they found they had promised too much. Their solution? Pretend that funds were available for the attractive new initiatives as well as the necessary but unexciting day-to-day functions of government. Then, to squash the total back down to the cap level, they inserted a huge mystery minus of $1.8 billion in Budget authority. This is called a plug. It has nothing to do with different scoring by OMB and CBO. It is a cover-up, pure and simple, for the fact that there is not enough money under the domestic cap to pay for both exciting new promises and old, boring government without breaking the budget agreement.

This cover-up has made the Democratic budget irrelevant. This is not a budget; it is a wish list. The people who make the tough decisions on carving that $1.8 billion overhang out of domestic discretionary spending will be the ones who are relevant; not the people who put together the wish list. To add insult to injury, apportioning the $1.8 billion cut already has been decided. The House Appropriations Committee last week informally agreed to an allocation of discretionary spending among the 13 appropriations subcommittees. They did what the budget conferees could not do. They made tough decisions. They are relevant.

MORE ENTITLEMENT SPENDING?

Unfortunately, the discretionary mess is only half the picture. On the mandatory side of the budget, there is another mismatch between wishes and reality.

The Democratic majorities in both Houses have a raft of spending initiatives they want to pursue. They are hinted at in report language in the House bill and through the reserve fund provisions in the Senate bill. They are entitlements, such as children's health and nutrition, unemployment compensation, early childhood development, and so on. Consequently, they fall on the pay-as-you-go scorecard, meaning they must be financed by restraint in other entitlements or tax increases.

There are moments when the House budget report language comes dangerously close to being specific about these plans. It mentions, for example, H.R. 1202, modeled on the Mickey Leland bill, or "legislation similar to the Family Preservation Act introduced in the last Congress." But the report waffles on whether the Budget Committee Democrats are serious about these.

DUCKING THE PAYGO DECISION

Consider this passage from the House report: "This budget Resolution does not assume specific pay-as-you-go legislation. Instead, a number of proposals have been identified by the committee as potential initiatives which address pressing national needs. The committee expects additional pay-as-you-go proposals to be developed by the House during the 102d Congress."[2]

If I read this passage correctly, we expect some paygo bills in this Congress, but we're not planning for them.

Neither of the Democratic budget resolutions tells us how much these paygo initiatives will cost or how they will be paid for—another feature common to good budgeting. There are some numbers floating around concerning some of the House Democrats' proposals—the low bid is about $32 billion over 5 years. Where that money will come from is anyone's guess, but I guarantee you a millionaire's tax will not pay for it.

Indeed, for almost the first time anyone can remember, the House bill doesn't really speak about revenues, except to say that it does not preclude revenue-neutral changes in the Tax Code. Meanwhile, all around us there is very public discussion of tax extenders, another nickel or dime increase in the gasoline tax, a millionaire's tax, a new top tax bracket, increased payroll taxes for unemployment, and so on.

"FLEXIBILITY" MEANS TAXES

Before the conference, the Senate bill was slightly better on this score. It insisted that any additional spending in these reserve fund areas be offset by savings in other areas, unless, of course, the Senate could round up a supermajority to support a tax increase. In other words, the Senate resolution as adopted would not propose that we rush back to the taxpayers to finance new entitlement programs. Instead, it would have had us readjust spending priorities to accommodate the new goals. Such an effort would have been what budgeting means—weighing priorities against available resources, instead of just running out to get more resources.[3]

It has been interesting to observe the Democratic efforts to strip this provision—efforts that finally succeeded.

Two weeks ago on this floor, we Republicans tried to get a vote on the issue. The Democrats went out of their way to avoid that vote, applying their formidable numerical majority to procedural maneuvers to effectively duck the issue.[4] The conference committee was even more clever: The Democrats there settled the issue behind closed doors.

Consequently, there will never be a direct vote on this question.

The Democrats have said they opposed the Senate restriction on higher taxes because they wanted to maintain

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[1] As Chairman PANETTA said on the House floor: "Budgets are not just dollar signs—they are not just numbers—they set our priorities for the Nation, a direction for the Nation." See the CONGRESSIONAL RECORD, April 16, 1991, p. 8161.

[2] See the report on House Concurrent Resolution 121 (Report 102-32), the Concurrent Resolution on the Budget—fiscal year 1992, pp. 114-116.

[3] See section 9 of Senate Concurrent Resolution 29.

[4] See the CONGRESSIONAL RECORD, May 9, 1991, pp. 10384-10393.

"flexibility" in dealing with these high priority issues. They apparently need this flexibility because they do not really believe they could find any savings in 700 billion dollars' worth of mandatory spending in the budget. I can only conclude that if you're a Democrat, the way you spell "flexibility" is t-a-x-e-s.

This conference report asks us to endorse a black box of spending proposals. We don't know which proposals; we do not know the numbers; we do not know how these things will be paid for. This is not budgeting. As I said before, it is not on the level. It is meaningless. If you ask whether the Budget Committees are relevant these days, the answer provided by this conference report is a resounding "no".

BACKGROUND

THE DISAPPEARING DEFICIT

(Or the Magical Mystery Minus)

When the Democratic conferees tried to compromise House and Senate versions against the budget agreement cap, they found they had promised too much. So they pretended that funds were available for their attractive new initiatives as well as the necessary but unexciting day-to-day functions of government. Then, to squash the total back down to the cap level, they inserted a huge "mystery minus" of $1.8 billion. This is called a "plug." It has nothing to do with different scoring by OMB and CBO. It simply covers up the fact that there is not enough money under the domestic cap to pay for both exciting new promises and old, boring government without breaking the budget agreement.

Table 1 below shows how the conference numbers developed and why the $1.8 billion plug was necessary.

TABLE 1.—THE $1.8 BILLION MYSTERY MINUS

[Dollars in millions]

Function	House	Senate	Conference
Domestic discretionary totals functions 250–920:			
BA	$200,279	$199,979	$201,779
Outlays	212,207	211,910	212,407
Domestic discretionary cap:			
BA	199,978	199,978	199,978
Outlays	211,909	211,909	211,909
Totals compared to domestic cap:			
BA	+301	+1	+1,801
Outlays	+298	+1	+498
THE MYSTERY PLUG			
Function 950 (undistributed offsetting receipts):			
BA	−300	0	−1,800
Outlays	−300	0	−500
Totals compared to domestic cap (with plug):			
BA	+1	0	+1
Outlays	−2	+1	−2

THE DEMOCRATS' HIDDEN AGENDA

Report language in the House Budget Resolution, as adopted, lists the following as potential pay-as-you-go initiatives that could be considered this year (see page 114–116 of the Report on H. Con. Res. 121, the Concurrent Resolution on the Budget—Fiscal Year 1992, Report 102–32).

1. Expanded nutrition assistance to low-income families.

2. Furnishing dairy surpluses to the WIC program.

3. Expansion of Foster Care, Child Welfare, and Title XX Social Services Block Grant Programs.

4. Extended unemployment insurance benefits. (The report also says: "An improvement in unemployment insurance coverage could be offset by an increase in the tax already dedicated to this program. A delay in the implementation of such a tax increase would be appropriate during a period of economic recession.")

5. Access to health insurance for the uninsured.

6. Long-term care coverage.

7. Liberalized Medicare coverage.

8. A variety of Medicaid expansions, including:

Mandatory coverage of pregnant women and infants up to 185 percent of the poverty level.

Optional coverage of all children up to 185 percent of poverty.

Early intervention for AIDS patients.

Residential treatment for pregnant drug abusers.

Mandatory mammography and pap smears.

Increased matching rates for states with high unemployment rates.

Increased payments to Puerto Rico.

9. Additional funding for infrastructure improvements and energy-related programs such as conservation, the Strategic Petroleum Reserve, and research and development.

10. A proposal to create a mandatory, trust-fund supported transportation infrastructure program.

The Senate Budget Resolution establishes five reserve funds for its initiatives. Under Senate rules, these reserve funds are necessary to avoid a 60-vote requirement for passage of entitlement expansions after adoption of the Budget Resolution. The reserve funds (see in section 9 of S. Con. Res. 29, Report 102–40, pp. 49–55) are the following:

1. To improve health and nutrition of children and to provide for services to protect children and strengthen families.

2. Economic recovery initiatives for unemployment compensation or other related programs.

3. Continuing improvements in ongoing health care programs and phasing in of health insurance coverage for all Americans.

4. Expand access to early childhood development services for low-income preschoolers.

5. Fund surface transportation initiatives.

Neither resolution discusses how much these initiatives would cost. The House bill makes no suggestions about how to finance them. The Senate resolution, as adopted, said these initiatives could be financed when "another committee or committees of the Senate or a committee of conference have reported legislation that will, if enacted, reduce budget authority and outlays in an amount that is equal to or exceeds the funding necessary" for the proposed initiative. This would have meant that 60 votes would have been necessary in the Senate to adopt tax increase, rather than offsetting spending restraint, to finance these initiatives. The Democratic conferees stripped out this limitation.

MANDATORY PRESSURES

The House Budget Committee Democrats have distributed a document called "Major Mandatory Pressures," indicating the costs of some of their proposals (see Table 2 below). This information is not included in the House Budget Resolution.

TABLE 2.—DEMOCRATS' "MAJOR MANDATORY PRESSURES"

[Changes from CBO baseline, in millions of dollars]

	Fiscal year—					5-Yr. Total
	1992	1993	1994	1995	1996	
Education (Downey) direct spending:						
BA	670	923	1,134	1,582	1,642	6,131
Outlays	546	888	1,241	1,523	1,632	5,830
Appropriated:						
BA	(263)	(261)	(262)	(322)	(322)	(1,430)
Outlays	(212)	(261)	(262)	(307)	(322)	(1,365)
Net:						
BA	407	662	1,052	1,260	1,320	4,701
Outlays	333	627	979	1,216	1,310	4,465
Medicaid:						
BA	20	80	125	245	280	750
Outlays	20	80	125	245	280	750
UI extended benefits:						
BA	5,785	4,040	5,195	2,980	2,890	20,890
Outlays	5,785	4,040	5,195	2,980	2,890	20,890
Food stamps:						
BA	289	846	1,127	1,387	1,633	5,282
Outlays	289	846	1,127	1,387	1,633	5,282
Total mandatory:						
BA	6,501	5,628	7,499	5,827	6,123	31,623
Outlays	6,427	5,593	7,426	5,828	6,113	31,387

Source: Democratic Staff, House Budget Committee.

TAXES

In the five-year budget-and-tax adopted last year, $160 billion of the $500 billion in deficit reduction came from higher taxes. That is in addition to the $361 billion in revenue growth—an average of 6.1 percent a year—that would have occurred without last year's tax increases.

These were not entirely taxes on the wealthy. Among them were $27 billion from raising the cap on wages subject to the Medicare payroll tax; $25 billion from an additional gasoline tax; and $41 billion from raising or imposing excise taxes on telephone service, tobacco, alcohol, airline travel, and some luxury goods. Another $40 billion came from bursting the tax bubble that the Democratic majority created in 1986. It is interesting that some tax proposals are flying around now that call for yet another tax bracket.

The table below show how much revenues would have increased without the tax rate changes in last year's agreement, and how much they are expected to increase with those changes.

TABLE 3.—PROJECTED REVENUE GROWTH WITHOUT 1990 AGREEMENT

[Dollars in billions]

	1991	1992	1993	1994	1995
Revenue growth (dollars)	61	60	75	81	84
Precent growth from year before	5.9	5.5	6.5	6.6	6.4

Source: Congressional Budget Office.

TABLE 4.—PROJECTED REVENUE GROWTH WITH 1990 AGREEMENT

[Dollars in billions]

	1991	1992	1993	1994	1995
Revenue growth (dollars)	79	75	73	86	85
Percent growth from year before	7.6	6.8	6.2	6.8	6.3

Source: Congressional Budget Office.

Federal taxes this year are expected to equal 19.4 percent of Gross National Product. Over the next five years, under current law, they are projected to continue rising, reaching a full 20 percent by the middle of the 1990s. This means we will have had a decade of federal taxes at 19 percent of GNP or higher, something our nation has never experienced before.

□ 1640

Mr. PANETTA. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman from California [Mr. PANETTA] for yielding me this time. I want to compliment the chairman on bringing back from conference a very fine budget resolution and conference report which does reflect and preserve the priorities that the House undertook in the resolution that this body first adopted and improved upon, in many respects, in the conference. I think that we have something to be very, very proud of, something we can be very proud of and take back to our constituencies and to the Appropriations Committees, with great satisfaction.

□ 1650

In one of those areas that I particularly have a concern about, the transportation function, I want to point out to my colleagues that the conference report not only preserves the House numbers, but in fact improves marginally upon them, which is very difficult to do in this budget resolution. We will have budget authority of $14.5 billion and outlays of $33.4 billion, a slight improvement over the House number, but a welcome improvement because that number translates into a lot of investment in upgrading the Nation's transportation infrastructure.

In the field of aviation, the conference report will allow us to continue the modernization of the air traffic control system upon which we embarked last year with enactment of the aviation safety and capacity enhancement legislation. In the highway section, it will continue the forward movement of our expansion of improvements in the Nation's transportation infrastructure, roads and bridges, and set the stage for the Public Works and Transportation Committee to continue the authorization process already begun for the highway and transit legislation needed to guide our Nation's infrastructure through the balance of this decade. With $2 billion above the 1991 freeze levels for the budget authority portion and a billion dollar increase above freeze in outlays provided in this budget resolution, we are $200 million above the President's numbers and we translate that into significant impact on highways, bridges, and new initiatives on roadways that we need to continue the support system for the national economy.

In mass transit, the budget resolution $3.54 billion for fiscal year 1992. That is an increase of $281 million over the freeze level, not an inconsiderable achievement given the budget restrictions of caps and walls, and the fact we have been doing this whole process taking from Peter to pay Peter, we have a very solid piece of legislation that set the stage for the authorization committee to chart a progressive course for transportation enhancement through the balance of this decade.

Mr. GRADISON. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from North Carolina [Mr. McMILLAN], a member of the Budget Committee.

Mr. McMILLAN of North Carolina. Mr. Speaker, let us face it, writing and passing budgets is dirty work. We never make everyone happy and usually we do not make anyone happy.

I know what it is like to make the tough decisions and to set forth a budget, since I did it for almost 20 years in the business world before coming to Congress.

The pain and suffering of the budget agreement we passed last year was as close as we as a body have come to acting like a budget decisionmaker in my 6 years in Congress. That is because we were making real enforceable, we thought, spending and revenue decisions. Like in the business world, we did not make everyone happy in the short run and probably the only people we made happy were those who could see 5 years into the future and see a balanced budget. That can happen, assuming Congress has the self-discipline to live within its own terms and to make it happen, like we are trying to do now.

This budget, although I question some of its priorities, does conform by and large to the discretionary spending caps, despite what has been said, except for that $1.8 billion plug in the authorization section, which amounts to about half a billion dollars in outlays. It remains to be seen whether we have the discipline to allocate that plug and live within the spending caps and to honor the PAYGO provisions on entitlement programs.

I respect the distinguished chairman of the committee, the gentleman from California [Mr. PANETTA], and the ranking Republican, the gentleman from Ohio [Mr. GRADISON], as well as what is a very strong Budget Committee; but it this conference report is any indication of where this committee is going in the next 4 years, we have got a lot of work cut out for us.

First, the Budget Committee must be alert to authorization bills, particularly entitlements that would bust the paygo provisions.

Second, we must be alert to every appropriations bill to make sure they stay within the caps.

Third, we must begin to work now on ways to deal with the causes driving up costs of programs like medical care and to take action, recommend action to reserve them, in order to find the funds to meet the unmet needs that exist out there.

The chairman has expressed his strong commitment to that effort and I hope that we are prepared to undertake that work in the very near future.

However, getting back to the conference resolution itself, I do not think I have ever seen a serious budget in the business world that had a $1.8 billion "plug" stuck in it to reconcile the numbers. In the corporate world, a chief executive officer would be fired for submitting a budget with that kind of evasion in it. Somebody is going to have to figure out where those funds are coming from, or cut some other program that is not laid out in these numbers.

For another thing, one of the first steps toward bankruptcy in the corporate world is to propose initiatives for new spending programs without coming up with ways to pay for them; and yet we have this conference report with a long list of highly touted domestic initiatives that "may" be considered this year under the paygo mechanism without saying exactly where the money is going to come from in advance. Real budgets do a better job of spelling out the pain as well as the pleasure.

Finally, there appears to be significant sentiment on the Democratic side to try to shift some domestic discretionary programs out from under the domestic caps into the entitlement area as "new" entitlements. Under the paygo discipline, that would mean that someone else's entitlements would have to be chopped to make way for the new programs, but we do not lay those out, or maybe someone else's taxes will have to be raised to pay for them. These are not laid out.

Or, wait a minute, maybe a discretionary program will simply be made an entitlement and the deficit will go up, and nobody will pay any attention. Even the Democrats have admitted that mandatory entitlement spending is the major problem in the budget deficit; yet this conference report implies more of the same. That is what has been going on around here for years, and why we have a $300 billion deficit.

What Member in his or her right mind will vote against an "entitlement" program in broad daylight on C-SPAN when they do not have to specify who is going to pay for it?

I think the conference Budget resolution could have been more explicit in its details and more ample in its presentation and more timely.

The truth about this Budget resolution should be written to the people back home as follows:

> DEAR AMERICAN PEOPLE: There is no more money to pay for any major new programs for the next five years. We are at the bottom of a financial hole and only last year did we have the courage to start climbing out of it. Please forgive us if we don't sound as noble or as great as we used to, but balancing the budget is crucial to our economic health. If we want to meet new or expanded needs, we are going to have to eliminate the waste and excess in the programs we now have.
>
> When we balance the budget in 1996, we will then have more flexibility; but until then, we are going to fully support what we passed in 1990 with no net new taxes.
>
> Sincerely,
>
> THE UNITED STATES CONGRESS.

Mr. Speaker, I will vote no on the conference report, primarily because of misplaced priorities, unallocated plugs, and unspecified entitlement expectations, and I urge my colleagues to do likewise.

Mr. PANETTA. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. FORD], the distinguished chairman of the Committee on Education and Labor.

Mr. FORD of Michigan. Mr. Speaker, I rise today in support of the conference report on the budget resolution for fiscal year 1992. The totals assumed for function 500 reflect the adoption of the homefront budget initiative that I proposed earlier this year. That initiative assumed a $3.1 billion level as well as an additional $1.3 billion for Head Start, child care, JTPA, and related programs.

The Budget Committees are to be congratulated for achieving a conference agreement that establishes education and related children's programs and clear priorities for this Congress. The issue, however, is whether this expression of support for education programs will be adopted by the Appropriations Committee when it reallocates domestic discretionary spending among the relevant subcommittees. Thus far, it appears that the preliminary allocations of the Appropriations Committee do not track the allocations assumed in the budget conference agreement.

Indeed, it seems that the allocation to Chairman NATCHER's subcommittee on Labor-HHS-Education was $1.2 billion below the House-passed budget resolution and approximately $3 billion below the assumption in the pending conference agreement.

On April 17, 261 Members, including a majority of members on the Appropriations Committee, voted on a bipartisan basis for the Ford amendment that added $400 million for education programs to the budget resolution reported by the House Budget Committee. When they voted, Members presumably thought that their votes would favorably affect the appropriations process. Apparently, that vote has been ignored.

This raises several troublesome questions that Members should consider as we proceed through the budget process. First, if the priorities included in the budget resolution do not guide the Appropriations Committee, what productive purpose does it serve to fight over the budget resolution? Second, what is the remedy available to Members if their priorities are ignored? Third, what is the impact on the public when it learns that policy choices made in the budget resolution do not materialize?

I believe, Mr. Speaker, that it would be enlightening to hear from Members of both the Budget and Appropriations Committees to learn how they view this troubling situation.

☐ 1700

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. HOUGHTON], a member of the Committee on the Budget.

Mr. HOUGHTON. I thank the gentleman for yielding.

Mr. Speaker, I am going to vote against this conference report, and I do not want to do it. I want to have a budget, I want to support the chairman, I want to support Mr. GRADISON, I want to support the honorable men and women who have done an enormous amount of work trying to stay within the guidelines that were set last year in the budget summit. But there is something funny, something fishy here, and it bothers me, not necessarily for this year but really our outlook for the future, because the big savings, the big opportunities to bring our deficit down are in the last 2 years of this budget cycle.

Now, for this year we are really on automatic pilot because of the constraints of last year. Now, there are differences between the Republicans and Democrats. They are not very much. I would have preferred going the Republican route because it invested in the future rather than spend this year. But that is not to be.

The entitlement savings, there are about $12 billion, and there is $33 billion in new taxes; I am not wild about that, but that is in place.

I guess the thing that bothers me most is we are up to our old tricks. In other words, we are using words to cover up numbers. We are missing phraseology to cover up the arithmetic. We are using our targets, we are not only not balancing our budget, but we are not doing what we said we would do, and if we do not do that, where do we come out?

We have four areas: Are we going to touch interest? We have got to pay our interest. Are we going to touch our Department of Defense? We just voted on that.

Are we going to cut even more entitlement programs? Certainly not. The only way to do it is to control our discretionary expenses. That is what we are not doing, and it bothers me. I want to record that, and therefore I am going to vote against this conference report.

Mr. PANETTA. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. I thank the gentleman for yielding.

Mr. Speaker, I want to express my appreciation to him and to the ranking minority member, the gentleman from Ohio [Mr. GRADISON], for their cooperation and willingness to work together through this process as we kind of sometimes banged heads on. As the gentleman before us said, quite frankly, there has not been much to bank heads about, sometimes, given the constraints of the budget agreement.

I do think this is a good budget report, though. I think the House position persevered in most situations. I think that to the extent it was possible under the constraints of this budget, it does provide for working families to get some of the assistance they need and, more importantly, not to lose some of the assistance they need. That is, investments in student loan programs, for instance, in infrastructure, in energy programs, in competitive initiatives, in rejecting cuts in Medicare and in veterans' programs. Once again, student loans, I cannot stress enough the importance of that, since I consider the student loan program and the Pell Grant Program to be the greatest ticket for upward mobility in our society that we have.

That has been proven time and time again since World War II, that education, giving people the opportunity to further their education, provides the opportunities that we need so desperately to build our society.

Infrastructure is a particular interest of mine. I was pleased that the House position basically prevailed in the areas of highways and aviation, roads and bridges, in the area of infrastructure research.

It is important to note that infrastructure spending in the highway area, for instance, the obligational authority over a 3-year period will have been increased about $5 billion from what it was just a year ago. That, I think, is an important statement alone in this budget process.

Productivity, we hear so much about productivity, yet productivity does not increase. The studies are coming in more and more conclusively every day on that. Productivity increases largely is a function of infrastructure. If you are putting your money into public investment, your productivity goes up in a corresponding fashion. If you are not putting your money in, it goes down. Some people wonder why our overall productivity has been running at basically a flat line. That is the reason why. Yet you take Japan, with half the population, half the gross national product, they are investing more in absolute dollars in infrastructure than the United States is, and you see the productivity there is in a definite upward trend. Germany, much the same situation.

So I think that much has been done in the area of energy. I was delighted to see that the Senate receded to the House-passed level. That means that the assumption that the House made hopefully can it be enacted, that is, restoration of phase 5 of the clean coal technology program, increased funding for renewable fuel, solar, photovoltaics, fossil fuel, energy research, all of those areas that go toward creating a national energy policy that we so badly need in this country.

The same is true as to natural resources, another important area.

Community development, very little community development actually is left any more, but that which there is, happily the Senate agreed to the House position.

Finally, in health I was delighted to see not only the Medicare cuts defeated, of course, but as significant, I think, particularly for rural areas, the money, the dollar figure was kept intact, which can lead to increased funding in certain areas of research at the National Institutes of Health, the National Institute of Mental Health, and also an increase that many of us fought for, those particularly from rural areas, for an increase in the National Health Service Corps of Physicians. Hopefully, more of these very valuable personnel will be able to be sent to medically underserved areas in the next year as a result of our budget.

Veterans' programs, I think it is important to note that the House and the Senate are in basic agreement on that issue.

So I would urge adoption of this budget.

The appropriations process is under way, as it should be. The budget gives the final guidelines that are necessary, and it is a budget that meets the budget agreement and at the same time provides for working families what they need.

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SANTORUM], a member of the Committee on the Budget.

Mr. SANTORUM. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this conference report, not because there are not some attractive things in it, as the gentleman from West Virginia [Mr. WISE] just spoke to. There are some very good initiatives in here in the area of education, student loans, certainly what we have done for the veterans, which is something that I supported and am glad to see in here.

But I do rise in opposition, in part, because of the enormous deficit that it causes. With this budget agreement, we cannot run away from the fact that it calls for over $300 billion in more deficits that we are going to be piling onto my children and my children's children.

I rise in opposition, in part, because it is irresponsible, it does not provide for how we are going to pay for some of these things that we would like to do.

I rise in opposition, in part, because of the decisions of where and how this money is being spent. Maybe, just as importantly, is because how we came about the decisions on where the money is spent. That really goes to process. One of the things that I have been speaking out about in the Budget Committee and in the committee report was the budget process.

☐ 1710

Mr. Speaker, as a freshman Member, a new member, to the Committee on the Budget, I did something rather unusual. I decided to read the Budget Act that created the Budget Committee in 1974 to see what my job would be on this committee, and I read that we are to set the priorities in the Committee on the Budget. We are to set the priorities on how we are to spend money in the Congress, and, in title VII of that act, that we are actually supposed to do program review and evaluation, to gather information and to make intelligent decisions on the national scene and how we are going to set our priorities for the future.

I think, sadly to say, while it may be our intent to set those priorities, that we are not doing that in the Committee on the Budget, and I am saddened by that fact, and I challenge the members of that committee to join with me.

Mr. Speaker, I asked the members of the Committee on the Budget to join with me in trying to work on that committee to gather the kind of information that is necessary, to do the program evaluation, to set national goals, to determine where we are going to take this country and what this budget really means, not to go about nickle and diming between the President's budget and the budget here, but to sit back and take a look at what is important to the future of this country, to make the tough decisions.

Mr. Speaker, that is what we were constituted to do, that is what we have the authority to do, and that is what I would like to see done, and I certainly appreciate the time that I am given here and certainly would hope that the members of the Committee on the Budget would join with me in my efforts to do so.

I came to Congress to focus on the future. When I joined the House Budget Committee, I expected to debate priorities, evaluate programs, and review scenarios. These procedures are required to make the budget process more efficient and to reduce wasteful Government spending. We are just finishing our consideration of the budget resolution. During this review we did not take the time to review and analyze most Government programs or set goals and priorities. Nor did we have the program, tax, or tax expenditure information and evaluation to formulate a precise budget.

The budget committees are little more than gatekeepers legitimizing the short term view. By my estimate we are losing $100 to $300 million per day because we did not perform a business-like review of the budget. See attached, "Costs of Not Raising Level of Budget Debate." Congress needs a system that will facilitate review of how policies affect the future.

Five major initiatives are needed to make the budget process more effective and save the taxpayers billions of dollars. This pentad will help us to raise our level of debate. A summary of the legs of the pentad follow:

ACCOUNTING SYSTEM

We need an online computerized budget accounting system. The system would include the budgets of the Office of Management and Budget, Congressional Budget Office, and committee budgets, as projected for 5 years. The information is currently only available in printed form from a number of sources. The online accounting system would provide comprehensive budget information in electronic form. With personal computers available in every congressional office, we have the technological capacity to review the budget in electronic form but presently do not have information available in this way. The online budget accounting system would help raise the level of debate by allowing each committee and congressional office to have immediate access to budget data and develop their own scenarios across budget categories.

REVENUE, PROGRAM, AND TAX EXPENDITURE ESTIMATES

Nothing is more frustrating than to have a new program presented to you and not know what it will cost. It is widely recognized that Congress has a need for program, revenue and tax expenditure estimation assistance. It is not uncommon for Members of Congress to wait for weeks, even months for cost estimates of new programs. A quick response, perhaps no longer than 2 working days, of tax, tax expenditures, and program impact estimates is one of the obvious budgetary needs of Congress.

EVALUATION "GREEN BOOK"

We need to collect program, tax, and tax expenditure reviews and evaluations, including Government-sponsored evaluations as well as private studies of program and regulatory costs. The Evaluation Green Book would be modeled on a similar green book produced by the Ways and Means Committee that focuses on entitlement programs. The Evaluation Green Book would provide for the first time in one place the evaluations of all Government programs, taxes, and tax expenditures. The Evaluation Green Book should be nonpartisan and include evaluations done by the premier evaluators in the United States.

SETTING PRIORITIES

One of the most important functions of the Budget Committee is to set priorities. To do a better job of setting priorities, we need help in identifying goals for Government spending, taxes, and tax expenditures. For example, Oregon has identified 160 benchmarks in three categories—people, quality of life, and economy. The Oregon benchmarks spell out in measurable terms what needs to be accomplished by the years 1995, 2000, and 2010. For instance one benchmark is to reduce the pregnancy rate per 1,000 females ages 10 to 17 from 19.5 in 1990 to 9.8 by 1995. Congressional goals/benchmarks should serve as the basis for determining priorities during our consideration of the fiscal year 1993 budget.

THE SCHWARZKOPF SOLUTION

During the Persian Gulf war, General Schwarzkopf made us aware of the importance of looking at major military options before engaging in battle. Domestic budget battles deserve no less. We need support for modeling and scenario development. This would include data gathering, model installation, modeling, and scenario simulation.

Before arriving in Washington, I expected that the House and Senate Budget Committees would have access to the products mentioned above. Unfortunately, no one seems to be performing the tasks necessary to manufacture these products.

We must make the budget process work better. The basics of what we have to do include:

First our mission should be to collect program performance, regulatory, and evaluation studies of Federal Government programs, taxes, and tax expenditures; to provide Federal budget data, program review, evaluation, regulatory studies to House and Senate Budget Committees; to collect goals and objectives for major subject areas for use in setting priorities during the budget process; to develop and use models—economic, social, and psychological—to describe budgetary consequences of major program proposals and to formulate scenarios; and to provide timely estimates of program and tax costs/revenues.

The products, as noted below, would include information in easily usable form. The products should be provided in both printed and electronic spreadsheet and data base formats. Sample products would be:

National budget data handbook.—The handbook would be a compilation of budget data from OMB, CBO, GAO, congressional committees, and other Federal and private sources. Included in the handbook would be 5-year projections for outlays, receipts, debt, taxes, and tax expenditures.

Budget crosswalks: Program, function, agency, and account.—The crosswalks would allow comparisons by congressional authorization committee, by Appropriation Subcommittee, by Government department or agency, and by subject.

Cost estimates: Current and alternative programs, tax and tax expenditures.—A hotline would provide immediate cost estimates for legislative initiatives and other programs and revenue proposals.

Scenarios: Presentation of major budgetary options.—The scenarios would include comparisons of the various options such as tax alternatives, education options, housing proposals, and energy solutions.

A program evaluation green book.—A nonpartisan "Green Book," based on the best professional analysis, which lists evaluations for all Government programs will be produced. This book should be patterned after the Committee on Ways and Means, "Overview of Entitlement Programs," Green Book.

Four options are available for realizing my proposals. They include implementation either by the House and Senate Budget Committees and related agencies—including the Congressional Budget Office, Congressional Research Service, General Accounting Office; by a private/congressional/executive partnership; or by an institute on the budget; or by a combination of the above.

Progress is beginning on at least one of the Pentad. I am pleased to announce that the National Taxpayers Union has made available their "Balanced Budget Tracking System" to help with tallying spending and tax estimates. This state of the art computerized information system is designed to provide for each Member of Congress a running tally of the cost of every major spending initiative the member has sponsored, cosponsored, or voted for. A description of this system follows my statement. See, "The Balanced Budget Tracking System Leveling the Political Playing Field for the Fiscally Responsible."

Hopefully, by this time next year we will have available the budget making tools that are mentioned above. Much of the information is currently available, but is not readily accessible. Each authorization and Appropriations Subcommittee will continue to substantiate Woodrow Wilson's observation over 100 years ago that "Congress in committees is Congress at work." The budget committees' role should be provided a framework for debate. The framework proposed above utilizes the latest in technological advances as well as encouraging a high level of debate.

We will not need thousands of staff persons to put into operation my proposals. We need the will to seek: the Jeffersonian grand vision; to work with others in the private and governmental sectors to make available budgetary tools; and to raise the level of congressional debate by adopting the initiatives noted above.

Costs of not raising level of budget debate

[In billions of dollars]

	Yearly estimates costs/savings
Program proposal:	
Means testing Government programs	70
Tax expenditures	500
Risk reduction, public sector debt	1
Potential loss (1929 Depression)	300
User fees	5
Tax simplification	2
Pork barrel	50

Mr. PANETTA. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Mr. Speaker, I am pleased to stand in support of the conference report on this fiscal year 1992 budget resolution. I think though that the relative smoothness of this year's budget process; that is, the lack of major conflict and controversy, really belies the significance of this resolution. It is true that in the defense of international affairs categories the differences are largely undisturbed, but there are some very significant differences in the domestic categories to promote the needs which I believe have been drastically neglected in the recent past. Strong steps were taken in this year's budget process to increase spending priorities such as education, job training, health care, nutritional assistance, veterans benefits, the administration of justice, and energy security. Increases of over $4 billion are recommended for education and training programs; nearly $3 billion of increases are suggested for programs to assure the income security of our citizens; about $1.4 billion increases are recommended for health programs; and more than $1 billion of increases are set aside for the veterans.

In providing for these categories of these priorities, Mr. Speaker, budget discipline was maintained. Offsetting reductions are proposed in areas with lesser needs and lower priorities. So, deficit reduction is still in focus and can be achieved within the funding limits set.

So, Mr. Speaker, I urge passage of the conference report, but, more importantly, I urge the authorizing and appropriations committees of the Congress to follow the plan and the scene set forth in this conference report. This is a very difficult period, but it is a very good budget, so I ask the Members to support it.

Mr. GRADISON. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, last month I voted for the budget alternative proposed by the gentleman from California [Mr. DANNEMEYER], the gentleman from Ohio [Mr. KASICH], and the gentleman from Ohio [Mr. GRADISON] because they complied with the Budget Enforcement Act and spent less than the proposal of the Committee on the Budget. I ultimately voted for the committee bill as well, even though the spending levels were still a little too high, because it, too, complied with the budget agreement, and it also shifted some dollars from the space program toward domestic needs.

However, Mr. Speaker, the conference committee has returned a budget that I cannot support. This budget surreptitiously violates the budget process amendment using smoke and mirrors that I have long fought against. It does not identify how we will fund a host of entitlement increases, and it hides the fact that it exceeds the domestic discretionary cap by $1.8 billion. How? By assuming that the Government will mystically receive the same amount in undistributed offsetting receipts.

Mr. Speaker, undistributed offsetting receipts. We have replaced priorities and responsible choices with arcane budget terms and wizardry, and I cannot support this budget chicanery and must vote "no".

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I thank the gentleman from Ohio [Mr. GRADISON], who has done an incredible job under very difficult circumstances, and I just say, Mr. Speaker, that this once and for all is the Democrats' budget. We have nothing to do with it. We were not included in it. We did not even get to read it.

This is the Democrats' budget. They put it together, and they are responsible for it. Those that claim that we were responsible a little bit for the budget agreement of last year, they may have claims to that, but as of today, when this conference report passes, and I think it will pass, the American people can understand that this is the Democrats' budget. This is the way the Democrats want to run our Government.

Mr. Speaker, I opposed that budget agreement last October which increased taxes and increased spending and increased the deficit, plunging our economy into a recession. In April, I opposed the budget resolution for fiscal year 1992 because it ratified the budget agreement in October and continued the tax-and-spend binge of this House. Now I take the well to let my colleagues know that I continue to reject the belief of the Democrats that the American people need to send more money to Washington to waste on a fat and bloated government.

Mr. Speaker, the American people must understand that this year, in 1991, for the first time since 1946, we will be spending 25 percent of GNP by the Federal Government, and for the first time in the history of this country by this agreement we will be projecting by 1994 to be raising taxes to the tune of 20 percent of GNP for consecutive years. Every time we have hit 20 percent of GNP, and only twice in recent history, we have plunged deeply into deep, deep recessions, yet the Democrats continue on their road of these kinds of policies. In fact, they have totally busted the agreement by switching scoring by OMB to CBO. They have dropped the Senate language requiring that specified pay-go bills be spending neutral rather than deficit neutral. Who knows how they busted the agreement because they bring it out of the closed room, and bring it down to this floor and waive all points of order. We do not know what points of order could have been brought by this bill.

Mr. Speaker, this is the Democrats' budget, and the Democrats should be responsible for this budget.

Mr. GRADISON. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Speaker, I have had an opportunity for the past few minutes to listen to some of the debate here today, and I have heard a lot of back-slapping and a lot of praising going on for the people that have done such hard work on this budget.

Mr. Speaker, I would like to report through you to the American people what they have done. Last year's budget, which affects this year, was $299.9 billion in deficits. What we are about to vote on is $351.2 billion of deficit. That is an increase to the deficit of $51.2 billion.

I ask myself, "Is that a good job of budgeting?"

I am a new Member of this body, and last year I had an opportunity to listen to the debate on the floor during a budget crisis. That is what I heard: a budget crisis, and yet from last year to this year they have increased the deficit.

My wife and I were blessed 12 weeks ago with the birth of my new son, Mark. Mr. Speaker, I did some easy addition, and some subtraction and some division to find out what Mark Nussle owed the Federal Government with all of this debt.

□ 1720

I took the national debt, which is $3.9 trillion. I took the deficit on budget, which is going to be now $351 billion, the off-budget that you hear about, which is the savings and loan, the war, the foreign aid, about $100 billion, $100 billion of deficit. Take the new census figures, which is 248,709,873, plus one for Mark Nussle, and divide it all out. Do you know what my son owes the Federal Government today? $17,760. That is every man, woman and child in America, because of the debt and deficit that we continue to add in this country.

I ask my colleagues, do they think we are doing a good job?

I had the opportunity to address some high school students and I asked them, I said, "Do you have a checkbook?" One of them said, "Yes."

I said, "How much money do you have?" He said, "Thirty bucks." I said, "Can you spend $35?" He said, "No." I said, "Can you spend $40?" He said, "No." I said, "How much can you spend?" He said, "$30." I said, "Please, run for Congress. We need you here."

Mr. GRADISON. Mr. Speaker, I yield myself my remaining time.

Mr. Speaker, in my opening statement I stressed the irrelevance of this budget. I made the point that it is a wish list and that as a practical matter it is not being implemented by the Democrats working through their own Appropriations Committee. I could have saved my words because this was said much better by the gentleman from Michigan [Mr. FORD].

He pointed out that the tentative allocation by the House Appropriations Committee does not track the allocations made by the House Budget Committee or by the House. He pointed out that the favorable vote by the House on his own amendment, the Ford amendment, has been ignored up to this time.

Mr. Speaker, what we have before us is a gigantic shell game. Now you see it; now you don't. Somewhere there is a cut of $1.8 billion in budget authority. And I dare say, when all the smoke clears, this is a mixed metaphor, we are going to find out that what we are seeing paraded before us today is a great statement of initiatives and priorities but it is nothing more than empty promises.

Mr. PANETTA. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the budget conference that is before the House is important because it is when we fail to pass a budget resolution that the budget process becomes irrelevant. It is when we fail to pass a budget conference that we become irrelevant. It is when we fail to identify priorities that we think are important that we become irrelevant.

It is when we fail to enforce the budget agreement that was agreed to between the President and the Congress that we become irrelevant.

The fact is that this budget conference is the only way we enforce the budget agreement that was agreed to. For those who say we need to stick to the budget agreement, you cannot say that and then vote against the conference report that does exactly that, because this budget conference sticks to the caps established by the budget agreement on defense, on international spending, on discretionary spending. It sticks to those caps and requires that the Appropriations Committee stand by those limits.

It also requires pay-as-you-go. If we want an initiative, if we want to spend more, if we want to cut taxes and it involves the loss of revenue, we have to pay for it. That is exactly what we include in this budget conference.

We set priorities in this budget conference. They are always advisory. They have always been advisory when it comes to a budget resolution. But the reality is that the Appropriations Committee largely follows the outlines that we provide. In every instance, no. They have their own discretion. Nobody said that a budget resolution mandates what the Appropriations Committee in fact will do. We provide guidance. We provide advice to them. And in most instances, including this year, they have abided by those levels in each area.

The important thing is that we set an overall cap in terms of spending. That is our endorsement tool and that is what the budget process is here to do.

What is irrelevant is not the budget resolution or the budget process. What is irrelevant are those who disagree with the priorities in this budget resolution and who use the term irrelevance to cover that opposition. If a Member is for working people, if a Member is for investing in education, in infrastructure, in health care, if a Member is for trying to provide help to children in this country, if a Member is for those issues, then that Member is for this budget resolution.

If a Member is not for those issues, then, yes, it is irrelevant to your priorities. What is irrelevant is not the budget resolution but those who like to vote no on everything, who like to vote no on the budget agreement because it does not fit all of their outlines, it is not enough on taxes or its is too much on taxes. It is not enough on spending or it is too much on spending. So I am going to vote no. I am going to vote the easy way out.

What is irrelevant are those who vote no on every budget resolution because that is the easy way out, too. What is irrelevant are those who vote no on every budget conference because that is the easy way out as well.

Our responsibility here is not to the nay-sayers and those who like to duck every tough vote. That is how we got in the trouble we are in today. Our responsibility is to the American people. The only discipline we have today is the budget agreement. There is nothing else. There is nothing else but the agreement that was confirmed by both the President of the United States and the leadership of the Congress.

The only way to enforce that agreement is not to reject this conference report but to support it. If we fail to do that, ask yourselves what the consequences will be if we fail? If we fail to do that, what kind of signal do we send to an already weak economy? What kind of signal do we send to the world about the United States and our willingness to stand by the only discipline that we have put in place?

If we vote for this budget resolution and for this conference, then we will send a clear signal, not only to this country but the rest of the world, that what we agree to we will stick by, and that means enforcing this budget agreement.

I urge support for this budget conference.

The SPEAKER pro tempore. (Mr. THORNTON) All time has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GRADISON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant-at-Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 239, nays 181, not voting 11, as follows:

[Roll No. 112]

YEAS—239

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Bruce
Bustamante
Byron
Cardin
Carper
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Huckaby
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sangmeister
Savage
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Slaughter (NY)
Smith (FL)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Volkmer
Washington
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Yatron

NAYS—181

Allard
Andrews (NJ)
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Brown
Bryant
Bunning
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carr
Chandler
Clinger
Coble
Coleman (MO)
Combest
Condit
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Houghton
Hubbard
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison
Myers
Nichols
Nussle
Orton
Owens (UT)
Oxley
Packard
Pallone
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Sanders
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Slattery
Slaughter (VA)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solomon
Spence
Stearns
Stump

Sundquist
Swett
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Visclosky
Vucanovich
Walker
Walsh
Weber
Weldon
Williams
Wolf
Wylie
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—11

Alexander
Collins (MI)
Gray
Hopkins
Lehman (FL)
Markey
Owens (NY)
Sawyer
Skelton
Smith (TX)
Waters

□ 1747

The Clerk announced the following pair:

On this vote:

Mr. Owens of New York for, with Mr. Smith of Texas against.

Mr. CLINGER, Mr. SMITH of Oregon, and Mrs. MEYERS of Kansas changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ALEXANDER. Mr. Speaker, the CONGRESSIONAL RECORD erroneously records me as not having voted on rollcall No. 112 on House Concurrent Resolution 121. In fact, I did vote on rollcall 112, House Concurrent Resolution 121, and my vote was yes.

I ask unanimous consent that my statement appear in the permanent RECORD immediately following the vote.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PERSONAL EXPLANATION

Mrs. COLLINS of Michigan. Mr. Speaker, during rollcall vote No. 112 on House Concurrent Resolution 121 I was unavoidably detained. Had I been present I would have voted "yes."

GENERAL LEAVE

Mr. PANETTA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on the conference report on House Concurrent Resolution 121, the conference report just agreed to.

The SPEAKER pro tempore. (Mr. VOLKMER). Is there objection to the request of the gentleman from California?

There was no objection.

□ 1750

CONFERENCE REPORT ON H.R. 2251, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS FROM CONTRIBUTIONS OF FOREIGN GOVERNMENTS AND/OR INTEREST FOR HUMANITARIAN ASSISTANCE TO REFUGEES AND DISPLACED PERSONS IN AND AROUND IRAQ AS A RESULT OF THE RECENT INVASION OF KUWAIT AND FOR PEACEKEEPING ACTIVITIES AND OTHER URGENT NEEDS ACT OF 1991

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House, I call up the conference report on the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. (Mr. VOLKMER). Pursuant to the order of the House of today, the conference report is considered as read.

The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report to accompany the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we present to our colleagues the conference agreement on H.R. 2251, which provides aid to people who have become refugees or displaced persons, in and around Iraq. The need for this comes about because of the invasion of Kuwait and resulting war. In this agreement, as in the House bill, we provide for this assistance to come from contributions, and/or interest on those contributions, made by foreign governments to support the effort to free Kuwait.

Mr. Speaker, these funds were requested by the President on April 25. The House passed the bill on May 9, the Senate requested a conference on May 15 and conference was concluded yesterday. Once again, we are providing timely help to those affected by a disaster. And, as I said before, it is from contributions to the defense cooperation fund and/or interest on those contributions.

It is important to meet humanitarian needs in other countries resulting from the war, but we must not forget the needs of disaster victims in the United States who deserve equal treatment.

Mr. Speaker, since October 1990, over 26 disasters in the United States have been declared by the President for which funds are not available or requested. The bill before us requires the Director of the Office of Management and Budget to prepare a report on the unfunded costs of dire emergencies in the United States because of natural disasters, including crop losses, floods, droughts, tornadoes, unemployment, and other disasters, such as freezes. He is to submit that report within 10 days of enactment of this bill, pending our receipt of a budget request.

The bill also directs OMB to prepare reports on the unfunded costs of international disaster emergencies due to national disasters including floods and cyclones and on the threats to oil supply, human health, and the environment that the Kuwait oil fires might pose, and to submit those reports within 10 days, pending receipt of a budget estimate.

Mr. Speaker, H.R. 2251 includes:

The sum of $235,500,000 derived by transfer from defense cooperation contributions and/or interest for emergency international disaster assistance, emergency refugee assistance, and emergency peacekeeping activities in and around the Persian Gulf needed as a result of Operation Desert Storm and for other international disaster assistance and refugee assistance outside the Persian Gulf.

The sum of $320,500,000 for DOD humanitarian refugee relief efforts in and around the Persian Gulf needed as a result of Operation Desert Storm derived by transfer from the Persian Gulf Regional Defense Fund.

The sum of $16,000,000 for military relief societies derived by transfer from the Defense Cooperation Account.

FUNDING WITHIN BUDGET ALLOCATIONS

All funds appropriated in the bill are either incremental costs of Operation Desert Storm, dire emergencies, or are offset and therefore would not result in any sequestration.

Mr. Speaker, I urge adoption of the report.

Mr. Speaker, I reserve the balance of my time.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of this conference report. We ought to be able to approve this conference report quickly, because it resolves fairly minor differences between the Houses. Unlike other appropriations bills, which can entail hundreds of amendments, there were only seven points of difference between the House and the Senate, none of them major.

The conference report comes back to the House looking remarkably similar to the bill passed by the House on May 9 by a vote of 384 to 25. It deals almost exclusively with the costs of the relief effort underway for the Kurds and other refugees expelled from their homes through the atrocities of Saddam Hussein, as well as other recent disasters around the world.

As in the House passed bill, none of the funding in the bill entails new money—instead the money comes out of interest on the Defense cooperation account, the Persian Gulf regional defense fund, and prior appropriations.

The major conference issue was whether to fund the $85 million increase over the request for refugee assistance from interest on the Defense cooperation account or from rescissions of fiscal year 1991 foreign aid appropriations. The administration preferred that it all come from interest, and that is what is in the conference report, although I still have some reservations on that one.

The actual language states that the funds can come from contributions from foreign allies and/or interest, but it allows complete flexibility to the administration to take it all out of interest, which is what they are expected to do.

The conference report restores the $16 million for defense service organizations.

It reinserts burden-sharing language, which was deleted here on the House floor due to a misunderstanding of the Senate's intentions.

It includes the Senate amendment to assure that all of the money appropriated for the International Trade Administration can be spent.

It does not include the Senate language allowing transfers of Public Law 480 money for humanitarian relief, but my understanding is that such language was included in the Kurdish relief authorization bill that has cleared the Congress.

Finally, it contains the instruction to OMB to come up with a list of unfunded domestic and international disaster relief needs within 10 days, and in statements on the floor, much has been made of that provision.

There's a certain amount of expectation building up for another supplemental that will include both disaster relief and crop disaster assistance.

Let me simply say that if people are serious about trying to push for crop disaster assistance, which will be a billion dollar enterprise, let them not forget about the plight of the dairy farmer, who is experiencing an economic disaster as serious as any other farmer in the country.

But all in all, Mr. Speaker, this is a good conference report, it takes care of the immediate needs for refugee assistance, and I urge its adoption.

Mr. SYNAR. Mr. Speaker, I appreciate this time to urge passage of H.R. 2251 which relieves the suffering and deplorable conditions forced upon tired and helpless Iraqi refugees.

This action by Congress is in the best spirit of America, but not out of sight of our needs here at home. Mr. Chairman, in a floor statement yesterday, the gentlewoman from California, Mrs. BOXER, noted our remiss in failing immunizing America's babies. Currently, 15 Mississippi counties have been declared disaster areas by the President with 2 million acres under water, and no money in the disaster assistance accounts.

I am proud that we have the fortitude and compassion to help others around the world, but in order to continue our assistance abroad, we must keep-up our strength at home.

I urge passage of H.R. 2251.

Mr. MURTHA. Mr. Speaker, the Defense chapter of the refugee assistance supplemental conference agreement provides for the transfer of $320,500,000 from the Persian Gulf Regional Defense Fund to the military personnel and operation and maintenance accounts of the Defense Department in order to finance the defense costs of Operation Provide Comfort. These funds will cover the military personnel costs, supplies, transportation and other support costs associated with the relief effort for refugees and displaced persons in and around Iraq.

Also $16 million is appropriated from the interest earned on balances in the Defense Cooperation Account—gift fund—to the military relief societies. These funds will provide additional aid to members of our Armed Forces which have incurred added hardships based on the deployment relating to Operation Desert Shield/Desert Storm. These societies provide interest free loans or grants to military personnel and their dependents to help finance food, rent or utility expenses, emergency transportation expenses, vehicle repairs, funeral expenses, medical and dental expenses and other emergency assistance.

The supplemental conference agreement also includes a general provision which allows the Department of Defense to accept burdensharing contributions from Korea to pick up the costs of local Korean national employees of the Department of Defense.

Mr. McDADE. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 387, nays 33, not voting 11, as follows:

[Roll No. 113]

YEAS—387

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Barnard
Barrett
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Luken
Machtley
Manton
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey

McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Ros-Lehtinen
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traxler
Unsoeld
Upton
Vander Jagt
Vento
Volkmer
Vucanovich
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—33

Barton
Bilirakis
Coble
Combest
Crane
Dannemeyer
Donnelly
Duncan
Early
Gekas
Geren
Hall (TX)
Hancock
Hayes (IL)
Jacobs
Kolter
Moorhead
Nussle
Penny
Ray
Rohrabacher
Roth
Savage
Sensenbrenner
Stearns
Stenholm
Stump
Thomas (WY)
Traficant
Valentine
Visclosky
Walker
Williams

NOT VOTING—11

Ballenger
Hopkins
Lehman (FL)
Lowey (NY)
Markey
McCollum
Morella
Pickett
Rose
Sawyer
Skelton

☐ 1818

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. VOLKMER). Pursuant to the order of the House of today, the amendments in disagreement are considered as having been read.

The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 2: Page 5, strike out all after line 14 over to and including line 16 on page 9, and insert:

CHAPTER II

DEPARTMENT OF STATE

DEFENSE COOPERATION ACCOUNT

For a portion of the expenses associated with the provision of emergency assistance, pursuant to section 251(b)(2)(D)(i) of Public Law 99-177, as amended, for refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait, and for peacekeeping activities and for international disaster assistance in the region, there is appropriated from the Defense Cooperation Account, $235,500,000, to be derived only from the interest payments deposited to the credit of such account, which shall be available only for transfer by the Secretary of Defense to "International Disaster Assistance", "Migration and Refugee Assistance", "United States Emergency Refugee and Migration Assistance", and "Contributions to International Peacekeeping Activities", as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

BILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL DISASTER ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "International Disaster Assistance", $67,000,000, to remain available until expended.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "Migration and Refugee Assistance", $75,000,000: *Provided*, That in addition to amounts otherwise available for such purposes, up to $250,000 of the funds appropriated under this heading may be made available for the administrative expenses of the Office of Refugee Programs of the Department of State: *Provided further*, That funds made available under this heading shall remain available until September 30, 1992.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

(TRANSFER OF FUNDS)

For an additional amount for the "United States Emergency Refugee and Migration Assistance Fund", $68,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 that would limit the amount of funds that could be appropriated for this purpose.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES

(TRANSFER OF FUNDS)

For an additional amount for "Contributions to international peacekeeping activities", $25,500,000, to remain available until September 30, 1992.

GENERAL PROVISIONS—CHAPTER II

SEC. 201. The authority provided in this chapter to transfer funds from the Defense Cooperation Account is in addition to any other transfer authority contained in any other Act making appropriations for fiscal year 1991.

SEC. 202. Funds transferred or otherwise made available pursuant to this Act may be made available notwithstanding any provision of law that restricts assistance to particular countries.

SEC. 203. Funds transferred pursuant to this chapter for International Disaster Assistance and the United States Emergency Refugee and Migration Assistance Fund may also be used to replenish appropriations accounts from which assistance was provided prior to the enactment of this Act.

SEC. 204. Amounts obligated for fiscal year 1991 under the authority of section 492(b) of the Foreign Assistance Act of 1961 to provide international disaster assistance in connection with the Persian Gulf crisis shall not be counted against the ceiling limitation of such section.

SEC. 205. The value of any defense articles, defense services, and military education and training authorized as of April 20, 1991, to be drawn down by the President under the authority of section 506(a)(2) of the Foreign Assistance Act of 1961 shall not be counted against the ceiling limitation of such section.

SEC. 206. Funds made available under this chapter may be made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

CHAPTER II

DEPARTMENT OF STATE

DEFENSE COOPERATION ACCOUNT

For a portion of the expenses associated with Operation Desert Storm and the provision of emergency assistance, pursuant to section 251(b)(2)(D)(i) of Public Law 99-177, as amended, for refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait, and for peacekeeping activities and for international disaster assistance in the region, there is appropriated from the Defense Cooperation Account, $235,500,000, to be derived from any contributions of foreign governments and/or interest payments deposited to the credit of such account, which shall be available only for transfer by the Secretary of Defense to "International Disaster Assistance", "Migration and Refugee Assistance", "United States Emergency Refugee and Migration Assistance", and "Contributions to International Peacekeeping Activities", as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

BILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL DISASTER ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "International Disaster Assistance", $67,000,000, to remain available until expended: *Provided*, That in addition to amounts otherwise available for such purposes, up to $200,000 of the funds appropriated under this heading may be made available for the purpose of paying administrative expenses of the Agency for International Development in connection with carrying out its functions under this heading.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "Migration and Refugee Assistance", $75,000,000: Provided, That in addition to amounts otherwise available for such purposes, up to $250,000 of the funds appropriated under this heading may be made available for the administrative expenses of the Office of Refugee Programs of the Department of State: Provided further, That funds made available under this heading shall remain available until September 30, 1992.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

(TRANSFER OF FUNDS)

For an additional amount for the "United States Emergency Refugee and Migration Assistance Fund", $68,000,000, to remain available until expended: Provided, That funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 that would limit the amount of funds that could be appropriated for this purpose.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES

(TRANSFER OF FUNDS)

For an additional amount for "Contributions to international peacekeeping activities", $25,000,000, to remain available until September 30, 1992.

GENERAL PROVISIONS—CHAPTER II

SEC. 201. The authority provided in this chapter to transfer funds from the Defense Cooperation Account is in addition to any other transfer authority contained in any other Act making appropriations for fiscal year 1991.

SEC. 202. Funds transferred or otherwise made available pursuant to this Act may be made available notwithstanding any provision of law that restricts assistance to particular countries.

SEC. 203. Funds transferred pursuant to this chapter for International Disaster Assistance and the United States Emergency Refugee and Migration Assistance Fund may be used for any of the purposes for which funds are authorized under those accounts and may also be used to replenish appropriations accounts from which assistance was provided prior to the enactment of this Act, notwithstanding any other provision of this or any other Act.

SEC. 204. Amounts obligated for fiscal year 1991 under the authority of section 492(b) of the Foreign Assistance Act of 1961 to provide international disaster assistance in connection with the Persian Gulf crisis shall not be counted against the ceiling limitation of such section.

SEC. 205. The value of any defense articles, defense services, and military education and training authorized as of April 20, 1991, to be drawn down by the President under the authority of section 506(a)(2) of the Foreign Assistance Act of 1961 shall not be counted against the ceiling limitation of such section.

SEC. 206. Funds made available under this chapter may be made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

SEC. 207. None of the funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101-513), under the heading "Economic Support Fund", that were allocated for Pakistan may be made available for assistance for another country or purpose unless notification is provided in accordance with the regular notification procedures of the Committees on Appropriations.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 3: Page 10, after line 15, insert:

CHAPTER IV

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

Of the funds appropriated under this heading in Public Law 101-515 and Public Law 102-27, $159,325,000 shall be available to carry out export promotion programs notwithstanding the provisions of section 201 of Public Law 99-64.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

(RESCISSION)

Of the funds appropriated under this heading in Public Law 101-515, $8,262,000 is hereby rescinded.

DEFENDER SERVICES

For an additional amount for "Defender Services", $8,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

□ 1820

The SPEAKER pro tempore (Mr. VOLKMER). The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 11, line 2, strike out [are off budget.] and insert: are within the limits of the Budget Enforcement Act of 1990.

SEC. 503. Notwithstanding any other provision of law, not to exceed 15 per centum of the funds made available for any title of the Agricultural Trade Development and Assistance Act of 1954 by the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1991, may be used for purposes of title II of the Agricultural Trade Development and Assistance Act of 1954.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 7, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

SEC. 503. During the current fiscal year, the Secretary of Defense may accept burdensharing contributions in the form of money from the Republic of Korea for the costs of local national employees of the Department of Defense to be credited to Department of Defense operation and maintenance appropriations available for the salaries and benefits of such Korean national employees to be merged with and to be available for the same purposes and time period as those appropriations to which credited: *Provided*, That not later than October 31, 1991, the Secretary of Defense shall submit a report on the contributions accepted by the Secretary under this provision.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

PERSONAL EXPLANATION

Mrs. MORELLA. Mr. Speaker, I rise because by just moments I missed the last vote which was cast in this House on the conference report on H.R. 2251, the dire emergency supplemental appropriation.

I missed it, Mr. Speaker, because I was over on the Senate side testifying before the Base Closing and Consolidation Commission on behalf of White Oak Naval Warfare Center. If I had been here, I would have voted "aye."

PERSONAL EXPLANATION

Mr. BALLENGER. Mr. Speaker, I missed the rollcall vote on the conference report to H.R. 2251, making supplemental appropriations for Kurdish refugees. I would like the RECORD to show that had I been present, I would have voted "aye" on rollcall No. 113.

AMENDMENTS WITH RESPECT TO VETERANS PROGRAMS FOR HOUSING AND MEMORIAL AFFAIRS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 232) to amend title 38, United States Code, with respect to veterans programs for housing and memorial affairs, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Senate amendments:

Page 2, line 1, strike out [fiscal year] and insert: *September 30,*

Page 2, lines 4 and 5, strike out [in fiscal year 1991 and continuing thereafter,] and insert: *on October 1, 1990,*

Page 2, line 8, strike out [recourse] and insert: *recourse,*

Page 2, line 21, strike out [1991] and insert: *1992*

Page 2, line 24, strike out [1991] and insert: *1992*

Page 2, after line 24, insert:

(c) REPORT RELATING TO APPRAISAL REVIEW.—Section 1831(f) of such title is further amended by adding at the end the following new paragraphs:

"(4) Not later than April 30 of each year following a year in which the Secretary authorizes lenders to determine reasonable value of property under this subsection, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report relating to the exercise of that authority during the year in which the authority was exercised.

"(5) A report submitted pursuant to paragraph (4) of this subsection shall include, for the period covered by each report—

"(A) the number and value of loans made by lenders exercising the authority of this subsection;

"(B) the number and value of such loans reviewed by the appraisal-review monitors referred to in paragraph (2) of this subsection;

"(C) the number and value of loans made under this subsection of which the Secretary received notification of default;

"(D) the amount of guaranty paid by the Secretary to such lenders by reason of defaults on loans as to which reasonable value was determined under this subsection; and

"(E) such recommendations as the Secretary considers appropriate to improve the exercise of the authority provided for in this subsection and to protect the interests of the United States.".

Page 3, lines 13 and 14, strike out [for or receipts of Federal] and insert: *for, or receipts of, Federal*

Page 5, line 5, strike out [1991] and insert: *1992*

Page 7, line 17, strike out [paragraph] and insert: *subsection*

Page 13, line 5, strike out [when] and insert: *on the date*

Page 13, line 16, strike out [revolving fund] and insert: *special account referred to in subsection (c)*

Page 13, lines 21 and 22, strike out [and veterans in compensated work-therapy programs]

Page 13, line 24, strike out [acquire] and insert: *in acquiring*

Page 16, after line 20, insert:

SEC. 12. AUTHORITY OF THE SECRETARY OF VETERANS AFFAIRS TO CARRY OUT SPECIFIED ADMINISTRATIVE REORGANIZATION.

(a) AUTHORITY FOR ADMINISTRATIVE REORGANIZATION.—The Secretary of Veterans Affairs may carry out the administrative reorganization described in subsection (b) without regard to section 210(b)(2) of title 38, United States Code.

(b) SPECIFIED REORGANIZATION.—Subsection (a) applies to the organizational realignment of management responsibility for the Department of Veterans Affairs Data Processing Centers, together with the corresponding organizational realignment of associated Information Resources Management operational components and functions within the Department of Veterans Affairs central office, as such realignment was described in the detailed plan and justification submitted by the Secretary of Veterans Affairs in January 4, 1991, letters to the Chairmen of the Committees on Veterans' Affairs of the Senate and the House of Representatives.

SEC. 13. AMENDMENTS TO LAWS TO REFLECT THE CONVERSION OF THE VETERANS' ADMINISTRATION TO THE DEPARTMENT OF VETERANS AFFAIRS.

(a) LAWS CODIFIED IN TITLE 2, U.S.C.—Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905) is amended by striking out the last two items in subsection (g)(2) and inserting in lieu thereof the following:

"Department of Veterans Affairs, Loan guaranty revolving fund (36–4025–0–3–704); and

"Department of Veterans Affairs, Servicemen's group life insurance fund (36–4009–0–3–701).".

(b) TITLE 5, U.S.C.—

(1) The following sections of title 5, United States Code, are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs": sections 2108(2), 5102(c)(14), 5342(a)(2)(C), 7103(a)(3), 8101(20), 8116(a)(3), 8311(2)(A), and 8311(3)(A).

(2) The following sections of such title are amended by striking out "Department of Medicine and Surgery, Veterans' Administration" and inserting in lieu thereof "Veterans Health Administration of the Department of Veterans Affairs": sections 4301(2)(C), 5102(c)(3), and 6301(2)(B)(v).

(3) Section 5355 of such title is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(4) Section 8339(g) of such title is amended by striking out "Veterans' Administration pension or compensation" in the second and third sentences and inserting in lieu thereof "pension or compensation from the Department of Veterans Affairs".

(5) Section 8347(m)(2) of such title is amended by striking out "Administrator" and inserting in lieu thereof "Secretary".

(6) Section 503 of the Supplemental Appropriations Act, 1987 (5 U.S.C. 7301 note), is amended by striking out "Veterans' Administration" in subsection (a)(2)(I) and inserting in lieu thereof "Department of Veterans Affairs".

(c) LAWS CODIFIED IN TITLE 7, U.S.C.—Section 202 of the Agricultural Act of 1949 (7 U.S.C. 1446a) is amended by striking out "Administrator of Veterans' Affairs" in the matter preceding subsection (a), in subsection (a), and in subsection (c) and inserting in lieu thereof "Secretary of Veterans Affairs".

(d) LAWS CODIFIED IN TITLE 12, U.S.C.—

(1) Section 912 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1709–2) is amended by striking out "Veterans' Administration" both places it appears in paragraph (1) and inserting in lieu thereof "Department of Veterans Affairs".

(2) The National Housing Act (12 U.S.C. 1701 et seq.) is amended—

(A) by striking out "Veterans' Administration" in subsection (c)(2)(D) of section 302 (12 U.S.C. 1717) and inserting in lieu thereof "Department of Veterans Affairs"; and

(B) by striking out "Administrator of Veterans' Affairs" in section 512 (12 U.S.C. 1731a) and inserting in lieu thereof "Secretary of Veterans Affairs".

(3) Section 107 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1735g) is amended—

(A) by striking out "Administrator of Veterans' Affairs" in subsection (a)(2)(B) and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) by striking out "Administrator of Veterans' Affairs" both places it appears in subsection (e) and inserting in lieu thereof "Secretary of Veterans Affairs".

(4) Section 8 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2607) is amended by striking out "Administrator of Veterans' Affairs" in subsection (c)(5) and inserting in lieu thereof "Secretary of Veterans Affairs".

(e) LAWS CODIFIED IN TITLE 15, U.S.C.—Section 718 of the Business Opportunity Development Reform Act of 1988 (Public Law 100–656; 15 U.S.C. 644 note) is amended by striking out "Veterans Administration" in subsection (b)(10) and inserting in lieu thereof "Department of Veterans Affairs".

(f) TITLE 18, U.S.C.—

(1) Section 289 of title 18, United States Code, is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(2) Section 1114 of such title is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(g) LAWS CODIFIED IN TITLE 20, U.S.C.—The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended as follows:

(1) The following provisions are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs":

(A) Subsection (a)(1)(E) of section 131 (20 U.S.C. 1017).

(B) Subsection (d)(1)(C) of section 411B (20 U.S.C. 1070a–2).

(C) Subsection (c)(1)(C) of section 411C (20 U.S.C. 1070a–3).

(D) Subsection (c)(1)(C) of section 411D (20 U.S.C. 1070a–4).

(2) Section 420A (20 U.S.C. 1070e–1) is amended—

(A) in subsection (b)(2)(B), by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs";

(B) in subsection (c)(2)—

(i) by striking out "Administrator of Veterans' Affairs (hereinafter referred to as the 'Administrator')" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(ii) by striking out "Administrator" each of the three succeeding places in which it appears and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(C) in subsection (d), by striking out "Veterans' Administration" and "the Administrator" and inserting in lieu thereof "Secretary of Veterans Affairs" in both instances.

(h) REFERENCES IN TITLE 22, U.S.C.—

(1) LAWS CODIFIED IN TITLE 22.—Section 106 of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2456) is amended by striking out "Veterans' Administration" in subsection (a)(1) and inserting in lieu thereof "Department of Veterans Affairs".

(2) REFERENCE PURSUANT TO LAW CODIFIED IN TITLE 22.—Any reference to the Veterans' Administration in any regulation prescribed or Executive order issued pursuant to section 827(a) of the Foreign Service Act of 1980 (22 U.S.C. 4067(a)) shall be deemed to be a reference to the Department of Veterans Affairs.

(i) LAWS CODIFIED IN TITLE 24, U.S.C.—

(1) The Naval Appropriation Act, 1946 (59 Stat. 201 et seq.), is amended in the first proviso in the fourth paragraph under the heading

"BUREAU OF SUPPLIES AND ACCOUNTS" (24 U.S.C. 16a; 59 Stat. 208) by striking out "United States Veterans Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(2) Section 2 of the Act of March 22, 1906 (24 U.S.C. 152), is amended—

(A) by striking out "Board of Managers of the National Home for Disabled Volunteer Soldiers" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) by striking out "as they may deem necessary" and inserting in lieu thereof "as the Secretary may consider necessary".

(j) LAWS CODIFIED IN TITLE 25, U.S.C.—

(1) The Act of February 25, 1933 (25 U.S.C. 14), is amended—

(A) by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs"; and

(B) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(2) Section 716 of the Indian Health Care Improvement Act (25 U.S.C. 1680f) is amended—

(A) by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs" in each of the following subsections: subsections (a), (b)(3), (b)(4), (b)(6), (c)(1)(A), and (c)(1)(B);

(B) in subsection (c)(1), by striking out "Within 30 days" and all that follows through "directed to" and inserting in lieu thereof "Not later than December 23, 1988, the Director of the Indian Health Service and the Secretary of Veterans Affairs shall"; and

(C) in subsection (c)(2), by striking out "Not later than" and all that follows through "shall" and inserting in lieu thereof "Not later than November 23, 1990, the Secretary and the Secretary of Veterans Affairs shall".

(k) LAWS CODIFIED IN TITLE 29, U.S.C.—

(1) The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(A) by striking out "Veterans' Administration" in the following provisions and inserting in lieu thereof "Department of Veterans Affairs": subsection (a)(11) of section 101 (29 U.S.C. 721), subsection (i)(2) of section 202 (29 U.S.C. 761a), and subsection (a)(1)(B)(ix) of section 502 (29 U.S.C. 792); and

(B) by striking out "Administrator of Veterans' Affairs" in the following provisions and inserting in lieu thereof "Secretary of Veterans Affairs": subsection (a)(1) of section 203 (29 U.S.C. 761b) and subsection (a) of section 501 (29 U.S.C. 791).

(2) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(A) by striking out "Veterans' Administration" in paragraph (27)(B) of section 4 (29 U.S.C. 1503) and inserting in lieu thereof "Secretary of Veterans Affairs";

(B) by striking out "Veterans' Administration programs" in subsection (c)(10) of section 121 (29 U.S.C. 1531) and inserting in lieu thereof "programs of the Department of Veterans Affairs"; and

(C) by striking out "Administrator of Veterans' Affairs" in subsection (b)(2)(B) of section 441 (29 U.S.C. 1721) and inserting in lieu thereof "Secretary of Veterans Affairs".

(l) TITLE 31, U.S.C.—Title 31, United States Code, is amended as follows:

(1) Paragraphs (45), (74), (82), and (83) of section 1321(a) are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(2) Section 3329(c)(1) is amended—

(A) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) by striking out "laws carried out by the Administrator" and inserting in lieu thereof "laws administered by the Secretary of Veterans Affairs".

(3) Section 3330 is amended—

(A) by striking out "Administrator of Veterans' Affairs" in subsection (a)(1)(B) and inserting in lieu thereof "Secretary of Veterans Affairs";

(B) by striking out "Administrator" in subsections (a)(2), (a)(3), and (d)(1)(A) and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(C) by striking out "laws carried out by the Administrator" in subsections (b) and (c) and inserting in lieu thereof "laws administered by the Secretary of Veterans Affairs".

(4)(A) The heading of section 3330 is amended to read as follows:

"§ 3330. Payment of Department of Veterans Affairs checks for the benefit of individuals in foreign countries".

(B) The item relating to section 3330 in the table of sections at the beginning of chapter 33 is amended to read as follows:

"3330. Payment of Department of Veterans Affairs checks for the benefit of individuals in foreign countries.".

(m) LAWS CODIFIED IN TITLE 33, U.S.C.—

(1) Section 9 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853h) is amended by striking out "Veterans' Administration" in subsection (e)(2) and inserting in lieu thereof "Secretary of Veterans Affairs".

(2) The second sentence of the second paragraph of section 16 of the Act of May 22, 1917 (33 U.S.C. 857) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs".

(3) Section 3 of Public Law 91–621 (33 U.S.C. 857–3) is amended by striking out "Veterans' Administration" in subsection (a)(1) and inserting in lieu thereof "Secretary of Veterans Affairs".

(n) LAWS CODIFIED IN TITLE 36, U.S.C.—

(1) The Act of July 23, 1947 (36 U.S.C. 67 et seq.) is amended by striking out "Veterans' Administration" in section 3(2) (36 U.S.C. 67b(2)) and in section 9 (36 U.S.C. 67h) and inserting in lieu thereof "Department of Veterans Affairs".

(2) Section 3 of the Act of June 17, 1932 (36 U.S.C. 90c) is amended by striking out "United States Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(3) Section 3 of Public Law 85–761 (36 U.S.C. 823) is amended by striking out "Veterans' Administration" in subsection (b)(5) and inserting in lieu thereof "Department of Veterans Affairs".

(4) Section 15 of Public Law 85–769 (36 U.S.C. 865) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(5) Section 9 of Public Law 92–93 (36 U.S.C. 1159) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(6) Section 3(d) of Public Law 98–314 (36 U.S.C. 2403(d)) is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(7) Section 3 of Public Law 98–584 (36 U.S.C. 3103) is amended by striking out "Veterans' Administration Hospitals" in paragraph (3) and inserting in lieu thereof "medical facilities of the Department of Veterans Affairs".

(8) Section 3 of Public Law 99–172 (36 U.S.C. 3703) is amended by striking out "Veterans' Administration" in paragraph (5) and inserting in lieu thereof "Department of Veterans Affairs".

(o) LAWS CODIFIED IN TITLE 40, U.S.C.—Section 13 of the Public Buildings Act of 1959 (40 U.S.C. 612) is amended by striking out "Veterans' Administration installations" in paragraph (1)(H) and inserting in lieu thereof "installations of the Department of Veterans Affairs".

(p) LAWS CODIFIED IN TITLE 41, U.S.C.—The first section of the Act of June 25, 1938 (41 U.S.C. 46), commonly referred to as the "Wagner-O'Day Act", is amended by striking out "Veterans' Administration" in subsection (a)(1) and inserting in lieu thereof "Department of Veterans Affairs".

(q) LAWS CODIFIED IN TITLE 42, U.S.C.—

(1) PUBLIC HEALTH SERVICE ACT.—The Public Health Service Act (42 U.S.C. 201 et seq.) is amended as follows:

(A) The following provisions are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs":

(i) Subsection (k)(4)(C) of section 306 (42 U.S.C. 242k).

(ii) Subsection (e)(1) of section 544 (42 U.S.C. 290dd–3).

(iii) Subsection (e)(1) of section 548 (42 U.S.C. 290ee–3).

(B) The following provisions are amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs":

(i) Subsection (c) of section 341 (42 U.S.C. 257).

(ii) Subsection (g) of section 548 (42 U.S.C. 290ee–3).

(C) Section 212 (42 U.S.C. 213) is amended by striking out "Veterans' Administration" in subsection (d) and inserting in lieu thereof "Secretary of Veterans Affairs".

(D) Subsection (a)(2)(B) of section 314 (42 U.S.C. 246) is amended—

(i) by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs";

(ii) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(iii) by striking out "such Administration" and inserting in lieu thereof "such Department".

(E) Section 485 (42 U.S.C. 287c–2) is amended by striking out "Chief Nursing Officer of the Veterans' Administration" in subsection (b)(2)(A) and inserting in lieu thereof "chief nursing officer of the Department of Veterans Affairs".

(2) SAFE DRINKING WATER ACT AMENDMENTS OF 1986.—Section 109(c) of the Safe Drinking Water Act Amendments of 1986 (42 U.S.C. 300g–6 note) is amended by striking out "the Administrator of the Veterans' Administration" and inserting in lieu thereof "the Secretary of Veterans Affairs".

(3) SOCIAL SECURITY ACT.—The Social Security Act (42 U.S.C. 301 et seq.) is amended as follows:

(A) The following provisions are amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs":

(i) Subsections (a)(1)(B) and (e)(1)(B) of section 217 (42 U.S.C. 417).

(ii) Subsection (b)(5)(A) of section 1128 (42 U.S.C. 1320a–7).

(iii) Subsection (h)(1) of section 1814 (42 U.S.C. 1395f).

(iv) The heading of subsection (h) of section 1814.

(v) Subsection (a)(5)(F) of section 1928 (42 U.S.C. 1396s).

(B) The following provisions are amended by striking out "Veterans' Administration" each place it appears and inserting in lieu thereof "Secretary of Veterans Affairs":

(i) Subsection (h)(2) of section 228 (42 U.S.C. 428).

(ii) Subsection (f)(2) of section 462 (42 U.S.C. 662).

(iii) Subsection (a)(1) of section 1133 (42 U.S.C. 1320b–3).

(iv) Subsection (h)(2) of section 1814 (42 U.S.C. 1395f).

(C) Subparagraph (D) of section 202(t)(4) (42 U.S.C. 402(t)(4)) is amended—

(i) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(ii) by striking out "if the Administrator" both places it appears and inserting in lieu thereof "Secretary of Veterans Affairs".

(D) Subsection (b)(1) of section 217 (42 U.S.C. 417) is amended by striking out "Veterans' Administration to be payable by it" and inserting in lieu thereof "Secretary of Veterans Affairs to be payable by him".

(E) Subsection (b)(2) of section 217 (42 U.S.C. 417) is amended—

(i) in the first sentence—

(I) by striking out "Veterans' Administration" the first place it appears and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(II) by striking out "the Veterans' Administration" the second place it appears and inserting in lieu thereof "that Secretary";

(ii) in the second sentence, by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs";

(iii) in the third sentence—

(I) by striking out "If the Veterans' Administration" and inserting in lieu thereof "If the Secretary of Veterans Affairs"; and

(II) by striking out "it shall" and inserting in lieu thereof "the Secretary of Veterans Affairs shall";

(iv) in the fourth sentence—

(I) by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(II) by striking out "such Administration" and inserting in lieu thereof "that Secretary"; and

(v) in the fifth sentence, by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs".

(F) Subsection (a)(1)(L) of section 1866 (42 U.S.C. 1395cc) is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(4) OMNIBUS RECONCILIATION ACT OF 1980.—Section 966 of the Omnibus Reconciliation Act of 1980 (42 U.S.C. 632a) is amended—

(A) in subsection (c)(6)—

(i) by striking out "Veterans' Administration" both places it appears and inserting in lieu thereof "Department of Veterans Affairs"; and

(ii) by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) in subsection (e)(1), by striking out "Veterans' Administration" and inserting in lieu thereof "Secretary of Veterans Affairs".

(5) HOUSING ACT OF 1949.—Section 535 of the Housing Act of 1949 (42 U.S.C. 1490o) is amended—

(A) in subsections (a) and (b), by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(B) in subsection (c), by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Veterans Affairs".

(6) LANHAM PUBLIC WAR HOUSING ACT.—The Act of October 14, 1940 (42 U.S.C. 1501 et seq.), popularly known as the "Lanham Public War Housing Act", is amended as follows:

(A) Section 601 (42 U.S.C. 1581) is amended by striking out "Veterans' Administration" each place it appears in subsection (d)(1) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 607 (42 U.S.C. 1587) is amended by striking out "Veterans' Administration" in subsection (b) and inserting in lieu thereof "Secretary of Veterans Affairs".

(7) DEFENSE HOUSING AND COMMUNITY FACILITIES AND SERVICES ACT OF 1951.—The Defense Housing and Community Facilities and Services Act of 1951 is amended as follows:

(A) Section 302 (42 U.S.C. 1592a) is amended by striking out "Veterans' Administration" in subsections (a) and (c) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 315(h) (42 U.S.C. 1592n(h)) is amended by striking out "Veterans' Administration" in the last sentence and inserting in lieu thereof "Secretary of Veterans Affairs".

(8) PUBLIC LAW 87–693.—The first section of Public Law 87–693 (42 U.S.C. 2651) is amended by striking out "Veterans' Administration" in subsection (c) and inserting in lieu thereof "Department of Veterans Affairs".

(9) OLDER AMERICANS ACT OF 1965.—The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended as follows:

(A) Section 207 (42 U.S.C. 3018) is amended by striking out "Administrator of the Veterans' Administration" in subsection (b)(3)(D) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 301 (42 U.S.C. 3021) is amended by striking out "Veterans' Administration" in subsection (b)(2) and inserting in lieu thereof "Department of Veterans Affairs".

(C) Section 402 (42 U.S.C. 3030bb) is amended by striking out "Veterans' Administration" in subsection (b) and inserting in lieu thereof "Department of Veterans Affairs".

(10) HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978.—Section 905 of the Housing and Community Development Amendments of 1978 (42 U.S.C. 3541) is amended by striking out "Administrator of Veterans' Affairs" each place it appears in subsection (b) and inserting in lieu thereof "Secretary of Veterans Affairs".

(11) NATIONAL SCIENCE AND TECHNOLOGY POLICY, ORGANIZATION, AND PRIORITIES ACT OF 1976.—Section 401 of National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651) is amended by striking out "Veterans' Administration" in subsection (b) and inserting in lieu thereof "Department of Veterans Affairs".

(12) NATIONAL ENERGY CONSERVATION POLICY ACT.—Section 253 of the National Energy Conservation Policy Act (42 U.S.C. 8232) is amended by striking out "Administrator of Veterans' Affairs" in subsection (a) and inserting in lieu thereof "Secretary of Veterans Affairs".

(13) CONSUMER-PATIENT RADIATION HEALTH AND SAFETY ACT OF 1981.—The Consumer-Patient Radiation Health and Safety Act of 1981 (42 U.S.C. 10001 et seq.) is amended as follows:

(A) Section 979 (42 U.S.C. 10004) is amended by striking out "Administrator of Veterans' Affairs" in subsections (a) and (b) and inserting in lieu thereof "Secretary of Veterans Affairs".

(B) Section 982 (42 U.S.C. 10007) is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

(C) Section 983(b) (42 U.S.C. 10008(b))—

(i) by striking out "(1) The Administrator of Veterans' Affairs" and all that follows through "subtitle 38" and inserting in lieu thereof "The Secretary of Veterans Affairs, through the Chief Medical Director of the Department of Veterans Affairs, shall, to the maximum extent feasible consistent with the responsibilities of such Secretary and Chief Medical Director under title 38";

(ii) by striking out "over which the Administrator" and inserting in lieu thereof "over which that Secretary";

(iii) by striking out "Administrator" both places it appears in the second sentence and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(iv) by striking out paragraphs (2) and (3).

(14) ALZHEIMERS'S DISEASE AND RELATED DEMENTIAS SERVICES RESEARCH ACT OF 1986.—The Alzheimers's Disease and Related Dementias Services Research Act of 1986 (42 U.S.C. 11201 et seq.) is amended as follows:

(A) Section 911 (42 U.S.C. 11211) is amended by striking out "Administrator of Veterans' Affairs (or the designee of such Administrator)" in subsection (a)(11) and inserting in lieu thereof "Secretary of Veterans Affairs (or the designee of such Secretary)".

(B) Section 934 (42 U.S.C. 11261) is amended by striking out "Veterans' Administration" in subsection (b)(1)(A) and inserting in lieu thereof "Department of Veterans Affairs".

(r) TITLE 44, U.S.C.—The text of section 503 of title 44, United States Code, is amended to read as follows:

"(a) Notwithstanding section 501 of this title, the Secretary of Veterans Affairs may use the equipment described in subsection (b) for printing and binding that the Secretary finds advisable for the use of the Department of Veterans Affairs.

"(b) The equipment referred to in subsection (a) is the printing and binding equipment that the various hospitals and homes of the Department of Veterans Affairs use for occupational therapy.".

(s) TITLE 49, U.S.C.—Section 10723 of title 49, United States Code, is amended by striking out "Veterans' Administration facility" in subsection (a)(1)(B)(i) and inserting in lieu thereof "facility of the Department of Veterans Affairs".

(t) LAWS CODIFIED IN TITLE 50, U.S.C. APPENDIX.—Section 11 of the Military Selective Service Act (50 U.S.C. App. 461) is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Secretary of Veterans Affairs".

SEC. 14. TECHNICAL AMENDMENTS TO TITLE 38, UNITED STATES CODE.

(a) CHAPTERS 1 AND 3 OF TITLE 38.—Part I of title 38, United States Code, is amended as follows:

(1) Section 101(21)(C) is amended by redesignating subclauses (a), (b), and (c) of clause (ii) as subclauses (I), (II), and (III), respectively.

(2) Section 102 is amended by striking out "(C)" before "For the purposes of" and inserting in lieu thereof "(c)".

(b) CHAPTERS 11 THROUGH 24 OF TITLE 38.—Part II of such title is amended as follows:

(1) Section 354 is amended—

(A) by inserting a comma in the section heading after "place"; and

(B) by inserting "(Public Law 98–542; 98 Stat. 2727)" in subsection (a) before the period at the end.

(2) Section 402(d) is amended by striking out "Secretary of the Department" and inserting in lieu thereof "Secretary of the department".

(3) Section 412(a) is amended by striking out "201" and inserting in lieu thereof "401".

(4) Section 423 is amended—

(A) by striking out "or section 321(b) of title 32," in the first sentence; and

(B) by striking out "1476(a) or 321(b)" in the second sentence.

(5) Section 503(a) is amended—

(A) in paragraph (8), by striking out "per centum" and inserting in lieu thereof "percent"; and

(B) in paragraph (10)(A)—

(i) by striking out "Internal Revenue Code of 1954 (26 U.S.C. 6012(a))" and inserting in lieu thereof "Internal Revenue Code of 1986"; and

(ii) by striking out "section 143" and inserting in lieu thereof "section 7703".

(6) Section 508(b) is amended by striking out "per centum" and inserting in lieu thereof "percent".

(7) Sections 532(a) and 534(a) are amended—

(A) by striking out the semicolon at the end of paragraph (2) and inserting in lieu thereof a period; and

(B) by striking out the matter following paragraph (2).

(8) Section 601 is amended—

(A) in paragraph (2), by striking out "any veteran of the Indian Wars, or";

(B) by striking out paragraph (3);

(C) by redesignating paragraph (4) as paragraph (3);

(D) in paragraph (6)—

(i) by striking out "section 612(f)(1)(A)(i)" in subparagraph (A)(i) and inserting in lieu thereof "section 612(a)(5)(A)"; and

(ii) by striking out "section 612(f)(1)(A)(ii)" in subparagraph (B)(i)(II) and inserting in lieu thereof "section 612(a)(5)(B)"; and

(E) by transferring paragraph (9) within such section so as to appear before paragraph (5) and redesignating such paragraph as paragraph (4).

(9) Section 603 is amended—

(A) by striking out "section" before "paragraph" in subsection (a)(2)(B);

(B) by striking out "section 612(b)(1)(G)" in subsection (a)(7) and inserting in lieu thereof "section 612(b)(1)(F)"; and

(C) by inserting "(Public Law 100–322; 102 Stat. 501)" in subsection (c) before the period at the end.

(10) Section 610(a)(1)(H) is amended by striking out "the Spanish-American War, the Mexican border period," and inserting in lieu thereof "the Mexican border period".

(11) Section 612A(b)(1) is amended by striking out "paragraph (1)(A)(ii) of section 612(f)" and inserting in lieu thereof "section 612(a)(5)(B)".

(12) Section 618(c)(3) is amended by inserting "and" after "productivity".

(13) Section 620A(f)(1) is amended by striking out "during the period" before "beginning on".

(14) Section 628(a)(2)(D) is amended by striking out "is (i)" and inserting in lieu thereof "(i) is".

(15) Section 630(a) is amended—

(A) by striking out "(1)" after "(a)"; and

(B) by redesignating subparagraph (A), clause (i), clause (ii), and subparagraph (B) as paragraph (1), subparagraph (A), subparagraph (B), and paragraph (2), respectively.

(16) Section 765 is amended—

(A) in paragraph (4), by redesignating clauses (i) and (ii) as clauses (A) and (B), respectively; and

(B) in each of paragraphs (8) and (9), by redesignating clauses (a), (b), (c), (d), and (e) as clauses (A), (B), (C), (D), and (E), respectively.

(17) Section 770(g) is amended by striking out "the Internal Revenue Code of 1954" in clause (2) of the second sentence and inserting in lieu thereof "the Internal Revenue Code of 1986".

(18) The text of section 774 is amended to read as follows:

"(a) There is an Advisory Council on Servicemen's Group Life Insurance. The council consists of—

"(1) the Secretary of the Treasury, who is the chairman of the council;

"(2) the Secretary of Defense;

"(3) the Secretary of Commerce;

"(4) the Secretary of Health and Human Services;

"(5) the Secretary of Transportation; and

"(6) the Director of the Office of Management and Budget.

Members of the council shall serve without additional compensation.

"(b) The council shall meet at least once a year, or more often at the call of the Secretary of Veterans Affairs. The council shall review the operations of the Department under this subchapter and shall advise the Secretary on matters of policy relating to the Secretary's activities under this subchapter.".

(19) Section 783 is amended by striking out "section 14 of title 25," and inserting in lieu thereof "the Act of February 25, 1933 (25 U.S.C. 14),".

(20) Section 901(d) is amended—

(A) by striking out "deems" and inserting in lieu thereof "considers";

(B) by striking out the comma after "this section"; and

(C) by striking out ", United States Code".

(21) Section 1004(c)(2)(B) is amended by striking out "the date of the enactment of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986" and inserting in lieu thereof "October 28, 1986".

(22) Section 1010(b) is amended by striking out "the military departments" and inserting in lieu thereof "each military department".

(c) CHAPTERS 30 THROUGH 43 OF TITLE 38.—Part III of such title is amended as follows:

(1) Section 1415(c) is amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991," and inserting in lieu thereof "November 29, 1989,".

(2) The item relating to section 1423 in the table of sections at the beginning of chapter 30 is amended by striking out "chapter" and inserting in lieu thereof "subchapter".

(3) Section 1504(b) is amended by striking out "(29 U.S.C. 796)" and inserting in lieu thereof "(29 U.S.C. 796a)".

(4) Section 1517(a) is amended—

(A) by inserting "(29 U.S.C. 701 et seq.)" in paragraph (1) after "the Rehabilitation Act of 1973"; and

(B) by striking out the second period at the end of paragraph (2)(C).

(5) Section 1521(a)(3) is amended by inserting "and Training" after "Veterans' Employment".

(6) Section 1602(1)(A) is amended by inserting a comma after "January 1, 1977" the last place it appears.

(7) Section 1792(a) is amended by inserting "and Training" after "Veterans' Employment".

(8) Section 1812 is amended—

(A) in subsection (c)(5), by striking out "under this section" and inserting in lieu thereof "for purposes specified in this section"; and

(B) in subsection (l), by striking out ", beginning 12 months following October 23, 1970,".

(9) Section 2011(2)(B) is amended by inserting a comma before "except for".

(10) Section 2013 is amended by striking out "the Comprehensive Employment and Training Act" and inserting in lieu thereof "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)".

(d) CHAPTERS 51 THROUGH 61 OF TITLE 38.—Part IV of such title (as in effect immediately before the enactment of the Department of Veterans Affairs Health-Care Personnel Act of 1991) is amended as follows:

(1) Section 3004 is amended—

(A) by striking out "(1)" after "(a)";

(B) by striking out "(2)" and inserting in lieu thereof "(b)";

(C) by striking out "paragraph (1) of this subsection" and inserting in lieu thereof "subsection (a)"; and

(D) by striking out "(A)" and "(B)" and inserting in lieu thereof "(1)" and "(2)", respectively.

(2) Section 3101(d) is amended by striking out "the Internal Revenue Code of 1954" and inserting in lieu thereof "the Internal Revenue Code of 1986".

(3) Section 3116 is amended—

(A) by striking out "Within ninety days after the date of the enactment of this section, the" in subsection (a)(1) and inserting in lieu thereof "The";

(B) by striking out subsection (b); and

(C) by redesignating subsection (c) as subsection (b).

(4) Section 3305 is amended—

(A) in subsection (c), by striking out "the date of the enactment of this section," in paragraphs (1) and (2) and inserting in lieu thereof "October 7, 1980,"; and

(B) in subsection (d)—

(i) in the first sentence of paragraph (1), by striking out "Not later than 180 days after the date of the enactment of this section, the" and inserting in lieu thereof "The";

(ii) in the second sentence of paragraph (1), by striking out "such enactment date" and inserting in lieu thereof "October 7, 1980,";

(iii) in the third sentence of paragraph (1)—

(I) by striking out "existing"; and

(II) by inserting "in existence on October 7, 1980" after "such programs"; and

(iv) in paragraph (2), by striking out "After the date on which such regulations are first prescribed, no activity shall be considered" and inserting in lieu thereof "An activity may not be considered".

(5)(A) Section 3311 is amended to read as follows:

"§ 3311. Authority to issue subpoenas

"(a) For the purposes of the laws administered by the Secretary, the Secretary, and those employees to whom the Secretary may delegate such authority, to the extent of the authority so delegated, shall have the power to—

"(1) issue subpoenas for and compel the attendance of witnesses within a radius of 100 miles from the place of hearing;

"(2) require the production of books, papers, documents, and other evidence;

"(3) take affidavits and administer oaths and affirmations;

"(4) aid claimants in the preparation and presentation of claims; and

"(5) make investigations and examine witnesses upon any matter within the jurisdiction of the Department.

"(b) Any person required by such subpoena to attend as a witness shall be allowed and paid the same fees and mileage as are paid witnesses in the district courts of the United States.".

(B) The item relating to such section in the table of sections at the beginning of chapter 57 is amended to read as follows:

"3311. Authority to issue subpoenas.".

(6)(A) Section 3313 is amended by striking out "subpena" both places it appears in the text and inserting in lieu "subpoena".

(B) The heading of such section is amended to read as follows:

"§ 3313. Disobedience to subpoena".

(C) The item relating to such section in the table of sections at the beginning of chapter 57 is amended to read as follows:

"3313. Disobedience to subpoena.".

(7) Sections 3501(a), 3502(a), and 3502(b) are amended by striking out "not more than $2,000" and inserting in lieu thereof "in accordance with title 18".

(8) Section 3503 is amended—

(A) by adding at the end of subsection (b) the following: "An apportionment award under this subsection may not be made in any case after September 1, 1959."; and

(B) by striking out subsection (e).

(9) Section 3505(c) is amended—

(A) by striking out "clauses (1)," and inserting in lieu thereof "clauses (2),";

(B) by striking out "Secretary of the Treasury, as may be" and inserting in lieu thereof "Secretary of Transportation, as"; and

(C) by striking out "clause (2) of subsection (b) of this section" and inserting in lieu thereof "clause (1) of that subsection".

(e) CHAPTERS 71 THROUGH 76 OF TITLE 38.—Part V of such title (as in effect immediately before the enactment of the Department of Veter-

ans Affairs Health-Care Personnel Act of 1991) is amended as follows:

(1) The tables of chapters before part I and at the beginning of part V are each amended by inserting "United States" before "Court of Veterans Appeals".

(2) Section 4001(a) is amended—

(A) by striking out "There shall be" and inserting in lieu thereof "There is";

(B) by inserting a period after "Board')"; and

(C) by striking out "under the" and inserting in lieu thereof "The Board is under the".

(3) Section 4052(a) and 4061(c) are amended by striking out "court" and inserting in lieu thereof "Court".

(4) Section 4054 is amended by redesignating the second subsection (d) as subsection (e).

(5) Section 4092(c) is amended by striking out "United States Courts" and inserting in lieu thereof "United States Court".

(6) Section 4097(h)(1)(A)(i) is amended by striking out "subsection (1)" and inserting in lieu thereof "subsection (l)".

(7) Section 4202 is amended by striking out "section 5 of title 41" in paragraph (6) and inserting in lieu thereof "section 3709 of the Revised Statutes (41 U.S.C. 5)".

(8) Section 4209 is amended by striking out "child care" each place it appears and inserting in lieu thereof "child-care".

(9) Section 4322(d) is amended by inserting an open parenthesis before "adjusted in".

(10) Section 4331(b)(4) is amended by striking out "chapter 51" and inserting in lieu thereof "chapter 53".

(f) CHAPTERS 81 THROUGH 85 OF TITLE 38.—Part VI of such title (as in effect immediately before the enactment of the Department of Veterans Affairs Health-Care Personnel Act of 1991) is amended as follows:

(1) The table of sections at the beginning of chapter 81 is amended—

(A) by transferring the item relating to section 5016 (as added by section 205(b) of Public Law 100–322) so as to appear immediately after the item relating to section 5015; and

(B) by revising the item relating to section 5035 so that the initial letter of the last word is lower case.

(2) Section 5002(d) is amended by striking out "section 5001" and inserting in lieu thereof "section 5011".

(3) Section 5007(a)(2)(B) is amended by striking out the second comma before "are most in need of".

(4) Section 5011A is amended—

(A) by striking out "or (g)" in subsection (b)(2)(A); and

(B) by striking out subsection (d) and inserting in lieu thereof the following:

"(d)(1) The Secretary of Veterans Affairs and the Secretary of Defense shall jointly review plans for the implementation of this section not less often than annually.

"(2) Whenever a modification to such plans is agreed to, the Secretaries shall jointly submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on such modification. Any such report shall be submitted within 30 days after the modification is agreed to.".

(5) Section 5022(a)(3)(A) is amended—

(A) by striking out "State home" and inserting in lieu thereof "State"; and

(B) by striking out "the paragraph" and inserting in lieu thereof "this paragraph".

(6) Section 5034 is amended—

(A) by inserting "(a)" before "Within six months";

(B) by striking out "this section or any amendment to it" and inserting in lieu thereof "any amendment to this section"; and

(C) by designating the sentence at the end of paragraph (3) as subsection (b), realigning such sentence so as to appear full measure and indented, and striking out "such standards" at the end of such sentence and inserting in lieu thereof "the standards prescribed under subsection (a)(3)".

(7) Section 5035(a) is amended by striking out "After regulations" and all that follows through "any State" in the first sentence and inserting in lieu thereof "Any State".

(8) Section 5052 is amended—

(A) by redesignating paragraphs (a), (b), and (c) as paragraphs (1), (2), and (3), respectively; and

(B) by realigning those paragraphs to be indented two ems.

(9) Section 5053 is amended by striking out "hereunder" at the end of subsection (c) and inserting in lieu thereof "under this section".

(10) Section 5070(e) is amended by striking out "section 5012(a)" and inserting in lieu thereof "section 5022(a)".

(11) Section 5202(b) is amended by inserting a comma in the second sentence before "namely,".

(g) TECHNICAL AMENDMENTS TO OTHER VETERANS STATUTES.—

(1) Effective as of May 20, 1988, section 415(b)(5)(C) of Public Law 100–322 (102 Stat. 551) is amended by striking out "paragraph (4)" and inserting in lieu thereof "paragraph (1)(D)".

(2) Effective as of November 18, 1988, the first quoted matter in section 101(b) of Public Law 100–687 (102 Stat. 4106) is amended by inserting "the" after "benefits under".

(3) Section 502 of Public Law 96–128 (93 Stat. 987) is amended by striking out "Internal Revenue Code of 1954" in the first sentence and the last sentence and inserting in lieu thereof "Internal Revenue Code of 1986".

Page 16, line 21, strike out [12. TECHNICAL CORRECTIONS.] and insert: *15. OTHER TECHNICAL CORRECTIONS TO TITLE 38, UNITED STATES CODE.*

Mr. MONTGOMERY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi?

Mr. STUMP. Mr. Speaker, reserving the right to object, I will not object, but I do so in order to yield to the chairman of the Committee on Veterans' Affairs, the gentleman from Mississippi [Mr. MONTGOMERY] to explain the amendments as they came over from the other body.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. STUMP. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Speaker, as the gentleman will recall, on February 6 the House passed H.R. 232, that would, if enacted, expand VA's ability to provide housing and health care for homeless veterans.

The Senate has proposed some minor changes to the House-passed bill which do not alter the substance of the bill that passed the House.

The Senate has also incorporated a significant number of technical and conforming changes to title 38 proposed last year in H.R. 5093 and reported by our committee.

Mr. Speaker, I want to thank Mr. Robert Cover of the House Legislative Counsel's Office and the staff of that office for the countless hours they spent putting together the necessary amendments contained in the bill. We are very greatful for the timely assistance we always get from the legislative Counsel's Office, and I want to take the time to personally thank all of the people who work there for their service to our committee and the House.

I urge my colleagues to support the Senate amendments.

Mr. STUMP. Mr. Speaker, further reserving the right to object, I rise in support of H.R. 232, as amended, a bill to amend certain housing, homeless, and memorial affairs provisions. This bill unanimously passed the House on February 6, and passed by the other body on May 16.

Mr. Speaker, the amendment agreed to by the other body is largely technical in nature and updates the underlying legislation to reflect current events. The amendment extends provisions relating to default procedures and appraisals to December 31, 1992 and adds a report provision. It authorizes the Department of Veterans Affairs to reorganize administrative responsibility as described in a plan submitted by the Secretary on January 4, 1991. Further, it contains technical language to reflect the conversion of the Veterans' Administration to the Department of Veterans Affairs.

With H.R. 232, we hope to help some homeless veterans develop the skills necessary to live independently. It builds on existing DVA programs by providing therapy and work programs in a transitional housing environment. To help defray costs, residents would be required to pay rent monthly.

H.R. 232 also contains provisions to give the Secretary more flexibility in the disposition of properties acquired through the Loan Guaranty Program.

Mr. Speaker, this is a compromise measure that is the result of many hours of hard work. The chairman of the Committee on Veterans' Affairs should be commended for this leadership in moving this legislation promptly. I also want to complement the chairman of the Subcommittee on Housing and Memorial Affairs, Mr. STAGGERS, and the ranking member of the subcommittee, Mr. BURTON for their contributions.

I urge my colleagues to support H.R. 232, as amended, the Veterans Housing and Homeless Amendments of 1991.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi [Mr. MONTGOMERY]?

There was no objection.

A motion to reconsider was laid on the table.

AMERICA 2000 EXCELLENCE IN EDUCATION ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102-91)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor and ordered to be printed.

(For message, see proceedings of the Senate of today, Wednesday, May 22, 1991.)

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, DC, May 21, 1991.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, I am transmitting herewith the resolutions (originals plus one copy) approved today by the Committee on Public Works and Transportation, as per the attached listing.

With all good wishes.

Sincerely,
ROBERT A. ROE,
Chairman.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read, and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, DC, May 21, 1991.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, I am transmitting herewith the resolutions (originals plus one copy) approved today by the Committee on Public Works and Transportation, as per the attached listing.

With all good wishes.

Sincerely,
ROBERT A. ROE,
Chairman.

There was no objection.

OUR ECONOMY SUFFERS FROM TOO MUCH REGULATION

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. DUNCAN. Mr. Speaker, last year I took the floor to say that the best thing we could do for the millions of cable TV consumers around the Nation would be to allow the free market to operate and to allow more competition in this field. This past Sunday in its Outlook section the Washington Post said the same thing. In a lengthy article by John Merline, editor of Consumers' Research magazine, it says:

> It is clear that cable TV suffers, not from too much deregulation, but from too little.

Mr. Merline quoted a recent statement by the FCC:

> Robust competition will more effectively provide both a better safeguard against undue rate increases or service failings and a greater diversity and choice than any web of rules or regulations.

Mr. Speaker, Mr. Merline gave several examples of cable TV companies which charge higher prices where they have a monopoly, but much lower where they have competition.

Mr. Speaker, in many areas today we talk as if there has been some sort of deregulation, when in fact there has not been. Our overall economy suffers from far too much regulation. If we could get the government out of the way and let the free market work, this country could not only recover from the recession, but it could boom economically.

As the Washington Post said about cable TV, but which it could have said about most things, "When cable does manage to compete, the lesson is clear. The free market exerts downward pressure on prices and upward pressure on quality."

TUNING OUT CABLE TV MONOPOLIES—WITH COMPETITION, COSTS GET LOWER AND SERVICE GETS BETTER

(By John Merline)

Like most Americans who have cable television, residents of Alabama's state capital had grown accustomed to frequent, steep price increases. Storer Communications had raised its rates in Montgomery four times in as many years, with no expansion in service. By January 1990, subscribers were paying $18.25 for 29 channels of basic service.

Suddenly, last October, Storer slashed its monthly cable rate by almost two dollars while upgrading its basic system to provide 61 channels.

What caused this sudden drop in prices? Two weeks prior to Storer's price cut, a competing cable system—Montgomery Cablevision—began laying wires in the city. Until October, Storer had been the sole provider of cable in Montgomery.

As this and other examples suggest, simple competition, rather than a complex set of regulatory rules, can quickly and effectively answer consumer complaints about the high cost of cable television.

If Congress really wants to help cable consumers, it should encourage competition by forcing city governments to lower barriers to entry into local cable markets. Merely restoring cities' power to regulate rates, as the National League of Cities prefers, will not likely help consumers any time soon.

In 99.5 percent of U.S. cities that have cable, the service is provided on a monopoly basis. And since 1986—when Congress deregulated cable rates—these monopoly providers have been raising prices with zeal. According to the General Accounting Office, cable rates soared a total of 29 percent from 1987 to 1988, and in 1989 they climbed another 10 percent—all at a time when nationwide inflation was increasing at an average 5 percent a year.

Not surprisingly, consumers in cities with competitive cable have largely been spared these high prices. According to a survey of 52 markets by Consumers' Research magazine, prices for basic cable in competitive markets were about 18 percent lower than those in comparably-sized, noncompetitive markets ($14.23 per month in competitive markets vs. $17.32 in monopoly markets). Further, competitive markets offered more channels, lowering the per-channel price by about 30 percent.

In Alexandria, for example, Jones Intercable has a monopoly and charges $21.20 for 43 channels of basic cable. But in Anne Arundel County, where Jones competes with North Arundel Cable, Jones charges only $16.95 for 47 channels.

In many areas—including Vidalia, Ga.; Henderson, Tenn., and Troy and Montgomery, Ala.—the monopoly provider actually lowered its rates after a competitor entered the city. Henderson Mayor Eddy Patterson said that until 1988 its original provider, Multivision, charged $14.95 for a 17-channel basic service and ignored the city government's repeated pleas for lower rates or improved quality. But when CableAmerica began competing for Henderson customers, Multivision quickly lowered its rate to $9 and increased its channel capacity to 30. "All of a sudden," said Patterson. "Henderson is enjoying the cheapest rates probably in America."

But if cable companies can compete, why does so little competition exist? The most important factor is that city governments—with the encouragement of cable operators and cable programmers—have thrown up nearly insurmountable barriers to entry of more than one firm into each cable marketplace.

City administrators and many cable industry officials insist that cable TV is a "natural monopoly." The laws of economics, one is led to believe, forbid two or more cable companies from making a profit in a competitive environment.

But in truth, cable monopolies are created monopolies—resulting not from natural economic forces but from burdensome regulations imposed by city governments themselves. A little history will help.

The original rationale behind awarding a franchise to a single company may have made sense, since cable television requires the laying or stringing of many miles of wire. According to Sol Schildhause, president of the Competitive Cable Association, franchising was seen as "a permissible exercise of local power to protect its citizens—to keep the street from being impeded during rush traffic, to avoid unnecessary digging up of roads and walks, etc."

However, cities soon realized that franchises could be turned into moneymaking machines for the cities themselves—what former New York City mayor John Lindsay described as "urban oil wells under our city streets." In exchange for what amounted to a local monopoly, cities began asking for and getting 5 percent of gross cable revenues as "franchise fees." Many franchise agreements also included requirements to build elaborate public-access facilities, provide free telecommunications for local government, meet requirements for minority ownership and so on. And the franchise winner usually had to agree to wire the entire city.

Simply bidding for the franchise could cost millions of dollars. In Denver, for example, three companies spent more than $1 million each in an attempt to win the coveted franchise.

Promises made in early bids were often unrealistic and had to be renegotiated once the franchise was awarded. In Washington, District Cablevision, the eventual franchise winner, promised a 78-channel system, a 226-mile, two-way communications network, eight studios for free public use and the capability to add 80 channels at a later date—all for the low, low price of $1.95 a month. Washington subscribers currently get 47 channels of basic cable at the not-so-low price of $20.95 a month.

That process in itself does not prevent competition. But since potential competitors would obviously have to match the winning franchise commitment in order to be considered seriously, few bother even trying. As James Mooney, president of the National Cable Television Association, points out competition almost never occurs because cities "require so many commitments that only one franchise could survive economically."

In addition, money generated by the franchise fees gives city governments a strong incentive to keep competitors out of the market. Mark Tauber, a lawyer who represents private cable companies, notes that cities "have attempted to curtail development of [competitive cable services] in order to ensure that the traditional franchised system, from which they receive a percentage of gross revenues in the form of franchise fees, controls the lion's share of the local market." When companies have tried to compete, city governments—including those in Dallas, Indianapolis, New York, Chicago, Los Angeles and Washington—have taken action against them.

The cities, to be sure, insist there is plenty of competition. A survey for the National League of Cities found that some 90 percent of cities with cable have open franchises, concluding that "needed competition . . . is not being stymied at the local level." But at the same time, according to economist Thomas Hazlett, the National League of Cities has "provided legal talent, conducted seminars, engaged in lobbying efforts [etc.], to squelch the asserted rights of unfranchised cable firms that have sought to compete in the marketplace."

Incumbent cable monopolies are only too happy to see their city fathers move against any potential competitive threat and, in fact, often lend a hand in the form of lawsuits and advertising campaigns. As one large cable operator put it: "When the city has held our feet to the fire and is taking 5 percent [in franchise fees] off the top, it infuriates you to see them not take action against someone who comes in [and] cuts into your business." In Cape Coral, Fla., Cablevision ran a series of advertisements in local newspapers claiming that competition from Telesat cable would mean that "600 to 700 trees would be damaged," that cable rates would be higher and that "competition rarely endures."

If this weren't bad enough, potential competitors face a final obstacle: getting quality programming. According to Gene Kimmelman, executive director of the Consumer Federation of America: "Virtually all of the major programmers deny access to or discriminate against [competitive] operators in provision of programming." A survey by Information Age Economics Inc. of 32 wireless cable companies in the United States bears this out: 25 of them were denied access to HBO, 14 were denied access to ESPN, 26 were denied the Sports Channel and 31 were denied TNT.

According to some industry analysts, programmers are reluctant to sell to competitive cable operators because they are owned outright by large "multiple system operators" (or MSOs, cable companies with franchises in several cities) or because the MSOs use their market power to convince programmers not to sell to smaller competitors. However, breaking down the other barriers to competition would likely resolve the programming problem.

From what has been shown, it is clear that cable TV suffers not from too much deregulation, but from too little. This is a lesson recognized by the Federal Communications Commission, which recently stated that: ". . . robust competition will more effectively provide both a better safeguard against undue rate increases or service failings and a greater diversity and choice than any web of rules or regulations designed to mimic competition or otherwise compensate for its absence."

What is needed, then, is a reversal of local government policies that prevent competitors from entering the marketplace. Rather than grant cities more control over cable, Congress should strip power away—especially the power to mandate the size and nature of cable franchises.

When cable does manage to compete, the lesson is clear: The free market exerts downward pressure on prices and upward pressure on quality.

RESTORE ABORTION RIGHTS TO TROOPS OVERSEAS

(Mr. REED asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. REED. Mr. Speaker, later today the House will consider an amendment offered by Representatives AUCOIN, MACHTLEY and FAZIO.

I would like to call the following editorial to the attention of my colleagues—an editorial in Saturday's Washington Post, titled "A Penalty for Serving Abroad," which points out that this amendment would simply give military families having abroad the same access to health care as private citizens.

In 1982 the Department of Defense prohibited the use of Federal funds to pay for abortions.

However, military woman serving in the United States—at private facilities—can use their own money to pay for this legal medical procedure.

This is not a discussion of whether or not abortion should be legal. It is a question of whether women in the military serving abroad will have access to the full range of health care services as their comrades in the United States do. This issue is critical because for women serving abroad military health care is their only realistic option.

I understand that the decision to have an abortion is not made lightly. I believe we must continue to work toward policies that offer women and families more options. But that is not the focus on today's debate.

We have heard a lot of debate in this body over who supports our American troops. The time has come to demonstrate that we do not consider American troops second class citizens.

They are entitled to the same rights, the same privileges as their comrades here at home.

The AuCoin amendment restores rights to troops who continue to serve us overseas every day.

I urge my colleagues to vote yes on the AuCoin amendment and I ask that this editorial be entered into the RECORD.

A PENALTY FOR SERVING ABROAD

In 1982 the Department of Defense prohibited the use of federal funds to pay for abortions. This policy is in conformity with the government's refusal to finance abortions for the poor through the Medicaid program, for government workers whose health insurance policies specifically exclude abortion and for those in desperate poverty in places overseas where the use of U.S. foreign assistance money is restricted. Americans living and working in this country, however, at least have access to safe abortions as long as they use their own funds to pay for them.

Not so for Americans serving their country in the armed forces abroad. Since 1988, members of the armed forces and their dependents have been barred from using military hospitals abroad for abortions even if they pay for the abortions privately. Many of them are stationed in countries where abortions are illegal. Others are in places where any kind of medical care in a local hospital is risky.

Congress did not require this wrongheaded regulation, and legislators can overturn it. An attempt will be made on Monday, when the House takes up the Defense Appropriations Bill. Last year, Senators Tim Wirth and John Glenn tried; they had 58 votes but not enough to stop a filibuster. In the House, the Les AuCoin-Ronald Machtley effort failed by only 16 votes. This year, the numbers look better. Servicewomen and military dependents abroad are not asking for special treatment, only the right to receive the kind of treatment—at their own expense—that is available in this country.

PHILADELPHIA NAVAL SHIPYARD: FURTHER INQUIRY ORDERED BY BASE CLOSURE COMMISSION

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House the gentleman from New Jersey [Mr. ANDREWS] is recognized for 5 minutes.

Mr. ANDREWS of New Jersey. Mr. Speaker, last year this body invested enormous authority in the Base Closure Commission to make decisions that affect the economy and the military structure of this country and that will affect that structure and this economy for many years to come.

I am pleased to report to you that this morning we have new evidence that the Base Closure Commission is taking its role very seriously and taking its legal responsibilities to heart. This morning, Mr. Speaker, here in Washington, there was a hearing pertaining to the Philadelphia Naval Shipyard, conducted by Chairman COURTER of the Base Closure Commission and Members of this body and the other body had the opportunity to present their case as to why they felt the Navy's analysis which would close the Philadelphia Naval Shipyard was wrong.

Mr. Speaker, I had the opportunity during that time to present some evidence that I feel shows that there are substantial reasons to believe that the Navy has backed into its recommendation to close the Philadelphia Naval Shipyard.

I am pleased to report that at the initiation of the commissioners of that commission, the commission has agreed to conduct a further inquiry into how the decision to close the Philadelphia Naval Shipyard was reached.

This morning, Mr. Speaker, we had an opportunity to present evidence which suggests that instead of fairly applying the legal criteria and reaching a fair decision, that what the Navy did was to reach their conclusion and then back into a rationalization for that decision.

I am very pleased, Mr. Speaker, that the commission has acted responsibly and has agreed to bring representatives of the Navy back under oath so questions can be asked about how that decision was reached.

Mr. Speaker, the way this decision was reached should be troubling to every Member of this body. The Navy decided, in its internal review process, that it would summarily exempt from closure analysis any shipyard in this country that was nuclear equipped.

Now, given the fact that 70 percent of our fleet in the year 2000 will be conventionally powered and given the fact that over 90 percent of our surface fleet in the year 2000 will be conventionally powered, that is a dubious assumption.

Beyond that, though, the way the Navy conducted its analysis was wrong. After they exempted 6 of the 8 public shipyards, there were two shipyards left: The Philadelphia Naval Shipyard and the Long Beach, California Naval Shipyard.

Mr. Speaker, let me preface my statements by saying I mean nothing to impugn Long Beach. It is not my position or my argument that it should close or that it does inferior work. I am not suggesting that at all. My criticism is of the process that reached this decision.

How did the process work? After exempting the six public nuclear shipyards, the Navy said, "We will have to take a look at the other two that are left." But miraculously, miraculously, during the period of the review, the Long Beach Naval Shipyard became nuclear-certified.

□ 1830

How could that happen?

On February 4, 1991, there was a request received by the comptroller of the Navy to appropriate a million dollars in capital upgrade for drydock No. 1 at the Long Beach Shipyard. Miraculously 19 days later the Chief of Naval Operations approved that request, 19 days later in violation of an internal Navy guideline that said no capital improvements will be done to any facility that is under consideration for base closure in the 1991 process.

What was the role played by the CNO, the Chief of Naval Operations, in that decision? Why was that decision made? Why was it made in the middle of the process, and why did it result in the situation that the only shipyard in the country that would be reviewed under the criteria was the Philadelphia Shipyard?

Long Beach can stand on its own merits. I am sure it is a fine shipyard. But there ought to be a fair process, there ought to be a fair process that follows the law, and I am pleased, Mr. Speaker, that the chairman of the Base Closure Commission and the commissioners of the Base Closure Commission have heard our case and agreed to have a separate hearing so we can bring the Navy forward and hear the facts.

Mr. Speaker, this morning thousands of people got up and went to work at the Philadelphia Naval Shipyard and worked hard and did their jobs today. I hope that the Base Closure Commission continues to do its job and gives us a process that is fair and not fixed.

COMMENTS ON THE 30TH ANNIVERSARY OF PRESIDENT KENNEDY'S MOON MISSION SPEECH AND THE DEMOCRATS' NEW CIVIL RIGHTS BILL

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I have a couple of topics I would like to cover in my brief special order this evening. The first regards the 25th of May, a date which marks the 30th anniversary of President Kennedy's historical speech before a joint session of Congress in which he challenged the Nation to send a man to the Moon by the end of the decade.

Mr. Speaker, President Kennedy acknowledged that this task would be a demanding one, both in terms of financial commitment and national will. But, in one of the most important lines in that speech, he said, "If we are to go only half way, or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all."

Mr. Speaker, as this anniversary draws near, I cannot help but reflect on the difference of attitude between then and now. Thirty years ago, we had social problems, 30 years ago, we had a budget deficit; 30 years ago, our national defense needs were a high priority. Yet, the Congress recognized the imperative of building a strong, manned space program. Today, in contrast, we find ourselves caught in a morass of our own making, unable and unwilling to do what is necessary to provide for our Nation's economic future. Instead of showing leadership and commitment to the next generation of Americans, by working toward the establishment of a permanent, American presence in space, the Congress has chosen to retreat to the safe confines of the past.

I urge my colleagues to rediscover the sense of excitment and anticipation we faced in 1961 at the prospect of tackling the unknown, if not for their own sakes, but for their children's.

Mr. Speaker, on the new civil rights bill that the Democrats have brought forward yesterday, a very interesting document if my colleagues look at it at all closely, some of the Democrats have claimed that this takes them out of the quota area and assures that their bill would be antiquota. Well, let me make three comments about that.

First is the fact that the new Democrat bill admits past transgressions. So much for the Democrats' claims that their previous bills contain no quotas. Now they admit quotas were there, and they have now corrected the problem.

Second, the new bill is a phony. The corrections are not real. All of the provisions of the previous legislation which require quotas are evidently still in place and are still backed by penalties. They now have this new so-called antiquota language, but that contains no penalties. Therefore, guess what happens. The businessman faced with tens of thousands of dollars in penalties for not having quotas or no penalty for having them chooses quotas.

Third, the question for the American people has to be: "Who do you trust?" The same folks who have been pushing the Nation steadily toward quotas now have a phony plan for stopping them. Americans need to ask the question of whether or not they are willing to bet their jobs and their future on that kind of program.

PRIVACY ACT AMENDMENTS OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I am today introducing the Privacy Act Amendments of 1991, a bill to amend the Privacy Act of 1974.

The Privacy Act of 1974 was a landmark. It was one of the first general purpose privacy laws passed anywhere in the world. Prof. David Flaherty, in his book "Protecting Privacy in Surveillance Societies," called it "innovative and influential in its time." The act, which applies principally to Federal agencies, establishes rules for the collection, maintenance, use, and disclosure of information about individuals.

But it became apparent quickly that the act fell short of its objectives. By 1977, the Privacy Protection Study Commission reached the following general conclusions:

First, the Privacy Act represents a large step forward, but it has not resulted in the general benefits to the public that either its legislative history or the prevailing opinion as to its accomplishments would lead one to expect;

Second, agency compliance with the act is difficult to assess because of the ambiguity of some of the act's requirements, but, on balance, it appears to be neither deplorable nor exemplary;

Third, the act ignores or only marginally addresses some personal data recordkeeping policy issues of major importance now and for the future.

The Commission recommended a major revision of the law, noting that agencies have taken advantage of the law's flexibility to contravene its spirit. Professor Flaherty suggests that the Privacy Act has failed in its primary goal, and he too calls for a rewrite.

Legislation to implement the recommendations of the Privacy Protection Study Commission was introduced during the 95th Congress and in several subsequent Congresses, but no action was ever taken. Since its passage, the Privacy Act has been amended a few times, but most of the amendments were minor. Only the Computer Matching and Privacy Protection Act of 1988 (Public Law 100–503) made significant substantive changes. But while the computer matching amendments provided some additional procedural protections for records used in computer matching, they did nothing to address the basic shortcomings of the Privacy Act itself.

I believe that the problems with the act have grown steadily worse. Changes in information technology have made the act's defects more critical. It is time for Congress to begin the amendment process. We need to modernize the Privacy Act and to make it effective.

The bill I am introducing today does not propose a comprehensive revision. Instead, I am offering a series of specific changes designed to address specific problems. A complete rewrite would take a long time to prepare. My immediate goal is to rekindle legislative discussions of the Privacy Act. I believe that a serious consideration of the act's shortcomings will ultimately lead to broader revision of the act and to improved privacy protections for all.

One important issue not addressed in my bill is administrative oversight. This responsibility now falls to the Office of Management and Budget. The weaknesses of OMB's Privacy Act oversight are well documented. A 1983 report from the Committee on Government Operations found that interest in the Privacy Act at OMB had diminished steadily. The report is "Who Cares About Privacy? Oversight of the Privacy Act of 1974 by the Office of Management and Budget and by the Congress" (House Report No. 98–455). Things have not improved since that report was issued.

I have already introduced separate legislation, H.R. 685, that would reassign Privacy Act responsibilities to a newly established Data Protection Board. While I am not repeating that proposal in the Privacy Act Amendments of 1991, I consider it to be an integral part of Privacy Act reform.

A second current problem for which I do not now propose a solution involves the act's exemptions. A principal effect of the misuse of the exemptions is to deny individuals the ability to see and correct agency records. The most abused exemption is the general exemption for law enforcement records, and offices of inspector general appear to be the most frequent violators. Better administrative oversight may be the best solution to this continuing problem.

The major changes proposed by my bill include the following:

First, the act currently gives rights only to citizens and resident aliens. Nonresident aliens cannot use the act's procedures to seek access to records or to amend records. While the Freedom of Information Act provides foreigners with the ability to seek access to records, it is an incomplete substitute. Access rights under the FOIA can be significantly narrower than the rights under the Privacy Act, and the FOIA lacks provisions permitting correction of erroneous records. There is simply no reason foreigners should continue to be denied basic privacy rights.

My amendment changes the definition of "individual" so that living individuals of all nationalities will have the same rights under the Privacy Act. Now that privacy has become a major international concern, the current restrictions on the rights of foreigners are an embarrassment. Our failure to provide basic rights to foreigners threatens the rights of Americans in other countries as well as the ability of American companies to do business in today's international business environment.

Second, I propose to amend the definition of "record" so that personal information will be subject to the act independent of the medium on which the information is maintained and regardless of physical form or characteristics. The purpose is to make it clear that computerized information is fully subject to the Privacy Act. While I think that this is the current intent of the law, questions have been raised about how records laws apply to computerized information. We need to modernize our laws so that fair information practices apply independently of the technology used to create and store information.

Third, I propose to tighten the definition of "routine use." A routine use is a permissible disclosure of personal information that an agency defines by regulation. The law currently provides that a routine use must be compatible with the purpose for which a record was collected. I want to require that a routine use be necessary for the purpose for which a record was collected.

This change is a response to persistent abuse of the routine use provision by Federal agencies. Agencies have used the routine use provision to authorize almost any kind of disclosure. In one recent instance, an agency proposed a routine use that would have effectively authorized the agency to disclose personal information to anyone at any time. Another agency implemented a routine use that permitted the agency to disclose personal information to the public while the agency retained the right to deny to the subject of the record access to that same information.

Broad routine uses that allow an agency wide discretion to make disclosures are inconsistent with the words and the policy of the Privacy Act. Nevertheless, agencies seem to believe that they can make any kind of disclosure that they want as long as the proper notice has been published in the Federal Register. The Privacy Act is principally viewed as a procedural and not a substantive barrier to disclosure. This belief has grown in the absence of firm central administrative oversight of the law.

The problem is compounded by the ability of agencies to create new routine uses at any time after the establishment of a system of records. Individuals receive no actual notice of new routine uses. The notice that is published in the Federal Register is hardly meaningful.

The inconsistency of agency policies is even more apparent by the way in which the Freedom of Information Act is applied to personal information. Agencies typically refuse to disclose personal information about third parties under the FOIA. But the same agencies reserve to themselves broad rights to disclose that same information through Privacy Act routine uses. Both judgments cannot be correct. It may be necessary at some point to tie together more expressly privacy decisions under the FOIA and the Privacy Act. Agencies that contend that personal information is exempt from disclosure under the FOIA should be judged in part by the breadth of the routine uses they have defined for that same information.

While I believe that some of today's routine uses are based on a misreading of current law, agencies persist in offering overly broad routine uses. As a result, a change in the law may be essential. My proposal would expressly eliminate these abuses by placing stricter substantive limits on the ability of agencies to define permissible disclosures.

Fourth, I propose to broaden the defintion of "system of records." This is a key concept under the Privacy Act because the act's requirements apply to all systems of records. A system of records is a group of records under the control of a Federal agency that is retrieved by individual identifier. The test is factual. If an agency determines that sensitive personal information is not actually retrieved by individual identifier, then the principal protections of the Privacy Act do not apply.

This is a major loophole. There are vast repositories of personal information in the Federal Government that are not covered by the Privacy Act because they are not in systems of records. The Privacy Protection Study Commission strongly criticized reliance on the system of records definition as the sole basis for activating the Act's requirements.

Recently, the National Science Foundation was found to have improperly avoided the Privacy Act by relying on the fiction that some records were not retrieved by individual identifier because they were not filed by the name of the individual. After a 13-year period of noncompliance with the law, the agency finally applied the Privacy Act to this system of records.

A recent report by the General Accounting Office also documented similar problems at the National Oceanic and Atmospheric Administration and the Department of Energy. See "Peer Review: Compliance With the Privacy Act and Federal Advisory Committee Act" (GAO/GGD–91–48) (April 1991).

Another recent GAO report found evidence of significant noncompliance with Privacy Act requirements. See "Computers and Privacy: How this Government Obtains, Verifies, Uses, and Protects Personal Data" (GAP/IMTEC–90–70BR) (August 1990). A clearer and less discretionary definition of "system of records" might enhance agency compliance by removing any existing confusion.

Some have proposed dropping the system of records concept altogether. I suggest a different approach. Because of the ease with which computers can manipulate information, the factual retrievability test is no longer meaningful for computerized data. Instead, we should assume that any computerized information can be retrieved by identifier, whether or not the agency intends to do so.

My amendment would drop the factual test for all personal information maintained in a computer and make all computerized information subject to the Privacy Act. The current factual test would continue to apply to manual records. As more records become computerized, the importance of manual records will diminish.

Fifth, subsection (b) of the current act sets out 12 specific conditions under which agencies may disclose personal information. Eleven of these conditions authorize specific disclosures under specific terms. Under the 12th condition, agencies may define routine uses to authorize other disclosures. Occasionally, agencies have used the routine use authority to avoid some of the statutorily defined terms for other disclosures.

For example, the act authorizes the disclosure of personal information pursuant to a showing of compelling circumstances affecting health or safety. If a disclosure is made under this provision, an agency is required to notify the individual of the disclosure. Some agencies have proposed routine uses that lower the standard for emergency disclosure and that fail to include the notice requirement. This is an abuse of current law. I propose an amendment that would expressly prohibit agencies from modifying the conditions of disclosures set out in the law.

Sixth, if an agency denies an individual's Privacy Act request for access to records, the individual's only recourse is to sue in Federal court. There is no administrative appeal as is provided when a request for correction is denied or when a request for access is denied under the FOIA. I propose to provide for an administrative appeal of a denial of access. I also propose to establish clear statutes of limitation for administrative appeals.

Seventh, the Privacy Act requires that each agency publish in the Federal Register a notice describing each system of records. The specific contents of the notice are set out in the law. I propose to add a requirement that Privacy Act notices include a description of the purpose for which the records are maintained. This will help the public in understanding how records are used. Some agencies include a statement of purpose in their notices already.

Eighth, the Freedom of Information Act and the Privacy Act of 1974 provide independent access procedures. Information is sometimes available under one law when it is not available under the other. Not all requesters seeking access to records about themselves are knowledgeable enough to cite both laws when making a request. I propose to amend the Privacy Act to require that agencies provide to Privacy Act requesters any information to which they are entitled under the FOIA as well. This will ensure that requesters receive all available information.

Ninth, I propose to give the courts the authority to grant injunctive relief in all cases arising under the Privacy Act. This is necessary because some courts have held that their ability to enjoin agencies from violating the act is limited to cases involving access and correction. Under current law, it is possible that an individual would be unable to convince a court to prevent an agency from making disclosure of a record that the court has found to be illegal.

Giving the courts broader authority to enjoin violations may be just a first step in improving the act's remedies. It may also be necessary to change the standard for measuring agency conduct and to provide more effective relief to individuals whose rights have been violated. We may need to explore alternatives to lawsuits. For many people, a remedy that must be pursued through litigation in Federal court is no remedy at all. Litigation is too expensive and too complicated.

Tenth, under current law, a system of records maintained by a Federal contractor on behalf of an agency must be made subject to the Privacy Act under agency contract. Tens of millions of sensitive records are now maintained by agency contractors. We have no idea of whether these contractors are complying with the Privacy Act. We do not know if these records receive adequate protection from misuse or improper disclosure. I propose to require that agencies provide for regular Privacy Act compliance audits for systems of records maintained by contractors.

NEW SONG COMMEMORATES VETERANS' WELCOME HOME CEREMONIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to share with my colleagues the lyrics to a song written in honor of the men and women who served in Operation Desert Shield/Desert Storm. It is called "Welcome Home." The words are by Richard Peet and the music was written by Charles Cassey.

Mr. Cassey is a former creative director of Chappell Music in New York. More recently, he was head of VIACOM's music department in Hollywood. He is a long-time member of ASCAP and has written more than 1,000 songs. He lives in Valencia, CA.

Richard Peet authored the musical, "The Nam That We Remember". An earlier work, "Stand Up For America", was the title and feature of an LP record album in 1971 and it won a George Washington Freedom Award. Mr. Peet is also a member of ASCAP and lives in McLean, VA.

A copy of the new song's lyrics is attached:

WELCOME HOME

(Words: Richard Peet)

(Music: Charles Cassey)

In the dangers of the desert sand;
In the wild blue and the sea,
You risked all for your country—
In the cause of liberty.

You have served and you have suffered;
Been away for overlong,
But now you're back among us,
Having fought to right a wrong.

Chorus

Welcome home—
Welcome home—
Our brave warriors,
Welcome home,
With open arms we greet you,
For a loving welcome home.

We welcome you with honor;
Brothers, sisters—heroes all.
We stand proud within your shadow,
You who answered to the call.

We share a dream together,
But it can only be,
If we pull, as one, together,
To build a world that's free.

Chorus

Welcome home—
Welcome home—
All you heroes,
Welcome home,
We are proud and we'll remember—
Welcome home—
Welcome home.

NEW ARMS CONTROL PRIORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, under the able leadership of our colleague, Representative JOHN SPRATT, the Department of Energy and Defense Nuclear Facilities Panel of the House Armed Services Committee, commonly referred to as the Spratt Panel, took some very responsible action on the $1.737 billion request by the executive branch for nuclear weapons research, development, and testing earlier this month.

As reflected in the committee report (Report 102–60, National Defense Authorization Act, title 31, Department of Energy National Security Programs, page 386) accompanying H.R. 2100, the Department of Defense Authorization Act for Fiscal Years 1992–93, the Spratt Panel recommended "denying $151.5 million budgeted for weapons research, development, and testing [WRD&T] activities associated with the B–90 nuclear depth/strike bomb [ND/SB] and the W–91 short range attack missile-tactical [SRAM–T], and adding $159 million for WRD&T to improve the safety of the nuclear arsenal and to prepare for future restrictions on nuclear weapons testing."

Earlier this year, I made a similar proposal to the Spratt Panel. My position was based on the premise that, in the new post-cold war world setting, our Nation's security is better served by spending on effective means of assuring Soviet adherence to existing and future arms control agreements rather than spending limited dollars on exotic new generations of nuclear weapons. The resources saved by making these reductions in new nuclear weapons systems could then be used to enhance funding for higher security interests as comprehensive test ban readiness, nuclear weapons safety, and nuclear weapons production facility cleanup.

In my view, this is an important reordering of priorities—for more nuclear arms control and away from nuclear weapons development. I strongly support the process of reordering these priorities that many of us in the House have encouraged the Spratt Panel to begin last year and assume will continue into the future.

The House of Representatives has expressed itself on several occasions over the past few years on the importance to U.S. national security of achieving a comprehensive ban on nuclear explosive testing. In fact, for 3 years in a row, the House voted decisively to ban funding for U.S. nuclear tests with yields over 1 kiloton, provided that the Soviets limited their tests similarly with in-country verification. In the past the House has also increased funding for test ban verification research and established a test ban readiness program.

It is important that our Nation's security needs are reflected in new arms control priorities which stress skillful negotiations, sound agreements, thorough implementation, and careful verification of new arms agreements. And, in the nuclear testing area, the priorities should stress test ban readiness, safety, and cleanup rather than development of exotic new nuclear weapons.

REDUCTION OF TIME FOR SPECIAL ORDER

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent to withdraw my 60-minute special order and to speak for 5 minutes at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

THE MEANING OF FAST TRACK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, we are in the process of debating the Mexican Free-Trade Agreement and what it will mean to the United States. Actually what we should be debating is the merits of fast track, and exactly what it means to us under the Uruguay round and the General Agreement on Tariffs and Trade [GATT].

Our negotiators can negotiate with Mexico and as they did with Canada, but many people will not understand the full meaning of the agreements until later.

An example of what the Canadian Trade Agreement means is a letter which was written to the members of the Energy Committee of the other body by the Canadian Ambassador. In the letter, the Ambassador stated, "I am writing to convey my government's view that two provisions of S. 141, the National Security Act of 1991 and one provision of the gas policy reform bill would violate the obligation of the United States under our Free-Trade Agreement not to discriminate against Canadian products." Although, this is a friendly letter, it acts almost like a line item veto of American legislative actions.

Using the terms of the agreement, Canada protested that the United States Department of Agriculture meat inspections were too rigid. They were able to downgrade the required inspections of trucks to 1 in 15. The rest of the trucks are not inspected though a sample of meat may be contaminated.

Canada also had protested American products under GATT rules which I will discuss later.

Like many other people, I thought I understood GATT until the Baltimore Sun ran an editorial on "Trade Wars In Congress." In that editorial, one paragraph stood out about the Super 301 which was in the 1988 Trade Act.

It said, "We would add it has hurt the U.S. negotiating position in GATT because Washington is seen as unilaterally imposing conditions that are supposed to be set by universal GATT rules. This is counterproductive. An expanded GATT that would make agriculture, service industries, and patents subject to international rules is very much in the U.S. public interest."

The translation of that paragraph means that American actions in those areas will be under the review of the other members of GATT. It is important that we understand just what GATT means. Under the agreements of the Uruguay round, the members committed themselves to a standstill of new trade measures inconsistent with GATT obligations and to a rollback to phase out inconsistent trade agreements.

That means we should fully understand GATT in this Mexican Trade Agreement because the regulations—the standards of GATT will stand. Remember that GATT is both a code or rules and a forum where representatives can discuss world trading problems. Under the GATT code, Canada has demanded in an American Federal court that the United States accept Canada's asbestos claiming our safety standards are too high.

Right now, the United States is requiring owners at great expense to remove asbestos from buildings. Now the Canadians are telling us we must let it in the country. If our law is struck down, then we are back to square one with asbestos. Why should we have to lower our safety standards for this agreement?

Under GATT, Canada also is challenging the American beer distribution system and labeling system—and the administration of United States excise taxes.

Canada dumped subsidized pork in the United States, but we lost the appeal before a binational committee which ruled in favor of Canada. They claimed the Canadian pork subsidy was welfare and, thanks to the ruling of the panel, kept right on dumping in the States.

Today a letter was faxed to me from Dynasty Gas Marketing, Inc. in Houston, TX, explaining that these trade agreements are not what they seem. Although United States gas is cheaper delivered in Canada, Dynasty is stopped from selling it to the Canadian end/users. Mr. Siegel, the vice president and general manager of Dynasty explained that Canada gas has a limited pipeline system and the gas producers receive a lower price for their gas. The end/users pay a higher price than that on U.S. imported gas.

I have gone into some specifics of the Canadian agreement to explain that GATT or simply the negotiated treaty can be used to work against American business. We need to know what the Mexican Trade Agreement will mean under GATT.

One group of people who will suffer under this treaty are the people making brooms, which is a very old industry in the United States. In many States the blind make brooms for sale. Under current trade laws the broom industry is in a protected status.

Today, Mr. William Libman of Arcola, IL, wrote me giving some background of the broom industry. Benjamin Franklin initially brought broomcorn to the United States. It is a labor intensive industry which requires skilled labor to make those highly prized natural brooms for homes and offices.

This industry, which also serves the blind, will suffer a disadvantage in a treaty where the labor costs are pennies a day.

Another industry which will suffer under the Mexican Trade Agreement and GATT is the Imperial Irrigation District in Imperial, CA.

The district's president, Donald Cox reported that the Imperial Irrigation District voted unanimously to oppose the Bush administration's policy to put a proposed United States-Mexico Free-Trade Agreement on a fast track.

Under the GATT agreements the California water districts are regarded as subsidy on water and will be eliminated. Under GATT the United States has agreed to knock out the "Buy America" provisions which affects $200 billion in Government contract work.

The following States have "Buy America" provisions:

Alabama, California, Colorado, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Montana, New Hampshire, New Jersey, New York and New York City, North Carolina, North Dakota, Oklahoma, Pennsylvania, Rhode Island, South Dakota, Virginia, West Virginia, Wisconsin, and District of Columbia.

The States with a 5-percent preference for in-State suppliers will also lose this benefit. They are:

Alaska, Arizona, Arkansas, New Mexico, Wyoming, Nebraska, and Kansas.

The United States has been an agricultural nation, but under GATT we will have many provisions on credit guarantee and food aid programs eliminated as well as deficiency payments, marketing loans, and export enhancement programs.

Our aerospace industry where we are a leader and where the U.S. industry is in stiff competition with European industry will pay a price. Molybdenum is a superalloy used in aeroengine gas turbines. The turbines contain a significant amount of molybdenum. The United States bar is cheaper and thereby creates a competitive disadvantage for the European aeroengine manufacturers. That advantage for Americans also will be eliminated. Without an advantage there is no profitable trade, so why eliminate it?

The small business people also are paying a price with small business set-asides. Small business accounts for 25 to 30 percent of all the Government contracting work. By eliminating the set-aside the foreign firms can compete for the Government work.

There is just a small sampling of what GATT means and what the vote on fast track means to Americans. We have heard the argument of cheaper prices, but remember we have the largest market in the world. We also have the highest standard of living but to retain it, they must have jobs.

If this is so great then why does Prof. Robert Reich of Harvard claim that in the current trade climate only 20 percent of the Americans will do well. The other 80 percent will have to compete with workers in Third World and developing countries.

It is time for an open and protracted debate on this issue and not a fast shuffle to a fast track where we give away the store. I vote "no" on fast track.

□ 1840

FAIRNESS FOR ALL AMERICANS: PROTECTING THE RIGHTS OF OVERSEAS AMERICANS

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, this week we will debate extension of fast-track negotiating authority. Like several other trade issues, this question has assumed a great deal of importance in our work here in Congress to improve America's balance of trade.

But during my years in Congress, I have learned that there is a piece to this puzzle we have sorely overlooked. In the battle to preserve American competitiveness, we have forgotten about Americans living overseas. I see these men and women as our Nation's footsoldiers, right out there on the front lines in the battle to preserve America's competitiveness abroad.

Years ago, our economy stretched from one coast to another. But in this day and age, we operate in a global business environment where communications and transportation link Tokyo and Toronto in the same way that New York and San Francisco were once joined. To keep ahead in the world of today and tomorrow, we must learn to win at the global business game.

Americans living overseas can help us make the transition to being full participants in the new global economy. They have the insight that comes from first-hand experience in another culture—insight which is critical to succeeding in the international business world.

If we are to broaden our share of the global market in agricultural commodities, textiles, high-tech products, or information services, we must reach out to those Americans working on the frontiers of the world economy.

Unfortunately, our current laws place many obstacles in the way of Americans who want to live, work, and raise families overseas. Unless we turn this situation around, our nation will never fulfill its potential as a formidable exporting power.

To that end, I rise today to introduce three bills designed to make it easier to be an "American abroad."

The first bill is entitled "The Overseas American Children's Human Rights Act of 1991." This legislation would change current immigration and naturalization law to ensure that Americans living overseas have the same rights to transmit citizenship to their children that are enjoyed by each and every one of us living here on American soil.

Under current law, if an American citizen marries a foreign national and lives outside the United States, that citizen must have physically resided in the United States for five years, at least two of which were after the age of 14, for his or her child to be an American citizen at birth.

However, children born out of wedlock to an American abroad become citizens at birth if the U.S. parent has resided in the United States for only one year in the aggregate.

This law is antifamily and anticompetitive. It discriminates in favor of those Americans who enter into parenthood outside of marriage and imposes stringent residence requirements on married Americans who want their children to share their nationality.

My bill rectifies this situation by applying the one-year residency requirement to all U.S. citizens abroad who become parents, regardless of the circumstances of the child's birth. It also ensures that children born to Americans abroad will automatically become American citizens at birth if they would otherwise be born Stateless.

By making it easier for Americans abroad to transmit citizenship to their children, my legislation will ease their concerns about passing on the rights and privileges that come with American citizenship to the next generation.

It will also make good on our promises as a signatory of the Universal Declaration of Human Rights and the more recent Declaration of the Rights of the Child. When the United States joined other countries in approving these documents, we agreed that "all children at birth have the right to a name and a nationality." My bill will fulfill this pledge.

The second bill I am introducing is the Overseas U.S. Citizens' Representation in the Congress Act of 1991. It would establish a nonvoting delegate seat to represent the concerns of Americans abroad.

Too often, the unique problems of Americans living overseas have been ignored by the Congress. None of us represents enough Americans abroad to be able to devote adequate attention to their needs. As a result, many overseas Americans feel cut off and adrift from the political process.

Establishing a seat for a nonvoting delegate will rectify this situation by institutionalizing access to Congress for the nearly three million Americans living abroad.

Under the bill, registered voters living in foreign countries would be permitted to select a nonvoting delegate to represent their unique concerns similar to those now representing the District of Columbia, the Virgin Islands, American Samoa, and Guam in addition to the Member from their home district. With such an addition, overseas Americans will truly have fair representation.

The final bill I am submitting today, the Overseas Americans Economic Competition Enhancement Act, would amend section 911 of the 1986 Internal Revenue Code to return America to the residency-based tax system that was in place prior to 1962.

Right now, Americans living overseas face excessive double taxation—they must pay taxes to the United States and also to the nation in which they reside.

America is the only nation on earth that taxes citizens based on their citizenship, not on their place of residence. All of our competitors tax individuals living within their borders, not those living overseas.

This form of taxation discourages American companies from sending their workers abroad, and it penalizes Americans who want to set up businesses in other countries.

If we are ever to let American companies compete on a level playing field with our trading competitors, we have to remove these roadblocks to successful international commerce.

Mr. Speaker, these bills are low-cost items with high-cost returns. To get ahead in today's economy, we have to encourage our teachers, military and government personnel, and businesspeople to promote American ideals and products abroad and to bring back the best of what they can learn to our shores. With this goal in mind, I urge my colleagues to support these three pieces of legislation.

ORDER OF BUSINESS

Mr. LIPINSKI. Mr. Speaker, I ask unanimous consent that I be permitted to go ahead of the gentleman from Illinois [Mr. HASTERT] and then he follows me immediately in the order of this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CZECHOSLOVAK RESTITUTION LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 60 minutes.

Mr. LIPINSKI. Mr. Speaker, almost 2 years have passed since the democratic revolutions of central Europe ended more than 40 years of Communist rule. As we look at these nations today, we see that the euphoria spurred by the revolutions has subsided and the new governments have turned their attention to reviving their beleaguered economies. Events of the past year and a half have shown us the revival will be much more difficult and much more costly than first imagined, and the standard of living for the citizens will continue to get worse before it gets better.

Despite the difficulties, many of these nations have tightened their belts and taken the tough first steps toward creating a market-based economy. Czechoslovakia for one is taking drastic action to undo its economic malaise. The Havel government has launched an ambitious privatization scheme to put back into the hands of individuals and businesses the properties nationalized by the Communists. It is a logical step dictated by the laws of economics—competition, supply and demand, incentives to efficiency. It is also difficult to carry out.

After 41 years of Communist rule in Czechoslovakia, virtually everything is owned and run by the Government. Privatizing the land, the businesses, the farms, the factories, the apartment buildings, and the homes is not an easy task, and the process unleashes a Pandora's box of questions and problems. How privatization should be carried out, how quickly, and with what attention to the former owners are all pieces of this complex puzzle.

This last question—what to do about the former owners—is widely disputed all over central Europe. Former owners and their heirs—both large owners and small, rich and poor—are emerging to claim the property that was confiscated from them. Satisfying their demand that their properties be returned is complicated by the fact that these properties are in use and millions of current tenants could be displaced. Each nation is dealing differently with these demands, and Czechoslovakia has found a solution that is central Europe's most generous.

To be fair to the former owners, the Havel government has passed legislation to return property to its original owners if ownership can be proved. All property confiscated after the 1948 takeover up until the "Velvet Revolution" would be covered. Because it is not always possible or practical to return property—such as when a home has been converted into a school—the legislation provides for monetary compensation in those cases. Considering the havoc wreaked by 40 years of Communist rule and the difficulty in determining rightful ownership, this policy is on its face an equitable solution to a very difficult situation.

However, Czechoslovak-Americans are deeply disturbed by a serious oversight in the legislation. The law limits restitution to current Czechoslovak citizens living in Czechoslovakia and therefore excludes citizens of other nations.

To become eligible for restitution, U.S. citizens or their heirs must regain Czechoslovak citizenship and return permanently to the country within the 6 month timeframe designated by the law. The deadline will expire on September 30 of this year. Many of the people affected are naturalized American citizens—or their American-born children—who fled the tyranny of Communist rule and were subsequently convicted for leaving the country illegally. They feel it is unfair to require them to regain the citizenship of a country from which they fled persecution in order to regain their property. It is not true, as many claim, that none of these people are interested in returning to Czechoslovakia. But many are nervous about returning to a potentially unstable nation, both economically and politically.

I met last week with Czechoslovak Ambassador Rita Klimova to raise these issues. She presented a persuasive defense of the law, noting first that the final outcome was democratically achieved as a compromise between those who would do nothing for the former owners and those who would do more than the law provides. She pointed to the beleaguered economy of Czechoslovakia and the limited financial resources of the Government, and said that there was little money to pay in compensation. She explained the exclusion of noncitizens as an incentive for international Czechoslovaks to return to the nation to help in its rebuilding. The concern is that Czechoslovaks living abroad would, if not required to return, would quickly liquidate their new-found assets or simply demand financial compensation. Either would drain the economy.

I listened to Ambassador Klimova's explanation with some sympathy. Clearly the Czechoslovak economy is weak and Government budgets are tight. However, the international Czechoslovak community, and specifically the Czechoslovak-Americans in this country, have legitimate complaints. They were not consulted by the Czechoslovak Government in adopting this provision and they were given no explanation until after the restrictions were in effect.

The Czechoslovak-American community feels insulted. For many years they have kept their culture alive and have maintained a keen interest in the events of Czechoslovakia. As people who fled the country only to escape tyranny, they deserve recognition from the new Government. Instead, they have been ignored. From a struggling nation that depends greatly on the friendship and support of the international community, the lack of consultation was a mistake.

We in Congress, Representatives of 3 million Czechoslovak-Americans, have maintained a friendly relationship with the Havel government during these transitionary years. We welcomed President Havel to America with open arms, and we are aiding

Czechoslovakia in its attempt to pull out of its economic quagmire. With the President, we have granted Czechoslovakia most-favored-nation trading status and contributed to the European Bank for Reconstruction and Development. We are also in the process of extending money to Czechoslovakia as part of the Support for the Eastern Europe Democracy Act, known as the SEED Program.

So we are doing our share and they are doing theirs. But we cannot forget the interests of Czechs and Slovaks in America. As we look to broaden our ties with Czechoslovakia, President Havel must recognize our commitment to Czechoslovak-Americans, as well as his own commitment to them. He must see that ownership rights cross international boundaries and that, at a time when Czechoslovakia is pursuing liberal economic reforms, a policy that says otherwise is questionable. In a letter many of my colleagues are joining me in sending to President Havel, we ask him to reconsider the restrictions on this restitution law. Then and only then will all victims of the Communist regime be justly and properly compensated.

□ 1850

SOCIAL SECURITY EARNINGS TEST

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Illinois [Mr. HASTERT] is recognized for 60 minutes.

Mr. HASTERT. Mr. Speaker, tonight we are going to have a number of speakers here talking about the earnings test on Social Security.

The first gentleman I would like to yield to is the gentleman from Oklahoma [Mr. INHOFE], who has been a leader on this for a number of years.

Mr. INHOFE. Mr. Speaker, I thank the gentleman from Illinois for yielding. Unfortunately, because of a previous commitment, I will not be able to stay for this special order. But it is something, judging from the reaction I get from the multitude of town hall meetings that I have had, that it is in the minds of many people in Oklahoma, many older Oklahomans, and is the No. 1 concern they have, of all the concerns.

Mr. Speaker, how many people have you met that look forward to the day of retiring, and then they retire, and then a few weeks later they die. This has happened over and over and over again. Because we are telling these people they can no longer be productive.

Mr. Speaker, I have often wondered, and would hope that the gentleman from Illinois [Mr. HASTERT] can address this, of what has happened to the ideals with which we were raised? I can remember, in fact a lot of this was in the State of Illinois, out in that little country school area outside of Springfield, IL, I had always been told in growing up that this is a productive Nation, that we want to encourage Americans to be productive.

Now what are we doing to encourage productivity? We pass a law that is on the books that says to people after they reach a certain age, you may no longer be productive in our society.

Of all the discussion we have on the imbalance of trade, you do not have to be a Ph.D. in economics to come up with the answer as to why we do have this imbalance. I believe it was George Will who put it in very simple terms. He said it very simply. We in America are consuming more than we are producing. So it would only seem natural we as Government would try to put as many incentives into productivity as possible.

Yet we have just the reverse incentive. We are saying to people, no, you cannot be productive any longer.

If I could single out one thing that bothers me, and I hope that other Members will address this, because I do not think it is just an isolated case, in town hall meeting after town hall meeting I have had older people come up to me, ashamed, in their upper sixties and seventies, and say, "For the first time in my life I have done something dishonest. Government has forced me to lie."

Mr. Speaker, we talk quite a bit about what is the cost of the elimination of the earnings test. We hear these inflated figures. I would suggest there are so many people out there, there is no way in the world of putting a price on this, who are lying and not reporting income, just so that they can be productive.

Mr. Speaker, these people come up and say, "Government has forced me to lie and to be dishonest for the first time in my life."

So I suggest to the gentleman from Illinois [Mr. HASTERT], as well as the gentleman from Arizona [Mr. RHODES], who were good enough to bring this special order and call to the attention of the Speaker and the public, that there are many issues to be discussed here, and these issues go beyond economic issues and become moral issues.

Mr. Speaker, I appreciate very much the opportunity to share these thoughts.

Mr. HASTERT. Mr. Speaker, I appreciate the gentleman from Oklahoma bringing out these issues and really some real stories from the heartland of this country. It is a tax policy that we have in this country that forces people not to be productive, not to work, and forces people to sometimes go into the underground market. The gentleman is absolutely right. I appreciate the gentleman from Oklahoma [Mr. INHOFE] relaying his experience.

Mr. Speaker, at this time I yield to the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Speaker, I appreciate the gentleman yielding.

Mr. Speaker, I rise in support of H.R. 967, the Older Americans Freedom to Work Act to repeal the Social Security earnings limit and urge my colleagues to do the right thing and back this bill. As you know, complete repeal of the earnings test would allow senior citizens to take back control of their lives from the Federal Government and keep many seniors safe from Government-imposed destitution.

Every day I receive letters from seniors who can't afford to save for future medicines and basic health care. They want to work to supplement their income, but the earnings limit makes it difficult for them to do so. The federally imposed earnings limit ensures that in the future more and more senior citizens will be left without savings and wholly dependent on Government benefits for their survival. We need to protect seniors from Government programs which push seniors out of the work force and into the rocking chair. With the shrinking labor pool, this will become all the more pressing a problem in the coming decade. Let's work together to repeal the unfair Social Security earnings limit.

□ 1900

Mr. HASTERT. I thank the gentleman from Ohio for bringing forward his concerns on this.

It is interesting when we look at who is affected by this. As the gentleman from Ohio brought out, it is just not seniors who have a great deal of earnings coming in. It is the people who have worked for a living that get penalized on the earnings test. It is only people who earn income.

Mr. Speaker, at this time I would like to yield to the gentleman from Georgia [Mr. DARDEN], from the other side of the aisle. He has been a leader in this area and has authored legislation and worked with us. We would like to have him really kind of enlighten us on this a little bit further.

Mr. DARDEN. Mr. Speaker, I appeciate my friend yielding to me.

Mr. Speaker, I believe all Americans today owe a very special debt of gratitude to our good friend from Illinois [Mr. HASTERT], because he has brought to the forefront I think one of the most important issues in America today. He is the author and now has obtained 242 cosponsors to his legislation, H.R. 967. I am a cosponsor of that legislation, and I have also introduced a similar bill, H.R. 1368, which eliminates the earnings test for all Social Security recipients beginning at the age of 62 on up.

But regardless of which approach we take, I think the gentleman from Illinois has been a real leader in this area, and I think he has touched a nerve there that needs very strong consideration by Members of Congress.

After hearing my good friend, Congressman MILLER, speak just a few moments ago, it reminds me, Mr. Speaker, that we have a lot of Members of Congress who have attained the age of 62 or 65, and I think the examples we see them setting here in Congress today should indicate to us that they are certainly some of the most productive Members of this body. I think as we stand here in Congress, and as we debate, and as we talk, we have before us some very fine examples of men and women who not only are in their sixties, seventies, but even in their eighties doing some of the most productive work.

By forcing older individuals to choose between working and receiving full Social Security benefits, the earnings test sends an unmistakable message to working older Americans that we do not want them in our work force. It tells them that if they choose to work, they will be penalized by losing the hard-earned Social Security benefits that they have counted on to help them in their old age. By way of a severe financial penalty, we are unfairly forcing senior citizens who are eager to work out of the workplace.

It is my belief that our Nation's laws should not discourage those who want to work from doing so. It is unfair to deny our seniors the well-documented psychological and physical benefits of work, not to mention the extra income that many families desperately need to supplement an often meager Social Security check. Any argument to the contrary would merely reinforce the unfounded notion that older Americans do not need or do not want to work.

The Social Security earnings test is unfair to older workers who choose to work. However, it is devastating to those workers who must work. This reality is ignored by those who claim that repeal of the earnings test would merely benefit the wealthy. On the contrary, the earnings test would reduce the Social Security benefits of a full-time worker making the minimum wage, while a truly wealthy senior who receives passive income from interest and dividends can still receive 100 percent of his or her benefits. Should the United States reward those who have inherited stock, while at the same time penalize those who have never been in a position to receive income for anything other than an honest day's work? I do not think so.

Finally, I would like to bring attention to the fact that the unfairness of the Social Security earnings test extends far beyond the millions of older workers directly affected by it. The earnings test unfairly deprives the United States of the talent and expertise of a class of workers that has made our Nation great. By forcing seniors out of the workplace, we resign ourselves to relearning what our elders already know, to making the same mistakes over and over again. Why not encourage older workers to share their tremendous wealth of experience? Millions of older Americans stand ready to reenter the job market. To discourage them from doing so robs them of the many rewards of work, and robs us of the fruits of their labor.

In closing, Mr. Speaker, I would like to inform the House and my good friend from Illinois of a study done recently which was in an article in the New York Times, I believe, just yesterday. These studies, carried out by several corporations around the United States of America, actually showed that workers over 55 are more dependable, they are more reliable, and in many instances more capable and more competent and more conscientious than their younger counterparts.

I think we owe a special thanks to the Days Inn Corp., based in Atlanta, GA, which has found out that the rate of turnover among workers over 55 is much less, that the degree of absenteeism is much less, and that the overall capability and lack of mistakes is far superior to that of younger workers.

So I think, Mr. Speaker, we need now to say that we have an idea whose time has come, and I am just glad to be a small part of this bipartisan effort to make this become possible.

Mr. HASTERT. I thank the gentleman from Georgia. I think he would probably have to agree that probably in his district like in my district those folks who have earned a lot of money all of their life, and have accumulated pensions and investments and rent and interest are really exempt, but it is the people who have worked by the sweat of their brow, week in and week out, and punched the time clock, or tended the fields, or done those tough types of labor jobs that never had the chance to accumulate wealth, and never really had the chance to put that money aside for a pension, these are the people, the very people who are being penalized. So it is the blue collar, working-class American that we are saying listen, you cannot work anymore. We are going to tie you down to at most a $10,000 Social Security stipend base, and then maybe you can earn $9,000. But after that you are penalized as being a low-income earner not only in your whole lifetime but also in your senior years. The gentleman from Georgia is right, it just is not fair, and I thank the gentleman from Georgia.

Mr. DARDEN. I thank the gentleman from Illinois for allowing me to participate with him tonight.

Mr. HASTERT. Mr. Speaker, I yield to our colleague from California [Mr. McCANDLESS].

Mr. McCANDLESS. Mr. Speaker, first I want to thank my colleague from Illinois [Mr. HASTERT] for taking out this special order to focus attention on a problem which needs to be solved, a serious social problem.

The earning limit tax is blatantly unfair and discriminatory against older workers, as it penalizes those who choose to work beyond retirement age. This is an undue hardship on seniors who are able to work, and it must be repealed.

The Social Security earnings limit is a relic of the Depression. It was designed to keep older people out of the workplace and to allow more existing jobs to go to young people. In the static economy of the time, when jobs were few and far between, and when no new jobs were being created, it seemed an economic necessity.

Now, however, there are more opportunities, and employers are willing to hire older workers, who have the experience, and the patience that comes from experience, to do a good job.

That is why I first introduced legislation in 1985 to repeal the Social Security earnings limit, and have reintroduced that bill in every Congress since. This legislation would allow America to use the experience and expertise of older workers without subjecting them to penalties.

Let's not keep our seniors sitting on the sidelines. Many older workers would like to continue to work in some capacity in order to supplement their Social Security benefits, and to maintain a feeling of being useful. The Social Security earnings limit keeps seniors out of the work force.

This year the earnings limit is $7,080 for those who have signed up for Social Security and are under the age of 65. Those between the ages of 65 and 70 can earn $9,720 before their Social Security benefits are reduced. Once the earnings limit is reached by a beneficiary under age 65, benefits are reduced $1 for every $2 earned over the limit. For the beneficiary between 65 and 70 years old, benefits are reduced $1 for every $3 earned over the limit. So we have our older workers, after they have reached the earnings limit, essentially having to work for half pay or two-thirds pay for the remainder of the year. It's a steep tax on older workers at a time when they can least afford it.

Mr. Speaker, this is unfair discrimination on the basis of age. That is why I am supporting the Older Workers Freedom to Work Act, to repeal the Social Security earnings limitation, and I urge all my colleagues to join in this fight for fairness.

□ 1910

Again, I want to thank my colleague for taking out this special order. It is time that we move and have some action on this subject.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from California. He points out that really the Social Security earnings test is age discrimination. I guess it is as pure and simple as that. That is why leading corporations and businesses around the United States today such as Sears Roebuck and Days Inn are looking for seniors to be people who can be productive in their work force and not just productive individuals but people who can lead and train other employees.

I really appreciate the gentleman from California enlightening us on the issues from his perspective in his district.

Mr. Speaker, I yield to the gentleman from Florida [Mr. GOSS], who has quite a number of seniors in his district.

Mr. GOSS. Mr. Speaker, I thank my colleague, the gentleman from Illinois, for yielding.

Mr. Speaker, I must begin by commending my colleague, the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for doing an absolutely outstanding job of bringing together the forces that realize just how unfair the earnings test is and focusing on it and getting some action going.

This has been going on for a number of years to try and get to the moment when we move legislation. With 242 cosponsors now, you deserve a lot of credit.

I want to talk a little bit more about the championing of the repeal of the earnings test and why it is necessary. I think our colleagues who have gone before have said it quite well and hit a number of points.

There are several things yet that have not been covered. H.R. 967, which is the repeal vehicle, would boost the effectiveness of the Social Security Act by freeing older workers from penalties levied on their earnings. I think that is a critical point in a tough budget year.

I think truthfully the repeal bill is a bill which is good for older workers. It is good for business. It is good for government. And it is good for America. And to use an old line, it is probably good for General Motors, too.

I would challenge almost anybody to walk down the street anywhere in America today and ask somebody if they think the U.S. Congress is logical. The chances are, I think, that you would get an answer that there is a great deal of illogic in what goes in Congress, and perhaps this earnings limitation test is as good an example as any.

We are telling retirees collecting Social Security benefits that if they seek to gain, they lose. Not only did we place our senior citizens in an extreme disadvantage, but we are constraining their earning potential at a time when they really are most dependent on their income as has been noted by almost everybody who has addressed this subject.

We are not talking about people who are trying to go out there and buy boats or add on to their house. We are talking about people who are trying to put groceries on their table, pay the rent, get their prescription drugs. These are the things, the stuff that my mail is made up of when I hear from senior citizens on this subject.

The truth is that an awful large percentage of retirees in my district are, in fact, affected by this, and they are very, very frustrated. We have been getting mail all along, and we are now getting a good deal of applause, because there is hope for the first time.

Again, I think the gentleman from Arizona [Mr. RHODES] and the gentleman from Illinois [Mr. HASTERT] and the others who have carried the water thus far deserve credit, and I hope that people understand that.

Folks in my district are watching inflation as we all are and escalating health-care costs which are particularly pertinent to some of our senior citizens, eating away at the retirement benefits that they planned for and they have husbanded and they have been good savers, and yet they see that they are getting further and further behind the fiscal curve.

What do they do? They say, "Well, I am a good American. I am going to go out and work." What do we do as Congress? We say, "If you do, we are going to penalize you." That just does not make any sense.

There is this misconception that has been addressed that it is the wealthy that benefit, will only be the beneficiaries of the repeal of this tax. Well, that is ridiculous.

I think, as my colleague from Illinois has pointed out, the earnings test applies only to earned income, so we are really talking about the people who need the money being able to earn the money without being penalized.

Florida 13, which is my district, which is the southwest coast of Florida, running from Sarasota down into Naples, has got one of the largest numbers of senior citizens who are affected by the earnings test. So when I speak to this subject, I speak with some feeling about it, because I talk to these people and hear their stories, and I am sure we all have stories.

I have many constituents who have confided to me, as the gentleman from Oklahoma said earlier, that they are forced to falsify information in order to be able to go out and work to get the money they need to get on with their lives, and this does not make them happy. It is not their way.

Anything that we do that forces them to do that is clearly intolerable on its face. Even if there were not a lot of other good reasons why we should get rid of this test, that is one of them. I have got a situation, a gentleman from Tice, FL, a Mr. Milton Ludlow, who called us recently, in fact, while I was sitting here earlier this evening, Mr. Speaker, a note was delivered to me from my office.

The situation with Mr. Ludlow is that he comes from Tice, FL. That is not an affluent place at all. It is a place of workers, a nice community spirit, people who go out and understand what it is to get up in the morning, to go to work, put in a hard day's work and get a good day's pay for it. Mr. Ludlow inadvertently exceeded the earnings cap. He did not understand all the fine print, had not read all the letters. I understand he is a printshop operator in the high school system earning some extra dollars.

It turned out that what happened is that he got penalized $5,579 in taxes reclaimed by the earnings test over a period of a couple of years. This has been going on. On top of that, he was penalized an additional $4,237 for a grand total of $9,816 to come out of this gentleman's pocket. Now, what that means is he is giving up $10,000 which he would have had to reinvest in the economy one way or another. He no longer has that money, and I have just been informed that he is in danger of losing his house because he now cannot keep up his mortgage payments because he no longer has the income plus he has had this $10,000 whack taken out of his life, and a big problem in their lives, apparently, is paying the premiums for his wife's health insurance, which we all know is another subject, the high cost of health insurance.

We have done a series of things ganging up on our senior citizens here, and we need to do something about it. This is an easy way to do something about it.

I think most of the other points that I wanted to refer to tonight, speaking to this repealing this test, have been covered by the others, and I know there are others who have words and thoughts that they want to convey.

But my colleague from Illinois needs to know that what the gentleman referred to previously, the gentleman from Georgia it was, referred to previously about the work ethic of the older people is true. We have studies for that. We all read it in the New York Times yesterday, but we knew it anyway, those of us who deal with senior workers in our communities.

The fact, now, that somebody has come out and says that our senior citizens have a better work ethic, a lower rate of absenteeism, and more dedication to the job, that is nice to hear it, but we knew it anyway, and it is true. Consequently, why then are we penalizing these people when there are all of these benefits?

The only reason I keep hearing is that because we cannot balance the budget.

Now, I do not know who is cranking the numbers these days, but I did a little home arithmetic.

If we are dealing with 6 million unemployed Americans over age 55 ready and able to work and you go through some basic elementary multiplication on the earnings-test limitation and what the likely product of their work would be of putting them in the workplace and putting the dollars that they earn back into the workplace and without even including all the extra problems we are making for ourselves in the Social Security area by creating problems like having people not be able to pay their rents, then it seems to me that the numbers that I come up with are right, that this is a revenue-positive repeal, and I think that is a very important point.

Mr. HASTERT. On that point, studies that we have right here show that if we, say, take a modest proposal of the earnings test, and say there is an earnings test of $40,000 instead of the earnings test that we have today, that those numbers would allow 700,000 people to go back to work. It would create an increase in the gross national product and economic activity in this country of $15.4 billion and bring a net return to the Federal Government of $3.2 billion.

□ 1920

So those people that say this will cost America, it will cost taxpayers, are just flat wrong. We need to look at the dynamics of this, instead of looking at the straight figures that CBO gives from time to time.

Mr. GOSS. Mr. Speaker, I thank the gentleman for letting me have this much time to share thoughts. They are very personal to me and a matter of great interest in our district. The earnings test has outlived its usefulness, but our workers have not. I think we need to get on with that.

Mr. HASTERT. Mr. Speaker, I yield to my colleague from the Florida Sunshine State.

Mr. BILIRAKIS. Mr. Speaker, I too take the liberty to thank the gentleman from Illinois [Mr. HASTERT] and of course the gentleman from Arizona [Mr. RHODES] and others who have worked with him over the years on this issue.

It is an issue that affects, as has been said so well by many before me, most Social Security recipients of all ages, but particularly older Americans. However, we have to emphasize "all" ages. There are plenty of illustrations. Eliminating the earnings test for all Social Security beneficiaries is a concept which is as American as apple pie and which I have supported since I became a Member of Congress in 1983. However, it was not until the gentleman from Illinois [Mr. HASTERT] came aboard with the gentleman from Arizona [Mr. RHODES] that the proper leadership came into the Congress to lead Members in this regard.

I have cosponsored legislation this year, as well as I did in my prior Congresses, introduced by the gentleman from Illinois [Mr. HASTERT], to remove the earnings test completely for those persons age 65 to 69. I have also cosponsored the bill of the gentleman from Texas [Mr. ARCHER] to remove Social Security earnings test for persons receiving survivor benefits, or persons who retire early, and persons age 65 to 69 years of age as well. I think it is very important that we consider those people who are not in that age bracket, but who are also drawing Social Security for one reason or another, such as disability, or the loss of the earner in the family.

I support both the approaches because I believe this will encourage more Americans to either seek employment or to continue working, depending on their situation. My congressional district, and we all tend to talk about our congressional districts because after all this is a republic and we represent those good people back there, but my district includes in addition to Hillsborough County, FL, that surrounds the city of Tampa, Pasco and Pinellas counties, which similarly have one of the highest concentrations of senior citizens in the country.

Since I was elected, as others have said earlier, I have heard many negative comments about the current earnings limitations from those constituents. Most complaints are from retired persons wishing to return to the work force, and I dare say, we never had, and I probably speak for other Members of the House, we have never had a town meeting when someone, at least one person, raised the point. I recently heard from a younger mother who has been receiving Social Security survivor benefits since losing her husband in a drunk driving accident, which was not his fault. After her husband's death, this woman put herself through college so she could have a career to support a small family. In her letter to me she expressed her dissatisfaction with the current law, saying it has been very difficult to raise her son without the Social Security benefits. She tells me she feels she would not survive, a young woman who suffered tremendous tragedy, tremendous adversity, and had the guts and stick-to-itiveness to put herself through college to learn a career, to be able to take care of her young son and herself. Yet they penalize her by virtue of saying that any amount that she might earn over and above that certain figure will be offset.

The message, regardless of whether it is a senior citizen or a young widow is still the same, my constituents believe that the earnings limitation is unfair. Our constituents, all over this country of ours, believe that the earnings limitation is unfair. After all, who do we work for? We work for those constituents. I have given them my word that I will work with my colleagues to repeal the earnings test as swiftly as possible.

As has been explained earlier, for the beneficiary 65 years of age to 69 years of age, the current loss of $1 for every $3 earned above $9,720 is bad policy. For persons who receive Social Security survivor benefits, the young lady I spoke about earlier, or who might retire by age 62, the loss is $1 for every $2 earned above $9,720. Congress, as has been said so well better than me by others, should be encouraging, Congress should be encouraging. After all, that is what America is all about. We should be encouraging these people to continue to be productive, contributing members of our society. However, instead of encouraging them, we are discouraging them by limiting their Social Security benefits, benefits that many have earned by working most of their lives.

Realistically speaking, Mr. Speaker, older Americans are living longer, as we know. I believe the fastest growing age bracket are those over age 85. They are living longer and healthier lives. As a result, they will be able to continue to work and offer many attributes to our society through wisdom, expertise, through practical everyday type of experience, and not to mention their payroll taxes for longer periods of time.

Mr. Speaker, the gentleman from Florida [Mr. GOSS] and others, and I know other speakers before the evening is out, will explain that we are talking about a positive to the Treasury, rather than a negative if we were to repeal this earnings test.

Our country's current recession requires many beneficiaries must supplement their Social Security benefits with additional income. I do not believe they should be penalized for wanting to work. If older citizens want to work past the traditional retirement age, I think they should do so without having their Social Security benefits reduced based on formulas created by Congress. Certainly it must border on unconstitutionality.

I come from a family of Greek immigrants who literally live to work. I know many persons who would wither away and die if they had to stop working. For these people, their jobs are where they get their feeling of self-worth and self-confidence because they have worked for many years. Why should they be forced to stop working? This is what this limitation is doing, forcing them to stop working. Is it fair to place rigid financial restrictions on them just because they turn age 65? I am not that far away from that point. I hope I could continue to work afterwards. Or, if they become disabled, or have untimely deaths in their family? I do not think so.

Tomorrow, Mr. Speaker, the subcommittee under the Committee on Ways and Means will be hearing testimony from witnesses who agree with me and many of my colleagues. There are 224 colleagues, which I understand is the latest number, who cosponsor this legislation. It only takes 218 to pass a piece of legislation in this august body. For crying out loud, the majority of the Congress representing the majority of the American people want a change insofar as this area is concerned.

Before the subcommittee members tomorrow hear our thoughts on this matter, I would like to imagine what it would be like for them to have a portion of their Social Security benefits withheld, benefits which they earned, after a lifetime's work, because they merely want to contribute, to contribute to the society when they turn age 65.

The answer is clear. It is clear by retaining the earnings test we are discouraging people from continuing to work.

I hope the subcommittee will see the injustice of this twisted logic and try to work with Members in order to resolve this situation. Not only will our Social Security recipients benefit from this decision, not only will our Treasury benefit from this decision, but so will the rest of our society.

Again, I thank the gentlemen, particularly the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for being great leaders on this subject.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Florida for his leadership and hard work he has played on behalf of lifting the earnings test.

Mr. Speaker, I yield to the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Speaker, along with many other Congressmen, I stand here today to endorse the gentleman from Illinois, Mr. HASTERT's, Older Americans' Freedom to Work Act. This act will remove one of the most unfair burdens imposed on small businessmen and senior citizens—the outside earnings limit on Social Security benefits.

If a senior citizen continues to work, the outside earnings limit imposes a tax on their Social Security benefits. This earnings limit, is effectively a disincentive to all senior citizens who wish to contribute to their own welfare, and to the productivity of the business sector.

Specifically, this earnings limit requires Social Security to deduct $1 of benefits for every $3 earned above the ceiling of a senior's allowable annual income. This earnings limit is effectively a 33-percent tax. Under current law, beneficiaries aged 65 through 69 can earn up to $9,720 before this tax is imposed. The Social Security earnings limit, combined with Federal, State, and other Social Security taxes, can amount to a shocking 70-percent tax bite on any income earned above this limit. Older Americans who wish to work should not carry a tax burden half this size.

The outside earnings limit discourages, and in some cases prevents, thousands of older Americans from continuing to exercise one of their most fundamental rights: The right to work. It also denies our economy of the productive participation of skilled, experienced workers.

The New York Times ran a story yesterday, entitled, "New Study of Older Workers Finds They Can Become Good Investments." In that article, Dr. Eli Ginsberg, director of the Eisenhower Center for the Conservation of Human Resources at Columbia University notes that: "With each passing year there will be more and more upper-age Americans interested, able and desirous of working. Unless the country wants to pay additional taxes to support a lot of elderly people, it makes more sense to offer them the opportunity to work and earn an income." I strongly agree with Dr. Ginsberg's assessment. There are older Americans in ever-increasing numbers who have proven themselves to be reliable, hardworking employees. Let us give older Americans the incentive to bring these assets to our work force.

The strength of America's workforce is also hurt by the Social Security earnings test. Many small businesses in Florida are already dependent on the contributions of an older work force and are adversely affected by the earnings test. Demographers tell us that between the years 2000 and 2010, the baby boom generation will be in its retirement years. With fewer babies being born to replace them, we are looking at a severe labor shortage. In the 1930's, when this limit was devised, encouraging the elderly to leave the work place might have been seen by some as a positive act. It was mistakenly designed to increase job opportunities for younger workers. Today, in 1991, with our shrinking labor force, such a policy is archaic and must be changed.

Repealing this limit would reduce the burden of needless paper work and bureaucracy. In order to police the earnings levels of our seniors, the Social Security Administration spends more than $200 million to administer the earnings test. It is unconscionable that after spending $200 million to monitor income levels, the earnings test is still responsible for 60 percent of all Social Security overpayments, and 45 percent of all underpayments. Let us remove this bureaucratic stumbling block.

A recent study by former U.S. Treasury Department economists shows that removing the outside earnings limit would actually produce an additional $3.2 billion in revenue. Removing the limit would encourage an additional $700,000 senior citizens to continue working. This would increase the revenues collected because a larger work force will be paying income and Social Security payroll taxes.

The repeal of the Social Security earnings limit would bring high quality workers into an ever-shrinking labor pool. It would raise revenues and cut bureaucratic waste. But, certainly one of the most compelling reasons for supporting a repeal of the earnings limit is the direct benefit it will be to the older Americans in our congressional districts.

□ 1930

Mr. HASTERT. Mr. Speaker, I thank my colleague, the gentlewoman from Florida.

Mr. Speaker, I yield to the gentleman from Florida [Mr. HUTTO], a gentleman on the other side of the aisle who certainly has been a diligent worker on this issue and has been there every time we had a hearing and a rally.

Mr. HUTTO. Mr. Speaker, I thank the gentleman very much for yielding to me.

Mr. Speaker, I appear before the House today in wholehearted support of the Older Americans Freedom To Work Act, H.R. 967. I commend my colleagues, Mr. HASTERT and Mr. RHODES, for all of their work and efforts in bringing this issue the attention that it deserves.

Now that more than 240 Members have joined in support of H.R. 967, I hope that we have the opportunity to vote to end the inequitable burden placed on America's older citizens by the Social Security earnings test. Without a doubt, the earnings limit is grossly unfair. The earnings test not only denies some of our most productive and experienced citizens the opportunity to help support themselves, but also prevents them from contributing to our Nation's economy.

Because Americans retire or simply desire to enjoy the fruits of their labor, does not mean that they are unwilling to work. Moreover, because individuals elect to receive Social Security benefits does not mean that they do not need to work. To the contrary, many individuals must work because their Social Security benefits or pensions do not fulfill their basic living needs. The deficiencies of the Medicare Program and the skyrocketing cost of health care have only heightened the need for many older Americans to continue working.

The earnings test was originally implemented because Social Security benefits were designed to assist only those individuals who were truly retired. Clearly, the societal demands on Americans negate the original purpose of the earnings test. While the Social Security Progam has served this Nation well for many years, I regularly hear from constituents who express concern for the shortfalls of the progam. Certainly, the most common complaint I hear is related to the earnings test.

Finally, I will approach this issue from a personal perspective. There are many Members of Congress that are currently eligible for Social Security retirement benefits. I ask my fellow older Members of Congress if they would be content to limit themselves, the way we currently limit the lives of our country's retired citizens. I know that I am not ready to reduce my activities and I do not believe that you are either.

People are living longer and leading very active lives far beyond retirement. For older Americans, the opportunity to remain active participants in society is much greater today than it has ever been. It is now time to permit older Americans to live the lives to which they are capable. Mr. Speaker, it is time to eliminate the earnings test and I urge all Members of Congress to support H.R. 967.

Mr. HASTERT. Mr. Speaker, I appreciate the gentleman from Florida coming here this evening and giving us his perspective on this earnings test.

Mr. Speaker, I yield to the gentleman from New Hampshire [Mr. ZELIFF].

Mr. ZELIFF. Mr. Speaker, I would like to thank my colleague for yielding to me.

I would like also to congratulate the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for their leadership.

You know, as I do the average of four town meetings every weekend up in New Hampshire, there has never been a more important critical issue than the issue facing our seniors who live on fixed incomes. As we all campaign, I feel and felt then that we can all individually make a difference. A "yes" vote on this amendment will make a big difference for the people who we serve.

Mr. Speaker, I wish to express my strong support for the Older Americans Freedom To Work Act, which would repeal the Social Security earnings test instituted in the 1930's. The result of this outdated provision has been to move older Americans out of the work force to make room for younger Americans. During the Great Depression, it was an important and certainly necessary piece of legislation, but its value has long since expired.

Under current law, seniors age 65 to 69, who make more than $9,720 annually, lose $1 in Social Security benefits for every $3 earned over that limit. Our Nation's elderly can hardly afford to absorb such a penalty. The skyrocketing costs of health care combined with the steadily rising costs of living have made supporting oneself and one's family increasingly difficult. Add to this bleak scenario the Social Security earnings penalty, and it becomes nearly impossible for older Americans to comfortably make ends meet.

In response to those who claim that a repeal of the earnings penalty will hinder our economy, I submit that such a move will, in fact, significantly boost our current economic situation. Any increase in Social Security benefit payments will be more than offset by the increase in Federal revenues generated from the new taxable income of elderly workers.

Mr. Speaker, in order to remain globally competitive in the 21st century, it is clear that we will have to use every available resource, especially in the U.S. work force. We must do away with obsolete policies such as the Social Security earnings test, and encourage all Americans, including our Nation's seniors, to remain productive and hardworking members of our society.

I strongly urge my colleagues to support H.R. 967.

As a small businessman myself for the past 32 years, I do not know of a dumber law that is on our books—and excuse me for using that expression—than one that discourages people from working. It is un-American, it is unfair, unproductive and just plain dumb. Let us get on with it, let us pass this very, very important piece of legislation.

Mr. HASTERT. I thank the gentleman from New Hampshire. I might ask the gentleman while he is in the well, since he certainly comes out of the small business sector in this country, being in the restaurant business and the inn business, there is a demand for productive older citizens in this country from the gentleman's perspective, is there not? The gentleman has told me that before, and I think he might say something about that.

Mr. ZELIFF. I might just pass this on. In our three small businesses up in New Hampshire we employ 52 people, in the White Mountains of New Hampshire. The bulk of these people are senior citizens.

Mr. Speaker, the National Restaurant Association this weekend passed a resolution in support of this resolution. Also, the American hotel/motel people. Seniors provide a very strong and very valuable asset. We should encourage them to work. They are a tremendous asset for our industry. We cannot do it without them.

Mr. HASTERT. I thank the gentleman from New Hampshire.

At this time I would like to yield to a colleague from the State of Ohio, Mr. DAVE HOBSON.

Mr. HOBSON. Mr. Speaker, I rise today in support of H.R. 967, the Older Americans Freedom To Work Act of 1991. I commend Mr. RHODES and Mr. HASTERT for introducing this important legislation and coordinating the special order.

I cannot imagine a Congress in which the Members were encouraged to retire at age 65—regardless of their health or ability as a legislator. Nor do I care to imagine the experience and wisdom that would be lost if an arbitrary age limit forced our colleagues to retire. Yet that is what we currently ask of our constituents—to retire at an arbitrary age regardless of their health or ability to work.

The earnings test on Social Security benefits is a strong disincentive to work. Because earnings tests are so low, almost all full-time older workers lose a portion of their Social Security benefits—even if they are working for minimum wage. Many of the older workers affected by the earnings test accept lesser paying jobs or quit working altogether to avoid the earnings test. Older workers suffer from a reduced standard of living and America suffers from a loss of valuable experience and skills.

When it was enacted, the earnings test made sense. It was intended to encourage older workers to make way for the younger, unemployed workers of the great depression. But times have changed. By the turn of the century less than 2 million young people will be entering the work force to fill more than 5 million vancancies created by older Americans.

Repealing the earnings test makes sense for several reasons.

First, the earnings test is applied to income from work, not income from private pensions or interest. Men and women who work to support their retirement are penalized by the earnings test while upper-income persons who receive investment income are not. The earnings test is unfair to men and women who need additional income in retirement.

Second, the earnings test is difficult to administer—over one-half of the overpayments to retirement and survivor programs are due to the earnings test.

Third, while it is possible that more people would receive more benefits if the earnings test is repealed, it is also true that people would work more and pay more in Social Security taxes, offsetting much of the impact of an increase in benefit payments.

Finally, repealing the earnings test is a matter of dignity.

Older workers add dignity to the American work force. They are dependable and motivated workers who contribute to the work force a wealth of knowledge and a lifetime experience.

As older Americans live longer, healthier lives, work becomes more than just a source of self-support—work becomes a source of self-esteem. Older Americans deserve the dignity to be able to choose what keeps them young, and if it is work that keeps them young, then they should be free to work—without the threat of lost retirement benefits.

Again, Mr. RHODES and Mr. HASTERT, thank you for your work on this issue and allowing me the opportunity to express my support for The Older Americans Freedom to Work Act.

Mr. HASTERT. I thank the gentleman from Ohio, who makes a very good argument why this onerous act should be repealed.

It is certainly, a remnant of the Depression. And it is time we get back to the 1990's thinking.

Mr. Speaker, I yield to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I thank the gentleman for yielding.

Mr. Speaker, I would also like to extend my thanks to the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] for allowing us to participate. I would also like to draw attention to the fact that of the speakers, the majority are from the freshman class, both Democrats and Republicans, who are in support. The numbers of 240 that you had are going to be much increased by the freshman class from both sides of the aisle.

Mr. Speaker, I have one problem with the Older Americans Freedom To Work Act. That would be that I would prefer to call it the Chronologically Gifted Freedom To Work Act. I think if we think about it, instead of older Americans, senior citizens, if we think of it as chronologically gifted, I think it would be a much better direction.

I believe my colleague, the gentleman from Florida [Mr. BILIRAKIS] and the gentleman from Florida [Mr. HUTTO] would agree also.

They tell us that some of the most critical and important things that we can do while we are in Congress here are to work toward education, medical care, for our chronologically gifted. I would like to submit to you that we have a plan in my district of San Diego to where it is not a gift but they are trying to establish a senior citizens home, low-income housing to where at least 50 percent of the senior citizens would be employed and they would also be employed to work with working mothers to give them the advantage of going to work. But on the other hand, the same senior citizens would help working mothers, would help people get off the welfare rolls, help people get a job, and they are being penalized, and it is just not right.

With today's seniors, we have the skill and experience which are demanded in the job market. Why should senior citizens receiving Social Security work if everything they receive over $9,700 is taxed? To me it is just not right.

Repealing the earnings test would deprive the Federal Government of billions of dollars in taxes, we are told. That is just not true. It is a win-win situation, and I am in full support of repealing the earnings test.

Certainly, the Government would no longer receive the 33 percent tax penalty from working seniors, but how many seniors would reenter the work force if they knew the Government would let them keep more of their earnings? A study by two former Treasury Department economists, Al Dona and Gary Robbins, found that abolishing the earnings test would yield $150 billion more in tax revenue over 5 years because more seniors would work, earn more money and pay more taxes.

Can you imagine, each one of you who has gone into your senior citizen homes and have seen the independence that those people have when they are allowed to work; we talk about education being important to the Congress and the President is coming out with an education bill; but think of the value that senior citizens, with their history and their experience, could give our children if we let them do that.

Let seniors get back to work. Join me in supporting the Older Americans Right To Work Act, or the Chronologically Gifted Americans Right To Work Act.

Mr. HASTERT. I thank the gentleman from California.

Mr. Speaker, at this time it gives me extreme pleasure to introduce and yield to one of our colleagues, JIM BUNNING, who has certainly been the leader on this issue for the years that we have worked on it. But beyond that, he is a member, an esteemed member of the Subcommittee on Social Security of the Committee on Ways and Means. It is through his great efforts that we were able to get a hearing on this.

I salute the gentleman and yield to him at this time.

Mr. BUNNING. I thank the gentleman from Illinois and congratulate him on his work, and the gentleman from Arizona [Mr. RHODES] on his work on this piece of legislation.

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Mr. Speaker, I also would like to congratulate the rest of the Members of our freshman class that came in in the 100th Congress who have been working on this as a class project since the second year that we were in the Congress, and I think it is very important that everybody realize that this has been taken on by the 100th Congress Republicans as a class project from the very beginning.

Mr. Speaker, I rise today in support of lifting the Social Security earnings limitation imposed on our senior citizens who choose to work after they retire. A leftover of the depression era, the earnings limitation is nothing more than a way to impose an incredibly high marginal tax rate on our working senior citizens, pure and simple.

For many seniors, the jobs they hold gives them much-needed income to make ends meet, which would be difficult to do if all they had to live on was their Social Security benefit check.

Almost two-thirds of my colleagues have signed onto legislation aimed at altering or repealing the earnings limitation. In fact, half of the Social Security Subcommittee, of which I am ranking member, have cosponsored at least one bill that would affect it in one way or the other. This gives me every indication that changing the earnings limitation is an issue whose time has come.

Mr. Speaker, tomorrow morning the Social Security Subcommittee will be holding a hearing on raising or entirely repealing the earnings limitation. I hope some of my colleagues who are still sitting on the fence on this issue will review the testimony that we are going to receive tomorrow because I am confident it will be proven that eliminating the earnings limitation will certainly not add to the deficit but will rather increase revenues and add to our shrinking work force.

We should no longer inhibit our senior citizens from wanting to still make their contribution to society. To quote John F. Kennedy, "It is not enough for a great nation merely to have added years to life—our objective must also be to add new life to those years." By getting rid of the earnings test, I think Congress would live up to those words.

Mr. Speaker, I want to again congratulate the gentleman from Illinois [Mr. HASTERT] on his fine work in having this special order. I think it is very important that tomorrow we hear testimony that is positive, and I am sure we are going to hear from the many seniors that are going to appear before the subcommittee, and I am looking forward to the testimony of the gentleman from Illinois tomorrow.

Mr. HASTERT. Mr. Speaker, I certainly appreciate the comments of the gentleman from Kentucky [Mr. BUNNING], and I again want to congratulate him on his diligence in being our leader, at least on the Subcommittee on Social Security and the full Committee on Ways and Means on this issue. He has done great work, and we certainly appreciate his efforts.

Mr. BUNNING. Mr. Speaker, I say to the gentleman from Illinois, "Thank you very much."

Mr. HASTERT. Mr. Speaker, I am pleased to have this opportunity to address one of the most critical issues facing our country—that is, the need for us to produce a work force prepared to meet the economic demands of the 21st century.

America is facing worldwide challenges to its economic strength. To meet those challenges, we must adapt to a changing world by bolstering our competitive edge. In order to compete in the new global marketplace, the United States must begin by fielding the most productive and efficient workforce possible.

Unfortunately, we are not encouraging the most experienced and able labor force possible because we continue to enforce outdated policies that simply are out of touch with modern economic realities.

The Social Security earnings limit is one of the most blatant examples of this practice. Not only is it an antiquated Depression-era relic that penalizes senior citizens who choose to work after they reach retirement age, but it also adversely affects our economy, our Nation's business and our competitive edge.

Seniors between 65 and 70 who earn more than $9,720 are slapped with a 33-percent penalty. In short, the Government siphons $1 in penalties for every $3 a senior earns over the limit. When coupled with Federal taxes, seniors who earn a paltry $10,000 per year are faced with a 56-percent marginal income tax rate—nearly twice the rate of millionaires. That is just not fair.

The Social Security earnings test is age discrimination, pure and simple. And it afflicts the seniors who need extra income the most. Seniors can receive stock dividends and interest payments without losing Social Security benefits, but those who work at low-paying jobs to make ends meet are punished for attempting to remain financially independent.

No other demographic group in the country is so blatantly discriminated against; no other group faces such obstacles when they attempt to become productive and financially self-reliant. But worse than that, the earnings penalty sends a message to the elderly that we no longer value their expertise and experience in our labor force.

The earnings penalty is not just a policy abstraction that number crunchers deal with. It affects real people facing harsh economic realities as they try to make it on a limited income. It isn't just numbers, or statistics, or points on a graph. This Depression-era fossil causes hardship for real Americans. Americans who want to work—who need to work—but are taxed unfairly because they do so.

At a time in our history when the operative buzzword is "competitiveness," we in Congress have the responsibility to enact policies that help us achieve that goal. Just as business leaders must modernize their factories, congressional leaders must update public policy.

And clearly, this is a policy that begs to be updated.

The Social Security earnings penalty was instituted in the 1930's to discourage seniors from working and make room for younger Americans to enter the workforce. Whether this was a good idea at the time is hardly relevant; as the U.S. population ages, seniors are becoming an increasingly important segment of the labor force. The Government should support them, rather than financially penalize them, for remaining active and productive.

By the end of this decade, there will be 1.5 million fewer members of the workforce aged 16 to 24. Coupled with this trend is the fact that there is a sharply increasing number of older persons relative to the working population. To respond to these challenges, the United States needs to attract more people to participate in the labor force.

I have heard many of the arguments that allege repeal of the earnings penalty will cost the Government money, and is therefore unwise. But that is a static view of both older workers and the economy. In the long run, repeal of the earnings penalty will save the Government money, which will not only help seniors but the economy in general.

If the earnings penalty is repealed, more seniors—up to 700,000, according to the National Center for Policy Analysis, an economic research group—would rejoin the work force, thereby expanding the tax base and increasing the amount of tax revenue the Government received from these returning workers and returning taxpayers. As a result, the NCPA reported, the annual output of goods would increase by at least $15.4 billion.

The NCPA, in concert with the Institute for Policy Innovation, another research group, also reported that if the earnings penalty is repealed, "Government revenue would increase by $4.9 billion, more than offsetting the additional social security benefits that would be paid." Clearly, repeal of the earnings test would give the economy a much needed shot in the arm.

I have also heard the argument that Social Security is an insurance policy; that Social Security benefits should be allocated only to those who are retired—and if someone is still working, and hence not retired, he or she should not receive full benefits.

This reasoning ignores the difficulty seniors encounter in attempting to survive solely on Social Security or working at a job. Seniors frequently need both to make ends meet. Because economic realities necessitate more money than Social Security or, say, a job at McDonalds, provides, the earnings test must be repealed. These are the realities of the cost of living in the 1990's.

Support for repeal of the earnings test is coming from all over the political spectrum in Congress, from the most liberal to the most conservative Members joining in cosponsoring the Older Americans Freedom To Work Act. This majority reflects continuing support for the American principle of self-reliance as opposed to Government reliance.

As our country takes steps to make itself more economically competitive for the 21st century, it is clear that we will have to use every available resource, especially in the U.S. work force. Remaining competitive in the next century requires adopting policies that foster economic vibrancy and doing away with outdated policies that inhibit it. Repealing the Social Security earnings test will both encourage a large portion of the population to remain productive and help bolster the economy. The realities of our economic situation demand that we do so.

Mr. ANNUNZIO. Mr. Speaker, in recent years changes in attitudes toward retirement have encouraged America's senior citizens to continue working much longer than before.

That's great because in today's environment of skyrocketing health care costs, many middle-income seniors are working beyond age 65 to safeguard their financial security.

The problem is the Federal Government hasn't responded to this trend. In fact, when one considers the current earnings penalties that apply to Social Security recipients, we're still operating under rules designed for the depression-era economy of the late 1930's. It's high time we moved beyond those outmoded rules so that America can begin realizing the full potential of its seniors.

We have an opportunity to move forward on this issue by passing H.R. 967, a bill I have cosponsored that would reduce the earned-income penalties now assessed against Social Security recipients. If enacted, the Older Americans' Freedom To Work Act would reduce by 5 years the age at which seniors are free to earn as much as they want without triggering a cut in their Social Security benefits. Currently, seniors age 70 or over are exempt from earnings limits, but working seniors aged 65 to 69 must forfeit $1 of Social Security benefits for every $3 they earn above a maximum of $9,720 per year. These penalties are causing financial hardships for tens of thousands of seniors.

They also are forcing many experienced and reliable workers to sit back in their rocking chairs, rather than contributing to our economy. And in today's highly competitive global marketplace, America can no longer afford to let this situation continue. Surveys have shown that if the full economic potential of seniors were unleashed, an estimated 700,000 older Americans would reenter the job market. That would boost our yearly output of goods and services by an estimated $15.4 billion.

Other research from the U.S. Department of Labor indicates that America needs more seniors on the job to offset a growing shortage of skilled workers. The labor shortfall is linked to a rising number of retirees and declines in the ranks of younger workers. By the end of this decade, the number of workers aged 16 to 24 is expected to drop by 1.5 million. At the same time, the number of retirees is expected to rise by 5 million.

In conclusion, this legislation to scale back earnings limits for seniors is an idea whose time has come. Back in the 1930's, Government planners encouraged seniors to retire in order to make room for younger workers. That situation no longer reflects today's reality, and it's time Congress adjusted to the needs of today's seniors and today's job market. If we approve H.R. 967, seniors, workers, and the economy of the United States will reap the benefits. Finally, Mr. Speaker, I commend Chairman ANDY JACOBS and the members of the Subcommittee on Social Security for holding a hearing tomorrow to consider this crucial issue.

Mr. SAXTON. Mr. Speaker, our society has continued to discriminate against older Americans who merely wish to remain active and involved in the workplace.

The Government's discrimination is in the form of monetary infringement.

Upon earning $9,720, a Social Security beneficiary age 65 to 69 will lose $1 of benefits for every $3 earned. A ludicrous deterrent for America's productive elderly.

I call upon this body, today, to repeal one of the most antiquated laws relating to Social Security—the earnings test.

Contrary to the connotation of the earnings test law, seniors are diligent, hardworking, and valuable additions to our work force.

We must encourage our older American's to pursue employment in areas where their expertise is needed. That's why I have introduced the Seniors Helping Seniors Act.

This legislation will exempt wages earned by seniors working in respite and inhome care services. With trained older Americans aiding neighbors with various activities of daily living, we can keep frail elderly in their homes and keep a productive senior, with needed skills, active in our work force.

Let it be known that tomorrow, May 23, the Ways and Means Subcommittee on Social Security will be holding a hearing on the Social Security earnings test. I challenge my colleagues on this committee to bring this bill forward.

Mr. Speaker, the earnings test law does not make cents. It certainly doesn't make cents for seniors and it doesn't make cents for our Government.

I encourage my colleagues to cosponsor H.R. 2305.

Mr. BALLENGER. Mr. Speaker, I would like to begin by thanking my colleague, Mr. HASTERT, for organizing this special order to recognize the hearing being held tomorrow on the Social Security earnings test. This test is one of the most unfair aspects of our Tax Code, and I am glad to have the opportunity to comment on why I support its repeal.

The earnings test was established in the 1930's as a way to encourage senior citizens to leave the work force. During that period in history, this made sense. The country was in the midst of a depression, and young workers were having trouble entering the job market. In fact, at the time the earnings test was conceived, almost 65 percent of men over age 60 had jobs. By decreasing their Social Security benefits, the earnings test gave these older workers incentive to retire so that young people could enter the job market.

Obviously, the test is working. Today, men over age 60 are healthier, the average life expectancy is greater, but only 32 percent of men over 60 continue to work. However, at the same time, the American labor pool is shrinking. We no longer need to provide seniors with incentives to retire, we need to encourage them to work.

Currently, a worker between the ages of 65 and 70 looses $1 in Social Security benefits for every $3 earned over $9,720. This tax, combined with other Federal taxes gives a worker earning $10,000 a year a marginal tax rate of 56 percent—and this does not include State and local taxes. With a marginal tax rate of 56 percent, what senior citizen would continue to work?

In fact, last year, more than 1 million people had their Social Security checks reduced because of this test, while another million lost benefits entirely. In addition, labor economists estimate that the test deters another 1 million from working fulltime.

In my view, the test is unfair. It is unfair both to senior citizens, who lose needed income, and to America at large because we lose some of our most experienced, talented and dependable workers.

In an effort to correct this injustice, I am a cosponsor of legislation (H.R. 967) which repeals the earnings limitation placed on senior citizens. Repeal of the legislation would allow us to beef up our shrinking labor pool with experienced and dependable workers, remove the unfair tax burden placed on seniors, and empower seniors with the opportunity to earn their own financial security.

I would urge my colleagues to join me in cosponsoring legislation to repeal the earnings test.

Mr. LIVINGSTON. Mr. Speaker, one of the most—maybe even the most—important challenges America faces in the 21st century is whether we can strengthen our economic competitiveness. The world is a changing place. The near-doubling of our international trade since 1982, the computer revolution, the dramatic rise in our service industries—all these trends have dramatically transformed our Nation in the last 10 years.

No longer can we rely on the jobs in our traditional manufacturing base. Those are, it is true, leaving our shores. However, whole new industries—with stunning potential for long-term growth—are springing up in their wake. These industries do not rely on physical labor or huge manufacturing plants.

No, Mr. Speaker, they rely on something far more important: Knowledge. As a recent cover story in Fortune put it, "Brainpower has always been an essential asset. . . . But it has never before been so important for business." I also commend to every Member's attention the recent encyclical from Pope John Paul II, who wrote of a new type of ownership, "the possession of know-how, technology and skill."

As never before, American prosperity will depend on information and intellect. That is why government at all levels must do everything possible to encourage those with the most to give to remain at work.

Unfortunately, there is a large obstacle in our way: the Social Security earnings test. With this test, we are not only not encouraging these older workers aged 65 to 69 to remain productive, we are actively, deliberately discouraging them. Our older workers have decades of experience under their belts—they possess knowledge that can be brought to bear on the severe problems America's economy must overcome if the 21st century is to be the "American Century."

The Older Americans' Freedom To Work Act is important to keeping them in the work force. This act makes good sense economically and morally. Our seniors have so much to give America that we should encourage them at every turn.

Mr. Speaker, rarely is there so clear cut a case of good economics, good social policy and good moral policy. This is a win-win situation for our elderly. If they work until they are 69, they can keep all their income as well as their Social Security. If they retire, they will still receive full benefits.

I urge those Members who have not already joined us as cosponsors to do so. Likewise, I urge adoption and enactment of this bill before we adjourn for the year.

Mr. SWETT. Mr. Speaker, I rise today in support of the Older American's Freedom To Work Act of 1991. As my distinguished colleagues all know, the purpose of this act is to amend title II of the Social Security Act to eliminate the earnings test for individuals who have reached retirement age.

Currently the earnings test, or retirement test, applies to citizens under the age of 70 who are eligible to receive Social Security benefits under this law, those individuals who may receive benefits but who continue to work, either through necessity or choice, are deprived of Social Security benefits if their earnings exceed a set limit.

Today, an individual at retirement age may receive other pensions and unearned income from certain trust funds, dividends and interest from investments and income from rental properties, and yet that person still may receive Social Security benefits. But what about those individuals who do not have these sources of income to look forward to and must continue to work? They, too, have paid their fair share into the system and deserve to enjoy the benefits at retirement age.

Are we going to permit this injustice? A widow of retirement age in Concord, with no other pension and few investments, who must continue working to make ends meet, will lose her Social Security benefits, because she exceeds the income limits of the current law. A retired couple in Nashua will lose their benefits when they attempt to open a "Mom and Pop" grocery store and their meager profits put them over the earnings limit. Meanwhile, on the other side of town, those retirees who receive interest on their stocks and bonds and income from their rental properties will not lose any retirement benefits, because their profits are categorized as unearned. This is simply not fair. All of these retirees have contributed to Social Security and they deserve the benefits they have earned.

I speak for many of my constituents when I urge my colleagues to support passage of this important piece of legislation.

Mr. EMERSON. Mr. Speaker, I would first like to take this opportunity to thank my colleagues, Representative HASTERT and Representative RHODES for initiating this special order in support of our senior citizens. I rise today in support of H.R. 967, a bill which would amend title II of the Social Security Act to eliminate the earnings test for those individuals who are of retirement age.

This May as we celebrate "Older Americans Month" I think it is appropriate that we work to bring new light to the problems that senior citizens face, that we remember the Government's commitment to them, that we make every effort to honor the past and present contributions that they have made, and that we let them know that we greatly appreciate the many years they have devoted to the betterment of this Nation—whether it was through their volunteer work, their business contributions, their educational offerings, or their commitment to family.

I have often said that our older Americans are like a living library—experienced in life because they have worked, lived, and learned. They have attempted, succeeded, and yes, sometimes failed, and in the process—the often painful process—they have gained an understanding and a deep knowledge that all of us, young or old, can and should utilize as valuable lessons. Unfortunately, too often we do not take advantage of this great national resource as we should. I truly believe that we are allowing ourselves to be deprived of the advantages of knowing the significance of some hard-learned and valuable lessons.

I think that employers are gradually beginning to discover what many of us have been saying for years—older workers can make invaluable contributions to the work force and to their communities. We have been successful in convincing employers to employ older workers, but how do we convince older workers to remain a part of the work force when our Government imposes a penalty on those who do?

The burdensome Social Security earnings limitation hinders our older Americans from making contributions to the American work force. Under this rule, working senior citizens between the ages of 65 and 69 lose $1 in Social Security benefits for every $3 earned over the $9,720 limit. Those under the age 65 will lose $1 for every 2 earned over $7,080. If the earnings limit were repealed, the Federal Government would stand to receive increased revenue in new work-related taxes.

Of all the special taxes the Federal Government imposes on senior citizens, this is the most counterproductive. Certainly, no American should be discouraged from working as long as he or she wants to and is physically able to work. It is simply not fair and that is why I am in favor of repealing the earnings test by standing with 241 of my colleagues in support of H.R. 967.

If the earnings limit is not repealed, the Federal Government will continue to be suggesting to our senior citizens that their services and abilities are no longer wanted or needed. I believe it would be a real shame to continue to allow such a valuable resource—the talent, wisdom, and experience of our older Americans—to go unused.

Mrs. VUCANOVICH. Mr. Speaker, I wonder how the American people would react were we to tell them today that for every $2 they earn, they must pay $1 in taxes. Quite alarming, isn't it? I don't think many of us would remain in office for very long. Well, this is exactly what we're telling our senior citizens who choose to work beyond retirement age. Seniors age 62 to 64 who earn above $7,080 per year, lose $1 in benefits for every $2 they earn over the limit. Those aged 65 to 69 who earn above $9,720 per year lose $1 in benefits for every $3 they earn over that limit. No American should be discouraged from working. Unfortunately, one demographic group in our society is severely penalized for attempting to be financially independent. The continued application of the Social Security earnings test, a depression era relic that penalizes senior citizens who work after they retire, is the catalyst for this discrimination. By forcing seniors to forfeit one-third of their Social Security benefits after they earn more than a ridiculously low amount, the earnings test tells the elderly we no longer value their expertise and experience.

Seniors are one of our Nation's greatest resources. They provide leadership, knowledge, and assistance to younger Americans. I feel that we should utilize their strength, wisdom, and experience as long as they are willing to actively participate in the work force. It would be nice to think that all people can retire at 65 and live comfortably on their retirement benefits, but that simply is not the case. Many of today's seniors can no longer survive on Social Security alone.

We must end now the restrictions placed on the amount a person receiving Social Security can earn without forcing that individual to forfeit some benefits. It is my hope that opponents of this legislation will reconsider their stand and think of those older Americans whose dreams are crumbling because they cannot exist on what they receive from Social Security. It is unfair that Social Security recipients can receive unlimited amounts from dividends and interest without being penalized, but those who earn wages have to give up some benefits.

Mr. Speaker, I would like to share with you excerpts from the numerous letters I receive from constituents who are struggling because of this unfair policy. One of my constituents stated the following in reply to statements that removing the limit on Social Security would only benefit the upper 10 percent:

> If we were in the upper 10 percent we would not have to work.

She further stated:

> When you have a job, you cannot tell your employer, "I cannot work anymore this year." You would not have the job long. However, if you go over the amount you must return to Social Security, one-half of the gross if you are under 65 and one-third of the gross if you are over 65, you are still required to pay the income tax and Social Security tax on the money given to Social Security. * * * Now as seniors, we do not earn enough to live on our wages only. Nor can Social Security be your only support.

This constituent's final plea was—

> All we want is to be able to help ourselves. We are not asking for any more Social Security money so that we can live without working, just that we be able to work and pay tax and keep the net.

The earnings test is forcing these valuable citizens to retire when they prefer to keep working, need the money, and can effectively contribute to society. It is my opinion that if an individual is able and willing to work, there should be no hindrance. It is particularly offensive to me that the Government is the one blocking the opportunity.

In conclusion, Mr. Speaker, I would like to share one tragic example of that this discriminatory legislation has done to one of my constituents in Carson City, NV. We will call him "Jim."

Jim is a 66-year-old saleman of manufactured homes who made $14,955.95 in 1990 and must pay back $1,865.31. Jim and his wife—we'll call her "Jane"—have a combined Social Security income of $921.00 per month. According to one person's calculations, Jim and Jane will both lose 2-plus months worth of benefits.

Jim's wife, Jane, was paralyzed in a car accident several years ago. She is frequently in and out of the hospital and needs constant custodial care, some of which is provided through local aging programs. However, Jim still has to pay for her care on Saturdays and Sundays and for additional hours in the evening when he must work late. He also pays for hospital bedside equipment, new mattresses about every 6 months, and has recently purchased a lift chair.

Jim has a heart condition resulting from a heart attack he suffered in 1988. His heart medication is costing approximately $100 per month. As if this weren't enough, the constant stress associated with years of caregiving for his wife has caused Jim's doctor to refer him to a therapist for symptoms of depression.

Jim has no Medigap insurance coverage and must pay the Medicare 20-percent copayment himself on all these expenses. Jim's medical expenses for 1990 totaled $4,336.12, he was able to claim only $3,202.30 of this amount on his 1990 taxes.

His accountant said:

> His medical expenses are likely to go up and up and up since his wife's condition is deteriorating. * * * It's amazing that he can get up, get so nicely dressed and put a smile on his face every day!

Mr. Speaker, there are many more stories very similar to this one. We must allow our senior citizens the dignity of continuing to work after retirement if they so desire so that they can continue to be self-sufficient. The time is now to repeal the Social Security earnings limitation.

Mr. SPENCE. Mr. Speaker, I strongly support a repeal of the earnings test on Social Security benefits for those individuals who have reached the mandatory retirement age of 65. It is unfair for older Americans who want and need to work to be penalized so severely for earning incomes above $7,080.

We are not talking about a windfall for wealthy Americans. The thrust of this legislation is to correct a flaw in present Social Security law. In the spirit of free enterprise the advocates of this legislation are saying that the time has come to loosen the fiscal restraints imposed upon older Americans. The time has also come to tell those who have worked all of their lives to provide for their families and their communities that the incentive will be there to accomplish these goals. They are individuals who have valuable skills and vast experience from which our society can benefit in addition to a need to supplement their Social Security check so that they can spend the remainder of their lives in the comfort that they deserve. These seniors, who range from 62 to 70 years old, find themselves in a serious dilemma brought on by a system which cannot provide for them all of their financial needs but also will not allow them to supplement their income to meet them.

Mr. Speaker, it is indeed ironic that America continues to rest on a relatively untapped labor resource of senior citizens who are ready, willing and able and need to work but who are restrained and discouraged by an effective marginal tax rate of over 50 percent for any earnings over $10,000. That's twice the tax rate for millionaires. I feel it is not only unfair to our senior citizens but also to our economy to erect such barriers to people who want to work. As if the benefit to older Americans were not enough, studies have shown that the increase in the annual output of goods and services and boost to business would more than justify the change in this policy.

In the years ahead, America will need more working older Americans to fill the gap as fewer young people seek employment. For now, our senior citizens need to have the opportunity to seek employment and to improve their lives. They have given so much and deserve the full benefit of their Social Security. A repeal of the earnings benefit for Social Security would give these individuals the choice they need.

Mr. HAMMERSCHMIDT. Mr. Speaker, I am pleased to join my colleagues in expressing my support for H.R. 967, the Older Americans' Freedom To Work Act of 1991. I would also like to commend the members of the Ways and Means Subcommittee on Social Security for scheduling a hearing tomorrow morning on the Social Security earnings test. I anticipate that the individuals testifying before the subcommittee will voice similar concerns to those expressed by older Americans from the Third District of Arkansas.

Senior citizens often find it both necessary and desirable to continue to participate in the work force. The rising costs of health care make it especially necessary for many seniors to supplement their fixed incomes. By utilizing their vast experience and expertise, these individuals are able to remain financially independent by seeking gainful employment. Not only are the older workers and their families relieved of some financial pressure, but the communities in which they reside also benefit from the valuable contributions these senior citizens can make to their work forces and economies.

By placing a ceiling on the amount of income seniors are allowed to earn, individuals who are dependent on Social Security are effectively limited in their options to supplement their incomes. Under the Social Security earnings limit, seniors between the ages of 65 and 70 lose $1 in benefits for every $3 they earn over the earnings limit. This limitation discourages many older persons from working to remain self-sufficient. As a result both families and the Federal Government must bear greater responsibility in providing older Americans with necessary care and assistance.

H.R. 967 would eliminate the Social Security earnings limit for people who reach the normal retirement age of 65. Having contributed to a fund to guarantee income after reaching a certain age, older workers deserve to draw the full benefits to which they are entitled without being penalized for still being willing and able to work. I urge my colleagues to support the Older Americans' Freedom To Work Act, which would allow older Americans to remain active, as well as encourage them to contribute their valuable skills and knowledge to our Nation's work force.

Mr. ROE. Mr. Speaker, we are here today to discuss a significant issue in the 102d Congress, the Older Americans Freedom To Work Act. I would like to take this opportunity to commend my colleagues Congressman DENNIS HASTERT and Congressman JOHN RHODES for their continued efforts on H.R. 967.

Many converging factors are brought into question when discussing the earnings test or retirement test. Primarily, whether workers and retirees will receive the types of health benefits they are counting on to help safeguard their incomes during retirement. The functions of the Social Security Administration [SSA] touch the lives of nearly every American. Every American who works in this country is entitled to benefits from a program which they contribute to their entire working lives. Clearly stated, Social Security is a retirement benefit that has been earned by a lifetime of contributions to the program.

The earnings test, which reduces Social Security benefits for recipients who earn income from work above a certain amount, has changed several times over the past years. Recently, Federal legislation has sought to encourage older workers to remain in the labor force longer. Statistics have shown that two-thirds of the American work force leave their jobs before age 65, and the median retirement age is 61. With projected labor market shortages in a number of professions, the Older Americans Freedom To Work Act seeks to eliminate the barriers which discourage older workers participation and develops incentives for businesses to retain this valuable source of experience.

The Government's role should be in encouraging the hiring, training and retention of older workers. The Congressional Budget Office recognizes the fact that data that would bear on the question of how the earnings test affects retirement and working decisions is lacking. One question that needs to be asked is: How many people would remain in the work force if the earnings test were repealed? I honestly believe that a large number would stay in the work force.

My point is that this test is a severe disincentive for older people to work. The country continually loses valuable experience and skills and older workers suffer a reduction in their standard of living because of this retirement test. As a member of the Select Committee on Aging, I believe with my other colleagues on this committee that this test is inconsistent with other Federal policies and contrary to recommendations that the Select Committee on Aging has received from many of the Nation's gerontologists who believe that the retention of older workers is healthy for the individuals as well as the company.

Economically speaking, this test is complex and costly to administer. Studies have shown that the retirement test is responsible for more than one-half of retirement and survivor program overpayment. Elimination of the test would thus hold down administrative expenses, and beneficiaries would be less confused and less tempted to cheat on reporting their earnings.

My own legislation H.R. 209 amends title II of the Social Security Act to remove the earnings limitation for all beneficiaries. Similar and individual pieces of legislation have been offered and introduced by Congressman ROTH, Congressman STUMP, Congressman ARCHER, Congressman QUILLEN, Congressman LENT, Congressman GAYDOS, Congressman HAMMERSCHMIDT, Congressman SMITH, Congressman ERDREICH, Congressman DARDEN, Congressman CAMPBELL, and Congressman PACKARD. To make a point, essentially we are all setting out to do the same thing for our constituents and that is to make the right to work a freedom for all Americans by removing limitations which have been set by the Social Security earnings test.

Mr. ARCHER. Mr. Speaker, I want to thank our colleagues, the gentlemen from Arizona, JAY RHODES, and from Illinois, DENNIS HASTERT, for arranging this special order.

The effort to abolish the Social Security retirement earnings limitation was launched by former Senator Barry Goldwater. I enlisted in that cause over 20 years ago. Time is running out. However, I am more encouraged than I have felt in some time. First, I'm encouraged by this show of interest in the House and by the Social Security Subcommittee hearing tomorrow. Even more encouraging is the Senate Finance Committee's announced markup of a bill which would include a generous boost in the $9,720 threshold for workers 65 to 69.

Further, the President's budget proposal included a modest increase in that same threshold. I sense that the issue is gaining momentum. Personally, no Social Security issue is more important to me.

Our last victory occurred during the 1983 Social Security amendments. Those amendments included two relevant provisions. The first phases up from 3 to 8 percent the annual delayed retirement credit, or bonus paid to those workers who delay filing until after age 65. The second reduced the earnings penalty for workers over 65 who earn more than the threshold limit from 50 to 33⅓ percent.

Let me explain why I said we are running out of time in this war. The 1991 Trustees Report has just been issued. While the trust funds are in excellent health in the short range, the long-term health of the program is not good.

The disability trust fund will be exhausted by 2015. A reallocation of taxes could postpone the day of reckoning, but the combined OASDI trust funds will be exhausted by 2041. By contrast the 1988 Trustees Report had projected the year 2048.

We are losing ground, primarily, as I understand it, in terms of wages, especially real wage gains, that is the extent to which real wage growth exceeds inflation. Historically, Social Security has been vulnerable on that scorecard.

The current report also projects the continued decline of workers to retirees. Under the II(B) or intermediate assumptions the ratio will reach 1.8 in 2060. Under the pessimistic assumptions it will reach 1.3.

We must take steps now to encourage seniors who wish to continue in the work force. Otherwise, I suggest we might as well save the administrative overhead and simply assign each worker his or her beneficiary to support.

In the context of the trust funds, let me note that my bill, H.R. 2158, the Workers Option Act of 1991, which would abolish the retirement earnings limit for workers who have attained the normal retirement age, produces long-term savings of .03 percent of payroll, or in today's dollars, $750 million a year.

My larger goal, H.R. 249, would repeal the limit for everyone. Ultimately the demographics of the workplace must be acknowledged. Employment opportunities for everyone who wishes to work, including the disabled, must be created.

The Social Security program was engineered during the depression to ease people out of the work force. The time is overdue to reverse that design. We need our workers! The economy needs them, and they can use the added income. Everyone shares this victory.

Mr. WELDON. Mr. Speaker, I rise today in support of H.R. 967, the Older Americans Freedom to Work Act of 1991. I am proud to be an original cosponsor of legislation that would lift the "earnings test" on Social Security beneficiaries who remain in the work force beyond the age of 65. It is essential that we eliminate the barriers keeping older Americans from remaining productive members of society.

As a result of the 1935 Security Act, Americans between the ages of 65 and 70 years are subject to the Social Security earnings test. According to this law, senior citizens whose earnings exceed $9,720 receive sharp reductions in monthly benefits—a cut of $1 for every $3 earned. Fortunately, any income from investments, dividends and pensions does not trigger Social Security cuts. Therefore those that are between the ages of 65 and 70 years are punished for simply wanting to work.

As it stands now, the earnings test puts great pressure on our elderly to retire at the age of 65. It is unfair to penalize senior citizens who wish to keep working past the normal retirement age. Yet, as a result of the earnings test, elderly Americans are discouraged from being productive and active. In fact, it forces many of our older Americans into retirement.

Through years of work experience, senior citizens have acquired a wealth of knowledge shaped by learning how to do a job correctly and efficiently. In addition, senior citizens can serve as a tremendous educational resource for younger workers. This valuable resource may be lost due to current tax laws that discourage the elderly from employment. The limit does not serve in the best interest of this country.

I was shocked to learn that citizens who wish to remain in the work force are subject to the highest marginal tax rate of any group in America. With a combination of income tax, FICA, and the income tax on Social Security benefits, senior citizens are heavily burdened. In fact, when a senior citizen earns more than earnings limit, he faces an effective marginal tax rate of nearly 56 percent, which is twice the tax rate faced by millionaires. I find this far from fair.

In addition, the Social Security Administration spends more than $200 million per year and uses 8 percent of its employees to review the income levels of its beneficiaries. The Social Security Administration has estimated that 60 percent of all overpayments and 45 percent of underpayments are attributable to the earnings limit. Those that are affected by the limit become entangled in red tape as they attempt to estimate, monitor and report income levels and pay back benefits they have already received.

It is time for Congress to give the Older Americans Freedom To Work Act of 1991 favorable attention. Not only would it give senior citizens a greater incentive to remain in the workplace, but it would also benefit the American taxpayer, as more senior citizens would be earning a paycheck and paying Federal, State, and local taxes.

It is now time for Congress to meet the challenges of our sluggish economy by ensuring that the Social Security System reflects the needs and realities of today.

Mr. MRAZEK. Mr. Speaker, I rise today to lend my strong support to H.R. 967, the Older Americans Freedom To Work Act, legislation to repeal the Social Security earnings test.

The Social Security system was originally enacted to function as retirement insurance by providing supplementary funds for retired individuals who contributed to the system. However, since 1935, there has been a penalty for Social Security recipients who earn more than a specified amount of earned income, the so-called earnings test.

In 1991, the earnings test penalizes seniors between the ages of 65 and 70 who earn more than $9,720 per year by reducing their Social Security benefits by $1 for every $3 earned over that amount. Ironically, seniors can still receive dividends and interest payments without losing benefits, but those who work to make ends meet and to remain financially independent are punished. Clearly, the earnings test is unfair to the many seniors who need the extra income to maintain a reasonable standard of living.

But in addition, it is ludicrous to discourage this Nation's most productive group of workers from entering into the work force. Older Americans bring a special understanding to their jobs and provide this Nation with the unique abilities and insight based on years of experience. As a group, seniors are the most dependable and compassionate workers, and their skills are invaluable to this Nation. Lifting the earnings ceiling would not only help older workers, but it would offer them an incentive to remain in the work force where they are so desperately needed.

I believe that older Americans deserve the independence, the dignity, and the chance to remain in the work force without being penalized; no one should be hindered in his or her attempt to remain economically independent beyond age 65. Good public policy demands that seniors be given incentives and encouragement to contribute their valuable skills and knowledge to the work force. Plain and simple, there should be no economic disadvantage to working beyond the age of 65.

Mr. Speaker, let me close by urging my colleagues in the Ways and Means Committee to report H.R. 967 and bring it to the floor of the House for a vote. Let's end this blatant discrimination and provide an incentive for older Americans to contribute their valuable skills. This Nation needs for older Americans to remain in the work force.

Mr. KYL. Mr. Speaker, I rise today in support of the Older Americans Freedom To Work Act, which will repeal the Social Security earnings test. The earnings test is one of the most counterproductive sections embodied in Federal law. The Government should allow all able-bodied citizens to continue working and contributing to society without penalizing them for their age. And yet, imposing an unfair tax burden on our seniors and forcing them out of the labor market is exactly what our Social Security Program is currently designed to do. Under the present law, Social Security recipients age 65 to 69 lose $1 in benefits for every $3 they earn above $9,720 a year. Those between the ages of 62 and 65 are forced to sacrifice $1 in benefits for every $2 earned above $7,080 a year.

Many of these seniors would like to continue working. Others have to work to supplement their current income. Regardless of the reason, seniors should not have their Social Security benefits slashed because they continue to work.

This harsh tax not only directly hurts seniors, but also takes its toll on the American economy as well. Seniors can contribute a valuable lifetime of business experience and expertise to a work force where well-trained individuals are in short supply. We should be learning from their acquired knowledge rather than penalizing them for sharing it. In economic terms, the earnings test cramps the size and quality of our labor force. It has been estimated that an additional 700,000 seniors would enter the work force if the earnings test was removed. By enabling these seniors to return to the work force without penalty, their earnings would increase and so would their purchasing power.

In any case, seniors would be paying income and payroll taxes on their earnings just as others in the labor force. Seniors should not be subjected to additional deductions simply because they are more than 62 years old. As it now stands, Government policy coerces them into retirement. This law is not fair. We must pass the Older Americans Freedom To Work Act immediately and eliminate the inherently discriminatory Social Security earnings test once and for all.

Mr. FISH. Mr. Speaker, I rise today to speak in support of the Older Americans Freedom To Work Act, H.R. 967. This legislation seeks to restore dignity and independence to senior Americans by repealing the Social Security earnings test.

This provision penalizes retirees under 70 who work by reducing their Social Security benefits if they earn over $9,720 a year. In many cases, able-minded retirees do not work because they cannot afford to lose $1 in benefits for every $3 earned per year.

Frankly, I do not understand why anyone would want to maintain this provision. In the complex and complicated world we live in, we can not afford any sector of our population to be unproductive. American seniors embody an incredible wealth of knowledge and skill and definitely are contributing members of the work force. Beyond that, the elderly are entitled to improve their financial situation.

I believe that it is an affront to our seniors that they are discouraged from working and being active, participating members of our society. Therefore, I urge the repeal of the Social Security earnings test.

Mr. DE LUGO. Mr. Speaker, I rise to speak in support of H.R. 967, to repeal the earnings test for senior citizens to participate fully in Social Security benefits.

The population of our country is aging, and increasingly so. And as it ages, the ability of the elderly to continue to be participants in the work force is also increasing. More and more senior citizens not only are able to work when years ago they retired, more and more elderly want to work because it provides them with a number of benefits.

It helps them to feel fit and active, in activities in which they have participated most of their adult lives.

By helping them to keep active, it decreases their dependence upon family and government just to find something to do.

Working helps seniors to earn an income, again reducing their dependence upon others and allowing them to retain their independence and their dignity.

Their participation as workers in the economy not only generates needed tax dollars, it keeps them from being tax consumers.

Being a continued part of the work force also gives the Nation the benefit of the years of experience in the work place. It allows them to work side by side with others of perhaps lesser experience, to provide them with an apprenticeship experience they would not have had otherwise. We need to pass on America's expertise.

But when seniors, particularly those of limited incomes, find that their Social Security benefits are being reduced when they work, it is a deflating experience. It means that the more they work, the less they will receive from the fund into which they have paid all their working lives.

This is precisely the problem we create for many recipients of welfare and recipients of housing subsidies. We provide them with the means to sustain themselves, but we strip them of the means to improve. The more they earn, the less they receive in assistance. This, then, eliminates the ability and the incentive to shed their assistance. But even worse, it removes the means to improve themselves, because every step forward is truly a step back. We should not let Social Security do this to Americans.

Those who believe there should be earnings testing argue that Social Security was not meant to be an annuity for the elderly, but rather a safety net for those who cannot support themselves. They argue that by paying everyone who retires in America will bankrupt the Social Security system.

Certainly we must remain very aware that the system must remain solvent, that payments into the system must sustain the payments out of the system.

Yet, we must also recognize that many millions of Americans must earn supplemental income in addition to Social Security if they are to live at or near the lifestyles to which they were accustomed in their working years. To penalize those who do not have investments in securities, but have the ability to work, and want to work, is counterproductive to them and to our Nation.

Mr. Speaker, I support H.R. 967, and I ask that my colleagues join me in supporting it.

Mr. FRANKS of Connecticut. Mr. Speaker, this year the Congress can act decisively to free our senior citizens from the restraints of regulations which fly in the face of what makes our country great—the ability to work.

Mr. Speaker, I am proud to be a cosponsor of House Resolution 967, the Older Americans Freedom to Work Act of 1991, which will right this wrong and put our senior citizens on equal and fair footing in the employment market.

Representative HASTERT should be commended for authorizing this bill and for providing the leadership which has led to over 200 cosponsors.

Federal guidelines now inhibit or punish thousands of senior citizens from earning more than $9,720 a year before their wages are, in effect, taxed at higher rates than the salaries of corporate executives. Seniors who exceed this unfair threshold surrender a dollars' worth of benefits for every $3 they earn.

While Social Security benefits often provide the only income for many elderly Americans, the program was designed to be supplemental income. That means seniors have to rely on other economic resources, such as a pension, dividends and interest and regular salary income.

One senior advocate has told me she will be losing a secretary because it is no longer worth her while to work and pay $1 in taxes for every $3 earned.

Mr. Speaker, the senior citizens of this country, aged 65 to 69, have built this country into a true superpower. Why do we maintain this wall of denying benefits until they turn 70?

Seniors know how to work. They bring to the work force a tremendous amount of skill and solid work habits. Yet, we say, "that's nice that you work, but fork it over."

Some have said eliminating the cap will hurt overall tax revenues. I believe this action would benefit seniors and the entire Nation.

Why? It is fair and just. Second, it will allow seniors in this age group to have more money to spend, save, pay for medical and nutritional needs, and improve their way of life. This added income partially relieves the financial burden on society, but it adds immeasurably to the physical and mental well-being of our seniors.

This law would be fair because two-thirds of those who would benefit are seniors who earn incomes of $40,000 or less. These are average, hard-working Americans who merely want to live their lives with dignity and at a decent level of prosperity.

In addition, seniors won't be limited to $5 an hour jobs at convenience stores or fast food outlets. Time and time again, seniors have shown the aptitude and drive to learn new skills through public and private training programs.

A recent study by the Commonwealth Fund, a private foundation in New York, concluded that 6 million unemployed workers 55 years of age and older are eager and capable of returning to work. Many of them would fit into the discriminated age group which, now, is being cheated out of its earned benefits by being a positive and productive force in our economy.

Mr. Speaker, by passing H.R. 967, the Congress will be righting a wrong while making a sound investment in the future of our economy and country.

Mr. LAGOMARSINO. Mr. Speaker, it is high time that hearings will be held on the Social Security retirement test tomorrow morning in the Social Security Subcommittee. As we all know, under this test Social Security benefits are withheld at a rate of $1 for every $3 over the earnings limit. The earnings limit is adjusted over time and now stands at $9,720 for beneficiaries over 65 and $7,080 for beneficiaries aged 62 to 64. In effect, this is the equivalent of a 56-percent tax rate—the highest tax rate paid by any group in the Nation. That's a high price to pay for merely wanting to work.

The earnings limitation test is unjust. It treats Social Security benefits less like a pension and more like welfare. It represents a Social Security bias in favor of unearned income over earned income. It is effectively a mandatory retirement mechanism our country no longer accepts or needs. It precludes greater flexibility for the elderly to meet changing needs through earnings. It is misunderstood, complex, and a tremendous burden to the elderly worker. It also prevents America's full use of eager, experienced, and educated elderly workers. Finally, it deprives the U.S. economy of the additional income tax which would be generated by the elderly workers. It is a bad law.

In fact, in 1977 I voted for an amendment to the Social Security Financing Act which would have raised the ceiling on the earnings limitation of Social Security recipients over age 65 incrementally throughout a 4-year period and then lift it entirely in the fifth year. The amendment passed by a vote of 268 to 149 displaying strong support for the idea. Unfortunately, then-President Carter threatened to veto the legislation if it included the amendment and it was removed.

When the earnings test was first initiated in the 1930's, the rationale was to open up jobs for younger workers. If one looks at the ramifications of a declining elderly working population, it becomes very clear that we are increasing entitlement spending while at the same time we are beginning to experience worker shortages in many regions of the United States. This is not good for the economy, nor for the seniors who are prohibited from working. Instead, everyone could benefit by allowing seniors to work. We have at our disposal a large pool of experienced and talented individuals who could offset our growing worker shortage. More importantly, however, they would be contributing to our economy through the taxes paid and by making our country more productive.

I applaud my colleagues Congressman J. DENNIS HASTERT and Congressman JOHN J. RHODES III, in leading this fight to gain economic equality for those elderly workers who either want to work or must work in order to maintain a decent lifestyle. I am proud to be an original cosponsor of this legislation which would repeal the Social Security earnings test for those aged 65 to 69. I have long been a proponent of repealing this antiquated provision and shall continue to support such measures until this law is changed.

Mr. CRANE. Mr. Speaker, as a cosponsor of Mr. HASTERT's legislation to eliminate the earnings test, and a supporter of all legislation that would eliminate or ease the Social Security earnings test, I commend Mr. HASTERT for having this special order. I also commend my friend Mr. JACOBS, chairman of the Ways and Means Subcommittee on Social Security, for holding hearings on this very important issue.

Many of those opposed to this legislation base their position upon a faulty assumption that elimination of the earnings test will decrease revenue to the Treasury. The Congressional Budget Office [CBO] puts a $3.6 billion price tag on the Hastert legislation. A student of the most fundamental economics course is not so ignorant as to believe that the elimination of a tax, no matter what tax, will not provide some sort of economic stimulus. In fact, a static analysis such as that provided by CBO is worthless in determining not only the revenue effect, but also the overall economic and societal value of eliminating the earnings test. Though some of the factors taken into account are immeasurable, one dynamic analysis scores the elimination of the earnings limit as a $140 million revenue increase.

However, regardless of the revenue inpact the greatest policy consideration concerns whether Congress should continue the practice of hindering the productivity of senior citizens by discouraging them from continuing to work. Americans are living increasingly longer lives and yet Congress is sending the message that life's economic and social value is eliminated when one begins accepting Social Security benefits. It is a contradiction in terms, yet not unlike Congress, to invest in programs that prolong the lives of our citizens, like cancer and AIDS research, while at the same time stating through policy that even though one accepts Social Security benefits and is interested in contributing to the economy and society, it is pointless because senior citizens are not worthy of that role in our country.

It is high time for Congress to admit its past mistakes. Though it is popular practice, it is not right nor is it sound economic policy to target certain groups of individuals to make up for the lack of fiscal responsibility of our Nation's governing body. The American people realize this and are asking for fairness. Congress should respond by eliminating the Social Security earnings limit.

THE OLDER AMERICAN FREEDOM TO WORK ACT

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Arizona [Mr. RHODES] is recognized for 60 minutes.

Mr. RHODES. Mr. Speaker, this is special order hour No. 2 on the same subject. I do not want anyone to think it is just the next team coming in.

Mr. Speaker, I want to add to the words of compliment and praise for our friend, the gentleman from Illinois [Mr. HASTERT]. It is true that DENNY and I are theoretically the original cosponsors of this project, but I would be remiss if I said that I have worked equally as hard as he has. That is not true. The gentleman from Illinois has really borne a great deal of the weight of this effort over literally almost 3 years, and so I want to join with all of our friends in thanking him and congratulating him for getting us to this point.

For some additional comments I am very pleased to recognize our colleague, the gentleman from Georgia [Mr. JONES].

Mr. JONES of Georgia. Mr. Speaker, I thank my distinguished colleague, the gentleman from Arizona [Mr. RHODES], for allowing me to have the opportunity to comment this evening about our work, and I would like to also commend my colleague, the gentleman from Illinois [Mr. HASTERT], for the hard work that he has put in on this issue.

Mr. Speaker, I rise in strong support of H.R. 967, the Older American Freedom To Work Act. My colleague from California said he would like to see it called the Chronologically Gifted Act, I think, and, as one who is going to be 50 this year myself and eligible to join AARP now, I suppose I am becoming more and more chronologically gifted.

However, Mr. Speaker, I kind of like it the way it is, the Freedom To Work Act, because I think it expresses something about a basic freedom. It is not just a freedom in our country to work. It is a responsibility, a duty, and, I think, an instinct of Americans. We love to work. That is what has made this country great, and the fact that this bill already has 242 cosponsors, I think, is a reflection of the support it has, not just in the Congress, but throughout the country.

It is time to repeal the earnings tax, for it is outdated, it is antiquated, it is anachronistic. It is discriminatory, and it is partently unfair, and, as one particularly active senior citizen said to me, it is just plain un-American.

Mr. Speaker, we all know what it does. For people between the ages of 65 and 69 the earnings test tax reduces their Social Security benefits by $1 for every $3 that they earn over $9,720. So, that translates into a 56-percent marginal tax rate for a senior citizen who earns his $10,000 a year.

Now our top tax rate in this country is supported to be 28 percent on a millionaire, so it is twice what the top wage earners in this country pay.

Now we all know, too, that this earnings test originated in the 1930's, almost 60 years ago when it was instituted as a way of encouraging seniors, encouraging seniors to retire and leave the work force, and there was some rationale for it at that time. But the reality has changed, and we would be remiss if we did not address that reality and deal with it, and I compliment the gentlemen on doing that.

The U.S. Labor Department has, in fact, warned of a shortage in young workers by the end of this decade. Therefore, that historical rationale for removing seniors from the work force in order to make room for younger workers is no longer applicable.

Mr. Speaker, this test only served to discourage seniors from working by reducing a significant part of every additional dollar which they can earn. It is nothing more than an added tax, and it also represents a form of economic discrimination upon our seniors who desire to work, or in many cases have to work, after reaching the age of retirement.

Now some folks claim that repealing this would generate a bigger Federal deficit due to the increase in our Social Security payments, but it just "ain't" so. It would not increase the Federal deficit. Studies have shown that the current earnings limits could be doubled, tripled, or even quadrupled, and the Federal Government would receive considerably more in new work related tax revenues than it would lose in increased Social Security payments.

Mr. Speaker, eliminating the earnings test would mean that at least 700,000 seniors with work experience, with skills, would enter the labor market, and, as a result, our annual output of goods and services would increase by at least $15.4 billion.

Earlier in the previous hour my distinguished colleague, the gentleman from Georgia [Mr. DARDEN], commented on the experience of a company from Georgia based in my district, Days Inn of America. A few years ago, in 1985, the Days Inn reservation centers in Atlanta and Knoxville suffered from a 100-percent turnover rate and a 30-percent absentee rate. Days Inn former President Mark Levin solved this dilemma by recruiting and hiring senior citizens, and now, with senior citizens holding down a third of the reservation jobs, the turnover rate is down to 25 percent, and the absentee rate is down to 3 percent. The current president of Days Inn, John Snodgrass, says that corporate America is walking past an unbelievable resource of talent, reliable, trained, and educated. I do not think anyone has said it better, and Days Inn, and other employers like them, their success in hiring seniors underscores the unreasonableness and the economic unfairness of the earnings test.

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I thank the gentleman for these special orders and I thank the gentleman for his leadership on this issue and wish him well. I know we will do well in the subcommittee hearings tomorrow. I hope this thing sweeps through the subcommittee, passes the committee, comes to the floor, where I am sure it will be overwhelmingly passed and it should become the law of the land. Let us take this unfair, this unreasonable tax burden off of our creative, our vital, and our active senior citizens and give them, as the gentleman says, the freedom, that basic freedom to work.

Mr. RHODES. Mr. Speaker, I thank the gentleman from Georgia for his participation here tonight. It is true that this initiative started off as a Republican initiative, but it has long since ceased to be so. It has long since become a bipartisan, nonpartisan initiative, because the issue is nonpartisan. The people it affects are across the board in this country, Republicans, Democrats, Independents.

As a matter of fact, while I am thinking of it, the gentleman in the Chair, the gentleman from Georgia [Mr. RAY], who is not in a position to speak for himself because of the position he is in this evening, he is a cosponsor of this legislation. We appreciate his help very much.

Mr. HASTERT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Illinois [Mr. HASTERT].

Mr. HASTERT. Mr. Speaker, I want to again applaud the gentleman from Georgia. He made a very, very cogent point. By the end of this decade, by the year 2000, there will be 1.5 million, a million and a half fewer members of the work force that we take for granted between the ages of 16 and 25. Instead, we are going to have a lot more people in the work force that are over the age of 65.

Here we are with an antiquated taxing system that taxes those people, that keeps them out of the work force, that keeps them nonproductive.

The gentleman's comments, I just want to say, are right on point. We need to change the Tax Code. We need to change the earnings test on Social Security and let those people be productive and let America be productive.

Mr. JONES of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Georgia [Mr. JONES].

Mr. JONES of Georgia. Mr. Speaker, I would like to respond. You cannot have 242 cosponsors in the House of Representatives without it being a bipartisan bill. I am a Democrat who is also willing to listen, and occasionally willing to concede that some good ideas come from both sides of the aisle. This is a particularly good one because our seniors are not Democrats, Republicans. This is not a partisan problem. This is an American problem.

It has long passed the time for a solution. This makes good sense. It is morally correct, and it makes economic sense. Once again, I congratulate the gentleman for his leadership on it.

Mr. RHODES. Mr. Speaker, I thank the gentleman from Georgia [Mr. JONES] for his kind words. I thank him for recognizing that if this House were a fountain of wisdom, which it usually is not, at least the wisdom is evenly distributed on both sides. I thank the gentleman for being with us.

Mr. Speaker, I yield to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Speaker, I thank the gentleman for yielding. I would like to say that the words that are being spoken here today are words that should be listened to, because I wonder at which point in the stage of a person's life that they lose their equal rights, at which stage in a person's life do they lose the idea that they no longer have dreams that they can achieve. At which stage in a person's life do they cease to seek goals?

This is a bill that is going to envelop all Americans, especially seniors, that we all have a sense of self-worth. And one way to have that equality is to be independent.

We are founded on the belief that we are all equal. We are all free. We all have a right to strive and achieve. The thing that gives us that ability is freedom, and the thing that gives us the ability to have freedom is our right to work, our right to earn, to feel that we have some worthiness. And we need to not only vote on this bill, but we need the House of Representatives to have a unanimous vote on this bill.

Mr. Speaker, I rise in support of H.R. 967, and commend my colleagues, Mr. HASTERT, and Mr. RHODES, for their leadership in calling for this special order to call attention to a situation that seems to me to contradict every ideal and good intention of our Nation's long and great history with free enterprise. As you know, Mr. Speaker, I am referring to the Social Security earnings limitation for senior citizens under the age of 70. Workers age 70 and older have no restrictions on their earnings, and I believe we must extend this to all senior citizens. This policy is outdated and must be changed so seniors can meet their high cost of living and maintain financial independence.

Under current law, retired senior citizens under age 70, who receive Social Security benefits and must work to make ends meet, are faced with serious restrictions on earnings. For example, workers between the ages of 65 and 69 can earn only $9,730 before having to forfeit $1 in Social Security benefits for every $3 earned. While this policy may have worked well to meet the needs of the economy in the past, I believe that, during our economically shaky times, this policy no longer meets the needs of the economy, nor the needs of senior citizens.

Our current generation of senior citizens have lived through many trying times: the Great Depression, World War II, the Korean conflict, the Vietnam war, and now the Persian Gulf war. This is a generation that built our country and made it safe and strong. This is a generation that values hard work and personal independence. In this time of rising health care expenditures and cost of living, shall we nickel and dime our seniors into poverty? In this day of redtape and layers of Government bureaucracy, shall we continue to stifle our seniors' will to work and drive to prosper? No. The time has come to repeal the earnings limit.

According to the U.S. Department of Labor, in 1986, 48 percent of men and 68 percent of women were working part-time. The Department of Labor reported in January 1989 that 61 percent of workers age 63 and older were working because they "need the money." At the same time, the Department of Labor warns of shortages in the labor market. There is a tremendous need for skilled, dependable workers, and as the employment programs of organizations such as Days Inn and the Travelers show, older workers are a tremendous resource that needs to be tapped. As we struggle to meet worker shortages in health care, education, and child care, we must do all we can to encourage and support older workers.

Furthermore, I disagree with those who argue that repealing the limitation will result in Government revenue deficits economy. Instead, I support the findings of the Institution for Policy Innovation and the National Center for Policy Analysis, which reported that under even conservative estimates with the repeal of the earnings limit, at least 700,000 elderly retirees would enter the labor market, increasing our gross national product by $15.4 billion.

Another issue is equity between those who work and those who do not. Other forms of income do not disqualify our Social Security benefits. Why should retired senior citizens who receive unearned income, like that from interest or dividends, in excess of the current earnings test not have any limit on their Social Security benefits? Why do we continue, in essence, to penalize the middle-income and hard-working senior citizen?

Over and over we have heard from our constituents that the earnings test discourages them from fully participating in the work force. No earnings limitation exists for those aged 70 and over. Repealing the Social Security earnings test is one more way to abolish cumbersome Government regulations that dishearten many of our older workers. Repeal is good for seniors, it is good for employers, and, I believe, it will be good for the economy in the long run. Repeal is consistent with our long-standing American tradition of hard work and independence. I encourage all my colleagues to support this measure.

I hope that it will go through the subcommittee, it will go through the committee, and perhaps, this would be something extraordinary, we could bring it to the House and we would have a unanimous vote on this particular bill.

Mr. Speaker, I thank the gentleman from Arizona [Mr. RHODES] and the gentleman from Illinois [Mr. HASTERT]. Once again, I commend them for their leadership and their hard work.

Mr. RHODES. Mr. Speaker, I appreciate the gentleman from Maryland [Mr. GILCHREST] being here with us.

Mr. Speaker, I yield to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, in the near future, when the Social Security earnings limitation is finally repealed and elderly Americans are permitted to keep the fruits of their labor, they will have Congressman HASTERT and Congressman RHODES to thank. I think that it behooves me tonight to give personal thanks to these two Congressmen who have shown such tremendous leadership on this issue. I know that every senior citizen in America will benefit from the hard work and the diligence that both of them have shown, because if this happens, if we extend these rights and we protect the rights of our elderly Americans, it will be because of their hard work.

No progress in Washington, DC, happens without hard work. These two gentlemen deserve a round of applause from all over the United States of America.

I do hope, however, after saying that, that we are able to actually deal with this issue and pass this reform and do this before the seniors of this country again feel compelled to attack the limousine of the chairman of the Ways and Means Committee.

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It seems there are some people in this Hall, it is very hard to get their attention, unless you are willing to pound on their chair. But we have got two gentlemen with us tonight who have been diligently working, and I might say not trying to gain all sorts of publicity for themselves, but trying to do something for some very worthy citizens in our country who are not being dealt with fairly today.

Mr. Speaker, the Social Security earnings limitation must be retired. It represents nothing more or nothing less than age discrimination, discrimination against what one of our colleagues claimed tonight is the chronologically gifted. I will say that that probably is one of the more unique descriptions that I have heard. But we cannot put up with any type of discrimination, and we cannot put up with age discrimination against our chronologically gifted Americans.

Under current law, senior citizens between the ages of 65 and 70 who earn more than $9,720 a year are slapped with a 33-percent penalty. They are suddenly taxed $1 for every $3 they earn over the limit.

Quite simply, that means that a senior who earns a paltry $10,000 a year must pay a 56-percent marginal tax rate. To put that in perspective, that rate is twice as high as that which is paid by Donald Trump.

Well, something is wrong here when we are taxing our senior citizens, who are not wealthy people, many of whom are working because they have to, taxing them at a rate that is higher than the rate that Donald Trump has to pay for his money. Something is wrong, and we need to reform the system.

Opponents of our efforts claim, of course, that repealing the earnings test would do nothing but help the wealthy. Well, nothing could be further from the truth. Since when does earning $11,000 a year make one rich?

Statistics show that if the test were to be repealed, more than two-thirds of the benefits would be paid by those whose incomes are under $40,000 a year.

Now, the truth is, repealing the earnings limitation would enable elderly Americans to continue to be able to be productive members of our society. Is this not something we should be encouraging?

Every time you put a tax on something, you discourage it. What we should be encouraging is productive behavior from all of our citizens, and we should not be leaving out a large segment of our society.

Others claim that the repeal would cost the Government revenue, especially at this time when we have massive Federal deficits.

Well, again, this is a static interpretation of the statistics. It is a shortsighted view of what we are going to benefit from by seeing that up to 700,000 elderly Americans at that point would be joining the work force, and, thus, expanding the tax base.

The National Center for Policy Analysis projects that repealing the earnings limitation would increase America's annual output of goods and services, and, of course, we have heard this figure tonight, by $15.4 billion annually. That means an increase of almost $5 billion a year in revenue, far more than offsetting the cost of repeal.

Mr. Speaker, as Yogi Berra once put it, "The future just ain't what it used to be."

Well, America's work force is not what it used to be either. We have heard the statistics again from speakers who have been here before this evening. By the year 2000 there will be 1½ million fewer workers between the ages of 16 and 24 years of age. There will be 1.5 million actually fewer entering the work force at that time. At the same time, 5 million older Americans will be retiring. So we will have fewer people entering the work force between the ages of 16 and 24, and have 5 million older Americans retiring.

It is obvious that we need to remove the Government disincentives which prevent older Americans from working, which indeed are forcing some of these 5 million older Americans to retire at a time when they are needed, and actually give them an incentive to do exactly the opposite of what the need of the country is.

Mr. Speaker, elderly Americans are the most productive and responsible members of our work force. The skills and experience of the elderly are America's most underutilized asset. We do not need a Federal law which says to our American citizens, you are 65 years of age. Go home to your rocking chair. You are not needed anymore.

America's senior citizens have so much to contribute to our country. They are needed. They are desperately needed by our country, in so many ways. They are needed in the work force, and to contribute to the well-being of our country in that way, and in many other ways.

Mr. Speaker, let us not force our seniors to retire. Let us not put this great disincentive into the system for them to work. Instead, if we are going to retire anything, let us retire the earnings limitation. Let us pass the Freedom to Work Act.

Mr. RHODES. Mr. Speaker, I thank the gentleman for his support, his comments, his being with us this evening, and his compliments. I think the gentleman from Illinois [Mr. HASTERT] and I do not deserve those comments, but we will certainly accept them. I thank the gentleman for his help.

I would like to now yield and recognize the normally rustic and soft-spoken gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I thank my friend from Arizona for yielding. I will argue with him. I think he and the gentleman from Illinois [Mr. HASTERT] are very, very deserving of the compliments that have been made about them this evening.

Clearly retirement, as my friend from Long Beach likes to say, of the earnings penalty, is something we must pursue. I first introduced a measure to move in this direction back in 1985, shortly after this had been passed.

Mr. Speaker, I thought that I was working diligently on it, but my work at that time paled in comparison to the efforts that the gentleman from Illinois [Mr. HASTERT] and the gentleman from Arizona [Mr. RHODES] have put into this. I simply want to say to them, thank you. Thank you on behalf of the chronologically gifted, as my friend from San Diego likes to call them, the senior citizens.

Mr. Speaker, we all represent senior citizens. They have provided us with a great opportunity to work as we are in this capacity, and they provide the opportunity for other families to be as successful as they are. It seems to me that this kind of effort to repeal this ridiculous tax has so much common sense to it, and, as many people have said, that may be the reason it has so little chance of passage in the Congress. But I think we need to work as diligently as we can to ensure that our colleagues join as cosponsors and pass the thing.

Mr. Speaker, I thank the gentleman for yielding, and congratulate both gentlemen again.

Mr. RHODES. Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for his thoughts and participation.

Mr. Speaker, this is very close to the end of the special order that my friend from Illinois and I have engaged in, and engaged the services of many of our colleagues in. I think over the course of the past hour and 20 some minutes, virtually all the arguments in favor of the legislation that we are all supporting have been made, and made very eloquently. I certainly do not intend to repeat them.

Mr. Speaker, I have learned a lot over the course of the past 2½ years or so we have been working on this. In my mind, you can sum up the arguments in favor of repeal of this outdated tax in just one word, and that is fairness. It seems to me that there is no element of fairness at all in this earnings limitation. There is no element of fairness in virtually keeping people in bondage because of an outmoded law, and there is every element of fairness in removing this barrier to some of our most productive citizens.

Mr. HASTERT. Mr. Speaker, if the gentleman from Arizona would yield, I have to say that this effort certainly has been bipartisan. We have taken it on for the last 2½ years, so it certainly is not a new idea. It certainly has had its wellspring in the State of Arizona with a Senator at one time by the name of Barry Goldwater. We have to think of the efforts of gentlemen like that, and even our colleague at this time, the gentleman from Texas [Mr. ARCHER], who has carried this piece of legislation and worked on it diligently for 17 years.

Mr. Speaker, I think the time has come that America needs to wake up, and we need to begin to appreciate the potential that we have in our work force, and that is our seniors, whether they are 62 years of age, or 65 years of age. Certainly it is a different world today. Those people who are 65 years of age certainly have a great and vibrant life ahead of them.

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We need to give them the opportunity to be useful and productive Americans. I certainly have appreciated your efforts and really enjoyed working with you in the last couple of years in trying to bring this piece of legislation to fruition, and certainly am happy with the Members who showed up here tonight and talked about this issue.

But most important, I think that the message that gets across to the American people is that it is time that we changed this law. It is time that we give the opportunity to Americans, and it is time that we do bring fairness to the senior citizens of this country.

Mr. RHODES. I thank the gentleman again for everything he has done. It has taken us 2½ years to get to the point where we will be tomorrow, which is our first real hearing before a subcommittee of the House of Representatives. I now the hearing is going to be successful. I hope that the outcome will likewise be successful and we can continue to move this matter forward.

Again, I thank the gentleman for everything he has done.

Mr. RHODES. Mr. Speaker, the Social Security earnings test has been in existence since the payment of the first Social Security benefit. It has been changed since 1940, but it is no less onerous to those persons affected by it.

Social Security, when it was created in 1935, sought to achieve two goals—moving older workers out of the work force to make way for younger workers, and to partially replace lost income due to retirement. Those goals were applicable in 1935, but are not in 1991. The goal of this hearing, to explore the various proposals for reforming the earnings test, can lead to increased fairness and equity for the Nation's many working seniors.

The original earnings test affected retired persons earning over $15. They suffered the loss of their entire Social Security benefit. Since them, the test has undergone a variety of changes. It became an annual test as opposed to monthly; the amount of earnings allowed has increased—currently it is $9,720—the amount of benefits lost has been decreased from $1 for every $2 earned over the limit, to the current loss of $1 for every $3 earned over the limit, and finally, Congress has established an exempt age of 70 years.

These reforms, combined with the overwhelming support of Members—H.R. 967 currently has 240 cosponsors—leave many of us with the belief that the test is antiquated, inefficient, draconian, and ripe for elimination. There are currently at least 20 different proposals pending before Congress that would significantly alter or entirely eliminate the test.

Consider the current labor market in today's society. By the year 2030, there will be only two workers for every elderly citizen. The Nation's labor market lacks skilled laborers because they are forced from the work force by the artificial penalties they could face if they continued to work. The Wall Street Journal reports that 83 percent of all men and 92 percent of all women over 65 are completely out of the work force. Three out of five of these do not have any disability that would preclude them from working. If these persons have retired voluntarily and do not wish to work, that is their right; but it is also the right of those persons who wish to continue working to do so without penalty.

We take pride in pointing out the lower numbers of impoverished elderly in America, but today's seniors are facing marginal tax rates that can be as high as 122 percent. We seem to set out to punish two groups of seniors, those who have been able to keep themselves out of poverty and those whose financial situation dictate that they continue to work.

Some argue that only the rich benefit from eliminating the earnings test. I question the legitimacy of that argument. Is it right for any individual to face tax rates of 65 percent? It is fair to preclude any individual from continuing to earn their wages, without penalization, because it does not benefit his neighbor? In fact, since investment moneys are not counted as income, the earnings test hits a higher percentage of seniors who are forced to stay in the labor market. Elimination of the earnings test would benefit many more working class seniors than "well-off" seniors. Well-off is a relative term now, when a spouse's illness could easily oost $25,000 a year for nursing home care.

The complexity of the current system must also come into question. It costs the Social Security Administration [SSA] over $200 million, and 2,500 employees, a year simply to administer the earnings test. The elderly must determine what their earnings will be for the upcoming year and report that figure to the SSA which then makes any adjustments to the Social Security benefit. If any underestimation or overestimation occurs, a lump sum payment or refund is made.

Finally, the argument is made that this constitutes a raid on the Social Security trust fund, that it costs too much and should not be tampered with in any way. I disagree. In fact, no one can agree on what the actual revenue impacts would be. Some claim the elimination of the earnings test for those of retirement age and above will result in outlays of $5 billion a year. This figure does not take into account the savings that can be estimated from decreased administrative expenses, and increased old age survivors and disability insurance revenue as a result of taxation of benefits, and the increased work effort. Even this recoupment figure is subject to dispute. Depending upon the estimator and the methods that can be used to lessen the budgetary impact, such as the delayed retirement credit, recoupment figures have been judged to be as little as 10 percent and as much as 50 percent.

In closing, the question is not whether repeal is in keeping with the original intent of the Social Security System; it is not whether repeal only benefits the rich; it is not what number of elderly will reenter the work force. The crucial question is whether the Federal Government should tell a Social Security recipient he or she cannot continue to be a productive wage earning citizen without being penalized for that initiative. My answer to that question is no.

Mr. SANTORUM. Mr. Speaker, I am proud to join my colleagues today in support of the Older Americans Freedom To Work Act. On behalf of the approximately 80,000 seniors' households that I represent in Allegheny County, PA, I join in this unparalleled consensus effort for reform of the Social Security earnings limits. As I continue to hear from the seniors community in the 18th District of Pennsylvania on the need for restructuring the earnings test, I would like for their views to be heard along with those older Americans represented by the 240 current cosponsors of H.R. 967.

I commend the efforts of my colleague, Mr. HASTERT, for his determined campaign for our Nation's older Americans. As the Social Security Subcommittee prepares for its hearing tomorrow on the Social Security Earnings Test, I rise to urge the leadership of the Ways and Means Committee and the leadership of this body to move H.R. 967 before the Committee of the Whole House. It is my hope that the seniors of Allegheny County and of this Nation may have a fair and final hearing on the need for removing the earnings test restriction. It is only to this country's benefit to revitalize our seniors community by recognizing them as a continued vital and beneficial function of our labor force.

GENERAL LEAVE

Mr. RHODES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this special order this evening.

The SPEAKER pro tempore (Mr. RAY). Is there objection to the request of the gentleman from Arizona?

There was no objection.

GENERAL LEAVE

Mr. DREIER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MEXICO FREE-TRADE AGREEMENT AND FAST TRACK

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

Mr. DREIER of California. Mr. Speaker, I have taken out this special order for a very important reason. I have done it for the last several evenings, and I do it first to extend an invitation to my colleagues who might by some means other than just hearing it by the back railing through some other technology that may be carrying this message to them to hear this message. It is an invitation for those who are proponents as well as opponents to the fast-track legislation which we are going to be voting on here in the Congress tomorrow to come and join us, engage in a debate on this as we will only have 4 hours of it tomorrow, Mr. Speaker. So I think we should have at least a fifth hour here this evening so that we will have a chance to let our colleagues who will be reading the RECORD diligently, along with members of their staff and others in the public, to see that there are some good arguments on both sides of the issue. But I believe that the argument in support of granting fast track will overwhelmingly prevail. So I would like to extend my invitation to my colleagues.

At the outset I would like to say that I truly do believe that tomorrow we will be casting one of the most important votes of this decade. As my friend from Tucson, Mr. KOLBE, likes to say, it will be the economic equivalent to the use of force resolution which we voted on here in the Congress in January of this year. It is critical to determining the economic future of the free world and whether or not we are going to continue to play a major leadership role in it.

Three of my distinguished colleagues from the West, two from California and one from Arizona, Mr. Speaker, are standing, and I will have to go by seniority at this point.

If my distinguished friend from Tucson will allow me, I am happy to yield to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. I thank the gentleman for yielding, and I am delighted that I have had an opportunity to engage in this debate or this discussion with the gentleman, and would like to leave some time for some of the others.

Mr. DREIER of California. We have 60 minutes.

Mr. KOLBE. I just wanted to begin by making the point first of all that I appreciate the fact that you have been so diligent in taking these special orders for several evenings on the floor here during the last 2 weeks. As you pointed out, we will have 4 hours of debate. That seems like a lot of debate, an hour on the rule, 2 hours of debate on the Dorgan resolution of disapproval, and 1 hour on the Gephardt sense of Congress resolution. That may seem like a lot of debate. But I also remember just a few months ago, I think we had more than 40 hours of debate on the war resolution. And, as you have suggested, I think this is the economic equivalent of that resolution.

Mr. DREIER of California. If my friend will yield on that point, under the normal procedure for debating an issue like this, 20 hours of debate is normally in order. That is the norm for this, and we have cut it back dramatically based on what we passed up in the Rules Committee.

I am happy to continue to yield.

Mr. KOLBE. I appreciate the gentleman's point on that. I think that that point is very well taken.

It may be true that the arguments have all been made. I think that this has been one of the issues that has been perhaps worked harder, and I think my colleague from California is one of those who has to be thanked and congratulated for the effort that he has put in. This issue has been worked hard.

The arguments have been made in favor of it. They have been made against it. He and I, the gentleman from California and I have participated in literally scores not only of this kind of special order, but in forums. I have been all over the country in more than 50 forums since last summer talking about this issue from one end of the country to the other. I have been in Mexico five times since January 1 meeting with people.

Mr. DREIER of California. If I can further reclaim my time, I would like to say my real involvement on this issue started several years ago. But it was very slight in comparison to the effort that has been put in by the gentleman from Arizona, who since 1986 has been diligently pursuing this.

I got most involved when I was given this assignment in January to join the Rules Committee and found it came under the jurisdiction of the committee. So it created an opportunity for me to do this, and so I would like to thank my friend from Arizona who has been working on this since 1986.

Mr. KOLBE. If the gentleman will yield again, I thank him for his compliment. But the vote today in the Rules Committee is a clear indication of the hard work that he has put in.

Mr. Speaker, I would like to just make a couple of points, and then perhaps engage some of the other Members who are here tonight in some of this dialog.

Last night I spoke about what the political implications of this vote would be and suggested that none of us in this body can make a decision on this based on the political implications in Mexico or in Latin America, because we have to do what is best for us, for our country, for our districts, but I also said we cannot be unaware of it. And I think there are several things we need to keep in mind.

I would just mention that a couple of days ago at the White House President Bush had said and reminded us of a conversation he had with President Perez of Venezuela who said they were watching this very, very carefully because they thought that a vote against fast-track negotiations with Mexico would be a vote really against all of Latin America. It would be a vote against better trade relations with all of Latin America.

I just would like to point out a couple of things that I think would result if we were to defeat fast track. I want to talk about the positive, but I think we have to also be cognizant of the problems that would be caused.

We would certainly see a loss of foreign investor confidence. I think we would see an escalation of capital flight from those countries. I think we would see the credit rating of those countries drop. We would certainly see the borrowing costs made higher for those countries, a region which is already $420 billion in debt. If we think we have problems in the S&L industry, just wait until we see this happen with all of Latin America.

We need to help improve the economy of those countries. As my colleague has used the phrase, which I think is very apt in this case, a rising tide lifts all ships, and in this case the ships to be lifted are the countries of Latin America who are developing, trying to develop, who are poor, who need to have a better economy, and exports are a way to do that. We have been urging these countries to become more export minded. Rather than import substitution economies, to be more export minded, and for us to say no to Mexico just as they are doing that would be a tragic mistake.

Mr. DREIER of California. Mr. Speaker, if I can reclaim my time, I would like to pose a question to my friend from Arizona which relates specifically to this. We do know from having met with leaders throughout the Americas—I just a couple of weeks ago had a breakfast with the ambassadors of the five Central American countries, and I mean we have statements from Carlos Andres Perez, President of Venezuela, and other leaders throughout the region which have clearly demonstrated their interest in seeing this be successful.

Some concern has been raised that some of these countries and some of the countries in the Pacific rim might in some way use Mexico as a launching pad for the transfer of consumer items into the United States through that free trade area. I think that the rule of origin question is something which we need to focus on. Our Latin American neighbors certainly know that, and they realize that they are not going to be able to immediately funnel items into Mexico, and then have them flow, duty free, into the United States. And I think that when we make this point, that the Americas want us to take this first step. And it is a broader step that will follow I believe because, as I mentioned here last night, we have seen Uruguay, Paraguay, Brazil, and Argentina unite in March as a trading bloc which would go into effect in 1995. That unification is something that will play a role in uniting us between the United States and the southern part of South America.

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That unification is something that will play a role in uniting between the United States and the southern part of South America, but I think we need to recognize that these countries are not going to be able today, or when an agreement is put into effect, to use Mexico as a launching pad to transfer duty-free items into the United States.

Would my friend care to comment on that?

Mr. KOLBE. Yes, if the gentleman will continue to yield, I would, indeed, like to comment on that.

I think the point is a very good one. In fact, if I were to look past this vote tomorrow and to the year that is to come in the negotiations that are going to take place for a free-trade agreement, if there is any one issue that I think is going to be critical to the success of these negotiations, and critical to the success here in Congress, it will be that question of the rules of origin. We have to negotiate a good rule of origin that will protect consumer goods coming into the United States to make sure that other countries as you suggested, whether it is Japan, Taiwan, Thailand, whatever it may be, is not simply using a back door of Mexico, or if we ultimately achieve the initiatives for the Americas that the President hopes that we will achieve, that they are not using some other country as a back door into the United States for their products. A good rule of origin was crafted, as a matter of fact, with Canada, and I think it has worked very successfully.

I would like to see my dream, which is to see us create something that would be called a Made in North America label. If it bore that stamp, "Made in North America," you would know it was made in Canada, the United States, or Mexico, or more probably Canada, the United States, and Mexico, meaning that parts of all of this work would be done in each of the three countries.

It gives us an opportunity to combine the resources that each of the countries has, the natural resources of Canada, the technological and capital of the United States, the labor resources of Mexico to be sure that the North American free-trade group would be the most competitive, the largest economic bloc in the world, able to compete with Japan and able to compete with the European Community.

Mr. DREIER of California. Mr. Speaker, I think my friend has made an extraordinarily good point, and when you think about the constant pressure that we see out there that says "buy American, buy American, buy American" we are simply enlarging America with the prospect of a North American free-trade agreement. That really is our goal here, and buying American is something that we will be able to do more easily, and it will be obviously very advantageous to consumers in the Americas, in both Mexico and the United States.

I know that my friend from Arizona has a very busy schedule, and I do not want to keep him, because he has an important television program to come on in just a few minutes.

Since I said I would go in seniority, I will say to my friend, the gentleman from San Diego, that I hope that he will suffer through the remarks of my very eloquent friend from California.

Mr. CUNNINGHAM. Once a J.O., always a J.O.

Mr. DREIER of California. Mr. Speaker, I yield to the gentleman from California [Mr. ROHRABACHER], my very eloquent speechwriter friend from Long Beach.

Mr. ROHRABACHER. I will take a few moments, and then I will let my friend from San Diego have his say, and maybe later on we can talk a little bit more.

I would just like to note that I used to work for an older fellow. He was a very successful man, and I studied his methodology. I tried to figure out what was the secret of his success. How did he achieve the things that he did?

I listened to him, and in essence what he was telling me and telling other people was that when you are surrounded by problems, and we have many problems in America today, do not get bogged down in your problems. What you should do, instead, is follow and seek your opportunities, try to exploit your opportunities, put your time and your energy into finding things to accomplish rather than simply trying to focus on all the problems that surround you.

Well, today we are surrounded by problems. We have a $400 billion deficit this year, and this is a fact that is almost overwhelming. The Federal debt is going up by over $400 billion this year. Next year, it is projected that our Federal debt will increase by $426 billion.

For those people who are listening who do not understand the significance of this, let me just say that for every year for the rest of my life there will likely be $70 billion in the Federal budget allocated simply to pay for the interest on the increase of the national debt over these 24 months. It is almost overwhelming. This is something that is a wolf at the door.

However, if all we do is try to deal with the problem rather than trying to seek opportunities which will expand the American economy and find out ways of doing things better here, then we will miss the opportunities that are present, and I believe there is no greater opportunity in America and for America than this free-trade proposal, the North American free-trade proposal, our free-trade agreement with Mexico and, yes, expanding trade around the world through the GATT process.

By freeing trade, and especially by freeing up trade between the United States and Mexico and freeing trade between, yes, the United States and Canada and Mexico, we will expand the wealth of this country. We will have sought out the opportunity, the greatest opportunity that we have.

There is no greater opportunity in America today to expand the amount of wealth available on this continent and available to our people and wealth that will make us more productive and, thus, more able to deal with the deficit problems and the financial problems that we have than what is going on today, the opportunity with this free-trade agreement.

Mr. DREIER of California. Reclaiming my time, I will yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman.

The gentleman from California made a very good point, and I would just like to follow up on that. I am sure he may be aware of this fact, and perhaps he is not.

We have heard a lot in this debate about the fact of why should we want a free-trade agreement with Mexico;

after all, Mexico does not have any wealth. The people are poor. They cannot afford to buy anything. What is interesting, and I think most people are not aware of this, Mexico buys on a per capita basis, Mexicans buy $350 a year from the United States per person in exports of the United States to Mexico. The EEC, far wealthier, buys $266 a year from the United States.

Now, think of what we could do if we can develop the economy of Mexico and increase the wealth of Mexico, how much more that could be.

Mr. DREIER of California. Would my friend repeat those figures? Those are figures which I think bear repeating so our colleagues can hear them.

Mr. KOLBE. Today, even as poor as Mexico is, they buy $350 per person per year from the United States in goods that the United States sells Mexico. That means jobs for Americans producing for Mexico; while the European Community, far wealthier, buys only $266 per person from the United States

Mr. DREIER of California. That is a fascinating figure.

I will yield further to the gentleman from California.

Mr. ROHRABACHER. Let me just mention, and then I will let my colleague from San Diego have a say as well.

When the gentleman whom I was mentioning, the older gentleman who gave me that advice——

Mr. DREIER of California. We were all wondering who that is.

Mr. ROHRABACHER. Yes. He gave me that advice at a time when he took over as President of the United States, at a time when the inflation rate in the United States was destroying any hope that we ever had for progress, at a time when the economy of the United States was sinking, at a time when the interest rates were 21 percent. I am talking about a man who took over the Presidency at a time when our country was in total despair and had the same economic trends continued during his Presidency, yes, this country would have been bankrupt years ago. The deficit that we are facing right now, if those same economic trends would have continued during his Presidency, the deficit we are facing now would have happened 5 or 6 years ago, but, instead, he was able beyond anyone's expectations of creating the longest period of economic growth in our country's history, because he focused, instead of focusing on a problem, focusing on the maladies of America, he focused on the opportunities of America and how to make America more productive, how to get our economy growing, and his name, of course, was Ronald Reagan.

Mr. DREIER of California. I thank my friend for that.

Reclaiming my time for a moment, I think it is just an extraordinarily important point to make that we hear much concern about the potential effects of a United States-Mexico free-trade agreement, and what we are trying to do is we are trying to apply Ronald Reagan's outlook realizing that we will be able to see tremendous benefits accrue to the American people through this.

Last night I was on a radio program in Los Angeles in which people talked about the potential loss of jobs, and some people who have already been victimized by jobs which have left the United States and gone to Mexico. That is something which is, of course, of concern to us. It is of concern to President Bush.

In his response to a letter submitted to him from Senator BENTSEN, chairman of the Senate Finance Committee, and the gentleman from Illinois [Mr. ROSTENKOWSKI], chairman of our Committee on Ways and Means, the President provided what I believe is a very good response, and that is that we need to ensure that dislocated workers in this country are not going to be ignored, and that we will have a package which will address their concerns, but we need to recognize that if we are able to reduce the barrier from the United States going into Mexico, it is a much greater barrier than the barrier that exists between Mexico and the United States.

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Last night, for example, or a couple of nights ago, one of our colleagues was raising this issue about automobiles from Mexico will be flooding into the United States if we reduce this barrier.

Today there is, basically, no tariff on the flow of automobiles from Mexico into the United States. Why are we not flooded with Mexican automobiles today, Mexican automobiles today? The fact of the matter is, we are going to see tremendous opportunity for the flow of United States goods into Mexico. We have all spent time in Mexico, my friend from San Diego who represents that border area, the people of Mexico desperately want the opportunity to purchase United States-manufactured items that are going to be a very positive effect, which the American people will feel from that.

As has been said from time to time, every $1 billion in exports, we create 20,000 to 25,000 jobs. From 1986 to today when we have seen a reduction of the tariffs, the barriers that exist between the United States and Mexico, we have seen a doubling from $15 to $30 billion. A doubling of the exports from the United States into Mexico. It is very clear that we are going to see benefits accrue to the American people from this.

Of course, we know that we can benefit the people of Mexico also.

Mr. Speaker, I yield to the gentleman from California [Mr. CUNNINGHAM], an extraordinarily distinguished man who, as a new Member of this House, brings a lot of expertise, and has a fabulous background. His heroic war record is something which makes me humble in his presence all the time. I am happy to yield to the gentleman.

Mr. CUNNINGHAM. Mr. Speaker, I thank my friend from California. I was so excited when I sat here for an hour last night and watched Members from both sides of the aisle debate, and I think of the whole time that I have been here, it was one of the most serious and one of the best attended and most learning debates that I had ever sat through on the House floor.

Mr. DREIER of California. Reclaiming my time, I hope we will be able to have that again tonight. I am anxiously awaiting some of our colleagues. I do not know if my friend from Hawaii is a proponent or a opponent of this issue. If she happens to be on the other side, we would love to hear from her and mix this up again tonight, if possible.

Mr. CUNNINGHAM. If the gentleman will continue to yield, I want to tell the gentleman that I could not be more excited. I have lived through the negatives of Vietnam and the S&L's, and the recessions we have gone through.

I think right now we have seen the positives of Desert Storm and this country uniting itself. We think we have seen the positives of new markets opening up in the destruction of the Berlin Wall. I think right now all citizens can be that portion of the tip of the sphere that focuses. As my colleague from California [Mr. ROHRABACHER], stated, too many people just focus on the problem, not the solution. I would agree with that wholeheartedly.

The reason I asked to have a little time tonight is that from the debate of last night I picked out several items. There were some items that have not been brought up. From personal experience, and I reside in San Diego, CA. We are right on the border. We look at the immigration, we look with trade every single day. I thought perhaps I could shed some light and perhaps reality to the debate.

A lot of people will tell Members Mexico is corrupt. I know that personally, Salinas de Gortari has done more for Mexico to eliminate corruption than any other President, not only in my lifetime, but in times past.

Mr. DREIER of California. My friend will acknowledge, of course, that there has been a pattern of corruption in the past in Mexico? I think we all acknowledge that, but he makes a good point. We have seen dramatic improvements in the problem of corruption.

Mr. CUNNINGHAM. If the gentleman will continue to yield, I agree. Our colleague from Arizona spoke earlier that too many times our gangs from different ethnic groups focus on negatives. I would like to focus on positives from personal things I have seen from the Salinas government.

We had my distinguished colleague from Arizona, who had to depart, and this week we had a fishing agreement rights that came through, that would limit our sports fishermen to catches. Never before have we been able to have a response that in a matter of 2 days could we go to the President, directly to the Ambassador in Washington, DC, and resolve it overnight. The agreement and the contributions, back and forth with the Mexican Government have been extreme.

I know in San Diego we have a sewage problem. We have the Tijuana River that borders Mexico and the United States. This year, after 20 years of trying, the commissioner, with the Salinas government, have established where we will have, finally, a sewage plant, cosponsored by the Mexcian Government and the United States to take care of that Tijuana River. We tried for years to have that done long before I entered into the scene.

Mr. DREIER of California. I say to my friend while it also happened with the Salinas government, I argue that the gentleman from San Diego, Mr. CUNNINGHAM's entry into Congress could have played a pivotal role in dealing with that problem.

Mr. CUNNINGHAM. If the gentleman will continue to yield, my distinguished colleague on the other side of the issue, the gentleman from California [Mr. HUNTER], and the gentleman from California [Mr. LOWERY], and the gentleman from California [Mr. PACKARD] have broken the ground before me. I would like to take credit for it, but I know they have been instrumental in making that happen.

Recently, the openness of the Mexican Government to even agree or talk to officials on the issue because of the possibility of free trade and the barriers that have come down. If we cannot help someone in our background, if we cannot help our neighbors, we are lost, I think.

Another issue that San Diego suffers from is illegal immigration. We have tons and tons, and I think my friend mentioned there was something like $740 million a year in payments.

Mr. DREIER of California. That is just in Los Angeles County alone, approaching three-quarters of a billion dollars for social services, health care, criminal justice, dealing with the illegal immigrant problem.

Mr. CUNNINGHAM. Locally, the Tijuana government and the Salinas government have banded together, and I checked with my chief of police, Chief Burgreen, who has done an outstanding job for citizens in San Diego. He told me personally that President Salinas and the Mexican Government are working harder than they have ever worked before on helping the citizens to solve that problem.

Mr. DREIER of California. Would my friend repeat that again for me? If my friend could just repeat once again the statement from the chief of police.

Mr. CUNNINGHAM. The chief of police in San Diego, Chief Burgreen, and one of the finest police chiefs that San Diego has ever had, told me personally that the President of Mexico and the Tijuana government, which is right across the border from San Diego, is working harder and more with the city of San Diego than they ever have in the history, to solve illegal immigration. The support that they have on the border, the communication net that they have back and forth, the supplies, the manpower, the money, everything, all the way from sewage, all the way from the border. They are even looking at a binational airport in the district which they have never looked at before. These are positive things.

The maddest I have ever been was the Enrique Camarena case, where a DEA agent right across the border was killed. This was in Mr. HUNTER's district. He asked me to get involved, and I know it affected him very personally, the Enrique Camarena case.

President Salinas has done more to eradicate jobs coming across that border than any President in history. I think we need to kind of support those kinds of things. People will tell Members, and one of my concerns when I first started, whether I was going to be for or against the fast track or free trade, was the pollution problem. If they will increase the pollution in the Tijuana River, if they will increase air pollution, then that will be critical, especially for my district, a critical decision. I have personally gone down on the border. I know that the Mexican Government is working every single day at closing down and enforcing the environmental problems that they have.

Mr. DREIER of California. Reclaiming my time, I think that that in itself is a very important testimonial on this, because many have argued over the past several weeks and months that as we look at the prospects of free trade agreement with Mexico, we are going to see United States industry fleeing to Mexico so they can take advantage of lax environmental standards that exist there.

My friend from San Diego would in no way support the fast-track provisions allowing Members to sit down and begin negotiating an agreement, if he thought for one moment that there was a weakened position on the part of the Lomita, the environmental protection agency in Mexico, or if he thought for a moment that a United States business or any other business in Mexico would be able to come to the border and burn something that could blow across the border and be inhaled by the young children who live in the San Diego area. I think that the support for fast track being demonstrated by my friend from San Diego is a very clear sign that he has confidence in the negotiating process and our commitment to ensuring that we have an improved environment in Mexico as well as the United States.

□ 2050

Mr. ROHRABACHER. First of all, Mr. Speaker, let us note that we should be rewarding President Salinas and those people in the current Mexican administration who have been trying their best to accomplish the things that our colleague from San Diego has been describing for us.

This is a time that we should say this is the type of relationship we want to have. We do not want to have the relationship we have had in the past where people would not return our phone calls, would not address the problems of our borders. Instead, if we turn down this treaty at this time and not even discuss it, it will be like the back of our hand and we will never have the opportunity again.

The question I would like to raise as we talked about a sewage treatment plant that might go into San Diego, and this is perhaps symbolic of what we can face in the future with better relations with Mexico. Who do you think is going to build that sewage plant? Where is the equipment going to come from? What companies are going to be involved in the construction? What type of technology will we put into this sewage plant which will help solve a major pollution problem?

I am willing to bet that once this moves forward, once the investment has been made, once the decision has been made to move forward with the building of this sewage plant, I know that we have been trying to reach an agreement to do this for almost two decades now, but once we reach that agreement, I would be willing to bet that American companies will be deeply involved in the building of this, making a profit at it. It will be our technology and our skilled workers who will be down there participating in this project which will benefit both of our countries.

Mr. DREIER of California. Mr. Speaker, my friend makes an extraordinarily good point which I think bears repeating, that being that we in the United States have developed the technology which is helping to clean up the environment of the world. Our technology is being exported to countries throughout the world because we are the ones who are enjoying cleaner air in the Los Angeles basin than we saw 15 or 20 years ago, because of the technological advances that have been made.

Well, it is obvious that this technology is something that the people of Mexico City, who have very serious air pollution problems, desperately want, as do the people on the border and throughout the country; so there is going to be another great example of a United States product which will be exported to an entire industry which will have tremendous opportunity in Mexico.

Mr. Speaker, I am happy to yield further to my friend, the gentleman from San Diego, because I know he has some very important points to make.

Mr. CUNNINGHAM. Well, Mr. Speaker, I would like to piggyback on my friend, the gentleman from California [Mr. ROHRABACHER].

When the gentleman talked about the sewage plant, in the past the United States has ended up having to pay for most of that equipment, having to pay for the sewage plants, having to pay for airports, having to pay for drug interdiction, having to pay for stopping illegal immigration.

This also gives the Mexican Government the ability to pay a better fair share of this, like a sewage plant. They already have envisioned additional plants that they can pay for with the increase in trade.

My friend, the gentleman from California, Mr. DUNCAN HUNTER, my good hunting and fishing buddy, released an article saying that most Hispanics opposed free trade.

Well, I am in my district every single day. I have a 66-percent minority district. I have held town meetings. I have walked streets. I have talked to business leaders, Mexican-American business leaders. I have talked to Mexicans in their homes, and the majority of the Mexican people that I have talked to on both sides of the border favor the fast track and free-trade agreement.

It is a benefit to them. As a matter of fact, the people I have talked to have been very upset at some of their leaders that they have put trust in not favoring fast track and favoring special interests.

Mr. DREIER of California. If I could reclaim my time for a moment, Mr. Speaker, last night I held up here the bottle, the jar that was labeled DDT. It really was not that. Organized labor sent around to all our offices this jar of DDT, saying it really was not that, it just had this warning. The paper that was attached to it said that DDT will be slathered all over the fruits and vegetables which we in the United States will be eating. That clearly was a scare tactic. The people in our office sent out a Dear Colleague letter today and contacted those who had written the letter and asked which countries actually export these products with DDT, and the authors of this letter could not name one.

I think that this kind of scare tactic is apparent.

I know my friend, the gentleman from San Diego, has told me that many of the Hispanic leaders in the Southern California area have indicated their displeasure with the fact that many in organized labor have been lobbying, misrepresenting to all of us here in this Congress, a position as far as its effect on the American worker.

Mr. Speaker, I am happy to yield further to my friend, the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, I agree. Mexico has had more environmental laws on the books than the United States, very noteworthy, but they have not enforced them in the past. The change that I see across the border in Tijuana in the fruits that come across as well as the efforts of President Salinas, that has changed and that is very positive.

Mr. DREIER of California. Of course, on the issue of fruits that come across, we in the United States are not about to begin considering importing something that is slathered with DDT, because we naturally, through our own Agriculture Department, prevent the importation of those kinds of products, so people trying to make that kind of argument are way off base. I think that needs to be recognized.

Also, my friend spoke so eloquently about the improvement that we have seen in the fact that the Salinas government has been virtually unprecedented in its work on drug enforcement.

We also have seen a tremendous intensification of the environmental standards there. The greatest evidence of that was just recently when President Salinas actually closed down the largest refinery in Mexico City which employed 5,000 people because it was polluting so heavily in Mexico City.

So my friend is right. The same kind of improvement that we are seeing in the enforcement of drug laws and drug trafficking we are seeing in the area of the environment. It is not perfect, of course, but it certainly is moving in the right direction.

Mr. Speaker, I am happy to yield further to the gentleman from California.

Mr. CUNNINGHAM. We have a long way to go, Mr. Speaker, not only in the stoppage of drugs coming across the border, but illegal immigration as well.

I would like to reflect that I think we have signed five different treaties with Japan and they have violated all of them. I think if you take a look at Japan and the way it was maybe 100 years ago, pretty much of an isolationist state, very inward drawn, at the time after World War II they started in free trade and basically I think Japan has skinned us alive in free trade. We may need to take the necessary steps looking at free trade, looking at fast track. The President, I have full confidence, will do that; but if we pull in our sails right now, if we become an isolationist state with Mexico, when we have European markets opening up, we are going to be left behind.

At a time of economic prosperity when we are looking at $400 billion going to $426 billion, again we need to look at the solution, not just the problem.

Mr. DREIER of California. Mr. Speaker, my friend is absolutely right. I can think of no better way to force the United States of America into a second-class economic power status than by defeating this fast track measure tomorrow when we consider it here on the floor.

I think using this example of Japan is a very important one. We have the opportunity to unite and take advantage of the situation that we have with our neighbors, an advantage for them and an advantage for us, which I think clearly will be very beneficial.

Mr. Speaker, I yield further to the gentleman from California.

Mr. CUNNINGHAM. I hate throwing out statistics. Every time I see some I cringe, but let me expound on something else that was brought up.

With $350 per person coming across from Mexico that is spent on United States exports. In San Diego alone, which is the largest border crossing, it has a larger crossing than any other place in the United States, we had 64.5 million people come across from Tijuana legally. Every single one of those individuals buys products in the State of California and many into Arizona and other States as well.

It does not take a mathematical genius very long to figure out that if every single one of those individuals spent 70 cents out of their money that they earned in Mexico in the United States, that is going to prosper not only San Diego, not only California, but the rest of the United States, and I think that is going to expand as well.

□ 2100

It is an increase for the dollar in the consumer demand in the United States as well. Last year, San Diego exports exceeded $1 billion. That is just San Diego. That money and those exports come back to us in duplicate. A third of the city's total export volume went to Mexico. Our exports to Mexico were just third, just behind Japan. If that is the case, that tells me logically if we are exporting more goods, if we are providing more goods to another country, that tells me that jobs are going to be created in this country to make those goods.

Now, there are some concerns of some individuals and some manufacturing facilities that will be hurt, but the overall good, I believe, and the main reason I am supporting this, is I think it will be good for the United States.

Mr. DREIER of California. I yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. The gentleman mentioned manufacturing. I just want to point out that there have been a lot of people who have come to this floor, largely from the other side of the aisle, and it has been like Chicken Little running around saying, "The sky is falling," that somehow Mexico is going to denude the United States of its manufacturing jobs. Well, your data is pretty much on target. But I would like to call attention to a front-page story in the New York Times, the Sunday edition dated April 21, entitled "Boom in Manfuactured Exports Provides Hope for U.S. Economy."

The American manufacturing community is exporting more today than it ever has in history, and it is doing it because of higher productivity and higher quality.

There has been a renaissance in manufacturing during the 1980's in the United States of America.

Just the other day, Monday, a front-page story in the Washington Post, "U.S. Firms Stage Competitive Revival. Increased Efficiency, Cheaper Dollar Helping to Boost Exports." And it goes into how, yes, it is a cheaper dollar that is helping it boost our exports, but the primary driving force for American manufactured goods selling all over the world today is quality. There is a quality revolution going on and we are part of it. Those folks who are coming to the floor like Chicken Little saying, "The sky is falling," or, "The Mexicans are coming," just have not looked in their own backyards to see the kind of progress that the United States has made.

Mr. DREIER of California. Reclaiming my time, I think it is very important for us to note that if one looks at the decade of the 1980's, clearly 80 percent of the economic growth which we have experienced in the United States is export driven, as my friend pointed out.

We were discussing just a few moments ago 20,000 to 25,000 jobs are created with every $1 billion in exports. As we look at the wave of the future, and we had our great Republican retreat up at Princeton and I know my friend participated in these events in the past; one of the things we discussed in these meetings has been the fact that the wave of the future is a lessening of these barriers which exist among these countries throughout the world. Clearly, the barrier is higher going from the United States into Mexico than it is from Mexico going into the United States; 10 percent is the average tariff on United States goods going into Mexico, 4 percent on Mexican goods coming into the United States.

So this export-driven economy which we are going to see is going to dramatically expand with the possibility of a United States-Mexico free trade agreement being implemented.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. RITTER. The gentleman is absolutely correct. The fact is that, for example, in automobiles, people talk about locating automobile factories in Mexico. Well, they have been located down there for the latter part of this century. But they also talk about moving production to Mexico. One of the reasons we have moved production to Mexico is the tariff on automobiles going into Mexico from the United States made in the United States of America is extraordinarily high. It is 20 percent. The tariff coming in here on cars coming from Mexico to the United States is 2.5 percent.

You do not have to be a rocket scientist to know that if you want to produce cars in the Mexican market, it is cheaper to go down there and produce. If we have an agreement that knocks down some of these high tariff barriers on goods exported, made in America and exported to Mexico, we will not necessarily have to go down there with plants to produce for this Mexican market, which is not near as poor as some of the folks from the other side of the aisle are saying. This is a country that has massive oil reserves and is growing in its wealth.

Mr. DREIER of California. On that exact point, if you look at the figures as they exist today, they are extraordinarily impressive. There is 1 automobile for every 15 Mexicans; 3 automobiles for every 4 Americans. It is clear they would love to have the opportunity to purchase U.S.-manufactured vehicles. In fact, if one looks at those in the auto industry who are supporting the prospect of a United States-Mexico free trade agreement, do you know what sector of the auto industry is supporting it? That creative new joint venture sector that is in the southeastern part of the United States, in Tennessee and in other areas, which has been working. We found a great deal of support for those. Only those in the Detroit area, in Michigan, organized labor area there, has consistently opposed it. But I believe they are making a real mistake on this because there is a great desire on the part of Mexicans to purchase United States-made automobiles.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding, and I really do thank the gentleman for his leaderhsip in this area. The gentleman represents Los Angeles County, southern California; I am from the industrial heartland. So you are seeing some interesting collaboration and sharing.

Mr. DREIER of California. On that point I would like to say it is especially bold of my friend from Pennsylvania to stand up against tremendous odds and be here on what I truly believe is the right side of one of the most important issues.

Mr. RITTER. I do not think it is bold to be smart. I do not think it is bold to stand up in behalf of your workers whose jobs are going to benefit from this kind of an agreement.

Mr. DREIER of California. I say it is bold because of the misperception extant.

Mr. RITTER. That is right, no doubt about it, a lot of misperception.

In terms of what is right to do for my workers in the Lehigh Valley of Pennsylvania, for Pennsylvania industry itself, it is absolutely 100 percent the right thing to do. The gentleman pointed out Mexican exports, and I would like to point out that Michigan as a State exported $1.75 billion to Mexico in the year 1989. It has gone up substantially since then. It is probably over $2 billion today.

It jumped, nearly doubled from when Mexico started liberalizing its trade barriers about 4 years ago.

Now, of that $1.75 billion in 1989, transportation equipment was nearly $800 million.

So it is a fact that Detroit and Michigan and the automobile industry is doing big export business to Mexico. The idea of doing some kind of production sharing with Mexico between the automobile industry and Mexico is not a bad idea in order to keep our products competitively priced so that the whole shooting match does not go over into Japan and other Asian countries because that is also what has been happening.

Mexico is real close by. Every time they import a dollar's worth of goods to Mexico, 70 cents of that dollar is an American good or service.

Now, that is not exactly what happens in Japan. It is not exactly what happens in Taiwan. It is not exactly what happens in Malaysia.

In fact, almost nothing of their value-added is coming from the United States when they produce over there.

Mr. DREIER of California. And it is obvious they would not have any prospect of purchasing from the United States and so many of these jobs which would flee to the Pacific rim would be such that we would see a lessening, a dramatic lessening, of the purchase of U.S.-manufactured items.

Mr. RITTER. Absolutely. The gentleman is talking about automobiles and automobile production; I know our good friend and colleague, the gentleman from San Diego, Mr. HUNTER, who is on the other side of this issue, was on the floor the last several nights. We have fantastic respect for Mr. HUNTER. But he was talking about the real cheap labor, the automobile assembly plant down there. The bottom line to automobile production in 1991 is quality, it is innovation, it is the kind of high-level, high-technology industrial activity that you cannot find in Third World countries like Mexico.

Now, you can find some of the assembly types of jobs, and you can get quality response from them to the extent they are working at a certain area of production. But the real value-added jobs, the high-paying jobs, the good jobs in the automobile industry are going to stay in the United States. They are not going to go to Mexico.

Why? Because quality means tremendous feedback into the system where workers, engineers, supervisors, managers, customer service representatives are constantly in a kind of turmoil of a feedback loop which is seeking to continuously improve the process so that the product at the end comes out better.

□ 2110

To do that, Mr. Speaker, it takes a unique labor force. It takes an educated, trained labor force. It takes a very high level, an integrated level, of suppliers. It takes an infrastructure, an industrial infrastructure, that is extremely high tech and highly educated.

Yes, it could happen in Mexico, but, if we can share some of the aspects of production to make our products more price competitive, why not? Why send the whole thing over to Japan and have it done by robots?

So, as my colleagues know, Ohio is another State, if the gentleman would just continue to yield, talking about industrial States.

By the way, let us just get back to Michigan for a minute.

Mr. CUNNINGHAM. Mr. Speaker, would the gentleman yield while he is leafing through his papers?

Mr. RITTER. Mr. Speaker, let me just say that the total manufactured exports, the total exports, from Michigan to the world are $21 billion because we are going to go beyond just this North America free trade agreement. We are going to get into GATT, and there is going to be some lowering of barriers around the world. Michigan exports $21 billion worth of goods and services in probably largely manufactured products, probably largely connected with the automobile industry and industrial plant and equipment facilities that are geared. I mean what a tremendous opportunity to expand.

What was the gentleman saying for each billion dollars?

Mr. DREIER of California. For each billion dollars in exports we create 20 to 25,000 additional jobs here in the United States, and let me reclaim my time, and I would be happy to yield to my friend from San Diego.

Mr. CUNNINGHAM. Mr. Speaker, that is one of the points I was going to make. I thank the gentleman from California [Mr. DREIER] for yielding.

Mr. Speaker, that creates 50,000 jobs.

Let me tell my colleagues about a local problem while we are talking about quality. In San Diego I just told my colleagues we had over 64 million people a year come into San Diego from Tijuana. One of our major problems is air pollution because the cars in Mexico have not been devised with pollution devices. Salinas is going to carry through with that, and, when our products go down to California, even though a low number of Mexicans own cars, those that do come across will help us in our environmental problems as well.

Mr. RITTER. Mr. Speaker, if the gentleman would yield, I would say, by the way, that I serve on the Committee on Science, Space, and Technology. I also serve on the Committee on Energy and Commerce and am involved with activities of the Clean Air Act for many years.

Mr. DREIER of California. Those are all the nice things that I was going to say about the gentleman.

Mr. RITTER. Sorry if I preempted the gentleman from California [Mr. DREIER], but the reason I am saying this is because the comments on the environment are all wrong. There has been tremendous misinformation. The bottom line is that, as Mexico links in with us, it absorbs some of our culture and values in environmental control that they have not paid that much attention to frankly. We know that, and I think it is appropriate that Members of Congress call attention to this issue and that we do get from the President a very strong assurance that this would be a part and parcel, the environment would be part and parcel, of any agreement that would be negotiated.

But the bottom line is that we are not negotiating. If we are not talking with these people, if we are not integrating them into our lives, and our values and our culture for a cleaner environment, they are not about to clean up anything.

I ask, "How many desolate Third World nations that you've traveled in have a decent clean environment?" Mr. Speaker, they do not. Link them into a grander scheme where they can get richer and we can get richer, and their standard of living increases as our standard of living increases; the demand is there from their population, but it is going to be there from us if they want to do business in our way.

So, hey, this is very good as opposed to very bad for the environment, and I yield back.

Mr. DREIER of California. Absolutely. As we increase the quality of life in Mexico, it is natural that the people of Mexico are going to demand the technology which we have in the United States. As I was saying earlier, it was one of the reasons I supported the Clean Air Act. Many people said, "Oh, the tremendous cost in jobs to the United States by passage of the Clean Air Act. It would be overwhelming."

I said, "Domestically we would decrease health care costs, and at the same time we would have developed this tremendous technology which would be available for export throughout the world."

Mr. Speaker, as we increase the quality of life in Mexico with freer trade, we are obviously going to be increasing the export of United States technology as it deals with the environment to Mexico to improve their quality of life because that is a unique ability which we have in the United States because we have a proven track record for developing technological advances in the area of improving the environment.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I would be happy to yield.

Mr. RITTER. The same is true with workers rights. If they are divorced from us, if they are in an economically desolate situation, they are not going to pay any attention to workers rights, but, if they get involved with doing business with us, and they have to conform to some of our cultural values and standards, and we can help uplift them, workers are going to have a heck of a lot more rights, a heck of a lot more rights linked with us than they are going to have on their own, doomed to poverty. Third World countries that are poor have rights, but, if they get richer, and grow, and increase their standard of living and productivity, they get more workers rights.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, there is going to be another issue that is going to come on the floor that I think maybe has some parallel, when we are looking at most favored status for China. I do not know if I am going to support that issue or not. But one of the things that is intended is that, after Tiananmen Square, people are concerned about human rights. The best thing we could do to improve human rights in China is to continue the most-favored status of China so that we could continue our trade because, as we continue our trade, it expands inward, and one of the problems is the old guard, the centralized government, the Communist government.

As my colleagues know, we are not fooling ourselves. It is a Communist government, and the further that we move inward with free trade, with negotiations and where people start to work—there is over 2 million people in China working now in trades, and, if we can increase that, then civil rights for workers are also improved, and I think the gentleman's point would also spread and hold true in Mexico.

Mr. RITTER. Mr. Speaker, I am going to have to differ with my colleague from San Diego on extending MFN, most-favored-nation, status to China.

Mr. CUNNINGHAM. I do not know if I favor it or not.

Mr. RITTER. It is because I tend to believe that they have not responded in terms of human rights. They have had some very severe sentences on human rights activists. They are executing numbers of people. They have not responded, and we may need to send them a signal.

I just do not see China though as in any way, shape or form comparable to Mexico.

Mr. CUNNINGHAM. Mr. Speaker, would the gentleman yield for just a second.

I am not suggesting that. I am saying that one small point is that, as we continue trade in what we call democracy in what we call our capitalist form of government that it does expand for human rights, and that was the only small aspect that I was saying.

Mr. DREIER of California. Mr. Speaker, if I could reclaim my time, I think that this colloquy that is taking place between the gentleman from Lehigh Valley and the gentleman from San Diego is a very important one. There are Members of this House who are trying to liken the Mexican Government with the Government of the Soviet Union, the Government of China and others, trying to claim that there is no political reform, and I think my friend from San Diego has covered extraordinarily well in his specific relationship with border governments—I assume that he deals with the opposition party government, the National Action Party government, headed by Gov. Ernesto Rufo in Baja directly to his south, which is the first time in the history of this one-party control, the Institutional Revolutionary Party in Mexico, that we have seen an opposing party candidate for governor seated, and I think that is a demonstration of political reform in itself, and we have seen improvement.

However, Mr. Speaker, I think, as we discuss China, it is important to recognize that there are people who are arguing that the Government of Mexico is so corrupt and has had one-party control for such a long period of time, and I should say parenthetically that I am one who has been critical of that one-party control, and I hope very much that opposition party candidates will, if they gain the votes, be seated in these different elective offices throughout the country, and, with elections coming in August, we are looking for possibly two or three governorships to potentially be electing National Action Party, PON Party, candidates. But I think it is a very important point which the gentleman makes.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to my friend.

Mr. CUNNINGHAM. Mr. Speaker, if we had a man like Abraham Lincoln come in and change our form of government, and take pride in it, and change it over, if we did not support that kind of positive change, we would be just as guilty as if we did not support President Salinas. The changes that he has made in Mexican Government, in drugs, in immigration, in every positive aspect, we need to support because, if we do not, if we destroy the Salinas government, which I think we will if we do not support fast track and free trade, then we are going to take a giant step backward for mankind instead of forward.

☐ 2120

Japan is building a port in Mexico as we speak today. Japan is building ports in China as we speak today. If we lose those advantages, then I think overall our workers, not only auto workers but across the Nation, are going to suffer for it.

Mr. DREIER of California. Mr. Speaker, I thank my friend for his contribution. I have been wanting to do this. I do not like to stand here and read anything, but today's Washington Post had a fascinating editorial, "What Fast Track Means."

I would just like to share the last couple of paragraphs on this with our colleagues. It says:

> The prospect of a Mexican trade agreement in particular spooks a lot of people in Congress. It would certainly encourage more American companies to open factories in Mexico. Would that damage this country?
>
> Consider a historical example. In the 1950's, low wage industries like textiles were moving from New England to the South, over the bitter protests of the labor unions that are now fighting fast track. That southward migration certainly cost some New Englanders their jobs. But now, a generation later, New England is not only richer, it is richer in relation to the national average than it was 40 years ago, when the flight of the mills was beginning.
>
> Meanwhile, Southern prosperity has grown even faster. The disparities between the country's richest states and its poorest are significantly narrower than they were in 1950.
>
> The process that has worked across state borders will also work across national borders. The choice on fast track and trade is a choice about economic growth. Congress won't have a better opportunity this year to vote for growth and a rising standard of living here in the United States.

I think that says it extraordinarily well. It is not often that I agree with editorials in the Washington Post.

Mr. DREIER of California. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I want to just talk about growth and its relationship to exports and the whole field of manufacturing, because there have been so many, again, Members of Congress running around saying: The sky is falling on manufacturing. We are going to be denuded out of our manufacturing jobs. The Mexicans are coming.

Let us take a look at Ohio, again, a State of our great industrial heartland, the neighboring State of Pennsylvania. Ohio's exports to Mexico from the time liberalization of the Mexican trade barriers began back in 1987 to 1989, and again it is substantially higher today, it just about doubled from $245 million to $484 million. This is from Ohio.

Ohio's exports to the world, $13,323,000,000.

Mr. DREIER of California. Mr. Speaker, I hope very much that my friend, the gentleman from Pennsylvania [Mr. RITTER] will use those figures tomorrow in the debate. Our time has expired.

In closing on this special order, I thank my colleagues from San Diego, the Lehigh Valley, the gentleman from Arizona, and Lomita, and other parts of the country who have joined in this effort. I hope very much this is the last of my series of special orders, I should say to my colleagues, and to the wonderful people who work here late at night, but I do believe that tomorrow we will be casting one of the most important votes in decades. I hope very much that my colleagues will say to President Bush, yes, you can sit down at the negotiating table and try to bring about an agreement which will improve the quality of life for both Americans and those in Mexico.

Mr. GRANDY. Mr. Speaker, I rise this evening in firm support of the President's request for the extension of fast track trade agreement implementing authority and in firm opposition to House Resolution 101 and any other attempt to sidetrack, split, disapprove, or alter the congressional fast-track procedures set forth in section 151 of the Trade Act of 1974.

Our Nation stands at the door of perhaps the greatest economic opportunity in our history. However, if the sponsors of House Resolution 101 had their way, we would not even knock so that the door may be opened and further exploration could take place. During the Kennedy administration of the early 1960's, this Nation adopted a policy stance of "Trade not Aid" with regard to Mexico and many other countries. Today, opponents of the North American Free-Trade Agreement [NAFTA] and the extension of fast track want to revert to the costly, ineffective, and regressive "Aid not Trade" policy that was discarded 30 years ago. I believe this would be a grave mistake. Tomorrow as we vote on this crucial issue, I trust we will not make this mistake.

I want to make five main points that all clearly indicate that the extension of fast track is in our Nation's best interests and that arguments against the extension are largely based on misinformation. These points are the following:

First, the main basis for denying the extension of fast track—sufficient tangible progress has not been made in trade negotiations—does not exist in fact.

Second, successful completion of the Uruguay round of GATT negotiations will be beneficial to the American agricultural sector.

Third, passage of House Resolution 101 could negate the protections provided for America's farmers in the GATT trigger or snapback provision of the Omnibus Reconciliation Act of 1990 [OBRA] and take the pressure off of our trade competitors to come to a GATT agreement.

Fourth, the administration has proven by recent actions that they are just as committed to fair trade as they are free trade and that implementation problems with existing agreements should not stand in the way of proceeding with at least the negotiation of potential new agreements.

Fifth, the argument that a North American Free-Trade Agreement or a GATT agreement could be entered into without fast track has been fueled by misleading information and is not supported by the realities of modern multilateral negotiations.

SUFFICIENT PROGRESS HAS BEEN MADE IN OUR TRADE NEGOTIATIONS

House Resolution 101 states that "the House of Representatives disapproves the request * * * for the extension * * * because sufficient tangible progress has not been made in trade negotiations." I find this statement hard to swallow given the documentation provided by the President and the private industry Advisory Committee for Trade Policy and Negotiation [ACTPN] that accompanied the President's extension request as required by the Omnibus Trade and Competitiveness Act of 1988. Both of these reports certify that sufficient tangible progress has been made.

The Uruguay round of GATT negotiations started in 1986. We, the U.S. Congress, however, did not set our agenda, and an ambitious one at that, until 1988, 2 years after the negotiations began. It should not surprise us then, that more time is needed and justified for the Uruguay round.

With regard to the progress made, here is what the ACTPN had to say in their report:

> The ACTPN believes that our negotiators have made strenuous efforts to achieve the Uruguay round objectives laid down by the Congress and the private sector. As measured against the numerous reports issued by the ACTPN and other trade policy advisory committees over the years, there has been continuing progress since the start of the Uruguay round. This is especially true if one considers the complexity of the negotiations, the divergent interests of the many countries involved, and the fact that the objectives laid out in the 1988 act were formulated 2 years after the Uruguay round was launched. It is worth recalling that the Tokyo round, which was far less complicated than the Uruguay found, required a full 6 years to complete. If present problems over agriculture are resolved, the ACTPN believes the agreements that meet the U.S. objectives may yet be achieved in the Uruguay round.

Furthermore, the ACTPN clearly outlines the procedural fast track debate before us today by stating in their letter of transmittal:

> The ACTPN therefore believes it is imperative that the United States continue aggressively to pursue comprehensive trade-liberalizing agreements. The private sector and the Congress always retain the ability to oppose and reject an adequate agreement. Fast-track does not commit us to accept the unacceptable; it simply ensures that the United States has the tools at its disposal that will enable it to negotiate the best agreement possible.

LIBERALIZED WORLD TRADE IS A WINNER FOR AGRICULTURE

Both the U.S. Department of Agriculture and Iowa State University have undertaken studies which reveal that U.S. agriculture and U.S. farmers stand to benefit substantially from the conclusion of a GATT agreement containing reasonably achievable reductions in market access barriers, internal trade-distorting supports, and in export subsidies.

In its May 1991 report, Economic Implications of the Uruguay round for U.S. Agriculture, USDA research indicates that by 1996 under a completed GATT agreement, U.S. agricultural exports would be $6–$8 billion or 16 to 22 percent higher than without an agreement. Farm income would be up $1–$2 billion which translates into $3,000 more per year per U.S. farmer. Most importantly, this additional income would come from the marketplace, not the Federal Government. This is the goal of both the 1985 and 1990 farm bills and under our increasingly tight budget, the way it appears it will have to be if our farm sector is going to survive.

Not to be misleading, there are a few farm sectors that have traditionally been more protected than others that would possibly experience reduced income under a GATT agreement. However, projected budget savings in commodity program outlays under a GATT agreement over the 5 years through 1996 are far larger than any reduction in returns to adversely affected producers. In other words, if the United States wanted to insure that some farmers were no worse off with an agreement, then GATT permitted nontrade distorting payments could be made without a negative budget impact.

The Iowa State University [ISU] study, which utilized a slightly higher estimate of the reduction in export subsidies, concluded that farm income would be $4 billion more in 1996 under a GATT agreement than without one. The ISU data also indicates that annual farm income would increase, on average, $3.75 billion from 1997–2000. At the same time, net Commodity Credit Corporation [CCC] outlays would be $1.93 billion less in 1996 with a GATT agreement than without. Additionally, average CCC savings from 1997–2000 would be over $2 billion a year.

These sets of figures are conservative, not liberal. For the baseline does not assume the detrimental behavior which will take place if a trade agreement is not achieved. Without a trade agreement, we could expect to see protectionist policies increase and our export markets shrink. Pressure on our U.S. budget would be increased, yet the dollars are not there for any increased supports and the farm votes aren't there even if the dollars were.

U.S. agriculture is inseparably linked to the global marketplace. Future growth in demand for U.S. products will largely be outside the United States. Reliance on our relatively stagnant domestic markets will result in a shrinking agricultural industry. Over the next 20 years, the U.S. population will add 30 million people. The world population will grow by nearly 2 billion, and 90 percent of that growth will occur in less developed countries where food needs are greatest.

Countries can only afford to purchase products, however, if they have foreign exchange generated by a healthy, diversified economy that is bolstered by a liberal free trade system envisioned under the Uruguay round.

With regard to a potential NAFTA, both the International Trade Commission [ITC] and General Accounting Office [GAO] studies have shown that increased free trade with Mexico and Canada would have a net positive effect on United States agriculture. Those sectors that may be adversely affected have received commitments from the administration, contained in the President's response to your letter, Mr. Speaker, that sufficient steps will be taken to protect their interests.

The NAFTA by itself is a great opportunity for U.S. agriculture. The fact that we also have the opportunity to enter a multilateral agreement under GATT within a similar timeframe can only provide an even brighter future for American farmers. However, without fast track, indications are that we will have a much more dismal future.

THE OBRA GATT TRIGGER WOULD BE TERMINATED IF HOUSE RESOLUTION 101 PASSES

Passage of House Resolution 101 could negate the protections provided for America's farmers in the GATT "Trigger" or "Snapback" provision of the Omnibus Reconciliation Act of 1990—OBRA, Public Law 101–508—and take the pressure off of our trade competitors to come to a GATT agreement.

Section 1302 of Public Law 101–508, provides that if the United States fails to enter into a GATT agreement by June 30, 1992, then the Secretary of Agriculture is required to take various steps to beef up our export programs and to undertake new support programs for farmers. The provision further provides that if that agreement has not entered into force by June 30, 1993, then further measures are to be taken including the reinstatement of all cuts made in agricultural spending under OBRA '90. These provisions are designed to keep the pressure on our trading partners to come to the negotiating table with realistic proposals and also to protect American farmers from the unilateral reduction in our farm programs while our trading partners continue policies which further depress world commodity prices.

However, due to the budget impact of section 1302, Mr. FRENZEL added a termination clause that removes the authority to undertake all of the above if the President can certify that Congress' failure to provide fast track approval for any implementation legislation was the cause of the failure to enter into a GATT agreement. Therefore, if we were to pass House Resolution 101 here today, or next week on the floor, we would be in effect removing the safeguards provided for the U.S. farm sector in the reconciliation bill and taking all of the pressure off the Europeans to come to the bargaining table. This would be disastrous and would be pulling the rug out from under our farmers.

ADMINISTRATION ACTIONS INDICATE FAIR TRADE ON EQUAL FOOTING WITH FREE TRADE

Recent administration actions regarding a dispute under the Canadian Free-Trade Agreement indicate that it is as committed to fair trade as it is free trade and will utilize its resources to ensure that United States interests are protected and that the integrity of United States trade laws are preserved.

Opponents of the extension of fast-track implementation procedures have often utilized compelling horror stories regarding tainted meat entering the United States from Canada, or the Canadian refusal to admit several bushels of wheat into Canada for making bread while truck loads of Canadian wheat flow into the United States. However, these problems, which deserve to be addressed, are not trade policy problems stemming from the contents of the United States-Canadian FTA, rather they are implementation and administration problems. We have the means to address these.

In one area alluded to above, the United States pork industry filed a complaint under United States countervailing duty law regarding the shipment of subsidized Canadian pork imports into this country. The Canadians challenged the duty which was imposed under United States law. A binational panel was formed to hear the dispute and, after several referrals back and forth to U.S. trade agencies, a decision was announced that would require the removal of the U.S. duty.

However, due to the unusually stringent remand instructions placed on United States agencies by the binational panel, several ITC Commissioners revealed in their ruling that they believed the panel had overstepped its bounds and violated United States law and the United States-Canadian FTA. The National Pork Producers filed a petition for an extraordinary challenge under the FTA dispute settlement provisions with the U.S. Trade Representative. No extraordinary challenge had ever been filed by either country under the FTA, and the Canadians were vehemently opposed to the petition.

Ambassador Hills did not step away despite these pressures. She kept to the facts. She stood on the principle of free but fair trade and showed her intention under the Canadian Agreement, and I have confidence, any United States trade agreement, to fight for the full enforcement of United States trade laws.

The process works. Instead of trying to shoot down potentially beneficial trade agreements due to dissatisfaction with current implementation issues, we need to hold the administration's feet to the fire on the enforcement end while proceeding with negotiations.

AGREEMENTS UNDER FAST TRACK VERSUS NO FAST TRACK

Claims have been made concerning the fact numerous trade agreements had been signed in the past 30 years without fast track procedures and, therefore, the Uruguay round and NAFTA could be completed successfully without fast track. If one examines the facts, however, it becomes clear that only 5 of the alleged 25 agreements needed implementation language and therefore even involved the House. The other 20 agreements only involved ratification by the Senate.

Furthermore, the five agreements which did involve the House were single issue agreements. In each of these cases the legislation involved only a specific group of articles—coffee, endangered species, or mind-altering drugs—a single set of laws, copyrights, or established new authorities in a specific area—ship pollution, endangered species. None involved the broad, complex range of subject matter and interests affected as do major trade agreements.

This agreement attempts to compare apples with the apple orchard. The Uruguay round alone involves over 14 negotiating groups addressing such divergent issues as farm supports, intellectual property rights, textiles, dispute settlement, investments, and food safety standards. If those who have expressed concerns over a potential NAFTA want labor rights, the environment, tariffs, food safety, and numerous other issues contained in the agreement itself, they are fooling themselves if they believe this could be done without fast track.

If I may repeat a quote used above made by the private industry Advisory Committee For Trade Policy and Negotiation [ACTPN] in its report certifying that progress has been made and fast track should be extended, I believe it clearly illustrates that it would be virtually impossible to conclude the GATT or NAFTA agreements without fast track.

> "This is especially true if one considers the complexity of the negotiations, the divergent interests of the many countries involved, and the fact that the objectives laid out in the 1988 Act were formulated two years after the Uruguay round was launched. It is worth recalling that the Tokyo round, which was far less complicated than the Uruguay round, required a full six years to complete.

Fast track was in place for the Tokyo round, it is necessary for the Uruguay round.

Tomorrow is a historic day in our hemisphere's economic and political history. I pray that the U.S. Congress will help the history books to read that it was a step forward and not a step backward. Vote down House Resolution 101.

CIVIL RIGHTS ACT OF 1991

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentlewoman from Hawaii [Mrs. MINK] is recognized for 60 minutes.

Mrs. MINK. Mr. Speaker, the long-awaited time for the debate and deliberation on the Civil Rights Act has now been set for next week. We expect to have the matter of the rule determined on Wednesday and very possibly begin the debate on Wednesday or Thursday.

I serve on the Education and Labor Committee, and I am very proud of the fact that we made a very early and concerted effort to report this very important bill dealing with civil rights for all Americans in the country very early on. The bill was also assigned to the Judiciary Committee, and that committee also acted very promptly and reported out a bill, basically very similar to the two bills that were reported out by those committees about a year ago, for debate and deliberation in the Congress last year.

We all recall what happened last year. Because there was some concern about those who were not in favor of the passage of the bill, compromises were made. One of the major compromises that hit the floor last August 2, 1990, was a recommendation that with respect to damages, which are for the first time to be added and allowed under title VII, that there would be a limit established in terms of amount of damages that a person could collect under that kind of litigation.

That litigation is not a matter of conjuring up discrimination or trying to use group statistics for discrimination. We are talking about deliberate discrimination against an individual.

Because title VII, when it was first enacted in 1964, did not contain the provisions which would allow such persons who went to court, who suffered all of these disparaging and insulting and discriminating actions against them in the workplace, despite that, when they went to court all they could get in terms of remedies were back pay, if they were fired or quit their jobs, or in some cases, reinstatement to the jobs that they detested in any event because of what was going on at the workplace.

Title VII did not permit compensatory damages for suffering, for embarrassment, for all the indignities that the person suffered at the workplace. So as a consequence, there has been a growing body of law which clearly sets out this pattern of discrimination, this dual track of justice in America which can no longer be tolerated.

Last year on August 2, 1990, it was decided that the only way that a vetoproof number of votes could be acquired for that bill and perhaps to overcome the Presidential threat of veto, that in order to do this it was necessary to add a limitation on the amount of damages that an individual that had been found to have been intentionally discriminated against could receive from a court. And that cap was established at $150,000. That cap was voted on the floor. It did not really engender an enormous amount of debate. It was added to the civil rights bill, and there was a consensus that as a result of that action by the Congress last year, that the President would, in fact, sign the bill into law.

In fact, he did not. He vetoed it again.

This year when we began deliberations on H.R. 1, it was with the conviction that we would send to the Congress, to the House of Representatives, at least our body, the strongest possible civil rights legislation that was necessary. There are a number of reasons why this civil rights bill is necessary. The usual arguments you hear have to do with trying to reverse the very, very regressive decisions that were adopted since 1989 by the Supreme Court, which limits in many respects the opportunities for workers to be able to bring their cases and obtain justice before the law.

□ 2130

But the one that I want to talk about tonight has to do with the new provision with respect to title VII, the one that seems to again have come forward as a bargaining chip to try to gain support for this legislation, and to make it, as legislators say, vetoproof, by getting more than two-thirds vote on the passage by this body.

I think it is a very bad mistake to compromise away the rights, the very basic, fundamental rights, of a group of citizens within this country, and that is exactly what the placement of limits, of what you can get for damages does.

In terms of the history of damages for race discrimination, those who have gone the court and proven their cases and proven intentional discrimination based upon race have done so under a section which is referred to as 1981. It comes out under a post-Civil War statute enacted back in 1866.

Individuals who have suffered discrimination at the workplace and go to court and allege that this discrimination has been brought upon them because of their race have been able, through that provision in the law, the 1866 post-Civil War law, to obtain compensatory damages, have been able to obtain punitive damages, and have been able to obtain justice under our legal system.

Only all the others, and all the others unfortunately means women, women of this country, have not been able to take advantage of section 1981, under that 1866 post-Civil War statute. They have only been able to rely under title VII, and title VII did not provide for damages.

As a consequence, women who felt aggrieved and went to work and proved their cases beyond any doubt, to the satisfaction of juries and judges, that they were in fact victims of intentional discrimination, could get no damages whatsoever. They could be reinstated in the jobs that were really unacceptable to them, and in some cases, if they were in fact fired or lost their jobs, they were able to get back wages.

So the great progress that is being made in the civil rights bill, H.R. 1, is to correct this two-tier system of justice in our country, and to make people whole, and to make it possible for us to say that the principles of justice in this country are equal; that if you suffer discrimination at the workplace, you have the same entitlement in terms of relief: Back pay, reinstatement, front wages, compensatory damages for your suffering, medical expenses for the costs of whatever medical infringements you suffered as a result of the discrimination, and punitive damages also, if the discrimination that was foisted upon you was egregious and aggressively neglectful on the part of the employer.

I think if Members of this House understood that what H.R. 1 is attempting to do is to equalize the remedies under the law available to all Americans, to bring up to parity, finally, the ability of women, who are now the majority of people in the workplace, to bring them up to parity, so that if they are in employment in places that discriminate against women, deny them promotions and job opportunities, discriminate against them in other ways, in sexual harassment situations, then it seems to me that they are entitled to receive the same remedies as every other American.

The other group of citizens that H.R. 1 would benefit are the religious minorities. Those individuals are also left out in the scheme of equity.

So it seems to me very, very important that we pay attention also to the discrimination implicit in the notion that there should be a cap on the remedies.

The National Women's Law Center has put out a very interesting and thorough analysis of title VII's failed promises, as they call it in their report, the impact of the lack of damages remedy. It is a 1991 update of their report, and I submit that Members, I assume, have all been sent a copy of it.

Before this matter is taken up in our debate next week, I hope that Members will take the opportunity to look at it and read it and understand its implications. It goes into a very profound discussion of all of the cases that clearly illustrate the principles of inequity, and cite these cases as examples of why this particular inequity in the law must be changed.

The members of the Committee on Education and Labor fully understood what they were doing when they made the remedies under title VII the same as remedies under the 1981 section of the 1866 post-Civil War law. Because they understood the impact such a change would have on the workplace with respect to women, it was the unanimous consent of the committee to change the name of the bill from the Civil Rights Act of 1990 to the Civil Rights Act and Women's Equity in Employment Act of 1991, to emphasize the fact that finally the women in the workplace were going to have a chance to be considered equally in a court of law when they brought a case of intentional discrimination to our justice system.

Let me give you a few examples of the kinds of inequities that have been placed upon women plaintiffs who have brought their cases. These cases are not brought with any idle whim. Just as in rape cases, women who suffer these indignities at the workplace have to bear in mind the tremendous intimidation and additional harassment they must suffer, because they must work side by side and continue in employment if they expect to feed their families and survive. So the decision to go to court in the first place is a difficult one. To do so and not be able to get damages and be free of this discriminatory situation and go elsewhere for employment, I think, is a very egregious defect in the law.

Take the case of Nancy Phillips, who was fired when she told her employer that she was pregnant. This was a case finally decided in 1990, a recent case.

She lost her job, and, of course, as we all know when you lose your job, you also lose health insurance, at a time when it was absolutely critical for her to be able to have that coverage because of her pending childbirth. The family was unable to pay all of the attendant medical bills. They were harassed by the companies and threatened for nonpayment of their bills.

She became not only mentally, but physically distraught as a result of the fact that she had to go deeper and deeper into debt, not to mention the medical bills, but her inability to provide for her family at a time when it was so important.

She took the matter to court, and she won. The court found, the jury found, that she was a victim of sex discrimination, illegal sex discrimination, intentional.

All she could get from the court was back pay and a bit of her medical costs, but none of the funds that she had asked for with respect to the stress, the mental anxiety, and the humiliation that she suffered on account of the financial difficulties that were cast upon her with no fault on her part. The fact that she could recover nothing in terms of compensatory damages was because title VII did not allow it.

Take the case of Virginia Delgado, illegally harassed, discriminated against at her job place with respect to her salary. This was a Government case. During the years between the discrimination and her final vindication by the courts, if you want to call it that, she lived in almost total poverty, because she had to leave her job.

□ 2140

She scraped around enough money to survive, but she lives literally in poverty. She had a poor diet. She could not go to the doctor. Her health became impaired. She lost her teeth because she could not afford to go to the dentist, and all of this because she was discriminated against at the job site.

At the court trial, the court awarded her back pay, reinstated her in her job, which she declined because that was not a place that she considered healthful for herself to return. But she was never compensated for her mental suffering, her anguish, her medical injuries, and the stress and humiliation that she suffered, and that again because title VII did not allow any compensatory damages.

Take the case of Betty Sours who was denied a promotion to a permanent engineering aid position because she rejected her supervisor's sexual advances at the workplace, assaults too sordid for me to describe in this august Chamber. But she suffered a psychological breakdown which finally made her very, very ill.

The court found intentional sex discrimination had been placed upon her and awarded her back pay and a 9-month lump sum up-front payment to give her some time to find another job, but did not compensate her at all for the abuse that she suffered and all of her pain and suffering and mental anguish.

In each of these cases I do not think that it is responsible for us to say those were the faults of the individual supervisors or the individual coworker. What we must accept is the responsibility that the employer must share for tolerating these kinds of conditions at the workplace. That is what this whole debate is all about: To what extent are the employers permitting these kinds of activities to continue, even though they have been complained about, putting it aside, making light of it, not paying attention to the very grievous harm that is being caused upon these workers. That is what these cases are all about. And I suggest that employers simply are callous, neglectful, uncaring and do not consider these kinds of complaints that are being placed by women as serious enough for their attention.

There are so many cases that I could go down in order here, and they are listed in this wonderful catalog, and I hope Members will take the time to look at it.

One final case I do want to mention in this group is the case of Helen Brooms who was a nurse, and she was constantly harassed by her supervisor who routinely followed her around, showing her obscene pictures and making offensive gestures and comments. One day he pursued her to such an extent that trying to escape from this individual, she fell down a flight of stairs and became permanently disabled. Aside from being depressed and not being able to go back to work, the court found that she was intentionally discriminated against but could only, because of the limitations of title VII, only award her back pay. She received no compensation for her medical bills and all of the other attendant nonwage-related injuries that she suffered.

We could go on and on. Police officers, female police officers that have been discriminated against, firefighters, women in nontraditional professions have really had to suffer a myriad of indescribable indignities, and not only offensive because the individual perpetrator works alongside the women, but because these things are tolerated by the supervisors, by the heads of the companies, by the government officials that have responsibility to make sure that the workplace is genuinely fair and nondiscriminatory.

One other aspect of the discriminatory aspects of title VII is that in so many of these cases the women feel compelled to quit. They cannot possibly stay on the job because the conditions are so intolerable. When they quit, in many cases they are not able to recover anything because they have to prove that they were, in fact, fired by their employer, and sometimes this becomes a barrier to collecting any recovery at all, including back pay and other forms of compensation.

There are a number of other cases involving discrimination where the court found that they were fired, but that there were other reasons for firing them. The court admits that there was intentional discrimination, makes a finding that there was, and yet attributes the employee's leaving the company or departure from the company as not constituting a firing, or that there was a firing if they found one other reason other than the sex discrimination. And in those cases the plaintiffs have not been able to recover any back wages or have any recourse at all.

I think it is very important for the Members of this body to recognize what we are trying to do in H.R. 1. We are trying to achieve a simple concept of equity before the law. If we are going to have the opportunity for individuals to take their cases to court, to make an allegation of discrimination, whether it is sex discrimination or race discrimination, it ought not to make any difference, and the remedies ought to be the same, and that is what we are attempting to preserve under H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991.

The suggestion that we put a cap on the damages is highly offensive. It is inequitable by its very concept of putting a limit on damages where no limit exists for any other plaintiff except those coming under title VII. It should not be accepted.

There will be an effort made to go to the Rules Committee to get a rule to make in order an amendment to strike those provisions that set a cap on all of the substitutes that are being considered and being brought forth as substitutes for the two bills that have been reported out by the Committee on Education and Labor and the Committee on the Judiciary. I hope that the Members will take time to very carefully study the implications of supporting such a cap. That will constitute an admission by this Chamber and on the Members who vote for it that the concept of equal justice has no meaning in America, that you could put a cap arbitrarily for no reason whatsoever, because you do not trust the judiciary system, or you do not want women plaintiffs to get what a court, get what a jury believes is just compensation for the injuries that they have suffered.

So I hope that the Members of this body will reject that kind of a provision in the substitute and support the efforts of some of us who will be making that effort to strike those caps from all of the substitutes.

The efforts to bring out the substitutes has been very difficult to follow. Until the moment I am standing here I have not seen a written copy of the substitutes. I have heard it discussed. I have seen some summaries of it, but I do not know the precise language.

As a consequence, we have not heard from the community out there that is always so active in promoting the concepts of justice and equality in this country from whom we would like to hear. We like to know of their opinions. We treasure their comments. We look forward to their input. They have made valuable contributions over the years as we have developed the concepts of civil rights in America.

I want to point out a few of the letters that I have received over the last several weeks which I think are instructive for those Members who may be concerned about what the outside community other than the lawyers and the Members of the House and those who have leadership responsibilities are saying. Let us pay attention to what the outside community is saying.

□ 2150

Take, for instance, the Mexican American Legal Defense Fund and Educational Fund; by letter to, I am sure, all of the Members of the House dated April 30, and all of these letters are about the same vintage, this letter says:

> Our organization has represented the Hispanic community for the last two decades in civil rights litigation involving employment discrimination, school desegregation and voting rights. The health and well-being of our community, as well as the health of American society as a whole, requires the elimination of unfair practices in all of these areas. However, the most pressing civil rights issue for the men and women of the Hispanic community today is the need to abolish discrimination in the workplace on the basis of race, national origin, language and sex.
>
> As the testimony at the hearing on H.R. 1 has demonstrated, we have not succeeded in eliminating employment practices that are motivated by a person's gender or color of skin. Women of all backgrounds are frequently terrorized by sexual harassment in the workplace, while Hispanic, African American and Asian American men and women suffer racial harassment and other forms of intentional discrimination in their jobs.
>
> The testimony at the hearings has also demonstrated how the recent decisions by the Supreme Court have made it difficult, if not impossible, for workers to obtain relief from disparate impact discrimination or to obtain an adequate remedy for racial-harassment.

> Opponents of H.R. 1 have made two assertions which are not based in fact. First, they have argued that the restoration of the standards of proof for disparate impact cases articulated by a unanimous Supreme Court in Griggs v. Duke Power Co., and essentially overruled by a new Supreme Court majority in Wards Cove Packing Co. v. Atonio, would induce businesses to establish quotas in order to avoid liability. Yet, during the eighteen years that the Griggs standard governed employment law, it did not lead to the establishment of quotas. Second, opponents have claimed that compensatory and punitive damages for the victims of intentional discrimination would lead to a lawyers' bonanza and the bankruptcy of businesses. This agrument is likewise unfounded. In a study conducted by the law firm of Shea and Gardner, it was found that in 85% of the race discrimination cases filed under the Civil Rights Act of 1986 during the last decade, no monetary awards were made; that when monetary damages were awarded, the average award was only $40,000; and that in only three cases did the damage awards exceed $200,000. Finally some have argued that a cap on punitive damages is necessary to protect businesses, yet they have failed to explain why injuries resulting from discrimination deserve less protection that other kinds of injuries.

And the letter goes on to make further arguments.

Federally Employed Women, an organization I have been long associated with, also writes in the same vein, and in their last paragraph of their letter says:

> When H.R. 1 is considered by the House, I urge your vote for the bill and opposition to any crippling amendments, including any attempt to cap compensatory and punitive damages for women, religious and ethnic minorities, and persons with disabilities. FEW is counting on your full support and I look forward to hearing your position on this important legislation soon.

Wider Opportunities for Women, Inc., in a letter dated, again, April 30, in the middle of their letter, says:

> Without the Civil Rights Act of 1991, women, people of color and religious and ethnic minorities will continue to face discriminatory practices in the workplace, with no legal recourse available to them. Women working in traditionally male-dominated jobs, which provide them with higher wages, are particularly at risk for discrimination and harassment on the job. Without the Civil Rights Act, these jobs will remain closed to women.
>
> Because egregious examples of sexual harassment and other types of intentional discrimination against women and minority workers are all too common, the right for women to sue for punitive and compensatory damages is crucial. Any amendment to cap the amount of damages in these cases is unacceptable.

The National Education Association wrote about the same time, and in it said:

> The other key aspect of the Civil Rights Act is the extension of damages to victims of intentional discrimination based on gender, religion, or physical disability. Under current law, only racial minorities may receive either compensatory or punitive damages when intentional discrimination is proven. H.R. 1 amends Title VII so that any individual who proves in court that he or she has been intentionally discriminated against can receive the same remedies including damages. This provision is crucial to the millions of working women whose only relief under current law is back pay.

The United States Catholic Conference, Department of Social Development and World Peace, in the middle of its letter, says:

> We urge Congress to pass this legislation without delay and to forgo any amendments which would weaken the civil rights protection for all Americans—whatever their race, age, gender, ethnic origin, or disabling condition.

The Service Employees International Union, dated April 30, letter to Members of Congress says:

> H.R. 1 would repair the damage done to our civil rights laws by those Supreme Court decisions. The bill prohibits intentional discrimination in hiring, firing and promotion of employees. The bill provides the same remedies for employment discrimination of women that racial and religious minorities have always received under Title VII.

The General Board of Church and Society of the United Methodist Church makes the same observation urging Members of this House to oppose any amendments that would weaken this important bill, and go on to emphasize the position of the United Methodist Church.

AFSCME, American Federation of State, County and Municipal Employees, on May 3 wrote to the Members of this House saying:

> We believe H.R. 1 is necessary to guarantee that victims of employment discrimination have adequate means of redress. By extending the right to punitive damages to women, the disabled and religious minorities, H.R. 1 would ensure all victims of discrimination of equal justice.

That is what this whole debate is about, equal justice, not the continuation of a two-tiered, dual system of justice where women and the religious minorities and the handicapped persons, disabled individuals, will not be able to go to court and have full consideration of the damages that they have suffered because of the indignities and discrimination at the workplace.

We must have confidence in our system of law. We always applaud it. There are always wonderful words being expressed about how America is such a great place because we can depend upon the justice system to be fair and equitable. I believe that we have that confidence. We can have that confidence. We share it with respect to our judicial system.

Therefore, why would the Congress itself want to impose an inequitable provision which limits the capacity of a court of law to apply the individual circumstances and hardships and grievances of one case and say, "Well, I am sorry, we cannot give you punitive damages in excess of $150,000 because the Congress had no confidence in the judicial system to be making a fair decision."

Well, there are so many other letters. The National Council of Jewish Women wrote asking us to insist upon the level of fairness and equity allowing, it says, "Victims of discrimination to receive punitive damages for intentional discrimination."

I wonder how many have read these letters to see the plea for fairness and equity. That is all we will be doing when we come before the House next week, to ask the House to remove this cap on damages. It is unfair. It is inequitable. It is an insult to the judicial system and an insult to women, to religious and ethnic minorities, and to the disabled.

STATE OF THE ECONOMY

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 60 minutes.

Mr. PANETTA. Mr. Speaker, after more than 2 years of steadily declining growth, our economy has fallen into recession. Many economic forecasters have predicted an early recovery, and indeed just this weekend the administration—in the person of OMB Director Richard Darman—has declared the recession over.

There are some strands of evidence to support the administration's claim. The unemployment rate declined in April, and industrial production may have hit bottom.

But the best evidence is that our economy is far from healthy. We cannot yet count the recession out with any degree of confidence; production shows no signs of significant growth, employment by the most reliable measure continues to decline, and the human costs mount.

But even more important, whenever this recession ends, the economy is poised for a weak recovery that will feel a lot like a recession. We are now reaping the bitter fruits of a decade of self-indulgent and complacent policies that leave us ill-prepared for the future.

The question at hand is not just where the economy is headed over the next 6 months, though that is certainly important. The question really is where we are headed over the next 6 years, and into the next decade and the next century. We need to take stock now because today's decisions affect our economic fortunes for years to come, just as did the fundamental changes in policy over the past decade. It is time for us to consider our economic prospects and policies; to determine what we have done right, and what we have done wrong; and to chart a new course to harmonize our short-term needs with our long-term goals.

The economic policies of the 1980's are not well designed to lead us out of this recession; but even more disturbing, they are inconsistent with a vigorous ultimate recovery. Instead, they are likely to lead us through the same sluggish building of our capacity to produce that we have experienced over the last 10 years, and which was masked only by the temporarily rapid rebound from the deepest recession since the Great Depression itself. We must put these facts in perspective, so that we can deal with our current challenge and move on to build for the future.

THE CURRENT RECESSION AND HOW WE GOT HERE

We now know that this recession began in July 1990, even before the shocks caused by Iraq's invasion of Kuwait and the resultant sharp rise of oil prices. We have this timing on the unanimous authority of the seven distinguished economists who comprise the Business Cycle Dating Committee of the National Bureau of Economic Research, the private nonprofit economic research organization that has been the recognized authority on U.S. business cycles for many decades.

High interest rates and scarcity of credit were the proximate causes of the slowdown that began in July; the slowdown merely worsened when the gulf war shocks were added. However, the roots of our current economic weakness go back much further.

This economy suffers from excessive burdens of debt, and low productivity growth. In the current slowdown, these weaknesses have drained both worker purchasing power and corporate profitability. And they follow directly from the policies of excess practiced over the 1980's.

In the early 1980's, the administration set upon a policy of debt. Its hope was that added incentives for society's most fortunate would flood the Treasury with revenues.

When the flood of revenues did not materialize, the administration rationalized its choices: A large Federal deficit was not a problem; it would not lead to higher interest rates. A large trade deficit was a sign of strength. Although the Congress gave the administration all the spending cuts it asked in 1981, the Congress was at fault for not giving more. Unfettered and unsupervised financial institutions would lead to growth and efficiency.

Most fundamentally wrong was the administration's own policy of debt. The Federal Government itself crowded the credit markets, driving up interest rates and thereby the dollar. Investment was inhibited; imports were encouraged. Later, foreign financial powers were given an open season to purchase our assets, when the international value of the dollar had to fall from its stratospheric levels of the early 1980's.

Worst of all, this policy of debt sent a most damaging message to the American people, and to American business: that financial responsibility was unnecessary, and that prudence and planning for the future could be replaced by irrational hope. One function of government is to lead by example, and in the 1980's, the Federal Government led the rest of the economy far off course.

No wonder U.S. business went on an unprecedented debt and takeover binge. For most of the 1980's, the debt of nonfinancial corporations has been rising relative to their production. There has been an actual decline of equity financing. Rising interest burdens have reduced profitability and made corporations more vulnerable to economic setbacks.

No wonder American households, in the face of a dazzling array of savings incentives and record high real interest rates, saved less of their incomes that at any time since the end of World War II. Consumer installment credit has risen to a record high percentage of personal income, making households more vulnerable to bad times.

We applied these misplaced priorities not only to how little we saved as a nation, but also to how we used those savings.

Net business investment was a lower percentage of our GNP in the 1980's than in the preceding three decades.

Further, much of that investment, prior to the 1986 tax reform, was directed to record levels of commercial real estate development, not to productivity-improving business plant and equipment. The result was universally recognized overbuilding, and high-flying financial institutions with portfolios of bad real estate loans and junk bonds. The real cost of the savings and loan collapse was the funds wasted on bad investment projects over the last decade.

As a result of our policy mistakes, the economy has trundled through the 1980's at rates of growth slower than in previous expansions. The recovery from the long and deep 1981–82 recession was surely a relief to households. However, over the entire 1980's expansion, productivity growth has been disappointing, averaging 1 percent per year in nonfarm business compared with 1.9 percent from the end of World War II through the 1970's. As a result, growth in the living standards of the typical American family has been equally disappointing.

By the end of the day, all of the employment growth over the 1980's was in service industries, where wages are often lower and productivity growth is slower and generally unsatisfactory. The service industries monopolized new employment because our manufacturing sector was hammered by a high dollar that made imports irresistible here, and priced our manufacturers out of the markets overseas. Despite the dollar's subsequent fall and the recovery of manufacturing, we continue to pay a price in lost market share at home and abroad. Again the root cause was the Federal Government's enormous deficits, which forced us to sell bonds to foreigners in unprecedented amounts, driving the dollar up.

In 1989 and 1990, productivity actually declined. Declines in productivity hold back both corporate profits and real wages. Corporate profits have been on a downtrend since late 1988. Real hourly wages and salaries, as measured by the Employment Cost Index, have been falling ever since 1986. Real wages of production workers are barely above where they were in 1979.

These weaknesses of our economic performance—a shortage and misdirection of investment, and low productivity growth—can be traced directly back to our policy mistakes, a buildup of debt and lax financial regulation and supervision.

People do not like to face up to these problems. But in this recession and its aftermath, the problems are going to face up to us, like it or not.

WHEN DOES THE RECOVERY BEGIN?

The conventional wisdom last winter was that the recession would be short and shallow; the administration did not even use the term "recession" in its budget, but said only that the economic expansion had been interrupted. Although most private economists still forecast that the recession will be shorter than the postwar average, with a smaller decline of GNP and smaller increase in unemployment, recent evidence leads me to question that assumption.

First, what does the average recession look like? Since 1945, recessions have lasted an average of 11 months from the time that the downturn begins until the economy finally hits bottom; real GNP falls by 2.6 percent, and employment drops by 2 percent. More important, it takes 10 months of recovery until employment regains its prerecession level. That's almost 2 years of excessive unemployment.

By these standards, what does a mild recession look like? Well, in terms of length and job losses, past recessions that were milder than the average ran about 10 months of decline with a 1.6 percent drop in employment. Real GNP declined by a little over 1 percent.

We have already equaled the short and shallow recessions of the past. Since the recession began in July, 10 months ago, real GNP has fallen by 1.1 percent. There are 1.5 million fewer payroll jobs, a 1.4-percent decline; 1.4 million more people are unemployed; and industrial production has fallen by 4.8 percent. If this recession is of the short and shallow variety, we should already see signs that things are picking up.

Economic forecasting is as much an art as a science; the path ahead for the economy is rarely obvious, and is frequently genuinely obscure. There are some signs that the economy may be hitting bottom: The stock market is rising, consumer confidence has increased from the dismal level last winter, and homebuilding and home sales have begun to rise. However, these indicators are mainly measures of expectations, not measures of actual production, and each often begins to increase long in advance of GNP and employment. In the last recession, the Commerce Department's Index of leading Economic Indicators, driven by these same measures, began to increase 10 months before the economy finally began to recover. Buy this standard, we could be in recession almost all year. The index of industrial production did rise in April, by the smallest possible amount, but this was due to a rebound in auto production that is not being supported by a comparable rebound in sales.

The recent easing of monetary policy by the Fed is certainly welcome, although it was long overdue. Lower interest rates and relief from the credit crunch are essential to get the recovery started, and I hope that Chairman Greenspan and the Fed share our concern that the real risk for this economy is on the down side, and act accordingly.

However, there are some real signs that we may have several more months at the bottom before the worst is over. Economists assess the state of the economy by analyzing the major sections and by looking for signs of strength or weakness in each. This review suggests that the risks are great that the recession will continue into the summer.

Consumer spending accounts for nearly two-thirds of GNP, and recovery there is essential for a general upturn. The outlook for consumers is mixed; confidence was given a boost by the end of the war, but that hasn't been converted into much of an increase in purchases, particularly of autos. In fact, sales of autos and other consumer goods both fell in April.

The main roadblock is that real household income is weak. Real disposable after tax income in March is still almost 1½ percent below last July's level—and that is in total dollars, spread over a growing number of consumer households with a growing number of mouths to feed. Consumer spending grew faster than income in both February and March but fell again in April, so that real retail sales excluding autos were still nearly 2.5 percent lower than in July. Sales of domestic cars in April fell to below the depressed January level. Households are either unwilling to reduce their savings further, or cannot get the credit they need to buy.

If employment continues to fall for several months, consumers will likely remain cautious until they see some improvement in their own incomes and feel more secure that they will keep their jobs. The fact that payroll employment dropped by 124,000 last month and nearly half a million more people apply for unemployment compensation each week does not suggest to me that consumers are about to lead us out of the recession very soon.

Business investment in equipment has been a driving force in the economy since 1986, especially investment in computers and high-technology machinery. But it gradually slowed under the pressure of relatively high interest rates and the credit crunch in 1990, and the fall in consumer spending led to a cutback in equipment investment at a 15.5 percent rate in the first quarter. New orders for non-defense capital equipment excluding aircraft in real terms fell for the fifth straight month in March, a sign that investment and industrial production will continue to decline.

The Fed's action to lower interest rates will encourage new investment, but industry has considerable excess capacity now as well as high levels of debt, and will hesitate to add more until it sees demand rising.

Homebuilding was the first sector to go into the recession, and seems to be the first to come out. Housing starts picked up in February and March, Permits to building homes also increased significantly in the last 2 months. Lower interest rates are going to help, but not too much until household income gains some ground.

Foreign trade holds the best hope for pulling us out of the recession soon. Exports grew faster than any other component of GNP from the beginning of 1987 through the end of 1990, but were flat in the first quarter. Measures of our relative competitiveness show that our goods and services can hold their own in world markets, and maybe even gain some, but the rise of the dollar in recent weeks poses a threat to export orders in the second half of 1991. Even more important is the weakness in other major economies: Canada and Britain are in recessions, and Japan and most European countries are expecting slower growth.

My conclusion is that the greatest risks are that the recovery will be later than sooner; that more Americans will lose their jobs and not be covered by unemployment compensation, and that the administration is not prepared to take an active role in coming to their aid.

THE LONGER-TERM PROSPECTS

What are the prospects for a full and vigorous recovery? Very clouded, given the legacy of past mistakes and policies.

The same problems that threaten to postpone the recovery are likely to make the eventual recovery sluggish and slow.

Slow productivity growth, and the resulting slow wage growth, are going to hold back consumer incomes, and consumer spending. That will hold back the recovery.

Our shaky financial institutions will be reluctant to lend to consumers who want to buy homes or automobiles, and the businesses who want to invest. That will hold back the recovery.

Our manufacturers will be reluctant to invest, as consumer spending continues slow and the recent rise of the dollar slows our exports. That will hold back the recovery.

And finally, businesses and consumers already heavily in debt will hesitate to make commitments in uncertain economic times. And that will hold back the recovery.

With those roadblocks in the way, we can expect unsatisfactory growth over the recovery and expansion that follow this recession. Real wage growth will continue sluggish, holding back living standards. And following from the models of previous recessions, it will take 2 years or more before we reattain the unemployment rate from before this slowdown began.

So what can we do to spark a more vigorous recovery?

CONCLUSION

ECONOMIC POLICIES FOR RECOVERY

One possibility that we must reject completely is a repeat of the overexpansionary policies of the early 1980's: Massive tax cuts and defense spending inceases. Such policies would lead to an explosion of Federal debt and interests payments. On the way, while the Fed was still attempting to keep the lid on inflation, we could again see huge trade deficits and crowding out of housing and business investment.

That means that we cannot give the economy another self-indulgent, short-term tax-cut "high." We cannot give consumption another artifical stimulant, and expect our economy to be clear headed and healthy in the years to come. Even a tax cut that was intended to be temporary would almost certainly became permanent, because every political incentive would prevent us from allowing it to expire. So, any tax cut would continuously drain our savings, drive up interest rates and the dollar, and inhibit the investment and exports that we need for long-term growth.

Thus, we face a complex challenge; we must guide the economy out of the recession in the short run, but also set it on a path toward solid growth over the long term. While a general tax cut would be bad policy, the recession is not yet over, and we cannot go neglecting its innocent victims. The Federal Government can and should help. Most obviously, the recession is exposing the inadequacies of the unemployment compensation system.

Strengthen unemployment insurance: In this recession, far fewer of the jobless are covered by unemployment compensation than in past recessions. But workers have already paid much of the taxes that are needed to restore coverage. There is a positive balance in the trust fund. In the depth of the 1975 recession, more than three-quarters of those out of work qualified for unemployment benefits. Today, the figure is little more than one-third. That percentage may rise as the recession continues; nevertheless, a majority of those out of work are not likely to qualify for benefits under the current system, and the number of workers exhausting the maximum 26 weeks of benefits is on the rise.

During a recession, many workers need more than the full term of benefits, precisely because the job market is weak. Even though the measured unemployment rate fell in April, the number of persons unemployed for 27 weeks or more increased to more than 1 million. It was for such instances that the "extended benefits" program, providing an extra 13 weeks of benefits in serious recessions, was created. Yet now the extended benefits program has shrunk into insignificance. The program is no longer triggered by the national unemployment rate, but instead by outmoded State-by-State indicators that no longer track actual unemployment in the States. Furthermore, there is no longer a 100-percent federally financed supplement to benefits during recessions, when States typically lack the resources to do the job entirely on their own.

To be eligible for any unemployment benefits, workers must have a significant work history. Benefits are only a fraction of lost wages, and they are fully taxable. The evidence shows that in many instances, unemployment insurance is needed to keep families from falling below the poverty line, even in these times of the two-worker married couples. Unemployment compensation is not mad money; it is a necessity for those hit by the indiscriminate hardship of recession.

Strengthening the unemployment insurance system would not only help those most hurt by the recession; it would also make the Federal budget more responsive to conditions in the economy. When recession hits and unemployment increases, unemployment benefits increase as well, softening the blow to total household buying power; when the economy recovers and unemployment subsides, unemployment benefits decline, removing that boost to the economy just when it would become counterproductive. Unemployment insurance is therefore the kind of "automatic stabilizer" that keeps the economy in balance. Rebuilding the unemployment compensation program should be our first priority in this recession.

Keep interest rates low: Beyond a stronger unemployment insurance system, the economy needs lower interest rates. Lower interest rates will make domestic investment more attractive to American businesses; investment will help our business sector service not only our own consumers, but also our export markets overseas. Exports and investment have remained strong as the rest of the economy slowed over the last 2 years. Given the slow growth of wages in the household sector and the current high unemployment, exports and investment are the most likely sources of strength to turn the economy upward again.

Lower interest rates would have further advantages for the economy:

Interest-sensitive sectors such as housing will be further stimulated.

Debt burdens will be lightened. Many businesses and consumers have adjustable-rate debt, and their out-of-pocket expenses will be reduced by lower interest rates. Many others with fixed-rate debt will be able to refinance and free up spendable income.

The contraction resulting from strict regulation will be lessened—in the right way, not by lowering standards again but by expanding loan eligibility. A borrower who was not creditworthy when the prime rate was 10 percent will be better able to make the loan payments now that the prime rate is 8½ percent.

As interest rates go down, the market for typically credit-financed assets—especially real estate—is broadened, and prices can stabilize.

Financial institutions will be strengthened, and the need for bank rescues over and above the savings and loan cleanup reduced. Banks and similar financial institutions flourish in a climate of declining interest rates and suffer when rates are rising. Such institutions are interest payers as well as interest receivers, and in many cases the rates they have to pay to their depositors and other creditors move more rapidly than the rates they receive on their loans.

Despite the manifold advantages that would come from lower interest rates, the Federal Reserve has been hesitant and slow in responding to the budget agreement and the recession. In part, this reflects the caution and gradualism that have been the hallmarks of the Greenspan Fed—policy attributes which have some advantages and may yield better results over the longer run. But for now, this caution contributes to serious risks in the outlook. Excessive monetary policy caution will itself inhibit investment that could enhance productivity growth.

Given the importance of low interest rates, it is imperative that the Federal Reserve follow an appropriate anti-recession policy. It is also necessary for the Congress and the President to facilitate that policy. And low interest rates are needed not just to achieve the earliest recovery, but also to keep the economy healthy for years to come.

ECONOMIC POLICIES FOR THE LONG TERM

Increase private investment: Keeping interest rates low is also imperative for the long-term health of the economy, because low interest rates will facilitate one necessary element of a long-term growth policy: increased private investment.

New factories and machines help to increase productivity, raise future wage rates, and meet the retirement needs of the baby-boom generation in the next century. The record of productive investment since 1986 has been good. However, solid investment cannot continue unless the budget deficit is brought under control.

Maintain the discipline of the budget agreement: Continued high budget deficits would drive interest rates higher, and thereby discourage investment directly. High deficits would also tend to pull in credit from overseas, driving the dollar higher and discouraging exports.

Thus, as recently acknowledged in congressional testimony by Fed Chairman Alan Greenspan, the single surest and most important way to increase national saving, and thereby facilitate economic growth, is to reduce the Federal budget deficit. We have a deficit reduction agreement in place, but it is being challenged from all sides. Keeping faith with the budget agreement is the first step toward increased saving and investment. Still, we may need to adjust our Federal budget deficit targets over the lifetime of the current agreement, and beyond.

But private investment alone is not enough to drive the economy forward for the long haul. Beyond private investment and the budget discipline needed to facilitate it, there are four more prerequisites of growth:

Increase public investment: Private investment does not operate in a vacuum. Public capital is needed to make the economy go.

Right now, our economy is afflicted by a deterioration of our public capital base; this deterioration is well documented. The condition of roads and bridges is unsatisfactory; the number of bridges in questionable or dangerous condition, and the number of miles of roads in need of repair are both too high. Our eroded ground transportation network causes delays and increases repair costs, both of which add to consumer prices and reduce productivity.

Our air transportation is also deteriorated. Unsatisfactory air traffic control hardware and inadequate airport facilities also add to travel times and business costs.

Deteriorated water and sewage treatment facilities increase environmental hazards and reduce the quality of life.

Within our public budgets—Federal, State, and local—we must make room for sufficient investment to rebuild our infrastructure to world-class standards. The link between quality infrastructure and business costs and productivity is too strong to ignore. This does not mean the indiscriminate approval of new projects; it does require a considered but aggressive program to catch up on the deterioration caused by years of neglect in repairs and maintenance, and new construction.

Increase investment in people: The United States has long been a leader because of its educated and energetic work force. In recent years, however, we have lagged behind in educational achievement, and our health care performance has fallen below the standards of the rest of the industrialized world.

Improved educational performance is an elusive target. We need leadership, energy, and other intangible human contributions. But we also need money. Most school systems cannot afford to hire and retain talented math and science teachers. And many students enter the first-grade classroom unprepared for school physically or intellectually.

We have health and education programs for children that are known to be successful: WIC, childhood immunization, and Head Start are only the most prominent. Most eligible children and families are not served by these programs. This omission is a national disgrace.

Again, we must set our priorities to educate and prepare a capable labor force, or our economic leadership will evaporate. We cannot maintain the world's highest standard of living without a superior performance from our labor force. Children left behind will reduce living standards for our entire society. And as our economic performance deteriorates, so will our world leadership. We could enforce high standards of international behavior in Kuwait because we had the necessary economic strength to mount that effort. If we continue to lose ground in the world economy through shortsighted policy, someone else will be calling the shots; and those calls may be different.

Increase investment in technology: The United States is the world leader in science, and even in product innovation. Where we lag is in production—taking our product innovations to market and producing them profitably. Part of the reason may be that the United States has drawn an artificial line between science and technology, in an attempt to avoid interference in the free market economy. Instead, we should distinguish between generic technologies—those usable by a broad range of manufacturers, and therefore unlikely to be researched and developed by any one firm—and appropriable technologies—those useful for only a narrow group of firms, who can reap the profits if they innovate on their own.

The National Science Foundation has long judged proposals for public support on the basis of both the likely value of the outcome and the probability that the research would be undertaken without public support. We can judge projects in technology on the same basis. Our major international competitors—Japan, Germany, and the other nations of Europe—have long maintained a variety of programs to develop technology with public support. Some of those programs might be thought to interfere in the free workings of the marketplace, but many do not.

The United States has succeeded in vast technological undertakings unmatched by our commercial competitors—the space program, the building of our national defense—because we made those our priorities. We must consider whether in a peaceful but economically competitive world, the development of commercial technology should be an equal priority to us.

Maintain a sound tax system: Those who believe in a free and competitive marketplace, in which investors make their choices on the basis of economic returns and not government dictates, should apply that belief to our tax system.

Throughout the post-World War II era, the U.S. income tax was an exercise in relative subsidy. Almost everyone who was rich and powerful lobbied Washington for a tax break; the only question was whether your tax break was bigger than the next guy's. The loser was the businessman or entrepreneur who had no tax break, but had to pay higher tax rates because of all the revenue we lost passing out the favors.

Everyone believed that his or her work, or his or her investments, made a vital contribution to the economy. And everyone was right. But everyone believed that, for that reason, he or she deserved a tax subsidy. And we could not subsidize everyone relative to everyone else.

So in 1986, we changed all that. We cut out the tax breaks, and reduced tax rates for everyone, especially productive business investment. Since 1986, investment in equipment as a percentage of our GNP has increased to post-World War II record levels. It was investment that fueled our economic expansion over the last half of the 1980's.

Still, lobbyists are clamoring to get their tax breaks back. It would be the best of both worlds: I keep my tax break while everyone else gives up his, and we all get the same low tax rates. But the system doesn't work that way. Once the President and the Congress start giving in, the process will never stop, and before long we will have the same loopholes and the same high tax rates with which we started.

Before we start down that road, we should remember a few things:

A capital gains tax break does not help the homeowner; he already gets $125,000 of capital gain tax free when he nears retirement age. A capital gains tax break does not help the entrepreneur who wants to work a business for life and pass it on to spouse and children; he or she pays no capital gains tax anyway. A capital gains tax break does enrich those who buy and sell existing assets, which does not add to our productivity and wealth. For this reason, the capital gains tax break was the most important reason why the United States—in the judgment of every objective observer—grossly overinvested in real estate until tax reform. The real estate industry is an important contributor to growth when it builds buildings that the economy needs. But we will not compete effectively with the Japanese and the Germans by putting our energies and our capital back into building half-empty office buildings and shopping centers across America.

Restoring tax-deductible individual retirement accounts [IRA's] will not help middle-income Americans; about three-quarters of all taxpayers can already make deductible contributions to IRA's. It will help those who already have enough income to save comfortably, and who have already benefited the most from the lower tax rates in the law. And if taxpayers take money they would have saved anyway and put it into IRA's, the increase in the budget deficit detracts from our total savings, and makes our economy weaker, not stronger.

We must look at our tax system with some degree of objectivity. We now have the lowest tax rates of any industrialized nation on earth. Our highest tax rate on individuals is less than half of what it was at the beginning of the 1980's. Even with the changes made in the 1990 budget deficit reduction agreement, we are way ahead on incentives to work, save, and invest. There is no cause for panic, and no justification for concern that the U.S. tax system is confiscating income and stifling initiative.

To pay our bills as a nation, and to reduce the deficit and facilitate private investment, we may need to make some changes in the years ahead. But we can keep our tax rates way below those of other nations, and way below where we were in the decades of our fastest economic growth in the 1950's and 1960's. If necessary, we might also consider tax changes that would encourage conservation of scarce energy resources, to reduce our vulnerability to economic disruption or political blackmail from cutoffs of foreign supplies.

So these are the prerequisites for economic recovery: a strengthened unemployment compensation system, and lower interest rates.

And these are the prerequisites for solid long-term economic growth: reducing the Federal budget deficit, and thereby increasing private investment; increasing public investment; increasing investment in people; increasing investment in technology; and maintaining a sound tax system.

Over the coming weeks, I will address these long-term, structural economic issues in a series of special orders. I hope that these statements will stimulate discussion and debate on the economic issues that are critical to our prosperity at home and our economic and political leadership around the world.

□ 2220

FAST TRACK WOULD BENEFIT THE UNITED STATES AND MEXICO

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

Mr. RITTER. Mr. Speaker, in recent days I have been taking to the floor to discuss this issue of fast-track authority to the President to negotiate with the North American Free-Trade Agreement and also continuing the so-called Uruguay round, which deals with world trade questions.

I have sought to focus my attention on manufacturing, made in America. What happens to workers in manufacturing with this fast track going through, with the President having the authority to negotiate on behalf of the whole United States, a mechanism which essentially gives the President authority as opposed to giving 435 Members of the House authority plus 100 Senators authority to somehow get out and negotiate trade policy agreements with foreign countries.

I found that in this debate over fast-track authority that some of my colleagues sound like Chicken Littles saying that the sky is falling or, in this case, the Mexicans are coming.

I just want to convey to my colleagues and to the American people that I have a great deal more faith in the skill and productivity of the American workers.

I have spent in my time in the U.S. Congress, some 12 years now, much of my effort extolling the virtues of manufacturing and quality.

Made in the U.S.A. is a particular pursuit of mine. I have worked hard to try to set the climate right for made-in-America.

So, when I talk about quality, I mean quality with a capital Q. The quality process is a process that turns companies and even countries from lethargic Old World producers into high-technology, highly productive manufacturers. I am talking about a process that turns people who once looked out only for their paycheck into a team proud of its accomplishments.

Manufacturing in the United States of America is more and more engaging in this quality revolution, a revolution that says that if you perfect the process, the process of making things, how you do it, if you continuously improve that process, you continuously improve the products that you make and your competitiveness as workers, as a company, as a country increase substantially.

So, made-in-America has really benefited, as America in the decade of the 1980's has more and more turned to quality, to this idea that each and every worker becomes his or her own best manager. If you give that worker the tools, the education, and the training, then you give that worker the responsibility, the recognition, and reward and one can do wonders.

That is what we are having more and more in America. That is what characterizes more and more the made-in-America label.

To me, manufacturing, making things, production, these are the crown jewels in a modern industrialized society. Our manufacturing, once thought to have been given away, is making a huge comeback, mostly due to quality revolution.

Now, I want to share with my colleagues and with the American people some recent front page headlines. Here is one in the April 21 edition of the New York Times, a front page story which says, "Boom in Manufactured Exports Provides Hope for U.S. Economy."

It basically talks about a two-pronged fork that has helped to promote U.S. manufacturing and U.S. manufacturing jobs and made-in-America. The two prongs are composed of a lower value of the dollar with respect to foreign currencies and the other prong being quality and productivity that go with quality.

Just the cheaper dollar would not have done it. Another country is not going to buy goods it does not want just because those goods are cheaper.

The demand for quality worldwide is the name of the game today.

Another story, recently in the Washington Post on the front page, this past Monday, May 20, states, "U.S. Firms Stage Competitive Revival." It goes into the strong growth in the latter part of the 1980's in the export of manufactured goods. The bottom line is for everyone, the billions of dollars of manufactured goods coming out of the United States into foreign countries, each billion dollars provides 20,000 to 25,000 jobs. Now, when you think about it, that is a lot of employment in a State like Pennsylvania.

In Pennsylvania, according to a brochure put out by the United States Department of Commerce, the International Trade Administration, where it takes a State-by-State review, it looks at United States exports to Mexico, part of what we are dealing with in this fast-track arrangement. But also it looks at U.S. exports worldwide. Let us take a look at just Pennsylvania's export to the world—$8.5 billion.

□ 2230

So, at 20,000 to 25,000 jobs, it is about 200,000 jobs that we are talking about here, and these are high-quality manufacturing jobs because, if one is exporting, one is competitive with the rest of the world. They are selling high-value-added material. Their workers are paid well.

Let us see. Let us take a look at Mexico because Mexico is a critical part of this debate, as I mentioned. Ever since Mexico began to liberalize its trade policies in the latter 1980's, we went from $181 million of exports, largely almost entirely in manufacturing, to $475 million in 1989. Well, it is 1991. We are well over $500 million. It is half of a billion dollars in exports to Mexico and growing strongly.

And where do these exports come from? Well, computers and industrial machinery, $97.5 million. Electric and electronic equipment, $85.8 million. Primary metals industries, $71.7 million. Chemicals, $68.7 million. Food products, $25 million. All of these exports mean jobs.

The good news for the American economy in the latter 1980's, the crux of our economic growth has been export-led, and it is export-led in manufacturing. Yes, made-in-America is alive and kicking and driving our economy forward.

Let me talk about some examples of American manufacturing companies who, having turned to quality, turned around. Ford Motor Co., for example, I believe it was in the very early 1980's, maybe 1980 itself, lost $1.9 billion in 1 year. People wondered whether there would be a Ford Motor Co. Ford Motor Co. turned to quality, and they turned around, and they became very profitable in the course of the 1980's.

Xerox, a company that invented xerography, the Xerox copier and its name, was almost out of it in the early 1980's. They turned to quality, and they turned around.

Mr. Speaker, these are American manufacturers that are very competitive in the global economy today. Corning Glassworks is another company that almost lost it, and they turned to quality, and they turned around, and each of these companies is increasing its market share. Motorola is another company facing global competition, facing Japanese competition, doing very well. They turned to quality and turned around, and probably all of the companies I just mentioned would have been out of business.

What I am trying to say is that there is a lot here in America that we can do to make ourselves more competitive, more capable as exporters, creating jobs for our people and being part of this global economy. We can do it here. We should fear Mexico less and sell to it more. We should fear the world less, get our house in order, do what we need to do here to make our manufacturing, our crown jewels, all that they can be.

In addition we will produce these 20,000 to 25,000 jobs for every billion dollars of exports that we send out of this country.

The good news about economic growth, as I mentioned, is that manufacturing and manufacturing productivity rose rapidly, faster here, than in our competitor nations, and the economy of the United States was driven by manufacturing, and I mentioned a few companies that turned to quality. Thousands of companies are turning to quality every day, and they are becoming more competitive. When they do that, given the transportation infrastructure we have in the United States, given the communications capability that we have in the United States, given the educational institutions and opportunities that we have in the United States, we should not be Chicken Little when it comes to Mexico. The sky is not falling on us. We can do very, very well exporting our high-value-added goods to Mexico, far more than Mexico can export back here, even if we send companies down there to open facilities, simple assembly, perhaps even reducing the price and making our own goods in total more competitive in the global economy.

Mr. Speaker, it is not a bad thing, and I have to say this:

When a dollar is spent in Mexico on imports, 70 cents of that is spent in the United States. If facilities are in Mexico, they were probably made in the United States. The machine tools come from the United States. The computers come from the United States. The materials come from the United States.

As my colleagues know, Mexico as an industrial power may well be half a century behind us. On the whole they do not have a highly trained, highly educated work force like ours. Our work force is still the most productive work force in the world on average. Not in all industries, and certainly the Japanese have made great strides in the automobile industry, consumer electronics, but overall, and it may come as a surprise to some, but our overall productivity as a nation per worker is on average higher than that of Japan.

Mexico, however, is not Japan, it is not Great Britain, it is not Germany. They do not have the latest technologies that we have. Their level of education is still far below ours. They have not embarked broadly on the journey to quality as we have.

Remember on the expanded North American Trade Agreement, the so-called North American Free-Trade Agreement, we are talking about increasing our trade with Mexico, and this is a country that is desperately trying to catch up, that does not have near the capability that we have, but they need our exports to them. They need our exports to them far more than we need exports from Mexico. Let us face it. Mexico does not have companies like General Motors, who incidentally in recent years, in the latter part of the 1980's, has turned very strongly to quality, and Ford, and Xerox, and Corning, and Motorola, or IBM, or Apple, or DEC, or Hewlett Packard, or AT&T, or Bethlehem Steel in my own district, or Mack Trucks, or Air Products and Chemicals, which I will talk about later. I mean they really do need to import our high-quality, high-value-added products in order to move into the 20th century, while we move into the 21st century. It is kind of a natural marriage.

Mr. Speaker, yesterday I sent to each and every Member of Congress an op-ed that appeared in the pages of the Allentown Morning Call. It is a paper in my congressional district. That op-ed was written by Dexter Baker, chairman of the board and CEO of Air Products and Chemicals, Inc., as well as next year's chairman of the National Association of Manufacturers and the chemical industry's chief adviser to Carla Hills. Now Mr. Baker and I share a similar perspective on this topic. In his article he notes that American manufacturers, using creativity and technology, produce high-quality, innovative goods and services, can be very, very successful in Mexico with precisely the types of goods and services that Mexico so desperately needs to get in the 20th century.

☐ 2240

Due to high import barriers, United States products have often not been competitive in Mexico. A lowering of these barriers, which is what a North American expanded trade agreement is all about, would open up whole new markets for American quality products.

Our barriers to trade with Mexico are already low. Theirs are very high, relative to ours, so if you open up the trade with Mexico and you reduce all the barriers or most of the barriers, who benefits? We benefit.

I mentioned Pennsylvania and its increased exports to Mexico, nearly tripled since the liberalization began. We will see major new job opportunities in this industrial heartland State of Pennsylvania, and I might add that such is the case with other States.

From that same brochure, put out by the Department of Commerce, I would like to talk about Ohio. We have had people on the floor of the House on the other side of the aisle from Ohio get up here and tell us that the sky is falling and tell us that the Mexicans are coming and that we are going to lose all these jobs. We are going to be denuded of our manufacturing jobs in the State of Ohio. That simply does not reflect the record.

Let us look at the record for a second. From 1987 to 1989, 3 years, Ohio's exports to Mexico almost entirely in manufacturing went from $245 million to $464 million. And where are those exports coming from? Computers and industrial machinery, $111 million, primary metal industries, $86 million; chemicals, $84 million; rubber and plastic products, $46 million; transportation equipment, $36 million, nearly half a billion dollars in exports providing jobs for Ohio workers are there because Mexico is buying our products. And if we lower the barriers to United States goods, as I said before, the barriers to Mexican goods are already low, we should have more industrial heartland jobs, solid manufacturing jobs in the State of Ohio.

Incidentally, Ohio's exports to the world total some—and this is 1989—total some $13,323,000,000. That is a lot of jobs—25,000 jobs per billion dollars worth of exports. That is a lot of high-quality manufacturing jobs in the State of Ohio.

I would like to look at one more industrial heartland State. When you talk about industrial heartland, when you talk about manufacturing, you are talking Pennsylvania. You are talking Ohio. You are talking Michigan. That is not to say anything about California, which I will let Californians talk about California, but for our industrial heartland, Middle Atlantic and the Midwest, Michigan certainly is a key State.

In 1989, Michigan exported $1.7 billion worth of goods, nearly entirely manufacturing goods, to Mexico. And where did that figure come from? What is it composed of? Well, $798 million are in transportation equipment. That is right. The United States of America is exporting substantial amounts of transportation equipment, which means trucks, buses, cars are going from the United States to Mexico. The tariff on automobiles going from the United States to Mexico is 20 percent. The tariff coming from Mexico on automobiles is 2.5 percent. One would think, and one does not have to be a rocket scientist to figure this out, if we got rid of all of the tariffs, there would be a heck of a larger movement of American cars exported to Mexico, which means American auto worker jobs. And there would be less pressure to locate a plant in Mexico if the tariff on a United States export to Mexico was less.

In addition to this $798 million in transportation equipment going from Michigan, $191 million in military equipment; computers and industrial machinery, $161 million; fabricated metal products, basic industrial goods, $147 million; electric and electronic equipment, $139 million. Michigan, an industrial heartland State, exported to the world 21 billion dollars' worth of goods, nearly all manufactured goods, a limited amount of services exported, $21 billion.

Well, at 20,000 to 25,000 jobs, $21 billion, you are talking about nearly half a million jobs due to exports. And these are, again, high quality, high value-added jobs in manufacturing.

Let me discuss a few examples of how this is working in my own congressional district, the Lehigh Valley of Pennsylvania, comprising the cities of Allentown, Bethlehem, and Easton, and it is quite a manufacturing-intensive area, very union labor intensive as well.

I have already mentioned Dexter Baker earlier in my remarks. His company—he is chairman and CEO of Air Products and Chemicals—has a production site in Mexico because it sells industrial gas to Mexican plants. However, the support for this plant comes from the Lehigh Valley. Some nearly 100 Air Products employees made their way to Mexico last year. These 86, I think specifically 86 employees, owe at least part of their jobs to the Mexican market. The market for industrial gases, which is one of Air Products' mainstays, will increase as Mexico's economy moves forward, thereby increasing Air Products' employment in the Lehigh Valley.

The design, the manufacturing, the construction of these facilities that go into Mexico will be done in the Lehigh Valley to a very large extent, and the many other jobs that Air Products and Chemicals and the support services will gain from this increased business.

In my district we have some very major AT&T facilities. They produce in the Lehigh Valley the latest in integrated circuits and microprocessors for telephone digital switching equipment. Not only will increased Mexico trade bring down the high tariff costs on this product or an expanded, let me say an expanded trade agreement bring down the high tariff costs on this product, but the demand for telecommunications infrastructure improvement inside Mexico will increase as the Mexican economy improves. It is enormous.

Mexico is going to sop up American telecommunications technology and equipment like a sponge sops up water.

Therefore, it is highly likely that AT&T is going to sell many more of these digital switches to Mexico. The digital switch is a very major piece of equipment. They are not about to produce it in Mexico, but they need it if they want expanded telephone service. So this is going to create yet more employment opportunities in the Lehigh Valley.

Bethlehem Steel also has growing commercial interests in Mexico. They are going to benefit from expanded trade in Mexico in several ways. They will be able to market high-quality steel rails to Mexico. As Mexico's economy grows, Mexico will have a greater need for rails and other high-quality steel products made by Bethlehem. It is about time we did some more exporting of steel, steel having turned to the quality revolution producing the kind of products that are not necessarily reproducible in Mexico. We will have markets there for high value-added steel.

Also the North American Free-Trade Agreement and subsequent agreements emerging from fast track can help put an end to the practice of dumping foreign steel in the United States. And out of these agreements, we are going to negotiate a new steel trading arrangement where they cannot dump in the United States, or that is the aim in any event. Members like this one will be looking very closely to see if that is the result.

In any event, trade agreements resulting from giving the President fast track will not change U.S. trade laws regarding dumping, which is selling in this market subsidized goods at a far lower price here than they sell back home.

□ 2250

It will not change our trade laws on dumping or injury or other trade laws.

Another company in my district, Union Pacific Corp., is headquartered in Lehigh Valley. They are also going to benefit from increased trade with Mexico. Union Pacific Railroad carried an increased amount of traffic to the Mexican border, and from the border into the United States. They have got a major railyard in Laredo, TX, which serves as their primary border crossing point. Increased trade will mean increased work for their employees, increased prosperity for the company, and an increased presence in the Lehigh Valley, where they are headquartered.

My district is also home to the Victaulic Co., the leading producer of innovative pipe couplings in America. They have had great success marketing their products in Canada. However, they have had a real hard time breaking into the Mexican market, due to the high tariffs on American products trying to go into Mexico, tariffs at rates that Mexican products do not face coming here.

The lowering of these tariff barriers is going to mean a whole new market for their products. Now, considering Mexico's vast petroleum industry, this is no small market. Again, this would create more jobs in the Lehigh Valley for Lehigh Valley workers.

The Surefit Co., in my district, is a large manufacturer of furniture covers and quilts and bedcovers, and it operates a plant in my district with several hundred employees, one in Texas and one in Mexico.

They have been able to benefit from the recently lowered trade barriers. The Mexican operations support hundreds of better, higher paying jobs in my district that may not have been there, were it not for their arrangements with Mexico. Maybe the whole kit and caboodle would have gone to Asia.

Now, in addition to those I mentioned, we have companies in the Lehigh Valley like Bennie and Smith, the world's leading maker of crayons and art products. They have the whole line of Crayola products. It should sell like hotcakes if you reduce some of the tariff barriers in Mexico.

Daytimers, Inc., the Fuller Co., which makes high tech cement producing equipment. Boy, Mexico needs infrastructure, roads and bridges. Cement making is going to be very important. We can help them. Reduce some of those tariff barriers, and we will do business with them. It will mean more Fuller jobs in the Lehigh Valley.

Ingersoll Rand, which is in our area, they produce pumps. Do you ever look at what you need for oilfields and oilfield equipment and refinery equipment? You need a lot of pumps. Ingersoll Rand can sell pumps to them. Reduce some of those tariff barriers, and we will sell a lot more pumps. This will mean jobs for people in the Lehigh Valley.

Just born Candies, happens to make the greatest jelly beans the world has ever known. They have discovered the physics and chemistry of flavor. You can close your eyes, pop one of 35 different flavors in your mouth, and you can tell what it is, which is, I might add, different from some of the competition. You close your eyes and you do not see the color, and you do not know what it is. But they can sell more to Mexico.

Lutron Electronics, which makes dimmer switches, can sell more to Mexico.

Mack Trucks, you all know what a Mack Truck is.

Pfizer Chemical, Rexroth, which makes fluid control systems for industry. Rodale Press, which publishes Prevention, Bicycling, Backpacking, and Runner's World Magazines, they can see expanded horizons in Mexico.

Stanley Vidmar, which manufactures steel storage cabinets and inventory management systems for industry. They are all constituents of mine that stand to benefit from expanded trade with Mexico.

I mentioned the situation with automobiles and the low tariff that face cars coming in from Mexico, but the high tariff that faces cars coming into Mexico from the United States.

Let me just repeat that. There is a low tariff on cars coming into the United States from Mexico. There is a very high tariff on cars that go from the United States to Mexico.

These kind of barriers just boost U.S. unemployment by encouraging U.S. companies to locate down there and gain access to their closed markets.

There is no doubt in my mind that a strong working relationship across the United States-Mexican border helps keep auto workers' jobs from going from Detroit to Asia.

Other companies, like Warnaco, which is an apparel company, have seen a rapid rise in exports to Mexico from the reduction of trade barriers in recent years. They expect their exports to grow with the North American Free-Trade Agreement. Their Mexico sewing operations support over 1,000 jobs in Pennsylvania, Georgia, Alabama, Connecticut, and California.

These jobs are not low paying, low skilled jobs, but are skilled cutting jobs, distributing, and sales employment jobs.

With Mexico serving as a partner, United States jobs have been preserved, instead of shipped off to the Far East, and that trend will continue with an expanded trade agreement. In fact, that trend should accelerate, since once again the tariffs are a lot higher for our goods going into Mexico than they are for Mexican goods coming into the United States.

We will preserve the best jobs, the better jobs, the higher quality jobs, if we share with some of the lower value added production jobs.

But I would say that even lower wage jobs, which we have here, and lower wage jobs that are at stake, if their companies provide quick response to rapidly changing market demand, if their companies can produce quality, if they are close to their manufacturing contractors, like many apparel jobs in my district, they will not only survive, they will prosper, and some of those manufacturers might still be in the United States, because they have some Mexican operations.

That is what we are dealing with. We are dealing with a globalized economy. You have got to stay competitive. If we can be more competitive in the overall apparel-textile industry, we will preserve as many jobs as possible. If we are not competitive, we are going to lose them all.

Take a look at an electronics company, Zenith. They make TV's. Once there were many U.S.-owned manufacturers of television. Now there is only Zenith.

How did Zenith survive? Zenith established some business operations in Mexico instead of moving their entire operation to the Far East. In total, Mexican operations have helped to preserve about 8,000 United States jobs at Zenith, as well as another 1,000 United States jobs at Zenith's vendors. It also preserved the only U.S.-owned company manufacturing television sets in North America.

Another good example is Honeywell. Honeywell opened up a Tijuana, Mexico, factory, and saved about 200 engineering and manufacturing jobs in the United States that otherwise would have gone overseas, likely to Asia.

Additionally, the Tijuana plant uses 32 million dollars' worth of U.S. goods, produced by U.S. workers, for its assembly operations.

Again, if you have a company that locates a manufacturing facility in Mexico for the overall economics of the firm, that potentially preserves other jobs in the United States by reducing costs, when that company, located in a factory in Mexico, buys equipment, buys facilities, buys computers, buys furnishings for the office, they buy them in the United States. If the operation moved to Asia, nothing is bought in the United States. It is all gone.

As we mentioned, $1, today, out of every $1 of imports into Mexico, 70 percent is spent in the United States. Seventy cents of that dollar is spent in the United States.

☐ 2300

In short, manufacturing jobs in the United States are going to be saved by an expanded trade agreement that encompasses Mexico, gives us the world's largest, richest trading bloc, bigger than EC 92, bigger than Japan's latest version of the East Asia Co-Propsperity Sphere.

We will save jobs, we will produce jobs, good jobs here in the United States. We will promote "made in America."

We could not live, no Member of Congress lives in a vaccuum. We do know that increased economic activity via trade is going to result in some job losses, some shifting of jobs. So I would say that Congress needs to address that by providing for adequate and effective job training and worker adjustment programs.

The President has outlined his willingness to help workers who through no fault of their own have lost their jobs due to shifts and changes in the trading pattern.

We also need to address the environmental and worker rights concerns arising out of this agreement. Again, I think the President's action plan provides us in the Congress with a blueprint to achieve these goals.

There is no doubt in my mind that an expanded arrangment between Mexico and the United States is going to stimulate them to keep a cleaner environment, to promote a cleaner environment. A poverty-stricken Mexico cut off from us, desolate, is not about to think about environmental concerns. How many Third World countries are thinking about environmental concerns these days? But linking them to the United States, to our values, to our culture, to our promotion of environmental quality, we will get greater environmental quality in that part of the world, greater environmental quality in the border areas of Mexico up against Texas.

Extending fast track authority will allow us to negotiate a new North American trade agreement, and that is an agreement that we can make favorable to us. We have every incentive to make a favorable agreement and not an unfavorable agreement. Then Congress has the right to say, and this Member has the right to say yes or no, this a good agreement or it is not a good agreement. But you can imagine us trying to say yes or no to 10,000 different items in an agreement with 535 special trade representatives constituted by 435 Members of the House and 100 Members of the Senate? It would never happen.

We can increase United States exports to Mexico and create more United States manufacturing jobs while preventing larger scale job loss to the Far East. Again, just look at what has happened in our industrial States, in Pennsylvania, Ohio, and Michigan when it comes to exports.

So I believe a vote for fast track is a vote for American workers. It is a vote for made in America and a vote for quality U.S. manufacturing and a vote for a stronger, more export-rich United States economy.

Mr. Speaker, I include an article from Columns and Viewpoints on this issue.

The article referred to follows:

[From Columns & Viewpoints]

TRADE AGREEMENT WITH MEXICO WOULD BENEFIT LEHIGH VALLEY

(By Dexter F. Baker)

For the past five years I have been privileged to serve as the U.S. chemical industry's principal adviser to the federal government on trade issues. During the period no trade issue has been as critical as whether Congress should extend President Bush's fast track negotiating authority beyond June 1, 1991.

"Fast track" allows the president to negotiate trade agreements with other nations knowing that Congress can either approve or reject them in their entirety. Congress cannot restructure an agreement based on local or regional political considerations.

Fast track would simply extend authority presidents have had for close to two decades. Fast track allows the United States to stay in the business of negotiating trade agreements with other nations.

Current congressional opposition to fast track focuses on President Bush's drive to negotiate a free trade deal with Mexico as part of a North American free trade agreement involving Canada, Mexico and the U.S. To accomplish that goal the president needs fast track authority. Opponents of a U.S. trade partnership with Mexico have attacked fast track as a strategy to kill the president's initiative with Mexico.

They argue that a trade agreement with Mexico will accelerate the movement of jobs south of the border. Unfortunately, low- and semi-skilled jobs have for many years moved to low labor cost economies, including Mexico and Pacific Rim nations. Some of that movement will continue whether or not we negotiate a trade agreement with Mexico.

The Lehigh Valley's economy and employers need the growth that will come from a North American free trade agreement. The world's key economies are grouping into large regional blocs: The European Community is integrating its internal market to become a more formidable economic powerhouse. The Asia-Pacific area is growing more cohesive around Japan. To compete, North America must base its future on the economic strength of a United States-Canada-Mexico trade union, one that will be larger in size than the European Community. A North American free trade agreement will have a buoyant effect on all three economies and will accelerate Mexico's transition to a market-oriented economy which will create growth markets for U.S. exports.

But, if Congress does not extend the President's fast track authority, the upcoming trade talks with Mexico almost certainly will be cancelled. Mexico's President Carlos Salinas de Gortari has staked his political credibility on the success of these talks. Cancellation could sour our political and commercial relationships with Mexico and force Mexico to turn elsewhere for development help.

Using our national creativity and our technological skills, American manufacturers need to do what we do best: produce innovative, high-quality goods and services and sell them to new markets. The alternative is to become protectionist as America did when we imposed prohibitively high tariffs in 1930. I doubt that many Americans want to endure the fallout that could result again from that kind of protectionism.

When the investment climate improves in Mexico—and it will have to if Mexico wants to be part of a North American free trade agreement—low labor cost businesses will be more likely to locate in Mexico, less likely in Southeast Asia. That's good for both Mexico and the United States. The resulting jobs and economic growth will create a Mexican buying boom.

Today, Mexico imports 70 percent of its foreign-produced goods from the United States. Tomorrow, a growing Mexican economy will be capable of buying more and more U.S. goods and services, some of which will be made by Lehigh Valley workers. (Pennsylvania already exports products and services worth more than one-half billion dollars a year to Mexico.) On the other hand, if those same plants are built in Asia, the resulting economic boom will primarily benefit Japan and her Pacific Rim neighbors.

Our company, Air Products, is a good example of how an investment in Mexico also creates jobs in the Lehigh Valley. Since 1980, we've been a partner in Mexico's largest and most successful industrial gas company. We invested in Mexico, not to take advantage of low-cost labor, but because we must situate our industrial gas plants in markets we serve. Mexico's future economic growth, spurred by a North American free trade agreement, will open new markets for our Mexican business. This means we will remit stronger earnings to the United States which we can invest in other opportunities here.

Our investment in Mexico has created Lehigh Valley jobs. Because Mexico is our neighbor, it is more efficient to provide specialized technical and administrative support people from the Lehigh Valley rather than maintain a large support group in Mexico. Last year, 86 Air Products employees made more than 200 trips to Mexico to provide support to our business there. In other words, at least 86 Lehigh Valley-based Air Products employees owe some portion of their employment to the existence of our Mexican investment.

Our Mexican business also requires specialized equipment from the United States. In recent years we have sent approximately $15 million of U.S.-manufactured equipment to Mexico. Most of that equipment was manufactured by Air Products in Northeastern Pennsylvania.

Bethlehem Steel also has growing commercial interests in Mexico for a broad range of products. The improved market access resulting from a successful North American free trade agreement would help Bethlehem Steel market rails to Mexico. Bethlehem Steel has a strong interest in achieving more effective international measures to limit unfair trade practices. Our friends at Bethlehem Steel would like to see a negotiated multilateral steel agreement replace the voluntary restraint agreements due to expire next year. That agreement can be achieved provided fast track authority is extended.

AT&T's business in Mexico is expanding. Mexico's leaders appreciate the importance of a world class telecommunications infrastructure. They are investing heavily to upgrade their network. Mexico's newly privatized telephone company, Telmex, will spend more than $15 billion during the next five years for further network upgrading. AT&T expects that a North American free trade agreement will help it gain a large share of that business. This growth will certainly be good news on Union Boulevard.

The recent financial results of another Lehigh Valley company indicate the potential of increased trade with Mexico. Union Pacific Railroad's freight revenues on traffic exchanged between the United States and Mexico has been growing rapidly, and Union Pacific is currently in the process of tripling the capacity of its rail yard in Laredo, Texas, its major border-crossing point for United States-Mexican traffic.

Easton's Victaulic Co. believes that Mexico has a sizable untapped market for its products. Until now, Victaulic has had a hard time penetrating the Mexican market because of high Mexican tariffs. Victaulic endorses extension of the President's fast track negotiating authority in order to pave the way for gradual elimination of those tariffs.

The bottom line is that a trade agreement with Mexico will spur the growth of healthy new customers for Pennsylvania and Lehigh Valley products. We will be closer to those customers than our competitors from Asia and Europe. And, only we and Canada will have preferential duty-free access to the Mexican market. It shapes up to be a bullish opportunity for the U.S., for Pennsylvania and for the Lehigh Valley.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. ROS-LEHTINEN) to revise and extend their remarks and include extraneous material:)

Mr. DORNAN of California for 5 minutes, today.

Mr. HUNTER, for 5 minutes, today.

Mr. KOLBE, for 60 minutes, today.

Mr. WALKER, for 5 minutes, today.

Mrs. BENTLEY, for 60 minutes, on June 4, 5, 6, 11, 12, and 13.

(The following Members (at the request of Mr. ABERCROMBIE) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Ms. PELOSI, for 60 minutes, today and 60 minutes on June 5.

Mrs. COLLINS of Illinois, for 60 minutes, today.

Mr. MCCLOSKEY, for 60 minutes, on May 29.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. ROS-LEHTINEN) and to include extraneous matter:)

Mr. GOSS in two instances.

Mr. SCHAEFER.

Mr. MACHTLEY in eight instances.

Mr. LIVINGSTON.

Mr. GALLEGLY.

Mr. SCHULZE.

Mr. WEBER.

Mr. CRANE.

Mr. GEKAS.

Mr. COX.

Mr. BLILEY.

Mr. MICHEL.

Mr. CUNNINGHAM.

(The following Members (at the request of Mr. ABERCROMBIE) and to include extraneous matter:)

Mr. BONIOR.

Mr. TORRES.

Mr. VENTO.

Mrs. COLLINS of Illinois.

Mr. GUARINI.

Mr. ERDREICH.

Mr. HOCHBRUECKNER.

Mr. NEAL of Massachusetts.

Mr. WILLIAMS, in two instances.

Mr. KILDEE, in two instances.

Mrs. BOXER.

Mr. MCMILLEN of Maryland.

Mr. HAMILTON.

Mr. DINGELL.

Mr. DELUGO.

Mr. MRAZEK.

Mr. EDWARDS of California.

Mr. WOLPE.

Mr. ENGEL.

Mr. SMITH of Florida.

Mr. ANTHONY.

ADJOURNMENT

Mr. RITTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 4 minutes p.m.)

the House adjourned until tomorrow, Thursday, May 23, 1991, at 10 a.m.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose or evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 102d Congress, pursuant to the provisions of 2 U.S.C. 25:

Hon. SAM JOHNSON, Third District of Texas

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1336. A letter from the Secretary of Agriculture, transmitting the 1989 Annual Report on the Food and Agricultural Sciences, pursuant to 7 U.S.C. 3125; to the Committee on Agriculture.

1337. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide for the collection of certain fees by the U.S. Environmental Protection Agency; to the Committee on Agriculture.

1338. A letter from the Secretary of the Army, transmitting a cost-comparison study of the commissary storage and warehousing function at Fort Leavenworth, KS; to the Committee on Armed Services.

1339. A letter from the Secretary of the Army, transmitting a cost-comparison study of the commissary storage and warehousing function at Redstone Arsenal, AL; to the Committee on Armed Services.

1340. A letter from the Secretary of the Army, transmitting notification of a final decision to retain the commissary storage and warehousing function as an in-house operation at Fort Meade, MD; to the Committee on Armed Services.

1341. A letter from the Secretary of the Treasury, transmitting the Council's Special Report on the Proposed Increase in the Resources of the International Monetary Fund; to the Committee on Banking, Finance and Urban Affairs.

1342. A letter from the Secretary of Education, transmitting notification of Final Funding Priorities for Research in Education of Individuals with Disabilities Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1343. A letter from the Secretary of Education, transmitting Final Regulations—Assistance for Local Educational Agencies in Areas Affected by Federal Activities and Arrangements for Education of Children Where Local Educational Agencies Cannot Provide Suitable Free Public Education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1344. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the 1990 Annual Report of the Federal Energy Regulatory Commission pursuant to 16 U.S.C. 797(d); to the Committee on Energy and Commerce.

1345. A letter from the Federal Cochairman, Appalachian Regional Commission, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1346. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1990, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1347. A letter from the Chairman, Federal Election Commission, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1348. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1349. A letter from the Secretary, Smithsonian Institution, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1350. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1351. A letter from the Executive Director, American Chemical Society, transmitting the Society's annual report and financial audit for the calendar year 1990, pursuant to 36 U.S.C. 1101(2), 1103; to the Committee on the Judiciary.

1352. A letter from the Secretary, Department of Veterans Affairs, transmitting a report covering the disposition of cases granted relief from administrative error, overpayment, and forfeiture by the Administrator in 1990, pursuant to 38 U.S.C. 210(c)(3)(B); to the Committee on Veterans' Affairs.

1353. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 1991 annual report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to 42 U.S.C. 1817(b)(2) (Doc. No. 102-89); to the Committee on Ways and Means and ordered to be printed.

1354. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Fund, transmitting the 1991 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, pursuant to 42 U.S.C. 201(c)(2) (Doc. No. 102-88); to the Committee on Ways and Means and ordered to be printed.

1355. A letter from the Executive Director, Resolution Trust Corporation, transmitting the status report for the month of April 1991: Review of 1988-89 FSLIC Assistance Agreements, pursuant to 12 U.S.C. 1441a note; jointly, to the Committees on Appropriations and Banking, Finance and Urban Affairs.

1356. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 5584 of title 5, section 2774 of title 10, and section 716 of title 32, United States Code, to increase from $500 to $2,500 the maximum aggregate amount of a claim that may be waived by the head of an agency under those sections; jointly, to the Committee on Armed Services and Post Office and Civil Service.

1357. A letter from the Attorney General, Department of Justice, transmitting the 1990 annual report on the number of applications that were made for orders and extension of orders approving electronic surveillance under the Foreign Intelligence Surveillance Act, pursuant to 50 U.S.C. 1807; jointly, to the Committees on the Judiciary and Intelligence (Permanent Select).

1358. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1991 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, pursuant to 42 U.S.C. 1841(b) (Doc. No. 102-90); jointly, to the Committees on Ways and Means and Energy and Commerce, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 656. A bill to provide for coordinated Federal research program to ensure continued U.S. leadership in high-performance computing; with amendments (Rept. 102-66, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEILENSON: Committee on Rules. House Resolution 158. Resolution providing for the candidate of two resolutions on the subject of "fast track" procedures for consideration of bills to implement trade agreements (Rept. 102-72). Referred to the House Calendar.

Mr. SWIFT: Committee on House Administration. H.R. 1362. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1992 (Rept. 102-73). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEFNER: Committee on Appropriations. H.R. 2426. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102-74). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEVILL: Committee on Appropriations. H.R. 2427. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102–75). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HEFNER:

H.R. 2426. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

By Mr. BEVILL:

H.R. 2427. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes.

By Mr. ALEXANDER:

H.R. 2428. A bill to create the office of Delegate for U.S. Citizens Abroad; to the Committee on House Administration.

H.R. 2429. A bill to amend the Immigration and Nationality Act for children born to U.S. citizens abroad; to the Committee on the Judiciary.

H.R. 2430. A bill to amend the Internal Revenue Code of 1986 to expand the types of foreign source income which may be excluded from gross income by individual citizens and residents of the United States living abroad; to the Committee on Ways and Means.

By Mr. CONDIT:

H.R. 2431. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. GONZALEZ (for himself, Mr. WYLIE, and Mr. ANNUNZIO):

H.R. 2432. A bill to strengthen Federal supervision, regulation, and examination of foreign bank operations in the United States, to enhance cooperation with foreign banking supervisors, to improve reporting of bank stock loans, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HENRY (for himself, Mr. HORTON, and Mr. KLUG):

H.R. 2433. A bill to amend the Higher Education Act of 1965 to require the disclosure of athletic activity revenues and expenditures; to the Committee on Education and Labor.

By Mr. KILDEE (for himself, Mr. FORD of Michigan, and Mr. GOODLING):

H.R. 2434. A bill to amend the General Education Provisions Act to authorize the National Assessment of Educational Progress to conduct certain trial assessments in the fiscal year 1994 and to develop certain other trial assessments for administration in such fiscal year, and for other purposes; to the Committee on Education and Labor.

By Mr. KILDEE (for himself and Mr. FORD of Michigan):

H.R. 2435. A bill to establish a National Council on Education Standards and Testing; to the Committee on Education and Labor.

By Mr. MURPHY:

H.R. 2436. A bill to expand the Fort Necessity National Battlefield, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 2437. A bill to amend the Rehabilitation Act of 1973 to revise and extend the program regarding independent living services for older blind individuals; to the Committee on Education and Labor.

By Mr. SABO:

H.R. 2438. A bill to amend title 5, United States Code, to provide additional health benefits plan coverage options; to the Committee on Post Office and Civil Service.

By Mr. SANDERS:

H.R. 2439. A bill to provide certain protections to cable television subscribers; to the Committee on Energy and Commerce.

By Mr. SCHUMER:

H.R. 2440. A bill to amend the Truth in Lending Act to require additional disclosures with respect to credit accounts, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WAXMAN:

H.R. 2441. A bill to amend the Public Health Service Act to extend the program of grants regarding the prevention and control of sexually transmitted diseases; to the Committee on Energy and Commerce.

By Mr. WILLIAMS:

H.R. 2442. A bill to amend title 18, United States Code, to improve the administration of the firearms laws, and for other purposes; to the Committee on the Judiciary.

By Mr. WISE:

H.R. 2443. A bill to amend title 5, United States Code, to clarify laws relating to disclosure of records maintained on individuals; to the Committee on Government Operations.

By Mr. BATEMAN:

H.R. 2444. A bill to revise the boundaries of the George Washington Birthplace National Monument; to the Committee on Interior and Insular Affairs.

By Mr. REGULA (for himself, Mr. MURTHA, Mr. SCHULZE, Mr. MINETA, Mr. SPRATT, Mrs. BYRON, Mrs. JOHNSON of Connecticut, and Mr. KASICH):

H.R. 2445. A bill to amend chapter 15 of the National Security Act of 1947 to define critical technologies important to our national security, establish a Critical Technologies Commission, provide for national security impairment cases, and for other purposes; jointly, to the Committees on Ways and Means; Banking, Finance and Urban Affairs; and Rules.

By Mr. RITTER (for himself, Mr. BARTON of Texas, Mrs. BENTLEY, Mr. LAGOMARSINO, Mr. RAVENEL, and Mr. REGULA):

H.R. 2446. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the purchase of long-term care insurance, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. PAYNE of New Jersey (for himself, Mr. FORD of Michigan, Mrs. LOWEY of New York, Mr. PERKINS, Mr. MURPHY, Mrs. UNSOELD, Mrs. MINK, Mr. FUSTER, Mr. OWENS of New York, Mr. SERRANO, Mr. JEFFERSON, Mr. SAWYER, Mr. DE LUGO, Mr. ROE, Mr. GALLO, Mr. MARTINEZ, Mr. DORNAN of California, Mr. GORDON, Mr. WOLPE, Mr. CLEMENT, Mr. VANDER JAGT, Ms. LONG, Mr. GUARINI, Mr. FASCELL, Mr. HYDE, Mr. STAGGERS, Mr. SMITH of Florida, Mr. LANCASTER, Mr. JACOBS, Mr. VALENTINE, Mr. MAZZOLI, Mr. COSTELLO, Mr. BOUCHER, Mr. JONES of Georgia, Mr. MCDERMOTT, Mr. OBERSTAR, Mr. TALLON, Mr. SOLARZ, Mr. NAGLE, Mr. QUILLEN, Mr. HARRIS, Mr. HUCKABY, Mr. MATSUI, Mr. WALSH, Mr. CHAPMAN, Mr. ROSE, Mr. DYMALLY, Mr. ALEXANDER, Mr. PICKETT, Mr. HAYES of Illinois, Mr. DELLUMS, Mr. SMITH of New Jersey, Mr. FALEOMAVAEGA, Mr. LAFALCE, Mr. DWYER of New Jersey, Ms. KAPTUR, Mr. HAMMERSCHMIDT, Mr. LIPINSKI, Mr. ATKINS, Mr. GOODLING, Mr. SISISKY, Mr. MONTGOMERY, Mr. SANGMEISTER, Mr. ANDREWS of New Jersey, Ms. PELOSI, Mr. WEISS, Mr. ERDREICH, Mr. LANTOS, Mr. HOYER, Mr. PALLONE, Mr. WILSON, Mr. TAUZIN, Mr. GRAY, Mrs. VUCANOVICH, Mrs. BOXER, Mr. MILLER of Ohio, Mr. VENTO, Mr. PRICE, Mr. COLEMAN of Missouri, Mr. RAMSTAD, Mr. HUGHES, Mr. DE LA GARZA, Mr. POSHARD, Mr. EDWARDS of Texas, Mr. BILBRAY, Mr. SANTORUM, Mr. MFUME, Mr. MCGRATH, Mr. MCNULTY, Mr. APPLEGATE, Mr. WAXMAN, Mr. ROGERS, Mr. GEREN of Texas, Mr. RINALDO, Mrs. COLLINS of Michigan, Mr. CALLAHAN, Mr. ECKART, Mr. BONIOR, Mr. ACKERMAN, Mr. GRANDY, Mr. DIXON, Mr. JENKINS, Mr. BRUCE, Mr. EMERSON, Mr. BLILEY, Mr. BLAZ, Ms. HORN, Mr. ESPY, and Mr. MACHTLEY):

H.J. Res. 259. Joint resolution designating July 2, 1991, as "National Literacy Day"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

132. By the SPEAKER: Memorial of the Senate of the State of Maine, relative to outlawing the use of permanent replacement workers; to the Committee on Education and Labor.

133. Also, memorial of the House of Representatives of the State of Michigan, relative to automobile manufactures installing accessible recovery attachment points on the front and rear of all passenger vehicles; to the Committee on Energy and Commerce.

134. Also, memorial of the Senate of the State of Louisiana, relative to the extension of the "fast track" authority proposal of the President; jointly, to the Committees on Ways and Means and Rules.

135. Also, memorial of the Senate of the State of Iowa, relative to the lack of progress and results of investigations of the 2,285 Americans missing in action in Southeast Asia; jointly, to the Committees on Government Operations, Armed Services, and Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. WEISS.

H.R. 12: Mr. JONTZ and Mr. LEVINE of California.

H.R. 53: Mr. ENGEL, Mr. RAMSTAD, Mr. ERDREICH, Mr. GONZALEZ, Mr. SCHUMER, Mr. HENRY, Mr. TAYLOR of North Carolina, Mr. OBERSTAR, Mr. GILCHREST, and Mr. SERRANO.

H.R. 200: Mr. MARLENEE, Mr. LIVINGSTON, Mr. WILLIAMS, Mr. PURSELL, and Mr. ROYBAL.

H.R. 371: Mr. LEWIS of California.

H.R. 381: Mrs. LLOYD, Mr. CARPER, Mr. STUDDS, Mr. CAMPBELL of California, Mr. KENNEDY, and Mr. CLAY.

H.R. 382: Mr. CARPER and Mr. CLAY.

H.R. 384: Mr. MCMILLEN of Maryland, Mr. ENGEL, and Mr. FAZIO.

H.R. 573: Mr. ROE.

H.R. 576: Mr. FAZIO, Mr. MFUME, Mr. GORDON, Mr. AUCOIN, Mr. SCHUMER, Mr. JOHNSON of South Dakota, Mr. STUDDS, Mr. FRANK of Massachusetts, Mr. ANDREWS of New Jersey, Ms. MOLINARI, and Mr. LAGOMARSINO.

H.R. 643: Mr. OLIN.

H.R. 658: Mr. HALL of Texas and Mr. YOUNG of Florida.

H.R. 722: Mr. FRANK of Massachusetts.

H.R. 723: Mr. RHODES and Mr. FRANK of Massachusetts.

H.R. 744: Mr. KOSTMAYER.

H.R. 745: Ms. KAPTUR and Mr. HUBBARD.

H.R. 791: Mr. SERRANO.

H.R. 812: Mr. BORSKI, Mrs. BOXER, Mr. COLEMAN of Texas, Mr. CLINGER, Mr. TRAXLER, Mr. SERRANO, Mr. EMERSON, and Mr. RHODES.

H.R. 828: Mr. LANCASTER, Mr. MCMILLEN of Maryland, and Mr. MARTINEZ.

H.R. 840: Mr. DICKS, Mr. ROSE, Mr. WHEAT, and Mrs. PATTERSON.

H.R. 843: Mr. LANTOS.

H.R. 859: Mr. HENRY, Mr. SOLOMON, Mr. EMERSON, Mr. ZELIFF, and Mr. FAWELL.

H.R. 886: Mr. ECKART, Ms. SNOWE, and Mr. BORSKI.

H.R. 978: Mr. ACKERMAN, Mrs. LLOYD, Mr. ARCHER, Ms. SNOWE, Mr. WILSON, Mr. MCGRATH, Mr. JONTZ, Mr. BORSKI, and Mr. ROSE.

H.R. 1072: Mr. ESPY, Mr. EVANS, and Mr. LANCASTER.

H.R. 1073: Mr. ESPY, Mr. EVANS, and Mr. LANCASTER.

H.R. 1237: Mr. BUSTAMANTE, Mr. COX of California, Mr. GALLO, Mr. LAGOMARSINO, Ms. LONG, Mr. LUKEN, Mr. MAZZOLI, Mr. OWENS of Utah, Mr. POSHARD, Mr. RHODES, Mr. TANNER, Mr. THOMAS of Wyoming, and Mr. VOLKMER.

H.R. 1240: Mr. DOWNEY and Mr. MOODY.

H.R. 1245: Mr. GEJDENSON, Mr. HEFNER, Mr. CARR, Mr. ROSE, Mr. PENNY, Mr. HOBSON, Mr. CLEMENT, Mr. BEREUTER, and Mr. TAUZIN.

H.R. 1251: Mr. ACKERMAN, Mr. DOOLEY, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. RICHARDSON, and Mr. WAXMAN.

H.R. 1252: Mr. ACKERMAN, Mr. DOOLEY, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. RICHARDSON, and Mr. WAXMAN.

H.R. 1253: Mr. ACKERMAN, Mr. DOOLEY, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. RICHARDSON, and Mr. WAXMAN.

H.R. 1293: Mr. WAXMAN.

H.R. 1341: Mr. GLICKMAN and Mr. MFUME.

H.R. 1360: Mr. REED, Mr. KOPETSKI, Mr. PEASE, Mr. MINETA, Mr. ROSE, and Mr. MARTINEZ.

H.R. 1394: Mr. FROST, Mr. NEAL of Massachusetts, Mr. KENNEDY, Mr. GONZALEZ, Mrs. LOWEY of New York, Mr. FLAKE, Mr. DEFAZIO, Mr. MINETA, and Ms. NORTON.

H.R. 1430: Mr. WYDEN.

H.R. 1445: Mr. HATCHER.

H.R. 1450: Mr. WOLF, Mr. NICHOLS, Mr. MILLER of Washington, Mr. THOMAS of California, Mr. MORRISON, Mr. LEWIS of Florida, Mr. NUSSLE, Mr. MORAN, and Mr. BUSTAMANTE.

H.R. 1472: Mr. WISE and Mr. LAGOMARSINO.

H.R. 1473: Mr. KLUG and Mr. BRUCE.

H.R. 1512: Mr. BILIRAKIS, Mr. BRUCE, and Mr. FAZIO.

H.R. 1516: Ms. SNOWE.

H.R. 1527: Mr. TAYLOR of Mississippi.

H.R. 1541: Mr. DICKINSON.

H.R. 1549: Mr. FISH and Mr. KOLBE.

H.R. 1554: Mr. SMITH of Florida.

H.R. 1611: Mr. MOORHEAD.

H.R. 1618: Mr. GALLO, Mr. MINETA, Mr. SMITH of Oregon, Mr. HORTON, Mr. DELAY, Mr. TALLON, Mr. LOWERY of California, Mr. WYDEN, Mr. KYL, Mr. THOMAS of Georgia, Mr. HERTEL, Mr. OWENS of Utah, Mr. SLAUGHTER of Virginia, Mr. BARNARD, Mr. JONES of Georgia, Mrs. LLOYD, Mr. AUCOIN, Mr. KOPETSKI, Mr. ATKINS, Mr. SPENCE, Mr. ALLARD, Mr. SWIFT, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. FROST, Mr. WILSON, Mr. SHAYS, and Mr. SANTORUM.

H.R. 1628: Ms. NORTON, Mr. LANCASTER, Mr. COLEMAN of Texas, Mr. DEFAZIO, Mr. BOUCHER, Ms. SLAUGHTER of New York, Mr. OWENS of Utah, Mr. PAYNE of Virginia, Mr. MORAN, Mr. VANDER JAGT, Mr. TRAFICANT, and Mr. SAXTON.

H.R. 1633: Mr. MAZZOLI, Mr. HOCHBRUECKNER, Mr. MFUME, Mr. PEASE, Mr. PETERSON of Florida, Mr. MOORHEAD, Mr. STARK, Mr. KOPETSKI, Mr. JONTZ, Mr. GILCHREST, Mr. RAMSTAD, Mr. TORRES, Mr. ENGEL, Mr. ROYBAL, Mr. SMITH of Florida, Mrs. BOXER, and Mr. MOODY.

H.R. 1711: Mr. JONTZ.

H.R. 1739: Mr. ECKART, Mr. BEREUTER, Mr. WILLIAMS, and Mr. JONTZ.

H.R. 1779: Mr. FORD of Tennessee, Mr. DIXON, Mr. LEWIS of Georgia, Mr. MINETA, Mr. ESPY, Mr. JONES of Georgia, and Mr. TRAFICANT.

H.R. 1900: Mr. SANTORUM.

H.R. 1955: Mr. PARKER and Mr. ECKART.

H.R. 1956: Mr. PARKER.

H.R. 1970: Ms. SLAUGHTER of New York, Mr. SHAYS, Mrs. BOXER, and Mr. PANETTA.

H.R. 2008: Mr. GORDON and Mr. GILCHREST.

H.R. 2114: Mr. PENNY, Mr. DE LUGO, Mr. WILSON, Mr. FORD of Tennessee, and Ms. PELOSI.

H.R. 2115: Mr. EMERSON and Mr. COOPER.

H.R. 2235: Mr. JONTZ and Mr. NICHOLS.

H.R. 2268: Mr. BRUCE and Mr. MYERS of Indiana.

H.R. 2279: Mr. BENNETT and Mr. EVANS.

H.R. 2280: Mr. JAMES.

H.R. 2299: Mr. FROST.

H.R. 2309: Mr. ABERCROMBIE, Mr. KENNEDY, Mr. HYDE, Mr. LENT, Mr. LIPINSKI, Mr. LAGOMARSINO, and Ms. ROS-LEHTINEN.

H.R. 2361: Mr. BOUCHER.

H.R. 2389: Mr. RUSSO and Mr. WHEAT.

H.J. Res. 73: Mr. FISH and Mr. ENGEL.

H.J. Res. 107: Mr. WALSH.

H.J. Res. 138: Mr. ANDERSON, Mr. ANTHONY, Mr. BUNNING, Mr. COBLE, Mr. COLEMAN of Texas, Mr. DELLUMS, Mr. DINGELL, Mr. DORGAN of North Dakota, Mr. FAWELL, Mr. GALLEGLY, Mr. GEREN of Texas, Mr. GONZALEZ, Mr. GORDON, Mr. HOYER, Mr. LEWIS of Georgia, Mr. MCMILLEN of Maryland, Mr. MONTGOMERY, Mr. NAGLE, Mr. ORTIZ, Mr. RAY, Mr. SISISKY, Mr. SKAGGS, Mr. SKELTON, Ms. SLAUGHTER of New York, Mr. STENHOLM, Mr. STOKES, Mr. TANNER, Mr. WELDON, Mr. WHEAT, Mr. WOLPE, Mr. YATES, Mr. ANDREWS of Maine, Mr. COX of Illinois, Mr. CUNNINGHAM, Mr. EDWARDS of Texas, Ms. HORN, Mr. PETERSON of Minnesota, Mr. SANDERS, Mr. SWETT, Ms. WATERS, Mr. MCEWEN, Mr. JONES of Georgia, Mr. DREIER of California, and Mr. RIDGE.

H.J. Res. 142: Mr. BOEHLERT, Mrs. ROUKEMA, Mr. DELAY, Mr. BALLENGER, Mr. BUNNING, Mr. WALSH, Mr. SHUSTER, Mr. HOUGHTON, Mr. MILLER of Washington, Mr. FISH, Mr. BROWN, and Mr. HAYES of Illinois.

H.J. Res. 188: Mr. CLAY, Mr. DELLUMS, Mr. ESPY, Mr. LEWIS of Georgia, Mr. MARTINEZ, Mr. PERKINS, Mr. RANGEL, Mr. ACKERMAN, Mr. FOGLIETTA, Mr. GUARINI, Mr. TORRICELLI, Mr. JEFFERSON, Mr. SAVAGE, Mr. REED, Mr. VALENTINE, Mr. JONTZ, Mr. ROE, Mr. SANDERS, Mr. ANDREWS of Maine, Mr. KILDEE, Mr. FRANK of Massachusetts, Mr. GEJDENSON, Mr. HAYES of Illinois, Mr. PAYNE of New Jersey, Mr. FEIGHAN, Mr. HALL of Ohio, Mr. HERTEL, and Mr. OWENS of New York.

H.J. Res. 212: Mr. HAMILTON, Mr. HARRIS, Mr. CALLAHAN, and Mr. BEVILL.

H.J. Res. 217: Mr. ATKINS, Mr. MRAZEK, Mr. NAGLE, Mr. DEFAZIO, Mr. FAZIO, Mr. DORNAN of California, Mr. MAVROULES, Mr. JOHNSON of South Dakota, Mr. BATEMAN, Mr. ABERCROMBIE, Mr. MURPHY, Mr. MOAKLEY, Mr. MCNULTY, Mr. MCCOLLUM, Mr. LEVIN of Michigan, Mr. LANCASTER, Mr. LAGOMARSINO, Mr. JONES of North Carolina, Mr. IRELAND, Mr. HUTTO, Mr. GUARINI, Mr. GRANDY, Mr. ERDREICH, Mr. ECKART, Mr. DYMALLY, Mr. MCDADE, Mr. SMITH of Florida, Mr. NATCHER, Mr. HUGHES, Mr. PALLONE, Mr. PAXON, Mr. MILLER of California, Mr. SHAYS, Mr. MARTINEZ, Mr. BONIOR, Mr. LANTOS, Mr. ROEMER, Mrs. JOHNSON of Connecticut, Mr. CARR, Mr. MORAN, and Mr. LEWIS of California.

H.J. Res. 219: Mr. MILLER of Washington, Mr. PAXON, Mr. JEFFERSON, Mrs. BENTLEY, Mr. VOLKMER, Mrs. JOHNSON of Connecticut, Mr. LENT, Mr. RAHALL, Mr. DOOLITTLE, Mr. SERRANO, and Mr. EVANS.

H.J. Res. 233: Mr. POSHARD, Mr. COX of Illinois, Mrs. VUCANOVICH, Mr. PETERSON of Florida, and Mr. SPRATT.

H.J. Res. 239: Mr. MORAN, Mr. WEBER, Mr. NAGLE, Mr. BERMAN, Mr. OBERSTAR, Mr. LEVINE of California, Mr. GREEN of New York, Mr. ENGEL, Mr. WEISS, Mr. BONIOR, and Mr. GUARINI.

H.J. Res. 254: Mr. WHEAT, Ms. NORTON, Mr. TANNER, Mr. MARTINEZ, Mr. NEAL of Massachusetts, Mr. OWENS of New York, Mr. CLEMENT, Mr. MAVROULES, and Mr. RAVENEL.

H. Con. Res. 8: Mr. LAROCCO, Mr. COX of California, and Mr. KLUG.

H. Con. Res. 30: Mr. BREWSTER.

H. Con. Res. 65: Mr. DONNELLY and Mr. YATRON.

H. Con. Res. 89: Mr. ACKERMAN, Ms. SNOWE, Mr. SERRANO, Mr. CONDIT, Mr. MARTINEZ, Mr. CHANDLER, and Mr. WAXMAN.

H. Con. Res. 101: Ms. KAPTUR, Mr. BEREUTER, and Mr. VALENTINE.

H. Con. Res. 120: Mr. RAMSTAD, Mr. JEFFERSON, Mr. DWYER of New Jersey, and Mr. ROE.

H. Con. Res. 135: Mr. FROST and Mr. FAZIO.

H. Con. Res. 152: Mr. RIGGS, Mr. MACHTLEY, Mr. GUARINI, Mr. GILMAN, Mr. MCDADE, Mr. FEIGHAN, Mr. LEHMAN of Florida, Mr. PALLONE, Mrs. VUCANOVICH, Mr. KENNEDY, Mr. BONIOR, Mrs. MORELLA, Mr. LENT, Mr. CARDIN, and Mr. STARK.

H. Res. 131: Mr. ABERCROMBIE, Mr. APPLEGATE, and Mr. FROST.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 960: Mr. HATCHER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

83. The SPEAKER presented a petition of the Association of the Bar of the City of New York, relative to combat exclusion laws; which was referred to the Committee on Armed Services.

SENATE—*Wednesday, May 22, 1991*

(Legislative day of Thursday, April 25, 1991)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska.

The PRESIDING OFFICER. Today's prayer will be offered by the guest chaplain, the Reverend Dan Munson.

PRAYER

The guest chaplain, the Reverend Dan Munson, of First Baptist Church, 123 West 7th Street, Cedar Falls, IA, offered the following prayer:

Let us pray:

Heavenly Father, we praise You today for the way that You continue to love us. Thank You for Your presence in our lives. Thank You for never leaving us or forsaking us. You have blessed us with many gifts, both individually and as a nation.

Grant to each of us wisdom as we make decisions concerning this great country that You have allowed us to live in.

Lord we pray that what we do and say today will make a positive difference in our country and our world.

When we are weak grant us Your strength. When we are out of answers to the problems of life please remind us that You haven't forgotten us. Remind us that Your Spirit gives wisdom and revelation to those who call upon Your name.

Thank You, dear Lord, for the reminder in Your Word that when we are at the end of our resources we have You as our refuge and strength, a very present help in times of trouble, therefore we do not have to fear.

Dear Lord, bless the U.S. Senate today with Your wisdom as they share in the leadership of this great country of America. May our focus be on You, Lord, at all times. May our prayer be "not my will, but Thy will be done, on Earth as it is in Heaven."

All this we pray in the name of our Lord and Savior, Jesus Christ. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 22, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KERREY thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

THE GUEST CHAPLAIN, REV. DAN MUNSON

Mr. GRASSLEY. Mr. President, I have the privilege of presenting the guest chaplain for the Senate today, Rev. Dan Munson of the First Baptist Church of Cedar Falls, IA. Pastor Dan has been serving the Lord and the congregation at my home church in Cedar Falls for the past 4 years. He is a faithful minister for the Lord and has been in the ministry for 13 years.

Pastor Dan, and his wife, Renee, are people who live their faith. They have opened their hearts and home to four adopted children—the oldest of which will be graduating from high school this weekend.

Although Barbara and I spend a great deal of our time here in Washington, Pastor Dan has taken the time to get to know both of us personally. He has been a blessing and an inspiration to us through his ministry at First Baptist Church. We appreciate his service—he has been with us in our times of need, to share our sorrows and to provide comfort and Godly counsel.

I want to thank Dr. Halverson for sharing the opportunity of leading the Senate in prayer with Pastor Dan Munson this morning.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for morning business, not to extend beyond the hour of 9:45, with Senators permitted to speak therein.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I ask unanimous consent to be able to proceed for 7 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. I thank the Chair.

(The remarks of Mr. KENNEDY pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. President, I yield the remainder of my time, and I yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Pennsylvania is recognized for up to 3 minutes.

NATIONAL AND COMMUNITY SERVICE ACT OF 1990

Mr. WOFFORD. Mr. President, I am rising to speak on another matter in which Senator KENNEDY has given leadership, along with at least a dozen Members of this body from both parties who contributed to the passage, on October 16, of the National and Community Service Act of 1990. That act authorized some $55 million to be devoted this year to the support of State and local programs of service by young people especially and older citizens, and it authorized some $5 million for the President's Points of Light Foundation.

Although signed into law 3 weeks later, the President refused to implement the act unless Congress enacted changes permitting the President to make the appointments to the 21-member Commission on National and Community Service without the originally required input of the Speaker of the House and the majority leader of the Senate.

The bipartisan coalition which produced this law, led by Senator KENNEDY as chairman of the Labor and Human Resources Committee, decided to accept the so-called remedial amendments insisted upon by the Attorney General rather than further delay the implementation of the act while the objections raised by the President and Attorney General were litigated in the courts. The required amendments satisfying the Attorney General and the President were adopted early this year.

Yet, I call to this body's attention the fact that the Commission on National and Community Service has still not been appointed. What is the President waiting for? Why is he continuing to block the implementation of the act

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

by refusing to move on the recommendations for appointments made to him long ago?

Existing and proposed State and local programs of youth service, both school based and community based, part time and full time, including Conservation Corps and Urban Service Corps, around the country have looked to the resources provided in this creative act in order to move forward in engaging citizens, especially the oncoming generation, in work that meets some of the pressing needs of our society.

As the organizer of the Governor's Office for Citizen Service in Pennsylvania, I know first hand that the expansion of these programs is a direct and effective way to counteract the recession that has been upon us these many months, the same months the President has delayed in appointing the Commission.

Asking and enabling young people to service, instead of being served, is one of the best ways I know to take action to see that young people go from school to service and work instead of to joblessness, drugs, prison, or welfare.

In the Great Depression, President Roosevelt and the Congress created the Civilian Conservation Corps that helped millions of young Americans become productive workers and good citizens.

This Congress has moved in that direction by combining the constructive ideas of Senators BUMPERS, GRAHAM, DODD, HATCH, MIKULSKI, MOYNIHAN, ROBB, NUNN, PELL, and KENNEDY and ideas from Members of the other body.

Yet, the President has still not acted to let this vital program go forward in this time of special need.

I understand that week after week, the White House has indicated that the appointments will be made tomorrow and tomorrow and tomorrow.

How long, Mr. President, how long will it be before the will of Congress is respected and the National and Community Service Act of 1990 becomes a reality? How long?

DON MULLALLY, DISTINGUISHED VERMONTER

Mr. LEAHY. Mr. President, it is a pleasure to introduce my fellow Senators to a Vermonter who is loved and admired by all who know him.

Don Mullally is one of those wonderful people who becomes so much a part of the community that it is difficult to imagine one without the other.

He is the person who serves as an officer in the local service club, helps lead a fund drive for a worthy cause, takes part in local theatrical productions, is a distinguished member of his lodge and a veteran who was there when his country needed him.

One of the most familiar voices in Caledonia County—Don was honored recently by his fellow Vermonters who live in the Northeast Kingdom.

Named by the Northeast Kingdom Chamber of Commerce as Citizen of the Year, Don was the subject of a very fine article written by Bethany M. Dunbar, a reporter for the Barton Chronicle.

I ask unanimous consent that Ms. Dunbar's piece be printed in the CONGRESSIONAL RECORD as written in order that Americans throughout the country can learn more about the contributions made by Don Mullally—and how much we Vermonters appreciate all he has done for his community, State, and country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Barton Chronicle, May 1, 1991]

DON MULLALLY

(By Bethany M. Dunbar)

ST. JOHNSBURY.—A radio man since just after World War II, Don Mullally has hobnobbed with politicians from former Governor Phil Hoff to Presidents Dwight Eisenhower and Harry Truman.

But he's more likely to be found announcing for the cavalcade of cattle, sheep and roosters at the Caledonia County Fair, or singing, "Sentimental Journey" with the area's 17-piece Big Band.

In fact, Mr. Mullally is involved in so many local clubs and activities on top of his job at WSTJ radio that there's not many nights he isn't already booked up for some engagement or another.

He'll be missing the Big Band's next gig in Montpelier May 4 in order to attend a dinner to be given in his honor by the Northeast Kingdom Chamber of Commerce. Mr. Mullally was chosen citizen of the year.

Mr. Mullally shook his head when the award was mentioned. It came "straight out of the blue and a real shocker," he said, looking a little embarrassed at the attention.

"There are many, many more that are more deserving," he added.

Possibly, but it's hard to imagine there are very many people involved in more community activities.

Mr. Mullally is a member of Passumpsic Lodge number 27 F&AM (Masons), the Order of the Eastern Star, the Veterans of Foreign Wars, the American Legion, past president of Kiwanis, an honorary member of the Lions Club, director of the Caledonia County Fair Association, works on the annual Stars and Stripes festival, ice shows, and used to be in the St. Johnsbury Players.

He said he got into all these things simply because he was asked. His philosophy is that if someone calls and asks if he'll do something, as long as he has the time free, he agrees to do it.

"I think it's a way of paying back," he said.

Mr. Mullally grew up in St. Johnsbury. His parents were originally from Montpelier but lived in Massachusetts for a little while, moving back to St. Johnsbury in 1938. Mr. Mullally was in the class of 1947 at St. Johnsbury Academy, but went to war before he graduated. He ended up graduating with the class of 1948.

"I classify myself as a member of both," he said, for the purposes of alumni activities.

A radio operator in the Navy, Mr. Mullally decided to go to Massachusetts Radio and Television School, and learned about the electronic end of radio. But he thought it wasn't for him.

He got a job for a while in the receiving department of an auto parts store. Then decided to apply for a position at WSTJ, which opened in 1949.

He said he went in and had an interview with the owner at the time, E. Dean Finney.

"The next thing I knew I was hired as a night man," he said. That shift was from 3 p.m. to sign-off. The longer he worked there, the better hour he got. He moved from night to mid-afternoon and then to where he's been for years, the morning slot, 4:30 a.m. to 12:30.

When he first worked at the station, it was completely independent. Later it joined with NBC and then CBS.

"We used to carry some of the major programs, like Arthur Godfrey," he said.

Most recently, the station gets national news and disk jockeys from the Starlight Music News via satellite. The format is adult comtemporary—music from the 1950s, '60s, '70s and '80s, and the show is broadcast to some 300 stations across the country.

Mr. Mullally likes it all right but misses the independence the station used to have.

"We don't dig back into the library," he said, for music of the Big Band Era. Well, actually, he said, "I guess we do throw something on once in a while."

The station maintains its local emphasis, particularly in the area of sports. Mr. Mullally is a Red Sox fan and likes to hear those games, but he's especially proud of the station's policy of following local high school football and basketball clubs, even on away games.

"We do both boys and girls," he said. "We stand pretty proud about that because we're one of the few stations that travel all over."

He talked to politicians mostly when he was covering their campaigns. He said he doesn't often get tongue-tied, but he felt that way around Eisenhower and Governor Deane Davis. He's not sure why he was nervous around Mr. Davis. He thought maybe it was because of his age.

He met Eisenhower when Ike was campaigning in New Hampshire. WSTJ's sister station, WIKE in Newport, had been named after him. So the reporters went up with a microphone and stuck it in Ike's face to take a picture.

"The Secret Service almost had a fit," said Mr. Mullally, recalling the scene. But no bombs went off, and the picture hangs at WIKE.

"The night Harry Truman won, we called him and got him out bed," Mr. Mullally recalled. He said the headlines were that he had lost, but they turned out to be wrong. He said he can't remember exactly what the President said, but basically the same things he said to the newspapers.

He met all the governors for the last several years, but he got to know Mr. Hoff the best and believes he is coming to his award dinner. He remembers when they met, at an event celebrating the Fairbanks company and museum.

Mr. Mullally's three children were on a balcony near Mr. Hoff, and the Governor grabbed Michael to hold up in the crowd. One of the big magazines—Time or Life—ran a picture of them.

Mr. Mullally met his wife, Velvier, when she was working as a lab technician at the former Brightlook Hospital.

"It was a blind date. I was home on leave at the time," he said. The romance developed into a marriage, and the Mullallys have raised three children. Lynda is a private secretary for a large law firm in Washington, D.C., Don Jr. works at IBM in Essex, and Michael works at the medical center in Colchester as a radiology technician.

Mr. Mullally got his love of entertainment from his father, who used to be a minstrel man and was one of the founders of a barbershop singing group in Littleton. He also ran businesses, including a dairy bar and antique shop, and he worked at Fairbanks long enough to get a union going there.

His mother, Abbie Mullally who just died in March, gave her son Don his outgoing nature, he said.

"It made no difference whether you came in with manure on your shoes or hightop boots," he said. "You got the same kind of treatment."

His mother was called Molly, a pun on her last name, by all her friends. She was a buyer for different companies, most lately Hovey's. She was 95 when she died of complications from a collapsed lung.

Mr. Mullally said she wasn't much for hospitals or doctors but agreed to go see a doctor when she became "a little short of breath" lately, as she put it. Her doctor had not seen her for six years.

When he's not announcing something for someone (the only thing he hasn't done is a harness race, he said), Mr. Mullally likes to hunt, play golf, and go look at the foliage in the fall.

Hunting camp is a great retreat, he said.

"Every once in a while I forget and take the gun," he said, laughing. On the Friday night before the season, he and his friends have a tradition. The six who are in the jazz band part of the Big Band come up to the camp in Lunenburg, which belongs to Loren Phelps. His father, Robert Phelps started this tradition, Mr. Mullally added.

They crank up the saxophones, trumpets and trombones and let'er rip. Sometimes Mr. Mullally will even sing. "Who's Sorry Now?" Maybe.

He did not say what effect this concert has on the wildlife or the hunters' chances the next day, but clearly it's a big part of the overall experience of hunting camp.

Mr. Mullally said people sometimes ask him when he is going to retire. He tells them as soon as the rubber band in his jaw wears out.

S. 922—REBATES ON ENERGY CONSERVATION MEASURES

Mr. DASCHLE. Mr. President, conservation is a critical part of our national energy policy. That is why I have introduced legislation, S. 922, to ensure that rebates on energy conservation measures given by electric utilities to their residential, commercial, and industrial customers are exempt from taxation. I am joined in this effort by my colleague Senator CHARLES GRASSLEY of Iowa.

Over the years, Congress has passed significant legislation to address concerns about the environment. Most notable are the Clean Water Act and the Clean Air Act. These statutes place significant burdens on utilities to make technological and other changes that will preserve and protect the environment. A revised Clean Air Act will only increase these burdens on electric utilities, many of which are powered by fossil fuels.

During the past decade, electricity demand has increased at nearly 3 percent per year. The legislation we have introduced would help reduce the need for new generating capacity, thus serving our environmental objectives. Just as Congress must consider a variety of measures to address our national energy concerns, electric utilities have been forced to take a multifaceted approach to adopting environmentally sensitive technology and procedures. Encouraging their customers to conserve electricity, particularly at times of peak usage, has proved an effective demand-side management strategy for electric utilities. It is estimated that 35 to 50 percent of the Nation's electric utility consumers are served by utilities that have some form of energy efficiency rebate program.

We in Congress can greatly enhance these conservation programs through the legislation Senator GRASSLEY and I have introduced. Allowing customers to exclude electric utility rebates from taxable income is a fair and efficient way to achieve this goal. It benefits the environment both directly through increased energy efficiency and indirectly by easing the burden on electric utilities and enabling them to meet new environmental standards.

Excluding conservation rebates from income also recognizes the fact that, while conservation measures may save the consumer money in the long run, substantial expenditures may be necessary initially in order to obtain the long-term savings. For example, consumers may need to install new and more efficient equipment in their homes or businesses. A conservation rebate exclusion gives a needed extra incentive for consumers to make this initial efficiency investment.

I urge my colleagues to support this legislation.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The period for morning business has now expired.

Morning business is closed.

SENATE ELECTION ETHICS ACT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 3 which the clerk will report.

The legislative clerk read as follows:

The bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Boren amendment No. 242, in the nature of a substitute.

(2) McConnell modified amendment No. 252 (to amendment No. 242), to strike provisions relating to spending limits and taxpayer funding of Senate campaigns.

(3) Wellstone amendment No. 253 (to amendment No. 242), relating to a candidate's personal contributions or loans to his campaign.

AMENDMENT NO. 252, AS MODIFIED

The ACTING PRESIDENT pro tempore. Who yields time? The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, campaign finance reform is about the rules of the game in our democracy. Obviously, he who crafts the rules can control the game. The bill before us, S. 3, many people feel, is about partisan advantage, an effort by the majority to try to craft a set of rules that benefits it to the detriment of the minority. Certainly that is true, Mr. President, but it is about more than that. It is also about the Federal budget deficit, and, yes, it is about the first amendment.

Mr. President, there has to be money in politics. It is necessary. Without money in politics the best known candidate would always win, the celebrity, the sitting Governor, and, yes, virtually every time the sitting Senator. The money Mr. President, can come from only two places. It can come from our constituents, under the current system, a whole lot of them in limited amounts, fully disclosed, or it can come from the Federal Treasury.

The vote we are about to have on the McConnell amendment, in my view, will be one of the two or three big issues of the 1992 election. The American people have spoken on the question of public finance of political campaigns. They vote every April 15, Mr. President, and over 80 percent of them vote no to divert a dollar of taxes they already owe to the Presidential system.

And there are other surveys, Mr. President. The Wall Street Journal, NBC poll of last December indicated that the American people were against public funding of congressional campaigns by a margin of 55 percent to 38 percent.

Mr. President, a vote for the amendment we will consider at 10 o'clock is a vote against establishing a "food stamp program for politicians," a vote against allowing all of us to reach into the cookie jar to get some of those tax dollars for our campaigns.

The vote for the McConnell amendment, also, Mr. President, is a vote against allowing the FEC to soon become the size of the Veterans' Administration. That is what will happen. Mr. President, the FEC came before the Rules Committee. I asked them how many auditors they currently had. They said they have about 25. I asked them how many auditors they would need if we extended something like the Presidential system to 535 races. They said, "We will probably need, 2,500 auditors." The FEC would be a growth industry, Mr. President; it would get so big we would not recognize it.

A vote for the McConnell amendment is also a vote against funding fringe candidates, because once you open up the Federal Treasury to political candidates, you cannot just say only Republicans and Democrats get it. Lenora Fulani and Lyndon La- Rouche have gotten $1 million of each of our tax dollars to run for President. And, Mr. President, if we extend that to 535 additional races, every crackpot in America who got up in the morning and looked in the mirror and said, "Gee, I think I see a Congressman," is going to be able to reach into the Federal cookie jar and get some of those tax dollars to run for President.

A vote for the McConnell amendment is a vote in favor of unlimited participation by the American people in the political system, unlimited participation through the contributing of small and fully disclosed amounts of money for our campaigns.

The ACTING PRESIDENT pro tempore. The Senator's 3½ minutes have expired.

Mr. McCONNELL. Mr. President, I ask unanimous consent for an additional minute.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. McCONNELL. Also, Mr. President, a vote for the McConnell amendment is a vote in favor of campaign finance reform, because the President of the United States has made it clear that he will not sign a bill that includes either spending limits or public financing.

Finally, Mr. President, and I think most importantly, a vote for the McConnell amendment can make this bill constitutional. In its current form it would have about as much chance surviving in the Supreme Court as Saddam Hussein would have surviving at an Army-Navy game. It is blatantly unconstitutional.

So, Mr. President, for all of those reasons, I hope the Senate will approve the McConnell amendment upon which we will be voting in a few moments.

Mr. BOREN. Mr. President, I yield 2½ minutes.

Mr. President, with all due respect to my good friend from Kentucky, this is not a partisan matter. I think we can understand what happens in a system without any spending limits when incumbents already raise more money than challengers at a rate of 8 to 1 in the House and 3 to 1 in the Senate.

It puzzles me how anyone on the minority side in the Congress in either House would feel that they would benefit by the current system. Clearly, the current system is an incumbent protection plan. If anything, it would benefit the party now in the majority side.

What is the real issue about this amendment? This is not a vote on public financing. A vote for the McConnell amendment is not a vote on public financing. We have already indicated through a sense-of-the-Senate amendment that we are not going to finance any of the incentives in this bill by imposing additional tax burdens on individual taxpayers.

What really is at the heart of the McConnell amendment is the McConnell amendment strikes out all of the spending limits in this bill. The sky is the limit. There would be no restraint on any amount of money that could be raised to finance campaigns. More and more and more over the last 12 years we have gone from $600,000 to win an average U.S. Senate race to $4 million. The sky is the limit without any spending limits.

So, Mr. President, this is really a time for truth for us in the Senate. There are times in which we have a responsibility to sit down and ask ourselves some very difficult questions. Do we think what is going on with the current way we finance campaigns with unlimited amounts to be spent, is good for this country? Can we honestly look at ourselves in the mirror and say it is a good thing that the cost of campaigns has skyrocketed up to $4 million?

Members of the Congress have to become full-time fundraisers and part-time Senators and Congressman. Is that good for the country?

Is it good for the country that 97 percent of the Members of the House and Senate get reelected every election cycle because incumbents are able to outraise challengers by 8 to 1, as I said, and 3 to 1 so that new people trying to break into the system do not have a chance?

Is it good for the country that Members of this Congress have to go in other States and more of the campaign money raised by candidates comes from outside their home States and home districts, where people are not even very well known to those candidates; where they have to go raise money from those individuals and then perhaps later find out that they have tainted reputations, casting a cloud over the integrity of this body in terms of public perception?

Can we honestly say that 85 percent of the American people, even those polled in the home State of my distinguished colleague across the aisle, are wrong when they say they want spending limits imposed? Can we honestly say that they are misinformed when they say, over 75 percent of them, that the fact that Members have to raise so much money causes them to have doubts in the political process and to wonder whether the average individual citizen really has a say in the process anymore?

I do not think we can honestly say that. Let us vote down this amendment. Let us have an opportunity to impose spending limits and stop the money chase in American politics.

Mr. President, I believe I have 45 seconds remaining before the leader's time. I yield that to the Senator from Nebraska [Mr. EXON].

Mr. EXON. I thank my friend and colleague.

While I am not totally happy with the campaign finance reform bill advanced by the Senator from Oklahoma, I hope that my colleagues would not vote for the McConnell amendment. Part of the McConnell amendment I would certainly agree with, and that is the part that strikes public financing. But throwing off all spending limits and providing no incentives whatever would be a step in the wrong direction.

I assure my colleagues that they are going to have a chance on an amendment sponsored by this Senator and others to strike taxpayer campaign finance spending under the voucher system, and I hope, therefore, that they would maybe take a look at that amendment which will follow and not gut the whole bill as I believe the McConnell amendment would. I yield back any time remaining and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Republican leader is recognized.

Mr. DOLE. Let me indicate, as I have many times before, this is not an easy issue. And I regret we were not able to find some bipartisan solution. But I think we ought to point out that S. 3 provides the following public financing goodies: Broadcast vouchers equaling 20 percent of the general election spending limit; Treasury outlays to politicians to respond to independent expenditures; Treasury outlays to compensate politicians if their opponents exceed the spending limits; and deep discount mail rates.

The Office of Management and Budget estimates that this combined public financing package will cost the taxpayers $91 million in 1994 alone.

The Republican Policy Committee goes one step further, estimating the taxpayer price tag for S. 3 will exceed $231 million during the course of the upcoming 6-year election cycle.

Now, that seems like a pretty high price to pay. And I do not believe there is any glamour out there for public financing of our campaigns. Only one in five Americans voluntarily check off the Presidential fund on the Federal income tax form. And we ought to do away with that, repeal that public financing system as well.

There is no public support for public financing. I do not think there is even majority support on the other side of the aisle; there may be the votes but that does not mean there is support for public financing on the other side.

It would seem to me that we are going down the wrong track, if we are talking about finding some bipartisan or nonpartisan way to give the challenger at least some equality, some parity with the incumbent. I have worked with the majority leader—and certainly he has done his best; I hope we have done our best, in trying to find a solution—we have identified areas where a compromise between the two parties can be readily achieved—PAC's, broadcasting rates, bundling, independent expenditures, candidate use of personal funds, and reform of the Federal Election Commission.

So there are many issues other than spending limits and public financing on which the two parties can agree.

I commend the majority leader for his willingness to engage in these bipartisan discussions.

Maybe there ought to be an unusual conference where the leaders are in fact conferees, if in fact we go to conference with the House. Perhaps we cannot find some way out of this very sticky, very difficult issue.

So, I am fearful that without bipartisanship we are going to have a lot of sound and fury and rhetoric and nothing is going to happen. If it passes, the bill will be vetoed and the President will sustain the veto. So I have not given up, but I think one way to help us down the road of bipartisanship would be to vote for the McConnell amendment.

Mr. President, last year, my colleagues on the other side of the aisle followed the Republican lead by proposing a ban on political action committees.

This year, Democrats have not been as wise, clinging to public financing as the centerpiece of their reform package.

As I said when debate began last Wednesday, public financing is a nonstarter with Republicans.

And it is a nonstarter with the American people too.

In its current form, S. 3 provides the following public-financing goodies: Broadcast vouchers equaling 20 percent of the general-election spending limit; Treasury outlays to politicians to respond to independent expenditures; Treasury outlays to compensate politicians if their opponents exceed the spending limits; and deep discount mail rates.

The Office of Management and Budget estimates that this combined public-financing package will cost the taxpayers $91 million in 1994 alone.

The Republican Policy Committee goes one step further, estimating that the taxpayer price tag for S. 3 will exceed $231 million during the course of the upcoming 6-year election cycle.

That is too high a price for me.

And, you can bet, it is too high a price for the American people who have already said "thumbs-down" to the Presidential taxpayer financing system.

Mr. President, the results are in.

Only 1 in 5 Americans voluntarily check off the Presidential fund on the Federal income tax form.

And I have no doubt that the participation rate will be even lower when it comes to the so-called Senate election fund proposed in S. 3.

THE NEED FOR BIPARTISANSHIP

Mr. President, during the past several months, I have worked with the distinguished majority leader, Senator MITCHELL, in identifying areas where compromise between the two parties can be readily achieved—PAC's, broadcasting rates, bundling, independent expenditures, candidate use of personal funds, and reform of the Federal Election Commission.

As you can see, there are many issues—other than spending limits and public financing—on which the two parties can agree.

And I want to commend the majority leader for his willingness to engage in these bipartisan discussions.

I am absolutely convinced that bipartisanship is the key to enacting legislation that will eventually be signed into law by President Bush. Without bipartisanship, this week's debate will be nothing more than that—a debate "full of sound and fury, signifying nothing"—and certainly failing to produce a bill acceptable to the President and to the American people.

In case there is any doubt about where the President stands on S. 3, I have received a statement of administration policy indicating that the President's senior advisers will recommend a veto.

The bottom line is that S. 3 is unconstitutional, proincumbent, and yet another unwelcome raid on the pockets of the American people.

So, Mr. President, the Senate may pass a bill later this week—a public financing and spending limits bill.

But, when all is said and done, the Senate will have failed to advance the ball 1 yard on the issue of campaign finance reform.

That is unfortunate. And I hope that my colleagues on the other side of the aisle will come to realize—before it is too late—that there has to be give on both sides if we are to enact meaningful reform this year.

Mr. President, I ask unanimous consent that the statement of administration policy and the Republican Policy Committee cost estimate be printed in the RECORD immediately after my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. Mr. President, I urge my colleagues to support the amendment offered by distinguished colleague from Kentucky, Senator MCCONNELL.

A vote for the McConnell amendment is a vote to protect the taxpayers of this country.

EXHIBIT 1

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, May 16, 1991.

STATEMENT OF ADMINISTRATION POLICY
(S. 3—Senate Election Ethics Act of 1991, Boren and 21 others)

Although the Administration agrees that the current campaign finance system suffers from a number of serious defects and that there is a need for reform, the Administration strongly opposes enactment of S. 3. If S. 3 is presented to the President in its current form, his senior advisers will recommend that it be vetoed. The following statement details several of the Administration's most serious objections to the bill. It does not, however, represent an exhaustive list.

The Administration recognizes the need for a comprehensive reform package that confronts the twin evils of the current system—(1) practices which give incumbents unfair advantages, and (2) the role played by special interest political action committees (PACs) subsidized by corporations, labor unions, and trade associations. The President proposed such a package in 1989. S. 3, however, would aggravate many of the worst features of the existing financing system.

Campaign finance reform must employ neutral principles that foster free competition in ideas and do not threaten the constitutional guarantee of freedom of speech. S. 3 would coerce Senate candidates into agreeing to participate in a program of unconstitutional campaign spending limits. If a nonparticipating candidate reported that he or she had exceeded the spending limit, a participating major party candidate would be entitled to public funds in the amount of two-thirds of the spending limit. The participating candidate would be entitled to an additional payment in the amount of one-third of the spending limit if the nonparticipating candidate exceeded the limit by another one-third.

The expenditure ceilings would restrict challengers' efforts against incumbents and limit the quantity of political speech in which candidates could engage. In doing so, S. 3 would place unconstitutional burdens on the rights of individual candidates to make campaign expenditures as well as on the rights of contributors. Only a compelling interest of the Government, such as preventing corruption or the appearance of corruption, could warrant such a restriction on political speech. No such justification applies here.

In addition, by attempting to equalize campaign financial resources, the proposed program would stack the deck even more heavily in favor of incumbents, who enjoy substantial name recognition at the start of a campaign. In a time of significant fiscal constraints, there is no justification for wasting taxpayer dollars on an incumbent protection scheme.

Several of the provisions of S. 3 that purport to regulate political advertisements also violate the First Amendment rights of political candidates. Nonparticipating candidates must, for example, include in all their advertisements the sentence: "This candidate has not agreed to abide by the spending limits for this Senate election campaign set forth in the Federal Election Campaign Act." The requirement would not only mislead the public into believing that the candidate is not complying with the law, thus further coercing candidates to accept expenditure limits, but would also strike at the heart of the First Amendment by imposing disruptive government regulation on political messages. Other regulations on political advertising imposed under the bill (i.e., in section 203) are also unreasonable and go well beyond the measures needed to ensure proper disclosure.

The President favors the abolition of all special interest PACs subsidized by corporations, unions, and trade organizations. S. 3 would go beyond this by enacting a broad ban on campaign contributions and expenditures by independent, unsubsidized organizations and associations. These organizations are not part of the problem of public corruption. Thus, a ban on these organizations participating in election politics cannot be justified by an interest in avoiding corruption. This overbroad ban creates needless constitutional difficulties that could be avoided by narrower prohibitions suggested by the Administration.

In addition, the Administration strongly objects to the provision of the bill that sets a postal subsidy bearing no relationship to cost. Currently, reduced postage mailers (e.g., charitable and religious organizations) pay direct costs associated with their mail. S. 3, however, grants political candidates an even greater subsidy. This level of subsidization is inconsistent with the Postal Service Reorganization Act and sets an unwise precedent.

SCORING FOR THE PURPOSE OF PAY-AS-YOU-GO AND THE CAPS

The Boren substitute for S. 3 is not subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act (OBRA) of 1990. As currently worded, benefits from the Senate Election Campaign Fund are subject to the availability of appropriations.

If S. 3 were fully funded, there would be significant outlay consequences. OMB's preliminary estimate of the outlays that could occur if the bill were fully funded is as follows:

Outlays

	Millions
1994:	
Expected	43
Maximum	73
1996:	
Expected	31
Maximum	68

The 1994 outlays would be subject to pay-as-you-go if mandatory spending language such as that in the reported version of S. 3 were restored. The outlays would be scored under the discretionary caps if spending were instead subject to appropriation action.

The Boren substitute would also result in additional outlays from the Postal Service revenue foregone appropriation. OMB's preliminary estimate of these outlays (which are not scored for pay-as-you-go purposes) is as follows:

Outlays

	Millions
1991	
1992	
1993	
1994	18
1995	
1996	16

[U.S. Senate Republican Policy Committee, May 16, 1991]

S. 3, THE SUBSTITUTE: IT STILL COULD COST $1 BILLION

S. 3, the Democratic leadership's campaign reform bill, came to the Senate floor yesterday. That bill is going to cost taxpayers and broadcasters a billion bucks over the next six years.

But a billion dollars is now too costly even for S. 3's own sponsors, and they have fled from S. 3, as reported, to support a Boren-Mitchell-Ford-Byrd substitute that, in the words of the principal sponsor, "keeps . . . the cost of the bill at an absolute minimum."

This suggests a philosophical difference between Republicans and Democrats: Democrats propose five new subsides for politicians and then cut costs "to an absolute minimum" by reducing one of them—a $62 million taxpayer subsidy—to $24 million. Most Republicans have a different idea for protecting the taxpayer. Republicans think the best way to keep costs to a minimum is not to give subsidies to politicians in the first place.

ESTIMATED COST OF S. 3 FOR 1994

[In millions of dollars; this bill affects Senate races only]

	As reported (CBO estimates)		Boren-Mitchell substitute	
	1 eligible candidate	2 eligible candidates	1 eligible candidate	2 eligible candidates
Reduced mail rates	9	18	9	18
Excess expenditure amount	61	NA	61	NA
Voter communication voucher	31	62	12	24
Administrative costs (2 yr)	2	2	2	2
Totals in 1994	103	82	84	44
6-yr cycle (estimate)	283	226	231	121

Plus:

Hundreds of millions of dollars in taxpayer subsidies to the thousands of candidates who will run for the House of Representatives over six years;

Hundreds of millions of dollars in private subsidies provided directly to politicians by the broadcast industry which is required to sell time to politicians at one-half the rate available to all others;

Tens of millions of dollars in taxpayer subsidies to candidates from minor political parties of every description;

Tens of millions of dollars in taxpayer subsidies to respond to "unfriendly" independent expenditures that are made by free citizens exercising their First Amendment rights to speak on politics and government; and

Tens of millions of dollars in "indexed" benefits so that S. 3's subsidies to politicians can keep up with inflation.

Over six years, the Boren-Mitchell substitute will cost taxpayers and broadcasters about $500 million if both candidates in each race take public subsidies. If only one candidate in each race takes public money to run for Congress, subsidies will stay about right where they started—One Billion Dollars Over Six Years!

Mr. DURENBERGER. Mr. President, I rise in support of the amendment offered by my distinguished colleague, Senator MCCONNELL. Mr. President, I am sure if we took a poll of the American people, they would overwhelmingly support the idea of voluntary spending limits, and would object to the idea of spending taxpayer dollars to finance campaigns.

The best guidepost I am aware of concerning public attitudes on taxpayer financing of campaigns is the tax checkoff on the Federal income tax form. According to IRS statistics, less than one in five Americans checks the "Yes" box for public financing. That ought to tell my colleagues how the American public really feels about public financing.

Yet I recognize that given the constitutional framework we are operating under and the urgency of for real electoral reform, I am prepared to accept some form of public financing. However, I do not believe that we should be supporting the open-ended type of public financing that is set forth in this bill. I would support a proposal for broadcast vouchers for television commercials that are at least 5 minutes long. Under this bill, vouchers would be available for campaign commercials that are only 1 minute long. That will just perpetuate the sound bite, the attack ad, the continuation of campaigns without substance.

Mr. President, I also support public financing that provides individuals with an incentive to participate in the electoral system. The best way to achieve that is through restoration of a tax credit for individual contributions. I have introduce legislation that would provide a modest tax credit for in-State contributions.

Mr. President, if we adopt this amendment I believe it will allow us to work to develop a more targeted, modest, and responsible public finance mechanism to encourage candidates to keep within spending limits. I fear that if we maintain the broad public spending provisions in the current bill, in a few years public spending for campaigns will become another uncontrollable line item in the Federal budget.

I urge my colleagues to support this amendment.

Mr. HOLLINGS. Mr. President, today I am casting my vote in opposition to the McConnell amendment because it is not substance, it is subterfuge. Last week, I gave my own analysis of my own druthers, a bipartisan constitutional amendment that would—in one sentence—grant to Congress the power to impose strict overall spending limits in congressional campaigns. Such a constitutional amendment would leapfrog the hurdle of Buckley versus Valeo and allows us to strike right at the heart of the campaign finance mess, which is the problem of too much money and too much time spent by candidates chasing money.

I have followed the debate on this campaign finance reform bill closely. On the one side, we have the distinguished Senator from Oklahoma [Mr. BOREN]. He has acknowledged that spending limits are the only way we can rein in the bucks-run-amok approach to financing campaigns, the only way we can restore public confidence in our electoral system. I applaud Senator BOREN for keeping his eye on the ball, which is the problem of too much money. And I sympathize with the contortions he had to resort to in trying to fashion a legislative route around the absurdities of Buckley versus Valeo. Nonetheless, Senator BOREN's carrot-and-stick approach of limited public financing and voluntary spending limits is simply too vulnerable to the inevitable manipulations of sharp lawyers and clever campaign consultants. In addition, I firmly believe that public financing is unnecessary and that raising taxes to pay for political campaigns is simply intolerable.

Senator MCCONNELL, however, is a disciple of the sky's-the-limit theory of campaign finance, and he is a master of the nonsequitur. His most eloquent defense of unlimited spending in campaigns is his lame assertion that Americans spend more on cat food than on political campaigns.

Today, the junior Senator from Kentucky proposes to strike the public financing provisions and the spending limits from the Boren bill. Of course, under the Buckley decision, you cannot have spending limits without the public financing. The Court said that spending limits could only be imposed if they were voluntary, and the spending limits are designed to serve as an inducement to the voluntary compliance. So I think Senator BOREN is wrong in using public financing as a carrot, but I am very sympathetic as to his dilemma. He is seeking a constructive way out.

Not so in the case of the Senator from Kentucky. His motives and objectives are transparent. He seeks, pure and simple, to kill any authentic reform. And, above all, he seeks to kill any possibility of caps on campaign spending.

As I have stated repeatedly, I oppose public financing and have consistently voted against it. When the vote on final passage of the Boren bill comes, I will oppose it on the grounds of public financing. Nonetheless, on this particular amendment, I do not intend to be a party to Senator MCCONNELL's posturing and obstructionism on one of the most important issues of our time.

Mr. LEVIN. Mr. President, I oppose the McConnell amendment to eliminate the spending limits in the campaign finance reform bill currently before the Senate. The McConnell amendment would strip the guts of the campaign reform in S. 3—the spending limits. Strict and enforceable limits on the amount of money that can be spent in Senate campaigns are the most important aspect of reform in the bill. Any amendment which removes the limits is tantamount to a motion to table the bill. I urge my colleagues to join me in opposing this amendment.

Mr. MITCHELL addressed the Chair.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I believe the remaining time has been reserved for my use. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. MITCHELL. Mr. President, I want to say to the Republican leader that I do appreciate the effort that has been undertaken and he correctly stated that we reached agreement on many issues, narrowed the gap on others, could not close it on the two principal issues. But like him, I have not given up hope of a prospect for bipartisan agreement. And while we have to go through this process and there will inevitably, and in this case necessarily, be differences of opinion, I hope that the door will not be closed to continuing discussions with a view toward trying to get a meaningful change in law that can be signed into law.

Mr. President, everyone should understand what the issue is here and what the McConnell amendment will do. It will kill campaign finance reform. That is its intention. That will be its effect. If this amendment is adopted, campaign finance reform will be dead, because this amendment deletes the heart of the bill—spending limits on Senate election campaign.

Without a limitation of spending for Senate elections, there cannot be true campaign finance reform. That is the position of the American people who have expressed their clear support for campaign spending limits in poll after poll for many years. That is the position of Democrats in the Senate who have argued vigorously over the years that the endless chase for money in Senate elections must stop.

That is the issue, the principal issue, that separates the two parties here in the Senate. Democrats support spending limits in Senate election campaigns. Republicans are opposed to spending limits, and this amendment clearly intends, as stated, to delete the spending limits from this bill. Democrats believe the current system must be changed to give challengers a fair chance.

No one should be misled about the issue here. Proponents have tried to portray this as an issue of public financing of elections. Yet every year, the Republican Party receives millions of dollars in taxpayer funds to send out subsidized direct mail. No complaint is heard here about that. And every 4 years the Republican Party and its candidates receive tens of millions of dollars in public funds, taxpayer money for Presidential elections.

Former President Reagan alone received more than $90 million in taxpayer funds, public financing for his elections to run for President. That would fund almost two full Senate election cycles under this legislation—66 Senate campaigns, just in the money received by President Reagan alone from taxpayers. And, in the four Presidential elections since 1976, the Republican Party and its candidates have received $240 million in taxpayer funds; almost a quarter of a billion dollars, enough to fund all Senate election campaigns for 10 years under this legislation.

So, Members of the Senate, the issue here is not public financing. The Republican Party has received hundreds of millions of dollars in public financing over the last few years. The issue here is spending limits.

So today the Senate has a choice, with this amendment, and with this bill. It can vote in support of the McConnell amendment to preserve the existing discredited system. Or it can vote to support the leadership substitute to reform the Senate election finance system, to clean up the system and give challengers a fair chance to restore the confidence of voters.

Every Senator should understand what this vote means. If a Senator likes the current system, if a Senator is pleased with the attitudes it has created among the American people, then that Senator should vote for the McConnell amendment. If a Senator opposes campaign finance reform, if a Senator opposes spending limits, then a Senator should vote in support of the McConnell amendment.

But if a Senator believes, as I do, that the Federal election campaign process needs reform, if a Senator believes as I do that spending limits are the essential element of that reform, then that Senator should vote against the McConnell amendment and bring about true reform in the system.

The PRESIDING OFFICER (Mr. ROBB). All time has expired. The question is on agreeing to the amendment of the Senator from Kentucky, as modified.

Mr. BUMPERS. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Kentucky, as modified. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 42, nays 56, as follows:

[Rollcall Vote No. 68 Leg.]

YEAS—42

Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Jeffords
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—56

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NOT VOTING—2

Helms
Pryor

So the amendment (No. 252), as modified, was rejected.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 253

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes' debate on the Wellstone amendment numbered 253.

The Senate will be in order.

The Chair recognizes the Senator from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. President, I have an inquiry of the Chair. Have the yeas and nays been ordered on the Wellstone amendment?

The PRESIDING OFFICER. The yeas and nays have not been ordered on the Wellstone amendment.

Mr. MCCONNELL. Mr. President, I inform my friend from Oklahoma there is a good chance we can accept the Wellstone amendment if we can suspend for a moment, maybe put in a quorum call for a couple minutes.

Mr. BOREN. I would suggest perhaps the Senator from Minnesota, who deferred last night giving the full explanation of his amendment, might proceed to give some explanation and comments he wants to make while we determine whether or not a rollcall would be required.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota [Mr. WELLSTONE] is recognized for up to 5 minutes.

Mr. WELLSTONE. I thank the Senator from Oklahoma and the Senator from Kentucky.

Mr. President, last night in our debate about campaign reform, I said I really believe the way in which money has come to dominate politics has become the ethical issue of our time. What I said last night is that for all too many people what has happened in our country is we have moved dangerously far away from the principle that each person counts as one and no more than one; that what we have is a systemic corruption which is far more serious than the corruption of an individual office holder, far more serious than the wrongdoing of an individual office holder; that we have moved to a system where there is an imbalance of power between the few who have the financial wherewithal and the many people who feel left out of the political loop within our country.

Mr. President, when I speak in Minnesota—and, for that matter, in other States across the country—and get a chance to meet people in cafes, union halls, schools, synagogues, over and over people tell me they believe politics has become phony; it has become fake; it has become corrupt. Over and over again, Mr. President, they talk about money and politics. The sad reality is that many, many people in our country, too many people in our country, do not believe this Capitol, this Capitol in which we stand, the Senate and the House of Representatives, belongs to them. They feel as if it belongs to people with the big bucks.

We have heard a lot of discussion in the debate we have had on campaign reform about taxpayer entitlement programs. Mr. President, I argue that is not the issue. The issue is whether or not we can put some lid on campaign expenditures. The issue is whether or not we can have some accountability. The issue is whether or not people can reclaim democracy, reclaim this Capitol, reclaim Government, reclaim good politics, reclaim the politics where money does not speak so loudly.

It is in this spirit I propose my amendment. The amendment is simple and straightforward. It amends S. 3 to say the amount of money a candidate can contribute to his or here own campaign should not be set at $250,000, but rather, $25,000.

There is reason for this, Mr. President. I want to make sure no individual should have an inherent advantage because of his or her wealth. It seems to me this threshold test of $250,000 is a test most regular people cannot meet. Most people simply do not have this kind of money that they can directly contribute to their own campaign or loan to their own campaign.

Moreover, Mr. President, I point out at the Presidential level, in exchange for benefits we set the limit at $50,000. So if an individual can only give $50,000 to his or her own Presidential campaign nationally, then it makes no sense to have that figure 5 times $50,000 for one race in one State. It is a matter of proportionality, which I think is another matter.

Those are the reasons for the amendment. I think it is a small but important step in the right direction. I think it communicates an important message to people in our country which is we want to make our elections a little more fair, a little more just, and a little more equitable. I think it is a positive amendment. I am very pleased it is being met with widespread support.

I thank the Chair.

I yield my time back to the Senator from Oklahoma.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

Mr. BOREN. Mr. President, the distinguished manager of the bill on the other side of the aisle has indicated to me it is very likely he can accept this amendment. He stepped off the floor just briefly. I ask unanimous consent that we have a quorum call with the time charged to neither side, and then I think we will be able to probably work out accepting this amendment without a rollcall.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll with the time subtracted equally from both sides, although the Senator from Minnesota has very little time remaining.

Mr. BOREN. I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, time will not be charged to either side.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I have conferred with my distinguished colleague, the manager of the bill on the Republican side. He has indicated to me, I believe, that there is no plan for a rollcall on his side. I know of no request for a rollcall on our side.

Mr. MCCONNELL. Mr. President, we are prepared to accept the Wellstone amendment.

The PRESIDING OFFICER. There is time remaining on the time controlled by the Senator from Kentucky.

Mr. MCCONNELL. I yield my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment (No. 253) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, if I might, I would like to inquire for the information of Members as to our schedule for the remainder of the morning and early this afternoon.

I believe that the Senator from Kentucky has indicated to me that there are two or three amendments that Members wish to offer on the other side of the aisle, or three or four, which is perfectly acceptable to us on this side of the aisle that those amendments be offered and be considered in a timely fashion.

Then there is one amendment on our side by the Senator from Massachusetts, Senator KERRY, Senator BRADLEY, and others, which relates to the public financing or the full public financing alternative which perhaps could be offered after three or four amendments have been offered on the other side. Then we would revert back to any additional amendments to be offered.

I wonder if that would be an agreeable way to proceed with my colleague from Kentucky, and if he might indicate if he knows what some of the amendments are that might be offered, for information of the Members on the other side.

Mr. McCONNELL. We are prepared to lay down an amendment shortly. We have three or four ready on this side, and we are prepared to move ahead. I think it will facilitate the action as quickly as possible.

Mr. BOREN. Mr. President, I yield to those on the other side of the aisle at this point to allow them to offer any amendment which they want to offer at this time, too.

I suggest the absence of a quorum. I withhold my request.

Mr. McCONNELL. Mr. President, I would like to make just a couple of observations about the vote we just had a few moments ago, and then I am prepared to send an amendment to the desk.

Mr. President, the vote we had a few moments ago was the important amendment during this campaign finance debate. It was an opportunity for the Senate to resurrect, if you will, campaign finance, and to give it a chance to become law.

I received just this morning once again a letter from the President of the United States, which shortly I will ask to be made a part of the RECORD. But let me read the most important paragraph. It is a letter dated May 22, 1991, to me from the President of the United States. The most important paragraph reads as follows:

> Spending limits, on the other hand, would disadvantage challengers and thereby entrench incumbents further. Ironically, spending limits tend to favor powerful special interests over individuals, because these interests would retain the financial and organizational resources to work around the limits. Therefore, I intend to veto any campaign finance "reform" legislation which features spending limits or taxpayer financing of congressional campaigns.

Mr. President, the President of the United States has made it clear once again this morning that if we want to have meaningful campaign finance reform legislation, it must be bipartisan. It must be real campaign finance reform, not a partisan effort to recraft the rules in a way to benefit the majority at the expense of the minority.

So, Mr. President, I ask unanimous consent that that letter from the President to me appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, May 22, 1991.

Hon. MITCH McCONNELL,
U.S. Senate, Washington, DC.

DEAR MITCH: In my State of the Union address in January, I expressed my strong desire to achieve genuine campaign finance reform this year. We must curtail special interest influence in elections, promote electoral competition, and increase the participation of individual citizens and the political parties.

Since my first year as President, I have called for abolishing political action committees that are subsidized by corporations, unions, or trade associations. That critical step, combined with measures to reduce unfair advantages of incumbency, would markedly improve both the perception and the reality of our electoral process.

I hope that Congress does not waste this opportunity for reform on efforts to insulate incumbents further, by limiting overall speech in campaigns to challenge them, or on new schemes to provide taxpayer subsidies for congressional elections.

The legislative initiative which you and many of your colleagues recently introduced would eliminate political action committees and accomplish several other reforms I have proposed in the past, including tighter regulation of "soft money" and the use of union dues for political purposes. In addition, your bill promotes electoral competition in several respects consistent with my previous proposals.

Spending limits, on the other hand, would disadvantage challengers and thereby entrench incumbents further. Ironically, spending limits tend to favor powerful special interests over individuals, because these interests would retain the financial and organizational resources to work around the limits. Therefore, I intend to veto any campaign finance "reform" legislation which features spending limits or taxpayer financing of congressional campaigns.

Further, I am deeply opposed to campaign reform legislation that proposes different rules concerning political action committees for the Senate and House. We must not further balkanize ethics and election reform.

As you know, there are two critical ingredients to campaign reform: curbing the divisive role of special interests and enhancing the quality of representation through real electoral competition. I believe both of these goals can be achieved and are essential to revitalizing our electoral process.

I look forward to working with you and your colleagues to enact meaningful campaign finance reform consistent with these aims.

Sincerely,

GEORGE BUSH.

Mr. McCONNELL addressed the Chair.

Mr. BOREN. If the Senator will withhold just a moment so I could comment on the remarks he just made, Mr. President. I certainly respect the Senator from Kentucky, who is my friend. I understand his philosophical position on the matter that is pending.

But it would not surprise our colleagues that I would have some different interpretation as to the meaning of the vote which just occurred. I do agree that this is the most important vote that has occurred thus far in the debate on this bill. It is likely to be the most important vote on any amendment which has come before us, because it really is a vote about how we intend to proceed in the general framework of what is going to be necessary if we are to have true campaign finance reform.

I, too, hope that when we finally produce a product, it will be a bipartisan product. I certainly understand that before the President of the United States is going to sign a bill we are going to have to have some support on both sides of the aisle for it before he is going to afix his signature to it.

I have had some discussions with the President about this myself. I have had discussions with his legal counsel, and with others at the White House, and with the distinguished minority leader, the Senator from Kansas, as well. I am convinced that we can still work to fashion such a product that will meet that test.

We are moving early enough in this Congress. We will have a full opportunity for the other House to act. There is every indication the other House will act, and that will set the stage for us to have a conference committee which we were not able to have the last time.

We acted on this matter in the Senate. I hope that conference committee will include a wide range of representative views; not only those of us who have worked directly on this legislation, like the Senator from Kentucky and myself, but I hope it will include people like the majority leader, the minority leader, the Speaker, and the minority leader of the House of Representatives, and that we would be able then in the process of the conference committee to interact with the White House, and to develop a final bipartisan blueprint that will receive the acceptance of the vast majorities of both Houses of Congress by the time we are finished.

Given the fact we have time to act this year, I am convinced that is a good-faith effort that not only should take place, can take place; but I think it is a good-faith effort that will take place, having had numerous discussions with those on the other side of the aisle, as well as on this side of the aisle.

I think, on the other hand, my interpretation of the vote on this amendment—I realize we have had a very honest difference of opinion about it—is that I think it signals that the Senate is really serious about doing something about campaign finance reform.

There is no way, in my opinion, that we can have a piecemeal effort. If we simply say we are going to rule out political action committee financing, but we do not put any limits on total spending, I think that money will pop up in a new form somewhere else.

S. 3 is a bill which is a comprehensive approach. It closes the soft-money loophole. It not only shuts off special-interest money, PAC financing, as the President has requested himself, but it also has a standby mechanism of limiting in the aggregate the PAC contributions if the constitutional challenge to that provision is successful.

I think that is very important. That was one of my disappointments in the amendment of the Senator from Kentucky, he struck that standby mechanism to provide overall aggregate limits on PAC financing in the event that the Supreme Court struck down a total PAC ban. Some believe that it might.

But the essence of all is this: There simply are many of us who believe that if we are really serious about doing something about the campaign finance problem, we just simply cannot do it without stopping the money chase, the upward spiral of money pouring into campaigns. We have to do something about it.

As I said in my brief closing remarks of the debate, I do not see how in the world we can look at ourselves in the mirror and say what we are doing now is good for the country.

When the cost of campaigns goes from $600,000 to $4 million in 12 years, how is that good for the country? When it jumps just in the last 2 years of the election cycle from $1.40 to $1.80 per voter, how is that good for the country? When Members are having to spend their time raising the money instead of tackling the problems of the country; when spending, unlimited spending, so clearly benefits incumbents because they are able to raise money, so that 97 percent of incumbents get elected in the House, and 96 percent in the Senate, and new people are squeezed out of the process, how is that good for the country?

When Members are faced with the possibility that when they go out and raise money in other States where they do not know the people well, they may end up raising contributions from people who have tainted reputations and, unbeknown to those Members, casting a cloud on the Members and the institution, how is that good for the country?

One of my favorite quotations is from a Texas business leader, H. Ross Perot, who is known for his straight talk. He challenges those of us in politics by saying, "Do you want to talk about something, or do you want to do something about the problem?"

Mr. President, I think that is what the vote on this amendment was all about. I think a majority of the Senate said we want to do something about it, not just talk about it. You clearly cannot do something about the problem with the way campaigns are financed in America without doing something about this money chase, without finally doing something to shut off the money spigot and return the money back to the people at the grass roots, to those who cannot afford to make the $1,000 and $500 contributions; and that is what our bill provides for, an additional amount of money that can be raised in small contributions in the home State.

So, Mr. President, I think really what the Senate has signaled, with due respect to my good friend from Kentucky—and I respect him; no Member of this body knows more about this subject and spent more time or has better educated himself about it, and I respect that knowledge and the study he has put into this issue. I respect that he certainly has the right to have a philosophical difference of opinion with me.

I want to put on the record my interpretation of the meaning of this amendment. I think it is important that we agree on that completely. I think it is an important vote. But this vote means, I think, that we are serious about trying to solve the problem. We rejected an attempt to strike out all of the spending limits and the inducements to people to accept spending limits which are required as a result of the Supreme Court decisions. We all understand that. We struck out the standby mechanism that would impose limits on special interest PAC contributions. We maintained that standby mechanism by defeating the amendment. I think we have demonstrated that we are serious, we want to go forward, and we want real reform, not just talking about it.

I believe we will have an opportunity, through the full process in the conference committee, to do something about it. I hope that the Senator from Kentucky and I can be a part of that constructive process. We can break the Gordian knot and find a way to cut through and to reconcile our differences, and our leaders will be able to do the same. We can bring the President on board. I am encouraged by the fact that the President himself has also placed this matter on his personal agenda. He has talked about an end to special interest financing and PAC contributions and participation in the process. He clearly understands the status quo is not working and something needs to be done. We may have different views about how to proceed, but it is encouraging to me that the President himself has said this is a matter that belongs on the national agenda.

So without prolonging debate, I simply wanted to put my own interpretation of what this vote means into the RECORD. The Senator from Kentucky and I have even considered that we should go on the road, because we have a road show; since we have debated this so often, I think that we can switch sides, and he would be able to give my arguments as well as I could, and I could give his as well as he could. We even have our one liners pretty well down.

Let me say that I appreciated the fact that on a matter of this importance to the country—and it is a very important matter—we have been able to proceed with comity. We are proceeding in an expeditious fashion, and we have not found it necessary to undertake any actions on this side of the aisle that would foreclose the opportunity for those on the other side of the aisle to offer amendments. They have not been engaging in foot dragging. They have been engaging in an honest effort to bring their amendments forward and to have these issues considered, and I want to express my appreciation to the Senator from Kentucky. I appreciate the manner in which we have been able to conduct this debate and to make these decisions. I think that speaks well for the institution, that we can conduct a debate of this importance in this manner, and that we can make decisions of policy, and we can have all the options brought up and have an opportunity to be considered and voted on. I think that is healthy, and I want to express my appreciation for the fact that we have been able to proceed in that way. I say that with the utmost respect.

I yield the floor.

AMENDMENT NO. 254 TO AMENDMENT NO. 242

(Purpose: To require disclosure of communications paid with taxpayer funds)

Mr. MCCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL] proposes an amendment numbered 254 to amendment No. 242.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 47, line 1, strike "NONELIGIBLE".

On page 47, line 2, insert "(a) NONELIGIBLE CANDIDATES.—" before "Subparagraph".

On page 47, between lines 12 and 13 insert:

(b) ELIGIBLE CANDIDATES.—Subparagraph (B) of section 318(a)(1) of FECA (2 U.S.C. 441d(a)(1)), as amended by subsection (a), is amended by adding at the end thereof the following:

"(v) If a broadcast is paid for by a voter communication voucher provided under section 504(a), such broadcast shall contain the following sentence: 'The preceding political advertisement was paid for with taxpayer funds.'."

AMENDMENT NO. 255 TO AMENDMENT NO. 254

(Purpose: To limit the Senate terms of eligible candidates)

Mr. BROWN. Mr. President, I rise to send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN], proposes an amendment numbered 255 to amendment No. 254.

Mr. BROWN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following:

SEC. 106. TERM LIMITS.

(a) REQUIREMENT OF ELIGIBILITY UNDER TITLE V.—(1) An eligible candidate under title V of FECA who accepts any benefit under section 504 of FECA shall accept election or appointment to no more than two full terms in the Senate after the first benefit is accepted.

(2) A candidate for the office of Senator who seeks to qualify as an eligible candidate under title V of FECA shall file with the Federal Election Commission, at the time that the candidates files a declaration under section 502(b) of FECA, a declaration that the candidate will abide by the term limitation of paragraph (1).

(b) ENFORCEMENT.—The time limit of section 507(f) of FECA shall not apply in the case of a proceeding for the return of benefits by a person who accepted a benefit under section 504 of FECA to which the person became disentitled by reason of noncompliance with subsection (a)(1).

Mr. McCONNELL. Mr. President, S. 3, the bill before us, seeks to replicate the Presidential system of taxpayer financing and spending limits and have it apply to the Senate. Proponents would like it extended to the House as well, 535 races, thousands of candidates, more lawyers, more accountants, more auditors. The consensus among scholars who studied the Presidential system is that it is a mess. To impose it on Congress would be a disaster.

The most appalling aspect of S. 3 is that it would cost taxpayers hundreds of millions of dollars. Despite an already huge budget deficit that is squeezing taxpayers and worthy Federal programs, there is a concerted effort to add the cost of our political campaigns to the Nation's tax bill. The biggest taxpayer funding component in S. 3 is the communication voucher. This voucher system would function as a veritable food stamp program for politicians. The Government would issue the vouchers to politicians who, in turn, would use them as cash to pay for their advertisements. Broadcasters would submit them back to the Government for compensation. A food stamp program for politicians, Mr. President.

The amendment I offer today is simple. I call it the truth-in-taxpayer-funding-advertising amendment. It would simply require at the end of political advertisements run by candidates accepting the taxpayer funding, this provision, a declaration in the commercial, "The preceding political advertisement was paid for with taxpayer funds."

The precedent for this amendment already exists in S. 3. S. 3 requires that candidates who do not abide by the spending limits—in other words, those exercising their first amendment right of free speech—include a statement in their ads pointing out that they have "not agreed to abide by the spending limits." The point is obviously to shame candidates into accepting the spending limits.

My amendment would make certain that those candidates who were proud of using tax dollars to pay for their political advertisements would receive full credit for doing so. The amendment is clear. "The preceding political advertisement was paid for with taxpayer funds." I repeat, Mr. President, this would be the disclaimer: "The preceding political advertisement was paid for with taxpayer funds." This may even have the effect of reducing so-called negative ads that proponents of S. 3 have professed concern over. Candidates would be mindful of offending voters with ads that their taxes paid for.

This amendment should have bipartisan support. Those who support taxpayer financing of political campaigns will no doubt want voters to know what they are getting for their tax dollars. Likewise, those who oppose taxpayer financing will want voters to know what they are getting for their tax dollars.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado [Mr. BROWN].

Mr. BROWN. Mr. President, under my amendment any candidate for the Senate who chooses to accept public financing agrees to serve no more than two consecutive terms.

Specifically:

First, if a candidate accepts public financing, he/she must agree to serve no more than two consecutive full Senate terms after the public financing benefits are first accepted.

Second, the candidate must file with the Federal Election Commission a declaration that he/she will abide by the term limitation requirement.

Third, the Federal Election Commission is authorized to require disgorgement of any public financing benefits unlawfully received by a person who serves a third consecutive term in violation of their term limitation declaration.

Mr. President, competition is the lifeblood of our democracy. It permeates every facet of our lives. Competition in ideas is protected by the first amendment. Competition in industry is demanded by our antitrust laws. Competition in sports is revered. Indeed, no higher honor can be bestowed upon an athlete than to be regarded as a "fierce competitor."

Yet in politics, the very engine of our democratic system, competition is handcuffed. Mr. President, we must do everything in our power to inject competition back into the political process. Participatory democracy should not be regarded merely as a glossary term for the political science book. It should be a fact of American life.

I associate myself with the remarks of my distinguished colleague from Kentucky when he observes that S. 3 poses a grave threat to the competition in ideas protected by the first amendment guarantee of free speech. In Buckley versus Valeo, the Supreme Court held that campaign spending is a form of speech protected by the first amendment. Yet S. 3's spending limit provisions would force a candidate to accept a limitation on expenditures and therefore on the quantity of political speech in which he would engage. As the Justice Department has observed in this regard:

> A candidate either would accept limits on his power to convey his ideas to the voters, or would face an opponent whose campaign is being supercharged with huge grants of taxpayer dollars * * *.

In addition, this bill forces taxpayers to fund candidates they may well oppose. This is not only undemocratic, it is possibly unconstitutional as well. Just as a candidate's free speech rights are violated under Buckley by constraining his speech with spending limits, then surely so too are a taxpayer's free speech rights potentially violated by his inability to choose to whom his contributions, if any, should be directed.

Just as important as the quantity of one person's speech is the diversity of speech in the political marketplace. With term limits that diversity is threatened.

Term limits for U.S. Senators and Congressmen are supported by 70 percent of Americans. Indeed, term limits receive the support of the President.

Term limitation is a way to limit the power of government.

It will make elections more competitive.

Term limits are needed because incumbents nearly always win. In 1990, 96 percent of incumbents who sought reelection to the U.S. House of Representatives won; 15 incumbents lost out of 406 that sought reelection. In 1988, 98.3 percent of the incumbents who sought reelection to the U.S. House of Representatives won. Only 7 out of 409 lost. Six of the seven were under an ethical cloud. In 1986, reelection rate for Congressman was 98 percent. In 1984, it was 95 percent. The typical Member of Congress today serves more than twice as long as Congressmen did a century ago.

The New York Times notes that two-thirds of the Members of the U.S. House in 1990 weren't there in 1980. The turnover in Britain's House of Lords—whose members are appointed for life—and turnover in the United States House of Representatives was almost identical during the 1980's.

In short, Mr. President, turnover in Congress should not chiefly be the result of death, retirement, ambition, or indictment.

Term limit detractors appear to argue that we need Congressmen and Senators with years of experience in order to be effective legislators. However, the legislative body was designed to be a representative body. Its job is to make policy, and reflect the will of the people. Long years in government are not necessary to reflect the will of the people. Our Founding Fathers believed holding public office was a public service to be performed for a limited time, not a lifetime job. They were men of varied backgrounds—farmers, merchants, craftsmen, attorneys—and they brought that experience to bear on the laws they made. Today, lifetime politicians know a great deal about the intricacies of law making, but far less than they need to know about the lives their constituents lead.

The idea of term limits resonates with the voters because they believe we in Congress are ineffective, despite the seasoned experience of some of our Members. Unfortunately, there is ample evidence to substantiate their belief. The fundamental task of Congress is to produce a budget each year. Yet Congress hasn't balanced one in 30 years, and has completed action on a budget on time only once in the last 10. This year the deficit will exceed $350 billion and the national debt is approaching $3 trillion. This kind of experience is not needed.

Others argue that their political careers would be threatened by term limits. The experience of one of my predecessors stands in sharp contrast to this assertion. Colorado's U.S. Senator, Bill Armstrong, retired after two terms in the Senate, and he held public office continuously since 1962, when he was elected to the State House of Representatives. He also served in the Colorado Senate and the U.S. House of Representatives. At no point would the term limit ceilings in this amendment or the Colorado term limitation amendment have affected his distinguished career.

Article 1, section 5, clause 1 of the Constitution gives the States only the authority to set "the times, places and manner of holding elections for Senators and Representatives," although Congress may "at any time by law make or alter such regulations."

There is no mention in the Constitution, pro or con, on limiting the tenure of Congressmen and Senators. A brief historical review of the debate leading to enactment of the Constitution provides strong support for enactment of term limits.

Power corrupts. The whole structure of our Government is an exercise in the limitation of power. It is why we have a federal, rather than a national, system of government. That is why the Government is divided into three separate but equal branches. It is why we have a bicameral legislature.

In 1776, the danger of corrupting power was expressed by Thomas Jefferson when he proposed in the Continental Congress a resolution which said:

> To prevent every danger which might arise to American freedom by continuing too long in office the members of the Continental Congress, to preserve to that body the confidence of their friends, and to disarm the malignant imputation of their enemies: It is earnestly recommended to the several provinces, assemblies or conventions of the United Colonies, that in their future election of delegates to the Continental Congress, one half, at least, of the persons chosen be such as were not of the delegation preceding, and the residue be of such as shall not have served in that office longer than two years.

Although that resolution was defeated, Virginia later passed a resolution which stated:

> No person who shall have served two years in Congress, shall be capable of serving therein again, till he shall have been out of the same one whole year.

One of the concerns which initially inclined Thomas Jefferson to oppose the Constitution was its failure to include a term limit provision.

> [T]he second feature I dislike, and strongly dislike, is the abandonment, in every instance, of the principle of rotation in office," Jefferson wrote in a letter to James Madison. (*The Life and Selected Writings of Thomas Jefferson*, Adrienne Koch and William Peden, eds, Random House, N.Y., 1944.)

Term limits were not included in the Bill of Rights not because a majority of the Founding Fathers thought them a bad idea, but because they thought they weren't necessary.

A bill to limit terms of Congressmen and Senators was introduced during the First Congress in 1789, and similar bills have been introduced at sporadic intervals ever since.

Throughout much of the 19th century, there was de facto limitation of terms through the practice of rotation, under which incumbent Congressmen would be denied renomination after serving one or two terms. Abraham Lincoln, a strong supporter of the principle, served only one term in Congress as a result of this practice.

Term limitation will make elections more competitive. There are 435 congressional districts in the United States. There are competitive races in only about 100 of them. In 32 of the competitive districts, the incumbent has died, retired, is seeking higher office, or has an ethics problem.

Melancthon Smith's prophecy issued during New York's convention to ratify the Constitution has come true:

> If the office is to be perpetually confined to a few, other men of equal talents and virtue, but not possessed of so extensive an influence, may be discouraged from aspiring to it.

It is my hope that limited terms would change the way lawmakers view themselves and their careers. A legislator who views holding public office as a hiatus from private life to which he or she will soon return looks upon the job differently from that of a career politician. He or she is more likely to take firm stands on controversial issues and less likely to cater to special interests for votes or campaign contributions.

Americans believe that the most common self-interest of all elected officials is reelection. One result of this recognition is the sense of helplessness that many voters feel. This sense of helplessness is reflected in the 22 States in addition to Colorado—Alaska, Arizona, Arkansas, California, Florida, Idaho, Illinois, Maine, Massachusetts, Michigan, Missouri, Montana, Nebraska, Nevada, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming—that have enacted some form of initiative and referendum to address the term limit issue. Incidentally, taken in the aggregate, these States will have 202 of the 435 Representatives in the 102d Congress.

Finally, the successful term limit campaigns in the States of Oklahoma, California, and Colorado provide illustrative descriptions of the term limit efforts that are gaining popularity across the Nation.

OKLAHOMA

Oklahoma was the first State to pass a version of term limits. The specific ballot item was State question 632. Lloyd Noble chaired Oklahomans for Legislative Reform which gathered over 200,000 signatures to place the question on the primary ballot.

Question 632 stipulated a 12-year limit on every State legislator's term. The question passed with 436,347 voting for the measure and 212,318 voting against—a 68-percent win.

The campaign used the slogan, "End the Endless Term in Office."

CALIFORNIA

Proposition 140 was the proposal that won with 52 percent of the vote. The final vote—except for absentee votes—was 3,669,424 in favor and 3,380,223 against.

Proposition 140 included a two-term limit for State Senators, an 8-year limit for constitutional officers, and a three-term limit for assemblymen. A lifetime ban on seeking that same office was also included. In addition to the term restrictions, proposition 140 eliminates a special retirement fund and cuts funding for legislative staff and operations. Expected legislative cuts are estimated at one-third to one-half of the legislative budget. The proposal says that the aggregate expenditures and operating budget of the legislature can't exceed $950,000 per fiscal year or 80 percent of the amount expended the preceeding year.

To qualify for the ballot, proposition 140 gathered 933,433 signatures by June 1990.

Another proposal, proposition 131, lost in the election, receiving about 30 percent of the vote. It included public financing and ethics stipulations. This effort was sponsored by John Van Dekamp.

COLORADO

Colorado's proposal limited terms for Federal and State officers. Amendment 5 to the Colorado constitution included an 8-year limit for State legislators and statewide executive branch-elected officials. It also included a 12-year term limit on U.S. Senators and Congressmen elected from Colorado.

Amendment 5 had a large margin of victory with 71 percent of the voters favoring the proposal. The final count was 705,494, in favor and 288,237 against.

To qualify for the November ballot, Coloradans Back in Charge turned in a total of over 90,000 signatures from every county in the State.

In conclusion, we must inject competition back into the political process. That effort is frustrated by S. 3's key provisions—spending limits and public financing—because those restrictions are anticompetitive. Truly effective democracy—in which citizens and their representatives actively and meaningfully participate in the political process—can only be restored by the imposition of term limits. While I believe there is strong support for across-the-board term limits, my amendment seeks to impose term limits only on those Senate candidates who voluntarily accept the public financing benefits available under S. 3. This amendment is, in my view, a modest but important step forward in restoring the faith in a meaningful and responsible political process.

Mr. President, the Brown amendment seeks to amend the McConnell amendment. It does so by suggesting that someone accepting public financing for election to the U.S. Senate agree to a term limitation as a condition of accepting those funds.

It gives us an opportunity in this body to decide whether or not term limitation is a good idea. This would apply to only those Members who wish to take public funding for their election and it is suggested that there be a limit of two full terms, consecutively served. Thus, someone who seeks that funding would have to limit his term to those full 12 years. If there were a partial term in there that would not count toward the limitation. It would also mean that a Member who would be out of the body can come back and serve an additional two full terms without coming under the limitations of the amendment.

The limits of the amendment are very straightforward. It applies only to those who wish to take public financing. Those who would prefer not to limit their term to those full two terms consecutively served, could indeed not accept the public financing and be free from the limitation.

It is offered because I believe the citizens of our country simply want competition returned to their election forum. We are a nation of competitors, we believe in competition, perhaps more than any people in the recent history of the world. We believe in competition of ideas and it is embodied in our first amendment. We believe in competition in industry and business, and it is embodied in our antitrust laws that are a hallmark for the world. That gives America a more competitive atmosphere in terms of business than any nation in the world. We believe in competition in sports, and we revere it highly.

But one area where we have not had competition in the American sense is in politics. The simple fact is, incumbents have an enormous advantage. The fact is, candidates for both parties who consider running for office have far different views when they run for an office that is vacant, that is an open seat, than they do when it is filled by an incumbent.

Let me suggest to the men and women who serve in this body what the figures have been. Some will recall that in this last election only a single person defeated an incumbent. Only one new Member of this class fills the seat that came from beating any incumbent out of all the seats that were up last time.

In the House of Representatives, here are the numbers. They speak louder and more eloquently than any Member of this body could about the power of incumbency. In 1990, 96 percent of the incumbents were reelected; in 1989, 98.3 percent of the incumbents were reelected. Some will say that that is because the quality of candidates running for the House was so exemplary.

It is perhaps instructive to note that 6 of the 7 incumbents in the House that were defeated that year were under an ethics cloud. In fact, in that year you had almost as many Members of the House under indictment as you had defeated.

I do not think anyone can seriously look at the figures with regard to the reelection and not come to the conclusion that there is an enormous advantage for being an incumbent.

The founders of our Republic were concerned about it. One of the reasons that they did not act to the constitutional limit in, as has often been discussed, is that they simply never believed that the situation would develop as it has. They believed holding public office was a public service, one that was not a lifetime career, and that is really what we have to discuss here. Should serving in the U.S. Senate be a lifetime career, or should it be an opportunity that is open to competition, the competition of ideas, an opportunity that is extended to many in our society?

Mr. President, there are many who sincerely believe that it should be a lifetime career, that the best decisions are made by people who have long and extensive experience in this public body. But let me suggest that there are qualities involved in this responsibility that do not seemingly depend on how long you have served in the U.S. Senate.

Our first and foremost responsibility is that of serving the people who elect us; reflecting the public will in this body is the most important responsibility of all. I suggest that the quality of that service is not determined based on how long you have been here. It is based on how well you reflect the values, the thoughts, and the aspirations of the men and women who elect you.

I believe there is a far more reflective body if people have an opportunity not only to understand the people they represent, but be among them. We are in danger of this Nation developing a ruling class of people who believe their lifetime responsibility is running this Nation.

I think a far better solution is one envisioned by our Founding Fathers, one that suggests that the people who serve here ought to reflect the public will and the public understanding, and there is nothing more effective than earning your living in the public and the private sector toward understanding that. People who serve here and understand they will go back and live among those they represented and live under the laws they passed will be far more responsive to the public needs than if they do not.

Mr. President, none of us can look at the deficit we have in this Nation of almost $350 billion this year and not realize that something is terribly wrong with the kind of leadership path we have been on. There is no one, quick, easy solution for that, but I sincerely believe term limitation will make a difference in the quality of service and the attitude that men and women bring to service in this body.

So this amendment provides an opportunity for those who believe in term limitation, in 12 consecutive years being enough, to express it. I would prefer to have a constitutional amendment that is referred out to the States. The men and women in this Nation support this amendment; 70 percent in the polls nationwide are for term limits. This Nation has a limitation for terms for the President of the United States. This Nation, in the referendum States, is quickly adopting term limitations for State legislators, and some States have even suggested that they will apply a term limitation for their own national Representatives, both Congressmen and Congresswomen, as well as Senators, even though there is a question, I believe, as to whether or not they can do it constitutionally.

But I believe people who accept public money should limit their terms to those two full terms.

We have a chance, I think, in this amendment to set a record, to come forth and speak clearly as to whether or not we want this body to be more reflective of the will of the people, whether or not we want this body to be more competitive in terms of elections.

I remember the old sages who talk about the value of primaries and how it will help a particular Republican or particular Democrat be elected in the fall. And I always thought those who suggested the primaries were a great thing often thought that they were great for someone else, but when it came down to them they were not quite as excited about it.

Competition is tough, but it does one thing. It brings out the best in us. None of us knows our own limits and terms of abilities for performance until we have competition that brings out the most and the greatest and strongest attributes we possess.

What we suggest here is there needs to be more competition for the race to the U.S. Senate. When it is competitive it creates anxieties. It does. But it will make the body a more reflective body of the will of the people of America. I believe it will. I think competition for even more Members of the Senate is a good thing.

Mr. President, I would ask that we adopt this amendment, that we provide more competition for the U.S. Senate, and that we respond to the will of the American people, 70 percent of whom want term limitations.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

Mr. BOREN. Mr. President, I think my colleagues who are listening and staffs listening to this debate should understand exactly what is being done here.

The amendment of my friend and colleague from Colorado would not apply term limits to all Members of the Congress, as I understand it. It would apply term limitations only to those that operate under the system of campaign finance reform that is put in place by this legislation.

In other words, those Members who accept incentives to adopt a voluntary spending limit would, therefore, have to agree they would only serve two terms in the U.S. Senate. Those candidates who said no, we do not want to accept any spending limits, we want to be free to go out and raise the multimillions of dollars to run campaigns and go out and pass the hat to special interests, we want this current system which really cast a cloud over the whole institution, we want the money chase to continue, those Senators would be rewarded by not adopting a more ethical restrained approach, by being allowed to serve as long as they wanted to.

As I understand the amendment of the Senator from Colorado, it would only apply the term limitation to those Members who accepted the voluntary spending limits and, therefore, accepted the incentives that end up being provided by this bill like vouchers or lower television time costs or these sort of items. Is that correct?

Mr. BROWN. If the Senator will yield, he has accurately summarized the amendment. Indeed it applies only to those who take public money.

Mr. BOREN. Right.

So, Mr. President, with all due respect, I think the amendment, in essence, is penalizing clean governments and clean campaigns and instead, rewarding those Members of the Senate who say I do not want to raise unlimited amounts of money. I want to fight my campaigns on the issue; I want to fight my campaigns on qualifications; I do not want to try to buy an office. I think we ought to have a level playing field, so that the challengers and incumbents have an equal chance. After all, House Members, for example, are able to raise 16 times as much from special interests to run for election, almost 8 times as much in the general election.

Senate candidates are able, with the unfettered money chase, to raise three times as much as challengers. We would reward those Members of the Senate who reject good government, at least government from my point of view, who erect voluntary spending limits and say having a level playing field by saying yes, clean government does not pay, honest government does not pay, spending limits do not pay, we are going to reward those who you want to raise unlimited amounts of money and say they can serve here forever. As long as incumbents continue to outspend challengers in their campaigns, the incumbents will be able to crush them at the polls.

I think the second-degree amendment and the first-degree amendment both are really designed to penalize people who accept spending limits. That is the real issue here because we all know that we have inducements in this bill simply because the Supreme Court requires us to have voluntary spending limits and if we are going to have spending limits we have to have inducements for people to accept those spending limits.

There will be additional amendments offered on this side of the aisle to indicate that we intend to pay for any incentive not through general taxpayer financing. We have already indicated there is an option of voluntary checkoff and an option of stopping the PAC's subsidies which we now give to lobbying activities by some institutions who spend millions of dollars a year to get access to this body.

We can look at the mass mailings and newsletter costs of this institution which run over $25 million a year. That would be a way of paying for it and leveling the playing field and giving challengers a chance. There are all sorts of options that can be considered.

So really the issue is, do we penalize someone for accepting spending limits and accepting inducements to accept those spending limits? So we penalize people for agreeing not to engage in the chance to clean up the way they are going to conduct their own campaign and not have an unlimited right to go to the special interests to get that money. I believe it is true.

And it would be my own analysis of the underlying amendment of the Senator from Kentucky that only those candidates that accept the spending limits and therefore accept the incentives like lower mailing costs and other incentives that are provided would be required to have a statement on all of their ads saying they accept taxpayer money. I have already explained why it is not going to be general taxpayer money because we are not going to fund any incentives in that fashion. But that obviously is another attempt to discourage anyone, to make a negative penalty on people who do agree to accept the spending limits.

So my colleagues should understand that a vote for this amendment is a vote to penalize those candidates that agree to fight the election on issues other than who can raise the most money. It is a vote to penalize those that accept the incentives, the spending limits, to try to conduct their elections in a new fashion, or I might say really in the old-fashioned way, the way elections should be to be conducted, in this country before money became such an important element in the process.

So I would be very strongly opposed to this amendment. I hope my colleagues will read this amendment and understand both the underlying amendment and the second-degree amendment before they vote on it. At the appropriate time, not wishing to cut off any time that my colleagues on the other side might wish to debate this amendment, I will be offering a tabling motion.

Mr. President, I yield the floor.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER (Mr. DECONCINI). The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, the second-degree amendment introduced by my friend from Colorado is what I like to call the "pay-'em-to-leave" amendment. Taxpayers would have confidence that any politician who did tap into the public till would at least be gone in a few years. They would have that confidence if the amendment of my friend from Colorado were adopted.

Those who are concerned about low participation rates on the Presidential checkoff could be guaranteed that taxpayers would look forward to every April 15, when they would have an opportunity to check off a dollar for the "pay-'em-to-leave" fund. It would probably dramatically increase the checkoffs. We probably would shoot up to a 99-percent checkoff rate.

If we are going to force the taxpayers to subsidize our reelection campaigns, as we just voted to do a few moments ago when the McConnell amendment was defeated, let us give the taxpayers a little hope, something to look forward to, because they would know that any politician who accepted the public funds would soon be gone from this body if the amendment of the Senator from Colorado was adopted.

Also, Mr. President, I think it is important to point out, if spending limits really do go into effect, then we will need term limitations. I personally do not think we need term limits now, but spending limits will virtually guarantee a permanent seat for every sitting incumbent, a virtual guarantee. That is what almost every expert in America thinks. No one would ever leave because spending limits would crush the competition.

If we have spending limits, then we need the Brown amendment. It would be the only hope the taxpayers would have.

So I think the "pay-'em-to-leave" amendment is a very important addition to this debate. If we are going to impose upon the taxpayers of this country public funding of our political races, and a limitation on private participation in politics called the spending limit, then at the very least we need to have some lever, some opportunity, to get those perpetual politicians out of office.

The Senator from Colorado, I think, summed it up when he said:

> If you take the public money, you ought to give up and go home after a while, give somebody else a chance. The taxpayers will have subsidized you for long enough.

So I think the Senator from Colorado has an excellent amendment. I enthusiastically support it. It gives the taxpayers and the volunteers some hope for change sometime in the future.

Mr. President, for the moment, I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, this bill has been on the floor for several days and I have not spoken on the issue. This is probably as appropriate a time as any because this amendment really goes to the heart of why we are debating campaign finance reform.

It is my personal belief that the American people have lost more respect for our political system in the very recent past than at any time in the history of the country. And I think the loss of that respect, among other things, is caused by the fact that people realize that money is driving the system.

When a U.S. Senator has to raise $12,000 a week for every single week of his 6-year term in order to have enough money to run an average campaign for the Senate, there is something seriously amiss with the system.

The bill that is before the Senate by the Senator from Oklahoma and the leadership on this side, in my opinion, falls far short of what needs to be done. But it is light years ahead of the proposals on the other side.

I personally believe that this sort of surge of interest in limiting terms of politicians is a manifestation of the increasing contempt people have for the system and the people who are running it. And, Mr. President, I am very strongly opposed to that. If the people of the country and the people in my State want to vote to limit terms, I think they ought to have a right to do it. It is not going to affect me. I am not going to have a dog in that fight. The man who was pastor of my church used to say, "Don't run past more than you want to catch up to."

If we ever adopt a constitutional amendment in this country limiting terms—as is proposed by a lot of people—it will be a very short period before the American people will realize that they have made a very big mistake. This craze for two-term limits is a manifestation of their contempt for the system and those who are running it—and it is misdirected. Their venom, their hostility, and their contempt ought to be directed at the way we are financing campaigns in this country.

We are the only nation on Earth that finances campaigns in such a bizarre way. One of the best Senators, in my opinion, ever to serve in this body, certainly one of the finest Senators I ever served with, announced several years ago he was not going to seek reelection. This was troubling to me because good men and women are hard to find and when I see one leave while still relatively young because of his disenchantment and dismay, that just makes it even more troubling to me. I asked him, "Why are you leaving? We need Senators like you."

He said,

> I am leaving for three reasons. No. 1, I am tired of laughing at things that are not funny; No. 2, I am tired of answering hate mail; and No. 3, I am tired of going around with my tin cup out.

I do it. We all do it because that is the system we have to live with. Whether you like it or not, you have to live with it. And I want to say I am an unabashed proponent of public financing.

The majority leader made a very cogent point this morning that people who are preying on the American public's fears that somehow or other you are going to get in the taxpayers' pocketbook to finance a campaign have seen absolutely nothing wrong with taking over $200 million in public funds to finance Presidential races.

What kind of double standard is this we are using? I daresay the people who are raising the bogeyman about public financing today raised the same specter when the law was passed to publicly finance Presidential races. The truth of the matter is that the reason we cannot get anything meaningful done with campaign finance reform is that people like it just fine the way it is. And one of the reasons they like it just fine the way it is, is that it favors incumbents unabashedly; nobody would deny that.

If we pass the bill that is before the Senate, we are going to be giving incumbents a lot less advantage than they have had in the past. That will at least allay some of the concerns and some of the drive for this two-term limit we hear so much about. If we adopt some of these amendments on the other side—and thank goodness we have just defeated one by my good friend, the distinguished Senator from Kentucky—if we adopt amendments like that, we are just saying not only do I love it, I want more of the same.

The amendment of my good friend from Colorado, which would say if you accept any of these television vouchers or anything dealing with public money you must also agree to limit yourself to two terms puts things in reverse.

What we ought to say is if you are not willing to accept limits on the amount you are going to spend in your campaign, if you are not willing to sign an agreement that you will live with the limit—then you may only serve a limited number of terms. This amendment punishes people; it punishes people who are trying to reform a system that is broken and desperately needs fixing.

As I pointed out a moment ago, I have heard so many arguments on this floor designed to scare the American people, saying those Democrats are trying to get in your pocketbook to finance their own campaigns, it is social welfare for incumbents. The American people at some point—and I think I have witnessed this movement over the past 10 years more than at any other time—the American people are going to demand public financing of campaigns. You are just skirting around the edges, even with the bill of the Senator from Oklahoma. Senators are still going to have their tin cups out. They are still going to have to demean themselves by going out and pleading with everybody they know, especially friends, for money.

I think I have about all I want to say. This amendment of the Senator from Colorado is a rather perverse idea. To say if you really want to fix the system and you are willing to live with campaign spending limits, we are going to penalize you—is perverse. If you believe you ought to be able to go out and raise all the millions of dollars you want in order to make sure that some challenger out there—like DALE BUMPERS in 1970, a country lawyer nobody ever heard of—will never have a chance, you should vote for this amendment. I confess freely I could not do today what I did in 1970. I think I spent $75,000 in a Democratic primary with eight people in the race and $50,000 of that was my brother's and sister's and mine.

Do you know what $75,000 will get you in a Democratic primary in Arkansas today? It gets you about 1 week's television prime time on evening news. And when the week was over, there would not be enough people in the State who knew who you were to amount to a hill of beans. It is out of control. Everybody knows it is. Yet there is this reluctance to do anything which would diminish the clout of the incumbents in this body, and I certainly urge my colleagues to vote against this amendment, which can only be described as perverse.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, this amendment would require any candidate for the U.S. Senate who receives what is described as a benefit to limit himself or herself to two terms in office.

The argument has been advanced by the Senator from Colorado and the Senator from Kentucky that if a candidate for the Senate is subsidized with public funds that candidate ought to limit himself or herself to two terms in office.

This amendment would have a lot more credibility if, to be consistent, the Senator from Colorado and the Senator from Kentucky would immediately pledge to limit themselves to two terms because their activities are now heavily subsidized by taxpayers. Every single dollar paid to their staffs is taxpayers' money. Every trip they make back to their States is paid for by taxpayers' money. Every letter they send out is paid for by taxpayers' money. Does anyone doubt that that is a benefit to incumbent Senators in election campaigns? Of course, it is. So if the Senator from Colorado and the Senator from Kentucky mean what they say, that a candidate for the U.S. Senate who receives a benefit from public funds ought to limit himself to two terms, then, to be consistent, they should stand up right here and now and pledge to limit themselves to two terms in the Senate because they receive enormous, millions of dollars of taxpayer benefits.

Indeed, I ask the Senators if in fairness they ought not to publish in the CONGRESSIONAL RECORD a list of all of the taxpayer subsidies they have received since they have been in the Congress and let voters then judge for themselves.

Is there an American voter, is there a person in this Senate, is there a person in this country who does not know that those subsidies, while necessary to the operations of a Senator in office, are a political benefit to the Senator? Of course, they are. We all know that. We all benefit from it.

Mr. COCHRAN. Will the distinguished Senator yield for a question on that point?

Mr. MITCHELL. Might I just finish my thought momentarily, and then I will be pleased to yield.

So I ask the Senators, if this amendment is to have credibility, if it is to have meaning, if we are to know the supporters really mean what they say, really believe in the principle they are advocating, then I invite those Senators to demonstrate that by standing up and saying, yes, I receive taxpayer subsidies; I receive public financing; it is of a benefit to me, and since I believe so strongly in the principle, I will, therefore, limit myself voluntarily to two terms in office. Then the Senate would have to think long and hard about this amendment. But unless and until they do, I think this amendment ought not to be taken seriously.

Mr. COCHRAN. Mr. President, will the distinguished leader yield for a question?

Mr. MITCHELL. Yes.

Mr. COCHRAN. On the point he makes about the issue of the value of incumbency, the benefits we all get from the franking privilege, having access to television coverage of the work we do, travel allowances back to our States to talk about the representation we are providing to our constituents, none of which, of course, a challenger would have available to him in preparation for a campaign for the Senate—as a matter of fact, it is my understanding that about $9 million is the average dollar value of all these benefits to an incumbent Senator during a 6-year term. So would the distinguished leader agree it would be appropriate then to establish a spending limit if the Democrats are anxious to have limits that would be higher for a challenger than for an incumbent? And if the distinguished leader would answer in the affirmative, I would invite him to cosponsor an amendment I am going to offer following the disposition of the pending amendment that would write that into this substitute which has been offered by the Democratic leadership.

Mr. MITCHELL. I thank the Senator for his comment, and I will consider his amendment. I am not familiar with his provision. But I will just say this. Raising the limit for challengers will be almost meaningless since the overwhelming majority of challengers in Senate elections in the past decade have spent much less than what the limit would be. So that effectively the limit is the single most meaningful way to equalize the contest between incumbent and challenger.

Most incumbents spend much more than the proposed limit. Most challengers spend much less. Imposing a limit, therefore, has the effect of reducing the amount the incumbent spends, narrowing the gap between incumbent and challenger. Simply raising the limit does nothing for the challenger since the overwhelming majority of them cannot raise enough money to get to the limit.

The way this bill addresses it, in what I believe to be an effective fashion, is to provide broadcast vouchers of up to 20 percent of the limit so every challenger knows that for up to 20 percent of the limit, he or she can get on television in his or her State, which is really the way to equalize it. Then, even though the incumbent will still, in most cases, outspend the challenger, the challenger will have that minimum threshold of television necessary to mount an effective campaign.

But I will review the Senator's amendment at the appropriate time.

Mr. COCHRAN. Mr. President, I thank the distinguished leader for his response and I invite him to cosponsor my amendment which will improve the chances of a challenger, particularly given the value of the 6-year incumbency in dollar terms.

Mr. MITCHELL. Might I inquire of the Senator from Mississippi if he might be disposed to support the bill if his amendment is adopted?

Mr. COCHRAN. I will be giving it much more careful consideration than I otherwise would have.

Mr. McCONNELL. If the leader will yield for an observation.

Mr. MITCHELL. Yes, I yield.

Mr. McCONNELL. I believe I heard the leader correctly in saying the office accounts, as he put it, are necessary to the operation of the office of the Senator. I would argue that taxpayer financing of campaigns is not necessary to the operation of the office of Senator.

Clearly, there are some advantages of incumbency. But to put staffing of our offices, which, as he put it, are necessary to the operation of office of Senator, in the same category as providing public funds for political campaigns, to me, with all due respect, seems to make no sense.

Mr. MITCHELL. I respect the Senator's point. I will be pleased to hear from the Senator from Colorado. But I will just say to the American people, anybody who is waiting for a Senator to stand up and voluntarily limit himself or herself to two terms, even those who here propose an amendment advocating that in certain circumstances, ought not to hold their breath.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, I think it is appropriate to know that the only other Federal race in the country publicly funded does have term limitations. So there is a precedent for the position of the Senator from Colorado. The President of the United States is limited to two terms. Those races are publicly funded.

I do not think this concept the Senator from Colorado has put forward is all that unheard of. We have a precedent already.

I must say, I do not like the Presidential system. We will have an opportunity later in this debate to vote to get rid of this Federal program. But there is certainly some precedent under the existing system of elections in this country for something similar to what the Senator from Colorado has suggested.

Mr. MITCHELL. Mr. President, if I might—and I want to permit the Senator from Colorado to respond—I would like to make a point on that. Lest there be no misunderstanding, the two are not related in American history. The term limitation was established long before public financing was established, and it was not the reverse. So there is no suggestion, and I know the Senator from Kentucky did not mean to suggest this, that in the Presidential race, when we adopted the public financing, we said then we will have term limits as a result. We had term limits for Presidents long before we got to public financing.

Mr. McCONNELL. The Senator from Kentucky was not suggesting the two are related. But the fact of the matter is, in the one race where there is a public subsidy, there is a term limit. They were not enacted together, but there certainly is some similarity.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I thought the distinguished majority leader made a very thoughtful point. His point, if I can summarize it, was basically if you believe so strongly in the term limitations, would you, indeed, be willing to follow the example you are suggesting for others. That is a fair point and I think a reasonable question to be addressed.

Let me ask the distinguished majority leader if indeed I would agree to that right now, here on this floor, would the distinguished majority leader be disposed to support this amendment?

Mr. MITCHELL. Absolutely not, because I am opposed to term limitations independent of this amendment. I said so publicly. I think it is a mistake, wholly independent of public financing. So if I were advocating term limitations for others, I would then say, in order to be consistent, I should advocate them for myself.

I do not dispute the validity of those who seek term limitations. That is a reasonable point of view, one which the Senator from Kentucky pointed out has some precedent in American history. But what I think is inconsistent is for someone to advocate term limits for others but refuse to apply them to himself or herself.

I believe my position is consistent. I am against term limits, period. If the Senator from Colorado is for them, under certain circumstances for others, then I think he should stand up and apply them to himself.

Mr. BROWN. Mr. President, the distinguished majority leader had raised my hopes dramatically when he indicated an interest in knowing my position on this, with the suggestion that he might take the amendment far more seriously. I certainly value the support of the majority leader and would like very much to have his support on this issue. Thus, I certainly wanted to respond to that invitation.

Let me suggest that should, indeed, this amendment pass, and we pass public financing, I would certainly abide by the two-term limitation, whether or not I took public financing. Indeed, if we passed it and put it into law to limit terms for those who took public financing, I would certainly want to abide by that. But it does raise an important point that I hope will not be lost on those who listen to this debate and those who consider their decision.

The simple fact is that there is an enormous advantage for incumbency. You do not have to look at the results of the House of Representatives races to see that. Everyone knows that. You do not have to look at the results of the Senate races last time, where only one incumbent was displaced out of all of those up for election. Everyone knows that.

I think the distinguished majority leader made a very valid point earlier in the debate when he pointed out there is enormous value, in terms of electability, to the funds that the Government provides these offices. The distinguished Senator from Mississippi had noted that that average is somewhere in the neighborhood of $9 million a year, I believe.

Mr. COCHRAN. For 6 years.

Mr. BROWN. Over a 6-year term, $9 million. I would certainly, at least in my own thinking about it, think that you cannot possibly use a $9 million figure to describe the political advantage. Certainly, a signficant portion of that goes to servicing the men and women of the State in a way that may not have any political advantage at all. But there is no question that there is an enormous public contribution, as the distinguished majority leader has pointed out.

I believe, with no question, that there is an enormous advantage to incumbency. Now, the focus of public financing quarantees an incumbent an additional safety factor. It says nobody is going to outspend you. Let us get the formula straight. You have an enormous inflow of public money that provides an advantage for an incumbent. Now we come along and say incumbency protection is not strong enough. We are going to pass this bill which says that any incumbent cannot be outspent, if you are talking about public funding.

Think what this means. It is incumbency protection to the nth degree. What this amendment does is a very simple, straightforward thing. It simply says if you are going to take public money, if you are going to force the taxpayers to pay for your election campaign, at least you will agree to limit yourself to two full consecutive terms.

That does not mean you cannot run for the Senate again. You can. But it does mean you cannot use the advantage of the Senate incumbency to run for the Senate at that time. Many have strong positions, as has been pointed out on this, and I respect that. But for the men and women who are listening to this debate, and those who are not decided, I hope they will consider these factors:

First, incumbency is an enormous advantage. I do not think that is disputed. In fact, of all the people pro and con on this amendment that have risen to speak, no one has disputed that fact.

Second, providing public financing in a format that makes it unlikely anybody can outspend you is a further advantage for incumbency.

Third, if we want competition or, as the distinguished Senator from Oklahoma had said earlier, "a level playing field," you will want competition for these Senate seats. We have built in enough advantages for incumbency. It is very difficult to ever beat anybody who is an incumbent.

If you want competition, if you want a level playing field, you are going to be for this amendment, I believe. If you do not, if you like incumbency, if you do not want competition, you are probably going to have some good service.

The distinguished Senator from Arkansas earlier had mentioned how difficult and painful—it is my term, not his—it is to go out and raise funds. I believe it. It is painful. It is difficult. Speaking personally, it is unpleasant.

But if you believe in what you have come here for—and I believe all the distinguished men and women who are here today believe in what they came here for—you do it. You do it, in the terms of the distinguished Senator from Arkansas, because you have to, because it is the system.

But let me suggest one reason why it is so unpleasant. It is competition. You have to convince someone that you are worth supporting over another candidate. Competition is not sold on the basis that it is enjoyment. It is not. Competition is not sold on the basis that it is pleasant for incumbents. It is not. Competition is tough. It is rigorous. It is demanding. It is tiring.

But what competition does do for this Nation is bring out the best in us. Competition does help people decide who will be the most vigorous, ardent advocate for them, and who will be the most effective.

This is a procompetition amendment. I believe competition brings out the best in this Nation, and I believe it will bring the best ideas to the Senate. That is what we are really talking about.

Two quick things. From our Founding Fathers, let me quote to you a letter from Thomas Jefferson. Thomas Jefferson was inclined initially to even oppose the constitutional draft that had come out. One of the reasons he gives is this: "The second feature I dislike," quoting from his letter to James Madison, "is the abandonment in every instance of the principle of rotation in office." Thomas Jefferson believed in rotation in office. He believed in new and fresh ideas coming into the legislative bodies of this Nation—again, because competition is so vital for the preservation of democracy.

Second, I might mention to the Senator from Oklahoma, who spoke earlier, I think it is worth looking at how the people and the voters in Oklahoma feel. Oklahoma was the first State in the Nation to pass a version of term limitation. That provision was put on the ballot by gathering over 200,000 signatures in the State of Oklahoma. Question 632 on the Oklahoma ballot stipulated a 12-year limit on every legislator's term. Incidentally, that is the same number of years we are talking about for the Senate.

The question passed in Oklahoma 436,347 in favor to 212,318 against—68 percent in favor.

That measure was on the California ballot. It was on the Colorado ballot, and passed. The polls indicate the American people by 70 percent favor term limitation.

I ask the men and women who will vote on this issue to consider one thing. The vibrance of our democracy, I believe, depends on the fresh ideas that flow to this Chamber, depends on the competition that evolves in choosing Members of this Chamber.

If we adopt a system of public financing that eliminates the potential, or reduces the potential of challengers outspending incumbents, or equalizing the money they have at Government advantage to spend on their campaigns, we will dramatically reduce competition for this Chamber.

I believe that reduction in competition will destroy the quality of representation here, not in terms of the quality of people—the people who serve our country from both parties in this Chamber are enormously qualified—but in terms of the quality of competition and ideas that are brought to this Chamber.

I believe the kind of procompetition idea that this amendment represents is one that will benefit this Nation.

Mr. President, I reserve the remainder of my time.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, this question has been and still is a constitutional amendment to limit terms on how long people should serve in this body and in the House of Representatives. I have introduced constitutional amendments to create term limits. I have learned since I have been here 14 years that the chance of passing such amendment is about zero. The best chance I have ever had was when 12 Members cosponsored the constitutional amendment. The best time with that was the last year of service of my distinguished colleague, Senator Goldwater, when he became a cosponsor of that amendment.

I was able to convince the then Senator from Indiana, the chairman of the Constitution Subcommittee, in 1978, to let me hold hearings on the subject matter of limiting terms. But he made it very clear to me that the bill was not going anyplace. And indeed, it did not, although we had a good debate in the hearing process.

The fact that there is a difference on term limitation is a healthy thing. I hope someday we can debate an amendment on that. But that is not what we are really talking about, in this Senator's judgment, with all due respect to what the Senator from Colorado is proposing.

What I think he is trying to do is muddy the water and make it as complicated as you can to confuse any campaign finance reform that would bring some sanity to this awful situation in which we all find ourselves. Whether it is Republicans or Democrats, whether they support this amendment or support this bill or not, all agree on one thing: That the system is really messed up and that we have to spend too much time raising money; that the perception is not good, and in fact we need to do something about it.

So we get down to this big pool where we stir things around for a long time trying to come up with something. I am like the Senator from Arkansas. This bill is not the bill I introduced for campaign reform. The bill I introduced does not have anything to do with limiting terms. It limits how much you can spend and how much you can take in, and it makes it voluntary because you cannot do anything else with the Buckley versus Valeo decision unless you have a constitutional amendment.

On that subject matter, I think the Senator from South Carolina [Mr. HOLLINGS] has the best approach. We cannot seem to pass that. That is the constitutional amendment authorizing the Congress of the United States to regulate Federal elections in any way it wants to. But short of that, we are here and now talking about whether we are going to pass something that would put some limits on spending, or are we not going to pass something that creates some limits?

We have these amendments continuously offered. The amendment pending here, by the Sentor from Colorado, in my opinion, and the underlying amendment even more so, are amendments that are trying to divert the attention of this body from what we are trying to pass here. If we want to bring some sanity to this effort of running for office every 2 years, every 6 years for each Senator, but a third of us running every 2 years, spending an average of $4 million now and some as many as $16 million or more, we have to create some limits.

I have never had trouble raising the money. I have worked hard. You can raise the money as an incumbent. I do not know any incumbents in this body today who cannot raise the money when they run. They have to work for it. As the Senator from Colorado says, that is competition. That is well and good, but you know how much time you put into raising money. Each of us do. You do not just raise it the last 2 years of the cycle that you are up for reelection. You do it at least 3 or 4 years ahead of time to raise that kind of money.

So what are we going to do? Are we going to continue to favor the incumbent? That is the way the process is now. The proposal before us, S. 3, lets a challenger have an equal amount of money if he can raise it and it sets a limit at an amount which someone can raise. In my State I believe it is about $1.9 million. That is a far cry from the $4 million that I would have to raise in 1994. It is a far cry from what I raised and spent in 1976, a mere $600,000. I was the challenger. I was running against a 10-year Member from the House of Representatives, who raised about $1.8 million.

I spent it all. I raised $600,000, and about 20 percent of that belonged to myself and my family. We were lucky I guess. I was elected.

But this was not fair, in my opinion, from the challenger's point of view, as far as how much money could be raised. I worked hard. I was darned competitive. I am sure my opponent at the time was competitive in raising money, and raised it just like incumbents can raise it here.

So if we adopt the amendment of the Senator from Colorado today by limiting terms if you take public financing, as I understand that amendment, we are really mixing apples and oranges. We are not talking about a campaign reform law that is going to do something positive to improve this whole gosh-awful process that we find ourselves in. Then if we go to the underlying amendment of putting a disclaimer on the use of television, radio, what have you, that it is paid for by taxpayers' money, that is purely punitive. That is purely to set aside people here and give them as excuse, give them a reason for not supporting some campaign limits on what would be spent in any Senate campaign. That is what we are talking about here.

I have the greatest respect for the Senator from Colorado and the Senator from Kentucky for what they have offered here, but I think the time has come when the debate should end and we should get on with some public campaign reform that would include, in my case, a modest public financing provision and not penalize—not be punitive to someone who is going to participate on a voluntary basis.

What does it do? It levels the playing field to give an equal chance to a challenger, who does not have that office of incumbency and the $9 million equivalent that the Senator from Mississippi says we have by virtue of our duty and our job—we cannot help it. We cannot just say do not pay us, do not pay our travel, do not do anything for the last couple of years or the whole 6 years we have a job to do. That benefits us. No question about it. But challengers get a chance under this bill because they have a chance two ways. No. 1, there is a limit on how much an incumbent could spend. Believe me, that is going to curtail the activities of incumbents substantially. They may do more work on the Senate floor, and in committees, which would be very good, but they are going to have more time because they are not going to be raising that average $4 million, and in many States more, in each cycle to try to run for office.

They are going to have to pay attention to that limit, and they are going to have to compete, as the Senator from Colorado says, based on the limit that is also applicable to the challenger, and the challenger now has a chance. He does not know he has to raise today because, if he knows anything about the process, he knows that, if he is running against an incumbent, that incumbent is going to raise the money. If I run in 1994, and I have to have $4, $5, $6 million, I will raise it. It will be hard, but I will raise it just like I felt I had to have $3.2 million this last time. I raised it. My challenger could not raise it. I do not think that is a good system.

I think my challenger would have been much stronger against me in my last race had he had something like this in which he could have participated, raised the threshold, and then have had some modest public financing. That would not have been good for me because I won by 58 percent, and I am very pleased with that. Maybe I would have won by 52 or 54 percent; maybe I would have lost. That is competition, having a level playing field so one party, mainly the incumbent, does not have a huge amount of money where a challenger really does not have a chance.

Mr. BROWN. Will the Senator yield?

Mr. DECONCINI. Yes.

Mr. BROWN. The distinguished Senator from Arizona just made an excellent point about how valuable it would be for the process to have a level playing field. Let me ask him his thoughts as to how he would compensate for the advantage of the incumbents, the $9 million over the 6-year term that would apply. How, in this system, would he adjust for the advantage the incumbent has with all of that public money going into his or her office?

Mr. DECONCINI. Some of that we have already attempted to do by limiting the franking privilege, the mailings. It is 6 months now; it was 90 days when I ran in the general election. I believe we changed that. That is a proper thing to do, to limit some of that. I think it also is proper to create other restraints.

On the other hand, from the fact that you are a Senator, and you are running for office, you have a couple of jobs at that time, one as a candidate to get reelected but also to represent the people. You cannot take that away from an incumbent. He or she gets certain benefits from that job, purely doing the job of a Senator—not politicking to get reelected, but just doing the job by coming here and voting, by doing your correspondence, by doing your research, and by doing your committee hearings. I do not think you can dismiss that. When I say what we are trying to do on this side with this underlying S. 3 is to provide that challenger with some understanding that that guy who is the incumbent can only spend this much money. With all the other good things he has, he cannot go out and spend an unlimited amount. In my judgment, that is a better situation than what the Senator is suggesting.

With all due respect to the Senator, I understand where he comes from on term limitation. I compliment him, and look forward to working with him on that situation. I think we ought to divorce these two issues, and not include term limits in this debate.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, the Senator from Arizona was talking about the disclaimer amendment of the Senator from Kentucky. I respectfully remind him that in the underlying bill the following disclaimer appears: For anyone who does not want to take public money and limit speech, he has to put in his television and radio ad that they have not agreed to abide by the spending limits—as if it was some kind of criminal act to speak as much as you want to in the United States of America. That is in S. 3.

It seems to the Senator from Kentucky not inappropriate, if we are going to have a disclaimer, to tell the truth. The Senator from Kentucky says that the preceding political advertisement was paid for with taxpayer funds. That is the truth. That is what disclosure is about. It is to disclose how the ad was paid for.

Today in our disclaimers it says: Paid for by the so-and-so committee, Sam Brown, treasurer. That is who paid for it.

It seems not inappropriate, then, in terms of truth and disclaimers, to say that the preceding political advertisement was paid for with taxpayer funds.

I understand that there may be a motion to table. I was hoping that we could have an up-or-down vote on not only the amendment of the Senator from Colorado, the second-degree amendment, but mine as well. It may be denied us. I was hoping we might have a chance to vote on both of these measures on the merits. It seems to me that they are very important, an inextricable intertwining of this whole suggestion about how to conduct elections in this country. We are required today to put almost the exact same disclaimer on franked mail. Today the disclaimer says: This mailing prepared and mailed at taxpayer expense.

If we are proud of public funding—and there are some on the other side, and I commend them for it, who said they think it is a good idea to have the taxpayers pay for our campaigns—let us own up to it. There will be an amendment later today to fully fund congressional races. That is, in my view, an honest approach. If that is what you really want to do, why not face the music, lay it out there for the voters to see, and discuss it openly.

My amendment simply says that if you are going to take taxpayer money, you ought to be willing to tell the voters that you did it; that they are paying with their tax dollars for your commercial. It seems to me that that is what disclosure is about.

The disclosure underneath in S. 3, in the basic bill, is an outrage. It is unconstitutional, by the way, and I do not use that term lightly. Last week in the Washington Post I submitted an op ed piece on the constitutionality of this whole bill. One of the features that is clearly unconstitutional—not in a gray area in my view—is this disclaimer in the underlying amendment which seeks to imply that you have done something wrong if you have rejected public funding and gone out to see how much support you could get from individuals in limited and fully disclosed amounts. That is not doing anything wrong. You have a right to do that, the Supreme Court says, under the first amendment. You have a right to do that. You have done nothing wrong.

So I think we ought to have a truthful disclaimer, not one that is unconstitutional and one that also seeks to imply that if one accepts private donations rather than public funds and agreeing to limit speech, that he is somehow a criminal or something.

Mr. DURENBERGER. Mr. President, I rise today to briefly explain my reasons for voting to table the amendment offered by my distinguished colleague from Colorado, Senator BROWN.

I support the idea of term limitation. In the past, I have cosponsored a constitutional amendment to limit the terms of Members of Congress to 12 years in the Senate and 12 years in the House of Representatives. However, I cannot support the measure that is before us because of its inconsistent application of term limitation.

The Brown amendment would require candidates who voluntarily abide by the spending limits to agree to spend only two terms in the Senate, while candidates who refuse to comply with the limits would be able to run for as many terms of office as they like. Candidates who believe in improving the campaign process by limiting their spending would leave the Senate after two terms. But millionaire incumbents who finance their own campaigns would stay in the Senate indefinitely.

I cannot support a measure that would make candidates who reject spending limits the most powerful Members of the U.S. Senate. I do hope that we will have an opportunity later to address the issue of term limitation in an appropriate form—a constitutional amendment that applies to all candidates equally.

Mr. WALLOP. Mr. President, I will take only a moment of the Senate's time today to express my support for the amendment offered by my friend from Colorado, Mr. BROWN.

This amendment is described as a term limitation amendment, but it is really both more and yet significantly less than that. The issue of term limitation can be debated politically and philosophically, and the debate would no doubt be prolonged, and perhaps even at times profound.

This debate, on the other hand, is really about taxpayer funding of Senate campaigns.

We all understand the advantages incumbency provides in a campaign. To add taxpayer funding of campaigns to the natural advantages of incumbency is, to use a familiar sports analogy, piling on by incumbents. The advantage of incumbency plus taxpayer funding of campaigns would make it ever harder for challengers to have any chance of success.

Moreover, the argument can be made, and this Senator would argue, that if candidates for the Senate are prepared to take money from Americans to finance their campaigns, they should agree not to continue campaigning at the taxpayers' expense for campaigns without end—at the very least they owe an agreement to limit the number of campaigns they will run with their hands in Americans' pockets.

We have in the course of considering this bill debated taxpayer funding of campaigns in a number of ways. The Senate has in effect voted to exchange our fundamental constitutional rights for access to taxpayers' pockets to finance our campaigns. The perfect example of that is the Senate's vote to require that Presidential candidates who accept Federal campaign funding participate in four campaign debates; in effect exchanging the Constitution's guarantee of free speech for taxpayer subsidized compelled speech.

This Senator could argue the issue of term limitation as a political or philosophical debating point. But that is not what we are about today. We are voting on how much control we think we can get away with exercising over the political process by the dangling carrot of taxpayers' dollars.

We owe Americans at least the simple knowledge the their subsidies will be generously shared with a variety of candidates and campaigns—the agreement that when we fund our political careers at their expense, we will at least do so only for a few terms.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 12:30 p.m. Senator BOREN be recognized to make a motion to table the Brown second-degree amendment, that following the disposition of that amendment Senator BOREN be recognized to make a motion to table the underlying McConnell amendment, and that upon the disposition of that amendment Senator BOREN be recognized to make a motion to table the Cochran amendment.

I further ask unanimous consent that no amendments be in order to the Cochran amendment or to the underlying McConnell amendment, and I ask unanimous consent that the McConnell and Brown amendments be laid aside and that Senator COCHRAN be recognized to offer his amendment with no amendments to be in order thereto and with the time between now and 12:30 to be equally divided in the usual form between Senators COCHRAN and BOREN and that it now be in order to request the yeas and nays on all three measures.

The PRESIDING OFFICER. Is there objection to the series of requests by the majority leader?

Without objection, it is so ordered.

Mr. BOREN. Mr. President, I request the yeas and nays on the three amendments.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

AMENDMENT NO. 256

(Purpose: To ensure competitiveness in Senate elections between incumbent Senators and challengers by establishing general election spending limits for challengers at 150 percent of the limit for incumbent Senators)

Mr. COCHRAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 256.

At the appropriate place add the following: "Notwithstanding any other provision of this Act, the general election spending limits which apply to candidates seeking election to the Senate shall be increased by 50 percent for any candidate for any Senate seat, if the candidate is not a sitting Senator and if the candidate is opposed in that election by a sitting Senator.

Mr. COCHRAN. Mr. President, the spending limits in this bill are unfair. Very simply, because the proposed spending ceilings are identical for all candidates, incumbents and challengers, that is unfair to challengers. It is advantageous to incumbents and if enacted would represent another barrier to competitive elections for the Senate. Under these limits it is almost certain that no challenger will be able to spend more than an incumbent.

By proposing equal limits for challengers and incumbents the Democrats seem to be suggesting that all candidates start a campaign on an equal footing. They are telling potential challengers that in this debate the spending limits will actually help them. They are saying it right here in front of these taxpayer-funded television cameras and under the bright lights of national cable television. No challenger has access to these resources.

They are saying it in press releases and op-ed pieces written by staffers paid by the Federal Government, faxed to the media with Government machines and on the Government's telephone bill. In franked mail, in newsletters, in radio actualities the Democrats are saying spending limits will make elections more fair. And just to make sure the voters know their incumbent Senator is working to help them he will fly home at Government expense and travel around his State at Government expense and tell them so.

Mr. President, all of us, Republicans and Democrats, benefit from the advantages of incumbency. Every one of us starts every race with advantages that would cost the challenger hundreds of thousands to millions of dollars to duplicate. This fiscal year the Members of the U.S. Senate will collectively spend an estimated $437 million of taxpayer funds to carry out their official duties. We cannot know how much of that money is politically helpful to us but we do know how much benefit our opponents get, none, zero.

The Democrats point to the fundraising advantage that incumbent Senators enjoy but the large advantage is incumbency itself. Incumbents start their campaigns with a huge advantage.

How can we set spending limits which are the same for ourselves and for our challengers and say that is fair? In fact, the question we should be asking is how much more than the incumbent should the challenger be allowed to spend under this bill? Two times as much, three times as much? It is not surprising that the Democrats who advocate spending limits have failed to raise this question but it is a question they should be called on to answer.

Mr. President, if you compare the Senate office expense for incumbent Senators and the average campaign expenditure, it is very illustrative of the problem I am trying to discuss. Over the course of a 6-year term, incumbent Senators already receive a subsidy from the taxpayer that is nearly 3½ times larger, than the average Senate campaign expenditure in 1990. If you add the average clerk hire, office expense allowance, and franking privilege funds for a Senator over a 6-year term, that amount comes to $9.90 million.

If you want to know the average cost per year it is $1,515,000. If you look at the average expenditures by candidates in a Senate election in the 1990 races it was $12,611,000.

Now the bill proposes to limit spending by incuments and challengers to incumbents and the advocates, those who are sponsoring the Democrat leadership bill, say the limits will make elections more fair by keeping incumbents from outspending the challengers by as much as they do now.

But if you look at the real facts, Mr. President, the average expenditures from the 1990 election cycle suggests that incumbent spending will not be threatened by these limits, and so the argument made a little bit ago by the distinguished majority leader that these spending limits are somehow going to balance everything more fairly between incumbents and challengers is just off the mark because the average limit proposed in S. 3 is $3,674,000. The average 1990 incumbent spending experience was $3,544,000. Is it not interesting that the average limit just happens to be slightly above what the average incumbent is now spending on his reelection?

The fact of the matter, Mr. President, is that spending limits as proposed by the Democrats will guarantee a Democrat-controlled Senate in perpetuity. That is why the Republicans are so opposed to that part of this bill. It is not because we are in favor of runaway spending, it is not because we do not want to see more competition and parity in the election cycles.

And so, to make that perfectly clear, and to put people on record on that issue I am offering this amendment, Mr. President, the purpose of which is to insure competitiveness in Senate elections between incumbent Senators and challengers. It will establish a general elections spending limit for challengers at 150 percent of the limit for incumbent Senators. So it is acknowledging, as everybody seems to be doing today, the incumbents have a greater advantage in the election cycles than challengers.

At least this gives a chance to those proponents of the bill to say they mean what they are saying and they will vote to enlarge and increase the spending limits for challengers and thereby give them a better chance, at least a fairer chance of being able to compete for a seat in the U.S. Senate when they are facing an incumbent Senator.

The PRESIDING OFFICER (Mr. GORE). Who yields time?

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Kentucky.

Mr. McCONNELL. Mr. President, I rise in support of the amendment of the Senator from Mississippi. Once again he is right on the mark.

Look at the few lucky challengers who have beaten a Senate incumbent in the last five election cycles. There have been 17 of them in the last 10 years.

Of those 17 successful challengers, only 2 outspent the incumbent. Most of them spent millions of dollars less than the incumbent.

But 11 of those 17 challengers spent more than what the spending limit would have been in their State, if S. 3 had already passed; 11 out of 17 successful challengers.

One of those challengers has since been defeated—by another challenger who spent more than the S. 3 limit for his State.

That means there are now 10 Members of this body who might not have made it here if S. 3 had been law when they were running.

Every challenger needs to spend a threshold amount to establish name identification, point out weaknesses in the incumbent's record, and promote his own ideas.

Challengers do not need to spend more than the incumbent, although it would be helpful, but they do need to spend that threshold amount.

If a challenger cannot raise that much—or is prohibited from spending that much by a bill like S. 3—he or she becomes noncompetitive, and the incumbent can sail right through election day.

What is that threshold amount? No one knows. In fact, no one can ever know because it differs from candidate to candidate.

Some challengers are sitting Governors. Others are unknown professors. Some have the advantage of party registration behind them; others do not. Some face popular incumbents; others are running against incumbents with publicized ethical problems.

No two challengers are alike. That is why it is absurd to pretend that spending limits will ever be designed in a way that truly benefits challengers—especially when a group of incumbents is designing them.

So the Senator from Mississippi, by allowing the challenger to have 150 percent of the spending limit of the incumbent, at least moves in the direction of trying to cure this inequity which would be perpetrated by the passing of S. 3.

There is not an expert I have been able to discover anywhere in America—and I have spent a number of years looking for them—who believes that spending limits do anything but help incumbents. We have been sitting here for days listening to the argument on the other side that spending limits help challengers. Nobody thinks that outside of this body. None of the professors think that. None of the experts think that. Nobody thinks that other than those on the other side of the aisle that have been saying it. It is like saying an apple is an orange long enough makes an apple an orange. It is just not true.

So the amendment of the Senator from Mississippi deals with a real problem, which is that a challenger needs to have the opportunity at least—some may not be able to reach that far—but needs to have the opportunity to do more than the incumbent if you are going to have a system of spending limits.

So I commend the Senator from Mississippi for his amendment and enthusiastically support it.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for up to 2 minutes and 20 seconds.

Mr. BROWN. Mr. President, I rise in support of the amendment by the Senator from Mississippi. It seems to me the distinguished Senator has brought a focal point to our debate before us. The simple question is, can you have a fair race if one runner starts off 50 yards ahead in a 100-yard dash? There is not anybody in sports anywhere that would think you can.

That is what this bill proposes. They are proposing a $9 million head start for the average incumbent. Then they say, "By the way, we are going to limit the amount you can spend for the campaign." No one would suggest an arm wrestling match where one of the contestants has his arms broken. Yet that is what this bill talks about. They talk about limiting the amount that can be spent on a campaign while the incumbent has an enormous advantage in funds that have already come about.

This amendment speaks clearly to the point. It is interesting that no one who has risen in this debate today or yesterday has suggested in reality that all the money spent by an incumbent is not an advantage. I am sure everyone in this Chamber would admit that some incumbents can make mistakes sometimes and having money does not overcome those mistakes. But no one suggested that having the $9 million, or whatever that State might have for it to sepend, is not an enormous advantage.

If you believe in fairness, if you believe in competition, if you believe in a level playing field, which is the term that has been used here today, I believe the Members of this body will support the amendment by the distinguished Senator from Mississippi. All he suggests is that you ought to have a modicum of fairness.

I might point out that the Senator's amendment does not totally offset the advantage of incumbency. It merely makes a race possible. It merely says the advantage of the incumbent is not going to start 50 yards ahead in a 100-yard race but maybe only 20 yards ahead in a 100-yard race. Surely, anybody who is a competitor is not afraid of that competition.

I hope the amendment of the Senator from Mississippi will pass. I think it will mean a far more competitive U.S. Senate if it does.

Mr. COCHRAN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Mississippi has 7 seconds remaining.

Mr. COCHRAN. Well, in that 7 seconds I will ask, where are the Democrats? They are not in the Chamber. They broke and ran when they saw this amendment being offered, Mr. President.

I presume the rest of the time could be spent in a quorum call while they try to decide what to do in response to the amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I yield to myself 3 minutes.

I want to just speak briefly about the amendment of the Senator from Mississippi, who is my good friend and colleague in many legislative endeavors. We worked together on the Agriculture Committee and at common purpose most of the time. So I regret to say on this occasion we cannot be in full agreement.

I certainly am in agreement with his thought that we should level the playing field between incumbents and challengers. That is one of the reasons I feel so strongly we need to put spending limits in place.

The current system of running for office is an incumbents' protection plan, there is no doubt about that, when you have unlimited ability to raise money, when there are no spending limits. Everyone here knows it is not a matter of hypothesis; it is not a matter of theory; we know the facts.

In the last election cycle, I have said again and again and again, incumbents were able to raise eight times as much money as challengers in the House and almost three times as much money as challengers in the Senate.

So, if we ever want to level the playing field, we should do it by putting spending limits in place. That is the best way to do it. We should also do it by making sure we do not have an unlimited advantage in terms of mass mailing and newsletters. That is the reason we have accepted the provision of this bill offered by my colleague from Oklahoma, Senator NICKLES, which I was proud to cosponsor, limiting mass mailings and other incumbent advantages during the election cycle.

But I have to say, with all due respect, putting in a provision that the spending limits be changed so challengers are given 50 percent more than incumbents, I think really is a little bit mischievous, perhaps. I think it is more aimed at trying to get people to vote against the bill. After all, we are incumbents.

I think there is an understanding here that people are voting to change a system—hopefully to change a system under which Members have been elected in the past. But I think really this is about trying to get Members to vote against spending limits by helping the bill along.

We used to have a description of that when I was a member of the State legislature. We used to call it loving a bill to death. With all due respect to my good friend from Mississippi, I believe he is attempting to love this bill to death to encourage Members to vote against spending limits by saying the challengers would get half again as much as incumbents to run for election.

If we have a fair spending limit, if we do not have runaway spending, that will level the playing field between incumbents and challengers; a spending limit high enough for challengers to get known and have an opportunity to present their case, but not so high they are disadvantaged in terms of being able to compete with incumbents in the raising of money.

PAC's, for example, are giving to incumbents, people who are here, at a rate of $16 for every $1 they give to challengers. We all understand why. They want access to people who are sitting here on the key committees that affect their interests. That is why the American people have become so disillusioned looking at the political process. That is the reason they are wondering if it is not money that decides elections rather than votes; if it is not special interests in Washington and other States, instead of people in the districts back home and in the home States.

That is why we must have a change. I think we will have a stronger chance, Mr. President, to pass our bill without the Cochran amendment. I think it is really designed to try to take votes away from final passage for a major piece of reform which will level the playing field, which will give challengers a chance.

So I will say, instead of voting for the Cochran amendment, if you really want to level the playing field, if you really want to break down the incumbents' protection plan that is now in place, with the unlimited, runaway chase for money, then vote for S. 3 as it is, with the voluntary spending limits in place, Limiting this ability to raise money, to pour millions of dollars into a race, will do more than anything else to give challengers a chance.

I will move at the appropriate time to table the Cochran amendment. I urge my colleagues to vote for my tabling motion.

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment offered by my distinguished colleague, Senator COCHRAN. This is an amendment that can only be construed as a handicapper's amendment. While S. 3 establishes State by State spending limits, this amendment makes a determination that a challenger in a Senate race is so disadvantaged against an incumbent that the challenger should be able to spend 50 percent more than the incumbent.

How has it been determined that a 50-percent financial advantage is sufficient to overcome the perceived disadvantages faced by challengers? Why not allow the challenger to spend $2 for every $1 spent by the incumbent. Or why not set the cap at a percentage level that relates to the amount of money that was allocated to the incumbent during his 6-year term for communicating with his constituents by using the franking privilege?

Mr. President, merely because a person is an incumbent does not necessarily provide an advantage against a well-financed and articulate challenger. Over their 6-year terms, incumbents have to stand up and take positions on controversial issues that become litmus tests for certain groups. Unlike challengers who can promise the sky to every group they speak with, incumbents have a record that they must defend; and that is always a record where the tough and controversial votes are dredged up and used against the incumbent in 30-second spots.

How many times have my colleagues been confronted with the 30-second spot that begins with these distorting words: "He voted to cut ———." All of us can fill in the blanks that follow. And we all know that incumbents then have to spend additional money to counter such ads. As a challenger, it is easy to pick a couple of votes and distort a record. For an incumbent it takes far more money to set a record straight and offset the impact of the distorting 30-second spot.

Mr. President, I just do not think this is an appropriate way to approach campaign spending limits and I therefore will vote to table this amendment.

The PRESIDING OFFICER. All time has expired. Under the previous order, the Senator from Oklahoma is recognized for the purpose of making a motion.

Mr. BOREN. Mr. President, at this time, I move to table the amendment of the Senator from Colorado.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 68, nays 30, as follows:

[Rollcall Vote No. 69 Leg.]

YEAS—68

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—30

Bond
Brown
Burns
Coats
Cochran
Craig
D'Amato
Dole
Domenici
Garn
Gorton
Gramm
Grassley
Hatch
Kasten
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Seymour
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the motion to lay on the table amendment No. 255 was agreed to.

The PRESIDING OFFICER. Under the previous order the Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, I ask unanimous consent that I be recognized at this time to make tabling motions on both the underlying McConnell amendment and on the amendment of the Senator from Mississippi [Mr. COCHRAN]; and that the yeas and nays be ordered on both of those tabling motions; and, that they occur back to back and be limited in time to 10 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator can move to table both amendments in the same motion. The votes will be back to back, and each limited to 10 minutes in duration.

Mr. BOREN. Mr. President, I now make the motion to table both the——

Mr. CHAFEE. Mr. President, you mean one tabling motion would apply to both provisions? They would be separate tabling motions.

The PRESIDING OFFICER. The Chair will advise the yeas and nays have been ordered by previous order on both votes. The Senator from Oklahoma is asking unanimous consent to make one motion to table both of the amendments with two votes to follow, each limited to 10 minutes in duration.

Is there objection?

Mr. BOREN. Mr. President, I make that motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 254

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma to lay on the table the amendment of the Senator from Kentucky.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. ADAMS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 70 Leg.]

YEAS—54

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bryan
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—44

Bond
Breaux
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hollings
Jeffords
Kassebaum
Kasten
Lott
Lugar
Mack

McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So, the motion to lay on the table the amendment (No. 254) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 256

The PRESIDING OFFICER. The question now occurs on agreeing to the motion of the Senator from Oklahoma to lay on the table amendment No. 256 offered by the Senator from Mississippi [Mr. COCHRAN].

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 60, nays 38, as follows:

[Rollcall Vote No. 71 Leg.]

YEAS—60

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wofford

NAYS—38

Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Dole
Domenici
Garn
Gorton
Gramm
Grassley
Hatch
Jeffords
Kassebaum
Kasten
Lott
Mack
McCain
McConnell
Murkowski
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wirth

NOT VOTING—2

Helms
Pryor

So the motion to lay on the table the amendment (No. 256) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. McCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. FORD. Mr. President, I am getting ready to propose a unanimous-consent agreement, and it will be unanimous consent that we go into morning business for the purpose of the distinguished Senator from Oregon introducing a piece of legislation, and have 4 minutes; the distinguished Senator from New Mexico will introduce a piece of legislation and he would like to have 2 minutes; and at the end of those two statements, we will go back into regular business and the distinguished Senator from Arizona [Mr. McCAIN] then will be recognized for the introduction of an amendment with a time agreement of 20 minutes equally divided, and no second-degree amendments as it relates to the amendment of the Senator from Arizona.

I now propose the unanimous-consent agreement, Mr. President.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Let the Chair confirm with the Senator from Kentucky, was that 4 minutes to the Senator from Oregon?

Mr. FORD. And 2 minutes to the Senator from New Mexico, and then we go out of morning business, back to regular business, and the Senator from Arizona will have the opportunity to introduce an amendment with 20 minutes equally divided and no amendments in the second degree.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 4 minutes as though in morning business.

Mr. PACKWOOD. I thank the Chair and I thank my good friend from Kentucky for allowing me to introduce this bill.

(The remarks of Mr. PACKWOOD pertaining to the introduction of S. 1125 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. PACKWOOD. I thank the Chair and yield back my time.

The PRESIDING OFFICER. The time has been yielded back. The Senator from New Mexico is recognized.

Mr. BINGAMAN. I thank the Chair.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 1126 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The time of the Senator has expired. Under the unanimous-consent agreement, the Senator from Arizona [Mr. McCAIN] is recognized for 10 minutes.

AMENDMENT NO. 257 TO AMENDMENT NO. 242

(Purpose: To require that surplus campaign funds be paid into the Treasury of the United States to aid in reducing the deficit and to ensure a "level playing field" for all senatorial candidates).

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN] proposes an amendment numbered 257 to amendment No. 242.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the end of section 218 of the Boren amendment the following new section:

SEC. 219. USE OF CAMPAIGN FUNDS.

(a) IN GENERAL.—Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended to read as follows: "Use of Campaign Funds".

"(a) The surplus campaign funds of the candidate and the candidate's authorized committees shall be paid into the Treasury of the United States and applied to the account to reduce the public debt described in section 3113(d) of title 31, United States Code.

"(b)(1) It shall be unlawful for a candidate or an authorized committee of a candidate or for any person acting as an agent of either to use contributions or payments received under Title V or to dispose of surplus campaign funds in any manner except as specified by subsection (a).

"(2) It shall be unlawful for any person to knowingly accept or receive contributions, payments received under title V, or surplus campaign funds in any manner other than those specified in subsection (a).

"(c) The disposition of surplus campaign funds shall be reported on the post election semiannual report that is filed purusant to section 304 on or before July 31 of the year following the election for which the funds were raised.

"(d)(1) For purposes of this section, the term 'surplus campaign funds' means the balance remaining after a general election between—

"(A) all contributions made to the candidate and the candidate's authorized committees; and

"(B) the expenditures made by such candidate or authorized committees for the purpose of influencing the election of the candidate.

"(2) The calculation of the amount of surplus campaign funds under paragraph (1) shall be made after any unexpended funds required to be repaid to the Secretary of the Treasury pursuant to section 507 (e) and (f) have been repaid."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to surplus campaign funds existing after December 31, 1993.

(c) On page 65, on line 10, strike all after the word "member" through line 12, and insert in lieu thereof: "of the candidate's family."

(d) No part of this amendment shall be construed to effect the "Legal and Accounting Compliance Fund" of this Act.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I yield myself such time as I may consume.

Mr. President, the amendment is basically a very simple one. It mandates at the end of a campaign, that all unexpended funds should go to the Treasury in order to reduce the deficit. It is very specific and very simple, and it will prohibit any rollover, as it is known, of campaign funds from one election to another.

In the interest of time, I will not go through the extended debate we had last year on, this same amendment. The final vote was 49 to 49. If we are really talking about giving a challenger a level playing field, which is supposedly what the object of this campaign finance reform bill is, we cannot allow a situation to exist where incumbents are able to roll over—in other words, carry from one election cycle to another—literally millions, and I emphasize millions, of dollars.

Fact: In 1988 House Members rolled over $63.4 million. Let me repeat: The rollover to the next election, the amount carried forward, was $63.4 million; 214 winning incumbents in the House rolled over more than $100,000 each. On December 31, 1988, House incumbents had $63.4 million on hand. Challengers had $800,000.

There is no way a challenger in a legislative district, or even in a small State, is going to take on an incumbent who has millions of dollars already amassed in his or her campaign war chest, carried over from the previous election. I note with some interest and amusement there is already a provision in this bill to give the incumbents $350,000 from what I call a slush fund. I have forgotten what the legalese is which is used in the bill.

But I also note with some interest that same $350,000 is not available to the challenger, only to the incumbent. So already we are giving the incumbent a nice little cushion.

If we are going to give a level playing field to the challenger, let us at least have both start off at the same point at the beginning of each election cycle. It is well known that challengers are frightened by the large war chests of incumbents. Maybe those incumbents have a much greater facility to raise money. We have certainly seen that time after time. But at least, let us make everyone start at the same point.

We had a very interesting and extended debate with my friend from Kentucky last year when we brought this up, and perhaps we will again next year, depending on the degree of fatigue that sets in on the issue, which is directly related to where we are in the progress of the bill.

But I urge my colleagues, in the interest of fairness to those we are trying to help gain a level playing field in seeking public office to agree to this amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Kentucky.

Mr. FORD. The Senator from Arizona attempts to make a good point. But the legislation that is now before us only allows accounting and legal expenses out of any remaining funds. That is simple. And if you have some money left, you can only spend so much the next time. I do not care how much money you have in the fund.

So as I interpret what we are trying to do here, it is to change something that has been, and not what we intend for it to be. I think the Senator from Arizona should look at a spending limit, and that spending limit will be included, whatever we have in the campaign fund.

I think his intentions are good. But as the bill is written, his amendment would be very damaging. And as we see, there is a great deal, as he understands well, of legal expense or accounting expense. That is all that is allowed under this particular legislation.

At the end of the time, in all probability, we will move to table this amendment. And I will wait for the floor manager to come back, to see if he has any additional thoughts. Senator BOREN should be here shortly.

Mr. President, how much time does the Senator from Arizona have left, and how much time do I have left?

The PRESIDING OFFICER. The Senator from Arizona has 6 minutes and 31 seconds. The Senator from Kentucky has 8 minutes and 11 seconds.

Mr. FORD. Mr. President, without objection, then, unless my colleague has some statement he wants to make, I was going to put us into a quorum call without it being charged to either side. Would my colleague like to take any time?

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I have just a brief response to the statement of my friend from Kentucky. Yes, indeed, there are spending limits. But there is not a spending floor. We have seen in this election cycle, for example, several of our colleagues who have run unopposed. They would still be receiving those moneys. They would still be able to raise funds within certain spending limits.

I think if they did not spend those, and I cannot imagine why they would, but if they did not spend them, those moneys they raised should have to be turned back to the Treasury.

I have no further comments. I reserve the remainder my time, however.

Mr. FORD. Will the Senator yield for a question?

Mr. McCAIN. I will be glad to.

Mr. FORD. Is the Senator preventing an incumbent or a candidate from returning the money to those who might have given it to him, made the contribution to his campaign?

Mr. McCAIN. I am not preventing him from doing that, I might say to my friend from Kentucky, nor would I ever prevent him from doing that. But I know my friend from Kentucky knows, particularly in the other body, there are incumbents who have amassed literally millions—not thousands, but millions of dollars—on both sides, from both parties, which is incredibly demotivating. Obviously, that is the object of this legislation.

Mr. FORD. So if I would be fortunate enough not to have opposition, and, say, of the contributions I have spent 20 percent, the amendment of the Senator would not prevent me from giving that 80 percent back—if someone gave me $100,000, and I would return $80,000? The Senator is saying the $80,000 would go to the Treasury.

I think I might be limited in being able to return that to an individual who made a contribution to me. But the Senator tells me it does not prevent that?

Mr. McCAIN. It does not.

Mr. FORD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that it not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, I ask unanimous consent to address the Senate for 7 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEW ENVIRONMENTAL COMMITMENTS BY THE ADMINISTRATION

Mr. WIRTH. Mr. President, 2 weeks ago, I addressed the Senate to express my concerns about the administration's action plan for negotiating a North American Free-Trade Agreement.

As I said then, throughout my career I have been an advocate for more open trade with our neighbors in Canada and Mexico. The economic order of the world has changed and will continue to change as new partnerships emerge in the Pacific and Europe. In the face of these changes, the United States must encourage and contribute to the vital markets and opportunities that lie to the north and the south.

Similarly, our understanding of the environment and the challenges we face in protecting it are changing as well. We now know that the environment does not respect the boundaries that define States, nations, even continents. A new definition of national, regional, and global security is being written as the community of nations addresses the grave threats that beset the planet. Ozone depletion, acid rain, global warming, and the related issue of population growth alter the traditional notion of nations as safe havens. Pollution in the sky, the oceans and throughout our water systems are unmindful of traditional defense strategies. The burning of fossil fuels in the Soviet Union creates local air pollution problems—but acid rain falls on Poland and global warming affects us all. These are new realities that must be central to any construction of a new world order.

Therefore, along with a number of my colleagues, I wrote Ambassador Carla Hills to suggest a strong action plan for addressing environmental concerns as part of a free-trade agreement with Mexico.

When the administration's action plan was released, the EPA Administrator, Bill Reilly, urged me to consider favorably the environmental provisions. After careful review, I wrote Mr. Reilly to express my continued reservations about the administration's environmental action plan and to seek further clarification about how that plan would be interpreted and implemented.

As always, Mr. Reilly did a very good job in responding to my letter. His reply was both prompt and substantive.

My first concern related to the administration's plans for an environmental review. I believe that the administration's environmental assessment should be conducted in the spirit of the National Environmental Policy Act [NEPA]. Mr. Reilly has assured me that an environmental review will consider the environmental effects of the agreement and less environmentally harmful ways of dealing with them. I have also been assured that the public will be able to participate in the process of developing a review.

Second, considering the need for an ongoing environmental review, it seems to me that the administration needs to go further than including a nongovernmental representative on the Advisory Committee on Trade Policy and Negotiations and several other advisory committees. We must integrate environmental, energy, and economic policymaking. Therefore, I believe it makes sense for the negotiators to establish a cross-sectoral working group on the environment—as is done for other issues that transcend a variety of issue areas. Unfortunately, the administration is unwilling to make this commitment. However, I am confident that Mr. Reilly will do his best to ensure that environmental issues are discussed and represented in the substantive working groups.

Third, the administration's original plan for enhancing enforcement capabilities was lacking in specific commitments. Mr. Reilly writes that "a central factor in the enforcement of environmental standards will be the availability of resources. I believe that we may be able to work with the Mexicans to identify and develop new sources of funding for critically needed investments in environmental protection in Mexico." This commitment by the administration may be its most significant to date.

The most stringent environmental goals in the world are meaningless unless they are backed up by enforcement capabilities. For the first time, the administration has announced its intention to work with the Mexicans to develop new funding sources for enforcement efforts. I expect the administration to be vigilant in fulfilling this commitment.

Finally, and perhaps most importantly, the original plan failed to sufficiently address concerns related to the harmonization of environmental standards. The initial plan made no firm commitment for the maintenance of State and local health, safety and environmental laws and regulations. In his letter, Mr. Reilly makes this commitment explicit.

Unfortunately, Mr. Reilly has not reassured me fully on the issue of making sound science the basis for maintaining environmental, health and safety regulations. Mr. Reilly writes that:

> The reference in this instance was meant simply to indicate our desire not to let environmental standards become hidden trade barriers.

I remain uncertain about what institution or mechanism exists for resolving these questions. Who will decide whether or not a regulation is based on sound science. This is an issue I intend to pursue further.

In summary, I believe the administration and Mr. Reilly have been very responsive to the concerns I and my colleagues expressed as well as those presented by a number of environmental organizations.

I recognize that the environmental community is split on the issue of fast-track authority. Some organizations are not convinced that the administration will vigorously integrate environmental concerns into the trade agreement. Others in the environmental community, while wary, are convinced that a properly structured free-trade agreement will contribute toward, in the long run, greater environmental protection in North America.

Ultimately, Mr. President, after working with the administration, seeking clarification and examining closely the environmental aspects of an agreement, as well as the economic prospects of more robust trade, I intend to support the extension of fast-track authority. I believe the administration has come a long way toward addressing the environmental concerns I expressed with many of my colleagues and a number of nongovernmental organizations.

The administration's willingness to include environmental considerations in its action plan is a positive step toward a free-trade agreement with Mexico. However, much more work remains to be done. The proof of this administration's commitment to these issues will be clear in the weeks and months ahead, as negotiations proceed. And support for fast-track authority is in no way support for a final agreement.

This administration has a history of strong environmental rhetoric and weak environmental action to overcome. Therefore, we are going to have to be inordinantly vigilant in following the negotiations and consulting with the administration on these issues. If the final agreement does not address environmental issues in a comprehensive fashion, I would find it difficult to support. The administration has fallen short on environmental pledges too many times—on global warming, on wetlands, on population, and on a variety of other issues.

Free trade can be clean trade. To oppose fast-track authority is to condemn any agreement with the Mexicans. Increasingly, we are learning that poverty and the failure of less developed nations to achieve their economic goals is one of the greatest threats of all to the environment. Increased trade does have significant environmental implications, and I will be following closely the development of the free-trade agreement and its effects on the environment. In the final analysis, however, no trade agreement would be the worst environmental alternative at this time. Therefore, it is time for environmentalists to get behind fast track and commit themselves to ensuring that the negotiation of a free-trade agreement proceeds. At the same time, let us all make the commitment to ensure that the final agreement contributes to, rather than impinges upon, the quality of the United States, Mexican, North American, or global environment. That is a pledge that I make in throwing my support behind fast-track authority.

Mr. WIRTH. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

Mr. FORD. Mr. President, I ask unanimous consent that the quorum call not be charged to either side on the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, are we operating under a time limitation?

The PRESIDING OFFICER. We are. The Senator from Oklahoma controls 7 minutes 55 seconds and the Senator from Arizona controls 4 minutes 40 seconds.

Mr. BOREN. I yield 3 minutes to myself.

Mr. President, I will not prolong the debate. I know my colleagues have had a very useful discussion of this amendment. I have the greatest respect for the Senator from Arizona. He and I have worked together for a long, long time on campaign reform proposals and he has shared with me many, many useful suggestions in the past.

I certainly agree generally with the aim of the amendment of the Senator from Arizona. He is attempting to prevent the building up of very large campaign war chests and having these war chests rolled over from one campaign to the next. I do not quarrel with that aim at all.

But I must in honesty differ with the exact way in which this amendment is drawn. I simply cannot support it in its current form because I think it goes too far.

By absolutely requiring the turnback of all campaign funds that are remaining in a candidate's treasury at the end of an election cycle, except for those funds which are used strictly for compliance for the paying of accountants, for example, or attorneys or others to fill out the necessary campaign disclosure forms, I am afraid that what we would do is actually encourage people to start fundraising at a very early date rather than discouraging the fundraising.

I am afraid that we almost make it impossible for candidates not to engage in around the calendar fundraising, because there are incidental expenses that come up. For example, let us suppose that I was not able to carry over anything except to pay for lawyers and accountants.

There are incidental expenses that come up. Thank you letters have to be written from time to time that require postage that simply cannot be mailed under the frank. There are travel expenses for those of us who live in far-flung places, who have to travel by air back and forth between our home States, and the Nation's Capital, which cannot always be paid out of official accounts. For example, travel expenses for our spouses, who are very often asked to accompany us to official events. In the case of my wife and myself, she certainly is my partner in public service, and very often she is asked to go back and forth between Washington and Oklahoma with me to appear at events together. Obviously, her travel cannot be paid out of official expense.

Many of us are not people of independent wealth in the Senate. I think we want to be able to have the possibility of having these kinds of expenses where they are related to our appearances, and the fact that we are Members of the Senate, to enable our family members to be able to work with us.

There are many other things here that are very important in terms of being able to maintain that kind of partnership and that kind of family identity with what it is we are doing. There are many incidental expenses that can occur, and most of them are relatively small. But excluding them totally, we cause a candidate or a Member of Congress to resort to fundraising as soon as the books are closed on one election cycle and to immediately start again so that we can have the minimum funds required for what I regard as legitimate expenditures.

I do not quarrel with the aim of the Senator from Arizona. I undertand his aim. I think it is a very good aim. Let me say that I think we really take care of it, however, by setting spending limits. By having spending limits, we make sure that huge warchests, if they are carried out, cannot be spent in the next election, if they exceed the spending limits in this bill. Challengers would have a better opportunity, too. So we level the playing field.

Mr. President, in short, while I have great respect for the Senator from Arizona—and I certainly understand and applaud the goal he has with this amendment—I believe that we are resorting here to overkill, and we could have unintended consequences and, in fact, encourage more around-the-calendar fundraising, rather than less, as a result of this amendment.

So I will, at the appropriate time, move to table the amendment, and will feel obliged to oppose it for that reason.

I want to commend my colleague from Arizona for his steadfast interest in this subject and for, as always, causing us to think, as we should, about important issues related to this subject. So it is with reluctance that I find myself in a position of opposing his amendment.

AMENDMENT NO. 257, AS MODIFIED

Mr. MCCAIN. Mr. President, my friend from Kentucky pointed out a portion of my amendment that was not intended, and I ask unanimous consent to modify my amendment at this time.

The PRESIDING OFFICER. Without objection, the Senator should send his modification to the desk.

Mr. MCCAIN. I send the modification to the desk.

The PRESIDING OFFICER. The amendment of the Senator from Arizona will be so modified.

The amendment (No. 257), as modified, is as follows:

Insert at the end of section 218 of the Boren amendment the following new section:

SEC. 219. USE OF CAMPAIGN FUNDS.

(a) IN GENERAL.—Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended to read as follows: "Use of Campaign Funds"

"(a) The surplus campaign funds of the candidate and the candidate's authorized committees shall be paid into the Treasury of the United States and applied to the account to reduce the public debt described in section 3113(d) of title 31, United States Code.

"(b)(1) It shall be unlawful for a candidate or an authorized committee of a candidate or for any person acting as an agent of either to use contributions or payments received under Title V or to dispose of surplus campaign funds in any manner except as specified by subsection (a).

"(2) It shall be unlawful for any person to knowingly accept or receive contributions, payments received under title V, or surplus campaign funds in any manner other than those specified in subsection (a).

"(c) The disposition of surplus campaign funds shall be reported on the post election semiannual report that is filed pursuant to section 304 on or before July 31 of the year following the election for which the funds were raised.

"(d)(1) for purposes of this section, the term 'surplus campaign funds' means the balance remaining after a general election between—

"(A) all contributions made to the candidate and the candidate's authorized committees; and

"(B) the expenditures made by such candidate or authorized committees for the purpose of influencing the election of the candidate.

"(2) The calculation of the amount of surplus campaign funds under paragraph (1) shall be made after any unexpended funds required to be repaid to the Secretary of the Treasury pursuant to section 507(e) and (f) have been repaid."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to surplus campaign funds existing after December 31, 1993.

(c) No part of this amendment shall be construed to effect the "Legal and Accounting Compliance Fund" of this Act.

Mr. FORD. Will the distinguished Senator from Arizona explain what he has modified?

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, I say to my friend that I am eliminating the three lines of the amendment that made reference to returning contributions to the candidate's family. I thank my friend from Kentucky for bringing it to my attention, because it was not the intent of the amendment to prohibit a return of those contributions to either family members of nonfamily contributors.

Mr. President, I understand that my friend from Oklahoma will be making a motion to table. I will not delay the progress of this legislation further, except to point out the obvious, that if we are going to provide the incumbents with certain moneys for legal fees, filing fees, lawyers, and accountants, I think that the challengers should receive the same thing. If they are going to run for office, they should also have some money to take care of those same expenses they would encounter the moment they decide that they would like to seek public office.

I also want to remind my friend of what he knows well, that these funds would not have to be returned right away. They would have to be returned by the next filing date, which would be July, which would give the victorious candidate plenty of time to pay for filing fees, or whatever else is necessary.

I just cannot accept that a challenger is not going to have the same expenses that an incumbent is in filing, hiring accountants, or legal assistance.

Finally, the argument that spending limits will apply the next time, it would be nice to start out with $1 million up against a ceiling of $2 million, and then I would only have to raise $1 million instead of the $2 million I would have to start out with if I were prohibited from rolling over any additional campaign funds.

With that, Mr. President, with the agreement of the Senator from Oklahoma, I would be glad, if he is ready to offer a motion to table, and if there is no further debate, to ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. McCAIN. If the Senator from Oklahoma is finished.

Mr. BOREN. Mr. President, I move to table the McCain amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from Arizona yield back his time?

Mr. McCAIN. Yes.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the McCain amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 72 Leg.]

YEAS—57

Adams
Akaka
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Coats
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Ford
Garn
Glenn
Gore
Graham
Gramm
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Leahy
Levin
Lieberman
Lugar
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Reid
Riegle
Robb
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Stevens
Wirth
Wofford

NAYS—41

Biden
Bond
Brown
Burns
Chafee
Cochran
Cohen
Craig
D'Amato
Dole
Domenici
Durenberger
Exon
Fowler
Gorton
Grassley
Hatch
Hatfield
Kassebaum
Kasten
Kohl
Lautenberg
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pell
Pressler
Rudman
Seymour
Simpson
Smith
Specter
Symms
Thurmond
Wallop
Warner
Wellstone

NOT VOTING—2

Helms
Pryor

So the motion to lay on the table the amendment (No. 257), as modified, was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, I simply went to inquire of my colleague from Kentucky, so the Senators may know the schedule, it is my understanding he will now offer an amendment that will take approximately in the neighborhood of an hour to complete, and then it will be our intention to have the amendment of the Senator from Massachusetts, Senator KERRY, with several other cosponsors, considered in sequence after that.

I ask my colleague if that is an agreeable way to proceed?

Mr. McCONNELL. I say to my friend from Oklahoma, there is a pretty good chance it will take less than an hour, so, if we can just proceed here, there is a pretty good chance we can make some progress.

Mr. BOREN. I yield the floor.

AMENDMENT NO. 258 TO AMENDMENT NO. 242

(Purpose: To repeal the public financing of and spending limits on Presidential election campaigns and the preferential mailing rate for political parties)

Mr. McCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes an amendment numbered 258 to amendment No. 242.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 101, between lines 4 and 5, insert the following:

SEC. 405. PRESIDENTIAL ELECTIONS.

(a) REPEAL OF PUBLIC FINANCING AND SPENDING LIMITS.—Section 6096 and chapters 95 and 96 of the Internal Revenue Code of 1986 and repealed.

(b) REPEAL OF PRESIDENTIAL LIMITS.—Section 315(b) and (g) of FECA (2 U.S.C. 441a (b) and (g)) are repealed.

(c) CONFORMING AMENDMENTS.—(1) Each of the following provisions of FECA is amended by striking "or chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 301(8)(B)(ix)(II) (2 U.S.C. 431(8)(B)(ix)(II)), section 301(9)(B)(vii)(II) (2 U.S.C. 431(9)(B)(vii)(II)), section 302(i) (2 U.S.C. 432(i)), section 309(a)(2) (2 U.S.C. 437g(a)(2)), section 309(a)(4)(B)(ii) (2 U.S.C. 437g(a)(4)(B)(ii)), and section 309(a)(6)(B) (2 U.S.C. 437g(a)(6)(B)).

(2) Section 301(9)(B)(vi) of FECA (2 U.S.C. 431(9)(B)(vi)) is amended by striking ", except that this clause" and all that follows through "section 304(b)".

(3) Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by—

(A) adding "and" at the end of subparagraph (H);

(B) striking "and" at the end of subparagaph (J); and

(C) striking subparagaph (K).

(4) Section 304(b)(4)(I) of FECA (2 U.S.C. 434(b)(4)(I)) is amended by striking "disbursements not subject to the limitation of section 315(b)" and inserting "any disbursements".

(5) Each of the following provisions of FECA is amended by striking "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954": section 306(b)(1) (2 U.S.C. 437c(b)(1)), section 307(a)(5) (2 U.S.C. 437d(a)(6)), and section 307(a)(8) (2 U.S.C. 437d(a)(8)).

(6) Section 306(c) of FECA (2 U.S.C. 437c(c)) is amended by striking "or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(7) Section 308(a)(1) of FECA (2 U.S.C. 437f(a)(1)) is amended by striking ", chapter 95 or chapter 96 of the Internal Revenue Code of 1954,".

(8) Section 308(b) of FECA (2 U.S.C. 437f(b)) is amended by striking "or in chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(9) Each of the following provisions of FECA is amended by striking "or by chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 308(c)(2) (2 U.S.C. 437f(c)(2)) and section 311(e) (2 U.S.C. 438(e)).

(10) Each of the following provisions of FECA is amended by striking "or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 309(a)(1) (2 U.S.C. 437g(a)(1)), section 309(a)(4)(A)(i) (2 U.S.C. 437g(a)(4)(A)(i)), section 309(a)(5)(A) (2 U.S.C. 437g(a)(5)(A)), section 309(a)(5)(B) (2 U.S.C. 437g(a)(5)(B)), section 309(a)(6)(A) (2 U.S.C. 437g(a)(6)(A)), section 309(a)(6)(C) (2 U.S.C. 437g(a)(6)(C)), section 309(d)(2) (2 U.S.C. 437g(d)(2)), and section 309(d)(3) (2 U.S.C. 437g(d)(3)).

(11) Section 309(a)(5)(C) of FECA (2 U.S.C. 437g(a)(5)(C)) is amended by striking "or a knowing and willful violation of chapter 95 or chapter 96 of the Internal Revenue Code of 1954,".

(12) Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking the second sentence thereof.

(13) Section 314 of FECA (2 U.S.C. 439c) is amended by striking ", and under chapters 95 and 96 of the Internal Revenue Code of 1954,".

(14) Section 315(a)(5) of FECA (2 U.S.C. 441a(a)(5)) is amended—

(A) by striking "offices; (ii) the limitations" and inserting "offices; and (ii) the limitations"; and

(B) by striking "; and (iii) the candidate has not elected to receive any funds under chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(15) Section 315(c) of FECA (2 U.S.C. 441a(c)) is amended by striking "subsection (b) and".

SEC. 406. PREFERENTIAL MAILING RATE FOR POLITICAL PARTIES.

Section 3626(e) of title 39, United States Code, is repealed.

Mr. McCONNELL. Mr. President, some on the other side have repeatedly complained that this side's strong opposition to taxpayer financing of congressional campaigns is somehow inconsistent, simply because some Members of our party have accepted public financing to run for President and because party committees receive mail subsidies. Frankly, I think that argument is a stretch, but if the other side wants to be consistent, I would like to give everybody an opportunity on this next vote to be consistent.

Since a number of Members on the other side have expressed opposition to taxpayer financing, and in all likelihood there will be an amendment on that issue later in this debate, I am offering the amendment to weed out all other vestiges of taxpayer financing of campaigns in this country. The amendment which we will be considering shortly does the following things:

No. 1, this amendment strips away all taxpayer financing from the Presidential election system;

No. 2, since the removal of taxpayer financing would nullify the spending limits in the Presidential system, my amendment also removes those provisons; and,

No. 3, Mr. President, to address the concern raised by the majority leader and other Members on the other side, my amendment takes away the lucratived mail subsidy enjoyed by the political parties—including, by the way, the Communist Party, because right now this mail subsidy is available to any political party in the United States.

So I say to those Members on this side of the aisle and on the other side who oppose taxpayer financing and plan to vote for any amendments that might be offered on that subject later, that the consistent thing to do is to support this amendment, which will strip away all vestiges of taxpayer financing of campaigns in this country. This amendment will get rid of the Presidential system, which has been a disgrace now for 14 years.

The checkoff costs all Americans, not just the 20-percent minority who check "yes," because the checkoff diverts money from other programs in the Federal budget. So this slightly less than 20 percent of Americans who check the box, in effect, are making a decision for the other 80 percent by diverting funds away from programs those 80 percent, by not checking the checkoff, would have preferred to see funded.

Also, the checkoff does not really replace special interest money in Presidential campaigns. It merely augments it. Presidential politics is rife with special interest soft money. Half of the actual spending in the 1988 election was off the box.

Let me explain, Mr. President, how it works. Candidates running for President who accept the public funds get the public funds. In addition to that, there are mountains of soft money, both through political parties and nonparty soft money—for example, labor unions—spent in the Presidential race particularly. Because those private donations are no longer acceptable directly into the campaign, those seeking to express themselves and to participate in the Presidential system look for other ways to do it. When they look for the other ways to do it, they find there are not any rules, on the whole, so they can participate with large amounts and avoid disclosure.

So the Presidential system not only has squandered $500 million over the last 14 years, it has done absolutely nothing to curb the growth in spending. In fact, Presidential spending went up to 50 percent from 1984 to 1988.

Some suggested last night that is just because there were more candidates in 1988 than there were in 1984. That accounted for a small portion of the increase in spending, but most of it, Mr. President, was a result of nonparty soft money and, yes, party soft money which is exploding in the Presidential system because of the spending limits in public finance imposed directly on the campaigns.

Ironically, in Senate races where there are no spending limits, in each of the last two Senate elections spending actually declined. So here we have the situation in which in a race where there are spending limits and public finance, spending goes up 50 percent, and in races where there is not a single tax dollar used and no spending limits, spending actually declines.

In addition, the Presidential system is a regulatory disaster. One out of four dollars spent in the system goes to lawyers and accountants. Why? To figure out a way to get around the limits. If you are running for President, the first thing you do is call in your lawyer and try to figure out how to get around the limits, because they are nonsense and everybody who has run for President knows they are nonsense. As a matter of fact, there has only been one major candidate to run for President not cited for major violation, because it is virtually impossible to comply.

In addition, the Presidential system funds fringe candidates. When you make public money available to political candidates, you cannot constitutionally just make it available only to Republicans and Democrats, only to those parties that we approve of. Public funds have to be made available to anyone. So fringe candidates like Lenora Fulani have gotten $1 million; Lyndon LaRouche has gotten $1 million. He, by the way, is currently serving a 15-year sentence for fraud. It did not keep him from getting any public money. He has received almost $1 million.

Former Presidential candidate Walter Mondale called the system of Presidential spending limits and public finance, a joke. Mr. President, I could not say it any better than he did.

The taxpayers are not amused by this joke, however, because less than one in five is checking "yes" on April 15.

Common Cause may call taxpayer financing clean money, but taxpayers call it their money. And they do not want it paying for week-long junkets the political parties call nominating conventions.

If the American public had any idea that the two nominating conventions, which basically are parties—fun parties, no political parties, fun parties; there is not anything that happens at those conventions except the coronation. The primaries have already determined who the nominee is going to be. So what are the conventions? They are big 4- or 5-day parties, social events.

Who pays for them, Mr. President? The taxpayers of the United States pay for these big social parties every 4 years that go on 4 or 5 days, one for the Democrats and one for the Republicans. If the American people had any idea that their checkoff money was going to fund these social parties, I would venture almost no one would check off. It is declining already, but I venture virtually no one would check off.

The Presidential system has cost taxpayers one-half billion dollars since its inception 14 years ago. The system envisioned by S. 3, the bill before us, the Democratic taxpayer-financing bill, would cost taxpayers one-half billion dollars in only 6 years if applied to House and Senate elections.

So, Mr. President, let me summarize what this current amendment at the desk is about. This will absolutely guarantee that there are no more public dollars used in political campaigns in this country. No. 1, it abolishes the Presidential system of public funding; No. 2, it eliminates the existing mail subsidy for political parties. So for anybody in this Chamber who finds taxpayer subsidies for political campaigns inadvisable, support for this amendment will clear the decks.

It will clear the decks and cleanse the system of taxpayers' subsidies by removing the two existing subsidies and, of course, Mr. President, we would not want to create any additional subsidies by the passage of S. 3.

So, Mr. President, that summarizes the amendment currently before us, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. without objection, it is so ordered.

Mr. BOREN. Mr. President, I rise in opposition to the amendment that has been offered by the Senator from Kentucky. I certainly do not disagree with him that there are some problems with the current system of the way we finance Presidential campaigns. But I think that the answer to those problems is not to throw out the entire system. The answer is to deal with the problems that have been created.

There were problems that showed up in the election of 1988. Tens of millions of dollars in illegal contributions as large as $100,000 were given to candidates and laundered, in essence, through the State political parties. This was done by both of our political parties. In this case, we can say that it is certainly nonpartisan or bipartisan in the sense that both of the parties resorted to it.

The answer to that problem is not to throw out the entire Presidential system which has worked very, very well over the last several years. The answer is to solve the problem by closing this soft money loophole. That is exactly what S. 3 does. It would make it impossible in the future to raise these large donations, like $100,000, from an individual to be laundered through State party organizations to be spent in an effort to influence the outcome of Federal elections.

So that is the answer to the problem. Instead of throwing the baby out with the bath water, instead of throwing out the whole system because we have a soft money loophole problem, solve the problem, close the loophole and that is exactly what happens.

I hope that Members and their staffs, and those Members who are not on the floor at the present time who are listening to this debate, will understand exactly what is being proposed. It is being proposed that we throw out a system that has worked very, very well, overall. In fact, Republican candidates have been just as anxious to take advantage of this system since it has been in place, since the reform of the Watergate era, as has been Democratic candidates.

Since 1976, $241 million has been received from this program by Republican candidates. In their last tax return, President and Mrs. Bush themselves checked off the voluntary checkoff which was a statement, in essence, of their approval of the way this system operates. We do not want to absolutely go back to the kind of system that we had prior to the Watergate era. We have learned a lot. We do not want to turn back the clock. We do not want to undo the reforms.

Mr. President, I want to quote from a statement made by Senator Paul Laxalt, the former Republican Senator from Nevada, who was chair of the Reagan Presidential campaigns in 1976, 1980, and 1984, a person who would hardly qualify as a radical liberal on matters of policy of this kind. But, he had the experience of running a Presidential campaign. He ran three national Presidential campaigns for President Reagan. This is what he said:

> There is far too much emphasis on money and far too much time spent collecting it. It's the most corrupting thing I see on the congressional scene. The problem is so bad that we ought to start thinking about Federal financing of House and Senate campaigns. It was an anathema to me, but my experience with the Reagan Presidential campaigns showed that it worked and it was a breath of fresh air.

Here we have the testimony of the campaign manager for President Reagan in three campaigns saying let us try to think about a way to bring the congressional system more in line with the Presidential system, and yet here we have an amendment being offered by the Senator from Kentucky that would do just the opposite. He would take the sorry system that we have for financing congressional campaigns right now, financed by millions and millions of dollars of special-interest money pouring into the coffers of candidates and return the Presidential system to the same kind of dependence upon special-interest money that is now affecting, in such a destructive way, the way we run congressional campaigns. It is hard for me to believe, Mr. President, that anyone could believe that what we are now doing with congressional campaigns is healthy.

We talked about the unfair advantage this it gives to incumbents: An 8-to-1 advantage in raising money in the House; the 16-to-1 advantage in terms of raising money from political action committees and special interests: $16 to incumbents for every $1 they give to challengers. Why? Because incumbents are here. They want access to those people with political power to affect policies that affect their pocketbooks.

No wonder the American people become cynical and disillusioned. No wonder they sit back and say is this the government of the people, or is this the government of the special interest, for the special interest, and by the special interest? As long as money has that kind of corrupting influence, we are going to have disillusionment of the American people. That is why 85 percent of the American people say they want spending limits on the amount that can be spent.

The Watergate scandal and the ensuing public outcry was the impetus for landmark legislation to dramatically change and clean up the way Presidential campaigns were financed. Twenty years ago Presidential campaigns were financed by the wealthiest, most influential and secretive individuals in our society. The centerpiece of reform legislation to deal with that problem was a system of campaign spending limits with incentives with public campaign resources.

The reform recognized that in a nation of 200 million people, the cost of reaching voters with a campaign message had outrun what a private fundraising system could accountably and honestly raise.

I point out equally important, the Federal income tax Presidential campaign fund $1 voluntary checkoff ensures that challengers to a sitting President who cannot call on a vast array of Government programs and offices to bolster their campaigns, a whole array of people to whom favors have been given because of the power of Government and the power of a sitting President to grant appointments and to do favors for individuals, would have an equal chance to bring their causes and their candidacies to the people. It is a real testament that even though this system is not widely advertised that 32 million Americans have made it clear that they believe in our system by checking "yes."

Let me say that over 30 million Americans who participate in this system contrast with about 4 or 5 million who participate as private contributors to the system and, most of those private contributors, the vast majority of them in terms of the dollars raised, are people who are giving $200 or more, $95 million to congressional campaigns last time coming from large contributors.

So, Mr. President, we must think long and hard before we throw out a system that at least is preferable, as imperfect as it is, to the system that we now have. For example, the influence of special interest and political action committees. Even in 1988 when we had problems with the system, problems that needed to be reformed and are reformed, loopholes that needed to be closed and are closed in S. 3, in 1988 even with the problems of political action committees, special-interest contributions to Presidential candidates was only 2 percent of the total, while special-interest PAC contributions to congressional candidates have jumped from almost $12.5 million in 1974 to over $150 million in 1990.

Mr. President, we know what has happened. The people at the grassroots are being given less and less say in their own Government and in the election process. Over half the Members of Congress—and I wonder if the American people realize it, and if they did realize it, they would be shocked; if they did realize it, I am convinced we would have crowds standing out around the Capitol demanding action on our part, if they realized that over half the Members of Congress elected last time got less than half of their campaign contributions from the people from their own States and their own districts.

They received more than half of their campaign contributions from the special interests, lobbying groups located here in Washington, DC, representing special interests, millions and millions of dollars into the campaign funds instead of from the people back home at the grassroots.

Is that good for America? Is it good for America that we have to spend so much time raising money that we cannot tend to the people's business? Is it good for America that millions of dollars have to be raised from people that the candidates barely know, people who may later have brushes with the law or tainted reputations themselves? Is that good for this country?

Absolutely not. The American people know it. They have sense enough to realize what is happening to the political process. That is why they are becoming so alienated from it. The Members of this Senate, if they are honest with themselves, also know it.

I can tell you, Mr. President, that I attended a meeting once in which I heard political strategy being discussed and was told how we could play one interest group against another to raise campaign funds, as people were doing in both political parties.

For example, you ought to have a poll showing you are going to be reelected, and then you can go to the banking PAC and say, you better get onboard; we will be reelected and we will remember who gave early. And after that you could go to the insurance PAC, because they had a competing interest, and you could say, the bankers are onboard. They are people with competing interests. The insurance people ought to be onboard. And when you got them you could go to the securities PAC. You could say to them, the banking PAC is onboard; the insurance PAC is onboard; they have competing interests with you in the securities PAC. We have a winner here. He is in power now. He is going to stay in power. Your competing interests are getting onboard; you better get onboard.

And on and on like the spiral in the arms race, with no one back home at the grassroots being involved in the process, in a campaign to raise more and more money with the opportunity for special interests to have more and more influence, and particularly for incumbents—and this would be true of incumbent Presidents as well if we had the system in the Presidential process—to raise a lot more money than people struggling to come in from the outside, choking off real competition in American politics.

Mr. President, that is not good for America, and everyone knows it. What they are asking us is how long are you going to let it go on? How long are you going to allow our democracy to be tainted in this way before you do something about it?

The amendment that is being offered right now will take us absolutely in the wrong direction. It will substitute a relatively clean process for financing Presidential campaigns—and I say relatively clean because we have loopholes we need to close, loopholes which we do close in S. 3. And the Senator from Kentucky and I agree on this. We have talked about it before. These $100,000 contributions through the State parties are wrong. They ought to be stopped. He said they ought to be stopped, and I have said it. We put it in our bill. But with this amendment—and I am somewhat astounded by this amendment—he would go the reverse direction. Instead of solving that problem and closing that loophole, he would open everything up so that unlimited amounts of money pour back into the Presidential system and we could have all the problems in the Presidential system that we now have in the way we finance congressional campaigns. So not only would we not be doing something that would help to reform congressional campaigns, we would be spreading the cancer that now afflicts us in congressional campaigns into the Presidential process as well.

So, Mr. President, I simply urge my colleagues to think long and hard before they take this leap back into the dark, think long and hard before they turn the clock back to what I suppose might be called by some the good old days of Watergate and the other kinds of corrupt ways we used to finance campaigns in the Presidential sense.

Let us not do this. Let us, instead, join together in a positive way to close the loophole dealing with soft money in the Presidential system. Let us clean it up. Let us close the loophole. Let us take constructive action. But let us not go backward. Let us not slip back into the old corrupt way that Presidential campaigns used to be financed in the past.

So, Mr. President, at the appropriate time I will make a motion to table the amendment of the Senator from Kentucky. I hope that my colleagues join with me in tabling that amendment.

We heard some talk awhile ago about consistency. Let me say we have heard time and time again from the other side of the aisle we ought to be doing things to build the political parties. S. 3 has been accused at times of not doing enough to build the political parties. And yet now we are also hearing an effort made to increase the mailing costs for political parties and political party-building activity. So I think there is some question about consistency. From time to time we get into rhetoric, and probably both sides have been guilty of inconsistencies in the course of debate in terms of setting up strawman situations to knock down.

But let me say this. We are custodians of the system, and to make rhetorical points or to score points in a debate, let us be very responsible in terms of the way we act. Let us not throw out an entire Presidential system that needs some fixing and return ourselves to the Watergate days and to the problems we had before.

Let us not open the Presidential system to the same kind of special interest influence and the runaway spending that we now see inflicting the congressional process. Instead, let us reform the Presidential system and let us conform the congressional system in a way that has been done in other countries of the world and other places by putting a limit on spending so that candidates can stop being full-time fundraisers and start being full-time legislators dealing with the Nation's problems, and so that all the people will feel they have equal access to their Government and we can concentrate on the right kind of political participation, that is, not raising money, the competition not based upon who can raise the most money but a competition based upon who has the best ideas for governing this country.

Mr. President, I urge my colleagues to join me in supporting a motion to table the pending amendment when it is offered on this side of the aisle.

Mr. McCONNELL. Mr. President, I listened with interest to my friend from Oklahoma describe the Presidential system. I am not sure I could hardly recognize the system he described. Virtually every expert in America considers the Presidential system a disgrace and a disaster. Walter

Mondale said it was a joke. I do not think it is progress, Mr. President, to extend that joke to 535 additional races.

Mr. President, my amendment is simple. It allows those in the Senate who would like to strip taxpayer funding out of the political process to do so, not only by eliminating the Presidential system but also by eliminating the direct mail subsidy for political parties which is available now under current law.

Mr. President, I expect there are a great number of this body who have never voted to eliminate a program outside of the Defense Department. According to what I am told, we have 1,183 Federal assistance programs operated through 52 different Federal agencies. We will give out $678 billion in entitlements in this fiscal year. There are at least 20 major entitlement programs.

How many times, Mr. President, have each of us appeared before the Rotary Club and been asked the question, have you ever voted to eliminate any programs? I suspect, outside the Defense Department, most Senators would be hard pressed to answer that question.

So I am giving Senators an opportunity, I say to my colleagues, an opportunity the next time they are at the Rotary Club to say, I voted to eliminate one thoroughly discredited Federal program. Not only a thoroughly discredited program but an entitlement program. You will be able to stand up with pride and say in the years that I have been in the Senate at least I have tried to eliminate one Federal program, the one upon which all reputable scholars agree is a complete and total disaster. Why, It was created to limit spending and it has not done that. It was hoped that it would take big money out of the system, and it has not done that.

And my friend from Oklahoma says let me make some adjustments to it; let us cure it. It is incurable. You cannot cure it consistent with the Constitution. It is incurable consistent with the first amendment. Spending limits and public finance are like an incurable disease because they come up against the Constitution of the United States. So you cannot fix it. It is not fixable.

There is only one thing you can do, and that is cut it out, end it, put it out of its misery, and quit squandering tax dollars on a system that is widely discredited.

I do not see any need to prolong the debate.

Let me repeat what this amendment does. The amendment upon which we will be voting momentarily gives everyone in this body an opportunity to eliminate just once maybe in their career a Federal program, one that everyone who has studied it thinks is a disaster. And it will allow, in addition to terminating the Federal Presidential election system, putting the political process entirely on private funding by eliminating the mail subsidy for the two political parties. Not only the two major political parties, but, of course, any fringe party gets that discount as well, including the Communist Party.

So, Mr. President, that is the amendment. It strips all public funding for politics out of the existing system. I hope that the Senate will take this opportunity to eliminate entirely this thoroughly discredited program.

I say to my friend from Oklahoma, I am prepared to vote.

Mr. BOREN. I thank my colleague from Kentucky. I think we have laid out our honest differences of opinion about the pending amendment.

I move at this time to table the McConnell amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma to lay on the table the amendment of the Senator from Kentucky.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. BUMPERS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 38, as follows:

[Rollcall Vote No. 73 Leg.]

YEAS—60

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Cohen
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—38

Bond
Brown
Burns
Coats
Cochran
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Jeffords
Kassebaum
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the motion to lay the amendment (No. 258) on the table was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, again, just for the information of our colleagues, it is our intention now to move to the consideration of an amendment to be offered by the Senator from Massachusetts [Mr. KERRY] and some of his colleagues.

We have one more amendment that I know of on this side of the aisle that will be offered sometime after that. We would be happy to rotate again with those on the other side of the aisle after the Kerry amendment to have amendments considered on the other side of the aisle.

I see the distinguished Republican leader on the floor. I might inquire if he has any idea of how many amendments may be offered there. We are hopeful, with the budget resolution still to be acted upon before we go out for this week, and also the fast-track resolution to be acted upon, that we might be able, with some good fortune, to push ahead here and perhaps complete action on this legislation tonight, if at all possible.

I wonder if there is any idea how many amendments we have, or if these are amendments that would take very long. We have been moving along well, so far, on the amendments we have had up to this point.

Mr. DOLE. Mr. President, if the Senator will yield, I have not checked with the Senator from Kentucky, but I think if you exclude the two on that side, and then subtract the two that may be taken, there would be about seven amendments that might require rollcall votes.

I do not know how many might be discussed, or whether each one of those amendments may be offered. There may be additional amendments. I have not checked with the Senator from Kentucky in the last few minutes, or others who may have amendments.

And also it is my understanding the majority leader and I are going to have a little colloquy later, maybe after this next vote. I think everybody knows the issue on this particular amendment. Maybe we could get a little time agreement on this one that will decide whether we are in at midnight or 4 a.m. in the morning—on how quickly we dispose of it—or whether we are in on Friday.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. BOREN. Mr. President, I thank my colleague, the distinguished Republican leader, for this report. And I think what we can best do is press ahead at this point, and hopefully while we have discussion of this amendment going on, perhaps we can get some understanding between the two leaders, the distinguished Republican leader and the distinguished majority leader.

My colleague from Massachusetts has indicated to me that he wants to expedite the debate on this matter, but he is a little uncertain as to how many people want to speak, of his cosponsors and others, at this point. So I understand he is a little reluctant to set an exact time, unless he has changed his mind. We intend to be expeditious.

May I inquire of my colleague from Massachusetts: Is there any possibility he may be willing to set some outside time limitation, like an hour and a half, or something like that, with the possibility of yielding back time earlier if debate were completed before that amount of time were to be taken?

Mr. KERRY. Mr. President, let me just say that there is nothing I would like to do more, obviously, than move the process along. I know colleagues want to do that, and I always try to do that. My only restraint in committing to an absolute time agreement is that a number of Senators have come to me and said they are at committee hearings or in other business and they want to come to speak and they want to make sure I hold it open long enough for them to be able to get here to do so. If we could have a back end that is open enough so I could accommodate them as I said I would, I do not think we will have a problem. But I know in an hour and a half I cannot because Senator DECONCINI said he cannot be here for at least an hour and Senator ADAMS wants to speak, and Senator BIDEN wants to come back to speak. So we have a number of folks who want to speak.

Mr. MITCHELL. Will the Senator yield to permit the distinguished Republican leader and me to obtain an agreement with respect to an unrelated matter?

Mr. KERRY. Yes; I yield to the majority leader.

UNANIMOUS-CONSENT AGREEMENT—BUDGET RESOLUTION CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I have consulted with the distinguished Republican leader, the chairman and ranking member of the Budget Committee, and other members, and I now ask unanimous consent that the time for consideration of the budget resolution conference report be reduced to 2 hours when that matter is considered by the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. No objection.

The PRESIDING OFFICER. The Chair hearing none, the unanimous-consent agreement is agreed to.

Mr. MITCHELL. I thank my colleagues.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I might say, for the information of the Members of the Senate, that following consultation with the distinguished Republican leader, it is my hope that we will be able to get to the budget conference report this evening. I do not know when we will get it from the House, when it will be available for action, but I hope that we can do so sometime this evening and that we can further move toward gaining agreement with respect to the disposition of the only other major remaining measure beyond this bill, which is the fast-track legislation. The Republican leader and I are working on that with the interested chairmen and others.

Mr. DOLE. If the Senator will yield, I think we will be prepared to limit the debate on the fast track to 5 hours on this side, rather than 20 hours, if that could be accomplished. We have one question on that, but I think generally we would be in a position to do that.

I have indicated, particularly on this side, that I think we may have seven or maybe more amendments on this side. I do not think any will take a great deal of time. There may be seven votes required on campaign finance. So, hopefully, if the amendment the Senator from Massachusetts intends to offer is going to take 3 or 4 hours, and that is how it appears, we probably will not vote on that until around 8 o'clock would be my guess.

Mr. KERRY. I hope we do not take anywhere near 3 or 4 hours. I think we are looking at something in the range of 2½ hours at a maximum.

Mr. DOLE. That is pretty close to 3 hours; make that 7 o'clock.

Mr. KERRY. I said maximum only to guard against those other people I have. I am sure we will yield time back. I think it would be much more in the vicinity of 1½ to 2 hours.

Mr. MITCHELL. Mr. President, I encourage the Senator in that regard. We are trying to complete action on this bill. We have really made good progress. Amendments have been offered. There has been no delay. Everyone has had the opportunity for debate and discussion, and many of the issues have been debated on many occasions.

Mr. KERRY. I am informed by the Senator from Kentucky that he thinks they are not going to have as many speakers. All I am trying to do is accommodate those Senators I said I would. I would be happy if we could have 1½ hours on this side, whatever time they want on that side, a half-hour, and we could have a vote.

Mr. MITCHELL. Mr. President, if the Senators are in agreement, I intend to propound a request that would limit the time for debate on the Kerry amendment to 2 hours, with 90 minutes under the control of Senator KERRY.

Mr. KERRY. I am sure we could yield some of that back.

Mr. MITCHELL. And 30 minutes under the control of Senator MCCONNELL, and we will make an effort to reduce that.

The PRESIDING OFFICER. Does the majority leader make that request?

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the time for debate on the Kerry amendment be limited to 2 hours, 90 minutes to be controlled by Senator KERRY, 30 minutes to be controlled by Senator MCCONNELL, with no amendments to the amendment to be in order.

The PRESIDING OFFICER. Is there objection? The Chair hearing none, it is so ordered.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 259 TO AMENDMENT NO. 242

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts, [Mr. KERRY] for himself, Mr. BIDEN, Mr. BRADLEY, Mr. SIMON, Mr. CRANSTON, Mr. WELLSTONE, Mr. ADAMS, Mr. DECONCINI, Mr. LEAHY, Mr. KENNEDY, and Mr. WIRTH, proposes an amendment numbered 259 to amendment No. 242.

Mr. KERRY. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KERRY. Mr. President, this amendment is very straightforward. I would like to explain it as directly and clearly as I can so that there is no misinterpretation about it because there has been some misinterpretation as colleagues have both argued it previously on the floor as well as in some conversation that we have had.

This is an amendment for voluntary public funding. I emphasize voluntary public funding. For whatever staffs are listening or colleagues are listening, I emphasize there is in this amendment no automatic drawdown on the Federal Treasury, and, mindful of the resolution that we passed earlier in which we said that there would be no adding to the deficit and that we would not draw from the Federal Treasury as a matter of the sense of the Senate, those are guidelines within which we are debating this concept of public funding. It is voluntary.

We are not able, as the Chair well knows, to set out the specific funding mechanism here because that has to originate in the House of Representatives, but we can talk about what we are contemplating. And what we contemplate in proposing a system of financing of campaigns through a voluntary donation system, what we contemplate is either a system modeled on the Presidential campaign system that we have just moments ago ratified in a vote of 60 to 38, we anticipate precisely the same kind of funding system being applied to Senate campaigns as we see in the Presidential race.

On the other hand, Mr. President, should the committees of jurisdiction decide they do not like that, we have already suggested other ways on the floor that this could be funded without ever drawing automatically from the Federal Treasury, specifically by taking away the tax deduction available to those who lobby the U.S. Congress in an effort to get legislation. That in and of itself would raise some $500 million, which is almost five times the amount of money necessary to fund campaigns through a public process.

Mr. President, this amendment is sent to the desk on behalf of myself, Senator BIDEN, Senator BRADLEY, Senator SIMON, Senator CRANSTON, Senator WELLSTONE, Senator ADAMS, Senator DECONCINI, Senator LEAHY, Senator KENNEDY, and Senator WIRTH, and it is exactly the same amendment as the underlying bill proposed by Senators BOREN and MITCHELL. It is the same bill in its entirety with two exceptions.

Exception No. 1 is that for the general election campaign, not primaries, but general election campaign only, candidates would be eligible to receive a 70-percent funding through the voluntary checkoff system, a 20-percent value of the total limit that they are operating under from the voucher system for broadcasting, and the final 10 percent would be made up of small contributions up to the level of $250.

The second exception is that, unlike the bill proposed by Senators BOREN and MITCHELL, this bill encourages in-State fundraising and encourages people to get small contributions. There is an unlimited exemption for any contribution of $100 or less that comes from in-State.

Let me make sure that is clear. Every Senator would operate under the exact same limits that have been set forth in Mitchell-Boren. We would have limits. The limits would apply to the total campaign, general and primary, and you would be eligible for the funding in the general election by virtue of having accepted to live by the limits in the primary. That means you would have an incentive for limitations and then you would have an equalization, so that after both parties have had their primaries, the two candidates for each party present themselves—or for another party, should they qualify—and you would have funding available to them paid for largely by the voluntary tax checkoff system.

The first issue raised consistently by those who oppose this is that the current tax system does not have enough money. That is correct. It does not have enough money because we have not advertised or encouraged people to contribute to it since 1974 when it was first put into place. If you ask any American his or her attitude about the whole system of financing in this country, there is such a disillusionment and such a depth of cynicism about the degree to which Congress seems to be beholden to money, people say I am not going to give my money to that process, it does not make a difference, it is not going to change anything, and besides, they do not need it. They already have the fat cat giving them all the money in the world.

Moreover, no tax preparer in this country has been encouraged to turn to his or her client and say we recommend that you check off $1; check off $1 and that will pay for the liberation of the U.S. Congress from the raising of money.

Thirty-three million Americans have voluntarily chosen to put $1 of their tax money into the effort to have a political system that is free from money and influence. And that is really what this vote is all about. This vote is a test of whether we really want reform. This vote is a test of courage and of our real commitment to the concept of democracy.

We do not have real democracy at this point, Mr. President, we have "dollarocracy," because it is dependent on people's capacity to raise money.

In countless circumstances, citizens who might have something to add to the dialog or who are qualified by virtue of their background to run, cannot run because they do not have the money, they do not have access to the money, and they are not going to get it. This means that a U.S. Senator in the general election is going to have an opponent. My God, we are going to have an opponent. And if we want to talk about anti-incumbent votes versus incumbent votes, this is one of them. This is a chance for people to say I believe in a political system that affords access to people and where I am willing to run on the basis of my ideas, on the basis of what I stand for, on the basis of the work I have done for my State, the legislation I have passed, the fights I fought and who I am as a person; not what I have as a bank account and what significant interests I can go out and accrue in order to support my capacity to be in public life.

The evidence is just so clear it is almost stupefying, Mr. President. For 20 years, now, we have had public opinion data that documents, year after year after year, the degree to which the American people are losing faith in the system and the degree to which they believe a system of public financing would make a difference. Poll after poll documents that.

I have a series of charts that I would like to share with some colleagues. This is a chart that shows the expenditure distribution by type of candidate over the last years, starting in 1980. The blue line is a line that shows the money that goes to incumbents and the yellow line is challenger. In every single case, 1980, 1982, 1984, 1986, 1988, and 1990, the blue is almost 2 to 1 over the challenger, indicating who has the money in these races.

In the "open race," which is the orange, in every single year with the exception of one, the orange line which signifies the money that challengers get in an open seat is significantly—in some cases 10 times less, in other cases 3 times less, and almost always 2 to 1—in favor of incumbency gathering the money over those who want to go to the U.S. Senate for the first time, even in an open seat situation.

I want to make it very clear, I am not inherently against the existence of PAC's. I think people have a right to band together and I think people have a right to contribute through whatever those associations are. The question is, do we want candidacies to be 60 and 70 percent, in some cases, funded by just those interests? Or do we want to have a system that has a little more balance to it? It strikes me what people are reacting to, as much as anything, is not that Senators and Congressmen are reacting to the money they get directly in a vote but the perception that they are. We have a responsibility to deal with that perception. Again I ask my colleagues to look, from 1978 and 1980, all the way up through 1990. In every single case the incumbent, which is the white part of the graph, got enormous amounts, in millions of dollars, from PAC contributions. In every case the challenger or the open seat was absolutely dwarfed in comparison by the money that flowed to the incumbent as a consequence.

What our bill seeks to do is to try to equalize that process.

The growing fundraising burden is something we have all talked about. I was just sitting here a moment ago making a list from my own memory. I could not remember all of them but here is where I raised money in 1990, the Senator from Massachusetts.

I went to California a number of times. I went to New York, Connecticut, Rhode Island, New Jersey, Ohio, Illinois, Georgia, Louisiana, Florida, Texas, Washington, Colorado, Nevada, Alabama, Missouri, New Hampshire, North Carolina—and I am sure there are some I have left out. What is a U.S. Senator from Massachusetts doing having to go to all those States? How many weekends did that take away from my being in Massachusetts? How many weekends and how many days did that take away from my ability to meet with the best minds in this country on health care, on education, on ocean policy, on environment, on the issues we ought to be voting on here? Instead I was chasing dollars, living some nights in a motel.

I remember one night I was in Columbus, OH. It is a nice place and I have some great friends there, Mr. President. But on the night I was in Columbus, OH, in the same hotel there is TOM HARKIN at the same time I am, having a fundraiser. Half the people bounce back and forth, and downstairs was a room all ready for the Senator from New Jersey, Senator BRADLEY—who is in back of me here—the next morning.

That is crazy. What are we doing to ourselves? It is crazy, and it is not just crazy, but it lends to the perception that people have that the system is not working, that the people with the money are the ones who make the difference.

We are here considering the question of reform. What does that mean in the context of fundraising? If the fundraising problem is that we are having to raise too much money and there is a way for us to get elected without raising so much money, we should be opting for it. The way to opt for it is to set limits in the way we spend money on campaigns and both to live within the limits and then to move to the other issues of reform.

What are they? Well, if the perception of the American people is that all the dairy PAC's or the sugar PAC's or whatever PAC can somehow influence the process more than the average citizen, that is a perception that we ought to be sensitive to. Perception is a large part of politics. It seems to me if 88 or 90 percent of the American people think money has too much influence in politics, we ought to do something to try to reduce that perception so people will trust government a little bit, so we might be able to govern a little more effectively. Then, when we say we need to do X, Y, and Z, people will say these guys are conscientious and there is a reason, perhaps, for us to believe what they are saying to us.

The best way to reduce the perception of the significant negative impact of money on the process is to reduce the degree to which we have to have any contact with money that comes from any source that might at some time be questionable.

How do you do that? You do that, Mr. President, by allowing the citizens of this country in $3 and $6 chunks to check off on their tax return "I want this money to go to a clean electoral system. I want a guarantee that my Congressman and my Senator are not linked to this money. I want a system that is beyond reproach." The way you get a system that is beyond reproach is to have a public funding system that is purely voluntary; that maximizes the opportunity of each American to choose that that tiny, tiny bit of money is going to go to help clean up the system.

What does it mean? Mr. President, I respectfully suggest, without impugning anyone in the system—and I mean that—there is an inherent something in the friendships that you have to seek to get elected, in the whole nature of support systems that are linked to money. There is an inherent process by which people try to please the people that they have to please in order that they are pleased enough that they send us here.

I will warrant that I cannot quantify that in total, absolute billions of dollars. I cannot tell you it is $50 billion or $25 billion, but I can look, Mr. President, as people have done over the course of history, at enough sort of personal interest votes that are cast in the Senate, whether it is in the Tax Code, or whether it is in policy regarding agriculture, or subsidies or whatever. No one can tell us that there is not a minimum of at least $1 billion and, most likely, if you look at some of the studies, many billions of dollars that taxpayers have paid as a consequence of those relationships. The S&L scandal is one that is most recently pointed to in that context. Besides the S&L scandal, you can look at issues ranging from subsidies to other things.

I am not saying to my colleagues and I am not saying to anybody that there is a direct link, but it is perceptible to the public that there is. I am confident that far in excess of $60 million, which is all we are talking about on a yearly basis—$60 million—far more than $120 million every 2 years has been thrown away of taxpayers' money because of the existence of some of those relationships that flow out of the electoral system in this country.

So it is far more expensive to maintain the system we have today, and if people are really concerned about the American taxpayer, if people want to reduce the cost to the American taxpayer, then reduce the amount of individual sway over the process by virtue of our need to go to them and get money.

Mr. President, it is my belief the approach that most frees us of that contact to money, the approach that most liberates the Congress, the approach that most reforms the system, the approach that most sends the message that we are serious about reform, the approach that most separates us from money, and the approach that most restores us to the role of legislator, instead of perpetual fundraiser is the approach that Senator BRADLEY, Senator BIDEN, and I, and others have put before the Senate at this time. It is very straightforward.

What if we do not raise enough money through the tax checkoff system? We are not suggesting that there would be an automatic drawdown on the Federal Treasury. We are saying that the FTC would notify each candidate in the year preceding how much money they anticipate on the basis of the tax returns given in that preceding year and based on that, they will know how much money they will have to distribute. Each candidate in each State who has chosen to live by the limits will then have the right to go out in their State and collect whatever additional money the difference is between that available in the fund and that which is given.

I happen to believe that for the first time, if Americans believe they were making the difference in the connection between politicians and money, we would have a significant increase in participation. Moreover, I am convinced if we were to have an advertising campaign that alerted America to the connection between this tax checkoff and the effort to have politics that was cleaner, we would, in fact, wind up with many, many more Americans than the 33 million who currently participate who would take part in that system. I am confident that that would be the case.

Mr. President, there are others of my colleagues who want to speak on this, but I would like to point out before I close just a couple of other issues, if I may. The Senate just voted by a vote of 60 to 38 to hold on to this very system that we are proposing, to hold on to it for Presidential races.

In fact, Republicans who oppose this system for the Senate have never raised hue and cry about the existence of this system in those Presidential races. The Senator from Kansas [Mr. DOLE] used it when he ran for President, used $8 million of taxpayers' money. Senator Howard Baker used it. President Reagan used it; I think upwards of $60 million. President Ford used it.

In fact, until 1986, we were spending on an annual basis over $500 million through a tax credit that we gave to small contributors, the $50, $100 tax credit, and we were losing each year to the Federal Treasury $500 million, and never was there a Republican voice raised in complaint about the fact that we had a tax credit and Federal dollars were being spent to support the election process.

That is not the issue. The issue is whether Members of the U.S. Senate really want to take seriously the warning signals that we have been sent in the last few years: The warning signals of the savings and loan crisis, the warning signals sent to us through the Keating affair. We all know what agony it has been for colleagues who have been in the Senate, who were the targets, as well colleagues who sat in judgment. All of them had to somehow try to separate the line between receiving a contribution and something we do here in the U.S. Senate.

(Ms. MIKULSKI assumed the chair.)

Mr. KERRY. Madam President, there is not one of us here that is not subject to that kind of scrutiny and question, not one of us. Every time we vote, somebody can raise the question: "Well, did you vote for that, Senator, because 20 people in the industry contributed $20,000 to your campaign and they all came from the same business?" And all of a sudden everybody squirms, and all of a sudden everyone in the public feels a little squirmy about the system and a little suspect of a country that is the example to the rest of the world for public finance.

Let me share a couple of figures on public finance with respect to the rest of the world, Madam President.

There are currently a significant number of cities and of States in the United States that have public funding. There are other countries that emulate our democracy that have public funding: Argentina, Australia, Austria, Brazil, Canada, Costa Rica, Denmark, Finland, France, Israel, Italy, Japan, Mexico, Netherlands, Norway, Spain, Sweden, Turkey, Venezuela, West Germany, all of them have a public funding system for the election of some public officials.

Moreover, in Florida, Hawaii, Idaho, Iowa, Kentucky, Massachusetts, Michigan, Minnesota, Montana, New Jersey, North Carolina, Rhode Island; in cities, Sacramento, Seattle, Tucson; in Utah, and in Wisconsin, they have public funding mechanisms.

The real issue here, Madam President, is how much we are committed to strengthening our own democracy. How much do we want to take it away from the "dollarocracy" that it is becoming and restore it so that people can run for office, high public office, based on their qualifications, not on their bank accounts.

Madam President, I am going to hold off because other colleagues are waiting. I will come back later with further comments. I will yield to the Senator from New Jersey 15 minutes.

Mr. BRADLEY. Madam President, throughout the debate on campaign reform the Republican Party has portrayed itself as the party that has been unalterably opposed to public finance. But I think it is important that we begin debate on the amendment offered by Senators KERRY, BIDEN, myself, and others to set the record straight.

The Republican Party, in particular the Republican Party in the Senate, has been the greatest beneficiary of public finance because each of the campaign committees are allowed to solicit contributions through mail at subsidized rates. The Republican Senate Campaign Committee has raised much more than the Democratic Senate Campaign Committee generally, and certainly infinitely more through direct mail.

The Republican Party in the Senate has already benefited dramatically more than the Democratic Party from public finance. So we come to this debate with neither side's hands being particularly untouched by the issue of public finance.

In addition to that, there are many well-known Republicans who have benefited from public finance. Ronald Reagan, for example, received $90.5 million in public dollars for his 1976, 1980, and 1984 Presidential campaigns. President Bush received $60.2 million for his 1980 and his 1988 campaigns. Our own Senate minority leader, Senator DOLE, received $8.1 million for his 1980 and his 1988 campaigns.

So Republican Senators have already received the benefit of public financing through subsidized mail, and Republican Presidential candidates have received since 1976 almost $250 million in public funds.

But it does not stop there. Each of the parties' conventions is financed by taxpayers. The Republican Party has accepted $32.2 million in public money for its conventions since 1976—$32.2 million. So we begin this debate today by at least saying that the Republican Party does not come to the debate without having accepted enormous sums of taxpayer dollars to finance their conventions, to finance their Presidential candidates, and their Senate campaigns.

Madam President, as I have participated in this reform effort over the past 6 years, I have heard of more different kinds of money than I ever knew existed—soft money, sewer money, party money, PAC money, individual money, bundled money, independent expenditures. It begins to remind me a little bit of the Tax Code which became so complicated that by the time most people had mastered it, they had lost the will to reform it.

Reforming the way we finance political campaigns is not just a matter of working through the maze of terms and putting a $1,000 limit in one area, $10,000 on another, no limit on a third, and eliminating a fourth. Those who want to influence and manipulate such a system will find a way to do so. Then we are going to find ourselves back here 6 or 8 years from now asking how we can restore public confidence in this body.

Campaign finance is not really as complicated as the experts want to make it. Soft money, PAC money, bundled money, all the rest are more alike than they are different. It is all money that represents private interests. It is difficult to legislate one avenue of private money as bad and call another good.

Individual contributions, for example, can come from long-time friends, from someone who admires your record and substantive expertise, from someone who shares a particular philosophy of government or from someone who thinks a contribution is just a good idea. We are not going to be able to write distinctions into laws that will give the public confidence that our support comes from people who are not looking for some private advantage out of Government.

When voters demand that we clean up the system, they are not saying get rid of PAC's, limit bundled contributions, regulate independent expenditures. The message I hear is much simpler, and that message is guarantee that politicians are working for all of us, for the public interest, and not for the private interests of a few who have money to give to campaigns.

Madam President, I believe the first step in answering that demand, to restore integrity to the system, is, indeed, to limit the amount of money that politicians can raise and spend from private interests. The limits must be tough and they have to cover all avenues by which money gets into the system—all avenues: Individuals, PAC's, party committees, and the rest. While we insist on limiting private campaign money, we, however, do not want to limit campaigns. Elected officials must have a way to communicate with voters, and voters must have a way to make informed choices between candidates for office. None of this can be done for free.

To limit the campaign money that represents private interests without limiting campaigning and communication means balancing the system with money that represents the public interest, the taxpayers' interest. Put simply, without public money we may be able to limit private money but we will still depend on private money. Our campaigns may be smaller and voters may know less about us, but they will have no reason to be assured that we are working for a broad public interest rather than the narrow interest of those who gave to our campaigns. That is really why my colleagues, Senator KERRY and Senator BIDEN, and I support public funding, because it would make voters and taxpayers and their families full participants in the political system.

The public would be able to feel that its interest was being served. The public would know politicians are not getting money from those who seek special favors from Government. Public financing might make elections more competitive, it might make campaigns more positive and substantive, and it certainly would help politicians spend their time talking and listening to voters instead of raising money.

The value of public financing is not measured as much by the result it produces as by the questions and doubts that it eliminates. The public finance system that we are putting forward in this bill is modeled on the system by which we fund Presidential elections and by the last vote ratified by the Senate overwhelmingly. It is inspired by the success of that system. It is a system that works so well that we hardly notice it. But when we do think about it, we have no reason to doubt that the elections since 1974 have been fair elections and fair reflections of the voters' informed choices.

We know that the candidates have spent the months preceding the general election communicating their views to the voters rather than chasing after money. I believe a campaign finance system that eliminates any doubt about in whose interest the President is acting contributes to the basic confidence the American people have had in the Presidency even in the most trying times, and the same would apply to a system of public finance for congressional elections.

Public financing of House and Senate campaigns would serve two vital public purposes: One, enabling candidates for office to communicate with voters; and second, restoring confidence in Government and the choices we make in this body. Whether those purposes are worth paying for would be a more troubling question if the cost were not so low, compared to the $200 million that we used to spend in an average election cycle on a 50-percent tax deduction for campaign donations—in other words, $200 million of taxpayers' money voluntarily chosen.

Under this system we are closer than we have ever been to meaningful and comprehensive campaign finance reform. The Democratic leadership has proposed a bill that will effectively limit money from private interests, and that will hold campaign spending to a level necessary for honest debate.

We will end this reform process with a better system than we started with. But to complete a reform we will not have to revisit in a few years to restore public confidence in the Senate, we should take the last step to balance private campaign money with funds that represent the interests of all American people and no one else.

If we are really serious about campaign reform, then we simply must have public financing of elections. We can tell ourselves that there are improvements over the present system, but only public financing will remove the potential for abuse inherent in private financing of campaigns.

For 6 years Democrats in this body have been trying to find meaningful campaign reform. Our position really has not changed much. We have always been for spending limits. We have been for spending limits from the very beginning as a matter of record since 1974 when the Federal Election Campaign Act was passed.

I mention this because there is a consistency in the Democratic approach that has been lacking on the Republican side.

In 1985, their interests seemed to be the status quo because they believed that favored incumbents and they had more incumbents. During the next Congress, the 100th Congress, they were staunch defenders of PAC's because they believed PAC's would help Republicans more than Democrats. During the 101st Congress, in an abrupt about face, they proposed the elimination of PAC's and talked about raising the individual contribution limit because obviously they have more, and wealthier, contributors. Now they want to limit out-of-State donations.

The cynic might conclude the Republican idea of campaign reform is a system in which only Republican donors are allowed to contribute to Republican candidates. That is what a cynic would say, not necessarily I, but a cynic looking at this record, this zigzag approach to campaign reform that the other side has followed since 1985.

On our side we have been very clear. We believe spending limits are important and now we believe and we say in this amendment in very clear terms that public financing is absolutely essential.

The Republicans say they do not really want it even though, as I have already demonstrated, their Presidential candidates have taken over $250 million. Their party has financed its conventions with over $30 millions. Republican Senators have benefited from subsidized campaign mail by the Republican Senate Campaign Committee. Even though that is all there, they say the public does not want it.

I must say I believe there are a lot of things the public would not want if it came out in the full light of day. And in the full light of day there are many things that occur in this body that a candidate without resources cannot focus on.

A candidate with resources, for example, could expose the tax deductibility for advertising expenses for tobacco, that lure young people into a system of consumption of nicotine that shortens their lives. But a challenger that has no access to capital cannot do that.

Madam President, what I am saying is public financing of elections is the only way to ensure complete and thorough campaign reform; public financing of elections that is voluntary.

Let me ask the rhetorical question. Would you rather have your Senators and Congressmen finance their campaigns with 32 to 40 million individual Americans checking voluntarily a couple of dollars off of their tax return, or would you rather have them financing their campaigns through a much smaller number of much bigger contributors? I think the option is clear, and the choice is clear on this amendment.

I yield 5 minutes to the distinguished Senator from Washington.

Mr. ADAMS. I thank the Senator.

The PRESIDING OFFICER. The Senator from Washington may proceed for 5 minutes.

Mr. ADAMS. I thank the Senator very much.

Madam President, I rise today to express my support for the Kerry-Bradley-Biden amendment to S. 3, the Senate Elections Ethics Act of 1991. I am proud to join them as a cosponsor of this amendment because I believe payments made directly to the campaigns of candidates of major parties who qualify for the ballot with the remaining 10 percent provided by small individual contributions, is a good way to approach this matter.

I believe S. 3 is an important first step toward improving the electoral process because it would establish voluntary spending limits, and provides vouchers for broadcast communications.

However, the Kerry-Biden-Bradley amendment is a much better proposal, and it is one I support now and I will support in the future because it adds a system of voluntary public financing and funding, a checkoff system, patterned after the system that has been used by the Presidential candidates. The Presidential system was established because of the corruption of the 1973 period.

Republicans have supported public financing of Presidential campaigns. I do not see why they should not support the same system for their own elections in the Senate. Furthermore, if we can send $9 million down to Nicaragua to help them finance their elections, why cannot we spend that kind of money to see that we have good elections here?

I do not understand this idea in the United States that we can spend all kinds of money abroad to do all kinds of things, and then not do the same thing at home. Part of our domestic agenda should be good and clean elections. The way you get good elections is to take the private financing out of it, and have the public finance it voluntarily by checking off on their income tax returns.

I hope we pass the Kerry-Bradley-Biden amendment.

Let us adopt this amendment because it would eliminate the impact of large contributions.

We have to have a system to require voluntary compliance because the Supreme Court of the United States has said we cannot arbitrarily limit spending in campaigns. Candidates have to accept spending limits. That is the reason we go through all of these gyrations trying to figure out a way to assist candidates other than the incumbent, or to assist both the incumbent and the other, to accept a spending limit.

If you want to get tough about it, we can say to one side, "If you do not accept that voluntary limit, you are under a series of onerous-type laws of what you can do in terms of size of campaign contributions, and the other guy can do anything he wants." But we have not done that. Instead, we have said that a candidate can have public financing if he or she voluntarily accepts a limit.

I have not checked this with my other colleagues, so I am speaking for myself, but if there is some worry—and I think it is a red herring—that a challenger needs more money than the incumbents because the incumbent has been there, let us set a higher limit for that person; give them some more money. Let us put a limit on it.

Our real underlying problem is that elections are bought today. They can be bought by rich challengers or rich incumbents. What we are trying to do with this bill is avoid the purchase of elections by anybody and, particularly, as has been mentioned by some of my colleagues, by having to rely on contributions where you have either spent an inordinate amount of time trying to raise them, or they have some potential for taint.

I say "potential for taint" because a lot of people do not know what is going to happen tomorrow with a particular contributor. People in this body have had to send back contributions, because 2 or 3 years later somebody gets into trouble, and then they are accused of: Why did you take that money? The answer is that you did not know.

The savings and loan industry is a very good example. People took contributions from savings and loans. In some States like mine, they are small businesses. Generally, we knew most of the people. I did in my State. All of a sudden the industry fell into trouble.

I hope that we can pass this amendment, because the growing reality is that if we do not, only persons with large personal wealth or access to large sums of money are going to be considered as serious candidates for office. I call it purchasing a ticket to get into the game.

If you do not have enough money to be on television and reach people's living rooms, you are not able to present your case, and you are not able to make your issue.

I have seen from experience 4 years ago, and I see as I start to run for a second term, that unless the amendment were to be in law—and I will not have a chance ever to benefit from it, because it will come too late—but going through that calling, asking, and begging for money, is simply something that takes an enormous amount of time.

And I thought that, as a candidate, when I went in for my first run for the Senate after 35 years in public life, being a U.S. attorney, a Congressman, a Cabinet officer, 12 years experience in the Congress, 3 years in the Cabinet, I would have no problem being taken as a serious candidate. But I was not. I was 36 points behind when I started, because I did not have any money. So everything went into that.

I just conclude by saying that I think that the failing of our system is that we have to have a way of making a level enough playing field in the public media market. And I do not mind being outspent; I have always been outspent 2 to 1. But at least candidates need enough money to get your message out. If you cannot get your message out, you can't campaign.

The Kerry-Bradley-Biden amendment does that. I hope it is going to pass. I support it, and I hope that the reform that comes with it will be one that the American people will see and have a chance to enjoy in the very near future. If they can have it in Nicaragua, we ought to be able to have it here.

Mr. President, I express my support for the Kerry-Bradley-Biden amendment to S. 3, the Senate Elections Ethics Act of 1991, and am proud to join them as a cosponsor of this amendment.

The amendment offered by Senators KERRY, BRADLEY, and BIDEN takes a dramatic step toward reforming the electoral process and restoring public faith and confidence in our political system. If there ever was a time that public confidence needed to be restored, that time is now, as popular disenchantment with politics grows and as the number of voters going to the polls declines.

Let me briefly outline the main provisions of the Kerry-Bradley-Biden amendment. It sets spending limits and establishes a system of voluntary public funding for general Senate elections, while exempting from spending caps contributions of $100 or less from voters within the candidate's State. Of the funds required for Senate campaigns, the amendment provides that 20 percent would come in the form of vouchers to be used in broadcast advertising. Seventy percent would come from voluntary public payments made directly to the campaigns of candidates from major parties who have qualified for the ballot, with the remaining 10 percent provided by individual small contributions.

Mr. President, I support S. 3, the bill offered by Senator MITCHELL and BOREN, and believe it takes an important first step toward reforming our electoral process. S. 3 would establish voluntary spending limits and provides vouchers for broadcast communication for those candidates who accept those limits.

The Kerry-Bradley-Biden amendment is an even better proposal. By adding to the broadcast vouchers a system of voluntary public funding, our amendment would essentially eliminate the impact of large contributions from general Senate election campaigns.

Mr. President, the implementation of a system of voluntary public funding, so we can have under the Supreme Court tests, spending limits in Senate elections is the direct, honest, simple way to effect true campaign finance reform and to bring under control spending on Senate campaigns. Spending limits are the only way to have real reform so nobody buys the election and public funding is the best way to offset the millionaire candidate. If there is an incentive needed to ensure that challengers need more than I would support a higher limit for challengers. This is really a red herring because most challengers are well-financed former or wealthy or selected party people.

The Kerry-Biden-Bradley amendment addresses what I feel are the two most critical failings of our current process of electing public officials: The inordinate amount of time candidates, challengers and incumbents alike, spend raising money to finance their campaigns and the growing reality that only those persons with personal wealth or access to large sums of money are considered serious candidates for public office.

As we all know, the cost of running for public office and the amount of time candidates, challengers, and incumbents alike, must spend raising money have gotten way out of hand.

I do not approach this issue from an objective or theoretical perspective. I wish I could but I can not. The memories of what I had to do to get here are as fresh today as they were the day I won election in 1986, and unless this bill and this amendment becomes law, I see my experiences with fundraising 4 years ago being repeated as I start a run for a second term.

Let me be frank, Mr. President. I do not think any of my colleagues, especially myself, should go through what I went through in my first campaign.

From the first day of my campaign to the last, perhaps the most serious problem I faced was raising enough money to be considered a credible candidate. After 35 years in public life—a U.S. attorney, a Congressman for 12 years, and a Cabinet Secretary for 3 years—I did not believe I would have a problem being taken as a serious candidate.

Instead, I found that I spent at least half of my time making phone calls asking for contributions or meetings with potential donors or attending fundraising receptions in and out of my State.

I did not like doing it, but I did because I had to pay for the ads to present my message to the voters in my State.

I made those calls and often the response was that I had not raised enough money to win.

I now enter my reelection cycle and I am told that I will need to raise $4 million, over twice what I raised in 1986.

The second failing in our current election system is the growing reality that only wealthy individuals or individuals with direct access to large sums of money are considered serious candidates for public office. This reality is having a chilling impact on the considerations of many fine men and women around the country who at some point in their lives think about running for public office.

They know, as we do, that they are likely to be outspent by better than 2 to 1 and their prospects of winning an election with this disadvantage are minimal at best.

How do we measure our loss in terms of fresh ideas and outlook when potential candidates decide they can not possibly raise the money to get their message to the voters and win election to public office.

The Kerry-Biden-Bradley amendment addresses both of these issues simply and directly.

The combination of spending limits and a system of voluntary public funding will rein in the time consuming rush by candidates to raise more and more campaign funds and provide the level playing field necessary for challengers to get their message to the voters.

This amendment would end the need for candidates to raise large sums of money for television advertising.

It will offer hope to potential challenger candidates that their message will be heard and not drowned out by an opponents overwhelming financial advantage.

As my esteemed colleague from Massachusetts stated when he introduced this amendment:

> For real reform, we need to endorse the basic principle of a democracy—that a race should not be determined by how much money a candidate can raise and spend, but by the quality of his or her message and candidacy.

It is time for reform that ensures that our election system is open to everyone and not just those individuals with access to great sums of money.

The Members of this esteemed body, which has housed the likes of Webster, Clay, and Vandenberg, should not be known as the best Senators that money can buy. The American people deserve better.

The Kerry-Bradley-Biden amendment will effect such essential reform and I urge my colleagues to support it.

Mr. BRADLEY. I yield 10 minutes to the distinguished Senator from Delaware.

Mr. BIDEN. Madam President, as I said to my colleague from New Jersey privately a moment ago, it has been 18 years now that I have risen to my feet on the floor of the Senate—to be more precise, 17 years—to push for public financing. The first major piece of legislation that I coauthored was with the Senator from Iowa, Senator Dick Clark, in a call for public financing of congressional elections.

Madam President, over the years, as the Senator from New Jersey has indicated, I have watched this debate on how we finance elections, and they move back and forth like a ping-pong ball on the Republican side, not being sure what they liked and did not like, what helped them and what did not help them.

I can remember back as far as 1974, I believe, when I was pushing for public financing, and I had a public financing bill that gave the challenger, if he or she did not already hold a districtwide or statewide office; that is, if they were not already known as well as the incumbent—a Governor, for example, would not take advantage of what I am about to say because he or she would have held statewide office. I had a provision calling for there to be, I believe it was, 15 percent more money available to a challenger than to an incumbent.

I remember walking into this Cloakroom, and the giant of the Senator, who preceded my friend from the State of Washington, who we always referred to affectionately as "Maggie," Senator Magnuson, saying, "What is the matter with you?" He said, "I have worked for 30 years to get in a position where I can raise more money than my opponent, and you want, in one fell swoop, to give my opponent, whomever it may be, money, more money than what I am going to have. What is the matter with you, boy?"

Well, it has not only been, in the past, Republicans who could not make up their minds about what is fair and what is not fair—I still think they are having trouble with that—but back in the old days, some of my Democratic colleagues. I tried to frame this agrument in every conceivable way that I could over the years, and I find that the opponents of this concept constantly raise a number of what we lawyers call red herrings, that do not have a darned thing to do with the notion of public financing.

For example, they talk about PAC's and special-interest money. Well, how is the difference between 10 wealthy corporate executives getting together and deciding to give $10,000, or $2,000 apiece, in a primary or general election, any different or less corrosive than the Friends of the Earth, or the Sierra Club, getting together and presenting somebody with two $5,000 checks for a campaign?

So we have spent a lot of time avoiding, in my view, the central issue, and it is this: You either have the people sitting up there in this gallery give a little tiny bit, a few dollars a year, to all those who wish to seek public office in the House and the Senate—we call that public financing—or you have special-interest groups financing.

That is your only alternative; there is no other. You let the fat cats decide who gets to run for office, or you let the American people decide. You can call it public financing; you can call it the public trough; you can call it private financing, you can call it individuals contributing, but it is simple. It is simple and it is stark. Either all of America decides who gets to run for public office or a few people, a tiny percentage of Americans decide who gets to run for public office. I mean it is that basic. I do not care what face you put on it. I do not care how you characterize it. I do not care whether you think it is good, bad, or indifferent. They are the only two choices. Simple. I choose, if given the alternative, to be indebted to 240 million Americans as opposed to maybe—I have never counted it, but I suspect if you added up every single solitary American in the last cycle who contributed to all the candidates in both political parties, you may hit a million people.

So the question is, do we want the People's House, as the House of Representatives is referred to, or the other body, as they refer to us in the Senate, do you want us beholden to 240 million Americans or a million Americans? I mean, what is all this stuff about? How much is the cost? My lord, the Republican Party spent more money subsidizing flood insurance for wealthy businessmen by a factor of 10 than we are going to spend on this awful thing called public financing.

I always kind of thought the notion public connotated something good, not bad, but if you notice how they say it, I say to my friend from New Jersey, public like this is something awful—public. My lord, public is people, the American people. And if you take a survey and ask the American people whether they want to spend anything on anything that has anything to do with the Government, they will tell you, no, not anything. So, my lord, we get off in this long drawn-out moralistic argument, and I say to my wealthy friends here in the Senate—I do have wealthy friends here in the Senate—the other option is there are those who are able to say, well, I took no money from anyone to run for public office; I took it out of my own checking account. That is what they say, right? Sometimes colleagues stand before the public and say, "I want you to know I can't be bought. My father already bought me for $12 million, my grandfather bought me for $4 million, or my great grandfather bought me for three-quarters of a million dollars. So I am an honest man. I do not want public money. I do not want private money. I have my own money."

Praise God that I would have had that opportunity. I promise you I would have been as noble as any of my wealthy friends in here and said I will take nothing from anybody except that which I never earned.

So what is happening? I do not mean this in any derogatory way. I do not blame them. If I had money, I would avoid the demagoguery of those who say, "And did you not take a contribution from somebody who in 1947 knew somebody who in 1963 invested in a savings and loan that went belly up in 1986 and therefore aren't you crooked?"

Sure, if I had the money I would avoid it all. But what do we have now? You sit around—and I say this very bluntly. I do not have any trouble raising money. I had trouble the first time, a 28-year-old announced for the U.S. Senate. Under the Constitution you have to be 30 years old to be a Senator. I was elected when I was 29 years old, 3 weeks before I was constitutionally eligible even to take office. I want to tell you back in those days it was hard to get people to contribute to me. Now I am the chairman of the Judiciary Committee. I have been here 18 years. I have just been reelected for my fourth term. I was foolish enough to have run for President once so I know people beyond my State. So I do not have any trouble raising money. It is tedious, but I do not have any trouble. I can have one of the wealthy scions of the du Pont family run against me and I will raise as much money as he.

I ask for 2 more minutes if I may.

Mr. BRADLEY. I yield the Senator 3 additional minutes, as long as the Senator would like within reason.

The PRESIDING OFFICER. The Chair advises the controller of the time that there are 31 minutes and 27 seconds remaining.

Mr. BIDEN. I will try not to take up the Senator on his generous offer, especially since the manager of the bill came back. When Senator BRADLEY said I can have as much time as I want, the Senator from Massachusetts turned white at that moment. I will not take all the time by any stretch of the imagination.

Let me conclude by saying this: I really think that we should stop kidding the American people and answer two basic questions: Do we want to both in fact and in appearance free any candidate in any political party from the appearance of being beholden to anyone? Is that a laudable, is that a notable, is that worthwhile, is that an important objective? If it is not, so be it. If you can conclude that is not important, that is not part of the reason that we are on this floor today, debating financing of any kind, why are we here? Because the American people are angry. They do not like the way we finance our elections.

They are as naive as I was when I ran in 1972. After I got the nomination, I went to the chairman of the Democratic Party and said, "Do you write me a check?" And he looked at me and he said, "You are 29, aren't you?" I am serious. I thought, yes, you just went and got a check; the parties do this, do they not? I did not realize I actually had to go out and knock on the door the way I hear you do. I would ask you because I know you make a lot of money. You walk up and say, "Can you contribute money for me to run for office?" I did not know you did it that way. When I found out you did it that way, I said I do not like this part of the job. I did not think this is so hot.

And guess what? Fifteen years later, as a consequence of scandal, and alleged scandal, the American people find out how it is done and they say, "I do not kind of like the way this is being done." And soon as the opponent found out this is the way it is done and some on our side found out the American people did not like it, they said what Republicans call it, a wedge issue, we got a wedge issue. Let us go out and make the case that anybody who accepts any money from anybody in a certain area is in fact bad. The question is, is the appearance important? If it is, I know of no other way to cleanse the process than to say these are the folks that I owe my allegiance to, not a group of a few people.

The PRESIDING OFFICER. The Senator has now used 4 minutes of his allocated time.

Mr. BIDEN. One more minute and I will stop. I ask unanimous consent for 1 more minute.

Mr. KERRY. I yield the Senator from Delaware another minute.

Mr. BIDEN. The second point I wish to make is that limiting spending is a laudable, notable, important objective that the American people want. Now, lest you want to leave the appearance the way it is, or not limit election spending, then vote the Republican way. But if you want to do those two things, listen to this. There was an English writer and cleric, I believe, in the 17th century who said, "Moderate reform is like moderate justice or moderate chastity." There ain't no such thing. Either reform the system or be quiet. Reform the system, make it not only in fact but in appearance credible, limit the spending, or let us stop all this charade.

I expect this will not be the last time I will speak to this issue on the floor, but it is my sincere hope and desire I never have to rise again on the floor of this body to make a case for public financing.

I yield the floor and I thank my colleagues for their indulgence.

Mr. KERRY. Madam President, I thank the Senator from Delaware, the powerful and distinguished chairman of the Judiciary Committee, as he calls himself, but as so many people more readily call him. He has been here, as he said, for 18 years. He has seen a lot more of this process than I have. But I appreciate his words of wisdom on this.

And, I want to thank the distinguished Senator from New Jersey who, likewise, has been here longer than I have and understands the implication of this.

I want to underscore what the distinguished Senator from Delaware said. He said the American people are upset by this process.

There are over 400 organizations across this country that want this legislation, that supported it openly and publicly, ranging from the American Association of Retired Persons, American Public Health Association, American Public Power Association, Children's Rights Group, Church Women United, Citizen Action, Consumer Federation of America, the Florida Municipal Electric Association, the Georgia Consumer Center, Georgia League of Women Voters.

I might add I do not know where the distinguished Senator from Kentucky has gone, but also the Kentucky American Jewish Committee, Kentucky Association of School Administrators, Kentucky Citizen Action, Kentucky Coalition for the Homeless, Kentucky Combined Committee on Aging, Kentucky Common Cause, Kentucky Community Farm Alliance, and the Kentucky Conference of NAACP Branches.

Madam President, I just went half way, I am only half way into K, abbreviating it, but there are groups all across this country that are crying out for this kind of reform.

Madam President I yield 10 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 10 minutes.

Mr. WELLSTONE. Thank you, Madam President. I thank the Senator from Massachusetts.

And I too wish to thank the Senator from Delaware for his remarks.

I rise in support of S. 128, the Kerry-Bradley-Biden bill.

I consider it a great honor, Madam President, to be able to speak on this Senate floor. I have an opportunity to speak to people in this country. And what I want to say to people in this country that follow this debate is that I just do not understand the case against public financing. I really do not understand it.

Opponents argue it has something to do with taxpayers' money, though it is voluntary. They argue that it is all about entitlements. They call it food stamps for politicians. And then they argue that really not putting the lid on this mad chase for money, letting people just pour all these big bucks into campaigns, that really is participation, equating big dollars with participation.

It is a peculiar definition of participation to argue that those people who have the money, that are well connected and can put the money into these huge buck campaigns, get to participate more because they have more influence. That is a system of democracy for the few, but it is not a system of democracy for the many.

I believe that if you were to say to the people of our country—and that is what we are doing from the floor today; we give you a choice, and people deserve to have that choice—if we were to frame the issue—and that is what leadership is all about, framing issues, not telling people what they should decide but being honest and framing an issue for people—listen, would you be willing for $5 or $10, depending on how you cost it out, would you be willing for *x* amount of dollars to be able to reclaim control over your own Government, reclaim some control over these elections, reclaim control over democracy?

There is no question in my mind that the people in this country would give public financing overwhelming support. And the reason they would give it overwhelming support is because they are willing to face up to some unpleasant truths that the opponents of public financing are unwilling to face up to. The opponents of public financing turn their gaze away from unpleasant truths that are staring us right in the face.

Unpleasant truth: Money determines who gets to run. The Senator from Delaware said, as chair of the powerful Judiciary Committee, he has no problem raising money. He was honest about that.

I will tell you as somebody who challenged an incumbent, running for the first time, it was degrading. It was like begging. And over and over again people would say to me, do you have millions of dollars? That was their test of whether you were a viable candidate. That is outrageous in a democracy.

Money determines who the gatekeepers are. Who do you go to see early on? The people who are well connected. I will tell you, Madam President, I got to the point where I hated the language: the players, the well-connected, have you talked to them? These are the people who give the early money which really matters and they have way too much influence. And the vast majority of the people in our country do not. That is not real democracy. Money gives the advantages to the incumbents.

The system is wired for incumbents. I do not know why in the world, except for the fact there are many incumbents here, why anybody would not want to have a level playing field to give challengers a chance. Money determines whether or not you are going to be able to be a good legislator. That is an unpleasant truth.

There are so many—not enough women, I do not need to tell you this, Madam President—but there are so many fine Senators here. Now, in this last 2-year cycle, people who I have come to know and really respect, they are exhausted already, trying to be good legislators, representing people and also having to be on the phone raising money, traveling all around the country. It is absolutely outrageous, out of control.

Unpleasant truth: All too many Senators and Representatives are accountable to not real constituencies, not the vast majority of people—that is democracy—but to cash constituencies. That is an unpleasant truth.

Unpleasant truth: Money all too often almost always determines final outcome. That is right. Communication technology has become the major weapon of electoral conflict. It is capital intensive, it is hugely expensive and the people who have that money get on TV with those simple jingo ads, and they bombard people with it. And people know what they are and people sort of know what they stand for, although it does not focus on issues like it should. And those who do not have the money, they do not have a chance.

Madam President, in his book "Sleepwalking Through History," and I mentioned this last night in my speech on the floor, Haynes Johnson gives the following vignette.

> In Midland, Texas, entrepreneurs in the Nation's oil production capital gathered at the Holiday Inn to celebrate Reagan's inaugural. On a buffet table * * * they placed a cutout of the Capitol dome in Washington. On it was one word, "ours."

The people of America, I was going to say do not believe—that is not the right word. I am not talking about deception. The people—these are strong words from the floor of the U.S. Senate—the people in our country know that our Capitol, this Capitol, this Senate and this House does not belong to them. The people know that this Government does not belong to them. The people know that this mix of money has gotten to the point where it is no longer true that each person counts as one and no more than one. They know that some people are more equal than others. The people know they have been cut out of the political loop.

We need public financing. It is the most important issue I think that we could ever debate and discuss. It is the most important legislation we could ever pass. It goes to the very root of whether or not we are going to have good politics. We need public financing so that average citizens can say to themselves, the Capitol of the United States of America belongs to all of us. That is why we need public financing.

I yield the rest of my time back to the Senator from Massachusetts.

Mr. KERRY. I thank the distinguished Senator from Minnesota for his comments and for his commitment to this issue which are important and, I think, heartfelt. Moreover, I might add when the Senator from Minnesota says that the people in the country know, the fact is, Madam President, that the data really bears that out.

There has been polling data since the early 1970's. As we all recall, with the Watergate crisis people really began to focus on the question of campaign financing because of slush funds, et cetera.

Since 1973 through 1990, this was the question.

> It has been suggested that the Federal Government provide a fixed amount of money for the election campaigns of candidates for Congress and that all private contributions be prohibited. Do you think this is a good idea or a poor idea?

From 1973 until 1990, the American people have never been less than 60 percent in affirmative answer to that question. Today the American people, 88 percent, say there is too much money influence in politics and they would like to have some kind of public funding involvement.

When I hear my colleagues on the other side of the aisle say, by God, the public does not want tax dollars going to this, that is what they say if you ask the public, "Do you want your tax dollars going to politicians?" I will say "no" to that. Nobody is going to say they want their tax dollars going to politicians. But when you ask the question, do you want it going to them in a way that would allow them to get elected without having the major influence of money, then you begin to get Americans overwhelmingly voting in favor of it and saying, yes, that is really what this issue is all about.

Madam President, how much time remains?

The PRESIDING OFFICER. There is 15 minutes and 5 seconds.

Mr. BRADLEY. Will the Senator yield?

Mr. KERRY. I yield to the Senator from New Jersey.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, at the moment we do not have the other side represented on the floor but I do think it is important to have them here at some point. If they are prepared to speak now I am prepared to yield the floor.

But I must say in anticipation of the floor leader on the Republican side taking the floor and addressing the Senate, in the last 24 hours I have been approached by several Republican Senators who heard the debate last night and said they would be prepared not to have their party accept public money for conventions. Several of them also said they would like to make sure that Senate campaign committees did not get any kind of special treatment in mail. A number of them said we agree with you on the sewer money. We agree with you on trying to prevent the $100,000 contributions from slushing into State parties.

If that is so then I hope the distinguished floor manager for the Republican side would stand up now and tell us that he will write a letter to the chairman of the Republican Party, urging the Republican Party not to accept public money for its convention. And that he would be prepared to forgo any of the special mail treatment accorded to the Republican Senate Campaign Committee. And that he would be prepared to stand on the floor today and say that he would ban all of the big money coming into the parties, whether it be by corporations, or whether it be by individuals, or whether it be by labor unions. And I eagerly anticipate his remarks.

Mr. KERRY. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, the reason the current system does not have any money left in it is that people do not know enough about it. We need to advertise it. People are cynical about Congress being beholden to special interests. So I guess the argument on the other side is why should that affect the Presidential checkoff?

This amendment, it seems to this Senator, is being presented largely to provide some cover for those on the other side who would like to argue that they are somehow not in favor of public funding even though they are. I do not suspect the amendment of the Senator from Massachusetts is going to get a whole lot of votes. It may not even get a whole lot of votes on the Democratic side, because essentially what it tries to do is argue—and I am somewhat incredulous at hearing this argument—that the public is in favor of public funding.

I suppose the answer you get to those kinds of surveys depends largely on how you ask the question. I think it is pretty clear in surveys as recent as December of this year, one taken by Peter Hart and Bob Teeter together—that is an interesting combination—for NBC News and the Wall Street Journal. It was very simply put, "Would you favor or oppose public financing of congressional elections?"

I repeat, "Would you favor or oppose public financing of congressional elections?" That was in December 1990.

In favor of public financing of congressional elections: 38 percent; against: 55 percent.

I suppose we can all believe what we want to believe on the subject of whether the American people are in favor of spending tax dollars for political campaigns. I think the answer is pretty clear. I noted that not a single Republican Member is persuaded that the American people are in favor of taxpayer funding of Presidential elections. On the key amendment this morning to eliminate spending limits in public financing there was not a single Republican who voted against that particular amendment. So I suppose those on the other side who are in favor of the Kerry amendment could continue——

Mr. BRADLEY. Will the Senator yield?

Mr. McCONNELL. Not at this point; could continue to believe that the American people are in favor of this, if they choose. I am rather confident that they are not. They are having a chance to vote on public funding every April 15. In my State only 18 percent of Kentuckians choose to check off that they would like some portion of taxes that they already owe to go to Presidential races, including such things as financing the conventions. Clearly there is no sentiment for that.

But beyond the question of sentiment, because I suppose either of us can craft a question in a way that gets the answer we want, there is a more broad-based philosophical difference between virtually everybody on our side and virtually everybody on the other side. It is whether we think the efforts of people out there in the land to participate in our campaigns by making contributions that are limited and disclosed is somehow how a tainting process. I have heard it said time and time again by my friends on the other side we are somehow tainted by the fact that all of these people are out there contributing to our campaigns. Bearing in mind that in congressional races, the average contribution is about $300, how that is tainting is hard for this Senator to understand.

We all know there is a need for money in politics because in this modern age of communication, that is the way we reach the public. We may not like that. We may wish that people still wanted to go out on the courthouse lawn and listen to endless debates. You cannot even get a crowd for a debate in here, much less out there.

I think, frankly, it is fairly healthy that people are not interested in doing that sort of thing. Politics in America to the typical American is not a consuming interest, like it is for all of us. I, frankly, think that is a pretty healthy thing.

We have a fairly well-established democracy here. People have more important things to do: To be with their families, to go to ball games, to work, to do other things that are more important to them than to go out and listen to us making speeches or picking up pamphlets at our headquarters and going out and distributing those door to door. That is not something that that typical American has a consuming interest in doing.

A great many Americans do participate in the political process by writing out a check and sending it to their favorite candidate. For the life of me, Mr. President, I have a hard time seeing how that is a tainting thing.

The other argument that is made is that this is going to relieve all of us from the money chase. It has been asserted time and time again on the floor of the Senate that all Senators do is raise money. That just is not true. That is not what happens here. The statistics are clear. In every cycle that we have studied—and that is the last three, and we are also working on this one although it is completed—it is perfectly clear that Senators do not spend all of their time raising money.

Looking at the class of 1986, in the first 2 years of that 6-year term only 4 percent of all the money that was raised came in.

In the second 2 years, only 10 percent; 86 percent of the money raised by the class of 1986 came in in the last 2 years. Why? Because they wanted to get reelected; because they thought they might have an opponent.

I think competition is a good thing. We do not own these seats. We should not be insulated either from people who want to contribute to us or those who want to run against us. The same pattern was evident in the class of 1988 and the class of 1990. Over 80 percent of the money raised by those incumbents was raised in the last 2 years. There is no money chase, Mr. President. It does not exist. It is a fiction.

So I think this amendment is, at least, in the judgment of the Senator from Kentucky, more straightforward than the underlying bill. The proponents of this bill come right out and say they think the participation in our campaigns is a tainting thing and they provide up to 90 percent of the spending limit from public funds. It almost approaches constitutionality, but it comes up a little bit short.

If this amendment sought to make this bill constitutional, it could fully fund or maybe even entice candidates into accepting a limit with 90-percent funding up to the spending limit but not punish—not punish—people who choose to express themselves beyond the limit.

So this amendment, even though it moves in the direction of becoming constitutional, still comes up short of the mark because it keeps all the punitive features, that the underlying amendment has when one expresses himself above the limit prescribed.

Mr. KERRY. Will the Senator from Kentucky yield?

Mr. MCCONNELL. In a moment. When it punishes candidates for expressing themselves above the limit prescribed in the bill. Mr. President, I would have hoped that we could have had just a straightforward public funding amendment with no penalties so that I could have stood up here and said this may be wrongheaded but at least it does not violate the first amendment.

Unfortunately, the Kerry amendment is both expensive and unconstitutional. So there are at least two good reasons for opposing this amendment. It will be very expensive, and it also will not last a minute in the courts.

So, Mr. President, I hope that the Kerry amendment will not be approved, and I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. I would like to make a point quickly on my time, if I may.

Mr. President, I ask unanimous consent that a memo from the Congressional Research Service be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, May 17, 1991.

To: Senate Committee on Rules and Administration, Attention: Thomas E. Zoeller, Counsel.

From: American Law Division.

Subject: Constitutionality of a Provision in S. 3 (102d Cong.) That A Candidate Complying With Spending Limits, Whose Opponent Does Not Comply, Shall Receive Additional Public Financing in the Amount of the Excess Expenditure.

This memorandum responds to your request for a discussion of the constitutionality of a provision in S. 3, the "Senate Election Ethics Act of 1991," 102d Cong., 1st Sess., that a candidate complying with spending limits, whose opponent does not comply, shall receive additional public financing in the amount of the excess expenditure.

In the 1976 landmark case of *Buckley v. Valeo*,[1] the Supreme Court held that spending limitations violate the First Amendment because they impose direct, substantial restraints on the quantity of political speech. The Court found that expenditure limitations fail to serve any substantial government interest in stemming the reality of corruption or the appearance thereof and that they heavily burden political expression.[2] As a result of *Buckley*, spending limits may only be imposed if they are voluntary.

It appears that the provision in question would pass constitutional muster for the same reasons that the public financing scheme for presidential elections was found to be constitutional in *Buckley*. The Court in *Buckley* concluded that presidential public financing was within the constitutional powers of Congress to reform the electoral process and that public financing provisions did not violate any First Amendment rights by abridging, restricting, or censoring speech, expression, and association, but rather encouraged public discussion and participation in the electoral process.[3] Indeed, the Court succinctly stated:

> Congress may engage in public financing of election campaigns and may condition acceptance of public funds on an agreement by the candidate to abide by specified expenditure limitations. Just as a candidate may voluntarily limit the size of the contributions he chooses to accept, he may decide to forgo private fundraising and accept public funding.[4]

Because the subject provision does not *require* a candidate to comply with spending limits, the proposal appears to be voluntary. Even though compensation paid to a complying candidate, in the amount of excess expenditures made by a non-complying candidate, serves as an incentive to limit spending, it does not jeopardize the voluntary nature of the limitation. That is, a candidate could legally choose not to comply with the limitation by opting not to accept public financing. Therefore, it appears that the proposal would be found to be constitutional under *Buckley*.

L. PAIGE WHITAKER,
Legislative Attorney.

Mr. KERRY. Mr. President, it says in the 1976 case of Buckley versus Valeo that this particular proposal meets constitutionality under that. When we run out of arguments on campaign finance reform, when we cannot really argue against the concept, then the great thing to do is come to the floor and say it is unconstitutional.

The Senator from Kentucky suggests it is unconstitutional because it punishes some. It does not punish anybody; it does not punish them at all. It does not violate anybody's rights to spend all the money they want. If they want to spend $100 million, they can spend $100 million. This is very elucidating regarding the position of the Republicans on this bill, the notion that the equality of the opportunity to speak is a punishment. They want the advantage and if you take the advantage away from them, you are punishing them.

What this bill does is give equality of opportunity to speak to the other side. It takes away no right to speak; it does not limit the person's speech; it does not in any way touch the content of what they say. It simply says, hey, folks, the other guy is going to get to speak, too. And that is 100-percent constitutional.

I reserve the remainder of my time.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. I thank the Chair.

I am here to support the Kerry amendment.

Mr. KERRY. How much time does the Senator from Arizona need?

Mr. DECONCINI. Does the Senator control the time? I ask for 5 minutes.

Mr. KERRY. How much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 10 minutes 30 seconds.

Mr. KERRY. I yield the Senator from Arizona 4 minutes.

Mr. DECONCINI. I thank the Senator. I did not realize there was a time limit. I was not listening to all the fine arguments of the Senator because I know them and agree with them.

Mr. President, I think the Senator from Massachusetts and others, including this Senator, are trying to come up with a financial way of providing an equilibrium in the campaign process of financing Senate campaigns, and it is a good one. He has looked at it from a practical point of view and this amendment addresses it just like that, a practical way, to see that there is a level playing ground, that people will not have an advantage because they are incumbents. There are limits and there is a threshold to demonstrate that you are really a credible candidate and not far off the end, right or left, or someplace else. Once you establish that, and you get through the primary, you are entitled to the public financing.

As the Senator from Massachusetts pointed out, whenever you cannot find a reason to be against something, just say it is unconstitutional. That is a great argument. Everybody is very cautious about doing anything that might be unconstitutional.

But that is what this body is about. We pass laws here. We do not interpret the constitutionality of them. We do our level best to come up with laws that we believe are constitutional, based on the strong recommendations of experts. We do not sit here purposely trying to pass unconstitutional laws.

When campaign reform and public financing was passed once before and Buckley versus Valeo resulted, we found that part of our reform effort was unconstitutional, but we found the Presidential side of it was constitutional.

I think we need to look at the history of the success of the Presidential public financing. It has worked. I think there is hardly anyone here who would doubt that since the Presidential system was enacted, as the result of Watergate, which was certainly the momentum to enact such a system, Presidential campaigns have vastly improved. It does not mean there are not problems still with them, but the current system has vastly improved the image of that election process and it has curtailed much of the underhanded, special interest money that was involved in the elections prior to Watergate.

The checkoff system has worked. Thirty-two million Americans checked "yes." With just a small amount of education and some positiveness about public officials in elections, instead of everybody criticizing politics all the time and then candidates having to go out and run for office, it seems to me that the checkoff would work.

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[1] 424 U.S. 1 (1976).

[2] *Id.* at 39.

[3] *Id.* at 90-93.

[4] *Id.* at 67, fn. 65.

We have seen voter disenchantment here and how the public today holds us in the lowest esteem—some of the polls show. We do not have the credibility and the confidence of the American public. And why is it? Because we are out hustling for money. We are out there with a tin cup. We are out there begging people to give us money. And this bill before us today creates limits and knocks off the exorbitant amount of money that we have to raise and spend.

The Senator from Massachusetts comes in with a way to finance it and to pay for it so you do not have to go out and beg.

Maybe I am missing something. Maybe there are some Members who like to go out and ask for money. I have never liked it. I must say I am pretty good at it. I can raise it. I do not think there is an incumbent who cannot raise it if they want to. We want to make it fair. We want to do away with the image problem and the reality problem that special interests are controlling this electoral process.

I hope this body will agree to the amendment of the Senator from Masachusetts and others.

Mr. President, I rise in support of the Kerry amendment because I believe that public financing is a key element of campaign finance reform. There are numerous reasons that public financing would do much to solve the current problems tainting our campaign system, and I would like to discuss them briefly.

Without public financing as an incentive for complying with spending limits, our efforts to achieve true campaign finance reform will fail. As we know, the Supreme Court ruled in Buckley versus Valeo that it is unconstitutional to limit campaign spending outright. Therefore, limits must be voluntary, and the incentives to comply with them must be strong enough to make them effective. Public financing is the strongest incentive we have to comply with limits. Other incentives play an important role, but public financing is the key.

Public financing increases the accountability of campaign fundraising. Combined with spending limits, public financing reduces the need for candidates to pursue big money and thus increases the accountability of the source of funds. With public funds, everyone knows where the money came from, and there is no underlying question about any indebtedness that may result from it.

Public financing helps challengers achieve equal ground. Incumbents enjoy many advantages simply by virtue of the job they perform: Name recognition, use of the frank, the ability to perform constitutent service, and the opportunity to receive honoraria, which can be directed to campaign coffers. In addition, incumbents enjoy an incredible fundraising advantage. Of 1988 PAC contributions to Senate races, incumbents received 74 percent, challengers received 12 percent, and candidates in open races received 14 percent. The incumbent share of total Senate campaign spending rose from 44 percent in 1980 to 66 percent in 1990. There can be no doubt that incumbents easily raise more money than challengers, and the only way to even the playing field is to create spending limits at the level which challengers are able to achieve. This keeps incumbents' money machines down at the challengers' level without hindering the challenger from mounting an effective campaign.

Public financing would be equally available to all viable candidates. It would reduce the impact of the incumbent's greater accessibility to money, and the race would get back to issues, rather than money.

The success of the Presidential system of public financing is excellent testimony of the effectiveness of this proposal. All but one Presidential candidate has used public funds since the system was created. The Presidential system succeeded in improving the poor public image of Presidential elections that resulted from Watergate. The checkoff system does work. Over 32 million Americans check "yes" on their tax returns, indicating that they do want $1 of their tax money to be used to support public financing of Presidential campaigns. With just a small education effort, even more would understand the system and use it.

Public financing is an investment in good government, not an entitlement program for politicians, as some critics have claimed. It is clear that this country faces severe voter disenchantment. The American people currently do not have faith in the integrity of elections. In 1988, national voter turnout hit a 24-year low of 50 percent. Mr. President, fully one-half of the American electorate does not feel it is worth their while to exercise their constitutional right to choose their leaders.

This decline in our democratic processes is a great threat to our Nation. Homelessness, child nutrition, education—all of these are vital programs worthy of spending. But we cannot compare apples and oranges. We cannot say that the threat to our democracy of the cynicism, disgust, and distrust of the American people is less of a problem than the many other crises facing this country. We cannot ignore the level of dissatisfaction that exists today. We must change the public perception. Partial public financing is not a selfish program on the part of politicians. It is a program for the people to guarantee to them that their own government is one of integrity and honor. How can we say that partially financing elections with the people's money in an effort to combat private big money is not a worthy use of the people's funds?

Public financing will not just pay fringe candidates to publicize their agenda, as some critics have argued. The opponents' story is that public financing will enable fringe candidates such as Lyndon LaRouche and David Duke to push their own private agendas at the public expense. Critics argue that candidates who would not choose to run under current circumstances would be encouraged to go for the spotlight at the public's expense, even though they have little chance of winning.

These arguments are inaccurate. Candidates must prove that they are serious and viable by raising a threshold of 10 percent of their general election limit. The threshold must be made up of small contributions of $250 or less. Fifty percent of the contributions must come from in-State.

Mr. President, competition is a critical aspect of Democracy. If a candidate can meet the threshold requirements, then I believe he has demonstrated that he represents ideas that a significant number of constituents agree with, whether or not we agree with them personally. Democracy means encouraging ideas, not squelching them. If an opponent is running on a platform that is abhorrent to us, then let's get out there and make the issues the focus of the election. This is what makes the people confident that their representative was elected because of his ideas and not because of money. To say we don't want to give challengers an equal playing field because they might espouse ideas we don't agree with is fundamentally contrary to the tenets of this great democracy. Shying away from this important element of reform—which will benefit all candidates and level the playing field for challengers—just because we are afraid of encouraging candidates we don't like, is a poor excuse for denying the American people the true reform they deserve.

Mr. President, the arguments against public financing are weak. They are grasps in the air to divert the substance of this debate away from the importance of spending limits. Opponents of public financing attempt to twist the issue around, to make it appear that they are protecting the public interest by not expending public funds, in an effort to avoid facing the fact that they want to keep the current incumbent advantages in place. This is what the true effect would be, Mr. President.

Without public financing, we have no incentive to comply with spending limits. Without strong incentives, voluntary limits won't work, and we cannot constitutionally impose limits on candidates who do not agree to them. Without working spending limits, the big money chase will continue. Candidates will be faced with the need to raise millions of dollars for a campaign, and the fat cats will continue to find loopholes somewhere, somehow, to get their money to candidates. And most importantly, the incredible incumbent advantage will continue to benefit current officeholders and effectively bar potential good, effective leaders from competing on an even playing field for the honor of representing the people of this great Nation.

It is the people we represent. There is nothing evil about financing the people's elections with the people's money, so that the people control the interests of those they elect.

Mr. KERRY. I thank the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I ask unanimous consent that the list of some 400 organizations around the country supportive of this legislation be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS IN SUPPORT OF COMPREHENSIVE CAMPAIGN FINANCE REFORM INCLUDING PUBLIC FUNDING OF CONGRESSIONAL CAMPAIGNS

American Association of Retired Persons (AARP)
American Association of School Administrators
American Association of University Women
American Association of University Women of Maine
American Association of University Women of New Hampshire
American Ethical Union
American Jewish Committee
American Public Health Association
American Public Power Association
American Reading Council (NY)
Americans For Nonsmokers' Rights
Americans for Indian Opportunity
Appalachia-Science in the Public Interest
Arizona Citizen Action
Arizona Coalition for Human Services
Arizona Common Cause
Arizona Ecumenical Council
Arizona Gray Panthers
Association for Community Based Education
Association for Community Organizations for Reform Now (ACORN)
Association for Community Organizations for Reform Now (ACORN) NY
Austin Congregation Beth Israel
Austin Gray Panthers
B'nai B'rith Women
B.U.R.N.T.
BPW/USA (National Federation of Business and Professional Women, Inc.)
Bergen County Gray Panthers (NJ)
Beyond Recall (AZ)
Broward Coalition of Condo Owners Association (FL)
California AARP/VOTE
California Advocates for Nursing Home Reform
California Center for Public Interest Law
California Common Cause
California Consumers' Union of the U.S., Inc.
California Council of Churches
California Greenpeace
California Insurance Consumer Action Network
California Jobs With Peace
California Public Interest Research Group
Campaign California
Caucus of Connecticut Democrats
Center for Community Action
Center for Justice—Buffalo
Center for Science in the Public Interest
Central Kentucky Council for Peace and Justice
Century Village Democratic Club (FL)
Charlotte Greens (NC)
Charlotte Rainbow Coalition (NC)
Childrens' Rights Group (CA)
Chinatown Planning Council (NY)
Chinatown Voter Education Project (NY)
Church Women United
Church Women United of Maine
Church of the Brethren
Church of the Brethren, Washington Office
Citizen Action
Citizen Action—Nashville, Tennessee
Citizen Action—Pennsylvania
Citizen Action Coalition of Indiana
Citizen Action of New York
Citizens Against PACs
Citizens Energy Council (NJ)
Coalition of Seniors, Retirees and Disabled (NJ)
Coalition to Stop Gun Violence
Colorado Citizen Action
Colorado Public Interest Research Group
Committee for Children
Common Cause
Community Nutrition Institute
Connecticut Association of School Administrators
Connecticut Church Women United
Connecticut Citizen Action Group
Connecticut Common Cause
Connecticut Public Health Association
Connecticut Public Interest Research Group
Consumer Federation of America
Consumers Information Council—Deerfield Beach
Consumers Union of New York
Consumers Union of U.S., Inc.
Consumers for Recycling (OR)
Cornucopia Network, Inc. (NJ)
Council of Senior Citizens (GA)
Dade County Council of Senior Citizens
Dallas American Jewish Committee
Delian League (NY)
Durham Committee on Black Affairs
Durham Voters Alliance
East Harlem Interfaith
Environmental Action
Environmental Law Caucus (OR)
Environmental Policy Institute—Northwest office
Florida Church Women United—Charlotte County
Florida Common Cause
Florida Consumer Action Network
Florida Consumer Federation
Florida Consumers Information Council
Florida Impact
Florida Municipal Electric Association
Florida Network—16 District
Florida Public Interest Research Group
Florida Union of American Hebrew Congregations—Southeast Region
Forelaws on Board (OR)
Friends Committee on National Legislation
Friends of the Earth—Northwest Office
Friends of the Earth/Environmental Policy Institute
Georgia Citizen Action
Georgia Consumer Center
Georgia League of Women Voters
Government Accountability Project
Granite State Coalition (NH)
Gray Panthers
Gray Panthers of New York City
Gray Panthers of Oregon
Gray Panthers of South Dade
Greater Cape Coral Church Women United
Great Columbus Gray Panthers
Greenpeace Action
Greenspace Northwest
Groundwork
Handgun Control Federation of Ohio
Headwaters (OR)
Hollywood Women's Political Committee
Homeless Voter '91 (NY)
Illinois Public Action Council
Illinois Public Interest Research Group
Indiana Citizen Action
Indiana Common Cause
Indiana Farmers Union
Indiana Lawyers Guild
Indiana Public Interest Research Group
Institute for Community Resources and Public Policy
Institute for Peace and National Security
Institute for Southern Studies
International Association of Chiefs of Police
Iowa Citizen Action Network
Iowa League of Savings Institutions, Inc.
Iowa Public Interest Research Group
Jesuit Social Ministries
Kansas City Gray Panthers
Kansas Coalition on Aging
Kansas Common Cause
Kansas Consumer Affairs Association, Inc.
Kansas Farmers Union
Kansas National Farmers Organization
Kansas Natural Resources Center
Kansas Rural Center
Kentuckians Against Assault Weapons
Kentucky American Jewish Committee
Kentucky Association of School Administrators
Kentucky Citizen Action
Kentucky Coalition for the Homeless
Kentucky Combined Committee on Aging
Kentucky Common Cause
Kentucky Community Farm Alliance
Kentucky Conference of NAACP Branches
Kentucky Council of Churches
Kentucky IAM-Nurses Professional Organization
Kentucky Jewish Community Federation
Kentucky League of Women Voters
Kentucky National Farmers Organization
Kentucky Public Health Association
Kentucky Youth Advocates
Lawrence Countians for Safe Waste Disposal (TN)
League of United Latin American Citizens
League of United Latin American Citizens of Texas
League of Women Voters of Maine
League of Women Voters of New Jersey
League of Women Voters of New York City
League of Women Voters of New York State
League of Women Voters of the United States
Legislative Election Action Program (CT)
Lloyd Harbor, New York Friends Meeting
Lobbyists and Lawyers for Campaign Finance Reform
Long Island Council of Churches
Long Island Progressive Coalition
Louisiana Citizen Action
Louisville National Council of Jewish Women
Maine AARP/VOTE
Maine Chapter of the National Council of Jewish Women

Maine Citizen Action
Maine Commission for Women
Maine Common Cause
Maine Earth First
Maine NETWORK
Maine Nuclear Referendum Committee
Maryland Clean Water Action
Maryland Common Cause
Maryland Gray Panthers
Maryland Infinity Recycling, Inc.
Maryland NAACP
Maryland Public Health Association
Maryland Public Interest Research Group
Maryland United Communities Against Pollution
Maryland White Lung Association
Maryland Women's Political Caucus
Marylanders United for Peace and Justice
Massachusetts Citizen Action
Massachusetts Common Cause
Massachusetts GreenPeace USA
Massachusetts NETWORK
Massachusetts Public Health Association
Massachusetts Public Interest Research Group
Massachusetts AARP/VOTE
McKenzie Guardians (OR)
Mennonite Central Committee
Miami American Jewish Committee
Michigan Citizens Lobby
Michigan Common Cause
Michigan Farmers Union
Michigan League of Women Voters
Michigan Network
Michigan Public Interest Research Group
Midsouth Peace & Justice Center (TN)
Minneapolis Friends Meeting
Minnesota AARP/VOTE
Minnesota Alliance for Progressive Action
Minnesota Association of School Administrators
Minnesota COACT
Minnesota Church Women United
Minnesota Citizens For Tax Justice
Minnesota Common Cause
Minnesota DFL Feminist Caucus
Minnesota Farmers Organization
Minnesota Farmers Union
Minnesota International Alliance for Sustainable Agriculture
Minnesota Joint Religious Legislative Coalition
Minnesota League of Women Voters
Minnesota Municipal Utilities Association
Minnesota Public Health Association
Minnesota Public Interest Research Group
Minnesota Rainbow Coalition
Minnesota Senior Federation
Minnesota/Dakota NAACP
Missouri AARP/VOTE
Missouri Citizens Action
Missouri Common Cause
Missouri Farmers Organization
Missouri IMPACT
Missouri NAACP
Missouri Public Health Association
Missouri Public Interest Research Group
Montana Public Interest Research Group
NETWORK: A Catholic Social Justice Lobby
Nashville Clergy and Laity CONCERN
National Academy of Public Administration
National Association of Arab Americans
National Association of Catholic School Teachers
National Coalition to Ban Handguns
National Community Action Foundation
National Council of Churches
National Council of Jewish Women
National Council of Jewish Women (NC)
National Council of Jewish Women, Louisville Section
National Council of Jewish Women, Twin Cities Section
National Council of La Raza
National Farmers Organization
National Farmers Union
National Insurance Consumer Organization
National Non-Partisan Voter Registration Campaign
National Puerto Rican Forum
National Rural Coalition
National Urban League
Natural Resources Defense Council
Nebraska Center for Rural Affairs
Nebraska Citizen Action
Nebraska Farmers Union
Nebraska League of Rural Voters
Network for Enviro&Econ Responsibility of the United Church of Christ
New Hampshire AARP/VOTE
New Hampshire Association for the Elderly
New Hampshire Citizen Action
New Hampshire Common Cause
New Hampshire NAACP
New Hampshire Women's Lobby
New Jersey Citizen Action
New Jersey Common Cause
New Jersey Council of Churches/IMPACT
New Jersey Public Interest Research Group
New Jersey Rainbow Coalition
New Mexico Public Interest Research Group
New York American Jewish Committee
New York Church Women United
New York Common Cause
New York Conference of the United Church of Christ
New York Gray Panthers
New York Metropolitan District Unitarian Universalist Association
New York National Puerto Rican Forum
New York Public Interest Research Group
New York State Council of Churches
New York State IMPACT
North Carolina Civic Education Project
North Carolina Common Cause
North Carolina Equity
North Carolina Fair Share
North Carolina League of Women Voters
North Carolina People's Alliance
North Carolina SANE/FREEZE
North Potomac Citizen's Association (MD)
North West Civic Coalition (NM)
Oak Ridge Environmental Peace Alliance (TN)
Office for Church in Society, United Church of Christ
Ohio American Jewish Committee—Cincinnati Chapter
Ohio Citizen Action
Ohio Common Cause
Ohio Council of Churches
Ohio Farmers Union
Ohio Network
Ohio Public Interest Research Group
Oregon Fair Share
Palouse Preservation League (WA)
Pax Christi—South Texas
Pennsylvania Church Women United
Pennsylvania Citizen Action
Pennsylvania Council of Churches
Pennsylvania Council of Federation of Reform Synagogues
Pennsylvania Farmers Union
Pennsylvania Gray Panthers—Greater Pittsburgh
Pennsylvania National Puerto Rican Forum
Pennsylvania Network—2nd District
Pennsylvania Public Interest Research Group
Pennsylvania Urban League
People for Animal Rights (OR)
Phoenix American Jewish Committee
Piedmont Peace Project (NC)
Portlanders Against US Intervention in Central America
Presbyterian Church of the U.S.A.
Public Citizen
Public Interest Research Group in Michigan
Public Voice for Food and Health Policy
Queens Citizens Coalition for Political Alternatives
Religious Society of Friends—1st Street Meeting, NYC
Rhode Island Gray Panthers
Rural Advancement Fund (NC)
Sacramento Urban League
Sarasota-Manatee Gray Panthers
Save Shelby Farms Forest (TN)
Senior Citizens Alliance of Tarrant County (OK)
South Carolina Common Cause
Southwest Florida American Jewish Committee
Tallahassee—Temple Israel
Tennessee Common Cause
Tennessee Gray Panthers
Tennessee National Farmer's Organization
Tennessee Natural Rights Center
Tennessee Network for Community and Economic Development
Tennessee Peace and Disarmament Campaign
Texas Church Women United
Texas Citizen Action
Texas Citizens Environmental Coalition
Texas Common Cause
Texas Farmers Union
Texas Network—13th, 22nd and 25th Districts
Texas Public Citizen
The Children's Foundation
The Congregation Temple B'nai Jehudah, Kansas City, Missouri
The Episcopal Church, Public Ministries Cluster
The General Board of Church and Society of the United Methodist Church
The National Council on the Aging
The Southern Rainbow Education Project
The Temple, Louisville, Kentucky
The United Methodist Board of Church and Society
Traprock Peace Center
Twin Cities Gray Panthers
U.S. Public Interest Research Group
Union Seminary (NY)
Union of American Hebrew Congregations
Union of American Hebrew Congregations/NE Division
Unitarian Universalist Association of Congregations
United Church of Christ—South Central Conference
United Neighborhood Houses of NY, Inc.
United School Administrators of Kansas
Voters Electing a New Congress
Washington American Association of Retired Persons
Washington Association of Churches
Washington Citizen Action
Washington Common Cause
Washington El Centro De la Raza
Washington Gray Panthers
Washington League of Women Voters
Washington National Farmers Organization
Washington Peace and Justice Action League
Washington Public Interest Research Group
Washington Veterans for Peace
West Virginia Citizen Action Group
Western Pennsylvania American Jewish Committee
Wisconsin Action Coalition
Wisconsin Public Interest Research Group
Women for Economic Justice
Women's City Club of New York, Inc.

Women's League for Conservative Judaism

Mr. KERRY. Mr. President, I note this list really represents exactly the kind of people we are talking about. My colleague from Kentucky talked about this notion of our being tainted and how money simply comes from small donors, but the reality is there are congressional races where 60 percent of the money comes in in over $1,000 amounts. In fact, only 1 out of every 200 Americans contributes $200 or more to congressional candidates. Yet, most of the money comes in those amounts. So the fact is it really represents the disenfranchisement, if you will, of the American voter from this system.

Mr. President, I reserve the remainder of our time.

Mr. BRADLEY. Will the Senator yield for a question?

Mr. McCONNELL. In a moment, Mr. President.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. In fact, the most serious argument against the underlying bill, which is still a problem with the Kerry amendment, is it is unconstitutional. I do not know where the CRS opinion came from, but I would suggest they read the Buckley case. In the Buckley case the pertinent part is this:

> The mere growth in the cost of Federal election campaigns in and of itself provides no basis for Governmental restrictions on the quantity of campaign spending and the resulting limitation on the scope of Federal campaigns.
>
> The first amendment denies Government the power to determine that spending to promote one's political views is wasteful, excessive or unwise. In the free society ordained by our Constitution, it is not the Government but the people, individually as citizens and candidates and collectively as associations and political committees, who must retain control over the quantity and range of debate on public issues in a political campaign.

Mr. President, this is not even a close call. This bill is blatantly unconstitutional. It is distinguishable from the Presidential system. The Presidential system, I say to my friends, is at least honest, full public funding. But if you choose not to accept the public funding and you decide you want to speak as much as you can, nothing happens to you. No public subsidiaries are triggered for your opponent. You did not lose any discount rates. Nothing bad happens to you. You have to work harder to raise the money.

One candidate did that, John Connally. Nothing was triggered for any of his opponents. Nothing bad happened to him.

But under S. 3, if you decide as a matter of principle, or for whatever reason, you do not agree to limit your speech—and the Supreme Court has said the spending of money in a political campaign is protected first amendment speech—or you do not like public funds or some combination thereof, and you go out and you say I am going to speak as much as I can and you encroach above the arbitrary spending limit, all hell breaks loose, Mr. President. You lose your broadcast discount. You lose your direct mail subsidy. Public subsidies are triggered for your opponent. And if some independent citizen wants to come in and speak against you, as they have a right to do under the Buckley case, other public funds are triggered. So you are clearly punished, punished for exercising your first amendment rights to speak under S. 3.

Unfortunately, the Kerry amendment retains the penalty provisions.

I say to my friends on the other side, I was hoping this amendment would be completely honest, that is to say, we are going to have really voluntary spending limits and we are going to provide full public funding. It would have been expensive, but it would have been constitutional. And so I am sorry I still have both arguments. It is both expensive and unconstitutional. I wish it had been otherwise.

Mr. KERRY. Will the Senator yield?

Mr. McCONNELL. I will be happy to yield to the Senator from Massachusetts for a question without losing my right to the floor.

Mr. KERRY. What the Senator from Kentucky has done is read the portion of Buckley that does strike down the independent expenditure ceiling, ceiling on overall campaign expenditures, et cetera. But the Court said specifically those provisions impose direct and substantial restrictions on political free speech absent a showing of corruption or the appearance of corruption. The Court says, and I quote the Court——

Mr. McCONNELL. Is this a question?

Mr. KERRY. I am going to ask the Senator about his awareness. It is a question.

> Congress is justified in concluding that the interest in safeguarding against the appearance of impropriety requires the opportunity for abuse inherent in the process of raising large monetary contributions be eliminated.

That is permissive language. Does the Senator not agree?

Mr. McCONNELL. Absolutely. What the Court did, of course, as the Senator apparently does not understand, is make a distinction between the receiving on the one hand and the spending on the other. The Court said it was entirely appropriate because of the appearance of corruption to put a limit on what Senator KERRY might give Senator McCONNELL for his campaign. What the Court said was impermissible to do in effect was to say there are only so many contributors Senator McCONNELL can have. It said it is OK to put a cap on contributions to another, but you cannot tell the candidate how many contributors he can have or how much speech he can engage in.

The Justice Department put it another way, in testimony this year before the Rules Committee, in referring to the spending limits in S. 3:

> These provisions would force a candidate to accept a limitation on expenditures and therefore on the quantity of political speech in which he could engage. A candidate either would accept limits on his power to convey his ideas to the voters or would face an opponent whose campaign is being supercharged with huge grants of taxpayers' dollars, perhaps in the millions. These provisions would raise very grave first amendment problems.

So there is a clear distinction between the receiving of contributions, which certainly can be limited, consistent with the Buckley case, and the expenditure of funds to express yourself, which cannot be limited. A candidate can only be enticed by a public subsidy into accepting those limits. He cannot be bludgeoned into accepting those limits.

Now, Mr. President, I had an op-ed article in the Washington Post just last Thursday which I would like to ask be inserted at this point because it deals directly with the constitutional issue. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 16, 1991]

ELECTION REFORM THAT FETTERS FREE SPEECH

(By Mitch McConnell)

There plenty of good reasons to be against S.3, the huge campaign finance bill lumbering through the Senate; It's a politicans' entitlement program, it's rigged for incumbents, and experts say it won't do any thing to reduce campaign spending or special interest influences.

But the most serious reason for opposing S.3 is that this bill is the most aggressive attack on free speech since the Alien and Sedition laws. Even if the bill limps through both houses and survives an expected presidential veto, it will be pronounced DOA on the steps of the Supreme Court.

S.3 enforces spending limits in Senate election campaigns by imposing Draconian penalties on anyone who refuses to comply. This runs headlong into the Supreme Court case Buckley v. Valeo, which held that spending limits are essentially a limit on speech and therefore cannot be coerced.

The Buckley decision did allow Congress to offer candidates public money as an incentive to limit spending—provided that the system was completely voluntary. That is how presidential elections work: Candidates may forgo the subsidy (John Connally did in 1980), but they are not punished for ignoring the limits.

S.3 is completely different: Nonparticipating candidates not only forgo public financing, but they also lose a valuable discount rate for their TV ads. And if they exceed the spending limit—even by $1—they trigger an avalanche of public money for their opponents. In a perverse twist on Buckley, S.3 makes spending limits the "deal you can't refuse," using public money and other benefits to bludgeon candidates into submission.

S.3's constitutional problems don't stop there. The bill gives candidates cold cash to battle "independent expenditures," efforts by private citizens to affect an election. Thus, David Duke could get millions of tax dollars to combat efforts against him by the NAACP and B'nai B'rith. In effect, S.3 uses the power of the public purse to overwhelm private political speech.

The bill also discriminates against citizens who want to support candidates in other states. This ignores the fact that members of Congress are national figures. Many members, because of committee post or personal crusade, are leaders on issues of national significance. To draw state lines around the right to support candidates is to restrict every citizen's right—as an American—to particpate in national issues and ideas. It is simply inane that a KKK member in David Duke's home state should have more right to contribute to him than an out-of-state civil rights worker would have to help his opponent.

It is also unconstitutional. The Buckley court found only one acceptable reason to restrict contributions: to prevent the appearance or reality of corruption. There is nothing about out-of-state money that makes it more corrupting than in-state money. If the Keating Five scandal taught us anything, it is that when a contribution has some connection to the state, even the most blatant quid pro quo can be justified as "constituent service."

Finally, S.3 gets downright nasty in regulating political advertising. The bill forces all nonparticipating candidates to declare in their ads: "This candidate has not agreed to abide by the spending limits . . . set forth in the Federal Election Campaign Act." This disclaimer clearly is designed to embarrass such candidates, and implies that they are scofflaws when their only "crime" is the full exercise of their First Amendment freedomes.

Like the McCarthy era's "Loyalty oaths," S.3's degrading disclaimer would be struck down by the Supreme court as an impermissible speech content requirement.

S.3 has as much chance of surviving the Supreme Court as Saddam Hussein would have at an Army-Navy game. Before it gets that far, however, Congress should act responsibly regarding the bill's unconstitutionality. Members of Congress swear to uphold and protect the Consitution. If a bill's unconstitutionality is firmly established under legal precedents, as it is with S.3, then it is the duty of every member to stand by the principles they have sworn to protect.

Advocates of a flag-burning ban went to extreme lengths to ensure its constitutionality, checking with legal scholars and adding language to require expedited Supreme Court review. No such efforts have been made regarding S.3. So before this bill is passed out of the Senate, I will offer an amendment requiring expedited Supreme Court review of any constitutional challenge to it.

Congress should take special precautions with S.3 precisely because it is not just another flag-burning bill that restricts the trivial right to torch Old Glory. S.3 is a neutron bomb of a bill, aimed at the heart of political participation in America. By forcibly limiting campaign spending, S.3 squeezes out small donors and handicaps challengers with broad support. If it ever became law, this bill would noticeably shrink every American's right to be involved in politics.

The most revolutionary election reform ever enacted in this county was the First Amendment. The core of that reform was the ideal of unlimited, unfettered, unregulated speech. It would be a tragic irony to compromise that ideal in the name of election reform.

Mr. KERRY. Again, will the Senator yield for a further question?

Mr. McCONNELL. Yes, I will be happy to yield.

Mr. KERRY. The Senator has correctly drawn the distinction the Court drew at that point in time, but what the Court said at that point in time is it was only analyzing the contributor process but said, absent a showing of possible corruption with respect to expenditures, they could not limit it. If you have the showing of corruption with expenditures, you could.

Does the Senator not agree the very issue before the Congress of the United States in the Keating episode raises the whole question of an expenditure of money with respect to corrupting influence?

Mr. McCONNELL. Of course, the Keating case was essentially two cases of soft money. One was a multiparty——

Mr. KERRY. The question is does it involve expenditure and the image of impropriety?

Mr. McCONNELL. The Keating case involved——

Mr. KERRY. Yes or no?

Mr. McCONNELL. Nonparty soft money, and party soft money. In one case, due to the laws of the State of Ohio, it was permissible for a multicandidate PAC to receive a $200,000 contribution under the laws of the State of Ohio. In another case there was a situation where a Member of Congress solicited over $800,000 for a tax-exempt organization that was engaged in voter registration drives.

That does not have anything to do with what is before us today, Mr. President. What is before us today is an effort to put a cap on how many people can participate in the political campaigns of candidates for Congress in limited and disclosable amounts.

Mr. KERRY. Again will the Senator yield on that?

Mr. McCONNELL. There is nothing corrupting——

Mr. KERRY. Will the Senator yield?

Mr. McCONNELL. I have the floor, Mr. President.

Mr. KERRY. Will the Senator simply yield on that one point?

Mr. McCONNELL. There is nothing corrupting, Mr. President, about getting a lot of money from a whole lot of people. It is inconceivable to this Senator that a lot of these folks are going to get together and conclude they want to try to influence the officeholder in one particular direction. One of the difficulties, Mr. President, in having as low a limit as we do, the $1,000 limit we set back in the mid-1970's in today's dollars is worth about $450.

If you raise a lot of money, run for Congress, you have a whole lot of supporters. They rarely, if ever, get together with one common purpose. And that is what the Court was saying, in effect; that it is perfectly permissible to put a limit on what a person can give to another, because if $50,000 contributions, $100,000 contributions, were permissible, that certainly would raise the appearance of impropriety.

Ironically, the only place where those kinds of contributions are continuing to exist is in the Presidential system, where there are spending limits in public finance. The big moneys come back, all right. The Watergate-type contributions come back. But not for Congress; not in congressional races. Oh, no. The big moneys come back in the Presidential race, which my friend from Massachusetts seeks to replicate and apply to 535 different races.

Mr. BRADLEY. Will the Senator yield?

Mr. McCONNELL. The problem we have, the very thing that the Senator from Massachusetts and the Senator from New Jersey find so offensive, is occurring in the races, the one race, the Presidential race, that they seek to replicate by extending this system to 535 additional races.

I am happy to yield to the Senator from New Jersey for a question.

Mr. BRADLEY. I asked the question earlier of the distinguished Senator because of his concern over public finance, and the fact that he believes the public dollars should not be spent for political purposes.

Would he be prepared to write a letter to the chairman of the Republican National Committee urging that the committee not accept public dollars for the convention? And because of his concern for the large donors that push money into campaigns, as he sees it, under the current law, would he be prepared, which is not, to prohibit, as S. 3 does, those kinds of contributions going into the States? Two questions.

Mr. McCONNELL. First, I say we had an amendment up here just a little while ago, offered by the Senator from Kentucky, to eliminate public funding for Presidential elections, including conventions, and to eliminate subsidies. The Senator from New Jersey voted against that amendment. The Senator from Kentucky voted for it.

I would be prepared to play on that field if the rules were the same for everybody. The Senator from New Jersey must understand the difference between party soft money and nonparty soft money.

Yes, S. 3 does make an attempt to get at party soft money, to grind parties down further; parties, the one entity in America that will stand up for a challenge. One thing you can be sure of: Over 80 percent of the PAC money goes to incumbents, and 64 percent of individual donations goes to incumbents. Incumbents have some real advantage.

The only entity in the American political process that will stand up for a challenger and will provide some risk capital, some venture capital, is the political party. And what does S. 3 seek to do? Grind the political party down; restrict it further than it is today.

Aha; but S. 3 does not do anything about nonparty soft money. Not one whit does it touch nonparty soft money. That, Mr. President, is the sewer money. It is unlimited. It is undisclosed.

It comes from labor unions; it comes from corporations and trade associations; it is off in the black market, and it is running rampant in the Presidential system. It is running rampant in the Presidential system, the system my friends from New Jersey and Massachusetts seek to replicate by extending it to another 535 races.

Mr. KERRY. Will the Senator yield for a question?

Mr. McCONNELL. Yes.

Mr. KERRY. The Senator made the argument a moment ago that there is an unconstitutionality. Because of the limitation here on small contributions, it limits people's ability to take part in the process.

Mr. McCONNELL. No; I did not.

Mr. KERRY. The Senator, when I tried to interrupt him about the question, I thought had said that there is a problem in this bill because it takes away from people the ability in small numbers to be able to participate.

Mr. McCONNELL. You cannot. Unless you are under a very, very low threshold and happen to live within the State, you are restricted. You do have, I think, in the amendment——

Mr. KERRY. Does the Senator believe that it is better for each of us to be out around the country looking for money, or that it is better to have an unlimited opportunity to raise money in our home State?

Mr. McCONNELL. What the Senator from Kentucky feels is the people who live outside of our States who care about the national issues that we debate here in this body have every right to support or to oppose candidates running for office. This effort to distinguish between in-State and out-of-State donors and to punish those who cannot vote for us, I think, is outrageous.

Why should, for example, the Ku Klux Klan in Louisiana be in a superior position to support David Duke, as opposed to a civil rights organization from Massachusetts to oppose David Duke? I mean, I think that this is a national office here. The people who vote for us, obviously, are in a preferred position. They are in our States.

But to say that the prolife and the prochoice people all across America cannot be interested in Senator HELMS' reelection race, or Senator PACKWOOD's reelection race, and that they are not on equal footing to support or to oppose candidates who are deeply involved in national issues that affect every American, I think is absurd.

So I very strenuously oppose these kinds of distinctions that are drawn in the bill of the Senator from Massachusetts between in-State and out-of-State donors. Those who live within our jurisdictions are already in a preferred position. They get to elect us or defeat us. But we vote on issues that affect everyone, and people across the country have a right, it seems to me, to an equal footing with those who are inside our States, to seek to oppose us or to defeat us.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 5 minutes, 42 seconds remaining.

Mr. BRADLEY. Will the Senator yield for another question?

Mr. McCONNELL. I yield to the Senator from New Jersey for a question.

Mr. BRADLEY. The Senator from Kentucky opposes the checkoff both for Presidential and for the Senate campaigns; is that not correct?

Mr. McCONNELL. That is correct.

Mr. BRADLEY. How does the Senator from Kentucky explain that the current President of the United States, George Bush, disclosed to the public that he checked off for his Presidential donation, and that he would advise people to check off?

Mr. McCONNELL. I would be happy to answer the Senator's question. I am not here representing George Bush's views. George Bush, I guess, decided to support the checkoff. The Vice President did not check off.

I have heard the point made time and time again, and the Senator from New Jersey may have made the point, that somehow Republicans waived their right to be offended by public funding because Republican candidates for President have accepted the public funding. I will tell you why they have accepted the public funding. It is so generous they cannot afford not to.

What happens is, at the beginning of a campaign for the President, people running for President—such as I hear my friend from New Jersey may some day—have finance chairmen come in and sit down with them to say, "Mr. President-to-be, here are your choices. At $1,000 per contributor, we can go out and try to raise our money from regular old folks out there in American, all across America. Or we can accept a really significant subsidy here from the taxpayers."

And for practical reasons, every one of those candidates desiring to get the money as easily as possible decide to accept the limits and get the money. This system is constitutional. I will give it credit for that. It is truly volunary. You do not get punished if you do not do it. But at $1,000 a pop, it is pretty hard to raise the kind of money that they raise in Presidential systems.

I frankly think it is terrible. I think we ought to abolish it. I am not a fan of PAC's, but I accepted PAC money last year in my campaign because that is the current system, Mr. President. We do not waive the right to try to change the system simply because we operate within it. And it is completely and totally irrelevant that Republican candidates for President have accepted public funds.

That does not mean it is the right thing to do, to squander one-quarter of a million dollars of taxpayers' money over the last 14 years. That does not mean it is the right thing to do, to have a system that spawns nonparty soft money and party soft money abuse. That does not mean it is the right thing to do, to have 1 out of 4 of those tax dollars go to lawyers and accountants to try to figure out how to skirt the system. That does not mean it is the right thing to do.

We ought to get rid of it. We had a chance to do that earlier here today. Nobody on the other side wanted to do that.

So, Mr. President, what you have here with the Kerry amendment is an amendment that is a little more honest, I think, than S. 3. Because it provides more public money, a little more honesty. It could have been completely honest if it had also been made constitutional.

I am sorry that my friends from New Jersey and Massachusetts, whom I greatly admire because they are coming out here and telling the truth—the vast majority on the other side have been trying to somehow argue this is not a public fund bill. It is. They are glad they are offering this amendment. They want to be able to go vote against it, so they can go home and argue they are not in favor of public funding.

I appreciate your honesty in laying it right out there, being honest by saying somehow it is tainted for all of those people in America to be helping us in our campaigns; it is corrupting us. We have been somehow subverted, if you will, by this process of receiving these limited and disclosed contributions from so many people.

Mr. President, the crux of the issue is simply this: We do not see life the same way. We look at America and we do not see it the same way. My good friends on the other side of the aisle look at America, and they see all those competing interests and they say, "My goodness, please protect me from that, remove me from all those competing interests seeking to influence me in one way or the other. Get them out of my life. I am so tired of going to fundraisers, and I am so tired of asking for money. I sure wish nobody would challenge me next time, because surely I own this seat. Remove all of those tainting interests from my life and let me reach into the Treasury and get it the easy way."

Mr. President, I look out at America, and virtually everybody on this side of the aisle does, and we see this: We see a bunch of Americans who want to participate in the political process, and the way you do that these days—whether we like it or not, we do not use the horse and buggy anymore. Nobody comes to the courthouse steps to listen to us speak. That was yesterday. We may be sorry those days are gone, and we may wish they would come back, but they are not. Today the way you participate in politics is you make a limited and fully disclosed contribution to the candidate of your choice, and what we do is try to get as many of those people as we can. Mr. President, I do not think we are tainted by that influence. I welcome their efforts to influence me. I think that is the way a democracy works, and I hope the Kerry amendment will be defeated.

Mr. KERRY. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. LIEBERMAN). Five minutes, five seconds.

Mr. KERRY. I yield 1 minute to the Senator from New Jersey.

Mr. BRADLEY. Mr. President, I thank the Senator from Massachusetts. Listening to the Senator from Kentucky earlier today, and throughout his remarks, there is this threat of wistful recollection for the time when there were no limits in the Presidential races and the senatorial and congressional races.

Mr. President, when was the last time there were no limits in the Presidential races? I think it was 1972. I think it was Watergate. I think that was the year that people walked around with big bags full of cash and met out on the George Washington Parkway to try to subvert democracy. I think that was the year that the Senator yearns to return to.

I have a different view. I think it is better to have 32 million Americans contributing to campaigns, if they choose, than to have 1 million Americans contributing to campaigns, if they choose, in much larger amounts. That is the basic question.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERRY. Mr. President, the Senator from Kentucky has suggested, and I know respectfully, that we see a different America here with respect to the issue of campaign financing. I agree with the Senator from Kentucky that we do. The Senator from New Jersey has just articulated it.

The Senator from Kentucky says he likes the special interests competing. He does not see anything wrong with the process. And that is really what this vote is about: Which America is it today, an America where the public really views us as the prisoners of money, or is it an America that is satisfied with the current political system?

I suggest, respectfully, that this chart tells the story of America. This is the story of the America I see. In 1980, 1982, 1984, 1986, 1988, and 1990, the blue line—I hope the Senator from Kentucky can see this—this is all the money that the incumbents got, the blue line. The yellow line is the challengers; it has gone down each year. And the orange line represents an open seat. Look at what a pathetic amount of money an open seat gets versus an incumbent. That is America. Those are facts. That is reality. That is what the American political system has become. The incumbents, two to one over a challenger, and open seats barely get a pittance to run for office.

The American public is fed up with that. It is their perception of us. Here is a cartoon in today's Washington Post. U.S. Congress, very fat and overstuffed, standing up on a stool in a boxing ring. Campaign finance reform sitting down smiling at the overstuffed Congress standing on a stool in a diving position, and what it says is: "And in this corner wearing diving gear, poised in a diving position to take a dive on campaign finance reform." That is what this vote is about.

He respectfully suggests that this is a grand subsidy for politicians. What would you rather have? Would you rather have an individual walking up and handing somebody $2,000 and saying, "Here, this is for you, Senator, and I really hope it helps," or would you rather have some anonymous American checking off on their tax return, "I want $3, or my wife and I or husband and I want $6 to go to a clean campaign system." That is what it is about, whether or not we are willing to set limits on the amount we spend, or engage in an ever-increasing arms race for money. That is what it is, a money race. Every single year we have to raise more and more and more money. The Senator from Kentucky wants an unlimited battle for that, no restraint. Let us go back to the old rules. Well, I think the two Americas are very, very clear here.

I have no illusions about the difficulty that we face on this vote. I am not looking at incipient victory here. But there is going to be a day when the American people are going to say that something is wrong down here, and this system is going to get put in place, unless we can find a better way to fund it.

This is constitutional and it is voluntary—voluntary—it gives choice to the American people. If the American people choose not to support this system, each and every one of us are free to go out and raise the money, as we do under the current system, but with limits on the total amount. That is all we are asking. Let the American people choose. We keep hearing about how we are always sending money somewhere or another. Give the American people a direct choice on their tax return: Do you or do you not want to fund it? It gives each of us the unlimited ability in our own States to raise as much as we want in small donations. I cannot think of a better form of democracy.

The PRESIDING OFFICER. All time has expired.

Mr. KERRY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Nevada [Mr. REID] is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. BRYAN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 58, as follows:

[Rollcall Vote No. 74 Leg.]

YEAS—39

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dodd
Fowler
Glenn
Gore
Harkin
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Riegle
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NAYS—58

Bond
Breaux
Brown
Bryan
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dixon
Dole
Domenici
Durenberger
Exon
Ford
Garn
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Hollings
Jeffords
Johnston
Kassebaum
Kasten
Kerrey
Kohl
Levin
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Robb
Rockefeller
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—3

Helms
Pryor
Reid

So the amendment (No. 259) was rejected.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, if I might inquire of the manager of the bill on the other side of the aisle and also, perhaps, have the attention of the distinguished majority leader for just a moment, it is my understanding that the two leaders hope to move shortly to the discussion of the budget matter.

We do have one amendment on this side of the aisle that would be subject to being offered under a 30-minute time limitation with 15 minutes on each side. We would be happy to offer that. On the other hand, we just had an amendment from this side of the aisle. If there is an amendment from the other side of the aisle that would take approximately the same amount of time I would be happy to yield to have that offered.

Mr. MCCONNELL. Mr. President, the other Senator from Oklahoma has two amendments, and I believe he is willing to debate them both and stack the votes. He is here.

Mr. BOREN. Let me yield to our two leaders to see what they want to do in terms of time to move to the budget.

So that we have an opportunity to discuss this, let me suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator NICKLES be recognized to offer an amendment striking the incentive provisions in the bill; that there be no amendments in order to his amendment; that there be 20 minutes of debate on the amendment, equally divided in the usual form; and that the vote on or in relation to the amendment occur following a vote on the budget resolution conference report this evening.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, if I might have the attention of Senators, what we now propose to do, following consultation with the distinguished Republican leader and the managers of the bill, is to debate Senator NICKLES' amendment for 20 minutes, by which time we anticipate a budget resolution conference report will have arrived in the Senate and be available for consideration. Immediately upon the conclusion or yielding back of the 20 minutes allocated to the Nickles amendment, we will proceed to consideration of the budget resolution conference report under the previous agreement providing for 2 hours of debate equally divided on that measure.

Upon the conclusion of that 2 hours, which will occur at approximately 8:45, we would vote on the budget conference report and then immediately, without any intervening action, vote on or in relation to the Nickles amendment.

During the time between now and then, the managers on both sides will work to prepare a list of all amendments and attempt to get time agreements so we can then try later to get an agreement that will nail down all of the remaining amendments with time agreements, and we could then determine how best to proceed from there, hopefully in a fashion that would permit us to discontinue Senate action this evening at a reasonable hour and yet permit us to finish both the fast-track legislation and this legislation sometime tomorrow.

Mr. DOLE. Will the majority leader yield?

Mr. MITCHELL. Certainly.

Mr. DOLE. Mr. President, it is my hope they will not take too much time on the budget conference, or at least on this side of the aisle. If that is the case, the vote still will not come until some time around 8:30 or quarter of 9.

Mr. MITCHELL. I believe, Mr. President, in response to my colleague, that a number of persons on both sides have requested the opportunity to not be present. So I would say yes. But I suggest if that occurs, we can then seek unanimous consent to take another amendment. Senator ROTH is here. Senator EXON has an amendment, and Senator NICKLES has another one. We will stack that vote after the other two.

Mr. DOLE. Senator ROTH has a committee meeting in the morning. He will be prepared, even after we complete other business tonight, to debate his amendment and have a vote first thing in the morning.

Mr. MITCHELL. Mr. President, I think that is a very generous offer. It is my hope we can accept that and perhaps do the same with others. That will permit us to proceed. I think that will become clear during the period between now and 8:45 when the managers will work on a list. I appreciate the Senator's offer. I hope we can do that.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 261 TO AMENDMENT NO. 242

(Purpose: to eliminate all taxpayer subsidies for Senate election campaigns)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 261 to amendment No. 242.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, beginning with line 3, strike all through page 23, line 13.

Mr. NICKLES. Mr. President, this amendment is very simple. This amendment would eliminate all taxpayer subsidies provided for under this bill, S. 3.

We have heard a lot of discussions by people on both sides saying we really should not subsidize politicians. I characterize the bill we have before us as welfare for politicians, in many cases.

I really do not think that subsidizing Senate races should be a role of the taxpayers. Frankly, Mr. President, if we subsidize Senate races, we are also going to be subsidizing House races.

This bill has a lot of subsidies. I heard people say this bill only costs taxpayers maybe $25 million a year. That is totally false. That is not the case. That may be the case of the so-called communication vouchers. This amendment would eliminate the communication vouchers. That is the amount of 20 percent of the general election limit. In most States, that is well in excess of $1 million that politicians would receive in vouchers where they could go out and buy TV time or radio time. We eliminate that.

Not only would we eliminate that, but we also would eliminate the so-called mail subsidies. As my colleagues probably are aware—I hope they are aware—S. 3 allows politicians to mail first class at one-fourth the rate our constituents mail for. They can mail first class at 7.25 cents instead of 29 cents per stamp.

We would eliminate the subsidy that would match independent expenditures. We would also eliminate the subsidy that would eliminate excess expenditures. By excess expenditures, if you exceed the spending limit under S. 3, your participating opponent is entitled to receive millions of dollars.

I will just give an example. I will use the State of Arizona and run this through so my colleagues can better understand how generous a bill this is.

The State of Arizona is an average size State. Its voting age population is 2.5 million people. Its general election expenditure limit is $1,172,000. Its mail subsidy is $175,875. Its voter communication voucher is $234,500. We would estimate the independent expenditure amount would average out about $58,000, that the excess expenditure amount—and this would be if one candidate decided to participate and one candidate decided not to and the candidate who did not participate exceeded the general election expenditure limit—then the participating opponent or candidate would receive an amount equal to the general election limit.

In Arizona's case, it would be $1,172,500. The total taxpayer subsidy for the State of Arizona, if you had one candidate participating and one not, would be $1,641,500.

I am not even including the so-called broadcast subsidy. I will address that in a later amendment. I tell my colleagues right now I am going to have an amendment later that will eliminate the so-called broadcast subsidy, where we mandate to broadcasters they have to provide rates to politicians at one-half the rate they would charge anybody else.

If you add all the subsidies together, you realize that taxpayers, for a race in Arizona, would be paying an estimated $1,641,000 for a U.S. Senate candidate. I think that is outlandish. I think it is ridiculous. I do not think taxpayers want to spend millions of dollars in U.S. Senate races.

When you add all of this together, we are talking about real money. If it is $1.6 million in Arizona, and you add it up for all the States—in 1994 there are 33 States where we will have Senate races—the total will be almost $82 million. Again, this is strictly the Senate. That is just guessing where one candidate is eligible. We estimate, if both candidates participate, the cost will be less. It will be $46,807,000.

Mr. President, that is not counting minor party candidates. We put together, which I will include, Mr. President, for the RECORD, a very detailed analysis on the total cost of this bill State by State, whether one candidate or two candidates participate in the system.

I will also include estimates that we have done on what it will cost taxpayers for minor party candidates, because you will have minor party candidates. They will be eligible to receive Federal assistance. You may be talking about David Duke in Louisiana. You may be talking about viable, independent party candidates in States like New York. You may be talking about third-party candidates in States like California, and others.

We estimate that the total for minor party candidates in 1994 alone would be $22 million. So you add the $22 million, plus the $81 million if one candidate is participating, and you are talking about over $100 million in 1994 for Senate costs alone.

And then you can add the House costs. If the Senate is going to get subsidized mailing, if the Senate is going to get mail rates at one-fourth the cost for other constituents, if the Senate is going to get taxpayer-funded spending if your opponent exceeds the so-called spending limit, certainly the House will qualify as well. So I think we need to compute that as well.

If the Senate costs in 1994 could be $100 million, if you figure the House costs, considering the great number of races, et cetera, you can usually multiply that figure at least times 1.5. So we are looking at a cost for 1994, adding the House and the Senate, of well in excess of $250 million.

If you add minor parties into the House, you can easily be up to $300 million. You multiply that times the cycle for 1996 and 1998, Mr. President, and it is very conceivable that we are looking at a bill that will cost taxpayers, over a 6-year cycle, in excess of $1 billion. This at a time when we have enormous deficits. This at a time when people say cut spending. This at a time when a lot of people say we should be cutting entitlements.

That is the opposite of what this bill does. This bill creates entitlements for politicians. In this Senator's opinion, that is a serious mistake. Politicians should not be entitled to mail subsidies. Politicians should not be entitled to new communication voucher subsidies. Politicians should not be entitled to subsidies from broadcasters. As I said earlier, we will address that in a later amendment.

Again, I want to make sure my colleagues understand what we are doing. We are eliminating the taxpayer subsidies that are in S. 3—very clear, very plain.

I heard my friend from New Jersey earlier today say the Republicans get reduced mailing rates. We get the same rates the Democrats get. If they are subsidies, I think we should eliminate them. Political parties should pay their fair share in mail costs. Right now, the parties are subsidized for their national conventions. I think they should be eliminated.

I certainly do not think we should be expanding public subsidies for Senate candidates, and that is exactly what S. 3 does. That is why I have objected so strongly to S. 3 since its inception.

What the leaders have done on S. 3 is a little bit of a bait and switch. Last year, they had subsidies for 20 percent of the election limit. This year, when they introduced the bill, it was 50 percent. So they greatly increased the subsidies. And would you know it, the day they introduced the bill, they dropped it back down to 20 percent, and said, "See what we save. We reduced the subsidy."

They are playing games. That is mirrors. What they have done is they have raised the price; they raised the subsidy, and then they cut the subsidy back.

Mr. President, the bill we have before us is enormously expensive to taxpayers. We need to save taxpayers their money. We need to eliminate the taxpayer subsidies that are in S. 3. That is exactly what this amendment will do. I hope that my colleagues will adopt it.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I ask unanimous consent that a statement, including the charts and tables which I have alluded to in my statement, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[U.S. Senate Republican Policy Committee, May 21, 1991]

THE BOREN-MITCHELL SUBSTITUTE TO S. 3

HUNDREDS OF MILLIONS OF DOLLARS TO SUBSIDIZE SENATE CAMPAIGNS—AND SENATE DEMOCRATS HAVE VOTED TO RAISE TAXES TO PAY FOR THEM

S. 3, as reported, would have cost taxpayers and broadcasters about $1 billion over six years. Last week, in an attempt to reduce the bill's costs, S. 3 sponsors introduced a substitute which cuts back on one of the major taxpayer-financed subsidies (the voter communication voucher).

However, the Boren-Mitchell substitute still costs hundreds of millions of dollars. In the most comprehensive cost estimate ever done on S. 3 (attached), the Republican Policy Committee estimates that for Senate elections alone the Boren-Mitchell substitute will over six years—

Cost taxpayers between $171 million (if all candidates participate) and $297 million (if one major party candidate does not), and

Cost broadcasters between $195 million (for all candidates) and $107 million (if one major party candidate does not participate).

If Congress allows candidates for the House of Representatives to avail themselves of subsidies from taxpayers and broadcasters (as nearly everyone supposes it will) the costs will increase by about 150 percent. The Policy Committee estimates that for both Senate and House elections the Boren-Mitchell substitute will over six years—

Cost taxpayers between $428 million (if all candidates participate) and $743 million (if one major party candidate does not), and

Cost broadcasters between $488 million (for all candidates) and $268 million (if one major party candidate does not participate).

In short, the Boren-Mitchell substitute still constitutes a subsidy of a billion dollars ($.916 billion to $1.011 billion) to congressional candidates.

Last Friday, Senate Democrats attached to the Boren-Mitchell substitute a sense-of-the-Senate amendment that authorizes a tax increase to pay for these political subsidies. Every Republican Senator voted against that amendment. Across the aisle, 93 percent of Democrats voted for it.

The sense-of-the-Senate amendment rejected "any general revenue increase" but called instead for "removing subsidies for political action committees with respect to their political contributions or for other organizations with respect to their lobbying expenditures."

Senator Packwood's floor statement summarized Republican objections to the amendment which, while cleverly packaged, was a tax increase nevertheless:

"For every legitimate organization in America, no matter what it is, that wants to come here and exercise their first amendment right to petition us for a redress of grievances, they will lose the right to deduct those expenses or, to put it another way, because they now can no longer make the deduction, they will pay more taxes. If that is not a tax increase, I do not know what a tax increase is.

"I understand what the Democrats are trying to do. They want the taxpayer to fund our campaigns, but they want to say it in such a way that it does not seem like the taxpayers are funding our campaigns. . . ." 137 Cong. Rec. S 6025 (daily ed. May 16, 1991). See also, 137 Cong. Rec. S 6027 (remarks of Sen. Dole) (". . . The first amendment [on S. 3] should not be a tax increase. . . .")

NOTES ON POLICY COMMITTEE TABLES 1 TO 12

Election costs under the Boren-Mitchell substitute

Tables 1–6 show estimated costs of the Boren-Mitchell substitute amendment for Senate elections in 1994, 1996, and 1998. Costs shown are for two major-party candidates only. Charts 1, 3, and 5 show estimated costs when one of the major-party candidates elects not to participate in the system of spending limits and subsidies. Charts 2, 4, and 6 show estimated costs when both candidates are eligible for subsidies.

Column 1 is self-explanatory. We make no attempt to adjust voting age population (VAP) for future years; we use 1990 VAP throughout.

Column 2 is the general election expenditure limit (GEEL) established by the Boren-Mitchell substitute (it is the same as in the bill as reported). As the bill requires, we index the GEEL (we assume a 3.5% CPI). Candidates qualify for subsidies by raising 10 percent of this amount in relatively small contributions and by agreeing to limit their spending.

Column 3, the "mail subsidy," is 15 percent of the GEEL for one candidate. Candidates may spend 5 percent of their GEEL on subsidized mail. We assume they will spend all 5 percent on first-class mail which is available to them for one-fourth of the regular rate. Therefore, they pay 5 percent of the GEEL for postage worth 20 percent of the GEEL; net subsidy is 15 percent.

Column 4, the "voter communication voucher," is 20 percent of the GEEL for one candidate. This is the major change between the bill as reported (which had a 50 percent voucher) and the Boren-Mitchell substitute.

Column 5, the "Independent expenditure amount," is estimated to be 5 percent of the GEEL for one candidate. This subsidy goes to eligible candidates when certain independent expenditures are made against them or on behalf of their opponents.

Column 6, the "excess expenditure amount," is estimated to be 100 percent of the GEEL when one candidate is not eligible, and it will be zero when both candidates are eligible. An eligible major-party candidate is entitled to a subsidy of 100 percent of the GEEL when the noneligible major-party opponent raises, spends, or obligates 133.33 percent-plus-one-dollar of the GEEL.

Column 7 is the sum of columns 3 through 6. It represents the estimated taxpayer subsidy for eligible Senate candidates.

Column 8 shows the estimated subsidy that broadcasters will provide to Senate candidates directly. We assign a value of 50 percent of the GEEL. We assume that eligile candidates will spend 50 percent of the GEEL on broadcasting. 40 percent of the (50 percent) amount is provided by the voter communication voucher which is worth 20 percent of the (100 percent) GEEL. Eligible candidates spending 40 percent of the GEEL can buy broadcast time worth 100 percent of the GEEL because broadcasters must sell time to them at one-half the going rate. Therefore, broadcasters provide a subsidy equal to whatever the candidates spend.

Column 9 is the sum of columns 7 and 8; it shows total subsidies.

Minor party election costs under the Boren-Mitchell substitute

Tables 7–12 show estimated costs of the Boren-Mitchell substitute amendment for Senate elections in 1994, 1996, and 1998 for minor-party candidates only. Charts 7, 9, and 11 show estimated costs when one of the major-party candidates elects not to participate in the system of spending limits and subsidies. Charts 8, 10, and 12 show estimated costs when both major-party candidates are eligible for subsidies. We assume all minor-party candidates are eligible.

We are not aware of any other effort to estimate the cost of the subsidies to minor party candidates. We were surprised at the costs of such subsidies even under relatively modest assumptions.

Column 1 shows 1990 voting age population (VAP).

Column 2 is the general election expenditure limit (GEEL). As the bill requires, we index the GEEL (we assume a 3.5% CPI).

Column 3 is the qualifying amount (established by the bill) which is 10 percent of the GEEL. Candidates qualify for subsidies by raising this amount in relatively small contributions and by agreeing to limit their spending.

We show only those large states where we project there will be minor-party candidates. We suppose there will be three minor-party candidates for each Senate race in California and two minor-party candidates for each Senate race in New York. Other large states are assigned one minor-party candidate per race. Though very real, we ignore minor-party possibilities in smaller states.

Column 4, the "mail subsidy," is 15 percent of the GEEL for each minor-party candidate. We assume they will spend all of their subsidy on first-class mail which is available to them for one-fourth the regular rate.

Column 5, the "voter communication voucher," is 10 percent of the GEEL. Eligible minor-party candidates are eligible for voter communication vouchers equal to 10 percent of the GEEL. (Major-party candidates get vouchers of 20%.)

Column 6, the "independent expenditure amount," is estimated to be 5 percent of the GEEL for each minor-party candidate. This subsidy goes to eligible candidates when certain independent expenditures are made against them or on behalf of their opponents.

Column 7, the "excess expenditure amount," is estimated to be 20 percent of the GEEL when one major-party candidate is not eligible, and it will be zero when all candidates are eligible. This formula for minor-party candidates is different from that used for major-party candidates.

Column 8 is the sum of columns 4 through 7. It represents the estimated taxpayer subsidy for eligible minor-party Senate candidates.

Column 9 shows the estimated subsidy that broadcasters will provide to minor-party Senate candidates directly. We estimate 20 percent of the GEEL.

Column 10 is the sum of columns 8 and 9; it shows total subsidies.

TABLE 1.—1994 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half-price broadcast rates (private sector) (8)	Total cost (9)
Arizona	2,575,000	$1,172,500	$175,875	$234,500	$58,625	$1,172,500	$1,641,500	$586,250	$2,227,750
California	21,350,000	5,500,000	825,000	1,100,000	275,000	5,500,000	7,700,000	2,750,000	10,450,000
Connecticut	2,479,000	1,143,700	171,555	228,740	57,185	1,143,700	1,601,180	571,850	2,173,030
Delaware	504,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Florida	9,799,000	3,049,750	457,463	609,950	152,488	3,049,750	4,269,650	1,524,875	5,794,525
Hawaii	825,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Indiana	4,133,000	1,633,250	244,988	326,650	81,663	1,633,250	2,286,550	816,625	3,103,175
Maine	917,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Maryland	3,533,000	1,459,900	218,985	291,980	72,995	1,459,900	2,043,860	729,950	2,773,810
Massachusetts	4,576,000	1,744,000	261,600	348,800	87,200	1,744,000	2,441,600	872,000	3,313,600
Michigan	6,829,000	2,307,250	346,088	461,450	115,363	2,307,250	3,230,150	1,153,625	4,383,775
Minnesota	3,244,000	1,367,200	205,080	273,440	68,360	1,367,200	1,914,080	683,600	2,597,680
Mississippi	1,852,000	955,600	143,340	191,120	47,780	955,600	1,337,840	477,800	1,815,640
Missouri	3,854,000	1,566,200	233,430	311,240	77,810	1,556,200	2,178,680	778,100	2,956,780
Montana	588,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Nebraska	1,187,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Nevada	833,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
New Jersey	5,903,000	4,932,100	739,815	986,420	246,605	4,932,100	6,904,940	2,466,050	9,370,990
New Mexico	1,074,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
New York	13,600,000	4,000,000	600,000	800,000	200,000	4,000,000	5,600,000	2,000,000	7,600,000
North Dakota	481,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Ohio	8,090,000	2,622,500	393,375	524,500	131,125	2,622,500	3,671,500	1,311,250	4,982,750
Pennsylvania	9,199,000	2,899,750	434,963	579,950	144,988	2,899,750	4,059,650	1,449,875	5,509,525
Rhode Island	767,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Tennessee	3,685,000	1,505,500	225,825	301,100	75,275	1,505,500	2,107,700	752,750	2,860,450
Texas	12,038,000	3,609,500	541,425	721,900	180,475	3,609,500	5,053,300	1,804,750	6,858,050
Utah	1,076,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Vermont	425,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000

TABLE 1.—1994 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE—Continued

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half-price broadcast rates (private sector) (8)	Total cost (9)
Virginia	4,615,000	1,753,750	263,063	350,750	87,688	1,753,750	2,455,250	876,875	3,332,125
Washington	3,545,000	1,463,500	219,525	292,700	73,175	1,463,500	2,048,900	731,750	2,780,650
West Virginia	1,394,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Wisconsin	3,612,000	1,483,600	222,540	296,720	74,180	1,483,600	2,077,040	741,800	2,818,840
Wyoming	339,000	950,000	142,500	190,000	47,500	950,000	1,330,000	475,000	1,805,000
Total		58,509,550	8,776,433	11,701,910	2,925,478	58,509,550	81,913,370	29,254,775	111,168,145

TABLE 2.—1994 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half-price broadcast rates (private sector) (8)	Total cost (9)
Arizona	2,575,000	$1,172,500	$351,750	$469,000	$117,250	0	$938,000	$1,172,500	$2,110,500
California	21,350,000	5,500,000	1,650,000	2,200,000	550,000	0	4,400,000	5,500,000	9,900,000
Connecticut	2,479,000	1,143,700	343,110	457,480	114,370	0	914,960	1,143,700	2,058,660
Delaware	504,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Florida	9,799,000	3,049,750	914,925	1,219,900	304,975	0	2,439,800	3,049,750	5,489,550
Hawaii	825,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Indiana	4,133,000	1,633,250	489,975	653,300	163,325	0	1,306,600	1,633,250	2,939,850
Maine	917,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Maryland	3,533,000	1,459,900	437,970	583,960	145,990	0	1,167,920	1,459,900	2,627,820
Massachusetts	4,576,000	1,744,000	523,200	697,600	174,400	0	1,395,200	1,744,000	3,139,200
Michigan	6,829,000	2,307,250	692,175	922,900	230,725	0	1,845,800	2,307,250	4,153,050
Minnesota	3,224,000	1,367,200	410,160	546,880	136,720	0	1,093,760	1,367,200	2,460,960
Mississippi	1,852,000	955,600	286,680	382,240	95,560	0	764,480	955,600	1,720,080
Missouri	3,854,000	1,556,200	466,860	622,480	155,620	0	1,244,960	1,556,200	2,801,160
Montana	588,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Nebraska	1,187,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Nevada	833,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
New Jersey	5,903,000	4,932,100	1,479,630	1,972,840	493,210	0	3,945,680	4,932,100	8,877,780
New Mexico	1,074,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
New York	13,600,000	4,000,000	1,200,000	1,600,000	400,000	0	3,200,000	4,000,000	7,200,000
North Dakota	481,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Ohio	8,090,000	2,622,500	786,750	1,049,000	262,250	0	2,098,000	2,622,500	4,720,500
Pennsylvania	9,199,000	2,899,750	869,925	1,159,900	289,975	0	2,319,800	2,899,750	5,219,550
Rhode Island	767,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Tennessee	3,685,000	1,505,500	451,650	602,200	150,550	0	1,204,400	1,505,500	2,709,900
Texas	12,038,000	3,609,500	1,082,850	1,443,800	360,950	0	2,887,600	3,609,500	6,497,100
Utah	1,076,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Vermont	425,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Virginia	4,615,000	1,753,750	526,125	701,500	175,375	0	1,403,000	1,753,750	3,156,750
Washington	3,545,000	1,463,500	439,050	585,400	146,350	0	1,170,800	1,463,500	2,634,300
West Virginia	1,394,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Wisconsin	3,612,000	1,483,600	445,080	593,440	148,360	0	1,186,880	1,483,600	2,670,480
Wyoming	339,000	950,000	285,000	380,000	95,000	0	760,000	950,000	1,710,000
Total	....	58,509,550	17,552,865	23,403,820	5,850,955	0	46,807,640	58,509,550	105,317,190

Table 3.—1996 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half-price broadcast rates (private sector) (8)	Total cost (9)
Alabama	3,010,000	$1,525,813	$228,872	$305,163	$76,291	$1,525,813	$2,136,138	$762,907	$2,899,045
Alaska	362,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Arkansas	1,756,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Colorado	2,453,000	1,216,549	182,482	243,310	60,827	1,216,549	1,703,168	608,274	2,311,443
Delaware	504,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Georgia	4,639,000	1,884,692	282,704	376,938	94,235	1,884,692	2,638,569	942,346	3,580,915
Idaho	710,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Illinois	8,678,000	2,966,135	444,920	593,227	148,307	2,966,135	4,152,588	1,483,067	5,635,656
Iowa	2,132,000	1,113,412	167,012	222,682	55,671	1,113,412	1,558,776	556,706	2,115,482
Kansas	1,854,000	1,024,090	153,614	204,818	51,205	1,025,090	1,433,726	512,045	1,945,771
Kentucky	2,760,000	1,315,188	197,278	263,038	65,759	1,315,188	1,841,263	657,594	2,498,857
Louisiana	3,109,000	2,626,752	394,013	525,350	131,338	2,626,752	3,677,452	1,313,376	4,990,828
Maine	917,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Massachusetts	4,576,000	1,867,824	280,174	373,565	93,391	1,867,824	2,614,954	933,912	3,548,866
Michigan	6,829,000	2,471,065	370,660	494,213	123,553	2,471,065	3,459,491	1,235,532	4,695,023
Minnesota	3,224,000	2,694,751	404,213	538,950	134,738	2,694,751	3,772,652	1,347,376	5,120,027
Mississippi	1,852,000	1,883,488	282,523	376,698	94,174	1,883,488	2,636,883	941,744	3,578,626
Montana	588,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Nebraska	1,187,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
New Hampshire	828,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
New Jersey	5,903,000	5,282,279	782,342	1,056,456	264,114	5,282,279	7,395,191	2,641,140	10,036,330
New Mexico	1,074,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
North Carolina	4,929,000	1,962,340	294,351	392,468	98,117	1,962,340	2,747,276	981,170	3,728,446
Oklahoma	2,371,000	1,190,202	178,530	238,040	59,510	1,190,202	1,666,283	595,101	2,261,384
Oregon	2,123,000	1,110,520	166,578	222,104	55,526	1,110,520	1,554,728	555,260	2,109,988
Rhode Island	767,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
South Carolina	2,558,000	1,250,285	187,543	250,057	62,514	1,250,285	1,750,400	625,143	2,375,542
South Dakota	519,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Tennessee	3,685,000	1,612,391	241,859	322,478	80,620	1,612,391	2,257,347	806,195	3,063,542
Texas	12,038,000	3,865,775	579,866	773,155	193,289	3,865,775	5,412,084	1,932,887	7,344,972
Virginia	4,615,000	1,878,266	281,740	375,653	93,913	1,878,266	2,629,573	939,133	3,568,706
West Virginia	1,394,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Wyoming	339,000	1,017,450	152,618	203,490	50,873	1,017,450	1,424,430	508,725	1,933,155
Total	94,283,000	53,968,665	8,095,300	10,793,733	2,698,433	53,968,665	75,556,132	26,984,333	102,540,464

TABLE 4.—1996 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half price broadcast rates (private sector) (8)	Total cost (9)
Alabama	3,010,000	$1,525,813	$457,744	$610,325	$152,581	0	$1,220,650	$1,525,813	$2,746,463
Alaska	362,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Arkansas	1,756,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Colorado	2,453,000	1,216,965	364,965	486,620	121,655	0	973,239	1,216,549	2,189,788
Delaware	504,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Georgia	4,639,000	1,884,692	565,408	753,877	188,469	0	1,507,754	1,884,692	3,392,446
Idaho	710,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Illinois	8,678,000	2,966,135	889,840	1,186,454	296,613	0	2,372,980	2,966,135	5,339,042
Iowa	2,132,000	1,113,412	334,023	445,365	111,341	0	890,729	1,113,412	2,004,141
Kansas	1,854,000	1,024,090	307,227	409,636	102,409	0	819,272	1,024,090	1,843,362
Kentucky	2,760,000	1,315,188	394,556	526,075	131,519	0	1,052,150	1,315,188	2,367,338
Louisiana	3,109,000	2,626,752	788,026	1,050,701	262,675	0	2,101,401	2,626,752	4,728,153
Maine	917,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Massachusetts	4,576,000	1,867,824	560,347	747,130	186,782	0	1,494,259	1,867,824	3,362,083
Michigan	6,829,000	2,471,065	741,319	988,426	247,106	0	1,976,852	2,471,056	4,447,917
Minnesota	3,224,000	2,694,751	808,425	1,077,900	269,475	0	2,155,801	2,694,751	4,850,552
Mississippi	1,852,000	1,833,488	565,046	753,395	188,349	0	1,506,790	1,883,488	3,390,278
Montana	588,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Nebraska	1,187,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
New Hampshire	828,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
New Jersey	5,903,000	5,282,279	1,584,684	2,112,912	528,228	0	4,225,823	5,282,279	9,508,102
New Mexico	1,074,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
North Carolina	4,929,000	1,962,340	588,702	784,936	196,234	0	1,569,872	1,962,340	3,532,212
Oklahoma	2,371,000	1,190,202	357,061	476,081	119,020	0	952,162	1,190,202	2,142,364
Oregon	2,123,000	1,110,520	333,156	444,208	111,052	0	888,416	1,110,520	1,998,936
Rhode Island	767,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
South Carolina	2,558,000	1,250,285	375,086	500,114	125,029	0	1,000,228	1,250,285	2,250,514
South Dakota	519,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Tennessee	3,685,000	1,612,391	483,717	644,956	161,239	0	1,289,912	1,612,391	2,902,303
Texas	12,038,000	3,865,775	1,159,732	1,159,310	386,577	0	3,092,620	3,865,775	6,958,394
Virginia	4,615,000	1,878,266	563,480	751,307	187,827	0	1,502,613	1,878,266	3,380,879
West Virginia	1,394,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Wyoming	339,000	1,017,450	305,235	406,980	101,745	0	813,960	1,017,450	1,831,410
Total	94,283,000	53,968,665	16,190,600	21,587,466	5,396,867	0	43,174,932	53,968,665	97,143,598

TABLE 5.—1998 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half-price broadcast rates (private sector) (8)	Total cost (9)
Alabama	3,010,000	$1,495,844	$224,377	$299,169	$74,792	$1,495,844	$2,094,182	$747,922	$2,842,104
Alaska	362,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Arizona	2,575,000	1,346,030	201,905	269,206	67,302	1,346,030	1,884,442	673,015	2,557,457
Arkansas	1,756,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
California	21,350,000	6,314,000	947,100	1,262,800	315,700	6,314,000	8,839,600	3,157,000	11,996,600
Colorado	2,453,000	1,304,013	195,602	260,803	65,201	1,304,013	1,825,618	652,007	2,477,625
Connecticut	2,479,000	1,312,968	196,945	262,594	65,648	1,312,968	1,838,155	656,484	2,494,638
Florida	9,799,000	3,501,113	525,167	700,223	175,056	3,501,113	4,901,558	1,750,557	6,652,115
Georgia	4,639,000	2,020,193	303,029	404,039	101,010	2,020,193	2,828,270	1,010,097	3,838,367
Hawaii	825,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Idaho	710,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Illinois	8,678,000	3,179,386	476,908	635,877	158,969	3,179,386	4,451,140	1,589,693	6,040,833
Indiana	4,133,000	1,874,971	281,246	374,994	93,749	1,874,971	2,624,959	937,486	3,562,445
Iowa	2,132,000	1,193,461	179,019	238,692	59,673	1,193,461	1,670,845	596,730	2,267,576
Kansas	1,854,000	1,097,718	164,658	219,544	54,886	1,097,718	1,536,805	548,859	2,085,663
Kentucky	2,760,000	1,409,744	211,462	281,949	70,487	1,409,744	1,973,642	704,872	2,678,514
Louisiana	3,109,000	1,529,940	229,491	305,988	76,497	1,529,940	2,141,915	764,970	2,906,885
Maryland	3,533,000	1,675,965	251,395	335,193	83,798	1,675,965	2,346,351	837,983	3,184,334
Missouri	3,854,000	1,786,518	267,978	357,304	89,326	1,786,518	2,501,125	893,259	3,394,383
Nevada	833,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
New Hampshire	828,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
New York	13,600,000	4,592,000	688,800	918,400	229,600	4,592,000	6,428,800	2,296,000	8,724,800
North Carolina	4,929,000	2,103,423	315,513	420,685	105,171	2,103,423	2,944,792	1,051,712	3,996,504
North Dakota	481,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Ohio	8,090,000	3,010,630	451,595	602,126	150,532	3,010,630	4,214,882	1,505,315	5,720,197
Oklahoma	2,371,000	1,275,772	191,366	255,154	63,789	1,275,772	1,786,081	637,886	2,423,968
Oregon	2,123,000	1,190,361	178,554	238,072	59,518	1,190,361	1,666,506	595,181	2,261,686
Pennsylvania	9,199,000	3,328,913	499,337	665,783	166,446	3,328,913	4,660,478	1,664,457	6,324,935
South Carolina	2,558,000	1,340,175	201,026	268,035	67,009	1,340,175	1,876,245	670,088	2,546,333
South Dakota	519,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Utah	1,076,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Vermont	425,000	1,090,600	163,590	218,120	54,530	1,090,600	1,526,840	545,300	2,072,140
Washington	3,545,000	1,680,098	252,015	336,020	84,005	1,680,098	2,352,137	840,049	3,192,186
Wisconsin	3,612,000	1,703,173	255,476	340,635	85,159	1,703,173	2,384,442	851,586	3,236,028
Total	134,200,000	62,172,408	9,325,861	12,434,482	3,108,620	62,172,408	87,041,371	31,086,204	118,127,576

TABLE 6.—1998 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half-price broadcast rates (private sector) (8)	Totel cost (9)
Alabama	3,010,000	$1,495,844	$448,753	$598,338	$149,584	0	$1,196,675	$1,495,844	$2,692,519
Alaska	362,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Arizona	2,575,000	1,346,030	403,809	538,412	134,603	0	1,076,824	1,346,030	2,422,854
Arkansas	1,756,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
California	21,350,000	6,314,000	1,894,200	2,525,600	631,400	0	5,051,200	6,314,000	11,365,200
Colorado	2,453,000	1,304,013	391,204	521,605	130,401	0	1,043,211	1,304,013	2,347,224
Connecticut	2,479,000	1,312,968	393,890	525,187	131,297	0	1,050,374	1,312,968	2,363,342
Florida	9,799,000	3,501,113	1,050,334	1,400,445	350,111	0	2,800,890	3,501,113	6,302,003
Georgia	4,639,000	2,020,193	606,058	808,077	202,019	0	1,616,154	2,020,193	3,636,347
Hawaii	825,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Idaho	710,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080

TABLE 6.—1998 ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

State	1990 voting age population (1)	General election expenditure limit (2)	Mail subsidy (3)	Voter communication voucher (4)	Independent expenditure amount (5)	Excess expenditure amount (6)	Taxpayer subtotal (7)	Half-price broadcast rates (private sector) (8)	Totel cost (9)
Illinois	8,678,000	3,179,386	953,816	1,271,754	317,939	0	2,543,509	3,179,386	5,722,895
Indiana	4,133,000	1,874,971	562,491	749,988	187,497	0	1,499,977	1,874,971	3,374,948
Iowa	2,132,000	1,193,461	358,038	477,384	119,346	0	954,769	1,193,461	2,148,229
Kansas	1,854,000	1,097,718	329,315	439,087	109,772	0	878,174	1,097,718	1,975,892
Kentucky	2,760,000	1,409,744	422,923	563,898	140,974	0	1,127,795	1,409,744	2,537,539
Louisiana	3,109,000	1,529,940	458,982	611,976	152,994	0	1,223,952	1,529,940	2,753,891
Maryland	3,533,000	1,675,965	502,790	670,386	167,597	0	1,340,772	1,675,965	3,016,737
Missouri	3,854,000	1,786,518	535,955	714,607	178,652	0	1,429,214	1,786,518	3,215,732
Nevada	833,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
New Hampshire	828,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
New York	13,600,000	4,592,000	1,377,600	1,836,800	459,200	0	3,673,600	4,592,000	8,265,600
North Carolina	4,929,000	2,103,423	631,027	841,369	210,342	0	1,682,738	2,103,423	3,786,161
North Dakota	481,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Ohio	8,090,000	3,010,630	903,189	1,204,252	301,063	0	2,408,504	3,010,630	5,419,134
Oklahoma	2,371,000	1,275,772	382,732	510,309	127,577	0	1,020,618	1,275,772	2,296,390
Oregon	2,123,000	1,190,361	357,108	476,144	119,036	0	952,289	1,190,361	2,142,650
Pennsylvania	9,199,000	3,328,913	998,674	1,331,565	332,891	0	2,663,130	3,328,913	5,992,043
South Carolina	2,558,000	1,340,175	402,053	536,070	134,018	0	1,072,140	1,340,175	2,412,315
South Dakota	519,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Utah	1,076,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Vermont	425,000	1,090,600	327,180	436,240	109,060	0	872,480	1,090,600	1,963,080
Washington	3,545,000	1,680,098	504,029	672,039	168,010	0	1,344,078	1,680,098	3,024,176
Wisconsin	3,612,000	1,703,173	510,952	681,269	170,317	0	1,362,538	1,703,173	3,065,711
Total	134,200,000,000	62,172,408	18,651,722	24,868,963	6,217,241	0	49,737,927	62,172,408	111,910,335

TABLE 7.—1994 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Quflifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Arizona	2,575,000	$1,172,500	....	....	....	....	....	....	....	....
California 1	21,350,000	5,500,000	$550,000	$825,000	$550,000	$275,000	$1,100,000	$2,750,000	$1,100,000	$3,850,000
California 2	21,350,000	5,500,000	550,000	825,000	550,000	275,000	1,100,000	2,750,000	1,100,000	3,850,000
California 3	21,350,000	5,500,000	550,000	825,000	550,000	275,000	1,100,000	2,750,000	1,100,000	3,850,000
Connecticut	2,479,000	1,143,700	....	....	....	....	....	....	....	....
Delware	504,000	950,000	....	....	....	....	....	....	....	....
Florida	9,799,000	3,049,750	304,975	457,463	304,975	152,488	609,950	1,524,875	609,950	2,134,825
Hawaii	825,000	950,000	....	....	....	....	....	....	....	....
Indiana	4,133,000	1,633,250	....	....	....	....	....	....	....	....
Maine	917,000	950,000	....	....	....	....	....	....	....	....
Maryland	3,533,000	1,459,900	....	....	....	....	....	....	....	....
Massachusetts	4,576,000	1,744,000	174,000	261,600	174,400	87,200	348,800	872,000	348,800	1,220,800
Michigan	6,829,000	2,307,250	230,725	346,088	230,725	115,363	461,450	1,153,625	461,450	1,615,075
Minnesota	3,224,000	1,367,200	....	....	....	....	....	....	....	....
Mississippi	1,852,000	955,600	....	....	....	....	....	....	....	....
Missouri	3,854,000	1,556,200	....	....	....	....	....	....	....	....
Montana	588,000	950,000	....	....	....	....	....	....	....	....
Nebraska	1,187,000	950,000	....	....	....	....	....	....	....	....
Nevada	833,000	950,000	....	....	....	....	....	....	....	....
New Jersey	5,903,000	4,932,100	493,210	739,815	493,410	246,605	986,420	2,466,050	986,420	3,452,470
New Mexico	1,074,000	950,000	....	....	....	....	....	....	....	....
New York 1	13,600,000	4,000,000	400,000	600,000	400,000	200,000	800,000	2,000,000	800,000	2,800,000
New York 2	13,600,000	4,000,000	400,000	600,000	400,000	200,000	800,000	2,000,000	800,000	2,800,000
North Dakota	481,000	950,000	....	....	....	....	....	....	....	....
Ohio	8,090,000	2,622,500	262,250	393,375	262,250	131,125	524,500	1,311,250	524,500	1,835,750
Pennsylvania	9,199,000	2,899,750	289,975	434,963	289,975	144,988	579,950	1,449,875	579,950	2,029,825
Rhode Island	767,000	950,000	....	....	....	....	....	....	....	....
Tennessee	3,685,000	1,505,500	....	....	....	....	....	....	....	....
Texas	12,038,000	3,609,500	360,950	541,425	360,950	180,475	721,900	1,804,750	721,900	2,526,650
Utah	1,076,000	950,000	....	....	....	....	....	....	....	....
Vermont	425,000	950,000	....	....	....	....	....	....	....	....
Virginia	4,615,000	1,753,750	....	....	....	....	....	....	....	....
Washington	3,545,000	1,463,500	....	....	....	....	....	....	....	....
West Virginia	1,394,000	950,000	....	....	....	....	....	....	....	....
Wisconsin	3,612,000	1,483,600	....	....	....	....	....	....	....	....
Wyoming	339,000	950,000	....	....	....	....	....	....	....	....
Total	....	....	4,566,485	6,849,728	4,566,485	2,283,243	9,132,970	22,832,425	9,132,970	31,965,395

TABLE 8.—1994 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE— WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 Voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Arizona	2,575,000	$1,172,5000	....	....	....	....	....	....	....	....
California 1	21,350,000	5,500,000	$550,000	$825,000	$550,000	$275,000	....	$1,650,000	$1,100,000	$2,750,000
California 2	21,350,000	5,500,000	550,000	825,000	550,000	275,000	0	1,650,000	1,100,000	2,750,000
California 3	21,350,000	5,500,000	550,000	825,000	550,000	275,000	0	1,650,000	1,100,000	2,750,000
Connecticut	2,479,000	1,143,700	....	....	....	....	....	....	....	....
Delaware	504,000	950,000	....	....	....	....	....	....	....	....
Florida	9,799,000	3,049,750	304,975	457,463	304,975	152,488	0	914,925	609,950	1,524,875
Hawaii	825,000	950,000	....	....	....	....	....	....	....	....
Indiana	4,133,000	1,633,250	....	....	....	....	....	....	....	....
Maine	917,000	950,000	....	....	....	....	....	....	....	....
Maryland	3,533,000	1,459,900	....	....	....	....	....	....	....	....
Massachusetts	4,576,000	1,744,000	174,400	261,600	174,400	87,200	0	523,200	348,800	872,000
Michigan	6,829,000	2,307,250	230,725	346,088	230,725	115,363	0	692,175	461,450	1,153,625
Minnesota	3,224,000	1,367,200	....	....	....	....	....	....	....	....
Mississippi	1,852,000	955,600	....	....	....	....	....	....	....	....
Missouri	3,854,000	1,556,200	....	....	....	....	....	....	....	....
Montana	588,000	950,000	....	....	....	....	....	....	....	....

TABLE 8.—1994 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE— WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

State	1990 Voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Nebraska	1,187,000	950,000	....	....	....	....	....	....	....	....
Nevada	833,000	950,000	....	....	....	....	....	....	....	....
New Jersey	5,903,000	4,932,100	493,210	739,815	493,210	246,604	0	1,479,630	986,420	2,466,050
New Mexico	1,074,000	950,000	....	....	....	....	....	....	....	....
New York 1	13,600,000	4,000,000	400,000	600,000	400,000	200,000	0	1,200,000	800,000	2,000,000
New York 2	13,600,000	4,000,000	400,000	600,000	400,000	200,000	0	1,200,000	800,000	2,000,000
North Dakota	481,000	950,000	....	....	....	....	....	....	....	....
Ohio	8,090,000	2,622,500	262,250	393,375	262,250	131,125	0	786,750	524,500	1,311,250
Pennsylvania	9,199,000	2,899,750	289,975	434,963	289,975	144,988	0	869,925	579,950,000	1,449,875
Rhode Island	767,000	950,000	....	....	....	....	....	....	....	....
Tennessee	3,685,000	1,505,500	....	....	....	....	....	....	....	....
Texas	12,038,000	3,609,500	360,950	541,425	360,950	180,475	0	1,082,850	721,500	1,804,750
Utah	1,076,000	950,000	....	....	....	....	....	....	....	....
Vermont	425,000	950,000	....	....	....	....	....	....	....	....
Virginia	4,615,000	1,753,750	....	....	....	....	....	....	....	....
Washington	3,545,000	1,463,500	....	....	....	....	....	....	....	....
West Virginia	1,394,000	950,000	....	....	....	....	....	....	....	....
Wisconsin	3,612,000	1,483,600	....	....	....	....	....	....	....	....
Wyoming	399,000	950,000	....	....	....	....	....	....	....	....
Total	....	....	4,566,485	6,849,728	4,566,485	2,283,243	0	13,699,455	9,132,970	22,832,425

TABLE 9.—1996 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half price broadcast rates (private sector) (9)	Total cost (10)
Alabama	3,010,000	$1,525,813	....	....	....	....	....	....	....	....
Alaska	362,000	1,017,450	....	....	....	....	....	....	....	....
Arkansas	1,756,000	1,017,450	....	....	....	....	....	....	....	....
Colorado	2,453,000	1,216,549	....	....	....	....	....	....	....	....
Delaware	504,000	1,017,450	....	....	....	....	....	....	....	....
Georgia	4,639,000	1,884,692	....	....	....	....	....	....	....	....
Idaho	710,000	1,017,450	....	....	....	....	....	....	....	....
Illinois	8,678,000	2,966,135	$296,613	$444,920	$296,613	$148,307	$593,227	$1,483,067	$593,227	$2,076,294
Iowa	2,132,000	1,113,412	....	....	....	....	....	....	....	....
Kansas	1,854,000	1,024,090	....	....	....	....	....	....	....	....
Kentucky	2,760,000	1,315,188	....	....	....	....	....	....	....	....
Louisiana	3,109,000	2,626,752	....	....	....	....	....	....	....	....
Maine	917,000	1,017,450	....	....	....	....	....	....	....	....
Massachusetts	4,576,000	1,867,824	186,782	280,174	186,782	93,391	373,565	933,912	373,565	1,307,477
Michigan	6,829,000	2,471,065	247,106	370,660	247,106	123,553	494,213	1,235,532	494,213	1,729,745
Minnesota	3,224,000	2,694,751	....	....	....	....	....	....	....	....
Mississippi	1,852,000	1,883,488	....	....	....	....	....	....	....	....
Montana	588,000	1,017,450	....	....	....	....	....	....	....	....
Nebraska	1,187,000	1,017,450	....	....	....	....	....	....	....	....
New Hampshire	828,000	1,017,450	....	....	....	....	....	....	....	....
New Jersey	5,903,000	5,282,279	528,228	792,342	528,228	264,114	1,056,456	2,641,140	1,056,456	3,697,595
New Mexico	1,074,000	1,017,450	....	....	....	....	....	....	....	....
North Carolina	4,929,000	1,962,340	....	....	....	....	....	....	....	....
Oklahoma	2,371,000	1,190,202	....	....	....	....	....	....	....	....
Oregon	2,123,000	1,110,520	....	....	....	....	....	....	....	....
Rhode Island	767,000	1,017,450	....	....	....	....	....	....	....	....
South Carolina	2,558,000	1,250,285	....	....	....	....	....	....	....	....
South Dakota	519,000	1,017,450	....	....	....	....	....	....	....	....
Tennessee	3,685,000	1,612,391	....	....	....	....	....	....	....	....
Texas	12,038,000	3,865,775	386,577	579,866	386,577	193,289	773,155	1,932,887	773,155	2,706,042
Virginia	4,615,000	1,878,266	....	....	....	....	....	....	....	....
West Virginia	1,394,000	1,017,450	....	....	....	....	....	....	....	....
Wyoming	339,000	1,017,450	....	....	....	....	....	....	....	....
Total	....	....	1,645,308	2,467,962	1,645,308	822,654	3,290,615	8,226,538	3,290,615	11,517,154

TABLE 10.—1996 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

	State1990 voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Alabama	3,010,000	$1,525,813	....	....	....	....	....	....	....	....
Alaska	362,000	1,017,450	....	....	....	....	....	....	....	....
Arkansas	1,756,000	1,017,450	....	....	....	....	....	....	....	....
Colorado	2,453,000	1,216,549	....	....	....	....	....	....	....	....
Delaware	504,000	1,017,450	....	....	....	....	....	....	....	....
Georgia	4,639,000	1,884,692	....	....	....	....	....	....	....	....
Idaho	710,000	1,017,450	....	....	....	....	....	....	....	....
Illinois	8,678,000	2,966,135	$296,613	$444,920	$296,613	$148,307	....	$889,840	$593,227	$1,483,067
Iowa	2,132,000	1,113,412	....	....	....	....	....	....	....	....
Kansas	1,854,000	1,024,090	....	....	....	....	....	....	....	....
Kentucky	2,760,000	1,315,188	....	....	....	....	....	....	....	....
Louisiana	3,109,000	2,626,752	....	....	....	....	....	....	....	....
Maine	917,000	1,017,450	....	....	....	....	....	....	....	....
Massachusetts	4,576,000	1,867,824	186,782	280,174	186,782	93,391	....	560,347	373,565	933,912
Michigan	6,829,000	2,471,065	247,106	370,660	247,106	123,553	....	741,319	494,213	1,235,532
Minnesota	3,224,000	2,694,751	....	....	....	....	....	....	....	....
Mississippi	1,852,000	1,883,488	....	....	....	....	....	....	....	....
Montana	588,000	1,017,450	....	....	....	....	....	....	....	....
Nebraska	1,187,000	1,017,450	....	....	....	....	....	....	....	....
New Hampshire	828,000	1,017,450	....	....	....	....	....	....	....	....
New Jersey	5,903,000	5,282,279	528,228	792,342	528,228	264,114	....	1,584,684	1,056,456	2,641,140
New Mexico	1,074,000	1,017,450	....	....	....	....	....	....	....	....
North Carolina	4,929,000	1,962,340	....	....	....	....	....	....	....	....

TABLE 10.—1996 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

	State1990 voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Oklahoma	2,371,000	1,190,202								
Oregon	2,123,000	1,110,520								
Rhode Island	767,000	1,017,450								
South Carolina	2,558,000	1,250,285								
South Dakota	519,000	1,017,450								
Tennessee	3,685,000	1,612,391								
Texas	12,038,000	3,865,775	386,577	579,866	386,577	193,289		1,159,732	773,155	1,932,887
Virginia	4,615,000	1,878,266								
West Virginia	1,394,000	1,017,450								
Wyoming	339,000	1,017,450								
Total			1,645,308	2,467,962	1,645,308	822,654		4,935,923	3,290,615	8,226,538

TABLE 11.—1998 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN ONE MAJOR PARTY CANDIDATE IS NOT ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Alabama	3,010,000	$1,495,844								
Alaska	362,000	1,090,600								
Arizona	2,575,000	1,346,030								
Arkansas	1,756,000	1,090,600								
California 1	21,350,000	6,314,000	$631,400	$947,100	$631,400	$315,700	$1,262,800	$3,157,000	$1,262,800	$4,419,800
California 2	21,350,000	6,314,000	631,400	947,100	631,400	315,700	1,262,800	3,157,000	1,262,800	4,419,800
California 3	21,350,000	6,314,000	631,400	947,100	631,400	315,700	1,262,800	3,157,000	1,262,800	4,419,800
Colorado	2,453,000	1,304,013								
Connecticut	2,479,000	1,312,968								
Florida	9,799,000	3,501,113	350,111	525,167	350,111	175,056	700,223	1,750,557	700,223	2,450,779
Georgia	4,639,000	2,020,193								
Hawaii	825,000	1,090,600								
Idaho	710,000	1,090,600								
Illinois	8,678,000	3,179,386	317,939	476,908	317,939	158,969	635,877	1,589,693	635,877	2,225,570
Indiana	4,133,000	1,874,971								
Iowa	2,132,000	1,193,461								
Kansas	1,854,000	1,097,718								
Kentucky	2,760,000	1,409,744								
Louisiana	3,109,000	1,529,940								
Maryland	3,533,000	1,675,965								
Missouri	3,854,000	1,786,518								
Nevada	833,000	1,090,600								
New Hampshire	828,000	1,090,600								
New York 1	13,600,000	4,592,000	459,200	688,800	459,200	229,600	918,400	2,296,000	918,400	3,214,400
New York 2	13,600,000	4,592,000	459,200	688,800	459,200	229,600	918,400	2,296,000	918,400	3,214,400
North Carolina	4,929,000	2,103,423								
North Dakota	481,000	1,090,600								
Ohio	8,090,000	3,010,630	301,063	451,595	301,063	150,532	602,126	1,505,315	602,126	2,107,441
Oklahoma	2,371,000	1,275,772								
Oregon	2,123,000	1,190,361								
Pennsylvania	9,199,000	3,328,913	332,891	499,337	332,891	166,446	665,783	1,664,457	665,783	2,330,239
South Carolina	2,558,000	1,340,175								
South Dakota	519,000	1,090,600								
Utah	1,076,000	1,090,600								
Vermont	425,000	1,090,600								
Washington	3,545,000	1,680,098								
Wisconsin	3,612,000	1,703,173								
Total			4,114,604	6,171,906	4,114,604	2,057,302	8,229,208	20,573,021	8,229,208	28,802,229

TABLE 12.—1998 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE

State	1990 voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Alabama	3,010,000	$1,495,844								
Alaska	362,000	1,090,600								
Arizona	2,575,000	1,346,030								
Arkansas	1,756,000	1,090,600								
California 1	21,350,000	6,314,000	$631,400	$947,100	$631,400	$315,700	0	$1,894,200	$1,262,200	$3,157,000
California 2	21,350,000	6,314,000	631,400	947,100	631,400	315,700	0	1,894,200	1,262,200	3,157,000
California 3	21,350,000	6,314,000	631,400	947,100	631,400	315,700	0	1,894,200	1,262,200	3,157,000
Colorado	2,453,000	1,304,013								
Connecticut	2,479,000	1,312,968								
Florida	9,799,000	3,501,113	350,111	525,167	350,111	175,056	0	1,050,334	700,223	1,750,557
Georgia	4,639,000	2,020,193								
Hawaii	825,000	1,090,600								
Idaho	710,000	1,090,600								
Illinois	8,678,000	3,179,386	317,939	476,908	317,939	158,969	0	953,816	635,877	1,589,693
Indiana	4,133,000	1,874,971								
Iowa	2,132,000	1,193,461								
Kansas	1,854,000	1,097,718								
Kentucky	2,760,000	1,409,744								
Louisiana	3,109,000	1,529,940								
Maryland	3,533,000	1,675,965								
Missouri	3,854,000	1,786,518								
Nevada	833,000	1,090,600								
New Hampshire	828,000	1,090,600								
New York 1	13,600,000	4,592,000	459,200	688,800	459,200	229,600	0	1,377,600	918,400	2,296,000
New York 2	13,600,000	4,592,000	459,200	688,800	459,200	229,600	0	1,377,600	918,400	2,296,000
North Carolina	4,929,000	2,103,423								
North Dakota	481,000	1,090,600								
Ohio	8,090,000	3,010,630	301,063	451,595	301,063	150,532	0	903,189	602,126	1,505,315

TABLE 12.—1998 MINOR PARTY ELECTION COSTS UNDER THE BOREN-MITCHELL SUBSTITUTE—WHEN BOTH MAJOR PARTY CANDIDATES ARE ELIGIBLE—Continued

State	1990 voting age population (1)	General election expenditure limit (2)	Qualifying threshold (3)	Mail subsidy (4)	Voter communication voucher (5)	Independent expenditure amount (6)	Excess expenditure amount (7)	Taxpayer subtotal (8)	Half-price broadcast rates (private sector) (9)	Total cost (10)
Oklahoma	2,371,000	1,275,772								
Oregon	2,123,000	1,190,361								
Pennsylvania	9,199,000	3,328,913	332,891	499,337	332,891	166,446	0	998,674	665,783	1,664,457
South Carolina	2,558,000	1,340,175								
South Dakota	519,000	1,090,600								
Utah	1,076,000	1,090,600								
Vermont	425,000	1,090,600								
Washington	3,545,000	1,680,098								
Wisconsin	3,612,000	1,703,173								
Total			4,114,604	6,171,906	4,114,604	2,057,302	0	12,343,813	8,229,208	20,573,021

The PRESIDING OFFICER. Who yields time?

The time of the junior Senator from Oklahoma [Mr. NICKLES] has expired.

Mr. BOREN. How much time is remaining to this side, Mr. President?

The PRESIDING OFFICER. Ten minutes.

Mr. BOREN. Mr. President, I yield myself 5 minutes.

Mr. President, we have in essence debated the very same issue earlier when we debated the amendment of the Senator from Kentucky [Mr. MCCONNELL] when we consider that we have a Supreme Court decision which says, in Buckley versus Valeo, that for us to have any system of spending limits, that system must be voluntary. The only way that we have been able to craft a system which is of voluntary spending limits is to have a system of inducements, a series of incentives or benefits, if we want to call it that, for people to enter into a system to voluntarily accept spending limits.

What this amendment really means, if we are to strip out all of the incentives, all of those things which would lead a candidate to accept voluntary spending limits, we are really going to strike at the very heart of the bill; we are going to strike at the concept of spending limits itself.

So while this vote is framed by the authors in terms of being something that affects taxpayer financing, taxpayer financing is not really the issue. It is not really the issue, for two reasons.

First of all, as we have said in our sense-of-the-Senate resolution adopted earlier as a part of this bill, it is not the intention of those on this side of the aisle to impose additional taxes on individual taxpayers, or general tax increases, to pay for any of the incentives which are provided in this bill, be it the lower mailing costs, vouchers that are provided in this bill, or any other incentives which are provided. There are all sorts of alternatives which we have listed and which we have discussed as methods for financing any benefits that are provided.

For one thing, we can have a voluntary checkoff with taxpayers making voluntary contributions over and above what they owe in taxes. We could, for example, as some have suggested, put a tax on political action committees. That is another potential option that has been urged by some.

Each year, we allow a subsidy for lobbying expenses. We allow those organizations which are paying lobbyists, which have lobbying expenses in the Nation's Capital, a tax deduction. That chalks up $100 million a year of tax subsidies which the Government is now providing for lobbying activities; $500 million over 5 years, according to the CBO.

You could put some sort of limitation on that. The average small business or small farms are not going to spend millions of dollars lobbying the Congress of the United States. The average citizen who comes up here just wanting to talk about an issue of interest to them cannot deduct the expenses of coming to Washington to talk to their Members of Congress.

Perhaps some limit should be put in place. Do we want to give tax subsidies to organizations that are spending $5 million a year to lobby the Congress of the United States? Where are their special interests? That is something that certainly would be worthy of our consideration. The Senator from Oklahoma, my good friend and colleague, on several occasions—and I joined him in this as a cosponsor; I agree with what he has done—has attempted to curtail the mass mailings of the Members of the Senate, costs still remaining, in terms of newsletters and mass mailings, even with the adoption of the Nickles amendment. By the way, we have included a good portion of it in this bill. I commend my colleague for offering this in our deliberations previously on the Senate floor in previous years. We could save another $25 million, perhaps, out of the expenses that we are now paying to subsidize incumbents in essence by allowing continued mass mailing in newsletters. We could do away with those altogether in certain instances.

So there are all sorts of options that we could utilize to pay for the benefits in this bill that would not be what we call taxpayer financing.

But I go back to this point: We must have a system that works. Earlier today I quoted a distinguished business leader from the State of Texas, Mr. Ross Perot, who is a great American patriot, a person that speaks very bluntly and plainly. He is a keen analyst of the American political scene, and one of his favorite sayings is: Do you want to talk about something or do you want to do something about the problem? He said there are all too many times in which American politicians talk about problems. We talk about solving problems. The street commissioner comes on television and deplores the potholes in the street, the 30-second sound bite. But nobody does anything about it. We do not take action.

What we must do here is take action. If we are serious about doing something to stop the money chase which is eating away at the core of American politics, then we must come up with a system that will work. We must come up with a system that will pass muster in the Supreme Court. You take away the incentives from a voluntary system of spending limits and you will not have any spending limits. That is what this debate is all about, whether or not we are going to have spending limits. So if you strike out all the incentives, all the inducements for candidates to accept voluntary spending limits, they will not accept it.

The Supreme Court says it has to be voluntary. That is the issue. Are we going to do something about the money chase or are we going to talk about it? Are we going to have an effective way to limit spending or are we going to talk about it? Are we going to sit here year after year? I have now been in this body for 13 years, and for almost 10 of those years I have been trying to do something about the spiraling costs of campaigns.

The first effort I began was with the then distinguished Senator from Arizona, the former Member of the Senate, Barry Goldwater, who had the same kind of view about what was wrong. The Senator from Mississippi at that time, John Stennis, one of the senior Members, joined us in that effort. Why were they concerned? Because, over the time that I have been in the Senate, the average cost of winning a Senate seat has gone from $600,000 in the average State to $4 million. How can that be good for America? How can it be good that we are deciding more and more elections not on the basis of the qualifications of the candidates, not on the bases of their ideas to solve American problems but on the basis of who can raise the most money?

How is it good for America that the Members of this Senate have to spend more and more of their time out raising that money? How is it good for America that more and more of that money is not coming from the people back home, the small contributors at the grass roots; more and more and more of that money is coming from special interests out of State?

How is it good for this Senate, how is it good for this country, if Members of the Senate and Members of the House, have to go into places where they barely know the people to have huge fundraisers to raise thousands of dollars in order to raise this $4 million that it takes to run, when they cannot possibly know the reputations of the individuals involved?

So embarrassment comes when these individuals prove to be less than credible, prove to have less than sterling characters. It casts a cloud and a doubt over all the institution. No wonder the poll that I cited yesterday from the Louisville Courier-Journal that approximately three-fourths of the people in the State, for example—I am sure it would be the same in my State—feel that the presence of too much money in campaigns creates the effect or the image that Members of Congress are obligated to special interests, that they have been bought and paid for, instead of being responsive to the American people.

It creates an image that this Government in this Capitol does not belong to all the people but only to those people that supply the money necessary to run a campaign.

Mr. President, that cannot be good for America. We ought to do something about it. We ought not just talk about it. We ought to stop this money chase. We ought to stop the undue influence of money in American politics, and we ought to restore politics to a competition on ideas and qualifications where it belongs.

If we are going to do more than just talk about it, we have to have an effective system that will pass muster with the Supreme Court decisions. It has to be a voluntary system of spending limits. And to have a voluntary system that will work, there must be sufficient incentives to get people to accept those spending limits.

So, Mr. President, 85 percent of the American people have said to us, in poll after poll, enough, stop this, do something to clean up the mess, clean up the campaign system. Bring Government back to the people again. Stop all of this money chase. Give some competition in politics. We want the challengers to have a chance.

We know that incumbents can outraise them 8 to 1, for example, in the House of Representatives. If the competition is going to be on the basis of who can raise the most money, we all know the present system is not working. We are all victimized by it. Those that give the money, those who accept the money, the Members of Congress themselves, have to go out and feel that they are accepting money under unwholesome circumstances. And, above all, the American people are being victimized by the present system because we are taking power away from the grassroots of others.

Let us count votes again in American politics and activity by voters and care and concern of individual citizens, and stop allowing money to have such an influence. Let us open up the system to a fair and even playing field of competition between incumbents and challengers.

So, Mr. President, I appeal, let us not talk about it. We have talked about it for 10 years. Let us do something about it. I urge my colleagues to join in voting for a motion which I will make in just a moment to table this amendment. I do this with all due respect to my friend and colleague from Oklahoma. Let us join in tabling this motion so that we can keep a system in place that will really work, that will stop the money chase in American politics and set us back on the right path.

Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The Chair informs the Senator that the time has just expired.

Mr. BOREN. I move to table the Nickles amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order the vote on the amendment is agreed to follow the action taken by the Senate on the conference resolution, which is approximately 8:45.

Mr. MITCHELL. Mr. President, am I correct in my understanding that the debate on the Nickles amendment has now been completed, all time having been used?

The PRESIDING OFFICER. The majority leader is correct.

Mr. MITCHELL. Mr. President, I believe the chairman and ranking member of the Budget Committee will be momentarily prepared to begin consideration of the budget conference report. I note the chairman of the committee is here. We will now proceed to that under the previous agreement with the maximum 2 hours to be used. If less than 2 hours is used for the budget conference report, then I hope that the managers of the pending bill could arrange for another amendment to be debated during that interim time.

The next vote will be no sooner than 8:45. Under the previous order there will be two votes, one on the budget conference report, one on the Nickles amendment, possibly a third if another amendment on the campaign finance bill can be worked in in the interim.

I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET—CONFERENCE REPORT

Mr. SASSER. Mr. President, I submit a report on the committee of conference and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the United States Government for the fiscal year 1991, and setting forth the congressional budget for the United States Government for fiscal years 1992, 1993, 1994, 1995, and 1996 having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 21, 1991.)

The PRESIDING OFFICER. The Senator from Tennessee, Mr. SASSER, has the floor.

Mr. SASSER. Mr. President, the distinguished ranking member of the committee, Mr. DOMENICI, of New Mexico, is on his way to the floor, I am advised. I have also been advised by Senator DOMENICI's staff that we should proceed with opening statements in anticipation of his arrival, which will take place very shortly I am sure.

Mr. President, I might say that I had the pleasure just last week of participating in the most agreeable budget conference that I have known since becoming chairman of the Budget Committee 3 years ago. The position of chairman of the Senate Budget Committee is indeed an embattled position. I do not think there is any question about that. But this conference was the most harmonious that we have had in all of my years on the Budget Committee.

The conference report that we bring to the Senate this evening reflects that agreement. It is a document, I think, that is rich in shared priorities and in common vision. The budget conference report is an affirmation of the principles and accords in the budget summit last year, most centrally the principle of fiscal responsibility. And that principle of fiscal responsibility is enforced by the restraints of spending caps on the discretionary programs and pay-as-you-go constraints on the so-called entitlement for mandatory programs.

This conference report achieves spending discipline, Mr. President, without being rigid, or without being hidebound. It responds to the issues we all agree are vital to our Nation's future. It responds to the desperate need for improving education in this country. It responds to the need of caring for the health and nutrition of the most vulnerable in our population—the children of this Nation.

It responds by providing for family security during these very difficult economic times that American families find themselves. Moreover, this budget conference report provides the room for this Congress to consider, if it wishes to do so, a number of additional issues that may require action in the near future; actions that range from combating a recession, which is now 11 months old and shows few signs of abating, to improving our Nation's health care system, and also to expanding investments on the roads and highways of this Nation which are desperately in need of repair and refurbishing.

This conference report allows for all of those crucial issues to be addressed. On its merits, I believe it has fulfilled all of our expectations as the first offspring of the budget summit last year.

This conference report, in my view, deserves nothing less than the full support of the United States Senate. That is not to say that consensus came without a substantial measure of compromise. Compromise is always a necessary ingredient of the legislative process. It is in the nature of conferences to compromise. If both Houses stuck dogmatically to their positions, then the legislative process would be deadlocked and nothing would ever be produced. There is compromise in this conference report, as there is in every conference report that is brought back for final affirmation by this body.

We have worked with our colleagues in the House of Representatives to improve our standing in some crucial areas, including increases in the functions dealing with the administration of justice, energy, and transportation in the domestic discretionary accounts. We have done so, Mr. President, without doing violence to our goal of making some bold strides in the area of education, moving forward in the areas of child and family security. But I must emphasize, we have taken these initiatives within the boundaries of deficit neutrality and in full compliance with the very crucial pay-as-you-go mechanism that was incorporated into the summit agreement last year. No more borrowing, no more borrowing to enlarge programs, to initiate new programs, and no more putting it on the cuff for future generations to pay.

Mr. President, the spirit of our multiyear summit agreement pervades every aspect of this conference report. It is evidenced not only by the spending caps and the pay-as-you-go constraints, but also in the reserve fund language as well.

With regard to these reserves, we returned to the original intention of the summit agreement. They exist in full measure to provide the committees of the Senate, and the full Senate itself, the flexibility to, at the appropriate time, work our will on a number of deficit-neutral initiatives, if the appropriate committees and if the full Senate chooses to do so.

Reserves will allow us to respond to this recession, which I said earlier is now 11 months old. They will allow us to respond to the decay that afflicts our roads and highways and bridges, and the reserves will allow us to respond to the health care needs of our citizens.

I want to make it very clear that the reserve language gives us the flexibility to act, or not to act, as the appropriate committees and as the Senate as a whole sees fit. It goes without saying that no initiative is mandated in this conference report. The reserves are there for the same reason we have had them in budget resolutions even since 1986, to allow the Senate to work its will at the appropriate time.

Certainly, our range of choice is more narrow than in the past. Everything we do is bound by the unbending principle of deficit neutrality, the single principle that guided our hand in the enforcement mechanism that we work under today. Those mechanisms were designed to ensure that Government would address this country's problems in a fiscally responsible way. Certainly, they were not put in place to immobilize the Government altogether, to hamstring the operations of the legislative branch of government, indeed, to put the legislative branch into such a lock that it simply could not address the urgent issues of the day.

Mr. President, this budget says to the American people that we can make astute judgments and investments in our own people and in the future of our Nation. We can make those investments that are completely compatible with fiscal responsibility. The price of doing so is to merely choose wisely and to pay as we go. I believe this budget does that.

As I said earlier, it moves education and families to the top of our Federal budget agenda; it provides for the economic security of working men and women and their families. We must not forget that this budget is coming at a time of real hardship for many Americans. I do not believe that we can allow our commitment to fiscal restraint to blind us to the realities of American life. Our economy continues to slide. More than 8 million of our fellow countrymen are out of work as I speak in this Chamber tonight.

The unemployment rate stands at 6.6 percent, and the talk of a quick recovery offers little comfort to the one-half million people who stood in the unemployment lines last week for the first time and joined that swelling rank of the unemployed. The bell now tolls on the 11th month of this recession. We have a responsibility with this budget to clear the way for the Federl Reserve to continue to ease interest rates as a means of helping move us out of this economic recession. We also have a responsibility to structure an anti-recession policy on the fiscal side.

It goes without saying that the unemployment insurance system is one of the most important economic stabilizers that we have, and we have to insure that it is working effectively both in the macro-sense of lifting us out of the recession and at the human level of alleviating hardships for working families. Much has been said that one reason we can anticipate this recession to be short and shallow, although it certainly has not been short, and some will say it has not been swallow, would be because of the economic stabilizers that are built into the system, and one of these economic stabilizers is unemployment compensation or the unemployment insurance system.

We find that this economic stabilizer is not working as it should. I believe that this conference report is structured in such a way as to put some new impetus into the economic stabilizer known as the unemployment insurance system. This conference report offers the discipline of the summit and the flexibility of reserve language that the present circumstances require.

This conference report stands as a solid definition of priorities and a reflection of the desires of the American people. It is fiscally disciplined, and where it takes initiative it does so in a targeted effective and deficit-neutral way. It focuses the limited resources that we have now on family and economic security issues that matter so much to all Americans.

Mr. President, I urge the swift adoption of this budget conference report so that we can move on with the business of the Senate, move in the appropriations bills and, most importantly, work to guide this Nation out of a recession and back to economic health.

Mr. President, I note that the distinguished ranking member, Senator DOMENICI, has now arrived on the floor. At this time I yield the floor.

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I might say to my fellow Senators on this side, I have inquired as to whether any of them desired to speak either in favor or in opposition to this resolution. I hope that even if they are not currently on the floor they would accommodate the Senate by letting us know as quickly as possible when they can be here.

I would like to not use our entire hour and be able to say to the chairman that we could be finished in a half-hour or so. I am going to try. I do not have a lot to say tonight. So why do I not start by just taking 10 minutes. I yield myself 10 minutes.

Mr. President, exactly a year ago this month, 21 Congressional Members and 5 administration officials sat down together to see—in the face of increasing deficit projections at that time—if the administration and the Congress could come to an agreement to reduce the deficit, with no preconditions.

After nearly 7 months of meetings and deliberations here on the floor, a historic budget agreement was reached.

I should note for the record that at that time last year the OMB and CBO estimate of the budget deficit for this year ranged between $196 and $227 billion.

This budget estimates the deficit for this year at $308.9 billion.

Now Mr. President, we are here today, proposing to adopt a budget resolution for 1992 that comports to the agreement pounded out last fall.

Mr. President, except for one significant issue, the conference report does follow through with the agreement of last fall.

It funds discretionary spending in the three categories—defense, international affairs, and domestic programs—at the levels agreed to in the summit.

And while I do not agree with how the budget conference agreement proposes to distribute the discretionary pot among the various domestic functions, that would not be reason alone for me to oppose the conference report.

As the Senate knows, the decision as to how the discretionary spending is allocated will be decided by the committee of jurisdiction—the Appropriation Committee.

But for the record, I ask unanimous consent to print in the RECORD at the conclusion of my remarks a table that compares the distribution of the discretionary spending in this resolution to the 1991 level and President's request.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOMENICI. These tables will show that this conference report assumes that the Congress will reduce funding for science, space, and technology below the President's request by nearly $1.8 billion in budget authority.

This conference report also assumes that we will reduce the President's requested funding for natural resources by nearly $400 million. This is the function that supports the Environmental Protection Agency and other programs supporting research into global warning and the environment.

This conference report assumes we will cut the President's request for the administration of justice programs by nearly $1.2 billion. This is the function that supports the war on drugs, State and local crime assistance grants, prison construction, and enforcement of the Americans With Disabilities Act.

Mr. President, I ask unanimous consent that a letter from the Attorney General and the Secretary of the Treasury outlining what this level of funding would mean for national law enforcement efforts in this country printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DOMENICI. I also must note that this conference report assumes we will cut the President's request for discretionary transportation by nearly $1.1 billion.

But again, all this is somewhat irrelevant, since the Appropriations Committee will make the real decisions on how to allocate the discretionary spending, and alone is not reason to vote against this conference report.

The real issue in this conference report is the issue of the reserve fund language.

This issue only affects Senate procedure and while the original Senate language was adopted on a bipartisan basis in the Budget Committee and remained unchanged here on the floor, the conference has yielded to the House and fundamentally changed the Senate language.

Unfortunately Mr. President, I think there has been a great deal of confusion on this issue.

I take a back seat to no one in this Chamber or the other, in my efforts to enact that budget agreement last fall.

So it disturbs me when I hear that the Senate passed budget resolution somehow broke that agreement.

Nothing could be further from the truth.

The Budget Enforcement Act of 1990 is very clear. And those who take the time to read it will find that the Senate passed budget resolution carefully followed the law.

The issue the reserve fund language addresses was discussed at some length last fall.

In order to maintain the role of the Budget Committee in setting broad fiscal policies on spending and taxes, I and Chairman SASSER refused to be dictated to by the House Ways and Means chairman.

In the House, on the other hand, an exception to the Budget Act was provided for pay-go procedures. No restraint was placed on committees that reported deficit neutral legislation after April 15, even if the spending or taxing levels were not included in the budget resolution.

We chose here in the Senate to authorize through the budget resolution a procedure for implementing pay-go.

That procedure was not mandatory, it was discretionary.

And exercising our rights under the law the Senate Budget Committee voted for this year to establish a procedure in the Senate that simply says that in five high priority areas, we support spending increases so long as they are paid for with spending cuts.

Let's be clear, this procedure cuts both ways. A number on this side would like to cut taxes, the Senate provision would have required that tax cuts be paid for with tax increases.

So Mr. President, having adopted a procedure specific to the Senate and clearly authorized by the budget agreement from last year, I cannot simply then turn around and support this resolution that undoes the one thing that probably matters most.

I support pay as you go. I simply want to pay for new initiatives by first attempting to cut spending.

I think this resolution sends the wrong signal to the American public—that we want to raise taxes to pay for new initiatives.

Already the Democratic leadership is preparing to release this week a major spending package that will need taxes to make it deficit neutral.

This budget resolution will make it possible to consider tax increases later this year to fund that package.

I think we should first look to spending cuts for new initiatives and only after we have exhausted that search should we then consider increasing revenues.

For this one fundamental reason, I will not support this resolution, and if it is defeated I will move to insist on the Senate reserve fund language and request a further conference with the House.

Mr. President, let me just say to the Senate if you look at the discretionary priorities as set up in the various functional accounts of this budget, some of which were alluded to by my good friend, the chairman, the first thing that everyone should know, and I hate to say this every time a budget resolution is on the floor, but it is in the nature of budget resolutions from the very beginning, from the first time we had them under a statute that is now about 14 years old, those numbers are not the binding priorities for domestic programs. They are at best a wish list, a hope for.

As a matter of fact, the prioritization of the domestic discretionary accounts, this year $210 billion, spread over hundreds and hundreds of programs and accounts, that set of priorities is accomplished by the appropriations committees. That is the way it always was. People somehow think this has all been changed dramatically by the economic summit but quite to the contrary it always was that way.

Nonetheless, the Senate insists on talking about these priorities as if they are real. Here is what it would look like if you had it all in front of you and divided up the way the Budget Committee recommends. But we never gave the budget resolution that kind of power and we never gave this committee that kind of authority.

So that $210 billion which our distinguished chairman has talked about here tonight in terms of priorities that are in this resolution—I do not choose to argue with him, but I do choose to say that Senators who vote for this budget resolution thinking that those are the priorities that we are going to end up with and they are therefore going to run here to the floor so they can vote for them because they are what they want, they are going to be sadly mistaken because they are not what we are going to spend our money for.

How do I know that? First I told the Senate and that is the law. That is the way it is. But believe it or not, the $210 billion has already been allocated. In other words, the subcommittees of appropriations already got their money, that portion of that $210 billion not yet in the Senate they will get in the few days but in the House they already got it. So if anyone wants to know where the function with education is going please do not vote on this budget resolution and say we are going up $2.5 billion dollars in education. Go see what the U.S. House Appropriations Committee has already done. And the Senate's will not be far off when they are finished, 1 percent, 2 percent,

So, this is not an issue tonight of where the discretionary funding is going to go. There may be some who would say we sure wish this is the way we would do it. There may be even some who will say someday we will do it this way. But we are not, and the law does not say it, and the Appropriations Committee still will do it, they are going to do it this year and this resolution is not going to do it. It is just the total of $210 billion in program authority for discretionary appropriations including the programs that the chairman speaks of. They are within it. That is the way it really is.

Now, Mr. President, I will say that for those who want to look at those numbers and look at those priorities for every good, for every plus there is a negative. That is in the nature of budget limitations. We set a cap. So obviously if you are going up dramatically somewhere you have to open your eyes and say where are we going down, and that is the way it is.

If you like the resolution because it goes up in education you will not like it very much when it comes to drugs and alcoholism treatment, and law enforcement, and the FBI, because that is down dramatically. So if anyone wants to vote against it on these premises we will give you a piece of paper and show you the ones, again not binding on anyone, but that if that is how you choose to vote we will give you a list of three or four functions that are down that you can use for your particular political speeches because clearly you are going to be voting to reduce the War on Drugs and all of the crime prevention in the country dramatically under the same premise that you are increasing some of these other things dramatically.

So I do not choose to vote for or against this budget resolution on that basis because the economic summit conference did a very good job. It broke the budget into three pieces and they are all binding; the defense number is now binding, and if you save money in defense it goes to deficit reduction.

If you save money in discretionary appropriations, it goes to deficit reduction. If you save money in foreign assistance, it goes to deficit reduction. But you do not mix the accounts. You do not take money from defense to spend on discretionary and vice versa. That is the way we should have been doing it for a long, long time. But that is not the way the budget resolution was done in the past nor the way the law was written until this economic summit and now it is written for the next 5 years.

So the important thing is we have met those targets and we have given you an example of how we might live within them and it is going to be tight. The next 2 or 3 months the appropriators are going to find if they want to go up in some area, some other one has to come down, because this cap does not even allow for full inflationary increase and, obviously, defense is coming down, not up; foreign assistance is almost frozen for a very, very rigid fiscal policy. I believe that is what you are voting on if you want to vote for this budget resolution on all the appropriated accounts, a rather rigid fiscal policy.

Why would one vote against it? Certainly not on what I have just described. There is a provision within the economic summit that many have called the pay-as-you-go provision of this new law—dramatic for the Senate.

Some who were looking back on the economic summit are going to find that while the whole country was talking about cigarette taxes and gasoline taxes and Medicare restraint, they really got sidetracked because what really happened is that Congress voted in and put in place with this administration a 5-year fiscal policy plan that is about as tough as we have ever had. And it is enforceable. And that gets to the pay-as-you-go.

Anyone that wants a new entitlement program, whether it is for child nutrition, whether it is for unemployment compensation, whatever the case may be, some new health care program on the Medicare side or the Medicaid side, any of those, those are new entitlement initiative areas and the pay-as-you-go said it will be budget neutral. You will not increase the deficit even. When you are finished you must pass a bill that creates a zero effect on the deficit. That is a pay-as-you-go approach.

How do you pay as you go? There really are not a lot of ways. There are two principal ways: One, if you increase an entitlement program, student aid, a new one, you want to pay for it, $50 million a year, then $200 million, then $400 million, you cut some program in each of those years by that amount in the same law. So you might cut farm subsidies. End product: neutral, no deficit effect. Pay as you go.

Or you may put the new program in, the one I just described, and you might pay for it with taxes. Some taxes, who knows what? Whatever the committee would choose to put in—pay as you go, new child nutrition program, or health care program, as I just described it, pay for it with taxes, an equal amount to the new increase in the deficit that would have occurred for the program increase. Those are both pay as you go and you might have a mix of the two—some taxes, some program restraints.

Now, actually, what happened—and it is very, very simple—the U.S. Senate and the U.S. Senate Budget Committee said, well, the economic summit and the laws that came forth from it said that the budget resolution in the Senate, not in the House, but in the Senate, would have to provide for these new kinds of programs in some kind of reserve fund, or they need a supermajority; if they find their way through here, they need 60 votes.

So contrary to what the House wanted, the Senate wanted to leave that prerogative with this budget resolution. The Senate budgeteers in markup on this resolution weeks ago agreed with the chairman, who wanted some reserve authority in the areas that have been alluded to—unemployment compensation, child nutrition, some health care initiatives, and the like. But, interestingly enough, the committee itself voted to only allow for pay-as-you-go there in those cases, thus not needing 60 votes, just 50 votes to get it passed.

The committee said, OK, but no taxes to make the pay-as-you-go work, only budget program cuts. So you can have enough programs with new cuts, but no new taxes.

We came to the floor of the Senate. The Senate adopted that resolution. In fact, there was not even any opposition. It passed one evening. It went over to the House, went to conference. And, essentially, we came back tonight and the resolution comes out of conference with the House with the tax provision put back in.

So for those reserve funds, this resolution, contrary to what we passed a few weeks ago, contrary to what the committee passed, it now says those reserve funds, new programs, as I have described them here, some example, it now says you can pay for them under the pay-as-you-go with program cuts or tax increases.

Frankly, that is an issue that is significant even in these times, even with tight fiscal policy. It is a very simple, not profound, very simple forthright issue. Do you want to permit new programs, additional programs, to be paid for with taxes or do you want to say if you do it with taxes, you have to have 60 votes to pass it? In other words, giving it an impediment, giving it less than full faith, require more than a simple majority or not.

That is an issue worthy of a vote yea or nay. I voted in committee for this year, not for every year of this summit, I voted no taxes this year. When it went to conference, the majority decided to the contrary and that is the prerogative of this place. I am in a minority and they are in a majority. They put it back to where the chairman had it some weeks ago. And that is what we have before us.

So I regret I cannot vote for it. I will vote again. I would have voted yes. Everything else is all right in this budget resolution. I have told the Senate why I would vote for it even though these priorities are not what I want because, essentially, appropriators are going to decide that and we will have our day in court, and it is the economic summit cap that governs. But on this issue, I think it is a very simple one, pay as you go for new programs.

Now how do you pay as you go? Program cuts versus program increases singularly, or program increases can be paid for with new taxes. I think that is the issue. And I do not know that it needs anymore detail.

The budget process is complicated and the reserve funds are kind of arcane sort of things. But, essentially, I think the explanation that I have given is just about right.

With that, I yield the floor.

EXHIBIT 1

DISCRETIONARY APPROPRIATIONS LEVELS FOR 1992

[In millions of dollars]

	Defense	International	Domestic	Total
Caps as adjusted by OMB: [1]				
Budget authority	291,361	20,917	198,400	510,678
Outlays	295,800	19,177	211,070	526,047
Caps used for Budget Resolution: [2]				
Budget authority	291,361	22,165	199,979	513,505
Outlays	295,800	19,751	211,907	527,458
President's Request:				
Budget authority	291,351	21,773	196,841	509,965
Outlays	295,626	19,614	211,432	526,672
Housed-passed Budget:				
Budget authority	291,361	21,773	199,979	513,113
Outlays	295,800	19,751	211,907	527,458
Senate-passed Budget:				
Budget authority	291,361	22,165	199,978	513,504
Outlays	295,800	19,751	211,910	527,461
Conference Report on Budget:				
Budget authority	291,361	21,773	199,979	513,113
Outlays	295,800	19,751	211,907	527,458
Levels compared to caps used for Budget Resolution				
President's Request:				
Budget authority	−10	−392	−3,138	−3,540
Outlays	−174	−137	−475	−786
Housed passed Budget:				
Budget authority		−392		−392
Outlays				
Senate-passed Budget:				
Budget authority			−1	−1
Outlays			3	3
Conference Report on Budget:				
Budget authority		−392		−392
Outlays				

[1] The law allows the President to make adjustments to the caps in his budget submission for changes in economics, concepts and definitions, and implementation of credit reform. These are the adjusted caps presented in the FY 1992 Budget, which also includes the special BA allowance.

[2] These caps were further modified, according to law, due to passage of supplemental appropriations which increased the special AB allowance.

DOMESTIC DISCRETIONARY PROPOSALS BY FUNCTION

[Fiscal year 1992, dollars in billions]

Function	1991 level	CBO baseline	BA freeze	President's request	Conference agreement
250: General science, space and technology:					
Budget authority	$16,353	$17.075	$16.353	$18.913	$17.077
Outlays	15.745	16.453	16.003	17.520	16.485
270: Energy:					
Budget authority	5.300	5.753	5.536	5.293	6.385
Outlays	4.743	5.247	5.157	5.278	5.326
300: Natural resources:					
Budget authority	19.562	20.719	19.595	20.121	19.767
Outlays	19.109	20.404	19.691	20.270	19.704
350: Agriculture:					
Budget authority	2.985	3.632	3.428	3.076	3.481
Outlays	2.943	3.594	3.439	3.120	3.459
370: Commerce and housing credit:					
Budget authority	2.854	3.836	3.648	2.727	3.582
Outlays	3.828	3.430	3.290	2.552	3.221
400: Transportation:					
Budget authority	13.449	14.463	13.659	15.634	14.507
Outlays	30.943	33.381	32.712	33.055	33.410
450: Community and regional development:					
Budget authority	5.828	6.029	5.880	5.379	5.948
Outlays	6.679	6.098	6.022	6.081	6.072
500: Education, training, employment, and social services:					
Budget authority	33.500	34.745	33.505	32.847	37.793
Outlays	30.624	33.237	32.896	32.317	34.088
550: Health:					
Budget authority	18.118	18.992	18.118	18.294	19.503
Outlays	16.877	18.321	17.856	17.897	18.521
570: Medicare:					
Budget authority	2.580	2.758	2.580	2.598	2.758

DOMESTIC DISCRETIONARY PROPOSALS BY FUNCTION—Continued

[Fiscal year 1992, dollars in billions]

Function	1991 level	CBO baseline	BA freeze	President's request	Conference agreement
Outlays	2.541	2.744	2.581	2.415	2.744
600: Income security:					
Budget authority	28.935	29.746	29.093	30.916	31.865
Outlays	26.147	29.425	29.278	29.416	29.801
650: Social Security:					
Budget authority					
Outlays	2.273	2.450	2.295	2.540	2.540
700: Veterans benefits and services:					
Budget authority	14.408	15.470	14.491	15.311	15.530
Outlays	13.856	15.447	14.633	15.203	15.405
750: Administration of Justice:					
Budget authority	12.480	13.336	12.480	14.550	13.388
Outlays	12.082	13.452	12.757	14.549	13.375
800: General government:					
Budget authority	12.197	12.865	12.029	11.319	10.428
Outlays	10.765	11.829	11.027	11.763	10.898
920: Allowances:					
Budget authority		−.233	−.233	−.136	−.233
Outlays		−2.642	−2.642	−2.545	−2.642
950: Undistributed offsetting receipts:					
Budget authority					−1.800
Outlays					−.500
Total domestic discretionary:					
Budget authority	188.549	199.186	190.162	196.842	199.979
Outlays	199.155	212.870	206.995	211.431	211.907
Domestic discretionary cap:					
Budget authority	N/A	199.978	199.978	199.978	199.978
Outlays	N/A	211.909	211.909	211.909	211.909
Total compared to domestic cap:					
Budget authority	N/A	−.792	−9.816	−3.136	.001
Outlays	N/A	.961	−4.914	−.478	−.002

Note.—CBO revised baseline totals for 1991 are not adjusted for credit reform.
Prepared by SBC Minority Staff, May 22, 1991.

CONFERENCE AGREEMENT COMPARED TO OTHER PROPOSALS: DOMESTIC DISCRETIONARY

[Fiscal year 1992, dollars in billions]

Function	1991 level	CBO baseline	BA freeze	President's request
250: General science, space and technology:				
Budget authority	$0.7214	$0.002	$0.724	−$1.836
Outlays	.740	.032	.482	−1.035
270: Energy:				
Budget authority	1.085	.632	.849	1.092
Outlays	.583	.079	.169	.048
300: Natural resources:				
Budget authority	.205	−.952	.172	−.354
Outlays	.595	−.700	.013	−.566
350: Agriculture:				
Budget authority	.496	−.151	.053	.405
Outlays	.516	−.135	.020	.339
370: Commerce and housing credit:				
Budget authority	.728	−.254	−.066	.855
Outlays	−.607	−.209	−.069	.669
400: Transportation:				
Budget authority	1.058	.044	.848	−1.127
Outlays	2.467	.029	.698	.355
450: Community and regional development:				
Budget authority	.120	−.081	.068	.569
Outlays	−.607	−.026	.050	−.009
500: Education, training, employment, and social services:				
Budget authority	4.293	3.048	4.288	4.946
Outlays	3.464	.851	1.192	1.771
550: Health:				
Budget authority	1.385	.511	1.385	1.209
Outlays	1.644	.200	.665	.624
570: Medicare:				
Budget authority	.178		.178	.160
Outlays	.203		.163	.329
600: Income security:				
Budget authority	2.930	2.119	2.772	.949
Outlays	3.654	.376	.523	.385
650: Social Security:				
Budget authority				
Outlays	.267	.090	.245	
700: Veterans benefits and services:				
Budget authority	1.122	.060	1.039	.219
Outlays	1.549	−.042	.772	.202
750: Administration of Justice:				
Budget authority	.908	.052	.908	−1.162
Outlays	1.293	−.077	.618	−1.174
800: General government:				
Budget authority	−1.769	−2.437	−1.601	−.891
Outlays	.133	−.931	−.129	−.865
920: Allowances:				
Budget authority	−.233			−.097
Outlays	−2.642			−.097
950: Undistributed offsetting receipts:				
Budget authority	−1.800	−1.800	−1.800	−1.800
Outlays	−.500	−.500	−.500	−.500
Total domestic discretionary:				
Budget authority	11.430	.793	9.817	3.137
Outlays	12.752	−.963	4.912	.476

Note.—Details may not add to totals due to rounding.
Prepared by SBC Minority Staff, May 22, 1991.

EXHIBIT 2

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, May 7, 1991.

Hon. PETE DOMENICI,
Ranking Minority Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: I am writing to express my grave concern over significant cuts in the levels of funding for federal law enforcement, recently adopted in the House and Senate Budget Resolutions for FY 1992.

Regrettably, the levels for the Administration of Justice of $13.2 billion adopted by the Senate and $14.2 billion by the House will jeopardize important national law enforcement efforts found in the President's program.

The President proposed that $14.8 billion be spent for the Administration of Justice. Within this sum, the President has earmarked new funds for expanding the war on drugs to rural America, identifying and prosecuting violent career felons, and attacking emerging criminal enterprises such as Asian gangs, Jamaican posses, and heavily armed motorcycle gangs. Addtional funds are also included to intensify our efforts against white collar and environmental crimes. Of particular importance is the increase in the Civil Rights Division to meet the Department of Justice's responsibilities to 43 million citizens with disabilities under the Americans with Disabilities Act.

The eleven percent funding cut embodied in the Senate bill is sadly misconceived. Now is no time for the federal government to flinch in its resolve to attack criminal activity on all fronts. Our recent successes in convicting nearly 500 savings and loan executives and prosecuting large numbers of drug traffickers should not blind us to dimensions of the remaining challenges and the resources that will be required to free America's streets and neighborhoods from the fear which haunts all too many of our citizens.

Even the more modest cut in the House Resolution, which translates into approximately a four percent reduction in effort from the President's recommendation, poses substantial risks to our ongoing law enforcement programs.

Accordingly, on behalf of not only the federal law enforcement community, but all law enforcement efforts across America, I urge you to consider adoption of the President's proposal.

Sincerely,

DICK THORNBURGH.

THE SECRETARY OF THE TREASURY,
Washington, May 6, 1991.

Hon. PETE V. DOMENICI,
Ranking Republican, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: As you deliberate on the FY 1992 budget, I want to take this opportunity to offer our perspective on the impacts associated with the reductions to the President's request for the Treasury Department now being considered. We understand that the House Budget Resolution would, at most, hold FY 1992 appropriations for Treasury bureaus to FY 1991 levels. The major exception affecting Treasury is in our drug enforcement initiatives, which would be funded.

For the Internal Revenue Service (IRS), there are significant unavoidable expenditures which must be funded. Of the highest priority, and in order to simply maintain a current level of operations as well as process non-discretionary increases in tax return volume, IRS requires a net $313 million over FY 1991 budget authority. This is by itself $134 million over the maximum amount contemplated in the resolution, and already takes into consideration substantial cost offsets for productivity savings and one-time expenditures. It would pay for inflationary costs and statutory pay increases and continue the FY 1991 compliance initiatives as intended by the proposed budget resolution.

Many of the Tax System Modernization (TSM) projects are nearing the stage where development and installation is about to begin. Funding deferrals for these projects would cause many procurements to be delayed or canceled, further increasing the costs for eventual development of TSM and the risk of a catastrophe in tax processing. Modernization of IRS' tax processing system simply must continue at a cost of $162 million in FY 1992.

As the TSM systems come on line, they will replace current operating systems. These systems are operating using outmoded technology and cannot last much longer. While TSM is under development, it is of crucial importance for us to maintain these systems to avoid unreasonable risk of failure. The $79 million funding requirement for this purpose may be subject to some adjustment if we are willing to let certain services to the public remain marginal. However, once again, we are increasing the potential of system collapse during a filing season.

The above requirements for inflation and information systems, which total a range of $296 to $375 million over the resolution allocation, would require substantial offsetting adjustments to selected areas of the program base in compliance and taxpayer service. These reductions, which could be finalized only after evaluating our FY 1991 program performance, would unavoidably be applied to the direct revenue producing enforcement functions and the Taxpayer Service program.

I would quickly acknowledge the futility of trying to preserve the FY 1991 compliance initiatives while at the same time reducing the very base programs which these initiatives would enhance, but there is no other option available within the Commissioner's professional assessment of the priorities for long term health of tax administration.

As for Taxpayer Service, any sizeable reduction would quickly throw the program into an unresponsive level of service well below 60 percent. Although not quantifiable by any recognized standards, there is nearly universal belief that substantial amounts of voluntary compliance revenue are at risk when taxpayers are not provided with minimum levels of competent service.

In addition to these program reductions, there are a variety of other initiatives for personnel and systems in the President's Budget which also would be forfeited. These include more work on accounts receivable and increased audit coverage of large tax returns, improvements to financial management and revenue projections, achievement of minimum GAO standards of internal audit, and better internal security approaches to narcotics crime and bribery.

As you can see, the implications of the House Budget Resolution on IRS operations are serious indeed. However, the impacts on the other Treasury bureaus are also of concern.

For the non-drug enforcement programs in Treasury's enforcement bureaus, the House Budget Resolution would result in significant problems in our view. For example:

Secret service efforts to protect the nominees and candidates in the primaries and the Presidential election could be disrupted.

The Customs initiative to hire 240 new import specialists, regulatory auditors and inspectors in the area of Commercial Services would be reduced or eliminated. This initiative was proposed to reverse a decline in service provided to the importing community in the face of growing workload.

Deficiencies identified by the House Ways and Means Subcommittee on Oversight and by the GAO have focused on the need to improve Customs internal controls. Reduced funding could delay development of a critical cost accounting system and cause Customs to forego planned improvements to its cash collection efforts.

Reductions in the budget for ATF will diminish the impact of the Armed Career Criminal program by reducing or completely eliminating additional funds for this program. This program is perhaps the Federal Government's most effective tool in combatting violent crime in the inner cities and in dealing with the problem of gun violence.

Critical equipment initiatives in all Treasury law enforcement agencies would be reduced or eliminated. These initiatives include much-needed replacement equipment for Customs inspectors, mobile x-ray vans, replacement weapons and cars, and other items. Construction projects at the Federal Law Enforcement Training Center and at Customs' Canine Training facility could be eliminated.

In addition, since it would be necessary to bear much of the normal inflationary costs within the base, we also could expect to see a general erosion in the level and effectiveness of enforcement programs, including drug programs.

Finally, I must also point out that reductions to the Financial Management Service, the Bureau of Public Debt, and other Treasury bureaus would mean the deferral of critical improvements to financial systems in Treasury and throughout the Government. Such an action ignores solutions to problems in an area of recognized high-risk, and undermines our joint efforts to improve the management of the Nation's financial resources.

I appreciate the difficulties you are facing in reaching agreement on an overall budget plan within the framework of the mandatory spending caps, and I emphasize the Administration's commitment to operating within these caps. However, I did believe it important to apprise you of our concerns regarding the current budget resolutions and encourage you to provide Treasury the resources proposed by the President in his FY 1992 request.

Sincerely,

NICHOLAS F. BRADY.

Mr. DOMENICI. I state to the distinguished chairman of the Budget Committee, I think we only need 10 more minutes on our side.

Mr. SASSER. Mr. President, just let me make one statement.

With regard to the reserve language that my distinguished friend from New Mexico has alluded to, a careful reading of the conference report indicates that there is no reference whatsoever to taxes.

The conference report states—and I read from page 17, section 9, "Deficit-Neutral Reserve Fund for Family and Economic Security Initiatives in accordance with Provisions of the Summit Agreement." Section 9(a) simply says that the enactment of such legislation will not increase the deficit in this resolution for fiscal year 1992.

Now that is what pay as you go is all about, that if you want to enlarge a program or if you want to start a program, it has to be deficit neutral. That is what the summit agreement was all about.

Nobody ever contemplated to my knowledge in the summit agreement that the Senate Budget Committee could simply say the Finance Committee will be deprived of its jurisdiction to close tax loopholes, to raise revenues, or that other committees will be deprived of jurisdiction to raise civil fines, some of which have not been raised for over 30 years. That is the reason we see mine operators violating the mine safety laws, because it is cheaper to violate the law and pay the fine than it is to lose the accelerated production you can get from unsafe practices.

Nobody contemplated that the Senate Budget Committee could simply, by a one-vote margin, which is precisely what occurred, emasculate the jurisdiction of these other committees and say the distinguished chairman of the Senate Finance Committee has to have 60 votes, a supermajority, to carry out some of the basic work of his committee, or that the distinguished chairman of the Environment and Public Works Committee has to have 60 votes, a supermajority, if he wishes to increase fines in the field of mine safety, for example, that have not been increased for 30 years.

Certainly nobody contemplated that. Had that been contemplated, would I have supported this budget summit agreement? Would the distinguished chairman of the Senate Finance Committee have supported it? Would the chairman or ranking members on both sides of the committees of competent jurisdiction have supported it? I think not. I think not.

They had no idea they would be allocating this type of jurisdiction to the Budget Committee.

I am just as jealous of the prerogatives of my committee and its jurisdiction as any other chairman in this body. But I do understand there is a certain degree of comity that must prevail here, and if we on the Senate Budget Committees are to do our job, fulfill our responsibilities, and our requirements under the rules of the U.S. Senate, then certainly we should not be encroaching and diminishing the jurisdiction and responsibility of other committees. And that is precisely what this supermajority would do.

So, no, it was not contemplated that would ever be done, as we were debating the budget-summit agreement. And there is not a word in this conference report I bring to the Senate this evening for its approval about taxes. All it says is it shall be deficit neutral.

In layman's language it is simply saying you have to pay for it. No more of this borrow and spend that has raised the national debt of this country by almost $2 trillion in a scant decade; no more of this business of passing it on to future generations and saying they have to pay for it, and then running out and campaigning for public office saying, "Oh, I am for all the programs, I am for all the programs but, by the way, I am not going to raise your taxes. I don't want to pay for them." No more of that.

That is what this budget-summit agreement was all about. If you want a program, if you want to expand it, if you want to meet the needs of this country, then you have to pay for it. That is why we entered into this budget agreement. That is why I supported it.

If I thought that was not what it was about, I would have been the first to take this floor and denounce it, Mr. President—denounce it—and ask every colleague on my side of the aisle to vote against it.

Mr. President, I see the distinguished chairman of the Finance Committee has arrived. I will yield to him 10 minutes.

Mr. BENTSEN. Mr. President, this report I think deserves the support of the Senate. I listened to my friends talk about the budget summit meeting last year. I think that is the most difficult set of negotiations I have ever been involved in. I can recall the year before, when they had a meeting down at the White House, talking about an agreement on the budget then, and then the President said, "Let us go out in the Rose Garden and let us take photographs."

I said, "Mr. President, I do not want to rain on your parade, but I am not going out there because I do not think this does the job." And it did not.

But the last time, to see what we went through, to see the tempers, to see the tantrums, to see people giving in on this point or that—I do not think anyone walked away from that summit meeting thinking they had won their point of view totally. No one.

It was trying to set the priorities for the country and understanding we had to turn these deficits around, and we put together one, a 5-year one, almost $500 billion. And up to this point we have been able to hold to that.

As I looked at what the President proposed and what the Senate Budget Committee proposed and the House Budget Committee proposed, I do not suppose there was a 1-percent variance in the overall totals. There was a different order of priorities. I understand that. That is the way it is supposed to be. And, as chairman of the Finance Committee, in the 4 to 5 years I have been there, I have not reported out one bill—not one—that was not deficit neutral, because of my strong feelings that we should not add to the deficit and to the national debt. So I have been totally committed to that as chairman of the Finance Committee.

We also committed in that deficit reduction to put in place procedures that would protect it. On the discretionary appropriations side we adopted annual caps and agreed to live with them. In the area of mandatory spending and revenues we put in place pay-as-you-go procedures, and I was delighted to do that because it so followed the philosophy I have had as chairman of the Finance Committee.

So any changes in these areas would have to be offset in a way that avoids eating into the deficit reduction in the budget agreement.

The pay-as-you-go procedures are, therefore, part and parcel of last year's budget agreement. Indeed, they are the essence of that agreement, and the parties to that agreement were very careful about how these procedures were put together.

I do not see how there can be any doubt in the mind of any participant in last year's budget agreement that the pay-as-you-go rules were designed to give Congress the flexibility to develop packages which would involve both spending and revenue items, both of them.

But I even went so far, in trying to work with the Budget Committee, as saying in addition to that we will settle for three reserve clauses for the Finance Committee: on health, on children, on unemployment compensation. That would be a part of the deal.

We then took it to the Finance Committee and it was debated, discussed, and endorsed. Not one Senator objected to it, Democrat or Republican. There was bipartisan support for it.

If there is any doubt in the mind of any participant that the pay-as-you-go rules were designed to give Congress the flexibility to develop packages which would involve both spending and revenue items—if there is any doubt about it—the language of the Budget Enforcement Act is clear on its face.

An attempt to establish new procedural rules which would restrict that flexibility is clearly an attempt to destroy last year's budget agreement. And once you do that, where do you stop? Where else do we go?

I do not think that is in the interest of the parties to the agreement. But I sure do not think it is in the interests of the Nation. I therefore congratulate the conferees on the budget resolution on restoring the full reserve clause language which implements the spirit and the letter of last year's budget agreement.

These reserve clauses will give the committees of the Senate the flexibility to address several pressing needs faced by our country, and three of those were the ones I recited for the Finance Committee. Those were developed with full bipartisan support on either side. They will permit the committee to undertake to develop, on a deficit neutral basis—the basis I have followed for 5 years—measures to protect children, and strengthen families, to improve the ongoing health programs.

Of course, the budget resolution does not spell out the details of the legislation which may be developed under those reserve clauses.

That is the jurisdiction of the specific committees. It is not the purpose of the budget resolution to do otherwise. Its function is rather to give a broad budgetary framework within which the Congress can work out its legislative agenda, and within that framework and within the deficit neutrality, which the budget resolution and the budget agreement both mandate, the committee will have the flexibility to construct more detailed legislation. That is the way it is supposed to work.

Obviously, whatever legislation comes out of that committee will have to be brought before the Senate. Obviously, the Senate will have the chance to modify it, or even reject the committee's product. Finally, it is turned over to the President, and he decides whether he is going to sign it or whether he is going to veto it. That is the way the budget procedure should work.

It is the function of the budget process and resolution to provide broad budgetary parameters within which each committee can operate. It is not its function to create new procedural barriers aimed at shutting down the ability of the committee even to bring a proposal before the Senate for consideration.

The conference agreement is fully consistent with the purposes of the budget process, within the rules and the requirements and the understandings of the budget agreement. I intend to vote in favor of it, and I certainly urge my colleagues to do likewise.

Thank you very much. I yield back the remainder of my time to the chairman.

Mr. SASSER. Mr. President, may I inquire how much time is remaining on my side?

The PRESIDING OFFICER. Thirty-two minutes and fifty-five seconds.

Mr. SASSER. I thank the Chair.

Mr. DOMENICI. How much time remains on my side, Mr. President?

The PRESIDING OFFICER. Forty-four minutes and forty seconds.

Mr. DOMENICI. My friend from Texas, Senator GRAMM, is here and wants to speak. I am going to yield him as much time as he wants in a moment. But I yield myself 4 minutes, Mr. President.

Mr. President, I do not think I would have risen to speak again had I not heard a couple of things that I really believe—in fairness to those who were in the economic summit and to what this conference report says—deserve, if not an answer, at least deserve the version of how things are and how things were.

First, I do not think it is fair for the chairman of the Budget Committee to say that the language which is now before us, because it does not use the words "revenues" or "taxes," is not a reserve clause, in each instance, which permits taxes. He is not going to stand up and say the Senator from New Mexico is wrong, because I am right; it does permit taxes.

I said tonight I will let the Senate work its will, and I am. We are not going to take a lot of time. But that is what the facts are, not reading some words and saying this is not use of taxes in this language. The truth of the matter is we changed the resolution from where it was when it left here to where it is now, and the prohibition against taxes and revenues is out. That is point No. 1.

Point No. 2: When the economic summiteers agreed that there would be provisions made in budget resolutions for pay-as-you-go programs, unless the proponents of pay-as-you-go wanted to get 60 votes for their proposals, we all agreed that we would use reserve provisions for this approach.

I am just going to ask a question: If that is the case, how could it be a breach or usurpation of the Budget Committee's prerogative if they had no obligation to grant any reserve clauses in this resolution? That is totally optional to the Budget Committee and the U.S. Senate in adopting a budget resolution.

It is clear that if some committee asked that we permit a reform in ERISA to pay for Head Start, and they phrased it that way, did we have to do that? Of course not. We do not have to give them a reserve clause.

What does it mean? It is not the end of the world. If the committee wants to do that, they can do it. They just have to have 60 votes. So this committee did listen to the Finance Committee. They wanted three reserve provisions, as described by the chairman.

But the committee decided—not the Senator from New Mexico, the committee decided—if we are going to do that for this year—for this year—we are going to have to cut programs and not raise taxes. That is the essence of it.

I do not know that anybody broke any commitment, broke any economic summit conference commitments, but I close by saying clearly, with all respect to every committee, the budget resolution does not have to grant any reserve provisions. If 10 were asked for and you give them 1, were the other 9 that did not get permission to do that—they need 60 votes if they want to do it—but has any committee denied another committee its flexibility or its rights? I believe unless the authority to put it in, the privilege to put it in is meaningless, then the committees acted within their prerogative.

And if the committee does not want to agree with their prerogative, that is fine. Then we go back to where we were tonight, where we were when the chairman of the committee asked that it include the right to pay for programs with revenues and taxes.

I say to my friend, I yield 10 minutes to the junior Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. I thank my colleague from New Mexico for yielding.

Mr. President, every Member on the floor tonight was part of the budget summit. I think all of us would agree that probably the most important thing in the summit was our effort to set out constraints on spending.

In addition to the budget that was the initial part of the summit we took the extraordinary action of setting out 4 years where we established caps on individual spending categories. These caps cannot be breached without triggering an extraordinary process where the coverage is sheared off 15 days later. That was the glue that put the agreement together.

Mr. President, we recognized in making that agreement that we still had the problem of what are you going to do about entitlements, since they were not subject to appropriation in terms of providing the money, and could not be capped. We set out an auxiliary rule as it applied to entitlements, and that rule was pay as you go.

So far as I am aware, every Member on the floor is totally committed to the concept of pay as you go, and it certainly was at the very heart of the budget summit. The question is not pay as you go; the question is whether or not we want to go. That is the question.

What we agreed to as part of the summit was this: If you add a new entitlement benefit, or if you cut a tax, you have to offset those actions, which in and of themselves raise the deficit, by doing one of two things.

One was to cut another program somewhere else to pay for it. This is one way to pay as you go. The other way was raising taxes. We can get into semantics about what the conference report says, but everybody knows that that is basically what we are talking about. Pay as you go means either cutting something or raising taxes to pay for it.

Mr. President, we debated this in the Budget Committee. We held a vote on it, and members of the Budget Committee, in the clear exercise of our jurisdiction, clearly within the constraints of the budget agreement, decided that we wanted to allow increases in entitlement spending or reductions in revenues to be paid for only by cutting other programs.

We limited the pay-as-you-go option so that new spending required cutting spending somewhere else.

That was adopted. In fact, the chairman's position was defeated in the Budget Committee. The budget came to the floor of the Senate. It was adopted. So far as I am aware the subject was not debated on the floor of the Senate, but certainly there was no vote to reverse the committee's position.

Now, Mr. President, I want to make another point. It is a point that has been raised by those who support the budget, and I feel it has to be answered. To say that you cannot ride the train without buying a ticket, which is pay as you go, is not to say you have to ride the train. Our dear chairman stands up and says no more borrowing and spending. I rejoice in that. But I also say no more taxing and spending. We are in the midst of a recession. The economy is still declining. We are about to adopt a budget that sets out not one, or two, or three, or four, but five so-called reserve funds—a code word for tax and spend—which, according to minority staff calculations could add up to $42 billion of taxing and spending this year. It seems to me, Mr. President, we ought to think a long time before we talk about raising taxes to increase spending in the midst of a recession.

So, Mr. President, I support the spending constraint measures in the budget agreement. I am opposed to raising entitlement spending without paying for it. I support the position the Senate took, which states that in the midst of a recession, if Congress feels that it has to raise benefits to somebody or that it has to create a new program, then cut another program. Do not pass the bill on to the American taxpayer.

What we are being asked for is not a reserve fund, since there are no reserves. What we are being asked for is a blank check where we write a budget that is made out of elastic so that if a committee like the Finance Committee decides to raise taxes to pay for new health care benefits by $120 billion over 5 years, the budget is automatically adjusted to accommodate that.

Mr. President, my basic position is a very simple one. I support pay as you go, but I do not want to go. I do not want any new spending programs that have to be funded by raising taxes, period. None. And so the proposal which I support is that we stay with what the Budget Committee decided and with what the Senate originally decided and reject this conference report and these five blank checks which in essence authorize the raising of taxes to increase spending.

In my whole political career there has been great political rhetoric about tax and spend. It often gets confused because when you get down to specific programs and you get down to specific revenues, you always get the argument that this is not really a tax, it is a user fee, and this is a great benefit.

But, Mr. President, tonight we are voting on a concept that is as clear as any concept can get. That concept is do we want to set out in the budget the basic agreement that will allow taxes to be raised to increase spending? I do not know, in my 13 years in Congress, that we have ever had a clearer vote on tax and spend.

So I am not here proposing that we raise spending and that we not pay for it. I support the Senate position, which is either do not spend it or, if you are going to raise spending in one program, take it away from another. Every family in America has to do that. Only the Government has these other options.

What I am opposed to is setting out in our budget the tacit approval and the clear mechanism to raise taxes in five different areas to increase spending and in the process to be raising taxes on the working men and women of America in the midst of a recession.

So I ask my colleagues to abide by both the letter and the spirit of the budget summit: Pay as you go. But what we said in the Senate was, if you go, pay for it by cutting spending. If you are not going to do that, do not go. I do not think we ought to write into the budget agreement an approval of taxes that could range into the tens of billions of dollars on the working men and women of America who are already heavily burdened by taxes.

So I urge my colleagues to reject this conference report, which will send us back into conference and which will give us the ability to bring back a provision that says to the Finance Committee or to any other committee, you can raise spending all you want, but we do not want to raise taxes to fund more spending. That is what this vote is about. It is a very clear issue: Are you for tax and spend or not? I am not for tax and spend.

I reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I yield such time as he may consume to the distinguished chairman of the Appropriations Committee, Senator BYRD.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. BYRD. Mr. President, I rise in strong support of this budget resolution conference agreement. The distinguished chairman of the Budget Committee, Mr. SASSER, has worked very hard to bring back from conference an agreement that deserves the support of the Senate. This conference agreement is in conformance with the Budget Enforcement Act that this Senate and the House enacted last October and to which the President affixed his signature. It provides the necessary 602(a) allocations for the Appropriations Committee to begin its work on the fiscal year 1992 appropriations bills. While there is not enough funding for domestic discretionary programs to meet the critical needs facing this Nation, the amounts of budget authority and outlays were negotiated with the administration, and the Appropriations Committee is prepared to live up to its end of the bargain.

The adoption of this conference report is essential if we are serious about living up to the commitments that we made in last year's summit agreement. This is the first opportunity in the first full year of living under that agreement to demonstrate that we are serious about reducing the Federal deficit. This conference report is a blueprint that lives up to the commitment of reducing the deficit by nearly $500 billion over the next 5 years. It also delivers on the commitment made in the budget summit, the pact made in the budget summit, the compact that was agreed to in the budget summit by Republicans and Democrats, by the administration, and by Representatives and leaders from the House and the Senate, that new spending programs must be paid for one way or another.

Mr. President, as a participant in the summit, I can assure Senators that this question of pay as you go was debated at length in the summit. It is my clear recollection that all parties in the negotiations understood that new entitlement spending had to be paid for in either of two ways: by reducing existing entitlements or by raising new revenue.

In fact, everyone understood that neither the administration nor the Congress should be hamstrung in their ability to bring forth new initiatives for health care, for children's needs, for infrastructure, for economic stimulus in order to battle the effects of inflation or recession or for whatever eventuality, unforeseen at that time perhaps, might occur. The only requirement was that these new programs should be paid for one way or another. We would reduce other entitlement programs or we would raise revenues or both.

This conference agreement conforms to that requirement. This conference agreement is not a tax bill. It is not an appropriations bill. It contains no new entitlement programs. This conference agreement does not raise one thin dime in revenue, nor does it spend one thin dime of the taxpayers' money.

Those Senators who are working to defeat this conference report are attempting to use the vote to paint Democrats as "tax and spenders." I have heard the term used already this afternoon. They are attempting to use the budget resolution conference report to make political points. If they succeed in defeating this conference report, the Senate will be right back in the position that it was in last year at this time. The Budget Act requires the adoption of the budget resolution conference report before the Appropriations Committee makes its 602(b) allocations.

So if Senators do not think that the defeat of this conference report will impact upon any committees in this Senate or the work of the Senate in getting the business of the people done, they have another think coming. For example, it will seriously interfere with the work of the Appropriations Committee.

As chairman of the Appropriations Committee, I think I know whereof I speak, and I cannot forget last year, when the Senate was unable to complete action on the budget resolution. We had to pass a "deeming" resolution to allow the Appropriations Committee to proceed with its allocations. But that deeming resolution took unanimous consent. If there had been one objection, it could not have been called up.

Some Senators may take the view that if this conference report is defeated the Senate and House Budget Committees will quickly reconvene their conference and work out a new agreement. I have just heard it stated here on this floor that that is what would happen. "Let us defeat the conference report, and go back to conference," it was said.

Well, to those Senators, I ask why? How can that be guaranteed? How can they be so sure in asserting that it will be that easy? Why would Mr. PANETTA and his committee in the House be anxious to reconvene a conference?

They were not all that anxious last year to go to conference on the budget resolution. I spoke with the Speaker, I spoke with the majority leader of the House, I spoke to our own leaders, and I urged that the House leadership be importuned to appoint conferees and go to conference last year. The conference did not occur until after the deeming resolution was adopted. Why should we think they would any more quickly go to a conference if this conference report were now to be rejected?

The House will not be hamstrung by the failure of the Senate to adopt the conference report.

They have no responsibility to go to conference again if this conference report is rejected. The House Appropriations Committee is allowed by the Budget Act to make its allocations to subcommittee even without a budget resolution. The Senate committee is not permitted to do so. The House Appropriations Committee has already marked up four appropriations bills in subcommittee—energy and water, military construction, defense, VA-HUD and independent agencies. And by the close of business tomorrow, they will have marked up two more bills—the legislative and Treasury-Postal.

When the Senate reconvenes on June 4, we will undoubtedly have several of these House-passed appropriations bills before our committee. But in order to be able to mark up these House-passed bills and bring them to the Senate in conformance with the cap set forth in the Budget Enforcement Act, it is essential, Mr. President, that this budget resolution conference report first be agreed to. I do not want to be around here all summer waiting on a deeming resolution that will make it possible for the Appropriations Committee in the Senate to get its allocation. Without a budget conference report, we will have no 60-vote points of order to use as disciplinary measures, and the Senate will just go wild with all kinds of amendments on appropriation bills, but with no 60-vote points of order available.

Some Senators may not care about that. I do. I want to get appropriations bills up, passed, and sent to conference expeditiously. I want to have this disciplinary mechanism—60-vote points of order—to use against amendments that would add here and add there and add somewhere else.

If Senators really are concerned about fiscal responsibility, and are concerned about reducing the deficit, they ought first to be concerned about maintaining discipline in the Senate. Anybody can offer amendments. And there will be plenty of them offered to bust the budget caps if we do not have those points of order that require 60 votes to waive. Here is where we start. Today. Reject this resolution, and we will not have those points of order.

Failure to agree to this conference report will not only create a gridlock on appropriations bills. It will also signal to the American people that the Senate is not serious about living up to the constraints of the Budget Enforcement Act.

At the budget summit I often deplored green-eyeshade thinking. Senator DOMENICI was there, Senator SASSER was there. They heard me use those immortal words—"green-eyeshade thinking." I meant by that phrase, the unfortunate tendency of many in our Government to see only numbers and procedures and balance sheets, but to be blind to the blueprint for the future of this Nation that ought to be of primary importance in our policy decisions.

What is being attempted here on this budget resolution, in the effort to defeat it—and I speak respectfully of all Senators, those who intend to vote against it—what is being done in reality represents green-eyeshade thinking at its worst. Again and again in recent years we have seen attempts to create a process or to skew procedure so as to hamstring legislative options. Again and again, there have been attempts to build elaborate process mazes that effectively take away any possibility for real political debate on the choices we face as political leaders charged with determining, in some measure, the future of millions of Americans.

Now we see that attempt again. The budget summit aimed to keep spending down by placing caps on domestic discretionary, foreign, and defense-related programs.

That discipline was necessary; that discipline was needed; that discipline was discussed for days and nights, Saturdays and Sundays, agreed upon and signed into law by the President of the United States, and it is perfectly adequate to do the job. To construct a further blockade now to legitimate legislative options, to attempt to bias policy through procedural manipulation, makes a travesty of the tradition of debate and deliberation in this Senate and reduces human judgment to a postscript, or to an afterthought.

These shortsighted, politically motivated, mechanistic solutions pit one citizen against another, one program against another, one worthy goal against another, and ultimately limit the options possible for this great Nation.

I urge that we not resort to this Chicken-Little, myopic approach yet again. Let us not continue to construct these process labyrinths for ourselves with the hope that somehow we can avoid tough political choices by hiding in those labyrinths. We owe this Nation more than that for the privilege of serving it.

This Nation is in trouble. It has problems that range from inadequate health care to crumbling infrastructure. Let us not, by a vote here today, admit that we are so intellectually stunted or so politically cowed that we have to preclude in a budget resolution a fair discussion of how best to meet this Nation's needs.

We in this Chamber purport to be leaders. If we claim that mantle, we have to be willing to step up to our responsibilities. We are called upon to exercise our judgment and, to the best of our abilities, address the needs of those who sent us here. An attempt to preclude or limit a debate about how to best pay for the needs of our people belies a basic mistrust of the democratic process and of the wisdom of the people who elect us.

So if we want to cut entitlements, let us step up to the plate, offer amendments, and vote. Let us debate them. We do not have enough debate. Let us meet the subject matter head on. Let us not devise a structure here that we can hide behind. Let us have the courage to offer the amendments to cut the entitlements. I will vote for some of them. I will not vote for all of them. But I think that there are some entitlements that ought to be cut.

There comes a time when the Nation needs courage in its leaders. If there needs to be a new entitlement program, if there need to be new bridges, highways, mass transit, railways, waterways, and whatever, and if other entitlements are not there that can or should be cut, then the Nation expects us to act courageously and provide those roads, mass transit systems, and highways—by more revenues if necessary.

So let us go at it head on. The people will judge us when we vote for or against taxes. They will judge us, and they will judge whether or not the subject matter, and the purpose, and the object are worthy. Let us not defeat a budget resolution which lives up to the summit agreement that provided for budget neutrality, and provided that new programs should be paid for one way or another, which the people may want in order to allow for infrastructure improvement or expanded health care or investments in a finer education for our youth. Let us not pretend that these can only come at the sacrifice of other equally needed programs.

If they are not equally needed, cut them. If they are equally needed, then we should use the other alternative and raise the revenues to provide for this country the roads, bridges, and infrastructure that are so important to its economy and to its national security. Otherwise, we are cheating the American people of options which are rightfully theirs, through their elected representatives, to select.

Mr. President, Pericles was chosen to deliver the funeral eulogium with respect to the Athenians who had fallen in the Peloponnesian War. He said, "You cannot decline the burdens of empire and still expect to share its honors."

So if we expect that our country shall continue to grow, that its economy shall be strong, that its young people shall be educated, that its infrastructure shall be rebuilt, that is all well and good. But we have to also be prepared to share the burdens, whatever burdens are required, to keep our country going forward and our people happy and prosperous.

As Pericles also said, "Our ordinary citizens, though occupied with the pursuits of industry, are still fair judges of public matters." So, too, will the American people be the judges, in the final analysis, of matters affecting them. We who are Senators have a responsibility here to make decisions and to step up to the plate and offer our amendments, if we do not like certain entitlement programs, and to vote for or against revenues to pay for what is needed.

Let us not hide behind this shallow barrier and pretend that, by voting for this conference report, we are writing a "blank check." We are not writing a blank check in this legislation. The check will be written when the bills come to the floor, and then will be the time to stand up and be counted one way or the other.

This budget resolution would deprive, by setting up an internal mechanism—a 60-vote point of order—the Finance Committee of its jurisdiction to raise revenues. The Constitution of the United States in Article I, Section 8, in the very first paragraph, says that the Congress shall have power to levy and collect taxes and to provide for the common defense and the general welfare of the country.

No budget resolution is going to repeal that Constitution of the United States; nor is it going to repeal the rules of the Senate, if I can keep it from doing so.

I again congratulate the chairman, Senator SASSER. As he said earlier, his is truly an embattled position. Yet, oftentimes he who occupies an embattled position demonstrates the kind of courage that this country cries out for.

Fame is a vapor;
Popularity an accident;
Riches take wings,
And those who cheer today may curse tomorrow.
Only one thing endures—character!

Sometimes we see character in those who occupy embattled positions. We have seen it in the Senate today. I urge the Members of this body to support this resolution. As chairman of the Appropriations Committee, I plead with Senators to do that so that the Appropriations Committee can get on with its work, the work of the people.

The PRESIDING OFFICER. The Senator from Tennessee has 9 minutes.

Mr. SASSER. Mr. President, I thank the distinguished Senator, the distinguished President pro tempore, for his remarks here this evening, and for his very essential support of this budget conference report.

I hope all of our colleagues who were not on the floor this evening were listening carefully to his speech on the television.

Mr. President, the distinguished Senator from Illinois [Mr. SIMON] is on the floor, and I yield him 4 minutes of time.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I agree with Senator BYRD'S description of the chairman of the Budget Committee, a person of courage and character.

And I do not question the motivation of those who offer the amendment that said any increase in any program has to come out of current revenue. But, my friends, it would be devastating. If we do not approve this and we go back to the amendment that was adopted 11 to 10 without careful consideration by the Budget Committee, we are going to paralyze the Government of the United States of America, and that is it.

We are talking about the need for Head Start—the President of the United States is doing that. We are reaching one-fifth of the young people who need it. Are we not going to be able to do anything about that?

Higher education. The Presiding Officer taught at Carleton College. Pell grants 10 years ago paid for 47 percent of the cost of higher education. Today, it is 25 percent. We are slipping in the area of higher education. Are we just going to continue to slip and say we cannot do anything about it?

Highways. Senator BYRD talked about highways. Every other day in this Nation right now a bridge is either closed or collapses. Are we not going to do anything about that in this body?

I happen to believe one of the great needs—and as you look at those demographic figures it is very clear—one of the great needs in this country is for long-term care. But we cannot have long-term care unless we have some mechanism to pay for it.

I am going to be introducing legislation very shortly that would call for a half percent increase in Social Security so that we can have a long-term care program so that we do not devastate families. Only two industrial nations do not take care of their parents and their grandparents if they need long-term care, and that is South Africa and the United States of America.

Make no mistake about it. If we do not accept this budget resolution and if we go back to the amendment that was accepted in the Budget Committee by an 11 to 10 vote, if we go back to that, you are dooming any possibility of providing Head Start to all the young people of America. You are dooming any possibility of really doing something constructive in the area of higher education. You are dooming any possibility that we do what we should be doing in terms of the highways and bridges of our country, and you are dooming any possibility of moving ahead in long-term care. There is just no question about it.

The budget process was designed to provide some restraint. We have not done very well. We are facing a deficit this year now of $372 billion. But the budget process was not designed to paralyze the Government of the United States. That is what we would do if we were to go back to the amendment that was adopted in the committee.

I hope we will back this conference report and adopt it. I am not in love with the budget agreement that was made last year. I voted against that. But that is history. Now we have to do the best we can within those constraints and I hope we will do so.

The PRESIDING OFFICER (Mr. FORD). The Senator's time has expired. The Senator from Tennessee.

Mr. SASSER. Mr. President, how much time is remaining on our side?

The PRESIDING OFFICER. Three minutes and 45 seconds.

Mr. SASSER. May I inquire how much time the distinguished Senator from New Mexico has?

The PRESIDING OFFICER. Four minutes and 53 seconds.

Mr. SASSER. Mr. President, did you say 3 minutes?

The PRESIDING OFFICER. Three minutes and 30, 29, 28, 27 seconds.

Mr. SASSER. Mr. President, could I yield 2½ minutes to the distinguished Senator from Minnesota?

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President; 2½ minutes is going to be tops.

I spoke out against the budget resolution, and in a voice vote, voted against it. Since that time, I have heard from many of my colleagues and I really appreciate what they have had to say to me. I think that is the way we work as a body. We listen to one another and we try to reach what we believe are the right decisions. But, most importantly, I have heard from some groups and organizations, like the Children's Defense Fund, the Center for Budget and Policy Priorities, the Coalition for Human Needs, the superintendent of schools in Rochester, and they said to me—groups and organizations, Mr. President, who have been down there in the trenches with people who are willing to defend our citizens who are most vulnerable, who are willing to fight for children—that we must accept this conference report, that we need these reserves so that we can move forward the appropriate level of funding to make sure that we respond to the needs and circumstances of many of our citizens, many of them our most vulnerable citizens. These groups and organizations say to me this is the best we can do.

I want to say to them it cannot be the best we can do. I want to say to these groups and organizations that we, in the U.S. Senate, need to listen to you more carefully. And I want to say to these groups and organizations keep on doing what you are doing, do not give up, continue to be a voice in the U.S. Senate, and for myself, as a U.S. Senator from Minnesota, and most important of all, as a U.S. Senator having a chance to speak on this floor to people in this country, I believe we have to support this conference report. That is why I finally decided to support it, and I think that we can do much better.

Thank you.

The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-four minutes and 50 seconds.

Mr. DOMENICI. And running.

The PRESIDING OFFICER. Yes, sir.

Mr. DOMENICI. Mr. President, I think the distinguished Republican leader wants to speak, and when he finishes, I think we will be finished. I assume, unless Senator DOLE speaks an inordinately long period of time, we will be out over here on our side very soon.

Might I make a couple of comments not with reference to the substance. But, essentially, there is not anyone that I respect more in this body than the chairman of the Appropriations Committee, and he spoke here a while ago. I do not think he spent a lot of time talking about the substance of these reserve clauses. If he did, I do not want to address that. I will in a moment.

(Mr. WELLSTONE assumed the chair.)

Mr. DOMENICI. The distinguished chairman of the Appropriations Committee, the Senator from West Virginia, said something about supporting this budget resolution so we could get on with the process of appropriating and not setting some kind of procedural—I am going to use my own word—"gimmicks" in the way of committees using their jurisdiction and letting us work our will.

From the standpoint of the Senator from New Mexico, I just want to explain, if for no other reason than for my good friend from West Virginia, Senator BYRD, how the Senator from New Mexico sees this and how he finds himself. I want a budget resolution and I hope we get one. If this budget resolution is defeated, I hope we do not give up, and I hope we go back to conference and we get one.

Frankly, here is how things work. The U.S. Senate adopted a budget resolution. Granted it was late in the evening, but there was not even a dissenting vote.

I correct that. Even though it was a voice vote, the occupant of the Chair at that point indicated he wanted the RECORD to show he did not support it.

Now, essentially that budget resolution said the U.S. Senate took the economic summit conference at its word and chose to put five reserve clauses in, but then chose to say, as to those reserve clauses, if you adopt new programs you do not pay for them with new taxes.

Now, we all supported that. The House of Representatives does not even have this kind of approach in its budget resolution. They did not reserve the right to use reserve clauses in the House budget resolution. It is not in the law. They did not want it. They wanted their committees to have full latitude without mention in the budget resolution so long as their proposals were neutral.

Now that was their decision in the House; not ours. So we go to conference with the House that cannot restrict itself in terms of pay-as-you-go because there is no authority to do that. We go to conference. We were given the authority and we support a budget resolution and we go to conference with the language agreed to by the U.S. Senate.

Now we come back and we have changed it. I do not know why we changed it. The House of Representatives could have nothing to say about it. Some say the House made us change it. How could the House make us change it? They did not even have such a reservation of authority in their budget resolution.

So something else happened on the way over there and on the way back, and it is very clear what happened. The Senator from New Mexico had all these Republican Senators saying OK to the budget resolution. On your side you had all your people saying OK. How do you expect us to wholeheartedly support this when on the way over and the way back you decide we are going to change it, even though the U.S. Senate voted the other way and the House of Representatives does not even have anything to say about it?

So why did it get changed? Some will say, well, because the House did not like it. Well, that cannot be the case. We do not go to conferences and, because the House does not like something that only the Senate has the prerogative to do, we say the House does not like it and we say we will get rid of it.

What happened is somewhere, somehow, in this body somebody said it ought to be changed. I just say to my good friend from West Virginia, who is not here, it was not the Senator from New Mexico who decided to change it. It was not the Senator from New Mexico on behalf of Republicans who decided to change it.

So should we vote for it because we want a budget resolution, we want to be good guys? We did not want to change that.

So essentially I believe we are now in the position where those who want to provide all of these wonderful things that have been alluded to here on the floor, and if we had more time there would be more people talking about the wonderful things we ought to do for our people. But in each case they want the right to pay for them with new taxes. Fine. Fine. That is all right.

But it does not seem to me one ought to say Senators like Senator DOMENICI, who has worked on budgets many times—voted for many of them, even if he did not like them wholeheartedly—that he ought to vote for it so we can keep a budget resolution running through here so we can do other things in this institution, when the Senator from New Mexico was not in favor of doing it. It sort of happened.

Now, having said that, let me suggest one other procedural matter, because I have been at it for awhile. I would like to cite a little history about things like reserve clauses; the one we have here, a very different kind of budget beast, animal, new institittution, sort of, in the process.

Frankly, before we had the economic summit, before we had pay-as-you-go, if you wanted new programs in the year of the budget, if you wanted to adopt new programs and pay for them with new taxes, you put the program dollars and the tax dollars in the budget resolution. When it came here the money was there, and the program increase was there, not with specificity, but the dollar numbers and the tax numbers. And, interestingly enough, if you did not do that and later you chose to do it, guess what? You were right back where you would have been under the first budget resolution; you need 60 votes to pass it.

Everything changed and nothing changed. It is not that the world fell down. We just decided we put reserve clauses in for pay-as-you-go and the U.S. Senate decided this year we will go along with them.

I close by saying how could we be doing anything in violation of the summit when we had the prerogative of putting none in, and no one will deny that. We did not have to have any of these reserve clauses. The Senate could have voted and said we did not want any of them or we want one or we asked for 10 and we gave you 2. So I think it is within the prerogative of the Senate to decide this and they will decide in a little while which way they want to go.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged to us.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. I ask unanimous consent that the distinguished Senator from Minnesota be yielded 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. DURENBERGER. Mr. President, I thank my colleague from Tennessee. I rise in support of the conference report on the budget resolution. The budget resolution reflects, in large measure, the budget summit agreement that was reached last October which sets us on a course toward real reductions in the Federal budget deficit over the next 5 years.

Mr. President, there has been a great deal of controversy surrounding the conference report. The issue is not the spending priorities set forth in the resolution. Instead, the issue appears to be a matter of Senate procedure, points of order, and ultimately the issue of how the Senate should be able to finance expansions of domestic social programs, especially health programs within the purview of the Senate Finance Committee of which I am a member.

For many years, those of us who have wanted to expand health services for the uninsured, for low-income Americans have been hampered in our ability to craft appropriate legislative changes because we have been hamstrung by the strict rules of budget reconciliation. Over the past several years we have not reported separate health care bills from the Finance Committee with one exception that I can recall, and that was catastrophic. Instead, we have wrapped many of the changes into an omnibus budget reconciliation bill which usually demanded that health care spending priorities had to be offset by cuts in other health care programs in order to meet our reconciliation instructions.

I make the observation that since 1985, in particular, those of us who have been engaged in trying to improve the quality of access to health care in this country by spending some money up front in order to save money in the long term, for example, in preventive health care and wellness and switching to different modes of health care delivery, have always been hampered when it comes to reconciliation by the demand in reconciliation that health care spending had to be offset by some other health care program cut.

This budget resolution holds open the possibility that expansions in one health care program will not come solely at the expense of another health care program. The resolution allows the Finance Committee to expand children's health programs, national health programs, and early childhood development programs without necessarily cutting other important domestic programs. Instead, the Finance Committee will now have the option of paying for these expansions by increasing revenues without having to confront a 60 vote point of order on the Senate floor.

Mr. President, I will support the budget resolution, but I want to make it clear I do not favor increasing taxes, as the preferred method of financing any programs. I believe we can find sufficient revenues through programmatic reforms to pay for any expansion of these important health programs. However, I do not believe that all revenue changes should be off the table when it comes to such issues as improving access for health care.

For example, I will soon be introducing legislation that will cap the tax exclusion for employer-provided health insurance. The revenue that will be generated from that proposal will be used to expand access to Medicaid and to encourage small businesses to purchase health insurance for their employees which, in the long run, is the less expensive way to provide access for people in this country. I do not believe that such a proposal will have to garner a 60-vote supermajority. It should be treated like any other legislative initiative. If 50 of my colleagues would support such a measure, I believe it should pass this body.

For that reason, Mr. President, I urge my colleagues to support this budget resolution, and I yield the floor.

Mr. KASTEN. Mr. President, today I cast my vote in opposition to the conference report on the budget resolution. Federal spending is out of control. In both nominal and inflation adjusted dollars, the budget is at an all time high. Federal spending this year will consume more than 25 percent of America's gross national product [GNP], up sharply from 22.3 percent of GNP just 2 years ago. With the exception of World War II, the Federal Government has never controlled more of the Nation's resources.

An affirmative vote for this conference report is an endorsement of the policy of tax and spend with absolutely no discipline. The conference has even gone so far as to eliminate the Brown-Domenici amendment. That amendment, which I supported in the Senate Budget Committee, allows Congress to increase spending in select areas but requires that those increases be offset by reductions in another area. The amendment thus precludes further tax increases in the coming year to expand spending beyond limits in the budget resolution. This language passed the Senate several weeks ago.

The House of Representatives defeated a move to instruct the conferees to include the Brown-Domenici amendment in the conference report and the conferees removed the amendment. The absence of this modest form of discipline will permit the Democratic majorities in both Houses of Congress to raise taxes again this year. This is merely the latest example of the high tax policies made possible by the 5 year budget agreement enacted this past fall.

Mr. BROWN. Mr. President, I welcome this rare opportunity to vote against raising taxes. Make no mistake, the issue of this budget resolution conference report is whether or not we pay for additional new spending by raising taxes or by setting priorities and reducing funds elsewhere in the budget. A vote for this conference report is a vote for tax increases—up to $206 billion over the next 5 years.

The Brown-Domenici amendment, which was successful in the Senate Budget Committee and on the Senate floor, was dropped quietly in conference. This provision discourages tax increases in the coming year to expand spending beyond the budget resolution's limits. Without additional tax hikes proposed by some, revenues will increase $76.4 billion in fiscal year 1992 given current law.

This provision is not only in keeping with the spirit of last year's budget summit, it is a wise course of action considering our $300 billion plus deficit and the present state of the economy. Discipline, not reckless new taxes and spending, is what we need in order to get the economy back on track.

It is important to remember that, as part of the agreement, the Budget Enforcement Act already allows for increases in entitlement and mandatory programs due to inflation and increased beneficiaries resulting from changes in the economy. Increases beyond this are required by the act to pay for themselves. This can be achieved either by trimming other entitlements or by raising revenues above and beyond the revenues specified in the budget resolution.

Mr. President, I have letters written in support of the Brown-Domenici amendment which I would like to submit for the RECORD.

These letters of support come from several business associations and tax and budget groups concerned with controlling Federal spending. These groups urge a "no" vote on the budget resolution conference report and some are classifying it as a key vote.

I have a joint letter from: U.S. Business and Industrial Council, National Tax Limitation Committee, The Seniors Coalition, Consumers Alert Advocate, Americans for a Balanced Budget and also letters from National Taxpayers Union, Citizens for a Sound Economy, American Farm Bureau Federation, Council for Citizens Against Government Waste, Americans for a Balanced Budget, National Federation of Independent Business.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BUSINESS AND INDUSTRIAL COUNCIL,
Washington, DC, May 22, 1991.

DEAR SENATOR: The full Senate recently approved the Budget Resolution with Senator Hank Brown's amendment that would strengthen current budget law and require that new spending undertaken under the authority of new "reserve funds" be financed by cuts in other Federal spending, rather than new taxes. Unfortunately, the ensuing conference committee elected to omit Sen. Brown's amendment.

Senator Brown inserted this language to prevent the "reserve funds" from becoming magnets for new taxation. Now that the Brown amendment has been stripped, we are convinced that the "reserve funds" will guarantee future tax increases. Since the conferees saw fit to remove the Brown amendment, we urge you to oppose the budget resolution, and that you vote to disapprove the conference committee report.

In representing the U.S. Business and Industrial Council, a national business organization dedicated to maintaining American economic pre-eminence, I join with the undersigned citizens groups and other organizations in urging you to take a strong stand against tax increases. This is a true test of the resolve of Congress to endorse fiscal restraint, rather than to continue to embrace a tax-spend-borrow philosophy. For my organization, as well as the distinguished groups signed below, the vote on the conference report will be a "key vote."

Sincerely yours,

John P. Cregan, U.S. Business and Industrial Council; Jake Hansen, The Seniors Coalition; Al Cors, Jr., National Tax Limitation Committee; Scott Pattison, Consumers Alert Advocate; David Miner, Americans for a Balanced Budget.

NATIONAL TAXPAYERS UNION,
Washington, DC, May 20, 1991.

DEAR SENATOR: The vote on the Budget Conference Report could be the most important indication of your position on new taxes this year. Because of the massive tax and spend loophole contained in the Conference Report, we are urging its defeat. We urge you to vote "no".

The budget conferees have left the so called "reserve funds" intact, and stripped the provisions that would have prevented new spending from being financed by tax increases. This means that spending and taxes can be raised through reserve fund authority by a simple majority.

Unlike the conference report, the budget resolution approved by Senate protected taxpayers from tax hikes by prohibiting any reserve fund program from being financed through a tax increase. Absent that provision, the conference report you will vote on this week contains a serious tax and spend loophole that the Senate did not approve. The Conference should be reconvened, and the Senate should insist on its provision. By voting "no", you will force new conferees to leave that crucial taxpayer protection intact.

More importantly, by voting "no", you will assure your constituents that you oppose irresponsible new taxes.

Some Senators have already indicated several new programs they would like to make mandatory under the reserve fund authority, without identifying a spending cut to pay for them. It seems certain that huge new tax increases are imminent, unless the budget resolution conference report is rejected.

Please cast the responsible vote against the budget resolution conference report.

Sincerely,

JAMES D. DAVIDSON,
Chairman.

CITIZENS FOR A SOUND ECONOMY,
Washington, DC, May 10, 1991.

Hon. HANK BROWN,
U.S. Senate, 717 Hart Senate Office Building, Washington, DC.

DEAR SENATOR BROWN: On behalf of the 250,000 members of Citizens for a Sound Economy, I ask you to use your influence to retain the budget resolution's Brown-Domenici amendment for closing Senate tax-and-spend loopholes. If the Brown-Domenici amendment is dropped in conference, CSE will favorably record your "no" vote on the budget resolution as one of our KEY VOTES of the year.

The budget resolution already allows for an extra $61 billion in spending over last year; the Brown-Domenici amendment would force any new spending above that level to be paid for by spending cuts elsewhere in the budget.

The Brown-Domenici amendment does this by addressing Senate "reserve funds." "Reserve funds" can serve as loopholes to fund new programs initiated after the adoption of the budget resolution, by bypassing the Senate's points of order which require a ⅔ supermajority to violate the budget resolution.

Any new spending program that could be construed as fitting under the rubric of the "reserve funds" could be adopted without violating the budget resolution if it were in the guise of an entitlement and funded by tax increases. This loophole permits technical dodging of the budget resolution. These leaks need to be plugged before a massive hemorrhage of new spending gushes out.

CSE strongly supports the Brown-Domenici amendment to the budget resolution. If this key amendment is dropped by the conferees, we will work to defeat the budget resolution. If you would like any additional information on this important matter, please feel free to contact Marc Wheat at CSE.

Sincerely,

PAUL BECKNER,
President.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, May 20, 1991.

Hon. ELEANOR HOLMES NORTON,
U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE NORTON: Farm Bureau urges you to vote "no" on the conference report to H. Con. Res. 121, the FY 1992 budget resolution.

Conferees had the opportunity to adopt a Senate provision that would have required new entitlement spending be offset by reductions in existing entitlement programs, rather than by tax increases. Conferees failed to take this bold step that would have led to much needed spending restraint on the part of each senator and representative. Instead, they chose to pave the way for higher taxes that will worsen the current recession, and for the enactment of new entitlement programs that will place even more federal programs beyond the reach of any meaningful attempts to restrain the growth of spending and reduce the deficit.

No doubt, good intentions led to the call for more entitlement spending, but Congress fails to consider that the price for these programs is surpassing the means of individuals and businesses to pay for them. Entitlement programs account for 50 percent of federal spending. If defense and interest payments are excluded, only 12 percent of federal revenues remain to fund the rest of the government. Approval of the conference report would only worsen the situation as the entitlement sector would continue to grow.

We urge you to vote against the conference report on H. Con. Res. 121.

Sincerely,

DEAN KLECKNER,
President.

COUNCIL FOR CITIZENS AGAINST GOVERNMENT WASTE,
Washington, DC, May 21, 1991.

DEAR SENATOR: On behalf of the Council for Citizens Against Government Waste (CCAGW), I am writing to express the outrage of our members over the stripping of the Brown-Domenici language from the FY 1992 Budget Resolution.

The Brown-Domenici amendment, which required that any increases in spending on entitlements be offset by spending cuts, was the only hope that taxpayers might be spared an unnecessary tax increase.

With more than $720 billion in mandatory spending in the FY 1992 budget, it is ludicrous to argue that the federal government must take more of citizens' scarce resources to finance new spending. The programs slated for mandatory status in the Budget Resolution may cost $50 billion over the next five years—about $10 billion a year, or 1.4% of all mandatory spending in FY 1992. It is simply not credible to argue that these savings cannot be achieved from among current programs.

In addition, last year's budget deal provided for $164 billion in new taxes over the next five years. The 60-vote supermajority required for a tax increase in the Brown-Domenici amendment would rightly discourage Congress from coming forward with a new package of taxes to place upon the backs of an already over-burdened taxpaying population.

Due to the exclusion of the Brown-Domenici language, fiscally responsible Senators will have no other choice but to oppose the budget resolution. CCAGW urges you to defeat the budget resolution and demonstrate your commitment to protecting the interests and pocketbooks of the American people.

A vote in favor of the budget resolution is a vote in favor of tax increases. We urge you to vote NO! CCAGW will follow this vote and record it as a key anti-waste vote for the 102nd Congress.

Sincerely,

ALAN L. KEYES,
President.

AMERICANS FOR A BALANCED BUDGET,
Falls Church, VA, May 17, 1991.

Hon. HANK BROWN,
HSOB 717, Washington, DC.

DEAR SENATOR BROWN: This week you will vote on whether to adopt a conference report on the FY 1992 Budget Resolution that does not contain the Brown-Domenici amendment.

A vote to adopt the conference report is a vote for more government spending to be paid for with higher taxes.

The issue presented by this vote is simple and stark: Will you fight to offset increased spending in one area with reduced spending in other areas? Or will you allow a simple majority in each body to finance increased spending with higher taxes?

The American people's overall (federal, state and local) tax burden has never been so great. And what are they getting for their money? Has government solved the problems that concern our citizens? Is it even on the right road toward solving those problems? The vast majority of Americans think not; they think Congress is Squandering their hard-earned tax dollars.

Vote to restrain federal spending; vote down any Budget Resolution conference report that does not include the Brown-Domenici amendment.

Sincerely,

TERRY COOPER,
Legislative Director.

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS,
Washington, DC, May 22, 1991.

Hon. HANK BROWN,
United States Senate, Washington, DC.

DEAR SENATOR BROWN: On behalf of the over 500,000 members of the National Federation of Independent Business (NFIB), I urge you to vote against the conference report on H. Con. Res. 121, the FY92 budget resolution.

NFIB is opposed to the budget resolution conference report because it does not contain the Senate-passed language requiring a 60 vote super-majority in order to increase taxes to pay for spending increases in the so-called "reserve funds." The Senate passed budget resolution would have required that spending increases in the five reserve funds be offset by spending cuts elsewhere in the budget unless a super majority voted to offset them with tax increases. Such a requirement is a long overdue correction of Congress's institutional dislike of cutting spending.

The time has long since passed for Congress to set its spending priorities. Last year, Congress enacted legislation that increased taxes by almost $140 billion over five years. This legislation was heralded by its supporters as being absolutely necessary to bring the deficit under control and to restore fiscal responsibility. It is hard to conceive of any reason why Congress would need to increase taxes again this year. Yet once again, dozens of new programs accompanied by billions of dollars in new taxes have already been proposed. The tax and spend spree must stop. The budget resolution passed by the Senate would have forced Congress to make tough but responsible choices on how tax dollars are spent.

In poll after poll, NFIB members have repeatedly declared their opposition to new taxes to pay for new spending. In their eyes federal spending is completely out of control. Small business owners are understandably concerned that new and larger federal programs paid for by increasing taxes will slowly drive them out of business. The federal government already collects over 20% of GNP in taxes. That is more than enough.

NFIB encourages you to oppose the budget resolution conference report because of its failure to keep spending under control.

Sincerely,

JOHN J. MOTLEY III,
Vice President,
Federal Governmental Relations.

Mr. McCAIN. Mr. President, this budget resolution conference report is tax and spend, pure and simple. I have a strong and consistent record of opposing tax and spend budgets. I believe our budget process is bankrupt. I am going to vote against this budget resolution conference report.

In taking this vote, however, I would like to reiterate a serious concern that I have mentioned on a number of occasions. That is, I have long been concerned about the effect that our budget process has had on the Medicare Program. Congress has consistently picked the pockets of the elderly and robbed the Medicare Program, on which they rely for their health care—including payments to hospitals and physicians.

Some have indicated that a vote against this conference report, is a vote against Medicare or against our senior citizens and our unemployed. Those making this argument, suggest that the notion of requiring any new entitlement program to be offset by an entitlement cut is somehow a move to cut Medicare. That simply is not so. The only way a Medicare cut would occur is if those in Congress made the decision to cut Medicare in order to put a new entitlement program in place. Mr. President, we are in tough economic times and the health of our Nation's budget process needs a transfusion. To be creating new entitlement programs at this time is simply irresponsible unless there is a way to pay for them.

My vote tonight has nothing to do with Medicare or other entitlement programs. It does, however, have everything to do with a deep and heartfelt concern for the broken nature of our budget process and America's economy. My record on Medicare, and opposition to Medicare cuts, is very clear. The reason for my vote is the fact that this conference report is a reflection of our Nation's bankrupt budget process.

In addition, I am very concerned about the fact that this conference report contains language paving the way for national health insurance—an issue on which I believe there is no consensus in our country. How we can best resolve our national health care crisis deserves serious and deliberate consideration. It makes no sense to one that we would begin the process of funding such a system without having had the necessary debate.

Mr. ROCKEFELLER. Mr. President, I am here to express my support for the conference report on the budget resolution. More importantly, I rise to take issue with the attack being waged on the report. It's an attack without a leg to stand on. And if we succumb to it, which I believe will not be the case, we will allow rhetoric and scare tactics to triumph over the real and pressing needs of the American people.

My colleagues, including the junior Senators of Colorado and Texas, are simply not painting a true picture of this debate. They say the supporters of the so-called reserve funds provisions in the conference report are proposing new taxes and spending. But they know that is totally false. They know, and we know, that all we want to do is to make sure that the U.S. Congress can take action to answer the vital needs of Americans in a fiscally responsible, effective manner. In other words, to make sure we can do our job.

It amazes me that some Members of this body are so eager for us to tie both our hands behind our backs. Why were we elected? To erect more hurdles and more barriers to dealing with the Nation's problems and securing its future? To come up with more excuses and more procedural straitjackets to rule out any chance whatsoever to stand up for Americans—for our children, for families, for working people and the unemployed?

Why are we seeing this charade again today?

Because, Mr. President, the tide is turning. Because the public is asking us, their elected leaders, to listen to their needs and respond to their concerns. Because there is fear that those who said "do nothing" will be held responsible for the record of neglect. What we are seing is an attempt by the opponents of the conference report to avoid that responsibility, by shouting "boo" in the face of the American people.

The opponents think that just saying the words "tax and spend" will cause us all to run back into the shadows. We are all supposed to be struck dumb so that we forget about children, health care, people thrown out of work, folding businesses, and hard pressed Americans trying to make ends meet.

The point—the truth—is that the conference report does not require new taxes to pay for spending.

New initiatives to tackle America's problems could be based on closing of loopholes created by special interests. Are the report's opponents opposed to that? Or new initiatives could be based on user fees—that means paying for what you use—often reasonable common sense. Are the opponents of the report opposed to that?

And never mind the Grassley sense of the Senate language, which is part of the Senate-passed resolution. That resolution confirms a millionaire's tax as an option to provide increased tax credits for children.

Yes, the millionaire's tax is a tax. I don't know whether the Congress will enact such a tax, but I can tell you this: The American people are not frightened when the opponents of this report say to the American people—"boo," they might tax the very wealthy to give kids a better chance and a better deal.

Hiding behind the mask of "tax and spend" isn't going to work. It didn't work last year, when we were debating a 5-year budget plan, and the American people figured out that one side was standing up for the privileged, and the other for working families and Americans of ordinary means.

Now, let's look at who is on whose side. Apparently, the opponents are ready to put Medicare back on the chopping block. How else will the extension of unemployment compensation be funded if the reserve clauses in the budget resolution are gutted?

On the other hand, if the intention is to prevent extension of unemployment compensation, let that be told to the American people today. Or just tell the American people that the plan is to cut Medicare. I, for one, am telling the American people that we should leave Medicare alone.

Tax and spend, their saber rattles. What about borrow and spend? Where was the worry for a decade as the national debt tripled? Didn't we finally, last fall, reach an agreement to start unwinding the leveraging of America?

The deal was pay-as-you-go. We didn't decide then, and we are not deciding now, how to pay for the investments we want to make in America's future. It might be with user fees, or closing of tax loopholes, or with penalties for law violations, or with taxes on the wealthy. But in no uncertain terms, we agreed to pay up, to reduce the deficit, to end the ocean of debt. And what do they want now? They are back here to shred the agreement.

The opponents of the conference report may think there is advantage in continuing to ignore the problems, to protect the privileged, and to attack Medicare. They are wrong They are trying to undermine our ability to act—even our ability to think about acting.

Mr. President, the American people want us to both maintain a responsible budgetary policy, and tackle the neglected problems that cry out for public action. That is what the conference report allows us to do. It does this by embodying pay-as-you-go and preserving options so that later in the year, we can make decisions based on proper deliberation.

It is a good thing to have this debate out in the open. The choice is between a policy of inaction in the interests of the few, and a nation ready to get moving again on the needs of the American people. This is a choice as old as the country, but one that we confront anew in each generation. However today's vote is decided, and I believe it will be decided in favor of the conference report, I have no doubt how the underlying issue will be resolved. The country will move. The policy of inattention and neglect will not stand.

Mr. KOHL. Mr. President, I cannot support this budget. I have one, clear reason: I cannot vote for a deficit of over $300 billion.

Today, most of the debate has centered on the so-called Brown amendment. There has been a lot of talk about tax increases versus spending cuts, Democrats versus Republicans, entitlements versus tax expenditures, big government versus small government. This is useful debate. It is important debate. It has nothing to do with my vote or, really, what we are all voting on tonight.

The vote tonight is to accept or reject a budget plan that results in a deficit well over $300 billion. I reject it, and I believe we will continue to rack up deficits of this record size until a majority of my colleagues join me.

We are all partners in the sham that has led to today's record deficit number. We let our untouchable entitlements balloon to over one-half of all spending, and no one has been willing to talk about cutting them. We let tax breaks eat away at our revenue base, but it is political suicide to suggest raising taxes—even on the rich. We let our colleague's wasteful—but locally popular—spending project go through as long as they support our wasteful—but locally popular—spending project.

Well, it is time we stopped. It is time we said no. No more record deficits. No more convoluted explanations of how this record deficit truly is progress. No more tolerance for spending money we do not have.

I am saying no tonight, and I urge my colleagues to do the same. If this conference report comes back to us with the same level of deficit—I will say no again, with or without the Brown amendment. When a majority of the Congress joins me, we will have a real chance of moving this Government toward fiscal responsibility.

THE COVERUP CONTINUES

Mr. SANFORD. Mr. President, I want to take a moment to bring attention to a few of the numbers included in the conference report on the fiscal year 1992 budget resolution. During the 101st Congress, I introduced budget reform legislation, S. 101, that requires a more accurate accounting of the Federal budget. This legislation was reported from the Senate Budget Committee last year, but never reached the Senate floor for further consideration. I reintroduced S. 101 earlier this year.

S. 101 requires that the Federal budget account for Federal retirement programs clearly and apart from the operating programs in the budget. It also requires the use of gross interest, not net interest, in calculating our annual deficits. And, most important, it requires our annual deficits to be the annual increase in the public debt subject to the statutory limit. S. 101 stops concealing the annual piling up of debt.

Last year's summit agreement included a requirement that S. 101 numbers be included in our budget resolutions each year. These numbers were included fully in last year's conference report on the fiscal year 1991 budget for the first time. In the conference report on the fiscal year 1990 budget, these numbers were only footnotes.

So I am pleased that annual debt increase, gross interest, and retirement account balances are prominently displayed in our budgets now and are no longer simply footnotes that require a magnifying glass to read. But this is not enough. These are not the commonly used budget numbers. We still need an "honest" budget.

For the record, we will add $415 billion to the Federal debt in fiscal year 1992, but the official deficit as currently defined is only estimated to be $351 billion. We are still covering up $64 billion in deficit spending in fiscal year 1992. This coverup is hidden away in our interest numbers. The net interest number used in calculating this official but misleading deficit amount is $235 billion. Yet our total interest obligation for that same year, the gross interest figure, is $313 billion.

We need to wake up to the fact that our real deficits are much larger than we claim, and our interest obligations have totally consumed our deficits. Let me repeat this. Our interest obligations on the Federal debt have totally consumed our annual deficits.

Mr. President, I urge my colleagues to take a very careful look at these numbers. We need an honest budget.

Mr. HARKIN. Mr. President, I rise today in support of this measure before the Senate. I do not, however, lend this report my wholehearted endorsement. This budget resolution is flawed. It is flawed because it conforms to last year's budget agreement and, thereby, the restrictions of Gramm-Rudman-Hollings. Because of that fact, this budget resolution does not sufficiently deal with the Nation's current policy needs. I say that because this budget resolution again attempts to hit artificial budget targets drawn up in the late hours of an evening last October, targets that do not allow us to deal with the real demands and needs of our Nation. At what point are we going to arrive at the conclusion that measures such as this are not going to solve our deficit problems?

Our deficit problems, Mr. President, are only partly a function of spending too much money. To be sure, we spend too much money for defense. To be sure, we pay too much in interest on a debt that was generated by the profligate spending and tax breaks handed out by the previous administration. But these are not the only sources of deficit spending. Our deficit is also a function of our unwillingness to invest in America.

I am encouraged to see that my colleagues on the other side of the aisle are finally getting concerned about the recession. But where do they think this recession comes from? For years they have been talking about reducing the deficit by contracting Government spending. In reality, the administration has refused to do even that.

The major thrust of deficit reduction in this and the last administration has been to cut out of the hides of the needy and give tax breaks to the rich. Well, the result was predictable. Our failure to invest in America has finally caught up with us.

Entitlement spending is high because this administration's policies have created more needy people. The suggestion that we now go further to forbid the adjustment of entitlement programs in this time of need is to add insult to injury. That is why I am supporting this budget resolution, Mr. President. To send this resolution back for reconsideration where it could pick up the Brown amendment that would further restrict our ability to deal with many of our Nation's real needs would be unconscionable. I do not know what my friends from the other side of the aisle propose to do when their limitations further increase the very large problems that our Nation faces. How much longer do they intend to travel down this path? How bad are our roads, schools, public hospitals, sewers, and all the rest of our public facilities supposed to get before they are going to be willing to act?

It is unfortunate that there are those who still believe that by ignoring poverty, the disabled, and the educationally disadvantaged, those problems will simply go away. Were it so simple. Were it so easy.

Mr. BIDEN. Mr. President, the budget resolution conference report adopted by the Senate today is woefully inadequate to our national needs in the fight against crime and drugs. Important anticrime and antidrug programs would not be adequately funded were the terms of this budget outline adhered to strictly. My vote in favor of the conference report should in no way be interpreted as support for the anticrime and antidrug funding levels it assumes.

Budget resolutions set broad spending outlines, but do not bind us to exact funding levels for specific programs. While last year's budget agreement makes it more difficult to provide necessary and adequate funds for antidrug and anticrime initiatives, there is still sufficient flexibility to do so. I remain confident that the appropriators will fix the inadequacies in anticrime and antidrug funding when they draft their specific spending bills.

Mr. RIEGLE. Mr. President, like many of my colleagues, I have deep reservations about the summit budget agreement enacted last fall. There are many reasons for this concern—the lack of real progress in reducing the deficit, the constraints that would make it difficult to address many of the critical problems facing our country, and the complex new layers of legislative procedures adopted under the guise of process reform.

But while the budget resolution we are considering tonight meets the requirements of that law, it also establishes some important priorities for Federal spending and retains the flexibility needed to address critical national needs.

We urgently need to invest in productivity and capital growth, including strengthening education and training programs. On the discretionary side, this resolution recommends that we make education and investment in infrastructure a priority within the constraints of the caps. This is an important step toward building the long-term strength of our economy. The resolution also retains increased funding for the new housing programs enacted last year by the National Affordable Housing Act as provided by an amendment I offered on the Senate floor and adopted by the Senate.

Perhaps more importantly, this resolution restores the so-called reserve fund language contained in the original budget resolution introduced by the distinguished chairman of the Budget Committee. This language is significant for a number of reasons, but primarily because it retains the flexibility to target our resources on several areas of critical need. It will facilitate an expansion of unemployment insurance benefits in response to growing unemployment in this country. It will also make it possible, if it is the will of the Senate, to enact legislation to phase in a comprehensive approach to provide universal health insurance for the uninsured and to control health care costs.

As the chairman of the task force on the U.S. economy in the 1990's, I have been working with my colleagues to develop a response to the recession. Specifically, we are concerned that the unemployment insurance system is not performing adequately. Fewer than half of all unemployed workers in this country received unemployment benefits in an average month in 1990—a record low. Immediate action is needed to help those who are suffering as a result of the current recession. We also believe that steps are needed to combat the effects of the recession and to stimulate the economy. We are discussing a number of options with the majority leader and hope to present a package to the Senate in the very near future.

I am also cochairman, with Senator KENNEDY, of a working group that is in the final stages of developing a comprehensive proposal to reform our health care system. There are currently as many as 37 million people in this country who have no health insurance—one-third of whom are children. The uninsured span all ages, income levels, employment status, ethnic groups, and geographic regions. We will soon introduce legislation to provide universal access to health care and to control rising health care costs.

The reserve fund language as amended by the Brown amendment would have made it very difficult to address these critical needs. In its views and estimates letter to the Budget Committee, the Senate Finance Committee noted that the economic outlook is very uncertain. The language as it now stands retains some flexibility to react to the economic slowdown and increasing unemployment, and to address a limited number of high priority needs in this country, including the need to reform our health care system.

I believe this budget resolution does as much as is possible, given the difficult budgetary and economic circumstances we find ourselves in, to establish some priorities for Federal spending, while maintaining the flexibility needed to address the urgent needs of our Nation. I strongly urge my colleagues to support this conference report.

Mr. AKAKA. Mr. President I rise tonight in support of House Concurrent Resolution 121, the fiscal year 1992 budget, which is the blueprint for Federal Government activities next year.

I support this budget because it moves us towards significant reduction of the Federal budget deficit. The budget we are voting on today will help us achieve the deficit reduction goals we established last year as part of the 5 year budget agreement.

I also support this budget proposal because it refocuses our attention on solving domestic problems. Now that our military conflict with Iraq has ceased, we need to improve our educational system, provide greater access to health care for our children, and build more affordable housing.

The budget measure we have before us would increase funding in fiscal year 1992 for the Women, Infants, and Children Program [WIC], Head Start, education services for disabled children, student financial aid programs, and programs to reduce infant mortality. The resolution also includes funds for the new programs provided for in the National Affordable Housing Act, which was enacted last year. in addition, the budget rejects spending cuts proposed by President Bush in programs such as Medicare and food stamps. Most importantly, during these tough fiscal times, these budget improvements are being done within the spending and revenue limits set last fall which were designed to contain the Federal deficit.

Mr. President, some of my colleagues argue that voting for this budget resolution is effectively a vote for higher taxes. That's just not true. There is no way that a budget resolution conference report can be viewed as a tax bill. The only similarity between a concurrent resolution and a revenue measure is that both are considered by Congress. And neither the House Budget Committee nor the Senate Budget Committee recommends a tax increase.

What the budget does do is create reserve funds to address five pressing domestic needs: First, expanding access to early childhood education; second, improving the transportation infrastructure; third, enhancing health care programs and phasing in health care for all Americans; fourth, improving children's nutrition and health, and providing services to protect children and strengthen families; and fifth, promoting economic recovery through unemployment compensation or related programs.

These reserve funds would implement the pay-as-you-go process required under last year's Budget Act and enable the appropriate committees to increase spending for needed programs in a deficit neutral way.

The budget is only a blueprint for later action. A reserve fund does not presuppose how Congress will pay for this new spending. Any vote on financing of reserve fund expenditures, whether through spending cuts or tax increases, will be considered and voted on by both Houses.

I am voting for the budget resolution today because it reflects a commitment to solve important domestic problems and to improve the quality of life of the American people.

Mr. SASSER. Mr. President, this conference report is the product of many dedicated and capable minds. I want to thank those who have worked many long hours to put it together.

Larry Stein, staff director of the Senate Budget Committee; Dr. John Callahan, deputy staff director; Dr. Alan Cohen, assistant director for budget priorities and review; William Dauster, chief counsel; G. William Hoagland, minority staff director; and the entire staff of the Senate Budget Committee.

My gratitude also goes out to the majority leader's tireless and dedicated floor staff, in particular, I would like to thank:

Charles Kinney, counsel and floor staff; Lula Davis and Arthur Cameron, floor staff; Martin Paone, assistant secretary for the majority.

I also want to thank Bill Jensen, Legislative Counsel's Office; Bob Keith and Sandy Davis, Congressional Research Service; and the Senate Parliamentarian's Office for their very sage advice.

Without a first-rate staff, work on a resolution of this nature just would not get done. Thank you all.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. SASSER. Is the distinguished Senator from New Mexico prepared to yield back all time?

Mr. DOMENICI. If the distinguished Republican leader does not desire to speak, I do not think I need any more time. I am prepared to yield back the remainder of my time.

Mr. SASSER. Mr. President, I am prepared to yield back the remainder of my time, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report to accompany House Concurrent Resolution 121, the concurrent resolution on the budget for fiscal year 1992. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. AKAKA). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 75 Leg.]

YEAS—57

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Cohen
Cranston
Danforth
Daschle
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NAYS—41

Bond
Bradley
Brown
Burns
Coats
Cochran
Conrad
Craig
D'Amato
DeConcini
Dole
Domenici
Garn
Gorton
Gramm
Grassley
Hatch
Hollings
Kasten
Kerry
Kohl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the conference report was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senate will now continue with the consideration of S. 3.

AMENDMENT NO. 261

THE PRESIDING OFFICER. Under the previous order, the question occurs on the motion to table amendment No. 261 of the Senator from Oklahoma.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

THE PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 55, nays 43, as follows:

[Rollcall Vote No. 76 Leg.]

YEAS—55

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick

Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—43

Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hollings
Jeffords
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the motion to table the amendment (No. 261) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. AKAKA. Mr. President, a little over a year ago today, I stood in this Chamber to be sworn in as a U.S. Senator. Today, I am here to support meaningful Senate campaign reform.

I am supporting S. 3, the Senate Election Ethics Act and leadership substitute, because both would establish voluntary, flexible limits on Senate campaign expenditures for both incumbents and challengers. Senate candidates would be able to spend between $950,000 to $5,500,000 depending on the size of the voting age population of their States. These sums are more than adequate to run competitive and informative campaigns.

Senate campaigns cost too much. As a Member of the House of Representatives serving Hawaii's Second Congressional District for 13 years, I only needed to spend approximately $100,000 for my elections. When I was appointed to the Senate upon the death of Senator Spark Matsunaga and chose to campaign for the remainder of his term, I found I needed to raise nearly $1.8 million. My opponent spent more.

Mr. President, competitive elections are crucial to this body's continued ability to respond to the Nation's many problems. Elections should enable our citizens to express their political preferences and to turn out of office those who have violated the public trust. Throughout my years in Congress, I witnessed the defeat of colleagues whose actions displeased their voters—thus proving the strength of our electoral system.

At the present time, however, the high cost of campaigns are deteriorating the trust in this institution. The decline in trust is reflected in low voter turnout, nationwide, at all levels of government. In my own recent election, a little over 354,000 people voted or less than one-third of the population of Hawaii. These numbers show that something is wrong.

The high cost of campaigns has discouraged qualified individuals from accepting the financial challenge of seeking public office. It has also kept incumbents too busy raising funds. The money chase diminishes the amount of time that we, as Senators, spend on the people's business.

Mr. President, we must reassert that votes are the most important political currency. We need to reinvigorate the democratic ideal that all citizens have an equal opportunity to participate in this country's governance.

Most of my Republican colleagues argue that by limiting spending we would limit political speech. I disagree. I would never support inhibiting any candidate's ability to communicate his or her ideas or a voter's ability to question the views of the people who want to be leaders. This communication is essential to retaining our vibrant democracy and is protected under our Constitution.

Moreover, I believe that the Republican view is extremely cynical. It ignores the reality that high cost campaigns have already reduced the competitiveness of elections. Last year, 68 congressional seats went unopposed: 4 in the Senate and 64 in the House. Regardless of how much money is spent, the reduced competitiveness of elections causes there to be less political discussion.

The Republican argument also ignores the reality that there are significant unpaid forums for political speech. Town meetings, radio call-in shows, media interviews, and casual meetings with voters are all effective opportunities to communicate, and with minimal if any financial cost to candidates.

Paid political advertising has crowded out some of these unpaid forums. Time to raise funds to pay for the paid advertising takes time away from talking to potential voters. Paid advertising has increased voters, cynicism and decreased their willingness to create and participate in unpaid forums. As we try to limit the growth of paid advertising, I anticipate there will be an increase in the availability of unpaid forums.

Moreover, adherence to these spending limits will communicate to the voters that a candidate wants to revive the integrity of the political system. Perhaps if we speak a little more quietly during campaigns, people will listen harder and true communication will increase.

The voluntary, flexible spending limits contained in this legislation will increase the competitiveness of our campaigns. Adherence to these limits will be encouraged by the availability of certain public benefits: Lower broadcast media rates, reduced postage rates, communication vouchers and payments, in certain circumstances, from the Senate election campaign fund. The availability of these benefits will level the playing field between challengers and incumbents. They will further reduce the time Senators have to spend raising funds.

Granted these benefits will cost money; it will be money well spent. Let us not forget that our Government spends millions of dollars around the world to promote democracy and encourage fair elections. The President's fiscal year 1992 budget has requested that the American people give $30 million to the National Endowment for Democracy, a nonprofit corporation established to encourage and strengthen the development of democratic institutions and processes internationally. I will support that request because I believe that democracy abroad is worth supporting, just as democracy at home is worth supporting.

The legislation before us would eliminate campaign practices that could be used to circumvent the proposed spending limits, such as soft money expenditures—those funds that are not regulated under Federal law, independent expenditures and bundling of contributions. The legislation would attempt to bring all campaign spending out into the sunshine, so to speak.

Mr. President, I am proud to serve in the Senate. My colleagues are people of integrity, who hold a deep commitment to public service. Fundamentally, the integrity of this institution depends upon each Senator's moral compass. The legislation before us cannot substitute for that. But, the legislation can change the context in which each individual makes his or her personal decisions. Our current campaign finance process forces good people to make seemingly bad choices in order to serve the public. Hopefully, a new system will permit people to run for and serve in Congress with integrity and the complete trust of the voters.

I will vote against the McConnell amendment because it will eliminate the voluntary spending limits from this legislation—the very reform that will reinvigorate the integrity of our campaigns.

Mr. President, I yield the floor.

Mr. RUDMAN. Mr. President, I rise in opposition to S. 3, the partisan, Democratic campaign finance bill now pending before the Senate.

Mr. President, the Senate has debated the issue of campaign finance reform many times. This is one of the most important issues facing Congress, an issue that deals with the public's poor perception of honor and integrity in this institution. I strongly believe that real campaign finance reform is necessary to deal with this crisis of confidence.

Regrettably, the bill we are debating today will not offer the American public real reform. Nor will it restore the confidence of the American people. Instead, this bill will raise public expectations, and then dash them with a system which encourages more undisclosed campaign spending and locks in strong incumbent advantages. While failing to bring about real reform, this bill will come to taxpayers at great cost. At a time when Americans are being forced to cut back due to recessionary pressures and the country is facing continued massive Federal budget deficits, this Democratic bill proposes to take millions of dollars out of taxpayers' pockets and into the hands of congressional candidates. This is simply not right.

My first major area of concern with S. 3 revolves around its proposed spending limits. Under S. 3, voluntary spending limits would be established for Senate races, based on a State's voting age population, ranging from $950,000 to $5.5 million for general elections. Supporters of this bill allege that these limits will help to make the system work more fairly for incumbents and challengers alike. However, the reality is that these limits will actually hurt challengers and hinder their ability to mount a credible campaign against incumbents.

Long before the election year arrives, incumbents are able to gain an advantage over challengers. By virtue of holding office, incumbents are able to build a support staff, media contacts, and most importantly, name recognition. As a result, challengers usually find themselves behind the eight ball at the outset of a campaign. These inevitable incumbent advantages can be overcome, but only if challengers are given the opportunity to do so.

Contrary to the impression being fostered by Common Cause and other supporters of this bill, this does not mean that spending by challengers must equal or exceed that of incumbents. It does mean that challengers must be able to spend a certain threshold amount in order to run a competitive race. The spending limits proposed by the Democrats in this bill, should they prove to be enforceable, are so low that challengers will be unable to compete effectively. This of course suits the Democratic Party, the party with the most incumbents, just perfectly.

A few simple facts demonstrate the effect of S. 3's proposed spending limits. In the 1988 Senate elections, 95 percent of the challengers who spent under the limits set by S. 3 lost. In 1986, when campaign costs were much lower than they are now, 90 percent of the challengers who spent within the limits lost, while 63 percent of those exceeding the limits won. In my State of New Hampshire, it costs over $300,000 for a challenger to get his or her name recognition up to 40 or 50 percent—not enough to win a race but sufficient to begin to appear credible. However, under S. 3, a candidate would only have a total $950,000 for the general election. If incumbents and challengers are forced to abide by these spending limits, the incumbent will almost always win.

The sponsors have added one provision which I believe significantly improves the bill from last year. Candidates who comply with the spending limits will be eligible to buy broadcast advertising time at one-half of the lowest unit rate, rather than the actual lowest unit rate. While this provision is embedded into a fundamentally flawed campaign financing bill, it helps to ameliorate the effect of excessively low limits and it recognizes that the cost of television advertising is the single most significant reason for the explosion in campaign spending.

In the Senate today, at least 50 to 70 percent of the cost of a campaign goes toward advertising. Democratic media consultant Frank Greer believes the figure is even higher,

> In any competitive campaign, 75 to 80 percent of the budget is going to go into television. There is one overwhelming factor in the growing cost, * * * and that is the increased rates of radio and television advertising.

In my own State of New Hampshire, we must purchase time on Boston television markets to get our message out to the public. The National Journal published statistics last year on the cost of a 30-second commercial spot as measured by cost per rating point [CRP] in prime time. In 1982, the cost per rating point of a 30-second ad in prime time was $350. In 1986, the same ad cost $414, an 18.2-percent increase. More startling still is that in 1990, the cost per rating point has risen to $610, 47.3 percent more than the 1986 price and 74.3 percent over the 1982 cost.

One year ago, a 30-second commercial in the CBS prime time show "Jake and the Fatman," which was then, on a ratings basis, exactly the average of all prime time programming, cost almost $5,000. In New York City and Los Angeles, the same commercial cost almost $10,000. Ten thousand dollars for one 30-second spot. Mr. President, this is the reason that more money is being raised year after year. The money is being raised because it simply must be raised to pay for the costs of contacting our constituents to get our message out.

In fact, political candidates pay more for commercial time than any other advertiser. Congress tried to address this problem in 1971 by establishing a broadcast discount for candidates. It was intended to provide candidates the lowest unit rate for advertising during the 45-day period prior to the primary election and 60 days before the general election.

Broadcasters, however, quickly found a way around this rule by establishing different classes of time. The broadcasters now sell time in two forms—preemptible and nonpreemptible. Candidates, who must get their message to specified groups of voters at specific times, must purchase nonpreemptible or fixed time. This nonpreemptible time is three to five times more expensive than preemptible time. It is sold almost exclusively to political advertisers. Rather than getting a break on advertising, candidates currently pay more than virtually any other advertiser.

A one-half of lowest unit rate provision, along the lines found in this bill, would alleviate a tremendous financial strain on campaigns, particularly those of underfunded challengers. This, more than any other simple step, could help make races more competitive. It would affect only a small portion of the three-fourths of 1 percent of broadcasters' revenue that is attributable to political advertising. Moreover, it is important to remember that this revenue is made possible by the Government grant of a scarce public resource: the airwaves.

The Senate could be debating legislation which reduces the political advertising rate in its own right. Such a bill need not provide the right to unlimited advertising at a reduced rate. I am mindful of the concerns expressed by some that reducing the rate would only lead to more advertising, not reduce the pressure on candidates to raise money. Instead, this reform is embedded in a partisan bill containing a flawed system of spending limits and public financing. That precludes it from being considered on its own merits and, because this partisan measure will not become law, prevents reduced advertising rates from becoming law.

To return to the issue of spending limits, it is not at all clear that limits of this nature are workable. The sponsors of S. 3 continually cite the Presidential election spending limits in support of this bill. However, any serious student of Presidential elections knows that millions of dollars above the limits are being filtered into those campaigns from sources that do not legally have to be disclosed. In fact, although non-Federal spending in general election campaigns for the Presidency is illegal, both parties exploited loopholes in the law to such an extent that more private than public money was spent on the 1988 campaigns.

The pending measure proposes to take the same kind of deceptive system that now exists for Presidential campaigns and extend it to congressional campaigns, misleading the American public into believing private contributions to campaigns have been disclosed.

The problem is that S. 3, while limiting candidate spending and attempting to control party spending, makes no effort to control soft money expenditures by labor unions and other tax-exempt organizations. Moreover, the controls on independent expenditures are likely to prove ineffective and are probably unconstitutional. As a result, S. 3 has the same effect on campaign spending as a person does when squeezing a balloon—push in one place and the balloon pops out in another.

Soft money, referred to as sewer money by one newspaper, is the type of money which sneaks into the system and turns it rotten. There are no disclosure requirements, no limits on the size of contributions, and it is estimated that over $100 million in soft money is filtered into each election. Yet, Republican efforts to regulate these expenditures are unacceptable to the Democrats who control the Congress.

Worse still, while rejecting controls on soft money, some supporters of S. 3 engaged in egregious false advertising by invoking the special interest contributions made by Charles Keating as grounds to support this bill. To limit candidate spending while not touching soft money is to drive more contributions into this hidden, uncontrolled area of political activity.

Finally, this bill would force the American taxpayers to pay excessive costs in support of the political activities of candidates. As reported by the Senate Rules Committee, S. 3 was estimated by the Congressional Budget Office to cost between $82 and $103 million in 1994, and between $226 and $283 million over a 6-year Senate election cycle for Senate elections alone. All candidates would receive vouchers to buy television advertisements, in an amount equal to 50 percent of the general election limit or $475,000 in my State of New Hampshire, and reduced mail rates. Candidates would also be eligible for additional dollars to offset certain independent expenditures and when one candidate has refused to comply with the limits.

The Democrats apparently decided that this was too much to expect the public to buy. Thus, they have offered a substitute amendment which would reduce the broadcast subsidy from 50 percent of the general election limit to 20 percent.

Even so, when House elections are added to this bill as everyone expects and assumes the House of Representatives to do, this bill could cost $1 billion over 6 years. My colleague from Kentucky, Senator McCONNELL, referred to this bill as "food stamps for politicians." I am not sure I agree with that characterization; but, when the people of New Hampshire talk about campaign finance reform, I know they are not volunteering to give political candidates $1 billion every 6 years.

Parenthetically, S. 3 would expand public financing of campaigns at the same time that the existing system for Presidential campaigns is falling apart. Under current law, individual taxpayers have the right to authorize $1 to be pulled from general revenues to be used to finance Presidential campaigns. Only 17 percent of all taxpayers, less than one out of five, are currently willing to have this happen, even though it does not affect their tax liability. There can be no more graphic evidence of the fact that most Americans oppose public campaign financing. And yet, in the name of saving the public, this bill arrogantly proposes to geometrically increase use of their money for that purpose.

Mr. President, I am deeply concerned about establishing a campaign finance system in which the American public can place their trust and which will not come at great personal expense to them. S. 3 fails to address the issue of soft money contributions and creates an inadequate system of spending limits and public financing. This bill does not offer the American taxpayer real reform and, therefore, regrettably, I cannot support it.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I will momentarily propound a request for a unanimous-consent agreement that will identify the remaining amendments with time limitations to the pending bill. If this agreement is accepted, there will be no further rollcall votes this evening. We will debate on one further amendment this evening, with a series of amendments tomorrow with votes stacked to begin at 1:30 p.m.

I now ask unanimous consent that the following amendments, on a list I will momentarily read, be the only amendments remaining in order to the Boren-Mitchell substitute amendment to S. 3; that they be considered under the time limitations so noted, to be equally divided in the usual form; that, except for the listed Roth amendment, they be considered tomorrow, Thursday, May 23, when the Senate resumes consideration of this bill beginning at 10 a.m. in the order listed; that the votes on, or in relation to the amendments that have been debated prior to 1:30 p.m., as well as on the Roth amendment, be stacked to occur beginning at 1:30 p.m.; that there be 1 hour remaining for debate on the bill, including the Boren-Mitchell substitute, equally divided in the usual form; that motions to recommit be in order; and that the time allocated to each Senator for his amendment begin running upon the completion of the time on the previous amendment on the list, regardless of whether or not that Senator has yet offered his amendment, and that the time thus charged be subtracted equally from both sides on the amendment.

The list is as follows:

An amendment by Senator ROTH striking the funding and limits and providing free TV time, 40 minutes equally divided, to be debated tonight and voted on first in the list of stacked votes beginning at 1:30 p.m.;

An amendment by Senator EXON regarding limitations on vouchers, 30 minutes equally divided;

An amendment by Senator NICKLES regarding broadcast subsidy, 40 minutes equally divided;

An amendment by Senator HATCH regarding the Beck decision, 30 minutes equally divided;

An amendment by Senator LOTT regarding sense-of-the-Senate language that both bodies are equal, 20 minutes equally divided;

An amendment by Senator BOREN regarding point of entry for filings, 10 minutes equally divided;

An amendment by Senator DOLE regarding congressional contacts with Federal agencies, 10 minutes equally divided;

An amendment by Senator DOLE regarding telephonic voting, 10 minutes equally divided;

An amendment by Senator DOLE regarding challenger's seed money, 30 minutes equally divided;

An amendment by Senator DANFORTH regarding lowest unit rate, 10 minutes equally divided;

An amendment by Senator McCONNELL regarding soft money, 30 minutes equally divided;

An amendment by Senator McCONNELL regarding cut of convention money, 30 minutes equally divided;

An amendment by Senator DOMENICI regarding out-of-State money, 40 minutes equally divided;

An amendment by Senator McCONNELL regarding campaign subsidies and budget, 30 minutes equally divided; and

An amendment by Senator GRAMM of Texas regarding full disclosure of soft money, 30 minutes equally divided.

Mr. DOLE. Mr. President, reserving the right to object, and I shall not object, I just want to make an inquiry with reference to the statement that says that the votes on or in relation to these amendments that have been debated prior to 1:30 p.m. be stacked, the votes to occur beginning at 1:30 p.m. and that there be 1 hour remaining for debate on the bill. You would still be able to consider the other amendments.

Mr. MITCHELL. Yes. Because it is not possible to estimate precisely when all of these will be completed, and the more there are, the more difficult it is, this is intended to permit debate on several amendments and to vote at 1:30 on those which have been debated, and then to resume debate on the remaining listed amendments after those votes, to have those votes occur as the debate on the amendment is completed.

The 1 hour is intended to provide the managers with some flexibility in the handling of the bill.

Mr. DOLE. Further reserving the right to object, I would just make a point to my colleagues, as I add up the total time, without the amount of time for rollcalls, it would be about 5 hours 50 minutes. I do not assume every one of these would need rollcalls, but say six need rollcalls; that is another hour and 30 minutes. That would get us to about 6 o'clock tomorrow evening on this bill, and then that would be followed by fast track.

I guess the question I would have under the reservation would be if we do not complete action on this, then we would be in on Friday; is that correct?

Mr. MITCHELL. That is correct. We have to take up the fast-track bill. As the distinguished Republican leader knows, there is a maximum of 20 hours of debate on that. it is my hope that there will be agreement to reduce that time significantly, and we have already, on both sides, initiated efforts in that regard, and we will resume that tomorrow morning.

Mr. DOLE. Mr. President, I have no objection, but I would like to a make a comment after the ruling.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. If the majority leader will yield further, the point I would make is, if we can reduce the time on the amendments—many of these issues have been voted on before, like last year—if we can reduce the time on either side or both sides, it would accommodate those who would like to complete the fast-track legislation by early afternoon, or at least early evening, because of other long-standing commitments on both sides of the aisle.

We will be working on our side to get reductions in the time, and I will be reporting to the majority leader maybe by 11:30 tomorrow morning.

Mr. MITCHELL. I thank my colleagues.

Mr. President, while Senators are still here, I want to make clear to every Senator who has an amendment on this list that under this agreement, because the amendments are to be taken up in the order listed—this was requested by our Republican colleagues—the agreement provides that the time on that amendment begins to run as soon as the previous amendment is disposed of; otherwise, of course, a Senator, simply by not appearing, would cause the entire Senate to cease and nothing further would happen.

So if a Senator has an amendment, that Senator and his or her staff must be alert to be certain that the Senator is here, ready to proceed with that amendment as soon as the debate on the previous amendment is completed, because the time will begin to run then. And if the Senator does not show up and the time expires, we are not going to entertain requests at that point to add that time on later.

As the distinguished Republican leader has said, the problem is going to be to try to compress this, not to expand it. So all Senators should understand it. It is plain from the language of the request, but I wanted to repeat that because this is not the usual manner in which we compile these agreements. But for this purpose, in order to accommodate the request that they be in a precise order, we will have to insist that every Senator be here.

It really ought not to be too much of an imposition on a Senator who wants to offer an amendment that he be here and offer it. But I want to call that to everyone's attention.

There are a total of 15 amendments here, some of them for relatively short periods of time. And at least prior to 1:30, there will not be votes in between. So Senators will have to be alert and be present to offer their amendments and to engage in debate on those amendments.

Mr. DOLE. If the majority leaders would yield further, I would just suggest, unless there is some objection, assuming we have four or five votes starting at 1:30, we reduce it to 10 minutes and save a little bit of time that way, and everybody could stay right here.

Mr. MITCHELL. I believe that is a very good suggestion, and will do so.

In accordance with the suggestion made by the distinguished Republican leader, I ask unanimous consent that all votes stacked at 1:30, following the first vote on the Roth amendment, be for 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Let me make clear, Mr. President, I said on the Roth amendment, but the agreement provides on or in relation to it. So with that amendment, and with respect to all others, that means there could be an up-or-down vote, or a motion to table, as we have had throughout the day, so there will be no misunderstanding on that.

Mr. President, I thank my colleagues very much. I thank the distinguished Republican leader for his cooperation. We will press forward tomorrow. Hopefully, we can complete this and the fast-track bill tomorrow at a reasonable hour.

I yield the floor.

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 2251 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes, having not, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferences.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, May 22, 1991.)

Mr. BYRD. Mr. President, the conference report accompanying H.R. 2251 provides appropriations totalling $571,738,000 in budget authority and $398,784,000 in outlays. Included in these amounts is $251,500,000 in budget authority from the defense cooperation account for emergency international disaster assistance, emergency refugee assistance, and emergency peacekeeping activities in the Persian Gulf region.

In addition, appropriations totalling $320,500,000 are to be derived from the Persian Gulf regional defense fund to cover DOD costs of Operation Provide Comfort.

All of the funds provided in the conference are within the limitations for DOD and for international affairs for fiscal year 1991 and will not break the caps nor cause a sequester.

Chapter III of H.R. 2251 contains a provision requiring the Office of Management and Budget to submit a report on domestic disaster assistance, including crop loss needs, within 10 days after enactment. The statement of the managers lists 26 Presidentially declared natural disasters since the beginning of the fiscal year for which additional financial assistance will be required.

The conference agreement also includes a new section 207 which requires that the Congress be notified before any economic support funds provided to Pakistan may be reallocated.

In addition the agreement includes a modified section 503, pertaining to burden sharing, which provides a vehicle by which Korea may make payments to the United States to be used to pay Korean nationals serving our troops in that nation.

That concludes my summary of the conference agreement. I will now yield to my friend the Senator from Oregon

[Mr. HATFIELD] for any statement he may wish to make.

Mr. HATFIELD. Mr. President, the conference agreement on H.R. 2251 is not substantially different from the bill as passed by the Senate 2 weeks ago. The conferees on behalf of the two Houses met yesterday afternoon and swiftly resolved the few differences before the conference.

The primary purpose of this measure continues to be the provision of $235,500,000 for refugee assistance, derived from foreign contributions made to support U.S. operations in the gulf war, or the interest earned on those contributions. In addition, the conference agreement provides $320,500,000 from the Persian Gulf regional defense fund for costs incurred by DOD in its refugee assistance efforts, known as Operation Provide Comfort.

The Senate conferees agreed to the House language relative to support for military relief agencies, and the House agreed to the Senate provisions on the Judiciary and the export promotion activities of the International Trade Administration. The Senate agreed to drop language concerning Public Law 480, the Agricultural Trade Development and Assistance Act of 1954. I understand that similar language was included in the Kurdish refugee assistance authorization bill.

Mr. President, I join the chairman in urging adoption of the conference report.

Mr. DOMENICI. Mr. President, I rise in support of the conference agreement accompanying H.R. 2251, a bill making supplemental appropriations for humanitarian assistance to refugees and other displaced persons and for other purposes.

I believe that the President will find this bill acceptable. The bill includes funding to provide much needed assistance to the Kurdish people in and around Iraq, and to other displaced persons in the Persian Gulf region.

As my colleagues know, this assistance will be provided through the defense cooperation account established to help finance the costs of United States military action in the Persian Gulf associated with Iraq's invasion of Kuwait some 10 months ago.

From a budgetary standpoint, I believe the conferees acted responsibly in accepting the House provision making contributions to the defense cooperation account available for the transfers authorized in the bill, rather than only the interest payments to that account.

I admit to reservations about whether it is wise to attribute interest to deposits in this type of account.

I do have one concern about the conference report language that I believe should be clarified.

My colleagues may have noticed the language in amendment No. 7 that states that the funds made available in this act as incremental costs of Operation Desert Storm are, and I quote, "off-budget."

I do not believe this is the proper way to characterize the funding made available in this bill. In a strict budgetary sense, the term "off-budget" means that certain Federal transactions are excluded from the budget totals.

I believe the intent of this language is to convey that under the bipartisan budget agreement of last October, costs associated with Operation Desert Shield/Operation Desert Storm are outside the discretionary spending caps.

This spending will be counted for purposes of the overall Federal budget. However, the enactment of this bill will not trigger a minisequester in fiscal year 1991 for exceeding the discretionary spending caps.

During last year's budget negotiations, the bipartisan leadership of the Senate and House and the White House negotiators realized that it would be difficult, if not impossible, to project the costs of Operation Desert Storm/Desert Shield.

No one felt that other Federal programs should be penalized through across-the-board spending cuts triggered by a mini-sequester as funding had to be committed to the war in the Persian Gulf.

I think that this provision of the bipartisan budget agreement makes sense. I do not object to a statement to that effect being included in this bill as did the Senate. I just do not believe that the final language accurately characterizes the treatment of these funds under the bipartisan budget agreement.

Mr. COCHRAN. Mr. President, we have before us the conference report on H.R. 2251, the dire emergency supplemental appropriations bill to provide humanitarian assistance to Iraqi refugees and other displaced persons. While I support approval of this conference report, I want to point out that there are thousands of disaster victims throughout our own country who have suffered and are suffering serious damages from severe flooding and other weather-related disasters.

As the ranking member of the Agriculture Appropriations Subcommittee, I have received numerous letters from across the Nation requesting disaster assistance for 1990 crop losses due to drought, flooding, and freeze damage. It is estimated that the farmers in Mississippi have lost nearly $100 million due to natural disasters during the 1990 growing season.

In a letter dated April 3, I requested the President to make an assessment of the losses suffered by our Nation's farmers during 1990 due to natural disasters and to make an official request for emergency funding for this purpose. Authority exists in the 1990 farm bill to fund such a disaster assistance program. In fact, in the 1990 dire emergency supplemental appropriations bill which was considered about this time last year, special assistance was provided to several States, including Louisiana, Kansas, and Nebraska for damages which occurred as a result of natural disasters.

In addition, the outlook for agricultural production in the Midsouth region of the country for 1991 looks bleak. The Midsouth is currently suffering from continued heavy rains and flooding which are causing severe damages and threatening to prevent many thousands of acres from being planted. The fishing waters are also causing the flooding of thousands of acres of catfish ponds. Mississippi's catfish industry is particularly hard hit by the rains.

During the month of April, rains were nearly 500 percent above normal in Mississippi with nearly 2 million acres flooded. As of May 19, Mississippi producers reported only 33 percent of their cotton and 27 percent of their rice acreage planted as compared to 5-year averages of over 85 percent and 92 percent, respectively. Not only are producers worried about the short-term implications, many experts believe the land will not be sufficiently dry in time for many producers to complete planting this growing season.

Mr. President, while I very much appreciate the efforts of the Secretary of Agriculture and the Office of Management and Budget to provide assistance in connection with the Emergency Disaster Loan Program, I feel that without further immediate measures, program crop producers will ultimately suffer financial losses so severe that only direct disaster assistance will be of any real value.

The administration's commitment to explore additional steps to further open the emergency loan program to farmers who have suffered significant disaster losses is appreciated. It would be beneficial if the program could be administered in such a manner that eligibility requirements are more reasonable and more conducive to being met by those who need relief.

It would be very helpful, also, if the Secretary could allow farmers to shift their crop base acreage between farms and farmers.

It is my hope that the administration will consider and assess the effects of these natural disasters in this region of the country. Many of the farmers being affected by the recent flooding also suffered devastating crop losses during the 1990 growing season. While it is appropriate that the U.S. Government extend its helping hand to the suffering people in other countries of the world, it must also assist those in this country who have suffered and are suffering substantial losses because of severe weather conditions.

Mr. BYRD. Mr. President, I ask unanimous consent that the conference report be agreed to and that the motion to reconsider the vote by which the conference report was agreed to be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The conference report was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that the amendments in disagreement numbered 2 and 7 be considered en bloc; that the Senate concur in the amendments of the House to the amendments of the Senate; and that the motions to reconsider the votes by which the motions to concur were agreed to be laid on the table en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendments in disagreement are as follows:

Resolved, That the House agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2251) entitled "An Act making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CHAPTER II

DEPARTMENT OF STATE

DEFENSE COOPERATION ACCOUNT

For a portion of the expenses associated with Operation Desert Storm and the provision of emergency assistance, pursuant to section 251(b)(2)(D)(i) of Public Law 99-177, as amended, for refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait, and for peacekeeping activities and for international disaster assistance in the region, there is appropriated from the Defense Cooperation Account, $235,500,000, to be derived from any contributions of foreign governments and/or interest payments deposited to the credit of such account, which shall be available only for transfer by the Secretary of Defense to "International Disaster Assistance", "Migration and Refugee Assistance", "United States Emergency Refugee and Migration Assistance", and "Contributions to International Peacekeeping Activities", as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

BILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL DISASTER ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "International Disaster Assistance", $67,000,000, to remain available until expended: *Provided*, That in addition to amounts otherwise available for such purposes, up to $200,000 of the funds appropriated under this heading may be made available for the purpose of paying administrative expenses of the Agency for International Development in connection with carrying out its functions under this heading.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "Migration and Refugee Assistance", $75,000,000: *Provided*, That in addition to amounts otherwise available for such purposes, up to $250,000 of the funds appropriated under this heading may be made available for the administrative expenses of the Office of Refugee Programs of the Department of State: *Provided further*, That funds made available under this heading shall remain available until September 30, 1992.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

(TRANSFER OF FUNDS)

For an additional amount for the "United States Emergency Refugee and Migration Assistance Fund", $68,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 that would limit the amount of funds that could be appropriated for this purpose.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES

(TRANSFER OF FUNDS)

For an additional amount for "Contributions to international peacekeeping activities", $25,500,000, to remain available until September 30, 1992.

GENERAL PROVISIONS—CHAPTER II

SEC. 201. The authority provided in this chapter to transfer funds from the Defense Cooperation Account is in addition to any other transfer authority contained in any other Act making appropriations for fiscal year 1991.

SEC. 202. Funds transferred or otherwise made available pursuant to this Act may be made available notwithstanding any provision of law that restricts assistance to particular countries.

SEC. 203. Funds transferred pursuant to this chapter for International Disaster Assistance and the United States Emergency Refugee and Migration Assistance Fund may be used for any of the purposes for which funds are authorized under those accounts and may also be used to replenish appropriation accounts from which assistance was provided prior to the enactment of this Act, notwithstanding any other provision of this or any other Act.

SEC. 204. Amounts obligated for fiscal year 1991 under the authority of section 492(b) of the Foreign Assistance Act of 1961 to provide international disaster assistance in connection with the Persian Gulf crisis shall not be counted against the ceiling limitation of such section.

SEC. 205. The value of any defense articles, defense services, and military education and training authorized as of April 20, 1991, to be drawn down by the President under the authority of section 506(a)(2) of the Foreign Assistance Act of 1961 shall not be counted against the ceiling limitation of such section.

SEC. 206. Funds made available under this chapter may be made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

SEC. 207. None of the funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101-513), under the heading "Economic Support Fund", that were allocated for Pakistan may be made available for assistance for another country or purpose unless notification is provided in accordance with the regular notification procedures of the Committees on Appropriations.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

are off budget.

SEC. 503. During the current fiscal year, the Secretary of Defense may accept burdensharing contributions in the form of money from the Republic of Korea for the costs of local national employees of the Department of Defense to be credited to Department of Defense operation and maintenance appropriations available for the salaries and benefits of such Korean national employees to be merged with and to be available for the same purposes and time period as those appropriations to which credited: *Provided*, That not later than October 31, 1991, the Secretary of Defense shall submit a report on the contributions accepted by the Secretary under this provision.

Mr. BYRD. Mr. President, I thank both leaders.

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening. The first rollcall vote tomorrow will occur at 1:30 p.m. Thereafter, there will be several rollcall votes at 1:30, and throughout the day thereafter.

SENATE ELECTION ETHICS ACT

Mr. MITCHELL. Mr. President, I see the Senator is prepared to proceed with his amendment.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Delaware is recognized.

AMENDMENT NO. 262 TO AMENDMENT NO. 242

(Purpose: To provide free television broadcast time for Senate candidates, and other purposes)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 262 to amendment No. 242.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike section 101.

Strike subsection (d) of section 102.

On page 43, lines 18 through 20, strike "an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act of 1971)" and insert "a legally qualified candidate".

Strike subsection (b) of section 103.

Strike section 104.

Strike section 105.

On page 47, beginning with line 17, strike all through page 50, line 3.

On page 50, line 4, strike "(b)" and insert "SEC. 304A(a)".

On page 52, line 8, strike "(c)" and insert "(b)".

On page 53, line 1, strike "(d)" and insert "(c)".

On page 54, line 6, strike "(f)" and insert "(e)".

On page 54, line 16, strike "(g)" and insert "(f)".

On page 61, strike lines 5 through 13.

On page 61, lines 16 and 17, strike "and subsection (c) or (d)".

On page 101, after line 23, add the following new title:

TITLE VI—FREE TELEVISION TIME

SEC. 601. AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934.

Secton 315(a) of the Communications Act of 1934 is amended to read as follows:

(a) ALLOWANCE OF TELEVISION BROADCAST TIME FOR CERTAIN CANDIDATES; CENSORSHIP PROHIBITION.—Each licensee operating a television broadcasting station shall make available without charge to any legally qualified candidate in the general election for the office of United States Senator an amount of broadcast time, determined by the Commission under subsection (d), for use in his or her campaign for election, subject to the conditions and limitations of subsection (e). No licensee shall have power of censorship over the material broadcast under the provisions of this section.

(b) EQUAL OPPORTUNITIES REQUIREMENT; CENSORSHIP PROHIBITION; ALLOWANCE OF STATION USE.—Except in those circumstances to which subsection (a) applies, if any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he or she shall afford equal opportunities to all other such candidates for the office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is imposed under this subsection upon any licensee to allow the use of its station by any such candidate.

(c) NEWS APPEARANCES EXCEPTION; PUBLIC INTEREST; PUBLIC ISSUES DISCUSSION OPPORTUNITIES.—Appearance by a legally qualified candidate on any—

(1) bona fide newscast;

(2) bona fide news interview;

(3) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

(4) on-the-spot coverage of bona fide events (including but not limited to political conventions and activities incidental thereto); shall not be deemed to be the use of a broadcasting station within the meaning of subsections (a) or (b). Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscast, news interviews, new documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

(d) RULES AND REGULATIONS REGARDING ALLOWANCE OF TELEVISION BROADCAST TIME FOR CERTAIN CANDIDATES.—The Commission shall, after consultation with the Federal Election Commission, determine the amount of television broadcast time that legally qualified major-party candidates for a Senate office may receive under subsection (a) on the basis of the amount of television broadcast time used by major-party candidates in the previous election for the United States Senate, provided that at a minimum such candidates be provided an amount of television broadcast time commonly used by major-party candidates in elections of comparable size. The amount of television broadcast time that each candidate is eligible to receive and the amount of such time that each licensee must make available to each eligible candidate shall be published prior to each Senate election in the Federal Register by the Commission on a date established by regulation. The broadcast time made available under subsection (a) shall be made available during the 45-day period preceding the general election for such office. The Commission shall ensure that the television broadcast time made available under subsection (a) shall be made available fairly and equitably, through licensees commonly used by candidates seeking the particular United States Senate office, and at hours of the day which reflect television viewing habits and contemporaneous campaign practices. A legally qualified candidate of a party other than a party which obtained 5% or more of the popular vote in the last Presidential election shall, by regulation of the Commission, be granted an allocation of broadcast time in proportion to the amount of contributions under $250 such a candidate has received when compared to such contributions received by candidates of the major parties, provided that such proportion exceeds 5 percent. The Commission shall require licensees operating television broadcasting stations to enter into a pooling agreement to ameliorate any disproportionate financial impact on particular licensees. For purposes of this subsection, a major party is a party which obtained more than 5 percent of the popular vote in the previous Presidential election.

(e) CONDITIONS AND LIMITATIONS.—The entitlement of any legally qualified candidate to television broadcast time under subsection (a) is conditional upon (1) signing an agreement to forego both the purchase of any additional amount of broadcast time, and the acceptance of any additional amount of television broadcast time purchased by another, during the period that such time is made available with respect to such candidacy pursuant to subsection (a) and the Commission's regulations, and (2) filing a copy of such agreement with the Commission.

(f) PENALTIES AND REMEDIES.—Any candidate who purchases or accepts purchased television broadcast time in violation of such agreement shall be subject, upon conviction, to imprisonment of up to one year or a find of up to $10,000, or both. Any licensee who sells television broadcast time to a candidate, who has filed an agreement, in excess of the time to be provided by such licensee to such candidate pursuant to subsection (a) and the Commission's regulations shall be subject to appropriate disciplinary action by the Commission, including (1) an order requiring the licensee to provide an equal amount of time to other candidates for the same office, or (2) an order revoking the licensee's license.

SEC. 602. TECHNICAL AND CONFORMING AMENDMENTS

(a) Section 315 of the Communications Act of 1934 is further amended as follows: (1) in subsection (b) by striking the phase "The charges" and inserting in lieu thereof "Except to the extent that the provisions of subsection (a) apply, the charges"; (2) by redesignating subsections (b), (c), and (d) as (f), (g), and (h) respectively; and (3) by adding "generally" and "Rules and regulations" in redesignated subsection (h).

(b) Subsection (a)(7) of section 312 of the Communications Act of 1934, as amended, is amended to read as follows: "(7) for willful or repeated failure to comply with the provisions of section 315 of this title."

(c) Subsection (8) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of contributions, is amended as follows: (1) at the end of paragraph (B) (xiii) by striking the semicolon; (2) at the end of paragraph (B)(xiv) by striking the period and inserting "; and" in lieu thereof; and (3) at the end of paragraph (B) by adding the following: "(xv) the value of any television broadcast time provided without charge by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended."

(d) Subsection (9) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of expenditures, is amended as follows: (1) by inserting after paragraph (B)(i) the following: "(ii) the provision without charge of any television broadcast time by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended;" and (2) by redesignating subsequent subparagraphs accordingly.

SEC. 603. STUDY REGARDING PRIMARY AND OTHER ELECTIONS.

The Federal Communications Commission shall study the application of section 315(a) of the Communications Act of 1934, as amended by this Act, to the first general election campaign conducted under the provisions of that section and shall report the results of that study, together with recommendations, including recommendations for legislation, not later than the first day of March following such general election. The study shall also evaluate the desirability and feasibility of extending the provisions of section 315(a) of the Communications Act of 1934 to primary and other election campaigns.

SEC. 604. EFFECTIVE DATE.

The Federal Communications Commission shall promulgate rules and regulations to implement this Act no later than 180 days after the date of enactment of this Act. Sections 601 and 602(a) of this Act shall not take effect until the first day of July following the promulgations of such rules and regulations.

Mr. ROTH. Mr. President, on May 14, I introduced legislation—S. 1062—which I believe is the key to campaign finance reform. In the past three Congresses, we have debated S. 2, then S. 137, and now S. 3. Campaign finance reform is a very complex area of law. Candidates' natural desire for some competitive edge has made it so.

But for all its complexity, the stalemate we have endured is rather simple.

The majority has argued that candidates for the Senate should be cut off from dependence on what is perceived as tainted money. The minority has responded in opposition to taxpayer financing as a source of untainted money.

Free television time for Senate candidates provided by broadcast licensees can end this impasse.

If each candidate received a block of free television time equal to what is typically spent during the 45-day period before the general election in each Senate race, the dependence on fundraising and fundraisers would drop dramatically. And the taxpayer would not be paying the bill.

Those who, on the one side, wish to limit campaign spending to sever the connection between various sources of money and the candidate, and those who, on the other side, wish to protect the taxpayer from financing campaigns, should see the political wisdom of the free TV time proposal. This proposal, while not perfect, would achieve the goals of the opposing sides. It would drastically cut dependence on fundraising without substituting taxpayer financing.

The proposal, however, has merit well beyond mere political expediency. The belief that licensees owe a duty to the public is already well established in law. This proposal merely defines that duty. It cannot be forgotten that television broadcast frequencies belong to the people of the United States who have given them freely to licensees for the purpose of making money by selling what has been given.

It does not strike this Senator as inappropriate to recapture a little of what is ours in order to create a more perfect form of government.

I recognize full well that there are Members of this body who will oppose this proposal because it deprives licensees of revenue or because it affects the exercise of first amendment rights.

I respect their point of view but disagree. The revenue loss is a small price to pay for what is a governmentally bestowed lucrative right. Lest any single licensee be unduly impacted, my proposal calls for a pooling arrangement under the auspices of the FCC so that the burdens of the proposal are equally borne by all licensed television broadcasters.

As for first amendment arguments, it is important to bear in mind that the broadcast media have been compelled to grant access to their channels of communication against their will before. In 1969, the Supreme Court found that the broadcast media could so be compelled, unlike other media, because of the scarcity of broadcast frequencies, the use of which is licensed.

While some commentators suggest that times have changed and eroded this Supreme Court rationale, the testimony of the National Association of Broadcasters this year before the Rules Committee on S. 3 makes clear that advertising space in television broadcasting is so scarce that space must be auctioned off to the highest bidder.

I understand that the television broadcasters support the compulsory discounted broadcast time provided in section 103 of S. 3 and the Boren substitute. The only difference between my proposal and section 103 is one of price. That is not a constitutionally significant difference. Were price significant, the Dodd amendment banning honoraria would be unconstitutional. The $2,000 limit on honoraria in current law would be unconstitutional. If such arguments were plausible, I believe we would have heard them before today.

Mr. President, the impact of a free television time proposal in political campaigns would be revolutionary. Of all the campaign reforms before this body, it is the most dramatic.

In Senate elections, television advertising costs consume the majority of a candidates's budget. Such costs constitute the fastest growing item in that budget. If these costs were significantly curtailed, the budget of each candidate would be dwarfed.

But in order for the proposal to achieve any reduction in expenditures, it is necessary to require that each candidate accepting free time, not be able to obtain additional time during the 45-day period before the general election. Otherwise, free time would only mean more time with no impact on campaign costs and no impact on reducing the dependence on fundraising.

Thus my proposal imposes a spending limit of zero for television broadcast time during the 45-day period. That means that major party candidates in a given election, if they accept the free time, will be treated equally. And what that means is that every Senate election will be competitive. Every major party challenger will have equal television time. Free. Yes, free, simply for agreeing not to obtain additional time.

If my proposal were adopted in both Houses for both Houses, elections would become so competitive that efforts to so amend the Constitution to limit Members' terms would become a distant memory. There would no longer be any real need to so amend the Constitution if challengers had the opportunity to present their case on television.

In my opinion, the single most important factor in making a campaign competitive is not the amount spent but whether the challenger has had an opportunity to state his or her case to the electorate. Term limitations limit the choice of the people in choosing their elected representatives in Congress; my proposal, in contrast, creates a choice.

Mr. President, for those who may not be familiar with S. 1062, permit me to explain how my proposal works. It would require television broadcast stations to make available, without charge, an amount of television time sufficient to allow incumbents and challengers seeking Federal office to make their case to the electorate in the 45-day period preceding the general election.

Free television time would be made available on the condition that the candidate forego both the purchase of time on his own and the acceptance of additional time purchased by any other person during this 45-day period. The proposal does not apply to radio broadcasts or to cable transmissions—only to television broadcasts.

The 45-day period was chosen to clear primary elections which, in some States, occur in September. The proposal does not apply to primary elections, but a study is required to report on the feasibility of such coverage.

How much time would the proposal provide? While no fixed amount is set forth in the legislation, it is intended to be ample. The FCC, the agency with jurisdiction over the airwaves, is directed to consult with the Federal Election Commission and then determine how much time would be allocated for each race taking into account the amount of television broadcast time previously used by candidates for the Senate in that State, provided that the time made available be as much as is commonly used by major party candidates in elections of comparable size.

The proviso is intended to deal with precedents involving uncontested or virtually uncontested Senate elections in which use of television broadcast time was not altogether necessary. It is my intention that the amount of television broadcast time be substantial, the equivalent of the current use of television broadcast time in a contested election. It should be so ample as to induce each and every candidate to accept the offer and its terms.

What kind of time will it be? Basically prime time. The FCC is directed to ensure that the television time provided be at hours of the day that people are watching. A television broadcast station could not fulfill the mandate by providing time after midnight or on Saturday mornings during cartoons.

Will some stations not bear a disproportionate share of the burden? As I said before, in case that should happen, as it might, the FCC is authorized to direct television broadcasters to pool resources so as to ameliorate any disproportionate financial impact on a particular broadcaster.

How are third parties treated under the proposal? Candidates who are not nominees of the major parties are entitled to proportionately less time, as measured by the level of their small contributions compared to the corresponding levels for the major party candidates. There have been occasions when third party candidates for the Senate have, in fact, won. So third parties must be accommodated for both practical and constitutional reasons. My proposal would allow the FCC to use the level of small contributions as a measure of third-party entitlement to television broadcast time.

Mr. President, I hope that my colleagues on both sides of the aisle will give this proposal serious consideration. The vote on the McConnell amendment has informed us that S. 3—in its present form—will not become law. The President has the votes to sustain his veto of legislation containing spending limits and taxpayer financing. Our responsibility to the American people requires us to try new approaches to resolve this impasse. Do we want a solution or do we want an issue? Do Democrats prefer to cast Republicans as reluctant reformers? Do Republicans prefer to characterize Democrats as creating food stamps for Senators? Does the Senate want reform? This is the third Congress in a row where we are going through the motions without hope of success. We need a new approach.

Unlike the McConnell amendment to strike spending limits and taxpayer financing, my amendment would put a reform in its place. Free television broadcast time for Senate candidates would limit spending on the most costly item in a campaign budget but without taxpayer financing. It would limit spending on campaigns without limiting the political participation of any individual in a campaign. It would accomplish the objective of taxpayer financing—eliminating dependence on tainted money—without imposing any burdens on taxpayers.

I recognize that after so many years of debate which has only served to harden positions, it is difficult to give fresh proposals fair condition. But I continue to hope that we might disenthrall ourselves from our former positions so that we might think anew, and act anew.

Mr. President, I ask unanimous consent that there be printed in RECORD an editorial from Roll Call.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Roll Call, May 20, 1991]

FREE TV TIME, NOW

The Senate is at last facing up to the question of how to pay for "public" financing of campaign costs. It's clear that getting the public itself to pick up the tab is not going to work politically—nor should it. Oklahoma Democratic Sen. David Boren's notion of finding the money by ending tax deductions for corporate lobbying activity is at least a crack at a solution, but it's manifestly unfair. The federal government's activities currently affect, in a severe way, the profit and loss statements of every US corporation. It seems to us that spending money to try to affect government decisions constitutes a perfectly legitimate (and, therefore, deductible) business expense in such an environment. When the government stops making decisions that drastically affect business, then lobbying expenses can be made non-deductible.

We've said before that the way to make Hill races more competitive is to provide candidates with a threshhold level of funding (perhaps $100,000 to $200,000 in House races) by giving them free time to broadcast TV and radio spots. And who will foot the bill for that "free" time? The broadcasters themselves. Sen. William Roth (R-Del) has an interesting wrinkle on this idea—give candidates free time but don't allow them to buy any more. As he said on the Senate floor Tuesday, "By cutting the largest cost of a campaign for a candidate in return for a commitment not to purchase or accept additional television time, my proposal includes within it a limit on spending regarding the single most significant budget item in any campaign I believe that my proposal might serve as a possible compromise between the parties, should they so desire." Here is a spending limit that Republicans may be able to live with.

The Senate is currently debating S. 3, the Boren campaign reform bill. That bill, while it means well, contains some noxious provisions, such as prohibiting PAC donations. And its chances of becoming law are virtually nil; the President will not accept spending limits or public financing, and the Boren bill has both. But perhaps Roth has come up with the answer in his legislation, S. 1062. We urge the Senate to consider seriously self-limiting free TV time. And let the broadcasters, whose federal licenses are actually licenses of print money, do their patriotic duty.

Mr. BOREN. Mr. President, how much time remains to each side on this amendment?

The PRESIDING OFFICER. The Senator from Delaware has 5 minutes 50 seconds. The Senator from Oklahoma has 20 minutes.

Mr. BOREN. Mr. President, I thank the Chair. I yield myself 5 minutes.

Mr. President, I will not take much time tonight. The hour is late, and I will not prolong debate on this side. It is my intention to yield the remaining time on this side at the conclusion of my remarks.

First of all, I want to thank the Senator from Delaware for his contribution to this debate. The Senator from Delaware and I have had the privilege of working together over a long period of time and particularly it was a privilege for me to have the opportunity to work with him when he was a member of the Intelligence Committee. He has been one of our most diligent Members and he always contributes very serious and worthwhile thoughts to any debate in which he participates.

He has done so again tonight in terms of the discussion which we have just heard about the responsibility of broadcasters to provide time to allow for there to be a meaningful debate between the candidates on the issues of the day. I commend him for his contribution tonight.

I have to say in all candor, however, that I do think that there are some problems with this amendment which would cause us to be best advised not to add it to this bill at this time. I will, as we move forward in the process, if this amendment is not adopted, continue to work with the Senator from Delaware to see if there are ways in which we can incorporate some of the ideas which he has expressed tonight into the final legislation.

I think there are certain problems with it. As Members will recognize, in our bill we do provide for a 50-percent discount for those candidates who accept voluntary spending limits. I think it is extremely important that as we deal with this question of campaign finance reform, that we get to the real problem. And the real problem is too much money coming into campaigns.

My fear is that unless we have some system of limits, even if we reduce the cost in one area, as we would be reducing the broadcast costs under the proposal of the Senator from Delaware, we will have additional kinds of spending that will mushroom in other areas. Direct mail costs and other kinds of costs will mushroom, and we will continue to have this upward spiral of campaign spending that will cause Members to go out, seek contributions from special interest groups, run around the country raising money instead of spending their time and attention working to solve the problems that the country faces.

So I believe it is always an incomplete proposal if it is one which does not include some system of overall spending limits so that we will simply not have the money and the money chase pop up in some new area of financing and some new area of expenditure, as opposed to where the money has gone in the past. Reluctantly, I must conclude that this amendment is imperfect because it does not strike at the very heart of the matter that we are debating; that is, to get this runaway spending under control so we can get the runaway fundraising under control, that fundraising which really casts a cloud over this institution because it always raises a question in the mind of the public as to whether or not we owe special obligations to those who are financing our campaigns.

It becomes a more serious doubt about the integrity of this institution and the political process when some of those making contributions turn out to have characters and reputations which are not the best. It is impossible for every Member who receives a campaign contribution to run a background check. We are not the CIA; we are not the FBI. We do not have the capability of operating in that manner. So we always subject ourselves to those risks.

I also question whether or not it would be fair to put the entire burden on the broadcast industry. As I said, we call for a 50-percent discount, which would be a substantial contribution from the broadcast industry, to put an additional burden on this particular segment. I think it is fair to ask broadcasters to make a contribution to this process. They have a certain right to use the airwaves. To ask them to contribute to the process in a reasonable way, to make a contribution, I think is fair.

The other ways in which broadcasters are already required to provide certain public services is in terms of license renewal. I think we still have to think about the fact that these institutions must operate to make a profit to stay in business. They are not nonprofit institutions and, therefore, I think we have to think about what is fair in terms of what we ask them to do.

Finally, if we are going to have a system of spending limits, we need to have incentives for candidates to accept those voluntary spending limits. And by providing free time to all candidates as opposed to just providing it to those candidates who accept voluntary spending limits, as we do in our bill by only allowing 50 percent broadcast time to those who accept the voluntary spending limits; but providing this is an incentive for the acceptance of limits, we lose, in effect, by not having this as an incentive. By providing it to all candidates, not just those who accept spending limits, we lose an important incentive which is an important building block toward a package of comprehensive reform.

So I must reluctantly oppose the amendment of the Senator from Delaware. While I feel compelled to take this position and because I honestly do not believe that it fits into the pattern of total reform as we need it in this country, at the same time I want to thank my colleague again for the contribution which he has made. As he has said, we must keep an open mind. We must be ready to look at new proposals and consider new ideas. And as always, whether it is economic policy or whether it is national security policy, the Senator from Delaware continues to make that kind of contribution. I thank him for it, and I want to assure him, whatever the outcome on this amendment, if my reasoning prevails, as I hope it will on the vote tomorrow that does not mean I will close my mind to many of the questions and many of the proposals and many of the ideas that he raised tonight, that we will continue to recall those as we go into a process, hopefully after passage of a bill by the House of Representatives, of working with the House and, indeed, working with the administration to see if we can fashion a final product that will become law. I want to assure the Senator from Delaware that the ideas we have heard from him tonight and on other occasions will certainly be given due consideration.

Mr. President, I am prepared to yield back the remainder of the time on this side on this particular amendment and do yield it back at this time.

The PRESIDING OFFICER. The Senator from Oklahoma has yielded back the remainder of his time. Does the Senator from Delaware seek recognition?

Mr. ROTH. Mr. President, I shall be very brief. I too want to pay my warm respects to the distinguished Senator from Oklahoma. As he said, it has been our good fortune to work together on many important matters, and I know how strongly he feels in this area of campaign reform.

Having said that, I hope he will carefully review this proposal, which I know is relatively new in concept, although I have to admit I once proposed it some 20 years ago.

I think it is important to answer just two or three points that the Senator did make.

First of all, I want to point out that my amendment does retain the discounted TV time for legally qualified candidates for use outside of the 45 day period, so we do not change that.

And of course the purpose of the spending limitation is to minimize, or eliminate, the dependence on so-called tainted money. By providing free time, of course, we take away one of the great demands for contributions. So we are trying to deal with it in an indirect manner.

What I would like to suggest to my distinguished colleague, I think it is safe to say that this legislation, if it continues to contain spending limitations and the dependence upon taxpayer money, it will not become law, so that I hope—as I say I think that is a fair conclusion, but in any event I hope my distinguished colleague will study my proposition so that as we continue along this road of reform this proposition would receive his support.

I should point out that the licensees who obtain the right to TV broadcasting stations obtain a very valuable right. It seems to me we are asking them to pay a very small price for that kind of a franchise; the obtaining of a franchise, indeed, makes one a wealthy person.

In any event, I appreciate the kind remarks of the Senator from Oklahoma. Tomorrow I do hope we can succeed in having this amendment adopted. At that time I intend to ask for the yeas and nays.

I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the vote will be held over until tomorrow at 1:30.

Mr. BOREN. Mr. President, I believe we can now proceed to conclude some final business.

MORNING BUSINESS

Mr. BOREN. I ask unanimous consent there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

VISITS OF PRESIDENT VASSILIOU OF CYPRUS AND OF GREEK PARLIAMENTARIANS UNDERSCORE NEED TO FIND JUST SOLUTION TO CYPRUS ISSUE

Mr. PELL. Mr. President, I would like to bring to the attention of my colleagues two important visits that are occurring this week in Washington: The visit of His Excellency George Vassiliou, President of the Republic of Cyprus, and the visit of the President of the Greek Parliament, Mr. Tsaldaris, and other Greek parliamentarians.

President Vassiliou will visit the United States to continue his tireless quest for a just peace on Cyprus. In the aftermath of the gulf war, the parallel between the aggression of Iraq against Kuwait and that of Turkey against Cyprus in 1974 must not be forgotten. A just solution to the Cyprus problem, in accord with the U.N. resolutions dating back to 1974, must be one of the primary objectives of the international efforts to resolve the problem of the region as a whole. I and many of my colleagues in the Senate have long sought to elevate Cyprus on the administration's agenda, and I am pleased that President Bush is scheduled to meet with President Vassiliou on May 30.

President Vassiliou will also travel to New York to meet with the U.N. Secretary-General regarding Cyprus. Mr. President, the prestige of the United Nations has been enhanced enormously by its strong and concerted course of action against Iraq. The same forcefulness, and the same United States leadership should be exhibited on the Cyprus question. Every permanent member of the U.N. Security Council—France, the United States, the Soviet Union, Great Britain, and China—has recently reaffirmed the need to find a solution to the Cyprus problem based on U.N. resolutions. The only solution to the Cyprus issue is a just solution, and I am committed to assuring that a just solution is pressed now.

Mr. Tsaldaris' trip comes on the heels of the renewal of our military base agreements with Greece. During the gulf war, Greece made significant contributions to the allied effort by allowing the use of its bases in Crete and by enabling Greek territory to be used for surveillance and refueling purposes. I believe that the delegation's visit serves as a reminder of our close ties with Greece—the very birthplace of democracy—and of the importance of maintaining our longstanding policy of a 10-to-7 ratio of military aid to Turkey and Greece.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,258th day that Terry Anderson has been held captive in Lebanon.

ADDITIONAL FINANCIAL MATERIAL

Mr. LEAHY. Mr. President, my Senate public financial disclosure report is on file with the Secretary of the Senate's Office of Public Records. I am adding additional material relating to my net worth beyond what is required by the U.S. Senate.

Senate salary (Deferred compensation Thrift Savings Plan, $4,464.00)	$93,194
Additional income (Timber sales, speaking fees, interest, et cetera, as reported on Senate public financial disclosure report)	37,642
Total income	130,836
Taxes paid	43,951
Charitable contributions	3,905
Speaking fees designated to charity	2,000
Total charities	5,905
Equity in Vermont residence	107,349
Equity in Washington, DC residence	332,597
Value of personal property (cars, furniture, books, savings accounts, et cetera)	42,000

EXECUTIVE CALENDAR

Mr. BOREN. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the nomination reported today by the Committee on Labor and Human Resources, and the two nominations reported today by the Committee on Agriculture, Nutrition, and Forestry. I further ask unanimous consent that the nominees be confirmed; that any statements appear in the RECORD as if read en bloc; that the motions to reconsider be laid on the table en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

David T. Kearns, to be Deputy Secretary of Education;

Sheila C. Bair, to be a Commissioner of the Commodity Futures Trading Commission; and

Joseph B. Dial, to be a Commissioner of the Commodity Futures Trading Commission.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

NATIONAL LAND TRUST APPRECIATION DAY

Mr. BOREN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 133, submitted earlier today by Senator KERRY regarding land trust appreciation.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S.Res. 133) to designate May 21, 1991 as National Land Trust Appreciation Day," and to recognize the 100th anniversary of the establishment of the trustees of reservations.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 133) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 133

Whereas the creation of the world's first land trust in 1891 served as a catalyst for the promotion and establishment of 743 land trusts in 45 States;

Whereas land trusts across the United States protect, preserve, and maintain an aggregate of nearly 2 million acres of land;

Whereas the primary purpose of a land trust is to own and manage exceptionally scenic, historic, or ecologically valued tracts of land for the use and enjoyment of the public;

Whereas a number of land trusts across the United States also maintain the scenic and natural features of privately owned land through the enforcement of conservation restrictions;

Whereas The Trustees of Reservations, founded in 1891 by the State of Massachusetts, became the world's first land trust and inaugurated the land trust movement nationwide;

Whereas the land trust movement initiated by The Trustees of Reservations actively promotes the preservation of the natural and historic landscape for future generations: Now, therefore, be it

Resolved, That May 21, 1991, is designated "National Land Trust Appreciation Day", and the 100th anniversary of The Trustees of Reservations is recognized.

Mr. BOREN. I move to reconsider the vote.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEVENTY-FIFTH ANNIVERSARY OF CHARTERING BY ACT OF CONGRESS OF THE BOY SCOUTS OF AMERICA

YEAR OF PUBLIC HEALTH

Mr. BOREN. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged en bloc from further consideration of Senate Joint Resolution 111 and Senate Joint Resolution 49; that the Senate then proceed to their immediate consideration en bloc; that the joint resolutions be deemed read a third time and passed; the motion to reconsider be laid upon the table; and that the preambles be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolutions (S.J. Res. 111 and S.J. Res. 4a) were considered, deemed to be read a third time, and passed.

The preambles were agreed to.

The joint resolutions, with their preambles, are as follows:

S.J. RES. 111

Whereas June 15, 1991, will mark the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America;

Whereas the Boy Scouts of America was the first youth organization to be granted a charter by Act of Congress;

Whereas the Congress has been kept informed of the programs and activities of the Boy Scouts of America through the annual reports made to it each year by this organization in accordance with such charter;

Whereas these programs and activities have been designed to instill in the Nation's youth the moral and ethical principles, and the habits, practices and attitudes, which are conducive to good character, citizenship, and health; and

Whereas by fostering in the youth of the Nation those qualities upon which our strength as a Nation is dependent, the Boy Scouts of America has made a contribution of inestimable value to the welfare of the entire Nation: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby pays tribute to the Boy Scouts of America on the occasion of the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America, and expresses its recognition of and appreciation for the public service performed by this organization through its contributions to the lives of the Nation's youth.

S.J. RES. 49

Whereas global trends, including population growth, evolution of complex new viruses, environmental degradation, escalated substance abuse, and the enormous costs in dollars and quality of life caused by not preventing disease and its consequences, have greatly increased the need for public health solutions;

Whereas 40,000 children die throughout the world every day from diseases which are preventable by extended public health initiatives;

Whereas public health campaigns, which educate people to prevent diseases, promote health, and which extend resources and services to all segments of society, can provide the simplest, most cost-effective, and comprehensive solution to the Nation's health problems;

Whereas new technologies, shared international research, and modern communication abilities have maximized the potential for a national and global public health campaign;

Whereas the Johns Hopkins University School of Public Health was the first school of public health in the Nation and is the largest in the world integrating research, training and community service and serving as the prototype for other institutions around the world; and

Whereas from April, 1991 through April, 1992 the Johns Hopkins University will be celebrating the founding of the School of Public Health and will be launching a major public awareness campaign: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1991 is designated as the "Year of Public Health", and the 75th anniversary of Johns Hopkins University School of Public Health is recognized. The President is authorized and requested to issue a proclamation acknowledging the importance and contributions of the Johns Hopkins University School of Public Health.

DESERT STORM CELEBRATION

Mr. BOREN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 88, S. 929, regarding the use of certain public lands for a Desert Storm celebration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 929) to authorize the Secretary of the Interior and the Secretary of Agriculture to undertake interpretive and other programs on public lands and lands withdrawn from the public domain under their jurisdiction, and for other purposes.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 929

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in appreciation of the sacrifices made by all members of the Armed Forces of the United States, and in recognition of their contributions to the efforts of the United Nation's sanctioned coalition forces to suppress tyranny and to engender peace among the nations of the world, and notwithstanding any provision of law, the Secretaries of the Interior and Agriculture shall, where appropriate, celebrate the victory and safe return of our servicemen and women from Operation Desert Storm through appropriate activities and programs on lands under their jurisdiction (including units of the National Park System and other congressionally designated areas) during the weekend beginning on June 7, 1991 and ending at midnight on June 9, 1991.

Mr. BOREN. I move to reconsider the vote.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR STAR/PRINT—S. 880 AND S. 881

Mr. BOREN. Mr. President, I ask unanimous consent that S. 880 and S. 881 be star printed to reflect the changes I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURES INDEFINITELY POSTPONED

Mr. BOREN. Mr. President, I ask unanimous consent that Calendar Nos. 60 and 66 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAKING CERTAIN APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS

Mr. BOREN. I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 134 now at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 134) to make a majority party appointment to the Select Committee on Ethics.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 134) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 134

Resolved, That the Senator from New Mexico (Mr. BINGAMAN) be appointed to serve as a member of the Select Committee on Ethics vice the Senator from Arkansas (Mr. PRYOR).

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. BOREN. Mr. President, I now ask unanimous consent that my distinguished colleague, Senator GORTON, be recognized to address the Senate, and that at the conclusion of his remarks, the Senate stand in recess as under the order until 9 a.m., Thursday, May 23.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEMOCRATIC CIVIL RIGHTS PROPOSAL

Mr. GORTON. Mr. President, on the front page of Monday's New York Times blazed the headline, "Democrats Intend To Outlaw Quotas in Civil Rights Bill." I, for one, am delighted with that turn of events. All along, I have been highly critical of any legislation that would result in quotas, or put conscious consideration of race back into Federal law.

But how will the Democrats reach that goal? Apparently not by changing the legal substance of their bill, but rather by merely including a provision that says quotas are illegal. Voila. The problem is solved.

That reminds me of the Chinese expression, "Changing bottles without changing medicine." (Huan Tang, Bu Huan Yao). It describes changes in form but not substance; inconsequential changes.

Mr. President, we have seen it all before. The majority party played the same game last year with a spectacular lack of success. Instead of changing the substance of the legislation, they merely tried a band-aid approach by including a statement that the legislation did not require hiring or promotion quotas.

One strategist interviewed by the New York Times stated that by including a provision outlawing quotas, Democrats could maintain that they voted to prohibit quotas, and Republicans could be attacked as voting for quotas. Nonsense.

Mr. President, I give the American public far more credit than that. They were not fooled then and they will not be fooled now. Mere cosmetic changes will accomplish nothing. Try as they may, the Democrats cannot fool the American public by simply calling a donkey a horse.

With 12 years as the Attorney General of Washington behind me, I have carefully examined the Democratic proposals and the Supreme Court cases they have sought to modify. If any of those proposals become law, the only way a prudent employer will be able to avoid endless and successful litigation aimed at its living practices will be to hire and promote strictly according to the numbers, that is, to adopt quotas.

The Democratic proposals will require employers to hire so that their workforces reflect the ethnic makeup of the community in which the business is located. Anyone can say—indeed the language of the bill can provide—"This is not a quota bill." But the true test is the substance of the bill.

If you allow or encourage disgruntled potential employees to sue businesses when the workforce does not reflect the ethnic mix of the community, employers will make hiring decisions based upon race or gender. Their workforces will have to have so many of type A and so many of type B, or they will be sued and lose. Apologists can call this system anything they like, but Americans of all races understand that such a system means quotas.

It is my vision of civil rights—and that of most Amercians—that Congress should take racial considerations out of the law, not put them back in. The Congress that can write laws to discriminate in favor of one race today also can write laws to discriminate in favor of another tomorrow. One fundamental concept—the concept that the law should be colorblind and that all Americans should be judged based upon their talents and not upon their skin color—is what drove Americans of all colors to support the civil rights movement in the 1960's. At that time, civil rights advocates tried to take racial considerations out of the law, but today their argument is precisely to the contrary.

Today most Americans oppose the so-called civil rights legislation of the Democrats because it seeks to put racial considerations back into the law. Most Americans, including this Senator, believe that is wrong. It is fundamentally un-American to base hiring decisions on factors beyond ability.

For this reason, I support strong penalties for any business which intentionally discriminates against any individual based on race. If blacks, Asians, Hispanics, or women are denied jobs and economic opportunities because of their race or sex, that is wrong and the offending business should be sanctioned. That behavior also is un-American and the law cannot be allowed to tolerate discrimination based on race.

Moreover, Mr. President, the Democrats' latest proposal presents businesses with a classic Hobson's choice: If hiring does not approximate the labor pool at large, they will be sued and lose. If, on the other hand, hiring too closely approximates the labor pool at large, they also will be sued and lose. In short, they are damned if they do and they are damned if they do not.

Political cover for Democrats will come at the expense of honest employment judgments. Their proposal is a denial of civil rights, not their affirmation.

The Democrats seek to solve their political problem by calling a donkey a horse. It is still a donkey.

AMERICA 2000 EXCELLENCE IN EDUCATION ACT—MESSAGE FROM THE PRESIDENT—PM-50

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the "AMERICA 2000 Excellence in Education Act," a bill to help America attain the National Education Goals by the year 2000. I believe that a bold and comprehensive effort, involving all sectors of our society, is needed if we are to implement real educational reforms and reach the National Education Goals by the year 2000. The "AMERICA 2000 Excellence in Education Act" would authorize specific legislative initiatives designed to support such an effort.

Eight years ago, the National Commission on Excellence in Education reported to the Nation that our schools were failing. Since that time, States and localities have enacted a number of school reforms, but these actions have been too slow and too timid. The strategy that I announced on April 18 responds to our need for bold action. It would bring together elected officials, business people, educators, parents, social service providers, civic and religious groups, and, to the greatest extent possible, every American in every community in a crusade to transform our educational system.

AMERICA 2000 is more than just a Federal effort; it is truly a national strategy. Only through a national effort, in which all sectors of society join, will we be able to attain our goals. Further, AMERICA 2000 is not just a program or a set of programs; rather, it is a national crusade. The legislative proposals included in this bill are just components, albeit very important components of a strategy most of which would take place outside the Federal Government.

The "AMERICA 2000 Excellence in Education Act" includes the following specific legislative initiatives aimed at fulfilling the principles described below:

—The *New American Schools* program would provide seed money for the start-up of "break-the-mold" schools. These schools would: (1) employ the best that is known about teaching and learning; (2) make use, as appropriate, of the latest technologies; and (3) be tailored to meet the needs and characteristics of individual communities. At least one school would be established in each U.S. Congressional District in communities designated as "AMERICA 2000 Communities."

—The *Merit Schools* program would reward schools that make notable progess toward achievement of the National Education Goals, particularly the goal of ensuring that all students leave grades four, eight, and twelve having demonstrated competence in the core academic subjects. At least 20 percent of each State's funding would be used for awards to schools that have made outstanding progress in mathematics and science education. This program would provide a powerful incentive for all schools to improve their educational performance.

—Attainment of the National Education Goals will depend heavily on the preparation and performance of teachers, principals, and other school leaders. Therefore, three initiatives focus on providing seed money for the training of teachers and school leaders and for the development of alternative teacher and principal certification programs in the States.

—*Governors' Academies for Teachers* would be established in each State. These academies would provide experienced teachers with opportunities for renewal and enhancement of their knowledge and teaching skills in the core academic disciplines of English, mathematics, science, history, and geography. Separate funding would be used by the academies to reward and recognize outstanding teachers of the core subjects.

—*Governors' Academies for School Leaders* would operate in each State to provide current and prospective principals and other school leaders with training in instructional leadership, school-based management, school reform strategies, and other skills necessary for effective educational administration.

—The *Alternative Certification of Teachers and Principals* program would assist States interested in broadening the pool of talent from which to recruit teachers and principals. Funds would assist States to develop and implement, or expand and improve, flexible certification systems. Through these alternative certification systems, talented professionals, and others who have demonstrated subject matter competence or leadership in fields outside of education could become teachers or principals.

—The *Educational Reform through Flexibility and Accountability* part of the legislation would authorize projects that would improve student outcomes through increased flexibility in using Federal, State, and local categorical funds and services to achieve specific goals.

—The bill would also improve the *Chapter 2* State grant program by requiring that more funds be reserved at the State level, where more significant educational reform activities can be implemented. The bill would also authorize the use of those funds to support enhancement of parental choice.

—Educational choice is one of the most important tools that communities can embrace in their pursuit of educational improvement. Three components of the "AMERICA 2000 Excellence in Education Act" address the need for encouraging and testing different methods for enhancing educational choice.

—The bill would amend the *Chapter 1* Compensatory Education program to support decisions by parents making educational choices for their children. As amended, the statute would provide that Chapter 1 services follow the child participating in Chapter 1 to the public or private school that the child chooses to attend. The child's local school system would arrange for Chapter 1 services to "follow the child" or, if the school system decides that approach is not feasible or efficient, it would provide the child's parents with a cash grant that would enable them to purchase compensatory education services for their children.

—The *Assistance for Parental Choice* initiative would provide payments to local educational agencies that have implemented programs in which parents are premitted, and given sufficient financial incentives, to select among a variety of public and private educational programs.

—*Educational Choice Programs of National Significance* would make grants to demonstrate and evaluate approaches that show potential for expanding educational choice.

—To assist in measuring progress toward the National Education Goals, the bill would make important changes to the authority for the *National Assessment of Educational Progress*. The bill would authorize the collection of State-representative data on English, mathematics, science, history, and geography in grades four, eight, and twelve beginning in 1994. The legislation would also permit the use of National Assessment tests at district and school levels by States that wish to do so.

—Because Americans need to know how much time their children should spend learning and how that time should be used, the bill would authorize creation of a *National Commission on Time, Study, Learning, and Teaching*.

—In support of the National Education Goal that every adult American be literate by the year 2000, the bill would authorize establishment of *Regional Literacy Resource Centers*. These centers would provide technical assistance to, and enhance coordination among, State and local providers of literacy services.

I urge the Congress to take prompt and favorable action on this legislation. Taken together, these initiatives, coupled with the rest of the AMERICA 2000 strategy, would spur the actions that are necessary for this country to attain the National Education Goals by the year 2000.

GEORGE BUSH.

THE WHITE HOUSE, *May 22, 1991*.

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he has approved and signed the following bills and joint resolutions:

On March 1, 1991:

S.J. Res. 76. Joint resolution commending the Peace Corps and the current and former Peace Corps volunteers on the thirtieth anniversary of the establishment of the Peace Corps.

On March 5, 1991:

S.J. Res. 51. Joint resolution to designate the week beginning March 4, 1991, as "Federal Employees Recognition Week".

On March 8, 1991:

S.J. Res. 55. Joint resolution commemorating two hundredth anniversary of the United States-Portuguese diplomatic relations.

On March 11, 1991:

S.J. Res. 58. Joint resolution to designate March 4, 1991, as "Vermont Bicentennial Day".

On March 12, 1991:

S. 379. An act to make certain technical amendments to the National and Community Service Act, and for other purposes.

S.J. Res. 84. Joint resolution disapproving the action of the District of Columbia Council in approving the Schedule of Heights Amendment Act of 1990.

On March 23, 1991:

S. 419. An act to amend the Federal Home Loan Bank Act to enable the Resolution Trust Corporation to meet its obligations to depositors and others by the least expensive means.

On March 25, 1991:

S.J. Res. 59. Joint resolution designating March 25, 1991, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy".

On March 28, 1991:

S.J. Res. 53. Joint resolution to designate April 9, 1991 and April 9, 1992, as "National Former Prisoner of War Recognition Day".

S.J. Res. 83. Joint resolution entitled "National Day of Prayer and Thanksgiving".

On April 6, 1991:

S. 725. An act entitled the "Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991".

On April 23, 1991:

S. 534. An act to authorize the President to award a gold medal on behalf of the Congress to General H. Norman Schwarzkopf, and to provide for the production of bronze duplicates of such medal for sale to the public.

S. 565. An act to authorize the President to award a gold medal on behalf of the Congress to General Colin L. Powell, and to provide for the production of bronze duplicates of such medal for sale to the public.

S.J. Res. 119. Joint resolution to designate April 22, 1991, as "Earth Day" to promote the preservation of the global environment.

On April 24, 1991:

S.J. Res. 16. Joint resolution designating the Week of April 21–27, 1991, as "National Crime Victims' Rights Week".

On April 26, 1991:

S.J. Res. 64. Joint resolution to authorize the President to proclaim the last Friday of April 1991, as "National Arbor Day".

On May 3, 1991:

S.J. Res. 98. Joint resolution to express appreciation for the benefit brought to the Nation by Amtrak during its twenty years of existence.

S.J. Res. 102. Joint resolution designating the second week in May 1991 as "National Tourism Week".

On May 17, 1991:

S. 258. An act to correct an error in the Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990.

On May 21, 1991:

S.J. Res. 134. Joint resolution designating May 22, 1991, as "National Desert Storm Reservists Day".

On May 22, 1991:

S.J. Res. 127. Joint resolution to designate the month of May 1991, as "National Huntington's Disease Awareness Month".

MESSAGES FROM THE HOUSE

At 6:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the concurrent resolution (H. Con. Res. 121) revising the congressional budget for the U.S. Government for the fiscal year 1991 and setting forth the congressional budget for the U.S. Government for the fiscal years 1992, 1993, 1994, 1995, and 1996.

At 6:41 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2251) making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes; it recedes from its disagreement to the amendment of the Senate numbered 3 to the bill, and agrees thereto; and it recedes from its disagreement to the amendments of the Senate numbered 2 and 7 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

Special Report entitled "Report on the Activities of the Committee on Commerce, Science, and Transportation" (Report. No. 102–61).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Linda Allison, of Texas, to be a Member of the National Council on Disability for a term expiring September 17, 1993;

John A. Gannon, of Ohio, to be a member of the National Council on Disability for a term expiring September 17, 1992;

Robert W. Naylor, of California, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of four years;

Kay W. Riddle, of Colorado, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 1995; and

David T. Kearns, of Connecticut, to be Deputy Secretary of Education.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. KENNEDY. Mr. President, for the Committee on Labor and Human Resources, I also report favorably nomination lists in the Public Health Service which were printed in full in the CONGRESSIONAL RECORD of April 11, 1991, and ask, to save the cost of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry:

Shiela C. Bair, of Kansas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1994; and

Joseph B. Dial, of Texas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring June 19, 1996.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER:

S. 1122. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the purchase of long-term care insurance, and for other purposes; to the Committee on Finance.

By Mr. HATCH (for himself and Mr. DANFORTH) (by request):

S. 1123. A bill to improve the health care delivery system and ensure access to affordable quality health care through reduced liability costs and improved quality of care, and for other purposes; to the Committee on Finance.

By Mr. LIEBERMAN:

S. 1124. A bill to authorize the relief of indebtedness owned by foreign countries to the United States in consideration for commitments to undertake certain approved environmental improvement projects or activities; to the Committee on Foreign Relations.

By Mr. PACKWOOD (for himself, Mr. PRYOR, Mr. GRAHAM, Mr. BAUCUS, Mr. BUMPERS, Mr. DASCHLE, Mr. COHEN, Mr. MCCAIN, Mr. BOREN, Mr. BREAUX, Mr. BURDICK, Mr. INOUYE, Mr. LEVIN, Mr. SHELBY, Mr. HATFIELD, Mr. GORTON, Mr. SIMON, Mr. JOHNSTON, Mr. BURNS, Mr. CONRAD, Mr. REID, Mr. ROBB, and Mrs. KASSEBAUM):

S. 1125. A bill to provide incentives to health care providers serving rural areas, to provide grants to county health departments providing preventative health services within rural areas, to establish State health service corps demonstration projects, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN:

S. 1126. A bill to amend title XVIII of the Social Security Act to provide for coverage of payment for home health services where an individual is absent from the home at an adult day center; to the Committee on Finance.

By Mr. BRYAN:

S. 1127. A bill to direct the heads of the departments and agencies of Federal Government to make available to the public information relating to members of the Armed Forces of the United States who are officially considered to be prisoners of war, missing in action (body not returned) by reason of certain wars of the United States; to the Committee on Armed Services.

By Mr. GLENN:

S. 1128. A bill to impose sanctions against foreign persons and United States persons that assist foreign countries in acquiring a nuclear explosive device or unsafeguarded special nuclear material, and for other purposes; to the Committee on Foreign Relations.

By Mr. MACK (for himself and Mr. SHELBY):

S. 1129. A bill to reduce unnecessarily burdensome financial institution paperwork and reporting requirements, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KASTEN (for himself, Mr. SHELBY and Mr. BURNS):

S. 1130. A bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement account; to the Committee on Finance.

By Ms. MIKULSKI:

S. 1131. A bill to establish certain programs at the National Science Foundation to enhance the Nation's literacy and skill base in science and technology; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 1132. A bill to amend the Communications Act of 1934 to reauthorize appropriations for the Federal Communications Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself, Mr. PELL, Ms. MIKULSKI, Mr. ADAMS, AND Mr. ROBB):

S. 1133. A bill to establish a demonstration grant program to provide coordinated and comprehensive education, training, health and social services to at-risk children and youth and their families, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. SIMON AND Ms. MIKULSKI):

S. 1134. A bill to provide disadvantaged students with early intervention programs and scholarships to encourage such students to finish high school and to obtain a college education, and to upgrade the course of study undertaken by our Nation's secondary school students; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. METZENBAUM, Mr. DODD, Ms. MIKULSKI, Mr. HATFIELD, Mr. KERRY, Mr. AKAKA, Mr. WIRTH, Mr. KOHL, and Mr. INOUYE):

S. 1135. A bill to provide financial assistance to eligible local educational agencies to improve urban and rural education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY:

S. 1136. A bill to provide to States and local educational agencies to enable such agencies to develop programs that provide opportunities to parents, particularly parents of educationally deprived children, to select the public schools attended by their children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. ADAMS, Mr. SIMON, Ms. MIKULSKI, and Mr. HARKIN):

S. 1137. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

By Mr. JOHNSTON (for himself and Mr. WALLOP):

S. 1138. A bill to amend the Nuclear Waste Policy Act of 1982 to direct the Secretary of Energy to carry out site characterization activities at the Yucca Mountain site in Nevada and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NUNN (for himself, Mr. BUMPERS, Mr. ROTH, Mr. KASTEN, Mr. RUDMAN, Mr. DIXON, Mr. BOND, Mr. BAUCUS, and Mr. WALLOP):

S. 1139. A bill to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes; to the Committee on Governmental Affairs.

By Mr. WOFFORD:

S. 1140. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

By Mr. ADAMS:

S.J. Res. 149. Joint resolution to designate May, 1991, as "Older Americans Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself, Mr. SIMPSON, and Mr. DECONCINI):

S. Res. 132. Resolution commending the humanitarian relief efforts for Iraqi refugees; to the Committee on Foreign Relations.

By Mr. KERRY:

S. Res. 133. Resolution to designate May 21, 1991, as "National Land Trust Appreciation Day," and to recognize the 100th anniversary of the establishment of the Trustees of Reservations; considered and agreed to.

By Mr. MITCHELL:

S. Res. 134. Resolution to make a majority party appointment to the Select Committee on Ethics; considered and agreed to.

By Mr. GRAMM (for himself and Mr. BENTSEN):

S. Con. Res. 42. Concurrent resolution expressing the sense of the Congress that the Southwest Stars and Stripes Salute, scheduled to be held from July 19 through July 21, 1991, be recognized as a national event; to the Committee on the Judiciary.

By Mr. DODD (for himself, Mrs. KASSEBAUM, Mr. GORE, Mr. MCCAIN, Mr. LIEBERMAN, Mr. SIMON, Mr. PELL, Mr. LUGAR, Mr. CRANSTON, Mr. SARBANES, Mr. GLENN, Mr. JEFFORDS, Mr. DIXON, and Mr. RIEGLE):

S. Con. Res. 43. Concurrent resolution concerning the emancipation of the Baha'i community of Iran; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 1122. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the purchase of long-term care insurance, and for other purposes; to the Committee on Finance.

LONG-TERM CARE INCENTIVES ACT

Mr. SPECTER. Mr. President, today I am introducing legislation along with my colleague in the House of Representatives, Congressman DON RITTER, to provide assistance to families in financing their long-term care needs.

At present, the use of long-term care services in our Nation continues to escalate as a rapidly aging population faces the need for long-term care. Long-term care includes a wide array of medical, social, supportive, and specialized services provided by residential, community, or home-based health care providers. These services are a fundamental need for individuals of all ages, especially the elderly, who have lost some capacity for self-care because of a chronic illness or condition.

According to the March 2, 1990, Pepper Commission report to Congress, 1.5 million elderly persons currently reside in nursing homes. Furthermore, the Congressional Research Service [CRS] states that for every elderly person in a nursing home, there are at least twice as many persons requiring various kinds of care and assistance. These estimates show that if the rate of nursing home use remains the same, about 3.8 million elderly will reside in nursing homes by 2030. The disabled elderly population living in the community might include up to 10.1 million persons by 2020 and 14.4 million persons by 2040. Last year in my own State of Pennsylvania there were an estimated 257,874 individuals over age 60 in need of home and community services and an additional 78,344 in nursing homes.

The time is long overdue to address the catastrophic costs to both the public and private sector for long-term care services. According to the Department of Health and Human Services Task Force on long-term health care policies report to Congress, "few people can finance an extended nursing home stay or other long-term care services entirely out of their (personal) assets and incomes." Paying for long-term care services impoverishes many elderly persons and their families. This legislation provides assistance to moderate income families so they can afford to privately finance their long-term care needs through purchasing long-term care insurance, and, in turn, preserves the Government's ability to help those most in need.

The legislation is designed to maintain present Medicaid coverage of long-term care services for those most in need and expands coverage for extraordinary cost protection. Specifically, any individual who has been confined to a nursing home for 30 months, excluding the wealthiest Americans, will become eligible for Medicaid. CRS estimates that 75 percent of persons entering nursing homes stay less than 1 year, and 83 percent stay less than 2 years. However, the 17 percent of nursing home stays which exceed 2 years represent an exorbitant expense resulting in impoverishment for these individuals and their families. By expanding Medicaid coverage to include extraordinary cost protection, such individuals will not first be required to deplete all of their income and assets, as required under the current Medicaid program before receiving assistance.

This legislation also sets standards that require long-term care insurance and State Medicaid Programs to provide home and community care benefits as alternatives to nursing home care. This measure will eliminate the current bias that favors institutional care over home- and community-based services.

Further, the legislation enables individuals to privately finance their long-term care needs by providing tax credits for the purchase of long-term care insurance and tax deductions for amounts paid for long-term care of family members, including parents or grandparents. Long-term health care insurance is an innovation with enormous potential for protecting average Americans. This legislation will enable individuals to take advantage of financing their families long-term health care needs.

The Department of Health and Human Services Task Force on long-term health care policies "strongly recommends that both public and private sectors take steps immediately to encourage expansion of private financing for long-term care services through long-term care insurance." The number of companies selling individual long-term coverage has quadrupled to about 100 in the past 4 years. There now are an estimated half million long-term care policies in force, of which about 18,000 are employer-sponsored. This legislation also includes incentives to save for long-term care by excluding life insurance benefits and IRA savings used to pay for long-term care from income tax.

Meeting the long-term health needs of our disabled and aging population is an essential health care issue which we cannot ignore. This legislation establishes a plan to deal with the Nation's long-term financing inadequacies. I urge my colleagues to join me in supporting the American citizens' ability to plan for their long-term care financing needs and preserve the Government's ability to help those most in need.

By Mr. HATCH (for himself and Mr. DANFORTH) (by request):

S. 1123. A bill to improve the health care delivery system and ensure access to affordable quality health care through reduced liability costs and improved quality of care, and for other purposes; to the Committee on Finance.

HEALTH CARE LIABILITY REFORM AND QUALITY OF CARE IMPROVEMENT ACT

Mr. HATCH. Mr. President, I rise today to introduce legislation at the request of President Bush that addresses one of the major problems with our health care system—medical liability. Medical liability reform is an important step in improving access to reasonably priced health care for all Americans. By becoming involved early in this Congress, the President is recognizing the importance of this issue. His leadership will be critical to expanding the dialogue and passing this legislation.

Our current medical liability system rewards a few individuals and their attorneys with settlements while denying remedy to the majority of injured patients. A recent study suggests that fewer than 15 percent of patients injured in hospitals achieve access to the tort system. Even with successful access to the tort system, years of costly adversarial proceedings can be expected. And even when negligence is found, an injured patient may receive as little as 40 percent of every dollar awarded. The rest of the money is consumed by the system.

Over 30 million Americans have limited or no access to our health care system. Their access may be limited by geography, by lack of insurance, by the withdrawal of medical specialists from high risk services, or by high costs. Women today do not have to worry merely about finding affordable pregnancy related care; they have to worry about finding care at all. This is true in Utah where more than half of the general and family practitioners have stopped providing pregnancy-related care. The fear of being sued is driving practitioners out of high risk specialties, especially in the rural areas of our country. The reform of our current medical liability system is one simple step toward greater access to our health care system, and fairer and more efficient compensation for the truly injured.

The high cost of medical malpractice insurance and the fear of litigation has created a new specialty within the health professions—defensive medicine. Billions of dollars of unnecessary health care costs are the result of physicians ordering excessive tests, follow-up visits, and consultations to protect themselves from the threat of being sued.

There are three basic ways we can encourage the States to undertake medical liability reform. We can offer incentives to encourage them to initiate their own reforms. We can preempt State law. And we can impose penalties. The President's bill chooses to impose penalties by withholding medicare and medicaid funds from States who fail to reform tort law. My own approach in S. 489, which I introduced earlier this year, directly preempts State tort law and provides incentive grants to help all of the States develop alternative dispute resolution systems.

I look forward to working with the President to reform our laws so that no honest health care professional continues to practice defensively. I want to eliminate the growing adversarial relationship between patients and their health care providers, while ensuring that those Americans who are injured get help quickly. We must maintain access to quality health care for many Americans, especially those in rural America, who are affected by the flight of health care professionals leaving their practices.

I hope my colleagues will join me in supporting this important legislation. Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1123

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

This Act may be cited as the "Health Care Liability Reform and Quality of Care Improvement Act of 1991".

TITLE I—FINDINGS AND PURPOSE

SECTION 101. FINDINGS.—The Congress finds that:

(a) The Federal Government is a direct provider of health care to many Americans; a source of payment for the health care of a much larger number of Americans through Medicare, Medicaid and other programs; and a promoter of quality assurance efforts. As a result, the Federal Government has a major interest in health care issues, including the availability, cost, and quality of health care.

(b) The rising costs of malpractice insurance, litigation, and liability are contributing significantly to increases in the cost of health care. These and other health care liability problems have adversely affected health care consumers and created tensions among the medical and legal professions, the insurance industry and consumers.

(c) The fear of medical malpractice liability has caused some health care providers to practice unnecessary defensive medicine, adding to health care costs.

(d) This fear of liability and the increased costs adversely impact the ability of health care professionals to continue to practice in high risk specialty areas and certain geographic areas of the country.

(e) Improving the effectiveness of activities to reduce the incidence of health care injuries would reduce the incidence of medical malpractice as well as medical liability.

(f) Improving the effectiveness of the civil judicial system would not only deter frivolous actions which increase health care costs but would result in fair and expeditious compensation for meritorious claims of health care malpractice.

(g) The Federal Government is designing a pilot project, using the Federal Employees Health Benefits Program, to promote alternative dispute resolution procedures on a voluntary basis.

SEC. 102. PURPOSE.—It is the purpose of this Act to:

(a) Provide incentives to States to enact health care liability tort reforms and establish alternative dispute resolution mechanisms to achieve efficient, cost effective and expeditious disposition of health care disputes;

(b) Provide incentives to States to adopt quality assurance reforms to reduce the incidence of malpractice; and

(c) Incorporate these reforms on the Federal level through amendments to the Federal Tort Claims Act.

TITLE II—HEALTH CARE LIABILITY REFORMS

SEC. 201. DEFINITIONS.—For purposes of Titles II and IV:

(a) The term "economic damages" means losses for health care facility and medical expenses, lost wages and income, lost employment, burial expenses, and other pecuniary losses incurred by an individual as a result of negligence in the provision of health care services as recognized by State law;

(b) The term "non-economic damages" means losses for physical and emotional pain, suffering, physical impairment, emotional distress, mental anguish, disfigurement, loss of enjoyment, and loss of companionship, services, consortium and other non-pecuniary losses incurred by an individual as a result of negligence in the provision of health care services as recognized by State law;

(c) The term "health care provider" means any individual and any organization or institution that is engaged in the delivery of health care services, and is required by State or Federal law or regulation to be licensed or certified to engage in the delivery of such health care services;

(d) The term "health care liability action" means a civil action or proceeding in any judicial tribunal brought pursuant to State law against a health care provider, alleging that injury was suffered by the plaintiff as the result of any act or omission by a health care provider without regard to the theory of liability asserted in the action. This term excludes civil penalty actions by any State or State agency or officer or by the United States or by any Federal agency or officer;

(e) The term "injury" means an injury, illness, disease or other harm suffered by an individual as a result of the provision of health care services by a health care provider;

(f) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, the Trust Territories of the Pacific Islands, and any other territory or possession of the United States;

(g) The term "Secretary" means the Secretary of Health and Human Services; and

(h) The term "person" means any individual, corporation, company, association, firm, partnership, society, joint stock company, or any other entity, including any governmental entity.

SEC. 202. IN GENERAL.—To be eligible to participate in the incentive program provided for in Section 209, the States shall enact, adopt, or otherwise have in effect no later than three years from the date of enactment of this Act the health care liability reforms set forth in Sections 203 through 208.

SEC. 203. JOINT AND SEVERAL LIABILITY.—

(a) In any health care liability action, the liability of each defendant for non-economic damages shall be several only and shall not be joint. Each defendant shall be liable only for the amount of non-economic damages allocated to that defendant in direct proportion to that defendant's percentage of fault, and a separate judgment shall be rendered against that defendant for that amount.

(b) Subsection (a) shall not apply with respect to those persons in joint conduct in a common scheme by two or more persons who consciously and deliberately agreed to jointly participate in such conduct with actual knowledge of the wrongfulness of the conduct resulting in a tortious act and where such acts proximately caused the injury complained of by the plaintiff and for which one or more of such persons is found liable for damages.

SEC. 204. LIMITATION ON NON-ECONOMIC DAMAGES.—(a) Non-economic damages may not be awarded in an amount in excess of $250,000 in any health care liability action. The Secretary, for good cause, may waive the requirement of this Section in determining a State's compliance with this Act pursuant to Section 209.

(b) For purposes of this Section, in addition to the parties within the purview of Section 201(d), "any health care liability action" includes all actions (including multiple actions) for damages, and includes all plaintiffs and all defendants in such actions, which arises out of or were caused by the same personal injury or death, whether or not each defendant is a health care provider.

(c) COST-OF-LIVING.—The amount described in subsection (a) shall be adjusted every three years to reflect changes in the cost-of-living index utilized by the Secretary in determination of adjustment in Old Age, Survivors, and Disability Insurance benefits. The first such adjustment shall be made three years after the date of the enactment of this Act.

SEC. 205. COLLATERAL SOURCE BENEFITS.—(a) Except as provided in subsection (c), the total amount of damages received by a plaintiff shall be reduced, in accordance with subsection (b), by any other payment which has been made or which will be made to such plaintiff to compensate such plaintiff for an injury, including payments under—

(1) Federal or State disability or sickness programs;

(2) Federal, State, or private health insurance programs;

(3) private disability insurance programs;

(4) employer wage continuation programs; and

(5) any other source of payment intended to compensate such plaintiff for such injury.

(b) The amount by which an award of damages to a plaintiff for an injury shall be reduced under subsection (a) shall be—

(1) the total amount of any payments (other than such award) which have been made or which will be made to such plaintiff to compensate such plaintiff for such injury, less

(2) the cost incurred by such plaintiff (or by the spouse, parent, or legal guardian of such plaintiff) to secure the payments described in clause (1).

(c) Subsection (a) shall not apply to any payment which the individual is required by law to repay out of any damages recovered from a negligent health care provider.

SEC. 206. PERIODIC PAYMENT OF JUDGEMENTS.—(a) In any health liability action subject to this Act in which damages for future economic damages are awarded, no health care provider shall be required to pay for such future damages in a single, lump-sum payment but shall be permitted to make periodic payments based on when the damages are found by the court to be likely to occur or at the time such damages accrue.

(b) The court may require such health care provider to purchase an annuity or fund a reversionary trust to make such periodic payments, if the court finds a reasonable basis for concluding that the health care provider may be unable to or will not make the periodic payments.

(c) The judgment of the court awarding such periodic payments may not be reopened at any time to contest, amend, or modify the schedule or amount of the payments in the absence of fraud or any ground permitting relief to be granted after entry of a final judgment.

(d) This subsection shall not be construed to preclude a settlement providing for a single, lump-sum payment.

SEC. 207. ALTERNATIVE DISPUTE RESOLUTION MECHANISMS.—(a) IN GENERAL.—It is declared to be the policy of the United States to encourage—

(1) the creation, adoption, and use of alternative dispute resolution mechanisms to achieve the efficient, cost effective and expeditious disposition of civil disputes; and

(2) the modification of procedural and evidentiary rules to the extent feasible to accommodate such alternative dispute resolution techniques.

(b)(1) To encourage the resolution of claims prior to litigation of a health care liability action, the State shall establish at least one alternative dispute resolution mechanism. The Secretary, for the purpose of determining compliance under Section 209, shall deem a State to be in compliance with the requirements of this Section if the State has in effect at least one mediation or pretrial screening panel alternative dispute resolution mechanism specified in regulations issued by the Secretary in consultation with the Attorney General, or if the State has in effect another alternative dispute resolution mechanism which the Secretary, in consultation with the Attorney General, finds to be equally effective in deterring frivolous actions and resulting in fair and expeditious compensation for meritorious claims. The Secretary, in consultation with the Administrative Conference of the United States and the Attorney General, shall promulgate regulations that specify the Secretary's criteria for evaluating the effectiveness of these mechanisms.

(2) The time period during which a proceeding pursuant to this Section is pending shall not be included or counted in determining whether any statute of limitations bars a health care liability action.

SEC. 208. QUALITY ASSURANCE REFORM.—(a) PROMOTE STATE COOPERATION WITH FEDERAL EFFECTIVENESS RESEARCH EFFORTS.—The State, through the appropriate health authority, shall cooperate with Federal research efforts with respect to patient outcomes, clinical effectiveness and clinical practice guidelines.

(b) IMPROVE THE PERFORMANCE OF STATE MEDICAL BOARDS.—(1) The State through the appropriate health authority, shall collect, analyze and supply the Secretary with information and data, as specified in regulations to be promulgated by the Secretary, on staffing, revenue, disciplinary actions, expenditures, case-loads of the State Medical Board, and use of continuing medical education programs in order to demonstrate that the State medical boards meet performance criteria established by the Secretary in regulations.

(2) The State, through the appropriate health authority, shall impose a requirement on the State Medical Board to require a physician disciplined by the State Medical Board to take a certain number of continuing education courses as the board requires, with educational outcome measures required, in the subject areas in which the board determines that the physician's knowledge is deficient.

(c) ALTERNATIVE PROGRAMS.—The Secretary, for purposes of determining compliance under Section 209 of the Act, shall deem a State in compliance with the requirement of this Section if the State has in effect, instead of the programs described in subsection (b), a program to reduce the incidence of negligence which the Secretary finds to be at least as effective in reducing the incidence of negligence as compliance with the Secretary's standards promulgated under Section 208(b). The Secretary shall promulgate regulations that specify the Secretary's criteria for evaluating the effectiveness of alternatives to Section 208(b), including, for example:

(1) Requirements for risk management systems to be carried out by institutions providing health care in the State;

(2) Quality assurance systems, administered by the State or professional bodies, which review the quality or care rendered by the physicians of the State; or

(3) State programs for the promulgation of standards of care in areas of medical practice in which the risk of negligence is greater and assurance of satisfactory levels of compliance with such standards.

SEC. 209. STATE IMPLEMENTATION OF HEALTH CARE LIABILITY REFORMS.—(a) IMPLEMENTATION. The States shall have three years from the effective date of this Act in which to enact, adopt, or otherwise comply with the provisions as set forth in Sections 202 through 208 of this Act.

(b) NOTIFICATION.—(1) Notification by the State shall be submitted to the Secretary, with a Certification by the Chief Executive Officer of the State that, on the date the Notification is submitted, the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this Act.

(2) The Notification shall be accomplished by documentation to support the Certification required by this subsection, including copies of relevant State statutes, rules, procedures, regulations, judicial decisions, State constitutional provisions, and opinions of the State Attorney General.

(3) The Notification shall contain such other information, be in such form, and be submitted in such manner, as the Secretary may require.

(c) REVIEW OF NOTIFICATION.—(1) Within 90 days after receiving a Notification under subsection (b), the Secretary shall review the Notification and determine whether the Notification demonstrates that the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this Act.

(2) If the Secretary determines that the Notification makes such a demonstration, the Secretary shall approve the Notification, authorizing the State to participate in the incentive program provided for in subsection (f).

(3) If, after reviewing a Notification under this subsection, the Secretary determines that the Notification does not make the demonstration required under such subsection, the Secretary shall, within 15 days after making such determination, provide the State which submitted such Notification with a written notice specifying such determination and containing recommendations for revisions which would cause the Notification of the State to be approved.

(4) Within 30 days after receiving a revised Notification, the Secretary shall review the revised Notification and determine whether the Notification demonstrates that the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this Act. If the Secretary determines that the revised Notification makes such a demonstration, the Secretary shall approve the revised Notification, authorizing the State to participate in the incentive program provided for in subsection (f).

(d) NON-COMPLIANCE.—(1) If a State fails to submit to the Secretary a Notification or revised Notification pursuant to this Section, the Secretary shall, within 15 days after the time period under Section (b)(1) expires, send the State written notice of determination of non-compliance.

(2) If, during the time period determined by the Secretary under subsection (c), the Secretary determines that a revised Notification does not demonstrate that the State has enacted, adopted, or otherwise implemented the health care liability reforms set forth in this Act, and that the State's revised Notification is not approved, or if a determination of non-compliance is made pursuant to subsection (d)(1)(A), the Secretary shall, within 15 days after making such determination, provide the State with written notice of non-compliance, including the determination of the Secretary and the reasons therefor.

(3) If, during any time period after a Notification is approved under subsection (c), the Secretary determines that the State does not have currently in effect the health care liability reforms upon which the Notification was approved, the Secretary shall within 30 days of making such determination provide the State with written notice of such determination and withdraw the approval of the Notification. Such notice shall specify—

(A) the determination of the Secretary and the reasons therefor;

(B) that the Secretary will require the State, within 60 days after receipt of such notice, to return all funds provided to the State under the incentive program provided for in this Act in subsection (f) of this Section which have not been expended by the State at the time such notice is received unless the State takes such corrective action as may be necessary to ensure that the State has such health care liability reforms in effect in the State and presents a Certification to this effect to the Secretary in accordance with subsection (b).

(e) CONSULTATION WITH THE ATTORNEY GENERAL.—In making determinations of compliance or non-compliance pursuant to this Act, the Secretary shall consult with the Attorney General with respect to any issues of tort law or policy.

(f) INCENTIVE PROGRAM—DISTRIBUTION OF FUNDS.—The Secretary shall establish an administrative process to:

(1) withhold from each State two percent of the amount computed under 42 U.S.C. §1396b(a)(7) and from each hospital one percent of the total amounts computed under 42 U.S.C. §1395ww(d)(1) for each fiscal year beginning after the initial three-year period after the enactment of this Act; and

(2) distribute that part of the withheld funds comprising two percent of the amount computed under 42 U.S.C. §1396b(a)(7) on a proportional basis among States whose Notifications have been approved by the Secretary pursuant to this Section, and that part of the withheld funds comprising one percent of the total amounts computed under 42 U.S.C. §1395ww(d)(1) on a proportional basis among hospitals otherwise entitled to those funds in States whose Notifications have been approved by the Secretary pursuant to this Section.

"Promotional basis" means (i) with respect to funds withheld from amounts payable under 42 U.S.C. §1396b(a)(7), in proportion to the average Medicaid payments made to a State for the last three preceding fiscal years for which data is available to such payments to all States whose Notifications have been approved by the Secretary, and (ii) with respect to funds withheld from amounts computed under 42 U.S.C. §1395ww(d)(1), in proportion to the hospital's share of payments made under that section to all payments to hospitals operating in States whose Notifications have been approved by the Secretary.

(g) Conforming Amendments.—(1) Medicaid.—Section 1396b(a)(7) of Title 42, United States Code is amended by adding at the end thereof the following sentence: "Effective the first day of the first fiscal year beginning at least three years after the enactment of the Health Care Liability Reform and Quality of Care Improvement Act of 1991, a State shall only receive 98 percent of the amount of the payment to which it would otherwise be entitled under this paragraph."

(2) Medicare.—Section 139ww(d)(1) of Title 42, United States Code is amended by adding the following sentence at the end thereof: "Effective the first day of the first fiscal year beginning at least three years after the enactment of the Health Care Liability Reform and Quality of Care Improvement Act of 1991, a hospital shall only receive 99 percent of the amount of the payment to which it would otherwise be entitled under this paragraph."

Sec. 210. In the case of any experimental, pilot, or demonstration project, as defined by regulations promulgated by the Secretary in coordination with the Attorney General, which, in the judgment of the Secretary, is likely to assist in promoting the objectives of this Act, in a State or States, the Secretary may waive compliance with any of the requirements in this Title to the extent and for the period the Secretary finds necessary to enable such State or States to carry out such project.

TITLE III—FEDERAL IMPLEMENTATION OF HEALTH CARE LIABILITY REFORMS

Sec. 301. Limitations on Liability.—(1) Section 2674 of Title 28, United States Code, is amended by inserting "(a)" at the beginning of the section, by adding at the end of the section the following new subsections:

"(b)(1) Except as provided in paragraph (2) of this subsection, in any health care liability action the United States shall not be found jointly and severally liable for non-economic damages, but shall be liable, if at all, only for those non-economic damages directly attributable to its pro-rata share of fault or responsibility for the injury, and not for non-economic damages attributable to the pro-rata share of fault or responsibility of any other person (without regard to whether that person is a party to the action) for the injury, including any person bringing the action.

"(2) This subsection shall not apply as between the United States and any person with which it is acting in concert where the concerted action proximately caused the injury for which either the United States or that person is found liable.

"(3) For the purposes of this subsection, 'concerted action' and 'acting in concert' mean the conscious acting together in a common scheme of two or more persons who consciously and deliberately agree to jointly participate in such conduct with actual knowledge of the wrongfulness of the conduct resulting in a tortious act and where such acts proximately caused the injury complained of by the plaintiff and for which one or more of such persons is found liable for damages.

"(c)(1) Except as provided in paragraph (3), the total amount of damages received by an individual shall be reduced, in accordance with paragraph (2), by any other payment which has been made or which will be made to such individual to compensate such individual for an injury, including payments under—

(i) Federal or State disability or sickness programs;

(ii) Federal, State, or private health insurance programs;

(iii) private disability insurance programs;

(iv) employer wage continuation programs; and

(v) any other source of payment intended to compensate such individual for such injury.

"(2) The amount by which an award of damages to an individual for an injury shall be reduced under paragraph (1) shall be—

(i) the total amount of any payments (other than such award) which have been made or which will be made to such individual to compensate such individual for such injury, less

(ii) the amount paid by such individual (or by the spouse, parent, or legal guardian of such individual) to secure the payments described in clause (i).

"(3) Paragraph (1) shall not apply to any payment which the individual is required by law to repay out of any damages recovered from a negligent health care provider.

"(d)(1) No damages, other than damages for economic loss, shall be awarded in excess of $250,000 in any health care liability action against the United States.

(2) For purposes of this Section, in addition to the parties within the purview of Section 201(d) of the Health Care Liability Reform and Quality of Care Improvement Act of 1991, any "health care liability action" includes all actions (including multiple actions) for damages, and includes all plaintiffs and all defendants in such actions, which arise out of or were caused by the same personal injury or death, whether or not each defendant is a health care provider.

(3) Cost-of-Living.—The amount described in subsection (a) shall be adjusted every three years to reflect changes in the cost-of-living index. The first such adjustment shall be made three years after the date of the enactment of this Act. For purposes of this subsection, the "cost-of-living index" means the cost of living index utilized by the Secretary in determination of adjustment in Old Age, Survivors, and Disability Insurance benefits."

Sec. 302. Periodic Payments of Judgments.—(1) Chapter 171 of title 28, United States Code, is amended by adding the following new section 2681:

"§ 2681. Periodic payments of judgments

In any health care liability action subject to this chapter in which the damages awarded for future economic loss exceed $100,000, the court shall, at the request of the United States, enter an order providing that damages for future economic loss be paid in whole or in part by periodic payments based on when the damages are found likely to occur rather than by a single lump-sum payment. The court shall make findings of fact as to the dollar amount, frequency and duration of the periodic payments. The United States at its discretion may pay the judgment periodically or purchase an annuity or fund a reversionary trust for the same purpose. The judgment of the court shall be final, and shall not be reopened at any time to contest, amend, or modify the schedule or amount of such payments in the absence of fraud or any ground permitting relief to be granted after entry of a final judgment."

(2) The table of sections of chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"§ 2681. Periodic payments of judgments"

Sec. 303. Applicability of Amendments.—(a) State alternative dispute resolution procedures shall not be applicable to the United States.

(b) For the purposes of Title III, the term "plaintiff" means any person who has allegedly suffered injury from professional services provided by a health care provider and who brings a health care liability action or who brings such an action on behalf of any person who has allegedly suffered injury from such professional services or who brings such an action because a person allegedly suffered injury from such services.

(c) The amendments made by this Title shall apply to all actions filed on or after, and all administrative claims pending on or presented on or after, the date of enactment of this Act.

TITLE IV—CONSTRUCTION OF PROVISIONS

Sec. 401. In General.—Nothing in this Act shall be construed—

(a) To waive or affect any defense of sovereign immunity asserted by any State under any law or by the United States;

(b) To preempt State choice-of-law rules with respect to claims brought by a foreign nation or a citizen of a foreign nation;

(c) To affect the right of any court to transfer venue, to apply the law of a foreign nation, or to dismiss a claim of a foreign nation or of a citizen of a foreign nation on the ground of inconvenient forum;

(d) To create or vest jurisdiction in the district courts of the United States over any health care liability action subject to this Act (which is not otherwise properly in Federal district court); or

(e) To prevent the States from enacting, adopting, or otherwise having in effect more comprehensive or additional health care liability reforms than those set forth in this Act.

Sec. 402. Severability.—If any provision of this Act or the amendments made by this Act or the application of the provision to any person or circumstance is held invalid, the remainder of this Act and such amendments and the application of the provision to any other person or circumstance shall not be affected by that invalidation.

SEC. 403. EFFECTIVE DATE.—This Act shall become effective on its date of enactment.

By Mr. LIEBERMAN:

S. 1124. A bill to authorize the relief of indebtedness owed by foreign countries by the United States in consideration for commitments to undertake certain approved environmental improvement projects or activities; to the Committee on Foreign Relations.

INTERNATIONAL ECONOMIC AND ENVIRONMENTAL IMPROVEMENT ACT

• Mr. LIEBERMAN. Mr. President, I rise today to introduce the Debt for Environment Act of 1991. This bill is designed to enable developing nations that have been granted rescheduling of their debt burden to improve their environment. It builds on to the efforts that the White House made last year with its Enterprise for the Americas initiative, a portion of which was adopted in last year's farm bill.

My legislation would focus on encouraging nations, which have already been chosen for debt rescheduling by the White House, to implement programs to clean up their environment. This would be done in conjunction with the governments of these nations, nongovernmental organizations in the debtor nations and the United States, and the appropriate regional development bank or the United Nations [U.N.]. The bill would cover all debtor nations, not just those in Latin America. The point is that where the United States is already going to reschedule debt, we might as well get some positive environmental improvements in return.

A new study from the Congressional Office of Technology Assessment, "Energy in the Developing World," discusses the environmental problems confronting less developed countries [LDC's]. According to the report, environmental degradation is epidemic. Mass deforestation, air and water pollution are prevalent throughout the developing world. The destruction of the tropical rain forest in Brazil is only one example of the kind of environmental spoilation occurring in Latin America, Africa, and Asia.

The Environmental Protection Agency's Scientific Advisory Board [SAB] in its recently released report, "Reducing Risk," has concluded that over the last 20 years, EPA has paid too little attention to natural ecosystems. The SAB stated:

> EPA's response to health risks as compared to ecological risks is inappropriate, because in the real world, there is little distinction between the two. Over the long term, ecological degradation either directly or indirectly degrades human health and the economy. * * * In short, human health and welfare ultimately rely upon the life support systems and natural resources provided by healthy ecosystems.

At the same time, developing nations do not have the resources—financial or otherwise—to rescue themselves. Poverty, a dire poverty that we cannot even imagine in this country, is a fact of life throughout much of the Third World. This makes it particularly difficult for the governments of these nations to focus on improving their environment. But if they do not begin to address environmental problems, the long-range hope of recovery for these nations is dismal, since the remedies for protecting their environment also protect their natural resource base, which is the only source of potential wealth and economic stability many of them have. And we now understand, particularly through global warming, that environmental problems are worldwide, with developments in other nations directly affecting us.

This legislation adopts the basic approach the administration has proposed by addressing the economic concerns that LDC debtors have by adjusting the annual debt repayment schedule to the U.S. Government. I propose that this be done by allowing the debtor nation to pay 20 percent of the payment in local currency. The remaining 80 percent would be paid in dollars. This benefit would be given in exchange for the debtor nation paying an additional 20 percent of its annual debt service payment in local currency to an account established in the appropriate regional development bank or the United Nations. The net effect of this restructuring is to make each payment less burdensome to the debtor nations. Failure to reduce short-term burdens is a major problem with the administration's Enterprise for the Americas initiative. By the time that program's benefits kick in, the debtor nations' natural resources will be further damaged.

The environment account or trust fund set up in the development bank would be administered by bank or U.N. staff. A debtor nation would be required to draw up a plan for improving its environment with indigenous nongovernmental organizations involved with environmental issues. The plan will be submitted for approval to the appropriate development bank which will in turn consult with an environmental review board consisting of representatives of nongovernmental organizations involved with environmental issues and representatives from the U.S. Government.

The development bank or the United Nations will be responsible for the funding and administering of projects emanating from the plan. In order to more effectively carry out this task, an environmental group will be established within each development bank. The group's primary responsibility will be to bring its expertise to bear on the administering of approved environmental projects.

It is useful to have the regional development banks involved with this process because they give participating nations more of a role with the environmental trust funds because their governments have representation in the bank. It also provides these institutions with an additional pool of expertise on environmental issues which can be used for other bank-related projects. Alternatively, the United Nations could perform this function under this bill.

The bill also contains a provision which requires, where possible, the debtor nation to purchase U.S. products to be used in the process of cleaning up their environment. The United States is a leading manufacturer of such products and it is to the advantage to both the debtor nation and the United States to include this provision in the bill.

The Debt for Environment Act of 1991 goes beyond previous debt relief proposals because it lays the foundation for participation in these swaps by other developed nations through the regional development banks or the United Nations. These institutions can act as a conduit not only for the reduction of U.S. official debt but for the reduction of government debt of other developed nations. If this process is successful in both reducing the debt burden of developing nations, and at the same time helping them clean up their environment, then, it can serve as a prototype for a broader program involving all of the Paris Club or other industrialized nations holding substantial Third World debt.

I ask unanimous consent that a copy of the bill and a bill summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1124

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Economic and Environmental Improvement Act of 1991".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The pursuit of environmentally sustainable policies and practices is vital to a country's economic well-being and to the health and quality of life of its citizens.

(2) International economic prosperity, with the full benefits of a thriving international trade, cannot be maintained if countries are not pursuing environmentally sustainable practices and procedures.

(3) Economic pressures in countries with large external debt burdens are causing the adoption of environmentally unsound development policies and practices, including those resulting in severe pollution, climate destabilization, widespread loss of biologically productive ecosystems, extinction of plant and animal species, flooding, and reduced food production capacity.

(4) It is in the national security and economic interests of the United States to facilitate the adoption of environmentally sustainable policies and practices in the world community. The terms and the amount of

the debt reduction shall be determined by the President.

SEC. 3. AUTHORITY.

(a) In General.—Notwithstanding any other provision of law, the President may, in accordance with section 5, alter the obligations of an eligible country to make payments to the United States on account of loans made to that country by the United States Government.

(b) Compliance With Budget Act.—The relief of indebtedness authorized by subsection (a) shall be effective in a fiscal year only to the extent and in the amounts provided in an appropriation Act.

SEC. 4. ELIGIBLE COUNTRIES.

For purposes of section 3, an eligible country is a country that is indebted to the United States Government and whose overall debt burden the President determines is a cause of economic or environmental hardship to that country.

SEC. 5. PROGRAM.

(a) In General.—The President is authorized to enter into an agreement with any eligible country whereby the United States agrees to make a beneficial alteration (hereafter in this Act referred to as the "new obligation") of the existing debt obligations of that country in consideration for a commitment by that country—

(1) to carry out environmental improvement projects or activities described in an environmental plan approved under section 7;

(2) to make payments in accordance with the provisions of this section;

(3) to deposit payments required by subsection (c) in the appropriate regional development bank;

(4) to establish the administrative body required by section 6(e); or

(5) to set up a trust fund with an appropriate United Nations agency.

(b) Payments to the United States.—A country with which the United States has an agreement under subsection (a) shall make payments to the United States on its new obligation in the ratio of 80 percent in United States dollars and 20 percent in the local currency of the debtor nation. Such payments shall be deposited in the same United States Government account established for the repayment of principal on the previous obligations of that country and shall be applied to reduce the outstanding principal balance of the new obligation.

(c) Payments Into an Environmental Trust Account.—Additional payments in the amount of 20 percent of the full amount of each payment made to the United States under subsection (b) of this section shall be made in the local currency of the debtor nation and shall be deposited in an environmental trust account for application to local environmental improvement projects or activities in accordance with the requirements of this Act.

SEC. 6. ENVIRONMENTAL TRUST ACCOUNT.

(a) Creation.—For each debtor nation the President shall designate the appropriate institution in which to establish an environmental trust account for the receipt of payments required under section 5(c). The President may designate either the United Nations or a regional development bank. The appropriate regional development bank for a debtor nation with which the United States has an agreement under section 5 is as follows:

(1) For an Eastern European nation, the European Bank for Reconstruction and Development.

(2) For a Latin American nation, the Inter-American Development Bank.

(3) For an Asian nation, the Asian Development Bank.

(4) For an African nation, the African Development Bank.

(b) Limitation.—Funds in an environmental trust account shall be available only for use in accordance with an environmental plan approved under section 7.

(c) Acceptance of Donations.—Every effort should be made to ensure that each environmental trust account is also able to receive donations from public and private entities and private creditors of the beneficiary country.

(d) Financial Administration.—The management and disposition of the funds shall be overseen by the appropriate regional development bank, or other eligible entity, which would make environmental funds available to the administrative body established under subsection (f) for activities in accordance with the provisions of the environmental plan, subject to the limitation of section 7(e) of this Act.

(e) Environmental Group.—The Secretary of the Treasury shall instruct the United States executive directors to the regional development banks to use the voice and vote of the United States to establish, from bank staff or outside experts, an environmental group (hereafter in this Act referred to as the "group") with technical and administrative expertise in developing and implementing environmental projects in order to administer more effectively the trust account. The group would provide the support and technical assistance for the bank as it makes funds available for particular environmental projects or activities as developed from the environmental plan. Administrative funds for the group, if the other resources are not available, would come from the fund itself.

(f) Program Administration.—Funds disbursed from the financial administration established under subsection (e) shall be administered by a body constituted under the laws of the country. Such body shall be composed of—

(1) one or more representatives appointed by the President;

(2) one or more representatives appointed by the participating country; and

(3) representatives from a broad range of environmental nongovernmental organizations, local community development nongovernmental organizations, scientific and academic institutions of the participating country.

(g) Eligible Grant Recipients.—Grants from an environmental trust account shall be made, in accordance with the priorities agreed upon in the environmental plan, to—

(1) nongovernmental environmental, conservation, and indigenous peoples organizations of the participating debtor nation;

(2) other appropriate local or regional entities; and

(3) in exceptional circumstances, the government of the beneficiary country.

(h) Audit Requirements.—Environmental trust accounts, plans, and projects shall be made subject to appropriate auditing procedures administered by the regional development banks.

(i) Status of Deposits.—Local currencies deposited in an environmental trust account and interest on any of such amounts as are invested shall remain the property of the participating debtor nation, if such nation complies with the requirements of this Act. A participating debtor nation shall seek to maintain the value of the local currency in the environmental trust account in terms of United States dollars.

(j) Investment of Funds.—Nothing in this Act shall be interpreted to preclude investment of the corpus of an environmental trust account or any portion thereof and use of the interest earned for authorized environmental improvement projects and related activities if such project or activity is approved for investment in the environmental plan.

SEC. 7. ENVIRONMENTAL PLAN.

(a) Preparation.—Each debtor nation with which the United States has an agreement under section 5(a) shall prepare, in consultation with local and international nongovernmental organizations having expertise in environmental matters, an environmental plan detailing the environmental improvement projects or activities such nation seeks to undertake, through eligible grant recipients, with the funds available from its environmental trust account. The plan shall establish the need, on environmental grounds, for each identified project or activity.

(b) Submission.—The environmental plan prepared by a nation shall be submitted by that nation to the appropriate regional development bank or other eligible entity within 6 months after the execution of the agreement under section 5(a) of this Act.

(c) Review and Approval.—The regional development bank or the United Nations and the environmental review board established pursuant to subsection (e) shall each review the environmental plan and shall approve the plan only if the plan meets the criteria or specifications established pursuant to subsection (e)(3)(A) and the requirements of section 8 of this Act.

(d) Changes.—Each plan may be updated to reflect new projects or activities, modifications to existing projects or activities, or discontinued efforts. All changes to the plan shall be submitted to the environmental review board in consultation with the appropriate regional development bank or other eligible entity for approval.

(e) Environmental Review Board.—(1) For each regional development bank or the United Nations as identified in section 6(a) of this Act, the President shall establish a board to provide expertise in matters related to the environmental plan.

(2) Each board shall be composed of—

(A) five representatives from the United States Government, to include the Administrator of the Environmental Protection Agency, the Chairman of the Council on Environmental Quality, and the executive director of the United States for the appropriate regional development bank; and

(B) four representatives from private nongovernmental environmental, scientific, and academic organizations with experience and expertise in environmental matters in the affected region of the world.

(3) The President shall appoint a chairperson from among the representatives appointed under paragraph (1)(A).

(4) Each board shall—

(A) establish a minimum criteria or specifications required for projects or activities in an environmental plan to meet the eligibility requirements of section 8 of this Act;

(B) review and approve all environmental plans, in consultation with the appropriate regional development bank or the United Nations;

(C) review, as necessary, the audits performed by the regional development bank with respect to the administration of environmental trust accounts under this Act; and

(D) render advice to the regional development bank or the United Nations, as requested, on matters related to grants or disbursements under the environmental plan.

SEC. 8. AUTHORIZED ENVIRONMENTAL IMPROVEMENTS PROJECTS OR ACTIVITIES.

To be eligible to receive funds from the environmental trust account, projects or activities must be designed to achieve either or both of the following objectives:

(1) Activities specified in section 1614(a)(5)(C) of the International Financial Institutions Act (22 U.S.C. 262p-4i(a)(5)(C)).

(2) Implementation of alternative clean energy or energy conservation measures.

SEC. 9. UNITED STATES MANUFACTURED PRODUCTS.

Whenever projects or activities described in section 8(1) of this Act require the purchase of alternative energy, energy efficiency, or environmental improvement products, funds from the environmental trust account shall only be used to acquire such products manufactured either in the United States or in the debtor nation undertaking the particular project or activity.

SEC. 10. PROHIBITIONS.

Nothing in this Act shall be deemed to authorize actions or activities in contravention of section 502B of the Foreign Assistance Act of 1961.

SEC. 11. CERTAIN PROHIBITIONS INAPPLICABLE.

(a) CONSTRUCTION.—A reduction of debt pursuant to this Act shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(b) SUPERSEDING EXISTING LAW.—The authority of this Act may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

SEC. 12. CONDITIONS FOR SUSPENSION OF DEBT REDUCTION.

The agreement executed pursuant to section 5(a) of this Act shall be declared null and void and the old obligation shall be reinstituted upon a finding by the President of the occurrence of either of the following:

(1) the use by the participating debtor nation (or its grant recipients) of funds from an environmental trust account for other than purposes authorized in this Act or in a manner inconsistent with the environmental plan; or

(2) the failure of the participating debtor nation to submit or properly update an environmental plan.

SEC. 13. REPORTING REQUIREMENTS.

(a) IN GENERAL.—Not later than December 31 of each year, the President shall prepare and transmit to the appropriate congressional committees a report describing debt reduction agreements entered into pursuant to section 5 of this Act and environmental improvement projects or activities carried out by participating debtor nations under this Act during the preceding fiscal year.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Environment and Public Works and the Committee on Foreign Relations of the Senate and the Committee on Energy and Commerce, the Committee on Foreign Affairs, and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

SUMMARY OF THE DEBT-FOR-ENVIRONMENT BILL

Section 1. Short title.

Section 2. Findings.

Section 3. Authority. Gives the President authority to forgive official debt.

Section 4. Eligible Countries. The President can extend beneficial debt treatment to any nation whose debt burden is a cause of economic or environmental hardship to that country.

Section 5. Program. Debt relief as described in the bill shall be made available to a debtor nation after a commitment by that nation to undertake environmental improvement projects. In conjunction with this, the new payment schedule to the United States Government by eligible debtor nations shall be made in the following manner: 80 percent in dollars, 20 percent in the currency of the debtor nation. In addition, another 20 percent of the payment amount in the currency of the debtor nation shall be deposited in an environmental trust account administered by the appropriate regional development bank or the United Nations (U.N.) for application to local environmental improvement projects. The debtor nation shall also submit an environmental plan detailing environmental improvement projects to the regional development banks.

Section 6. Environmental Trust Account. In order to participate in the program each debtor nation shall establish a trust account in the appropriate regional development bank or the U.N. to be administered by those institutions. Private donations to the account are permitted. The regional development banks shall make grants for individual projects in the developing nations which are part of an approved environmental plan. An environmental group shall be established in the development banks or the U.N. which shall administer grants for individual projects in eligible nations. The projects shall be developed from an environmental plan developed by the debtor nations in conjunction with the environmental review board (consisting of U.S. Government and private sector representatives) and the development banks or the U.N. Non-governmental organizations in eligible nations shall be given priority in the awarding of grants. The plans and projects shall be subject to a regular audit by the bank or the U.N. Investments of funds of the environmental trust fund can be made as long as such an investment is in accordance with an approved environmental plan.

Section 7. Environmental Plan. Eligibility for the provisions described in the Act shall be contingent on a participating nation developing an environmental plan developed in conjunction with environmental non-governmental organizations in the eligible country which shall be the basis for funding of particular environmental projects described therein. The plan shall be submitted to and approved by the relevant regional development bank or the U.N. in consultation with and by the environmental review board, (consisting of representatives of non-governmental organizations involved with environmental issues and representatives from the U.S. government.)

Section 8. Authorized Environmental Improvements Projects or Activities. This section outlines the eligibility criteria for the environmental projects.

Section 9. U.S. Manufactured Products. Where possible, the debtor nation shall purchase products used for environmental improvement manufactured in the United States or the debtor nation.

Section 10. Prohibitions. Nothing in the Act shall be in violation of Section 502B of the Foreign Assistance Act of 1961 concerning the human rights policies of nations receiving U.S. aid.

Section 11. Certain Prohibitions Inapplicable. Debt treatment as described in the Act shall not be used in place of development assistance for an eligible nation.

Section 12. Conditions for Suspension of Debt Reduction. The President can suspend the debt treatment in the Act if the eligible nations and their implementing entities do not live up to its applicable terms.

Section 13. Reporting Requirements. The President shall submit to Congress annually a report on the environmental trust fund and its activities.•

By Mr. PACKWOOD (for Mr. PRYOR, for himself, Mr. PACKWOOD, Mr. GRAHAM, Mr. BAUCUS, Mr. BUMPERS, Mr. DASCHLE, Mr. COHEN, Mr. MCCAIN, Mr. BOREN, Mr. BREAUX, Mr. BURDICK, Mr. INOUYE, Mr. LEVIN, Mr. SHELBY, Mr. HATFIELD, Mr. GORTON, Mr. SIMON, Mr. JOHNSTON, Mr. BURNS, Mr. CONRAD, Mr. REID, Mr. ROBB, and Mrs. KASSEBAUM):

S. 1125. A bill to provide incentives to health care providers serving rural areas, to provide grants to county health departments providing preventative health services within rural areas, to establish State health service corps demonstration projects, and for other purposes; to the Committee on Finance.

RURAL PRIMARY CARE ACT

Mr. PACKWOOD. Mr. President, today I am introducing legislation on behalf of Senator PRYOR and myself addressing the shortage of health care practitioners in rural areas.

Senator PRYOR is unable to be with us today because he is at home recuperating from a mild heart attack. I know everyone in the Senate wishes Senator PRYOR a speedy recovery so he is back with us soon.

For as long as Senator PRYOR has been a Member of this body, he has been fighting to ensure that rural communities have access to quality health care. This is one of his top priorities as chairman of the Special Committee on Aging.

Senator PRYOR and I would also like to recognize the significant contribution of Senator GRAHAM to this legislation. Senator GRAHAM previously introduced legislation that served as the basis for the provision in the bill dealing with the State Health Service Corps.

I welcome the opportunity to join forces with the distinguished Senators from Arkansas and Florida, as well as our many other cosponsors, in introducing today the Rural Primary Care Act of 1991.

Our bill will help rural communities attract and retain physicians, nurse practitioners, and physician assistants by:

First, providing tax credits to physicians, nurse practitioners, and physician assistants who practice in medically underserved areas;

Second, exempting from tax repayments of education loans under the National Health Service Corps Loan Repayment Program for health professionals who practice in rural areas;

Third, allowing a tax deduction for up to $25,000 of basic medical equipment purchased by rural physicians annually;

Fourth, providing grants to area health education centers, rural county health departments, and a newly created State Health Service Corps; and

Fifth, requesting a study by the Secretary of Health and Human Services on the medical shortage problems in urban areas.

The vast majority of the communities in my home State are rural ones. Three-fourths of the towns and cities in Oregon have less than 5,000 people. It's no wonder that a top concern of my constituents is the declining access to health care in rural areas.

Although there is not a shortage of physicians nationwide, there is a shortage in rural communities. For example, in Oregon, urban Multnomah County has one physician for every 203 people while rural Grant County has only one physician for every 2,633 people. In fact, there are three Oregon counties—Sherman, Gilliam, and Wheeler—without a physician living there. More than half of Oregon's small towns also do not have a physician living there.

Unless we do something, the shortage of health care practitioners in rural areas will only get worse. More than 20 percent of the physicians practicing in Oregon's rural areas are over the age of 60 and are fast approaching retirement age. Unless young physicians are attracted to these rural areas, many more Oregonians will find themselves without adequate health care in nearby communities.

We all need quality health care, whether we live in the city or in the countryside. Last year, I introduced the Rural Health Care Improvement Act to help rural hospitals keep their doors open. Many of the provisions in that legislation were signed into law by the President last fall, Now, we must focus on attracting and retaining qualified health care professionals in rural communities. The bill we are introducing today will do just that.

I hope many of our other colleagues will join us and cosponsor this legislation.

Mr. President, I ask unanimous consent that the bill, a summary of the bill, and our Dear Colleague letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1125

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Primary Care Act of 1991".

TITLE I—TAX PROVISIONS

SEC. 101. NONREFUNDABLE CREDIT FOR CERTAIN PRIMARY HEALTH SERVICES PROVIDERS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25 the following new section:

"SEC. 25A. PRIMARY HEALTH SERVICES PROVIDERS.

"(a) ALLOWANCE OF CREDIT.—In the case of a qualified primary health services provider, there is allowed as a credit against the tax imposed by this chapter for any taxable year in a mandatory service period an amount equal to the product of—

"(1) the lesser of—

"(A) the number of months of such period occurring in such taxable year, or

"(B) 36 months, reduced by the number of months taken into account under this paragraph with respect to such provider for all preceding taxable years (whether or not in the same mandatory service period), multiplied by

"(2) $1,000 ($500 in the case of a qualified health services provider who is a physician assistant or a nurse practitioner).

"(b) QUALIFIED PRIMARY HEALTH SERVICES PROVIDER.—For purposes of this section, the term 'qualified primary health services provider' means any physician, physician assistant, or nurse practitioner who for any month during a mandatory service period is certified by the Bureau to be a primary health services provider who—

"(1) is providing primary health services—

"(A) full time, and

"(B) to individuals at least 80 percent of whom reside in a rural health professional shortage area,

"(2) is not receiving during such year a scholarship under the National Health Service Corps Scholarship Program or a loan repayment under the National Health Service Corps Loan Repayment Program,

"(3) is not fulfilling service obligations under such Programs, and

"(4) has not defaulted on such obligations.

"(c) MANDATORY SERVICE PERIOD.—For purposes of this section, the term 'mandatory service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is a qualified primary health services provider.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BUREAU.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

"(2) PHYSICIAN.—The term 'physician' has the meaning given to such term by section 1861(r) of the Social Security Act.

"(3) PHYSICIAN ASSISTANT; NURSE PRACTITIONER.—The terms 'physician assistant' and 'nurse practitioner' have the meanings given to such terms by section 1861(aa)(3) of the Social Security Act.

"(4) PRIMARY HEALTH SERVICES PROVIDER.—The term 'primary health services provider' means a provider of primary health services (as defined in section 330(b)(1) of the Public Health Service Act).

"(5) RURAL HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'rural health professional shortage area' means—

"(A) a class 1 or class 2 health professional shortage area (as defined in section 332(a)(1)(A) of the Public Health Service Act) in a rural area (as determined under section 1886(d)(2)(D) of the Social Security Act), or

"(B) an area which is determined by the Secretary of Health and Human Services as equivalent to an area described in subparagraph (A) and which is designated by the Bureau of the Census as not urbanized.

"(e) RECAPTURE OF CREDIT.—

"(1) IN GENERAL.—If, during any taxable year, there is a recapture event, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable percentage, and

"(B) the aggregate unrecaptured credits allowed to such taxpayer under this section for all prior taxable years.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs during:	The applicable recapture percentage is:
Months 1-24	100
Months 25-36	75
Months 37-48	50
Months 49-60	25
Months 61 and thereafter	0.

"(B) TIMING.—For purposes of subparagraph (A), month 1 shall begin on the first day of the mandatory service period.

"(3) RECAPTURE EVENT DEFINED.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'recapture event' means the failure of the taxpayer to be a qualified primary health services provider for any month during any mandatory service period.

"(B) CESSATION OF DESIGNATION.—The cessation of the designation of any area as a rural health professional shortage area after the beginning of the mandatory service period for any taxpayer shall not constitute a recapture event.

"(C) SECRETARIAL WAIVER.—The Secretary may waive any recapture event caused by extraordinary circumstances.

"(4) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Primary health services providers."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 102. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 136 as section 137 and by inserting after section 135 the following new section:

"SEC. 136. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS.

"(a) GENERAL RULE.—Gross income shall not include any qualified loan repayment.

"(b) QUALIFIED LOAN REPAYMENT.—For purposes of this section, the term 'qualified loan repayment' means any payment made on behalf of the taxpayer by the National Health Service Corps Loan Repayment Program under section 338B(g) of the Public Health Service Act."

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 338B(g) of the Public Health Service Act is amended by striking "Federal, State, or local" and inserting "State or local".

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 136 and inserting the following:

"Sec. 136. National Health Service Corps loan repayments.

"Sec. 137. Cross references to other Acts."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made under section 338B(g) of the Public Health Service Act after the date of the enactment of this Act.

SEC. 103. EXPENSING OF MEDICAL EQUIPMENT.

(a) IN GENERAL.—Section 179 of the Internal Revenue Code of 1986 (relating to election to expense certain depreciable business assets) is amended—

(1) by striking paragraph (1) of subsection (b) and inserting the following:

"(1) DOLLAR LIMITATION.—

"(A) GENERAL RULE.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $10,000.

"(B) RURAL HEALTH CARE PROPERTY.—In the case of rural health care property, the aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $25,000, reduced by the amount otherwise taken into account under subsection (a) for such year."; and

(2) by adding at the end of subsection (d) the following new paragraph:

"(11) RURAL HEALTH CARE PROPERTY.—For purposes of this section, the term 'rural health care property' means section 179 property used by a physician (as defined in section 1861(r) of the Social Security Act) in the active conduct of such physician's full-time trade or business of providing primary health services (as defined in section 330(b)(1) of the Public Health Service Act) in a rural health professional shortage area (as defined in section 25A(d)(5))."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 1991, in taxable years ending after such date.

SEC. 104. STUDY OF EXPANSION OF CREDIT TO CERTAIN URBAN AREAS.

(a) STUDY.—The Secretary of Health and Human Services or the Secretary's delegate shall determine the present number of, and future need for, physician and nonphysician primary care providers in medically underserved urban areas. Such determination shall form the basis for a study of the feasibility (including cost estimates) of extending the tax credit provided by the amendments made by section 101 of this title to such providers.

(b) REPORTS.—An interim report of the study described in paragraph (1) shall be submitted by the Secretary of Health and Human Services to the Congress 1 year from the date of the enactment of this Act. A final report of such study shall be submitted to the Congress within 2 years of such date of enactment.

TITLE II—PUBLIC HEALTH SERVICE PROVISIONS

SEC. 201. INCREASED FUNDING FOR AREA HEALTH EDUCATION CENTERS.

Section 781(h)(1) of the Public Health Service Act (42 U.S.C. 295g-1(h)(1)) is amended—

(1) by striking "and $20,000,000" and inserting "$20,000,000"; and

(2) by inserting ", and $25,000,000 for each of the fiscal years 1992 and 1993." after "1991".

SEC. 202. PREVENTATIVE HEALTH SERVICES.

Part A of title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) is amended—

(1) in section 1901, by adding at the end thereof the following new subsection:

"(c) Of the amounts appropriated for each fiscal year under subsection (a), the Secretary shall make available not less than $5,000,000 in each such fiscal year to carry out section 1910A."; and

(2) by adding at the end thereof the following new section:

"SEC. 1910A. PREVENTATIVE GRANTS FOR COUNTY HEALTH DEPARTMENTS.

"(a) IN GENERAL.—From amounts made available under section 1901(c), the Secretary shall make grants to county health departments to enable such departments to provide preventative health services in areas within the county which the Bureau of the Census determines to be not urbanized.

"(b) APPLICATION.—To be eligible to receive a grant under subsection (a), a county health department shall prepare and submit, to the Secretary, an application at such time, in such form, and containing such information as the Secretary shall require.

"(c) USE OF FUNDS.—A county health department shall use amounts provided through a grant received under this section to—

"(1) provide immunization services to control the spread of infectious diseases;

"(2) improve maternal and infant health;

"(3) reduce adolescent pregnancy and improve reproductive health; and

"(4) provide such other services as the Secretary determines appropriate.

"(d) DEFINITION.—Not later than 30 days after the date of enactment of this section, the Secretary shall promulgate regulations that define 'county health department' for purposes of this section."

TITLE III—STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS

SEC. 301. SHORT TITLE.

This title may be cited as the "State Health Service Corps Demonstration Act".

SEC. 302. PURPOSE.

It is the purpose of this title—

(1) to promote recruitment and training of physicians and other primary care providers from among the poor and from disadvantaged populations;

(2) to place physicians from health professional shortage areas into similar areas in order to encourage retention of physicians in health professional shortage areas; and

(3) to provide flexibility to States in filling positions in health professional shortage areas.

SEC. 303. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

The Public Health Service Act is amended by inserting after section 338L (42 U.S.C. 254t) the following new sections:

"SEC. 338M. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools (or the parent institutions of such schools) and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'health professional shortage area' has the meaning provided in section 332(a)(1).

"(3) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree of Doctor of Medicine or Doctor of Osteopathy.

"(4) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(5) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(6) PARENT INSTITUTION.—The term 'parent institution' means any health sciences university housing a medical school and one or more other health professions schools.

"(7) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in general practice, family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine and public health, or physiatry; or

"(B) a dentist.

"(8) PROJECT.—The term 'Project' means a State Health Service Corps Demonstration Project established under subsection (b).

"(9) SERVICE AREA.—The term 'service area' means an area designated in subsection (d)(2)(A).

"(b) GRANTS.—The Secretary shall establish a State Health Service Corps Demonstration Project under which the Secretary shall make grants to up to 10 States to pay for the Federal share of the costs of conducting Projects for the training and employment of eligible participants as physician and nonphysician providers serving health professional shortage areas.

"(c) STATE PARTICIPATION.—

"(1) REQUIREMENTS.—In order for a State to be eligible to receive a grant under this section, the State shall—

"(A) enter into an agreement with an area health education center to administer the Project in accordance with subsection (d);

"(B) provide for evaluation of the Project in accordance with subsection (e);

"(C) establish a State Health Service Corps Scholarship Program in accordance with section 338N; and

"(D) meet such other requirements as the Secretary may establish for the proper and efficient implementation of the Project.

"(2) GRANT AWARDS.—In allocating grants under subsection (b), the Secretary shall give priority to States that have demonstrated a commitment to developing and funding area health education center programs.

"(3) APPLICATION.—To be eligible to receive a grant under this section, the State shall submit an application at such time, in such manner and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section. At a minimum, the application shall contain—

"(A) information specifying the actions the State will take against individuals, and the methods the State will use to recover all funds paid under section 338N(i) to individuals, who breach contracts described in section 338N(g); and

"(B) assurances that the State will reimburse the Secretary for all funds recovered from individuals who breach contracts described in section 338N(g).

"(4) DURATION.—A Project under this section shall be for a maximum duration of 8 years, plus up to 6 months for final evaluation and reporting.

"(d) STATE AGREEMENTS WITH AREA HEALTH EDUCATION CENTERS.—

"(1) IN GENERAL.—To be eligible for a grant under this section, a State shall enter into an agreement with an area health education center for the planning, development, and operation of a program to train and employ eligible participants as physician and nonphysician providers.

"(2) REQUIREMENTS.—Under an agreement entered into under paragraph (1), an area health education center shall agree to—

"(A) designate a health professional shortage area or areas as the service area for the area health education center;

"(B) provide for or conduct training in health education services in the service area;

"(C) assess the health professional needs of the service area and assist in the planning and development of training programs to meet the needs;

"(D) provide for or conduct a rotating internship or residency training program in the service area;

"(E) provide opportunities for continuing education to physician and nonphysician providers practicing within the service area;

"(F) conduct interdisciplinary training and practice involving physician and nonphysician providers in the service area;

"(G) arrange and support educational opportunities for students studying to become physician or nonphysician providers at health facilities, ambulatory care centers, and health agencies throughout the service area;

"(H) provide for the active participation in the Project by individuals who are associated with the administration of the sponsoring health professions and each of the departments or specialties of physician or nonphysician providers (if any) which are offered under the Project; and

"(I) have an advisory board of which at least 75 percent of the members shall be individuals, including both health service providers and consumers, from the service area.

"(e) EVALUATION.—Not later than March 30, 1997, and March 30, 2001, each State receiving a grant under this section shall, through grants to or contracts with public and private entities, provide for—

"(1) an evaluation of Projects—

"(A) which were carried out pursuant to this section during any fiscal year preceding the fiscal year in which such date occurs, and

"(B) for which no prior evaluation under this subsection was made, and

"(2) a review of the area health education center providing services under the Projects. The evaluation shall include an evaluation of the effectiveness of the Projects in increasing the recruitment and retention of physician and nonphysician providers in health professional shortage areas.

"(f) FEDERAL SHARE.—The Federal share of the costs of any program established under this section with respect to any State shall be the percentage of such costs equal to the Federal medical assistance percentage applicable to such State under section 1905(b) of the Social Security Act. The State may include as a part or all of the non-Federal share of grants—

"(1) any State funds supporting area health education centers, and

"(2) the value of in-kind contributions made by the State, including tuition remission and other benefits for students participating in the State Health Service Corps Scholarship Program established under section 338N.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated for each of the 1993 through 2000 fiscal years to carry out the purposes of this section an amount equal to the product of—

"(A) $250,000, multiplied by

"(B) the number of States receiving grants under this section for such fiscal year.

Any amount appropriated under this section shall be available without fiscal year limitation.

"(2) COST RECOVERY.—No more than 10 percent of the funds spent under paragraph (1) may be used for purposes of recovering funds or taking other action against individuals who breach the provisions of a contract entered into under section 338N(g).

"SEC. 338N. STATE HEALTH SERVICE CORPS SCHOLARSHIP PROGRAMS.

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools (or the parent institutions (as defined in section 338M(a)(6)) of such schools) and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) GRADUATE EDUCATION.—The term 'graduate education' means a course of study at a medical school or other health professions school leading to a degree in a field practiced by a physician or nonphysician provider.

"(3) HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'health professional shortage area' has the meaning provided in section 332(a)(1).

"(4) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree of Doctor of Medicine or Doctor of Osteopathy.

"(5) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(6) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(7) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine, or physiatry; or

"(B) a dentist.

"(8) PROGRAM.—The term 'Program' means a State Health Service Corps Scholarship Program established under subsection (b).

"(9) SERVICE AREA.—The term 'service area' means an area designated in section 338M(d)(2)(A).

"(10) STATE OFFICIAL.—The term 'State official' means an individual designated by the head of the agency designated in subsection (b)(2) to carry out the Program in the State.

"(11) UNDERGRADUATE EDUCATION.—The term 'undergraduate education' means a course of study at a health sciences university or a 4-year college that affords an appropriate basis for professional training or graduate education to become a physician or nonphysician provider.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—Each State carrying out a State Health Services Corps Demonstration Project established under section 338M shall establish a State Health Service Corps Scholarship Program, in accordance with this section, to ensure an adequate supply of trained physician or nonphysician providers in health professional shortage areas in the State.

"(2) STATE AGENCY.—A State participating in the Program shall designate a State agency to administer or be responsible for the administration of the Program within the State.

"(c) ELIGIBILITY.—To be eligible to participate in the Program, an individual must—

"(1)(A) be accepted for enrollment, or be enrolled, as a full-time student in a health professions program in a health sciences university or a 4-year college; or

"(B) be accepted to participate in, or be participating in, a professional internship or residency as preparation to become a physician or nonphysician provider;

"(2) reside within a health professional shortage area;

"(3) submit an application to participate in the Program; and

"(4) sign and submit to the State, at the time of submission of the application, a written contract containing the information specified in subsection (g) to accept payment of a scholarship and, if appropriate, of loans, and to serve in the service area.

"(d) SELECTION.—Individuals described in subsection (c)(1)(B)—

"(1) shall comprise not more than 50 percent of all individuals selected to participate in the Program during fiscal year 1993;

"(2) shall comprise not more than 40 percent of all individuals selected to participate in the Program during fiscal year 1994;

"(3) shall comprise not more than 30 percent of all individuals selected to participate in the Program during fiscal year 1995;

"(4) shall comprise not more than 20 percent of all individuals selected to participate in the Program during fiscal year 1996;

"(5) shall comprise not more than 10 percent of all individuals selected to participate in the Program during fiscal year 1997; and

"(6) shall not be selected to participate in the Program during fiscal years 1998 through 2000.

"(e) INFORMATION ON SERVICE OBLIGATION.—In disseminating application forms and contract forms to individuals desiring to participate in the Program, the State official shall include with the forms—

"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the State official, including in the summary a clear explanation of the remedies to which the State is entitled in the case of breach of the contract by the individual; and

"(2) such information as may be necessary for the individual to understand the prospective participation of the individual in the Program and the service obligation of the individual.

"(f) APPLICATION FORMS.—The application form, contract form, and all other information furnished by the Secretary under this section shall be written in a manner calculated to be understood by the average individual applying to participate in the Program. The State official shall make the application forms, contract forms, and other information available to individuals desiring to participate in the Program on a date sufficiently early to ensure that the individuals have adequate time to carefully review and evaluate the forms and information.

"(g) CONTRACT.—The written contract between the State official and an individual shall contain—

"(1) a statement that the State official agrees—

"(A) to provide the individual with a scholarship for a period of up to 8 years, during which period the individual is—

"(i) pursuing an undergraduate education described in subsection (a)(11);

"(ii) pursuing graduate education; or

"(iii) participating in an internship or residency program as preparation to become a physician or nonphysician provider; and

"(B) to place the individual into obligated service, taking into account the specialization of the individual and the needs of health professional shortage areas for service, in—

"(i) a rural health professional shortage area, if the individual resided in a rural health professional shortage area at the time of acceptance into the Program; or

"(ii) an urban health professional shortage area, if the individual resided in an urban health professional shortage area at the time of acceptance into the Program;

"(2) a statement that the individual agrees—

"(A) to accept provision of the scholarship, and if appropriate, loans, to the individual;

"(B) to maintain enrollment in a program of undergraduate or graduate education or participation in an internship or residency described in paragraph (1)(B)(ii) until the individual completes the program, internship, or residency;

"(C) while enrolled in a program of undergraduate or graduate education, to maintain an acceptable level of academic standing (as determined under regulations of the State by the educational institution offering the course of study); and

"(D) to serve in the service area or on the clinical staff of the area health education center or the medical school for a time period equal to the shorter of—

"(i)(I) 1 year for each year in which the individual received a scholarship under the Program; and

"(II) 1 month for each $1,000 in loans that the individual received under the Program; or

"(ii) 6 years;

"(3) a statement of the damages to which the State is entitled for breach of contract by the individual; and

"(4) other statements of the rights and liabilities of the State and of the individual, not inconsistent with this section.

"(h) ACCEPTANCE.—

"(1) APPROVAL.—An individual shall become a participant in the Program only on approval by the State official of the application submitted by the individual under subsection (c)(3) and acceptance of the contract submitted by the individual under subsection (c)(4).

"(2) NOTIFICATION.—The State official shall provide written notice to an individual of participation in the Program promptly on acceptance of the individual into the Program.

"(i) SCHOLARSHIP AND LOANS.—

"(1) PAYMENT.—In providing a loan to an individual under subsection (g)(1)(A) or a scholarship to an individual under subsection (g)(1)(B), the State official shall pay—

"(A) to an individual undertaking a program of undergraduate or graduate education, or on behalf of the individual in accordance with paragraph (2)—

"(i) the amount of the tuition of the individual in the school year;

"(ii) the amount of all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual in the school year; and

"(iii) a stipend; and

"(B) to an individual described in subsection (c)(1)(B)—

"(i) the amount of expenses for medical equipment necessary to the practice of a physician or nonphysician provider;

"(ii) the amount of expenses for travel to and from clinical sites; and

"(iii) a stipend.

"(2) PAYMENT TO AN EDUCATIONAL INSTITUTION.—The State official may contract with an educational institution, in which a participant in the Program is enrolled, for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in clauses (i) and (ii) of paragraph (1)(A).

"(j) REPORT.—The State official shall report to the Secretary on January 1 of each year—

"(1) the number, and type of health profession training, of students receiving scholarships under the Program in the preceding year;

"(2) the educational institutions at which the students are receiving their training;

"(3) the number of applications filed under this section in the school year in the preceding year and in prior school years; and

"(4) the amount of tuition paid in the aggregate and at each educational institution for the school year in the preceding year and in prior school years."

SUMMARY OF PRYOR-PACKWOOD RURAL HEALTH LEGISLATION

The legislation provides modest tax incentives for health care practitioners to serve in rural areas and also provides grants to rural county health departments and to medical schools to increase access to basic medical care in rural areas.

DESCRIPTION OF TAX PROPOSALS

Physicians would be allowed a tax credit equal to $1,000 per month for the first three years of practice in a "rural health professional shortage area". Nurse practitioners and physician assistants would be eligible for a similar credit equal to $500 per month. Persons eligible for the tax credit must work in the rural area for at least five years to keep the full credit.

Education loans repaid under the National Health Service Corps Loan Repayment Program for health professionals practicing in rural areas would be exempt from tax.

Physicians practicing in a rural health professional shortage area would be allowed to deduct the entire cost of basic medical equipment up to $25,000 annually.

DESCRIPTION OF GRANT PROPOSALS

The funding for area health education centers would be increased from $20 million to $25 million for fiscal years 1992 and 1993.

Grants of up to $5 million per year would be provided for preventative health services. These grants shall be made to rural county health departments to provide basic preventative care, such as immunizations and infant care.

A State Health Service Corps grant program would be created to provide an annual grant of $250,000 per state, up to a maximum of 10 states, to pay the educational costs of training physician and nonphysician providers serving health professional shortage areas.

DESCRIPTION OF STUDY OF UNDERSERVED URBAN AREAS

The Secretary of Health and Human Services would be required to prepare a study of the present number of, and the future need for, physician and nonphysician providers in medically underserved urban areas, and whether incentives are needed to encourage providers to practice in these areas.

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Washington, DC, April 15, 1991.

DEAR COLLEAGUE: Over the years, we and the media have tended to give shortshrift to the need to attract and retain health care practitioners in rural areas. The shortage of primary care health personnel is a critical factor threatening the survival and effectiveness of rural health care services. On Wednesday, April 24th, we plan to introduce legislation to address this situation and we are taking this opportunity to invite you to become an original cosponsor.

Despite increased numbers of physicians, it continues to be difficult to impossible to attract needed physicians to medically underserved rural areas. Recent studies have documented a great need for doctors in rural areas. In 1988, physician availability in rural counties was less than one-half the national average—97 physicians/100,000 people vs. 225 physicians/100,000 people. Adding to this problem, a 1988 survey of rural physicians found that as many as 26 percent of rural physicians were considering retirement or relocation within the next five years. Also in 1988, 111 rural counties had no practicing physician at all. In contrast, no metropolitan county lacked a physician.

Moreover, even with the recent increase in funding of the National Health Service Corps (NHSC) scholarship and loan repayment program, it will take years before sufficient numbers of NHSC primary care providers are available for placement in underserved rural communities. A March 1991 report from the Center on Budget and Policy Priorities concludes that in the immediate future, the Corps will "supply only a modest fraction of the health care providers needed in underserved areas."

The shortage of doctors makes other health care practitioners, such as nurse practitioners and physician assistants, become even more important to rural areas. However, in recent years, available evidence indicates that the proportion of these practitioners in rural areas has steadily declined.

To address the shortage of rural health care personnel and make basic health care available in rural communities, we are introducing the Rural Primary Care Act of 1991. This bill addresses these rural health care problems through: the use of modest tax incentives to attract and retain health care personnel to rural areas; health care grants for both rural County health departments and Area Health Education Centers (AHECs); and grants for 10 state demonstration projects to promote recruitment and training primary care providers from among the poor and disadvantaged populations.

Specifically, the bill would provide qualified primary care practitioners who are practicing in rural areas in class 1 and 2 Health Professions Shortage Areas (HPSAs) a tax credit for their first three years of practice in the rural areas. Persons eligible for the tax credit must work in the rural area for at least 5 years to keep the full credit. The bill would also exempt from tax, funds given to physicians practicing in rural areas under the Corps' Loan Repayment Program. Also, this legislation would provide a tax deduction for purchases of basic health care equipment by a rural physician and mandate studies to determine the feasibility of extending these tax benefits to practitioners in medically underserved urban areas.

In the past, HPSAs traditionally have relied on the recruiting and placement efforts of the National Health Service Corps. The Corps, which has proven to be the "breeding ground" for HPSA primary care providers, employs scholarship and loan forgiveness programs as recruitment tools. The legislation we will be introducing complements the Corps' efforts to place physicians in underserved areas. In the past, scholarship physicians have tended to leave the areas they were practicing in after they had fulfilled their obligation. Our tax credit program has the potential to encourage many of them to stay on or come back to the HPSA.

A tax credit for rural primary care physicians was previously estimated to cost less than $20 million a year. We believe the cost of the additional provisions incorporated into this legislation will be modest, but we do not have a final estimate from the Joint Tax Committee and the Congressional Budget Office. It is important to note, however, that Federal funds will only be spent if we are successful in placing and retaining desperately needed health care practitioners in underserved rural areas.

Enclosed is a summary of the major provisions of the Rural Primary Care Act of 1991. We are pleased to note that the bill already has received the endorsement of the National Rural Health Association, the National Association of Community Health Centers, and the Children's Defense Fund. If you have any questions, or would like to become a co-sponsor, please call Greg Koenig of the Aging Committee staff at 4-5364 or Rick Grafmeyer of the Finance Committee staff at 4-5315.

Sincerely,

DAVID PRYOR.
BOB PACKWOOD.

Mr. GRAHAM. Mr. President, I am pleased to cosponsor this important rural health initiative introduced by Senators PACKWOOD and PRYOR.

The bill contains a provision which I introduced last year, the State Health Service Corps Demonstration Act. It would address health manpower needs through the recruitment of physician and nonphysician primary care providers from among those actually living in urban and rural underserved areas.

Under the bill, State health service corps [SHSC] demonstrations will be developed around State and/or federally funded Area Health Education Centers [AHEC's]. AHEC's serve as bridges between medical schools and disadvantaged communities, recruiting and training primary care providers, and providing continuing education to existing providers.

AHEC's will recruit future providers from medically underserved areas, and, in conjunction with the National Health Service Corps [NHSC], which has helped finance the health profession education and training of over 13,000 Americans and some 742 Floridians, will train providers at the graduate, medical school, and residency level. Upon completion of training, physicians or midlevel providers will work in areas comparable to those they grew up in and will serve as faculty to the AHEC's.

Physicians will be placed in familiar areas to combat a lack of physician retention after the original NHSC commitment is fulfilled. Poor physician retention has been attributed, in part, to the fact that urban recruits placed in rural areas do not tend to stay. The same is true of rural recruits in urban settings. It is my feeling that the SHSC will advance the goals of both the AHEC and NHSC Programs.

In summary, by recruiting from health manpower shortage areas, training through State medical and allied health schools and AHEC's, placing scholars in areas akin to where they grew up, and allowing NHSC recipients to serve as eventual AHEC faculty, a SHSC could improve long-term physician retention.

I believe this bill will allow States flexibility to put State health service corps programs in place. It will also provide access to care through another section of the bill, which offers primary care providers tax credits for up to 60 months of service in underserved rural areas. We should provide incentives for health care providers to serve in underserved areas in as many ways as possible.

Mr. CONRAD. Mr. President, I am pleased to be an original cosponsor of the Rural Primary Care Act of 1991. Access to quality health care us a crucial need in rural areas. In my view, this bill goes a long way to address that issue.

Currently, several Federal programs encourage health care professionals to locate in underserved areas, including rural areas. For example, National Health Service Corps uses scholarships and loan forgiveness programs as recruiting tools to place providers in underserved areas. Increasingly, however, the corps is becoming an urban program; the factors used to calculate the level of need are skewed toward urban areas. Clearly we must address the problems of many urban areas that face critical shortages of health care personnel, but not at the expense of rural areas. In my home State of North Dakota, we have 42 communities eligible for National Health Service Corps providers. None of these communities has one. In fact, last year only two corps physicians were placed in region VIII, the six-State region which includes North Dakota.

Also, once the repayment obligation is fulfilled, these professionals often move on to more lucrative practices, returning the area to its underserved status. This has frequently happened in my own State of North Dakota. Over the last 10 years we have experienced a 45-percent retention rate for National Health Service Corps placements.

This bill addresses the issues of attraction and retention of health care providers in rural areas by providing a modest tax credit to qualified primary care practitioners for their first 3 years of practice in rural areas. In order to be eligible, the provider must work in the area for at least 5 years to claim the full credit.

Under the bill, funds given to physicians practicing in rural areas under the National Health Service Corps' Loan Repayment Program would be exempt from taxation. And the legislation would allow tax deductions for purchases of basic health care equipment by a rural physician, increase funding for the area education centers, and provide up to $5 million per year to county health departments for preventive health services.

I am particularly pleased by the State Health Service Corps grant program authorized in this bill. This program would provide an annual grant of $250,000 per State for 10 States to create a State Health Service Corps. States often have the best ideas about what will be most effective in their particular circumstances, and I believe we should provide appropriate incentives.

Mr. President, I am pleased to be an original cosponsor and I look forward to working with the sponsors, Senator PRYOR and Senator PACKWOOD, as this legislation progresses through Congress.

Mr. BAUCUS. Mr. President, I am pleased to join in support of the legislation being offered today by my distinguished colleagues Senator PRYOR, Senator PACKWOOD, and others. This proposal makes an important commitment to improving the recruitment of doctors to underserved areas of rural America by instituting a tax credit for practicing in those areas.

The rural areas of the country are suffering from a severe physician shortage. There is only 1 primary care physician for every 2,857 residents in rural areas, compared with 1 for every 614 residents nationally, according to the Department of Health and Human Services. There are 111 rural counties in 22 States with no physician at all.

And there are no signs that the problem is abating. According to the Association of American Medical Colleges, only 1.5 percent of the 15,000 medical students graduating last year said they would prefer to practice in a rural area or small town. And we are rapidly losing those physicians who are there now: A 1988 study showed that 26 percent of rural physicians will leave their communities within 5 years. Twenty percent of rural physicians are older than 65.

My own State of Montana has 8 counties with no physician at all, and 18 counties with no physician to deliver babies. There are currently 50 vacancies for family practice doctors alone in Montana. Thirty of our 56 counties are designated health professional shortage areas. In Montana, where we have no medical school, we have an additional disadvantage in that young students of medicine do not spend their learning years or their residencies anywhere in our State. The Montana Legislature just enacted a State income tax credit for new physicians in rural areas. Only three other States have such credits. These States are breaking new ground in physician recruitment, and it is time the Federal Income Tax Code follows suit.

Frontier States have historically depended on the National Health Service Corps to bring in doctors. That program was seriously eroded by several years of neglect. We have renewed our commitment to the NHSC, but it will be another decade before we see much real improvement in terms of health care delivery. We need solutions now.

Mr. President, the trends in health care personnel in rural America must be reversed if we are to continue having any health care services in our nonmetropolitan areas. We have to stop the exodus of physicians from rural areas and start encouraging them to set up practices there. One way to do that is through financial incentives. The bill we are introducing today provides a financial incentive to practice in rural underserved areas. But also importantly, it changes the signals to young physicians thinking about where to set up their practice.

This bill tells doctors in training: "The Federal Government understands the importance of primary care, and it's going to provide financial incentives to help you make the decision to train in primary care where you are most needed."

It tells young doctors: "If you make a commitment to practice in an underserved rural area, the Federal Government will show its appreciation."

It tells young doctors: "If you have the idealism to work in the National Health Service Corps, the Federal Government won't tax the loan repayment bonus."

Mr. President, these are the kinds of signals this Government should be sending to physicians.

I commend Senator PRYOR for his efforts on this excellent and badly needed proposal, and I look forward to working with him on getting these messages translated into action.

By Mr. BINGAMAN:

S. 1126. A bill to amend title XVIII of the Social Security Act to provide for coverage of payment for home health services where an individual is absent from the home at an adult day center; to the Committee on Finance.

COVERAGE OF HOME HEALTH SERVICES

Mr. BINGAMAN. Mr. President, I rise today to introduce a very simple, yet important, bill to address a problem in Medicare's evolving home health services program. In my view, coverage of home care could be one of Medicare's most beneficial provisions. In recent years, this coverage has given thousands of elderly patients—who otherwise would require hospital or nursing home care—the opportunity to live at home with the families they love.

But as beneficial as it is, home care does take a toll, both on the patients and the family caregivers. Everyone needs a respite, a break from the monotony and stress of everyday of life. To provide much-needed, temporary relief to family caregivers and life-enriching, stimulating social and health-related interaction to patients, adult day centers have been growing in number in recent years throughout the country.

Unfortunately, Medicare does not cover adult day care. In fact, Medicare's home health coverage can be, and often is, denied if a home health care patient attends an adult day center for any reason other than to receive medicare care.

Given the economic and technological realities of today's health care delivery system, I believe it is time for Congress to amend the law to allow for continued Medicare coverage of home health care for homebound patients who attend adult day centers.

The bill I am introducing today would achieve this result. It simply states that when an individual has been detemined eligible for the Medicare home health services benefit, that eligibility cannot be denied simply because the patient attends an adult day center, if the individual attends the center through the help of others or through specialized transportation.

Mr. President, let me explain the situation and my bill in a little more detail: as I have stated, under current law, Medicare beneficiaries may be disqualified from receiving home health services benefits if they are absent from their home, except in very limited circumstances. Only medical absences and a limited number of nonmedical absences are permitted under Medicare's requirement that home health beneficiaries be confined to home.

When the original home benefit was implemented in 1965, few—if any—adult day centers existed. Over the past few decades, however, the need for such centers has become increasingly more apparent. Today, a large network of adult day centers operate around the country, allowing the homebound elderly and disabled to leave their homes for social interaction and to receive health services. These centers provide the homebound with stimulating alternative care settings, which help prevent the home from becoming an institutional-type setting, and provide the family caregivers much-needed respites from the stresses of day-to-day care.

Unfortunately for many Medicare beneficiaries and their families, attending an adult day center has become a serious obstacle to receiving continued coverage of necessary home health care services. In fact, many beneficiaries have said that they avoided attending adult day centers simply because they fear losing Medicare home health coverage of necessary care. And if the experience of other beneficiaries is any indication, their fears are probably justified.

Take, for example, the ordeal of a 94-year-old woman in New Hampshire who is confined to a wheelchair and unable to leave her home unassisted. According to the Center for Health Care Law, her intermediary, Blue Cross/Blue Shield of New Hampshire, determined that she was not homebound and withheld her Medicare home care coverage on the grounds that she was transported twice a week to a local day center for the frail elderly. In another case, an 80-year-old woman in Maine, who is suffering from insulin-dependent diabetes, cardiac disease, degenerative joint disease, cataracts, and minimal vision, was twice denied Medicare coverage—even after her appeal was upheld by an administrative law judge. The basis for her denial was that she violated her homebound status when she attended a senior meals program site, which was a quarter-mile from her home, twice a week. Mr. President, to leave her home, this woman had to use one or two canes, and she required the supervision of another person and specialized transportation. Given these details, I find it incomprehensible that an intermediary would deny Medicare coverage on the grounds that she violated her homebound status. However, like her, hundreds of elderly individuals are being victimized by this illogical and inhumane practice.

To help improve these beneficiaries' quality of life, I believe the Congress should act quickly to amend the Medicare law to specifically allow home health care patients to attend adult day centers. To avoid abuse of the law, this expanded benefit would be available only if attendance is possible through the assistance of other individuals or specialized transportation. This change would identify as the relevant issue the manner by which the patient is capable of attending an adult day center, rather than the purpose of the center. An individual who can attend an adult day center under his own power should not be considered homebound; however, one who can attend only through the use of assistance, and who would otherwise be confined to the home without that assistance, should remain homebound.

Today, adult day centers can serve as surrogate homes for the home health care patients. Patients should be able to receive Medicare-covered home health services while at the centers, if the services are of the type that would have been covered if the individual were in his or her home.

I urge my colleagues to look carefully at this bill, which I ask to be printed in full following my statement, and to talk with their constituents about the need for the type of change I am recommending today.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1126

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF HOME HEALTH SERVICES WHERE AN INDIVIDUAL IS ABSENT FROM THE HOME AT AN ADULT DAY CENTER.

(a) IN GENERAL.—Sections 1814(a) and 1835(a) of the Social Security Act (42 U.S.C. 1395f(a) and 42 U.S.C. 1395n(a)) are amended by adding at the end the following:

"For purposes of this section, an individual may be considered to be confined to his home, for purposes of payment for home health services covered under this title, notwithstanding the individual's absence from the home, through the assistance of other individuals or specialized transportation, to attend an adult day center, regardless of the nature or frequency of the attendance. An adult day center may be considered an individual's home for purposes of determining whether the individual is entitled to payment for home health services under sections 1812(a)(3) and 1832(a)(2).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to payment for home health services furnished on or after January 1, 1992.

By Mr. BRYAN:

S. 1127. A bill to direct the heads of the departments and agencies of Federal Government to make available to the public information relating to members of the Armed Forces of the United States who are officially considered to be prisoners of war, missing in action, or killed in action (body not returned) by reason of certain wars of the United States; to the Committee on Armed Services.

DISCLOSURE OF INFORMATION RELATING TO POW/MIA'S

• Mr. BRYAN. Mr. President, I rise today to introduce legislation designed to lift the cloud of secrecy and doubt surrounding the Federal Government's knowledge of the fate of Americans listed as prisoners of war [POW's] or missing in action [MIA's].

This legislation would require the heads of Federal agencies or departments, with information regarding U.S. military personnel listed as prisoners of war, missing or killed in action from World War II to the present to disclose that information to the public.

This legislation has the potential to help solve some of the remaining questions regarding these missing patriots. Moreover, this legislation is crucial to establishing once and for all the credibility of the Federal Government on this issue.

Whether or not they are justified, there are those who suspect that the Federal Government is holding back information. There are those who suspect that the Federal Government isn't playing it straight with the American people. This bill can eliminate that suspicion.

Mr. President, today there are 2,273 Americans still missing as a result of the conflict in Vietnam, and there are many more from the Korean war and World War II. We have the opportunity to fulfill a commitment of trust to the families of those missing.

We have an opportunity to demonstrate the depth of our gratitude to those who served their country in the past. Moreover, we have an opportunity to demonstrate to those who presently serve and those who are considering service, that the American Government will spare no effort to protect their well-being.

We are all deeply concerned whenever American men and women are held against their will in foreign lands. Indeed, as the President said in his inaugural address,

> There are Americans who are held against their will in foreign lands and Americans who are unaccounted for. Assistance can be shown here and will be long remembered. Good will begets good will. Good faith can be a spiral that endlessly moves on * * *.

The President is right. Good faith can build on itself, but it must be established both internationally and domestically. Members of Congress and the Bush administration have moved internationally to advance the accounting of American veterans whose fate is still unknown.

But domestically, the administration has yet to adopt the policy set forth in this bill to satisfy the doubts and curiosity of those who were left behind by these missing soldiers. The administration has yet to do all it can domestically to give these loved ones peace of mind.

Mr. President, as I mentioned earlier, this legislation requires the release of all pertinent Federal Government information regarding POW/MIA's.

However, we include two important exceptions. The first protects the family of the missing soldier's right to privacy because no information mentioning a serviceman's name could be released against the wishes of the surviving family.

Moreover, the legislation would protect the interests of national security by preventing the disclosure of classified information if the Federal Government can show that national security could be compromised.

A similar version of this legislation has been introduced in the House of Representatives by Congressman JOHN MILLER, and has received strong, bipartisan congressional support. That bill has been endorsed by organizations such as the Vietnam Veterans of America, the American Ex-Prisoners of War, and the National Alliance of Families of POW/MIA's, as well as the Governor of Nevada and Nevada Legislature.

I look forward to working in conjunction with these groups and with all of America's veterans, military personnel and their families to see that this bill becomes law.

The families of those missing have been waiting too long for this simple act of clarity and trust. It is time to put these doubts to rest.

I ask consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PUBLIC RELEASE OF FEDERAL GOVERNMENT INFORMATION RELATING TO MEMBERS OF THE ARMED FORCES OFFICIALLY CONSIDERED TO BE PRISONERS OF WAR, MISSING IN ACTION, OR KILLED IN ACTION (BODY NOT RETURNED).

(a) RELEASE OF LIST OF POW'S, MIA'S, AND CERTAIN KIA'S.—Except as provided in subsection (c), not later than one year after the date of the enactment of this Act, the Secretary of Defense shall make available to the public and transmit to the head of each department and agency of the Federal Government a list containing the following information:

(1) The name of each person who, as a result of service as a member of the Armed Forces of the United States during World War II, the Korean conflict, or the Vietnam era, was officially considered (for Department of Defense purposes) to have the status of prisoner of war, missing in action, or killed in action (body not returned).

(2) The official status (for Department of Defense purposes) of each such person as of the date on which the list is made available to the public.

(b) RELEASE OF FEDERAL GOVERNMENT RECORDS ON POW'S, MIA'S AND CERTAIN KIA'S.—(1) The head of each department and agency of the Federal Government shall review the records and information of the agency to determine whether the department or agency is in possession of any corroborating record or other corroborating information relating to the location of a person referred to in subsection (a)(1) who is officially considered (for Department of Defense purposes) to have a status referred to in subsection (c), the head of such department or agency shall make each such record or other information available to the public.

(2) The head of a department or agency shall make available to the public a record or information referred to in paragraph (1)—

(A) in the case of a record or information held or possessed by such department or agency on the date of the receipt of the list referred to in subsection (a), not later than one year after such date; and

(B) in the case of the record or information received after such date, within 180 days after the date of the receipt of such record or information.

(c) LIMITATIONS ON RELEASE OF INFORMATION.—(1) The head of a department or agency—

(A) may not make available to the public under this section any record or other information that is classified in the foreign policy or national security interests of the United States; and

(B) is not required under this section to make public any record or information relating to any person if the head of the department or agency determines that making such record or information available to the public would result in harm to the health or safety of that person.

(C) may not make available to the public under this section any record or other information is a surviving family member has filed with the Department of Defense a Request for Confidentiality concerning the person referred to in Subsection (A)(1) who is officially considered to have a status referred to in such subsection.

(2) Within 30 days after making a determination described in paragraph (1)(B), the head of a department or agency shall submit a notification of such determination to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 2. DEFINITIONS.

For the purposes of this Act:

(1) The terms, "World War II", "Korean conflict", and "Vietnam era" shall have the meanings given such terms in paragraphs (8), (9), and (29) of section 101 of title 38, United States Code, respectively.

(2) The term "corroborating", with respect to record or other information, means any record or information that is considered to be valid by—

(A) the heads of more than one department or agency of the Federal Government, or

(B) one or more entities or organizations that have an interest in matters relating to members and former members of the armed forces officially considered (for Department of Defense purposes) to have a status as prisoners of war, missing in action, or killed in action (body not returned),

as determined by the head of the department or agency in possession of such record or other information.•

By Mr. GLENN:

S. 1128. A bill to impose sanctions against foreign persons and U.S. persons who assist foreign countries in acquiring a nuclear explosive device or unsafeguarded special nuclear material, and for other purposes; to the Committee on Foreign Relations.

OMNIBUS NUCLEAR PROLIFERATION CONTROL ACT

• Mr. GLENN. Mr. President, I rise today to introduce legislation that will strengthen America's commitment to the goal of preventing the global spread of nuclear weapons.

AMERICAN LEADERSHIP

Do we need to make this effort? No doubt about it. A future nuclear war in the Middle East, South Asia, or East Asia would have profound effects on the security interests not just of the United States, but of our allies and, indeed, the international community as a whole. We also need to do more to head off another nightmare that may lie around the corner—a terrorist group acquiring the bomb or bomb-making material through the black market.

I am proud of the efforts of Congress—working often with the support of the President and executive agencies—to improve our export controls and sanctions legislation with respect to the global spread of missiles and chemical and biological weapons. Some critics, however, have condemned such efforts as amounting to "unilateralism" and bound to fail since, after all, America no longer monopolizes the global market for commodities to produce such weapons.

Yet if our nonproliferation laws were limited as the critics would recommend—if we craft legislation that is simply a least common denominator of all the world's export control and sanctions legislation—would the world be a safer place? That is the crucial question. If 16 nations produce a crucial component for nuclear weapons and 15 nations have export controls over this item, must we really jump into the international market for fear of losing a sale? If other nations condone nuclear proliferation, must we follow suit?

No, obviously this type of reasoning must be firmly rejected. Indeed, if America heeded this argument that all controls must be uniformly multilateral before we will agree to apply them, where would the international nuclear nonproliferation regime be today? There would surely be no Nuclear Non-Proliferation Treaty since, after all, many potential nuclear-weapon countries are outside that treaty. There would be no "nuclear supplier" groups and no "trigger lists" of safeguarded commodities since, once again, not every nation adheres to these standards. Would Japan and Germany now require full-scope international safeguards if America had not taken the lead in advocating this as a basic standard for international commerce? Where would the missile technology control regime be today if the United States had not pressed for its creation?

What some people call unilateralism, I call leadership. It is in this spirit that I introduce legislation today to rekindle America's determination not just to condemn nuclear proliferation—or to manage it—but to prevent it by making it a very, very costly enterprise to individuals or groups that insist on putting profits ahead of national and international security.

In recent years, America has taken the lead—as well it should—in mandating stiff penalties to be imposed on firms or individuals that willfully traffic in goods or technology associated with weapons of mass destruction. In a show of strong bipartisan support, Congress included in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) a U.S. import ban and Government procurement ban on goods produced by foreign firms that traffic in technology controlled under the missile technology control regime.

Congress also passed the Omnibus Export Amendments Act of 1990, which provided for similar penalties against firms or individuals that traffic in chemical or biological weapon-related commodities that are controlled in the United States. Although that bill was pocket vetoed, it has been passed again by the Senate and is awaiting action in the House Foreign Affairs Committee.

WHAT ABOUT NUCLEAR?

There is, however, no provision in current U.S. law that mandates either an import ban or a ban on Government procurements against firms that traffic in technology related to nuclear weapons. We appear to be approaching a point where our laws may be more draconian against missile or CBW-related violations than for illicit sales of H-bomb or other nuclear weapon-related technology, equipment, or materials.

I do not believe that any foreign firm or individual that profits from illicit sales of technology that can level whole cities should make new profits from private business in the United States or from public business with Uncle Sam. I also believe it is not right to limit these penalties just to foreign firms, for what possible international leadership could we achieve if we practice a double standard of punishing foreign firms while condoning illicit exports that the American people have time and again condemned whenever they have been reported?

Nuclear weapons pose a particularly grave threat to the security of the United States and its allies—it deserves a higher status on our list of priorities than it has achieved in the past. The effects of nuclear weapons are quite unlike the effects of mustard gas. The consequences of a nuclear war are quite different from the consequences of a chemical war. The methods by which nations secretly acquire nuclear weapons are similar in many ways to the way nations secretly acquire missiles or CBW's, but there are some differences there as well. In short, we need to protect the special place of nuclear nonproliferation on the public agenda. This is one of the goals of the bill I am introducing today. Here are some specifics:

KEY FEATURES

1. ON SANCTIONS

The legislation would ban U.S. imports and Government procurements from firms that the President determines are trafficking in goods or technology that would assist another nation or group to acquire either nuclear explosive devices or unsafeguarded special nuclear materials. The bill also bans U.S. Government procurements from any U.S. firms determined by the President to be engaging in these activities. Sanctions shall last for at least 12 months and shall end upon a Presidential determination that the illicit activity has ceased and that the President has reason to believe that the activity will not recur.

2. TRIGGER

Sanctions are triggered after the following: First, a Presidential determination; second, a 180-day period to permit the President to consult with foreign governments; and third, a further 90-day extension if that government is making progress in terminating the illicit activities. This procedures follows the proposal already approved by Congress for triggering CBW-related sanctions.

3. EXCEPTIONS

Sanctions will not apply to cases involving U.S. imports of essential defense-related commodities, to goods covered by contracts predating enactment of this law, to information and products essential to U.S. production, and to medical and humanitarian items.

4. WAIVER

The President may waive any sanction at any time after the end of the 12-month period beginning on the date on which the sanction was imposed, upon certification that the sanction would have a serious adverse effect on vital U.S. interests. Again, this waiver provision follows the provision already passed by Congress for CBQW-related cases.

5. OTHER INITIATIVES

First, International Financial Institutions Act would be amended to require U.S. executive directors of each of the international financial institutions listed in that act to vote against providing any institutional funds that would promote the acquisition of unsafeguarded special nuclear material or the development, stockpiling, or use of nuclear explosive devices.

Second, the President's authority is broadened under the International Emergency Economic Powers Act to expand the types of economic sanctions that the President can impose against nuclear proliferators.

Third, the Exim-Bank Act is amended to exclude benefits to any country that has willfully aided or abetted any non-nuclear-weapon state to acquire a nuclear explosive device or unsafeguarded special nuclear material.

Fourth, the Arms Export Control Act is amended to ensure that nations receiving U.S. arms are in full compliance with their international treaty commitments with respect to nuclear nonproliferation.

Fifth, the Foreign Assistance Act is amended: to establish time limitations on waivers of penalties against countries that traffic in nuclear reprocessing technology; to penalize not just the transfer of a nuclear explosive device but also any specially prepared component or design information of such a device; and to end Pakistan's exemption from controls against trafficking in unsafeguarded uranium enrichment technology.

Sixth, the Arms Control and Disarmament Act is amended to designate nuclear nonproliferation as a specific area of emphasis for the General Advisory Committee of ACDA.

Seventh, the State Department Basic Authorities Act is amended to enable the Secretary of State to pay rewards for information relating to any illicit acquisitions of unsafeguarded special nuclear material or nuclear explosive devices.

6. REPORTS

First, the President shall submit an annual report to Congress assessing the compliance by other nations with their nuclear nonproliferation commitments. This report is modeled after the report already required for assessing the compliance of the Soviet Union with its arms control commitments. In a post cold war world, it is appropriate for Congress to ensure it is being kept fully informed about international compliance with relevant treaties and other official commitments.

Second, the Secretary of State shall submit a comprehensive report assessing the effectiveness of past U.S. diplomatic demarches issued to advance nuclear nonproliferation objectives. Such a review is long overdue, especially in light of numerous foreign press reports indicating that many of these demarches, in the memorable words of one German export control official, "usually land in my wastepaper basket."

7. DEFINITION

Finally, for the first time in U.S. law, this law defines the term "nuclear explosive device."

CONCLUSION

Mr. President, I have just summarized the key features of the bill I am introducing today. America's approach to nuclear nonproliferation must be grounded on our ideals and our self-interest, and tempered by experience. Our nuclear nonproliferation legislation has remained essentially static since 1978 while the nature of the threat has continued to grow. We must now redouble our efforts to find new ways of preventing, not just condemning, the global spread of nuclear weapons. I believe the bill I have just outlined goes a long way toward that goal and would welcome the active support of my colleagues to ensure its prompt enactment.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1128

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Omnibus Nuclear Proliferation Control Act of 1991".

SEC. 2. IMPOSITION OF SANCTIONS.

(a) DETERMINATION BY THE PRESIDENT.—

(1) IN GENERAL.—Except as provided in subsection (b)(2), the President shall impose the applicable sanctions described in subsection (c) if the President determines that a foreign person or a United States person, on or after the date of the enactment of this section, has knowingly and materially contributed—

(A) through the export from the United States of any goods or technology that are subject to the jurisdiction of the United States, or

(B) through the export from any other country of any goods or technology that would be, if they were United States goods or technology, subject to the jurisdiction of the United States,

to the efforts by any individual, group, or non-nuclear-weapon state to acquire unsafeguarded special nuclear material or to use, develop, produce, stockpile, or otherwise acquire any nuclear explosive device, whether or not the goods or technology is specifically designed or modified for that purpose.

(2) PERSONS AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.—Within 180 days of a Presidential determination (except as provided in subsection (b)), sanctions shall be imposed pursuant to paragraph (1) on—

(A) the foreign person or United States person with respect to which the President makes the determination described in that paragraph;

(B) any successor entity to that foreign person or United States person;

(C) any foreign person or United States person that is a parent or subsidiary of that person if that parent or subsidiary knowingly assisted in the activities which were the basis of that determination; and

(D) any foreign person or United States person that is an affiliate of that person if that affiliate knowingly assisted in the activities which were the basis of that determination and if that affiliate is controlled in fact by that foreign person.

(3) OTHER SANCTIONS AVAILABLE.—The sanctions which may be imposed for activities described in this subsection are in addition to any other sanction which may be imposed for the same activities under any other provision of law.

(4) DEFINITION.—For purposes of this subsection, the term "knowingly" includes having reason to know.

(b) CONSULTATION WITH AND ACTIONS BY FOREIGN GOVERNMENT OF JURISDICTION.—

(1) CONSULTATIONS.—If the President makes the determinations described in subsection (a)(1) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this section.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this section for the full 180-day period permitted by subsection (a)(2). Following these consultations, the President shall impose sanctions unless the President determines and certifies to the Congress that that government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subsection (a)(1). The President may delay the imposition of sanctions for up to an additional 90

days if the President determines and certifies to the Congress that that government is in the process of taking the actions described in the previous sentence.

(3) REPORT TO CONGRESS.—Not later than 90 days after making a determination under subsection (a)(1), the President shall submit to the Committee on Foreign Relations and the Committee on Governmental Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on the status of consultations with the appropriate government under this subsection, and the basis for any determination under paragraph (2) of this subsection that such government has taken specific corrective actions.

(c) SANCTIONS.—

(1) DESCRIPTION OF SANCTIONS ON FOREIGN PERSONS.—The sanctions to be imposed on a foreign person pursuant to subsection (a)(1) are, except as provided in paragraph (3) of this subsection, the following:

(A) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the foreign person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2).

(B) IMPORT SANCTIONS.—The importation into the United States of products produced by any foreign person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2), shall be prohibited.

(2) DESCRIPTION OF SANCTIONS ON UNITED STATES PERSONS.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the United States person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2).

(3) EXCEPTIONS.—The President shall not be required to apply or maintain sanctions under this section—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(ii) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

(C) to—

(i) spare parts which are essential to United States products or production,

(ii) component parts, but not finished products, essential to United States products or production, or

(iii) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(D) to information and technology essential to United States products or production; or

(E) to medical or other humanitarian items.

(d) TERMINATION OF SANCTIONS.—The sanctions imposed pursuant to this section shall apply for a period of at least 12 months following the imposition of sanctions and shall cease to apply thereafter only if the President determines and certifies to the Congress that—

(1) reliable information indicates that the foreign person or United States person with respect to which the determination was made under subsection (a)(1) has ceased to aid or abet any individual, group, or foreign government in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in that subsection; and

(2) the President has reason to believe that the foreign person or United States person, as the case may be, will not, in the future, aid or abet any individual, group, or foreign government in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in subsection (a)(1).

(e) WAIVER.—

(1) CRITERION FOR WAIVER.—The President may waive the application of any sanction imposed on any person pursuant to this section, after the end of the 12-month period beginning on the date on which that sanction was imposed on that person, if the President determines and certifies to the Congress that the continued imposition of the sanction would have a serious adverse effect on vital United States interests.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to exercise the waiver authority.

(f) DEFINITIONS.—For the purposes of this section—

(1) the term "foreign person" means—

(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

(2) the term "United States person" means—

(A) an individual who is a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is created or organized under the laws of the United States or which has its principal place of business inside the United States.

SEC. 3. ROLE OF INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States executive director to each of the international financial institutions described in section 701(a) of the International Financial Institutions Act (22 U.S.C. 262d(a)) to use the voice and vote of the United States to oppose any direct or indirect use of the institution's funds to promote the acquisition of unsafeguarded special nuclear material or the development, stockpiling, or use of any nuclear explosive device by any non-nuclear-weapon state.

(b) DUTIES OF UNITED STATES EXECUTIVE DIRECTORS.—Section 701(b)(3) of the International Financial Institutions Act (22 U.S.C. 262d(b)(3)) is amended to read as follows:

"(3) whether the recipient county—

"(A) is seeking to acquire unsafeguarded special nuclear material (as defined in section 11(5) of the Omnibus Nuclear Proliferation Control Act of 1991) or a nuclear explosive device (as defined in section 11(2) of that Act);

"(B) is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons; or

"(C) is a country described in both clauses (A) and (B).".

SEC. 4. BASIS FOR DECLARATION OF NATIONAL EMERGENCY.

Section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) is amended by adding at the end thereof the following new subsection:

"(c) For the purpose of this section, the term 'any unusual and extraordinary threat' includes any international event that the President determines may involve the detonation of a nuclear explosive device (as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991) or an action or activity that substantially contributes to the likelihood of the proliferation or detonation of such devices, including the acquisition by a non-nuclear-weapon state of unsafeguarded special nuclear material (as defined in section 11(5) of that Act).".

SEC. 5. EXPORT-IMPORT BANK.

Section 2(b)(4) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)) is amended by inserting after "device" the following: "(as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991), or that any country has willfully aided or abetted any such non-nuclear-weapon state (as defined in section 11(3) of that Act) to acquire a nuclear explosive device or to acquire unsafeguarded special nuclear material (as defined in section 11(5) of that Act).".

SEC. 6. ELIGIBILITY FOR ASSISTANCE.

(a) AMENDMENTS TO THE ARMS EXPORT CONTROL ACT.—(1) Section 3(a) of the Arms Export Control Act is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and";

(C) by adding at the end thereof the following:

"(5) the President has determined that the country or international organization is in full compliance with its international treaty commitments with respect to the nonproliferation of nuclear explosive devices (as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991)."; and

(D) in section 40(d) of such Act, by adding at the end thereof the following new sentence: "For the purposes of this subsection, such acts shall include all activities that the Secretary determines willfully aid or abet the international proliferation of nuclear explosive devices to individuals, groups, or non-nuclear-weapon states (as defined in section 11(3) of the Omnibus Nuclear Proliferation Act of 1991) or willfully aid or abet an individual, group, or non-nuclear-weapon state in acquiring unsafeguarded special nuclear material (as defined in section 11(5) of that Act)."

(2) Section 47 of such Act is amended—

(A) by striking out "and" at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(9) 'nuclear explosive device' has the same meaning given to that term by section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991.".

(b) Amendments to the Foreign Assistance Act of 1961.—

(1) Section 670(a)(2) of the Foreign Assistance Act of 1961 is amended in the first sentence—

(A) by inserting "in any fiscal year" after "President"; and

(B) by inserting "during that fiscal year" after "certifies in writing".

(2)(A) Subparagraph (A) of section 670(b)(1) of the Foreign Assistance Act of 1961 is amended by inserting after "device" the following: ", or any component or design information specially designed or prepared for use in such a device,".

(B) Subparagraph (B)(i) of section 670(b)(1) of such Act is amended by inserting after "device," the following: "or any component or design information specially designed or prepared for use in such a device,".

(3) Section 670 of the Foreign Assistance Act of 1961 is further amended by adding at the end thereof the following new subsection:

"(d) As used in this section, the term 'nuclear explosive device' has the same meaning given to that term by section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991.".

(4) Notwithstanding any other provision of law, Presidential Determination No. 82-7 of February 10, 1982, made pursuant to section 670(a)(2) of the Foreign Assistance Act of 1961, shall have no force or effect.

(5) Section 620E(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2375(d)) is repealed.

SEC. 7. ACDA.

Section 26 of The Arms Control and Disarmament Act (22 U.S.C. 2566) is amended by inserting after the first sentence the following: "These responsibilities shall include the provision to the President of advice on measures to reduce, control, or halt the international spread of nuclear explosive devices (as defined in section 11(2) of the Omnibus Nuclear Proliferation Control Act of 1991) and the acquisition by non-nuclear-weapon states of unsafeguarded special nuclear material (as defined in section 11(5) of that Act).".

SEC. 8. REWARD.

Section 36(a) of the State Department Basic Authorities Act of 1956 is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C);

(2) by inserting "(1)" immediately after "(a)"; and

(3) by adding at the end thereof the following:

"(2) For purposes of this subsection, the term 'act of international terrorism' includes any act substantially contributing to the acquisition of unsafeguarded special nuclear material (as defined in section 11(5) of the Omnibus Nuclear Proliferation Control Act of 1991) or any nuclear explosive device (as defined in section 11(2) of that Act) by an individual, group, or non-nuclear-weapon state, as defined in section 11(3) of that Act.".

SEC. 9. REPORTS.

(a) In General.—Not later than December 1 of each year, the President shall submit to Congress a report on any noncompliance by foreign governments with their commitments to the United States with respect to the prevention of the spread of nuclear explosive devices.

(b) Contents of Report.—The President shall specifically include in such report the following:

(1) A net assessment of the aggregate military significance of all such violations.

(2) A statement of the compliance policy of the United States with respect to violations of those commitments.

(3) What actions, if any, the President has taken or proposes to take to bring any nation committing such a violation into compliance with its commitments.

(c) Reporting Consecutive Noncompliance.—If the President in consecutive reports submitted to Congress under this section reports that any designated nation is not in full compliance with its nonproliferation commitments to the United States, then the President shall include in the second such report an assessment of what actions are necessary to compensate for such violations.

(d) Form of Reports.—Each report under this section shall be submitted in both classified and unclassified versions.

(e) Definition.—As used in this section, the term "commitments" means formal and informal communications that the United States has received from official representatives of foreign governments conveying the national policies of such governments to forswear the acquisition or proliferation of unsafeguarded special nuclear material or of nuclear explosive devices.

(f) Report on Demarches.—(1) Not later than July 1, 1992, the Secretary of State shall submit to the Congress a comprehensive report on the effectiveness of the United States diplomatic demarches intended to halt the proliferation of nuclear explosive devices, including the number of specific demarches issued by the United States, and the number of demarches received by the United States from foreign governments, during the 5 years preceding the date of enactment of this subsection. Such report shall identify the proportion of these demarches that the Secretary has deemed to have been successful in attaining their stated objectives and shall identify all measures taken to improve the effectiveness of such demarches.

(2) For purposes of this section, the term "demarche" means any official communication by one government to another, by written or oral means, intended by the originating government to express—

(A) a concern over a past, present, or possible future action or activity of the recipient government, or of a person within the jurisdiction of that government, contributing to the global spread of unsafeguarded special nuclear material or of nuclear explosive devices;

(B) a request for the recipient government to counter such action or activity; or

(C) both the concern and request described in subparagraphs (A) and (B).

SEC. 10. TECHNICAL CORRECTION.

Section 133(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2160c) is amended by striking out "20 kilograms" and inserting in lieu thereof "5 kilograms".

SEC. 11. DEFINITIONS.

For purposes of this Act—

(1) the term "IAEA safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency;

(2) the term "nuclear explosive device" means any device that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT);

(3) the term "non-nuclear-weapon state" means any country which is not a nuclear-weapon state, as defined by Article IX (3) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow on July 1, 1968;

(4) the term "special nuclear material" has the meaning given to that term by section 11aa of the Atomic Energy Act of 1954 (42 U.S.C. 2014aa); and

(5) the term "unsafeguarded special nuclear material" means special nuclear material which is held in violation of, or not subject to, IAEA safeguards.•

By Mr. MACK (for himself and Mr. Shelby):

S. 1129. A bill to reduce unnecessarily burdensome financial institution paperwork and reporting requirements, and for other purposes; to the Committee on Banking, Housing, and Urban Development.

REGULATORY EFFICIENCY FOR DEPOSITORY INSTITUTIONS ACT

• Mr. MACK. Mr. President, today I, along with Senator SHELBY, am introducing legislation which will help promote the safety and soundness of our Nation's financial institutions. The strength of America's economy and its ability to provide jobs relies on a healthy banking system. At a time when our Nation's deposit insurance system is under stress and a record number of banks are failing, significant and ever-escalating resources are being spent on compliance with burdensome reporting mandates unrelated to bank safety and soundness. Indeed, bank safety and soundness would be enhanced with the passage of this legislation.

This bill is intended to reduce the enormous amount of paperwork and expense of certain Federal mandates on our Nation's financial institutions that are unrelated to the safety and soundness of that institution. The bill's purpose is to diminish, in a modest fashion, some of the superfluous, duplicative, and unfair requirements and liabilities imposed on banks and other depository institutions.

As experience with consumer legislation has vividly and repeatedly demonstrated, regardless of the simplicity of the legislative concept, that concept inevitably translates into unnecessarily complicated and expensive regulations. Moreover, while no single regulation can be characterized as most burdensome, the aggregate burden of the litany of banking regulations ultimately affects banks' operations, their ability to serve customers effectively, and the price paid by consumers for bank products.

It is not an exaggeration to say that banks are drowning in a sea of regulations. Of grave concern are the significant and ever-escalating resources spent on compliance with regulations unrelated to bank safety and soundness at a time when many of these banks are under serious financial strain.

For instance, last year, banks were required to mail FDIC notices to all account holders. The notice was to explain that Federal insurance of savings and loan deposits was to be changed so as to be identical to bank deposit insurance. A rough but conservative estimate of the banks' cost of this mailing exceeds $81 million. Yet the brochure, by all accounts, was incomprehensible, confusing, ignored by most account holders, and apparently enlightened few if any customers. The $81 million spent on this exercise could have been better spent on loans to small businesses or first-time home buyers.

Mandatory notices and the number of reports submitted to regulators represent only a small part of the regulatory cost burden. The costs of compliance are often understated or ignored because the statutory solutions appear deceptively simple and effortless. Yet, implementation and maintenance of a single regulation demands the energy of numerous bank departments. Examples of elements of expenses include: Legal fees for interpretation and implementation; collection and destruction of old forms; devising new forms; designing complying programs and products; labor; internal and external meetings; computer technology; computer resources; printing new forms; postage; handling inquiries and misunderstandings; purchasing compliance education and auditing tools; training and retraining personnel; monitoring compliance; reporting to regulators; and meeting with regulatory examiners.

One bank with net income of $83 million in 1989 analyzed its compliance costs and calculated the labor cost of complying just with regulations unrelated to safety and soundness to be about $12 million for that year.

As I have illustrated, the costs of compliance with regulations unrelated to safety and soundness are enormous. And the expense affects not only banks, but also consumers and the banks' communities. Ultimately, the banks are compelled to pass some of the costs to customers in the form of higher fees for deposit and loan products.

This bill is intended to reduce, in a modest fashion, some of the expensive paperwork and liability associated with the unnecessary requirements. Most of the modifications to current regulations will have little if any noticeable effect on most consumers.

For instance, one provision eliminates the duplication of recordkeeping requirements of the Home Mortgage Disclosure Act and regulations related to the Fair Housing Act. Another provision clarifies that lenders are not required to furnish mortgage applicants estimates of settlement costs if they have denied the loan within 3 days of application, the usual deadline for providing such settlement cost estimates. The bill also makes a technical change to clarify that the requirement that lenders limit the maximum interest rate on mortgage loans applies only to consumer loans. The law clearly was never intended to apply to commercial loans, but the statute is ambiguous.

The bill allows consumers and lenders more flexibility regarding certain provisions of the Truth in Lending Act. It allows borrowers who wish to waive their 3-day right to rescind certain loans secured by a residence if appropriate disclosure is made. Thus, under the bill, the creditor is not required to delay releasing the funds until the expiration of the 3-day period. This allows borrowers immediate access to the loan funds and in the case of mortgage refinancings, relieves them from paying interest on two loans during that period.

The bill also attempts to reduce compliance costs and paperwork by amending the Community Reinvestment Act and the Home Mortgage Disclosure Act. My bill exempts small community banks from the Community Reinvestment Act entirely. By definition and their very nature, community banks serve their communities; they cannot survive without doing so. Yet, they are compelled by the Community Reinvestment Act to devote significant and valuable resources to document and defend the very community activities central to their existence. The cost of the burden exceeds its value.

Now is the time to streamline the regulatory burden that is unrelated to safety and soundness on our Nation's financial institutions. I urge my colleagues to join me as cosponsors on this important legislation.●

● Mr. SHELBY. Mr. President, I join with Senator MACK in introducing legislation to help lighten the regulatory burden on financial institutions. For too long, Congress has imposed burdensome reporting or disclosure requirements on depository institutions with little or no regard for the costs associated with compliance. While no single requirement in itself imposes an insurmountable hardship, the effect of these requirements in the aggregate has been to greatly increase compliance costs and, in some instances, the regulations have only served to exacerbate the problem they were designed to address.

As this Nation still recoils from the shock of the savings and loan crisis, the papers now run front page stories about weaknesses in the banking industry. The bank insurance fund threatens to become insolvent in the not too distant future and once again, Congress is required to restore to health the deposit insurer.

The Senate Banking Committee, on which Senator MACK and I serve, is again addressing the issue of bank powers. We must decide whether a substantially weakened banking system would be helped or hindered by being permitted into new services and products. While I am inclined to say that some new powers are appropriate for our banking system, I am repeatedly struck by the message I receive from bankers in my State. While most of the bankers in Alabama would appreciate the opportunity to better serve their customers with new products and services, they would much prefer the opportunity to fulfill their existing role more efficiently. The single largest concern to bankers in the State of Alabama is the regulatory burden placed on them by Federal statutes.

I cannot walk into a community bank in Alabama or have a conversation with a banker from Alabama and not discuss the Community Reinvestment Act. The burden placed on banks by this single statute is staggering. While Congress passed CRA with the best intentions, it appears that the application of this intent has been heavy handed. Community banks, those that serve smaller, well-defined markets, cannot survive without serving all members of the community. What is good for the community is good for the bank. Yet, these smalltown community banks are forced to devote considerable resources to document and prove to Federal regulators that they are indeed serving the market in which they are located. Evaluation of compliance varies widely among regulators. Regulators have even told bankers in my State that, while their compliance efforts merit an outstanding evaluation, internal policy prevents them from bestowing that high of a grade.

To illustrate the ineffectiveness of CRA, consider this example. I am advised that two banks have reported that they requested permission to install automated teller machines in low- and moderate-income areas in order to improve their CRA ratings. However, their requests were denied because their CRA ratings were too low. Did Congress mandate this catch-22? Is this what we intended?

The Home Mortgage Disclosure Act has been similarly effective. Recent expansions in the type of data required will result in the Federal Reserve assembling more data than it has ever collected on any other subject. This data reveals the location of loan applications and purchases by census tract and is intended to help regulators determine whether creditors are discriminating illegally.

Ironically, however, the data collected may be statistically irrelevant. The data do not reveal the creditworthiness of the applicant. Data collected are currently based on 1980 census reports and population shifts since that time may significantly skew its accuracy.

Griffith Garwood of the Division of Consumer and Community Affairs at the Federal Reserve Board estimated in an article published in the American Banker that the Federal Reserve will be required to distribute approximately 1.7 million pages of reports, at a cost to the Federal Reserve Board alone in excess of $1 million. This cost does not include the cost to the Reserve banks or the considerable expense to reporting financial institutions.

These are but two examples of the well-intentioned but poorly implemented regulations that Congress has placed on banks in recent years. As Congress examines ways in which it can restore the banking industry to health, I believe that the first move must be to permit banks to operate more efficiently. Releasing financial institutions from the substantial regulatory burden mandated by Congress is an obvious first step. I believe that we should incorporate the provisions of this legislation into the deposit insurance reform legislation that is currently working its way through Congress.

I would not advocate the removal of these regulations if I believed that consumers would suffer. However, I believe that consumers, who are also taxpayers, will gain from a stronger, healthier banking system, restored in part by streamlined, efficient regulation.•

By Mr. KASTEN (for himself, Mr. Shelby, and Mr. Burns):

S. 1130. A bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement account; to the Committee on Finance.

FAMILY FARM TAX RELIEF AND SAVINGS ACT

• Mr. KASTEN. Mr. President, I rise today to introduce the Family Farm Tax Relief and Savings Act of 1991. This legislation would provide tax relief and a retirement savings program for families actively engaged in the business of farming. Specifically, farmers would be permitted to roll over the proceeds from the sale of farm assets into an individual retirement account and thereby defer tax on those assets until the farmer or spouse begins withdrawing funds from the IRA after retirement.

Today, the Tax Code is particularly unkind to farmers. A farmer who works his whole life on the farm and then sells part, or all of it in order to retire, is subject to immediate taxation of his full profit. The Federal Government taxes 28 percent of a lifetime's accumulated gain, and the State takes another chunk. The farmer is then left to retire on what remains.

There is no consideration for the fact that much of the farmer's profit is due solely to inflation, or that farmer's do not have access to company or government pension and retirement plans and therefore often rely on the farm sale proceeds to provide a comfortable retirement.

Retirement can be particularly difficult for many farmers since they often receive less Social Security than workers in other fields. This is because farmer's need to plow much of the farm income back into the farm. Consequently, many farmer's have to pay themselves low salaries and as a result receive lower Social Security benefits. This is despite the fact that as self-employed workers farmers actually pay payroll taxes of 15.3 percent rather than the 7.65 percent that employees of companies pay.

All of this adds up to high taxes, and an often difficult retirement for farmers who have spent their lives feeding America's families.

I believe farmer's deserve better. This bill provides that farmers who sell farm assets would be permitted to defer capital gains taxation on the profit from those assets by rolling the profit into an individual retirement account or similar tax deferred program.

The farmer and his spouse would each be able to rollover up to $10,000 for each year of farming, up to a maximum of $500,000 per farm couple. If other IRA accounts exist, that amount in excess of $100,000 owned by a single farmer or both spouses shall be subtracted from the $500,000 limit thus establishing an upper limit of $600,000 in tax deferred accounts per farm couple. This program would only be available to those who have farmed for at least 5 years.

This proposal has the support of the Wisconsin Farm Bureau and farmers throughout Wisconsin. I am proud to work with them to help reduce the punishing tax burden placed on farmers when they sell farm assets.

Mr. President, I ask unanimous consent that the full text of my bill be entered into the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE TO INTERNAL REVENUE CODE.

(a) Short Title.—This Act may be cited as the "Family Farm Tax Relief and Savings Act of 1991".

(b) Reference to Internal Revenue Code of 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. ROLLOVER OF GAIN FROM SALE OF FARM ASSETS TO INDIVIDUAL RETIREMENT PLANS.

(a) In General.—Part III of subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to common nontaxable exchanges) is amended by inserting after section 1034 the following new section:

"SEC. 1034A. ROLLOVER OF GAIN ON SALE OF FARM ASSETS INTO ASSET ROLLOVER ACCOUNT.

"(a) Nonrecognition of Gain.—If a taxpayer has a qualified net farm gain from the sale of a qualified farm asset, then, at the election of the taxpayer, gain (if any) from such sale shall be recognized only to the extent such gain exceeds the contributions which—

"(1) are to 1 or more asset rollover accounts of the taxpayer for the taxable year in which such sale occurs, and

"(2) are not in excess of the limits under subsection (c).

"(b) Asset Rollover Account.—

"(1) General rule.—Except as provided in this section, an asset rollover account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(2) Asset rollover account.—For purposes of this title, the term 'asset rollover account' means an individual retirement plan which is designated at the time of the establishment of the plan as an asset rollover account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) Contribution Rules.—

"(1) No deduction allowed.—No deduction shall be allowed under section 219 for a contribution to an asset rollover account.

"(2) Aggregate contribution limitation.—Except in the case of rollover contributions, the aggregate amount for all taxable years which may be contributed to all asset rollover accounts established on behalf of an individual during a qualified period shall not exceed—

"(A) $500,000 ($250,000 in the case of a separate return by a married individual), reduced by

"(B) the amount by which the aggregate value of the assets held by the individual (and spouse) in individual retirement plans (other than asset rollover accounts) exceeds $100,000.

"(3) Annual contribution limitations.—

"(A) General rule.—The qualified contribution which may be made in any taxable year shall not exceed the lesser of—

"(i) the qualified net farm gain for the taxable year, or

"(ii) an amount determined by multiplying the number of years the taxpayer is a qualified farmer by $10,000.

"(B) Spouse.—In the case of a married couple filing a joint return under section 6013 for the taxable year, subparagraph (A) shall be applied by substituting '$20,000' for '$10,000' for each year the taxpayer's spouse is a qualified farmer.

"(4) Time when contribution deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a contribution to an asset rollover account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

"(d) Qualified Net Farm Gain; Etc.—For purposes of this section—

"(1) Qualified net farm gain.—The term 'qualified net farm gain' means the lesser of—

"(A) the net capital gain of the taxpayer for the taxable year, or

"(B) the net capital gain for the taxable year determined by only taking into account gain (or loss) in connection with a disposition of a qualified farm asset.

"(2) QUALIFIED FARM ASSET.—The term 'qualified farm asset' means an asset used by a qualified farmer in the active conduct of the trade or business of farming (as defined in section 2032A(e)).

"(3) QUALIFIED FARMER.—

"(A) IN GENERAL.—The term 'qualified farmer' means a taxpayer who—

"(i) during the 5-year period ending on the date of the disposition of a qualified farm asset materially participated in the trade or business of farming, and

"(ii) 50 percent or more of such trade or business is owned by the taxpayer (or his spouse) during such 5-year period.

"(B) MATERIAL PARTICIPATION.—For purposes of this paragraph, a taxpayer shall be treated as materially participating in a trade or business if he meets the requirements of section 2032A(e)(6).

"(4) ROLLOVER CONTRIBUTIONS.—Rollover contributions to an asset rollover account may be made only from other asset rollover accounts.

"(e) DISTRIBUTION RULES.—For purposes of this title, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an asset rollover account.

"(f) INDIVIDUAL REQUIRED TO REPORT QUALIFIED CONTRIBUTIONS.—

"(1) IN GENERAL.—Any individual who—

"(A) makes a qualified contribution to any asset rollover account for any taxable year, or

"(B) receives any amount from any asset rollover account for any taxable year,

shall include on the return of tax imposed by chapter 1 for such taxable year and any succeeding taxable year (or on such other form as the Secretary may prescribe) information described in paragraph (2).

"(2) INFORMATION REQUIRED TO BE SUPPLIED.—The information described in this paragraph is information required by the Secretary which is similar to the information described in section 408(o)(4)(B).

"(3) PENALTIES.—For penalties relating to reports under this paragraph, see section 6693(b)."

(b) CONTRIBUTIONS NOT DEDUCTIBLE.—Section 219(d) of the Internal Revenue Code of 1986 (relating to other limitations and restrictions) is amended by adding at the end thereof the following new paragraph:

"(5) CONTRIBUTIONS TO ASSET ROLLOVER ACCOUNTS.—No deduction shall be allowed under this section with respect to a contribution under section 1034A."

(c) EXCESS CONTRIBUTIONS.—

(1) IN GENERAL.—Section 4973 of the Internal Revenue Code of 1986 (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities) is amended by adding at the end the following new subsection:

"(d) ASSET ROLLOVER ACCOUNTS.—For purposes of this section, in the case of an asset rollover account referred to in subsection (a)(1), the term 'excess contribution' means the excess (if any) of the amount contributed for the taxable year to such account over the amount which may be contributed under section 1034A."

(2) CONFORMING AMENDMENTS.—

(A) Section 4973(a)(1) of such Code is amended by striking "or" and inserting "an asset rollover account (within the meaning of section 1034A), or".

(B) The heading for section 4973 of such Code is amended by inserting "ASSET ROLLOVER ACCOUNTS," after "CONTRACTS".

(C) The table of sections for chapter 43 of such Code is amended by inserting "asset rollover accounts," after "contracts" in the item relating to section 4973.

(d) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of section 408(a) of the Internal Revenue Code of 1986 (defining individual retirement account) is amended by inserting "or a qualified contribution under section 1034A," before "no contribution".

(2) Subparagraph (A) of section 408(d)(5) of such Code is amended by inserting "or qualified contributions under section 1034A" after "rollover contributions".

(3)(A) Section 6693(b)(1) of such Code is amended by inserting "or 1034A(f)(2)" after "408(o)(4)" in subparagraph (A).

(B) Section 6693(b)(2) of such Code is amended by inserting "or 1034A(f)(2)" after "408(o)(4)".

(4) The table of sections for part III of subchapter O of chapter 1 of such Code is amended by inserting after the item relating to section 1034 the following new item:

"Sec. 1034A. Rollover of gain on sale of farm assets into asset rollover account."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and exchanges after the date of enactment of this Act.●

By Ms. MIKULSKI:

S. 1131. A bill to establish certain programs at the National Science Foundation to enhance the Nation's literacy and skill base in science and technology; to the Committee on Labor and Human Resources.

AMERICAN LEADERSHIP IN TECHNOLOGY ACT

● Ms. MIKULSKI. Mr. President, I am introducing today, the American Leadership in Technology Act [ALTA]. This bill will increase the National Science Foundation's support for undergraduate science and engineering programs.

To compete in the global marketplace, our country must maintain a world-class work force, one that is competitive across-the-broad spectrum of technological and industrial change. However, if we look at the statistics America is facing a critical loss of leadership in both science and technology.

And if we look at the education sector, America is also facing a shortage of young Americans who are capable and willing to major in science and engineering. In the year 2000, a large percentage of our population will be women and minorities. We need to ensure that these young people are included in the pipeline that feeds the science and engineering work force.

American industry, government, education, labor, small business, and the general employer community must work together to increase not only the number of Ph.D scientist in this country, but also the number of lab technicians and engineers.

My bill, ALTA, addresses this challenge by authorizing $30 million in the first fiscal year of operation, for the National Science Foundation to expand and improve advanced technician training programs in community colleges or associate-degree-granting colleges. The colleges must match each Federal dollar with private funds or inkind contributions.

These programs will expand and improve training in critical fields such as microelectronics, hydraulics, lasers, computers, and chemical technology.

The NSF would also designate 10 centers of excellence among community colleges to serve as clearinghouses and model training programs.

Community colleges have the most experience in providing work force training and technological training in our education system. Community colleges can tailor programs to meet local industry needs. They are also able to meet the needs of students who need this training the most; the adult workers displaced by plant closings; working people and parents who need flexible scheduling; handicapped people with special needs; high school graduates; and high school dropouts.

Our country must take advantage of every resource we have. The Nation's community college system has a demonstrated record of training industry's labor needs and this bill helps us put our resources where it works.

I hope that my colleagues will cosponsor this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1131

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Leadership in Technology Act of 1991.

SEC. 2. FINDINGS.

The Congress finds that—

(1) a world-class workforce will be increasingly essential to the economic future and well-being of the United States;

(2) the Nation's position in the global economy is challenged both by the growing workforce competence of foreign competitors and by the declining ratio of active American workers to retirees;

(3) American leadership in science is being undetermined by skill shortages in many technical and professional fields;

(4) science and mathematics education must be strengthened from elementary and secondary education through collegiate undergraduate education in order to enable more Americans to seek advanced study and careers in science, mathematics and engineering;

(5) American leadership in science and mathematics is being undermined by waning and insufficient student interest in science and mathematics at all levels of education.

(6) the improved productivity of the American workforce will require substantial upgrading and co-ordination of educational programs in science, mathematics, and technology, particularly at the associate degree level;

(7) mathematics and science programs in colleges and universities are poorly and insubstantially coordinated with programs in

the Nation's community colleges, technical colleges, and junior colleges;

(8) efforts to improve science, mathematics, and technology education can be improved not only by the increased use of innovative instructional technology, but also by revised curricula designed to increase student access to, and serve the technological skill needs of, employers;

(9) efforts to meet the shortages of technically trained workers in a wide variety of fields demands a national strategy to intensify and expand educational partnerships between industry and community colleges, technical colleges, junior colleges and institutions of higher education;

(10) more United States-born minorities, women, and other students could be attracted to science and engineering careers through stronger coordination between community colleges, technical colleges, junior colleges, and institutions of higher education; and

(11) the National Science Foundation should be more comprehensively programmed at all levels of education.

SEC. 3. DEFINITIONS.

For the purpose of this Act—

(1) the terms "advancing technology" and "advanced technology" include or refer to advanced technical activities such as the modernization, miniaturization, integration, and computerization of electronic, hydraulic, pneumatic, laser, nuclear, chemical, telecommunication, and other technological applications to enhance productivity improvements in manufacturing, communication, transportation, commercial, and similar economic and national security activities; and

(2) the term "associate-degree-granting college" means a post-secondary educational institution that has authority to award an associate degree or comparable technical certificate and has the mission of offering comprehensive education and training services to meet the needs of a prescribed community, including a two-year institution of higher education, or other postsecondary institution offering comprehensive associate degree programs in technical fields.

(3) the term "Director" means the Director of the National Science Foundation;

(4) the term "four-year institution of higher education" includes colleges and universities;

(5) the term "local educational agency" has the same meaning give such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(6) the term "institution of higher education" has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965; and

(7) the term "two-year institution of higher education" includes community colleges, technical colleges, and junior colleges.

TITLE I—ARTICULATION CONSORTIA

SEC. 101. ARTICULATION CONSORTIA.

(a) PROGRAM AUTHORIZED.—The Director shall pay the Federal share of awarding grants to eligible consortia to establish and operate programs which—

(1) enable greater numbers of students from two-year institutions of higher education to successfully transfer into science and engineering programs at four-year institutions of higher education;

(2) maximize the acceptance of credits of students who transfer from two-year institutions of higher education to four-year institutions of higher education;

(3) improve the quality of instruction in science, mathematics, and engineering programs through faculty development, including faculty exchanges and symposia among consortium partners; and

(4) strength career counseling services in two-year institutions of higher education for students who seek to major in science, mathematics, or pre-engineering courses.

(b) NUMBER OF GRANTS.—The Director shall award at least 1 grant in each State in each fiscal year pursuant to the provisions of this title.

(c) AWARD BASIS.—The Director shall award grants under this title on a competitive basis.

(d) SPECIAL RULE.—The Director shall only award a grant to an eligible consortium which has—

(1) engaged or will engage the industries of the State in job training programs at two-year institutions of higher education in an effort to meet the technical needs of the area served by such eligible consortium; and

(2) entered into an agreement among the four-year institution of higher education and each two-year institution of higher education participating in the consortium to facilitate the transfer of science and mathematics students from two-year institutions of higher education to four-year institutions of higher education.

SEC. 102. ELIGIBLE CONSORTIA.

For the purpose of this section the term "eligible consortia" means a four-year institution of higher education in partnership with two or more two-year institutions of higher education which serve the same intrastate region as such four-year institution of higher education.

SEC. 103. NATIONAL SCIENCE FOUNDATION ACTIVITIES.

In carrying out the provisions of this section, the Director shall—

(1) assist eligible consortia in submitting applications pursuant to section 104;

(2) assist eligible consortia in seeking assistance under other National Science Foundation undergraduate programs that complement or strengthen the work of the eligible consortia; and

(3) conduct evaluations of the grant program under this title.

SEC. 104. APPLICATION.

(a) IN GENERAL.—Each eligible consortium desiring a grant under this title shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought;

(2) describe the science, mathematics and preengineering programs which the two-year institution of higher education offers to students; and

(3) contain such other assurances as the Director determines necessary to ensure compliance with the provisions of this title.

(b) APPLICATION PERIOD.—Applications submitted pursuant to subsection (a) may be for a period of one or three years.

SEC. 105. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Director shall pay to each eligible consortium having an application approved under section 104 the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—(1) The Federal share of grants awarded under this title shall be 50 percent.

(2) The non-Federal share of grants awarded under this title may be in cash or in kind fairly evaluated, including planned equipment or services.

TITLE II—INSTRUCTION TECHNOLOGIES

SEC. 201. INSTRUCTION TECHNOLOGIES.

The Director shall establish a program to promote and support the development and dissemination of innovative technologies, including computer hardware and software, for science and technologies literacy instruction which emphasizes training and retraining workers for technological skills.

SEC. 202. FORMS OF ASSISTANCE.

In carrying out the provisions of this title, the Director shall—

(1) solicit proposals from associate-degree-granting institutions, in cooperation with local businesses, for the development and dissemination of innovative technologies designed to aid in the instruction of adults in literacy and technical skills relevant to the workplace;

(2) on a competitive basis, pay the Federal share of awarding grants to entities with demonstrated ability or outstanding potential to produce the innovative technologies materials described in paragraph (1);

(3) establish a revolving loan fund from which the Director shall make loans to educational institutions and other entities (including on-site, workplace literacy initiatives) providing literacy instruction and technical training for the acquisition and use of innovative technologies; and

(4) where feasible, consult, cooperate, and coordinate with analogous programs and policies of other relevant Federal agencies, especially programs and policies of the Department of Education.

SEC. 203. APPLICATION.

Each entity desiring financial assistance under this title shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director determines necessary to assure compliance with the provisions of this title.

SEC. 204. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Director shall pay to each entity having an application approved pursuant to section 203 the Federal share of the cost of the activities and services described in the application.

(b) FEDERAL SHARE.—(1) Except as provided in paragraph (3), the Federal share of grants awarded under this title shall be 50 percent.

(2) The non-Federal share of grants awarded under this title may be in cash or in kind fairly evaluated, including planned equipment or services.

(3) The Federal share of grants awarded under this title for the acquisition of innovative computer hardware or software shall be 50 percent, except that the Director may reduce or eliminate the Federal share in the case of such a grant awarded to—

(A) a nonprofit organization that qualifies for exemption from taxation under section 501(c) of the Internal Revenue Code of 1986;

(B) a commercial entity proposing to use such funds to provide retraining to prevent workforce layoffs or to train workers who are in imminent danger of dismissal for other employment; or

(C) a local educational agency serving a county or city where the children aged 5 to 17, inclusive, from families below the poverty level determined by the Bureau of the Census exceeds 15 percent of the total school population, taking into account the need for such entity and its ability to obtain other funding.

(c) DEFINITION.—For purposes of this section, the term "innovative technologies" includes computer hardware and software, interactive video disks, CD ROM programs, and other similar items specified by the Director.

TITLE III—TECHNICIAN TRAINING

SEC. 301. TECHNICIAN TRAINING.

(a) NATIONAL ADVANCED TECHNICIAN TRAINING PROGRAM.—(1) The Director shall pay the Federal share of awarding grants to accredited associate-degree-granting colleges or consortia thereof to enable such colleges or consortia to establish, operate, or expand advanced technician training programs. Such programs shall emphasize—

(A) collaborative activities with local employers;

(B) technical occupational training; and

(C) attracting men and women to such programs who are in need of retraining or upgrading in order to retain their jobs, or who are unemployed, especially workers dislocated by plant closings and technological change, and persons who have recently completed high school or who left high school prior to graduation.

(2) The Director shall award grants under this section on a competitive basis.

(3) In awarding grants under this section the Director shall give priority to advanced technician training programs which—

(A) include flexibility in scheduling in order to accommodate working individuals and parents; and

(B) address the adaptive and training needs of handicapped young individuals and adults.

(b) GRANT AMOUNT.—No grant awarded under this section shall exceed $500,000 per year.

(c) DIRECTOR RESPONSIBILITIES.—(1) In carrying out the provisions of this section, the Director shall—

(A) only award grants to accredited associate-degree-granting colleges which demonstrate the ability to provide competency-based technical training;

(B) consult with, cooperate with, and coordinate with the programs and policies of, the Department of Commerce and other relevant Federal agencies including the Departments of Labor, Education, and Defense; and

(C) work with the Nation's network and associate-degree-granting colleges to establish and maintain a readily accessible inventory of advanced technician training programs which are serving public and private employers and addressing the changing workforce demands of technology.

(2) The Director shall establish and maintain the inventory of advanced technician training programs described in paragraph 1(C) at the National Science Foundation or through a grant, contract, or cooperative agreement.

(d) APPLICATION.—Each associate-degree-granting college or consortia thereof desiring a grant under this section shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director determines necessary to ensure compliance with the provisions of this section.

(e) PAYMENTS; FEDERAL SHARE.—(1) The Director shall pay to each associate-degree-granting college or consortia thereof having an application approved under subsection (d) the Federal share of the cost of the activities described in the application.

(2) The Federal share of grants awarded under this section shall be 50 percent.

(3) The non-Federal share of grants awarded under this section may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 302. USE OF FUNDS.

Grants awarded pursuant to section 301 shall be used for—

(1) the development of associate degree and training programs in advanced technology occupations by accredited associate-degree-granting colleges, and by consortia of such colleges, with particular emphasis on model instructional programs to prepare and upgrade technicians and to retain dislocated workers in state-of-the-art competencies in advanced technology occupations;

(2) the development in such colleges of faculty and instructors, both full- and part-time, in advanced technology fields such as laser technology, robotic technology, nuclear technology, computer technology, and fiber optics, and in advanced technology applications that integrate and synthesize emerging and existing technologies.

(3) the establishment of innovative partnership arrangements among associate-degree-granting colleges, the private sector, and the government to enhance the exchange of technical and scientific personnel, including programs providing faculty with opportunities for short-term assignments with industry;

(4) the development of cooperative advanced technician training programs with business, industry, labor, and government;

(5) the purchase or lease of state-of-the-art instrumentation essential to training and education programs designed to prepare and upgrade technicians in advanced technology fields;

(6) the stimulation of private sector participation in advanced technician training programs in associate-degree-granting colleges through the sharing of program costs, equipment loans and donations, and the cooperative use of laboratories, plants, and other facilities as training sites and to provide relevant state-of-the-art work experience opportunities for students enrolled in such programs; and

(7) the development and dissemination of instructional materials in support of advanced technician training programs in degree-granting colleges.

SEC. 303. NATIONAL CENTERS OF TECHNICIAN TRAINING.

(a) IN GENERAL.—The Director shall award grants to associate-degree-granting colleges to pay the Federal share of establishing and operating not less than 10 centers of excellence, of which—

(1) 5 such grants shall be awarded to associate-degree-granting colleges with exceptional programs of advanced technician training to enable such colleges to serve as national and regional clearinghouses for the benefit of other colleges that are striving to upgrade technical education programs; and

(2) 5 such grants shall be awarded to associate-degree-granting colleges that excel in undergraduate education in mathematics and science to enable such colleges to serve as national and regional clearinghouses for the benefit of both colleges and secondary schools that are striving to upgrade mathematics and science courses.

(b) GRANT BASIS.—The Director shall award grants under this section on a competitive basis.

(c) AMOUNT.—Each grant awarded under this section in each fiscal year shall not exceed $500,000.

(d) SPECIAL RULE.—To the extent practical the Director shall ensure that grants awarded under this section shall be dispersed throughout the United States.

(e) APPLICATION.—Each associate-degree-granting college desiring a grant under this section shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director determines necessary to ensure compliance with the provisions of this section.

(f) PAYMENTS; FEDERAL SHARE.—(1) The Director shall pay to each associate-degree-granting college having an application approved under subsection (e) the Federal share of the cost of the activities described in the application.

(2) The Federal share of grants awarded under this section shall be 50 percent.

(3) The non-Federal share of grants awarded under this section may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 304. PARTNERSHIP GRANTS.

(a) IN GENERAL.—The Director shall pay the Federal share of awarding not less than 20 grants in each fiscal year to associate-degree-granting colleges to develop and strengthen partnerships in mathematics and science education with secondary schools located in the community served by such colleges.

(b) AWARD BASIS.—The Director shall award grants under this section on a competitive basis.

(c) GRANT AMOUNT.—Each grant awarded under this section in each fiscal year shall not exceed $500,000.

(d) APPLICATION.—Each associate-degree-granting college desiring a grant under this section shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such other assurances as the Director may reasonably require.

(e) PAYMENTS; FEDERAL SHARE.—(1) The Director shall pay to each associate-degree-granting college having an application approved under subsection (d) the Federal share of the cost of activities described in the application.

(2) The Federal share of grants awarded under this section shall be 50 percent.

(3) The non-Federal share of grants awarded under this section may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 305. NATIONAL ADVISORY COUNCIL OR ADVANCED TECHNOLOGY TRAINING.

(a) IN GENERAL.—The Director shall appoint a 15-member National Advisory Council on Advanced Technician Training (hereafter in this title referred to as "Council"), to ensure that the programs assisted under this title are consistent with the needs of industry.

(b) RESPONSIBILITIES.—The Council shall—

(1) advise the Director on the goals and implementation of the programs assisted under this title;

(2) review the effectiveness of the programs assisted under this title; and

(3) report annually to the Director and the Congress on the programs assisted under this title.

(c) Composition.—The Council shall include representatives of industry, labor, associate-degree-granting colleges, the military, and economic development organizations.

(d) Chairman.—The chairman of the Council shall be elected by the Council and shall be a president or chairman of the governing board of an associate-degree-granting college.

(e) Report.—The Council and the Director shall jointly prepare and submit directly to the Congress, without review by the Office of Management and Budget, an annual report on the programs assisted under this title, which shall include—

(A) a review and evaluation of the effectiveness of such programs;

(B) a list of the associate-degree-granting college programs assisted under this title;

(C) a recommendation on the feasibility of expanding such programs; and

(D) such other recommendations, including recommendations for legislation, as the Council and the Director deem necessary.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) Articulation Consortia.—There are authorized to be appropriated $30,000,000 for each of the fiscal years 1992, 1993, and 1994 to carry out the provisions of title I.

(b) Instruction Technologies.—There are authorized to be appropriated $30,000,000 for fiscal year 1991 to carry out the provisions of title II.

(c) Technician Training.—There are authorized to be appropriated, $30,000,000 for fiscal year 1992 and $40,000,000 for each of the fiscal years 1993 and 1994 to carry out the provisions of title III, of which—•

By Mr. INOUYE:

S. 1132. A bill to amend the Communications Act of 1934 to reauthorize appropriations for the Federal Communications Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FEDERAL COMMUNICATIONS COMMISSION AUTHORIZATION ACT

• Mr. INOUYE. Mr. President, I rise today to introduce the Federal Communications Commission [FCC] Authorization Act of 1991. This bill authorizes funding for the FCC in the amount of $133,500,000 for fiscal year 1992 and $163,500,000 for fiscal year 1993. The amount for fiscal year 1992 represents the amount requested by the President in his most recent budget submission. The bill I am introducing today also includes a number of provisions that the FCC has asked the Congress to consider. While I do not necessarily endorse every one of these suggestions, I believe that they are all worthy of consideration. I have thus included these recommendations in the bill I introduce today in order to initiate a discussion on the merits of these proposals.

The FCC is an independent regulatory agency that oversees interstate and foreign communications by wire and radio. With advances in new technologies and the opening of markets to competition, the FCC is constantly making key policy decisions that fundamentally affect the marketplace. The importance of the FCC and its actions cannot be underestimated. That is why, since 1981, the Congress has enacted legislation to establish authorization levels for the FCC. The Congress views such legislation as a way to increase its oversight of the FCC in the current dynamic environment.

Under the act, the FCC has primary jurisdiction over wire and radio communications. As a result, the FCC has regulatory authority over the interstate services of local and long distance telephone companies, radio and television broadcasters, satellite companies, cellular and other mobile telephone providers, cable television providers, private radio services—such as those used by taxis and ambulances, and local government and public safety services. The FCC also has ancillary—or secondary—authority over equipment manufacturers and information service providers. Because of the tremendous breadth of the FCC's regulatory authority, the decisions taken by the Commission have a direct and important impact on the lives of almost every citizen of this country.

The following is a summary of major provisions in the FCC authorization bill I am introducing today:

First, the short title is the Federal Communications Authorization Act of 1991.

Second, authorization of appropriations. The bill authorizes $133,500,000 for fiscal year 1992 and $163,500,000 for fiscal year 1993.

Third, travel reimbursement program. This section extends the travel reimbursement program through fiscal year 1994.

Fourth, patent license amendments. This section authorizes the FCC to obtain favorable terms on devices which utilize FCC-owned patents and thus help keep the FCC updated technically with state-of-the-art electronic radio direction-finding equipment.

Fifth, gift and bequest authority. This section authorizes the FCC to accept gifts and bequests, as well as money and property, to aid the FCC in carrying out its functions under the act.

Sixth, communications support from older Americans. This section extends the Older Americans Program through fiscal year 1993.

Seventh, fees for low-Earth orbit satellite systems. This section authorizes as part of the schedule of charges a fee schedule for low-Earth orbit satellite systems consisting of large numbers of technically identical, small satellites orbiting the Earth in nongeostationary paths.

Eighth, Hawaii monitoring station. This section extends the provision authorizing the relocation of the Hawaii monitoring station through fiscal year 1994.

Ninth, clarification of FCC refund authority. This section clarifies FCC authority to order refunds of excessive common carrier charges, regardless of whether the excessive charge represents a new charge or a revision of a preexisting charge.

Tenth, license modification. This section deletes a public hearing requirement, thus removing an inconsistency between the license modification procedures in sections 303(f) and 316 of the act and clarifying that the written procedures of section 316 govern in all cases of license modification.

Eleventh, electronic filing of applications. This section deletes the written signature requirement to permit the FCC to implement electronic filing of applications.

Twelfth, licensed operators. This section authorizes the FCC to waive the licensed operator requirement for broadcast stations.

Thirteenth, disclosure of intercarrier agreements. This section clarifies that proprietary information submitted by carriers in intercarrier agreements need not be disclosed, absent a compelling public interest.

Fourteenth, statute of limitations for forfeiture proceedings. This section increases the statute of limitations for forfeiture proceedings relating to a current license term from 3 years to 7 years after radio licensee misconduct and from 3 years to 5 years after TV licensee misconduct.

Fifteenth, clarification of the operator services legislation. This section places responsibility on aggregators as well as operator services companies to comply with the provisions of the Operator Services Act.

Sixteenth, clarification of the FCC's authority to award licenses to consortiums. This section clarifies that the FCC may choose to award common carrier licenses to a consortium of applicants rather than choose among competing applicants through a comparative hearing or lottery.

Seventeenth, fee exemption for noncommercial educational broadcast stations. This section clarifies the intent of the Congress in enacting the section 8 fee schedule to exempt noncommercial educational broadcast stations that operate on a noncommercial educational basis.

As mentioned earlier, these provisions have been submitted to the Congress by the FCC for consideration. I encourage parties to contact the Commerce Committee with their views of these proposals.

Mr. President, I look forward to continuing to work with the FCC Chairman, Mr. Alfred Sikes, and the other Commissioners at the FCC, to develop policies that will respond to the needs of the citizens of the United States and serve the public interest.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Federal Communications Commission Authorization Act of 1991".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. Section 6 of the Communications Act of 1934 (47 U.S.C. 156) is amended to read as follows:

"SEC. 6. There are authorized to be appropriated for the administration of this Act by the Commission $133,500,000 for fiscal year 1992 and $163,500,000 for fiscal year 1993, together with such sums as may be necessary for increases resulting from adjustments in salary, pay, retirement, other employee benefits required by law, and other nondiscretionary costs, including the costs of moving, for each of the fiscal years 1992 and 1993.".

TRAVEL REIMBURSEMENT PROGRAM

SEC. 3. Section 4(g)(2)(D) of the Communications Act of 1934 (47 U.S.C. 154(g)(2)(D)) is amended by striking "1992" and inserting in lieu thereof "1994".

PATENT LICENSE AGREEMENTS

SEC. 4. Section 4(g) of the Communications Act of 1934 (47 U.S.C. 154(g)) is amended by adding at the end the following paragraph:

"(3) The Commission is authorized to acquire and to utilize technical equipment without compensation to the provider of the equipment, pursuant to negotiated patent license agreements.".

GIFT AND BEQUEST AUTHORITY

SEC. 5. Section 4(b) of the Communications Act of 1934 (47 U.S.C. 154(g)) as amended by section 4 of this Act, is further amended by adding at the end the following new paragraph:

"(4)(A) The Commission is authorized to accept, hold, administer, and use unconditional gifts, donations, and bequests of real, personal, and other property, including money, and voluntary and uncompensated services, as authorized by section 3109 of title 5, United States Code, in furtherance of its functions, notwithstanding any other provision of law.

"(B) For the purpose of Federal law on income taxes, estate taxes, and gift taxes, property or services accepted under the authority of this paragraph shall be deemed to be a gift, bequest, or devise to the United States.

"(C) The Commission shall promulgate regulations to carry out the provisions of this paragraph.".

COMMUNICATIONS SUPPORT FROM OLDER AMERICANS

SEC. 6. Section 6(a) of the Federal Communications Commission Authorization Act of 1988 (47 U.S.C. 154 note) is amended by striking "1988, 1989, 1990, and" and inserting in lieu thereof ", 1992, and 1993".

FEES FOR LOW-EARTH ORBIT SATELLITE SYSTEMS

SEC. 7. The Schedule of Charges under Section 8(g) of the Communications Act of 1934 (47 U.S.C. 15(8)) is amended by adding at the end of the matter under the heading "Common Carrier Services" the following:

"22. Low-Earth Orbit Satellite Systems	
a. Application for Authority to Construct	
(i) Lead Application	10,000.00
(ii) Additional Applications (per satellite)	500.00
b. Application for Authority to Launch & Operate	
(i) Lead Application	100,000.00
(ii) Additional Applications (per satellite)	10,000.00
c. Assignment or Transfer (per request)	25,000.00
d. Modification (per request)	25,000.00
e. Special Temporary Authority or Waiver of Prior Construction Autorization (per request)	2,500.00
f. Amendment of Application (per request)	5,000.00
g. Extension of Construction Permit/Launch Authorization (per request)	25,000.00".

HAWAII MONITORING STATION

SEC. 8. Section 9(a) of the Federal Communications Commission Authorization Act of 1988 (Public Law 100–594; 102 Stat. 3024) is amended by striking "1989, 1990, 1991, and 1992" and inserting in lieu thereof "1991, 1992, 1993, and 1994".

CLARIFICATION OF COMMISSION REFUND AUTHORITY

SEC. Section 204(a)(1) of the Communications Act of 1934 (47 U.S.C. 204(a)(1)) is amended—

(1) by striking "an increased charge" and inserting in lieu thereof "a revised charge";

(2) by striking "or increased" and inserting in lieu thereof "or revised";

(3) by striking "increased charges" and inserting in lieu thereof "revised charges";

(4) by striking "charge increased, or sought to be increased" and inserting in lieu thereof "new or revised charge, or a proposed new or revised charge"; and

(5) by striking "increased charge" and inserting in lieu thereof "new or revised charge".

LICENSE MODIFICATION

SEC. 10. Section 303(f) of the Communications Act of 1934 (47 U.S.C. 303(f)) is amended to read as follows:

"(f) Make such regulations not inconsistent with law as it may deem necessary to prevent interference between stations and to carry out the provisions of this Act;".

ELECTRONIC FILING OF APPLICATIONS

SEC. 11.(a) Sections 304 of the Communications Act of 1934 (47 U.S.C. 304) is amended by striking "signed a waiver of" and inserting in lieu thereof "waived".

(b) Section 30.8(b) of the Communications Act of 1934 (47 U.S.C. 308(b)) is amended by inserting "in any manner or form, including by electronic means, as the Commission may prescribe by regulation" immediately before the period at the end.

(c) Section 319(a) of the Communications Act of 1934 (47 U.S.C. 319(a)) is amended by inserting "in any manner or form, including by electronic means, as the Commission may prescribe by regulation" immediately before the period at the end.

LICENSED OPERATOR

SEC. 12. Section 318 of the Communications Act of 1934 (47 U.S.C. 318) is amended—

(1) by striking "(3) stations engaged in broadcasting (other than those engaged primarily in the function of rebroadcasting the signals of broadcast stations)"; and

(2) by striking "(4)" and inserting in lieu thereof "(3)".

DISCLOSURE OF INTERCARRIER AGREEMENTS AND THE FREEDOM OF INFORMATION ACT

SEC. 13. Section 412 of the Communications Act of 1934 (47 U.S.C. 412) is amended by striking "relating to foreign wire" and all that follows and inserting in lieu thereof "if such contract, agreement, or arrangement would be exempted from the application of section 552 of title 5, United States Code, pursuant to subsection (b)(4) of such section 552.".

STATUTE OF LIMITATIONS FOR FORFEITURE PROCEEDINGS

SEC. 14. Sections 503(b)(6) of the Communications Act of 1934 (47 U.S.C. 503(b)(6)) is amended to read as follows:

"(6) No forfeiture penalty shall be determined or imposed against any person under this subsection if—

"(A) such person holds a broadcast station license issued under title III of this Act and the required notice or notice of apparent laibility is issued—

"(i) more than 1 year after the date the charge violation occurred; or

"(ii) more than 7 years after the date the charged violation occurred in the case of a radio broadcast station licensee and more than 5 years after the date the charged violation occurred in the case of a television broadcast station licensee, if in either such case such violation did not occur prior to the date of commencement of the current term of such licensee,

whichever is earlier; or

"(B) such person does not hold a broadcast station licensee issued under title III of this Act and the charged violation occurred more than 1 year prior to the date of issuance of the required notice or notice of apparent liability.

For purposes of this paragraph, 'date of commencement of the current term of such license' means the date of commencement of the last term of license for which the licensee has been granted such license by the Commission; a separate license term shall not be deemed to have commenced as a result of continuing a license in effect under section 307(c) of the Act pending decision on an application for renewal of the license.".

TELEPHONE OPERATOR SERVICES

SEC. 15. Section 226(d)(4)(A) of the Communications Act of 1934 (47 U.S.C. 226(d)(4)(A)) is amended by inserting "and aggregators" immediately after "operator services".

AUTHORITY TO GRANT CERTAIN LICENSES AND CONSTRUCTION PERMITS TO CONSORTIUMS

SEC. 16. Section 309 of the Communications Act of 1934 (47 U.S.C. 309) is amended by adding at the end the following new subsection:

"(j) In the case of two or more applications, found by the Commission to be acceptable for filing, for an initial license or construction permit to provide common carrier service which will involve any use of the electromagnetic spectrum, the Commission may grant such license or permit to a consortium consisting of each of the applicants who have filed such applications and who demonstrate their financial and technical qualifications to participate in such a consortium, if the Commission finds that a consortium would promote the public interest.".

EXEMPTION FOR CERTAIN BROADCAST LICENSEES

SEC. 17. Section 8(d)(1) of the Communications Act of 1934 (47 U.S.C. 158(d)(1)) is amended by striking the period at the end and inserting in lieu thereof the following: ", or to any licensee of a noncommercial education broadcast station seeking Commission authorizations or other action subject to a fee in any radio service that is or will be used in conjunction with such noncommercial educational broadcast station on a noncommercial education basis.".•

By Mr. KENNEDY (for himself, Mr. PELL, Ms. MIKULSKI, Mr. ADAMS, and Mr. ROBB):

S. 1133. A bill to establish a demonstration grant program to provide coordinated and comprehensive education, training, health, and social services to at-risk children and youth and their families, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. SIMON, and Ms. MIKULSKI):

S. 1134. A bill to provide disadvantaged students with early intervention programs and scholarships to encourage such students to finish high school and to obtain a college education, and to upgrade the course of study undertaken by our Nation's secondary school students; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. METZENBAUM, Mr. DODD, Ms. MIKULSKI, Mr. HATFIELD, Mr. KERRY, Mr. AKAKA, Mr. WIRTH, Mr. KOHL, and Mr. INOUYE):

S. 1135. A bill to provide financial assistance to eligible local educational agencies to improve urban and rural education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY:

S. 1136. A bill to provide to States and local educational agencies to enable such agencies to develop programs that provide opportunities to parents, particularly parents of educationally deprived children, to select the public schools attended by their children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. ADAMS, Mr. SIMON, Ms. MIKULSKI, and Mr. HARKIN):

S. 1137. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

EDUCATION LEGISLATION

Mr. KENNEDY. Mr. President, America's educational system is in urgent need of an overhaul. Too many schools are in a state of crisis and decay. A decade after the effort to improve them began, our schools have changed very little.

One out of every four students leaves school without graduating. In some school districts, half the students may drop out before they complete their schooling.

Nearly one-third of the Nation's secondary school students are enrolled in a math or science course taught by a teacher not qualified to teach that course.

In an international study of 13-year-olds, the U.S. students ranked last in math proficiency. But 68 percent of the students said they were good at mathematics.

A year ago, the White House and the Governors laid out an ambitious set of education goals for the Nation to achieve by the year 2000. These goals call for preparing children to start school ready to learn. They call for increases in the high school graduation rate, for high levels of competency in challenging subjects, for making our students first in the world in math and science, for achieving literacy by all Americans, and for making our schools safe and drug free.

This is an admirable list of objectives. If we achieve it, our schools will, once again, be the envy of the world.

But setting goals is the easy part. The hard part is achieving them. School districts cannot do this alone. Students and parents cannot do it by themselves. Teachers cannot do it alone either. The Federal Government cannot mandate it.

Rather we need a cooperative effort that brings together the many parties that have an interest in education. Rather than simply trying to pin the blame on others for the dismal condition of our schools, we must work together to improve them and meet the education goals.

President Bush has said that he intends to become the Education President, but to achieve our goals, Congress must also become the Education Congress. To make that happen, we must take the difficult steps needed to ensure that the Nation's schools will be adequate for the 21st century. That is America's best hope for continued growth and progress.

A month ago, President Bush announced a set of education strategies to meet the education goals. The proposals are important. Some are ideas that many of us in Congress have previously endorsed. Some of the ideas are controversial, and need careful study before we will be in a position to act.

My greatest concern with the President's proposals, however, is that they do not go far enough to meet the Nation's real needs. The most serious omission is the lack of any real commitment in the administration's program to the goal of school readiness. Earlier this month, I introduced S. 911, to make Head Start an entitlement for all eligible children, and to guarantee greater access to basic health care and childhood immunizations. In addition, with Senator PELL, I have introduced S. 329, to provide new incentives for teacher training and recruitment.

Today, I am introducing five additional bills to address other current problems in our schools.

The first bill deals with the need to ensure that all young children actually obtain the full array of social services to which they are already entitled. Under the Comprehensive Services for Youth Act of 1991, the Federal Government would make 5-year grants to partnerships of local schools and other social service agencies to provide social services for students in public schools and for out-of-school youth. Grantees would use administrative funds under this bill to pull together the various services for at-risk students and their families, and make the services available in the schools or at other convenient locations.

The second bill, called the Education USA Act, will provide grants for a comprehensive restructuring of urban and rural schools. Continued funds will be contingent on schools meeting self-imposed performance targets which move toward the national education goals. In addition, the legislation authorizes funds to renovate and repair school buildings in urban and rural districts.

The third bill, called ACCESS—the America's Commitment to College Education and Success for All Students Act—will motivate students to finish high school by telling at-risk children when they are in the sixth and seventh grades that if they stay in school and take a rigorous core curriculum, the Government will provide the necessary funds for them to attend college.

The fourth bill is the Public School Choice Act of 1991. This legislation authorizes grants to State and local education agencies to plan, implement, or expand programs that provide opportunities for parents to select the public school attended by their children. Those applying for grants must demonstrate that their programs will have the same elements of other high-quality choice programs.

I recently had the chance to visit parents, teachers, administrators, and students participating in the choice program in the Cambridge public schools in Massachusetts, which is one of the most respected choice programs in the country. I hope that this legislation will help make it possible for other school districts to implement similar programs.

The fifth bill I am introducing today provides for a streamlining of the application process for Federal student aid. Too many college students and their families are intimidated by the difficulty of getting student aid. This legislation—which will be considered part of the Higher Education Act—will make it much easier for students to apply for assistance.

Finally, early next month, I plan to introduce one further bill to deal with one other urgent aspect of our education crisis—the school-to-work transition.

This measure will be based on the recommendation of the bipartisan Marshall-Brock Commission on the Skills of the American Workforce. Nearly half of all American students go from school to work, not to college, and any proposals to address our national eduction goals must deal with their needs as well.

Later today, President Bush will give an address on education in Minnesota. He is expected to announce that the Department of Education has completed work on its specific education proposals, and that the administration will send them to the Congress later this week. I commend Secretary Alexander and the Department for completing this legislation on schedule, and I look forward to working with the administration to expedite action by Congress.

Senator PELL, Senator HATCH, Senator KASSEBAUM, and I have agreed to introduce the administration's bill by request. While I have reservations about some of the parts of this legislation, I believe that a full and open debate on education policy is in the Nation's best interest and I intend to work as closely as possible with the administration to achieve our national education goals.

I look forward to the coming debate, and to working with the administration to develop the best possible bipartisan legislation.

Mr. President, I ask unanimous consent that the full text of the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Comprehensive Services For Children and Youth Act of 1991".

SEC. 2. FINDINGS.

Congress finds that—

(1) growing numbers of children live in an environment of social and economic conditions that greatly increase the risk of academic failure, and inhibit opportunities to succeed;

(2) more than 20 percent of the Nation's children live in poverty while at the same time the Nation's infrastructure of social support for such children has greatly eroded, for example, 40 percent of eligible children do not receive free or reduced price lunches or benefit from food stamps, 25 percent of such children are not covered by health insurance, and only 20 percent of such children are accommodated in public housing;

(3) many at-risk students suffer the effects of inadequate nutrition and health care, overcrowded and unsafe living conditions and homelessness, family, gang and community violence, substance abuse, sexual abuse, child abuse, family migration, and limited English proficiency that often create severe barriers to learning and acquiring the skills needed to become literate, independent, and productive citizens;

(4) most at risk children and youth live in a single parent family for some period of their lives which results in insufficient opportunity for parental involvement in the education of such children;

(5) high proportions of disadvantaged and minority children live with teenage mothers for whom limited resources and services are available for their development and the development of their children;

(6) large numbers of at risk children and youth are recent immigrants or children of recent immigrants with limited English proficiency and significant unmet educational needs;

(7) services for at-risk students are unavailable, inadequately funded, often fragmented, and focused on narrow problems and not the needs of the whole child and family;

(8) school personnel and other social service providers may lack knowledge of available services for at-risk youth and their families, are constrained by bureaucratic obstacles from providing the services most needed, and have few resources or incentives to coordinate services;

(9) service providers for at-risk students such as teachers, social workers, health care providers, mental health professionals, juvenile justice workers and others are trained in separate institutions, practice in separate agencies, and pursue separate professional activities that hinder the coordination and integration of services;

(10) coordination and integration of services for at-risk students emphasizing prevention and early intervention offers an opportunity to avoid academic failure, teenage parenthood, poor mental health, school termination, low skill levels, unemployment, and limited future options; and

(11) coordination of services is more efficient for schools and social services agencies because it reduces bureaucracy and can often substitute prevention for more expensive crisis intervention.

SEC. 3. PURPOSES.

It is the purpose of this Act to make demonstration grants to eligible entities to improve the educational performance and future potential of at-risk children and youth by providing comprehensive and coordinated educational and social services at a single location that is accessible to and utilized by such children and youth to;

(1) focus school and community resources on coordinated prevention and early intervention strategies to address the needs of at-risk children and youth and their families holistically;

(2) facilitate effective transitions from preschool programs, including the Head Start Act and part H of the Individuals with Disabilities Education Act, to elementary school;

(3) facilitate school-to-work transition from secondary schools and alternative schools to job training, higher education and employment;

(4) identify and remove barriers to the provision of coordinated services to at-risk children and youth and their families;

(5) reduce administrative burdens for at-risk children and youth and their families by integrating services, regulations, data bases, eligibility requirements, assessments, application procedures and funding sources where possible;

(6) increase parental and community involvement in the educational and social development of at-risk youth; and

(7) replicate programs and strategies that provide high quality coordinated educational and social services and that are designed to facilitate long term institutional change in the manner in which services are delivered.

SEC. 4. GRANTS AUTHORIZED.

(a) In General.—The Secretary is authorized to award grants to eligible entities to pay the Federal share of the costs of the activities described in section 7.

(b) Special Requirements.—The Secretary shall award grants under this Act only to those programs that are designed to—

(1) co-locate a range of educational and social services;

(2) provide multi-year services to at-risk children and youth and their families; and

(3) serve the target population described in section 6.

(c) Requirement of Coordination.—Grants may only be awarded under this Act to an eligible entity that agrees to coordinate activities carried out under other Federal, State, and local grants, received by the members of the partnership for purposes and target populations described in this Act, into an integrated service delivery system co-located at a school or other community-based site accessible to and utilized by at-risk youth.

(d) Priority.—In providing assistance under this Act, the Secretary shall give priority to eligible entities that provide comprehensive services that extend beyond traditional school or service hours, that may include year round programs that provide services in the evenings and on weekends.

(e) Duration.—Grants made under this Act may be awarded for a period of up to 5 years if the Secretary determines, through the interim reports described in section 8(e), that the eligible recipient has made satisfactory progress toward the achievement of the program objectives described in the application submitted pursuant to section 8(a).

(f) Geographic Distribution.—In awarding grants to qualified applicants under this Act, the Secretary shall ensure—

(1) an equitable geographic distribution; and

(2) a distribution to both urban and rural areas with a high proportion of at-risk youth as defined by section 6.

(g) Bonus Awards.—

(1) In general.—Beginning in the second year for which a grant is made available under this section, the Secretary may provide a bonus award to the grant recipient if such recipient has demonstrated, in the interim report submitted by such recipient under section 8(e), to the satisfaction of the Secretary that the recipient has increased the coordination and level of services provided to the target population above the levels anticipated for the year of the initial application or the most recent interim report.

(2) Amount.—

(A) Level of services.—The amount of a bonus award under paragraph (1) shall be determined on a uniform scale that is established by the Secretary based on the level of additional services provided by the grant recipient in excess of the base level of the previous year for which an award was provided, or based on progress toward the identified outcomes measures established.

(B) Form of increase.—An increase in the level of services, as required under subparagraph (A), may take the form of the number of persons served, or types of service provided, or any other form in which the grant recipient can demonstrate that the level of services provided in such year has increased above that in the previous year.

(C) Outcomes measures.—Progress towards the identified outcomes measures, as required under subparagraph (A), may take the form of reduced school drop out rates, reduced repeat pregnancy rates, increased achievement, an increase in the population that is returning to school, or any other measure demonstrating improvement among the target population.

(D) LIMITATION.—The amount of a bonus award under this subsection shall not exceed an amount equal to 50 percent of the total amount received by the recipient in the previous year, including the base funding amount under the grant and the bonus award.

(3) USE OF FUNDS.—Amounts appropriated in any fiscal year in which a bonus award may be provided under this subsection shall be used as follows:

(A) The Secretary shall make payments under grants awarded under subsection (a) to all grantees entitled to such payments.

(B) After making the payments required under subparagraph (A), the Secretary may provide bonus awards to eligible grant recipients under this subsection.

(C) After complying with subparagraphs (A) and (B), the Secretary may award new grants under subsection (a) and planning grants under subsection (b).

SEC. 5. ELIGIBILITY.

(a) SERVICES FOR IN-SCHOOL YOUTH.—For the purposes of providing a grant under this Act to serve in-school children and youth, the term "eligible entity" means a partnership between a local education agency that is eligible for funds under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, and at least one nonprofit community-based organization with a history of providing social services to low-income at-risk youth and their families, and which—

(1) shall also include public health, child welfare, social services, job training, public housing agencies or other public agencies providing services to low-income at-risk youth and their families; and

(2) may include private industry councils, or other relevant planning and program implementation boards providing services to low-income at-risk youth and their families.

(b) SERVICES FOR OUT-OF-SCHOOL YOUTH.—For purposes of providing a grant under this Act to serve out-of-school youth, the term "eligible entity" means a partnership between at least one public entity of the type described in paragraphs (1) or (2) of subsection (a), or a local education agency eligible for funds under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, and at least one nonprofit community-based organization described in subsection (a).

SEC. 6. TARGET POPULATION.

In order to receive a grant under this Act, an eligible entity shall serve—

(1) students enrolled in schools participating in school-wide projects assisted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and the families of such students;

(2) students enrolled in schools that are the most economically disadvantaged within the local educational agency, as determined by the local educational agency;

(3) out-of-school youth at-risk of having limited future options as a result of teenage pregnancy and parenting, substance abuse, recent immigration, disability, limited English proficiency, family migration, illiteracy, being the child of teen parent, living in a single parent household, or being a high school dropout; or

(4) any combination of in school and out of school youth;

and may serve the families of such students or youth.

SEC. 7. AUTHORIZED ACTIVITIES.

(a) IN GENERAL.—Each eligible entity receiving a grant under this Act may use such grant to plan, develop, acquire, expand, and improve school-based or community-based coordinated educational and social services programs to strengthen the educational performance and future potential of in school and out of school at-risk youth through cooperative agreements, contracts for services, or administrative coordination, in order to—

(1) plan and operate one-stop shopping programs in schools or nearby community-based service centers such as community action agencies, community-based organizations, community health centers, public housing developments, or other sites accessible to and utilized by at-risk youth—

(A) to provide the target population and their families described in section 6 with comprehensive and coordinated educational and social services;

(B) if necessary to accomplish the purposes of this Act, to support rental or lease payments, open and lock-up fees, or maintenance and operating and security costs; and

(C) to encourage the participation of service providers necessary to provide for the delivery of comprehensive services;

(2) design and implement, in conjunction with other activities authorized under this Act, unified eligibility procedures, integrated data bases or administrative structures, and secure confidentiality procedures that facilitate information-sharing and improve interagency communications, including developing local area telecommunications networks, software development, data base integration and management, and other applications of technology that improve coordination of services;

(3) provide at-risk youth with integrated needs assessment, case planning and case management services through staff support for interagency teams of service providers or hiring school-based social services coordinators or neighborhood youth corps; and

(4) provide at-risk students with integrated social services designed to ensure the smooth transition of preschool children to elementary school, and of students in secondary or alternative schools to job training, higher education or full employment.

(b) PLANNING GRANTS.—

(1) APPLICATION.—An eligible entity may submit and application to the Secretary for a planning grant for an amount not to exceed $50,000. Such grants shall be for periods of not to exceed one year.

(2) APPLICATION REQUIRED.—Each application for a planning grant under paragraph (1) shall—

(A) identify the members of the local planning council established under section 8(c); and

(B) describe the proposed planning activities of such local planning council.

(3) LIMIT ON PLANNING GRANTS.—Not more than 10 percent of the amounts appropriated in each fiscal year under this Act shall be used for grants under this subsection, nor shall an entity be eligible for more than one such planning grant.

(c) SUPPLEMENT AND NOT SUPPLANT.—Grant funds awarded under this Act shall be used to supplement and not supplant the amount of funds made available from non-Federal sources, for the activities assisted under this Act, in amounts that exceed the amounts expended for such activities in the year preceding the year for which the grant is awarded.

SEC. 8. APPLICATIONS.

(a) IN GENERAL.—Each eligible entity desiring a grant under this Act shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Such application shall include a comprehensive services plan that meets the requirements of subsection (b).

(b) CONTENTS OF PLAN.—Each plan submitted pursuant to subsection (a) shall—

(1) describe the target population for which services will be provided;

(2) describe the needs of target population;

(3) describe the baseline level of services provided by the eligible entity (the level and type of services being provided to the target population by the service providers participating in the program funded under this Act, on a date that is within 30 days of the date on which the application is submitted), and any baseline and outcome data against which the applicant desires to be measured for purposes of receiving a bonus award under section 4(g);

(4) describe the manner in which the eligible entity will assess the outcomes for the target population that result from the coordination of services provided by the partnership;

(5) describe the criteria by which the Secretary shall assess the increased level and coordination of services delivered and the progress towards meeting the outcomes measures documented through the coordinated service program;

(6) describe the services that will be provided to target populations through coordination activities supported under this Act and an inventory of, and their relationship to, other services and programs in the community serving the target population;

(7) describe the agencies that will participate in the partnership and in the policy council and services to be provided by each such agency;

(8) describe the activities for which assistance under this Act is sought;

(9) describe the overall and operational goals of the program;

(10) contain a description of the manner in which the eligible entity will improve the educational achievement or future potential of at-risk youth through more effective coordination of educational and social services, staff development and inter-agency training, and of parent and community involvement;

(11) describe the nature and location of all planned sites where services will be delivered and a description of services which will be provided at each site;

(12) include a description of the manner in which the applicant will integrate the services of the providers described in paragraph (6) into a comprehensive service delivery system;

(13) describe the procedures that will be used to maximize the utilization of available services;

(14) include a list of the Federal and non-Federal funding streams that will be used to provide services;

(15) describe the strategy by which the eligible entity will continue the commitment of the entity to the services provided with assistance received under this Act after such assistance is terminated; and

(16) provide evidence of the capacity of the program to serve as a model program for replication by local educational agencies.

(c) PLANNING COUNCIL.—

(1) ESTABLISHMENT.—Each eligible entity desiring a grant under this Act shall establish a coordinated services planning council to develop the application submitted pursuant to subsection (a).

(2) COMPOSITION.—The planning council described in paragraph (1) shall be composed of representatives of the entities that will be involved in providing comprehensive services

to low-income at-risk youth and their families, which shall include school personnel and community-based service providers and representatives of the target population (including youth and parents), and which may also include the local board of education, the superintendent of schools, public agencies serving at-risk youth and their families, parent teacher associations and potential employers.

(3) REPRESENTATION.—To the extent practicable, the planning council shall be balanced according to race, ethnicity, gender, and age.

(4) EXISTING ENTITY.—To the extent that an eligible entity has established a broadly representative planning body, prior to the date of enactment of this Act, that is comparable in membership to a planning council of the type described in this subsection, such eligible entity shall be considered to be in compliance with this subsection.

(d) REVIEW OF APPLICATIONS.—The Secretaries of Education and Health and Human Services shall jointly review applications submitted pursuant to subsection (a) and shall consult with the Secretaries of Labor and Housing and Urban Development, as appropriate.

(e) INTERIM REPORTS.—

(1) IN GENERAL.—A grant recipient under this Act shall, at the end of each year during the grant period, prepare and submit an interim report to the Secretary.

(2) CONTENTS.—An interim report submitted under paragraph (1) shall—

(A) describe the services that were provided during the year for which the report is prepared, in a manner that compares the level of services being provided on a date that is within 30 days of the date on which the report is submitted to the baseline level of services described in the most recent interim report submitted under this subsection, if any, or the plan submitted under section 8(b);

(B) describe the level of services that the recipient expects to provide in the year following the year for which the report is filed, as compared to the baseline level of services described in subparagraph (A), describe the criteria by which the Secretary shall assess future increases in services, and describe whether the recipient is seeking a bonus award under section 4(g);

(C) certify that no resources have been shifted away from other populations in order to serve the target population under this Act; and

(D) certify that the contents of the interim report are true and that the recipient has data available for independent verification of these results.

SEC. 9. FEDERAL COUNCIL ON CHILDREN, YOUTH, AND FAMILIES.

Section 918(k) of the Augustus F. Hawkins Human Services Reauthorization Act of 1990 (42 U.S.C. 12314(k)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(6) identify, and to the extent possible, eliminate program regulations or practices that impede coordination and collaboration;

"(7) develop and implement, to the extent possible, plans for creating jointly funded programs, unified assessments, eligibility, and application procedures, and confidentiality regulations that facilitate information-sharing; and

"(8) make recommendations to Congress concerning legislative action needed to facilitate the coordination of educational and social services.".

SEC. 10. STUDY.

(a) STUDY.—The Secretary shall conduct a study of the grants awarded under the Act to identify—

(1) the regulatory and statutory obstacles encountered in developing and implementing coordinated social services programs and recommendations for eliminating such obstacles; and

(2) the innovative procedures and program designs developed pursuant to this Act that are appropriate for replication elsewhere.

(b) EVALUATION.—The Secretary shall conduct an evaluation to determine the success of grants awarded under this Act in effectively achieving outcome measures and coordinating services for the target population.

(c) REPORT.—The Secretary shall report the results of the study conducted pursuant to subsection (a) to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate, together with recommendations for further legislative action to facilitate coordinated educational and social services.

SEC. 11. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall pay to each eligible entity having an application approved under section 8 the Federal share of the cost of the activities described in the application.

(b) AMOUNT OF GRANTS.—No grant made under this Act shall be less than $100,000 nor exceed $500,000 in the first year of such grant (except as provided in section 7(b)).

(c) FEDERAL SHARE.—The Federal share shall be 80 percent.

(d) NON-FEDERAL SHARE.—The non-Federal share shall be equal to 20 percent and may be in cash or in kind, fairly evaluated including facilities or services.

(e) TECHNICAL ASSISTANCE.—The Secretary shall assist in maximizing the quality of services provided under grants awarded under this Act by providing technical assistance to grantees, by disseminating for replication models for coordination and collaboration that have proven successful.

(f) DISSEMINATION OF MODELS.—The Secretary shall disseminate information concerning successful models under this Act through the National Diffusion Network.

SEC. 12. DEFINITIONS.

For the purpose of this Act—

(1) the terms "educational services" and "educational service personnel or staff", unless otherwise specified, means professional and support staff providing services such as health education, nutrition education, school-day enrichment and remedial programs, tutoring, mentoring, homework assistance, special curricula such as English as a Foreign Language, family literacy, and parenting education and involvement programs;

(2) the term "local educational agency" has the same meaning provided in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(3) the term "local government" means a city, county, township, or other general purpose unit of local government, an Indian reservation, or a consortium of more than one such entity acting together;

(4) the term "one-stop shopping program" means the co-location of educational and social services in a single site, including school wide projects under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, school buildings serving students of the type described in section 6(2), or other community-based centers, public housing sites, or other locations accessible to and utilized by low-income at-risk youth;

(5) the term "Secretary", unless otherwise specified, means the Secretary of Education; and

(6) the term "social services" means case management, child nutrition, preventive and primary health and mental health services, developmental screening and referrals, individual, group and family counseling, substance abuse prevention and treatment, infant and toddler health and child care for children of school age parents, before and after school child care, child welfare services, recreation, juvenile delinquency prevention and court intervention, job counseling, training, and placement, and alternative independent living arrangements for at-risk youth from dysfunctional families, crisis intervention, gang and community violence counseling, and information and referral.

SEC. 13. AUTHORIZATION OF FUNDS.

There are authorized to be appropriated to carry out this Act, $50,000,000 for fiscal year 1992, $75,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1996.

S. 1134

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "America's Commitment to College Education and Success for all Students Act of 1991" (ACCESS).

SEC. 2. EDUCATIONAL EXCELLENCE.

Part A of title IV of the Higher Education Act of 1965 is amended by inserting the following new subpart at the end thereof:

"Subpart 9—Educational Excellence

"SEC. 420C. DEFINITIONS.

"For the purpose of this subpart—

"(1) the term 'elementary school' has the same meaning given to such term by section 1471(8) of the Elementary and Secondary Education Act of 1965; and

"(2) the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"CHAPTER 1—EARLY INTERVENTION PROGRAMS

"SEC. 420D. PURPOSE.

"It is the purpose of this chapter to assist State educational agencies in establishing and expanding early intervention programs which encourage at-risk youth to finish secondary school and obtain a college education.

"SEC. 420E. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $400,000,000 for fiscal year 1992, and such sums as may be necessary each of the fiscal years 1993, 1994, 1995, and 1996 to carry out the provisions of this subpart.

"SEC. 420F. ALLOTMENT.

"(a) IN GENERAL.—

"(1) FORMULA.—From the amount appropriated pursuant to the authority of section 420E in any fiscal year, the Secretary shall allot to each State educational agency an amount which bears the same relationship to such amount as the number of eligible students in such State in the preceding fiscal year bears to the number of eligible students in all States in such preceding fiscal year.

"(2) DEFINITION.—For the purpose of paragraph (1), the term 'eligible student' has the same meaning given to such term in section 420L, except that the requirement of paragraph (1) of subsection (a) of such section shall not apply.

"(b) USE OF ALLOTMENT.—Each State educational agency receiving an allotment pursuant to subsection (a) shall use such allotment to establish and expand early intervention programs in accordance with this chapter.

"(c) RESERVATION.—Each State educational agency may reserve 5 percent of the allotment made pursuant to subsection (a) for administrative expenses.

"(d) REALLOTMENT.—Whenever the Secretary determines that any amount of an allotment made to a State educational agency under this subpart for a fiscal year will not be used by such State educational agency for carrying out the purpose for which the allotment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other State educational agencies to the extent the Secretary determines that such other State educational agencies will be able to use such additional amount for carrying out such purpose. Any amount made available to a State educational agency from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this subpart, be regarded as part of such State educational agency's allotment (as determined under subsection (a)) for such year, but shall remain available until the end of the succeeding fiscal year.

"SEC. 420G. EARLY INTERVENTION PROGRAMS AUTHORIZED.

"(a) IN GENERAL.—From amounts received pursuant to section 420F in any fiscal year, each State educational agency shall award grants to, or enter into contracts or cooperative agreements with, community based organizations, nonprofit organizations or elementary or secondary schools to enable such entities to establish or expand early intervention programs which encourage at-risk youth to finish secondary school and obtain a college education.

"(b) COMPETITIVE BASIS.—Each State educational agency receiving an allotment pursuant to section 420F shall award grants and enter into contracts and cooperative agreements pursuant to subsection (a) on a competitive basis.

"SEC. 420H. EARLY INTERVENTION PROGRAM AGREEMENT.

"(a) IN GENERAL.—Each State educational agency receiving an allotment under section 420F shall enter into an agreement with the Secretary.

"(b) CONTENTS.—Each agreement described in subsection (a) shall contain assurances that the State educational agency will award grants to, or enter into contracts or cooperative agreements with, community based organizations, nonprofit organizations or elementary or secondary schools to enable such entities to establish and expand early intervention programs that—

"(1) serve an entire sixth, seventh or eighth grade class at an elementary or secondary school;

"(2) select for participation in such programs any of the classes described in paragraph (1) on the basis of whether such class has a significant incidence of students at risk of dropping out of school as measured by family income, academic performance, attendance, discipline problems, and other factors affecting school performance, including teenage pregnancy or parenting, substance abuse, child abuse or neglect, or limited English proficiency;

"(3) include volunteer mentors and compensated program coordinators;

"(4) include a mechanism for informing all students of the availability of assistance provided pursuant to this chapter early enough in the schooling of such students so that a salutary motivational effect is possible; and

"(5) include skills and language assessment, tutoring, academic and personal counseling, family counseling and home visits.

"CHAPTER 2—SCHOLARSHIPS

"SEC. 420I. PURPOSE.

"It is the purpose of this chapter to award scholarships to encourage students to finish secondary school and obtain a college education, and to upgrade the course of study completed by our Nation's secondary school graduates.

"SEC. 420J. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1997, 1998, 1999, 2000, and 2001 to carry out the provisions of this part.

"SEC. 420K. SCHOLARSHIP PROGRAM.

"(a) IN GENERAL.—The Secretary is authorized to award scholarships to eligible students in accordance with the provisions of this chapter.

"(b) PERIOD OF AWARD.—Scholarships under this chapter shall be awarded for a period of 4 academic years.

"(c) USE AT ANY INSTITUTION PERMITTED.—An eligible student awarded a scholarship under this chapter may use such scholarship stipend to attend any institution of higher education approved by the Secretary.

"SEC. 420L. STUDENT ELIGIBILITY.

"(a) STUDENT ELIGIBILITY.—For the purpose of this chapter the term 'eligible student' means an individual who—

"(1) has participated in an early intervention program assisted under chapter 1;

"(2) is a graduate of a public or private secondary school or has the equivalent certificate of graduation as recognized by the State in which the eligible student resides;

"(3) not later than 2 years after such individual graduates or obtains an equivalent certificate in accordance with paragraph (1), has been admitted for enrollment or is enrolled at an institution of higher education;

"(4) is a recipient of a Pell Grant; and

"(5) has demonstrated academic achievement and preparation for postsecondary education by taking college preparatory level coursework in the following areas while in secondary school or the equivalent:

"(A) 4 years of English;

"(B) 3 years of science;

"(C) 3 years of mathematics;

"(D) either—

"(i) 3 years of history; or

"(ii) 2 years of history and 1 year of geography; and

"(E) 2 years of a foreign language.

"(b) LIMITATION.—For the purpose of this chapter the term 'eligible student' does not include an individual who—

"(1) has been awarded an associate or baccalaureate degree; or

"(2) has been convicted of a felony or a crime involving moral turpitude, except that an individual who has—

"(A) received a certificate of discharge from the appropriate State Department of Criminal Justice or from a correctional facility, or completed a period of probation as ordered by a court, such receipt or completion having occurred not less than 2 years prior to the date on which eligibility is being determined; or

"(B) been pardoned or otherwise released from the resulting ineligibility to participate in the scholarship program assisted under this chapter;

shall not be considered to be ineligible under this paragraph.

"(c) WAIVERS.—

"(1) EARLY INTERVENTION PROGRAM PARTICIPATION.—The Secretary may waive the requirement described in paragraph (1) of subsection (a) in the first 3 academic years that scholarships are awarded under this chapter for any student who was unable to participate in an early intervention program assisted under chapter 1 because such program was not available in the area in which such student resides.

"(2) LIMITED-ENGLISH PROFICIENT STUDENTS.—The Secretary may waive the requirement described in subparagraph (E) of paragraph (5) for any limited-English proficient student who is fluent in a language other than English and is participating in a program to teach such student the English language.

"SEC. 420M. EARLY INTERVENTION SCHOLARSHIP AGREEMENT.

"(a) IN GENERAL.—In order for a student to receive a scholarship under this part, the State educational agency serving the State in which such child resides shall have entered into an agreement with the Secretary.

"(b) CONTENTS.—Each agreement described in subsection (a) shall include provisions designed to ensure that—

"(1) all secondary school students in the State have equal and easy access to the coursework described in section 420L(a)(5);

"(2) the State educational agency has procedures in place to verify to the Secretary that students receiving a scholarship under this chapter have taken such coursework and that such coursework has been of a college preparatory level;

"(3) the State educational agency has procedures in place to notify institutions of higher education of the availability of scholarships under this chapter, so that such institutions may award additional scholarships in concert with the scholarships received under this chapter; and

"(4) the State educational agency has procedures in place to inform junior high school students and their families about the value of postsecondary education, the availability of student aid to meet college expenses, and the availability of scholarships under this chapter for students who take demanding courses, with particular emphasis on activities designed to ensure that students from low- and moderate-income families have access to such information.

"(c) SPECIAL RULE.—A State educational agency may use funds received pursuant to subpart 9 of this part to carry out the provisions of paragraphs (3) and (4) of subsection (b).

"SEC. 420N. STIPENDS AND SCHOLARSHIP CONDITIONS.

"(a) AMOUNT OF STIPEND.—

"(1) IN GENERAL.—Each eligible student awarded a scholarship under this chapter shall receive a stipend for each academic year of study for which the scholarship is awarded in an amount equal to—

"(A)(i) the costs of tuition and uniform compulsory fees (or in the case of students residing in States that pay the costs of tuition, the costs of room and board) normally charged a full-time student at a public institution of higher education located in the State in which such eligible student resides; minus

"(ii) the amount of any Pell Grant awarded to such student for such academic year; or

"(B) $1,000,

whichever is greater.

"(2) PRO-RATA REDUCTION.—If the amount appropriated pursuant to the authority of section 420J is insufficient to award stipends in accordance with paragraphs (1)(A) and (1)(B), then the Secretary shall make a pro-rata reduction of the amount of stipends awarded pursuant to paragraphs (1)(A) and (1)(B).

"(b) PELL RECIPIENT STATUS AND SATISFACTORY ACADEMIC PROGRESS.—In order to continue eligibility for a scholarship under this chapter—

"(1) for the second, third, and fourth year of postsecondary attendance, an eligible student shall maintain eligibility to receive a Pell Grant, including fulfilling the requirements for satisfactory academic progress as described in section 484(c), and continue to meet the requirements of section 420L; and

"(2) for the third and fourth year of postsecondary attendance, an eligible student shall maintain a grade point average of 3.0 on a 4.0 scale or the equivalent thereof, or any comparable measure as the Secretary may develop.

"(c) ASSISTANCE NOT TO EXCEED COST OF ATTENDANCE.—Scholarships awarded under this chapter, in combination with the Pell Grant and other student financial assistance, may not exceed the student's cost of attendance, as defined in section 472.

"SEC. 420O. APPLICATION.

"Each eligible student desiring a scholarship under this subpart shall submit an application to the Secretary at such time, in such manner and containing such information as such agency may reasonably require.".

S. 1135

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Education USA: School Restructuring, Goals and Results for America's Schools Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Statement of purpose.

TITLE I—URBAN AND RURAL SCHOOL IMPROVEMENT

Sec. 101. Authorization.
Sec. 102. Allotment of funds.
Sec. 103. Application.
Sec. 104. Planning period.
Sec. 105. Uses of funds.
Sec. 106. Accountability.
Sec. 107. Incentive awards to exemplary programs.
Sec. 108. Regulatory assessment.
Sec. 109. Local advisory group.
Sec. 110. Special rules.

TITLE II—SCHOOL BUILDING REPAIR AND RENOVATION

Sec. 201. Purpose; authorization of appropriations.
Sec. 202. Allotment of funds.
Sec. 203. Application.
Sec. 204. Repair and renovation.
Sec. 205. Environment and safety.
Sec. 206. Waiver.

TITLE III—EVALUATION OF RESULTS

PART A—URBAN SCHOOL RESEARCH AND EVALUATION

Sec. 311. Authorization.
Sec. 312. Assistant Secretary for Urban Education.
Sec. 313. Reservation; allotment; allocation.
Sec. 314. National Institute of Urban Education.
Sec. 315. Application.
Sec. 316. Uses of funds.

PART B—RURAL SCHOOL RESEARCH AND EVALUATION

Sec. 321. Authorization.
Sec. 322. Establishment; operation; uses of funds.
Sec. 323. Local rural school evaluation.
Sec. 324. Local applications.

TITLE IV—GENERAL PROVISIONS

Sec. 401. Interagency Council on Urban and Rural Schools.
Sec. 402. White House Conferences on Urban Education and Rural Education.
Sec. 403. National Commissions on Urban and Rural Education.
Sec. 404. Federal funds to supplement not supplant non-Federal funds.
Sec. 405. Definitions.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Nation will not be able to meet the national education goals unless urban and rural school districts can meet such goals;

(2) the ability of the Nation's major urban and rural school systems to meet the Nation's educational goals will determine the country's economic competitiveness and academic standing in the world community;

(3) the quality of public education has a direct effect on the economic development of the Nation's inner cities and rural areas;

(4) the success of urban and rural schools in boosting the achievement of minority youth attending such schools will determine the ability of the Nation to close the gap between the "haves and have-nots" in society;

(5) the cost to America's businesses to provide training to America's employees is approximately $30,000,000,000 per year;

(6) approximately one-third of the Nation's work force will be minority by the year 2000;

(7) urban and rural schools enroll a disproportionately large share of the Nation's "at-risk", African-American, Hispanic, limited-English proficient, and disabled children and youth;

(8) the academic performance of students in the average inner-city and rural public school system is below that of students in most other kinds of school systems;

(9) urban and rural school systems have higher dropout rates, more problems with health care and less parental participation than other kinds of school systems;

(10) urban and rural preschoolers have less access to early childhood development programs as do other children;

(11) shortages of teachers in urban and rural school systems are greater than such shortages in other kinds of school systems;

(12) declining numbers of minority high school graduates from inner cities and rural areas are pursuing postsecondary educational opportunities;

(13) urban school systems have greater problems with teen pregnancy, discipline, drug abuse and gangs than do other kinds of school systems;

(14) 75 percent of urban school buildings are over 25 years old, 33 percent of such buildings are over 50 years old, and the average rural school building is over 45 years old, and furthermore such buildings are often in serious disrepair and create poor and demoralizing working and learning conditions;

(15) solving the challenges facing our Nation's urban and rural schools will require the concerted and collaborative efforts of all levels of government and all sectors of the public and private community;

(16) State and Federal funding of urban and rural schools has not adequately reflected need; and

(17) Federal funding that is well targeted, flexible and accountable would contribute significantly to addressing the comprehensive needs of inner-city and rural schools.

SEC. 3. STATEMENT OF PURPOSE.

It is the purpose of this Act to provide financial assistance for those urban and rural schools most in need to encourage the comprehensive restructuring of America's schools and to support programs which improve performance through programs and projects designed to—

(1) assist urban and rural schools in meeting national education goals;

(2) encourage urban and rural schools to engage in school reform;

(3) improve the educational and social well being of urban and rural public school children;

(4) close the achievement gap between children attending urban and rural schools and other children, while improving the achievement level of all children nationally;

(5) renovate and repair aging urban and rural school buildings and facilities;

(6) conduct coordinated research on urban and rural education problems, solutions, promising practices, and distance learning technologies;

(7) improve the Nation's global economic and educational competitiveness by improving the country's urban and rural schools;

(8) encourage community, parental and business collaboration in the improvement of urban and rural schools; and

(9) review regulations the simplification of which might improve the achievement of urban and rural school children.

TITLE I—URBAN AND RURAL SCHOOL IMPROVEMENT

SEC. 101. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000 to carry out the provisions of this title.

SEC. 102. ALLOTMENT OF FUNDS.

(a) RESERVATION.—From the amount appropriated or otherwise made available to carry out the provisions of this title for any fiscal year after the first fiscal year in which the Secretary awards allotments to State educational agencies under this title, the Secretary shall reserve 5 percent of such funds to provide competitive awards in accordance with section 107.

(b) ALLOTMENTS.—

(1) FEDERAL ALLOTMENT.—From the remainder of the funds not reserved under subsection (a), the Secretary shall allot to each State educational agency with an approved application in each fiscal year an amount which bears the same relationship to such funds as the amount all eligible local educational agencies with approved applications in the State were allocated under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the total amount received under such sections in such preceding fiscal year by all eligible local educational agencies with approved applications in all States.

(2) STATE ALLOTMENT.—

(A) RESERVATION.—From amounts received pursuant to paragraph (1), each State educational agency may reserve 1 percent of such amount for administrative expenses.

(B) Formula.—From the remainder of amounts received pursuant to paragraph (1) in each fiscal year, each State educational agency shall allot to each eligible local educational agency with an approved application an amount which bears the same relationship to such funds as the amount such eligible local educational agency was allocated under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the total amount received under such sections in such preceding fiscal year by all eligible local educational agencies with approved applications in the State.

(C) Administrative costs.—Not more than 5 percent of any eligible local educational agency's allotment under this subsection may be used for administrative costs.

(d) Reallotment.—Any amounts available for reallotment pursuant to subsections (a) and (b) shall be reallotted in the same manner as the original allotments were made.

(e) Reservation for Community-Based Organizations and Nonprofit Partnerships.—

(1) In general.—From the amounts allotted under subsection (b)(2) for any fiscal year, each eligible local educational agency shall reserve not more than 5 percent to make as many grants as practicable for activities in accordance with the national education goals and described in section 105 to—

(A) community-based organizations; or

(B) nonprofit partnerships among the eligible local educational agency, local colleges or universities, or area-wide collaboratives with private sector businesses who enter into an agreement with the eligible local educational agency.

(2) Special rule.—Grants awarded pursuant to paragraph (1) shall be of sufficient size, scope and quality to be effective.

SEC. 103. APPLICATION.

(a) State Application.—

(1) In general.—Each State educational agency desiring to receive an allotment in any fiscal year to carry out the provisions of this title shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) Contents.—Each application submitted pursuant to paragraph (1) shall—

(A) contain such information as the Secretary may reasonably require in order to make the allotment described in section 102(b)(1);

(B) inform the Secretary regarding any eligible local educational agency that fails to comply with the provisions of this title; and

(C) contain such other information or assurances as the Secretary determines necessary to ensure compliance with the provisions of this title.

(b) Local Application.—

(1) In general.—Any eligible local educational agency desiring to receive an allotment to carry out the provisions of this title, shall—

(A) develop and prepare an application with the local advisory group in accordance with section 109 of this Act;

(B) submit the application described in subparagraph (A) to the State educational agency at such time, in such manner and accompanied by such information as the State educational agency may reasonably require.

(2) Contents of local educational agency application.—Each application submitted by an eligible local educational agency pursuant to paragraph (1) shall include a description of—

(A) the ranking of all schools in the eligible local educational agency by achievement, poverty, and racial isolation and how such schools will be served in accordance with section 110(a);

(B) the community served by the eligible local educational agency and the effects of the community on the educational conditions within the schools served by the eligible local educational agency;

(C) the collaboration in program planning with the local advisory group described in section 109;

(D) the goals selected by the eligible local educational agency pursuant to section 106(b), the rationale for choosing such goals over others, and a description of whether the goals selected differ between elementary and secondary schools in the district;

(E) how funds received under this title will be used to meet the national educational goals selected by the eligible local educational agency;

(F) how promising or successful models or programs will be replicated in designing activities assisted under this title;

(G) which federally funded programs and activities are being expanded under this title; and

(H) the statistical indicators and other criteria that the eligible local educational agency will use to measure progress toward meeting national education goals, and a description of what the local educational agency has done to ensure that any assessments used to measure such progress will not have a negative effect on minority or language minority students;

(3) Duration.—Except as provided in section 106, the application described in paragraph (1) may be for a period of not more than 3 years.

(c) Community-Based Organizations and Nonprofit Partnerships.—Any community-based organization or nonprofit partnership described in section 102(e) desiring to receive a grant from an eligible local educational agency pursuant to such section shall—

(1) prepare an application for approval by the local advisory group described in section 109 and submit such application to the eligible local educational agency;

(2) describe in the application the collaborative efforts undertaken with the eligible local educational agency in designing a program to meet the purposes of the Act; and

(3) describe in the application how funds will be used to help meet the education goals selected by the eligible local educational agency pursuant to subsection (b) of this section.

SEC. 104. PLANNING PERIOD.

Any eligible local educational agency requiring additional planning efforts to meet the provisions of this title may use the first 6 months of the initial program year for planning purposes, subject to approval by the State educational agency, except that no more than 15 percent of the first year's allotment shall be used for such purposes. A written report of the results of the plan shall be submitted to the State educational agency.

SEC. 105. USES OF FUNDS.

(a) In General.—Funds allotted under section 102(b)(2) shall be used by eligible local educational agencies, or community-based organizations or nonprofit partnerships described in section 102(e) to meet national education goals through programs designed to—

(1) increase the academic achievement of urban and rural school children to at least the national average, including such education reform initiatives as—

(A) effective schools programs;

(B) tutoring, mentoring, and other activities to improve academic achievement directly;

(C) activities designed to increase the participation of minority and female students in entry level and advanced courses in mathematics and science;

(D) supplementary academic instruction;

(E) efforts to improve problem-solving and higher-order thinking skills;

(F) programs to increase student motivation for learning;

(G) efforts to lengthen the school day, school year or reduce class sizes;

(H) encouraging the establishment of rural school consortia to increase efficiency and course offerings; and

(I) inservice teacher training;

(2) ensure the readiness of all urban and rural children for school, including—

(A) full workday, full calendar-year comprehensive early childhood development programs;

(B) parenting classes and parent involvement activities;

(C) activities designed to coordinate prekindergarten and child care programs;

(D) efforts to integrate developmentally appropriate prekindergarten services into the overall school program;

(E) upgrading the qualifications of early childhood education staff and standards for programs;

(F) collaborative efforts with health and social service agencies to provide comprehensive services and to facilitate the transition from home to school;

(G) establishment of comprehensive child care centers in high schools for student-parents and their children; and

(H) augmenting early childhood development programs to meet the special educational and cultural needs of limited-English proficient and migrant preschool children;

(3) increase the graduation rates of urban and rural students to at least the national average, including—

(A) dropout prevention activities and support services for students at-risk of dropping out of school;

(B) re-entry, outreach and support activities to recruit students who have dropped out of school to return to school;

(C) development of systemwide policies and practices that encourage students to stay in school;

(D) efforts to provide individualized student support, such as mentoring programs;

(E) collaborative activities between schools, parents, community groups, agencies and institutions of higher education aimed at preventing individuals from dropping out of school;

(F) programs to increase student attendance; and

(G) alternative programs for students, especially bilingual, special education and migrant students, who have dropped out of school or are at-risk of dropping out of school;

(4) prepare urban and rural school graduates to enter higher education, pursue careers and exercise their responsibilities as citizens, including—

(A) activities designed to increase the number and percentages of students, particularly minority students, enrolling in postsecondary educational institutions after graduation from secondary schools;

(B) in-school youth employment, vocational education, and career education programs that improve the transition from school to work;

(C) activities designed in collaboration with colleges and universities to assist urban and rural school graduates in completing higher education;

(D) efforts to increase voter registration among eligible high school students attending schools served by eligible local educational agencies;

(E) activities designed to promote community service and volunteerism among students, parents, teachers, and the community;

(F) civic education, law-related education and other programs designed to enhance responsible citizenship and understanding of the political process; and

(G) encouraging a positive role for rural public schools in local rural entrepreneurship and the identification of rural community economic development opportunities;

(5) recruit and retain qualified teachers, including—

(A) school-based management projects and activities;

(B) programs designed to increase the status of the teaching profession;

(C) alternative routes to certification for qualified individuals from business, the military and other fields;

(D) efforts to recruit and retain teachers in critical shortage areas, including early childhood teachers, mathematics and science teachers, and special education and bilingual teachers;

(E) upgrading the skills of teacher aides and paraprofessionals to assist such individuals in becoming certified teachers;

(F) efforts specifically designed to increase the number of minority teachers in urban and rural schools;

(G) programs designed to "grow your own" teachers;

(H) incentives for teachers to work in inner-city and rural schools; and

(I) collaborative activities with colleges and universities to revise and upgrade teacher training programs to meet the needs of urban and rural school students; and

(6) decrease the use of drugs and alcohol among urban and rural students, and to enhance the physical and emotional health of such students, including—

(A) activities designed to improve the self-esteem and self-worth of urban and rural students;

(B) the provision of health care services and other social services and the coordination of such services with other health care providers;

(C) programs designed to improve safety and discipline and reduce in-school violence, vandalism and gang activity;

(D) activities that begin in the early grades and are designed to prevent drug and alcohol abuse and smoking among students;

(E) collaborative activities with other agencies, businesses, and community groups to discourage the advertisement and glorification of drugs and alcohol;

(F) efforts to enhance health education and nutrition education; and

(G) alternative schools, and schools-within-schools programs, including bilingual, migrant and special education programs for students with special needs.

(b) Special Rule.—Funds allotted under section 102(b)(2) may be used by eligible local educational agencies, or community-based organizations or nonprofit partnerships described in section 102(e) for the planning, development, operation, or expansion of programs and activities which are designed to assist urban and rural schools in meeting national education goals, and may include—

(1) training of teachers and other educational personnel in subject areas, or instructional technology and methods that would improve the delivery of services in urban and rural settings in any of the national education goal areas, including staff development efforts which emphasize multicultural, gender and disability bias-free curricula;

(2) coordination and collaboration with other municipal agencies, child care organizations, universities or the private sector;

(3) parental involvement and outreach efforts and other activities designed to enhance parental encouragement of student learning;

(4) guidance counseling, psychological, social work, and other support services that contribute to progress in achieving national education goals;

(5) efforts to acquire and improve access to educational technology, including distance learning technologies;

(6) programs to serve homeless children, desegregating children, immigrants, migrants, or other highly mobile populations, even if such individuals do not attend a school assisted under this title;

(7) efforts to improve, reform and strengthen the curriculum, especially efforts to enhance critical thinking skills among urban and rural students, and efforts to coordinate services across grade levels; and

(8) other activities designed to assist in achieving the national education goals.

(c) Priority.—Each local educational agency submitting an application under this section shall give priority in designing the program assisted under this title to activities that replicate successful efforts in other local educational agencies or expand successful programs within the eligible local educational agency.

SEC. 106. ACCOUNTABILITY.

(a) In General.—The State educational agency may award an allotment under this title to an eligible local educational agency to enable such an agency to operate a program under this title for a period of not more than 3 years. If an eligible local educational agency receiving an allotment under this title meets the accountability requirements described in subsection (b) at the end of 3 years and the requirements described in subsection (c) at the end of each year, as determined by the State educational agency, such agency shall be eligible to continue the project with funds under this title for an additional 3 years if such agency so desires.

(b) Requirements To Move Toward National Education Goals.—

(1) Program continuation.—If, after 3 years of receiving an allotment under this title, an eligible local educational agency is able to demonstrate to the satisfaction of the State educational agency that it has increased the achievement within the lowest 2 quartiles of students in schools assisted under this title as measured by the statistical indicators and other criteria specified in the application in comparison to the year prior to the initiation of the project, then such agency shall be eligible to continue the project with funds under this title for an additional 3 years upon reapplication under section 103.

(2) Special rule.—If, after 3 years of receiving an allotment under this title, an eligible local educational agency is able to demonstrate progress on meeting at least 3 other national education goals as measured by the criteria described in paragraph (3), then such agency shall be deemed to have met the requirements of paragraph (1) so long as the average achievement level of the schools assisted under this title did not decline in any of the 3 previous school years.

(3) Criteria.—For purposes of paragraph (2), the criteria are:

(A) The number or percentage of preschool children served by the eligible local educational agency is greater than the average such number or percentage in the 3 previous school years.

(B) The secondary school graduation rate in the eligible local educational agency is greater than the average such rate for the 3 previous school years.

(C) The percentage of secondary school graduates in the eligible local educational agency enrolled in postsecondary education is greater than such percentage for the 3 previous school years.

(D) The percentage of the teaching force in the eligible local educational agency who are minorities is greater than the average such percentage for the 3 previous school years.

(E) The incidence of discipline, drug-related or in-school crime in the eligible local educational agency is less than the average such incidence in the 3 previous school years.

(c) Collection of Data and Certification.—

(1) In general.—Each eligible local educational agency, community-based organization, or nonprofit partnership described in section 102(e) receiving an allotment under this title shall annually collect and submit to the State educational agency data based on the statistical indicators and other criteria described in the application submitted by such eligible local educational agency for the purposes of monitoring progress in achieving national education goals in accordance with paragraph (2). Such data shall include multiple measures or indicators of each variable, and may take into consideration the mobility of students in the schools served under this title or other special factors.

(2) Certification.—

(A) Each eligible local educational agency receiving an allotment pursuant to section 102(b)(2) shall annually certify to the State educational agency that such eligible local educational agency has—

(i) complied with the provisions of section 106(c); and

(ii) made progress toward meeting national education goals and the goals described in section 103(b)(2)(D).

(B) The certification described in subparagraph (A) shall be reviewed by an independent educational performance auditor for compliance with clauses (i) and (ii) of subparagraph (A).

SEC. 107. INCENTIVE AWARDS TO EXEMPLARY PROGRAMS.

From amounts reserved pursuant to section 102(a) or otherwise made available, the Secretary is authorized to make competitive awards to eligible local educational agencies on behalf of individual schools participating in a program assisted under this title which demonstrate to the satisfaction of the Secretary at least 3 of the following:

(1) Unusual or exemplary progress in achieving the national education goals through programs described in section 105.

(2) Exemplary or unusually effective collaborative arrangements between the schools, community-based organizations, agencies, parent groups, colleges and businesses.

(3) Identification, review and removal of potential barriers to student performance in the national education goal areas, such as suspensions and expulsions, in-grade retentions, ability grouping, and lack of access to

course offerings in pre-algebra, introductory algebra, higher mathematics, science and foreign languages.

(4) Substantial expansion of the hours schools assisted under this title remain open for community use or student after-school recreation.

SEC. 108. REGULATORY ASSESSMENT.

(a) Report on Urban and Rural Public Schools.—In order to assist eligible local educational agencies under this Act in improving the performance of the school children enrolled in the schools served by such agencies, the Secretary shall, not later than January 1, 1993, prepare a report on the impact of Federal regulations, guidelines and policies on urban and rural public schools.

(b) Contents of Report.—The report shall analyze the impact of Federal legal, regulatory, policy and organizational requirements on the time and resources that eligible local educational agencies assisted under this Act have for educating students, including fiscal resources, staff time, facilities, instructional equipment, and services. The report shall make recommendations on how best to simplify Federal regulations, guidelines and policies so that more resources can be devoted to improving urban and rural school performance. The report shall also identify the regulations whose waiver might be used as incentives or rewards for unusual progress toward meeting national education goals.

(c) Specific Issues for Analysis.—In preparing the report required by subsection (a), the Secretary shall analyze—

(1) the effect of regulatory requirements on local program flexibility and management within eligible local educational agencies;

(2) the effect of regulatory requirements on the size, cost and composition of administrative practices within eligible local educational agencies;

(3) the extent to which regulatory requirements are duplicative or contradictory;

(4) the amount of time and resources that school administrators and teachers must spend responding to data requests and reporting requirements pursuant to Federal law;

(5) the extent to which regulatory requirements are related to instructional rather than noninstructional practices in eligible local educational agencies;

(6) the relationship between specific regulatory requirements and the educational performance of urban and rural students; and

(7) how the waiver or simplification of regulatory requirements could enhance the performance of urban and rural school children and the progress of urban and rural schools in meeting national education goals.

(d) Sample Data.—The Secretary may, in developing the report described in subsection (a), use appropriate sampling techniques.

(e) Consultation With Congress.—The Secretary shall consult with the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate concerning the design of the report described in this section.

SEC. 109. LOCAL ADVISORY GROUP.

(a) Establishment.—Any eligible local educational agency desiring to receive an allotment under this Act shall form a local advisory group.

(b) Composition.—

(1) In general.—Each local advisory group described in subsection (a) shall be composed of representatives of groups such as—

(A) local government agencies;

(B) community-based organizations;

(C) service providers;

(D) teachers;

(E) parents;

(F) colleges and universities;

(G) businesses;

(H) principals and other school administrators and school personnel;

(I) counselors, school psychologists and social workers;

(J) students;

(K) State educational agencies and State boards of education;

(L) labor;

(M) Offices of the mayor;

(N) religious leaders; and

(O) organizations with an interest in improving urban and rural education and expertise in the delivery of services needed by the schools selected to participate in a program assisted under this Act.

(2) Appointment.—The superintendent of schools and the president of the board of education of the eligible local educational agency applying for funds under this title shall appoint the members of the local advisory group, in consultation with teachers from the eligible local educational agency. The local advisory group may contain as many members as is necessary to ensure a comprehensive community-wide program to improve education in the schools served by the eligible local educational agency.

(3) Representation.—The local advisory group shall be representative of the community and shall be balanced according to the race, ethnicity, native language background, and gender of its members, to the extent practicable.

(c) Functions.—The local advisory group shall—

(1) advise the eligible local educational agency on the design and conduct of a needs assessment for all schools expected to participate in the program assisted under this title;

(2) assist in planning for community-wide collaboration in service delivery for students in schools expected to be served by the program assisted under this title;

(3) advise the eligible local educational agency and the community on how they can work together to use multiple service providers;

(4) advise and assist the eligible local educational agency on the implementation of the program assisted under this title and review evaluations of such program's success;

(5) review and approve applications submitted to the eligible local educational agency by community-based organizations pursuant to section 103(c);

(6) advise the eligible local educational agency on strategies for increasing parent involvement and the number of school volunteers and role models in schools; and

(7) review the success of community-based programs assisted under this title for progress on the national education goals.

(d) Use of Existing Local Advisory Group.—To the extent that an eligible local educational agency has established a broadly representative local advisory group before enactment of this Act that is comparable to the local advisory group described in this section, such existing local advisory group shall be considered to be in compliance with the provisions of this section.

SEC. 110. SPECIAL RULES.

(a) Ranking of Schools in Local Educational Agencies Serving More Than One School To Determine Relative Need.—

(1) Ranking.—

(A) In general.—Each eligible local educational agency desiring to receive an allotment under this title shall, in order to determine which schools are most in need of services under this title, separately rank all schools under the jurisdiction of such agency on the basis of—

(i) achievement;

(ii) poverty; and

(iii) racial isolation.

(B) Special rules.—(i) Eligible local educational agencies may rank elementary and secondary schools separately or together for purposes of this subsection.

(ii) Eligible local educational agencies participating in a consortium may rank elementary and secondary schools separately for each local educational agency participating in the consortium for purposes of this subsection.

(2) Percentage of schools to be served.—Each eligible local educational agency that receives an allotment under this title shall serve at least 10 percent, but not more than 20 percent, of the schools under the jurisdiction of such agency.

(3) Criteria for schools to be served.—Subject to the provisions of paragraph (2) of this section, each eligible local educational agency that receives an allotment under this title—

(A) shall serve any school that is determined to be most in need with respect to all 3 rankings described in paragraph (1);

(B) may serve any school that is determined to be most in need with respect to any 1 or more of such rankings; and

(C) may serve any school that received assistance under this title in a previous fiscal year.

(b) Flexibility.—Each eligible local educational agency shall have the flexibility to serve homeless children, desegregating students, immigrants, migrants or other highly mobile populations within the program assisted under this title.

(c) Chapter 1 School Improvement Plan.—The approved program for any school served under sections 1020 and 1021 of the Elementary and Secondary Education Act of 1965, may be considered sufficient to meet the requirements of the provisions of section 106(b)(1) of this Act.

TITLE II—SCHOOL BUILDING REPAIR AND RENOVATION

SEC. 201. PURPOSE; AUTHORIZATION OF APPROPRIATIONS.

(a) Purpose.—It is the purpose of this title to provide assistance to eligible local educational agencies to assist such agencies in repairing, and renovating, instructional facilities in urban and rural schools.

(b) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000 to carry out the provisions of this title.

SEC. 202. ALLOTMENT OF FUNDS.

(a) Allotments.—

(1) Federal allotment.—In each fiscal year, the Secretary shall allot to each State educational agency with an approved application, an amount which bears the same relationship to such funds as the amount all eligible local educational agencies with approved applications in the State were allocated under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the total amount received under such sections in such preceding fiscal year by all eligible local educational agencies with approved applications in all States.

(2) State allotment.—

(A) RESERVATION.—From amounts received pursuant to paragraph (1), each State educational agency may reserve 1 percent of such amount for administrative expenses.

(B) FORMULA.—From the remainder of amounts received pursuant to subparagraph (A) in each fiscal year, each State educational agency shall allot to each eligible local educational agency within the State with an approved application—

(i) 33 percent of such funds on the basis of the number of children in the eligible local educational agency between the ages of 5 and 17 who are members of families whose income does not exceed the income official poverty line (as defined by the Office of Management and Budget), according to the most recent decennial census, divided by the number of all such children in all eligible local educational agencies in the State;

(ii) 33 percent of such funds on the basis of the number of school buildings used for instructional purposes in the eligible local educational agency, divided by the number of all such buildings in all eligible local educational agencies in the State; and

(iii) 33 percent of such funds on the basis of the number of school buildings in the eligible local educational agency which are used for instructional purposes and which are more than 25 years old, divided by the number of all such buildings in all eligible local educational agencies in the State.

(b) REALLOTMENT.—Any amounts available for reallotment pursuant to subsections (a) and (b) shall be reallotted in the same manner as the original allotments were made.

SEC. 203. APPLICATION.

(a) STATE APPLICATION.—

(1) IN GENERAL.—Each State educational agency desiring to receive an allotment in any fiscal year to carry out the provisions of this title shall submit to the Secretary an application at such time, in such manner and accompanied by such information as the Secretary reasonably may require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) contain such information as the Secretary may reasonably require in order to make the allotment described in section 202(a)(1); and

(B) contain such other information and assurances as the Secretary determines necessary to ensure compliance with the provisions of this title.

(b) LOCAL APPLICATION.—

(1) IN GENERAL.—Any eligible local educational agency desiring to receive an allotment to carry out the provisions of this title shall submit to the State educational agency an application at such time, in such manner and accompanied by such information as the State educational agency may reasonably require.

(2) DURATION.—Each application submitted pursuant to paragraph (1) shall be for a period of not more than 3 years.

(3) ANNUAL REVIEW.—Each application submitted pursuant to paragraph (1) shall be subject to annual review.

(4) CONTENTS.—Each application submitted pursuant to paragraph (1) shall contain—

(A) an assessment of needs for building repair, renovation and construction;

(B) the name and location of all sites scheduled for repair, renovation or construction and a description of the activities planned at each site; and

(C) a description of accounting procedures used to assure proper disbursement of Federal funds.

SEC. 204. REPAIR AND RENOVATION.

Each eligible local educational agency receiving an allotment under section 202(a)(2) shall use 50 percent of such allotment to conduct programs for—

(1) repair and renovation of school buildings used for instruction;

(2) installation or upgrading of school security and communications systems;

(3) construction of new buildings that will serve to replace old facilities that are most cost effectively torn down rather than renovated;

(4) alterations to buildings to meet special program, curricula, or school-site management needs;

(5) alterations to buildings to meet certain special population needs, such as the needs of homeless children and preschool children;

(6) alterations to school buildings to enable such buildings to serve as one-stop family support centers;

(7) facilities' costs associated with lengthening the school day or school year; and

(8) upgrading of and alterations to buildings to accommodate new instructional technology, including the installation of distance learning equipment and related technologies.

SEC. 205. ENVIRONMENT AND SAFETY.

Each eligible local educational agency receiving an allotment under section 202(a)(2) shall use 50 percent of such allotment to conduct programs for—

(1) energy conservation;

(2) removal or containment of environmentally hazardous material, such as asbestos, lead and radon;

(3) meeting the requirements of section 504 of the Rehabilitation Act of 1973; and

(4) meeting local, State or Federal laws or regulations enacted or promulgated since the initial construction of a building related to fire, air, light, noise, waste disposal, building height or other.

SEC. 206. WAIVER.

The State educational agency may waive the 50 percent requirements described in sections 204 and 205 for any eligible local educational agency that demonstrates to the satisfaction of the State educational agency a greater need for services described in section 204 or 205.

SEC. 207. APPLICATION OF THE DAVIS-BACON ACT.

All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (commonly known as the Davis-Bacon Act), as amended (40 U.S.C. 276a-276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

TITLE III—EVALUATION OF RESULTS

PART A—URBAN SCHOOL RESEARCH AND EVALUATION

SEC. 311. AUTHORIZATION.

There are authorized to be appropriated to the National Institute for Urban Education such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000 to carry out the provisions of this title.

SEC. 312. ASSISTANT SECRETARY FOR URBAN EDUCATION.

(a) AMENDMENT TO THE DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Title II of the Department of Education Organization Act (20 U.S.C. 3401 et seq.) is amended—

(1) in section 202(b)(1) by—

(A) striking "and" at the end of subparagraph (F);

(B) striking the period at the end of subparagraph (G) and inserting a semicolon and "and"; and

(C) inserting at the end thereof the following new subparagraph:

"(H) an Assistant Secretary for Urban Education."; and

(2) inserting at the end thereof the following new section:

"SEC. 215. NATIONAL INSTITUTE FOR URBAN EDUCATION.

"There shall be in the Department a National Institute for Urban Education, established in accordance with title III of the Education USA: School Restructuring, Goals and Results for America's Schools Act of 1991.".

(b) AMENDMENT TO TITLE V.—Section 5315 of title 5, United States Code is amended by striking "Assistant Secretaries of Education (6)" and inserting "Assistant Secretaries of Education (7)".

SEC. 313. RESERVATION; ALLOTMENT; ALLOCATION.

(a) RESERVATION FOR NATIONAL INSTITUTE OF URBAN EDUCATION.—From the amount appropriated or otherwise made available to carry out the provisions of this title in any fiscal year, the Assistant Secretary for Urban Education (hereafter in this title referred to as the "Assistant Secretary") shall reserve 20 percent of such funds for the operation of the National Institute for Urban Education (hereafter in this title referred to as the "Institute").

(b) ALLOTMENTS TO URBAN ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—From the remainder of sums not reserved under subsection (a), the Assistant Secretary shall make allotments to each urban eligible local educational agency with an approved application in an amount which bears the same relation to such remainder as the number of students enrolled in the urban eligible local educational agency bears to the total number of students enrolled in all urban eligible local educational agencies.

SEC. 314. NATIONAL INSTITUTE OF URBAN EDUCATION.

(a) ESTABLISHMENT.—From amounts reserved under section 313(a), the Assistant Secretary shall establish an institute to be known as the National Institute of Urban Education.

(b) FUNCTIONS.—The Institute shall—

(1) assist urban eligible local educational agencies under this Act, or consortia of such agencies, in developing research and evaluation activities to assess progress toward meeting the national education goals;

(2) provide for the conduct of research which will assist urban schools in enhancing learning, teaching, and system management;

(3) provide training in research and evaluation methods and techniques that meet the purposes of this Act;

(4) evaluate and disseminate among urban eligible local educational agencies results of activities conducted pursuant to title I of this Act;

(5) design and coordinate, in consultation with urban eligible local educational agency activities, a comprehensive and cohesive research and evaluation strategy for assessing progress under this Act;

(6) serve as a clearinghouse on urban education research and evaluation findings, policies, and practices;

(7) design, test, define, and promote common indicators of progress toward the national education goals; and

(8) design, develop, and test new multiple-measures of school progress toward the national education goals.

(c) GOVERNANCE.—The Institute shall have a Governing Board.

(1) COMPOSITION AND APPOINTMENT.—

(A) COMPOSITION.—The Governing Board shall consist of 22 members, selected from a pool of candidates nominated by the superintendent and the president of the Board of Education of the urban eligible local educational agencies.

(B) APPOINTMENT.—The Majority Leader of the House of Representatives and the Majority Leader of the Senate shall each appoint six members to the Governing Board from individuals nominated pursuant to subparagraph (A). The Minority Leader of the House of Representatives and the Minority Leader of the Senate shall each appoint 3 members to the Governing Board from individuals nominated pursuant to subparagraph (A). The Secretary shall appoint 4 members to the Governing Board from individuals nominated pursuant to subparagraph (A).

(2) TERMS OF OFFICE.—

(A) IN GENERAL.—Members of the Governing Board shall be appointed for a period of 3 years.

(B) REAPPOINTMENT.—Members of the Governing Board may be reappointed to the Governing Board.

(3) DUTIES.—The Governing Board shall—

(A) establish the national research and evaluation program for the Institute;

(B) review the programs and activities of the Institute; and

(C) issue an annual report to the Congress and the public on the progress of urban schools in meeting the goals of this Act.

(4) LEADERSHIP.—The Assistant Secretary shall be the primary individual responsible for the daily operation of the Institute.

(5) STAFF.—Such personnel as the Institute deems necessary may be appointed to carry out the functions of the Institute.

(d) CONTRACTS AND GRANTS.—

(1) IN GENERAL.—The Institute may award grants to or enter into contracts with urban eligible local educational agencies, universities, research and development centers, private corporations, or regional educational laboratories to carry out the duties of the Institute.

(2) COMPETITIVE AWARDS.—Grants and contracts awarded under paragraph (1) shall be awarded on a competitive basis.

SEC. 315. APPLICATION.

(a) IN GENERAL.—Any urban eligible local educational agency desiring to receive an allotment under section 303(b) shall—

(1) submit an application to the Assistant Secretary;

(2) consult with the Department of Education, local universities, research institutes, laboratories, or centers for purposes of planning and implementing a plan of research and technical assistance for the urban eligible local educational agency and schools of the local educational agency participating in programs assisted under title I; and

(3) describe in the application a research and technical assistance plan and how assistance provided under this title will be used to assess progress on the national education goals.

(b) CONSORTIA.—Urban eligible local educational agencies may pool their allotments under section 313(b), in whole or in part, to design and conduct cooperative data collection, evaluation and information dissemination activities.

SEC. 316. USES OF FUNDS.

Funds allotted to urban eligible local educational agencies under section 313(b) may be used for—

(1) collaborative and coordinated research and evaluation of educational techniques or approaches used in multiple urban eligible local educational agencies;

(2) evaluation of projects assisted under title I;

(3) collection and dissemination of information on successful projects and approaches assisted under title I;

(4) design and implementation of extension service programs to allow an urban eligible local educational agency to provide technical assistance to individual schools and teachers involved in projects assisted under title I;

(5) provision of data and information management services to individual schools assisted under title I;

(6) provision of staff training in schools assisted under title I;

(7) evaluation of progress made by urban eligible local educational agencies assisted under this Act in meeting national education goals;

(8) provision of staff training in test interpretation and use for diagnostic purposes;

(9) provision of information to parents on test results and test interpretation;

(10) provision of technology and training in its research and evaluation uses;

(11) development of assessment tools of students in individualized instruction;

(12) research on school policies and practices which may be barriers to the success of students in school; and

(13) development and testing of new multiple, alternative assessments of student progress toward the national education goals which are race and gender bias-free and sensitive to limited-English proficient and disabled students.

PART B—RURAL SCHOOL RESEARCH AND EVALUATION

SEC. 321. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000 to carry out the provisions of this part.

SEC. 322. ESTABLISHMENT; OPERATION; USES OF FUNDS.

(a) ESTABLISHMENT.—From amounts appropriated pursuant to the authority of section 321, the Secretary shall establish for each region a center to be known as the "National Rural Regional Education Research Center" (hereafter in this part) referred to as the "Center".

(b) OPERATION.—Each Center shall be operated by the regional educational laboratory supported by the Secretary pursuant to section 405(d)(4)(A) of the General Education Provisions Act that is located in the region in which the Center is located.

(c) USE OF FUNDS.—Each Center shall—

(1) conduct independent research in rural education and distance learning technologies;

(2) evaluate the progress of rural schools receiving funds under title I of this Act toward meeting the national education goals;

(3) serve as clearinghouses on rural education research findings, policies, and practices;

(4) develop measurements of progress of rural schools;

(5) disseminate results of evaluations and research on rural schools to other Centers and rural school districts and parents;

(6) develop collaborative arrangements and consortia among rural schools in each region to conduct joint research and evaluation activities;

(7) replicate successful models and program approaches in rural schools;

(8) provide technical assistance and outreach services for rural schools in each region;

(9) provide staff training; and

(10) develop curricula to assist rural schools in moving toward meeting the national education goals.

SEC. 323. LOCAL RURAL SCHOOL EVALUATION.

From the amount appropriated pursuant to the authority of section 321 or otherwise made available to carry out the provisions of this part in any fiscal year, each Center shall reserve 25 percent of such funds received for direct grants to rural eligible local educational agencies within the region served by such Center and which are participating in a program assisted under title I to conduct local school district research and evaluation of efforts toward meeting the national education goals.

SEC. 324. LOCAL APPLICATIONS.

Any eligible rural local educational agency desiring to receive a grant under this part shall—

(1) submit an application to the Center;

(2) describe in such application the research and evaluation activities for measuring progress on the national education goals;

(3) consult with local universities, research institutes, and other rural groups in developing a local research and evaluation application; and

(4) describe capacities for conducting evaluations with funds provided under this part.

TITLE IV—GENERAL PROVISIONS

SEC. 401. INTERAGENCY COUNCIL ON URBAN AND RURAL SCHOOLS.

(a) ESTABLISHMENT.—There is established the Interagency Council on Urban and Rural Schools (hereafter in this section referred to as the "Council").

(b) COMPOSITION.—

(1) IN GENERAL.—The Council shall consist of—

(A) the Secretary of Education, who shall serve as Chairperson of the Council;

(B) the Secretary of Labor;

(C) the Secretary of Health and Human Services;

(D) the Secretary of Agriculture;

(E) the Attorney General of the United States;

(F) the Secretary of Energy;

(G) the Secretary of Commerce;

(H) the Director of the Environmental Protection Agency;

(I) the Director of the Commission on Civil Rights;

(J) the Chairperson of the Advisory Commission on Intergovernmental Relations;

(K) the Chairpersons of the National Endowments on the Arts and the Humanities;

(L) the Director of the National Science Foundation;

(M) the Secretary of Housing and Urban Development; and

(N) such other officers of the Federal Government as may be designated by the President or the Chairperson of the Council to serve wherever matters within the jurisdiction of the agency headed by such an officer are to be considered by the Council.

(2) REPRESENTATION.—Each individual described in paragraph (1) may designate a per-

son to represent such individual on the Council.

(3) DURATION.—Each member shall be appointed for as long as such member serves as the head of the appropriate department or agency.

(4) PRINCIPAL ADVISOR.—The Chairperson of the Council shall be the President's principal advisor on urban and rural schools.

(c) QUORUM.—Seven members of the Council shall constitute a quorum for the purposes of transmitting recommendations and proposals to the President, but a lesser number may meet for other reasons.

(d) MEETINGS.—The Council shall meet at least 2 times each year. When a Council member is unable to attend a meeting, the Council member shall appoint an appropriate Assistant Secretary or an equivalent individual from the department or agency of the member to represent the member for that meeting.

(e) DUTIES OF THE COUNCIL.—The Council shall—

(1) review programs and activities conducted by each department or agency represented on the Council to determine the effects of such programs and activities on the ability of urban and rural schools to meet national education goals;

(2) track progress of urban and rural schools in meeting national education goals;

(3) solicit information and advice from experts in urban and rural education and representatives of urban schools on how the Federal Government may improve the programs and activities of the Federal Government which serve urban and rural school students;

(4) review regulations across various departments or agencies of the Federal Government for duplication or contradiction;

(5) issue an annual report to Congress and the President on the progress urban and rural schools are making in meeting national education goals, and on how Congress might change Federal programs to improve the effectiveness of such programs in urban and rural schools;

(6) review and make recommendations regarding ways to improve or streamline various Federal data collection activities in urban and rural schools; and

(7) conduct such research as may be helpful to urban and rural school practitioners in improving the performance of students attending urban and rural schools.

SEC. 402. WHITE HOUSE CONFERENCES ON URBAN EDUCATION AND RURAL EDUCATION.

(a) AUTHORIZATION TO CALL CONFERENCES.—

(1) IN GENERAL.—The President is authorized to—

(A) call and conduct a White House Conference on Urban Education (hereafter in this section referred to as the "Urban Conference"); and

(B) call and conduct a White House Conference on Rural Education (hereafter in this section referred to as the "Rural Conference").

(2) SPECIAL RULE.—For the purpose of this section the term "Conferences" means the Urban Conference and the Rural Conference.

(3) DATE.—The Conferences described in paragraph (2) shall be held not earlier than November 1, 1992, and not later than October 30, 1994.

(4) PURPOSE.—The purposes of the Conferences shall be to—

(A) develop recommendations and strategies for the improvement of urban and rural education;

(B) marshal the forces of the private sector, governmental agencies at all levels, parents, teachers, communities, and education officials to assist urban and rural schools in achieving national education goals; and

(C) conduct the initial planning for a permanent national advisory commission on urban education and on rural education.

(b) COMPOSITION OF CONFERENCES.—

(1) IN GENERAL.—The Conferences shall each be composed of—

(A) representatives of eligible public school systems, including board of education members, school superintendents and classroom teachers;

(B) representatives of the Congress, the Department of Education and other Federal agencies;

(C) State elected officials and representatives from State educational agencies; and

(D) individuals with special knowledge of and expertise in urban and rural education, respectively.

(2) SELECTION.—The President shall select one-third of the participants of each Conference, the Speaker of the House of Representatives shall select one-third of such participants, and the President pro tempore of the Senate shall select the remaining one-third of such participants.

(3) REPRESENTATION.—In selecting the participants of each of the Conferences the President, the Speaker of the House of Representatives, and the President pro tempore of the Senate shall ensure that the participants are as representative of the ethnic, racial, and language diversity of urban and rural areas as is practicable.

(c) REPORTS.—

(1) IN GENERAL.—The final reports of each of the Conferences, containing such findings and recommendations as may be made by the Conferences, shall be submitted to the President not later than 120 days following the termination of the Conferences. The final reports shall be made public and, within 90 days after receipt by the President, transmitted to the Congress together with a statement of the President containing recommendations for implementing the reports.

(2) PUBLICATION AND DISTRIBUTION.—The Conferences are authorized to publish and distribute the reports described in this section. Copies of the reports shall be provided to the Federal depository libraries and made available to local urban and rural school leaders.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary to carry out the provisions of this section.

(2) AVAILABILITY.—Amounts made available pursuant to the authority of paragraph (1) shall remain available until expended.

SEC. 403. NATIONAL COMMISSIONS ON URBAN AND RURAL EDUCATION.

(a) ESTABLISHMENT.—(1) There is established an Augustus F. Hawkins National Commission on Urban Education (referred to hereafter as the "Hawkins Commission") and a Carl D. Perkins National Commission on Rural Education (referred to as the "Perkins Commission").

(2) For the purpose of this section the term "Commissions" means the Hawkins Commission and the Perkins Commission.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commissions shall each be composed of 12 members. Four of the members of each of the Commissions shall be appointed by the President. Four of the members of each of the Commissions shall be appointed by the Speaker of the House of Representatives, including two Members of the House of Representatives, of which 1 shall be from each political party. Four of the members of each of the Commissions shall be appointed by the President pro tempore of the Senate, including 2 members of the Senate, of which 1 shall be from each political party.

(2) CHAIRPERSON.—The Chairpersons of each of the Commissions shall be elected by the members of each of the respective Commissions and shall continue to serve for the duration of the Commissions.

(3) VACANCIES.—Any vacancy in the Commissions shall be filled in the same manner as the original appointment.

(c) STUDIES.—

(1) HAWKINS COMMISSION.—The Hawkins Commission shall make a study of the following issues:

(A) DEMOGRAPHIC CHANGES.—Demographic changes in student enrollment and classroom teachers in the 10-year period prior to the date of enactment of this Act.

(B) SPECIAL NEEDS.—Numbers and types of special needs of students in urban schools.

(C) UNSERVED OR UNDERSERVED STUDENTS.—Number of unserved or underserved students in urban schools eligible for assistance under the Head Start Act, chapter 1 of title I of the Elementary and Secondary Education Act of 1965, School Dropout Demonstration Assistance Act of 1988, Drug Free Schools and Communities Act of 1986, Carl D. Perkins Vocational and Applied Technology Education Act, Education of Individuals with Disabilities Act and other Federal programs.

(D) STUDENT PERFORMANCE.—Program and management efforts in urban schools designed to enhance student performance, and reasons for the effectiveness of such efforts.

(E) FINANCIAL SUPPORT.—Financial support and funding needs of urban schools from local, State, and Federal sources.

(F) COLLABORATIVE EFFORTS.—Collaborative efforts and programs between urban schools, the private sector, and community groups.

(G) SUPPLY NEEDS.—Supply needs for teachers in urban schools in the 10-year period beginning on the date of enactment of this Act.

(2) PERKINS COMMISSION.—The Perkins Commission shall make a study of the following issues:

(A) DEMOGRAPHIC CHANGES.—Demographic changes in student enrollment and classroom teachers in the 10-year period prior to the date of enactment of this Act.

(B) SPECIAL NEEDS.—Numbers and types of special needs of students in rural schools.

(C) UNSERVED OR UNDERSERVED STUDENTS.—Number of unserved or underserved students in rural schools eligible for assistance under the Head Start Act, chapter 1 of title I of the Elementary and Secondary Education Act of 1965, School Dropout Demonstration Assistance Act of 1988, Drug Free Schools and Communities Act of 1986, Carl D. Perkins Vocational and Applied Technology Education Act, Education of Individuals with Disabilities Act and other Federal programs.

(D) STUDENT PERFORMANCE.—Program and management efforts in rural schools designed to enhance student performance, and reasons for the effectiveness of such efforts.

(E) FINANCIAL SUPPORT.—Financial support and funding needs of rural schools from local, State, and Federal sources.

(F) COLLABORATIVE EFFORTS.—Collaborative efforts and programs between rural schools, the private sector, and community groups.

(G) SUPPLY NEEDS.—Supply needs for teachers in rural schools in the 10-year period beginning on the date of enactment of this Act.

(d) REPORTS.—

(1) IN GENERAL.—The Commissions shall each prepare and submit a report and recommendations to the President and to the appropriate committees of the Congress on the findings of the study required by this section. The reports shall be submitted as soon as practicable.

(2) PROPOSAL FOR CHANGES IN FEDERAL LEGISLATION.—The reports submitted under this section shall include proposals for changes in Federal legislation.

(e) STAFF.—Such personnel as the Commissions deem necessary may be appointed by the Commissions without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subtitle III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual so appointed shall be paid in excess of the rate authorized for level III of the Executive Schedule.

(f) COMPENSATION.—

(1) IN GENERAL.—Members of the Commissions who are officers or full-time employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States. Such members may be allowed travel expenses and per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

(2) SPECIAL RULE.—Members of the Commissions who are not officers or full-time employees of the United States may receive such per diem and travel allowance as is provided by the United States Code for persons in the Government service employed intermittently.

(g) ADMINISTRATION.—

(1) IN GENERAL.—The Commissions or, on the authorization of the Commissions, any committee thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and such places within the United States as the Commissions or such committee may deem advisable.

(2) CONSULTATION.—In carrying out its duties under this section, the Commissions shall consult with other Federal agencies, representatives of State and local governments, and private organizations to the extent feasible.

(3) INFORMATION.—The Commissions are authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this section, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commissions, upon request by the Chair.

(4) CONTRACTS.—The Commissions are authorized to enter into contracts to secure the necessary data and information to conduct its work and to obtain the services of experts and consultants.

(5) COOPERATION.—The heads of all Federal agencies are, to the extent practicable, directed to cooperate with the Commissions in carrying out this section.

(6) SPECIAL RULE.—The Commissions are authorized to utilize, with the consent of such agencies, the services, personnel, information, and facilities of other Federal, State, local, and private agencies with or without reimbursement.

(h) TERMINATION.—The Commissions shall terminate 3 years after the date of its first meeting.

(i) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary to carry out the provisions of this section.

(2) AVAILABILITY.—Amounts appropriated pursuant to the authority of paragraph (1) shall remain available until expended or until the termination of the Commissions, whichever occurs first.

SEC. 404. FEDERAL FUNDS TO SUPPLEMENT NOT SUPPLANT NON-FEDERAL FUNDS.

An eligible local educational agency may use funds received under this Act only so as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of students participating in activities assisted under this Act and in no case may such funds be used to supplant such funds from such non-Federal sources.

SEC. 405. DEFINITIONS.

Except as otherwise provided, for the purposes of this Act—

(1) the term "central city" has the same meaning as that used by the United States Census Bureau;

(2) the term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which has a proven record of providing effective educational or related services to individuals in the community;

(3) the term "eligible local educational agency" includes an urban eligible local educational agency and a rural eligible local educational agency;

(4) the term "institution of higher education" has the meaning given to such term in section 1201(a) of the Higher Education Act of 1965;

(5) the term "local educational agency" has the meaning given to such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(6) the term "metropolitan statistical area" has the same meaning as that used by the United States Census Bureau;

(7) the term "poverty level" means the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for All Urban Consumers;

(8) the term "region" means each region of the United States in which there is a regional educational research laboratory supported by the Secretary pursuant to section 405(d)(4)(A) of the General Education Provisions Act;

(9) the term "rural eligible local educational agency" means a local educational agency—

(A) that is located in a county—

(i) in which at least 30 percent of the children enrolled in the schools of such county are eligible to be counted under section 1005 of the Elementary and Secondary Education Act of 1965; and

(ii) which is not in a metropolitan statistical area;

(B) in which at least 30 percent of the children enrolled in the schools of such local educational agency live at or below the poverty level; or

(C) in which the total enrollment in the schools of such local educational agency is less than 300 students and that does not serve schools located in a metropolitan statistical area;

(10) the term "Secretary", except as otherwise specified, means the Secretary of Education;

(11) the term "State" means each of the several States and the District of Columbia, but does not include Guam, American Samoa, the Commonwealth of Puerto Rico, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and Palau;

(12) the term "State educational agency" has the meaning given to such term in section 1471(23) of the Elementary and Secondary Education Act of 1965; and

(13) the term "urban eligible local educational agency" means a local educational agency—

(A) that serves the largest central city in a State;

(B) in which the enrollment in the schools of such agency is greater than 30,000 students and which serves a central city with a population of at least 200,000 in a metropolitan statistical area; or

(C)(i) that serves a central city with a total population of 50,000 or more in a State; and

(ii) in which at least 30 percent of the individuals under 18 years of age in such city live at or below the poverty level.

S. 1136

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Schools Choice Act of 1991".

SEC. 2. PROGRAM AUTHORIZED.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities to enable such eligible entities to plan, implement, or expand a program that provides opportunities for parents, particularly parents of educationally disadvantaged children, to select the public school attended by their children.

(2) PLANNING GRANTS.—The Secretary may award a grant to an eligible entity for a period of not more than 1 year to enable such eligible entity to plan the program described in paragraph (1).

(3) OPERATING GRANTS.—The Secretary may award a grant to an eligible entity for a period of not more than 5 years to enable such eligible entity to operate the program described in paragraph (1).

(b) AWARD BASIS.—The Secretary shall award grants pursuant to subsection (a) on a competitive basis.

(c) GEOGRAPHIC DISPERSION.—The Secretary shall ensure that grants awarded pursuant to subsection (a) benefit students in urban and rural areas.

SEC. 3. PAYMENTS; MATCHING REQUIREMENTS; NON-FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall make annual grant payments to eligible entities which the Secretary determines are in compliance with the provisions of this Act.

(b) MATCHING REQUIREMENTS.—

(1) Local educational agency.—In order for a local educational agency or a consortium of local educational agencies to receive an operating grant pursuant to section 2(a)(3), such agency shall—

(A) provide 10 percent of the costs of the program described in the application submitted pursuant to section 4 in the first fiscal year that such agency receives a grant payment pursuant to such section;

(B) provide 25 percent of such costs in such second year;

(C) provide 35 percent of such costs in such third or fourth year; and

(D) provide 50 percent of such costs in such fifth year.

(2) STATE EDUCATIONAL AGENCY.—In order for a State educational agency to receive a planning grant pursuant to section 2(a)(2) or an operating grant pursuant to section 2(a)(3), such agency shall provide 50 percent of the costs of the program described in the application submitted pursuant to section 4 in each fiscal year that such agency receives a grant payment pursuant to such sections.

(c) NON-FEDERAL SHARE.—The costs of programs required to be paid by local educational agencies pursuant to subsection (a) and a State educational agency pursuant to subsection (b) may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 4. APPLICATION.

(a) APPLICATION REQUIRED.—

(1) IN GENERAL .—Each eligible entity desiring a planning or operating grant under this Act shall submit to the Secretary an application at such time, in such manner and containing or accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application described in paragraph (1) shall—

(A) describe the activities and services for which assistance is sought;

(B) describe the need for the grant;

(C) describe the objectives of the program to be assisted and describe how such objectives shall be fulfilled;

(D) contain assurances that any program assisted under this Act shall not—

(i) in the case of a grant to a State educational agency, result in segregation in schools within the State based upon race, religion, color, national origin, sex, or handicap, or impede the progress of desegregation among schools in the State; or

(ii) in the case of a grant to a local educational agency or consortium thereof, result in such segregation or impede the progress of desegregation among the schools served by such local educational agency;

(E) contain assurances that grant funds shall be used to develop mechanisms to foster access to schools participating in a program assisted under this Act on a nondiscriminatory basis and without regard to educational or economic disadvantage; and

(F) describe how the program assisted under this Act shall meet each of the requirements described in subsection (b);

(b) ADDITIONAL REQUIREMENTS FOR OPERATING GRANTS.—In addition to the information described in subsection (a), each eligible entity desiring an operating grant pursuant to section 2(a)(3) shall include in the application submitted pursuant to subsection (a) assurances that—

(1) parents and teachers have been actively involved in the design of the program;

(2) all parents in the communities for which the grant is being sought have the opportunity to choose a school for their child;

(3) a comprehensive system of parent information and counseling is available, including outreach efforts for parents of disadvantaged children;

(4) all students shall have access to free and appropriate transportation, especially students from low and middle income families;

(5) a fair and equitable process shall be used to select participants for programs which have more eligible applicants than space available;

(6) thorough evaluations measure student participation and achievement;

(7) a local educational agency or consortium of local educational agencies participating in a program assisted under this Act have procedures in place to identify and improve those schools that are the least popular with parents; and

(8) student assignment and transfer policies do not discriminate on the basis of handicapping condition.

SEC. 5. DEFINITIONS.

For the purposes of this Act—

(1) the term "eligible entity" means a local educational agency, a consortium of local educational agencies, or a State educational agency;

(2) the term "local educational agency" has the same meaning given to such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(3) the term "Secretary" means the Secretary of Education; and

(4) the term "State educational agency" has the same meaning given to such term in section 1471(23) of the Elementary and Secondary Education Act of 1965.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $100,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993, 1994, 1995, and 1996.

S. 1137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BEOG PURPOSE.

(a) IN GENERAL.—Section 411 of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") (20 U.S.C. 1070a) is amended—

(1) by amending paragraph (1) of subsection (b) to read as follows: "(1) The purpose of this subpart is to provide a basic grant that (A) as determined under paragraph (2), will contribute to a student's cost of attendance (as defined in section 472 of part F); and (B) in combination with reasonable parental or student contribution and supplemented by the programs authorized under subparts 2 and 3 of this part, will meet 75 percent of a student's cost of attendance (as defined in section 472), unless the institution determines that a greater amount of assistance would better serve the purposes of section 401.";

(2) in the matter preceding subparagraph (A) of subsection (f)(1), by striking "an estimate of the eligibility index" and inserting "the federal eligibility number (determined in accordance with section 473 of part F) as part of the contractor's regular output";

(3) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "eligibility index" and inserting "federal eligibility number";

(ii) in subparagraph (B), by striking "eligibility index" and inserting "federal eligibility number"; and

(iii) in subparagraph (D), by striking "eligibility index" and inserting "federal eligibility number"; and

(B) in paragraph (3)—

(i) by striking "1986-1987" and inserting "1993-1994"; and

(ii) by striking "eligibility index" and inserting "federal eligibility number"; and

(C) by inserting at the end thereof the following new paragraph:

"(4) For purposes of calculating awards under this subpart, institutions of higher education shall use—

"(A) the student's federal eligibility number (determined in accordance with section 473 of part F);

"(B) the amount of tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study; and

"(C) the student's enrollment status.".

(b) CONFORMING AMENDMENTS.—Subsection (b) of section 411 of the Act is further amended—

(1) in paragraph (3), by striking "411F" and inserting "472"; and

(2) in paragraph (4), by striking "411F" and inserting "472".

SEC. 2. REPEALERS.

Sections 411A, 411B, 411C, 411D, 411E, and 411F of the Act (20 U.S.C. 1070a-1, 1070a-2, 1070a-3, 1070a-4, 1070a-5, 1070a-6, and 1070a-7) are repealed.

SEC. 3. AMOUNT OF NEED.

Section 471 of the Act (20 U.S.C. 1087kk) is amended by striking "subparts 1 and 3" and inserting "subpart 1".

SEC. 4. COST OF ATTENDANCE.

Section 472 of the Act (20 U.S.C. 1087ll) is amended—

(1) in the matter proceeding paragraph (1), by striking "except for subpart 1 of part A and";

(2) by amending paragraph (3) to read as follows:

"(3) an allowance (as determined by the institution) based on the expenses reasonably incurred for room and board costs for—

"(A) students residing at home with parents;

"(B) students residing in institutionally owned or operated housing; and

"(C) all other students";

(3) in paragraph (5), by inserting "(as determined by the institution)" after "costs";

(4) by striking "and" at the end of paragraph (8);

(5) by striking the period at the end of paragraph (9) and inserting a semicolon and "and"; and

(6) by inserting at the end thereof the following new paragraph:

"(10) for any student, additional educational expenses determined by the institution to be necessary for the student's program of study.".

SEC. 5. FEDERAL ELIGIBILITY.

Section 473 of the Act (20 U.S.C. 1087mm) is amended to read as follows:

"(a) FEDERAL ELIGIBILITY.—For the purpose of this title and except as provided in subsection (b), the term 'family contribution' with respect to any student means the amount which the student and his or her family may be reasonably expected to contribute toward his or her postsecondary education for the award year for which the determination is made, as determined in accordance with this part.

"(b) ADJUSTMENTS IN THE CASE OF PELL GRANTS.—

"(1) IN GENERAL.—For purposes of the program described in subpart 1 of part A, the term 'family contribution' is modified to exclude—

"(A) the standard income contribution determined in accordance with section 480(j) of this part; and

"(B) veterans' educational benefits determined in accordance with sections 476(a)(3) and 477(a)(4) of this part.

"(2) SPECIAL RULE.—Notwithstanding the adjustment required by paragraph (1), any calculated contribution from student income shall be used in determining the family contribution for purposes of the program in subpart 1 of part A.

"(c) FEDERAL ELIGIBILITY NUMBER.—

"(1) IN GENERAL.—The expected family contribution, as modified in paragraphs (1) and (2) of this subsection, shall be the 'federal eligibility number'.

"(2) PELL GRANTS.—For purposes of the program under subpart 1 of part A, eligibility is determined using the federal eligibility number.".

SEC. 6. DATA ELEMENTS USED IN DETERMINING EXPECTED FAMILY CONTRIBUTION.

Section 474 of the Act (20 U.S.C. 1087nn) is amended—

(1) in paragraph (1), by striking "dependent student" and inserting "student using the Parents First model";

(2) by amending paragraph (3) to read as follows:

"(3) the number of family members who are enrolled in, on at least a half-time basis, a program of postsecondary education and for whom the family may reasonably be expected to contribute to such family members' postsecondary education, except that (A) in the case of the Parent First model, only the dependent children of the parents are included, and (B) in the case of the Students First models, the student, spouse, and dependents of the student are included;";

(3) in paragraph (4), by striking "dependent student" and inserting "student using the Parents First model"; and

(4) by amending paragraphs (6), (7), and (8) to read as follows:

"(6) the age of (A) the older parent in the case of a student using the Parents First model, and (B) the student in the case of a student using a Students First model;

"(7) the additional expenses incurred (A) in the case of a student using the Parents First model, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of a student using a Students First model, when both the student and his or her spouse are employed or when the employed student qualifies as a surviving spouse or as a head of a household under section 2 of the Internal Revenue Code of 1986; and

"(8) except for the program in subpart 1 of part A, (A) the standard income contribution, and (B) the student's veterans educational benefits.".

SEC. 7. FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL.

(a) AMENDMENT TO TEXT.—Section 475 of the Act (20 U.S.C. 1087oo) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Parents First model, the expected family contribution is equal to the sum of—

"(1) the parents' contribution (determined in accordance with subsection (b));

"(2) the student contribution from income (determined in accordance with subsection (g); and

"(3) the student (and spouse) contribution from assets (determined in accordance with subsection (h)),

except that a family receiving public assistance (as defined in section 480(c)) or a family with a parents' earned income less than the earned income limitation under section 32 of the Internal Revenue Code of 1986 (relating to the earned income credit) at the time of application shall be considered to have a zero family contribution.

"(b) PARENTS' CONTRIBUTION FROM ADJUSTED AVAILABLE INCOME.—The parents' contribution from adjusted available income is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the parents' available income (determined in accordance with subsection (c)); and

"(B) the parents' income supplemental amount from assets (determined in accordance with subsection (d));

"(2) assessing such adjusted available income in accordance with the assessment schedule set forth in subsection (e); and

"(3) dividing the assessment resulting under paragraph (2) by the number of the dependent children of the parent(s) who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

except that the amount determined under this subsection shall not be less than zero.

"(c) PARENTS' AVAILABLE INCOME.—

"(1) IN GENERAL.—The parents' available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5).

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And parent's total income is— less than $15,000	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478);";

Income Protection Allowance

Family size (including student)	Number in college 1	2	3	4	5	For each additional subtract:
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770
For each additional add:	2,490	2,490	2,490	2,490	2,490	

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the parent with the lesser earned income.

"(B) If a parent qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993-1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker versus one-worker family.

"(d) Parents' Income Supplemental Amount From Assets.—

"(1) In general.—Except as provided in paragraph (5), the parents' income supplemental amount from assets is equal to—

"(A) the parental net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) Parental net worth.—The parental net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (6));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) Asset protection allowance.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the oldest parent is—	And there are	
	two parents	one parent
	Then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) Asset conversion rate.—The asset conversion rate is 12 percent.

"(5) Income supplemental amount.—For purposes of determining the income supplemental amount from assets, for families who (A) have total income (determined in accordance with section 480(a)) which is equal to or less than $20,000; and (B) who, at the time of application, have filed a 1040A or 1040EZ pursuant to the Internal Revenue Code of 1986, or are not required to file pursuant to such Code, the income supplemental amount from assets is zero";

"(6) Value and net value of principal place of residence.—(A) For purposes of determining the value of the principal place of residence such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(e) Assessment Schedule.—The adjusted available income (as determined under subsection (b)(1) and hereafter in this subsection referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478:

Parents' Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(f) Computations in Case of Separation, Divorce, Remarriage, or Death.—

"(1) Divorced or separated parents.—Parental income and assets for a student whose parents are divorced or separated are determined under the following procedures:

"(A) Include the income and assets of both parents regardless of whom the student resides with.

"(B) If the preceding criterion does not apply, include only the income and assets of the parent who provided the greater portion of the student's support for the 12-month period preceding the date of application.

"(C) If neither of the preceding criteria apply, include only the income and assets of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

"(2) Death of a parent.—Parental income and assets in the case of the death of any parent is determined as follows:

"(A) If either of the parents have died, the student shall include only the income and assets of the surviving parent.

"(B) If both parents have died, the student shall not report any parental income or assets.

"(3) Remarried parents.—Income in the case of a parent whose income and assets are taken into account under paragraph (1), or a parent who is a widow or widower and whose income and assets are taken into account under paragraph (2), has remarried, is determined as follows: The income and assets of that parent's spouse shall be included in determining the student's expected family contribution if—

"(A) the student's parent and the stepparent are married as of the date of application for the award year concerned; and

"(B) the student does not qualify under the Students First definition.

"(g) Student Contribution From Income.—

"(1) In general.—For the purpose of this title, (except for the program under subpart 1 of part A), the student contribution from available income under this section is equal to—

"(A) a standard income contribution of $900 for a first-year undergraduate student; or

"(B) a standard income contribution of $1,100 for any other student.

"(2) Standard income contribution.—The standard income contribution is updated according to section 478.

"(h) Student (and Spouse) Contribution From Assets.—

"(1) In general.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); multiplied by

"(B) the asset conversion rate (determined in accordance with paragraph (3));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) Student's net worth.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (4);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(4) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(i) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than nine months, the parents' contribution from adjusted available income is determined as follows:

"(1) For periods of enrollment less than 9 months, the parents' contribution from adjusted available income (determined in accordance with subsection (b)) is divided by 9 and the result multiplied by the number of months enrolled.

"(2) For periods of enrollment greater than 9 months—

"(A) the parents' adjusted available income (determined in accordance with subsection (b)(1)) is increased by the difference between the income protection allowance (determined in accordance with subsection (c)(4)) for a family of four and a family of five, each with one child in college;

"(B) the resulting revised parents' adjusted available income is assessed according to subsection (e) and adjusted according to subsection (b)(3) to determine a revised parents' contribution from adjusted available income;

"(C) the original parents' contribution from adjusted available income is subtracted from the revised parents' contribution from adjusted available income, and the result is divided by 12 to determine the monthly adjustment amount; and

"(D) the original parents' contribution from adjusted available income is increased by the product of the monthly adjustment amount multiplied by the number of months greater than 9 for which the student will be enrolled.

"(j) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading for section 475 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL".

SEC. 8. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITHOUT DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 476 of the Act (20 U.S.C. 1087pp) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is determined by—

"(1) dividing the student's (and spouse's) contribution from income (determined in accordance with subsection (b)) by the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested, except that the student (and spouse's) contribution from income shall not be less than the standard income contribution of $1,350;

"(2) dividing the student's (and spouse's) contribution from assets (determined in accordance with subsection (c)) by the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

"(3) adding the resulting figures except that a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits determined in accordance with section 480(e).

"(b) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM INCOME.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from income is determined by deducting from total income—

"(A) Federal income taxes;

"(B) an allowance for State and local income taxes, determined in accordance with paragraph (2);

"(C) the allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance determined in accordance with paragraph (4); and

"(E) assessing such available income in accordance with paragraph (5), except the resulting amount shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND LOCAL INCOME TAXES.—The allowance for State and local income taxes is equal to an amount determined by multiplying total taxable income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Local Income Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming.	0
Connecticut, Louisiana, Puerto Rico	1
Arizona, New Hampshire, New Mexico, North Dakota	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma.	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico.	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina.	5
Hawaii, Maryland, Michigan, Wisconsin	6
Delaware, District of Columbia, Minnesota, Oregon	7
New York	8

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amounts earned by the student (and spouse) each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is a monthly allowance for periods of nonenrollment. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Student marital status	Number in college	
	Student only	Student and spouse
Unmarried	$5,185	—
Married	$10,370	$8,600

"(5) ASSESSMENT OF AVAILABLE INCOME.—The student's (and spouse's) available income (determined in accordance with paragraph (1) of this section) is assessed at 70 percent.

"(c) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) STUDENT'S NET WORTH.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0

Adjusted Net Worth of a Business—Continued

If the net worth of a business is—	Then the adjusted net worth is:
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Students Without Dependents

If the age of the student is—	Then the asset protection allowance is—
25 or less	$0.
26	1,700
27	3,300
28	5,000
29	6,700
30	8,400
31	10,000
32	11,700
33	13,400
34	15,100
35	16,700
36	18,400
37	20,100
38	21,800
39	23,400
40	25,100
41	25,700
42	26,200
43	26,800
44	27,300
45	28,000
46	28,700
47	29,200
48	29,900
49	30,600
50	31,400
51	32,100
52	32,900
53	33,700
54	34,700
55	35,500
56	36,400
57	37,500
58	38,300
59	39,500
60	40,600
61	41,700
62	42,900
63	44,100
64	45,400
65 or more	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness from the value described in subparagraph (A).

"(d) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 476 is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST
MODEL WITHOUT DEPENDENT CHILDREN".

SEC. 9. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 477 of the Act (20 U.S.C. 1087qq) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the family's available income (determined in accordance with subsection (b)); and

"(B) the family's income supplemental amount from assets (determined in accordance with subsection (c)); and

"(2) assessing such adjusted available income in accordance with an assessment schedule set forth in subsection (d);

"(3) dividing the assessment resulting under paragraph (2) by the number of family members who will be attending, on at least half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested, except that the amount determined under this subsection shall not be less than the standard income contribution of $1,350 and a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits as determined in accordance with section 480(e).

"(b) FAMILY'S AVAILABLE INCOME.—

"(1) IN GENERAL.—The family's available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5), except that the resulting available income shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And student's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is–	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico.	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student and the amount earned by the student's spouse each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Family size	Number in college					
(including student)	1	2	3	4	5	For each additional subtract:
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770
For each						

Income Protection Allowance—Continued

Family size (including student)	Number in college 1	2	3	4	5	For each additional subtract:
additional add:	2,490	2,490	2,490	2,490	2,490	

For each additional family member add $2,490.
For each additional college student subtract $1,770.

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both the student and a spouse were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the student or spouse with the lesser earned income.

"(B) If a student qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993-1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker versus one-worker family.

"(c) FAMILY'S INCOME SUPPLEMENTAL AMOUNT FROM ASSETS.—

"(1) IN GENERAL.—The family's income supplemental amount from assets is equal to—

"(A) the family net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) FAMILY NET WORTH.—The family net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the student is—	And the student is married	unmarried
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(d) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (a)(1) and hereafter referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(e) ADJUSTMENT FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 477 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN".

SEC. 10. SIMPLIFIED NEEDS ANALYSIS.

Section 479 of the Act (20 U.S.C. 1087ss) is repealed.

SEC. 11. DISCRETION OF STUDENT AID ADMINISTRATORS.

Section 479A of the Act (20 U.S.C. 1087tt) is amended—

(1) in the first sentence, by striking "attendance or the data required to calculate the expected student contribution or parent contribution (or both)" and inserting "attendance, the data required or methodology used to calculate the expected student or parent contribution (or both), or the expected student or parent contribution (or both)";

(2) by amending the third sentence to read as follows: "Special circumstances shall be conditions pertaining to an individual student."; and

(3) by repealing subsections (b) and (c).

SEC. 12. DEFINITIONS.

(a) IN GENERAL.—Section 480 of the Act (20 U.S.C. 1087vv) is amended—

(1) by amending subsection (a) to read as follows:

"(a) TOTAL INCOME.—(1) Except as provided in paragraph (2), the term 'total income' is equal to adjusted gross income plus untaxed income and benefits for the preceding tax year minus excludable income (as defined in subsection (f)).

"(2) Except for amounts earned from work under part C of this title, no portion of any student financial assistance received from any program by an individual shall be included as income in the computation of expected family contribution for any program funded in whole or in part under this Act.";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "parent contributions or the contributions of independent students with dependents (including spouses)" and inserting "contributions calculated under the Parents First or Students First models described in sections 475 and 476"; and

(B) in paragraph (7) by inserting "from any source to the student or" after "paid";

(3) by amending subsection (c) to read as follows:

"(c) PUBLIC ASSISTANCE.—The term 'public assistance' means income maintenance programs, including aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act and aid to dependent children.";

(4) by amending subsection (d) to read as follows:

"(d) STUDENTS FIRST AND PARENTS FIRST.—

"(1) STUDENTS FIRST.—The term 'Students First' with respect to a student means any individual who—

"(A) is 24 years of age or older by July 1 of the award year;

"(B) is an orphan or ward of the court;

"(C) is a veteran (as defined in section 480(e)) of the Armed Forces of the United States;

"(D) is a graduate or professional student;

"(E) has legal dependents other than a spouse; or

"(F) is a student for whom a financial aid administrator makes a documented determination that the student meets the Students First requirements by reason of other unusual circumstances.

"(2) PARENTS FIRST.—The term 'Parents First' with respect to a student means any student who does not meet the Students First requirements described in paragraph (1).";

(5) by amending subsection (e) to read as follows:

"(e) VETERAN AND VETERANS' BENEFITS.—

"(1) VETERAN.—The term 'veteran' has the meaning given such term in section 101(2) of title 38, United States Code.

"(2) VETERANS' BENEFITS.—The term 'veterans' benefits', with respect to a student, includes the following benefits received by the student during the award year:

"(A) Financial assistance for specially selected members of the Reserve Officer Training Corps pursuant to section 2107 or 2107a of title 10, United States Code.

"(B) Educational assistance for members of the Selected Reserve pursuant to chapter 106 of such title.

"(C) Educational assistance for persons enlisting in the Armed Forces for active duty pursuant to chapter 107 of such title.

"(D) The monthly allowance payable to a student enrolled for advanced training in the Senior Reserve Officers' Training Corps for advanced training.

"(E) Educational assistance pursuant to chapter 30 of title 38, United States Code, relating to the All-Volunteer Force Educational Assistance Program.

"(F) An allowance, loan, or other form of monetary assistance authorized by section 1504 of title 38, United States Code, relating to training and rehabilitation for veterans with service-connected disabilities.

"(G) Payments pursuant to chapter 32 of title 38, United States Code, relating to post-Vietnam era veterans' educational assistance.

"(H) Educational assistance pursuant to chapter 35 of title 38, United States Code, relating to survivors' and dependents' educational assistance.

"(I) Payments pursuant to section 156 of Public Law 97-377 for survivors of certain members and former members of the Armed Forces.

"(J) Payment of the monthly contribution of a participant in the Post-Vietnam Era Veterans' Educational Assistance Program provided for under chapter 32 of title 38, United States Code, as authorized by section 903(a) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note), and monthly assistance payments to a spouse or child as authorized by section 903(c) of such Act.";

(6) by amending subsection (f) to read as follows:

"(f) EXCLUDABLE INCOME.—The term 'excludable income' means any student financial assistance awarded based on need as determined in accordance with the provisions of this part, except any income earned from work under part C of this title.";

(7) in subsection (g) by striking "net"; and

(8) by inserting at the end thereof the following new subsection:

"(j) STANDARD INCOME CONTRIBUTION.—

"(1) IN GENERAL.—The term 'standard income contribution' means the amount the student is expected to contribute to the student's postsecondary educational expenses and is equal to—

"(A) $900 for first year undergraduate students who use the Parents First model;

"(B) $1,100 for all students who use the Parents First model who are not described in subparagraph (A); and

"(C) $1,350 for all students who use one of the Students First models.

"(2) UPDATE.—The standard income contribution is updated according to section 478 of this part.".

(b) CONFORMING AMENDMENT.—The subsection heading for subsection (b) of section 480 of the Act is amended by striking "INDEPENDENT STUDENTS WITH DEPENDENTS" and inserting "STUDENTS".

SEC. 13. FORMS AND REGULATIONS.

Subsection (a) of section 483 of the Act (20 U.S.C. 1091(a)) is amended by amending paragraphs (1) and (2) of subsection (a) to read as follows: "(1)(A) The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall prescribe a simplified application form to be used to determine the need and eligibility of a student for financial assistance under parts A, C, and E of this title and to determine the need of a student for the purpose of part B of this title.

"(B) For the purpose of collecting eligibility and other data for the purpose of part B, guaranty agencies, in cooperation with the Secretary, shall develop separate, identifiable loan application documents that applicants or institutions in which the students are enrolled or accepted for enrollment shall submit directly to eligible lenders and on which the applicant shall clearly indicate a choice of lender.

"(C) To minimize the data collection necessary through any application form, the Secretary shall establish data base matches with the Immigration and Naturalization Service, the Social Security Administration, the Selective Service, the data bases authorized under sections 485B and 485C of part G of this title, and other data bases as appropriate.

"(D) After the requirements of subparagraph (C) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure according to the following priority order that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for the first three institutions of higher education or State agencies, if that student—

"(i) is receiving public assistance;

"(ii) has total income equal to or less than $20,000;

"(iii) has total income greater than $20,000 but less than or equal to $40,000; or

"(iv) has total income greater than $40,000.

"(E) After the requirements of subparagraph (D) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for any institutions of higher education or State agencies.

"(F) A student or parent may be charged a fee for processing an institutional or a State financial aid form or data elements that is not required by the Secretary.

"(2) The Secretary shall, to the extent practicable, enter into not less than 2 contracts with States, institutions of higher education, or private organizations for the purpose of processing the application required under this subsection and issuing eligibility reports.".

Mr. WOFFORD. Mr. President, first, I congratulate the senior Senator from Massachusetts for another instructive, inventive, important set of proposals which I, along with many others I am sure, will want to join in enthusiastically. I was studying them last night, and I salute him for the leadership that this country needs.

By Mr. JOHNSTON (for himself and Mr. WALLOP):

S. 1138. A bill to amend the Nuclear Waste Policy Act of 1982 to direct the Secretary of Energy to carry out site characterization activities at the Yucca Mountain site in Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

NUCLEAR WASTE POLICY ACT AMENDMENTS

• Mr. JOHNSTON. Mr. President, today I am introducing legislation with my colleague Senator WALLOP that will pave the way for moving forward with the Department of Energy's program for storage and disposal of commercial nuclear waste. This legislation is essential if we are serious about solving the problem of nuclear waste in this country.

This legislation is identical to the nuclear waste provisions of the administration's national energy strategy submitted to the Congress in February of this year. It has the support of the Department of Energy and the Environmental Protection Agency. It has been reviewed and commented on by the Nuclear Regulatory Commission and by other experts on the issue of nuclear waste. In short, this legislation represents a workable solution to an important national problem that must be faced up to by the administration and the Congress.

Four years ago, the Congress amended the Nuclear Waste Policy Act of 1982 and directed the Department of Energy to conduct site characterization and testing of a single repository site located at Yucca Mountain, Nevada. The 1982 act had set up an extensive repository site selection process that involved potential sites in 23 States. By

1987, however, the costs of the program had multiplied several-fold, and Congress decided to streamline the process to focus on a single repository site. The idea behind the 1987 amendments was to conduct testing and site characterization of a single location—moving on to other sites only if that first site proved to be technically unsuitable.

Unfortunately, 4 years later, the Department of Energy has yet to even begin the site characterization and testing program at the Yucca Mountain site. The department's program is ready to go but they have not been able to obtain the necessary State permits to begin site characterization. There has been litigation, and there has been contentious debate. But there has not been any testing. And we still do not know anything more than we knew in 1987 about the technical suitability of the Yucca Mountain site.

So, we are introducing this legislation today because this is an issue that must be dealt with by the Congress. Storage and disposal of nuclear waste is not a technical problem. But, unfortunately, it is a political and an emotional problem. It is a problem that boils down to two very simple facts: Nuclear waste must be disposed of somewhere; But no one wants it to be in his or her State.

But, of course, nuclear waste is already in storage on site at nuclear reactors all around the country. In fact, nuclear waste is currently in temporary storage in 33 States around the country. There is no safety reason that this waste cannot continue to be stored at these sites for the foreseeable future. But I believe it would be an abrogation of our responsibility in Congress to let that happen.

It had been my hope that Congress would not have to legislate in order to gain access to the Yucca Mountain site for testing. But, unfortunately, it is becoming apparent that we may need to do just that.

The Committee on Energy and Natural Resources has held two hearings on nuclear waste so far this year. At those hearings, we have heard from all of the key players in the nuclear waste debate. Several facts have been established at those hearings. First, the Department of Energy is ready to initiate new site characterization work at Yucca Mountain. Second, the Department of Energy needs to be able to conduct this site testing in order to assess the suitability of the site. And, third, there is no technical reason to disqualify the Yucca Mountain site at this time.

In March, the Secretary of Energy, Adm. James Watkins, made a persuasive case for the need for legislation to allow the site characterization process to move forward. The need for that legislation—and the paramount national interest in proceeding with site characterization at Yucca Mountain—was echoed by the Deputy Administrator of the EPA, F. Henry Habicht II, at the committee's second hearing earlier this month.

It is important to point out that what we are talking about here is moving forward with the site characterization process. What we are talking about here is the testing and evaluation of the geology and rock characteristics of Yucca Mountain. What we will be trying to analyze during site characterization is whether the geology is suitable for a repository.

When we talk about site characterization, we are not talking about any kind of experimentation or testing that would ever require the use of radioactive waste. There is simply no risk from radiation during site characterization. The purpose of site characterization is simply to study the site.

It is with some regret that I am introducing this bill today. This is an issue that puts me at odds with my good friends from Nevada here in the Senate, Senator BRYAN and Senator REID. But we have looked for other ways to solve this problem, and we have not found any other solution.

It had been my hope that some agreement could be worked out between the Federal Government and the State of Nevada that would allow the Department of Energy's testing program to move forward. I have consistently asked the Governor of Nevada, and his representatives, if such an agreement is possible. But, unfortunately, that does not seem to be possible.

The State of Nevada has repeatedly stated publicly that it intends to use any lawful means to "frustrate the Federal program." At the committee's March 21 hearing, Governor Miller said that the State's position had not changed and that the State will use the "legal process to try and thwart" the Federal program.

We simply cannot ignore the paramount national interest in dealing with the problem of nuclear waste disposal. It would be much easier to put this issue on the back burner and leave it to future generations to solve. But that is not an option. This is an issue that must be dealt with by the administration and the Congress. The administration has taken the first step by submitting this legislation. Now, the Congress must fulfill its responsibility by acting on this legislation.

Mr. President, I ask unanimous consent that the text of the bill and a summary of the provisions of the bill be printed in the RECORD following my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1138

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the Nuclear Waste Policy Amendments Act of 1991.

SEC. 2. Section 113(a) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10133(a)) is amended to read as follows:

"(a) IN GENERAL.—(1) The Secretary shall carry out, in accordance with this section, appropriate site characterization activities at the Yucca Mountain site. The Secretary shall consider fully the comments received under subsection (b)(2) of this section and section 112(b)(2) of this Act and shall, to the maximum extent practiable and in consultation with the Governor of the State of Nevada, conduct site characterization activities in a manner that minimizes any significant adverse environmental impacts identified in those comments or in the environmental assessment submitted under subsection (b)(1) of this section.

"(2) Notwithstanding any other law, for the purpose of site characterization activities, a Federal agency administering a law, ordinance, or regulation that imposes a requirement for a permit, license, right of way, certification, approval, or other authorization, shall administer the application of that law, ordinance, or regulation to site characterization activities conducted by the Secretary under this Act without regard to whether its administration has been, or could be, delegated to a State or superseded by a comparable State law.

"(3)(A) A requirement for a permit, license, right of way, certification, approval, or other authorization imposed by a State, local, or tribal law, ordinance, or regulation does not apply to site characterization activities under this Act.

"(B) The Secretary shall carry out site characterization activities under this Act notwithstanding a denial of, or refusal to act on, an application for a permit, license, right of way, certification, approval, or other authorization required by a State, local, or tribal law, ordinance, or regulation.

"(4) Notwithstanding paragraph (3), in carrying out site characterization activities under this Act, the Secretary shall consider the views of State, local, and tribal officials regarding the substantive provisions of State and local laws, ordinances, and regulations.

"(5) An action to contest the constitutionality of a provision of this subsection must be brought within 60 days of the date of the enactment of the Nuclear Waste Policy Amendments Act of 1991. A court may not enjoin site characterization activities carried out by the Secretary under this Act in an action brought to contest the constitutionality of a provision of this subsection except as part of a final judgment.

"(6) Paragraphs (2), (3), (4), and (5) of this subsection apply only to site characterization activities conducted or begun before the Secretary submits to the Commission under section 114(b) of this Act (42 U.S.C. 10134(b)) an application for a construction authorization for a repository.

"(7) The exclusion or inclusion of any provisions contained in paragraphs (2), (3), (4), or (5) of this subsection in a negotiated proposed agreement developed under title IV of this Act shall not affect any determinations regarding either the reasonableness or appropriateness of such an agreement.".

SEC. 3. Sections 145(b) and 148(d) (1) and (2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10165(b) and 10168(d) (1) and (2)) are repealed.

SUMMARY OF THE NUCLEAR WASTE PROVISIONS INCLUDED IN THE ADMINISTRATION'S NATIONAL ENERGY STRATEGY LEGISLATION (S. 570) AND THE NUCLEAR WASTE POLICY AMENDMENTS ACT OF 1991

YUCCA MOUNTAIN

The Administration's legislation would reiterate the Department's authority to conduct site characterization activities at Yucca Mountain and set forth a process to ensure compliance with federal environmental statutes during site characterization. Under the legislation, administration of the requirements of any federal statute would be carried out by the federal agency administering the statute rather than the state. The legislation would also waive any requirements for additional permits under state law, but require the Department to consider the views of the state on the substantive provisions of those laws. All of these provisions would apply only for the period of site characterization and testing.

MONITORED RETRIEVABLE STORAGE

The Nuclear Waste Policy Act authorizes the Department to conduct a site selection process for an MRS facility and to construct and operate an MRS facility if a suitable site is found. However, the Department is constrained on the timing for site selection, construction, and operation of an MRS because its schedule is linked to the repository schedule. Under the provisions of the Act, the MRS is "linked" to the repository in the following way: (1) An MRS cannot be selected until repository site characterization is successfully completed; and (2) construction of an MRS cannot begin until the NRS has issued a construction authorization for a repository.

The provisions of the Administration's legislation would de-link the repository and MRS schedule to allow the Department to initiate a site selection process and to construct an MRS at a suitable site. The Department believes that an MRS is an important part of the overall waste management system and would be more valuable if its schedule were not linked to the repository schedule. By de-linking the schedules, the Department believes it would be able to develop an MRS facility that could be ready to open by 1998. The 1982 Act established a January 31, 1998 date by which the Department is obligated to accept spent fuel from utilities.●

● Mr. WALLOP. Mr. President, it is with some degree of frustration that I rise today to join Senator JOHNSTON in introducing legislation to provide for Federal permitting of site characterization activities at Yucca Mountain, NV. My frustration stems from the inability of the Federal Government to proceed with a testing program because of the orchestrated efforts of the State of Nevada to stop the program.

At the onset let me say that I am one of the strongest supporters of States' rights in Congress. It has always been my belief that broad guidelines set forth by the Federal Government are best implemented by Governors and legislators close to the problem. But that unique contract is predicated on the willingness of both the Federal Government and the States to act in good faith.

For the last 200 years, Congress has sought a balance between federalism and Federal preemption. Indeed, one of the primary reasons for a Senate in a bicameral legislature is to safeguard the rights of the less populous States against predatory actions of the masses.

In the early 1970's, for example, there were those in Washington who worried that my State was becoming the banana republic of energy. They feared that populists and ranchers would snooker elected officials into prohibiting the mining of low-sulphur coal. Wyoming people knew the coal belonged to the Federal Government, but they were the ones who would suffer from dynamite blasts that would crack the foundations of their homes, and fugitive dust from massive earth movers that would blind their cattle, and careless drag lines that would sever their vital water aquifers.

Well, we didn't become a banana republic. The Governor, the legislature, ranchers, environmentalists, and miners all sat down together and crafted a State surface mining law that became the model for the 1977 Federal Surface Mining Control and Reclamation Law. Today, Wyoming leads the Nation in annual coal production and does so in an environmentally sound manner that has become a world class standard.

Why did we succeed in Wyoming? Because we all worked together with a respect toward local concerns and an eye on the national interest.

Twenty years later, the State of Nevada faces a similar challenge, but instead of low-sulphur coal, the controversy centers around nuclear waste disposal at Yucca Mountain. And in that regard, it is important to note that this legislation involves only the right of the Federal Government to test a site that is totally on Federal lands. No spent nuclear fuel will be delivered to the site during the testing phase. Site characterization will result only in a determination whether the site is suitable or if we need to look elsewhere.

From the hearings we have held in the Committee on Energy and Natural Resources on Yucca Mountain, it is apparent that the passions of the people of Nevada are as heartfelt and genuine as those of my neighbors in the Powder River Basin of Wyoming. But in spite of repeated attempts by the Department of Energy to address the concerns of the State, the position of Nevada's leaders is that, instead of working toward a joint solution, they will use any lawful means to frustrate the Federal purpose to test the site.

There is no question that the resolution of the nuclear waste disposal issue is central to our efforts to maintain this Nation's option to produce electricity through nuclear power. We thought we were on the way to resolving the issue when we adopted the Nuclear Waste Policy Act in 1982 and its amendments in 1987. Yet here we are, nearly a decade later, not only without a repository site selected, but hamstrung in our efforts to even test the suitability of a potential site.

The testing program at Yucca Mountain continues to be bounced around in legal gymnastics initiated by the State of Nevada. Even though the State has been ordered to consider the permit applications now at issue in the Federal court in Nevada, the decision on the permits and the number of hoops the Department of Energy may be required to jump through in the process are unknown. Only three permits of the 19 or 20 required to do the site characterization are now under consideration by the court. Given the State's publicly avowed intention to "thwart the Federal purpose," why would anyone believe that the remaining permits will not meet a fate similar to the first three?

I have always been loathe to impose the Federal will on a State unless the Federal purpose is of such national significance that no other choice exists. The disposal of spent nuclear fuel presents just such a situation. Approximately 18,000 tons of spent fuel sits on 112 commercial reactor sites around the country. It is accumulating at the rate of 2,000 tons per year. Our schedule for accepting this spent fuel for disposal has already slipped from 1998 to 2010. Yet we cannot even begin testing a possible site for a repository. Given the history of the Yucca Mountain site characterization attempts, I must, albeit somewhat reluctantly, give my support to this legislation.●

By Mr. NUNN (for himself, Mr. BUMPERS, Mr. ROTH, Mr. KASTEN, Mr. RUDMAN, Mr. DIXON, Mr. BOND, Mr. BAUCUS, and Mr. WALLOP):

S. 1139. A bill to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes; to the Committee on Governmental Affairs.

PAPERWORK REDUCTION ACT OF 1991

● Mr. NUNN. Mr. President, I rise this afternoon to introduce the Paperwork Reduction Act of 1991.

I am especially pleased that this bill enjoys strong bipartisan support. Senator BUMPERS and Senator KASTEN, the chairman and ranking Republican member of the Committee on Small Business, have agreed to serve as principal cosponsors. We are joined by many of our present and former colleagues from the committee including Senators DIXON, BOND, BAUCUS, WALLOP, and RUDMAN, and by Senator ROTH, the ranking Republican member of the Committee on Governmental Affairs.

The bill makes a series of amendments that will strengthen the Paperwork Reduction Act of 1980. It reemphasizes the fundamental responsibilities of each Federal agency to minimize Federal paperwork burdens on the public. In enhances the opportunities for the public to participate in the process of evaluating the burdens of proposed paperwork requirements as well as previously approved paperwork requirements that are up for renewal. It takes steps to assure that agency assessments of paperwork burdens on the public are realistic and accurately communicated to the individuals or groups to be burdened.

The enhancements to the 1980 act being proposed today will also assure that the Office of Information and Regulatory Affairs [OIRA] can continue to exercise effectively its responsibilities under the act. The bill seeks to enhance OIRA's role as the focal point within OMB for governmentwide management policies relating to the full spectrum of information resources.

We live in an age of information. Demands for information are constantly placed by us, and are being placed upon us. The key is to effectively manage the process. Clearly, Government has a need for information to govern effectively. But left unrestrained, individual agencies have an essentially insatiable appetite for information and regulations. The key is to collect only that information which is needed and to do so in the least burdensome way to the public. That is one of the fundamental purposes of the Paperwork Reduction Act of 1980.

The amendments being proposed today will ensure that OIRA remains an effective check upon the executive agencies, determining if they have fulfilled the responsibilities imposed on them by the act. As President Carter said when he signed the Paperwork Reduction Act into law in 1980, it was intended to "regulate the regulators". Some have asserted that this authority has, at times, been abused during the 10 years of experience under the act, especially during the early 1980's. I am convinced that those days are now behind us. And, for me, the effective remedy to cases of abuse is vigorous oversight by the committees of jurisdiction rather than generally restricting OIRA's authorities under the act.

To demonstrate strong congressional support for the vigorous implementation of the act by OIRA and by the individual agencies, the bill being offered today provides a 5-year authorization of appropriations for OIRA.

Unlike other legislative proposals from the last Congress, the bill we are offering is focused on what is right about the Paperwork Reduction Act of 1980. Our bill seeks to build upon the strengths of the 1980 act, to focus upon its fundamental objective of providing the process by which paperwork burdens on the public are held to the absolute minimum, while assuring that agencies can obtain the information they need and can effectively use to carry out their program responsibilities. Our bill reaffirms the fundamental purposes and principles of the 1980 act, which was sponsored by our former colleague from Florida, Lawton Chiles. Many of us were cosponsors of his original legislation, and supported his efforts to nurture the act to its full potential throughout his tenure in the Senate.

The 1980 act emphasized public participation and assured public protections. Our bill seeks to improve further the process of public participation in the structuring of paperwork requirements that are to be levied upon the public. It affords additional protections to the public should any individual agency office choose to circumvent the act's requirements—an assessment as to need, as to practical utility, and whether the requirement is the least burdensome alternative—through the imposition of a booklet on paperwork requirements.

Our bill modernizes the act's current requirements regarding the setting of paperwork reduction goals. Those who take issue with the Paperwork Reduction Act's basic objectives would eliminate the process of setting goals for the reduction of paperwork burdens. The sponsors, and numerous supporters of this legislation, believe that the annual reporting of paperwork burdens on a governmentwide and agency basis, and the pursuit of paperwork reduction goals, serve a very beneficial purpose. This process helps to focus the attention of agency managers on the totality of the paperwork burden confronting the public as they assess the need and methodology of their proposed paperwork requirements or those being assessed for renewal.

Mr. President, it is the cumulative effect of many agency information requirements, often seeking the same or very similar information, that is drowning the small business community.

The bill we are introducing today enjoys strong support within the small business community. It is supported by the National Federation of Independent Business [NFIB], by the Small Business Legislative Council [SBLC], by National Small Business United [NSBU], and many of the hundreds of individual small business associations across the Nation that are affiliated with SBLC and NSBU.

It was at the request of the small business community that we pursued a series of modifications to legislation in the Committee on Governmental Affairs during the last Congress. That effort was supported by a majority of members of the Committee on Small Business and many of my colleagues on the Committee on Governmental Affairs. Despite much effort, in the final analysis, the end-product of that process was found to be wanting for a variety of reasons by many in the private sector and within the Senate. It was not acted upon before the close of the 101st Congress.

With an opportunity to more thoroughly and thoughtfully reflect upon the events in the last Congress, a coalition of groups representing the business community, urged upon us, and upon the President, that a fresh approach, a positive approach was needed in the 102d Congress. For them the fundamental objective of amendments to the 1980 act should be to enhance its effectiveness and restore its full vitality. They urged us not to accept an approach grounded on an abiding distrust of OIRA or reflecting an abandonment of the fundamental purposes and processes inherent in the 1980 act.

Mr. President, the Paperwork Reduction Act of 1991 being offered today adopts such a positive approach. It expresses continued support for the purposes and principles of the Paperwork Reductions Act of 1980. It strengthens agency responsibilities and the public protections inherent in the act's fundamental framework. It assures that all federally sponsored paperwork burdens, including so-called third-party paperwork burdens, will be subject to the act's standards, review processes, and public protection provisions. It assures that OIRA will continue to be the focal point within the executive branch for the act's effective implementation.

Mr. President, given the approach taken in this bill, I have every reason to believe that additional groups within the business community will support this legislation along with NFIB, SBLC, NSBU, the U.S. Chamber of Commerce, and the National Association of Manufacturers, and the group that has dedicated more than four decades to the paperwork reduction issue, the Business Council on the Reduction of Paperwork [BCORP].

Given my many recent conversations with the new Governor of Florida, our former colleague Lawton Chiles, it is clear that the Paperwork Reduction Act looks even more important from his new position. I am quite confident, Mr. President, that our bill will gradually garner strong support from the National Governors Association and other groups representing State and local governments.

Similarly, Mr. President, I have every reason to believe that the Paperwork Reduction Act of 1991 will be strongly supported in time by many within the educational and nonprofit communities. The paperwork demands associated with the management of Federal grants, and other Federal mandates on these institutions, has made them steadfast supporters of the 1980 act. In addition, our bill includes a very beneficial provision authorizing demonstration programs to test innovative approaches to minimize paperwork burdens, a proposal recommended by the educational community.

Finally, I have every expectation that the administration will look favorably upon the positive approach taken in the Paperwork Reduction Act of 1991 and express its support for this bill. The Paperwork Reduction Act remains a natural complement to the efforts of this President, or any President, to effectively manage and coordinate the overall regulatory process within the executive branch.

We invite our colleagues to join us in cosponsoring this legislation.

Mr. President, I ask unanimous consent that a summary of the bill and copies of several letters appear in the RECORD following my remarks.

Mr. President, I also ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1139

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Paperwork Reduction Act of 1991".

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.

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Sec. 202. Coverage of all federally sponsored paperwork burdens.
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TITLE III—ENHANCING FEDERAL AGENCY RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

Sec. 301. Designating an agency official responsible and publicly accountable for reducing the burden of Federal paperwork.
Sec. 302. Agency responsibilities for controlling and reducing the burden of Federal paperwork.

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Sec. 401. Reemphasizing the responsibility of the Director to control the burden of Federal paperwork.
Sec. 402. Enhancing agency responsibility to obtain public review of proposed paperwork burdens.
Sec. 403. Expediting review at the Office of Management and Budget.
Sec. 404. Improving public and agency scrutiny of paperwork burdens proposed for renewal.
Sec. 405. Protection for whistleblowers of unauthorized paperwork burden.
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TITLE V—ADDITIONAL GOVERNMENT INFORMATION MANAGEMENT RESPONSIBILITY

Sec. 501. Strengthening the statistical policy and coordination functions of the Director.
Sec. 502. Prescribing governmentwide standards for sharing public information.
Sec. 503. Automatic data processing equipment plan.
Sec. 504. Federal information locator system.
Sec. 505. Agency implementation.
Sec. 506. Technical and conforming amendments.

TITLE VI—EFFECTIVE DATES

Sec. 601. Effective dates.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 3520(a) of title 44, United States Code, is amended by striking out "$5,500,000 for each of the fiscal years 1987, 1988, and 1989." and inserting in lieu thereof "$7,000,000 for fiscal year 1992, $7,000,000 for fiscal year 1993, $8,000,000 for fiscal year 1994, $8,000,000 for fiscal year 1995, and $8,000,000 for fiscal year 1996.".

TITLE II—REDUCING THE BURDEN OF FEDERAL PAPERWORK ON THE PUBLIC

SEC. 201. REEMPHASIZING THE NEED TO REDUCE THE BURDEN OF FEDERAL PAPERWORK ON THE PUBLIC.

Section 3501 of title 44, United States Code, is amended to read as follows:

"§ 3501. Purposes

"The purposes of this chapter are to—

"(1) minimize the Federal paperwork burden for individuals, small businesses, educational and nonprofit institutions, Federal contractors, State and local governments, and other persons;

"(2) minimize the cost to the Federal Government of collecting, maintaining, using, retaining, sharing, and disseminating information;

"(3) maximize the usefulness of information collected, maintained, used, retained and shared by the Federal Government;

"(4) coordinate, integrate and, to the extent practicable and appropriate, make uniform Federal information policies and practices;

"(5) ensure that government information resources management is conducted in an efficient and cost-effective manner to—

"(A) improve the quality of decisionmaking and program management and administration;

"(B) increase productivity;

"(C) reduce waste and fraud;

"(D) facilitate the sharing of information;

"(E) ensure the integrity, quality and utility of the Federal statistical system; and

"(F) reduce burden upon the public;

"(6) ensure that the collection, maintenance, use, retention, sharing, and disseminating of information by or for the Federal Government is consistent with applicable laws;

"(7) establish the responsibility and public accountability of Federal agencies for implementing the information collection review process, information resources management, and related policies and guidance established pursuant to this chapter;

"(8) ensure that automatic data processing, telecommunications and other information technologies are acquired and used by the Federal Government in an effective and efficient manner that—

"(A) improves service delivery and program management;

"(B) increases productivity;

"(C) improves the quality of decisionmaking;

"(D) reduces waste and fraud; and

"(E) wherever practicable and appropriate, reduces the information processing burden for the Federal Government and for persons who provide information, keep records and otherwise disclose information to and for the Federal Government; and

"(9) strengthen the partnership between the Federal Government with State and local governments by minimizing the burden and maximizing the utility of information collected and shared.".

SEC. 202. COVERAGE OF ALL FEDERALLY SPONSORED PAPERWORK BURDENS.

Section 3502 of title 44, United States Code, is amended—

(1) in paragraph (3) by striking out "a Federal agency" and inserting in lieu thereof "or for a Federal agency, including—

"(A) the resources expended for obtaining, reviewing and understanding applicable instructions and requirements;

"(B) developing a way to comply with the applicable instructions and requirements;

"(C) adjusting the existing ways to comply with any previously applicable instructions and requirements;

"(D) searching existing data sources;

"(E) obtaining, compiling and maintaining the necessary data;

"(F) implementing recordkeeping requirements;

"(G) completing and reviewing the collection of information;

"(H) retaining, sharing, notifying, reporting, transmitting, labeling, or otherwise disclosing to third parties or the public the information involved; and

"(I) carrying out any other information transaction which occurs as a result of the collection of information;";

(2) in paragraph (4) by striking out "of facts or opinions by" and inserting in lieu thereof "(through maintenance, retention, notifying, reporting, labeling or disclosure to third parties or the public) of facts or opinions by or for"; and

(3) in paragraph (17) by inserting ", including the retention, reporting, notifying, or disclosure to third parties or the public of such records" before the period.

SEC. 203. PAPERWORK REDUCTION GOALS.

Section 3505 of title 44, United States Code, is amended to read as follows:

"§ 3505. Assignment of tasks and deadlines

"In carrying out the functions under this chapter, the Director shall—

"(1) set a Governmentwide goal, consistent with improving agency management of the process for the review of each collection of information established under section 3506(e), to reduce by September 30, 1992, the burden of Federal collections of information existing on September 30, 1991, by at least 5 percent;

"(2) for the fiscal year beginning on October 1, 1992, and the following 3 fiscal years, set a Governmentwide goal, consistent with improving agency management of the process for the review of each collection of information established under section 3506(e), to reduce the burden of Federal collections of information existing at the end of the immediately preceding fiscal year by at least 5 percent;

"(3) in establishing the Governmentwide goal pursuant to paragraph (2), establish a goal for each agency that—

"(A) represents the maximum practicable opportunity to reduce the paperwork burden imposed upon the public by such agency's collections of information, after considering the recommendations of the senior agency official designated under section 3506(b)(1); and

"(B) permits the attainment of the Governmentwide goal when such agency's goal is aggregated with the individual goals of all other agencies included in the Governmentwide goal; and

"(4) in each report issued under section 3514, beginning with the report relating to fiscal year 1992, identify any agency initiatives to reduce the burden of the Federal collections of information associated with—

"(A) businesses, especially small businesses and those engaged in international competition;

"(B) State and local governments; and

"(C) educational institutions.".

TITLE III—ENHANCING FEDERAL AGENCY RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

SEC. 301. DESIGNATING AN AGENCY OFFICIAL RESPONSIBLE AND PUBLICLY ACCOUNTABLE FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK.

Section 3506 of title 44, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "Each agency" and inserting in lieu thereof "The head of each agency"; and

(B) by inserting "resources" after "its information";

(2) in subsection (b)—

(A) by inserting "(1)" before "The head of each agency"; and

(B) by adding at the end thereof the following new paragraphs:

"(2) The senior official designated under paragraph (1) shall be the head of an office, established by the head of the agency, responsible for assuring agency compliance with and prompt, efficient, and effective implementation of the information collection review process, information resources management, and related policies and guidance established pursuant to this chapter.

"(3) Staff to such office shall be well qualified through experience or training to carry out the information collection review process, information resources management, and related policies and guidance established under this chapter."; and

(3) in subsection (c)—

(A) by striking out "and" after the semicolon at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(9) prepare estimates of burden that will result from proposed collections of information.".

SEC. 302. AGENCY RESPONSIBILITIES FOR CONTROLLING AND REDUCING THE BURDEN OF FEDERAL PAPERWORK.

Section 3506 of title 44, United States Code (as amended by section 301 of this Act) is further amended by adding at the end thereof the following new subsections:

"(e) The head of each agency, acting through the senior official designated under subsection (b)(1), shall establish an efficient, and effective process for the prompt review of each information collection request before it is submitted to the Director for review and approval under this chapter. At a minimum, this review process shall—

"(1) be sufficiently independent of program responsibilities to evaluate whether each information collection request should be carried out;

"(2) be provided sufficient personnel and other resources to carry out such review responsibility effectively; and

"(3) have authority (independent of agency program officers) to approve, disapprove, and make needed improvements in any agency collection of information.

"(f) Under the process established under subsection (e), the senior official designated under subsection (b)(1) shall certify (and provide a record supporting such certification, including any pertinent public comments received by the agency) to the Director that—

"(1) the collection of information and any applicable instructions and requirements—

"(A) are necessary for the proper performance of the agency's functions and are the least burdensome necessary;

"(B) are not unnecessarily duplicative of information otherwise reasonably accessible to the agency;

"(C) have practical utility;

"(D) are written using plain, coherent and unambiguous terminology;

"(E) are to be implemented in ways consistent and compatible, to the maximum extent practicable, with the existing reporting and recordkeeping practices of those who are to respond;

"(F) are understandable to those who are to respond;

"(G) display on the information collection request, to the extent practicable, the agency estimate of the burden for each response, calculated in accordance with the procedures established by the Director under section 3504(c)(5);

"(H) use effective and efficient statistical survey methodology appropriate to the need for which the information is to be collected; and

"(I) explain the need and ultimate use of the information to be collected, and the importance of an accurate and timely response; and

"(2) the agency has taken necessary steps to—

"(A) except as provided in section 3507 (g) and (k), give 60-day notice to, and consult with members of the public and interested agencies, in order to—

"(i) enhance the clarity of the proposed collection of information;

"(ii) solicit comment on the agency estimate of the burden for each response for such collection of information; and

"(iii) minimize the burden of such collection of information on those who are to respond, including the appropriate use of automated collection technics or other forms of information technology;

"(B) evaluate the proposed collection of information and any applicable instructions and requirements, by developing and conducting—

"(i) an assessment of need;

"(ii) a functional description of the information to be collected;

"(iii) a plan for the practical collection of information;

"(iv) a specific, objectively supported estimation of burden, including each transaction involved; and

"(v) a test of the collection of information through a pilot or prototype program, if appropriate;

"(C) plan and allocate resources for the efficient and effective management and use of the information to be solicited; and

"(D) reduce burdens on businesses (especially small businesses and those engaged in international competition), State and local governments, and educational institutions, through consideration of such alternatives as—

"(i) establishing differing compliance or reporting requirements or timetables in recognition of the resources available to those who are to respond;

"(ii) the clarification, consolidation, or simplification of compliance and reporting requirements; and

"(iii) an exemption from coverage of the collection of information, or any part thereof.".

TITLE IV—ENHANCING GOVERNMENT RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

SEC. 401. REEMPHASIZING THE RESPONSIBILITY OF THE DIRECTOR TO CONTROL THE BURDEN OF FEDERAL PAPERWORK.

Section 3504(c) of title 44, United States Code, is amended—

(1) in paragraph (3) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and inserting after subparagraph (A) the following new subparagraph:

"(B) display, to the extent practicable, an estimate of the burden for each response;";

(2) by amending paragraphs (5) and (6) to read as follows:

"(5) establishing procedures under which an agency is to estimate the burden under this chapter to comply with the proposed collection of information;

"(6) coordinating with the Office of Federal Procurement Policy to eliminate paperwork burdens associated with procurement and acquisition;";

(3) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon; and

(4) by adding at the end thereof the following new paragraphs:

"(8) minimizing the Federal paperwork burden imposed through Federal collection of information, with particular emphasis on those individuals or entities most adversely affected, including—

"(A) businesses, especially small businesses and those engaged in international competition;

"(B) State and local governments; and

"(C) educational institutions; and

"(9) initiating and conducting, with selected agencies and non-Federal entities on a voluntary basis, pilot projects to test or demonstrate the feasibility and benefit of changes or innovations in Federal policies, rules, regulations, and agency procedures to improve information management practices and related management activities (including the waiving of the application of designated agency regulations or administrative directives by the Director after giving timely notice to the public and Congress regarding the need for such waiver).".

SEC. 402. ENHANCING AGENCY RESPONSIBILITY TO OBTAIN PUBLIC REVIEW OF PROPOSED PAPERWORK BURDENS.

Section 3507(a) of title 44, United States Code, is amended—

(1) in paragraph (2)(B) by inserting "a summary of the request," after "title for the information collection request,";

(2) by striking out "and" at the end of paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following:

"(3) the agency provides at least 30 days for public comment to the agency and the Office of Management and Budget after publication of the notice in the Federal Register, except as provided under section 3507 (g) and (k), and the agency head and the Director consider comments received regarding the proposed collection of information; and".

SEC. 403. EXPEDITING REVIEW AT THE OFFICE OF MANAGEMENT AND BUDGET.

Section 3507(b) of title 44, United States Code, is amended—

(1) by striking out the first sentence and inserting in lieu thereof "The Director shall within 30 days after publication of the notice under subsection (a)(3) that is applicable to a proposed information collection request not contained in a proposed rule, notify the agency involved of the decision to approve or disapprove the proposed information collection request and shall make such decisions publicly available. Any decision to disapprove an information collection request shall include an explanation of the reasons for such decision.";

(2) by striking out "sixty" each place it appears and inserting "30" in each such place;

(3) by striking out "thirty" and inserting in lieu thereof "30"; and

(4) by striking out "one" and inserting in lieu thereof "1".

SEC. 404. IMPROVING PUBLIC AND AGENCY SCRUTINY OF PAPERWORK BURDENS PROPOSED FOR RENEWAL.

(a) APPROVAL OF INFORMATION COLLECTION REQUEST.—Section 3507(d) of title 44, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end thereof the following:

"(2)(A) If the head of the agency, or the senior official designated under section 3506(b)(1), decides to seek extension of the Director's approval granted for a currently approved information collection request, the agency shall, through the notice prescribed in subsection (a)(2)(B) and such other practicable steps as may be reasonable, seek comment from the agencies, and the public on the continued need for, and burden imposed by, the collection of information.

"(B) The agency, after having made a reasonable effort to seek comment under subparagraph (A), but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved information collection request, shall—

"(i) evaluate the public comments received;

"(ii) conduct the review established under section 3506(e); and

"(iii) provide to the Director the certification required by section 3506(f), including the text of the certification and any additional relevant information regarding how the information collection request comports with the principles and requirements of this chapter.

"(C) Upon receipt of such certification, and prior to the expiration of the control number for that information collection request, the Director shall—

"(i) ensure that the agency has taken the actions specified under section 3506(f)(2);

"(ii) evaluate the public comments received by the agency or by the Director;

"(iii) determine whether the agency certification complies with the standards under section 3506(f)(1); and

"(iv) approve or disapprove the information collection request under this chapter.

"(3) If a certification is not provided to the Director prior to the beginning of the 60-day period before the expiration of the control number as provided under paragraph (2)(B), the agency shall submit the information collection request for review and approval or disapproval under this chapter.

"(4) An agency may not make a substantive or material modification to an information collection request after it has been approved by the Director, unless the modification has been submitted to the Director for review and approval or disapproval under this chapter.".

(b) APPROVAL OF INFORMATION COLLECTION REQUIREMENTS.—Section 3507 of title 44, United States Code, is further amended by adding at the end thereof the following new subsections:

"(i)(1) As soon as practicable, but no later than publication of a notice of proposed rulemaking in the Federal Register, each agency shall forward to the Director a copy of any proposed rule which contains a collection of information requirement and upon request, information necessary to make the determination required under this chapter.

"(2) Within 60 days after the notice of proposed rulemaking is published in the Federal Register, the Director may file public comments under the standards set forth in section 3508 on the collection of information requirement contained in the proposed rule.

"(3) When a final rule is published in the Federal Register, the agency shall explain how any collection of information requirement contained in the final rule responds to the comments, if any, filed by the Director or the public, or explain the reasons such comments were rejected.

"(4) The Director has no authority to disapprove any collection of information requirement specifically contained in an agency rule, if the Director has received notice and failed to comment on the rule within 60 days after the notice of proposed rulemaking.

"(5) No provision in this section shall be construed to prevent the Director, at the discretion of such officer, from—

"(A) disapproving any information collection request which was not specifically required by an agency rule;

"(B) disapproving any collection of information requirement contained in an agency rule, if the agency failed to comply with the requirements of paragraph (1) of this subsection;

"(C) disapproving any collection of information requirement contained in a final agency rule, if the Director finds within 60 days after the publication of the final rule that such a collection of information requirement cannot be approved under the standards set forth in section 3508, after reviewing the agency's response to the comments of the Director filed under paragraph (2) of this subsection; or

"(D) disapproving any collection of information requirement, if the Director determines that the agency has substantially modified, in the final rule, the collection of information requirement contained in the proposed rule and the agency has not given the Director the information required under paragraph (1) with respect to the modified collection of information requirement, at least 60 days before the issuance of the final rule.

"(6) The Director shall make publicly available any decision to disapprove a collection of information requirement contained in an agency rule, together with the reasons for such decision.

"(7) The authority of the Director under this subsection is subject to subsection (c).

"(8) This subsection shall apply only when an agency publishes a notice of proposed rulemaking and requests public comments.

"(9) The decision of the Director to approve or not to act upon a collection of information requirement contained in an agency rule shall not be subject to judicial review.

"(j)(1) If the head of the agency, or the senior official designated under section 3506(b)(1), decides to seek extension of the Director's approval granted for a currently approved collection of information requirement, the agency shall, through the notice prescribed in subsection (a)(2)(B) and such other practicable steps as may be reasonable, seek comment from the agencies, and the public on the continued need for, and burden imposed by, the collection of information requirement.

"(2) The agency, after having made a reasonable effort to seek comment under paragraph (1), but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved collection of information requirement, shall—

"(A) evaluate the public comments received;

"(B) conduct the review established under section 3506(e); and

"(C) provide to the Director the certification required by section 3506(f), including the text of the certification and any additional relevant information regarding how the collection of information requirement comports with the principles and requirements of this chapter.

"(3) Upon receipt of such certification, and prior to the expiration date of the control number for that collection of information requirement, the Director shall—

"(A) ensure that the agency has taken the actions specified in section 3506(f)(2);

"(B) evaluate the public comments received by the agency or by the Director;

"(C) determine whether the agency certification complies with the standards under section 3506(f)(1); and

"(D) approve or disapprove the collection of information requirement under this chapter.

"(4) If under the provisions of paragraph (3), the Director disapproves a collection of information requirement, or recommends or instructs the agency to make a substantive or material change to a collection of information requirement, the Director shall—

"(A) publish an explanation thereof in the Federal Register; and

"(B) instruct the agency to undertake a rulemaking within a reasonable time limited to consideration of changes to the collection of information requirement and thereafter to submit the collection of information requirement for approval or disapproval under this chapter.

"(5) Nothing in this subsection affects the review process for a collection of information requirement contained in a proposed rule, including a proposed change to an existing collection of information requirement, under subsection (i) with respect to such collection of information requirement.

"(6) The Director may not approve a collection of information requirement for a period in excess of 3 years.".

SEC. 405. PROTECTION FOR WHISTLEBLOWERS OF UNAUTHORIZED PAPERWORK BURDEN.

Section 3507(h) of title 44, United States Code, is amended in the second sentence by inserting before the period ", and any communication relating to a collection of information, the disclosure of which could lead to retaliation or discrimination against the communicator".

SEC. 406. ENHANCING PUBLIC PARTICIPATION.

Section 3517 of title 44, United States Code, is amended—

(1) by inserting "(a)" before "In development"; and

(2) by adding at the end thereof:

"(b)(1) Under procedures established by the Director, a person may request the Director to review any collection of information conducted by or for an agency to determine, if—

"(A) the collection of information is subject to the requirements of this chapter;

"(B) the collection of information has been approved in conformity with this chapter; and

"(C) the person that is to respond to the collection of information is entitled to the public protections afforded by this chapter.

"(2) Any review requested under paragraph (1), unless the request is determined frivolous or does not on its face state a valid basis for such review, shall—

"(A) be completed by the Director within 60 days after receiving the request, unless such period is extended by the Director to a specified date and the person making the request is given notice of such extension;

"(B)(i) be coordinated with the agency responsible for the collection of information to which the request relates; and

"(ii) be coordinated with the Administrator for Federal Procurement Policy, if the request relates to a collection of information applicable to an actual or prospective Federal contractor or subcontractor at any tier; and

"(C) result in a written determination by the Director, that shall be—

"(i) furnished to the person making the request;

"(ii) made available to the public upon request, unless confidentiality is requested by the person making the request; and

"(iii) listed and summarized in the annual report required under section 3514, unless subject to clause (ii).".

SEC. 407. EXPEDITING REVIEW OF AN AGENCY INFORMATION COLLECTION REQUEST WITH A REDUCED BURDEN.

Section 3507 of title 44, United States Code (as amended by section 404(b) of this Act) is further amended by adding at the end thereof the following new subsection:

"(k) Upon request by the head of an agency, the Director shall approve a proposed change to an existing information collection request (unless such proposed change is subject to subsection (i)) within 30 days after the Director receives the proposed change. The information collection request shall thereafter remain in effect at least for the remainder of the period for which it was previously approved by the Director, if—

"(1) the information collection request has a current control number; and

"(2) the Director determines that the revision—

"(A) reduces the burden resulting from the information collection request; and

"(B) does not substantially change the information collection request.".

TITLE V—ADDITIONAL GOVERNMENT INFORMATION MANAGEMENT RESPONSIBILITY

SEC. 501. STRENGTHENING THE STATISTICAL POLICY AND COORDINATION FUNCTIONS OF THE DIRECTOR.

Section 3504(d) of title 44, United States Code, is amended to read as follows:

"(d)(1) The statistical policy and coordination functions of the Director shall include—

"(A) coordinating and providing leadership for development of the Federal statistical system;

"(B) developing and periodically reviewing and, as necessary, revising long-range plans for the improved coordination and performance of the statistical activities and programs of the Federal Government;

"(C) ensuring the integrity, objectivity, impartiality and confidentiality of the Federal statistical system;

"(D) reviewing budget proposals of agencies to ensure that the proposals are consistent with such long range plans and developing a summary and analysis of the budget submitted by the President to the Congress for each fiscal year of the allocation for all statistical activities;

"(E) coordinating, through the review of budget proposals and as otherwise provided under this chapter, the functions of the Federal Government with respect to gathering, interpreting and sharing statistics and statistical information;

"(F) developing and implementing government-wide policies, principles, standards and guidelines concerning statistical collection procedures and methods, statistical data classification, statistical information presentation and sharing, and such statistical data sources as may be required for the administration of Federal programs;

"(G) evaluating statistical program performance and agency compliance with governmentwide policies, principles, standards and guidelines;

"(H) promoting the timely release by agencies of statistical data to the public;

"(I) coordinating the participation of the United States in international statistical activities;

"(J) preparing an annual report to submit to the Congress on the statistical policy and coordination function;

"(K) integrating the functions described under this paragraph with the other information resources management functions specified under this chapter; and

"(L) appointing a chief statistician who is a trained and experienced professional to carry out the functions described under this paragraph.

"(2) The Director shall establish an interagency working group on statistical policy, consisting of the heads of the agencies with major statistical programs, headed by the chief statistician to coordinate agency activities in carrying out the functions under paragraph (1).

"(3) The Director shall provide opportunities for long term training in the statistical policy functions of the chief statistician to employees of the Federal Government. Each trainee shall be selected at the discretion of the Director based on agency requests and shall serve for at least 6 months and no more than 1 year. All costs of the training are to be paid by the agency requesting training.".

SEC. 502. PRESCRIBING GOVERNMENTWIDE STANDARDS FOR SHARING PUBLIC INFORMATION.

(a) FUNCTIONS OF THE DIRECTOR.—Section 3504(h) of title 44, United States Code, is amended to read as follows:

"(h) The functions of the Director related to agency sharing of public information shall include—

"(1) developing policies and practices for agency sharing of public information consistent with the agency responsibilities under section 3506(g); and

"(2) developing policy guidelines, after notice and providing opportunity for public comment, that instruct Federal agencies on ways to fulfill agency sharing of public information functions and activities that, to the extent appropriate and practicable—

"(A) make public information products and services available on timely, equitable and cost-effective terms; and

"(B) encourage a diversity of public and private information products and services.".

(b) RESPONSIBILITIES OF THE AGENCIES.—Section 3506 of title 44, United States Code (as amended by sections 301 and 302 of this Act) is further amended by adding at the end thereof the following new subsection:

"(g) The head of each agency shall, to the extent appropriate and practicable, establish and maintain a management system for the sharing of public information that—

"(1) ensures that the public has timely, equitable and cost-effective access to the agency's public information products and services;

"(2) ensures that agency public information products and services are shared with the public in an efficient, effective and cost-effective manner;

"(3) plans and budgets for information sharing at the time information is created or collected, and at other appropriate steps during the information life cycle; and

"(4) has the agency, in managing the sharing of public information, consider—

"(A) whether information sharing is required or restricted by law;

"(B) whether information sharing is necessary and cost-effective for the proper performance of agency functions;

"(C) whether an information product or service available from other public or private sources is equivalent to an agency product or service and reasonably achieves the cost effective sharing of the agency product or service at least cost to the Federal agency; and

"(D) the economy and efficiency of Government operations, or the general social or economic well-being of the United States.".

SEC. 503. AUTOMATIC DATA PROCESSING EQUIPMENT PLAN.

Section 3504(g) of title 44, United States Code, is amended—

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) developing and annually revising, in consultation with the Administrator of General Services, a 5-year plan for meeting the automatic data processing equipment (including telecommunications) and other information technology needs of the Federal Government in accordance with the requirements of sections 110 and 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757 and 759) and the purposes of this chapter;".

SEC. 504. FEDERAL INFORMATION LOCATOR SYSTEM.

Section 3511(b) of title 44, United States Code, is amended—

(1) in paragraph (3)(B), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(5) make the system available on electronic media to the agencies and the public.".

SEC. 505. AGENCY IMPLEMENTATION.

Section 3514 of title 44, United States Code, is amended—

(1) in paragraph (9)(C) by striking out "and" at the end thereof;

(2) in paragraph (10)(C) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(11) a listing of any increase in the burden imposed on the public during the year covered by the report resulting from a collection of information conducted or sponsored by or for an agency, which was imposed by such agency—

"(A) as specifically mandated by the provision of a statute; or

"(B) as necessary to implement a statutory requirement, which requirement shall be identified with particularity; and

"(12) a description of each such agency's efforts in implementing, and plans to implement, the applicable policies, standards and guidelines with respect to the functions under this chapter.".

SEC. 506. TECHNICAL AND CONFORMING AMENDMENTS.

(a) DEFINITIONS.—Section 3502(10) of title 44, United States Code, is amended by striking out "the Federal Housing Finance Board" and inserting in lieu thereof "Federal Housing Finance Board".

(b) REVIEW PERIODS.—Section 3507(g)(1) of title 44, United States Code, is amended to read as follows: "(1) is needed prior to the expiration of the time periods for public notice and review by the Director pursuant to the requirements of this chapter,".

(c) DIRECTOR REVIEW.—Section 3513(a) of title 44, United States Code, is amended in the first sentence by inserting "resources" after "information".

(d) RESPONSIVENESS.—Section 3514(a) of title 44, United States Code, is amended—

(1) in paragraph (9)(A) by inserting "and" at the end thereof;

(2) in paragraph (9)(B) by striking out the semicolon and inserting a period; and

(3) by striking out paragraph (9)(C).

TITLE VI—EFFECTIVE DATES

SEC. 601. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act shall become effective 120 days after the date of the enactment of this Act.

(b) IN PARTICULAR.—Section 101 shall become effective upon the date of the enactment of this Act.

S. 1139, THE PAPERWORK REDUCTION ACT OF 1991 SUMMARY

The "Paperwork Reduction Act of 1991" will—

Reaffirm the fundamental purpose of the Paperwork Reduction Act of 1980: to minimize the Federal paperwork burdens imposed on individuals, small businesses, State and local governments, educational and nonprofit institutions, and Federal contractors.

Provide a five-year authorization for appropriations for the Office of Information and Regulatory Affairs (OIRA) within the White House Office of Management and Budget.

Clarify that the Act's public protections apply to all Government-sponsored paperwork, eliminating any confusion over so-called "third party disclosures" caused by the U.S. Supreme Court's 1989 decision in *Dole* v. *United Steelworkers of America*.

Require goals for paperwork reduction on the public—a Government-wide goal of at least 5 percent and individual agency goals that aggregate to the Government-wide goal.

Build upon the fundamental responsibilities of each Federal agency to manage paperwork reduction, by requiring—

The designation of a senior agency official in a separate office, with adequately trained staff;

A thorough review of each proposed information collection request for need and practical utility, standards whose purpose is to minimize the burden on the public while enabling an agency to collect only necessary information;

Agency planning to maximize the use of information collected by the public;

Better notice and opportunity for public participation with at least a 60-day comment period for each proposed paperwork requirement;

Agency certification of compliance with public participation requirements and the standards of need and practical utility for every paperwork proposal before its submission to OIRA for clearance; and

A certification process for the renewal of a currently approved paperwork requirement which includes public participation, thorough agency analysis of alternatives, an agency determination that the paperwork requirement meets the Act's standards, and OIRA's final clearance authority.

Reduce by 30 days the time a routine proposed agency paperwork requirement spends at OIRA, while improving the overall opportunity for public participation without impairing OIRA final clearance authority.

Strengthen OIRA's paperwork control responsibilities, by—

Establishing standards under which Federal agencies more accurately estimate the burden placed upon the public by a proposed information collection request;

Coordinating with the Office of Federal Procurement Policy (OFPP) to reduce the substantial paperwork burdens associated with Government contracting; and

Providing the authority for OIRA to initiate and conduct demonstration programs to test innovative approaches to minimize paperwork burden, similar to the OFPP authority to test innovative procurement practices.

Empower the public with new tools to participate in paperwork reduction by—

Requiring future legislation be thoroughly assessed before enactment to identify anticipated paperwork requirements, and that these assessments be made available to the public; and

Enabling an individual to compel the OIRA Administrator to provide a written determination whether a Federally-sponsored information collection request complies with the Act's public protection requirements, in the same manner as the OFPP Administrator must determine if an agency procurement regulation is consistent with the Government-wide Federal Acquisition Regulation (FAR).

Strengthen OIRA's leadership role in Federal statistical policy.

JANUARY 8, 1991.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Soon after the 102nd Congress turns to legislative business, we believe it must promptly consider legislation that maintains the vitality and reestablishes the full potential of the Paperwork Reduction Act of 1980.

During the last Congress, the committees of jurisdiction in both houses reported legislation, which, in the view of the undersigned organizations, would have severely weakened the public protections afforded by the Act and diminished the role of the Office of Information and Regulatory Affairs (OIRA). These bills, S. 1742 and H.R. 3695, would have impaired the public's and Congress' ability to assure accountability for reasonable restraints on the growth of federal paperwork and regulatory burdens. In our view, they would have impaired any President's ability to coordinate the implementation of statutes and other public policy initiatives in order to minimize the public burdens of needed paperwork and regulatory demands.

At the end of the last Congress, in order to meet the exigencies of the session's close, the Administration supported those bills. With the new Congress, we want to encourage you to adopt a new position. We are preparing a legislative proposal that will enhance rather than diminish the effectiveness of the Paperwork Reduction Act and OIRA.

Left unrestrained, the government's historical and insatiable appetite for information and regulation leads to wasteful and unnecessary burdens upon the public. To counter this trend, we support a positive, constructive approach that builds upon current law.

Our proposal will emphasize the responsibility and accountability of each agency to achieve its mission in the least burdensome and the most economical way possible. We intend to address the present confusion over whether the public protections of the Act extend to government-sponsored requirements to disclose information to third parties. We believe they should, and that any new legislation to amend the Act should clarify this issue. In addition, we propose to emphasize the opportunities for reducing unnecessary burdens on small businesses, universities and research institutions, and State and local governments.

Mr. President, we urge you to have this proposal reviewed before your Administration takes a position on legislation to amend the Paperwork Reduction Act or reauthorize the Office of Information and Regulatory Affairs.

Sincerely yours,

Business Council on the Reduction of Paperwork; Citizens for a Sound Economy; The Johns Hopkins University; National Association of Manufacturers; National Federation of Independent Business; National Small Business United; Small Business Legislative Council; U.S. Chamber of Commerce.

MAY 2, 1991.

Hon. SAM NUNN,
U.S. Senate, Washington, DC.

DEAR SAM: Several issues have come up in our discussions concerning amendments to the Paperwork Reduction Act. Here are my thoughts.

As I mentioned to John during my recent visit with him, it is my sincere hope you all will reauthorize appropriations and build upon the present law. John mentioned and I support the idea of strengthening the agencies' responsibilities to improve information resources management.

I do think the Director of OMB's ultimate authority and responsibilities should be retained. Absent a credible overseer, there is less incentive for agencies to coordinate or discipline their paperwork demands upon the public. Second, Congress needs to be able to hold the Director accountable for OIRA's performance.

The 1986 amendments added new sunshine provisions to the law, clarified that paperwork requirements contained in regulations were subject to the sunset and public protection provisions of the Act, and required the Administrator of OIRA to be confirmed by the Senate. I urge these provisions be retained.

I sense much of the criticism today is similar to what we faced in the 1986 reauthorization. We agreed in the Carter years to link paperwork clearance with OMB's review of regulations. The rationale was many paperwork requirements particularly new ones come from regulations. They could be better managed by linking the review processes. The Reagan people used the idea and OMB's overall role became controversial. I was involved in a number of clashes while I was there between colleagues and Directors, especially Mr. Stockman. In addition, the traditional opponents to the Act were vocal throughout the Committee's reauthorization exercises in 1984 and 1986. I always believed exposing these controversies to the purifying rays of sunshine was the best check against actual abuses by OIRA. My major purpose for centralizing responsibility within OIRA was to pinpoint who Congress should hold accountable when our constituents complained of unnecessary paperwork or when agency disputes surfaced. My point is OIRA was intended to serve as a lightning rod for conflict, Congressional oversight and public attention. To that end, I believe the present Act provides a more open government with more public participation in government decision-making than would be the case without the law.

The Administration has acquainted me with the concerns of President Bush regarding the proposed disclosure requirements. They question whether any President of either party would accept such judicially enforceable requirements. Both the Sunshine Act and the Freedom of Information Act stand for open government. I recognized in developing the Sunshine Act that there are certain practical limits to open government. I think the proposed disclosure requirements for OIRA go beyond practical limits. I hope the Committee will not jeopardize the protections and opportunities for participation provided the public by the Paperwork Act as a result of a confrontation over provisions I believe any President would oppose.

Another concern is the Supreme Court's decision in *Dole* v. *Steelworkers*. As a matter of statutory construction, I do not agree the decision reflects what the law states or what either the House or the Senate intended in 1980 or 1986. As you are aware, I expressed my understanding in an amicus brief to the Court. The effect of the Court's interpretation goes well beyond the facts involved in the particular case. I believe that the Congress of today should deliberate upon and decide what the future application of the law should be. I strongly support applying the public requirements, including those which require disclosure between third parties.

I want to commend and lend my support to John, Jeff, and your efforts to build upon the Paperwork Reduction Act. Jeff's proposal for a new Commission makes a lot of sense and I hope it succeeds. You may be sure that if the people choose me to be the next Governor of Florida, I will be joining the other Governors of the Union in welcoming any ideas a new Commission could propose to reduce the paperwork requirements the federal government rains down on state and local governments.

With warm regards,

LAWTON CHILES.●

● Mr. BUMPERS. Mr. President, I am pleased to join my colleagues Senators KASTEN and NUNN in introducing today a bill in an ongoing effort to control and reduce the bipartisan Federal Government's paperwork requirements which seem to sprout like mushrooms. Many, if not most Federal regulations require massive paperwork from businesses, educational and nonprofit institutions, as well as State and local governments. Just last year, the number of Federal regulations grew by 17 percent.

Nearly every agency believes each and every one of its paperwork requirements is essential to implementing the laws and carrying out its duties. As our technology grows more complex, and information increases exponentially, the paperwork requirements follow suit. There must be some mechanism for review and some means of reducing the often overwhelming burden placed on the public.

This paperwork burden affects every man, woman and child in this country. No business man or woman can absorb all the costs. To stay out of bankruptcy, they must pass them along. Sometimes that's very difficult. The price of every hamburger we order includes the cost of an OSHA Material Safety Data Sheet the restaurant must have on file, advising employees that when they wash their hands with soap, they should wash the soap off with water.

Recently, the owner of a small business in Heber Springs, AR, wrote to me about an EPA information gathering activity which he was required to complete within 45 days or face fines and penalties. EPA asked him, among other things, the potential cost of liquidating his small company. He paid an accountant $1,300 dollars and spent over 117 hours answering EPA's inquiries on this single paperwork requirement, even though he had not the slightest need for such information—and I have no idea why the EPA had a need for such information.

The EPA requirement, of course, is only one of many paperwork assignments this constituent must complete. It is the cumulative impact of Government requirements that are so unduly burdensome to those entities that can least afford to comply. Of the $330 billion in estimated annual paperwork costs to business, $100 billion falls on small business which have the least resources for handling Government paperwork.

Although I have long been concerned about paperwork costs and have followed the issue closely, I was astounded to read in the news that 24 cents of every dollar we spend on health care goes for administrative and paperwork costs. This compares with 10 percent to 11 percent in other countries.

In his testimony before a subcommittee of the Small Business Committee in September 1989, the Administrator of the Office of Information and Regulatory Affairs [OIRA] noted the number of hours spent on paperwork would have been far greater if the act's requirements did not suppress the Federal Government's appetite for information on paper.

This is not to say that much of the information requested is not vital to the Federal Government. We must know whether federally insured banks are financially sound. We must know where hazardous materials are stored. We must know how many people reside in the United States and in each particular area in each State in order to plan for services. But, unfortunately, much of the information requested is duplicative and unnecessary, and in some cases, downright silly. Imagine a company having in its files a material safety data sheet on diet cola or white out or hand soap.

Mr. President, in a free society people are only willing to accept so much government. I suspect that in some areas we are perilously close to that line of toleration where government action becomes unacceptable. Reauthorization of the Paperwork Reduction Act is vital if we are to strike a balance between the needs of the Federal Government, and the ability of those it regulates to remain productive and competitive.

Among its provisions, this bill provides a 5-year reauthorization for appropriations for OIRA and clarifies that the act's protections apply to all federally sponsored paperwork.

It requires agencies to designate a senior official to clear all paperwork requests. It provides for a thorough review of every information collection request to ensure its necessity and practical utility, and sets goals for reduction of the paperwork burden by a Governmentwide target of 5 percent.

In addition, it enables an individual to compel the OIRA administrator to provide a written determination on whether an information collection complies with the act's public protection requirements.

Under this bill, the agencies must display an estimate of the paperwork burden on every public information collection it requires, and invite comments from respondents as to its accuracy. The constituent I mentioned earlier was informed that his EPA paperwork would require 80 hours.

According to the Information Collection Budget for fiscal year 1990, the Government's own inventory of paperwork hours totals 5.358 billion hours annually. There are approximately 2.3 million people in my home State. In order to complete the nearly 5½ billion hours of completing forms required during 1 year, every man, woman, and child in Arkansas working 2,000 hours a year could not complete the 2.7 million work years of paperwork, some of them questionable at best.

I cannot point out too often that paperwork burdens fall disproportionately on the smaller entities. The Regulatory Flexibility Act provides that agencies take the special needs of small businesses into account, but that requirement is honored mostly in its disregard. The Department of Labor can fine a company that fails to respond to its information request, but the small business in reality has no recourse when instructed to fill out a long and time-consuming form that may be a duplicate of one required by another agency.

Last year the majority of the members of the Small Business Committee joined me in sending a letter to the chairman and ranking member of the Governmental Affairs Committee expressing our concerns over provisions of a measure that would have made significant changes in the Paperwork Reduction Act of 1980. I will provide a copy of that letter for the RECORD.

It is my intention to hold hearings on this issue before the Small Business Committee to further examine the issues. I hope my colleagues will join us in achieving a sane balance between the Government's need to know and the public's ability to provide information.

Mr. President, I ask unanimous consent that a letter to Senators GLENN and ROTH, chairman and ranking members of the Governmental Affairs Committee, dated April 3, 1990 and signed by 13 members of the Small Business Committee, to be inserted in the RECORD following these remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. SENATE,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, April 3, 1990.

Hon. JOHN GLENN,
Chairman,
Hon. WILLIAM V. ROTH, Jr.,
Ranking Minority Member, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR JOHN AND BILL: Your Committee is now considering S. 1742, the "Federal Information Resources Management Act". This bill, introduced by Senator Bingaman, makes a series of very significant amendments to the Paperwork Reduction Act of 1980 (PRA) and reauthorizes the Office of Information and Regulatory Affairs (OIRA), which serves as the focal point for the Act's implementation.

The paperwork burdens imposed by the Federal Government on individuals and businesses have consistently been a matter of substantial concern to the small business community. The enactment of the PRA and the establishment of OIRA were key recommendations of the 1980 White House Conference on Small Business. Since that time, all segments of the small business community have repeatedly called upon the Congress to preserve and strengthen the Act, and sought its vigorous implementation by the various agencies and OIRA.

As recently as last September, our Subcommittee on Government Contracting and Paperwork Reduction held a hearing to receive testimony from witnesses representing many segments of the small business community. They expressed their continued support for the Act's vigorous application to contain the Government's insatiable appetite for information and regulations. They furnished recent examples of how the Act can effectively protect the public from unnecessary and unreasonable paperwork burdens by requiring agencies to seek out the least burdensome paperwork requirements when fulfilling their missions.

The small business community remains very concerned that some provisions of S. 1742 may severely curtail the protections afforded by the Act. The attached proposal, developed by the National Federation of Independent Business (NFIB) with technical assistance from our Committee staff, represents what the small business community believes are needed modifications to the text of the bill currently before your Committee. In addition to NFIB, it is supported by the Small Business Legislative Council (SBLC), National Small Business United (NSBU), and many of other small business organizations that comprise their memberships. It is our understanding that major groups representing other segments of the business community also support this proposal. We believe that this proposal, which is being considered by your Committee staff in conjunction with NFIB, deserves very serious consideration by the Committee if the PRA's vitality is to be sustained.

Recently, the U.S. Supreme Court decided *Dole* v. *United Steelworkers of America*, interpreting the PRA. The Court held that neither the statute nor its legislative history supported a position that the PRA authorized the review of paperwork burdens required by the Government to be imposed by one private party on another private party. Many in the small business community assert that this decision puts substantial volumes of paperwork burden outside the Act's public protections. For example, information collection or other paperwork requirements imposed on many tiers of subcontractors by their prime contractor at the direction of a procuring agency would be totally free of any review under the Act. Our former colleague from Florida, Lawton Chiles, urged in his brief to the Court that such a limitation was not intended. Appropriate clarification of Congressional intent in this regard would seem to be warranted before final Senate action on the bill.

Further, S. 1742 establishes a set of detailed procedures for recording communications with other Government agencies and the private sector relating to OIRA's exercise of its review activities under the PRA or any other authority. It has been asserted that in their present form these requirements are so detailed that they could possibly become a real restraint on public participation in the review processes established by the Act.

Finally, we wish to commend you and Senator Bingaman for the substantial enhancements made by S. 1742 to improve the formulation and implementation of Government policies regarding overall information resources management and Federal statistical policy. If properly implemented, these enhancements will inure to the benefit of the small business community.

Sincerely,
Dale Bumpers, Chairman; Rudy Boschwitz, Ranking Minority Member; Trent Lott, Charles E. Grassley, Malcolm Wallop, Christopher S. Bond, Robert W. Kasten, Jr., Sam Nunn, Alan J. Dixon, Max Baucus, David L. Boren, John F. Kerry, Tom Harkin, U.S. Senators.•

• Mr. KASTEN. Mr. President, I rise today to join Senators NUNN and BUMPERS in introducing the Paperwork Reduction Act of 1991.

Federal paperwork burdens cost America's businesses more than $100 billion annually. Indeed, the average U.S. business spends $32,000 complying with Government paperwork, and often businesses are forced to hire additional employees to keep up with the Government's paperwork demands.

Let me just list a few of the forms that a small business owner has to cope with: Federal, State, and local tax returns; Commerce and Labor Department census reports; quarterly estimated tax payments; 1099's; W–2's; S–4's; wage tax reports; unemployment compensation reports; excise tax reports; thousands of OSHA's material safety data sheets and environmental data sheets; liability-related insurance reporting; census forms; and the list goes on and on.

Time is money. A small business, consisting of fewer than 25 employees, needs workers in the shop or out on the road selling its product and drumming up new business. It cannot afford to keep them tied up in the office sorting through mountains of forms.

Before I was a Senator, I was a small businessman. I helped to run a family-owned shoe business that made childrens' shoes. We had two small manufacturing plants, one in Campbellsport and one in Thiensville, WI, with a total of 180 employees.

I have experienced firsthand Government redtape. In fact, this is why I decided to go into politics. It seemed like we were spending more time filling out Government paperwork than making shoes.

In 1980, Congress enacted the Paperwork Reduction Act [PRA] to address these burdens, and we reauthorized the law in 1986. The PRA created the Office of Information and Regulatory Affairs [OIRA] within the Office of Management and Budget to review and approve Government paperwork requirements. The enactment of the PRA and the establishment of OIRA were key recommendations of the 1980 White House Conference on Small Business. Since 1981, OMB claims it has reduced the time spent filling out Government paperwork by almost 600 million hours each year. Using a conservative estimate of $10 per hour, this reduction is saving the economy $6 billion annually.

In September 1989, the Small Business Committee's Subcommittee on Government Contracting and Paperwork Reduction held a hearing to review the act's implementation from the small business perspective. The subcommittee heard from several small business representatives, who reinforced the need for the PRA and urged that the act be strengthened to better stem the tide of paperwork.

Last year, Congress considered legislation to amend the PRA, which would have unnecessarily restricted the authority of OIRA to review paperwork, making the law weaker rather than stronger. Moreover, the legislation failed to address a key issue of paperwork reduction, a recent Supreme Court decision, Dole versus United Steelworkers of America, which has effectively removed one-third to one-half of all agency information requests from OMB's oversight.

The bill we are introducing today would make clear that the PRA's public protections apply to all Government sponsored paperwork, eliminating any confusion over so-called third-party disclosures caused by the Steelworkers decision. To give a few examples, such so-called third-party information collections would include I–9 immigration forms and W–4 tax forms, which have been nightmares for employers in the past.

Our bill reaffirms the fundamental purpose of the 1980 Paperwork Reduction Act: to minimize the burden of Federal paperwork on small businesses, educational and nonprofit institutions, and the public, in general. Further, it provides a 5-year authorization for appropriations for OIRA.

I would also note that the bill sets a Governmentwide goal of at least a 5-percent reduction annually of the paperwork burden on the public.

This bill has the support of all of the national small business groups, including the National Federation of Independent Business, the Small Business Legislative Council, National Small Business United, and other business groups like the U.S. Chamber of Commerce and the National Association of Manufacturers.

Small businesses are the engines of America's prosperity and create the jobs on which our families depend. We need to quit imposing unnecessary burdens on these wealth creators—and start giving them a break. This bill is an important step in the right direction, toward a future in which our entrepreneurs can worry about creating products instead of filling out mountains of forms.

Mr. President, I ask unanimous consent that an editorial on this subject be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 28, 1991]

IN BUSH PRESIDENCY, THE REGULATORS RIDE AGAIN

(By Robert Pear)

WASHINGTON.—Ten years after President Reagan announced a systematic campaign to cut away the thicket of Federal regulation, the garden of Government is once again teeming with an abundant growth of new regulations.

The Bush Administration disclosed last week that it was preparing a record number of new rules, covering everything from clean air to child care to savings and loan associations.

The "unified agenda of Federal regulations," published twice a year, shows that the number of regulations being developed by Federal agencies has grown about 17 percent, to 4,675, since Mr. Bush became President in January 1989. From 1983 through 1988, the number held steady at around 4,000.

White House officials say President Bush is distressed by the increase. As Vice President, he coordinated the Reagan Administration's "deregulation" campaign, one of the cornerstones of Mr. Reagan's economic program. Mr. Bush led the Reagan Task Force on Regulatory Relief, which mowed down hundreds of rules deemed burdensome to business, consumers, universities or local governments.

Federal officials and former officials give two reasons for the resurgence of rule-making activity: President Bush has not made deregulation a political priority, and Congress has passed many laws that require the executive branch to formulate new rules.

Cornelius M. Kerwin, dean of the School of Public Affairs at American University, said, "The volume of rule-making in this country is a reflection of the demands made on our political system by the American people, and they now want the Government to take an active role in solving a broad swath of problems."

DEREGULATION

Professor Kerwin said that President Bush, preoccupied with foreign affairs, had been "less than aggressive in his attack on Federal regulation."

Bush Administration officials said that new rules were proliferating because they were required by new laws dealing with, among other things, immigration, Federal grants to child care centers, restrictions on lobbying, food product labeling, aircraft noise and the rights of disabled people.

Christopher C. DeMuth, president of the American Enterprise Institute, who was executive director of Mr. Bush's Task Force on Regulatory Relief from 1981 to 1984, said: "There is a great growth in regulation these days all over the Federal Government. It is being led by Bush appointees."

In part, he said, the current trend reflects a perception that "maybe we went too far" in reducing regulation of financial institutions, airlines and other industries. Mr. DeMuth said he emphatically disagreed with that view.

James C. Miller 3d, director of the Office of Management and Budget from October 1985 to October 1988, said that the effort to curtail Federal regulation "definitely gets less emphasis now than in the 1980's." Mr. Miller, a former chairman of the Federal Trade Commission, said that Mr. Bush should "put more of his political capital into the effort to avoid excessive regulation."

The costs of Federal regulation were one of President Reagan's favorite themes. "American society experienced a virtual explosion in Government regulation" in the 1970's, he said in 1981. Excessive, inefficient regulations "limit job opportunities, raise prices and reduce the incomes of all Americans," he said. His Vice President, Mr. Bush, declared that "we have regulated ourselves to death."

By May 1982, Mr. Reagan was boasting, "We acted quickly and effectively to cut away the thicket of Federal regulations—a thicket that was stifling business and industrial growth."

Heather J. Gradison, who served as head of the Interstate Commerce Commission from 1985 to 1990, said she was disappointed to see a diminished commitment to deregulation these days. "The Reagan Administration appointed people who had strong ideological inclinations to move forward with deregulation," she said. "We have not seen anything like that mandate from the Bush people."

But Robert Pitofsky, a law professor at Georgetown University who served on the Federal Trade Commission from 1978 to 1981, said the political pendulum was just swinging back toward the center. "Regulation during the Reagan years, when enforcers were ideologically committed to an extreme free-market approach, was uncharacteristically low, compared with the previous 30 years," he said. "What we are seeing now is a more centrist trend, a move back toward the historic average."

The agenda of regulatory activities planned by Federal agencies in the next 12 months includes such diverse items as peanut marketing quotas, tobacco price supports, restrictions on imports of honeybees and zebra mussels, auto emission standards, child labor rules, restrictions on fishing for black rockfish off the coast of Washington and rules for disposing of tissue from dead whales.

Vice President Dan Quayle is trying to carve a role for himself monitoring Federal regulation to insure that the benefits of new rule outweigh the burdens imposed on American business. As head of a new interagency group called the Council on Competitiveness, Mr. Quayle had advised all Federal agencies that he intends to supervise the review of proposed regulations, just as Mr. Bush did in the last Administration. Already the council has demanded changes in several environmental rules, including one that would set air pollution standards for municipal waste incinerators.

The Quayle panel would seem to be acting in line with the philosophy Mr. Bush expressed when he signed the clean air bill last year. He said the Government should rely less on regulation and more on the marketplace, offering "incentives, choice and flexibility for industry to find the best solutions."

But the growth in the volume and detail of Federal regulation seems likely to continue unless President Bush makes a stronger personal effort to curtail it.●

● Mr. RUDMAN. Mr. President, I am pleased to join my colleagues Senators NUNN and KASTEN in sponsoring the Paperwork Reduction Act of 1991. This bill has the same basic goal as legislation I introduced last year of reauthorizing appropriations to carry out the Paperwork Reduction Act, and I am pleased to support this measure today.

The Paperwork Reduction Act or PRA is one of those little-known but far-reaching laws which touches the majority of Americans. Originally enacted in 1980 under the sponsorship of former Senator Chiles of Florida, the act sought to reduce the paperwork burden that the Federal Government requires of taxpayers. Anyone who has filled out a Federal tax return, applied for a Social Security number, or responded to a census survey, has participated in the paperwork process. Paperwork is the primary conduit through which the Federal Government obtains information, thus providing a vital link between the bureaucracy and the American people. Just as essential, however, is the need to ensure that citizens are not overburdened by Federal paperwork, and it is this problem that the Paperwork Reduction Act is designed to address.

In carrying out this goal, the PRA requires Federal agencies to consider the impact of their requests for information and to minimize the demands imposed on the public. It also created the Office of Information and Regulatory Affairs, known as OIRA, to oversee this process and other information management issues.

The authorization of appropriations for OIRA to carry out the Paperwork Reduction Act expired September 30, 1989. The delay in renewing this important law has revolved around two issues: the role of OIRA with respect to its function of reviewing on behalf of a President the regulations proposed by executive agencies; and the proper extent of OIRA's paperwork control functions.

The issue regarding regulatory review is a sensitive matter which has been around for a decade. I will limit myself today to noting that in 1982, Senator LEVIN, Senator DURENBERGER, and I proposed and the Senate passed legislation governing this issue. Although that measure did not become law, it led to an agreement between Congress and OBM Director James Miller in 1986 which the White House is still complying with today. Although I have no problem with Congress choosing to revisit this issue, that debate should not come at the expense of the Paperwork Reduction Act itself, which has now been without reauthorization for a year and a half.

Regarding the OIRA's paperwork control functions, some have argued that OIRA has ineffectively carried out its paperwork review mandate and provisions in earlier reauthorization proposals to limited OIRA's authority in this regard. In my view, while there is certainly room for improvement in assessing and reducing Federal paperwork burdens on the public, these burdens would undoubtedly be greater in the absence of the PRA. For this reason, the mission of OIRA should be strengthened, not diminished.

The legislation I am consponsoring would accomplish this very goal. It reaffirms the fundamental purpose of the original Paperwork Reduction Act of 1980 to minimize paperwork burdens imposed on the public, including individuals, businesses, local governments, and educational and non profit institutions. To do this, the Paperwork Reduction Act of 1991 provides a 5-year authorization of appropriations to OIRA for the purpose of carrying out the mandates of the Act.

Other important aspects of this legislation include: clarifying that the PRA's provisions apply to all government-sponsored paperwork, irrespective of whether the paperwork is for Federal Government use or intended for nongovernmental third-parties; reestablishing percentage-based goals for paperwork reduction; increasing agency responsibilities for managing paperwork reduction; reducing by 30 days the amount of time an agency's proposed paperwork requirement spends at OIRA; establishing standards to better estimate public paperwork burdens; and providing OIRA with authority to carry out demonstration projects for the purpose of testing innovative approaches to minimizing paperwork burden.

As Members of Congress, we rely on regulatory compliance to ensure the effective execution of the laws we pass. Tax policy, occupational safety standards, environment law, and a myriad of other issues make the journey from broad legislation to real and substantive policy through the regulatory process, and paperwork is the route to the successful completion of these efforts. We expect individuals and businesses to recognize their obligation to be cooperative with Federal requirements. In exchange, we must be cognizant of and reduce the public impact of such Federal action.

Coming from New Hampshire, I am particularly sensitive to the needs of small businesses which have the hardest time with Federal paperwork compliance. Many small businesses must hire accountants and other specialists merely to understand Government forms, let alone to begin complying with them. When excess time and money is spent on Federal paperwork, it is diverting resources which could be applied to improve management and productivity. Small businesses employ 40 million people in this country and account for over half of new jobs. Stemming and reducing the burden of Federal paperwork does more than simply alleviate unnecessary or duplicative information requests; it is good for the entire economy.

The Paperwork Reduction Act has worked; even its opponents would be hard pressed to dispute the fact that the public burden of Federal paperwork would have been much higher over the last decade were it not for the existence of this act. Now the time has come once again for Congress to show that it is sensitive to federally imposed redtape upon the American public. The Paperwork Reduction Act of 1991 will provide the tools necessary to make even greater strides in this direction, and I urge its prompt consideration and support by the full Senate.•

• Mr. BOND. Mr. President, I am pleased today to cosponsor the Paperwork Reduction Act of 1991 [PRA].

Thank you, Senator NUNN and Senator KASTEN for sponsoring this long awaited and much needed piece of legislation.

Small businesses are a vital part of this Nation's economy. They create the majority of the new jobs and a large part of the economic growth. It is important that the Federal Government enact policies which ensure that small businesses can continue to grow and thrive.

As a member of the Senate Small Business Committee, I have been working over the past 4 years to ensure that we do take steps that will allow small businesses to succeed. And burying them under mountains of paperwork is not the way to aid them in their search for success. One way to help them is to reduce the time spent filling out Federal Government forms, which is currently 1 billion hours each year. This amount of time is outrageous; and I believe that the PRA will help to reduce the burden so that small business owners can put their time to more constructive and profitable uses.

As the ranking Republican on the Procurement and Paperwork Subcommittee, I have taken a special interest in this bill. It is an attempt to reaffirm the fundamental purpose of the Paperwork Reduction Act of 1980, which was to minimize the Federal paperwork burdens imposed on individuals and small business owners, among others. It also requires goals to be set by the various Federal agencies, placing real obligations on them to lighten the paperwork load. The Paperwork Reduction Act of 1991 takes a positive look at the original act of 1980 with the intention of strengthening both the act and the ability of the Office of Information and Regulatory Affairs to implement it.

Along with the support of its original cosponsors, the PRA has the support of many small business organizations, including the National Federation of Independent Business, National Small Business United, and the Small Business Legislative Council. The U.S. Chamber of Commerce also joins in championing this bill. I hope that all of my colleagues will join us to ease the enormous paperwork burden on individuals and small business owners which is caused by the Federal Government's incessant need for information.•

By Mr. WOFFORD:

S. 1140. A bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis; to the Committee on Labor and Human Resources.

HIGHER EDUCATION ACT SIMPLIFICATION

• Mr. WOFFORD. Mr. President, Senator KENNEDY rightly said this morning that the national educational system is in urgent need of an overhaul. He offered a series of bills that, if passed, should make substantial improvements. I rise now to offer one further bill that would change the treatment of home asset value in determining a family's financial ability to pay for a child in college.

Under current law, a family may have low annual income but, due to home equity accumulated over years of making mortgage payments, still be held capable of paying large college expenses. Under the bill I am introducing, if home equity exceeds two times a family's annual income, then the excess may not be considered in determining the family's ability to pay for a child in college. As a result, their child will be eligible to receive Federal financial aid for higher education.

It's just not fair that some families who've worked hard to pay their mortgages over the years can't receive college aid. This bill will help struggling middle-class families on limited incomes send their children to college. No longer will college aid be out of reach for kids from families whose home is their only major asset.

I ask unanimous consent that the text of this bill be printed in the RECORD, following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BEOG PURPOSE.

(a) IN GENERAL.—Section 411 of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") (20 U.S.C. 1070a) is amended—

(1) by amending paragraph (1) of subsection (b) to read as follows: "(1) The purpose of this subpart is to provide a basic grant that (A) as determined under paragraph (2), will contribute to a student's cost of attendance (as defined in section 472 of part F); and (B) in combination with reasonable parental or student contribution and supplemented by the programs authorized under subparts 2 and 3 of this part, will meet 75 percent of a student's cost of attendance (as defined in section 472), unless the institution determines that a greater amount of assistance would better serve the purposes of section 401.";

(2) in the matter preceding subparagraph (A) of subsection (f)(1), by striking "an estimate of the eligibility index" and inserting "the federal eligibility number (determined in accordance with section 473 of part F) as part of the contractor's regular output";

(3) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "eligibility index" and inserting "federal eligibility number";

(ii) in subparagraph (B), by striking "eligibility index" and inserting "federal eligibility number"; and

(iii) in subparagraph (D), by striking "eligibility index" and inserting "federal eligibility number"; and

(B) in paragraph (3)—

(i) by striking "1986-1987" and inserting "1993-1994"; and

(ii) by striking "eligibility index" and inserting "federal eligibility number"; and

(C) by inserting at the end thereof the following new paragraph:

"(4) For purposes of calculating awards under this subpart, institutions of higher education shall use—

"(A) the student's federal eligibility number (determined in accordance with section 473 of part F);

"(B) the amount of tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study; and

"(C) the student's enrollment status.".

(b) CONFORMING AMENDMENTS.—Subsection (b) of section 411 of the Act is further amended—

(1) in paragraph (3), by striking "411F" and inserting "472"; and

(2) in paragraph (4), by striking "411F" and inserting "472".

SEC. 2. REPEALERS.

Sections 411A, 411B, 411C, 411D, 411E, and 411F of the Act (20 U.S.C. 1070a-1, 1070a-2, 1070a-3, 1070a-4, 1070a-5, 1070a-6, and 1070a-7) are repealed.

SEC. 3. AMOUNT OF NEED.

Section 471 of the Act (20 U.S.C. 1087kk) is amended by striking "subparts 1 and 3" and inserting "subpart 1".

SEC. 4. COST OF ATTENDANCE.

Section 472 of the Act (20 U.S.C. 1087ll) is amended—

(1) in the matter proceeding paragraph (1), by striking "except for subpart 1 of part A and";

(2) by amending paragraph (3) to read as follows:

"(3) an allowance (as determined by the institution) based on the expenses reasonably incurred for room and board costs for—

"(A) students residing at home with parents;

"(B) students residing in institutionally owned or operated housing; and

"(C) all other students";

(3) in paragraph (5), by inserting "(as determined by the institution)" after "costs";

(4) by striking "and" at the end of paragraph (8);

(5) by striking the period at the end of paragraph (9) and inserting a semicolon and "and"; and

(6) by inserting at the end thereof the following new paragraph:

"(10) for any student, additional educational expenses determined by the institution to be necessary for the student's program of study.".

SEC. 5. FEDERAL ELIGIBILITY.

Section 473 of the Act (20 U.S.C. 1087mm) is amended to read as follows:

"(a) FEDERAL ELIGIBILITY.—For the purpose of this title and except as provided in subsection (b), the term 'family contribution' with respect to any student means the amount which the student and his or her family may be reasonably expected to contribute toward his or her postsecondary education for the award year for which the determination is made, as determined in accordance with this part.

"(b) ADJUSTMENTS IN THE CASE OF PELL GRANTS.—

"(1) IN GENERAL.—For purposes of the program described in subpart 1 of part A, the term 'family contribution' is modified to exclude—

"(A) the standard income contribution determined in accordance with section 480(j) of this part; and

"(B) veterans' educational benefits determined in accordance with sections 476(a)(3) and 477(a)(4) of this part.

"(2) SPECIAL RULE.—Notwithstanding the adjustment required by paragraph (1), any calculated contribution from student income shall be used in determining the family contribution for purposes of the program in subpart 1 of part A.

"(c) FEDERAL ELIGIBILITY NUMBER.—

"(1) IN GENERAL.—The expected family contribution, as modified in paragraphs (1) and (2) of this subsection, shall be the 'federal eligibility number'.

"(2) PELL GRANTS.—For purposes of the program under subpart 1 of part A, eligibility is determined using the federal eligibility number.".

SEC. 6. DATA ELEMENTS USED IN DETERMINING EXPECTED FAMILY CONTRIBUTION.

Section 474 of the Act (20 U.S.C. 1087nn) is amended—

(1) in paragraph (1), by striking "dependent student" and inserting "student using the Parents First model";

(2) by amending paragraph (3) to read as follows:

"(3) the number of family members who are enrolled in, on at least a half-time basis, a program of postsecondary education and for whom the family may reasonably be expected to contribute to such family members' postsecondary education, except that (A) in the case of the Parents First model, only the dependent children of the parents are included, and (B) in the case of the Students First models, the student, spouse, and dependents of the student are included;";

(3) in paragraph (4), by striking "dependent student" and inserting "student using the Parents First model"; and

(4) by amending paragraphs (6), (7), and (8) to read as follows:

"(6) the age of (A) the older parent in the case of a student using the Parents First model, and (B) the student in the case of a student using a Students First model;

"(7) the additional expenses incurred (A) in the case of a student using the Parents First model, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of a student using a Students First model, when both the student and his or her spouse are employed or when the employed student qualifies as a surviving spouse or as a head of a household under section 2 of the Internal Revenue Code of 1986; and

"(8) except for the program in subpart 1 of part A, (A) the standard income contribution, and (B) the student's veterans educational benefits.".

SEC. 7. FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL.

(a) AMENDMENT TO TEXT.—Section 475 of the Act (20 U.S.C. 1087oo) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Parents First model, the expected family contribution is equal to the sum of—

"(1) the parents' contribution (determined in accordance with subsection (b));

"(2) the student contribution from income (determined in accordance with subsection (g); and

"(3) the student (and spouse) contribution from assets (determined in accordance with subsection (h)),

except that a family receiving public assistance (as defined in section 480(c)) or a family with a parents' earned income less than the earned income limitation under section 32 of the Internal Revenue Code of 1986 (relating to the earned income credit) at the time of application shall be considered to have a zero family contribution.

"(b) PARENTS' CONTRIBUTION FROM ADJUSTED AVAILABLE INCOME.—The parents' contribution from adjusted available income is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the parents' available income (determined in accordance with subsection (c)); and

"(B) the parents' income supplemental amount from assets (determined in accordance with subsection (d));

"(2) assessing such adjusted available income in accordance with the assessment schedule set forth in subsection (e); and

"(3) dividing the assessment resulting under paragraph (2) by the number of the dependent children of the parent(s) who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

except that the amount determined under this subsection shall not be less than zero.

"(c) PARENTS' AVAILABLE INCOME.—

"(1) IN GENERAL.—The parents' available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5).

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And parent's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8

Percentages for Computation of State and Other Tax Allowance—Continued

If parent's State or territory of residence is—	And parent's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478);";

Income Protection Allowance

Family size	Number in college					
(including student)	1	2	3	4	5	For each additional subtract:
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770
For each additional add:	2,490	2,490	2,490	2,490	2,490	

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the parent with the lesser earned income.

"(B) If a parent qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993-1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker versus one-worker family.

"(d) PARENTS' INCOME SUPPLEMENTAL AMOUNT FROM ASSETS.—

"(1) IN GENERAL.—Except as provided in paragraph (5), the parents' income supplemental amount from assets is equal to—

"(A) the parental net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) PARENTAL NET WORTH.—The parental net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (6);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter in this subsection referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the oldest parent is—	And there are	
	two parents	one parent
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700

Asset Protection Allowances for Families and Students—Continued

If the age of the oldest parent is—	And there are	
	two parents	one parent
	then the asset protection allowance is—	
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(5) INCOME SUPPLEMENTAL AMOUNT.—For purposes of determining the income supplemental amount from assets, for families who (A) have total income (determined in accordance with section 480(a)) which is equal to or less than $20,000; and (B) who, at the time of application, have filed a 1040A or 1040EZ pursuant to the Internal Revenue Code of 1986, or are not required to file pursuant to such Code, the income supplemental amount from assets is zero";

"(6) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(e) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (b)(1) and hereafter in this subsection referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478:

Parents' Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(f) COMPUTATIONS IN CASE OF SEPARATION, DIVORCE, REMARRIAGE, OR DEATH.—

"(1) DIVORCED OR SEPARATED PARENTS.—Parental income and assets for a student whose parents are divorced or separated are determined under the following procedures:

"(A) Include the income and assets of both parents regardless of whom the student resides with.

"(B) If the preceding criterion does not apply, include only the income and assets of the parent who provided the greater portion of the student's support for the 12-month period preceding the date of application.

"(C) If neither of the preceding criteria apply, include only the income and assets of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

"(2) DEATH OF A PARENT.—Parental income and assets in the case of the death of any parent is determined as follows:

"(A) If either of the parents have died, the student shall include only the income and assets of the surviving parent.

"(B) If both parents have died, the student shall not report any parental income or assets.

"(3) REMARRIED PARENTS.—Income in the case of a parent whose income and assets are taken into account under paragraph (1), or a parent who is a widow or widower and whose income and assets are taken into account under paragraph (2), has remarried, is determined as follows: The income and assets of that parent's spouse shall be included in determining the student's expected family contribution if—

"(A) the student's parent and the stepparent are married as of the date of application for the award year concerned; and

"(B) the student does not qualify under the Students First definition.

"(g) STUDENT CONTRIBUTION FROM INCOME.—

"(1) IN GENERAL.—For the purpose of this title, (except for the program under subpart 1 of part A), the student contribution from available income under this section is equal to—

"(A) a standard income contribution of $900 for a first-year undergraduate student; or

"(B) a standard income contribution of $1,100 for any other student.

"(2) STANDARD INCOME CONTRIBUTION.—The standard income contribution is updated according to section 478.

"(h) STUDENT (AND SPOUSE) CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); multiplied by

"(B) the asset conversion rate (determined in accordance with paragraph (3));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) STUDENT'S NET WORTH.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (4);

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(4) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(i) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than nine months, the parents' contribution from adjusted available income is determined as follows:

"(1) For periods of enrollment less than 9 months, the parents' contribution from adjusted available income (determined in accordance with subsection (b)) is divided by 9 and the result multiplied by the number of months enrolled.

"(2) For periods of enrollment greater than 9 months—

"(A) the parents' adjusted available income (determined in accordance with subsection (b)(1)) is increased by the difference between the income protection allowance (determined in accordance with subsection (c)(4)) for a family of four and a family of five, each with one child in college;

"(B) the resulting revised parents' adjusted available income is assessed according to subsection (e) and adjusted according to subsection (b)(3) to determine a revised parents' contribution from adjusted available income;

"(C) the original parents' contribution from adjusted available income is subtracted from the revised parents' contribution from adjusted available income, and the result is divided by 12 to determine the monthly adjustment amount; and

"(D) the original parents' contribution from adjusted available income is increased by the product of the monthly adjustment amount multiplied by the number of months greater than 9 for which the student will be enrolled.

"(j) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading for section 475 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR PARENTS FIRST MODEL".

SEC. 8. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITHOUT DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 476 of the Act (20 U.S.C. 1087pp) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is determined by—

"(1) dividing the student's (and spouse's) contribution from income (determined in accordance with subsection (b)) by the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested, except that the student (and spouse's) contribution from income shall not be less than the standard income contribution of $1,350;

"(2) dividing the student's (and spouse's) contribution from assets (determined in accordance with subsection (c)) by the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

"(3) adding the resulting figures except that a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits determined in accordance with section 480(e).

"(b) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM INCOME.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from income is determined by deducting from total income—

"(A) Federal income taxes;

"(B) an allowance for State and local income taxes, determined in accordance with paragraph (2);

"(C) the allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance determined in accordance with paragraph (4); and

"(E) assessing such available income in accordance with paragraph (5), except the resulting amount shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND LOCAL INCOME TAXES.—The allowance for State and local income taxes is equal to an amount determined by multiplying total taxable income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Local Income Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming.	0
Connecticut, Louisiana, Puerto Rico	1
Arizona, New Hampshire, New Mexico, North Dakota	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma.	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico.	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina.	5
Hawaii, Maryland, Michigan, Wisconsin	6
Delaware, District of Columbia, Minnesota, Oregon	7
New York	8

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amounts earned by the student (and spouse) each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is a monthly allowance for periods of nonenrollment. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Student marital status	Number in college	
	Student only	Student and spouse
Unmarried	$5,185	—
Married	$10,370	$8,600

"(5) ASSESSMENT OF AVAILABLE INCOME.—The student's (and spouse's) available income (determined in accordance with paragraph (1) of this section) is assessed at 70 percent.

"(c) STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The student's (and spouse's) contribution from assets is equal to—

"(A) the student's (and spouse's) net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4));

except that the student's (and spouse's) contribution from assets shall not be less than zero.

"(2) STUDENT'S NET WORTH.—The student's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

and

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	35 percent of NW
$75,001–$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001–$370,000	$93,750 plus 55 percent of NW over $225,000
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Students Without Dependents

If the age of the student is—	Then the asset protection allowance is—
25 or less	$0.
26	1,700
27	3,300
28	5,000
29	6,700
30	8,400
31	10,000
32	11,700
33	13,400
34	15,100
35	16,700
36	18,400
37	20,100
38	21,800
39	23,400
40	25,100
41	25,700
42	26,200
43	26,800
44	27,300
45	28,000
46	28,700
47	29,200
48	29,900
49	30,600
50	31,400
51	32,100
52	32,900
53	33,700
54	34,700
55	35,500
56	36,400
57	37,500
58	38,300
59	39,500
60	40,600
61	41,700
62	42,900
63	44,100
64	45,400
65 or more	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) three times the total income (as determined in accordance with section 480(a)).

"(B) The net value of the principal place of residence is determined by subtracting outstanding liabilities or indebtedness from the value described in subparagraph (A).

"(d) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 476 is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITHOUT DEPENDENT CHILDREN".

SEC. 9. FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN.

(a) AMENDMENT TO TEXT.—Section 477 of the Act (20 U.S.C. 1087qq) is amended to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each student using the Students First model, the expected family contribution is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the family's available income (determined in accordance with subsection (b)); and

"(B) the family's income supplemental amount from assets (determined in accordance with subsection (c)); and

"(2) assessing such adjusted available income in accordance with an assessment schedule set forth in subsection (d);

"(3) dividing the assessment resulting under paragraph (2) by the number of family members who will be attending, on at least half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested, except that the amount determined under this subsection shall not be less than the standard income contribution of $1,350 and a family receiving public assistance (as defined in section 480(c)) at the time of application shall be considered to have a zero family contribution; and

"(4) adding veterans' benefits as determined in accordance with section 480(e).

"(b) FAMILY'S AVAILABLE INCOME.—

"(1) IN GENERAL.—The family's available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4); and

"(E) an employment expense allowance, determined in accordance with paragraph (5), except that the resulting available income shall not be less than zero.

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parent's State or territory of residence is—	And student's total income is— less than $15,000	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student and the amount earned by the student's spouse each multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is the amount of expenses that would be associated with support of an individual or family, and above which income could be considered to be available for educational expenses. The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Family size (including student)	Number in college 1	2	3	4	5	For each additional subtract:
2	$10,370	$8,600				
3	12,910	11,150	$9,380			
4	15,940	14,180	12,410	$10,640		
5	18,810	17,050	15,280	13,510	$10,500	
6	22,010	20,240	18,470	16,700	14,930	$1,770
For each additional add:	2,490	2,490	2,490	2,490	2,490	

For each additional family member add $2,490.
For each additional college student subtract $1,770.

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows:

"(A) If both the student and a spouse were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the student or spouse with the lesser earned income.

"(B) If a student qualifies as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,100 or 35 percent of his or her earned income.

For any award year after award year 1993-1994, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker versus one-worker family.

"(c) FAMILY'S INCOME SUPPLEMENTAL AMOUNT FROM ASSETS.—

"(1) IN GENERAL.—The family's income supplemental amount from assets is equal to—

"(A) the family net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)) except that the resulting amount shall not be less than zero; multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)).

"(2) FAMILY NET WORTH.—The family net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, including the net value in the principal place of residence (except that the value of the principal place of residence is determined in accordance with paragraph (5));

"(C) the adjusted net worth of a business, computed on the basis of the net worth of such business (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Business

If the net worth of a business is—	Then the adjusted net worth is:
Less than $1	$0
$1-$75,000	40 percent of NW
$75,001-$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001-$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

"(D) the adjusted net worth of a farm, computed on the basis of the net worth of such farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478):

Adjusted Net Worth of a Farm

If the net worth of a farm is—	Then the adjusted net worth is:
Less than $1	$0
$1-$75,000	35 percent of NW
$75,001-$225,000	$26,250 plus 45 percent of NW over $75,000
$225,001-$370,000	$93,750 plus 55 percent of NW over $225,000

Adjusted Net Worth of a Farm—Continued

If the net worth of a farm is—	Then the adjusted net worth is:
$370,001 or more	$173,500 plus 95 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table:

Asset Protection Allowances for Families and Students

If the age of the student is—	And the student is	
	married	unmarried
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,300	1,700
27	4,500	3,300
28	6,800	5,000
29	9,000	6,700
30	11,300	8,400
31	13,600	10,000
32	15,800	11,700
33	18,100	13,400
34	20,300	15,100
35	22,600	16,700
36	24,900	18,400
37	27,100	20,100
38	29,400	21,800
39	31,600	23,400
40	33,900	25,100
41	34,800	25,700
42	35,700	26,200
43	36,400	26,800
44	37,300	27,300
45	38,300	28,000
46	39,300	28,700
47	40,300	29,200
48	41,600	29,900
49	42,700	30,600
50	43,800	31,400
51	45,200	32,100
52	46,300	32,900
53	47,800	33,700
54	49,300	34,700
55	50,500	35,500
56	52,100	36,400
57	53,700	37,500
58	55,700	38,300
59	57,400	39,500
60	59,100	40,600
61	61,200	41,700
62	63,400	42,900
63	65,300	44,100
64	67,600	45,400
65 or more	69,900	46,900

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(5) VALUE AND NET VALUE OF PRINCIPAL PLACE OF RESIDENCE.—(A) For purposes of determining the value of the principal place of residence, such value shall be the lesser of—

"(i) the current market value; or

"(ii) two times the total income (as determined in accordance with section 480(a)).

"(B) The net value is determined by subtracting outstanding liabilities or indebtedness against the assets from the value described in subparagraph (A).

"(d) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (a)(1) and hereafter referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –$3,409	–$750
–$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300

Assessment From Adjusted Available Income (AAI)—Continued

If AAI is—	Then the assessment is—
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(e) ADJUSTMENT FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution is adjusted based on individual circumstances.".

(b) AMENDMENT TO HEADING.—The heading to section 477 of the Act is amended to read as follows:

"FEDERAL ELIGIBILITY FOR STUDENTS FIRST MODEL WITH DEPENDENT CHILDREN".

SEC. 10. SIMPLIFIED NEEDS ANALYSIS.

Section 479 of the Act (20 U.S.C. 1087ss) is repealed.

SEC. 11. DISCRETION OF STUDENT AID ADMINISTRATORS.

Section 479A of the Act (20 U.S.C. 1087tt) is amended—

(1) in the first sentence, by striking "attendance or the data required to calculate the expected student contribution or parent contribution (or both)" and inserting "attendance, the data required or methodology used to calculate the expected student or parent contribution (or both), or the expected student or parent contribution (or both)";

(2) by amending the third sentence to read as follows: "Special circumstances shall be conditions pertaining to an individual student."; and

(3) by repealing subsections (b) and (c).

SEC. 12. DEFINITIONS.

(a) IN GENERAL.—Section 480 of the Act (20 U.S.C. 1087vv) is amended—

(1) by amending subsection (a) to read as follows:

"(a) TOTAL INCOME.—(1) Except as provided in paragraph (2), the term 'total income' is equal to adjusted gross income plus untaxed income and benefits for the preceding tax year minus excludable income (as defined in subsection (f)).

"(2) Except for amounts earned from work under part C of this title, no portion of any student financial assistance received from any program by an individual shall be included as income in the computation of expected family contribution for any program funded in whole or in part under this Act.";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "parent contributions or the contributions of independent students with dependents (including spouses)" and inserting "contributions calculated under the Parents First or Students First models described in sections 475 and 476"; and

(B) in paragraph (7) by inserting "from any source to the student or" after "paid";

(3) by amending subsection (c) to read as follows:

"(c) PUBLIC ASSISTANCE.—The term 'public assistance' means income maintenance programs, including aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act and aid to dependent children.";

(4) by amending subsection (d) to read as follows:

"(d) STUDENTS FIRST AND PARENTS FIRST.—

"(1) STUDENTS FIRST.—The term 'Students First' with respect to a student means any individual who—

"(A) is 24 years of age or older by July 1 of the award year;

"(B) is an orphan or ward of the court;

"(C) is a veteran (as defined in section 480(e)) of the Armed Forces of the United States;

"(D) is a graduate or professional student;

"(E) has legal dependents other than a spouse; or

"(F) is a student for whom a financial aid administrator makes a documented determination that the student meets the Students First requirements by reason of other unusual circumstances.

"(2) PARENTS FIRST.—The term 'Parents First' with respect to a student means any student who does not meet the Students First requirements described in paragraph (1).";

(5) by amending subsection (e) to read as follows:

"(e) VETERAN AND VETERANS' BENEFITS.—

"(1) VETERAN.—The term 'veteran' has the meaning given such term in section 101(2) of title 38, United States Code.

"(2) VETERANS' BENEFITS.—The term 'veterans' benefits', with respect to a student, includes the following benefits received by the student during the award year:

"(A) Financial assistance for specially selected members of the Reserve Officer Training Corps pursuant to section 2107 or 2107a of title 10, United States Code.

"(B) Educational assistance for members of the Selected Reserve pursuant to chapter 106 of such title.

"(C) Educational assistance for persons enlisting in the Armed Forces for active duty pursuant to chapter 107 of such title.

"(D) The monthly allowance payable to a student enrolled for advanced training in the Senior Reserve Officers' Training Corps for advanced training.

"(E) Educational assistance pursuant to chapter 30 of title 38, United States Code, relating to the All-Volunteer Force Educational Assistance Program.

"(F) An allowance, loan, or other form of monetary assistance authorized by section 1504 of title 38, United States Code, relating to training and rehabilitation for veterans with service-connected disabilities.

"(G) Payments pursuant to chapter 32 of title 38, United States Code, relating to post-Vietnam era veterans' educational assistance.

"(H) Educational assistance pursuant to chapter 35 of title 38, United States Code, relating to survivors' and dependents' educational assistance.

"(I) Payments pursuant to section 156 of Public Law 97-377 for survivors of certain members and former members of the Armed Forces.

"(J) Payment of the monthly contribution of a participant in the Post-Vietnam Era Veterans' Educational Assistance Program provided for under chapter 32 of title 38, United States Code, as authorized by section 903(a) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note), and monthly assistance payments to a spouse or child as authorized by section 903(c) of such Act.";

(6) by amending subsection (f) to read as follows:

"(f) EXCLUDABLE INCOME.—The term 'excludable income' means any student financial assistance awarded based on need as determined in accordance with the provisions of this part, except any income earned from work under part C of this title.";

(7) in subsection (g) by striking "net"; and

(8) by inserting at the end thereof the following new subsection:

"(j) STANDARD INCOME CONTRIBUTION.—

"(1) IN GENERAL.—The term 'standard income contribution' means the amount the student is expected to contribute to the student's postsecondary educational expenses and is equal to—

"(A) $900 for first year undergraduate students who use the Parents First model;

"(B) $1,100 for all students who use the Parents First model who are not described in subparagraph (A); and

"(C) $1,350 for all students who use one of the Students First models.

"(2) UPDATE.—The standard income contribution is updated according to section 478 of this part.".

(b) CONFORMING AMENDMENT.—The subsection heading for subsection (b) of section 480 of the Act is amended by striking "INDEPENDENT STUDENTS WITH DEPENDENTS" and inserting "STUDENTS".

SEC. 13. FORMS AND REGULATIONS.

Subsection (a) of section 483 of the Act (20 U.S.C. 1091(a)) is amended by amending paragraphs (1) and (2) of subsection (a) to read as follows: "(1)(A) The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall prescribe a simplified application form to be used to determine the need and eligibility of a student for financial assistance under parts A, C, and E of this title and to determine the need of a student for the purpose of part B of this title.

"(B) For the purpose of collecting eligibility and other data for the purpose of part B, guaranty agencies, in cooperation with the Secretary, shall develop separate, identifiable loan application documents that applicants or institutions in which the students are enrolled or accepted for enrollment shall submit directly to eligible lenders and on which the applicant shall clearly indicate a choice of lender.

"(C) To minimize the data collection necessary through any application form, the Secretary shall establish data base matches with the Immigration and Naturalization Service, the Social Security Administration, the Selective Service, the data bases authorized under sections 485B and 485C of part G of this title, and other data bases as appropriate.

"(D) After the requirements of subparagraph (C) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure according to the following priority order that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for the first three institutions of higher education or State agencies, if that student—

"(i) is receiving public assistance;

"(ii) has total income equal to or less than $20,000;

"(iii) has total income greater than $20,000 but less than or equal to $40,000; or

"(iv) has total income greater than $40,000.

"(E) After the requirements of subparagraph (D) of this section are satisfied, the Secretary shall, to the extent funding is available, ensure that no student or parent of a student shall be charged a fee for processing the form prescribed by the Secretary whether the student completes that form or any other approved form for any institutions of higher education or State agencies.

"(F) A student or parent may be charged a fee for processing an institutional or a State financial aid form or data elements that is not required by the Secretary.

"(2) The Secretary shall, to the extent practicable, enter into not less than 2 contracts with States, institutions of higher education, or private organizations for the purpose of processing the application required under this subsection and issuing eligibility reports.".•

By Mr. ADAMS:

S.J. Res. 149. Joint resolution to designate May 1991, as "Older Americans Month"; to the Committee on the Judiciary.

OLDER AMERICANS MONTH

• Mr. ADAMS. Mr. President, I rise today to recognize a special group of individuals, our Nation's older citizens. I am proud to demonstrate my deep respect for these citizens by introducing legislation that would formally designate May 1991 as Older Americans Month. During this month, we, as a nation, take note of the many achievements and accomplishments made by older Americans. Because May has been recognized for many years as Older Americans Month, I know there are activities going on all over the country to celebrate the contributions our older citizens have made—and continue to make.

The elderly are the fastest growing population group in our country. One in eight Americans is over the age of 65. By the year 2030, one in five Americans will be over the age of 65. I believe, Mr. President, that there is no better time to turn to our older citizens as a solution to many of our Nation's problems. For example, we are increasingly concerned about a declining work force. Yet, we have only just begun to explore the possibilities of older citizens working in day care, assisting in our schools, aiding in providing long-term care, and serving in many other settings. These citizens have a wealth of knowledge and much to give—we need to acknowledge their special talents and to put their skills to greater use.

Each stage of life carries separate and distinct challenges and opportunities. We must work to integrate the abilities of our Nation's older citizens with the growing needs of our Nation's youth to establish a society which is responsive to the needs of all of its citizens. I believe that an intergenerational approach to aging offers creative and effective solutions to many of our Nation's problems. With older and younger citizens working together, I know that we can effectively address many of the social needs of people of every age.

As chairman of the Labor and Human Resources' Subcommittee on Aging, I intend to keep the concerns of our older citizens on the forefront of our national agenda. I ask that we recognize the contributions and needs of the Nation's elderly by again proclaiming May as Older Americans Month.•

ADDITIONAL COSPONSORS

S. 140

At the request of Mr. WIRTH, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 144

At the request of Mr. MCCAIN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 144, a bill to protect the natural and cultural resources of the Grand Canyon and Glen Canyon.

S. 190

At the request of Mr. GRAHAM, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 190, a bill to amend 3104 of title 38, United States Code, to permit veterans who have a service-connected disability and who are retired members of the Armed Forces to receive compensation, without reduction, concurrently with retired pay reduced on the basis of the degree of the disability rating of such veteran.

S. 280

At the request of Mr. DOLE, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Georgia [Mr. FOWLER], and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 280, a bill to provide for the inclusion of foreign deposits in the deposit insurance assessment base, to permit inclusion of nondeposit liabilities in the deposit insurance assessment base, to require the FDIC to implement a risk-based deposit insurance premium structure, to establish guidelines for early regulatory intervention in the financial decline of banks, and to permit regulatory restrictions on brokered deposits.

S. 290

At the request of Mr. MCCAIN, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 290, a bill to establish an Indian Substance Abuse Program, and for other purposes.

S. 316

At the request of Mr. CRAIG, the name of the Senator from Kansas [Mrs. KASSEBAUM], was added as a cosponsor of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 416

At the request of Mr. DANFORTH, the names of the Senator from Ohio [Mr. GLENN] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 416, a bill to amend the Internal Revenue Code of 1986 to make permanent the tax credit for increasing research activities.

S. 619

At the request of Mr. BRADLEY, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Florida [Mr. GRAHAM], the Senator from South Dakota [Mr. DASCHLE], the Senator from New York [Mr. MOYNIHAN] and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 619, a bill to establish a Link-up for Learning demonstration grant program to provide coordinated services to at-risk youth.

S. 679

At the request of Mr. BRADLEY, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 679, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income payments made by public utilities to customers to reduce the cost of energy conservation service and measures.

S. 799

At the request of Mr. NICKLES, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 799, a bill to amend the Davis-Bacon and the Service Contract Act of 1965 to exempt from such Acts tenants of federally-related housing who participate in the construction, alteration, or repair of their residences, and for other purposes.

S. 829

At the request of Mr. GLENN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 829, a bill for the reduction of sediments in the Great Lakes.

S. 899

At the request of Mr. LUGAR, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 899, a bill to amend the Older Americans Act of 1965 to recognize, support, and promote the use of volunteers to assist older Americans, to encourage older Americans to volunteer in local communities, and for other purposes.

S. 902

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 902, a bill to amend title XIX of the Social Security Act to reduce infant mortality through improvement of coverage of services to pregnant women and infants under the medicaid program.

S. 904

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 904, a bill to provide for the establishment of a Children's Vaccine Initiative, and for other purposes.

S. 905

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 905, a bill to amend title XIX of the Social Security Act to improve the childhood immunization rate by providing for coverage of additional vaccines under the Medicaid Program and for enhanced Federal payment to States for vaccines administered to children under such programs and for other purposes.

S. 911

At the request of Mr. KENNEDY, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to expand the availability of comprehensive primary and preventative care for pregnant women, infants and children and to provide grants for home-visiting services for at-risk families, to amend the Head Start Act to provide Head Start services to all eligible children by the year 1994, and for other purposes.

S. 929

At the request of Mr. WALLOP, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 929, a bill to authorize the Secretary of the Interior and the Secretary of Agriculture to undertake interpretive and other programs on public lands and lands withdrawn from the public domain under their jurisdiction, and for other purposes.

S. 951

At the request of Mr. DECONCINI, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 951, a bill to provide financial assistance for programs for the prevention, identification, and treatment of elder abuse, neglect, and exploitation, to establish a National Center on Elder Abuse, and for other purposes.

S. 1032

At the request of Mr. DANFORTH, the names of the Senator from Colorado [Mr. BROWN] and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 1032, a bill to amend the Internal Revenue Code of 1986 to stimulate employment in, and to promote revitalization of, economically distressed areas designated as enterprise zones, by providing Federal tax relief for employment and investments, and for other purposes.

S. 1035

At the request of Mr. SIMON, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 1035, a bill to amend section 107 of title 17, United States Code, relating to fair use with regard to unpublished copyrighted works.

S. 1046

At the request of Mr. BIDEN, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 1046, a bill to provide for the establishment of an international arms suppliers regime to limit the transfer of armaments to nations in the Middle East.

S. 1106

At the request of Mr. HARKIN, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1106, a bill to amend the Individuals with Disabilities Education Act to strengthen such Act, and for other purposes.

S. 1121

At the request of Mr. WARNER, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Arkansas [Mr. PRYOR], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of S. 1121, a bill to authorize funds for construction of highways, for highway safety programs, for mass transportation programs, and for other purposes.

SENATE JOINT RESOLUTION 40

At the request of Mr. THURMOND, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Missouri [Mr. DANFORTH], the Senator from Delaware [Mr. ROTH], the Senator from North Carolina [Mr. HELMS], the Senator from Massachusetts [Mr. KERRY], the Senator from Florida [Mr. GRAHAM], the Senator from Arkansas [Mr. PRYOR], the Senator from New York [Mr. D'AMATO], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Montana [Mr. BURNS], the Senator from Utah [Mr. HATCH], the Senator from Wisconsin [Mr. KASTEN], the Senator from Arizona [Mr. MCCAIN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Oklahoma [Mr. NICKLES], the Senator from Wyoming [Mr. WALLOP], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 40, a joint resolution to designate the period commencing September 8, 1991, and ending on September 14, 1991, as "National Historically Black Colleges Week."

SENATE JOINT RESOLUTION 72

At the request of Mr. SPECTER, the names of the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. COATS], the Senator from Maine [Mr. COHEN], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the week of September 15, 1991, through September 21, 1991, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 73

At the request of Mr. SPECTER, the names of the Senator from Wisconsin [Mr. KOHL] and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of Senate Joint Resolution 73, a joint resolution designating October 1991 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 95

At the request of Mr. PELL, the names of the Senator from Georgia [Mr. NUNN], the Senator from Connecticut [Mr. DODD], the Senator from Idaho

[Mr. CRAIG], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. BRYAN], the Senator from Tennessee [Mr. SASSER], the Senator from Montana [Mr. BURNS], the Senator from Washington [Mr. GORTON], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 95, a joint resolution designating October 1991 as "National Breast Cancer Awareness Month."

SENATE JOINT RESOLUTION 107

At the request of Mr. MOYNIHAN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Joint Resolution 107, a joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day."

SENATE JOINT RESOLUTION 124

At the request of Mr. BRADLEY, the names of the Senator from Ohio [Mr. METZENBAUM] and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of Senate Joint Resolution 124, a joint resolution to designate "National Visiting Nurse Associations Week" for 1992.

SENATE JOINT RESOLUTION 126

At the request of Mr. HATFIELD, the names of the Senator from Maine [Mr. COHEN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Indiana [Mr. COATS], the Senator from Utah [Mr. GARN], the Senator from New York [Mr. D'AMATO], the Senator from Michigan [Mr. RIEGLE], the Senator from Idaho [Mr. CRAIG], the Senator from Tennessee [Mr. GORE], the Senator from Washington [Mr. GORTON], the Senator from Maine [Mr. MITCHELL], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Alabama [Mr. SHELBY], the Senator from Illinois [Mr. SIMON], the Senator from Maryland [Mr. SARBANES], the Senator from Pennsylvania [Mr. SPECTER], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 126, a joint resolution to designate the second Sunday in October 1991 as "National Children's Day."

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. D'AMATO, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Concurrent Resolution 40, a concurrent resolution expressing the sense of the Congress that the Federal Republic of Germany and the Republic of Austria should take all applicable steps to halt the distribution of neo-Nazi computer games and prosecute anyone found in possession of these materials to the full extent of the law.

SENATE RESOLUTION 116

At the request of Mr. ROTH, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Resolution 116, a resolution to express the sense of the Senate in support of Taiwan's membership in the General Agreement on Tariffs and Trade.

SENATE CONCURRENT RESOLUTION 42—URGING RECOGNITION OF THE SOUTHWEST STARS AND STRIPES SALUTE AS A NATIONAL EVENT

Mr. GRAMM (for himself and Mr. BENTSEN) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 42

Whereas the Southwest Stars and Stripes Salute will be held from July 19 through July 21, 1991, to welcome home the members of the United States Armed Forces who so ably served this country in the Persian Gulf conflict;

Whereas this event will offer the people of the United States an opportunity to express their gratitude and appreciation to the members of the Armed Forces for their exceptional contributions to furthering the cause of freedom throughout the world; and

Whereas the people of the United States are justifiably proud of these fine servicemen, servicewomen, and their families, who have answered this Nation's call to duty: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Southwest Stars and Stripes Salute scheduled to be held from July 19 through July 21, 1991, be recognized as a national event.

SENATE CONCURRENT RESOLUTION 43—CONCERNING THE EMANCIPATION OF THE BAHA'I COMMUNITY IN IRAN

By Mr. DODD (for himself, Mrs. KASSEBAUM, Mr. GORE, Mr. MCCAIN, Mr. LIEBERMAN, Mr. SIMON, Mr. PELL, Mr. LUGAR, Mr. CRANSTON, Mr. SARBANES, Mr. GLENN, Mr. JEFFORDS, Mr. DIXON, and Mr. RIEGLE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 43

Whereas in 1982, 1984, 1988, and 1990, the Congress, by concurrent resolution, declared that it holds the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i faith, Iran's largest religious minority;

Whereas in such resolutions the Congress condemned the Iranian Government's persecution of the Baha'i community, including the execution of more than 200 Baha'is, the imprisonment of thousands, and other oppressive actions against Baha'is based solely upon their religious beliefs;

Whereas the Congress has urged the President to work with other governments and with the United Nations in support of the rights of Iranian Baha'is;

Whereas recent reports indicate that most Iranian Baha'is, imprisoned on account of their religion, have been released, and some confiscated business and personal properties have been restored; and

Whereas, despite such actions affecting individual Baha'is, the Government of Iran continues to deny the Baha'i community the right to organize, to elect its leaders, to hold community property for worship or assembly, to operate religious schools, and conduct other normal religious community activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) continues to hold the Government of Iran responsible for upholding the rights of all its nationals, including Baha'is, in a manner consistent with that Government's obligations under the Universal Declaration of Human Rights and other international covenants which guarantee the civil and political rights of its citizens;

(2) notes that no executions of Baha'is have been reported for more than two years and that many Baha'is imprisoned on account of their religion have been released;

(3) expresses concern that, despite some recent improvements in the treatment of individual Baha'is, the Baha'i community continues to be denied legal recognition, and the basic rights to organize, elect its leaders, educate its youth, and carry on the normal activities of a law-abiding religious community;

(4) urges the Government of Iran to extend to the Baha'i community the rights guaranteed by the Univesal Declaration of Human Rights and by other international agreements to which Iran is a party, including freedom of thought, conscience, and religion, and equal protection of the law; and

(5) calls upon the President to continue—

(A) to urge the Government of Iran to emancipate the Baha'i community by granting those rights guaranteed by the Universal Declaration of Human Rights and other international agreements to which Iran is a party;

(B) to emphasize that the United States regards the human rights practices of the Government of Iran, particularly its treatment of the Baha'i community and other religious minorities, as a significant element in the development of its relations with the Government of Iran; and

(C) to cooperate with other governments and international organizations, including the United Nations and its agencies, in efforts to protect the religious rights of the Baha'is and other minorities through joint appeals to the Government of Iran and through other appropriate actions.

Mr. DODD. Mr. President, recent events in the Persian Gulf area called attention to the existence of a multiplicity of ethnic, linguistic, and religious minorities in that region. As religious tolerance in that part of the world is often in short supply, many of those minorities suffer treatment which falls far short of the accepted international standards.

I have been involved with the fate and treatment of one such minority for a number of years, the adherents of the Baha'i religious faith in Iran. It was one of my constituents who first informed me of this issue, Firuz Kazemzadeh, a distinguished professor of history at Yale University. A leader of the Baha'i community in the United States, he came to me several years ago and told me about the horrendous treatment of Baha'is at the hands of the benighted Khomeini regime.

Since that time I have sponsored several resolutions on this subject, usually paired with my good friend, Senator Heinz, who left us so suddenly and tragically a few weeks ago. The cause of human rights lost an outstanding supporter in John.

I am pleased to report that the treatment of the Baha'is has improved since that first time. While in earlier years hundreds were executed just for their profession of the Baha'i faith, those executions ceased about 2 years ago, and even those in jail were mostly released. How much our resolutions can be credited for this I leave for others to decide.

While the threat to the life and liberty of individual Baha'is eased somewhat, they are still severely discriminated against in everyday life, in business and education. Moreover, the community is in an extra-legal limbo, as the Iranian Government is unwilling to accord the community any recognition, and consequently denies to them every right that would be necessary to run an otherwise law-abiding, peaceful religious community. They cannot elect their leaders, meet for worship, hold property, and generally enjoy the most common rights necessary to organize religious life.

To call needed attention to this issue once again, today I introduce a resolution with Senators KASSEBAUM, GORE, MCCAIN, LIEBERMAN, SIMON, PELL, LUGAR, CRANSTON, SARBANES, JEFFORDS, DIXON, RIEGLE, and GLENN. This resolution is essentially intended to be a reminder to the Iranian Government. Now that Iran gives every sign of trying to ease its isolation and resume normal relations with the Western World, it may be timely and wise for them to give a serious review to the shortcomings of their human rights policies. In other words, with this resolution we want to assert our conviction that the human rights record of Iran, including fair treatment of its Baha'i religious minority, ought to be an important consideration in any potential United States decision to restore normal relations with that Government.

Baha'is do not have strong political power. In fact, there are only about 110,000 of them in the whole United States. Every now and then, however, we ought to set aside political considerations in this institution and just do what is right.

The Baha'is are peaceful and decent people. Their religion seeks to dominate no one and asserts superiority over no other religion. They just want to be treated fairly and left alone. To that, they deserve all the support we can give them. To provide that support, I urge my colleagues to join us as cosponsors and vote for this resolution when it is called up in the Senate.

• Mrs. KASSEBAUM. Mr. President, I rise today to join with Senator DODD as a cosponsor of a resolution concerning Iranian persecution of the Baha'is.

Since 1982, Congress has adopted four resolutions calling on the Iranian Government to cease repressive actions against the Baha'is, Iran's largest religious minority. It appears that these efforts have had some effect. Nineteen Baha'is were released from jail in 1990. No Baha'is were reported to have been executed last year, and a small number were permitted to leave the country.

However, I believe that we must seize this opportunity, in light of the recent world events, to press the Government of Iran to make additional and significant efforts for even more positive change.

The State Department's 1990 Human Rights Report describes continuing widespread discrimination against Baha'is. Community property remains confiscated. Baha'is are prevented from teaching their religion, their marriages are not recognized, and the Iranian Government refuses to issue passports to most Baha'is. In addition to these transgressions of their rights, and of particular concern to me, is the continuing lack of access of Baha'is to university education.

Mr. President, I supported sanctions against Iraq's Saddam Hussein before the invasion of Kuwait because of his blatant disregard for human rights, and I firmly believe that human rights must be an important element in the development of our future relations with Iran.

This resolution makes clear the United States' commitment to promoting the basic human rights of the Baha'is in Iran.•

SENATE RESOLUTION 132—COMMENDING HUMANITARIAN RELIEF EFFORTS FOR IRAQI REFUGEES

Mr. KENNEDY (for himself, Mr. SIMPSON, Mr. DECONCINI, and Mr. PELL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 132

Whereas beginning on March 28, 1991, nearly two million Kurdish and Shia men, women, and children in Iraq fled to their nation's borders in the aftermath of the failed uprising against Saddam Hussein;

Whereas the past policies of Saddam Hussein against the Iraqi people and attacks on the population since the defeat of Iraqi forces instilled terror in the population and led to the largest and swiftest flight of refugees in modern history;

Whereas an estimated 700,000 Kurdish refugees sought safety from Iraqi forces in the mountains along the Turkish-Iraqi border; 1.3 million Kurdish refugees sought safety along the Iranian-Iraqi border; 100,000 Shiites sought refuge along the Iranian-Iraqi border; and 25,000 Shiites who sought refuge along the Kuwaiti-Iraqi border have been relocated to Saudi Arabia;

Whereas an unknown number of Iraqis have been displaced internally inside Iraq;

Whereas an estimated 1,000 Kurdish refugrees died each day in the early days of the refugee crisis along the Turkish-Iraqi border from exposure, malnutrition, and disease;

Whereas on April 5, 1991, President Bush ordered United States forces to begin providing assistance to the refugees along the Turkish-Iraqi border;

Whereas on April 16, 1991, in response to the overwhelming humanitarian needs of the Kurdish refugees along the Turkish-Iraqi border, President Bush, following consultations with Prime Minister Major of the United Kingdom, President Mitterrand of France, President Ozal of Turkey, Chancellor Kohl of Germany, and the United Nations Secretary General Perez de Cuellar, announced a greatly expanded relief effort, named "Operation Provide Comfort," to provide adequate food, medicine, clothing, and shelter to the Kurds living in the mountains along the Turkish-Iraqi border;

Whereas consistent with United Nations Security Council Resolution 688 and in conjunction with European nations, the United Nations and international relief organizations, the United States forces established encampments in northern Iraq to provide relief supplies to the refugees;

Whereas "Operation Provide Comfort" saved the lives of more than 20,000 Kurdish refugees in northern Iraq and Turkey by reducing the death rate to less than 10 per day; and

Whereas the performance of the allied forces involved in this effort have accomplished an extraordinary humanitarian relief effort in a brief period of time: Now, therefore, be it

Resolved, That (a) The Senate—

(1) commends the United States and allied troops who are participating in Operation Provide Comfort in northern Iraq and Turkey and those who ably assisted thousands of refugees in Kuwait and southern Iraq, and who have demonstrated exceptional dedication, professionalism, and compassion in accomplishing this humanitarian task;

(2) supports the continuation of the benefits enacted by Congress for "Operation Desert Storm" to the participants of "Operation Provide Comfort" for the duration of that operation;

(b) It is the sense of the Senate that—

(1) the United States and the international community should continue to assist and protect the refugees and to support the goal of enabling all the refugees, including those along the Turkish-Iraqi border, the Iranian-Iraqi border, and in Saudi Arabia, to return home with adequate assurances of peace and security;

(2) increased efforts should be made to assist the remaining 900,000 refugees in Iran and the Iranian Government should cease impending international relief efforts; and

(3) the United States should respond immediately to the United Nation's appeal for increased assistance to the refugees.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. KENNEDY. Mr. President, a month ago, the world watched in shock and horror as nearly 2 million Iraqi men, women, and children fled their homes and villages in terror to escape Saddam Hussein's murderous retribution and violence.

Their panic flight into the harsh winter conditions where they faced death, starvation, and diseases is a telling indictment of the brutality of Saddam Hussein and his henchmen. Never in recent history has a refugee tragedy of this magnitude exploded upon the world in so short a period.

Who among us can ever forget the pictures night after night on television and in the Nation's newspapers of tens of thousands of Kurds on the mountaintops along the Turkish-Iraqi border? For too long, the United States delayed in coming to the assistance of these refugees. Our desire to bring our troops home quickly from the war clouded our duty to these innocent people.

But the plight of starving Kurds touched the conscience of the Nation and the world. On April 16, President Bush ordered the United States to act, and sent troops into northern Iraq and Turkey to assist the Kurds.

This relief effort, called "Operation Provide Comfort," was an international humanitarian mission unlike any seen before. Over 20,000 U.S. and allied troops worked together to bring food, clothing, shelter, and medicine to the Kurds suffering from exposure, disease, and starvation in the mountains on the border between Turkey and Iraq.

In a matter of days, the tide of misery and death was turned. At the beginning, as many as 1,000 Kurds—mostly children and the elderly—were dying each day in the mountains. Within days after the commencement of Operation Provide Comfort, the death rate plummeted to less than 50 a day. Today, it is less than 10 a day. Never before in history has such an enormous human disaster been alleviated so quickly or so effectively.

A delegation from the Senate Subcommittee on Immigration and Refugee Affairs has recently returned from the region. It estimates that our efforts saved some 20,000 lives. The only regret is that we did not act sooner and save an even larger number of lives.

Our troops also provided critical assistance to the nearly 40,000 refugees who fled Saddam Hussein in southern Iraq. These refugees, mostly Shia, feared reprisals from Iraqi forces after the Shia in the region rose up unsuccessfully against Saddam Hussein. Our troops, in conjunction with our allies and private voluntary agencies provided basic assistance and medical care to these individuals.

In one of the most efficient and rapid relocation of refugees ever, one half of these refugees in southern Iraq—25,000—were airlifted to a refugee camp in Rafhah, Saudi Arabia. The United States has since turned over responsibility of the remaining refugees in the Demilitarized Zone along the Iraqi-Kuwait border to the United Nations, but we must not forget the extraordinary success of this operation.

The resolution I am introducing today with Senator SIMPSON commends the United States and allied troops who participated in these extraordinary relief operations. Their exceptional dedication, professionalism and compassion has made them heroes to not only the Kurds but also the world. Many of these troops had served in Operation Desert Storm, and some were on their way home when they were diverted to assist in the refugee crisis.

I urge my colleagues to join me in applauding these men and women who demonstrated once again the outstanding capabilities of our military forces. Trained for combat and war, they showed how well our military can adapt to changing circumstances and changing missions.

They deserve our full support and I am pleased that the administration has decided to extend the benefits enacted by Congress for the participants of Operation Desert Storm to those involved in Operation Provide Comfort. I urge the administration to ensure that these benefits continue for the duration of this important relief effort.

United States Armed Forces are now also coming to the aid of the victims of the tragic cyclone in Bangladesh. The success of these recent operations may well pave the way for institutionalizing a new role for the U.S. military in responding to international disasters. I hope the administration will begin to look at ways to facilitate similar relief efforts in the future.

There is new hope that adequate security measures will be put in place to enable the remaining 200,000 refugees in northern Iraq and Turkey to return home. The United States must not withdraw from the region until this critical goal can be achieved.

U.S. troops have arrived in the city of Dohuk, and the United Nations may soon be able to assume positions around the area and enable U.S. troops to withdraw. The Kurdish leadership continues to negotiate an autonomy agreement with the Iraqi Government, which will enhance their security throughout northern Iraq. Once these steps occur, virtually all of the refugees along Iraq's northern border will be able to return home.

There remain deep concerns about the presence of the Iraqi secret police in the region. Even in towns controlled by allied forces, such as Zakho, secret police regularly infiltrate the area to harass and intimidate the population. So long as Saddam Hussein remains in power, the people of Iraq are at risk and the international community must remain engaged in efforts to provide for their peace and security.

The United Nations plan to station hundreds of blue helmets throughout Iraq in order to enhance the security of the Iraqi people and to deter any repressive actions by the Iraqi Government, military, or secret police. While the U.N. personnel will not perform the functions of security police, they will provide a tripwire system that can alert the international community to abuses by Saddam and his forces. Such a system will reassure the returning refugees and the Iraqi people that the international community intends to stay engaged in the struggle for human rights and democracy.

Stability in Iraq will not be possible until security and democracy is established throughout the country. The administration should lend its full weight to the ongoing negotiations between the Kurdish leadership and the Iraqi Government until a satisfactory agreement is in place. It must also press the Iraqi Government to provide adequate protection to populations outside the zone of current negotiations in order to permit the return of the refugee population from Iran and Saudi Arabia and to ensure long-term stability in Iraq.

U.S. Government policy toward democracy in Iraq remains unclear. Administration policy continues to advocate an overthrow of Saddam Hussein by his own Ba'ath party officials, not democratic elections to permit the people of Iraq to choose their own leaders. The Ba'ath make up only 20 percent of Iraq's population and thus 80 percent of the Iraqi people would continue to be denied a choice in their leadership. Our goal, even after Saddam Hussein leaves power, must be democracy in Iraq and respect for human rights.

The United States and the international community must also remain mindful of the 900,000 Kurdish refugees and the 100,000 Shia refugees who remain along the Iranian-Iraqi border. There are also another 25,000 refugees now in Saudi Arabia. We must not neglect these individuals. Instead we must work to establish conditions within Iraq to enable their return, too. The crisis cannot be considered ended, when over 1 million Iraqi refugees remain.

As the refugee crisis continues in Iran, there are reports that deaths in the refugee camps continue to number between 140 to 450 a day. While international relief efforts have succeeded in dramatically reducing the large death toll along the Turkish-Iraqi border, no similar success has occurred in Iran.

The Iranian Government bears a heavy responsibility for impeding relief efforts to the Iraqi refugees in its care. Despite its pleas for international assistance, the Iranian Government has blocked humanitarian organizations from access to the camps, slowed assistance by insisting on lengthy bureaucratic processes, intimidated relief workers and politicized our own shipment of blankets.

It denied a visa request from a delegation of the Subcommittee on Immigration and Refugee Affairs to visit the refugee camps, put several Americare relief workers under house arrest for 5 days, interrogated one American member of the private U.S. Committee for Refugees overnight, and harassed the American volunteers in the region to the point where they were forced to abandon their critical work. Ironically, Kurdish and Shia refugees continue to perish because of these obstacles to relief.

Nevertheless, the U.S.-led relief operation to assist the Iraqi refugees is one of the most extraordinary achievements in recent times. Let us take this step today to commend the dedicated men and women serving on our Armed Forces who made it possible. They deserve our whole-hearted praise and support, and I urge my colleagues to join me in this tribute to them.

SENATE RESOLUTION 133—DESIGNATING MAY 21, 1991, AS NATIONAL LAND TRUST APPRECIATION DAY

Mr. KERRY submitted the following resolution; which was considered and agreed to:

S. RES. 133

Whereas the creation of the world's first land trusts in 1891 served as a catalyst for the promotion and establishment of 743 land trusts in 45 States;

Whereas land trusts across the United States protect, preserve, and maintain an aggregate of nearly 2 million acres of land;

Whereas the primary purpose of a land trust is to own and manage exceptionally scenic, historic, or ecologically valued tracts of land for the use and enjoyment of the public;

Whereas a number of land trusts across the United States also maintain the scenic and natural features of privately owned land through the enforcement of conservation restrictions;

Whereas The Trustees of Reservations, founded in 1891 by the State of Massachusetts, became the world's first land trust and inaugurated the land trust movement nationwide;

Whereas the land trust movement initiated by The Trustees of Reservations actively promotes the preservation of the natural and historic landscape for future generations: Now, therefore, be it

Resolved, That May 21, 1991, is designated "National Land Trust Appreciation Day", and the 100th anniversary of The Trustees of Reservations if recognized.

SENATE RESOLUTION 134—CONCERNING MAJORITY PARTY APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS

Mr. MITCHELL submitted the following resolution; which was considered and agreed to:

S. RES. 134

Resolved, That the Senator from New Mexico (Mr. BINGAMAN) be appointed to serve as a member of the Select Committee on Ethics vice the Senator from Arkansas (Mr. PRYOR).

AMENDMENTS SUBMITTED

SENATE ELECTION ETHICS ACT

McCONNELL AMENDMENT NO. 254

Mr. McCONNELL proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for voluntary system of spending limits for Senate election campaigns, and for other purposes, as follows:

On page 47, line 1, strike "NONELIGIBLE".

On page 47, line 2, insert "(a) NONELIGIBLE CANDIDATES.—" before "Subparagraph".

On page 47, between lines 12 and 13, insert:

(b) ELIGIBLE CANDIDATES.—Subparagraph (B) of section 318(a)(1) of FECA (2 U.S.C. 441d(a)(1)), as amended by subsection (a), is amended by adding at the end thereof the following:

"(v) If a broadcast is paid for by a voter communication voucher provided under section 504(a), such broadcast shall contain the following sentence: "'The preceding political advertisement was paid for with taxpayer funds.'."

BROWN AMENDMENT NO. 255

Mr. BROWN proposed an amendment to amendment No. 254 proposed by Mr. McCONNELL to the bill S. 3, supra, as follows:

At the end of the amendment add the following:

SEC. 106. TERMS LIMITS.

(a) REQUIREMENT OF ELIGIBILITY UNDER TITLE V.—(1) An eligible candidate under title V of FECA who accepts any benefit under section 504 of FECA shall accept election or appointment to no more than two fulls terms in the Senate after the first benefits is accepted.

(2) A candidate for the office of Senator who seeks to qualify as an eligible candidate under title V of FECA shall file with the Federal Election Commission, at the time that the candidate files a declaration under section 502(b) of FECA, a declaration that the candidate will abide by the term limitation of paragraph (1).

(b) ENFORCEMENT.—The time limit of section 507(f) of FECA shall not apply in the case of a proceeding for the return of benefits by a person who accepted a benefit under section 504 of FECA to which the person became disentitled by reason of noncompliance with subsection (a)(1).

COCHRAN AMENDMENT NO. 256

Mr. COCHRAN proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

At the appropriate place add the following: "Notwithstanding any other provision of this Act, the general election spending limits which apply to candidates seeking election to the Senate shall be increased by 50 percent for any candidate for any Senate seat, if the candidate is not a sitting Senator and if the candidate is opposed in that election by a sitting Senator.

McCAIN AMENDMENT NO. 257

Mr. McCAIN proposed an amendment, which was subsequently modified, to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

Insert at the end of section 218 of the Boren amendment the following new section:

SEC. 219. USE OF CAMPAIGN FUNDS.

(a) IN GENERAL.—Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended to read as follows: "Use of Campaign Funds".

"(a) The surplus campaign funds of the candidate and the candidate's authorized committees shall be paid into the Treasury of the United States and applied to the account to reduce the public debt described in section 3113(d) of title 31, United States Code.

"(b)(1) It shall be unlawful for a candidate or an authorized committee of a candidate or for any person acting as an agent of either to use contributions or payments received under title V or to dispose of surplus campaign funds in any manner except as specified by subsection (a).

"(2) It shall be unlawful for any person to knowingly accept or receive contributions, payments received under title V, or surplus campaign funds in any manner other than those specified in subsection (a).

"(c) the disposition of surplus campaign funds shall be reported on the postelection semiannual report that is filed pursuant to section 304 on or before July 31 of the year following the election for which the funds were raised.

"(d)(1) For purposes of this section, the term 'surplus campaign funds' means the balance remaining after a general election between—

"(A) all contributions made to the candidate and the candidate's authorized committees; and

"(B) the expenditures made by such candidate or authorized committees for the purpose of influencing the election of the candidate.

"(2) The calculation of the amount of surplus campaign funds under paragraph (1) shall be made after any unexpended funds required to be repaid to the Secretary of the Treasury pursuant to section 507 (e) and (f) have been repaid."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to surplus campaign funds existing after December 31, 1993.

(c) No part of this amendment shall be construed to effect the "Legal and Accounting Compliance Fund" of this Act.

McCONNELL AMENDMENT NO. 258

Mr. McCONNELL proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 101, between lines 4 and 5, insert the following:

SEC. 405. PRESIDENTIAL ELECTIONS.

(a) REPEAL OF PUBLIC FINANCING AND SPENDING LIMITS.—Section 6096 and chapters 95 and 96 of the Internal Revenue Code of 1986 are repealed.

(b) REPEAL OF PRESIDENTIAL LIMITS.—Section 315 (b) and (g) of FECA (2 U.S.C. 441a (b) and (g)) are repealed.

(c) CONFORMING AMENDMENTS.—(1) Each of the following provisions of FECA is amended by striking "or chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 301(8)(B)(ix)(II) (2 U.S.C. 431(8)(B)(ix)(II)), section 301(9)(B)(vii)(II) (2 U.S.C. 431(9)(B)(vii)(II)), section 302(i) (2 U.S.C. 432(i)), section 309(a)(2) (2 U.S.C. 437g(a)(2)), section 309 (a)(4)(B)(ii) (2 U.S.C. 437g(a)(4)(B)(ii)), and section 309(a)(6)(B) (2 U.S.C. 437g(a)(6)(B)).

(2) Section 301(9)(B)(vi) of FECA (2 U.S.C. 431(9)(B)(vi)) is amended by striking ", except that this clause" and all that follows through "section 304(b)",

(3) Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by—

(A) adding "and" at the end of subparagraph (H);

(B) striking "and" at the end of subparagraph (J); and

(C) striking subparagraph (K).

(4) Section 304(b)(4)(I) of FECA (2 U.S.C. 434(b)(4)(I)) is amended by striking "disbursements not subject to the limitation of section 315(b)" and inserting "any disbursements".

(5) Each of the following provisions of FECA is amended by striking "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954": section 306(b)(1) (2 U.S.C. 437c(b)(1)), section 307(a)(5) (2 U.S.C. 437d(a)(6)), and section 307(a)(8) (2 U.S.C. 437d(a)(8)).

(6) Section 306(c) of FECA (2 U.S.C. 437c(c)) is amended by striking "or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(7) Section 308(a)(1) of FECA (2 U.S.C. 437f(a)(1)) is amended by striking ", chapter 95 or chapter 96 of the Internal Revenue Code of 1954.".

(8) Section 308(b) of FECA (2 U.S.C. 437f(b)) is amended by striking "or in chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(9) Each of the following provisions of FECA is amended by striking "or by chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 308(c)(2) (2 U.S.C. 437f(c)(2)) and section 311(e) (2 U.S.C. 438(e)).

(10) Each of the following provisions of FECA is amended by striking "or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954": section 309(a)(1) (2 U.S.C. 437g(a)(1)), section 309(a)(4)(A)(i) (2 U.S.C. 437g(a)(4)(A)(i)), section 309(a)(5)(A) (2 U.S.C. 437g(a)(5)(A)), section 309(a)(5)(B) (2 U.S.C. 437g(a)(5)(B)), section 309(a)(6)(A) (2 U.S.C.) 437g(a)(6)(A)), section 309(a)(6)(C) (2 U.S.C. 437g(a)(6)(C)), section 309(d)(2) (2 U.S.C. 437g(d)(2)), and section 309(d)(3) (2 U.S.C. 437g(d)(3)).

(11) Section 309(a)(5)(C) of FECA (2 U.S.C. 437g(a)(5)(C)) is amended by striking "or a knowing and willful violation of chapter 95 or chapter 96 of the Internal Revenue Code of 1954,".

(12) Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking the second sentence thereof.

(13) Section 314 of FECA (2 U.S.C. 439c) is amended by striking ", and under chapters 95 and 96 of the Internal Revenue Code of 1954,".

(14) Section 315(a)(5) of FECA (2 U.S.C. 441a(a)(5)) is amended—

(A) by striking "offices; (ii) the limitations" and inserting "offices; and (ii) the limitations"; and

(B) by striking "; and (iii) the candidate has not elected to receive any funds under chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(15) Section 315(c) of FECA (2 U.S.C. 441a(c)) is amended by striking "subsection (b) and".

SEC. 406. PREFERENTIAL MAILING RATE FOR POLITICAL PARTIES.

Section 3626(e) of title 39, United States Code, is repealed.

KERRY (AND OTHERS) AMENDMENT NO. 259

Mr. KERRY (for himself, Mr. BIDEN, Mr. BRADLEY, Mr. ADAMS, Mr. SIMON, Mr. WELLSTONE, Mr. WIRTH, Mr. CRANSTON, Mr. LEAHY, Mr. DECONCINI, Mr. KENNEDY, Mr. RIEGLE, and Mr. GLENN) proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

Strike all after the first word in the pending amendment and insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Senate Election Campaign Ethics Act of 1991".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of Campaign Act; table of contents.
Sec. 2. Findings and declarations.

TITLE I—SENATE ELECTION CAMPAIGN SPENDING LIMITS AND BENEFITS

Sec. 101. Senate spending limits and public benefits.
Sec. 102. Ban on contributions to Senate candidates by political action committees.
Sec. 103. Broadcast rates.
Sec. 104. Preferential rates for mail.
Sec. 105. Disclosure by noneligible candidates.
Sec. 106. Reporting requirements.
Sec. 107. Other definitions.

TITLE II—EXPENDITURES AND CONTRIBUTIONS

Subtitle A—Independent Expenditures

Sec. 201. Cooperative expenditures not treated as independent expenditures.
Sec. 202. Equal broadcast time.
Sec. 203. Attribution of communications.

Subtitle B—Expenditures

PART I—PERSONAL LOANS; CREDIT

Sec. 211. Personal contributions and loans.
Sec. 212. Extensions of credit.

PART II—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

Sec. 215. Limitations on contributions to State political party committees.
Sec. 216. Provisions relating to national, State, and local party committees.
Sec. 217. Restrictions on fundraising by candidates and officeholders.
Sec. 218. Reporting requirements.

Subtitle C—Contributions

Sec. 221. Limits on contributions by certain political committees to political parties.
Sec. 222. Contributions through intermediaries and conduits.
Sec. 223. Excess campaign funds.
Sec. 224. Contributions by dependents not of voting age.

Subtitle D—Reporting Requirements

Sec. 231. Reporting requirements.

TITLE III—FEDERAL ELECTION COMMISSION

Sec. 301. Use of candidates' names.
Sec. 302. Reporting requirements.
Sec. 303. Provisions relating to the general counsel of the commission.
Sec. 304. Retention of fees by the commission.
Sec. 305. Enforcement.
Sec. 306. Penalties.
Sec. 307. Random audits.
Sec. 308. Attribution of communications.
Sec. 309. Fraudulent solicitation of contributions.

TITLE IV—PROVISIONS RELATING TO CONGRESSIONAL MASS MAILINGS

Sec. 401. Restrictions on franked congressional mass mailings exceeding appropriated funds.
Sec. 402. Extension of time period when franked mass mailings are prohibited.
Sec. 403. Reporting and publication of franked mass mailings.
Sec. 404. Transfers of official mail costs.
Sec. 405. Use of official expense accounts and other sources of funds for mass mailings.
Sec. 406. Amendment of FECA.

TITLE V—MISCELLANEOUS

Sec. 501. Restriction of control of certain types of political committees by incumbents in or candidates for Federal office.
Sec. 502. Polling data contributed to a senatorial candidate.
Sec. 503. Effective date.

SEC. 2. FINDINGS AND DECLARATIONS.

(a) NECESSITY FOR SPENDING LIMITS.—The Congress finds and declares that—

(1) the current system of campaign finance has led to public perceptions that political contributions and their solicitation have unduly influenced the official conduct of elected officials;

(2) permitting candidates for Federal office to raise and spend unlimited amounts of money constitutes a fundamental flaw in the current system of campaign finance, and has undermined public respect for the Congress as an institution;

(3) the failure to limit campaign expenditures has caused individuals elected to the Senate to spend an increasing proportion of their time in office as elected officials raising funds, interfering with the ability of the Senate to carry out its constitutional responsibilities;

(4) the failure to limit campaign expenditures has damaged the Senate as an institution, due to the time lost to raising funds for campaigns; and

(5) to prevent the appearance of corruption and to restore public trust in the Senate as an institution, it is necessary to limit campaign expenditures, through a system which provides public benefits to candidates who agree to limit campaign expenditures.

(b) NECESSITY FOR LIMITS ON POLITICAL ACTION COMMITTEES.—The Congress finds and declares that—

(1) contributions by political action committees to individual candidates have created the perception that candidates are beholden to special interests, and leave candidates open to charges of corruption;

(2) contributions by political action committees to individual candidates have undermined public confidence in the Senate as an institution; and

(3) to prevent the appearance of corruption and to restore public trust in the Senate as an institution, it is necessary to ban contributions by political action committees, while allowing such committees to continue to participate in the political process

through other means, such as through independent expenditures.

(c) NECESSITY FOR ATTRIBUTING COOPERATIVE EXPENDITURES TO CANDIDATES.—The Congress finds and declares that—

(1) public confidence and trust in the system of campaign finance would be undermined should any candidate be able to circumvent a system of caps on expenditures through cooperative expenditures with outside individuals, groups, or organizations;

(2) cooperative expenditures by candidates with outside individuals, groups, or organizations would severely undermine the effectiveness of caps on campaign expenditures, unless they are included within such caps; and

(3) to maintain the integrity of the system of campaign finance, expenditures by any individual, group, or organization that have been made in cooperation with any candidate, authorized committee, or agent of any candidate must be attributed to that candidate's cap on campaign expenditures.

TITLE I—SENATE ELECTION CAMPAIGN SPENDING LIMITS AND BENEFITS

SEC. 101. SENATE SPENDING LIMITS AND PUBLIC BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC BENEFITS FOR SENATE ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) except as otherwise provided in this title, the definitions under section 301 shall apply for purposes of this title insofar as such definitions relate to elections to the office of United States Senator;

"(2) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive benefits under this title;

"(3) the terms 'Senate Election Campaign Fund' and 'Fund' mean the Senate Election Campaign Fund established under section 506;

"(4) the term 'general election' means any election which will directly result in the election of a person to the office of United States Senator, but does not include an open primary election;

"(5) the term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election;

"(6) the term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B);

"(7) the term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified under State law for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of this title;

"(8) the term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for the office of United States Senator;

"(9) the term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election;

"(10) the term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for the office of United States Senator;

"(11) the term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office;

"(12) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e); and

"(13) the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) or (vi) thereof.

"CANDIDATES ELIGIBLE TO RECEIVE BENEFITS

"SEC. 502. (a) IN GENERAL.—For purposes of this title, a candidate is an eligible candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (b) and (c);

"(2) meets the primary and runoff election expenditure limits of subsection (d); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) PRIMARY FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration as to whether—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (d); and

"(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 503(b); and

"(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 503(a).

"(2) The declaration under paragraph (1) shall be filed on the date the candidate files as a candidate for the primary election.

"(c) GENERAL ELECTION FILING REQUIREMENT.—(1) The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (d); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable;

"(B) the candidate met the threshold contribution requirement under subsection (e), and that only allowable contributions were taken into account in meeting such requirement;

"(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(D) such candidate and the authorized committees of such candidate—

"(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 503(b);

"(ii) will not accept any contributions in violation of section 315;

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of—

"(I) the amount of the general election expenditure limit under section 503(b), reduced by the amount of voter communication vouchers issued to the candidate; plus

"(II) the amount of contributions from State residents which may be taken into account under section 503(b)(4) in increasing the general election expenditure limit; plus

"(III) the amount which may be maintained in a compliance and official expense fund under section 503(c);

"(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission; and

"(vi) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(E) the candidate intends to make use of the benefits provided under section 504.

"(2) The declaration under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date the candidate qualifies for the general election ballot under State law; or

"(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"(d) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—(1) The requirements of this subsection are met if:

"(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

"(i) 67 percent of the general election expenditure limit under section 503(b); or

"(ii) $2,750,000.

"(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 503(b).

"(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to the Secretary of the Senate or Commission with respect to such period under section

304A(b) (relating to independent expenditures in excess of $10,000).

"(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

"(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

"(i) would result in the violation of any limitation under section 315; or

"(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

"(e) Threshold Contribution Requirements.—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to 10 percent of the general election expenditure limit under section 503(b).

"(2) For purposes of this section and section 504(b)—

"(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

"(B) The term 'allowable contributions' shall not include—

"(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

"(ii) contributions from any individual during the applicable period to the extent such contributions exceed $250; or

"(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 504(b).

"(3) For purposes of this subsection and section 504(b), the term 'applicable period' means—

"(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

"(i) the date on which the certification under subsection (c) is filed by the candidate; or

"(ii) for purposes of section 504(b), the date of such general election; or

"(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

"(f) Indexing.—The $2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that for purposes of subsection (d), the base period shall be the calendar year in which the first general election after the date of the enactment of this title occurs.

"LIMITATIONS ON EXPENDITURES

"Sec. 503. (a) Limitation on Use of Personal Funds.—The aggregate amount of expenditures which may be made during an election cycle by an eligible candidate or such candidate's authorized committees from the following sources shall not exceed $25,000:

"(1) The personal funds of the candidate and members of the candidate's immediate family.

"(2) Personal debt incurred by the candidate and members of the candidate's immediate family.

"(b) General Election Expenditure Limit.—(1) Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) $5,500,000; or

"(B) the greater of—

"(i) $950,000; or

"(ii) $400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 502(f) (relating to indexing).

"(4)(A) The limitation under this subsection (without regard to this paragraph) shall be increased by the amount of contributions that—

"(i) are made after the time contributions have been received in an amount at least equal to the threshold contribution requirement under section 502(e);

"(ii) are in amounts of $100 or less; and

"(iii) are made by an individual who was, at the time the contributions were made, a resident of the State in which the general election is held,

except that the total amount of contributions taken into account under this subparagraph with respect to any individual shall not exceed $100.

"(B) Except as otherwise expressly provided, any reference in any provision of law to the general election expenditure limit under this subsection shall be treated as a reference to such limit computed without regard to this paragraph.

"(c) Compliance and Official Expense Fund.—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures or qualified official expenditures made by a candidate or the candidate's authorized committees or a Federal officeholder from a compliance and official expense fund meeting the requirements of paragraph (2).

"(2) A compliance and official expense fund meets the requirements of this paragraph if—

"(A) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate amount transferred to, and expenditures made from, the fund do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) $300,000; plus

"(ii) the amount determined under paragraph (4); and

"(C) no funds received by the candidate pursuant to section 504(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection—

"(A) The term 'qualified legal and accounting expenditures' means the following:

"(i) Any expenditures for costs of legal and accounting services provided in connection with—

"(I) any administrative or court proceeding initiated pursuant to this Act during the election cycle for such general election; or

"(II) the preparation of any documents or reports required by this Act or the Commission.

"(ii) Any expenditures for legal and accounting services provided after the general election for which the compliance and official expense fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(iii) Expenditures for the extraordinary costs of legal and accounting services provided in connection with the candidate's activities as a holder of Federal office other than costs for the purpose of influencing the election of such candidate to Federal office.

"(B) The term 'qualified official expenditures' mean expenditures described in section 313(b).

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures exceed the limitation under paragraph (2)(B), the candidate may petition the Commission by filing with the Secretary of the Senate for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation, reduced by the amount of qualified official expenditures. Such determination shall be subject to judicial review under section 509.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5)(A) A candidate shall terminate a compliance and official expense fund as of the earlier of—

"(i) the date of the first primary election for the office following the general election for such office for which such fund was established; or

"(ii) the date specified by the candidate.

"(B) Any amounts remaining in a compliance and official expense fund as of the date determined under subparagraph (A) shall be transferred—

"(i) to a compliance and official expense fund for the election cycle for the next general election;

"(ii) to an authorized committee of the candidate as contributions allocable to the election cycle for the next general election; or

"(iii) to the Senate Election Campaign Fund.

"(d) Payment of Taxes.—The limitation under subsection (b) shall not apply to any expenditure by the candidate or the candidate's authorized committees for Federal, State, or local taxes on earnings allocable to contributions received by such candidates or committees.

"BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE

"SEC. 504. (a) IN GENERAL.—An eligible candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b)(3) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3629 of title 39, United States Code;

"(3) payments from the Senate Election Campaign Fund in the amounts determined under subsection (b); and

"(4) voter communication vouchers in the amount determined under subsection (c).

"(b) AMOUNT OF PAYMENTS.—(1) For purposes of subsection (a)(3), except as provided in section 506(d), the amounts determined under this subsection are—

"(A) the public financing amount;

"(B) the independent expenditure amount; and

"(C) in the case of an eligible candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure limit under section 503(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the public financing amount is—

"(A) in the case of an eligible candidate who is a major party candidate, an amount equal to the general election expenditure limit applicable to the candidate under section 503(b) (without regard to paragraph (4) thereof) reduced by—

"(i) the threshold contribution requirement under section 502(e); and

"(ii) the amount of voter communication vouchers issued to the eligible candidate;

"(B) in the case of an eligible candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible candidate during the applicable period in excess of the threshold contribution requirement under section 502(e); or

"(ii) 50 percent of the amount determined under subparagraph (A) with respect to a candidate of a major party.

"(3) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible candidate which are required to be reported by such persons under section 304A(b) with respect to the general election period and are certified by the Commission under section 304A(e).

"(4) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(B) is not greater than 133⅓ percent of the general election expenditure limit under section 503(b), an amount equal to two-thirds of such limit applicable to the eligible candidate for the election; plus

"(ii) if the excess described in paragraph (1)(B) equals or exceeds 133⅓ percent of the general election expenditure limit under section 503(b), an amount equal to one-third of such limit applicable to the eligible candidate for the election.

"(B) In the case of an eligible candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible candidate during the applicable period in excess of the threshold contribution requirement under section 502(e); or

"(ii) 50 percent of the general election expenditure limit applicable to the eligible candidate under section 503(b).

"(c) VOTER COMMUNICATION VOUCHERS.—(1) The Secretary of the Treasury shall issue nontransferable voter communication vouchers to eligible candidates as provided under section 506(b).

"(2) The aggregate amount of voter communication vouchers issued to an eligible candidate under paragraph (1) shall be equal to 20 percent of the general election expenditure limit under section 503(b) (10 percent of such limit if such candidate is not a major party candidate).

"(3) Voter communication vouchers shall be used by an eligible candidate to purchase broadcast time during the general election period subject to the same conditions and rates under section 315(b) of the Communications Act of 1934 as apply to other broadcast time a candidate may purchase, except that—

"(A) each such broadcast shall be at least 1 but not more than 5 minutes in length; and

"(B) each such broadcast shall be aired during the 5-week period preceding the general election.

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1) An eligible candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (2) and (3) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 503(b).

"(2) An eligible candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 502(c)(1)(D) or subsection (a) or (b) of section 503 if any one of the eligible candidate's opponents who is not an eligible candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 133⅓ percent of the general election expenditure limit applicable to the eligible candidate under section 503(b).

"(3) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 502(c)(1)(D) if—

"(A) a major party candidate in the same general election is not an eligible candidate; or

"(B) any other candidate in the same general election who is not an eligible candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 503(b).

"(e) USE OF PAYMENTS FROM FUND.—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(i), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) IN GENERAL.—(1) The Commission shall certify to any candidate meeting the requirements of section 502 that such candidate is an eligible candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible candidate files a request with the Secretary of the Senate to receive benefits under section 506, the Commission shall certify to the Secretary of the Treasury whether such candidate is eligible for payments under this title from the Senate Election Campaign Fund or to receive voter communication vouchers and the amount of such payments or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 509.

"PAYMENTS RELATING TO ELIGIBLE CANDIDATES

"SEC. 506. (a) ESTABLISHMENT OF CAMPAIGN FUND.—(1) There is hereby established on the books of the Treasury of the United States a special fund to be known as the 'Senate Election Campaign Fund'.

"(2)(A) There are appropriated to the Fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, amounts equal to—

"(i) any contributions by persons which are specifically designated as being made to the Fund;

"(ii) amounts collected under sections 507(g) and 508(d)(3); and

"(iii) any other amounts that may be appropriated to or deposited into the Fund under this title.

"(B) The Secretary of the Treasury shall, from time to time, transfer to the Fund an amount not in excess of the amounts described in subparagraph (A).

"(C) Amounts in the Fund shall remain available without fiscal year limitation.

"(3) Amounts in the Fund shall be available only for the purposes of—

"(A) making payments required under this title; and

"(B) making expenditures in connection with the administration of the Fund.

"(4) The Secretary shall maintain such accounts in the Fund as may be required by this title or which the Secretary determines to be necessary to carry out the provisions of this title.

"(b) PAYMENTS UPON CERTIFICATION.—Upon receipt of a certification from the Commission under section 505, except as provided in subsection (d), the Secretary shall promptly pay the amount certified by the Commission to the candidate out of the Senate Election Campaign Fund.

"(c) Vouchers.—(1) Upon receipt of a certification from the Commission under section 505, except as provided in subsection (d), the Secretary of the Treasury shall issue to an eligible candidate the amount of voter communication vouchers specified in such certification.

"(2) Upon receipt of a voter communication voucher from a licensee providing broadcast time to an eligible candidate, the Secretary of the Treasury shall pay to such licensee from the Senate Election Campaign Fund the face value of such voucher.

"(d) Reductions in Payments if Funds Insufficient.—(1) If, at the time of a certification by the Commission under section 505 for payment, or issuance or a voucher, to an eligible candidate, the Secretary determines that the monies in the Senate Election Campaign Fund are not, or may not be, sufficient to satisfy the full entitlement of all eligible candidates, the Secretary shall withhold from the amount of such payment or voucher such amount as the Secretary determines to be necessary to assure that each eligible candidate will receive the same pro rata share of such candidate's full entitlement.

"(2) Amounts and vouchers withheld under subparagraph (A) shall be paid when the Secretary determines that there are sufficient monies in the Fund to pay all, or a portion thereof, to all eligible candidates from whom amounts have been withheld, except that if only a portion is to be paid, it shall be paid in such manner that each eligible candidate receives an equal pro rata share of such portion.

"(3)(A) Not later than December 31 of any calendar year preceding a calendar year in which there is a regularly scheduled general election, the Secretary, after consultation with the Commission, shall make an estimate of—

"(i) the amount of monies in the fund which will be available to make payments required by this title in the succeeding calendar year; and

"(ii) the amount of payments which will be required under this title in such calendar year.

"(B) If the Secretary determines that there will be insufficient monies in the fund to make the payments required by this title for any calendar year, the Secretary shall notify each candidate on January 1 of such calendar year (or, if later, the date on which an individual becomes a candidate) of the amount which the Secretary estimates will be the pro rata reduction in each eligible candidate's payments (including vouchers) under this subsection. Such notice shall be by registered mail.

"(C) The amount of the eligible candidate's contribution limit under section 502(c)(1)(D)(iii) shall be increased by the amount of the estimated pro rata reduction.

"(4) The Secretary shall notify the Commission and each eligible candidate by registered mail of any actual reduction in the amount of any payment by reason of this subsection. If the amount of the reduction exceeds the amount estimated under paragraph (3), the candidate's contribution limit under section 502(c)(1)(D)(iii) shall be increased by the amount of such excess.

"EXAMINATION AND AUDITS; REPAYMENTS

"Sec. 507. (a) Examination and Audits.—(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of all candidates for the office of United States Senator to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection.

"(2) The Commission may conduct an examination and audit of the campaign accounts of any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) Excess Payments; Revocation of Status.—(1) If the Commission determines that payments or vouchers were made to an eligible candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible candidate under section 505(a)(1), the Commission shall notify the candidate, and the candidate shall pay to the Secretary an amount equal to the payments and vouchers received under this title.

"(c) Misuse of Benefits.—If the Commission determines that any amount of any benefit made available to an eligible candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to 200 percent of the amount of such benefit.

"(d) Excess Expenditures.—(1) If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures which in the aggregate exceed by 5 percent or less—

"(A) the primary or runoff expenditure limit under section 502(d); or

"(B) the general election expenditure limit under section 503(b),

the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditures.

"(2) If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures which in the aggregate exceed by more than 5 percent—

"(A) the primary or runoff expenditure limit under section 502(d); or

"(B) the general election expenditure limit under section 503(b),

the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to three times the amount of the excess expenditures.

"(e) Unexpended Funds.—Any amount received by an eligible candidate under this title may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(f) Limit on Period for Notification.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(g) Deposits.—The Secretary shall deposit all payments received under this section into the Senate Election Campaign Fund.

"CRIMINAL PENALTIES

"Sec. 508. (a) Violations.—(1) No person shall knowingly and willfully—

"(A) accept benefits under this title in excess of the aggregate benefits to which the candidate on whose behalf such benefits are accepted is entitled;

"(B) use such benefits for any purpose not provided for in this title; or

"(C) make expenditures in excess of—

"(i) the primary and runoff expenditure limits under section 502(d); or

"(ii) the general election expenditure limit under section 503(b).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer, employee, or agent of any political committee who knowingly consents to any expenditure in violation of the provisions of paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) Use of Benefits.—(1) It is unlawful for any person who receives any benefit under this title, or to whom any portion of any such benefit is transferred, knowingly and willfully to use, or to authorize the use of, such benefit or such portion other than in the manner provided in this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) False Information.—(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report) to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title; or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) Kickbacks and Illegal Payments.—(1) It is unlawful for any person knowingly and willfully to give or to accept any kickback or any illegal payment in connection with any benefits received under this title by any eligible candidate or the authorized committees of such candidate.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal benefit in connection with any benefits received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary, for deposit into the Senate Election Campaign Fund, an amount equal to 125 percent of the kickback or benefit received.

"JUDICIAL REVIEW

"Sec. 509. (a) Judicial Review.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 510. (a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 509 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 511. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 as benefits available to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507 or 506(d)(2), and the reasons for each repayment required; and

"(4) the balance in the Senate Election Campaign Fund, and the balance in any account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) STATEMENT TO SENATE.—Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 512. There are authorized to be appropriated to the Commission such sums as may be necessary for the purpose of carrying out its functions under this title."

(b) EFFECTIVE DATES.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1993.

(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

(A) no expenditure made before January 1, 1993, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

(B) all cash, cash items, and Government securities on hand as of January 1, 1993, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1993, to pay for expenditures which were incurred (but unpaid) before such date.

(c) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If title V of the Federal Election Campaign Act of 1971 (as added by this section), or any part thereof, is held to be invalid, all other provisions of, and amendments made by, this Act shall be treated as valid.

SEC. 102. BAN ON CONTRIBUTIONS TO SENATE CANDIDATES BY POLITICAL ACTION COMMITTEES.

(a) IN GENERAL.—Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end thereof the following new subsection:

"(i) No contributions may be made to a candidate for the office of United States Senator or such candidate's authorized committees other than contributions made by—

"(1) individuals; or

"(2) a political committee of the political party with which such candidate is affiliated."

(b) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after the date of the enactment of this Act.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received on or before the date of the enactment of this Act; or

(B) contributions made to, or received by, a candidate after such date, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate on or before such date, over

(ii) such contributions received by the candidate on or before such date.

SEC. 103. BROADCAST RATES.

(a) PROVISIONS RELATING TO LOWEST UNIT COST.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended by adding at the end thereof the following new paragraphs:

"(2) In the case of a candidate for Federal office (as defined in section 301(3) of the Federal Election Campaign Act of 1971)—

"(A) paragraph (1)(A) shall be applied without regard to the phrase 'class and'; and

"(B) if the broadcast time exceeds 30 seconds, the lowest unit cost for such time shall not be greater than the rates for broadcasts of 30 seconds.

"(3)(A) In the case of candidates for United States Senator in a general election (as defined in section 501(4) of such Act), this subsection (other than paragraph (2)(A)(iii)) shall apply to a broadcast of such candidate only if such candidate is an eligible candidate (as defined in section 501(2) of such Act).

"(B) In the case of any eligible candidate for United States Senator, the rates under paragraph (1)(A) shall apply to any broadcast during the general election period (as defined in section 501(5) of such Act) rather than the 60-day period referred to in such paragraph."

(b) PREEMPTION RULES; VOUCHERS.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (e) and (f) and by inserting after subsection (b) the following new subsections:

"(c)(1) In the case of a legally qualified candidate for Federal office (as defined in section 301(3) of the Federal Election Campaign Act of 1971), a licensee shall not preempt the use, during any period the rates under subsection (b)(1)(A) are in effect, of a broadcasting station by such candidate who has purchased such use pursuant to subsection (b).

"(2) Paragraph (1) shall not apply if the program during which the candidate's broadcast was to air is unavoidably preempted.

"(d) A licensee shall—

"(1) accept voter communications vouchers provided to an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act) under section 504(a) of such Act; and

"(2) shall, upon presentation of such vouchers, provide broadcast time to such candidate subject to the same conditions and rates as apply to other broadcast time such candidate may purchase, except that—

"(A) no time shall be required to be provided without at least 7 days advance notice; and

"(B) in the case of broadcast time in the licensee's prime time, the licensee shall be required to provide—

"(i) not more than 5 minutes of such time during each of the weeks in the 5-week period ending on the date of the general election; and

"(ii) only one broadcast per day per candidate in such time.

(c) CONFORMING AMENDMENT.—Section 315(b) of the Communications Act of 1934 is amended—

(1) by inserting "(1)" before "The charges"; and

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively.

SEC. 104. PREFERENTIAL RATES FOR MAIL.

(a) REDUCED RATES.—Subchapter II of chapter 36 of title 39, United States Code, is amended by adding at the end the following:

"§ 3629. Reduced rates for certain Senate candidates

"(a) The rates of postage for matter mailed with respect to a campaign by an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act of 1971) shall be—

"(1) in the case of first-class mail matter, one-fourth of the rate currently in effect; and

"(2) in the case of third-class mail matter, 2 cents per piece less than mail matter mailed pursuant to paragraph (1).

"(b) Subsection (a) shall cease to apply to any candidate for any campaign when the total amount paid by such candidate for all mail matter at the rates provided by paragraphs (1) and (2) of subsection (a) exceeds 5 percent of the amount of the general election expenditure limit applicable to such candidate under section 503(b) of the Federal Election Campaign Act of 1971."

(b) AUTHORIZATION.—Section 2401(c) of title 39, United States Code, is amended by striking "and 3626(a)-(h)" and inserting "3626(a)-(h), and 3629".

(c) CONFORMING AMENDMENT.—The table of sections for chapter 36 of title 39, United States Code, is amended by inserting after the item relating to section 3628 the following new item:

"3629. Reduced rates for certain Senate candidates."

SEC. 105. DISCLOSURE BY NON-ELIGIBLE CANDIDATES.

Subparagraph (B) of section 318(a)(1) of FECA (2 U.S.C. 441(d)(a)(1)), as amended by section 308, is amended by—

(1) striking "and" at the end of clause (ii);

(2) striking out the period at the end of clause (iii) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following:

"(iv) if paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible candidate (as defined in section 501(2), or the authorized committee of such candidate, such communication shall contain a statement, in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, disclosing that this candidate has not agreed to abide by the spending limits for this Senate election campaign set forth in the Federal Election Campaign Act.".

SEC. 106. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 502(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible candidate under section 503(b). Such declaration shall be filed at the time provided in section 502(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible candidate under section 502; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 70 percent of the general election expenditure limit applicable to an eligible candidate under section 503(b),

shall file a report with the Secretary of the Senate within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 24 hours after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 133⅓ percent of such limit) with the Secretary of the Senate within 24 hours after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 133⅓ percent of such limit.

"(3) The Commission—

"(A) shall, within 24 hours of receipt of a declaration or report under paragraph (1) or (2), notify each eligible candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 503(b), shall certify, pursuant to the provisions of subsection (e), such eligibility to the Secretary of the Treasury for payment of any amount to which such eligible candidate is entitled under section 504(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 24 hours after making each such determination, notify each eligible candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 503(b), certify (pursuant to the provisions of subsection (e)) to the Secretary of the Treasury such candidate's eligibility for payment of any amount under section 504(a).

"(b) INDEPENDENT EXPENDITURES.—(1)(A) Any person who makes, or obligates to make, independent expenditures during any general, primary, or runoff election period for the office of United States Senator in excess of $10,000 shall report as provided in this subsection.

"(B) If 2 or more persons, in cooperation, consultation, or concert with each other, make, or obligate to make, independent expenditures during any general, primary, or runoff election period for the office of United States Senator in excess of $10,000, each such person shall report as provided in this subsection with respect to the independent expenditures so made by all such persons.

"(2) Any person referred to in paragraph (1) shall report the amount of the independent expenditures made or obligated to be made not later than 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, such person shall report independent expenditures not later than 24 hours after each time the additional aggregate amount of such expenditures incurred or obligated (and not yet reported under this paragraph) exceeds $10,000.

"(3) Each report under this subsection shall be filed with the Secretary of the Senate, or with the Commission in the case of political committees required to register and report to the Commission under other provisions of this Act and the Secretary of State for the State of the election involved and shall contain—

"(A) the information required by subsection (b)(6)(B)(iii) of section 304; and

"(B) a statement under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat.

"(4)(A) A person may file a complaint with the Commission if such person believes the statement under paragraph (3)(B) is false or incorrect.

"(B) The Commission, not later than 3 days after the filing of a complaint under subparagraph (A), shall make a determination with respect to such complaint.

"(5) The Commission shall, within 24 hours of receipt of a report under this subsection, notify each eligible candidate (as defined in section 501(2)) in the election involved about such report.

"(6) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any election for the United States Senate which in the aggregate exceed the applicable amounts under paragraph (2). The Commission shall notify each eligible candidate in such election of such determination within 24 hours of making it.

"(7) At the same time as a candidate is notified under paragraph (5) or (6) with respect to expenditures during a general election period, the Commission shall, pursuant to subsection (e), certify to the Secretary of the Treasury eligibility to receive benefits under section 504(a).

"(c) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than $25,000 during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 24 hours after such expenditures have been made or loans incurred.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each eligible candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 24 hours after making such determination shall notify each eligible candidate in the general election involved about each such determination.

"(d) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual,

shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of influencing the election of the individual to the office of United States Senator.

"(e) CERTIFICATIONS.—Notwithstanding section 505(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination.

"(f) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this Act to the Commission as soon as possible (but no later than 4 working hours) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 438(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 438(a)(5).

"(g) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V."

SEC. 107. OTHER DEFINITIONS.

(a) ELECTION CYCLE DEFINED.—Section 301 of FECA (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election."

(b) IDENTIFICATION.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

TITLE II—EXPENDITURES AND CONTRIBUTIONS

Subtitle A—Independent Expenditures

SEC. 201. COOPERATIVE EXPENDITURES NOT TREATED AS INDEPENDENT EXPENDITURES.

(a) TREATMENT OF COOPERATIVE EXPENDITURES.—(1) Paragraph (17) of section 301 of FECA (2 U.S.C. 431(17)) is amended by adding at the end thereof the following new sentence: "The term 'independent expenditure' shall not include any cooperative expenditure."

(2) Paragraph (9) of section 301 of FECA (2 U.S.C. 431(9)) is amended by adding at the end thereof the following new subparagraph:

"(C) A cooperative expenditure shall be treated as an expenditure made by the candidate on whose behalf, or for whose benefit, the expenditure was made."

(3) Paragraph (8) of section 301 of FECA (2 U.S.C. 431(8)) is amended by adding at the end thereof the following new subparagraph:

"(C) A cooperative expenditure shall be treated as a contribution from the person making the expenditure to the candidate on whose behalf, or for whose benefit, the expenditure was made."

(b) COOPERATIVE EXPENDITURE DEFINED.—Section 301 of FECA (2 U.S.C. 431), as amended by section 107(a), is amended by adding at the end thereof the following new paragraph:

"(21)(A) The term 'cooperative expenditure' means any expenditure which is made—

"(i) with the cooperation of, or in consultation with, any candidate or any authorized committee or agent of such candidate; or

"(ii) in concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate.

"(B) The term 'cooperative expenditure' includes an expenditure if—

"(i) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure;

"(ii) in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policy-making position; or

"(iii) the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(iv) the person making the expenditure retains the professional services of any individual or other person also providing those services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office;

"(v) the person making the expenditure has consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(vi) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(C) The term 'cooperative expenditure' includes an expenditure if such expenditure—

"(i) is made on behalf of, or for the benefit of, a candidate or authorized committee by a political committee that is established, administered, controlled, or financially supported, directly or indirectly, by a connected organization that is required to register, or pays for the services of a person who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(ii) is made on behalf of, or for the benefit of, a candidate or authorized committee by a political committee that has made a contribution to the candidate or authorized committee."

SEC. 202. EQUAL BROADCAST TIME.

Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended to read as follows:

"(a)(1) If a licensee permits any person who is a legally qualified candidate for public office to use a broadcasting station other than any use required to be provided under paragraph (2), the licensee shall afford equal opportunities to all other such candidates for that office in the use of the broadcasting station.

"(2)(A) A person who reserves broadcast time the payment for which would constitute an independent expenditure within the meaning of section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) shall—

"(i) inform the licensee that payment for the broadcast time will constitute an independent expenditure;

"(ii) inform the licensee of the names of all candidates for the office to which the proposed broadcast relates; and

"(iii) provide the licensee a copy of the statement described in section 304A(b)(3)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(d)(3)(B)).

"(B) A licensee who is informed as described in subparagraph (A) shall—

"(i) if any of the candidates described in subparagraph (A)(ii) has provided the licensee the name and address of a person to whom notification under this subparagraph is to be given—

"(I) notify such person of the proposed making of the independent expenditure; and

"(II) allow any such candidate (other than a candidate for whose benefit the independent expenditure is made) to purchase the same amount of broadcast time immediately after the broadcast time paid for by the independent expenditure; and

"(ii) in the case of an opponent of a candidate for whose benefit the independent expenditure is made who certifies to the licensee that the opponent is eligible to have the cost of response broadcast time paid out of the Federal Election Campaign Fund pursuant to section 504(a)(3) of the Federal Election Campaign Act of 1971, afford the opponent such broadcast time without requiring payment in advance and at the cost specified in subsection (b)."

"(3) A licensee shall have no power of censorship over the material broadcast under this section.

"(4) Except as provided in paragraph (2), no obligation is imposed under this subsection upon any licensee to allow the use of its station by any candidate.

"(5)(A) Appearance by a legally qualified candidate on a—

"(i) bona fide newscast;

"(ii) bona fide news interview;

"(iii) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

"(iv) on-the-spot coverage of bona fide news events (including political conventions and activities incidental thereto),

shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

"(B) Nothing in subparagraph (A) shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from their obligation under this Act to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(6)(A) A licensee that endorses a candidate for Federal office in an editorial shall, within the time stated in subparagraph (B), provide to all other candidates for election to the same office—

"(i) notice of the date and time of broadcast of the editorial;

"(ii) a taped or printed copy of the editorial; and

"(iii) a reasonable opportunity to broadcast a response using the licensee's facilities.

"(B) In the case of an editorial described in subparagraph (A) that—

"(i) is first broadcast 72 hours or more prior to the date of a primary, runoff, or general election, the notice and copy described in subparagraph (A) (i) and (ii) shall be provided not later than 24 hours after the time of the first broadcast of the editorial, and

"(ii) is first broadcast less than 72 hours before the date of an election, the notice and copy shall be provided at a time prior to the first broadcast that will be sufficient to enable candidates a reasonable opportunity to prepare and broadcast a response."

SEC. 208. ATTRIBUTION OF COMMUNICATIONS.

Section 318(a) of FECA (2 U.S.C. 441d(a)), as amended by section 308, is further amended by adding at the end thereof the following new paragraph:

"(3) A communication described in paragraph (1) that is paid for through an independent expenditure—

"(A) in the case of a television broadcast, shall include a prominent display in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, stating the information required in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located;

"(B) in the case of any audio broadcast (including a television broadcast), shall include an audio statement at the conclusion of the broadcast in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, stating the information required in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located; and

"(C) in the case of a newspaper, magazine, outdoor advertising facility, mass mailing, or other type of general public political advertising, shall include a prominent display in compliance with such rules as the FCC shall issue, in consultation with the FEC, from time to time, stating the information required in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located;

Subtitle B—Expenditures

PART I—PERSONAL LOANS; CREDIT

SEC. 211. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 102, is amended by inserting at the end thereof the following new subsection:

"(j) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle no contributions after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family (as defined in section 501(6)) may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors."

SEC. 212. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) by striking "or" at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting "; or"; and

(3) by inserting at the end thereof the following new clause:

"(iii) with respect to a candidate for the office of United States Senator and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mass mailings mail (including mass mail fund solicitations) or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period greater than the period (not in excess of 60 days) for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished (the date of the mailing in the case of advertising by a mass mailing)."

PART II—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

SEC. 215. LIMITATIONS ON CONTRIBUTIONS TO STATE POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to the political committee designated by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to the political committee designated by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000; or".

(c) INCREASE IN OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended by adding at the end thereof the following new sentence: "The limitation under this paragraph shall be increased (but not by more than $5,000) by the amount of contributions made by an individual during a calendar year to political committees designated by State committees of a political party for purposes of paragraphs (1)(C) and (2)(C)."

SEC. 216. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) EXPENDITURES BY STATE COMMITTEES IN CONNECTION WITH PRESIDENTIAL CAMPAIGNS.—Section 315(d) of FECA (2 U.S.C. 441a(d)) is amended by inserting at the end thereof the following new paragraph:

"(4) A State committee of a political party, including subordinate committees of that State committee, shall not make expenditures for activities described in section 325(b) (1) and (2) with respect to the general election campaign of a candidate for President of the United States who is affiliated with such party which, in the aggregate, exceed an amount equal to 4 cents multiplied by the voting age population of the State, as certified under subsection (e)."

(b) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (v) by striking the semicolon at the end thereof and inserting "or with respect to a mass mailing of such a listing;";

(B) in clause (xi)—

(i) by striking "direct mail" and inserting "mass mailing"; and

(ii) by striking the semicolon at the end thereof and inserting "and are not made from contributions designated to be spent on behalf of a particular candidate or particular candidates;"; and

(C) by repealing clauses (x) and (xii).

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended—

(A) in clause (iv) by striking the semicolon at the end thereof and inserting "or with respect to a mass mailing of such a listing;"; and

(B) by repealing clauses (viii) and (ix).

(c) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—(1) Title III of FECA, as amended by section 102, is amended by inserting after section 324 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 325. (a) Any amount solicited, received, or expended directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to an activity which, in whole or in part, is in connection with an election to Federal office shall be subject in its entirety to the limitations, prohibitions, and reporting requirements of this Act.

"(b) For purposes of subsection (a)—

"(1) Any activity which is solely for the purpose of influencing an election for Federal office is in connection with an election for Federal office.

"(2) Except as provided in paragraph (3), any of the following activities during a Federal election period shall be treated as in connection with an election for Federal office:

"(A) Voter registration and get-out-the-vote activities.

"(B) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that—

"(i) are generic campaign activities; or

"(ii) identify a Federal candidate regardless of whether a State or local candidate is also identified.

"(C) The preparation and dissemination of campaign materials that are part of a generic campaign activity or that identify a Federal candidate, regardless of whether a State or local candidate is also identified.

"(D) Maintenance of voter files.

"(E) Any other activity affecting (in whole or in part) an election for Federal office.

"(3) The following shall not be treated as in connection with a Federal election:

"(A) Any amount described in section 301(8)(B)(viii).

"(B) Any amount contributed to a candidate for other than Federal office.

"(C) Any amount received or expended in connection with a State or local political convention.

"(D) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that are exclusively on behalf of State or local candidates and are not activities described in paragraph (2)(A).

"(E) Administrative expenses of a State or local committee of a political party, including expenses for—

"(i) overhead;

"(ii) staff (other than individuals devoting a substantial portion of their activities to elections for Federal office);

"(iii) meetings; and

"(iv) conducting party elections or caucuses.

"(F) Research pertaining solely to State and local candidates and issues.

"(G) Maintenance of voter files other than during a Federal election period.

"(H) Activities described in paragraph (2)(A) which are conducted other than during a Federal election period.

"(I) Any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office.

"(4) For purposes of this subsection, the term 'Federal election period' means the period—

"(A) beginning on the date which is 60 days before the primary election for any regularly scheduled general election for Federal office; and

"(B) ending on the date of the general election.

"(c) TRANSFERS BETWEEN COMMITTEES.—(1) Except as provided in paragraph (2), the limitations on contributions contained in paragraphs (1) and (2) of section 315(a) shall apply to transfers between and among political committees described in subsection (a).

"(2)(A) A national committee may not solicit or accept contributions not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(B) Subparagraph (A) and paragraph (1) shall not apply to contributions that—

"(i) are to be transferred to a State committee for use directly for activities described in subsection (b)(3); or

"(ii) are to be used by the committee primarily to support such activities."

(2) Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by subsection (a), is amended by adding at the end thereof the following new paragraph:

"(5) The national committee of a political party, the congressional campaign committees of a political party, and a State or local committee of a political party, including a subordinate committee of any of the preceding committees, shall not make expenditures during any calendar year for activities described in section 325(b) (1) and (2) with respect to such State which, in the aggregate, exceed an amount equal to 30 cents multiplied by the voting age population of the State (as certified under subsection (e)). This paragraph shall not authorize a committee to make expenditures to which paragraph (3) or (4) applies in excess of the limit applicable to such expenditures under paragraph (3) or (4). No adjustment to the limitation under this paragraph shall be made under subsection (c) before 1992 and the base period for purposes of any such adjustment shall be 1990."

(3) Paragraph (4) of section 315(a) (2 U.S.C. 441a(a)(4)) is amended by striking the first sentence thereof.

(d) GENERIC ACTIVITIES.—Section 301 of FECA (2 U.S.C. 431), as amended by section 201(b), is amended by adding at the end thereof the following new paragraph:

"(22) The term 'generic campaign activity' means a campaign activity the preponderant purpose or effect of which is to promote a political party rather than any particular Federal or non-Federal candidate."

SEC. 217. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 211, is amended by adding at the end thereof the following new subsection:

"(k) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS.—(1) For purposes of this Act, a candidate for Federal office (or an individual holding Federal office) may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under this Act, or are not from sources prohibited by this Act with respect to elections to Federal office.

"(2) The appearance or participation by a candidate or individual in any activity (including fundraising) conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if—

"(A) such appearance or participation is otherwise permitted by law; and

"(B) such candidate or individual does not solicit or receive, or make expenditures from, any funds resulting from such activity.

"(3) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law."

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(l) TAX-EXEMPT ORGANIZATIONS.—(1) Except as provided in paragraph (2), if an individual—

"(A) established, maintains, or controls any organization described in section 501(c) of the Internal Revenue Code of 1986; and

"(B) is a candidate for, or holds, Federal office at any time during any calendar year, such individual may not solicit contributions to, or accept contributions on behalf of, such organization from any person during such calendar year which, in the aggregate, exceed $5,000.

"(2) If during any period an individual is a candidate for, or holds, Federal office, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns."

SEC. 218. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 325 applies shall report all receipts and disbursements in connection with a Federal election (as determined under section 325).

"(3) Any political committee to which section 325 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 325(c) and the reason for the transfer.

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election (as determined by the Commission).

"(5) If any receipt or disbursement to which this subsection applies exceeds $200, the political committee shall include identification of the person from whom, or to whom, such receipt or disbursement was made.

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a)."

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)), as amended by section 201, is amended by inserting at the end thereof the following:

"(D) The exclusions provided in subparagraphs (v) and (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions in excess of $200 shall be reported."

(c) REPORTING OF EXEMPT EXPENDITURES.—Section 301(9) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)), as amended by section 201, is amended by inserting at the end thereof the following:

"(D) The exclusions provided in subparagraph (iv) of subparagraph (B) shall not apply for purposes of any requirement to report expenditures under this Act, and all such expenditures in excess of $200 shall be reported."

(d) CONTRIBUTIONS AND EXPENDITURES OF POLITICAL COMMITTEES.—Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end thereof the following: "For purposes of this paragraph, the receipt of contributions or the making of, or obligating to make, expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office or of any political party, in general public political advertising; and the proximity to any primary, runoff, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election."

(e) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(e) Filing of State Reports.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information."

(f) Reports by Large Contributors.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (e), is amended by adding at the end thereof the following new subsection:

"(f) Reports by Large Contributors.—(1) Any individual who makes contributions subject to the limitations of section 315(a)—

"(A) shall report to the Commission within 7 days after such contributor makes contributions aggregating $10,000 or more during any calendar year; and

"(B) thereafter, shall report to the Commission within 7 days after each time such contributor makes contributions (not yet reported) aggregating $5,000 or more.

Any report shall include identification of the contributor, the name of the candidate or committee to whom the contributions were made, and the amount of the contributions.

"(2) Any candidate for Federal office, any authorized committee of a candidate, or any political committee soliciting contributions subject to the limitations of section 315(a) shall include with such solicitation notice of—

"(A) the requirement to report under paragraph (1); and

"(B) the aggregate limitation on such contributions under section 315(a)(3)."

Subtitle C—Contributions

SEC. 221. LIMITS ON CONTRIBUTIONS BY CERTAIN POLITICAL COMMITTEES.

(a) Limitation on Amount of Contributions That May Be Accepted.—Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by section 216, is amended—

(1) in paragraph (1) by striking "(2) and (3)" and inserting "(2), (3), (6), and (7)"; and

(2) by adding at the end thereof the following new paragraphs:

"(6) A congressional campaign committee of a political party (including any subordinate committee thereof) shall not accept, during an election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed 30 percent of the total expenditures which such committee may make pursuant to section 315(d)(3) during that election cycle.

"(7) A national committee of a political party (including any subordinate committee thereof) shall not accept, during an election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed an amount equal to 2 cents multiplied by the voting age population of the United States, as certified under subsection (e).

"(8)(A)(i) Any expenditure made by a national or State committee of a political party, a congressional campaign committee, or any subordinate committee of the preceding committees, for general public political advertising which clearly identifies a candidate for Federal office by name shall be subject to the limitations of paragraphs (1) and (2).

"(ii) Clause (i) shall not apply to expenditures for mass mailings designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.

"(B) For purposes of paragraph (3), any expenditure by a committee described in subparagraph (A) for any solicitation of contributions which clearly identifies any candidate on whose behalf such contributions are being solicited shall be treated for purposes of this paragraph as an expenditure in connection with the general election campaign of such candidate, except that if more than 1 candidate is identified, such expenditure shall be allocated on a pro rata basis among such candidates."

(b) Congressional Campaign Committee.—Section 301 of FECA (2 U.S.C. 431), as amended by section 216(d), is amended by adding at the end thereof the following new paragraph:

"(23) The term 'congressional campaign committee' means the Democratic Senatorial Campaign Committee, the National Republican Senatorial Committee, the Democratic Congressional Campaign Committee, and the National Republican Congressional Committee."

(c) Effective Dates.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1992.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received on or before the date of the enactment of this Act; or

(B) contributions made to, or received by, a candidate after such date, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate on or before such date, over

(ii) such contributions received by the candidate on or before such date.

SEC. 222. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection—

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is—

"(I) a political committee other than an authorized committee;

"(II) an officer, employee, or agent of such a political committee; or

"(III) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(IV) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C) For purposes of this section—

"(i) the term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, including contributions arranged to be made in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting; and

"(ii) the term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(IV):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(I) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient."

SEC. 223. EXCESS CAMPAIGN FUNDS.

(a) In General.—Section 313 of FECA (2 U.S.C. 439a) is amended by inserting "(a)" before "Amounts", and by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding subsection (a), amounts described in subsection (a) that otherwise may be used to defray the costs of any ordinary and necessary expenses incurred in connection with an individual's duties as a holder of the office of United States Senator shall not be used to defray such costs which are expenditures with respect to such individual.

"(2) For purposes of subsection (a), ordinary and necessary expenses for the travel of the spouse or children of an individual holding the office of United States Senator between Washington, D.C. and the State from which such individual holds such office shall be treated as in connection with such individual's duties as a holder of Federal office unless such expenditures are expenditures with respect to such individual.

"(3) For purposes of this subsection, the term 'expenditure' has the meaning given such term by section 501(13)."

(b) Contributions to Official Office Accounts.—Section 315(a) of FECA (2 U.S.C.

441a(a)) is amended by adding at the end thereof the following new paragraph:

"(9) A political committee (other than the principal campaign committee of a holder of Federal office) shall not make any contribution, expenditure, or disbursement, or transfer any amount, for the purpose of defraying expenses incurred by the holder of Federal office in connection with the officeholder's official duties.

SEC. 224. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 217, is amended by adding at the end thereof the following new subsection:

"(m) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them."

Subtitle D—Reporting Requirements

SEC. 231. REPORTING REQUIREMENTS.

(a) PERIODS FOR REPORTING.—(1) Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by striking "for the reporting period and calendar year," and inserting "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(3) Section 304(b)(3) of FECA (2 U.S.C. 434(b)(3)) is amended by inserting "(within the election cycle in the case of authorized committees)" after "calendar year" in subparagraphs (A), (F), and (G) thereof.

(4) Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "(within the election cycle in the case of authorized committees)" after "calendar year".

(5) Section 304(b)(6)(A) of FECA (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(b) PERSONAL AND CONSULTING SERVICES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

TITLE III—FEDERAL ELECTION COMMISSION

SEC. 301. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not include the name of any candidate in its name in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate."

SEC. 302. REPORTING REQUIREMENTS.

(a) OPTION TO FILE MONTHLY REPORTS—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end thereof;

(2) in subparagraph (B) by striking the period at the end thereof and inserting "; and"; and

(3) by inserting the following new subparagraph at the end thereof:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year."

(b) FILING DATE.—Section 304(a)(4)(B) of FECA (2 U.S.C. 434(a)(4)(B)) is amended by striking "20th" and inserting "15th".

SEC. 303. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) ACTION BY THE COMMISSION THROUGH ITS GENERAL COUNSEL.—(1) Section 306(c) of FECA (2 U.S.C. 437c(c)) is amended to read as follows:

"(c)(1) Subject to paragraph (2), all decisions of the Commission with respect to the exercise of its duties and powers under this Act or under chapter 95 or 96 of the Internal Revenue Code of 1986 shall be made by the affirmative vote of 4 members of the Commission.

"(2) On questions relating to—

"(A) the exercise of the Commission's authority under sections 307(a) (3) and (4);

"(B) a determination under section 309(a)(2) concerning whether there is reason to believe that a person may have committed or may be about to commit a violation of law; and

"(C) a determination to initiate or proceed with an investigation,

the general counsel of the Commission shall make a recommendation for action by the Commission, and such action shall be taken upon the affirmative vote of 3 members of the Commission.

"(3) A member of the Commission may not delegate to any person the member's power to vote or any other decisionmaking authority or duty vested in the Commission."

(2) Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking ", by an affirmative vote of 4 of its members,".

(b) VACANCY IN THE OFFICE OF GENERAL COUNSEL.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by inserting at the end thereof the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed."

(c) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence thereof; and

(2) by striking the third sentence thereof.

SEC. 304. RETENTION OF FEES BY THE COMMISSION.

Section 306 of FECA (2 U.S.C. 437c) is amended by inserting at the end thereof the following new subsection:

"(g) Fees collected by the Commission for copying and certification of records and provision of other materials to the public shall not be covered into the general fund of the Treasury of the United States, but shall be kept in a separate account and shall be available to the Commission, without necessity of an appropriation, for use in carrying out this Act."

SEC. 305. ENFORCEMENT.

(a) BASIS FOR ENFORCEMENT PROCEEDING.—Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking "it has reason to believe that a person has committed, or is about to commit" and inserting "facts have been alleged or ascertained that, if true, give reason to believe that a person may have committed, or may be about to commit".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end thereof the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found."

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

SEC. 306. PENALTIES.

(a) PENALTIES PRESCRIBED IN CONCILIATION AGREEMENTS.—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of $5,000 or an amount equal to any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) not greater than all contributions and expenditures involved in the violation".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of $10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 150 percent of all contributions and expenditures involved in the violation".

(b) Penalties When Violations Are Adjudicated in Court.—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (A) or (B) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found."

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 200 percent of all contributions and expenditures involved in the violation,

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or chapter 95 of chapter 96 of the Internal Revenue Code of 1986."

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which is—

"(i) not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) not greater than 250 percent of all contributions and expenditures involved in the violation."

(c) Time Periods for Conciliation.—Section 309(a)(4)(A) of FECA (2 U.S.C. 437g(a)(4)(A)) is amended—

(1) in clause (i) by striking "30 days" and inserting "15 days";

(2) in clause (i) by striking "90 days" and inserting "60 days"; and

(3) in clause (ii) by striking "at least 15 days" and inserting "no more than 30 days".

SEC. 307. RANDOM AUDITS.

Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by inserting at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), and subject to the provisions of section 507, the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process."

SEC. 308. ATTRIBUTION OF COMMUNICATIONS.

Section 318(a) of FECA (2 U.S.C. 441d(a)) is amended to read as follows:

"(a)(1)(A) Except as permitted under paragraph (2), if—

"(i) any person makes an expenditure or independent expenditure for the purpose of financing a communication expressly advocating the election or defeat of a clearly identified candidate, or solicits a contribution by a communication through a broadcasting station, newspaper, magazine, outdoor advertising facility, mass mailing, or other type of general public political advertising; or

"(ii) an authorized committee registered under section 303 makes a communication of any kind,

the requirements of subparagraph (B) shall be met with respect to such communication.

"(B) Subject to section 315(b)(2)(A)(iii) of the Communications Act of 1934, for the purposes of subparagraph (A)—

"(i) if the communication is paid for and authorized by a candidate, an authorized committee of a candidate, or its agents, the communication shall clearly state that the communication has been paid for by such candidate or authorized committee;

"(ii) if the communication is paid for by other persons but authorized by a candidate, an authorized committee of a candidate, or its agents, the communication shall clearly state that the communication is paid for by such other persons and authorized by such candidate or authorized committee; and

"(iii) if the communication is paid for by an independent expenditure, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's authorized committee.

"(2) The Commission may waive the requirements of paragraph (1) in circumstances in which the inclusion of the required information in a communication would be impracticable."

SEC. 309. FRAUDULENT SOLICITATION OF CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting "(a)" before "No"; and

(2) by inserting at the end thereof the following new subsection:

"(b) No person shall—

"(1) make a fraudulent misrepresentation that the person is authorized to solicit or accept a contribution to a candidate or political committee; or

"(2) solicit or accept a contribution to a candidate or political committee unless the person—

"(A) intends to, and does, pay over to the candidate or political committee any contribution received; and

"(B) inform the candidate or political committee of the name of the contributor."

TITLE IV—PROVISIONS RELATING TO CONGRESSIONAL MASS MAILINGS

SEC. 401. RESTRICTIONS ON FRANKED CONGRESSIONAL MASS MAILINGS EXCEEDING APPROPRIATED FUNDS.

Section 3216(c) of title 39, United States Code, is amended by inserting "(1)" after "(c)" and by adding at the end thereof the following new paragraph:

"(2)(A) If, at any time during a fiscal year, the Postal Service determines that the postage on and fees and charges in connection with matter mailed under the frank by the Senate during that year have exhausted the amount appropriated for use by the Senate, then no more mass mailings (as defined in section 3210(a)(6)(E)) may be mailed by any Member of the Senate during the remainder of that fiscal year, unless additional funds are appropriated for use by the Senate and paid to the Postal Service.

"(B) If, at any time during a fiscal year, the Postal Service determines that the postage on and fees and charges in connection with matter mailed under the frank by the House of Representatives during that year have exhausted the amount appropriated for use by the House of Representatives, then no more mass mailings (as defined in section 3210(a)(6)(E)) may be mailed by any Member of the House of Representatives during the remainder of that fiscal year, unless additional funds are appropriated for use by the House of Representatives and paid to the Postal Service.".

SEC. 402. EXTENSION OF TIME PERIOD WHEN FRANKED MASS MAILINGS ARE PROHIBITED.

(a) Amendment of Title 39.—(1) Section 3210(a)(6)(A) of title 39, United States Code, is amended—

(A) by striking clause (i) and inserting the following new clause:

"(i) if the mass mailing is mailed during the calendar year of any primary or general election (whether regular or runoff) in which the Member is a candidate for reelection; or"; and

(B) in clause (ii)(II), by striking "fewer than 60 days immediately before the date" and inserting "during the year".

(2) Section 3210(a)(6)(C) of title 39, United States Code, is amended by striking "fewer than 60 days immediately before the date" and inserting "during the year".

SEC. 403. REPORTING AND PUBLICATION OF FRANKED MASS MAILINGS.

Section 3210(a)(6) of title 39, United States Code, is amended—

(1) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (E), (F), and (G), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D)(i)(I) When a Member of the Senate disseminates information under the frank by a mass mailing, the Member shall register annually with the Secretary of the Senate such mass mailings. Such registration shall be made by filing with the Secretary of the Senate a copy of the matter mailed and providing, on a form supplied by the Secretary of the Senate, a description of the group or groups of persons to whom the mass mailing was mailed.

"(II) The Secretary of the Senate shall promptly make available for public inspection and copying a copy of the mail matter registered and a description of the group or groups of persons to whom the mass mailing was mailed.

"(ii)(I) When a Member of the House of Representatives disseminates information under the frank by a mass mailing, the Member shall register annually with the Clerk of the House of Representatives such mass mailings. Such registration shall be made by filing with the Clerk of the House of Representatives a copy of the matter mailed and providing, on a form supplied by the Clerk of the House of Representatives, a description of the group or groups of persons to whom the mass mailing was mailed.

"(II) The Clerk of the House of Representatives shall promptly make available for public inspection and copying a copy of the mail matter registered and a description of the group or groups of persons to whom the mass mailing was mailed."

SEC. 404. TRANSFERS OF OFFICIAL MAIL COSTS.

(a) Prohibition of Transfers to Candidates.—(1) During any fiscal year in which appropriations for official mail costs of the Senate are allocated among offices of the Senate, no such office may transfer any of its allocation to the office of a Member of the Senate who is a candidate for Federal office.

(2) During any fiscal year in which appropriations for official mail costs of the House of Representatives are allocated among of-

fices of the House of Representatives, no such office may transfer any of its allocation to the office of a Member of the House of Representatives who is a candidate for Federal office.

(b) REPORTING AND PUBLICATION.—(1)(A) Each office of the Senate that transfers or receives a transfer of an official mail cost allocation to or from another Senate office shall report to the Sergeant at Arms and Doorkeeper of the Senate—

(i) the name of the office to which the transfer is made or from which the transfer was received;

(ii) the amount of the transfer;

(iii) the amount of the allocation made to the office for the fiscal year;

(iv) the total amount of allocations that have been transferred by and to the office to date during the fiscal year; and

(v) the amount of the allocation remaining available to the office for the fiscal year.

(B) The information reported to the Sergeant at Arms and Doorkeeper of the Senate pursuant to subparagraph (A) shall be published quarterly in the Congressional Record and included in the semiannual report of the Secretary of the Senate.

(C) Not later than 30 days after the date of enactment of this Act, all offices of the Senate that have transferred or received a transfer of official mail cost allocations to or from another office of the Senate during fiscal year 1990 shall report to the Sergeant at Arms and Doorkeeper of the Senate the information described in paragraph (A) with respect to such transfers, and such information shall be published in the Congressional Record.

(2)(A) Each office of the House of Representatives that transfers or receives a transfer of an official mail cost allocation to or from another office of the House of Representatives shall report to the Commission on Congressional Mailing Standards of the House of Representatives—

(i) the name of the office to which the transfer is made or from which the transfer was received;

(ii) the amount of the transfer;

(iii) the amount of the allocation made to the office for the fiscal year;

(iv) the total amount of allocations that have been transferred by and to the office to date during the fiscal year; and

(v) the amount of the allocation remaining available to the office for the fiscal year.

(B) The information reported to the Commission on Congressional Mailing Standards of the House of Representatives pursuant to subparagraph (A) shall be published quarterly in the Congressional Record and included in the quarterly report of the Clerk of the House of Representatives.

SEC. 405. USE OF OFFICIAL EXPENSE ACCOUNTS AND OTHER SOURCES OF FUNDS FOR MASS MAILINGS.

Section 506(a)(3) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)(3)) is amended by striking subparagraph (A).

SEC. 406. AMENDMENT OF FECA.

Section 301 of FECA (2 U.S.C. 431), as amended by section 221(c), is amended by adding at the end thereof the following new paragraph:

"(24) The term 'mass mailing' means newsletters and similar mailings of more than 100 pieces in which the content of the matter mailed is substantially identical, excluding—

"(A) mailings made in direct response to communications from persons to whom the matter is mailed;

"(B) mailings to Federal, State, or local government officials; and

"(C) news releases to the communications media."

TITLE V—MISCELLANEOUS

SEC. 501. RESTRICTION OF CONTROL OF CERTAIN TYPES OF POLITICAL COMMITTEES BY INCUMBENTS IN OR CANDIDATES FOR FEDERAL OFFICE.

Section 302 of FECA (2 U.S.C. 432) is amended by adding at the end thereof the following new subsection:

"(j) An incumbent in or candidate for Federal office may not establish, maintain, or control a political committee, other than an authorized committee of the candidate or a committee of a political party."

SEC. 502. POLLING DATA CONTRIBUTED TO A SENATORIAL CANDIDATE.

Section 301(8) of FECA (2 U.S.C. 431(8)), as amended by section 218, is amended by inserting at the end thereof the following new subparagraph:

"(E) A contribution of polling data to a candidate for the office of United States Senator shall be valued at the fair market value of the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made.".

SEC. 503. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1993.

SEC. . SENSE OF SENATE REGARDING FUNDING OF ACT.

(a) FINDINGS.—The Senate finds that—

(1) this Act does not provide for a funding mechanism to pay for the provisions cleaning up Senate election campaigns;

(2) a funding mechanism is necessary to pay for such provisions; and

(3) it is the position of the House of Representatives that under the Constitution all bills affecting revenue must originate in the House of Representatives.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) legislation to clean up Senate election campaigns shall be funded by removing subsidies for political action committees with respect to their political contributions or for other organizations with respect to their lobbying expenditures;

(2) legislation to clean up Senate election campaigns shall not be paid for by any general revenue increase on the American taxpayer;

(3) legislation to clean up Senate election campaigns shall not be paid for by reducing expenditures for any existing Federal program; and

(4) legislation to clean up Senate election campaigns shall not result in an increase in the Federal budget deficit.

SEC. . DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end thereof the following new subsections:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are eligible under section 9003 of the Internal Revenue Code of 1986 to receive payments from the Secretary of the Treasury shall not receive such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 4 debates, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) be ineligible to receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under the section.".

SEC. . EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. . UNIFORM HONORARIA AND INCOME LIMITATIONS FOR CONGRESS.

(a) ADMINISTRATION OF RULES AND REGULATIONS.—Section 503 of the Ethics in Government Act of 1978 is amended by—

(1) redesignating paragraphs (2) and (3) as paragraphs (3) and (4); and

(2) inserting after paragraph (1) the following new paragraph:

"(2) and administered by the committee of the Senate assigned responsibility for administering the reporting requirements of title I with respect to Members, officers, and employees of the Senate;".

(b) DEFINITIONS.—Section 505 of the Ethics in Government Act of 1978 is amended—

(1) in paragraph (1) by inserting "a Senator or" after "means"; and

(2) in paragraph (2) by striking "(A)" and all that follows through "(B)".

(c) AMENDMENTS TO THE ETHICS REFORM ACT OF 1989.—Section 1101(b) of the Ethics Reform Act of 1989 is repealed and section 1101(c) is redesignated as section 1101(b).

(d) FEDERAL ELECTION CAMPAIGN ACT OF 1971.—Section 323 of FECA (2 U.S.C. 4411) is repealed.

(e) SUPPLEMENTAL APPROPRIATIONS ACT, 1983.—Section 908 of the Supplemental Appropriations Act, 1983 (2 U.S.C. 31-1) is repealed.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1992.

SEC. . UNIFORM LIMITATIONS FOR EARNED AND UNEARNED INCOME.

(a) SUBSTANTIVE AMENDMENTS.—Section 501 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 501(a)(1) by inserting "or unearned" after "earned"; and

(2) in section 501(a)(2) by inserting "or unearned" after "earned".

(b) TECHNICAL AMENDMENTS.—(1) The heading for title V of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "EARNED".

(2) The heading for section 501 of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "EARNED".

(3) The heading for section 501(a) of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "EARNED".

SEC. . PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

(a) FINDINGS AND DECLARATIONS.—The Congress finds and declares that—

(1) the electoral process of the United States should be open to all American citizens;

(2) foreign nationals should have no role in the American electoral process;

(3) Congress does not intend and has never intended to permit foreign nationals to participate, directly or indirectly, in the decisionmaking of political committees established pursuant to the Federal Election Campaign Act of 1971;

(4) it is the intent of Congress to prohibit any participation whatsoever by any foreign national in the activities of any political committee; and–

(5) while it is necessary to safeguard the political process from foreign influence, it is critical that any protections not discriminate against American citizens employed by foreign-owned companies and that Americans' constitutional rights of free association and speech be protected.

(b) PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.—Section 319 of FECA (2 U.S.C. 441e) is amended by—

(1) redesignating subsection (b) as subsection (e); and

(2) inserting after subsection (a) the following new subsections:

"(b) A foreign national shall not direct, dictate, control, or directly or indirectly participate in any person's decisionmaking concerning the making of contributions or expenditures in connection with elections for any Federal, State, or local office or decisionmaking concerning the administration of a political committee.

"(c) A nonconnected political committee or the separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall include the following statement on all printed materials produced for the purpose of soliciting contributions:

"It is unlawful for a foreign national to make any contribution of money or other thing of value to a political committee."

"(d) A nonconnected political committee or a separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall certify in regular reports to the Commission, or in a manner prescribed by the Commission, that no foreign national has participated either directly or indirectly in the decisionmaking of the political committee or separate segregated fund, including the appointment of the administrators of the committee or fund."

(b) PENALTY.—Section 309(b)(1)(C) of FECA (2 U.S.C. 437g(d)(1)(C)) is amended by inserting "section 319 or" before "section 322".

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

PRESSLER (AND OTHERS) AMENDMENT NO. 260

(Ordered to lie on the table.)

Mr. PRESSLER (for himself, Mr. GRASSLEY, Mr. SASSER, Mr. BAUCUS, Mr. BURDICK, and Mr. CONRAD) submitted an amendment intended to be proposed by them to the bill (S. 173) to permit the Bell Telephone Companies to conduct research on, design, and manufacture telecommunications equipment, and for other purposes, as follows:

On page 8, line 12, strike out "and".

On page 8, line 18, immediately after "equipment", insert a comma and the following: "including software,".

On page 9, line 1, immediately after "other", insert "local exchange telephone company".

On page 9, line 3, immediately after "equipment", insert a comma and the following: "including software,".

On page 9, line 3, immediately after "manufactured" insert "for use with the public telecommunications network".

On page 9, line 5, strike out the period and insert in lieu thereof a semicolon.

On page 9, between lines 5 and 6, insert the following:

(9) such manufacturing affiliate shall not discontinue or restrict sales to other local exchange carriers of any telecommunications equipment, including software, it manufactures for sale as long as there is reasonable demand for the equipment by such carriers; and

(10) Bell Telephone Companies shall engage with other local telephone exchange companies in joint network planning, design and operations and provide to other such carriers operating in the same area of interest, timely information on the planned deployment of telecommunications equipment, including software.

On page 9, beginning with line 20, strike out all through line 24.

On page 10, line 1, strike out "(4)" and insert in lieu thereof "(3)".

On page 11, line 7, immediately after "(h)", insert "(1)".

On page 11, between lines 13 and 14, insert the following:

"(2) Any person injured by an act or omission of a Bell Telephone Company or its affiliate which is inconsistent with the substantive requirements of paragraph (8) or (9) of subsection (c), or the Commission's rules implementing such subsections, may initiate an action in the District Courts of the United States to recover the full amount of damages sustained in consequence of any such violation and obtain such orders from the Court as are necessary to terminate violations and to prevent future violations; or such person may seek relief from the Commission pursuant to sections 206 through 209.

Mr. PRESSLER. Mr. President, I rise today on behalf of Senators GRASSLEY, SASSER, BAUCUS, BURDICK, CONRAD, and myself to submit an amendment to S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991.

A number of small and rural telephone companies have expressed concerns to us about enacting S. 173 without adequate safeguards to ensure that rural areas continue to be served by a first-rate public telecommunications infrastructure. In 1988, I wrote an article in the UCLA Federal Communications Law Journal concerning universal telephone service which emphasized the need for a coordinated telecommunications policy between urban and rural areas of this country.

Without universal service as a fundamental premise of our national telecommunications policy, we in rural parts of the country will be left far behind in the advancing information age. Of course, a manufacturing bill alone will not do the whole job. But, the universal service premise is at the heart of this amendment.

The manufacturing restriction relaxation envisioned in S. 173 should be accompanied by clear, explicit and enforceable statutory safeguards which would guarantee small and rural local exchange carriers nondiscriminatory access to the equipment and software they need.

This amendment would do the following:

First of all, it would require the Bell companies to make software and telecommunications equipment available to other local exchange carriers without discrimination or self-preference. S. 173 currently does not contain language requiring the Bell companies to sell software, which is the heart of modern telecommunications equipment, to other local exchange carriers.

It would make any "reciprocal" requirements for other local exchange carriers that manufacture telecommunications equipment truly reciprocal.

S. 173 requires Bell company affiliates to make equipment available only to other local telephone companies and only for use with the public telecommunications network; other local telephone companies must make available any telecommunications equipment they or any of their affiliates manufacture to any Bell company that sells them equipment and to any of its affiliates, for any use.

Second, our amendment would require the Bell companies that manufacture equipment to continue making available telecommunications equipment, including software, to other local telephone companies so long as reasonable demand for it exists. S. 173 contains no requirement to maintain availability to satisfy the reasonable continuing demand of other local telephone companies.

Small and rural companies are concerned that if the Bell companies are allowed into manufacturing, they would be much more likely to buy existing manufacturing operations than to start new ones. This is particularly true for switch manufacturing, which is very capital intensive. If the Bell companies refuse to supply software to independents, they can prevent the independents from providing new services. Then the Bell companies could market such services to the small company's large customers, emphasizing that the small company was unable to offer the service.

The concern we have is that the Bell companies could divert the traffic of selected large customers to their own facilities. This would leave behind costs that remaining residential customers would have to absorb through higher rates. A Bell company also could use this leverage if it wanted to acquire a neighboring small independent in a growing area. It could further its acquisition objective by depriving the target company of technology, thus stimulating consumer complaints to regulators.

Small and rural companies are also worried that a Bell company could acquire an existing manufacturer, change the product line to meet Bell plans and needs, and cease to "support" equipment and software installed by small companies. If new software is not made available, a rural company might have to choose between installing a new switch or depriving its subscribers of new services.

Third, our amendment would require the Bell companies to engage in joint network planning, design and operations.

S. 173 undercuts joint planning and widespread infrastructure availability because it only requires the Bell companies to: First, inform other local telephone companies about their deployment of equipment; and second, report changes to protocols and requirements. The bill's requirements are too little too late. They will not lead to a nationwide, information-rich telecommunications infrastructure.

Small companies need a voice in the process to assure that the network is designed, implemented and operated jointly by all local telephone companies to meet the goal of nationwide access to information age resources.

Finally, our amendment calls for strong district court enforcement procedures, including damages. S. 173 provides only for FCC common carrier authority, which proved inadequate to remedy past refusals to provide equipment to small local telephone companies. If independents do not have the ability to go to district court with their complaints, they cannot reasonably have any confidence that the essential safeguards will be effective.

I urge my colleagues to support this amendment to ensure that rural companies have reasonable, enforceable and continuing access to the equipment and joint network planning they need so that all Americans, urban and rural alike, can share in a nationwide, information-rich telecommunications network.

Mr. GRASSLEY. Mr. President, I am pleased to join as cosponsor of the amendment by Senator PRESSLER. The rural telephone protection amendment will provide America's rural telephone companies and their customers crucial safeguards against any anticompetitive activities which might result from the passage of S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991.

S. 173 overturns a portion of the 1982 AT&T Bell System antitrust consent decree in order to allow regional Bell operating companies [RBOC's] to research, design, and manufacture telecommunications equipment.

The interesting thing about this is that the Justice Department and the Bell system originally had agreed that the RBOC's would be permanently barred from providing manufacturing because they feared the RBOC's would use their monopoly power over local telephone service to gain unfair advantage in competitive markets. It was Judge Green who instead kept the door open for RBOC manufacturing in the future if it were shown that economic conditions had changed that would discourage further anticompetitive behavior.

The Judge has thus far not found the necessary grounds to allow RBOC's to engage in manufacturing.

We should understand, therefore, why the small, rural telephone companies become alarmed at the prospects of S. 173 becoming law. They understandably want protections from the abuses of the past. They want protections against being forced into the status of second-class citizens denied the benefits and economic development which should accompany our Nation's explosive growth in technological innovation.

I am a member of the Congressional Board to the Office of Technology Assessment. Today, we are releasing a study requested by myself, Senator HATCH, and the Joint Economic Committee. This study is entitled "Rural America at the Crossroads: Networking for the Future."

OTA did a commendable job, and made numerous findings and conclusions that will help policymakers assure that rural economic development will be encouraged, not discouraged, by advances in telecommunication.

One major point made is that we may need to develop policies that distinguish rural from urban areas. OTA also underscores the importance of requiring better coordination among telecommunication interests, businesses, and local, State, and Federal officials. Our amendment does both.

Our amendment requires RBOC's to engage in joint planning with rural telephone companies as well as provide software within the definition of equipment which must be made available to rural telephone companies as long as reasonable demand exists. It also provides for strong enforcement measures to protect these interests.

Mr. President, in all candor, the RBOC's are not terribly keen about our amendment. They think it goes too far, that the rural telephone companies are asking too much, and that this is quite extraordinary.

I would just remind my colleagues that what the RBOC's want through the passage of S. 173, which creates the need for our amendment in the first place, is quite extraordinary in and of itself.

In fact, yesterday before the Judiciary Antitrust Subcommittee, the president of MCI communications, Mr. Bert Roberts, testified that, and I quote.

> Congressional action to overturn judicial decrees of any sort is extremely rare. We have not found a single instance—not one—in which congress overturned a consent degree like the modified final judgment. Such congressional action truly would be unprecedented.

Mr. President, I have not yet decided how to vote on S. 173. But I know with certainty that I have absolutely no intention of supporting legislation that will undermine a major portion of my rural constituency. There may be compelling economic policy arguments to overturn an antitrust consent decree, but there are no compelling arguments that should allow me, or any of my colleagues, to abandon the economic future of their rural constituents.

Our amendment is aimed at preventing this from happening, and I urge my colleagues to join Senators PRESSLER, SASSER, BURDICK, BAUCUS, and CONRAD, and myself in cosponsoring and supporting this amendment.

SENATE ELECTION ETHICS ACT

NICKLES AMENDMENT NO. 261

Mr. NICKLES proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 19, beginning with line 3, strike all through page 23, line 13.

ROTH AMENDMENT NO. 262

Mr. ROTH proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

Strike section 101.

Strike subsection (d) of section 102.

On page 43, lines 18 through 20, strike "an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act of 1971)" and insert "a legally qualified candidate".

Strike subsection (b) of section 103.

Strike Section 104.

Strike section 105.

On page 47, beginning with line 17, strike all through page 50, line 3.

On page 50, line 4, strike "(b)" and insert "Sec. 304A(a)".

On page 52, line 8, strike "(c)" and insert "(b)".

On page 53, line 1, strike "(d)" and insert "(c)".

On page 54, line 6, strike "(f)" and insert "(e)".

On page 54, line 16, strike "(g)" and insert "(f)".

On page 61, strike lines 5 through 13.

On page 61, lines 16 and 17, strike "and subsection (c) or (d)".

On page 101, after line 23, add the following new title:

TITLE VI—FREE TELEVISION TIME

SEC. 601. AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934.

Section 315(a) of the Communications Act of 1934 is amended to read as follows:

(a) Allowance of Television Broadcast Time for Certain Candidates; Censorship Prohibition.—Each licensee operating a television broadcasting station shall make available without charge to any legally qualified candidate in the general election for the office of United States Senator an amount of broadcast time, determined by the Commission under subsection (d), for use in his or her campaign for election, subject to the conditions and limitations of subsection (e). No licensee shall have power of censorship over the material broadcast under the provisions of this section.

(b) Equal Opportunities Requirement; Censorship Prohibition; Allowance of Station Use.—Except in those circumstances to which subsection (a) applies, if any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he or she shall afford equal opportunities to all other such candidates for the office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is imposed under this subsection upon any licensee to allow the use of its station by any such candidate.

(c) News Appearances Exception; Public Interest; Public Issues Discussion Opportunities.—Appearance by a legally qualified candidate on any—

(1) bona fide newscast;

(2) bona fide news interview;

(3) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

(4) on-the-spot coverage of bona fide events (including but not limited to political conventions and activities incidental thereto); shall not be deemed to be use of a broadcasting station within the meaning of subsections (a) or (b). Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscast, news interviews, new documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

(d) Rules and Regulations Regarding Allowance of Television Broadcast Time for Certain Candidates.—The Commission shall, after consultation with the Federal Election Commission, determine the amount of television broadcast time that legally qualified major-party candidates for a Senate office may receive under subsection (a) on the basis of the amount of television broadcast time used by major-party candidates in the previous election for the United States Senate, provided that at a minimum such candidates be provided an amount of television broadcast time commonly used by major-party candidates in elections of comparable size. The amount of television broadcast time that each candidate is eligible to receive and the amount of such time that each licensee must make available to each eligible candidate shall be published prior to each Senate election in the Federal Register by the Commission on a date established by regulation. The broadcast time made available under subsection (a) shall be made available during the 45-day period preceding the general election for such office. The Commission shall ensure that the television broadcast time made available under subsection (a) shall be made available fairly and equitably, through licensees commonly used by candidates seeking the particular United States Senate office, and at hours of the day which reflect television viewing habits and contemporaneous campaign practices. A legally qualified candidate of a party other than a party which obtained 5 percent or more of the popular vote in the last Presidential election shall, by regulation of the Commission, be granted an allocation of broadcast time in proportion to the amount of contributions under $250 such a candidate has received when compared to such contributions received by candidates of the major parties, provided that such proportion exceeds 5 percent. The Commission shall require licensee operating television broadcasting stations to enter into a pooling agreement to ameliorate any disproportionate financial impact on particular licensees. For purposes of this subsection, a major party is a party which obtained more than 5 percent of the popular vote in the previous Presidential election.

(e) Conditions and Limitations.—The entitlement of any legally qualified candidate to television broadcast time under subsection (a) is conditional upon (1) signing an agreement to forego both the purchase of any additional amount of broadcast time, and the acceptance of any additional amount of television broadcast time purchased by another, during the period that such time is made available with respect to such candidacy pursuant to subsection (a) and the Commission's regulations, and (2) filing a copy of such agreement with the Commission.

(f) Penalties and Remedies.—Any candidate who purchases or accepts purchased television broadcast time in violation of such agreement shall be subject, upon conviction, to imprisonment of up to one year or a fine of up to $10,000, or both. Any licensee who sells television broadcast time to a candidate, who has filed an agreement, in excess of the time to be provided by such licensee to such candidate pursuant to subsection (a) and the Commission's regulations shall be subject to appropriate disciplinary action by the Commission, including (1) an order requiring the licensee to provide an equal amount of time to other candidates for the same office, or (2) an order revoking the licensee's license.

SEC. 602. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 351 of the Communications Act of 1934 is further amended as follows: (1) in subsection (b) by striking the phrase "The charges" and inserting in lieu thereof "Except to the extent that the provisions of subsection (a) apply, the charges"; (2) by redesignating subsections (b), (c), and (d) as (f), (g), and (h) respectively; and (3) by adding "generally" after "Rules and regulations" in redesignated subsection (h).

(b) Subsection (a)(7) of section 312 of the Communications Act of 1934, as amended, is amended to read as follows: "(7) for willful or repeated failure to comply with the provisions of section 315 of this title."

(c) Subsection (8) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of contributions, is amended as follows: (1) at the end of paragraph (B) (xiii) by striking the semicolon; (2) at the end of paragraph (B)(xiv) by striking the period and inserting "; and" in lieu thereof; and (3) at the end of paragraph (B) by adding the following: "(xv) the value of any television broadcast time provided without charge by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended."

(d) Subsection (9) of section 301 of the Federal Election Campaign Act of 1971, as amended, relating to exclusions from the definition of expenditures, is amended as follows: (1) by inserting after paragraph (B)(i) the following: "(ii) the provision without charge of any television broadcast time by a licensee pursuant to section 315(a) of the Communications Act of 1934, as amended;" and (2) be redesignating subsequent subparagraphs accordingly.

SEC. 603. STUDY REGARDING PRIMARY AND OTHER ELECTIONS.

The Federal Communications Commission shall study the application of section 315(a) of the Communications Act of 1934, as amended by this Act, to the first general election campaign conducted under the provisions of that section and shall report the results of that study, together with recommendations, including recommendations for legislation, not later than the first day of March following such general election. The study shall also evaluate the desirability and feasibility of extending the provisions of section 315(a) of the Communications Act of 1934 to primary and other election campaigns.

SEC. 604. EFFECTIVE DATE.

The Federal Communications Commission shall promulgate rules and regulations to implement this Act no later than 180 days after the date of enactment of this Act. Sections 601 and 602(a) of this Act shall not take effect until the first day of July following the promulgations of such rules and regulations.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. **BOREN**. Mr. President, I ask unanimous consent that the Senate Committee on Agriculture, Nutrition, and Forestry, be allowed to meet during the session of the Senate on May 22, 1991, at 10:30 p.m., in SR–332, to hold a hearing on S. 1098, to authorize the purchase of dairy cows and heifers for certain purposes, and to increase the milk price support rate and provide an offset.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SUBCOMMITTEE ON COMMUNICATIONS

Mr. **BOREN**. Mr. President, I ask unanimous consent that the Subcommittee on Communications, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 22, 1991, at 2 p.m., on the reauthorization of the Federal Communications Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, May 22, 1991, at 9:30 a.m., to consider the nomination of Donald J. Yockey to be Under Secretary of Defense for Acquisition.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, May 22, 1991, at 10 a.m., to conduct a hearing on the reforming the deposit insurance system and modernizing the financial services industry, with a focus upon well-run institutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, May 22, 1991, at 10 a.m., to hold a hearing on legislative proposals for the compensation of victims of sex crimes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Wednesday, May 22, at 9:30 a.m., for a hearing on the subject: DOD subcontract management.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, May 22, 1991, at 2 p.m., to conduct a hearing to consider legislative proposals to reform the deposit insurance system and modernize the financial services industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON JUVENILE JUSTICE

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Juvenile Justice of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, May 22, 1991, at 10:30 a.m., to hold a hearing on status offenders.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 22, at 2 p.m., to hold a hearing on the Middle East: Arab-Israeli relations/Palestinian issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 22, at 10 a.m., to hold a hearing on the status of 1990 bilateral chemical weapons agreement and multilateral negotiation on chemical weapons ban.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 22, at 11:30 a.m., to hold a hearing on the South Pacific environmental protection conventions; Treaty Doc. 101-2.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BOREN. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., May 22, 1991, to consider S. 341 and S. 244.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet on Wednesday, May 22, 1991, at 2 p.m., to receive testimony on Department of Energy environmental restoration and waste management programs in review of the fiscal years 1992/1993 national defense authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

AFRICAN RENAISSANCE

• Mr. SIMON. Mr. President, one of the little known realities is that respect for civil liberties and multiparty political systems are growing in Africa.

Yes, there are countries where things are not going well, such as in Kenya, but the overall trend is a healthy trend.

It is a little like the stock market in that there are ups and downs, but the overall trend is one that we ought to be aware of and we ought to be encouraging more than we are.

Recently, Makau wa Mutua, a lawyer who directs the Africa Project of the Lawyers Committee for Human Rights had an op-ed piece in the *New York Times* commenting on what is happening in Africa.

I ask to insert his article into the RECORD at the end of my remarks.

We respond with arms in a place like Angola when we see an East-West confrontation, spending millions of dollars. I happen to have opposed that expenditure.

But whether you've favored it or opposed it, we ought to be responding with our dollars, not simply when there is a perceived military threat, but when we can do constructive things.

The opportunity is now to do constructive things.

The article follows:

AFRICAN RENAISSANCE

(By Makau wa Mutua)

After decades of unspeakable repression at the hands of authoritarian regimes, Africans stand at the threshold of a new epoch. Across the continent, millions are demanding freely elected legislatures, an independent judiciary and an accountable executive. This democratic renaissance cuts across linguistic lines and national borders, from Nigeria to Kenya, from Mali to Zaire.

This upheaval, which began soon after the collapse of one-party states in Europe, also cuts across ideological lines. This month, Angola, a battlefield of the cold war since 1974, agreed to a more open political process. This good news comes after more than two decades of a war, during which hundreds of thousands of people were killed or maimed.

Angola is but one sign of rebirth on the continent. Africa has not undergone such convulsions since independence. A number of governments are on the defensive against popular uprisings; several have collapsed. A few others, besieged by an impatient population, have agreed to introduce sweeping reforms. Several have held their first free elections since independence. Only a few, notably the Sudan, Ethiopia and Kenya, have obstinately refused to heed the winds of change, even superficially.

Halting change is even coming to Zaire, a one-party state that has institutionalized human rights abuses since President Mobutu Sese Seko came to power in 1965. Unprecedented pressure by the people has forced the Government to announce reforms and agree to contested elections. Despite the use of deadly force by Government agents, Zairians are calling for Mr. Mobutu's removal and have made it clear that they will settle for nothing short of fundamental change.

In Mali, President Moussa Traore's military Government was overthrown by army officers in March after 22 years in office. The coup leaders have named Soumana Sacko, an official with the U.N. Development Program, interim Prime Minister and he promises a democratically elected government.

In Zambia, President Kenneth Kaunda agreed in 1990 to end two decades of one-party rule. In elections this October, the smart money in Zambia is on the Movement for Multi-Party Democracy, which has called for an accountable leadership, an independent judiciary and respect for human rights.

In Benin, the longtime dictator Mathieu Kerekou was ousted in March in the country's first free election since independence in 1960. In the Cape Verde Islands, 16 years of one-party rule ended last month when Carlos Veiga and his Movement for Democracy won the country's first freely contested election. Last year, President Felix Houphouet-Boigny of the Ivory Coast abandoned one-party rule following numerous demonstrations. He, however, won a contested election amid allegations of fraud.

Surprisingly, one of the Governments that continues to resist the democratic trend is Kenya. Once regarded as a forward-looking success story, today Kenya is in crisis. President Daniel arap Moi considers any talk of a contested election seditious. Yet despite detaining and persecuting opposition voices—most notably Gitobu Imanyara, the ailing editor of the outspoken Nairobi Law Monthly—the Government has been unable to suppress demands for a more open political process.

But free and competitive elections alone do not equal the rule of law and respect for human rights, nor can they reverse decades of institutionalized abuses. In Africa, the freedoms of association, assembly, speech and press have been denied and the courts have been crippled entirely.

The current upsurge offers Africa's millions an opportunity to start afresh politically, which in turn can help establish conditions necessary to tap the continent's vast resources for sustained economic development. It must be supported by the U.S. Although the Bush Administration has expressed verbal support for a more open political process in Africa, its actual support for change is selective.

It has failed to place human rights at the top of its agenda with at least two of its key allies, Kenya and Zaire. In February, the Bush Administration released $5 million in military aid to Kenya, after its Government gave refuge to several hundred U.S.-trained Libyan mercenaries. The Administration is also seeking more assistance for the Mobutu Government in Zaire despite its failure to punish officials responsible for the massacre of as many as 350 students at the University of Lubumbashi last May.

During the cold war, U.S. support for a number of African governments was designed to check a Soviet advance. This support was sustained despite large-scale violations of human rights. Today, the U.S. can afford to take a more principled stand. Aid should be conditioned on demonstrable progress in protecting human rights and the rule of law.•

U.S. COSTS IN PERSIAN GULF CONFLICT AND FOREIGN CONTRIBUTIONS

• Mr. LAUTENBERG. Mr. President, I rise to express my continuing concern about the unwillingness of our Persian Gulf allies to share the burden of the costs of Desert Shield and Desert Storm and to do so in a timely manner. When the Persian Gulf war began, I feared our allies might be slow to deliver on their promise to share in the financial burdens of the war, forcing the United States to shoulder the vast portion of the military costs. To prevent the disproportionate share of costs being borne by the United States, I introduced legislation which would require the monthly accounting of burdensharing pledges made, cash received, and balances due from our allies. This legislation served as the basis for the burdensharing report provisions included in the Operation Desert Storm supplemental authorization bill. This bill was enacted into law on April 6, 1991, and requires that OMB immediately begin submitting a series of monthly reports on the status of allied contributions. Based on the information contained in the reports already subitted, efforts to prevent allies from shirking their responsibilities have not been wholly successful as six countries still have not met their full financial obligations.

To date, three reports have been submitted. The first, dated April 20, contained information regarding the cost and contributions of Operation Desert Shield from August 1, 1990, through December 31, 1990. The second, dated April 27, recorded costs through February 28, 1991, and contributions received through April 25, 1991. And the third, dated May 14, reported cash activity in the defense cooperation account and contributions received through May 13, 1991.

Based on the May 14 OMB Foreign Contributors' Responsibility Sharing Report, only 68 percent of all pledges have been received. This is only slightly higher than last month's report of 66 percent. Of the $54.5 billion pledged, only $37.1 billion has been received. Even more disturbing is the fact that Saudi Arabia and Kuwait, two countries that owe their very existence and sovereignty to the United States, have only paid 47 percent and 58 percent of their pledges, respectively. Collectively, these countries still owe the United States $15.6 billion. Saudi Arabia owes $8.9 billion. Kuwait owes $6.7 billion. It is outrageous that they have not paid their full debt to the United States.

Other countries that have not met their full financial obligations include Japan, $1.3 billion; United Arab Emirates, $233 million; Korea, $222 million; and Germany, $18 million.

Mr. President, it is time for our allies to belly up to the bar and pay their full share for the costs of the war. Almost 3 months have passed since the fighting to liberate Kuwait ended and still the United States carries the financial responsibility for these delinquent countries. Before our attention is focused elsewhere, the United States should collect on the pledges made since last August by our coalition partners. So far, some of our allies have been longer on talk than they have been on cash.

During the war it was our soldiers who put their safety at risk to avoid civilian casualties. They flew lower, moved into closer range, and held their fire longer to insure hitting only military targets. In addition to assuming immense physical risk, it was the United States that also assumed most of the financial risk. Despite uncertainty about the total costs necessary to stop Saddam Hussein, the United States acted to thwart his ruthless aggression. This act of leadership was done when commitments from allies were soft, but done with the expectation that our allies would contribute whatever funds they could to offset the total costs. Having successfully driven Saddam Hussein from Kuwait, our allies should make good on their pledges.

Mr. President, the United States fulfilled its commitment to our allies by defeating Saddam Hussein. Our allies should deliver on their promises.

AMERICA 2000 AND MINNESOTA'S EDUCATION REFORM LEADERSHIP

• Mr. DURENBERGER. Mr. President, it is a fitting tribute to Minnesota's leadership in educational reform that President Bush and Education Secretary Lemar Alexander are in St. Paul today to help launch the America 2000: Excellence in Education Act—the President's blueprint for changing the way we educate future generations of American students.

President Bush is in St. Paul to help launch America 2000 because Minnesota has done more than any other State to change the way we deliver education to America's kids. For example:

Minnesota has the Nation's first statewide public school choice program.

Juniors and seniors in Minnesota may attend public and private colleges and technical schools at State expense under Minnesota's Post-Secondary Options Program.

Consistent with President Bush's emphasis on private sector support, new work-site public schools have been started in Minnesota with help from major employers like First Bank St. Paul, Honeywell, and the Dayton-Hudson Corp.

Disadvantaged and at risk kids are now also attending more than a hundred different area learning centers and public and private alternative education programs run by or under contract with school districts all over the State. Some of these alternative schools are run by community groups like the Minneapolis Urban League and Plymouth Youth Center. Others are specially designed to deal with kids who have drug, alcohol, or other critical problems.

Under new legislation passed by the Minnesota House and Senate just this week, religious-sponsored schools will also now qualify for contracts to teach dropouts and at-risk students in Minnesota.

Finally, parents and teachers have joined forces to create new and innovative public schools "from scratch"—schools like Saturn in St. Paul, and the Public School Academy and Chiron School in Minneapolis. Some of Minnesota's most innovative schools are in rural areas, as well—in small towns like Cyrus and Miltona.

While he is in Minnesota today, President Bush is being given a tour of the nationally acclaimed Saturn School of Tomorrow. Saturn is now in its second year of operation. It serves 210 students in grades 4–7.

Saturn was started by a group of forward-looking teachers, backed up by the board and administration of St. Paul public schools. Its teachers, led by the school's director, Tom King, were trained at one of Minnesota's fine private postsecondary institutions, the University of St. Thomas.

Saturn's approach to learning puts much more focus on the individual student, on continually monitoring individual achievement goals, and on new educational technology.

It will not work for every student. And, it requires a commitment of financial resources that currently cannot be made in every district and every school in America.

But, the importance of Saturn is its willingness to do what President Bush calls "break the mold." And, by starting dozens of new schools, Minnesotans are helping to demonstrate new and different ways of both teaching and learning—one of the prime goals of the President's "America 2000" initiative.

Mr. President, I am proud that President Bush's visit to Minnesota today is helping to recognize what my State has already done to expand choices and create new schools. But, I also want to call attention to two new ideas still on the horizon in Minnesota that offer even greater promise for the future.

The first of these new ideas is legislation passed by the Minnesota House and Senate just this week allowing new schools started by parents and teachers to be chartered by local school boards. Once chartered, these new schools will get the same Federal, State, and local funding as any other public school. They may not teach religion, charge tuition, or discriminate on the basis of race, disability, income, or previous academic achievement. But, once chartered, they will be free of most of the rules and regulations that stifle creativity among both teachers and kids.

A second new initiative on Minnesota's educational reform agenda is a growing emphasis on outcomes as a way of determining what we want to accomplish, how we reward success, and how we hold schools and educators accountable.

Over the next several years, all school districts in Minnesota will be required to begin implementing a new outcome-based education policy adopted earlier this month by the State board of education.

This new policy has the potential to move Minnesota educators away from counting credits and hours and degrees—and toward mastering specific skills that prepare each of us to succeed in life.

It also helps set new and more flexible ground rules for creating new schools—and more choices—for both teaching and learning all over Minnesota.

Finally, Mr. President, let me say a word about how all of this has come to pass in Minnesota—another good lesson for those of us here in Washington.

Minnesotans have always placed a high value on both education and innovation. And, in education, Minnesotans have also placed a high value on bipartisanship.

Over the last 10 years, Governors Al Quie, Rudy Perpich, and now Arne Carlson have all been strong advocates for the innovations in education President Bush is in St. Paul to help salute. We have also been well served by current and former State education commissioners like Ruth Randall, Tom Nelson, and Gene Mammenga.

And, there has been bipartisan leadership in the State legislature on each of the initiatives I have mentioned—Republicans and Democrats, working together to help kids gain the skills they need to succeeed in the work place and throughout their lives.

This year, for example, leadership on the chartered schools proposal came from Democratic legislators like Senator Ember Reichgott and Representatives Becky Kelso and Ken Nelson; and from Republicans like Senator Gen Olson and Representative Charlie Weaver.

But, it is not just bipartisan support from public officials that has helped make Minnesota such a national leader on educational reform.

Minnesota has had strong support for its education initiatives from the business community, from civic groups like the Citizens League, from parents, from educators, and from nationally known education reform leaders like Ted Kolderie and Joe Nathan, who serves on President Bush's Educational Advisory Committee.

That is the kind of cooperative spirit that the America 2000 initiative can help bring to every community all across the country. And, it is a lesson we can learn from in Washington, as well.

President, all these Minnesota initiatives—establishing the fight to choose schools, expanding the number and range of choices, and placing much more emphasis on outcomes—include lessons for the Nation as a whole. They also run parallel—and have contributions to make—to many of the initiatives now being proposed by President Bush and Secretary Alexander.

I look forward to working closely with my colleagues in the administration and in the Congress as we learn from that experience and leadership and as we begin moving ahead—to properly position American education for both the tough challenges and exciting opportunities we face together as a nation.

THE IMPORTANCE OF DIPLOMACY

• Mr. SIMON. Mr. President, one of the bright young leaders in Illinois is Jonathan K. Baum. Recently, he wrote a column for the publication of the Democratic Party of Evanston in which he comments on the Middle East situation and our willingness to take military action.

What he has to say is something all of us should reflect upon. I ask to insert his statement in the RECORD at this point.

The statement follows:

[From the Evanston Democrat, April 1991]

LET'S NOT LEARN THE WRONG LESSON FROM DESERT STORM

(By Jonathan K. Baum)

One of the greatest challenges facing our party as we approach the 1992 elections is dealing with GOP efforts to paint us as "unpatriotic" based on the votes of most congressional Democrats in January to give economic sanctions more time to drive Iraq out of Kuwait before launching an all-out war. I think I reflect the sentiments of most Democrats in being pleased that, once the military option was selected, it was employed with swift success and relatively low American (if not Iraqi) casualties. But let us not confuse efficiency with wisdom. Just because war was successful less than six months into the one year that President Bush originally told us it would take for economic sanctions to achieve the same result does not mean that the hasty choice of the military option was correct. That we had the military capability to win the war was never in doubt. But, as former Joint Chiefs of Staff chairmen Adm. William Crowe and Gen. David Jones counseled before the war began, that we could achieve our goal militarily did not mean that we should employ those means before giving less bloody alternatives a full chance to work.

Those who suggest that the outcome of the war vindicated its advocates and discredited its opponents are wrong. Indeed, the very speed with which the resources and morale of Saddam Hussein's forces collapsed suggests just how effective the unprecedented worldwide sanctions were. The prognosticators who wrongly predicted that Hussein could hold out in battle for a long time were probably equally wrong in estimating how long he could withstand the world's concerted embargo of arms, funds and goods to his country. Ironically, because the embargo had an even more widespread impact on the daily lives of all of Hussein's countrymen than did the brief war, and because an invading army tends to unite a population even behind a tyrannical dictator, the "economic war"—if it had been permitted to have its full effect—would probably have resulted not only in the liberation of Kuwait but also in the liberation of Iraq from Saddam Hussein's tyranny.

There is a tendency in the postwar euphoria to dismiss alternatives to the use of military force as naive, cowardly and ineffective. But we are not without recent historical examples that suggest otherwise. In 1977, the largest Arab nation, Egypt, was in a declared state of war with Israel, having fought it on the battlefield four times in 25 years, with heavy loss of life on both sides. Israel, led by the hawkish Menachem Begin, had the military capability to "bomb Egypt back to the Stone Age." Instead, with the skilled mediation of President Jimmy Carter, it entered into a peace treaty with Egypt, at the price of vast amounts of territory previously viewed as essential to its security. Does anyone really believe that Israel today would be more secure militarily if it had dismissed the "wimpish" diplomatic option in favor of the swift and deadly use of force?

Taking a long term view, we must learn, as John F. Kennedy admonished us, to match our skill in war with our skill in statecraft. One of the tragic consequences of the premature decision to go to war in the Persian Gulf is that we squandered an historic chance to see if the first virtually unanimous world international economic blockade could prove itself as the 21st century answer to agression. Precisely because the war was won so "easily," probably no one will suggest the next time an international bully strikes that we should re-employ our united economic sanctions regime. Instead, because we know that war "works" and didn't give ourselves the chance to learn if more civilized measures would, war will be—as it has been throughout most of human history—the first recourse rather than the last. If that is the lesson learned from Desert Storm, then we Democrats owe it to our children not to read from the Republicans' primer.●

SONS OF ITALY FOUNDATION CELEBRATES AMERICAN YOUTH

● Mr. D'AMATO. Mr. President, while a pressing prior commitment precluded my attendance, I want to commend and congratulate the Sons of Italy Foundation for its glowingly successful Annual National Education and Leadership Award Dinner, held in the Rayburn House Office Building on Thursday evening, May 16, 1991.

In addition to a perpetual scholarship conferred in the name of Supreme Court Justice Antonin Scalia, the Sons of Italy Foundation presented nine similar awards to deserving young scholars in the names of such distinguished individuals as St. John's University Head Basketball Coach Lou Carnesecca, the late and dearly missed Representative Silvio O. Conte, and Dr. Vincenzo, Sellaro, the founder of the Order of Sons of Italy in America [OSIA].

OSIA's and the Sons of Italy Foundation's long record of generous support for education is to be highly praised by this revered body and, indeed, by all citizens concerned with the state of American education. During the past quarter century, OSIA has contributed in excess of $14 million to scholarships for young academics. OSIA's Perpetual Scholarship Program is well advanced toward the creation of a $1 million permanent educational trust.

Indeed, the OSIA Scholarship Program highlighted on May 16 was important enough that several of my colleagues in the U.S. Senate, including Messrs. BRADLEY, GLENN, KENNEDY, LAUTENBERG, and THURMOND, as well as HUD Under Secretary Alfred DelliBovi, addressed the assemblage on various aspects of education.

Such visionary and beneficent action could not come at a more appropriate time in our nation's history—a time when we face formidable global challenges to our economic and educational bases, when much of our national resources and spirit are sapped by seemingly unsolvable domestic ills, when many of America's youth face uncertain futures at best.

At such an unsettling time, the Sons of Italy Foundation chooses to illuminate America's shining lights. The recipients of this year's OSIA national leadership grants stand at the forefront of what is surely an impressive array of tomorrow's leaders. I hereby commend Albert J. Riccelli, Sr., national president of OSIA: Valentino Ciullo, vice chairman of the Sons of Italy Foundation; Joseph Sciame, vice president of St. John's University and toastmaster; and Dr. Philip R. Piccigallo, national executive director of OSIA and the Sons of Italy Foundation, for their leadership role in the National Education and Leadership Award event.

Equally praiseworthy is Joanne Strollo, national second vice president of OSIA and chairwoman of the OSIA national education committee. I ask that her introductory remarks for each of the 10 scholarship recipients be inserted in the RECORD at the conclusion of my remarks.

The remarks follows:

REMARKS BY JOANNE STROLLO

Good evening, it is my extreme honor to present the National Leadership Grants to ten very committed, very dedicated family oriented scholars.

They were chosen from among 500 individuals in a fierce national competition and screening process.

As they are introduced, you will know why they were chosen.

MICHAEL DANTE COCCAGNIA

Michael Dante Coccagnia is graduating fourth in his class of 623 at Chamberlain Senior High School in Tampa, Florida. He has maintained a perfect 4.0 grade-point-average.

Michael is the principal second violinist in his school orchestra, and he is a staff member of the school newspaper. He was a member of the 1990 swim team, and he competed in the Florida state diving championships. He works part-time at the Tampa Bay Center to earn money for his college education at the University of Florida. Michael is keeping an open mind about deciding on a college major, however, he finds the practicality of a business degree appealing. He has received U.C. Pride nominations in Science, Mathematics, and English.

Michael has known adversity, but his determination after undergoing cancer surgery helped his school swimming team capture the 1990 District Title.

Michael attributes much of his determination to succeed to the foundation of values set by his grandfather, a talented clarinetist.

Michael, your grandfather would be proud.

For his courage and determination, Michael is this year's recipient of the Coach Lou Carnesecca Scholarship.

Presentation will be made by OSIA's Florida State President Salvator D'Alessandro.

Congratulations, Michael.

GIANNINA D'AGRUMA

A doctoral student in Higher Education and Administration at the University of Akron, Giannina D'Agruma emigrated to the United States from Italy in 1967 as a young teenager. Fluent in Spanish, French, Italian and English, Giannina works with the vice consulate of Cleveland.

She has been honored as one of the ten most outstanding women on the University of Akron campus, and for the past eight years, she has worked as a part-time Italian instructor. In addition to her work and scholarly responsibilities, Giannina is the mother of three children, and is from Uniontown, Ohio.

She has a major interest in comparative educational systems and the globalization of higher education. Giannina intends to become a full-time professor of Italian, as well as a university departmental administrator.

Because of her determination, Giannina is the recipient of this year's Maj. Marie T. Rossi Memorial Scholarship.

This scholarship is given in memory of the army helicopter pilot who was killed in the aftermath of the Gulf War.

Before presenting the scholarship, I would like to introduce Major Rossi's parents: Gertrude and Paul Rossi.

Giannina's presentation will be made by OSIA's Ohio State President, Thomas Letizia.

Congratulations, Giannina.

ALISON MARIE TORRILLO

Alison Marie Torrillo, a 4.0 student, is valedictorian of her class at Commack High School, in Commack, New York. She also has been named a national merit semi-finalist.

Alison has a strong interest in journalism. She served as editor-in-chief of her student newspaper, produced news stories for the high school television stations, and wrote for the school's literary magazine.

Alison will major in communications at Cornell.

A very talented young lady, she sings, dances, plays the flute and the piano, and won a poetry contest.

She has served as president of her school's chapter of Students Against Drunk Driving.

Alison is the recipient of the Dr. Vincenzo Sellaro Memorial Scholarship, named after the founder of the Order Sons of Italy in America.

The presentation to Alison will be made by last year's Sellaro Award Recipient, OSIA Past National President Peter Gay, and this year's recipient, Past National President Aldo Caira.

Congratulations, Alison.

JOHN BARRINGTON

John is graduating valedictorian of his class at Ukiah High School, in Ukiah, California. An accomplished honors student with a weighed grade-point-average of 4.33 on a 4.0 scale, John received his school district's outstanding student award last year and was named a Tandy Scholar, as his high school's outstanding math and science student. He also was named a national merit scholar.

John plans to pursue a career in medicine or dentistry, and he will major in biology or pre-med at UCLA, where he has been named a Regent's Scholar.

John's activities do extend beyond academics. He participated on his school's championship golf team, and last year he travelled to the village of Palaco, Mexico, with a youth group to work with villagers in need.

John's hard work has earned him this year's Silvio O. Conte Memorial Scholarship.

John's award will be presented by OSIA's California State President Frank DeSantis, and Sons of Italy Foundation Vice-Chairman Valentino Ciullo.

PAULA MARIE CASTALDO

Paula Marie Castaldo graduated this month from the University of Pennsylvania, where she received a bachelor of science in economics from the Wharton School and a bachelor of arts in psychology from the colleage of arts and sciences. A Phi Beta Kappa student and Ben Franklin Scholar at Penn, Paula graduated with a 3.99 overall grade-point-average.

She was Vice President of John Marshall Pre-Law Honor Society. She served as research assistant to a marketing professor at Wharton School.

Paula will attend law school beginning this fall at Harvard University.

In addition to her scholastic achievements, Paula also is an accomplished vocalist. During the summer of 1988, she participated in the American Music Abroad Tour of Europe.

Paula's family lives in West Chester, Pannsylvania.

Paula is the recipient of the Ann and Louis Esposito Scholarship.

Paula's presentation will be made by Ann and Lou Esposito. Lou is OSIA's State President of Pennsylvania.

Congratulations, Paula.

JOANN DEMARCO

JoAnn DeMarco is a second-year student of veterinary medicine at Mississippi State University, where she has earned a 3.9 grade-point-average.

She was senior class vice president in high school and graduated third in her class. She graduated Cum Laude from Montclair State College, in her native New Jersey, where she worked in a pharmacy, a nursing home, and a veterinary hospital. She received a bachelor's degree in biology at Montclair, and she earned a 3.5 grade-point-average.

While in High School she received the Presidential Scholars Award and the Army's Presidential Athletic Scholars Award. This evening she is the recipient of the Orders Sons of Italy in America's National President's Scholarship.

The presentation will be made by Vince Sarno, OSIA's State President of New Jersey.

Congratulations, JoAnn.

DIANA N. MANCINI

Diana N. Mancini has maintainted a perfect 4.0 grade-point-average at Oswego State University of New York, where she is an honors student in psychology. Last year, she was named outstanding freshman in history, and this year was named Distinguished Sophomore.

Diana participated in student council and the National Honor Society at Amsterdam (New York) High School, where she graduated with a 3.7 grade-point-average.

Diana works as the evening receptionist at the Newman Hall Center, and serves as a Eucharistic minister at her church. She is also a member of Amnesty International.

Diana is this year's recipient of the Pearl Tubiolo Memorial Scholarship.

Unfortunately, Diana is unable to join us this evening.

Peter Tubiolo, husband of Pearl and an OSIA National Trustee, will make the presentation to OSIA's New York State President, who will accept for Diana.

We offer Diana our congratulations.

ROGER COZZI

Roger Cozzi, of Garden City, New York, is a junior majoring in economics at the University of Pennsylvania's Wharton School, where he has earned a 3.7 grade-point-average. Roger is a graduate of New Hyde Park Memorial High School, where he was involved in basketball, baseball and tennis, was president of the Key Club, and vice president of the computer club. At graduation, he received top student athlete award, Italian studies award, empire state scholarship, and the humanitarian award.

Roger works as a research assistant for a professor in the Wharton School.

Roger lost his father and at an early age learned to assume major responsibilities. He is co-founder of two companies.

Roger is this year's recipient of the Boncore Family Scholarship.

Roger's presentation will be made by Philip Boncore, OSIA First Vice President of Massachusetts.

Congratulations, Roger.

ROBERT ANTHONY GRANIERI

Robert Anthony Granieri is a resident of Collegeville, Pennsylvania and recently completed his sophomore year at the University of Pennsylvania. An entrepreneurial management major at the university's Wharton School, Robert is maintaining a perfect 4.0 average.

A graduate of Methacton High School where he was active on the debate team, member of the management club, the Pennsylvania investment alliance, and the real estate club. He worked at various jobs to help finance his education.

Robert attributes his motivation to succeed to the example provided by the summer visit to their home of a student from Italy who studied diligently while Robert and his friends were enjoying the summer.

Robert is the recipient of the Polo Family Scholarship.

The presentation will be made by OSIA National 5th Vice President Paul Polo, and OSIA National Trustee, Sebastian Polo, with Congressman Lawrence Coughlin of Pennsylvania.

Congratulations, Robert.

CANDICE LYNNE AITKEN

Candice Lynne Aitken is a graduating senior at Sachem High School North, in Lake Ronkonkoma, New York. With a weighted grade-point-average of 120 points out of a possible 100, Candice will graduate second in her class of 1279 students. Candice's SAT scores are nearly as impressive as her GPA, scoring 720 out of 800 on the verbal section and 740 out of 800 on the math section. Her composite ACT score of 35 places her in the top one percent of students taking the exam.

Candice will attend Yale University beginning this fall, where she plans to major in biology and mathematics. Candice hopes to attend medical school after graduation.

Her many honors include receiving the Outstanding Achievement in Mathematics award in her high school four straight years, earning varsity letters in cross country and track, and being elected president of student government.

Because of her enormous academic accomplishments, her demonstrated leadership potential, and her overall commitment to hard work and excellence, Candice is this year's recipient of The Honorable Antonin Scalia Scholarship.

Would Ms. Aitken, OSIA 1st National Vice President Peter Zuzolo and our Guest of Honor, Justice Scalia, please come to the podium for the presentation.

I am awed to be in their presence. It is a wonderful feeling to know they are our future leaders and our country is in very good hands.

Please join me in a warm and deserved round of applause for our scholars.

Thank you.●

SHOLOM COMAY

● Mr. SIMON. Mr. President, I rise today in remembrance of Sholom D. Comay, the president of the American Jewish Committee. Mr. Comay died of a heart attack over the weekend at the age of 53.

In the past few years, Sholom Comay became well known to me and my staff, particularly on immigration reform issues. As a member of the Senate Immigration and Refugee Affairs Subcommittee, I have worked closely with ethnic, family, religious, and other organizations in shaping policies both with regard to the Immigration Reform and Control Act of 1986 and the recently enacted Immigration Act of 1990. Throughout these efforts, the American Jewish Committee stood steadfast with me in support of family reunification as a cornerstone of our immigration policy.

Sholom Comay and the American Jewish Committee brought special awareness not just to issues strictly related to the Jewish community but worked across communities and reached out. When it came to immigration issues, civil rights, hate crimes, English-only and others, Sholom Comay was there to stand against bigotry and to work for good and just causes for all Americans.

The loss of Sholom Comay, therefore, is felt not only in the Jewish community but everywhere. I extend my condolences to Sholom Comay's family, the American Jewish Committee and the people whose lives he touched throughout the Nation.●

MAXWELL AWARD OF EXCELLENCE GOES TO REGIONAL ECONOMIC COMMUNITY ACTION PROGRAM, INC.

● Mr. D'AMATO. Mr. President, I would like to congratulate the Regional Economic Community Action Program, Inc. [RECAP] of Middletown, NY, for receiving one of the first Maxwell Awards of Excellence. This award was presented to RECAP last night by the Fannie Mae Foundation to recognize the exceptional merit of the community reentry project administered by RECAP. RECAP was 1 of 6 award recipients selected from over 100 applications for this prestigious award by a national advisory committee of housing and community development experts.

As the Fannie Mae Foundation states, the projects receiving awards "are inspirational examples of how local communities throughout America, urban and rural, can provide decent and affordable housing and foster vital neighborhoods." This honor is a clear and justified recognition of the substantial benefits provided by the community reentry project.

The community reentry project redirects social services money intended to pay for homeless families in welfare hotels and uses it instead to provide permanent housing and supportive services for homeless families. The program plan makes permanent affordability possible by paying off a substantial amount of the mortgage used to acquire the housing and by providing rental assistance to program participants. Tenant support services are provided by Project Self-Sufficiency, a program of Rural Opportunities, Inc.

This project was completed in a partnership with several organizations, including RECAP, ROI, Orange County Department of Social Services, Orange County Office of Community Development, the Bank of New York, Middletown Savings, Marine Midland Bank, the New York State Housing Finance Agency, and New York State. In recognition of its creativity, determination, and dedication, RECAP will receive a $25,000 grant to assist RECAP with further housing efforts.

Mr. President, a major challenge facing housing providers today is devising programs that meet the present and future needs of low-income persons by providing safe and decent shelter while also providing services necessary to enable and encourage people to live independently and comfortably. The community reentry project is a good example of what public-private partnerships can achieve in this area. By housing families and dispensing tenant support services, this program meets the immediate and long-term needs of its participants.

Mr. President, I would also like to congratulate RECAP and its executive director, Charles Darden, for celebrating 25 years of community service and advocacy last year. The services that RECAP provides make a significant difference in the community and are to be strongly commended.●

ORDERS FOR THURSDAY

Mr. BOREN. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m., Thursday, May 23; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period of morning business not to extend beyond the hour of 10 o'clock, with Senators permitted to speak therein; that the time for morning business be equally divided and controlled between Senator KENNEDY and Senator HATCH or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9 o'clock tomorrow.

Thereupon, the Senate, at 10:15 p.m., recessed until Thursday, May 23, 1991, at 9 a.m.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate May 22, 1991:

DEPARTMENT OF EDUCATION

DAVID T. KEARNS, OF CONNECTICUT, TO BE DEPUTY SECRETARY OF EDUCATION.

COMMODITY FUTURES TRADING COMMISSION

SHEILA C. BAIR, OF KANSAS, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING APRIL 13, 1994.

JOSEPH B. DIAL, OF TEXAS, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING JUNE 19, 1996.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

TRIBUTE TO NIKKI A. BELL

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Nikki A. Bell, of Lincoln, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Lincoln High School, in Lincoln, RI.

This award is presented to the student chosen by Lincoln High School who demonstates a mature blend of academic achievement, community involvement, and leadership qualities.

Nikki A. Bell has certainly met these criteria. She ranks third in her graduating class and is a member of both the Rhode Island and National Honor Society. She was also an award winner in the Rhode Island Science Olympiad and participated in the Governor's Summer Program in Science and Math. She has been a Student Council representative and a homeroom agent for 4 years. In addition, Nikki has participated on the varsity field hockey team and the school chorus for 4 years. She also does volunteer service with mentally retarded children during the summer.

I commend Nikki A. Bell for her outstanding achievements and wish her all the best in her future endeavors.

CONGRESSMAN KILDEE HONORS FLINT AREA APWA PRESIDENT AL LABRECQUE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KILDEE. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Mr. Al LaBrecque of my hometown of Flint. He recently was inducted into the Michigan High School Football Coaches Association's Hall of Fame in honor of his outstanding achievements over nearly three decades of coaching.

Al is a personal friend of mine, and it has been a great privilege to know him. Through Al's kindness and concern for his players, he has nurtured an interest in both football and academics.

Al is well known in the Flint area, in fact, for his ability to motivate children of diverse backgrounds to pursue their dreams and to work together as a team to accomplish common goals. His personal drive for perfection has been an example to many children in Flint that success is as important in the classroom as it is on the football field.

Currently, Al serves as president of the Flint area local of the American Postal Workers Union. His coworkers describe him as remarkable in his dedication and tireless work in the advancement of the Flint chapter of the Michigan Postal Workers Union [MPWU]. Al has provided the Flint area local with the momentum to advance the postal workers' initiative into successful accomplishments.

His leadership in the Flint area local is paralleled by his achievements on the playing field. In his 28-year coaching career, Al has been faced with more difficult tasks than merely coaching his football teams. On one occasion cited by his colleagues, he coached a young man who had fought in Vietnam and was suffering its psychological after-effects and helped turn him around. Al helped him replace the anguish of Vietnam with the hope found in education. He helped him look at the world with more gentle eyes, to believe in the good things in life that are attainable. And he showed him how to use his mind for good and for hope, rather than being cynical and uncaring.

During a recent conversation, his wife Michelle described Al's joy in receiving letters from former football players he had coached congratulating him on his membership into the Football Coach's Hall of Fame. She said several letters from those he had coached specifically attributed their own successes in life to Al's helping hand and concern years ago.

Commenting on his induction into the Michigan High School Football Coaches Association Hall of Fame, Al himself quipped, "It must be something like going to heaven." The comment is typical of Al's humor, as well as of a modest man who has tirelessly helped so many young people head down the right path in their futures.

It is, again, a great pleasure to be able to give tribute to Al LaBrecque here today. His efforts and commitment have made our community a much better place in which to live.

DEMOCRACY—THE VANGUARD OF FREEDOM

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WILLIAMS. Mr. Speaker, I submit for inclusion in the RECORD the following text. It is the winning script from my State, Montana, written and delivered by my constituent, Ms. Mellyn Ludlow from Stevensville, MT, at the 1991 VFW Voice of Democracy Scholarship Program. I commend the VFW's foresight in making this scholarship opportunity available to our youngsters as they plan their higher education goals. I commend Ms. Ludlow for her words:

DEMOCRACY—THE VANGUARD OF FREEDOM

The watchmaker worked on the watch for days, meticulously placing every gear within the watch's body. Upon finishing that task, he gently picked up the watch and looked at it thoughtfully for a long time. Then, on the back of the beautiful timepiece, he carefully etched an eagle, its wings outstretched in flight. He glanced at a clock hanging over his counter and was startled to see how many hours had passed. He quickly got a small box from a storage shelf and lined it with a soft, blue cloth. Gently, the old man placed the watch in the box, and with a final look, closed the lid and placed the little package in his coat pocket. The man left his shop and hurried down the street as a light snow began to fall. He arrived home and quickly joined his family in the kitchen where they were all waiting. The smaller youngsters could hardly contain their excitement, as they flitted about the room singing a childish rendition of Happy Birthday to an older boy who sat contentedly on a chair amidst the chaos.

As the children finished their song and sat down, the tired watchmaker pulled the box from his pocket and handed it to his son. Slowly, the boy opened the package and gazed at the gleaming gold watch. Carefully, he picked it up and held it in his palm. His eyes grew round as he looked at the eagle engraved on the back and saw the detail with which it had been done. Throughout the next months the boy could not be parted from his magnificent watch, but as time passed, he became less concerned with it. He often left it laying around and finally it was shoved to the back of a shelf, and abandoned to gather dust, while the boy moved on to other treasures. Just as the boy received a gift from his father, we, the youth of today, have been given a priceless gift by our predecessors, the gift of democracy, of liberty, and ultimately, of freedom. We must not take our gift for granted as the young boy did his watch. This gift of freedom must be treasured and protected by each individual in every generation.

The cost of democracy, paid by our forefathers, was tremendous. Thousands gave everything they had to further the cause of freedom. They gave their wealth, their property, their possessions, and even their lives. Many never lived to see their efforts pay off. They never lived to see the day the United States became a democracy, when the United States became a nation promising liberty for all. In spite of all that our ancestors did to present us with this gift of freedom, our right to have this freedom was challenged. And again, millions of men and women sacrificed not only their time and their energy, but their lives and the lives of their loved ones to safeguard democracy, to ensure that future generations would be free.

Today, my generation has this freedom. We have received this precious gift for which so many fought and died. However, like the boy who received the watch, we often get caught up in other affairs and leave our democracy laying carelessly about or "sitting on the shelf," gathering dust. Instead of valuing our freedom, we are taking it for granted. In doing this we are riding on the legacy of democracy, rather than working to preserve it to pass on to future generations.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

We the people of the United States of America must once again become advocates of democracy, protectors of freedom. The time is past when we can stand as observers of government. In order for democracy, government of, by, and for the people to function every individual must be concerned about the actions of government. As democracy is the vanguard of freedom, so must we be the vanguard of democracy.

The price of democracy, and ultimately freedom, has been paid by our forefathers. The cost was tremendous, millions of lives were lost. We cannot sit back and ignore the responsibility of safeguarding our democracy, our liberty, or our freedom for those generations yet to come. We must further the legacy of democracy by participating in our government. As citizens of this United States democracy, we are the past, the present, and the future embodied. We are the beginning and we must not be the end.

THREE SUCCESS STORIES

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GOSS. Mr. Speaker, we hear so much doom and gloom about our current educational system. But in our efforts to improve our schools and the education they offer, we shouldn't overlook the success stories that happen every day.

For instance, today I am delighted to pay tribute to Bonita Springs Middle School, Caloosa Middle School, and Fort Myers Middle School, three success stories that lie within my district and are deserving of praise.

I'm proud to report they were designated "Blue Ribbon Schools" in the National Schools of Excellence Program, in which 8 secondary schools from Florida, and 222 nationwide, were recognized for their outstanding efforts in education. Many thanks go to the children, as well as their parents, teachers, and administrators.

Awards like these don't come easily—they demand excellence. To earn consideration, the institutions demonstrated visionary leadership and a sense of shared purpose among faculty, students, parents, and the community. They produced a climate conducive to effective teaching, as well as a philosophy presuming students have the ability to learn.

Mr. Speaker, southwest Floridians have a longstanding tradition of rising to the challenge, of refusing to let problems stand in their way. When encountering obstacles, our communities buckle down, grab their pencils and work even harder to find solutions; The can-do attitude radiates throughout these schools. As a Member of Congress, I'm delighted with their dedication. We all profit from their success.

IN MEMORY OF TOM ELLSWORTH

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ANTHONY. Mr. Speaker, I rise today to pay tribute to Tom Ellsworth who died on Saturday, May 11, 1991.

Some men carry the burden of office with a particular grace.

Some men shoulder the responsibilities of government with a certain style.

Thomas J. Ellsworth was such a man.

Tom Ellsworth's fight for life was much like his battles for causes he believed in and a city he loved—waged discreetly and with quiet courage.

Tom Ellsworth's death on Saturday, May 11, means more than the loss of a political figure whose confident gait, ready smile, and direct gaze were familiar to us all.

Tom Ellsworth's passing means the passing of a pioneer, a risk-taker, a person of character and commitment who started Hot Springs on its pathway to progress.

Tom Ellsworth was a citizen who understood the complexities of the place which was his home and for which he felt a special kind of stewardship.

Tom Ellsworth was an individual who enjoyed the camaraderie of his friends, the admiration of his colleagues, the respect of his opponents.

Tom Ellsworth was a leader who learned from those who followed him, who looked for the best in the bleakest situations, who saw beyond the immediacy of today.

Tom Ellsworth was a student of history who knew that the surest way to fail was to constantly relive the past and become a prisoner of it.

Tom Ellsworth knew what it was to light the flame and carry the torch.

Tom Ellsworth knew that power and authority must be tempered by reason and restraint.

Tom Ellsworth has a sense of Hot Springs' heartbeat in a way few people before or since him have known.

Tom Ellsworth had a real sense of purpose, a sense of destiny in planning for the city's growth and development.

Tom Ellsworth had a sense of decorum in everything he did. To him, it was natural; to others it was a trait to be envied and emulated.

Tom Ellsworth, always putting his—and the city's—best foot forward, kept Hot Springs a step ahead of other towns in going after grants, conventions, new ideas for transportation and services.

Tom Ellsworth could be a tough negotiator, an exacting administrator, a deft diplomat, depending on the situation.

Tom Ellsworth could parry with the press and contest with council members without losing his wit or his perspective.

Tom Ellsworth could more than hold his own in any campaign—be it for election to office or the good of Hot Springs.

Tom Ellsworth was a statesman who envisioned what Hot Springs could become and made it his personal mission to try and take us there.

Tom Ellsworth served this city and its people with dignity and honor.

It is only right that on this day, we remember the man who was mayor and promise to carry forth his legacy.

TRIBUTE TO CHARLES CAVALLO

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Charles Cavallo, of Barrington, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Barrington High School, in Barrington, RI.

This award is presented to the student chosen by Barrington High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Charles Cavallo has certainly met these criteria. He has been on the honor roll 4 consecutive years and is a member of the National Honor Society. He was also a commended student in the 1991 National Merit Program and was accepted to the Governor's Science and Mathematics Summer Program. In addition, he is a member of the Student Council and co-president of The Place, a youth run organization holding drug and alcohol free events. Charles has also earned a varsity letter from the swim team.

I commend Charles Cavallo for his outstanding achievements and wish him the best of luck in all his future endeavors.

THE STATE OF THE STATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 22, 1991, into the CONGRESSIONAL RECORD:

THE STATE OF THE STATES

In the mid-1980s the states were viewed as the great laboratories for change, developing innovative programs to meet pressing needs. Governors frequently pointed out how well they were managing their fiscal affairs. Things have changed. Many state budgets are in bad shape, forcing deep cutbacks in services and tax hikes, and delaying long-term investments in public works. While state spending in the past typically helped stimulate the economy in times of national recession, the situation in the states now may be prolonging the recession.

Fiscal Conditions Of States: Across the nation some 30 states are facing budget deficits. The hardest hit include California, New York, Connecticut, and Pennsylvania. Several states are looking at gaps equivalent to 10–15% of their spending. Combined, the projected state deficits for 1992 could exceed $35 billion.

Midwestern states are generally in better shape than during the devastating 1981–82 recession. Indiana's budget crunch, though significant, is not as severe as in many other parts of the country. It faces a cumulative deficit by 1993 of $984 million, with projected state revenues falling about 5% short of projected spending.

Reasons For Problems: Factors leading to the projected deficits vary from state to state. For example, California has been hit be a series of natural problems including a late freeze and a five-year drought. Yet for most states the basic problems have been the same—a decline in projected revenues because of the recession combined with relentless growth in education, Medicaid, and prison expenses.

Many states rely heavily on sales taxes and personal income taxes, which are very sensitive to changes in personal income and spending during a recession. Inflation-adjusted state revenues for the first quarter fell 6% this year. At the same time, state Medicaid costs have grown rapidly, fueled by persistent medical inflation and by new federal mandates for expanded benefits. The cost of Medicaid for the states has risen from $2 billion in 1968 to $33 billion last year, and is expected to reach $66 billion in 1995. State education expenses, which now constitute ⅓ of all state outlays, have been rising rapidly as the number of school-age youngsters grows. Almost every state is building and expanding prisons to keep up with growing inmate populations.

Like other states, Indiana faces lower projected revenues because of the recession and large spending increases for education, Medicaid, and prisons. Education is the largest item in the budget, making up 39% of total spending. Thus relatively small percentage increases for education mean big increases in spending. The fastest growing item in the Indiana budget is Medicaid, expected to increase 89% between 1989 and 1993. Indiana Medicaid enrollees have increased from 266,000 to 643,000 over the past two years. The second fastest growing category is prisons, due to state changes in the 1980s requiring mandatory confinement and longer sentences.

In the 1980s the states counted on ever-increasing revenues to pay for program expansions, new initiatives, and federal programs turned back to the states. With revenues falling off, the states have been plunged into their worst fiscal crisis in at least a decade. The deep-seated factors driving up costs suggest that the fiscal pinch for the states will not end when the recession ends.

Steps To Improve Situation: The federal government could take a variety of steps to help improve the fiscal situation of the states. The Congress should reduce sharply the number of mandates it imposes on the states and ease up on the enormous costs it has been shifting to them. The Congress can help address the national problem of runaway health care costs and give more attention to crime. It could free up federal trust fund monies earmarked for infrastructure improvements. Most importantly, it should get its own fiscal house in order. The federal budget deficit has reduced the ability of the Congress to provide funding for all of the national goals it sets. Bringing the deficit under control will ease pressures to pass spending mandates on to the states and will help lower real interest rates, thus helping to ease state interest burdens.

None of these steps, however, are quick fixes. A step that would help immediately, a large infusion of federal money to the states, is unlikely given the enormous federal deficit. The basic trend over the last decade was that federal aid to the states covered an ever smaller share of state expenditures, and there is little indication that basic trend will be reversed.

That leaves the states with difficult choices. Most states are required by statute or constitution to balance their budgets each year. Although many states are considering new tax increases—by some estimates exceeding $15 billion in 1992—most of the budget gaps are expected to be closed through cuts in spending. States are furloughing workers, closing state operations for a few days, raising college tuition, freezing public works spending, and cutting state aid to the cities.

Indiana is trying to close its projected budget deficit without increasing taxes, through measures such as program freezes and suspensions, across-the-board cuts in agency budgets, and the use of lottery and other earmarked funds to cover general operating expenses.

The current fiscal crisis provides states with the opportunity to cut back waste and unnecessary, though politically popular, spending. They could undertake fundamental budget reform—improving management, targeting benefits, and cutting back programs that are no longer priorities. At the same time, the fiscal crisis also provides the states with the opportunity for budget gimmickry—such as selling assets and then leasing them back, using favorable projections to make future costs look smaller, and delying payrolls for a few days to shift them into the next fiscal year. My hope, after seeing the mistakes made on the federal level, is that the states will not resort to such gimmickry and will take genuine steps toward deficit reduction. But we may see a little of both.

TRIBUTE TO CAPT. EARL BORDERS, JR.

HON. CARL C. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. PERKINS. Mr. Speaker, I stand before you today in honor and recognize Capt. Earl Borders, Jr., of the Ashland School Safety Patrol in Ashland, KY.

So many people, it seems, equate the concept of "education" with what goes on strictly within the walls of a school. By that, I mean people think the educational experience consists of attending school, learning, playing sports, and engaging in extracurricular activities of one kind or another. In that respect, Mr. Speaker, we honor our teachers, principals, club organizers, and coaches for the fine jobs that they do with our students.

But, my friends and colleagues, sometimes we forget about something that's equally as important to these students and their families: Their safety.

And that is why I stand before you today, Mr. Speaker, to pay tribute to Capt. Earl Borders, Jr., who has served as the director of the school safety patrol in the city of Ashland, KY, for 25 years and is now retiring.

My friends and colleagues, Captain Borders has devoted a full quarter-century to patrolling the streets and protecting Ashland's children as they go to and from school. His value goes beyond making the streets safe for the students and putting parents' fears to rest; he is a leader in the community and a shining example to all of us involved in civil service.

I have witnessed first-hand Captain Borders' distinguished service to Ashland's schools and the students. Captain Borders zealously guards the health and welfare of Ashland's schoolchildren as if they were his own. He keeps the streets safe for them to cross; he provides them a safe haven to go about their scholastic and extracurricular pursuits. He has, in effect, cultivated an environment which allows Ashland's students to grow and prosper.

Mr. Speaker, I cannot think of anything more noble or honorable than the distinguished service which Captain Borders has provided to the students of the Ashland area for the past 25 years.

This fine gentleman deserves our appreciation and our praise, and I am honored and humbled to recognize him today.

God bless him.

FEDERAL FIREARMS DEALER AND OWNER PROTECTION ACT

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WILLIAMS. Mr. Speaker, today I rise to introduce the Federal Firearms Dealer and Owner Protection Act of 1991. This legislation will amend title 18, United States Code, to improve the administration of the firearms laws.

We are once again about to vote on Federal gun control legislation here in the House on the 7-day waiting period. But much of the violent crime that is commonplace could be prevented if we redirected public safety away from control of the things that criminals misuse, like guns, and put more of our efforts toward controls of criminals themselves.

There are now more than 20,000 gun control laws in effect nationwide. The gun control laws are so broad and ambiguous it works both against the Federal officer attempting to enforce it and the law-abiding citizen attempting to abide by it. All of us need to remember that we now have gun control laws and they are not working. The problem will not be resolved by keeping people's names on a list or a national waiting period. Gun control accomplishes nothing else than recordkeeping.

Mr. Speaker, the point is that this country should quit trying to combat crime through useless gun control laws and get at the real cause of crime problems. While solutions are not simple, they must include improved progress in policing and stiffer sentences for persons committing a crime with a firearm.

This bill will eliminate the requirement that individuals who sell only ammunition, but not firearms, obtain a Federal firearms license. It will clearly define what constitutes a felony conviction for firearms prohibition. It will prohibit for the first time, the sale of a firearm to a convicted felon by an individual not licensed. It will require that criminal intent be an element of an offense under firearms laws. And, finally, it will include a mandatory sentencing provision if a firearm is used in certain crimes.

To enact more gun control measures miss the mark. It is time we discarded policies that hurt the law abiding by continuing to deny them access to things they really use properly. Let's start to put our attention on criminals, not on the tools they use.

THE TALE OF LITTLE AMERICA SCHOOLS

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GOSS. Mr. Speaker, every so often a young person arises whose insight, wisdom, and vision humble the wisest and most respected leaders of society. Today I'd like to introduce you to one such person, a constituent of mine, Sara L. Maurer, a senior at Port Charlotte High School in Port Charlotte, FL.

Recently Sara won Florida's 1991 PRIDE [Program to Recognize Initiative and Distinction in Education] writing competition in the west central region. Although she's a talented writer in terms of grammar, spelling, and punctuation, what's most impressive is her remarkable sensitivity to some of the most serious problems we face. Her story captures the challenge of education, health care, budget constraints, individual accountability, and political realities in a lighthearted but poignant tale of the death of "Little America Schools."

Mr. Speaker, I ask that Sara's essay be included in today's RECORD so my colleagues and their constituents may benefit. As legislators for the U.S. Government, I hope we can profit from Sara's wisdom.

THE TALE OF LITTLE AMERICA SCHOOLS

(By Sara L. Maurer)

PORT CHARLOTTE.—Little America Schools used to be the strongest, fastest, smartest kid on the global block. With the help of her best friends, Work Ethic and Public Support, she just about ran the whole neighborhood. However, America Schools grew arrogant in her success.

She stopped hanging around Work Ethic, declaring that he was too bossy and never wanted to do anything fun. She didn't realize that it was Work Ethic who helped her maintain her status in the neighborhood. When he was gone, all the other global children stopped following America Schools around.

After that, Public Support, who easily switched allegiances anyway, wandered off to find a new set of friends. America Schools decided that she really didn't care and that she'd rather watch television than waste her time on those who could not appreciate her.

America Schools was a latchkey child, and when she started spending all of her time in front of the television, gorging herself with junk food, no one was there to stop her.

When she began to grow weak from lack of exercise and ill from her poor diet, nobody noticed at first. She tried curing herself with drugs, but that only made everything worse. Soon America Schools was so sick that she couldn't read or write. She was too sick to even think straight.

It was a long time after America Schools stopped coming outside to play with the other children in her global neighborhood that people finally started to notice that something was wrong.

"A little girl like America Schools shouldn't be sick," they exclaimed when they found her. They picked her up and carried her to the hospital, where she was attended by three doctors; Dr. Press, Dr. Educational Expert, and Dr. Politician.

"Take her test scores!" barked Dr. Educational Expert before he even looked at America Schools. Dutifully, Nurse Teacher bent over the suffering child and administered an S.A.T. Dr. Press snatched up the results.

"Yes, she's definitely sick," he exclaimed, frowning over the paper in his hands. "Her math skills are lacking, her verbal skills are abysmal. Yes, sir. She is one sick puppy, no doubt about it."

"We're going to need technology to cure this one," Dr. Educational Expert contributed. "A few computers, audio-visual equipment . . . we're going to need to do something that's never been done before."

"Nonsense!" retorted Dr. Politician, rushing into the room from a press conference in which he had addressed a group of reporters and concerned citizens on his patient's condition. He glanced at America Schools for the first time. "Just give her a huge injection of math and science. That's all she needs. Before you know it, she'll be a veritable rocket scientist."

Meanwhile, Nurse Teacher sat faithfully by the ailing child, holding her hand and wiping her fevered brow. "Maybe she just needs a little more attention. You know, both of America's parents work, and there's no one at home to look out for her. I could look after her myself if you'd only—."

"Shut up!" roared all three doctors.

"I know much more about her condition," said Dr. Press, waving his stack of test scores and statistics.

"I have the knowledge to find the cure," added Dr. Educational Expert, pulling a sheaf of degrees from his lab coat pocket.

"And I run this place!" screamed Dr. Politician, growing quite red in the face.

"Twenty-four-hour subliminal phonics lessons!" cried Dr. Educational Expert.

". . . From an 820 to a 760 in four years with only a five-point margin of error—" chimed in Dr. Press.

"Listen to me! Listen to me!" demanded Dr. Politician.

"Intravenous Algebra!" piped Dr. Educational Expert.

"Couldn't even find Bolivia on a standard Rand McNally grade school globe," boomed the voice of Dr. Press from under a mountain of test results.

"I'm the elected official! I'll tell you what to do!" exploded Dr. Politician. The other doctors grew quiet.

"Now listen," Dr. Politician continued. "I've got a plan. We'll give her math. We'll give her science. We'll give her lots of math and science. We'll give her plenty of tests, so we'll know when she's healthy. Why, we could even feed her."

Who's going to pay for all of this? asked Nurse Teacher.

"Who's going to pay for all of this?" repeated Dr. Politician. "Why . . . why, she'll pay for it herself when she's a healthy, competitive member of society. Yes, that's it? How about that, Miss America Schools?" he asked, turning toward the bed. "Wouldn't you like to be a healthy, productive member of society?"

Nurse Teacher looked up with tears in her eyes. "She can't hear you," she said, rising from her bedside chair. "She's dead."

(Sara L. Maurer is a senior at Port Charlotte High School and winner of the state of Florida's West Central Region PRIDE writing competition for 1991.)

TRIBUTE TO MICHAEL R. BENOIT

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Michael R. Benoit, of Woonsocket, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Woonsocket High School, in Woonsocket, RI.

This award is presented to the student chosen by Woonsocket High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Michael R. Benoit has certainly met these criteria. He ranks in the top 2 percent of his graduating class. He has been a member of the student council and the sports editor of the yearbook, as well as the co-president of the Woonsocket Youth Council. Michael has also participated in the Project In-Site and Project Close-Up. In addition, he has been a member of the basketball and cross-country team.

I commend Michael R. Benoit for his outstanding achievements and wish him the best of luck in all his future endeavors.

BASF COMMUNITY ADVISORY PANEL [CAP] PROGRAM

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. DINGELL. Mr. Speaker, one of the biggest challenges facing the U.S. chemical industry today is to improve its relationship with the general public. Today, the public wants to understand in more detail those business decisions that affect the environment and the quality of life.

In meeting the challenge, the chemical industry has recently stepped up efforts to talk openly with people about environmental responsibility and public accountability through a new initiative called Responsible Care. The initiative requires member companies of the Chemical Manufacturers Association to improve performance in response to public concerns.

Chemical companies are especially interested in communicating with people in manufacturing site communities who are generally most affected by their operations. They are doing this fully realizing that companies must talk openly with the public, listen to their interests, and respond to their concerns.

One company that is openly communicating with citizens in the manufacturing site communities is BASF Corp. BASF Corp. is the North American subsidiary of the BASF Group and is among the leading producers and marketers of chemicals and chemical-related materials in the United States and Canada. BASF employs about 20,000 people in North America at more than 50 production and research facilities.

BASF is aggressively moving forward implementing community advisory panels [CAP's] at manufacturing facilities that are involved in the production of chemicals. Community advisory panels are an effective mechanism for establishing an open dialog and stronger communications links with community opinion leaders and neighborhood residents. CAP members comprise a cross section, or microcosm, of the community.

Last year, BASF organized a CAP in the city of Wyandotte, located in Michigan's 16th Congressional District. The Wyandotte CAP consists of 12 representatives from the police and fire departments, school district, an environmental organization, and several community and business groups. The CAP meets monthly with site management to discuss issues of mutual concern, such as safety in the storage and transportation of potentially hazardous chemicals, how BASF manages manufacturing risks, emergency preparedness and training of site employees.

BASF, a longstanding member of the Wyandotte community, is today one of the largest employers and contributors to the economy of the downriver area with more than 750 people employed in research and development as well as production, primarily for vitamins and plastics. Annually, BASF's Wyandotte site pays more than $40 million in wages and benefits and generates local tax revenues of nearly $4 million.

Other BASF sites with CAP's in place include: Anderson, SC; Chattanooga, TN; Clemson, SC; Enka, NC; Freeport, TX; Geismar, LA; Greenville, OH; Huntington, WV; Lowland, TN; Monaca, PA; Rensselaer, NY; Whitehouse, OH and Whitestone, SC. BASF expects to have CAP's organized in its remaining manufacturing site communities by the end of 1992.

CAP meetings provide opportunities for community residents to convey questions, comments, or concerns to site management and for site management to respond directly to the community-at-large. CAP's also provides an opportunity for site management and neighborhood residents to get to know one another better and, therefore, trust one another better.

BASF sees CAP's as a way to build communications bridges into its site communities and as a means for reaching out to neighborhood residents and community leaders and introducing them firsthand to the company's operations.

BASF's philosophy behind the CAP concept is simple. It says that the better site management gets to know the community, and the better the community gets to know site management the easier it will be to understand and respond to community concerns, including deep-seated feelings, attitudes, and perceptions about the way in which BASF operates its facilities.

Production and profit are important. More important though is the quality of life of site community residents, plant employees, and consumers. In fact, there is nothing more important that industry can do today than work as closely as possible with the people in their manufacturing site communities. How well the chemical industry communicates with site communities today will determine their level of business success tomorrow. BASF Corp.'s CAP initiative is helping to achieve that success.

I am proud to have a corporate citizen like BASF in my district.

HUDSON COUNTY CHAPTER OF THE AMERICAN RED CROSS CELEBRATES ITS 75TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GUARINI. Mr. Speaker, this year, the Hudson County Chapter of the American Red Cross celebrates its 76th anniversary. Everyone in this body is aware of the outstanding contributions made by this worthy organization.

I would like you, Mr. Speaker, and my distinguished colleagues to join me in congratulating the Hudson County Chapter on its years of dedicated service to the people of Hudson County.

This chapter has responded to thousands of crises. It has served every part of our community. In peace and in war, in the dead of night or on holidays, the volunteers of the Hudson County Chapter have provided aid and comfort to those in need.

On Saturday, May 4, the chapter celebrated its 75th anniversary with a gala dinner at Casino in the Park in Jersey City. I would like to commend the following Red Cross officers for their outstanding contributions to the organization and for their hard work which made this celebration possible: the anniversay chairman, Dr. Thomas Connolly, the chapter's executive director, Joseph P. Lecowitch, chapter chairman James Miller, treasurer Leonard Mackesy, secretary Barbara Flannery, and vice chairmen William Netchert, Joan Quigley, and Stewart Gladstone. I would also like to commend all the volunteers and former officers of the Hudson Chapter who contributed so much to make the Hudson County Chapter so effective and successful in its work.

The Hudson County Red Cross has created a proud tradition spanning the 20th century. Its staff and volunteers have shown great dedication and perseverance often in the most trying of circumstances.

The Hudson County Chapter was formed in 1916, 35 years after the American Red Cross was established as a private voluntary association. Hudson's chapter was formed in Jersey City and was prompted by the high ideals of humanitarian concerns caused by World War I.

The Jersey City Chapter held its first meeting on March 30, 1917. Judge George G. Tennant, chairman, convened this gathering which took place at 780 Montgomery Street in Jersey City.

When the United States went to war in 1917, the American Red Cross and the newly formed Jersey City Chapter actively participated in assisting the war effort.

The Jersey City Chapter fed thousands of soldiers and aided many families throughout the war. Volunteers also participated in the knitting and shipping of sweaters, the preparation of bandages, and the formation of a motor corps that was active in the city.

Once the war ended, the chapter turned its attention to local problems. The motor corps developed a mobile disaster program and a civilian relief corps. Members also developed nursing, Junior Red Cross, water safety, and first aid programs. These programs flourished throughout the peace that reigned during the 1920's and 1930's.

But in 1941, the Hudson County Chapter and the Nation once again turned to wartime efforts. The chapter provided nursing and production services for troop needs and local civilian relief for military families. The chapter also actively took part in a national blood donor service.

In 1945, the chapter acquired new headquarters at 612 Bergen Avenue and when the war ended, the chapter once again turned its attention to social programs. By the 1950's, the Hudson County Chapter had developed to the point that the support of soldiers and families during the Korean war did not sidetrack social programs as had happened during the two previous wars.

While the chapter progressed, it was dealt a devastating blow on April 27, 1959, when a fire destroyed its headquarters. Most of the records and history of the chapter were obliterated in the blaze. But the volunteers did not give up hope and quickly resumed the chapter's humanitarian activities.

In 1967, the Jersey City and Hoboken Chapters of the Red Cross merged and the American National Red Cross officially designated the new chapter as the Hudson County Chapter.

In the late 1960's, the newly strengthened chapter provided aid for soldiers and families during the Vietnam war. Workers prepared thousands of ditty bags containing personal supplies for troops in the field. More than 50,000 of the bags were filled and shipped.

The 1970's were a great challenge to the Hudson County Chapter of the Red Cross. During this decade, fire ravaged Hudson County. The chapter responded to more than 2,200 fires, assisting more than 30,000 victims and providing funerals for 112 people. During these often tragic fires, members of the chapter themselves saved lives. Six of the highest national awards were presented to disaster team members.

In one fire in Hoboken, 21 people perished and the chapter provided funerals. The chapter also provided assistance to 42 families displaced by the blaze.

By 1980, the chapter had raised and provided $2.1 million to fire victims.

While responding to these crises during the 1970's, the chapter also undertook new initiatives to meet the needs of the region. In 1972, the chapter established the first and only blood depot in a chapter house.

On call 24 hours a day, staff and volunteers deliver blood to local hospitals, dispensing over 30,000 units of blood a year.

During the 1980's, the chapter continued to expand its programs and undertook a program to modernize its disaster vehicles.

This decade also brought a new crisis—the problem of homelessness. Each year since 1980, the chapter has provided, on average, 9,000 nights of emergency shelter and 30,000 meals to homeless people.

In 1989, the chapter moved to new headquarters at 26 Greenville Avenue. From this new location, the chapter began preparing for the challenges of the 1990's.

Throughout the past 75 years, the Hudson County Chapter of the Red Cross has responded admirably to the needs of the times. Mr. Speaker, I hope you and my distinguished colleagues will join me in applauding what is truly a glorious history. In keeping with this proud tradition, I know that the Hudson County Chapter of the American Red Cross will have an even brighter future.

TRIBUTE TO FATHER AMOS WISCHMEYER

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KILDEE. Mr. Speaker, I rise today to urge my colleagues in the U.S. House of Representatives to join me in paying tribute to an outstanding humanitarian from Flint, MI, area, Father Amos Wischmeyer. Father Wischmeyer was honored on May 16, 1991, at St. Mary Queen of Angels Church in Swartz Creek, MI, commemorating the 40th anniversary of his ordination.

Father Wischmeyer was born in Shepherd, MI, on April 21, 1924. As a young boy, his parents moved to Lansing, MI, where he attended elementary and high school at Resurrection Church and School. Following high school, he entered St. Joseph Seminary in Grand Rapids, MI. From there he was sent to St. Gregory in Cincinnati, OH, then to St. Mary of the West to complete his theological studies. He was ordained on June 2, 1951, by Bishop Albers at St. Mary Cathedral in Lansing.

Throughout Father Wischmeyer's years of priestly service he has been instrumental to the growth and development of education in Michigan. In February of 1964 he supervised the construction of a large school in New Buffalo, MI. Under the auspices of Father Wischmeyer, New Buffalo also saw the reconstruction of a convent for the sisters working in the school.

Father Wischmeyer is a noted promoter of solid Catholic education. When Michigan schools were closing, he was able to keep St. Mary's open at great cost. St. Mary's still operates today with several sisters on its school faculty. The father has told the community that he will do everything in his power to keep the school open and he will take any measures to assure a solid Catholic education for the children in his community.

In addition to Father Wischmeyer's perseverance in assuring all children a proper education, he also dedicates time to other community concerns. Father Wischmeyer is a weekly visitor to several Flint area hospitals. He is at the service of his parishoners, at all times, day and night. He has a deep concern for the needs of the less fortunate in our society and he has done much to help alleviate the suffering of the poor. His door is always open to all people in the community. He is an admired man, who always works for the benefit of humanity.

Wherever he has preached, Father Amos Wischmeyer has committed himself to serving God and the people of his community. He has been a very positive influence on me and an important part of my personal growth and formation. I am a better person for having known him, and the Flint area is certainly a better community for his presence.

TRIBUTE TO MARIA HELENA DA SILVA

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Maria Helena Da Silva, of Bristol, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Bristol High School, in Bristol, RI.

This award is presented to the student chosen by Bristol High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Maria Helena Da Silva has certainly met these criteria. She ranks first in her graduating class with perfect 4.0 grade point average. She is also president of the National Honor Society and vice president of the senior class. In addition, she is a member of the French Club, the Math Club, and the yearbook staff. She has received the Xerox Humanities Award and the University of Rhode Island Book Award, as well as achievement awards for French, Portuguese, Chemistry, English, and Advanced Math.

I commend Maria Helena Da Silva for her outstanding achievements and wish her all the best in her future endeavors.

A HEROIC ACHIEVEMENT AT ICC

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MICHEL. Mr. Speaker, on Sunday, May 19, 1991, Elinor Pilon graduated from Illinois Central College with an associates degree.

Whereas she is one of many recent graduates in my district—all of whom I congratulate—Elinor Pilon's achievement merits this special distinction. Elinor Pilon is a mother, aged 48, and was blinded and partially paralyzed by a drunken driver in 1980.

Her courage is the kind we aspire to and about which we usually read in heroic epics. She has persevered—not by demanding the sympathy of others—but by her own inner strength.

Undaunted by the economic, physical, and emotional hardships which resulted from the accident, Elinor has achieved an exemplary scholastic record. Her courage should serve as a role model for each one of us.

Mr. Speaker, Elinor Pilon has not only persevered—she has excelled.

At this point in the RECORD, I wish to insert the Monday, May 20, 1991, article which appeared in the Journal Star, "Woman Beats Odds to Earn ICC Degree":

WOMAN BEATS ODDS TO EARN ICC DEGREE

(By Jerry Klein)

For Elinor Pilon, whose life was virtually destroyed when her Chevette was rear-ended by a wildly speeding drunken driver on a Saturday in February 1980, Sunday was a special day indeed.

Call it a bright spot on a calendar whose days have often passed in a black emptiness. For although totally blind and partly paralyzed from that long-ago accident, she clamped her good left hand on the arm of her son, Brian, and ascended slowly and with immense dignity to the podium to receive her associate degree at Illinois Central College.

Surrounded by colleagues, their robes billowing in the wind, she led the student part of the academic procession, and was first to receive her diploma, beaming with quiet pride as she approached the dias to be given her coveted certificate by ICC President Dr. Thomas K. Thomas and Trustee William Kitchell. When she resumed her seat, there came a shout from the faculty section, "Congratulations, Elinor," and most of the members sitting there responded with their own tribute of applause.

MULTIPLE DISABILITIES

It is curious that Elinor Pilon, at the age of 49, was among all these capped-and-gowned, fresh-faced young people headed so confidently into the future. For she in some respects has no such future.

Since the accident 11 years ago, she has been ruled vocationally unrehabilitatable by the state. Being blind, she cannot read, she cannot write (she signs her name with a wiggly "E"), she cannot type. A recent X-ray shows the speech center in her brain is "zip." But she speaks articulately. She can answer the telephone. And she can play her ever-present tape recorder.

It is the tape recorder that has allowed her to progress with her life and education. It has been a listening, talking companion into which conversations, lectures, lesson plans and textbooks have been read and retrieved through countless hours of listening and remembering. She has worn out three recorders, scores of batteries. The tapes have been her notebook, her pen, her textbook.

But it is not technology that has made her degree possible; rather stamina, endurance, patience. These, she said, are her degree.

A GLIMMER OF HOPE

The road that ended, in a way, Sunday afternoon, began in summer 1988 when she attended a meeting of the Central Illinois Center for the Visually Inpaired. There she met Nancy Davidson, ICC coordinator for students with disabilities.

"I hadn't realized people so multiply disabled, as I was, could go to college," Elinor said. "I called Nancy and she said she could help me on campus. She said textbooks could be read onto tapes and that she might be able to provide me with note takers. I had no idea where to start."

As Elinor Manias, before she was married, she studied at the University of Miami at Coral Gables for a year, then went to Bradley University for a semester. That was 30 years ago. Then she married Jerry Pilon in 1963 (they were divorced in 1986) and quit school.

What brought her back was a Human Potential Seminar offered at ICC. She decided to go for it, even though she thought that she could hardly go into a classroom in her condition. She walks only with someone's assistance, or by hanging onto a wall. She thought students would make fun of her.

TOO MUCH TROUBLE

There was no way to pay for classes, she had no way to get from her home in Chillicothe—20 miles away—to ICC, and the bureaucracy that has had so much to do with controlling her life was not always helpful. She says one caseworker in the Illinois Department of Rehabilitation Services told her, "This is just too much trouble. Why don't you just forget about going to school."

At the time, she had about $80 a month left after she paid her room and board at the Illinois Valley Christian Home on Second Street in downtown Chillicothe. Some of that leftover went for medicine, shampoo, bath soap, Kleenex, clothing, toothpaste, cigarettes. "All I had to wear was two pair of jeans—one patched—and three blouses. But Nancy told me kids wear jeans all the time. I had no idea how women dressed for school. And somehow I got the $28 for the classs and found a friend who would take me.

"Nancy made arrangements for us to park near the loading dock. It was the entrance closest to the classroom. I walked into that building scared to death. It was October 1988. Nancy was ahead of me like a downfield blocker through that hall swarmed with students. She told me they were sitting in the hallway with their legs stretched out. And she said, 'Excuse us, would you pull your feet in.' I had on my good jeans, my orthopedic shoes, my leg brace. I got to the instructor's office 10 minutes before class and I said, 'HI, I'm Elinor Pilon and I'm enrolled in your class.'"

COLLEGE COED ONCE AGAIN

It was, for the woman who once brought students to tears with her talks on drunken driving before high school assemblies, a magic moment. She was back in school. And she said to herself, "I'm a college coed once again."

Going back was not the trauma she expected, but a challenge. Blind, disabled and at one time understandably embittered because of the accident and its aftermath—temporary estrangement from her children and friends, divorce from her husband, life in a series of homes—she was the kind of "case" that could most conveniently be pigeonholed and forgotten.

She has a dossier crammed with papers from the rehab agency, the Illinois Student Assistance Commission, the Federal Student Aid Program and other official bodies. There are eligibility decisions, financial claim analyses, vouchers, forms, authorizations, evaluations, summaries, appeals, reports of hearings.

"For years," she said, "I had been isolated from the real world. I had been hospitalized. I returned to my home to live with strangers who came in to assist me, then I was sent to a home for the aged in Peoria. I lived with a friend for a while, then returned to the hospital after a leg injury. Now I live with people whose average age is 83, although I am not yet 50."

It is not precisely an atmosphere to encourage studying, most of which she does with her tape recorder, seated on the edge of her bed in her windowless room in what used to be a furniture store. Punching her tape buttons, endlessly listening, sometimes late at night or early on winter mornings before the heat has been turned up.

Her room is still stacked with tapes, on the bureau, on the dresser, on the telephone stand. Sometimes vistors find the lights out. To the blind, the lights are always off.

A'S AGAINST THE ODDS

But back in school at the age of 46, Elinor found herself snared in academe. "I wanted more. I began to enjoy each day again."

She got A's in the seminar and in the next two classes she took, psychology and sociology. Teachers helped with personal attention and individual assistance. Other disabled students helped record study guides and lesson plans. Still, she had to do it all auditorially, even the math class that followed in spring 1990. Imagine working colege math without being able to see equations and formulas. "I thought that class was going to get the best of me."

There were classes in the aging process death and dying, management, business. She earned A's in everything but death and dying and math. These were B's.

Yesterday, for the moment at least, it ended with that triumph of graduation. Although her future remains dark, there is hope at last. She wants to continue school, first to earn a certificate in long-term health care management, and eventually a degree. She also is working on an autobiography.

"It's a beginning for me, she said. "I'm going to continue. And I do have a future. It is myself. I've found myself and what I can do."

REMARKS BY MR. NAT WELCH ON INTERMODALISM

HON. BEN JONES

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. JONES of Georgia. Mr. Speaker, I would like to submit for the RECORD remarks by Mr. Nat Welch, chairman of the International Intermodal Exposition on the occasion of his receiving the 1991 Salzberg Memorial Medallion.

Mr. Welch is one of America's most thoughtful advocates on behalf of intermodalism. As we consider methods to enhance intermodalism as part of the reauthorization of the Surface Transportation Act, my colleagues can all benefit from the insightfulness of Mr. Welch's remarks.

REMARKS BY NAT WELCH, CHAIRMAN, INTERNATIONAL INTERMODAL EXPO

Chancellor Eggers, Virginia Clark and Friends:

Atlantans are somewhat like Texans . . . we've been known to brag a bit. Atlanta has prided itself as a transportation center since two railroads junctured in 1845. We claim a brand new rapid rail system, a $1.6 billion expressway improvement program, the world's second busiest airport until Eastern went under, two healthy railroads in Norfolk Southern and CSX, many excellent motor carriers and yes the world's largest intermodal expo.

But in one area we have no bragging rights. In spite of several first class colleges and universities in Atlanta, not a single course is offered in transportation/logistics. The Georgia Freight Bureau is now in a joint campaign with Georgia Tech to raise $1,500,000 for an endowed chair of transportation/logistics. Chancellor Eggers, we have great admiration for Syracuse's transportation program, which is famous nationally. What we would like to do is to move Dr. Wallin and his whole staff . . . lock, stock and barrel down to Georgia Tech. But we have enough sense of fair play not to attempt that.

I've selected an ambitious subject for my remarks: "Intermodalism. . . . The Past Decade: The Future Decade". One person cannot cover all the bases, but I will try to choose the developments I think are most important.

Those of us in the industry live with the word "intermodalism" everyday, but it is surprising how few people know what the word means. I had to search several dictionaries before finding "intermodal" in a 1987 Random House unabridged dictionary . . . defined as . . . "transportation involving more than one form of carrier such as rail, truck and ship".

The U.S. maritime fleet reached its zenith around 1850 with the famed Yankee Clippers. Our fleet has been in a decline since a second peak in World War II.

THE PAST DECADE

However, in the past 30 years, America has led the world in the container revolution. The container has had as much impact on world freight commerce as the jet aircraft had on the passenger business. The revolution was led by a country boy from North Carolina named Malcom McLean. He knew the trucking business and had great financial acumen. The advantage of containers is pretty obvious. Pilferage in ports was notorious. With strong unions, longshoremen's wages were going through the roof. A sealed container cuts down on pilferage, and can be handled dockside with far less labor than needed to load and unload smaller boxes and bags. Not only did merchandise freight (Hong Kong garments and TV sets) shift rapidly to containers but, in the last few years, American break bulk commodities such as lumber, cotton and seed grains have shifted to containers. According to Transamerica Leasing and Data Resources, the growth of containers in international trade jumped from a million in 1970 to 12,000,000 in 1990 (all container references are to FEU's, 40' containers) more than a trend!

Ships are now in service which can handle 2,300 40[1] containers. . . . equivalent to 2,300 truckers with 40' trailers traversing the interstates.

The container revolution was also led by another progressive USA company. . . . American President Lines, which has served the Pacific trade for over 100 years. With the surge in imports from the Pacific Rim. . . . wearing apparel, consumer electronics and toys. . . . APL needed a more efficient system to move its containers from the Pacific Coast to the Midwest and the Northeast. The company was not satisfied with the trailer on flat car (TOFC) and the container on flat car (COFC) service offered by the American western railroads. So APL bought unit trains from the Western roads to control the quality and timeliness of the service. Then came the big technological break-through of the decade. . . . the introduction of the double-stack flat car. The economic advantage of placing one container on top of another is obvious. . . . two for the price of one. Double-stacks come in the form of five well cars articulated like your backbone. A double-stack train with 100 wells can transport 200. . . . 40 to 48 foot containers from the West Coast to New York. . . . equivalent to two hundred trailer/truck rigs covering the same distance. Another huge plus. . . . because of the weight of the double-stack and the articulated cars which greatly reduced the traditional train jerk. . . . the ride quality was substantially improved, significantly lowering damage to the freight.

Having created this enormous eastbound transportation system, American President Lines was confronted with the age-old transportation problem, filling up the back haul. The company created an intermodal sales force to develop domestic back haul service to the West Coast. Because of its aggressive marketing, API is filling up its westbound double-stack trains from Atlanta with textiles, furniture, carpet, aluminum, paper products and motor carrier freight. The success of this program is such that the company's domestic business now exceeds their 100 year old Pacific trade.

From 1980 to 1989, American railroads' intermodal business increased from 3,000,000 40′ units to 6,200,000 units in 1990. This doubling of volume was accomplished with only a 10–15% growth in rail equipment according to Trailer Train, which operated the national pool of equipment for American/Canadian railroads.

Two significant factors in this growth occurred in 1980: The passage of the Motor Carrier Act and the Staggers Rail Act, both of which essentially deregulated the surface freight industry.

Another American company, CSX Railroad, moved aggressively to become a multimodal transportation company. CSX acquired Malcom McLean's Sea-Land, which is now the largest worldwide container shipping company serving the USA. It also acquired American Barge Line and formed CSX trucking. Two years ago CSX Intermodal, an entirely separate company, was established and is a nationwide intermodal network as well as a principal customer of the western railroads. For his pioneering efforts is establishing a worldwide intermodal company, CSX Chairman, Hays Watkins, was awarded the 1989 Salzberg Practitioner Medallion.

Certainly the most important element in the abatement of inflation was of course the decrease in the price of oil. In my opinion, the second most important factor was the deregulation of the rail and motor carrier industries which had the effect of squeezing out the fat and making both industries more competitive.

Bob Delaney, of Cass Logistics and a 1989 Salzbert Honoree, estimates that US Logistics cost declined by $65 billion following transportation deregulation and that US business logistics, transportation and inventory carrying costs as a percentage of Gross National Product, showed a dramatic decline from 14.5% in 1980 to 11.1% in 1989.

The motor carrier industry is a key player in intermodalism because almost every trailer has to move initially and finally by truck from plant to rail head or dockside, then after the long haul by rail or ship, by motor carrier to reach its final destination.

THE FUTURE DECADE

Discussing the past is a whole lot easier than predicting the future. Raymond Burton, President of the Trailer Train Company, says his company writes its five year plan in pencil so that it can be changed.

The dominant intermodal issue is now rapidly coming to a head in the US Congress. The Highway Trust Fund expires in 1991. The big question is how intermodalism will benefit or be hurt by the new bill. I attended the open hearing on February 20, conducted by the House Public Works and Transportation Committee. When Secretary Skinner was asked, "Who is in charge of intermodalism at the Department of Transportation?" Mr. Skinner said his department suffered from parochialism with FHA, FMA, FAA and the FRA, each fighting for a share of the pie. Skinner promised, "I'm in charge". Intermodalism permeated the whole morning hearing. Chairman Robert Roe promised increased emphasis on intermodalism. Looming as a dark cloud over the horizon is the truckers fighting for double 48′ trailers and triple 28′ trailers which many oppose as unsafe and highway officials because of the damage of these large truck rigs to our highways and bridges.

I do not see trailers and containers getting longer than 53′. The public is rebelling against these longer rigs because of safety and traffic congestion. Also the longer and heavier the container, the more difficult it is to lift and load these big heavy boxes. Cost and safety in handling are also negative factors in increasing the size of boxes.

A double-stack train can haul 200 40–48′ trailers, but the system has terminal and drayage costs at both ends. Truckers offer dock-to-dock service. Don McKnight of Peet, Marwick, Stevenson and Kellogg sees. . . .

Road Railer competitive at 300 miles

Double-stack at 400 miles

Trailer on flat car at 500 miles

As fuel and labor increase, cost is on the side of the railroads, he observes.

The subject of the joint Intermodal Marketing Association/Intermodal Transportation Association Meeting in Vancouver last Fall was, "How Soon Will the Piggyback Trailer Die?" The consensus was piggyback is losing ground but it is not dead yet. The downside is the piggyback trailer gives a "shake, rattle and roll" ride, but the upside is it's flexible and plays a useful role on medium length hauls. The container portion of the US market moved from 38% in 1988 to 45% in 1990. This percentage growth will continue because of the momentum and the commitment of US railroads.

In view of the rapid technological gains in spine and double-stack cars and larger cranes, some predict fewer technological gains in the nineties. Bob Lewis, Publisher of Railway Age, is enthusiastic about the "Iron Highway" because of its great versatility in serving smaller markets. The Iron Highway is a system intended to permit the railroads to participate in the door-to-door truck load market. It consists of a self-powered, self-loading train element that eliminates cranes, locomotives and switching, in combination with a unique loading mechanism. This system has as its goal increasing performance and reliability above the levels attainable with all-highway movement, at lower than highway costs for lanes of under 500 miles. Preliminary tests have gone well. The Iron Highway is a development of the New York Air Brake Co.

A more positive leadership is needed on intermodal by the US rail industry. For too long a negative "Why we cannot do it" attitude has prevailed because of difficult labor problems, money losing passenger business and over-regulation. A more "Can Do" attitude is needed as exemplified by Mike Walsh, Chairman of the Union Pacific. He joined Union Pacific from outside the transportation industry a little over four years ago and was the recent recipient of Tom Peters "Corporate Bureaucratic Turn Around" Award.

Promising new markets loom ahead in the nineties. The surface has barely been scratched in transporting refrigerated products, containerized liquids and solid waste. Sharp increases in second, third and fourth class mail have created a growing opportunity for railroads in their bulk mail intermodal business reports the Journal of Commerce. Conrail and the Santa Fe are aggressively pursuing this business.

I predict that more intermodal yards will be located outside the fringes of perimeter highways in our large cities like Chicago, Los Angeles, Dallas and Atlanta. Railroads have frequently built their intermodal terminals on old rail yards in the inter city. Building new facilities on the edge of the city will reduce urban traffic congestion and be more efficient.

US trucks, railroads and ships did a phenomenal job in moving over 2,000 containers a month recently to the Persian Gulf. Intermodalism needs great team work between the modes, strong hands-on management and sophisticated computers. We need the same kind of teamwork demonstrated in the Persian Gulf War to reap the great fruits from intermodalism.

The driving forces behind the 108 percent in rail intermodal traffic this past decade has been in cannibalizing box car freight and the surge of Pacific Rim imports. Rail intermodalism now offers a fast, efficient, smooth ride and an economical product. I predict the driving force behind the continued intermodal growth in the nineties will be the increase in shipments tended by large American shippers such as Proctor & Gamble, General Motors, Ford, Kodak, General Mills, J.C. Penney and others. This will create the momentum for other American shippers to follow.

On the global scene, container volume will increase dramatically and container ships will become larger and larger. Transamerica Leasing and Data Resources estimates that from 1990 to 2000, world container traffic will increase from 12,000,000 40′ containers to 21,400,000 and that the largest container ships will increase from 2,300 to 3,000 of these containers.

Most container ships now under construction are too large to go through the Panama Canal. It is estimated that by the year 2000, two/thirds of the total worldwide container capacity will be unable to clear the Canal. Alaskan crude oil now moves by super tankers to the Pacific side of the Panama Canal where it is piped to the Atlantic side and then reloaded in tankers for Gulf and Atlantic ports. Singapore has recently emerged as the largest container port in the world, surpassing Hong Kong. The reason . . . Singapore is a huge hub harbor where smaller container ships come from every direction and are transloaded onto large ships for worldwide destinations. Panama has a similar great potential. Transportation consultant Fred Fisher is advocating such a transloading operation with container ports on the Atlantic and Pacific sides, and using the Panama Railroad to bypass the Canal.

A great period in American commerce was created in the earlier part of the last century by the Yankee traders who roamed the world in clipper ships offering American wares. It's time for us to stop down playing the quality of American products and hit the road to the far corners of the globe, like the Yankee traders, aggressively marketing American products.

It is hard to predict the future ten to twenty years out. Who would have predicted in the mid-fifties that we would put a man on the moon in 1969 or the worldwide impact of the container revolution. I am by nature an optimist . . . a believer in what can be accomplished by the creativity of human beings in a free society. Let us dream dreams and work daily toward high goals.

Eighteen months ago, my wife and I toured intermodal facilities in six Pacific Rim countries. While in Taiwan, we visited Evergreen, which has emerged in twenty-five years from a very small carrier to become one of the very largest container shipping companies in the world. I was struck by the bright and able middle managers in their thirties. I asked one, "What is the secret to Evergreen's success?" His answer, "People . . . you can always buy the newest ships and computers". The training of our future leaders is the challenge and opportunity of outstanding educational institutions like Syracuse University.

NORTH AMERICAN FREE TRADE AGREEMENT: TOO FAST A TRACK

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ENGEL. Mr. Speaker, I would like to insert into today's CONGRESSIONAL RECORD an excerpt from a report entitled, "North American Free Trade Agreement: Too Fast a Track?" prepared by the staff of the Foreign Affairs Subcommittee on International Economic Policy and Trade. This excerpt addresses the critical issue of labor standards and worker rights.

The full text of the report is available at the subcommittee offices in room 702, House Annex I. Members' offices may also call the subcommittee at 226–7820 to obtain a copy of the report.

KEY ISSUES

Labor Standards and Worker Rights

The President should direct the U.S. negotiators on the North American Free Trade Agreement to put labor standards and worker rights on the negotiating table and not relegate these important issues to "parallel" discussions that are not associated with bilateral trade.

Labor standards are intimately linked to trade and investment patterns. First, labor conditions can have an enormous impact on international trade flows as they often affect the ability of industries to be competitive on the world market. There is no doubt that companies that must pay higher wages or incur the costs associated with health and safety standards will be at a competitive disadvantage against companies that are not similarly constrained. In the context of a North American Free Trade Agreement this means, for example, that an automobile manufacturer in Michigan, which must comply with tough U.S. standards, will have far higher costs of production than its counterpart in Tijuana which is virtually free to operate as it sees fit. The Michigan manufacturer, therefore, suffers a competitive disadvantage that it can only overcome by relocating to Mexico unless its competitor in Tijuana can be bound by the same labor standards he is by some type of bilateral arrangement. The proposed free trade agreement would be an ideal vehicle for a harmonizing of labor standards, that is to bring Mexico's standards to a higher level close to those in the U.S.

Second, foreign investment, which usually accompanies free trade, is dictated in large measure by the production costs found from country to country. While it is true that investment decisions are based on many factors; infrastructure, communications, productivity, and the level of skill of the local workforce, one of the most important factors is the prevailing labor standards, especially the wage rate and the level of mandated benefits for employees.

Last, labor standards and worker rights are themselves affected by trade. A North American Free Trade Agreement that includes across the board reductions in tariff and non-tariff barriers as well as a liberalization of foreign investment rules will have a greater effect on labor and labor standards than perhaps any other trade agreement preceding it. If these issues are not addressed in the context of a free trade agreement, current labor standards in Mexico could be used to exert downward pressure on labor standards in the United States. That pressure has already been seen in labor-management negotiations in which American companies have threatened to move to Mexico unless a lower wage was accepted by the negotiating union. Health and safety standards in the workplace could similarly suffer unless a free trade agreement includes specific measures to bring Mexico's standards to the level of U.S. and Canadian standards. Moreover, efforts by consumer and public interest groups to improve current standards in the United States can be easily countered with threats from affected industries to move south rather than face increased regulation of the workplace if the problem is not addressed in the free trade talks.

Labor standards and worker rights were not included in the U.S.-Canada Free Trade Agreement because standards in the two countries are generally considered to be comparable. But this is not the case with Mexico. Mexico's labor standards and protection of workers rights are extremely poor. The average hourly wage is 50 cents an hour and over 10 million children work in factories and in the streets. Health and safety standards in the workplace are less than acceptable and benefits like health insurance are minimal. Most Mexican companies, for example, do not provide protective clothing and equipment to those working with highly toxic chemicals. Likewise, children are regularly permitted to use machinery which they are never trained to use. In the Maquiladora sector, the situation is even worse. Exposure to hazardous materials such as PCBs, methylene chloride, lead fumes, resin fluxes and industrial solvents is a constant. Protective clothing and equipment is a rarity and hazardous materials are usually applied manually, even by small children. To illustrate, an April 8, 1991 article in the *Wall Street Journal* described the working day of a 12 year old boy in a Maquiladora shoe factory.

"He spends most of his time on dirtier work: smearing glue onto the soles of shoes with his hands. The can of glue he dips his fingers into is marked "toxic substances . . . prolonged or repeated inhalation cause grave health damage; do not leave in the reach of minors."

And with respect to the general living and working conditions for those employed by the Maquiladora factories, the *Tuscon Weekly* wrote that the picture painted by industry promoters of the Maquiladoras, "does not incorporate the cardboard shacks that lie just beyond the factory gates. It doesn't account for the hundreds of toxic chemical drums discarded by the factories and reused for drinking water by families who can't read the warnings printed in English. It ignores the 27 partial amputations of fingers in Nogales factories in 1988, the raw sewage flowing across the border from cardboard squatter camps, the thick trails of smoke made by people who burn tires to keep warm, the 13-year-old children who forsake school for the assembly line, the workers who are warehoused 140 to a room in barracks run by the factories."

Even if better housing were available to the workers, they could not afford it on the $1.63 per hour they earn in the Maquiladora industries (which includes the value of any benefits). This compares with an average hourly wage of $14.32 (also including benefits) in a similar manufacturing job in the United States.

Mexico's dismal labor situation is not due to the inadequacy of its labor laws, but to the lack of enforcement. Indeed, Mexico's laws can be said to be among the most progressive in the world. The 1917 Constitution spells out many of the country's labor protections, including an eight hour work day, a seven hour shift for night work, a maximum work week of six days, mandatory childbirth and maternity leave, equal pay for equal work, regardless of sex or nationality, a minimum wage, double pay for overtime, disability pay, rights to organize and strike and more.

Mexico's Constitution is also among the most advanced in the world as regards the right of association, the right to organize and bargain collectively, the prohibition of forced or compulsory labor, minimum age of employment of children and acceptable conditions of work.

The problem then lies not in Mexico's laws but in the lack of enforcement of those laws. And the lack of enforcement itself is due to both a scarcity of resources to adequately police a nation of 86 million people and structural impediments to enforcement, including union complicity in substandard wages and an unwillingness on the government's part to alter a situation which is attractive to foreign investors. The Maquiladora industries in particular have benefited from the Mexican government's inability and unwillingness to enforce its labor laws. From the government's perspective, the Maquiladoras' substandard working conditions have helped make that sector Mexico's second largest earner of foreign exchange, after oil. The Mexican government is therefore unlikely to work to improve the situation in the Maquiladoras unless persuaded to do so by the promise of greater trade and economic benefits.

Mexico's labor situation overall is unlikely to change with more liberalized trade, even if it does bring greater wealth to the country, unless such change is made a condition of free trade with the U.S.

Including labor standards and worker rights in the North American Free Trade agreement would hardly set a precedent. In fact, the United States has a tradition of including labor standards and worker rights in its trade laws on the general principle that they serve to protect American workers and industries from unfair competition while promoting a respect for worker rights and political stability in other, less developed countries.

Among the U.S. trade laws that have worker rights provisions are the:

* Section 301 of the Trade Act of 1974, which assists the President in removing foreign trade barriers that violate GATT or other trade agreements. The denial of internationally recognized worker rights has been classified as an unreasonable trade practice for the purpose of Section 301(b).

* Generalized System of Preferences (GSP), a preferential duty program under

which selected products from developing countries are given duty-free access to the U.S. market. 130 countries are currently designated as GSP beneficiaries, allowing them to export to the U.S. approximately 3,000 products duty-free. The GSP law states that no country may be designated as a GSP beneficiary "if such country has not taken or is not taking steps to afford internationally recognized worker rights to workers in the country (including any designated zone in that country)."

* Caribbean Basin Initiative (CBI), a program which allows certain products from member countries in Central America and the Caribbean into the United States duty-free. CBI states that "the President shall not designate any country a beneficiary developing country . . . if such country has not or is not taking steps to afford internationally recognized worker rights (as defined in Section 502(a)(4) of the Trade Act of 1974) to workers in the country (including any designated zone in that country)."

* Overseas Private Investment Corporation (OPIC), a federally chartered corporate agency which provides U.S. businesses with insurance and financial assistance to invest in developing countries. OPIC "may insure, reinsure, guarantee, or finance a project only if the country in which the project is to be undertaken is taking steps to adopt and implement laws that extend internationally recognized worker rights, as defined in section 2472(a)(4) of Title 19, to workers in that country (including any designated zone in that country)."

* 1988 Omnibus Trade and Competitiveness Act which established that the principal negotiating objectives of the United States in GATT regarding worker rights are—

(A) to promote respect for worker rights;

(B) to secure a review of the relationship of worker rights to GATT articles, objectives, and related instruments with a view to ensuring that the benefits of the trading system are available to all workers; and

(C) to adopt, as a principle of the GATT, that the denial of worker rights should not be a means for a country or its industries to gain competitive advantage in international trade.

The North American Free Trade Agreement can incorporate the worker rights standards embodied in the GSP, CBI and OPIC and add provisions specific to the U.S., Canada and Mexico.

However, if the GSP standard for worker rights is used in a free trade agreement it should be made more specific to avoid vague interpretations that have in the past led to nonenforcement and evasion by enabling authorities to confuse violations of labor rights with abuses of human rights.

Second, commitments should be made by all participating parties in the free trade agreement that expeditures on the enforcement of Mexico's labor laws will increase commensurate with current needs and increases in foreign investment. It has been argued by U.S. Trade Representative Carla Hills and others that the prosperity that a free trade agreement will bring will be what enables the Mexican government to spend more on the enforcement of its labor laws. But President Salinas knows that it is principally Mexico's cheap labor as well as the lack of enforcement of occupational health and safety and environmental rules that now attracts foreign investment to his country. Changing those conditions to the benefit of Mexican workers may slow the rush of U.S. companies to relocate south, precisely what President Salinas would not like to see happen.

In light of President Salinas's desire for massive foreign investment and Mexico's institutional unwillingness to enforce labor laws, assurances need to be made at the negotiating table that the Mexican government is committed to specific expenditures on the enforcement of worker rights. Proper enforcement will not be cheap and additional sources of revenue for this purpose may have to be found. User fees or a levy on new investments could help to defray the costs of enforcement.

But great spending on enforcement alone will not guarantee that worker rights in Mexico will be respected. Certain structural changes need to be made if workers are to make any real gains in a NAFTA.

For example, labor unions in Mexico have to be freed from government influence. The PRI and the Confederation of Mexican Workers (CTM) operate in close alliance to control the labor courts and minimum wage boards with the result that there is little real collective bargaining in Mexico and;

"Wage agreements are consistently negotiated at levels well below the rate of inflation . . . Today it is generally recognized that union leaders often limit themselves to cosigning contracts with salaries fixed by the national commission without trying to supercede the levels already set."

Unions that are as closely linked to the government and to the ruling party as Mexico's official unions are, cannot be expected to strenuously advocate workers' rights, particularly if those rights should conflict with government policy. Mexico must allow for the reform and democratization of its labor unions. The Free Trade Agreement should require union reform on the grounds that current official union practices allow unfair trading practices like artificially low wages and unsafe workplaces to continue.

Additionally, for provisions on worker rights in a free trade agreement to succeed, they must be accompanied by trade-related sanctions for noncompliance. Possible sanctions could include the revocation of FTA benefits to any company or industry that violated the labor standards or worker rights agreed upon by the FTA signatories. The result of this type of sanction would be that the violating company or industry would pay the tariffs imposed prior to the FTA or the tariff imposed on the same products from non-FTA countries.

Another alternative would be to impose countervailing duties on products from non-complying companies or industries on the grounds that the substandard labor practice constitutes an unfair trade practice. Similarly, antidumping duties could be imposed if a determination is made that foreign goods are being sold at less than fair market value due to the savings incurred by the violating company or industry by not complying with fair labor standards.

The cost of cutting corners on worker rights has to be outweighed by costs associated with noncompliance. Those costs of noncompliance can and should be established in the NAFTA.

As for the adjudication of violations of labor standards, a number of options exist. For example, the NAFTA negotiators could use the U.S.-Canada FTA model and establish a trinational tribunal along the lines of the U.S.-Canada Trade Commission. In that process, Canada and the U.S. agree to notify each other when either party makes changes in regulation, procedure, requirement or law that could affect the U.S.-Canada Free Trade Agreement. Any disputes are addressed in bilateral consultation. If, after 30 days, the dispute is not resolved, the matter is referred to the U.S.-Canada Trade Commission. If, after another 30 days, the dispute is still outstanding, the Commission may either refer the matter to a panel of experts selected by the Commission or it may submit the dispute to a five member panel for binding arbitration.

Remedies for the dispute usually involve the removal of the non-conforming measure or its non-implementation. Or, if the offending party refuses to comply, the other party can suspend equivalent benefits.

Another dispute resolution mechanism could be a tribunal that would be established to interpret the body of law arising from a North American Free Trade Agreement which would be binding on each country's courts and legislatures. A model for such a tribunal can be found in the European Court of Justice and the European Court of Human Rights.

Perhaps the simplest option would be to allow each party to the NAFTA to unilaterally take administrative action against violations of NAFTA-established standards on labor and worker rights. The administrative action could be specified in each country's laws or established within the text of the NAFTA. The downside of this approach is that countries may yield to the temptation to unilaterally take punitive action, thereby prompting a series of retaliatory actions from NAFTA partners.

In any case, recent U.S. trade laws such as GSP and GATT demonstrate both a willingness to link worker rights and trade and an ability to practically carry out and enforce those laws. A comprehensive trade agreement with Mexico should be no different.

IN HONOR OF JOHN M. ROSENBERG, RECIPIENT OF THE KUTAK-DODDS PRIZE FOR OUTSTANDING PUBLIC SERVICE THROUGH LAW

HON. CARL C. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. PERKINS. Mr. Speaker, I am pleased to recognize Mr. John M. Rosenberg, director of the Appalachian Research and Defense Fund, Inc., of Prestonsburg, KY, for being selected as the recipient of the 1991 Kutak-Dodds Prize for outstanding public service through law.

The $10,000 prize is sponsored by the Robert J. Kutak Foundation and the National Legal Aid and Defender Association. It is awarded annually to a legal services lawyer, public defender, or public interest lawyer who, through the practice of law "has contributed in a significant way to the enhancement of the human dignity and quality of life of those persons unable to afford legal representation."

For more than 20 years John Rosenberg has directed "Appalred," providing free legal assistance to low-income citizens in 37 counties of eastern Kentucky. Prior to moving to Kentucky in 1970, Mr. Rosenberg served in the Civil Rights Division of the U.S. Department of Justice where he was involved in voting rights, segregation, and discrimination litigation throughout the South.

Harold Rock, president of the Kutak Foundation, said the criteria used in selecting

Kutak-Dodds recipients include personal vision, innovation, commitment, critical nature of their work, impact of their result, and difficulty of achieving those results. "On every count," Rock said, "John Rosenberg's work and life exemplify the spirit in which the Kutak-Dodds Prize was created."

Mr. Speaker, I have had the pleasure of working with John Rosenberg on issues affecting the people of eastern Kentucky. On a number of occasions, he has appeared before the Committee on Education and Labor to discuss his experience with the Black Lung Benefits Act, offering his recommendations on possible improvements to the Black Lung Program.

Mr. Speaker, I would like to congratulate John Rosenberg for this award, which he so deserves, and to thank him for his years of commitment to public service.

TRIBUTE TO JENNIFER L. COSTABILE

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to rise today and congratulate Jennifer L. Costabile, of North Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for North Providence High School, in North Providence, RI.

This award is presented to the student chosen by North Providence High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Jennifer L. Costabile has certainly met these criteria. She is a member of the Rhode Island Honor Society and secretary of the North Providence High School Chapter of the National Honor Society. She is also the editor of the school newspaper. In addition, Jennifer is active as a catechist, participating in the instruction of young people at the Blessed Virgin Mary Church.

I commend Jennifer L. Costabile for her outstanding achievements and wish her the best of luck in all her future endeavors.

GROWING SUPPORT FOR PUHCA REFORM

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. BLILEY. Mr. Speaker, there are still some who believe that the issue of reform of the Public Utility Holding Company Act [PUHCA] of 1935 is an obscure, esoteric issue more pertinent to big utilities than to the average consumer.

The fact is that the issue of PUHCA reform is really an issue of electricity competition and the effect that competition will have on Americans' pocketbooks—namely, competitive utility rates. Further, it is an issue of making sure this Nation has enough reliable energy to power our economy into the next century. In short, PUHCA reform is an issue that concerns every American.

Mr. Speaker, media pundits are beginning to understand the vital importance of PUHCA reform and its benefits. And one by one, as they study the issue and assess the pros and cons, they are weighing in strongly in favor of PUHCA reform. I would like to share with my colleagues two such editorials, one from the May 17, 1991, edition of the Washington Times and one from the March 19, 1991, edition of the Detroit News. These editorial writers accurately note that as the Department of Energy warns that we will need up to a 40 percent increase in generating capacity by the year 2000, this is the time to reform the outmoded restrictions impeding adequate and competitively priced supplies of power. The Detroit News even says that under the present regulatory structure, the State of Michigan may soon run short of power. The editorials follow:

[From the Detroit News, Mar. 19, 1991]

DEREGULATE THE UTILITIES?

Michigan's two major electric utilities, Consumers Power Co. and Detroit Edison Co., oppose each other on a proposal in President Bush's energy plan to further deregulate the electric industry. Consumers favors deregulation while Detroit Edison opposes it. On balance, we think Consumers makes the better arguments.

President Bush has proposed amending the 1935 Public Utilities Holding Company Act authored by the father of Rep. John Dingell, the Michigan Democrat who chairs the House Energy and Commerce Committee. The act was aimed at controlling holding companies that pyramided acquisitions of utilities companies, often getting control with only a 10-percent equity. These were referred to as "hollow companies."

The Dingell act says a regulated utility that delivers power to householders and industries cannot own more than 10 percent of or operate a power-producing facility outside the territory that it serves.

Times have changed. Utilities, having been savaged by state regulators who have disallowed $13 billion or 10 percent of total capital investments in electric plants since 1985, are reluctant to build new plants. William T. McCormick Jr., chairman and chief executive officer at Consumers, believes utilities should be free to join consortiums of engineering and fabricating companies in building, operating and sharing the ownership of expensive new plants. He says this would stimulate new generating capacity at competitive cost while avoiding regulatory hangups.

John E. Lobbia, chairman and CEO of Detroit Edison, disagrees. He says those who foster this slice of deregulation are "trying to fix something that isn't broke." Utilities already are free to "interchange" power with utilities in other states that have surpluses. He also worries that utilities and utility partnerships might become so heavily indebted that they will once again become "hollow companies." Last, he warns that if utilities abandon local generating plants, traditional customers who can't buy power elsewhere might be saddled with higher bills to pay off the investments.

The anxieties of Detroit Edison are worthy of consideration. On balance, however, we think Consumers makes the better argument. There should be ways to move to a freer market in power without returning to the excesses of the 1920s. Under the present regulatory structure, Michigan and other states may soon run short of power. Properly managed deregulation has proved beneficial in other fields. Why not in electricity?

[From the Washington Times, Mar. 17, 1991]

POWER TO THE PEOPLE

With all the warm, fuzzy talk about bicycle power and minicars and renewable energy misting up the halls of Congress these days, it is not a little reassuring to know that, yes, there are some people taking this country's long-term energy needs seriously. The Bush administration and Sens. Bennett Johnston and Malcom Wallop are pushing to free an important source of power held captive by Washington. Although it hasn't gotten much attention outside of the trade press, that's probably because this good idea goes under a lousy name: Public Utility Holding Company Act of 1935, er, reform.

PUHCA is a regulatory dinosaur left over from the days when electric utilities dominated the power generating business and regulators were trying to keep those monopolies under control. Huge holding companies buying up these utilities set up enormously complex corporate structures that obscured profits and losses and made real rate regulation difficult, if not impossible. Investors paid the price in lost dividends, and consumers in higher rates. PUHCA put these holding companies under stringent regulation by the Securities and Exchange Commission, which meant, with certain exemptions that holding companies had to divest themselves of non-utility businesses in order to simplify things. If it sounds complicated, that's what happens when consumers are served by regulated monopolies rather than business competition.

But in the years since Congress passed the act, a few things have changed. Most important, utilities no longer monopolize the field of power generation. Small, non-utility producers have sprung up to compete with the utilities, and in recent years these small producers have supplied more than a third of the nation's new generating capacity. Indeed, when Richmond-based Virginia Power sought bids for new capacity a few years back, independents exempt from PUHCA offered to sell far more than the utility needed to buy, at prices lower than if the company had built it.

Unfortunately some potential producers are being held back by old PUHCA rules. If, for example, a Westinghouse ever wanted to run a coal-fired generating plant that would supply a utility with electricity, the rules say it would have to get out of the business of building consumer appliances. A General Electric would have to stop making light bulbs. Another regulation would stop independents from building facilities in more than one state. If the Natural Resources Defense Council or the Environmental Defense Fund decided it wanted to build a windmill farm or a solar collector to sell power to a utility, it couldn't cross state lines to build another one. For firms interested in making a business, not just a hobby of generating electricity, PUHCA is a killer. Reforming it will increase competition without short-circuiting current state and federal regulations that dictate what consumers ultimately pay for the power.

When Mr. Johnston's Senate Energy and Natural Resources Committee takes up PUHCA reform Wednesday, it should keep in mind that a growing economy needs increasing supplies of energy, regardless of conservation measures. The U.S. Department of Energy is warning that this country needs an increase of up to 40 percent in generating capacity by the year 2000. Congress doesn't have to eliminate PUHCA to get more electricity. Just reform it.

IN MEMORY OF FLOYD SEXTON

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ANTHONY. Mr. Speaker, I rise today to pay tribute to Floyd Sexton, 87, of Texarkana, AR, who died on Tuesday, March 19, 1991, in his home. Until his death, Mr. Sexton worked on aging issues for senior citizens. He was employed by Congressman BERYL ANTHONY in June 1981, and he worked until his death.

Mr. Sexton retired in 1968 from the Penwalt Corp., a national chemical firm where he served as divisional sales manager. He helped start the first AARP chapter in Texarkana, AR, and was its president for 4 years and vice president for 1 year. He helped start the Institute on Aging with East Texas State University of Texarkana and was the chairman for 2 years. He chaired the Southwest Arkansas Development Council for 3 years, and also served as president of the Arkansas Gerontological Society. He was a delegate to the 1981 White House Conference on Aging and Rural Issues, held in Oklahoma City. He received the award for exceptional and distinguished volunteer service from Governor Clements of Texas in 1980. For the past 10 years, Mr. Sexton served as Congressman ANTHONY'S district coordinator. He provided more direct constituent services to senior citizens in each of the 24 counties, and coordinated visits to the centers to provide information, discuss issues, and work on individual problems.

Mr. Sexton worked so hard for the community, and he summed it all up with the statement, "I feel like I owe the world something." He stated that his volunteer work kept him busy 50 hours a week. His interest in the elderly is only natural, "I'm old myself. These are my contemporaries I'm trying to help," he said. Sexton said most people wish the elderly would just die and get out of the way. The biggest problem elderly people have is with their middle-aged children who feel as if their parents have become a burden.

One of his concerns was the poor image of aging. "So many have thought of aging as a terminal illness," he said with a smile, "I'd like to think that I helped to change this to something more positive."

He did.

Not what we have, but what we use;
Not what we see, but what we choose;
These are the things that mar or bless
The sum of human happiness.

—*Clarence Urmy.*

ABORTION

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WEBER. Mr. Speaker, the AuCoin amendment to the Department of Defense authorization bill is the clearest vote on abortion that we have had during my 10 years in Congress. It is not simply providing Federal funding for abortion. It does not involve arguments about our relationship with China or developing countries. It does not involve the segregation of funds in international organizations. It's a straightforward vote to authorize abortion on demand throughout the pregnancy on every U.S. military base in the world.

The legal situation in America right now is clear. No State has been able to outlaw even one abortion—at any time in the pregnancy—and had that law upheld by the Supreme Court. Although legislatures have recently passed restrictive abortions laws, none have yet been upheld by the Court, so the prevailing law of the land allows no restrictions.

In the last decade, the Supreme Court has struck down laws in a number of States that tried to limit late-term abortion by regulation. Even the celebrated decision in Webster, which upheld a Missouri law, only touched on performing abortions in public hospitals and testing for the viability of the fetus. The law did not make any abortions illegal.

That late-term abortions are taking place is also without question. According to former Surgeon General C. Everett Koop, over 30,000 abortions take place after 20 weeks—when viability now occurs. Of those, thousands take place in the third trimester.

Even if the Supreme Court decides in the future to uphold some restrictions imposed by certain States, the amendment we are voting on today would continue to authorize abortions without any restrictions for the entire pregnancy.

No Supreme Court decision has ever mandated any restrictions on abortion, nor would such a decision ever be likely. There is no Federal law currently in place restricting third trimester abortions. If this amendment were adopted, it would be the only Federal law regulating abortions on military bases. And the AuCoin language makes clear that no restrictions are allowed: any member of the military—and any dependent "is entitled to the provision of any reproductive health service in a medical facility of the uniformed services * * * in the same manner as any other type of medical care."

Other issues, such as parental consent and whether pro-life physicians would be required to carry out abortions against their conscience, will also be raised by the amendment before us. But one thing should be perfectly clear: This amendment will make abortion legal on our military bases without restriction throughout the pregnancy. Those who support this amendment unequivocally support abortion on demand.

TRIBUTE TO JOSHUA ROTENBERG

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Joshua Rotenberg, of Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for School One, in Providence, RI.

This award is presented to the student chosen by School One who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Joshua Rotenberg has certainly met these criteria. He is the editor of the school newspaper, Newspaper One. He is also the student representative to the board of directors. In addition, Joshua will be attending San Francisco State University.

I commend Joshua Rotenberg for his outstanding achievements and wish him the best of luck in all his future endeavors.

JUANITA M. BROWNE: REFLECTIONS ON THE SUMMIT IN AFRICA

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. CUNNINGHAM. Mr. Speaker, recently Dr. Juanita M. Browne from San Diego attended the First African-American Summit in Abidjan, Cote d'Ivoire, West Africa.

She presented this powerful essay before the congregation of St. Stephen's Church. I respectfully submit her work into the permanent RECORD of the Congress of the United States.

I THOUGHT I HEARD MY PEOPLE CRY!

(Essay by Juanita M. Browne)

I could almost hear the babies screaming as they were torn from their mothers' breasts. I could hear the mothers shrieking as the weak ones were thrown to the hungry sharks. My sandals stumbled over the cobblestoned pathway—a path smoothed over by generations of shuffling, reluctant bare feet dragging chains and legs hobbled on one leg to keep the slave from leaping back into the angry sea.

I could smell the fetid rotting smell of the unwashed bloodied humanity who cried out to their mothers and fathers and to their God in strange and unknown tongues as they were chained to strangers from far-off villages.

We—the babies who were cut from the umbilical cord of our mother Africa and kidnapped even before weaning. We—who were babies snatched away from all that was known to us.

I could hear the feet of toddling children beating a sad melody to words their mothers would never hear. Did you hear us when we cried while being dragged away? Did you hear us singing through broken teeth. "Sometimes I feel like a motherless child—a long ways from home."

Did you feel us reach out for our mother while moaning, "Nobody knows the trouble I seen—Nobody knows my sorrow."

Did you hear us in the 60's through clenched teeth singing, "Ain't gonna let nobody turn me round?"

I could hear the agony of my mother's mother's mother's grandmother as they stripped her naked and looked into each of her orifices. I could see the shame of my father's father's father's grandfather who could not protect her as they forced open his mouth with the cruel instruments as they checked his teeth like he was a beast of burden.

It was the holocaust—It was our burden to be taken kidnapped but it is our privilege to return. We return for:

Kunta Kinte
Frederick Douglass
Malcolm X
Martin Luther King
W.E.B. DuBois
Sojourner Truth
Harriet Tubman

and the many thousands gone.

We return to pay our debt to the past—to our ancestors—to the diaspora—to our mother Africa. We return to our mother Africa to let her know that the child who was kidnapped—the lamb that was lost—survived and is back to visit the mother—is back in the fold.

Our bodies are back to form a bridge—a bridge of African-Americans holding the hands of their brothers and sisters across the troubled water.

Representing the Church of God in Christ at this first African-African-American Summit as delegates were Bishop George Dallas McKinney, Bernard Johnson, with his sanctified saxophone and Dr. Juanita M. Browne. Bernard Johnson opened the inspirational service on the plane with the song that was being expressed by every single delegate from America. Each delegate thanked God for saving them from the fate of their ancestors.

It was amazing grace that saved a wretch like me. I once was lost but now I'm found, was blind but now I see. Through many dangers, toils and snares I have already come. 'Tis grace that brought me safe thus far and grace will lead me home.

Rev. Joseph Lowery said, the fruits and the roots are from the same tree. We, African Americans are the fruits of Africa visiting the roots and this pilgrimage to our origins will be a new beginning of a bond between the fruits and the roots. Africa is our Garden of Eden lost . . . Africa is the roots for more than 30 million African-Americans.

We have turned away from turning on—to turning to—brothers and sisters building a bridge which unites us in the struggle. We are our brothers' keepers. Why is the foreign aid from America to Africa $2 per capita when foreign aid to Israel is $1,000 per capita? Why do 40,000 African children die daily from starvation and disease? Why do we perpetrate violence against each other and ourselves? God will hold us accountable for our brothers. The world is not waiting for the sunrise. It is waiting for the sons and daughters to rise. The lost are now found. We changed the history. We came back! We dared to dream the impossible dream. With 25 million of us murdered in 200 years. God heard our screams. It was God's angels in the fiery furnace of the auction blocks and His voice that calmed the angry sea and His hand that held back the teeth of the sharks—kept the Christians from the lions. Kept the brothers from the Klan and death at the hands of brutal police officers—We were saved in the 1690's and in the 1960's and we are saved today. We were lonely—but we were not alone on the slave ships, nor were we alone on the plantation nor are we alone today in the sea of racism. God was with us. God is with us.

I could hear the bids of the auction hall. I could hear the shrieks of the children as their mothers were turned this way and that way. Lest we forget—

The sounds I heard rose to a roar as I realized that the sobs were not in my dream. The sounds I heard were no longer just a memory from the past. 300 African-Americans standing on the dirt floor of the House of Slaves, were sobbing out loud in the agony of our forefathers as the real feeling of the raping of our people began to penetrate our consciousness. The tears rolled down our faces. The sobs filled the air from pastors, lawyers, doctors, professors, musicians, professionals, and young students. 300 African-Americans from a faroff land all with tear stained faces and tear filled voices began a mournful sobbing that came from the pits of their bowels. Each one thought they were hearing their neighbor cry. I heard my people cry!

The sun beat down with the heat of the fiery furnace while the sharks bared their teeth like the lions in the lions' den but as we raised our eyes toward the sky to see the tree of torture where we were hung like strange fruit. We could hear the bids for those on the auction blocks just like the Roman Soldiers who gambled for His robe. In the dungeons the sun faded and the chains were like the nails that fastened His feet and hands to the cross. The vinegar they rubbed into His wounds was the salt water they inserted into the slaves' wounds. His death for our sins and His resurrection were our promise that this day would come. That Black sons and daughters would survive those days of murder. They would rise from their suffering and one day return to their motherland. His angels were there on that first day and His presence was there in April 1991 in the sweet spirit that pervaded each place. Even people in the airport noticed the spirit that was on the plane, on the busses, in the streets and in the cathedral where our Lord was met with palms in the stained glass. I could see the drums and the dancing and the joyful noise that met Him and the same reception for his children. The fatherland brought out the best robes, jewelry and the fatted calf for the son who was returning home. The spirit of the Lord was in this place.

We returned saved—not just surviving. The other delegates were rejoicing in the survivors coming back but I could not help but rejoice in Christ's promised coming back. I rejoiced not only that we were saved but that our ancestors were too. I began to dream again—transporting myself from the blood-stained sand and cobblestones and dark dungeons of the slave house to the New Jerusalem. I began to hear the children—not crying—but singing—singing with the angels. The angels voices answered the sobs and they said.

Lift up your voices and sing hosannah to your king. Kings were killed but the King of Kings lives—Even the darkness of the dungeons and the cold chill that rose was covered by the blood from the shadow of the cross that suddenly arose on a hill. I heard the angels singing and the sea that reached over the rocks to carry away the bodies of the dead calmed down and it became tideless—the light of God was in the streets now and the gates were open wide and Jesus was there inviting all who wanted to enter in and not one of my ancestors was denied entrance. There was no need for the light of the sun or the moon because He said that this was the new Jerusalem that would never pass away. The shadow of the cross arose and now we sing for the night is over, mourning is done. This is a homecoming for us and a homegoing for our ancestors. Hosanna to the King of Kings—Hosanna in the Highest—Hosanna Forever More. He died so that we might live forever in the New Jerusalem.

In my dreams I no longer hear my people cry. No. I hear the people sing. I hear the angels sing because my ancestors did not die. They were saved and they have entered in, from Africa—the New Jerusalem.

TRIBUTE TO THE MERCHANT MARINE VETERANS OF WORLD WAR II FROM MICHIGAN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to the merchant marine veterans of World War II from Michigan. They are having their second annual memorial service on May 22, 1991.

This annual event, which takes place in Marine City, MI, is held to honor the merchant marine veterans of World War II. More than 6,000 seaman and 730 merchant ships were lost during the war.

Our country owes a great debt to these mariners. During the war, 90 percent of the material and 95 percent of the fuel oil were carried by merchant ships. Merchant ships also carried most of the troops and the merchant marines manned invasion troopships.

We must never forget the pivotal role these mariners played in securing our freedom. Even recently, the U.S. merchant marine played a critical role in assembling the largest U.S. military force since World War II for Operation Desert Storm.

In particular, Mr. Speaker, I would like to pay tribute to those merchant marine veterans of Michigan, whose previous shipping experience on the Great Lakes made them vitally important during World War II.

Above all, Mr. Speaker, I pay tribute to the brave men and women who have given their lives to keep this great sovereign Nation free.

ST. CROIX NATIVE A TRUE HERO

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. DE LUGO. Mr. Speaker, I rise to commend a brave St. Croix native, Morlan M. O'Bryan, whose actions helped save the lives of several children in the Boston neighborhood where he now lives, but who was critically wounded as a result of his heroic deed. He is now paralyzed from the waist down after suffering a bullet wound to the spine that came as he shielded his children and several neighborhood youngsters from gunfire nearby his Dorchester home.

I read into the RECORD the account of his truly heroic deed as published in the Virgin Islands newspaper, the St. Croix Avis.

[From the St. Croix Avis]

HERO FROM ST. CROIX SAVES LIVES IN BOSTON

(By J.F. McCarthy)

A St. Croix man remains a severely-injured hero in a Boston hospital after bravely stepping into the line of inner-city gang gunfire to shield several neighborhood children from a hail of bullets, officials said Saturday.

Morlan M. O'Bryan, a 1976 Central High School graduate who works at an electrical fixture store, was in stable condition at Boston City Hospital Saturday after suffering a bullet wound to the spine April 26 when two groups of teen-agers exchanged gunfire in Dorchester, according to Boston Police and hospital administrator John Ingemi.

O'Bryan, 34, was shot at 7:09 p.m. outside his 75 Evans Street home in the crime-ridden Dorchester section of Boston nine days ago, Boston Police spokeswoman Mardi Sullivan said.

The former Mars Hill, Frederiksted native is now paralyzed from the waist down and doctors have told his family there is an even chance he will walk again.

When the shots rang out, at least eight children, including some of he and his wife Loudelia's five, were playing in his neighbor Susan Stephen's yard as O'Bryan chatted with neighbors.

Interviewed at the hospital by the Boston Globe, O'Bryan told the newspaper Wednesday that he and Stephen always watch over the children in the neighborhood because they don't like leaving them outdoors unattended.

He said he saw three teen-agers running down the street when they suddenly split up, apparently to confuse whoever was chasing them. He said he tried to get two of his children and several other neighborhood children inside when the shooting started, "so if anything goes on at least we know the kids are safe."

O'Bryan said he felt the shot in his back. But he told the children to keep running.

Nebullah Stephen, Susan's nine-year-old daughter, instinctively ran home—right in the direction of the gunfire, Susan Stephen said Saturday in an exclusive interview. O'Bryan grabbed her and pushed her under a nearby porch, Stephen said.

"I heard him screaming and he pulled me under the porch and then I started digging under the house because I was scared," Nebullah, a third-grade student, told the Globe.

O'Bryan also threw her brother, six-year-old Joseph, to the ground.

Although at least six shots were fired by a rival gang of male teens at the other gang, only O'Bryan was struck, Sullivan said. The shots were fired, "possibly with return fire," in the vicinity of Evans and Capen Streets, she said.

Eyewitnesses Susan Stephen said that as shots were fired, some neighborhood children were playing on a porch, her children were walking nearby, and O'Bryan's wife Loudelia was in the family car with Morlan about to get in on the driver's side.

"We're very proud of him—I was sad and proud at the same time," O'Bryan's mother Marion Petersen Miranda said from her Mars Hill home Saturday. "God has a good way of doing His thing, so I'm grateful to God for saving his life."

Asked how it felt to be a hero, O'Bryan told the Globe: "It's not being a hero. It's like anybody else—you're doing it for your kids."

O'Bryan told the newspaper that the only thing on his mind at the time of the shooting were the children.

"I was just thinking about safety for those kids," he said. "I wanted them to grow up."

NATIONAL MARITIME DAY

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. HOCHBRUECKNER. Mr. Speaker, as today is National Maritime Day, I wish to pay tribute to the men and women of our U.S. merchant marine.

As a member of the Committee on Merchant Marine and Fisheries as well as the board of visitors of the Merchant Marine Academy at Kings Point, NY, I have a keen interest in the revitalization of our merchant fleet. Under the able leadership of the gentleman from North Carolina [Mr. JONES], who is chairman of the Merchant Marine and Fisheries Committee and of the Subcommittee on Merchant Marine, I am working to ensure that the U.S. fleet regains a significant place in the world of international shipping.

An issue of great concern to me is the need for proper recognition for merchant mariners who have served our Nation during wartime. The Federal Government has already officially recognized the role of merchant mariners during the Second World War by bestowing veterans benefits and medals on those mariners who served in combat areas.

I supported that action and believe we must go further to recognize all mariners who have put their lives on the line. To this end, I have introduced H.R. 736, the Combat Merchant Mariners Benefit Act of 1991. This legislation would provide veterans benefits to individuals who serve in the U.S. merchant marine in a combat zone during any period of war. If this legislation were to pass during this session of Congress, I believe next year's National Maritime Day would be a much brighter day for those who served in harm's way in our Nation's merchant marine.

Mr. Speaker, on this National Maritime Day I ask all Members of this body to join with me in honoring the members of the U.S. merchant marine.

TRIBUTE TO SHIFRA JAKUBOWICZ

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Shifra Jakubowicz, of Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for the New England Academy of Torah, in Providence, RI.

This award is presented to the student chosen by the New England Academy of Torah who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Shifra Jakubowicz has certainly met these criteria. She is graduating with a 4.0 grade point average and is a member of the National Honor Society. She is also the winner of the Shell Century III Leadership Award, the Presidential Academic Fitness Award, and the Clairol Spirit of Young America Award. In addition, Shifra runs a summer camp for children.

I commend Shifra Jakubowicz for her outstanding achievements and wish her all the best in her future endeavors.

ARMY PFC AARON HOWARD

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. WOLPE. Mr. Speaker, I want to pay tribute to Army Pfc. Aaron Howard of Battle Creek and the other soldiers who sacrificed their lives as part of the allied effort in the Persian Gulf.

Our people are our country's most valuable asset; the loss of any life is a tragedy, even when that loss is associated with the heroism and valor of patriotic service. While we can be thankful that the casualties of Americans in the gulf were minimal, we all feel deep sorrow for those lives that were sacrificed. I know this is particularly true in Battle Creek, MI, the hometown of 20-year-old Aaron Howard, who was killed in the gulf by artillery fire.

I never met Aaron Howard, but I wish I had. I feel that I've come to know him through the letters that he wrote to his family and to a local Cub Scout pack which have been published in the Battle Creek Enquirer. I would have liked Aaron a lot. What comes through in his letters is an extraordinary integrity and a very special sensitivity.

Aaron Howard loved life and longed for a world in which war would be no more, a world in which people would be able to live in peace and in freedom.

Aaron spoke openly and candidly of his fears. And he wanted the Cub Scouts who had befriended him to understand that there was neither romance nor glamour in war:

> I'm not ashamed to say that I'm afraid of being in war . . .

He wrote;

> . . . I hope that you fellows never have to see this type of situation in our lifetime. Maybe you guys can change the world so we don't need an army anymore, eh? It's always nice to dream.

In the midst of the turmoil and violence all around him, Aaron never lost touch with his humanity. He reached out to his family, to his friends, to the Cub Scouts—constantly affirming life and his dream of a more peaceful and a more humane world.

In memorial services in Battle Creek, an entire community joined in remembering and in paying tribute to Aaron Howard. The loss felt by his parents, his family, and his friends is our loss as well. Aaron touched the lives of all who knew him; he also touched my life and the lives of many others, not only by his sacrifice, but by the legacy of his words and his love.

Mr. Speaker, let us resolve to honor the memory of those like Aaron who lost their lives in the Persian Gulf war by dedicating ourselves to the cause of peace in which they believed and for which they died. We owe Aaron and the men and women who served overseas tremendous gratitude. The victory they achieved not only secured the liberation of Kuwait, it also generated a new sense of American pride and confidence. It showed the enormous potential of America when we are united in spirit and action. Now, it is up to the rest of us to build upon this demonstration of national unity and resolve in the Persian Gulf by tackling, with the same tenacity and sense of common purpose, the myriad of challenges we face here at home. Let this be the ultimate legacy of all the Aaron Howards who made the supreme sacrifice on behalf of America and her people.

GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. BATEMAN. Mr. Speaker, George Washington was a man of great character, a distinguished Virginia landowner, and a highly respected American who clearly deserves the title, Father of our Country. A fearless leader in the War of Independence, skillful chairman of the Constitutional Convention and the first President of the United States, this statesman rendered an invaluable service to this country through his courage, wisdom, and leadership. By helping to plant and nuture the seed of democracy in a new land, this Founding Father's efforts have enabled generations of Americans to reap the fruits of a free society.

It is a privilege to represent America's First District which includes the historic farm of George Washington's father. This farm lies between Pope's and Bridge's Creeks, tributaries of the Potomac River, in Westmoreland County, VA. It was here on February 22, 1732, that George Washington was born, and it was here that he spent many of his formative years as a youth before answering his country's call to duty.

Since the creation of the George Washington Birthplace National Monument in 1930, the National Park Service has been responsible for the preservation of the historical premises and structures that constitute the site and surroundings of George Washington's birth. In addition to maintaining a reconstructed homestead, the National Park Service operates a colonial farm which convincingly recreates 18th century plantation life.

Because the George Washington Birthplace National Monument is such an integral part of the entire historic Northern Neck of Virginia, it is my great pleasure to introduce today a bill which would authorize the expansion of the boundary at the George Washington Birthplace National Monument by including an additional 125 acres. Because of the monument's current configuration, 125 acres of private land is sandwiched between two units of the monument and the Potomac River. Therefore, this boundary expansion is a logical improvement of the monument's overall configuration.

Geographic considerations notwithstanding, the lands in question also possess considerable historic value and are significant properties that contribute to the setting and character of the monument. One of the two pieces of property is significant because of its direct connection with lands owned by George Washington's father in the first half of the 18th century. Also, the land is now one of the best examples of mature loblolly pine woodlands in the area and is within 400 yards of a bald eagle nesting site. Nonagricultural development of this parcel would adversely impact these values. Finally, the owners of this property have requested and fully support this legislative effort to expand the boundary and transfer ownership of their 12 acres to the monument.

The other property has been operated as a farm by the same family for over 200 years. The farm is a significant historic component of the monument's immediate setting and its continued operation as a farm is a great asset to the park. The owners have given their approval for their 113 acres to be included within the monument's boundary, with the understanding that the National Park Service would not take the property, so long as it remains an active farm.

The owners of both properties have exercised excellent stewardship of the land. Including their lands within the monument's protected boundaries will ensure that no adverse alteration of the landscape, or of the distinguishing patterns and features which provide its historic identity, will destroy or degrade the setting's historic value.

Once again, I am proud to include this bill to expand the monument's boundary, and to reaffirm the monument mission to preserve and interpret the history and resources associated with George Washington, the generations of the Washington family who lived in the vicinity and their contemporaries, as well as 18th century plantation life and society. I urge my colleagues in the House to support me in this effort.

RECOGNIZING HUNGARY AS A DEMOCRACY

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. COX of California. Mr. Speaker, as you know, the Hungarian people's decades of struggle against Soviet communism paid off in 1989, when the joint efforts of the different democratic opposition groups forced the Hungarian Communist Party to end its monopoly on power and allow a peaceful transition to democracy and the dismantling of one-party rule.

Since then, the transformation of the Hungarian political landscape has been nothing short of breathtaking. The privatization of government-owned businesses continues apace. The Hungarian Parliament has approved a plan to return much of the property that was nationalized after a Communist state was established in 1949. And the Hungarian Government is eagerly seeking membership in the European Community.

Most important, almost all Soviet troops have left Hungarian soil. The last are scheduled to leave by the end of June 1991, and the withdrawal is proceeding as planned.

Unfortunately, Hungary is still labeled as a Communist state in several of our laws, and is thus denied important economic and political benefits to which other nations friendly to the United States are entitled. It is now time for the United States to recognize formally Hungary's transformation from a Communist, one-party, non-market state to a representative democracy. By officially affirming that Hungary is successfully making a genuine and peaceful transition from Communist dictatorship to Western democracy, we will facilitate a speedy recovery from decades of Soviet occupation.

I will soon be introducing the following legislation expressing the sense of the Congress that Hungary is no longer a Communist state. I hope you will join me in cosponsoring this resolution.

H.J. RES. —

Whereas Hungary—during its history of more than a thousand years—has enriched Western culture;

Whereas Hungary has displayed courage in preserving its integrity and defending its independence from foreign powers, including Nazi occupying forces;

Whereas the Soviet Union, contrary to its international obligations, occupied Hungarian territory in 1947, annihilated Hungarian sovereignty and arrested Hungary's attempts to rejoin the free world;

Whereas the Hungarian Communist party seized power and created a one-party dictatorship by force in 1947–48—with active Soviet intervention—by falsifying election results, and by prosecuting and interning leading figures of democratic parties;

Whereas the Communist Party subverted Hungarian freedom through the use of fear and terror, the introduction of unprecedented measures of oppression, the taking of private property, and the denial of human rights—thus creating a Leninist-Stalinist dictatorship;

Whereas on October 23, 1956, the people of Hungary rose against this Socialist dictatorship and illegal Soviet rule;

Whereas the revolution for freedom and independence was crushed by Soviet tanks in November 1956;

Whereas the military retaliation of the Soviet army and the collaborationist Kadar government murdered thousands of people, and caused 200,000 Hungarians to become refugees;

Whereas since 1968, economic reforms in Hungary have steadily opened greater freedom for private enterprise; and

Whereas the beginning of the 1970s brought the rebirth of the Hungarian democratic opposition;

Whereas mass demonstrations on March 15 and June 16, 1989, jointly organized by different opposition groups, have clearly illustrated the solidarity of the Hungarian people against socialist rule;

Whereas the joint efforts of the different democratic opposition groups have forced the Hungarian Communist Party to end its monopoly of power and to inaugurate Round Table discussions, which led to a peaceful transition to democracy and the dismantling of one-party rule in 1989;

Whereas at the Round Table discussions, the Communist Party agreed to hold free parliamentary elections, to disband its armed militia, and to amend the Constitution to provide for a pluralist democracy;

Whereas the overwhelming opposition of democratic forces has effectively ended the Communist Party's attempts to perpetuate its hold on power, and has succeeded in eliminating socialist hegemony;

Whereas on March 25 and April 8, 1990, free and fair parliamentary elections were held in Hungary, creating an authentically representative democracy;

Whereas at the elections the opposition achieved a victory of over 90%, while the successor of the former Communist party did not even reach the margin necessary to obtain representation in the Parliament, becoming instead an insignificant and peripheral political factor;

Whereas by tearing down the Iron Curtain and by opening its boundaries to East German fugitives, Hungary has promoted the cause of freedom in other Eastern European countries;

Whereas Hungary reestablished diplomatic relations with the State of Israel and is assisting Soviet Jews emigrate to Israel;

Whereas the new Hungarian government has freed all political prisoners, and rehabilitated both the living and the dead victims of socialist injustice and repression;

Whereas the Council of Europe already has accepted the Republic of Hungary in its midst as a genuinely democratic country;

Whereas the new Hungarian government is fully committed to the ideals of the free market, is in the process of reprivatizing institutions of the free world; and

Whereas Hungary, in seeking to regain its sovereignity, has agreed with the Soviet Union on the withdrawal of Soviet troops from Hungarian territory, and has begun its withdrawal from the Warsaw pact: Now, therefore, be it

Resolved, That it is the sense of the United States Congress to recognize—

(1) that the Republic of Hungary has made the genuine and peaceful transition from an oppressive, authoritarian, one-party socialist dictatorship to Western democracy;

(2) that all political parties in the new, freely-elected Hungarian parliament are fully dedicated to the principles of human rights and free markets, and the government of the Republic of Hungary fully desires to integrate the country into the free world of nations;

(3) that the Republic of Hungary has renounced the hostile and confrontational military posture of the now-defunct Warsaw Pact; and

(4) that, based upon these findings, the United States Congress declares that upon the final withdrawal of Soviet troops from Hungarian territory, scheduled for June 1991, Hungary will have regained its freedom from outside domination and Soviet influence, and shall no longer be considered a socialist, one-party, non-market state, but a representative democracy.

MAJ. GEN. CHESTER E. GORSKI—DEDICATED SOLDIER

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. NEAL of Massachusetts. Mr. Speaker, today I pay tribute to an individual who has dedicated over 41 years of his life to the service of his country, to the Commonwealth of Massachusetts and to the city of Chicopee. Mr. Speaker, that individual is Maj. Gen. Chester E. Gorski, commander of the 26th Yankee Infantry Division of the Massachusetts Army National Guard.

General Gorski enlisted into the Massachusetts Army National Guard on March 21, 1949. After attending the Massachusetts Military Academy for 2 years, he was commissioned a second lieutenant, in the infantry division on June 10, 1956. He was assigned as a platoon leader to C Company of the 104th Infantry. In 1958 he was transferred to the Heavy Mortar Company of the 104th Infantry as a platoon leader. He was then promoted to first lieutenant in June 1959 and was assigned as executive officer to C Company of the 104th Infantry. In 1962 he was reassigned as company commander, in Company C, of the 104th Infantry and promoted to the grade of captain. In 1963 he was assigned as company commander, in the Headquarters Company of the 104th Infantry. He was then transferred to headquarters 3d Brigade of the 26th Yankee Infantry Division in August 1963 where he served for 2 years as assistant training officer.

His next assignment was to Headquarters 1st Battalion of the 104th Infantry as assistant training officer and in September 1966 he was transferred to the same position at headquarters of the 2d Battalion of the 104th Infantry. He was then reassigned as the battalion training officer, in the 2d battalion of the 104th Infantry Division and promoted to the rank of major. He was transferred to headquarter's 3d Brigade of the 26th Yankee Infantry Division and served as the training officer for 2 years at which time he was transferred and assigned as commander of the 1st Battalion of the 104th Infantry. He served in that capacity for over 3 years. In April 1977, he was transferred and assigned as commander of the 2d Battalion of the 104th Infantry and remained in that position until December 1979. He was then transferred to the headquarters of the 3d Brigade of the 26th Yankee Infantry Division as the executive officer on January 18, 1980 and later as their commander.

General Gorski was then promoted to the rank of colonel on February 28, 1980. On October 1, 1984 he was transferred to the headquarters of the 26th Yankee Infantry Division and assigned as assistant division commander. On February 23, 1985 he was promoted to the rank of brigadier general on July 26, 1985. He was transferred to headquarters—State area command—and assigned as assistant adjutant general. On September 9, 1985 he was transferred to headquarters of the 26th Yankee Infantry Division and assigned as assistant division commander. He was transferred to Headquarters State Area Command on July 12, 1987 and assigned as Tate Area command commander. On May 3, 1987 he was promoted to major general; on October 2, 1988 he was assigned as the commander of the 26th Yankee Infantry Division. Then on May 18, 1991 at Camp Edwards in Massachusetts, Maj. Gen. Chester E. Gorski retired as commander of the 26th Yankee Infantry Division.

Mr. Speaker, this is an impressive service record. Major General Gorski has served this country for more than 40 years. I am proud that Major General Gorski hails from the city of Chicopee in my district and I join all Americans in extending a sincere thank you to him for his fine service. I wish Major General Gorski all the best in the years ahead.

TRIBUTE TO CAROL LEE CONKLIN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Carol Lee Conklin, of Tiverton, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for Tiverton High School, in Tiverton, RI.

This award is presented to the student chosen by Tiverton High School who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Carol Lee Conklin has certainly met these criteria. She has consistently performed well academically, ranking fifth in her graduating class. She is also treasurer of the Explorers Club and vice president of the Foreign Language Club. In addition, Carol is active in Portsmouth United Methodist Church youth programs and has received an award from Volunteers in Action for community service. She is also the captain of both the volleyball and soccer team.

I commend Carol Lee Conklin for her outstanding achievements and wish her the best of luck in all her future endeavors.

NATIONAL MARITIME DAY: A TRIBUTE TO AMERICA'S FOURTH ARM OF DEFENSE

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. JONES of North Carolina. Mr. Speaker, today, Wednesday, May 22, 1991, is National Maritime Day. Each year on this date we honor the men and women of our American merchant marine. We remember the thousands of merchant mariners who follow the sea in peace and war, when the maritime economy is good, and when it is in decline. It is particularly appropriate in 1991 to call attention to the role American merchant mariners played during Operation Desert Shield/Desert Storm in delivering most of the cargo needed by our American Forces—95 percent of the cargo needed by our uniformed men and women in the Persian Gulf was delivered by ship.

Last year on National Maritime Day, I pointed out the peculiar paradox of the American merchant marine in the history of our country. That is, the American merchant marine has been economically healthy during those periods of our history when our vital national interests have been threatened and we have been forced to land and support American fighting troops overseas. But peace and the promise of peace distract the national attention from the utility of the U.S.-flag merchant marine and the maritime industry.

During times of national emergency, a large U.S.-flag merchant marine is a necessary component of all military planning.

During times of peace, we are all too ready to allow market forces to determine how many vessels will be built in the United States and how many American merchant mariners will sail those vessels.

The successful completion of hostilities in the Persian Gulf points out, once again, that the American merchant marine must be able to serve as a naval and maritime auxiliary during time of national emergency. We cannot allow the lessons learned in the Persian Gulf to be forgotten; it is essential to our national interest that we have a viable and healthy U.S.-flag merchant marine.

In recent years, a number of books have appeared which have reexamined the early years of World War II. Almost universally, the authors point out that Germany's attack of English and American shipping was effective, brutal, and almost turned the tide of the war. All too often sinking and burning ships, the product of Nazi maritime aggression, happened just off the U.S. coasts and within sight of American citizens. It was not just in the icy waters off northern Russia that American merchant mariners lost their lives: Too often the lives of American mariners were snuffed out in the Straits of Florida, off Cape Hatteras, and within sight of the entrance of New York Harbor.

Had Germany been successful in denying England the cargo carried by water from the United States and the Western Hemisphere, the defeat of the Nazis would have been even more difficult, if not impossible. The Germans knew the value of cargo ships and their crews to United States and Allied economies. The other side of the coin is the very real damage the United States Navy submariners did to the Japanese war industry by their successful campaign against Japanese merchant shipping after December 7, 1941.

Let us look to the future this National Maritime Day and work to maintain a viable U.S.-flag merchant marine, complemented by healthy and profitable shipyard and ship supplier industries. I speak not only of our national defense but of decent, honorable, and valuable employment for the hands and minds of thousands of Americans. We should all thank God that the Persian Gulf war has been successfully concluded. We must not forget the lessons of history. We live in a dangerous world; we cannot forget the sacrifices made by our Nation's fourth arm of defense, our merchant mariners, to keep America safe and prosperous.

EL SALVADOR COMES OF AGE

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. LIVINGSTON. Mr. Speaker, slowly, the curtain may be descending on El Salvador's long national nightmare.

This country, racked by turmoil and Cuban-sponsored civil war for over a decade, is coming of age—or, at least, is fiercely trying to come of age. This month, the government reached a historic political accord with the FMLN guerrillas. The treaty outlines a framework for a more representative society for the country's 5 million people.

Most important for long-term stability, all security forces will be placed under civilian control. That is a marked contrast to the traditional Latin practice of keeping the military separate—a practice that contributed to instability and repression. The treaty also mandates an independent tribunal to oversee elections, as well as increased funding for El Salvador's judiciary.

On human rights, long a criticism lightening rod against the country, the treaty establishes a human rights prosecutor's office and an independent truth commission. This commission will be charged with investigating and publicizing human rights violations during the last decade. A similar office has been established in neighboring Guatemala and has received generally high marks. By itself, it may not be a cure-all, but it is another step in the correct direction.

Actually, even before the recent accord, El Salvador had begun to pull itself out of the civil war quagmire. Last year, its economic growth hit 3.4 percent—the highest level since 1979, and higher than that of the United States. Annual inflation dropped from 23.5 percent in 1989 to 19.3 percent in 1990. Even more heartening, the 1991 inflation rate has dropped further, to an annualized rate of about 11 percent, still about three times too high, but moving in a decidedly optimistic direction.

Agriculture is the traditional backbone of Central American countries, and here too, the news is good, as the government's ambitious privatization program has started to—forgive the pun—bear fruit. Coffee production nearly doubled between 1989 and 1990, and the sugar cane crop rose over 20 percent.

All of this progress—both economic and political—evidences a remarkable improvement in El Salvador's status. Still, some liberal columnists and Hollywood stars and starlets would deny these accomplishments. The murder of six Jesuit priests by Army forces in 1989 remains the black flag these ideologues use to discredit the country's substantive progress.

We should be clear: The murder of the Jesuit priests was an abominable, repulsive act. It shocked the people of both El Salvador and the United States. El Salvador's government is prosecuting the soldiers it believes responsible, but it is facing tough obstacles. The Army remains a powerful force and civil investigators are rightfully wary. Potential witnesses can still be intimidated by the Army's reach. Also, the investigators do not have the years of experience that, for example, career FBI agents often have.

The government is persevering, though, and against those odds, its case should proceed to trial by August. That is why it is so maddeningly tragic that these murders are being used to discredit El Salvador's democratic government, and in particular, its judiciary.

In fact, there is an interesting hypocrisy at work. For years, El Salvador's critics argued that that country's judicial system was too arbitrary, that it did not respect the rights of the accused. They cited repeated cases where police seized an ordinary citizen and sent him or her off to jail without any chance to organize a defense. In many of these cases, they did raise legitimate points.

Yet these same critics now denounce El Salvador's legal system for moving too slowly. They criticize the long process of investigation and amassing evidence. They confuse the basic requirements of fairness and justice with foot-dragging.

The fact is that the legal system in a democratic society is, by nature, slow. It is also imperfect, remember the *John Hinckley* case?, but that does not negate the fact that it is still the best and most fair system we have.

Such is the case with El Salvador today—not only with its judiciary, but with its political system as a whole. That country has emerged from a dreadfully long tunnel of repression and violence. For years, it teetered under a concerted onslaught from Cuban-supplied guerrillas and a ruthless Army. Tens of thousands of civilians died in the civil war. Those who did not perish in many cases saw their lives ruined and their economy put in shambles.

For those of us who kept faith with El Salvador throughout the 1980's, its turn toward democracy is a heartening development. Out of the hard and stony past, a new flower is slowly creeping forth. May it bloom for generations to come.

TRIBUTE TO ROBERT AND ELLEN WALLACE

HON. JON L. KYL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KYL. Mr. Speaker, in his treatise entitled "Wealth of Nations," economist Adam Smith said:

> Every individual necessarily labors to render the annual revenue of the society as great as he can. He generally indeed neither intends to promote the public interest, nor knows how much he is promoting it.

Our prosperity as a nation comes to us through the efforts of millions of individuals, each working to provide for themselves and their families. Thanks to them, America enjoys the greatest national revenue in the world. Given the immediacy of the day-to-day struggle to fill orders, finish products, and meet payrolls, these individuals may not realize just how much our Nation depends upon their success.

Therefore, Mr. Speaker, in the spirit of Adam Smith I'd like to call your attention to Robert and Ellen Wallace, residents of Arizona's Fourth Congressional District who today are receiving the Small Business of the Year Award. I ask my colleagues to join me in recognizing the Wallaces' contribution to Arizona and our country.

The Wallaces have built a thriving young business the old-fashioned way—from scratch; with hard work, a powerful desire to succeed, and a healthy dose of entrepreneurial energy.

With Arizona Sun Products they have tapped into my home State's booming recreation economy with a wide range of sun-care related products.

The Wallaces began with one employee in 1983; today they employ eight. As you know, Mr. Speaker, most of the new jobs added to our economy over the last 10 years were created by small business owners just like the Wallaces.

The Wallaces have increased their sales from about $100,000 their first year to perhaps as much as $1,000,000 this year. They began with 2 products and now offer 26, with more in the pipeline.

What I think is most important, however, is that Arizona Sun Products serves as fine proof that Main Street business still stands for charity and community service. The University of Arizona Skin Cancer Foundation and the University of California, San Diego Cancer Center, among others, have benefited from the Wallaces' goodwill.

Mr. Speaker, entrepreneurs such as the Wallaces ought to serve as an example to this body of the limited role government can—and should—play in promoting the national interest. To enterprising Americans who decide to strike out on their own and start a company, their small business is nothing less than the fulfillment of a dream.

For America, these businesses are nothing less than the engine on which our future prosperity depends.

CASTRO'S COLD WAR VIEW

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SMITH of Florida. Mr. Speaker, confrontation between the two superpowers is giving way to cooperation. In the U.S.S.R., in Eastern Europe, even in Albania, adventurism and militarism are being superseded by social concerns. While former Soviet satellites—and Panama, and Nicaragua—were reconstructing themselves as democratic societies, Fidel Castro's Cuba remains trapped in a Stalinist time-warp.

With the decline in tensions between the United States and the Soviet Union, many proxy wars, such as the conflicts in Angola, Namibia, El Salvador, and Afghanistan, are being resolved by diplomacy and negotiations. Nonetheless, Castro, unwilling to acknowledge the fundamental change in United States-Soviet relations, continues to arm Cuba with provocative weaponry. According to an article in Monday's Washington Post, Cuba has acquired at least one SS–20 missile. Even if this is the only such weapon in Cuba, and it is probably not, this missile threatens United States territory. The Soviet-made SS–20 can carry multiple nuclear and chemical weapons that sparked the Cuban missile crisis in 1962. With its 5,000 kilometer range, an SS–20 launched from Havana could successfully strike any of the 48 contiguous states.

Under the 1988 Intermediate-Range Nuclear Forces Treaty [INF], all SS–20 missiles are scheduled to be destroyed. Their appearance in Cuba undermines the INF Treaty and violates the Kennedy-Khrushchev agreement that defused the Cuban missile crisis. The presence of these outlawed weapons just 90 miles from the United States was not tolerated then and cannot be tolerated now.

It has also been reported that Castro has just built a new electronic spying facility near Havana and may be constructing a nuclear reactor that could produce fissionable material. Now comes word of the SS–20. Is the Cuban dictator trying to create a confrontation?

Not only is Castro's militarism based on outdated cold war logic, but his human rights record mirrors other cold war Communist dictators like Stalin and Ceausescu. The Cuban Government continues to violate the basic rights of its people. Freedom of movement is severely restricted. The right to privacy is wholly denied. Opposition groups are simply outlawed and the press is controlled by the Government. Castro's political opponents are harassed and incarcerated. At this time, more than 500 political prisoners are suffering in Cuba's jails under cruel and brutal conditions.

In sum, Castro's Cuba wants to remain the Soviet puppet that the Soviets themselves no longer want. Just as American and Soviet relations are assuming a new level of stability and openness, Cuba seems poised to foster mistrust between the superpowers. The fact that sophisticated missiles and, possibly, nuclear weapons may be involved only heightens tensions. Instead of playing these dangerous international games, Castro should devote his resources to reforming the Cuban political system, granting the Cuban people the freedoms which they deserve, and exposing, not shielding, Cuba from the winds of democratic change.

HONORING THE YOUNG ACHIEVERS PROGRAM

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to the Young Achievers Program in Lycoming County, PA. This program recognizes and honors young people aged 6 to 15 who excel scholastically and perform outstandingly in a variety of activities.

The Young Achievers Showcase is a pilot program set up in the Williamsport area by the International Professional Photography Guild and the International Leadership Network. I want to acknowledge the efforts of David Becker and Kathy Caschera, two local residents who have worked diligently to develop this program locally and to encourage the efforts of young people who have strived to do their best academically and civically.

I also want to honor those young people who have been recognized as Young Achievers. They have been nominated by a number of local clubs and organizations, Little League, 4–H clubs, hospitals, and other groups for their accomplishments in sports, Scouting, music, the arts and academics, and many other activities. It is very important that we as a society recognize the good things that our young people do and encourage these positive and beneficial activities to the fullest extent.

Mr. Speaker, I ask all my colleagues to join me in honoring the Young Achievers Program in Lycoming County and hope that it can lead the way for young achievers to be a success across America and around the world.

INTRODUCTION OF A BILL TO DESIGNATE 8 MILES OF THE MERCED RIVER AS WILD AND SCENIC

HON. GARY CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. CONDIT. Mr. Speaker, I rise today to introduce legislation to designate 8 miles of the Merced River as wild and scenic. I am pleased that Senator CRANSTON introduced similar legislation in the Senate earlier this year. The House passed this bill last year and it enjoyed strong support in the Senate, but unfortunately we were not able to get it through before the adjournment of the 101st Congress.

Mr. Speaker, this bill attempts to complete the action taken by the Congress in the 100th Congress. At that time, 71 miles of the river were designated as wild and scenic and a study was authorized to be conducted on 8 remaining miles.

These 8 miles were not initially included in the designation in order to allow Mariposa County to complete a proposal for a water system that would be compatible with the requirements of the Wild and Scenic Rivers Act. The county has designed a project that will be compatible and the county board of supervisors unanimously supports my legislation.

There is one change in the bill this year to address a concern of the Merced Irrigation District. The district is concerned about the effect of this bill on their FERC license. While many believe that the additional language is unnecessary, I believe that Merced Irrigation District does have the right to protect their current project. They believe that the new language accomplishes this goal.

I believe that the unique beauty of the Merced makes it a prime choice for inclusion in the Wild and Scenic Rivers System. This designation will ensure that the beauty of the river will be preserved for generations to enjoy.

I urge my colleagues to support this legislation to preserve a national treasure.

ALABAMA ALL-STATE ACADEMIC TEAM HONORS OUTSTANDING JEFFERSON COUNTY STUDENTS

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ERDREICH. Mr. Speaker, I'd like to congratulate the students in my county, Jefferson County, named to the Birmingham Post-Herald's 1991 Alabama All-State Academic

Team and the regional team. While we are always quick to make heros of high school sports stars, from our high school academic stars come our future heros, world leaders in government, medicine, literature, music, science, and other areas that will shape the destiny of this Nation.

Edward Chung, of Vestavia Hills, is Jefferson County's representative to the All-State Academic Team. Mr. Chung ranks first academically in his class of 322 at Vestavia Hills High School with a 4.55 grade point average. He is a national merit semifinalist and a U.S. Presidential Scholar Semifinalist. For the past two summers he has been involved in genetic research at the University of Alabama at Birmingham. In addition to his outstanding scholastic achievements, Mr. Chung is also an accomplished violinist. He plans to study mathematics at Wake Forest, Duke, or Emory.

Representing Jefferson County on the regional academic team are Amy Sue Adrian of Homewood, Brian S. Claytor of Briarwood Christian, Michael A. DiMicco of the Resource Learning Center, Michael D. Hawkins of Hewitt-Trussville, Brian Floyd Leaf of Mountain Brook, Brandon Alan McMilon of W.A. Berry in Hoover, Michelle Yvette Taylor of Pinson Valley, and Eric Tohver of John Carroll in Birmingham.

Nominees for the team from Jefferson County are Mindy D. Cannon of Midfield, Amy Michele Beavers of Minor, Misty Claire Demott of Jess Lanier, John David Driskill of Huffman, Robin Franklin of Leeds, Charles Todd Grimes of Gardendale, Christopher Lee Hamrick of Corner, Misty Michelle Hipp of Parkway Christian, Tanarus C. Kyle of Carver, Dankia Yvette Moorer of Fairfield, Jeffery S. Myers of Mortimer Jordan, Cynthia Ann Nobles of Tarrant, Paige M. Nunnelly of Shades Valley, Katessha Oden of Parker, Sharina D. Person of Hueytown, Deidre LaTrese Pinkney of Woodlawn, Kara Purcell of Shades Mountain Christian, Alicia D. Rice of Ensley Magnet, Candice Michelle Rice of Phillips, Rodney DeWayen Riggins of West End, Helen LeVerta Rodgers of Wenoah, Charles D. Self of Oak Grove, Tracie Skelton of West Jefferson, Anissa Renee Smith of Warrior, Stacey Ann Sullivan of McAdory, Jason Adam Tennyson of Pleasant Grove, Robert Brian Tipton of Fultondale, David John Tylicki Jr. of Altamont, Eugenia Tara Williams of Jackson-Olin and Christopher Wayne Wilson of E.B. Erwin.

On behalf of all my colleagues, I'd like to congratulate these young people on their outstanding achievements. Their success and committment assure me our State and Nation will continue to grow and prosper in the 21st century.

TRIBUTE TO KEN WADE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. EDWARDS of Califonia. Mr. Speaker, since 1973 the county of Alameda, CA, has been fortunate to have its interests represented in Washington, DC, by Kenneth W. Wade. Those of us who represent Alameda County here in the Congress have found invaluable the work Ken has done to keep us abreast of the concerns and needs of the people of Alameda County. Always a strong and effective advocate for the county, Ken has also been one of the most genial lobbyists with whom I have been associated.

Some would say that Ken's years from 1970 to 1973 as the head of the California Governor's office here during then-Governor Reagan's tenure made him especially well suited to his position as Alameda County's representative. That is true to some extent. Certainly, his work here on behalf of California gave him a unique perspective on the linkage between the laws we pass here in Congress and their practical application back home. It also gave him a solid grounding in the legislative and regulatory processes.

However, I would argue that Ken's 27-year career in the U.S. Navy, from which he retired in 1970 with the rank of captain, was the better preparation. And, indeed, Ken speaks of his career in terms of a series of campaigns.

As anyone who's tried it knows, dealing with Congress can be difficult and stressful. To get things done, you have to have perserverance, commitment, and clear vision. Essential also is the ability to put together coalitions to work toward desired goals.

In a military career which spanned World War II, the Korean conflict, and the Vietnam war, Ken certainly learned a thing or two about marshaling forces to work for a common goal. He learned as well that when the fighting is at its fiercest, you have to keep your troops together and keep your eyes on the target. His skills, honed through his distinguished naval career, were put to the test in the many successful legislative campaigns of which he was a key part.

I will miss Ken, his expertise on the issues, and his good humor. But I'm cheered in knowing that he and his delightful wife Louise look forward to many happy years of retirement with lots of time for travel and visiting with their two children and five grandchildren. I know my colleagues from Alameda County and Ken's many friends join in offering Ken our best wishes and thanks for his many contributions.

THE FORT NECESSITY BATTLEFIELD

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. MURPHY. Mr. Speaker, today I am introducing legislation which will protect and preserve one of our earliest national treasures, the Fort Necessity Battlefield.

This battlefield commemorates the events surrounding the start of the French and Indian War in 1754. George Washington, commanding a detachment of colonial troops, encountered his first military action here in the mountains of western Pennsylvania. On May 28, 1754, Washington engaged a detachment at the site known as Jumonville Glen and on July 3, 1754, the French and Indian allies attacked and forced the surrender of Washington's defensive position, Fort Necessity. In 1755, the British General Edward Braddock was mortally wounded and was buried along the crude road between Fort Necessity and Jumonville Glen.

With the eventual British victory, the region was available for settlement from the seaboard colonies. After the Revolution, the Government began to recognize the need for good roads across the mountains; and by the 1820's the Government-financed National Road carried passengers and freight to and from the West.

We have a unique opportunity to protect several important areas around the battlefield, which, despite the passage of time, still retain significant portions of our early history. The additional areas of Jumonville Glen and Dunbar's Camp are crucial to our understanding of the events and activities which took place here over 200 years ago.

My legislation will help preserve and interpret our historic resources associated with the social and military history of the European and Native American contests for North America. In addition, we will help preserve and expand the social, political, and economic history of the westward expansion of the American frontier and the early national period of the United States of America.

I would like to encourage my colleagues to support my efforts and I would be happy to personally discuss the historic importance of Fort Necessity with anyone who might wish additional information about my legislation.

OUTSTANDING ACHIEVEMENTS OF JOHN BRANNON

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. McMILLEN. Mr. Speaker, I rise today to recognize the outstanding achievements of Mr. John Brannon, a marine machinery repairman at the Coast Guard Yard in Curtis Bay, MD. Mr. Brannon recently received the 1990 Edward A. Garmatz Award which honors a deserving Coast Guard employee who has demonstrated exemplary work in the community.

The award credits Mr. Brannon with the establishment of an alcohol and drug abuse program for a Boy Scout troop in Arbutus, MD. He has served as a guest lecturer to the Boy Scouts, counseling them on the dangers of alcohol and drug use. Through his work, he has helped families openly discuss these difficult issues and open new doors of opportunity to these young men.

Mr. Brannon's work on behalf of the community is much appreciated by myself and the citizens of my district. I congratulate him for his selection as the recipient of this award and look to his example as a model of all that can be accomplished through citizen involvement.

BASIC HUMAN RIGHTS TO SOVIET CITIZENS

HON. L.F. PAYNE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. PAYNE of Virginia. Mr. Speaker, for 75 years, the Soviet Union has been a closed society in which the most basic human freedoms have been denied.

Freedoms that we have always taken for granted in this country—the freedom to express our opinions, the freedom to worship, and the freedom to travel and live abroad—have been denied to the citizens of the Soviet Union.

Because we hold those freedoms to be so important, we have fought for them at the ballot box and on the battlefield.

The vote earlier this week by the Supreme Soviet to let Soviet citizens leave their country if they choose is historic and deserves our praise.

None of us in this Chamber knows what the future holds for the Soviet Union. Political and economic change does not come quickly or easily.

But we, as Americans, should be proud of the important part we have played to help assure basic human rights to Soviet citizens by our determination and adherence to the principles of individual freedom.

IN HONOR OF JIMMY HERMAN AND CURTIS McCLAIN

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mrs. BOXER. Mr. Speaker, I rise today to honor two outstanding labor leaders from San Francisco who will be retiring soon from the International Longshoremen's & Warehousemen's Union: Jimmy Herman, its president, and Curtis McClain, its secretary-treasurer.

Together, Jimmy Herman and Curtis McClain have demonstrated a deep and longstanding commitment to the trade union movement and to the city of San Francisco.

Jimmy, a trade unionist since his teenage years, has served on numerous committees, boards, and conventions. He has been president of the International Longshoremen's and Warehousemen's Union since 1977, and has been characterized as one of the most active and dynamic west coast union leaders. For his years of distinguished service, James Herman was awarded Labor Man of the Year in 1973 by the Alameda County Central Labor Council. In 1982, he was appointed to the San Francisco Port Commission.

In addition, Jimmy has been deeply involved in community affairs where he has served as a member of the board of directors of St. Anthony's Kitchen and of the Drug Rehabilitation Program of the Delancy Street Foundation.

Curtis, who has been secretay-treasurer of the International Longhshoremen's and Warehousemen's Union since 1977, was a driving force behind racial integration at all levels of the trade union movement. He continues to remain active in African-American community affairs, as well as in movements for peace and international trade union solidarity. Curtis has also been honored by appointments to the San Francisco Human Rights Commission and to the San Francisco Fire Commission.

I hope my colleagues will join me today in paying tribute to Jimmy Herman and Curtis McClain and to wishing them well in their retirement.

NATIONAL EDUCATION STANDARDS AND TESTING

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. KILDEE. Mr. Speaker, today I am pleased to introduce two bills which the Subcommittee on Elementary, Secondary, and Vocational Education began developing following our March hearings on the National Assessment Educational Progress and national testing.

The first bill, the National Council on Education Standards and Testing Act, establishes a national, bipartisan council to make recommendations to the Congress and the Secretary of Education on matters associated with national education standards and testing. Importantly, this bill seeks a bipartisan partnership with the administration by reflecting ideas of the Secretary of Education.

The second bill, authorizing the National Assessment of Educational Progress [NAEP] to develop and conduct additional trial state assessments in 1994, directly responds to the interim recommendations from a statutorily mandated evaluation of NAEP.

Mr. Speaker, these bills will contribute to the public debate on the issue of national education standards and testing. I look forward to the comments and suggestions of interested individuals and organizations, as well as to a bipartisan effort, on this and future legislation, to help improve education across the Nation.

MEMORIAL DAY, 1991

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SCHAEFER. Mr. Speaker, next week, citizens throughout the country will mark Memorial Day by placing flags and flowers on the graves of loved ones.

This year, the Nation will remember those who died in the Persian Gulf war. Although the loss of life was relatively small, each fallen soldier helped prevent the spread of aggressive tyranny in the Middle East. Left unchecked, this tyranny could eventually have threatened other parts of the world.

Mr. Speaker, there is a reason why America is proud, strong, and able to defeat a powerful tyrant in the distant Persian Gulf. The reason is that since we gained our independence more than 2 centuries ago, many Americans have fought—and died—in defense of freedom. From the trenches of France to the jungles of Vietnam, from the Midway Islands to the Korean Peninsula, generations of American soldiers have given their lives so that freedom might survive.

On this Memorial Day, I salute, and pay my respects, to those many brave Americans who made the supreme sacrifice in defense of freedom, liberty, and justice. Our debt to them is huge, and our gratitude eternal. Thanks to them, American ideals are flourishing throughout the world. Thanks to them, I deliver these words today to the Congress of a free nation—the United States of America.

THANK YOU, ALLEN GEAR

HON. BERNIE SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SANDERS. Mr. Speaker, the city of Burlington, VT, is unique in this country because of the nature of its politics. For the last 10 years it has been the only city in the United States which has had a vigorous three-party system: Democrats, Republicans, and Progressives.

As the former Independent-Progressive mayor of Burlington for 8 years I can assure you that there have been, during that period, many heated philosophical and political debates and struggles on the Burlington City Council. The debates have ranged from mayoral appointments, to tax reform, to housing, to department consolidation, to the development of the city's waterfront, to foreign policy—in Burlington the city does discuss foreign policy—to dozens of other issues.

Mr. Speaker, as someone who does not often rise in praise of Democrats or Republicans I want to take this opportunity to publicly thank City Councilor Allen Gear, a Republican, who has served on the Burlington City Council from 1979 to 1991—having been elected by the citizens of ward four to six terms. During those years Allen has not only been an outstanding representative of his ward, but through his hard and effective work—for all of $10 a week—he has demonstrated what local government, citizen participation, and democracy are all about.

Mr. Speaker, during all the time that I have known and worked with Allen—and disagreed with him on dozens of issues, I cannot recall him ever making a dishonest statement or engaging in cheap political or personal attacks. Rather, he has defended his positions vigorously and effectively, voted his conscience, and added much to the level of political discourse in the city. He has often made people with very deep and honestly held political differences understand the sincerity of the other person's point of view.

Mr. Speaker, Allen Gear has been a wonderful public citizen for many years. The people of Burlington, the people of Vermont, and the people of the United States are extremely proud of him and thank him for being who he is.

TITLE VII-C—INDEPENDENT LIVING SERVICES FOR THE ELDERLY BLIND

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. ROYBAL. Mr. Speaker, today I am introducing legislation that will improve and enhance the independent living services for older blind individuals provided by title VII-C of the Rehabilitation Act. It is my hope that this piece of legislation will be significantly a factor in helping this group of elderly citizens live independently.

In January of this year I held an Aging Committee hearing on the plight of elderly blind individuals and how they are being helped through the Title VII-C Program. Two important conclusions were reached at this hearing: Funding for the program is inadequate and the process of distributing funds inefficient. The new legislation addresses both of these problems and provides a continuity that will give many more elderly the chance to participate. The current program has been funded since 1986 and has seen many success stories, but there are still many others who need the chance. Title VII-C is vital to visually impaired seniors who can and want to live independently, but many times are institutionalized at a cost far greater than that of independent living training.

It is estimated that nearly one out of every six Americans age 65 or older is blind or severely visually impaired—a group totaling 5 million. Elderly people are disproportionately affected by blindness because four of the five major causes of blindness are age related. Approximately 30 percent of elderly blind and visually impaired are institutionalized. This compares to only 5 percent of the general population of elderly who are institutionalized. The majority of those doomed to institutionalization could very easily be trained to live independently.

The human factor as well as the money factor needs to be considered. Most of those who lose their sight have lived their whole lives being able to see. The onset of blindness can cause psychological pain, but blindness combined with unnecessary institutionalization is a tragedy that can take years off a person's life. These people can and need to be trained to live independently, not only because it is less expensive and will save the taxpayer millions, but because these older people deserve the opportunity to retain their dignity.

SALUTE TO BARBARA DERRYBERRY

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. GALLEGLY. Mr. Speaker, I rise today to honor a leading educator in my district, who is retiring after two decades of service in Ventura County, CA.

For the past 3 years, Barbara A. Derryberry has been the chancellor of the Ventura County Community College district. During this period, she has successfully guided the district through some difficult times and has earned a well-deserved retirement.

After earning degrees in business administration, Mrs. Derryberry began her career with the district in 1970 when she was named an instructor of multiclerical classes at Ventura College. She later became coordinator of the special projects division at the college, and then associate dean of instruction/occupational education at Oxnard College. In 1979, she was appointed assistant superintendent, personnel/administrative advisor for the district, followed by her appointment as vice chancellor, interim chancellor and permanent chancellor.

During her long career of service, Mrs. Derryberry has received numerous awards and recognition. Most recently, she was named a California Legislature's Woman of the Year in 1990. In addition, she serves as a member of the board of directors for the United Way of Ventura County and is a member of the Association of California Community College Administrators.

Mr. Speaker, on June 30, Barbara and her husband, Owen, plan to retire to a home they will build on wooded acreage in Tennessee where they plan to garden, raise horses, do some traveling, and fish in a river adjoining their property that abounds in catfish. I ask my colleagues to join me in saluting Barbara for her many achievements, and in wishing her well on her retirement.

STUDENTS CONSTRUCT WEATHER SATELLITE TRACKING SYSTEM

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1991

Mr. SCHULZE. Mr. Speaker, I rise today to acknowledge and extol Amy Baird, Kerri Joiner, Susan Still, and the rest of the students of Unionville High School. These young citizens have exerted hard work and dedication to construct a weather satellite tracking system in order to heighten their scientific knowledge and share it with their community.

However, the students were not alone in this endeavor. Their teacher, Helen Martin, was their partner and adviser on this project. On April 24, 1991, Mrs. Martin was honored nationally for this scientific project entitled "Stimulating Students with Satellite Signals" when she was named one of seven Challenger fellows by the Challenger Space Science Center in Alexandria, VA.

Unionville High School is to be commended for its commitment to furthering the education of the young people of America. Educational weather satellite programs, such as the one at Unionville High School, are valuable for increasing the students' knowledge and understanding of government, finance, and international relations. Projects such as this offer students the opportunity to learn about advances in science and technology that are not, and cannot be, provided in textbooks. The Unionville High School weather satellite tracking system affords students with a hands-on experience with space technology, serves the community by relating knowledge of upcoming weather conditions to the public, and provides a greater understanding of the forces that shape the world in which we live.

The students should also be commended for taking the responsibility of fully funding this system on their own. This is just another example of their yearning for higher education and their commitment to the community.

I urge my colleagues to join me in congratulating Amy Baird, Kerri Joiner, Susan Still, the students of Unionville High School, and Helen Martin for their dedication in the pursuit of learning.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, May 23, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 24

9:30 a.m.
Armed Services
Projection Forces and Regional Defense Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on current strategic lift capability and programs.
SR-222

JUNE 5

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for activities of the Secretary of the Interior, and Members of Congress.
S-128, Capitol
Select on Indian Affairs
To hold hearings on S. 667, to provide support for and assist the development of tribal judicial systems.
SR-485

10:00 a.m.
Armed Services
Readiness, Sustainability and Support Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for

the Department of Defense, focusing on the Defense Environmental Restoration Account and the service environmental compliance funds accounts.
SR-222

2:00 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the Department of Housing and Urban Development.
SD-138

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 106, to revise the Federal Power Act to prohibit the granting of a Federal license for a hydroelectric project unless the applicant complies with all substantive and procedural requirements of the affected State in which the project is located with respect to water acquisition and use.
SD-366

JUNE 6

9:00 a.m.
Veterans' Affairs
Business meeting, to mark up pending legislation.
SR-418

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on enforcement and administration of the Foreign Agents Registration Act (FARA).
SD-342

2:00 p.m.
Judiciary
Courts and Administrative Practice Subcommittee
To resume hearings on overview of the bankruptcy code, focusing on cramdowns of residential real estate mortgages in Chapter 13 bankruptcies.
SD-226

JUNE 12

9:00 a.m.
Select on Indian Affairs
To hold hearings on S. 962, and S. 963, bills to confirm the jurisdictional authority of tribal governments in Indian country.
SR-485

9:30 a.m.
Veterans' Affairs
To hold hearings on S. 775 and S. 23, to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain disabled veterans, and sections 111 through 113 of S. 127, and related proposals with regard to radiation compensation.
SR-418

JUNE 13

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings of enforcement of anti-dumping and countervailing duties.
SD-342

10:30 a.m.
Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings to examine national tourism policy.
SR-253

JUNE 18

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

10:00 a.m.
Judiciary
To resume hearings on legislative proposals to strengthen crime control.
SD-226

JUNE 19

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the National Native American Advisory Commission.
SR-485

2:00 p.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 933, to provide fair funds to consumers of natural gas who are found to have been overcharged.
SD-366

JUNE 26

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

Veterans' Affairs
Business meeting, to mark up pending calendar business.
SR-418

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 362, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.
SR-485

JULY 16

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs.
SR-253

CANCELLATIONS

MAY 23

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the General Accounting Office.
SD-138

1:30 p.m.
Appropriations
Labor, Health and Human Services, Education Subcommittee
To hold hearings to examine issues relating to mine safety.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for energy and water development programs, focusing on the Department of Energy.
SD-192

JUNE 20

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the Navajo-Hopi relocation program.
SR-485

HOUSE OF REPRESENTATIVES—*Thursday, May 23, 1991*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us, O gracious God, the strength to meet the tests we face and the desire to transform those challenges into the values that mark our daily lives. Help us to delight in the great emotions of prayer, praise, and thanksgiving, and enable us also to translate those great gifts into the concerns that face each of us. Bless us this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Nebraska [Mr. BARRETT] will lead us in the Pledge of Allegiance.

Mr. BARRETT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the resolution (H. Con. Res. 121) "Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1991 and setting forth the congressional budget for the U.S. Government for the fiscal years 1992, 1993, 1994, 1995, and 1996."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2251) entitled "An Act making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 2 and 7.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 929. An act to authorize the Secretary of the Interior and the Secretary of Agriculture to undertake interpretive and other programs on public lands and lands withdrawn from the public domain under their jurisdiction, and for other purposes;

S.J. Res. 49. Joint resolution to designate 1991 as the "Year of Public Health" and to recognize the 75th anniversary of the founding of the Johns Hopkins School of Public Health; and

S.J. Res. 111. Joint resolution marking the seventy-fifth anniversary of chartering by act of Congress of the Boy Scouts of America.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 101, DISAPPROVING THE EXTENSION OF FAST-TRACK PROCEDURES TO BILLS TO IMPLEMENT TRADE AGREEMENTS, AND HOUSE RESOLUTION 146, REGARDING THE OBJECTIVES TO BE ACHIEVED BY TRADE NEGOTIATIONS BETWEEN THE UNITED STATES AND MEXICO

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 158 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 158

Resolved, That upon adoption of this resolution it shall be in order to consider in the House, any rule of the House to the contrary notwithstanding, the resolution (H. Res. 101) disapproving the extension of "fast track" procedures to bills to implement trade agreements entered into after May 31, 1991. The resolution shall be debatable for not to exceed two hours, with one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and with one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules. The previous question shall be considered as ordered on the resolution to final adoption without intervening motion.

SEC. 2. After disposition of the resolution, it shall be in order to consider in the House the resolution (H. Res. 146) expressing the sense of the House of Representatives with respect to the United States objectives that should be achieved in the negotiation of future trade agreements. The resolution shall be debatable for not to exceed one hour, with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules. The previous question shall be considered as ordered on the resolution to final adoption without intervening motion.

The SPEAKER. The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 158 is the rule providing for consideration in the House of two separate resolutions concerning fast-track authority for trade negotiations. The first resolution, House Resolution 101, would deny the President's request to extend fast-track authority for 2 more years beginning June 1. The second resolution, House Resolution 146, expresses conditional support for fast-track authority and sets forth negotiating goals for the administration.

For House Resolution 101, the rule provides for 2 hours of debate: 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules.

After the House votes on House Resolution 101, the House shall consider House Resolution 146. For that resolution, the rule provides for 1 hour of debate: 30 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and 30 minutes to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Rules.

Mr. Speaker, the two resolutions which this rule makes in order will enable the House of Representatives to decide, first, whether to extend fast-track authority for 2 more years and, second, whether to formally state negotiating goals as a way of signaling the principal concerns of Members of the House and ensuring a role for Congress in the negotiations, as the administration moves forward on the Uru-

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

guay round of the General Agreement on Tariffs and Trade [GATT] and on the proposed North American Free Trade Agreement.

The first resolution, House Resolution 101, would deny the President the authority to negotiate a free-trade agreement with Mexico, continue negotiations on GATT, or negotiate any other trade agreements in the next 2 years under fast-track procedures—the procedures which apply to congressional consideration of the legislation necessary to implement a trade agreement. Those procedures call for an up-or-down vote on the implementing legislation within 60 days, with no amendments.

I wish to point out, however, that fast-track authority cannot limit the constitutional right of the House of Representatives to change its rules, and the majority leader has made it abundantly clear that, should an agreement negotiated by the administration fail to address the major concerns of Members of the House, he will seek to amend the implementing legislation of that agreement.

Extending fast-track authority by voting against House Resolution 101 would merely continue the administration's authority to negotiate, currently contained in the law. It would not constitute approval of any trade agreement itself. Many of us who support extending fast-track authority have very serious concerns about various aspects of both the pending GATT agreement and the proposed agreement with Mexico, and are withholding judgment on those agreements until the administration completes negotiations on them.

The second resolution the House will consider, House Resolution 146, expresses support for the granting of fast-track procedures based on the President's commitments on certain labor, environmental, and health issues. It states overall objectives to be achieved in trade negotiations, and specific objectives to be achieved in the agreement with Mexico, including close, regular consultation with Congress. It also specifically affirms the right of the House to change the rules as they relate to House procedures.

Our committee rules, which considered this issue twice—first as a matter of original jurisdiction, and then for purposes of granting a rule—believes that House Resolution 146 reflects the best efforts of the leadership to take into consideration the principal concerns of Members of the House, particularly with respect to the proposed agreement with Mexico. Again, it is important to note that there are many more steps in the process before any future trade agreement becomes a reality.

Mr. Speaker, the Rules Committee has tried to structure consideration of this very important issue in a way that will allow the full airing of both sides of the debate over whether to grant fast-track authority, without providing so much time that the debate moves beyond the issue we are dealing with today—fast-track procedures—and into details of trade issues that have not yet been negotiated.

Mr. Speaker, I urge the adoption of House Resolution 158, so that the House can proceed with this important debate.

Mr. Speaker, for reasons stated so well by Mr. ROSTENKOWSKI, Mr. MICHEL, and Mr. MOAKLEY. I ask support for the rule—and I move the previous question on the resolution.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it seems to me that the gentleman has explained the rule very clearly, and I doubt that there will be much controversy. But I will make a statement in support of it anyway.

Mr. Speaker, this is a very straightforward rule. It offers both the supporters and the opponents of fast track the opportunity to fully discuss their views on the House floor.

Some have asked why we have supported a closed rule for this debate. Mr. Speaker, I should say, as a Republican who has consistently pursued efforts to have open rules whenever possible, that this is unusual. This issue is one of the few cases in which a closed rule is appropriate.

Mr. Speaker, this is a unique vote. What we are voting on today is a question of procedure. Extending fast track is an either/or issue. Either we give the President the authority to negotiate with our trading partners or we do not.

A number of our trading partners, including Mexico, have already notified us that they will not negotiate tariff reductions without fast track. This could easily lead to a series of trade wars.

Some have called for a midterm review. As the distinguished chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI], pointed out in the Committee on Rules yesterday, providing a public review of the negotiations in an election year will only serve to politicize the issue. It will also leave our negotiators in the untenable position of having to divulge their negotiating strategy to the media and to the Mexican negotiators.

Instead, Chairman GIBBONS has promised to bring Ambassador Carla Hills, our Trade Representative, to Congress on a regular basis to discuss these important issues directly with every Member of Congress without the glare of the television camera.

There is not a single Member of this body who has not had the opportunity to participate in this debate. Just yesterday our Committee on Rules had testimony from almost two dozen Members. A number of us have participated in special orders over the past several weeks, and the Republican and Democratic leadership has contacted most, if not all, Members on this issue.

Mr. Speaker, I support the rule, because I think it is fair. We have provided twice as much time for the resolution of disapproval as we have set aside for the Gephardt-Rostenkowski resolution in support of fast track.

I believe the rule is very fair to both sides, and I hope very much that my colleagues will join in support of it.

Critics of the fast track like to pretend that granting Bush this authority will only affect the United States-Mexico agreement.

However, without fast-track approval, any future progress in the Uruguay round of the GATT talks will likely be impossible.

According to trade experts, negotiators from the EC, Japan, and a number of Third World countries have said that they will not negotiate with the United States until the issue of the fast track is resolved.

"There is not much point in trying to push the talks here until we find out whether the Amerian delegation has a negotiating mandate or not," said one European official.

With the collapse of the Uruguay round, the FTA has emerged from the shadows of the GATT as the most important United States trade initiative.

The administration has agreed to include a Canadian delegation in the FTA talks. The goal is to create an enormous and prosperous North American trading community.

U.S. firms will be able to offer a wider array of products, to a larger number of people, at reduced prices.

The FTA would encompass more than 360 million people, a GNP of close to $6 trillion, and trade flows of $225 billion.

Mexico is already our third largest trading partner, and trade between the United States and Mexico has increased by 70 percent since 1987.

Mexican citizens are hungry for United States goods, and the economic growth and the resulting higher wages will enable Mexicans to buy more United States products.

The FTA will give North American firms the kind of competitive advantage enjoyed by European firms as a result of EC '92. Asian countries are looking into similar arrangements.

In addition, the International Trade Commission has estimated that the FTA will: expand trade opportunities, lower prices, increase competition, et cetera.

Exports accounted for 90 percent of our growth during the 1980's. Thus, economic growth in the 1990's depends on export growth.

Many of you may know that every billion dollars of exported goods equal 22,000 jobs.

If labor costs alone were the deciding factor in relocating, companies would have already relocated.

The fact is they haven't. And many companies are planning to expand U.S. production facilities even if NAFTA goes through.

For example: Sony builds picture tubes and TV's in San Diego and Tijuana. In spite of the lower wages in Mexico, Sony is in the process of spending $350 million to set up an additional picture tube plant outside Pittsburgh. Why there and not in Mexico? Because of its proximity to a reliable glass supply and the large Northeast market, and a better educated work force. Even in the Mexico plant, 70 to 80 percent of the parts come from the United States.

In addition, the San Diego-Mexico operation is now exporting 32-inch picture tubes and televisions back to Japan. Sony plans to produce all high definition TV's bound for the United States in the United States and Mexico. Without the Maquilas and free trade, these jobs would have been sent to Malaysia or Indonesia.

The Casio Corp. would have closed all of its U.S. facilities had it not been for the Maquiladoras. Their existence allowed Casio to locate certain production facilities in Mexico. These facilities use many U.S. parts. Had Casio moved to Asia, parts would have been supplied by other Asian countries. Casio is now exporting goods jointly produced in the United States-Mexico to Europe.

Honeywell is another company that was planning to relocate to Asia. Instead, they located their plant in Tijuana, and saved several hundred parts production and managerial jobs in San Diego.

Maquila wages have increased substantially since 1987. In addition, Hunter is blowing smoke. If the period of 1980 to 1990 is used, then yes, wages have fallen. But this is almost entirely because of the collapse/devaluation of the peso in 1982. Before 1982 the peso was at 12.5 to the dollar. Now it's at around 3,000 to the dollar. This is the main reason that wages have fallen.

The Bush environmental action plan is the environmental equivalent of the New World Order. It aims to solve difficult problems with a policy of inclusion and consultation. It aims to keep hypothetical concerns from becoming serious problems.

It is a radical step into the future. The President has essentially committed to putting a representative of the independent environmental community on his negotiating team.

The representative will not comment on the trade agreement after it has been negotiated, rather, he/she will actually be there as it is being written.

This is the first time that the administration has ever done anything of this kind.

Environmental organizations will also be asked to join the joint border protection program, which will be in place by the end of this year.

Comprehensive environmental negotiations between the United States and Mexico will take place on a parallel track.

Bush and Secretary Reilly have also committed to establishing a new program to assist small Mexican businesses keep clean.

A program to assist United States environmental protection companies export their technology to Mexico will be undertaken immediately. Exim Bank credits are being considered.

President Salinas has promised strict enforcement of Mexico's excellent environmental law. All new businesses will have to meet these regulations immediately. As newer businesses are built, and newer cars replace older cars, pollution will be reduced, not increased by economic growth.

There have already been 980 temporary and 82 permanent industrial closures because of violations of environmental regulations.

One closure, of Mexico City's largest oil refinery, put 5,000 people out of work.

Salinas has also pledged to require that all new industries complete an environmental impact statement before any construction or expansion begins. If the project would adversely affect the environment, it will be stopped.

However, since 1987, when the de la Madrid/Salinas changes started taking effect, inflation has fallen to only 20 percent or so and real wages have gone up in nearly every sector of the Mexican economy.

The average manufacturing wage is twice the average wage in Mexico, which is the sector Hunter is so concerned about. In this sector, real wage growth was 8.6 percent in 1989 and 6.3 percent in the first half of 1990.

Killing fast track means, very simply, killing Salinas' future and killing his free market economic policies. He would likely be replaced by old-style anti-American politicians.

I think it is also important to point out that Hunter ignored the impact of a deteriorating economy if NAFTA is defeated.

Immigration alone is a major reason to support the NAFTA. There are 40 million Mexicans under the age of 15—this represents one-half of the total population. Unless Mexico's economy grows rapidly, many of these young men and women will be forced to illegally emigrate to the United States. Los Angeles County alone already spends at least $720 million on services for illegal immigrants. They can't afford additional migrants.

The reason that illegal immigration has increased is specifically because of the success of the Maquilas. Not only have they provided employment for Mexicans along the border, but also many from other parts of the country. Mexicans from the interior are migrating to the border to look for jobs. If they cannot find them there, then it's easier for them to migrate over the border to Los Angeles than to return to their home. A NAFTA will expand economic growth in the rest of Mexico, slowing the migration of Mexicans north. Hunter's problem is that he has no long-term vision. We are going to be living with Mexico for the next thousand years, and we have a long term interest in improving their lives.

The National Council of La Raza, a Hispanic civil rights organization, which had earlier expressed labor and environmental concerns about the NAFTA, last week endorsed fast track.

Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to my good friend, the gentleman from Ohio [Mr. PEASE].

□ 1010

Mr. PEASE. Mr. Speaker, today we vote on fast-track authority. I will vote for the Dorgan resolution, and thus against fast track. I will also vote against the Gephardt-Rostenkowski resolution because it states explicitly that fast track for Mexico should be approved. I very much believe it should not be approved. In fact, it is my grave concern about a United States-Mexico free trade agreement which causes me to vote for the Dorgan disapproval resolution.

Let me make clear that I favor extension of fast-track authority for the Uruguay round of the GATT. I wish I could vote in favor of it today. I wish I could cast two separate votes on fast track. One, in favor of fast track for the GATT, and one against fast track for the Mexican free trade agreement.

Alas, that is not possible. We have been denied the opportunity for separate votes, and so reluctantly I will vote against fast track altogether. I feel strongly that negotiating an FTA with Mexico on a fast track would be a huge mistake for the working people of the United States.

Mr. Speaker, we have been assured that voting for fast-track authority today merely gives the President the opportunity to negotiate an agreement. We have been assured it does not commit the U.S. Congress. However, if Members believe that, I want Members to look at what is happening on the floor today.

Fast-track votes have been bundled into one vote. We have no opportunity to vote separately on fast track for Uruguay and fast track for Mexico. That was done deliberately. We were denied that opportunity. We are debating fast track today under a closed rule, with only 2 hours of debate on a very important issue. Regarding the

Gephardt-Rostenkowski resolution, the rule allows no amendments despite efforts of several Members to get that privilege in the Committee on Rules yesterday.

What Members see, Mr. Speaker, is what we get. What we see is what we will get next year when a Mexico free trade agreement is brought back by the administration. When that agreement comes back we will be told we cannot amend the agreement; we will be told we cannot put into implementing legislation anything that would be contrary to the agreement. We will be told we cannot change House rules and implementing legislation. The agreement will come to us under a closed rule. We will have to vote yes or no.

Mr. Speaker, now is the time to stop fast track.

Mr. Speaker, today we face a decision that is critical to the future of congressional involvement in the trade policymaking process. This decision is whether to extend the President's authority to negotiate trade agreement under fast-track procedures as set out in the Trade Act of 1974, as amended in 1984 and 1988.

I am voting against fast-track extension for one primary reason. I am deeply concerned about what is happening to the American middle class and I am convinced that, if given fast-track negotiating authority, the Bush administration will conclude this pact without regard for middle-class manufacturing workers in this country.

By definition, a free-trade agreement [FTA] negotiated with Mexico on the fast track will be an FTA negotiated without a great deal of input from Members of Congress. Contrary to some of the myths that have been circulated over the past several months, under fast track, Congress' power to influence the course of the FTA talks is very limited. And it is the Congress that worries about the fate of workers in the United States, not Mrs. Hills and her negotiators.

In short, under fast-track procedures, Members of Congress are sidelined and the U.S. Trade Representative [USTR] calls all the plays.

It is therefore my belief that an FTA negotiated with Mexico on the fast track will mean a loss of well paying manufacturing jobs for areas like northern Ohio, which are part of America's industrial heartland. An FTA with Mexico will also mean downward pressure on the wages and benefits of manufacturing workers who do keep their jobs.

An FTA with Mexico will squeeze the American middle class even more economically than it has been during the last 10 years. U.S. manufacturing workers have suffered a serious decline in real wages over the last decade. A study by the Economic Policy Institute shows that during the 1980's the average hourly real wages of American workers fell by 9.3 percent. As a result, more and more spouses have had to go to work just to maintain family income.

Workers are getting laid off from well paying factory jobs in alarming numbers—12,000 in one county alone in my district—and with increasing frequency. To add insult to injury, these dislocated workers find far too often that they cannot find new jobs that pay comparable wages.

And this is only the current generation of blue-collar workers. What about the children of the men and women who make up the human capital backbone of our industrial base?

For those young people who are now in high school and who do not and often cannot aspire to college educations, what are the chances of landing decent paying work after graduation? Will the sons and daughters of today's industrial workers be relegated to minimum wage jobs in fast-food restaurants?

I recognize that the decline of the American middle class and the erosion of the U.S. industrial base will continue with or without a United States-Mexico FTA. Increasingly, local factories are owned by multinational corporations that can and do move production—and jobs—around the country and around the world in an effort to increase efficiency and profits.

But, in my view, a United States-Mexico FTA will accelerate this globalization process. Middle class working Americans will be squeezed faster and harder.

Why? Primarily because the FTA will eliminate existing restrictions on American and other foreign investment in the Mexican economy. With barriers such as maximum foreign ownership and export performance requirements gone, American companies will surely be tempted to move their operations south of the border.

After all, Mexico offers very low cost labor—Mexican wages are at least seven times lower on average than American wages—as well as a lax regulatory climate in which failure to comply with environmental protection and worker health and safety laws often goes unpunished. What better way to cut costs of production than to cut corners on labor and regulatory costs.

Additionally, with a friendlier, more stable and predictable investment climate, Mexico will attract more Asian and European multinationals, which, in turn, will seek to export their products north, thereby supplanting domestic American producers. With tariffs as low as they are between the United States and Mexico—average United States tariff on Mexican imports at 4.5 percent and average Mexican tariff on United States imports at 10 percent—even the strictest rule-of-origin will not deter the use of Mexico as an export platform by non-North American trading partners.

At the risk of repeating myself, let me say once again that I am supporting the Dorgan resolution of disapproval because I oppose the extension of fast-track procedures for the purpose of negotiating a United States-Mexico FTA.

I do not oppose the completion of the Uruguay round of the GATT negotiations on the fast track. In fact, I believe that the use of the principle of nonamendability is warranted when negotiating trade agreements with as many as 107 partners.

I also view the fast track as an appropriate treatment of the Uruguay round agreement since this pact would merely sanction closer cooperation among GATT signatories. In contrast, an FTA with Mexico would bring about commercial integration of three economies, one of which is at an altogether different overall level of development.

Unfortunately, we were not given a separate vote on fast track for the United States-Mexico FTA; so I am forced to vote negatively on the entire generic fast-track negotiating authority extension. My feelings about Mexico are strong and my fears are real, strong and real enough to lead me to vote "yea" on House Resolution 101.

With respect to House Resolution 146, I, like many of my colleagues, was disappointed by the Rules Committee's decision to disallow amendments to this initiative. Had my amendments—both technical and substantive—been accepted, I could have voted in favor of the formulation presented by Messrs. GEPHARDT and ROSTENKOWSKI. For reasons outlined in the above paragraphs, I cannot support this resolution as originally introduced, because of the inclusion of a phrase indicating that fast track should be extended for a United States-Mexico FTA.

In conclusion, I would like to note for the record that regardless of how the vote comes out today, I intend to maintain my vigilance over the United States-Mexico FTA negotiations. Mrs. Hills will be hearing from me quite often during the next several months. Someone must keep an eye toward American workers and the global environment as the talks proceed, and I for one, am not confident that USTR will do this without a great deal of help from its friends in the U.S. Congress.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding time to me. We have met with the President of the United States on this issue, and as we began the discussion, there were some who worried about whether or not fast track would create jobs or lose jobs. There was divided opinion on that, whether it would help to stem the flow of illegal aliens, or enhance the flow of illegal aliens. There was divided opinion on that. On whether or not the future economy of the United States would show expansion as the result of fast track or not. There was heavy discussion on that.

Because there is a divided opinion on some of the basics on economics, on job creation, there is one issue that rises above all. If all of those other little parts are gambles that we will be taking when we vote for or against fast track, the one overriding issue compels Members to support fast track. That is, that the President of the United States considered it, as many Members do, as an issue of foreign policy.

It is a question of unifying the Western Hemisphere in a trading bloc that will enhance the prestige of America, not only with its immediate neighbor of Mexico, as we did with its immediate neighbor of Canada before, but with one stroke of the pen, the President of Mexico and the President of the United States can wash away years of conflict between the two good neighbors of Mexico and the United States, and in the process, with the wonderful foreign initiative that fast track will mean, we will also be in a position to expand the economy, create jobs, and enhance the future of our country.

Mr. BEILENSON. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, we are now here, folks, about our trade policy.

Let me submit, America has the best free-trade policy that Japan and Germany ever had. But now our free-trade policy is not enough. Now we want fast and free.

I want to pose a question. If free trade is so great, why does Korea not use it? If free trade is so great, why does Taiwan not use it? If free trade is so great, why does Europe not succumb to it? Ladies and gentlemen, if free trade is so great, how come Japan not only will not try it, but will have nothing to do with it, and in fact is the most protectionist nation in the world history? They are cleaning our clocks, like a bunch of fools.

I am disappointed here today. It is not about fast track, slow track, half track. It is about free trade. Let me tell Members what it is: It is a free ride to people overseas. It is a fast track for American workers going to unemployment lines. These policies continue to be drafted by so-called economic experts that never stood in an unemployment line. I am disappointed today because the Republicans have given Members this program, and Democrats continue to ratify it. I am disappointed today in the Democratic Party for not taking up the stand of the American worker, for letting people in my community lose their damn jobs.

I do not want any unemployment compensation. I do not want any adjustment. I want my people to have a job. If Members' rationale is that they want to bring Mexico's tariffs down, pass a free-trade agreement. Let me say this: I think if Congress raises our tariffs, Mexico would drop theirs in a damn hurry.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. Mr. Speaker, I rise in strong opposition to the rule. By giving us a rigged rule, you seek to rig the outcome of the vote which is to follow. By refusing to allow us to separate the question of fast-track negotiating authority for a Mexican FreeTrade Agreement from that of extending such negotiating authority for the GATT negotiations, you recognize that virtually unequivocal support for the latter will force unwilling support for the former.

Usually, such rules—which unfortunately have become increasingly common in this Chamber—are utilized by the majority party to restrict opportunity for the minority party to affect disposition of questions before this House. In this instance, you are not only turning your back on numerous members of your own party but upon the entire industrialized heartland of America.

When you, Mr. Speaker, and the majority leader, Mr. GEPHARDT, and the chairman of the Committee on Ways and Means, Mr. ROSTENKOWSKI, agreed to this ruse, you simply denied an opportunity to separate the question of the proposed Mexican free trade fast-track authority from that of a GATT extension. Let the record clearly show what is happening here, as the Congress is denying itself the exercise of its constitutional authority and obligation in matters pertaining to trade and tariff questions.

Mr. Speaker, I willingly grant that the overwhelming majority of economists agree that in the long term, freer trade with our Mexican neighbor to our south is in the best interest of both nations. But serious questions remain to be settled pertaining to the short-term and medium-term implications of negotiating such an agreement. And they should be faced honestly and deliberately by this body while it has an opportunity to truly participate in the shaping of such an agreement.

If we are going to put the jobs of some Americans at risk on the behalf of strengthening job opportunities for others, is it not proper that we first of all reach some agreements as to worker retraining and transition assistance before taking this step?

If we are going to justify this agreement on the basis of a changed global economy in which we compete with brain power rather than muscle power, ought we not first of all agree to addressing those changes which are going to be needed in our American educational system to meet that challenge?

If the future of American economic strength rests in a more aggressive trade and export policy, why is it, Mr. Speaker, that the Department of Commerce today employs fewer people in trade export enhancement and promotion than the Department of Defense employs in seeking to prohibit and restrict trade exports under its export control programs?

Shouldn't we resolve those problems—or at least come to some common understanding of those problems—prior to giving up our ability to shape a trade agreement with Mexico?

Mr. Speaker, my congressional district is part of America's industrial heartland. It is also a major player in the fruit and vegetable industry, which will be severely impacted by an MFT agreement. I believe the legitimate interests of producers and workers can be addressed in reaching such an agreement—and I speak not in the effort to prohibit consideration of such an agreement but to consider it carefully and cautiously with the recognition that the livelihoods of millions of American workers are at stake.

Mr. Speaker, this rule prohibits consideration of the very issues of importance to my constituents at the very time they can be best attended to by those Representatives the people have sent to Washington to represent their local interests. No trade representative inside the Washington Beltway will ever see the hurt that a poorly crafted agreement with Mexico would impose on my constitutents. No macroeconomic analysis of the benefits of a trade agreement addresses the fear I see in the eyes of my industrial workers who will see us taking this momentous step without the guarantee that we will be looking out after their interests.

I am not against free trade with Mexico, Mr. Speaker. But I am for taking every caution we can to insure that the agreement we shall be called upon to ratify at some later date is a careful agreement which addresses these very real questions. And this rule undermines the first opportunity we shall have to offer those very kinds of assurances our workers and constituents have every right to demand.

I am disappointed, Mr. Speaker, that on a matter of such importance to millions of America's workers, you have chosen to frame the question in such a way as to tie fast-track negotiating authority with Mexico to the question of global trade upon which the jobs of millions of other American workers are already tied. And I urge my colleagues to join with me in opposing this rule, so that this House will have an opportunity to separate the questions of a bilateral trade agreement with Mexico from that of multilateral trade agreements stretching across the globe.

□ 1020

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, a rule should not be overturned lightly. It should be overturned in this case because there are serious issues involved, American businesses and jobs and the American standard of living.

Before the Ways and Means Committee acted, and even more intently since then, I have been trying to help work out an approach to fast track that would combine an internationalist perspective with a pro-American growth policy.

The irony is that we found a combination that makes sense.

This formula provides for a midterm review by Congress to Mexico. The administration would sit down with us, review progress to date with committees of jurisdiction both as to main trade negotiations and the parallel discussions on health, labor, and the environment. There would be an impact analysis in the sectors vital to the future of the American economy.

But an administration that claims it wants Congress as partner vehemently opposes a midterm review, and a rule has been crafted that prohibits even its consideration on this floor today.

If there is fear over this amendment on the floor today, one can imagine how meaningful is the pledge of consultation with Congress hereafter.

Why a specific provision for Congress' role in negotiations with Mexico? GATT involves negotiations with 107 nations. NAFTA would involve negotiations with only one, and most importantly, while in GATT we are talking about more trade, with Mexico we would be talking about the integration of two economies at very different stages of development, including highly disparate salary and wage scales. To tell Congress that in such circumstances it should be content with, and cannot be trusted beyond, the normal pattern of trade consultations is an insult, an insult to the importance of the issues and to Congress as an institution.

Congress must be a partner in any NAFTA negotiations, not a consultant. True, only one person can negotiate, but these negotiations must involve Congress more than was said yesterday at a hearing, sending an emissary who will hold its cards to the very end when the deals are made, thus placing Congress in a position simply at the very end to take it or to leave it.

So, Mr. Speaker, I have no choice but to vote to reject this rule. If that rejection occurs, I have no doubt that in the week which remains for action, this House will have more than a chance to act on the Hobson's choice now facing it.

Mr. DREIER of California. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the distinguished gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Speaker, I am a free trader, and I believe there must be fair trade with any negotiated trade agreement. Certain segments of our economy have been left on the short end of the stick in previous trade negotiations. In hearings before the House Agriculture Committee, in letters to our trade negotiators, and in discussions with other Cabinet officials, I have been working to ensure that agriculture and energy do not wind up on the wrong end of the stick under the North American Free-Trade Agreement and the GATT.

I have had some reservations about how these trade negotiations may impact agriculture and energy sectors. Because I represent the largest cotton producing congressional district in the Nation, I am particularly sensitive to cotton producers' concerns, in addition to peanut and sugar producers. These past few weeks, I have been actively involved in discussions with our trade negotiators to ensure that our interests are not negotiated away.

I commend the administration for being responsive to these needs. In her answer to my letter which detailed my concerns for cotton, peanuts, and sugar producers in my district, U.S. Trade Representative Carla Hills was very responsive to my questions. She assured me that the United States will make changes in the import quota program which protects these commodities only if other countries match these changes with their own similar reductions. Further, producers will still be afforded income protection assistance, so long as these programs minimize trade distorting patterns. Also, snapback trade provisions will help protect domestic farmers in the event imports unexpectedly increase.

I am satisfied that under the North American Free-Trade Agreement, stringent rules of origin will be in place to ensure that Mexico is not simply a conduit for third country agricultural exports. Also, Secretary Mosbacher has personally assured me that he agrees we need a cotton advisory group and will strongly recommend there be one.

Recently, I met with President Bush to discuss my concerns about energy under the North American Free-Trade Agreement. Although I realize that the Mexican Constitution precludes foreign ownership of their petroleum reserves, an energy agreement which includes oil drilling and other field servicing activities would enable us to help Mexico develop these resources. I would like to insert in the RECORD my letter detailing my concerns regarding the energy industry.

I intend to support the extension of fast track. Additionally, I will continue to work hard to ensure that agriculture and energy are on board steering the engine down the track as we continue the GATT negotiations and the North American Free-Trade Agreement.

Mr. Speaker, I include the following letter to the President:

HOUSE OF REPRESENTATIVES,
May 13, 1991.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: The proposed North American Free-Trade Agreement negotiations provide an historic opportunity to establish the largest trading market in the world. Energy will be an important part of these trade negotiations. I am pleased to see that your negotiators have recognized that energy, trade, and investment issues should be included in the negotiations and have stated so publicly.

However, the manner in which energy issues are to be handled as part of the negotiations has not been clearly defined. Specifically, to my knowledge, there is no negotiating team or working group established to address energy issues. Energy is too important for our national security and as an integral part of the region's economic development to be subsumed within other sectors or negotiating topics. As the U.S. Trade Representative and her counterparts begin to set up the framework for negotiating the agreement, I strongly urge you to establish a specific U.S. energy negotiating group responsible for conducting this aspect of the negotiations. In this regard, I would appreciate your identifying the procedures your negotiators intend to implement in their approach to energy questions. Specifically, is an energy working group, separate from other sectors or negotiating topics, contemplated?

With regard to the specific areas which should be addressed, I realize that the Mexican government, under its Articles of Constitution, has exclusive ownership of petroleum reserves. This existing prohibition, however, should not be a barrier to negotiations on issues which are much broader than ownership of petroleum reserves. Many innovative arrangements for the development and production of energy could be mutually beneficial and should be considered as appropriate for these negotiations.

Opportunities for investment in natural resources and open access to markets must be significant components of the trade talks. I am vitally interested in establishing a negotiating agenda for energy prior to opening of the negotiations.

Thank you for your kind attention to this matter.

Sincerely,

LARRY COMBEST.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the distinguished gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, we are here again and the eyes of the world are upon us. We think this is an eternal matter involving the prerogatives of Congress, but it is far more serious than that.

The policies that we are following here today began as the result of a crisis that was created when the policies of the gentleman from Ohio [Mr. TRAFICANT] were inculcated into the American economy in 1928. Out of that disaster, and I guess the gentleman from Ohio [Mr. TRAFICANT] would have us relive it, we decided that we had to open our borders, that we were no longer an island, that we had to work and cooperate with the rest of the world, and through the guidance of President Roosevelt, President Truman, President Kennedy, President Johnson, and President Carter and all the Republican Presidents during that time, we have expanded our policy of free and open and competitive and fair trade with the rest of the world.

Now, today if the proponents of that kind of trade lose this battle, America will step backward. We will put the cloak of 1928 and 1930 down upon us. We do not want to ever live through that again.

Now, we have some successful models to point to, a United States-Canadian agreement that was agreed to on this floor by fast track, and fast track is necessary for this negotiation and it is a success.

Our agricultural trade has increased by 35 percent with Canada since we entered into that agreement. Our manufacturing trade has increased almost as fast as that with Canada. Our deficit of trade with Canada has been vastly reduced since that time. The same thing will happen with us and Mexico.

Now, there will be those who will say, "Oh, you don't need fast track."

Well, the world will not negotiate with you. We are not only talking about Mexico, we are talking about the rest of the world. The rest of the world is involved in the Uruguay round negotiations right now.

In 1962 when we sent our negotiators on the Kennedy round, they came back with a few things that the Congress had to approve. We did not have any fast track procedure then, and the Congress just picked them all apart. The rest of the world came to us and said, "Listen, unless you reform your congressional procedures, we aren't dealing with you anymore. You are not a reliable bargainer."

You have go to have fast track in order to be able to keep the bargain.

Now, is Congress cut out? Heck no. The President has other methods of negotiating these treaties. He could go exclusively to the Senate if we wanted to. Everybody points to article I of the Constitution, but there is article II of the Constitution, and he can negotiate only involving the Senate, if he wants to.

☐ 1030

If you want to vote down fast track, turn it all over to the Senate, back off from world expansion, then turn down all of this today.

Mr. DREIER of California. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Missouri, the "Show Me" State, Mr. EMERSON.

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Speaker, Missouri is indeed known as the "Show Me" State. As a matter of fact, it was my predecessor many times removed who, in speaking to a national convention back around the turn of the century, was having some difficulty with the proposition that was before the House, and he said, "Sir, I am from Missouri, and you will have to show me."

Well, that is the attitude that I have adopted in approaching this issue that is before us today. I have concluded that we must support this rule and that we must support the proposition that will be before the House.

This is a fast-moving world in which we live. I share all of the fears and concerns and apprehensions expressed by the gentleman from Ohio [Mr. TRAFICANT], but unless we let this measure move forward and let the negotiation occur, we will not really know whether those fears are justified or not.

Who, 3 years ago, would have expected or predicted the demise of the Iron Curtain? Who would have expected 2 years ago the fall of the Berlin Wall? Not I; but occur it did.

Events are moving so fast we need to change some structures so that we can better deal with problems that lie before us.

This is the opportunity to address the problems, the fears, the concerns expressed by the gentleman from Ohio. Without it we are on the same old track.

The time to judge whether we are doing the right thing is when an agreement is before us. We should not shut off the process so that negotiations and discussions may not occur.

Mr. Speaker, I urge a "yes" vote on this rule. There are those that are concerned about the process. We are going to be fully involved in the process.

I have been assured of that by the President, and I have spoken directly to him about this; by the trade ambassador; by the Secretary of Agriculture; and by the Secretary of Commerce.

We will be involved in the process as this matter moves forward. Vote for the rule.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from New York [Mr. LAFALCE].

Mr. LaFALCE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to House Resolution 158, the rule providing for consideration of House Resolution 101, to disapprove the extension of "fast track" approval procedures of section 1103 of the Trade and Competitiveness Act of 1988.

I appreciate the fact that the House will be given an opportunity to vote on the House Resolution 101 despite its disapproval by the Ways and Means Committee. The extension of fast-track authority, together with its potential use for consideration of the proposed North American Free Trade Agreement, are extremely important issues that require extensive consideration by Congress.

Unfortunately, this will not occur under the rule. The rule permits only a yes-or-no vote on House Resolution 101, which disapproves extension of fast-track procedures to all trade agreements submitted to Congress before June 1, 1993. It does not permit consideration of serious constitutional objections to fast-track procedures, nor does it permit a separate vote on whether these procedures should be applied to a free-trade agreement with Mexico.

I have serious objections to the fast-track process and strongly oppose its application to a potential United States-Mexico Free-Trade Agreement. The President's request for "unencumbered fast-track procedures" seeks to provide final trade agreements with "immunity from congressional amendment." This would apply not only to an agreement produced by the 6-year Uruguay round negotiations under the General Agreement on Tariffs and Trade [GATT], but also to any agreement produced in future trade negotiations with Mexico.

I cannot emphasize too strongly that this abrogation of future Congressional prerogative and responsibility in the area of foreign trade is something Congress should not provide, and can not provide, even if fast-track procedures are extended. The Constitution is clear in separating the powers of Congress from those of the Executive. Article I, section 8 clearly provides—"The Congress shall have Power * * * to regulate Commerce with foreign Nations * * *."

This clear allocation of authority in the area of foreign commerce, like the power to collect taxes, borrow money, or declare war, is a matter of original jurisdiction to the Congress and a central feature of congressional power and responsibility. The Congress can not forfeit this power, nor should Congress reduce itself to a peripheral role in the exercise of this power, except under the most unusual and compelling circumstances.

Congress also can not be bound in advance by any procedure that limits its deliberations or prevents it from adopting amendments. The whole concept of fast-track authority is ultra vires and unenforceable. Article I, section 5 of the Constitution provides that—"Each House may determine the Rules of its Proceedings."

This authority may not be impaired or controlled by the rules of any proceding House, nor by any law passed by a prior Congress. Further, either House may change today's rules tomorrow. This is our constitutional prerogative. And no congressional statute can waive this constitutional power in futuro.

These constitutional objections to fast-track procedures are not new arguments. They were strongly expressed by House Members during House debate of the Trade Act of 1974. The fast-track provisions of the act were targeted for specific criticism on the floor as the "broadest sweep of authority yet granted to the President." Yet in that debate, as in this one, Members were not provided with an opportunity to address the serious constitutional implications of the fast-track procedures.

While intended in the 1974 act as a mechanism for preserving congressional prerogatives in addressing what were largely unknown issues involving nontariff barriers, fast-track procedures have become the means for limiting congressional involvement in all trade agreements. Some justification may be found for its continued use for a Uruguay round agreement, involving nontariff barriers of more than a hundred countries. But its use with regard to a broad free-trade agreement with Mexico, or a regional free-trade agreement has neither precedent nor clear legislative intent.

A broad free-trade agreement with Mexico is unprecedented in seeking to open the Nation's economy to a country whose size and proximity carry the potential to dislocate U.S. production and workers on a massive scale. But despite this broad potential impact of a free trade arrangement, Congress is expected to waive its constitutional right to offer amendments and merely to accept on faith this critical policy concerns will be appropriately addressed and implemented.

This inappropriate application of fast-track procedures is justified with statements that fast-track offers the only means under which negotiations with Mexico can be initiated and critical agreements obtains from Mexico's. This is absurd. It is always more efficient, and certainly more convenient, to try to circumvent the Constitution. As Justice Brandeis observed 75 years ago, the separation of powers doctrine "was not adopted for efficiency, but to preclude the exercise of arbitrary power."

Let's not kid ourselves, or the world into thinking that by passing fast-track authority today, we are providing a blank check for any future trade agreements the President chooses to negotiate. That will not occur. As the Rules Committee explained in its report on House Resolution 101, Congress' future ability to modify fast track is no empty threat. Congress retains the option to turn off fast track at any time as it did last October when it revised procedures for consideration of extension of most-favored-nation status to China.

Fast tract is constitutionally unenforceable even in its intended application to a future Uruguay round agreement. Its application to a United States-Mexico free-trade agreement goes beyond congressional intent and all practical logic. The rule does not permit consideration of either of these critical issues.

I urge a vote against the rule.

Mr. Speaker, I also take this opportunity to insert in the RECORD a speech I recently delivered to the Council on the Americas that discusses in greater detail the critical constitutional issues involved in this debate.

AN ADDRESS BY HON. JOHN J. LAFALCE BEFORE THE COUNCIL ON THE AMERICAS

I am delighted to have this opportunity to apepar before you today to discuss a number of concerns regarding the proposed U.S.-Mexico free-trade agreement and the pending Congressional vote on extension of fast-track negotiating authority.

As most of you are aware, President Bush sent to Congress last week a 70-page "action plan" outlining a variety of labor, health and environmental concerns that would be addressed in negotiations with Mexico. While long on assurances, the plan falls short of providing measurable goals for the negotiations and fails to define specific actions to preserve U.S. jobs and wage levels.

By keeping its plans vague and offering only promises that key Congressional concerns will be taken into consideration, the President's statement illustrates what some observers now see as the central issue confronting Congress—Whether Congress trusts the Administration and its negotiators enough to give away its Constitutional powers on this issue?

While the focus on Constitutional power is right on track, I think the issue goes beyond a mere question of trust. It is crucial to understand, Congress does not have the authority to provide, nor can it provide, the type of negotiating freedom the President is seeking. In a letter to Members of Congress last week, President Bush urged support for extension of "unencumbered fast-track procedures." Just what this means was explained in White House statements that negotiations could not proceed unless a final agreement was given "immunity from Congressional amendment." I suggest to you today that this is something Congress will not provide, and can not provide, even if fast-track procedures are extended.

The Constitution is clear in separating the powers of the Congress from those of the Executive—Article I delegates powers to the Congress; Article II defines the powers of the President. Article I, Section 8 clearly states:

"The Congress shall have Power—To lay and collect Duties, Imports and Excises . . . (*and*) To regulate Commerce with foreign Nations, and among the several States and with the Indian Tribes."

This clear allocation of authority in the area of foreign commerce, like the power to collect taxes, borrow money or declare war, is a matter of original jurisdiction to the Congress and a central feature of Congressional power. The Congress can not forfeit this power, nor should Congress reduce itself to a peripheral role in the exercise of this power, except under the most unusual and compelling circumstances.

Equally important, Congress can not be barred from exercising its power to regulate foreign commerce simply because an earlier Congress chose not to do so. Indeed, even the same Congress can not be constitutionally bound by its own prior actions with respect to rules. It can constitutionally change its mind and its rules any day of any year.

We witnessed a comparable situation earlier this year with regard to the Persian Gulf crisis. Although President Bush claimed authority to initiate military actions against Iraq, he was very careful not to take action until Congress approved a resolution authorizing the use of force. That Congress may have previously acquiesced in military initiatives by the President did not imply any forfeiture of Congress' power to declare war.

The constitutional problems of the fast-track procedure are not new arguments. They were strongly expressed by House Members in 1973 when, in debating what became the trade Act of 1974, the fast-track proposal was targeted for specific criticism as "the broadest sweep of authority yet granted to the President."

The first to raise these concerns was Mr. Rostenkowski's predecessor as Chairman of the Way and Means Committee, Al Ullman, who then served as Chairman of the Trade Subcommittee, now chaired by Mr. Gibbons. Ullman objected to proposals requested by President Nixon for "delegating broad new powers to the Executive in carrying out trade agreements," and eloquently defined the problem that continues to confront Congress—

"The difficulty in our system of government, particularly in the field of trade, has been this balance of power between the Executive and legislative. I think you can always make an argument in the field of international affairs for more power in the hands of an executive and perhaps even unlimited power. It is certainly more effective in some respects.

"I think it is far more important, however, that we hold to the principles of separation of powers, and that we keep to our constitutional authority, than it is to get a temporary and immediate benefit in this field."

Another former chairman of the Trade Subcommittee, Charles Vanik, also raised strong constitutional arguments regarding the fast-track process and other proposals of the 1974 Act:

"The Congress should legislate trade policy—not abdicate responsibility . . . This bill stakes out extensive authority for executive discretion—and this discretionary authority is carved out of the little that remains of the shattered and torn carcass of constitutional congressional authority and responsiblity. If the Congress should pass this bill . . . it will move the Congress a considerable distance toward becoming an unnecessary branch of government. As far as trade is concerned, there will be little left for the Congress—but remorse for its own folly."

These and other arguments were persuasive in convincing 140 House members to vote against the 1974 Trade Act, including the current Ways and Means Committee Chairman, Mr. Rostenkowski.

Although intended in the 1974 Act as a mechanism for preserving Congressional prerogatives in an uncertain forum of multilateral negotiation of non-tariff barriers, the fast-track process has become the means for limiting Congressional involvement in all trade agreements. Lingering constitutional concerns have been dismissed with arguments that fast-track offers the most efficient and convenient method for obtaining critical agreements from foreign nations and for facilitating prompt approval by Congress. But it is always more convenient, or more efficient, to circumvent the Constitution. As Justice Brandeis observed seventy-five years ago, the separation of powers doctrine "was not adopted for efficiency, but to preclude the exercise of arbitrary power."

I am not saying the fast-track process is unconstitutional. I am certain, however, that any fast-track approval process is constitutionally unenforceable.

That Congress can be bound in advance by any procedure that limits its deliberations or prevents it from adopting amendments is illusory. The whole concept of fast-track authority is ultra vires and nonbinding. Article I, Section 5 of the Constitution provides "Each House may determine the Rules of its Proceedings."

This authority may not be impaired or controlled by the rules of any preceding House, or by any law passed by a prior Congress. Further, either House may change today's rules tomorrow. This is our constitutional prerogative. No congressional statute can waive that constitutional power *in futuro*.

Thus, whether the 100th Congress voted to extend the fast-track process in 1988, or whether Congress votes to extend fast track this month, there will still be no guarantee that a trade agreement will be considered without amendments. If commitments are not kept, or Congressional concerns are ignored, Congress can simply change its rules and amend an agreement. As Congress explained in the 1974 Act, and again in the 1988 extension, fast-track procedures are an "exercise in the rulemaking power" of each House and are enacted "with full recognition of the constitutional rights of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner and to the same extent as any other rule of that House."

While this clause accounts for less than one percent of the wording explaining fast-track procedures, it is critically important. It acknowledges that Congress can not be bound by any specific rule of procedure and that it reserves the right to change its procedures at any time. thus, fast-track is simply an expression of present intentions with respect to future action. It is hortative and in no way conclusive or binding.

Further, I think it is nonsense to say that a trade agreement can not be pursued without fast-track guarantees. During the nearly 200 years from Washington's inauguration in 1789 until 1974, Presidents were able to conclude commercial agreements without fast-track. Indeed, Presidents have always had the choice of submitting a commercial agreement either as a treaty or an agreement. What determined this choice, in many instances, was whether a President thought the agreement could obtain the two-thirds vote necessary for Senate ratification of a treaty. Fast-track now provides a President with the best of both options—a single yes-or-no vote without amendment used in treaty ratification, but with a simple majority vote of the regular legislative process.

I suggest that fast-track has become necessary for negotiating trade agreements not because foreign countries demand it, but because Presidents want it. Foreign governments have long accepted the necessity of dealing with both the President and the Congress. This is an understood difficulty of dealing with the United States. More than foreign governments, it is the President who dislikes Congressional interference. Even when acting as a delegate of Congressional authority, which he clearly is in this context, the President does not wish to see his efforts revised in any way.

In seeking "unencumbered" fast-track authority, President Bush is, in essence, seeking Congress' foreign commerce powers. Administration officials seek to define the goals and the focus of broad trade discussions with Mexico and also negotiate the substance of the trade agreement. Congress' entire role in the process is reduced to something akin to the Senate's role of advice and consent in political treaties. This may permit more effective negotiations, and it is clearly more convenient. But this is not what the Constitution requires.

Even with the failure of a motion to disapprove the extension of fast-track authority, it is not clear that a simple extension of the process would be applicable to an agreement deriving from the proposed North American free trade negotiations. Section 1103(b) of the 1988 Act authorizes use of fast-track procedures only in conjunction with two distinct types of trade agreements—(1) agreements involving the reduction or elimination of "non-tariff barriers," and (2) "bilateral" agreements involving tariffs and non-tariff barriers. The President on March 4, 1991 formally requested extension of fast-track authority for purposes of initiating trilateral negotiations with Mexico and Canada to achieve a regional free trade agreement. Since this agreement would be trilateral rather than bilateral, and would involve both tariff and non-tariff barriers, it would not qualify under either standard for consideration under present fast-track procedures and would be subject to challenge on a point of order.

The House routinely employs a variety of procedures to restrict debate and amendments. Most typical is the "modified closed rule," which permits consideration of a bill with a limited number of amendments. This was the procedure used for passage of the 1974 Trade Act which prevented consideration of constitutional objections to fast-track and other procedures. Occasionally, we have even used a completely closed rule to exclude all amendments. But these rules are adopted by the House membership after the substance of the issue has been addressed in Committee and debated at length, not before. We do not vote on a rule months, and even years, in advance of discussing the substance of the issue, or of even knowing what issues are to be addressed.

A broad free trade agreement with Mexico is unprecedented in seeking to open the world's largest industrial economy to a nation with an economic and social structure that characterize, at best, a developing country. Given Mexico's huge and impoverished population and its proximity on the U.S. border, the agreement carries the potential to dislocate U.S. production and workers on a massive scale. An agreement would affect federal and state law in areas ranging from immigration to public health, as well as enforcement of codes and standards involving such things as product quality and environmental protection.

So pervasive is the potential impact of the agreement, the President's demand for fast-track authority is comparable, in my view, to the President's proposing a sweeping reform of the nation's tax codes and requesting a simple yes-or-no vote for whatever tax system he chooses to develop. This request would be unthinkable to Congress and to the public. And yet, this is not substantially different from the situation now facing Congress.

We are being asked to waive our right and our responsibility to offer amendments to any possible agreement' to accept on faith that our concerns will be addressed and that the best possible agreement will be negotiated.

Further, we have already been told that Mexico has refused to put energy issues on the negotiating table. With oil accounting for 20 percent of U.S. imports from Mexico, how can this question be off the table! We also have little indication that negotiations will attempt to address the need for debt relief, or the problem of Mexico's capital flight. Equally critical is the problem of subsidies, which was a key issue in negotiating the U.S.-Canada agreement. The Canadian negotiations simply deferred consideration of this question. Given the vastly more pervasive role of state subsidies in the Mexcan economy, I would be surprised if this question is ever addressed with Mexico.

Supporters of the fast-track proposal argue that Congress is not being barred from considering these issues, and that it retains the ability to defeat any agreement it finds objectionable. Theoretically, this is true; practically speaking, this is false. Once a Mexican trade agreement is submitted, two major arguments will be raised. The first, by the President's supporters, arguing that the President's international credibility is at stake and defeat of the agreement would undermine the President's ability to conduct foreign affairs. The second, by the President himself, arguing that the agreement is critical to avoid political and economic revolution on our border.

This, I strongly suspect, is the basis on which most Members will ultimately vote on the issue, not on the specific merits of the final agreement. An emotionally-charged political debate will again preclude debate on substantive economic and policy issues. Therefore, it becomes all the more imperative to address these questions now, before fast-track is extended. A successful free trade arrangement with Mexico ultimately requires leadership, not gimmickry.

I believe in liberalized trading arrangements. I have consistently supported our negotiating efforts in the Uruguay Round and have been the strongest advocates in Congress for the U.S.-Canada Free Trade Agreement. I also believe we should open our economy as much as reasonably possible to Mexico and to all of Latin America. I supported the Caribbean Basin Initiative and was the author of the International Debt Management Facility Act, which was the forerunner of the Brady Plan, for providing debt relief to Mexico and to other Latin American countries. Indeed, we must go much further.

And while I think the time has come to establish closer trade relations with Mexico, trade negotiations must be placed in a broader context. Negotiations must seek to address Mexico's major problem of debt and its pressing need for debt relief. Equally urgent are policies to stem capital flight which robs Mexico of needed capital investment. If the wealthy of Mexico are unwilling to invest in their country's economic future, why should the United States?

Negotiations must also address the critical issues of wage disparities and state subsidies that make it virtually impossible for U.S. producers and workers to compete. And U.S. policy must also seek greater democratization of the economic process in Mexico to assure that Mexican workers gain an increasing share of the benefits of economic growth. Perhaps most important, free and open trade should not come until there are free and open elections. We should not even consider a free trade agreement with Mexico without a number of preconditions. One essential precondition being international supervision of the August 1991 federal elections for the Mexican Congress.

Without such efforts, I fear that opening the U.S. economy to Mexico will only encourage the transfer of U.S. production across the border, with little improvement in the glaring social, economic, environmental and political inequities of Mexico, and with little or no reciprocal benefit to the U.S. economy. American jobs would be sacrificed in a political agreement that benefits primarily the transnational corporations and Mexico's wealthy elite.

My greatest concern, however, is that Congress will be confronted with little option but to approve an agreement that encourages American producers to respond to international competition by choosing a low-wage option rather than a strategy of training and technological progress. Instead of improving conditions in Mexico, this may put the United States solidly on Mexico's current path toward lower wages, lower imcomes and lower living standards.

Mr. DREIER of California. Mr. Speaker, for purposes of debate only, I yield 1 minute to the very distinguished ranking member of the Committee on Foreign Affairs, the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I will vote against the Dorgan resolution and for the fast-track authority the President has requested to negotiate the free-trade agreement with Mexico. It is a vote that is consistent with the ideals we have been projecting all over the world and one that is consistent with the confidence I have that America's workers are still the best and most productive in the world.

For years America has been promoting the advantages of free trade. We believe that open markets mean greater prosperity for all nations and all peoples.

We know what happened when Congress passed the Smoot-Hawley Tariff of 1930. Other nations retaliated and turned what might have been a mere economic recession into the Great Depression of the 1930's.

We know that America learned from that experience and committed itself to free trade. In the years after the Second World War, America became one of the world's leading exporters and one of its most prosperous nations.

For years, we have promoted economic and political freedoms around the world. This is no time to pull back.

We must give the President fast-track authority. Without it he will lack sufficient negotiating authority to convince other nations to lower their trade barriers.

Only with this authority can the President have a realistic chance of concluding the GATT Uruguay round, promoting greater trade and investment in Latin America through the Enterprise for the Americas Initiative, and negotiating a free-trade agreement with Mexico.

The North American Free-Trade Agreement between Mexico, Canada, and the United States will create an open market of 360 million people with a gross national product of $6 trillion, one that's larger than the European Common Market.

The agreement would also bring into the same open market 33 percent of the world's oil production—energy that can drive our cars, power our factories, and heat our homes. Having that much oil at our disposal makes us less reliant on the volatile Middle East for oil, a real plus for America's national security.

Another plus will be the jobs the agreement produces. The Department of Labor predicts that the North American Free-Trade Agreement will create as many as 64,000 jobs over the next 10 years, many of them in manufacturing.

What's more, it will save jobs in the long run. And I suspect some union leaders would agree with me. I can think of one union in the automotive industry that has shown it clearly sees the advantages of free trade.

I am referring to a local of the International Union of Electrical Workers. That union local recently joined the management of GM's Delco Products in petitioning the United States Trade Representative for duty-free status for ceramic magnets imported from a Delco facility in Mexico.

They clearly believed their jobs were based on the ability of Delco to remain competitive. And I suspect that many other unions who are willing to take a hard look at the real long-term benefits of freer trade with Mexico will come to the same conclusion I have: This agreement will benefit American workers and American consumers.

Yet there is no doubt that there will be some dislocation. In the short run, some Americans will lose jobs. That's one of the major objections to this legislation. But the President has committed his administration to ensuring an adequate transition period for workers in import-sensitive industries and also to making sure that those who lose their jobs are given assistance and retraining.

It's important to remember that the net impact of the agreement will be a sizable increase in jobs through the whole economy—many of them high wage, high skill manufacturing jobs in high technology industries.

A second objection to this legislation is a concern that Mexico does not have the same environmental standards as America, and that the lower standards in Mexico will mean more cross-border pollution and will give Mexican firms a competitive advantage over United States firms.

I share these concerns. Yet, I also believe President Bush when he says that President Salinas is firmly committed to strengthened environmental protection in Mexico.

The proof is in the pudding. In March, President Salinas ordered the immediate closing of Mexico City's largest Government-operated oil refinery. Mr. Salinas did this for environmental reasons, despite the fact that the shutdown would cost the Government about $500 million, and 2 or 3,000 workers would lose their jobs. It's an indication that Mexico takes the environment a lot more seriously than some would give them credit for.

No agreement is perfect, but this agreement with Mexico has benefits that far outweigh its drawbacks. In a word, this agreement will mean economic growth and jobs for all Americans.

Some of my colleagues say they are objecting only to the way this agreement is being negotiated. They say that they are not necessarily against free trade, but that they are opposed to giving the President fast-track authority on such an important issue.

To them I would respond that the vote we are casting today is not about a procedural matter or about the prerogatives of Congress. It is really about where we see this Nation going in the future.

One vision sees an America sealed off from the future, an America that would henceforth lock its doors to hide from the forces of history. It is a vision based on pessimism, fear, and self-doubt.

The other vision, the one offered by the President, looks with confidence and optimism to the future. It acknowledges that there will be some short-term dislocations, but it is confident that American workers have what it takes to compete in the new world market.

There are always risks in life, but Americans have always shown that they have the stuff to face up to them. That's why we are the world's greatest and most powerful country, and that is why I believe we will continue to be for years to come.

I urge my colleagues to give the President the fast-track authority to negotiate the kind of future that this Nation deserves.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Indiana [Mr. McCLOSKEY].

Mr. McCLOSKEY. I thank the gentleman for yielding.

Mr. Speaker, we are not considering today just a trade treaty but a radical restructuring of the entire United States economy and most likely also the Mexican economy. But sad to say, this rule is not fair to the interest of American workers or entire regions of the American economy. We did not get a separate vote on Mexican-American trade with economic issues totally distinct from GATT. We could not get the simple and wise policies of the Levin amendment made in order.

Levin is important to continue qualitative congressional input for the concerns of the American economy. What is the matter with a midterm congressional review by the committees of jurisdiction in the form of formal face-to-face negotiations? What is the matter with written economic impact analyses?

Vote "no" on the rule; make the Levin amendment in order.

Mr. DREIER of California. Mr. Speaker, for purposes of debate only, I yield 1 minute to the distinguished gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. I thank the gentleman for yielding.

Mr. Speaker, today I rise in support of fast track and freer trade. Freer trade means prosperity, freer trade means higher standards of living. Let us not be controlled by our fears and our special interests. Let us be inspired, instead, by our dreamers and our enterprisers. Let us set our sights on freer trade among all people, free trade, if possible, between the Yucatan and the Yukon.

Mr. Speaker, we are at a historic turning point. Europe '92 is upon us, as is a trading bloc in the Pacific. We are especially at a turning point in Mexico.

Mr. Speaker, there is a brave President who has been conducting reform down there. Mexico can go either way. This is not the time to slap Mexico in the face and tell Mexico we no longer want to be Mexico's friend and we are not even willing to talk to the President who is conducting such reforms.

Mexico will be our neighbor in the future; let us vote for progress, let us vote for commerce, let us not shrink back into stagnating protectionist enclaves. Let us start negotiating about possible benefits from trade among all people.

□ 1040

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, by voting against this rule today one does not vote to close borders, but they vote to open up a process, and that is why I urge my colleagues to vote no on the rule. Unfortunately the procedure that is put before us gives us only two choices. One is total fast track, and the other is total derailment. What about the GATT negotiations that have been ongoing for 5 years with 107 nations now being tossed into the same negotiations as Mexico? And that is not fair to have to choose between them.

But I am voting no for another reason. I am not even asking for that separation. I wanted the Levin amendment which simply said that there would be a midterm review, that the administration by March 1 would have to come to Congress and to the various committees of jurisdiction and explain what it is doing, as well as providing an economic analysis. Unfortunately that amendment is not made in order.

For those of my colleagues who support Dorgan in effectively killing fast-track negotiations, this amendment says, "If you lose, you still got some teeth when the Gephardt-Rostenkowski language passes."

For those of my colleagues who are for free trade and for fast track, I say, "This still gives you more certainty of congressional participation under the Gephardt-Rostenkowski language."

In addition, Mr. Speaker, there are some who say that the rule is drafted, if we defeat it, as I am urging, and fast track automatically happens.

But let us be real with one another. I have to believe that our leadership is not going to let this pass out of this House by default with such a voice of protest and would indeed bring it back next week before the June 1 deadline.

Mr. Speaker, we need not be in this process today. Something this serious says that there is something between a total fast track, the express train, and a total derailment, and what I am urging is more congressional participation, and let us get on about the business of opening up our borders in an orderly way, not in this manner.

Mr. DREIER of California. Mr. Speaker, I yield 2½ minutes to the very distinguished gentleman from California [Mr. HUNTER], the chairman of the Republican Research Committee.

Mr. HUNTER. Mr. Speaker, I rise today to oppose the rule, to oppose fast track and to ask my colleagues to consider that the trade policies that we have been following in this postwar era should in fact be changed, and I want to relate that directly to Mexico.

This free-trade agreement, if it follows the course that has been outlined by the administration, is going to create an enduring competition between American workers and workers in Mexico.

Now besides the 8-to-1 disparity in wages and the high productivity, I might add, of Mexican workers, there are three burdens that American workers share that will render this playing field enduringly unequal and tilted in favor of workers in Mexico, and the cost of that work and that competition between those workers is going to be manifest in the fluidity of products going back and forth through an open border that no longer has tariffs.

The first burden that Americans carry is a thousand dollar burden per year per worker paid by the middle class in this country for national security. The Patriot missiles, the M-1 tanks, the Apache helicopters that carried us to victory in Desert Storm were paid for by American blue collar workers who took about a thousand bucks apiece out of their paychecks and put it into national defense for the defense of the West. That is more than half of the real wages that are taken home each year by workers in Mexico. There cannot be a level playing field in that competition.

The environmental burden that is carried by American workers and business is manifest in every single product that we produce. That is not shared by Mexico, and I might add for those Members who have cited the success of the United States-Canada Free-Trade Agreement that in Canada there is proximate parity in wages with the United States, especially when we consider fringe benefits. There are strong environmental laws that are enforced.

If one looks at the 8-to-1 wage disparity between United States workers and Mexican workers, and one looks at the 80-percent productivity level that is achieved now by General Motors workers in Mexico City, they are 80 percent as productive as Detroit workers; one has to conclude that assembly lines and production lines will be going south. Now some people say that is great for the consumer. However, my colleagues, I define a consumer as an American worker with a job and a paycheck, and there will be less of them after the free-trade agreement.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, I rise in support of the rule and fast track. More than 50 percent of America's economic growth comes from trade and exports, so today Congress deals with the premier jobs issue of this session.

But, Mr. Speaker, a United States-Mexico agreement must be about more than jobs. It must address the toxic chemicals, cancer-causing emissions, and polluted water that poison our citizens on both sides of the border. It has to address social justice and fairness for American workers who lose their jobs when a United States company sets up its corporate office on the United States side of the border and its plant on the Mexican side.

However, Mr. Speaker, I say to my colleagues, "To solve the problems you have to talk. No talks, no agreement. No agreement, no progress."

But here is the message for the Bush administration. Pro-traders like me are not going to jump ship today. But if the final agreement does not have enforceable environmental standards on air and water quality, if it does not get a fair shake for our workers, we are going to lead the mutiny when it comes back for a final vote.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the very distinguished gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, I rise today in opposition of House Resolution 101, disapproval of fast-track procedures, and in strong support of House Resolution 146, which supports the extension of fast-track procedures and outlines the objectives to be achieved. Fast-track procedures are necessary and both the United States and Mexico have stated that they will not enter into negotiations if the President is denied the fast-track extension. Under fast track, Congress has a real and important role in drafting the legislation which implements a trade agreement. The President has pledged to consult extensively with Congress and I expect to make contributions to ensure that we end up with an agreement which respects the environment, protects the American worker, and strengthens the economy of both countries.

I have the privilege of representing the 16th Congressional District in Texas. At the heart of my district lies the city of El Paso, whose population of over 500,000 makes it the largest border city in the United States and the fourth largest city in Texas. Directly across the border, divided by a ribbon of water known as the Rio Grande, is Ciudad Juarez, the largest Mexican border city with a population of 1.2 million residents. Together, these two cities make up the largest international metroplex anywhere in the world. As chairman of the congressional border caucus and representative of the largest American city on the United States-Mexico border, my perspective on whether to extend fast-track procedures reflects the view from the border, an area that will bear the greatest impact of increased commerce in terms of increased border traffic, infrastructure needs, and environmental concerns.

My decision to support the President's request for the authority to negotiate free-trade agreements under the fast-track approach has not been easy and I have taken it very seriously. My support for the fast-track extension hinged on the President's commitment to address my concerns with respect to the labor, environmental, and infrastructure needs of the United States-Mexico border region.

With respect to labor, I urged the President to consider the impact of the proposed trade agreement on retail, textile, and apparel industries. I requested sufficient funding and policy directives for adequate job training and retraining, and I expect the President to fulfill his commitment to "working with Congress to ensure that there is adequate assistance and effective retraining for dislocated workers."

The protection and enhancement of the border's environment has been one of my top priorities since I was elected to Congress in 1982. I believe that Mexico and the United States are concerned with preserving the environment and that both countries want to continue cooperative efforts to develop and implement programs to improve the environmental conditions along the border. The Environmental Protection Agency must be encouraged and supported to work with its Mexican counterpart, SEDUE, to implement programs such as the one authorized by my amendment to the Clean Air Act Amendments of 1990. In testimony before the Senate Finance Committee, EPA's Administrator, William Reilly, stated that the EPA is committed to implementing the new program under section 815 of the act, which allows EPA to "provide Mexico with extensive technical assistance on air quality regulation in the border area."

It is through these joint efforts that the border's environmental problems can be resolved in a comprehensive manner. Mexico has demonstrated that it is serious about doing its share and we must support its efforts; however, our neighbor to the south can only do what its resources allow it to do. A wealthier Mexico means that it can allocate additional inspectors and technology to ensure that its strict environmental regulations are enforced. Keeping Mexico poor is not in our best interest.

Those of us who represent the border have communities which are some of the most economically depressed in the Nation. It is unfortunate that our constituents have few resources, little income, and a low tax base. The region is plagued by the lack of water and wastewater facilities, substandard housing, inadequate infrastructure, high poverty and unemployment rates. I am pleased that so many in Congress have focused their attention on the environmental and economic problems of the United States-Mexico border region and have offered to help alleviate the situation; however, they are wrong when they use these problems as reasons why we should not proceed with the negotiations under fast-track procedures. It is precisely for these reasons that negotiations should move forward. The potential for economic development in the United States-Mexico border area is great, and a well-negotiated North American Free Trade Agreement [NAFTA] provides the best hope for communities on both sides of the border.

I urge my colleagues to vote against the Dorgan resolution and in favor of the Rostenkowski-Gephardt resolution.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 2½ minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, yesterday we voted $556 million for Kurdish refugees thousands and thousands of miles away. Yet for our own neighbor in our own hemisphere we have difficulty saying yes to free trade with Mexico, a friend.

Mr. Speaker, the vote today is whether we are going to become isolationist, we are going to shut our doors to a stronger hemisphere.

Why is it in our best interest to have a free-trade agreement with Mexico? First, it is more jobs and more markets for the United States. For $1 billion in exports we get 22,000 new jobs in this country. We limit immigration from Mexico coming into the United States, protecting American workers.

The world is moving into trading blocs: Europe in 1992, the Pacific Rim. We need to do the same in our hemisphere. We buttress and strengthen our ties with Mexico, a dynamic young country with a forward-looking President who wants to be our friend 100 percent.

This rule is fair. I say to my colleagues if you're against fast-track, you're against a stronger trade relationship with Mexico. You can vote "no," but the rule provides that. The rule also provides for the Congress for the first time to have a major say in trade negotiations through the Gephardt-Rostenkowski resolution.

□ 1050

We will have a say in workers' rights. We will have a say on environmental protection. We will have a say in job protection.

Mr. Speaker, this is an important issue that is going to mean whether the United States sits still economically internationally or we move ahead and join the community of nations and become economically No. 1 again.

There are two critical elements to the fast-track procedure:

The first is the authority of the U.S. negotiators to bring a final deal back to the Congress for approval or disapproval without amendment. This is the element that is getting most of the attention and criticism here today.

It has been suggested that there should be some midterm review of that process and that the rejection of that idea by the leadership is somehow a basis to defeat the rule and thus this whole process.

Let me remind my colleagues of the second key element of fast-track—and that is consultation. That is a fancy sounding word that requires USTR to discuss with us here in the Congress and with the private sector what its negotiating positions will be.

Now if there is a deficiency in the fast-track process, it may not be in the final approval process. It may be more the consultation process. We here in the Congress like to accuse the administration of not consulting adequately or even of ignoring our concerns. There are certainly instances of that in the past. But some of the fault may be here in the Congress.

It appears obvious to me that if the consultation process is working to allow us to participate directly in developing the U.S. negotiating positions, there would be no need for a midterm review. We have designated specific Members and committee chairmen to watch over the overall process on a continuous basis.

If that is not doing the job, we need to look at our own structure here in the Congress. This whole idea of a midterm review looks like an attempt to impose our legislative process on a negotiating process. We are a legislature. We like to use those legislative procedures that are familiar to us and effective for managing the development of legislation. I suggest to you that trade negotiations are not a legislative process. And we had better think twice before we try to impose such a process on a negotiating process—particularly in midstream.

Finally, it seems to me that we get the worst of all words with a scheduled midterm review on a date certain. First the negotiators on the other side will delay the tough issues and be unwilling to show their bottom line. Second, we end up airing our negotiating positions publicly and forcing our negotiators to pledge to hold certain U.S. positions and get certain concessions from the other side. In other words we give away much of the U.S. leverage and get nothing in return. Getting such commitments from the administration on legislation is often useful. That is between the Congress and the Executive. But in the case of trade negotiations you have a third party—or a hundred of them—who are not part of the process or making any commitment. It clearly won't work.

It is up to each Member here to represent his or her constituents and be active in the consultation process.

If we are going to have negotiation, let's do it right and not cripple our negotiators and ourselves at the outset.

Mr. DORGAN tries to argue that he supports negotiation as a major trade policy tool and supports negotiations with Mexico. But he thinks Congress should follow the normal or regular order on enabling legislation.

As a practical matter you cannot have it both ways. Certainly that's true on multilateral negotiations, but it applies as well to bilaterals.

The alternative is to not use negotiations to lower trade barriers in other countries. We would have to rely solely on retaliatory tools which set off trade disputes. We do not have a better alternative to negotiations between sovereign governments. Trade does not lend itself well to the use of force.

Congress has constitutional authority to regulate trade but cannot effectively negotiate. Granted the delegation of authority to the Executive can be abused. Mr. DORGAN's complaint may well be valid—with regard to Canadian wheat and rail subsidies. His solutions—elimination of fast-track—is not valid. It will only eliminate the U.S. Government's ability to negotiate effectively.

Additionally, at the outset, the President must notify the Congress of negotiations toward a bilateral trade agreement.

The administration consults with all Members with an interest, especially those on committees of jurisdiction over subject matters to be negotiated.

If there is opposition to negotiation, the Senate Finance or the House Ways and Means Committee may vote to take away fast-track for that negotiation during the 60-day period following notification.

Throughout the negotiating process, the administration consults closely to ensure that U.S. negotiating positions reflect congressional objectives and concerns.

For example, in the Uruguay round, Members of Congress served as advisers on the U.S. delegation. Indeed, at the Brussels ministerial in December, the U.S. delegation included 7 Members and 55 staffers.

After significant negotiating sessions, the administration routinely briefs Members and staff, whose advice on next steps is sought and reflected as negotiating positions evolve.

Congressional participation is not limited to the Finance and Ways and Means Committees.

We consult each committee that would have jurisdiction over the various issues in a trade agreement. In the case of the United States-Canada FTA, for example, that included then a dozen committees.

As the negotiations draw to a close, the President must notify the Congress 90 days before entering into an agreement and must consult with every committee with jurisdiction over legislation involving subject matters that would be affected by the trade agreement.

In the United States-Canada FTA negotiations, consultations with Congress resulted in U.S. negotiators returning to the table to obtain material modifications to the draft agreement during this 90-day period. Those modifications included, for example, deletion of maritime services for the agreement, clarification of some rules of origin, and improved tariff provisions—accelerated reductions for telecommunications equipment and furniture.

The close partnership between Congress and the administration intensifies during the process of crafting legislation to implement a negotiated trade agreement.

Congress and the administration together prepare implementing legislation with full participation and markups in every committee of jurisdiction.

In addition to reviewing the agreement and formulating any implementing legislation, Congress and the administration also work together on the "Statement of Administrative Action," which details how the agreement will be implemented through administrative action.

This process is not subject to time limitations and can go on as long as necessary. It is only after implementing legislation is actually introduced that the fast-track clock begins, requiring a vote in both Houses within 90 legislative days. This fast-track clock does not dictate a rushed process. Ninety legislative days translates into many more calendar days.

Because the administration has worked so closely with Congress during the negotiations and in the crafting of implementing legislation for previous agreements, the Congress has elected to vote its approval much earlier than required by the statute.

The overwhelming majorities by which each of the three agreements submitted under fast-track has been approved is convincing testimony to the success of the consultative process.

Indeed, fast-track actually enhances Congress' role in trade agreements. The notification and consultation requirements mean that the Executive cannot rush through negotiations ignoring congressional concerns. Were it not for fast-track, the administration could have begun negotiations with Mexico last June when Presidents Bush and Salinas endorsed a free-trade agreement and simply presented Congress with a fait accompli.

Fast-track is no more an abdication of congressional authority than it is of Presidential authority.

Article I, section 8 of the Constitution vests authority to regulate foreign commerce in the Congress, and article II vests the foreign relations power and the power to negotiate international agreements exclusively in the President.

If some who oppose fast-track had their way, we would each sit on our exclusive constitutional authorities and not be a player in the global economy.

But that is not the path our predecessors elected to go down in 1934, 1974, 1979, or 1988, and that is not the path we should choose today.

Rather, Congress and the Executive recognized that neither branch alone could successfully pursue a trade policy which is effective internationally and supported domestically. The result was the fast-track.

As the committee report on this provision in the 1988 Trade Act notes: Fast-track is a "careful balance between the President's ability to conduct foreign affairs and negotiate agreements and Congress' constitutional authority to regulate foreign commerce."

Let us preserve that balance and seize the opportunities at hand to negotiate good and strong agreements—agreements that will have the full support of the Congress and the private sector.

Agreeing to stick by a special procedure for consideration of legislation implementing trade agreements—agreements which the Congress helped shape—is in no way an abdication of Congress' constitutional rights or responsibilities.

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, I rise in opposition to this rule. It is wrong to combine fast-track with both Mexican free trade, a new agreement to be, and GATT, as Mr. LAFALCE noted, has been ongoing for 4 to 5 years.

There is a great deal of confusion—deliberately in my opinion—about what fast-track bargaining means. It has been cloaked and presented primarily as fast-track for Mexican free-trade negotiations, which is bad enough. But very little has been said about fast-tracking GATT, the agreement with many, many countries in the world. At this point, Mr. Speaker, I would like to remind my colleagues that GATT has been in existence since President Harry Truman's time and that in all of the years that GATT has been in existence, only one signatory to that agreement has lived up to all of the terms. And that is the United States of America.

What do we have as a result? A tremendous trade deficit, exportation of jobs, and getting our heads beat off in manufacturing.

Mr. Speaker, we cannot live only on caviar, movies, and rock music. We are not saying do not negotiate. We are saying let us negotiate with Mexico under similar terms as the European Community negotiated its formation and continues to negotiate slow and easy. We must allow for changes at the end by those responsible for the Constitution of the United States.

We are not saying become isolationists. We are saying do not ram it through. Give Americans time to understand what is going on, both in the Mexican free trade and with the General Agreement on Trade and Tariffs. Vote against this rule.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 2½ minutes to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I rise in very reluctant support of this rule and will vote yes on the Dorgan motion to disapprove fast-track. The Dorgan resolution is the only vote we have today that assures binding results. I stand here today on behalf of people on both sides of the border, not just on behalf of corporate profits. I speak out today to President Bush on behalf of every worker in America who has lost or will lose his or her job to Mexico or some other offshore tax haven for transnational corporations headquartered in the United States.

I also speak out on behalf of every exploited Mexican worker, those stooped over the farms of North America and those crammed into Mexico's factories, who are being paid 50 cents to $1 an hour, not even able to buy the fruits of their own labor.

I ask what kind of North America are we building? Would the Creator look kindly on our handiwork?

Today's votes are not really votes about trade; they are really about how Members of Congress can best use their votes to build more just and freer societies here in North America.

If Members have not traveled to Mexico, if Members have not visited its belching industrial and raw agricultural corridors and seen the pain of its people, if Members have no practical experience in dealing with fast-track trade authority, if Members have not stood in unemployment lines here in the United States, and if Members care about the American worker and our families, not just corporate profits, they should vote down fast-track authority today.

If my colleagues believe trade with developing nations should be placed in a larger context of expanded human rights and liberties, if they believe in decent wages, not 50 cents an hour labor, if they do not want Mexico to become a cheap manufacturing platform where foreign companies back door their goods into the United States, if they do not want the United States to become a true net exporting nation and if they believe North American competitiveness rests not on a low wage strategy but on improved productivity, investment in research and development and people's skills, and if they care about a North American that upholds the highest world standard of living, of decency and human liberties, then vote yes on Dorgan.

If a Member is concerned about GATT, the Dorgan motion will not stop GATT. A Member can be certain there will be another GATT bill up here before June 1. If a Member wants to move ahead with a comprehensive agreement with Mexico, that Member can be sure that that will come up here before midsummer, too. Vote yes on Dorgan.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I rise in support of extending fast-track authority and in support of the rule.

Mr. Speaker, I rise in support of extending fast-track authority and in support of the rule.

As we consider the extension of fast-track authority and a potential North American Free Trade Agreement, it is vitally important that we take the long view. Over the last 50 years, the world has experienced an explosion of economic growth and prosperity that has been fueled and sustained by the movement toward free trade. Unlike the rather miserable prewar years in which protectionist tariff rates were the rule, tariffs plummeted after the war. The spectacular result, in little more than a generation, is that Europe and Japan have rebuilt themselves from ruins, underdeveloped nations have risen from terrible poverty to enjoy living standards comparable to ours, and our own national income has increased several times over.

Perhaps even more important, free trade has led nations and individuals to consider the world in an entirely new way. It was common in the past for nations to believe that there was a finite amount of wealth in the world, and that the only way they could improve their station was by warring with their neighbors and building empires. Tojo and Hitler lived that mentality. Free trade has destroyed it. Today, nations know that there is a peaceful way to improve their condition; that the good fortune of one country does not mean the misfortune of others; and that they will benefit more by trading with their neighbors than attacking them.

In short, free trade is and has been an immense force for good in the world. Today a future is opening before us in which the nations of the world will be drawn together by peaceful trading relations and confidence that they can work together for their common prosperity. It is a future far happier than the centuries of violence and destitution now closing, and it is a future which depends on free trade.

If we oppose fast-track authority, I fear that we will cripple this free trade movement. We will not only ruin the prospects for a North American Free Trade Agreement, we will destroy the possibility of a new GATT agreement. It is quite possible that the world will begin drifting into hostile trading blocs and international tensions of all kinds will increase. I would not like to predict the consequences beyond that, but I will predict that if we vote down fast-track authority, we will be making a blunder of historic proportions.

Allow me to review briefly the economic case for free trade. It is based on the idea of comparative advantage, the simple insight that nations can benefit by emphasizing the production of those things they are best able to produce. As Adam Smith explained it:

> If a foreign country can supply us with a commodity cheaper than we ourselves can make it, better buy it from them with some produce of our own industry employed in a way in which we have some advantage.* * * In every country it always is and must be the interest of the great body of the people to buy whatever they want of those who sell it cheapest. The proposition is so manifest that it seems ridiculous to take any pains to prove it * * *.

Smith draws an analogy with a private family. Just like a nation, a family could attempt to practice restricted trade. Its members could try to grow their own food, build their own house, sew their own clothes, and they might even scceed. Their lives would, however, always remain hard and poor. Obviously, a much better course would be for the family to emphasize those tasks it does best, and to buy other goods they need from people who can produce them with less effort than the family. Not only would the family members have a much easier life by emphasizing their comparative advantage, but they would find themselves becoming continually more prosperous. Smith concludes: What is prudence in the conduct of a private family can scarce be folly in that of a great kingdom. This insight is as simple as it is profound. And it has remade our world.

The free-trade agreement soon to be considered would perfectly illustrate this view. There is the potential for a great partnership between the United States and Mexico—a partnership in which the high technology and productivity of the United States is teamed with the low labor costs and huge consumer market of Mexico. In the process, we will help the Mexicans rise from poverty and they will help us move to even greater prosperity.

We can get a clear indication of the benefits of trade with Mexico by looking at our experience since 1986, when Mexico first began to open its markets significantly.

From 1986 to 1990, our merchandise exports to Mexico increased by 130 percent, from $12.4 billion to $28.4 billion. This growth rate is almost twice as rapid as the growth rate of U.S. exports world wide.

During the same period, our agriculture exports to Mexico rose 134 percent, to a total of $2.5 billion in 1990. Mexico is now our fourth largest market for agricultural products.

Our exports of consumer goods to Mexico have tripled since 1986, rising from $1 to $3 billion.

This vast expansion of our trade with Mexico has created over 264,000 jobs in the United States since 1986, according to the Commerce Department. There are now over half a million Americans working in jobs related to our merchandise exports to Mexico.

These are enormous gains that would only have been possible through the reduction of Mexican tariffs and other restrictions. A free-trade agreement with Mexico would not only lock in these gains and prevent protectionist elements on either side of the border from destroying the progress that has already been made, it would also allow further progress to be made.

The administration's formal response to FTA issues—transmitted to Congress on May 1—describes three highly respected studies addressing our economic future under a free-trade agreement with Mexico. One was conducted by the International Trade Commission, one by the accounting firm Peat Marwick, and another by scholars led by Dr. Copper Almon. All three studies are unanimous in predicting increased U.S. GNP, increased U.S. exports and increased U.S. employment. Some specifics:

> The ITC predicts higher U.S. wages for both higher and lower skilled U.S. workers.
>
> U.S. exports will increase by an additional $10 billion per year by the end of 10 years. Our exports to Mexico will be 28-percent higher by the end of the decade as a result of an FTA—Clopper Almon.

Our net new job creation will be 64,000 within 10 years.—Clopper Almon.

These benefits are substantial, and there is strong reason to think that they are much understated, especially for the long run.

That a free trade agreement will benefit the United States is clear. But I know that some groups opposing free trade—notably the AFL–CIO, which rarely misses an opportunity to line up on the wrong side of history—argue that it will hurt Mexican workers.

The argument that Mexican workers will be hurt by this agreement leaves me absolutely incredulous. Trade is the only way that we know of by which underdeveloped countries can lift themselves out of poverty. Massive foreign aid doesn't work; it merely makes them dependent. Socialist central planning doesn't work; it merely gives them rusty steelmills and terrible oppression. The only hope that underdeveloped countries have is to find and employ their comparative advantage and trade with other countries. If we deny Mexico the right to trade with the United States, and make it more difficult for our own companies to cooperate with Mexican workers, we will be assigning them to poverty, stagnation, and ultimately political upheaval.

No reasonable person argues that the Mexicans are worse off than they would otherwise be because their country exports billions of dollars of products to the United States. No reasonable person, in my opinion, can argue that they will be worse off if that trade is expanded and their business gets even better. And I might humbly suggest that the Mexican people, who strongly support this agreement, are better judges of their interests than are the lobbyists of the AFL–CIO.

This short-term gain to both sides is important, but again, it pales before the larger significance of the free-trade issue. To our Nation's great glory, we have supported free-trade throughout the modern era. If we betray that cause now by opposing free-trade agreements and the procedural rules that make them possible, we will be sponsoring a great tragedy. Much more is at stake here than many partisans on either side of this issue realize.

Mr. DREIER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Speaker, I rise in support of the rule and in support of fast-track. A wise man once said, regarding countries, "They can choose their friends, but they cannot choose their neighbors."

Indeed, the neighbors that we have had to the South as well as the North have given us a period of prosperity unknown to most countries in the world. All we have to do is look at the success, so far, of the Canadian Free-Trade Agreement to tell us what the future might be as it relates to our neighbors to the south.

My own State of Ohio, for example, has increased its trade to the point where we are now the fourth largest trading partner with Canadians. As it relates to Mexico, we have increased our trade by 53 percent in the period during the time that President Salinas has been the President of Mexico. The opportunities are endless, if we take the bold initiative that we have to do to create trade.

For every billion dollars of trade that is created in exports, 25,000 jobs are created in the United States of America. I think that is a wonderful record, something we should be proud of, and continue to pursue exports as best we can.

The real question we have today is, are we going to listen to the voices of temerity, of fear, of going backward in a reactionary way? Or are we going to look to the future and what it holds in terms of open and free trade from the Yucatan to the Yukon?

I suspect that we can answer that question by a vote for the rule and against the Dorgan amendment.

Mr. BEILENSON. Mr. Speaker, for purpose of debate only, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. ROSTENKOWSKI], chairman of the Ways and Means Committee.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in support of House Resolution 158, setting forth the rule for consideration of House Resolution 101 and House Resolution 146 relating to the extension of fast-track procedures for implementation of trade agreements. I believe this rule is fair. It allows for full debate on the issue of fast-track, and gives Members the opportunity to vote on whether fast-track should be extended. It also provides for consideration of House Resolution 146, a sense of the House resolution relating to the extension of fast-track.

As most of you know, under existing rules, it would not have been in order to even consider House Resolution 101 on the floor, unless it was reported by the Committee on Ways and Means and the Committee on Rules. The Committee on Ways and Means allowed House Resolution 101 to be reported adversely to the House, even though it was defeated 27 to 9 in committee, so that all Members of the House would have the chance to vote on this important issue.

I recognize that some Members would like to have had the opportunity to offer amendments to House Resolution 146. However, I believe that House Resolution 146 is carefully balanced in its current form. It expresses the concerns of many Members about issues that need to be addressed in trade negotiations. It stresses the importance of the congressional role in the negotiations, and reinforces the need for the administration to fulfill its commitments in order to maintain the fast-track authority. It does all of this without undermining the administration's ability to negotiate an agreement which optimizes U.S. negotiating objectives.

While I actually support the goals of some of the proposed amendments which have been discussed, I strongly oppose others, such as the concept of a midterm review. However, I believe it would be impossible to draw the line to allow some amendments to be offered without allowing others. I believe the whole process would unravel if we started down the road of allowing any amendments.

Mr. Speaker, I strongly support House Resolution 158, and urge the support of my colleagues as well.

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Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New York [Mr. RANGEL], a member of the Committee on Ways and Means, and the host of the New York congressional troops.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, I rise today in opposition to the rulemaking in order House Resolution 101 and House Resolution 146.

This is a complex issue. It is complex because we don't want to offend the sensitivities of the Mexican Government. We don't want to offend the sensitivities of the President. We don't want to offend the sensitivities of the Trade Representative. And we certainly don't want to offend the sensitivities of our business leaders.

However, Mr. Speaker, in all our efforts to be sensitive to needs of all these important people, I am afraid we have lost our sensitivity to the needs of average Americans.

Without question, the single, most important domestic issue facing our country is drugs and drug-related violence. And the problem with extending fast-track authority for talks with the Mexicans is that there is no indication from the administration that narcotics trafficking will have any part in those talks whatsoever.

Today, half the cocaine arriving in the United States comes through Mexico. Mexico is also a major source of heroin and marijuana coming into this country. Assuming these trade negotiations succeed, the resulting increase in cargo will greatly enhance opportunities for transport of illegal drugs across our borders.

I raise this issue as no criticism of President Salinas or his government. Indeed, he has made drug control a central priority of his administration and I am assured that cooperative anti-drug efforts between our two nations are the best they have ever been.

However, I do raise this as a criticism of our own administration, particularly those at the State Department and the Office of the Trade Representative who have consistently and regularly soft-peddled the drug issue in their dialogs with other nations. It is absurd that we in the Congress would allow a rule on trade with Mexico to come to the floor without a provision allowing debate on the question of international drug trafficking.

Mr. Speaker, violent crime in America increased 10 percent last year. Most of that increase was in some way related to the trafficking and use of illegal drugs. The American people understand that. And it is unfortunate that negotiators like Ambassador Hills and Secretary Baker do not.

It is unfortunate that our policymakers fail to see that this proposed agreement with Mexico is an opportunity—an opportunity to make trafficking in illegal drugs a priority in international relations and to ensure that cooperative antidrug efforts between Mexico and the United States again will continue to be an integral part of our economic future.

I am not a believer in polls. However, I can tell you if you spent a day on any street corner in my district and ask people what the Government could do to make their lives better, you would never hear the words "Free Trade with Mexico."

But, I can tell you that every person you talked with would emphatically say something about illegal drugs. They would tell you they are fed up with being prisoners in their own homes, fed up with drug-related violence on their street corners, and fed up with worrying about the safety of their children as they walk to school or play in a neighborhood park.

They want something done about drugs coming into our country and Mr. Speaker, they don't care whose sensitivities are offended in the process.

Mr. Speaker, the foreign policy of the United States—and certainly our trade policy—should be fully reflective of America's commitment to fight illegal drug trafficking. I would never ask that the President's hands be restrained in diplomatic talks. However, I do believe it is essential that diplomats who speak for our Nation send a clear and unequivocal message that cooperative drug enforcement is an essential component of a sound economic and political relationship with the United States. That has not been the case in the past, and for that reason, I can not in good conscience support a rule which shuts out debate on this issue.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Ohio [Mr. REGULA], a member of the Committee on Appropriations.

Mr. REGULA. Mr. Speaker, the U.S. Constitution, article II, section 2, says, "He," meaning the President, "shall have power by and with the advice and consent of the Senate to make treaties." We can add to that the House of Representatives. Both advice and consent are essential components.

Mr. Speaker, I rise in opposition to the rule, because I think that the Gephardt-Rostenkowski resolution should be expanded. We have heard so much in the debate about a Mexican free-trade agreement. There is not any Mexican free-trade agreement. We are debating a phantom.

Mr. Speaker, what we are talking about today is a procedure, a procedure to allow the President to negotiate, not just with Mexico, but with 107 nations in Europe on the GATT agreements vital to our Nation's future. From 1983 to 1989 we were the world's largest exporter. Today it is Germany. It is going to be part of the European Common Market. It is vital that we reach agreement with the EC and the other 107 nations on a GATT agreement. We cannot do it without fast-track.

But, it is important that the administration has the advice of the Congress. I think we should oppose this rule and get a new rule that would allow the Levin-Regula amendment, which provides: First, midterm review by Congress on these negotiations, second, economic impact analysis; third, a report to Congress on reaching congressional negotiating objectives; and lastly, environmental consequences and labor, health, and safety issues.

Mr. Speaker, those are the concerns expressed in the debate thus far. The Levin-Regula amendment to Gephardt-Rostenkowski resolution would allow us to participate in the process, and then we would not be faced with a take-it-or-leave-it agreement at the end of the process, which is a concern of all Members.

Mr. Speaker, I hope Members will vote this rule down and that the Rules Committee will come back with a rule that allows the Levin-Regula amendment in order to the Gephardt-Rostenkowski sense of Congress resolution.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to a very distinguished member of the Committee on Ways and Means, the gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. I thank the gentleman from California for yielding.

Mr. Speaker, I rise in favor of the rule, a closed rule, because I rise in favor of the process today, not necessarily the product.

This closed rule expedites the process in this House, but it also protects dissent. As the chairman of the Committee on Ways and Means pointed out, we are considering a resolution today that was defeated 3 to 1 in the committee. Yet, it is before this body today. We are also considering a resolution on fast-track, the Rostenkowski-Gephardt resolution, which would not even be here if the chairman of the Committee on Ways and Means and the chairman of the Committee on Finance in the other body had not insisted on and received concessions from the White House.

Mr. Speaker, why is there a Rostenkowski resolution? Because it was felt necessary to gain some concessions on some accommodation from the White House before we even began the deal. Really, parliamentarily, if we wanted to be cute, all of us that support fast-track should vote against this rule, because then we kill the Dorgan resolution and fast-track proceeds. I do not encourage that. I support the process to expedite the procedure.

Mr. Speaker, the bottom line here if one is in favor of the Dorgan resolution, you have to support this rule.

Mr. DREIER of California. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the distinguished gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I rise in support of this rule today on fast-track. It is a straightforward rule. It puts Republicans, myself included, in an unusual position of supporting a rule that is closed, something we do not like, and something I do not normally support.

Mr. Speaker, this rule is the exception that proves, if you will, that rule. I have supported other closed rules on such issues as tax matters. This issue clearly demonstrates the need for a closed rule, because a closed rule is uniquely suited to this fast-track process.

Mr. Speaker, fast-track is a very simple, straightforward, up or down vote. We either today say "yes," or we say "no," to carrying on negotiations with Mexico under a fast-track process. To not have this rule is to open up the process to the amendments of the type we would have if we do not have fast-track. We should keep that in mind in this debate.

The question here is whether we are going to have fast-track, or are we not going to have fast-track. Ironically, much of the opposition we have heard to this, and the opposition we have heard in our offices, has come from labor unions, who say they are not really opposed to a free trade agreement, they are just opposed to fast-track.

Mr. Speaker, I would say to them, we are asking for nothing more today than the process they use in their own labor union negotiations. I know of no labor union that allows for the membership to amend an agreement after it is negotiated, when it comes back to the membership for a vote. There is a simple yes or no vote. If it is rejected, the negotiators go back for a new negotiation and a new agreement. We are asking for the same process.

Mr. Speaker, give the President the same authority that any union leader would have in negotiating, to negotiate the best agreement, and bring it back to the membership, either the membership of the union, or, in this case, the membership of the United States, expressed through the will of their representatives in Congress.

Mr. Speaker, this debate, of course, is about more than just the process. The debate we are hearing already is about the substance, and the issue is whether or not we ought to have more trade, more open trade, with our neighbor to the south.

Mr. Speaker, there are those that fear the consequences of that, but I say the benefits are already obvious to us. Exports to Mexico from 1987 to 1989 have risen more than 100 percent, from $12 to $28 billion; 227,000 jobs in the United States have been created since 1987 just by exports to Mexico.

Mr. Speaker, we hear talk about losing jobs. What about the jobs we are gaining, the jobs that are being gained in the United States as a result of our exports to Mexico?

Mexican barriers to trade, tariff and nontariff barriers, will have to be lowered far more than ours under any free trade agreement. So the immediate benefits to the United States will be far greater than they would be to Mexico.

Mr. Speaker, trade is not a sum zero game. We all benefit from greater trade, and we should support this rule and oppose the Dorgan resolution.

Mr. DREIER of California. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore (Mr. McNULTY). The gentleman from California [Mr. DREIER] has 3 minutes remaining.

Mr. DREIER of California. Mr Speaker, to close the debate, I yield 3 minutes to our very distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, it is rather ironic that I should be here this morning urging a vote for the previous question and the rule to make in order a resolution disapproving what I approve of. But I think we should get back to the process here. I will hopefully have some remarks to make, if the rule is adopted, during the time on the resolution itself and the substance of it.

Mr. Speaker, we are dealing with process here. I find myelf very proudly in agreement with the Speaker, with the distinguished gentleman from Florida [Mr. GIBBONS], and other distinguished Democrats, as well as the vast majority on our side over here who support what the President wants, by way of not necessarily fast-track, but a 2-year extension to be able to negotiate trade agreements.

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I think the whole thing has been somewhat of a misnomer, that we are trying to pull a fast one when, as a matter of fact, 2 years is quite an extensive period of time.

But the point is, as the chairman pointed out so well, there may be an overwhelming vote against a motion of disapproval. But we are still honoring a commitment that the House will have an opportunity to vote on it, and respect the rights of each and every one of you who have differing views than I do. This is your opportunity. Ironic then that those who favor the motion of disapproval should say vote down the rule that gives you an opportunity to speak.

Some would prefer that, quite frankly. They would say that this is an easy way to get rid of this baby. There will be no resolution of disapproval in this House, they would say, hopefully there would not be one in the Senate, and we got our way.

But what we are saying here is in the interest of fairness. My friends, we are giving you that opportunity to have your say, up and down, have a full, aerated debate, and that is the way this House, as an institution, ought to operate, giving everybody an opportunity to the lowest minority Member or group of minority Members to express their point of view. Then we will abide by the will of the House on any given day as to what the will of the majority is.

So I would urge you finally, my friends, to think in terms of that agreement that has been cast, yes, by your leadership and those responsible here to vote yes on the previous question, vote for the rule, and then we will take our chances on what happens later in the day.

Mr. DREIER of California. Mr. Speaker, I would simply say that this is a closed rule and it is a very unique situation for us to urge support of a closed rule. The gentleman from Illinois covered it very well.

We need to give the President the opportunity to proceed with these negotiations which will create opportunities for Americans as well as Mexicans and Canadians and other members of the General Agreement on Tariffs and Trade. I urge support of this rule.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise in opposition to the House Resolution 158 which guides this body as we address the President's request to the Congress for a 2-year extension of fast-track authority to negotiate this Nation's trade agreements with GATT as well as Mexico. This rule will not provide the opportunity to address this issue completely. As with all trade agreements, the issues are serious and harbor grave consequences. The North American Free Trade Agreement offers no exceptions.

I am not convinced that the legislation that we will consider today goes far enough to assure the necessary safeguards and protections for U.S. industries and its workers facing potentially increased competition from imported products.

This is an important issue for both Mexico and the United States. I believe that all of our colleagues here in the Congress want to see trade barriers broken so that goods and services may flow across many borders and enhance the social and economic well-being for all people, but we must be cautious and make the right deal.

When I think of the Maquiladora Program, I am not so sure that I can say that the social and economic well-being of poor Mexican workers has been improved. One would presuppose that when a manufacturing plant locates in their community, the living conditions would change for the better. Mr. Speaker, this has not been the case in the Maquiladoras. Simply put, Mexican workers are being exploited and the companies are raking in large profits. My concerns for decent labor, health and safety standards, which many others have expressed, do not outweigh my concerns for Hispanics. I have been involved with labor all my life and my convictions for human dignity has not diminished.

I support a North American Free Trade Agreement that is fair and represents sound, responsible social policies. Therefore, I ask my colleagues in the House to vote down this rule so that we may have the opportunity to consider other amendments that would give this body a better opportunity to monitor trade negotiations with Mexico.

Mr. BEILENSON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in opposition to the rule.

The rule under consideration essentially requires us to vote either yes or no for fast-track procedures for trade agreements with Mexico and GATT.

My view is that we should not be faced with this fast-track or no-track decision. Congress has authority over trade agreements and we should be very reluctant to abdicate our responsibility to legislate.

Effective legislation requires the ability to propose and consider amendments where appropriate. The House has often fashioned rules to permit limited but important amendments to legislation. The same type of rules could certainly be adopted for the consideration of trade agreements.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield my remaining time to the very distinguished chairman of our Committee on Rules, the gentleman from Massachusetts [Mr. MOAKLEY].

The SPEAKER pro tempore (Mr. McNULTY). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1½ minutes.

Mr. MOAKLEY. Mr. Speaker, I rise in support of this rule. This rule is a fair rule allowing for a vote on a resolution to disapprove the President's request for an extension of fast-track and a resolution that expresses the sense of the House on negotiating objectives that the Congress is concerned with.

I would submit, Mr. Speaker, that an effort to defeat this rule is misguided and counterproductive. To defeat this rule is to prohibit any vote on the extension of fast-track. Let me remind

Members that if the Dorgan resolution is not adopted by May 31, the President is given the fast-track authority absent congressional action. To defeat this rule is to not allow the House to express its concerns on negotiating objectives.

Members are complaining that this is a rigged process by not allowing amendments to be offered on drugs, mid-course reporting, and possibly a host of other issues. It is the considered judgment by the Rules Committee that the Dorgan resolution, and the Gephard-Rostenkowski resolution, offer Members the two main choices available. The amendments that were not made in order to the Gephardt-Rostenkowski resolution are changes on the margins, that don't present major policy decisions, that have to be made by the House. Under this rule the choices are clear, first, do we approve fast-track, and second, do we send a strong signal to the administration that the Congress is concerned about worker rights, environmental protection, health and safety standards, and the possible loss of jobs that may result from a North American Free Trade Agreement.

This is a good and fair rule and I urge Members to support it.

Mr. CLINGER. Mr. Speaker, we missed an important opportunity today.

Representative CHARLES RANGEL, chairman of the Select Committee on Narcotics Abuse and Control, had proposed an amendment to the Gephardt-Rostenkowski resolution on fast-track. The amendment would have required trade negotiators in Mexico and the United States to assure that aggressive cooperative efforts to stem trafficking in, production, and abuse of, illicit drugs be implemented.

Because the Rules Committee recommended a closed rule, this amendment never had a chance.

Even though I plan to vote in favor of the rule today, I strongly believe this amendment would have helped to enhance United States/Mexican cooperation on counternarcotics. Its concept and intent had great merit.

As we all know, our country continues to do battle with an outrageous drug problem. Mexico is the largest foreign source of marijuana and one of the largest sources of heroin sold in the United States. On top of that, most of the South American cocaine entering this country travels via Mexico. It would make sense, if we are serious about reducing the drug problem, to take steps that would serve to strengthen our hand, rather than limit our options.

As future trade negotiations are considered, I am hopeful some type of counternarcotics provisions can be incorporated into the policy that develops.

Mr. PANETTA. Mr. Speaker, I rise in opposition to the rule on House Resolution 101, which unwisely fails to separate the issues of fast-track authority for trade negotiations in the General Agreement on Tariffs and Trade [GATT] from similar authority to negotiate a North American Free Trade Agreement [NAFTA]. I would like to go on record today as one opposed to the extension of such authority for the purposes of negotiating a NAFTA but supportive of fast-track authority for the completion of the GATT Uruguay round talks. Unfortunately, we do not have the opportunity to vote separately on each of these issues. Accordingly, I will be voting against the rule disallowing separate votes on each issue. Having stated my opposition to the rule, however, I cannot in good conscience support a resolution disapproving fast-track authority for the GATT talks. Inasmuch as I oppose fast-track authority for the NAFTA, the GATT negotiations represent the work of many nations over several years. The impending GATT agreement is a combination of several very important international trade accords. To impede its progress at this late hour would be folly. To require congressional involvement in the GATT simply in order to prevent fast-track authority for the NAFTA would also cause more damage than good to America's trade relations with the world.

As the representative of the bountiful 16th district of California, I am elected by a region that includes some of the most productive fruit and vegetable farmland in the country. Viewed in that perspective, the proposal to extend fast-track authority for a North American Free Trade Agreement would be devastating to the farmers and workers I represent.

I speak for a district whose lifeblood is agriculture and a district that has experienced a significant rise in Mexican agricultural competition in several critical commodities. I speak for a district that has seen nine processing plants pull out for cheaper labor and lower standards in Mexico, resulting in a loss of 5,700 jobs. I cannot lend my support to a rule that would exacerbate this condition by lifting Congress' responsibility to approve the particulars of the North American Free Trade Agreement.

It is also my duty and obligation, however, to view such a venture from a national perspective. Most experts agree that free trade with Mexico is a good idea and that it will aid our national economy. In the long term, this analysis is clearly correct. Yet, from both a local and national perspective, serious attention must be paid to the ramifications of such an agreement on specific industries and workers. I support the philosophy and practice of free trade. But trade must be fair in order to be truly free. The administration's strong assurance of fairness in execution is paramount, therefore, in assessing the wisdom of fast-track authority.

The administration cannot ask for, nor expect, congressional support in the absence of specific guarantees. Our concerns, for example, were not adequately addressed through the general report issued by the administration earlier this month, which was meant to assuage short-term anxieties over entering into a free trade agreement with Mexico. The assurances must be concrete, precise, and binding and they must address long-term objectives for industries most likely to suffer, such as fruit and vegetable concerns.

In 1989, the United States imported 90 percent of Mexico's agricultural exports yet supplied only 75 percent of Mexico's imports. Mexico's fruit and vegetable exports have more than doubled from $500 million in 1979 to approximately $1 billion in 1989 and comprise 40 to 45 percent of Mexico's total farm exports to the United States in recent years. These percentages will only increase for Mexico if trade barriers are removed.

A report done by the United States International Trade Commission in 1988 concluded that "since the early 1980's, foreign suppliers, particularly Mexico, have penetrated the United States market, eroding the dominant position United States suppliers have traditionally held in the domestic market." This has resulted in a direct impact on domestic employment in the agriculture industry, with an estimated 32,000 jobs lost. American industries and workers cannot be expected to bear the burden of our efforts to improve economies abroad.

Questions remain on environmental and food safety issues. How can we be sure that standards would not be compromised or at least weakened by an agreement negotiated by the Bush administration and held up to Congress for an up or down vote? There are at least a dozen pesticides not registered for use in the United States but used by Mexican producers. Will the administration, in its rush to conclude an agreement, compromise our standards in this regard? The question may honestly be asked, can Mexico really improve its working conditions, its wages, its environmental laws, and enforcement and its health standards? These are considerations I believe Congress should shoulder in examining both fast-track authority and the final agreement.

I raised these doubts with the President in a recent meeting, and he has given me his personal assurances that my concerns will be addressed in the NAFTA. By law, if fast-track authority is granted, Congress will be consulted on the terms of the agreement. I understand that a balance must be found between the costs and benefits in all industries to improve conditions on both sides of the border as we look toward meeting the challenges of a new century in world trade. However, my reservations about the administration's commitment to my community's concerns remain deep.

As I mentioned, I view the issues of fast-track authority for a NAFTA and for the GATT as discrete questions that ought to be considered separately. I want to affirm my support for the extension of fast-track authority for the GATT negotiations. Fast-track authority is both appropriate and proven in world negotiations. The United States, as one partner in a large group of nations, should not further delay the conclusion of the GATT agreement. The talks remain tenuous enough that I believe the revocation of fast-track authority by Congress might constitute a mortal blow to the talks. Further, we ought not to change the rules of the game at this late stage of the talks, whose multilateral nature prohibits unnecessary congressional interference.

Mr. Speaker, I do not prejudge the character of a North American Free Trade Agreement, but I would argue that the Congress should be involved in overseeing its negotiation. I would welcome the chance to review a NAFTA in detail upon its completion. An agreement of such importance to our Nation's economic, health, and environmental future should be subjected to Congress' closest scrutiny. The fate of our fellow workers demands it. Congress has successfully and expeditiously approved many trade agreements in the past 20 years without the benefit of fast-track authority. I regret that we will not, in all likelihood, have the opportunity to assume that responsibility on what will perhaps be the most important trade agreement to Americans in all walks of life. I cannot and will not support the extension of fast-track authority for a free trade agreement that may not be fair to our workers and consumers.

At the same time, I will not be a party to slowing or blocking the conclusion of the GATT talks. Let our GATT negotiators conclude their hard fought and lengthy negotiations. Above all, let us learn from the lessons of this debate: Free trade is not just about tariffs and quotas. It is about jobs gained and lost, about immediate and real effects at every level and aspect of society and the environment and it is about the rights of men, women, and children everywhere. The world's progress in the harmonization of the rights of mankind speeds onward. Caught up in this great rush, we must continue to take care that the poorest of the poor and the bulwark of society—the working classes—do not suffer in the process. If our trade negotiators are enlightened, they will heed the needs of displaced workers, exploited workers, and the fragile environment. Trade must be fair to be truly free.

Mr. VENTO. Mr. Speaker, I rise in opposition to the rule for consideration of the so-called fast-track resolutions, House Resolution 101 and House Resolution 146.

I am concerned that the closed rule on House Resolution 146, the Gephardt-Rostenkowski resolution, does not permit an amendment which would separate the question of fast-track authority for a Mexican free-trade agreement from continuing such authority for the GATT [General Agreement on Trade and Tariffs]. Indeed, the rule does not permit an amendment which would protect the prerogatives of the House in a procedure which seems designed to relegate the Congress to the role of being a minor role, ratifying any subsequent trade agreements with Mexico and Canada.

I support a rule which would allow the gentleman from Michigan [Mr. LEVIN] the opportunity of offering an amendment which would require an interim congressional review of the United States-Mexico negotiations, an analysis of the agreement's economic impact, and an assessment by the administration of the progress it has made in meeting its commitments to the Congress in a number of areas related to such an agreement.

Alternatively, if Mr. LEVIN cannot offer his amendment, I will vote for House Resolution 101 by Mr. DORGAN, which specifically disapproves the automatic extension of fast-track negotiating authority on trade agreements.

While there has been substantial progress in the GATT negotiations in a number of critical areas and while the fast-track procedure may be particularly applicable to such a multilateral trade negotiation process, I am deeply concerned about the possible consequences of extending fast-track authority to a bilateral free trade agreement with Mexico. There are simply too many outstanding questions to be resolved in too many critical areas for this Congress to agree to a procedure where we waive the right to amend an agreement that may not prove to be in our Nation's best interest.

President Bush and Ambassador Hills have sent their assurances to Congress that they will work to alleviate concerns about dislocated workers, health, safety, and environmental issues, but we have heard such assurances before which were later ignored. Even in the present instances, while the President states his concern for workers who may be dislocated because of a Mexican free-trade agreement, he does not call for additional funding for existing Federal programs in his current budget submissions.

I am concerned, too, about a procedure which may permit the administration to achieve through a trade agreement ratification process what it cannot achieve separately through the legislative process on questions of deregulation. Indeed, the Bush administration has made plain its desire to use trade agreements to further its deregulatory agenda. Initially, the administration even refused to admit that environmental protections were affected by trade agreements and refused to include such items in trade negotiations. Now, with a Mexican free-trade agreement on the horizon, the administration offers assurances of its good faith on strict enforcement of environmental protections.

Do fast-track trade agreements permit challenges to U.S. environmental laws? Yes, they do. Canada is now challenging the United States ban on asbestos under the 1988 United States-Canada Free-Trade Agreement. Also, Mexico is challenging the United States Marine Mammal Protection Act, which restricts tuna caught with dolphin-killing techniques, using GATT. What other challenges against United States laws in the areas of occupational health and safety, workers' rights, and environmental standards may we expect from Mexico if we rush into a free-trade agreement with no right to perfect such an agreement through the amendment process?

I do not believe that we can never negotiate a Free-Trade Agreement with Mexico. The real question before us is will we establish a negotiating process that assures a good agreement which will be both fair and free and which will take full account of American interests. It is definitely not in our interest to support a process which would lead to a mass migration of American jobs to Mexico or a weakening of United States laws which protect our environment. Without a full process for the congressional and public debate of the agreement.

Some have suggested that unless Congress extends fast-track authority, no one will want to negotiate any trade agreements with the United States. I would remind my colleagues that the United States is still the largest, most accessible, and most profitable market in the world. Does any one really believe that our trading partners will ignore that fact? Any trade agreement that is truly in this Nation's best interest will withstand careful scrutiny. I urge my colleagues to join me in voting for the Dorgan resolution to disapprove the extension of fast-track negotiating authority.

It should be borne in mind that the so-called fast-track authority is a recent procedure and that the Congress and past administration have approved major trade agreements, in fact, almost all our trade agreements without such a truncated procedure. Congress need not subordinate itself regarding the very real concerns with any Mexican free-trade proposal that may be developed. We surely should trust ourselves and fulfill the job that we have assumed as representatives for the people's voice.

Mr. PENNY. Mr. Speaker, I rise in strong support of the rule for House Resolution 146, the Gephardt-Rostenkowski resolution dealing with fast-track trade negotiating authority.

The Gephardt-Rostenkowski resolution expresses support for fast-track authority on the expectation that the President will fulfill his commitments regarding labor and environmental concerns in a potential United States-Mexico Free-Trade Agreement. I support the resolution, and I also believe that the President will honor his commitment to the Congress and the American people by addressing these concerns.

The rule allows the Members of Congress clear up-or-down votes on fast-track. It should be remembered that these votes are procedural—we are not voting on trade agreements today, but on trade negotiating authority. This authority is crucial if our trade negotiators are to enter into meaningful negotiations with Mexico as well as develop a successful conclusion to the Uruguay round of the GATT. At that time, the Congress will look closely at the agreements, weigh the pros and cons of any agreements, and vote accordingly on approval or disapproval of the agreements.

Finally, it is important to note that the Congress is engaged and will continue to be engaged in the trade negotiating process. One merely has to look at the detailed action plan that the President presented to the Congress and the commitments he has made to continue this dialog on trade.

I urge my colleagues to support this rule, and to support fast-track authority.

Mr. STARK. Mr. Speaker, I support Representative LEVIN's effort to ensure better congressional oversight of the trade negotiations with Mexico.

I have one overwhelming memory of the Tokyo round trade negotiations that concluded in 1979: Our trade negotiators at that time openly and blatantly and repeatedly lied to the Congress about what they had given away to the Europeans. The issue was DISC: the Domestic International Sales Corporation tax loophole. I didn't like DISC. It was a loophole. In the name of tax reform it should have been repealed.

But a majority of the Congress and the Ways and Means Committee disagreed and did not want it given away. Time and again the committee asked the negotiators whether it was in danger and told them not to give it away. Time and again the negotiators swore it was not going to be negotiated away. When the dust settled, DISC had been promised away—and we basically heard about it from the European press.

Trade negotiators ask you to just trust them. The Tokyo round experience shows they were willing to lie massively to get a deal. And they want us to respect them in the morning and trust them again.

If you don't like surprises that cost your constituents jobs, vote for LEVIN.

The SPEAKER pro tempore. All time has expired.

Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

PARLIAMENTARY INQUIRY

Mr. MICHEL. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MICHEL. Mr. Speaker, is the question that is put on the previous question?

The SPEAKER pro tempore. No, it is not.

The previous question is ordered, without objection.

The question is on the resolution.

RECORDED VOTE

Mr. WISE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 274, nays 148, not voting 9, as follows:

[Roll No. 114]

YEAS—274

Allard
Anderson
Andrews (TX)
Annunzio
Anthony
Archer
Armey
Aspin
Atkins
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Boucher
Brooks
Broomfield
Bunning
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Chandler
Chapman
Clement
Clinger
Coleman (MO)
Coleman (TX)
Combest
Condit
Cooper
Coughlin
Cox (CA)
Cox (IL)
Coyne
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeLay
Derrick
Dickinson
Dicks
Dingell
Dixon
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Eckart
Edwards (OK)
Edwards (TX)
Emerson
Fascell
Fawell
Fazio
Fields
Fish
Foglietta
Ford (MI)
Franks (CT)
Frost
Gallegly
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Hefner
Herger
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hubbard
Huckaby
Hutto
Hyde
Inhofe
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (NC)
Kaptur
Kasich
Kennelly
Klug
Kolbe
Kopetski
Kostmayer
Kyl
Lagomarsino
Lantos
LaRocco
Laughlin
Leach
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lowery (CA)
Machtley
Markey
Marlenee
Martin
Martinez
Matsui
Mazzoli
McCandless
McCrery
McCurdy
McDermott
McEwen
McMillan (NC)
McMillen (MD)
McNulty
Michel
Miller (OH)
Miller (WA)
Mink
Moakley
Molinari
Montgomery
Moorhead
Morella
Morrison
Mrazek
Murtha
Myers
Natcher
Nichols
Nussle
Olin
Ortiz
Owens (UT)
Oxley
Packard
Parker
Patterson
Paxon
Payne (VA)
Penny
Petri
Pickett
Pickle
Price
Pursell
Quillen
Ramstad
Ravenel
Ray
Reed
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Rowland
Roybal
Russo
Sanders
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Shaw
Shays
Shuster
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Stallings
Stearns
Stenholm
Stump
Sundquist
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torricelli
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Waxman
Weber
Wheat
Whitten
Wilson
Wolf
Wyden
Wylie
Young (AK)
Zeliff
Zimmer

NAYS—148

Abercrombie
Ackerman
Alexander
Andrews (ME)
Andrews (NJ)
Applegate
AuCoin
Bentley
Bilbray
Borski
Boxer
Brewster
Brown
Bruce
Bryant
Burton
Carr
Clay
Coble
Collins (IL)
Collins (MI)
Conyers
Costello
Cramer
DeFazio
DeLauro
Dellums
Donnelly
Dwyer
Dymally
Early
Edwards (CA)
Engel
English
Erdreich
Espy
Evans
Feighan
Flake
Ford (TN)
Frank (MA)
Gaydos
Gonzalez
Goss
Harris
Hayes (IL)
Henry
Hertel
Hoagland
Holloway
Hoyer
Hughes
Hunter
Ireland
Jacobs
Jefferson
Jones (GA)
Jontz
Kanjorski
Kennedy
Kildee
Kleczka
Kolter
LaFalce
Lancaster
Lehman (CA)
Levin (MI)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Luken
Manton
Mavroules
McCloskey
McDade
McHugh
Meyers
Mfume
Miller (CA)
Mineta
Mollohan
Moody
Moran
Murphy
Nagle
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Orton
Owens (NY)
Pallone
Panetta
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Porter
Poshard
Rahall
Rangel
Regula
Roe
Roemer
Rogers
Roukema
Sabo
Sangmeister
Savage
Sawyer
Scheuer
Sharp
Sikorski
Sisisky
Skaggs
Smith (FL)
Spence
Spratt
Staggers
Stark
Stokes
Studds
Swett
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Torres
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Weiss
Weldon
Wise
Wolpe
Yates
Yatron

NOT VOTING—9

Browder
Hatcher
Hopkins
Lehman (FL)
McCollum
McGrath
Skelton
Williams
Young (FL)

□ 1136

Messrs. POSHARD, TAYLOR of North Carolina, and MILLER of California changed their vote from "yea" to "nay."

Mr. LANTOS changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

NOTIFICATION OF AVAILABILITY OF DOCUMENTS TO ACCOMPANY INTELLIGENCE AUTHORIZATION ACT

(Mr. McCURDY asked and was given permission to address the House for 1 minute.)

Mr. McCURDY. Mr. Speaker, I would like to notify all Members of the House that the classified schedule of authorizations and the classified annex to the report accompanying H.R. 2038, the Intelligence Authorization Act for fiscal year 1992, are now available for review by Members in the offices of the Intelligence Committee, room H-405 in the Capitol. Access to these documents, which is restricted to Members only, will be provided from Monday through Friday between the hours of 8:30 a.m. and 5 p.m.

The committee hopes that the intelligence bill will come before the House in the near future. The schedule and annex contain the committee's recommendations on the fiscal year 1992 intelligence and intelligence-related budget, and issues pertaining thereto, which cannot be discussed publicly. Accordingly, I urge Members to avail themselves of the opportunity to thoroughly review these documents so that they may be fully informed about the committee's decisions.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 143

Mr. KYL. Mr. Speaker, I ask unanimous consent that the name of the gentleman from New York [Mr. PAXON] be removed as a cosponsor of House Joint Resolution 143.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Arizona?

There was no objection.

□ 1140

DISAPPROVING THE EXTENSION OF FAST-TRACK PROCEDURES TO BILLS TO IMPLEMENT TRADE AGREEMENTS ENTERED INTO AFTER MAY 31, 1991

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to House Resolution 158, I call up House Resolution 101 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 101

Resolved, That the House of Representatives disapproves the request of the President for the extension, under section 1103(b)(1)(B)(i) of the Omnibus Trade and Competitiveness Act of 1988, of the provisions of section 151 of the Trade Act of 1974 to any implementing bill submitted with respect to any trade agreement entered into under section 1102 (b) and (c) of such Act after May 31, 1991, because sufficient tangible progress has not been made in trade negotiations.

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to House Resolution 158, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes, the gentleman from Texas [Mr. ARCHER] will be recognized for 30 minutes, the gentleman from Massachusetts [Mr. MOAKLEY] will be recognized for 30 minutes, and the gentleman from California [Mr. DREIER] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent to yield 15 minutes of my time to the gentleman from North Dakota [Mr. DORGAN], and that the gentleman from North Dakota be permitted to yield time as well.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

PARLIAMENTARY INQUIRY

Mr. DORGAN of North Dakota. Mr. Speaker, reserving the right to object, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DORGAN of North Dakota. Mr. Speaker, I would like to try to understand the allocation of time, if the Speaker could explain it to us.

My understanding from the Rules Committee was that there would be time allotted for the opponents and proponents of this resolution, 1 hour on each side.

I would like to ask whether the majority on the Rules Committee intends to yield 15 minutes to myself as well.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, in answer to the gentleman's request, yes, I intend to yield 15 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, I would further like to inquire on the minority side, the intentions of the minority side with respect to the yielding of time to those who are in support of H.R. 101.

Mr. DREIER of California. Mr. Speaker, if the gentleman will yield, we plan to yield, as the majority has, one-half of our time to those who are proponents.

Mr. DORGAN of North Dakota. And might I inquire, Mr. Speaker, who will be controlling that one-half of the time on the minority side?

Mr. DREIER of California. Mr. Speaker, if the gentleman will yield further, at this point the gentleman from California [Mr. HUNTER] will be controlling that time.

Mr. DORGAN of North Dakota. Mr. Speaker, once again, do I understand then that the gentleman from California [Mr. HUNTER] will be given 15 minutes time from the minority side on the Rules Committee, and 15 minutes time from the minority side of the Committee on Ways and Means, and that the gentleman from California [Mr. HUNTER] will then control 30 minutes of time?

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Texas.

Mr. ARCHER. Mr. Speaker, we will be happy to yield half of our time to those who request that time on our side.

Mr. DORGAN of North Dakota. Mr. Speaker, if there are not sufficient requests for the one-half of the time on the minority side, would the minority intend then to yield that time to this side so that we have one-half of the time yielded on the floor here to those who support House Resolution 101?

Mr. DREIER of California. Mr. Speaker, if the gentleman will yield, I will yield 15 minutes of my time to the gentleman from California [Mr. HUNTER]. If the gentleman from California [Mr. HUNTER] chooses to yield part of that time to Members on the other side of the aisle, he is free to do that.

Mr. ARCHER. Mr. Speaker, if the gentleman will yield further, I will be happy to yield to specific requests from the other side of the aisle if we do not have those requests from our side of the aisle, up to half of my time.

Mr. DORGAN of North Dakota. Mr. Speaker, I appreciate that. My understanding then is that the proponents of House Resolution 101 will get the summation of one-half of the time allocated for House Resolution 101, given the procedure we have discussed here, and one-half hour will be yielded to me.

The SPEAKER pro tempore. That is the way the Chair understands the arrangement.

Without objection, the time will be so allocated.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GIBBONS], the chairman of the Subcommittee on Trade of the Committee on Ways and Means.

Mr. Speaker, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Illinois.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on the pending resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GIBBONS. Mr. Speaker, this is perhaps the most important economic vote and trade vote that Members will cast in this decade. We are here to debate whether or not we will proceed with negotiations worldwide through the GATT and whether we will sit down at the table and negotiate freely and fairly with our friends from Mexico. That is the issue.

We are not here to ratify any agreement. This is just a decision to go forward with the progress that we have been making over the years.

In my opening statement, I outlined the history of our trade negotiations. We are here today because of the failures of the Kennedy round that were in the lap of Congress. Congress turned down all of its part of the Kennedy round and our trading partners said to us very clearly, "We won't negotiate with you again. We won't reach a bottom line unless you will amend the way in which you bring these agreements back for ratification." It is just that simple.

We cannot get a trade agreement in the world or with Mexico unless we are willing to modify our procedures, as we do in fast-track.

Now, fast-track does not count out the House of Representatives. The President has other options available to him. He can go with a treaty and go exclusively to the Senate, but it has been our tradition that we will take up these trade agreements in both the House and the Senate.

We consult with the trade negotiators all the way through this. We will have midterm reviews, quarter-term reviews, full-term reviews and we will draft the legislation in the respective committees here that come to this floor for ratification.

So we are following a procedure that we must follow, that we should follow, and one that I hope you will vote against the resolution to disapprove. Vote no on the next vote.

The SPEAKER pro tempore (Mr. MCNULTY). The Chair wishes to clarify the allocation of time.

It is the understanding of the Chair that the gentleman from Illinois [Mr. ROSTENKOWSKI] has yielded 15 minutes to the gentleman from North Dakota [Mr. DORGAN].

It is also the understanding of the Chair that the gentleman from Massachusetts [Mr. MOAKLEY] has yielded 15 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. MOAKLEY. Mr. Speaker, I yield 15 minutes to the gentleman from North Dakota [Mr. DORGAN], and I ask unanimous consent that he may further yield time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Dorgan resolution disapproves the President's request to extend fast-track procedures for an additional 2 years.

Fast-track refers to a set of procedures, including a prohibition against amendments and the motion to recommit, for the consideration of trade implementing bills. The procedures give assurance that Congress will vote on the eventual product of trade negotiations.

The Omnibus Trade Act of 1988 and the Trade Act of 1974 both include language that the fast-track procedures are enacted as an exercise in the rulemaking powers of each House, with full recognition that each House retains its constitutional right to change its own rules at any time.

Our commitment to fast-track also comes with requirements, in law, for the administration to keep Congress informed and to address our concerns.

The Rules Committee met on the resolutions as a matter of original jurisdiction, reporting both without recommendation.

We are asked to renew our commitment to fast-track as 107 nations conclude the Uruguay round of GATT negotiations and we are asked to give our first impression assurance on discussions with Mexico and Canada.

There are serious concerns about both negotiations. The progress made on a host of issues in the Uruguay round is very encouraging but on textiles and agriculture, we are all a bit uneasy.

On Mexico, there are also environmental concerns but what is most worrisome, especially during a recession, is the wage gap between the two countries.

A North American Free-Trade Agreement is very likely to result in the loss of some American jobs and the movement of some industries out of the United States.

Fast-track is only the first step. There is a lot of difficult work to be done to achieve an agreement that is good for America and that can win the support of the House.

□ 1150

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The Chair wishes to clarify the allocation of time on the Republican side of the aisle.

It is the Chair's understanding that the gentleman from California [Mr. DREIER] has yielded 15 minutes of his time to the gentleman from California [Mr. HUNTER]. It is further the understanding of the Chair that the gentleman from Texas [Mr. ARCHER] has yielded a similar amount of time to the gentleman from California [Mr. HUNTER].

Mr. ARCHER. Mr. Speaker, I would say to the Chair that the gentleman from Texas is honoring specific requests for time in favor of the resolution up to a maximum of half of my time.

The SPEAKER pro tempore. Without objection, the control of time on that side of the aisle shall be: The gentleman from California [Mr. DREIER] will be recognized for 15 minutes; the gentleman from California [Mr. HUNTER] will be recognized for 15 minutes; and the gentleman from Texas [Mr. ARCHER] will be recognized for 30 minutes.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. I thank the gentleman for yielding.

Mr. Speaker, we are going to hear a lot of horror stories today about the demise of the United States industrial capacity, about the demise of the American worker.

Don't you believe a word of it.

I may not know a lot about legal craftsmanship around here, but I have set up a lot of plants around the world. You do not go to Mexico, most companies do not go to Mexico for low labor rates. If you want to go for low labor rates, you go the Far East. You go there for the market.

But even if I am wrong, that is not the point. The point is are you going to start to sit down and negotiate with people that are already hurting us on a whole variety of issues, such as transshipment of goods from the Far East, or you are not. And if you do not start, you cannot finish. If you do not finish, you cannot get at those issues that are going to be important to us.

I urge everybody to oppose House Resolution 101.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to House Resolution 101.

In my view, fast-track procedures are essential if we are to establish a position of strength for the United States in international negotiations and if we are to ensure that successful agreements are implemented in a timely manner.

After extensive debate, Congress is poised at this historic juncture. Shall we continue the longstanding partnership between Congress and the President with respect to development of trade policy and implementation of trade agreements?

I say yes. The United States must present a strong, unified position to our trading partners as we proceed with negotiations.

Congress and the administration face, during the next 2 years, the most significant international trade agenda to emerge in decades.

A successful completion of the Uruguay round will expand the world's production by $5 trillion over the next 10 years. New disciplines in services, intellectual property rights, and investment further demonstrate the growing interdependence of all economies.

A North American free trade area, the negotiation of which is just beginning, will serve to unify three major economies and lay the foundation for a highly competitive, growth-oriented common market.

In addition, the President has outlined the Enterprise for the Americas under which other countries in Latin America can enter into a trade partnership with the United States that will improve economic opportunities, reinforce market principles, and encourage democratic ideals throughout our hemisphere.

These are worthy and ambitious goals, but are not without risks to our own economy. The effects of market openings from the Uruguay round and from the NAFTA on sensitive sectors in our economy is of concern to us all.

Yet, the President has pledged to ensure adequate transition periods for adversely affected sectors and to incorporate appropriate adjustment measures. Also, I remain concerned about unresolved issues in the Uruguay round, particularly reform of agriculture policies.

These negotiations have been underway for 4 years, and the patience of Congress is wearing thin.

To bring these talks to a successful conclusion, and to reap the benefits which would result, tough decisions need to be made about future trade disciplines and market access. Bold exercise of political will is necessary from all countries that embrace free trade principles.

Today, Congress has an opportunity to demonstrate that it can meet the challenges necessary to achieve important trade objectives for ourselves and for the world economy.

We must make tough decisions that are uncomfortable for some but that balance the benefits and protections for all Americans. We must demonstrate the political will to resolve problems and to spurn special interests.

We look to our trading partners for similar demonstrations of commitment. There are naysayers and self interests in every country. They must be confronted and pursuaded to join the effort for the common good.

It is not merely a matter of simple philosophy or principle. Our economic future and the well-being of our people depend on whether we continue to work together to assure a thriving and expanding world economy.

Congress can take a significant step forward today by defeating House Resolution 101. It is a shortsighted, parochial resolution that asks our country to move inward and backward.

I am confident that American workers, American business, and American citizens do not want Congress to reject the leadership role that our country has been blessed to achieve among the community of nations. Vote "no" on House Resolution 101.

Mr. Speaker, I reserve the balance of my time.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first let me get all the buzz words out of the way: I support economic opportunity, I support expanded trade, I support economic growth, I support free trade, I support America's economic future; just so we get that straight.

This issue is not a very difficult issue, but even the trade ambassador cannot get it straight.

In a letter this morning in the Washington Post, this is what our ambassador for trade says:

> If Congress takes away fast-track, it will prevent us from taking our seat at the negotiating table.

One wonders how can everyone else get it straight if she cannot? This has nothing to do with whether she is going to sit at the negotiating table. The seat at the negotiating table is ours if we conduct negotiations with anybody in the world, Mexico, Sweden, Djibouti. She can negotiate with anybody she pleases, as far as I am concerned, and the seat will be at the table.

The question is the procedure under which this Congress considers trade legislation or trade negotiations when it comes back to Congress; that is the issue, not a seat at the table.

Never has an issue on trade been as heavily lobbied as this during my 10 years in Congress. The White House almost ran out of eggs Benedict this week, rushing people back and forth to the White House. Of course, the chamber of commerce did not run out of money, but they sure tried. They pulled out all the stops—television spots, newspaper ads.

It was characterized as a debate about whether or not we are going to negotiate. Well, of course, we are going to negotiate. I support negotiations. I support negotiations with Mexico. I hope I do not have to say that again.

I support continued negotiations of GATT. And I hope I do not have to say that again.

The issue is not whether we negotiate trade agreements, the issue is how we are going to negotiate trade agreements and in whose interests are we going to negotiate trade agreements? For whose benefit are we going to negotiate trade agreements? With whose agenda are we going to negotiate these agreements?

We have had a decade of failure in international trade. I would like to hear somebody stand up and chart this as a model of progress in the last 10, 12 years in international trade. We are choking on trade deficits, and have for a decade.

We are not winning, we are losing. This has been a policy of failure. It is the third quarter, we are down 40 points, and the coach says, "Let's keep doing what we are doing. This is just wonderful for America."

Some of us are saying it does not work, let us do it differently.

Let me give you an example about the United States-Canada trade agreement. I have said it before, and I want to say it again because it demonstrates the failure of this chant called free trade.

We negotiated a free-trade agreement with Canada.

Last year they shipped 10 million bushels of durum wheat into the United States, collapsing our market, costing our producers tens of millions of dollars. One North Dakota woman showed up at the border, taking two grocery sacks full of durum wheat to Canada because she was going to bake whole wheat bread. But they stopped her and had her pour it on the ground on the American side because you cannot get American wheat into Canada. That has technically changed in the last couple of days, although there is still going to be no wheat going north.

The point is they could send 10 million bushels south and you could not get two grocery bagsful north, and our negotiators call that free trade. Well, it might be free, from their perspective, but it is not free from mine, and it is certainly not fair.

☐ 1200

I would like us to quit talking about free trade just once and start insisting and demanding on fair trade all around the world. That is what we ought to be doing.

Do I trust this administration? Of course not. If I did, I would not be in this well. They want to do in Geneva what they cannot do in this Congress. They want to dump the U.S. farm program. They want to compromise environmental protection. They want to compromise labor laws. They would like to do in trade negotiations what we will not allow them to do here in the U.S. Congress, and I say we ought not let them do it.

The question is: When will we decide it is not a risk to stand up for this country's best economic interest? Protectionist they say, protectionist and parochial. Why on earth are we afraid of being described as protectors of America's interest? Protectionists standing up for this country's interest? What on earth are we elected to do? We are elected to protect this country's interests, not with walls to keep other products out, but with a demand and insistence that we pry open foreign markets overseas.

Let us for a change start representing this country's best interest, and I would ask our trade ambassador, "Is there any plan that you have? Do you have any set of strategic or economic interests in this country's future that you plan to protect? Because I don't see it. Your only mission is free trade."

Mr. Speaker, I was for that in the sixth grade. In fact, do my colleagues know of the book, entitled "All I Really Know I Learned in Kindergarten"? It is probably in that book. That is not that complicated. I am for free trade.

But that is not a plan, that is not a plan with which we confront shrewd, international competition, all of whom have their own agenda. The Japanese have an agenda to protect Japan. The Germans have an agenda to protect Germany, and they negotiate with us. But we do not have an agenda that decides there is anything in this country that is somehow worth nurturing and protecting for this country's long-term economic health.

Fast-track is a wrong track. We ought to get it off the track, get our negotiators negotiating. If they negotiate good agreements and bring them back to the floor of the House, I will tell my colleagues it will be on a track that is approved just like that, and I will support it. And if they negotiate the kind of agreements they had in the past, they do not deserve to bring them to the floor of the House. this issue is not about whether we negotiate. This issue is about when this Congress will stand up and assert the economic interest of this country and insist on fair trade all around this world. When we do that, this country once again will start winning.

Mr. HUNTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I say to my Republican colleagues, I want to address you for a minute as a Member who proudly sports, I think, a 13-percent AFL–CIO rating and appeal to you on the basis that this deal, and we can see some pieces of the deal even though it hasn't been made yet, will accrue to the detriment of American business. This is not a good business deal, and perhaps the fact that we haven't looked at our trade negotiations as business deals over the last 40 years, is one of our problems.

Mr. Speaker, we had a policy following World War II in which we subordinated hard economic interests to foreign policy interests, and that was highly appropriate. We picked nations off their knees after World War II by allowing them to have one-way trade deals with us because it was important to have a strong, unified Western coalition. And this President has acted superbly in utilizing that coalition in situations like the one that just transpired in the Middle East.

Mr. Speaker, I want to suggest to my colleagues today that it is time for a change. It is time for a reevaluation, and I say, "The little nephew that you used to box with with one hand tied behind your back is in some cases Mike Tyson, and so when you say, 'Take your best shot at me,' and he knocks you flat, it's difficult for us to orient ourselves and realize that it's time to shift our position and to shift our policy."

A lot of my colleagues talk about Adam Smith and the great idea of free trade. Adam Smith talked about complementary trade when one nation would raise the wool and another nation would make that into cardigan sweaters, and there was a happy, friendly, collaborative relationship between nations. We are not engaged today in Adam Smith happy trade/complementary trade. We are engaged in adversarial trade where some of our trading partners try to systematically destroy large pieces of the American industrial base. They try to and succeed in destroying many American businesses.

Now where does Mexico fit into all of this? Because certainly Mexico is not threatening us and threatening to put our industries into extinction in the same sense that some of the industrial giants around the world threaten. Well, Mexico could be a piece of our trading plan, a successful trading plan. They could be a base for imports to third countries, and we could utilize that lower labor rate to export to third nations around the world.

But that is not what we are going to do. We are building a window between the United States and Mexico. The American consumer is going to pull this train, and for those who say we are going to develop a middle class in Mexico that will be buying major American consumer wants, let us just go over the facts.

The average worker in Mexico makes about $1,800 a year. That means, if a worker at the Sony plant in Tijuana worked the entire year and starved his family, did not give them an ounce of food, did not pay a penny in utilities and did not pay a penny for a car or shelter, he could not buy a single $2,000 television set that he makes. There is no American business that believes that we are really going to develop these $1,800-a-year citizens into a massive middle class that will buy American consumer goods: like electronics, automobiles. Nobody in industry believes that.

But what industry is interested in, and where our problem, as business-oriented conservatives, comes in, is cheap labor. My friends, American businessmen should have an interest in having a strong working class with buying power.

Now my argument against free trade is not that Mexican workers are not productive. My argument is based on the fact that they are darn productive, and a Mexican worker in Mexico City working for General Motors now has achieved 80-percent of the productivity of an American worker in Detroit for one-tenth of the wages.

I say to my colleagues, if you're trying to make a decision with a shrinking profit margin on where you put your assembly lines and your production plant, and you can achieve a thousand percent reduction in wages with an 80-percent productivity scale, you don't have to be a rocket scientist to decide where you build your new plant.

My point is American consumers are defined as American workers with jobs and paychecks, and, when this deal passes, if it passes, and it is a business deal, we are going to see a lot fewer American consumers with less buying power.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I rise in strong opposition to House Resolution 101, which would disapprove the President's March 1 request for a 2-year extension of the fast-track procedures for implementing trade agreements. I recognize that this is a very difficult issue for many of our colleagues, and I respect the sincerity of those who truly believe that the extension of fast-track is not in our institutional or national interests.

I strongly disagree, however, with those who say fast-track is not necessary for the President to pursue the Uruguay round negotiations or to initiate talks on a North American Free Trade Agreement. To those who say that the fast-track procedures are an abrogration of congressional constitutional prerogatives, I think you are wrong.

The fast-track procedures have been in place for 17 years, since the Trade Act of 1974. This Congress has reauthorized fast-track on three separate occasions—in 1979, 1984, and 1988.

While the Constitution vests the authority to regulate foreign trade in the Congress, an institution of 535 members cannot embark on multilateral negotiations. Since 1934, we have periodically delegated to the President explicit authority not only to negotiate reciprocal reductions of U.S. tariffs, but also to proclaim the results of those negotiations without coming back to the Congress for approval.

In 1974, it was recognized that future trade negotiations would focus primarily on reductions in a complex array of nontariff barriers and that agreements would require changes in many U.S. statutes for implementation. It was also recognized that it would be difficult for our negotiators to achieve optimum results if our trading partners believed the results of the negotiations would be reopened by the Congress through legislative amendments, as part of the domestic implementing process.

The consultation requirements and fast-track procedures developed in 1974 created an active and close partnership between the Congress and the administration in the negotiation and implementation of trade agreements. This process has been used successfully on three separate occasions—for the Tokyo round multilateral trade agreements, and bilateral free trade agreements with Israel and Canada.

The fast-track procedures require a 60-day advance notification to the Congress of proposed bilateral negotiations with any country. The Committee on Ways and Means or the Senate Finance Committee can then stop such talks simply by saying "no."

Extensive consultations with the Congress and with the private sector are required throughout the negotiations.

I want to emphasize that the President must give the Congress 90-day advance notice of his intention to enter into a trade agreement. During this period, Congress not only can suggest changes to the draft agreement, but the committees of jurisdiction actually draft the implementing legislation in consultation with the administration, through an informal markup and conference with the Senate. In all past instances when fast-track was used, the administration submitted back to Congress the implementing legislation which the Congress had drafted.

Finally, each Member of the Congress has the final say as to whether to approve or disapprove the final agreement. No agreement can enter into force without congressional approval.

Opponents of fast-track extension argue that it puts Congress on the sidelines. Exactly the opposite is true: it puts Congress on the front lines. Opponents portray the fast-track process as simply a take-it-or-leave-it proposition, as if trade agreements are negotiated in the dark somewhere, then suddenly land in the Congress for the first time for only an up-or-down vote. This portrayal inaccurately represents the actual fast-track process and the active role of the Congress in it.

As demonstrated in the past 3 months, Congress has already strongly influenced the scope, agenda, and course of the North American free trade negotiations before they even begin. As a result of the concerns raised by Members of Congress, the President responded with an 86-page action plan of specific commitments to address the legitimate concerns Members have raised.

When the administration first made its request on March 1 to extend fast-track, it argued that issues such as the environment, worker's rights, and health and safety standards were not appropriate for inclusion in trade negotiations. Now, it is clear, not only to the administration, but also to the Mexican Government that if such issues are not addressed in a meaningful way, a North American Free Trade Agreement will not likely be approved.

On worker adjustment assistance, the administration had maintained that the existing economic dislocation and worker adjustment assistance program was satisfactory. Now we have a commitment from the President to expand existing adjustment assistance programs or develop new ones in consultation with the Congress. The President's commitment includes an assurance that the worker Adjustment Assistance Program will be adequately funded to take care of all workers who may lose their jobs because of a North American Free-Trade Agreement. Such a program will be developed as part of the trade agreement implementing legislation, so the Congress will have control of this process!

Mr. Speaker, I truly believe that a North American Free-Trade Agreement can be in our national economic interests. Lower barriers to trade in goods and services, an open investment climate, and assurance of intellectual property right protections will increase exports, create jobs, and promote economic growth in the United States. These negotiations offer the opportunity to address the very disparities in labor, environmental, health and safety, and worker rights that raise concerns today in the absence of an agreement. And in agreement and its implementing legislation can include sufficient safeguard and adjustment measures to minimize potential adverse effects on particular industries or their workers.

Those who oppose such an agreement seem to think that we can isolate ourselves from the forces that are currently at work in the world. Trading blocks are forming in Europe and in the Far East. Macroeconomic forces are at work making it more difficult to compete in the world's marketplace. If we do not move forward, we will fall further behind.

Finally, an issue which has been somewhat overlooked in this debate is the importance of successfully concluding the Uruguay round of the GATT. The round is attempting to lower foreign trade restrictions and strengthen the multilateral trading system. If successful, 108 participating countries will agree to more open market access and international trading rules covering agriculture, services, investment and, for the first time, intellectual property rights.

It may not be possible for Ambassador Hills to deliver a successful Uruguay round package because of European Community intransigence. But I believe she is strongly looking out for the best interests of the United States, and has earned the right to pursue the effort to a successful conclusion.

My colleagues, trade had traditionally been a bipartisan issue where the administration and the Congress try to come together to put the national interest over parochial or partisan interests. From the days of President Roosevelt, through each succeeding administration, Democrats and Republicans have united behind the President to formulate a unified trade policy. The extension of fast-track authority gives us the opportunity to put the bickering behind us, and to put forth a united effort toward achieving expanded world trade, economic growth for our country and higher standards of living for our citizens.

Mr. Speaker, I strongly support the President's request for an extension of fast-track procedures, and urge my colleagues to defeat House Resolution 101.

Mr. GORDON. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. KOPETSKI].

Mr. KOPETSKI. My colleagues, I rise in opposition to the resolution and in support of the fast-track process. I think Mr. and Mrs. America need to understand what we are talking about. Fast-track is the process by which the Congress will make up its mind. It is not the speed with which America, through our negotiators, will reach an agreement, but rather what Congress will do when it obtains this proposed agreement and acts upon it.

I am a new Member of Congress, and I am learning so much every day, and what we learn today is that the definition of fast, according to Congress, is 60 days. That is how much time the Congress would have to say yes or no to a proposed agreement. My fear is not whether fast is 60 days. My fear is what the Congress' definition of slow is.

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How slow is slow according to the U.S. Congress? Do we take 60 days, 90 days, 1 year, 5 years, 10 years to make up our mind on a proposed agreement? I am confident that each and every Member of this Congress has the intellectual ability to make up their minds within 60 days.

I urge a "no" vote on the resolution and a "yes" on fast-track.

Mr. Speaker, I rise in opposition to the resolution and in support of extending the President's fast-track trade negotiating authority.

Mr. Speaker, a degree of hysteria has muddied the waters of this debate and two points need to be clarified at the outset.

First, we are not voting today on a trade agreement with either Mexico or our GATT trading partners. There are no agreements. Today's vote simply sets the terms under which President Bush will initiate negotiations and eventually submit agreements to Congress for approval, assuming negotiations are successful.

Second, fast-track actually strengthens Congress' hand in trade negotiations. Until 1974, Presidents could argue that they could enter into trade agreements under their constitutional authority to conduct foreign affairs, without submitting agreements to Congress for approval. The 1974 statute establishing fast-track changed this. It was a deal. The President would submit entire trade agreements for congressional approval—or disapproval—and Congress would act expeditiously to write the legislation necessary to implement approved agreements.

Fast-track increases Congress' power in other ways, too. Fast-track requires the President to notify Congress of his/her intent to enter into negotiations and imposes a waiting period before negotiations can proceed. In the case of a North American Free-Trade Agreement with Mexico, this procedure already is paying dividends. Congress has used the waiting period to shape the agenda for the negotiations. Congress put President Bush on notice of its concern on an array of labor and environmental issues. On May 1, the President responded with a 78-page action plan for addressing these concerns. Later today, we will formalize the agenda for the negotiations on the North American Free-Trade Agreement and the standard by which the agreement will be judged when we approve the Gephardt-Rostenkowski resolution.

Presidents Bush and Salinas announced they wanted to enter into trade negotiations on May 11, 1990. Without fast-track, these negotiations could have proceeded immediately. Without fast-track, Congress might very well be debating today the merits of an agreement over which it had no advance input and only limited authority to change. Fast-track is paying dividends. We should support it.

Unfortunately, for some, an Oregonian headline on June 20, 1989, said it all: "Caterpillar To Follow Through With Dallas Plant Closure." Another, less than 2 weeks ago, read, "Phone Company Lays Off Workers."

The accompanying news stories to these headlines point out that the firms laying off their workers would be carrying on in Mexico the operations they were closing down in Oregon.

Opponents of extending the President's fast-track trade negotiating authority point to stories like these to show what will happen if Mexico is brought into a North American free-trade agreement. But, fast-track opponents have hoisted themselves on their own petard. For rather than making a case against fast-track, the current migration of United States industry and jobs to Mexico, in the absence of a trade agreement, is the most compelling reason to say yes to fast-track.

Free trade can benefit both the United States and Mexico. U.S. economic growth is pegged to international trade. Last year, exports accounted for 88 percent of the growth portion of our gross national product. New job creation in the United States depends on trade, and Mexico is among the top United States customers. We export more products to Mexico than to any other foreign market, except Canada and Japan. More importantly, Mexico prefers American products; the United States accounts for 70 percent of Mexico's imports. Mexicans per capita buy $32 more United States-produced goods and services than their wealthier European counterparts. A successfully negotiated North American free-trade agreement among the United States, Canada, and Mexico would create a market of 360 million people will combine economic outputs of $6 trillion—20 percent larger than the proposed European Community.

If the past is prologue, my own State of Oregon is in a particularly good position to benefit from increased trade with Mexico. Mexico buys what Oregonians produce: Computers and industrial machinery; agricultural produce; scientific and measuring instruments, transportation equipment; and primary metals. Oregon exports to Mexico increased 121 percent between 1987 to 1990, after Mexico reduced its tariffs signficantly. Mexico's tariffs still remain high, however, averaging 10 percent versus less than 4 percent for United States tariffs.

But, trade agreements can be two way streets. If Mexico wants to enjoy the benefits of free trade with the United States, then the United States can seek in return fair trade. And, fair trade means that an increasingly prosperous Mexico must pay decent wages and vigorously enforce meaningful health, safety, and environmental laws.

Before closing, let me say I have met with Ambassador Carla Hills, the President's chief trade negotiator, and I questioned her as well as other cabinet officials in private and public hearings. I have met with the President. In addition to all our concerns about labor and environmental difficulties, I have raised the issues as I see them from the Oregon perspective. Because of my State and region's diverse economic base—high technology, manufacturing, agriculture, timber, services—I believe it is important that one segment of our economy not be sacrificed for another.

Mr. Speaker, any final trade agreements must be a fair deal for all of our economic interests. Fast-track gives our negotiators the tool they need to get a fair deal. Fast-track is allowing Congress to set the standard for judging any agreement and most importantly, is preserving for Congress the option to say no if an agreement falls short of that standard.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. SCHULZE].

Mr. SCHULZE. Mr. Speaker, I rise in opposition to House Resolution 101 and in favor of extension of fast-track negotiating authority.

I have long supported a North American Free-Trade Agreement. Given the creation of the protectionist bloc known as EC '92, and the need for the United States to leverage that bloc, completion of a North American FTA is now more important than ever. Fast-track paves the road for such an FTA.

However, my deep disappointment over the hapless GATT process prevents me from supporting fast-track without some reservation.

The fact that fast-track extension would allow the GATT to stumble along hopelessly for another 2 years causes me great distress. And the fact that this plays into the European Community's hands concerns me even more.

As the GATT process marches on, the EC's negotiating position will only become strengthened. Lest we forget that most of the Community's attention is still focused on the conclusion of EC '92 and the increased leverage over its trading partners that it stands to gain as a result.

When we approved the United States-Canada FTA, we should already have been seriously discussing the next logical agreement. Instead, U.S. officials defensively assured the world that we would not upset the multilateral GATT process by concurrently pursuing other bilateral or regional FTA's.

Meanwhile, the EC was hurtling decisively toward EC '92 and gaining enormous leverage over impending GATT negotiations in the process. We did what we felt was in the best interest of the world trading order. The EC did what was best for the EC. Now, it is the EC who holds the cards.

The closer EC '92 comes to fruition, the more immutable the Community can afford to—and surely will—become in the GATT. Indeed, to those who have delusions about the EC addressing the agriculture issue in a sincere and forthright manner, consider this: In a recent meeting with my Trade Subcommittee colleagues and EC trade ministers, I pointed out the importance of the EC instituting agricultural reforms that we all know to be essential.

At once, several of the ministers emphatically rebuked my comment with, "Wait a minute, we didn't promise any reforms * * * we agreed to talk * * * that's it."

I regret that fast-track will allow the belligerent attitude that I just described to continue. The European Community's mischief—and the GATT comedy of errors held hostage by it—are not deserving of a stage on which to perform.

On the positive side, however, fast-track authority will also facilitate the negotiation of a North American FTA, and hemispheric and United States-Taiwan FTA's beyond that.

We are heading into a 21st century that will pose even greater competitive challenges to America than the current century. If U.S. businesses and workers are going to prosper in this brutal environment, we must stop relying on a GATT incapable of leading the way to true global trade expansion.

I am going to support fast-track, but will not relent in my insistence that we negotiate on the basis of what is best for America, and on what strengthens America's hand in the world trading order. The days of doing what makes us popular in the eyes of our trading partners must come to an end.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. COLEMAN], the new ranking member of the Committee on Agriculture.

Mr. COLEMAN of Missouri. Mr. Speaker, I rise in opposition to House Resolution 101, a resolution of disapproval of the President's request to extend fast-track procedures for 2 years. Fast-track procedures have been included by the Congress in trade legislation in 1974, 1979, and most recently in the 1988 Trade Act. This is a procedure given to the President by the Congress. It assures the Congress' participation throughout the negotiation process and provides two guarantees: A vote on implementing legislation within a specific time period and no amendments to the legislation.

Use of the fast-track procedures preserves the role of the Congress through extensive notification and consultation requirements. Committees of the Congress with jurisdiction over issues within the trade agreements are deeply involved in the process. This procedure is not a diminishment of the role of the Congress; instead, it is a tool provided by the Congress to the President so that trade initiatives can be initiated to advance the economic objectives of the United States of America.

Such an advance through sound trade initiatives can be found in American agriculture. A guaranteed applause line used by politicians in farm country for the better part of two decades goes something like this: "Give the American farmer a level playing field upon which to compete and he'll out produce and out perform any farmer in the world." Soon we will find out if this is mere stump speech rhetoric or a heartfelt belief.

Congress now faces voting an extension of the fast-track negotiating authority provided to the President or ending the Uruguay round of the General Agreement on Tariffs and Trade [GATT] which began in 1986. The outcome of our action will have a tremendous impact on American agriculture.

Agricultural exports currently account for more than $40 billion a year in sales, which provide about a fifth of our farmers' cash receipts. Indeed, about one-third of United States harvested crop acreage produces for export each year. These exports create a half million farm jobs plus and another half million jobs for people processing, packaging, and shipping these products around the world. As Ambassador Carla

Hills, our Trade Representative, recently noted:

> U.S. farmers are the most productive in the world. A freer and fairer trading system will enable U.S. producers to maximize that competitive advantage.

Given the importance of these export markets one might conclude that this sector of international trade is not broken and doesn't need fixing. Not so. World agriculture cries out for reform: Reduction of trade distorting domestic subsidies, improved access to world markets, and the reduction of export subsidies. Our agriculture sector faces a world trade environment in which trade barriers and conflict have increased, while trade distortion policies proliferate.

Agriculture Under Secretary Richard Crowder, in testimony to the House Agriculture Committee, recently summarized the way the current trade system, in which we attempt to compete, operates:

> Countries shut out imports and stimulate high production and low consumption with artificially high domestic prices. Then they dump their surplus production on the already over-burdened world market. In this situation, the strong competitive advantages of U.S. farmers and agriculture firms are too often stymied, and the prices that prevail in world markets are chronically low and unstable.

Agriculture is the key to a successfull conclusion of the current negotiations in GATT. As was demonstrated in Brussels last December, United States negotiators were firm and resolute that without concessions on the part of the European Community, Japan, and Korea on Agriculture issues, no GATT agreement was possible. Because of the strong position taken by our negotiators, it now appears a framework is evolving that will enable the talks to go forward with the likelihood for positive results. All parties have now agreed to negotiate on the three important elements of a good agreement—access to markets, internal supports, and export subsidies.

It is clear these reforms must be worldwide. Uniliateral action by the United States would not be in our best interest and would only serve to undercut our own producers. Nor do these reforms preclude Government supports to producers in ways that do not distort production or trade. Such nondistorting payments could be targeted to producers who would need more time to adjust, such as in dairy, sugar, and peanuts. Additionally, implementation of trade agreements does not occur immediately and can be phased in to allow for adjustments, such as some fruit and vegetable producers may need in a North American Free Trade Agreement.

Opportunity is knocking at the door of the Congress. We have a chance to offer additional markets to our agriculture producers and we must make sure the door is opened to these opportunities. President Bush has requested an extension of the so-called fast-track procedures, as provided for in the 1988 Omnibus Trade and Competitiveness Act. This extension will allow the administration to continue the trade negotiations in the Uruguay round of the GATT, begin discussions of a free-trade agreement with Canada and Mexico, and pursue the trade objectives of the Enterprise for the Americas Initiative.

If and when any of these trade agreements are successfully concluded, the Congress will have an up or down vote without amendments on the implementing legislation. The Trade Act also includes notification and consultation requirements with both the Congress and the private sector through the process. In adopting the fast-track procedure, Congress ensures that it has the final word but also recognizes that foreign governments would not seriously negotiate with us if agreements could be continuously "renegotiated" by congressional amendment and resubmission to over 100 signature nations in a never-ending process.

Under the fast-track procedures it is clearly in the interest of the administration to take into consideration and respond to congressional concerns as the negotiations proceed. Otherwise, rejection of the agreement would follow and years of work would be in vain.

The current status of world agriculture trade is unacceptable. Continuation of the status quo means that present trade barriers, such as the outright ban on imports of certain products, such as rice by Japan and United States beef in Europe, will go on. It means that dumping surplus agriculture products on the market will continue, driving down prices to producers. It means that world agriculture trade as we know it now, unfair and uneven, will not change. It also means that the opportunities for increased trade around the world, such as in Asia and Eastern Europe, may not come to be. These markets are at risk without reform of global trade rules. Without the extension of the fast-track negotiating authority, the American farmer and rancher will have to be content with the current trading system, or worse. Agriculture undoubtedly will become involved in more protracted and contentious trade disputes through which there will be few, if any, winners, and many losers. For American agriculture to be a winner, fast-track procedures must be adopted and followed by vigorous negotiations to correct a trading system that's broken and needs fixing. If we can do that—and it will be tough—we will be putting agriculture trade on the right track as we enter a promising new century for American farmers and ranchers.

Mr. Speaker, I urge my colleagues to vote today in support of fast-track authority.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. PEASE], a respected member of the Ways and Means Committee, to speak in support of House Resolution 101.

Mr. PEASE. Mr. Speaker, I urge a yes vote on the Dorgan resolution. Let me emphasize, Mr. Speaker, that I do not oppose fast-track for the GATT. My great concern is for the proposed FTA with Mexico and the negative impact it will have on American middle-class manufacturing workers.

As we prepare to cast our votes on the Dorgan resolution, we must ask ourselves these questions:

If a factory in a Member's district moved to Mexico and laid off 1,000 workers in that district, what would happen to those 1,000 workers and their middle-class standard of living?

Would the workers get adequate adjustment assistance? The Bush administration wants to repeal trade adjustment assistance.

Would the workers get extended unemployment benefits? The Bush administration vehemently opposes them.

How many of those 1,000 workers would be able to find in or near a Member's congressional district a job paying anything like the wages comparable to what they were earning?

The answer: precious few. Perhaps 100 would be able to move up to high-technology jobs after retraining, but certainly not close to a majority.

Another question: What will happen to the sons and daughters of those 1,000 workers? Will those sons and daughters be able to find decent jobs? I do not mean the ones training to be doctors or lawyers or computer scientists. I mean ordinary working Americans.

Mr. Speaker, I fear that a free-trade agreement with Mexico could be an irresistible temptation for American companies to locate south of the border. My concern is with working average middle-class manufacturing workers. What is happening to the middle-class of our country? Those are the constituents that I worry about, that cause me to vote against fast-track.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise in support of the Dorgan resolution to deny an extension of fast-track authority.

Throughout my career in the Congress, I have been an ardent proponent of free trade, and despite our trade deficit and balance-of-payments problems, I remain opposed to restrictive trade barriers.

The issue, for me, is not only the terms of a free trade agreement, but the process by which we arrive at that agreement.

Can we be sure that we, as elected representatives of the American people, are fully exercising our authority as legislators if we abdicate our power to negotiate and fashion this agreement to faceless bureaucrats in the executive branch, leaving for ourselves only a "yes" or "no" vote on the final product?

I do not think so.

Advocates of fast-track offer assurances that we will have an opportunity, during committee consideration of the treaty, to raise questions and seek modifications. We are told that during the negotiations, our input will be sought and considered.

But as we all know, you're either involved or you're not. You either have the ability to say "no" or you do not.

And granting the unique authority to the President and his negotiators, in my view, effectively removes the Congress from this process and does great damage to the separation of powers and the role of the Congress.

The nature of the legislative process requires that the Congress be active participants in debating and shaping an agreement that could have far-ranging economic, environmental, and diplomatic consequences that affect the jurisdiction of many committees and the constituents we represent.

We are asked to trust that the administration's negotiators will take our views into consideration in designing the treaty.

I'm not sure that provides adequate safeguards for Americans.

Should American workers and their families have to rely on an administration which has failed to use its existing authority to defend their workplace safety and economic security?

Should American families trust an administration to demand strict environmental safeguards and improvements when that same administration has dragged its feet and resisted efforts to enforce environmental laws and programs here at home?

The administration says we can trust them. But the record suggests otherwise.

The administration's plan proposes a weaker environmental assessment review procedure for the North American Free-Trade Agreement than that currently required by U.S. law.

Nor are we assured that State and local laws that exceed the Federal standards will be protected, which is a major concern for California whose environmental protection standards often exceed Federal standards.

Just last year, the Congress overwhelmingly approved an oilspill law that specifically safeguards State standards; we should not place that autonomy in jeopardy by the agreement.

If the administration's negotiators are truly committed to labor safeguards, to reasonable security for the economy of border States, and to environmental protection, as they claim, then they should not fear bringing the treaty before the Congress and defending their final product on those grounds.

But if we approve fast-track, there need be no defense.

We will, instead, be told that "we did the best we could do," and then Congress will either vote up or down on a treaty that will surely be characterized as having enormous diplomatic significance.

I don't believe this House should be put in that awkward position which compromises its constitutional authority and our ability to do what we were sent here to do: Look out for the best interests of our constituents and the Nation.

Let me again reiterate that I oppose fast-tracking without taking a position on the treaty itself. Indeed, it is because we have not seen the treaty that handing over such blank authority to the Executive is such a shortsighted idea.

I also speak as a proponent of closer relations with Mexico, a longtime member of the United States-Mexico Interparliamentary Commission where we have discussed the trade and worker protection issues at great length, and as a vigorous supporter of free trade.

I am simply not willing to sacrifice the constitutional and historic role of this body in pursuit of those worthy objectives, and I urge an "aye" vote for the Dorgan resolution.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield such time as he may consume to the gentleman from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. Speaker, I rise in support of House Resolution 101.

Mr. Speaker, House Resolution 101 would prevent an extension of the fast-track process for negotiation of a GATT and North American Free Trade Agreement [NAFTA] treaty. My opposition is premised on two basic concerns:

First, I do not believe Congress should largely surrender its constitutional authority to oversee the negotiation of sensitive international trade agreements. This does not mean that GATT or North American trade agreements are necessarily wrong. It simply means that we should not abdicate our ability to retain some meaningful leverage on behalf of our constituents as these major trade agreements are pieced together. Most treaties, including multilateral treaties, are approved without a fast-track process, and rejection of that process in this instance certainly does not mean that trade agreements with our European trading competitors or with Mexico and Canada could not be concluded.

Second, I am particularly wary of fast-track extension out of concern for the Bush administation's professed trade policy goals, and what appears to me to be a lack of commitment to the interests of ordinary family farmers, ranchers, and wage-earning workers. These agreements, I fear, could easy degenerate into bonanzas for multinational corporations, but disasters for middle class working Americans, rural and urban alike.

I want to have the opportunity to reflect my constituents' views on a GATT agreement that may have an enormous impact on agricultural prosperity. Expanding international trade and greater conformity of health and inspection standards is highly desirable in my view. But in many ways, the American position at GATT appears to be a back-door assault on domestic agricultural programs. If all domestic "trade distorting" programs are repealed, we could be led down the road to production of massive amounts of cheap grain—a result that may be satisfactory to some huge grain dealers and "free trade" ideologues, but which would be the final blow to much of rural America—farmers, ranchers, and main street business owners alike.

I am also concerned about the possibility of an already weakened American dairy industry being destroyed by a flood of imported dairy products.

The pending agreement with Canada and Mexico will absolutely not leave us with a parallel trade zone to the European Community's Common Market. Unless major changes in direction are made, the NAFTA treaty will mostly be a jackpot for large multinational corporations. It's no secret that there are a great many companies extraordinarily interested in the prospect of moving American jobs south of the border were workers can be employed at a fraction of American wages, and where they don't have to pay for workers' compensation, unemployment insurance, health insurance, or abide by American rules for worker safety or environmental standards.

The EC, on the other hand, was created to be a completely different kind of arrangement. If the United States wants to model a North American Free Trade Agreement on the European system, we ought to pay greater attention to the way the EC was put together. The EC's single market contains a "social charter" designed to keep that union from becoming simply a means for corporations to seek out the lowest wages and poorest environmental standards. The EC Charter sets out the rights of a minimum wage, social assistance, collective bargaining, vocational training, and health and safety protection in all its member nations, partly to discourage runaway plants and exploitation of cheap labor. Beyond that, the Europeans have a $68 billion "Regional Development Fund" to help narrow the gap between rich and poor areas. Here, the per capita income gap between Mexico and the United States is a staggering 10–1.

All this is not to say that we cannot or should not reach agreements to foster greater trade with Mexico or Europe. I applaud all efforts to secure arrangements which will lead to expanded fair and equitable economic interaction with all of our trading partners, but as South Dakota's one voice in the House of Representatives, I want to preserve all the leverage possible to make sure that any final agreements which may be reached truly reflect the interests of ordinary working Americans and their families.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I rise in very reluctant support of the rule and will vote yes on the Dorgan motion to disapprove fast-track. The Dorgan resolution is the only vote we have today that binding assure results. I also stand here today on behalf of people on both sides of the border, not just profits.

I speak out to President Bush today on behalf of every worker in America who has lost or will lose his or her job to Mexico, or some other offshore tax haven for transnational corporations headquartered in the United States.

I also speak out on behalf of every exploited Mexican worker—those stooped over on the farms of North America and those crammed into Mexican factories—who are being paid 50 cents to $1 an hour, not even able to afford to buy the fruits of their own labor. I ask what kind of world are we building? Would our Creator look kindly on our handiwork?

This vote is not really about trade. It's really about how you as a Member of Congress can best use your vote to build more just and freer societies here in North America.

If you have not traveled to Mexico; if you have not visited its belching industrial and raw agricultural corridors; nor seen the pain of its people; if you have had no practical experience in dealing with fast-track trade authority; if you have not stood on unemployment lines in the United States; if you care about the American worker and our families, not just corporate profits, you should vote down fast-track authority today.

If you believe trade with developing nations should be placed in a larger context of expanded human rights and liberties; if you believe in decent wages, not 57-cents-an-hour labor; if you don't want Mexico to become a cheap manufacturing platform where foreign companies back-door their goods into the United States; if you want the United States to become a net exporting nation; if you believe North American competitiveness rests not on a low wage strategy but on improved productivity, investment in research, development and in peoples skills; and if you care about a North America that upholds the highest world standard of living, of decency, and human liberty, then vote yes on Dorgan.

If you're a Member concerned about GATT, the Dorgan motion will not stop GATT. You can be certain there will be another GATT bill up here before the June 1 deadline. If you want to move ahead with a comprehensive agreement with Mexico, you can be certain there will be another bill up here before midsummer to do just that. Today, however, is the day you have your one and only certain chance to send a strong message of the substance of what you want in an agreement. It is your only chance to move this administration toward a United States-Mexico agreement that sets a world standard for broad economic integration and embodies the best values of our democracy, not just a narrow negotiation on tariffs and trade.

Voting down fast-track and yes on Dorgan is your only binding authority to assure an agreement of which all of North America can be proud.

Think about it—voting yes on Dorgan is your only certain leverage as a Member of Congress. After today, your views will not really matter because you will have given away your right to amend. You will abdicate your legislative power. The Gephardt sense of Congress resolution has no binding authority—no teeth.

Conceptually, we all agree the idea of a free North American, unified market with Mexico, Canada, and the United States in partnership makes sense. But, in fact, this vote is about much more than trade. It is about how trade fits into a broader North American commonwealth integration. This vote actually has less to do with trade and more to do with foreign investment in Mexico and the loss of United States jobs. It has to do with the fact that the Mexican Parliament cannot delete this agreement when Mexico's authoritarian political system squashes debates and dissent. This vote has everything to do with our social covenant with the ordinary people of North America that our Nation should proudly herald. A market system is good for many things. But it cannot protect labor standards. It cannot assure human rights. It cannot guarantee free elections. It cannot assure a healthy environment. It cannot stop the flow of illegal drugs. It cannot resolve legitimate disputes that arise between trading nations. My friends, even today, the exploitation of people and the labor of their hands is still a reality. Only a yes on Dorgan will assure these issues are addressed. One of my most vivid memories of Mexico is visiting a SONY plant and learning that workers there were not earning enough to buy the televisions they were producing. Rather those televisions were all destined for the U.S. market. My friends, that is exploitation and it is wrong.

Exploitation is not only happening in Mexico, where workers cannot buy the goods they produce. It is happening here in America where hard working Americans lose their jobs to low wage economies. Last week, another company in my district with a Mexican affiliate in Metamoras shut down permanently idling another 140 hourly workers.

How can proponents claim an FTA will expand U.S. exports to Mexico and create jobs in the United States. But United States exports to Mexico are not a real new export market, but are reshipments of goods back to the United States. During the 1980's United States exports to Mexico have increased from $15.1 billion to $24.96 billion; Mexican imports to the United States have increased from $12.8 billion to $27.59 billion in the same period. However, 41.5 percent—and a growing share—of Mexican exports to the United States are simply reshipments back to the United States of United States components that have been assembled in Mexico by low-wage workers and then transported back to the United States. Under traditional capitalism, this is not a real expansion of United States export markets—since Mexicans are not buying United States goods. Rather, it is an escape of United States jobs to a low-wage economy where Mexican workers cannot afford to buy the products they make. The target market for sales is the United States market where, theoretically, unemployed United States workers thrown out of work by the loss of jobs to Mexico will be buying with their unemployment checks lowercost goods assembled by low-wage Mexican workers.

This trade agreement will not set the stage for the Mexican market growing as a real United States export opportunity. Rather, Mexico will become a cheap manufacturing platform for foreign companies to back-door their goods into the United States market, as so many maquiladora plants do now.

During the last 10 years, the pace of U.S.-based multinational corporations locating abroad has accelerated—output of these operations has increased 50 percent in the 1980's and now amounts to $15 billion. A growing share of these manufacturing operations have been located in developing economies. Offshore assembly operations have grown from 4 percent of total U.S. imports in the early 1960's to almost 10 percent more recently. Offshore assembly for export to the United States employs 2 million people, 10 percent of total U.S. manufacturing employment.

Can you begin to understand why this proposed fast-track authority with Mexico is so objectionable to me and why I made the effort to come to this well to ask your attention and consideration of my point of view. Every company in my district with a Mexican affiliate has now permanently closed its doors or laid off thousands of workers. Libbey Owens Ford Glass, thousands of workers. Dura Corp., thousands of workers. Midland Ross; Sheller Globe; Champion; Therma Tru.

This proposed agreement with Mexico is truly unique. It is precedent setting. Our Nation has never, I repeat never before negotiated a free-trade agreement with a nation whose standard of living is so starkly different from our own. Also Mexico's population is vast at 90 million and poor; any integration will have profound impacts on people here in the United States. Ohio has already lost 100,000 jobs to Mexico through August of last year, under the limited free-trade that exists now under the maquiladora system. Under the proposed agreement, it is projected by 1999, the United States could lose 405,000–912,000 additional jobs.

May I ask why should the United States be so anxious to negotiate a free-trade agreement with a nation that is not free. Mexico with its single party government, remains one of the most authoritarian in our hemisphere. Fast-track implies much more than a trade agreement and profound differences between the United States and Mexico will affect any trade agreement and directly affect people on both sides of the border. This vote on fast-track is really a vote about justice. It is about how to move political systems toward decent, fair, and honorable treatment of their citizens. This vote should be, and is, much more than a narrow vote on tariffs and trade.

Octavio Paz, Mexico's renowned and courageous Nobel Laureate poet and writer tells those of us who wish to hear him, in his work "The Other Mexico: Critique of the Pyramid."

> Mexico is a modern country. The trouble is that if you look at the picture carefully enough, you can see vast areas of shadow. It is a disturbing sort of modernity.
>
> Mexico continues to be a country of scandalous inequalities. If the government does not attack this problem, (by strengthening the people's buying power), the rhythm of development will slow down and even half. To launch this attack, it must implement a policy of social reform and it must reestablish freedom for its working people within the labor union which at present are controlled by an affluent bureaucracy.
>
> * * * without real freedom of negotiation for the workers, Mexico's development will be interrupted * * * Political revolution destroyed the old institutional order; it did not create a democratic state, but now, for this program to continue, it is equally imperative to achieve social development—that is justice.
>
> Under the present circumstances, the race toward development is mere haste to reach ruin. But we are forbidden to speak of these themes while we still have not achieved the minimal requirement: That free atmosphere that is the natural space in which both critical thought and the imagination unfold.
>
> Above all and before all else: We must conceive viable models of development, models less inhuman, costly, and senseless than those we have now. I have said before that this is an urgent task: The truth is, it is the task of our times.

And he ends with a profound warning to those who are too anxious to take advantage of the Mexican people today for some future economic development objective "the supreme value is not the future but the present * * * Whoever builds a house for future happiness build a prison for the present."

As we fervently debate fast-track today, are you aware that Mexico's Congress will not be allowed to debate nor even consider the proposed free-trade agreement. I ask again, how can we negotiate a free-trade agreement with a society that does not allow free debate, and whose very elections have not been verified by international tribunals—as I have stated; this agreement is less about trade and more about building just societies. Ask yourself, who is it that speaks for the people of Mexico, if negotiations proceed. The majority of them are poor and capable of being exploited. Who might take advantage of them? Who speaks for America's workers thrown onto unemployment lines? Who will stand for their rights as children of God, as laborers in the vineyard. As foreign investment in Mexico has risen at a phenomenal rate—from 17 maquiladoras in 1970 to nearly 1,700 today—the wages of Mexican workers literally have been cut in half. Yet their productivity has risen. What's fair, what's honorable, what is just about that? What is just about an authoritarian government that suppresses wages to achieve other purposes?

Mexico's President Salinas has stated: "He wishes to enact the biggest free-trade area in the world and is convinced that foreign investors would find it very attractive."

I would rather he speak about building a free society where his own parliament can debate this agreement, where different points of view are allowed their day in the Sun, and where true liberty has a chance to flourish. Free markets can only be sustained by free societies.

So, this agreement for the United States goes far beyond trade. The issue is how to move these talks to help Mexico build a more democratic society.

Fast-track talks are not the process through which to address such fundamental issues. More appropriately, the United States should model talks after the European Common Market integration which was negotiated carefully. Portugal, Greece, and Spain's per capita income gap with Europe was only one-seventh as wide as the one between the United States and Mexico—yet their integration took 40 years to achieve. But that agreement contained a social charter setting rights to social assistance, collective bargaining, vocational training and health and safety protections as well as a $68 billion regional development fund to narrow the gap between rich and poor countries. We can do no less with Mexico's population now equal to one-third of our own. Let us also clear up any misunderstandings on what fast-track is.

Fast-track is a rule of the House, not a commandment of trade law. It was first adopted in 1974. Prior to that, multilateral and bilateral negotiations—like GATT itself—were negotiated with full and deliberate consultation between the nations involved, and their respective legislative bodies. In the last 17 years, since 1974 when the fast-track procedure was first adopted, the United States still negotiated the vast majority of recent treaties and agreements—18 of them—outside of fast-track. Since 1974, only three agreements have been negotiated under fast-track—United States-Canada, the Tokyo round of the GATT and United States-Israel. These were either complex multilateral agreements or bilateral agreements with nations whose standards of living were much closer to the United States than is Mexico's. Fast-track is not the only alternative to negotiations. Even complex arms reduction agreements have not gone the route of fast-track. All fast-track does is cut Congress out of affecting the substance of the agreement.

There are three types of agreements that can be conducted by the President: First, a treaty which requires advice and consent by the Senate; second, an agreement on tariff cuts in areas where Congress has delegated negotiating authority to the President; and third, an agreement dealing with nontariff measures which must be enacted by Congress because it generally requires changes in U.S. laws. The type of agreement we are being asked to vote on today is the only type that provides for fast-track procedure.

Is it logical that Mexico would walk away from a trade negotiation with the United States if we do not have fast-track? No because another alternative exists. Just last year, President Salinas claimed he wanted a bilateral agreement immediately with advice and consent of the Senate. In any case, key provisions on worker rights, safety, health, and the environment and drugs must be incorporated into the body of the agreement. Worker adjustment provisions in the United States must be funded before Mexico gets trade benefits. We cannot depend on laws that do not have enforcement, nor programs without proper financing up front. A well-conceived agreement would guarantee our own worker adjustment programs, develop rules of origin for Japanese and other foreign investors in Mexico, and require that some of Mexico's exports go to third countries, not just the United States in order to avoid a giant trade deficit with Mexico by the end of the decade.

Finally, the fast-track procedure places U.S. negotiators at a disadvantage. Without fast-track, the U.S. negotiators' hand would be strengthened because they could always say, I'm not sure Congress would approve that request. The negotiators could come back, for example, on environmental provisions and strengthen the U.S. position. With fast-track, the advantage is given to the other nation that knows there is no possibility of amendment in any agreement. Consultations with Congress strengthens—not weakens—negotiators' positions.

I ask my colleagues to vote against fast-track and for the Dorgan motion to disapprove. It is the just vote. It will not stop negotiations—there are other negotiating alternatives. By voting for the Dorgan motion, you send a strong message to the administration that the implications of this negotiation go far beyond a trade treaty and you expect trade to be put in its proper perspective as only one element in building societies in North America, not just trading nations.

A yes vote on the motion to disapprove strengthens the negotiating hand of the United States and it preserves your constitutional rights as a Member of Congress.

Finally, it is right to stand up for America's workers and Mexico's workers against the forces in the marketplace that would seek only to pit them against one another and to degrade our environment. As the old saying goes:

There are some things worth fighting for. Vote yes on Dorgan.

□ 1220

Mr. HUNTER. Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, I thank the gentleman from California for yielding this time.

An expanded GATT that would make agriculture, service industries, and patents subject to international rules is very much in the U.S. public interest.—Baltimore Sun editorial, March 14, 1991.

This one line in my hometown newspaper, back in March, set off a flurry of activity among my research staff to discover just what is being proposed in all of these treaties which the leadership—of both parties—has been so interested in fast-tracking.

Like every other congressional office we have received hundreds of letters and position papers on fast-track and Mexico free-trade, most of them supportive, and for the life of me none of the ones we've read say anything about an international rule making body under which we will operate as a Nation.

This fast-track we are voting on today involves both trade negotiations—one with Mexico and another with GATT, the General Agreement on Trade and Tariffs—which involves 107 other nations.

Well, after much work—with several noted international law firms who have been monitoring GATT—this is the explanation of the ruling mechanism of these treaties.

The principle underlying not only the expanded GATT negotiations, but the Mexico Free-trade Agreement and the already passed Canadian Free-trade Agreement is that any law of a nation or of a state, inside that nation, which could be interpreted as an impediment to the free flow of goods and services across international borders will be subject to challenge by any of the signators to the treaty before a secret international panel. The burden of proof will fall on the nation defending its law, not on the challenging nation.

Our Constitution says that we are innocent until found guilty.

This proposal strikes at the heart of several Constitutional guarantees; first, the right of citizens to petition their government. The rules under which this nation will operate will be under review of a foreign rule-making body, meeting in secret, and their decisions for our country will not be subject to appeal.

How can we petition—with any effect—men who are not elected by us?

Second, we will be giving up the right of judicial review of challenges to State and Federal regulations. The foreign commissions will be composed of international lawyers meeting in secret who will be empowered to meet on the suitability of our law, not the constitutionality of our law.

Third, in the case of patents—the ownership and protection of real property also will move out from under the protection of the Constitution.

Ideologically, it destroys America's 200-year-old commitment to the value of the individual over all other values. Human rights and the quality of life will fall before the demands of the market place, the free passage of goods, and services.

The section of the proposed expanded GATT which deals with the universal standardization of all internal regulations of each member nation is contained in the section on harmonization, discussing the treatment of domestic technical barriers to the flow of goods.

The Canadian Free-trade Agreement [CFTA] can be viewed as a working model of both MFT and GATT. In the short 2 years since it was ratified, many challenges from Canada have been filed to our domestic law—some under GATT provisions—some under Canadian Free-trade.

The challenges range from trying to force us to drop our ban on asbestos to changing our distribution system for beer and the labeling on bottles for brewery products. I would hope that I am not alone in being shocked at the power that has been handed over to a foreign nation to micromanage our business.

We are now being asked to trust the same negotiators who gave away our sovereignty to Canada—on Mexico and GATT.

Imagine what we will be going through as a Congress and a nation when to the micromanagement of Canada, we add the parliament of Mexico's requests and then, with GATT, 107 additional nations begin to meddle and interfere with our safety standards, our labeling laws, even the laws of the State legislatures will be up for review by most of the nations of the world.

We will not have government in this Nation anymore, we will have anarchy.

Now, if our negotiators really were going into this with the best interests of this Nation—under GATT, as it now stands, the United States Trade Representative, Mrs. Hills, would be filing a challenge to France's recent announcement that it was subsidizing Thomson Electronics and Bull—because of their great financial losses.

Under GATT, subsidies to industry are a no-no. But, if we show the teeth in the new trade accords too soon—the other nations will not sign on.

I implore you before you vote on fast-track to look at the teeth in the Canadian agreement. Look at the interference by a foreign nation in our governmental affairs. Think about 107 additional nations being given that power. Then ask yourself if you want to be held accountable, not only by your constituents but by your children and your grandchildren for having given away this wonderful power, the Constitution of this great country provided for us.

Again, let me say, Mr. Speaker, we do not oppose negotiating with Mexico and GATT, but we want to do it in the same careful manner of the European Community which negotiated for years among its members to achieve agreement and iron out the differences and problems and allowed its members to make changes in their respective parliaments.

Support 101. Vote yes, for the United States of America.

Mr. CRANE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I know we are divided on the merits of what potentially lies down the road, but we are debating like we have a finished package before us, upon which we are imposing our own independent judgments.

Let me remind you, those of little faith, that it was our distinguished U.S. Trade Representative who refused to conclude what in her eyes was an unsatisfactory agreement in the Uruguay round. Because of that, we are in the position of hopefully giving her the authority to go back to the negotiating table and to produce a document that this Congress can accept.

Keep in mind, after they reach the end of what they think are successful negotiations, then we have 90 days to review the product, 90 days to examine it thoroughly, and, if it turns out to be satisfactory, or unsatisfactory, after that, it requires enabling legislation, and that is another 60 days. This body can then vote the product up or down.

The truth is, we have, on the basis of Carla Hills' track record, a tough negotiator. She was not willing to compromise on some of the very fundamental, basic questions in that Uruguay round.

Mr. Speaker, I would urge Members, with all due respect to my distinguished colleague on the Committee on Ways and Means, to vote no on House Resolution 101. Let the process proceed, let us have an opportunity to see the product, and then we will be in a better position to render a judgment.

Mr. Speaker, I rise in strong opposition to House Resolution 101, a resolution that would withdraw fast-track trade negotiating authority from the President. This bill is shortsighted and insular, and would irreparably damage the leadership role of the United States in the world economic community.

In my mind, there is no better competitiveness program for the American economy than the continuation of open market policies made possible through improved trade agreements. There is no better jobs program than a dynamic industrial base with the freedom to produce products the world wants to buy. To reject the challenge of open trade is to scale back our future to one defined by minimal job creation and lackluster economic performance.

Setting aside the significance of the Uruguay round for a moment, I will turn first to the Mexican proposal because it has been such a lightning rod for criticism. In my view, the debate should center on the validity of the President's vision of a North American Free-Trade Agreement as the future course for American international economic policy. Those who want the talks called off are finding refuge in the allegation that the fast-track process somehow allows the administration to disregard congressional concerns.

No statement could be more unfair. Responding to the challenge posed by opponents of trade talks with Mexico the administration conducted an intensive, unprecedented study of congressional concerns regarding free-trade with Mexico. Following this bill we will consider here on the floor a resolution reflecting the President's personal commitment to close bipartisan cooperation with Congress throughout the negotiations and beyond.

In an exchange of letters the President says "in seeking to expand our economic growth, I am committed to achieving a balance that recognizes the need to preserve the environment, protect worker safety, and facilitate adjustment." He goes on to spell out a formidable action plan to achieve these aims. As a Member concerned about the power of government to cripple business with restrictions in these areas, I am less comfortable than some with suggestions that the Mexicans adopt our regulatory maze.

Nevertheless, I congratulate our U.S. Trade Representative for the sophisticated level of congressional involvement she has solicited. We have kept her occupied for several months here on the Hill, and it is now time for her to return to the negotiating table with our trading partners. The potential economic opportunities to be had are formidable, and Ambassador Hills has demonstrated that we can trust her to be tough.

In light of the sweeping economic reforms which have occurred in Mexico, the time could not be better for integrating North America under market oriented principles. Seventy cents of every dollar Mexico spends on imports returns directly to the United States. Two-way trade with Mexico totaled $58 billion last year and United States exports have more than doubled since 1987. While Mexican tariffs have been reduced, they are still 2½ times higher than United States duties and remain subject to increase since they are unbound under GATT. Further trade and economic links will lock in tariff reductions while encouraging stability and opportunity along our northern and southern borders.

Unfortunately, we hear exaggerated forecasts of United States plants streaming south to Mexico in search of low wage workers the day an FTA is signed. In testimony, industry after industry discounted this definition of comparative advantage, as one that ignores a host of other elements including technology, capital, land, natural resources, market appeal, and most importantly, worker productivity. I remind my colleagues that low wages in Mexico are a direct reflection of an average worker productivity one-sixth of that in the United States. Furthermore, any company with an investment strategy driven by low wages has already made the move given the current low tariffs on products exported to the United States from Mexico. The average United States tariff vis-a-vis Mexico is 3.9 percent, with 45 percent of imports entering duty free—13 percent free under MFN, 9 percent free from GSP, 22 percent free under H.S. section 9802.

Turning now to the multilateral talks, a successful Uruguay round would contribute literally trillions of dollars to world GNP over the next 10 years. Prospects for a successful outcome, however, are more dim, I believe than for a NAFTA. Because of the important objectives of the private sector in areas such as intellectual property rights protection, services, market access, and agriculture we cannot afford to deny one final attempt to get a multilateral agreement. Yet it is apparent to the world that the Uruguay round is faltering under the weight of the European Communities' trade distorting farm policies.

On this point Congress and the administration are united: Dramatic movement in agriculture must occur immediately following the renewal of fast-track. Otherwise no GATT agreement will be possible or desirable. Getting away with the bare minimum of movement or the illusion of reform will no longer be enough to keep the Uruguay round talks in motion. The painful political choices will be made now or not at all. It would be a mistake to interpret this debate on fast-track renewal any differently.

Whatever the outcome of the two sets of negotiations proposed to us by the President, Congress retains final authority over whether to implement any agreement. Preserving fast-track allows Congress to meet its constitutional responsibilities to shape trade agreements without making it impossible for the Executive to negotiate them. The President deserves the commitment of the House to review each trade agreement in total, as a balance of concessions and economic opportunity. Today, let us not turn our backs on the challenge.

I urge my colleagues to vote no on House Resolution 101.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Speaker, time and again we have come to this well to condemn those who would close their markets and challenge those who would discriminate against our products. In raising the prospect today of a North American free-trade area, we do not contribute to that problem. We provide the answer. For in those debates, we argue that with barriers lowered, we would outthink, we would outwork, we would outsell anyone.

Today we do many things, but, most significantly, we test that confidence.

I understand the uncertainty of change. Isolated, secure for two centuries, nature afforded America a market we were unchallenged and without peer in. But those days have ended.

Mr. Speaker, we have always been an ambitous people. Two hundred years ago we formed this Union because individually as States we could not provide the market or the competition to give ourselves the quality of life that we demanded.

Today it is time to change the rules again, to form the world's largest market, a base from which American industry and American workers can challenge the world.

Mr. Speaker, I urge the defeat of the Gordon amendment. I urge support for fast-track. Create a market from which America can truly challenge the world.

Mr. GORDON. Mr. Speaker, I yield 2½ minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Speaker, I am not against free-trade; I am for it. But I am opposing the fast-track package we have before us, and therefore, am in favor of House Resolution 101.

Mr. Speaker, there are two main reasons for my position. First, on process. This is an important delegation, of congressional authority to the administrative branch. For 185 years this country did not have anything called fast-track. We dealt with trade negotiations with Congress fully involved in the process.

In the last several years we have seen a tremendous transfer of authority to the executive branch. One example of this is the very package we have before us. We are being asked to vote yes or no on a take-it-or-leave-it basis right now.

□ 1230

That itself takes Congress out of the picture. We are doing this to ourselves.

And when the Mexico free-trade agreement comes back before us, it is going to be another take-it-or-leave-it. We will be transferring power and authority away to the executive branch.

The other issue is on substance. If you take a 250-million-person lucrative consumer market and fuse it with an 80-million-person cheap labor market, guess what happens to American jobs? It is pretty darn simple. They are going to leave.

The key is that this is not just a trade bill as advertised, it is actually an investment bill. All of the studies that assume U.S. losses will be minor assume there is no change in investment. But that is the key to the bill. That is the key to the bill in the Mexicans' minds, and the key to the bill in the international companies' minds. They know it is an investment bill, and there will be a tremendous temptation for United States companies to make them more competitive by taking investment out of the United States and putting it in Mexico where the labor is so cheap. That will rob us of jobs.

The administration says this is a competitiveness measure. But the only way it improves competitiveness by is tapping into that 80-million-person market of cheap labor.

The other way in which this bill really is an investment bill is this: In Mexico they do not yet have the standards on health and safety, child labor, the environment, OSHA, and collective bargaining rights that we have here, and the ones they do have are not enforced. But not meeting U.S. level standards on OSHA, health and safety, child labor, and the environment, United States firms that invest in Mexico can lower their costs of production tremendously. This, in other words, will again make them competitive at our expense, not the world's expense.

I think we need to stand up for America, stand up for this country, stand up for the middle-class people who are working in our districts every day and who expect us to be protecting them.

Free-trade is great in theory, but in actual fact it will hurt us in this particular instance if we do not build in these safeguards. That is why we should vote for House Resolution 101 and against fast-track.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, I rise in favor of House Resolution 101 offered by Congressman BYRON DORGAN of North Dakota. H.R. 101 disapproves the extension of fast-track procedures to negotiate international trade agreements.

I am voting against authorizing the extension of fast-track for negotiating the Uruguay round of the General Agreement on Tariffs and Trade, more commonly known as GATT, and the North American Free-Trade Agreement [NAFTA] between Mexico, the United States, and Canada. My decision today is not based on protectionist sentiments nor anti-Mexican bias. Rather, I am not convinced that the desired economic benefits that a free-trade agreement could possibly bring under a NAFTA, as negotiated under fast-track, will be achieved.

My father was a Mexican immigrant who came to the United States in search of work. My cultural and family ties with Mexico have continued over the years. And, as a child growing up in the Southwest and now as a legislator, I have longed for the day Mexico would improve the living standards of its people.

As a Mexican-American, I would like to see Mexico become economically prosperous. I would like to see a Mexico that can become an industrial giant in this global economic community; a Mexico, with over 80 million people, that can shake off the shackles of poverty, illiteracy, unemployment, substandard health care, an inadequate educational system, and a host of other social ills; a Mexico that could put to rest the stigma of the "mordida"—or bribery—in a truly respected judiciary system; a Mexico that is truly democratic and respectful of the rights of all its citizens, and a Mexico that can become a leader among our Latin American neighbors.

To extend fast-track negotiating authority so that this administration and the Mexican Government can craft a free-trade agreement will not solve Mexico's economic ills. Mr. Speaker, I do not think that fast-track is the necessary means to achieve the economic ends that the President so eloquently speaks of. Rather, fast-track is set up to give the executive branch excessive power while stripping Congress of the right to participate in trade policy.

As an advocate of the small business community, one of the fastest growing sectors in our economy, I oppose the extension of fast-track. Using fast-track, particularly for the Uruguay round of the GATT negotiations, could be a death blow to U.S. procurement of services for small and disadvantaged businesses. In its 1991 report, the Commission of the European Communities sent a list of U.S. trade barriers that it would not accept. Among this list, is the Federal procurement to small and disadvantaged businesses. The European Community wants more than trade barriers eliminated, it wants to reduce U.S. procurement services to small and disadvantaged businesses; this, they say, is an impediment to free-trade.

Equally unacceptable is allowing other countries or governing bodies to determine what is a U.S. nontariff trade barrier. Throughout the world, the United States is recognized as a leader in consumer protection and safety. However, under fast-track some of our domestic laws set up to protect consumers could very well be labeled as a nontariff trade barrier by either Mexico, Canada, or some other European countries. By keeping Congress out of the negotiations, the fast-track mechanism becomes a threat to our consumer protection laws, and is thus unacceptable.

While I believe that free and fair trade is beneficial to the United States, I am opposed to extending fast-track negotiating authority. To authorize fast-track would limit congressional duty to actively oversee the NAFTA negotiations. In fact, granting fast-track would allow the administration to structure any agreement it wanted and would restrict congresssional action to a yea or nay vote. Further, since fast-track eliminates the possibility of any congressional amendments, the Congress would be making a mistake if it were to give up its powers to oversee or revise the final agreement.

Mr. Speaker, I urge my colleagues to join me in support of the Dorgan resolution against fast-track negotiating authority.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I urge the House today to vote for the Dorgan resolution. I believe that we ought to have a free-trade negotiation with Mexico. I believe we need GATT negotiations. But I do not believe that the Congress ought to irresponsibly abdicate its opportunities and responsibilities to review in detail what comes out of those negotiations.

I have another problem with the administration's position on the Mexico issue. The administration's argument is that we ought to be prepared to accept the loss of low paying jobs, and we ought to instead aim the American economy at capturing high paying jobs, because that inevitably is what is going to happen in world trade. I happen to agree with that. I think that is what is going to happen.

But the problem with fast-track and the problem with the administration's position is that they do not have any plan to transition those workers from poor paying jobs into decent paying jobs.

The Secretary of the Treasury is coming up to my office this afternoon to try to persuade me to support the Initiative for the Americas. The Initiative for the Americas contains funds for job training for workers in Latin America who are displaced because of privatization efforts. Yet, our own job training programs here in this country have been cut by 50 percent since the day Ronald Reagan walked into the White House in 1981.

It just seems to me that before we abdicate our opportunity to take a look at each of the pieces in these trade packages, we ought to know that the administration has a game plan to provide decent job training, decent education, and a decent tax structure so that we can in fact transition those low paid workers who are going to lose their jobs into better jobs. This administration does not have a clue about how to do that, and until they do we ought not to give up our leverage; we ought to vote no on fast-track.

Mr. GORDON. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas [Mr. BRYANT].

Mr. BRYANT. Mr. Speaker, I rise with great reluctance and concern to state that I have decided to support the extension of fast-track authority to negotiate a free-trade agreement with Mexico and to vote against the Dorgan amendment of disapproval.

I emphasize my reluctance because I believe our Democratic leadership has not gotten meaningful commitments from the administration regarding the protection of American jobs, the environment, and the enforcement of Mexican labor standards. And why they did not take this opportunity to get these commitments in advance is something I do not understand in view of the disastrous record of this administration and the predecessor Republican administration regarding trade.

Yet I believe deeply that we must finally turn our attention to our own hemisphere and particularly to our best friend and neighbor in this hemisphere—Mexico. Because of the possibility that this opportunity might finally result in a recognition that our Nation's business is in this hemisphere and might result in an economic and cultural union that will join our economies and our peoples together in a just relationship, I intend to vote against the motion for disapproval.

But I want to make it very clear: If this agreement comes back to this House without being accompanied by realistic requirements protecting American jobs, protecting the American consumer, protecting the North American environment, and protecting the safety and working conditions and freedom of the Mexican work force, I will vote against the agreement when the implementing legislation for this agreement comes before the House. And I would hope that in that case I would be joined by the Democratic leadership of this House in standing up for the American worker.

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Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. MILLER], a diligent, hard-working member of the Committee on Foreign Affairs.

Mr. MILLER of Washington. Mr. Speaker, this is one of the most crucial votes, I believe, we will cast this decade. It is a vote about trade, and it is a vote about American leadership.

Out in my district at the beginning of every month, families, five schoolkids in tow, come into volume and discount stores seeking to buy five pairs of sneakers and having only $50. They are able to do that. They are able to do that because of trade, because of imports.

In another part of my district, high-technology companies have sprouted up along a corridor with thousands of new jobs. That is happening because of trade, because it exports.

Most of the economic growth in the world since World War II has come about because of trade, but this is a vote not only about trade but about American leadership, just as that vote in January on the Persian Gulf was. That was a vote about American diplomatic and military leadership. This is a vote about American economic leadership.

My colleagues, let it not be said that a nation that had the courage to send half a million troops halfway around the world was so lacking in courage that we kept our trade negotiators at home.

Let us defeat this disapproval resolution. Let us support fast-track. Let us support more and fairer trade.

Mr. CRANE. Mr. Speaker, I yield 1 minute to my distinguished colleague, the gentleman from Illinois [Mr. POSHARD] to speak in support of House Resolution 101.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 additional minute to the gentleman from Illinois [Mr. POSHARD].

Mr. POSHARD. Mr. Speaker, last year the President sent a Clean Air Act over here, the Congress passed it, and asked the people of this country to accept it, because there is a rational environmental need for clean air.

The coal miners of my district didn't like it because it's probably going to cost 10,000 of them their jobs. But they were told they would have to make the sacrifice for the greater good of the country because we value a clean environment here. No one argued then or now with the need—but it sure doesn't make the sacrifice of their jobs any easier.

The coal mines that are still operating in my district, Mr. Speaker, are visited regularly by a Federal or State inspector whose responsibility it is to see that the health and safety standards in those mines are adhered to. They make a thorough check and if something is wrong they make sure it gets fixed. And sometimes they even shut down the mine until the problem is corrected. That creates some additional expense for the employer and a little less money in the pocket of the employee, but those inspections and those corrections in the safety code are made because in this country we value the welfare, safety, and the life of our employees.

Some of the coal miners in my district are into the fourth and fifth generations of their family to work in the mines. Just think of that. Its taken nearly 80 years for a grandfather whose father in 1910 worked for 80-cents an hour to now see his grandson make $15 an hour for this back-breaking work. Now that's a good wage, Mr. Speaker, but its taken 80 years to get there. And in the factories of this country its taken at least that same amount of time to get to $10 and $12 an hour. And even at those wages, if you have a family, you're barely making ends meet. But we've always said in this country that people have a right to a decent wage, that the employer should share fairly in the profits with the workers. In that way, everyone benefits and our standard of living rises. Government has the responsibility of being fair and even-handed with both employer and employees to see that the process works for both.

Well here's the point I'm trying to make. The coal and textile industries in my district and others are suffering, in part because we value a clean environment, workplace safety, and a living wage for our people. But all of a sudden we're willing to toss that in file 13 so we can enter into a trade agreement with the Republic of Mexico.

I have watched the textile industry in my district dwindle away to almost nothing. Those used to be hundreds of goods jobs for American workers but now they're gone forever. Without the environmental, wage, and safety issues—demands for basic human dignity—the foreign competitors have an unfair advantage over American businesses. And our country not only seems to have little interest in that fact but seems eager to speed up the export of American jobs.

I believe in an honest day's work for an honest day's pay. But I do not see any solid guarantees that the three pillars of our domestic economy—wages, safety, and environmental sensitivity—will be built into this free-trade agreement with Mexico.

Our Government is pushing jobs out of our communities and taking opportunities away from our children. And please do not think I have anything against the people of Mexico, for it's people who matter most to me in this whole debate. If we really want to help them, and we should, negotiate a tough trade agreement that stops people from working 14 hours a day for a buck an hour. Demand the same kind of workplace safety to prevent people from being maimed and blinded, then replaced on the assembly line like an interchangeable part. and tell our trading partners we're tired of passing laws on clean air and water only to have our efforts hamstrung by our next-door neighbors.

What I have heard about the corruption in the Mexican Government makes me wonder why we are this anxious to have formal trade agreements in the first place. It continues this fascinating double standard of demanding a high moral code for America but accepting far less from others. And every time we do that we hurt the American people.

I am against a free-trade agreement with Mexico under fast-track procedures which give us little opportunity to correct its mistakes. We should slam on the brakes and give the American family in the Heartland of this country a chance to keep its way of life intact. By continuing to emphasize those ideas that protect our own way of life continue to assist others in need. But when this country grows so eager to turn its back on its own people it's a very dark day indeed.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 2 minutes to the gentelman from Georgia [Mr. JENKINS], a member of the Committee on Ways and Means.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. JENKINS], my colleague from the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, every single Member in this body, just a few weeks ago, was inundated with people in their district offices wanting to go to Kuwait to find employment. Does it disturb you as an American that your district offices have been inundated with Americans wanting to go to a Third World country to find employment? It ought to be of some concern to this body.

From some of the people who are for fast-track and talking about how great we have done, let us go back to 1973, because this is an important vote for the future; oh, there may not be much interest today, but there will be a great deal of interest in the next 18 months.

Let us go back to 1973 when we delegated legislative authority to the White House, and as I look at the report in 1973, we had a trade deficit of $6 billion; and the Speaker at that time said, talking about that deficit, that that was the worst we had experienced for decades. Since 1973, when you delegated our legislative authority to the White House, we have accumulated a trillion dollars since 1973 in trade deficits, a trillion dollars since you delegated your authority.

Whose responsibility is it? It is yours and mine, because the Constitution says that we have the responsibility in trade; and, we are giving that authority away to the White House.

Who are those people who negotiate for us, and 2 years later we find them in the employ of foreign governments? They are not elected by the American people. They are appointed people, and we have no control over them.

Oh, yes, you can delegate your responsibility in fast-track. You can do so very easily. But it ought to disturb you that we are searching ways today to try to find some way to encourage savings by Americans, IRA's, all of these various things. My God, the American, working people cannot save. We are losing our high paying jobs to other countries and we are becoming a debtor Nation, and we no longer have families who can save.

We are voting to give authority to the executive branch to negotiate a trade agreement to compete in our own market-place.

I say to you, my colleagues, that you may have made a decision to support fast-track without really looking as to what you are doing. You say, "Well, I will have an opportunity to vote up or down when I see the agreement. I will have that opportunity to vote it up or down." No; you will be stamped at that time. As a former chairman of the Trade Subcommittee, Charlie Vanik, said in 1973, "The Congress should legislate trade policy, not abandon its responsibility."

Mr. Speaker, on Tuesday, we all heard many thoughtful and provocative remarks on the question of burden sharing during debate on the Defense authorization bill, on how much it costs the United States—in dollars, in jobs, and ultimately, in terms of our long-term economic security—to defend our interests and those of our allies around the world. Proponents of burden sharing, the 357 of us who voted to approve the Dorgan amendment, share the simple, pragmatic understanding that in a vastly different world, politically and economically, those benefiting from our defensive efforts ought to pay their fair share of the costs of those efforts.

Today's debate is not about free-trade. We all support the elimination of trade barriers and the opening of markets. The United States has led the way in this regard. I certainly support these goals. Exports from my home State have increased in recent years and hopefully will continue to do so in the years ahead. More trade is critical to the U.S. economy and to economic growth worldwide.

The American people support free-trade, but 72 percent of those responding to a recent Garin-Hart research poll said they oppose fast-track.

This debate is about fairness, about looking out for U.S. economic interests here at home and assuring that when concessions are made at the bargaining table we get something concrete in return. Recent experience proves otherwise, and so this debate is also about the procedure under which trade agreements are considered by the Congress.

The administration says that without fast-track no trading partner will sit down and negotiate with us. I cannot buy that argument. Investment in the American market is the premier attraction for Asian and European businesses, and the American consumer is still the foreign producer's best customer.

Our trade policy resembles, at best, a scattered approach to achieving our foreign policy objectives rather than a definition and defense of our national economic interests.

According to a January 18, 1991, Washington Times column by economist Paul Craig Roberts, Chrysler Corp. recently learned, while in the process of closing down a United States jeep production facility, that the Japanese had struck a deal with the Bush administration for the purchase of Japanese-made jeeps by the United States military in exchange for Japanese contributions to the Persian Gulf force. For its support of the gulf operation, Turkey sought and was granted a 25-percent increase in its quota limit on textile exports to the United States. Interestingly, Turkey is said to have requested a similar deal from the European Community but was turned down.

Textile concessions are a favorite give-away of our foreign policy program, action hardly consistent with the administration's pledge to correct the textile import problem.

A brief history of the proposed textile agreement in the Uruguay round of the GATT demonstrates the willingness of our negotiators to bargain away our interests here at home without requiring something in return of benefit to our own export industries.

The USTR's initial negotiating position, formulated with congressional and industry leaders, consisted of a plan to:

First, phase out the multi-fiber arrangement, the country-by-country system of quotas governing textile trade, in exchange for the imposition of a global quota system with annual growth rates ranging from 1 to 6 percent and tied to product import sensitivity;

Second, allow no reduction in U.S. tariff rates;

Third, link the phaseout of the MFA to strengthened safeguards, including those concerning the antidumping rules and with respect to government subsidies of production and exports; and

Fourth, the negotiation of broader market access rules, particularly with respect to developing countries, for U.S. products.

The proposed GATT textile agreement is a far cry from that administration/industry starting position. First, the Multifiber Arrangement is indeed headed for a phaseout, and although the agreement contemplates a new quota system, it will not be the global system expected. In fact, the basis on which any new quota system may be imposed is uncertain. In addition, annual growth rate increases will not be limited to between 1 and 6 percent, but will average 8 percent, and the rates will not be tied to product sensitivity to imports. Furthermore, tariffs, safeguards, and market access issues have been addressed in the context of other negotiations, a review of which shows that U.S. tariffs will be lowered and no discernible progress has been made in the area of stronger safeguards or freer market access. It's easy to see where the U.S. industry loses in this deal; but how we could possibly gain is not so clear.

Based on a historical analysis of domestic market growth, the U.S. textile industry projects an annual growth in demand for textile and apparel products of 1 percent per year over the next 10 years. By the year 2001, domestic demand could reach 33 billion square meters of textile and apparel products. Based on Commerce Department projections of import growth under the proposed GATT agreement, the industry estimates imports of textiles to grow at the rate of 8 percent per year over the next 10 years.

Import penetration over this period could result in the loss of two-thirds of domestic production and the loss of 1.4 million jobs in an industry that today employs 1.75 million people. In addition, another 350,000 jobs, of a total of 619,000, in textile support industries, such as, cotton, wool, and man-made fiber production and textile machinery manufacture, could be lost.

The efficiencies of world-wide economies of scale are a grand ideal, but the practical result of this proposed agreement is disaster for the U.S. textile industry, its employees and their families, and the economies of the States and communities in which the businesses reside. Lost tax revenues and increased government payments to the displaced will only add to the extraordinary costs of this ill-advised policy.

We greatly enhanced our status in the world through the success of the Persian Gulf operation. We can further enhance our position by bringing our might to bear in behalf of free and fair trade, and by following a policy that defines and firmly defends our national economic interests.

An equally important question has been raised concerning the propriety of the delegation of authority over foreign trade matters to the President embodied in the fast-track procedure.

We tend to confuse trade pacts with treaties. The Constitution does not. While the

Constitution provides that the Senate "shall advise and consent" with respect to treaties, it explicitly vests jurisdiction over and responsibility for foreign trade to the legislative branch. Article 1, section 8 states:

> The Congress shall have the power to lay and collect taxes, duties, imposts and excises * * * To regulate commerce with foreign nations.

Under fast-track, we have not merely delegated, we have relinquished all authority over the regulation of foreign commerce to the President, contrary to the direction of the Founding Fathers. It is time to reclaim our authority and to exercise it on behalf of those who elect us to do so.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, today we are voting on whether to extend for 2 years fast-track authority to the President for the negotiation of a new multilateral trade agreement under the General Agreement on Tariffs and Trade [GATT] and for a North American Free-trade Agreement [NAFTA] with Mexico and Canada.

If extended, Congress will have only 60 days to analyze and vote, up or down on the entire package, on agreements which could set into motion changes of fundamental importance to our trading relationships with the rest of the world and change or repeal a myriad of domestic laws.

After considering both sides of this issue, I have decided that this vote is more about procedure and process, than it is about the probable substance or ramifications of the agreements in question, as proponents of fast-track argue. This is a vote about whether to limit severely the right and responsibility of Congress, and by extension the American people, to set policies which will govern businesses, workers, consumers, the environment, health and safety regulations, and indeed our whole economy.

The fundamental rationale for fast-track authority is to smooth out the bumps in the normal legislative process. It is, as I recall an administrative official telling me during congressional hearings, "impractical" or inconvenient for Congress to meddle in such complicated matters.

There is no doubt that this vote will determine how America will deal with its competitors in the world economy in the 21st century. It is our constitutional duty to make sure our constituents are protected from any bad deals made by unaccountable bureaucrats and appointed officials in the administration. These trade agreements demand the greatest possible public and congressional review, not the least possible, as Ambassador Carla Hills, the President and the rest of the administration seem to want.

Since 1958, when the European Community began its integration process to form a one-market economy, every participating country's representative body had the ability to amend or rescind any or all of its negotiators' agreements every step of the way. When the single EC market takes affect next year, there is no doubt that every citizen will know that his or her interest was taken into account during this lengthy but successful process.

If the Americas and Canada are trying to imitate or have an answer for an integrated Europe, I think the administration's scope is severely limited and insufficient. At the start of its market integration process, EC participants determined social objectives were necessary to include in order for all countries to benefit from a single-market economy. Standards and guidelines for labor, health, safety, and the environment were established for each EC country to adopt and regulate. As the EC closes in on effectuating a single market, it is assured of harmonization which protects not only workers, but citizens and businesses as well.

As far as I can tell, the administration has no such social goals in mind. It has only given us unbinding assurances that it will not dislocate workers, harm the environment, and so on. In my opinion, this administration is missing the mark. It could have taken this opportunity to work with Congress to create social objectives within the frame work of the trade negotiations that not only would have benefited Mexico, but this country as well. Without a social goal or objective in mind, this administration runs the risk of doing more harm to small businesses, our workers and the environment. For this reason, Congress should play a significant role in the negotiations to ensure that the administration does not forget its constituency.

Unfortunately, in the past, Congress has been too quick to relinquish its prerogatives. First established in the 1930's, fast-track authority then gave the executive branch the ability to negotiate and determine tariff levels. As multilateral trade negotiations grew more complex and increasingly involved nontariff matters, successive Presidents sought to enhance the relatively minor fast-track authority granted by Congress during the Depression. Ironically, it was the Nixon administration which first obtained fast-track authority as it is currently used.

After a quarter of a century of sitting on the sidelines and having trade policy basically dictated by the executive branch, it is time for Congress to reassert its role in international economic and trade policies as envisioned by the Founding Fathers. It is time to reverse the trend of the past 25 years which have witnessed a flight of American jobs and businesses offshore, increasing numbers of markets closed to American products, and relative decline in the share of American exports in world markets.

But fast-track is a vote our Founding Fathers would have never cast. Their position with respect to the role of Congress in such matters was clear, unequivocal, and stated succinctly in article 1, section 8 of the Constitution: "The Congress shall have the power * * * to regulate commerce with foreign Nations." Ensuring the role of the legislature in trade policy was an "impracticability" of highest priority to the framers. I went back and read the Federalist Papers—That is very interesting reading. I say to my colleagues. Of all the matters the new government would consider, James Madison argued in The Federalist, "[T]he objects of Federal legislation * * * which are of most importance, and which seem most to require local knowledge, are commerce * * *."

Proponents of fast-track fear Congress might become beholden to special interests and adopt major amendments to the agreements. That is why proponents are seeking to limit the amending power of the Congress. The Founding Fathers, on the other hand, who had fought a successful revolution against an overbearing, dictatorial central government, were careful to emphasize the necessity for the representation of local knowledge—the special interests of the 18th century—in matters of fundamental importance.

They sought to ensure and magnify the role of Congress in such matters, not limit it. Alexander Hamilton wrote in The Federalist while "the executive [is] the most fit agent in [the management of foreign negotiations] the vast importance of trust and the operation of treaties as laws plead strongly for the participation of * * * the legislative body in the office of making them."

There is no reason to believe that a new GATT agreement or NAFTA would not be approved and implemented by this Congress. Without fast-track, Congress has approved at least 89 multilateral treaties, conventions, and trade agreements under the normal legislative process in the past 25 years.

Some of these agreements, such as the 144-nation telecommunication agreement or the 100-nation trademark treaty were nearly as complex as those now under negotiation. In addition, Congress has given its approval to a series of arms control agreements without fast-track authority. In short, when in the national interest, Congress has a strong record of approving treaties and agreements.

There is no question these ongoing negotiations could affect millions of jobs. The negotiations will also affect the every day lives of all citizens. If Congress relinquishes its amending powers by approving fast-track, the American people run the risk of seeing domestic health, safety, and environmental protection dismantled under the rubric of removing nontariff trade barriers. For example, under the Canadian Free-Trade Agreement, Canada is now suing the United States for its ban on asbestos claiming it is an unnecessary barrier to trade. Some analysts contend fast-track approval would constrain the ability of Congress to insist on domestic food safety legislation which limits the use of such cancer-causing substances such as DDT.

While opening trade with our neighbors and allies is a necessity in this era of global economics, the procedure must be consistent with constitutional prescriptions in favor of congressional preemption. Our Founding Fathers would have never jeopardized the economic security of average Americans. They would have insisted on strong congressional control and so should we.

I have voted against most efforts to restrict free-trade, but will oppose extending fast-track. As chairman of the Grains Subcommittee of the Committee on Agriculture, I hope to be able to vote again for reducing trade barriers with all nations, including Mexico. I remain encouraged substantive agreements can be reached in the current round of trade talks. All I am asking for is an accountable, democratic procedure to make sure the agreements are arrived at fairly and equitably.

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Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. ANDREWS], a member of the Committee on Ways and Means.

Mr. ANDREWS of Texas. Mr. Speaker, this is the most important issue and vote on international trade this Congress has faced in the last quarter century. Our friends in Mexico understand that. Recently, President Salinas summed up what is at stake in a speech to the Texas Legislature. He said: "We are at a stage in history when we can take meaningful steps that ensure the competitiveness of our countries and the welfare of our peoples for generations. Seldom do these opportunities arise in the course of history. We cannot afford to limit ourselves to short-term and local interests."

The talented leadership in Mexico has taken steps to increase trade and improve the quality of life in that country. That leadership has unilaterally reduced tariffs by 80 percent since 1986, and in the process our exports to Mexico have more than doubled and 400,000 new jobs for American workers have been created. This kind of progressive economic policy will help the economies of both our countries to grow.

Rejection of fast-track would greatly undermine our President and our Nation's ability to negotiate agreements with our trading partners, not just in this hemisphere but throughout the world. Rejection of this trade procedure would do long-term harm to the interests of our Nation.

I firmly believe that fast-track is a procedure that is both practical and fair. It allows our negotiators to do their job, but it also ensures that they must listen and consider the concerns of Americans who will have to live with the results of a trade agreement. Killing fast-track will only hurt our chances of reaching any future trade agreements.

Recently I met with local leaders in El Paso, TX, an important city on our border with Mexico. Government, business, academic, and health care leaders spoke to me about what this opportunity means to them. Environmental problems make this a local issue in many towns and cities along our border, but it is far from a parochial concern because that border stretches for 2,000 miles. Most of those local leaders feel this is an opportunity for positive change. The Rio Grande River is one of the most polluted rivers in this hemisphere. Many people in that region feel isolated, remote, and ignored. This vote is a chance to improve the quality of life on both sides of the border. Let us not waste this opportunity. We must seize this moment to begin to correct the serious environmental problems that exist along our Southern border, to increase the standard of living for Americans and Mexicans, to make our Nation more competitive in the world marketplace and to be a responsible friend to our neighbors in this hemisphere.

I urge rejection of the Dorgan resolution and endorsement of the fast-track procedure.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER], my hardworking friend from the Lehigh Valley.

Mr. RITTER. Mr. Speaker, the good news in the American economy is that manufactured goods are our leading exports, export-led growth is the bright spot in the American economy.

Industrial heartland States like Michigan, Ohio, Pennsylvania export $42 billion a year, nearly all of which is manufactured products. A billion dollars means 20, 25,000 jobs. We need more, not less.

The barriers with Mexico are higher for exports from America to Mexico than they are from Mexico to the United States. Let Members lower them. We can export more to Mexico. Pennsylvania exported $8.5 billion worth of largely manufacturing goods to the world in 1991, and Mexico ranked fifth out of the 177 markets for Pennsylvania products. No one can tell me that the Lehigh Valley of Mexico will not benefit from an expanded trade agreement.

We are in the industrial heartland, we have jobs at AT&T, Air Products and Chemicals, Bethlehem Steel, Binney and Smith, Daytimers, Fuller, Ingersoll-Rand, ITT, Just Born Candies, Lutron, Mack Trucks, Pfizer, Rexroth, Rodale Press, Stanley Vidmar, Union Pacific, Victaulic, all agree that we will expand employment opportunities for our manufacturing workers in Pennsylvania. Blue collar America, industrial heartland State Democrats should be for this bill because it expands manufactured exports, the leading light in the U.S. economy today.

Mr. CHANDLER. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I rise in opposition to House Resolution 101 in order to allow fast-track negotiations to take place.

I want to point out the issue here today is, do we negotiate or not? I can assure Members that without fast-track authority, we are not not going to get a negotiated agreement of any kind.

In our State of Washington, one in five jobs is involved in international trade. Men and women who work for the ports, in agriculture, in forest products, manufacturing, especially aerospace and electronics. We have found that free-trade, fair trade, like that negotiated with Canada, not only creates but saves jobs.

Now Mexico has already reduced tariffs, yet their tariffs are 250 percent higher than ours, 10 percent on the average on products going into Mexico, 4 percent on goods coming into the United States. Why are we against trying to reduce the tariffs and level that playing field, those Members who support the Dorgan resolution?

We face unprecedented economic competition in 1992 with the European Market. Why would it not make sense to form a North American common market as well with 360 million consumers, $6 trillion in economic output, 20 percent larger than Europe?

It was pointed out earlier, Mr. Speaker, the average salary in Mexico is $1,800 a year. We have heard talk about concerns for human rights and the environment. Then, why do Members not want to see free and fair trade agreements that can impact those very diversities that we all abhor?

Members tell me why poverty in Mexico was such a good deal, and why do not want a free-trade, a fair trade agreement that is going to allow economic growth to occur on both sides of that border, and address those very problems? Explain that to me.

Mr. CHANDLER. Mr. Speaker, it is imperative that the President be given the tools needed to open foreign markets to U.S. goods and services and to promote free-trade relations worldwide. To advance U.S. interests competing in an international marketplace, the President also needs the flexibility to work with other countries to negotiate rules to ensure fair trade. Extending fast-track authority to the President will allow him to do all three.

The export of U.S. goods and services is vital to the health of our economy. Increased opportunities to sell U.S. products in other countries is necessary to reduce the U.S. trade deficit and to keep U.S. workers employed. Unless we give President Bush the authority to go to the table and negotiate a free-trade agreement with Mexico, Canada, or with any other country, we risk sacrificing the benefits our country so badly needs to gain.

I firmly believe that a North American Free-trade Agreement would serve as a catalyst for future economic growth and development in the United States, Mexico, and Canada. An agreement that phases out remaining Mexican and United States barriers will place industries on both sides of the border in a better position to compete with Asia and Europe. The creation of a North American Free-Trade Agreement would unite the three nations of North America into the world's largest free-trade area—20 percent larger than the European Community. It would be comprised of 360 million consumers and $6 trillion in output.

As we have already witnessed in our trading relations with Canada, a free-trade agreement will increase the exchange of goods and services, reduce prices, and increase the variety of products available to consumers. Since 1986, under the leadership of President Carlos Salinas, Mexico has made great strides in opening its markets to foreign imports by significantly reducing import tariffs and licensing requirements. The United States has been the prime beneficiary of Mexico's increased openness. United States-Mexican trade exceeded $58.6 billion in 1990, double the amount in 1986. The United States accounts for two-thirds of Mexico's trade. We supply Mexico with more than two-thirds of its imports and take nearly 70 percent of its exports.

United States exports to Mexico have more than doubled over the past 4 years, rising from $12.4 billion in 1986 to $28.4 billion in 1990. In the State of Washington, where one in every five jobs is dependent on international trade, exports to Mexico increased 25 percent during this same period. This export growth has meant hundreds of thousands of jobs for Americans. It is estimated that some 538,000 United States jobs are related to our exports to Mexico.

Despite these encouraging statistics, Mexico still has more restrictive trade barriers than the United States. Mexico's average duty is 10 percent, compared to 4 percent in the United States. Significant nontariff barriers remain in Mexico, including import licenses and investment restrictions that affect both investment and trade. In negotiating a North American Free-Trade Agreement, we could lock in current Mexican reforms as well as move toward even greater openness in the Mexican economy. A Labor Department-contracted study projects a net job increase of 64,000 jobs in the United States resulting from a free-trade agreement with Mexico.

It is important that the United States encourage the efforts of President Salinas and work to forge a fair and free-trading agreement. The goal of both countries in doing so should be to increase the standard of living in both countries. Creating new employment opportunities in Mexico will help the United States increase its exports of consumer and capital goods. At the same time, it will help to widen the Mexican industrial base which will in turn improve the Mexican economy. This will serve to further increase the demand for United States goods and services in Mexico. I believe it is incumbent upon the opponents of a Mexican-American Free-Trade Agreement to explain how the United States would benefit from a weakened and unstable neighbor to our south.

The establishment of a free-trading bloc with our neighbors will be essential if the United States is to compete in a global market. It is especially important as we look toward competing with a united European marketplace in the near future. Other countries are also working out new regional and other trade arrangements. Unless the President has the authority to represent U.S. interests at the negotiating table, these new trading arrangements would be accomplished without our input.

The Uruguay round negotiations of the General Agreement on Tariffs and Trade represent 4 years of effort on the part of Congress, the private sector, and the administration to develop internationally agreed upon rules to improve trade relations worldwide. Substantial progress has been made to develop rules in the areas of services, intellectual property rights, and investment. The President needs the authority to send Carla Hills back to finish the job.

At a time of great economic upheaval in Eastern Europe and rapid change in Latin America it is vital that the United States continue to lead and be ready to negotiate the rules of a new international economic order. A collapse of the Uruguay round triggered by the removal of fast-track would increase world wide pressures to raise trade barriers and could contribute to a global recession.

The United States has an excellent opportunity to negotiate both a trilateral and a multilateral trade agreement which are vital to improving the economic health of our Nation. If fast-track authority to the President is denied, both are in jeopardy. I greatly fear that all international trade negotiations with the United States would be discontinued. We cannot expect any country to negotiate with us unless our representative has the same authority as our trading partner—the authority to enter into an agreement.

Under fast-track procedures, Congress will be consulted on the contents of any agreement and has the authority to reject it if its concerns are not properly addressed. I am confident that the administration will listen to my concerns and those of my colleagues. We will work together to ensure that U.S. interests are fully advanced. But we must give the President the ability to at least go to the negotiating table.

Mr. Speaker, I support extending fast-track authority to the President for an additional two years. I encourage my colleagues to join me in opposing House Resolution 101.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Speaker, I rise to state my strong support for fast-track trade negotiating authority, and my opposition to the resolution of disapproval. This authority will allow the administration to negotiate a North American Free-Trade Agreement with Mexico, as well as conclude the Uruguay round of the GATT talks.

Fast-track is a procedure, and the upcoming fast-track vote is a procedural one. It is important to remember that the Congress has final say on any trade agreement that is reached. It is also vitally important to know that the Congress will not be shut out of these crucial trade negotiations. President Bush and U.S. Trade Representative Carla Hills have shown a commitment to engage the Congress in the negotiation process.

President Bush has delivered to the Congress his action plan for the negotiations. I have studied that plan carefully, and I believe that it shows the President is personally committed to addressing the tough workers' rights and environmental issues involved in the Mexico talks. He has also stated his firm support for providing effective adjustment assistance and retraining for workers in the United States that may be affected by any agreement. I believe him.

The United States and Mexico are already linked by unbreakable ties of culture, family, and community. We share more than just billions of dollars in trade—we share a continent and millions of people that daily cross our long border. Mexico, of course, suffers from problems of poverty, environmental degradation, emigration of skilled workers, and an uneven distribution of wealth. Now is not the time to turn our backs on our Mexican neighbors, but instead to engage them as full commercial partners as we do the Canadians. Only through economic growth and increased wealth will Mexico be able to address these problems. And the best way to increase wealth is through increased trade.

A Mexico agreement, as well as a successful completion of the Uruguay round of the GATT, will also result in tremendous new export opportunities for our country. For my State of Minnesota, and for other agricultural economies in the Midwest, Mexico is a tremendous market for farm goods. Since the Mexican Government lowered tariffs on certain products in 1987, Minnesota's exports to Mexico have increased in value by 81 percent. In fact, United States agricultural exports to Mexico have risen 134 percent since 1986, and today we account for three-fourths of Mexico's total agricultural imports. By further lowering tariffs and eliminating nontariff barriers, our agricultural exports to Mexico will increase even more dramatically.

Let us vote down the Dorgan resolution—support fast-track negotiating authority, continue to work with the administration to address the concerns we have with the negotiations, and create jobs and strengthen the economies of the United States, Mexico, and Canada through increased trade.

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Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 minute to the gentlewoman from Indiana [Ms. LONG].

Ms. LONG. Mr. Speaker, I thank the gentleman for yielding the time, and rise in support of his resolution. My experiences in business and agriculture have made me believe that the decision we make today will be one of the most significant we will make during the 102d Congress. Our decision will have enduring impact on our Nation's economy, business, and most importantly—working families.

I studied the research and data, long and hard, before coming to a decision.

I support the Dorgan resolution because I believe extending fast-track authority will hurt those in our society who can least afford another hit, middle-income families and small businesses.

During the past decade, middle-American families have seen their incomes erode. Extending fast-track authority to American-Mexico negotiations will result in further exporting of our jobs to Mexico and put our workers in competition with workers in a country that has shown little respect for fair wages or working conditions. And small businesses, unlike big corporations, cannot afford high-priced lobbyists to be their voice in Washington—they depend on their Representative to be their voice in Washington. Fast-track authority diminishes their voice.

I urge my colleagues to support middle-American families and small business by supporting the Dorgan resolution.

Mr. GRANDY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LAFALCE].

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 additional minute to the gentleman from New York.

The SPEAKER pro tempore. The gentleman from New York [Mr. LAFALCE] is recognized for a total of 2 minutes.

Mr. LAFALCE. Mr. Speaker, the fundamental issue is whether we are a Congress with a President under a Constitution, or whether we are Parliament under a Prime Minister. Over 200 years ago in Philadelphia we decided that question. We decided that we would be a Congress under a President, rather than a Parliament under a Prime Minister, that we would have the right not only to regulate commerce, but we would have the inherent right to offer amendments.

President Nixon in his imperial Presidency said, "Eliminate the power to offer amendments. Just vote yes or no on what I negotiate."

Unfortunately, that Congress went along at that time and today we have come to such a point that President George Bush has said, "If Congress denies me this fast-track authority, they will be infringing upon my power." He interprets the Constitution in an upside-down way.

Further, Mr. Speaker, the issue is not one of trade. The issue is one of investment. Where will the future investment of business go? Will it go where the wages are $10, $15 an hour, or will it go where the wages are $1 an hour, and what type of business are we talking about?

I come here as the chairman of the Small Business Committee. The Small Business community is not clamoring for this. It is the big business community, and it is not the American big business community. There is no such thing as American big business anymore. There is not even multinational business. There is only transnational business, corporations that owe allegiance to no country, corporations that owe allegiance only to the bottom line and want to invest where they can operate at the lowest possible cost with the greatest possible market to sell to. That is what is at stake here, the loss of American jobs, the turning of the U.S. Congress into a parliamentary body under not a President, but a Prime Minister.

Mr. GRANDY. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 additional minute to the gentleman from Vermont. [Mr. SANDERS].

The SPEAKER pro tempore. The gentleman from Vermont [Mr. SANDERS] is recognized for a total of 2 minutes.

Mr. SANDERS. Mr. Speaker, I thank both gentlemen for yielding this time.

Mr. Speaker, I rise in strong support of House Resolution 101, the Dorgan resolution. Every sensible person believes in free-trade when free-trade will benefit the workers of our country and the workers and the people of our trading countries that we deal with, when both sides gain. This fast-track agreement will not do that.

Mr. Speaker, there is an excellent reason why millions of American workers and their unions are opposed to fast-track, why tens of thousands of farmers and their organizations are opposed to fast-track, why virtually every environmental organization in this country is opposed to fast-track.

There is also a good reason why the major multinational corporations, without exception, believe that fast-track makes a lot of sense.

Mr. Speaker, let us acknowledge what has happened in this country in the last 20 years, and that is that the standard of living of the American people has dropped precipitously. We are poorer right now. We used to be first in the world. We are now ninth in the world in terms of wages and benefits our workers receive, and why is that? One of the reasons is that the major multinational corporations have thrown millions of our workers out on the street as they have gone to Mexico, to Asia, in search of slave labor to pay people $1 an hour, rather than the $15 or $20 an hour that our working people deserve.

Mr. Speaker, I will not support a fast-track agreement with Mexico when our workers are asked to compete with people who are living in desperation, who are forced to work for starvation wages, who are forced to compete against workers who cannot join free-trade unions, who cannot participate in free elections, who cannot gain from environmental standards that we enjoy here today.

Mr. Speaker, I also as a former mayor am deeply concerned about other aspects of this fast-track agreement.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. MCCURDY. Mr. Speaker, I rise in strong opposition to the Dorgan amendment, and in support of the fast-track agreement.

Mr. Speaker, during the past several months a great deal has been said about the ramifications of granting the administration fast-track authority to conduct free-trade negotiations with our most important Latin American neighbor, Mexico. A number of concerns have been made about the potential threat that a free-trade agreement may pose to American jobs and the environment along the United States/Mexico border. Others have raised questions about worker rights in Mexico and the possibility that free-trade between our two countries will result in a higher degree of drug trafficking.

Mr. Speaker, some of these concerns are legitimate, but others, I am afraid, have been exaggerated. The point is that the administration has made explicit commitments to address these concerns in the course of the negotiations. But most importantly, Congress will be intimately involved throughout this process. The House Democratic leadership and the Committee on Ways and Means, chaired by our colleague, DAN ROSTENKOWSKI, will be consulted and participate in drafting any final treaty that may be reached with Mexico. I have faith that the gentleman from Illinois will ensure that the administration holds to its commitments to address these important issues.

But if the administration chooses to ignore Congress and submits a free-trade agreement with Mexico that fails to ease the burden of any job displacement, or which fails to provide environmental protection measures, then we in Congress will have not only an opportunity, but a responsibility to defeat the final agreement.

Mr. Speaker, others before me have pointed out the enormous potential economic benefits that a fair free-trade agreement will bring to both the United States and Mexico. Every unbiased study of this issue has concluded that the elimination of trade barriers between our two countries will result in new markets for American exports, economic growth, and the creation of new jobs.

Therefore, Mr. Speaker, I want to make a special appeal to my Democratic colleagues and urge them to vote against the Dorgan resolution and support fast-track authority. I urge my Democratic colleagues to consider this issue from a historical perspective because, for much of the last 130 years, it has been the Democratic Party which has fought the protectionist policies of previous Republican administrations. It was the Democratic Party which opposed the most protectionist legislation in this country's history—the Smoot-Hawley Act—which was passed by a Republican Congress and signed by a Republican President in 1930.

Moreover, it has been the Democratic Party which has traditionally sought to improve our relations with Latin America and encourage the growth of democracy in this hemisphere.

It was a Democratic President, Franklin Roosevelt, who had the foresight to initiate the "Good Neighbor Policy," which was designed to put the improvement of our relations with Latin America on a fast-track. Free-trade was essential to Roosevelt's vision. "We desire by every legitimate means," Roosevelt said, "to promote freedom of trade."

Thirty years later, it was another Democratic President, John Kennedy, who sought to overturn 8 years of Republican neglect toward Latin America by establishing the Alliance for Progress. Again, free-trade was at the heart of his dream. "Let us not miss the point," Kennedy once told a group of dock workers, "the new jobs opened through trade will be far greater than any jobs which will be adversely affected."

Mr. Speaker, a free-trade agreement with Mexico, if freely and fairly negotiated, will be one more monument to the Democratic Party's traditional commitment to creating jobs through trade. We must welcome, not fear, the prospect of tearing down economic barriers and competing with an economy that is a fraction of the size of ours.

By voting for fast-track, Democrats can reclaim the mantle of free-trade and international cooperation with Latin America. We can send a bold message to Americans north and south of the Rio Grande: The expansion and consolidation of economic ties through free-trade is good for the United States, Mexico, and every other country which chooses to join us.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 1 minute to the distinguished gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I support the fast-track and oppose the resolution, for a multiplicity of reasons.

One, very seriously, you cannot move the Great Wall of China and place it around the United States of America.

Second, you cannot bring down the Berlin Wall and place it between us and Mexico.

The best interests of the United States of America, indeed, our very national security, demands a stable Mexico, economically, socially, and politically. This is what it is all about.

As chairman of the Agricultural Committee, I was one of the negotiators when we worked out the agreement with Canada, and we will be major players when we work with Mexico and as we work with GATT. I can assure you of that, no matter who says what. We were major participants. We will be major participants. The needs of agriculture will be met, I can assure you of that; but the most important thing is, we cannot wall ourselves in. We cannot stop the world and jump off.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO] a hard-working member of the United States-Mexico Interparliamentary Conference and the ranking minority member of the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs.

Mr. LAGOMARSINO. Mr. Speaker, I rise in opposition to House Resolution 101 and in strong support for renewing fast-track authority for trade negotiations. It is very important to differentiate between providing the authority to negotiate foreign trade agreements and any actual future agreements themselves. Too many participating in the debate on fast-track, whether here in Congress or in the public at large, are confusing these two very different issues.

Today's vote on fast-track is really a vote on whether or not the United States should enter into international trade agreements. Fast-track is nothing more than a procedure to get foreign trade agreements enacted, along with the implementing legislation that they require. Fast-track is a tool providing the President with the authority to negotiate any trade agreements that require legislation, as most major ones do.

Today's vote is not a vote for or against the proposed United States-Mexico free-trade agreement or the GATT Uruguay round. The free-trade agreement with Mexico has not even been negotiated yet. The complex worldwide GATT talks are presently stuck in a deadlock over agricultural issues. Today's vote is on fast-track, a procedure giving the President the authority to negotiate these and other important trade agreements. A vote against fast-track is, quite simply, a vote against any foreign trade agreements at all.

Continuing and expanding international trade is an essential element of U.S. economic growth and prosperity. Last year alone, exports were responsible for 80 percent of total United States economic growth. That percentage continues to grow higher. Without fast-track authority to reach new agreements which expand the United States export market, we will eliminate almost all of our economic growth potential. That is irresponsible and unwise.

Fast-track is not new. Since 1934, Congress and the President have worked together to get tariffs reduced around the world. Congress first created fast-track in 1974 as an effective means to deal with our increasingly complex trade agenda. Fast-track has governed every major trade negotiation in the 17 years since.

Fast-track is poorly named, for it is neither fast nor on a track. It does not mean that negotiators are rushed, or that anyone is railroaded into approving any agreement that might be negotiated. Fast-track simply provides two guarantees essential to a successful trade negotiation. It does not allow trade agreements to be amended to death and it assures our trading partners that there will be a vote on the agreement within a fixed period of time.

Fast-track gives the President the same bargaining power already possessed by his counterparts, namely the ability to assure that the deal they make at the negotiating table will be the deal that is voted on by Congress. Without that assurance, foreign governments are very reluctant to negotiate with the United States, and will not make tough concessions. No negotiating partner will give its bottom line knowing that the bargain could be reopended.

The U.S. Constitution vests the President with the power to negotiate with foreign governments and the Congress with the power to regulate international commerce. The President's negotiators, in an agreement, can commit the United States to change its laws—like reduce certain tariffs. But, only Congress can enact those changes. If Congress does not like the agreement our negotiators present, Congress can reject it and the bargaining process begins again.

Congress is certainly not left out of the process and has far more input than an up-or-down vote on the final agreement. Based on the experience of the last three agreements we have enacted under fast-track, a lot happens prior to that vote. In earlier trade talks, the administration brought draft agreements back to Congress while they were still being negotiated and briefed Congress in detail on what was being discussed. The trade-related committees in the House and Senate held what could best be called shadow markups; where Congress objected, our negotiators went back to the table for changes. In fact, this process strengthens the hand of our negotiators. By the time Congress must either approve or reject a final agreement, the treaty has already been carefully reviewed and actually revised by Congress. Further, there is no doubt that the current debate here in Congress and the numerous official exchanges between Congress and the administration have clearly outlined the issues of concern that must be satisfactorily addressed before agreeing to any new trade agreement.

Additionally, we have before us today, House Resolution 146, the legislation introduced by the Democratic majority leader Mr. GEPHARDT that clearly states the objectives to be achieved by trade negotiations between the United States and Mexico. As if the administration didn't know our concerns already, this measure restates them and instructs that any new free-trade agreement: First, must provide adequate transitional safeguards to minimize industry, agriculture, and worker dislocations; second, be accompanied by an effective worker adjustment program serving workers displaced by the United States-Mexico Free-Trade Agreement; and third, be accompanied by a joint program to address border environmental problems related to air and water pollution, hazardous wastes, chemical spills, pesticides, and enforcement.

I support President Bush's trade objectives to use the fast-track process to negotiate a North American free-trade agreement and a successful completion of the GATT Uruguay round. Both agreements will be beneficial to our economy. The United States-Canada Free-Trade Agreement underscores that. Since the United States-Canada free-trade accord, bilateral trade has grown despite recessions in both countries. Incidentally, Canada's recession is worse. Our deficit has narrowed and U.S. agricultural exports have risen 35 percent.

Just 2 weeks ago, I had the opportunity to participate in the 31st Mexico-United States and Interparliamentary Conference. I began my participation in these interparliamentary meetings when I was first elected to Congress in 1974. I've seen many changes, some good and some not so good, in United States-Mexican relations during this time. I can safely say that Mexico has come a long way in economic, political, social, and environmental areas, among others.

A good portion of this year's conference was devoted to the issue of free-trade between the United States and Mexico. Based on all of the information I have received from a very wide variety of sources and based on my comprehensive discussions in Mexico, I believe that a free-trade agreement is essential not only for improved ties between our two countries but also for the stimulus it will provide for both the United States and the Mexican economies.

It has become apparent already that discussions on a free-trade agreement have helped advance talks on other important bilateral issues. The Bush administration and the Salinas administration have strengthened the operation of the Binational Commission which brings together many of the cabinet officials of our two countries in regular working meetings. These meetings focus on the various projects and problems which affect each nation. The positive effect of a free-trade agreement will mean economic growth for both nations and will help contribute toward solving some of the other problems we face.

The strong emphasis of the Bush administration on securing a free-trade agreement with Mexico is also tied in with the President's Enterprise for the Americas initiative and the objective of securing a hemisphere-wide free-trade area. Some might say that is unrealistic, but when looking at the movement in Europe to form in 1992 a common economic market, it becomes imperative that the nations of our hemisphere join together in order to meet the economic challenge presented by Europe '92.

The support of the United States for the concept of a free-trade agreement with Mexico demonstrates for the rest of the world the commitment of our country to promoting open trading and investment relations. By this example, we reinforce the importance for all nations of liberalizing their trading regimes. This can have a significant influence on the GATT negotiations on agricultural subsidies, the issues which led to the collapse of the Uruguay round. I believe it is vital that we continue to press for substantial reduction of agricultural subsidies from the European Community and from Japan and Taiwan.

Above all, the achievement of a free-trade agreement between the United States and Mexico would signal a historic advance in the nature of the relationship between our two countries. I believe it would represent a turning point which leaves behind all the negative, antagonistic conflicts that have affected our ties over the past century and a half.

I am very concerned, however, that a rejection by the Congress of the President's request for fast-track authority to negotiate this agreement would be viewed as a slap in the face of Mexico. The fallout both in Mexico and in United States-Mexican relations would be severe, negatively affecting the illegal narcotics, illegal immigration, and environmental problems among others. President Salinas has put his country's future, not to mention his own political future, on the line by instituting major free market economic reforms, including privatization. Unlike in the past, we are now able to consider a free-trade agreement because of these significant economic changes. Failure to pass fast-track and proceed with free-trade negotiations could result in a dramatic swing back to the left in Mexico, hurting both Mexican and American economies and other bilateral issues.

The free-trade agreement will increase the demand for labor in the United States and in Mexico. It will have a substantial positive effect on real income and increased employment in Mexico. The free-trade agreement will improve the trade balance between both nations and most other trading partners. The free-trade agreement should also increase the return on United States investment made in Mexico, will increase the return on Mexican capital investment, and will mean increased domestic savings and investment in Mexico. The free-trade agreement will mean reduced prices for imports of Mexican goods into the United States and it will increase the prices United States and Mexican exporters receive for their goods in trade with other nations.

With all the benefits that will accrue to both nations, it is difficult to understand why the debate over the free-trade agreement is so heated. The fears of labor groups in the United States that additional jobs will be lost ignore the fact that even without a free-trade agreement, new investment and new industries will be locating in Mexico. It is very clear that if Mexico cannot reach an agreement with the United States, it will look elsewhere for establishing a liberalized trading regime and Japan offers an obvious target. If the United States fails to achieve an accord with Mexico, the United States will be the biggest loser, not Mexico.

I cannot emphasize often enough that by entering into a free-trade agreement with Mexico, the United States is not only helping Mexico, but also is contributing to the expansion of the United States economy and the growth of United States jobs. Right now, Mexico has reasonably good access to the United States market, and a free-trade agreement would help the United States gain fairer access to the Mexican market.

I would like to address the often repeated but inaccurate concerns about a United States-Mexico Free-Trade Agreement. It is important to note that many of these concerns have been raised directly with the administration by leading Democrats who were previously skeptical about fast-track. The lengthy, detailed reply from President Bush addressing these specific concerns and providing solid assurances that they would be positively taken care of, not ignored or bargained away, resulted in these former opponents changing to now support fast-track.

Environmental concerns are among those that have been raised. The best way to address the environmental problems in Mexico is through a new free-trade agreement. In order to reach such an agreement, Mexico would be required to implement strict environmental standards. The economic benefits resulting from increased trade and investment would provide Mexico with the financial ability to enforce tough environmental laws, something Mexico presently is unable to do fully.

Recognizing the positive influence the United States can have on improving environmental awareness and standards, many major American environmental groups like the National Audubon Society, the National Resources Defense Council, and the National Wildlife Federation have all endorsed fast-track and negotiating a United States-Mexico Free-Trade Agreement.

Knowing that agriculture is an important part of the local economies of

Santa Barbara and Ventura Counties, along with others I have expressed concerns about the impact of a United States-Mexico Free-Trade Agreement on local agriculture, particularly avocados and citrus. The President has assured Congress that any new agreement would address a number of achievable goals including strict rules of origin, harmonized standards for agricultural chemicals, a quick snapback tariff remedy for sudden import surges, and maintenance of quality directed marketing orders. American laws against illegal product dumping and other unfair trade practices would not be changed and will be enforced.

A key element to any future GATT or free-trade agreement with Mexico will be the establishment of a scientifically based sanitary and phytosanitary code for agricultural products. Such a code is critical to the protection of U.S. agricultural areas from diseases and pests foreign to this country. Under an agreement, U.S. agencies would continue to set health and safety standards as they do today. A free-trade agreement would not remove or lower U.S. food safety requirements.

However, a sanitary and phytosanitary code would prevent other countries from erecting trade barriers under the guise of food safety precautions. Nonscientific standards imposed capriciously to limit trade would be strictly prohibited.

Avocados are particularly import sensitive for phytosanitary reasons. The seed weevil pest has infested all Avocado-growing areas in Mexico, and there are no known methods for eradicating the pest. If the seed weevil were to spread to the United States, California growers would be devastated.

I have been in close contact with U.S. Secretary of Agriculture Yeutter and the Animal and Plant Health Inspection Service [APHIS] regarding the FTA and avacado imports. APHIS has assured me that USDA recognizes the seed weevil infestation in Mexico. USDA does not accept the notion of seed weevil free areas. In short, the USDA has required Mexico to prove: First, that seed weevils are not present in Mexico; and second that the pests can be eradicated. The USDA does not expect a response from Mexico because they are unable to respond to these requirements in the affirmative.

Because every free-trade agreement is not 100 percent free and open, we can and will include special provisions and restrictions to ensure that pests like the seed weevil do not infect the United States. Incidentally, our concerns about the negative effects of Mexican agriculture should diminish with the free-trade agreement. As with other environmental issues, Mexico will have the wherewithal to confront problems like the seed weevil and the excessive use of pesticides. Today, Mexico does not have the economy capability to do so, yet Mexican agriculture does cross our borders.

The domestic market for citrus products is fully developed. Sunkist, the leading citrus cooperative, does not expect domestic consumption of citrus products to significantly increase in the near or distant future. As a result, there will be no opportunity for increased California citrus production unless foreign markets are opened to the United States.

The United States currently applies a 1-cent per pound tariff on Mexican citrus products. Because this tariff is so small, Sunkist believes the Mexican share of the United States citrus market would not increase appreciably under a FTA. However, Sunkist is currently excluded from the Mexican market because of prohibitive licensing requirements. The FTA would eliminate these nontariff barriers.

Worldwide barriers to American agriculture, including locally grown products like citrus and wine, are many. It is always interesting to me—and somewhat painful—to observe that there always seems to be more French wine in Mexico than California wine. A successful completion of the GATT Uruguay round should help remove these barriers opening up important new markets for California products. But, without fast-track, we cannot complete GATT and realize the economic benefits it will bring us. That is why the Farm Bureau and over 50 other major U.S. farms groups, including Blue Diamond, Sunkist and the avocado growers support fast-track and the trade agreements it could produce.

Labor has raised many concerns about new trade agreements, particularly the United States-Mexico Free-trade Agreement. I've already touched on some labor issues. Let me expand further. It is true that some jobs will be lost. But, it is also true that they will be lost with or without a United States-Mexico FTA. Many companies are moving out of the United States because of high labor costs and government regulations, moving to Mexico, especially if it is linked to the United States by a comprehensive free-trade agreement is far more beneficial to the United States than its moving to Malaysia or Korea and purchasing all its materials from Japan. Without the new trade agreements fast-track will provide that open up markets for U.S. goods, we will have no new job opportunities for labor whose jobs are presently leaving the United States anyway. American industry is constantly changing as we gain and lose competitive advantage in various sectors. We succeed and prosper because we are able to adapt to changes and take advantage of new opportunities to replace lost ones. Without fast-track, we lose these new opportunities.

Further, President Bush has announced a new, special job training and reemployment program to offset any new possible negative effects of a United States-Mexico Free-Trade Agreement.

Consider this example presented recently in an editorial from the Washington Post.

> In the 1950's, low-wage industries like textiles were moving from New England to the South—over the bitter protests of the labor unions that are now fighting fast-track. That southward migration certainly cost some New Englanders their jobs. But now, a generation later, New England is not only richer. It is richer in relation to the national average than it was 40 years ago, when the flight of the mills was beginning. Meanwhile southern prosperity has grown even faster. The disparities between the country's richest states and its poorest are significantly narrower than they were in 1950. The process that has worked across state borders will also work across national borders. The choice on fast-track and trade is a choice about economic growth.

According to the United States Department of Labor, far more jobs will be gained in the United States from a United States-Mexico FTA and completion of GATT than lost. Recognizing that the economic advantages of fast-track certainly outweigh the disadvantages, hundreds of American industries and business associations, including many local Santa Barbara and Ventura County businesses and groups, support fast-track including the U.S. Chamber of Commerce. Consumer groups, like the Consumers Union, have also endorsed fast-track. Fast-track is extremely important to California and California trade.

The United States-Mexico free-trade agreement will also help raise the standard of living for Mexican labor and provide many new products to Mexican consumers. That's why a majority of Mexicans, including Mexican labor unions, and important Hispanic-American groups like the Council of La Raza support fast-track. Further, by improving economic and social standards in Mexico, more Mexicans will find worthwhile employment at home and therefore will not cross illegally into the United States. The United States-Mexico Free-Trade Agreement could be the most successful means of stemming the flow of illegal immigration and the problems associated with it. However, I would urge our negotiators to do what can be done to see that Mexican labor, particularly agricultural labor, share in increased prosperity.

I would like to direct my colleagues' attention to the letters I've received from President Bush, the Secretary of State, the Secretary of the Treasury, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and Governor Pete Wilson of California which further address the issues associated with fast-track.

Positive international trade agreements are the foundation for future

American economic growth and prosperity. Fast-track is the process required to achieve these agreements. I believe that Congress won't have a better opportunity this year to vote for real economic growth and prosperity for Americans than the one we have today on fast-track authority.

I urge my colleagues to reject protectionism and support real economic growth by voting no on House Resolution 101 and supporting fast-track.

Mr. Speaker, I include the following material:

THE WHITE HOUSE,
Washington, May 1, 1991.

Hon. ROBERT J. LAGOMARSINO,
House of Representatives,
Washington, DC.

DEAR BOB: Through the better part of this century, successive Congresses and Administrations—Republican and Democratic—have worked to open markets and expand American exports. This partnership has resulted in unparalleled growth in world trade and huge economic benefits for the United States. Opening foreign markets means economic growth and jobs for all Americans.

Historically, the fast-track procedures established by the Congress have served us well. On March 1, I requested an extension of fast-track so that we could continue to realize increased economic growth and the other benefits of expanded trade. The fast-track in no way limits the ability of Congress to review any agreement negotiated, including the Uruguay Round or a North American Free-trade Agreement (NAFTA). If Congress is not satisfied, it retains the unqualified right to reject whatever is negotiated. But refusing to extend the fast-track would end negotiations before they have even begun and relinquish a critical opportunity for future economic growth.

Initiatives to open markets will enhance the global competitiveness of the United States and create new opportunities for American workers, American exports, and American economic growth. The Uruguay Round offers a vital opportunity to eliminate barriers to our goods, investment, services, and ideas. A NAFTA offers an historic opportunity to bring together the energies and talents of three great nations, already bound by strong ties of family, business, and culture. Prime Minister Mulroney and President Salinas are both leaders of great vision. They believe, as do I, that a NAFTA would enhance the well-being of our peoples. They are ready to move forward with us in this unprecedented enterprise.

In seeking to expand our economic growth, I am committed to achieving a balance that recognizes the need to preserve the environment, protect worker safety, and facilitate adjustment. In letters to me from Majority Leader Gephardt and Chairman Rostenkowski, a number of important Congressional concerns about free-trade with Mexico were conveyed. At my direction, Ambassador Hills and my Economic Policy Council have undertaken an intensive review of our NAFTA objectives and strategy to ensure thorough consideration of the economic, labor, and environmental issues raised in these letters. The Administration's response is presented in the attached report. Let me emphasize the following:

First, you have my personal commitment to close bipartisan cooperation in the negotiations and beyond. And you have my personal assurance that we will take the time necessary to conclude agreements in which both the Congress and the Administration can take pride.

Second, while economic studies show that a free-trade agreement would create jobs and promote growth in the United States, I know there is concern about adjustment in some sectors. These concerns will be addressed through provisions in the NAFTA designed to ease the transition for import-sensitive industries. In addition, my Administration is committed to working with the Congress to ensure that there is adequate assistance and effective retraining for dislocated workers.

Third, based on my discussions with President Salinas, I am convinced that he is firmly committed to strengthened environmental protection, and that there is strong support for this objective among the Mexican people. Because economic growth can and should be supported by enhanced environmental protection, we will develop and implement an expanded program of environmental cooperation in parallel with the free-trade talks.

Fourth, President Salinas has also made it clear to me that his objective in pursuing free-trade is to better the lives of Mexican working people. Mexico has strong laws regulating labor standards and worker rights. Beyond what Mexico is already doing, we will work through new initiatives to expand U.S.-Mexico labor cooperation.

Thus, our efforts toward economic integration will be complemented by expanded programs of cooperation on labor and the environment. The catalyst for these efforts is the promise of economic growth that a NAFTA can provide, and the key to these efforts is the extension of unencumbered fast-track procedures.

There are great challenges ahead. The world is changing dramatically, as nations move toward democracy and free markets. The United States must continue to open new markets and lead in technological innovation, confident that American can and will prevail in this new and emerging world. By working together, we can negotiate good trade agreements that assure a strong and healthy America as we prepare to meet the challenges of the next century.

Sincerely,

GEORGE BUSH.

THE SECRETARY OF STATE,
Washington, May 7, 1991.

Hon. ROBERT J. LAGOMARSINO,
House of Representatives.

DEAR BOB: I wanted to follow up personally on the President's recent letter to Chairman Rostenkowski regarding the critical importance of extending fast-track negotiating authority.

I firmly believe that without such authority, the United States will be forced to abandon its leadership role in the field of international trade.

We have just again demonstrated our capacity to lead the world on both political and security grounds. Some critics ask whether the United States can complement these achievements with international economic leadership.

In the field of trade, we are pursuing an ambitious agenda—in the Uruguay Round, through the North American Free-trade Agreement, and through the prospects for trade agreements under the Enterprise for the Americas Initiative.

These are agreements that will enable the United States to demonstrate our economic leadership and meet the challenges of the next century. And they will advance American interests—by creating American jobs, providing growth opportunities for American companies, and securing markets for American exports.

We expect to reap great rewards from the successful conclusion of the Uruguay Round. A successful Round will stimulate increased world—and U.S.—growth. Over the last four years, export expansion has been responsible for 40 percent of total growth in U.S. GNP. An open multilateral trading system is the best guarantee that U.S. export opportunities continue to expand into the next century. The Uruguay Round is the most important initiative to expand these opportunities.

The promise of the North American Free-trade Agreement is enormous. We would create a market with 360 million consumers and a combined Gross National Product of $6 trillion. We have a clear, strong interest in improving trade and investment ties with Canada, our largest trading partner, and with Mexico, our third largest. U.S. exports to Mexico have doubled over the last four years. Manufactured goods accounted for 80 percent of our exports to Mexico in 1989. The U.S. has a 70 percent share of Mexico's total trade.

A North American Free-trade Agreement will build a foundation for stronger cooperation, cohesion, and growth. It will strengthen links between our economies and lock in market-opening changes in Mexico. And it will benefit American workers. Conservative studies suggest that a North American Free-trade Agreement could create on net up to 64,000 U.S. jobs over the next ten years; other studies conclude even more U.S. jobs would be created.

I appreciate that some people are concerned about environmental issues. The U.S. and Mexico are already committed to working together to improve the environment; indeed, given the importance of the environment, we have added environmental issues to the Cabinet-level discussions of the U.S.-Mexico Binational Commission. No one can doubt that as Mexico becomes more prosperous, it will devote even more resources to environmental issues.

A North American Free-trade Agreement also has wider implications for Latin America and the United States. Mexico's aggressive economic reforms, which are already showing positive results, set a good example for other countries in the region. By negotiating an FTA with Mexico, we would send a strong signal to our other Latin American trading partners that we stand by the open market principles we have espoused for years. And we signal our mutual interest in drawing the nations of our hemisphere into a competitive world market. Moreover, increased growth in Latin America means more U.S. exports to the region. And improvements in Latin America's economic health help promote political stability.

Fast-track extension will ensure the continuation of the Congressional-Executive partnership established in 1934. It will enable us to effectively negotiate far-reaching and clearly beneficial trade initiatives that will help U.S. firms compete not only in our own hemisphere but globally as well. And it will give us the opportunity to demonstrate, in one more arena, that the United States is truly the world leader.

We are committed to making fast-track work, and will consult with Congress and the private sector at each step along the way—in the development of negotiating objectives, during the negotiations themselves, and in fashioning implementing legislation.

Sincerely,

JAMES A. BAKER III.

THE SECRETARY OF THE TREASURY,
Washington, May 9, 1991.
Hon. ROBERT J. LAGOMARSINO,
U.S. House of Representatives,
Washington, DC.

DEAR BOB: I wanted to follow up personally on the President's May 1 letter to you regarding the critical importance of extending, unencumbered, fast-track negotiating authority. The President has requested this extension to carry out a far-reaching trade agenda which includes: The Uruguay Round, the North American Free-trade Agreement (NAFTA), and the Enterprise for the Americas Initiative. Without the extension, our negotiating credibility would be called into question, seriously undermining the U.S. leadership role in world trade and our prospects for a strong global economy.

In the debate on fast-track, Congress has focused on the proposed NAFTA. In my view, the case for giving the Administration the traditional tools to negotiate a NAFTA is compelling.

Mexico has embarked upon a process of economic reforms that has caused a dramatic increase in its market potential for U.S. exports. Already U.S. exports to Mexico have increased from $12.2 billion in 1986 to $28.4 billion in 1990, as Mexican economic growth has accelerated. Further liberalization under a free-trade arrangement is certain to result in additional economic gains for both our countries:

Mexico still has higher trade barriers than the United States, with tariffs averaging 10% as opposed to 4% for the United States. Significant nontariff barriers also remain, so there is room for greater U.S. export expansion.

As Mexico develops economically, its consumers and industries will demand more goods and services. The United States particularly benefits from Mexican growth: for each dollar Mexico spends on imports, 70 cents is spent on U.S. goods; for each dollar of GNP growth in Mexico, 15 cents is spent on U.S. goods.

According to the International Trade Commision, a NAFTA could present many new opportunities for U.S. exports, in such areas as: manufacturing, including telecommunications, computers, and electronic components; grain and oilseed growers; cement; and service providers, including U.S. banking and securities firms.

Environmental and labor issues have been the center of much attention in Congress. The President has sent to you a report outlining what has already been achieved and our plan for future bilateral efforts on these issues. Combined with Mexico's strong commitment, and the economic development Mexico will achieve through a NAFTA, our joint efforts will result in higher living standards, a better workplace and cleaner environment for all.

Mexico is taking a courageous and historic step by linking the future of its economy to ours. Both of our countries will draw strength and prosper from A NAFTA. With your support and your input, I am sure we can achieve this goal. I can assure you that we will continue consulting closely with Congress every step of the way to ensure that the agreement reached is in the best interest of the American people.

Sincerely,

NICHOLAS F. BRADY.

THE SECRETARY OF COMMERCE,
Washington, DC, May 3, 1991.
Hon. ROBERT J. LAGOMARSINO,
House of Representatives,
Washington, DC.

DEAR MR. LAGOMARSINO: I am seeking your support for President Bush's request to extend fast-track authority for negotiating trade agreements. Without this authority, trade initiatives including the Uruguay Round and the North American Free-trade Agreement will fail. Successful conclusion of these initiatives will enhance economic growth and create jobs in the United States. The expiration of fast-track means losing economic opportunities for this country.

Our goal is to retain U.S. leadership in the international economic arena. As part of this, I firmly believe that a North American Free-trade Agreement is critical to the economic future of all Americans—large firms, as well as small businesses, workers and consumers alike. The creation of the largest free market in the world will ensure U.S.-made products are more competitive both at home and in the global marketplace. Without it, we risk future exports, we risk future jobs, and we risk our competitive leadership.

I recently returned from Mexico where I spoke to thousands of Mexican businessmen and businesswomen, excited by the prospect of free-trade with their northern neighbors. These businesspeople are fully aware of the enormous changes Mexico has undergone in its embrace of free markets, yet they are confident and willing to face the competitive challenges of a new century and a new partnership with the United States. They are willing to compete, and we can do no less. Failure to even try to work out a free-trade agreement with Mexico under fast-track procedures would set back our bilateral relations years, if not decades.

Europe's resurgence certainly demonstrates that dismantling trade barriers spurs growth, brings productivity gains and creates jobs. A North American Free-trade Agreement will place the United States in the middle of a market of over 360 million consumers, with a combined output of $6 trillion—20 percent larger than the European Community. It does not take an economic model to demonstrate that more exports equals more jobs, and the explosion of U.S. exports to Mexico over the past four years (from $12 billion to nearly $29 billion) has been a powerful job generator for American workers. Commerce Department estimates indicate that 538,000 jobs are related to U.S. exports to Mexico. Half of these jobs have been generated since 1986 as a direct result of Mexico's trade liberalization.

The potential for growth in the Mexican market alone is impressive. The citizens of Mexico today import more per capita from the United States than do the citizens of the European Community. By the year 2000, Mexico will be an even more dynamic and prosperous market of 100 million consumers.

Opportunities to build a better life for all of our citizens do not come often. By creating the largest free market in the world, our three countries can face the challenges of the next century with confidence. We owe it to ourselves, to our neighbors and our children to make this vision a reality—more jobs in the United States, Mexico and Canada, a better standard of living for all, and a more competitive America.

But we will not achieve this vision without the extension of the fast-track procedures. The prospect of a balanced and carefully crafted agreement subjected to unravelling by special interests would doom the negotiations before they begin.

The United States has seen its trade position improve dramatically in recent years. With Europe, for example, for the first time since 1983, we have developed a positive trade balance. Fast-track, by allowing us to open more trade opportunities through the Uruguay Round and the North American Free-trade Agreement negotiations, will continue those trends. Failure to obtain fast-track could reverse our export momentum.

As President Bush has said, "We did not win the Cold War just to start a trade war. An extension of fast-track will let us help turn the post-Cold War world into a world of freedom, growth, and opportunity." Countries that seize the opportunities created by economic cooperation will deliver rising standards of living to their citizens. Countries that do not are in danger of being left behind. I hope you will support the extension of fast-track authority so that we can bring back for your review and ultimate approval an agreement that will secure America's future.

Sincerely,

ROBERT A. MOSBACHER.

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, DC, May 7, 1991.
Hon. ROBERT J. LAGOMARSINO,
House of Representatives,
Washington, DC.

DEAR MR. LAGOMARSINO: On May 1 President Bush sent you a detailed Administration action plan to address a number of concerns expressed about a North American Free-trade Agreement. Included was a paper outlining why we believe a free-trade agreement with Mexico can add momentum to cooperative efforts to protect the environment.

I believe that a free-trade agreement offers an unprecedented chance to improve environmental protection, not just along the border, but throughout Mexico.

I am impressed with President Salinas' commitment and that of his government to environmental protection. He has already taken serious steps—to close hundreds of manufacturing plants, at least temporarily, that violate pollution laws, and to shut down a major refinery because of pollution problems. Mexico is eliminating lead from its gasoline and recently set a goal of phasing out CFCs by the year 2000, instead of 2010 as called for under the Montreal Protocol. These are good faith indications of what we can expect from our neighbor to the South.

Mexico already has a comprehensive environmental law and the government is proceeding forcefully to implement its requirements. Mexican environmental officials have stated that new investors relocating in Mexico will have to comply with emission standards at least as strict as those in effect where they are located now, and companies must file an environmental impact statement to show how they will comply. To do more, as the Mexicans hope and expect to, the Mexican government clearly needs new resources, and an invigorated economy is the best way to ensure their availability. Free-trade will stimulate needed growth.

At the same time, EPA is pursuing an ambitious cooperative program with Mexico on environmental matters. We are building on a longstanding working relationship; our 1983 Border Environment Agreement, for example, is a model in bilateral cooperation on environmental issues. The interest raised by the FTA negotiations has now made it possible for EPA and the Mexican Secretariat of Urban Development and Ecology (SEDUE) to strengthen greatly joint programs of environmental protection. One early priority in our work is the preparation of an integrated plan for improvement of the environment of the border area.

Trade Representative Ambassador Carla Hills has taken steps to assure that environmental concerns are addressed in the negotiations that will follow if Congress approves fast-track authority. We have met jointly with a number of leaders in the environmental community, listened to them, and responded—as evidenced in the report President Bush sent you. We will continue to seek their advice, indeed involve them closely as negotiations proceed. EPA with our counterparts at SEDUE will be working in parallel with the FTA negotiations to make sure that increased trade and growth are consistent with sound environmental practices.

If Congress disapproves the President's request to extend fast-track authority for negotiating trade agreements, we could well lose much of the momentum behind this cooperative environmental work with Mexico. Disapproval of fast-track would be interpreted in Mexico as a vote against economic cooperation in a North American setting, with clear consequences for our environmental agenda.

I might add that in no way does fast-track preordain approval of any trade agreement yet to be negotiated—Congress retains the unqualified right to vote down any agreement that it does not consider in the best interest of the United States.

I invite your inquiries on any issues relating to environmental progress in Mexico. For your information, I enclose my recent article in the Wall Street Journal (April 19, 1991).

Free-trade with Mexico offers an unprecedented opportunity to improve the living conditions of 85 million Mexicans. Part of that, as President Salinas made clear in remarks at his meeting with President Bush in Monterey last fall, means improving environmental conditions for his people. By preserving fast-track authority, you can help realize this vision.

Sincerely yours,

WILLIAM K. REILLY.

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, May 10, 1991.

Hon. ROBERT J. LAGOMARSINO,
U.S. House of Representatives,
Washington, DC.

DEAR BOB: As you know, the House will soon consider a resolution that would effectively deny the President the ability to negotiate a free-trade agreement with Mexico. I urge you to support the expansion of international trade opportunities by opposing this resolution.

Economic growth in California is dependent on export expansion. Without increased export opportunities, we will not be able to engender strong economic growth to create jobs and support vital government services, from health care to early education to law enforcement.

Simply put, a vote against fast-track is a vote against a major economic opportunity for all Californians.

Of course, our emphasis must be on opportunity, for only a comprehensive and balanced agreement will actually benefit all sectors of our state's diverse economy. Conversely, a bad agreement would result in some sectors facing severe losses.

There are a number of keys to achieving the former and avoiding the latter: A skilled negotiator; an understanding of the risks to certain business sectors and their need for time to adjust; an appreciation of the public's concerns about food safety and the environment; and a commitment to achieve a truly comprehensive agreement—one that addresses investment, services, the environment, and intellectual property protection.

After extensive discussions with Carla Hills and review of the President's response to Chairman Rostenkowski's concerns about labor and the environment, I am convinced that each of these key components is present and there is full justification for proceeding with negotiations for NAFTA—North American Free-trade Agreement.

Just last week, Ambassador Hills met with leaders in California's high technology, agriculture, entertainment, and environmental communities to both explain the President's trade agenda and listen to concerns. Each meeting provided a valuable forum for discussion, and participants in each were understandably impressed by the Ambassador's presentation and openness to what she was told.

High technology and entertainment industry executives indicated their strong support for NAFTA negotiations as a mechanism to achieve increased market access and protection for copyrights, trademarks, and patents.

Agricultural leaders expressed their support for an agreement that would address a number of achievable goals, such as strict rules of origin, harmonized standards for agricultural chemicals, a quick "snap-back" remedy for sudden import surges, and maintenance of quality-directed marketing orders.

Environmentalists were told of the President's commitment to full maintenance of existing U.S. safety standards, as well as California's right to provide additional consumer protections.

They were also informed of the major steps already taken by Mexico's President Salinas to clean up his country's environment: Closure of a major oil refinery in Mexico City at a cost of thousands of jobs and $500 million dollars; implementation of a major 1988 law that requires all new investments to meet stringent environmental standards and requires older businesses to meet the new standards over time; closure of more than 80 companies for environmental violations and sanctions against almost 1,000 others.

Indeed, after reviewing the President's reply to Chairman Rostenkowski, a number of major environmental groups have endorsed fast-track for the NAFTA negotiations.

Of course, no one is providing a proxy in favor of an actual agreement. With all of the tough issues to be resolved, the final agreement must be subjected to detailed scrutiny. It must: Provide real export opportunities for products and services; meet our environmental and safety concerns; include protection for intellectual property and direct investment; and allow adequate time for adjustment for those industries that will face increased competition.

Beyond our own economic and social interests, we are not indifferent to a neighbor whose culture and people are so close to our own. As President Bush has said, why would anyone "oppose prosperity in Mexico?" Prosperity in Mexico will provide our good neighbor to the south a chance to export its products rather than its people. Prosperity in Mexico will allow Mexican families to achieve their dreams in their homeland, giving them the option to travel north because they want to—not because they have no other choice for economic opportunity. And, prosperity in Mexico will provide support for the major economic reforms made by the Salinas Administration—with the added benefit of regional and hemispheric stability.

NAFTA can strengthen ties between the U.S. and Mexico so that, working together, we can face the challenges of an increasingly competitive global economy. In an era when the Berlin Wall and the Iron Curtain have fallen, surely we can allow the Administration to negotiate the lowering of economic barriers throughout North America.

For all of these reasons, I urge you to support fast-track for a North American Free-trade Agreement.

Sincerely,

PETE WILSON.

□ 1310

Mr. DORGAN of North Dakota. Mr. speaker, I yield 1 minute to the gentleman from New York [Mr. RANGEL], a member of the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, my colleagues, I rise in support of the Dorgan amendment and against fast-track, even though we recognize that this is one fast-track that has already been greased. This thing is getting out of town fast, and it seems to me that the Congress should have some input.

If America wants to bring any changes about in our balance of trade, make no mistake about it, we need a work force that is going to be competitive and productive. One of the most serious problems facing our Nation today is drugs at the workplace, drug in our schools, drugs in our board rooms. For us to say that this is too sensitive a matter, even to raise it while complimenting our friends for the efforts that they are making in Mexico, is absolutely ridiculous. We have to recognize that if we are going to increase legal trade, we are giving the opportunity for those bums in Mexico and in the United States to try to get more illicit trade.

What is wrong in saying that we have to be more vigilant about that?

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Speaker, fast-track kicks Congress out of the picture. Fast-track, what are we rushing to do? Are we rushing to decrease wages to middle-class America? That can happen if Congress is out of the picture.

Are we rushing to get more firms to leave America? That could happen if Congress is out of the picture.

Are we rushing to weaken pesticide laws, environmental laws? What are we rushing to do?

Mr. Speaker, I support free-trade, and I voted for free-trade on this floor; but I came here to do my job, to fight for the environment, to fight for prosperity.

Mr. Speaker, what is the rush to give that responsibility up?

Legislatures, my colleagues, in Japan, Mexico, Canada, all have the right to amend trade treaties. Should we do any less for our people? I think not.

Mr. GRANDY. Mr. Speaker, I yield myself 2½ minutes.

Mr. Speaker, whatever we do here today, whatever James Madison and our Founding Fathers said, whatever our constitutional scholars believe, one fact remains: Mexico is a country with, presently, 80 million people. That will grow to 100 million people by the end of the century. About 40 percent of them are under the age of 20. If there is no opportunity in Mexico, America will get Mexicans. That is what is going to happen.

Now, it is because of that that you hear statements from yesterday's Washington Post:

> While some uncertainty remains, considerable progress has been made. Now we believe the Administration deserves our trust and that of Congress to proceed acccordingly.

Is this some Republican shill for free-trade? No, this is the president of the National Wildlife Federation giving support to fast-track.

However, if you support the Dorgan amendment, you must believe it is because, as the resolution states, "Sufficient tangible progress has not been made in trade negotiations."

What deal are we talking about? The one with Mexico that has not even begun? Or the one with Europe that is in progress and, ladies and gentleman, progress is being made.

Since December, when we walked from the table, the European Community has agreed to, among other things, a 40-percent cut in grain support prices, new environmental payments to promote less intensive farming, and a 10-percent cut in milk prices. These are policies that we believe could not be negotiated, and yet here they are being proposed at a time when we are ready to pull the plug on both negotiations.

Let me just advise my colleagues that if we want to kill progress, we should support Dorgan because under the OBRA resolution that Congress passed last year, there is a provision that provides that if an agreement is not entered into involving GATT by June 30, 1993, then all of the measures involving the farm cuts that we passed last year will sunset.

Unless under section 1302 the President can certify that Congress disapproved of fast-track. If you want to stop progress, if you want to reinstate farm cuts, if you want to prevent agriculture from moving forward, then you must support House Resolution 101. This Member chooses to vote "no".

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the fine gentleman from Texas [Mr. PICKLE].

Mr. DORGAN of North Dakota. Mr. Speaker, could we find out the time remaining on the various sides before the gentleman from Texas speaks?

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Texas [Mr. ARCHER] has 12½ minutes remaining; the gentleman from California [Mr. DREIER] has 7 minutes remaining; the gentleman from California [Mr. HUNTER] has 5 minutes remaining; the gentleman from North Dakota [Mr. DORGAN] has 7 minutes remaining; the gentleman from Illinois [Mr. ROSTENKOWSKI] has 7½ minutes remaining; and the gentleman from Massachusetts [Mr. MOAKLEY] has 6 minutes remaining.

The gentleman from Florida [Mr. GIBBONS] now yields 1 minute to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, I rise in opposition to the motion for disapproval. I recognize, and I think we all recognize, labor's opposition to this fast-track legislation. But I believe that labor's fears are overexaggerated and based more on emotion and politics, pure politics, than factual analyses.

As things stand now, we do have problems on our border, and we, in the Southwest, are very mindful of that and we in the State of Texas are more affected by that than anyone.

But I do not think the free-trade will hurt. It will help the situation. We must find a way to work closely with Mexico. In the long run, this would help raise their standard of living, instead of fighting a losing and a negative battle. It is a losing battle.

Free and open markets are the economic markets, are the economic future in our global economy, and we must be part of that tide. Economic growth and the advancement of free-trade have gone hand in hand as long as we have had free markets.

Mr. Speaker, labor should recognize that opening up markets has helped workers and that it is better to sell our exports to Mexico than to oppose free-trade with Mexico for short-term political gain. We should support this fast-track.

Mr. Speaker, I rise today in opposition to House Resolution 101, the resolution to disapprove fast-track trade negotiating authority for the President, and in strong support of fast-track authority.

First, I want to commend the administration on being responsive to the legitimate concerns regarding a free-trade agreement with Mexico. Environmental groups will have input to ensure that a United States-Mexico Free-Trade Agreement doesn't diminish environmental standards. And there will be sufficient worker retraining assistance for those workers who are displaced by a free-trade agreement.

I recognize labor's opposition to fast-track and a free-trade agreement with Mexico. But I believe that labor's fears are overexaggerated, and based more on emotion and politics than factual analysis. As things stand now, the United States-Mexico border is open enough so that business can move to Mexico if it wants, and Mexican citizens can come to America for jobs if they want. It's a serious issue for us in the southwest already. I don't think a free-trade agreement will worsen things, but instead would help. We must find a way to work closely with Mexico and in the long-term, raise the standard of living there. It is better to do that through free-trade and a better business climate in Mexico, than fight a negative and losing battle.

And it is a losing battle. Free and open markets are the economic future in our global economy and we must be part of the tide. Economic growth and the advancement of free-trade have gone hand in hand for as long as free markets have been in existence. It is no surprise that the tremendous economic growth that has occurred worldwide in the past 40 years has coincided with the growth and expansion of the system we have to open up trade, the General Agreement on Tariffs and Trade [GATT]. Labor should recognize that opening up markets has helped workers, and that it is better to sell our exports to Mexico than to oppose free-trade with Mexico for short-term political reasons.

Everyone agrees that we are a long way from free, open, and fair trade in the world economy. Establishing the rules for opening up markets is a tough job, and we need to give our negotiators every advantage when they sit across the table from our economic competitors. Fast-track enables our negotiators to say: "This is the best offer we can make—you won't get any better, or worse, when we take this to the U.S. Congress for implementing legislation."

In granting the President fast-track authority, this body does not give up its chance to influence the content of trade agreements. The U.S. Trade Representative has in the past, and will in the future, consult with Congress as negotiations proceed, with the full knowledge that Congress will reject an unacceptable trade agreement. Fast-track doesn't mean Congress is a rubber stamp for a trade agreement, and the administration knows it. But in granting fast-track authority, we give the President an indispensible tool for any meaningful trade agreement.

The stakes are high in this debate, and they revolve around two issues. One has to do with the fact that this country is in a recession. The economic vitality we have shown in the last few months has come from exports. We must look for new markets. Mexico, which is opening up and modernizing its economy, is just the kind of market we should be looking to penetrate—one that requires the high-technology goods in which this country remains strong. Ultimately, that means good paying jobs for American workers.

The other has to do with how this Congress and my Democratic colleagues view free-trade. Free-trade is not some fixed goal that we can attain one day, and then rest. It is a process involving a lot of hard work, a process which I liken to riding a bicycle. If you don't move forward, you don't move at all. You collapse. We've got to move fast-track forward if we are to advance free-trade and avoid the collapse of the process which advances free-trade. This is the best course for more and better jobs for Americans. It is the best course for future economic growth in this country.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. BEREUTER].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. BEREUTER].

The SPEAKER pro tempore. The gentleman from Nebraska [Mr. BEREUTER] is recognized for 2 minutes.

Mr. BEREUTER. Mr. Speaker, I rise in strong opposition to House Resolution 101, introduced by the gentleman from North Dakota. This vote is undoubtedly one of the most important votes in the House this session. House Resolution 101 would deny the extension of the so-called fast-track authority that is necessary for the President to complete the Uruguay round of trade negotiations under the General Agreement on Tariffs and Trade [GATT].

Fast-track is not a procedure that has been forced upon the Congress by the President, but rather, it is a process first developed by the Congress in 1974 and it has been extended twice since then. Fast-track grants the President the authority to engage in international trade negotiations and preestablishes rules for the consideration of any eventual trade agreement by the Congress. Given executive-legislative balance of power in American government, this process is absolutely necessary if the United States is to be an effective participant in multilateral world trade negotiations. Over 100 countries are now involved in the Uruguay round of negotiations under the [GATT]. It would simply be foolish for any of these countries to offer concessions and negotiate delicate compromises if 535 Members of Congress were subsequently able to amend these compromises to make them better represent their own interests.

Extension of fast-track authority at this juncture should not be controversial. There is no GATT treaty or implementing legislation to be considered. It is not possible for this or any Member to judge the merits of a GATT agreement at this time because no agreement exists.

Currently, the United States only has a negotiating position. This is a position that has been strategically developed to advance the interests of the United States in a final agreement. Excessive concern over a negotiating position, and a fear of the content of a final agreement should not preclude our willingness to negotiate. If fast-track is extended, the Congress still holds the ultimate authority to approve or disapprove any agreement that the President may present to the Congress. Fast-track does not impair the ability of the Congress to carefully and fully consider an eventual agreement. It simply enables the agreement to be considered expeditiously.

Approval of the Dorgan resolution will most assuredly and prematurely end the most ambitious, comprehensive, and meaningful reform of world trading rules ever attempted under the multilateral GATT system. Preventing reform of the world trading system would deny each of our constituents, and indeed the people of the world, an incredible array of opportunities—including the basic opportunities to expand, to grow and to improve individual and national standards of living.

The U.S. Trade Representative has estimated that the lowering of tariff and nontariff barriers that would occur with a successful Uruguay round could increase U.S. output, in total, by $1.1 trillion over the next 10 years. This translates to $17,000 for every American family of four. It is estimated that American entrepreneurs lose $60 billion annually through theft and counterfeiting of their ideas due to inadequate rules to protect intellectual property; the major reforms in GATT address that problem. Services would be included in the GATT following a successful round and would open new markets to U.S. firms. Service firms export $115 billion annually and create 90 percent of new U.S. jobs. A successful round would open new investment markets to U.S. firms that now help generate $240 billion of U.S. exports—two-thirds of our total exports. Full participation of developing countries in the GATT could increase U.S. exports by 50 percent, or $200 billion by the year 2000.

Reforms in agriculture trading rules would allow world agriculture exports to grow by $100 billion—one-third of world agriculture trade. American agriculture is among the most competitive and most efficient in the world. Development of fair agricultural trading rules will allow American farmers to further benefit from their comparative advantage and efficiency.

Since the inception of the GATT following World War II, tariff rates have been reduced by over 75 percent. As a direct result, world trade has increased from $60 billion in 1950 to nearly $4 trillion this year. This increase in trade has caused the U.S. and world economies to experience greater growth over the past 40 years than at any other time in history.

Exports are of critical importance to the recovery and continued growth of the U.S. economy. In 1990, U.S. exports grew at twice the rate of imports. U.S. exports grew over 8 percent in 1990, and accounted for 88 percent of our economic growth last year. Extending multilateral trade rules to sectors such as investment, banking and other services, as well as gaining better protections for American intellectual property, will create opportunities to further expand our exports in areas where the United States has significant competitive advantage. Expanding job opportunities for Americans in these highly skilled professions is most definitely in the best interest of the United States and will occur with a good GATT agreement.

In December 1990, 4 years of negotiations under the Uruguay round collapsed soley because of the European Community's unwillingness to engage in meaningful and significant reforms in the area of agriculture. Agreements in the 14 other negotiating areas, such as services, intellectual property and market access were very close or could be envisioned. The remaining issues were easily seen as negotiable and quickly achievable. Indeed, the 15 areas have now been formally reduced to seven in large part because of the number of issues that have been resolved. (Some major negotiating areas are: Market Access, Services, TRIPS (Trade Related Aspects of Intellectual Property), Textiles, Antidumping, TRIMS (Trade Related Investment Measures), Government Procurement, and Dispute Settlement).

Lack of political will on the part of the European Community in the area of agriculture continues to be the major obstacle to completing the round. The European Community was almost completely isolated in the position on agriculture. Japan and South Korea found cover behind the EC but would have compromised without the skirts of the EC to hide behind.

This Member would like to heartily commend the U.S. Trade Representative, Ambassador Hills and the former USTR and Secretary of Agriculture, Clayton Yeutter, for their invaluable contribution to the current negotiations. Both have proven very skilled and energetic in protecting and promoting United States interests in the Uruguay round and trade matters throughout the world.

Some self-serving European opponents of the Uruguay round occasionally mistakenly blame the United States negotiators for the collapse in the negotiations last December. Such criticism is sorely misplaced and most definitely a total misrepresentation of fact. The European Community's unwillingness to even seriously engage in discussion of meaningful agriculture reforms caused members of the Cairns Group, led by Brazil and Argentina to walk out of the negotiations. This Member would again commend the U.S. negotiators for standing firm last December in their refusal to bring an unacceptable agreement back to the U.S. Congress.

Much of the debate around extension of fast-track has focused on the North American Free-trade Agreement [NAFTA]. While NAFTA is important, it is, at this point, as the New York Times said, a "side show." What is predominantly important to the United States is the conclusion of the Uruguay round of the GATT. This member heartily shares the opinion of the New York Times in its May 21, 1991, editorial where it states:

> Mexican trade is a sideshow to what's really at stake, the five-year Uruguay Round of

> international trade talks scheduled to be completed this year. It will slash tariffs and other trade barriers, thereby adding trillions to the world's economies by the end of the decade. Few, if any, government policies in the U.S. or anywhere else will do more for economic growth.
>
> The Uruguay round has been stalled over Europe's refusal to scale back policies that lock out food imports. But once this roadblock is overcome, the benefits will be enormous . . .

Members may eventually find that they cannot support a NAFTA—I hope that is not the case. While I may regret the combining of the fast-track request for the Uruguay round with the NAFTA, it is certainly not unreasonable to simply give the President and U.S. Trade Representative the authority to begin negotiations with Mexico on NAFTA.

One overlooked advantage of the controversy over the extension of fast-track, and the concept of NAFTA itself, is that the executive branch will now undoubtedly be properly aggressive in insisting that United States trade interests are fully protected, and that existing trade agreements are honored in a prompt and continuing fashion by our trading partners. In other words, the administrations during this negotiating period, must keep the American people and Congress satisfied with their protection of the national economic interest. If they do not, Congress will not approve NAFTA. That is incredible leverage given to Congress during this negotiating period.

This Member expects to be kept fully informed by the administration of any progress made on, and details of, both the GATT agreement and the NAFTA as they are developed over the next 2 years. This Member would also serve notice to the administration that he will go over the eventual NAFTA with a fine-toothed comb.

Truly much is at stake in the Uruguay round. This Member urges his colleagues to support the extensions of fast-track, and vote against the Dorgan amendment. In this way, the Congress will continue to extend the negotiating authority to the President that is necessary for him to craft a good, beneficial and fair GATT agreement that will provide significant benefit to America, far into the future.

Mr. Speaker, I urge my colleagues to reject the Dorgan resolution.

□ 1320

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, I thank the gentlewoman from Connecticut [Mrs. JOHNSON] for yielding.

Mr. Speaker, I support a trade agreement with Mexico. I do not subscribe to the beggar-my-neighbor philosophy of some, but there are reasons why Congress should not surrender its constitutional authority to review this Mexican treaty in its specifics, and that is why I support the gentleman from North Dakota [Mr. DORGAN].

If my colleagues have ever flown into Mexico City, the pall of pollution over that city is incredible. My colleagues may recall the "60 Minutes" segment that spoke of the border rivers which have become toxic cesspools because of Mexican pollution. Mexico, like most undeveloped nations, considers environmental protection a luxury of super-rich nations. We have placed restrictions on American businesses with our Clean Air and Clean Water Acts which are both sensible and costly. Now will we give Mexican firms, unburdened by these standards, a cost advantage, or will we lose American firms who find it cheaper to build dirty south of the border?

And there is a second reason. I think it is naive to believe that Mexican labor will only replace Asian labor. Mexico will move into capital-intensive processing as Taiwan, South Korea, and Hong Kong have done before them.

There is no stopping the outmigration of automation. Every Member of this body has looked into the eyes of an American worker unemployed by foreign competition. We all know the grim reality, that these workers are virtually helpless in America because we, as a Nation, do not condone economic planning, we do not fund worker training realistically, and we are not committed to making our schools the kind of first-class training facilities they should be for America's workers. We have not laid the groundwork for transition in the American work force.

Mr. Speaker, fast-track is an abdication of congressional responsibility. Just as this institution has allowed the steady erosion of congressional constitutional authority to declare war, a vote for fast-track surrenders our constitutional right to approve trade treaties.

I support the resolution of the gentleman from North Dakota [Mr. DORGAN].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. WATERS].

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 minute, as well, to the gentlewoman from California.

Ms. WATERS. Mr. Speaker, I would like to begin by commending my friend, the gentleman from North Dakota [Mr. DORGAN], for his diligence and leadership on this issue. In addition I would like to thank the gentlewoman from Ohio [Ms. KAPTUR] for her commitment and work on behalf of the Dorgan resolution.

Mr. Speaker, I think it is important to look at this issue in the context of recent history. In 1981 the Reagan-Bush administration cut taxes on corporations and the wealthy in this country. They said this would lead to increased investment in plant and equipment. This, they said, would help American workers with the state-of-the-art equipment. American plants would be more productive they said. There would be more jobs for American workers.

Mr. Speaker, what happened is something quite different. American corporations took the taxpayers' money and ran. Instead of investing in this country they took their business offshore. They were there to exploit Third World labor markets and cheap labor. They used their tax breaks to invest in Mexican maquiladoras. By the mid-1980's many of these multinational corporations were paying no taxes at all. Some even got rebates. In the process they exploited Third World workers to the tune of 60 cents an hour. According to the GAO, 1.3 million American workers were dislocated in 1983 and 1984. Fifty-seven percent of these dislocated were due to increased foreign competition, according to the report. Today we are in a recession. Unemployment is at its highest in 8 years. On top of this, our economic infrastructure is crumbling. For many workers there is no hope.

Now the Bush administration is asking us to trust them to negotiate a free-trade agreement with Mexico that is fair to American workers. Let me tell my colleagues what this administration will do. To have expanded markets in Mexico this administration is going to have to guarantee more jobs, more plants in Mexico, more earnings for Mexican workers to purchase American goods. There will be great displacement of American workers, yet the Bush administration in this year's budget request proposed killing the trade adjustment assistance program.

Mr. Speaker, and Members, I ask for support of the resolution of the gentleman from North Dakota [Mr. DORGAN].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Speaker, I rise in support of the Dorgan resolution.

I believe the Nation must provide leadership in bringing about a more integrated world economy. However, I believe our pursuit of such a world has blinded our trade negotiators to some basic realities of industries such as our textile industry—the industry with more workers than any other industrial sector in this country. Our GATT negotiators have preliminarily agreed to terms that will make it impossible for our textile industry to adapt to a world without global textile quotas.

Mr. Speaker, the textile industry long ago agreed to a phaseout of all quotas. What our negotiators have brought back is a phaseout plan that will eliminate many quotas on a sector-by-sector basis rather than a staged decline across all sectors.

I know that no business can sensibly make competitive decisions under such an irrational phaseout scheme. Until our negotiators display some commonsense understanding of the realities of the working world and the marketplace in the important textile industry, I must oppose any process that facilitates the destruction of the textile industry and puts thousands of American workers out of work. I urge my colleagues to support House Resolution 101.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. RINALDO].

Mr. RINALDO. Mr. Speaker, I rise in opposition to the Dorgan resolution to deny the extension of fast-track trade negotiating authority.

First of all, I think we should make it clear right now as to what we are not voting on today. We are not voting on a free-trade pact with Mexico.

The issue here today is whether we should give our negotiating team the practical ability to do its job without being second guessed by 535 Monday morning quarterbacks at every step of the way. Opponents of the fast-track procedure argue that it puts Congress on the sidelines and takes away our authority to regulate international trade. Nothing could be further from the truth.

When a labor union negotiates an agreement with management, they don't bring every single worker to the bargaining table. A small group from the union leadership goes for the best agreement they can get, and then they bring it back to their membership for an up-or-down vote. Individual union members do not get to offer amendments to the contract, but the negotiators know that an unsatisfactory agreement will be rejected by the membership.

Several committees of this House have already held hearings on the proposed free-trade agreement with Mexico. The fast-track procedure will require negotiators to consult with Congress throughout the negotiating process. When previous trade agreements have been in the drafting stages, they have been submitted to congressional committees for review. Mock markup sessions resulted in revisions which our negotiators then incorporated into the U.S. position at the bargaining table. Finally, any trade agreement that is reached is subject to congressional approval.

Opposition to the extension of fast-track all boils down to apprehension about the potential effect of a free-trade agreement with Mexico on employment here in the United States. This has been my primary concern and it is something I have looked into extensively. I realize that we are in a recession. I've seen the closed factories in my district. I've heard the pain of people who have worked hard all of their lives and now cannot find a decent job. If I thought that refusing to negotiate a trade agreement with Mexico would improve the situation, I would strongly oppose the administration's plan.

The fact of the matter is, however, that any company that wants to move to Mexico can go there tomorrow. There is nothing standing in their way. For that matter, they are also free to move their operations to the Pacific rim countries of the Far East, as many plants have already done.

Then why extend fast-track negotiating authority? First of all, we need to continue the GATT negotiations that have been going on since 1986, particularly with regard to better international protection of intellectual property rights. The pharmaceutical and computer firms of New Jersey, which employ a large portion of our work force, have suffered major losses in marketing new products abroad, due to lax enforcement of patents, copyrights, and other protections against industrial piracy.

With regard to Mexico, we need a trade agreement to lock in the progress Mexico has already made in reducing its barriers to our exports, and we need to push for even more opportunities for American companies to sell their goods in Mexico. On the whole, I think that workers in our country may have more to gain than to lose if an effective trade agreement is concluded with Mexico.

Our tariffs on goods coming in from Mexico are already very low, averaging about 4 percent. By contrast, Mexican tariffs on United States goods average about 10 percent. Mexico has local content requirements for many products that require certain percentages of their components to be made in Mexico. Mexico also requires foreign companies that want to sell certain goods there to make comparable investments in the Mexican economy. These requirements are one of the primary reasons some United States firms have opened plants in Mexico, simply to be able to do business there. If we can eliminate these trade barriers, companies such as AT&T and Caterpillar expect to be able to sell larger quantities of goods manufactured in this country to Mexico.

If, on the other hand, we refuse to negotiate with Mexico, it is conceivable that they will slam the door that has started to open. Our present trade with Mexico has a positive impact on jobs in my home State of New Jersey, as well as in other parts of the United States. Since the Mexican Government began to liberalize its trade policies in 1985, exports from the United States to Mexico have risen by 129 percent. In 1986, the United States had a nonoil trade deficit of $1.5 billion with Mexico. By 1990, we had an nonoil trade surplus of $2.7 billion. Between 1987 and 1990, New Jersey's exports to Mexico rose by 120.6 percent, to $417 million. These exports included chemicals, industrial machinery and computer equipment, electrical equipment, food products, and photographic equipment. Hundreds of jobs were involved in manfacturing and shipping these products, and these jobs could well be lost if efforts to strengthen our economic ties to Mexico fall through.

One important advantage of a trade agreement would be the potential expansion of markets for goods that are made in this country. Without an agreement, jobs here will still be lost as plants relocate to Mexico or the Pacific rim, but we will also lose the chance for offsetting employment gains in industries that make products for export.

We are voting here today on a resolution that sets out Congress's objectives for any trade agreement the administration negotiates with Mexico. It has to have sufficient transition periods for U.S. industries that would lose trade protection to adjust to increased competition. It has to provide complete protection against third countries, such as Japan, that might try to pass their goods through Mexico to the United States duty free. It must absolutely enable the United States to maintain strict health and safety standards for food imports into this country.

We have no way of knowing whether the proposed trade agreement with Mexico will be good or bad. After all, it has not been negotiated yet. What I do know, and what I emphatically promise both to the administration and to the workers of my district is that I will do everything I can to defeat any trade pact that does not comply with the conditions set out in the Gephardt resolution.

□ 1330

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE. Mr. Speaker, I rise today to oppose the Dorgan resolution and support the Gephardt-Rostenkowski resolution. I will support, therefore, allowing trade negotiations to continue on GATT [General Agreement on Tariffs and Trade] and to begin on a North America Free-Trade Agreement which includes Mexico.

I support the extension of negotiation authority because I believe it is consistent with the tremendous economic potential of our country and will help secure our economic future. I am impressed with the long list of businesses in my State who are poised to enter the International marketplace and who argue strongly that these agreements will make it more feasible for them to do so. This includes longtime North Carolina industries like furniture, hosiery, tobacco and food products, and timber. It includes agricultural commodities like soybeans, pork, grains, and poultry. And it includes high-technology industries such as computers and electronics, pharmaceuticals, telecommunications, and chemicals. These firms, and many more like them—if they are given a chance to sell their goods without barriers or obstacles—can dramatically increase both exports abroad and the creation of good jobs here at home.

I also support the extension of authority because these negotiations offer our best hope for removing the unfair burdens and barriers our businesses face, and the unfair advantages we have too often conceded to our competitors. We look hopefully to a worldwide opening of markets, but we must remind ourselves that free-trade is not necessarily fair trade—and it is fair trade, above all, that our negotiators must seek. I say that as one who worked for the passage of the omnibus trade act in 1988 and has backed its strong enforcement. We will never solve our problems by refusing to negotiate. Indeed, the abuses which cry out for remedy—dumping, predatory pricing, violations of copyright, exorbitant national subsidies, stubborn tariff and nontariff barriers, restricted marketing and distribution systems—all are damaging our country's interests daily, and can be addressed only through tough and persistent negotiation.

The Congress must be a full partner in this enterprise. Some have suggested that fast-track authority gives the President the ability to bypass Congress in negotiating trade agreements, but this reflects a fundamental misunderstanding of the process. Congress, in fact, constructed the fast-track procedure in 1974 precisely to assert itself as fully as possible in trade negotiations. The House in particular has a stake in asserting its revenue—that is, tariff—powers under the Constitution and not ceding to the Senate, under that body's right to approve treaties, all power over trade agreements. The fast-track procedures create a mechanism for both Houses to be deeply and continually involved in the negotiation process and to shape the agreement at every juncture.

The negotiating process carries risk as well as promise, and most of us have had threatened industries remind us of that. In our State certain elements of the textile and apparel industry are particularly concerned about the unfair competition a trade agreement might bring. Some are hopeful about exporting to Canada and Mexico, but the real concern is GATT. One need only attend the meetings our congressional textile caucus has had with our trade negotiators to understand why. We can and we must do better, and if fast-track authority is granted today, we must take full advantage of the opportunity it offers to find better solutions for textiles and similarly situated industries in the talks to follow.

The agreements under negotiation promise substantial benefits to consumers—greater choice and lower prices. Every American consumer will eventually feel the benefit of freer trade in his or her pocketbook. We owe this potential benefit to hard-working Americans struggling to make ends meet.

However, these agreements cannot ignore basic environmental and health concerns. That is why the Gephardt-Rostenkowski resolution is so critical. It outlines what the final agreements must contain to protect American workers, ensure a sound environment, and protect the health of our Nation's citizens. The administration should attend to this resolution carefully in its negotiations, for its conditions will be critical to congressional acceptance of the final agreements. Trade agreements must promote, not compromise, effective health, safety, and environmental standards. These negotiations, properly conducted, will let us extend these critical standards rather than sacrifice American jobs to countries without comparable standards.

We must also be aware of the international implications of our decisions here today. Europe is poised for a new era of economic cooperation and strength. Mexico has made remarkable strides toward privatizing its economy, reducing its debt, addressing labor and environmental abuses, and lowering barriers to international cooperation. The enormous consequences of a negative verdict here today—of derailing the intricate GATT discussions at this critical stage, or rebuffing the Mexicans, with the message that would carry for others aspiring to democracy and free enterprise in Latin America—should weigh heavily on each of us.

North Carolina, I'm proud to say, ranks 17th out of the 50 States in exports to Mexico, exporting $190 million worth of products to Mexico in 1989, according to the United States Commerce Department. From 1987-89 we more than tripled our textile mill product exports, doubled computer and industrial machinery exports, and more than tripled electronic and electronic equipment exports to Mexico. And we know we can do more, in Mexico and around the world.

We have in North Carolina a strong and increasingly diversified economy, low unemployment, and an enviable quality of life. But there are no grounds for complacency. To secure our economic future we must invest in the health and security of our people and train a work force equal to the challenge of the factories and laboratories and offices of tomorrow. And we must increasingly see the world as our marketplace. These trade agreements can offer us both the opportunities we need and the protections we require, and we must see to it that they do just that. We take only a step here today, but it is a critical step, and I urge my colleagues to grant a continuation of negotiating authority.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. GOSS] a hard-working member of the Foreign Affairs Committee.

Mr. GOSS. Mr. Speaker, I rise in opposition to H. Res. 101 and in support of fast-track.

We all know the State of Florida agriculture has much at stake in the negotiations for free-trade with Mexico. A bad agreement could cost us jobs, environmental protection and the survival of our agriculture industries. But a good agreement offers tremendous opportunities to our State and the entire Nation. Make no mistake, we will not sell out Florida's best interests and we have made our legitimate concerns clear to the administration. I urge a vote to support fast-track as a vote to continue the process—of course there is no commitment to support the eventual agreement unless it is an agreement worthy of support.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I would like to ask this body how many of them are wearing an American wrist watch, own an American-made camera, own an American-made stereo, an American-made fax machine? They were invented here. One cannot buy one. An American made VCR? They were invented here, but one cannot buy one.

In my lifetime this Nation has gone from the world's greatest maritime power to a nation that has not built a merchant ship in the past 3 years. The great nations of the world have been great maritime powers and they have been great manufacturing powers. We have already given away our maritime industries.

What is the rush to fast-track, the demise of American industry? A house full of cheap foreign appliances will not mean diddley if one does not have a job good enough to send your child to college or if they do not have an opportunity once they graduate. If the Mexicans are charging us 10 percent to have access to their markets, and we are only charging them 4, then I say a level playing field is to charge them 10. If we are willing to tax Americans, then let us tax those people who want access to our markets.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I rise in support of the Dorgan resolution. Why does the administration not want the fresh air of American scrutiny, the American people's scrutiny to be subject to these so-called trade deals that they want to make? Why do they just want a handful of people in the room? I will tell my colleagues why, because they do not want the American people to know that our industrial base is going to erode if this so-called fast-track, without the checks and balance of this Congress, our industrial base will erode.

We have lost 75,000 auto workers' jobs to Mexico. We have lost thousands of electrical workers' jobs to Mexico. We are told by the Economic Policy Institute that we will lose 550,000 more manufacturing jobs if this passes.

I say let us take care of our people and let us take care of the Mexican people. This is unfair to the Mexican workers. It sure is unfair to the American workers. I hope and pray we support the Dorgan amendment.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS of New Jersey. Mr. Speaker, on this issue the administration says, "Trust us." But what is the track record of this administration on questions of economic trust? This President said, "Trust me. I will steward the economy and protect your job." But the fastest track in this country is the track to the unemployment line. This President said, "Trust me. Read my lips. No new taxes." But that promise took the fast-track to oblivion.

I would ask my colleagues, which side are they on today? Are they participants or are they spectators? I say no blank check, no blank check to this administration. I say we say we take back our authority. We support the Dorgan resolution and we say no to fast-track.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 minute to the gentlewoman from the State of Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Speaker, I rise in support of the Dorgan resolution.

We have been asked to withhold judgment, set aside our doubts, listen to the administration, give the President flexibility in these negotiations. Actions speak louder than words, and I can only respond to what I have seen as a result of negotiations already affecting the Pacific Northwest.

Our magnificent forest resource, the very best of our trees, year after year have been sent overseas to Japan as raw logs rather than as processed wood because our administration didn't negotiate tough enough. Just recently, in our negotiations with drift-netting nations, we not only acquiesced to fewer observers to monitor the ships which are scooping up our salmon and steelhead with 30- to 40-mile nets, we suggested the lower number. Sixty percent of the shellfish consumed in our country are imported, yet foreign products are held to much less scrutiny than domestic products.

The President has promised in his trade negotiations to provide resources for our workers who are displaced. He's promised to protect the environment. I've heard promises over and over again, as we work on the issues facing the timber industry in the Pacific Northwest, but I haven't seen him put his words into actions that realistically protect either our workers or our ecosystem. We simply cannot trust the administration to stand up for our resources or our jobs in trade negotiations. Support our resources, support our workers, support America first—support the Dorgan resolution.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, in 1 minute we can hardly debunk some of the statements that have already been made up here. Some of the so-called facts that are being cited in reality are not facts at all. I just need to say that in opening remarks of the author of this resolution, the gentleman from North Dakota [Mr. DORGAN], he suggested that those who want the status quo should look elsewhere. That is what they want to do, is the status quo. I say to my friend and colleague, the status quo is we are doing what we are doing. We will increase maquiladoras. We will continue to have problems on the border. The environment will continue to be a problem.

There are a lot of us that live along that border who believe that change is necessary. I for one am willing to run the risk that future employment in my district can increase from its static 10, 12, 14, and 16-percent unemployment rates. I, for one, think we can clean up the environment in cooperation between Mexico and the United States if the United States will do its part.

Do you know what the real challenge is here? If we pass this agreement, the United States is going to have to improve its educational system. We are going to have to improve our technology and our competence in bringing about innovative goods and services.

I would like to conclude my remarks from the perspective of trying to set a few facts before the House. The U.S. Council of the U.S. Business Committee has reported how far ahead of the United States are some of Mexico's labor laws.

EXCERPT FROM THE U.S. COUNCIL REPORT

SOCIAL SECURITY

The Mexican social security system provides more benefits to Mexican workers than the U.S. social security system provides to U.S. workers.

The Mexican system provides medical and maternity care, medicines, hospitalization, surgery, old age pensions, payment for temporary and permanent disability from work injury, and permanent disability pensions.

The Mexican Social Insurance Institute (IMSS) covers all employees in private industry, their spouses, and their unemployed children under age 18. The Security and Social Services Institute of State Workers (ISSSTE) covers employees in the public sector.

The contribution of the employee and employer to the social security fund depends on the employee salary level; those that receive the minimum wage have no payroll deductions for social security—the employer contributes the full amount (17.1 percent).

OTHER BENEFITS

90 days' severance pay is provided after 30 days on the job.

Profit sharing of 10 percent of annual pre-tax profits is required by law. Companies pay 1 percent of the employee's wage for nursery care.

Pregnancy leave of 12 weeks is provided (and paid by Social Security) with a guarantee of return to a like job.

OCCUPATIONAL SAFETY AND HEALTH

Mexican legislation on occupational health and safety is relatively advanced and provides substantial protection. (U.S. Dept. of Labor, "Labor Standards in Export Assembly Operations in Mexico and the Caribbean", June 1990.)

Mexico has ratified 67 ILO conventions addressing worker health and safety standards.

Firms employing more than 300 workers are required by law to set up their own health clinics at company expense, to supplement the social security health care system.

Federal law requires most enterprises to set up plant-level health and worker safety monitoring bodies (which include a trade union representative whenever a union has a collective bargaining agreement) that report monthly to the Secretariat of Labor and Social Welfare.

Health and safety standards are better enforced in large firms. There appears to be a higher incidence of industrial accidents in smaller firms and on construction sites, a reflection of a lack of sufficient inspection personnel to adequately monitor health and safety regulations.

In 1989, 2,218 judgments were handed down relating to industrial accidents and dangerous conditions which resulted in illness and injury. (U.S. Embassy in Mexico, "Reply to Congressional Request for Mexican Labor Standard Information", Feb. 1991.)

It is time that we, in the United States, wake up to the fact that our views on worker benefits are not up to many other country's standards.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. DINGELL], the chairman of the Committee on Energy and Commerce.

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Mr. DINGELL. Mr. Speaker, I urge Members to vote for the Dorgan resolution, House Resolution 101. There will be no great loss if fast-track is rejected now. We can always come back and authorize it again, if it is truly needed, and the matter can be addressed then in an appropriate fashion.

This whole issue has been surrounded in a veritable cocoon of promises from the administration, about what they would do about the problems of labor, the environment, agriculture, food safety, and consumer protection.

Mr. Speaker, I will tell Members this: I have supported fast-track in times past. The result of my support has been that I have walked out with a sheath of promises which were good on their face, but none of which were honored. I am now collecting the promises I received last time when I voted in favor of the Canadian Free-Trade Agreement, but the promises made this time will be honored in the same way they were last time.

The administration makes these promises to get you to vote for these proposals, but after that matter is done and that vote is taken, they go into a closed room, refuse to honor the commitments, and none of the things that they have said would be done for and on behalf of the United States, its workers, and its industries, are ever done.

Mr. Speaker, what should be done is let us send them a message. Reject fast-track. Say to them, come up with some way of giving us assurances that you will, in fact, honor what it is you say you will do.

Mr. Speaker, I can tell you stories about what happened with regard to Canada, and none of the promises were kept. I urge Members, reject fast-track, vote for Dorgan, and let us then begin to address this matter in a more calm and deliberate fashion, with a better set of promises from the administration.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, it is not as if we have not been here before. The gentleman from Michigan [Mr. CONYERS] and I were just recalling that in 1965 we got the Canadian-American auto pact, and in 1965 we created the maquiladoras. We know what is going to happen when you extend the boundaries of that zone, because we have had 25 years of experience with it. As a result of that 25 years, there are 30 General Motors plants, 12 Ford plants, and 12 Chrysler plants in the maquiladora, employing 76,000 hourly workers. Every one of those jobs was in America someplace 25 years ago.

Now, if Members feel comfortable with the idea that we are generating new employment that pays as well as those auto jobs did to replace the jobs that we are going to be giving away with this great North American free-trade arrangement, then you should vote against Dorgan. I am not confident that we are doing a fraction of what has to be done to create those jobs. I would like to have Members just look north to Canada and see how many industrial jobs we have sent to Canada, where the wage standard and the standard of living is almost identical with America.

Mr. Speaker, this is an unmitigated invitation for greedy American investors to exploit slave labor in Mexico. They are not going to go down there to raise the standard of living for Mexico, they are going down there to exploit Mexican cheap labor.

Mr. Speaker, I rise in support of the Dorgan resolution and in strong opposition to the fast-track procedure for considering trade agreements.

It is bad policy for Congress to give up our right to amend an agreement we have never seen.

It is foolish for Congress simply to assume that the agreements our trade negotiators will reach will be not only in the best interest of American workers and consumers, but so good that they cannot be improved. Have the agreements negotiated with Japan, China, Korea, or any other country inspired that kind of confidence in our trade negotiators?

After a long decade of seeing our industries hammered by unfair trade practices, the people of southeastern Michigan don't trust our trade negotiators, and I don't either. We have seen a flood of imports. We have seen tens of thousands of jobs destroyed.

What we have not seen are the benefits of so-called free-trade. It hasn't helped matters to see so many of our trade negotiators subsequently employed by the foreign nations with whom they had previously negotiated.

I particularly oppose the extension of fast-track authority for a trade agreement with Mexico. I am convinced that the agreement the administration intends to negotiate will be an economic disaster for my part of the country. It should be open to full debate and the normal legislative process, not railroaded through on a fast-track, with no opportunity to amend or improve it.

The people of Michigan have everything to fear from a trade agreement negotiated by the Bush administration with Mexico. Their interest in good jobs that pay a living wage is directly threatened by what Mr. Bush and his trade negotiators are seeking to accomplish.

The administration's goal is a treaty that will make it safe and profitable for American corporations to invest in Mexico in order to exploit the cheap wages and unregulated working conditions that prevail there.

Their goal is to lock in commercial agreements that will boost investor confidence and make Mexico's huge, underemployed workforce available to American manufacturers. The inevitable consequence of that investment is the abandonment of better paid U.S. workers who are doing those jobs today.

There are many reasons why U.S investors doubt the safety of investing in Mexico, including political instability, unpredictable currency fluctuations, and the history of Mexico's nationalization of industries and expropriation of private property. These factors are reflected in the high rates of return on capital in Mexico and in the activities of the United States Overseas Private Investment Corporation, which has been active in insuring United States investments in Mexico against the threat of nationalization or other political risks.

If we assume that the treaty will achieve its purpose of boosting investor confidence in Mexico, it is reasonable to expect that more than half a million good manufacturing jobs will be lost in the United States and transferred to Mexico.

The Economic Policy Institute estimates that an annual investment of $4.4 billion transferred from the United States to Mexico would cost 550,000 United States jobs over a decade. Mexican officials have said they hope for a $6 billion annual investment shift.

In addition to fears about the security of investments, other major obstacles to increased United States investment in Mexico today include laws limiting the proportion of foreign ownership of most Mexican businesses to 40 percent—except in the maquiladoras—and the lack of protection for intellectual property such as patents, trademarks, and copyrights.

Mexican manufacturing workers earn only one-seventh to one-fourteenth the wages of United States workers. Once the barriers to United States investment in Mexico are removed, the lure of such cheap wages will be irresistible to American employers.

The future under a United States-Mexico Free-trade Agreement can be predicted from the history of the maquiladoras, the assembly plants scattered along the United States-Mexico border in special export processing free-trade zones. The maquiladoras have been a disaster for American workers, a disaster for Mexican workers, and a blight on the environment.

The Maquiladora Program had two purposes at its inception in 1965: To employ some of the hundreds of thousands of Mexicans in the northern provinces who were left unemployed when the Bracero Program ended; and to give U.S. manufacturing firms access to cheap labor. The program allows foreign multinationals to import raw materials and components duty-free into certain regions for assembly, processing or finishing. U.S. law permits U.S. components to be exported back to the United States duty-free.

The maquiladora pays duty only on the value added by the Mexican labor. A special exception to Mexico's strict foreign investment law allows maquiladora enterprises to be 100 percent foreign owned.

This Mini-Free-trade Program has led to an investment boom on the Mexican side of the border. 2,000 plants, employing 500,000 people, have been built there. Almost all of them are American companies that once employed Americans in the same operations.

The auto industry is one of the biggest maquiladora operators. GM has 30 maquiladora plants; Ford has 12; and Chrysler has 12. Together, they employ 76,000 hourly workers.

Michigan's 30,000 unemployed GM workers are bitter that their jobs were exported to Mexico. But what about the Mexican workers? Doesn't this investment shift mean a brighter future for them? Isn't this free-trade in jobs the key to improving their standard of living?

Sadly, even the Mexican workers have been hurt by the Maquiladora Program. Wage levels are lower in the maquiladoras than they are in the rest of Mexico. GM and the other U.S. multinationals have driven wages down, suppressed unionization, and turned the local environment into a toxic waste dump.

According to the Bureau of Labor Statistics, manufacturing wages and benefits in Mexico average $2.32 an hour. In the maquiladoras, compensation is only half as much—$1.15 an hour. Assemblers at GM's Delnosa plant are paid 68 cents an hour. Their workweek is 48 hours.

According to the U.S. Department of Labor, 90 percent of Mexico's work force is unionized. Yet, only 10 to 20 percent of the maquiladora workers are unionized. The American companies have not just undermined Mexican wages levels, they have undermined their rights to be represented and to bargain collectively.

Environmental groups that have inspected GM's maquiladora operations report the highest levels of water pollution they have ever recorded. The groundwater on both sides of the border at Nogales has been contaminated with high levels of cadmium, chronium, arsenic, and other highly toxic chemicals. Mexico's EPA has a paltry $3.1 million budget; the maquiladoras know they do not have to worry about environmental enforcement.

The free-trade the United States already practices with Mexico has been a disaster for American workers, for Mexican workers, and for the environment. An expansion of free-trade will only expand the harm.

It would be a grave mistake to give the administration a blank check in negotiating a United States-Mexico Free-trade Agreement. I oppose the fast-track procedure and urge my colleagues to approve the Dorgan resolution.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Speaker, I rise in support of the Dorgan resolution to disapprove extension of the fast-track procedure.

I believe in opening markets and expanding trade to enhance economic growth. I do not believe that we must sacrifice the textile industry and farm programs to do so.

Under the Uruguay round agreement, over the next 10 years textile and apparel imports will be permitted to rise 130 percent causing the loss of 1.4 million American jobs. Under the fast-track procedure Congress can do little more than stress our disapproval to the administration.

American farmers and farm families have endured severe economic hardships and uncertainties in recent years. Many have relied on Federal price stabilization programs to stay in business and maintain their farms.

While farmers will benefit from increased market access under new trade agreements, many will not be able to survive the loss of price supports. Under the fast-track procedure, it is likely that Congress will be unable to help them.

The fast-track procedure is based on the assumption that Congress will accept some damaging provisions of a trade agreement in order to receive the benefits of the favorable portions. Statistics may often prove that such a tradeoff is worth the sacrifice.

But farmers and textile workers are more than statistics. We owe it to them to represent their interests fully in our trade agreements. Fast-track, however, will sacrifice them in favor of a theoretical economic advantage. The cost of this alleged advantage is too high.

I also have concerns about the failure of the administration to address environmental concerns fully. For example, the administration's May 1 statement on the proposed North American Free-trade Agreement does not address the basic process by which domestic environmental standards could be weakened—namely, by challenging them as non-tariff barriers to trade.

We have made great progress in protecting the environment in recent years. We must not take a large step backward for the sake of concluding a trade agreement.

I urge my colleagues to vote in favor of the Dorgan resolution.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, I rise in opposition to House Resolution 101.

I have studied this question extensively, and I am personally convinced that allowing negotiations on a North American free-trade agreement to proceed on a fast-track is in the best interest of the United States for reasons of foreign, economic, and immigration policy.

Realistically, absent fast-track, these negotiations are not likely to move forward any time soon. In my judgment, we need to make expeditious progress toward a free-trade agreement.

It is past time that we move toward an equal partnership with Mexico. For too long, our relationship with our neighbor has ranged from one of total domination to mutual hostility. This is not sound foreign policy. North American free-trade agreement bears the promise of moving us toward an appropriate relationship for the 21st century.

My experience on the Subcommittee on Immigration also suggests to me that we must proceed on free-trade talks. Economic development in Mexico is the only effective means of stopping the flow of illegal immigration into the United States from Mexico.

We currently have in place a system of employer sanctions which is causing discrimination and which is not stopping the flow. So long as poor Mexican parents see little hope of supporting their families in Mexico compared with opportunities in the United States, no laws, no fences, or ditches, are going to protect United States jobs from undocumented workers.

American labor has a clear stake in stemming the job losses and downward pressure on wages and working conditions in the United States created by illegal immigration resulting from Mexican underdevelopment.

As it is, there are entire sectors in the U.S. economy where our labor laws are not enforced, and where employers deliberately recruit undocumented workers whose rights they can more easily abuse. American workers are losing jobs right here and now in the United States to Mexican workers with lower wage expectations. Ask American farmworkers who have to send their children to work in the fields in order to afford school clothes, or American garment workers competing with undocumented workers willing, out of desperation, to work for low wages in dangerous sweatshops, about the disparity in labor law enforcement between the United States and Mexico. I bet they'll tell you it's overstated.

Economic development in Mexico is a means to end these illicit and intolerable labor practices in the United States.

I want to make one point in particular with regard to agricultural labor. I have communicated to the President that I am unalterably opposed to the creation of any new guestworker programs or the expansion of any existing program. I have sought unequivocal assurance that this matter will not be on the table during the North American Free-Trade Agreement negotiations or in any ancillary discussions, either as an initiative on the part of the parties or at the prompting of U.S. agricultural employers.

I have been given a clear written commitment from U.S. Trade Representative Carla Hills, reaffirmed at a meeting with President Bush, that this issue is absolutely off the table. They know that my vote today was conditioned on that commitment.

Grave concern has been raised about whether a free-trade agreement with Mexico will prompt a greater flight to Mexico of United States companies. But American manufacturers are not going to base decisions to move their operations offshore on the elimination of tariffs which now are only 3 to 4 percent. What is more, I believe that a free-trade agreement has the potential for extracting concessions from the Mexican Government that could diminish the incentives that now exist for that flight.

If the negotiations proceed, when the administration brings an agreement back to Congress, I intend to examine it closely to determine whether the black and white letter of the agreement fulfills the potential I have envisioned. Nobody should take for granted my vote on approval of the implementing legislation. All I am saying in approving fast-track is that the prospects make it worth proceeding.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I rise today in strong opposition to extending fast-track authority to President Bush for the proposed United States free-trade agreement with Mexico.

Today, we have heard arguments over the economic consequences of such an agreement; and whether you believe the arguments for or against it, the question of fast-track really comes down to one issue—and that is trust.

Trust in the Bush administration to negotiate a free-trade agreement with Mexico that will benefit all Americans.

Let me tell you something about trust in this administration.

Two years ago, the United States Customs Service insisted that Japanese minivans and sports utility vehicles were trucks and should therefore pay the higher 25 percent United States import fee for trucks, instead of the 2.5-percent tariff assessed on cars.

Acting on the request of Japanese truck producers, United States Treasury Secretary Nicholas Brady overruled our Customs Service, allowing the Japanese trucks to come into the United States at the lower 2.5-percent car tariff—even though these same vehicles are not required to meet the stringent fuel economy and auto emissions requirements we have for cars.

By law they are still trucks: By Brady's ruling they are cars.

If this is any indication of how this administration can be trusted to negotiate a free-trade agreement in the interests of America—I have lost my trust.

I do not believe that, without close scrutiny from Congress, the administration has either the will or the interest in negotiating an agreement that will benefit my own constituents.

And that makes fast-track dangerous—and, to me, unacceptable.

I urge all of you to reject the fast-track extension.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. RAY].

Mr. RAY. Mr. Speaker, I rise today to express my opposition to extending fast-track negotiating authority to President Bush.

Congressman DORGAN has introduced House Resolution 101 which would remove the fast-track procedure from trade agreements entered into after May 31, 1991. I am a cosponsor of this bill along with over 100 other Members of Congress.

We are from many different States, and represent a wide variety of interests, industries, and individuals. We are united in our desire to make certain that the people and businesses we represent are not hurt by trade negotiations. Quite frankly, I am concerned about the direction that our President has chosen, and I am concerned that the priorities which our President has set will benefit some industries at a cost to others.

There are several things that I want all Members of this Chamber to think long and hard about before they cast their votes on Mr. DORGAN's resolution. I will sum them up in one acronym—"W.A.I.T." The letters in this word stand for some of the most contentious issues in today's trade agreements.

The "W" WAIT stands for wages. Every Member of this body should stop and think about the implications of entering into trade negotiations with Mexico, a country whose average hourly wage rate has declined from $1.26 in 1980 to just $0.59 in 1990 relative to the dollar. Every Member should stop and think about the enticement low wages are for labor intensive industries. And every Member should think about whether we are prepared to move America away from industries which employ thousands and thousands of workers, and into an era of service industries and high-technology industries. Because make no mistake about it, American industry is moving south of the border and putting American workers left behind out of business.

Then there is "A" for agriculture. Members of this body should keep in mind the months of work that were put into crafting a farm bill last year. Members should also stop and think about those 2 percent of Americans who are out there farming and feeding your families. These men and women are producing the finest produce in the world. American farmers comply with the toughest safety standards and guarantee you high quality at reasonable prices. We crafted a farm bill that gives farmers a little bit of the security that they give us. We make sure that they are able to feed us.

I want to draw attention to a response from Ambassador Carla Hills to a question posed by my good friend and colleague from Texas, Mr. STENHOLM. The question asked about one section 22 commodity that has been in the papers recently, and that is peanuts. Ambassador Hills writes, and I quote, "must the United States agree to modify all section 22 quotas in order to reach a GATT agreement? The answer is Yes. . . ." Ambassador Hills goes on to write, "concern has been expressed about surges of imported peanuts from China if section 22 quotas were modified . . . if the President decides that emergency action is necessary, he may impose import relief immediately pending completion of a USITC investigation."

Well, Mr. Speaker, I can't speak for every Member who represents a peanut farmer or a dairy farmer or anyone else who falls under section 22, but this is not the kind of response that I think speaks of an administration concerned about the fate of this industry. A peanut farmer whose livelihood is threatened by imports cannot wait for the ITC to investigate. In fact just recently some members of the ITC recommended increasing the amount of peanuts imported into this country. We can all imagine the kind of speedy recommendation the ITC would give the President. Just the threat, Mr. Speaker, not the importation, but the suggestion that an unspecified number of peanuts could come into the country under the recent ITC recommendation brought our carefully crafted peanut program to a halt. Planting and contracting stopped completely, and our farmers have been left wondering whether they should even be in the business.

"I" is for interior issues. As Americans we are waging a war against pollution. We are fighting to clean up our air, our water, and our soil so that our children and our children's children can live in the same bright world we have enjoyed. America still has a long way to go. As chairman of the Environmental Restoration Panel for the House Armed Services Committee, I understand both the progress and the limitations of our work. That is why, Mr. Speaker, we cannot turn our backs on the environmental concerns which we, as Americans, have taken to heart, and which our trading partners may not hold as dear.

Not only do Americans benefit from protecting our environment under our current standards, but we have incorporated the cost of environmental protection into the production of our goods. Any country which does not adhere to standards as stringent as America's places the American manufacturer at a competitive disadvantage.

Finally, the end of WAIT. The last letter, "T," stands for textiles. I choose this commodity to represent those industries which have been targeted as losers in foreign trade agreements.

Textile imports have tripled over the last 10 years. If the current round of negotiations succeeds in phasing out the multifiber agreement, the U.S. textile industry could be devastated. Studies suggest that job losses of more than 40 percent in key industries could result from the current negotiations. The hardest hit will be textiles, automobile parts, shoes and steel. What the administration seems to be saying in its negotiations is that every country should produce only those products in which it is internationally competitive.

Mr. Speaker, we know Americans are competitive. We know our products are in demand all over the world. But we also know that we in Congress and the President have enacted production standards, wage standards, antidiscrimination laws, child labor laws, and environmental laws which effect the price of our goods. What a consumer gets when he buys an American product is more than just the product. It is a commitment to a high standard and commitment to a better environment.

Mr. Speaker, I encourage every Member to stop, think, and WAIT. The administration has written to each of us expressing its view that fast-track negotiating authority is necessary for the successful completion of any multilateral or bilateral trade agreement. Mr. Speaker, the United States has negotiated trade agreements for 100 years without fast-track. Individuals in this Chamber must understand that when the President's agreement comes before us under fast-track, we will be under tremendous pressure to pass the agreement. The deal will have been struck. That is not the time to begin our negotiations. Now is the time to exercise our constitutional power. Now is the time to give substance to our concerns. Now is the time to realize our responsibility.

Mr. Speaker, I urge a "Yes" vote on House Resolution 101 to disapprove fast-track authority.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Speaker, I have long supported free-trade. I voted for the Canada Free-trade Agreement. I voted against the textile bill. But after watching the administration stumble around without a coherent trade policy, I'm not willing to give the administration a blank check. And my constituents aren't either.

In response to congressional concerns about a Mexico Free-trade Agreement, the administration has offered only a list of empty promises. It provides no new information on the economic impact of a free-trade agreement with Mexico. It makes no commitment on adjustment programs for workers adversely affected by trade, and it rejects the inclusion of labor standards, worker health and safety, worker rights, and environmental protection. As many of my colleagues found out, trade negotiators will promise the moon and the stars to get congressional approval, but give blank stares when asked to follow through after the agreement is signed.

If this were a vote only on fast-track on GATT, I would vote for it. Those multilateral negotiations are critically important to Oregon manufacturers and agricultural producers.

But this bill does not deal simply with GATT—the Mexican Free-trade fast-track is linked with it.

I am voting, therefore, against the bill. Should it be defeated, I know full well that a free-standing GATT bill will be brought to the floor for a vote.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Speaker, the vote we are about to cast is vital. It will affect the jobs of thousands of Americans who want and deserve decent jobs. It will determine our ability to influence U.S. trade with all other nations. I urge my colleagues to support House Resolution 101, the Dorgan resolution to stop fast-track.

The truth is that fast-track cuts Congress out of the trade negotiating process. It will keep us from protecting those who need our help the most, and gives the power to the administration. It limits Congress to a "yes" or "no" vote just 60 days after we receive a completed trade agreement from the President—no amendments, no nothing.

I regretfully conclude that we simply cannot trust this administration to protect U.S. workers, industry, and consumers. The people of Detroit sent me to Washington to defend them. I am not going to let them down.

Just yesterday, U.S. Trade Representative Carla Hills told the Subcommittee on Legislation and National Security, which I have the privilege to chair, that she was more interested in watching than in acting. She could only identify one nation in the world—Norway—that discriminates against the United States in trade. Amazing as its seems, this was actually an improvement, last year she identified none.

In fact, the administration is required by law—title VII of the Buy American Act of 1988—to identify those countries that practice unfair trade. Yet, what we heard yesterday was the same thing we heard last year—a refusal to stand up to our international competitors.

Imagine, seven major markets—the European Community, Germany, France, Italy, Greece, Japan, and Australia—with a $44 billion trade deficit fueled by discrimination admitted by the administration, and they formally pick out the tiny market of Norway—our 42d ranking export market—as the one nation that discriminates against us.

Last year, the administration told the committee that it preferred to address discrimination through renegotiation of the multilateral code on government procurement, then underway with the Uruguay round of the GATT. This year, renegotiations have not concluded, procurement discrimination still exists, and the administration still refuses to use the powers Congress has given it.

As Yogi Berra said, "it's like deja vu all over again."

For the GATT talks and the Mexican trade talks, the President has said, "trust me." But can we? If we cannot depend on the administration to enforce current law, how can we trust them in secret trade negotiations, removed from the public's view and congressional corrective action?

The latest GATT draft treaty would expose nearly every U.S. Federal, State, and local environmental, health, and safety law to challenge as a technical barrier. Cancer-causing asbestos, pesticides on imported food, and environmental violations could all become allowable under an agreement that would be the law of our land. This kind of an agreement is simply unacceptable. Only Congress can ensure that these trade agreements—and any others that the U.S. negotiates in coming years—do not compromise our national interests.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. PETERSON].

Mr. PETERSON of Minnesota. Mr. Speaker, I rise in support of House Resolution 101, disapproving the extension of fast-track authority. I spent the first several months of my term listening, discussing, and learning about GATT and the proposed Mexico Free-trade Agreement and have become convinced that we cannot trust the administration to represent the interests of American farmers and workers. Put simply, the administration's trade proposals would cut the throats of our farmers and workers.

Look at the historical record. In 1947, a 3 ton truck—the standard farm vehicle—cost about $2,400, or 986 bushels of wheat. In 1991, the same truck now costs $27,000. Yes, I know we've experienced inflation in the years between 1947 and 1991. But in terms of wheat, it would take 10,000 bushels to pay for that truck in 1991. It would take 11 times the amount of any commodity to pay for that manufactured good.

Folks will argue that the American farmer has become a lot more efficient, but so has the automobile industry. Other sectors of this economy, outside of agriculture, have all become more efficient but the prices simply haven't come down. Why agriculture should be singled out and forced to compete at the world price is beyond me, but that is what this administration will negotiate if we extend the fast-track authority.

If we fail in this attempt to derail fast-track authority, I think I have a solution for the problems our farmers are facing. If they are going to have to compete in a world market, then the services they pay for with the profits from the world price of commodities should also be priced competitively.

Let me give you an example. Most grain farmers, if forced to take the world price for their commodities are going to have to hire lawyers to handle their loan negotiations with Farmers Home or their bankruptcy filing. The average small firm lawyer in my region makes about $98,000, far below the partner in a large Washington firm who makes around $300,000. A Brazilian lawyer, on the other hand, makes between $22,000 to $27,000. I don't think my grain farmers should have to pay more than their competition in Brazil, so we should probably strive to get to the world price for lawyers in our GATT negotiations.

Look instead at a sugar beet farmer. Say the price for sugar falls to the world price. Isn't it fair that the sugar beet farmer should get the same competitive price for legal services. Since Cuba has probably the lowest sugar price in this hemisphere, let's use what they pay their lawyers as the world price. A call to their Embassy indicated that the annual salary for a Cuban lawyer is $6,000. Now we're talking. At those kind of rates, my sugar beet farmer can go bankrupt and have something left even after his attorney is paid.

It is also well documented that we have a surplus of lawyers in this country, something like 10 times as many per person as the Japanese. This has the potential to be a big export market for the United States. Imagine, if we exported enough lawyers to achieve numerical equality worldwide, we might screw up the economies of our international competitors enough that we would really open up some foreign markets.

We should also look at the pay chief executive officers receive in the United States versus the world price. I have received uncounted letters on nice embossed stationary from CEO's of all sorts of American companies who want fast-track extended. A recent Wall Street Journal article indicated that these GEO's are payed as much as 40 percent higher than their foreign competitors. Eighty percent have stock options, while the comparable figure worldwide is 30 percent. If we are going to shrink our farm incomes and hourly wages to match the world market, these executive salaries absolutely have to be part of the negotiations. I think the company planes, chauffeurs, country club memberships, and all the other perks have to be on the table. I hope the administration's trade representative is taking notes.

A recent Washington Post article indicated that American CEO's had their wages jump an astonishing 20 percent between 1988 and 1989—the most recent year for which data was available. I know my dairy farmers are seeing their incomes decline 30 percent this year and the USDA indicates that GATT will cost them another $1 billion. Imagine what prices our consumers could get if CEO salaries saw a comparable reduction.

Or let's take the ratio of CEO earnings to the average manufacturing employee. The same Post article indicated that the average CEO of a large American company earns, excuse me, makes 35 times the average U.S. manufacturing employee. The ratio for Japanese CEO's to employees is 15 to 1, and in Europe it's 20 to 1. This should definitely be the subject of GATT negotiations.

Another service the farmers and workers of my district all have to pay for is medical care. Now, we don't have enough doctors in rural areas, so we can't afford to export them. But, we could bring the salaries down to the world market price. My farmers compete in the world marketplace with Australia and the average doctor there earns $43,581.20. The Australian Embassy has excellent data. The American

Medical Association figures for U.S. doctors show a mean salary of $155,800 and a median salary of $125,000. There is obviously something to negotiate here. If my farmers could just pay the world price for medical care they would be a whole lot better off. Don't argue that American medical standards are higher; our farmers are also the best in the world. What we're talking about here is price—wages, commodity prices, service fees—not about the nationality of the provider.

Many of you probably think I'm being humorous, and on one level I am. But overall I'm dead serious. What the administration is proposing to do in negotiations under the fast-track extension we are considering today is eliminate international price differentials for farm commodities and hourly wages. It is extremely unlikely that world prices will rise to U.S. levels; it is much more likely that our prices will fall significantly and the world price will rise slightly.

If the farmers and workers in my district are forced to compete in the international marketplace, then so should our executives. Don't tell me that it takes more skill to run a company than run a dairy. American dairy men and women get a higher yield per cow than anyone else in the world. Our sugar beet farmers are the most productive in the world. American workers are also pretty competitive on a per hour production basis. If we are putting their incomes on the line, then everyone else's should be on the line too. Let's break down the licensing barriers that protect our doctors and lawyers from competition. Let's break down the cultural barriers that let our CEO's make more than anyone else in the world. When my workers and farmers can shop a world market for services, and when the wage ratio of U.S. manufacturing workers with CEO's is comparable with other countries is the same as other countries, then I'll support the fast-track extension because it can lead to free-trade that is fair. In fact, if the administration was willing to add these issues to the GATT and free-trade talks, I'd vote for the extension right now. But they won't. They'll trade away American jobs and American farm income for reduced trade barriers for goods that won't be manufactured here anymore and for farm commodities that won't be grown here anymore.

I ask you to support House Resolution 101 and deny the fast-track extension.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SERRANO].

Mr. SERRANO. Mr. Speaker, I rise to express my support for opening up the border between the United States and Mexico. The time is long overdue for us to remove barriers to trade that prevent us from cooperating fully with a nation whose history and culture are inextricably linked with ours. I also rise in opposition to extension of fast-track authority.

It is important to point out that fast-track is not synonymous with free-trade, and certainly not with fair trade. Many of the arguments against extension of fast-track authority are weak. Some are blatantly protectionist. Some fast-track opponents have exploited people's irrational fears of increased immigration from Mexico in order to gain support. I have other reasons for opposing extension of fast-track authority.

This is the people's House. We have been sent here to represent all the people of the United States. We should not abdicate our responsibility by surrendering to the executive branch the duties and responsibilities of the legislative branch of government. Just as the President is responsible for negotiating trade agreements, so Congress has a responsibility to see that the concerns of our constituents are addressed in those agreements.

The economic problems facing New York City at this time are complex. Free-trade with Mexico could be the best thing for New York City's economy, but only if the agreement is balanced. The nationwide recession began in the Northeast, and New York has been hit hard. We have been losing manufacturing jobs at an alarming rate, as businesses close down and relocate. One path to economic recovery for New York City is the development of export markets. But development of the Mexican export market will not lead our city to recovery, if it causes thousands of workers to lose their jobs.

Mexico and its people have much to offer the United States on both sides of the border: more, I suspect, than some proponents of fast-track imagine. It is important that we do everything we can to help President Salinas and the Mexican people to strengthen their economy. Our neighbors to the south deserve the same consideration and support as our neighbors to the north and our allies in Europe. As we send aid to the Kurdish refugees in Iraq, and send our most highly skilled professionals to rebuild the infrastructure of Kuwait, it is time that we do more to help Mexico in her struggle to reform the economy and the government.

Fast-track is not the best way to help Mexico. As we work toward a trade agreement, we can help Mexico to develop its economy by crafting a comprehensive debt relief program, expanding foreign aid, and sharing our extensive experience in the areas of environmental and labor law. We recently focused the resources and priorities of this Nation on the mission to liberate Kuwait from a tyrannical Iraqi occupation. We utilized our most precious resources, hundreds of thousands of our people, in the service of a small, faraway nation, in order to restore its political and economic autonomy. If we can expend our money and resources in the Middle East, certainly we can take steps to support our closest neighbor, Mexico.

A fair free-trade agreement would open up the Mexican market to United States exports and stimulate the Mexican economy. By promoting economic recovery in Mexico through a free-trade agreement, we will strengthen our own position in the global economy through our partnership with Mexico and Canada. I am not convinced that it is in the public interest to hand over the future of trade with Mexico to this administration without retaining considerable congressional control over any final agreement. Trade talks with Mexico could well be the most important negotiations undertaken by our Government, with far-reaching effects for the economic future of the United States and North America. Let's make sure to get it right.

American workers are understandably anxious about the possible effects of expanded trade with Mexico. It is likely that many of their fears are justified, while some may be unfounded. Many conflicting projections have been made over the last several weeks regarding the job losses, job gains, reemployment opportunities, and unemployment increases that may result from a free-trade agreement with Mexico. It is the role of Congress to examine these competing claims. The livelihoods of workers and business people are at stake, and we must allay their fears by reassuring the American people that Congress is prepared to hear and act upon their concerns. The administration's push for fast-track extension has driven a wedge between big business and organized labor, just at the time when we should be striving to bring all these interests together to work out an acceptable trade agreement.

Congress has worked hard to enact many pieces of legislation that would be directly threatened by fast-track extension. Fast-track would allow the administration to set trade policies that bypass many of the current laws and regulations that protect American workers and consumers. Once a trade agreement is ratified, our hard won environmental, health, safety, and labor standards are open to challenge by our trading partners as technical barriers to trade. By extending fast-track authority we would effectively give up our ability to see that our own legislation is implemented according to Congressional intent.

We should not paint ourselves into a corner. If we extend fast-track, we in Congress who care about the environment, and care about fair health, labor, and safety standards, will find ourselves powerless to safeguard workers here and in Mexico. I believe that by extending fast-track we will put ourselves in the position of having to choose between an unsatisfactory trade agreement with Mexico, or no trade agreement at all. We must retain our ability to continue in the democratic process of exploring and responding to the needs and concerns of all the American people, so that one day we will have the opportunity to rise on this floor and enact legislation to remove barriers to trade and expand markets and production in the United States and Mexico.

So, Mr. Speaker, I rise today in support of House Resolution 101, the only bill offered that allows us to retain the authority and responsibility placed with us by the American people to implement a trade agreement that is in the public interest of the United States and Mexico.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise in support of the amendment that is being brought before us. I am very much opposed to the business of ending without our people having a job. Poverty is rising, and I want it already understood that my statement is in support of the position for not continuing to do what we are doing here today. I hope that we understand that we have got to protect those people who have already been thrown out of work, and see what we can do in support of the

Dorgan resolution. I think that is a step in the right direction.

Mr. Speaker, I support the Dorgan resolution. The reason I support the resolution is here in my hands—42 pages of companies which have set up shop in the maquiladora region. This list includes their parent companies in the United States. I urge my colleagues to listen:

Ford Motor has four plants producing auto trim.

General Motors and Chrysler have plants producing auto trim and parts.

TRW produces seat belts.

Zenith makes its TV cabinets in Mexico.

Du Pont makes chemical fluorides.

IBM makes its computer components there.

Eastman Kodak, Honeywell, and ITT have moved there.

Defense industries such as McDonnell Douglas and Rockwell International joined the parade to Mexico.

The list goes on and on; 42 pages single-spaced. Everything from automotive parts to velcro; from baseball caps to "O" rings for American fighter planes—all these items which American companies used to produce, are now produced by these same companies in Mexico.

In 1980, there were 120 maquiladora plants. Now there are 1,800 plants with 500,000 workers.

Recently, some workers at a Chrysler plant in Detroit handed me an ad from a consultant. This consultant is advising his clients to stop any plans to build or expand in the United States. He says: Wait until the free-trade agreement is signed, so you can take advantage of the labor market in Mexico. He knows that 13-year-old girls have been found in maquiladora sweat shops. He knows that the Rio Grande River is turning into a sewage drain, filed with toxic chemicals. He knows that enforcement of Mexico's environmental laws is almost nonexistent.

Free-trade does not help Mexican workers, and is not fair to this country.

I urge my colleagues to support the Dorgan resolution.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Speaker, I oppose the Dorgan amendment and support fast-track. It is good for America, it is good for jobs. I urge Members to oppose this amendment.

Mr. Speaker, I rise today in support of President Bush's request for a 2-year extension to the fast-track authority for negotiating trade agreements and also in support of the principle of a North American Free-trade Agreement.

Because of the close physical proximity of my congressional district to Mexico, I am intimately aware of the high degree of economic, cultural, and social interchange between the two countries. My experiences as the U.S. Representative for this region have reinforced my opinion that our nations need to address this interdependence to our mutual advantage. I believe that strengthening these bonds can only have a beneficial effect upon the economic prosperity of both the United States and Mexico.

A free-trade agreement is an essential part of this process. The United States must continue to work to improve its economic stability and growth, and as recent experience bears out, increasing U.S. exports is vital to this end. Since 1986, exports have accounted for more than 40 percent of U.S. GNP growth, with 88 percent of GNP growth in 1990 accounted for by exports. It is estimated that each $1 billion in exports creates over 22,000 U.S. jobs. United States exports to Mexico alone have doubled over the last 4 years and our trade deficit with Mexico has been cut by two-thirds. It has been estimated that this increase in exports to Mexico has alone created 264,000 export-related jobs here in the United States. It is clear that the future growth of our economy and the future success of our Nation hinges upon the expansion of our exports, and in particular the broadening of our trade relations with Mexico.

A free-trade agreement will allow the United States to expand this vital export growth by allowing U.S. manufacturers to more thoroughly globalize their operations, increasing competitiveness and cost-effectiveness. To remain competitive, we must take advantage of the fact that the United States and Mexico complement one another economically, in much the same ways that the nations of Southeast Asia and the Pacific rim, and the members of the European Community, have used and will continue to use their individual competitive strengths to their collective advantage. The United States must recognize the viability and strength of these emerging trading blocs and respond accordingly. A North American Free-trade Agreement is this necessary response.

With a free-trade agreement, Mexico will become an even larger market for United States businesses. Of each dollar Mexico currently spends on imports, 70 cents is spent on United States goods. For each dollar of GNP growth, 15 cents is spent on U.S. goods. By helping to expand the Mexican economy and raise Mexican wage rates, a free-trade agreement will increase an already demonstrated demand for United States goods.

I fully recognize that a free-trade agreement such as the one that is currently being negotiated is a complex issue and I am carefully examining all the potential effects that its implementation could have on our two nations as a whole. I have watched and admired the actions that President Salinas has taken toward opening up the Mexican economy to foreign competition and investment. He has moved quickly to lower tariffs, privatize industry, eliminate protectionist policies, crack down on corruption, and strengthen Mexico's environmental protection laws. However, significant nontariff barriers remain, including import licenses and investment restrictions that effect both investment and trade. A free-trade agreement will bring down these barriers.

Furthermore, there are still concerns over the level of compliance with the Mexican environmental laws and the state of worker health and safety regulations in Mexico. These are issues that must be addressed, but the way to ensure this is not to turn our backs to our neighbors, but to work with them. A stronger and economically thriving Mexico will be better able to address the environmental and labor safety concerns which we all share. These are issues that we need to work on together.

President Bush has recently come out with an action plan which will do exactly this. The President has declared that we will maintain our right to exclude any product that does not meet our health and safety requirements, and that we will maintain our right to impose stringent pesticide, energy conservation, toxic waste, and health and safety standards. In addition, he has pledged the willingness of our Government to work with Mexico to enhance health and safety standards and their enforcement. The EPA and SEDUE have already begun working together to design and implement an integrated border environmental plan to address matters such as pollution, hazardous waste, pesticide use, and methods of proper regulatory enforcement, including expanded cooperative enforcement activities and programs of technical cooperation and training.

I applaud the prompt and continued attention that the administration has given to these issues as they work towards achieving a free trade agreement. Similarly, we here in Congress must continue to explore avenues for expanding congressional dialog on this issue in order to ensure that our perceptions are fully aired. Ambassador Hills and President Bush have given the Congress every assurance that all relevant issues will be addressed, and I intend to hold them to that promise.

The opinions and views of the U.S. Congress and the American people must be properly adhered to. However, the denial of fast track is not an effective way of assuring this. The only thing that a disapproval of fast track will do is derail negotiations between our two nations, preclude any possibility of a free trade agreement, and force our Nation to forgo the important economic benefits that such an agreement will reap. The approval of fast track does not improperly abdicate Congress of its powers. It does allow our Nation to take advantage of this most golden of opportunities at a crucial juncture in its economic fortunes.

I am greatly encouraged by the progress that has been made by both the United States and Mexican Governments on the subject of trade relations, and I will continue to be monitoring negotiations on a North American Free Trade Agreement with every expectation that such an agreement will be an important and positive step for both our nations. I request your support for the extension of the fast-track authority so that negotiations may commence, and I ask my colleagues to join with me in voting against the Dorgan resolution of disapproval.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. OLIN].

□ 1350

Mr. OLIN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in opposition to House Resolution 101 and in support of extending the fast-track authority. Prior to my career in Congress, I spent most of my life involved with exports and trade while in business. I have found that where we had good trade relations our exports flourished. Many of the products we produced in Roanoke were exported to 60 countries around the world. Today the opportunity to export for my business in Roanoke and for other business around the country is greater than ever.

However, in order for our country to be successful exporters we need to successfully complete the Uruguay round of General Agreement on Tariffs and Trade [GATT] negotiations. Also, if we expect to wrap up the GATT talks we need the fast-track authority. If we disallow the fast-track authority the GATT negotiations will fail, and these negotiations are crucial to the success of our exports.

As a member of the Agriculture Committee, I have followed the GATT negotiations closely for the past 4 years. I do not agree with those who say our negotiators are insensitive to U.S. workers. I found the negotiators to be knowledgeable, honest, and hard bargainers. They are also extremely careful to keep Congress advised of their negotiations. I do not fear using fast track to complete GATT negotiations or to open up trade with Mexico.

With regard to Mexico, I do not share the gloom and doom opinion shared by some of my colleagues. I believe that anything we can do to encourage trade will help both countries. Our negotiators will work toward a fair free-trade agreement, but that does not mean that we will get there any time soon. Many changes will first be needed before we are on a free-trade basis. In many segments of the economy transtitions to free trade with Mexico are going to take up to 10 to 20 years. It seems obvious to me that if we want to bring about a level playing field for American products we will be able to do this faster and with more leverage with a strong trade agreement than without one.

Of course it is going to be important for Congress to follow negotiations closely. This will assure that segments of our economy are protected from being unnecessarily damaged. But I have full confidence in our negotiators to handle these important trade agreements in a responsible manner.

Mr. Speaker, I urge my colleagues to defeat the Dorgan resolution and support extending the fast-track authority.

Mr. GIBBONS. Mr. Speaker, I yield 30 seconds to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I rise in support of the fast-track legislation.

But really, this is not the issue before us today. We are not talking about the actual end product. We are talking about the means to achieve this trade agreement.

The means are neutral. They can produce an end which is good or bad, and we will have an opportunity to vote on that end later.

Make no mistake, I will vote no on the end product if I feel it hurts our economy today. However, I am going to vote in support of the fast track. I am voting to give America the opportunity to secure trade agreements which create jobs and growth.

Derailing fast track guarantees that there will be no means to achieve an end to any trade negotiations. Let us vote for the means to get positive trade agreements.

America's strength is found in each and every American. It is the capacity of each individual to achieve their utmost, unrestricted by oppressive government, which has made the United States the greatest Nation in the history of mankind. It was the genius of the founding fathers in recognizing that a free man given the proper tools can achieve the utmost to the benefit of all Americans.

Over 200 years have passed since the establishment of our Republic. During this time the American people have weathered many challenges and triumphed. The strength of a free people and the confidence which freedom generates has overwhelmed all foes. As we approach the millennium, America stands triumphant. American military might is unchallenged, communism is collapsing in the face of a popular democratic will of oppressed peoples throughout the world. The greatest challenges now confronting Americans are economic—maintaining our economic supremacy and standard of living.

I believe in America and the American people's ability to rise to any challenge and feel that a fairer international marketplace is in our national interest and will bring a rising standard of living. I further believe that protectionism would bring economic stagnancy; placing limits on the potential achievements of individual Americans and the entire Nation.

The issue of fast-track authority forms the divide between these two views of America's future. Fast track is the essential vehicle for conducting any trade negotiations. It provides clear lines of authority between the legislative and executive branches. The Congress bears the ultimate responsibility of approving or rejecting any agreement while the executive branch acts as the single representative of American interests in trade negotiations. Moreover, our negotiators will have to consult the Congress throughout the negotiations because they know that any agreement must be acceptable to Congress. They recognize that I will not hesitate to vote against any future trade agreement which is against our national interest and will urge my congressional colleagues to do likewise.

This division of responsibility helps ensure that the best interests of the American people are promoted. It reflects several key realities: the Congress with 535 Members is institutionally incapable of conducting negotiations with foreign nations—as it speaks with many voices. Only the executive branch can provide our trading partners with a single negotiator. However, the very diversity of Congress ensures that the interests of the entire Nation must be considered if the agreement is to ultimately pass Congress.

The opponents of fast track seek to reverse the nearly sixty-year legacy of divided responsibility between executive and legislative branches on trade matters. The protectionists recognize that no trade agreement, not the General Agreement on Tariffs and Trade [GATT], not the North American Free-Trade Agreement [NAFTA], can be achieved without fast-track authority. Simply put, no foreign country will concede trade concessions to U.S. negotiators if they know that these concessions will merely be the starting points of new negotiations with the Congress. Those who believe that any trade agreement is against our national interest, those who believe we cannot compete on a level playing field, should oppose fast track to preclude the possibility of an agreement being reached. Those who believe that the executive branch is not adequately promoting American interests in negotiations—that they are only opening the American market to foreign competition without securing United States access to foreign markets—should oppose fast track. After all, competition is only positive if there is a level playing field.

I reserved my judgment on fast track until I was confident that the administration was listening to the concerns of American farmers, industry, and workers. The House Agriculture Committee, on which I serve, has held numerous hearings on trade issues. In addition, I have met with U.S. Trade Representative Carla Hills and Secretary of Agriculture Ed Madigan, and have been assured that Congress and industry will have many opportunities to input throughout the negotiations.

The proposed free-trade agreement with Mexico, also known as NAFTA, presents tremendous potential for Texas and the rest of the United States. Over the last 5 years Mexican tariffs have dropped from an average of 30 percent to a current average of 10 percent. This opening of the Mexican market has brought a tremendous expansion of U.S. exports to Mexico. From 1987 to 1989, Texas' exports increased by 70 percent to over $11 billion. The free-trade agreement protects American exporters from a Mexican return to its historical protectionist policies. The free-trade agreement helps insure that 15 percent of every dollar in Mexican growth continues to be spent on imports from the United States and that 70 percent of Mexican imports continue to come from the United States. To Mexico, the free-trade agreement offers the promise of economic growth and the ability to provide jobs for a population which will exceed 100 million within a decade. Without jobs these millions will be forced to look north for work—dramatically increasing illegal immigration to our State and Nation.

GATT is the framework under which world trade is conducted. Freer world trade produces economic growth. In fact, 40 percent of U.S. economic growth the last 4 years and 90 percent of U.S. economic growth in 1990 was directly attributable to exports. A future GATT agreement, which provides protection for intellectual property rights and opens up protected service sectors, could dramatically increase American exports and increase the American standard of living. I have had concerns that U.S. negotiators were not sufficiently addressing the potential impact on certain segments of American agriculture: commodities with section 22 import protection—peanuts, cotton, dairy, sugar. I raised these concerns with the administration and the U.S. Trade Representative.

Prior to these meetings, I joined many of my colleagues in expressing extreme concern surrounding the attitudes and previous comments made by some administrative officials; which have lead many in the agriculture industry to question the value of any agreement. These officials have incorrectly indicated that an agreement would somehow eliminate our right to determine domestic agriculture policy. This understandably puts fear in the hearts of those who conjure up images of massive import surges that will drive our domestic producers out of business. If these types of surges occur, section 406 of the Trade Act of 1974 provides authority to restrict imports solely on products from a Communist country or countries from which such imports have caused or threatened to cause market disruption.

Our commodity loan program for peanuts, for example, exists to assist the orderly marketing of peanuts during the entire year. Peanut producers are protected from short-term price fluctuations, particularly at harvest time. I have written assurance from our negotiators who

> . . . expect this program to continue even under substantial reform in a GATT agreement. In addition, newly created tariffs and transitional arrangements for import surges would provide protection for the peanut industry.

That's not to say that some of our more protectionist programs may not have to make some adjustments—for example, some negotiated imports—in exchange for some export opportunities and fairer trade—assuming an agreement is reached. But without fast-track authority, the United States is not even a player at the negotiating table and we will lose the opportunity to judge the merits of any final agreement that could emerge. This would put our agricultural sector, and our Nation, at a serious disadvantage. By not opposing this procedure, we have the clear understanding that every effort will be made to ensure that the concerns of U.S. agriculture are fully addressed.

I have strongly expressed many problem areas to our negotiators, among which include their talk of completely eliminating section 22 protection for peanuts, cotton, dairy, and sugar—leaving these industries vulnerable to unnecessary imports. The U.S. Trade Representative's office has come a long way in addressing these concerns. I am including their written response to my questions at the end of my statement.

Our farmers are facing considerable adjustments in internal farm subsidies as a result of the 1985 and 1990 Farm Acts and budget legislation. As a producer, I have to look toward the international marketplace as an opportunity to enhance farm income in the future. Without a successful GATT agreement this opportunity doesn't exist. A "successful" agreement means that our competitors could no longer stimulate their production with sky-high price supports (sometimes double our levels), close their borders to imports, use unjustified health regulations to keep out the competition, pile up surpluses and then dump it on world markets with big export subsidies, et cetera. Much of the cost of our farm programs is simply to offset the heavy farm support and unfair practices of other countries.

The purpose of these talks, which have been taking place in one form or another since the 1930's, is to expand market opportunities and work toward fairer trade. Destroying, or even adversely affecting, those programs that have consistently provided this country with the best quantity, the best quality and the safest food supply at the lowest relative cost of any other country in the world certainly not be a part of this endeavor.

It is my sincere hope that our negotiators are able to achieve success in the GATT and NAFTA negotiations. I firmly believe that a freer and fairer world trading environment with our neighbors and major trading partners will mean economic growth and jobs for Americans. The capabilities of America and the American people are limitless. Fast track offers no guarantees for achieving a good agreement, it is merely a means, not an end. I have confidence that the Congress, as a voice of the American people, would reject any trade agreement which proved contrary to our national economic well being. Without fast track, trade negotiations will halt and this possibility of enhancing economic growth and opportunity will not be realized.

To reiterate, we've heard convincing remarks against any potential trade agreement. We have heard evidence regarding potential threats trade agreements might pose to American jobs and industry. I share my colleagues concerns and have additional concern for section 22 agricultural commodities.

However, this is not the issue before us. We are not voting on an end product, a trade agreement. We are not voting on the merits of a Uruguay round GATT accord or a free trade agreement with Mexico. We are voting on the means to achieve a trade agreement, fast track. The means are neutral. They can produce an end which is good or bad and we will have an opportunity to vote on that end. Make no mistake, I will vote no on that end product if I feel it hurts our economy.

Today, however, I am voting in support of fast track. I am voting to give America the opportunity to secure trade agreements which create jobs and growth. Derailing fast track guarantees there will be no means to achieve an end to any trade negotiation. Let us vote for the means to get positive trade agreements through passage of fast track and let us pledge to reject the end product of any trade negotiation which is not in America's best interest. Do not confuse the means with the end. Vote for the possibility of economic growth and jobs. Vote for fast track.

THE U.S. TRADE REPRESENTATIVE,
EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, DC 20506, May, 2, 1991.

HON. CHARLES W. STENHOLM,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN STENHOLM: Attached are the questions you submitted to me on dairy, cotton, and peanuts. I hope the answers help to clarify our position on these issues. I appreciate your ongoing interest in the Uruguay Round negotiations on agriculture and look forward to continuing our discussion on this and other trade issues.

Sincerely,

CARLA A. HILLS.

QUESTIONS RELATIVE TO THE TREATMENT OF DAIRY

Question 1. Reform of the Common Agriculture Policy (CAP) may be consistent with reducing EC international supports, export subsidies, and a general lowering of the levels of the EC variable import levies. But strong discipline on the variable level, such as bound over-quota tariffs, I viewed in the EC as inconsistent with CAP budgetary discipline because it would mean loss of control over agricultural imports into the EC. For this reason, is it not doubtful that the EC will be willing to agree to "clean tariffication" (*i.e.*, bound tariffs without "fixed" and "variable" components, exchange rate adjusters, etc.)? How can the U.S. justify its willingness to surrender its basic program for controlling market access, Section 22, without assurances that the EC will be able or willing to fundamentally change its variable levy?

Answer. This interpretation of the U.S. position is incorrect. We have repeatedly stated that we are prepared to modify our agricultural support and protection system, but we will *not* make those changes unless other countries make similar commitments. We would *not* give up Section 22 unless other countries, including the EC, agreed to make similar changes to their non-tariff barriers in the context of a multilateral agreement.

From the beginning of the negotiations, we have recognized that improving market access will be a huge challenge. Many participants rejected the idea of tariffication when we first proposed it in 1987. Now, the concept appears to be acceptable to countries, including the EC. The issue has come down how to implement the concept, *i.e.*, "clean" or otherwise. The EC's proposed modification of the variable levy will not improve market access. The experience in Brussels sent a strong message to the EC, Japan and others that *real* reform of market access barriers, export subsidies and trade-distorting internal supports will be an essential element of any final agreement. Hence, we expect to have a legitimate method for tariffication in the final agreement.

Question 2. Is the U.S. prepared to agree to a fixed and variable component system and/or exchange rate correction factor in order to achieve tariffication, if the EC insists upon them?

Answer. It should be noted that tariffication, in itself, is not an objective of the U.S. All participants have agreed upon substantial progressive reductions in support and protection. The U.S. proposed the concept of tariffication as a mechanism for achieving a reduction in protection on a multilateral basis. As indicated above, the EC's proposal to modify its variable levy would not produce increased market access. It is, therefore, inconsistent with the agreed-upon objectives and unacceptable to the U.S. and other participants.

The EC's corrective factor system would allow for complete offsetting of all exchange rate movements, partial offsetting of non-monetary price movements up to a threshold, and complete offsetting of non-monetary price movements beyond the threshold. The EC wants their corrective factor system to be a permanent "overlay" to fixed tariff equivalents. In many aspects, the EC's system is just like their current variable levies. We do recognize that temporary import relief measures may be useful during the implementation period. We have proposed that a tariff snapback mechanism be permitted during the implementation period. Under our proposal, if either an import volume or an import price trigger is exceeded, a country would be permitted to automatically raise tariffs to moderate a surge in imports, i.e., no injury investigation would be required. Our proposal differs significantly from the EC's corrective factor system both in its design—no automatic exchange rate adjustor, for example—and in its temporary (vs permanent) nature.

Question 3. Are we prepared to agree to a strengthened and/or clarified Article XI if Canada, the EC and Japan insists upon it?

Answer. No, we have proposed the elimination of Article XI:2(c), a provision which sanctions the use of import quotas for agricultural products under certain conditions. Under our proposal, all import quotas currently maintained under Article XI:2(c) would be subject to tariffication. From our perspective, the changes proposed by Canada, the EC and Japan would weaken, not strengthen, Article XI and make it easier for countries to restrict agricultural imports.

Question 4. Won't the U.S. dairy industry suffer under "clean" tariffication because its current "protection levels" are so much lower than those of the EC, the Nordics, Canada, and Japan?

Answer. While it is true that initial tariff equivalents for dairy products in EC, the Nordic countries, Canada, and Japan are likely to exceed those for the U.S., our initial levels will nonetheless provide significant protection and exceed 100 percent on an ad valorem basis for most products. During the implementation period, the tariff snapback mechanisms described above will also be available to protect our dairy producers from import surges.

Section 22 quotas help protect U.S. dairy producers from a very distorted world dairy market. However, every empirical study we've seen indicates that world prices for dairy products will rise as the sources of distortions—policy-induced supplies, export subsidies and market access barriers—are reduced. Much of the improvement will come from a reduction in EC export subsidies. Our analysis indicates that five years after implementing a U.S.-type proposal, world dairy prices would rise by 40-45 percent. U.S. dairy production would be up about 4 percent and producer revenues would be about at 1990/91 levels. As world prices continue to rise, the U.S. is likely to become a competitive exporter of many dairy products.

How will others fare? EC and Nordic producers must adjust to reductions in export subsidies for their dairy products as well as commitments on internal supports and market access. The fact that Canada and Japan are strongly advocating changes to Article XI, in part to protect their dairy industries, indicates that they do not believe their dairy sectors can be competitive in a more liberalized agricultural trading system.

Question 5. Does the Administration support an agreement on agricultural market access under which products continuing to receive export subsidies would not be eligible for expanded importation under liberalized market access? An agreement of this type might, for example, prohibit additional imports of European cheese that received any export assistance in the form of EC export restitution or in other forms.

Answer. Our October 1990 proposal does not contain such a general prohibition, although we did address this issue in the context of our proposed tariff snapback mechanisms. Other countries have raised this issue, and we are looking at its implications for imports into the United States and for our products receiving export subsidies. It's also important to point out that we have laws providing for countervailing and antidumping duties to protect U.S. products from unfairly priced imports.

Question 6. Regarding the question of "political will' in the EC on agricultural issues, EC President Jacques Delors has shown a substantial willingness to back the French on a number of sensitive issues, especially agriculture. He's backed Mitterand on the issues of keeping all plenary sessions of the EC Parliament in Strasbourg, he was silent during the Brussels Ministerial when the French insisted that the European Commission had no mandate to negotiate separate disciplines in the three areas of market access, export subsidies and internal support, and he is known to sympathize strongly with the social policy implicit in the CAP with respect to maintaining large numbers of small farmers on the land. With Delors playing such a critical role in any eventual Uruguay Round agreement, how is the political will going to be summoned in the EC to agree to concessions that will be violently attacked by the EC's 10 million small farmers, especially French farmers?

Answer. A successful conclusion to the Uruguay Round negotiations will require substantial "political will" on the part of all participants, including the European Commission that negotiates on behalf of member states. President Bush, along with his counterparts from the G-7, which includes President Delors have personally committed to remain involved in the Uruguay Round. Summoning the needed "political will" has not been an easy task in the negotiations, given the very difficult issues on the negotiating table. Nonetheless, we believe that the EC, like other major trading partners, is prepared to have the Uruguay Round succeed. Opportunities for trade expansion, increased market access and a strengthening of GATT rules, including in the new areas of services, investment and intellectual property protection are key to Europe, as they are to the United States. The experience at Brussels dramatically proved that in order to achieve a comprehensive result in the negotiation agricultural reform would have to be addressed in a meaningful way by all participants.

In late February, GATT Director General Dunkel reported that as a result of his consultations participants agreed to "conduct negotiations to achieve specific binding commitments on each of the following areas: domestic support; market access; export competition; and to reach an agreement on sanitary and phytosanitary issues;. . ." This was not disputed by any participant to the negotiations. Director General Dunkel is holding very detailed technical discussions on the issues. We are satisfied with the seriousness with which the EC is participating in this process.

At the same time, we are encouraged by the debate within Europe on CAP reform and its potential to influence favorably the outcome of the Uruguay Round. While still early in the process, the initial reform paper has a number of positive elements, particularly the shift from price-based support to direct payments (although the payments may retain a link to production).

Question 7. If the U.S. does agree to terminate the Section 22 waiver, would it be effective immediately? What would be your anticipated termination date?

Answer. Initial tariff equivalent levels for non-tariff import access barriers will be part of the bound schedules of concessions for all Uruguay Round participants. Other participants would need to include non-tariff import barriers that exist under grandfather clauses, protocols of accession to the GATT, etc. Tariff equivalents for our Section 22 products would be included in our schedule. The final Uruguay Round agreement would indicate when these schedules would become operative.

Question 8. In connection with a potential "minimum access" agreement, what measure of present access are you planning to argue for adopting? Some in the U.S. dairy industry have argued that current access to U.S. dairy product markets for imported products should be measured on the basis of milk components for internationally traded products, and that imports of products not subject to quotas, such as non-quota cheeses and casein, should be included in the measurements. Does this coincide with your views?

Answer. As part of our tariffication concept for non-tariff barriers, we proposed that tariff quotas be established at low duty levels to maintain existing access opportunities. In the case of products where imports amount to less than 3 percent of domestic consumption, we want to establish the tariff quotas at minimum access levels of 3 percent of domestic consumption.

We are examining technical and operational issues involved in setting and administering minimum access commitments. A good case can be made to use milk components, rather than specific products, for at least some dairy products. Imports of manufactured products during our proposed based period (1986-88) were approximately 3 percent of domestic consumption on a milk equivalent basis. As tariffication applies only to products subject to non-tariff import barriers, products receiving only tariff protection should not, in principal, be used to establish minimum access commitments for tariff quotas.

Question 9. What types of inventory management programs for the U.S. dairy industry do you consider to be consistent with the reduction commitments on internal support to agriculture you are seeking in the Uruguay Round?

Answer. We propose using an aggregate measure of support (AMS) to target policy-specific commitments for internal support reduction commitments. To meet an AMS target, participants could either reduce policy prices or reduce quantities of production receiving support prices. Hence, any effective inventory management program (*i.e.*, one that actually restrained production or restricts the quantity of production benefitting from support) could be used by any participant, including the United States, as one of the means to meet the AMS target.

QUESTIONS RELATIVE TO THE TREATMENT OF COTTON

Question 1. How do we prevent losing cotton export markets to countries where GATT rules on domestic and export programs don't apply (*i.e.*, centrally planned economies like the People's Republic of China and the Soviet Union)?

Answer. New GATT rules and disciplines would only apply to contracting parities of the GATT. Both China and the Soviet Union have expressed an interest in joining the GATT, and if that happens, they would assume the obligations flowing from a Uruguay Round agreement. It would be erroneous, however, to jump to the conclusion that, because China and the Soviet Union are not GATT members, our cotton exporters would be just as well off with or without a Uruguay Round agreement.

Under a continuation of current policies, USDA analysts project upland cotton exports at 7.5 million bales in 1996. A Uruguay Round agreement would likely increase our cotton export by 5-6 percent by 1996. A Uruguay Round agreement will widen the gap between foreign cotton consumption and production for several reasons. First, foreign cotton consumption will rise due to economic growth induced by the overall results of the Round. Second, world grain prices are expected to rise relative to cotton prices, shifting foreign cotton area to grains, and widening the foreign cotton consumption-production gap. Finally, EC cotton production is likely to slow or even decline due to reductions in internal support resulting from the agricultural negotiations and EC imports of U.S. cotton could rise.

Question 2. Are there any concessions anticipated that would compensate the U.S. cotton industry for the potential disruption as a result of surrendering Section 22? Since imports of cotton products account for a significant share of U.S. domestic consumption, how will the minimum market access provisions apply to cotton?

Answer. Our Section 22 import quotas for raw cotton have not been filled in recent years, and we do not expect the current import situation to change much, if at all, under a minimum market access provision. Domestic mills pay world market prices for our raw cotton, so there is little economic advantage for the mills to use imported cotton. A Uruguay Round agreement will not affect this situation. If import surges did occur, temporary import relief measures would be available to our domestic cotton producers during the implementation period (see next question).

Question 3. What tariff rate do you anticipate adequately protecting U.S. producers from import surges?

Answer. We have proposed that a tariff snapback mechanism be permitted during the implementation period. Under our proposal, if either an import volume or an import price trigger is exceeded, a country would be permitted to automatically raise tariffs to prevent an unexpected increase in imports, *i.e.*, no injury investigation would be required. For example, under the import price trigger a surcharge equal to 50 percent of the difference between the trigger level and actual duty-paid import price could be levied.

Question 4. The negotiations on internal subsidies could be based on the concept of an aggregate measure of support (AMS). How many countries have submitted the data for their AMS's and how consistent is the data supplied thus far?

Answer. Last July, GATT participants agreed to provide data sets in the areas of internal support, border protection and export competition. At this time, all recognized that flexibility should apply to developing countries as to how detailed and comprehensive these lists might be. Country lists from 38 participants have been submitted, with the EC submitting one list for all member states (12 countries). All OECD countries have submitted lists. The methodology for the AMS has not been explicitly defined. Hence, there are differences in the method, product coverage and policy coverage in the lists.

Question 5. AMS's are based on standard concepts to ensure no contracting party is placed at a competitive disadvantage. What ability do we have to verify that all countries are using the same standards to develop AMS values and to verify their compliance with any future agreement?

Answer. A Uruguay Round agreement will set out the methodology for computing AMS's. The approach to the AMS is one of the subjects of the technical consultations now underway in Geneva. All countries will be required to submit AMS data following the agreed-upon approach.

Existence of a standard methodology will facilitate the verification process. Also, a considerable portion of the data required is available in public documents (budgets, financial reports, etc.). Nonetheless, we will need to devote considerable resources to review and verification of the data. We will be calling on USDA analysts in the Economic Research Service (ERS) and the Foreign Agricultural Service (FAS) as well as information provided from our embassies to assist in this process. ERS analysts have considerable experience collecting and evaluating data sets for support measures, and for the last fews years have published estimates of support for many developed and developing countries. FAS agricultural attaches collect information on agricultural programs in other countries as part of their normal reporting activities. Also, the Organization for Economic Cooperation and Development (OECD) has an extensive database that will assist in our reviews for OECD countries.

Question 6. How would you anticipate rules being developed for Less Developed Countries (LDC's) that are exporters of one commodity (*i.e.*, cotton) but not all commodities, or are exporters on an inconsistent basis? How would you anticipate LDC's that produce cotton and export textile and apparel products be treated?

Answer. Developing countries should be subject to the same rules and commitments as developed countries, but we would be willing to examine a longer phase-in period based on the individual economic and agricultural development. Under our proposal, all LDC's would abide by the general commitments on export subsidies (*i.e.*, no special rules for LDC's). Likewise, LDC's that are net exporters of a commodity would undertake developed country obligations on any market access barriers and domestic price support policies.

Quotas on developing countries' exports of textiles and apparel will be maintained into the next century under the Uruguay Round. In addition, exports that are presently not covered by quotas will be subject to a special textile safeguard mechanism for at least ten years. Finally, U.S. tariffs on cotton textile imports will remain after the transition to strengthened GATT rules, and an important cotton sector, broadwoven fabrics, has been excluded from tariff cuts under the U.S. proposal.

We have proposed that the textile transition mechanism should be in place for ten years so as to facilitate an orderly integration of the textile and apparel sectors into the GATT. Exports of textiles and apparel from developing countries that are not presently under MFA quota restrictions could be subject to quotas under the terms of the special safeguard in the textile transition if they cause serious damage to U.S. producers.

The MFA provides that "exports of cotton textiles from cotton producing exporting countries should be given special consideration . . . in terms of quotas, growth rates, and flexibility" vis-a-vis other foreign suppliers. This type of reference to "special consideration" for cotton-producing textile exporters will likely be maintained in the textile transition mechanism in some form; however, we will be able to maintain quotas on imports of cotton textile products from developing countries to protect the domestic industry from disruption under the Uruguay Round transition agreement.

Question 7. Some analyses on raw cotton have concluded that there will be net increases of 200,000-400,000 bales of annual offtake primarily accounted for by increased exports). In reaching this conclusion, what assumptions have been made concerning textile and apparel import levels, foreign acreage shifts between cotton and grain, and the ability to determine compliance with the agreement?

Answer. USDA analysis indicates that reform of textile and apparel trade is not likely to significantly reduce expected U.S. domestic mill use because U.S. yarn and textile manufacturing is generally considered to be quite efficient. A GATT textile agreement is expected to adjust existing quotas and tariffs over time. Countries that are not GATT members would not have unrestricted access to U.S. markets. With or without a Uruguay Round agreement, both our imports and exports of cotton textiles are likely to grow. However, it's important to remember that more imports of cotton textiles do not necessarily mean lower U.S. mill use of domestic cotton. During the early 1980's when imports of cotton textiles increased rapidly, U.S. mill use of domestic cotton *rose* by a third. More recently, imports of cotton textiles have stabilized, while exports have increased.

Increased raw cotton exports would result from a wider gap between foreign cotton consumption and production. Several factors could lead to an increase in cotton exports of 300,000 to 500,000 bales.

By 1996, foreign cotton consumption could rise by 350,000-400,000 bales annually for a 1 percentage point increase in real world-wide economic growth induced, in part, by the Uruguay Round results. This factor alone could raise annual U.S. cotton exports by 100,000-150,000 bales.

World grain prices are expected to rise relative to cotton prices under trade reform. USDA analysts show wheat prices up by over 20 percent by 1996 under a U.S.-style agreement. Even marginal shifts for foreign cotton areas from cotton to grains would widen the foreign cotton consumption-production gap by another 300,000 to 400,000 bales annually. This could mean another 100,000 to 125,000 bales for U.S. exporters.

Reductions in EC internal supports for cotton would reduce the rate of growth of EC cotton production and, coupled with EC market access commitments, could open a market of up to 200,000 bales for U.S. exporters by 1996.

Uruguay Round commitments on internal supports, export subsidies and market access barriers would be specified in bound country schedules, much like our current tariff schedules. Participants would be required to report compliance with the schedules, and a surveillance process will need to be established.

Question 8. What changes would need to occur in our domestic policy in order to comply with an anticipated agreement?

Answer. Under a GATT agreement similar to the U.S. proposal, our commitment to reduce internal support for raw cotton over the next 5 years could probably be met without additional policy actions. Policy changes in the 1985 and 1990 Farm Bills and budget legislation have reduced support, *e.g.*, cotton target prices and payment acres have been substantially reduced since 1986. Price rises as a result of such an agreement are projected by USDA to reduce program participation and the quantity of cotton receiving payments.

QUESTIONS RELATIVE TO THE TREATMENT OF PEANUTS

Question 1. The peanut industry has become convinced that Section 22 is gone with any GATT agreement. Clayton Yeutter has made public that peanuts will be the big loser through GATT. Some trade officials have gone so far as to say that ". . . peanut farmers make too much money anyway". For peanuts, the threat is China—a non-market, non-GATT member. Needing hard currency, they can make a political decision and move to export peanuts quickly—and in the past, they have landed peanuts here at prices 10 cents below our cost of production. U.S. growers have watched China double their cotton production since 1980 and become a major exporter—based on political decisions for hard currency, not necessarily the cost of production. The same can happen in peanuts.

In many areas, we are not talking about the economic impact on a few individual producers, but rather, on hundreds of rural communities that rely on the producers for their economic base—communities that may not recover from economic loss of losing their markets to China.

Responses like, "China will join GATT" and "we can preserve our laws on dumping" have not been acceptable to the peanut industry. Growers must sell at harvest due to the nature of the crop. If the loss of Section 22 allows the importation of Chinese peanuts during that harvest time, U.S. producers lost an entire year's profit, and cannot wait two to three years for our government to stop the import action.

What does the peanut industry gain by supporting the removal of Section 22—a program that has worked for them and one they believe does not have to be given away in order to reach an agreement? It wasn't removed in the Canadian Free-Trade Agreement and is not an option (at this point) in the Mexican Free-Trade discussions. In fact, how much pressure, if any, are we getting from the EC to eliminate Section 22? Are there other acceptable alternatives?

Answer. Concern has been expressed about surges of imported peanuts from China if Section 22 quotas were modified. Since China is not a GATT member, China would not be bound by GATT rules and obligations. Conversely, however, the U.S. would not be bound by GATT rules and obligations in responding to increased imports from China. In fact, there is a special provision in U.S. trade law for dealing with injurious surges of imports from Communist countries.

Section 406 of the Trade Act of 1974 gives the President authority to restrict imports solely on products from a Communist country or countries where the U.S. International Trade Commission (USITC) determines such imports have caused or threatened to cause market disruption. Moreover, if the President decides emergency action is necessary, he may import relief immediately pending completion of a USITC investigation. In any event, the USITC must conduct a Section 406 investigation and report to the President no later than three months after a petition is filed or a request for investigation is made. This provision was used in 1987 and resulted in limitations on imports of tungsten products from China.

Our commodity loan program for peanuts exists to assist the orderly marketing of peanuts during the entire year. Peanut producers are protected from short-term price fluctuations, particularly at harvest time. We expect this program to continue even under substantial reform in a GATT agreement. In addition, newly created tariffs and transitional arrangements for import surges would provide protection for the peanut industry.

Another issue raised concerns the fact that neither our Section 22 quotas nor Canadian import restrictions on dairy, poultry and egg products were not addressed in the U.S.-Canada Free-Trade Agreement. Both countries recognized the need to maintain such arrangements until reform of all sources of distortion in world markets for these products—*i.e.*, reform of internal supports, export subsidies and market access barriers—could be achieved on a multilateral basis. The FTA was finalized after the Uruguay Round had begun, and both sides agreed that reform of market access barriers was best addressed in the context of the Round.

Must the U.S. agree to modify *all* Section 22 quotas in order to reach a GATT agreement? The answer is yes if we want to reform similar barriers in other countries, such as the European Community's variable levy system, Japan and Korea's prohibitions on rice imports, and Canada's import system for dairy, poultry and egg products. Whenever we raise the issue of reforming non-tariff barriers in other countries in the GATT discussions, the immediate rejoinder relates to the U.S. willingness to undertake similar actions on our Section 22 import quotas.

The SPEAKER pro tempore. [Mr. McNULTY]. The Chair would advise Members that the closing will be in the following order: Mr. HUNTER, Mr. DORGAN, Mr. DREIER, Mr. BEILENSON, Mr. ARCHER, and Mr. ROSTENKOWSKI.

The Chair will further advise Members of the time they have remaining.

The gentleman from Texas [Mr. ARCHER] has 2½ minutes remaining; the gentleman from California [Mr. DREIER] has 4 minutes remaining; the gentleman from California [Mr. HUNTER] has 5 minutes remaining; the gentleman from North Dakota [Mr. DORGAN] has 4 minutes remaining; the gentleman from Illinois [Mr. ROSTENKOWSKI] has 3½ minutes remaining; and the gentleman from California [Mr. BEILENSON] has 3 minutes remaining.

PARLIAMENTARY INQUIRY

Mr. DORGAN of North Dakota. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DORGAN of North Dakota. Mr. Speaker, in the order of closure, does the Speaker tell Members that the sponsor of the resolution is not entitled to close under this procedure?

The SPEAKER pro tempore. The gentleman is correct. The chairman of the Ways and Means Committee who called up the resolution has the right to close, and the closings will be reverse order of recognition under the rule. The Ways and Means members will go last. Preceding them will be members of the Rules Committee, preceded by Members who were given control of time by unanimous consent.

Mr. DORGAN of North Dakota. As a further parliamentary inquiry, Mr. Speaker, that is not the usual order with respect to a bill brought to the floor; is it not the usual practice that the sponsor will close debate on a bill?

The SPEAKER pro tempore. What the Chair has suggested is the regular order under the precedents.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Speaker, I thank the gentleman for yielding me this time.

Despite my respect for my friend from North Dakota, I stand in opposition to his resolution. I have two very brief points to make.

If we were giving carte blanche today to Ambassador Hills and her people to just go and negotiate an agreement with Mexico without anything further, I would probably be in favor of the gentleman's resolution. But we are not. There will be consultations during the interim. We will have many opportunities to call the various negotiators before our panels to ask questions before a final trade agreement is reached.

Second, and the last point, I think the best opportunity we have to control to some extent, and maybe even eliminate, illegal entry into the country of immigrants from Mexico would be by improving the conditions in their home country, giving them an opportunity to live decent lives where they live now that I think is at least a possibility under a good treaty agreement with the nation of Mexico.

So for the reason that we will have opportunity to look this trade pact over, and also because it might help us with our immigration problem, I believe the gentleman's resolution should be defeated.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. CARDIN], a member of the Committee on Ways and Means.

Mr. CARDIN. Mr. Speaker, I have the honor of being one of the Congressmen who represents the Port of Baltimore. Too many shops come into the Port of Baltimore with imported products that are unloaded and leave without any products to send overseas. There is one way we can solve it: by closing the ports. I do not think that is the way to do it.

We want to see balanced trade and fair trade in this country. Those of us who support fast track are not satisfied with the status quo. We want to see an improvement. We are not satisfied with the jobs that we have lost to Mexico and other countries. But the only way that we can improve that is to sit down and negotiate.

Those of us who support fast track are going to wait and see what products we come up with as to whether we will support the final agreement. By voting for fast track we are not voting for the trade agreement.

I urge my colleagues to reject the Dorgan amendment so that we can negotiate and reach a better agreement.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I rise in strong support of fast track and in opposition to House Resolution 101.

Mr. Speaker, I rise in support of fast-track negotiating authority, in support of a North American Free-Trade Agreement, and in opposition to House Resolution 101.

Mr. Speaker, free trade is a win-win proposition for all countries, especially the United States. We currently run a $2.7 billion annual non-oil trade surplus with Mexico. The only sector of our economy performing well during the current recession is exports. Opening markets like Mexico for our goods promotes the strongest sector of our economy, encouraging American competitiveness and growth.

Mr. Speaker, as a Representative from southern California, not only do I have a special interest in increasing California's $3 billion in exports to Mexico, I also sincerely hope that lowering trade barriers with Mexico will solve the longstanding problem of illegal immigration. The Border Patrol estimates that as many as 3 million people cross the American border illegally every year—almost half of them enter San Diego County.

Increasing economic growth in Mexico will increase opportunities and wages there, reducing incentives to immigrate to the United States illegally. President Salinas has said he wants to export goods to the United States, not people. Free trade is the most compassionate and constructive way to address the unfortunate causes and ill effects of illegal immigration.

Some opponents of fast track say they support free trade, but oppose leaving negotiations to the President. Mr. Speaker, if there is no fast track, there will be no Uruguay round negotiations and no North American Free-Trade Agreement. Without fast track, our trading partners will expect Congress to rewrite any deal the President reaches, or at least amend the agreement to death. However, fast track also gives Congress 90 days to voice its objections about specific provisions of proposed agreements. As a last resort, every member of the House has the right to vote a proposed agreement down.

Mr. Speaker, for all these reasons, I urge the rejection of House Resolution 101.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the revered Republican leader, the gentleman from Illinois [Mr. MICHEL].

Mr. CRANE. Mr. Speaker, I yield an additional minute to the gentleman from our time.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MICHEL] is recognized for 3 minutes.

Mr. MICHEL. My colleagues, the issue before us today is basically one of procedures, but in this case the procedures mean everything.

Will our country lead the growing movement toward openness and economic freedom sweeping the world, or will we become victims of the four horsemen of protectionism: stagnation, isolationism, fear, and xenophobia?

When we look to the Far East, Asia's economic tigers grow in confidence. Look to Europe, an economically united Europe waits to be born. Look to the north, and we have the United States-Canadian Free-Trade Agreement. And now, long overdue, we finally look to the south and we see an export market so potentially powerful that it staggers the imagination.

That market can be part of our future and we can be part of Mexico's future, but only if we support the job-building, trade-enhancing commitment to fast track.

The President, in his response to Congress's concerns over fast track, has set forth negotiating objectives. He has made a commitment to consult with Members of Congress as well as with other groups during the negotiating process. The sense-of-the-House resolution that we will be considering immediately hereafter gives greater formality to those commitments and objectives.

Congress should and must play a vital role in trade agreements. It has the ultimate power, the power to say yes or no. Only the executive branch, however, can carry out the kind of negotiations workers and business need. I think we all know that. The only way that an effective agreement can be achieved is if the nations know the agreement will stand or fall in its entirety and not suffer the slow, agonizing death of a thousand congressional reviews or revisions.

Good trade agreements mean jobs in the United States and jobs in other nations. In a free-trade agreement with Mexico, my home State will benefit greatly, for example, and additional jobs gained will exceed those lost by a 6-to-1 ratio, and that can be proved. Illinois has already been benefiting from expanded trade with Mexico.

Some may say so what, your State is one thing; my State is another. What good does it do me?

The answer is that benefits of free trade are universal. We grow through trade. There is no other way to grow. If we stay on the fast track we move ahead, but if we take the side track of protectionism, we will inexorably backtrack to economic oblivion.

And when it comes to trade, Americans should have just one rule: Just say "grow." Remember, 8 percent of our own growth last year resulted from exports, foreign purchases of American-made products.

Congress should be partners in shaping an American future, and it can be a future of growth through trade, jobs through trade, and business opportunities through trade.

Fast track enables us to be a trade negotiating partner with the ultimate power to say yes or no. Fast track, in my opinion, is the way to go. Certainly I hope we will be successful in our effort today.

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Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. JONTZ].

Mr. JONTZ. Mr. Speaker, 1 week ago today the United Technologies plant in Wabash, IN, closed its doors, and now 555 jobs, American jobs, are on their way to Mexico.

We are now told by the proponents of fast track for a Mexican free-trade agreement that we do not have to worry about that kind of plant closing, because we are going to create more jobs than we are going to close. I suggest to the Members today that we have no such assurance that that will be true, and we should not begin negotiating until we have much better assurance.

The whole idea that more jobs will be created here is dependent on the idea that the standard of living in Mexico will improve. I suggest to the Members that the experience over the last decade shows that the opposite is true.

Forty percent of export earnings from Mexico go to satisfy debt requirements. There is no question in my mind that the big money-center banks will do very well under a free-trade agreement. The rich will get richer. There is no question about that.

But will our country get stronger? This is the question I think that is really before us today. I think the answer to that is that we have no assurance.

We should turn down fast track. We should support the Dorgan resolution.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, this body authorized fast track in 1974. Let us look at the last 17 years of history. In 1974 we were the greatest creditor nation in the world, huge positive balance of trade.

We are now the greatest debtor nation, and we have more than $100 billion a year in trade deficits, 17 years of secretly negotiated fast-track trade agreements that are not worth the paper they are written on.

Yes, we have followed the rules, we have followed the trade agreements, but our trade competitors did not follow our examples. We opened our borders. They opened their borders to our jobs and our manufacturing interests.

I have had friends say, "Actually there is nothing left to lose." Well, there is a lot left to lose. It is not just tariffs on the table anymore, friends. Now, GATT targets our laws against unfair foreign trade practices, our environmental law, our Buy America Program, food safety. Even the recent restrictions on drift-netting by the Japanese will be targeted in the GATT agreements.

Many of the values held dear by this body and by our constitutents will go out the window with fast track.

Keep the authority under discretion that was invested by you when you were elected to Congress. Do not cede your judgment, your constitutional authority, to faceless bureaucrats.

Vote for Dorgan.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Speaker, I rise in strong support of fast track and against the Dorgan resolution.

Mr. Speaker, I strongly support the President's request for an extension of fast-track procedures and urge my colleagues to vote against the Dorgan resolution disapproving the authority.

Extension of fast-track authority is a vote for open markets. Extension of fast-track authority is a vote for future economic prosperity.

On the other hand, a vote to disapprove fast track is a vote of no confidence in American workers and industry.

Fast track is vitally important for this Nation's economic future.

During 1990, nearly 90 percent of U.S. economic growth was attributable to exports. According to the Commerce Department, exports have accounted for over one-third of U.S. economic growth in the last 5 years.

Organized labor may not want to admit it, but a vital export market means U.S. jobs. The facts are clear. We export over $390 billion of goods annually, with nearly 7 million jobs being export-related. One in six U.S manufacturing jobs is tied in some way to exports.

It is important to our future economic well-being that we move ahead with current trade negotiations and that can't be done without fast-track procedures in place.

I also want to address one of the great misconceptions about fast-track procedures. Labor seems to be telling its people that a vote for fast track will allow the President to cram a trade agreement down our throats.

That is a bold statement, but it does not tell the whole story. The real story is that the Congress will have input into the negotiations, and we will have the final say on any agreement that is negotiated. Fast track just simply gets us to the table.

I have read the President's action plan carefully and it shows that the President is personally committed to protecting American workers. I believe that with Carla Hills as his negotiator at the table, he will attain these goals.

I urge the rejection of House Resolution 101.

Mr. HUNTER. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana [Mr. McCLOSKEY].

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana [Mr. McCLOSKEY].

Mr. McCLOSKEY. Mr. Speaker, I think we have had a very good debate today, but for all its length, not enough time to deal with much deep analysis as to the issues before us.

But, quite frankly, as was alluded to by my good friend, the gentleman from Indiana [Mr. JONTZ], a few minutes ago, the real reality is jobs leaving places like the Midwest, particularly Indiana.

The maquiladora program will continue where, for example, in Evansville, IN, 1,400 workers are out of work. If they are lucky, right now, Mr. Speaker, if they are lucky they have $6-an-hour jobs to raise kids through high school for year upon ongoing year, and by the administration's own best technical reviews, this is a mediocre possibility at best and surely nothing to rush into.

Mr. Speaker, for example, the U.S. International Free Trade Commission report to the Committee on Ways and Means states that the benefits relative to the size of the U.S. economy are likely to be small in the near to medium term, and, furthermore, it states in effect that 73 percent of the workers in the United States, and particularly and exclusively those at the bottom, are going to be negatively impacted. That is what we need to do is kick the people at the bottom making $6 an hour.

Vote for Dorgan.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. Mr. Speaker, I rise as an American nationalist and a populist in opposition to the multinational corporation's and economic elitist greed. I oppose this effort to lower the standard of living of the average American.

I support the Dorgan amendment.

Mr. Speaker, I rise in strong opposition to fast track and in support of the Dorgan resolution.

Mr. Speaker, this is the week we consider, among other things, the administration's request for a 2-year extension of the fast-track trade negotiating authority. And, we consider extending this authority to a President who has a vision of a new world order, a "world of open borders" as he expostulated in his speech last year before the U.N. General Assembly. But what exactly is an open border? An open border is not a flexible border, nor is it a permeable border: An open border is really no border at all. Moreover, when we imagine a nation with open borders we imagine a nation without any means of defining itself or the territory it contains. In fact a nation without borders, or euphemistically, with "open borders," is really not a nation at all.

Mr. Speaker, while we in Congress have a nation to defend, to represent, to build: while we in Congress have citizens of that nation appealing to us to fight for their jobs, their lives, and their future: in short, Mr. Speaker, while we have a country that is very unique and well defined in our eyes we must defy a President who dreams of an undifferentiated nation with no right to make claims for itself.

Currently, this no-more-borders-no-more-nations dream is being very aggressively pursued. Through a regrettable sequence of speedy maneuvers the extension of fast-track authority has become bound up with consideration of expanding fair trade with Mexico. Most of us welcome the opportunity to begin to consider how increased cooperation between all of the North American nations may improve the quality of life for all of our citizens. But to guide such consideration according to a vision of nations without borders, without cultural integrity, would be to displace the American dream with the dream of a single American President and this we in Congress cannot do.

No one disputes that a loss of American jobs will occur when American or multinational corporations can safely take their investment capital to Mexico—a virtually inevitable scenario with Mexican wages hovering between 50 cents and $1 dollar. No one doubts that if we give Mexicans enough American jobs they will buy American goods. And it is true, the optimists expect that eventually the demand for higher level workers will grow. But eventually is not good enough for the American workers who will lose their jobs, especially as that eventuality is not for them. Nor is eventually good enough for the American workers who have been displaced across these last 20 years. Through them the Bureau of Labor Statistics has learned that a displaced American worker is an obsolete American worker. Displacement short circuits each productive American life.

The administration claims that failure to extend fast track will result in a loss to the credible negotiating stature of the United States as a trading partner. But the truth is that our credibility derives from our actions once the trade agreements are signed, not from the questions we address in the process of coming to an agreement. Our ability to insist that even minority points of view are heard in open debate is the very essence of the kind of democracy we champion. But the President would have us forfeit this so that he can dictate our trade agreements with the same authority some of his neogtiating partners enjoy. His wish is understandable: To grant it would be unwise. In the end, of course, an expansion of trade within North America will occur. Now, however, I trust it will occur with American citizens alert to the implications: Of trade agreements and of imperialistic visions.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield 30 seconds to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in support of House Resolution 101, the Dorgan resolution. Mr. Speaker, today each Member of the House will vote on what role Congress will have in the negotiation and implementation of a free-trade agreement with Mexico.

Let me say at the outset that I am convinced that it is in our long term interests to improve our trade relationships with Mexico. Today we find ourselves in a globally competitive society. The European Community is attempting to join its economic forces, as are many of the Asian rim countries.

But the issue for this continent is not quite that simple. Until recent years, trade negotiations dealt primarily with the elimination of tariff and quota barriers. Today, they deal increasingly with structural changes in U.S. employment and with the technical standards which form the foundation of our national health, food safety, environmental and workplace safety policies.

Unfortunately, the administration has not done a good job of convincing Congress that it has a strong commitment to handling these issues.

Jumping into a free-trade agreement is sure to have an impact on both economies, but it is not necessarily good. According to a study by the International Trade Commission, and let me quote it, "real income for unskilled workers in the United States is likely to decline slightly."

I later found out that the Commission's definition of unskilled workers includes 70 percent of the entire American work force. It would certainly be hard for me to explain to my constituents—many of whom are already on the low end of the income scale, that they should not worry if their incomes are reduced, or even worse, their jobs are lost because the Mexican agreement is "good in the long run."

This brings me to the issue of fast track. It is not free trade with Mexico that gives me my greatest concern about extending fast track. Rather I am concerned about the administration's lack of commitment to meeting America's essential interests while negotiating that agreement.

For example in my own area of Chicago, a number of large firms have already made the move to Mexico leaving behind large numbers of workers without jobs, and unable to support their families as they had before. These are people who have worked every day of their lives. People who have saved their money to buy a home, and to put their children through school.

When a plant shuts down and moves to Mexico, it leaves in its wake not just unemployment, but shattered lives and lost opportunities. Homes may be lost; children may be forced to drop out of school; health care is often unavailable and the physical well-being of our people falls.

This is exactly the situation in Chicago. My city, like many others in the Northeast and Midwest is facing just such a spiral of declining services, with a smaller and smaller working population base to fund these needed services. In the end, that makes cities such as Chicago less competitive, forcing even more companies and individuals out of our city and moving to areas where the work force is increasing.

As just one example, the Rheem manufacturing plant in Chicago closed last year. The Rheem plant made hot water heaters which were among the best on the market. The company was profitable and highly productive. But Rheem sold out to a Japanese firm, and the new Japanese owners moved the plant to Mexico in pursuit of low-wage, low-fringe benefit employees.

Eight hundred employees worked in Rheem's Chicago plant and were put out of work when the plant closed. Workers were left with no way to support their families. Not only did the State, local and Federal governments suffer a loss in tax payments, but these unemployed workers had to be paid unemployment insurance, and they needed job training and other public services—much of which they have yet to receive.

In the last few years, an estimated 20,000 Illinois workers have lost their jobs because of plants closing and moving to Mexico. And, these are big firms too. Let me identify just a few firms from the Chicago area and my district that have moved to Mexico:

Quaker Oats Co. moved its Fisher-Price Division to Matamoros and Tijuana, Mexico;

Zenith has moved to Chihuahua, Reynosa and Matamoros;

American Hospital Supply moved to Juarez;

North American Philips moved to Juarez;

Lamkin Leather & Rubber Co. moved to Tijuana;

Gould Electric Products moved to Juarez;

R.R. Donnelly & Sons moved to Reynosa;

Cooper Lighting moved to Juarez;

Brunswick Corp. moved to Juarez;

Eureka Manufacturing moved to Juarez; and

Outboard Marine Corp. moved to Juarez.

And, why are these firms leaving? The answer is: First, cheap labor; and second, no environmental regulation. And what about our own unemployed workers here in the United States?

The President's action plan makes some vague commitment to providing trade adjustment assistance to workers who lose their jobs as a result of moves to Mexico. But, at the same time, the administration's own budget for next year contains no money whatsoever for trade adjustment assistance or for the Job Training Partnership Act which has never been funded.

In addition, many consumer and environmental safeguards may be affected by trade agreements. For example, a United States Government meat inspector testified at our hearing that the administration's free-trade policies with Canada have left a "food safety disaster in its wake." By virtually eliminating inspection of Canadian meat in the name of free trade, the administration is allowing Canadian meat packers to dump contaminated and infected meat here in the United States; meat that they would not be allowed to sell in Canada.

My colleagues should not dismiss the concerns being expressed by environmentalists and others as alarmism. There is good reason for concern.

Like most of you, I have heard firms say they do not go to Mexico to escape environmental regulation in the United States. Well, let me tell you, it just is not so. At our hearings, the General Accounting Office [GAO] provided the first documentation that manufacturers do, in fact, relocate to avoid environmental regulation.

So, what are the pitfalls a free-trade agreement with Mexico poses for the United States? Some say it is jobs; others say the environment; and still others say food safety. Does this mean that we should not be negotiating a free-trade agreement with Mexico? The answer to that queston is, no.

The problem is not free trade with Mexico; the problem is the fast-track process itself. Why must we leave such an important decision to a single up-or-down vote? Why must it be fast track or no track?

For this reason, it is my intention to vote for House Resolution 101 which would disapprove the extension of fast track, and I urge my colleagues to vote in the same way.

Mr. HUNTER. Mr. Speaker, in a burst of comity, I yield 30 seconds to the gentleman from California [Mr. DREIER], who has been most gracious on this side.

Mr. DREIER of California. Mr. Speaker, in a burst of comity, I would like to thank the gentleman from California [Mr. HUNTER], my friend from San Diego, for yielding.

Mr. Speaker, 10 years ago this month I attended my first meeting of the United States-Mexico Interparliamentary Conference. At that meeting, Jose Lopez Portillo began nationalizing the banking system and many other industries in Mexico. Beginning in 1986, after an amazing economic collapse, President de la Madrid initiated a reversal of these socialist policies, recognizing that Mexico's future success depended on the revival of the free market.

This year, President Salinas has heralded the success of these tremendous economic reforms which we need to reward by opening the border. If we do otherwise, I am convinced that these reforms will grind to a halt, United States imports will plummet, the Mexican economy will stagnate, and illegal immigration over the border into Texas, and Arizona, and New Mexico, and California will skyrocket.

Approving Dorgan would be a direct repudiation of President Salinas and his courageous reforms. As a result, I urge my colleagues to oppose this resolution.

Mr. HUNTER. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, it is tough to be over here facing my 166 Republican colleagues who were the heroes of the world's legislatures during the gulf war when they had the guts to take on Saddam Hussein in a politically risky vote and a President who has done a tremendous job with respect to foreign policy.

But I think that right now we are moving down a track that is not going to accrue to the economic benefit of this country, and it is important to speak out against it.

I just want to ask my conservative friends to reflect on the late 1970's and the early 1980's when we used to look across the aisle, and our colleagues, some of the more liberal colleagues, would say, "You know, we cannot be involved in an arms race," and our answer to them, which was correct, was, "There is already an arms race going on, and the problem is we are not in it."

Well, my conservative colleagues, there is a trade war going on right now, and we are not in it. And there is nothing you can do about the unilateral attacks or the predatory trade tactics of other countries. Right now Mexico could, in fact, play a role in fighting this trade war and in bringing about some balance to international trade, if we did it right.

But all the signs are not toward that. All the signs show that we are going to be building a window to that one group that continues to pull the train with respect to the American economy, and that is the American consumer. We are building a window for the American consumer, and we are exposing American workers. There is no doubt about it.

The old days when that master machinist in the United States could make 12 bucks an hour, and he could still beat the guy on the other side of the world making a buck an hour, because he was literally 20 times as productive, are gone.

If you are IBM or General Motors, which incidentally achieves 80 percent of the productivity of a Detroit worker with its workers in Mexico City, you can move in a user-friendly, laser-guided assembly line, and within a few weeks you can bring up that worker in Mexico or other parts of the world to 50, 60, 70, 80 percent of the productivity of an American worker for one-tenth the wages.

Ladies and gentlemen, there will be movement to Mexico with American production lines, and American business has an interest in maintaining Americans who make 12, 14, 16 bucks an hour so they can continue to buy homes that have 1,500 square feet, so they can continue to educate their children, so they can go see the mother-in-law in the summertime with the mobile home, so they can do all the things and have the lifestyle that other people in the world are willing to forgo.

Now, what is the real issue here? The real issue is freedom. Mexico needs political freedom, and if they have political freedom, they will have prosperity.

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We cannot give political freedom to Mexico. I am talking about internal political freedom. A freedom of a small businessman to buy or not buy, to sell or not sell, hire or not hire, to be able to count the votes on his election day without having to know somebody powerful.

It is a lesson of every Socialist from Gorbachev and Castro and hundreds of others. Political prosperity cannot precede political freedom. That is what we want to export to Mexico with no tariffs and no charge.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. SANTORUM]

Mr. SANTORUM. Mr. Speaker, I rise in opposition to the Dorgan amendment.

Mr. Speaker, I rise today in opposition to House Resolution 101, a resolution disapproving the extension of fast-track procedures. Like my colleagues who have come before the Chamber today, I have heard from many of my constituents on the issue of extending fast track. I have been advised of the merits of granting the extension and on the pitfalls of a potential North American Free-Trade Agreement [NAFTA] and have met with both national and Pittsburgh area trade representatives.

Generally, I believe in the promotion of free trade, and I am encouraged by the economic opportunities that freer trade yields the United States. The United States has historically benefited from free-trade agreements, and I look favorably upon future trade agreements that may come before this body for consideration. Today though, Mr. Speaker, the issue for me is not so much a debate over a negotiated NAFTA or Uruguay round trade agreement as it is an issue over granting this country's international trade negotiators the authority to negotiate. Before the Chamber today is not a question of a trade agreement with Mexico. This body has not been presented and is not being asked to vote on a Mexico trade document. At issue is a resolution to disapprove of procedures to bills to implement trade agreements, including the Mexico and GATT talks, under a guaranteed timetable for congressional committee and floor consideration. We are being asked to grant the authority for the commencement or continuation of trade talks with the understanding that the Congress will be a full and effective partner in any trade negotiations.

Implicit in granting the 2-year fast-track extension is an understanding of Congress' role in the trade process during this time period. As stated in the Committee on Ways and Means report on House Resolution 101, the President must, by law, consult with the House Committee on Ways and Means and the Senate Finance Committee and must notify the Congress, at least 90 days in advance, of his intention to enter into a multilateral or bilateral trade agreement. The purpose of the 90-day notice is to provide the congressional committees of jurisdiction an opportunity to review the proposed agreement before it is signed. The committees may advise U.S. negotiators on whether the content of the agreement is likely to be acceptable or requires revision in order to obtain congressional approval. The Congress has in the past worked with the Administration to develop the draft text of an acceptable implementing bill. In all three trade agreements previously negotiated under fast track procedures, the President has submitted to the Congress an implementing bill identical to the provisions drafted in the Congress.

It is difficult to discuss the fast-track extension request without touching on a potential NAFTA agreement. Many of my constituents have advanced their concerns over entering into trade agreement with Mexico. While I am sensitive to the environmental and labor concerns associated with a Mexico agreement, I am equally encouraged by the economic opportunities that a Mexico agreement presents not only our Nation but the Commonwealth of Pennsylvania. Currently, Mexico is our third largest trading partner and enjoys a 10-percent tariff rate as compared to our 4 percent. Pennsylvania exports alone to Mexico have grown by 162 percent from 1987 through 1989. Although our negotiators have yet to produce a NAFTA agreement for consideration before the Congress, I enter the debate today with these competing interests in mind and with the confidence that the Congress will continue to be an active adviser and consultant throughout all trade negotiations over the next 2 years.

Mr. Speaker, I firmly believe that we should extend our trade negotiators the authority to negotiate the best trade agreements possible for our country. I am convinced that granting the fast-track extension request effectively advances this objective while maintaining the rights of the Congress, and I ask my colleagues to join me in opposing the resolution.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, I rise in strong support of the Dorgan amendment and against fast track.

Mr. Speaker, the issue before us is not whether or not we should approve a North American Free-Trade Agreement, or whether the Uruguay round of GATT should continue. A properly framed free-trade agreement may well serve the long-term economic interests of the United States, and an integrated North American market could certainly become an important counterweight to European Community and Pacific Rim economic competition. Rather, the issue before us is whether or not Congress should surrender its negotiating authority to the administration under fast track, a procedure which seriously limits both public and congressional involvement in discussions with Mexico. That is what the fast-track debate is all about.

Proponents of fast track speak of the many benefits that will accrue for the U.S. economy in the long run. However, to acknowledge long-term potential benefits that might conceivably flow from a North American free-trade agreement does not mean that any agreement would serve American interests, or that a free-trade agreement would be without significant transitional costs. Most certainly it does not mean that the Congress should acquiesce in the fast-track procedure that exists solely to strengthen the hand of the administration and to reduce congressional leverage in the negotiations.

Mr. Speaker, American workers have good reason to be nervous about granting fast-track authority to the administration. At the heart of the fast-track issue is a question of trust. Should Congress surrender its negotiating authority and trust an administration that has a long track record of failing to protect American workers and American interests?

I remind you that this is the same administration that has demonstrated very little concern for those American workers who have already been displaced by a declining defense budget, the recession, and foreign competition. In fact, the President's budget request for fiscal year 1992 proposes the elimination of the Trade Adjustment Assistance Act [TAA], a program which provides training for workers dislocated by foreign competition.

Moreover, none of the $200 million in defense conversion assistance that was passed by Congress and signed by the President last fall has yet been dispersed, a full 6 months into the fiscal year. Even Vice President QUAYLE's crowning legislative achievement, the Job Training Partnership Act [JTPA], is slated for sharp reductions. According to the Department of Labor, if the President's fiscal year 1992 budget request were to be approved by Congress, 224,000 fewer Americans would benefit from JTPA employment and training programs next year.

This is the same administration that only days ago opposed amendments to the defense authorization bill that would begin to require that our allies pay their fair share of our mutual defense costs. These were amendments which merely required the administration to begin negotiations on cost-sharing agreements with countries on whose defense we already spend billions of American taxpayer dollars. If this administration will not confront our allies, how can we have confidence that it will stand up to our toughest trading partners to protect American economic interests? How can we be certain that American workers will not be left footing the bill?

Mr. Speaker, if in fact we are negotiating a North American free-trade agreement for its overall long-term benefit to our economy, then our entire society should bear the burden of the transitional costs. Studies have indicated that the economic impact of a free-trade agreement with Mexico would fall heavily on workers employed in such areas of our economy as the automobile industry, the textile industry, and the glassware industry. I am unwilling to allow these vulnerable American workers to hang in the wind, anchored only by flimsy and half-hearted promises from the administration. There must be concrete and definitive transition mechanisms in place to assist those who might be displaced as a result of a new set of trading rules.

A free-trade agreement requires a full and open debate to identify its effect on economic growth, wages, income distribution, the environment, and quality of life in both countries. Such a debate cannot occur under the fast-track process. The administration is essentially asking Congress for a blank check to negotiate a free-trade agreement with Mexico, an agreement that has been acknowledged as being unprecedented in our history. Without question, the economic and social upheaval that is envisaged by such a pact deserves more consideration, examination, and debate in the Congress and the Nation than the fast-track process would allow.

I strongly urge passage of the Dorgan resolution of disapproval for fast-track trade authority.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Speaker, I rise in strong support of the Dorgan amendment.

Mr. Speaker, today, I will vote against the administration's request for extension of fast-track authority to negotiations for the United States-Mexico Free-Trade Agreement and the Uruguay round of GATT. While I applaud the objectives of the United States-Mexico negotiations—a North American free-trade zone including Mexico, Canada, and the United States with 360 million people and combined output of $6 trillion—and those of the GATT negotiations—reducing international barriers to free trade—fast track is the wrong track to achieve these goals.

The issue before us is not only free trade. A vote for fast track is a vote against American interests, because it will lock Congress out of U.S. trade policy, it will result in thousands of American job losses, and it will accelerate environmental degradation. For these reasons, as a proud free trader, I am voting against fast track.

Fast track would limit full debate on the critical issues raised in the negotiations. By giving Congress only two options: A "yes" or "no" vote, fast track would unfairly restrict the say of Congress in discussions about our Nation's economic future. Our founding fathers would shudder at the thought of an agreement with so great an impact on American lives not subject to the consideration of elected representatives. If the President has his way, only appointed officials will determine what is best for our Nation in trade negotiations.

We have received no assurance from the President that his negotiators will protect American jobs. Thus, fast track would mean workers from my district in Wisconsin, and every other district in the United States, will lose their jobs to Mexico's exploited and underpaid work force. A half-million American jobs have migrated south to the Maquiladora region since 1980 without a free-trade agreement. Without congressional debate, I can only guess how many more jobs will leave our districts for Mexico, where some workers still earn less than $1 an hour, compared to around $14 an hour in this country. Times are tough enough in our country for working people. The last thing we need in a recession is to send our jobs to Mexico, which is what the President and his negotiators would do if they get their way.

We have received no assurance from the President that his negotiators will protect the environment. Thus, fast track would worsen and export the environmental disaster in the Maquiladora region to the United States. The Mexican Government's unwillingness and inability to enforce acceptable standards for water pollution and toxic waste has resulted in a near-epidemic of hepatitis in the border region. Under fast track, the number of unregulated companies operating in the Maquiladoras would increase substantially at the expense of health and the environment.

Mr. Speaker, by voting against fast track today, I am voting for American interests. I am voting for congressional input in American trade policy, for saving America's jobs, and for protecting America's environment. I urge my colleagues to join me in defeating fast-track and putting trade policy on the right track.

Mr. BEILENSON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Missouri [Ms. HORN].

Ms. HORN. Mr. Speaker, I rise in support of the Dorgan amendment and in opposition to fast track.

Mr. Speaker, I will vote against extending the administration's fast-track authority. If this position should prevail, I will vote to extend fast track for the continuation of the GATT talks. If the Dorgan resolution to disapprove fast-track authority should not prevail, I will vote for the Gephardt-Rostenkowski resolution.

I support the goals of a North American free-trade agreement. I strongly believe that we exist in a global market and that we must work to eliminate tariff and nontariff barriers to fair trade among all nations. I will work toward that end.

How do I, then, reconcile my vote against the fast track and my support for a NAFTA?

Fast track defines a process. It sets limits on the ability of Members of Congress—on behalf of their constituents—to participate fully in the negotiations with Mexico. The administration needs the streamlined advantage of this process for GATT. But, Mexico is one country—and it is a country that will benefit greatly from the new investment and trade resulting from a NAFTA. Mexico has enormous incentives to come to the table with the United States and Canada—with or without fast track.

President Salinas has shown a refreshing willingness to start addressing some of the severe problems in his country. He faces huge debt, high unemployment, a rapidly growing population, significant illiteracy, and strong political opposition from those in his own country who do not share his goals.

Mexico desperately needs an infusion of international investment to grow economically. However, investors are concerned about a history of political instability and the continued threat of nationalization in Mexico. President Salinas urges an agreement because Mexico needs to increase the confidence level of foreign investors in the Mexican economy. He knows the United States, under a North American trade agreement, will in effect guarantee these investments.

As the world becomes a global marketplace, businesses here continue to pursue a low-wage strategy in an attempt to stay competitive—rather than increasing productivity. In forming the European Community, a high-wage strategy has been the norm for its members. There was significantly less of a disparity in wages and living standards among the EC members when they began to negotiate 30 years ago than there is today between the United States and Canada and our southern neighbor, Mexico. The EC achieved agreement with the goals of higher wages and a better life for all intact.

But, almost 30 million Mexicans wait to accept wages one-seventh of United States wages. We've already lost hundreds of thousands of jobs to the Maquiladoras on the Mexican border. Is it enough to promise our American workers that new jobs in high-technology manufactuirng and high-value industries will develop to fill the gaps? As we stand here today, Mr. Speaker, this is a policy of rhetoric because the transition track is just not in place.

We do not have a comprehensive approach for identifying the industries and jobs of the future, or for assisting businesses and workers in retraining or job development today. The administration has promised in the past to support and utilize programs for retraining displaced workers. There is no track record for that promise, and little reason to believe things will change.

Congress has continually authorized and appropriated funds for retraining and economic assistance to businesses and workers displaced by trade or economic decline—only to have them ignored or delayed by the agency ordered to implement them. For example, in the St. Louis area, nearly 10,000 jobs at McDonnell Douglas, 1,500 at TWA, and thousands in the auto industry were lost in the past year. These numbers recognize only the largest employers—not the layoffs at the suppliers and service providers caught in the domino effects of the recession and these cuts.

Yet, money for local retraining and economic assistance programs, authorized in the DOD, was held up until Congress prepared to question the delays in committee hearings last week. This aid was supposed to be for workers laid off nearly a year ago—workers whose unemployment compensation ran out months ago. Funds received from the Department of Labor, although more timely, have also run dry. When do we plan to put jobs into place for the workers out of work today? How can we risk further massive moves of our businesses to the low-wage promise of Mexico while we lack the policies and the political will to identify where the high-wage jobs of the future are for this country's workers?

We badly need ongoing, operative Federal programs for technology transfer and commercialization now. We are already in a global economy where lower skilled jobs are moving offshore. We owe hard-working Americans more than a promise that their skills will be used for the new specialized and high-technology manufacturing jobs that will remain here.

For these reasons, I do not believe the fast-track process is either necessary or in our best interest as we negotiate with Mexico. We need, instead a fast track for U.S. economic development policies to support our workers and businesses. In the meantime, I will continue to work for a mutually beneficial free-trade agreement for all of North America.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I rise in support of the blue-collar working men and women of this country and in support of the Dorgan amendment. I oppose fast track.

Mr. Speaker, in considering which way to vote on this critical issue, I had to confront two sides of an argument that were both extraordinarily convincing. The merits of fair trade are well-recognized, and the concerns of the working men and women of this country are of paramount importance to me.

My decision hinged on the simple moral necessity of representing my constituents, who have reminded me in extraordinary numbers that I am here in Congress to speak for them, especially on issues that affect their economic survival. Since it was the working men and women of Indiana's Third District who are responsible for my ability to serve here today, I will not fail them by giving away their voice.

Mr. Speaker, we must vote for the Dorgan resolution, and defeat the fast-track proposal.

There is no more important element in our current international trade agenda than the GATT treaty. GATT is critical to our survival in international trade. We need GATT to protect our intellectual property rights, open and maintain markets for our financial institutions, insurance companies, and other service industries, maintain a competitive edge for United States goods, fight unfair subsidies that hurt our farmers, and ensure that countries like Japan play fair on the international trading field.

But Mexico must be addressed as a separate entity in our trade picture. An agreement with Mexico is going to have a profound impact on this country, and without careful consideration, will have a devastating impact on the working people of Indiana and the entire Midwest.

The competition of the future is not only strong trading states like Japan and Germany, but trade unions such as the European Community and the Pacific rim.

The larger picture mandates that we not just start a local trade pact with our neighbors Mexico and Canada. We must proceed slowly, diligently, using our time and resources to create an agreement with both Canada and Mexico that will form our own collective trading community capable of competing with other regional trade powers. We can and must work inside and outside North America. Congress has an obligation to oversee the careful construction of a local trade zone equally capable of competing as others.

Mr. Speaker, in supporting the Dorgan resolution, we are speaking out for the rights of people who have all but been ignored in the legislative process: our people who work in manufacturing and blue-collar jobs. I am sick and tired of government paying lipservice to the people who build this country into a world industrial power. They ask for no special treatment, they ask for no favors, they do not want a free ride. All they want, Mr. Speaker, all that they want is to keep their jobs so that they can support themselves and take care of their families. And yet they are being ignored.

How is it that the backbone of our country has lost its right to work? The folks in my district lose their jobs when the old factories close, and, if they can find work, it is in other old factories, never in new factories, never in new jobs.

Mr. Speaker, this is a tragic symbol of where our priorities are going, and how we are shepherding our own futures. Government, business, and labor all have a social responsibility to our working people. We must restore our commitment to our working class and to innovation in our manufacturing sector. Without our backbone, how long can this country stand erect and proud?

I want to thank the many people, Mr. Speaker, workers, farmers, and business people who took the time and trouble to contact me on this issue before us today. Both sides articulated their arguments effectively and intelligently.

But the overwhelming majority of them are the working people of my district, who simply want the ability to support themselves and raise their families. To them, I owe my support, and I must speak with their voice. The Indiana Farmers Union, the Family Farm Coalition, the Midwest Dairy Farmers, the environmental groups, and, most importantly, the working men and women of Indiana. They find no reassurance in a free trade agreement with Mexico, and their fears need to be given voice. They are worried about losing their jobs, and I am here to protect those jobs. In order to do that, I must vote no on fast track as long as GATT and Mexico are intertwined.

Mr. Speaker, the voice of America is clear, and it is saying no to fast track. For us to respond in any other way is an abrogation of our responsibilities to our primary constituency, the working people of the United States. A vote for fast track is a vote to make our primary export American jobs. This is wrong, and I urge my colleagues to pass Dorgan and stop fast track in its tracks.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. BRUCE].

Mr. BRUCE. Mr. Speaker, I rise today in support of the Dorgan resolution. I do so because of my opposition to the application of fast-track procedures to the United States-Mexico Free-Trade Agreement.

I had hoped that the issue of fast track for the General Agreement on Trade and Tariffs [GATT] would be split from fast track for the Mexico Free-Trade Agreement.

I believe strongly that GATT could be considered under fast-track procedures because it is a multinational agreement involving more than 107 countries. And we have more than four decades of negotiating background to utilize in solving disputes.

With the Mexico Free-Trade Agreement a different situation is presented. This is an agreement between just two countries and it is our first major agreement. In such a situation, especially in light of the disparity between our two economies, I do not believe that the President should be given free rein to write a document of first impression and present it to the Congress on a take it or leave it basis, with no room for amendment.

The Constitution invests in Congress the duty and obligation to establish and regulate trade. Clearly Congress cannot carry out its constitutional duty under fast-track procedures, and therefore fast track should have been rejected for any agreement with Mexico.

But the vote I face today is not on just GATT or just Mexico, but on both. Because of my strong feeling about the place of Congress in the Constitution, I cannot suport fast track for both. Therefore, I support the Dorgan amendment. However, since I support fast track for GATT, I will address my comments only to the Mexico portion of this resolution.

The Dorgan resolution addresses the fundamental question of who will set the agenda in this Nation's trade negotiations with Mexico. The trade agenda can be set by the administration or by Congress.

When our Forefathers wrote our present Constitution, the country had just come through 10 years of governance under the poorly considered Articles of Confederation. To clarify the roles of the different branches of Government, they designated specific areas of influence. Command of the military and the conduct of war were entrusted to the President. But the determination of when and against whom to wage war were entrusted to the democratic processes of the Congress. Similarly, command of the executive agencies of Customs and Commerce which enforce this Nation's domestic and international trade policies were given to the President. But, the determination of those policies and what constitutes our trade agenda was entrusted to the legislative mechanisms of Congress.

The Dorgan resolution returns the legislative and executive branches to their proper roles of policymaking and policy implementation for the United States-Mexico Free-Trade Agreement. It allows Congress, with the advice of the administration, to set the agenda and goals for negotiations and charges the administration with carrying out and implementing that agenda by negotiating an agreement which meets Congress' goals.

Such an outcome is impossible if the fast-track procedure is applied to the Mexican agreement. The fast-track procedure allows the administration to undermine the intent of the Constitution by letting the President, rather than the Congress, formulate the goals and direction of this country's trade policy, implement those goals through trade negotiations, and submit those proposals to Congress for a yes or no vote. Without the ability to amend an agreement, Congress is placed in an essentially reactive position. We simply cannot fulfill our constitutional responsibility to formulate trade policy if our only options are yes or no.

For years there was consensus between Congress and the administration on the tenor and aim of trade policy. However, with the Mexico trade agreement, it has become increasingly clear from the statements of my colleagues and the administration that these views have begun to diverge and that we are essentially being presented with two agendas. The battle over fast track for the Mexican agreement will determine which of these agendas prevail.

The administration is pursuing a narrow agenda. It wants a United States-Mexico Free-Trade Agreement that includes tariff and nontariff barriers, investment restrictions, rules of origin, dispute settlement, and intellectual property protections. This agenda is aimed at creating a hospitable climate for investment in Mexico. Our economy already has low tariffs, few nontariff barriers, minimal restrictions on foreign investment, and strong intellectual property protections. These items are on the agenda because they are problematic for businesses operating in Mexico. In return for these concessions, Mexico would be guaranteed access to the American market.

The narrow agenda of the administration ignores conditions in Mexico which are exacerbated by United States companies operating there. Recent articles in the Wall Street Journal and U.S. News & World Report vividly illustrate these problems. Toxic wastes and raw sewage flow through open canals and into the public water supply. Workers and their unborn children are harmed by working conditions which expose them to toxic substances and dangerous machinery with little or no protection. On paper, Mexican labor and environmental protection laws are as stringent as our own. In practice, however, these laws are seldom strictly enforced. This practice of not enforcing laws to attract foreign investment constitutes nothing less than a regulatory subsidy.

Businesses operating in the United States spend more than $95 billion annually to protect workers and the environment, a cost demanded and borne by all U.S. citizens. Mexican companies spend almost nothing and the Government allows it.

Lax enforcement is a hidden subsidy which entices businesses seeking to raise profit margins and lower operating costs to move to Mexico, while laying off workers and undermining the economy of this country. The administration is choosing to ignore this issue, and will continue to do that unless we—the Congress—intervene.

Americans have fought for, and come to expect, safe working conditions on the job and a healthy environment in which to live. Congress should insist on a comprehensive free-trade agreement which includes remedies and protections to ensure that environmental and workplace protections are given Mexican workers. And certainly, Congress should retain its prerogative to amend an agreement which does not contain adequate environmental and worker safety protections.

The Dorgan resolution does just that. It forces the agreement to undergo the normal procedures for legislative consideration in the House. In this way, we can produce a United States-Mexico Free-Trade Agreement between our two countries which is cognizant of and builds upon the common interests we share. I urge my colleagues to support the Dorgan resolution.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Mr. Speaker, I rise in support of the Dorgan amendment and opposed to fast track.

Mr. Speaker, I rise today to urge support for House Resolution 101, which would disapprove the President's request to extend fast-track trade negotiation procedures. The General Agreement on Tariffs and Trade [GATT] and the North American Free Trade Agreement [NAFTA] will have a profound affect on every sector of the U.S. economy. I believe that the Congress has a solemn obligation to ensure that the substance of these trade agreements is consistent with the long-term health of U.S. industry. Delegating this duty to a small group of trade negotiators would needlessly strip Congress of the authority it should keep in guiding the GATT and NAFTA treaties to a conclusion that is in this Nation's best interests.

There are those who argue that Congress would still retain the fundamental power to shape the agreements in the process of negotiation with the administration to come up with treaties that will muster sufficient support for approval. This is not convincing. We all know that the fast-track procedure is designed to make it extremely difficult to defeat the administration's trade treaty proposals. Plain and simple, fast track weakens this Congress' power, and weakens it so that Congress will be out of the loop on economic questions that we have no business delegating to others. I did not come here to give away my responsibility to make difficult decisions on this Nation's economic future.

I could spend a long time here explaining the specifics of why I don't think the administration's trade positions, which will be reflected in the GATT and NAFTA treaties, are in the long-term interest of the United States. For example, in textiles alone, we're prepared to give away 1.4 million textile jobs by the year 2001 and nearly two-thirds of the industry's production. In addition, we only have vague, unenforceable assurances that important worker health and safety and environmental concerns will be addressed.

I do not wish to address the substance of these concerns today, however, I only wish to emphasize that today we may be giving away our right, and indeed our duty, to fully examine and act on these many concerns. Our power lies in the ability to freely debate. Let's not constrain ourselves today and give that away.

Mr. BEILENSON. Mr. Speaker, I ask unanimous consent to yield my remaining 2 minutes to my friend, the gentleman from Florida [Mr. GIBBONS], and ask that he be given control of the 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. If no Member has no more than one speaker remaining, we will entertain closing statements. The first closing statement will be the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I yield my remaining minute to the gentleman from North Dakota [Mr. DORGAN].

The SPEAKER pro tempore. The gentleman from North Dakota [Mr. DORGAN] is now recognized for 2 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the generosity of my friend from California [Mr. HUNTER].

There is an old saying: the United States has never lost a war, but never won a conference. When I hear that, I am reminded somewhat of our trade policy in this country. We are told somehow that trade is too important and too confusing for the ordinary folks to get involved. We just need the experts to go do all this. This is just too murky an area for the rest of the citizens to understand.

So we are told we should just have elected officials go into a room someplace, behind closed doors, make a deal, then bring it back and tell Congress, "Take it or leave it, but don't change it."

Well, Mr. Speaker, all Members in this room ought to understand that country is off track. Things are not working well. We have lost our economic edge, and part of the economic problem we face in this country is our trade policy. In my judgment, it is a failure. We need a new direction, and we need a little nerve—to begin insisting on fair trade. We need a little nerve to insist that, finally, our negotiators stand up for the interests of our workers and our producers.

Yes, we need expanded trade. Yes, we need expanded opportunity. Yes, we need free trade. No one debates that. Yes, we also need to insist on fair trade agreements.

I am tired of seeing agreements with other countries that are unfair to our producers and our workers. It is time to exhibit the nerve to stand up. No, it is not xenophobic, as the minority leader suggests. No, it is not protectionist. No, it is not isolationist. It is our job as public officials to stand up for the economic interests of this country. Who else is going to do it? The Mexicans? The Japanese? The Germans? The Swedes? Of course not, that is our job. It is our country. It is in our interest to take the first sensible step in demanding fair treatment around the world.

We have been very generous with open market, and I do not propose to change that. I want our markets open to foreign foods, but I expect and demand that their markets will be open to our goods, as well, for that is the only way we can compete around the world. I expect and demand those who negotiate trade agreements will finally begin standing up for this country's interests, and insisting on those open markets. Only then will this country regain its competitive edge.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 2 minutes.

Mr. DREIER of California. Mr. Speaker, I yield my remaining 2 minutes to the gentleman from Illinois [Mr. CRANE].

The SPEAKER pro tempore. The gentleman from Illinois [Mr. CRANE] is recognized for a total of 3½ minutes.

Mr. CRANE. Mr. Speaker, I yield the 3½ minutes to our distinguished colleague, the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, nearly 5 months ago this House voted to authorize the President of the United States to use force to fulfill our commitments to our allies in the Mideast and to enforce the resolutions of the United Nations. None of us, that evening, could have doubted either the consequences or the significance of the vote.

It was not only a vote which committed American forces to a deadly conflict. It was no less a reaffirmation of the principles and values this country has cherished for two centuries. It was a statement that the United States is not prepared to leave the world stage. It was a reassertion of our political leadership.

The vote we cast today is no less important. With this vote the United States will determine its economic future. We will decide if we are prepared to lead economically, as well as politically. We will cast a vote as to whether we have confidence in American workers and American management to compete in what is undeniably an increasingly tough global economy.

Some have argued that denying fast track is not a rejection of free trade with Mexico and Canada, but simply a reassertion of congressional perogatives in trade. Don't be fooled by that argument.

Article I, section 8 of the Constitution vests authority to regulate foreign commerce with the Congress. But article II gives the President exclusive power to negotiate international agreements. Fast track is nothing more than a realistic merging of these conflicting powers in complex trade negotiations that could not have been envisioned by our Founding Fathers.

Fast track has worked. It has worked with GATT negotiations, with free trade negotiations with Israel and Canada. Its absence in the Caribbean Basin Initiative was painfully obvious as this Congress dashed the hopes and dreams of our Caribbean neighbors and gutted more than 90 percent of the agreement.

Then there are the substantive arguments about trade with Mexico. It is said by some that we can't compete because of lower wages in Mexico. That argument denies reality. Even as Mexican tariffs have come down, they remain twice our own. Yet, in 3 years we have more than doubled our exports to Mexico and gone from a $5 billion nonoil trade deficit to a surplus.

As any economist and any business person knows—and as Members of Congress should know—there is much more to the decision about locating a plant than simply wage rates. If wages were the sole criteria, then Haiti, with some of the lowest wages in the world, would be the manufacturing capital of the Western Hemisphere.

Others have argued that environmental standards are insufficient. While such statements reflect an ignorance of recent environmental legislation in Mexico and of the dramatic efforts to improve enforcement, no one would argue that major problems do not exist, or that enforcement is still lacking. I represent a border district where we struggle to cope with these problems every day.

I would ask the opponents this question: How do you expect environmental enforcement to be improved if the country does not have more wealth and thus more resources to tackle the problems? How do we achieve better cooperation on border environmental problems if we turn our back on improved trade ties? Do we tell Mexico they must solve their environmental problems to our satisfaction before they can be allowed to lift themselves from poverty?

The economic benefits for both countries are clear. The political benefits are equally obvious. I understand that no Member of Congress can cast their vote on trade because of political implications in another country or another region. We must vote for what is right for our district, for the United States.

But we cannot be unaware of the political consequences of this vote, either. It is not just about Mexico. It is about all of Latin America. For years we have preached to Latin American countries the benefits of our market economy. We have urged them to privatize their inefficient state-owned industries. We have prodded them to lift the stultifying hand of government regulation. We have waxed eloquently about democratic reforms.

No country has responded more openly, more fully, more dramatically than Mexico. Are we now to tell them it is not enough? Are we going to say the reward for reform is the back of our hand?

But, in the final analysis, this vote is about ourselves—how we view ourselves as a people and how we view our future as a nation. As President Salinas said in a meeting recently with a group of Congressmen: How could it be that country that was willing to confront the political challenge of Saddam Hussein, a country prepared to commit its military might to wrest the fruits of aggression from a tyrant, how could it be that such a country would shrink from talking to its small neighbor to the South about improved trade, about increasing the economic benefits for the citizens of both countries?

President Salinas, President Bush, we will give you that answer today. Our answer will be the United States does not fear its future. We do not shirk from our economic responsibilities. We will vote for embarking on this path toward a better life for the citizens of Mexico, Canada, and the United States.

I was urge a "no" vote on H.R. 101.

Mr. GIBBONS. Mr. Speaker, I want to say as we close this historic debate, no one deserves more credit than the gentleman in the well, the gentleman from Arizona [Mr. KOLBE] and the gentleman from New Mexico [Mr. RICHARDSON], to whom I yield the rest of my time.

Mr. Speaker, I yield the balance of our time to the gentleman from New Mexico [Mr. RICHARDSON] to close the debate.

Mr. RICHARDSON. Mr. Speaker, I thank the gentleman for yielding me this time. Without the gentleman's help and without the chairman of the Committee on Ways and Means, this would not be possible.

Mr. Speaker, I come to this well as a Democrat with a 95-percent career AFL/CIO record, with a 90-percent environmental record.

I say that this issue is not partisan. It is bipartisan. A sizable number of Democrats will be supporting this initiative. I also say that a sizable number of Hispanics around this country want this agreement and a majority of the Hispanic Caucus today will be supporting it also.

This has been a good debate. The gentleman from North Dakota [Mr. DORGAN] and the gentleman from Ohio [Mr. PEASE] have made good arguments and it has been a positive debate; but as I look around, I say to myself and I hear the words of my colleagues, why are we so afraid of Mexico? Its economy is 130th as big as ours. One-half of our Latin American trade is from Mexico. Seventy cents of every dollar that Mexico exports is spent in the United States, 70 cents. In the last 4 years, our exports have doubled to Mexico, $12.4 billion in 1986 to $29.4 billion right now; 264,000 American jobs have been created.

My colleague, the gentleman from Texas [Mr. COLEMAN] talked about border States. We have had bad economies with the peso devaluation. This is a big boost for us in the border, with all due respect for our colleagues from the Midwest who are concerned; but the issue here is who do we trust? There are three entities, the Congress, the administration, and the Mexicans.

With the Congress, the Gephardt-Rostenkowski provisions that deal with worker rights, that deal with environmental protection, that deal with rules of origin, give us assurances that for the first time we will have a free-trade agreement where the Congress will have maximum input, and if necessary the rules will be changed to amend the treaty.

The Bush administration I think has shown good faith. They have made an effort to deal with worker rights. They said we are ready to have worker retraining and adjustment assistance. They said we are ready to have environmentalists on the negotiating team. They have said that we are ready to have a border development plan for the environment. Major environmental organizations have endorsed this fast track, the Audubon Society, the National Resources Defense Council, the National Wildlife Federation.

The Mexicans. I have heard some of my colleagues who think we are talking about a country that is not friendly. Here is a Mexican President who has privatized, that pays his debts to the United States, who is trying to root out corruption, who is trying to improve the lot of his people, and we are going to send a message to him that no, we do not want to have free trade with you?

I say this is a critical vote. I say to all my colleagues in the Congress, let us not isolate ourselves as a country. Let us not be protectionist. Let us vote for fast track.

EXECUTIVE SUMMARY

In letters to the President from Chairmen BENTSEN and ROSTENKOWSKI, and from Majority Leader GEPHARDT, the Administration has been asked to address a variety of economic, labor, and environmental concerns that have been raised about the proposed North American Free-Trade Agreement [NAFTA]. The Administration's response sets forth detailed action plans for addressing these concerns, as well as views on the economic impact of a NAFTA.

THE POSITIVE ECONOMIC IMPACT OF A NAFTA

From 1986 to 1990, as Mexico reduced import barriers, with barriers our exports more than doubled from $12.4 billion to $28.4 billion, generating 264,000 additional U.S. jobs.

Under a NAFTA, we can do even better. Mexico still has higher trade barriers than the U.S. Mexico's average duty is 10% compared to 4% in the U.S. Significant nontariff barriers remain. We therefore have much to gain from the elimination of these barriers.

All three major economic analyses done to date corroborate that the U.S. will benefit from a NAFTA in exports, output, and employment.

We will benefit from Mexican growth: for each dollar Mexico spends on imports, 70 cents is spent on U.S. goods; for each dollar of GNP growth, 15 cents is spent on U.S. goods.

Further, the resulting economic integration will strengthen the ability of the United States to compete with Japan and the EC.

ADJUSTMENT PROVISIONS WE WILL SEEK IN THE NAFTA

Transition Measures

In order to avoid dislocations to industries and workers producing goods that are import-sensitive, tariffs and nontariff barriers on such products should be eliminated in small increments over a time period sufficient to ensure orderly adjustment.

In determining import sensitivity, we will rely heavily on advice of the International Trade Commission, the Congress, and the private sector.

We will be prepared to consider transition periods beyond those in the United States-Canada FTA.

Effective Safeguard Provisions

Even where reductions in tariffs and other trade barriers are staged over a lengthy period, there may be isolated cases in which injurious increases in imports could occur. To prevent injury from such increases, we will seek to include in the agreement a procedure allowing temporary reimposition of duties and other restrictions.

This mechanism should be designed to respond quickly, especially in cases of sudden import increases.

Special snap-back provisions should be included to address the unique problems faced by producers of perishable products.

Strict Rules of Origins

We will negotiate rules of origin to ensure that the benefits of a NAFTA do not flow to mere pass-through operations exporting third-country products to the U.S. with only minimal assembly in Mexico.

Rules of origin will impose clear, tough, and predictable standards to the benefit of North American products.

We will seek to strengthen the required North American content for assembled automotive products.

We will consult closely with the private sector and the Congress in designing these rules.

DOMESTIC WORKER ADJUSTMENT PROGRAM

Since trade barriers on sensitive products should be decreased over a long timeframe, we do not expect immediate or substantial job dislocations.

Nevertheless, beyond including adjustment provisions in the NAFTA itself, there is a need to assist dislocated workers who may have adjustment difficulties.

The Administration is committed to working with Congress to ensure a worker adjustment program that is adequately funded and that provides effective services to workers who may lose their jobs as a result of an agreement with Mexico.

Whether provided through the improvement or expansion of an existing program or through the creation of a new program, worker adjustment measures should be targeted to provide dislocated workers with comprehensive services in a timely fashion.

LABOR ISSUES

Labor Mobility

We have agreed with Mexico that labor mobility and our immigration laws are not on the table in NAFTA talks, with the possible exception of a narrow provision facilitating temporary entry of certain professionals and managers.

Worker Rights and Labor Standards

Protections afforded by Mexican labor law and practice are stronger than generally known.

Mexico's laws provide comprehensive rights and standards for workers in all sectors, including the maquiladoras.

Mexico has ratified 73 International Labor Organization conventions on worker rights, including those on occupational safety and health.

Mexico has a minimum worker age of 14 and mandates special protections and shorter working hours for those between the ages of 14 and 16.

A substantially higher proportion of the Mexican workforce is unionized than is the U.S. workforce.

While enforcement problems have resulted largely from a lack of resources, a NAFTA would both raise living standards and create resources for enforcing existing laws.

Future United States Cooperation on Labor Matters

Memorandum of understanding

The Secretary of Labor and her counterpart from Mexico are prepared to sign a Memorandum of Understanding providing for cooperation and joint action on a number of labor issues which could be implemented in parallel with our FTA negotiations.

These include health and safety measures; work conditions, including labor standards and enforcement; labor conflicts; labor statistics; and other areas of concern to the United States and Mexico.

Specific projects

U.S. and Mexican officials have agreed on joint projects to address specific concerns in the labor sector.

Initial projects include: occupational health and safety; child labor; and labor statistics.

ENVIRONMENTAL ISSUES

Mexico's Commitment to Environmental Protection

Mexico has no interest in becoming a pollution haven for U.S. companies.

Mexico's comprehensive environmental law of 1988, which is based on U.S. law and experience, is a solid foundation for tackling its environmental problems.

All new investments are being held to these higher legal standards and an environmental impact assessment is required to show how they will comply.

Enforcement has in the past been a key problem, but Mexico's record has been improving dramatically. Since 1989, Mexico has ordered more than 980 temporary and 82 permanent shut-downs of industrial facilities for environmental violations; the budget of SEDUE—Mexico's EPA—has increased almost eightfold.

Environmental Issues in the NAFTA

Protection of Health and Safety

We will ensure that our right to safeguard the environment is preserved in the NAFTA.

We will maintain the right to exclude any products that do not meet our health or safety requirements, and we will continue to enforce those requirements.

We will maintain our right to impose stringent pesticide, energy conservation, toxic waste, and health and safety standards.

We will maintain our rights, consistent with other international obligations, to limit trade in products controlled by international treaties (such as treaties on endangered species or protection of the ozone layer).

Enhancement and Enforcement of Standards

We will seek a commitment to work together with Mexico to enhance environmental, health, and safety standards regarding products, and to promote their enforcement.

We will provide for full public and scientific scrutiny of any changes to standards before they are implemented.

We will provide for consultations on enhancing enforcement capability, inspection training, monitoring, and verification.

Joint Environmental Initiatives

In parallel to the FTA negotiations, we intend to pursue an ambitious program of cooperation on a wide range of environmental matters.

We will design and implement an integrated border environmental plan to address air and water pollution, hazardous wastes, chemical spills, pesticides, and enforcement.

During the design phase of the border plan, there will be an opportunity for public comment and hearings; during implementation, there will be periodic comprehensive reviews.

We will consult on national environmental standards and regulations, and will provide an opportunity for the public to submit data on alleged noncompliance.

We will discuss expanded cooperative enforcement activities, such as coordinated targeting of environmental violators.

We will establish a program of technical cooperation and training, which will include facilitating sharing of technology for pollution abatement.

Informed Policymaking and Public Participation

We will broaden public participation in the formulation and implementation of trade policy to ensure that efforts to liberalize trade are consistent with sound environmental practices.

We will appoint individuals to selected trade policy advisory committees who can contribute both an environmental perspective and substantive expertise.

In consultation with interested members of the public, we will complete a review of United States-Mexico environmental issues, with particular emphasis on possible environmental effects of the NAFTA, to enable U.S. officials to consider the results during FTA negotiations and other bilateral efforts.

UNITED STATES-MEXICO TRADE FACTS

Exports and the U.S. Economy

In the last 4 years, U.S. merchandise exports have expanded by $178 billion, accounting for over 40 percent of GNP growth.

In 1990, export expansion accounted for 84 percent of GNP growth.

Mexico—Our Fastest Growing Export Market

In joining the GATT in 1986, Mexico bound its top tariff at 50 percent. Since 1986, Mexico has lowered its top applied rate to 20 percent.

The trade-weighted average of Mexican tariffs applied to imports from the U.S. has fallen by more than half, from 25 percent in 1985 to about 10 percent today.

Mexico is now America's fastest growing major export market.

U.S. merchandise exports to Mexico have risen from $12 billion in 1986 to $28 billion in 1990, a gain of nearly 130 percent. This increase is twice as fast as the overall U.S. export growth rate.

Mexico is our third largest trading partner.

The U.S. sells more per capita to Mexicans, $350, than to the far wealthier people of the EC, $266.

U.S. agricultural exports to Mexico, our 4th largest market for agricultural products, totalled $2.5 billion in 1990, a rise of 134 percent since 1986.

Consumer goods' exports from the United States to Mexico have tripled since 1986, rising from $1 billion to $3 billion.

U.S. exports of capital goods to Mexico have grown from $5 billion in 1986 to about $9.5 billion in 1990.

Since 1986, U.S. exports for final consumption in Mexico have been growing nearly 60 percent faster than U.S. exports of components for assembly in maquiladora plants.

In 1989, the latest year currently available, less than one-quarter—24.2 percent—of U.S. exports to Mexico were components for assembly in maquiladora plants.

The Department of Commerce estimates that the expansion of U.S. exports to Mexico over the period 1986 to 1990 has added 264,000 export-related jobs in the United States. In 1990, 538,000 U.S. jobs were related to merchandise exports to Mexico.

Each billion dollars in exports to Mexico adds almost 20,000—$19,600 in 1990—export-related jobs in the United States.

The U.S. bilateral merchandise trade deficit with Mexico has fallen from $4.9 billion in 1986 to $1.8 billion in 1990. Excluding oil, the U.S. trade balance with Mexico has moved from a deficit of $1.5 billion in 1986 to a surplus of $2.7 billion in 1990.

With NAFTA, There is Great Potential for Additional Export Growth to Mexico

A NAFTA will create the world's largest free market, with 360 million consumers and a combined GNP of $6 trillion.

Despite recent trade liberalization, Mexico's trade-weighted average tariff—10 percent—remains 2½ times higher than the U.S. tariff average (4 percent).

Import licenses are still required on 40 percent of our agricultural export to Mexico.

Mexican performance requirements hamper U.S. exports especially in the auto sector. Mexico requires 36% local content in autos manufactured in-country, and forces auto companies to export auto products worth 2½ times the assembled vehicles they are allowed to import for sale in Mexico.

Although Mexico's population, at 85 million, is roughly one-third the population of the United States, its output is currently only 4 percent of the U.S. level.

Estimates show that Mexicans spend 15 cents of every additional dollar of income on imports from the United States.

The U.S. supplies 70 percent of Mexico's imports.

A NAFTA Will Have a Minimal Impact on Investment in the U.S.

United States direct investment in Mexico was an estimated $1.6 billion last year, representing less than 4 percent of United States direct investment in all foreign countries.

In 1989—latest year available—over 70 percent of United States direct investment in Mexico came from the reinvested earnings of United States subsidiaries in Mexico.

While average Mexican wages are roughly one-seventh United States wage levels, the average output per worker in Mexico is also roughly one-seventh the average output per United States worker.

COMPLETED ECONOMIC STUDIES OF NAFTA

The ITC Study

For the United States, an FTA with Mexico would expand exports, lower prices, increase competition and result in savings from larger scale of production.

U.S. real output and the real wages of both higher and lower skilled workers would increase.

The Clopper Almon Study

U.S. real GNP, exports and employment (up 64,000 jobs after 10 years) increase moderately due to an FTA. 48,000 additional jobs are created in manufacturing, 12,000 in agriculture.

After 10 years, U.S. exports to Mexico would be increased by $10 billion, U.S. imports from Mexico by $3 billion (at 1990 prices).

The Peat Marwick Study

Real income, wages and return on capital in the United States are all improved modestly.

Any decline in the U.S. trade balance with Mexico is more than offset by improvements in the U.S. trade balance with the rest of the world.

If the FTA leads to additional investment in Mexico, U.S. income, wages and return on capital increase even more than in the absence of added investment in Mexico.

The Hinojosa-Ojeda/Robinson Study

An FTA together with continued reform of the Mexican economy and added domestic and foreign investment in Mexico would significantly raise the real wages of the must vulnerable segments of the U.S. work force.

Real wages in Mexico would be increased, reducing the rate of immigration to the United States. Lower immigration results in less competition for rural and unskilled urban jobs. As a result, the real wage of these two groups increases by 1.8 percent. This scenario implies no reduction in the wage of union workers and a small (0.2 percent) increase in the wages of white collar workers.

MEXICO'S COMMITMENT TO ANTINARCOTICS EFFORTS

Mexican President Salinas, recognizing that illegal narcotics pose national security and public health threats to Mexico, has committed his government to an aggressive campaign against drugs.

In 1990, Mexico seized 48.5 metric tons of cocaine and increased eradication of marijuana and opium crops. Since Salinas took office in 1988, Mexico has seized 90 tons of cocaine.

Mexico increased its annual drug enforcement spending to nearly $77 million (antinarcotics budget has tripled in past three years).

Under President Salinas, U.S.-Mexican antinarcotics cooperation has reached unprecedented levels.

The Mutual Legal Assistance Treaty, which came into full force on May 3, 1991, provides a mechanism for more effective prosecution of international drug traffickers.

DEA agents work closely with the Mexican police providing information which helps Mexico stop smuggling operations.

Mexico has created a Northern Border Response Force (NBRF) to interdict cocaine-laden aircraft entering Mexico.

The NBRF works closely with U.S. law enforcement agencies and surveillance assets, responding to reports of drug flights with tracker aircraft, helicopters, and police.

The Mexican military is also involved in counter-narcotics operations.

One-quarter of the Mexican army is involved in anti-narcotics operations on a daily basis.

Mexican Army troops eradicated record levels of marijuana and opium in 1990.

Mexico toughened its anti-narcotics legislation in 1990, increasing penalties for trafficking and corruption.

500 Mexican officials dismissed for drug-related corruption; over 18,000 civilian arrests for narcotics offenses in the past year.

Major trafficking figures, previously believed to be above the law, have been arrested, convicted and jailed.

Caro Quintero, implicated in the murder of DEA agent Enrique Camarena, remains imprisoned.

Symbolic of Mexico's strong commitment in this area, ninety Mexican police officers and military have lost their lives during the past two years in the fight against drugs.

ECONOMIC IMPACT: GENERAL

The role of U.S.-Mexican trade to the U.S. economy has gained greater importance since Mexico began liberalizing its trade regulations in 1986. Through a Free Trade Agreement, we can negotiate greater access to the Mexican market for U.S. firms.

The doubling in U.S. exports to Mexico in response to Mexico's trade and economic reforms has already created an estimated 264,000 export-related jobs in the United States. Greater access to the Mexican market will permit increased exports from the United States, and create even more jobs.

Three important econometric studies have been done to estimate the impact of a Free Trade Agreement on the U.S. economy. These studies were done by the International Trade Commission, Dr. Clopper Almon of the University of Maryland under contract by the Labor Department, and KPMG Peat Marwick for the Mexico-U.S. Business Committee. All have shown that the United States would benefit for an agreement.

The Peat Marwick study, in particular, shows that a free trade agreement with Mexico would improve U.S. global competitiveness, including our overall trade balance. In addition, the Peat Marwick study estimates that there will be a net job gain in every state of the union, with at least 61,000 jobs being created in the U.S. as a result of an FTA with Mexico. Clopper Almon's study suggests similar job creation of 64,000 jobs. All of these studies indicate that the United States labor force would benefit from the FTA.

Without a free trade agreement, Mexico is not under obligation to keep its market open to U.S. products. The Peat Marwick study suggests that if Mexico returns to its pre-1986 trade restrictions, the United States will lose in terms of real rates of return, income levels, and competitiveness vis-a-vis the rest of the world.

Support for fast track will allow our negotiators the opportunity to prevent such a step backwards for both of our countries.

Since 1986, U.S. exports to Mexico have more than doubled from $12.4 billion in 1986 to $28.4 billion in 1990. This results from Mexico's reduction of trade barriers.

In 1986, when Mexico became a member of the General Agreements on Tariffs and Trade, it agreed to a top tariff rate of 50 percent. Since then, Mexico has voluntarily reduced its top applied tariff to 20 percent, but is only bound to a 50 percent ceiling.

Additionally, Mexico has made progress in reducing its non-tariff barriers. Import permits have been eliminated on all but 230 products.

Even though Mexico has made considerable progress in reduction of trade barriers, through negotiations for a free trade agreement we can make greater progress. For example, Mexico's average applied tariff is over 10 percent, compared to the U.S. average applied tariff of approximately 4 percent. Additionally, import licenses are still required on about 40% of our agricultural exports to Mexico.

A free trade agreement would ensure that Mexican tariffs are reduced, eventually to zero. In addition, we will negotiate further reductions in non-tariff barriers. Removal of these barriers will create greater opportunities for U.S. firms to better compete in the Mexican market.

One important econometric study done by KPMG Peat Marwick for the Mexico-U.S. Business Committee shows that U.S. exports to Mexico will increase in response to higher Mexican demand caused by an FTA. As a result of the increased demand in Mexico, U.S. Output and the real rate of return on capital in the United States will increase.

Not only will reductions in trade barriers between the United States, Mexico, and Canada permit greater trade between the three countries, it will better enable us to compete with the rest of the world. The Peat Marwick study shows that our balance of trade with the rest of the world will improve by $1.6 billion.

Should we fail to move ahead at this time, the Peat Marwick study suggests if Mexico returns to its pre-1986 trade restrictions, the United States will lose in terms of real rates of return, income levels, and competitiveness vis-a-vis the rest of the world.

Support for fast track will allow our negotiators the opportunity to prevent such a step backwards for both of our countries.

A NAFTA HAS LONG TERM, DYNAMIC EFFECTS ON U.S. AND MEXICAN GROWTH

An FTA will increase U.S. exports as remaining Mexican trade barriers fall. The Clopper Almon study predicts increased U.S. exports by $10 billion a year by the end of ten years.

Mexicans buy American products.

70 percent of what Mexican consumers spend on imports is spent on American goods.

Firms in Mexico are far more likely to buy U.S. capital goods and components than are firms in other countries. Approximately 75% of Mexico's imports of capital goods are from the U.S.

As Mexico becomes more wealthy through increased trade and investment, the United States will benefit from the dynamic gains of trade. Mexican consumers and firms with more resources will demand ever greater quantities and more sophisticated U.S. products.

Dornbusch from MIT has estimated that for every dollar of Mexican GNP growth, 15 cents is spent goods imported from the U.S.

These larger, longer term gains are not reflected in the current studies on the economic effects of an FTA.

FAST TRACK IS JUST AS IMPORTANT FOR BILATERAL AGREEMENTS

There is no justification for less favorable treatment of Mexico negotiations than Uruguay Round negotiations.

Fact track authority is essential for bilateral (or trilateral) trade negotiations, just as it is for larger multilateral negotiations.

The need for fast track arises from the number and complexity of different issues addressed and the number and diversity of domestic interests affected.

For example, a one-product agreement with 100 countries can be considerably easier to negotiate than a comprehensive bilateral agreement.

Any comprehensive trade agreement, bilateral or multilateral, involves widely divergent constituent economic interests. Consequently, they are vulnerable to legislative amendments which, while possibly small in themselves, run the risk of unravelling the entire agreement.

In order to achieve the kind of comprehensive, far-reaching agreement with Mexico and Canada that will truly liberalize trade in all areas of concern to the United States, the U.S. negotiators need to come to the negotiating table with the assurances that only fast track can provide: the agreement reached will be the agreement voted on at home.

EMBASSY OF MEXICO,
Washington, DC April 29, 1991.

Fast Track is indispensable for free trade negotiations between Mexico and the United States.

We firmly refute any suggestion that Dr. Blanco or any other Mexican official has stated that preservation of fast track is not essential for Mexico to participate in free trade negotiations with the United States.

The article which appeared in the Mexican press misquoted Dr. Blanco on this matter. The Government of Mexico considers fast track essential for its participation in free trade agreement negotiations with the United States.

It is therefore of the utmost importance to dispel any doubts that may have emerged concerning the position of the Mexican Government on this issue.

THAT TREATIES HAVE BEEN APPROVED WITHOUT FAST TRACK DOESN'T MEAN THAT FAST TRACK IS UNNECESSARY FOR TRADE AGREEMENTS

This treaty argument made by Mr. Dorgan and others is fallacious and misleading.

First, the procedure for the negotiation and approval of treaties is set out in the Constitution; the procedure for the negotiation and approval of trade agreement is not. Consequently, some accommodation between the branches is a constitutional necessity if we are to have an effective trade policy.

Second, fast track refers only to the congressional procedures for trade agreement implementing legislation. Of the 25 Treaties and Conventions cited by opponents of fast track, only 5 involved implementing legislation approved by both Houses of Congress. The other 20, while pursuing noble objectives such as arms control, had little if any direct effect on U.S. laws or the pocketbook of U.S. citizens.

Third, in each of these 5 cases, both the treaty and the legislation involved only a specific article (e.g., coffee, mind-altering drugs, endangered species), a single set of laws (copyrights) or established new authorities in one specific area (ship pollution, endangered species).

None involved the broad range of subject matter or implicated widely divergent constituent economic interests as do major trade agreements.

Consequently, none was vulnerable to the type of multiple legislative amendments that can unravel entire agreements.

Finally, under fast track the determination of whether a trade agreement is in the overall interest of the United States is still determined by Congress, and I might point out by both Houses of Congress, not just the Senate as is the case with treaties.

A NAFTA BENEFITS THE AMERICAN CONSUMER

An FTA not only will increase U.S. exports and create U.S. jobs, but will raise the living standard of the American consumer.

An FTA gives American consumer the freedom to buy the highest quality and lowest priced products available.

Protectionism wastes money and is an inefficient use of resources. An FTA transfers these resources back to the private sector—to the American producer and the American consumer.

An FTA extends the American principle of the free market across national boundaries. Free trade is not a zero sum game, it is a win-win proposition.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I would like to compliment my colleague for a very, very fine and comprehensive statement. I would like to associate myself with the gentleman's remarks.

Mr. RICHARDSON. Mr. Speaker, I thank the gentleman.

Finally, why is this important for the United States? First, more jobs for us, a larger market in Mexico for American products.

Second, a reduction of immigration coming into the United States.

Third, and perhaps the most important, the world is moving into trading blocks. GATT probably is not going to work. I hope it does.

Mr. Speaker, it is important that we approve fast track in this vote today.

Mr. GIBBONS. Mr. Speaker, after all these fine speeches, I yield back any time that I may have.

Mr. MOODY. Mr. Speaker, there is a serious confusion clouding the debate over fast track. Fast track is not the same as free trade.

I want to repeat that: Fast track is not synonomous with free trade.

I support free trade. My State of Wisconsin benefits enormously from free trade.

But I cannot support the administration's fast-track proposal for a free-trade agreement [FTA] with Mexico and, in order to support any such authority for the GATT talks, I need reassurances—that I have not yet received—that section 22 will not be traded away.

Regarding the GATT, I have long supported the key goals of the Uruguay round—to expand GATT to include services and investment, to strengthen intellectual property protection for American products sold around the world, and other steps. But I have serious concerns in the area of agriculture. I am concerned that, in our effort to encourage concessions from intransigent negotiating partners, we may be willing to trade away section 22. This is a program that is critical to American dairy producers and more important to the average dairy farmer than a GATT agreement. Having a dairy price support program without section 22 is like having a law without the means to enforce it.

I favor expanding free trade with Mexico. But I strongly oppose delegating complete negotiating authority to the President's team because of the concerns many of us have been raising for several months have not been adequately addressed by the President. His May 1 letter promises to take appropriate steps, to consult, to pursue parallel talks and take other steps. But there is no commitment to specific results in the key areas of concern: First, international worker rights; second, worker safety and health; third, child labor; fourth, the environment; fifth, wage disparity; sixth, rules of origin; seventh, safeguards against targeted export surges; and eighth, U.S. worker adjustment and retraining. The first four items are noteworthy because their fulfillment requires enforcement of laws that are on the books in Mexico but have not been enforced to date

The President also doesn't say how many resources he will commit to U.S. worker adjustment. He doesn't say what rule of origin he will pursue. Most importantly, he doesn't commit himself to defining Mexican violations of agreements in the first four areas as unfair trade practices.

The talks absolutely must spell out specific performance standards for the environment, international workers rights, and health and safety standards. And they must address them within the agreement. If they are on a separate track, that track needs to be completed before we consider a free-trade agreement—not after.

An FTA must also include a very strong rule of origin so that Mexico cannot become a platform for simple transshipment of Asian-produced and other goods to the United States market. But that is exactly the proposal that President Salinas outlined to the Pacific Basin Economic Council when he addressed them last week. President Bush believes that he has found a fellow disciple of free trade in President Salinas when, in fact, he has found an extremely savy pragmatist.

The administration has tried to dismiss opponents of fast track as simple protectionists. But in fact the administration is being economically naive by letting our national trade policy be guided by a dogmatic belief in free trade under any and all conditions. We really have no solid evidence to support the administration's claims that an FTA will yield significant gains.

The administration points to three studies to support its claim that this agreement will be a net winner for our country: the International Trade Commission, Clopper-Almon, and Peat-Marwick studies. But all three of these studies make two flawed assumptions. First, they assume full U.S. employment. This simply defines away the problem of job loss. Second, they assume zero shifts in investment. In other words, they assume that no United States-based facilities will pick up and move to Mexico as a result of much cheaper labor, poorly enforced environmental standards, and weak health and safety laws—all of which substantially lower the costs of production. This is economic naivete at its worst.

In fact, the ITC report itself concludes that "In the long run, and assuming that an FTA does not result in the equalization of wages and health, safety, and environmental standards," guarantees which the administration has refused to give us, "U.S. firms may accelerate the process of producing more finished machinery and equipment in Mexico." In other words, our fears of investment shift and loss of U.S. jobs will probably be confirmed.

To argue, as the administration does, that we need a North American free trade zone to be internationally competitive leaves one assumption unstated: we're paying American workers too much. The administration will never state it that baldly, but the key to their proposal is that free trade with Mexico will make us more competitive by pressuring down labor costs.

I'm convinced that a go slow approach is best for Mexican interests as well as ours. Environmental groups in Mexico insist that the trade agenda be expanded to include the environment but their views are not being heard. Independent labor groups not affiliated with the government oppose the agreement because they fear tremendous dislocations for Mexican agricultural workers and subsistence farmers. Their views are not being heard.

In fact, the majority of Mexicans won't have any voice in shaping the FTA. President Salinas would like to close this deal as soon as possible with relatively little domestic debate. The Chamber of Deputies won't even vote on the measure. The stakes are very high for President Salinas. Naturally he wants this agreement to shore up the waning prestige of the government party, the PRI, that has ruled in Mexico without interruption for 60 years.

If we really want to help Mexico move forward, then let's help them lighten its crushing debt burden, find the resources to provide targeted foreign aid, and help foster a vibrant, multiparty democracy in which all Mexicans can participate. Letting Mexico drain millions of manufacturing jobs out of America will only be another assault on working families in this country who have taken many hits in recent years.

I believe that a go slow approach is the right one for both Mexicans and Americans. Let's make sure that we address the issues that affect the quality of life of both our nations. Let's attempt to minimize the painful and wrenching dislocations that could result from changing investment patterns. Let's listen to the important views that exist within Mexico—both the powerful and the powerless in that country.

The administration claims that Mexican-American relations will suffer if we reject fast-track negotiations. But if we make a mess of this agreement and thousands of United States jobs are lost to Mexican workers who are not paid the full value of their work, the long-term costs to our relationship could be even greater.

Mr. GUNDERSON. Mr. Speaker, I rise in opposition to House Resolution 101, a resolution to reject extension of fast-track authority to the President, on the merits of the proper procedure Congress deserves to approve trade treaties.

Extension of fast-track authority—authorized by the 1988 Omnibus Trade Act—requested by the President for trade negotiations is the key to the United States securing any form of bilateral or multilateral trade agreement. If we intend to compete in an international economy and in international markets, concessions and compromises on trade distorting barriers are a must. Without the extension of fast-track, we basically throw away the possibility of achieving the goals of freer and fairer trade.

Fast track simply allows the President the ability to negotiate trade agreements in consultation with Congress and the private sector. Once an agreement is reached, Congress has the right to examine the accord and then accept or reject the final agreement with a "yes" or "no" vote. The President's request would extend this authority through June 1, 1993.

There is no denying that we now live in a global economy and that the future of our continued well-being, in part, hinges on the ability to construct long-term multilateral or bilateral trade agreements. The United States' ability to export its goods has become increasingly important to U.S. economic growth. The positive effect of global trade is clearly witnessed by the agriculture sector.

The opening of markets and removal of unfair trade practices is essential to developing a market-oriented global economy. Fast track authority is crucial to completing trade negotiations because it is a procedure that allows the President and U.S. negotiators to participate in negotiations with the assurance that the agreement reached internationally will be the same agreement voted on at home. I support fast-track because it gives our negotiators the credibility they need to be effective. How do you negotiate a treaty subject to audit by 535 Federal legislators?

At stake is our ability to have the necessary negotiating tool to successfully complete negotiations with trading partners through the Uruguay round of the General Agreement on Tariffs and Trade and to execute a North American Free-Trade Agreement. I believe both of these agreements will have wide-ranging, but positive affects for U.S. agriculture by reducing trade distorting barriers that hamper our ability to export agricultural commodities at profitable and undistorted world market prices.

U.S. agriculture exports totaled $40.1 billion in calendar year 1990, exporting over 150 million tons of agricultural products. Some 884,000 U.S. workers were used to produce agricultural exports in 1987. About 40 percent were farm workers and 7 percent were in agricultural services. Workers in food processing represent another 6 percent of the total. Much of the supporting labor demand, however, occurred outside agriculturally related industries. For example, 19 percent worked in the transportation and trade industries, moving agricultural products and the inputs required to produce them through the various stages of production and distribution. Another 28 percent worked in other industries throughout the economy, such as petroleum refining and container manufacturing. Do we need trade? Yes we do.

Representing the largest dairy producing region in the country, I sincerely appreciate the concerns of dairy producers about the prospects for liberalized dairy trading policies. But I am equally optimistic that given a freer and fairer trading environment, our dairy farmers and industry will gain additional market opportunities with improved environment for strengthened prices on the world market and domestic markets.

I only support the multilateral reduction and subsequent elimination of export subsidies so that our efficient U.S. producers can compete in a more market-oriented world economy. There will be a long transition period, yet to be determined, and safeguards so that producers are not put at a disadvantage.

North American Free-Trade Agreement and dairy—the impact of trade negotiations on dairy may be felt more through the North American Free-Trade Agreement with Mexico. Mexico is already the United States' largest customer for United States dairy exports. From 1985 through 1990, the United States averaged a positive dairy trade balance of $102.6 million. This trade represents an average 23 percent of the total U.S. dairy exports. The largest items exported to Mexico has been nonfat dry milk and milk and cream products.

There are good prospects to expand United States dairy product exports to Mexico for cheeses, yogurts, butter, whey, cream and fluid and powdered milk. The restraints to increasing exports revolve around Mexico's lack of sanitary standards, poor transportation infrastructure, lack of pasteurization capabilities, and government restrictions. Mexico retains high tariffs on some dairy products and protects its domestic industry with the use of import licenses.

There is potential for increasing dairy product exports to Mexico. Mexico now cannot meet its current demand for dairy products and as Mexicans prosper, demand will increase for high value products such as dairy products.

Mexico's production is limited by several factors including restrictive land ownership policies, lack of water resources and current milk price controls. Although there is an abundant labor force, it is not competitive with U.S. producers in animal genetics, feed supplies, and technology.

Mexico is Wisconsin's 10th largest trading partner. We have a track record with Mexico that we can build upon. Food products were second in exports to Mexico only to computers and industrial machinery. In 1989, food product exports to Mexico equalled $30 million, a 280-percent increase over 1987.

General Agreement on Tariffs and Trade and dairy—it's difficult at best to determine the outcome of a trade treaty because trade negotiations have yet to be made. In regard to the GATT negotiations, trade liberalization of world dairy export markets should result in a more accurate and more competitive world export market. The current world dairy market is so distorted by the European Community, the United States lacks the ability to compete fairly and profitably on the world market.

Currently, the European Community has 47 percent of the world dairy exports, all of which are subsidized with variable export refunds—direct subsidies—to ensure European Community dairy products are competitive with products in international markets. The European Community has a subsidy three times higher than the United States but then dumps its surplus dairy products on the export market. Total agriculture expenditures—domestic support and export subsidies—for the European Community were $36.25 billion in 1990. This is four times larger than the $8.48 billion committed by the United States. Export subsidies for the European Community alone were $11.53 billion compared to $280 million of U.S. support. This highlights the lack of market orientation in European Community agricultural support programs contrasted with the increasing market orientation of U.S. programs.

The objective of GATT is to convert nontariff trade barriers to tariffs and reduce them over a transition period. The initial U.S. proposal was a 75 percent reduction in barriers over 10 years. The European Community has indicated willingness to make a 30 percent reduction over 5 years. A Uruguay round would place no restrictions on support to producers that does not distort production and trade. Such support could be provided for producers who face lower returns as they adjust to a greater reliance on the market.

During a hearing before the House Agriculture Committee with the U.S. Trade Representative, I laid out these specific concerns relating to GATT negotiations and dairy which I am dedicated to seeing negotiated in a positive manner:

First, section 22 dairy import quotas would not be used as a bargaining tool for concessions outside of agriculture or for other nondairy negotiations.

Second, sanitary and phytosanitary regulations relating to dairy would be established with the confirmation that no country would be required to lower its food safety standards. The ability for countries to set their own standards should be reserved if based on science and which aren't disguised as barriers to trade.

If any trade agreement has the negative impact that some opponents of these negotiations state, then the trade agreement deserves to be rejected by Congress. But the success of our future will be affected by our ability to come to terms on trade barriers. Congress still reserves the right to thoroughly be involved in the trade negotiating process and it reserves the power to direct our trade negotiators toward freer and fairer trade agreements for the benefit of this country. We either prepare for the future or become a victim of the future.

Mr. GRADISON. Mr. Speaker, I rise in strong opposition to the disapproval resolution. This vote on the extension of fast-track authority is perhaps the most important vote on economic matters we will make in this Congress. The Uruguay round negotiations of the General Agreement on Tariffs and Trade [GATT] and a North American Free-Trade Agreement [NAFTA] hold out the possibility of great economic benefits for America. A vote now for the disapproval resolution is a vote to end these negotiations and to kill any agreements sight unseen. Let's allow our negotiators to bring home the best agreements they can, and then see if they are in our national interest.

Over the last few years, American companies have become increasingly competitive. Our export sector has grown dramatically, and is now one of the strongest sectors of the economy, accounting for over 80 percent of the growth in the economy last year and for over one-third of U.S. economic growth in the last 5 years. We need to continue and encourage this export trend. Disapproving fast track is a step in the wrong direction.

Ohio is one of the leading export States. Over 14 percent of Ohio's manufacturing employment is export related. Last year Ohio exported 16.6 billion dollars' worth of goods and services, an increase of 66 percent since 1987 when Ohio exported only 10 billion dollars' worth of goods and services. Half of Ohio's exports are machinery, transportation equipment, and high technology products and materials, all of which generate high-skilled, high-wage manufacturing jobs.

Mr. Speaker, my State stands to greatly benefit from freer trade, and a vote to disapprove fast track is a vote to preclude the possibility of opening new markets for our goods and to extend GATT rules to services, investment, an intellectual property on a worldwide basis.

Ohio is not unique in this situation. Most, if not all States, will gain from the successful conclusion of this round of GATT talks. U.S. exports have risen from $217 billion in 1986 to $375 billion last year, a 73-percent increase. The Uruguay round should foster even faster export growth and faster economic growth in the rest of the economy.

The United States will also benefit from a North American Free-Trade Agreement with Mexico. Our exports to Mexico have grown from $11.9 to $27.5 billion over the last 5 years while at the same time our trade deficit has shrunk from $5.3 to $2 billion last year. A free-trade agreement with Mexico will further stimulate this trend, just as Spain's, Portugal's, and Greece's accession to the European Economic Community improved the Germany's, Britain's, and France's trade balance vis-a-vis Spain, Portugal, and Greece.

A vote today to deny the extension of fast track is a vote against the backbone of the American economy.

Mr. HUGHES. Mr. Speaker, the decision to grant or deny the President's request for fast-track trade negotiating authority is a difficult one. In both the proposed Uruguay round GATT agreement and the proposed Mexican/North American Free-Trade Agreement there are ample reasons for Congress to fear that the administration will pursue the full range of goals that are important to the American people. In addition, the actions of the Ways and Means and the Rules Committees leave us with a choice between two extremes, neither of which strikes me as a ideal approach.

In general, we have much to gain through reductions in trade barriers. We must keep in mind that American workers, although their lead is slipping, are still the most productive workers in the world. Our tariffs and trade barriers are also the lowest in the world. In the case of Mexico, our average tariff rate on Mexican goods is only 4 percent, much lower than the average Mexican tariff. By reducing both countries' tariffs to zero, American companies see a much greater improvement in their competitive standing than Mexican companies.

We are also facing increased competition from other integrated economies. As the European Community unites and Japan increases its integration with other Asian countries, we need greater cooperation and greater trade opportunities to compete. By working together with Mexico, we can keep jobs in this hemisphere that would have gone to Asia, and we can help Mexico develop its economy and decrease the unemployment problems that force so many Mexicans to cross our border illegally in search of work.

But Mr. Speaker, I will not vote for a bad trade agreement just because I vote for fast track. Outside of these general positive aspects, there are many specific industries and communities that could be hurt. If the President and his negotiators do not address the environmental, wage level, investment, and worker safety concerns that have been raised by Congress, I will work to reject a free-trade agreement.

In addition, many aspects of the implementing legislation for a trade agreement deal with domestic issues or require changes in domestic laws rather than tariffs or other issues negotiated with our trading partners. It would be both within the House rules and the spirit of the fast-track process for the House to change the fast-track rules at a later date to amend the implementing legislation in these areas.

I will vote for fast track, but it will be a reluctant vote. The administration has uniformly opposed or attempted to dilute domestic environmental, worker safety, trade adjustment assistance and minimum wage initiatives, and the fast-track process requires us to trust that they will negotiate a good international agreement in these areas.

I become persuaded by the administration's commitment to congressional involvement in developing the agreement and the implementing legislation. However, the President has shown a blatant disregard for the intent of Congress on trade issues with China, and many of the workers who may be hurt by increased competition from Mexico are already suffering from cheap Chinese imports. If his negotiators show the same disregard in negotiating with Mexico, I and a majority of the House will certainly reject their agreement.

Mr. Speaker, despite these concerns, I cannot ignore that Mexico has made very positive economic reforms in recent years, and they need greater trade to continue on their present path. I also cannot ignore that the barriers Mexico will have to remove are much larger than ours, so we have much to gain.

In addition, air pollution, water pollution, illegal immigration, and drug trafficking are international problems that we can best address through cooperative efforts with Mexico. By increasing our economic cooperation we are laying the groundwork for tackling these difficult problems.

Finally, Mr. Speaker, as chairman of the House Judiciary Committee's Subcommittee on Intellectual Property and Judicial Administration, I have a special obligation to monitor the intellectual property aspect of trade negotiations. I have discussed this issue at length with U.S. Trade Representative Carla Hills. I have been impressed by her assurances, and I have faith in her ability and integrity. However, if a final agreement does not live up to those assurances, you can be sure that I will help lead the fight against approval of that agreement.

Having stated these concerns, I recommend that my colleagues approach the fast-track process the same way President Reagan advocated negotiating with the Soviets, "Trust, but verify." The Gephardt-Rostenkowski resolution lays out the areas that Democrats expect to see addressed. If a Mexico free-trade agreement is presented, and we cannot verify that those concerns and expectations have been met, I will certainly work to reject it.

Mr. PURSELL. Mr. Speaker, I rise today in opposition to the resolution. I believe the administration must be granted the tools necessary to negotiate a North American Free-Trade Agreement [NAFTA]. The fast-track procedure will strengthen the President's hand in accomplishing the goals of our trade agenda, both in terms of NAFTA and the ongoing Uruguay round of GATT discussions.

In supporting this procedure, Mr. Speaker, I wish to discuss three main points. First, is the critical importance of achieving a free-trade agreement with Mexico. Second, and possible more important, is the fact that much of the debate here today fails to recognize the true challenge we face in remaining competitive in a global economy—and here I speak of the importance of education. Third, we must work together to solve the budget deficit.

For many of us in this Chamber today, the explosion in world trade has taken place during our own lifetime. We have been witnesses of the greatest economic expansion in history. World trade now accounts for some $4 trillion in goods and services.

This great increase in international trade has provided tremendous benefits worldwide, as well as here in the United States. International trade has expanded markets for goods and services. It has allowed manufacturers to utilize economies of scale which otherwise might not have been achieved. It has led to reduced prices for consumers. It has brought about a dramatic increase in the standard of living around the world. And, to a great extent, I believe it has helped make the world a more peaceful place as nations become partners in trade.

It wasn't so many years ago that the nations of Europe were armed and fighting against each other in two horrible World Wars. Today, these same nations have become partners in a plan which calls for the integration of their economic and political systems. The role of international trade cannot be discounted in this accomplishment.

The benefits of international trade are many. I believe we all can recognize that fact. But what has contributed to this tremendous success?

While we can point to a variety of factors, among the most important would be the role of trade agreements. These agreements have facilitated the growth of trade. Agreements have brought down tariff and nontariff barriers. They have provided the means for resolution of differences. They have established the rules and framework for a system of international trade.

Today's discussion of the fast-track procedure really centers on the question whether we truly oppose such an agreement with Mexico. Those who would oppose such an agreement with Mexico fail to recognize the lessons of history. They fail to see the benefits we have reaped from international trade in general, and trade with Mexico in particular.

During the last 4 years, United States exports to Mexico have increased from $12.2 billion in 1986 to $28.4 billion in 1990. It is estimated more than 500,000 United States jobs directly are supported by exports to Mexico.

My home State of Michigan currently sends more than 8 percent of its exports to Mexico. Michigan goods sent to Mexico have grown to total about $2 billion a year—compared to $1 billion just 4 years ago.

The growth of exports to Mexico has been phenomenal. And this has occurred despite the fact Mexico's tariffs average 10 percent—opposed to our own average of 4 percent. A free-trade agreement with Mexico will help bring down tariffs and nontariff barriers in a market where our exports already are growing.

But, as I stated at the onset, much of the debate here today fails to recognize the true challenge we face in remaining competitive.

The answer to the challenge of world trade is not protectionism. The lessons of Smoot-Hawley taught us this much. The North American Free-Trade Agreement is the correct response to the changes taking place in Europe.

Instead, the answer to the challenge of increased competition is a better prepared work force. As more nations of the world industrialize and enter international trade, the United States must gain its edge through education. Our children and workers must be the best trained and educated in the world. This will be our key to remaining competitive. And, unfortunately, this is where we, as a nation, most need to improve.

How many of us have toured manufacturing plants and seen the shift toward quantitative measures of quality? How many of us have had demonstrated the new uses of computers and technology in the workplace?

Competitive workers must have higher levels of skill in today's market. Monitoring quality control charts requires a basic understanding of statistic principles. Operating and programming computerized machinery requires basic mathematical skills, keeping up to date on technological changes requires reading and communcations skills.

The United States cannot remain competitive in this type of environment if our students are not properly prepared.

A couple of years ago Dr. Harold Stevenson of the University of Michigan undertook a study to measure the mathematical achievement of students in the United States, Japan, and China. He measured the achievement of the students from one city in each country in the first and fifth grades.

What Dr. Stevenson found, in a nutshell, is that although the students all started out on a equal basis, by the fifth grade the American students had fallen far behind the Japanese and Chinese students.

Why do our students fall so far behind? They are not less intelligent, the Japanese and Chinese students simply spend more time in school. How can we expect to remain competitive in world trade, if other nations have work forces which are better prepared?

Our challenge in education has been well documented. Studies like Dr. Stevenson's, reports like "A Nation at Risk," and others have verified the problem. They also have shown us that to better educate our children we must look for new and innovative approaches in the classroom. Simply throwing more money at the same old problem will not work.

Later this year this House of Representatives will make some critical decisions with regard to the direction of American education. In my mind, Mr. Speaker, the decisions we face on education certainly will impact trade. In fact, the decisions we face on education will impact more on trade and employment in the United States than our decision today on the fast-track procedure.

To those who are concerned about American jobs, my message today is quite simple. Let's focus on properly preparing our work force through improved education and then, instead of wanting to protect our industries, we will actively seek free and open foreign markets in which to compete.

And finally, Mr. Speaker, let us not be mistaken about the impact of the Federal budget deficit upon our ability to compete in world trade. The need to bring this Nation's fiscal house in order continues to overshadow many of the positive steps we take to make American firms competitive.

Until our Government demonstrates the resolve to bring an end to the practice of spending beyond its means, the inflow of foreign goods and capital will not be brought into balance.

I encourage my fellow Members to vote against the resolution, and to keep in mind the impact of education and the budget deficit on matters of trade.

Mr. SPRATT. Mr. Speaker, I rise to oppose fast track and to support the Dorgan resolution. I have been a supporter of the Uruguay round of GATT, because we should lower barriers to United States firms in finance, insurance, construction, and services, and we must get rid of all the quotas and subsidies that impede agricultural trade. Moreover, I recognize the longrun benefits which the Mexican Free-Trade Agreement could bring to America by linking the United States, Canada, and Mexican economies in one common market.

Despite these benefits, I oppose fast track primarily because I am concerned with the effects of the Uruguay round on America's textile and apparel industry. The textile proposal accepted by the administration in Geneva will open up our markets to an unrestrained flow of foreign textiles, produced at subsistence wages. It will abandon any semblance of managed trade in textiles and apparel, and force more and more American textile and apparel firms to shut down or move offshore.

The administration has agreed to a proposal in Geneva at the Uruguay round to phase out the Muti-Fiber Agreement, a major dispensation from GATT that has existed for more than 20 years. It would also lead to significant tariff reductions imposed on imported textiles. Over the past decade, domestic textile manufacturers have lost a large percentage of the American market share to foreign manufacturers and I believe ratification of the Uruguay round would only make this problem worse.

In my judgment, the administration is using the American textile industry as a bargaining chip, trading it away in return for concessions in other sectors. Last year, I, along with other members of the Textile Caucus, met with Carla Hills, the United States Trade Representative, who outlined the administration's position on textiles in the Uruguay round. The USTR told us that she had tabled a proposal for global quotas in textiles and apparel to replace today's country-by-country, product-by-product quotas. When we pressed for details, we were given very few. The USTR could not tell us at what level the global quota would be set, or how much of the global it would actually cover, or at what present it would grow and phase-out over its 10-year life. I wrote the USTR a letter explaining why I would be forced to vote against fast track if the administration did not change its proposal to give better protection to textiles. Since last year, the administration has changed its proposal, but in the opposite manner from what we sought. It has made even greater concessions to the textile-exporting countries, and I am even more convinced now of the damage which the Uruguay round may do to the American textile worker. I cannot agree to carte blanche authority for a negotiation that has already given away so much of the American textile market, and has yet to receive anything adequate in return.

Aside from my concern about textiles, I have concerns about the short-term impact of the Mexican FTA on the United States economy. Unlike Canada, with whom we already have a free-trade agreement, Mexico is at a lower level of economic development compared to the United States. Huge disparities exist between the United States and Mexico in wage levels, health and safety standards, environmental protection, and worker rights. The European Community has found that integrating Greece and Portugal into the common market has been more difficult than they ever expected, because of the disparities in their economies. The disparity between Mexico and the United States is greater than the disparity between Portugal and Germany, and I think the problems will be significant.

Despite these drawbacks, I believe a North American Free Trade Agreement and revision of GATT will bring some long-term benefits to our Nation, and I would probably vote for fast track if the textile industry's concerns were properly addressed. The Uruguay round will bring agriculture and services under GATT rules for the first time. These changes should benefit the United States because of our competitive advantages in agriculture and services. Along with the Canadian FTA, a Mexican FTA will place the United States in the middle of a market of over 360 million consumers with a combined output of $6 trillion—20 percent larger than the European Community. A Mexican FTA will mean greater access for American businesses to the Mexican market because of the removal of tariffs; it will mean a more open regime of trade in services and investment; and it will mean better protection for intellectual property rights. All of these are advantages for us, and I could vote for a Mexican FTA if it addressed all the problems that I think it should. But I am reluctant to give the USTR what amounts to my proxy when we have so little assurance that the package she brings back will contain all that it should.

Mr. KYL. Mr. Speaker, I rise today in strong support of extending the fast-track authority for implementing trade agreements and increasing trade with Mexico as part of a North American Free Trade Agreement. Without fast track, many nations would hesitate to enter into trade agreements with the United States, and as a result, this country would continue to lose its competitive edge to foreign competition. As in the past, the Administration will thoroughly involve Congress in all aspects of trade negotiations to ensure fair and equitable agreements.

Fast track will open the door to increased trade—and increased prosperity—for this country. For instance, 20,000 new American jobs are created for every $1 billion in increased exports from the United States. A new free trade agreement with Mexico could create up to 150,000 new American jobs alone. Mexico has traditionally been a strong economic partner of the United States, ranking as this country's third-largest trading partner after Canada and Japan. In my State of Arizona, over 20,000 jobs currently are associated with Mexican production-sharing industry. As a result of a new free-trade agreement, this figure could jump to nearly 50,000.

A free-trade agreement would also allow Mexico to continue its aggressive efforts to modernize its economy. A growing Mexican economy would allow companies to improve worker safety, protect the environment and bring all the other benefits of economic prosperity to this country. Now is not the time for this country to slip back into the isolationism and protectionism of the past. As EC 92 and other international markets begin to take shape in the coming decade, this country must regain the initiative in international trade. The only way to ensure this is through extending the fast-track authority and negotiating new trade accords such as a North American Free Trade Agreement.

Mr. STOKES. Mr. Speaker, I rise in strong support of House Resolution 101, to disapprove the extension of fast-track procedures for the negotiation of trade agreements. I would like to commend the gentleman from North Dakota, Congressman DORGAN, for sponsoring this resolution, and for his hard work in bringing this resolution to the floor for a vote of the full House.

The issue of the free-trade agreement with Mexico is not simply a matter of whether we want to expand trade with our neighbor to the south. In the abstract, a unified North American market of the United States, Mexico, and Canada makes sense. Canada is already our trading partner, and Mexico is our third largest.

The question regarding a free-trade agreement with Mexico is how we go about pursuing negotiations. Do we give President Bush and his trade negotiators the authority to negotiate an agreement which ignores the fundamental concerns of working men and women in America? Or do we insist that the United States Congress, the elected representatives of the people, have the opportunity to provide input and direction to the negotiations, so that the vital interests of every American are represented in an agreement? If we grant the President an extension of fast-track negotiating authority, we would basically be surrendering our oversight role, and removing ourselves from having any meaningful input into the negotiations. I believe that we have a duty to our constituents to reserve the right to amend a free-trade agreement with Mexico, therefore I urge my colleagues to support House Resolution 101.

Furthermore, there are serious social, economic, and political consequences that must be addressed in a free-trade agreement. Individual and workers' rights, decent standards of living, and environmentally safe working and living conditions are fundamental to any workable United States-Mexico free-trade agreement.

The essential point is that the creation of a regional free trade zone in North America must be very carefully crafted. The United States and Mexico are very different economies, and we possess vastly different standards of living. Mexico has a gross domestic product only one-twentyfifth as large as that of the United States. Wages in Mexico average less than 10 percent of the United States level, and the average per capita income in Mexico is $1,820 a year.

The single comparative advantage of Mexico for American business is the poverty of its citizens and their willingness to work for subsistence wages. No matter how productive, fast-track procedures workers cannot compete with labor costs of less than $1 an hour.

Not even the Bush administration disputes that a free-trade agreement with Mexico will cost some Americans their jobs. But Carla Hills, the United States Trade Representative, discounts the possibility of wholesale migration of factories and jobs to Mexico. If companies only wanted a low-wage solution to their competitiveness problems, she argues, they would have pulled up stakes for the border before now.

I have news for Carla Hills and the President, the U.S. automotive and electronics industries are already in the process of moving south of the border.

General Motors now has more than 30 maquiladora plants in Mexico, employing over 30,000 workers, making it the largest private employer in the country. Since 1985, the International Brotherhood of Electrical Workers estimates that 12,000 union members have lost their jobs due to the transfer of work from the United States to maquiladora factories in Mexico.

Mr. Speaker, in Cleveland, OH, which I represent, a recent article in the Plain Dealer reports that the unemployment rate is 13.8 percent, according to a soon-to-be-released Bureau of Labor statistics study. Over one-in-five of black people in the city of Cleveland is unemployed, the highest rate in the Nation.

I have read it in newspapers, I have heard it said on television, and I have even heard it said here on the floor of the House, that Members of Congress who oppose fast track for the United States-Mexico free-trade agreement are protectionist. To my accusers, let me just say that if striving to protect American jobs, the jobs of my constituents and your constituents, is protectionism, then I confess myself guilty of being a protectionist.

Mr. Speaker, an unregulated trade agreement along the lines of the administration's proposal would subject an increasing number of American workers to continuous pressure to lower their wages, benefits, and living standards in order to compete with low-wage Mexican labor using high technology machinery and equipment. This is simply an intolerable situation, and I urge my colleagues to stand up for their constituents, and support House Resolution 101.

Mr. DICKINSON. Mr. Speaker, today the House will decide on an extension of fast-track authority, which provides the means for the administration to negotiate trade agreements.

Extending the fast-track authority does not mean an endorsement for GATT. In its current form, I oppose the General Agreement on Tariffs and Trade [GATT], and would vote against it if it were under consideration. However, we are not voting on trade agreements or policy, instead, the issue on the floor regards procedure.

Fast-track procedures preserve Congress' role during the negotiation, approval, and implementation of trade agreements. To ensure congressional and private sector input, the fast-track statute contains extensive notification and consultation requirements. At each step along the way, from initiation through implementation, Congress will be an active partner.

The President will be required to notify Congress 90 calendar days before signature under fast track, and once an agreement is reached, the administration must work in close consultation with Congress to formulate the implementing legislation. The process will involve full participation of all committees of jurisdiction. If the agreement and its implementing legislation are still not acceptable, they can be rejected by majority vote of either House.

In the following letter from President Bush, I have been assured that support for continuation of fast track is not an endorsement for any agreement, and the administration will work with Congress to develop fair trade policies:

THE WHITE HOUSE,
Washington, DC, March 1, 1991.

Hon. WILLIAM L. DICKINSON,
House of Representatives, Washington, DC.

DEAR BILL: Today I sent to the Congress my request for an extension of the fast track procedures for the implementation of trade agreements, along with my report supporting that request. I am also writing to each Member of Congress to underscore the importance I attach to that request and to urge your support.

Events in the Gulf show how much the world continues to look to the United States for leadership. Continuation of fast track procedures is crucial to U.S. leadership in the global economy.

Our trade policy is to open markets worldwide for U.S. goods and services. Indeed, our economic growth is hinged to the success of these market-opening initiatives. Over the last three years, export expansion accounted for 57 percent of our GNP growth. But without the certainty the fast track guarantees—an up-or-down vote on implementing legislation within a limited time—we cannot complete or even negotiate trade agreements to sustain such growth.

When Congress reenacted the fast track procedures in the Omnibus Trade and Competitiveness Act of 1988, it anticipated that an extension beyond the upcoming expiration might be needed and important. We do need an extension of these fast track procedures to pursue important initiatives such as the completion of the Uruguay Round negotiations, the negotiation of a North American Free Trade Agreement, and the pursuit of our trade objectives in the Enterprise for the Americas Initiative.

I know that some may have concerns about these initiatives. But your support now for continuation of fast track procedures does not commit you in advance to endorse any particular agreement. Moreover, the fast track procedure is a partnership, and my Administration will do its part to make that partnership work. Fast track procedures call for, and I am committed to, close consultations to ensure that the negotiations are deliberate and that, ultimately, we achieve agreements in which we can all take pride. However, a vote against extending these procedures now deprives us of the prospect of negotiating any agreements.

I am asking for your support for our continued efforts to liberalize trade from open markets. No country stands to gain more from an open global economy than the United States. We are today engaged in trade initiatives that hold unprecedented promise for the advancement of our economic interests. With such important initiatives in the balance, we need more than ever to maintain U.S. leadership and the Legislative-Executive partnership that has endured for years.

Sincerely,

GEORGE BUSH.

Mr. LEVIN of Michigan. Mr. Speaker, I vote today for House Resolution 101.

I regret that we are presented with only two choices.

One is to accept fast track for both GATT and Mexico and a secondary role for Congress.

The other is to stop fast track for both.

From the outset I have searched for a course between two flawed alternatives.

Fast track for GATT should not be tied to negotiations for Mexico. The issues are different.

The negotiation process for United States-Mexico should be shaped to fit the particular circumstances where two economies at very different stages of development would be totally integrated.

I worked actively with many of my colleagues including House leadership to find an approach that would provide a meaningful role for Congress without killing fast track—an approach that would turn Congress from a consultant on trade to an active participant. I worked with guarded optimism. We drafted an amendment to modify fast track for Mexico to clarify our concerns and to strengthen the congressional role through a midcourse review. Because of the shape of the rule, that amendment was not allowed to be offered on the floor of the House.

Without that option, how do I express my deep concern about the need to pay serious attention to what fast track for United States-Mexican negotiations might mean for American jobs and businesses? How do I express my unwillingness to simply trust the Bush administration, with its record of failure and default in so many trade areas—and this on the heels of a Reagan administration that presided over the worst trade deficits in American history and the erosion of many key American industries and jobs?

Unfortunately, the gap is not filled with the Gephardt-Rostenkowski resolution when the House has been handcuffed in our bid to give it real teeth and a clearer message.

This is why I vote for House Resolution 101. I do so as an expression of my concern for the future of the American economy if today's status quo is tomorrow's practice, if the President remains as docile and the Democratic Party as divided as it is today and if the troubled and troubling performance of the 1980's is repeated in the decade of the 1990's.

Mr. MURTHA. Mr. Speaker, as we consider this proposal to extend the fast-track authority for trade negotiations, I'd like to point out some of the other concerns that Congress has looked at over the past year, and will be looking at later this year.

Our unemployment system is in need of a major overhaul, as more and more Americans lose their jobs.

Last year we passed major revisions to the Clean Air Act, which we hope will make great improvements in the environment.

We continue to look at legislation to enable workers to be in a position to bargain fairly with management at the negotiating table without fearing that they will be permanently replaced.

Again we will attempt to pass legislation to enable workers to take time off from their jobs to experience the joy of the birth of a child, or to care for a seriously ill family member.

I would argue that these issues are among the most important concerns this Congress must consider. Yet today we are debating a measure that could completely ruin any advances we have made, or will make, in the issues I've just mentioned. Because let's face it, this debate is not about being fair in trade negotiations, it's not about the mundane points of international relations, it's not about potential growth in our economy. This debate is about guaranteeing the right of Congress to amend any agreement that the administration might reach with Mexico to protect American workers.

Why do we need this assurance? To be frank, it's because there is a legitimate fear among many Members of Congress that trade negotiations with Mexico will not result in protections for American jobs. And as we debate the fast-track, we've got to keep in mind that if Congress gives up its right to amend a Mexican trade agreement, we may very well be giving up the chance to improve the conditions that the average American faces at work. Because if Congress can't amend a Mexican trade agreement, the United States is going to lose jobs, and unemployed workers won't need the family and medical leave bill, and they won't need the striker replacement bill. They would need a better unemployment system, but we're not going to be able to afford that if we add more Americans to the unemployment rolls. And by allowing Mexican industry, which doesn't operate under a clean air act, to greatly expand along the border, we're gutting our Clean Air Act. Because we already have free trade when it comes to the air we breathe.

I urge you to support the Dorgan resolution, and give Congress a chance to protect American workers when any Mexican trade agreement is up for ratification. It's the only course of action that is fair to the people we represent.

Mr. JONTZ. Mr. Speaker, I rise today in strong support of House Resolution 101.

Let me say one thing at the outset that should be said: Those of us who oppose fast track are not against free trade; we are not protectionists. We are concerned about our Nation's economic strength and the interests of our working families, and because we believe that fast track would not serve those interests, we support the Dorgan resolution to block fast track.

After the lofty rhetoric and weighty macroeconomic arguments made in support of fast track and the proposed United States-Mexico Free-Trade Agreement have a chance to settle, the promises and assumptions made in support of the agreement just aren't very realistic.

The idea that a free-trade agreement with Mexico means that Mexican consumers will create jobs in the United States, through their purchase of American goods just isn't a sure thing.

In fact, a great deal of liberalization in trade and job growth in Mexico has occurred during the past decade but Mexican wages have actually fallen. In the 1980's, Mexican wages as a percent of GNP fell from 37.6 percent to 15.8 percent. Mexican workers in the 1,600 maquiladora factories earn an average of 98 cents per hour, with average income of $2,165 a year. What can America sell to workers who earn $27 a week in take-home pay?

Certainly it won't be automobiles. The tiny middle class in Mexico accounts for almost all of the 400,000 automobiles sold annually in Mexico—workers in maquiladora plants have to ride or walk to work.

The promise that things will improve under a free-trade agreement depends on the assumption that remaining trade barriers will be fully and completely dismantled.

But that isn't a sure thing, either.

Again, take a look at the automobile industry, which is heavily protected by the Mexican Government: Not by tariffs which have been all but eliminated over the past 5 years, but by nontariff barriers. Only 15,000 autos can be imported from the United States into Mexico a year. For every $1 in auto parts which a company imports into Mexico, they must export $2.50 of parts. So do we have any assurance that these nontariff trade barriers will be dismantled as part of a free-trade agreement? Not at all.

Our experience with Canada show that some nontariff barriers may take a long time to dissolve, and others may not dissolve at all.

The Canadian Free-Trade Agreement was more a tariff reduction agreement than a free-trade agreement and as a Member of Congress representing an automobile producing area, I want to reserve the right to offer amendments to the agreement if it doesn't adequately address these nontariff barriers. Fast track wouldn't allow me to do that.

Let's also take a look at who would really benefit from a free-trade agreement. Additional economic activity resulting from a free-trade agreement might not end up as additional dollars in the pockets of Mexican consumers. At the present time, 40 percent of Mexico's export revenues are used to service its debt. The staggering size of the Mexican debt, more than $95 billion, will soak up a great deal of whatever additional GNP Mexico realizes from a new trade agreement. To a large extent, it could be United States money center banks as Mexico's creditors who benefit from a new trade agreement rather than the working people of either Nation.

Addressing Mexico's debt crisis before we jump into a free-trade agreement would be a more desirable way to seek mutual prosperity. As long as Mexico's debt remains as debilitating as it is now, the standard of living for Mexican workers will not improve even if exports grow. Coupled with the fact that Mexico will retain its competitive advantage over the United States in many manufacturing sectors because of lower imput costs—effectively, the maquiladora system would be expanded nationwide—the United States job flow to Mexico would grow faster.

If we really want to improve the standard of living for workers in both countries, then we should address debt first.

Mr. Speaker, I agree that U.S. companies must be competitive in an increasingly global market. But instead of encouraging the low-wage solution which moves jobs and capital south of the border or off-shore, we ought to be pursuing a high technology strategy. Encouraging investment in U.S. factories, increasing our productivity by applying technology, and investing in our human resources through education and job training are all better long-range approaches to competitiveness than encouraging investment in low-wage countries.

If Congress is truly focused on the long term instead of the expedient, we will resist the rush to a free-trade agreement and instead take the conservative approach by insisting that problems be addressed before giving the administration fast-track authority.

I urge my colleagues to support the Dorgan resolution which will ensure we can negotiate a good agreement. We should open markets and increase trade with Mexico, but our exports should be products from American farms and factories—not American jobs.

Mr. LEVINE of California. Mr. Speaker, I doubt there is any Member of this Chamber who is entirely comfortable with the concept of fast-track approval of trade negotiations.

Fast track, by definition, is designed to limit Congress's authority to revise or improve a trade agreement once negotiated by the President. While such restrictions might be reasonable in the case of a broad-based, multilateral agreement such as the Uruguay Round of the GATT, I remain unconvinced that fast track is called for in the proposed North American Free Trade Agreement, in which only three nations are involved.

I have very serious reservations about the President's intentions to negotiate a North American Free Trade Agreement that will be in the best interests of American working people, American farmers, and American consumers.

The administration has responded with little more than vague rhetoric to the many concerns of the Congress regarding the loss of American manufacturing jobs, the need for trade adjustment assistance, and the need for stringent environmental safeguards written into the agreement to protect American consumers and their environment.

We have not received any realistic answers to how United States negotiators will insure that Mexico does not become one vast maquiladora of the worst sort, with widespread violations of child labor laws, and nonexistent health, safety, and environmental standards. The administration says that Mexico already has good laws on the books regarding these issues, but anyone who has spent even an hour in the border region can tell you how ineffective those laws really are.

Free trade will be a disaster for the American economy if the administration does not make a monumental effort to correct the deplorable standards and lax enforcement of existing standards in Mexico. Mr. Chairman, based on what we have seen thus far from the administration of this issue, I do not have a great deal of faith in the administration's commitment to these goals.

Unless the resulting agreement contains enforceable environmental protections and provides meaningful protections for the American workers who will be replaced by the agreement—including trade adjustment and re-training assistance, workers' rights, rules of origin, and a suitable lengthy transition period, I will not support a North American Free Trade Agreement if it is submitted to the Congress.

Nevertheless, we are not voting today on the North American Free Trade Agreement. We are voting on a procedural issue that will first and foremost determine whether this GATT round will live or die. Rejection of fast track may be a diplomatic insult to President Salinas of Mexico and may temporarily slow the momentum for the start of negotiations, but it will not ultimately stop trade liberalization with Mexico. Rejection of the fast track will be the final blow to the Uruguay Round, which is close to completion after nearly a decade of negotiations.

The resolution offered by the majority leader, which I have cosponsored, is a challenge to President Bush. It challenges him to negotiate a North American Free Trade Agreement that will actually do what the President says it will do—stimulate growth, create jobs in the United States, expand exports and lead to hemispheric progress and prosperity.

The Gephardt resolution puts the President on notice that Congress will require strict and enforceable commitments relating to the environmental protection, health and safety standards, labor and industry adjustment, and workers' rights before agreeing to any North American Free Trade Agreement. It requires him to consult closely with Congress throughout the negotiating process. And it sets objectives for the negotiations on the reduction of trade barriers, protection of intellectual property, dispute settlement, and rules of origin.

This challenge to the administration is a tall order, and one I am personally doubtful will be met. However, we lose little by challenging him to try.

If he does succeed, the potential payoff is high. Free trade with Mexico, properly structured, can result in more jobs for Americans. A free trade agreement can result in a more prosperous North America that is more competitive against the far greater trade challenges posed by Asia and a united Europe. And economic growth through expanded trade can improve living and working conditions for our Mexican neighbors—ultimately relieving the strain that the vast differential in our standards of living places on the bilateral relationship.

The Gephardt resolution makes crystal clear that Congress is in no way abdicating its oversight responsibility and intention to play a very direct role in the negotiation of a North American Free Trade Agreement.

With the caveats and conditions spelled out in the Gephardt resolution, I urge my colleagues to join in this challenge to the administration to produce a truly valuable agreement with our partners in this hemisphere.

Mrs. SCHROEDER. Mr. Speaker, in 1988, Colorado exported 54 million dollars' worth of manufactured goods to Mexico, and in 1989, $70 million, a 30-percent increase. Our Southern neighbor is Colorado's ninth largest trading partner.

Obviously, Mexico is already an important trading partner for my State. Colorado businesses have been actively pursuing Mexican partnerhsips. They are poised for action in the case of a final agreement. A North American Free-Trade Agreement [NAFTA] will give Colorado businesses access to a $6 trillion market. Coloradans are planning for this agreement. They are counting on it.

Trade with Mexico is important to other States as well. In fact, between 1987 and 1989, 15 States more than doubled their exports to Mexico. The States with the greatest percentage of growth during that 3-year period were Montana, Nevada, Vermont, and Maine. Forty States and the District of Columbia registered an increase in the Mexican share of their exports in 1989. Thirty-six States rank Mexico among their top 10 export markets.

Without an extension of fast track there will be no agreement. Any agreement that comes back to this body subject to amendments will not survive the scalpel of special interests. NAFTA is too important to my district to allow that to happen. Vote "No" on the Dorgan resolution.

Mr. COSTELLO. Mr. Speaker, for years, Congress has debated the issue of free trade versus fair trade in regard to relations with many of our international trading partners, Japan in particular. In a few weeks, we will vote on legislation that again confronts this important issue, but this time focusing on trade with Mexico.

President Bush is presently proposing a North American free trade zone, stretching from the Yukon to the Yucatan, claiming it will provide an economic boost to its sponsoring countries. The President has authority until June 1, 1991 to submit a free-trade agreement to Congress for approval without changes, under the so-called fast-track procedure.

It is clear that such an agreement cannot be finalized before then, and the President is now asking for a 2-year extension of fast track to finalize his North American free-trade pact. However, there are some real dangers behind pushing a free-trade agreement the administration is calling for that does not take into account Mexico's present labor standards, drug trade and environmental problems.

What are the major problems with such an agreement, one that would reduce tariffs on imports to and exports from our third largest trading partner? After all, with a population of 90 million people, Mexico will continue to be an important neighbor in the years to come.

The greatest problem is the labor standard in Mexico versus our American labor standard. A free-trade agreement without laws governing wage standards will result in large numbers of companies relocating to Mexico, where government regulation is lacking and wage standards are practically nonexistent. This absence of Mexican governmental oversight could serve only to perpetuate the slave-like labor conditions for new employers.

Such cheap, unregulated labor would be a tremendous blow to the American worker. The result would bring for corporate executives greater profits, with little or no benefit to the consumer.

The European Common Market, for instance, has in its charter certain rights to social assistance, health and safety protection and vocational training. As it exists now, the proposed North American free-trade agreement would contain none of these conditions.

In addition, as currently proposed, such an agreement would only add to Mexico's already littered environment. At present, Mexico has enormous environmental problems stemming from toxic waste produced from many of its factories. What guarantee is there that more corporate operations in Mexico will not serve to degrade the environment even further?

To add to the agreement's difficulties, include Mexico's drug and immigration problems. A free-trade agreement without attention to these two areas would only make it more difficult for American law enforcement to prevent further drug trafficking and illegal immigration.

We already have evidence of how a United States-Mexico free-trade agreement might work. Since 1980, hundreds of United States companies have opened so-called maquiladora factories in Mexico, allowing the production of goods and their export back to the United States with minimal duty charges.

The maquiladora plants have already resulted in the loss of thousands of American jobs and the perpetuation of awful social and economic conditions in Mexico, where workers, often children, labor unregulated at substandard wages.

The American people don't want a pig in a poke. They want a fair-trade agreement, one that will protect American jobs and lift the standard of living in Mexico, while ensuring that environmental damage is reduced, not increased. Fast track prohibits congressional input into the pact that the administration will seek with the Mexican Government, so we will be left with only one up-or-down vote on the pact itself.

I have said that I will consider voting for fast track if the President can assure Members of Congress that his negotiations will produce results on the concerns I mentioned above. However, he has given little indication that his free-trade pact will actually resemble what we all want—fair trade.

Mr. RAMSTAD. Mr. Speaker, I rise in support of the President's request for an extension of his fast-track authority for negotiating trade agreements.

Last year, export expansion accounted for almost 90 percent of U.S. economic growth. An export-driven boost to our economy translates into thousands of new jobs for our workers. It is estimated that every $1 billion in exports generates 22,000 new jobs in the United States. There are now nearly 7 million U.S. jobs that are export related.

Fast-track authority and successful free-trade agreements are a key to our country's continued economic future. Disapproval of the fast track would relinquish important opportunities for future economic growth.

A free-trade agreement with Mexico will provide an important new market for American exports, creating new jobs and prosperity for Mexico and the United States.

A North American Free-Trade Agreement will strengthen our international competitiveness by joining three great nations in an economic partnership, each with important skills and resources.

And a successful completion of the Uruguay round is vital to open new markets to our goods and farm products, and to extend GATT rules to services, investment, and intellectual property.

Approval of fast track allows us to move forward with the negotiations. These talks are critical to future economic growth.

If we disapprove fast track, we will have wasted an important opportunity to expand our trade and strengthen our Nation's economic competitiveness.

Mr. OWENS of New York. Mr. Speaker, I rise in strong support of House Resolution 101, the resolution to terminate the President's fast-track authority to submit legislation implementing trade agreements to the Congress for a single, up or down vote. Fast-track authority is a bad deal for my constituents and a bad deal for this Congress.

We have been using fast-track authority to consider trade agreements for the past 17 years and what have we gained from using this process in the past? Nothing. Worse than that, we have fallen backward. Our exports to the rest of the world have been swamped by an ever-increasing tide of imports from Japan, Europe, and other nations. Our balance of trade with most of our major trading partners is way out of balance. We are losing money, we are losing jobs, and we are in a position of disadvantage with practically every other industrialized nation in the world. And it has been fast-track authority and a hands-off approach to trade by Congress that has dropped us into this quagmire.

This issue really is not terribly complicated and I did not have much trouble deciding how I would vote today. My district is 1 of the 10 poorest in the Nation and my constituents sent me here to represent them. Working people. People who search for jobs and cannot find them. Men and women who struggle to make it day to day. They are the people I am here to represent and from their perspective, fast track stinks.

I do not know whether ultimately I would be able to support a free-trade agreement with Mexico should one finally be negotiated. I have to admit that some of the fulsome free-trade rhetoric we have been hearing lately makes me somewhat nervous. The wonderful invisible hand of unrestrained, unregulated capitalism we keep hearing about has more often than not wound up wrapped around the necks of the workers of this country, impoverishing the many to enrich the few. But a free-trade agreement with Mexico might work; maybe it might be good for my constituents. But that depends upon what is in that agreement. And fast-track authority denies me and all of you the opportunity to have any real say in the contents of an agreement. All we can do is vote yes or no. There is nothing we could do to amend a free-trade agreement to protect our constituents and keep the invisible hands of the free-traders out of where they do not belong.

A bad free trade agreement with Mexico could be devastating for American workers. A lot can go wrong.

As it is, the pace at which U.S.-based multinational corporations have been abandoning American communities to relocate abroad has been accelerating over the last decade. Their output has increased 50 percent in the 1980's and now amounts to $15 billion. Hundreds of thousands of good, well-paying jobs have been destroyed in this country as American-owned corporations have fled our shores for the opportunity to exploit the cheap labor of Third World economies. By eliminating the few remaining disincentives to relocation, a bad free-trade agreement with Mexico could give new momentum to this parade of runaway shops that is killing our economy. IBM, Kodak, Zenith, Hewlett-Packard, and Apple are just a few of the Fortune 500 corporations that have shut down operations here and relocated their factories, and jobs, to Mexico in recent years. In the U.S. automotive industry alone, 75,000 jobs have been destroyed and moved to Mexico. A bad free-trade agreement promises only to accelerate the flight of American corporations to Mexico that has been bleeding American workers and communities dry.

A bad free-trade agreement with Mexico could also shut down completely the small trickle of foreign investment that has been creating a few jobs across the United States in recent years. In recent years, Japanese corporations like Toyota and Nissan have been building plants in the United States to take advantage of the trade benefits of U.S.-based production. But if, under a poorly-conceived free-trade agreement, those companies can get the same trade benefits by locating in Mexico why would they even bother to locate in the United States? Mexican workers earn an average manufacturing wage of 57-cents-per-hour; U.S. workers earn an average of $10.47 per hour. What corporate executive in his right mind would choose us over Mexico with a wage disparity like that if he can get the same trade advantages south of the border?

Economists estimate that by 1999, 405,000 to 912,000 American jobs will be destroyed if a free-trade agreement with Mexico is not carefully worked out to protect the interests of our workers. Of those jobs, 500,000 will be relatively well-paying jobs in the manufacturing sector. By 1999, we could have a trade deficit with Mexico that surpasses a staggering $30 billion.

But a bad free-trade agreement with Mexico would not only injure American workers, it would harm workers in Mexico as well by consolidating and strengthening the new corporate colonialism that has a stranglehold over the poor nations of the Western Hemisphere. Throughout the 20th century, corporate chieftains have used the runaway shop to sabotage the efforts of American workers to win a fair wage and secure the right to work in a safe environment. When workers in the north organized unions and started bargaining for a fair wage, the corporations fled south to exploit the cheaper labor and union-free environment of the Sunbelt. Now workers in the Sunbelt are seeing those jobs vanish as corporations run off to take advantage of the cheaper and more exploitable workforce south of the border. We have not been sharing the wealth; we have been sharing the misery. In 1970, there were only 17 maquiladora plants in Mexico. Today, there are 1,700 which employ 500,000 workers. Yet the standard of living for Mexican workers has plummeted during this period. The hourly wages of Mexican factory workers have dropped 50 percent. Ten years ago, Mexican workers earned about one-third the wages of workers in Canada and the United States; today they earn just one-tenth of the wages of their counterparts in the north.

A bad free-trade agreement with Mexico promises to permanently lock in these abominable working conditions and living standards in Mexico. Unless the agreement is carefully negotiated so that it includes provisions which raise Mexican labor standards and wage levels to levels comparable to our own, we will not be doing the people of Mexico any great favors. We will only be sharing the misery. Workers on both sides of the border will lose.

If fast-track authority is terminated, we will have an opportunity to examine carefully any proposed free-trade agreement with Mexico and, if necessary, amend it to assure that the interests of American working men and women are protected. But if fast-track authority continues, we will have to rely on the administration to look out for our workers. The same people who fought tooth-and-nail to deny a paltry 10 cent increase in the minimum wage to the workers at the bottom of our economy. The same people who killed legislation giving workers a few weeks of unpaid leave to care for newborns or sick family members. And the same administration which today blocks civil rights legislation that is needed to give minority and women workers a fair shake in the workplace. This administration is no friend of workers; it never has been and it never will. The only way this Congress can ensure that the interests of working people are provided for in a free-trade agreement with Mexico is if we do it ourselves. And the only way we can do that is by passing House Resolution 101 and terminating the President's fast-track authority. Vote yes to disapprove fast track.

Ms. SNOWE. Mr. Speaker, today the Congress will be asked to vote upon the extension of fast-track authority for President Bush to negotiate a free-trade agreement [FTA] with Mexico and the General Agreement on Tariffs and Trade [GATT]. I rise today to urge my colleagues to support House Resolution 101 to disapprove of Presidential fast-track authority.

Let me make certain that you are aware of just what fast-track authority means. Under the fast track, the Bush administration would negotiate the FTA with Mexico and then it would be presented to the Congress for a straight vote to approve or disapprove. No opportunity would be provided for Congress to amend the proposed agreement, regardless of the flawed policies it might contain.

Establishment of a United States-Mexico free-trade pact, the administration argues, would provide a single North American market with a population in excess of 400 million, a market larger than the entire European Community. However, I have serious concerns about the ramifications of such an agreement for Maine. I base this position in part upon the failure of this and the previous administration to address the serious concerns of my constituents in earlier trade negotiations.

For example, during the negotiation of the United States-Canada FTA, the most serious problem Maine had with Canadian imports was in the natural resource area—potatoes, timber, and so forth—and the heavy subsidies and tariffs that Canada maintained for those products. We tried repeatedly to draw the attention of our negotiators to these problems. However, U.S. negotiators ignored these problems, and stated instead that they would be addressed in the ongoing, multilateral GATT negotiations. The GATT talks, of course, are still dragging on, with no resolution to these problems in sight.

So you will, then, understand my skepticism in these matters.

In addition, there are serious concerns about the impact a United States-Mexico pact might have on our domestic textile and shoe industries. These industries have been crippled by unfair foreign imports, and this plight has gone without redress from our trade policy makers. Since 1980, Maine has lost over 4,400 textile-related jobs, and over 7,000 footwear-related jobs.

Further the current trade deficit in textiles, clothing and shoes accounts for 26 percent of our total national trade deficit. Jobs in these areas could be even more vulnerable after a new free-trade pact. A Commerce Department report indicated that some industries—textiles and footwear, among others—would suffer unemployment of up to 45 percent as a result of a free-trade agreement with Mexico.

It is about time for this Congress to stand up decisively and say we will not tolerate U.S. jobs being traded away under the guise of free trade. America's workers have to know that at least the Congress will fight to make sure that they will still have a job. We have had enough placating of our so-called trading partners; it is time to negotiate in our interest.

The administration has attempted to make the argument that without fast-track authority Mexico will be unwilling to negotiate for free trade. In case anyone hasn't noticed, the only country pushing for fast track harder than the United States is Mexico. Has anyone stopped to think why? Obviously, they have figured out where all the jobs are going to end up.

Given these facts, I cannot abdicate my responsibility to my constituents by granting the administration authority to rush a United States-Mexico FTA through Congress. If the administration is confident about a free-trade agreement, then it should be confident enough to let Congress review it in detail. Adequate time must be provided for the Congress to scrutinize the proposed pact, and to make changes where necessary. Otherwise, I fear, the only thing on fast track will be U.S. jobs heading south.

Mr. THOMAS of Wyoming. Mr. Speaker, I rise in strong opposition to House Resolution 101, a resolution that would prevent extension of the fast-track negotiating authority for the President. Adoption of this resolution would severely hamper the ability to negotiate all trade agreements, and eventually result in harm to our economy.

Proponents of this resolution equate extension of fast track to an abdication of congressional responsibility in trade matters. This is not true. Congress retains the ability to fully debate the merits of any trade agreement sent up by the President, and retains the right to approve or disapprove that agreement. What the proponents fear is that we have to vote within a set time period with no opportunity to nitpick to death whatever document is brought forward.

Proponents of this resolution argue that we have negotiated a number of agreements—including trade agreements—without having to deal with the question of fast track. What they fail to point out is the treaties at question—especially the trade agreements—were considered noncontroversial to begin with, and in some cases were handled by voice votes in Congress.

The Uruguay round of GATT is extremely controversial and complex, and a Mexican free-trade agreement would present similar difficulties. All parties to these negotiations have specific interests to protect, including the United States. I do not believe we make the job of the President any easier when the other parties know that they could go to Congress to scuttle deals that have been carefully crafted over months, even years, of negotiations.

The proponents of this resolution have some legitimate interests in the outcomes of these negotiations. I understand and share their concerns, particularly as they apply to energy resources, sugar beets and other agricultural products. Our trading partners have to understand that they have to make significant changes in their positions if they are to guarantee support of a trade agreement in this country.

By the same token, if this resolution fails, the President and his negotiating teams must understand that they must get input from Congress before finalizing any deal. Fast track does not mean carte blanche, and the Bush administration cannot ignore our legitimate concerns if they are to have any hope of passing the GATT Treaty or a free-trade agreement.

This is a difficult period we are entering. Europe 1992 is around the corner. Emerging market economies in the Soviet Union and Eastern Europe are looking for needed assistance. Constant economic shifts are developing along the Pacific rim—including the transfer of Hong Kong to China by the end of this decade. And the problems of excessive debt, explosive population growth and famine face Central and South America, Africa and the sub-Asian Continent. The President, as the only official elected by the entire country, must retain the right to speak with one voice in international negotiations. We should not hamper his ability to deal with these matters.

International trade is vital to our future. It will mean jobs at home and abroad. Therefore, I rise in opposition to this resolution.

Mr. STARK. Mr. Speaker, as we begin debate on the President's fast-track trade negotiating authority, I would like to bring to my colleagues attention the attached AP news wire story.

As you can clearly see, Mr. Speaker, American companies cannot be trusted to protect the environment when they open factories in Mexico. However, the big question today is whether we can trust the President of the United States to make the Mexican Government comply with what we consider tough environmental standards. As the article clearly shows, it was not the U.S. Government, the EPA, or the White House which brought up these latest charges of environmental damage.

Must we rely on outside environmental groups to show the U.S.-owned companies will not respect the environment? Can we at all trust the President to force Mexico to comply with tough environmental standards? Can we afford to leave it up to American industry to respect the environment?

Mr. Speaker, much more is at stake here than just the President's authority. The real loser will be the environment; the polluted streams, the smog-filled skies, and the tainted drinking water. The Congress must have the ability to amend any FTA, if there are not adequate environmental safeguards.

The material follows:

BORDER SEWAGE—MAQUILADORA POLLUTANTS CITED AS THREAT TO BORDER SEWAGE PLANT

SAN DIEGO.—An environmental group says sewage samples from maquiladora factories south of the border contain enough petroleum pollutants to cripple a treatment plant the United States and Mexico plan to build.

"The hundreds of millions of dollars being spent to develop a new sewage plant could be wasted because that plant could be destroyed if this kind of industrial waste is pumped into it," said Craig Merrillees, trade and environmental specialist for the Boston-based National Toxics Campaign.

Government spokesmen say they doubt the planned $200 million plant, which is scheduled to begin treating renegade Mexican sewage in 1995, could be destroyed that way.

They acknowledged concern, however, about possible effects on the southern San Diego County facility from sewage created by the mostly U.S.-owned maquiladora plants in Tijuana.

"We anticipated this potential problem before we agreed with Mexico in July 1990 on the project," said Cruz Ito, spokesman for the International Boundary and Water Commission, a joint U.S.-Mexico agency that deals with border issues.

"In the agreement, Mexico commits itself to pre-treat any industrial discharges so we would not jeopardize the efficiency of the international plant."

Early this year, the National Toxics Campaign took eight samples of sewage from industrial areas dominated by the maquiladoras, which are factories owned by U.S. and other foreign firms and staffed by Mexican workers.

The samples contained up to 9 percent petroleum, which constitutes a violation of Mexican hazardous materials laws, Merrilees said.

"This (amount of petroleum) is far above the regulatory limits for hazardous effluent," he said. "What this testing proves is that violations of the law are routine in Mexico and that it is U.S. companies that are violating those laws."

That much petroleum waste likely would kill bacteria that would digest sewage nutrients in the planned binational treatment plant, said Pete Silva, a former IBWC engineer who now is the assistant deputy director of the city of San Diego's Clean Water Program.

The treatment process could be repaired and restored in a week or so, Silva said, but the plant's operating costs would rise. Raw sewage also would have to be pumped into the ocean while repairs are made, perhaps repeatedly, which could taint the offshore marine environment.

Samples collected by the environmental group also contained the heavy metals chromium and copper, which can be hazardous to marine life and wildlife in the Tijuana River Estuary at high accumulations.

The group's spot checks don't prove that all sewage bound for the planned plant will contain this much oil-related pollution or how often the sewage may be polluted, Silva said.

Past studies have shown that surges of petroleum and other industrial wastes are periodically found in Tijuana sewage, he said, making it more difficult to treat than U.S. sewage and potentially damaging to conventional treatment technologies.

Al Rich, president of the 175-company Western Maquiladora Trade Association, said the group's tests do not prove that binational factories are responsible for the petroleum discharges.

"It is very easy to blame the maquiladoras, but we are not the only industrial operators in Mexico," said Rich.

Recent shutdowns of 21 polluting maquiladoras by the Mexican federal environment agency, SEDUE, shows the government is cracking down on industrial polluters in Mexico, he added.

SEDUE officials, however, have declined to confirm the shutdown at those 21 smaller plants.

A July 1 deadline has been set for all 600 foreign border plants in Tijuana to register with SEDUE and detail the wastes they generate and how they dispose of such effluent, Rich said.

Mr. WEISS. Mr. Speaker, I urge support of the House Resolution 101, the Dorgan resolution that disapproves of fast-track negotiations.

All of us agree that certain benefits might be gained from freer trade with Mexico and other countries. The issue before us today is not whether the U.S. benefits from free trade, but at what expense will those benefits come.

Will the benefits be achieved without firm and written assurances that the trade agreements address some key concerns? Or will the benefits be achieved with only token congressional input?

It's no mystery where the administration stands on this point. President Bush would have Congress rubber stamp any settlement he negotiates.

It should be fundamental to the negotiation process that Congress play an active oversight role in the negotiations to ensure that certain criteria are met.

Make no mistake about it. If the House votes for fast-track authority with little or no accountability, then we will be back here only to have an up-or-down vote on the final agreement. Under the administration's procedure, you can guarantee that American jobs will be lost and that we will export our environmental problems.

That kind of congressional oversight of negotiations is unacceptable.

As the fast-track procedures stand, Congress has little assurance that the administration will address several important matters, like lower environmental standards, weak labor laws, and health concerns.

To a degree, it is hypocritical of the United States to set certain standards at home for the health and safety of workers and the environment, and then turn its back on these standards abroad, all for the expectation of cheaper imported goods. Indeed, trade negotiations is one of the few places where we have leverage with other countries to improve their standards.

President Bush did send Members of Congress a letter saying environmental and labor standards will not be diminished by free trade. But I for one am not satisfied that these concerns will be addressed by the administration in a manner acceptable to Congress.

I had hoped the House would reject the closed rule, which allows for the consideration of only two resolutions—approval or disapproval of fast track. Then the House could have taken up the amendment offered by Congressman LEVIN, which would have provided some real accountability to the negotiation process, requiring a mid-term review of the negotiations, a written economic impact analysis of the agreement, a progress report, and a report on the environmental consequences of the settlement.

Since the House did not reject the rule, I am forced to vote against granting the President fast-track authority because Congress would be surrendering much-needed oversight and input into the trade negotiations.

Mr. GEJDENSON. Mr. Speaker, I rise in support of the measure to disapprove fast-track negotiating authority.

I wish I could support fast track. I strongly support a North American Free-Trade Agreement in principle. A free-trade accord that brings down tariff and nontariff barriers could increase United States exports to Mexico over the long run and help make the United States more competitive on the world market.

A free-trade agreement would undoubtedly benefit Mexico—probably more than it will benefit the United States since Mexico's economy is proportionally so much smaller than ours. A free-trade agreement could lock in the economic and trade liberalization measures that the de la Madrid and Salinas administrations have initated. An agreement could also secure access by Mexico's exporters to the United States market. All this would greatly benefit Mexico's economy, there is no doubt.

But our first obligation is to the working men and women of the United States. And right now, I don't believe that the Bush administration is sufficiently committed to the welfare of American workers. It has not demonstrated a great deal of concern for those who have already been displaced by a declining defense budget, the recession, and foreign trade. For example, according to a report prepared by the staff of the Foreign Affairs Subcommittee on International Economic Policy and Trade:

The President has proposed the elimination of the Trade Adjustment Assistance Act, a program which provides training for workers dislocated by foreign competition.

The President has proposed severe reductions in the Community Service Employment for Older Americans Program

The President fought the $200 million in defense conversion assistance that was passed by Congress as part of the fiscal year 1991 Defense Authorization Act, and only agreed to release the money this week, 6 months into the fiscal year.

Even the program that Vice President QUAYLE helped to create, the Job Training Partnership Act [JPTA], is slated for sharp reductions. According to the Department of Labor, these cuts would mean that 224,000 fewer Americans would benefit from JPTA employment and training programs next year.

President Bush should put aside his fiscal year 1992 budget proposals and come forward with a proposal for specific and substantive worker adjustment assistance. A promise to address the issue at some later date after a free-trade agreement with Mexico has been signed is simply not enough. The President has stated that his administration is committed to working with the Congress to ensure that there is adequate assistance and effective retraining for dislocated workers. The President has told Congress that a Worker Adjustment Program could be addressed 9 months to a year from now, in legislation implementing a North American Free-Trade Agreement.

Congress could wait until the negotiations are over before addressing the issue and hope that the President's somewhat vague promise will translate to sufficient funding next year. But American workers deserve more than promises. A North American Free-Trade Agreement may bring substantial benefits to the United States as a whole. But, according to numerous studies reviewed in the subcommittee staff report, some Americans are bound to be hurt. We must take care of those workers. Congress should make a specific dollar commitment for specific worker adjustment programs a condition for granting fast-track negotiating authority.

With respect to labor standards and worker rights the President still does not recognize that Mexico's lower standards and lax enforcement threatens American workers and he will not make a commitment to help those negatively affected. The President fails to see that if these issues are not addressed in the negotiations on labor standards in Mexico could be used to exert a downward pressure on hard fought for United States labor standards. That pressure has already been seen in labor-management negotiations in which American companies have threatened to move to Mexico unless a lower wage or health and safety standards were accepted by the negotiating union.

Furthermore, labor standards and worker rights are directly linked to trade and competitiveness. There is no doubt that companies in the United States that must pay higher wages or incur the costs associated with health and safety standards will be at a competitive disadvantage against companies that are not similarly constrained in Mexico. Labor standards and worker rights must be incorporated into free-trade talks.

Regarding the environment. Americans have another reason to be worried about administration's intentions with respect to a North American Free-Trade Agreement. The President fails to see that the environment and trade are integrally related. But clearly, lower standards in Mexico permit companies based in Mexico to enjoy a competitive advantage over companies that must comply with stricter environmental standards in the United States.

Unless the environment is addressed in a comprehensive manner in a free-trade accord, the United States will either have to lower its standards or face the prospect of seeing companies move south to remain competitive. According to the GAO, American companies have already moved to Mexico to escape United States environmental laws.

Mr. Speaker, I do support a North American Free-Trade Agreement. But unless and until the President makes more concrete commitments to worker adjustment assistance, the environment and worker rights, I cannot support fast track.

Mr. LAROCCO. Mr. Speaker, the recent debate surrounding the approval of what has been dubbed fast-track authority for the negotiation of a United States-Mexico Free-Trade Agreement should serve as evidence to the American public that congressional business is not always partisan. This is not an issue of executive versus legislative, Conservative versus Liberal, or Republican versus Democrat. Instead we have been called to make a choice between growth and stagnation.

A great many misconceptions cloud the truths behind the fast-track concept. By itself, it is nothing more than a procedure for the legislative enactment of trade agreements.

As a part of the 1974 Trade Act, Congress imposed the fast-track rule upon itself to avoid the counterproductive delays which would inevitably arise were the House and Senate to involve themselves in the intricate details of negotiating trade agreements. The fast-track procedures operate to require a "yes-or-no" vote on a given agreement within 60 days, and with no amendments allowed.

The President's existing fast-track authority expired on March 1, and he is currently seeking a 2-year renewal. It should be understood that he is now requesting what has, for the last 16 years, been the norm for trade agreement negotiation. It is not a blank check by which Congress agrees in advance to anything the administration might propose. Rather it says that Congress will vote on any agreement as a package. Fast track is merely a legislative process, and not a negotiating end.

In the words of President John Kennedy, "Let us never negotiate out of fear; but let us never fear to negotiate." I am confident that with the assistance of the fast-track process, the United States in cooperation with Canada and Mexico, will be able to establish the largest free-trade market in the world.

With a total of over 360 million consumers and an output of $6 trillion, a North American Free-Trade Agreement [NAFTA] would enable this continent to truly compete. As the world begins to divide into three major trading zones: the Asian-Pacific region, the European Community, and the Americans, the time has come for us to match the success of the other two blocks. Estimates have shown that the increase in United States exports to Mexico between 1985 and 1989 has generated over 400,000 new jobs in the United States economy. United States-Mexican trade exceeded $58.6 billion in 1990—double the 1986 amount. clearly, the time has come for Congress to consider bringing the North American trade relations full circle.

A NAFTA would eliminate trade barriers and current inefficiencies with our first- and third-largest trading partners. It would also serve as the catalyst for unparalleled growth in world trade while giving the U.S. economy the jumpstart it so badly needs.

It should be understood that this Congress will closely scrutinize all such trade agreements. Mexico should be no different than Canada. I will not endorse any trade pact unless it thoroughly addresses the environmental, economic, labor, health, and safety concerns of all Americans. I will not allow the fast track to become a green light for circumventing the production standards which this Nation has worked so tirelessly to establish.

I intend to endorse legislation insuring that the United States and its trading partners can reduce, and ultimately, eliminate competitive disadvantages resulting from conflicting national labor standards and environmental regulations.

Without an all-or-nothing, up-or-down vote on issues of trade, free trade becomes much less negotiable. The progress to be gained from an open market gets lost in bureaucracy. The United States has already finalized the General Agreement on Tariffs and Trade [GATT]-Tokyo round, the Israeli FTA, and the

Canadian FTA under this procedure. It has worked.

Mexico, on the other hand, has warned us that it will not negotiate tariff reductions without the fast-track process. The United States would not negotiate a final trade agreement with another nation knowing that its provisions can then be freely amended by that Government. Thus, we have no right to expect such nations to negotiate with us under those same conditions.

Due in part to common misunderstandings about the trade negotiation process, many Idahoans are concerned that the fast-track process of opening U.S. borders to the global market will have a detrimental impact on our great State. I have met with members of Idaho's silver, sugar, dairy, electronic, and timber industries. I have raised their concerns in personal meetings with President Bush, U.S. Trade Representative Carla Hills, and Ambassador Rufus Yerxa, America's representative to the Uruguay round of the GATT. And I am happy to say that I have received assurances that Idaho's interests will be protected.

According to President Bush, his administration is "committed to working with the Congress to ensure that there is adequate assistance and effective retraining for (any) dislocated workers." In this area, I trust the President.

Additionally, I am dedicated to assuring that America's environmental standards will be protected, in agreements with Mexico and beyond. In 1988, Mexico adopted a comprehensive environmental protection law, and the Mexican Government is now engaged in setting specific standards pursuant to that law. EPA Administrator William Reilly has described Mexico as the developing country with the best record in terms of environmental protection, and the Mexico's President Salinas is committed to doing more.

The National Wildlife Federation has conducted a thorough study of the impacts of a NAFTA. It concluded that, if approached correctly, such an agreement would help promote and enhance ecological protection beyond U.S. borders. If the Mexican Government is required to meet our environmental standards and enforcement mechanisms as a prerequisite for trade, the world as a whole would reap the benefits for a long time to come.

Although America's relationship to Mexico, Canada, and the GATT in general are important issues, they are not directly at hand. Today, we are here to discuss the process by which we will negotiate them in the future. The fast track is the right track. We need a free-trade agreement. Congress can and will have a say in such agreements, and the concerns of American workers will be voiced.

I strongly support the fast track to growth and oppose the side track to protectionism, isolationism, stagnation, and fear. The time has come for the United States to place trust in ourselves, trust in our neighbors, and trust in the future.

Mr. FAZIO. Mr. Speaker, I rise today in opposition to the Dorgan resolution, but with great respect for my good friend from North Dakota and with many of the same reservations he has identified. I, too, am concerned about the impact of a Mexican Free-Trade Agreement on American workers. I, too, am skeptical about Mexico's ability to improve its environmental and labor standards. I, too, am concerned about the significant wage disparities existing between the United States and Mexico.

Where I think I differ with those who oppose fast track is that I believe fast-track authority is the beginning of the process, not the end. Congress will have input with the administration throughout the negotiations. We are not abdicating our role in fashioning trade agreements because we, the Congress, have the final say. After all the negotiations are completed and all the details are worked out, Congress, not the President or the administration, must approve the agreement.

Mr. Speaker, I have never been one to shy away from criticizing the administration for coming up short on our Nation's domestic policy agenda. I continue to believe that the President and his administration lag behind in addressing the real needs of our country such as health care, education, and the Nation's infrastructure. Moreover, the Republican administrations of the past 10 years have also been lacking in their trade policy.

Why, then, should we give this President and this administration fast-track authority? First, I believe it is important to keep the negotiating process moving forward. Second, I believe that if the Free-Trade Agreement is negotiated the right way, it will be beneficial for both the United States and Mexico. I think the agreement can be negotiated so that it does not rob our workers of their jobs and their livelihoods, and in the long-term, actually creates more jobs and better opportunities for all Americans.

Third, President Bush has pledged to address many of the issues which I have concerns about. The President promised to include transition measures to phase in the reduction of tariffs and nontariff barriers to avoid dislocations in import sensitive industries. The President promised to include snap-back provisions in the agreement to reinstate import duties for unduly impacted industries. The President promised to maintain the United States health and safety standards for products imported from Mexico. The President promised to help in the formation of an environmental plan in Mexico that is consistent with our own. Finally, and most important for me, the President promised to support an adjustment assistance program for workers who are dislocated by implementing the Mexican Free Trade Agreement.

Will the President be true to his word or will his action plan simply turn into another retreat on one of his promises? I don't know. I do know, however, that these promises have been made, not just to the Congress, but also to American workers and businesses. I intend to see that they are kept.

I will vote to give the administration fast-track authority. But, I will not give the President a blank check. If he cashes in on the livelihoods of American workers and their families just to adhere to a free-trade notion that has no foundation in the real world, I will be among the first to bounce the trade agreement back to the White House and work to change or defeat it.

Mr. Speaker, I believe that a Mexican Free-Trade Agreement can be a good foundation for promoting the United States economic interests in Mexico as well as throughout the world. With fast-track authority, President Bush will have an opportunity to enhance our economic competitiveness if he negotiates with American interests in mind.

This is a jobs issue. If done the right way, the Free-Trade Agreement can mean more jobs for Americans and Mexicans alike. I think it is important to give our country the opportunity to achieve this win-win scenario. I urge my colleagues to support fast-track authority and vote against the Dorgan resolution.

Mr. LOWERY of California. Mr. Speaker, I rise in opposition to the Dorgan resolution, and in support of extending the President's authority to negotiate a free-trade agreement with Mexico and Canada.

If a free-trade pact is negotiated it would provide tremendous benefits to all three nations. A North American Free-Trade Agreement [NAFTA] would unite 360 million people into the world's largest market with a total output of $6 trillion. It would enable North America to compete successfully with Europe and Japan in all areas of world trade.

My hometown of San Diego and the State of California would benefit tremendously from such an agreement because Mexico is already the third largest market for California exports; in 1989 California exported $4.2 billion in goods to Mexico. A free-trade agreement would provide even greater opportunities for California businesses and markets for our products and services.

Why are exports important? Because exports mean economic health for American businesses and more jobs for American workers. For every $1 billion in goods we export 22,000 U.S. jobs are created. For many years we have been told of the dangers of running a trade deficit—importing more goods than we export. A free-trade agreement will enhance our ability to export and strengthen our economy.

Some opponents of free trade with Mexico argue that we will lose many jobs to our southern neighbor because of its lower wage rates. This argument does not stand up to inspection. Making trade more open increases economic opportunities for all nations involved. Some people felt that when we began free trade with the Caribbean nations in the 1980's, we would lose jobs and be flooded with cheap imports that would hurt American business. Instead, our trade balance with those nations soared from a deficit of over $200 million in 1986 to a surplus of $1.8 billion in 1990. During this period, the U.S. economy added over 8 million jobs, many of them fueled by trade with the Caribbean. Free trade has helped, not hurt our economy.

For San Diego, Mexico is our neighbor and our business partner. Our business relations are good and free trade will improve them. Currently, we remain rightly concerned about the problems of drug smuggling and illegal immigration. A free-trade agreement will help address the root causes of these problems in Mexico. It will enable more Mexicans to find good jobs at increasing wages in their own country. This will reduce the pressures causing them to seek work illegally in the United States. In addition, legitimate economic growth will lessen the incentive to turn to drug trafficking for income. Finally, a trade agreement will not reduce our law enforcement efforts against drugs and illegal immigration. Border security will be maintained and I will continue to strive to improve our control of the border.

We can't solve our problems with Mexico by pretending it is not there. We must seek solutions that are good for both countries. A poor Mexico will be less likely to cooperate on drugs, immigration, or the environment. A richer, more stable Mexico will be able to work with us on these important issues.

On the question of negotiations, are we going too fast? Will we give the store away? No, it is important to point out that the United States is not giving anything away. We are preparing to begin negotiations, which could bring our Nation many benefits. In the so-called fast track negotiating process, Congress allows the President to conduct talks with Mexico and Canada to produce an agreement. Congress still has the final decision on any proposed pact. The process involves extensive congressional input and many Members of Congress have already made their views known to the President and these concerns will be taken into consideration during the negotiations. Finally, there is a 3-month review period before the agreement is signed. A free-trade agreement and the legislation to put it into effect will not occur without the approval of both Congress and the President. I will certainly not vote in favor of an agreement that is not good for San Diego and the Nation.

In sum, I believe it is in the best interest of the United States to begin negotiations for a free trade agreement with Mexico and Canada. Closer economic ties will create jobs and economic growth for the United States and its neighbors. Let's not miss a great opportunity for all the nations of North America. I urge the House to defeat the Dorgan resolution and allow the President to negotiate on this vital trade and foreign policy issue.

Mr. SCHEUER. Mr. Speaker, the complexity of the GATT and a NAFTA demands that this body retain its full constitutionally mandated authority.

When we talk about free trade, today, we are talking about more than bringing down the tariff barriers. We have added to the agenda a series of barriers known as nontariff trade barriers. These nontariff trade barriers include consumer health and safety standards—sanitary and phytosanitary standards—environmental protection legislation, buy-America provision, and minority set asides.

Under the GATT, the decision on how much carcinogenic pesticides, such as DDT and alar can be on the fruit and vegetables Americans eat will not be made in America or even by Americans. Rather, the decision will be made by a small bureaucracy in Rome, the codex alimentarius. And you can be sure that their standards will be based on the lowest common denominator.

Even legislation designed to protect our environment would be under fire. For instance, the Clean Air Act which this body labored on for decades would be challenged by these agreements. Our efforts to protect the last great stands of the Pacific Northwest forests and the spotted owl would be undermined. Even reforestation plans and local recycling programs would be open to challenge.

And we can forget about buy-America provisions and minority set asides now in Federal, State, and local law. Not even a local municipality in Pittsburgh could favor Pittsburgh Steel over Japanese steel.

What is going to be on the table in Mexico and in Geneva is our Federal, State, and local sovereignty. It is our very ability to legislate to protect ourselves and our environment.

A free trade agreement with Mexico, a country we share a border with, must address environmental concerns. Proponents of fast track argue that as Mexico becomes enriched by free trade, they will pay more attention to cleaning up their environment. Until then what? Must Mexico continue to become a toxic waste dump while it waits for the big free trade payoff. We are just coming to the realiziation that much of the enviromental damage we have done to our country is irreversible. Last week, a Wall Street Journal article reported that we are meeting with no success in cleaning up the 5,700 Superfund sites across this Nation, that these sites may be beyond our ability to clean up.

This Congress has a vital role in ensuring that a free trade agreement does adequately address the question of the environment. The reality is that shared borders mean shared pollution.

With so much at stake, it is small wonder that a whopping 72 percent of the American electorate join me in urging Congress to assume its constitutional responsibility and disapprove fast track—Source: Garin-Hart poll.

Ms. NORTON. Mr. Speaker, I rise in support of the resolution by the gentleman from North Dakota disapproving the extension of fast-track procedures in the implementation of two pending fair trade agreements. Fast track is a quick fix for the administration. However, it is a blank check that is dangerous to the public. A trade agreement as unprecedented as the Mexican Free-Trade Agreement is likely to have unintended effects, whatever safeguards are inserted. The least that we can do is to utilize the traditional checks and balances, including congressional review to help account for these effects.

I am no enemy of free trade. Fast-track authority is a quite different matter, however. This body should not give up its right to thoroughly review a trade agreement, particularly one that is so unprecedented. In almost every important economic respect—from wage levels to regulatory mechanisms—there are vast differences between Mexico and the United States. A trade agreement between a developing country and a fully industrialized nation needs more—not less—oversight.

The President recognized the potential loss of American jobs and offered some aid, but the vagueness and inadequacy of his proposal is hardly reassuring. No country in the world but ours would expose its workers to such sacrifice without adequate and explicit recompense. Even if we assume that the Mexican Free-Trade Agreement would be beneficial to most of us, the burden of any sacrifice should not fall on a minority who would be hurt. A recent ITC report states that "unskilled workers in the United States would suffer a slight decline in real income." It is these "unskilled workers" who are the bulk of those experiencing decline in income now. They frequently are women and people of color. These workers are the ones who can least afford to suffer a slight decline in real income. And the slight decline in real income would most likely come in the form of lost jobs. I have seen no offsetting proposals that would make up for continued erosion among those least able to afford it.

Nor are the President's environmental promises in the least convincing. Enforcement is everything when it comes to the environment. We know this lesson in this country all too well, where despite our wealth as a nation, competing interests often disagree and enforcement is often weak. Where is the evidence that Mexico would in fact resist such forces and, despite its economic needs, make short-term economic decisions for long-term environmental gains? What recourse do we have if a sovereign nation does not live up to standards of environmental regulation enforcement we desire? What has the President offered that would keep United States businesses who want to escape environmental regulation from moving their companies to Mexico?

The irony is that Mexico and many of our other trading partners do not put their own agreements on a fast track. According to the Library of Congress, Japan, Canada, South Korea, Brazil, Switzerland, Venezuela—to name a few—all have laws which subject trade agreements to legislative approval and amendment. And many other countries *may* amend trade agreements in their legislatures. I would like to insert this information into the RECORD.

TOP U.S. TRADING MARKETS

Country	Must trade agreements be approved by the legislature?	Legislatures may amend trade agreements
1. Canada	Yes	Yes.
2. Japan	Yes	Yes.
3. Mexico	Yes	Yes.
4. United Kingdom (EC)	No[1]	NA.
5. Germany (EC)	No	NA.
6. South Korea	Yes	Yes.
7. France (EC)	No[1]	NA
8. Netherlands (EC)	No[1]	NA.
9. Taiwan[2]	No[3]	No.
10. Belgium-Luxembourg (EC).	No[1]	NA.
11. Australia	No[4]	No.
12. Singapore	No	No.
13. Italy (EC)	No	No.
14. Hong Kong	No	No.
15. Spain (EC)	No[1]	NA.
16. Brazil	Yes	Yes.
17. Switzerland	Yes	Yes
18. China[2]	No[5]	No.
19. Saudi Arabia	No	No.
20. Malaysia	No	No.
21. Sweden	No[6]	No.
22. Israel	No[7]	No.
23. Venezuela	Yes	Yes.
24. U.S.S.R.[2]	No	No.
25. Thailand	No[8]	No.

[1] EEC Countries: EEC agreements with third countries on commercial matters are negotiated by the EC Commission, the executive institution of the EC, in consultation with a special committee appointed by the European Council of Ministers; the agreements are then concluded by decision of the Council [EEC Treaty, Art § 113 & 228]. There is no obligation to consult the European Parliament on commercial treaties, but, in practice, it has been agreed that the Commission will keep the Parliament informed with the progress of all international negotiations.

[2] Not a member of GATT.

[3] Taiwan: According to the Coordination Council for North American Affairs, Taiwan's office in the U.S., trade treaties would be considered executive actions and not sent to the legislative branch for action, unless they required changes in the law.

[4] Australia: Acceptance by Australia of the GATT and three protocols signed in 1948 was approved by Parliament under the International Trade Organization Act, 1948. Treaty making, however, is an executive act and the later amendments to GATT have become binding obligations without concurrence of the Australian Parliament [E. Cooper, Customs and Excise Law 69 (1984)].

[5] China: China's constitution states in article 67, § 14 that treaties and important agreements are decided on by the Standing Committee of the National People's Congress. Other treaties are concluded solely by the agencies under the State Council, under article 89, § 89, § 9. The Law of the People's Republic of China on the procedure for the Conclusion of Treaties, Dec. 28, 1990, confirms this in art. 3. Its definition of "important" (contained in art. 7) does not specifically mention trade agreements.

[6] Sweden: If the subject matter of the agreement is within the power vested in the Government (Council of Ministers) or a specific government agency, the agreement does not need to be approved by the Parliament.

[7] Israel: Israel does not have any statutory provision requiring such approval. In a 1968 decision of the Supreme Court, C.A. 131/67 Kamiar V. State of Israel, 22(2) Piske Din [Decisions of the Supreme Court] 85 [in Hebrew] it was held that treaties do not have existing law or create obligations which are not capable of being enforced without legislation. Trade agreements by nature have such influence on internal legislation.

However, in practice, the government of Israel committed itself to submit treaties to the notice of the Parliament. See the 1984 amendment to the Rules of Procedure of the Government, Directives of the Attorney General 64,000 A. of August 1, 1984 in Prof. Ruth Lapidot, International law within the Israel legal system, 24(1) Israel Law Review 34 (1990).

[8] Thailand: Under the 1978 Constitution which was abrogated after a recent seizure of power. New constitution being drafted by interim national assembly.

Mr. WAXMAN. Mr. Speaker, I rise to express my support for House Resolution 101, to disapprove the fast-track procedure.

Until very recently, I had been undecided on whether to support extending fast-track authority to the administration in connection with negotiations on a North American Free-Trade Agreement [NAFTA] and a new agreement under the General Agreement on Tariffs and Trade [GATT]. In the past, I have strongly supported efforts to reduce trade barriers with our trading partners.

While I believe that negotiations with our trading partners should be allowed to go forward, I oppose conditioning these talks on a procedure that gives Congress one vote, up or down, on an entire trade package. Further, I am not willing to be bound by the short time allotted Congress in the fast-track procedure to consider the far-reaching effects these trade agreements will have on the American public.

I have serious misgivings about the potential harmful impact of a NAFTA and GATT agreement. I am concerned that a NAFTA could result in the relocation of American jobs to Mexico, a reduction in real income to American workers, and greater deterioration of health and environmental conditions on the Mexican-American border. I also worry that insufficient rules of origin will allow other countries to evade United States tariffs by channeling their goods to the United States through Mexico.

I am concerned as well about a GATT agreement which, if we are not careful, could risk the sovereignty of U.S. health and environmental laws. Under current GATT procedures, the validity of domestic health and environmental laws can be challenged by a foreign party before a body of international representatives. The United States has some of the strongest health and environmental laws in the world. We can expect other countries to challenge them because the products they want to sell to American consumers are deemed inferior or dangerous under U.S. law.

I fear that a number of U.S. laws could be weakened or dismantled under GATT procedures, including bans on pesticides, food additives, unapproved medical devices, unapproved drugs, as well as requirements for nutrition and warning labels.

On May 10, I sent a letter, cosigned by Representatives GEPHARDT, WYDEN, SIKORSKI, and MATSUI, seeking the U.S. Trade Representative's assurances that the sovereignty of U.S. health and environmental laws would be protected in trade negotiations.

Unfortunately, the response I received from the administration yesterday does not contain the assurances I believe are necessary to protect the integrity of U.S. health and environmental laws. A copy of our letter and the response will appear in the RECORD following these remarks.

Before the administration receives an extension of fast-track authority in connection with GATT and NAFTA talks, I believe Congress should have explicit guarantees in a number of crucial areas. These same concerns must be addressed in any agreement that the administration negotiates, or the agreement should be rejected by Congress.

First, current procedures for adjudicating unfair trade practice issues place the burden of proof on the country whose law is being challenged. In the case of health and safety laws, this procedural hurdle is unacceptable. Therefore, any trade agreement must provide for a presumption of the validity of health and safety laws. The burden of proving that the law is a trade barrier must rest with the country challenging the law. The letter from the U.S. Trade Representative does not contain adequate assurances with respect to this issue.

Second, the United States must stand ready to defend all our health and environmental laws against challenge by other countries. This may be difficult where the administration has opposed the laws in Congress, particularly where it has argued that those laws are not supported by a reasonable scientific basis, which apparently would be the standard upon which laws would be judged. The letter from the U.S. Trade Representative contains some helpful assurances on this issue, but there is no indication as to whether the administration has systematically reviewed U.S. laws to determine whether they will be upheld under the GATT standard.

Third, under the draft GATT agreement, labeling can be treated as a trade barrier. As long as labeling requirements apply with equal force to both foreign and domestic products, I do not believe that they should be subject to challenge. The U.S. Trade Representative's letter does not go far enough in ensuring that laws requiring health and safety warnings will be protected from challenge as long as they do not discriminate in this way. Indeed, it leaves open the possibility that the nutrition labeling requirements that Congress mandated last year could be open to challenge.

Fourth, the United States must be free to use its own techniques to measure the risk of hazardous substances. The draft GATT agreement appears to push the United States toward international risk assessment standards. I am very pleased that the U.S. Trade Representative's letter appears to contain adequate assurances on this point.

Fifth, the process under which challenges to U.S. laws occur must be open to public scrutiny and debate. The right of the American public to protection from health and environmental hazards should not be endangered by a closed process before an international body. The letter from the U.S. Trade Representative does not contain any assurances in this regard.

Finally, State and local laws, applied equally to national and international products, should be insulated from challenge. The U.S. Trade Representative's letter confirms that a GATT agreement could allow foreign governments to challenge laws enacted by States and localities. California's Proposition 65 requires warning labels on certain products that contain carcinogens. If required to comply with international trade agreements, States and localities could lose the right to protect the health of their residents.

Mr. Speaker, I appreciate the U.S. Trade Representative's efforts to meet my concerns. I do not believe we have been provided adequate assurances, however, that the United States will retain the right to preserve its democratically passed laws protecting the health and well-being of the American public.

By disapproving the fast-track procedure, Congress will have the opportunity to fully consider contentious issues at the conclusion of the administration's negotiating process. International agreements and treaties have been adopted in the past under our regular rules procedures. Congressional authority should not be waived now, when critically important outstanding issues remain unresolved.

CONGRESS OF THE UNITED STATES,
Washington, DC, May 10, 1991.

Hon. CARLA HILLS,
U.S. Trade Representative
Washington, DC.

DEAR AMBASSADOR HILLS: We are writing to express our serious concern regarding the impact the GATT trade agreement currently being negotiated could have on our domestic health and safety laws. There are several provisions that are apparently being considered, and in many cases promoted, by our negotiators that would have a serious detrimental effect on U.S. health and safety laws if adopted in the final agreement. With respect to each of the issues that is raised below, please state the Administration's position, and provide any concrete, written assurances that you can to address the concerns raised.

1. Under the draft language, health and safety laws (such as those banning pesticides, food additives, unapproved medical devices and unapproved drugs) are presumed not to be trade barriers so long as they meet international standards. However, if they are not consistent with international standards, then the country defending the law must bear the burden of supporting its law. In many instances, our laws are far stronger and more protective than the Codex and other international standards. In our view, any health and safety law that is stronger than international standards should be presumed to be valid, and the burden of proof of its invalidity should be on the country challenging it.

What assurances can you give us that the burden of proof will always be on the country challenging U.S. health and safety laws, even when the U.S. laws contain more stringent requirements than international standards?

2. The draft contains various standards that would be applied to determine the validity of a U.S. law challenged under GATT. The most common standard appears to be "scientific justification" or "reasonable scientific basis." However, there have been instances where the Administration has urged the repeal of laws on the ground that the laws have no scientific justification (the Delaney clause banning carcinogenic food and color additives is an example). In other cases, Congress may act where the Executive Branch has found no scientific justification

for banning a product (for example, there is currently a bill pending in the House which would ban silicon gel breast implants because of safety concerns).

We do not believe that any of the U.S. health and safety laws was designed to discriminate against international trade. Therefore, we would have serious objections to any agreement that allows another country to challenge U.S. health and safety laws.

Does the Administration regard the full range of U.S. health and environmental laws as being supported by a reasonable scientific basis? Will the Administration vigorously defend every such law against any international challenge?

What assurances can you provide us that U.S. health and safety laws will not be declared trade barriers under this standard?

3. The draft also appears to cover labeling of products. For example, requirements of the Nutrition Labeling and Education Act of 1990 might be subject to challenge. Health and safety warnings required by U.S. law could also be subject to challenge. In our view, labeling requirements that are applied equally to domestic and imported goods should never be treated as trade barriers.

What assurance can you give us that U.S. labeling laws will not be subject to challenge under GATT or the Mexico agreement?

4. In the draft agreement, there is considerable discussion of risk assessment techniques, and there is at least a suggestion that international standards could override the methods used by a particular country. Risk assessment is the method by which some federal agencies determine the risk of particular hazards. What assurance can you give us that the U.S. will be free to devise its own methods of measuring the risk of pesticides, food additives and other hazards?

5. We are also concerned about the procedures that would be used to determine whether a U.S. law is a trade barrier. Apparently, decisions regarding the validity of U.S. laws would be made by a panel selected by GATT. The proceedings are conducted in secret. If our government did not defend a law adopted by Congress, there would be no opportunity for Congress or any U.S. citizen to defend the law.

What assurances can you give us that the process for challenging U.S. laws will be open and fair?

6. The draft contains proposals to extend GATT to state and local laws. This would subject a huge, unknown number of additional laws to challenge. For example, California's Proposition 65 (which contains warning labels on certain products that contain carcinogens) could apparently be challenged on the ground that it is a trade barrier. In addition, the draft agreement contains language which would obligate the U.S. government to require states and localities to comply with GATT.

What assurances can you give us that GATT will not be extended to state and local laws?

We look forward to receiving your response before the House of Representatives votes on extending fast-track authority for the GATT negotiations.

Sincerely yours,

RICHARD A. GEPHARDT.
ROBERT T. MATSUI.
HENRY A. WAXMAN.
RON WYDEN.
GERRY SIKORSKI.

U.S. TRADE REPRESENTATIVE,
Washington, DC, May 22, 1991.

Hon. HENRY A. WAXMAN,
House of Representatives Washington, DC

DEAR CONGRESSMAN WAXMAN: Thank you for the letter you and your colleagues sent to me regarding sanitary and phytosanitary issues. I am happy to respond to the six questions you posed which relate to the negotiations in the Working Group on Sanitary and Phytosanitary (S&P) Regulations and Barriers being conducted under the auspices of the Agricultural Negotiating Group (ANG).

Before addressing your questions, let me emphasize that the agreement being developed by the S&P Working Group is essential for allowing effective challenges to illegitimate measures in the area of food safety, animal health, and plant health. S&P measures are often misused as a means to bar entry of competitive agricultural products, block opportunities for market development, and register dissatisfaction over other, unrelated trade grievances. In the future, improved liberalization of agricultural markets could significantly increase incentives to misuse S&P measures. Countries could see health-related measures as a way to continue blocking imports when other means are no longer available. We need improved multilateral rules to prevent such abuse.

It is important to note that the current S&P text has *not* been accepted by any country, including the United States. However, it is the position of both the interagency group studying the S&P issue and the Administration that the S&P text reflects a successful implementation of the objectives of the Midterm Agreement and a suitable basis for a negotiation. At present, brackets remain on several important provisions, indicating that country positions continue to differ. Despite these outstanding issues, we believe that with adequate attention these areas of divergence can be narrowed and ultimately resolved to the satisfaction of the United States.

Turning now to the specific issues you raised, in the order posed:

1. The placement of the burden of proof in GATT challenges of health-related measures more stringent than international measures.

The current draft text is specific in protecting the right to take science-based measures necessary for the protection of human, animal or plant health, including, when appropriate, measures more stringent than international standards. The United States will *not* give up its sovereign right to determine the measures appropriate to protect health, safety, or environment.

It is important to note that in a GATT challenge under the proposed agreement, there would be no presumption against, or special burden on, the party maintaining measures more stringent than the international standard. The question in this context would be whether the measure is science-based. A GATT challenge is *not* to second-guess countries' scientific determinations, but only to ascertain whether the measures were based on scientific information that indicates a public health or environmental threat and were evaluated using recognized scientific approaches. This does not require absolute scientific certainty, or even consensus within the entire scientific community. Rather, it would require that there be trustworthy information—such as human epidemiological data, or medical histories—that supports the risk assessment.

2. Administration regard and support for the full range of U.S. health and environmental laws.

We have great confidence in the processes used to develop U.S. food safety laws and regulations. More specifically, we believe that our processes conform to the criteria of the S&P draft agreement, and we certainly stand ready to defend our laws and regulations in the event of a challenge by another GATT country. In fact, the United States has been in full compliance with its obligations under the Tokyo Round Agreement on Technical Barriers to Trade which established disciplines to prevent standards-related barriers for a broad range of agricultural and industrial products. (Title IV of the Trade Agreements Act of 1979 implemented those obligations under U.S. law.)

3. U.S. labeling laws under the GATT or a North American Free Trade Agreement.

The GATT S&P draft text covers labeling requirements which are "directly related to food safety." Therefore it is doubtful, for example, that nutritional labeling or other labeling of a general educational nature would be covered by an S&P agreement. Regarding food safety labeling, there would be no concern unless another country could reasonably claim that our requirements acted as an unjustified trade barrier, which seems unlikely. We do believe, however, that food safety labeling should be subject to the general disciplines of an S&P agreement, e.g., it should be science-based and nondiscriminatory regarding imports. Product labeling requirements are covered by the broad disciplines under the Agreement on Technical Barriers to Trade and again I note that we have been in full compliance with our international obligations. These disciplines should also be relevant to any agreement signed with Mexico, though it is difficult to determine what will be covered in the agreement as formal negotiations have yet to begin.

4. Continuance of national sovereignty in measuring risks to health.

The United States feels strongly that each country has the right to undertake its own risk assessment. The draft S&P agreement would not require any particular method of risk assessment to be used, but rather would call for a country's method to be science-based, transparent and consistently applied. We believe that the U.S. approach to risk assessment meets these criteria.

5. The openness and fairness of the GATT process for challenging health-related measures that impact agricultural trade.

Our view is that the only approach for adequately addressing the unjustified sanitary and phytosanitary trade barriers facing U.S. agricultural exports is the development of an effective GATT process in this area. However, as I noted above, we certainly are confident and ready to defend any U.S. law or regulation in the sanitary and phytosanitary area that might be challenged in GATT.

6. The extension of GATT rules to state and local laws.

The issue of a national government's degree of obligation in seeing that its subnational (state and local) governments are in compliance with the GATT is a complicated and difficult "horizontal" issue, i.e., it is important for all GATT rules and not just the sanitary and phytosanitary agreement. The U.S. position is that, in the event of a finding of subnational nonconformity with the GATT, the national government can only be expected to make "reasonable efforts" within its existing system to bring its subnational governments into compliance with the GATT. The sanitary and phytosanitary agreement clearly will allow states to adopt standards stricter than national standards as long as they comply with the provisions of the agreement, e.g., they are science-based, transparent, and nondiscriminatory. On the other hand, it is important to note that no GATT agreement, including a sanitary and phytosanitary agreement, can be effective if the measures of subnational jurisdictions cannot be subject to scrutiny according to GATT rules. The obligation to take such "reasonable measures" was embodied in the Agreement on Technical Barriers to Trade and implemented in our domestic legislation under the Trade Agreements Act of 1979.

Again, I thank you for taking the time to elaborate your concerns. I hope that we can continue to have a productive dialogue on these issues.

Sincerely,

CARLA A. HILLS.

Mr. DE LA GARZA. Mr. Speaker, I rise in opposition to the resolution of the gentleman from North Dakota disapproving the extension of the so-called fast-track procedures for trade agreements.

IMPORTANCE OF INTERNATIONAL TRADE

Our Nation faces enormous challenges in the 1990's. The American economy, and particularly American agriculture, now operates in a global marketplace.

Our responsibility here in this Congress is to help our Nation adjust to the new international climate, not to ignore it.

We must help our Nation regain its competitive edge. We must set our economic and trade policies on a course that will lead to better jobs at better wages for all Americans who want them. And we must maintain and expand our position in export markets.

As a member and chairman of the Committee on Agriculture, I know how important trade and growth in export markets are to the economic health of the U.S. agricultural sector.

Our Nation's farmers are the most productive in the world and have been for decades. They produce not only enough food for our Nation, but enough to export more farm products than any other country in the world. Production from roughly one-third of our Nation's cropland goes overseas.

American agriculture can compete with any other nation's farmers—if given a level playing field and access to foreign markets.

URUGUAY ROUND

That is what the Uruguay round of GATT talks is all about. Most American farmers and most agricultural organizations want to see our Government make progress in lowering trade-distorting subsidies and barriers used by other countries, as well as reducing the cost of our own farm programs.

Without progress in the Uruguay round, our Nation will likely spend more on agricultural export subsidies and pay more to American farmers to idle productive land.

Taxpayers don't want that to happen. And neither do most American farmers.

That is why I hope the Uruguay round can achieve its goals of creating a more fair and open trading environment for the nations of the world. That is why a majority of farm groups support fast track, including the American Farm Bureau Federation, the Nation's largest.

UNITED STATES-MEXICO-CANADA FREE-TRADE AGREEMENT

Mr. Speaker, I also want to speak briefly about the proposed North American Free-Trade Agreement.

Mexico is not a threat to the American economy or American workers or American farmers. The fact of the matter is that Mexico's gross domestic product—the measure of its economic output—is only about 4 percent of our own Nation's.

Some are concerned about the food producing capabilities of Mexico. But the fact is Mexico is mostly mountains and deserts. It has only seven-tenths of an acre of arable, food-producing land per person. The United States has nearly 2 acres per person. Mexico has 85 million consumers who live in a country that already cannot produce enough food for its population.

But what Mexico is, in fact, is an important export market for the United States, our third largest trading partner.

My colleagues should know that in 1989, Mexico ranked among the top 10 export markets for 36 States. For five of those States—Texas, Arizona, North Dakota, Missouri, and Kansas—10 percent or more of their exports went to Mexico in 1989.

Mr. Speaker, I submit that it is in our national interest to promote the economic, political, and social stability of our neighbor to the south.

A Mexico without a strong, vibrant economy cannot keep its people from illegally crossing the border.

A Mexico without economic growth will not have the resources to improve enforcement of its own environmental laws.

A Mexico without hope of a better tomorrow will lose its resolve to fight drug trafficking.

Worst of all, the tremendous progress made by Mexico in reforming its economy may fall by the wayside, and political and social instability will likely take its place—possibly right along our border.

That is why I support the President's desire to negotiate a mutually beneficial and complementary free-trade agreement between the United States and Mexico.

American agriculture and American consumers have a big stake in the United States-Mexico negotiations.

Last year, Mexico was our fourth largest market for United States farm products and our second biggest source of food imports.

Overall, American farmers stand to benefit from freer trade with Mexico, particularly with increased access to the Mexican consumer market.

Yes, there will be winners and losers. That is why a free-trade agreement must contain safeguards for American farmers, workers, and industries, as well as the Mexican counterparts, to ease the transition.

The administration's action plan requested by the majority leader, Mr. GEPHARDT, and the distinguished chairmen of the Ways and Means Committee and the Senate Finance Committee signifies a commitment from the President to address the legitimate concerns many have raised about a free-trade agreement with Mexico.

The President has pledged to provide for an adequate worker dislocation program. He has promised to press for a sufficient transition timeframe and safeguards in the area of tariffs. He has said he will insist on strict rules of origin for products.

And he has assured the American people that our Nation's vital environmental, health, and safety standards will be preserved in an agreement.

Mr. Speaker, this action plan must not just be a set of wishful or unfulfilled promises. It must be backed up by a commitment from the administration, working with the Congress, to fully realize its goals.

FAST TRACK AND CONGRESSIONAL POWERS

Mr. Speaker, I disagree with those who say fast track gives away congressional power.

The fast-track procedure, in fact, preserves congressional powers to regulate foreign commerce and promote the general welfare of our citizens.

Under fast track, we say that Congress must be consulted throughout the negotiation process. We as individual Members of Congress and within the appropriate committees have ample opportunities to influence the negotiating posture of the administration even before we vote on a final agreement.

There are some who think that if Congress extends fast track then any free-trade proposal or GATT agreement reached by the administration will become law automatically.

That is simply not true. I, for one, will oppose any trade agreement that unilaterally disarms the import safeguards needed by some segments of American agriculture.

I can assure American farmers and workers that this Congress will end the negotiations if it doesn't feel the President is keeping the best interests of the American people in mind during these negotiations.

Finally, Congress can vote down a final agreement if we're not satisfied with the final result.

I support the extension of fast track. But I reserve the right to oppose any final trade agreement presented to the Congress—be it from the Uruguay round or the proposed North American Free-Trade Agreement—that is not in the best interests of American agriculture or our Nation.

Today, let us extend the fast-track procedure so the administration can negotiate agreements and Congress can have the opportunity to vote.

Mr. Speaker, on behalf of American farmers and the economic future of our Nation, I urge my colleagues to vote "no" on the Dorgan resolution.

Mr. HOAGLAND. Mr. Speaker, I am casting my vote today against extension of fast-track authority for the United States-Mexico Free-Trade Agreement. I do this in part to protest the failure of the Bush administration to develop a domestic policy that will deal effectively with the economic problems of the working men and women in America.

I have no objection to attempting to negotiate a treaty with Mexico that would be good for America, but what is the hurry?

Let us instead put on a fast track solutions to America's domestic problems: declining wages and increasing taxes on the working families of America; better jobs; adequate unemployment compensation protections during this serious recession, and keeping jobs at home.

Let's have a fast track for America. Let's be careful and cautious as we negotiate a trade agreement with Mexico.

I believe a hastily negotiated Mexican Free-Trade Agreement could hurt American workers, and believe me, working families in America are already hurting.

In the decade just past, working families in America saw their income, in real dollar terms, decline substantially while the income of the wealthy jumped. The income of the richest 1 percent of Americans grew by whopping 113 percent while the income of America's poorest declined by more than 10 percent.

As we enter the decade of the 1990's, more and more families are required to have both spouses in the workplace just to make ends meet. Single parent families have incredibly difficult times. Today, half the mothers with children under age one work outside the home. More than 80 percent of the women working in America are in their childbearing years. Most work because they have to, not because they want to.

I have talked to my constituents about this issue. Workers in Nebraska are very concerned about losing their jobs. I have talked to workers in the Fruehauf plant. They are afraid that once Mexico changes its laws and allows foreign corporations to own businesses on its soil, more American businesses will move south to take advantage of the incredibly low wages.

I have talked to workers at the Omaha AT&T plant. They tell me that some parts of their operation have already moved out of the country. They fear that more jobs will be lost to Mexico.

Nebraska farmers well remember the administration's promises when the Canadian Free-Trade Agreement was presented to the public. Administration officials promised that our negotiators would prevent Canadian farmers from flooding the United States market with grain after United States wheat producers were restricted under the trade agreement from selling wheat in Canada. Tens of millions of bushels of durum wheat flooded the U.S. market. U.S. durum wheat prices collapsed and U.S. wheat producers lost millions of dollars of income. What was done by the Bush administration? Nothing.

Nebraskans are skeptical that fast-track negotiations for a free trade agreement will help Americans. They say instead, let us go slowly.

Why don't we give fast-track consideration to the problems we face in America today? I call on the administration to put Americans first. We need better access to health care for the 37 million uninsured Americans. We need more affordable health care for everyone. We need health care the elderly can rely upon. We need jobs here at home. In short, we need to take care of our own here at home first.

The last 10 years have taken a toll on middle America. I believe our first priority should be to create economic opportunity for working men and women here at home. Let's put that issue on the fast track!

Mr. LEHMAN of California. Mr. Speaker, after much careful deliberation, I have decided to vote for the Dorgan resolution today.

I agree that we need a fair trade agreement with Europe and Mexico. I recognize that we will have to sacrifice some to make an agreement possible, but I am sure that given the right treaty, the long-term benefits to all will outweight these negatives.

What I object to is the process this House has imposed on itself and the likely result that process creates.

We are deciding more today than whether or not we will be able to amend a trade agreement negotiated by the administration. We have already decided by adopting the rule, that we cannot place any restrictions or limits on the process itself.

We were elected by our constituents to render our own judgment on these matters. Instead we are unilaterally surrendering that judgment by defeating this resolution. We, not the executive branch, have implicit authority in the constitution to regulate trade and obligate this Nation to international treaties.

Why should we hand our responsibility over to the executive branch? Can we expect the administration to negotiate a good deal for the environment, a good deal for American workers, and a good deal for agriculture when they know we aren't able to modify it? I'm not impressed with the administration's track record in any of these crucial areas.

Can we expect them to aggressively defend these values, when they know that we cannot separate the provisions affecting one country from those affecting another?

By defeating Dorgan today we surrender any ability to influence the results. We can have a trade agreement without surrendering our constitutional rights. Yes, I can still reserve my right to vote against the final product by supporting fast track. But, the reality is that this vote would be a futile gesture as we will be prevented from offering even a single amendment, in defense of our values and our constituents.

Mr. SMITH of Oregon. Mr. Speaker, I rise in opposition to the resolution and in support of continuing the President's authority to conduct trade negotiations under the fast-track mechanism.

The negotiation and implementation of trade agreements require special cooperation between the Congress and the administration.

By ensuring a vote of implementing legislation within a fixed time period—and by shielding this legislation from amendments—we allow our negotiators the latitude to secure the best deal possible.

The request for fast-track extension has been submitted primarily for the ongoing Uruguay round of the GATT negotiations and the North American Free-Trade Agreement, commonly referred to as the Mexican FTA.

Fears about the outcome of these negotiations should not cloud the debate about fast-track authorization. This debate is about process, not content. Without fast track, there won't be any process.

Mr. Speaker, I have had reservations in the past about this GATT round. I was concerned that agriculture would be traded off to secure agreements in other areas.

But I was in Brussels for these talks last December, and I can assure you that our negotiators did not blink in the face of pressure from the European Community, Japan, and Korea.

They are sticking to their guns, because no deal is better than a bad deal.

Because of our negotiators' resolve, our trade competitors have agreed to discuss specific binding commitments in each of the key areas of agricultural reform: market access, export subsidies, and internal supports.

We are finally making real progress. It would be foolish to walk away from that progress just when we are on the brink of achieving our goals.

Others have expressed concerns about the Mexican FTA, Mr. Speaker, and that's understandable. The agreement would encompass some 360 million people with almost $6 trillion in economic output each year.

That is an awesome market, and legitimate concerns have been raised about its impact on the economy. But those concerns can best be addressed in the agreement, not by stubbornly insisting that there not be an agreement.

If the negotiations for a Mexican free-trade agreement and a new GATT compact do not produce satisfactory proposals, then we just vote no. Fast track does not give the administration the keys to the store. It does not allow the administration to make law all on its own. All it does is give the administration the ability to negotiate.

Mr. Speaker, I am confident that Congress will retain the necessary oversight in the negotiating process, just as we were consulted on the Canadian Free-Trade Agreement.

After the President gives notice of his intent to sign an agreement, he will submit legislation, and we will have 60 to 90 days to hold hearings and conduct up to 20 hours of floor debate, then we vote.

Support for fast track is not an endorsement of any agreement, it is an endorsement of the principal of negotiating for an agreement. Support for fast track is a commitment to the principle that free trade is worth exploring.

I believe it is vital to the future of our economy and to American agriculture that we nurture the promise of truly free trade.

I urge my collegues to oppose the resolution, and I thank the Chair.

Mr. CLAY. Mr. Speaker, I rise in support of the resolution offered by the gentleman from South Dakota [Mr. DORGAN]. The President has asked that the Congress extend fast-track procedures for any trade treaty he may negotiate between May 31, 1991, and June 1, 1993. Specifically, the President has stated he heeds the fast-track procedures in order to revive and conclude the Uruguay round of the General Agreement on Tariffs and Trade [GATT]; to negotiate a free-trade agreement with Mexico or a North American Free Trade Agreement [NAFTA] involving the United States, Mexico, and Canada; and to negotiate free trade agreements with other western hemisphere countries.

Implementation of any of these treaties will have a profound affect upon a wide range of domestic laws. Laws enacted to promote family farms, ensure adequate supplies of agricultural products at prices our citizens can afford, and to enhance the competitiveness of selected industries, and the security of the jobs of those employed in those industries, will undoubtedly be affected. A wide range of additional statutes, including laws enforcing health an safety standards, labor standards, and environmental standards may also be adversely impacted. For example, pursuant to the current GATT agreement, Mexico alleges that laws enacted by this body to protect marine mammals constitute an unfair restriction of trade. If such a charge prevails, laws enacted to protect porpoise and other mammals from tuna nets will be effectively repealed.

We are assured by opponents of House Resolution 101 that fast-track procedures fully protect congressional participation and prerogatives. In fact, all that is protected is the right of Members to vote up or down on the treaty implementing legislation as submitted by the administration. Though the implementing legislation is referred to appropriate committees of jurisdiction, the committees must report the bill within 45 days or it is automatically discharged; the full House must consider it within 15 days thereafter; and the implementing legislation may not be amended at any point.

To argue, as some have, that fast-track protects or even enhances the Congress' proper role in assessing and ratifying international agreements entered into by the President is preposterous. The whole purpose of fast-track is to limit the ability of Congress to work its will with regard to such agreements.

If we can agree to the obvious, that fast-track is a substantial limitation on the authority of Congress, we must then contend with the argument that fast-track is essential because without it other countries will not negotiate with us. In other words, because other countries find our Constitution to be confusing, cumbersome, and inconvenient, we must act to effectively alter the system of Government established in the Constitution by voluntarily limiting the role that the Founding Fathers established for the Congress. In the 16 years since fast-track was initiated, 92 international agreements have been negotiated. Eighty-nine of those agreements, covering subjects ranging from trade to taxes to arms control to environmental protection, have been implemented by the Congress pursuant to normal procedures. Only three agreements have been approved under fast-track procedures. Fast-track may be convenient to the President of the United States, but it is by no means essential to his ability to negotiate international agreements.

The argument that fast-track procedures are essential to the negotiation of a free-trade agreement with Mexico is especially specious. Many contend that such an agreement will have disastrous consequences for our economy. Even the proponents of such a treaty acknowledge that at best the gains to the U.S. economy would, in the words of the Ways and Means Committee, be modest. It should be recognized by both proponents and opponents that such an aggreement offers far more potential benefits to Mexico than it does to the Untied States. It is ridiculous to contend that Mexico would refuse to even negotiate a free-trade agreement unless the Congress agrees to give up its authority to consider and amend the legislation implementing such an agreement.

Particularly with regard to a free-trade agreement with Mexico, there are good and sufficient reasons to ensure that the Congress maintain all its prerogatives. All agree that such an agreement will result in some job loss in this country. Serious concerns have been raised as to whether this country will meet its obligations to those workers who are dislocated. The administration acknowledges such an obligation and assures us they will include adequate dislocation assistance. In fact, according to the Ways and Means report, a dislocation assistance program will be incorporated in the free-trade agreement itself.

If ever there was a gift horse that deserved to have its mouth examined this is it. If we are to judge the adminstration's promises by its past performance, there is every reason to be extremely concerned. The same administration that is promising to enhance dislocation assistance, and to do so in a vehicle that is immune from amendment, is currently seeking to repeal the Trade Adjustment Assistance Program. Our current Unemployment Insurance Program has and continues to deteriorate. It is estimated that the Unemployment Insurance Program offers 33 percent less income today than it did in the 35 years prior to 1980, when George Bush was first elected to national office. Only 4 in 10 workers even receives unemployment benefits today. This is the commitment that this President has demonstrated to dislocation assistance. And now we are asked to go ahead and export jobs because we can depend on the President to look out for dislocated workers. Further, we are being asked to give the President carte blanche authority to design the dislocation assistance program, surrendering even our ability to amend it.

Similar concerns have been raised with regard to environmental concerns, safety and health, child labor, and workers rights. In each instance, based upon the administration's record to date, there is sufficient reason for this Congress to question the commitment of the administration and to protect its discretion.

The potential damage of a poorly drafted free-trade agreement to the economy of this country is difficult to overstate. A free-trade agreement with Mexico does not simply invite American manufacturers to move south of our borders, it practically renders it an economic necessity. More than 50 percent of the Mexican workforce earns less than $6 a day. Let me reiterate, more than half of all Mexican workers earn less in a day than an American minimum wage worker earns in 2 hours. Proponents of the treaty contend that this gigantic incentive to reduce labor costs does not really exist because Mexican workers are not as productive as American workers. What they fail to account for is the enhanced productivity that new facilities will provide. A free trade agreement with Mexico will result in substantial job loss in the United States. In the view of this Member, any such treaty deserves careful, detailed, deliberate consideration from a wide variety of perspectives. Regardless of how one may feel about fast track with regard to GATT, approving fast-track procedures for a Mexican free trade agreement is not simply unnecessary, it is irresponsible. I urge adoption of H. Res. 101.

Mr. FAWELL. Mr. Speaker, I rise today in opposition to the Dorgan resolution. Achieving genuine progress in reducing world trade barriers is too important an objective to risk jeapordizing a hard-won agreement by congressional amendment.

Trade barriers have a significant impact on the everyday lives of Americans in terms of the cost of protectionism to consumers. It is estimated that trade barriers cost consumers $80 billion in 1988. A more recent study by the President's Council of Economic Advisors revealed that reducing global trade barriers by one third would add $1.1 trillion to the United States cumulative GNP over the next 10 years—the equivalent of a $17,000 check for each family in the United States.

Clearly it is in our collective best interest to continue working toward free trade. Much of our economic growth in recent years has been driven by exports and it is anticipated that future growth will also be heavily dependent on increasing the level of our exports. In 1990 alone export expansion accounted for 84 percent of GNP growth.

Today Congress will vote on what is sure to be our most important contribution to free trade during this session of Congress—whether to grant the President's request to extend the fast-track negotiating authority.

Fast track is a mechanism created by Congress in 1974 to give the administration greater latitude in negotiating trade pacts with other countries. Under fast-track authority, Congress foregoes its right to amend a trade agreement, limiting itself to either supporting the agreement or voting it down and sending negotiators back to the table. Fast-track authority is considered essential to achieving substantive progress toward free trade—most countries will not enter into good faith negotiations if they face the prospect of the agreement unraveling when it is sent to Congress.

The current fast-track authority, granted in 1989, expires on June 1 of this year. President Bush has requested a 2-year extension of fast-track, which would give the administration the opportunity to successfully complete the Uruguay round of the General Agreements on Tariffs and Trade [GATT] and initiate negotiations on a free-trade agreement [FTA] with Mexico.

The 2½ months between the President's request for extending fast-track and Congress' vote were laden with debates, hearings and studies. Most of the debate focused in the details of what might be included in a free trade agreement with Mexico, rather than the merits of fast track authority and Congress' role in trade negotiations, however.

While the concerns raised about the potential impact of a free trade agreement are important, the fundamental question before us was the role of Congress in trade negotiations. Congress certainly has a vital role to play in providing guidance during negotiations and voting on the implementing legislation. But I do not believe Congress should have the opportunity to amend an agreement carefully crafted and agreed to by other sovereign nations. It is important that Congress retains, and exercises when necessary, our right to reject an agreement and order further negotiations, but I do not believe we will make any substantive progress toward reducing trade barriers if we allow the 535 arm chair quarterbacks in Congress to amend a multilateral agreement they did not negotiate.

Granting the President's request to extend the fast track will send an important signal to our trading partners that the Congress has full faith in the ability of the administration to negotiate a trade agreement which will promote and secure the best interests of the United States, thus enabling the U.S. Trade Representative to negotiate from a position of strength.

The benefits to the United States and the world economy from lower trade barriers is substantial. Market access is especially important for the United States, as increased access would enhance our exports, which in turn would lower our trade deficit and help pull us out of the current recession. Illinois ranks sixth in the number of jobs directly related to export industries and would thus significantly benefit from the growth in exports which would be generated through lower trade barriers.

Obviously, successful completion of the two trade agreements covered by this extension of the fast track are vital to spurring economic growth. Most Members of Congress are generally supportive of extending the fast track for GATT negotiations, in which 107 nations are taking part.

The Uruguay round is attempting to improve market access by lowering tariffs and other trade barriers. Negotiators are also hoping to bring standards for investment and intellectual property into greater harmony, lower agricultural subsidies and set up rules governing dispute settlement and dumping practices. Clearly the United States has a great deal to gain by successful completion of the round—and a great deal to lose if it fails. Extension of the fast-track authority is essential to completing the round as the Europeans and Japanese, fearing an increasing protectionist sentiment in Congress, have threatened to pull out if the extension is denied.

Extending fast track for the potential free trade agreement with Mexico is more controversial. Legitimate concerns were raised about wage differentials, potential loss of American jobs, differences in environmental standards, and the potential of back door access to U.S. markets by third countries. All of these concerns have been discussed at length by Congress and on May 1, the President submitted an action plan to Congress to outline his intentions for addressing these issues.

Studies have shown the overall employment impact of a United States-Mexico Free-Trade Agreement would be a small net increase. While displacement is anticipated in some sectors, the administration has agreed to negotiate significant transition periods for those industries which may be adversely affected. The administration is also going to work with Congress to provide trade adjustment assistance for workers who are displaced by the agreement.

With regard to environmental concerns, the administration has pledged to retain the right to exclude any products which do not meet United States health and safety standards and work with the Mexican Government to promote better enforcement of environmental laws. In negotiations concurrent to those on the free trade agreement, the administration also plans to design and implement a border environmental plan addressing air and water pollution, hazardous wastes, chemical spills, and pesticides.

Illinois ranks sixth in the Nation in terms of the value of exports to Mexico. In 1990 Illinois exported 15.7 billion dollars' worth of goods to Mexico, an increase of 13.2 billion dollars over the previous year. Clearly Illinois would benefit substantially from a free-trade agreement with Mexico and extending the fast-track authority is necessary to achieve a solid agreement.

I believe we must explore the possibilities of free trade if we are ever to reap its benefits. I plan to keep a close eye on the issues raised as negotiations proceed and will reserve judgment on the final agreements until they are presented to Congress. Free trade is critical to our Nation's economic strength and security and I have confidence in the ability of President Bush's negotiating team to develop an excellet free trade ageement.

Mr. GALLO. Mr. Speaker, today, we are debating a proposal to change Federal policy by not extending fast-track authority, which allows the administration to negotiate international trade agreements with the reasonable assurance that Congress will not attempt to make piecemeal changes after the completion of negotiations.

This change that would, in effect, undercut our negotiators' ability to hammer out an agreement by saying to other nations that we reserve the right to change the rules in the middle of the game, if Congress does not like the outcome.

This is not a vote for any specific trade agreement. Although several are currently under negotiation, none have reached the stage where a vote would be appropriate.

Under the fast-track authority, negotiated agreements will be submitted to Congress at the appropriate time and we reserve the right to reject the agreement at that time.

The President has pledged to address concerns regarding the environment and employment issues by issuing a detailed action plan.

We must move forward, recognizing the changing nature of the economy on a worldwide scale.

Like it or not, we live today in a world economic system, and we must view our actions today in that light. As Americans, we understand how free enterprise competition works—because we invented it.

Our current national economic situation is not caused by any failure in American free enterprise capitalism. It is a measure of increased worldwide competition. After World War II, when most of the world's industrialized nations lay in ruins, the United States had free reign, and we were the one and only kid on the block.

Today, we are still first among equals. Our dollar still sets the standard among currencies and our ability to develop innovative goods and services is still the best.

But as we look toward the 21st century, we cannot be complacent. We also cannot afford to measure our actions today based on our experience at an earlier time when we had no real competition from other nations.

When we look at the way our domestic economy developed, we see patterns of behavior that help to explain why we need to preserve the President's fast-track authority.

Most major industries in this country began as regional companies with specialized products and grew to become diversified companies with national markets. In today's economy, we have taken the next step, with international companies that specialize in interrelated products and services.

When our Nation was found 215 years ago, a debate began which continues to this day. It is a basic question for all large nations: What are the powers of the States and what are the powers of the Federal Government? Most of the upheaval in the Soviet Union, Eastern Europe and elsewhere is a fight over this basic question.

We resolved many of the differences among our States with the interstate commerce clause, which essentially gives the Federal Government what could be called a fast-track authority over the movement of goods and services.

Our world economy poses new and different challenges, however, and we must take a new approach to the question of international commerce—a regional approach.

When President Reagan negotiated a fast-track trade agreement with Canada, he announced his intentions to create a hemispheric trade agreement. This regional alliance is specifically designed as a counter-weight to the European Economic Community and the Pacific Rim nations, our major regional competitors.

In order to see the importance of this regional approach, all you have to do is look at our current trade patterns.

In the State of New Jersey, our No. 1 export trading partner is Canada, which purchased $1.2 billion in goods and services from State businesses during 1989. Fifth on that list is Mexico, with $391 million in purchases from New Jersey.

It is significant that European nations are 3d, 4th, 6th, 7th, 9th, and 10th in terms of the purchase of State goods and services. Japan is No. 2 and South Korea is No. 8.

As the world economy continues to regionalize, we will need to pool our resources as a hemisphere to be successful in the New World economy.

Many of these changes have already occurred. We cannot turn back the clock. What we can do—and must do—is to prepare for the future now.

Mr. SLATTERY. Mr. Speaker, I rise in opposition to House Resolution 101, which would disapprove President Bush's request for a 2-year extension of fast-track trade negotiating authority.

President Bush currently is negotiating three major trade agreements: The General Agreement on Tariffs and Trade [GATT]; the Enterprise for the Americas Initiative; and the North American Free Trade Agreement [NAFTA]. The Bush administration's major focus is a free trade agreement with Mexico, which would complete the NAFTA. Those negotiations will end if the President's fast-track authority is revoked.

I have not made any decision about liberalizing trade with Mexico. I will examine carefully any agreement which President Bush brings back to the Congress. I will not support an unfair agreement.

But I believe there are tremendous potential benefits to a free trade agreement between the United States and Mexico, and that is why I want to allow President Bush to continue the negotiations.

The Department of Commerce estimates that since Mexico entered the GATT negotiations in 1986 and reduced their top tariffs from 100 percent to 20 percent, almost 264,000 jobs have been created in the United States as a result of increased exports to Mexico.

Per person, Mexicans spend more on imports from the United States each year than do people in the European Community—$350 per person versus $266. Seventy cents out of every dollar Mexico spends on imports is spent on United States goods.

A Mexican free trade agreement also would eliminate Mexican barriers which hamper significantly United States exports. Mexico requires 36 percent local content in autos manufactured in-country. Mexico forces auto companies to export auto products worth 2½ times the assembled vehicles they are allowed to import for sale in Mexico.

A Mexican free trade agreement holds great promise for my home State of Kansas. Kansas exported $187 million worth of goods to Mexico in 1990, which translates to about 3,800 jobs for Kansans. Mexico ranks third among the 150 export markets for Kansas, and purchases 11 percent of Kansas exports.

We cannot deny President Bush the authority to at least pursue an agreement. I urge my colleagues to vote against House Resolution 101.

Mr. DELAY. Mr. Speaker, following this debate as I have over the past several months, it seems to me that supporters of this resolution are primarily concerned with two apsects of a free trade agreement.

First, there's fear over the reduction of various barriers between Mexico and the United States and how that will translate into a flight of jobs and capital from our country to our southern neighbor.

And, second, there's concern that the agreement itself will not adequately address the difference between the United States and Mexico regarding conditions of environmental and labor standards.

In other words, if you're afraid of Mexico—if you don't want to see our neighbor become strong but would rather do what you can to sustain conditions of poverty and squalor—you'll support this resolution which rejects an historic opening of Mexico to North America.

Or, if you're afraid of letting the administration negotiate the details of the agreement—if you feel it's time to abandon the strategy of congressional-executive partnership for trade negotiations established by President Franklin Roosevelt 57 years ago—then you'll support this resolution which strips the President of trade negotiating authority.

But, you'll be making a big mistake. Those of you who are concerned about issues such as drugs, immigration, environment, and labor conditions must realize that the best way to address these problems is to give the Mexican economy a working vehicle for growth. More resources in that country will translate into a cleaner and healthier environment, higher wages and improved working conditions, improved infrastructure, and less corruption.

And those changes will be good for us, not bad. Mexico's growth means more money, more markets, more consumers for United States goods. It will increase sales opportunities for U.S. firms, increase real income in the United States, create jobs, and spur growth here as well.

But we, in Congress, are not able to negotiate that sort of a deal. We cannot stick to our word, we don't know the meaning of final offer, and we have an even worse conception of sticking to deadlines. If the administration doesn't negotiate this deal, it won't be negotiated, period.

I believe fast track is essential. Vote "no" on this resolution.

Mr. RAHALL. Mr. Speaker, I am intensely opposed to giving fast-track authority to the President of the United States on agreeing to a free trade agreement with Mexico, and for very good reasons.

The main reason is obvious: The Congress, under a fast track, would have no opportunity to amend a negotiated agreement on trade with Mexico, no matter what effect, particularly adverse effects, it might have on jobs for workers in the United States displaced by unfair and foreign competition. Worker displacement, in this regard, could come about, and very probably will come about, either because countless numbers of Mexican nationals will come across our borders and compete for available jobs here, agreeing to accept lower wages, or by business and industry moving factories and plants out of the United States to Mexico, again where starvation wages are paid and cheap labor abounds.

Agreeing to giving the President a blank check for negotiating future trade policies with Mexico, without any congressional oversight or amendatory authority is ludicrous on its face when you consider that once we are forced to vote the agreement up or down, the Mexican Legislature must vote to approve it, and the Mexican Legislature may amend such trade agreement.

The Congress of the United States is not allowed to amend trade agreements entered into with Mexico, but Mexico's Legislature can amend. That, Mr. Chairman, is frightening.

I wasn't a Member of Congress in 1974, when President Nixon, another President who loved and excelled in foreign policy matters, was allowed to slip in the now well-known fast-track authority. But then Nixon was into empire building, whether it fostered a strong economy in the United States or not. I know that President Bush has gone on the record with a statement to the effect that he was "more comfortable" with foreign policy matters than domestic ones, but I didn't know he had gotten into the Nixon mindset of empire building, with no thought given to its long-term effect on the people here at home.

Thanks to research done by my esteemed and gracious colleague, Representative JILL LONG of Indiana, I have learned that not only does Mexico's Legislature have the right and opportunity to amend trade agreements with the United States, but so does Canada, Japan, South Korea, Brazil, Switzerland, and Venezuela. My, my.

Mr. Chairman, I would not sacrifice even one job in these United States for the sake of a free trade agreement with Mexico. Not one.

West Virginia's current unemployment rate is 8.3 percent, an increase of 1.7 percent over last year's rate—compared with 5.5 percent as a national unemployment rate.

The President has promised that if a loss of jobs occurs as a result of any trade agreement he negotiates, and in exchange for a congressional rubberstamp of approval, he will strongly support training and retraining programs for displaced workers here. Ha.

I am not in the least disposed to trust the President to keep that promise—not after viewing his recommendation in this year's budget to zero out the trade adjustment assistance compensation program, already in law for workers displaced due to foreign competition.

I am not disposed to trust the President who threatened to veto the Clean Air Act if the Byrd amendment stayed in, an amendment which provided for just compensation for coal miners who would suffer huge job losses as a result of the act's acid rain provisions. Let no one forget that the acid rain provisions were at the behest of Canada, our most recent free traders.

I assure you they did not care about displacing coal miners in the United States. And speaking of Canada and free trade agreements, Canada has twice challenged its 2-year-old trade agreement with the United States. They won the first, and the second is still pending in our Federal court of appeals.

Let me tell my colleagues what the first Canadian challenge was. It was a challenge to our policy of requiring food products shipped into the United States to be free of contaminants such as feces and metal shavings, among other contaminants. When Canadian officials sought to ship pork products into the United States, our Government advised Canada that we would be inspecting truckloads of meat products for cleanliness, Canada said sanitary inspections were a violation of the trade agreement. They won, and now the United States can only inspect one out of every 15 truckloads of pork products, but only after notifying Canadian officials which one of the trucks will be stopped and inspected.

Tell me Mr. Speaker, if you were Canada, wouldn't you make sure that the one truck to be inspected was clean as a baby's breath, while the other 14-truck caravan continued on its merry way across United States borders with food filled with feces and metal shavings? I know I would.

The second Canadian challenge is based on whether Canada can manufacture and ship into the United States asbestos and asbestos products that are banned from manufacture and use in the United States because of its cancer-causing effects on the general public. That free trade challenge is pending in the Federal court of appeals. Wonder who's going to win that one?

Let us talk for a minute about labor laws. There aren't any in Mexico that I've been able to find that provides either decent wages or decent working conditions. But the worst part about the laxity in Mexico's labor laws is that they take babies out of the schoolroom and put them to work—for long hours and pennies for wages under deplorable conditions—deplorable enough when it comes to adult workers—God help little children.

Last year, as a result of a Department of Labor effort to look at a lack of compliance by American business and industry with child labor laws, American business and industry now find themselves being fined or otherwise penalized due to those violations.

A further result of those violations is that Congress now has legislation pending to further strengthen child labor laws in the United States—where such laws are already the most rigorous in the world. Yet we are perfectly willing to enter into a trade agreement with Mexico where children are exploited every minute of the day and no one turns a hair. No one is outraged. No one appears to care.

In the United States we have a new Clean Air Act—to help make America environmentally sound—which as I have stated resulted in the displacement of American coal miners because Canada demanded antiacid rain laws—and we are about to enter into a free-trade agreement with a country—Mexico—where the environmental standards are a joke, and suffer additional worker displacement.

Let us talk for another minute, Mr. Chairman, about buy American.

I am advised that Carla Hills, the U.S. Representative for Trade, has clearly stated that mandatory buy American laws, policies, statutes—wherever they exist in whatever form—at the Federal level, or even within State agreements, will be illegal under the GATT proposal.

We are about to put billions of dollars into rebuilding America's infrastructure, its highways and bridges and byways. We may even consider another tax on gasoline in order to find it—another tax burden on Americans—and yet we will not be able to guarantee the buy American provisions in the Surface Transportation Act under the Mexico Free-Trade Agreement. We who serve on the Transportation Committee are aware that the administration already wants to weaken the buy American mandate under the statute by providing so-called waivers under certain conditions—something I personally will oppose doing in the reauthorization of the highway bill this year. But under a free-trade agreement with Mexico, we will be foridden, prohibited, denied a mandated policy of buy American.

To make all existing buy American laws illegal for purposes of free trade agreements is un-American in the extreme.

Mr. Speaker, the reasons why Congress must have the right to amend any Mexico Free-Trade Agreement are many. Here today I have mentioned: First job loss; second, environmental/food safety/health laws; third, labor laws, especially child labor laws; fourth, by American mandates; and fifth, the fact that other countries with which we have agreements require their own legislatures to approve such agreements with us, and which also have the right to amend such agreements.

There are probably dozens of other reasons not mentioned in my remarks, but which will be covered by others in this body today, for not agreeing to a fast-track authority with no opportunity to amend.

Of all the ones I have mentioned, the loss of American jobs for Americans is my gravest concern. I mentioned that West Virginia's unemployment rate is higher, and has been higher, than the national average for over a decade. West Virginia has never made a full economic recovery from previous recessions, from a decade of draconian cuts in Federal assistance to the States, and the adverse effects of Reagan supply-side economics. At least not to the extent that a majority of States have.

Our coal mining unemployment situation was exacerbated last year under the Clean Air Act amendments.

In the last year, 900 manufacturing jobs have been lost in West Virginia.

In the construction industry alone, West Virginia's unemployment rate is at 18.8 percent, compared with the national rate of only 11 percent.

In conclusion, Mr. Speaker, let me just warn my colleagues that when the GATT agreement comes back to Congress, it is estimated that it will be comprised of approximately 4,400 pages. Not only can't we amend it, it will take years and dozens of people reading it, hopefully with law degrees, before Congress will know about all the legal traps that may be contained in it. It will probably spawn a whole new generation of consulting firms, established just to analyze and advise those who have to deal with it in order to do business in and with Mexico—and especially given the Mexican court system of delay and obstruction when it comes to compensatory and punitive judgements against them. But that's another story—and one that will have to play itself out. It will cost exhorbitant amounts of money and jobs—before the leadership of this country will get the message. By then, it may be too late.

How much better it would be to give outselves the chance of successful negotiation of future business and trade contracts, in a businesslike manner, by making sure the final version if the free-trade agreement doesn't contain those pitfalls, those legal traps, from which we may never be able to extricate outselves once this body gives its rubber stamp approval.

Pretty soon—just a few more instances of the legislative branch handing over its duty and responsibilities to the executive branch—and Congress can just go home. No one will need us. The President can reign supreme in all things, dictating the terms of American policy however it suits him. There is a name for that though. It is called a dictatorship, defined as "the absence of the exercise of the free will of the people"—the people we were elected to represent—the reason Congress exists, the people we are failing here today.

I support the Dorgan amendment disapproving a fast-track authority for the free-trade agreement with Mexico, and I urge my colleagues to do the same.

Mrs. MINK. Mr. Speaker, I am compelled to rise in support of House Resolution 101 to deny fast-track authorization for the United States-Mexico free-trade negotiations and the continuation of the Uruguay round of the General Agreement on Tariffs and Trade [GATT].

The disapproval resolution sponsored by my esteemed colleague, Representative BYRON DORGAN, is a clear statement for the working men and women of this country that the people retain the ultimate power to decide their own economic fate through this duly elected Congress.

It is the Congress that is charged with the responsibility to establish trade policy, and this obligation is explicit, without exception, in article 1, section 8 of the Constitution:

> The Congress shall have the power to regulate commerce with other nations.

There are no qualifications here. There are no extenuations. The intent is clearly stated and should be clearly understood. This is a matter of separation and balance of power. The participation and assent of Congress in this, or any other trade negotiation, is an essential element of the democratic process.

In our present circumstances of a new world economy, the potential for unalterable damage to our own job market, our environment, our domestic industries and agriculture, is much too enormous for Congress to confer to anyone but itself.

Multilaterial trade agreements can be negotiated without fast track. Since 1960, 25 such agreements have been ratified by the Members of Congress under normal procedures. There is no reason, I believe, why this treaty should be handled any differently, unless for the convenience and motivation of an administration engulfed in its own political dogma of everything for big business and nothing for the little people of America.

Mr. Speaker, I find it curious that the administration would seek fast-track authority to have the bargaining power and leverage to negotiate the best possible agreement with our trading partners. The nations we deal with in the European Community, however, even now involved in the Uruguay round negotiations, do not themselves give any such prerogatives to their own negotiators.

Clearly these nations have reserved to themselves any concessions or judgments on the negotiating process and the particulars of its outcome. This is no disadvantage to them, and should not be perceived in any such way by our own representatives to GATT or the United States-Mexico talks.

On another level altogether, the credibility of the administration to adhere to the intent and terms of Congress' wishes in an international trade agreement is sorrowfully suspect. One need only recall the many instances of subsidized foreign imports that chip away at our own American producers' market share. Particularly menacing is the administration's proclivity to allow the agricultural exports of too many other nations to access our home markets to the detriment of America's own farmers, laborers, and blue-collar workers.

The sugar industry in Hawaii is especially vulnerable to the perfidy of special and differential GATT concessions, unenforced dumping and flooding protections, and other broken promises to the environment, the animals and sea life, the consumer, the working American.

The sugar support program costs the Treasury not a penny while safeguarding our domestic industry from the pillage of heavily subsidized foreign sugar producers. Cutting price supports by a fixed percentage as offered in GATT's "Hellstrom Proposal" will do nothing for the relative inequity inherent in the world sugar market.

Mr. Speaker, my sugar industry, like the dairy, cotton, peanut, wheat, barley, oat, and too many other industries, have little faith that their concerns will be looked after in an up-or-down fast-track vote. The real track record is all too obvious that this administration has a trade agenda far removed from the best interests of the workers most vulnerable to job losses, displacement, or injury from a short-sighted trade policy.

The choice is clear, Mr. Speaker, the Congress can abdicate or be steadfast in its commitment to its constitutional responsibilities. I urge every Member sworn to uphold that Constitution to act accordingly and disapprove fast-track authority by voting for House Resolution 101, the Dorgan resolution.

Mr. SCHULZE. Mr. Speaker, I rise in opposition to House Resolution 101, and in favor of extension of fast-track negotiating authority.

I have long supported a North American Free Trade Agreement. Given the creation of the protectionist bloc known as "EC '92," and the need for the United States to leverage that bloc, completion of a North American FTA is now more important than ever. Fast track paves the road for such an FTA.

However, my deep disappointment over the hapless Uruguay round of GATT trade negotiations prevents me from supporting fast track without some reservation. The fact that fast track extension would allow the GATT to stumble along hopelessly for another 2 years causes me great distress. And, the fact that this plays into the European Community's effort to insulate itself from foreign competition concerns me even more.

As the GATT process marches on, the EC's negotiating position will only become strengthened. Lest we forget that most of the Community's attention is still focused on the conclusion of EC '92, and the increased leverage over its trading partners that it stands to gain as a result.

When we approved the United States-Canada FTA, we should already have been seriously discussing the next logical agreement. Instead, U.S. officials defensively assured the world that we would not upset the multilateral GATT process by concurrently pursuing other bilateral or regional FTA's.

Meanwhile, the EC was hurtling decisively toward EC '92, and gaining enormous leverage over impending GATT negotiations in the process. We did what we felt was in the best interest of the world trading order. The EC did what was best for the EC now, it is the EC who holds the cards.

The closer EC '92 comes to fruition, the more immutable the Community can afford to—and surely will—become in the GATT. In fact, by proceeding full bore with EC '92 throughout the GATT process, the EC has stated boldly to the world trading community that if a GATT agreement is reached based on EC wishes and demands, the Community would be more inclined to bring its EC '92-related directives into conformity with whatever results from a new agreement.

Absent any GATT agreement, however, few tears will fall from the eyes of European Community trade ministers. EC trade officials have the attitude that if a GATT agreement is going to be reached, it is going to be based upon terms more palatable to the Community. Because, if no agreement is reached, those wishing a position in the European ballgame will be forced to play by the severely protectionist European rule book, EC '92.

To those who have delusions about the EC addressing the agriculture issue in a sincere and forth right manner, consider this: In a recent meeting with my Trade Subcommittee colleagues and EC trade ministers, I pointed out the importance of the EC instituting agricultural reforms that we all know to be essential. At once, several of the ministers emphatically rebuked my comment with—"wait a minute, Congressman, we didn't promise any reforms . . . we agreed to talk . . . that's it!"

I regret that fast track will allow such a belligerent attitude to perpetuate. The European Community's mischief—and the GATT comedy of errors held hostage by it—are not deserving of a stage on which to perform.

On the positive side, however, fast-track authority will also facilitate the negotiation of a North American FTA, and hemispheric and other bilateral FTA's beyond that.

In fact, we now have a perfect opportunity to forge our first free trade pact with a major Asian trading partners. With over $75 billion in foreign exchange reserves and an increasing thirst for American goods, Taiwan may well be just such a partner. Aside from being the right thing to do, such a pact would send shock waves through Japan and the People's Republic of China—and all to the benefit of American trading interests.

It would convey to the Japanese that no longer is it the only major economic player in the Asian region, and that the United States is going to serve its own interests by forging formidable commercial alliances with viable Asian trading partners in order to combat Japan's protectionist policies, and expand the access of United States firms to lucrative new markets. More generally, for those who decry prospects of a world trading system broken down into nothing more than regional trading blocs, it would be difficult to define a United States-Taiwan FTA as the cornerstone of any regional bloc.

This type of FTA could also be held up to the People's Republic of China [PRC] as an example of the kind of commercial activity that could be developed between our two countries if the PRC's leadership would enact a truly free and open—Jackson-Vanik-consistent—emigration policy, and not oppress Chinese students crying out for freedom, democracy, and basic human rights.

We are heading into a 21st century that will pose even greater competitive challenges to America than the current century. If United States businesses and workers are going to prosper in this brutal environment, we must stop relying on a GATT incapable of leading the way to true global trade expansion. We also must strengthen our negotiating position vis-a-vis emerging European and Asian trading blocs.

I am supporting fast track because it sets the stage for completion of a North American free trade area and, hopefully, western hemispheric and United States-Taiwan FTS beyond that. If negotiated properly, and with America's interests foremost in the minds of U.S. trade negotiators and policymakers, such pacts will help America leverage the trading blocs I just referenced, expand opportunities for U.S. firms, and forge a truly fair and open trading system for the 21st century and beyond.

The SPEAKER pro tempore. All time has expired.

Pursuant to House Resolution 158, the previous question is considered as ordered on the resolution.

The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DORGAN of North Dakota. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 192, nays 231, not voting 8, as follows:

[Roll No. 115]

YEAS—192

Abercrombie
Ackerman
Alexander
Andrews (ME)
Andrews (NJ)
Annunzio
Applegate
Aspin
AuCoin
Ballenger
Barnard
Bentley
Bevill
Bilbray
Bonior
Borski
Boxer
Brewster
Brooks
Brown
Bruce
Campbell (CO)
Carr
Clay
Coble
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Cramer
Darden
DeFazio
DeLauro
Dellums
Derrick
Dingell
Dixon
Dorgan (ND)
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Engel
English
Erdreich
Evans
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gilman
Glickman
Gonzalez
Goodling
Gray
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Holloway
Horn
Hunter
Jacobs
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kildee
Kleczka
Kolter
LaFalce
Lancaster
Lantos
Lehman (CA)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Manton
Markey
Marlenee
Martinez
Mavroules
McCloskey
McDade
McNulty
Meyers
Mfume
Miller (CA)
Miller (OH)
Mineta
Mink
Moakley
Mollohan
Moody
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Owens (NY)
Pallone
Patterson
Payne (NJ)
Payne (VA)
Pease
Perkins
Peterson (FL)
Peterson (MN)
Poshard
Quillen
Rahall
Rangel
Ravenel
Ray
Reed
Roe
Roemer
Rose
Rowland
Russo
Sabo
Sanders
Sangmeister
Savage
Scheuer
Serrano
Shuster
Sikorski
Sisisky
Slaughter (NY)
Smith (FL)
Smith (NJ)
Snowe
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Swett
Tallon
Taylor (MS)
Taylor (NC)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Wise
Wolpe
Yates
Yatron

NAYS—231

Allard
Anderson
Andrews (TX)
Anthony
Archer
Armey
Atkins
Bacchus
Baker

Barrett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bilirakis
Bliley
Boehlert
Boehner
Boucher
Broomfield
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Cardin
Carper
Chandler
Chapman
Clement
Clinger
Coleman (MO)
Coleman (TX)
Combest
Cooper
Coughlin
Cox (CA)
Cox (IL)
Coyne
Crane
Cunningham
Dannemeyer
Davis
de la Garza
DeLay
Dickinson
Dicks
Donnelly
Dooley
Doolittle
Downey
Dreier
Edwards (OK)
Edwards (TX)
Emerson
Espy
Fascell
Fawell
Fazio
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gingrich
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
James
Jefferson
Johnson (CT)
Johnson (SD)
Kasich
Kennelly
Klug
Kolbe
Kopetski
Kostmayer
Kyl
Lagomarsino
LaRocco
Laughlin
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Luken
Machtley
Martin
Matsui
Mazzoli
McCandless
McCrery
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Michel
Miller (WA)
Molinari
Montgomery
Moorhead
Moran
Morella
Morrison
Mrazek
Myers
Nichols
Nussle
Olin
Ortiz
Orton
Owens (UT)
Oxley
Packard
Panetta
Parker
Paxon
Pelosi
Penny
Petri
Pickett
Pickle
Porter
Price
Pursell
Ramstad
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Roybal
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Skaggs
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (IA)
Smith (OR)
Smith (TX)
Solarz
Stenholm
Stump
Sundquist
Swift
Synar
Tanner
Tauzin
Thomas (CA)
Thomas (WY)
Thornton
Torricelli
Upton
Vander Jagt
Walker
Walsh
Weber
Weldon
Wilson
Wolf
Wyden
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Browder
Dornan (CA)
Hopkins
Lehman (FL)
Levine (CA)
McCollum
Vucanovich
Williams

☐ 1446

The Clerk announced the following pairs:

On this vote:

Mr. BROWDER for, with Mr. DORNAN of California against.

Mr. WILLIAMS for, with Mr. MCCOLLUM against.

Mr. DOWNEY. changed his vote from "yea" to "nay."

Mr. DARDEN changed his vote from "nay" to "yea."

So the resolution was not agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WILLIAMS. Mr. Speaker, previous schedule commitments prevent me from being present and voting on the United States-Mexico and other trade agreements.

I have spent considerable time during the past 6 weeks trying to assure that the Congress and thus our constituents be an integral part of the pending trade agreements.

For the most part, the fast-track process effectively removes Congress from the procedure.

If I were present, I would vote "aye" on House Resolution 101 introduced by Representative DORGAN. I would vote "aye" on House Resolution 146 introduced by Representative GEPHARDT.

EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES WITH RESPECT TO THE U.S. OBJECTIVES THAT SHOULD BE ACHIEVED IN THE NEGOTIATIONS OF FUTURE TRADE AGREEMENTS

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to House Resolution 158, I call up House Resolution 146 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 146

Whereas the achievement during the Uruguay Round of trade negotiations of the negotiating objectives set forth in the Omnibus Trade and Competitiveness Act of 1988 would be in the best interest of the United States;

Whereas a North American Free Trade Agreement (hereinafter in this resolution referred to as "NAFTA") that promotes economic growth be in the best interests of the United States if it increases met employment and enhances the international competitiveness of United States industries and workers;

Whereas serious concerns have been raised about the potentially adverse effects of a NAFTA unless it is accompanied by—

(1) adequate safeguards and protections for United States industries, farmers, and workers facing potentially increased competition from imported products, and

(2) a vigorous program of environmental protection and enforcement to ensure that trade liberalization takes place in a manner that enhances environmental protection;

Whereas it is essential to ensure the existence of an effective and adequately funded program which provides adjustment assistance to all United States workers who may lose their jobs and become dislocated as a result of a NAFTA;

Whereas through an exchange of letters, the President submitted to the Congress on May 1, 1991, an action plan (hereinafter in this resolution referred to as the "Presidential response of May 1") describing in detail the objectives the President will seek to achieve, within the NAFTA itself and in parallel actions, in order to ensure that such industry, labor, and environmental concerns are fully addressed;

Whereas the congressional fast track procedures set forth in section 151 of the Trade Act of 1974 (providing for expedited consideration in the House and Senate of bills to implement trade agreements entered into under section 1102 (b) or (c) of the Omnibus Trade and Competitiveness Act of 1988) will be extended so as to apply with respect to trade agreements entered into during the 2-year period occurring after May 31, 1991, and before June 1, 1993, unless a resolution disapproving the extension is adopted by either the House of Representatives or the Senate before June 1, 1991;

Whereas the extension of such fast track procedures depends upon the existence of a cooperative, bipartisan working relationship between the Congress and the executive branch in which the full range of interests and concerns relating to the negotiation and implementation of trade agreements can be considered and resolved in a manner that best serves the national interest; and

Whereas such fast track procedures were enacted by the Congress as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such are deemed a part of the rules of each House, with the full recognition of the right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner and to the same extent as any other rule of that House: Now, therefore, be it

Resolved, That is is the sense of the House that—

(1) on the basis of the Presidential response of May 1, including the commitments therein to address issues relating to environmental protection health and safety standards, labor and industry adjustment (including worker adjustment assistance), and worker rights, and on the expectation that the commitments set forth in that response will be carried out, the fast track procedures, as set forth in section 151 of the Trade Act of 1974, should be extended;

(2) in order to implement fully the Presidential response of May 1, and to maximize the potential for reaching agreements in the overall best economic interests of the United States—

(A) the United States Trade Representative and other appropriate officials in the executive branch shall, throughout the course of the negotiations on a NAFTA, consult closely and on a regular basis (as has been the case with the Uruguay Round) regarding the status of the negotiations and the progress in achieving the objectives set forth in such response with Members of Congress, including the Committee on Ways and Means in the House, the Committee on Finance in the Senate, any other appropriate committee of jurisdiction in the House and the Senate, and with the Speaker-appointed Chairman's Advisory Group on trade negotiations,

(B) the United States Trade Representative and other appropriate officials in the executive branch shall consult extensively with, and seek the views and advice of, interested parties in the private sector throughout the course of the negotiations,

(C) the President shall, as early as practicable but no later than the date of his notice of intention to enter into a NAFTA, submit a full report to the Congress indicating the extent to which satisfactory progress has been made in achieving the objectives set forth in the President's response of May 1, and

(D) the reports required under section 135(e) of the Trade Act of 1974 of the Labor

Advisory Committee for Trade Negotiations and Trade Policy, the Industry Policy Advisory Committee, and, where appropriate, other policy, sectoral, and functional advisory committees, with respect to a NAFTA shall include an assessment as to whether and to what extent each committee believes satisfactory progress has been made in achieving the objectives set forth in the Presidential response of May 1;

(3) any trade agreement negotiated by the Administration should seek to achieve the applicable negotiating objectives set forth in section 1101 of the Omnibus Trade and Competitiveness Act of 1988, in particular—

(A) to reduce or eliminate tariff and nontariff barriers and other trade distorting measures, including the barriers cited in the National Trade Estimates Report on Foreign Trade Barriers,

(B) to ensure adequate and effective intellectual property rights protection and enforcement,

(C) to reduce or eliminate barriers to trade in services,

(D) to liberatize conditions for investment, and

(E) to include effective mechanisms for the periodic review of the operation of the agreement and for consultation and dispute settlement;

(4) a NAFTA must provide strict rules of origin and enforcement measures to ensure that the benefits of the agreement accrue only to the parties thereof, foster job creation within North America, and effectively preclude the granting of benefits to articles transshipped from, or subject merely to minor operations in, third countries.

(5) a NAFTA must permit the United States—

(A) to maintain strict health and safety standards and their enforcement with respect to imports of agricultural commodities,

(B) to provide sufficiently lengthy transitional and adequate safeguard measures to minimize industry, agricultural, and worker dislocations and to remedy the effects of injurious increases in imports, and

(C) to maintain United States laws against injurious subsidies, dumping, and other unfair trade practices;

(6) implementation of a NAFTA must be accompanied by an effective worker adjustment program, developed by the Administration and the Congress, that is adequately funded and ensures that workers who may lose their jobs as a result of such agreement will receive prompt, comprehensive, and effective services, either through a new program or improvement or expansion of an existing program; and

(7) in carrying out the objectives of the Presidential response of May 1 relating to environmental protection, the President should seek to develop a joint program to address border environmental problems related to air and water pollution, hazardous wastes, chemical spills, pesticides, and enforcement.

The SPEAKER pro tempore (Mr. McNULTY). Pursuant to House Resolution 158, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 15 minutes, the gentleman from Texas [Mr. ARCHER] will be recognized for 15 minutes, the gentleman from Massachusetts [Mr. MOAKLEY] will be recognized for 15 minutes and the gentleman from California [Mr. DREIER] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

□ 1450

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the pending resolution.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. McMILLEN].

Mr. McMILLEN of Maryland. Mr. Speaker, I rise in support of the Gephardt-Rostenkowski resolution because I think the conditionality involved in this resolution adequately addresses the concerns of labor, the environment and health. I think that this proposed free-trade agreement is a watershed in relations with our southern neighbors. We all have rightfull concerns about the health, the environment and labor concerns, and I know that this body will ensure that those concerns are addressed.

Let me just address a couple of points that I think have been raised that need to be further discussed. When we look over the last 10 years and see our exports to Mexico have increased from $12 to $28 billion, that translates into 20,000 American jobs for every $1 billion increase in exports. Clearly, we have a lot to gain by this agreement.

Furthermore, the average American tariff for Mexican goods coming into America is only 4 percent. What we are going to see is a reduction of that 4 percent, not the mass influx of goods that have been argued here today.

The proposed free-trade agreement with Mexico is a watershed in the relations with our southern neighbor. It provides an opportunity to expand our already strong trade ties with Mexico and will remove trade barriers through trilateral negotiations. There are many precedents being set here.

Furthermore, American industries and agriculture have much to gain from increased access to Mexico's markets, and there is no doubt that this will perpetuate the distinctly global nature of American companies. Mexico will benefit from continued capital investment and higher wage levels. This will provide needed stability and allow for increased Mexican domestic expenditures on such necessary investments as infrastructure.

Having said this, I remain concerned over many legitimate issues raised by my colleagues and others over the trade agreement. I feel strongly that these issues need to be addressed in the negotiations and cannot be placated by a facile argument that what is good for American companies is necessarily good for American workers and consumers.

American companies are increasingly global by nature—manufacturing or assembling in many different countries—and this is to their credit. But for workers in the United States, the suggestion that American companies are eager for the low-wage unorganized work force of Mexico is a grave concern. This concern is one I share.

Statistics from an Economic Strategy Institute attestation to the Committee on Ways and Means highlights concern that the United States may not secure much economic gain from an FTA with Mexico. Open Mexican markets must be accompanied by investment incentives for North American investors, without which, free investment by foreign competitors could easily transform Mexico into a platform for low-wage exports into the United States market.

Furthermore, a comprehensive agreement must not ignore the necessity of cleaning up the environment and setting laws that provide for a decent standard of living and educational opportunities. Without provisions detailing a transition of Mexico's laws, regulations and enforcement procedures toward similarly effective laws and enforcement in this country, American companies will seek to move to Mexico simply to avoid the more stringent regulations.

To combine lax regulations and enforcement with deplorably low wages is a recipe for disaster. There is no question that the United States will suffer job losses and the erosion of our environment, especially among the border States, if nothing is done in this area. Such an outcome should not be the goal of a free trade ageement.

Many of these issues would not be so contentious if we had some form of industrial strategy. There is legitimate concern over the fact that this country lags behind others in worker training, that assistance for displaced workers has been seriously eroded over the last 10 years, and Government sponsored incentives for industry to pursue high technology are wanting. American exports have increased, and will continue to increase, but America as a country will not benefit without policies and a strategy designed to promote a high-tech, high-wage America.

I will support fast-track authority for a free trade agreement with Mexico. But I will not vote for a final agreement which does not adequately deal with the aforementioned concerns. As I'm sure all are aware, an agreement which does not do so will face powerful opposition in this Congress, and will, ultimately, benefit no one.

Fast track, however, is an opportunity. Entering into negotiations with Mexico will allow us to establish some conditionality to the environmental and labor concerns which have been rasied with Mexico. Furthermore, it is important to note that exports have been the driving force behind the U.S. Economy. Exports to Mexico, in particular, have risen from $10 to $20 billion in the last 10 years. This translates into 25,000 American jobs for every billion dollars in increased exports.

Finally, I want to emphasize the fact that fast track is not a blank check for the administration. Rather, it is the beginning of a partnership in a long and arduous negotiating process, one in which Congress will continue to play a key role. This role is ensured by the fact that Congress does not have to abide by the restrictions within the 1988 Trade Act for amending an agreement negotiated under fast track. All legislation passed by the Congress with rulemaking statutes allows the House to alter rules binding upon itself. In other words, my colleagues and I here in Congress may change the rules of fast track, thus exempting ourselves from the restrictions against amendment if the final agreement does not adequately reflect our concerns.

In conclusion, it is clear to me that a free trade agreement encompassing Mexico, Canada, and the United States makes sense. The interdependence and growing interconnectedness of these economies is already taking place. We can either allow it to continue on an ad hoc basis—with seriously negative side effects—or we can take the initiative and shape the future relations of our national economies through negotiations. I choose the latter, because it is in the long-term interest of all parties concerned. However, it is clear that an agreement void of substantive environmental and labor provisions would not fulfill this promise.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. McGRATH].

Mr. McGRATH. Mr. Speaker, I rise in support of House Resolution 146, an extension of the fast-track procedure.

Extension of the fast track is a vote for open markets, future economic prosperity, and American leadership.

During 1990, nearly 90 percent of U.S. economic growth was attributable to exports. Nearly 7 million jobs are export related. One in six U.S. jobs is tied in some way to exports.

It is important that we move forward with negotiations. These talks are vital to future American growth. If we disapprove the fast track, we will have wasted an important opportunity to expand our trade and strengthen our Nation's international competitiveness.

I have studied President Bush's action plan carefully. It shows that the President is personally committed to protecting the environment and worker rights, and providing effective adjustment assistance and retraining for workers in the United States. I believe him.

Congress, the private sector, and the administration have worked closely together during the course of all multilateral negotiations to guarantee and protect our ability to compete at home and abroad.

Let us remember that granting fast-track authority is only the beginning of a trade negotiation.

Congress retains the unqualified right to disapprove any agreement if it concludes that the administration has not done its job. And there is a tradition, and a clear expectation, that the administration will work with the Congress in drafting implementing legislation.

Accordingly, I am convinced that we should move forward. The President has responded to our concerns in his action plan and should be given an opportunity to negotiate.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 146, a resolution that expresses the sense of Congress that existing fast-track procedures for approval of trade agreements should be extended. The President has made a commitment to address potential problems such as the environmental protection, worker health and safety, and adjustment mechanisms for adversely affected sectors.

The resolution reinforces those commitments and establishes specific criteria by which trade agreements will be judged when completed and brought back for congressional approval. By adopting this resolution, we will be affirming a comprehensive statement of U.S. negotiating goals and objectives that will signal a unity of purpose to our trading partners. Hopefully our actions today will revitalize the Uruguay round and guide them to a successful conclusion as well as provide a strong foundation for the historic task of creating a North American free-trade area.

This resolution also demonstrates the extensive participation by Congress in the formation of trade policy and implementation of trade agreements.

It is patently false to say that fast track undermines the constitutional role of Congress in international trade. If anything, that role is enhanced because of the statutory requirements for extensive consultation at every level, constant monitoring of the progress of negotiations, and final accountability in the implementing process.

The resolution merely restates our constitutional prerogatives and defines our ambitions for future negotiations. I will vote "yes" on House Resolution 146.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Speaker, I rise today in support of extending fast-track negotiating authority and in support of House Resolution 146.

The fast-track procedure was first adopted by Congress in 1974, and as reaffirmed in 1979. We included fast track in the 1988 trade bill after concluding that a further extension was necessary. With it, the President has the bargaining power to negotiate agreements in the best interests of the United States, and to assure his negotiated agreements will be voted up or down by the Congress.

Congress plays an integral role in fast track. Throughout the process of negotiation, Congress is in close consultation with the President and the U.S. Trade Representative, thus guaranteeing that the final agreement reflects the concerns of Congress. If the agreement does not, Congress will reject it.

Using fast track, we have concluded three very successful agreements, each of which were approved by large majorities in both Houses of Congress. We should approve fast track today to insure that two more critical negotiations—the Uruguay round of GATT and those related to a North American free trade agreement—can likewise proceed to successful conclusions. Fast track is a partnership between the President, the Congress, and the American people, and it works.

We have heard a great deal recently about the advantages and disadvantages of the proposed North American free trade negotiations. I fully support the President in his desire to eliminate tariffs and other barriers to trade among our neighbors to the north and south. A North American free trade agreement would create the largest free market in the world, with over 360 million consumers and a total output in excess of $6 trillion.

The proposed agreement will serve as a catalyst for economic growth and development in the United States, Mexico, and Canada. In recent years, Mexico has undertaken a vigorous program of market-oriented, structural economic reform. Inflation has fallen dramatically, the peso has been stabilized, tariffs have been slashed and capital repatriation is accelerating.

The United Staes has already seen the benefits of Mexico's economic modernization. Since Mexico joined the GATT in 1986, it has overtaken such economic powers as Germany to become the United States' third largest trading partner, with two-way trade totaling $58 billion in 1990.

In the past 5 years, United States exports to Mexico have more than doubled, growing from $12.4 billion to $28.4 billion, and generating over 260,000 new jobs in America. In my own State of New York, exports to Mexico grew 63 percent from 1987 to 1989. By 1990, Mexico ranked eighth among New York's 188 export markets. A North American free trade agreement will insure that this progress continues throughout the 1990's and beyond.

Furthermore, extension of fast track is necessary for strategic as well as economic reasons. Denial of fast track and the consequential deterioration of commercial ties with Mexico may well provoke a return to the days of "anti-gringo" paternalism, economic stagnation, and instability. It is in our best interests to have stable and prosperous neighbors on both our northern and southern borders.

Mr. Speaker, I have always believed that free trade increases the social and economic prosperity of the parties involved. Recently the Dallas Morning News stated:

> Tied as we are by geography, it would be folly for Mexico and the United States not to confront the future as partners. It is in the best interest of every citizen of Canada, the United States, and Mexico that all three prosper. The implementation of a free trade agreement would certainly advance that goal.

I fully share those sentiments, and urge my colleagues to support fast track in pursuit of that goal.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. FISH], the ranking member of the Committee on the Judiciary.

Mr. FISH. Mr. Speaker, it is well to remember why fast-track treaty authority was enacted in 1974. Whether one is for or against the North American Free-Trade Agreement should not affect our position in granting the President fast-track authority. The Government of the United States must be in the strongest position possible when negotiating our trade treaties. Fast-track authority was created to allow our U.S. Trade Representatives to negotiate with the confidence of support or rejection of a treaty in its entirety, thus protecting the negotiating positions after months, often years of work.

Contrary to what critics would have us believe, fast track does not grant the President a blank check with which to negotiate. Rather, the extensive consultation and notification requirements contained in the accompanying House Resolution 146 ensure that Congress can be an influential partner from initiation through implementation of an agreement. Mr. Speaker, I believe that President Bush and our Trade Negotiator, Ambassador Carla Hills, have already demonstrated their willingness to work with affected groups. We have only to look at the President's submission to the Congress of May 1, addressing labor and environmental concerns about NAFTA.

House Resolution 146 is a clear statement by the House of Representatives of objectives to be achieved in the neogotiations—economic growth that increases U.S. employment, health and environmental guarantees. We call for consultation on a regular basis throughout the negotiations, not just with Congress, but with the private sector. We ask that labor and business advisory bodies give us periodically their assessment of progress toward our objectives.

Mr. Chairman, I too had reservations about the impact which free trade with Mexico would have on the United States. However, after careful study of this issue, I believe that the benefits of a North American Free-Trade Agreement are undeniable. The United States-Canada-Mexico trading bloc would create the largest market in the world, encompassing more than 360 million consumers with a total output of approximately $6 trillion.

Since 1980, United States exports to Mexico and Canada have doubled, rising from $55.3 to $111.4 billion; 70 percent of what Mexico imports is from the United States. And, since Mexico still has greater barriers to United States exports than the United States has on Mexican imports, this trend can only be expected to improve with the establishment of a free trade area.

Exports are critical to our economy, accounting last year for more than 88 percent of its entire growth. More exports mean more export-related jobs. My home State of New York has a large stake in the successful conclusion of both the Uruguay round and the North American Free-Trade Agreement. New York State has the second largest number of export-related jobs in the United States—391,700—with merchandise exports in 1990 totaling over $29 billion.

Yes, Mr. Speaker, there may be some relocation of American jobs. President Bush is firmly committed to a worker adjustment program in connection with Mexico free trade. I would argue that the exodus of U.S. manufacturing jobs will not stop if fast track and NAFTA are not approved. In fact, jobs will continue to move to low-cost sites in the Far East.

By jointly pooling the resources of Mexico and the United States, we will be able to more effectively compete with our major economic competitors, the European Community and Japan. To the degree that the Mexican work force can contribute to the production of North American products, our competitiveness can only be reinforced in the global market and at home.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentlewoman for yielding time to me. I rise in support of the Gephardt-Rostenkowski amendment and thank the gentlemen for presenting it here today.

What we have before the Congress today is not only about an individual, two individual agreements and the manner in which Congress treated them, it is about the way we treat American workers in a global marketplace. As we go forward with the fast track and the negotiations for the GATT and the United States-Mexico Free-Trade Agreement, I think it is very important for us to set some terms so that it is very clear to the negotiators what we will vote for when they come back from the table.

Up until now, we had plenty of opportunity to protect our workers, whether it is for trade readjustment, relocation, retraining, whether it is as fundamental as our own educational system.

I do not think we have risen to that task. I think our workers feel exposed. I think the Gephardt-Rostenkowski resolution is an assist in helping those workers.

I would hope for more, but this amendment, Mr. Speaker, is the very least we can do.

□ 1500

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to our very magnanimous colleague, the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, lowering trade barriers increases the export opportunities for American businesses and lowers the cost of U.S. imports from abroad. Free trade also improves world production by moving investments and resources to countries where they can be utilized more efficiently.

Today, a broader range of issues is being addressed in multi- and bi-lateral trade agreements, making negotiations more complex than ever. Fast-track authority provides the President with the credibility needed to convince other countries to lower their barriers to trade.

Although I understand the need for a negotiating mechanism to expand foreign markets and support the extension of fast-track authority, I am concerned that any North American Free-Trade Agreement might adversely impact certain sectors of the economy, particularly agriculture. The Gephardt-Rostenkowski resolution clearly outlines objectives negotiators should be striving to achieve and I urge my colleagues to support House Joint Resolution 146.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Speaker, I rise reluctantly to oppose the Gephardt-Rostenkowski resolution. I do it with real regret, because I have the highest regard for both of these gentlemen.

Furthermore, I agree with 90 percent of the resolution. It rightly expresses congressional concerns, and expresses them well. However, one paragraph of the resolution states explicitly that fast track should be approved. I find it inconsistent to vote for a resolution with that language supporting fast track, when I have just voted for the Dorgan resolution disapproving fast track.

Mr. Speaker, were it not for that one sentence in the Gephardt-Rostenkowski resolution, I could enthusiastically support it. I regret that I cannot vote for it today.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, today I cast my vote in support of the President's request for extending fast-track authority in trade negotiations for GATT, the Enterprise for the Americas Initiative, and, in the issue that has dominated this debate, pursuing a North American Free-Trade Agreement between the United States, Canada, and Mexico.

But while I voted with the President, I will also send along this message: Negotiate, Mr. President, but negotiate well. While you have my support today, if you bring back to the Congress agreements that do not satisfactorily address the serious and legitimate concerns that have been raised by so many of us over the past few months, you can expect my opposition next time. That's why passage of the Gephardt-Rostenkowski resolution, and adherence to it, is so important.

In particular, this Member of Congress will be watching closely for a convincing and enforceable provision to guarantee environmental practices along the United States-Mexico border, to ensure against improper labor practices and to impose strict rules of origin, and for provisions and funding for a first-class program of education, training, and adjustment assistance to displaced American workers.

In supporting the extension of negotiating authority, I am not forgetting the many doubts, concerns, and uncertainties I share with many critics of fast-track authority. But I believe that Congress will be able to maintain its prerogatives in this matter while allowing the President to negotiate effectively.

If we were deciding today the issue of fast track for Mexico separate from that for GATT, I might be voting differently. The challenge of negotiating with 107 nations, as in the GATT talks, clearly requires the President—while still consulting closely with Congress—to be able to conduct talks without the prospect of micromanagement from Capitol Hill. But the nature of the North American talks, particularly with Mexico, with its broad effects on many sectors of our society and the special circumstances of our shared border, suggest that the proper role for Congress to play in that endeavor is considerably more extensive.

Like many here today, I have studied and reflected upon this issue for months. While I am generally supportive of efforts to expand trade among nations, I have found myself sharing the concerns about a Mexican free-trade agreement that have been raised regarding environmental quality, worker readjustment, labor standards, rules of origin and the like.

I believe the possible benefits of a freer trade environment between our two countries, primarily increased access to expanding Mexican markets for American businesses and an improved standard of living for many poverty-stricken Mexicans—and the positive consequences for stability throughout the North American Continent—compel us to move forward, albeit with caution. This is a time we may wish to remember the words of President Kennedy: "Let us never negotiate out of fear, but let us never fear to negotiate."

Today's vote is not the final statement on this issue. It only marks the beginning of the process. I plan to follow closely the administration's conduct in these trade negotiations, and I expect them to live up to the standards the President has set for himself regarding consultation. I'll be reading the fine print of any agreement. I promise him my vigilance in making sure that American workers and American consumers get a fair shake in any agreement.

Mr. Speaker, outsiders watching the debate that has been conducted over the fast-track issue could reasonably conclude that we had before us today a full-fledged agreement to approve or disapprove. This reflects the skillful work of the opponents of fast track who have defined this debate as one which presumes a bad outcome to the negotiations we've authorized. It's a case where we're prone to borrow trouble. And, honestly, there's some reason to do so, given our record in trade negotiations over the last 10 years.

But we are not debating an agreement today, only the means of negotiating one. The issue we should be discussing today is whether the Congress of the United States can adequately maintain its prerogatives to represent the diverse interests of the American people under the fast-track procedure.

I have been encouraged by the President's stated commitment to consult closely with Congress on a host of issues during the entire process of negotiations. In 1988 the Reagan administration worked reasonably well with Congress as it worked out a comprehensive agreement acceptable both to the United States and Canada. The Bush administration should use that as the basis for still better ways to involve Congress in shaping an agreement with Mexico.

One thing that will help keep any United States-Mexico negotiations in perspective is the impressive outpouring of views that have come from environmentalists, labor unions, businessmen and women and countless others who have put the debate on fast track on the front pages. Clearly, Congress has gotten the message, and I think both the Bush and Salinas administrations have, too.

Frankly, I reject the argument that once the administration has an agreement in hand it will be impossible, in the limited time provided for debate, to adequately consider its substance. I'm not about to vote to pass anything I don't understand, and I'm not about to stand by while this or any administration railroads through the Congress a measure as important as a North American Free-Trade Agreement. I know that view is shared by a majority of my colleagues on both sides.

A free-trade accord between the United States and Mexico and Canada will have profound implications for all three of our countries. It is appropriate that we have focused during the debate on fast track on a whole range of effects.

There are two issues in particular that stand out in my mind, and it's up to the administration to address them if it wants my support for an eventual agreement.

Earlier this month Congressman RON WYDEN and I and several other colleagues wrote to the Special Trade Representative, Ambassador Carla Hills, to urge the administration to go further than it had in addressing environmental concerns. Specifically, we insisted that there be a workable program to address environmental problems related to air and water pollution, hazardous waste, chemical spills, and pesticides. We expressed hope that the design of such a program could be submitted to Congress for review not later than submission of a NAFTA, and include sources of funding and a timetable for implementation.

This letter was sent after thorough consideration of the President's response to Chairmen ROSTENKOWSKI and BENTSEN and majority leader GEPHARDT. I appreciated the President's stated commitment not to weaken our Nation's environmental laws and to protect the health, safety, and environmental standards of Americans. I was also pleased to learn that the administration plans to undertake a study of broader United States-Mexico environmental issues with particular respect to a NAFTA, and to do so in a timely fashion with an eye toward permitting the Congress to review such a study before any legislative consideration of a NAFTA. And I took seriously the administration's endorsement of recent environmental initiatives by the Mexican Government.

Even so, we believed that a program such as we described would be beneficial to both United States and Mexican communities who will be most affected by a NAFTA. We were concerned that previous enforcement standards in Mexico, throughout the country in general and in the maquiladora region in particular, were too lax and could adversely affect air and water quality in many United States communities. In that light, we believe there should be an agreement, within a NAFTA, on specific, minimum joint environmental standards to apply to new production facilities on both sides of the border.

The second item in our letter dealt with the effects of a NAFTA on American workers and with safety standards and workers' rights on both sides of the border. There must be a comprehensive program of adjustment and retraining to ensure that workers who may lose their jobs can continue to function as fully contributing members of our economy and our society. I'm glad the President recognized the need to assist dislocated workers who have adjustment difficulties, and I'm encouraged by his commitment to working with Congress to create an effective worker adjustment program that is adequately funded. I look forward to reviewing its proposals before consideration of a NAFTA.

I am not interested in supporting an agreement that does not address worker safety standards or does not ensure respect for recognized worker rights. In our letter to the administration, we urged negotiations of an enforceable agreement on these issues along GATT lines. While the debate in this House has rightly focused on how Americans will be affected, it would be foolish if any trade agreement does not also address the fundamental needs of Mexican society—higher wages, better working and living conditions, greater opportunities—that have led many Mexicans to come to this country in search of a better life.

While I've spent some time discussing the Mexican dimensions of the fast-track question, I want to return for a moment to the overarching issue of improved multinational trade at issue in the Uruguay round of GATT negotiations. There are many items in contention here, resolution of which are critical to the United States. These include intellectual property rights and protections, reduction of non-tariff trade barriers, opening up agricultural trade, as well as others. While the GATT discussions have been prolonged and frustrating, their successful conclusion has to remain a top priority for us. The case for approval of continued negotiating authority—as problematic as it may be with respect to NAFTA—is compelling.

Mr. President, you have the authority. You have made essential commitments to respect the concerns and the role of Congress in meeting its responsibilities. We wish you wisdom and toughness and success in the negotiations. We promise you careful scrutiny of the results.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, for me a vote for fast track is a vote pure and simple to allow the administration to negotiate a treaty with Mexico that benefits my State and my Nation. I do not give this vote lightly. In fact, I have expectations, expectations that the promised parallel negotiations on worker rights and environmental protection promises will be kept. This means a strong worker adjustment mechanism must be enacted and paid for, and this means a basic agreement must include a strong rule on origin.

Mr. Speaker, these are real concerns, these are real problems, and they must be resolved if the administration expects to get any agreement when it comes with their negotiation.

Mr. Speaker, I believe we can have an agreement that benefits both nations, both Mexico and the United States of America, and I vote today to give the administration a chance to negotiate just such a treaty.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Mr. Speaker, I rise in strong support of the President's request to extend fast-track authority. Simply put, a good United States-Mexican Free-Trade Agreement is in the best long-term economic interests of the United States.

Failure to extend fast-track authority would have devastating consequences for our trade negotiators, not only on the proposed United States-Mexico Free-Trade Agreement, but also for the current round of GATT negotiations. It would say to our world trading partners that the United States is not a reliable trading partner and that our negotiators do not speak for the United States. It is absolutely crucial that our trading partners know that the United States speaks with one strong voice.

The fast-track procedure has served our Nation well for 50 years. It in no way restricts the rights of Congress. The administration will consult closely with us during the negotiation process, and we retain our constitutional prerogatives to reject an agreement which does not meet with our approval.

Mr. Speaker, I, for one, will not vote to support a fast-track agreement that does not take into consideration Congress' legitimate economic and environmental concerns. For a free-trade agreement to be successful, it has to satisfy the economic interests of both parties, not their political interests or their diplomatic interests. I assure you, as a member of the Committee on Ways and Means, that we will keep the administration's feet to the fire on this most critical issue.

Mr. Speaker, the United States must respond, has a duty to respond, to events in the world. In 1992, Europe will become a common market. For all intents and purposes, Japan and South Korea have created de facto common market in Asia. We do not live in a vacuum, and our Nation must be able to compete in the world market. A United States-Mexican Free-Trade Agreement is the best way to do that. I urge that fast-track authority be extended.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, I rise in support of extending fast-track authority to the President. In the debate today we have heard stories about businesses closing, and about jobs being lost to Mexico, to the Asian Basin, and to other countries around the world. These stories are true. The issue we must debate today is how we are going to stop this from continuing.

Mr. Speaker, I have not heard word one about how we are going to prevent the loss of jobs in the future. I suggest to Members that the way to do this is to empower the President to negotiate with our neighbors, to force them to lower trade barriers, to eliminate domestic content requirements, and to adhere to basic worker protection provisions that businesses in this country have to live with.

Mr. Speaker, if we do this, I contend that our businesses in this country will be able to compete more effectively. That will mean more American exports and more American jobs.

Mr. Speaker, some Members have tried to argue that, by giving the President the authority to negotiate, we would be surrendering our constitutional prerogatives.

The fact is that after the President negotiates, he must come back to this Congress and seek final approval. I hope the President understands that this is a very contentious issue in this body. The President will need to consult very carefully, with every congressional committee that has jurisdiction, if he is going to gain our approval for any international agreement.

Mr. Speaker, the reality is that when we come back to approve a final trade agreement, we will be shooting real bullets. I know I speak for many of my colleagues what I say that I will not support a final trade agreement unless the concerns that we have all expressed have been adequately addressed.

Mr. DREIER of California. Mr. Speaker, I yield 1½ minutes to the very able gentleman from Texas [Mr. FIELDS], a member of the Committee on Energy and Commerce.

☐ 1510

Mr. FIELDS. Mr. Speaker, I rise in support of fast track. This is a historic vote which is vital to the country's continued leadership in the international market. I think of our willingness to lead on the issue of free enterprise, because surely we don't mean "free" only to our domestic marketplace. Without the extension, our negotiating authority would be seriously questioned, and the U.S. competitiveness in the world market would be at stake.

Critics of granting the President fast-track authority contend that a free-trade agreement with Mexico will result in major job losses in the United States when companies relocate to Mexico. Opponents also argue that businesses will move across the border to take advantage of environmental standards that are less stringent and not as well enforced as they are in the United States. Those are not trivial concerns. However, President Bush has responded constructively to critics of the proposed free-trade pact with Mexico by pledging to take the appropriate measures to protect this country's workers and the environment. In my view, the administration has offered a responsible compromise on all the issues of concern.

A North American Free-Trade Agreement provides a unique opportunity to strengthen our economy and those of our neighbors. Fair and open trade between the United States and Mexico will bolster both countries' economies and directly improve the well-being of Americans and Mexicans alike. The Mexican market offers special advantages for United States industry and commerce. First, Mexico's geographical proximity to the United States offers companies conducting business in the Mexican market the prospect of reduced transportation costs. Second, Mexico is rich in natural resources, particularly oil. An open partnership with our neighbor would reduce our reliance on oil supplies from an unstable Middle East region. And finally, as Mexicans aquire new jobs and skills, the value of their work will increase and they will be less likely to illegally seek work in the United States.

For Texas, special benefits would accrue from a free-trade agreement negotiated between the United States and Mexico. While the United States is a net importer of goods and services from Mexico, Texas is a net exporter. In 1989, total exports from Texas to Mexico exceeded $9.7 billion—almost a third of Texas' $31 billion in total exports. Further, while total exports from Mexico grew by 13 percent in 1989, exports from Texas to Mexico grew by an even larger 18 percent. And each year, 100,000 American jobs are created due to increased United States sales to Mexico; 30 to 40 percent of those jobs are created in Texas.

Mr. Speaker, free trade with Mexico is essential if we are to compete with the rapidly forming trading blocs in Europe and the Pacific Rim. A trade pact linking the United States, Mexico, and Canada would create the world's largest trading bloc, with 350 million people and an annual economic output of $6 trillion. Hopefully, this experience will pave the way to creating an entire new free-trade hemisphere stretching from Canada to the United States and down through Central and South America. A free-trade agreement with Mexico should be only the first step in achieving the largest free market in the world.

The reality is that the United States cannot effectively promote free trade unless the President can rely on fast-track procedures when negotiating trade agreements. Those who would argue that fast-track authority denies the Congress a role in the process are wrong. The law clearly states that the President must consult with Congress prior to entering the talks and regularly throughout the negotiations. Fast-track authority gives the President credibility when negotiating trade agreements with foreign leaders, while still guaranteeing Congress the final authority over commerce with foreign nations as required by the Constitution.

Today we have the opportunity to open the door to our neighbor and welcome it to a new era of cooperation and friendship. No other country so directly affects the welfare and security of America as does Mexico. Make no mistake about it—a free-trade agreement offers both countries great advantages. I urge my colleagues to support the fast-track procedures that will allow negotiations between the United States and Mexico to proceed expeditiously.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 2 minutes to our colleague, the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, I thank the gentlewoman for yielding the time to me.

I would only say that I think it is important at this point to also point out to my colleagues the statement made by the gentleman from Colorado [Mr. SKAGGS] on the floor just a short time ago. He pointed out that we all are going to have an opportunity to approve or disapprove of an agreement. That is going to happen in how long, 1 year, 3 years, 5, 6, 7, we are not sure. But we do know that it is going to be difficult to negotiate a free trade agreement with a country with the disparity of wage rates, with a different culture, and indeed, even a different language, something that we did not confront to that extent with Canada that we will with Mexico.

But I also have to say to the administration to beware of all of the letters that the administration has received and the response we received back from the President of the United States. In my letter I also pointed out that this administration has got to come to a commitment to provide the necessary infrastructure that is going to be necessary and needed for increased commerce between Mexico and the United States. We do not have enough Customs agents in the United States to deal with the commerce we have today coming from Mexico, nor do we have enough inspectors in the Agriculture Department to deal with it.

I am a supporter of this resolution and the free-trade agreement. But again, I say to all of my colleagues, let us be aware that it is going to cost something. The United States, like Mexico, is going to have to make a commitment to the infrastructure needs as well as the health, the environment, and the wage rates and labor standards and all of the rest that we have talked about today. There are some pretty mundane things that we are going to have to commit to, and I fully expect the administration's support to pass that legislation during the time that negotiations are ongoing for a free-trade agreement with Mexico.

I would also say to my friends and colleagues that I think this debate has reached a good level. I think it is now time to get on with the business of opening the doors between our two great nations.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the respected gentleman from Florida [Mr. SHAW], a member of the Ways and Means Committee.

Mr. SHAW. Mr. Speaker, I thank the ranking member for yielding this time to me, for fast track now is on track, it is a reality, and let the negotiations begin.

I think the full impact of the Rostenkowski-Gephardt resolution or the Gephardt-Rostenkowski resolution is simply common sense. The President and his negotiators are going to have to talk to the Congress of the United States. We have just had a rather close vote on the Dorgan amendment, which was the killer amendment, which was the test of whether fast track was gong to go forward. That was the easy job.

The tough job is going to be now to negotiate an agreement that can pass this Congress, because definitely there are going to be winners and losers.

I think the House is to be congratulated, particularly our Democrat colleagues for recognizing that there is one President of the United States and investing in him the authority to go ahead and negotiate something that then comes back to the Congress. I think they are certainly to be congratulated for that, and I think the leadership has had one of its finest moments in doing this.

But I would hope that the President, the trade representatives would negotiate hard with the Mexican Government so that we can come up with an agreement that will strengthen both sides of the border. Anything that is good for the Mexican Government, that is good to strengthen the economy of Mexico, has got to carry benefits into the United States.

There will be some jobs exported, but there will also be a lot of new jobs created in this country, and this is what is important, and this is the way we measure the validity of the agreement, we measure the probable success of the agreement.

I congratulate the House on its previous vote and support the resolution that is presently on the floor.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to my very able and thoughtful friend and classmate, the gentleman once again from the "Show-Me" State of Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I urge a "yes" vote.

Mr. Speaker, today, Congress stands at a crossroads that will shape the future of American trade policy. The world today is changing and we must adapt to those changes. Expanded trade is a critical part of a changing world order that has a lot to do with open and expanded world markets. Opening world markets never comes easily nor will it in the future. The opportunity does not come very often, but when it does—it is well within the American spirit to seize the moment. That moment is today and the tool by which we must attempt to expand our world trading opportunities is the fast-track procedure.

Fast track must not mean that congressional oversight is slighted or traded away. The events surrounding the breakdown of the GATT negotiations last December in Geneva illustrate the resolve this Congress and the administration must exhibit in representing the best interests of American working men and women. This resolve has reinforced by the administration's rejection of a GATT agreement that was not in the best interests of either American workers or American farmers. Indeed, that very rejection of a bad agreement is one of the principal reasons that administration is asking for the extension of fast-trade authority today, and I believe is the best evidence of the administration's commitment to the kind of agreement that we will be proud of rather then one we blandly accept. The administration didn't try to sell a bad deal then, so why should they now?

Lest we forget, this vote today is to allow our negotiations to continue. No trade agreement can come about without further discussions. Be assured, this body must be committed to fully scrutinizing the reports of our trade negotiators both in GATT and in a North American Free-Trade Agreement. While it is the responsibility of our trade negotiators to bring home a sound trade pact, such an agreement must bear the most thorough examinations and scrutiny of the Congress, and we have full assurances that we will be in full consultation as the process goes forward.

I fully believe that Congress does have the responsibility to preserve critical domestic industries. For example, the textile industry in the Eighth District of Missouri employs thousands of men and women whose livelihood depends on a trade policy that does not give away the store. Targeting valuable industries such as textilies for the bartering table is unacceptable. Achieving expanded markets for one area of our economy while placing the negotiating burden on another area must not be allowed and I have shared this vital concern with the President, himself.

However, I believe deeply that the process must go forward. The President has advised us that the Congress will be in constant consultation with our trade negotiators through both our GATT and Mexican trade negotiations and I believe him. I have been present at GATT negotiations in Geneva and can assure the Members of this body that Congress has a voice in our trade deliberations; however, it is also the responsibility of this body to ensure that that voice is heard. I strongly urge my colleagues to allow our critical trade negotiating efforts to continue to do so within the parameters of concern expressed in the Rostenkowski—Gephardt resolution.

We have to negotiate before we have anything to judge. Let us negotiate diligently, assiduously, be partners in the process, do the best we can—and then judge whether something has been produced that is worthy of our people's trust.

If it has not we should vote "no."

If it has, we can enter a bright new era for enhanced trade opportunities on a level playing field, that will enhance job opportunities and our basic standard of living.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. REGULA], a member of the Committee on Appropriations.

Mr ARCHER. Mr. Speaker, I also yield 1 minute to the gentleman from Ohio [Mr. REGULA].

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Ohio [Mr. REGULA] is recognized for 2 minutes.

Mr. REGULA. Mr. Speaker, I thank the gentlemen for yielding me this time and I urge a yes vote on this resolution.

Mr. Speaker, I heard Members on the previous resolution saying we want to send a message. Here is the message, and it is loud and clear, and it says clearly what the sense of the Congress is as to what our negotiators should be considering in any agreement that is reached with Mexico. I think this is a very important statement by this body as to what would be acceptable, because eventually, if an agreement is reached, we will have to vote it up or down. And it is important that our negotiators know ahead of time what our concerns are. I think it spells them out clearly, and certainly will be an important blueprint for those who do go forward in the negotiating.

I think also that the importance of the GATT negotiation should not be overlooked, and I would urge all of my colleagues, as our negotiators work on these areas of trade with Mexico and the GATT agreement that they be very aware of what is happening and have an opportunity to offer input to those who are putting together these agreements. It is vitally important that we get responsible negotiated agreements in both instances.

We have an opportunity to make America, the United States, No. 1 again in exports as we were 6 years ago from 1983 to 1989.

As the Constitution in article 2, section 2 clearly states, not only must we consent, but we must advise, and this resolution today is part of that advice that we are giving to the administration.

I urge a strong vote in support of this resolution.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Utah [Mr. OWENS].

Mr. OWENS of Utah. Mr. Speaker, I rise today to give my qualified support for fast-track trade negotiation. But my support, and I believe that of many of my colleagues, should not be construed by the President as a blank check. We are not giving the President permission to send the Nation headfirst into a potentially destructive round of negotiations. Rather, we insist upon a carefully thought-out, long-term plan of action.

No one can deny the benefits of a healthy trade relationship with our North American neighbors. As nations increasingly come to the view that open markets are in their best interests, the laws of comparative advantage will continue to gain momentum. A unified Europe will be an economic juggernaut after 1992. The strength of the Pacific Rim economy has left many of our industries in turmoil.

A dynamic North American economy is unquestionably in our national interest. Mexico is already our third largest trading partner. By the year 2000, Mexico will be a market of 100 million people. My home State of Utah already exports over $30 million in goods to Mexico annually. Increasingly, our struggling economy will have great difficulty competing in world markets without stronger economic ties to our large southern neighbor.

Many of my colleagues share my belief that this debate must serve to remind the administration that our support is tentative. I give no commitment to vote for the end product of their negotiations. The process of economic integration in Europe has taken decades to evolve to its present stage. Time and careful efforts will be required to achieve a comparable, and competitive, unified North American market.

This is a matter of international trade, not interstate commerce, and the administration must extract a commitment that Mexico will enforce its environmental, OSHA, child labor, and minimum wage standards. We must question the extent to which the Mexican Government can adequately enforce its labor and environmental standards. In spite of the numerous reassurances of Carla Hills, Robert Mosbacher, and William Reilly, I have serious concerns about the President's commitment to heed the recommendations of this resolution. When asked to quantify the impact on American industry, the President has merely assured us of ambiguous trickle-down benefits for American workers.

Free and fair trade is so vital to our national interest that the administration must be given an opportunity to formulate a trade agreement. Hence, my vote today is, in a very real sense, an act of faith, but it is faith which will be accompanied by careful surveillance. "Faith Without Works," as the Bible tells us, "is dead." The trade bill will be too, so far as I am concerned, if it does not reflect these concerns.

Fears of widespread job losses pervade today's debate. For thousands of American families, these fears are very real. But let us look beyond emotions and have a look at the United States-Mexican trade relationship today. The tariff on our exports to Mexico is 10 percent. The tariff on goods from Mexico is 3 percent. Thus, passage of a trade bill and the elimination of these tariffs alone creates a disincentive for companies to move operations.

The wide disparities in wages are another major point of contention in today's debate. Wages in Mexico are so low that there is, in fact, little preventing American industry from fleeing to Mexico at this very moment. A free-trade agreement would only raise these wage rates. And as Mexico is better able to enforce its existing labor and environmental laws, the incentive to flee to Mexico is diminished even further. The conditions are ripe for a mutually beneficial agreement, and we should allow the administration the opportunity to continue these negotiations.

Mr. Speaker, we will subject that final agreement to the most careful scrutiny possible. The administration must show continued commitment to environmental protection; it must be committed to working closely with the Mexican Government to ensure adequate enforcement of minimum wage, child labor and occupational safety standards; it must protect our Nation's intellectual property rights; and it must ensure enforcement of point-of-origin rules. Only a commitment to substantive action will suffice—assurances of the Mexican Government's good intentions will not.

It is understood that, when an agreement is finally reached, there will be tremendous pressure by the President, the minority, and many special interest groups to sign the agreement—regardless of its weakneses. But, Mr. Speaker, let me make it perfectly clear that I will reject an agreement if the administration fails to adequately address the concerns laid out in the resolution.

I believe that this debate sends a clear signal to the President as to Congress' demands for a free-trade agreement. If, in a few months, the administration puts forth an agreement only to find it rejected, it will have no one to blame but itself. I urge the administration to live up to its written commitments—we will be watching.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. McCATHRAN, one of his secretaries.

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EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES WITH RESPECT TO THE U.S. OBJECTIVES THAT SHOULD BE ACHIEVED IN THE NEGOTIATIONS OF FUTURE TRADE AGREEMENTS

The SPEAKER pro tempore. The Chair recognizes the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, may I inquire of the Chair how much time is remaining all the way around?

The SPEAKER pro tempore. (Mr. McNULTY). The gentleman from Texas [Mr. ARCHER] has 10 minutes remaining; the gentleman from California [Mr. DREIER] has 9½ minutes; the gentleman from Illinois [Mr. ROSTENKOWSKI] has 8 minutes; and the gentlewoman from New York [Ms. SLAUGHTER] has 8 minutes.

Mr. DREIER of California. Mr. Speaker, I yield 3½ minutes to the gentleman from California [Mr. CUNNINGHAM], from San Diego, who is a new Member of this House and represents the border.

Mr. CUNNINGHAM. Mr. Speaker, I rise in support of extension of fast-track negotiation authority.

Mr. Speaker, I live in San Diego, which is one of the border cities, and I live free trade, antidrugs, illegal immigration every single day.

As a matter of fact, I went across the aisle, and some of the people here who are from the inner sections of the United States, several Members asked me what was the flag that I was wearing next to the American flag. It happens to be the flag of Mexico, and not many people knew that.

I deal with Mexico daily. We had over 65 million personnel come across the San Diego border last year. Each one of those individuals spent over $350 per individual. That meant economy to the United States.

It has been stated before by my good friend, the gentleman from New Mexico, that over 70 cents of every dollar goes to the purchasing of exports in Mexico itself, and I think that is important.

Mr. Speaker, President Salinas de Gortari to me is the Abe Lincoln of Mexico. I have been there for over 25 years. I have been to Mexico over a thousand times, and each time I see improvements from President Salinas.

They tell us that pollution is rampant, and it was at one time, where Mexico had more environmental laws on the books than we had in the United States, but they did not follow those laws; they did not enforce them. Well, I can tell you today they do.

On March 18, President Salinas shut down an oil refinery that was polluting. It cost him over $500 million and over 5,000 Mexican jobs. He is committed to cleaning up the environment and helping us. I border the Tijuana River. My good friend, the gentleman from California [Mr. HUNTER], who is on the opposite side of this, worked very hard for years and years to clean up the Tijuana River. Commissioner Genaji, with the help of President Salinas, is establishing a sewage system to take care of that.

The maquiladoras were shut down—some of the businesses—because they were polluting the environment. Those are all positives.

The San Diego border has had over 800,000 pounds of cocaine come across.

Chief Burgreen, the chief of police, told me just a few weeks ago that the Mexican Government is working with the United States more than they ever have in the past. It is stopping illegal immigration. It is stopping the flow of drugs coming across the border and working with us on binational issues.

We have looked at a binational airport. We have looked at binational trade. We have looked at others as well that they are helping us with.

Mr. George Gerstenberg, from the U.S. Food and Drug Administration, has stated that violations from Mexico on produce are less than American products.

Mr. Speaker, Mr. Gerstenberg stated that the EPA and FDA use of pesticides is not accepted in the United States. Mexico is shutting that down. I have got a bottle here that a special-interest group put out and said that DDT was used. DDT has been banned. They said in one of the statements, "If you vote for free trade, your produce will be slathered with this deadly stuff." It does not exist in Mexico.

I am in strong support of a free-trade agreement.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], a highly respected member of the Committee on Ways and Means.

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I will cast a vote that I believe will directly and profoundly affect Connecticut's economic future. I will vote to authorize the President to enter into GATT negotiations and negotiations with Mexico and Canada on a possible North American free-trade agreement. These negotiations seek new, broader international law to assure peaceful governance of economic competition and promote worldwide economic growth.

For those committed to a more peaceful and a less hungry world, this vote is historic. For a state as dependent on exports as is Connecticut, this vote is crucial.

Exports are the lifeblood of Connecticut's economy as of the Nation's economy. Even during last year's recession, our exports increased by 17 percent, and the expectation is that the demand for Connecticut-made machine tools, telecommunications equipment, and other products will grow significantly through free-trade agreements. For example, a recent trade exposition in Mexico showed clearly that there is real export growth opportunity for Connecticut. Our exports to Mexico rose 75 percent in the past 2 years, as Mexico unilaterally dropped selected tariffs and opened some of her markets. If negotiations further drop barriers, there is every reason to expect exports of a great variety to increase.

Despite Connecticut's almost sure gains under the agreement, a number of interest groups are opposed to it. Some labor organizations fear that American workers will lose jobs because of lower wages in Mexico. In fact, companies that need lower labor costs to remain competitive have already moved to foreign soil. This has kept some American companies alive and enabled many to preserve and even expand more highly skilled and higher paying jobs here at home.

We do, however, need strong support for workers and communities that suffer dislocation, not just as a result of the North American Free-Trade Agreement, but for all new U.S. trade agreements, changes in defense policy, and improvements in environmental laws. We also need safeguards in any trade agreement that will assure gradual transitions and minimize the anguish of change.

Some environmental groups argue that American companies will rush to Mexico to avoid our tough environmental laws. A decade ago, this may have been true, but Mexico has made tremendous progress in strengthening its environmental laws and enforcement. The fact is, Mexico recently passed a comprehensive environmental protection law in 1988 that closely parallels the tough standards administrated by the U.S. Environmental Protection Agency and our States. Mexico beefed up its enforcement budget by 636 percent in the past year alone. Over 5,000 inspection visits were conducted in the past 2 years, resulting in 980 temporary or permanent plant shutdowns.

Mr. Speaker, the opponents of moving forward under so-called fast-track authority oppose moving fast and urge some kind of normal process. In point in fact, fast track is not fast. The United States-Canada Trade Agreement took 4 years to negotiate under fast-track authority. Further, no other authority exists under which a multifaceted trade agreement can be negotiated. The fast-track laws were written by Congress specifically to increase congressional influence during negotiations by spelling out a clear consultative process. Further, many of our toughest trade laws that best protect American industry have been passed as part of the fast-track process.

Free trade negotiations do not result in agreements that impose a one size fits all solution. They merely structure economic growth between nations. The United States-Canada agreement lowered trade barriers in some areas, set out a program of gradual change in other areas, and set aside other problems for future discussion, specifically because our national interests differ so significantly in some areas that they could not be reconciled at this time.

At the heart of this debate is the future of our relationships with our neighbors in the Western Hemisphere and our trading partners around the world. Technology has irreversibly shrunk our world and linked the future of all nations together. We must sit at the negotiating table with Mexico as we do with the nations of Europe and Asia. Otherwise, we will send a signal to the rest of Latin America that we don't need their markets, we don't want their goods, we don't care about their future progress.

As the nations of the world explore open markets and new relations, the United States cannot afford to stand in isolation. Trade agreements structure the development of economic relationships among nations and thereby contribute to the prosperity of all and to the creation of a more peaceful world. This is not a zero-sum game. We can all be winners or all losers. This is especially true for Connecticut employees and employers alike. I vote for America to win. I urge a yes vote on House Resolution 146 to assure the President the negotiating authority he needs until the direction from the Congress that will assure successful negotiations.

□ 1530

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I rise in support of the fast track. Let me say, first, I want to congratulate both the majority leader and the chairman of the Committee on Ways and Means for their excellent leadership on this issue.

I also want to say, ladies and gentlemen, that basically fast track makes eminent sense. I am a free trader. I believe that America must compete effectively to stay No. 1 in the world. We have to successfully compete economically. That if we build walls, plain and simple, yes, we will have trade among ourselves, but in a new international economy, that will automatically consign the United States to a third-rate power.

So while the Japanese, the Germans, and the others are trading all over the whole world, America is only trading with itself. That is a formula for disaster. It is a tough fight. The whole world was our oyster after World War II, and it is not any more. However, we can do it.

I have faith in the American people, American industry, and American workers, that given time, we will succeed, and to not go to fast track is simply saying that we all know it, that we will not have free trade, that this group or that group is going to stand in the way, because they might be hurt despite what is good for the whole country.

We must have fast track. I say to my colleagues, very simply, I am not sure that the agreement negotiated with Mexico is going to make sense. In the world's economy, negotiating with a country that has a much lower standard of living—and there are other competitors—that may not be the right thing to do. But to say, now, that we do not even want to let the President negotiate a treaty—and we all know there can only be one negotiator, not 535—does not make sense. It is turning our back on the challenge. It is saying that America cannot make it. It is saying that we cannot trade openly and win the competition with Japan, Germany, and whoever else. I urge a vote for fast track.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GREEN], a thoughtful and hard-working member of the Committee on Appropriations.

Mr. GREEN of New York. Mr. Speaker, I rise in strong support of House Resolution 146, legislation which authorizes the extension of fast-track procedures to implement trade agreements entered into after May 31, 1991.

For the better part of this century, Congress and the executive branch have recognized that the negotiation and implementation of trade agreements require special cooperation. That partnership was reflected in the Reciprocal Trade Agreements Act of 1934 and reiterated in the Trade Acts of 1974, 1979, and 1988. While assuring Congress meaningful participation throughout the negotiation process, fast track provides two guarantees essential to the successful negotiation of trade agreements—a vote on implementing legislation within a fixed period of time and no amendments to that legislation.

Critics charge that a vote for fast track is a vote to abrogate congressional responsibility. Nothing could be further from the truth. Fast track includes extensive consultation requirements. It allows committees with jurisdiction to review and recommend changes to any agreement before it is signed. Fast track enables Congress to hold oversight hearings as well as draft implementing legislation. Finally, under fast-track procedures, Congress has the opportunity to accept or reject any agreement that is negotiated. I ask my colleagues, is that an abrogation of our congressional responsibility?

Critics charge that a vote for fast track is a vote against the environment. Let's listen to some of the facts: To begin with, Mexico has no intentions of becoming a dumping ground for North American industry. In 1988, Mexico adopted comprehensive pro-environment legislation that closely parallels the tough standards set forth by Congress and the United States Environmental Protection Agency.

The Mexican Government has committed itself to improving enforcement. Between 1989 and early 1991, the Government of Mexico imposed some 980 temporary and 82 permanent industrial closures for noncompliance. To illustrate its seriousness, on March 18, 1991, the Government permanently shut down Mexico's largest oil refinery, costing 5,000 jobs.

President Bush has promised Congress that the United States will ensure that our right to safeguard the environment is preserved in the North American Free-Trade Agreement. We shall maintain the right to exclude any products that do not meet U.S. health and safety standards as well as maintain our right to impose stringent pesticide, energy conservation, toxic waste, and health and safety standards. Furthermore, USTR will coordinate an interagency review, drawing on the resources of agencies with environmental expertise and in consultation with interested members of the public.

Critics charge that a vote for fast track is a vote against labor and American jobs. Again, let's listen to some of the facts: At present, our exports to Mexico support some 538,000 United States jobs. Several Government and independent studies suggest that job growth under a free-trade agreement with Mexico would see a 64,000 net increase, the bulk in manufacturing.

The Office of the United States Trade Representative calculates that a successful GATT round would boost U.S. GNP by $1 trillion over the next 10 years. That's an extra $16,800 in income for every family of four over the next decade. On the other hand a failed GATT round would jeopardize American exports, risking the export-related jobs of millions of Americans.

The Mexican Government has ratified 73 International Labor Organization [ILO] conventions on workers' rights. Mexico's laws provide for comprehensive rights and standards for workers in all sectors. In fact, Mexico's labor standards are comparable to those in the United States, Europe, and other industrialized countries. A substantially higher proportion of the Mexican work force is unionized than is the United States work force.

United States and Mexican officials have agreed to address the specific concerns addressed by the labor community. Those include: occupational health and safety standards; child labor; work conditions and labor standards. Finally, by promoting economic growth in Mexico, a free-trade agreement will generate greater prosperity and resources that Mexico could devote to improving the situation of workers.

In closing, let's not judge a trade agreement that has yet to be negotiated. Now more than ever we must recognize the importance of international trade. If we are going to continue to enhance economic growth, then access to foreign markets must be maintained and expanded. I urge my colleagues to vote for economic growth and prosperity by voting in support of House Resolution 146.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to my friend from Stanford, the gentleman from California [Mr. CAMPBELL].

Mr. CAMPBELL of California. Mr. Speaker, I thank my colleague from "some other" university.

It is an error to attempt to repeal the laws of economics. We have tried this a number of times. We have tried to repeal the law of supply and demand by price control. In the trade area we tried to do this by allowing tariffs to spiral and by import quotas on particular terms.

The truth is we cannot sooner or later repeal the law of economics. We may as well adapt to it. We have today a chance to allow the law of economics to apply in the area of law, the law of comparative advantage.

What does that law mean? Well, it would not mean an end to jobs in the United States. No, far from it. It would mean a shift more toward capital-intensive jobs. That is to say, American laborers would have to work more in the capital-intensive areas. It is true that products that have more of a labor advantage would flow down to Mexico. That is something that I think Members should stipulate. The point is, though, that that is not bad.

Think about what in the United States is a capital-intensive industry: agriculture. We are one of the most, in fact, we are the most capital-intensive agricultural sector in the world, not to mention the fact that a fair amount of our agricultural produce is prevented from getting into Mexico by a very high tariff structure.

In the intellectual property area, fast track means we can continue to negotiate in GATT, where we might be able to achieve some hoped-for accommodation of intellectual property rights throughout the world, so the products of our minds are fairly able to compete throughout the world.

Do not fear the application of the law of economics. Do not think we can repeal them. By voting for fast track today we can say to the world and to the newly developing economies—particularly those coming out of socialism—capitalism works. We can say to our hemisphere, trade with Mexico is as important as trade with Canada. We can say to ourselves, Americans can compete.

Mrs. KENNELLY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Speaker, many dire consequences have been predicted for the United States and Mexico by opponents of the fast-track procedure. They warn us of environmental havoc, job losses for American workers, and misery for Mexican workers. I understand the apprehension of those opposed to this agreement but the evidence I have seen did not persuade me to cast a vote to revoke the President's authority to seek increased economic growth and expanded trade in the United States through a North American Free-Trade Agreement.

I have seen documentation that the trade we have had with Mexico has been very beneficial to our Nation. More specifically, since 1986, hundreds of thousands of American workers have been kept on the job because United States manufacturing exports to Mexico have more than doubled from $10.4 billion to $20.4 billion.

I have heard from business concerns and individuals in my district who are very worried about this legislation. I appreciate the threat that textile, fiber and apparel industries fear from a free-trade agreement and my decision to support the fast-track process has not been made without considerable study and thought. In the end, it seemed to me that regardless of whether or not a free-trade agreement is reached, many of the estimated job losses that would go to Mexico—would go anyway—or they would go to Asian countries where the United States has less influence to address concerns like child labor and environmental abuse.

Also since 1986, the United States textile, fiber and apparel industries have moved from a trade deficit to a trade surplus with Mexico. A recent Labor Department study suggests that the abolition of remaining tariff barriers between the United States and Mexico would bring a net total of between 44,000 and 64,000 manufacturing jobs to the United States over the next decade.

It is my conviction that U.S. interests are best served by a trade policy that seeks to open markets for U.S. goods and services, not by closing our own markets. The least we can do is allow the negotiations to continue and give the President a chance to work toward an agreement which will provide expanded trade opportunities for the United States and the economic benefits that accompany it.

If the final product doesn't do that, the resolution maintains the constitutional right of Congress to be consulted regularly during the course of any negotiations carried out under this procedure. If Members of Congress are not satisfied with the agreement, then they have the right to reject whatever is negotiated.

Beyond that if an approval of the treaty leads to job displacements the Gephardt resolution and the President's request include provisions designed to assist import-sensitive industries adjust to the displacement and assure adequate assistance and retraining for dislocated workers.

In closing, I want to state that my support for the fast-track procedure does not guarantee my support for the final agreement. I will certainly not vote in favor of any trade agreement that is not, in my opinion, in the best interests of the United States of which will seriously harm the people in my district.

And I hope and firmly believe that the administration will continue to work with Congress in a bipartisan manner to fashion an agreement which will better America and foster our improving relations with Mexico.

Mrs. KENNELLY. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Speaker, we have seen much debate on the issue before us today and we will see further heated debate in the future as we proceed through the negotiating process on the General Agreement on Tariffs and Trade and the North American Free-Trade Agreement. We have heard supporting and opposing views on the opening of markets in this new global economy and the potential impact such an agreement will have on America's business, industrial, and agricultural sectors, as well as the American laborer. The agriculture industry in Florida, a $6.3 billion industry, is largely comprised of citrus fruit, and vegetable production that competes with Mexican production a majority of the year. These producers are not protected by any USDA subsidy program.

The only programs they must follow are regulations from EPA and FDA in order to guarantee food quality and safety for America's consumers.

In order to guarantee the American agriculture producer the opportunity to compete on a fair and level playing field in the international trade arena, we must ensure their concerns are adequately addressed during the negotiations with Mexico.

It is imperative that the administration use the expertise and knowledge of the Agriculture Technical and Policy Advisory Committees and other technical advisory committees in order to ensure adequate input from sectors within American agriculture and business. Mr. Speaker, the assurances I have received form President Bush and his Cabinet leave me comfortable that Florida's agriculture industry will have extensive input into the formulation and negotiation of a North American Free-Trade Agreement.

In the interest of the American people and after many months of meetings and discussions. I am convinced that Ambassador Hills will work in earnest with Congress and the American agriculture and business interests as we move through these negotiations.

In closing, I would state to my colleagues today's vote sounds the bell for the beginning of the game. In the future should we decide the playing field is not level and the competition is not fair, we can call the game. If America is allowed to compete freely and fairly, we can proceed into a world market that will greatly benefit the United States.

I encourage my colleagues to support House Resolution 146, which supports the trade negotiations between the United States and Mexico based on President Bush's commitments on key environmental, health, and labor issues.

□ 1540

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Let's be clear about what we have done here today. We have authorized the President to attempt to negotiate a treaty that will eventually transform the United States, Mexico, and Canada into one large free trade zone.

We have done so in the belief that a treaty, properly negotiated, can enhance the economic well-being of our country and its people. We have done so because we believe it will create more American jobs, good-paying jobs to support American families. And, we have done so because we believe there are large, previously untapped markets for American-made goods in Mexico that will now open to us.

Last week a friend of mine, someone who worked for a number of years at one of our two auto assembly plants in Delaware called me asking if I were going to be voting for fast-track authority, which I have done today.

My friend asked, "Why?"

I explained that I thought it was in the best long-term economic interest of our country and its people and went on to explain why.

My friend expressed disappointment, almost a sense of abandonment, not so much by me but by the Congress in general.

He said, "How about our plant workers who are going to lose their jobs in the years ahead?"

I acknowledged to my friend the prospect that, yes, regrettably, there likely would be some displacement. There will be a need on our part to try to ease as best we can the transition of people from our livelihood to perhaps another. There will be a need for retraining.

Indeed, in response to the prodding of our own leadership here, the President and his administration have promised to be sensitive and to look to the needs of working Americans who may one day face difficulties because of free trade agreements. That may be negotiated.

The resolution before us today seeks to make sure that the actions of this administration in the months ahead match the words of the administration that we have heard to this point in time.

On an earlier day, another speaker once said that "a rising tide lifts all boats." This rising tide of the free trade agreement will lift most boats. This rising tide will not lift all boats. Some boats will take on water. Some boats may sink. Some people may lose their jobs. Some families may be placed in jeopardy.

Those of us who advocate trying to negotiate a United States-Mexico Free-Trade Agreement with out votes today say to American workers, "Trust me. We won't forget you, those of you whose livelihood may be at stake."

We politicians are famous for promises that we make but do not always keep. This is a promise that must be kept. As this administration attempts to negotiate this treaty in the days ahead, it must be sensitive and be true to the commitment that we have made to workers who may be one day displaced. To the extent that we are true to the spirit of this resolution, 1 year from now, when we vote on a free trade agreement, that agreement may be approved. If we forget the spirit and letter of this resolution, I say to the President, 1 year from now when we vote on a free trade agreement with Mexico, that agreement will be defeated.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I rise in support of extending fast-track authority.

We are standing at a major crossroads today, debating the basic authority of the executive branch to negotiate agreements with our trading partners. We can go forward or backward. We can forge ahead or turn within ourselves. We can make progress with our friends and trading partners, or we can turn our backs on them. Major choices on extremely important public policies.

I take no second place to anyone in my commitment to jobs creation in my district and to environmental protection. I have a 100-percent record of support with the League of Conservation Voters. I am proud of it, and I earned it.

Either we are going to help Mexico win its battle with environmental degradation or we are going to permit the degradation to continue. The responsible environmental position is to work with Mexico, and we cannot do that if we are not at the table—pushing, prodding, demanding.

Prosperity in North America will give all of us the resources to match our desires for a clean environment. Wishing will not do it. Hand wringing will not do it. Doing it will do it.

Times are tough for manufacturing in the valleys that comprise my congressional district, but we know that our region has a manufacturing future because our resources are great and our work force even greater.

Manufacturing is staging a comeback in America, and U.S. exports are expanding, the trade deficit is narrowing, and exports will hasten the recovery.

Trade policies on our part have created a favorable environment abroad for United States export expansion, and nowhere is this more clearly borne out than with Mexico. United States exports to Mexico have grown from $12.4 billion in 1986 to $28.4 billion in 1990. The trend is up, and the only way to keep it going up is to work with Mexico. Right now, United States goods and services are responsible for 70 percent of all the goods and services

Mexico buys from other countries. It is a premier market for items made in America—made in America by American workers.

It would be foolhardy to let that progress slip away. Barriers against United States goods sold in Mexico have been coming down. We must continue to work to have the barriers completely removed.

If we turn our backs on the Mexican market now, there are others in the international arena who can and will scoop up what we foolishly throw away. The Japanese are tough aggressive trading partners, and I do not see any sense in handing them our export markets on a silver platter.

Changes in the economic relationships among nations are inevitable. They are taking place now, with or without a free trade agreement. It is better that Americans seek to govern this process of change, rather than being turned into its victim.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Speaker, I rise in support of the Gephardt amendment. I do so, Mr. Speaker, because up to the time that I read the amendment, I had not made up my mind how I was going to vote on this subject matter. I was concerned about the fact that the health and safety standards of this Nation would not be included in that negotiation, but the Gephardt amendment is very clear. It says that any North American Free-Trade Agreement must maintain strict health and safety standards.

Then it goes on to assure me that other matters will be taken care of. For example, I was very concerned about the effect it would have on workers here in the United States and whether or not there would be job training and other benefits. Again the Gephardt amendment addresses itself to that problem. It says that any trade agreement must be accompanied by an effective and adequately funded worker adjustment program developed by the administration and the Congress of the United States.

In other words, it is not just the administration that is going to do it. We in Congress will play a role in that regard.

I believe, Mr. Speaker, that granting this fast-track authority will eventually result in a treaty. It will result in something that will be beneficial not only to Mexico, but to the United States. I am sure it will create more jobs in Mexico.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. DE LA GARZA].

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 1 additional minute to the gentleman.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] is recognized for a total of 2 minutes.

Mr. DE LA GARZA. Mr. Speaker, first let me thank all of my colleagues that I solicited to vote and who voted for the fast track approval. This is to assure you of the commitments made by me under the jurisdiction that I and our committee will have.

The concerns expressed will be addressed, and hopefully they will be alleviated to some extent or totally.

We are not going out to chase phantoms in the sky. We are not going to stop competition altogether, but your legitimate concerns will be addressed.

Let me assure you that what happens today is not a victory for one side or another. It is just a procedure. The work is yet ahead of us, and I hope that we can continue working with good will and with the enthusiasm necessary to see that we enhance our global position as a country and that we bring two friends, Canada and Mexico along with us, when we do so.

The concerns that you have expressed to me will be addressed, and hopefully those concerns will be alleviated or met, I can assure you of that; but now we need to work together to see that the final task is one that all of us can be proud of and one that will make us worthy to be remembered for having been a part of that final conclusion.

Mr. Speaker, I thank the gentleman and the gentlewoman for their time.

☐ 1550

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I rise in support of fast track.

GET FAST TRACK ON TRACK

Mr. Speaker, I rise today to voice my strong support for allowing the President to negotiate trade agreements under expedited fast-track procedures.

Mr. Speaker, this vote will have major long-term economic consequences, not only for the United States, but for Canada, Mexico, all the nations involved in the Uruguay round of the GATT talks, and all the countries involved in the Enterprise for the Americas Initiative, which will seek free-trade agreements—FTA's—with the nations of Central and South America. This amounts to well over 100 countries. It will characterize the tone and scope of U.S. trade relations for the next decade.

Opponents of free trade would have us believe that this vote is really going to be on the North American Free-Trade Agreement [NAFTA]. I am sure many of my colleagues in the House have various reasons for their opinions on NAFTA. But to portray this vote as a vote for NAFTA is putting the cart before the horse. As Senator LLOYD BENTSEN has put it, this is a vote on a clean sheet upon which U.S. trade relations will be drafted. And a vote to deny fast track for any reason will tie the administration's hands in negotiating all trade agreements, including the all-important GATT. Indeed, continuing GATT negotiations is reason enough to support fast track.

Opponents of free trade say fast track will take Congress out of the discussion on NAFTA. Not so. Under fast track, the administration is merely given wider latitude to negotiate an agreement for congressional approval. The administration is still required to continually notify and consult with Congress, a policy to which the administration is committed. Once an agreement is negotiated and submitted to Congress, a vote must occur within 60 days. What disturbs some of my colleagues, Mr. Speaker, is that no amendments are permissible under fast-track procedures. But this merely reflects the simple reality that trade agreements, like treaties, can unravel if multiple amendments are attached. How can a President assure a negotiating partner that the deal they reach is the deal Congress will consider? Fast track assures a simple up-or-down vote before the full House and Senate. If the Congress doesn't like the agreement, it can vote it down.

Now I know we in this body loathe not being able to put our own personal stamps on legislation. We all like getting a shot at amending bills and gaining a little political mileage. Well, the Senate is familiar with this type of situation. They are, after all, in a similar position when they consider any treaty. And trade agreements are, effectively, intricate trade treaties with foreign nations. Their strength—like those negotiating military or diplomatic terms—comes from the ability of negotiators to guarantee that the terms agreed to will be the terms voted upon.

Fast track is not a new invention. It has been used since 1934, and has proven very effective in striking a balance between congressional oversight and executive power in forging trade agreements. It was used to implement the results of the Tokyo round of GATT negotiations in 1979, the FTA with Israel in 1985, and the FTA with Canada in 1988. Congress approved all of these agreements with resounding majorities.

What is at stake today as we consider this extension of expedited negotiating procedure? Nothing less than the structure of U.S. trade relations into the foreseeable future. This in itself is reason enough for some of my colleagues, representing their adopted big labor constituencies, to find occasion to scuttle any possibility of fast-track extension. They fear free trade. They fear even letting an agreement get as far as a written document. They do not understand that, as Mr. Sidney Weintraub from the Center for Strategic and International Studies so aptly put it, free trade is not really about trade—it is about income and employment. Unfortunately for big labor, free trade bodes ill for organized unions, as opportunities will come not as government-created, union-prone jobs, but as private sector, union-resistant jobs.

The most important agreement to be negotiated under fast-track extension will be, of course, the Uruguay round of GATT. This is critical. The failure of GATT would likely lead to increased pressures to raise trade and investment barriers around the globe. A rapid move away from open markets could trigger a global trade war and would have devastating economic results, culminating in a global recession or worse. Our last all-out trade war provoked, if not initiated, the Great Depression which, incidentally, turned out to be the period when labor organizers made their enormous strides—something to think about next time you notice big labor's full page ads condemning fast track in the Washington Post.

Mr. Speaker, exports are increasingly important to U.S. economic growth. Our merchandise exports expanded by almost 75 percent between 1986 and 1990, accounting for over 40 percent of the 4-year growth in U.S. GNP. In 1990 alone, merchandise exports expanded by 8.6 percent, yet accounted for 88 percent of GNP growth.

Conventional wisdom predicts that our current recession will be relatively short. Whether or not this comes to pass will depend on the export sector, and the outlook for growth this year appears favorable. It is estimated that if U.S. exports grew by 6.6 percent this year, it would add 1 percentage point to GNP growth. Last year goods and services exports grew by 6.2 percent.

But regardless of the favorable outlook and in the looming shadow of such tremendous economic opportunities, opponents of free trade are comfortable in playing upon the fears of the American public that a free-trade agreement with Mexico would exacerbate existing cultural and economic divisions between our two countries. They characterize support for fast track as a vote against U.S. labor to the benefit of Mexican labor, against the environment, and in favor of unchecked illegal immigration. Nothing could be further from the truth. More rightly, NAFTA would make manufactured American goods more competitive worldwide, increase exports for both the United States and its neighbors, create more American jobs in the long run, and help Mexico escape the cycle of poverty which makes its environmental record so disastrous and is the cause of the frenetic flight north by Mexican citizens.

If NAFTA is negotiated successfully after fast-track approval, the free flow of goods between the three countries of North America would create a huge market comprising some 360 million consumers—88 million in Mexico alone—with a total output of about $6 trillion. Canada and Mexico currently rank first and third respectively among United States trading partners. The United States in turn, accounts for two-thirds of their total trade. Three-way trade came to about $237 billion in 1990. Since 1980, United States exports to Mexico and Canada have risen faster than those to the rest of the world, from $55.3 billion to $111.4 billion.

United States trade with Mexico has improved substantially since Mexico joined the GATT in 1986 and began a unilateral policy of lowering trade barriers. Since then, United States exports have more than doubled. Consumer goods exported from the United States to Mexico rose from $1 billion to $3 bilion, while exports of capital goods grew from $5 billion to about $9.5 billion. By 1990, Mexico was our third largest agricultural export market. Major United States exports to Mexico include motor vehicle parts, processed foods, electronic components, telecommunications equipment, electrical switchgear, and aircraft.

Yet Mexico still maintains many barriers to United States goods. Mexican tariffs range from 10 to 20 percent—United States tariffs on Mexican goods range from zero to 8.5 percent—and a restrictive import licensing policy, affecting 40 percent of United States agricultural exports, remains effective. And though Mexico has liberalized its investment climate, many United States investments in manufacturing and services are still forbidden. This is why NAFTA would be so beneficial for the United States.

A major benefit for U.S. businesses is they would be able to couple high-technology with low wages to compete more effectively with competitors in asia and Europe. The current maquiladora system offers a glimpse of that potential. Maquiladoras are assembly plants located in Mexico near the United States border which export finished goods back to the United States. Only the value added by inexpensive Mexican labor is subject to tariffs. Labor unions claim massive numbers of U.S. jobs are lost due to the maquiladoras. But it is estimated that for every one job created in the maquiladoras, another is created in the United States, especially in those industries that supply parts which are assembled in Mexico. And according to many of the American companies already operating under the maquiladora system, if it were not for this cheap source of labor, they would have long ago moved offshore, out of North America entirely. This is a simple reality and an eventuality which would be much worse for both U.S. workers and consumers.

A 1988 study of 900 United States firms by the USITC revealed that the vast majority of those surveyed believed that assembly plants in Mexico had improved their overall international competitiveness. Most of the firms also indicated that if the Mexican alternative were not available, they would probably have moved to East Asia.

The use of cheap labor is a business tactic that has been used to great success by the Japanese in Singapore, the Philippines, Malaysia, and Red China. It is also supposed to be one of Eastern Europe's most attractive investment features. And besides, evidence suggests that if the United States does not move in, others will. Whereas the maquiladoras used to be almost exclusively American, now Sony, Matsushita, Samsung, and Toshiba are active players.

Improvements in the U.S. economy due to NAFTA will be largest in regions close to the border, my home State of California, for instance. Over all, it is estimated that NAFTA will result in an increase of 44,000 to 64,000 jobs in the United States over the next decade, the bulk being of the high-paying manufacturing type.

But what makes NAFTA so important geopolitically is that it will serve United States vital interests by making Mexico a more stable and prosperous country. This will translate into progress on such important issues such as drug interdiction, immigration, and the environment. Illegal immigration from Mexico is at an all-time high. The Mexican Government has little incentive to limit the exodus because the Mexican economy simply can not support the work force. Workers who travel to the United States for employment also send wages back to family members in Mexico, thereby contributing to the Mexican economy. A more prosperous Mexico would not be a place to escape en masse, but a nation of increasing opportunity.

Similarly, Mexico's environmental record has been unfairly criticized. There is no doubt that an invigorated Mexican economy able to provide a better standards of living for 88 million Mexicans would be a major advance for the environment. The Mexican Government is sensitive to this issue. It recently announced that companies seeking to relocate in Mexico would have to comply with emission standards at least as strict as where they came from. The United States Environmental Protection Agency now has the first ever environmental attaché posted at the United States Embassy in Mexico City. And the United States and Mexico have signed agreements on the construction of a water treatment plant in Tijuana, Mexico, a sewage treatment plant in Nuevo Laredo, Mexico, and the expansion of an overburdened sewage treatment plant in Nogales. I think it is abundantly clear that further economic revitalization of Mexico would produce even greater results on vital environmental issues. After all, only prosperous countries can afford to protect the environment. Environmentalism is not for poor countries.

But the most important benefit of free trade with Mexico is that it will help ensure the political stability of Mexico. This is a country trying to shrug off a socialist economy that has subjugated its least fortunate citizens to abject poverty. A cracking economy, coupled with the political corruption that has tainted elections as well as everyday life, is creating a volatile social situation in Mexico. Everyone knows of the illegal immigration problem. Suppose we closed our border air-tight and there was no where for the campesinos, who are only seeking a better life, to run? Would not that create a dangerous situation? Many people—myself included—justly fear political unrest heretofore unseen so close to U.S. borders. The national security implications are phenomenal. We simply have to give Mexico the opportunity to support its own weight and assure its own stability.

In closing let me summarize for my protectionist friends, Mr. Speaker, the benefits of a NAFTA agreement—and I would remind you that there will not be so much as a draft until next year. NAFTA will help United States companies to meet the competition posed by other high-wage countries like Japan who already export low-wage, low value-added jobs elsewhere in Asia. It will increase U.S. income and employment over time. It will increase Mexican income growth. This, in turn, will benefit States bordering Mexico, increasing both exports and new jobs. The Bush administration plans to eliminate trade barriers gradually under NAFTA, and to set up worker adjustment programs to retrain displaced American workers. Further, NAFTA would help to stem illegal immigration, stabilize Mexican democracy, and solidify the economic reforms put into place by Mexican President Salinas. Indeed, an American failure to help our poor neighbor and third biggest trading partner prosper economically would be as shortsighted as Western Europe failing to assist Eastern Europe.

Fast track will allow these and other important decisions to be considered in the most expeditious manner possible. This is not a time for partisanship. It is a time for realistic appraisal of what is at stake in U.S. trade relations. Support fast track. Give the President the latitude he needs to negotiate agreements, and we will have an opportunity to pass judgments later.

Thank you, Mr. Speaker.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I find it ironic that some of the members from Ohio and Michigan and other industrial States are opposing fast track. Ohio exported nearly half a billion dollars' worth of goods to Mexico, and Michigan exported almost 1½ billion dollars' worth. This figure has more than doubled since Mexico began liberalizing its trade barries in the late 1980's Michigan, Ohio, and Pennsylvania together accounted for over $42 billion of worldwide exports in 1989, mostly manufacturing. Between 20,000 and 25,000 jobs are created for every 1 billion dollars' worth of exports. Manufacturing exports are the brightest spot in our economy. Those jobs are mostly high grade manufacturing jobs.

These Chicken Littles, that are claiming the sky is falling and the Mexicans are going to take away our manufacturng jobs, need to look at the exports to Mexico and the relative barriers. Even with high barriers to our products we are exporting to Mexico at a fantastic rate.

U.S. manufacturing, thought to be dying through the last decade, is actually, overall, making a huge comback. We are making a comeback for two reasons: Quality, and exchange rates which lead to exports. Just look at the front page of the Washington Post from this past Monday, and the front page of the New York Times from Sunday, April 21. That's right, "Made in America" is back in style. Manufacturing export-led growth is the best thing we have got going for our economy.

There's a lot we must do to promote "Made in America"—long-term investment incentives, rational regulation, and a more manufacturing-oriented use of the $70 billion Federal R&D economy but curtailing export, which is what the Dorgan resolution will do, goes in the exact opposite direction.

Ford, Xerox, IBM, Corning, and many others have improved their bottom lines dramatically since turning to the quality revoluton. These companies have also used the internatonal market to their favor. "Made in the USA" is once again becoming the international calling card for quality.

Let's talk competitiveness. There is no way overall that Mexican manufacturers can compete with the United States. Mexico needs our products and our industrial plants and equipment to bring itself out of the 19th century, and into 20th century.

Those Chicken Littles who say "the sky is falling" and "the Mexicans are coming," simply haven't seen the data.

We are headed into the 21st century. Mexico can not produce the high value-added, high technology, high quality products that we can. The quality revolution hasn't hit Mexico. Let's face it: "Made in Mexico" does not cut it like "Made in America." Mexico is not Japan, it is not Germany, it is not Great Britian, it is not even Korea.

Yes, they'll produce too, but the bulk of the tools and materials they produce with are likely to be made in the U.S.A. Seventy cents of every Mexican dollar spent on exports is spent on U.S. goods and services.

Pennsylvania alone accounted for over 580 million dollars' worth of exports in 1990, more than triple the 1987 figure. Furthermore, Pennsylvania exported over 8½ billion dollars' worth of largely manufactured goods to the world in 1989. And Mexico ranked fifth among the 177 markets for Pennsylvania products.

No one can tell me that expanded trade with Mexico is not going to be good for my constituents. In the industrial heartland, the Lehigh Valley of Pennsylvania, jobs and workers at AT&T, Air Products & Chemicals, Bethlehem Steel, Binney & Smith, Daytimers, Inc., Fuller Co., Ingersoll-Rand, ITT, Just Born Candies, Keystone Cement, Lutron, Inc., Mack Trucks, Pfizer, Inc., Rexroth, Inc., Rodale Press, Stanley-Vidmar, Union Pacific Corp., Victaulic Co., and many, many others will benefit from expanded trade with Mexico.

Getting beyond the rhetoric, expanded trade with Mexico is a win-win situation. It is good for U.S. manufacturing jobs and manufacturing workers, and it is good for States like Pennsylvania, Ohio, and Michigan, as well as the U.S. economy overall. That is why I, from the manufacturing-intensive, union labor-rich Lehigh Valley of Pennsylvania, support the President's request for extension of fast track, oppose the Dorgan resolution and support the Gephardt resolution.

U.S. FIRMS STAGE COMPETITIVE REVIVAL—INCREASED EFFICIENCY, CHEAPER DOLLAR HELPING TO BOOST EXPORTS

(By Evelyn Richards)

American manufacturers—written off by many commentators in the 1970s and '80s as dinosaurs doomed to succumb to Japanese and other foreign rivals—have staged a remarkable comeback reviving American competitiveness in many industries.

Xerox Corp. has halved the cost of producing a copier and has steadily increased its share of the U.S. market since the mid-1980s. General Electric Co.'s exports have grown more than 20 percent, to $6 billion, in the last two years. Cummins Engine Co., the largest American manufacturer of heavy-duty diesel truck engines, has doubled its output per worker since 1985 and cut prices of its engines by nearly a third.

Henry B. Schacht, president of Cummins, predicted in a recent interview that after the current recession ends, "the U.S. will be ferociously competitive in manufacturing. . . . It's a great place to be in business," he added, "a marvelously competitive base."

Such euphoria is not universal, and U.S. firms still face daunting competition from Europe, Japan and new economic powerhouses like South Korea and Taiwan. Administration officials describe friction between the United States and Japan as particularly tense now and recent studies of technological competition predict that Japanese firms will continue to chip away at the American lead in many key markets.

The determination of firms like Cummins to stay competitive internationally has cost a lot at the bottom line; profits have been down in recent years, and nonexistent since mid-1990, as a long-running slow-down for truckmakers took its toll.

But a five-year growth of American exports is strong evidence of restored competitiveness, according to many economists and business leaders. In the latest figures, released last week, U.S. sales overseas rose in March to their third-highest monthly level ever.

Part of the surge in exports can be explained by a dramatic lowering of the dollar's value compared with currencies in Japan and Europe. Engineered in 1985 by the Reagan administration amid a crisis for American manufacturers, the change provided U.S. producers the opportunity to cut prices sharply on goods sold abroad.

Exchange rate adjustments alone do not explain improving performance by U.S. firms, however. According to foreign and American business executives and experts, many U.S. companies have radically improved the quality of their products, cut costs and improved efficiency, and generally shown a willingness to learn lessons taught to them painfully by Japanese, German and other competitors.

The Cummins story, and others like it sprinkled throughout U.S. manufacturing, suggest that some American companies have made headway in honing their competitive edge in the last few years.

"The fears of deindustrialization—the notion that our ability to produce goods has diminished—were exaggerated," said Robert Z. Lawrence, an economist at the Brookings Institution and an authority on international competition.

Statistics show that U.S.-based manufacturing companies remain highly competitive in a wide range of products, including diesel engines, heavy construction equipment, computer software, high-speed computers, medical instruments, aircraft, chemicals and pharmaceuticals.

Many of the success stories suggest that U.S. companies have learned from their mistakes.

Xerox for example, regained lost ground by improving quality. When low-cost, high-quality Japanese producers began cutting into Xerox's sales of small office copiers in the United States. Xerox officials embarked on a worldwide effort to improve the quality of their products—reducing defects that slow down production lines, raising the performance of equipment and making goods that are more in tune with the needs of customers.

To get ideas of how to do this, they studied the way Ford Motor Co. lays out its assembly lines, how General Electric Co. uses robots and how American Hospital Supply tracks its inventory. They sent dozens of managers to Japanese companies, including their affiliate Fuji Xerox, to study how Japanese firms improve quality and work closely with suppliers to reduce the number of defective parts.

The efforts paid off. In 1980, the firm found 97 defects for every 100 copiers rolling off its assembly line. Now it finds only 12. In one piece of the market for copiers used in small businesses, it has built back its share of the market to 20 percent from berely 1 percent in the mid-1980s.

"It's a new Xerox today," said industry expert Lynn Ritter of Dataquest Inc., a research firm in San Jose.

In other sectors of the economy, some of the toughest critics acknowledge that Ameican firms have improved quality.

During a 1985 interview. Tadashi Sasaki, then a high-ranking official of Japan's Sharp Corp., had a low opinion of American-made silicon chips, the tiny circuits at the heart of Sharp's computers, calculators and other electronic products. "When we take components from a U.S. company, we are very nervous," he said.

Sasaki acknowledged recently that U.S. firms are doing better. "The quality, delivery, service and price [have] been improved," he wrote in response to questions. Last year, foreign chips, mostly ones made by U.S. companies, accounted for 17.6 percent of all semiconductors Sharp bought, up nearly 5 percentage points in a year.

When Motorola Inc. decided to redesign its assembly line in Boynton Beach, Fla., where it makes pocket pagers, it sent teams all over the world looking for good ideas. The revamped operation has reduced the time between the placing of an order and shipment from the factory to two hours from three weeks.

Motorola believes the efficiency gains have helped keep it in the pager market despite tough competition from Japan. The company won a contract to be the first U.S. firm supplying pagers to Japanese telecommunications giant Nippon Telegraph & Telephone Corp.

Other companies have succeeded by improving technology. In the bleak years for American industry in the early 1980s, General Electric's power-generation business withered, forcing it to close factories.

The company used the slack period to develop new "combined cycle" turbine technology that attracted orders from utility companies in Japan and enabled G.E. to keep a strong global position despite stronger competition from overseas. It has been doing similarly well in many other product lines.

In 1990 the U.S. firm's exports of turbines, aircraft engines, refrigerators, light bulbs, X-ray equipment and other items rose to $6 billion, a $1.1 billion gain in two years.

Across many industries, productivity—the measure of the value of goods turned out per hour by one worker—improved dramatically in the past decade, as old plants were closed and others were modernized or built from scratch.

From 1981 to 1990, manufacturing productivity grew at an average 3.5 percent a year, compared with 2.3 percent a year in the 1970s. At the close of the decade, productivity in U.S. factories remained 30 percent higher than the average productivity of eight other industrialized nations, including West Germany and Japan, according to an estimate by Federal Reserve Board economist Peter Hooper.

At the same time that U.S. workers were turning out more goods per hour, labor costs were being held down through the introduction of new labor-saving technology, layoffs and wage restraint by industry and labor unions.

This sweeping undertaking has caused pain. Since 1980, 2 million workers have been cut from the U.S. manufacturing payroll. Millions more have accepted—or been forced to accept—reductions in earnings. Yet because of productivity gains, manufacturing today accounts for a slightly larger share of total U.S. economic output than it did a decade ago.

Improvements in productivity reduced the costs of making goods in the United States. Since 1985, for example, Cummins Engine has shaved 22 percent off the cost of producing and delivering an engine.

The pretax costs of producing cold-rolled sheet steel in the United States in March of this year was $507 a metric ton—$30 a ton less than in Japan, according to Paine Webber Inc.

The dollar's decline provided U.S. firms with a strong competitive advantage. Beginning early in 1985 and accelerated by the "Plaza" agreement among the five major industrial nations meeting at Manhattan's Plaza Hotel, the currency shift cut the value of the dollar against the yen in half.

The impact on Japanese labor costs illustrates the effect. From 1982 to 1989, the labor cost in yen to a Japanese firm to produce a typical product went down by almost 11 percent. But when those "unit labor costs" are expressed in dollars, they rose 61 percent, because of changes in the yen-dollar exchange rate after 1985.

Another positive note is the ability of a number of U.S. industries to arrest or reverse earlier declines in their shares of worldwide markets for their products, according to government and industry analysts.

For example, the U.S. steel industry, which lost billions of dollars in the early 1980s, returned to profitability in 1987. Last year, mills in the United States produced an estimated 11.5 percent of the world's steel, up from 10.3 percent in 1986, the low point.

Other evidence of a modest industrial rebound is the fact that the nation now exports more nonelectrical machinery than it imports—including construction equipment; machinery for food-processing, paper, textile and bookbinding factories; and heating and air conditioning systems.

Caterpillar Inc. of Peoria, Ill., is a giant in this field. The company lost $1 billion in the early 1980s as it faced relentless worldwide competition from Japan's Komatsu Ltd.

Caterpillar closed nine plants, cut salaries, turned to outside suppliers for parts it once made itself and doubled the size of its product line. In 1987 it embarked on a six-year, $1.4 billion plan to modernize its factories. Though its sales have grown 33 percent since 1980, Caterpillar employs 30,000 fewer workers today.

Still the world's leading maker of construction machinery, the firm has regained 8 percentage points of market share in North America in the past two years, according to one analysis. (Its current business is weak because of the recession, however.)

The picture is also brighter in high technology. Last year the country registered a record $34 billion surplus in the trade of what the Census Bureau classifies as "advanced technology" products, up 34 percent from 1989 and double the 1986 surplus.

Although the Census Bureau calculation is skewed by the inclusion of aircraft—which accounted for $26 billion of the surplus and reflects the global orders of Boeing Co., the world's leading aircraft manufacturer—a different measure that excludes aerospace and covers broader products also showed promising trends. The American Electronics Association reported that the nation's trade deficit in electronic-based goods shrunk 70 percent last year to $2.7 billion, with improvements registered in seven of nine product categories.

Perhaps most unexpected, the U.S. shifted from a deficit to a surplus in the trade of semiconductors, the tiny circuits at the heart of all electronic equipment.

Still outdistanced in the $58 billion worldwide market by Japanese firms, U.S. chipmakers eked out a 1.6 percentage-point gain in global market share last year, their first improvement in a decade.

U.S. computer companies, while losing some ground overall in recent years, remain strong leaders in two important parts of the business—supercomputers and workstations, the fast desktop computers favored by scientists.

Whether the gains by American manufacturers will slow down is a matter for debate among exports. Some worry that the U.S. export boom will fizzle as economies in Europe and Japan cool off.

"The bottom line is that the outlook for further improvement in manufacturing [exports] is not too great," said C. Fred Bergsten, director of the Institute for International Economics in Washington.

But many U.S. companies that have had a taste of success say they realize they have no alternative but to keep trying to improve. In a speech two years ago, David Kearns, the former Xerox president who launched the firm's quality campaign after an eye-opening visit to Japan, spoke for much of American industry when he said, "We are in a race with no finish line."

[From the New York Times, April 21, 1991]

Boom in Manufactured Exports Provides Hope for U.S. Economy—Low Costs and Weak Dollar Contribute to Gains

(By Sylvia Nasar)

In a quiet revolution, the United States, long derided as an industrial has-been, has become one of the world's low-cost manufacturers—lower in many industries than Canada, Europe and Japan.

American factories now ship steel to Seoul, transistors to Tokyo, cars to Cologne and bicycle pants to Bologna. Exports ranging from beer and boards to carpets and computer chips have surged by 76 percent since 1986. At home, domestically made machine tools, electronics gear and cars—some turned out in factories with foreign owners—are muscling aside imports.

As a result, foreign trade is likely to power the economy for years to come. "Export-led growth may be the only feasible strategy for the United States," said C. Fred Bergsten, director of the Institute for International Economics in Washington. Indeed, the shrinking trade deficit, now at a seven-year low, is offsetting some of spending lost in the recession.

GROWTH MAY CONTINUE

Though exports have lately leveled off as growth overseas has slowed, forecasters at DRI/McGraw-Hill expect exports to grow 50 percent faster than imports during the rest of the 1990's.

What is behind the resurgence of American cost-competitiveness? Partly, of course, it is the dollar, higher-flying in the mid-80's, returned to earth. Despite the dollar's recent bounce, its value is still a third below its 1985 level.

More enduring are the sweeping and painful changes undertaken by American managers and workers, which have revived flagging factory productivity. These changes have ended some of the worst excesses of the 70's, including pay increases that helped to price many United States products out of overseas markets while encouraging lower-price imports.

For decades, American companies acted as though higher costs could always be passed on. The new attitude is captured by companies like the Cross & Trecker Corporation, a maker of machine tools based in Bloomfield Hills, Mich., which intends to cut the cost of its products by 5 percent a year.

How durable are the American gains? Certainly, an unexpected return to the overvalued dollar would wipe them out. So would slipping back into the sloppy habits of the past.

And low costs by themselves cannot guarantee global competitiveness in a world of increasingly well-heeled, choosy customers who, more often than not, care as much about quality, style, service and technical razzle-dazzle as they do about price. Buyers—domestic and foreign—are not likely to abandon superbly engineered German machine tools or reliable Japanese cars for cheaper but shoddier alternatives.

BEYOND BURGERS AND JUNK BONDS

Those who still think of the United States as a good place to make burgers, "junk bonds" and Boeing aircraft, and little else, ignore a vast terrain friendly to the manufacture of old-fashioned goods like nails and light bulbs.

Illinois Tool Works Inc., based in Glenview, Ill., recently scrapped its plans to build another nail factory in Germany. And Osram Inc., a subsidiary of Siemens A.G., the German electronics giant, recently poured $3 million into a plant in Maybrook, N.Y., that produces light bulbs and auto headlamps.

These decisions partly reflect the favorable American manufacturing climate. In Illinois Tool's case, it costs the company about 20 percent more to make a nail in Germany than in the United States and twice as much to add capacity in Germany. Not only are bricks and mortar more expensive there, but companies are required to take on more commitments, in benefits and job guarantees, for their workers.

"We can produce nails here with less overhead and fewer social costs," said W. James Farrell, an executive vice president of Illinois Tool.

In Osram's case, most customers are in the United States, but the company expects to ship about a fifth of its products to European and Asian automakers. "From an efficiency standpoint, we stack up very well to our German counterparts, sometimes to their surprise," said Paul Caramagna, Osram's vice president.

COSTS LOWER IN UNITED STATES

Though none should be taken literally, broad statistical yardsticks tell the same story. Estimates by Peter Hooper and Karen Larin, economists at the Federal Reserve in Washington, suggest that unit costs in the United States are 60 percent of those in Germany and 80 percent of those in Japan. DRI/McGraw-Hill, using different data and methods, estimates that American factory costs are about 10 percent below those of Europe and Japan.

And the United States is almost certainly among the lower cost producers of basic commodities. Take the raw material for those ubiquitous plastic detergent bottles with hourglass shapes. It costs 25 percent less to produce high-density polyethylene pellets in the United States than in Europe, and 15 percent less than in Japan, according to Chem Systems a consulting firm in Tarrytown, N.Y. Back in 1985, when the dollar peaked, costs in the United States were no lower than in Europe and Japan.

The United States can make steel more cheaply than Germany or Japan, although Britain can make it more cheaply yet. Indeed, USS-Posco Industries now makes money shipping 5 percent to 10 percent of the cold-rolled steel from its plant in Pittsburg, Calif., to the Pacific Rim. The average cost of producing a ton of steel in the United States is now about $535, as against $542 in Germany and $614 in Japan, according to the WEFA Group, an economics consulting firm in Bala-Cynwyd, Pa.

PANELLING TAILORED TO JAPANESE

Another successful export to the Pacific—specifically to Japan—is boards, by the boatload. The Louisiana-Pacific Corporation, based in Portland, Ore., exports so much wood to Japan these days that is making, in addition to its standard 4-by-8-foot paneling, a 3-by-6-foot version that the Japanese prefer. "Our costs are very competitive with Canada and Scandinavia," said Barry Lacter, the company's vice president for public relations.

The United States also seems to have regained ground in industries that many people had written off. American textile mills, it turns out, are very competitive in products for industry and the home, Judging by exports last year, Greeks like to sleep between American designer sheets and Saudis prefer to walk on American wall-to-wall shag carpets in their homes.

The new cost competitiveness varies from product, but what is striking is the huge across-the-board swing since the mid-80's. Indeed, the United States is even more competitive in manufacturing costs than it was in the late 70's, when its trade in factory goods was balanced and exports were booming.

LOW DOLLAR WORKED WONDERS

Consider how the dollar helped to create the shift. The dollar's value against other currencies is back where it was in the late 70's and early 80's. Even after a recent surge against the German mark and the Japanese yen, the dollar is worth about what it was last spring and about 30 percent less than in February 1985.

The lower dollar has done wonders for American industry, particularly machine tools. Exports last year jumped 23 percent while imports sank 5 percent. "The primary reason for that significant swing is manufacturing costs," said Norman J. Ryker, chief executive of Cross & Trecker. The company has recently expanded its sales force in Germany and Japan to sell its top export, the Sheffield machine, which is used to measure machined parts precisely.

At the same time, Cross & Trecker, which used to import some smaller tools from Japan, has not done so in six months. "It cost too much," Mr. Ryker said.

American factory productivity—which has remained the highest in the world—has been jack-rabbiting along in the 80's. Rising at an average rate of 3.6 percent a year, output per hour in American factories has been advancing faster than in the 60's and nearly three times as fast as in the 70's.

Efficiency gains in the American auto industry rose about 4 percent a year in the 1980's, thanks partly to the Japanese companies that build cars in United States plants known as transplants. "The transplants are close in efficiency to the best plants in Japan, and many Ford plants are as efficient as the transplants," said James P. Womack, an automotive expert at the Massachusetts Institute of Technology. These days, Detroit is sending American-made models around the world.

Not all of the productivity gains resulted from shutting inefficient plants or slashing payrolls. Some reflect efforts to do things right the first time, an effort that almost by definition bolsters output per worker.

Take Motorola Inc., the nation's largest maker of computer chips, which has raised its productivity in part by reducing costly defects. After an intense five-year campaign, Motorola now measures defects in its popular microcontrollers—chips that show up in everything from cameras to cars—not in percentage points, but in parts per million.

"Our goal for mistakes is 3.4 parts per million—not just in products themselves, but in sales and service," said Kenneth C. Phillips, a company spokesman.

More than half of Motorola's sales in 1990 were overseas. That is one reason, no doubt, that the United States recorded a trade surplus in semiconductors last year, after years of deficits.

Finally, United States manufacturing workers are no longer the world's fat cats in terms of pay and benefits. At current exchange rates, according to the Bureau of Labor Statistics, Americans earn $14.31 an hour in pay and benefits. German workers, in comparison, earn $17.58. In Japan, where pay has more than doubled in dollar terms since 1979, workers now earn the equivalent of $12.63 an hour.

Thus, part of the price of greater American competitiveness has been paid by American factory workers. Their purchasing power has been squeezed as blue-collar pay rose at a slower pace in the United States than almost anywhere else.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS of Texas. I thank the gentleman for yielding.

Mr. Speaker, the House has a historic choice to make. We can choose to move forward into the real world of international competition, or we can bury our heads in the sands of the past, the quicksand of protectionism. Prosperity through protectionism is an illusion; it is a prescription for quick disaster. It is a quick fix, a false hope.

Did protectionism bring prosperity to China, the Soviet Union, or to Mexico? Absolutely not. It brought stagnation and poverty.

Mr. Speaker, the time is now to tear down the outdated barriers of the past. By pursuing fast track and free trade with Mexico, we can travel down the road of mutual respect and economic opportunity with our neighbors to the south. Prosperity versus protectionism, competition versus isolationism, the choice is ours to make.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. Mr. Speaker, as a supporter of the Dorgan amendment, I reluctantly rise to endorse and support the Gephardt amendment. It is only a sense of Congress and does not mandate the President of the United States to do anything, but it does offer some protective guidelines which I think will be of use. Perhaps we should not be micromanaging trade policy on the floor of the House of Representatives.

But, ladies and gentlemen, the administration's track record on trade stinks. American workers and businesses are being fast-tracked out of this country on a passenger train, and they are going on the endangered species list.

We are losing our jobs. Please do not tell me we are not losing our jobs. We are losing our pottery workers, we are losing our steel workers, we are losing our coal miners. You think we do not import coal? We are losing textile workers.

I will show you plenty of unemployed people back in my home area because of bad trade policy.

Now they have run out of unemployment compensation.

Then what happens? We decide we are going to be the good guy and we loan them billions of dollars, taxpayer dollars, to the very people who are taking their jobs away from them, to improve their trading postures. Then what happens is we forgive the moneys. We do not ask them to pay it back.

My God, I have dozens of villages and towns in my area that need compassion and money. It seems to me that if you do not start supporting the American workers, you are going to get fast-tracked out of here yourselves.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. I thank the gentleman for yielding.

Mr. Speaker, it is unfortunate that there are a lot of people who do not know what fast track represents. I had one constituent tell me he thought it was a bullet train they were going to build between Mexico City and San Antonio. But fast track is indeed an important future to this country.

I struggled with trying to make that decision of how I would vote on this piece of legislation. I talked to producers in my district, I talked to agricultural groups, I talked to labor groups. I visited with people who were vitally interested, such as Lee Iacocca. Yes, the other day I visited with President Bush. I heard President Bush make that statement; he said that those people who were out of work will be accommodated.

I wondered how will they be accommodated and how much will it cost? I too am concerned about the Japanese using Mexico as a back door to bring in goods. But we must give them the opportunity to negotiate and bring us an agreement to look at.

Mr. ARCHER. Mr. Chairman, I yield myself the final minute simply to say that what we have debated today is not an agreement.

Constitutionally the President cannot negotiate a trade agreement without authority given to him by the Congress. We have given him that authority through fast track. The major determination for our body, constitutionally, would be to determine whether we approve or disapprove the ultimate agreement. That will be the tough vote.

One might have thought today we were debating the agreement. Not so. We did the right thing to give the negotiating power; we will now have the opportunity constitutionally when the agreement is reached to determine whether we support it or not.

Mr. Speaker, I rise in support of House Resolution 146. This resolution expresses the sense of the Congress that existing fast-track procedures for approving trade agreements should be extended.

The President has made a commitment to address potential problems such as environmental protection, worker health and safety and adjustment mechanisms for adversely affected sectors.

The resolution reinforces those commitments and establishes specific criteria by which trade agreements will be judged when completed and brought back for congressional approval.

By adopting this resolution, we will be affirming a comprehensive statement of U.S. negotiating goals and objectives that will signal a unity of purposes to our trading partners.

Hopefully, our actions today will revitalize the Uruguay round negotiations and guide them to a successful conclusion—as well as provide a strong foundation for the historic task of creating a North American free-trade area.

This resolution also demonstrates the extensive participation by Congress in the formulation of trade policy and implementation of trade agreements.

It is patently false to say that fast track undermines the constitutional role of Congress in international trade.

If anything, that role is enhanced because of the statutory requirements for extensive consultations at every level, constant monitoring of the progress of negotiations, and final accountability in the implementing process.

The resolution merely restates our constitutional prerogatives and defines our ambitions for future negotiations.

I urge my colleagues to vote yes on House Resolution 146.

Mr. Speaker, I yield back the balance of my time.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Speaker, I rise in support of the measure.

Mr. Speaker, export expansion has been an extraordinarily vital source of economic growth for the U.S. economy. Last year, United States exports, led in no small measure by exports to Mexico, contributed a full 88 percent of the increase in our GNP. Our exports this March amounted to $34.5 billion, their third highest monthly showing. This flow of goods and services to global markets must be maintained and expanded lest American economic growth and job creation run afoul of the dangerous shoals of protectionism.

The greatest opportunity we have to maximize the American exports are to complete a comprehensive agreement in the Uruguay round of the GATT talks and to negotiate a North American Free-Trade Agreement. Fast tract authority is the linchpin of the administration's efforts to negotiate these market-opening and job-creating agreements.

Let me turn to the proposed North American Free Trade Agreement.

The successful conclusion of this proposed agreement would accelerate trade with Mexico and reduce Mexican tariffs on United States imports by $3 for every $1 reduction of United States tariffs on Mexican imports. While some jobs may be jeopardized, a lot more will be created on both sides of the border.

One of the classic principles of American foreign policy, forged through the joint efforts of Congress and the Executive, symbolized by the personal exertions of John Quincy Adams and Henry Clay, is Pan Americanism. In Latin America, in particular, this policy implied evolution toward an inter-American treaty structure, respect for the integrity of borders, and the development of cordial relations based on the principle of the good neighbor. To paraphrase the late diplomatic historian Samuel Flagg Bemis, Pan Americanism is the tendency of the republics of the New World—forged in the crucible of revolution against monarchical domination and for human freedom—to associate together in a neighborly way for mutual understanding of common aspirations and interests and their realization.

We have seen two attempts by two Democratic Presidents to translate this aspiration into the foreign policy of the United States. Under Franklin Roosevelt, we had the policy of the good neighbor. Under John F. Kennedy, we had the Alliance for Progress. Now, under President Bush, who is building on the progressive internationalist legacy that underlay American foreign policy consensus through the cold war, the United States has moved even more boldly to embrace our neighbors in Latin America and integrate their economies, societies, and cultures in the Pan American spirit of equality and respect with that of the United States.

Lest there be any doubt, this is the best Mexican Government in a generation. I visited Mexico this spring and met with President Salinas and many of the members of his Cabinet. President Salinas has moved with impressive vision and skill to reverse Mexico's formerly autarchic economic policies and embrace free market principles. He has also broken with another historic tendency in Mexican politics: visceral antipathy toward the United States. After a decade of conflict, Mexico is now cooperating with the United States in the economic rehabilitation of Nicaragua, and is working as one of the friends of the U.N. Secretary General to end the long tragic conflict in El Salvador.

If the U.S. Congress wants to take advantage of a unique opportunity to lock in market-oriented reforms before President Salinas leaves office in 1994; if the U.S. Congress wants to help build a lasting foundation of cooperation, friendship and growth with Mexico, then vote for the fast-track authority that is crucial to our trade negotiators.

One of the lessons of the 1930's was that protectionism lengthened and deepened the Depression. By reverse logic, in tough times, free trade is likely to serve as an economic stimulant.

Protectionism belies its name. It provides job security for candidates, not workers.

Open borders have been the primary objective of U.S. trade strategy since the end of the Great Depression and World War II. The General Agreement on Tariffs and Trade was created to encourage trade and prevent the "beggar thy neighbor" policies of the early century. Free trade has served this country well; it has been one of the most important tenents of United States development philosophy facilitating the reconstruction of postwar Europe and Japan and sparking economic progress in developing countries.

Politicians too frequently assume that a bettering of world relations is likely to stem primarily from government-to-government ties. Actually businessmen and women, private people of private commerce, are bringing the world closer together than public officials and stand a better chance to defend the sanity of peace from the insanity of war than any President or commissar.

With regard to the North American Free-Trade Agreement, the administration has shown great leadership in forging a new and productive relationship with Latin America and the Caribbean. The Brady plan for commercial debt relief and the President's Enterprise for the Americas all evidence a progressive approach to economic development and cooperation within this hemisphere.

The idea of free-trade agreements, which the United States has already established with Canada and Israel, makes particularly good sense with Mexico. For Mexicans it provides assured market access to the United States and thus stands as beckoning incentive for American as well as European and Japanese investment. The policies set forward by President Salinas represent the type of rapprochement with nations that economists have prescribed for Mexico for many years. Corruption, one of the primary obstacles to attracting foreign investment in Mexico, would be greatly decreased if the Government were to move toward more liberal licensing agreements and easing of tariffs. It might also help undermine certain Western European reluctance to widen the Common Market. A coalition of American nations, beginning with Mexico and the United States, increases our competitiveness in the global marketplace.

If the United States is to compete effectively with Japan and Germany, it is to our advantage to have an integrated North American market to rival the new Western European union symbolized by 1992 and the growing bloc of Asian tigers.

An economically healthy Mexican economy, fortified by a trade agreement saves American tax dollars. That is because the American taxpayer is on the line for the contingent liabilities of the United States Government to Mexico—whether it be in the form of Government loans or loan guarantees or insurance of deposits in commercial banks doing business in Mexico. Strengthening Mexico's economic performance obviates potential domestic costs to American society and our financial system in particular.

More importantly, greater United States-Mexican friendship helps prevent wars, instability, and human suffering south of the border and stabilizes population flows. When opportunity and hope are lacking at home, individuals make the obvious decision. They vote with their feet for a better life. President Salinas is neither exaggerating or threatening when he suggests the choice for America is whether we want more Mexican products or more Mexican people.

Finally, in the context of recent trends in international relations, the consummation of a North American Free-Trade Agreement—fully consonant with the free and fair trade principles embodied in GATT—will strengthen the ongoing paradigm shift in the world affairs toward the classically liberal vision of a peaceful world order based upon free peoples, free markets, and collective security, in short the President's bold vision of a new world order.

With regard to continuing negotiations for the Uruguay round of GATT, the United States has put forward an ambitious agenda. The administration has made reducing trade and price distorting subsidies for agriculture products one of its primary goals. U.S. farmers have been put in a competitive disadvantage in world markets because of the European Community's lucrative farm supports. Congress should not impede this worthy trade objective by denying fast track authority.

Here, one final comment about the American constitutional experience is in order. The United States under our original Articles of Confederation experimented with a weak executive and weak central government. It didn't work. We righted, amidst much controversy, the balance and in so doing implanted in the Constitution itself a free-trade agreement between our States. The constitutional prohibition on States taxing products of other States has been a linchpin not only for economic purposes for America as a whole, but for ironing out regional disequilibriums. In an American context open markets produced a wider sharing of wealth; free trade became fair trade because reciprocity of rules became ensconced in an internal customs union.

Political stability and economic progress go hand in hand. Vote for a more peaceful as well as more prosperous world. Vote for fast track. Big fences don't make good neighbors.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I am somewhat proud this afternoon about the way the debate on this issue was conducted. I think the House has done itself proud.

I am also proud, as chairman of the Committee on Ways and Means, to have had the cooperation of my committee.

I think the debate in both the Committee on Ways and Means and in the Chamber has been at a high level. There are differences of opinion. All I can suggest, Mr. speaker, is that we will have another look at this, we will be here in another year or two after agreements have been negotiated, and I hope at that time we are going to allay many of the fears that some of the ladies and gentlemen expressed here today.

Let me just say that I am pleased that the House has just approved the President's request for an extension of fast-track authority. I now rise in support of House Resolution 146.

This resolution expresses the sense of the House of Representatives on the objectives the United States should achieve in the negotiation of future trade agreements. In particular, the resolution memorializes the specific commitments made by the President in his action plan of May 1 to address various labor and environmental issues in negotiations of a North American free trade agreement. These commitments also include the adequate funding of an effective worker adjustment assistance program—to be developed with the Congress—for any workers dislocated by the free trade agreement.

The resolution also expresses the expectations of the House for close consultations with the Congress and the private sector throughout the negotiations. It also requires substantial reporting by the executive branch and private sector advisers on the progress made in achieving the negotiating objectives.

House Resolution 146 also recognizes that the fast track procedures are part of the rules of the House and, as such, are subject to change if the commitments and expectations set forth in this resolution are not fulfilled.

Mr. Speaker, I sincerely hope and expect that it will not be necessary to revisit the issue of fast track. The commitments made by the President give me sufficient assurances that the concerns that I and other Members have raised will be fully addressed in trade negotiations under the fast track authority. However, I joined with the majority leader in introducing this resolution to give assurances to all Members of the House that U.S. negotiators would pursue agreements in the Nation's best economic interest.

I also give my assurances as chairman that the Committee on Ways and Means will closely monitor the progress of these negotiations in fulfilling the commitments memorialized in House Resolution 146. We will ensure that the congressional consultation requirements under the fast track process are fully met.

Mr. Speaker, House Resolution 146 provides a delicate balance which ensures that Congress will be an equal partner in the negotiations, while at the same time, not undermining the administration's ability to achieve optimum results in such negotiations.

I urge my colleagues to support this resolution.

Mr. Speaker, I yield the remaining time to the gentleman from Missouri

[Mr. GEPHARDT], the majority leader, who I was pleased to work with in crafting this legislation. Without his leadership, I am sure we would have a great deal more difficulty in moving this issue forward.

The SPEAKER pro tempore (Mr. MCNULTY). The distinguished majority leader [Mr. GEPHARDT] is recognized for 5 minutes.

Mr. GEPHARDT. Mr. Speaker, this House—like this Nation—faces a fundamental choice. If you believe in your heart that no matter what our negotiators do, it is simply impossible to negotiate a trade treaty with Mexico that would be in America's economic interests, you have to vote to reject the President's request for fast track authority.

But if you believe, as I do, that if we open closed markets today we can open closed factories tomorrow; if you think the right kind of treaty can be strong enough to create new American jobs, and tough enough to protect the environment and Mexican workers; if you think more trade can mean more jobs and better wages, then I urge you to allow this negotiation to go forward. Vote yes. All we are saying is give trade a chance.

The President would like everyone to believe that support for fast track is synonymous with support for a North American Free-Trade Agreement. That simply is not the case. But, the President indicates that neither he nor the Mexican Government is prepared to proceed with negotiations without fast track. He has chosen the vote today on fast track as a symbol of support for these negotiations.

The resolution which Chairman ROSTENKOWSKI and I have introduced presents another course—conditional fast track. Our resolution conditions the continuation of fast track authority on the President living up to commitments: commitments to develop strong rules of origin, enhanced environmental protection, enforcement of worker rights, transition mechanisms for workers and businesses and other important provisions.

If the President presents us with a perfect agreement, he deserves not only an up or down vote, but our support. But, if he presents us with an imperfect agreement, Congress has two choices—either defeat it or amend it.

My willingness to support the request for fast-track is based on the strongly held view that if the President sends to this Congress a trade treaty that trades away American jobs; or tolerates pollution of the environment or abuse of workers, we can and will amend it or reject it. I am serving notice both to the Bush administration and to the Mexican Government: I intend to do just that.

But, I think the potential is there—that the rewards are worth the risk. But we'll never know unless we try. I think we should try to gain greater access to the Mexican market. There is a $30 billion traffic in commerce already between our two countries; it is relatively balanced. We have reason to belive that with the lowering of the 10 percent tariff Mexico places on American goods, there will be room to send more American goods—more manufactured, high-valued goods—to that nation. And we must look at the composition of trade, not only its aggregates.

With the right kind of treaty, we'll end discriminatory practices which prevent us from increasing our export opportunities with Mexico. The car manufacturers say that under a free trade agreement with Mexico we would be able to boost exports of American-made Jeeps, vans, cars and trucks. It stands to reason that we would, because the Mexican Government has a balance of trade requirement for certain sectors. That is, for every dollar of exports sold to Mexico, a dollar of Mexican exports must be shipped to America. Another example of trade restrictions is the Mexican Government's 10 percent average tariff on American goods, while the United States charges only 4 percent on Mexican goods. Add to those obstructions the barriers of infrastructure, transportation and the differences in culture and legal systems, and there is ample room for improvement.

The right kind of free trade treaty with Mexico could create more than a quarter-million new American jobs, reduce our global trade deficit by $8 to $9 billion, and help stem the flood of illegal workers streaming into the United States from Mexico.

But the right kind of treaty requires closer scrutiny. Under the maquiladora, the Japanese and other Pacific Rim nations currently locate screwdriver plants on the United States-Mexican border and enjoy duty-free importation of their products into the United States. a properly negotiated treaty would limit the ability of other countries to use Mexico as an export platform.

What's more, a properly drawn treaty will ensure that there are good jobs, on both sides of the border and thereby reduce the incentive that Mexicans have to cross the border illegally into the United States in search of work.

Finally, a properly drawn treaty will improve the quality of life for workers and citizens on both sides of the border. Environmental laws and worker rights, properly enforced, can mean everything to the people who live there; cause should be our cause, and we can best represent their cause by pursuing this kind of treaty.

I understand those who are concerned that we will not get the right kind of treaty. The working men and women in my hometown of St. Louis are greatly concerned—as are the loyal, patriotic Americans who organize and represent them in the labor movement. I understand their concern and I frankly share their skepticism. After 10 years of relentless assault on family incomes—higher taxes and lower wages for middle-class families, while the wealthy have gotten lower taxes and higher incomes—I'm angry too. We've seen too many attacks on the right to organize, a misguided trade policy, yanking the rugs out from under an entire community overnight, and too many negotiations which cost hard-won health benefits.

Of course, people are scared, and they know the last two administrations have done nothing to stop the flood of jobs from the United States. So uppermost in our minds must be playing the kind of constructive role, the oversight role, that Congress can and should play to ensure the goals of this negotiation are carried out.

But the answer is not to kill a treaty that hasn't even been written—or even negotiated yet. The answer is to keep the pressure on. I am serving notice today that Congress will do that. Chairman ROSTENKOWSKI, Senator BENTSEN, and I will sound like the song by the police that goes, "Every breath you take, every step you take, every move you make, we'll be watching you." Trust but verify: that will be our policy.

And if the President brings back a treaty that fails to match assurances he provided in the action plan, we're going to amend it, or reject, and I will help lead the fight to do that.

One of the most important victories to emerge from this issue is that from it we are having the beginnings of a long-overdue national debate on trade. What a contrast with the almost nonexistent public debate on the United States-Canada Free Trade Agreement. During this debate, the treaty was front page news in Canada and was the centerpiece issue in a national election campaign. In our country, it was hard to find anyone who even knew we were negotiating.

There is no more vital issue than developing good paying jobs for our families, Because this issue is about jobs, it is about our national destiny. This is about the productive capacity of the Nation to employ people, boost their standards of living, raise their expectations, and compete with their rivals in the international marketplace.

In democracies we need these kinds of rational debates on so many issues, and we have them on so few of them. This is the issue of the future, this is our future. I say let's pass fast track, let's keep careful watch on our negotiators, and let's bring back a treaty that will ensure that there's room at the table for labor, Mexico, and all of us. And that we will have the high-skill, high-paying jobs that will put more bread on the table for families on both sides of the Rio Grande.

Mr. MILLER of Ohio. Mr. Speaker, given the defeat of the Dorgan disapproval resolution, which I supported because of my concern for the fate of our country's glassware industry, I now rise in support of the resolution offered by the majority leader and distinguished chairman of the Ways and Means Committee. Though the approval of this resolution will not prevent the Mexico free trade negotiations from going forward, it will at least convey to the President and his negotiators the concerns many of us in the Congress have with respect to these negotiations. I supported the United States-Canada Free Trade Agreement, because I believed that agreement was constructed to benefit both countries, but the agreement being negotiated with our southern neighbor will displace many more American workers than it will help. Our trade negotiators have made it clear that they will not exclude import sensitive industries like the domestic glassware industry from a United States-Mexico Free Trade Agreement. Even with the existing tariff structure, Mexican exports of household glassware to the United States have increased 67 percent since 1984. You can see that Mexican exports already compete effectively in the United States market with the current tariff rates. If these rates are reduced the playing field will further tilt toward Mexican glassware products.

Since 1978, more than half of the glass manufacturing plants in the United States have closed, resulting in the loss of more than 21,000 jobs. Since 1985, my district has lost over 1,700 glass industry jobs and I have witnessed first hand the problems this has created for my hometown of Lancaster, OH and for the surrounding area. I don't want to see the rest of the Nation have to go through what Lancaster has been going through; I don't want to see an industry as significant as America's glass industry go the way of the dinosaur. We all remember what happened to our country's pottery industry when the crush of cheap pottery from the orient hit our shores shortly after World War II. What once was a thriving industry is no more. Let's not let history repeat itself with respect to glass.

Mr. BARRETT. Mr. Speaker, I rise in support of fast-track and in support of H. Res. 146, the Rostenkowski-Gephardt resolution.

Many participants in today's debate—those opposed to fast-track and this resolution—have missed the point. They have argued that granting this authority to the President would be devastating to U.S. labor and industry and to the environment.

Such devastation will come, Mr. Speaker, not with fast-track authority, but from the failure of this Congress to give the administration and our trade negotiators the authority to negotiate with Mexico, something we are not now doing. And devastation is more likely if we fail to reach a free trade agreement with Mexico.

We want to preserve and increase the number of American jobs; we want to foster American industrial development; we want to expand markets for agriculture; we want to create a better global environment. A free trade agreement with Mexico could very well encompass all of those goals, but we first have to get negotiations underway, and fast-track authority is the green light to make that happen.

During this debate, we've also heard warnings that granting fast-track will cut us on out of the negotiations. I disagree.

I'm confident that once we give the President the flexibility to respond and pursue various proposals that Congress will be kept informed as to the progress on the agreement. After all, it would be politically dangerous, if not impossible, for the administration to go through the lengthy and exacting negotiating process, without consulting us during the process, and then expect Congress to ratify a free trade agreement with Mexico.

The administration already has gone an extra mile to meet the concerns that have been expressed by some of my colleagues. In fact, the administration's response has gone further to accommodate fast-track opponents than on any other trade negotiations.

The administration's action plans commitments of May 1, 1991, include the appointment of environmentalists to the trade policy committee; undertaking joint cooperation with Mexico on health, safety, and labor concerns; and insisting on strong rules of origin to ensure that Mexican goods really come from Mexico.

Moreover, should the administration or the negotiations proceed in a direction that raises concerns in Congress, we, as the law-making body in this country, can change the rules, albeit in the middle of the game, and debate and amend line-by-line a trade agreement.

The vote today on fast-track really comes down to this: Either one supports fair and forward-looking trade policies or one supports protectionist and isolationist trade policies.

Congress has been forward-looking before, and we should be today with a positive vote for fast-track and in support of the Rostenkowski-Gephardt resolution.

Mr. COYNE. Mr. Speaker, some consider fast-track provisions to negotiate trade agreements a blank check for the administration. It is wrong to assume that Congress would give any administration a free ride to set U.S. trade policy. Congress will be, and always has been, involved every step of the way in the negotiation of foreign trade agreements. Congress will still have the final decision whether to approve or reject any trade agreement signed by the administration.

The U.S. House of Representatives is now considering the administration's proposal to continue the current Uruguay round of GATT negotiations, to initiate talks with Mexico and Canada on a North American Free-Trade Agreement, and to pursue United States trade objectives in the Enterprise for the Americas Initiative. On March 1, 1991, the administration made a formal request for fast-track authority to pursue these trade talks over the next 2 years. Under House and Senate rules, fast-track authority provides for expedited consideration of trade agreements.

The United States has a vital interest in promoting free trade and the success of U.S. exports in the global marketplace. Our country also has a vital interest in protecting our environment and economic opportunities for American workers.

These interests are not inevitably in conflict with each other. What is at conflict is our hopes of realizing the benefits of job-creating exports against our fears of a changing domestic and international economy.

I share the belief of most Americans that the United States must not agree to any free-trade agreement that leads to significant job loss or endangers our country's environment. For this reason, I support efforts to make protection of U.S. workers and the environment priorities during the proposed trade talks.

Congressional involvement in a North American Free-Trade Agreement has already begun, even though formal talks have yet to begin. Recently, House Ways and Means Chairman DAN ROSTENKOWSKI and Senate Finance Committee Chairman LLOYD BENTSEN wrote President Bush to let him know that a North American Free-Trade Agreement with Mexico and Canada would not survive congressional debate unless clear answers were provided on questions of jobs, economic disparities, and environmental protection.

On May 1, 1991, President Bush responded with a series of commitments to protect U.S. interests in these areas and to consult with Congress each step of the way during planned trade talks. These commitments have been incorporated into legislation specifying the objectives that should be achieved in the negotiation of future trade agreements. This measure, House Resolution 146, also reiterates the authority of the House or Senate to revise existing fast-trade rules which provide for debate of trade negotiations without amendment.

The Ways and Means Committee, in adopting House Resolution 146, is putting the administration on notice. If it fails to incorporate these objectives into the final agreement, then hopes for congressional approval will be in serious jeopardy.

Final approval of a North American free-trade agreement will depend upon the administration honoring fully these commitments. Specifically, Congress must reject any trade agreement which fails to: First, maintain strict U.S. health and safety standards; second, provide for transition periods and safeguards to minimize industry, agricultural, and worker dislocation, or third, maintain U.S. laws against dumping or other unfair trade practices. Implementation of a trade agreement will also require the provision of effective and adequately funded services for any workers who are injured as a result of changing trade relations. Also, strict rules of origin will be required to ensure that Mexico does not become a way station for European or Japanese exports to the United States. Finally, a joint program would be established to address border environmental problems.

Negotiation of a free-trade agreement with Mexico and Canada will not be easy, but this opportunity should not be dismissed out of hand. The potential benefits for the United States and the American people of opening these markets to U.S. exports are significant. From 1986 to 1990, as Mexico reduced import barriers, U.S. exports more than doubled from $12.4 billion to $28.4 billion, generating 264,000 additional jobs.

Expanding U.S. exports have been one of the great strengths of the American economy over the past several years. The role of exports is all the more important during the current recession; for example, during 1990, 84 percent of U.S. economic growth was attributed to exports.

The Commonwealth of Pennsylvania has a major stake in protecting and expanding U.S. export opportunities. Among the 50 States, in 1989, the Commonwealth ranked thirteenth in exports. During fiscal year 1989, Commonwealth exports were valued at over $8.5 billion, and provided 164,000 jobs in Pennsylvania. Over $2.3 billion, or 27 percent, of the Commonwealth's exports went to the European Community.

The facts are clear. Exports create jobs for American workers. These exports, and the jobs exports provide, will be put at risk if Congress denies the administration an opportunity to pursue fast-track completion of the Uruguay round of trade talks with Europe and our other major trading partners. Rejection of fast track authority could also close the door to a continued opening of the Mexico economy to U.S. exports.

There are no guarantees that Congress will approve the final results of either the Uruguay round GATT talks or North American Free-Trade Agreement talks. What is guaranteed is that denying the administration fast-track negotiating authority will stop these talks before they begin.

I believe that elected officials should have an opportunity to consider the results of a North American free-trade agreement. We should not reject these talks because of our anxiety over what they may produce. We should judge these talks on the merits on what they produce.

Mr. Speaker, I ask for a no vote on the resolution denying fast-track authority and approval of House Resolution 146, the Gephardt-Rostenkowski.

Mr. MATSUI. Mr. Speaker, today we address the issue of meeting the challenge of international trade in the 1990's. Today we have the potential to expedite the creation of a vast marketplace of 360 million consumers. Most importantly, today we have the opportunity to buoy the American economy and remain economically competitive into the next century, thereby ensuring not only the prosperity of American business, but of the American worker as well.

Mexico currently ranks third among U.S. trading partners, trailing only Canada and Japan in annual volume. In 1990, Mexico shipped 28.4 billion dollars' worth of goods to the United States—65 percent of its total exports. Mexico has also bought $30.2 billion worth of American products, roughly 60 percent of its total imports. Many sectors of the American economy have benefited: in the past 4 years exports of automobiles and auto parts have quadrupled; exports of corn have tripled, and exports of telecommunications have doubled. Exports of iron and steel, which were running a $12 million deficit 4 years ago now are showing a $300 million surplus. In 1986, we had a $90 million trade deficit in textiles and apparel with Mexico. Today we are running a surplus.

Despite all the potential that a North American Free-Trade Agreement holds, there has been much debate over whether to extend the fast-track procedures. In particular, labor has voiced some very valid concerns. It is true that some low paying jobs will go south. However, the jobs that will be created as a result of a free-trade agreement will, in my opinion, far exceed the job losses. The Mexicans will need our high-technology products, heavy machinery, and R&D. Generally increased export demand will also create jobs. Finally, the administration's plan of action has convinced me that the administration is serious about a worker readjustment program and, as a member of the Ways and Means Committee, I will personally work to ensure that a responsive program is set up when our committee drafts the blueprint for the program.

I am also concerned with safeguards for intellectual property, maintaining the integrity of environmental standards and protecting our more stringent pesticide, health and safety laws vis-a-vis international standards. I have received assurances from the administration that these and other issues will be carefully monitored and protected by our negotiators.

The bottom line here is that fast track will be good for America and good for the North American continent. In addition, with the consolidation of the European bloc fast approaching, fast track means even more to us. Not only will it help us to compete with EC 1992, but it may also pave the way for future consolidation with the Pacific Rim.

I must note, however, that being an international player and being competitive is something that starts at home and emanates therefrom. We must take care to strengthen our educational commitment for our children and our workers, fortify our crumbling infrastructure and encourage research, experimentation, and excellence in technology. Improving these aspects of our domestic life will improve our trading ability. Interestingly enough, entering trade agreements such as those contemplated with Mexico and GATT is another way to indirectly improve our infrastructure and individual prosperity, which in turn helps us to be better international players.

Mr. Speaker, this is an important vote by anyone's standards, but it is critical to me as a Representative from the State of California. Because of the sheer size of the California economy and our proximity to Mexico, I believe that Californians have more to gain, and more to lose, from a Mexican free-trade agreement than any other State. Such an agreement is bound to affect nearly every segment of the State's economy. Admittedly, some industries will suffer from a Mexican free-trade agreement, but others will gain. Balancing competing interests is never easy when the final determination may cause injury to even one industry or individual, but in the final analysis, I am casting my vote for Californians, as well as for the country, and I believe that the overall effect of a Mexican, and North American, free-trade agreement will be positive for our State and for America.

As a final note, I believe that Congress must grant the President's request for an extension of the procedure of fast track because his negotiators must be given the freedom and the chance to properly negotiate. Extending fast track does not exclude Congress from the negotiating process. On the contrary, in the past we have been so informed and updated on trade negotiations that members have had trouble attending the numerous briefing sessions.

If the administration can reach a trade agreement with Mexico that does not sacrifice United States standards or principles, such an agreement should be pursued. Without fast-track authority, prospects for a trade pact vanish before negotiations even begin. I believe that the administration should have the opportunity to try, and that Congress should leave protectionism for another day.

Mr. CLEMENT. Mr. Speaker, today I rise in strong support of House Resolution 146 and in equal opposition to House Resolution 101. I would also like to dispel some myths that are associated with fast track.

The first myth I want to dispel is that fast track gives the President greater power than the Congress in entering into trade agreements. Fast track simply clarifies each branch's role in the negotiation and ratification of those agreements. It requires cooperation during the negotiation process. Before fast track, cooperation was not required. Does this give the President more power? Certainly not.

Another myth states that a vote in favor of fast track is an automatic vote in favor of a United States-Mexico Free-Trade Agreement. That's impossible because an agreement has not even been written. In fact, fast track ensures that Congress will not consider an agreement which does not conform closely to congressional guidelines, and even then ratification is not guaranteed.

Mr. Speaker, the rest of the world is realizing that economic viability depends on lowering restrictions on trade. In 1992, the European Community will become a common market, free of all trade barriers. The Pacific Rim nations are becoming more competitive each day. We should be cultivating our trade opportunities. In my home State of Tennessee, exports to Mexico increased 142 percent between 1987 and 1989. I want to explore avenues to ensure that the opportunity for continued growth exists.

While so many nations are doing something to improve their trade posture, we're debating over a procedure that will determine the future of American trade, a procedure that will ensure that the President negotiates trade agreements according to our guidelines rather than his. There are some who say this is bad for America and bad for the Congress. That is simply not true.

Mr. Speaker, I hope that all of my colleagues carefully consider the facts about fast track and not the myths. If so, we can reapprove fast track and get on to the important business of keeping America globally competitive. I urge my colleagues to vote no on House Resolution 101, and yes on House Resolution 146.

Mr. PENNY. Mr. Speaker, I rise in strong support of the Gephardt-Rostenkowski resolution expressing support for fast-trade negotiating authority on the expectation that the President will fulfill his commitments regarding labor, environmental, and health concerns in a potential United States-Mexico Free-Trade Agreement. I support the resolution, and I also believe that the President will honor his commitment to the Congress and the American people by addressing these concerns.

Fast-track authority is crucial if our trade negotiators are to enter into meaningful negotiations with Mexico as well as develop a successful conclusion to the Uruguay round of the GATT. At that time, the Congress will look closely at the agreements, weigh the pros and cons of any agreements, and vote accordingly on approval or disapproval of the agreements.

It is important to note that the Congress is engaged and will continue to be engaged in the trade negotiating process. One merely has to look at the detailed action plan that the President presented to the Congress and the commitments he has made to continue this dialog on trade. The Gephardt-Rostenkowski resolution reiterates the importance of continuing the dialog that has begun between the Congress and the White House on these crucial trade issues.

I urge my colleagues to support this resolution.

Mr. ROGERS. Mr. Speaker, I rise in support of House Resolution 146, and in doing so, I support the President's request for a 2-year extension of fast-track congressional procedures for two major international trade agreements—the Uruguay round of GATT, and a North American Free-Trade Agreement to include Mexico.

I support the extension for two reasons. First, the President has made a strong case to me that our Nation can reap substantial economic benefits if successful negotiations are concluded both in the Uruguay round and as part of a new free-trade pact with Mexico. Most promising is the chance to expand exports by removing unfair foreign barriers to markets where U.S. companies can aggressively compete. Exports have been critical to the success of our Nation's economy. Over the past 4 years, increases in U.S. exports have comprised nearly half of the total growth in our economy. For the first time since 1983, U.S. exports entering Europe have exceeded those imported from Europe. United States exports to Mexico have jumped from $12 billion to almost $29 billion in the last 4 years. The United States must be a world leader economically if our farmers, manufacturers, and small businesses are going to prosper in international markets. I am persuaded that if the United States is not active and influential in major multilateral trade agreements, we will lose out economically by default.

Second, a fast-track process is probably the best one available for pursuing our goals and gaining success at the negotiating tables. The President has said he needs this authority if he has any chance of success, and we should give him that chance. Fast-track authority does not abdicate the Congress' role in the trade agreement process. Under fast-track procedures, the President must notify the Congress 90 days prior to entering an agreement, and the Congress will be consulted even prior to that time as negotiations continue. In short, the Congress retains the right to reject the results of these two trade agreements, if they are submitted.

While I support this extension and hold hopes for successful results that will help our economy, I must express my reservations about the potential impact of the Uruguay round and an agreement with Mexico on several products important to the economy in my district.

In particular, my dairy and tobacco farmers have raised very legitimate concerns about the Uruguay round. Kentucky tobacco farmers fear that, under the current U.S. proposal, our domestic tobacco program would be eliminated. Although recent projections from the U.S. Department of Agriculture indicate that no change in our domestic program will be necessary, I caution our negotiators that I will vehemently oppose any attempt to eliminate our domestic tobacco program.

I am troubled by the potential impact of the Uruguay round on my small dairy farms. Currently, low milk prices are jeopardizing our smaller dairy farmers. The survival of our family farmers will depend on our negotiators' ability to reach an agreement which provides adequate safeguards to maintain a fair and stable price for milk in both domestic and international dairy markets. I will carefully weigh the dairy impact of any international consensus reached on agricultural reform before deciding whether to support a GATT agreement. At this time, I would like to include a letter from the Under Secretary of Agriculture on International Affairs and Commodities regarding the above concerns.

My district is home to some 15,000 apparel workers who rely on these jobs just to make ends meet. Under discussion as part of the Uruguay round is a proposal to phase out a longstanding international framework for controlling the flow of textile and apparel imports. The Department of Commerce has provided estimates on potential U.S. textile and apparel imports as a result of phasing out the multifiber arrangement, and they show significant import growth. Therefore, I will also carefully weigh the treatment of the MFA in the Uruguay round in view of the impact that phase out could have on the jobs of clothing workers in my district.

My vote today, Mr. Speaker, is a vote of confidence in the administration's ability to address these concerns. However, I will reserve final judgment on GATT and North American Free Trade until satisfied that these bilateral and multilateral agreements are in the best interests of my constituents, my State, and the Nation.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, May 20, 1991.

Hon. HAROLD ROGERS,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN ROGERS: Thank you for meeting with Deputy Assistant Secretary Sumner and me on Wednesday, May 1, to discuss the Uruguay Round negotiations on agriculture and the importance of extending fast track negotiating authority.

A key element in the strength of the United States economy is American agriculture. It is more competitive, diverse and productive than any other agricultural system in the world. However, other countries are heavily subsidizing exports, causing U.S. farmers to lose their traditional overseas markets, and using import restrictions to shut out U.S. agricultural products from foreign markets. The Uruguay Round negotiations are a unique opportunity to negotiate a comprehensive multilateral agreement to reduce export subsidies, to lower trade-distorting internal support measures, and to improve market access.

I understand your concerns about the tobacco and dairy industries in Kentucky. We have worked closely with the private sector and with Congress to formulate a proposal for comprehensive reform of agricultural trade that will substantially benefit all sectors. We intend to continue collaborating with industry groups as the negotiations progress to ensure the best possible agreement for American agriculture. The tobacco industry clearly would be a major beneficiary of reducing subsidies and trade barriers. I understand Dr. Sumner has provided materials to you and to some of your constituents describing how U.S. agriculture and particularly the U.S. tobacco industry would gain from the Uruguay Round.

Of course, certain sectors, such as dairy, that are more protected under current policies may face some adjustments under a move to freer trade. However, as we discussed in our meeting, we intend to ensure that any Uruguay Round agreement includes provisions that will allow us to address the needs of such sectors through minimally trade-distorting support policies. We will work closely with you and the industry to develop the appropriate programs.

Thank you again for taking the time to meet with us and share your thoughts regarding the negotiations and fast track. We value your input and hope you will continue to work with us during the next few months.

Sincerely,

RICHARD T. CROWDER,
Under Secretary, International Affairs and Commodity Programs.

□ 1600

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to House Resolution 158, the previous question is considered as ordered on the resolution.

The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DORNAN of California. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 329, noes 85, not voting 17, as follows:

[Roll No. 116]

YEAS—329

Allard
Anderson
Andrews (NJ)
Andrews (TX)
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Broomfield
Brown
Bruce
Bryant
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Cooper
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Derrick
Dickinson
Dicks
Dixon
Donnelly
Dooley
Doolittle
Dornan (CA)
Downey
Dreier
Duncan
Eckart
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Franks (CT)
Frost

Gallegly
Gallo
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gingrich
Glickman
Goodling
Gordon
Goss
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jefferson
Jenkins
Johnson (CT)
Johnson (TX)
Jones (GA)
Jones (NC)
Kanjorski
Kasich
Kennedy
Kennelly
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston

Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Mazzoli
McCandless
McCloskey
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Myers
Nagle
Natcher
Neal (NC)
Nichols
Nussle
Obey
Olin
Ortiz
Orton
Owens (UT)
Oxley
Packard
Panetta
Patterson
Paxon
Payne (VA)
Pelosi
Penny
Peterson (FL)
Petri
Pickett
Pickle
Porter
Price
Ramstad
Ravenel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen

Rostenkowski
Roth
Roukema
Rowland
Roybal
Sabo
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solarz
Solomon
Spence
Spratt
Staggers
Stearns
Stenholm
Stump
Sundquist
Swett
Swift
Tallon
Tanner
Tauzin
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torricelli
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Vucanovich
Walker
Walsh
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—85

Abercrombie
Ackerman
Alexander
Andrews (ME)
Annunzio
Aspin
Bentley
Brooks
Clay
Collins (IL)
Collins (MI)
Conyers
Costello
Dellums
Dingell
Dorgan (ND)

Durbin
Dymally
Early
Edwards (CA)
Evans
Ford (MI)
Ford (TN)
Frank (MA)
Gejdenson
Gilman
Gonzalez
Hayes (IL)
Hertel
Jacobs
Johnson (SD)
Johnston

Jontz
Kaptur
Kildee
Kleczka
LaFalce
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Mavroules
Mfume
Miller (CA)
Moody
Murtha
Neal (MA)
Nowak

Oakar
Oberstar
Owens (NY)
Pallone
Parker
Payne (NJ)
Pease
Perkins
Peterson (MN)
Poshard
Quillen
Rahall
Rangel

Ray
Roe
Rose
Russo
Sanders
Sangmeister
Savage
Scheuer
Serrano
Sikorski
Snowe
Stallings
Stark

Stokes
Studds
Taylor (MS)
Torres
Traficant
Visclosky
Volkmer
Washington
Waters
Yates
Yatron

NOT VOTING—17

Browder
Bunning
Dwyer
Gaydos
Gradison
Hopkins

Lehman (FL)
Levine (CA)
Martinez
Matsui
McCollum
Montgomery

Pursell
Synar
Towns
Waxman
Williams

☐ 1629

The Clerk announced the following pairs:

On this vote:

Mr. Williams for, with Mr. Browder against.

Mr. Synar for, with Mr. Towns against.

Messrs. LIPINSKI, STUDDS, JOHNSON of South Dakota, DINGELL, and ALEXANDER, and Mrs. LLOYD changed their vote from "yea" to "nay."

Messrs. NICHOLS, BEVILL, and DERRICK changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

☐ 1630

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2426, MILITARY CONSTRUCTION APPROPRIATION BILL, FISCAL YEAR 1992

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-78) on the resolution (H. Res. 159) waiving certain points of order during consideration of the bill (H.R. 2426) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2427, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, FISCAL YEAR 1992

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-79) on the resolution (H. Res. 160) waiving certain points of order during consideration of the bill (H.R. 2427) making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask to proceed so that I might inquire of the distinguished majority leader the program for the balance of this week and next week.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, I thank the minority leader. I would say we are finished for the day and there will be no more votes today and there will not be any votes tomorrow either.

On Monday, obviously we will not be in session as that is Memorial Day, and we will be on a short Memorial Day district work period.

On Tuesday, again the House will not be in session because of the Memorial Day district work period.

On Wednesday, May 29, we will meet at noon, and we will take up H.R. 2427, the energy and water development appropriations for fiscal year 1991, subject to a rule.

On Thursday, May 30, the House will meet at 10 a.m. and we will consider the rule and have general debate only on H.R. 1, the Civil Rights Act of 1991, subject to a rule. Again, that will be the rule and the general debate only, and no other votes on the civil rights bill.

On Friday, May 31, the House will meet at 10 a.m., and we will take up H.R. 2426, the military construction appropriations for fiscal year 1991, subject to a rule.

Conference reports can be brought up at any time. Any further program will be announced later.

Mr. MICHEL. Might I inquire about No. 1, Wednesday. That is the day when a lot of Members are just coming back from their extended district work period and Memorial Day proceedings and all of that. A number of Members have been inquiring as to how early we would be having votes on Wednesday afternoon. We are not coming in until noon, and I see that the energy and water appropriations bill is subject to a rule. I do not know how controversial it may or may not be, and usually appropriations bills have no more than an hour of general debate, and then we are on the amendments.

So Members have been asking me if there is some sense by which we might not have any rollcall votes here until beyond say 3 o'clock or something like that. I have not been able to give them that assurance, but I would at least and I think they beseech the distinguished gentleman too as to whether there is any kind of a timeframe here that we could alert our Members so that it might be of help to them in their travel plans or whatever.

Mr. GEPHARDT. The gentleman is correct that there is a lot of interest in this vote time. I think we will try as best we can to not have a vote on the rule, but we cannot guarantee that there will not be a vote on the rule. That would happen after 1 minute and after an hour of debate, so at worst it would be at 2 o'clock or 2:30 by the time that vote occurred. If there is no vote on the rule, then there is another hour of general debate, and then we move to the amendments. So without a vote on the rule Members could expect votes mid to late afternoon. If there is a rule vote, it will be around 2 or 2:30.

Mr. MICHEL. One other question as far as the gentleman from Illinois is concerned. On the civil rights bill, so far as general debate, does the gentleman have any idea how much time we are thinking about in terms of general debate?

Mr. GEPHARDT. I would say that all of the general debate would probably not be finished next week. We might split the general debate time, do part of it, an hour or two next week, and then finish it up in the following week before we move into the amendments.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, this is a rather strange procedure we are adopting for the civil rights bill, and we just have a couple of questions about it.

Is the substitute to H.R. 1 going to be available to the Rules Committee when they act?

Mr. GEPHARDT. If the gentleman will yield, the committee will meet on Wednesday and the language of that substitute will be available obviously in the Rules Committee before a rule is granted.

Mr. WALKER. There seems to be developing a pattern where we debate things at one point and then vote on them at another point. Can we get some idea as to when we are actually going to have votes on the civil rights bill?

Mr. GEPHARDT. Probably on Tuesday of the following week. It may go into Wednesday, but I would think Tuesday of the following week we could bring it back up and work on it, maybe finish it.

Mr. WALKER. Does the gentleman have any idea how much time for debate we are looking at having on the civil rights bill?

Mr. GEPHARDT. I think probably an hour or two of general debate, followed by another hour or two of general debate the next week, and then we will have the substitutes with adequate time for both sides on those.

Mr. WALKER. So other than a potential vote on the rule, the schedule on Thursday will be a fairly light schedule?

Mr. GEPHARDT. That is correct.

Mr. WALKER. I thank the gentleman for yielding.

Mr. MICHEL. That concludes the questions on our side, and we thank the majority leader.

Mr. GEPHARDT. I thank the gentleman.

ADJOURNMENT OF THE HOUSE FROM THURSDAY MAY 23, 1991, TO WEDNESDAY MAY 29, 1991, AND ADJOURNMENT OF THE SENATE FROM THURSDAY MAY 23 OR FRIDAY MAY 24, 1991, TO MONDAY JUNE 3, 1991

Mr. GEPHARDT. Mr. Speaker, I send to the desk a privileged concurrent resolution (H. Con. Res. 157), and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. CLEMENT). The Clerk will report the concurrent resolution.

The Clerk read as follows:

H. CON. RES. 157

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, May 23, 1991, it stand adjourned until noon on Wednesday, May 29, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate adjourns on Thursday, May 23, or Friday, May 24, 1991, pursuant to a motion made by the Majority Leader, or his designee, it stand adjourned until 2 p.m. on Monday, June 3, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 3 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the Majority Leader of the House, shall notify the Members of the House to reassemble whenever, in their opinion, the public interest shall warrant it.

SEC. 3. The Majority Leader of the Senate, after consultation with the Minority Leader of the Senate, shall notify the Members of the Senate to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. GEPHARDT (during the reading). Mr. Speaker, I ask unanimous consent that the concurrent resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY MAY 29, 1991

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the calendar Wednesday rule be dispensed with on Wednesday, May 29, 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SALUTE TO JIMMY HERMAN AND CURTIS McCLAIN OF THE ILWU

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, I rise today to salute two champions of the trade union movement in America, Jimmy Herman and Curtis McClain of the ILWU, president and secretary-treasurer respectively, who have served in those capacities since 1977, and who will be retiring in June.

Jimmy Herman is a hero to all of us who know him in San Francisco and really across the country. He settled his first trade negotiations when he was but a teenager for five cents an hour additional, and ever since then he has been working to advance the cause of working people in America.

□ 1640

Curtis McClain was in the front rank of that generation of African-Americans who broke into the leadership of the labor movement in our country.

By their commitment to their union, their commitment to working people, their commitment to our country, they have advanced the cause of human rights, of workers' rights, and of a better America.

It is with great pride, Mr. Speaker, that I call to the attention of our colleagues and of our country the accomplishments and the good works of my friends from San Francisco, Mr. Jimmy Herman and Mr. Curtis McClain.

Mr. Speaker, it is difficult to encompass in 1 minute the essence of a man whose life has been dedicated to improving the lives of working men and women; who carries out in deed the ideals of compassion and justice; who makes headlines throughout the Nation and the world yet who is humble to a fault; who is also a dear and close personal friend.

In the weeks to follow, many will extoll the virtues and works of a man named James "Jimmy" Herman, president of the International Longshoreman's and Warehouseman's Union. In scant weeks, Jimmy will retire from the union he has known since he set foot on the docks of San Francisco in the early 1950's. He will retire from the office of ILWU President he has held since 1977, an office in which he has committed his life and soul, bone and blood. But we are fortunate, for somehow, as he has magnificently fought for and defended a union and a membership that

has seen turbulent and changing times in its industry, he has managed to devote himself to a community that he loves and which loves him with equal intensity. We are fortunate, and perhaps a little selfish, because we know that retirement does not mean an end to the good works he brings to San Francisco.

Mr. Speaker, this is but an overture to the coming symphony of voices that will ring with praise to this giant, including mine, to this hero of the working man and woman, Jimmy Herman.

CURTIS MCCLAIN

Curtis McClain has been International Secretary-Treasurer of the International Longshoremen's and Warehousemen's Union since 1977.

Born and raised in Akron, Ohio, he came to the San Francisco Bay Area after World War II where he joined ILWU warehouse Local 6 and went to work at Schmidt Lithograph. During his 16 years at Schmidt he became increasingly active in union affairs, serving as a steward, as a member of the negotiating committee, and in other capacities.

He was also active in African-American community affairs, and was part of the first generation of rank and file leaders who scored major breakthroughs in opening up leadership in the trade union movement to people of all races. Over the years he has remained active in this area, as well as in movements for peace, disarmament and international trade union solidarity.

He was elected Local 6 Business Agent in 1960, as a member of the International Executive Board in 1971 and as International Secretary-Treasurer in 1977, a position he has held to this day.

McClain was appointed to the San Francisco Human Rights Commission by Mayor Jack Shelley and then to the San Francisco Fire Commission by Mayor George Moscone, where he served for twelve years.

VOTE FOR MICHEL SUBSTITUTE AND AGAINST H.R. 1

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, small-business jobs could be lost for all Americans under yet another so-called fix to H.R. 1, the quota bill.

Proponents of this fix apparently have finally recognized that H.R. 1 will force our Nation's small businesses to adopt quotas in order to protect themselves from costly lawsuits and huge damage claims.

Their proposed solution—outlawing quotas—places our Nation's smaller firms in an impossible, catch-22 situation:

If small business owners adopt quotas, they break the law. If they don't, they face the prospect of damage awards that could lead to bankruptcy.

It is a "lose-lose" proposition for small businesses. And those who support it are jeopardizing the livelihoods of American small business owners and employees.

Saying you're for small business is easy. It is how you vote that counts. Do not sell out the small business jobs in your district to this phony fix. Vote for the Michel substitute, and against H.R. 1.

HAPPY BIRTHDAY, MY SON

(Mr. SARPALIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SARPALIUS. Mr. Speaker, tomorrow my son David will turn 18 years old, and next week he will graduate from high school.

Like any father, I am very proud of him, but tomorrow when he becomes a legal adult, I pass on to him a country that is still free, a country that believes in peace but believes in protecting its freedom, a country where he can still use God as his guide, and a country where, if you fail, you still have the right to try again, a country where you achieve all that is possible by having the right to attempt the impossible, a country where we dream of being as much as we can be but dream of being more, a country that is respected around the world but has compassion for the rest of the world, a country that believes in preserving its heritage and its environment, a country that has a vision of hopes and dreams of a better way of life.

Mr. Speaker, my hope and prayer is when the day comes when his child becomes a legal adult that he will pass on to them a better America than what it is today.

Happy birthday, my son.

A TRIBUTE TO MCPHERSON, KS

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, I stand here today, bursting with pride for my hometown of McPherson, KS.

This past weekend McPherson took center stage in honoring the veterans of Operation Desert Storm.

A 12-year-old California girl, the daughter of "Operation Welcome Home" organizer John Ford, chose McPherson to serve as the geographical center of the country for this celebration.

People like City Commissioner Tony Fiedler, and members of different veterans' organizations rose to the occasion in splendid fashion to show the rest of the world the right way to welcome home the men and women who served in the Persian Gulf.

The people who lined the streets of McPherson were welcomed in spirit by people from around the world as this celebration was broadcast into Kuwait and Saudi Arabia by Armed Forces Radio.

My thanks and congratulations to the people of McPherson for a celebration all Americans can be proud of, and one the returning troops will never forget.

IN OPPOSITION TO THE U.S. SUPREME COURT DECISION: RUST VERSUS SULLIVAN

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I rise today to condemn this morning's Supreme Court ruling in Rust versus Sullivan. This decision bans federally funded family planning clinics from discussing abortion with pregnant women and from telling them where they can get one.

Mr. Speaker, this is not about abortion. This is about free speech, this is about the health and well-being of the over 4 million low-income women who use these clinics each year. Women do not have to choose abortion, but they have a right to know what all of their options are.

Let's look at the following situation which might occur as a result of this unconscionable decision:

Jane Smith must use a federally funded family planning clinic because she cannot afford a private doctor. She is pregnant and she is delighted. Dr. Big Brother examines Jane Smith and discovers that if she carries her baby to term she may encounter health risks. Dr. Big Brother may be afraid to tell Jane Smith about an abortion option because of today's Supreme Court ruling. Nine months later, Jane Smith dies. Who will be held liable?

Mr. Speaker, this case originated in Bronx, NY, my hometown. Many people are categorized as low-income. It is not fair to deny these people complete medical information just because they do not have a large bank account. It is not the Government's right to step in between a patient and her physician. How far are we going to let it go?

Mr. Speaker, when this issue is revisited on the House floor, I urge my colleagues to vote for free speech, for all women's health and well-being, and for a woman's right to complete medical information.

SUPPORT AMERICA 2000 EXCELLENCE IN EDUCATION ACT

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIGGS. Mr. Speaker, I rise today to talk about the one bill that is probably going to be the most important one that the 102d Congress entertains, and that is the President's education package submitted today for our consideration.

My fellow Americans and colleagues, there is no better way to empower our fellow Americans than to provide equal access for all Americans, but particularly those who come from disadvantaged or poverty circumstances, to a quality education.

The President's educational package, known as America 2000 Excellence in Education Act, would do just that. It is a bill crafted with tremendous input from all sectors of our Nation, particularly the private sector, and it sets out some very realistic but important goals for educational reform in this country.

First of all, it would provide incentives for voluntary testing standards that would assess the skills of our Nation's students in the areas of math and science as well as their critical reasoning and literacy skills. It would restore a motion of accountability and choice in competition to our public schools, and it would accomplish true reform by emphasizing local control through site-based decisionmaking at American schools.

I urge my colleagues in the House to give this most important piece of legislation their serious consideration. Let us be the Congress known as making tremendous strides in educational improvement in America.

☐ 1650

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 21, 1991.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I am transmitting herewith copies of the resolutions approved today by the Committee on Public Works and Transportation, as follows:

Committee survey resolutions authorizing the U.S. Army Corps of Engineers to study the following potential water resources projects: Calleguas Creek, California; Mission Bay, San Diego County, California; Ponce De Leon Inlet, Volusia County, Florida; Washoe Valley, Nevada; and Silver Strand Shoreline, San Diego, California; and

A Committee resolution authorizing the Soil Conservation Service to undertake a small watershed project for the South Fork of Little River, Kentucky.

With all good wishes.

Sincerely,

ROBERT A. ROE,
Chairman.

There was no objection.

ANNUAL REPORT OF CORPORATION FOR PUBLIC BROADCASTING FOR FISCAL YEAR 1990 AND INVENTORY OF FEDERAL FUND DISTRIBUTED TO PUBLIC TELECOMMUNICATIONS ENTITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce and ordered to be printed:

(For message see proceedings of the Senate of today, Thursday, May 23, 1991.)

REPORT REGARDING ADMINISTRATION OF THE RADIATION CONTROL FOR HEALTH AND SAFETY ACT OF 1968 DURING CALENDAR YEAR 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce and ordered to be printed:

(For message, see proceedings of the Senate of today, Thursday, May 23, 1991.)

WELCOME TO AMERICA

The SPEAKER pro tempore (Mr. TAYLOR of Missisippi). Under a previous order of the House, the gentleman from Tennessee [Mr. CLEMENT] is recognized for 5 minutes.

Mr. CLEMENT. Mr. Speaker, I rise today to ask, what is your first impression when you visit another country? Is that first impression important?

Last week I had a conversation with my friend, well-known songwriter and entertainer Lee Greenwood. As a frequent international traveler he is accustomed to less-than-pleasant experiences and rather intimidating treatment at customs checkpoints. Lee recounted a recent example where he was searched, asked intimidating questions and treated very rudely, almost like a suspect in a criminal investigation.

Would you care to guess in which country this incident occurred? It happened at a customs checkpoint right here in the United States of America.

Visitors to the United States often form their first impression of America at the customs checkpoint where they enter our country—based on the demeanor of customs officials they encounter. As a member of the Steering Committee of the Congressional Travel and Tourism Caucus, I am very aware of the tremendous tourism revenue generated by our visitors. It only makes common sense to make a conscious effort to treat our visitors in the most courteous manner possible.

And, our citizens returning home from abroad deserve a friendly welcome home from the public servants whose salaries are funded by public tax dollars.

Mr. Speaker, today I sent a letter to U.S. Customs Service Commissioner Carol B. Hallett asking that a new agency policy be established. Customs officials should be required to display a warm attitude and friendly persona. A visitor's first impression of America will be greatly enhanced if customs officials simply say, "Thank you for your time—and, welcome to America!" And our returning U.S. citizens certainly deserve to be accorded such respect and consideration.

I share the sentiments of Lee Greenwood, who wrote and sings "I'm proud to be an American," in his song "God Bless the U.S.A." Let us share our pride in our Nation—pride in a country that was born from the blood of our forefathers, who when they came here more than 200 years ago to found our country, were all immigrants themselves.

To all our visitors and every returning U.S. citizen I say, "Welcome to America."

LANDSAT CONTINUITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 60 minutes.

Mr. BROWN. Mr. Speaker, today I introduced legislation aimed at helping maintain the U.S. Landsat Program, which represents one of the Nation's most important spacecraft systems. Joining me as original cosponsors of the Landsat Continuity Act are Representatives DAVE MCCURDY, BOB WALKER, JAMES SCHEUER, RALPH HALL, and RON PACKARD.

The purpose of this legislation is to initiate procurement on the next in the series of U.S. civilian Earth observation satellites—Landsat 7—through the authorization of $20 million for long-lead procurement items. The legislation also provides $5 million for the preservation of early Landsat data, which will soon be lost unless converted to a stable medium.

Landsat images of the Earth are used for such purposes as environmental management, oil and gas exploration, crop forecasting, and cartography. Landsat data were used extensively during Operation Desert Storm, providing data not available from any other national system. The Department of Defense considers Landsat data to be mission essential for many of its tasks. Similarly, NASA and the scientific community regard Landsat imagery as being vital for global change research.

I could go on at length about the importance of the Landsat Program for global monitoring, mapping, and management applications, but that is not the purpose of my remarks today. The case has already been made within the U.S. Government that Landsat is a vital program, and the administration has reached a decision to continue the program, as reflected by White House press releases dated June 1 and November 16, 1989.

The earlier of these press releases described the President's approval of the National Space Council's recommendations concerning Landsat, which included ensuring the continuity of Landsat-type remote sensing data through the 1990's. The second release announced the President's approval of a new national space policy which commits the Nation to the continuation of Landsat and to the encouragement of U.S. leadership in this field through the development of future systems "competitive with, or superior to, foreign-operated civil or commercial systems."

I commend the administration for recognizing the broad national and international value of Landsat and for its commitment to the continuation of this program. However, I must point out that there exists a major discrepancy between the President's established commitment to continuity for Landsat and the reality of achieving that continuity. That is what I wish to address in these remarks, and it is that discrepancy that has led me and a number of my distinguished colleagues to introduce the Landsat Continuity Act.

The first Landsat spacecraft was launched in 1972 and Landsats have operated continuously for the past 19 years. This unbroken record of information about the Earth represents an invaluable data base, and the longer it remains an unbroken record the more valuable it will be for assessing long-term changes on the surface of the planet. This data base represents the fundamental baseline for global change research and for overall management of the resources of our planet.

At the present time, we have two aging Landsat spacecraft in orbit. Landsat 4, the older of the two, could cease operations at any time. Landsat 5 is expected to remain operational until the launch of Landsat 6, scheduled for mid-1992. Landsat 6 will have a 5-year design life, and given the time it takes to construct a follow-on, we should already be planning for the construction of that follow-on spacecraft to have it ready for a mid-1997 launch. But we are not doing so.

In order to accomplish the two stated goals of U.S. Landsat policy which I mentioned above—data continuity and competitiveness with international systems—the initiation of funding for Landsat 7 probably should have been reflected in the fiscal year 1990 budget. It wasn't. The administration did not request Landsat 7 money in its fiscal year 1990, fiscal year 1991, or fiscal year 1992 budgets. This is a serious problem, as I will explain.

The contracting and construction process for a follow-on to Landsat 6 could take anywhere from 6 to 8 years, according to the National Oceanic and Atmospheric Administration [NOAA], which prepared a series of Landsat 7 procurement schedules for the administration last September.

The quickest option for construction of Landsat 7 would be to build a spacecraft identical to Landsat 6, and to do so with a sole source contract to the companies which built Landsat 6. Under this scenario, according to NOAA, the launch of Landsat 7 would occur in February 1998. This would mean an 8-month data gap between the projected end of Landsat 6 and the initial operation of Landsat 7.

A second option would be to construct a follow-on spacecraft identical to Landsat 6, but recompete the contract. This option might lower the Government's costs, yet would likely add 12 to 18 months in additional procurement activities to the spacecraft contracting and development schedule. As a result, the launch date for Landsat 7 would be pushed off until early 1999. This would mean a 20-month data gap between the end of operations for Landsat 6 and the arrival of Landsat 7.

A final option would be to build an advanced Landsat 7, with a state-of-the-art capability such as a sensor that provides five-meter stereo imagery. Such a spacecraft would help satisfy a broad array of national security, scientific, and commercial needs—and would clearly meet the goal of achieving a U.S. remote sensing capability competitive with or superior to any foreign-operated system. However, this option could add even more time to the spacecraft development process, leading to a launch date that might not be until the year 2000. If that were the case, there would be a 3-year data gap between the expected end of Landsat 6 and the operation of Landsat 7.

These procurement schedules were based on the assumption that NOAA—the Federal agency which has managed Landsat—receives a go-ahead from the Office of Management and Budget in the fall of 1991 and initial funding in the fiscal year 1993 budget.

These three procurement options suggest that we will experience a data gap in the program ranging from a minimum of 8 months to as long as 3 years, assuming that we make a fiscal year 1992 decision to proceed with Landsat 7. Thus, it may already be too late to achieve the U.S. policy goal of data continuity for this program. While one might hope that Landsat 6 has a longer operational life than 5 years, that should not be the basis for our program plans since the opposite could happen as well: Landsat 6 could have technical problems that shorten its operational life or it could even be destroyed during launch as the result of a launch vehicle failure.

Shortening the construction time for Landsat 7 could be accomplished by paying a premium to the subcontractors to accelerate development of the sensor and spacecraft components, yet this would increase the cost and risk associated with the program. The procurement schedule for Landsat 7 could also be shortened through an abbreviated contracting process. The original Landsat contract between the United States and EOSAT was written to cover the construction costs of two spacecraft—Landsat 6 and Landsat 7. In April 1988, that contract was modified and a "stop work" order was placed on Landsat 7. By simply lifting that "stop work" order, the Government could cut the development time for Landsat 7 by 6 months by avoiding a full new contracting process.

The best way of accelerating the development of Landsat 7, however, would be through the initiation of long-lead procurement for the spacecraft—and to do so immediately. That is the objective of the Landsat Continuity Act, which could trim an additional 6 months from the development schedule for Landsat 7 by starting the procurement of the spacecraft and sensor components which take the longest time to manufacture.

Through these two approaches—lifting the stop work order on Landsat 7 and initiating long-lead procurement during fiscal year 1992—there is a reasonable chance of having Landsat 7 built and ready for launch by mid—1997.

This plan would achieve the U.S. policy objective of ensuring continuity of Landsat data. Any other plan—such as putting the Landsat 7 funding decision off until fiscal year 1993—would essentially guarantee a damaging data gap in the program. Yet the administration's position seems to be precisely that—to delay making a decision on Landsat 7 for yet another year.

Mr. Speaker, for the record, I think it is important for my colleagues to know the extent to which the decision on Landsat 7 already has been postponed.

In March 1989, Vice President QUAYLE addressed the issue of continuation of the Landsat Program as the first item taken up by the newly formed National Space Council. The crisis of that time was whether the United States would cease operation of Landsat 4 and Landsat 5 for lack of $9.4 million in operating funds. The Space Council, with the Vice President's leadership, successfully resolved the matter by raising the necessary funding from the Departments of Defense, Agriculture, and Interior, and he initiated a full interagency review of the Landsat Program and the options for Landsat 7.

In response to a letter signed by more than 100 Members of Congress expressing opposition to the planned termination of Landsat 4 and Landsat 5, the Vice President wrote on March 27, 1989, that the National Space Council staff, in conjunction with all affected Government agencies, was conducting a "fast-paced policy review" of Landsat which would lead to a review of options within the next several months.

In response to repeated contacts with the National Space Council throughout the summer and fall of 1989, members of the Science, Space, and Technology Committee were informed that a decision on Landsat 7 would be made in time to affect the administration's fiscal year 1991 budget.

In late 1989, I wrote the Vice President again to express my concern that it did not seem that the Landsat 7 issue was being addressed in a timely fashion. I also expressed my deep concern about rumors that the Office of Management and Budget had recommended that the Department of Defense take control of the program. The response from the Vice President, dated December 20, 1989, said that the Space Council was still reviewing the issue and that "we plan to replace Landsat 6 in about 1996."

When the fiscal year 1991 budget was submitted to Congress in February 1990, no money was requested for Landsat 7, although articles in the trade press indicated that the administration was considering a supplemental request for the program.

Another year passed, and still no action on Landsat 7. In November 1990, 25 Members of Congress, including myself, wrote OMB Director Richard Darman stating that the time had come to initiate funding for Landsat 7 and to urge that the necessary funding be provided in the President's fiscal year 1992 budget.

A few months later, on February 26, 1991, my distinguished colleague and ranking minority member of the Science, Space, and Technology Committee, BOB WALKER, and I wrote the Vice President again. Landsat 7 funding was not contained in the President's fiscal year 1992 budget request, which led us to write that we were "particularly concerned about the delay in implementing the President's commitment to maintaining the continuity of Landsat-type data" and that we felt the Nation "must ensure that adequate planning takes place this year" to initiate a successor to Landsat 6.

On March 21, 1991, the Vice President replied that the National Space Council was planning to initiate two additional studies "to provide data in support of the Landsat follow-on decision." The letter stated further that a decision on the "post-1997 Landsat capability will be made concurrent with the President's fiscal year 1993 budget."

While this sounds like a specific commitment to request funding for Landsat 7 in next year's budget, I have to emphasize that I have heard this commitment before—many times—and have yet to see it honored. I have also seen at least a dozen different studies that were intended to support the nation's decision about Landsat 7. The time has come to stop studying Landsat 7 and start building it. We have postponed this decision for so long that we are jeopardizing the investments we have made in the program over the past 20 years and our position as a world leader in this technology.

The single most important concern expressed by military and civilian users of Landsat is data continuity; people who have invested in the image processing systems for this data and who have developed a reliance on Landsat for their research, national security planning, commercial activities, and resource management purposes want to know that the system will still be around 5, 10, and 15 years from now. They want to know that the continuous record of Landsat data—which represents a chronicle of change on the planet—will remain an unbroken data archive. That is why these users were greatly relieved by the President's commitment to continuity of Landsat data, and why they are deeply concerned about the repeated delays in making a commitment to Landsat 7.

While I will be the first to admit that there remain significant policy and management decisions to be made concerning this program—such as the extent to which we continue the commercialization effort and the division of responsibilities among the Federal agencies with an interest in the program—I do not feel that these issues should serve as justification for adding further delay to the initiation of Landsat 7.

Within the Science, Space, and Technology Committtee I have initiatied a Landsat Task Force to address and to resolve to the extent possible these outstanding policy and management issues. My intention is to work closely with the National Space Council, as well as with other major committees in the House and with the other body, to forge a new policy consensus on how to regain U.S. leadership in this important technology.

I recognize that the National Space Council has other items on its plate, such as security funding for the Space Station Freedom. So, too, do I. But this issue is a very important one and cannot be put off any longer. Landsat may not be as visible a program as is the Space Station or the Space Exploration Initiative, but it is a program of great importance to our Nation and the world.

We are moving into an information era in which knowledge about our planet will be increasingly important for our Nation's economic competitiveness, national security, environmental management, and quality of life. Other nations recognize that remote sensing satellites can contribute substantially toward these goals, which is why France, Japan, Canada, the European Space Agency, India, and Brazil are all planning Earth observation satellites for operation during the 1990's. France, of course, already operates a system called SPOT, which is competing against Landsat for the global commercial market for satellite imagery. The French understand the importance of data continuity, as shown by the fact that they launched SPOT 1 in 1986, SPOT 2 in 1990, are building SPOT 3 for a mid-1990's launch, and have already paid for SPOT 4, scheduled for a late-1990's launch.

The U.S. pioneered this technology and was the unchallenged world leader until 5 years ago, but our position has eroded substantially and is now seriously in question. Although we are pressing forward with the Earth Observing System [EOS] as part of the U.S. Global Change Program, no sensor aboard EOS will provide high resolution, multispectral data analogous to what is generated from Landsat. Indeed, the design of EOS was predicated on the assumption that Landsat would continue.

We should not postpone the decision on Landsat 7 any further. We should make the commitment this year to initiate long-lead procurement for Landsat 7, with the goal of having the spacecraft built and ready for launch before Landsat 6 reaches the end of its design life.

The Landsat Continuity Act would authorize $20 million in long-lead funding for Landsat 7—$10 million from the Department of Defense, and $5 million each from the National Aeronautics and Space Administration and the National Oceanic and Atmospheric Administration. This 50:50 military-civilian split in funding responsibility for the program seems like a logical way to proceed, given the broad national security and civilian applications of the program. The original cosponsors of this legislation, including myself, are already working to incorporate the $20 million long-lead procurement package into the relevant fiscal year 1992 authorization and appropriation bills.

We are also working to secure $5 million for the preservation of aging Landsat data that could soon be permanently lost. A report completed last year—but not yet officially released—by the administration's Committee on Earth and Environmental Sciences concluded that as much as one-fourth of the Landsat data collected in the first few years of the program will be lost in the next several years unless action is taken to accelerate a program to convert this aging data to a stable medium. The continuous Landsat data archive dating back to the program's beginning in 1972 represents the fruits of our investment in remote sensing. Because the preservation of this archive will be so important for global change research, we should move promptly to appropriate the $5 million necessary to protect this old, yet still valuable data.

I urge my colleagues to join us in cosponsoring the Landsat Continuity Act, and I urge the administration to work with the Congress to take the necessary steps to fulfill the Nation's policy commitment to continuation of the Landsat Program.

□ 1700

THE SPREADING EPIDEMIC OF AIDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I will tell the staff that I will not take the full 60 minutes. I will probably be here about 10 minutes, so that as the last Member with a special order, we should not be here too long.

Mr. Speaker, today the New England Journal of Medicine published an editorial which is very significant. About 5 years ago, I and a number of my colleagues started talking about the AIDS epidemic. We started talking about the spread of this terrible disease and what it means for the health of this Nation. We talked about the possibility that millions of Americans could become ill from the AIDS virus and die if we did not take some positive action.

In 1985, when we started, 20,000 Americans were either dead or dying of the AIDS virus. That was about 5 years ago. At the end of 1991, 205,000 Americans, one-fifth of a million, will be dead or dying of the AIDS virus and the pandemic has been spreading and expanding each year.

In 1985, 1986, and 1987, they estimated that for each one of those years there were 1½ to 2 million people infected and they estimated that the virus was spreading at a rate of doubling every year to 18 months.

The CDC in Atlanta now tells us we still have 1½ to 2 million people infected and that the pandemic is under control.

The facts do not bear that out. The virus is now being spread in ways that we did not believe was possible just a few short years ago.

Dr. Everett Koop a few years ago indicated some things in a publication that was sent to every household in America. I would like to just read a little bit of some of the things that he said. I quote from the CONGRESSIONAL RECORD of February 25, 1987. In it I quoted the Koop report. Dr. Koop at that time was the Surgeon General of the United States. He said:

> There is no danger of AIDS virus infection from visiting a doctor, a dentist, a hairdresser, a hospital or a beautician. You may have wondered why your dentist wears gloves and perhaps a mask when treating you. This does not mean that he has AIDS or that he thinks you do. He is simply protecting himself from hepatitis, common colds and so forth.

Well, we know that Dr. Koop was wrong, because in Florida several patients obtained the terrible virus of AIDS from a dentist who was infected with it. We did not know that until the dentist was dead, or about to die, and he sent letters to many of his patients telling them he was infected with the AIDS virus. Several of those patients have contracted AIDS, even though the dentist wore gloves, a mask and other protective paraphernalia that Dr. Koop said only intended to protect himself from hepatitis back in 1987.

The fact of the matter is that we did not know then all the ways that AIDS could be transmitted and we do not know yet all the ways that AIDS can be transmitted, but what we do know is that there is a long latency period between the time a person contracts AIDS and when he manifests the disease in his physical being.

□ 1710

Sometimes doctors estimate that people could carry the disease, the virus, for as many as 5 to 10 years without any manifestation of actually having AIDS.

In all that time they are healthy, at least, cheerleaders, business people, all that time there would be no manifestation of the disease whatsoever in their physical being. During that time, unless they have been tested, had a blood test, they would be running on their merry way, conducting themselves in a manner to which they are accustomed, without any regard for themselves or their fellow men. They are a walking epidemic if they have sexual contact with people outside the AIDS community.

Thus we have, according to CDC, probably 2 million infected with the AIDS virus.

Many of us, myself included, believe we have more like 5 million to 6 million or more. We have no way of knowing for sure, but based on the information we received years ago that it was doubling every year to 18 months, we should have at least 5 million people infected.

Ninety-five percent of those people do not know they have the virus, and those people are out day in and day out conducting themselves in a manner that may or may not be conducive to good public health.

The fact of the matter is the AIDS virus is being spread on a daily basis to many unsuspecting people because the person giving it to them does not know they have AIDS and the person involved in the sexual contact with them certainly does not know that as well.

The answer to the problem: We suggested back in 1987 a multifaceted plan to deal with the health of this Nation. We talked about education. Dr. Koop said we needed education. I agree with that.

But beyond that, he said, there was not much you could do other than use condoms or other devices to protect yourself or your partner from getting the AIDS virus.

But there are other things we can do. In addition to education, we should have testing. Every person in this country could be tested at a cost of about $5 per person or less. We know this to be a fact because the U.S. Army, the military, has been doing this for years, and they have had a very, very successful rate of discovery as far as people having AIDS. They did that because they wanted to protect the defense apparatus of this Nation. But we know we could test everybody in this country annually or every 18 months for about $5 on average. That would do a number of things. It would let people know they have the AIDS virus and it would let them know they have to do something to protect their fellow man, their loved ones from this virus being spread to them.

In addition, it would be a very useful tool in controlling this terrible epidemic that we do not know how bad it is.

I would like to say that we also suggested back in 1987, in addition to education and testing, that there be contact tracing so that we could find out who was being responsible or not being responsible in conducting themselves in a proper manner after they discovered they had the AIDS virus. There should be a penalty for someone who has AIDS going out and knowingly communicating that to another human being. We have people who are irresponsible in that regard.

So we need education, we need testing, we need contact tracing to find out if those who have been notified they have AIDS continue to act in an irresponsible manner and spread that disease to other human beings. And if they do that, there needs to be penalties.

If you go into a bank and shoot somebody or murder your wife, you are subject to the dealth penalty. I am not suggesting that about those who knowingly communicate AIDS to someone else, but they ought to be constricted from that type of activity, restricted from doing that. So we need education, testing, contact tracing and, for those who act irresponsibly and continue to spread that disease, there needs to be some kind of constraints put upon them.

Now, to get to the article in the New England Journal of Medicine, and editorial written by Dr. Marcia Angell, here we are 5 years later and they said:

> Testing health care providers and hospitalized patients is also controversial. Although it makes sense from several standpoints, screening patients on admission would identify those with whom health care providers must be most alert. It is unrealistic to expect them to maintain the highest level of vigilance continuously.
>
> Similarly, because it is remotely possible that there could be an exchange of blood in a medical procedure, patients have a right to know, patients have a right to know whether a doctor or a nurse who performs invasive procedures in infected with HIV.

Now, I would like to tell my colleagues that last year we passed a piece of legislation which mandates that if a person has active AIDS and is a health-care worker in a hospital, let us say they are cleaning the wounds of somebody who has had open-heart surgery, under the Americans with Disabilities Act, if a person has active AIDS and they are a health-care worker working with someone who just had major surgery, we cannot move them out of that function without fear of the hospital or the doctor being sued and held liable. The Americans with Disabilities Act allows that type of litigation. So a doctor or a hospital is going to be in a very serious situation if a person who has AIDS and knowingly has AIDS, is working on a person who just had surgery, they could infect that person just as the dentist or a doctor did down in Florida. And they could so it with impugnity. And if the doctor or the hospital moves that person, that person with AIDS can sue the hospital and collect because that is the law of the Nation, according to the Americans With Disabilities Act which we passed last year.

But we now know that health care workers can communicate it to a patient, we now know that doctors and dentists can communicate it to a patient.

So in this editorial, Dr. Angell said, and I quote;

> Patients have a right to know if their doctor or the nurses working on them have the AIDS virsus.

Further:

> If necessary, retraining in noninvasive areas or early retirement could be provided by special insurance programs for health care professionals.

I agree with that. If a person has the AIDS virus, we do not want to take away their ability to earn a living, but at the same time we want to protect the health of this Nation and the patient who may be in that hospital from being exposed to the AIDS virus by a person who has been infected.

So there should be, we should look into a program, a special insurance program for health care professionals who may have the AIDS virus who may want to retire or put in another position.

Screening health care providers would also, of course, identify those for whom treatment could be begun early and whose sexual partners could be protected.

She goes on:

> I believe systematic tracing and notification of the sexual partners of HIV-infected persons and screening of pregnant women, newborns, hospitalized patients and health care professionals are warranted. Notification of the partners are warranted.

Now, in California, in the State of California, if you have a veneral disease and your doctor knows about it, he has to notify the State health agency that you have a communicable disease, that is, syphilis or gonorrhea or some other sexually transmitted disease.

But if you have the AIDS virus in California the doctor cannot even notify your wife without being guilty of a felony or charged with a felony. This is a sexually transmitted disease which cannot be cured but will ultimately end up in the death of the person getting it.

So she says, and I will read this one more time.

> I believe, on balance, systematic tracing and notification of sexual partners of HIV-infected persons, screening of pregnant women, newborns, hospitalized patients are warranted. These populations are, after all, relatively accessible to the health care system and at some special risk. Attempting to screen the entire population would simply be impractical.

I disagree with her there. I think ultimately that is going to be the only solution.

Five years ago nobody talked about health care workers, doctors, dentists, communicating this disease to their patients. They said it was not possible. Dr. Koop said unequivocally you cannot get it that way. We now know Dr. Koop is incorrect.

Here we are 5 years later finding out that doctors all across this country are starting to say that we need to screen patients and the doctors themselves need to be tested. This doctor says that the patients need to be notified if the doctor or dentist or whoever they are working with, a health-care worker, has the virus, so that they could protect themselves. I think ultimately we are going to have to go where I thought we were going to go 5 years ago, and that is to a national testing program, a routine testing program, not unlike what we faced when we had the tuberculosis pandemic many, many years ago, generations ago. We had everybody tested for tuberculosis. I had a patch test when I was in school. It was a routine thing. Nobody complained about that; nobody complained about the civil rights being violated, because they knew that we were trying to protect the health of this Nation.

So I think ultimately we are going to have to test everybody and get on with the other facets of the program I talked about, in that we are going to have contact tracing, education and penalties for those who knowingly spread the disease.

□ 1720

She goes on to say,

> These populations are, after all, relatively accessible to the health care system at some special risk. Attempting to screen.

I will pass over that because we just covered screening the entire population.

On the other hand she says:

> Targeting only high-risk groups would be unworkable in part because it would entail making distinctions that are often impossible as well as insidious. With any increase in screening, however, the specter of discrimination arises once a person is known to be infected. Only if such discrimination, at least in its more tangible expressions, is countered by statute and if those HIV infections are assured of receiving all the medical care they need can we pursue the basic elements of infection control more routinely and so spare others the tragedy of this disease.

I agree with that. I think we need to do something to protect those who are already infected, protect their rights, their civil rights, their health care benefits, but we must get on with the task in my opinion of protecting the population of this country from a disease that is so insidious that it is being spread without people even knowing they are getting it. They do not know the person they are coming in contact with has it, and so they get it, and then they go out, and maybe they spread it to someone else unknowingly, and, as a result, there is an exponential possibility of spreading this disease to every single person in this country ultimately.

Now we have got to get on with the program to deal with that.

I see my colleague from California who has been one of the leaders in the fight for coming up with a positive program to deal with AIDS is here, and, if he would like to, I yield to him at this time.

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague, the gentleman from Indiana [Mr. BURTON], for yielding, and I want to thank him for taking this special order to bring to the Members of the House a significant development in the struggle to treat the AIDS epidemic in America as a public health issue rather than as a civil rights issue, which sadly for all of us is still being pursued in 10 of the States of this Union that have better than three-fourths of the cases, including my State of California which has the second highest total and New York

State which has the highest total of any cases in the country.

I say to the gentleman,

> Your State of Indiana is bothered by a very small number of infected carriers, and to the credit of the people of the great State of Indiana, but my State of California is not in that category. We have a population that has witnessed better than 20,000 deaths so far. Across this land we've witnessed over a hundred thousand deaths so far.

Mr. Speaker, this article in the New England Journal of Medicine is one of the most significant steps that have come out of the medical establishment in dealing with this epidemic since December 1989, and the reason I make reference to December 1989, is because in that year and month the American Medical Association at its annual convention in Hawaii, through the leadership of the immediate past president of the Arkansas State Medical Society, Dr. Billy Jones, who was not a delegate to the convention; Dr. Jones went to that convention, and cajoled and in effect caused the American Medical Association to say, as the official voice of medicine in America, that it was the policy of the AMA that every State should have in place reportability for HIV carriers in contact tracing. That was a significant step, December 1989.

Now the AMA reaffirmed that position in December 1990, but what this article in the New England Journal of Medicine signifies to the medical establishment and to we citizens in America is what cannot be underestimated because this is the beginning of the breaking of the logjam that currently exists in this Nation because the New England Journal of Medicine—I am a lawyer, not a doctor, but my medical friends tell me that the New England Journal of Medicine is one of the premier medical publications in the country dealing with issues relating to health.

Mr. Speaker, when that august publication came out with this statement, it says that the establishment is beginning to see the policy of treating the AIDS epidemic as a civil rights issue rather than a public health issue has got to stop, and what this article says is in effect that every State should have reportability and contact tracing as a means of controlling the epidemic, which the gentleman from Indiana [Mr. BURTON] and I have been talking about for over 5 years. It also talks about testing routinely people coming into hospitals and doctors offices without the written consent of the patient.

No one is suggesting here that the test results are going to be posted on a bulletin board or shared with anybody except the people in the health care business who have a right to know who they are treating, and I think that point should be made very clear because one thing I have noticed in this whole political struggle that has been going on for the last 5 years is that anytime the gentleman from Indiana [Mr. BURTON], or I, or other Members in the House—the gentleman from California [Mr. DORNAN], our colleague, has been one of us, and he is helping us in the struggle; he has come forward and said, "As a policy we should be implementing what the AMA says."

Immediately the people on the political left, led by the homosexual activist community, came out of the woodwork and said, "You can't do that because that's a violation of our civil rights."

But now, as I say, that argument has been put to rest when the august New England Journal of Medicine says we should be implementing this policy.

Mr. BURTON of Indiana. If I might interrupt my colleague, one of the things that I feel is very important is to put everything in perspective. The health of the Nation should come first, but that does not mean we should circumvent the civil rights of the people who do contract the AIDS virus. Their civil rights can be protected, and at the same time we can deal with this pandemic in a rational way. The idea that, if we have testing, or contact tracing, or a well-thought-out program to deal with the virus that it is going to stop this epidemic from spreading, the idea that that automatically precludes the possibility of a person keeping their civil rights is crazy. A person can have their civil rights. We can respect their civil rights and at the same time protect the health of this Nation.

Mr. Speaker, what we have to do is just put things in perspective, and that is the program to deal with this pandemic should be first because, if we do not have the health of the Nation, if we have another bubonic plague that wipes out 5 or 10 million people, the civil rights issue becomes an academic question.

Mr. DANNEMEYER. There are a number of State health officers around American who should be ashamed of themselves for their failure to take action to treat this as a public health issue, and they are still treating it as a civil rights issue.

I am thinking now of Dr. Axelrod, the health officer of New York State, the State with the largest number of cases. In my State of California the previous health officer is a man named Kaiser. He just recently resigned, and he was replaced. Kaiser and Axelrod have been attempting to defend treating this as a civil rights issue. They should be ashamed of themselves for their failure to exercise the leadership which they in the profession of public health should be asserting.

Similar with Dr. Koop. I have the greatest admiration for some of the policy options that Dr. Koop gave us as Surgeon General of the United States in his capacity, for instance, as affirming the pro-life position which the gentleman from Indiana [Mr. BURTON] and I share. But in the response that Dr. Koop directed as Surgeon General of the United States in developing a public health policy to control the AIDS epidemic he was a tragic failure. He was the one that came out a few years back and suggested—he did not say this, but what his comments caused others to interpret what he meant was that, if we only arm ourselves with condoms in America, we can be safe from the AIDS epidemic. That is nonsense. I want to emphasize again that Dr. Koop did not say that, but what he did say caused others to observe that that could be interpreted by what he said.

Mr. BURTON of Indiana. Mr. Speaker, before the gentleman from California [Mr. DANNEMEYER] arrived, I read part of the report that Dr. Koop wrote dealing with the AIDS pandemic, and one of the things he said, just for the gentleman's edification here, and I am sure he is aware of this: He said, "There's no danger of AIDS virus infection from visiting a doctor, a hospital, a hairdresser, or beautician," and that was a categorical statement. The fact of the matter is we know that there is a danger even when they wear gloves and masks, and we do not know all the ways this virus can be transmitted, and that is why I continue to maintain that the only way to get a handle on where it is spreading, and how it is spreading and how fast it is spreading is to have some kind of a national routine testing program so we can find out.

□ 1730

Mr. DANNEMEYER. I also observed that in 1990, last year, in the closing days of the 101st Congress, I offered an amendment to a bill going through the House that would have implemented the policy of requiring that any State in the Union that received funds had to have reportability and contact tracing, which is the cornerstone step that our society should be adopting.

In 1990, as I recall, we got a little over about 125 votes for that amendment, not enough for passage, but it was progress from the votes that we got back in 1988, when we only got around in the low seventies for that position.

I thank my colleague for the help in supporting that amendment in both instances. Now with the American Medical Association saying it should be the policy and now the New England Journal of Medicine saying it should be the policy, and I would commend the leaders of the New York State Medical Society and of the New Jersey State Medical Society and the Massachusetts State Medical Society.

Mr. BURTON of Indiana. Let me pose a rhetorical question to my colleague: Why has not the Center for Disease Control, that has some of the finest scientific minds in the country, taken the lead in doing this? Why should it be the New England Journal of Medicine rather than the CDC, who has a full-time staff dealing with this problem?

Mr. DANNEMEYER. Well, let me observe the rationale that would be forthcoming from the CDC people in Atlanta, Georgia and from the Health and Human Services Agency here in Washington headed by Dr. Sullivan. They would say to all of us, "Well, now, wait a minute, Congressman. It has been the policy of the CEC for at least the last 5 or 6 years that every State should have in place reportability and contact tracing. We have advocated that."

But then if one asks Dr. Mason, for instance, at HHS or if one asks Dr. Sullivan, or Dr. Roper in charge of CDC in Atlantic GA, "Do you believe that we should change public policy in America so that as a condition of receiving Federal funds, every State should have in place reportability and contact tracing for HIV carriers?" At that time, I would still think at this late day they would say "no." No, that is a matter for state option. We do not want to impose our views on State public health officials because that is an option which they should have.

Given the fact that we have witnessed the death of over 100,000 lives tragically that have died from this epidemic so far.

Mr. BURTON of Indiana. And there is going to be another 100,000 dead or dying very shortly. We have 235,000 that actually have the disease.

Mr. DANNEMEYER. And we have expended untold billions of dollars in health care costs, taking care of these tragic victims. I believe we have a national epidemic on our hands. For the CDC in Atlanta, GA, to attempt to defend this respect for States rights at this late date in the epidemic reminds me of a policy that, had it been pursued in the Second World War, for instance, that Governors of the States would have an option as to whether or not they wanted to send their sons to defend the central government, that is absurd.

Similarly, I think the policy being pursued by Dr. Sullivan and Dr. Mason at HHS and Dr. Roper at CDC is just plain nonsense.

I also want to add that notwithstanding the AMA official position that every State should have in place reportability and contact tracing, when my amendment came to the floor last fall to have that done, what did we hear from the staff of the American Medical Association here in Washington? The staff here in Washington was opposed to my amendment, mandating reportability and contact tracing on the States, because it was, well, in their view, a violation of States rights.

Mr. BURTON of Indiana. If I might interject a comment here, I am a firm believer in States rights, but when you have a disease, a pandemic of this magnitude possibly facing this country, it transcends State lines, State boundaries, country lines, and country boundaries. I think that we as a government, a Federal Government, have to come up with a policy to deal with that.

I would like to add a couple of comments. Several major studies have been done in this area. Masters, Johnson & Kolodny came out with a report that pretty much parallels what the gentleman from California and I have been working on. The highly respected Hudson Institute concurs with what we have been trying to do. I think very highly regarded doctors, Dr. Day, Lorraine Day of California, this doctor that just wrote this report for the New England Medical Journal of Medicine, they have come out heading in the direction that we have been talking about.

I would just like to ask the gentleman a question on another subject. Before we came down to the floor, I was talking about the Americans With Disabilities Act. The gentleman will recall last year one of the real bones of contention on this floor was that health care workers who had the AIDS virus, even active AIDS with lesions on their arms, could not be removed from working with a patient who just came out of surgery because they thought that was a violation of their civil rights, and that if a doctor or a hospital mandated that this person who had active AIDS was forced out of caring for this patient who just had major surgery, the hospital, and the doctor would be liable.

Does the gentleman not believe that in view of the fact that we now know that health care workers are communicating this disease through medical contact, that we ought to reevaluate this position and amend the Americans With Disabilities Act?

Mr. DANNEMEYER. No question about it. Most people in this country have no idea that as a result of the Americans With Disabilities Act, which was adopted in the last Congress, every HIV carrier in America fits within the definition of a disabled person and is entitled to all of the protection of a person who achieves that status or is suffering under that status, would be a better phrase, and is entitled to certain protections.

I draw a distinction between how we should define people that are disabled. People who intentionally engage in conduct which acquires a status, in this instance a disease, should be distinguished from people who have a tragedy in their life, an accident or as the result of industrial injury, where they are truly disabled. As I say, I think the gentleman makes a very good point. We should amend that act so as to make clear that somebody who is an HIV carrier is not going to, as a result of that act, be entitled to go to court to have a court order that that person who is carrying an infectious disease can still take care of people coming into the health care system.

It is a tragedy that we even have to talk about doing this, but it is another illustration of how politicized our treatment of this disease has become in America.

Mr. BURTON of Indiana. The thing that concerns me so much is that we have been told that if certain precautions were taken, that is, wearing gloves, masks, and hospital paraphenalia, that the disease cannot be transmitted to another person. We now know that that is not the case. We now know there are doctors, we know there are dentists, health care workers that have communicated this disease while wearing this paraphenalia and have obtained this disease.

The fact of the matter is, 230 million AIDS viruses will fit on a period at the end of a sentence, and gloves and hospital paraphenalia, the pores in those rubber gloves are much bigger, microscopic, if you look at them through a microscope, they are much bigger than the virus and the virus can very easily go through the paraphenalia, the gloves, and so forth that the hospital health care workers have to wear. So even if a person wears all this paraphenalia and has the AIDS virus, and they are working on a patient in a dentists's office or a doctor's office or a hospital, they can communicate to them and that patient has a right to know that their life may be in jeopardy because an AIDS-infected person is working on them.

We need to amend the Americans With Disabilities Act this year, and I hope my colleagues will assist us.

Mr. DANNEMEYER. I thank my colleague for yielding this time and I thank the gentleman again for this special order.

Mr. BURTON of Indiana. I thank the gentleman for participating. I think at some point in the future the people of this Nation will realize the service that he has performed in trying to bring to the attention of this Nation the problem of AIDS and how we are dealing with it, the ineffective way we are dealing with it.

Let me conclude by saying that we now are seeing a progression toward the realization that there are many ways to get AIDS that we did not believe were possible just a few short years ago. Because of that, we have to start doing things to protect this population. A lot of people have been sentenced to death, if you will, because we have not taken this action before now.

□ 1740

But it is not too late for many millions of other human beings in this country who have not yet contracted this AIDS virus, but who very well may, if we do not start taking steps to protect them. Those steps should include a comprehensive program to deal with the AIDS virus; education, to be sure; blood testing, routine testing, to be sure; contact tracing, to find out if a person who has been discovered to have AIDS is not spreading it to another person after being told they have that virus. We need to find out how and to whom they are spreading it. We need to have psychological help for those who have AIDS, because it is a tremendous burden for a person to carry.

Finally, for those who continue to spread the AIDS virus, knowing they have it, it is as bad, or maybe even worse, than shooting someone with a gun. They need to be constrained in some way. We need to have laws to protect the public from people who want to go out and say, "Because I have AIDS and know I am going to die in a few short years, I am going to take as many of you with me as I possibly can." There are those that have that attitude. Just like a person with a gun who goes to shoot someone, the population needs to be protected from them.

Mr. Speaker, I would like to conclude by saying this is just another episode or chapter in the ongoing debate on how to deal with the AIDS pandemic. You may rest assured, as long as I am in Congress, I will be back periodically to talk about this problem.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. HALLEN, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title.

H. Con. Res. 157. Concurrent resolution providing for an adjournment of the House from May 23, 1991 to May 29, 1991, and an adjournment of the Senate from May 23 or May 24, 1991 to June 3, 1991.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BROWDER (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. MCCOLLUM (at the request of Mr. MICHEL), for today, on account of attending the Base Closing Commission meeting in Jacksonville, FL.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, on May 30.

Mr. BURTON of Indiana, for 60 minutes each day, on June 4, 5, 6, 11, 12, and 13.

Mr. GUNDERSON, for 60 minutes each day, on May 29 and 30.

(The following Members (at the request of Mr. TAYLOR of Mississippi) to revise and extend their remarks and include extraneous material:)

Mr. CLEMENT, for 5 minutes, today.

Mr. PELOSI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BROWN, for 60 minutes, on May 30.

Mr. EDWARDS of California, for 60 minutes, on May 28.

Ms. COLLINS of Illinois, for 60 minutes each day, on May 28, 29, 30, 31, and June 1 and 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous matter:)

Mr. SOLOMON.
Mr. WELDON.
Mr. VANDER JAGT.
Mr. MICHEL.
Mr. OXLEY.
Mr. CAMP.
Mr. RAMSTAD.
Mr. RHODES.
Mr. STUMP.
Mr. LIVINGSTON.
Mr. BLILEY.
Mr. HASTERT.
Mr. MCEWEN.
Mr. GOODLING.
Mr. GRANDY in two instances.
Mr. BALLENGER.
Mr. BILIRAKIS.
Mr. GALLO.

(The following Members (at the request of Mr. TAYLOR of Mississippi) and to include extraneous matter:)

Mr. VENTO.
Mr. MATSUI in two instances.
Mr. REED.
Mr. HARRIS.
Mr. BEILENSON.
Mr. MONTGOMERY.
Mr. MURTHA.
Mr. PEASE in two instances.
Mr. DELLUMS.
Mr. LANTOS.
Mr. ROSE.
Mr. TALLON.
Mr. TRAXLER.
Mr. FAZIO.
Mr. DELUGO.
Mr. GUARINI.
Mr. SLATTERY.
Mr. JOHNSON of South Dakota.
Mr. WOLPE.
Mrs. LOWEY of New York in four instances.
Mr. STUDDS.
Mr. KOLTER.
Mr. STARK.
Mr. MOODY.

SENATE BILLS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 929. An act to authorize the Secretary of the Interior and the Secretary of Agriculture to undertake interpretive and other programs on public lands and lands withdrawn from the public domain under their jurisdiction, and for other purposes; to the Committees on Agriculture, Interior and Insular Affairs, and Post Office and Civil Service.

S.J. Res. 49. Joint resolution to designate 1991 as the "Year of Public Health" and to recognize the 75th anniversary of the founding of the John Hopkins School of Public Health; to the Committee on Post Office and Civil Service.

S.J. Res. 111. Joint resolution marking the 75th anniversary of chartering by Act of Congress of the Boy Scouts of America; to the Committee on the Judiciary.

ADJOURNMENT

Mr. CARPER. Mr. Speaker, pursuant to House Concurrent Resolution 157, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 157, the House stands adjourned until 12 noon, Wednesday, May 29, 1991.

Thereupon (at 5 o'clock and 49 minutes p.m.) pursuant to House Concurrent Resolution 157, the House adjourned until Wednesday, May 29, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1359. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting a draft of proposed legislation entitled, "Technical Assistance Revolving Fund"; to the Committee on Education and Labor.

1360. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1361. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the financial audit for the fiscal year ended August 31, 1990, together with the auditor's opinion, pursuant to 36 U.S.C. 1101(47), 1103; to the Committee on the Judiciary.

1362. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the Land and Water Conservation Fund Act of 1965, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FASCELL: Committee on Foreign Affairs. H.R. 26. A bill to require the Federal depository institution regulatory agencies to take additional enforcement actions against depository institutions engaging in money laundering, and for other purposes; with an amendment (Rept. 102–28, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 2312. A bill to make certain technical and conforming amendments to the Follow Through Act and the Head Start Transition Project Act. (Rept. 102–76). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 2313. A bill to amend the School Dropout Demonstration Assistance Act of 1988 to extend authorization of appropriations through fiscal year 1993 and for other purposes (Rept. 102–77). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALL of Ohio: Committee on Rules. House Resolution 159. Resolution waiving certain points of order during consideration of H.R. 2426. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102–78). Referred to the House Calendar.

Mr. FROST: Committee on Rules. House Resolution 160. Resolution waiving points of order during consideration of H.R. 2427, a bill making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102–79). Referred to the House Calendar.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1006. A bill to authorize appropriations for fiscal year 1992 for the Federal Maritime Commission, and for other purposes (Rept. 102–80). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON BILLS SEQUENTIALLY REFERRED

Under clause 5 of Rule X, the following action was taken by the Speaker:

H.R. 26. The Committee on the Judiciary discharged from further consideration of H.R. 26; H.R. 26 referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PURSELL (for himself, Mr. Camp, Mr. Stokes, Ms. Oakar, Mrs. Meyers of Kansas, Mr. Wolf, Mrs. Collins of Illinois, Mrs. Bentley, Mr. Machtley, Mr. Hoyer, Mr. Fazio, Mr. Weber, Mr. Cunningham, Mr. Henry, Mr. Santorum, Mr. Houghton, Mr. Allard, Mr. Zeliff, Mr. Coble, Mr. Davis, Mr. Regula, Mr. Green of New York, Mr. Roybal, Ms. Pelosi, Mr. Slaughter of Virginia, Mrs. Johnson of Connecticut, Mr. Boehlert, Ms. Slaughter of New York, Mr. Armey, Mr. Schaefer, Mr. Hastert, Mr. Clinger, and Ms. Ros-Lehtinen):

H.R. 2447. A bill to amend the Public Health Service Act to redesignate the National Center for Nursing Research as the National Institute of Nursing Research; to the Committee on Energy and Commerce.

By Mr. WELDON (for himself, Mr. Gray, Mr. Gonzalez, Mr. Wylie, Mr. Walker, Mr. Boehlert, Mr. Valentine, Mr. Ackerman, Mr. Bryant, Mr. Camp, Mr. Carper, Mr. Coble, Mr. Dwyer of New Jersey, Mr. Erdreich, Mr. Fazio, Mr. Gallegly, Mr. Gilman, Mr. Grandy, Mr. Guarini, Mr. Hochbrueckner, Mr. Horton, Mr. Hughes, Mr. Jenkins, Mr. Jontz, Ms. Kaptur, Mr. Kopetski, Mr. LaFalce, Mr. Lancaster, Mr. Lent, Ms. Long, Mr. McNulty, Mr. Mineta, Ms. Molinari, Mrs. Morella, Mr. Pallone, Mr. Paxon, Mr. Payne of Virginia, Mr. Perkins, Mr. Quillen, Mr. Ramstad, Mr. Rangel, Mr. Walsh, Mr. Costello, Mr. Bilbray, Mr. Andrews of New Jersey, Mr. Murtha, Mr. Foglietta, Mr. Harris, Mr. Hayes of Louisiana, Mr. Tanner, Mr. Anthony, Mr. Weber, Mr. Santorum, Mr. Rhodes, Mr. Ravenel, Mr. Campbell of California, Mr. Armey, Mr. Ballenger, Mr. James, Mr. Upton, Mr. Barton of Texas, Mr. Ritter, Mr. Emerson, Mr. Hancock, Mr. Henry, Mr. McDade, Mr. Clinger, Mr. Slaughter of New York, Mr. Miller of Ohio, Mr. Schaefer, Mr. Gallo, Mr. Hansen, Mr. Packard, Mr. Lagomarsino, Mr. Young of Florida, Mr. Livingston, Mr. Callahan, Mr. Jones of Georgia, Mr. Poshard, Mr. Hastert, Mr. Duncan, Mr. Broomfield, Mr. Saxton, Mr. Hefley, Mr. Dreier of California, Mr. Cunningham, Mr. Moakley, Mr. Aspin, Mr. Lewis of Georgia, Mr. Darden, Mr. Borski, Mr. Hoyer, Mr. Ridge, Mr. Kasich, and Mr. Burton of Indiana):

H.R. 2448. A bill to provide for the minting of coins in commemoration of Benjamin Franklin and to enact a fire service bill of rights; jointly, to the Committees on Banking, Finance and Urban Affairs and Science, Space and Technology.

By Mr. BROWN (for himself, Mr. McCurdy, Mr. Walker, Mr. Scheuer, Mr. Hall of Texas, and Mr. Packard):

H.R. 2449. A bill to encourage the uninterrupted continuation of the Landsat remote-sensing satellite program, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. HUGHES (for himself and Mr. Moorhead):

H.R. 2450. A bill to amend title 28, United States Code, to provide for Federal jurisdiction of certain multiparty, multiforum, civil actions; to the Committee on the Judiciary.

By Mr. MARKEY (for himself, Mr. Bilirakis, Mr. Scheuer, and Mr. Studds):

H.R. 2451. A bill to provide for energy conservation standards for certain lamps, showerheads, faucets, and commercial and industrial heating and cooling equipment and electric motors, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MARKEY (for himself, Mr. Machtley, Mr. Synar, and Mr. Fazio):

H.R. 2452. A bill to amend the National Energy Conservation Policy Act to provide for additional energy conservation measures at all Federal agencies; to the Committee on Energy and Commerce.

By Mr. CHANDLER (for himself, Mrs. Johnson of Connecticut, Mr. Gradison, Mr. Grandy, Mr. Gingrich, Mr. Morrison, Mr. Miller of Washington, Mr. Sundquist, Mr. Slaughter of Virginia, Mr. McMillan of North Carolina, Mr. Taylor of North Carolina, and Mr. Roberts):

H.R. 2453. A bill to exempt certain small employer purchasing groups from certain requirements of State laws relating to health benefit plans and to amend the Internal Revenue Code of 1986 to equalize tax benefits for self-employed persons participating in such groups; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. DINGELL (for himself, Mr. Bliley, Mr. Waxman, Mr. Lent, Mr. Scheuer, Mr. Moorhead, Mr. Markey, Mr. Rinaldo, Mr. Swift, Mr. Dannemeyer, Mrs. Collins of Illinois, Mr. Ritter, Mr. Synar, Mr. Tauzin, Mr. Fields, Mr. Wyden, Mr. Oxley, Mr. Hall of Texas, Mr. Bilirakis, Mr. Eckart, Mr. Schaefer, Mr. Richardson, Mr. Barton of Texas, Mr. Slattery, Mr. Callahan, Mr. Sikorski, Mr. McMillan of North Carolina, Mr. Bryant, Mr. Hastert, Mr. Boucher, Mr. Holloway, Mr. Cooper, Mr. Upton, Mr. Bruce, Mr. Rowland, Mr. Manton, Mr. Towns, Mr. Studds, Mr. Kostmayer, Mr. Lehman of California, Mr. Harris, and Mr. Sharp):

H.R. 2454. A bill to authorize the Secretary of Health and Human Services to impose debarments and other penalties for illegal activities involving the approval of abbreviated drug applications under the Federal Food, Drug, and Cosmetic Act, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DORGAN of North Dakota (for himself, Mr. Grandy, Mr. Stallings, and Mr. Crane):

H.R. 2455. A bill to amend the Trade Act of 1974 to strengthen the United States' ability to respond to foreign trade practices that threaten U.S. commerce; to the Committee on Ways and Means.

By Mr. GREEN of New York:

H.R. 2456. A bill to prohibit government-to-government and commercial arms sales to any country that is participating in or cooperating with the economic boycott of Israel; to the Committee on Foreign Affairs.

H.R. 2457. A bill to amend title 18, United States Code, to require that persons comply with State and local firearms licensing laws before receiving a Federal license to deal in firearms; to the Committee on the Judiciary.

By Mr. GUARINI:

H.R. 2458. A bill to amend the Internal Revenue Code of 1986 to provide that certain indebtedness will not be treated as home equity indebtedness for purposes of the limitations on the deductibility of personal interest; to the Committee on Ways and Means.

By Mr. HERGER:

H.R. 2459. A bill to amend the Forest and Rangeland Renewable Planning Act of 1974 to provide for the salvage of catastrophically damaged National Forest System timber, and for other purposes; to the Committee on Agriculture.

By Mr. MICHEL (for himself, Mr. Goodling, Mr. Pursell, Mr. Gingrich, Mr. Lewis of California, Mr. Edwards of

Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. WEBER, Mr. COLEMAN of Missouri, Mr. PETRI, Mr. GUNDERSON, Mr. ARMEY, Mr. HENRY, Mr. BALLENGER, Mr. BARRETT, Mr. BOEHNER, Mr. KLUG, Mr. DICKINSON, Mr. SOLOMON, Mrs. VUCANOVICH, Mr. REGULA, Mr. FRANKS of Connecticut, Mr. CUNNINGHAM, Mr. KASICH, Mr. RITTER, Mr. ROBERTS, Mr. SUNDQUIST, Mr. DOOLITTLE, Mr. SANTORUM, Mr. SKEEN, Mr. SHAW, Mr. BROOMFIELD, Mr. DREIER of California, Mr. DORNAN of California, Mr. HAMMERSCHMIDT, Mr. GILCHREST, Mr. OXLEY, Mr. LAGOMARSINO, Mr. RIGGS, Mr. UPTON, Mr. MCMILLAN of North Carolina, Mr. BAKER, Mr. INHOFE, Mr. MOORHEAD, Mr. MCCRERY, Mr. SENSENBRENNER, Mr. KYL, Mr. SLAUGHTER of Virginia, Ms. ROS-LEHTINEN, Mr. ZELIFF, Mr. KOLBE, Mr. RHODES, Mr. CLINGER, Mr. GRADISON, and Mr. MILLER of Washington):

H.R. 2460. A bill to help the Nation achieve the National Education Goals by supporting the creation of a new generation of American Schools in communities across the country; rewarding schools that demonstrate outstanding gains in student performance and other progress toward the National Education Goals; creating academies to improve leadership and core-course teaching in schools nationwide; supporting State and local efforts to attract qualified individuals to teaching and educational administration; providing States and localities with statutory and regulatory flexibility in exchange for greater accountability for student learning; encouraging, testing, and evaluating educational choice programs; increasing the potential usefulness of the National Assessment of Education Progress to State and local decision-makers; expanding Federal support for literacy improvements; and for other purposes; to the Committee on Education and Labor.

By Mr. HOCHBRUECKNER:

H.R. 2461. A bill to authorize the Secretary of the Army to conduct a study of the feasibility of modifying the project for navigation located at Lake Montauk Harbor, NY, for the purpose of making navigation improvements to that project; to the Committee on Public Works and Transportation.

By Mr. HOLLOWAY (for himself, Mr. LIVINGSTON, Mr. TAUZIN, Mr. MCCRERY, Mr. HUCKABY, Mr. BAKER, and Mr. HAYES of Louisiana):

H.R. 2462. A bill to facilitate the employment of certain Public Health Service employees by the Bureau of Prisons at the Gillis W. Long Hansen's Disease Center, and for other purposes; jointly, to the Committees on Post Office and Civil Service and the Judiciary.

By Mr. HUCKABY (for himself, Mr. SWIFT, Mr. DICKS, Mr. CHANDLER, Mr. HATCHER, Mr. SMITH of Oregon, Mr. HERGER, Mr. MURPHY, Mr. YOUNG of Alaska, Mr. DOOLITTLE, and Mr. HOLLOWAY):

H.R. 2463. A bill to provide for the protection and management of ecologically-significant old growth forest on certain national forest lands and public domain lands in the State of Washington, Oregon, and California; to ensure the conservation of the Northern Spotted Owl and protection of other species associated with old growth forest on such lands; to provide economic adjustment grants and benefit payments to communities and workers economically dependent on such lands; to facilitate the implementation of land management plans for such lands and Federal lands elsewhere; to ensure a stable and predictable supply of commodity resources from, and the stability of communities dependent on, Federal lands; and, for other purposes; jointly, to the Committees on Agriculture, Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mr. JENKINS (for himself, Mr. STUMP, Mr. KYL, Mr. MATSUI, Mr. RHODES, Mr. SLATTERY, Mr. LIVINGSTON, Mr. MCCRERY, Mr. HUNTER, Mr. BARNARD, Mr. MCCOLLUM, Mr. PACKARD, Mr. FASCELL, Mr. LANCASTER, Mr. CUNNINGHAM, Mr. HARRIS, Mr. JACOBS, Mr. COX of California, Mr. GLICKMAN, Mr. SUNDQUIST, Mr. COLEMAN of Texas, Mr. JONES of Georgia, Mr. CHANDLER, Mr. KOLBE, Mr. IRELAND, Mr. BREWSTER, Mr. GEREN of Texas, Mr. JEFFERSON, and Mr. HOLLOWAY):

H.R. 2464. A bill to amend the Internal Revenue Code of 1986 to clarify that certain activities of a charitable organization in operating an amateur athletic event do not constitute unrelated trade or business activities; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 2465. A bill to authorize the Secretary of Transportation to carry out a highway bridge demonstration project in the Vermillion, SD-Newcastle, NE area to improve the flow of traffic between the States of Nebraska and South Dakota; to the Committee on Public Works and Transportation.

By Mr. LAUGHLIN:

H.R. 2466. A bill to ratify a memorandum of agreement concerning the cooperative management of public lands included within the National Wildlife Refuge System on Matagorda Island, TX and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. OWENS of New York:

H.R. 2467. A bill to establish the National Institute for the Education of At-Risk Students; to the Committee on Education and Labor.

By Mr. PEASE:

H.R. 2468. A bill regarding the extension of most-favored-nation treatment to the products of the People's Republic of China, and for other purposes; to the Committee on Ways and Means.

By Mr. ROGERS:

H.R. 2469. A bill to require a study relating to the decennial census of population; to the Committee on Post Office and Civil Service.

By Mr. SENSENBRENNER:

H.R. 2470. A bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement account; to the Committee on Ways and Means.

By Mr. TAYLOR of North Carolina:

H.R. 2471. A bill entitled "Craggy Mountain Wilderness Act of 1991"; jointly, to the Committee on Interior and Insular Affairs and Agriculture.

By Mr. TRAFICANT:

H.R. 2472. A bill to require an investigation of Internal Revenue Service abuse of taxpayer's rights; to the Committee on Ways and Means.

By Mr. WISE (for himself and Mr. MOLLOHAN):

H.R. 2473. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to maintain the Federal percentage of funding, to limit the use of discretionary grant funds and to establish Bureau advisory committees; to the Committee on the Judiciary.

By Mr. ENGEL (for himself, Mr. FASCELL, Mr. PANETTA, Mr. RINALDO, Mr. PALLONE, Mr. ANNUNZIO, Mr. FAZIO, Mr. GUARINI, Mr. FUSTER, Mr. GALLO, Mr. KOLTER, Mr. SOLARZ, Mr. CLEMENT, Mr. DORNAN of California, Mr. VENTO, Mr. MOLLOHAN, Mr. FISH, Ms. MOLINARI, Mr. TRAXLER, Ms. PELOSI, Mr. DOWNEY, Mr. TORRICELLI, Mr. FEIGHAN, Mr. VANDER JAGT, Mr. HORTON, Mr. NEAL of Massachusetts, Mr. FALEOMAVAEGA, Mrs. MORELLA, Mr. FOGLIETTA, Mr. WOLF, Mr. WEISS, Mr. CARR, Mr. JEFFERSON, Mr. MCNULTY, Mrs. BOXER, Mr. BENNETT, Mr. MCGRATH, Mr. RANGEL, Mr. MARTINEZ, Mr. ABERCROMBIE, Mr. POSHARD, Mr. MORRISON, Mr. LEVINE of California, Mr. DWYER of New Jersey, Mr. GORDON, Mr. DANNEMEYER, Mr. HUGHES, Mr. LIPINSKI, Mr. PRICE, Ms. KAPTUR, Ms. NORTON, Mr. BONIOR, Mr. MATSUI, Mr. LAGOMARSINO, Mr. TRAFICANT, Mr. RUSSO, Mr. DEFAZIO, Mr. LAFALCE, Mr. MACHTLEY, Mr. SCHEUER, Mr. BILBRAY, Mr. SANGMEISTER, Mr. REED, Mr. BLAZ, Mr. JONTZ, Mr. KENNEDY, Mr. BEVILL, Mr. ROE, Mr. HARRIS, Mr. MCDADE, Mr. TOWNS, Mr. MCCOLLUM, Mr. DOOLITTLE, Mr. MAVROULES, and Mr. EMERSON):

H.J. Res. 260. Joint resolution designating October 1991 as "Italian-American Heritage and Culture Month"; to the Committee on Post Office and Civil Service.

By Mr. MOODY (for himself, Mr. PORTER, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ATKINS, Mr. BENNETT, Mr. BOUCHER, Mr. BEILENSON, Mrs. BOXER, Mr. CARPER, Mr. CLEMENT, Mr. DELLUMS, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DURBIN, Mr. FASCELL, Mr. FAZIO, Mr. FISH, Mr. FOGLIETTA, Mr. GEJDENSON, Mr. GILMAN, Mr. GREEN of New York, Mr. GUARINI, Mr. HATCHER, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HUGHES, Mrs. JOHNSON of Connecticut, Mr. JOHNSTON of Florida, Mr. JONTZ, Ms. KAPTUR, Mr. KENNEDY, Mr. KLECZKA, Mr. KOSTMAYER, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LEWIS of California, Mr. LAGOMARSINO, Ms. LONG, Mrs. LOWEY of New York, Mr. MACHTLEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MCDERMOTT, Mr. MFUME, Mrs. MORELLA, Mr. MRAZEK, Mrs. MEYERS of Kansas, Mrs. PATTERSON, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PRICE, Mr. RANGEL, Mr. RICHARDSON, Ms. SLAUGHTER of New York, Mr. SMITH of Florida, Mr. SMITH of Texas, Ms. SNOWE, Mr. VENTO, Mr. WAXMAN, and Mr. WYDEN):

H.J. Res. 261. Joint resolution designating the week beginning October 20, 1991, as "World Population Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. GEPHARDT:

H. Con. Res. 157. Concurrent resolution providing for an adjournment of the House from May 23, 1991 to May 29, 1991, and an adjournment of the Senate from May 23 or May 24, 1991 to June 3, 1991; considered and agreed to.

By Mr. MICHEL (for himself, Mr. LAGOMARSINO, and Mr. SOLARZ):

H. Con. Res. 158. Concurrent resolution authorizing the use of the rotunda of the Capitol by the National League of POW/MIA Families for a ceremony to honor the members of the Armed Services and civilians still imprisoned, missing, and unaccounted for as a result of the Vietnam conflict; to the Committee on House Administration.

By Mr. ROHRABACHER (for himself and Mr. RICHARDSON):

H. Con. Res. 159. Concurrent resolution expressing the sense of the Congress regarding further democratic reforms in Nicaragua; to the Committee on Foreign Affairs.

By Mr. SWIFT (for himself, Mr. DEFAZIO, Mr. HUGHES, Mr. LANCASTER, and Mr. SYNAR):

H. Res. 161. Resolution relating to unfair practices in international trade resulting from differing national environmental policies, standards, and controls; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

136. By the SPEAKER: Memorial of the Senate of the State of Washington, relative to the Whidbey Island Naval Air Station; to the Committee on Armed Services.

137. Also, memorial of the Senate of the State of Washington, relative to prisoners of war; to the Committee on Government Operations.

138. Also, memorial of the Legislature of the State of Hawaii, relative to the Hawaiian Home Lands Trust and the Public Lands Trust; to the Committee on Interior and Insular Affairs.

139. Also, memorial of the General Assembly of the State of Illinois, relative to the insurance business; to the Committee on the Judiciary.

140. Also, memorial of the House of Representatives of the State of Illinois, relative to urging the Congress to reject H.R. 9 and S. 430; to the Committee on the Judiciary.

141. Also, memorial of the Senate of the State of Florida, relative to the Surface Transportation Assistance Act; to the Committee on Public Works and Transportation.

142. Also, memorial of the General Assembly of the State of New Jersey, relative to the Congress providing funding to the Alliance for Coastal Engineering at Stevens Institute of Technology; to the Committee on Science, Space, and Technology.

143. Also, memorial of the General Assembly of the State of California, relative to civil rights; to the Committee on Veterans' Affairs.

144. Also, memorial of the Legislature of the State of Hawaii, relative to providing tax credits to motorists who use liquefied petroleum gas; to the Committee on Ways and Means.

145. Also, memorial of the Legislature of the State of Hawaii, relative to civil rights; jointly, to the Committees on the Judiciary and Education and Labor.

146. Also, memorial of the Legislature of the State of Hawaii, relative to civil rights; jointly, to the Committees on the Judiciary and Education and Labor.

147. Also, memorial of the Senate of the State of Nebraska, relative to wetlands; jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 98: Mr. LEHMAN of California, Mr. ORTIZ, Mr. BAKER, Mr. WEISS, Mr. STALLINGS, Mr. GALLEGLY, Mr. ABERCROMBIE, Mr. MARTINEZ, Mr. MATSUI, Mr. HORTON, Mr. HANSEN, Mrs. UNSOELD, Mr. STOKES, Mr. CALLAHAN, Mr. RINALDO, Mr. HENRY, Mr. HAYES of Illinois, Mr. KYL, Mr. BEREUTER, Mr. MCCOLLUM, Mr. OLIN, Mr. ROHRABACHER, Mr. OXLEY, Mr. INHOFE, Mr. KILDEE, Mr. APPLEGATE, Mr. MCDADE, Mr. ACKERMAN, Mr. ANDERSON, Mr. LEACH, Mr. BOEHLERT, Mr. YATRON, Mr. MCMILLAN of North Carolina, Mr. MCEWEN, Ms. WATERS, Mr. TRAFICANT, Mr. DE LA GARZA, Mr. HALL of Texas, Mr. TORRES, Mr. ROBERTS, and Mr. BERMAN.

H.R. 114: Mr. ECKART and Mrs. LOWEY of New York.

H.R. 118: Mr. MACHTLEY and Mr. HAMMERSCHMIDT.

H.R. 124: Mr. ROWLAND.

H.R. 127: Mr. ROSE.

H.R. 179: Mr. PICKETT and Mr. BOUCHER.

H.R. 300: Ms. MOLINARI.

H.R. 303: Mr. MARLENEE.

H.R. 306: Mr. MOODY.

H.R. 310: Mr. LEWIS of Florida and Mr. HORTON.

H.R. 316: Mr. KENNEDY and Mr. MARTINEZ.

H.R. 317: Mr. UPTON and Mr. TAYLOR of Mississippi.

H.R. 331: Mr. GILCHREST.

H.R. 371: Mr. LIVINGSTON.

H.R. 392: Mr. KLUG.

H.R. 394: Mrs. MORELLA, Mr. MARTINEZ, Mr. PAYNE of Virginia, Mr. RICHARDSON, Mr. HUBBARD, Mr. MCNULTY, Mr. DELLUMS, Mr. MFUME, Mr. SAVAGE, Mr. POSHARD, Mr. HOCHBRUECKNER, Mr. GLICKMAN, Mr. NAGLE, Mr. HARRIS, Mr. ERDREICH, Mr. BRUCE, and Mr. FAZIO.

H.R. 413: Mr. GAYDOS, Mr. CONYERS, Mr. BORSKI, Mr. BROWDER, Mr. COX of Illinois, Mr. SAVAGE, Mr. SAXTON, and Mr. POSHARD.

H.R. 430: Mr. RAVENEL, Mr. HANCOCK, and Mr. BROOMFIELD.

H.R. 461: Mr. TAYLOR of Mississippi, Mr. JACOBS, Mr. SANGMEISTER, and Mr. RHODES.

H.R. 516: Mr. KOPETSKI.

H.R. 524: Mr. HOCHBRUECKNER and Mr. JOHNSTON of Florida.

H.R. 565: Mr. WYLIE, Mr. HAMILTON, Mr. RITTER, Mr. SAXTON, Mr. HUCKABY, Mr. CLINGER, Mr. ANDREWS of Texas, Mr. KLUG, Mr. PICKETT, and Mr. LEVINE of California.

H.R. 617: Mr. GILCHREST.

H.R. 709: Mr. HARRIS, Mr. KOPETSKI, and Mr. BLAZ.

H.R. 747: Mr. LEHMAN of Florida, Mr. PALLONE, Mr. DURBIN, Mr. SCHIFF, Mr. HASTERT, Mrs. VUCANOVICH, Mr. WISE, Mr. SMITH of New Jersey, Mr. OLIN, Mr. HANSEN, Mr. SLAUGHTER of Virginia, Mr. FRANK of Massachusetts, Mr. HORTON, Mr. DERRICK, Mr. RAHALL, Mr. CLINGER, Mrs. BYRON, Mr. MILLER of Ohio, Mr. ROSE, Mr. MOLLOHAN, and Mr. HENRY.

H.R. 774: Mr. MFUME.

H.R. 791: Mr. HAYES of Illinois.

H.R. 802: Mr. GILCHREST.

H.R. 821: Mr. SLATTERY, Mr. DELLUMS, and Ms. COLLINS of Michigan.

H.R. 830: Mr. BRUCE and Mr. RITTER.

H.R. 849: Mr. PAYNE of New Jersey.

H.R. 917: Mr. BROWDER, Mr. ORTIZ, Mr. FRANKS of Connecticut, Mr. BRYANT, Mr. ROEMER, and Mr. BOEHNER.

H.R. 951: Mr. CHAPMAN, Mr. ARMEY, Mr. LANCASTER, Mr. PICKETT, Mr. DICKS, and Mr. GINGRICH.

H.R. 954: Mr. BORSKI, Mr. LIGHTFOOT, and Mr. MILLER of Washington.

H.R. 955: Mr. BORSKI, Mr. LIGHTFOOT, and Mr. MILLER of Washington.

H.R. 956: Mr. BORSKI, Mr. LIGHTFOOT, Mr. MILLER of Washington, and Mr. GREEN of New York.

H.R. 958: Mr. BORSKI, Mr. LIGHTFOOT, Mr. MILLER of Washington, Mr. GREEN of New York, and Ms. KAPTUR.

H.R. 967: Mr. SCHULZE and Mr. PETERSON of Florida.

H.R. 977: Ms. NORTON.

H.R. 999: Mr. EVANS.

H.R. 1064: Mr. LUKEN.

H.R. 1077: Mr. CAMP.

H.R. 1084: Mr. SERRANO.

H.R. 1112: Mr. FRANK of Massachusetts.

H.R. 1113: Mr. PRICE.

H.R. 1115: Mr. LANCASTER.

H.R. 1135: Mr. KOLTER.

H.R. 1145: Mr. COX of California.

H.R. 1147: Mr. BENNETT, Mr. JONES of North Carolina, Mr. EMERSON, Mr. SMITH of New Jersey, Mr. RAMSTAD, and Mr. GINGRICH.

H.R. 1149: Mr. OWENS of Utah.

H.R. 1287: Mr. CLINGER.

H.R. 1325: Mr. BEREUTER.

H.R. 1346: Mr. JEFFERSON and Mr. ROSE.

H.R. 1348: Mr. ATKINS, Mr. MARTINEZ, Mr. STEARNS, Mr. RAY, Mr. CHANDLER, Mr. MRAZEK, Mr. HERGER, Mr. TRAFICANT, Mr. HANSEN, Mr. RANGEL, and Mr. CAMPBELL of California.

H.R. 1360: Mrs. COLLINS of Illinois, Mr. RHODES, and Mr. SCHEUER.

H.R. 1364: Mr. DORGAN of North Dakota, Mr. MILLER of California, Ms. KAPTUR, Mr. BROWN, Mr. COLEMAN of Texas, Mr. REED, Mr. WOLPE, Mr. VALENTINE, Mr. CONYERS, Mr. GRAY, Mr. TRAXLER, and Mr. HYDE.

H.R. 1365: Mr. MILLER of California and Mr. RAVENEL.

H.R. 1408: Mrs. MEYERS of Kansas.

H.R. 1413: Mr. ARCHER and Mr. DANNEMEYER.

H.R. 1414: Mr. GUARINI and Mr. HAMMERSCHMIDT.

H.R. 1418: Mr. RAMSTAD, Mr. PETERSON of Minnesota, Mr. SANTORUM, and Mr. ZELIFF.

H.R. 1422: Mr. MILLER of Ohio Ms. PELOSI, Mr. MCDERMOTT, Mr. FROST, and Mr. MFUME.

H.R. 1426: Mr. LANCASTER and Mr. TALLON.

H.R. 1432: Mr. FROST, Mr. LANCASTER, and Mr. FAZIO.

H.R. 1456: Mr. COX of California, Mr. RHODES, Mr. HALL of Ohio, Mr. PAYNE of Virginia, Mr. BOEHNER, Mr. PETERSON of Flordia, Mr. BUSTAMANTE, Mr. WILLIAMS, Mr. KLUG, Mr. CRAMER, Mr. SANGMEISTER, Mr. PRICE, and Mr. ROEMER.

H.R. 1466: Mr. FUSTER, Mr. WILLIAMS, Mrs. UNSOELD, and Mr. FAZIO.

H.R. 1467: Mr. VENTO, Mr. HUCKABY, Mrs. LOWEY of New York, Mr. BRYANT, Mr. TRAXLER, Mrs. UNSOELD, Mr. MCGRATH, and Mr. OWENS of New York.

H.R. 1478: Mr. PETERSON of Florida.

H.R. 1495: Mr. THOMAS of Wyoming, Mr. BARNARD, and Mr. LEWIS of California.

H.R. 1524: Mr. ABERCROMBIE, Mr. ROSE, Mr. FOGLIETTA, Mrs. LOWEY of New York, Mr. TOWNS, Mrs. MINK, Mr. MILLER of California, Mr. HUGHES, Mr. DE LUGO, Mr. BILBRAY, Mr. NEAL of Massachusetts, Mr. HORTON, Mr. DIXON, Mr. FRANK of Massachusetts, Mr. ROE, Mrs. UNSOELD, Mrs. LLOYD, Mr. RANGEL, Ms. LONG, Mr. YATES, Mr. SIKORSKI, Mr. SANGMEISTER, Mr. VENTO, Mrs. COLLINS of Illinois, Mr. ROGERS, Mr. PAYNE of New Jersey, Mr. JONTZ, Mr. SMITH of Oregon, Mr. SOLOMON, Mr. ANDREWS of New Jersey, and Mr. NAGLE.

H.R. 1531: Mr. BLAZ, Mr. FROST, and Mr. MYERS of Indiana.

H.R. 1544: Mr. FISH.

H.R. 1570: Mr. CARPER, Ms. PELOSI, Mr. FORD of Tennessee, Mr. FRANK of Massachusetts, Mr. JOHNSON of South Dakota, and Mr. CRAMER.

H.R. 1599: Mrs. COLLINS of Michigan, Mr. DANNEMEYER, Mr. PACKARD, Mr. DAVIS, Mr. CUNNINGHAM, Ms. KAPTUR, Mr. HERTEL, and Mr. WOLPE.

H.R. 1605: Mr. BORSKI, Mr. LIGHTFOOT, Mr. MILLER of Washington, Mr. GREEN of New York, and Ms. KAPTUR.

H.R. 1649: Ms. DELAURO, Mr. CONDIT, and Mr. CAMP.

H.R. 1652: Mr. Kolbe.

H.R. 1662: Mr. SERRANO, Mr. TORRES, and Mr. WAXMAN

H.R. 1669: Mr. RUSSO.

H.R. 1771: Mr. APPLEGATE, Mr. FAZIO, Mr. FEIGHAN, Mr. GUARINI, Mr. HERGER, Mr. HOCHBRUECKNER, Mr. KLECZKA, Mr. LIPINSKI, Mr. MARTINEZ, Mr. MAZZOLI, and Mr. PERKINS.

H.R. 1774: Mr. WALSH and Mr. PAYNE of New Jersey.

H.R. 1782: Mr. OWENS of Utah, Mr. EVANS, Mr. LEWIS of Florida, Mr. HERTEL, Mr. RAY, Mr. FAZIO, Mr. BENNETT, Mrs. COLLINS of Michigan, Mr. FROST, Mr. GIBBONS, Mr. HOUGHTON, Mr. HUCKABY, Mr. MARKEY, Mrs. SCHROEDER. Mr. DELLUMS, Mr. MCMILLAN of North Carolina, Mr. JEFFERSON, Mr. COLEMAN of Texas, Mr. DE LA GARZA, Mr. DICKS, Mr. FORD of Michigan, Mr. GONZALEZ, Mr. BROWN, Mr. COYNE, Mr. DIXON, Mr. GILMAN, Mr. MAZZOLI, Ms. PELOSI, Mr. WALKER, Mr. SANTORUM, Mr. BLILEY, Mr. ENGEL, Mr. HALL of Texas, Mr. MILLER of California, Mr. PICKLE, Mr. GRAY, and Mr. WELDON.

H.R. 1800: Mr. RINALDO.

H.R. 1856: Mr. FRANK of Massachusetts, Mrs. KENNELLY, and Mr. RANGEL.

H.R. 1890: Mr. KOPETSKI and Mr. LAROCCO.

H.R. 1970: Mr. MCNULTY.

H.R. 1992: Mr. DARDEN, Mr. LAGOMARSINO, Mr. SOLOMON, and Mr. THOMAS of Georgia.

H.R. 2011: Mr. RITTER, Mr. BROWN, and Mr. WALKER.

H.R. 2012: Mr. GALLEGLY, Mr. ROSE, Mr. BILIRAKIS, and Mr. LANCASTER.

H.R. 2017: Mr. HUGHES.

H.R. 2027: Mr. FORD of Tennessee, Mr. MANTON, and Mr. EVANS.

H.R. 2031: Mr. BEREUTER.

H.R. 2049: Mr. CAMP.

H.R. 2072: Mr. ROBERTS, Mr. NICHOLS, Mr. ESPY, and Mr. THOMAS of Georgia.

H.R. 2099: Ms. NORTON, Mrs. BOXER, Mr. HUGHES, Ms. KAPTUR, Mr. TOWNS, Mr. LENT, and Mr. KENNEDY.

H.R. 2149: Mr. FIELDS and Mr. SANDERS.

H.R. 2177: Mr. MACHTLEY, Mr. ZIMMER, and Mr. OWENS of Utah.

H.R. 2179: Mr. JENKINS, Ms. KAPTUR, Mr. KOLBE, Mr. MONTGOMERY, Mr. KENNEDY, and Mr. HUCKABY.

H.R. 2185: Mr. ANDERSON, Mr. ROBERTS, Mr. YOUNG of Alaska, Mr. MORRISON, Mr. DANNEMEYER, Mr. LIVINGSTON, Mr. ROGERS, Mr. KOLBE, Mr. MARLENEE, Mr. BAKER, Mr. BREWSTER, Mr. HANSEN, Mr. ESPY, Mr. HERGER, Mr. LIGHTFOOT, Mr. ROE, and Mr. SUNDQUIST.

H.R. 2201: Mr. ROE and Mr. TORRICELLI.

H.R. 2231: Mr. SARPALIUS, Mr. RAHALL, Mr. CHAPMAN, and Mr. JONTZ.

H.R. 2232: Mr. PAYNE of Virginia, Mr. MORRISON, Mr. SARPALIUS, Mr. RAHALL, and Mr. JONTZ.

H.R. 2236: Mr. PAYNE of Virginia, Mr. MORRISON, Mr. SARPALIUS, Mr. RAHALL, and Mr. JONTZ.

H.R. 2238: Mr. PAYNE of Virginia, Mr. HARRIS, Mr. UPTON, Mr. MORRISON, Mr. SARPALIUS, Mr. RAHALL, Mr. LAUGHLIN, Mr. LIGHTFOOT, and Mr. JONTZ.

H.R. 2248: Mr. APPLEGATE.

H.R. 2257: Mr. PACKARD, Mr. DELAY, and Mr. DOOLITTLE.

H.R. 2258: Mr. ENGEL, Mr. MORRISON, Ms. PELOSI, and Mr. SERRANO.

H.R. 2279: Mr. ABERCROMBIE.

H.R. 2291: Ms. NORTON and Mr. BUSTAMANTE.

H.R. 2298: Mr. MINETA, Mr. HERGER, Mr. MCCURDY, and Mr. ACKERMAN.

H.R. 2329: Mr. KOSTMAYER, Mr. PALLONE, Mr. SMITH of New Jersey, Mrs. MINK, Mr. LANCASTER, Mr. VALENTINE, and Mr. GEJDENSON.

H.R. 2357: Mr. KENNEDY, Mr. TRAFICANT, and Mr. FROST.

H.R. 2363: Mr. MCMILLEN of Maryland, Mr. MARTINEZ, Mr. SUNDQUIST, and Mr. SERRANO.

H.R. 2378: Ms. PELOSI and Mr. HAYES of Illinois.

H.R. 2404: Mr. FAWELL.

H.R. 2415: Mr. JACOBS.

H.J. Res. 72: Mr. REGULA, Mr. MCHUGH, and Mr. VOLKMER.

H.J. Res. 101: Mr. RHODES, Mr. LIPINSKI, Mr. GEKAS, Mr. KOLTER, Mr. HYDE, and Mr. ARMEY.

H.J. Res. 138: Mr. APPLEGATE, Mr. ATKINS, Mr. CAMPBELL of Colorado, Mr. COOPER, Mr. DE LA GARZA, Mr. DERRICK, Mr. DORNAN of California, Mr. GRAY, Mr. HUNTER, Mr. KENNEDY, Mr. LIPINSKI, Mrs. MORELLA, Mr. NOWAK, Mrs. PATTERSON, Mr. SAVAGE, Mr. SAWYER, Mr. STARK, Mr. SWIFT, Mr. WAXMAN, Mr. WILSON, Mr. WYDEN, Mr. DIXON, Mr. VISCLOSKY, Mr. REED, Mr. BREWSTER, Mrs. MINK, Mr. DE LUGO, Mr. DARDEN, and Mr. BEILENSON.

H.J. Res. 143: Mr. HOBSON, Mr. PURSELL, Mr. COMBEST, Mr. SCHULZE, Mr. MONTGOMERY, Mr. LEWIS of California, Mr. PARKER, Mr. SPENCE, Mr. TAYLOR of Mississippi, and Mr. YOUNG of Alaska.

H.J. Res. 172: Mr. SKAGGS.

H.J. Res. 177: Mr. MARTIN, Mr. RAMSTAD, Mr. RAVENEL, and Mr. ROHRABACHER.

H.J. Res. 181: Mrs. BENTLEY, Mr. KANJORSKI, Mr. KASICH, Mr. HOYER, Mr. MARKEY, and Mr. MURPHY.

H.J. Res. 228: Mr. BLILEY, Mr. MARTINEZ, Ms. LONG, Mr. PICKETT, Mr. AUCOIN, Mr. NUSSLE, Mr. GILMAN, and Mr. LUKEN.

H.J. Res. 232: Mr. HANSEN, Mr. WEISS, Mr. VANDER JAGT, Mr. TALLON, Mr. ACKERMAN, Mr. EMERSON, Mr. HUGHES, Mr. SOLOMON, Ms. NORTON, Mr. POSHARD, Mr. FALEOMAVAEGA, and Mr. TAYLOR of Mississippi.

H.J. Res. 241: Mr. WOLPE, Mr. WALSH, Mr. MINETA, Mr. PAYNE of New Jersey, Mr. LEVIN of Michigan, Mr. COSTELLO, Mr. CAMP, Mr. OBERSTAR, Mr. FORD of Tennessee, Mr. EMERSON, Mr. TAYLOR of Mississippi, and Mr. ACKERMAN.

H.J. Res. 254: Mr. PAYNE of New Jersey, Mr. LAGOMARSINO, Mr. LEWIS of California, Mr. MILLER of Washington, and Mrs. UNSOELD.

H. Con. Res. 81: Mr. UPTON and Mr. HOAGLAND.

H. Con. Res. 96: Mr. WALSH and Mr. HAYES of Louisiana.

H. Con. Res. 144: Mr. KOSTMAYER, Mr. GREEN of New York, Mr. MCDERMOTT, Ms. NORTON, Mr. FRANK of Massachusetts, Mr. LIPINSKI, and Mr. COYNE.

H. Res. 64: Mr. DORNAN of California.

H. Res. 141: Mr. SANTORUM.

H. Res. 142: Mr. SMITH of New Jersey and Mr. PORTER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res 143: Mr. PAXON.

SENATE—*Thursday, May 23, 1991*

(Legislative day of Thursday, April 25, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable PAUL D. WELLSTONE, a Senator from the State of Minnesota.

The PRESIDING OFFICER. Today's prayer will be offered by guest chaplain, Dr. Louis H. Evans, Jr., pastor of the National Presbyterian Church, Washington, DC.

PRAYER

The Reverend Dr. Louis H. Evans, Jr., National Presbyterian Church, Washington, DC, offered the following prayer:

Members of the Senate and friends, let us pray:

Gracious God of all life, You have called Senators of this country to be servants.

All too often, that is exactly how we, the people, treat them. We make impossible demands and criticize them when they do not please us. We seem to delight in bringing them down, making news out of their apparent failings or mistakes.

Give to them a rare wisdom to understand both the problems and the long-range effects of each decision. Grant them strengths to walk tall in the maelstrom of relentless demands.

Bless their families, O God, with time together, with sensitivity, tenderness and laughter at the table, quiet moments to touch, to dream, to reminisce.

Especially bless and heal the Chaplain of this Chamber, the beloved Reverend Richard C. Halverson, who truly has been a careful servant in this Senate.

Give a sense of importance to those who keep the doors secure, who expedite the flow of information, who touch the sometimes noisy and demanding constituents with open ears and helpful responses, for the staffers who find creative alternatives when deadlock seems inevitable.

To these, from whom we demand so much, may we give those seldom heard words, "What can I do for you today?" Thus, fill this Chamber with the aura of camaraderie and collaboration to benefit this land upon which You have bestowed so much, O caring and gracious Providence. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 23, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PAUL D. WELLSTONE, a Senator from the State of Minnesota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WELLSTONE thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein, the time to be equally divided and controlled by the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Utah [Mr. HATCH].

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

AMERICA 2000 EXCELLENCE IN EDUCATION ACT

Mr. KENNEDY. Mr. President, on behalf of Senators PELL, HATCH, KASSEBAUM, and myself, I send a bill to the desk and ask that it be referred to the appropriate committee.

The bill I have just introduced is America 2000, the President's education package. Secretary Alexander indicated that he would have the legislation ready for transmittal before the start of the May recess and he has met his deadline. I commend him and his colleagues at the Department of Education for meeting their target.

I have introduced this legislation by request. I have reservations about some parts of it—especially the plans to turn the chapter 1 program into a voucher and the creation of a choice program that includes private schools. These are complex and controversial ideas that need to be examined very carefully.

However, we all know that our schools are in a state of crisis. We all know the statistics. We all know that our Nation's growth and progress in the future depend on the steps we take to improve our schools today.

Despite years of rhetoric, our schools are not all that much different today than they were in 1983, when the National Commission on Excellence in Education warned us that we were a Nation at risk.

The quality of our schools is not good enough to enable our students to compete with the rest of the world. Rather than treating education as just another political issue and seeking narrow political advantage, we need to put partisan differences aside and get on with the business of improving our schools. I look forward to working closely and cooperatively with the administration in considering the legislation they have submitted.

Some elements of the administration's proposals are similar to ideas that we tried to enact at the end of the last Congress. In particular, merit schools, the teachers' academies, alternative routes to certification, and educational flexibility legislation are all proposals that were approved by the Senate Labor Committee in last year's education bill. I hope we can act quickly on these ideas this year.

My principal concern with the President's proposals, however, is that they do not go far enough to meet the nation's real education needs. We cannot pretend that education reform will be easy or that small, incremental steps will be enough to get us where we need to go.

The most serious omission is the lack of any real commitment in the administration's program to the goal of school readiness. Ensuring that all children are ready to learn when they start school is the Nation's first education goal. Unless we are willing to do what it takes to meet this goal, the chances of meeting the other goals are minimal.

Earlier this month, I introduced S. 911 to make Head Start an entitlement for all eligible children, and to guarantee greater access to basic health care and childhood immunizations. I believe that enacting this legislation is the most important step the Nation can take to meet the school readiness goal.

Yesterday, I introduced several additional bills that address other problems in our schools. The first bill, the Comprehensive Services for Youth Act of 1991, will make 5-year grants to partnerships of local schools and other agencies to provide social services for students in and out of school. Grantees would use administrative funds under this bill to coordinate various services for at-risk students and their families—and make them available in the schools or at other single convenient locations.

The second bill, called the Education USA Act, will provide grants for a comprehensive restructuring of urban and rural schools. Receipt of the funds would be contingent on schools meeting self-imposed performance targets which move toward the national education goals. In addition, the legislation authorizes funds to renovate and repair school buildings in urban and rural districts.

The third bill, called access—America's Commitment to College Education and Success for All Students Act—will motivate students to finish high school by telling at-risk children when they are in the sixth and seventh grades that if they stay in school and take a rigorous curriculum, the Government will provide the necessary funds for them to attend college.

The promise of college may well turn out to be the most important incentive of all for students to stay in school. A few days ago, I met with Patrick Taylor, who has been pressing this idea of a college guarantee with remarkable success in many States. He tells the inspiring story of a visit to a classroom in which he asked young students a series of questions about their school and their feelings about education. When he asked them how many wanted to go to college, all the children in the classroom raised their hands instantly, without looking around to see how others were responding. Those children understand the importance of education for their future, and we have it within our power to make their dreams come true.

The fourth bill is the Public School Choice Act of 1991. This legislation authorizes grants to State and local education agencies to plan, implement or expand programs that provide opportunities for parents to select the public school attended by their children. Those applying for grants must demonstrate that their programs will have the elements necessary for high-quality choice programs.

I recently had the opportunity to visit parents, teachers, administrators, and students participating in the choice program in the Cambridge, MA, public schools. This is, of course, one of the most respected choice programs in the country, and it has become a model for many other school districts. I hope that this legislation will help make it possible for many more districts to implement similar programs.

Early next month, I plan to introduce an additional bill to deal with one other urgent aspect of our education crisis—the school to work transition. This measure will be based on the recommendations of the bipartisan commission on the skills of the American work force, chaired by Ray Marshall and Bill Brock. Nearly half of all American students go from school to work not to college, and any proposals to address our national goals must deal with their needs as well.

It is my intention to begin consideration of these bills in the Labor Committee immediately after the Memorial Day recess. My plan is to hold hearings the first week after recess and put together legislation that embodies the features of the President's education package and my proposals that have already gained broad bipartisan support. I would like to mark up this legislation before the Fourth of July recess and take it to the floor as soon as possible. It will be a downpayment on education reform.

The more complex and controversial proposals will take more time and more study. The Labor Committee will consider these issues—including choice, vouchers, and testing—this fall and I hope we will be ready to move on them by the end of this Congress.

I have discussed this approach with Senator PELL, the distinguished chairman of the Education Committee, and with Senator HATCH, and they understand my hopes for working on these pieces of legislation. President Bush has said he wants to become the education President. I hope this Congress can become the education Congress. If we succeed together in this effort, American education and America's future will be the winner.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and a section-by-section analysis were ordered to be printed in the RECORD, as follows:

S. 1141

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "America 2000 Excellence in Education Act".

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SEC. 2. This Act is organized as follows:

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TITLE IX—GENERAL PROVISIONS

FINDINGS

SEC. 3. The Congress finds that—

(1) eight years after the report of the National Commission on Excellence in Education, the Nation's schools have yet to show significant improvement;

(2) the educational reforms of the 1980's were too slow and too timed; a bolder and more comprehensive effort that involves the citizens of every American community is needed;

(3) the Federal Government should provide start-up funding to communities across the country to create their own high-performance New American Schools—schools where all students meet new World Class Standards;

(4) rewards for schools in which students make significant gains in learning can spur improvements in all schools;

(5) teachers and schools leaders in every State should receive the additional training they need to deliver capable instruction in the core academic disciplines and to provide strong instructional leadership to their schools;

(6) new approaches to training and certifying teachers and principals would expand the pool of talent from which schools draw professional staff and would enable talented, qualified individuals who do not possess traditional credentials to enter teaching and the principalship;

(7) greater flexibility and accountability at the school site can enable educators to improve learning for all students;

(8) expanding parental choice among schools can help all schools to improve;

(9) an expanded National Assessment of Educational Progress can be used to provide clear and comparable information on the progress of States, school districts, and schools toward attainment of the National Education Goals;

(10) Americans need to know how much time their children should spend learning,

and how that time should be used, in order for those children to develop the intellectual competencies necessary for a productive workforce and an enlightened citizenry;

(11) better coordination of adult literacy services, and access by service providers to information about the best practices in the field of literacy, will assist the Nation in meeting the goal that every adult American be literate by the year 2000; and

(12) therefore, national progress toward attainment of the National Education Goals by the year 2000 can be assisted by the Federal Government through initiatives that provide funds for the creation of the first of a new generation of American schools; reward schools that make demonstrated progress toward attainment of the National Education Goals; create academies for the training of teachers and school leaders; provide support for development of alternative teacher and school administrator certification programs in the States; provide schools with greater flexibility in exchange for accountability for results; encourage, test, and evaluate educational choice programs; expand the National Assessment of Educational Progress; create a National Commission on Time, Study, Learning, and Teaching; and establish Regional Literacy Resource Centers.

TITLE I—NEW AMERICAN SCHOOLS

STATEMENT OF FINDINGS

SEC. 101. The Congress finds that—

(1) many American elementary and secondary schools—

(A) are structured according to models that are outmoded and ineffective;

(B) rely on notions about pedagogy, management, technology, staffing, and other resources that may be outdated or insufficient for the challenges of the next century; and

(C) are unsuccessful at equipping the majority of students with the knowledge and skills needed to succeed as citizens and in the workplace;

(2) new approaches to elementary and secondary education are needed. Without major reforms in elementary and secondary schools, the United States will lose its ability to compete fully and successfully in the world economy;

(3) although educational change must take place school by school, experience shows that the schools, on their own, will not alter themselves radically;

(4) there is an appropriate Federal role in providing seed money for the establishment of new types of schools in communities across the country; and

(5) the Nation is embarking on a major effort to support the invention of radically better forms of schooling, and to establish a network of American communities whose citizens are dedicated to the improvement of education.

PURPOSE

SEC. 102. (a) The purpose of this title is to support the creation of new schools across the country—schools that reflect the best thinking about teaching and learning, employ the highest-quality instructional materials and technologies, and are designed to meet the National Education Goals, as well as the particular needs of their students and communities.

(b) In order to carry out this purpose, this title authorizes financial asssistance for New American Schools in communities that have been designated "AMERICA 2000 Communities".

ALLOCATION OF FUNDS

SEC. 103. (a) From the amount of funds appropriated to carry out this title for fiscal years 1992, 1993, and 1994, the Secretary shall reserve a total of up to $3 million for a national program evaluation.

(b)(1) The Secretary shall allocate the remaining funds among the several States in proportion to their respective numbers of members of Congress, including Senators, Representatives, and Delegates. For the purpose of this subsection, the Commonwealth of the Northern Mariana Islands and Palau (until the effective date of the Compact of Free Association with the Government of Palau) shall be treated as if they each had one member of Congress.

(2) If, within any State, a congressional district has no community that has been designated an AMERICA 2000 Community, or there are fewer such communities than members of Congress from such State, the Secretary shall proportionately reduce such State's allocation under paragraph (1), and shall proportionately increase the allocation of all other States.

STATE APPLICATIONS

SEC. 104. In order for a State to qualify for its allocation under section 103(b), the Governor shall submit an application at such time as the Secretary may determine, including—

(1) a description of the process the Governor has used, in accordance with section 105, to nominate communities to create New American Schools;

(2) a list of the communities nominated by the Governor, and the name of the agency, institution, or organization designated by the Governor to receive a New American School grant on behalf of each such community;

(3) copies of the plans, prepared by each community nominated by the Governor for funding under this title, for establishing and operating a New American School, including, as necessary, a description of the steps to be taken to obtain recognition or accreditation from the State;

(4) an identification of non-Federal resources that will be available to establish and operate such New American School in the State; and

(5) such other information as the Secretary may require.

SELECTION OF COMMUNITIES TO CREATE NEW AMERICAN SCHOOLS

SEC. 105. (a)(1) The Governor of each State shall nominate communities within the State to create New American Schools.

(2) The Governor may nominate only communities that have been previously designated by the Governor as AMERICA 2000 Communities, in accordance with the President's AMERICA 2000 initiative.

(b) In carrying out subsection (a), each Governor shall nominate—

(1) at least as many communities as there are members in the State's congressional delegation; and

(2) at least one community in each congressional district in the State.

(c)(1) Each Governor shall nominate communities on the basis or criteria established by the Secretary, based on the advice of the panel of experts established under section 107, including, at a minimum—

(A) the level of commitment and activity displayed by the community through its participation in the AMERICA 2000 Communities initiative;

(B) the need for new and innovative educational programs in the schools of the community; and

(C) the quality of the application submitted by the applicant to the Governor.

(d)(1) The Secretary, with the advice of the panel of experts established under section 107, shall approve some or all of the communities nominated by each Governor, and the agencies, institutions, and organizations designated by the Governor to receive New American School grants on behalf of those communities, based on the Secretary's determination that such approval would be fully consistent with the purpose and requirements of this title.

(2) The Secretary shall ensure that—

(A) to the extent consistent with paragraph (1), a New American School is created in each congressional district and that the number of such schools created in each State is at least equal to the number of members in the State's congressional delegation; and

(B) communities with high concentrations of children from low-income families in each State receive an equitable share of awards under this title.

(e) The Governor may nominate other communities or recipients if—

(1) the Secretary does not approve one or more of the Governor's nominees;

(2) an approved community or recipient withdraws from the program; or

(3) the Secretary determines that the community or recipient is unable successfully to carry out its project or is not making adequate progress in carrying out such project.

AMOUNT OF AWARDS, OPERATION OF SCHOOLS, AND USES OF FUNDS

SEC. 106. (a)(1) The Secretary shall make grants for New American Schools to agencies, organizations, and institutions selected by the Secretary under section 105(d).

(2) The Secretary, after consultation with the Govenror, shall determine the total amount of each award under this title, except that—

(A) no such award shall exceed $1,000,000; and

(B) the Secretary shall consider the expected student enrollment in the New American School in setting such amount.

(b) In establishing a New American School, the grantee is encouraged to adapt and implement one or more New American School designs developed by research and development teams funded by the New American Schools Development Corporation.

(c)(1) Funds made available under this title may be used only to meet the special start-up costs associated with the creation and establisment of a New American School, including—

(A) planning, curriculum development, and curriculum adaptation;

(B) training of teachers, administrators, and other staff, as well as parents and members of the community who are involved with the school;

(C) purchase of equipment and materials;

(D) minor renovation and remodeling of facilities; and

(E) obtaining the assistance of outside experts, including one or more of the teams described in subsection (b), to assist it in adapting and implementing one or more of the designs developed by such teams to the needs of the individual community and school.

(2) Such funds may not be used for construction or for the grantee's general administrative expenses.

(d) Each New American School shall have obtained State recognition or accreditation, as necessary, and be fully operating by the start of the 1996–1997 school year.

SECRETARY'S PANEL OF EXPERTS

SEC. 107. Within 90 days of enactment of this Act, the Secretary shall convene an expert panel of educators, representatives of private business, and public representatives to advise on the administration of the program authorized by this title, including—

(1) the criteria to be used to nominate communities for New American Schools; and

(2) the approval of communities nominated by Governors to establish and operate New American Schools, and of the agencies, institutions, and organizations to receive grants for those schools.

NATIONAL EVALUATION

SEC. 108. (a) The Secretary shall use the funds reserved under section 103(a) to conduct a national evaluation of the impact of the New American Schools program on schools and communities, and on education generally.

(b) The Secretary shall submit such interim evaluation reports to the President and the Congress as may be appropriate, and shall submit a final report by September 30, 1998.

AUTHORIZATION OF APPROPRIATIONS

SEC. 109. For the purpose of carrying out this title, there are authorized to be appropriated $180 million for fiscal year 1992, $180 million for fiscal year 1993, and $185 million for fiscal year 1994. Such sums shall remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which they are appropriated.

DEFINITION

SEC. 110. For the purpose of this title, the term "community" means—

(1) a unit of general purpose local government, such as a city, township, or village;

(2) a geographically distinct area, such as a school district, school attendance area, ward, precinct, or neighborhood; or

(3) an identifiable group of individuals, such as the members of a service organization, who generally reside in a particular geographic area.

TITLE II—MERIT SCHOOLS

FINDINGS AND PURPOSE

SEC. 201. (a) FINDINGS.—The Congress finds that—

(1) all elementary and secondary schools in the United States should seek to attain the National Education Goals by the year 2000;

(2) achievable standards of excellence can and should be set for all students and for all schools;

(3) schools' progress in meeting those standards should be measured and made public;

(4) financial incentives can spur schools to rise to the challenge of meeting those standards; and

(5) demonstrated school-wide progress in achieving excellence, particularly in mathematics and science, deserves reward and recognition.

(b) PURPOSE.—The purpose of this title is to recognize and reward public and private elementary and secondary schools (including their faculty) that make documented progress in attaining the National Education Goals, particularly the goal of increasing students' mastery of the core academic subjects.

AUTHORIZATION OF APPROPRIATIONS

SEC. 202. For the purpose of carrying out this title, there are authorized to be appropriated $100,000,000 for fiscal year 1992 and such sums as may be needed for each of the four succeeding fiscal years. Such sums shall remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which they are appropriated.

ALLOCATION OF APPROPRIATIONS

SEC. 203. (a) RESERVATIONS.—From the amount appropriated under section 202 for any fiscal year, the Secretary may reserve—

(1) up to one quarter of 1 percent for grants to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau) for activities under this part; and

(2) up to two percent for evaluations and dissemination.

(b) ALLOCATION AMONG STATES.—(1) The amount remaining after any reservation of funds under subsection (a) shall be allocated among the States on the same basis as funds were allocated among such States under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year.

(2) For purposes of this subsection, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

STATE APPLICATIONS

SEC. 204. (a) APPLICATIONS.—The Governor of each State that wishes to receive a grant under this title shall submit to the Secretary an application for a three-year period, which may be followed by an application for the succeeding two years, at such time and in such manner as the Secretary may prescribe.

(b) APPLICATION CONTENTS.—Each State application shall contain—

(1) the criteria the Governor will use to select Merit Schools under section 207;

(2) the criteria the Governor will use to determine the amount of awards;

(3) an assurance that the State will carry out this title in accordance with the requirements of this title and other applicable legal requirements; and

(4) other information the Secretary may require.

(c) GEPA PROVISIONS INAPPLICABLE.—Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this title.

STATE USE OF FUNDS

SEC. 205. (a) ADMINISTRATION.—Each State may use up to 5 percent of its annual allocation for the administrative costs of carrying out this title.

(b) MERIT SCHOOL AWARDS.—(1) Each State shall use at least 95 percent of its annual allocation for Merit School awards made in accordance with section 207, except that the Governor may, by so notifying the Secretary, designate part or all of such amount to remain available to make such awards for two additional years.

(2) Of the amount used for Merit School awards, the Governor shall use at least 20 percent for awards to schools that demonstrate exceptional progress in improving students' performance in mathematics and science, in addition to meeting the national and State criteria under sections 207(b) and (c).

STATE ACTIVITIES AND RESPONSIBILITIES

SEC. 206. (a) STATE REVIEW PANEL.—(1) Each Governor shall establish a State review panel to assit in the selection of Merit Schools.

(2) The State review panel shall be broadly representative of the following interests in the State—

(A) public and private elementary and secondary school teachers and administrators;

(B) college and university faculty and administrators;

(C) parents;

(D) students;

(E) State and local boards of education;

(F) State and local governments;

(G) labor;

(H) business; and

(I) the general public.

(b) ANNUAL REPORTS TO THE SECRETARY.—(1) Within 60 days of the end of each fiscal year, each Governor shall submit a report to the Secretary that—

(A) identifies the schools chosen as Merit Schools;

(B) states the reasons for their selection; and

(C) states the amount of the award to each school.

(2) Beginning with the second year for which any State makes awards under this title, the Governor's annual report shall also include a brief description of how schools selected in the previous year used their awards.

SELECTION OF MERIT SCHOOLS

SEC. 207. (a) ELIGIBLE SCHOOLS.—(1) A Governor may designate as Merit Schools public or private elementary or secondary schools in the State that have been nominated through procedures established by the Governor.

(2) In selecting Merit Schools, the Governor shall apply the selection criteria described in subsections (b) and (c) uniformly to public and private schools.

(b) NATIONAL CRITERIA.—Each school selected through the nomination procedure established by the Governor that subsection (a) shall have—

(1) demonstrated progress over a period of at least three years in significantly increasing the number of percentage of students who meet the National Education Goal of leaving grades four, eight, and twelve, as applicable, having demonstrated competency in challenging subject matter, including English, mathematics, science, history, and geography;

(2) utilized objective measures of progress over the period that are established by the State in its plan and approved by the Secretary; and

(3) made public an annual "report card", which includes information about the progress the school is making toward achievement of relevant aspects of the National Education Goals.

(c) STATE CRITERIA.—(1) In selecting Merit Schools, each Governor may use selection criteria in addition to those set out in subsection (b).

(2) In setting these additional criteria, the Governor—

(A) may include other aspects of educational performance, including the school's progress in attaining the other National Education Goals;

(B) shall take into account differences in composition of the student body of different schools;

(C) shall give special consideration to schools with substantial numbers of proportions of children from low-income families; and

(D) may set different criteria for awards for achievement in different grade levels.

(3) Each Governor shall develop State criteria for selecting schools to receive awards under section 205(b)(2) for outstanding progress in student achievement in mathematics and science.

(4) In applying the criteria to a school in which a program is conducted under part A

of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Governor shall consider the desired outcomes identified for children in the application submitted under section 1012(b) of such Act by the local educational agency operating the school. No school that has received assistance under section 1021(b) of such Act for all of the years covered by a Merit Schools Award competition shall be eligible for a Merit School Award.

(5) In selecting Merit Schools and in setting the amount of their awards, the Governor may not consider a school's planned use of a Merit School award, if it is otherwise permitted by law.

(d) AMOUNT OF AWARD.—Each Governor shall establish criteria, subject to subsection (c)(5), for determining the amount of Merit School awards. Such criteria shall include criteria relating to the school size and the economic circumstances of the student body.

(e) BYPASS.—If a State is either prohibited by State law from providing funds made available under this title to private schools, or is unwilling to do so, the Governor shall notify the Secretary of such prohibition or unwillingness, as well as the private schools the Governor has designated as Merit Schools and the amount of their awards. The Secretary shall then provide those funds, from the State's allocation under this title, to the designated private schools, through such arrangements as the Secretary finds suitable. The Secretary shall also withhold from the State's allocation under this title the administrative costs of making such arrangements.

USE OF FUNDS BY MERIT SCHOOLS

SEC. 208. A Merit School shall use its Merit School award for activities, otherwise permitted by law, that further the educational program of the school. Such activities may include, but are not limited to—

(1) development, implementation, or expansion of special programs, such as those focused on: dropout prevention or reentry, student transition to college or employment, preschool children, remedial services, or gifted and talented students;

(2) the purchase or lease of computers, telecommunications equipment, scientific instruments, instructional materials, library books, and other equipment and materials, except that a public agency shall have title to, and exercise administrative control of, all such equipment and materials;

(3) bonus payments for faculty and administrator;

(4) college scholarships for secondary school students;

(5) parental involvement activities;

(6) community outreach activities; and

(7) helping other schools replicate its success.

PROHIBITION ON STATE OR LOCAL REDUCTION OF OTHER ASSISTANCE

SEC. 209. No Federal, State, or local agency may, in any year, take a Merit School award into account in determining whether to award any other assistance from Federal, State, or local resources, or in determining the amount of such assistance, to either the Merit School itself or the local educational agency, if any, that operates the school.

TITLE III—TEACHERS AND SCHOOL LEADERS

PART A—GOVERNORS' ACADEMIES FOR TEACHERS

STATEMENT OF FINDINGS

SEC. 301. The Congress finds as follows:

(1) Reform and restructuring of American education, and the Nation's ability to attain the National Education Goals, depend heavily on the quality of teaching in elementary and secondary schools, particularly in the core academic disciplines of English, mathematics, science, history, and geography.

(2) Experienced teachers need access to training of exceptional quality to keep current in the core academic disciplines, participate successfully in curriculum development, and act as master teachers.

(3) Governors' efforts to reform elementary and secondary education in the States should include a focus on ensuring that teachers have a firm grasp of, and keep current in, the core academic disciplines.

(4) Governors' Academies for Teachers can be a principal vehicle for providing the kind of high-level, intensive training essential to education reform and accomplishment of the National Education Goals.

(5) Excellent teachers in the academic subjects deserve public recognition and appropriate financial rewards in return for their efforts.

PURPOSE

SEC. 302. The purposes of this part are—

(1) to build the highest quality teaching force for the Nation's schools, by providing start-up funds for Governors' Academies that teachers from public and private elementary and seocndary schools may attend to obtain advanced instruction focusing on the core academic disciplines; and

(2) to establish awards for outstanding teachers in the academic subjects covered by those Academies.

PROGRAM AUTHORIZED; ALLOCATION OF APPROPRIATIONS

SEC. 303. (a)(1) From funds appropriated under section 308 (a) and (b), the Secretary shall make a one-time, five-year grant to each State, in accordance with this part, to establish and operate Governors' Academies for Teachers and to recognize outstanding teachers.

(2) The Governor of each State shall use the State's grant to make competitive awards to the State educational agency, local educational agencies, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate Governor's Academies for Teachers.

(3) Such Academies may be operated in cooperation or consortium with those of other States.

(b)(1) From the funds appropriate for this part for any fiscal year, the Secretary—

(A) may reserve up to $500,000 for evaluations of, and dissemination of information about, activities conducted under this part; and

(B) shall reserve up to $175,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be expanded in such manner as the Secretary determines will best meet the purpose of this part.

(2) The Secretary shall proportionately allocate the remainder of such funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the full-time equivalent number of public elementary and secondary school teachers in the most recent year for which satisfactory data are available.

(3) If the Secretary determines that any amount of a State's allotment for any fiscal year under paragraph (2) will not be needed for such fiscal year by the State, the Secretary shall reallot such amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

STATE APPLICATION

SEC. 304. (a) The Governor of each State wishing to receive a grant under this part shall submit an application to the Secretary, for a five-year period, at such time and in such manner, as the Secretary may prescribe.

(b) Each such application shall include—

(1) a description of how the Governors' Academies planned for the State will relate to the Governor's overall plan for the reform of elementary and secondary education and the attainment of the National Education Goals in the State, including, in particular, improvement of education in the core academic subjects;

(2) a description of the competitive process the Governor will use to select applicants to operate the Governors' Academies for Teachers in the State;

(3) an assurance that a separate Academy will be established in each of the five core academic subjects (English, mathematics, science, history, and geography), unless the Governor determines that it would be inefficient to use funds in this manner and the application describes the Governor's reasons for establishing Academies that focus on more than one subject. Nothing in this paragraph prohibits the same agency, institution, or organization from operating more than one Academy;

(4) a description of how Academy participants will be selected;

(5) a description of how the State will monitor the implementation of Governors' Academies for Teachers, including the awards to teachers under section 305(d), and the performance of teachers who have been trained in those Academies, and an assurance that it will comply with reasonable requests of the Secretary for information on these matters;

(6) a description of how the State will meet the cost-sharing requirements of section 307, and how the State will continue to operate the Academies when Federal assistance is no longer available; and

(7) such other assurances and information as the Secretary may require.

AUTHORIZED ACTIVITIES

SEC. 305. (a) Each Governor's Academy for Teachers assisted under this title shall conduct a program of intensive instruction, during the summer or the school year, focusing on the core academic disciplines of English, mathematics, science, history, and geography. such instruction shall be provided to current elementary and secondary school teachers.

(b) The instruction provided by each such Academy shall include—

(1) renewal and enhancement of participants' knowledge of one of the five core academic disciplines described in subsection (a), except as provided in section 304(b)(3);

(2) teaching skills and strategies needed to impart academic subject matter to students, including students who are economically disadvantaged, limited English proficient, or have disabilities, and other students from diverse backgrounds;

(3) at the Academy's discretion, the use of educational technologies in teaching the core academic disciplines;

(4) training needed to become a lead teacher or a master teacher in a core subject, consistent with State policies on teacher career ladders;

(5) training needed to participate in curriculum development in a core subject; and

(6) training in the development and use of assessment tools.

(c) Each Academy assisted under this part shall carry out activities consistent with the purpose of this party, which may include—

(1) review of existing teacher enhancement programs to identify the most promising approaches;

(2) development of a curriculum for use by the Academy;

(3) recruitment of teachers within the State to participate in the Academy's program, including, on a nondiscriminatory basis, recruitment of—

(A) minority group members;

(B) individuals with disabilities;

(C) individuals from areas with high numbers or concentrations of disadvantaged students; and

(D) other teachers who have a potential for leadership;

(4) follow-up activities for previous participants;

(5) dissemination of information about the Academy, including the training curricula developed; and

(6) evaluation of the impact of the Academy on the teaching practices of participants, and other evaluation activities designed to strengthen the academy's program.

(d)(1) The Governor shall allocate to the Academies, in the same proportion as funds appropriated under section 308(a) are distributed to those Academies, the State's allocation under section 308(b). Each Academy shall use such allocation for a program of cash awards and recognition to outstanding teachers in the core academic subject or subjects covered by the program of the Academy.

(2) Academies shall select teachers to receive awards from nominations received from local educational agencies, public and private schools, teachers, associations of teachers, parents, associations of parents and teachers, businesses, business groups, and student groups.

(3) Any full-time public or private elementary or secondary school teacher of a core academic subject, including an elementary school teacher of the general curriculum, shall be eligible to receive an award under this subpart.

(4) The Academy shall select award recipients in accordance with criteria developed by the Academy and approved by the Governor. The selection criteria may take into account, but are not limited to, teacher's success in—

(A) educating disadvantaged children, such as children with disabilities, children of limited English proficiency, homeless children, or children who are currently or formerly migratory, in a core academic subject;

(B) educating gifted and talented students in a core academic subject;

(C) encouraging students to enroll, and succeed, in advanced classes in a core academic subject:

(D) teaching a core academic subject successfully in schools educating large numbers of disadvantaged students, including schools in low-income inner-city or rural areas;

(E) introducing a new curriculum in a core academic subject into a school or strengthening an established curriculum; or

(F) acting as a "master teacher" in a core academic subject.

(5) The amount of a teacher's award under this subsection shall not exceed $5,000 and shall be available for any purpose the recipient chooses.

USE OF FUNDS

SEC. 306. Each recipient of funds appropriated under section 308(a) shall use those funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 305 (a) through (c), which may include stipends and travel and living expenses for teachers who participate in the Academy's program if no other funds are available to pay those costs.

COST-SHARING

SEC. 307. (a) Funds received under section 308(a) may be used to pay up to 75 percent of the cost of a Governor's Academy for Teachers in the first year, 65 percent of such cost in the second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include in-kind contributions, fairly valued.

AUTHORIZATION OF APPROPRIATIONS

SEC. 308. (a) For the purpose of carrying out this part, except for section 305(d), there are authorized to be appropriated $62,400,000 for fiscal year 1992, $54,170,000 for fiscal year 1993, $45,940,000 for fiscal year 1994, $37,710,000 for fiscal year 1995, and $29,480,000 for fiscal year 1996.

(b) For the purpose of carrying out section 305(d), there are authorized to be appropriated $7,600,000 for each of the fiscal years 1992 through 1996.

PART B—GOVERNORS' ACADEMIES FOR SCHOOL LEADERS

STATEMENT OF FINDINGS

SEC. 311. The Congress finds as follows:

(1) The role of the school principal and other school leaders is central to school performance, school reform, and achievement of the National Education Goals.

(2) School restructuring intensifies the need for effective school leadership as it locates greater authority and responsibility at the school building level. In this context, principals and other administrators need to cultivate strong collegial relationships among teachers and staff and effectively involve parents.

(3) School leaders must be well versed in the core academic disciplines, must provide instructional leadership to the teachers in their schools, and must be able to coordinate school services with those of social service agencies and other organizations, including businesses, in the community affecting students and their families.

(4) Over the next ten years, at least half of those individuals now serving as school principals will be eligible for retirement.

(5) Governors' efforts to reform elementary and secondary education in the States must include a focus on preparing a new generation of highly effective school leaders.

(6) The pool of talent from which to draw school leaders can be expanded substantially with well-designed training programs.

PURPOSE

SEC. 312. The purpose of this part is to improve the training and performance of public and private school principals and other school leaders, and increase the number of persons who are well trained and well qualified to be school leaders, by supporting the development and implementation of programs that offer—

(1) for prospective school leaders, recruitment, training, and, as appropriate, internships under experienced school leaders;

(2) for experienced school leaders, opportunities for professional renewal and enhancement of skills; and

(3) for all participants, a focus on instructional leadership, school-based management, school reform strategies, and implementation of school-level accountability mechanisms.

PROGRAM AUTHORIZED; ALLOCATION OF APPROPRIATIONS

SEC. 313. (a)(1) The Secretary shall make a one-time, five-year grant to each State, in accordance with this part, to establish and operate a Governor's Academy for School Leaders.

(2) The Governor of each State shall use the State's grant to make competitive awards to the State educational agency, local educational agencies, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate a Governor's Academy for School Leaders.

(3) Such Academies may be operated in cooperation or consortium with those of other States.

(b)(1) From the funds appropriated for this part for any fiscal year, the Secretary—

(A) may reserve up to $500,000 for evaluations of, and dissemination of information about, activities conducted under this part; and

(B) shall reserve up to $55,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be expended in such manner as the Secretary determines will best meet the purpose of this part.

(2)(A) Except as provided in paragraph (3), the Secretary shall proportionately allocate the remainder of such funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the number of public elementary and secondary schools in each such jurisdiction in the most recent year for which satisfactory data are available.

(B) If the Secretary determines that any amount of a State's allotment for any fiscal year under subparagraph (A) will not be needed for such fiscal year by the State, the Secretary shall reallot such amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

STATE APPLICATION

SEC. 314. (a) The Governor of each State wishing to receive a grant under this part shall submit an application to the Secretary for a five-year period, at such time and in such manner as the Secretary may prescribe.

(b) Each such application shall include—

(1) a description of how the Governor's Academy for School Leaders planned for the State will relate to the Governor's overall plan for the attainment of the National Education Goals and the reform of elementary and secondary education in the State, including, in particular, improvement of school leadership in the State;

(2) a description of the competitive process the Governor will use to select the applicant to operate the Governor's Academy;

(3) a description of how Academy participants will be selected;

(4) a description of how the State will monitor the implementation of the Governor's Academy and the subsequent progress of individuals trained by the Academy, and an assurance that it will comply with reasonable requests of the Secretary for information on these matters;

(5) a description of how the State will meet the cost-sharing requirements of section 317

and how the State will continue to operate the Academy when Federal assistance is no longer available; and

(6) such other assurances and information as the Secretary may require.

AUTHORIZED ACTIVITIES

SEC. 315. Each Academy assisted under this part shall—

(1) identify models and methods of leadership training and development that are promising or have proven to be successful;

(2) develop curricula, which focus on instructional leadership, school-based management, and the design and execution of school improvement strategies and accountability mechanisms, for the development of school leaders;

(3) identify, in a nondiscriminatory manner, candidates, including members of minority groups, individuals with disabilities, and individuals from schools with high numbers of concentrations of disadvantaged students, to be trained as new school leaders;

(4) provide intensive training and development programs both for persons desiring and demonstrating outstanding promise to become school leaders, and for current school leaders seeking enhanced and up-to-date knowledge needed to perform their jobs effectively;

(5) identify districts and schools with principal and other school leader vacancies and work with them to match Academy participants with such vacancies;

(6) as appropriate, facilitate internships for graduates of the program for new school leaders, under the guidance and supervision of experienced administrators;

(7) provide periodic follow-up development activities for school leaders trained through the Academy's programs;

(8) disseminate information about the Academy, including the training curricula developed; and

(9) evaluation of the impact of the Academy on the leadership practices of participants, and other evaluation activities designed to strengthen the Academy's program.

USE OF FUNDS

SEC. 316. Each recipient of funds under this part shall use those funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 315, which may include stipends, travel, and living expenses for participants in the Academy if no other funds are available to pay those costs.

COST-SHARING

SEC. 317. Funds received under this part may be used to pay up to 75 percent of the cost of a Governor's Academy for School Leaders in the first year, 65 percent of such cost in the second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include inkind contributions, fairly valued.

AUTHORIZATION OF APPROPRIATIONS

SEC. 318. For the purpose of carrying out this part, there are authorized to be appropriated $22,500,000 for fiscal year 1992, $19,500,000 for fiscal year 1993, $16,500,000 for fiscal year 1994, $13,500,000 for fiscal year 1995, and $10,500,000 for fiscal year 1996.

PART C—ALTERNATIVE CERTIFICATION OF TEACHERS AND PRINCIPALS

FINDINGS

SEC. 321. The Congress finds that—

(1) effective elementary and secondary schools require competent teachers and strong leadership;

(2) school systems would benefit greatly by recruitment pools of well-qualified individuals, such as scientists and engineers, from which to select teachers and principals;

(3) talented professionals who have demonstrated a high level of subject area competence or management and leadership qualities outside the education profession and who wish to pursue second careers in education often do not meet traditional certification requirements; and

(4) alternative certification requirements that do not exclude such individuals from teaching or school administration solely because they do not meet current certification requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

PURPOSE

SEC. 322. (a) It is the purpose of this part to improve the supply of well-qualified elementary and secondary school teachers and principals by encouraging and assisting States to develop and implement alternative teacher and principal certification requirements.

(b) As used in this part, the term—

(1) "alternative teacher and principal certification requirements" means State or local requirements that permit entry into elementary and secondary teacher and principal positions for individuals who have demonstrated a high level of appropriate subject area competence, or management or leadership qualities, in careers in or out of the education field, but who would not otherwise meet existing requirements for teaching or supervisory positions. Alternative teacher and principal certification requirements may recognize that—

(A) for teachers, a high level of demonstrated competence in an appropriate subject area may be substituted for traditional teacher certification requirements (such as teacher training course work); and

(B) for principals, a high level of demonstrated competence in administration and management may be substituted for traditional principal certification requirements (such as teaching experience or supervisory experience in the field of education); and

(2) "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

AUTHORIZATION OF APPROPRIATIONS

SEC. 323. For the purpose of carrying out this part, there are authorized to be appropriated $25 million for fiscal year 1992.

ALLOTMENTS

SEC. 324. (a)(1) From the amount appropriated to carry out this part, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 325 or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

(2) If a State does not apply for its allotment, or the full amount of its allotment, under the preceding paragraph, the Secretary may reallocate the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

(b) Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this part shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

STATE APPLICATIONS

SEC. 325. (a) Any State desiring to receive a grant under this part shall submit an application, through its Governor, at such time, in such manner, and containing such information, as the Secretary may reasonably require.

(b) Each State application shall—

(1) describe the programs, projects, and activities to be undertaken; and

(2) contain such assurances as the Secretary deems necessary, including assurances that—

(A) funds awarded to the State will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of alternative teacher and principal certification requirements;

(B) the State has, in developing its application, consulted with the State or local agency that certifies teachers and principals, as well as repesentatives of elementary and secondary school teachers and principals, local school systems, parents, and other interested organizations and individuals; and

(C) the State will submit to the Secretary, through the Governor, at such time as the Secretary may specify, a final report describing the activities carried out with funds awarded under this part and the results achieved.

(c) Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

USE OF FUNDS

SEC. 326. (a)(1) A State shall use funds awarded under this part to support programs, projects, or activities that develop and implement new, or expand and improve existing, alternative teacher and principal certification requirements.

(2) A State may carry out such programs, projects, or activities directly, through contracts, or through subgrants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies.

(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

(1) design, development, implementation, testing, and evaluation of alternative teacher and principal certification requirements;

(2) establishment of administrative structures necessary to the development and implementation of alternative teacher and principal certification requirements;

(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers and principals entering the school system through the alternative teacher and principal certification program;

(4) development of recruitment strategies; and

(5) development of reciprocity agreements between or among States for the certification of teachers and principals.

TITLE IV—EDUCATIONAL REFORM AND FLEXIBILITY

PART A—EDUCATIONAL REFORM THROUGH FLEXIBILITY AND ACCOUNTABILITY

STATEMENT OF FINDINGS AND PURPOSE

SEC. 401. (a) FINDINGS.—Historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds. While this approach has proven generally successful, some program requirements may inadvertently impede educational achievement. The Nation's schools are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address. In an era when educational changes and reform must prevail, it is more important than ever to provide programs that result in improved educational outcomes for all students; promote the coordination of education and related services that benefit children and their families; respond flexibility to the needs of a diverse student population; stop the proliferation of unnecessary Federal, State, and local regulation; and place less emphasis on measuring resources and reviewing procedures and more emphasis on achieving program results.

(b) PURPOSE.—The purpose of this part is to promote educational reform that leads to improved educational outcomes for participants in affected programs. Under this approach, the schools and other recipients of Federal funds would be held accountable for achieving specific educational improvement goals in exchange for increased flexibility in the use of their resources. This more flexible approach is intended to enable school and program administrators, teachers, parents, local agencies, and community groups to work together to develop effective education programs that lead to improved achievement and meet the needs of all participants, particularly those who are disadvantaged.

FLEXIBILTIY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES

SEC. 401. Subpart 1 of Part C of the General Education Provisions Act (20 U.S.C. 1221 *et seq.*) is amended by adding after section 421A a new section 421B to read as follows:

"FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES

"SEC. 421B. (a) PROGRAM AUTHORIZED.—(1)(A) The Secretary shall, in accordance with this section, assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers by which the Governors, State and local educational agencies, and other service providers can improve the performance of schools and programs by increasing their flexibility in the use of their resources while holding them accountable for achieving educational gains.

"(B) In support of these projects, the Secretary is authorized to waive any statutory or regulatory requirement (except as provided in subsection (e)) applicable to a program administered by the Department of Education that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of such students and other individuals in the most effective manner possible. The head of any other Federal agency is similarly authorized to waive such requirements applicable to a program administered by such agency if the agency head and the Secretary agree that such a waiver would promote the purpose of this section.

"(2) Projects conducted under this section, and any waivers associated with such projects, shall last no longer than three years, except that the Secretary may extend a project and any associated waivers for an additional two years if the Secretary determines that the project is making substantial progress in meeting its goals.

"(3) The Secretary shall terminate a project and its associated waivers if the Secretary, at any time, determines it is not making acceptable progress toward meeting its goals. The head of any other Federal agency who has granted waivers under this section shall determine whether to extend or terminate those waivers, but the Secretary shall have exclusive authority to extend or terminate the project.

"(b) ELIGIBILITY.—(1) Each project that involves elementary or secondary schools shall include the participation of a State educational agency and at least—

"(A) one local educational agency; and

"(B) two schools.

"(2) To the extent possible, each grade and academic program, including programs under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, in a participating school shall participate in the project.

"(3) If fewer than all the schools of a local educational agency participate in a project, available resources, including available Federal assistance, shall not be concentrated unreasonably in those schools that do participate.

"(4) Each project that does not involve elementary and secondary schools shall involve at least two programs, including at least one program administered by the Secretary.

"(c) APPLICATIONS.—The Governor of any State wishing to conduct a project under this section shall, after consultation with, as the Governor finds appropriate, the State educational agency, one or more local educational agencies, and other State and local agencies and service providers, submit an application to the Secretary for each such project. Each application shall include a plan that—

"(1) describes the purposes and overall expected outcomes of the project;

"(2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers;

"(3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to be waived, and the purpose and duration of the requested waivers;

"(4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect;

"(5) describes specific, measurable, educational improvement goals for each school or other site in the project and for each school year of the project, including—

"(A) goals for improving the achievement of all participants, including disadvantaged individuals, with respect to achievement in basic and advanced skills;

"(B) goals that reflect the broad purposes of each program for which a waiver is sought; and

"(C) an explanation of how the applicant will measure progress in meeting the goals set for each school or site in the project and for disadvantaged individuals participating in the project; and

"(6) for projects involving elementary or secondary schools—

"(A) identifies the schools to be included in the project and describes the student population at each school, including—

"(i) current data regarding the achievement of the disadvantaged students as well as other students; and

"(ii) the number of students who—

"(I) are of limited English proficiency, as defined in section 7003(a)(1) of the Biligual Education Act;

"(II) are children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act;

"(III) are currently or formerly migratory:

"(IV) are educationally deprived, for the purposes of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(V) are eligible for a free or reduced price school lunch:

"(B) describes specific goals for enhancing coordination between the regular education program available to all students and programs serving disadvantaged students;

"(C) if fewer than all the schools in a local educational agency will participate in a project, describes the expected educational outcomes for disadvantaged students in schools that do not participate, and how those outcomes will be assessed; and

"(D) describes how school administrators, teachers, staff, and parents (including parents of educationally disadvantaged children) have been, or will be, involved in the planning, development, and implementation of the goals and program for each participating school.

"(d) APPROVAL OF PROJECTS.—(1) The Secretary shall approve an application for a project under this section if he determines that the project shows substantial promise of achieving the purposes of this section, after considering—

"(A) the comprehensiveness of the project, including the types of students, schools, programs, and activities to be included;

"(B) the extent to which the provisions for which waivers are sought impede educational improvement;

"(C) the State and local requirements that will be waived for the project;

"(D) the significance and feasibilty of the proposed projects's goals for each participating school or site; and

"(E) the quality of the plan for ensuring accountability for the proposed plan's activities and goals.

"(2) The Secretary shall consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head shall notify the Secretary of any waivers granted by such agency head as part of such project.

"(e) ALLOCATION OF FEDERAL FUNDS: RESTRICTION OF WAIVERS.—(1) Federal funds under any program that are used to support a project under this section shall be allocated to States and other recipients in accordance with the statutory and regulatory requirements that govern the operation of that program, except that, for the purpose of such a project, the Secretary (or the head of any other Federal agency) may extend the duration of, and provide continuation funding to, a project chosen on a competitive basis that a participating agency is conducting before the project under this section commences.

"(2) Neither the Secretary nor the head of any other Federal agency shall waive under this section any statutory or regulatory requirement in awarding a new competitive grant to a State educational agency, local educational agency, or other applicant participating in a project under this section.

"(3) Neither the Secretary nor, where applicable, the head of any other Federal agency shall waive under this section any statutory or regulatory requirement—

"(A) relating to—

"(i) maintenance of effort;

"(ii) comparability; or

"(iii) the equitable participation of students attending private schools;

"(B) under section 438 or 439 of the General Education Provisions Act;

"(C) under title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendment of 1972, or the Age Discrimination Act of 1975; or

"(D) under the Individuals with Disabilities Education Act—

"(i) relating to the availability of a free appropriate public education to children with disabilities (including the evaluation and placement of such children), or the procedural safeguards afforded such children and their parents, under part B thereof; or

"(ii) relating to the provision of early intervention services to infants and toddlers with disabilities, or the procedural safeguards afforded such infants and toddlers and their parents, under part H thereof.

"(f) REPORTS AND EVALUATIONS.—(1) Each project shall submit, no later than 90 days after the end of each year of the project, an annual report to the Secretary that—

"(A) summarizes the principal activities of the project;

"(B) contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its overall goals, including its goals for improving the achievement of all participants, particularly disadvantaged individuals, with respect to achievement in basic and advanced skills, and is meeting the goals for each school or other site;

"(C) describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the demonstration; and

"(D) describes the effectiveness of efforts to coordinate programs and services for children and their families as appropriate.

"(2) The Secretary shall submit a report to the Congress every two years that summarizes and analyzes the project reports required by paragraph (1).

"(3) At the end of the 5-year period described in this section, and at such interim points as the Secretary deems appropriate, the Secretary shall report to the Congress on the evaluation of this section by the Department of Education and other affected Federal agencies. Such reports may include recommendations for amendments to program statutes that are based on the experience of projects that successfully raise educational achievement by eliminating or modifying statutory or regulatory provisions that impede educational improvement.

"(g) DEFINITION.—For the purpose of this section, the term 'disadvantaged students' includes students of limited English proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

"(h) BUDGET NEUTRALITY.—The authority provided by this section shall not be exercised in a manner that, for any fiscal year, increases total obligations or outlays of discretionary appropriations for programs subject to such authority, or that increases total obligations or outlays of funding for all direct-spending programs subject to such authority over those that would have occurred absent such authority.".

PART B—AMENDMENTS TO CHAPTER 2

ALLOCATION TO LOCAL EDUCATIONAL AGENCIES

SEC. 411. Section 1512(a) of the Elementary and Secondary Education Act of 1965 is amended by striking out "not less than 80 percent" and inserting in lieu thereof "50 percent".

STATE USES OF FUNDS

SEC. 412. Section 1521(b) of the Elementary and Secondary Education Act of 1965 is amended—

(1) in paragraph (1), by striking out "25 percent" and inserting in lieu thereof "10 percent"; and

(2) in paragraph (2)(A), by striking out "20 percent" and inserting in lieu thereof "8 percent".

STATE APPLICATIONS

SEC. 413. Section 1522(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by submitting a comma and "approved by the Governor," after "an application"; and

(2) in paragraph (2), in the text following subparagraph (I), by striking out "(not to exceed 20 percent of the amount of the State's allotment)".

LOCAL USES OF FUNDS

SEC. 414. Section 1531(b) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively; and

(2) by inserting before paragraph (2), as so redesignated, a new paragraph (1) to read as follows:

"(1) educational choice programs;".

AUTHORIZED ACTIVITIES

SEC. 415. Section 1532(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively; and

(2) by inserting before paragraph (2), as so redesignated, a new paragraph (1) to read as follows:

"(1) any activities or expenses directly related to planning, implementing, operating, evaluating, and disseminating information about, the local educational agency's educational choice program, if any, including expenses of parents and children resulting from their participation in such program, to the extent otherwise permitted by law;".

TITLE V—PARENTAL CHOICE OF SCHOOLS

PART A—FINDINGS

SEC. 501. The Congress finds that—

(1) parental choice in education creates market-based accountability, encourages school diversity and competition, and provides parents and their children with a sense of investment in their schools;

(2) economically disadvantaged children deserve the same educational choices, both public and private, as their more advantaged peers;

(3) educational choice programs and programs of compensatory education assisted under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 should be coordinated with, and be carried out so as to enhance, each other;

(4) local implementation of programs that enhance student and parental choice deserves national support and encouragement; and

(5) different methods for expanding educational choice should be tested and evaluated.

PART B—PARENTAL CHOICE AND CHAPTER 1

CHAPTER 1 SERVICES FOR CHILDREN PARTICIPATING IN EDUCATIONAL CHOICE PROGRAMS

SEC. 511. (a) Subpart 2 of part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new section 1022 to read as follows:

"CHILDREN PARTICIPATING IN EDUCATIONAL CHOICE PROGRAMS

"SEC. 1022. (a) SERVICES TO FOLLOW THE CHILD.—Notwithstanding any other provision of this chapter, a local educational agency that is carrying out an educational choice program shall, in accordance with this section, make available supplementary compensatory education services, paid for under this part, to each child residing in such agency who is afforded the opportunity to participate in that program and who, in the absence of the choice program, would receive services from that agency under this part.

"(b) FUNDS TO PARENTS.—(1) If the local educational agency determines that it is not feasible or efficient to make such services available to such a child directly or through arrangements with other service providers, it shall provide to the parents of such child a per-child share of funds received by such agency under subpart 1 of this part for the applicable fiscal year.

"(2) as used in paragraph (1), a 'per-child share' means—

"(A) the total amount of funds received by the local educational agency under subpart 1 of this part for the applicable fiscal year, minus amounts spent on administrative expenses including transportation provided under section 1011(a)(4); divided by

"(B) the number of children selected by such agency to receive services under this part.

"(3) Parents may use funds received from a local educational agency under paragraph (1) only for either or both of the following—

"(A) to purchase supplementary compensatory education services that meet the special educational needs of the parents' eligible child, as identified by the local educational agency, from any elementary or secondary school, or any other public or private agency, organization, or institution that the local educational agency determines is able to provide appropriate and effective supplementary compensatory educational services to the child; and

"(B) for the costs of transportation related to the child's participation in the educational choice program.

"(4) Payments received by parents under paragraph (1) are not income for Federal income tax purposes.

"(c) APPLICATION BY LOCAL EDUCATIONAL AGENCY.—Each local educational agency subject to this section shall include in its application under section 1012—

"(1) a description of its policies and procedures for carrying out this section;

"(2) an assurance that it will keep such records and provide such information to the State educational agency relating to the provision of funds to parents under subsection (b) as may be required for fiscal audit and program compliance; and

"(3) an assurance that it will exercise due diligence to—

"(A) ensure that payments made to parents under subsection (b)(1) will be used only for the purposes authorized by subsection (b)(3); and

"(B) recover such payments that are not so used.".

(b) Section 1011(a) of the ESEA is amended by adding at the end thereof a new paragraph (4) to read as follows:

"(4) A local educational agency may use funds received under this chapter for the additional transportation costs of children receiving services under this part who are participating in an educational choice program.".

PARENTAL INVOLVEMENT

SEC. 512. Section 1016(c) of the Elementary and Secondary Education Act of 1965 is amended—

(1) in paragraph (2), by adding the following sentence at the end thereof: "If the local educational agency is carrying out an educational choice program, representatives of such agency shall explain the availability of compensatory education services under the various available options."; and

(2) by adding at the end thereof a new paragraph (7) to read as follows:

"(7) Each local educational agency that is implementing an educational choice program shall provide an explanation in writing, and in such other manner as may be appropriate, to the parents of each eligible child selected to participate in the agency's program under this part of the options available to them under the educational choice program and this part.".

DEFINITION

SEC. 513. Section 1471 of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new paragraph (24) to read as follows:

"(24) The term 'educational choice program' means a program, including a desegregation plan, adopted by a State educational agency or a local educational agency under which parents select the school in which their children will be enrolled.".

PART C—ASSISTANCE FOR PARENTAL CHOICE PROGRAMS

PROGRAM AUTHORIZED

SEC. 521. The Secretary shall make grants, in accordance with this part, to local educational agencies that carry out educational choice programs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 522. For the purpose of carrying out this part, there are authorized to be appropriated $200 million for fiscal year 1992, and such sums as may be needed for each of the four succeeding fiscal years.

ELIGIBILITY

SEC. 523. (a) A local educational agency is eligible for a grant under this part if it will carry out an educational choice program during the year for which assistance is sought and carried out such a program during the preceding year.

(b) For the purpose of this part, an "educational choice program" is a program adopted by a State or by a local educational agency under which—

(1) parents select the school, including private schools, in which their children will be enrolled; and

(2) sufficient financial support is provided to enable a significant number or percentage of parents to enroll their children in a variety of schools and educational programs, including private schools.

ALLOCATION OF APPROPRIATIONS

SEC. 524. (a) From the amount appropriated under section 522 for any fiscal year, the Secretary shall allot, to each eligible local educational agency whose application for a grant under this part has been approved, an amount that bears the same ratio to such amount as the amount allocated to such agency under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 for the previous fiscal year bears to the amounts so allocated to all such eligible agencies whose applications have been approved.

(b) No local educational agency's allotment shall exceed—

(1) the average per pupil expenditure of all local educational agencies in the State for the most recent fiscal year for which satisfactory data are available to the Secretary; multiplied by

(2) the number of children afforded the opportunity to participate in the educational choice program in the year preceding the year for which assistance is sought.

(c) Any funds appropriated under this part for any fiscal year that exceed the amounts that can be awarded under this section shall be returned to the Treasury.

AUTHORIZED ACTIVITIES

SEC. 525. (a) Each local educational agency that receives funds under this part may use those funds only for educational services provided to the students of such agency and for parental involvement activities, except that such services and activities must be in addition to services and activities that would otherwise be provided from State or local funds.

(b) A local educational agency may not use funds received under this part for general administrative expenses.

APPLICATIONS

SEC. 526. (a) Each local educational agency that wishes to receive a grant under this part shall submit an application to the Secretary, covering a period of one year, at such time and in such manner as the Secretary may prescribe.

(b) Each such application shall contain—

(1) a description of the educational choice program carried out in the year preceding the year for which assistance is sought, and to be carried out in the year for which assistance is sought, in sufficient detail for the Secretary to determine whether the agency is eligible under this part; and

(2) such other assurances and information as the Secretary may require.

(c) Before finally deciding not to approve a local educational agency's application under this part, the Secretary shall—

(1) provide a written explanation to such agency; and

(2) afford such agency a reasonable opportunity to respond.

PART D—PARENTAL CHOICE PROGRAMS OF NATIONAL SIGNIFICANCE

PROGRAM AUTHORIZED

SEC. 531. The Secretary shall make grants, in accordance with this part, to State educational agencies, local educational agencies, and other agencies, institutions, and organizations to conduct and demonstrate nationally significant model programs of educational choice.

AUTHORIZATION OF APPROPRIATIONS

SEC. 532. (a) For the purpose of carrying out this part, there are authorized to be appropriated $30 million for fiscal year 1992 and such sums as may be needed for each of the four succeeding fiscal years.

(b) From the amount appropriated under subsection (a) for any fiscal year, the Secretary may set aside up to five percent for evaluation of, and dissemination of information about, educational choice programs assisted under this part.

ANNUAL COMPETITION

SEC. 533. In any fiscal year for which funds are available to make new awards, the Secretary shall announce the approaches to educational choice that will be considered for funding under this part. An application for assistance may be considered only if it complies with such announcements.

APPLICATIONS

SEC. 534. (a) Each agency, institution, or organization that wishes to receive a grant under this part shall submit an application to the Secretary, at such time, in such manner, and containing such assurances and information as the Secretary may prescribe.

(b) Each application under this part shall be for a period of up to five years.

AUTHORIZED ACTIVITIES

SEC. 535. (a) Each recipient of a grant under this part shall use the grant funds only for activities directly related to planning, implementing, operating, and evaluating, and disseminating information about, the educational choice demonstration program funded under this part.

(b) Such funds may be used, to the extent otherwise permitted by law, to meet expenses of parents and children resulting from their participation in such program.

EXPERT ADVICE

SEC. 536. The Secretary shall consult with educational practitioners with experience with educational choice programs, individuals with expert knowledge and experience in the area of educational choice, and other interested individuals, including parents, in determining which approaches to educational choice to support under, and in otherwise carrying out, this part.

DEFINITION

SEC. 537. For the purpose of this part, an "educational choice program" is a program adopted by a State or by a local educational agency under which parents select the school in which their children will be enrolled and that complies with the annual announcement under section 533.

TITLE VI—NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

SEC. 601. Section 406 of the General Education Provisions Act is amended—

(1) by amending subsection (f)(1) to read as follows:

"(1) There are authorized to be appropriated for the purposes of this section $86,160,000 for fiscal year 1992, and such sums as may be necessary for each of the four succeeding fiscal years.";

(2) in subsection (i)—

(A) in paragraph (2)(A)—

(i) by amending the first sentence to read as follows: "The National Assessment shall provide a fair and accurate presentation of educational achievement in skills, abilities, and knowledge in reading, writing, mathematics, science, history, and geography, and in other areas specified by the Board, and shall use sampling techniques that produce data that are representatives on a national and on a State basis for those States that choose to participate.";

(ii) by amending clause (i) to read as follows:

"(i) collect and report data on a periodic basis, but at least once every four years in reading, writing, mathematics, science, history, and geography;"; and

(iii) in clause (ii), by striking out "every 2 years" and inserting in lieu thereof "annually";

(B) by striking out paragraph (2)(B);

(C) in paragraph (4)(B)(i), by striking out "and that information with respect to individual schools";

(D) by striking out paragraph (4)(C); and

(E) by amending parapraphs (8)g (B) and (C) to read as follows:

"(B) Participation in assessments made on a State basis shall be voluntary. The Secretary shall enter into an agreement with any State that desires to carry out an assessment for the State under this subsection. Each such agreement shall contain assurances that the State will—

"(i) participate in the Assessment;

"(ii) perform the functions of conducting the Assessment at the school level for all schools in the State sample and coordinating within the State, subject to subparagraph (C);

"(iii) pay from non-Federal sources the minimum State contribution required in subparagraph (C)(i); and

"(iv) comply with the terms and conditions specified in subsection (i)(2)(C)(iv).

"(C)(i) The minimum State contribution for participation in the State assessments for each fiscal year shall be $100,000, which the State may meet by in-kind contributions, fairly valued.

"(ii) The Secretary shall pay the State for the cost, in excess of the minimum State contribution, of conducting the Assessment at the school level for all schools in the State sample and for the cost of coordination within the State an amount that shall be identified in the agreement reached under subparagraph (B), that shall be the product of the total number of hours of work and training of school staff the Secretary estimates is required to conduct the Assessment at the school level and the total number of hours of work of State staff the Secretary estimates is required to coordinate the Assessment within the State multiplied by a daily rate of pay, as determined by the Secretary.".

TITLE VII—NATIONAL COMMISSION ON TIME, STUDY, LEARNING, AND TEACHING

SEC. 701. (a) ESTABLISHMENT.—There is hereby established a National Commission on Time, Study, Learning, and Teaching (here after in this title referred to as the "Commission").

(b) MEMBERSHIP OF THE COMMISSION.—(1) IN GENERAL.—The Commission shall consist of 15 members appointed by the President. The President shall give serious consideration to appointing three members recommended by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and to appoint three members recommended by the President pro tempore of the Senate upon the recommendations of the Majority Leader and the Minority Leader of the Senate.

(2) REQUIREMENTS.—(A) Members of the Commission shall be appointed on the basis of exceptional education, training, or experience from among—

(i) the Nation's Governors;

(ii) individuals from the business community;

(iii) representatives of nonprofit organizations or foundations committed to the improvement of American education;

(iv) individuals who are engaged in the profession of teaching;

(v) individuals engaged in school administration, members of school boards, and parents or representatives of parents or parent organizations;

(vi) State officials directly responsible for education;

(vii) Federal officials responsible for education policy; and

(viii) educational researchers with experience relevant to the Commission's work.

(3) VACANCIES.—A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) TERMS.—Members of the Commission shall be appointed to serve at the pleasure of the President.

(5) COMPENSATION.—Each member of the Commission shall serve without compensation, but shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(6) ACTIVITY OF COMMISSION.—The Commission may begin to carry out its duties under this subsection when at least seven members of the Commission have been appointed.

(c) FUNCTIONS OF THE COMMISSION.—(1) STUDY.—The Commission shall examine the quality and adequacy of the study and learning time of elementary and secondary students in the United States in an era when World Class Standards of achievement need to be met, including issues regarding the length of the school day and year, the extent and role of homework, how time is currently being used for academic subjects, year-round professional opportunities for teachers, and the use of school facilities for extended learning programs.

(2) REPORT.—The Commission shall submit a final report under subsection (d). The report shall include an analysis and recommendations concerning—

(A) the length of the academic day and the academic year in elementary and secondary schools throughout the United States and in schools of other nations;

(B) the time children spend in school learning the five core subjects of English, mathematics, science, history, and geography;

(C) the use of incentives for students to increase their educational achievement in available instructional time;

(D) how children spend the 91 percent of their time that is outside school, with particular attention to how much of that time can be considered "learning time" and how out-of-school activities affect intellectual development;

(E) the time children spend on homework, how much of that time is spent on the core curriculum subjects, the importance that parents and teachers attach to homework, and the extent to which homework contributes to student learning;

(F) year-round professional opportunities for teachers and how teachers can use their time to acquire knowledge and skills that will permit them to improve their performance and help raise the status of the profession;

(G) how school facilities are used for extended learning programs;

(H) the appropriate number of hours per day and days per year of instruction for United States elementary and secondary schools; and

(I) if appropriate, a model plan for adopting a longer academic day and academic year for use by United States elementary and secondary schools by the end of this decade, including recommendations regarding mechanisms to assist States, school districts, schools, and parents in making the transition from the current academic day and year to an academic day and year of a longer duration.

(d) COMMISSION REPORT.—Not later than one year after the Commission concludes its first meeting, the Commission shall submit a report to the President and the Congress on the study and any recommendations required pursuant to this section.

(e) POWERS OF THE COMMISSION.—(1) HEARINGS.—The Commission may, for the purpose of carrying out this section, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) TESTIMONY; PUBLIC HEARINGS.—In carrying out this section, the Commission may receive testimony and conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public regarding the quality and adequacy of American students' study and learning time in an era when World Class Standards of achievement need to be met.

(3) INFORMATION.—The Commission may secure directly from any Federal agency such information, relevant to its functions, as may be necessary to enable the Commission to carry out this section. Upon request of the Chairman of the Commission, the head of the agency shall, to the extent permitted by law, furnish such information to the Commission.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of money, services, or property, both real and personal, for the purpose of aiding the work of the Commission.

(5) USE OF MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as the departments and agencies of the United States.

(6) SUPPORT SERVICES.—The Secretary shall provide to the Commission on a reimbursable basis such reasonable administrative and support services as the Commission may request.

(f) ADMINISTRATIVE PROVISIONS.—(1) MEETINGS.—The Commission shall meet on a regular basis, as necessary, at the call of the Chairman or a majority of its members.

(2) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(3) CHAIRMAN AND VICE CHAIRMAN.—(A) The Chairman and Vice Chairman of the Commission shall be elected by and from the members of the Commission.

(B) The Commission shall appoint a staff director, who shall be paid at a rate not to exceed the maximum rate of basic pay under section 5376 of title 5, United States Code, and such professional and clerical personnel as may be reasonable and necessary to enable the Commission to carry out its functions without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to classification and General Schedule pay rates.

(4) OTHER FEDERAL PERSONNEL.—Upon request of the Chairman of the Commission, the head of any Federal agency is authorized to detail, with or without reimbursement, any personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section. Such detail shall be without interruption or loss of civil service status or privilege.

(g) TERMINATION OF THE COMMISSION.—The Commission shall terminate 90 days after submitting the final report required by subsection (d).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated a total of $1,000,000 for fiscal years 1991 and 1992 to carry out this title.

TITLE VIII—REGIONAL LITERACY RESOURCE CENTERS

REGIONAL LITERACY RESOURCE CENTERS

SEC. 801. Part B of the Adult Education Act (20 U.S.C. 1203 *et seq.*) is amended—

(1) by redesignating subpart 7 as subpart 8; and

(2) by inserting after subpart 6 the following:

"SUBPART 7—REGIONAL LITERACY RESOURCE CENTERS

"REGIONAL LITERACY RESOURCE CENTERS

"SEC. 356. (a) PURPOSE.—It is the purpose of this section to assist State and local public and private nonprofit efforts to improve literacy through a program of regional literacy resource center grants to—

"(1) stimulate the coordination of literacy services;

"(2) enhance the capacity of State and local organizations to provide literacy services.

"(b) REGIONAL RESOURCE CENTERS.—The Secretary, from funds available for this subpart, shall make grants to or enter into contracts with, State educational agencies, local educational agencies, State offices on literacy, volunteer organizations, community-based organizations, institutions of higher education, or other nonprofit entities to operate regional literacy resource centers in such regions of the United States as the Secretary determines are appropriate.

"(c) USE OF FUNDS.—Funds awarded under subsection (b) to carry out this section shall be used to conduct such activities as—

"(1) improving and promoting the dissemination and adoption of teaching methods, technologies, and program evaluations;

"(2) developing innovative approaches to the coordination of literacy services within and among States and with the Federal Government;

"(3) assisting public and private agencies in coordinating the delivery of literacy services;

"(4) encouraging government and industry partnerships, including partnerships with small businesses, private/nonpofit organizations, and community-based organizations for the delivery of literacy services;

"(5) encouraging innovation and experimentation in literacy activities that will enhance the delivery of literacy services and address emerging problems;

"(6) providing technical assistance to State and local governments and service providers to improve literacy programs and access to such programs; and

"(7) providing training and technical assistance to literacy instructors in reading instruction and in—

"(A) selecting and making the most effective use of methodologies, instructional materials, and technologies such as—

"(i) coumputer-assisted instruction;

"(ii) video tapes;

"(iii) interactive systems; and

"(iv) data link systems; or

"(B) assessing learning styles, screening for learning disabilities, and providing individualized remedial reading instruction.

"(d) APPLICATIONS.—Each entity that desires to receive an award under this section for a regional adult literacy resource center shall submit to the Secretary an application that describes how the applicant will—

"(1) develop a literacy resource center or expand an existing literacy resource center;

"(2) provide services and activities with the assistance provided under this section;

"(3) ensure access to services of the center for the maximum participation of all public and private programs and organizations providing or seeking to provide basic skills instruction, including local educational agencies, agencies reponsible for corrections education, service delivery areas under the Job Training Partnership Act, welfare agencies, labor organizations, businesses, volunteeer groups, and community-based organizations;

"(4) develop procedures for the coordination of literacy activities conducted within the States of the region by public and private organizations, and for enhancing the systems of service delivery;

"(5) secure approval of the Governors of each State in the region, to ensure that the regional literacy resource center serves the needs of the State, as identified in the four-year plan developed under section 342 of this Act;

"(6) evaluate the effectiveness of the services and activities supported by the center, including the provision of such information as the Secretary may require; and

"(7) meet the cost-sharing requirements of subsection (e).

"(e) PAYMENTS; FEDERAL SHARE.—(1) The Secretary shall pay to each entity having an application approved pursuant to subsection (d) the Federal share of the cost of the activities described in the application.

"(2) The Federal share—

"(A) for each of the first 2 fiscal years in which the applicant receives funds under this section shall not exceed 80 percent;

"(B) for each of the third and fourth fiscal years in which the applicant receives funds under this section shall not exceed 70 percent; and

"(C) for the fifth fiscal year in which the applicant receives funds under this section shall not exceed 60 percent.

"(3) The non-Federal share of payments under this section may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for fiscal year 1992, and such sums as may be necessary for each of the four succeeding fiscal years.".

TITLE IX—GENERAL PROVISIONS

DEFINITIONS

SEC. 901. Except as otherwise provided as used in this Act—

(1) the terms "elementary school", "local educational agency", "secondary school", and "State educational agency" have the meanings given them in section 1471 of the Elementary and Secondary Education Act of 1965;

(2) the term "Governor" means the chief executive of each State;

(3) the term "Secretary" means the Secretary of Education; and

(4) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, America Samoa, the Virgin Islands, the Commonwealth of Northern Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau).

INSULAR AREAS

SEC. 902. The provisions of Public Law 95-134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds received by such area under this Act.

EFFECTIVE DATE

SEC. 903. This Act shall take effect on enactment.

AMERICA 2000 EXCELLENCE IN EDUCATION ACT—SECTION-BY-SECTION ANALYSIS

Section 2. Section 2 provides a table of contents for the bill.

Section 3. Section 3 of the bill would set out congressional findings, in support of the bill, that: (1) eight years after the report of the National Commission on Excellence in Education, the Nation's schools have yet to show significant improvement; (2) the educational reforms of the 1980's were too slow and too timid; a bolder and more comprehensive effort that involves the citizens of every American community is needed; (3) the Federal Government should provide start-up funding to communities across the country to create their own high-performance New American Schools, schools where all students meet World Class Standards; (4) rewards for schools in which students make significant gains in learning can spur improvements in all schools; (5) teachers and school leaders in every State should receive the additional training they need to deliver capable instruction in the five core academic disciplines and to provide strong instructional leadership to their schools; (6) new approaches to training and certifying teachers and principals would expand the pool of talent from which schools draw professional staff and would enable talented, qualified individuals who do not possess traditional credentials to enter teaching and the principalship; (7) greater flexibility and accountability at the school site can enable educators to improve learning for all students; (8) expanding parental choice among schools can help all schools to improve; (9) an expanded National Assessment of Educational Progress can be used to provide clear and comparable information on the progress of States, school districts, and schools toward attainment of the National Education Goals; (10) Americans need to know how much time their children should spend learning, and how that time should be used, in order for those children to develop the intellectual competencies necessary for a productive workforce and an enlightened citizenry; and (11) better coordination of adult literacy services, and access by service providers to information about the best practices in the field of literacy, will assist the Nation in meeting the goal that every adult American be literate by the year 2000; and (12) therefore, national progress toward attainment of the National Education Goals by the year 2000 can be assisted by the Federal Government through initiatives that address these findings.

TITLE I—NEW AMERICAN SCHOOLS

Section 101. Section 101 of the bill would establish the following congressional findings: First, many American elementary and secondary schools are structured according to models that are outmoded and ineffective; rely on notions about pedagogy, management, technology, staffing, and other resources that may be outdated or insufficient for the challenges of the next century; and are unsuccessful at equipping the majority of students with the knowledge and skills needed to succeed as citizens and in the workplace. Second, new approaches to elementary and secondary education are needed. Without major reforms in elementary and secondary schools, the United States will lose its ability to compete fully and successfully in the world economy. Third, although educational change must take place school by school, experience shows that the schools, on their own, will not alter themselves radically. Fourth, there is an appropriate Federal role in providing seed money for the establishment of new types of schools in communities across the country. Fifth, the Nation is embarking on a major effort to support the invention of radically better forms of schooling, and to establish a network of American communities whose citizens are dedicated to the improvement of education.

Section 102. Section 102(1) of the bill states that the purpose of Title I of the bill is to support the creation of new schools across the county—schools that reflect the best thinking about teaching and learning, employ the highest-quality instructional materials and technologies, and are designed to meet the National Education Goals, as well as the particular needs of their students and communities.

Section 102(2) states that, in order to carry out this purpose, Title I authorizes financial assistance for New American Schools in communities that have been designated "AMERICA 2000 Communities".

Section 103. Section 103(a) of the bill would authorize the Secretary to reserve up to a total of $3 million from the amounts appropriated under section 109 for fiscal years 1992, 1993, and 1994, for a national program evaluation of New American Schools.

Section 103(b) of the bill would direct the Secretary to allocate the remaining funds among the several States in proportion to the size of their congressional delegations, including Senators, Representatives, and Delegates. (For this purpose, the Commonwealth of the Northern Mariana Islands and Palau would each be treated as if it had one member of Congress.) The Secretary would proportionately reduce a State's allocation, and increase the allocation of all other States, if a congressional district in the State did not contain a community that has been designated an AMERICA 2000 Community, or if there are fewer such communities than members of Congress from that State.

Section 104. Section 104 would provide that, for a State to qualify for its allocation under this program, the Governor would submit an application to the Secretary. The application would include: (1) a description of the process the Governor has used, in accordance with section 105, to nominate communities to create New American Schools; (2) a list of the communities nominated by the Governor, and the name of the agency, institution, or organization designated by the Governor to receive a New American School grant on behalf of each such community; (3) copies of the plans, prepared by each community nominated by the Governor for funding under this part, for establishing and operating a New American School; (4) an identification of non-Federal resources that will be available to establish and operate each New American School in the State.

Section 105. Section 105 of the bill describes how communities would be selected to create New American Schools. In general, the Secretary would approve communities from among those nominated by the Governors. Under section 105(a), each Governor would nominate, from communities that the Governor has previously designated as AMERICA 2000 Communities in accordance with the President's AMERICA 2000 initiative, communities within the State to create New American Schools. As provided in section 105(b), the Governor would nominate at least as many communities as there are members in the State's congressional delegation, including at least one community in each congressional district in the State. Section 105(c) would require that the Governor base these nominations on criteria established by the Secretary with the advice of a panel of experts to be established under section 107. At a minimum, these criteria would include the level of commitment and activity displayed by the community through its participation in the AMERICA 2000 Communities initiative; the need for new and innovative educational programs in the schools of the community; and the quality of the application submitted by the applicant to the Governor.

Under section 105(d)(1) the Secretary, with the advice of the panel of experts established under section 107, would approve some or all of the communities nominated by each Governor, and the agencies, institutions, and organizations designated by the Governor to receive New American School grants on behalf of those communities, based on the Secretary's determination that such approval would be fully consistent with the purpose and requirements of this part. Section 105(d)(2) would obligate the Secretary to ensure that, to the extent consistent with the approval process described in paragraph (1), a New American School is created in each congressional district, and that there are as many such schools created in the State as there are members in the State's congressional delegation. The Secretary would also ensure that communities with high concentrations of children from low-income families in each State receive an equitable share of New American School awards.

Finally, section 105(e) would clarify that a Governor may nominate additional communities or recipients if the Secretary does not approve one or more of the Governor's nominees, if an approved community or recipient subsequently withdraws from the program, or if the Secretary determines that the community or recipient is unable to successfully carry out its project, or is not making satisfactory progress in carrying out its project.

Section 106. Section 106(a) would direct the Secretary to make grants for New American Schools to agencies, organizations, and institutions selected by the Secretary under section section 105(d). Each such recipient would receive funds in a total amount determined by the Secretary after consultation with the Governor, with a maximum award of $1 million. Finally, the Secretary would consider the expected student enrollment in each New American School in setting award amounts.

Section 106(b) would encourage the recipient of each New American School award to adapt and implement one or more New American School designs developed by research and development teams funded by the New American Schools Development Corporation.

Under section 106(c), program funds could be used only to meet the special start-up costs associated with the creation and establishment of a New American School, including planning, curriculum development, and curriculum adaptation; training of teachers, administrators, and other staff, as well as parents and members of the community who are involved with the school; purchase of equipment and materials; minor renovation and remodeling of facilities; and to obtain the assistance of outside experts, including one or more of the research and development teams referred to in section 106(b) in adopting one or more of the designs developed by those teams to the needs of the individual community and school. Program funds could not be used for construction or for the grantee's general administrative expenses.

Section 106(d) would require that each New American School have obtained State recognition or accreditation, as necessary, and be fully operating by the start of the 1996-1997 school year.

Section 107. Section 107 of the bill would direct the Secretary, within 90 days of the bill's enactment, to convene an expert panel of educators, representatives of private business, and public representatives to advise on the administration of the New American Schools program. Among other topics, the Panel would advise the Secretary on the criteria to be used by the Governors to nominate communities for New American Schools and the approval by the Secretary of communities nominated by Governors to establish New American Schools and of the agencies, institutions, and organizations named to establish those schools.

Section 108. Section 108 of the bill would direct the Secretary to conduct a national evaluation of the impact of the New American Schools program on schools and communities, and on education generally. The Secretary would be required to submit such interim evaluation reports to the President and the Congress as may be appropriate, and a final report by September 30, 1988.

Section 109. Section 109 of the bill would authorize appropriations in the following amounts for the New American Schools program: $180 million for fiscal year 1992, $180 million for fiscal year 1993, and $185 million for fiscal year 1994. These funds would remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which they are appropriated, so that Governors will have substantial flexibility in deciding when to establish and support New American Schools.

Section 110. Section 110 of the bill would define the term "community" for purposes of the New American Schools program, as: (1) a unit of general purpose local government, such as a city, township, or village; (2) a geographically distinct area, such as a school district, school attendance area, ward, precinct, or neighborhood; or (3) an identifiable group of individuals, such as the members of a service organization, who generally reside in a particular geographic area. "Communities" may include schools that are currently operated by the Bureau of Indian Affairs, or tribally-controlled schools, or groups of parents of Indian or Native American children who reside on Indian lands, and who create an America 2000 community in accord with the Governor's procedures. The Governor would be expected to consider such applicants in the same way he considers all other applicants.

TITLE II—MERIT SCHOOLS

Section 201. Section 201 of the bill would set forth congressional findings and a declaration of purpose for the Merit Schools program, to be authorized by Title II. Subsection (a) would state Congress' findings that: (1) all elementary and secondary schools should seek to attain the National Education Goals by the year 2000; (2) achievable standards of excellence can and should be set for all students and for all schools; (3) schools' progress in meeting those standards should be measured and made public; (4) financial incentives can spur schools to rise to the challenge of meeting those standards; and (5) demonstrated school-wide progress in achieving excellence, particularly in mathematics and science, deserves reward and recognition.

Section (b) would provide that the purpose of the Merit Schools program is to recognize and reward public and private elementary and secondary schools, including their faculty, that make documented progress in attaining the National Education Goals, particularly the goal of increasing students' mastery of the five core academic subjects.

Section 202. Section 202 of the bill would authorize $100 million for fiscal year 1992, and such sums as may be needed for each of the four succeeding fiscal years, to carry out Title II. These funds would remain available for obligation by the Secretary for two fiscal years after the fiscal year for which they were appropriated, to conform to the flexibility afforded Governors under section 205 in determining when to make Merit School awards.

Section 203. Section 203 of the bill would describe how appropriations for Title II would be allocated. Subsection (a) would authorize the Secretary to reserve up to one quarter of one percent of the appropriated amount to make grants to the outlying areas—Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau—for activities under the Act. The Secretary could also reserve up to two percent of each year's appropriation for evaluations and dissemination.

Subsection (b) would direct the allocation among the States of the amount remaining after the Secretary reserves funds for the outlying areas, and for evaluations and dissemination, under subsection (a). Under paragraph (1), this remaining amount would be allocated among the States on the same basis as funds are allocated for that fiscal year for Basic LEA Grants and Concentration Grants under sections 1005 and 1006 of Chapter 1 of Title I of the ESEA. Paragaph (2) would provide that the State allocation provisions apply only to the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

Section 204. Section 204(a) of the bill would require the Governor of any State that wishes to receive a Merit Schools grant to submit a three-year application, which could be followed by an application for the succeeding two years.

Subsection (b) would require that each State application contains: (1) the criteria that the Governor will use to select Merit Schools; (2) the criteria the Governor will use to determine the amount of awards; (3) an assurance that the State will carry out the program in accordance with applicable legal requirements; and (4) other information the Secretary may require.

Subsection (c) would make inapplicable certain burdensome and unnecessary application provisions of the General Education Provisions Act. This treatment of those provisions is identical to that afforded under Chapters 1 and 2 of Title I of the ESEA.

Section 205. Section 205(a) of the bill would permit each State to use up to five percent of its annual allocation for the administrative costs of carrying out the program. Subsection (b) would require each State to use at least 95 percent of its State allocation for Merit School awards in accordance with section 207, except that the Governor could, by notifying the Secretary, designate a part or all of any year's allocation to remain available for two additional years. Of the amount used for Merit Schools, the Governor would have to use at least 20 percent for awards to schools that demonstrate exceptional progress in improving students' performance in mathematics and science, in addition to meeting the national and State criteria that apply to all Merit Schools.

Section 206. Section 206(a) of the bill would require the Governor of each participating State to establish a State review panel to assist in the selection of Merit Schools. The review panel would be broadly representative of elementary and secondary school teachers and administrators, college and university faculty and administrators, parents, students, State and local boards of education, State and local governments, labor, business, and the general public.

Subsection (b) would require each Governor, within 60 days of the end of each fiscal year, to submit to the Secretary a report that: (1) identifies the schools chosen as Merit Schools; (2) states the reasons for their selection; and (3) states the amount of the award to each school. Beginning with the second year for which the State makes awards, each Governor's report would also include a brief description of the actual use of awards in the State.

Section 207. Section 207 of the bill would describe how Merit Schools are selected. Under subsection (a)(1), the Governor could designate as Merit Schools public or private elementary or secondary schools in the State that have been nominated through procedures established by the Governor. Subsection (a)(2) would require the Governor to apply the selection criteria uniformly to public and private schools.

Subsection (b) would provide that, in order to be selected as a Merit School, a school must have: (1) demonstrated progress over a period of at least three years in significantly increasing the number or percentage of students who meet the National Education Goal of leaving grades four, eight, and twelve, as applicable, having demonstrated competency in challenging subject matter, including English, mathematics, science, history, and geography; (2) utilized objective measures of progress over the period that are established by the State in its plan and approved by the Secretary; and (3) made public an annual "report card", which includes information about the progress the school is making toward achievement of relevant aspects of the National Education Goals.

Subsection (c)(1) would permit each Governor to use selection criteria in addition to those, described in subsection (b), that would apply throughout the Nation. In setting these additional criteria, the Governor could include other aspects of educational performance, including the school's progress in attaining the other National Education Goals; would have to take into account differences in the composition of the student body of different schools; would have to give special consideration to schools with substantial numbers or proportions of children from low-income families; and could set different criteria for awards for achievement in different grade levels. Subsection (c)(3) would require each Governor to develop State criteria for selecting schools to rceive awards for outstanding progress in student achievement in mathematics and science, in accordance with section 205(b). Subsection (c)(4) would require the Governor, in applying the criteria to a school in which a project is conducted under Part A of Chapter 1, to consider the desired outcomes identified for children in the Chapter 1 application submitted by the local educational agency operating the school. A school that an LEA has identified under section 1021(b) of Chapter 1 during each year of the period covered by a Merit Schools competition would not be eligible for a Merit School Award. Subsection (c)(5) would prohibit a Governor from considering a school's planned use of an award, if it is otherwise permitted by law, in deciding whether to recognize it as a Merit School or in setting the amount of its award.

Subsection (d) would require each Governor to establish criteria, including criteria relating to the size of the school and the economic circumstances of the student body, for determining the amount of Merit School awards.

Subsection (e) would require the Governor of any State that is either prohibited by State law from providing Merit School funds to private schools, or that is unwilling to do so, to notify the Secretary of that prohibition or unwillingness, as well as of the private schools it has designated as Merit Schools and the amount of their awards. The Secretary would then provide those funds, from the State's allocation, to the designated private schools through such arrangements as the Secretary finds suitable. The Secretary would also withhold the administrative costs of making such arrangements from the State's allocation.

Section 208. Section 208 of the bill would allow a Merit School to use its Merit School award for activities, otherwise permitted by law, that further the educational program of the school. These activities could include: (1) development, implementation, or expansion of special programs, such as those focused on dropout prevention or reentry, student transition to college or employment, preschool children, remedial services, or gifted and talented students; (2) the purchase or lease of computers, telecommunications equipment, scientific instruments, instructional materials, library books, and other equipment and materials, except that a public agency would have to have title to, and exercise administrative control of, such equipment and materials; (3) bonus payments for faculty and administrators; (4) college scholarships for secondary school students; (5) parental involvement activities; (6) community outreach activities; and (7) helping other schools replicate its success.

Section 209. Section 209 of the Act would prohibit a Federal, State, or local agency from taking a Merit School award into account in determining whether to award any other assistance from Federal, State, or local resources, or in determining the amount of that assistance, to either the Merit School itself or the LEA, if any, that operates the school.

TITLE III—TEACHERS AND SCHOOL LEADERS

Part A—Governors' academies for teachers

Section 301. Section 301 of the bill would establish the following congressional findings: First, reform and restructuring of American education, and the Nation's ability to attain the National Education Goals, depend heavily on the quality of teaching in elementary and secondary schools, particularly in the core academic disciplines of English, mathematics, science, history, and geography. Second, experienced teachers need access to training of exceptional quality to keep current in the core academic disciplines, participate successfully in curriculum development, and act as master teachers. Third, Governors' efforts to reform elementary and secondary education in the States should include a focus on ensuring that teachers have a firm grasp of, and keep current in, the core academic disciplines. Fourth, Governors' Academies for Teachers can be a principal vehicle for providing the kind of high-level, intensive training essential to education reform and accomplishment of the National Education Goals. Fifth, excellent teachers in the core academic subjects deserve public recognition and appropriate financial rewards in return for their efforts.

Section 302. Section 302 of the bill would state that the purposes of the program of Governors' Academies for Teachers are to: (1) build the highest quality teaching force for the Nation's schools, by providing start-up funds for Governors' Academies that teachers from public and private elementary and secondary schools may attend to obtain advanced instruction focusing on the core academic disciplines; and (2) establish awards for outstanding teachers in the academic subjects covered by the Academies.

Section 303. Section 303(a) of the bill would direct the Secretary to make a one-time, five-year grant to each State to establish and operate Governors' Academies for Teachers, and to recognize outstanding teachers. The Governor of each State would use the State's grant to make competitive awards to the State educational agency, local educational agencies, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate Governors' Academies for Teachers. An Academy could be operated in cooperation or consortium with those of other States.

Section 303(b) of the bill would authorize the Secretary to reserve up to $500,000 of each year's program appropriation for evaluations of, and dissemination of information about, program activities, and direct the Secretary to reserve up to $175,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau, to be expended as the Secretary determines will best meet the purpose of this program. The Secretary would proportionately allocate the remainder of such funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the full-time equivalent number of public elementary and secondary school teachers in the most recent year for which satisfactory data are available. If the Secretary determined that any amount of a State's allotment for any fiscal would not be needed for that year by the State, the Secretary would reallot that amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

Section 304. Section 304 of the bill would require the Governor of each State wishing to receive a grant under this part to submit an application to the Secretary, for a five-year period. Each application would include: (1) a description of how the Governor's Academies planned for the State will relate to the Governor's overall plan for the reform of elementary secondary education and the attainment of the National Education Goals in the State, including, in particular, improvement of education in the core academic subjects; (2) a description of the competitive process the Governor will use to select applicants to operate the Governors' Academies for Teachers in the State; (3) an assurance that a separate Academy will be established in each of the five course academic subjects (English, mathematics, science, history, and geography), unless the Governor determines that it would be inefficient to use funds in this manner and the application decribes the Governor's reasons for establishing Academies that focus on more than one subject; (4) a description of how Academy participants will be selected; (5) a description of how the State will monitor the implementation of Governors' Academies for Teachers, including awards to teachers, and the performance of teachers who have been trained in those Academies, and an assurance that it will comply with reasonable requests of the Secretary for information on these matters; and (6) a description of how the State will meet the cost-sharing requirements of section 307 and continue to operate the Academies with Federal assistance is no longer available.

Section 305. Section 305(a) of the bill would require each Governor's Academy for Teachers to conduct a program of intensive instruction to elementary and secondary school teachers, focusing on the core academic disciplines of English, mathematics, science, history and geography. In accordance with section 305(b), this instruction would include: (1) renewal and enhancement of participants' knowledge of one of the five core academic disciplines; (2) teaching skills and strategies needed to impart academic subject matter to students, including students who are economically disadvantaged, limited English proficient, or have disabilities, and other students from diverse backgrounds; (3) at the Academy discretion, the use of educational technologies in teaching the core academic disciplines; (4) training needed to become a lead teacher or a master teacher in a core subject, consistent with State policies on teacher career ladders; (5) training needed to participate in curriculum development in a core subject; and (6) training in the development and use of assessment tools.

Section 305(c) would require each Academy to carry out activities consistent with the program's purpose. These activities could include review of existing teacher enhancement programs to identify the most promising approaches, development of a curriculum for use by the Academy; recruitment of teachers within the State to participate in the Academy's program; followup activities for previous participants; dissemination of information about the Academy, including the curricula developed; and evaluation of the impact of the Academy on the teaching practices of participants, and other evaluation activities designated to strengthen the Academy's program.

Section 305(d) would direct the Governor to allocate the State's allocation for teacher recognition under section 308(b) to each Academy in the State in the same proportion as funds to establish and operate the Academies are distributed. Each Academy would use this portion of its grant for a program of cash awards and recognition to outstanding teachers in the core academic subject or subjects covered by the Academy. Academies would select awardees from nominations submitted from a wide variety of sources, including public and private schools, teachers, and teacher associations, parents and parent associations, business, and students. Any full-time teacher of a core academic subject (including an elementary school teacher in the general curriculum) in a public or private elementary or secondary school would be eligible to receive an award. Academies would select recipients in accordance with criteria developed by the Academy and approved by the Governor. Such criteria may include the success of the teacher in educating disadvantaged students; educating gifted and talented students; encouraging students to enroll and succeed in advanced classes; teaching in schools educating large numbers of disadvantaged students, including schools in low-income inner-city or rural areas; introducing a new curriculum in a core academic subject or strengthening an established curriculum in a core academic subject; or acting as a "master teacher." The amount of a teachers award could not exceed $5,000 and would be available for any purpose the recipient chooses.

Section 306. Section 306 of the bill would require each recipient under this program to use funds appropriated to establish and operate Teacher Academies to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 305, which may include stipends and travel and living expenses for teachers who participate in the Academy's program if no other funds are available to pay those costs.

Section 307. Section 307 of the bill would set the maximum percentage of an Academy's cost that could be met with program funds at 75 percent for the first year, 65 percent for the second year, 55 percent for the third year, 45 percent for the fourth year, and 35 percent for the fifth year. The remaining share would have to be provided from non-Federal sources, which could include in-kind contributions, fairly valued.

Section 308. Section 308(a) of the bill would authorize the appropriation, to establish and operate Teacher Academies, of $62.4 million for fiscal year 1992, $54.2 million for fiscal year 1993, $45.9 million for fiscal year 1994, $37.7 million for fiscal year 1995, and $29.5 million for fiscal year 1996.

Section 308(b) of the bill would authorize the appropriation, for the teacher recognition program described in section 305(d), of $7.6 million for each of the fiscal years 1992 through 1996.

Part B—Governors' Academies for School Leaders

Section 311. Section 311 of the bill would set out the following congressional findings to support the creation of a new program of Governors' Academies for School Leaders: First, the role of the school principal and other school leaders is central to school performance, school reform, and achievement of the National Education Goals. Second, school restructuring intensifies the need for effective school leadership as it locates greater authority and responsibility at the school building level. In this context, principals and other administrators need to cultivate strong collegial relationships among teachers and staff. Third, school leaders must be well versed in the core academic disciplines, must provide instructional leadership to the teachers in their schools, and must be able to coordinate school services with those of social service agencies and other organizations in the community, including businesses, affecting students and their families. Fourth, over the next ten years, at least half of those individuals now serving as school principals will be eligible for retirement. Fifth, Governors' efforts to reform elementary and secondary education in the States must include a focus on preparing a new generation of highly effective school leaders. Sixth, the pool of talent from which to draw school leaders can be expanded substantially with well-designed training programs.

Section 312. Section 312 of the bill would provide that the purpose of Part B of Title III of the bill is to improve the training and performance of public and private school principals and other school leaders, and increase the number of persons who are well trained and well qualified to be school leaders, by supporting the development and implementation of programs that offer: (1) for prospective school leaders, recruitment, training, and, as appropriate, internships under experienced school leaders; (2) for experienced school leaders, opportunities for professional renewal and enhancement of skills; and (3) for all participants, a focus on instructional leadership, school-based management, school reform strategies, and implementation of school-level accountability mechanisms.

Section 313. Section 313(a) of the bill would direct the Secretary to make a one-time, five-year grant to each State to establish a Governor's Academy for School Leaders. The Governor of each State would use the State's grant to make competitive awards to the SEA, LEAs, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate a Governor's Academy for School Leaders. These Academies could be operated in cooperation or consortium with those of other States.

Under section 313(b) of the bill, the Secretary could reserve up to $500,000 for evaluations of, and dissemination of information about, activities conducted under this program, and would be required to reserve up to $55,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau, to be expended as the Secretary determines will best meet the program's purpose. The Secretary would proportionately allocate the remainder of funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the number of public elementary and secondary schools in each such jurisdiction in the most recent year for which satisfactory data are available. If the Secretary determines that any amount of a State's allotment for any fiscal year will not be needed for such fiscal year by the State, the Secretary would reallot that amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

Section 314. Section 314 of the bill would require the Governor of each State wishing to receive a grant under this program to submit an application to the Secretary for a five-year period. Each application would have to include: (1) a description of how the Governor's Academy for School Leaders planned for the State will relate to the Governor's overall plan for the attainment of the National Education Goals and the reform of elementary and secondary education in the State, including, in particular, improvement of school leadership in the State; (2) a description of the competitive process the Governor will use to select the applicant to operate the Governor's Academy; (3) a description of how Academy participants will be selected; (4) a description of how the State will monitor the implementation of the Governor's Academy and the subsequent progrress of individuals trained by the Academy, and an assurance that it will comply with reasoanble requests of the Secretary for information on these matters; (5) a description of how the State will meet the cost-sharign requirements of section 317 and continue to operate the Academy when Federal assistance is no longer available; and (6) such other assurances and information as the Secretary may require.

Section 315. Section 315 of the bill would require each Governor's Academy for School Leaders to: (1) identify models and methods of leadership training and development that are promising or have proven to be successful; (2) develop curricula, which focus on instructional leadership, school-based management, and the design and execution of school improvement strategies and accountability mechanisms, for the development of school leaders; (3) identify candidates, including members of minority groups, individuals with disabilities, and individuals from schools with high numbers or concentrations of disadvantaged students, to be trained as new school leaders; (4) provide intensive training and development programs for persons desiring and demonstrating outstanding promise to become school leaders, and for current school leaders seeking enhanced and up-to-date knowledge needed to perform their jobs effectively; (5) identify districts and schools with principal and other school leader vacancies and work with them to match academy participants with those vacancies; (6) as appropriate, facilitate interships for graduates of the program for new school leaders, under the guidance and supervision of experienced administrators; (7) provide periodic follow-up development activities for school leaders trained through the Academy's programs; (8) disseminate information about the Academy, including the training curricula developed; and (9) evaluate the impact of the Academy on the leadership practices of participants, and other evaluation activities designed to strengthen the Academy's program.

Section 316. Section 316 of the bill would require each recipient under this program to use its grant funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 315. These costs could include stipends, travel, and living expenses for participants in the Academy if no other funds are available to pay those costs.

Section 317. Section 317 of the bill would set the maximum percentage of an Academy's cost that could be met with program funds at 75 percent for the first year, 65 percent for the second year, 55 percent for the third year, 45 percent for the fourth year, and 35 percent for the fifth year. The remaining share would have to be provided from non-Federal sources, which could include in-kind contributions, fairly valued.

Section 318. Section 318 of the bill would authorize the appropriation, to carry out this program, of $22.5 million for fiscal year 1992, $19.5 million for fiscal year 1993, $16.5 million for fiscal year 1994, $13.5 million for fiscal year 1995, and $10.5 million for fiscal year 1996.

Part C—Alternative Certification of Teachers and Principals

Section 321. Section 321 of the bill would set out the congressional findings that: (1) effective elementary and secondary schools require competent teachers and strong leadership; (2) school systems would benefit greatly by recruitment pools of well-qualified individuals, such as scientists and engineers, from which to select teachers and principals; (3) talented professionals who have demonstrated a high level of subject area competence or management and leadership qualities outside the education profession and who wish to pursue second careers in education often do not meet traditional certification requirements; and (4) alternative certification requirements that do not exclude such individuals from teaching or school administration solely because they do not meet current certification requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

Section 322. Section 322 of the bill would establish the purpose of Part C as improving the supply of well-qualified elementary and secondary school teachers and principals by encouraging and assisting States to develop and implement alternative teacher and principal certification requirements. "Alternative teacher and principal certification requirements" would mean State requirements that permit entry into teacher and principal positions for individuals who have demonstrated a high level of appropriate subject area competence, or management of leadership qualities, in careers in or out of the education field, but who would not otherwise meet existing requirements for teaching or supervisory experience. Such alternative certification requirements could substitute a demonstrated high level of subject area or managerial competence for traditional teacher or principal certification requirements, such as teacher training course work or supervisor experience in the education system.

Section 323. Section 323 of the bill would authorize a one-time appropriation of $25 million for fiscal year 1992.

Section 324. Section 324 of the bill would allot to each State the lesser of either the amount the State applies for or an amount that is proportional to the State's share of the total population of children aged five through seventeen in all the States. States would not be required to apply for their allotments, or the full amount of their allotments, and the Secretary would be authorized to reallocate the excess amounts to other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds. Section 324 would also permit grant funds to be available for expenditure by the States for two calendar years from the date of award.

Section 325. Section 325 of the bill would require States desiring to receive funds under the part to submit an application. Such applications would be required to contain descriptions of the programs, projects, and activities to be undertaken and any necessary assurances, including assurances that grant funds will not be used to supplant State or local funds and that the State has consulted with the State or local agency that certifies teachers and principals, as well as with representatives of elementary and secondary school teachers and principals, local school systems, parents, and other interested organizations and individuals. Section 325 would exempt State applications from certain planning requirements of sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures. Section 325 would require States to submit a final report at such time as the Secretary may specify.

Section 326. Section 326 of the bill would allow States, either directly or through subgrants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies, to use award funds to support programs, projects, or activities that develop and implement new, or expand and improve existing, alternative teacher and principal certification requirements. Section 326 would also list some programs, projects, and activities that may be funded, including design, testing, and evaluation of alternative requirements, establishment of administrative structures, training of staff (including the development of support programs, such as mentor programs), development of recruitment strategies, and development of reciprocity agreements between or among States.

TITLE IV—EDUCATIONAL REFORM AND FLEXIBILITY

Part A—Educational Reform Through Flexibility and Accountability

Section 401. Section 401(a) of the bill would make the following findings demonstrating the need for this part: Historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds. While this approach has been generally successful, some program requirements may inadvertently impede educational achievement. The Nation's schools are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address. In an era when educational change and reform must prevail, it is more important than ever to provide programs that improve educational and related services that benefit children and their families; respond flexibly to the needs of a diverse student population; stop the proliferation of unnecessary Federal, State, and local regulation; and place less emphasis on measuring resources and reviewing procedures and more emphasis on achieving program results.

Section 401(b) would state that the purpose of Part A of Title IV is to promote educational reform that leads to improved educational outcomes for participants in affected programs. Under this approach, the schools and other recipients of Federal funds would be held accountable for achieving specific educational improvement goals in exchange for increased flexibility in the use of their resources. This more flexible approach is intended to enable school and program administrators, teachers, parents, local agencies, and community groups to work together to develop effective education programs that lead to improved achievement and meet the needs for all participants, particularly those who are disadvantaged.

Section 402. Section 402 of the bill would carry out the purpose of Title IV-A by adding a new section 421B to the General Education Provisions Act ("GEPA"; 20 U.S.C. 1221 *et seq*).

Section 421B(a)(1) of GEPA would direct the Secretary of Education ("the Secretary") to assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers by which the Governors, SEAs, LEAs, and other service providers improve the performance of schools and programs by increasing their flexibility in the use of their resources, while holding them accountable for achieving educational gains. In support of these projects, the Secretary would be authorized to waive any statutory or regulatory requirement (except as provided in subsection (e), described below) applicable to a program administered by the Department of Education that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of those students and other individuals in the most effective manner possible. The head of any other Federal agency would similarly be authorized to waive such requirements that apply to that agency's programs if the agency head and the Secretary agree that such a waiver would promote the purpose of this title.

Section 421B(a)(2) would provide that projects under this new authority, and any waivers associated with such projects, could last no longer than three years, except that the Secretary could extend a project and any associated waivers for an additional two years if the Secretary determines the project is making substantial progress toward meeting its goals. The Secretary would be required to terminate a project and its associated waivers if the Secretary, at any time, determines that it is not making acceptable progress toward meeting its goals. The head of any other agency who has granted a waiver under section 421B would determine whether to extend or terminate those waivers, but the Secretary would have exclusive authority to extend or terminate the project itself.

Subsection (b) of the new section 421B would describe the participants in eligible projects, and would impose certain restrictions on those projects. Subsection (b)(1) would require that each project that involves elementary or secondary schools include the participation of an SEA and, to ensure that it is of a meaningful size, at least one LEA and two schools. Subsection (b)(2) would require that, to the extent possible, the project involve each grade and academic program in a participating school, including programs for educationally deprived children under Part A of Chapter 1 of Title I of the Elementary and Secondary Education Act of 1965. Under subsection (b)(3), if fewer than all of an LEA's schools participate in a project, available resources, including available Federal assistance, could not be concentrated unreasonably in the participating schools. This prohibition would help ensure that the outcomes of these projects are attributable to the removal of regulatory or statutory barriers, not to the excessive concentration of resources. Finally, subsection (b)(4) would require that each project that does not involve elementary or secondary schools involve at least two programs, including at least one program administered by the Secretary.

Subsection (c) of the new section 421B would require that an application for an experimental project be submitted by the Governor of the Secretary. Each application would have to include a plan that: (1) describes the purposes and overall expected outcomes of the project; (2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers; (3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to be waived, and the purpose and duration of the requested waivers; (4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect; and (5) describes specific, measurable, educational improvement goals for each school or other site in the project and for each year of the project. Each application for a project involving elementary or secondary schools would also identify the schools to be included in the project and describe the student population at each school; describe specific goals for enhancing coordination between the regular education program and programs serving disadvantaged students; describe the expected educational outcomes for disadvantaged students in schools that do not participate (if any), and how those outcomes will be assessed; and describe how school administrators, teachers, staff, and parents have been, or will be, involved in the planning, development, and implementation of the goals and program for each participating school.

Subsection (d)(1) of the new section 421B would direct the Secretary to approve proposed projects that have substantial promise of achieving this section's purpose, after considering (1) the comprehensiveness of the project, including the types of students, schools, programs, and activities to include; (2) the extent to which the provisions for which waivers are sought impede educational improvement; (3) the State and local requirements that will be waived for the project; (4) the significance and feasibility of the proposed project's goals for each participating school or site; and (5) the quality of the plan for ensuring accountability for the proposed plan's activities and goals.

Subsection (d)(2) would direct the Secretary to consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head would notify the Secretary of any waivers granted by that agency.

Subsection (e) of the new section 421B would describe the allocation of Federal program funds to participating SEAs and LEAs and prohibit the Secretary from waiving certain statutory or regulatory requirements. Subsection (e)(1) would provide that Federal funds under any program that are used to support an approved project shall be allocated to the appropriate SEAs and LEAs in accordance with the statutory and regulatory requirements, such as applicable funding formulas, that govern the operation of that program, except that, for the purpose of a project under section 421B, the Secretary could extend the duration of, and provide continuation funding to, any project of that participating agency that had been chosen on a competitive basis and that the participating agency was conducting before the project under section 421B begins. Subsection (e)(2) would prohibit the Secretary from waiving statutory or regulatory requirements in awarding new competitive grants to SEAs, LEAs, or other applicants that participate in a project under section 421B. These provisions are designed to promote local flexibility in the design and operation of projects under section 421B, while ensuring that grant competitions involving participating agencies are conducted fairly and do not disadvantage applicants who are not seeking waivers under this section.

Subsection (e)(3) would prohibit the Secretary and, where applicable, the head of any other Federal agency from waiving any statutory or regulatory requirement: (1) relating to maintenance of effort, comparability, or the equitable participation of students attending private schools; (2) under section 438 (the Family Educational Rights and Privacy Act of 1974) or section 439 (protection of pupil rights) of GEPA; (3) under the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, or the Age Discrimination Act of 1975; or (4) under the Individuals With Disabilities Education Act (formerly the Education of the Handicapped Act) relating to the availability of a free appropriate public education to children with disabilities, or of early intervention services to infants and toddlers with disabilities, under Parts B and H, or the procedural safeguards afforded those children and their parents under those parts. This will ensure that the substantive rights and procedural productions afforded these children and their parents remain in force.

Subsection (f) of the new section 421B would require various program reports and evaluations. Subsection (f)(1) would require each project to submit, no later than 90 days after the end of each year of the project, an annual report to the Secretary that summarizes the principal activities of the project; contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its goals; describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the project; and describes the effectiveness of efforts to coordinate programs and services for children and their families, as appropriate. Subsection (f)(2) would require the Secretary to submit a report to the Congress every two years that summarizes and analyzes the reports submitted by the individual projects. Subsection (f)(3) would require the Secretary to report to Congress on the evaluation of the new section 421B by the Department of Education and other affected Federal agencies after the 5-year period described in this section.

Subsection (g) of the new section 421B would define "disadvantaged students" to include students of limited English proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

Subsection (h) of the new section 421B would require that the new section 421B be carried out in a way that does not increase total obligations or outlays of covered programs in any fiscal year.

Part B—Amendments to Chapter 2

Part B of Title IV of the bill would amend Part A of Chapter 2 of Title I of the ESEA, which supports State and local efforts at educational improvement and reform, to foster reform projects of significant size and scope, and to promote the implementation of educational choice programs, as follows:

Section 411. Section 411 of the bill would amend section 1512(a) of the ESEA to increase from not more than 20 percent to exactly 50 percent the amount of a State's Chapter 2, Part A allocation that is to be available at the State level. This will increase the likelihood that Chapter 2 funds are used on projects of sufficient size and scope to bring about meaningful reform and improvement.

Section 412. Section 412 of the bill would amend provisions regarding the use of State-level funds under Chapter 2 by: (1) reducing, from 25 percent to 10 percent, the amount of those funds that may be used for State administration; and (2) reducing, from 20 percent to 8 percent, the proportion of those funds that must be used for effective schools programs. These revisions would mean that the percentages of the State's total allocation devoted to these purposes would remain constant, in light of the increased share of that allocation to be held at the State level under section 411 of the bill.

Section 413. Section 413 of the bill would amend the State application requirements of section 1522 of the ESEA to require the Governor's approval of each State's application and to conform to the amendments made by section 412.

Section 414. Section 414 of the bill would add educational choice programs to the categories of "targeted assistance programs" listed in section 1531(b) of the ESEA. Chapter 2 grant funds may be spent only on these types of programs.

Section 415. Section 415 of the bill would amend section 1532 of the ESEA, which describes, and gives examples of, activities that are authorized in carrying out the targeted assisted programs, to explicitly authorize any activities or expenses directly related to planning, implementing, operating, evaluating, and disseminating information about, the LEA's educational choice program. This could include expenses incurred by parents and children resulting from their participation in the program, to the extent permitted by the Establishment Clause of the First Amendment to the U.S. Constitution and other law.

TITLE V—PARENTAL CHOICE OF SCHOOLS

Part A—Findings

Section 501. Section 501 of the bill would make the following congressional findings in support of Title V of the bill: (1) parental choice in education creates market-based accountability, encourages school diversity and competition, and provides parents and their children with a sense of investment in their schools; (2) economically disadvantaged children deserve the same educational choices, both public and private, as their more advantaged peers; (3) educational choice programs and programs of compensatory education assisted under Part A of Chapter 1 of Title I of the Elementary and Secondary Education Act of 1965 ("ESEA") should be coordinated with, and be carried out so as to enhance, each other; (4) local implementation of programs that enhance student and parental choice deserves national support and encouragement; and (5) different methods for expanding educational choice should be tested and evaluated.

Part B—Parental Choice and Chapter 1

Part B of Title V of the bill would amend Chapter 1 of Title I of the ESEA, under which supplemental compensatory education services are provided to educationally deprived children, so that local Chapter 1 projects and educational choice programs will be coordinated with, and enhance, each other as follows:

Section 511. Section 511(a) of the bill would add a new section 1022 to Chapter 1, to ensure that children receiving Chapter 1 services do not lose those services when they participate in an educational choice program. Specifically, section 1022(a) would require an LEA to provide Chapter 1 services to each child residing in the LEA who is afforded the opportunity to participate in the LEA's choice program and who would have received Chapter 1 services in the absence of the choice program. The LEA could meet this "follow-the-child" requirement by providing services itself or through arrangements with other service providers.

If the LEA determines that it is not feasible or efficient to make these services available to a child, section 1022(b) would require the LEA to provide a per-child share of its Chapter 1 funds to the child's parents, in an amount equal to the total funds received by the LEA under its Basic Grant under section 1005 and its Concentration Grant, if any, under section 1006 (less amounts spent on administrative expenses), divided by the number of children selected by the LEA to receive Chapter 1 services. The parents could use these funds only to purchase supplementary compensatory education services for their child from any service provider that the LEA determines is able to provide appropriate and effective services to the child, or to meet the costs of transportation related to the child's participation in the LEA's choice program, or both. Finally, these payments would not constitute income to the parents for Federal income tax purposes.

Section 1022(c) would require each LEA carrying out a choice program to include in its Chapter 1 application, filed with the SEA under section 1012: (1) a description of its policies and procedures for carrying out the new section 1022; (2) an assurance that it will keep such records and provide the SEA such information relating to the provision of Chapter 1 funds to parents as may be required for fiscal audit and program compliance; and (3) an assurance that it will exercise due diligence to ensure that parents use those funds only for the purposes authorized by section 1022(b)(3), and to recover any payments that are misused.

Section 511(b) of the bill would clarify that Chapter 1 funds can be used to pay the additional transportation costs of Chapter 1 children participating in an educational choice program. As with other Chapter 1 services, use of program funds for this program would be subject to the Chapter 1 prohibition against supplanting State and local funds.

Section 512. Section 512 of the bill would add two requirements to the Chapter 1 provisions on parental involvement, which would apply to each LEA carrying out an educational choice program. First, at the annual meeting of parents currently required by section 1016(c)(2) of the ESEA, representatives of the LEA would have to explain the availability of compensatory education services under the various options of the choice program. Second, the LEA would be required to provide to the parents of each child selected for Chapter 1 services an explanation in writing, and in such other manner as may be appropriate, of the options available to them under the choice program and under Chapter 1.

Section 513. Section 513 of the bill would define an "educational choice program" as a program, including a desegregation plan, adopted by an SEA or LEA, under which parents select the school or educational program in which their children will be enrolled. The definition would be added to those in section 1471 of the ESEA.

Part C—Assistance for Parental Choice Programs

Section 521. Section 521 of the bill would direct the Secretary of Education ("the Secretary") to make grants, in accordance with Part C, to local educational agencies (LEAs) that carry out educational choice programs.

Section 522. Section 522 of the bill would authorize the appropriation of $200 million for fiscal year 1992, and such sums as may be necessary for each of the four succeeding fiscal years, for this new program.

Section 523. Section 523(a) of the bill would make an LEA eligible for a grant if it will carry out an educational choice program during the year for which assistance is sought and carried out such a program during the preceding year.

Section 523(b) would describe the elements of an educational choice program that would qualify for assistance under this part. An eligible educational choice program would be a program adopted by a State or by an LEA under which (1) parents select the school, including private schools, in which their children will be enrolled; and (2) sufficient financial support is provided to enable a significant number or percentage of parents to enroll their children in a variety of schools and educational programs, including private schools.

Section 524. Section 524 of the bill would describe how each year's appropriations would be distributed among qualifying LEAs. Under section 524(a), each LEA whose application is approved would be allotted a portion of the program's appropriations in proportion to the amount it was allocated in the previous fiscal year for Chapter 1 Basic

Grants and Concentration Grants under sections 1005 and 1006 of the ESEA, compared to the amounts allocated under sections 1005 and 1006 to all qualifying LEAs whose applications have been approved.

Section 524(b) would set the maximum amount of an LEA's allotment at (1) the average per-pupil expenditure of all LEAs in the State for the most recent fiscal year for which satisfactory data are available to the Secretary, multiplied by (2) the number of children afforded the opportunity to participate in the educational choice program in the year preceding the year for which assistance is sought. Subsection (c) would provide that excess funds would be returned to the Treasury.

Section 525. Section 525 of the bill would authorize an LEA to use program funds for any educational services provided to the LEA's students and for parental involvement activities, so long as these services and activities are in addition to services and activities that would otherwise be provided from State or local funds. Program funds could not be used for general administrative expenses.

Section 526. Section 526(a) of the bill would require an LEA wishing to receive a grant to submit an annual application to the Secretary, at such time and in such manner as the Secretary prescribes. Under section 526(b), each application would be required to contain: (1) a description of the educational choice program in sufficient detail for the Secretary to determine whether the LEA is eligible for a grant; and (2) such other assurances and information as the Secretary may require. Section 526(c) would require the Secretary, before finally deciding not to approve an LEA's application, to provide a written explanation to the LEA and provide it a reasonable opportunity to respond.

Part D—Parental Choice Programs of National Significance

Section 531. Section 531 of the bill would authorize the Secretary to make grants to SEAs, LEAs, and other agencies, institutions, and organizations to conduct and demonstrate nationally significant model programs of educational choice.

Section 532. Section 532(a) of the bill would authorize the appropriation of $30 million for fiscal year 1992, and such sums as may be needed for each of the four succeeding fiscal years, to carry out this new program. Section 532(b) would permit the Secretary to set aside up to five percent of each year's program appropriation to evaluate and disseminate information about educational choice programs assisted under this program.

Section 533. Section 533 of the bill would direct the Secretary to announce, each year, the approaches to educational choice that will be considered for funding. An application would be considered only if it complies with that announcement. The purpose of this part is not to finance any choice plan that an SEA or LEA may wish to implement. Rather, this part is designed to permit the Secretary to test and evaluate programs of educational choice that appear to have promise of substantial applicability to LEAs across the Nation.

Section 534. Section 534(a) of the bill would require a prospective grantee to submit an application to the Secretary, at such time, in such manner, and containing such assurances and information as the Secretary prescribes. Section 534(b) would authorize project periods of up to five years.

Section 535. Section 535 of the bill would allow SEAs and LEAs to use program funds for activities directly related to planning, implementing, operating, and evaluating, as well as disseminating information about, the educational choice demonstration program receiving assistance under this part. These funds could be used, to the extent otherwise permitted by law, to meet expenses of parents and children resulting from their participation in the choice program. These expenses could include tuition and fees at private schools or costs incurred for transportation.

Section 536. Section 536 of the bill would require the Secretary to consult with educational practitioners with experience with educational choice programs, individuals with expert knowledge and experience in the area of educational choice, and other interested individuals, including parents, in determining which approaches to educational choice to support under, and in otherwise carrying out, Part D.

Section 537. Section 537 of the bill would define an educational choice program, for purposes of Part D, as a program adopted by a State or by an LEA under which parents select the school in which their children will be enrolled, and that complies with the annual announcement under section 533.

TITLE VI—NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

Section 601. Section 601(1) of the bill would amend section 406(f)(1) of the General Education Provisions Act ("GEPA") to authorize appropriations for section 406 activities, including the National Assessment of Educational Progress ("NAEP"), at $86,160,000 for fiscal year 1992 and such sums as may be necessary for each of the four succeeding fiscal years. This amendment would extend the funding authority for NAEP through 1996.

Section 601(2)(A)(i) of the bill would amend section 406(i)(2)(A) of GEPA to require that NAEP collect national and State-representative data, for those States that choose to participate, and to eliminate the requirement that NAEP collect regionally-representative data and references to subparagraphs (C) (i) and (ii), which require State assessments on a trial basis only. Regional data can be compiled by combining State data, if all States participate, and, for that reason, no longer needs to be a separate requirement for the NAEP design.

Section 601(2)(A)(ii) of the bill would amend section 406(i)(2)(A)(i) to replace the requirement that core subject-area assessments be conducted every certain number of years with a requirement that core subject-area assessments be conducted at least every four years. This amendment ensures that the five core subject areas specified in AMERICA 2000 are covered, but allows for the frequency of coverage to be determined on the basis of factors that cannot be predicted, such as: (1) certain opportunities, as in years that international studies are to be carried out in the same subject-area and when opportunities arise to join with other organizations in surveying fields such as arts, foreign languages, economics, or workplace skills; (2) the need to consider the relationship of the reading-writing test that the NAEP has traditionally used to the "English" test called for in AMERICA 2000; and (3) the availability of funds.

Section 601(2)(A)(iii) of the bill would amend section 406(i)(2)(A)(ii) of GEPA to require that data on students at specified ages be collected and reported on an annual basis, rather than only every two years. This would permit expansion in coverage so that the five core-subjects described in the AMERICA 2000 and the National Education Goals could all be resurveyed at least once every four years.

Section 610(2)(B) of the bill would eliminate section 406(i)(2)(B) of GEPA, requiring the Secretary and the National Assessment Governing Board to ensure that specific subject matter will be included in each 2-year NAEP cycle. Current section 406(i)(2)(B) of GEPA conflicts with the amendments made in section 601(2)(A)(ii) of the bill to provide more flexibility in determining schedule of subjects to be assessed, and for that reason should be eliminated.

Sections 601(2) (C) and (D) of the bill would amend sections 401(i)(4)(B)(i) and (C) of GEPA to remove, respectively, the restriction on confidentiality of information on schools and the prohibition on the use of NAEP items and data to compare schools and districts. These changes would allow States to use NAEP tests to collect data on schools and districts that could be compared with State and national data. States have requested removal of this prohibition in order to promote accountability for student achievement.

Section 601(2)(E) of the bill would amend sections 406(i)(8) (B) and (C) of GEPA to eliminate the requirement that the State pay the non-Federal share of participation in State-based assessments. Rather, States would be required to pay a minimum State contribution of $100,000 each fiscal year and carry out the functions of conducting the assessment at the school level for all schools in the State sample and coordinating within the State, subject to payment by the Secretary to offset the costs. Section 406(i)(8)(C) of GEPA would be amended to require the Secretary to pay the State for the cost, in excess of the minimum State contribution, of carrying out such functions an amount that would be identified in the agreement reached under section 406(i)(8)(B), and which would be the product of the total number of hours of work and training of school staff the Secretary estimates is required to conduct the assessment at the school level and the total number of hours of work of State staff the Secretary estimates is required to coordinate the assessment within the State, multiplied by a daily rate of pay, as determined by the Secretary. The changes made by section 601(2)(E) of the bill should greatly encourage voluntary participation in State assessments, while ensuring that States continue to have a stake in the administration of a national assessment.

TITLE VII—NATIONAL COMMISSION ON TIME, STUDY, LEARNING, AND TEACHING

Section 701. Section 701(a) of the bill would establish a National Commission on Time, Study, Learning, and Teaching.

Section 701(b) of the bill would provide for membership of the Commission. It would consist of 15 members appointed by the President; taking into account three recommendations by the Speaker of the House of Representatives and three by the President *pro tempore* of the Senate. Members would be appointed on the basis of exceptional education, training, or experience from among the Nation's Governors, individuals from the business community, representatives of nonprofit organizations or foundations committed to the improvement of American education; individuals engaged in the profession of teaching; individuals engaged in school administration; members of school boards, and parents or representatives of parents or parent organizations; State officials directly responsible for education; Federal officials responsible for education policy; and educational researchers with experience relevant to the Commission's work. The Commission members would serve without compensation. The Commission could begin to operate as soon as seven members have been appointed. Any vacancy would be filled in the same manner as the original appointment was made.

Section 701(c)(1) of the bill would direct the Commission to examine the quality and adequacy of the study and learning time of elementary and secondary students in the United States in an era when World Class Standards of achievement need to be met including issues regarding the length of the school day and year, the extent and role of homework, how time is currently being used for academic subjects, year-round professional opportunities for teachers, and the use of school facilities for extended learning programs. Section 701(c)(2) of the bill would require the Commission to prepare a final report, including an analysis and recommendations concerning: (1) the length of the academic day and the academic year in elementary and secondary schools throughout the United States and in schools of other nations; (2) the time children spend in school learning the five core subjects of English, mathematics, science, history, and geography; (3) the use of incentives for students to increase their educational achievement in available instructional time; (4) how children spend the 91 percent of their time that is outside school, with particular attention to how much of that time can be considered "learning time" and how out-of-school activities affect intellectual development; (5) the time children spend on homework, how much of that time is spent on the core curriculum subjects, the importance that parents and teachers attach to homework, and the extent to which homework contributes to student learning; (6) year-round professional opportunities for teachers and how teachers can use their time to acquire knowledge and skills that will permit them to improve their performance and help raise the status of the profession; (7) how school facilities are used for extended learning programs; (8) the appropriate number of hours per day and days per year of instruction for United States elementary and secondary schools; and (9) if appropriate, a model plan for adopting a longer academic day and academic year for use by United States public elementary and secondary schools by the end of this decade, including recommendations regarding mechanisms to assist States, school districts, schools, and parents in making the transition from the current academic day and year to an academic day and year of a longer duration.

Section 701(d) would require the Commission to submit the report described in section 701(c)(2) to the President and the Congress within a year of its first meeting.

Section 701(e) would authorize the Commission to conduct hearings, receive testimony and evidence, obtain information from Federal agencies, accept gifts, and use the U.S. mails under the same terms and conditions as do those agencies. The Secretary of Education would be directed to provide reasonable administrative and support services to the Commission on a reimbursable basis.

Section 701(f) would: (1) direct the Commission to meet on a regular basis, as necessary; (2) establish a majority of Commission members as a quorum for the transaction of business; (3) provide for election of a Chairman and Vice Chairman by, and from, the Commission members, and direct the Commission to appoint a staff director and professional and clerical personnel; and (4) authorize the head of any Federal agency to detail personnel to the Commission.

Section 701(g) would provide for termination of the Commission 90 days after it submits its report as required under section 601(d).

Section 701(h) would authorize a total of $1 million to be appropriated for fiscal years 1991 and 1992 for the Commission.

TITLE VIII—REGIONAL LITERACY RESOURCE CENTERS

Section 801. Section 801 of the bill would amend Part B (State Programs) of the Adult Education Act to add a new Subpart 7 relating to regional literacy resource centers. Subpart 7 would assist State and local public and private nonprofit efforts to improve literacy through the award of grants or contracts to State and local educational agencies, State offices on literacy, volunteer organizations, community-based organizations, institutions of higher education, and other nonprofit entities to operate regional literacy resource centers. Funds awarded to operate such centers could be used for a broad range of activities designed to improve illiteracy on a regional basis, including improving the dissemination and adoption of testing methods and technologies; enhancing coordination of literacy services among the States and between public and private agencies; encouraging government and industry partnerships; encouraging innovation and experimentation in literacy activities; and providing technical assistance to State and local governments and service providers. Awards would be authorized for five years with a Federal share that declines from 80 percent for the first two fiscal years of assistance, to 70 percent for the third and fourth years, and to 60 percent for the fifth and final year. Finally, $5 million would be authorized for regional literacy resource centers for fiscal year 1992 and such sums for each of the next four fiscal years.

TITLE IX—GENERAL PROVISIONS

Section 901. Section 901 of the bill would define the terms "Governor", "State", and "Secretary", as used in the bill, and would incorporate the definitions of "elementary school", "local educational agency", "secondary school", and "State educational agency" set out in section 1471 of the Elementary and Secondary Education Act of 1965.

Section 902. Section 902 of the bill would make Public Law 95-134, which permits the consolidation of certain grants to the Insular Areas, inapplicable to funds provided under the bill. The programs to be established by the bill are sufficiently important to require that funds under each program be spent on that program's objectives and in accordance with its requirements.

Section 903. Section 903 of the bill would provide that the bill would take effect on enactment.

Mr. KENNEDY. I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Utah is recognized.

THE ADMINISTRATION'S EDUCATION PLAN

Mr. HATCH. Mr. President, I thank my colleague for his comments.

Mr. President, I want to congratulate President Bush and Secretary Alexander on the excellent strategy they have developed to help reform the schools of this Nation.

Just over 1 month ago, the President released a bold and innovative plan that will have a major positive impact on the lives of all Americans today and for generations to come.

This strategy is both a revolution and a crusade. It is a challenge to each of us who is concerned about children and the future of this Nation. America 2000 is exactly the kind of challenge that Americans have successfully met throughout our history.

Today we have before us an opportunity similar to the one our forebears had more than 200 years ago. Two centuries ago Americans had an opportunity to form an unparalleled system of government where all persons were treated equally. Now we have an opportunity to develop an educational system which is radically different from what we know today—an educational system that builds on the principle that each individual has the opportunity to develop his or her mind to the fullest extent possible, regardless of race, religion, sex, or mental ability.

America 2000 will touch all of us—today's students, tomorrow's students, members of the work force, and residents of every State, city, town, and neighborhood in the Nation. This program not only requires our support, but also our involvement.

The President asks that each of us assist him as education President by pledging to be an educated, concerned, and involved citizen. Transforming and improving education in our country cannot be done by one person. I pledge to help the President in his crusade to transform the schools.

I ask each of my colleagues to join together with us, the President, and other members of the community to help transform neighborhoods into America 2000 communities—communities where friends and neighbors care about each other, where every child can grow up in an environment which is drug-free, and can attend schools where all children can explore ideas and develop individual strengths and talents to their fullest potential.

This strategy is also a challenge to each of us as a Member of Congress. I, for one, have confidence that we can meet this challenge if we work together. This land can truly become a land of opportunity for each of us if we join with the President in reforming our schools and our neighborhoods. I ask for your support in working with the President to pass this legislation quickly.

Senator KENNEDY has outlined the basic programs contained in this bill. He and I and other members of the Labor Committee are going to work very hard to help the President bring about these effective changes in our society today.

I believe this is a very, very important step forward for our country, and, above all, for the young people of this country who are going to be our future leaders. They are going to carry on the mandate given to this country through the Constitution and the work of our Founding Fathers. These young people will continue to make this country the bulwark of freedom, strength, knowledge, innovation, technology, power, and goodness throughout the rest of the world.

I am grateful to be a cosponsor of this legislation. I am honored to be a prime cosponsor, along with my distinguished friend from Massachusetts, the distinguished chairman of the Education Subcommittee, Senator PELL from Rhode Island, and the distinguished ranking leader on the Education Subcommittee, Senator KASSEBAUM from Kansas, and other members of the Labor and Human Resources Committee.

I feel particularly pleased to work together, in a bipartisan way, to support the President and the new Secretary of Education, who have really worked hard to get us to work in a bipartisan way. I know they will work hard in the future and listen to any good ideas that we share with them. They deserve our support.

I thank the Chair for this time, and I yield the floor.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the chairman of the Education Subcommittee, my friend and colleague, the Senator from Rhode Island.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, I am pleased to join in submitting, by request, the administration's education package. As I said in a speech on the Senate floor just over a month ago, we in the Senate, Republicans and Democrats, stand ready to work with this administration to build the kind of educational system that will keep America in the forefront of competition in the world economy.

As the chairman of the Education Subcommittee, I can assure the administration and my colleagues that we are going to give the President's proposal careful and thoughtful consideration. Where they are good, solid proposals, we will take favorable action. Where we believe modifications can improve them, we will take such action. And, where we disagree, we will agree to disagree on substance, and not simply because of party affiliation.

I am impressed with the administration's proposals for a National Commission on Time, Study, Learning, and Teaching. They build upon my own advocacy of lengthening the school year. In addition to that area, the Commission would examine the length of the school day, the use of time during the day, and the extent and role of homework.

The proposals regarding merit schools and alternative certification were included in the President's education package last year. We modified them somewhat and passed them as part of S. 695. Unfortunately, when that legislation came back from the House, some objections prevented us from taking it up, passing it, and sending it on to the President. This year, I hope we will be more successful in our efforts.

The New American Schools proposal is one that I also view in a favorable light. In fact, the only major drawback may well be that the administration is simply not being bold enough with its proposal, and that this is something we should strengthen.

The choice proposals, of course, are the most controversial. We must look at them very carefully. From the outset, however, I must make clear my own concern that any action we take must not place our system of public schools in jeopardy and must not harm the highly effective and successful Chapter 1 Program.

The proposed Governors' academies have similarities to the national and congressional district academies which I proposed as a part of the National Teacher Act last year. I believe we can work to meld those approaches and to fold in others as well.

There are also a series of proposals in addition to the President's package that merit consideration. Several of these are in S. 2, which is now pending before the Senate. These include initiatives that focus upon the need to upgrade instruction in math and science, to promote greater innovation and flexibility in local support programs, to extend the Dropout Prevention Program, to encourage school-based management, and to reauthorize the Star Schools Program.

Further, there are programs that were included in S. 695 last year and in the National Teacher Act that we should also consider. These include legislation to improve the foreign language competence of American students, the national writing project to improve the quality of writing in our schools, the We the People Program to improve the understanding of our Constitution and the democratic principles that underlie our system of Government, the Class Size Demonstration Program to examine the relationship between class size and the quality of instruction, and quite possibly the National Board for Professional Teaching Standards to help upgrade the quality of instruction in our Nation's schools.

I understand that later this year the President will flesh out his proposals on national testing and assessment. I very much look forward to that proposals. I recently introduced legislation to require the Secretary to develop a national test or a series of tests on academic excellence. It is my intention that we address this issue during consideration of the reauthorization of the Office of Educational Research and Improvement.

Mr. President, I look forward to working with the administration, and particularly with Secretary of Education Lamar Alexander, in fashioning comprehensive legislation that truly addresses shortcomings in American education and puts us on the road to achieving an education of excellence in every school in our Nation.

The PRESIDING OFFICER (Mr. KENNEDY). Who yields time?

Does the Senator from Utah yield time?

Mr. HATCH. I am delighted to yield whatever time the Senator from Kansas needs.

AMERICA 2000

Mrs. KASSEBAUM. Mr. President, I am pleased to be joining with the Presiding Officer, Senator KENNEDY, and Senators HATCH and PELL as a primary cosponsor of the America 2000 legislation, along with other members of the Labor Committee who are here to speak as supporters—Senators COCHRAN, JEFFORDS, and DURENBERGER, among others.

This is legislation that will implement several features of the national education strategy that has been put forward by President Bush.

This strategy sets forth an aggressive agenda for fundamental improvement in America's schools. Noting that the time for reports and studies is over, the President is using the "bully pulpit" of the Presidency to call upon all Americans to work in their respective capacities toward educational reform.

I think that is what is important, Mr. President. It is all Americans working in their respective capacities, because we cannot just legislate discipline; we cannot legislate a respect for education. We can, however, provide a framework for progress through support of the strategies which the President has presented. He is right when he says the time for studies is over. We do not need more reports and studies.

Unfortunately, we already have an ample supply of data demonstrating that our school system is not living up to the standards that we need and that we expect. The legislation we are introducing today will not singlehandedly raise education achievement. Undoubtedly, modifications and refinements will be made along the way in devising a final product. It does, however, offer a set of tools, the effectiveness of which will rely on the skill and the motivation of those who set out to use them.

Perhaps just as important as the specifics of that final product is the energy and vitality which the President and his Secretary of Education, Lamar Alexander, have injected into the national debate over education. It has been a valuable contribution.

Fundamentally, I believe we all know what it takes to produce quality education. Final solutions are what they always have been: Hard work, discipline, respect for learning, high standards, self-confidence, and effective instruction. Whether one is working the "3 R's" or studying advanced electronics, these elements must be in place or no progress will be made.

These critical themes are echoed in the President's strategy and in this legislation. We must all take them to heart if we are to meet our goals in education and for education.

This strategy stresses the need to raise our standards and expectations for student performance. Students, I believe, are ready and willing to rise to this challenge. It calls for strengthening our Nation's teaching force and providing teachers and administrators with the training and support they need. It recognizes that progress should be recognized and rewarded, and it calls for a concerted examination of what each community wants for its schools.

President Bush has made it clear that he will provide vigorous and energetic leadership which will focus on the importance of education. He has already done so. He has also made it clear that fundamental reform will be accomplished only by strengthening the connection between communities and their schools and in renewing the absolutely vital partnership among parents, teachers, and students. Our vision for education must be national in scope, but its delivery rests squarely in hands at the local level.

There is no way that we in Washington can wave a magic wand or a huge bag of Federal dollars and cure these problems overnight. We also cannot and should not displace local and State control over schools, but we can provide leadership and support for innovative thinking and experimentation. I believe the President has started that process, and the rest of us must now bring a similar energy and enthusiasm to the challenge ahead. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota. How much time does the Senator need?

Mr. WELLSTONE. Five minutes.

Mr. PELL. I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator is recognized.

EDUCATION

Mr. WELLSTONE. I thank the Senator. Mr. President, yesterday, President Bush visited the State of Minnesota. He visited Saturn School, where good things are happening for children. As a Senator from Minnesota, I am proud the President visited our State and highlighted that work. But I also know as a Senator from Minnesota, since I visit many other schools, that for every Saturn School in our country there is a universe of schools and children that do not receive any real attention and do not have adequate resources.

Mr. President, I am concerned about the rhetoric not backed up by the resources. It seems to me, in this day and age, politicians are talking about education and children just as we kiss babies, but when it comes to digging into our pockets to provide the resources that make sure we make a commitment to children and education, I do not see it. I certainly do not see it in this administration's budget.

Mr. President, this administration has proposed an education budget only 2 percent of the overall Federal budget. This administration has sent us a budget not even keeping up with inflation last year. This President says he wants to be the education President, but for this President to call himself the education President without making a commitment of resources is like PAUL WELLSTONE, 5 foot, 5½-inch Senator from Minnesota, claiming to be a 7-foot center for the Los Angeles Lakers.

If children are going to do well in our schools, then we are going to have to make sure every woman expecting a child has a diet rich in vitamins, minerals and protein—I know as a teacher that is the most important educational program—so that child to be will have a chance.

There is nothing in the administration's budget that calls for full funding of the Women, Infants, and Children Program, and there must be full funding for the Head Start Program. That is not there yet. And there must be a commitment to children before they go into our school system. That is not there yet.

I see the distinguished Senator from Rhode Island, and I have to say to the distinguished Senator from Rhode Island—and he will appreciate these words, given his commitment in the U.S. Senate—that when I held education subcommittee hearings in Minnesota, I met student after student after student who told me they cannot afford their higher education any longer.

The Pell Grant Program does not reach into the middle class. Low-interest loans are not available. Students are selling plasma to buy text books at the beginning of the semester. Students are working two and three minimum wage jobs.

I do not see the commitment to education on the part of this administration.

These words are, I suppose, tough words. But I think it is important to be very honest about the budget that has been presented to us and the work we have cut out for us here in the U.S. Senate.

Mr. President, the President of the United States came to Minnesota to focus on the Saturn School to make the point that the choice program is a cornerstone of his educational program. But I want to point out a very critical difference between Minnesota's choice program and the choice program outlined by this administration.

Minnesota's choice program is almost entirely public education; very, very little for private. The administration's choice program includes private schools. And we have yet to see the clear guarantees to make sure there are resources that will enable all kids to purchase vouchers or to be able to go to those private schools.

I fear this choice plan is nothing more than a stone soup philosophy. You boil the stone in the water, you get no new nutrients, no new flavor; you shuffle the debt; the kids with the high incomes get to go to the schools they want. But the poor children, the low-income children, the children in rural cities, the children in small towns, do not benefit.

I fear without the commitment of resources, this choice program will widen inequalities.

Mr. President, I have to say in the spirit of honesty that there is only one choice if we are going to talk about a choice program in a democracy, and that choice is to make sure every single child has a choice and we establish an educational program which will give every child a choice. That is not in this administration's budget. Those resources are not there in this budget.

I insist, Mr. President, if there is one thing we in the U.S. Senate must come to terms with, must speak honestly about, and must match our words with deeds, it is this: There will be no real national security for the United States of America, a country we all love, until we invest in the health and skills and character and intellect of our children. That commitment to the children and to the young and to education is not in this administration's budget. Let us not have empty words on the floor of the Senate. Let us back up the rhetoric with resources and make a commitment to young people. That is our task. That is the challenge we have to beat right now in this session.

I thank the Chair.

Mr. COCHRAN. Mr. President, will the distinguished Senator from Utah yield to me?

The PRESIDING OFFICER (Mr. BURDICK). The Senator from Utah.

Mr. HATCH. Mr. President, I yield such time as he needs to the Senator from Mississippi.

Mr. COCHRAN. I thank the distinguished Senator from Utah for yielding time to me.

Mr. President, I am very pleased to join with others this morning in introducing legislation to implement President Bush's education strategy.

The America 2000 Excellence in Education Act we are introducing today will provide legal authority for the reforms that require Federal action.

The legislation includes the new American schools program to provide seed money for the startup of "break-the-mold schools" in each congressional district in every State; the merit schools program to reward schools that make notable progress toward achievement of the national education goals; education reform through flexibility and accountability which would loosen Federal restrictions on the use of education funds in order to foster innovation and encourage educational excellence; educational Choice programs to give parents more flexibility in choosing the school their child attends; a mechanism for the collection of data assessing the progress of schoolchildren in grades 4, 8, and 12; a study to determine if American children should spend more time learning; and establishment of literacy resource centers to help local communities bring an end to illiteracy by the year 2000.

Mr. President, I think it is a very good sign, indeed, that the chairman of the Labor and Human Resources Committee, Mr. KENNEDY, and the ranking Republican member, Mr. HATCH, have joined together with the chairman of the Education Subcommittee, the distinguished Senator from Rhode Island [Mr. PELL] and the ranking Republican member, the distinguished Senator from Kansas [Mrs. KASSEBAUM] in introducing this bill. I hope this means we can expect a concerted effort in the Senate to get a bipartisan bill reported out of the committee and passed on the floor of the Senate before the Fourth of July recess so that our Appropriations Committee will have an opportunity to fund these programs this year.

I challenge those who assume that the Federal Government has the total responsibility for achieving all these goals to look carefully at the America 2000 strategy set before us by President Bush and the Nation's Governors working in concert with our new Secretary of Education. It is not just a Federal responsibility that we are all assuming. It is an individual responsibility that touches parents, students themselves, teachers, administrators, local communities, local governments, State governments, as well as the Federal Government.

This legislation does not seek to do it all, to solve every problem in education, because we cannot at the Federal level and we should not attempt that. But we can target the resources of our Federal Government to encourage innovation, to reward excellence, to stimulate the reforms that are absolutely essential in every community, in every school if we are to achieve these national goals that have been set for us by the President and the Nation's Governors.

I am optimistic that we can achieve success this year, Mr. President, and I am happy to be a part of the effort.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield 5 minutes to the Senator from Illinois.

Mr. SIMON. I thank my colleague from Massachusetts for his leadership, as well as Senator PELL for his leadership, and I thank my colleague from Montana for his courtesy.

The new Secretary of Education got off to a good start with the naming of his Deputy Secretary, David Kearns. That is most encouraging.

Education policy should be bipartisan, and one of the encouraging things is that today we seem to be inching in that direction. I hope that can continue.

In the higher education area, for example, former Senator Stafford was the ranking member of the Education Subcommittee and worked very closely with Senator PELL. Senator KASSEBAUM is following in that same tradition, and I hope we can continue on that line.

But the point that was made by my colleague from Minnesota, Senator WELLSTONE, that we have to have resources, not just speeches, I think is extremely important. In fiscal year 1949 we spent 9 percent of the Federal budget for education. If you exclude school lunches, today we are spending 3 percent of the Federal budget on education.

We clearly have to do better. I hope, frankly, at some point, in additional to an educational summit with the Governors, the President might sit down with those of us who are speaking today on both sides of the aisle and have an education summit right here in Washington, DC, on the education issue, obviously, with the Secretary of Education and with other key people who might be brought in.

What do we need? We need to recognize that education has to be a priority in this Nation. Up to this point—and I am not just talking about this administration; I am talking about States; I am talking about across the board—there has not been the attention there should be. Preschool education clearly has to receive much greater attention. We know from tests in Ypsilanti, MI, and other places that where we have intensive preschool education, we have a dramatic change in the dropout rate, school violence, and the teenage pregnancy rate. We know it. We are not doing that much about it.

Head Start, one-fifth of the people who ought to be reached by Head Start are being reached by Head Start. Almost every Head Start Program has a waiting list. I visited the Rock Island, IL, Head Start Program in an impoverished area of the city. They have a waiting list. On Monday one group comes in, Tuesday morning a second group, Wednesday morning a third group, and so forth. I asked the woman in charge, "What would it mean to these children if you could have them in every day of the week?" She smiled and she said, "You could not believe what a difference it would make in their lives."

Now, we are saving money by not providing that, but what a shortsighted way to save money.

When the superintendent of schools of Philadelphia testified before us, I remember she told about the preschool program and the great benefits of it. Then I asked her: "What percentage of the young people are you reaching that really need to be reached?" She said, "About 20 percent." Eighty percent are falling through the cracks. That is a devastating loss for this country.

We are going to have to demand higher standards for teachers and pay teachers more. The average teacher in this country teaches 6½ years. It is not that teacher which my colleague from Vermont may remember from his grade school days. Teachers in Japan are paid approximately the same as physicians and lawyers, and not surprisingly. In Japan, those going into teaching test at the very highest in college entrance exams. I regret to tell you that is not the case in the United States. I do not say that to demean many marvelous, dedicated people who, despite the barriers, are sticking to teaching.

Higher education. We have slept in the last 10 years, and the question we are going to have to face as we reauthorize higher education is: Are we going to just tinker at the education or are we really going to do something significant? I hope we will do something significant.

Then, finally, the hidden question, that of illiteracy. We have massive illiteracy in our country. I think we are going to be addressing that shortly. I hope so. I applaud the interest in education that is shown in this Chamber.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I yield 3 minutes to the Senator from Vermont.

Mr. JEFFORDS. Mr. President, first I want to commend the Senator from Illinois, who preceded me, for his comments and also join in accolades for the administration for this effort to have a cooperative effort in improving our educational system. This is exactly how reforms in our educational system must be undertaken, in a cooperative, bipartisan effort.

I am pleased to be a cosponsor of legislation which examines and reevaluates our Nation's schools and proposes solutions to reinvigorate them.

We are at a unique juncture in time—democracies are emerging in Eastern Europe and we are fast approaching 1992 in which the European Economic Community will be opening its doors to new regions. These events will have ramifications for America also.

The America 2000 Act recognizes that to remain competitive in the new world economy we must be able to outproduce our foreign counterparts. We must be able to educate all of our citizens and place them in the labor force ready and able to work.

This means that our schools must be able to take on this task. But they cannot do it alone. Schools are increasingly burdened by growing numbers of disadvantaged and at-risk students. We, at the Federal level, must reinforce their hard work by devoting time and money to their efforts.

We must encourage new methods of teaching in the classroom—from satellite hookups to interactive television to videos and computers. We must teach our children and our teachers that they are important by rewarding those individuals and schools that stand out above the rest. We must encourage our teachers by providing them with incentives and opportunities to upgrade their skills.

It is spring and a good housecleaning is due in our schools today. Much of this effort must come from within, at the local and State level, but the reinforcements must come from the Federal level.

I want to commend Secretary Alexander for his leadership in this effort. It is time that we have an administration which takes the lead on educational reform, not in lip service alone, but with proposals and commitments to actual changes and improvements.

Congress may not agree on the process but certainly we agree on the outcome—better schools for better students. We owe it to ourselves and to our future generation.

I look forward to working with members of the Labor and Human Resources Committee to craft a bipartisan bill for true education reform.

Thank you, Mr. President, I yield back my time.

Mr. DURENBERGER. Mr. President, I yield 2½ minutes to the Senator from South Carolina.

AMERICA 2000 EXCELLENCE IN EDUCATION ACT

Mr. THURMOND. Mr. President, I am pleased to rise today as an original cosponsor of America 2000 Excellence in Education Act, the new education initiative of President Bush. This bill represents the administration blueprint for the reform of education in this country. It is exciting, innovative, and far reaching. As we have read and heard over the past few weeks, the framework for this legislation involves four broad themes:

First, creating better and more accountable schools for today's students;

Second, creating a new generation of American schools for tomorrow's students;

Third, transforming America into a nation of students; and

Fourth, making our communities places where learning will happen.

Mr. President, as a member of the Subcommittee on Education of the Labor and Human Resources Committee, and as a former teacher, coach, and county superintendent of education, I look forward to working with the administration and my colleagues to help ensure enactment of this important legislation.

President Bush and Secretary of Education Lamar Alexander have worked long and hard in developing this bill, and are to be commended for their fine efforts. In developing this bill, many individuals in the education and business communities have contributed their thoughts and ideas.

Mr. President, this bill sets the Nation on a course of major change in the field of education. Briefly, this legislation will: First, provide seed money for the establishment of a "New American School" in each congressional district; second, establish a Merit Schools Program which rewards schools that make notable progress toward achievement of the national education goals; third, establish Governors' Academies for the continuing training and development of teachers and principals; fourth, allow parents free choice in deciding where their children go to school; and fifth, permit the use of national assessment tests at district and school levels by States that wish to do so.

Mr. President, this broad-based reform strategy is already bringing renewed vitality to education in this country. As mentioned previously, it is a pleasure to be an original cosponsor, and I look forward to working with my colleagues on this measure.

I yield the floor.

Mr. DURENBERGER. Mr. President, I yield 2 minutes to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I, too, serve as a cosponsor for this bill. I want to pay tribute to the leaders who will guide this legislation for us: Senator HATCH, Senator KENNEDY, Senator PELL, Senator SIMON, Senator KASSEBAUM, Senator COCHRAN, Senator DOLE, and our fine floor leader today, DAVID DURENBERGER.

This is a very critical national issue, and it is very important, not just for appearance purposes, that we have a bipartisan flavor to this legislation. I hope that we can continue that.

I praise those who give so much of their time to these issues of education. We almost passed it last Congress, except for something called a "revolving hold," which I never fully understood.

Remember that only 8 percent of the national education funding comes from the Federal Government. The rest of it comes from the States and local communities. So I hope we will not hear too much lashing out at the administration and George Bush, when the Federal role here is not primary.

I was a little surprised at the comments of the junior Senator from Minnesota. It will be a long haul around here if the attitude is that each time a rock is turned over some Republican comes slithering out from underneath. The system here works on the oil of comity, and the engine surges with that type of effort. The engine fails without trust. It cannot run on suspicion and blind, numbing partisanship.

I want to commend those who I have worked so hard with in a bipartisan manner. I see Senator SIMON on the floor. He and I have certainly worked well together in that fashion. I did not spend much time here in my first 2 years whacking on Jimmy Carter. He had enough problems without a freshman Senator from Wyoming larruping up the water with regard to his efforts. I think it is time that we look at how the system best works, and that is compromise, and certainly bipartisanship in its finest form.

If ever there was an issue or an action which required strong bipartisan support, this is it. I doubt that there is a Senator in this body who does not believe that the education of our children is among the most crucial tasks facing our society. I doubt, too, that there is a Senator here who does not believe that our educational system is in dire need of reform.

We do often manage on this floor to delay the enactment of many similarly "vital" pieces of legislation—from sensible campaign finance reform to deficit-reduction efforts. Even when it is universally agreed upon that something needs to be done, we often cannot agree among ourselves on how. A majority and a minority party are going to sincerely differ on how to properly reform campaign financing, for example, as conservatives and liberals will disagree on the proper path to deficit reduction.

We ought to have none of that sort of infighting on this issue. We agree on what the problems in education are. We also agree for the most part on what needs to be done. Excellence in teaching and in scholarship needs to be rewarded. Communities must be made "safe for learning." Parents must be able to extend to their children the best education available to them.

There may be differences between us concerning issues on the periphery—the role of private schools in choice initiatives, or the net impact of increasing Federal funding contributions to education. This must not deter us from going forward where we do agree, and acting decisively where we can act. This we do agree on: The Federal Government can provide many incentives to States and localities to improve their educational initiatives. The Federal Government can make available the most current knowledge concerning education reform, to those local entities who wish to make use of it. Let's begin work on passing this legislation and take a step forward toward accomplishing those reforms.

The package before us couples Federal resources with State and local knowledge of what works. That is what we need to do. The New American School System will provide Federal dollars to local communities so that they may create a new generation of schools—at least one in each congressional district—making full use of the latest knowledge in educational research. The Governors of our States will nominate the communities where these schools are to be created, and the Federal Government will provide the startup funding and the access to research findings which will enable those schools to operate.

The plan would facilitate the improved training of teachers and of principals, by creating Governor's academies—again, making Federal dollars available for States to use as they find best. These academies will train and equip and instruct teachers in the way that the States find most useful for their purposes and succeed.

This plan would everywhere improve the flexibility of parents in providing for their children's education, and by doing so improve the accountability of our schools. Commonsense reforms would be enacted; for example, chapter 1 funding would follow the child whenever he or she is enrolled in a new school district under a local choice program. This is eminently sensible. Remember, it is the child, not the school district, that must remain the focus of our attention in education.

The list of reforms which this package would enact goes on. Every one of them is important, and every one of them stands to improve our educational system. By passing this legislation we will establish higher standards for our students, our teachers, and our educational system as a whole, and we will also provide ample incentives to far exceed those standards and to strive for educational excellence. I am pleased to hear that the chairman and ranking member intend to set this process in motion and to help to enact the President's plan.

ADDITIONAL COSPONSOR

Mr. DURENBERGER. Mr. President, I ask unanimous consent that Senator SPECTER be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF AMERICA 2000: EXCELLENCE IN EDUCATION ACT

Mr. DURENBERGER. Mr. President, yesterday, President George Bush chose Minnesota and the capital city of St. Paul as the site to christen his America 2000 initiative. He made a wise choice because the Minnesota experience over the last several years shows what can be done when people of vision work together toward a common goal. The cooperation in Minnesota, across political lines, between levels of government, throughout the spectrum from children to employers, has been extraordinary. It should be a model for how we can achieve national education reform.

Historically, the Federal Government's role has focused on assuring equal access to educational opportunity through various programs aimed at low income and students with special needs. But with the introduction of America 2000, we are seeing a much broader commitment—a commitment to provide national leadership and stimulus to improve the quality of education for all Americans.

We can create access to schools for all Americans, we can create programs that guarantee a college education for all Americans, but if these programs and these schools do not produce graduates who can think for themselves and get a job in today's global marketplace, then they are of little value to anyone.

To improve quality, we must not only measure performance but reward achievement. America 2000 takes the first step in moving our Federal educational system from one that funds services to one that funds and rewards quality and achievement. The President's proposal for a Merit School Program would reward schools for making notable progress toward achievement of the national education goals, thus providing a powerful incentive for all schools to improve their educational performance. The proposal also includes new flexibility in Federal funding to focus and reward outcomes in education.

America 2000 challenges schools to think differently and provide greater opportunities to students by expanding choices in education. The most innovative of its approaches is what the President calls his New American Schools Program, which would provide seed money for "break the mold" schools in every district in the country. The Saturn School in St. Paul which the President visited yesterday is such a school, but there are many other pioneering ideas and schools out there.

For example, Mr. President, there are two such ideas on the horizon in Minnesota that are redefining how we think about education. The first of these new ideas is legislation that passed the Minnesota House and Senate just this week. It would allow for new schools started by parents and teachers to be chartered by local school districts or school boards. Once chartered, these new schools would get the same Federal, State, and local funding as any other public school. They must meet certain standards of public education in that they may not teach religion, charge tuition, or discriminate on the basis of race, disability, income, or previous academic achievement. But once chartered, they will be free of most of the rules and regulations that stifle creativity among both teachers and kids.

The second idea is a new emphasis on outcomes as a way of holding schools accountable, measuring accomplishments, and rewarding success. Over the next several years, all school districts in Minnesota will be required to begin implementing a new outcomes-based education policy adopted by the State board of education. This new policy gets at the heart of the President's call for both new schools and accountable outcomes in education.

With some of these experiments in Minnesota, questions have arisen over how these programs fit into current Federal funding. I am encouraged by the administration's efforts to address some of these problems by looking at changes to the chapter 1 and chapter 2 programs. The details of the administration's programs will need to be fully analyzed, and we need to ensure continued service to at-risk students. But I believe it is important to take a look at these programs and how current law may be unnecessarily blocking progress of new choice programs.

The other major component of America 2000 is the creation of a new voluntary nationwide examination system and expands reporting of how our kids and how our schools are doing. The role of the Congress is quite small: providing the authority for the National Assessment of Educational Progress to report State-level data in English, mathematics, science, history, and geography and allowing States to use National Assessment tests at district and school levels. This nonetheless is a vital component of this reform process.

Everyone agrees that we are failing in education in this country, but then we turn around and say, "its not my school that is the problem." Well, Mr. President, I think it is time to see which schools are not measuring up. Parents have the right to know how their kids will compare to other kids across the country when they go out into the job market for the first time and compete for a limited number of jobs. And I would challenge States to take advantage of this new authority.

The tasks before us are great. Whenever we talk about sweeping change, both political and cultural, there is always resistance. The voices of the defenders of the status quo always seem louder than those who advocate the future benefits of change. But I am encouraged, Mr. President, by the example I have seen in my own State. Over the last 10 years, educational reform in Minnesota has won bipartisan support from both Republican and Democratic Governors, from a state legislature that is largely Democratic, and from many others interested in education. I hope that America 2000 will receive this same type of cooperative spirit as we move forward today.

Challenging our communities, our schools, our children, our parents, and our business leaders to think for the future is what this Nation has always been about. For decades, we have continued to provide education in this country the same way.

We now have an initiative before us that not only dares to stir things up, but also provides a bold new direction. Setting standards, measuring progress and holding schools accountable.

I look forward to working closely with the administration and with my colleagues in the Congress as we begin to move ahead—to properly position American education for both the tough challenges and the exciting opportunities we face together as a nation.

In the spirit of bipartisanship offered by the President yesterday, and with confidence in the power of people of vision to change the society we live in, I urge my colleagues to support America 2000.

Mr. President, I ask unanimous consent that an article by Joe Nathan be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Pioneer Press]

BUSH'S SCHOOL MESSAGE SENDS RIGHT SIGNALS TO PARENTS, EDUCATORS

(By Joe Nathan)

Cut to its core, President Bush had a great message Wednesday for committed educators and concerned parents.

First, he wants the country to set clear, high standards for all students. And then he wants to give flexibility, encouragement and opportunity to creative, innovative educators.

A person does not have to agree with all of the president's views on educaiton to be delighted by his words Wednesday.

Part of the reason the president came to Minnesota—and to St. Paul—is our community's record of valuing, not just tolerating, thoughtful school innovation:

Almost 20 years ago, Wayne Jennings and a small group of visionary parents persuaded the school board to offer a different kind of program, the St. Paul Open School. In this school, each student in kindergarten through 12th grade has an individual education plan, uses the whole continent as a place to learn and combines classroom work and community service. It's a program that requires demonstration of skills, rather than accumulation of credits, prior to graduation.

Fifteen years ago the St. Paul School Board and then-superintendent George Young encouraged establishment of another innovative—but more conservative—option, the Benjamin E. Mays Fundamental School, along with an enriched magnet program at Webster.

Over the last five years, the district has created Expo, Montessori, continuous-progress and Spanish-immersion programs. St. Paul continues to provide new options for educators to create distinctive programs and opportunity for students to develop basic and applied skills.

As the district established new options—with the support of the local Federation of Teachers—it tried hard to keep strong neighborhood schools. Unlike many cities, St. Paul did not establish a number of elitist options available only to those who could pass standardized tests.

And the creation of the attractive options prevented St. Paul from going through the enormous agony of forced busing. While there have been—and continue to be—disagreements between community members and the school district, we have been able to avoid the confrontation and pain many urban communities experienced over the past 20 years.

Some of our most important improvements involve higher expectations for students. Several years ago, for example, Superintendent David Bennett suggested—and the school board approved—making St. Paul one of the first districts in the country to require prospective high school graduates to demonstrate reading, mathematics and writing skills.

While complimenting St. Paul, the president included the whole state in his remarks: "Here in Minnesota, from St. Paul and Minneapolis to Cyrus and Miltona, you are sailing the country into the future." While visiting our metropolitan area, he urged rural, urban and suburban communities to listen to—and learn from—each other.

Minnesota's progress is due to the courage and openness of many people. At the state level, Education Commissioner Gene Mammenga and his predecessors Ruth Randall and Tom Nelson have pushed hard for flexibility and creativity. Each commission and the State Board of Education have encouraged school districts to experiment in big ways, offering waivers from rules and regulations to districts willing to measure the impact of change.

Legislators, too, have been willing to make changes. Between 1985 and 1991, the state adopted new approaches that have attracted educators, journalists and scholars from around the world. Such legislators as Ember Reichgott, Ron Dicklich, Tom Nelson, Becky Kelso, Greg Dahl, Connie Levi, Jim Pehler, Ken Nelson, Randy Peterson and Gary Schafer took risks and made difficult political choices for innovation, for youngsters.

Just this week, legislators took the first step toward creation of a charter school option, in which educators would apply directly to a local or state board of education for authority to create a distinctive public school.

Al Shanker, president of the American Federation of Teachers, pointed out to both the president and Secretary of Education Lamar Alexander that exciting, important things are happening in Minnesota schools. And the president and secretary of education are not alone in recognizing major school innovation in Minnesota. The word is spreading.

Two weeks ago, more than 100 local teacher-federation and school-board officials came to St. Paul to look at a number of innovative schools. Next week, officials from National Education Association state affiliates will be coming to Minnesota.

One of the president's most encouraging comments Wednesday established both opportunity and challenge for educators and parents: "When we break the mold, we've got to give communities the power to experiment, think anew and be daring."

The president agreed with Saturn staff and parents that there are many models for educational excellence and that not every school should be like Saturn. He understands that there is not one best kind of school for all students or families or educators.

It is possible to be cynical about the president's proposals. Will there be money to support innovation? Will school districts allocate part of their funds for creation of new kinds of schools, especially when they are receiving less than 2 percent increases from the state? How will we measure the impact of new schools? These questions are important. We should help to create—rather than just wait for—the answers.

One insightful assessment of the president's visit came from Sen. Roger Moe, who said: "It's always good to get visibility. People like to be acknowledged for their efforts."

But Moe saw more in the president's words: "He's encouraging me to keep going . . . He understands that more learning and better schools are an ongoing process."

Dreamers and visionaries got a lot of encouragement Wednesday from President Bush. But, as Karen Ristau, a University of St. Thomas education professor, points out, we need "practical visionaries in education."

Our students and our communities need people with big ideas, great commitment and enormous energy—people ready to accept challenges, people who acknowledge that there are many obstacles but believe that they can make a difference in the lives of youngsters.

Wednesday was far more than an exciting day for Saturn and St. Paul. For the entire state, it was acknowledgment and affirmation for what we've accomplished and anticipation for what is yet to come.

Joe Nathan is director of the Center for School Change at the University of Minnesota's Humphrey Institute of Public Affairs and is a member of a special presidential advisory committee on improving U.S. schools.

Mr. SPECTER. Mr. President, I join my distinguished colleagues on the Committee on Labor and Human Resources as a cosponsor of the America 2000 Excellence in Education Act to provide national leadership for educational reform throughout the United States. I am hopeful that this bill will be the spark for reform within all sectors of society, combining expertise and creating partnerships between educators, business, and community leaders, parents, and elected officials.

As a Senator with a longstanding interest in education, I feel that this bill makes great strides toward the long-range transformation of our education system. I fully support the concept of transforming our schools by utilizing innovative and creative approaches to learning. In addition, I believe the business-school partnerships created in the bill will provide opportunities to better train our young people to be productive members of the work force.

I am hopeful that America 2000 will be the starting point for a progressive and comprehensive plan which will instill a more disciplined attitude and a greater love of learning in our students, and will inspire teachers, administrators, and others in the community to enable our schools to achieve world-class educational standards. In addition, I see this legislation as an initial step toward parental choice in communities that wish to pursue this option, while still maintaining as our top priority the strength and stability of our public schools.

I urge my colleagues to join me in support of this essential legislation that seeks to enable us to achieve America's education goals by the year 2000. The innovative initiatives established by this education strategy has the potential to produce a new generation of students, who will receive the world-class education necessary to keep America competitive in the highly technological world economy of the coming century.

Mr. KENNEDY. Mr. President, our hour has just expired, but I want to express my appreciation to the Members on both sides of the aisle for taking the time and making the comments. I think any fair reading of the record would indicate that this is an issue where there is a broad interest, a deep concern, and a very strong willingness to work in a collaborative way in the interest of the young people of this country.

I very much appreciate all those that have participated in this brief but important dialog this morning, and now is the time to get back to the committees, get moving on the hearings and the consideration of the various proposals and move to more extensive debate, when the legislation comes before the Senate.

Again, I express my appreciation to all those who participated. I also express my appreciation to the leadership for permitting us to take this time to talk about the President's legislation and the issue of education.

I yield the floor.

RESOURCE RECYCLING

Mr. BAUCUS. Mr. President, it is no news that we live today in a throwaway society. On average, we each toss out about 1,500 pounds of trash each year. In some areas, even more. Half is paper and paper products. But also it includes an assortment of plastics, organic matter, metals, and other materials.

More disturbing than the total amount is the trend in waste generation. Thirty years ago, the per capita figure was half what it is today. And the future projections are worse. Unless we change our ways, in 10 years we Americans will throw away some 300 more pounds each year. At the turn of the century, we each will throw away about 1 ton of garbage a year.

The real tragedy is not only the overflowing landfills; it is also the waste of valuable resources and energy that accompanies our throwaway society.

Most of my colleagues are familiar with the recycling success of aluminum cans. Using recyclable aluminum means that 20 new cans can be made using the same energy as we needed to fashion one can from bauxite ore. Furthermore, bauxite is imported. That means the more we can recycle aluminum, the better our balance of trade. It also applies to other products.

I would like now to show my colleagues a copy of an annual report from a major company. This is very important, because this annual report is made on 100 percent recycled paper. It is glossy; it is fancy. And you would never know it was recycled paper. It does not have the smudges or the specks that other recycled paper used to have. This shows that paper products can be made from, 100-percent recyclable products.

I will leave a copy of this on my desk so Senators who wish to can stop by and look at it, and get a sense of what recycled paper looks like.

In addition, Mr. President, we can now recycle plastics much more easily that we could in the past. We are developing the technology. What I am driving at is this: We now have an opportunity in the Congress to help take advantage of Americans' desire to recycle more and waste less.

This year, the Congress will be reauthorizing the Resource Conservation Recovery Act. It is legislation before a subcommittee which I chair. We are going to be pushing the edge of the envelope to find incentives so that Americans waste less, and recycle more, and to find ways to minimize the production of waste in the first place.

It is my hope that we will develop some creative, innovative ideas. We will bring them to the floor, and I very much hope that the Senate can adopt them when they are brought before the floor before the end of this year.

Using recycled paper saves natural resources. It consumes less energy. And it produces less air and water pollution.

Until recently, one of the large gaps in paper recycling was the inability to recycle glossy magazines because the paper contains clay. But we now have the technology to recycle this kind of paper. In fact, some recycling mills now seek out magazines because the quality of the paper is so high.

Another major advance has been achieved in the past few weeks. It used to be that plastic soda bottles could not be recycled back to their original use because of health concerns by the Food and Drug Administration.

But with some new processes, the FDA now believes that such recycling can be done safely. And it is being done in neighboring Virginia.

While some communities are ahead of the curve, others are beset with mounds of paper, plastics, tires, used cars, batteries, and other discards that can be recycled, but are not.

We have the technology to do the job. In fact, exporting some of that expertise to assist other countries is an industry in itself. And one that also helps our international trading position.

We need to seize on the desire to protect our environment, husband our resources, and export environmentally sound technologies to encourage the transition from a throw-away society to one that emphasizes recycling, recovery, and reuse.

The time has come to recycle more than the 13 percent of our wastes that we currently do. It is not only right. But it pays.

Mr. President, last month, Senators CHAFEE and BURDICK joined me in introducing legislation that would alter our current waste disposal regime by emphasizing recycling and providing the tools and incentives to make it happen.

As I said when I introduced the bill, it is a starting point for the hearings that will begin next month. One of the things that makes this area so exciting is the opportunity to try new ideas, to experiment, to innovate. We are dealing with issues that I believe lend themselves to new approaches.

During the hearings, the first of which will be June 5, I will encourage my colleagues, and challenge the witnesses, to expand their thinking beyond traditional avenues in a joint search for the best solutions to the solid waste challenges before us. And I look forward to presenting to the Senate the fruits of this search later this year.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. I thank the Chair.

(The remarks of Mr. GORTON pertaining to the introduction of S. 1142 are located in today's RECORD under "Statements on introduction Bills and Joint Resolutions.")

Mr. DODD. Mr. President, I join my colleagues today in reinforcing the strong commitment that this Congress and this Senator have to the education of our Nation's youth. I would also like to welcome the President's education proposal from his America 2000 strategy which are being introduced today.

Since 1965, the Congress has helped this Nation to build a solid education foundation to ensure quality teaching, quality schools and access to education for all students. While the Federal financial contribution has always been small in comparison to that of the States and local governments, it has served a vital purpose.

Unfortunately, while we have watched the condition of children and the quality of education erode over the last decade, the last two administrations have hidden behind the veil of rhetoric. Today, President Bush has stepped behind the veil to offer his legislative proposals and educational reform. And, I welcome his leadership.

Across the political and social spectrums, Democrats and Republicans, the public and private sector alike, have come to realize the need for a more active partnership between Federal, State and local government to make our Nation's schools the best they can be. A year ago, the Nation's Governors helped the administration and Congress define education goals. States are working with local communities to provide more flexibility for school-based management. And, Congress continues to provide demonstration grants for model partnerships between schools and the private sector for the development of innovative programs.

The problems have been identified—and many of the programs are already in place to regain the ground lost in the 1980's and to ensure each child in this Nation a quality education. Early intervention programs—such as head start, chapter 1 and school dropout initiatives—work, but only serve a percentage of eligible youth. Innovative teacher training programs—for reading and math instruction—work, but are only available to a small number of teachers. The ideas and structures for reform exist. We must now put them to work.

The challenge for us this year is to turn rhetoric into reality. We must set priorities and translate or legislative blueprints into actual dollars for key programs which we all know work well.

And, we are facing the challenge head on. The Senate Budget Committee and the Senate Committee on Labor and Human Resources took two important steps for reduction this month. Yesterday we passed the conference report on the budget resolution which set funding priorities—and education is one of them.

On April 17, the Labor and Human Resources Committee, favorably reported out the strengthening education for American Families Act of 1991, S. 2. And, yesterday, Senator KENNEDY introduced five bills further aimed at meeting the education goals.

As the Congress has advanced its work on improving elementary and secondary education, the Labor and Human Resources Committee is also working to reauthorize the Higher Education Act which provides more than 6 million students with some form of Federal students and aid for postsecondary education opportunity each year.

Mr. President, we know which programs work and which programs save us many times their initial cost over the long term. These are the programs in which we should be prepared to invest.

The condition of our Nation's children and schools demands action and strong Federal leadership now. President, Bush has defined his strategy, and there is little disagreement that stronger Federal leadership and support are needed to bring about change in our schools. While I do not believe that the President's proposals go far enough, it is now time for the Congress and the administration to work together to determine the solutions. If we are serious about making education a national priority, it is vital that the administration and Congress work with and not against each other to do what is best for children and the schools.

PRESENT AT THE CREATION

Mr. MOYNIHAN. Mr. President, during the conflict in the Persian Gulf the United Nations and international law achieved a prominence which would have been unthinkable during the cold war. The President has invoked the rule of law repeatedly in discussing the New World Order.

As the Senate considers the aftermath of the gulf war, the plight of the Kurds and the content of this New World Order it is fortunate—privileged—to have among its members a man who was, as they say, present at the creation. CLAIBORNE PELL, the most distinguished senior Senator from Rhode Island, was deeply involved with creating the United Nations. And throughout his Senate career, few if any have done more to encourage respect for the law of nations in the conduct of our affairs. I dare say that no one did more to alert the international community about Saddam Hussein's lawlessness. When few others cared, Senator PELL was urging that we eliminate subsidies to Iraq. Likewise, he has been one of if not the leading voice on the subject of China's illegal subjugation of the people of Tibet. These are but a few examples of his tireless efforts in the cause of international law and human rights.

Mr. President, Senator PELL has written a most thoughtful article on the subject of war crimes trials for Iraqi leaders. This issue is critical. It goes to the heart of whether the international community is serious about the concept of personal responsibility for war crimes which was the fundamental meaning of the Nuremberg trials. I urge my colleagues to read the article with care. It is filled with the wisdom garnered in a lifetime of distinguished service to the United States and involvement with international affairs.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Providence Journal, May 10, 1991]

ACT NOW BEFORE THE WORLD FORGETS THE CRIMES AND THE VICTIMS

(By Claiborne Pell)

Saddam Hussein and other culpable Iraqi leaders should be prosecuted by an international tribunal for crimes against humanity, crimes against peace, and war crimes.

On April 18, the Senate approved legislation recommending that the United States join with other governments in the UN Security Council to establish such a court. The legislation would also create in our own government an Office for the Prosecution of Persian Gulf War Criminals to support such actions.

There is nothing unusual or unprecedented in this approach. There are a number of examples of war crimes tribunals for dealing with persons responsible for committing acts of brutality and horror condemned by international law such as we have seen over the last several months in the Persian Gulf.

The best known war crimes proceedings were at the Nuremberg trials following World War II. An International Tribunal sat in Germany from October 1945 through August 1946, with Supreme Court Justice Robert H. Jackson serving as the chief US prosecutor. Twenty-two top-level defendants were tried, including one—Martin Bormann—who was tried in absentia. Three were acquitted, 12 received death sentences, and seven were sentenced to varying periods of imprisonment. A similar International Tribunal was established in Tokyo, where 22 defendants were tried and none was acquitted. Seven were sentenced to death, 13 to imprisonment for life and two to imprisonment for speciified terms.

Following the Nuremberg and Tokyo trials, the Allies established war crimes tribunals in their respective zones of occupation in Germany and tried over 20,000 war criminals. Thereafter, Adolph Eichmann was convicted in 1961 under Israel's Nazi and Nazi Collaborators Law, and Klaus Barbie was convicted in France in 1989. The Justice Department has continued to seek out, and where appropriate, prosecute or deport surviving German war criminals.

A legal framework is available to undertake war crimes prosecutions of the responsible Iraqi leaders. On Oct. 29, 1990, the Security Council passed Resolution 674, inviting countries to compile evidence of "grave breaches by Iraq" of various provisions of international law. The United States and other allied governments have begun collecting this kind of evidence. Saudi Arabia and Kuwait reportedly have individuals in custody who should be charged with war crimes.

The State Department has said it has no plans to join with our coalition partners in pursuing this subject. In doing so, we are parting from our allies, many of whom have announced their support for a war crimes tribunal. At the initiative of German Foreign Minister Hans-Dietrich Genscher, the European Community nations unanimously recommended last month that war crimes proceedings be undertaken. The UN Secretary General is reported to be considering that approach.

I hope the United States will join in this effort. Our country led the way in creating the coalition that forced Saddam Hussein from Kuwait. We took the lead in calling for a new world order, involving compliance with the rules of international law—in particular, the 1949 Geneva Conventions and other humanitarian rules applying to armed conflict. Saddam Hussein and other Iraqi commanders and soldiers flagrantly and brutally violated those rules.

There are several ways a tribunal could be constituted: Within the United Nations, by the Persians Gulf allies, or independently, with judges drawn from a range of countries including those in the region. Proceedings could deal with those in custody as well as persons in absentia. Either way, a central purpose would be to establish the truth of what took place, of brutality and torture perpetrated, of war crimes committed.

This should be done even if it is not possible to bring Iraqi leaders personally before a tribunal. A legal indictment and documented evidence can create an essential record while memories are fresh, before the victims are forgotten—whether they are Kuwaitis killed or tortured in September, or Kurds attacked and abused in April.

On April 16, author Elie Wiesel told the Senate Foreign Relations committee: "Let history record our determination that whenever an aggressor will launch war against defenseless countries, history will inexorably lead him before an international court of justice. His sentence will almost be irrelevant. His personal future will matter little. What will matter is the exposure of his criminal deeds. What will matter is that he will remain in the annals of history as an example of what human beings, driven by fanaticism or ambition, can do to one another."

May I add a personal note. In 1943, President Franklin Roosevelt appointed my father, Herbert C. Pell, a former congressman from New York and a former minister to Portugal and Hungary, as the US member on an international War Crimes Commission established in London to determine whether the Nuremberg trials should take place. In his book, The Abandonment of the Jews, David Wyman writes that my father wanted the commission to be "as tough as possible," but that the State Department at first refused to back him. My father was confident of President Roosevelt's support, and in 1944, launched a public campaign calling for war crimes proceedings. On Feb. 1, 1945, the State Department announced that war crimes, including crimes against Jews and other minorities, would be punished.

I hope this history will repeat itself, and that what appears to be State Department reluctance now will change to a policy of full support with our allies for the necessary measures to bring Iraqi war criminals to justice.

TRIBUTE TO AUGUSTANA COLLEGE WOMEN'S SOFTBALL TEAM

Mr. PRESSLER. Mr. President, I rise today to pay tribute to the Augustana College women's softball team. Last weekend, Augustana College, which is located in Sioux Falls, SD, won the National Collegiate Athletic Association [NCAA] Division II women's softball championship.

On May 19, 1991, Augustana defeated Bloomsburg University of Pennsylvania 3 to 2 in a 10-inning championship game held a Midland, MI. The magnitude of this victory is underscored by the fact that Augustana College is the first non-California school ever to win the NCAA Division II title.

Augustana's NCAA championship tops an impressive 61-4-1 season record, which also included the North Central Conference title and the Midwest Regional title.

Coach Sandy Jerstad led Augustana to their first national championship ever with the help of five all-tournament players: Ferris Grund, Kim Kouri, Kim Sudbeck, Julie Krauth, and Kathy Orstad. Additionally, Julie Krauth, a sophomore from Sioux Falls, was named most valuable player of the tournament.

Mr. President, I am pleased that Augustana's success has focused national attention on South Dakota's collegiate athletics programs. Having a relatively small college like Augustana win a national championship proves that not all the best athletic teams are located on the two coasts.

Again, I congratulate the Augustana College women's softball team for an extremely successful season. I hope to give this same speech next year to recognize their back-to-back championships.

Mr. President, I ask unanimous consent that two articles describing the Augustana College women's softball team victory be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Argus Leader, May 20, 1991]

AUGUSTANA WINS SOFTBALL TITLE

(By Tom Waske)

MIDLAND, MI.—Sophomore Julie Krauth turned in an MVP performance and carried Augustana College to its first-ever national title as the Vikings won the National Collegiate Athletic Association Division II softball championship Sunday.

Krauth was named most valuable player of the tournament after playing key offensive and defensive roles in a 3-2, 10-inning victory over Bloomsburg (Pa.) University.

"I can't describe it. It's total excitement," Krauth said after the team was greeted by about 200 well-wishers at Sioux Falls Airport Sunday night. "My arm is extremely sore. I need a week's rest. My adrenalin was pumping hard and it took over. I knew something good was going to happen with this team."

But things almost went bad, even with Augustana scoring two runs in the third inning to take the early lead after a single by Ferris Grund and a double by Krauth.

The Vikings stranded nine runners in the first four innings and came close to allowing Bloomsburg to steal the title.

The Huskies had managed only three hits off Krauth through the first five innings, but they threatened in the sixth and seventh. They stranded two runners in the sixth.

Facing elimination in the seventh, Bloomsburg scored a pair of runs off two Augustana errors.

Julie Wolfe was safe on a one-out error. Jean Buskirk got an infield single and a throwing error allowed Wolfe to score. With two outs, Denise Miller singled to tie the game.

Krauth (28-2) retired the minimum nine batters over the last three innings, thanks to a double play in the eighth, and wound up scoring the winning run in the 10th.

She walked to lead off the inning and moved to third when Janelle Tieken's sacrifice bunt was thrown wildly past first.

Kim Kouri ended the game with a two-out line single off the leg of Wolfe, the Bloomsburg second baseman.

Coach Sandy Jerstad said: "This is absolutely the biggest thrill of my life, careerwise. We all felt a realistic degree of confidence, but there's always a fear of the unknown."

Augustana, the first non-California school ever to win the title, finished the season with a 61-4-1 record after sweeping through the championship. Bloomsburg, which came through the losers bracket, finished 41-7.

There will be a celebration held in the student forum at the Elmen Center at noon today.

[From the Argus Leader, May 21, 1991]

GOAL MET, CELEBRATION CONTINUES FOR SOFTBALL VIKINGS

(By Mike Schirmer)

The Augustana College softball team reached its goal Sunday, and the celebration hasn't stopped yet.

The Vikings, fresh from a 3-2, 10-inning victory over Bloomsburg (Pa.) University in the championship game of the National Collegiate Athletic Association Division II national tournament in Midland, Mich., were met at the airport Sunday night by almost 200 jubilant fans, armed with "congratulations" signs and balloons and chanting "Augie, Augie."

On Monday afternoon a celebration was held in the student forum at the Elmen Center on campus. And at 7 tonight there will be a reception for the team at Champp's. For information call 331-4386.

Augustana beat Bloomsburg 3-1 in their first-round game on Saturday before outlasting top-ranked Portland State 3-2 in 16 innings in the semifinals.

This was the first-ever national title by any Augustana athletic team. The Vikings finish their season with 61 wins, four losses and one tie.

"I couldn't ask for anything else," senior shortstop Kim Kouri, who drove in the winning run in the final game, said. "We went there to win because we had come this far. This has been our goal all year. This is the biggest thrill of my life. This was a fun team. I'm going to miss it."

The Vikings went through the regional and the national tournament unbeaten in six games. Pitching every inning of every game for the Vikings was sophomore Julie Krauth, who finishes the year 31-2.

"This is my biggest thrill," Krauth, who shared pitching duties with Chris Hartman during the regular season, said. "This is it. There was no doubt about it (winning the tournament) after I saw the other teams there. They were all different so we just kept plodding along. We were confident."

Another senior playing her final game was first baseman Ferris Grund.

"It's stimulating," she said. "It's a sad-happy feeling. We didn't end on a loss."

Coach Sandy Jerstad, who made the decision to go strictly with Krauth as her pitcher before the regional, finally realized her dream of a national championship.

"Julie had been throwing so well," she said. "And, she's such a good fielder against the slap-type (hitting) teams. It worked out well. This is the most incredible feeling I've ever had."

Among those well-wishers at the airport was Augustana athletic director Bill Gross. "It's a great accomplishment for the athletic program," Gross said. "It's an honor for the school. These are good gals who were good representatives of the school. I'm proud of them."

Besides Kouri and Grund, left fielder Kim Sudbeck, who drove in the winning run against Portland State, was the only other senior starter.

PRESIDENTIAL STAMP SELECTION COMMITTEE

Mr. STEVENS. Mr. President, on April 23, 1991, I introduced S. 901, a bill to establish a Presidential Stamp Selection Committee. The purpose of bill is threefold: First, to bring about a better coordination and selection of U.S.

postage stamps; second, to ensure more accurate depictions on U.S. postage stamps; and third, to require the printing of all U.S. stamps and philatelic items in the United States.

Pursuant to the introduction of this legislation, I received a copy of an article written by a U.S. Senate staff member who is, like myself, a stamp collector. Mr. President, I ask unanimous consent to print at the end of my remarks, the Des Moines Register article written by Jim Currie, a philatelist and a staff member of the Senate Committee on Intelligence.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DINOSAUR-STAMP ERROR AND OTHER MAIL LAPSES

(By Jim Currie)

A spokesman for the U.S. Postal Service recently proclaimed that the name "Brontosaurus," rather than the correct name "Apatosaurus," was chosen for a new commemorative stamp because the former was "more familiar to the general public." That the Postal Service deliberately chose the wrong name for a dinosaur is no surprise to many of us who have followed the shenanigans of this organization over the past few years.

Take the Virginia statehood stamp of 1988, for example. The stamp design proudly proclaims "June 25, 1788," which was the date on which Virginia ratified the U.S. Constitution.

It was indeed an important date in the history of the Commonwealth and the history of this country.

The stamp's design, however, pictures a building in colonial Williamsburg. There is one major thing wrong with this choice: By 1788, the capital of Virginia was no longer in Williamsburg.

It was moved to Richmond in 1779, and it was in Richmond that the Constitution was ratified.

Or one might look at the Bill of Rights stamp. Good design, but its first-day-of-issue ceremony was in Philadelphia. Nice enough city, W.C. Fields notwithstanding.

But the fact is that the Bill of Rights was proposed to and adopted by the U.S. Congress meeting in New York City in 1789.

Philadelphia played no role in the process. It's bad enough that the Postal Service continues to issue stamps commemorating marginal characters in our nation's history—like the 1988 stamp picturing an obscure golf champion—while continuing to ignore great Americans like Senators Robert LaFollette and John C. Calhoun.

At least these are choices that were apparently made with some reason—no matter how bad—behind them.

Unforgivable, though, are the outright errors, which the Postal Service then proceeds to defend quite proudly.

It makes one wonder just what the U.S. Postal Service and the Citizens Adivsory Committee (which selects the topics for our postage stamps) have been doing at their meetings and whether they should not have a panel of scientists and historians to which stamp designs should be submitted for an accuracy check.

RAJIV GANDHI

Mr. LUGAR. Mr. President, the world is once again saddened by the senseless assassination of an esteemed world leader, Rajiv Gandhi. I had the privilege of meeting and chatting with Mr. Gandhi on two different occasions and was impressed by his intellect, his strong sense of public service, the love he had for his country, his energy, and the relentless effort to move India and his countrymen from the depths of poverty.

India is a country beset with difficult social, economic, and communal challenges. It will cope with them in a pluralistic political system of give and take, dialog, and debate. India is a democratic society. Democracy has deep roots in India and the democratic tradition will persevere despite this senseless act of violence. Democrats like Rajiv Gandhi may perish, but democracy will survive in India. Mr. Gandhi was a friend of democracy. He leaves behind a positive legacy for his country and for future generations of Indians who aspire to public service.

THE DEATH OF WILLIAM E. CURRY, SR.

Mr. DODD. Mr. President, the recent death of William E. Curry, Sr., a major force in Connecticut's Democractic Party for many decades, represents a grievous loss to those, like myself and my family, who knew him well and were fortunate to call him friend and adviser. Bill Curry's example helped to forge within me, and no doubt countless others, a lasting commitment and dedication to public service, and a conviction in the wisdom and efficacy of our system of government.

Through his many years in the arena that we all call politics, Bill Curry stood center stage. Though the limelight did not shine directly upon him and the luster did not quite embrace him, Bill inspired and encouraged would-be candidates, and helped organize, indeed orchestrate, the campaigns for public office of these same men, dubbed by many as long shots, into astonishing victories. Among the campaigns to which Bill lent his expertise and remarkable people-sense was that of my father, U.S. Senator Thomas Dodd, as well as U.S. President James Earl Carter who later appointed him to serve as the Regional Director of the Farmer's Home Administration.

Born, raised, and educated in Hartford, William Curry trod the path of many of his generation. He fought along side his peers in the U.S. Army in World War II, serving in the 106th Infantry Division in Europe. He was active in the Democratic Party and became a member of the Hartford Democratic Town Committee. He was a delegate to the 1976 Democratic National Convention. As his level of involvement in the party increased, Bill added to the great symphony of Connecticut democratic politics the tunes of social justice and idealism. He supported unlikely "long shot" candidates, like Wilfred X. "Spike" Johnson, the first black man to be elected to the Connecticut General Assembly. Bill backed these men not only because they advanced principles of equality and fairness, but because Bill, ever with his ears pitched to the tenor and needs of the community, recognized their leadership potential.

Bill's politics did not evoke images of backroom wheeling and dealing. Rather, his politics took the form of street-corner discussions with the locals of the community, the barber, the bus driver, the neighbor hanging her laundry out to dry. These were the people for whom Bill held such a fondness that their welfare became for him an abiding, paramount concern. Indeed, the relationship between the people and Bill was a magical, uncanny sympathy. Bill seemed to be the bellweather of public sentiment and opinion. He divined what was uppermost on the minds of people and what motivated them to believe as they did. He understood the notion that one's personal experiences cannot be severed from his public views. Therefore, Bill traveled the highways and byways, as he so often said, to converse with the crowds, one person at a time.

William E. Curry, Sr., stood literally in that oft-cited "marketplace of ideas" plying his wears and exchanging the currency of opinion, thoughts, argument, and debate with the common man and woman. And for it all, we are immeasurably enriched. That discourse which characterizes our society as unique, of which Bill, during his sojourn among us, was so much a part, may madden and frustrate, but it continues. Thankfully, it thrives. And perhaps because it does, because of the legacies of politicans like Bill Curry who considered politics, of all things, somehow connected with the hopes, dreams, needs, and concerns of the body politic—the people, social justice, the long shot, for which we as a nation properly aspire, may yet be within our grasp.

RESIGNATION OF ARNAUD DE BORCHGRAVE

Mr. WALLOP. Mr. President, the Washington Times announced last Friday the resignation of Arnaud de Borchgrave as its editor in chief, a position he has held since 1985. It would be a disservice both to the Times and to Mr. de Borchgrave if his departure as editor in chief were allowed to go unremarked. I rise today to ensure that Arnaud's contribution to journalism in general and to news reporting in Washington, DC, is acknowledged as he moves on to the next stage in his writing career.

In announcing his resignation, the Times described Arnaud de Borchgrave as a "legendary foreign correspondent." As often as not, use of adjectives such as "legendary" is hyperbole at best. In this instance, the superlative barely does its subject justice.

Before joining the Times in 1985, Arnaud de Borchgrave spent almost 30 years as a foreign correspondent for Newsweek magazine, earning the descriptive "legendary" along with an interesting assortment of other adjectives.

A Washington Post reporter wrote in a 1985 story:

> De Borchgrave, * * * in his 25 years at Newsweek became known as one of the world's most flamboyant and controversial correspondents.

In a July 3, 1985, Chicago Tribune story, Lea Donosky said that Arnaud:

> Who covered 17 wars in 30 years, is fighting a war of his own, a battle against what he views as the Communist menace and the "terminal naivete" of the American press. "It's a never-ending battle, a war of words, a war of ideas," he says.
>
> There were few publications that wouldn't have liked to have had him or someone like him. Nobody ever had a correspondent who worked harder than Arnaud. He worked incredible hours. He had a single-mindedness of purpose getting to a source for an interview.

The same Chicago Tribune story quoted Newsweek's former Saigon and Beirut Bureau Chief Nicholas Proffitt as saying about Arnaud.

The "War of words, * * * of ideas" that Arnaud described is a war he has fought tirelessly and not without personal sacrifice. In 1980, in a dispute over ideological and editorial differences, Arnaud left Newsweek. but his single-mindedness of purpose and his hard work did not abate. He coauthored with Robert Moss the best-selling noval "the Spike," a not-very-flattering picture of Soviet influence on the media. He has served as a senior associate at the Georgetown University Center for Strategic and International Studies. He published a monthly intelligence newsletter "Early Warning." He serves on the advisory committee of the American Foundation for Resistance International.

In 1985, he brought his energies to the Washington Times. A number of stories about Arnaud were written or told during his tenure as the Times' editor—not all of them entirely complementary, but often reflecting the zeal with which he performs his professional duties. He is described as working 18-hour days, of living in his office, which is complete with private bath and sofa bed. [He admits to sleeping there several nights a week.] It has been reported that he prowls the paper's offices late at night as ideas for stories occur to him, that he sometimes demands rewrites of stories in the middle of the night.

A June 15, 1987, story in Time magazine reported:

> It should not be said that Arnaud de Borchgrave never sleeps. True, he puts in 18-hour days at the Washington Times, showering his staff with "Arnaud-Grams," notes scrawled on yellow paper suggesting stories and sources. He bounces around the newsroom nagging, second-guessing or just plain giving orders. But he does sleep.

The Time magazine story went on to say that the Washington Times "has gained a place at some of the Capital's most powerful breakfast tables, and is among the few newspapers that are regularly excerpted for Ronald Reagan's daily news briefing book. * * * 'The paper you see now is not the paper we saw 5 years ago,' says press critic Stephen Hess of the Brookings Institute. Much of the credit belongs to de Borchgrave".

In a story repeated more than once, Arnaud displays his inimitable flair. The Chicago Tribune's July 1985 story:

> When a recent interviewer asked him about printed reports that he has startled the staff by running out onto the mezzanine wearing blue silk pajamas during a late-breaking story, de Borchgrave insisted, "I don't know how this kind of thing happens. They're cotton and a good reporter would have checked."

And Arnaud is a good reporter, and has been an excellent editor. In talking of his resignation as editor in Chief of the Times, Arnaud said:

> If you fail to plan, you plan to fail. My plan was quite simple: Change and continuity with staff second to none. * * * our ship [is] now ship-shape and ready for a new skipper.

Arnaud de Borchgrave will continue with the Washington Times as editor at large, pursuing stories and interviews around the world. William Hazlitt wrote that "you know more of a road by having traveled it than by all the conjectures and descriptions in the world." Arnaud is uniquely qualified for his new responsibilities, to which he will no doubt unselfishly contribute his vast energies and experience and in which he will continue fighting his war of words, of ideas.

Congratulations to Arnaud on his success at the Times, best wishes for success in his new assignment. This Senator has known Arnaud long and well, and is pleased to call him friend. He will be missed.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. REID). Morning business is now closed.

SENATE ELECTION ETHICS ACT

The PRESIDING OFFICER. The Senate will now resume the consideration of S. 3, which the clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Boren amendment No. 242, in the nature of a substitute.

(2) Roth amendment No. 262 (to amendment No. 242), to provide television broadcast time without charge to Senate candidates.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair.

We are under controlled time, as I understand it, of 15 minutes equally divided. I reserve for myself 5 minutes at this time.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. EXON. Mr. President, the amendment that I am about to send to the desk is the first clear, straightforward chance for the Senate to express itself on whether or not it favors taxpayer financing of the vouchers which are a part of the reform bill that is before us.

This Senator happens to feel that no campaign bill that we could enact here would have any real meaning unless it has a cap on the amount of expenditures that can be expended and because of the Supreme Court decision that has to include some kind of a voluntary limit. But this Senator for one has been firmly against taxpayer financing of campaigns.

The President of the United States has made it very clear that he will not sign any piece of campaign reform legislation that involves taxpayer financing of campaigns. In that regard I agree with the President.

The President has also said, in my view unfortunately, that he is also opposed to any kind of campaign spending limits. But at least the amendment that I am offering will certainly take away half of the strong objections that the President of the United States has expressed on the bill that we are considering.

Mr. President, it seems to me then that the wording of the amendment that I am about to offer is very straightforward. It makes it very clear that none of the vouchers that are going to be offered as an inducement in the bill can be financed by the American taxpayer. It is my view, Mr. President, that substantially over one-half of the Members of the U.S. Senate are opposed to taxpayer financing of campaigns and by this straightforward amendment I am offering the Senate the first chance it has had to express itself up or down on the matter that is at hand.

AMENDMENT NO. 263 TO AMENDMENT NO. 242

(Purpose: Relating to the funding of voter communication vouchers)

Mr. EXON. Mr. President, I now send an amendment to the desk and the amendment is offered by myself, Senator LEVIN from the State of Michigan, and Senator KERREY from the State of Nebraska.

I send the amendment to the desk at this time and ask that the clerk report.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself, Mr. LEVIN, and Mr. KERREY, proposes an amendment numbered 263.

On page 21, line 10, before the end period insert: ", except that no vouchers shall be issued to any eligible candidate unless Congress provides that the amounts in the Fund to pay for such vouchers are derived solely from—

"(A) voluntary contributions or tax checkoff contributions that are not from any tax liability owed by the person to the Treasury; or

"(B) sources which do not affect individual taxpayers, corporate taxpayers, partnerships, and estates and trusts, other than with respect to their campaign activities or other activities with respect to influencing Federal legislation."

Mr. EXON. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who now yields time?

Under the order, the time will run equally if we do not have any request for time.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I wanted to pose a couple of questions to my friend from Nebraska on my time. I would ask my friend from Nebraska if the amendment does anything about the taxpayer funding that is provided to penalize or to reward the opponents of candidates who decide to express themselves above the arbitrary campaign limit in a State?

Mr. EXON. If I understand the question from my friend from Kentucky it has to do with above the spending limit. The amendment that I am offering does not change in any way any other part of S. 3, as amended. It simply says directly that no voucher that is given or accepted by a candidate for the Senate office can be financed with taxpayer funds and that is, in essence, the amendment.

I would simply point out that I have not at this time yet asked for the yeas and nays. I am hopeful that this amendment, which expresses a significant majority of the Members of the U.S. Senate, might be accepted without the necessity of a rollcall vote and therefore we could save that much time. But I would certainly be pleased to answer any further questions raised by the manager of the bill on that side of the aisle.

Mr. MCCONNELL. I thank my friend from Nebraska.

This is the critical question. We may well end up accepting the amendment, but I do want our colleagues to know what the amendment does and what it does not do. What it does not do is eliminate taxpayer financing from S. 3. Under S. 3, 20 percent of the spending limit comes from food stamps that politicians can get from the Treasury to purchase television advertising. That is one source of Federal funds for political campaigns.

But, Mr. President, there are other avenues to Federal funds. If a candidate decided to express himself as much as he chose, which he has a right to do under the first amendment to the Constitution, and thereby went above the arbitrary spending limit in his State, under S. 3 public funds would be triggered out of the Treasury for his opponent. In addition, that person would lose a broadcast discount and lose a direct mail subsidy.

And there is another avenue for public funding untouched by the Exon amendment and that is if an independent citizen or group of citizens, let us say a civil rights group decided to engage in independent expenditures in Louisiana against the candidacy of David Duke, then David Duke would get money from the Treasury to combat that speech carried on in Louisiana by the out-of-State civil rights group. So as you can see, Mr. President, this amendment does not really go to the heart of the question which is whether taxpayer financing should be provided in any way whatsoever in races for the U.S. Senate.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Ten minutes.

Mr. MCCONNELL. I reserve the remainder of my time.

Mr. EXON. Mr. President, I yield myself 1 minute.

The amendment speaks for itself. The amendment eliminates taxpayer financing for the subject of providing vouchers. Certainly I suspect that it could be criticized along the lines that have been advanced by the Senator from Kentucky. But the main expenditure of taxpayer funds directly would be eliminated if this amendment becomes law.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. Ten minutes.

Mr. EXON. I yield 5 minutes to a cosponsor of the amendment who played a key part in putting it together, the Senator from Michigan.

The PRESIDING OFFICER. Senator LEVIN is recognized for 5 minutes.

Mr. LEVIN. I thank the Chair and my good friend from Nebraska, who has been leading a very important effort to make a significant change in this bill which I think will bring it some additional support.

There has been a lot of eloquent debate on the subject of campaign finance reform during the past few days, and the sponsors of this legislation should be complimented for their efforts to diagnose the ailment in our body politic and prescribe a cure. To put it plainly, we spend too much money on campaigns and we spend too much time raising it. The public looks at this system and senses that it is not serving their interest and they see right.

The average cost of a Senate campaign has almost tripled in 10 years, from $1.2 million to $3.3 million. The American people think that is wrong, and they are right. The heart of reforming the system is to limit spending. From a contender's standpoint, a limit on spending would be far better than the status quo, where, with unlimited spending, contenders are almost always vastly outspent.

If the heart of election finance reform is limiting spending—and it is—the soul of reform is the incentives needed to persuade candidates to accept those limits voluntarily. The Supreme Court has ruled that these limits must be voluntarily accepted if they are to be constitutional.

The point of our effort must be to restore faith in the institutions of democracy. I am afraid that, however unintentionally, the voucher provision of this bill does just the opposite. In a piece of legislation that is designed to raise the level of public confidence and trust, a voucher system which could be funded by the general taxpayer will be characterized as a benefit that we are voting for ourselves. It will be so characterized by the President and he is likely to succeed in that characterization.

Like it or not, the voucher provision, as provided in this bill and without limits, will be perceived by a large percentage of Americans as feathering our own nests. It will serve as the point of attack to sink this bill because a general taxpayer-funded voucher unconditionally and without precedent puts the general taxpayer money in our own campaign coffers.

For direct, unconditional, general fund financing to produce trust and confidence, I am convinced that it must have wide support. Without bipartisan and Presidential leadership, a voucher system which could be paid for by general tax dollars will undermine the very public confidence that we are struggling so hard to achieve in this bill.

The Exon-Levin amendment provides that general taxpayer funds will not be used to finance any voucher. Adoption of this amendment will eliminate the public financing provision which makes the bill most vulnerable to attack. It thereby also makes it more likely that we will pass a bill which can lead to a law actually being enacted instead of just another debate being held. That is the effective way of promoting public trust—getting a good bill enacted which will help promote that trust.

I again compliment and congratulate Senator BOREN for his leadership in trying to get this bill passed in the Senate.

If I could comment on the question of my friend from Kentucky.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EXON. Mr. President, I yield 2 minutes to the manager of the bill.

Mr. BOREN. Mr. President, I thank my colleague from Nebraska, and I want to commend my colleague from Nebraska and my colleague and friend from Michigan for offering this particular amendment.

The amendment makes it clear that the voucher portion of the bill would not take effect until we have found a means of financing this proposal that would not result in tax increases of a general nature on the average individual taxpayer.

There are several options that are set forth in the amendment, including the use of a voluntary checkoff over and above tax liability. Obviously, cuts in other programs would not be ruled out by the language of the amendment.

For example, mass mailing costs and newsletter costs of the Senate alone are in the neighborhood of $25 million, which would be sufficient to fund the voucher portion of this bill, according to CBO.

There are other options. Some have proposed taxing political action committees. Some have proposed putting some kind of limit, perhaps at very high levels, on people who are spending over a certain level, maybe millions of dollars a year, on lobbying expenses. That is something that could be trimmed back in terms of the tax subsidy that is now being provided.

I personally share the concerns that have been raised by the Senator from Nebraska, the Senator from Michigan, and several people on the other side of the aisle that we should find a way to finance this voucher system, if it is enacted into law, in a way that does not put additional burdens on the average taxpayer or increase the burden on individual taxpayers or tax paying entities.

So I enthusiastically support this amendment. I think it makes it clear that, for the voucher portion of this bill, there would not be an additional burden placed on the average taxpayer, the average American taxpayer, in order to fund it.

I hope that it will be something that can be accepted because this is a concern that has been expressed on both sides of the aisle.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MCCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Ten minutes.

Mr. MCCONNELL. Mr. President, with all due respect to my friend from Nebraska, this is only the most recent effort to obscure the truth, and the truth is that S. 3 is a public funding bill.

The Kerry amendment yesterday was very revealing, Mr. President. The Kerry amendment, in effect, provided 90 percent public funding for Senate races. Thirty-six of the 56 Democrats who voted on that amendment yesterday voted for 90 percent public funding.

Let there be no mistake about it, Mr. President, which party is in favor of having the taxpayers pay for our Senate campaigns. It is the Democratic Party that is four-square in favor of taxpayer funding.

Mr. President, there are a few on the other side who were nervous about that and who voted for the underlying bill who have been looking for a way to somehow argue that an apple is an orange. The Exon amendment is one of those apple and orange amendments. But, Mr. President, it is not very good cover.

The Republican Policy Committee has estimated taxpayer-financed payment to candidates, to opponents who exceeded the spending limit, would total up to $58 million in 1994 if one candidate in every race chose to engage in unlimited speech. The Exon amendment does not touch that kind of public funding. In other words, the Federal Treasury funded by the taxpayers would take a $58 million hit in 1 year alone.

This amendment, as I just indicated, leaves this form of taxpayer financing in S. 3 completely alone. It is still in the bill.

The amendment of my friend from Nebraska also leaves untouched all the taxpayer-financed payments to candidates for independent expenditures. That would add up to an additional $3 million in 1994.

The amendment also protects the mail subsidy provided to candidates under S. 3 at a time when taxpayers are forced to pay higher and higher rates for mail service. This amendment would give $8.7 million of mail subsidies to Senate candidates in 1 year alone.

In sum, Mr. President, the amendment of the Senator from Nebraska is a sieve for all the taxpayer financing in the bill; it is an illusion. It leaves untouched $58 million for excess expenditure penalties, $3 million for independent expenditures, $8.7 million for mail subsidies, a total of nearly $70 million in taxpayer-financed subsidies in 1 year alone left completely untouched by this amendment.

So, Mr. President, let me sum it up one more time. It is pretty clear to even the most casual observer which party is arguing here in the U.S. Senate that the taxpayers ought to fund political races for the U.S. Senate. Thirty-six of the fifty-six Democrats who voted yesterday on that issue said 90 percent of the public money should finance candidates for the U.S. Senate, up to the limit, 90 percent of the limit.

There have been a number of votes on the critical issue. The real vote on the question of taxpayer subsidies for Senate campaigns was yesterday morning on the McConnell amendment, which stripped all taxpayer subsidies out of S. 3. On that vote, Mr. President, it was straight party line. Not a single Republican voted for public funding, not a single Democrat voted against it.

All of these other amendments, Mr. President, are, in a sense, an illusion, an effort to look for cover, someplace to hide from the taxpayers who are going to become increasingly enraged, I would predict, as soon as the fall 1992 election, that we would have the audacity, in a time of exploding deficits, to add an entitlement program for us to run for the U.S. Senate.

So, Mr. President, I do not have any particular problem with the Exon amendment. It might save a little bit of a whole lot of money that is going to be spent on our races.

My friend from Nebraska, had indicated earlier he hoped it would be accepted. I do not have any problem accepting it. But I do not think it solves the problem. The one way we could have solved the problem was to vote for the McConnell amendment yesterday morning. It was a straight party line vote on the issue of stripping all Federal money, all taxpayer money, out of Senate races. Unfortunately, Mr. President, that amendment did not prevail.

Let me make one other point. If we are serious about campaign finance reform, a couple of things have to be done.

The President of the United States said again this year, in a letter to me dated yesterday, which I put in the RECORD yesterday, that three things are not going to become law: Spending limits, public finance, and a different set of rules between the House and the Senate. Any one of those three things, Mr. President, guarantees no campaign finance reform.

Having worked on this issue for years, even before I came to the Senate, I do not want to see that result.

There are some important things that need doing, and I hope we will not waste this opportunity, after weeks of debate, to lose our chance for campaign finance reform. Hopefully we will get that chance in conference with the House.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4½ minutes.

Mr. MCCONNELL. I reserve the remainder of my time.

Mr. EXON. How much time is remaining on this side, Mr. President?

The PRESIDING OFFICER. Three minutes.

Mr. EXON. I yield 1 minute to my colleague from Michigan.

Mr. LEVIN. Mr. President, the voucher which is provided for in this bill, if financed through general taxpayer money, would be the direct taxpayer payment for elections.

My friend from Kentucky talks about, "Well, what about that standby taxpayer payment, in the event one's opponent goes over the limit?" The answer to that is hopefully all candidates will accept those limits. That is the purpose of this bill, to get all candidates to voluntarily accept the limits. We believe they will succeed, those incentives. There is every reason to believe they will succeed.

So when the Republican Policy Committee comes up with a $58 million assessment to the taxpayers, that is their imagination which is involved here. Because we believe the incentives in this bill will succeed in getting candidates to accept voluntary limits and, if they do so, as intended by this bill, those payments referred to by the Senator from Kentucky will not occur.

The PRESIDING OFFICER. The minute of the Senator has expired.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I ask the Senator from Kentucky to yield me 4 minutes.

Mr. MCCONNELL. I yield my colleague 3 minutes. I want to reserve 1 minute.

Mr. NICKLES. Mr. President, I want to respond to my friend and colleague from Michigan. In the Republican Policy Committee, we have two charts. One chart is if both candidates participate. In other words, there would be no excuse expenditure amount; there would be no heavy hitter, the hammer against a candidate if he elected not to participate voluntarily.

This bill is not a voluntary bill. It has a heavy penalty for somebody who elects to avoid taxpayer subsidies because his opponent is going to get millions of dollars.

Basically I knew that charge was going to be made, so we put figures in the RECORD yesterday to consider both. If both major party candidates participate, if that is the case, the taxpayer subsidy is $46 million. If one candidate participates and one major party candidate does not participate, the cost to the taxpayers is $81 million. This is not calculating the cost for minor party candidates, which we estimate in 1994 would be about an additional $20 million.

The amendment of the Senator from Nebraska, which I support, is a small step in the right direction.

Last night we had a vote to eliminate all taxpayer subsidies. Unfortunately, the Senator from Nebraska did not vote with us. The vote on the Democratic side was 54 in favor of continuing subsidies, and one Democratic Member, Senator HOLLINGS, voted with us to eliminate all taxpayer subsidies.

It is unfortunate that amendment was not agreed to because, if my figures are correct, the amendment of the Senator from Nebraska will save taxpayers $11 million, if you have one major party candidate participant. But taxpayers will still end up paying $90-some million a year. That is not a good deal. That is not good enough. We have not gone far enough toward eliminating the taxpayer subsidies.

Why do we not eliminate the mail subsidy as well? Why do we not eliminate the subsidy the Senator from Kentucky was talking about, the excess expenditure amount? Why do we not eliminate the independent expenditure amount? Why do we not eliminate minor party candidates so we do not have taxpayers subsidizing races like David Duke's and other races?

I congratulate the Senator from Nebraska. It is going to pass. It is going to make a small step in the right direction. But also, yesterday, the amendment by Senator MCCONNELL, and my amendment, those were the real efforts we had to eliminate taxpayer subsidies.

Mr. EXON. Mr. President, I yield 1 minute to my colleague from Oklahoma.

Mr. BOREN. Mr. President, I will not take the full minute. I will yield back whatever time is left to Senator EXON. But let me say a lot of figures have been thrown around. We, of course, in the Congress use the estimates of CBO. CBO says the entire cost of the bill as introduced, S. 3, is $25 million a year. The voucher portion of that is somewhat less than $20 million a year.

So the idea we are talking here about a billion dollars or $90 million, estimates from one political party committee or another, or other sources, are really not binding upon Congress. The best estimate, official estimate we use in Congress, is from CBO. That is $25 million.

The amendment of the Senator from Nebraska makes a very significant step in terms of making sure that cost will not be borne by general taxpayers with a tax increase.

Mr. NICKLES. Will the Senator from Kentucky yield to me?

Mr. MCCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has a minute and a half remaining.

Mr. MCCONNELL. Mr. President, under the Exon-Levin amendment—let us be perfectly clear what happens. David Duke can get taxpayer subsidies to combat independent expenditures against him by organizations such as, say, B'nai B'rith. The Exon-Levin amendment does nothing to prohibit David Duke from getting taxpayer funds to combat independent expenditures by concerned citizens against him around the country. This amendment is a small step in the right direction, but it goes not nearly far enough.

I yield the remainder of my time to the Senator from Oklahoma.

Mr. NICKLES. Mr. President, I thank my friend from Kentucky. I will just make a couple of comments concerning the cost of the bill and also the estimates that were put together by the Republican Policy Committee.

Our original estimates were less than that by CBO. CBO came up with estimates. We came up with estimates. Our estimates were less than CBO's. When the bill was introduced, it was rolled back.

But, what my friends and colleagues on the other side kind of ignore are a couple of costs. They ignore the cost of mail subsidies. They ignore the cost of independent expenditure amounts. Tht is in the bill. But it was not estimated. They ignore the amount of cost for excess expenditure penalties, for those assessments. But those are real. Those will be expensive. They also ignore the broadcast subsidies which are enormous, and which we will debate very soon.

The PRESIDING OFFICER. The time of the Senator has expired. All time has expired.

Mr. EXON. Mr. President, I do not believe my time has expired——

The PRESIDING OFFICER. If the Senator will withhold, I was indicating all time expired on the side of the Senator from Kentucky. The Senator from Nebraska has 1 minute remaining.

Mr. EXON. I thank the Chair. I have listened to the debate. Evidently the amendment is going to be accepted. I think it is a giant step in the right direction. I just wish we could get away from partisanship. I have not cited examples of how Democrats or Republicans voted in the past.

The people of the United States look at us and say, "Why don't you quit fighting political battles and trying to take credit?" I do not think it is fair for those on the other side to say this Senator voted one way or the other. I voted my conscience. I want a campaign finance reform bill to pass.

We are not going to pass a perfect bill. We never have in this body. I hope we can stay away from the partisanship and get on with the business of trying to clean up the campaigns in the United States of America which, above everything else, are costing too much money.

I hope that the amendment will be accepted, and I hope that we can continue in a nonpartisan fashion to come up with a bill that may not satisfy the Democratic Party or the Republican Party, but maybe the people of the United States as a whole, regardless of their registration.

I assume that my time is up. I thank the Senate for its courtesy in listening to this argument, and I hope the amendment will be adopted.

The PRESIDING OFFICER. The time has expired. The question is on agreeing to the amendment.

The amendment (No. 263) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the next amendment is by the Senator from Oklahoma [Mr. NICKLES].

Mr. MCCONNELL. Parliamentary inquiry. Under the unanimous-consent agreement we entered into last night, I do not think I object to what we just did, but it was my understanding we were stacking votes until 1:30.

The PRESIDING OFFICER. That would apply to those with rollcall votes.

Mr. MCCONNELL. Fine. I have no objection.

The PRESIDING OFFICER. Also, under the unanimous consent agreement, the time has already started to run on the Nickles amendment.

AMENDMENT NO. 264 TO AMENDMENT NO. 242

(Purpose: To eliminate the 50 percent subsidy to politicians to be provided by the broadcast industry)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 264 to amendment No. 242.

On page 44, line 4, strike "50 percent" and insert in lieu thereof "100 percent".

Mr. NICKLES. Mr. President, the amendment that I am offering today would strike the so-called broadcasters subsidy, which is presently in the bill on page 44. This amendment evidently has no cost, but it would mandate to broadcasters that they have to give politicians one-half the rate of anybody else; one-half the lowest rate. I personally think that is a serious mistake.

I think it is a real infringement on broadcasters, and when we think of broadcasters, I think too many times we are thinking about the major networks: ABC, NBC, and the major cable companies, maybe Time-Warner. Maybe we are thinking about Ted Turner and the big boys on the block. But I am thinking about my broadcasters in Oklahoma. I am thinking about the small radio stations. I am thinking about a lot of these businesses that are struggling to survive and, frankly, will not survive. This amendment may make it more difficult for them to be survivors in the future.

When I hear this bill only costs $24 million a year, we know they are only talking about the broadcast vouchers. That is where the Federal Government is going to pay the broadcasters. But this provision I am striking today does not deal with that.

Senator EXON'S amendment just took out the broadcast vouchers, and I complimented him for it. I think that is a small step in the right direction.

The language I am seeking to strike is language that would dictate that broadcasters have to offer rates at one-half the rate of anybody else to politicians. That is political welfare. That is welfare for politicians. I think it is a serious mistake. Not only that, it is enormously expensive. We are talking about millions of dollars.

Most of us know, who are candidates, that we spend at least half—if not more—of our campaign funds on broadcasting. But why should we be entitled to rates lower than any other commercial buyer in the system?

With the Danforth amendment, we will be putting language in that will be dictating the lowest rate of anybody will be charged to politicians. We are even going to go a step further: We are going to say we will give you fixed time; we will guarantee you your time, and we will only charge you preemptible rates.

In other words, we are going to get a good deal on the rates. We are going to get a better deal than anybody in the rates. But that is before we take the provisions that is in S. 3 that says on top of that, you are going to get an additional 50-percent reduction.

I think the Danforth substitute, to be agreed upon, I believe, by Senator BOREN, is a fine step. That is a good step. The broadcasting industry has said—or I think most people have indicated—they can live with that. But that is before they would go an additional step and say whatever that rate is, we want only half of that. Certainly, I think that goes too far. Again, I say it will be enormously expensive.

We tried to estimate, just guessing that people participate in the elections and that they spend half of their general election expenditure limit on broadcasting, how much of a subsidy it is. If one candidate participates, it would cost the broadcasters $29 million. If both candidates participate, it would cost $58 million.

Mr. President, I think those are very conservation estimates. I said that it would cost broadcasters, and I might mention I think that may be in dispute. Some broadcasters have the capability to pass that on. They will pass it on the other people who are buying time.

So while our rates are going down, and we get rates at one-half the rate of anybody else, other commercial buyers are going to be paying more to help make up the slack, to pay the difference for the fact we are going to get a free ride, or we are going to get to ride at half the rate of anybody else.

Mr. President, while we are at it, why do we not talk about equity? If we are going to mandate one-half the rate on broadcasters, why do we not mandate one-half the rate on newspapers? That is another medium. If we are going to mandate one-half the cost of broadcasters—we are talking about TV time, radio time, cable time—why not one-half the rate on phones, on airlines? Where are we going to stop?

This bill already gives mail, at one-fourth the rate that our constituents pay, for politicians. I think that is welfare for politicians. Now we are going to say, "Broadcasting industry, you have to give political time at one-half the lowest rate of anybody else," even after they have already agreed to give us fixed time at preemptible rates, which is a very good discount in itself.

I think it is a serious mistake. In my State of Oklahoma, we have something like 170 radio stations. I happened to talk with the Director of Oklahoma Broadcasters, and I said, "How big are those stations?" He said, "We have a few stations that have sales of $3 million or $4 million." But he said for the most part, most of our radio stations in Oklahoma have sales in the $200,000 category; maybe $250,000 category. That is not per month; that is per year. They are small stations.

I said, "How many of them are profitable?" He said, "Probably three-fourths of them are just getting by." They are just barely getting by. They are in small towns. The economy is soft. They do not need this kind of hit.

We say, "Wait a minute; it cannot be too bad." We only have Senate races, I guess, 2 out of 6 years. But, Mr. President, if we are going to do this for Senators; if we are going to tell candidates who are running for the U.S. Senate that they get one-half the lowest rate of anybody, surely if we are going to do that for U.S. Senate candidates, we are going to do it for gubernatorial candidates, for congressional candidates; we are going to do it for State legislative offices, and do it for the county offices.

We may not do it in S. 3, but how in the world can a broadcaster charge a U.S. Senate candidate less than what he charges a county commissioner? Basically, what we are going to be doing is mandating on the broadcasting industry that they offer subsidized rates to politicians at one-half the lowest rate they charge anybody, anytime, anywhere. So this is going to be enormously expensive to them and a lot of them, frankly, will not be able to handle it.

This is a very punitive provision to the broadcasting industry. I think it is a very serious intrusion. Some people ignore it, and they say it has no cost. We heard today the cost of S. 3 is only

$24 million. That means the cost to broadcasters and consumers in this provision is zero.

Frankly, I encourage my colleagues to talk to the broadcasters, and they will find out this provision has a very real cost, and that they will be very upset about this provision. It is in the millions of dollars.

Again, I think it is a serious, serious mistake.

Mr. President, I ask unanimous consent that a letter by the Oklahoma Association of Broadcasters, and a letter by the National Association of Broadcasters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OKLAHOMA ASSOCIATION OF BROADCASTERS,
Oklahoma City, OK, May 23, 1991.

Hon. DON NICKLES,
U.S. Senate,
Washington, DC.

SENATOR NICKLES: The Oklahoma Association of Broadcasters wholeheartedly endorse your efforts to delete the "50% of low unit rate" provision of S. 3 "Campaign Reform."

The fight for survival of Oklahoma broadcasters is a continuous one. It is difficult for our industry to understand how the United States Senate can consider placing a major portion of campaign financing on an already depressed industry.

We're appreciative of your efforts.

Sincerely,

CARL C. SMITH,
Executive Director.

NATIONAL ASSOCIATION OF BROADCASTERS,
Washington, DC, May 23, 1991.

Hon. DON NICKLES,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR NICKLES: In a May 16th letter to all Members of the Senate, I expressed NAB's strong opposition to the broadcast provisions in S. 3. We firmly believe that the provisions of this bill, as well as the free time provisions offered by Senator Roth as an amendment to S. 3, would impose purely punitive obligations on broadcasters. By attempting to cure the problems of modern compaign costs by focusing only on broadcasting, these provisions would have a devastating effect on our nation's radio and television stations.

S. 3 would impose a devastating double "hit" on broadcasters. First, the bill already provides candidates with substantial discounts by ensuring them fixed time at stations' lowest preemptible rates. It goes further, however, to provide an additional 50% discount off of that new lower rate to eligible Senate candidates. Finally, this fire sale rate is available to candidates during an even longer campaign cycle than today's law provides.

It is clear that this bill would have an inequitable impact on broadcasters' advertising revenues—our sole means of supporting the service we provide to our local communities. Moreover, these provisions raise serious constitutional "takings" and equal protection questions. NAB's objections to these provisions were provided in detail in our testimony before the Senate Rules Committee in its campaign reform hearings.

NAB strongly supports your efforts to strike these provisions from S. 3, and we have urged all Senators to vote in favor of your amendment. NAB and the nation's radio and television stations sincerely thank you for your leadership in this important matter.

Sincerely,

EDWARD O. FRITTS.

Mr. NICKLES. Mr. President, I reserve the remainder of my time. How much time do I have remaining?

The PRESIDING OFFICER. Eleven minutes.

The Senator from Oklahoma.

Mr. BOREN. Mr. President, I yield myself 6 minutes.

Mr. President, it is not usual that I find myself in disagreement with my good friend and colleague from the State of Oklahoma. I am privileged, indeed, to have him as a colleague. I do not think there is any better relationship between any two Senators who serve in this body from any State. I am particularly proud of that. It is a relationship which obviously is a bipartisan relationship and, beyond that, it is a very sincere personal friendship. So I have the utmost respect for my colleague and certainly for any idea which he advances.

I have to say that in this case, however, I must respectfully disagree with my colleague. We are, by offering in our bill a proposal to discount the broadcast rates during political campaigns for a limited period of time for the nominees of parties for the Senate, really adopting, at least in part, a proposal that has been offered from the other side of the aisle. It is a proposal that was made to me in discussions in the past by the distinguished Senator from New Hampshire [Mr. RUDMAN] who very much favors this proposal.

As is known, the distinguished minority leader, Senator DOLE, from Kansas, has introduced a bill which would require broadcasters to not give 50 percent discounted rate time but totally free time to candidates, the nominees of the parties for the Senate. That is also a proposal which was offered last night by the Senator from Delaware, Mr. Roth, who favors that all candidates, not just those who accept spending limits but all candidates, for the Senate be given totally free time by the broadcasters.

Mr. President, what we have attempted to do is strike a fair balance. Like my colleague, I am certainly sensitive to the fact that broadcast facilities are not nonprofit organizations. They cannot stay in business without making a profit. In certain portions of the country, as is true in my home State and home area where we have gone through difficult economic times, broadcasting is not as profitable as it is in other parts of the country.

So we have tried to strike a fair balance in our proposal, being sensitive to the economic problems that some broadcasters face, while at the same time understanding that the airways belong to the public. This is a principle that has been set down for a long time. That is why it is necessary to get a license to have a radio station or television station, to have access to the airways. There are public responsibilities which come from the granting of these licenses and, in essence, monopolies to reach certain geographical areas of the country through either the medium of television or radio. This is long established. What we have tried to do is strike a fair balance in the economic situation facing broadcasters.

I point out that political advertising, when you look at the entire earnings of broadcasters in terms of a year in length, total political advertising revenues are a very small proportion of their total income for the year. Even so, we have tried to strike that balance, being fair to broadcasters, not going as far as some proposals on the other side of aisle like the proposals by Senator DOLE and Senator ROTH to give totally free time, but saying let us strike a fair balance, a 50-percent discount on certain time available to the candidates so the public will have a fair opportunity to hear the issues discussed.

I point out that we have also made it clear we are not applying the provisions of vouchers, for example, in our bill to 30-second spots, so that we will encourage longer periods of time to be used in the broadcast media for more serious and substantial discussion of the issues of the campaign and the problems confronting our Nation.

I think what we have here is a fair balance. We have had the principles in place for a long time. We recognized, by providing the lowest unit rate, that these public licensees who are granted a right to serve the public by use of the airways have a responsibility. The courts have upheld again and again that it is the right of viewers and listeners which must be paramount. It is the need of the viewing audience which must be the most essential concern in terms of granting licenses in the operating of the broadcast media.

I have heard my good friend and colleague, the Senator from Kentucky, on many occasions talk about the need to have broadcasters do more to make the airways available at lower cost so that we can have meaningful discussion of the issues. We are dealing with the single largest cost item in most political campaigns.

As my colleague from Oklahoma has indicated, while revenue to broadcasters from political advertising is a very small part of their total income, it is a very large part of campaign costs. Well over 50 percent of most campaign costs are spent buying broadcast time. So if we want to do something about reducing the costs of campaigns and do something that is meaningful, as I have heard my colleague from Kentucky say on many occasions, we need to do something about the broadcast costs which are faced by candidates.

So, with all due respect, I think we have struck that balance. I think it is a responsible proposal to ask the broadcasters of the Nation to help us hold down campaign costs by making available a limited amount of time at a reduced broadcast rate of 50 percent.

We go back to the essential point, Mr. President, and I go back to it again and again, that what we are dealing with in terms of the main problem—I yield myself 3 additional minutes—what we are dealing with in terms of what is wrong with the way campaigns are being conducted today is that too much money is pouring into the system. We have talked about this again and again, as I have said. It is simply not good for this country. All of us know it. It is not good for this country that the cost of campaigns continues to skyrocket. It is not good that the average cost to successfully run for the Senate has gone from $600,000 when I first came to the Senate 13 years ago all the way to $4 million. It is not good. It is not good that in the last 2 years the cost of running successfully for the Senate jumped from $1.40 to $1.80 per voter. That is what has happened in 2 years.

Where is it all going to end, Mr. President? Is the sky the limit? Is this upward spiral going to continue forever with more and more money being pumped into American politics, squeezing out an opportunity for the average citizen with new ideas to get involved and become a challenger in a political race? Already, with no spending limits, we know exactly what happens. Incumbents who are the targets of special interests who want access to them are able to raise far more money. Why would not a special interest give to someone who is already here, who already has the power to determine their own economic interests? Of course they do. That is why 8 times as much money is given to those who are already here sitting as incumbents as is given to challengers. It is not good. It is not wholesome. We know ourselves it is not good and wholesome that to run for office candidates have to go out and raise this massive amount of money. As someone said, in terms of trying to get that money raised, the implication is often given to those who are giving the money that you are not only going to get good government if you give a large financial contribution, you are going to get a whole lot more. You are going to get access and favoritism to your point of view.

It is just human nature, Mr. President. If you have a limited amount of time, and you are sitting in your office and you have three or four people wanting to see you and you have only one person you have time to see, who are you going to see? Are you going to see someone who hosted a $100,000 fundraiser for you or someone who just walked in off the street, an average citizen? As long as there is pressure to raise all that money, you are going to see the person who held the $100,000 fundraiser and not the average citizen from back home who happens to walk in off the street with an idea they want to discuss with you about how to make this country better.

That is wrong, Mr. President, and that is why the American people, seeing the influence of money in campaigns, and when they notice that 99 percent of the candidates that have the most money end up winning the election, get disillusioned.

I give myself 2 additional minutes. That is why they get disillusioned. That is why they say, does this Government belong to us anymore or does it belong to the people who can pour all this money into it? That is why they look at us and say, what is wrong up there? When they read that people who have given people running for the Senate a lot of money or helped them raise a lot of money end up getting in trouble or having a cloud cast over them, no wonder they lose confidence in this institution. We are victimized by it; the people back home are victimized by it, because half the money is not coming from them anymore; it is coming from the special interests here and other money centers of the Nation. Time that ought to be spent back home talking with constituents has to be spent running around the country raising money from those people who have the money to give to you. That is not right. Time that ought to be spent solving the Nation's problems has to be spent raising more and more money.

Let us get back to politics the way it ought to be, a competition based upon ideas and ideals and solving the Nation's problems and the qualifications of the candidates. We ought to elect people to office based upon their qualifications, not based primarily upon which candidate can raise the most money. That is what ought to happen. Let us put the Government back in the hands of people. To do it, Mr. President, you have to have spending limits.

If we do not stop this money chase, we are never going to clean up our political system; we are never going to restore public confidence back in this institution and the institutions of Government. It is too precious, Mr. President.

Think about what has been given to us. Think about what was handed to us by our parents and our grandparents; a great institution, the greatest political institution in the world, the greatest democracy in the world. What a shame it is we have allowed so much money to pour into the system, that we have undermined the confidence of our own people in the millions, who do not participate in elections anymore because they wonder if their votes count or if those dollars do not count for more, when they look at the facts that the people with the most money end up winning.

No wonder there is a 97-percent reelection rate in the House and 96-percent reelection rate in the Senate. No wonder people in frustration start to talk about term limitations or some other way to get control of their own Government back. That is what this is all about. That is what term limitations and other discussions like that is all about. People want to get control of their own Government again.

The way they could do it is to put spending limits on campaigns, get the competition back where it should be and get the people campaigning back at the grassroots.

To do that under the Supreme Court decision, you have to have incentives that will cause candidates to accept voluntary spending limits. The Supreme Court has said you cannot have mandatory spending limits. You have to have voluntary spending limits. Therefore, you have to have inducements to get candidates to accept those spending limits.

One of the important inducements in this bill is to say that those candidates who are willing to compete, as they should compete, on ideas and ideals in campaigns, and accept spending limits, will get the benefit of a reduced broadcast rate of 50 percent, if they do it. If this is stripped out of the bill, as proposed by my good friend and colleague, that incentive will be gone.

My fear is that fewer and fewer of the candidates would accept the voluntary spending limits. This arms race of money, in essence, this upward spiral of the money chase, and more and more money pumped into the system, will go on and on and on.

Mr. President, 80 percent of the American people—in some cases 90 percent in some polls—have said we want it stopped. We want some kind of system put in place that will put a limit on how much we can spend in campaigns. We do not think it is good for the country.

You go out to talk to high school seniors at graduation. You say I hope you will be involved in Government. You say someday I hope some of you will have the ambition to run for the U.S. Senate as I did and try to serve the public. Then you go to them and say, at the rate of increase in the cost of campaigns, by the time you are old enough under the Constitution to run, it will probably cost $15 million to run for the Senate in a State the size of Oklahoma.

How disillusioning is that? You have to say to them, all right, have you started to figure out how you are going to raise the $15 million? It was $600,000 when I first ran, I say, a little over 12 years ago. Now it is $4 million.

Look at it yourself. Look at the rate of increase. Look at that rate of increase per cost per voter in the last election. You will see what I am talking about is not far-fetched. We are the trustees of the system. If we do not do something to clean up the campaign process, who will?

I have been working on this now for 9 years. The first bill I introduced was with my good friend and colleague, the Senator for Arizona, Barry Goldwater. It was not a partisan matter. It was a matter that we saw something was wrong for America. We needed to reclaim for all Americans, Democrats and Republicans, the political process once more and to open it up to competition.

That is what we have to do, find an American way to solve this problem. We have to work together on a bipartisan basis.

My hope is—and I understand that when the roll is called in this bill we are likely to have mainly a party line vote—not a strictly party line vote, but more from one party than another. I heard the distinguished minority leader say on the floor yesterday, to me privately also, that he hopes when it comes time for the conference committee—he will be on the conference, the majority leader, the Senator from Maine will be on the conference committee, perhaps Speaker FOLEY and Leader MICHEL in the House, along with the others who have participated on the bill—that we can fashion a bipartisan agreement in the conference committee itself. To me, the fact that the Senator from Kansas wants to serve on the conference committee is a very hopeful sign.

I have had discussions with the President, myself, and with the President's legal counsel, about this bill. I want to see a bill enacted into law. I am not interested in building a political issue. As important as this issue is, I want to see us do something to save this system. Every day we are seeing it erode.

So, Mr. President, we have a responsibility. If we do not solve this problem, who will? If we do not do it now, are we going to wait until it takes $10 million, $15 million, $50 million in States like California and New York to run for the U.S. Senate? How much is enough? How much is enough? How long are we going to wait?

Let us not wait another day. Let us do something about it. The people have sent us here to preserve this system. Let us not pass on something to diminish the next generation. Let us keep that heritage alive and vital, and pass it on enhanced by what we have given to it with our own public service for the next generation. The people have a right to expect that.

That is why at the appropriate time I will move to table the Nickles amendment and keep in this bill a very important incentive to reduce broadcast rates which will encourage candidates to accept spending limits and to begin to squeeze some of this excess money out of the political process.

The PRESIDING OFFICER. The senior Senator from Oklahoma has 3 minutes remaining; the junior Senator, 11 minutes.

Mr. NICKLES. Mr. President, if anyone is getting squeezed as a result of S. 3, it is the taxpayers and it is the broadcasters. The taxpayers are being asked to pony up millions of dollars, maybe over a 6-year cycle up to $1 billion.

I tried to strike that last night. The Senator from Kentucky tried to strike it yesterday, unsuccessfully. Now I am trying to strike the other side of it where broadcasters are being squeezed out of millions of dollars. I do not think it is fair.

I want people to know what we already have in the bill or what has been agreed to in the bill for broadcasters. They have agreed to give politicians fixed time at preemptible rates. What that means—I will give you an example. If you are in a market, a large market, where in radio time the fixed spot would cost you $225, the lowest unit rate or the preemptible rate would be $135. It is about a 40 percent savings, where that cost is about 60 percent of the fixed rate.

Those of us that have bought time both ways know that. In a small radio market, like in Nevada, a lot of places in Oklahoma, a nonpreemptible or a fixed-rate spot is $35. But in the preemptible rate it is $21—again, about 60 percent of the cost, or a savings of about 40 percent.

The broadcasters have agreed to do that. They are going to give us fixed times, and yet they are going to charge us only the preemptible rate. That is a better deal than anybody else has, any of the commercial groups. That is what we are going to get as politicians. I think they have gone a long ways to give us a significant benefit.

But yet, S. 3 says even after that reduction, we want 50 percent off. We want 50 percent off the lowest deal that you give anybody. We want 50 percent of that.

Maybe they have the money to do it. Maybe they do not. I just happen to think a lot of small stations do not have the money. As a matter of fact, my colleagues might be interested in knowing there are 9,356 licensed radio stations in the country and 1,115 TV stations. Maybe some of those are making a lot of money. My guess is a significant number of them, at least in the rural areas, are not making money. Yet we are going to dictate to them. Not only do they give us the lowest rate that they charge anybody but they will actually give us fixed guaranteed times so we can buy the guarantee. We get our spot next to cost by program, but we get to pay preemptible rates. That is a pretty good deal.

So we already have a good deal you might say. Politicians have come out well under this bill particularly after the Danforth amendment is agreed to. But the S. 3 goes that much further and says we want to be able to have the guarantee, be able to buy time on cost, but pay preemptible rates, and we want it at half the rate in addition.

I think that is outrageous. I think it is outlandish. I do not think it should be part of this bill.

It is going to cost broadcasters millions of dollars. It is going to cost the other advertisers and ultimately the consumers millions of dollars because they will be paying for it.

It may have the net result of putting some people out of business. Because, again, this is not just for U.S. Senate candidates. S. 3 may deal with U.S. Senate candidates, but there is no way a broadcaster is going to be able to tell a county commissioner, we gave Senator Joe Blow a rate of so many dollars for that 30-second spot, but you are going to have to pay twice as much. I do not think that will sell. I do not think that will work. I do not think that is fair.

I do not think it is fair for us to have an advantage over every other person purchasing advertising. I do not think that makes sense. Why should we be putting this squeeze on the broadcasters. If we are going to do it for broadcasters—and we have done it for mail. We get to pay one-fourth of what anybody else pays. We lost on that yesterday.

I think it is wrong for us to get broadcasting at one-half the rate of anybody else. If this amendment makes sense, why do we not do the same thing on newspapers? Why do we not pass a law that says we get to pay at one-half of the rate as anybody else for newspaper. I do not agree with that. That is two wrongs trying to make a right. But that is what we are doing today on the broadcasters, and that is another reason why this amendment should pass, and we should reject this enormous subsidy that we would be giving ourselves in this bill.

Mr. President, I reserve the remainder of my time.

Mr. McCONNELL. Mr. President, I rise in support of the amendment of the Senator from Oklahoma [Mr. NICKLES]. Let me just make a couple of brief observations about some of Senator BOREN's comments a few moments ago. I frankly think that——

The PRESIDING OFFICER (Mr. ROBB). If the Senator will withhold. The Senator from Kentucky has reserved his time. He is speaking under the time of the junior Senator from Oklahoma, is that right?

Mr. McCONNELL. Will the Senator yield me 3 minutes?

Mr. NICKLES. Certainly.

Mr. McCONNELL. Mr. President, I want to make a couple of observations about some of Senator BOREN's comments.

I think any Senator who only sees those who contribute to him ought to be run out of town, ought to be taken before the Ethics Committee, and at very least ought to be defeated. I do not think any Senators in this body refuse to see people that do not contribute to them.

Further, this observation about Senators running around the country raising money, I think we ought to quit it. If they find the practice offensive, they ought to just cure the problem by discontinuing it.

With regard to the amendment that is currently before us, I am of the view that a broadcast discount, possibly a significant broadcast discount, is not too much to ask of the broadcasting industry. After all, unlike newspapers, they are granted a license to operate in the public interest. These are very lucrative licenses. Some have even suggested that they ought to be sold, rather than just granted, as a revenue raiser for the Government.

Without addressing those particular issues, I do not think, however, that a candidate ought to be held hostage to spending limits with reference to a broadcast discount. I do not think we ought to say to a candidate, only if you limit your speech do you get a broadcast discount. I think Senator NICKLES' amendment should be approved. I do not think that this kind of hostage taking in order to snuff out first amendment rights is a good idea.

But beyond the Nickles amendment, the question of a broadcast discount is something that will be discussed extensively today. My own view is that it is the one stand-alone thing we can do in the area of campaign finance reform that does not tilt the playing field either way; that it is not too much to ask of the broadcasters to give us a little bit of a break.

As Senator NICKLES points out, they have agreed to go a little further than they have under existing law. Political advertising is only about three-fourths of 1 percent of overall broadcasting advertising revenue. At least, that is what broadcasters testified to on a bill of mine before the Commerce Committee. This year they said it was from 2 to 5 percent of their total advertising revenue. If we ask the broadcasting industry to give us some break—and we are asking for a break in a very small percentage of their overall advertising revenue—this would, of course, help mostly challengers. One of the most significant things we can do for challengers is to make the cost of broadcasting, particularly toward the end of the campaign, more affordable.

But the Nickles amendment should be approved, because under S. 3, in order to benefit from what is indeed a very significant broadcast discount, a candidate would have to agree to limit his speech—to limit his speech. That goes to the very heart of the debate that we have been engaged in over the last 4 or 5 days. I commend the Senator for his amendment. I think it is a good one, and I certainly hope it will be adopted.

The PRESIDING OFFICER. Who yields time?

The Senator from Oklahoma [Mr. NICKLES] controls 2 minutes, 13 seconds.

Mr. NICKLES. Mr. President, I thank my friend and colleague, Senator McCONNELL from Kentucky, not only for the statement he just made but also for the leadership which he has shown, and his commitment and perseverance. He has fought quite a battle.

Unfortunately, we do not have the votes on many of these provisions. I hope we have the votes on this provision.

This may not be a purely partisan issue. I expect that we will have some Democrats that will vote for this, and maybe some Republicans will vote against it. I think it is an amendment that deserves to be adopted.

Again, I thank my friend, Senator McCONNELL, for his leadership, because he has been fighting the battle for many years and, needless to say, I think it is an important battle for taxpayers and an important battle for constituents that wish to express themselves in elections.

I think freedom of speech, the ability to participate, and ability to contribute to campaigns is virtually important. We do not want to sacrifice those freedoms. We do not want to give up competitive elections. We want to actually increase that. I think Senator McCONNELL helped that in his leadership on this difficult issue.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. Mr. President, I yield myself just 1 minute.

A moment ago, a comment was made by me that I think people were tempted very often, as they are faced with tight time situations, to see people who would raise money and make contributions because people were so pressed to raise money. I think that is a temptation. I want to say, and make it clear, that that is not a policy which I follow individually, nor is it a policy that I would say that all of my colleagues follow.

I think what it points out, what I was trying to point out, however, is that the temptation is there for Members when they are faced with the need to raise a lot of money. If we were not faced with that problem of raising so much money, more time could be spent on dealing with the Nation's problems. Look at the record; more than half of the money raised in successful campaigns of more than half of the Members of Congress is raised not from the home States or districts of the Member, but from other places. This means they are having to travel to other places.

The Senator from Kentucky says he wishes that were not true. So do I. That is the reason I want to put spending limits in place, so people will not have to travel all around the country raising money, taking away time. There are only so many hours in a day. That time could be spent dealing with problems or could be spent back home speaking to one's own constituents, and listening to the average people up and down the main streets, and on the farms, and in the rural areas, and in the cities across your States and district. That is what ought to be done.

I certainly do not want to imply that an average Member of the Senate has given in to the temptation not to see an average citizen. I certainly have not. Most of my day is spent doing exactly that. That is why I am here. Those are the people I am sent to represent, and to represent all of them equally.

But the presence of money in the system really runs the grave risk—massive amounts of money that have to be raised—that precious time will be spent in the fundraising process, and speaking and dealing with people who have the capacity to raise that money, rather than dealing with the Nation's problems and the individuals who need to be seen. That illustrates the point I was trying to make. It is a perverse, corrosive, influence that unconsciously begins to eat away at the political process of this country, and we must do something to guard against that.

I reserve the remainder of my time.

Mr. NICKLES. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 54 seconds remaining.

Mr. NICKLES. Mr. President, I will summarize.

I have already entered into the RECORD a letter by the National Association of Broadcasters, but I will read this one paragraph. It says:

> S. 3 would impose a devastating double "hit" on broadcasters. First, the bill already provides candidates with substantial discounts by ensuring them fixed time at stations' lowest preemptible rates. It goes further, however, to provide an additional 50 percent discount off of that new lower rate to eligible Senate candidates. Finally, this fire sale rate is available to candidates during an even longer campaign cycle than today's law provides.

Mr. President, the bill we have already basically agreed to with the Danforth amendment gives us the lowest unit rate, that is about 60 percent of the regular rate. If we adopt S. 3 that means we are going to get rates at 30 percent of what the normal commercial customers pay. I think that is wrong.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. BOREN. I yield 15 minutes to my colleague to complete.

Mr. NICKLES. I ask unanimous consent to print a list of radio and television stations for the RECORD and a State-by-State breakdown.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Commercial Radio and Television Stations

Alabama:	
Radio	275
TV	28
Alaska:	
Radio	72
TV	11
Arizona:	
Radio	162
TV	19
Arkansas:	
Radio	227
TV	13
California:	
Radio	599
TV	77
Colorado:	
Radio	175
TV	19
Connecticut:	
Radio	70
TV	8
District of Columbia:	
Radio	18
TV	6
Delaware:	
Radio	18
TV	1
Florida:	
Radio	411
TV	56
Georgia:	
Radio	346
TV	29
Hawaii:	
Radio	63
TV	19
Idaho:	
Radio	101
TV	10
Illinois:	
Radio	313
TV	35
Indiana:	
Radio	219
TV	28
Iowa:	
Radio	185
TV	18
Kansas:	
Radio	153
TV	17
Kentucky:	
Radio	264
TV	16
Louisiana:	
Radio	204
TV	24
Maine:	
Radio	195
TV	8
Maryland:	
Radio	101
TV	10
Massachusetts:	
Radio	131
TV	14
Michigan:	
Radio	310
TV	33
Minnesota:	
Radio	229
TV	18
Mississippi:	
Radio	230
TV	16
Missouri:	
Radio	257
TV	29
Montana:	
Radio	109
TV	15
Nebraska:	
Radio	123
TV	15
Nevada:	
Radio	62
TV	12
New Hampshire:	
Radio	61
TV	3
New Jersey:	
Radio	78
TV	3
New Mexico:	
Radio	137
TV	17
New York:	
Radio	356
TV	43
North Carolina:	
Radio	351
TV	30
North Dakota:	
Radio	64
TV	17
Ohio:	
Radio	304
TV	38
Oklahoma:	
Radio	172
TV	19
Oregon:	
Radio	168
TV	18
Pennsylvania:	
Radio	376
TV	34
Puerto Rico:	
Radio	103
TV	19
Rhode Island:	
Radio	27
TV	4
South Carolina:	
Radio	206
TV	17
South Dakota:	
Radio	79
TV	13
Tennessee:	
Radio	308
TV	28
Texas:	
Radio	682
TV	86
Utah:	
Radio	86
TV	7
Vermont:	
Radio	50
TV	3
Virginia:	
Radio	268
TV	21
Washington:	
Radio	190
TV	21
West Virginia:	
Radio	142
TV	11
Wisconsin:	
Radio	232
TV	27
Wyoming:	
Radio	70
TV	8

The PRESIDING OFFICER. The Senator from Oklahoma controls 19 seconds.

Mr. BOREN. All time having expired on the other side, I move to table the Nickles amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

In accordance with the previous order, the vote will occur in sequence following the 1:30 time set for all votes to take place.

The Chair recognizes the Senator from Oklahoma.

Mr. BOREN. Mr. President, as far as the unanimous-consent request, last night, as we were trying to complete and Members were trying to go home, I did not indicate my intention to make a tabling motion of the Roth amendment. But so our colleagues will be on notice, there will be a rollcall vote on the Roth amendment, and that it would be a tabling motion. When 1:30 arrives, I ask unanimous consent that it be in order for me at this time to make a tabling motion on the Roth amendment offered last night and ask for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion is in order.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the next amendment to be considered is the amendment to be offered by the Senator from Utah [Mr. HATCH].

AMENDMENT NO. 265 TO AMENDMENT NO. 242

(Purpose: To require disclosure of certain information concerning the expenditure of union dues, fees, and assessments on political activities)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 265 to amendment No. 242.

Mr. HATCH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 88, between lines 12 and 13, insert the following:

SEC. 232. LABOR ORGANIZATIONS.

Title III of FECA, as amended by section 106, is amended by adding after section 304A the following new section:

"DISCLOSURE OF INFORMATION CONCERNING EXPENDITURE OF UNION DUES, FEES, AND ASSESSMENTS FOR POLITICAL ACTIVITIES

"SEC. 304B. (a) IN GENERAL.—Each labor organization shall, not later than January 30 of the year following the end of each Federal election cycle, provide to the Commission and to each employee within the labor organization's bargaining unit or units a written report disclosing the portion of the labor organization's income from dues, fees, and assessments that was expended directly or indirectly with respect to activities that, in whole or in part, were in connection with an election for Federal office during that election cycle.

"(b) CONTENTS.—(1) The report under subsection (a) shall disclose information on the dues, fees, and assessments spent at each level of the labor organization and by each international, national, State, and local component or council and each affiliate of the labor organization showing the amount of dues, fees, and assessments spent—

"(A) on direct activities, such as cash contributions, to candidates, and committees of political parties;

"(B) on internal and external communications relating to specific candidates, political causes, and political parties;

"(C) internally by the labor organization to maintain, operate, and solicit contributions for a separate segregated fund; and

"(D) on voter registration drives, State and precinct organizing on behalf of candidates, and political parties, and get-out-the-vote campaigns.

"(2) For each of the categories of information described in paragraph (1) (A), (B), (C), and (D), the report shall identify the candidate for public office on whose behalf expenditures were made or the political cause or purpose for which expenditures were made.

"(3) The report under subsection (a) shall also list all contributions or expenditures made by separated segregated funds established and maintained by each labor organization.

"(c) DEFINITION.—For the purposes of this section, the term 'in connection with an election for Federal office' has the meaning that it has under section 325(b)."

Mr. HATCH. Mr. President, this amendment is simple and straightforward. It does not attempt to codify the Beck case that we discussed last year. There is nothing complex or legalistic about it.

This is a modest measure of fundamental fairness. It is a simple right-to-know amendment, the right of American workers who pay dues and fees to unions that represent them to know how their money is being spent for certain political purposes, causes, and activities. It does nothing more than require a report by labor organizations to be filed with the Federal Election Commission and given to workers represented by unions, showing how much of their union dues and fees are being spent on the political process.

As we all know, part of the debate here has been the use of these types of money that never have to, because of the loophole in the Federal election laws, be seen on the reports, or to be reported by those who receive the benefits from the union expenditures.

I have to say that this amendment does not impose overly burdensome or onerous requirements on the unions. This is basic information, and it should be freely provided. I cannot believe that the union leaderships have a legitimate interest in keeping secret what political causes and activities employee dues and fees are being spent to support. If employees learn how their money is being spent in the political process, unions will enjoy an even greater confidence level in their decisionmaking.

On the other hand, if employees might not like what they see, is that any reason they should not see it? Is it too onerous? No. After the numerous paperwork burdens that this Congress has freely imposed not only on small businesses but also on all tax-paying citizens, how can any of us object to ensuring that workers are informed about how their dues moneys are being spent on the most fundamental of all American activities, the political process?

I doubt that anyone would suggest that unions, even at the local level, do not keep these records anyway. How else can an organization that represents employees be effective and accountable if it does not even know how the dues and fees collected from the employees it represents are being expended?

Should we have the same requirements also be applied to corporations, to give this type of information to their shareholders? There is not the same problem there. But why not? If my colleagues agree, I can certainly modify my amendment right here and now to do just that—both publicly held corporations, and nonprofit corporations who receive donations. I can have them report. I am prepared to require disclosure by corporations also, as my amendment currently does for labor organizations.

This amendment represents only one simple, straightforward question: Should an employee be left in the dark on how his or her union dues and fees are being spent in the political process? This amendment, which I am prepared to modify to also cover corporations and nonprofit entities, is the most modest of beginning steps that we can take to bring commonsense reform to our campaign laws.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the Senator from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. President, I ask unanimous consent that the time in opposition to this amendment be controlled by the distinguished Senator from Massachusetts [Mr. KENNEDY].

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, the author of this amendment calls it a right-to-know amendment but it does not provide a right to know about the expenditures of the Right-to-Work Committee or the Right-to-Life Committee or the various Chambers of Commerce or the various other membership organizations. All the amendment is applicable to are workers and their representatives in the unions of this country. It is a one-sided amendment and grossly unfair on its face.

The Federal election laws were carefully crafted to ensure that corporations, labor organizations, and other membership organizations were treated equally with respect to Federal campaign spending. Under current law, all these organizations are generally prohibited from making contributions to candidates or parties or engaging in other partisan activities in connection with Federal elections except through separately established political action committees funded by voluntary contributions.

One exception allows corporations and unions to spend general treasury money on communications to members or to shareholders and their families urging them to support or oppose a particular candidate. But if a corporation or union or any other membership organization spends more than $2,000 in any election period on such communications, those expenditures have to be reported to the Federal Elections Commission.

This is a single, uniform disclosure standard applicable equally to all and that is the way it should be.

The Senator from Utah now proposes to destroy that careful balance by requiring unions—and only unions—to account for and report every dollar they spend either directly or indirectly not just on internal communications relating to candidates, but on a range of activities that corporations and other membership organizations would not have to report.

The expenditures required to be reported under this amendment would include not just expenditures in connection with Federal elections but also expenditures for communications relating to and I quote, "political causes." Written reports detailing these expenditures would have to be provided not just to the FEC but to every single employee whom the union represents. And let me point out that there are 16 million union-represented employees in the country.

Meanwhile, corporations and other membership organizations like the Right-to-Work Committee, the Right-to-Life Committee or the various Chambers of Commerce would continue to be subject only to the more limited disclosure requirements under current law—the $2,000 figure to which I just referred.

It should be obvious from the blatantly one-sided nature of this amendment that the real intent here is to advantage certain groups in the political process at the expense of others.

Why should we require unions to assume costly burdens of accounting and recordkeeping when corporations do not have to do the same? Why should we require down-to-the-penny accounting of expenditures by unions when the threshold for reporting by corporations is $2,000? Why should unions be required to report the political causes they support when we do not require corporations to do the same? Why should unions have to spend large sums of money to provide this kind of information to employees when corporations do not have to spend a dime to make that information available to their stockholders?

If my friend from Utah was proposing new reporting requirements that applied equally to corporations, unions, and other membership organization and that did not unduly infringe on the normal activities of non-organizations. I would not be expressing the concern I am stating here today.

Instead we are presented with an amendment that would discourage working people from participating as union members in the political process by conditioning their unions' ability to spend even a few dollars of their dues money, for something like a voter registration drive in compliance with onerous paperwork requirements that would be unworkable for any organization or business.

When Congress enacted the current reporting requirements in the Federal Election Campaign Act Amendments of 1976, we established a $2,000 reporting threshold provision to avoid burdening small organizations that engage in minimal reporting activity with onerous paperwork requirements. We also required reporting only of direct expenditures in recognition of the difficulty inherent in trying to account for indirect costs.

Now the sponsors of this amendment are telling us that we should keep that $2,000 threshold for the reporting of corporate expenditures but we should require every local union to report and identify every dollar spent, whether directly or indirectly, not just on candidate advocacy or even Federal elections in general, but on any political cause.

Under this amendment, if a local union business agent at a local union meeting took a few minutes to talk about apartheid in South Africa and urge members to sign a petition protecting that practice, the local union would presumably have to allocate and report some portion of the costs of the meeting, rental of the hall, and the officer's salary, as an expenditure relating to a political cause. If a union put an article in its newsletter urging members to write their Congressmen about the need for health care reform, a share of the cost of that newsletter would also have to be reported. Mr. President, what conceivable justification is there for requiring a union or any other private organization to report to a Federal Government agency that political causes it supports?

The reporting requirements in the Federal Election Campaign Act that have been in effect for some 15 years are evenhanded and reasonable. The requirements proposed in this amendment are not, and I do not believe the Senate should accept this amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, everybody knows the corporate world represents shareholders and not individual dues-paying members. Everybody knows the corporate world does not do the collateral campaign work that the unions do with dues paid money. It is hardly the same situation.

But the distinguished Senator from Massachusetts raises a fair point. If we include the unions, should we not include the corporations, including nonprofit corporations? And I have to say, if he feels strongly about it, I am going to do that.

So I ask unanimous consent to send a modification to the Hatch amendment to the desk that will do precisely what he is complaining about.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object, I would like, if we could, to get a chance to look that over. We have scarce time.

Mr. HATCH. I would be happy to read it.

Mr. KENNEDY. I would ask him to read the amendment. I understand we are under a time limit. I reserve the right to object until I have a chance at least to look at the amendment.

Mr. HATCH. Mr. President, why do I not read the modification. I will read it word for word.

Mr. KENNEDY. I want to make it clear I reserve the right to object.

The PRESIDING OFFICER. The reservation of the Senator's rights is noted.

The Senator from Utah is recognized.

Mr. HATCH. I think it meets every need the distinguished Senator from Massachusetts would like to have.

"At the end of the Hatch amendment, number" whatever it is, "add the following new subsection:"

> (d), publicly-held corporations shall be required to provide to their shareholders, and nonprofit organizations shall be required to provide to donors of more than $100, a report as specified in subsection (a) above disclosing the amount spent for purposes listed in subsection (b)(1) (a) through (d).

This modification will require corporations, regardless of the amount of money, to report to their shareholders, just like the unions will have to report to their union dues payers, even though I do not think there is any comparison at all. But I am willing to do that. And it provides, in the case of nonprofit corporations, they have to provide to their donors of more than $100 a similar report and file it with the FEC.

So that handles every criticism the distinguished Senator from Massachusetts has raised.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, I will have to object.

Mr. HATCH. Is this on my time or on the time of the distinguished Senator from Massachusetts?

Mr. KENNEDY. I object.

The PRESIDING OFFICER. The Senator from Utah has the floor. All time is chargeable to him.

Mr. KENNEDY. First of all, I exercise my parliamentary right of objecting, and I will speak on my own time.

The PRESIDING OFFICER. Objection is heard.

Mr. HATCH. I cannot understand why the Senator is objecting when I am trying to do exactly what he says he wants done. Even though I do not think it is quite fair, I am willing to do that.

I think the reality is he is unwilling to be fair in this matter. They do not want the unions to have to report to honest, dues-paying members—who may be Republicans or Democrats or independents or whatever—how those dues moneys of theirs is being used.

Now, if that is not the wrong way to approach things, I do not know what is.

Let us be fair. I am willing to impose the very same thing on corporations, exactly what he has asked, without dollar amounts. I am willing to impose on nonprofits exactly what he wants.

Now we put a $100 limitation on which donor is entitled to a report, it may be unreasonable to impose such a requirement of donors of very small amounts. I will even take that off if he wants.

But in all honesty, this is what he has asked for. This is what he has complained about. He wants me to be fair. I am being fair, even though everybody in the election process knows corporations are not doing what the unions are doing in Federal election situations, nor do they almost 100 percent support one party, as the unions do; well over 90 percent support one party.

So what more can I do? My feeling is it is one thing to stand up and make the complaints, and then I meet the complaints and then the Senator objects to meeting the complaint.

I withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. How much time remains?

The PRESIDING OFFICER. The Senator controls 7 minutes and 51 seconds.

Mr. KENNEDY. Mr. President, this is the kind of situation where you need more time for consideration and deliberation. The perfecting amendment, as I understand it, applies, to disclosure to donors of $100 or more. It is not parallel because what you are talking about in the union content is disclosure to all members as well as nonmembers. The Senator from Utah is saying he has parallelism because it is going to apply equally to corporations and unions. It is not. Either that, or it is poor drafting.

Mr. President, the fact remains, that I believe these requirements place an enormous, onerous burden on any organization covered by them, whether a union or any other membership organization.

I understand the interest of the Senator from Utah in trying to provide additional, in effect, sunlight. But I am no more willing to burden an organization like the Sierra Club or various consumer organizations, with this kind of burdensome paperwork requirement. I am to place those burdens on union.

But, Mr. President, this perfecting amendment does not achieve parallelism in any event.

We have 6 minutes or 5 minutes more to debate this. If disclosure is a problem that needs to be addressed I think the Rules Committee ought to address it. It has not been demonstrated here on the floor that it is a significant problem. This was basically a one-sided, one-shot amendment. And now, in the final minutes remaining of our time, the Senator from Utah is trying to broaden it out. I have not had an opportunity to see this perfecting amendment. That is why it is objected to. And if there is a problem, then the Rules Committee ought to address it through the committee process with appropriate opportunity for full consideration.

I do not think the case for this amendment has been made here today and therefore I do not believe the amendment should be accepted.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah [Mr. HATCH].

Mr. HATCH. Mr. President, how much time does the Senator from Utah have?

The PRESIDING OFFICER. The Senator controls 4 minutes and 4 seconds.

Mr. HATCH. Mr. President, is it correct that I need unanimous consent to modify my own amendment at the desk?

The PRESIDING OFFICER. The Senator is correct.

Mr. HATCH. Therefore, I cannot modify my own amendment to meet the complaints of the Senator from Massachusetts, because he objects to the unanimous consent; is that correct?

The PRESIDING OFFICER. An objection would preclude modification under the unanimous consent order.

Mr. HATCH. Mr. President, it seems a little odd to me, when the Senator raises the issue that Right to Work Organization is not covered, "Right to Life" is not covered, and all other nonprofits are not covered unless I have this modification, and I give it to him; where in the world is the logic behind objectivity to that?

I am meeting what the Senator said he wants to be met. I am requiring corporations, regardless of how much money they spend—if it is $1—to report it to every shareholder, fairly requiring the unions to report to their union members where they are using their moneys with regard to political matters.

It is fair. It is right. It is a right to know. I am meeting every question the distinguished Senator from Massachusetts wants, and he now will not allow me to modify my amendment. That is fine with me. But I want everybody in this body to understand there is absolutely no reason in the world why union-dues and fee-paying members, who cannot protect themselves, do not, or should not, have a right to know how their dues are being spent for political activities with which they might agree or disagree; especially since the unions have to keep track of those matters anyway.

We are not asking for any onerous or burdensome duties. We are just asking for what they have to do anyway. Except nobody knows what they do with the moneys. The dues-paid members do not know what is happening to their dues.

It has been estimated by some that every 2 years upwards of $100 million of union dues go toward political activities. That may be high; I do not know. But that is what some advocate and argue.

Let us say it is $25 million; it is still a lot of money. And dues-paying members ought to have some idea. I am willing to meet the Senator's criticisms. I will require every corporation to report to every shareholder; I will require every nonprofit corporation to report to every one of their donors. How much more fair can it be?

That means the National Right-to-Life Committee will have to report. It means the National Right-to-Work Foundation will have to report. If they are using money for political purposes, they will have to tell their donors. I am willing to do that. But it also means every other nonprofit group is going to have to do it too, including those that are circumventing the political process on the other side of this coin.

All I have to say is that it seems highly unusual to me to raise these arguments, as though they are wonderful arguments, and have me meet the objections, 100 percent meet them, and then object to having me meet them. I think what it says is that the distinguished Senator from Massachusetts and those whom he represents are afraid to have the dues-paying, honest workers of this country find out what unions are using their dues moneys for when it comes to political activities.

And well they might. Because there is not a Republican running today, who is moderate to conservative, who does not confront a flood of money coming into his or her opponent that is never reported, from dues-paying money, by the unions in their States, in ways that are, I think, subverting the political process. And that is why the Senator is objecting to getting this thing evened up. Even though I am meeting his objections, he is objecting to my modification.

I call on all my fellow Senators to put an end to this. It is time to play this game fairly, and the only way you can is to vote for the Hatch amendment. I hope you will. If you do not, you are going to have to live with the consequences.

The PRESIDING OFFICER. All time controlled by the Senator has expired. The Senator from Massachusetts controls 7 minutes.

Mr. KENNEDY. Mr. President, that was a very eloquent, impassioned statement, but it was fundamentally wrong.

Mr. President, at the present time, PAC's have to make declarations about their contributions. The money contributed by PAC's has to be voluntarily collected and it has to be reported. That is the law. If the Senator has instances where it is not being done, he ought to report it to the Justice Department, No. 1.

Second, you currently have a requirement for reporting of expenditures over the $2,000 threshold if a union is spending dues money for internal communication, which was carefully crafted out, accepted, and has been in effect.

Now, with regard to the final two areas of expenditures, which are registration and the get-out-the-vote campaign, if the Senator has complaints about that, let us hear them. But this is a bad amendment on its face, and now he wants to extend it. It is just a bad idea. Why should it be extended?

These kinds of requirements will have one very important and fundamental result, and that is they will dampen political activity. We hear statements out here on the floor about how we want to encourage political activity, and we are attempting to encourage political activity.

You accept this particular amendment, and what is going to happen every time, either in a corporation or in the Sierra Club, or in any other group? Its members are going to say: Should we involve ourselves and engage in a discussion about the pros and cons of a particular issue, if we are going to have to account for and fill out voluminous reports on all the costs indirectly associated with conducting this discussion? This fundamentally undermines that basic process, Mr. President. It just makes no sense.

If we have a problem, the time to deal with it is not in a half hour, in the final hours of debate on this bill. It is for the Rules Committee to debate this and bring a recommendation to us. This issue has not been identified as a problem by the sponsors of this legislation at any time during the course of this debate up until now.

I do not believe these requirements were a good idea in the amendment as introduced, and I do not think it is a better idea just because you now propose them to be extended.

Mr. President, I withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator controls 2 minutes and 21 seconds. All time controlled by the Senator from Utah has expired.

Mr. KENNEDY. Mr. President, I will be glad to yield back the time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment offered by the Senator from Utah.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The vote will occur sequentially, as included in the unanimous consent agreement, beginning at 1:30.

The next amendment in order to be offered is by the Senator from Mississippi [Mr. LOTT] with 20 minutes to be equally divided. Who yields time?

If neither side yields time, time will be deducted equally from both sides.

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 267

Mr. MCCONNELL. Mr. President, the Senator from Mississippi is unavoidably detained. I want to explain to my colleagues what his amendment is about. We are going to get a copy of it and offer it on his behalf.

The PRESIDING OFFICER. The Senator is recognized, with time chargeable to the Senator from Mississippi.

Mr. MCCONNELL. Mr. President, yesterday I received a letter from the President of the United States pointing out there are three things that can trigger a Presidential veto: No. 1, spending limits; No. 2, public finance; and No. 3 would be if the House and Senate tried to write a different set of campaign finance rules for each body.

There has been some suggestion on the other side, in the other body, that the Senate would simply craft a set of rules for itself, and the House would craft a set of rules for itself. And there, I guess, would be no conference and we would send it on down to the President.

The President's letter to me, dated May 22, says in pertinent part on this issue: "Further, I am deeply opposed to campaign reform legislation that proposes different rules concerning political action committees for the Senate and House. We must not further Balkanize ethics in election reform."

That is the President of the United States in a letter to me just yesterday.

I might say further, Mr. President, when I first suggested the abolition of political action committees 3 years ago, I only had 14 cosponsors, all of them Republicans. Today, that is in the underlying bill. As we had our debate on last year's version of campaign finance reform, the day before the bill was to come up, the majority adopted the position of the Senator from Kentucky, presumably in order to avoid having to vote on the elimination of PAC's, and thereby adopted the position originally advocated by this Senator 3 years ago.

From all I have read, Mr. President, this great reluctance, particularly by the majority in the other body, to eliminate PAC's and some suggestion that quite possibly the way to save PAC's would be for the Senate to go on and get rid of them if they want to, but we will not do it in the House.

The purpose of the sense-of-the-Senate resolution of the Senator from Mississippi is to express the sense of the Senate that we ought to craft one set of rules, one set of laws on campaign finance reform that applies to both the House and the Senate equally. I hope it is an amendment that will be accepted.

Mr. President, I ask unanimous consent that the letter to me from the President on yesterday be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, May 22, 1991.

Hon. MITCH MCCONNELL,
U.S. Senate, Washington, DC.

DEAR MITCH: In my State of the Union address in January, I expressed my strong desire to achieve genuine campaign finance reform this year. We must curtail special interest influence in elections, promote electoral competition, and increase the participation of individual citizens and the political parties.

Since my first year as President, I have called for abolishing political action committees that are subsidized by corporations, unions, or trade associations. That critical step, combined with measures to reduce unfair advantages of incumbency, would markedly improve both the perception and the reality of our electoral process.

I hope that Congress does not waste this opportunity for reform on efforts to insulate incumbents further, by limiting overall speech in campaigns to challenge them, or on new schemes to provide taxpayer subsidies for congressional elections.

The legislative initiative which you and many of your colleagues recently introduced would eliminate political action committees and accomplish several other reforms I have proposed in the past, including tighter regulation of "soft money" and the use of union dues for political purposes. In addition, your bill promotes electoral competition in several respects consistent with my previous proposals.

Spending limits, on the other hand, would disadvantage challengers and thereby entrench incumbents further. Ironically, spending limits tend to favor powerful special interests over individuals, because these interests would retain the financial and organizational resources to work around the limits. Therefore, I intend to veto any campaign finance "reform" legislation which features spending limits or taxpayer financing of congressional campaigns.

Further, I am deeply opposed to campaign reform legislation that proposes different rules concerning political action committees for the Senate and House. We must not further balkanize ethics and election reform.

As you know, there are two critical ingredients to campaign reform: curbing the divisive role of special interests and enhancing the quality of representation through real electoral competition. I believe both of these goals can be achieved and are essential to revitalizing our electoral process.

I look forward to working with you and your colleagues to enact meaningful campaign finance reform consistent with these aims.

Sincerely,

GEORGE BUSH.

Mr. MCCONNELL. Mr. President, I will reserve the remainder of the time of Senator LOTT.

The PRESIDING OFFICER. Who yields time? Neither side yields time. Time will be subtracted equally from both sides.

Mr. MCCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I ask unanimous consent that the pending amendment of the Senator from Mississippi be set aside under the condition that the time that has already run against the amendment be charged against the amendment and that when we return to consideration of the amendment of the Senator from Mississippi, only the time remaining would be available.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The amendment will be set aside. The time remaining will be about 9 minutes. We will recalculate shortly.

The next amendment under the previous order is the Boren amendment with 10 minutes to be equally divided. The Senator from Oklahoma.

AMENDMENT NO. 266 TO AMENDMENT NO. 242

(Purpose: Technical amendments relating to reporting requirements)

Mr. BOREN. Mr. President, I seend an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. BOREN] proposes an amendment numbered 266 to amendment No. 242.

Mr. BOREN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, line 21 strike "Commission" and insert "Secretary of the Senate".

On page 50, line 8 strike "Commission" and insert "Secretary of the Senate".

On page 50, line 14 strike "Commission" and insert "Secretary of the Senate".

On page 51, line 1 strike "Commission" and insert "Secretary of the Senate".

On page 54, line 8 after "title V" insert "(whenever a 24 hour response is required of the Commission)".

At the end of title IV, insert:

Sec. 405. TECHNICAL CORRECTIONS TO ETHICS IN GOVERNMENT ACT OF 1978

The Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 103(i) by striking "7-day" and inserting "30-day"; and

(2) in section 105(b)(1) by—

(A) striking "Each agency" and inserting "Except as provided in the second sentence of this subsection, each agency"; and

(B) inserting after the first sentence the following: "With respect to any report required to be filed by May 15 of any year, such report shall be made available for public inspection within 30 calendar days after May 15 of such year, or within 30 days of the date of filing of such a report for which an extension is granted pursuant to section 101(g)."

Mr. BOREN. Mr. President, this is simply a housekeeping, technical amendment. Most of the reports that are filed by Senators, by candidates for the Senate are filed with the Secretary of the Senate and then with the Federal Election Commission. In the drafting of our bill, inadvertently we provided that in the case of independent expenditures those reports would go directly to the Federal Election Commission instead of also being logged in first as the point of entry with the Secretary of the Senate. This would simply make all of the reporting uniform and parallel. It is a technical amendment and would have those reports sent at the point of entry to the Secretary of the Senate, to his office, as well as to the Federal Election Commission, and make all the reporting parallel.

I would be happy to respond to any questions. I think it is probably acceptable on the other side of the aisle.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky [Mr. MCCONNELL]

Mr. MCCONNELL. Mr. President, we have no objection to the Boren amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. BOREN. Mr. President, I yield back all time remaining on this side.

The PRESIDING OFFICER. Does the Senator from Kentucky yield back all time?

Mr. MCCONNELL. I yield back all time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment (No. 266) was agreed to.

Mr. BOREN. I move to reconsider the vote.

Mr. MCCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate will return to the consideration of the amendment sponsored by the Senator from Mississippi [Mr. LOTT].

Mr. BOREN. Mr. President, I ask unanimous consent that while we await the return to the floor of the Senator from Kansas, the distinguished minority leader, we enter into a quorum call, the time to be charged against neither side.

I further ask unanimous consent that as soon as the Senator from Kansas arrives back on the floor, the distinguished minority leader be recognized to offer the Dole amendment under the conditions of the order entered into last night, and that the amendment of the Senator from Mississippi continue to be set aside in order that we might take up the Dole amendment.

The PRESIDING OFFICER. Is there objection? Without objection, the quorum call will not be charged against either side. The Republican leader will be recognized to offer his amendment as soon as he returns. The Lott amendment will continue to be put aside until the disposition of the Dole amendment.

Mr. BOREN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 267

(Purpose: To express the sense of the Senate regarding application of provisions relating to PACs equally to candidates for the Senate and candidates for the House of Representatives.)

Mr. MCCONNELL. Mr. President, I send to the desk the Lott amendment, which was not ready earlier when the time began to run on the amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for Mr. LOTT, proposes an amendment numbered 267.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is a follows:

On page 101, between lines 4 and 5, insert the following:

SEC. 405. SENSE OF THE SENATE REGARDING APPLICATION OF PROVISIONS RELATING TO PACS EQUALLY TO CANDIDATES FOR THE SENATE AND CANDIDATES FOR THE HOUSE OF REPRESENTATIVES.

It is the sense of the Senate that all provisions of this Act and amendments made by this Act that relate to multicandidate political committees and separate segregated funds shall apply in regard to candidates for the House of Representatives in the same manner and to the same extent as they apply to candidates for the Senate.

The PRESIDING OFFICER. The Chair reminds Senators that 3 minutes 21 seconds remain for the proponents and almost 5 minutes remain for the opponents.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Lott amendment be set aside pursuant to the previous understanding with the Senator from Oklahoma.

The PRESIDING OFFICER. Without objection, the Lott amendment will be set aside in accordance with the previous order.

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from Kansas is recognized for the purposes of offering an amendment.

AMENDMENT NO. 268 TO AMENDMENT NO. 242

(Purpose: To direct the Federal Election Commission to study the feasibility of developing systems for telephone voting by persons with disabilities)

Mr. DOLE. Mr. President, the first amendment I will offer I do not think is controversial. It provides for a study to see whether or not we can develop a system by which persons with disabilities may be permitted to vote by telephone. There is even not total support in the disabled community. They do not want to be separated from the main stream. This is only a study.

I send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. Dole] proposes an amendment numbered 268 to amend 242.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following:

TITLE V—TELEPHONE VOTING BY PERSONS WITH DISABILITIES

SEC. 501. STUDY OF SYSTEMS TO PERMIT PERSONS WITH DISABILITIES TO VOTE BY TELEPHONE.

(a) In General.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(b) Consultation.—The Federal Election Commission shall conduct the study described in subsection (a) in consultation with State and local election officials, representatives of the telecommunications industry, representatives of persons with disabilities, and other concerned members of the public.

(c) Criteria.—The system or systems developed pursuant to subsection (a) shall—

(1) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(2) propose procedures to identify persons who are so disabled; and

(3) describe procedures and equipment that may be used to ensure that—

(A) only those persons who are entitled to use the system are permitted to use it;

(B) the votes of persons who use the system are recorded accurately and remain secret;

(C) the system minimizes the possiblity of vote fraud; and

(D) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(d) Requests for Proposals.—In developing a system described in subsection (a), the Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(e) Physical Access.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons wiht disabilities.

(f) Deadline.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the date of enactment of this Act.

Mr. DOLE. Mr. President, in a nutshell, this amendment would direct the Federal Election Commission to conduct a feasibility study of allowing certain persons with disabilities to vote by telephone.

Polling places have become much more accessible over the past 7 years as a direct result of the Voting Accessiblity for the Handicapped and Elderly Act, which Congress passed in 1984. Nevertheless, there are millions of Americans who are registered to vote but still remain unable to go to the polls because of a physical disability. This amendment is the first step in bringing these citizens back into the political process.

I will briefly describe the amendment.

With currently available technology, individuals can now access certain data bases over the telephone by dialing a personal identification number, the now familiar PIN number.

The so-called voice mail systems in many Senate offices are examples of this technology at work. It is possible but by no means guaranteed that this technology could be applied to make the election ballot accessible to those who are unable to leave their homes.

Simply put my amendment would direct the FEC to examine this possibility. We want to make certain there is no fraud, and that it cannot be abused. There are a lot of things that need to be studied. The FEC may decide it is not in anyone's interest.

To ensure that all interested persons are consulted during the preparation of the study, the amendment directs the FEC to consider the views of persons with disabilities, representatives of the telecommunications industry, and State and local election officials.

The amendment also directs the FEC to consider ways to ensure that votes transmitted telephonically are kept secret and to minimize any financial costs that may be imposed on State and local governments.

VOTE FRAUD

Mr. President, obviously, one of my biggest concerns about telephonic voting is the potential for fraud.

Because of this concern, my amendment directs the FEC to study ways to minimize the possibility of vote fraud.

If the FEC study demonstrates that a telephonic voting system would, in fact, lead to fraud, then I will be the first Senator to stand up and say that such a system should never be adopted in any jurisdiction, anywhere.

LIGHTENING THE "BURDENS" OF CITIZENSHIP

Mr. President, I have absolutely no interest in making telephonic voting available to everyone.

In my view, our participatory democracy would be weakened if a majority of voting-age citizens were not required to take the affirmative step of appearing at the polls and voting in person.

The act of voting may be an individual experience, but going to the polls is—and should be—a community experience shared by all eligible voters.

Nevertheless, there are those in our society who are simply unable as a result of a physical disability to get out of the home or hospital and make the trek to the polling booth.

We should not preclude these persons from participating on election day if the technological means exist to allow participation without significant expense or the likelihood of fraud.

Mr. President, I ask unanimous consent that the full text of the amendment be inserted in the Record immediately after my remarks.

Mr. President, I also ask unanimous consent that a letter from Brent Regan, vice president of Southwestern Bell Corp., be inserted in the Record as well.

I understand the managers are prepared to accept the amendment. I am prepared to yield back my time.

Mr. BOREN. Mr. President, I yield myself as much time as I might require.

Mr. President, I want to commend the distinguished minority leader for this amendment. It is of great value to us. I think this study is certainly merited. I will enthusiastically support the amendment of the distinguished minority leader. I know of no objections to it on this side. Certainly, I would be prepared to accept the amendment as manager of the bill on this side.

Mr. President, I yield back the remaining time on this side.

Mr. DOLE. I yield back any time.

The PRESIDING OFFICER (Mr. Lieberman). Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Kansas.

The amendment (No. 268) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 269

(Purpose: To provide for public disclosure of congressional intervention in enforcement actions)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 269.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place:

TITLE V—ETHICS IN GOVERNMENT

SEC. 501. PUBLIC DISCLOSURE OF CONGRESSIONAL INTERVENTION IN ENFORCEMENT ACTIONS.

(a) UNWRITTEN CONTACTS.—

(1) IN GENERAL.—Each department and agency of the executive branch of the United States shall compile a monthly list of all unwritten communications from any Member, employee, or agent of the Congress received by the department or agency with respect to—

(A) potential or ongoing enforcement matters before the department or agency; and

(B) any proceedings in the department or agency relating to the award of contracts.

(2) DETAILS OF LIST.—The list required by this subsection shall include—

(A) the source of the contact;

(B) the stated purpose of the contact;

(C) any information or actions requested; and

(D) any other pertinent information.

(3) FILING LISTS.—Not later than the 15th of each month, each department or agency of the United States Government shall submit the list required by this subsection for the preceding month to the committees of the House of Representatives and the Senate with jurisdiction over the department or agency. Each committee receiving lists pursuant to this subsection shall submit the lists to the Congressional Record on January 1st and July 1st of each year for publication on the next day the record is printed.

(b) WRITTEN CONTACTS.—Each department and agency of the executive branch of the United States shall—

(1) create a public file containing all written communications from any Member, employee, or agent of the Congress received by the department or agency and any written responses by the department or agency to the written communications with respect to—

(A) potential or ongoing enforcement matters before the department or agency; and

(B) any proceedings in the department or agency relating to the award of contracts; or

(2) include the information described in paragraph (1) in an appropriate existing public file.

Mr. DOLE. I may withdraw this amendment because I have had a discussion with Senator Ford. I know he is tied up in a committee. I think what I will do is discuss the amendment briefly, and if he has not arrived I think I will withdraw the amendment. But at least I want to make some record of it.

Mr. President, this that so-called front-page test. We have all read a lot, heard a lot, a lot said, some properly, some may be accurate about the congressional contacts, how we contact people on behalf of our constituents, whether we go over the line. I have said if we do not feel comfortable reading it on the front page, maybe we should not do it. What this amendment would do is try to address that problem.

In its recent report on so-called Keating five the Senate Ethics Committee emphasized the need to establish clear-cut rules on congressional contacts with Federal agencies.

As a followup to the Ethics Committee's recommendation, the distinguished majority leader and I have appointed a bipartisan task force on constituent service, a task force which is chaired by Senators FORD and STEVENS, which will offer some suggested guidelines later this year. In the meantime I thought it was important to offer this amendment which addresses the congressional contact issue by proposing something called the front-page test.

This test which is part of the Republican campaign finance reform package emphasizes the disclosure of congressional contacts, not their outright prohibition.

In a nutshell the front-page test would require Federal agencies to keep a monthly list of all unwritten congressional contacts concerning, one, potential or ongoing enforcement matters; and, two, proceedings related to the award of agency contracts.

These lists would specify the source of the contact, the stated purpose of the contact, and any information or actions requested.

The list would then be forwarded to the appropriate congressional committee for publication in the CONGRESSIONAL RECORD on a semiannual basis.

The front-page test would also require Federal agencies to incorporate into the appropriate public file all letters and other written congressional communications on enforcement matters and agency contacts. There is a disclosure requirement, not an outright ban.

We have to contact agencies on behalf of constituents. Otherwise there will not be much use of having us in the Congress of the United States. The fine line is when we may step over the line, when we may go too far.

Certainly, we want to continue to go to bat for our consitutents. That is our job. That is what the public expects. We have a right to petition Congress. It is in the Constitution.

So there are a lot of things I think we do very properly. But to allay the fears of some who think we may be going over the line I propose this so-called front-page test.

Again, Mr. President, this is a disclosure requirement, not an outright ban.

Mr. President, as I have said before, Members of Congress should continue to go bat on behalf of their constituents.

That is our job, and frankly, that is what the public expects.

But if we are not willing to read about an intervention on the front page of the newspapers, then we ought to think twice about making that phone call or writing that letter.

Mr. President, some of my colleagues may be wondering why I am offering this amendment.

Well, the reason is simple.

Constituent service is—under any standard—a campaign finance issue.

The American people want to know whether the Keating-style quid pro quo is the rule of the campaign finance game, or the exception.

And they want to know whether big-money campaign contributors get special treatment when it comes to congressional help with a pesky Federal regulator.

No campaign finance proposal can legitimately bear the name "reform" if it does not offer a solution to the perceived abuses that masquerade under the heading "constituent service."

Mr. President, I ask unanimous consent that a letter to Senators HEFLIN and RUDMAN describing the front page test be printed in the RECORD.

Mr. President, I also ask unanimous consent that editorials from the New York Times, the Associated Press, and Roll Call—all endorsing the front page test—be printed in the RECORD as well.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, March 4, 1991.

HON. HOWELL HEFLIN,
Chairman, Select Committee on Ethics, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I have had the opportunity to review the "Statement of the Select Committee on Ethics Following Hearings Involving Senators Cranston, DeConcini, Glenn, McCain, and Riegle."

I am pleased that the Statement recognizes the need to establish clear-cut rules on Congressional interventions with federal agencies.

As you may know, I attempted to address this issue in S. 6, a comprehensive campaign finance reform bill introduced on January 14. S. 6 contains a Title called "Ethics-in-Government," which would require the public disclosure of unwritten and written Congressional contacts with federal agencies. If you can bear with me, I would like to briefly describe the two sections of this Title.

Unwritten Contacts. The first section requires all federal agencies (independent agencies and executive branch departments) to disclose unwritten (i.e. telephonic, personal, etc.) Congressional contacts with the agency concerning (a) potential or ongoing enforcement matters, and (b) proceedings related to the award of agency contracts. The section also requires each agency to compile a monthly list specifying (a) the source of the contact, (b) the stated purpose of the contact, (c) any information requested or actions suggested to the agency, and (d) any other pertinent information. The agencies are required to submit these lists to the Congressional committees of jurisdiction. The Congressional committees are then required to submit these lists for publication in the Congressional Record on a monthly basis.

In a nutshell, this section extends to all federal agencies the Banking Committee policy requiring the public disclosure of Congressional contacts with the FDIC.

Written Contacts. The second section requires all federal agencies (independent agencies and executive branch departments) to incorporate all written Congressional communications into the appropriate Public File of (a) any potential or ongoing enforcement action or (b) any proceeding related to the award of an agency contract. Agency responses to the Congressional communications must also be incorporated into the Public File.

This second section basically reflects the policy of the Federal Energy Regulatory Commission.

As you can see, both sections emphasize the public disclosure of Congressional contacts, and not their outright prohibition.

Office Policy. Shortly after the introduction of S. 6, I also instituted an office policy requiring my own staff to keep personal logs of contacts with federal agencies. Although this policy imposes a small paperwork burden on us all, I believe that the burden is far outweighed by the need to keep an accurate accounting of such contacts. I am enclosing the office policy for your review.

I am simply passing along the "Ethics-in-Government" title of S. 6 and the office policy as a response to the Committee's call for a bipartisan effort to establish rules on constituent service. The Committee is right-on-target when it states that ". . . the adoption of specific standards governing contact or intervention by Senators with executive or independent regulatory agencies will minimize the potential for appearances of impropriety. . . .[T]he success of any democratic government, designed to execute the will of a free people, is ultimately dependent on the public's confidence in the integrity of the governmental process and those who govern."

In the days ahead, it is my hope that Members of Congress would continue to go to bat on behalf of their constituents. But if we're not willing to read about an intervention on the front page of the newspapers, then—perhaps—we ought to think twice about making that phone call or writing that letter.

Thank you for your consideration of both of these proposals. If you have any questions or comments, please feel free to contact me or Dennis Shea of my staff at 4-3135.

Sincerely,

BOB DOLE.

TITLE II—ETHICS IN GOVERNMENT

SEC. 201. PUBLIC DISCLOSURE OF CONGRESSIONAL INTERVENTION IN ENFORCEMENT ACTIONS.

(a) UNWRITTEN CONTACTS.—

(1) IN GENERAL.—Each department and agency of the executive branch of the United States shall compile a monthly list of all unwritten communications from any Member, employee, or agent of the Congress received by the department or agency with respect to—

(A) potential or ongoing enforcement matters before the department or agency; and

(B) any proceedings in the department or agency relating to the award of contracts.

(2) DETAILS OF LIST.—The list required by this subsection shall include—

(A) the source of the contact;

(B) the stated purpose of the contact;

(C) any information or actions requested; and

(D) any other pertinent information.

(3) FILING LISTS.—Not later than the 15th of each month, each department or agency of the United States Government shall submit the list required by this subsection for the preceding month to the committees of the House of Representatives and the Senate with jurisdiction over the department or agency. Each committee receiving lists pursuant to this subsection shall submit the lists to the Congressional Record on January 1st and July 1st of each year for publication on the next day the record is printed.

(b) WRITTEN CONTACTS.—Each department and agency of the executive branch of the United States shall—

(1) create a public file containing all written communications from any Member, employee, or agent of the Congress received by the department or agency and any written responses by the department or agency to the written communications with respect to—

(A) potential or ongoing enforcement matters before the department or agency; and

(B) any proceedings in the department or agency relating to the award of contracts; or

(2) include the information described in paragraph (1) in an appropriate existing public file.

JANUARY 17, 1991.

MEMORANDUM

To: All Staff of the Republican Leader.

From: Sheila Burke, Jim Wholey.

Subject: Office Policy—Contacts with Federal Regulators.

All staff of the Republican Leader will follow the procedures outlined below. These procedures are effective immediately.

The purpose of this policy is to 1) ensure an accurate accounting of staff contacts with federal agencies, and 2) prevent any staff contacts that may create an appearance of impropriety.

PURPOSE

1. Personal Log—Unwritten Contacts. All staff of the Republican Leader will maintain a personal log of all *"unwritten contacts"* with any federal agency concerning 1) potential or ongoing enforcement matters (civil and criminal), and 2) proceedings related to the award of agency contracts. "Unwritten contacts" include, but are not limited to, telephonic communications and personal meetings.

Personal logs must contain 1) the name of the federal agency, 2) the name of the person or persons contacted at the federal agency, 3) the date of the contact, 4) the purpose of the contact, and 5) any information requested or actions suggested to the federal agency. Attached is a copy of a sample log sheet.

The policy is *not* intended to restrict or prohibit legitimate contacts with federal agencies on legislative matters and other official business. It is limited strictly to contacts involving 1) potential or ongoing enforcement matters (civil and criminal), and 2) proceedings related to the award of an agency contract. If you are uncertain whether an unwritten contact involves 1) a potential or ongoing enforcement matter (civil and criminal), or 2) a proceeding related to the award of an agency contract, record the contact in your personal log anyway. *Err on the side of disclosure.*

Bi-weekly Records. On the 1st and 15th of every month, staff in the Republican Leader's Office must forward copies of the personal log to Sheila Burke, Chief of Staff. Staff in the Senator's Hart Office must forward copies of the personal log to Jim Wholey, Administrative Assistant. Copies of the personal log must be forwarded, *even if no contacts are recorded for the bi-weekly period.*

Prohibition. *Unless personally authorized by the Republican Leader*, no staff member will contact a federal agency and request that a "specific action" be taken by the federal agency with respect to 1) a potential or ongoing enforcement matter (civil and criminal), or 2) a proceeding related to the award of an agency contract. "Specific actions" include, but are not limited to, requests for a) reductions in fines or penalties, b) special consideration for a party to an enforcement action, and c) special consideration for a bidder for an agency contract.

2. Written Contracts. Staff in the Republican Leader's Office should continue to forward copies of signed letters to Joyce McCluney, Office Manager. Copies should be forwarded to Joyce on the date that the letter is mailed. Staff in the Senator's Hart Office should provide to Jim Wholey copies of all signed letters to federal agencies. Copies of these letters must also be forwarded to Joyce, who will maintain them in a central office file.

For purposes of this policy, federal agencies include all independent agencies and executive branch departments.

PERSONAL LOG—UNWRITTEN CONTRACTS WITH FEDERAL AGENCIES

Staff Person:
Bi-weekly period of:
Federal Agency:
Name of Person(s) Contacted:
Date of Contact:
Information Requested/Actions Suggested:
Other Pertinent Information:

Federal Agency:
Name of Person(s) Contacted:
Date of Contact:
Information Requested/Actions Suggested:
Other Pertinent Information:
Federal Agency:
Name of Person(s) Contacted:
Date of Contact:
Information Requested/Actions Suggested:
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[From Roll Call, Jan. 21, 1991]

INOCULATION AGAINST KEATING FIVE DISEASE

He won't say that he introduced it in response to the Keating Five investigation, but there's little doubt that Minority Leader Bob Dole's new ethics legislation would help prevent the abuses that the probe has spotlighted. As part of what is grandly called The Comprehensive Campaign Finance Reform and Ethics Act (S. 6), the Kansas Senator has proposed requiring Members of Congress and their staffers to disclose all contacts they have with "federal agencies concerning enforcement matters." Dole explained his intention very well on the floor last week: "If a Member or his staff intervenes with a federal regulator, this intervention should be publicly disclosed. And if the intervention is publicly disclosed, it should be publicly defended. Don't get me wrong. Members of Congress should go to bat on behalf of their constituents. That's their job. But if we do intervene with a federal regulator on behalf of a constituent, we should be comfortable reading about the intervention on the front page of newspapers."

While Dole's legislation will undoubtedly mean burdensome paperwork, we believe it is an excellent solution to the problem with which the Ethics Committee is now wrestling—how to define improper intervention with regulators. Instead of trying to define it, we should publicize it, and let the voters make the decision about propriety. In addition, disclosure is great preventive medicine:

If Members know they have to make a record of their interventions, they will be reluctant to intervene in questionable circumstances in the first place. Our only quibble with Dole's idea is that it is contained in a comprehensive campaign reform bill. We are skeptical that such a bill will pass, and it would be a shame if the disclousre measure met the same fate as the honoraria ban that was killed last year by being attached to a broader reform bill that everyone knew would fail.

[From the New York Times, Feb. 3, 1991]

TOPICS OF THE TIMES; SUNLIGHT IN THE CAPITOL

Would the five Senators now under scrutiny in the Keating Five case have intervened so aggressively on behalf of a big campaign contributor if they had known their tactics would have to withstand public scrutiny? The question answers itself, confirming the widsom of a simple ethics rule proposed by Senator Bob Dole, the Republican leader.

Mr. Dole's rule, introduced as part of a campaign finance reform package, would require members of Congress and their staffs to disclose all contacts with Federal agencies concerning enforcement matters.

"Members of Congress should go to bat on behalf of their constituents," explains Senator Dole. "That's their job. But if we do intervene with a Federal regulator on behalf of a constituent, we should be comfortable reading about the intervention on the front page of the newspapers."

Enacting such a rule now wouldn't relieve the Senate Ethics Committee from judging the Keating Five or defining the limits of proper constituent service. Nor would it lessen the duty of Congress to end the corrupting reliance on special-interest campaign money.

But Mr. Dole's sunlight would help deter future abuses while providing a revealing glimpse of how elected representatives view their jobs, and themselves.

[From the Associated Press, Jan. 27, 1991]

MAYBE THE "FRONT-PAGE TEST" CAN AVOID FUTURE KEATING FIVE CASES

(By Walter R. Mears)

To avoid sequels to the Keating Five case, Sen. Robert J. Dole proposes the front-page test: Don't do it if you wouldn't want to read about it in the newspapers.

Dole, the Senate Republican leader, thinks that ought to be a guideline for senators intervening with federal regulators in behalf of their constituents. So he has introduced legislation to require public disclosure of congressional contacts with federal agencies on regulatory matters or on government contracts.

In a system in which political campaigns demand huge sums of money and constituents demand services—which sometimes means intervention with government agencies—conflicts seem just about inevitable.

Campaign money, and intervention for a man who provided a lot of it, are the ingredients of the Keating Five case now before the ethics committee. After two months of hearings, the panel is to begin deliberating later this week on the conduct of five colleagues, deciding if their help to a savings and loan boss fighting federal regulators went beyond ethical bounds.

The five are: Republican John McCain of Arizona and Democrats Alan Cranston of California, Donald W. Riegle, Jr. of Michigan, Dennis DeConcini of Arizona and John Glenn of Ohio.

Their defense argued that if they are guilty of misconduct, so are most other senators, because everybody needs campaign contributions and everybody intervenes for constituents.

"A couple of senators, to avoid personal accountability, have raised the 'everybody does it' defense," Robert S. Bennett, the special counsel, said. ". . . Everybody doesn't do what was done here."

He argued that the link between Keating donations and efforts on his behalf by three of the senators went beyond the bounds of any routine constituent service.

"If everybody does what was done here, then that means this place doesn't have an infection that can be cured—it means that you're terminal," Bennett said.

Still, many if not most of the individuals and interests who seek intervention with regulators and other federal officials are campaign contributors. They're not as blatant about the connection as was Charles J. Keating Jr., who once said publicly that he certainly hoped he'd gained influence with the $1.3 million he and his associates donated to the campaigns and causes of five senators.

The connection is the issue. The senators say they acted to help Keating because he was a consitituent or had business interests important to their constituents, and claimed he was being treated unfairly by overly zealous federal regulators.

Bennett says interceding wasn't necessarily wrong, but the apparent tie to contributions made it so.

A Senate re-election campaign costs an average of about $4 million, or $13,000 for every week of a six-year term. At those prices, campaign fund raisers aren't likely to be turning away donors because they have axes to be ground with the federal bureaucracy.

Constituent service is part of the job of a senator or representative, and that means going to bat for people who think a government agency is doing them wrong.

"More and more constituents are requesting the assistance of their congressmen at the same time that those congressmen must ask more and more of the same constituents for campaign contributions," Bennett said at the start of the Keating Five hearings. ". . . How can our system of government maintain the appearance and the reality of integrity as these trends continue?"

Even so, Bennett said senators "can and must have the power to pressure regulators. . . ."

The premise is that they'll do so in order to keep regulatory agencies acting properly, not punitively or overzealously. That's a very fine line; a businessman under regulatory pressure almost always deems it excessive.

"We don't just pick up everything that comes in and say it's a constituent so I've got to go and lean on a regulator someplace . . ." said Glenn. "We say there has to be some justification . . ."

Glenn is one of two senators Bennett says should be exonerated and dropped from the Keating Five case. The other is McCain.

Glenn said the ethics investigation should not make senators so leery that they fail to intercede when constituents are being treated unfairly by the government.

"Members of Congress should go to bat on behalf of their constituents, that's their job," Dole said in proposing his ethics bill. "But if we do intervene with a federal regulator on behalf of a constituent, we should be comfortable reading about the intervention on the front page of the newspapers."

Editor's Note—Walter R. Mears, vice president and columnist for The Associated Press, has reported on Washington and national politics for more than 25 years.

Mr. DOLE. Mr. President, the front-page test may not be the perfect solution, but it is a solution that is simple enough, and comprehensive enough, to guarantee public accountability of the public's elected representatives.

I urge my colleagues to support the amendment.

Mr. President, we have, since I first introduced this resolution, appointed the special committee. I have named three colleagues on my side, Senator MITCHELL named three on his side; it might be more appropriate to have them consider the amendment and not have it a part of the campaign finance reform bill.

So after the Senator from Oklahoma speaks I will withdraw the amendment.

Mr. BOREN. Mr. President, I yield myself as much time as I might require.

Mr. President, the distinguished chairman of the Rules Committee, Senator FORD, had hoped to be on the floor at this time to enter into a discussion with the Senator from Kansas, the minority leader. Unfortunately he is detained in another meeting. But he has sent over to me a statement by him which I will paraphrase at this time.

I am authorized to say on behalf of Senator FORD that he wants to compliment the minority leader with the thought that he has put into this amendment which he understands is based upon section 201 of S. 6, the Republican campaign finance bill.

In general, Senator FORD has indicated to me that he certainly believes disclosure in the area of constituent services is a good thing, and it is an area which we should explore in great detail.

He says that he knows that the Senator from Kansas is aware that he has been asked to cochair the task force which the minority leader just referred to on constituent services along with Senator STEVENS. The task force also includes Senators BINGAMAN, BRYAN, KASSEBAUM, and SMITH. He wants to assure the minority leader that that group will be taking a very serious look at the proposal in the task force which he thinks is a good one.

He thinks there are a few questions which he believes should be explored. Should distinctions be made between oral and written communications? What types of issues before which agencies? Do we make distinctions between agency enforcement matters, or contract awards, or other matters before the agencies? What information should we disclose and in what form? How much disclosure is enough? How much imposes an unreasonable burden on the agency?

So Senator FORD respectfully suggests that the issue would be better addressed within the context of the constituent service task force and not the campaign finance reform bill.

Senator FORD has authorized me to say to the minority leader that he and the task force will look into this proposal, and with those assurances he hopes that the minority leader will withhold going forward with the amendment at this time.

So I offer those comments on behalf of my colleague, the chairman of the Rules Committee.

Mr. DOLE. Mr. President, I thank my friend from Oklahoma. I will withdraw the amendment.

Before I do I would like to say that I have included a letter that I have addressed to Senators HEFLIN and RUDMAN as chairman and cochairman of the Ethics Committee, along with editorials from the New York Times, Roll Call, as well as the amendment in the RECORD.

I do this so Members may have a chance to look at it. They may have some other questions that should properly be raised. Certainly it is not perfect. It probably needs to be refined. It seems to me in these days of the public right to know that we could probably advance that cause without taking away from us the right to go to bat for our constituents.

Mr. President, I yield the remainder of my time. I withdraw the amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

The amendment (No. 269) was withdrawn.

AMENDMENT NO. 270

(Purpose: To provide for seed money for challengers)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 270.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title II, subtitle C, add the following:

SEC. 224. SEED MONEY FOR CHALLENGERS.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 223, is amended by adding at the end thereof the following new subsection:

"(m)(1) Notwithstanding any other provision of this Act, the congressional campaign committee or the senatorial campaign committee of a national political party, whichever is applicable, may make contributions to an eligible candidate (and the candidate's authorized committees) that in the aggregate do not exceed the lesser of—

"(A)(i) $150,000, in the case of a candidate for the House of Representatives; or

"(ii) $250,000, in the case of a candidate for the Senate; or

"(B) the aggregate qualified matching contributions received by the candidate and the candidate's authorized committees.

"(2) A contribution under paragraph (1) shall not be treated as an expenditure for purposes of subsection (d)(3).

"(3) For purposes of this subsection—

"(A) the term 'qualified matching contributions' means contributions made during the period of the election cycle preceding the primary election by an individual who, at the time the contributions are made, is a resident of the State in which the election with respect to which such contributions are made is to be held; and

"(B) the term 'eligible candidate' means a candidate for election, or nomination for election, to Federal office (other than President or Vice President) who does not hold Federal office."

The PRESIDING OFFICER. There are 30 minutes equally divided for debate on this amendment.

Mr. DOLE. Mr. President, I do not intend to use anywhere near 15 minutes on this side.

I know a number of my colleagues on both sides have commitments later today and this evening. I want to do what I can to accommodate them. I hope those who follow me will be able to reduce their time also.

Mr. President, with the election rate last year, last November, nearly 97 percent, it is fair to say the congressional incumbents are living on easy street. That is why any campaign finance proposal bearing the name reform must go the extra mile to help challengers to run against incumbents.

Incumbents enjoy all kind of advantatges—franking privileges, large staff, high recognition, easy access to the media, and sometimes you wish you had not had that. Most importantly, we have the ability to tap into the special interest money that fuels congressional campaigns. But when it comes to sharing these advantages, congressional challengers are most often left out in the cold all but eliminating politicians and politics.

Let us make one thing clear, though, Mr. President. Incumbents are not to blame for playing by the rules—the rules are the problem. We are all going to play by the rules. If the rules ought to be changed, we should change them.

What we need to do is change some of the rules to level the playing field and give challengers a fighting chance.

This amendment attempts to change the rules by proposing a seed money fund, a seed money fund for congressional challengers. Simply put, this would give challengers a much needed jump start in the early stages of their campaigns.

More specifically, my amendment would allow the political party committees to use a special coordinated expenditure fund to match early in-State contributions received by challengers.

The contribution must be made prior to the date of the primary election, and they must be made by residents of the State in which the challenger is running. Party committee matching funds would be permitted to a maximum of $150,000 for House challengers and $250,000 for Senate challengers.

The seed money idea is the brainchild of Norm Ornstein, a well-known campaign finance expert and resident scholar at American Enterprise Institute.

In my view, it is an idea that the Senate ought to endorse, particularly if we are serious about improving competition and assisting cash-strapped challengers.

I know my colleagues on the other side of the aisle will say that this amendment will help the Republican Party. Well, they are probably right. But this will help the Democratic Party, too.

This does not discriminate between Democrats and Republicans. It is pro-party, procompetition, and it is pro-Republican and pro-Democrat. My view is that we ought to have stronger parties. If we did, we would have more discipline, and we would have a lot better politics in America if we had a strong party system. I must say that, with the exception maybe for Presidential races, we do not hear that much about either party, what they are doing at grassroots level, and they may be doing a lot.

Mr. President, Republicans have always believed that the best way to get more resources to cash-poor challengers is to increase the limits on what the two parties can give their candidates.

This approach was endorsed by the bipartisan panel of campaign experts appointed last February by the distinguished majority leader and myself. We had six people outside of the Senate, who were not running for office, Democrats and Republicans, who made recommendations, and this is one of the recommendations.

As the panel pointed out last year, the political parties have one primary focus; that is, electing their own candidates and defeating the candidates of the other party. Otherwise, there would not be any need for parties.

This seed money is a good idea and one that ought to be adopted. If we want to improve competition, we ought to strengthen, not weaken, the institution in America that has a vested interest in removing incumbents. The Democratic Party has that vested interest. So does the Republican Party. And I think this amendment will help accomplish that goal.

I urge my colleagues to, when they ask for the yeas and nays, support this amendment when it comes to a vote.

I do not want to speak at the end of the bill, because that would take additional time. So I will make my final comments now.

We have been debating, more or less, campaign finance reform for 7 days. Some of the debate was on Presidential debates which had nothing to do with campaign finance. Some was sort of a showboat vote on honoraria, which has already been eliminated and is being phased out. We like to do it to get a headline or two. We have spent some time on that.

There have been other matters, such as whether we ought to raise taxes or do away with lobbyist expenses which, in my view, was not campaign finance reform. Aside from those three or four items, we spent quite a bit of time on campaign finance reform.

It has been a good debate, and it has been a spirited debate at times, and certainly has taken some of the Senate's time, but this is very important.

When all is said and done, when all the speeches have been made, the bottom line is that the President will not and probably should not sign this legislation. He is not going to sign this legislation. He indicated so in a letter yesterday to the Senator from Kentucky who is the real in-house expert on campaign finance on this side of the aisle.

My colleagues on the other side may cling to taxpayer financing of congressional campaigns as the centerpiece of their reform package.

But Republicans oppose, and will continue to oppose, along with a great majority of people, this kind of financing—broadcast vouchers, discounted mail rates, Treasury outlays to combat independent expenditures—all of which amounts to nothing more than a welfare program for politicians.

The other side of the aisle may claim that reform is meaningless without spending limits. But they are meaningful only to the extent that they help challengers, help incumbents, and reduce—not improve—competition in politics.

Mr. President, as I said yesterday, our next opportunity for bipartisanship will be in the House-Senate conference—if the House ever passes a campaign finance reform bill, and if it does so on a timely basis. We have time this year and next year, and we ought to be able to maybe come together.

When we reach this fork in the road, it seems that we are all going to have a simple choice, particularly my colleagues on the other side: They can either scuttle campaign reform for yet another year by demanding that taxpayers subsidize the politicians. Or they can work with House and Senate Republicans to craft a reform bill acceptable to the President and the American people.

I think it is fair to say that many of us want reform. Many of us have discovered that the worst part about running for office is asking people for money. That does not mean we have to ask the Treasury for money. It means we have to have more competition and maybe look at the source of the funds—not the amount, but the source. It is the source that is bad. If it is bad, we ought to limit the source.

That is what we have done on the Republican side. That is why I believe that we still have some hope of getting a bipartisan solution. I have worked with the majority leader. We have agreements in some areas, but there are some areas where the two parties cannot agree.

We have agreed on PAC reform, broadcasting, bundling, independent expenditures, reform of FEC procedure. These are several examples.

I have proposed something called "flexible fundraising targets,"—targets, not limits—which are a variation of the Democrat's spending-limits concept.

Republicans are walking in lockstep with the American people when we say no to public financing or politicians and no to the type of spending limits that harm competition, not improve it.

Finally, Mr. President, I want to thank my distinguished colleague from Kentucky, MITCH MCCONNELL, who demonstrated once again that he is the Senate's—and one of the Nation's—leading experts on campaign finance reform. He knows the issue; he has worked this issue, tirelessly. He has gained respect of colleagues on our side of the aisle and I think on the other side of the aisle.

I make the same statement about my good friend from Oklahoma. These two gentlemen understand nearly every facet of campaign finance reform.

I am an optimist. I still believe that we are going through this exercise on the floor because we need to do that. But I still believe there is enough common ground that if we go to conference, we should not have one set of rules for the Senate and another for the House—and I think the Senator from Mississippi will offer an amendment to take care of that—because that would be a travesty. We have that now in pay. The House Members are paid $25,000 more a year than Senators. It does not seem to me a very great idea. But that is the way it is.

But, in any event, when we got to conference I even suggested the four leaders ought to be part of the conference committee, the Republican leader in the Senate, the Democratic leader in the Senate, the House Democratic leader and the Republican leader in the House, so we could really try to work together in an effort to really come to grips with campaign finance reform. It is needed.

Many people do not understand it. Many people do not contribute to campaigns. It is not really the burning issue outside the beltway as it is inside the beltway. But it is an issue that should be addressed and I think all of us in politics understand that and we just need to face up to it. Maybe the only way we can do that is in a small group in a conference committee.

I yield back the remainder of my time.

Mr. BOREN. How much time is allocated on this side?

The PRESIDING OFFICER. The Senator from Oklahoma has 15 minutes.

Mr. BOREN. I yield to myself as much time as I might require.

Mr. President, I thank the distinguished Republican leader, my friend, the Senator from Kansas, for the very generous comments which he made about Senator MCCONNELL and myself and our work on this bill.

I underline that I share the optimism the Senator from Kansas just expressed. There are a number of us determined we will try to work out a bipartisan solution to this problem, which truly is an American problem.

I am encouraged by the statements of the distinguished Republican leader and I am encouraged by his leader statement that he hopes perhaps he and the majority leader will be among those that might serve on the conference, that those in a position to make some final decision on the House side will also be there, and at the conference stage of this consideration we can engage the White House into these discussions as well in a very detailed way, and that we can find a common meeting ground, come out of the conference exit with a bill that will command the solid majority on both sides of the aisle of both Houses, and one which the President of the United States would want to sign into law.

As I have said all along, we recognize for a bill to become law it must pass through a Congress controlled by one party and it must be signed into law by a President of the other party. That means it must be a bill that does not seek partisan language of one side over the other, but deals with the problem at hand.

All of us realize the current campaign system is not working. There are a variety of proposals here. But I have yet to hear on single Member of the Senate on either side of the aisle come to the floor and defend the status quo, the status quo which, as the Senator from Kansas has said, results in reelection rates of 97 to 96 percent for Members of the House and Senate, a status quo in which the incumbents are able to outraise a challenger 8 to 1 in the House and 3 to 1 in the Senate, a status quo where more and more money is poured into campaigns and more being used to finance negative campaigns, rather than a real discussion of issues.

So none of us feel in conscience the status quo is defensible. It must be changed. And we must find a way to change it in a constructive way.

I want to say to the Senator from Kansas, having had a number of discussions with him on this subject, I certainly respect his sincerity in this regard. I know he wants to see us solve the problems at hand and I know he wants us to do it in a bipartisan way.

I pledge to him, as one Senator on this side of the aisle, to work with him to the best of my ability to see that happen. I agree with him that starting as early as we can in the Congress, not waiting to the second year of a Congress to get moving, does give us time.

There are some hopeful signs on the House side that they will pass a bill that is an improvement over the bill they passed last year. I certainly hope we will see an improved product on the other side of the Capitol. Then we will have time to enter into a conference committee and we will have time to engage the executive branch and the President in this discussion as well.

My purpose for the last several years has not been to score political points or develop an issue that can be used in campaigns, but deal with the problem. I know there are many on the other side of the aisle, including the distinguished Republican leader who just spoke, who feel the same way. I express my appreciation to him. I think the statement he has just made in itself gives us great cause for optimism that there is going to be a sincere effort made by all of us to try to work something out in conference. And I believe we can, from the discussions I have had with numerous parties, including those at the White House, about this matter.

Mr. President, I, having made those comments and having just shared so many common points of view with the distinguished Republican leader in finding so many points of agreement with what he just said, find myself now in a position of having to differ with the specifics of the amendment he just offered.

Mr. DOLE. I cannot believe it.

Mr. BOREN. The amendment which would give seed money and not count it against spending limits to challengers I think is a well-intentioned amendment because, as I have said again and again, why I think we need to change the system is challengers do not have a fair chance under the current system of political action committee weighing in, giving to the incumbents at a rate of 16 to 1 over challengers in the House, 4 to 1 over challengers in the Senate. That is something that is badly wrong since incumbents can outraise, outspend challengers.

I think the current system obviously favors incumbents and that is the reason, frankly, I want us to have some overall constraints on spending.

I think the most important thing we can do for a challenger to have a level playing field is put limits on spending incumbents, Democrats or Republicans, who are going to be able—at least in 99 percent of the cases—to raise more money than challengers. I think that is the real thrust.

S. 3 provides vouchers early on the purchase of television time. This is of great advantage. And lower mailing rates. This is of great advantage to challengers who are new, breaking into the process. In essence, there is seed money provided early on to give challengers a chance.

As I indicated, since we have to have a level playing field, and we cannot have a bill that is going to favor one party or another, I really must oppose this amendment because I do think it would give a distinct advantage to those on the other side of the aisle.

I have before me a study released by the Federal Election Commission dated November 1, 1990, which is headed Republicans maintain 4-to-1 spending edge over Democrats despite fundraising decline over prior cycles among some of the committees. And it points out as the November congressional election approaches, the national Republican Party committees have outspent its Democratic counterparts by more than $118 million, according to a study of the Federal Election Commission.

Reports filed with the FEC show the Republican national senatorial and congressional committees raised and spent $159 million while the Democratic committees $37 million and spent $40 million from January 1, 1989, through October 17, 1990.

Mr. President, I ask unanimous consent that this Federal Election Commission study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

REPUBLICANS MAINTAIN 4-1 SPENDING EDGE DESPITE FUNDRAISING DECLINE OVER PRIOR CYCLES

WASHINGTON.—As the November congressional elections approach, the National Republican party committees have outspent their Democratic counterparts by more than $118 million, according to a study by the Federal Election Commission.

Reports filed with the FEC show that the Republican's national, senatorial and congressional committees raised and spent $159 million while the Democratic committees raised $37 million and spent $40 million from January 1, 1989, through October 17, 1990.

In terms of candidate support, Republican party committees gave $1.8 million in direct contributions compared to just over $900,000 for Democratic committees. The GOP also spent $7.4 million in coordinated expenditures compared to $5.8 million for the Democrats.

Compared to 1985–86, the last non-presidential election cycle, financial activity has remained level for Democratic committees while receipts fell $30 million and spending dropped $26 million for the Republicans.

In addition to direct contributions and coordinated expenditures, the Republican party has provided additional support by means of two joint fundraising committees—Republican Senatorial Inner Circle 1990 and 1990–91. These committees have distributed a combined total of $1.9 million to 49 senate candidates. Details of these activities are attached to this release.

The National Republican Party has transferred $3.7 million to various state Republican party committees; the Democratic $1.6 million. An itemization of these transactions by party and by state is also attached.

ACTIVITY OF PARTY COMMITTEES THROUGH 20 DAYS PRIOR TO THE GENERAL ELECTION

	1989–90	1987–88	1985–86	1983–84
RNC				
Receipts	$60,755,728	$82,778,403	$75,638,914	$97,583,753
Individuals	54,093,457	75,608,903	70,880,513	92,060,777
Non-Party	540,016	987,000	317,588	681,292
Disbursements	60,771,162	70,554,816	72,888,542	92,708,635
Cash-on-hand	2,312,641	13,464,432	4,417,092	5,183,898
Debts by	....	....	....	....
Contributions	196,669	139,250	287,808	776,425
Coord. expend.	14,321	1,031,401	2,100	5,177,571
NRSC				
Receipts	69,848,319	56,878,346	79,808,159	73,546,055
Individuals	56,928,563	52,318,730	72,094,305	66,118,880
Non-Party	1,362,679	625,763	333,398	349,191
Disbursements	69,346,694	53,518,835	77,093,310	71,449,161
Cash-on-hand	1,233,406	3,544,847	2,276,998	3,633,166
Debts by	162,185	489,829	1,469,019	2,143,744
Contributions	834,242	646,974	613,450	564,856
Coord. expend.	6,000,802	8,392,105	8,901,784	5,081,102
NRCC				
Receipts	28,529,119	31,295,871	35,482,366	54,236,385
Individuals	25,277,442	28,737,982	33,265,680	48,381,066
Non-Party	1,085,685	688,500	337,833	300,511
Disbursements	28,938,616	27,787,981	35,522,140	53,483,255
Cash-on-hand	780,063	3,783,504	67,508	6,078,856
Debts by	2,443,467	876,817	2,992,264	633,725
Contributions	794,358	1,402,720	1,535,458	2,466,539
Coord. expend.	1,423,707	2,316,503	1,864,351	3,992,822
REPUBLICANS				
Receipts	159,133,166	170,952,620	190,929,439	225,366,193
Individuals	136,299,462	156,665,615	176,240,498	206,560,723
Non-Party	2,988,380	2,301,263	988,819	1,330,994
Disbursements	159,056,472	151,861,632	185,503,992	217,641,051
Cash-on-hand	4,326,110	20,792,783	6,761,598	14,895,920
Debts by	2,605,652	1,366,646	4,461,283	2,777,469
Contributions	1,825,269	2,188,944	2,436,716	3,807,820
Coord. expend.	7,438,830	11,740,009	10,768,235	14,251,495
DNC Services				
Receipts	13,139,595	41,712,005	15,172,256	39,827,632
Individuals	9,385,866	36,333,208	11,159,109	26,839,665
Non-Party	1,202,544	1,586,637	860,997	1,343,665
Disbursements	16,589,750	33,550,624	15,337,692	38,339,321
Cash-on-hand	1,964,503	8,317,054	127,105	1,759,444
Debts by	804,687	956,641	2,345,359	2,890,981
Contributions	48,650	31,398	20,500	57,750
Coord. expend.	116,929	7,182,670	343,348	947,107
DSCC				
Receipts	16,188,583	14,845,661	11,480,591	8,229,876
Individuals	10,772,463	10,273,980	7,477,336	4,803,055
Non-Party	4,019,955	2,870,990	1,545,924	1,463,153
Disbursements	15,498,633	13,921,228	11,315,932	7,345,555
Cash-on-hand	776,659	1,003,345	378,904	908,178
Debts by	1,098,278	830,528	850,149	....
Contributions	479,770	470,216	577,067	410,050
Coord. expend.	3,792,130	5,016,620	4,475,055	3,091,242
DCCC				
Receipts	8,187,645	11,189,102	11,018,209	9,278,624
Individuals	3,334,216	5,720,627	7,458,350	6,090,049
Non-Party	3,678,992	2,844,260	1,440,636	1,458,901
Disbursements	8,209,599	11,082,368	11,068,252	8,743,842
Cash-on-hand	24,728	165,588	248,507	649,747
Debts by	1,598,403	1,725,351	786,983	448,902
Contributions	387,571	592,788	575,381	742,717
Coord. expend.	1,909,823	1,508,379	876,568	550,115
DEMOCRATS				
Receipts	37,515,823	67,746,768	37,671,056	57,336,132
Individuals	23,492,545	52,327,815	26,094,795	37,732,769
Non-Party	8,901,491	7,301,887	3,847,557	4,265,719
Disbursements	40,297,982	58,554,220	37,721,876	54,428,718
Cash-on-hand	2,765,890	9,485,987	754,516	3,317,369
Debts by	3,501,368	3,512,520	3,982,491	3,339,883
Contributions	915,991	1,094,402	1,172,948	1,210,517
Coord. expend.	5,818,882	13,707,669	5,694,971	4,588,464

Note that Coordinated Expenditures are only made in General or Special Elections.

Republican Senatorial Inner Circle 1990 distribution of proceeds of joint fundraising

Candidate	*Amount*
990 Candidates:	
Ben Bagert—LA Chl	$43,500
Rudy Boschwitz—MN Inc	42,800
Hank Brown—CO Open	53,500
Bill Cabaniss—AL Chl	53,500

Republican Senatorial Inner Circle 1990 distribution of proceeds of joint fundraising—Continued

Candidate	*Amount*
Dan Coats—IN Inc	53,500
Thad Cochran—MS Inc	42,800
William Cohen—ME Inc	42,800
Larry Craig—ID Open	53,500
Hal Daub—NE Chl	53,500
Pete Domenici—NM Inc	42,800
Phil Gramm—TX Inc	38,800
Mark Hatfield—OR Inc	42,800
Jesse Helms—NC Inc	53,500
Alan Kolstad—MT Chl	53,500
Lynn Martin—IL Chl	53,500
Mitch McConnell—KY-Inc	53,500
Larry Pressler—SD Inc	53,500
James Rapaport—MA Chl	53,500
Claudine Schneider—RI Chl	53,500
Bill Schuette—MI Chl	20,000
Alan Simpson—WY Inc	42,800
Bob Smith—NH Open	53,500
Ted Stevens—AK Inc	42,800
Tom Tauke—IA Chl	53,500
Strom Thurmond—SC Inc	42,800
John Warner—VA Inc	40,800
Not running in 1990:	
Kit Bond—MO Inc	8,900
Conrad Burns—MT Inc	8,900
John Chafee—RI Inc	8,900
Al D'Amato—NY Inc	8,200
David Durenberger—MN Inc	8,900
Jake Garn—UT Inc	8,900
Slade Gorton—WA Inc	8,800
John Heinz—PA Inc	8,500
Jim Jeffords—VT Inc	8,900
Robert Kasten—WI Inc	8,800
Trent Lott—MS Inc	8,900
Richard Lugar—IN Inc	8,800
Connie Mack—FL Inc	7,700
John McCain—AZ Inc	8,800
Frank Murkowski—AK Inc	8,900
Don Nickles—OK Inc	8,900
Robert Packwood—OR Inc	8,800
Arlen Specter—PA Inc	8,500
Steve Symms—ID Inc	8,900
Malcolm Wallop—WY Inc	8,900
Nat Rep Senatorial Cmte	12,000
Total distributed	1,421,300

Republican Senatorial Inner Circle 1990-91 distribution of proceeds of joint fundraising

Candidate	*Amount*
1990 Candidates:	
Rudy Boschwitz—MN Inc	3,750
Jane Brady—DE Chl	3,750
Hank Brown—CO Open	20,000
Bill Cabaniss—AL Chl	20,000
Dan Coats—IN Inc	20,000
Thad Cochran—MS Inc	2,857
William Cohen—ME Inc	3,750
Larry Craig—ID Open	20,000
Hal Daub—NE Chl	35,000
Pete Domenici—NM Inc	3,750
Phil Gramm—TX Inc	3,750
Mark Hatfield—OR Inc	20,000
Jesse Helms—NC Inc	20,000
Alan Kolstad—MT Chl	20,000
Lynn Martin—IL Chl	35,000
Mitch McConnell—KY Inc	20,000
Larry Pressler—SD Inc	20,000
James Rapaport—MA Chl	3,750
Pat Saiki—HI Chl	35,000
Claudine Schneider—RI Chl	35,000
Bill Schuette—MI Chl	20,000
Alan Simpson—WY Inc	3,750
Bob Smith—NH Open	20,000
Ted Stevens—AK Inc	3,750
Tom Tauke—IA Chl	35,000
Strom Thurmond—SC Inc	3,750
John Warner—VA Inc	3,750
Christine Whitman—NJ Chl	3,750
Not running in 1990:	
Kit Bond—MO Inc	2,857
Conrad Bums—MT Inc	2,857
John Chafee—RI Inc	2,857
Al D'Amato—NY Inc	2,857
David Durenberger—MN Inc	2,857
Jake Garn—UT Inc	2,857
Slade Gorton—WA Inc	2,857
John Heinz—PA Inc	2,857
Jim Jeffords—VT Inc	2,857
Robert Kasten—WI Inc	2,857
Trent Lott—MS Inc	2,857
Richard Lugar—IN Inc	2,857
Connie Mack—FL Inc	2,857
John McCain—AZ Inc	2,857
Frank Murkowski—AK Inc	2,857
Don Nickles—OK Inc	2,857
Robert Packwood—OR Inc	2,857
Arlen Specter—PA Inc	2,857
Steve Symms—ID Inc	2,857
Malcolm Wallop—WY Inc	2,857
Total distributed	496,247

NATIONAL PARTY TRANSFERS TO STATE PARTY COMMITTEES

[Jan. 1, 1989—Oct. 17, 1990]

	Rep Nat Cmte	Dem Nat Cmte
Alabama	$29,200	$10,000
Alaska	25,000	
Arizona	32,500	34,358
Arkansas	32,605	6,118
California	12,875	128,347
Colorado		14,510
Connecticut	65,000	16,640
Delaware	5,000	1,117
Florida	176,198	54,707
Georgia	46,500	6,198
Hawaii	2,000	25,624
Idaho		5,000
Illinois	37,500	66,468
Indiana	107,361	11,953
Iowa	5,250	31,371
Kansas		15,000
Kentucky	37,000	57,221
Louisiana		14,759
Maine	10,750	6,491
Maryland		1,640
Massachusetts	31,000	100,570
Michigan	78,848	48,250
Minnesota	34,500	4,798
Mississippi	3,550	11,785
Missouri	34,367	820
Montana	7,250	16,118
Nebraska	13,148	19,250
Nevada	1,250	6,259
New Hampshire		10,866
New Jersey	91,250	5,000
New Mexico	10,000	11,178
New York	15,500	20,000
North Carolina	54,166	119,839
North Dakota	10,373	4,795
Ohio	1,000	19,745
Oklahoma	15,000	4,522
Oregon	16,250	15,775
Pennsylvania	21,000	42,151
Rhode Island	5,000	14,239
South Carolina	8,000	
South Dakota	5,000	32,646
Tennessee	10,000	6,677
Texas	17,800	61,940
Utah		4,254
Vermont	10,000	7,366
Virginia	52,000	12,500
Washington		1,640
West Virginia	5,000	5,000
Wisconsin	29,350	8,279
Wyoming	8,000	6,351
Total	1,213,341	1,130,135

NATIONAL PARTY TRANSFERS TO STATE PARTY COMMITTEES

[Jan. 1, 1989—Oct. 17, 1990]

	Nat Rep Sen Cmte	Dem Sen Camp Cmte
Alaska		
Alabama	$149,000	
Arkansas		
Arizona		
California		
Colorado	150,000	
Connecticut		
Delaware		
Florida		
Georgia		
Hawaii	50,000	
Iowa	414,500	153,627
Idaho	35,000	
Illinois	45,000	
Indiana	150,500	
Kansas		
Kentucky	315,000	10,000
Louisiana	32,290	
Massachusetts	155,000	
Maryland		
Maine	15,000	
Michigan	265,000	
Minnesota	25,000	
Missouri		
Mississippi		
Montana	90,000	130,140
North Carolina	250,000	
North Dakota		
Nebraska	15,000	
New Hampshire	75,000	
New Jersey		
New Mexico		
Nevada		
New York		
Ohio		
Oklahoma	30,000	
Oregon		
Pennsylvania		
Rhode Island	35,000	25,000
South Carolina		3,000
South Dakota	100,000	28,000
Tennessee		
Texas	50,000	25,000
Utah		
Virginia		5,000
Vermont		
Washington		
Wisconsin		
West Virginia		50,000
Wyoming	5,000	507
Total	2,451,290	430,274

*The Nat. Republican Congressional Committee has reported no transfers. The DCCC transfered $2,000 to Hawaii.

Mr. BOREN. Mr. President, what we are dealing with here, because of different fundraising capabilities of the parties, if we allowed party seed money not to be considered in terms of the limits, is we are giving a distinct advantage to the other side of the aisle over this side of the aisle, and I do not think that would be something that would promote competition the right way.

I think the best way to deal with the very real problem the Senator from Kansas has highlighted, that challengers do not really have an equal chance, is to put limits and constraints on overall spending because incumbents have such a tremendous advantage in being able to gear up the engines to raise the millions of dollars now being spent in Senatorial campaigns.

As long as the sky is the limit, the incumbents are always going to have a huge advantage, because they are able to raise the money, whereas challengers are simply not able to raise it.

In addition, the provisions of our bill which constrains the influence and the activities, and these are common provisions on both sides of the aisle, something also that the President has embraced, constraints on giving by special interest groups, the political action committees will help in the process as well.

So, Mr. President, at the appropriate time I will make a motion to table this particular Dole amendment and I will ask for the yeas and nays on the tabling motion as soon as my colleague has yielded back the time he has on his amendment.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. I am going to yield back the time. I say the bipartisan committee recognized the disparity in the fundraising of the Democratic and Republican National Committees but indicated it would be incentive for Democrats to strengthen their party and do better in that area, plus we would be able to make loans.

I yield to the Senator.

Mr. McCONNELL. Mr. President, if the Republican leader will yield for an observation, I say one of the reasons the funding disparity appears to be so great is that all the nonparty soft money which our friends on the other side of the aisle benefit from never appears on these reports. In fact, the disparity is not that great, I suggest.

Mr. DOLE. Probably that is correct; they do not count that. I do not know how that works.

I yield back the time.

Mr. BOREN. How much time remains on this side?

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. BOREN. One brief comment. I thank my colleague from Kansas for his generous offer on behalf of the Republican Party to enter into loans with the Democratic Party since we are usually stricken with the need for more money. We probably can discuss that appropriate rate of interest off the floor. I appreciate the offer.

I will say there is certainly strong agreement on this side of the aisle about soft money and certainly agreement with the Senator personally. We endeavored to put some provisions into this bill that will reduce the amount of soft money available. It will fully disclose any party soft money and constrain it.

I think that is an area where we need to go further in conference, for example, in making sure we have even more complete disclosure of soft money, of all forms, from whatever the source, not just from parties. This is the kind of issue I hope we can address in the conference committee and make additional progress on and something that will strengthen the bipartisan support of this bill.

Mr. President, I, at this time, move to table the Dole amendment and ask for the yeas and nays to be scheduled at the appropriate time.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BOREN. I yield back all time.

The PRESIDING OFFICER. Under the previous order the Senator from Missouri is to be recognized.

The Chair recognizes the Senator from Mississippi.

Mr. LOTT. Mr. President, I think we have a very limited time here. I would like to speak to the amendment that has been offered in my name that would express the sense of the Senate regarding——

The PRESIDING OFFICER. If the Senator will withhold, unless you ask for the regular order or ask unanimous consent, the previous order will require me to recognize the Senator from Missouri.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the remainder of the time on the Lott amendment be expended at this particular point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Mississippi.

Mr. LOTT. I inquire about the time remaining.

The PRESIDING OFFICER. The Senator from Mississippi has 3 minutes and 30 seconds.

AMENDMENT NO. 267

Mr. LOTT. Mr. President, this amendment would express the sense of the Senate regarding application of the provisions relating to PAC's equally to candidates for the Senate and candidates for the House of Representatives.

I do think that this is very important language to make it clear that the Senate feels that there should be parity, equality, between the two bodies, between the House and Senate, specifically on the political action committees language and separate, segregated funds, and they should apply in the same way to the candidates for either House.

I served 16 years in the House; enjoyed it very much. But I had no idea when I came to this body that I would be coming to a situation where there is such a disparity between the two, including pay that is lower for the Senate as opposed to the other body, and now the possibility that we might have different campaign finance laws applicable to one body versus the other.

Some people might say, well, there is adequate protection in the bill. I think we need to make it perfectly clear that the Senate feels very strongly that the language should be the same, particularly on the PAC's. And it has been said by at least one key Member of the other body that what they would like to have is to just let the Senate pass its version and the House would have a separate version, and we would just put the two together and come out of the conference in that way.

I think that would be a big mistake. It would further denigrate the Senate, in my opinion, as compared to our colleagues in the other body. It would cause great confusion as to the applicability of campaign finance laws, and it would further guarantee the certainty that there would be a veto of this legislation.

The letter from President Bush that has already been referred to, dated May 22, noted three reasons for sure that he would veto legislation if it got to his desk in this form. One of those was:

> Further, I am deeply opposed to campaign reform legislation that proposes different rules concerning political action committees for the Senate and House. We must not further balkanize ethics and election reform.

So I hope that our colleagues on the other side of the aisle will accept this language. I think it would be a big mistake, and I just cannot understand why we would even consider having different campaign finance laws applicable to one body versus the other. So I ask this be adopted.

I am glad to yield to the distinguished Republican manager of the bill.

Mr. McCONNELL. Let me thank my friend from Mississippi for his amendment, and tell him I think he is right on the mark. We need to pass one campaign finance reform law.

Mr. BOREN. Mr. President, how much time is allotted on this side?

The PRESIDING OFFICER. The Senator from Oklahoma has 5 minutes.

Mr. BOREN. Mr. President, I yield myself such time as I might require of the time available to me.

Mr. President, I too agree with the statements that have just been made by the Senator from Mississippi. We have had situations where we have one set of rules apply for the House and one set of rules apply for the Senate. It is simply not a healthy situation, or the appropriate way to do business.

I would like to see us have one set of campaign reform principles adopted, applying in all areas in terms of special-interest financing of campaigns, and every other area, as well. So I support what the Senator from Mississippi is here trying to do.

I would just make this caveat. The Senator from Mississippi certainly understands this, having served in the other body with distinction for a number of years. The Members of the House are very sensitive about Members of the Senate presuming to tell them how they should conduct their own business, just as we are sensitive about Members of the House setting forth rules and procedures under which we should operate.

So I do want to say, certainly when it comes to setting limits, if we have a bill that has some sort of limits or spending targets, as the Republican leader has referred to, Members of the House would certainly set some things that would apply only to the House of Representatives, because there are differences in campaigns and districts statewide.

But in terms of the general principles under which we should operate, including special-interest funds that would be available for campaigns, I think it is very important that we have a common set of rules.

In supporting the amendment of the Senator from Mississippi, I want to make it clear the Senate is not just displaying arrogance toward the House. We realize the bill will be a product of House and Senate conference.

It may be that the House will move the Senate toward their position on certain issues. We will have to split the difference on differences of opinion, so that the final product will not just be the House being forced to accept the Senate bill, quite obviously. It will be a process in conference in which both the attitudes of the House and Senate will be blended together in one bill.

But I think what the Senator is saying is that is exactly what should happen. So the House and Senate conference should work together and have one bill, with one set of rules and regulations and principles applicable to both Houses, not necessarily that the Senate provision prevail on all issues, but we should hammer out of a common set of principles. I certainly agree with that.

I know of no opposition to the amendment on this side of the aisle. I am prepared not only to accept the amendment, but indeed, as one individual Senator, I support the amendment and commend the Senator for offering it.

I yield back all time on this side.

The PRESIDING OFFICER. The Senator from Mississippi has 47 seconds remaining.

Mr. LOTT. Mr. President, I do want to emphasize I agree on this. Certainly, we need different rules. We have always had different rules in the way we operate our individual bodies, and I understand that a conference is give and take. Having been a conferee from the other side, I think it is important there be that give and take. But when it comes to the law for campaigns, we should work it out and have only one law applicable. So I appreciate the Senator's comment on that.

I yield back the balance of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (No. 267) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Missouri [Mr. DANFORTH].

AMENDMENT NO. 271 TO AMENDMENT NO. 242

(Purpose: To amend section 315 of the Communications Act of 1934 with respect to the purchase and use of broadcasting time by candidates for public office, and for other purposes)

Mr. DANFORTH. Mr. President, on behalf of Senator INOUYE and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. DANFORTH], for himself and Mr. INOUYE, proposes an amendment numbered 271 to Amendment No. 242.

Mr. DANFORTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

Strike all on page 44, line 21, through page 45, line 5, and insert in lieu thereof the following:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period the rates under subsection (b) (1)(A) or (2) are in effect, of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to subsection (b) (1)(A) or (2).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.".

On page 45, after line 19, insert the following:

(d) APPLICABILITY OF LOWEST UNIT CHARGE REQUIREMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as so redesignated by subsection (c) of this section, is amended—

(1) by striking "forty-five" and inserting in lieu thereof "thirty";

(2) by striking "sixty" and inserting in lieu thereof "forty-five"; and

(3) by striking "class and".

On page 97, line 3, strike "broadcast" and insert in lieu thereof "television, radio, and cable communication".

On page 97, line 7, line 14, and line 17, strike "broadcast" and insert in lieu thereof "communication".

On page 97, line 13, strike "broadcast" and insert in lieu thereof "message".

On page 97, line 11, after "I" insert the following ", (name of the candidate),".

The PRESIDING OFFICER. Under the previous order, the time allotted for the discussion of this amendment is 10 minutes equally divided.

Mr. DANFORTH. Mr. President, I yield myself 3 minutes

Mr. President, while the entire bill that has been on the floor has been extremely controversial, this amendment, to my knowledge, is totally noncontroversial. The intent of the amendment is to incorporate into the bill the provisions of S. 521. S. 521 is the Commerce Committee's bipartisan effort at addressing two issues of compaign reform.

The first issue that is addressed by the Commerce Committee bill, reported out unanimously last week, has to do with the reform of the lowest unit rate rule. Lowest unit rate was intended to provide political candidates with the same broadcast rates as are available to commercial advertisers.

Unfortunately, because of the distinction that has been made between preemptible and nonpreemtible time, the practical effect of the current law is that political candidates can be changed many times what commercial advertisers are charged.

Further, there is the possibility of abuse, and there have been instances of abuse where two competing candidates have been charged very different amounts for exactly the same timeslot.

This Commerce Committee bill changes that provision, reinstates the original intent of lowest unit rate, and does in fact provide political candidates with the same advertising rates as are available to commercial advertisers.

Second, it conforms the candidate disclosure provisions in the legislation before us to what was reported out by the Commerce Committee and makes those disclosure provisions applicable not only to broadcast television and radio but also to cable television and further requires the candidate to state his name, disclosing his identity.

That is the upshot of the amendment. This, in the minds of the members of the Commerce Committee, constitutes real campaign reform, a very major step forward, and it is something we believe could pass the Congress in very short order.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. BOREN. Mr. President, I yield myself 2 minutes.

Mr. President, I have had a discussion with the Senator from Missouri about this amendment. Basically I find much that recommends and commends itself in the amendment of the Senator from Missouri. I want to pay tribute to him for all the work he has done as a member of the Commerce Committee on this particular issue, not only on this issue but on several others. We have included and we are indebted to the Senator from Missouri for another of his ideas which relates to trying to end negative campaigning, the kind of 30-second spots under which people hire actors to get on television and make charges about their opponents and throw mud and besmirch the character of opposition candidates without having to assume responsibility for this mudslinging and negative campaigning themselves. The Senator from Missouri, among others, has advocated that we make candidates assume this responsibility. If there are actors on a spot and they are attacking the opposing candidates, at the end of that spot the candidate has to say, I, Senator X, or candidate X, have authorized this ad and assume responsibility for it. Maybe that will discourage this kind of character assassination and negative campaigning.

I want to commend the Senator from Missouri for this idea among many others that he has contributed to this process. In fact, I still have high hopes since he has made such a contribution to this effort that ultimately he will decide to join in support of final passage of this legislation to send it to conference. There is always hope, even to the 11th hour, until the name is called, that repentance might be at hand on some issues. My distinguished colleague from Missouri is a theologian and ordained as well. I keep hoping for his personal salvation on this issue. I want him to know I am concerned about his well-being and hope he will join us in voting for this bill.

I also want to commend him for the work that has been done by the Commerce Committee and by him on the question of the lowest unit rate, on getting a more workable definition. The Senator has a balanced proposal which would reduce the number of days in which the rate would be offered but would define the rate in a much more workable fashion. So I find many things for which to commend him.

I do want to say—and the Senator from Missouri understands this—my position on this amendment as to whether or not I can accept it without a rollcall will depend in part on the outcome of the vote on the Nickles amendment, which would strip out of our bill the 50 percent discount rate as an incentive for candidates who comply with spending limits. It would do severe damage to the bill if that amendment were agreed to, and there might be a number of people on this side of the aisle whose attitude would be affected toward the Danforth amendment, which would come up in sequence after the Nickles amendment, if that amendment were to prevail. To protect the rights of those on this side of the aisle who might want a vote on the Danforth amendment if the Nickles amendment happened to prevail, I do want to reserve my right to do that.

On the other hand, I do not want to request the yeas and nays at this point. If they became necessary and were ordered, it would require unanimous consent to vitiate them. I also know if the yeas and nays are ordered on the Danforth amendment, the Senator from Missouri will wish to have additional time to debate this matter. If that indeed is the case, I will join with him in making that request that he be given that additional time.

So, Mr. President, I have discussed this with the Senator from Missouri. I ask unanimous consent that I have remaining to me 1 minute of time on this side, and whether or not there be ordered a rollcall vote on the amendment—I be allowed to ask for a rollcall vote on the Danforth amendment after all the other votes have occurred which begin at 1:30. In other words, after we have voted on all of those matters on which rollcalls have been ordered, at that time I would ask unanimous consent that, immediately after the last rollcall in sequence, commencing at 1:30, the Danforth amendment be pending and that I be recognized for 1 minute at that time, at which time I hope to be able to accept the Danforth amendment.

If not, I would request at that time the yeas and nays and then I would enter into a request with the Senator from Missouri that additional time for debate on the Danforth amendment be given. We have had a discussion about this, and I believe the Senator from Missouri does not object to this unanimous-consent request.

The PRESIDING OFFICER. Is there objection? The Senator from Missouri.

Mr. DANFORTH. Mr. President, reserving the right to object, but simply to clarify what I hope is the unanimous-consent request of the Senator from Oklahoma, last night as we were discussing the possibility of time agreements I made two possible propositions. One was that we enter into a 10-minute time agreement, equally divided, on the theory that this totally noncontroversial amendment would be acceptable by both sides and it would only take 10 minutes of debate.

The second proposition I made was that, if it turns out to be controverted and not acceptable by the managers and therefore requiring a rollcall vote, instead of 10 minutes equally divided, there be 2 hours equally divided.

If the Senate is going to engage in a contested issue, if we are going to have controversy on this totally noncontroverted issue, then it it important for the Members of the Senate to understand what the lowest unit rate issue involves in some degree of depth, and the distinction between the disclosure provisions in the bill that is before us and the bill that was reported out of the Commerce Committee. That cannot be done in 5 minutes, and it certainly cannot be done in 1 minute.

So my hope would be unanimous-consent request of the Senator from Oklahoma include the fact that in the event this amendment is not acceptable, that there then be 2 hours equally divided for the debate on the amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I would be happy to amend my request to make that explicitly clear, so that when I am recognized at the conclusion of all votes ordered to commence at 1:30, if at that time when I am recognized for 1 minute to either accept or request a rollcall on the Danforth amendment, if, at that time I do request a rollcall in or in relation to the Danforth amendment, that the time for debate would be then automatically extended on the Danforth amendment to 2 hours equally divided, understanding we might not use all time but that it will be available.

As I say, I hope we are talking about a hypothetical situation. I think perhaps we are and it will work out so I can accept the amendment. But to preserve the rights of all concerned I believe that my request amended as the Senator from Missouri just requested would do it.

The PRESIDING OFFICER. Is there objection to the request as amended? Hearing none, it is so ordered.

Mr. PRESSLER. Mr. President, I want to congratulate the distinguished Senator from Missouri for his leaderhip on this important amendment to help clean up campaigns.

I say this as someone who practiced this principle in my own campaign. Going even further than this amendment, I had a self-imposed requirement that I be on camera for the length of any commercial that even mentioned my opponent's name.

I did it looking straight into the camera—full face and no gimmicks—the entire time. It gave my media consultant a serious case of heartburn and probably cost me 10 points, but I am proud I did it.

I never once allowed my media consultant to run an anonymous attack ad, even though there were dozens used on me. My opponent's name was never mentioned in an ad unless I said it myself. I think this added to the quality of the campaign.

But as proud as I am of my campaign, frankly, I do not think I would do it again by myself. As I said, it probably cost me 10 points. Fortunately, I had a few to spare. Next time I might not be so lucky. In the future, I probably will be compelled to respond to that kind of garbage if we cannot reach an agreement or set a standard of accountability. The hallmark of disclaimer theory is accountability. I support that.

Although I got many compliments for running a positive campaign, the fact remains that anonymous, negative attacks work. The only way to clean them up is by applying a fair standard across the board.

Personally, I would like to see candidates voluntarily agree to speak for themselves. My own experience tells me it is unlikely that this will be agreed to. That is why I support this amendment. It still allows for some anonymous announcer to sling mud, but at least it requires that the candidate sponsoring it be identified.

This bill is really no departure from current disclosure and disclaimer theory. It simply translates the fiction of thumbnail photos and unreadable newsprint disclaimers into the reality of a disclaimer that voters can in fact recognize.

I will never forget the demonstration of one media consultant who tried to talk me into running negative anonymous ads. With great pride he showed me how he could camouflage the background of the tiny photo and newsprint disclaimer now required to make them unreadable. He put it to the test by telling people in advance where it was; he placed the ad four times in a row, and five out of five people could not read or identify the disclaimer.

The point here is that contrary to the stated purpose of current law, we have no disclaimer requirement, in fact. This amendment does nothing more than recognize and correct the currency deficiency in existing disclaimer law.

I have a hard time seeing how anyone who supports the disclaimer concept can oppose this amendment.

Some criticize this as an incumbent's protection plan. But that is not true. In fact, in my home State we had a House challenger endorse my more stringent proposal because he didn't like the cheap-shot campaigns. He, like I, ran ads about his opponent. But he had the conviction to speak for himself. Only one of five congressional candidates refused.

This amendment is far less demanding than my own standard. It is simply an effective disclosure requirement which, for the first time, effectively does what the original campaign disclosure act promised, and I again commend its author.

I urge my colleagues to join me in support of this amendment.

The PRESIDING OFFICER. Under the previous order the Chair recognizes the Senator from Kentucky [Mr. McCONNELL] for purposes of offering an amendment.

AMENDMENT NO. 272 TO AMENDMENT NO. 242

Purpose: To deny tax status to certain organizations participating in campaigns.

Mr. McCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes an amendment numbered 272 to amendment No. 242.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, insert the following:

SEC. . RESTRICTIONS ON SOFT MONEY ACTIVITIES OF TAX-EXEMPT ORGANIZATIONS.

(a) In General.—Section 501 of the Internal Revenue Code of 1986 (relating to exemption from tax) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) Denial of Tax-Exempt Status for Activities To Influence a Federal Election.—An organization shall not be treated as exempt from tax under subsection (a) if such organization participates or intervenes in any political campaign on behalf of or in opposition to any candidate for Federal office.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to any participation or intervention by an organization on or after the date of enactment or September 1, 1992, whichever is later.

SEC. . DENIAL OF TAX-EXEMPT STATUS FOR CERTAIN POLITICALLY ACTIVE ORGANIZATIONS.

(a) In General.—Section 501 of the Internal Revenue Code of 1986 (relating to exemption from tax), as amended by the preceding section, is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

"(o) Denial of Tax-Exempt Status for Certain Politically Active Organizations.—

"(1) In general.—An organization shall not be treated as exempted from tax under subsection (a) if—

"(A) such organization devotes any of its operating budget to—

"(i) voter registration or get-out-the-vote campaigns; or

"(ii) participation or intervention in any political campaign on behalf of or in opposition to any candidate for public office; and

"(B) a candidate, or an authorized committee of a candidate, has—

"(i) solicited contributions to, or on behalf of, such organization; and

"(ii) the solicitation is made in cooperation, consultation, or concert with, or at the request or suggestion of, such organization.

"(2) Candidate defined.—For purposes of this subsection—

"(A) In general.—The term 'candidate' has the meaning given such term by paragraph (2) of section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(2)).

"(B) Members of congress.—The term 'candidate' shall include any Senator or Representative in, or Delegate or Resident Commissioner to, the Congress unless—

"(i) the date for filing for nomination, or election to, such office has passed and such individual has not so filed, and

"(ii) such individual is not otherwise a candidate described in subparagraph (A).".

(b) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act, but only with respect to solicitations or suggestions by candidates made after the date of the enactment of this Act.

The PRESIDING OFFICER. Under the previous order there are 30 minutes equally divided for debate on this amendment.

Mr. McCONNELL. Mr. President, there has been a lot of talk about soft money in this debate, but we really have not dealt with it yet. The definition of soft money is that it is money spent by labor unions, corporations, and political parties to affect the outcome of elections but which is not reported to the FEC, disclosed to the public, or limited or regulated by law. Soft money activities can also be conducted in consultation with the candidate, as opposed to independent expenditures, which must be done independent of the candidate. Soft money activities can be engaged in by political parties and by groups that are not political parties, tax-exempt groups.

S. 3, the bill before us, seeks to nail parties, the one entity in America that will stand up for challengers. Unfortunately we are going to have a rollcall vote on Senator DOLE's amendment to provide seed money for challengers, further evidence that S. 3 is designed to further tilt the scale against challengers.

Mr. President, in dealing with soft money, S. 3 crunches the soft money out of the parties but leaves all soft money expenditures by nonparties completely unaffected.

With this amendment, I hope to eliminate one of the most insidious forms of taxpayer financing of campaigns in our system: Tax-free corporations, subsidized under our Tax Code which participate aggressively in political campaigns, taking sides and doing everything in their power to get the outcome they want. The only difference between these groups and politically involved private citizens is that the citizens pay taxes; the corporations do not.

This amendment simply says that if a corporation wants to participate in a political campaign on behalf of or in opposition to a candidate for Federal office, they will not be punished. No public money will go to their opponent, but nor will they be able to claim exemption from taxes that every other American citizen pays.

The rule here is simple and fair: If you want to play, you have to pay. If a corporation wants to operate as an adjunct campaign organization for a particular candidate or activity, promote or attack the candidate, it is not going to get a tax break for doing it.

This amendment has a second important purpose. Everyone in this body is concerned about the black market of soft money that is choking Presidential and congressional races, principally Presidential races. The major players in this black market are tax-free organizations; labor unions and thousands of other corporations formed under section 501(c) of the Internal Revenue code.

With computerized phone banks, targeted direct mail, intricate money-transferring schemes, and coordinated earned media strategies, these tax-free corporations run possibly the most sophisticated black market in America. None of this activity—I repeat, none of this activity—is publicly disclosed. All of it is conducted beneath the radar of the Federal Election Commission. Experts have submitted that about half the total money spent in the last Presidential election was soft money, unreported, undisclosed, unlimited, some of it by political parties. Much of that, however, was disclosed. Millions by the nonparty groups.

One reason why these organizations can afford such massive stealth campaigns is that they are subsidized through their tax exemption. In other words, we are forcing the American taxpayer to help subsidize the soft-money black market. My amendment corrects this outrageous anomaly in the tax law. If you are against taxpayer financing, as most Americans are, or if you are simply against continuing this tax break for soft money, you should vote for this amendment. If you think soft money deserves a tax exemption, then obviously you will be against this amendment. But, if we are going to get serious about eliminating soft money, then the first thing we should do is take away its tax breaks.

Whenever a new measure is introduced, there is always some concern about what the language means and how the courts will interpret it. The Democratic leader and I discussed this last summer during this debate. For simplicity sake, my amendment adopts the exact same language that defines the permissible activities of charitable organizations set forth in section 501(c)(3) of the Tax Code. This language is old, tested, and true. In fact, it was drafted and offered in 1954 by then Senator Lyndon Johnson. Since then, this language has been upheld repeatedly in the courts and refined by 35 years of judicial interpretation.

For example, although tax-free corporations are banned from intervening in political compaigns, they are nevertheless free to conduct voter education programs on the positions of candidates so long as the program includes both sides. Under this language, tax-free corporations are free to hold debates with the candidates and public forums on issues without jeopardizing their tax status.

However, such debates and forums must be impartial and fair to both candidates. That is hardly much to ask in return for a tax break. On the other hand, if the tax-free corporation wants to run attack phone banks or send hate mail about a particular candidate, it is free to do so, but it must give up its exemption from taxes. Or, and this is very important, Mr. President, it needs to set up a separate political committee, a nonconnected PAC which all of us believe will still be allowed no matter what legislation we pass, and report activities to the FEC. In other words, the soft money is converted into hard money.

If an organization wants to run a negative-earned media campaign against a candidate, it is free to do so, but the taxpyers will no longer be required to subsidize it.

If my amendment becomes law, soft money loses its tax exemption. It is as simple as that.

Finally, let me mention one other important thing my amendment does. There are a number of tax-exempt groups that conduct voter registration drives. That is an admirable and much needed activity in these days of declining voter turnout. But, there is a risk of political motivation with voter drives, especially when the money paying for the activity is donated or raised by a candidate. My amendment eliminates that risk by taking away the tax exemption of any group that conducts voter registration or get-out-the-vote drives while knowingly—knowingly—accepting money from a candidate for Federal office.

In other words, a tax-exempt group may not ask a candidate to solicit funds on its behalf or cooperate with a solicitation and then turn around and do voter registration and get-out-the-vote activities.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 7 minutes and 55 seconds.

Mr. MCCONNELL. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. I yield myself such time as I might require.

Mr. President, I think there is an honest misunderstanding and misunderstanding of what the current law is by the author of the amendment, in all due respect. This is an amendment that I hope my colleagues will look at very carefully and understand what we are doing here. This is an amendment on which I really feel obligated to raise a red flag, and I hope that those staff members who are listening to this discussion and Members who are listening to this discussion in their offices will really pay attention to what this amendment will actually do, because I think if they do pay attention to the actual effect of this amendment, there is no way that they would want to approve it.

What are the facts? Under the current law, 501(c)(3) charitable organizations—these are organizations that are nonprofit charitable organizations that have a total tax deduction that are organized to be charities—may not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office. And if they do so, they can lose their tax-exempt status. I do not think, Mr. President, that anyone would argue with that.

But what this amendment would do is extend that same rule to 501(c) organizations. 501(c) organizations, as opposed to purely charitable organizations like, let us say, the Salvation Army or some organization like that, are generally not taxed organizations but they are not necessarily charities. These are the kinds of organizations that include civic and business leagues, labor unions, agricultural organizations, veterans organizations, fraternal societies and the like, the American Legion, the VFW, the Farm Bureau, the Farmers Union—these kinds of organizations—the National Rifle Association, for example. These are the kinds of organizations that are 501(c) organizations. They are civic organizations, fraternal organizations; they are not charities, per se.

The 501(c) organizations are already taxed on any political activity. The current tax law under section 527(f) of the Internal Revenue Code requires that tax exempt 501(c) organizations pay taxes on that portion of their income devoted to political activities. So we have already taken care, essentially, of the problem that is being described by the Senator from Kentucky; 501(c)(3) charitable organizations simply cannot participate in the political process for or against candidates or they lose their tax exempt status; 501(c) organizations, if they get involved for or against candidates in political activities, are taxed upon those activities and, therefore, are not treated as tax exempt.

But what would the amendment do if it is adopted? And this is what I hope, Mr. President, that Members will pay close attention to and really consider before they vote on this amendment. The effect of the McConnell amendment, if it is adopted, would be that, for example, these organizations, which I talked about, could not inform their own Members about political issues and the political records of candidates. A veterans organization, for example, could not inform its membership that a congressional candidate is opposed to and votes against all veterans programs. The National Rifle Association, or an association on the other side of that issue, dedicated to changes in the gun laws could not inform their own members of the records or points of view of Members of Congress or candidates on issues related to gun control, for example. The Farmers Union and the Farm Bureau could not inform the members of their organization as to the position or voting records of Members of Congress or their opponents related to agricultural issues. Nor could they run editorials or make other comments or descriptive comments to their own members in relationship to pending issues before the Congress that might be considered to be political.

Mr. President, I do not think any of us want to go that far. I do not think we want to go so far as to say if the American Legion or the VFW, for example, decides they want to inform the members of voting issues of Members of Congress they loose their entire tax-exempt status and are taxed on everything they do, including beneficial programs to help the veterans of this country. I use that as an example.

This certainly is the case of throwing out the baby with the bath water. The appropriate thing to do is that if the VFW, or the American Legion, or the Farm Bureau, or the NRA, or any other organization decides to get involved for or against political candidates in terms of supporting them and spending money on campaigns, those political activities are taxed, that that organization is not treated as tax-exempt for that purpose.

I do not think we want to go so far as to—we have heard so much about the freedom of speech and freedom of expression from those on the other side during the course of this debate—muzzle organizations which are basic service and fraternal organizations from communicating with their own members, for example, about the voting records and the positions which Members of Congress have taken on a particular issue. That is going too far.

I urge Members before they vote to consider how they are going to go back and explain to the members of the American Legion, for example, why they voted to take away their right to communicate with their own members, or if they do communicate with their own members on issues of the day they are going to take away their tax-exempt status.

In fact, we have also heard a good deal about we do not want any tax increase. Senator PACKWOOD came to the floor and said we were raising taxes if we took away the tax subsidy now being given to lobbying organizations, massive amounts of money lobbying Congress each year, $100,000 a year lobbying organizations, paying for their lobbying activities.

The Senator from Oregon said during that debate that that was a tax increase. Certainly, if that was a tax increase, which I think is subject to some question, if we are going to here apply the same rules across the board to impose taxes on the American Legion, for example, for communicating with their own members about political matters and giving the records of candidates by taking away their tax-exempt status, that would certainly be a tax.

So, Mr. President, while I think, undoubtedly, this amendment is well-intentioned, it has some very unintended consquences. It is going to end up penalizing and punishing 501(c) organizations for communicating with their own members and for sharing information about, for example, voting records of all of us.

I think the American Legion ought to be able to communicate with all of its members and to be able to say that Senator X or Senator Y have been voting consistently against the veterans or for them, or Senator X or his opponent are taking differing positions on very important veterans' issues of interest to the American Legion. That is informative. I think the Farmers Union or the Farm Bureau or the American Agriculture Movement, or any other group in agriculture, for example, ought to have the same privilege.

So I urge Members to vote down this amendment offered by the Senator from Kentucky. I think we have a solution to the problem already in the Tax Code. It is merely a matter of enforcement.

The 501(c)(3) organizations devoted to charity loose their tax-exempt status if they do engage in this kind of political activity; 501(c)(3) organizations are taxed up to the amount of their political activity. We do not make them taxable on everything just because they do attempt to communicate with their own members and provide information to their own members about the issues of today and the records of candidates and records of Members.

So, Mr. President, all I would say is Members should read the fine print of this amendment before they vote on it because it goes much further than we should go in terms of constraining freedom of association in this country.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. SHELBY). Who yields time?

Mr. McCONNELL. Mr. President, the Senator from Kentucky is tempted to say "There you go again" to the Senator from Oklahoma. Reading again The Law Of Tax-Exempt Organizations, there is not going to be any prohibition against operations notifying their members.

The IRS voter education guidelines are clear. It says that they may notify their members, give them the voting records of all incumbents; candidates for reelection will not be identified.

> 3. No comment will be made on an individual's overall qualification for public office.
>
> 4. No statements, expressly or impliedly, endorsing or rejecting any incumbent as a candidate for public office will be offered.
>
> 5. No comparison of incumbents with other candidates will be made.

It goes on down through No. 8, Mr. President.

It is very clear, Mr. President, that groups will be able to continue to notify their members of the voting records of candidates. It is right here. It is well-established law.

In addition, Mr. President, the other side argues this amendment is not necessary since all tax-exempt organizations are already subject to tax on their political activities. Section 527 of the Internal Revenue Code to which the other side refers imposes a special tax on tax-exempt corporations that attempt to influence an election. However, that tax is applied to the lesser of, one, how much money is spent directly on the political activity, though not including overhead or administrative costs; or two, the corporation's investment income for the year.

This ends up being a very small amount, hardly reflecting the corporation's total financial commitment to political activities and many such tax-exempt organizations just consider this tax to be a cost of doing business in the soft money black market.

In other words, the code section to which my friend from Oklahoma refers has virtually no impact on tax-exempt soft money. My amendment, on the other hand, completely eliminates the tax exemption for organizations that conduct soft money activities. But, Mr. President, all that does is make the organization choose: either give up its tax exemption, which I suspect none of them will choose to do, or get out of the soft money black market by stopping such activities altogether and setting up a separate political activity, as many of the organizations do today, a separate nonconnected PAC—they do that today—which converts their activities from soft money into hard money. When that happens, Mr. President, then it is on the FEC report. The black market is gone. The group still is allowed to participate but it participates through hard money. When the soft money is converted to hard money, it becomes limited and disclosed like everybody else's contribution. So this is not going to impact adversely any of these organizations except that they get out of the soft money market and participate through hard money, like everybody else in America, outside the tax exemption.

This thought that churches, farmers' cooperatives, veterans' groups, and other organizations that play an important part in the process are going to somehow be handicapped is just simply wrong. Civic organizations have always played an important role in promoting political involvement and educating votes in a fair, unbiased way. That kind of activity is not soft money, Mr. President. There is nothing wrong with it. My amendment would not affect it in any way.

Civil groups, churches, and any other organizations formed under the tax-exempt corporation law would be free to conduct voter registration, voter education, candidate forums, candidate debates, compilation of voting records, and candidate questionnairs, among other political activities, without, I repeat without, jeopardizing their tax exemption. However, these activities must be, as they should be, nonpartisan, unbiased, and fair to both sides.

If, on the other hand, a tax-exempt organization wants to support one candidate over another, or one party over another, and do mailings or phone banks or leafleting or statewide press conferences on behalf of that position, that becomes clearly soft money and the taxpayer should not be forced to subsidize it through a lucrative tax exemption. That is all my amendment does.

Let me add that if any of these tax-exempt groups want to set up a separate political action commitee to engage in political activities, they may do so under my amendment but in effect what that does is turn a soft money activity into a hard money activity. That is desirable, Mr. President.

The FEC report would mean something if the McConnell amendment would be adopted. You would be able to pick up an FEC report and you would really know what is being spent, and it would have no adverse impact whatsoever on these tax-exempt organizations. If they wanted to participate in politics, they would simply do it through a hard money activity rather than a soft money activity. It does not prohibit their communicating with their members, or doing most of the things that they do today that are nonpartisan.

But when they step over into the partisan field, Mr. President, they ought to be on the same footing as everybody else in the American political office, through limited and disallowed contributions reported to the FEC. That is all this does. Any effort to characterize it otherwise is an attempt to scare Members of this body into thinking that they are casting a vote against the veterans of America, or any other tax-exempt group. That is absurd.

They will still be able to function in a nonpartisan way and keep their tax-exempt status. But when they start desiring to operate on behalf of a particular candidate, or a particular party, they must set up a nonconnected PAC, which none of us believe can be abolished by any legislation that we pass, converting that activity into a hard money activity, therefore limited, disclosed, and on the FEC forms like everybody else in America.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. 1 minute, 30 seconds.

Mr. McCONNELL. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. I yield 5 minutes to my colleague, the distinguished Senator from Texas.

Mr. BENTSEN. Thank you very much.

I see my friend from Kentucky wants to kill this bill. It is a great way to kill it because it will obviously be blue-slipped on the House side. Tax legislation has to originate on the House side and not on this side.

We have been through this before. Article I, section 7 of the Constitution specifies "all bills for raising revenues shall originate in the House of Representatives."

I must tell you the House of Representatives feels very strongly about this. They are very zealous in protecting that particular prerogative.

Some Senators may wonder whether the origination clause gives too much power and privilege to the House. But I remind Senators that the Constitution itself provides this body with certain prerogatives—to try impeachments; responsibility to give advise and consent to treaties and appointments of Ambassadors, Supreme Court Justices, and other officers of the United States.

I have been frustrated myself at times when serving in this body and as chairman of the Finance Committee with our inability to send S-numbered revenue bills over to the House and speed up that process. But these are the realities.

The bottom line is it is not our choice to observe the Constitution's limitations in this case. It is not a question of whether we like the origination clause. The House is going to insist on their prerogatives in this case.

The merits of the amendment have nothing to do with it. All this amendment can do is kill the bill. We voted on this last year. It was a substantial vote against it. It was 58 to 41. I say to my friend from Kentucky that did not reflect on the substance, and the merits of his amendment. But it sure tells us the realities of what we face in the House.

So I strongly urge the Members of the Senate, unless they are totally against campaign reform, to vote against this amendment.

When he proposes legislation like this, without moving provisions through the committee, that is not the way the committee system works. The purpose of having committees is to allow those with the expertise and the experience in that particular area to give it a close look, to see whether it merits approval, then bring it before this body to try to strike a balance between the competing proposals. That is the best overall policy.

Mr. McCONNELL. If the Senator from Kentucky were allowed to modify his amendment to make it a sense-of-the-Senate resolution, would the Senator from Texas then support the amendment of the Senator from Kentucky?

Mr. BENTSEN. I say to the Senator from Kentucky, in all candor, I did not give that much attention to the substance because it was so obviously going to be blue-slipped, and I ran into that one before. I have been up against this many times, as the Senator from Kentucky knows, and he has too. Sometimes it is a bit of a putdown for us. But that is it.

Mr. McCONNELL. The Senator would not object if I, in order to meet his technical concern, constitutional concern, simply modify my amendment to make it a sense-of-the-Senate resolution?

Mr. BENTSEN. I would reserve the right to object for the manager of the bill on this side. I would not comment on the substance of the issue.

Mr. BOREN. Mr. President, I would be constrained to object because I object also to the substance of the matter. I looked at the Internal Revenue's new rulings. There is a case which I have at my desk in which the courts in applying the rules on the 501(c)(3) have given interpretation that communication with one's own members might result in loss of tax-exempt status. I am very concerned about the substance as well. I feel it should not be done.

Mr. McCONNELL. Let me say briefly that the Senator from Kentucky has offered to modify his amendment to make it a sense-of-the-Senate resolution. That has been objected to by the manager on the other side.

Obviously, the technical issue that the Senator from Texas raised is not really the issue because the Senator from Kentucky has offered to modify his amendment and make it a sense-of-the-Senate resolution.

The real issue still before us is whether we want to do something about sewer money. This is the sewer money of American politics. If the Senate wants to go on record in support of sewer money, I will vote against the McConnell amendment.

Mr. President, I reserve the remainder of my time.

Mr. BOREN. How much time remains on this side?

The PRESIDING OFFICER. One-and-a-half minutes.

Mr. BOREN. Looking at the law itself, the way 501(c)(3) has been applied, I mention Treasury regulations section 1.501(c)(3)-1(c)(3)(iii), participation or intervention in the campaign, prohibited participation in intervention in political campaigns, includes but is not limited to the publication, the distribution of written material, or the making of oral statements on behalf or in opposition to a candidate.

In the case of the association of the bar of the City of New York 85 A Federal second 876, Second Circuit, a 1988 case, the court ruled that so-called educational materials may be viewed as partisan if the organization publishes voting records in the areas where the organization also expresses its view. It there applies to 501(c)(3).

Clearly, if we look at these cases and the rulings, if we were to apply that same standard to 501(c) organizations, we could very well prohibit organizations like the American Legion, for example, or agricultural organizations from communicating with their own members and publishing the voting records.

I certainly agree with soft money being disclosed and being stopped as much as possible. We have some very strong provisions in this bill that deal with soft money.

I have indicated a willingness to work with those on the other side to go further. You simply would say that mechanically I do not think this is the way to do it. Whether it is in the form of a sense of the Senate or a direct implementation here, it is something I do not think we should do. But I think what we should try to do as we go into the conference committee is work on some other reasonable approach. I think again this is the kind of matter that we would want our experts in the Finance Committee to have an opportunity to look at and to construct.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MCCONNELL. Mr. President, the issue is quite simple. This amendment does not prohibit any 501(c), not a single one of them, from setting up a nonconnected political action committee which would operate in hard money; that is, limited and disclosed and on the FEC report like everybody else in America. It would not require them to give up their right to communicate with their members.

In effect, Mr. President, all this amendment does is turn soft money activity into hard money activity and leave completely unhampered the rights of these 501(c)'s to do the nonpartisan activities that they carry out every day today.

So this is the vote on sewer money, Mr. President. The underlying bill does not do anything about sewer money. It attempts to nail parties, to restrict parties, but it does not do anything about nonparty soft money. If we want to do something about that, Mr. President, I will vote in favor of the McConnell amendment.

The PRESIDING OFFICER. All time has expired.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky is recognized.

Mr. BOREN. Do I not have a right to make a motion to request the yeas and nays?

Mr. MCCONNELL. I would like the yeas and nays.

Mr. BOREN. Mr. President, I move to table the McConnell amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BOREN. Mr. President, we are now within 10 minutes of the time for votes to begin. I wonder if I might suggest to my colleague from Kentucky, so that we have about a 10-minute break before we go into the votes, that we might commence consideration of this amendment following those votes. He is next on the list with two different amendments.

Mr. MCCONNELL. Mr. President, if I may suggest to the Senator from Oklahoma, it seems to me it would save us time. To finish the list, Senator DOMENICI indicated he will not offer his amendment; I have two amendments; and Senator GRAMM has one.

Mr. BOREN. Mr. President, we are due to commence at 1:30 on the votes. Would the Senator like to lay down his amendment now? How much time is allocated on the next amendment?

The PRESIDING OFFICER. Thirty minutes equally divided.

Mr. MCCONNELL. I, too, would like to get something to eat, like the Senator. I recommend that we go into a quorum call until the vote starts at 1:30 and handle the last three amendments right after the votes.

Mr. BOREN. I think that would be a good plan.

Mr. President, I ask unanimous consent that a quorum call be in order with time not being charged against any pending amendment, that following the votes and the disposition of the Danforth amendment, we then return to consideration of the McConnell amendment dealing with the convention payments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 262

The PRESIDING OFFICER. Under the previous order, the hour of 1:30 p.m. having arrived, the question occurs on the motion to table the Roth amendment No. 262.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The result was announced—yeas 79, nays 19, as follows:

[Rollcall Vote No. 77 Leg.]

YEAS—79

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Coats
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Gorton
Graham
Gramm
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mack
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stevens
Symms
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—19

Chafee
Cochran
Cohen
Dodd
Garn
Grassley
Hatch
Kassebaum
Lott
Lugar
McConnell
Murkowski
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Thurmond

NOT VOTING—2

Helms
Pryor

So, the motion to lay on the table the amendment (No. 262) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. BOREN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. On the following votes, under previous order votes have been reduced to 10 minutes each.

AMENDMENT NO. 264

The PRESIDING OFFICER. The question now is on agreeing to the motion to lay on the table amendment of the Senator from Oklahoma [Mr. NICKLES]. The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. DODD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 78 Leg.]

YEAS—54

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Cohen
Cranston
Daschle
DeConcini
Dixon
Dodd
Durenberger
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Lieberman
Lott
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—44

Bond
Brown
Bryan
Burns
Chafee
Coats
Cochran
Conrad
Craig
D'Amato
Danforth
Dole
Domenici
Exon
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hollings
Jeffords
Kassebaum
Kasten
Kerrey
Levin
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Reid
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the motion to lay on the table the amendment (No. 264) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 265

Mr. MITCHELL. Mr. President, I move to table the Hatch amendment, and I inquire whether or not the yeas and nays have been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered on the motion to table.

Mr. HATCH. We did ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been ordered on the Hatch amendment.

Mr. HATCH. It was my understanding this was going to be voted up or down. That was the understanding.

Mr. MITCHELL. I do not know who the understanding was with. It was not with me.

Mr. HATCH. It was my understanding your side was going to clear it for up or down. That is the way I want it.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I move to table the Hatch amendment, and I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Hatch amendment No. 265. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 79 Leg.]

YEAS—57

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Stevens
Wellstone
Wirth
Wofford

NAYS—41

Bond
Boren
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Kassebaum
Kasten
Kohl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the motion to lay on the table the amendment (No. 265) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, may I have the attention of the Senate.

Mr. President, upon disposition of the pending bill, the Senate will turn to consideration of the fast-track legislation. The time for consideration of that measure is 20 hours. However, following consultation with the distinguished Republican leader, the chairman of the Finance Committee, and the distinguished chairman of the Commerce Committee, who is opposed to the legislation, there is general agreement now on a reduction of that time to 5 hours. It is my hope that we will be able to further reduce it once we get on the measure.

I will now propound an agreement to reduce the time for consideration to 5 hours. Accordingly, Mr. President——

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor. The Senate will please be in order so the Chair can hear the majority leader.

Mr. MITCHELL. Mr. President, I may have misunderstood. We have had a number of discussions ongoing. I was under the impression it was agreed there would be 5 hours equally divided.

Mr. HOLLINGS. My distinguished leader has a wonderful sense of humor.

Mr. MITCHELL. I withdraw my request. We will continue with the next vote. We will attempt to get back to this subject after this vote.

AMENDMENT NO. 270

The PRESIDING OFFICER. Pursuant to the earlier agreement, the question is on agreeing to the motion to lay on the table the amendment of the Senator from Kansas, amendment 270. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON], is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR], is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS], is absent due to a death in the family.

The PRESIDING OFFICER (Mr. DODD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 80 Leg.]

YEAS—57

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Byrd
Conrad
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—40

Bond
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Jeffords
Kassebaum
Kasten
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—3

Cranston
Helms
Pryor

So, the motion to lay the amendment (No. 270) on the table was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 272

The PRESIDING OFFICER. The question occurs on the motion to table McConnell amendment No. 272. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON], is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR], is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS], is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 41, as follows:

[Rollcall Vote No. 81 Leg.]

YEAS—56

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Conrad
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—41

Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Jeffords
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—3

Cranston
Helms
Pryor

So the motion to lay on the table the amendment (No. 272) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. BOREN. Mr. President, in order to conserve the time of our Members, we have, as I understand it, three additional amendments, after we act on the Danforth amendment, that might require a vote: Two amendments by the Senator from Kentucky, upon which there is 30 minutes of time equally divided on each, and an amendment by the Senator from Texas [Mr. GRAMM] who has indicated to me he will take a time limitation of 10 minutes on his amendment equally divided.

I ask unanimous consent that any votes ordered in relation to these three remaining amendments be stacked to occur when all time has expired for debating the amendments and for debating the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I say to my friend from Oklahoma, on my two amendments I would be more than happy to reduce the time further or we can yield it back and just go ahead.

Mr. BOREN. Mr. President, I ask unanimous consent that the time allotted, which under the previous unanimous-consent request was 1 hour on final passage of the bill, on the bill itself, be reduced to 15 minutes equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, under the previous orders entered into, I believe at this point I am to be recognized for 1 minute to discuss the Danforth amendment, is that correct?

The PRESIDING OFFICER. The Senator is correct. Under the previous order the Senator from Oklahoma is recognized for 1 minute on the Danforth amendment, amendment No. 271.

AMENDMENT NO. 271 TO AMENDMENT NO. 242

Mr. BOREN. Mr. President, we have discussed the Danforth amendment previously. It represents the hard work of the Commerce Committee and of the Senator from Missouri to have a more workable definition of lowest unit rate and to do so in a balanced way which would give the definition but constrict the time to a certain number of days under which this lowest unit rate would prevail. I think this is a meritorious amendment. We are prepared to accept it on this side and I yield back the remainder of my time.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Missouri.

The amendment (No. 271) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

AMENDMENT NO. 273 TO AMENDMENT NO. 242

(Purpose: To repeal public financing of party conventions)

Mr. McCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes an amendment numbered 273 to amendment No. 242.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment insert the following:

SEC. . REPEAL OF FUNDING FOR PARTY CONVENTIONS.

(a) IN GENERAL.—Section 9008 of the Internal Revenue Code of 1986 (relating to payments for presidential nominating conventions) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 9006(c) of such Code is amended by striking ", 9008(b)(3),".

(2) Section 9009(a) of such Code is amended by inserting "and" at the end of paragraph (2), by striking the semicolon at the end of paragraph (3) and inserting a period and by striking paragraphs (4), (5), and (6).

(3) Section 9012(a)(1) of such Code is amended by striking the last sentence.

(4) Section 9012(c) of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(5) Section 9037(a) of such Code is amended by striking "and for payments under section 9008(b)(3)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to conventions held after the date of the enactment of this Act.

Mr. McCONNELL. Mr. President, I will not take very long to describe this amendment. Let me just summarize it for my colleagues. What this amendment would do would be to strip public funding for the nominating conventions. These quadrennial festivals that we call the nominating conventions are, in fact, great big parties paid for by the taxpayers, as we all know. You probably have to go back to 1952 to find the last time one of the nominating conventions really had any suspense attached to it at all. In fact the Presidential primaries determine who the nominee is going to be. It has always seemed to this Senator to be a particular outrage that public dollars are used to fund the national political conventions.

In 1988, for example, taxpayers had to cough up $18 million to put on these two big parties, $9.2 million for the Republicans, $9.2 million for the Democrats.

This was not part of the electoral process. This was the two nominating conventions, great big parties, these quadrennial parties when we get together to lay the hands on our respective nominees. It is estimated that the

1992 conventions will cost taxpayers $21 million. There are better ways to use taxpayer dollars.

As our friends on the other side of the aisle are fond of pointing out, Republicans raise considerable funds from volunteer contributors. We should not be forcing taxpayers to pay for the Democrats and Republicans to have a party for a week.

Let us just look at the history of convention funding. In 1976 the two conventions, Presidential nominating conventions, cost the taxpayers $7.8 million; $3.9 million each. In 1980 the two nominating conventions cost the taxpayers $8.8 million. In 1984, the two conventions cost the taxpayers $16 million. In 1988, as I indicated earlier, it cost the taxpayers $18 million, and in 1992 it is estimated that these two conventions will cost the taxpayers $21 million.

We have already spent $50 million, taxpayers dollars, on putting on the party conventions, the quadrennial social gatherings of the two great American political parties. We are slated to spend $21 million more in 1992. Enough is enough. I think we ought to give the taxpayers a break.

I reserve the remainder of my time. My friend from Oklahoma appears not to be on the floor. If he would speak briefly we could move onto the next amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I ask that the time under the quorum call I am about to enter be charged equally to both sides on the McConnell amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I yield myself as much time as I might require.

Mr. President, I will not prolong the debate on this issue. I apologize for keeping my colleagues waiting. I had to step away from the floor a moment.

This amendment I believe would plunge us back in the wrong direction as far as the way we finance political conventions. Voluntary checkoff as part of the Presidential system for a number of years was adopted to try to avoid the influence of large special interests or people with substantial sums of money who might try to influence the process.

That is why funds from the voluntary checkoff are used to fund the political conventions. There is a concern if we left it wide open, as we had it in the past, that a few individuals, very wealthy individuals or special interest groups might get together and pay the costs for financing the conventions completely and then seek political favors in return.

I think it would be a mistake for us to return to the bad days of the pre-Watergate period. I think the reforms that were put in place at that time make sense.

This is another effort basically to change the fundamental procedures that we have under the Presidential system. I do not think we want to go back to the days of having conventions financed in ways that are not in the open, but particularly in ways in which certain interests could bundle together large sums of money and try to have undue influence within the nominating process and within the operations of our political parties and Presidential campaigns. So I think this is a step in the wrong direction.

Let me say also it is really, again, not fair from the point of view of equality between the two parties. As it is well known, the Republican National Committee, for example, has significantly greater resources available to it than are available on this side, a ratio of 4 to 1, according to the Federal Election Commission in the last election cycle. I think it would be a mistake.

We have had long experience with the Presidential system with this checkoff. There are elements in it that need to be fixed, such as closing the soft money loophole in terms of allowing coordinated campaigns through the guise of sending money to State party organizations.

Our bill takes care of those problems. It closes that soft money loophole, but I think to end the operation now to assure the conventions will be financed in an evenhanded way, will not be dependent, the two parites, on special interest financing for the national Presidential nominating conventions. I think to throw those post-Watergate reforms out the window and go back to the period before we had this system would be a serious mistake.

Mr. President, at the appropriate time I will move to table the McConnell amendment.

Mr. McCONNELL. Mr. President, I am prepared to yield back the remainder of my time if the Senator from Oklahoma is.

Mr. BOREN. I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. BOREN. I move to table the McConnell amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 274 TO AMENDMENT NO. 242

(Purpose: To prohibit the use of taxpayer funds for subsidizing Senate campaigns until the Federal budget is balanced)

Mr. McCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes an amendment numbered 274 to amendment No. 242.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title I, insert the following new section:

SECTION 1. CAMPAIGN SUBSIDIES PROHIBITED UNTIL BUDGET IS BALANCED.

(a) FINDINGS.—The Congress finds that—

(1) according to section 2 of the conference report on the concurrent resolution on the budget for fiscal year 1992 which was filed on May 21, 1991—

(A) the amounts of the deficits for the Government of the United States are—

(i) for fiscal year 1992, $351,200,000,000,

(ii) for fiscal year 1993, $302,300,000,000,

(iii) for fiscal year 1994, $268,100,000,000,

(iv) for fiscal year 1995, $183,400,000,000, and

(v) for fiscal year 1996, $197,100,000,000; and

(B) the appropriate levels of the public debt for the Government of the United States are—

(i) for fiscal year 1992, $3,982,200,000,000,

(ii) for fiscal year 1993, $4,353,200,000,000,

(iii) for fiscal year 1994, $4,696,600,000,000,

(iv) for fiscal year 1995, $4,955,800,000,000, and

(v) for fiscal year 1996, $5,226,600,000,000; and

(2) payment of benefits provided under this title to candidates for election to the office of United States Senator will require millions of dollars in outlays from the Treasury of the United States Government.

(b) PROHIBITION.—No person shall accept, and no officer of the United States shall authorize or disburse, any—

(1) reduced rate for mail under section 3629 of title 39, United States Code (as added by section 104 of this Act),

(2) payment from the Senate Election Campaign Fund (as established by section 101 of this Act), or

(3) voter communication voucher (as authorized by section 101 of this Act)

for any election in any year in which the outlays of the United States Government are projected to exceed revenues to the United States Government.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "outlays" means "total budget outlays", and

(2) the term "revenues" means "Federal revenues"

as those terms are defined and used for any year in the most recent concurrent resolution on the budget (as required by section 301 of the Congressional Budget Act of 1974, as amended), as such resolution was adopted by the Congress.

Mr. McCONNELL. Mr. President, this amendment simply lists the estimated deficits for the Government of the United States. In fiscal year 1992, the deficit is estimated to be $351 billion; in fiscal year 1993, it is estimated to be $302 billion; fiscal year 1994, $268 billion; fiscal year 1995, $183 billion; fiscal year 1996, $197 billion.

Second, the amendment notes the fact that the benefits provided to politicians in this bill will require millions of tax dollars. I might say the low-ball figure provided by CBO on S. 3 ought to provide some clue as to why we have a budget deficit in the first place.

Third, in consideration of our dangerously high Federal budget deficit, my amendment prohibits any person from using the public subsidies contained in S. 3 until we can balance the Federal budget.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, I yield myself as much time as I might require.

Mr. President, I think it is pretty obvious the purpose of this amendment. We all know the size of the deficit that we have in this country right now. We know that we are on a path through the budget agreement to hopefully reduce those budget deficits.

I am one of those Members who time and time again has supported fiscal restraint and restraint in spending. I have been a part of the balanced budget caucus and coalition since I have come to the Senate, supporting a constitutional amendment for a balanced budget among other measures, supporting line-item veto for the President. Again and again, I have voted for those measures that I think would help bring us toward a balanced budget.

Unfortunately, that is not a problem we can solve in this bill by itself. I think if we were to take the position that nothing could be enacted until the budget is balanced, unfortunately, it would bring things to a halt. I think we have to move ahead with those items that are necessary.

This is clearly a red herring. It is simply a way of saying that we are going to postpone doing something about campaign reform. The two issues in my mind are totally unrelated. Whether or not we want to clean up campaigns, whether or not we want to stop the money chase, whether or not we want to put a limit on campaign spending having candidates going out and seeking millions of dollars with which to finance their campaigns, more and more of it coming from special interest groups, more and more of it coming outside their home States, whether that is good for the process is a totally separate and distinct issue from whether or not we want to balance the budget.

If we want to have a proposal for a constitutional amendment for a balanced budget, this Sentor is prepared to vote for that. If we want to have amendments to move us on an accelerated path for a balanced budget amendment, this Senator is willing to vote for that. If we want to vote to have Presidential line-item veto, this particular Senator is prepared to vote for that.

That is not the issue. The issue is whether or not we are going to clean up campaigns, whether we are going to have more delaying tactics. We have waited years already.

Senator Goldwater and I started this effort years ago trying to put limits on runaway special interest campaigns. The problem continue to grow worse. Just because we have not been able to successfully balance the budget is a separate side issue, a very important one that I do not diminish, but it should not cause us to also fail to act in this important area of cleaning up the way we finance campaigns as well.

We made it very clear on this side of the aisle with the adoption of the amendment of the Senator from Nebraska and the Senator from Michigan, with the adoption of any amendment which I offered in terms of a sense-of-the-Senate resolution as part of this measure on the first day of debate indicates that those of us on this side of the aisle do not wish to finance this particular bill, or any of the incentives contained in it by increasing general taxes on the public or by increasing the deficit.

There are many other alternatives, and we set forth those alternatives. They include using the voluntary checkoff for people to make contributions over and above their tax liability, reducing expenditures of the Congress itself by cutting back on our own mailing privileges and our newsletter costs.

We take a step in the right direction toward that in this bill, taxing political action committees themselves, perhaps, reducing the huge tax subsidies that are now given to lobbying organizations, special interests, vast sums of money. That alone is a tax subsidy of $100 million a year out of the Treasury that is being given.

So there are many, many ways of passing a bill to establish limits on runaway campaign spending without putting a burden on the taxpayer. It is a smoke screen. It is a red herring of an issue. It is an effort simply by those who do not want to see us go forward on having real campaign reform, who want to put it over for as long as they possibly can because they are fundamentally opposed to putting a limit on the runaway money chase that now inflicts American politics and is undermining our system of politics. So this is simply a separate issue.

No one should be deemed to be favoring budget deficits or not being in favor of balancing the budget if they vote against this amendment. A vote against this amendment is simply a way of making sure that we do not postpone indefinitely taking some action to correct the current problems with the campaign financing system.

As I have said, Mr. President, how long are we going to wait? Are we going to wait until the average cost of a Senate race is $10 million, $20 million, $30 million, $50 million, $100 million, in States like California and other populous States? We should not wait any longer. There should be no excuses given.

Mr. President, I will at the appropriate time move to table the McConnell amendment. I see no reason to prolong debate on this matter. I am prepared to yield back time on this side.

Mr. McCONNELL. Mr. President, we are about ready to move ahead on this.

Let me say this amendment is about priorities. In consideration of our dangerously high Federal budget deficit, the amendment simply prohibits any person from using public subsidies contained in S. 3 until we balance the budget. The subsidies in S. 3 include a special mail discount for politicians—paid for by the taxpayers, voter communications vouchers, the food stamps for politicians, direct Treasury payments to help candidates like David Duke fend off independent expenditures.

Mr. President, it is pretty clear that there is plenty of public funding in this amendment. What this simply says is, in terms of our priorities, we are going to balance the budget before we start dipping into the Federal Treasury to fund our own campaigns.

Mr. President, I am prepared to yield back the remainder of my time if the Senator from Oklahoma is.

Mr. BOREN. Mr. President, I yield back the remainder of the time on this side.

The PRESIDING OFFICER. The vote on occurs on the amendment by——

Mr. BOREN. Mr. President, I move to table the McConnell amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

COMPREHENSIVE VIOLENT CRIME CONTROL ACT OF 1991

Mr. CRAIG. Mr. President, I ask unanimous consent to proceed for 1 minute as if in morning business and not to charge this against the time on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

Mr. CRAIG. Mr. President, I send a bill to the desk and ask that it be read for the first time.

The PRESIDING OFFICER. The clerk will read the bill by title.

The legislative clerk read as follows:

A bill (S. 1151) to restore an enforceable Federal death penalty to curb the abuse of habeas corpus, and so forth, and for other purposes.

Mr. CRAIG. Mr. President, I ask that it be read for the second time.

Mr. BOREN. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard. The bill will go on the calendar pursuant to rule XIV to be read the second time on the next legislative day.

Mr. CRAIG. I thank the Chair.

I yield back the time.

SENATE ELECTION ETHICS ACT

The Senate continued with the consideration of the bill.

Mr. BOREN. Mr. President, under the unanimous-consent request entered into earlier, it is my understanding that the vote on the two tabling motions which have been made and also the vote on or in relation to the Gramm amendment which will shortly be offered would be stacked to occur at the conclusion of debate on final passage of the bill. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BOREN. So the sequence would be there would be the conclusion of debate on these three amendments, followed by 15 minutes of debate on final passage of the bill, followed by three votes on the three, on or in relation to the three amendments and then the question would be the vote on final passage then automatically immediately following the other three votes?

The PRESIDING OFFICER. Presumably, the Senate would have to vote on the substitute amendment first and then on the bill.

Mr. BOREN. Mr. President, I ask unanimous consent that following the three votes on the amendments, we then proceed immediately to a vote on the substitute, and on the adoption of the bill. I guess that would be the bill as amended by the substitute at that point.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. GRAMM. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator is recognized on his reservation.

Mr. GRAMM. Mr. President, let me just pose a question to our distinguished floor manager. Are we going to cast a vote on the substitute or are we going to cast a vote on the bill? They are the identical issue, and my view is we ought to just do one of them.

Mr. BOREN. I would ask unanimous consent then that we would have a—our intention is to voice vote the substitute and then have the rollcall actually on the bill at that point. So that there would be one rollcall vote.

But my request here, the effect of my request here, would be that the votes on the substitute and the final passage would be stacked to occur immediately after the votes on the three amendments.

I would further ask unanimous consent that the vote on the first amendment be a 15-minute rollcall vote, the vote on the following two amendments be 10-minute rollcall votes. As we would not be pushing on to other business immediately at that point, I would suggest that final passage then or the action on the substitute, on whichever one the roll would be called would be a 15-minute rollcall vote.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

AMENDMENT NO. 275 TO AMENDMENT NO. 242

(Purpose: To require disclosure of certain information concerning the expenditure of union dues, corporate funds, and funds of tax-exempt orgranizations for political activities)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 275 to amendment 242.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 88, between lines 12 and 13, insert the following:

SEC. 232. LABOR ORGANIZATIONS, CORPORATIONS, AND TAX-EXEMPT ORGANIZATIONS.

Title III of FECA, as amended by section 106, is amended by adding after section 304A the following new section:

"DISCLOSURE OF INFORMATION CONCERNING EXPENDITURE OF UNION DUES, CORPORATE FUNDS, AND FUNDS OF TAX-EXEMPT ENTITIES FOR POLITICAL ACTIVITIES

"SEC. 304B. (a) IN GENERAL.—An organization that intends to make an expenditure of $5,000 or more on activities described in subsection (b)(1) shall, not later than 10 days prior to making the expenditure, file with the Commission a written report disclosing the intended expenditure.

"(b) CONTENTS.—A report under subsection (a) shall—

"(1) disclose the amount intended to be spent—

"(A) on direct activities, such as cash contributions, to candidates and committees of political parties;

"(B) on internal and external communications relating to specific candidates, political causes, and political parties;

"(C) internally by the organization to maintain, operate, and solicit contributions for a separate segregated fund; and

"(D) on voter registration drives, State and precinct organizing on behalf of candidates and political parties, and get-out-the-vote campaigns;

"(2) for each of the categories of information described in paragraph (1) (A), (B), (C), and (D), identify the candidate for public office on whose behalf the expenditure will be made or the political cause or purpose for which the expenditure will be made;

"(3) list all contributions made to the organization for purposes of activities described in subsection (b)(1) since the date of the most recent report of the organization under this section, stating the amount contributed and the contributor's name, address, and occupation; and

"(4) in the case of a labor organization, list all contributions and expenditures made by separated segregated funds established and maintained by the labor organization since the date of the most recent report of the organization under this section.

"(c) DEFINITIONS.—For the purposes of this section, the term 'organization' means a labor organization, a corporation, or an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of the Internal Revenue Code of 1986."

Mr. GRAMM. Mr. President, we have had two opportunities to deal with what I believe is the clearest campaign abuse that exists in America today, and that is the whole issue of soft, nonreported money. I think the example of soft, nonreported money, which is most often used in favor of campaign finance reform, is the $850,000 in corporate money that Charles Keating gave to a tax-exempt organization that engaged in voter registration, for all practical purposes, on behalf of a party and a candidate.

Mr. President, I would think, if our legitimate effort is to reform the system, that the first thing we would want to do is have full disclosure of soft money. I have an amendment, the last opportunity that we are going to have on this bill, to deal with this problem.

This amendment does not ban such spending. All this amendment says is that if corporate money or union money or money from a nonprofit group is going to be used in a soft-money expenditure, that group has to file a report with the Federal Election Commission at least 10 days before they spend the money. The report must state what they are going to do with it, say who they are going to support with it, say how much money they are going to spend, and from whom they received the money.

Mr. President, if our objective is campaign reform, how can we not force someone to report that he is contributing $850,000 on behalf of somebody's candidacy? If our objective is campaign reform, why should we allow corporations to come in at the last minute with phone banks, door knocking, and other activities on behalf of a candidate, spend millions of dollars to affect the outcome of the election, and yet not allow everybody to know what is occurring until the election is over?

Mr. President, if our objective is fairness and openness in elections, why not require a labor union that comes into a State and makes tens of thousands of telephone calls, to report that activity so that the public can be aware of who is supporting which candidate.

Mr. President, we have had a lot of debate about taxpayer funding of elections. How does that deal with this problem? It does not. We have had a lot of debate about limiting the ability of Aunt Sarah to contribute to somebody's campaign but we do not have a provision in this bill that deals with the real problem with which we claim to be dealing. So this amendment simply says if you are going to spend more than $5,000 to affect the outcome of an election, you can do it. You can use soft money loophole, although I would like to eliminate it. You just have to tell the public you are doing it, what you are doing, who you are doing it on behalf of and where you got the money.

I feel sorry for someone who feels obligated to oppose this reform which is so reasonable and so logical as to cry out for support from those who truly want to deal with campaign abuse rather than simply try to tilt the political balance of power.

So I hope my colleagues will accept this amendment and will not require us to have a rollcall vote on it.

I reserve the remainder of my time.

Mr. BOREN. Mr. President, how much time is remaining on each side?

The PRESIDING OFFICER. The Senator from Oklahoma has 15 minutes, the Senator from Kentucky 11 minutes.

Mr. BOREN. Mr. President, I yield to myself as much time as I might require.

Mr. President, I will not prolong debate on this matter. I know we are hoping to move forward to a vote on final passage as soon as possible. Let me just make a few comments.

When I first heard about this amendment from the Senator from Texas, It was my hope it was an amendment we could accept, because certainly many of us on this side of the aisle, many of us indeed on both sides of the aisle, have a very common feeling about very soft money. I feel very strongly soft money should be disclosed, from whatever source it comes, and I feel that in a very evenhanded way.

It makes no difference to me whether it was a soft money expenditure, for example, of a business corporation or a soft money expenditure of a labor union. It does not matter which side of the fence it is on or which side of the cause it is on.

I feel we should try to reduce the impact of soft money as much as possible and, No. 2, to disclose it wherever we can in an effective way without becoming unduly intrusive into the right of free speech and free expression.

That is why, for example, in S. 3 we really tighten up what is defined as soft money. The big loophole in the past, for example, the Presidential elections, and to some degree in the senatorial and congressional elections, has been for people to get around the limitation on what they can give to candidates by giving large sums of money to parties. This was done, as has been indicated during our debate.

It is a matter that the Senator from Kentucky has often spoken about—the $100,000 contributors in the Presidential election process by giving money, laundering money in essence, through State party organizations and having money spent through coordinated campaigns as soft money in essence. Both the parties have engaged in this practice and, as far as I am concerned, it is wrong whether it is done by the Republican Party or the Democratic Party.

That is a loophole that needs to be closed. We close that loophole in S. 3. We say these kinds of contributions laundered in essence or made in essence through a conduit of State party organizations shall be treated as if they are not soft money contributions but hard money actually changing hands for the purpose of influencing a Federal election and therefore they fall under the total limitation as to how much money could be given.

Under S. 3 no launder would be possible to make these $100,000 contributions, for example, through the conduit of State party organizations for the purpose of influencing Presidential elections. No longer would it be possible to do that for the purpose of influencing congressional elections.

So, in general, I would like to see us find a way—perhaps we did do so in conference to strengthen these provisions even further, as I say, to extend them as much as we can without being instrusive to groups in addition to political parties that service conduits for soft money contributions. I have no quarrel with that. I would like to see us find a way to do that.

That is the reason when I first heard about this amendment I hoped we might be able to accept it. But in looking at the amendment and in researching the amendment particularly as it applies to 501(c)(3) groups, I find there are real problems with it.

I think there are problems with it even as it relates to political organizations as well in terms of the 10-day advanced notice. This is a tremendous burden that is going to be placed on any organization or group to say 10 days in advance, and rapidly changing political situations, exactly what they intend to do.

So I think it would certainly be an intrusion into the affairs of private orgnizations and requiring 10 days of advance notice would be burdensome in many, many ways.

But some of the things are already covered. The amendment requires reporting of direct contributions to candidates by corporations, labor unions, and 501(c)(3)'s.

All of these activities are already illegal under current law. I assume no one would report them because they are illegal. It requries reporting of external communications relating to specific candidates and political parties. That is also illegal under current law. It requires reporting the cost of maintaining a political action committee. If S. 3 becomes law that would also be illegal.

So that would be nothing to report there because our bill, if it is enacted, in a few moments, and if it finally goes through the House and is signed by the President, would make that practice illegal.

The amendment requires reporting of "get out the vote" campaigns and voter registration drives on behalf of specific candidates. That also is barred, at least for 501(c)(3)'s by current law, and we make additional restrictions on "get out the vote" drives that are contributed to by candidates, financed by candidates under S. 3.

We certainly have common ground when we are dealing with that. We deal with it in S. 3 not by requiring the disclosure of it, but by prohibiting it altogether.

What concerns me is this. The amendment would require reporting 10 days in advance of external comunications with respect to poltical causes. The definition of a political cause at this point would be very difficult under the act. I would be concerned to leave something that important to the Federal Election Commission or some other body or to the courts to determine what a political cause might be.

This could be an unprecedented assault on the free speech rights of private organizations. It would have nothing to do with political campaigns. Under this amendment, not only a labor organization or a corporation, but a 501(c)(3) educational organization could not communicate its position with respect to a political cause without 10 days advanced notice.

We have been hearing from some of these organizations already. For example, let us a suppose the Sierra Club wanted to notify its members or run an ad, for example, on clean air legislation. Under this provision they would not be able to do it, that being a political cause, without 10 days' advanced notice.

Corporations could not place an ad, for example, against apartheid or against higher taxes or even against reducing the Federal budget deficit without providing 10 days' advanced notice to the Federal Election Commission, especially since it is so uncertain as to how we would define a political cause.

Mr. President, I think that many of the aspects of the proposal from the Senator from Texas are well-intentioned. But as in the case of the earlier amendment by the Senator from Kentucky which acted upon the tax-exempt status of 501(c) organizations—and I realize this is debatable as we look at the law to interpret the law—it ran the severe risk of reducing the ability of organizations to communicate with their own members. It is my fear, genuine fear, that under the definition of what a political cause would be, including 501(c)(3) organizations as well as labor unions and corporations, this could have a chilling effect on the ability of these groups to really exercise their free speech rights to communicate in terms of a stand they wish to take.

I do not think a corporation decides it wishes to no longer, let us say, invest in a society where apartheid is practiced, wants to communicate its feeling by running an ad on that, has to give advanced notice.

I do not think the Sierra Club or some other organization, NRA, whatever group it might happen to be, should be put in the position of giving that much advance notice if they decide they want to take a public position and try to call all their members around the country to unite behind a particular activity or a position on a particular bill.

Sometimes organizations simply do not find out about things, even things pending in the Congress, until it is almost time to act upon them. If they were constrained to take action on something deemed to be a political cause for a 10-day period, it might well be too late for them to weigh into the debate.

So I think, in all honesty, the amendment is well-intentioned but I cannot support it because I think it does overreach what I believe is the intent of the sponsor in terms of the way it is drafted.

I would say to my good friend from Texas that again this is a matter with which I will certainly be willing to work with him in the future. I do not want him to read my opposition to this amendment as being in philosophical disagreement with the basic points he makes, because I am not. We could find a way to continue to work on this bill. This process is not over. We will be having a conference committee, as Senator DOLE has said, and it is at that point in time when we will be hopefully reaching an agreement with the White House in developing a bipartisan compromise that will enable campaign reform to become law this year.

I would be more than willing and enthusiastic about working with the Senator from Texas between now and that time to see if we can fashion some language that would be acceptable to both of us and would do what we are trying to do; that would hit the target without hitting a lot of other things, as well, and it would avoid unintended consequences.

So, while I regret having to take this position, let me say that I feel obligated to move to table the amendment of my able friend from Texas when the time has expired.

I reserve the remainder of my time.

Mr. GRAMM. Mr. President, let me make it clear that I can answer each of the issues that have been raised by my dear colleague from Oklahoma. First of all, my amendment has nothing to do with advocating a position, advocating an activity of membership, or opposing injustice. My amendment has to do strictly with advocating the election or defeat of people running for public office and candidates of political parties.

So all the argument about corporations and unions communicating to their members has no bearing. Unless they are communicating in such a way as to advocate the election or defeat of a candidate or a party, they would be unaffected.

Mr. President, I think that in the response to this amendment, we see why this is a totally partisan bill, why it will be vetoed by the President, if it is ever adopted by the House, or if the conference report is ever adopted, and why it should be defeated.

First of all, we are talking about soft money, not direct contributions, which our colleague tells us are banned by unions or corporations. That does not have anything to do with this amendment. This is about money that is spent on behalf of candidates and parties.

Mr. BOREN. Will the Senator yield on my time?

Mr. GRAMM. I will be happy to, but let me finish my points, and then I will be glad to yield.

We have banned one source of soft money; that is from political parties. I hope my colleagues understand that that is clearly intended to affect one political party, and that is the party that uses the party mechanism. The party that uses special-interest groups, and 501(c)(3)'s, and labor unions is totally and absolutely exempt in this bill from an form of regulation.

All I am asking is that we let the public know what these special-interest groups are doing. We talk about the chilling effect on 501(c)(3)'s. Should we not ask for a report from the 501(c)(3) that takes $850,000 from somebody who clearly is advocating an interest?

Let me remind my colleagues that I would like to ban such activity, but the other side has already rejected that. The public has a right to know when someone gives, for example, $850,000 to assist a candidate. Let the public decide whether they want to be affected by that or not.

Under current law, someone can go out and spends millions of dollars, and the public never knows they do it. So, Mr. President, we are talking about soft money that is spent by nonpolitical parties.

All I am asking is if you are going to advocate the election or defeat of somebody, give public notice 10 days before you do it, tell them who you are supporting or opposing, what you are going to do, and where you got your money. That seems to me, Mr. President, as legitimate as any possible amendment could be.

I yield the remainder of my time.

Mr. McCONNELL. I thank my friend for offering what will now be the third amendment in this debate, going back to last summer. And the majority rejected, both last summer and a few moments ago, efforts by this side to eliminate soft money altogether. Not that it would restrict the activit of individuals. They would simply set up a nonconnected PAC and participate in that way.

Now the Senator from Texas has come forward and said, if you are not willing to ban it, at least are you willing to disclose it? As I understand the amendment of the Senator from Texas, we hear that even here there is opposition from the other side.

Mr. President, you cannot have a bill that calls itself campaign finance reform that leaves this kind of gaping loophole. In fact, I say to my friend from Texas that this bill we are going to vote on was designed by the Democratic National Committee to nail parties, to nail individual donors, to dip into the Treasury, and to allow all of the groups, which my friend from Texas would at least like to disclose, to operate completely freely, unlimited, undisclosed. If that is not sewer money, I do not know what it is. The failure to accept these amendments that have been offered by the Senator from Texas and the Senator from Kentucky make this bill ridiculous, if it is going to be called campaign finance reform.

I retain the remainder of my time.

Mr. BOREN. How much time is remaining on each side?

The PRESIDING OFFICER. The Senator from Oklahoma has 5 minutes, 42 seconds. The Senator from Kentucky has 5 minutes, 54 seconds.

Mr. BOREN. I will not prolong the debate. Let me say that I almost think that my colleague was a little suspicious, having heard the last remarks that were made. Let me say, I think no one would be more surprised than the Democratic National Committee, if they were to hear that they were the architects of this proposal. I have been getting phone calls almost every day from the Democratic National Committee telling me that they are violently opposed to the provisions of this bill that would cose what I regard as a loophole, in terms of preventing soft money from being contributed through the State party organization and other party organizations as conduits. S. 3 goes a long way—in fact, as far as you go—and it was our intent to totally close off any activity such as those that were allowed to happen by Mr. Keating. We do not allow people to make huge contributions to party organizations anymore, to pass soft money through in that way. We do not allow Members to raise money nor 501(c)(3) organizations that are aimed at getting out the vote in terms of influencing elections. We would tighten up the bundling requirements so you could not have an individual like Keating go out raising money from a lot of other people and bundling it together in a bundle to give to a candidate saying, "Look, I have given you $100,000 and $200,000, because I have gone out and raised this money, bundled it together, and given it to you." So provision after provision after provision in S. 3 would put a stop to that kind of activity.

So, indeed, I point out to my colleagues on the other side of the aisle that there has been nothing, absolutely nothing, introduced in any of the bills by those on the other side of the aisle that would do anything to stop the use of the party organizations as conduits for this kind of soft money. In fact, it is both political parties that have done it, not just the Republican Party. I will be quick to say that. The Democratic Party has done it, too, getting $100,000 contributors, for example, and giving to Presidential campaigns and to say they are giving it to the State party organizations and having the State parties run the advertising, for example, in an attempt to influence the Presidential election, no, that is not just the Republican Party that has done that. I do not think they should attempt to take on all that guilt. The Democratic Party has done so as well. I say very plainly that this is a bipartisan problem, and we need a bipartisan solution to it.

I will go to page 2 of the amendment of the Senator from Texas, if I could have his attention for a minute. On page 2, paragraph (b), which is down on line 16 of the amendment of the Senator from Texas, this is what concerns me. It talks about: a report would be required 10 days in advance on internal and external communications relating to specific candidates, political causes, and political parties.

That is what I was talking about a minute ago. If the Sierra Club notifies its members about getting geared up to come and be for clean air legislation, or if some business organization that thinks that bill is burdensome wants to notify people to be against it, or if a corporation wants to run an ad against apartheid, or higher taxes, or budget deficits, is that not an external communication in my last example, or internal in the case of the Sierra Club, or National Rifle Association, or Farmers Union, or any other group contacting its own members about a bill, is that not an internal communication about a political cause? I assume it is a political cause. The cause of trying to pass or kill legislation is certainly a political cause. I assume a communication for or against apartheid or budget deficits would be a political cause. Would that not be required to have a 10 days advanced notice report? And who would, in fact, define the term "political cause" under the Gramm amendment? Would we leave that to the discretion of the Federal Election Commission and the courts, or how would that be defined?

Mr. GRAMM. Mr. President, if the distinguished Senator will yield, we would leave it to the same group that defines all of these other terms that we use in election law. That is the Federal Election Commission to which we give vast new powers under this bill, to which we give a massive new budget under this bill.

Why is it that we can give them all this power to limit political parties which are formed for the sole purpose of electing people to public office, and yet we give them no power to deal with sewer money? That is what I do not understand and that is what the American people will never understand. Our dear colleague is doing a masterful job in presenting a position that is totally and absolutely indefensible.

Mr. BOREN. Mr. President, with all due respect I appreciate the compliment of the masterful job I am doing. It is not masterful when you get up, state the facts, and tell the truth about what we do. We close the loophole in what somebody called sewer money in terms of what Mr. Keating has done. We make it illegal, illegal for him to operate through a 501(c)(3) organization in terms of money being raised by a candidate for a get-out-the-vote drive; we make it illegal for him to bundle together contributions; we make it illegal for someone like Mr. Keating to make contributions of soft money through using the party committees as a conduit; and no proposals from the other side of the aisle would do that.

I can only say that I believe, to paraphrase the television show of some years ago, I have just given the facts, nothing but the fact, and there is nothing masterful about it. It is just the truth and we may have the very same intention, but I would just say again to my friend from Texas, we have heard so much about the chilling effect on free speech and how we have to be careful about free expression and require 10 days advanced notice about any organization wishing to make some comment about a political cause. I think that is so wide open that it really could have a chilling effect.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

The Senator from Texas has remaining 5 minutes and 45 seconds.

Mr. GRAMM. Mr. President, this bill bans soft money expenditures by only one group, by only one group, and that group consists of the political parties which are formed for the sole purpose of electing candidates. No one is deceived as to what the Republican Party is trying to do or what the Democrat Party is tryng to do. In fact, all of the expert campaign finance negotiators agreed that we should strengthen the parties not weaken them.

This bill bans political parties from doing these things but, remarkably, it does nothing to limit the ability of corporations, labor unions or nonprofit organizations from doing these things. This bill does attempt to close a little bit of the loophole about get-out-the-vote, but nothing in this bill would stop a labor union or a corporation or an individual from giving $1 million to a 501(c)(3) to do voter registration or party ID or other activities that are virtually important in campaigns.

If a labor union comes into a State, as happens every single year in small States—labor unions come in and spend hundreds of thousands of dollars on telephones, calling up people, advocating the election or defeat of candidates, and people who vote never get to know it—how is allowing that in any way reasonable when you ban a political party from doing it? All we are asking here is that people know the facts.

I do not understand the so-called chilling effect. If people are afraid to tell the public what they are doing, maybe they ought not to be doing it. I do not understand a chilling effect. If I am going to spend $1 million to elect someone, people have a right to know who I am and what I am doing. Then they can judge whether to elect the candidate or not.

I understand the distinguished assistant Republican leader wished to speak on this subject.

Let me just conclude then by saying, Mr. President, we have a bill before us that, remarkably, bans political parties from soft money political activities but leaves everybody else able to do it. There is only one reason that a bill would do something like that and that is when a bill is motivated by partisan advantage. My amendment is a fairness amendment. It should have been accepted. I hope my colleagues will vote for it.

I am not deceived. I know that Members on the other side are going to vote to table it. I think this again is more living proof that despite the fact that there is room for legitimate reform, we ought to be doing it, we agree on some fundamentals, but that is not going to happen here because we are seeing a determined effort to unfairly tilt the election process.

Mr. McCONNELL. How much time remains on the Gramm amendment?

The PRESIDING OFFICER. Two minutes and thirty seconds.

Mr. McCONNELL. I yield that time to Senator SIMPSON for some comments on the bill.

Mr. SIMPSON. Mr. President, I rise in opposition to the so-called campaign finance reform substitute amendment. At the heart of this legislation is the same "beat up" and tired old refrain that the majority Democratic Party in Congress has been softly crooning to us for several years now. They call this old tune the "Reformer's March" when the real title of their ragged song and dance should be "the incumbent protection plan shuffle." I will outline my objections to this legislation and explain why I am proud to be a co-sponsor of various Republican alternatives.

In the Buckley versus Valeo decision, the Supreme Court upheld the Federal Election Campaign Act of 1971 with respect to limiting of the maximum amount an individual could contribute to a campaign. However, the Court held that any limits on personal campaign expenditures were unconstitutional. The lower court had said the $1,000 maximum contribution was constitutional based on the Government's interest in reducing the appearance of corruption. This Government interest was sufficiently important to overcome a person's freedom to make an unlimited contribution. However, the Supreme Court struck down spending limits and said that the Government could not restrict the speech of some persons in order to enhance the First Amendment speech rights of others. Nor could the Government restrict speech to make the election process more fair. Such spending limits would only be constitutional if they were purely voluntary. Because spending limits are limitations on speech—they cannot be coerced. The question then arises: Does this legislation meet the constitutional muster of the Buckley case? Under this bill, candidates who abide by the spending limits would receive generous public subsidies in the form of Government-funded broadcast vouchers, and subsidized mail rates. I like what my friend, Senator MITCH MCCONNELL—who has deservedly established his reputation for expertise in this area, calls these subsidies—food stamps for politicians. Candidates who do not agree to the spending limits not only do not get any public subsidies if they go over their limits, their opponents get additional public money as a penalty. Instead of then establishing a system where candidates are encouraged to comply with spending limits, this bill is a guillotine aimed at the neck of those candidates who do not—all subsidized by the U.S. taxpayer. Recently I received an interesting letter from the American Civil Liberties Union expressing their opposition to this legislation. The ACLU said:

> S. 3 not only grants conditional benefits to those who elect "voluntary" spending limits but effectively penalizes communications of candidates who do not abide by such limits. * * * We urge the defeat of S. 3 in its current form. The goal of legitimate reform cannot be reached through constitutionally illegitimate steps.

So, as a constitutional matter, there is nothing "voluntary" about the campaign finance system established by the pending legislation. It is coercive. It would impose draconian penalties on anyone who refuses to comply, and it flies directly in the face of the Supreme Court's holdings in Buckley.

Who then stands to benefit most from spending limits? With the powers of incumbency and the perks of political office, it is a gut hard fact of life that only incumbents would benefit. With Democrats having the majority in both House and Senate, I think the American people can pretty clearly see the ulterior motives in their recurring tear-stained plea for spending limits. With a re-election rate of nearly 97 percent, it simply cannot be denied that the current rules of the game favor incumbents and not challengers.

I believe that real reform must provide incentives for competitiveness in congressional elections and "level the playing field" for challengers. Last year, the Republican leader and the majority leader appointed a six-member bipartisan panel of campaign finance experts. The panel concluded that to accomplish real reform of the current campaign finance system—the target should be the source of the campaign money. The panel suggested a flexible approach to limiting campaign spending. The panel recognized that special interests, like PAC's and individuals living outside of the candidate's State, were gaining an increasing role in congressional campaigns and that limiting the impact of these special interests meant limiting the source of their funds.

The bills which I have cosponsored attack the specific sources which the panel found suspect. Our alternative would eliminate PAC's and would reduce the maximum an individual living outside the candidate's State could contribute. The Republican proposal tracks the recommendations of the bipartisan panel. We provide for flexible fundraising targets. Exempted from those targets would be in-state contributions and out-of-state contributions of $250 or less. As the panel suggested, we also encourage greater party participation.

The real problems in the system are special interest PAC's that seek to buy access with their contributions, while abandoning any semblance of supporting a particular political ideology. My real problems are with those groups that set up those phone banks on the outskirts of town that engage in character assassinations of candidates—all funded by contributions that aren't even required to be disclosed to the Federal Election Commission. Such funds are called "soft money" and it constitutes a terrible abuse of this system. Last year the New York Times referred to these funds as "sewer money". A better name. Our proposal gets rid of it once and for all. Theirs does nothing to address the real source of most of the sewer money: Labor and 501(c) organizations. I have seen estimates that unions collect $5 billion annually in compulsory union dues. They then use some of that money to pay the overhead for their PAC's and set up those phone banks to spread the lies and babble about candidates they oppose in the guise of "getting out the vote." It is as partisan a use of funds as surely exists, and yet not a dime is currently reported. Nor will it be under the Democratic bill. The alternative I support would provide that a union could not force a member to pay dues which fund extensive political activities.

Another real problem with the current system is the collection of huge sums of money from folks who live outside of your State, who don't even vote for you, and who seek to influence your vote. Our bill would reduce that influence by reducing the maximum contribution from individuals living out of State from $1,000 to $500.

Why should one individual from Wyoming who lives there, works there, votes there, pays taxes there, be entitled to contribute to my campaign and another be prohibited from contributing by virtue of an arbitrary collection limit? Our proposal would not limit the participation of in-state contributors to a congressional campaign—other than the current levels on maximum contributions of $1,000 per individual. It makes no sense to provide a cap on the collection of contributions from folks you represent. We are not talking about PAC's. We are not talking about sewer money. We are talking about constituents. That was the focus of the bipartisan panel of experts: The real evil in the system lies in the source of the money.

The Republican proposals empower the individual—particularly the instate voter. We eliminate PAC's and sewer money. We reduce the clout of those who can't vote for us. As reported by the Senate Rules Committee, CBO estimated that this legislation would cost the Federal Government about $91 million in fiscal year 1994 and about $81 million in fiscal year 1996. However, other estimates are much higher. Included in the minority views of the committee report was this statement:

The cost of these subsidies [in the bill] is estimated to be over $1 billion during a complete Senate election cycle. Well over half of these costs are to be paid by the taxpayer. This estimate assumes that House Members will insist on similar support for their campaign, should the Senate bill pass.

As in the past, the centerpiece of the Democrat campaign finance reform bill is public financing. It includes public financing benefits such as broadcast vouchers equaling 20 percent of the general election spending limit—which will range from $950,000 to $5.5 million under this bill—and reduced postal rates. Despite these dazzling and wonderful goodies, the bill does not specify who will pay for these broadcast vouchers. I can make a pretty darn good educated guess as to just who is going to foot the bill for this—the American taxpayer.

There are other major differences in the approach the Democratic leadership has taken and the concepts which I support. I support legislation to require broadcasters to sell candidates nonpreemptible time at the lowest unit rate. This substantially differs in cost from giving a candidate a voucher, paid for by the taxpayer of up to 20 percent of the general election limit to obtain free advertising. To level the playing field, I support legislation that would provide challengers with seed money by allowing political parties to match early, in-state contributions up to a total of $100,000. This is in accord with the principles of our alternative. To achieve reform, give more power back to in-state voters and parties, which must then report in some detail their activities. The Democratic plan provides no special incentives for challengers or any greater role for political parties. The legislation that I have cosponsored requires new standards for congressional reapportionment a redistricting, including the full and fair enforcement of the voting rights act. The Democratic plan is silent on reforming the blatant Democrat gerrymandering process.

In summary, I do not support a so-called campaign finance reform plan which foists the cost of congressional elections on the American taxpayer. I do not support campaign finance reform which is in reality a process to provide a form of eternal incumbent protection by reducing the opportunities for challengers to beat any and all entrenched incumbents. What I do actively support is legislation which follows the guidance of some very able experts selected by the leaders of both sides of the aisle, which will assist us in achieving a fair, reasonable and sensible campaign finance reform bill. Let's get on with that—not this partisan cannonball of a bill before us now.

Mr. President, I certainly subscribe to what the good Senator from Texas is saying.

I must say I commend Senator MCCONNELL who has done a magnificent job through many years, and so has the Senator from Oklahoma. But there is a real thing here and we do not want to miss it. It is like the old thing, keep your eye on the rabbit, and, boy, I have for years here and I am opposed to this.

At the heart of all of this marvelous refrain is the same beat up and tired old notes and music that the majority Democratic Party in the Congress has been softly crooning to us now for several years. Marvelous thing to listen to. It is a lilt. It is Sinatra with oak leaf clusters. And they call this old tune "The Reformers March." That is the way we have scored it. It is like a Purcell piece. The real title of this ragged old song and dance—there is a dance to it too—should be "The Incumbent Protection Plan Shuffle." That is what we are really talking about. When you clean all the underbrush out of the place, we are really talking about just that.

This is to ensure that the Republicans who once sniffed the fair flowers of the majority here for about 6 years will never get a whiff of it again for about 40. That is what this measure is. I have a rather remarkable array of arguments why I think it is bad. But I think I summarized it pretty well.

I have the greatest respect for the people involved, but this is really, really something that is destined solely to protect the incumbency, and it happens that the incumbents happen to be Democrats. I do not know what will happen in the House where they have a lot of those kind, but I tell you it will be fun to watch them dealing with PAC's. The very mother's milk of the the U.S. House of Representatives is political actions committees.

So we have sent them half a vampire and we will see what kind of leaching they get out of that. It will be an interesting conference, but it is very bad stuff and it is partisan to the hilt.

The PRESIDING OFFICER. All time has expired.

The Senator from Oklahoma.

Mr. BOREN. Mr. President, I move to table the amendment of the Senator from Texas [Mr. GRAMM] and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is sufficient second.

The yeas and nays were ordered.

Mr. BOREN. Mr. President, I inquire of the Chair, as I understand it, we now have 15 minutes of debate equally divided on final passage?

The PRESIDING OFFICER. The Senator is correct.

Mr. BOREN. Mr. President, I yield to myself 3½ minutes.

Mr. President, I have just heard from my good friend and colleague—and he is one of my best friends in this body—describe this bill in a way in which I certainly do not recognize it. He has talked about what the heart and soul of this bill is. What is the heart and soul of it? What is the real issue? What are we talking about when we talk about campaign finance reform? What is the real issue?

We are talking about whether we ought to do something to stop unlimited spending of money on political campaigns. Those of us who are supporting S. 3 say yes, that is what is wrong with the political system, too much money is pouring into it, too many campaigns are being decided about how much money is being spent and that is not healthy and that is not good for the process.

This is not about financing. It is not about taxpayer financing. We have already adopted the amendment of the Senator from Nebraska and the Senator from Michigan that makes it clear other alternatives will be found to finance the major portion of any incentives provided under this bill to accept spending limits that do not affect individual taxpayers or increase the deficit or increase the burden on individual taxpayers. There are many other alternatives we can utilize to fund the incentives provided in this bill.

This bill is about whether or not we are going to stop the money chase in American politics. And, Mr. President, before we vote we ought to ask ourselves this question; we ought to ask ourselves simply this: Is the current system working? Is spending more and more money on politics and campaigns in America a good thing, or is it a bad thing? Is it a good thing there is no limit on how much we spend on campaigns?

Is it a good thing for America that the cost of winning a U.S. Senate race has gone from $600,000 12 years ago to $4 million last year? Is that a good thing?

If you can say yes to that, well then you should not be for S. 3. If you can say I think it is a good thing that Members of Congress ought to be spending their time figuring out how to raise that $4 million in the average size State instead of dealing with the problems of the country, if you can say yes to that then, yes, you should not be for S. 3, you should oppose it, you should say I think runaway spending is a good thing. If you can really say that you think more and more money pouring into American politics has encouraged competition, then of course you should oppose S. 3 and spending limits.

But when you look at the facts, I do not see how you can answer the question that way. When you have 97 percent of the Members of the House being reelected, and 96 percent of the Members of the Senate being reelected, how can you say that runaway spending has promoted competition in campaigns? When you have political action committees and special interest groups giving $16 to incumbents—I do not care if they are Republicans or Democrats—for every dollar they give to challengers, how can you say that runaway campaign spending without any limits is promoting competition in American politics?

How can you say when you look at the facts—and this is not hypothetical—how can you say what we just heard a minute ago, that this bill would protect incumbents? No. This bill would give challengers a chance. It is the current system that protects incumbents because incumbents on average have been raising eight times as much money than challengers in the House, and three times as much money as challengers in the Senate.

Clearly, runaway spending, more and more money being poured into this process, having competition in politics based upon who can raise the most money, not who has the best ideas for solving the problems of this country, is not helping America. Nor is it helping this institution.

It is a fact that over half of the Members elected to Congress last year received more than half of their money not from the people in their home States but from special interests in other places.

How does it help the Senate? How does it help the country for us to be going to other States, talking to people we do not even know trying to raise the millions of dollars it takes to finance campaigns? How does it help the reputation of this body when some of those people pouring in that money turn out not to have the best reputations themselves when we finally find out all about them? It does not.

Mr. President, how long are we going to wait to stop the money chase in American politics and return this Government back to the people? We have a chance. Are we serious about it? Do we want to limit spending or do we not? That is the issue.

Do we want to stop the money chase or do we not? Or do we want to throw up all sorts of excuses about the incentives that are provided in this bill, or other kinds of excuses?

I say let us take action, let us not wait. We are, after all, the trustees of the American political system. We have an obligation to do something about this serious problem.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I want to particularly thank a number of staff members on this side of the aisle who have done a gret job in this lengthy debate on this issue. From my staff, Steven Law, Tamara Somerville, Kurt Branham, Victor Gallo; from Senator DOLE's staff, Dennis Shea; from Senator STEVENS' staff, Mark Mackie; from Senator NICKLES' staff, Lincoln Oliphant; and from Senator PACKWOOD's staff, Penny Schiller. All of these folks did a really fine job during the course of this debate.

Mr. President, what this is all about is how we view America. People on the other side of the aisle have said time after time after time that all those influences out there in America are tainting us. They look out at Americans and they see people who are trying to take advantage of us in an improper way.

On this side of the aisle we look out at America and we see a lot of hardworking people who want to participate in the political process, as many of them as would like to, by contributing limited and fully disclosed contributions to our campaigns. Under Federal law you cannot give very much. These are people who just want to participate in the process because in this day and age that is the way you participate.

People do not go to the courthouse steps any more and listen to us talk. A lot of people wish they would. They are too busy. They are not interested. The way in which you participate today in the American political system is to make a small and disclosed contribution to your favorite candidate. We do not see anything harmful about that.

No. 2, this bill is blatantly unconstitutional. As I have said on a couple of occasions this bill has about as much chance of surviving the Supreme Court as Saddam Hussein would have surviving in an Army-Navy game. If we were stupid enough to pass this bill I guarantee the courts would save us from ourselves, because it punishes people for exercising their first amendment rights. There is absoultely nothing voluntary about the spending limits that are in this bill.

As soon as you encroach above the arbitrary line all hell breaks loose. You lose your broadcast discount, you lose your direct mail subsidy, the Treasury rewards your opponent, and if some group of independent Americans, say B'nai B'rith, wanted to go into Louisiana and oppose David Duke, David Duke would get money out of the Treasury to answer B'nai B'rith. Nothing illustrates the absurdity of this proposal any more than that.

We just had, or were about to have one more amendment on soft money. This bill does not do anything about soft money. It does not do anything about sewer money. Nothing. We had a vote earlier today on the subject, on an amendment of mine; and a vote on an amendment by Senator HATCH. We are about to have a vote on Senator GRAMM'S amendment. I bet we will not get a single Democrat who wants to do anything at all about sewer money. It is a scandal.

This bill is a farce, because it leaves a gaping loophole of unreported and unlimited money in the system. This bill is a farce. It goes on to restrict parties, as the Senator from Texas pointed out just a minute ago.

One of the few things the bipartisan group of six appointed by Senator DOLE and Senator MITCHELL last year agreed upon was that parties ought to be strengthened. They are the one entity in America that will stand up for challengers. They will contribute to challengers.

So what does this bill do? It further shackles the political parties. So, between spending limits and shackling the parties, the challengers get it in the neck one more time.

With public funds, of course, we are also going to have fringe candidates, and every crackpot in America who woke up in the morning, looked in the mirror and said, "By golly, I think I see a Congressman" is going to be able to reach into the cookie jar and get some of that good Federal money to run for office. There are going to be fringe candidates springing up all across America, like Lenora Fulani, and Lyndon LaRouche, who have been running for President.

So this bill is not going to become law because this bill is not real campaign finance reform. We have referred to it and put it in the RECORD earlier, but I received a letter from President Bush yesterday that makes it absolutely clear, any bill that has spending limits, or public finance, or any bill that treats political action committees, for example, differently between the House and the Senate, is not going to become law.

So I hope the conference will produce a bill that can become law. We would like to see some campaign finance reform on this side of the aisle, but we would like to see real reform, not one that seeks to tilt the balance in the other direction. The other side is already in pretty good shape. They have a majority here and a majority in the House. Let us have some bipartisan campaign finance reform.

This bill will, no doubt, be largely decided on party lines here today. But we have some consolation on this side of the aisle. We can be comfortable, based on this letter from the President of the United States, that no bill like this bill will become law.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. McCONNELL. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield back this time?

Mr. BOREN. Mr. President, I wish to retain my time. Mr. President, I wish for just one moment to suggest the absence of a quorum and not have the time charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, how much time remains of the time of the distinguished Senator from Oklahoma?

The PRESIDING OFFICER. The Senator has 3 minutes 20 seconds remaining.

Mr. MITCHELL. Mr. President, I would like to make just brief comments restating what I said earlier in this discussion as we approach a vote on final passage.

There is one overriding issue in this debate. There is one major difference between us and that is the issue of spending limits. We Democrats favor spending limits; our friends and colleagues on the Republican side oppose spending limits. That is the issue.

The issue is not public financing or taxpayer subsidies. Despite all of the statements that have been made by our friends and colleagues on the Republican side, it is very clear that they do not dislike taxpayer subsidies and public financing. It is very clear that they are the recipients of hundreds of millions of dollars of taxpayer subsidies and public financing which they use at this very moment to their benefit.

Mr. President, and I say to the Members of the Senate—I repeat—each year the Republican Party receives millions of dollars in postal subsidies with direct mail solicitations, and uses it, I might say, very effectively.

Mr. President, and I say to Members of the Senate, the Republican Presidential candidates and the Republican National Committee have received millions of dollars since 1976 to pay for Presidential campaigns—more than $240 million, nearly a quarter of a billion dollars, received by Republican candidates which they have used to their very great advantage and benefit.

Mr. President, the distinguished Senator from Mississippi, a member of the Republican leadership, pointed out to all of our colleagues on the Senate floor the other day that every Senator—every Senator, including every single Republican Senator—receives in the neighborhood of $9 million in taxpayer money, $9 million in public financing for every Republican Senator, which is used very effectively by all Senators for their benefit.

So clearly, Republicans do not object to taxpayer subsidies and public financing. Why, they are raking it in in the hundreds of millions of dollars and using it very skillfully to their political benefit.

So the public financing taxpayer subsidy is a red herring. It has nothing to do with this debate. This debate is over spending limits. We favor them; they do not. We respect the difference. But that is the issue here. No one should misunderstand what the issue is. It is not taxpayer subsidies or public financing. It is spending limits.

A Senator who favors spending limits, who favors doing something about our campaign finance system should vote for this bill. A Senator who is opposed to public financing, a Senator who is opposed to spending limits, opposed to cleaning up this process who thinks it is a good system, should vote against this bill. The issue is clear. It could not be more clear.

I hope my colleagues, I hope a strong majority of my colleagues on both sides of the aisle will join to make a clear statement in favor of spending limits, in favor of ending the seemingly endless money chase in which Members of the Senate must, in the most demeaning manner, conduct themselves and do something, finally, about cleaning up the system by which we elect Members of the Senate.

It will be good for Members on both sides. It will be good for incumbents and challengers and, most important, it will be good for American democracy. And that is what our central objective should be—what is best for our democracy and for the people of this country. I submit this bill will go a long way.

Mr. President, I yield back the remainder of my time. I understand we are prepared to vote.

AMENDMENT NO. 273

The PRESIDING OFFICER (Mr. KERREY). Under the previous order, the question is on agreeing to the motion to lay on the table amendment No. 273 offered by the Senator from Kentucky [Mr. MCCONNELL].

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 82 Leg.]

YEAS—53

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—45

Bond
Brown
Bryan
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Exon
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Jeffords
Kassebaum
Kasten
Kerrey
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the motion to lay on the table the amendment (No. 273) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 274

The PRESIDING OFFICER. Under the previous order, the motion to table amendment 274 offered by the Senator from Kentucky is now in order. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Kentucky.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 83 Leg.]

YEAS—53

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NAYS—45

Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hollings
Jeffords
Kassebaum
Kasten

Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So, the motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 275

The PRESIDING OFFICER. Under the previous order, the motion to table amendment No. 275 offered by the Senator from Texas [Mr. GRAMM] is now in order. The question is on agreeing to the motion of the Senator from Oklahoma to lay on the table the amendment of the Senator from Texas.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 84 Leg.]

YEAS—54

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Glenn
Gore
Graham
Harkin
Heflin
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—44

Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Fowler
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hollings
Jeffords
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the motion to lay on the table the amendment (No. 275) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBB. Mr. President, I rise today in support of the Senate Election Ethics Act of 1991, a bill which will go a long way toward improving the way we conduct Senate campaigns. I support the bill because it offers comprehensive reform and spending limits. I think the Republican alternatives, which focus primarily on banning Political Action Committees [PAC's], are both incomplete and counterproductive.

PAC's grew out of the post-Watergate reform movement as a mechanism to make contributions aboveboard, limited, and disclosed. Today, PAC contributions continue to be far preferable to contributions from wealthy individuals, whose disclosure requirements are less stringent. I suspect that PAC's have come under attack in the media and elsewhere precisely because the contributions are open and easy to identify. It would be highly ironic, however, if we moved first to eliminate the most regulated type of contribution.

According to a recent study published by Citizen Action, the true hidden power in the current system lies not with PAC's but with large individual contributors. While the President and many Republicans condemn PAC contributions, Citizen Action found that contributions over $200 accounted for $164 million during the 1989-90 election cycle, more than the aggregate amount contributed by all PAC's combined. According to the study, one-tenth of 1 percent of the voting age population gave nearly half—46 percent—of the total amount given to congressional candidates.

While the pending Boren-Mitchell bill moves us forward in a comprehensive fashion, the alternative approach, which bans PAC's without imposing spending limits, places renewed importance on contributions from wealthy individuals whose interest in particular legislation is far more difficult to ascertain on the basis of the information made available as part of the public record. If we're going to increase accountability, the Republican approach moves in the opposite direction.

Mr. President, I am pleased to support S. 3 and urge my colleagues to do the same.

I yield the floor.

Mr. DASCHLE. Once again, Mr. President, this body has turned to consideration of proposals to end the campaign money chase.

For the third time in as many Congresses we seek to reform the relentless pursuit of money, a pursuit that has overtaken and so often corrupted our political process.

And for the third time, the third straight time, we seek to end the money chase with many Republicans still insisting there is no need to limit the number of dollars being pursued.

With all of America agreeing that dollars are what do the damage, some in this body continue to argue that limiting the number of dollars which can be spent in campaigns is not necessary.

They say the money chase can be ended with no limit whatsoever on the amount of money we must chase.

How, Mr. President?

How in the world do we, without limits, seriously put an end to the money chase when a Senator must raise $13,000 a week, every week, for 6 long years.

How can anyone in the current system stay the stench of political money that is gagging America when the odor is coming from a pile $445 million high?

It is a contradiction in terms, Mr. President, a contradiction in terms that every opponent of spending limits is unable or unwilling to comprehend.

They continue to insist, as they have insisted for the past three Congresses, for 6 years, that they have the secret for ending the corruption of politics by money without limiting the amount of money that is corrupting politics.

And how will they do it? Why, it's simple, they say, we are just going to turn dirty money into clean money.

That's right. No limit on the money chase. No limit on the dollars that are turning our politics into a smelly joke all across this land. Just launder the money. Turn it from dirty into clean and everything will be great.

Just take that $445 million spent by Congressmen and Senators in 1990, 400 percent more than was spent in 1976, and clean it up.

How you ask? It's easy. Just ban PAC's. That's what the GOP says, just ban PAC's.

That is the simple Republican panacea. If you just ban the PAC's and make all the money in politics into money from political parties and individuals, then there is no need for a spending limit at all.

Why? Because that money is clean money they say. PAC money is dirty, but money raised from political parties and individuals is clean.

The argument is so absurd to anyone who has ever run for anything that it is hard not to be incredulous in reply. "In your dreams" is the response a person in the real world wants to give.

But let me try to make the argument more seriously because the claim that we can clean up political money and thus make spending limits unnecessary is backed by a George Bush veto threat and it has killed campaign reform twice before.

So let's look at the premises. The first is that PAC money is dirty. Well, some of it is. Some of it comes with strings attached and seeks to buy influence.

But some of it is not at all dirty. How soon we forget that PAC's were created to give the little guy a chance to compete with individual citizens like W. Clement Stone, billionaires who in 1972 were giving politicians like Richard Nixon $1 million a pop. How easily we wave the anti-PAC wand and lump the $10 or $20 given by an environmentally concerned middle-class family to the Sierra Club's PAC with the thousand dollars given by a handful of oil executives to an oil company PAC lobbying to evade clean air standards.

The argument that PAC money is bad, when that money comes in tiny contributions from thousands of citizens, citizens whose voices can be heard along with those of the millionaires only because their PAC exists, is ridiculous on its face. PAC money is not always bad or always good. The problem comes when the amount of money politicians must chase is so huge that they must pander for every dollar they can find, anywhere, bad or good.

So the first excuse of those who would turn us away from spending limits is wrong. Clearly PAC money is not the bad guy. But is individual money and party money, as they say, the good guy? Is it always clean money, money we can safely pursue in unlimited amounts in the name of reform.

Ask the notorious big givers about that. Charlie Keating didn't have a PAC, didn't want one. It would have cramped his style. He would have had to report what it gave to the FEC and limited what he gave to one politician to just $5,000.

No, some big givers know all too well how to play the system. They do it with individual money. What our friends across the aisle call clean, individual money. Lots of it. In thousand dollar hunks from scores of executives at places like Lincoln Savings & Loan.

That's what the S&L scandal is about. Not PAC's at all. It was created by individual contributions from wealthy special interest donors who bundled their donations in a way that is repeated hundreds and hundreds of times each and every election cycle.

I suspect the ardent advocates of banning PAC's know this. Everyone does. They are intelligent professionals who know the system as we know it and, because they know it, they know perfectly well that political dollars aren't bad or good, they are just dollars.

The problem is that it takes too many of them to run for office nowadays. Way too many. So candidates are tempted to take whatever they can get wherever they can get it. They go after both good and bad PAC dollars, good and bad individual dollars, good and bad political party dollars.

On the question of how well my Republican colleagues understand this fact, and how serious their good money—bad money magic might really be, I would add just one more fact.

They say political party money is good and guess what, they have about five times as much of it as Democrats do.

They say individual money is good and they raise it with ease from their wealthy friends and direct mail donors.

But they tie PAC money to all manner of evil, and that is the one area where Democrats are competitive in raising funds.

So Mr. President, let me make a plea here today that this body get serious.

We can either scapegoat the PAC's, pretend we can turn bad, corrupting PAC dollars into good individual ones, or we can enact a serious reform with a real limit on total political spending.

We can either play political games with the pretense that money from national political parties is somehow cleaner than money from the Friends of the Earth, or we can admit that the real problem is money period.

It is serious to propose lowering TV costs because that reduces the dollars we need to seek office. It is serious to propose cheaper mail or any other change that can cut the need for political dollars.

But the only reform that can truly end the reign of dollar terror in politics, the only thing that can end the money chase is to limit the dollars a politician must chase.

That goal can be reached only by giving candidates all the dollars they need, or by limiting the number of dollars they are allowed to spend. In the current budget climate, full-public financing is difficult.

But a real spending limit is not. It is the only hope we have for ending the money chase. I urge that it be adopted as the centerpiece of our reform. It is the only one worthy of the name.

But I fear we will continue to hear the chorus of opposition from the other side. So, in anticipation of the continued objections of those who pretend spending can be reformed without being limited, let me briefly address each of their limited arguments.

The first, and most frivolous, is that a spending limit favors incumbents. Precisely the opposite, Mr. President. Unlimited spending protects incumbents. It allows them to bury their opponents in money that they alone are able to raise. In 1990 Senate incumbents outspent challengers $129 million to $47 million. If a spending limit would have hurt the challengers, who spent $47 million, but not the incumbents, who spent $129 million, we are in an upside down world indeed.

Then there is the argument that spending needs no limit because it is not going up as fast as it did a couple of years ago. There are two problems with that argument. The first is that spending has soared out of control and is much too high, even though it has slowed slightly. The second is that the apparent slowing of Senate campaign spending is partially a mirage, created by the fact that large States have had fewer competitive Senate campaigns in the last two cycles. The rise in the cost of an average Senate campaign will resume its upward spiral with a vengeance in the 1991–92 cycle when both California and Pennsylvania will have two Senate races and New York will have a competitive one as well.

And finally, there is the argument that academic experts supposedly oppose a campaign spending limit. Some may. But the overwhelming onsensus among distinguished campaign finance experts is that spending limitation is necessary and indeed indispensable to true campaign reform.

So I urge again, let us dispense with the charade. Let this Congress be the one that finally recognizes the simple and self-evident central fact of politics in America today.

There is too much money in this system. It costs too much to run for office. Money makes campaigns long. It creates the overwhelming appearance of control and corruption by special interests. Sometimes it causes actual corruption. The money chase must be ended. Other reforms are needed too, but none can work so long as the unlimited chase of the campaign dollar is allowed to continue.

If we limit the number of dollars that must be chased to have a chance to win, then we will have reform. If we do not, we will have no reform. The choice is ours.

Mr. GLENN. Mr. President, I rise today to support a major overhaul of the way in which candidates for the U.S. Senate raise and spend money for election campaigns.

Nothing is more important to our system of representative government than the guarantee of free and fair elections. I believe that many in our Nation feel that the credibility of free and fair elections has been eroded by election campaigns whose costs have skyrocketed and whose public purposes are paid by private dollars. I believe that the bill before the Senate brings vast improvement to our current system. It will provide many of the improvements we brought to Presidential elections in the 1970's.

I have been a candidate for office more than a few times. In the course of each campaign I have found it necessary to raise money.

In my early campaigns, less money was raised and spent, political action committees were few, contributions were almost unrestricted, and reporting requirements were all but nonexistent. Today, millions of dollars are raised through direct mail, PAC's, and endless dinners, receptions, and telephone calls.

Once raised, extraordinary amounts of money are spent on consultants, polling, computerized demographic analyses of constituencies, and television advertising.

We all remember the Watergate era that led to the current campaign finance rules. Reform was long overdue at that time. Now, we again confront the question of money in politics. In the 1970's we sought to reduce the impact of special interests by limiting contributions. The rise of PAC's, bundling, and soft money, has seriously eroded the credibility of past reform.

Mr. President, if campaigns are too expensive and fundraising detracts from the main purpose of the campaign, then let's limit campaign spending. No meaningful reform can be enacted without limits.

If political action committees exert too much influence, then let us limit them.

If soft money has undermined reporting requirements and allowed large contributions, then let us limit soft money.

If contributions from private sources are suspect as campaign funds, then let us provide public funds to ensure that no special interests can contribute.

The measure before us is an improvement and provides substantial reform to our current system. It limits spending, it bans PAC contributions, it eliminates soft money, it provides public funding for mailing costs and broadcasting expenses. I believe that we should bring to Senate campaigns the improvements we already have in Presidential campaigns—voluntary public funding contributed by the checkoff on tax returns. No question could be raised about the source of campaign funds when taxpayers voluntarily choose to contribute.

Our current campaign finance structure is flawed. It encourages suspicion. It distracts candidates from the issues that are truly important in a campaign.

Mr. President, it is past time to act. Public confidence in our electoral processes has been seriously damaged. We must correct the shortcomings. We have that opportunity today.

Mr. DURENBERGER. Mr. President, I rise today to explain my reasons for supporting final passage of S. 3, the Senate Election Ethics Act.

There are two reasons that meaningful campaign finance reform should be enacted in this session of Congress. First, the time has come to affirm the principle that confidence—not money—is the lifeblood of our political system. When people lose faith in the system, we lose the most important asset of a democracy—broad-based participation. In its place, a minority rules.

And second, we must improve the role the campaigns play in debating issues and educating candidates and voters. We should establish clearer mandates to address the critical issues of our day. Elections today do not do that, and as a result, democracy suffers.

Taken as a whole, the package before us makes some incremental strides toward restoring public confidence in Federal elections. For this reason, I am supporting final passage of this bill.

I am encouraged by the provisions of S. 3 that reform of our campaign spending system by encouraging money from clean sources, discouraging contributions from special interests, and controlling the escalating costs of campaigns.

S. 3 encourages candidates to seek the clean source of small in-state contributions by extending the spending cap up to 25 percent for these contributions. I believe that we can go much further by inviting these contributions through tax incentives. For this reason, I recently introduced legislation, S. 1075, that will allow a 50 percent tax credit for small in-State contributions.

S. 3 discourages many types of contributions that have impaired public confidence in elections. Under this bill, contributions from political action committees are banned. And for those who accept the public benefits under S. 3, the amount that candidate can contribute to his or her own campaign is limited to only $25,000. I have long been in favor of closing the millionaire's loophole—the self-financing of campaigns by wealthy candidates.

I am also pleased that this bill addresses the issue of soft money—a term of art that refers to political contributions that are not regulated or required to be reported to the Federal Election Commission. I am concerned, however, that S. 3 only bans soft money from political parties, while ignoring the issue of soft money from labor unions, corporations, and trade associations. Squeezing down soft money in one place may encourage it to rise up in other areas.

The costs associated with running a campaign over the past few years have escalated almost as fast as the price of designer sneakers. S. 3 makes a contribution to controlling these costs by giving participating candidates a 50 percent discount on broadcast rates and providing vouchers for 1- to 5-minute TV advertisements. After watching the recent trend of 30-second sound bites that elevate negative attacks over substantive debate, I would prefer a requirement that these political ads be at least 5 minutes long.

I also support the efforts of this campaign finance reform proposal to address the advantage of incumbents over their challengers. During an election year, incumbents will be prohibited from using the franking privilege for mass mailings. Any candidate that abides by the voluntary spending limit will be eligible for lower postal rates on first and third class mail. And as I mentioned before, S. 3 bans PAC contributions, which tend to flow disproportionately to incumbents.

I do remain concerned about some of the provisions in this bill. This was reflected in my votes on several amendments to S. 3, many of which were not adopted.

I do not support the system of taxpayers financing that this bill creates. No one doubts that Americans are overwhelmingly in favor of reforming our system of campaigns. But I think that most Americans would wince at the idea of using taxpayer-funded subsidies to reform the system, especially during a time when our Nation is facing a huge budget deficit and other critical Federal programs are going unfunded

The President has promised to veto any campaign finance reform bill that contains spending limits and taxpayer financing. I hope that my colleagues on the conference committee will be able to construct a final package that will address the concerns of the President and gain strong bipartisan support.

In conclusion, although not perfect, I believe that this bill addresses many of the problems in our current system. S. 3 deserves passage in this body and a chance to be improved through the rest of the legislative process.

I hope that S. 3 does not suffer the same fate as last year's campaign finance proposal, which died in conference committee. I believe that the time has come for public servants in both Chambers of Congress, on both sides of the aisle, to set aside partisan differences and work toward a final proposal that will restore public faith in the political process.

Mrs. KASSEBAUM. Mr. President, along with a number of my colleagues on both sides of the aisle, I am sorry to see that we still have not reached a bipartisan consensus on the issue of campaign finance reform. As the debate and the votes over the past few days have demonstrated, there still are fundamental differences that divide us and make it appear unlikely at this point that any real progress can be made.

I have great respect for the two floor leaders in this debate, the Senator from Kentucky [Mr. MCCONNELL] and the Senator from Oklahoma [Mr. BOREN]. With the expertise and knowledge they bring to this issue, I had hoped we could come to an agreement with broad support. Unfortunately, we have not.

Mr. President, I think it is clear that our deadlock is the result of a genuine disagreement over key features of the bill before us—specifically spending limits and public funding of Senate campaigns. As the Senator from Kentucky has argued very eloquently, spending limits raise very serious concerns on this side of the aisle.

While I do not agree with Senator McCONNELL's view of spending limits—in fact, I support spending limits—I do not dismiss his concern about the difficulties a spending limit would create for a Republican challenger facing an entrenched Democratic incumbent in the South, where one-party traditions still strongly favor a Democrat.

However, Mr. President, my own concern about S. 3 is its inclusion of public financing of our campaigns. Even with the bill's limits on this use of tax funds, public financing of our campaigns would be a significant new spending program. I cannot support creation of such a program when we are running a record Federal deficit in the midst of a recession.

Even more important than the spending argument, to me, is the question of what public funding of campaigns ultimately will do to the political process. While it is proposed as a way to end the appearance of corruption in the present system, I am deeply concerned that it would have another kind of corrupting influence simply by further removing political campaigns from the body politic.

I believe grassroots support, including financial support, should be the key to our political campaigns. Our campaigns already have become too distant and too detached from the people and, to me, public financing would only accelerate that trend by insulating politicians from the need to build genuine, grassroots support for their ideas and their candidacy.

All of the legal experts on this issue tell me I want something the Supreme Court already has rejected, spending limits without public financing. I do not doubt that is true, but given the choice between spending limits with public financing and no spending limits, I am forced to vote, as I have, for no limits.

What we have missed, it seems to me, is the chance to construct a better choice than the one before us. Frankly, our debate this year has been a rather hollow one, punctuated by numerous votes on symbolic amendments with little real value to the question at hand. All of us have to share the blame for that failure and for the fact that it now appears very unlikely that we will have serious campaign finance reform this year.

Mr. President, on most of the votes we have taken so far, I have voted my party's position. I have done so because I believe very strongly that fundamental changes in our campaign finance laws cannot be dictated by one party. We must come to a bipartisan consensus on this matter or no real progress can be made.

It would be my fervent hope, Mr. President, that a conference of the leadership will be able to shape the bipartisan consensus that has eluded us so far. I believe it is possible. However, as long as public financing remains a feature of the bill, I must cast my vote against S. 3.

Mr. PRESSLER. Mr. President, today we vote on final passage of the Senate Election Ethics Act of 1991. This is far from being a perfect bill. In fact, if this were the ultimate vote, I might well vote against it. But voting for it at this stage seems to be our best chance to keep campaign reform legislation alive, hopefully, to pass a more acceptable bill later in the session. Since I am strongly in favor of campaign reform, I will vote for this legislation to keep the process going forward; but I do so with extreme reluctance.

This bill is riddled with imperfections. Greatest of all its shortcomings are the provisions providing for public financing. I do not favor an expansion of taxpayer financing of elections. But the U.S. Supreme Court has said that mandatory spending limits on campaign spending are unconstitutional. Our Highest Court has ruled that only voluntary spending limits are consistent with first amendment freedom of speech protections.

To date, the only mechanism that a majority of Congress can agree will provide sufficient incentive for voluntary compliance with spending limits is candidate access to the U.S. Treasury to finance campaigns.

In prior Senate action, I voted for successful amendments which:

Ban the payment of honoraria to Senators;

Limit Senators' outside earned and unearned income to 15 percent of their Senate salary; and

Tighten penalties for foreign influencing of political action committees [PAC's].

I also voted not to table amendments which would have:

Eliminated all public financing for Federal election campaigns;

Required candidates using public financing to disclose this fact in political ads;

Eliminated broadcaster subsidization of political advertising;

Required unions to disclose to their members how much of their dues were spent for political purposes;

Limited candidates accepting public financing to two consecutive terms;

Allowed political party committees to match early in-state contributions received by challengers of incumbents;

Increased campaign spending limits by 50 percent for any candidate opposed by an incumbent Senator; and

Toughened conditions on the use of soft or sewer money.

These amendments were killed. Time after time, efforts to improve and bring some balance to this bill were thwarted.

After intense debate and numerous attempts to improve the bill, we end up with essentially the same bill we had at the beginning. I voted for a different campaign finance reform package last year. Like today, I did so then with the hope that the legislation would be improved by the conference committee charged with reconciling the different versions of the legislation passed by the Senate and the House of Representatives. As we all know, the conferees last year could not come to an agreement, and no campaign reform bill became law.

I now reiterate my hope that the House and the subsequent conference committee will do what the Senate has failed to do with this year's bill. My vote today is not for this bill; it is against the present system.

Unfortunately, the way this legislation now stands, the President will probably not sign it. We will revisit this legislation upon his veto. I want to make it very clear that should this bill come back to this body without its major imperfections corrected, I very likely will vote against it and sustain a Presidential veto. For now, I will vote for it to keep the process going. Our current system needs reform, but it should be balanced, progressive reform.

Consequently, I hope that the bill we pass today will be improved as it continues forward in the process. The House and the conference committee will have the last opportunities to craft a final bill the President can sign. I hope the process will present to the President a final product that resolves the partisan and other problems contained in this measure. I want reform, but it must be effective. There is no sense in repeating yesterday's mistakes.

Mr. GRASSLEY. Mr. President, I rise today in opposition to the Senate Election Ethics Act of 1991.

I supported the McConnell amendment to strike the public financing provisions and spending limit provisions from the Democrats' bill because I oppose the diversion of taxpayers' money to support politicians. Since that amendment failed, I cannot support S. 3.

It is simply wrong to give the taxpayers' money to candidates whom they do not support. Proponents of the taxpayer financing contend that taxpayers voluntarily checkoff their contribution to the campaign fund. But Mr. President, the proponents do not tell you that the voluntary checkoff is in fact subsidized by other taxpayers. The subsidy occurs because additional tax revenue is required to make up the difference in spending that would otherwise be utilized for other programs or to reduce the Federal deficit. The proponents also don't tell you that public financing of congressional campaigns will take more taxpayer funds from other programs. This is not fiscal responsibility.

Mr. President, in this environment of Federal deficits and pay as you go, all new programs must undergo strict scrutiny to determine if it is worth the challenge of funding it. This new program, an entitlement for Members of Congress, certainly does not hold up under that scrutiny.

I'd like to quote from a newsletter by the Americans for a Balanced Budget:

> Every year at this time the vast majority of Americans tell the Government that they don't want their hard-earned tax dollars funneled into politicians' campaign accounts. Every year fewer and fewer taxpayers check the box on their tax returns that sends $1 of their taxes to the Presidential campaign fund; last year more than four-in-five taxpayers refused to check that box.

Mr. President, I would not be surprised if participation would be even lower if the remaining one in five persons fully realizes that his or her funds are being diverted from other programs to support fringe candidates and political party conventions.

If other Members of this body receive as many letters and phone calls as I have, it should be obvious that our constituents are eager to see effective campaign finance reform. I share many of the concerns of my constituents about the expense of political campaigns.

But, Mr. President, the need to reform the manner in which campaigns are financed is not the focus of this debate. All Members of this body already support change in the current campaign finance system.

We have the responsibility, however, to pass responsible reform—not just any campaign finance reform. I ask my colleagues on the other side of the aisle—do they want a fair and equitable and bipartisan campaign finance reform package? Or do they want something to guarantee their majority status? If they insist on the latter, the President has already promised a veto.

Through the power of the ballot, the good citizens of this Nation have elected us as their representatives. And we ought not compromise our electors' right to support their candidates of choice through their preferred method of participation.

Mr. President shortly before this body concluded action on S. 3, it turned to the conference report of the budget resolution for the 1992 fiscal year. How ironic that Congress would turn to the very legislation which limits spending immediately before debating legislation creating an entitlement for ourselves. That is not a vote I am willing to take. While I support reform of our election laws, I cannot spend the taxpayers' hard-earned funds to do so.

Mr. LEVIN. Mr. President, I support final passage of this campaign finance reform legislation. If enacted into law, this legislation will help clean up the campaign process and help restore public faith in Government.

Although it will take more than one piece of legislation to completely restore the public faith, this bill, while far from perfect contains several substantial improvements over current law. First and foremost, the spending limits in this bill will finally put a stop to the ever-escalating cost of campaigns. Second, by providing for standby financing in the event that a candidate exceeds the voluntary limit, the bill provides a fair and powerful incentive for candidates to accept the limit.

Finally, the addition of the Exon/Levin amendment which prohibited taxpayer financing will curb public cynicism while preserving nontaxpayer financing options for the vouchers.

The time for campaign finance reform is long overdue. I sincerely hope the Senate will pass the legislation and that it will become law.

Mr. FOWLER. Mr. President, I rise today in strong support of the Senate Election Ethics Act of 1991.

My support for this important legislation stems from my firm belief that the inordinate influence of big money in the American political process threatens to bankrupt representative democracy as we know it.

The voice of the average American—the man or woman who puts in a good day's work for a good dollar paid, and who has little more than that dollar and some personal time to contribute to a political candidate—is being drowned out by a cacophony of well-heeled contributors carping about their causes.

The faces of the American people—once bound eagerly together at political rallies to express their desire for honest, fair, and representative Government—have been replaced by faceless associations of special interests bent on preserving their own piece of the Government pie.

And the minds of American voters—once open and attentive to the flow of the new ideas inherent in spirited political debate—have been bombarded into disinterest and disillusionment by the waves of negative advertisements bought with big political bucks.

Mr. President, the time has come to restore the voice of the American voter, to return to them their identity as individuals, and to reopen their minds to the merits of frank and positive political debate.

In short, Mr. President, the time has come for real campaign finance reform in this country—reform which will renew public confidence in our political system by limiting the influence of big money and special interests.

Discussions in this body of campaign finance reform always remind me of Mark Twain's contention that, "Nothing so needs reforming as other people's habits."

With characteristic wit, Mark Twain's words capture the essence of the problem we in the American Congress often face as we attempt to get our own house in order. Mr. President, I say to you and to my esteemed colleagues in this body today that none of us stand innocent in this debate, and that it is indeed our own habits that are in most need of reform.

Who among us has failed to extend their hand from one side of this great Nation to the other in search of the funds needed to finance a political campaign? Who among us has shown the willpower and the resolve to say enough is enough when our campaign war chests or those of our colleagues have swollen to obscene proportions? Who among us had resisted the desire to simply outspend an opponent, rather than to rely solely on the value of our ideas and convictions as a means of gaining public office? Mr. President, the sad answer is that far too few of us pass these important tests.

As we debate this bill today, plenty of fingers will be rightly pointed at individuals and institutions outside of Congress. But if we are to be honest with ourselves and honest with the American people, the first step toward real reform lies in our own self-restraint.

This legislation's call for voluntary spending limits gets to the heart of the matter. It is the members of this body, Mr. President, who must set the example, who must become practitioners as well as preachers, who must lead rather than follow.

The proposed voluntary flexible spending limits are reasonable to say the least. If you don't agree with that, Mr. President, ask a plantworker, or a teacher, or a policeman in your State how they feel about sending millions of dollars up in blue smoke and mirrors every November while our Nation continues to fall behind in productivity, education, and public safety.

By establishing a system of campaign finance based firmly on the principle of voluntary spending limits, we have an opportunity to prove to the American voters that the Congress is capable of living up to its word. We can regain their faith as guardians of the public trust by exercising prudence and moderation in our own personal political affairs.

We have a profound responsibility to our constituents—and to ourselves—to curb our own appetite for massive funds to cover the growing costs of modern campaigning.

This process is aided by the bill's emphasis on low-dollar, in-State contributions that should rightly form the heart and soul of any Member's support base. By tying candidate benefits to proven success in small donor fundraising, small dollar contributors increase their influence on the process as a whole. That moves the power back to the people—and that is what representative democracy is supposed to be all about.

Mr. President, the Members of this body have a chance today to breathe new life into the American political process and to bring the democracy we are sworn to uphold back from the brink of decay.

Campaign spending is out of control—and the American people know it.

They have seen the big money translated over the airwaves into a new and vicious brand of negative politics that can only hurt and divide our Nation. They have rejected the idea of a Government that is beholden only to those organized enough to open an office in Washington. And, not surprisingly, they have held this institution and its Members in contempt for their involvement in a morally bankrupt process.

Mr. President, if we are to reestablish the faith in Government and the belief in representative democracy that our forefathers held so dear, we must hear the voice of the American people, we must see their faces once again, and we must heed their collective thought. To that end, we must act today to end the devastating influence of big money on the political process in America by passing this important bill.

Mr. RIEGLE. Mr. President, I rise as a cosponsor of S. 3 and a firm believer in the need for campaign finance reform.

There is strong evidence that the high cost of running for office seriously threatens the principles which underlie our democratic system of government. The public trust in Congress and our political system has been severely damaged by the perception that the pursuit of ever larger amounts of campaign money is in turn distorting the legislative process.

Over the last decade, the cost of running for Federal office has increased dramatically. The need to raise increasing sums of money has had several negative consequences. It discourages people of modest means from running for public office, and it can create the impression that Members of Congress are more concerned with raising money to get reelected than addressing the issues that face this country.

The trends in campaign financing and spending over the last several years are deeply troubling. The average cost of winning a seat in the Senate in 1976 was $600,000. That figure has now risen to $4 million. This gives a great advantage to candidates with enormous personal wealth—and many Members of the U.S. Senate today are persons of great personal wealth—or with extraordinary access to large amounts of money. Those individuals have a much greater opportunity to run for the Senate and in many cases to be elected. But for most Americans who do not have access to those kinds of special assets, the prospect of running for the U.S. Senate has been moving steadily out of reach.

I think the country loses when that is the case. Campaign spending reform is needed to encourage much broader participation in our legislative system and to make it possible for challengers to have a fair chance of winning, regardless of their personal economic circumstances. There has been a lot of talk during this debate about whether voluntary limits hurt or help challengers. But the facts show that incumbents outspend challengers in the vast majority of cases. In the 1990 elections, incumbents outspent challengers 3 to 1. And incumbents' ability to raise large amounts of money actually scares off challengers. The truth is, reasonable spending limits will encourage competition by making it possible for a challenger to compete on more equal footing with an incumbent—and it will open the electoral system up to a much greater number of citizens.

Campaign finance reform is also needed to make sure that the Senate will remain a place where our time and effort is devoted to solving our Nation's problems. Because elections are so costly, Members of Congress who cannot finance their campaigns with their own personal wealth must spend an ever-increasing amount of time raising funds to finance their reelection campaigns. A Senator today has to raise an average of $13,000 a week in order to run for reelection. That inescapable task is an enormous drain on one's time and energy and fosters skepticism in the public about the motives of those who run for office, and that hurts the credibility of this institution.

I have been a strong and consistent supporter of efforts over the last few years to make fundamental changes in our campaign financing system. I believe the ultimate solution is to provide public funding for campaigns because that reform would reduce the advantage for wealthy candidates and eliminate the potential for conflicts of interest—real or perceived—attaching to the vast sums of money needed for contemporary campaigns. Despite this clear virtue, it may not be possible to enact public financing at this time.

Short of adopting public financing, I am firmly convinced that the current system must then be changed in other ways. Specifically, I believe the following steps are essential:

First, establishing voluntary limits on spending, reinforced with incentives for compliance. This is key if we are to foster candidacies by individuals of modest means.

Second, limiting large, out-of-State donations. This will encourage greater emphasis on small, individual contributions from individuals in a candidate's home State. Governor Chiles of Florida has shown this approach can be made to work—even in a large State like Florida.

Third, banning PAC's. While I do not believe PAC's are bad in and of themselves, or exert undue influence on the legislative process, I agree that the funding they provide contributes to the appearance problems currently facing this institution. I would point out, however, that providing public financing would eliminate the need for PAC funding and avoids the constitutional question of whether it is legal to ban PAC funding.

While we are grappling with the difficult questions of campaign financing, we should also look at the larger picture of campaigns in general, and the impact they have on people's confidence in our electoral system. There has been a great deal of discussion over the last few years about negative campaigning and the shortcomings of the 30-second sound bite. As we are all aware, advertising techniques have been moving toward harsh attack images aimed at putting candidates on the defensive, rather than encouraging real debate on the key issues facing this country.

Provisions in this legislation to provide vouchers for broadcast advertising and to reduce the cost of advertising will reduce the overall cost of campaigns, and marks a small step toward encouraging candidates to use larger blocks of time to discuss the issues in greater detail. I think we should go even further. Free air time for political debates would encourage more substantial airing of issues, and free air time to respond to negative advertising would discourage unscrupulous candidates from engaging in these kinds of smear campaigns.

In addition to supporting these changes in the law, last year I adopted my own personal guidelines for my future fundraising. I have pledged that, regardless of whether campaign finance reform legislation is enacted or not, I will no longer accept contributions from any company whose principal business is under the jurisdiction of any committee or subcommittee which I chair and I will not accept any personal contributions from individuals who are CEO's of these companies.

Mr. President, we have one of the greatest legislative systems in the world—one that has been admired and copied by other nations. One of the most important strengths of our system is that it is based on the principle of inclusion. This is a government by the people. But the escalating demands of raising large sums of money to run for public office is putting serious strains on our system of citizen government. We must make sure that our Government is reflective of all Americans, not just the wealthy or a privileged few who find an individual strategy to raise several millions of dollars for their Senate campaigns. Campaign financing reforms of this kind must be adopted if we are to stop the money chase and restore fair competition to our political campaigns.

Mr. CHAFEE. Mr. President, we have been debating comprehensive campaign finance reform legislation for several days. I want to commend those on both sides of the aisle—especially Senator MCCONNELL, Senator BOREN, Senator DOLE, and Senator MITCHELL—who have played a key role in shaping this legislation. I am pleased to see that some new areas of agreement have been reached, particularly the restrictions on political action committees and bundling of contributions by lobbyists, substantially reduced broadcast rates for political advertisements, and some of the provisions that would deter independent expenditures.

There are four goals that I believe a campaign finance reform bill should meet. First, it should limit the ability of special interests to influence the actions of those in Government through political campaign contributions. Second, it should improve competition in congressional campaigns, in which incumbents currently enjoy a number of advantages which inhibit the ability of challengers to compete. Third, it should reduce the rising costs of campaigns, which exert tremendous pressure on all candidates to undertake virtually ceaseless solicitation activities. And fourth, it should be a bipartisan bill which does not put in place a system with build-in advantages or disadvantages for one political party.

Some progress toward true campaign reform has been made in this bill. The restrictions on political action committees and bundling of contributions by lobbyists and the reduced broadcast rates are steps in the right direction. Unfortunately S. 3 fails to increase competition between challengers and incumbents, leaves in place the loopholes that enabled Charles Keating's activities to bring into question the integrity of those who serve in Congress, and fails to address the key issue in reform, which is where the contributions come from.

During the past several days we have heard a lot of discussion about the need to improve competition in campaigns. While there has been rhetorical agreement about this need, the outcome of votes on three amendments clearly indicates a reluctance to give challengers the same opportunities that are available to incumbents.

Recognizing that incumbents have built-in advantages, such as name recognition and mailing privileges, an amendment was offered and rejected that would have raised the spending limit for challengers. Later, an amendment which would have allowed the political parties to provide "seed money" or matching funds to challengers in the early weeks of their campaigns, was resoundingly defeated. Interestingly, the seed money amendment was based on a recommendation by the bipartisan task force on campaign reform that was named by the majority and minority leaders last year. My colleagues even rejected an amendment that would have required successful candidates to turn back unused funds, instead of starting the next campaign with a warchest left over from the previous campaign. The Senate rejected competition in campaigns not less than three times during this debate.

S. 3 has been promoted as a reform measure chiefly because it would put in place limits on the amounts that can be spent by congressional candidates. This would be a dramatic step for our democracy to take—to impose an arbitrary limitation on the amount a candidate can spend in an election. It may be a step that would be worth taking, if it were part of a system that truly was a level playing field. The system under S. 3 would leave the playing field tilted toward the incumbent.

Spending limits alone are not a panacea for improving our campaign system. If we are going to limit what a candidate can spend in an election, fairness directs that we limit all the other spending that goes on during elections; including funds spent by those who are not candidates.

When viewed with this in mind, S. 3 is by no means fair. Its proponents point to the limits which the bill imposes on use of so-called soft money—funds that are raised by entities that are not subject to Federal reporting requirements, yet spent in behalf of Federal candidates. S. 3 is selective in the type of soft money it prohibits. It would outlaw such expenditures by the Republican and Democratic Party organizations, yet permit the same expenditures by large corporations and labor unions. Thus, candidates and political parties would be limited in what they could spend, while special interest entities—labor unions, corporations, and trade associations—could spend whatever they wish to influence the outcome of an election, and no one would know that the money had been spent until the election was over. In my view, our failure to impose any limits on those expenditures is the most disappointing aspect of this debate.

The last amendment that we voted on would have required special interests that influence the process by slipping in through the back door with soft money contributions, to report their intentions to the Federal Election Commission 10 days prior to the expenditure. This amendment didn't even go as far as banning soft money. It simply required the reporting of union and corporate soft money expenditures. Incredibly, this simple amendment was not considered to be reform.

I hope that we will have another opportunity to reach a bipartisan accord on this issue after the House takes action on campaign finance reform. The progress that has been made gives me hope that finally we will be able to eliminate soft money abuses and develop a fair and competitive system.

Mr. DASCHLE. Mr. President, as we complete action on S. 3, the Senate Election Ethics Act, it is important that we take note of the role that large individual donors play in the election process.

The impact of large donors was recently analyzed in a report issued by Citizen Action. This report documented the fact that large contributors are the single largest source of campaign funds to House and Senate candidates.

The 1990 election cycle saw $164.2 million in large, individual contributions to House and Senate candidates, an amount that exceeds the total amount contributed by all political action committees.

In addition, Citizen Action revealed that 46 percent of all contributions made to congressional candidates was made by large donors, a group comprising one-tenth of 1 percent of the voting age population.

Through a combination of spending limits and partial financing, S. 3 would reduce the influence of large donors in the election process. In order to facilitate a thorough understanding of the impact of large donors in the political process, I ask unanimous consent that the Citizen Action report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From Citizen Action, May 1991]

HIDDEN POWER: CAMPAIGN CONTRIBUTIONS OF LARGE INDIVIDUAL DONORS, 1989–1990

HIDDEN POWER: SUMMARY AND CONCLUSION

Countless reports documenting the role of political action committees (PACs) in the legislative process have produced the widespread perception that the current campaign finance system is corrupting the democratic process. This has led to bipartisan efforts to develop reform programs. Political action committees have become the symbol of this campaign crisis, and all efforts seek either elimination or stronger regulation of PAC contributions. Hidden Power provides a comprehensive examination of the entire landscape of giving to Congressional candidates. The report reveals that PACs are only the most readily visible evidence of much more influence by special interests. Political action committees contributed 31 percent of the money raised by House and Senate candidates in 1989 and 1990. At the same time, large contributors—those who made contributions of more than $200—contributed even more.[1]

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[1] In this report, the term "large donor" or "large contributor" applies to those who make contributions of $200 or more to a particular PAC, party or candidate. All information reported is for the 1989-1990 election cycle.

Findings

Large Contributors are the Single Largest Source of Campaign Funds

Large individual political contributions to candidates accounted for $164.2 million—more than the total amount contributed by political action committees.

Large individual contributors accounted for an additional $71.9 million in indirect contributions through their giving to political action committees which in turn contributed to Congressional candidates.

In all—directly to candidates and indirectly through their PACs—large contributors gave $236.1 million.

Large Contributors are Special Interests

One tenth of one percent of the voting age population accounted for 46 percent of the total money raised by Congressional candidates. A mere one twentieth of one percent of the voting age population accounted for all the large donor money received by winning Senate candidates.

The finance, health, agriculture, transportation, energy and insurance industries' PACs and large donors that could be identified were the leading contributors to Congressional candidates during the 1990 election cycle. The complex of industries which gained the most from lax financial regulations in the 1980s—the finance, real estate and building industries—contributed at least $46.4 million of which the finance industry accounted for at least $24.7 million. Health industry PACs and large donors accounted for at least $19.6 million. These are very conservative estimates due to the difficulty in identifying the interests of contributors for whom no disclosure was made.

Large individual contributors associated with business interests gave more than 20 times the amount to Congressional candidates as large contributors associated with labor interests. Even if PAC giving is added to individual donations, business PACs and their large donors gave at least 6 times the amount as labor PACs and labor large individual donors gave.

Most large donor money comes from a few centers of political influence in California, Washington and New York. Large donor contributions from these centers accounted for more than half of all out of state large donor contributions. At the other extreme, candidates in 14 states received more large contributions from donors outside their states than they did from donors from their home states. The top ten zip codes in the country accounted for 5 percent of all large donor giving.

Money raised from special interests—large donors and PACs—accounted for 67 percent of the money raised by members of the Senate and 72 percent of the money raised by members of the House of Representatives.

Special interest donors already circumvent spending limits through donations by family members. At least $30.6 million was contributed to candidates in this way. For example, the Gallo family contributed more than $294,100, including $20,000 to one candidate on a single day.

Disclosure of Individual Contributions is a Failure

Candidates failed to disclose the employers—as required by law—of the contributors who gave them over half the money they raised from large donors. Fully 18 percent of all the large donor money raised had no disclosure whatsoever other than name and address.

Money reported by candidates, political parties and independent PACs with no, or worthless, disclosure amounted to 31 percent or two thirds the amount given by PACs.[2]

The extent of general evasion is illustrated by the fact that the most frequently reported occupation was housewife (or some variation). According to FEC records, housewives contributed $19 million in amounts of $200 or more.

Notwithstanding the fact that candidates for federal office, political parties and PACs failed to disclose the occupation or employer of donors who accounted for more than $100 million in contributions in the last election cycle, and well over one quarter of a billion since the law requiring them to do so was passed, only a handful of candidates and PACs have been investigated and prosecuted by the FEC.

Public Financing Is the Only Solution to Special Interest Influence

Eliminating or restricting political action committees without providing public financing will make matters worse for three reasons:

Eliminating PACs will increase the power of the wealthy at the expense of small donors:

Those special interests who already give large amounts to candidates directly through large contributions will retain their disproportionate influence over the millions of Americans who give $15 or $20, but whose contributions are often unrecognized unless made through small donor PACs.

Large donors are more likely to rewrite their $1,000 checks directly to targeted candidates than small donors. More importantly, candidates will be more likely to seek and appreciate the large checks than the small ones.

Eliminating PACs will hide the special interest sources of campaign contributions. The public knows which PACs contribute to their representatives because PAC disclosure works. The public has almost no idea of who the special interest large donors to their representatives' campaigns are because it is impossible to make individual disclosure work.

Eliminating PACs will increase the importance of the influence industry—lawyer, lobbyists and public relations firms. Lawyers and executives with these firms contributed more than $19 million to candidates. The identity of influence industry interests is the most difficult to determine and strengthens the special interests who can afford to hire these firms to represent them.

Campaign spending limits, without public financing, are as likely to hurt as they are to help:

Nearly every senator elected in 1990 in a competitive race raised, or came close to raising, the spending limit for their state in large donor contributions. Thus, it is predictable that most senators would be able to meet their spending limits raising little or no small donor money even if PACs are banned outright. The evidence suggests that limits being considered are low enough for candidates backed by special interests to raise the limit in large donor contributions and high enough to make it impossible or very difficult for candidates who eschew wealthy special interests to raise the limit.

Spending limits will enhance the power of the biggest special interests at the expense of the smallest. Since campaigns will be especially interested in minimizing fundraising costs if there are spending limits, they will be more open to those special interests who can mobilize the largest numbers of large donors.

Full Public Financing Is the Only Solution. History and common sense prove that regulation of campaign spending does not work. Special interests will always find ways around regulation because they have so much at stake in the legislative process. Public financing is the only solution because it provides the resources for a candidate who is willing to run without special interest backing to reach the electorate. The special interests may find ways to out-spend that candidate—as yet undreamed of elaborations on independent expenditures, soft money and bundling—but that candidate will still be heard.

Acknowledgement

Citizen Action wishes to acknowledge the assistance provided by the Center for Responsive Politics. The Center provided Citizen Action with its classification system for political action committees.

THE RULES OF DISCLOSURE AND THE MYTH OF PACS

Why the Public Hates PACs But Remains Ignorant of Wealthy Contributors

Although contributions by political action committees represented only one-third of the total money raised by Congressional candidates in 1990, PACs have drawn almost all of the public's attention because of the rules of disclosure. Federal election law requires each political action committee to register with the Federal Election Commission. Each political action committee must identify any corporation, union or organization to which it is connected and provide information such as the name of the treasurer of the committee and the committee's address and phone number. Each political action committee must file regularly with the Federal Election Commission; the largest PACs must file monthly. The Federal Election Commission routinely computerizes these filings. While the system of disclosure and recordkeeping is not perfect, these rules have made tracking PAC contributions relatively easy. Even when the interest of a PAC is not apparent from its name, the address and phone number enable citizens and reporters to contact the PAC directly to learn more about its interests and to give the public a sense of which special interests provide the most PAC dollars to a particular candidate.

A citizen or reporter outraged by savings and loan contributions can walk into the Federal Election Commission's office, look up the code number for the Lincoln Savings and Loan PAC and in a very short time the FEC's computer can print out a list of all of the candidates receiving Lincoln largess. In recent years, the relatively prompt computerization of the data has enabled large news and public interest organizations to do fairly sophisticated analysis of PAC contributions. Reports have been done that aggregate the contributions of PACs by industries or special interest. Some reports compare the contributions of a particular industry to voting on an issue of concern to that industry. Other reports classify candidate's total PAC contributions by a number of important special interests.

Comparing these rules of disclosure for PACs with the rules of disclosure for contributions from individuals makes plain why the public has heard a lot about contributions from PACs and virtually nothing about contributions from individuals. Candidates running for office are required to disclose the name, address and employer of anyone giving them a contribution of $200 or more. Even if compliance with that requirement were universal, tracking individual contributions would be much more difficult than tracking political action committee contributions. Since no unique code is assigned to individual contributors or their disclosed employer (as they are to all PACs) there is no straightforward way to aggregate contributions made by particular individuals or by particular companies or interests. For example: are J. Henry Smith and Henry Smith the same person or two people living in the same high rise? Are the Donald Trumps living in New York City and Palm Beach the same person? Without unique codes, it is impossible to be certain whether ABC Inc. is the television network or the local plumber. Although it is highly likley that the Smiths and the Trumps are the same person, and that ABC is the media powerhouse, FEC disclosure leaves that in doubt.

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[2] No disclosure means that no occupation or employer was disclosed. Worthless disclosure means that something was disclosed, but it was of no possible value in ascertaining an economic interest, such as "executive." For definitions of no, and worthless disclosure, see the text.

Finally, short of complex programming, there is no way to aggregate contributions from Chevrolet employees with those of Pontiac to compute a total for General Motors.

These problems would exist in the ideal world. But the world of individual donor disclosure is far from ideal. First, the FEC does not computerize the addresses of individual donors, making aggregation of individual contributions more difficult and the detection of household aggregate nearly impossible. (Household aggregates would include contributions made by all members of a particular household, important because of the frequency with which the wealthy circumvent limits on contributions by making them in the names of their spouses and children). Second, many contributors ignore the requirement to disclose their employer and campaigns are not penalized for failing to report contributor's employers. Third, even when an employer is reported, the disclosure is often worthless or nearly so.

With these obstacles, it is little wonder that reporters and citizens groups have focused their attention on political action committee contributions rather than on large individual contributors.

The Failure of Disclosure

For the purpose of this report, employer disclosures for contributions of more than $200 were divided into five categories: No disclosure, worthless disclosure, weak disclosure, company disclosure and the influence industry. Each of these categories is defined in the box at the end of this section.

In the 1990 election cycle, $258 million in contributions were made to Congressional candidates, political parties and to independent PACs in amounts of $200 or more.[1] An astonishing $107 million in contributions were made with no, or worthless, disclosure. *Thus, an amount equal to more than two-thirds of the amount given to candidates by political action committees was given in contributions of $200 or more with no indication whatsoever of the financial interests of the donors.* At the other extreme, $128 million—49 percent of the amount given by these contributors—disclosed a company. The political parties did the poorest job in reporting the employers of their contributors. The table on the following page breaks down these contributions by level of disclosure.

Despite the fact that candidates, parties and PACs reported receiving more than $100 million in contributions of $200 or more in 1989 and 1990 with no or worthless disclosure (and more than one quarter billion dollars since the law was enacted) the FEC has investigated and prosecuted few candidates, PACs or parties.

The table also points up two other special disclosure problems. The influence industry—lawyers, lobbyists and public relations executives—contributed $28 million, 12 percent of the large donor money received by Congressional candidates. In addition, influence industry PACs contributed $4.4 million, for a total of $23.0 million just to candidates. Even when members of this industry report their firm's name, the value of the disclosure is nearly worthless as most firms have many clients and it is impossible to attribute their contributions to particular special interests. A significant percentage of contributions made by large donors are made by lawyers, lobbyists, and public relations executives whose primary interest in making their contributions is ensuring access for their clients rather than affecting any issue that directly impacts their industries. Since the largest influence industry companies have long and frequently changing client lists, there is no way for the public to connect the contributions made by these hired guns to their lobbying interests.

The extent of general evasion is illustrated by the fact that the most frequently reported occupation is housewife (or some variation). According to FEC records, housewives contributed $19 million in amounts of $200 or more, or approximately one-half of the total amount given by organized labor through its PACs.

Conclusion

Whatever other effects eliminating or reducing the role of political action committees will have, it is indisputable that such action will dramatically reduce the public's awareness candidates' special interest backers. No recordkeeping reform short of requiring large donors to register at the FEC and submit forms that disclose their contributions, just as political action committees do now, would avoid this loss of information.

LEVELS OF DISCLOSURE—1990 ELECTION CYCLE

[In millions of dollars]

	Candidates		Parties		Independent PACs		Total	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
None	30	18	21	30	5	20	55	21
Worthless	32	20	16	23	4	18	52	20
Weak	14	9	7	10	2	8	23	9
Company	88	54	27	38	13	54	128	49
Influence industry	19	12	6	8	3	13	28	11
Housewives	14	8	3	4	1	6	18	7

Definitions: Disclosure—No entry is made—the employer field in the FEC computer database is blank. Worthless Disclosure—Instead of an employer, an occupation or state of being is disclosed. It is impossible to infer anything about the particular interests of the contributor. Examples include housewife, student, and self-employed. Weak Disclosure—Instead of an employer, an occupation is disclosed that at least suggests what economic interests the contributor has. Examples include, "farmer," "oil producer," and "investor." This kind of disclosure is minimally helpful in that someone who disclosed that they were an energy producer could be suspected of being interested in energy policy, but if an issue of concern divided the energy industry, this disclosure would be worthless. Company Disclosure—An actual company is disclosed. Often the value of this disclosure is little more (or even less) than a weak disclosure because the company's name is common and there is no way to be sure which of several companies with like names the contributor is associated with. The Influence Industry—Lawyers, lobbyists and public relations executives.

Sources: Federal Election Commission, Citizen Action calculations.

THE HIDDEN POWER OF LARGE GIVERS

The realities of campaign finance, and the fallacy that political action committees are the sole source of special interest influence in the political system, can be plainly seen in the following case. A number of savings and loan executives contributed to PACs and directly to candidates. Who could believe that the PAC check is tainted, but the personal check is pure? And who could believe that if Congress outlaws PACs that these executives would not merely send the money they had contributed directly to candidates?

But the exaggerated distinction between PACs and large donors is even more absurd than the previous example suggests. Consider this: when ten executives of the ABC corporation respond to a fundraising letter for the company PAC by each making $1,000 contributions, and ABC PAC makes a contribution to candidate X of $10,000, it is well disclosed PAC contribution. When those same executives respond to an invitation to a $1,000 per head fundraiser for candidate X, nothing has changed except that the contributions are less visible, and candidate X is less stigmatized for accepting the money. When ABC's Washington lawyer calls each of these executive suggesting that they should contribute to candidate X, nothing will change except that the special interest purpose of the contribution will be even more difficult to detect. And finally, when partners in ABC's Washington law firm—a firm with dozens of clients—each take some of the proceeds of their fees to ABC to make a contribution to candidate X, the connection between company and candidate is as valuable for the company as it ever was but is now all but invisible to the public. None of this is illegal, and no fundraiser or Washington lawyer could deny with a straight face that any of these practices are common today. Therefore, a leap of imagination is not necessary to see that if PACs are abolished or restricted, large donors will suffer only minor inconvenience in rerouting their contributions.

The public has clearly been misled. Instead of caring about how much a candidate receives from PACs versus how much they receive from individuals, the public should care about how much money a candidate has received from special interests regardless of whether the check is from a PAC or the chairman of a company.

The next three sections of this report take a fresh look at campaign finance by focusing on the role of large contributors. This section quantifies the role played by these donors. The next section evaluates special interests on the basis of their large donor strength. The third section examines members of Congress on the basis of how much money they are receiving from large contributors—directly and indirectly.

Why Large Contributions are Special Interest Contributions

A basic premise of this report is that large donor contributions should be considered special interest contributions. They are in some cases, such as Charles Keating's contributions, about which no one would argue. On the other hand, many would believe this case to be the exception—what most people who donate large amounts to candidates are simply public spirited people of means who are not looking for special favors. There are two arguments against this. The first is provided by the weight of the rest of this report. Patterns of large donor contributions are nearly identical to those of PACs. A significant portion of large donor money is collected in ways that barely differ from the way in which PAC contributions are collected. For example, when a law firm sets up a PAC and solicits for it from its partners, it is a well disclosed PAC contribution. When the same law firm holds a cocktail party for the candidate, and the partners give $200, it is no different to the candidate.

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[1] This does not include large donor contributions to connected PACs. Since the FEC act limits these PACs to soliciting employees or members, the lack of disclosure of the source of these contributions is less serious than it is for candidates and independent PACs.

The second argument strikes at the heart of one's conception of America's democracy. Even donors who genuinely believe they are contributing out of civic mindedness are supporting candidates who share fundamental world-views that may be different from the rest of the electorate not fortunate enough to be able to match their contributions. It is not surprising that, not withstanding the overwhelming evidence of the proportional shift in tax burden from rich to poor in the last decade, that Congress continues to contemplate further capital gains cuts even as it rejects a cut in the FICA tax. In an era of budget cutting members of Congress understand that cutting some programs will provoke personal outrage among their donors while cutting others does not affect the interests of their donors.

The Hidden Power of Large Donors

Contributions of more than $200 dominate the political process. In the 1990 election cycle, $485 million was spent by candidates for the House of Representatives and the Senate.[2] Of this amount, direct contributions of $200 or more accounted for 34 percent of the total and contributions of $500 or more accounted for 27 percent. Large donor contributions to PACs and to parties—committees which in turn made contributions to candidates—amounted to another $143 million, 29 percent of the amount raised by candidates. Even without counting contributions to the parties, large donors—directly through checks they wrote to candidates and indirectly through checks they wrote to PACs who wrote checks to candidates—contributed 49 percent of money spent by candidates in the last election cycle. The following table summarizes the aggregate role of large contributors.

LARGE DONOR CONTRIBUTIONS BY LEVEL OF CONTRIBUTION, 1989–90

[In millions of dollars]

	Congress		Party		PACs		Total	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
$200 to $499	34	21	11	16	20	28	66	21
$500 to $1,000	129	78	21	29	25	35	174	57
More than $1,000	1	1	39	55	27	37	67	22
Total	164	100	71	100	72	100	307	100

Sources: Federal Election Commission, Citizen Action calculations.

LARGE DONOR CONTRIBUTIONS BY STATE 1989–90

[Dollars in thousands]

	Giving						Receiving			Net effect	
	To candidates			To party	To PAC's	Total	From in State	From out of State	Total	Net exports	Percent of United States out of State
	To in State	To out of State	Total								
Alabama	$2,900	$299	$3,200	$725	$762	$4,687	$2,900	$1,065	$3,965	−$765	1
Alaska	242	128	370	135	93	598	242	372	613	−244	0
Arizona	669	271	940	992	787	2,719	669	110	779	+161	1
Arkansas	1,327	190	1,517	350	459	2,326	1,327	292	1,619	−102	0
California	11,291	7,885	19,176	11,202	11,270	41,648	11,291	1,799	13,090	+6,086	15
Colorado	2,049	619	2,668	900	841	4,410	2,049	1,141	3,189	−522	1
Connecticut	1,503	1,224	2,726	1,644	1,985	6,356	1,503	726	2,228	+498	2
Delaware	458	111	569	411	253	1,233	458	841	1,299	−731	0
District of Columbia	209	5,241	5,450	2,387	2,212	10,049	209	146	355	+5,094	10
Florida	4,954	2,876	7,830	4,447	3,454	15,731	4,954	850	5,804	+2,026	5
Georgia	2,270	691	2,961	1,305	1,623	5,889	2,270	835	3,105	−144	1
Hawaii	1,723	70	1,793	444	306	2,543	1,723	672	2,395	−602	0
Idaho	468	37	504	108	149	762	468	364	831	327	0
Illinois	5,419	2,676	8,094	2,825	3,830	14,749	5,419	2,735	8,153	59	5
Indiana	3,304	288	3,591	909	722	5,222	3,304	981	4,285	693	1
Iowa	1,755	82	1,837	676	443	2,956	1,755	1,857	3,612	−1,775	0
Kansas	531	193	725	484	568	1,777	531	312	843	−119	0
Kentucky	2,555	153	2,708	931	579	4,218	2,555	1,187	3,742	−1,034	0
Louisiana	2,584	450	3,034	726	838	4,598	2,584	1,153	3,738	−703	1
Maine	676	82	758	233	198	1,188	676	608	1,283	−526	0
Maryland	1,535	2,449	3,984	1,259	1,653	6,897	1,535	491	2,026	+1,958	5
Massachusetts	3,824	1,728	5,553	3,010	1,615	10,177	3,824	2,599	6,423	−871	3
Michigan	3,873	671	4,543	2,777	1,371	8,691	3,873	2,876	6,749	−2,206	1
Minnesota	2,016	493	2,509	910	1,422	4,841	2,016	2,081	4,097	−1,588	1
Mississippi	1,132	95	1,227	473	290	1,990	1,132	288	1,420	−193	0
Missouri	1,472	598	2,070	1,064	1,337	4,471	1,472	549	2,022	+49	1
Montana	547	29	576	197	73	846	547	815	1,362	−786	0
Nebraska	1,455	78	1,533	338	320	2,191	1,455	791	2,246	−713	0
Nevada	902	248	1,150	408	524	2,082	902	209	1,111	+39	0
New Hampshire	951	191	1,143	397	294	1,834	951	1,107	2,059	−916	0
New Jersey	5,264	1,887	7,151	2,622	2,512	12,286	5,264	4,935	10,200	−3,408	4
New Mexico	787	84	871	257	213	1,341	787	489	1,276	−405	0
New York	4,994	10,730	15,724	7,823	9,325	32,872	4,994	1,389	6,383	+9,341	20
North Carolina	3,674	336	4,010	774	892	5,677	3,674	4,220	7,894	−3,883	1
North Dakota	32	22	54	50	146	250	32	158	190	−135	0
Ohio	1,341	1,014	2,355	2,593	2,308	7,256	1,341	400	1,741	+614	2
Oklahoma	1,755	323	1,987	531	401	2,919	1,755	831	2,586	−599	0
Oregon	1,187	212	1,399	430	511	2,339	1,187	1,090	2,278	−879	0
Pennsylvania	3,681	1,521	5,201	2,310	3,215	10,726	3,681	1,220	4,901	+300	3
Rhode Island	1,247	169	1,416	325	253	1,992	1,247	1,360	1,607	−1,192	0
South Carolina	740	238	978	348	514	1,840	740	797	1,537	−559	0
South Dakota	326	38	365	322	98	784	326	1,189	1,515	−1,150	0
Tennessee	932	394	1,326	749	1,208	3,283	932	880	1,812	−486	1
Texas	12,906	2,303	15,209	4,687	5,082	24,978	12,906	1,931	14,837	+372	4
Utah	476	63	539	213	188	940	476	321	797	−528	0
Vermont	172	65	237	78	77	393	172	173	345	−107	0
Virginia	2,146	2,593	4,739	1,751	1,868	8,358	2,146	1,178	3,324	+1,415	5
Washington	766	451	1,217	648	1,011	2,876	766	395	1,162	+55	1
West Virginia	712	88	800	245	151	1,196	712	1,310	2,022	−1,222	0
Wisconsin	910	288	1,198	796	754	2,748	910	652	1,562	−364	1
Wyoming	274	53	326	104	63	494	274	407	681	−354	0

Sources: Federal Election Commission, Citizen Action calculations.

The Geography of Large Donor Contributions

The influence of large donors extends far beyond the borders of their home precincts. Roughly one-third of all large donor contributions are made to candidates running in other states. The table on the next page examines large donor giving by state. However, the most revealing elements of the table are those that show the flow of money from state to state. First, the table shows that 37 states received more large contributions from donors in other states than their large donors made contribution to candidates in other states. Indeed, candidates in 14 states received more in large contributions from donors in other states than they raised from donors in their own states. Most revealing, however, is what might be called the "market share" of the donors in states that spent the most money influencing elections in other states. Large donors in California, New

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[2] Various totals have been used for the total amount raised during the election cycle. The totals used in this report differ from those generally reported by the FEC in that they include money raised election in 1990. Most significantly, this includes Senators raising money for 1992 and 1994 races, as well as incumbents "retiring debt." This policy is used because it is felt since the central focus of this report is giving by large donors, it is better to take ferences with the FEC reported figures are very

York, and the Washington Metropolitan area made over half of all the out of state contributions made during the 1990 election cycle.[3]

In other words, raising enough money to run a competitive race for Congress is not simply a matter of winning the acceptance of large donors, it is a matter of winning the acceptance of distant large donors whose interests can be far different from those of the local electorate.

The following table shows that political giving is more concentrated geographically than even the state analysis would suggest. The table on the following page is particularly instructive. It lists the zip codes from which the most money was given in the 1990 elections. The top zip codes are uniformly either the nation's wealthiest residential addresses—ranking well above the 90th percentile nationally—or the nation's major financial and legal centers.[4] The top ten zip codes accounted for 5 percent of all large donor giving, and the top 100 zip codes accounted for 21 percent of all large donor giving. In most of these zip codes, nearly half of the contributions to candidates were made to candidates in other states. Large donors in a single Manhattan zip code, (10021), contributed more—$3.5 million—than all the large donors in 28 states.

LARGE DONORS, TOP 25 ZIP CODES—1989–90

[Dollar amounts in thousands]

Zip, city	Percent—				Total
	Congress	Party	PAC's	Out of State	
10021 (New York, NY)	55	24	20	42	$3,515
10022 (New York, NY)	44	36	20	35	2,717
20036 (Washington, DC)	44	22	35	43	1,775
90210 (Beverly Hills, CA)	57	17	26	36	1,697
20007 (Washington, DC)	55	24	21	53	1,417
10020 (New York, NY)	16	18	66	13	1,155
60611 (Chicago, IL)	55	15	30	30	1,140
77002 (Houston, TX)	55	25	20	14	1,127
20006 (Washington, DC)	57	27	15	56	1,104
90067 (Los Angeles, CA)	46	23	31	26	1,038
10028 (New York, NY)	56	19	25	42	1,036
10019 (New York, NY)	47	28	24	40	1,009
90049 (Los Angeles, CA)	54	19	28	31	985
10017 (New York, NY)	51	28	21	40	906
10004 (New York, NY)	35	22	43	31	895
90024 (Los Angeles, CA)	46	27	27	32	877
20016 (Washington, DC)	58	26	15	56	869
20008 (Washington, DC)	53	22	25	49	858
10128 (New York, NY)	64	13	23	53	851
20037 (Washington, DC)	49	31	20	47	835
33480 (Palm Beach, FL)	45	31	24	35	821
48013 (Bloomfield Hills, MI)	53	28	18	12	812
06830 (Greenwich, CT)	41	36	23	31	764
20854 (Potomac, MD)	58	16	26	50	742
63124 (St Louis, MO)	42	18	39	19	732

Sources: Federal Election Commission, Citizen Action calculations.

FAMILY PACS

How Many Large Donors?

The purpose of this chapter is to explore the issue of how many large donors there are in America today. According to the FEC, during the 1990 election cycle there were 516,000 contributions of $200 or more. These contributions totalled $307.0 million. Of these contributions, $164.2 million were made to candidates for Congress. Even if each of these contributions were made by a different person, this would mean that one-third of all direct contributions to candidates came from less than 1 percent of the voting age population. As discussed in the chapter about the rules of disclosure, the FEC does not make it easy to determine whether two listed contributors are in fact the same person. However, given the relatively small size of the large donor universe, a common sense approach can provide enormous insight.

A computer program was written to match contributors using the following basic and conservative assumptions: (1) two listed contributors with exactly the same last name, and nearly identical first names living in the same zip code were matched (Mike, Michael and Micheal are examples of nearly identical first names—the first two being variations, and the second being a misspelling); and (2) two listed contributors with identical last names and first names living in the same zip area were matched. And pairs that matched either of these conditions were rejected if there was contradictory information such as one being "Jr" and the other being "Sr." It is obvious that these rules exclude far more true matches than they accept false matches. For example, many of the largest donors might give from two or more addresses. There are tens of thousands of listings with either no zip code or typographical errors, and the program would not match common similar first names such as Jack and John that have some probability of being different people.

Based on this matching process, there were actually no more then 179,677 large donors to federal candidates. In other words, 34 percent of the money spent by federal candidates was directly contributed by no more than one-tenth of one percent of the voting age population. If the indirect giving of large donors is factored in, than the result is that one-seventh of one percent of the voting age population contributed 49 percent of the money spent by federal condidates. These results are in the table on the next page.

Another program was written to make an estimate of giving by households since many large donors circumvent the contribution limits by making contributions in the name of other family members, and others leverage or bundle the contributions of other family members. A program to produce a comprehensive result is impossible given how little information is provided. However, there is a strategy that does produce accurate matches. Contributors who listed their occupations as housewife and had exactly the same last name as a male contributor living in the same zip code were considered to be from the same household. While this procedure includes a few incorrect matches, it obviously misses an enormous number of matches such as couples with different last names, spouses who give from different addresses (i.e. one from the office, the other from home) and all giving by children. Even this extremely conservative approach found that at least 60 percent was given by housewives who matched a contributing husband. And when contributions made by these women without any disclosure are counted, their total giving grows to at least $33.0 million.

NUMBER OF LARGE DONOR CONTRIBUTORS TO FEDERAL CANDIDATES—1989–90

Assumption	Number of contributors	Percent of voting age population	Amount of contributions (millions)	Percent of money spent
Direct contributions to Federal candidates:				
Every contribution by a different person	311;288	0.170	$164.2	34
Two contributors with the same name in the same place are the same person.	179,677	.100	164.2	34
Housewives are related to contributors in the same place with the same last name.	168,850	.090	164.2	34
Direct and indirect contributions to candidates:				
Every contribution by a different person	433,804	.240	236.1	49
Two contributors with the same name in the same place are the same person.	239,296	.130	236.1	49
Housewives are related to contributors in the same place with the same last name.	227,563	.120	236.1	49

Source: Federal Election Commission, Citizen Action.

The Largest Donors

Even the household matches produce a somewhat exaggerated view of how broad the political fundraising base is in the United States. The following table breaks down the large donor universe by total given and shows that the large donor world is dominated by less than 10,000 donors who gave more than 30 percent of the total given by large donors to candidates.

DISTRIBUTION OF LARGE DONOR GIVING—1989–90

Level of contributions	Number of contributors	Amount of contributions (millions)	Percent of large donor money
$10,000 or more	3,299	$60.5	20
$5,000 to 9,999	5,280	34.5	11
$1,000 to 4,999	85,933	140.0	46
Less than 1,000	184,909	72.1	23

Source: Federal Election Commission, Citizen Action calculations.

Family PACs

Although it is impossible to systematically construct all the large donor families in the United States, there are ways to conservatively estimate the role these families play. One approach is based on making the assumption that if two or more people with exactly the same last name give $2,000 or more to the same candidate on the same day they are from the same family. Unless a candidate held a fundraiser that targeted people with the same last name, the number of incorrect matches using this procedure is obviously extremely small. On the other hand, the number of missed matches is enormous—husband and wife would merely have to have given on different days to have been excluded. Altogether, $30.6 million was raised by candidates in amounts of $2,000 or more from people with the same last names on the same day, or 19 percent of the total amount that large donors gave to candidates.

One way to get some perspective of the significance of those contributions is to compare them with PAC contributions. The following table shows that family members giving more than $2,000 to the same candidate on the same day gave nearly half as much as did all business PACs.

There were 34 times when a candidate raised $10,000 or more from people with the same last name on the same day. The biggest family pay day seems to have been April 13, 1989 when Alan Cranston collected 20 $1,000 checks from the Gallo family members.

It would appear that the Gallos constitute the largest family PAC in the country. Family members contributed at least $294,100 during the cycle, more than all but 93 business PAC's.

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[3] This includes contributions from the Maryland and Virginia suburbs.

[4] Evaluation of income percentiles based on Source-book of Demographics and Buying Power for Every Zip Code in the United States, CACI.

Family PACs versus business PAC's, 1989–90

Contributions of $2,000 or more to candidates:	
Family PAC's (millions)	30,600,000
Business PAC's (millions)	74,400,000
Family PAC's as percent of business PAC's (percent)	41

Source: Federal Election Commission, Citizen Action calculations.

SPECIAL INTEREST WINNERS AND LOSERS

Whenever the election rules change there are winners and losers. Incredibly, many advocates of reducing or eliminating PACs act as though once PAC contributions were restricted, all of the people who wrote checks to their PACs would lose interest in politics and stop contributing. Of course, this is not the case.

It is fairly predictable that if PAC contributions are eliminated or reduced, the winners will be those special interests which can most easily persuade their PAC donors to write their checks directly to candidates. Just as predictably, the losers will be those special interests who will have the greatest difficulty redirecting their PAC contributors directly to candidates. Although it is impossible to predict with certainty which special interests would be most successful in redirecting their PAC donors directly to candidates, it is reasonable to believe that PAC donors who make out large checks now are much more likely to rewrite their checks to specific candidates than those who write out small checks. It is also reasonable to believe PAC donors with a continuing relationship with government will have a larger incentive to keep writing checks. It is also obvious that those special interests whose members are currently giving the most through large contributions directly to candidates will also be winners since PAC restrictions will not deter those donors at all.

Business Vs. Labor

During the 1990 election cycle, business and trade association PACs gave $113.4 million to Congressional candidates, compared with $34.8 million given by labor PACs. However, when direct large donor giving by business is added to PAC giving, business interests accounted for at least $233.4 million in contributions. Direct large donor giving by labor union members is virtually non-existent. Even if every dollar of contributions by government employees and educators were considered union money, only $5.9 million would be added to labor's PAC total. This means that, at best, labor PACs and their large donors are outspent by business PACs and their large donors by a margin of six to one. The following table summarizes the comparison between business and labor interests.

This table also makes clear why labor will be the biggest loser if PACs are eliminated or restricted. Virtually all of the contributions made to labor union PACs are in small contributions. By comparison, at least 44 percent of business PAC contributions come in amounts of $200 or more. Thus, direct and indirect business large donor giving is nearly twenty times greater than labor's large donor giving.

This analysis shows that PACs have enhanced organized labor's strength relative to business, but that labor still lags far behind. This analysis also indicates that if PACs are severely restricted or abolished without adopting public financing, the balance of legislative power will tip even further in the direction of management.

The contrast between the United Auto Workers and the Auto Dealers for Free Trade is illustrative. The former received no contributions of more than $200, while in terms of their contributions to Congressional candidates. The industries that gained the most from tax regulation in the 1980s—the finance, real estate and building industries contributed at least $46.4 million to candidates during the last election cycle alone. Congress and the Administration have failed to squarely address the health care crisis despite costs being out of control, and strong support in public opinion polls for a national health program. The two industries opposed to such a plan—the health care and insurance industries—contributed $31.4 million to Congressional candidates in 1988 and 1990.

LEADING INTEREST GROUPS RANKED BY TOTAL 1989–90 CONTRIBUTION TO CANDIDATES

[In million of dollars]

Interest group	Identified large donor contributions	PAC contributions	Minimum total contributions
Financial	12.8	11.9	24.7
Health Care	8.8	10.8	19.6
Agriculture	4.7	10.6	15.3
Transportation	4.8	10.0	14.9
Energy	4.6	10.1	14.6
Insurance	3.0	8.8	11.8
Real Estate	7.7	3.6	11.3
Builders	5.3	5.1	10.3
Telcommunications	1.1	6.4	7.5
Defense	0.5	6.3	6.8

Notes;

(a) Due to methodological problems it was too difficult to develop a comprehensive estimate for the large donor giving by the defense industry. If its large donor giving were included the defense industry would be higher on the list.

(b) Industry definitions:

Finance: Commercial banks, bank holding companies, savings and loans, savings banks, credit unions, credit agencies and finance companies, investment banking, mortgage bankers and brokers, security brokers and investment companies, venture capitalists, accountants, commodity brokers and dealer.

Health: Physicians, psychiatrists, dentist, health practitioners, hospitals, pharmacists, pharmaceutical companies, medical laboratories, medical research and nursing homes.

Energy: Oil and gas producers, refiners, pipelines and distributors, utilities, oilfied service and equipment, gasoline service stations, coal mining and distribution, gas and electric utilities.

Agriculture: Cotton, sugar, tobacco and tobacco products, vegetables, fruits, nuts, wheat, corn, soybean, other crops, poultry and eggs, animal feed and health products, sheep and wool producers, feedlots, livestock services, farm machinery and equipment, grain traders and terminals, and commercial fishing.

Insurance: Accident, property, casualty, life and health insurance, insurance brokers and agents.

Real Estate: Real estate developers, subdividers, agents, and managers, title insurance and title abstract offices, building operators.

Building and Construction: Builders, mobile home construction, electrical contractors, plumbing, air conditioning, landscaping and excavation service, architectural services, surveying, stone, glass and concrete products, and other construction related products.

Transportation: Airlines, aircraft manufacturers, aircraft parts and equipment, general aviation, air freight, aviation services and airports, trucking companies and services, truck and trailer manufacturers, bus services, taxicabs, railroads, manufacturers of railroad equipment, railroad services, ship building and repair, sea freight and passenger services, and express delivery services.

Telecommunications: Telephone utilities, long distance telephone and telegraphy service, paging and cellular phone and services, telephone and communications equipment.

Sources: (1) Sources used to identify company interests: Center for Responsive Politics, Business Week, Dun and Bradstreet, Washington Representatives, National Law Journal. (2) Sources used to place specific industries into broader categories: Campaign Research Center, Business Week (3) Campaign data source: Federal Election Commission. (4) Calculations: Citizen Action.

Note.—Industry totals may vary somewhat with other published reports by Center for Responsive Politics because of adjustments to accommodate classifications of individuals.

BUSINESS VERSUS INTERESTS—1989–90

[In millions of dollars]

	Business	Labor	Business labor ratio
PAC and Large Donor Contributions			
PAC contributions	$113.4	$34.8	3:1
Direct large donor contributions	120.0	[1] 5.9	20:1
Total contributions	233.4	40.7	6:1
Large Donor Strength			
Indirect through PACs [2]	49.7	2.8	18:1
Direct large donor contributions	120.0	[1] 5.9	20:1
Total contributions	169.7	8.7	20:1

Note:

[1] Less than $100,000 in direct large donor contributions could be found from union members to Congressional candidates, including all those who disclosed occupations that are at all unionized. This figure reflects the full amount of contributions by educators and government employees and certainly exaggerates large donor giving by union employees.

[2] Indirect through PACs equals the amount received by PAC's from large donors.

Source: Federal Election Commission and Citizen Action calculations.

Interest By Interest Strength

The Center for Responsive Policies classifies PACs into some 300 categories. This system served as the foundation for the classification used in this report. The vagueness of disclosure, as well as the diversified nature of many of the nation's largest business dictates that broad categories be used. While reasonable people might disagree about whether a particular company belongs in one or another category, the distribution of contributions is so dramatic that it is clear that almost any classification system would generate similar conclusions. The rankings are based entirely on direct contributions to Congressional candidates and do not include contributions to leadership PACs, party PACs or presidential candidates.

CONGRESSIONAL WINNERS AND LOSERS

This section examines the recipients of campaign contributions. First, there is an overview discussion of the characteristics of recipients of special interest campaign contributions. This is followed by an examination of the role that special interest money plays in competitive races.[5] The results of this section reenforce the point made in the previous section that an elimination of PACs will most likely result in a significant shift in the balance of special interest and partisan power but will not diminish the dominance of special interest money.

The following overview table shows that there is quite a bit of difference between the regular channels used to deliver special interest money to members of the House of Representatives and Senators but not much difference in the overall dependence on special interest money. Members of the Senate receive more proportionately from large donors than Representatives who rely more on PAC contributions. But special interest money in total makes up three fourths of the total for both Representatives and Senators. Incredibly, no more than 70,000 people accounted for contributions to each body, a mere four one-hundredths of one percent of the voting age population.

OVERVIEW OF SOURCES OF CONTRIBUTIONS OF WINNERS OF 1990 ELECTIONS[1]

[in percent]

	U.S. Senate	House of Representatives
Less than $200	25	18
$200 or more	41	26
PAC's	26	47
Other	8	9
Total	100	100
Special interest	67	72
Out of State large donor	19	6
Number of contributors	70,249	70,656

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[5] A competitive race is one in which the winner received less than 60 percent of the vote.

OVERVIEW OF SOURCES OF CONTRIBUTIONS OF WINNERS OF 1990 ELECTIONS [1]—Continued

[in percent]

	U.S. Senate	House of Representatives
Percent of voting age population	0.040	0.040

[1] Winners of 1990 elections and incumbent senators who did not run for reelection in 1990.

Sources: Federal Election Commission, Citizen Action calculations.

Special Interest Spending in Competitive Races

Special interests make contributions for two reasons: to assist candidates who enthusiastically endorse their programs (or who are at least more supportive than their opponents) and to influence those who do not. This mixture of purpose has helped to obscure from the public basic realities in the financing of elections. The observed special interest fundraising "parity" between Democrats and Republicans is a product of Democratic leadership positions. The following table shows that in competitive races, special interests, especially those associated with business; favor Republicans by a lopsided margin in all races except those in which the incumbent is a Democrat. Importantly, in those races, the Democratic incumbent, on average received more from business interests than they did from labor interests.

SPECIAL INTEREST SPENDING IN COMPETITIVE ELECTIONS 1989–90

[In thousands of dollars]

	Dem. incumbent		Republican incumbent		Open Seat	
	Democrat	Republican	Republican	Democrat	Democrat	Republican
U.S. SENATE						
Less than $200	$1,330	$554	$2,447	$917	$563	$580
$200 or more	2,493	847	1,606	936	644	1,428
PAC's	1,072	593	950	425	351	1,705
Total	5,107	2,912	5,232	2,625	1,953	4,180
Business PAC's	556	481	747	77	18	1,222
Labor PAC's	259	2	2	214	145	12
HOUSE OF REPRESENTATIVES						
Less than $200	91	67	153	39	97	101
More than $200	147	97	155	49	158	157
PAC's	330	47	238	69	245	169
Total	614	290	579	194	571	527
Business PAC's	171	28	198	7	67	115
Labor PAC's	112	1	9	44	115	0

Note: A competitive race is one in which the winner received less than 60 percent of the vote.

THE ONLY SOLUTION: PUBLIC FINANCING

If a lobbyist hands a member of Congress a bag full of cash in return for a vote or special favor, everyone agrees that that is corruption. the problem with the current campaign finance debate is that apologists for the current system have defined the debate by this standard. There is probably not a single member of Congress who would admit that a contribution changed his or her vote; the most a member will admit is that contributions buy access. But what is obvious to the public is obscure to the politicians: the problem is the private financing of elections. The solution is simple: public financing of elections. For two centuries, efforts to regulate private financing of elections have failed to diminish special interest influence. Regulation cannot work because we are a nation in which only the affluent have the discretionary income, the immediate personal stake and the expertise to systematically affect elections. Whatever the rules, large donors will find a way around them. Although it would be naive to believe that public financing would cause special interests to "give up" their efforts to influence elections and legislation, there is a critical difference between public financing and any regulatory scheme. Public financing provides sufficient resources for a candidate to make his or her case to the electorate without the need for support from special interests. This one difference offers the hope that, over time, the nation can develop a generation of political leadership which is as sensitive to the needs of voters as the current generation of political leadership is sensitive to the needs of special interest campaign contributors.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the amendment in the nature of a substitute, as amended.

The amendment (No. 242), as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. BOREN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. LAUTENBERG). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 56, nays 42, as follows:

[Rollcall Vote No. 85 Leg.]

YEAS—56

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bryan
Bumpers
Byrd
Cohen
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Inouye
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NAYS—42

Bond
Breaux
Brown
Burdick
Burns
Chafee
Coats
Cochran
Craig
D'Amato
Danforth
Dole
Domenici
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hollings
Johnston
Kassebaum
Kasten
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Packwood
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Helms
Pryor

So the bill (S. 3), as amended, was passed, as follows:

S. 3

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Senate Election Ethics Act of 1991".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of FECA; table of contents.

TITLE I—SENATE ELECTION CAMPAIGN SPENDING LIMITS AND BENEFITS

Sec. 101. Senate spending limits and public benefits.
Sec. 102. Ban on activities of political action committees in Federal elections.

Sec. 103. Broadcast rates.
Sec. 104. Preferential rates for mail.
Sec. 105. Disclosure by noneligible candidates.
Sec. 106. Reporting requirements.
Sec. 107. Other definitions.

TITLE II—EXPENDITURES AND CONTRIBUTIONS

Subtitle A—Independent Expenditures

Sec. 201. Cooperative expenditures not treated as independent expenditures.
Sec. 202. Equal broadcast time.
Sec. 203. Attribution of communications.

Subtitle B—Expenditures

PART I—PERSONAL LOANS; CREDIT

Sec. 211. Personal contributions and loans.
Sec. 212. Extensions of credit.

PART II—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

Sec. 215. Limitations on contributions to State political party committees.
Sec. 216. Provisions relating to national, State, and local party committees.
Sec. 217. Restrictions on fundraising by candidates and officeholders.
Sec. 218. Reporting requirements.

Subtitle C—Contributions

Sec. 221. Limits on contributions by certain political committees.
Sec. 222. Contributions through intermediaries and conduits.
Sec. 223. Contributions by dependents not of voting age.

Subtitle D—Reporting Requirements

Sec. 231. Reporting requirements.

TITLE III—FEDERAL ELECTION COMMISSION

Sec. 301. Use of candidates' names.
Sec. 302. Reporting requirements.
Sec. 303. Provisions relating to the general counsel of the commission.
Sec. 304. Retention of fees by the commission.
Sec. 305. Enforcement.
Sec. 306. Penalties.
Sec. 307. Random audits.
Sec. 308. Attribution of communications.
Sec. 309. Fraudulent solicitation of contributions.

TITLE IV—MISCELLANEOUS

Sec. 401. Restriction of control of certain types of political committees by incumbents in or candidates for Federal office.
Sec. 402. Polling data contributed to a senatorial candidate.
Sec. 403. Mass mailings.
Sec. 404. Extension of time period when franked mass mailings are prohibited.
Sec. 405. Sense of Senate regarding funding of Act.
Sec. 406. Debates by general election candidates who receive amounts from the Presidential Election Campaign Fund.
Sec. 407. Uniform honoraria and income limitations for Congress.
Sec. 408. Expedited review of constitutional issues.
Sec. 409. Uniform limitations for earned and unearned income.
Sec. 410. Prohibition of certain election-related activities of foreign nationals.
Sec. 411. Technical corrections to Ethics in Government Act of 1978.
Sec. 412. Sense of the Senate regarding application of provisions relating to PACs equally to candidates for the Senate and candidates for the House of Representatives.

TITLE V—TELEPHONE VOTING BY PERSONS WITH DISABILITIES

Sec. 501. Study of systems to permit persons with disabilities to vote by telephone.

TITLE VI—EFFECTIVE DATES; AUTHORIZATIONS

Sec. 601. Effective date.
Sec. 602. Authorization of appropriations.
Sec. 603. Severability.

TITLE I—SENATE ELECTION CAMPAIGN SPENDING LIMITS AND BENEFITS

SEC. 101. SENATE SPENDING LIMITS AND PUBLIC BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC BENEFITS FOR SENATE ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) except as otherwise provided in this title, the definitions under section 301 shall apply for purposes of this title insofar as such definitions relate to elections to the office of United States Senator;

"(2) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive benefits under this title;

"(3) the terms 'Senate Election Campaign Fund' and 'Fund' mean the Senate Election Campaign Fund established under section 506;

"(4) the term 'general election' means any election which will directly result in the election of a person to the office of United States Senator, but does not include an open primary election;

"(5) the term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election;

"(6) the term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B);

"(7) the term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified under State law for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of this title;

"(8) the term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for the office of United States Senator;

"(9) the term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election;

"(10) the term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for the office of United States Senator;

"(11) the term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office;

"(12) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e); and

"(13) the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) or (vi) thereof.

"CANDIDATES ELIGIBLE TO RECEIVE BENEFITS

"SEC. 502. (a) IN GENERAL.—For purposes of this title, a candidate is an eligible candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (b) and (c);

"(2) meets the primary and runoff election expenditure limits of subsection (d); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) PRIMARY FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration that—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (d); and

"(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 503(b); and

"(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 503(a).

"(2) The declaration under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

"(c) GENERAL ELECTION FILING REQUIREMENT.—(1) The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (d); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable;

"(B) the candidate met the threshold contribution requirement under subsection (e), and that only allowable contributions were taken into account in meeting such requirement;

"(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(D) such candidate and the authorized committees of such candidate—

"(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 503(b);

"(ii) will not accept any contributions in violation of section 315;

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of—

"(I) the amount of the general election expenditure limit under section 503(b), reduced by the amount of voter communication vouchers issued to the candidate; plus

"(II) the amount of contributions from State residents which may be taken into account under section 503(b)(4) in increasing the general election expenditure limit; plus

"(III) the amount which may be maintained in a legal and accounting compliance fund under section 503(c);

"(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission; and

"(vi) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(E) the candidate intends to make use of the benefits provided under section 504.

"(2) The declaration under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date the candidate qualifies for the general election ballot under State law; or

"(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"(d) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—(1) The requirements of this subsection are met if:

"(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

"(i) 67 percent of the general election expenditure limit under section 503(b); or

"(ii) $2,750,000.

"(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 503(b).

"(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to the Secretary of the Senate with respect to such period under section 304A(b) (relating to independent expenditures in excess of $10,000).

"(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

"(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

"(i) would result in the violation of any limitation under section 315; or

"(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

"(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

"(1) 10 percent of the general election expenditure limit under section 503(b); or

"(2) $250,000.

"(3) For purposes of this section and section 504(b)—

"(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

"(B) The term 'allowable contributions' shall not include—

"(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

"(ii) contributions from any individual during the applicable period to the extent such contributions exceed $250; or

"(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 504(b).

"(3) For purposes of this subsection and section 504(b), the term 'applicable period' means—

"(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

"(i) the date on which the certification under subsection (c) is filed by the candidate; or

"(ii) for purposes of section 504(b), the date of such general election; or

"(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

"(f) INDEXING.—The $2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that for purposes of subsection (d), the base period shall be the calendar year in which the first general election after the date of the enactment of this title occurs.

"LIMITATIONS ON EXPENDITURES

"SEC. 503. (a) LIMITATION ON USE OF PERSONAL FUNDS.—The aggregate amount of expenditures which may be made during an election cycle by an eligible candidate or such candidate's authorized committees from the following sources shall not exceed $25,000:

"(1) The personal funds of the candidate and members of the candidate's immediate family.

"(2) Personal debt incurred by the candidate and members of the candidate's immediate family.

"(b) GENERAL ELECTION EXPENDITURE LIMIT.—(1) Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) $5,500,000; or

"(B) the greater of—

"(i) $950,000; or

"(ii) $400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 502(f) (relating to indexing).

"(4)(A) The limitation under this subsection (without regard to this paragraph) shall be increased by the lesser of—

"(i) 25 percent of such limitation; or

"(ii) the amount of contributions described in subparagraph (B).

"(B) Contributions are described in this subsection if such contributions—

"(i) are made after the time contributions have been received in an amount at least equal to the threshold contribution requirement under section 502(e);

"(ii) are in amounts of $100 or less; and

"(iii) are made by an individual who was, at the time the contributions were made, a resident of the State in which the general election is held;

except that the total amount of contributions taken into account under subparagraph (A) with respect to any individual shall not exceed $100.

"(C) Except as otherwise expressly provided, any reference in any provision of law to the general election expenditure limit under this subsection shall be treated as a reference to such limit computed without regard to this paragraph.

"(c) LEGAL AND ACCOUNTING COMPLIANCE FUND.—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures made by a candidate or the candidate's authorized committees or a Federal officeholder from a legal and accounting compliance fund meeting the requirements of paragraph (2).

"(2) A legal and accounting compliance fund meets the requirements of this paragraph if—

"(A) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate amount transferred to, and expenditures made from, the fund do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) $300,000; plus

"(ii) the amount determined under paragraph (4); and

"(C) no funds received by the candidate pursuant to section 504(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection, the term 'qualified legal and accounting expenditures' means the following:

"(A) Any expenditures for costs of legal and accounting services provided in connection with—

"(i) any administrative or court proceeding initiated pursuant to this Act during the election cycle for such general election; or

"(ii) the preparation of any documents or reports required by this Act or the Commission.

"(B) Any expenditures for legal and accounting services provided after the general election for which the legal and accounting compliance fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(C) Expenditures for the extraordinary costs of legal and accounting services provided in connection with the candidate's activities as a holder of Federal office other than costs for the purpose of influencing the election of such candidate to Federal office.

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures will exceed the limitation under paragraph (2)(B), the candidate may petition the Commission by filing with the Secretary of the Senate a request for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation. Such determination shall be subject to judicial review under section 509.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5)(A) A candidate shall terminate a legal and accounting compliance fund as of the earlier of—

"(i) the date of the first primary election for the office following the general election for such office for which such fund was established; or

"(ii) the date specified by the candidate.

"(B) Any amounts remaining in a legal and accounting compliance fund as of the date determined under subparagraph (A) shall be transferred—

"(i) to a legal and accounting compliance fund for the election cycle for the next general election;

"(ii) to an authorized committee of the candidate as contributions allocable to the election cycle for the next general election; or

"(iii) to the Senate Election Campaign Fund.

"(d) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure by the candidate or the candidate's authorized committees for Federal, State, or local taxes on earnings allocable to contributions received by such candidates or committees.

"BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE

"SEC. 504. (a) IN GENERAL.—An eligible candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b)(3) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3629 of title 39, United States Code;

"(3) payments from the Senate Election Campaign Fund in the amounts determined under subsection (b); and

"(4) voter communication vouchers in the amount determined under subsection (c).

"(b) AMOUNT OF PAYMENTS.—(1) For purposes of subsection (a)(3), except as provided in section 506(d), the amounts determined under this subsection are—

"(A) the independent expenditure amount; and

"(B) in the case of an eligible candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure limit under section 503(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible candidate which are required to be reported by such persons under section 304A(b) with respect to the general election period and are certified by the Commission under section 304A(e).

"(3) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(B) is not greater than 133⅓ percent of the general election expenditure limit under section 503(b), an amount equal to two-thirds of such limit applicable to the eligible candidate for the election; plus

"(ii) if the excess described in paragraph (1)(B) equals or exceeds 133⅓ percent of the general election expenditure limit under section 503(b), an amount equal to one-third of such limit applicable to the eligible candidate for the election.

"(B) In the case of an eligible candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible candidate during the applicable period in excess of the threshold contribution requirement under section 502(e); or

"(ii) 50 percent of the general election expenditure limit applicable to the eligible candidate under section 503(b).

"(c) VOTER COMMUNICATION VOUCHERS.—(1) The Secretary of the Treasury shall issue nontransferable voter communication vouchers to eligible candidates as provided under section 506(b).

"(2) The aggregate amount of voter communication vouchers issued to an eligible candidate under paragraph (1) shall be equal to 20 percent of the general election expenditure limit under section 503(b) (10 percent of such limit if such candidate is not a major party candidate), except that no vouchers shall be issued to any eligible candidate unless Congress provides that the amounts in the Fund to pay for such vouchers are derived solely from—

"(A) voluntary contributions or tax checkoff contributions that are not from any tax liability owed by the person to the Treasury; or

"(B) sources which do not affect individual taxpayers, corporate taxpayers, partnerships, and estates and trusts, other than with respect to their campaign activities or other activities with respect to influencing Federal legislation.

"(3) Voter communication vouchers shall be used by an eligible candidate to purchase broadcast time during the general election period in the same manner as other broadcast time may be purchased by the candidate, except that each such broadcast shall be at least 1 but not more than 5 minutes in length.

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1) An eligible candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (2) and (3) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 503(b).

"(2) An eligible candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 502(c)(1)(D) or subsection (a) or (b) of section 503 if any one of the eligible candidate's opponents who is not an eligible candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 133⅓ percent of the general election expenditure limit applicable to the eligible candidate under section 503(b).

"(3) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 502(c)(1)(D) if—

"(A) a major party candidate in the same general election is not an eligible candidate; or

"(B) any other candidate in the same general election who is not an eligible candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 503(b).

"(e) USE OF PAYMENTS FROM FUND.—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(i), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) IN GENERAL.—(1) The Commission shall certify to any candidate meeting the requirements of section 502 that such candidate is an eligible candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible candidate files a request with the Secretary of the Senate to receive benefits under section 506, the Commission shall certify to the Secretary of the Treasury whether such candidate is eligible for payments under this title from the Senate Election Campaign Fund or to receive voter communication vouchers and the amount of such payments or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 509.

"PAYMENTS RELATING TO ELIGIBLE CANDIDATES

"SEC. 506. (a) ESTABLISHMENT OF CAMPAIGN FUND.—(1) There is hereby established on the books of the Treasury of the United States a special fund to be known as the 'Senate Election Campaign Fund'.

"(2) Amounts in the Fund shall, subject to the availability of appropriations, be available only for the purposes of—

"(A) providing benefits under this title; and

"(B) making expenditures in connection with the administration of the Fund.

"(3) The Secretary shall maintain such accounts in the Fund as may be required by this title or which the Secretary determines to be necessary to carry out the provisions of this title.

"(b) PAYMENTS UPON CERTIFICATION.—Upon receipt of a certification from the Commission under section 505, except as provided in subsection (d), the Secretary shall, subject to the availability of appropriations, promptly pay the amount certified by the Commission to the candidate out of the Senate Election Campaign Fund.

"(c) VOUCHERS.—(1) Upon receipt of a certification from the Commission under section 505, except as provided in subsection (d), the Secretary of the Treasury shall, subject to the availability of appropriations, issue to an eligible candidate the amount of voter communication vouchers specified in such certification.

"(2) Upon receipt of a voter communication voucher from a licensee providing broadcast time to an eligible candidate, the Secretary of the Treasury shall, subject to the availability of appropriations, pay to such licensee from the Senate Election Campaign Fund the face value of such voucher.

"(d) REDUCTIONS IN PAYMENTS IF FUNDS INSUFFICIENT.—(1) If, at the time of a certification by the Commission under section 505 for payment, or issuance or a voucher, to an eligible candidate, the Secretary determines that the monies in the Senate Election Campaign Fund are not, or may not be, sufficient to satisfy the full entitlement of all eligible candidates, the Secretary shall withhold from the amount of such payment or voucher such amount as the Secretary determines to be necessary to assure that each eligible candidate will receive the same pro rata share of such candidate's full entitlement.

"(2) Amounts and vouchers withheld under paragraph (1) shall be paid when the Secretary determines that there are sufficient monies in the Fund to pay all, or a portion thereof, to all eligible candidates from whom amounts have been withheld, except that if only a portion is to be paid, it shall be paid in such manner that each eligible candidate receives an equal pro rata share of such portion.

"(3)(A) Not later than December 31 of any calendar year preceding a calendar year in which there is a regularly scheduled general election, the Secretary, after consultation with the Commission, shall make an estimate of—

"(i) the amount of monies in the fund which will be available to make payments required by this title in the succeeding calendar year; and

"(ii) the amount of expenditures which will be required under this title in such calendar year.

"(B) If the Secretary determines that there will be insufficient monies in the fund to make the expenditures required by this title for any calendar year, the Secretary shall notify each candidate on January 1 of such calendar year (or, if later, the date on which an individual becomes a candidate) of the amount which the Secretary estimates will be the pro rata reduction in each eligible candidate's payments (including vouchers) under this subsection. Such notice shall be by registered mail.

"(C) The amount of the eligible candidate's contribution limit under section 502(c)(1)(D)(iii) shall be increased by the amount of the estimated pro rata reduction.

"(4) The Secretary shall notify the Commission and each eligible candidate by registered mail of any actual reduction in the amount of any payment by reason of this subsection. If the amount of the reduction exceeds the amount estimated under paragraph (3), the candidate's contribution limit under section 502(c)(1)(D)(iii) shall be increased by the amount of such excess.

"EXAMINATION AND AUDITS; REPAYMENTS; CIVIL PENALTIES

"SEC. 507. (a) EXAMINATION AND AUDITS.—(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of all candidates for the office of United States Senator to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection.

"(2) The Commission may conduct an examination and audit of the campaign accounts of any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) EXCESS PAYMENTS; REVOCATION OF STATUS.—(1) If the Commission determines that payments or vouchers were made to an eligible candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible candidate under section 505(a)(1), the Commission shall notify the candidate, and the candidate shall pay to the Secretary an amount equal to the payments and vouchers received under this title.

"(c) MISUSE OF BENEFITS.—If the Commission determines that any amount of any benefit made available to an eligible candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary the amount of such benefit.

"(d) EXCESS EXPENDITURES.—If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures which in the aggregate exceed—

"(1) the primary or runoff expenditure limit under section 502(d); or

"(2) the general election expenditure limit under section 503(b),

the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditures.

"(e) ASSESSMENT OF CIVIL PENALTIES.—If the Commission determines that a candidate has committed a violation described in subsection (c) or (d)—

"(1) in the case of a violation described in subsection (c), the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved, and

"(2) in the case of a violation described in subsection (b) where the expenditures exceeded the applicable limit by more than 5 percent, the Commission may assess a civil penalty against such candidate in an amount not greater than 300 percent of such excess.

"(f) UNEXPENDED FUNDS.—Any amount received by an eligible candidate under this title may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(g) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(h) DEPOSITS.—The Secretary shall deposit all payments received under this section into the Senate Election Campaign Fund.

"CRIMINAL PENALTIES

"SEC. 508. (a) VIOLATIONS.—(1) No person shall knowingly and willfully—

"(A) accept benefits under this title in excess of the aggregate benefits to which the candidate on whose behalf such benefits are accepted is entitled;

"(B) use such benefits for any purpose not provided for in this title; or

"(C) make expenditures in excess of—

"(i) the primary and runoff expenditure limits under section 502(d); or

"(ii) the general election expenditure limit under section 503(b).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer, employee, or agent of any political committee who knowingly consents to any expenditure in violation of the provisions of paragraph (1) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) USE OF BENEFITS.—(1) It is unlawful for any person who receives any benefit under this title, or to whom any portion of any such benefit is transferred, knowingly and willfully to use, or to authorize the use of, such benefit or such portion other than in the manner provided in this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) False Information.—(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report) to the Secretary of the Senate or to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title; or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) Kickbacks and Illegal Payments.—(1) It is unlawful for any person knowingly and willfully to give or to accept any kickback or any illegal payment in connection with any benefits received under this title by any eligible candidate or the authorized committees of such candidate.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal benefit in connection with any benefits received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary, for deposit into the Senate Election Campaign Fund, an amount equal to 125 percent of the kickback or benefit received.

"JUDICIAL REVIEW

"Sec. 509. (a) Judicial Review.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) Application of Title 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) Agency Action.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"Sec. 510. (a) Appearances.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 509 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) Institution of Actions.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) Injunctive Relief.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) Appeals.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"Sec. 511. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 as benefits available to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507 or 506(d)(2), and the reasons for each repayment required; and

"(4) the balance in the Senate Election Campaign Fund, and the balance in any account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) Rules and Regulations.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Statement to Senate.—Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.".

(b) Effective Dates.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1993.

(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

(A) no expenditure made before January 1, 1993, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

(B) all cash, cash items, and Government securities on hand as of January 1, 1993, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1993, to pay for expenditures which were incurred (but unpaid) before such date.

(c) Effect of Invalidity on Other Provisions of Act.—(1) Except as provided in this subsection, if title V of the Federal Election Campaign Act of 1971 (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act shall be treated as invalid.

(2) Paragraph (1) shall not apply by reason of section 504(a)(3) of the Federal Election Campaign Act of 1971 (providing payments to eligible candidates) having been held invalid.

(3) If section 504(d) (2) or (3) of the Federal Election Campaign Act of 1971 is held to be invalid because the expenditure limits under sections 502(c)(1)(D)(i) and 503 (a) and (b) of such Act, or the contribution limits under section 502(c)(1)(D) of such Act, do not apply—

(A) paragraph (1) shall not apply, and

(B) during any period any such section is not in effect, such limits shall be increased by 100 percent.

SEC. 102. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.

(a) In General.—Title III of FECA (2 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new section:

"BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL ACTION COMMITTEES

"Sec. 324. (a) Notwithstanding any other provision of this Act, no person other than an individual or a political committee may make contributions, solicit or receive contributions, or make expenditures for the purpose of influencing an election for Federal office.

"(b) In the case of individuals who are executive or administrative personnel of an employer—

"(1) no contributions may be made by such individuals—

"(A) to any political committees established and maintained by any political party; or

"(B) to any candidate for election to the office of United States Senator or the candidate's authorized committees,

unless such contributions are not being made at the direction of, or otherwise controlled or influenced by, the employer; and

"(2) the aggregate amount of such contributions by all such individuals in any calendar year shall not exceed—

"(A) $20,000 in the case of such political committees; and

"(B) $5,000 in the case of any such candidate and the candidate's authorized committees.".

(b) Definition of Political Committee.—(1) Paragraph (4) of section 301 of FECA (2 U.S.C. 431(4)) is amended to read as follows:

"(4) The term 'political committee' means—

"(A) the principal campaign committee of a candidate;

"(B) any national, State, or district committee of a political party, including any subordinate committee thereof; and

"(C) any local committee of a political party which—

"(i) receives contributions aggregating in excess of $5,000 during a calendar year;

"(ii) makes payments exempted from the definition of contribution or expenditure under paragraph (8) or (9) aggregating in excess of $5,000 during a calendar year; or

"(iii) makes contributions or expenditures aggregating in excess of $1,000 during a calendar year.".

(2) Section 316(b)(2) of FECA (2 U.S.C. 441b(b)(2)) is amended by striking subparagraph (C).

(c) Candidate's Committees.—(1) Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end thereof the following new paragraph:

"(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee which is established or financed or maintained or controlled by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder.".

(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is amended to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.".

(d) RULES APPLICABLE WHEN BAN NOT IN EFFECT.—For purposes of the Federal Election Campaign Act of 1971, during any period beginning after the effective date in which the limitation under section 324 of such Act (as added by subsection (a)) is not in effect—

(1) the amendments made by subsections (a), (b), and (c) shall not be in effect;

(2) in the case of a candidate for election, or nomination for election, to the United States Senate (and such candidate's authorized committees), section 315(a)(2)(A) of FECA (2 U.S.C. 441a(a)(2)(A)) shall be applied by substituting "$1,000" for "$5,000"; and

(3) it shall be unlawful for a multicandidate political committee to make a contribution to a candidate for election, or nomination for election, to the United States Senate (or an authorized committee) to the extent that the making of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed the lesser of—

(A) $825,000; or

(B) the greater of—

(i) $375,000; or

(ii) 20 percent of the sum of the general election spending limit under section 503(b) of FECA plus the primary election spending limit under section 502(d)(1)(A) of FECA (without regard to whether the candidate is an eligible candidate (as defined in section 501(2)) of FECA).

In the case of an election cycle in which there is a runoff election, the limit determined under paragraph (3) shall be increased by an amount equal to 20 percent of the runoff election expenditure limit under section 502(d)(1)(A) of FECA (without regard to whether the candidate is such an eligible candidate). The $825,000 and $375,000 amounts in paragraph (3) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c) of FECA, except that for purposes of paragraph (3), the base period shall be the calendar year in which the first general election after the date of the enactment of paragraph (3) occurs. A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (3) shall return the amount of such excess contribution to the contributor.

(e) RULE ENSURING PROHIBITION ON DIRECT CORPORATE AND LABOR SPENDING.—If section 316(a) of the Federal Election Campaign Act of 1971 is held to be invalid by reason of the amendments made by this section, then the amendments made by this section shall not apply to contributions by any political committee that is directly or indirectly established, administered, or supported by a connected organization which is a bank, corporation, or other organization described in such section 316(a).

(f) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1992.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received on or before the date of the enactment of this Act; or

(B) contributions made to, or received by, a candidate after such date, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate on or before such date, over

(ii) such contributions received by the candidate on or before such date.

SEC. 103. BROADCAST RATES.

(a) PROVISIONS RELATING TO LOWEST UNIT COST.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended by adding at the end thereof the following new paragraph:

"(2) The charges made for the use of any broadcasting station by any person who is an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act of 1971) for the United States Senate in connection with such candidate's campaign for nomination for election, or election, to such office shall not exceed—

"(A) during the forty-five days preceding the date of a primary or primary runoff election in which such person is a candidate, 100 percent, and during the general election period (as defined in section 501(5) of the Federal Election Campaign Act of 1971) in which such person is a candidate, 50 percent, of the lowest unit charge of the station, determined at the rate applicable to broadcasts of 30 seconds for the same time of day and day of week; and

"(B) at any other time, the charges made for comparable use of such station by other users thereof.

In the case of a primary or runoff election, a candidate who has filed the declaration under section 502(b) (and has not exceeded any limitations contained in such declaration) shall be treated as an eligible candidate for purposes of this paragraph.".

(b) PREEMPTION RULES; ACCESS; VOUCHERS.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (e) and (f) and by inserting after subsection (b) the following new subsections:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period the rates under subsection (b) (1)(A) or (2) are in effect, of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to subsection (b) (1)(A) or (2).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.

"(d)(1) In the case of a legally qualified candidate for the United States Senate, a licensee shall provide broadcast time to such candidate without regard to the rates charged for such time.

"(2) No broadcast time purchased through the use of voter communications vouchers shall be required to be provided without at least 4 days advanced notice.".

(c) CONFORMING AMENDMENT.—Section 315(b) of the Communications Act of 1934 is amended—

(1) by striking "The charges" and inserting:

"(1) Except as provided in paragraph (2), the charges"; and

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively.

(d) APPLICABILITY OF LOWEST UNIT CHARGE REQUIREMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as so redesignated by subsection (c) of this section, is amended—

(1) by striking "forty-five" and inserting in lieu thereof "thirty";

(2) by striking "sixty" and inserting in lieu thereof "forty-five"; and

(3) by striking "class and".

SEC. 104. PREFERENTIAL RATES FOR MAIL.

(a) REDUCED RATES.—Subchapter II of chapter 36 of title 39, United States Code, is amended by adding at the end the following:

"§ 3629. Reduced rates for certain Senate candidates

"(a) The rates of postage for matter mailed with respect to a campaign by an eligible candidate (as defined in section 501(2) of the Federal Election Campaign Act of 1971) shall be—

"(1) in the case of first-class mail matter, one-fourth of the rate currently in effect; and

"(2) in the case of third-class mail matter, 2 cents per piece less than mail matter mailed pursuant to paragraph (1).

"(b) Subsection (a) shall cease to apply to any candidate for any campaign when the total amount paid by such candidate for all mail matter at the rates provided by paragraphs (1) and (2) of subsection (a) exceeds 5 percent of the amount of the general election expenditure limit applicable to such candidate under to section 503(b) of the Federal Election Campaign Act of 1971.".

(b) AUTHORIZATION.—(1) Section 2401(c) of title 39, United States Code, is amended by striking "and 3626(a)–(h)" and inserting "3626(a)–(h), and 3629".

(2) Section 3627 of title 39, United States Code, is amended by striking "or 3626" and inserting "3626, or 3629".

(c) CONFORMING AMENDMENT.—The table of sections for chapter 36 of title 39, United States Code, is amended by inserting after the item relating to section 3628 the following new item:

"3629. Reduced rates for certain Senate candidates.".

SEC. 105. DISCLOSURE BY NONELIGIBLE CANDIDATES.

Subparagraph (B) of section 318(a)(1) of FECA (2 U.S.C. 441d(a)(1)), as amended by section 308, is amended by adding at the end thereof the following:

"(iv) If a broadcast or other communication is paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible candidate (as defined in section 501(2)), or the authorized committee of such candidate, such communication shall contain the following sentence: 'This candidate has not agreed to voluntary campaign spending limits.'."

SEC. 106. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 502(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible candidate under section 503(b). Such declaration shall be filed at the time provided in section 502(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible candidate under section 502; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 70 percent of the general election expenditure limit applicable to an eligible candidate under section 503(b),

shall file a report with the Secretary of the Senate within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 24 hours after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 133⅓ percent of such limit) with the Secretary of the Senate within 24 hours after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 133⅓ percent of such limit.

"(3) The Commission—

"(A) shall, within 24 hours of receipt of a declaration or report under paragraph (1) or (2), notify each eligible candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 503(b), shall certify, pursuant to the provisions of subsection (e), such eligibility to the Secretary of the Treasury for payment of any amount to which such eligible candidate is entitled under section 504(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 24 hours after making each such determination, notify each eligible candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 503(b), certify (pursuant to the provisions of subsection (e)) to the Secretary of the Treasury such candidate's eligibility for payment of any amount under section 504(a).

"(b) INDEPENDENT EXPENDITURES.—(1)(A) Any person who makes, or obligates to make, independent expenditures during any general, primary, or runoff election period for the office of United States Senator in excess of $10,000 shall report to the Secretary of the Senate as provided in this subsection.

"(B) If 2 or more persons, in cooperation, consultation, or concert with each other, make, or obligate to make, independent expenditures during any general, primary, or runoff election period for the office of United States Senator in excess of $10,000, each such person shall report to the Secretary of the Senate as provided in this subsection with respect to the independent expenditures so made by all such persons.

"(2) Any person referred to in paragraph (1) shall report the amount of the independent expenditures made or obligated to be made not later than 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, such person shall report independent expenditures not later than 24 hours after each time the additional aggregate amount of such expenditures incurred or obligated (and not yet reported under this paragraph) exceeds $10,000.

"(3) Each report under this subsection shall be filed with the Secretary of the Senate and the Secretary of State for the State of the election involved and shall contain—

"(A) the information required by subsection (b)(6)(B)(iii) of section 304; and

"(B) a statement under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat.

"(4)(A) A person may file a complaint with the Commission if such person believes the statement under paragraph (3)(B) is false or incorrect.

"(B) The Commission, not later than 3 days after the filing of a complaint under subparagraph (A), shall make a determination with respect to such complaint.

"(5) The Commission shall, within 24 hours of receipt of a report under this subsection, notify each eligible candidate (as defined in section 501(2)) in the election involved about such report.

"(6) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any election for the United States Senate which in the aggregate exceed the applicable amounts under paragraph (2). The Commission shall notify each eligible candidate in such election of such determination within 24 hours of making it.

"(7) At the same time as a candidate is notified under paragraph (5) or (6) with respect to expenditures during a general election period, the Commission shall, pursuant to subsection (e), certify to the Secretary of the Treasury eligibility to receive benefits under section 504(a).

"(c) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than $25,000 during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 24 hours after such expenditures have been made or loans incurred.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each eligible candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 24 hours after making such determination shall notify each eligible candidate in the general election involved about each such determination.

"(d) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual,

shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of influencing the election of the individual to the office of United States Senator.

"(e) CERTIFICATIONS.—Notwithstanding section 505(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination.

"(f) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this section or of title V (whenever a 24-hour response is required of the Commission) as soon as possible (but no later than 4 working hours of the Commission) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 311(a)(5).

"(g) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V."

SEC. 107. OTHER DEFINITIONS.

(a) ELECTION CYCLE DEFINED.—Section 301 of FECA (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.".

(b) IDENTIFICATION.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

TITLE II—EXPENDITURES AND CONTRIBUTIONS

Subtitle A—Independent Expenditures

SEC. 201. COOPERATIVE EXPENDITURES NOT TREATED AS INDEPENDENT EXPENDITURES.

(a) TREATMENT OF COOPERATIVE EXPENDITURES.—(1) Paragraph (17) of section 301 of FECA (2 U.S.C. 431(17)) is amended by adding at the end thereof the following new sentence: "The term 'independent expenditure' shall not include any cooperative expenditure.".

(2) Paragraph (9) of section 301 of FECA (2 U.S.C. 431(9)) is amended by adding at the end thereof the following new subparagraph:

"(C) A cooperative expenditure shall be treated as an expenditure made by the candidate on whose behalf, or for whose benefit, the expenditure was made.".

(3) Paragraph (8) of section 301 of FECA (2 U.S.C. 431(8)) is amended by adding at the end thereof the following new subparagraph:

"(C) A cooperative expenditure shall be treated as a contribution from the person making the expenditure to the candidate on whose behalf, or for whose benefit, the expenditure was made.".

(b) COOPERATIVE EXPENDITURE DEFINED.—Section 301 of FECA (2 U.S.C. 431), as amended by section 107(a), is amended by adding at the end thereof the following new paragraph:

"(21)(A) The term 'cooperative expenditure' means any expenditure which is made—

"(i) with the cooperation of, or in consultation with, any candidate or any authorized committee or agent of such candidate; or

"(ii) in concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate.

"(B) The term 'cooperative expenditure' includes an expenditure if—

"(i) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure;

"(ii) in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policy-making position; or

"(iii) the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(iv) the person making the expenditure retains the professional services of any individual or other person also providing those services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office;

"(v) the person making the expenditure has consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(vi) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(C) The term 'cooperative expenditure' includes an expenditure if such expenditure—

"(i) is made on behalf of, or for the benefit of, a candidate or authorized committee by a political committee that is established, administered, controlled, or financially supported, directly or indirectly, by a connected organization that is required to register, or pays for the services of a person who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(ii) is made on behalf of, or for the benefit of, a candidate or authorized committee by a political committee that has made a contribution to the candidate or authorized committee.".

SEC. 202. EQUAL BROADCAST TIME.

Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended to read as follows:

"(a)(1) If a licensee permits any person who is a legally qualified candidate for public office to use a broadcasting station other than any use required to be provided under paragraph (2), the licensee shall afford equal opportunities to all other such candidates for that office in the use of the broadcasting station.

"(2)(A) A person who reserves broadcast time the payment for which would constitute an independent expenditure within the meaning of section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) shall—

"(i) inform the licensee that payment for the broadcast time will constitute an independent expenditure;

"(ii) inform the licensee of the names of all candidates for the office to which the proposed broadcast relates; and

"(iii) provide the licensee a copy of the statement described in section 304A(b)(3)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(d)(3)(B)).

"(B) A licensee who is informed as described in subparagraph (A) shall—

"(i) if any of the candidates described in subparagraph (A)(ii) has provided the licensee the name and address of a person to whom notification under this subparagraph is to be given—

"(I) notify such person of the proposed making of the independent expenditure; and

"(II) allow any such candidate (other than a candidate for whose benefit the independent expenditure is made) to purchase the same amount of broadcast time immediately after the broadcast time paid for by the independent expenditure; and

"(ii) in the case of an opponent of a candidate for whose benefit the independent expenditure is made who certifies to the licensee that the opponent is eligible to have the cost of response broadcast time paid out of the Federal Election Campaign Fund pursuant to section 504(a)(3) of the Federal Election Campaign Act of 1971, afford the opponent such broadcast time without requiring payment in advance and at the cost specified in subsection (b).

"(3) A licensee shall have no power of censorship over the material broadcast under this section.

"(4) Except as provided in paragraph (2) and subsection (c) or (d), no obligation is imposed under this subsection upon any licensee to allow the use of its station by any candidate.

"(5)(A) Appearance by a legally qualified candidate on a—

"(i) bona fide newscast;

"(ii) bona fide news interview;

"(iii) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

"(iv) on-the-spot coverage of bona fide news events (including political conventions and activities incidental thereto),

shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

"(B) Nothing in subparagraph (A) shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from their obligation under this Act to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(6)(A) A licensee that endorses a candidate for Federal office in an editorial shall, within the time stated in subparagraph (B), provide to all other candidates for election to the same office—

"(i) notice of the date and time of broadcast of the editorial;

"(ii) a taped or printed copy of the editorial; and

"(iii) a reasonable opportunity to broadcast a response using the licensee's facilities.

"(B) In the case of an editorial described in subparagraph (A) that—

"(i) is first broadcast 72 hours or more prior to the date of a primary, runoff, or general election, the notice and copy described in subparagraph (A) (i) and (ii) shall be provided not later than 24 hours after the time of the first broadcast of the editorial, and

"(ii) is first broadcast less than 72 hours before the date of an election, the notice and copy shall be provided at a time prior to the first broadcast that will be sufficient to enable candidates a reasonable opportunity to prepare and broadcast a response.".

SEC. 203. ATTRIBUTION OF COMMUNICATIONS.

Section 318(a) of FECA (2 U.S.C. 441d(a)), as amended by section 308, is further amended by adding at the end thereof the following new paragraph:

"(3) A communication described in paragraph (1) that is paid for through an independent expenditure—

"(A) in the case of a television broadcast, shall include during the entire length of the communication a clearly readable video statement covering at least 25 percent of the viewing area of a television screen stating the information required in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located;

"(B) in the case of any audio broadcast (including a television broadcast), shall include an audio statement at the conclusion of the broadcast stating the information described in paragraph (1)(B) and, if the independent expenditure is made by a political committee, stating the name of its connected organization (if any) and the city and State in which such organization is located; and

"(C) in the case of a newspaper, magazine, outdoor advertising facility, mass mailing, or other type of general public political advertising, shall include a statement of—

"(i) the information required in paragraph (1)(B);

"(ii) the following sentence: "The cost of presenting this communication is not subject to any campaign contribution limits."; and

"(iii) the name of the person who paid for the communication including, in the case of a political committee, the names of its president and its treasurer, and the name of its connected organization (if any) and the city and State in which located.".

Subtitle B—Expenditures

PART I—PERSONAL LOANS; CREDIT

SEC. 211. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a) is amended by inserting at the end thereof the following new subsection:

"(i) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle, no contributions after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family (as defined in section 501(6)) may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors.".

SEC. 212. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) by striking "or" at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting "; or"; and

(3) by inserting at the end thereof the following new clause:

"(iii) with respect to a candidate for the office of United States Senator and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mass mailings (including mass mail fund solicitations), or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period greater than the period (not in excess of 60 days) for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished (the date of the mailing in the case of advertising by a mass mailing).".

PART II—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

SEC. 215. LIMITATIONS ON CONTRIBUTIONS TO STATE POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000; or".

(c) INCREASE IN OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended by adding at the end thereof the following new sentence: "The limitation under this paragraph shall be increased (but not by more than $5,000) by the amount of contributions made by an individual during a calendar year to political committees which are taken into account for purposes of paragraphs (1)(C) and (2)(C).".

SEC. 216. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) EXPENDITURES BY STATE COMMITTEES IN CONNECTION WITH PRESIDENTIAL CAMPAIGNS.—Section 315(d) of FECA (2 U.S.C. 441a(d)) is amended by inserting at the end thereof the following new paragraph:

"(4) A State committee of a political party, including subordinate committees of that State committee, shall not make expenditures in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party which, in the aggregate, exceed an amount equal to 4 cents multiplied by the voting age population of the State, as certified under subsection (e).".

(b) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (v) by striking the semicolon at the end thereof and inserting "or with respect to a mass mailing of such a listing;";

(B) in clause (xi)—

(i) by striking "direct mail" and inserting "mass mailing"; and

(ii) by striking the semicolon at the end thereof and inserting "and are not made from contributions designated to be spent on behalf of a particular candidate or particular candidates;"; and

(C) by repealing clauses (x) and (xii).

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended—

(A) in clause (iv) by striking the semicolon at the end thereof and inserting "or with respect to a mass mailing of such a listing;"; and

(B) by repealing clauses (viii) and (ix).

(c) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—(1) Title III of FECA, as amended by section 102, is amended by inserting after section 324 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 325. (a) Any amount solicited, received, or expended directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to an activity which, in whole or in part, is in connection with an election to Federal office shall be subject in its entirety to the limitations, prohibitions, and reporting requirements of this Act.

"(b) For purposes of subsection (a)—

"(1) Any activity which is solely for the purpose of influencing an election for Federal office is in connection with an election for Federal office.

"(2) Except as provided in paragraph (3), any of the following activities during a Federal election period shall be treated as in connection with an election for Federal office:

"(A) Voter registration and get-out-the-vote activities.

"(B) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that—

"(i) are generic campaign activities; or

"(ii) identify a Federal candidate regardless of whether a State or local candidate is also identified.

"(C) The preparation and dissemination of campaign materials that are part of a generic campaign activity or that identify a Federal candidate, regardless of whether a State or local candidate is also identified.

"(D) Maintenance of voter files.

"(E) Any other activity affecting (in whole or in part) an election for Federal office.

"(3) The following shall not be treated as in connection with a Federal election:

"(A) Any amount described in section 301(8)(B)(viii).

"(B) Any amount contributed to a candidate for other than Federal office.

"(C) Any amount received or expended in connection with a State or local political convention.

"(D) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that are exclusively on behalf of State or local candidates and are not activities described in paragraph (2)(A).

"(E) Administrative expenses of a State or local committee of a political party, including expenses for—

"(i) overhead;

"(ii) staff (other than individuals devoting a substantial portion of their activities to elections for Federal office);

"(iii) meetings; and

"(iv) conducting party elections or caucuses.

"(F) Research pertaining solely to State and local candidates and issues.

"(G) Maintenance of voter files other than during a Federal election period.

"(H) Activities described in paragraph (2)(A) which are conducted other than during a Federal election period.

"(I) Any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office.

"(4) For purposes of this subsection, the term 'Federal election period' means the period—

"(A) beginning on the date which is 60 days before the primary election for any regularly scheduled general election for Federal office; and

"(B) ending on the date of the general election.

"(c) TRANSFERS AND SOLICITATIONS OF COMMITTEES.—(1) Except as provided in paragraph (2), the limitations on contributions contained in paragraphs (1) and (2) of section 315(a) shall apply to transfers between and among political committees described in subsection (a).

"(2)(A) A national committee may not solicit or accept contributions not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(B) Subparagraph (A) and paragraph (1) shall not apply to contributions that—

"(i) are to be transferred to a State committee for use directly for activities described in subsection (b)(3); or

"(ii) are to be used by the committee primarily to support such activities.".

(2) Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by subsection (a), is amended by adding at the end thereof the following new paragraph:

"(5) The national committee of a political party, the congressional campaign committees of a political party, and a State or local committee of a political party, including a subordinate committee of any of the preceding committees, shall not make expenditures during any calendar year for activities described in section 325(b)(2) with respect to such State which, in the aggregate, exceed an amount equal to 30 cents multiplied by the voting age population of the State (as certified under subsection (e)). This paragraph shall not authorize a committee to make expenditures to which paragraph (3) or (4) applies in excess of the limit applicable to such expenditures under paragraph (3) or (4). No adjustment to the limitation under this paragraph shall be made under subsection (c) before 1992 and the base period for purposes of any such adjustment shall be 1990.".

(3) Paragraph (4) of section 315(a) (2 U.S.C. 441a(a)(4)) is amended by striking the first sentence thereof.

(d) GENERIC ACTIVITIES.—Section 301 of FECA (2 U.S.C. 431), as amended by section 201(b), is amended by adding at the end thereof the following new paragraph:

"(22) The term 'generic campaign activity' means a campaign activity the preponderant purpose or effect of which is to promote a political party rather than any particular Federal or non-Federal candidate.".

SEC. 217. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 211, is amended by adding at the end thereof the following new subsection:

"(j) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS.—(1) For purposes of this Act, a candidate for Federal office (or an individual holding Federal office) may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under this Act, or are not from sources prohibited by this Act with respect to elections to Federal office.

"(2) The appearance or participation by a candidate or individual in any activity (including fundraising) conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if—

"(A) such appearance or participation is otherwise permitted by law; and

"(B) such candidate or individual does not solicit or receive, or make expenditures from, any funds resulting from such activity.

"(3) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

"(4) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978.".

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(k) TAX-EXEMPT ORGANIZATIONS.—(1) If during any period an individual is a candidate for, or holds, Federal office, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

"(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978.".

SEC. 218. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 325 applies shall report all receipts and disbursements in connection with a Federal election (as determined under section 325).

"(3) Any political committee to which section 325 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 325(c) and the reason for the transfer.

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election (as determined by the Commission).

"(5) If any receipt or disbursement to which this subsection applies exceeds $200, the political committee shall include identification of the person from whom, or to whom, such receipt or disbursement was made.

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)), as amended by section 201, is amended by inserting at the end thereof the following:

"(D) The exclusions provided in subparagraphs (v) and (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions in excess of $200 shall be reported.".

(c) REPORTING OF EXEMPT EXPENDITURES.—Section 301(9) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)), as amended by section 201, is amended by inserting at the end thereof the following:

"(D) The exclusions provided in subparagraph (iv) of subparagraph (B) shall not apply for purposes of any requirement to report expenditures under this Act, and all such expenditures in excess of $200 shall be reported.".

(d) CONTRIBUTIONS AND EXPENDITURES OF POLITICAL COMMITTEES.—Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end thereof the following: "For purposes of this paragraph, the receipt of contributions or the making of, or obligating to make, expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office or of any political party, in general public political advertising; and the proximity to any primary, runoff, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(e) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.".

(f) REPORTS BY LARGE CONTRIBUTORS.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (e), is amended by adding at the end thereof the following new subsection:

"(f) REPORTS BY LARGE CONTRIBUTORS.—(1) Any individual who makes contributions subject to the limitations of section 315(a)—

"(A) shall report to the Commission within 7 days after such contributor makes contributions aggregating $10,000 or more during any calendar year; and

"(B) thereafter, shall report to the Commission within 7 days after each time such contributor makes contributions (not yet reported) aggregating $5,000 or more.

Any report shall include identification of the contributor, the name of the candidate or committee to whom the contributions were made, and the amount of the contributions. The Commission shall transmit a copy of any report received under this subsection which includes contributions made to a candidate for the United States Senate to the Secretary of the Senate within 2 working days of receipt of such report.

"(2) Any candidate for Federal office, any authorized committee of a candidate, or any political committee soliciting contributions subject to the limitations of section 315(a) shall include with such solicitation notice of—

"(A) the requirement to report under paragraph (1); and

"(B) the aggregate limitation on such contributions under section 315(a)(3).".

Subtitle C—Contributions

SEC. 221. LIMITS ON CONTRIBUTIONS BY CERTAIN POLITICAL COMMITTEES.

(a) LIMITATION ON AMOUNT OF CONTRIBUTIONS THAT MAY BE ACCEPTED.—Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by section 216, is amended—

(1) in paragraph (1) by striking "(2) and (3)" and inserting "(2), (3), (6), and (7)"; and

(2) by adding at the end thereof the following new paragraphs:

"(6) A congressional campaign committee of a political party (including any subordinate committee thereof) shall not accept, during an election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed 30 percent of the total expenditures which such committee may make pursuant to section 315(d)(3) during that election cycle.

"(7) A national committee of a political party (including any subordinate committee thereof) shall not accept, during an election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed an amount equal to 2 cents multiplied by the voting age population of the United States, as certified under subsection (e).

"(8)(A)(i) Any expenditure made by a national or State committee of a political party, a congressional campaign committee, or any subordinate committee of the preceding committees, for general public political advertising which clearly identifies a candidate for Federal office by name shall be subject to the limitations of paragraphs (1) and (2).

"(ii) Clause (i) shall not apply to expenditures for mass mailings designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.

"(B) For purposes of paragraph (3), any expenditure by a committee described in subparagraph (A) for any solicitation of contributions which clearly identifies any candidate on whose behalf such contributions are being solicited shall be treated for purposes of this paragraph as an expenditure in connection with the general election campaign of such candidate, except that if more than 1 candidate is identified, such expenditure shall be allocated on a pro rata basis among such candidates.".

(b) CONGRESSIONAL CAMPAIGN COMMITTEE.—Section 301 of FECA (2 U.S.C. 431), as amended by section 216(d), is amended by adding at the end thereof the following new paragraph:

"(23) The term 'congressional campaign committee' means the Democratic Senatorial Campaign Committee, the National Republican Senatorial Committee, the Democratic Congressional Campaign Committee, and the National Republican Congressional Committee.".

(c) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1992.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received on or before the date of the enactment of this Act; or

(B) contributions made to, or received by, a candidate after such date, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate on or before such date, over

(ii) such contributions received by the candidate on or before such date.

SEC. 222. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection—

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is—

"(I) a political committee other than an authorized committee;

"(II) an officer, employee, or agent of such a political committee; or

"(III) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(IV) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C) For purposes of this section—

"(i) the term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, including contributions arranged to be made in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting; and

"(ii) the term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(IV):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(I) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient.".

SEC. 223. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 217, is amended by adding at the end thereof the following new subsection:

"(l) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.".

Subtitle D—Reporting Requirements

SEC. 231. REPORTING REQUIREMENTS.

(a) PERIODS FOR REPORTING.—(1) Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by striking "for the reporting period and calendar year," and inserting "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(3) Section 304(b)(3) of FECA (2 U.S.C. 434(b)(3)) is amended by inserting "(within the election cycle in the case of authorized committees)" after "calendar year" in subparagraphs (A), (F), and (G) thereof.

(4) Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "(within the election cycle in the case of authorized committees)" after "calendar year".

(5) Section 304(b)(6)(A) of FECA (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(b) PERSONAL AND CONSULTING SERVICES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

TITLE III—FEDERAL ELECTION COMMISSION

SEC. 301. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not include the name of any candidate in its name in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 302. REPORTING REQUIREMENTS.

(a) OPTION TO FILE MONTHLY REPORTS—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end thereof;

(2) in subparagraph (B) by striking the period at the end thereof and inserting "; and"; and

(3) by inserting the following new subparagraph at the end thereof:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.".

(b) FILING DATE.—Section 304(a)(4)(B) of FECA (2 U.S.C. 434(a)(4)(B)) is amended by striking "20th" and inserting "15th".

SEC. 303. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) ACTION BY THE COMMISSION THROUGH ITS GENERAL COUNSEL.—(1) Section 306(c) of FECA (2 U.S.C. 437c(c)) is amended to read as follows:

"(c)(1) Subject to paragraph (2), all decisions of the Commission with respect to the exercise of its duties and powers under this Act or under chapter 95 or 96 of the Internal Revenue Code of 1986 shall be made by the affirmative vote of 4 members of the Commission.

"(2) On questions relating to—

"(A) the exercise of the Commission's authority under sections 307(a) (3) and (4);

"(B) a determination under section 309(a)(2) concerning whether there is reason to believe that a person may have committed or may be about to commit a violation of law; and

"(C) a determination to initiate or proceed with an investigation,

the general counsel of the Commission shall make a recommendation for action by the Commission, and such action shall be taken upon the affirmative vote of 3 members of the Commission.

"(3) A member of the Commission may not delegate to any person the member's power to vote or any other decisionmaking authority or duty vested in the Commission.".

(2) Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking ", by an affirmative vote of 4 of its members,".

(b) VACANCY IN THE OFFICE OF GENERAL COUNSEL.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by inserting at the end thereof the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed.".

(c) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence thereof; and

(2) by striking the third sentence thereof.

SEC. 304. RETENTION OF FEES BY THE COMMISSION.

Section 306 of FECA (2 U.S.C. 437c) is amended by inserting at the end thereof the following new subsection:

"(g) Fees collected by the Commission for copying and certification of records and provision of other materials to the public shall not be covered into the general fund of the Treasury of the United States, but shall be kept in a separate account and shall be available to the Commission, without necessity of an appropriation, for use in carrying out this Act.".

SEC. 305. ENFORCEMENT.

(a) BASIS FOR ENFORCEMENT PROCEEDING.—Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking "it has reason to believe that a person has committed, or is about to commit" and inserting "facts have been alleged or ascertained that, if true, give reason to believe that a person may have committed, or may be about to commit".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end thereof the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found.".

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

SEC. 306. PENALTIES.

(a) PENALTIES PRESCRIBED IN CONCILIATION AGREEMENTS.—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of $5,000 or an amount equal to any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) not greater than all contributions and expenditures involved in the violation".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of $10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 150 percent of all contributions and expenditures involved in the violation".

(b) PENALTIES WHEN VIOLATIONS ARE ADJUDICATED IN COURT.—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (A) or (B) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found.".

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 200 percent of all contributions and expenditures involved in the violation,

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or chapter 95 of chapter 96 of the Internal Revenue Code of 1986.".

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which is—

"(i) not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) not greater than 250 percent of all contributions and expenditures involved in the violation.".

(c) TIME PERIODS FOR CONCILIATION.—Section 309(a)(4)(A) of FECA (2 U.S.C. 437g(a)(4)(A)) is amended—

(1) in clause (i) by striking "30 days" and inserting "15 days";

(2) in clause (i) by striking "90 days" and inserting "60 days"; and

(3) in clause (ii) by striking "at least 15 days" and inserting "no more than 30 days".

SEC. 307. RANDOM AUDITS.

Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by inserting at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), and subject to the provisions of section 507, the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process.".

SEC. 308. ATTRIBUTION OF COMMUNICATIONS.

Section 318(a) of FECA (2 U.S.C. 441d(a)) is amended to read as follows:

"(a)(1)(A) Except as permitted under paragraph (2), if—

"(i) any person makes an expenditure or independent expenditure for the purpose of financing a communication expressly advocating the election or defeat of a clearly identified candidate, or solicits a contribution by a communication through a broadcasting station, newspaper, magazine, outdoor advertising facility, mass mailing, or other type of general public political advertising; or

"(ii) an authorized committee registered under section 303 makes a communication of any kind,

the requirements of subparagraph (B) shall be met with respect to such communication.

"(B) For purposes of subparagraph (A), the requirements of this subparagraph are as follows:

"(i) In the case of a television, radio and cable communication paid for by the candidate, an authorized committee of the candidate, any agent of either, or any other person authorized to make such payment by such candidate or committee, the communication shall—

"(I) include a full screen personal appearance by the candidate (or in the case of a radio broadcast, an audio statement by the candidate) in which the candidate states: 'I, (name of the candidate), am a candidate for (the office the candidate is seeking) and I have approved this message'; and

"(II) shall clearly state that the communication has been paid for by the candidate, the candidate's authorized committee, or the agent of either, or that the communication has been paid for by such other person and authorized by such candidate or committee.

"(ii) In the case of any other communication paid for and authorized by a candidate, an authorized committee of a candidate, or its agents, or any other person authorized by such candidate or committee, the communication shall clearly state that the communication has been paid for by such candidate or authorized committee or by such other person and authorized by such candidate or authorized committee.

"(iii) If the communication is paid for by an independent expenditure, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's authorized committee.

"(2) The Commission may waive the requirements of paragraph (1) in circumstances in which the inclusion of the required information in a communication would be impracticable.".

SEC. 309. FRAUDULENT SOLICITATION OF CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting "(a)" before "No"; and

(2) by inserting at the end thereof the following new subsection:

"(b) No person shall—

"(1) make a fraudulent misrepresentation that the person is authorized to solicit or accept a contribution to a candidate or political committee; or

"(2) solicit or accept a contribution to a candidate or political committee unless the person—

"(A) intends to, and does, pay over to the candidate or political committee any contribution received; and

"(B) inform the candidate or political committee of the name of the contributor.".

TITLE IV—MISCELLANEOUS

SEC. 401. RESTRICTION OF CONTROL OF CERTAIN TYPES OF POLITICAL COMMITTEES BY INCUMBENTS IN OR CANDIDATES FOR FEDERAL OFFICE.

Section 302 of FECA (2 U.S.C. 432) is amended by adding at the end thereof the following new subsection:

"(j) An incumbent in or candidate for Federal office may not establish, maintain, or control a political committee, other than an authorized committee of the candidate or a committee of a political party.".

SEC. 402. POLLING DATA CONTRIBUTED TO A SENATORIAL CANDIDATE.

Section 301(8) of FECA (2 U.S.C. 431(8)), as amended by section 218, is amended by inserting at the end thereof the following new subparagraph:

"(E) A contribution of polling data to a candidate for the office of United States Senator shall be valued at the fair market value of the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made.".

SEC. 403. MASS MAILINGS.

Section 301 of FECA (2 U.S.C. 431), as amended by section 221(c), is amended by adding at the end thereof the following new paragraph:

"(24) The term 'mass mailing' means newsletters and similar mailings of more than 100 pieces in which the content of the matter mailed is substantially identical, excluding—

"(A) mailings made in direct response to communications from persons to whom the matter is mailed;

"(B) mailings to Federal, State, or local government officials; and

"(C) news releases to the communications media.".

SEC. 404. EXTENSION OF TIME PERIOD WHEN FRANKED MASS MAILINGS ARE PROHIBITED.

Section 3210(a)(6) of title 39, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking clause (i) and inserting the following:

"(i) if the mass mailing is mailed during the calendar year of any primary or general election (whether regular or runoff) in which the Member is a candidate for reelection; or"; and

(B) in clause (ii)(II) by striking "fewer than 60 days immediately before the date" and inserting "during the year"; and

(2) in subparagraph (C) by striking "fewer than 60 days immediately before the date" and inserting "during the year".

SEC. 405. SENSE OF SENATE REGARDING FUNDING OF ACT.

(a) FINDINGS.—The Senate finds that—

(1) this Act does not provide for a funding mechanism to pay for the provisions cleaning up Senate election campaigns;

(2) a funding mechanism is necessary to pay for such provisions; and

(3) it is the position of the House of Representatives that under the Constitution all bills affecting revenue must originate in the House of Representatives.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) legislation to clean up Senate election campaigns shall be funded by removing subsidies for political action committees with respect to their political contributions or for other organizations with respect to their lobbying expenditures;

(2) legislation to clean up Senate election campaigns shall not be paid for by any general revenue increase on the American taxpayer;

(3) legislation to clean up Senate election campaigns shall not be paid for by reducing expenditures for any existing Federal program; and

(4) legislation to clean up Senate election campaigns shall not result in an increase in the Federal budget deficit.

SEC. 406. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are eligible under section 9003 of the Internal Revenue Code of 1986 to receive payments from the Secretary of the Treasury shall not receive such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 4 debates, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) be ineligible to receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under that section.".

SEC. 407. UNIFORM HONORARIA AND INCOME LIMITATIONS FOR CONGRESS.

(a) ADMINISTRATION OF RULES AND REGULATIONS.—Section 503 of the Ethics in Government Act of 1978 is amended by—

(1) redesignating paragraphs (2) and (3) as paragraphs (3) and (4); and

(2) inserting after paragraph (1) the following new paragraph:

"(2) and administered by the committee of the Senate assigned responsibility for administering the reporting requirements of title I with respect to Members, officers, and employees of the Senate;".

(b) DEFINITIONS.—Section 505 of the Ethics in Government Act of 1978 is amended—

(1) in paragraph (1) by inserting "a Senator or" after "means"; and

(2) in paragraph (2) by striking "(A)" and all that follows through "(B)".

(c) AMENDMENTS TO THE ETHICS REFORM ACT OF 1989.—Section 1101(b) of the Ethics Reform Act of 1989 is repealed and section 1101(c) is redesignated as section 1101(b).

(d) FEDERAL ELECTION CAMPAIGN ACT OF 1971.—Section 323 of FECA (2 U.S.C. 441i)is repealed.

(e) SUPPLEMENTAL APPROPRIATIONS ACT, 1983.—Section 908 of the Supplemental Appropriations Act, 1983 (2 U.S.C. 31-1) is repealed.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1992.

SEC. 408. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 409. UNIFORM LIMITATIONS FOR EARNED AND UNEARNED INCOME.

(a) SUBSTANTIVE AMENDMENTS.—Section 501 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 501(a)(1) by inserting "or unearned" after "earned"; and

(2) in section 501(a)(2) by inserting "or unearned" after "earned".

(b) TECHNICAL AMENDMENTS.—(1) The heading for title V of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking " EARNED".

(2) The heading for section 501 of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "earned".

(3) The heading for section 501(a) of the Government Ethics Act of 1978 (5 U.S.C. App.) is amended by striking "EARNED".

SEC. 410. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

(a) FINDINGS AND DECLARATIONS.—The Congress finds and declares that—

(1) the electoral process of the United States should be open to all American citizens;

(2) foreign nationals should have no role in the American electoral process;

(3) Congress does not intend and has never intended to permit foreign nationals to participate, directly or indirectly, in the decisionmaking of political committees established pursuant to the Federal Election Campaign Act of 1971;

(4) it is the intent of Congress to prohibit any participation whatsoever by any foreign national in the activities of any political committee; and

(5) while it is necessary to safeguard the political process from foreign influence, it is critical that any protections not discriminate against American citizens employed by foreign-owned companies and that Americans' constitutional rights of free association and speech be protected.

(b) PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.—Section 319 of FECA (2 U.S.C. 441e) is amended by—

(1) redesignating subsection (b) as subsection (e); and

(2) inserting after subsection (a) the following new subsections:

"(b) A foreign national shall not direct, dictate, control, or directly or indirectly participate in any person's decisionmaking concerning the making of contributions or expenditures in connection with elections for any Federal, State, or local office or decisionmaking concerning the administration of a political committee.

"(c) A nonconnected political committee or the separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall include the following statement on all printed materials produced for the purpose of soliciting contributions:

" 'It is unlawful for a foreign national to make any contribution of money or other thing of value to a political committee.'

"(d) A nonconnected political committee or a separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall certify in regular reports to the Commission, or in a manner prescribed by the Commission, that no foreign national has participated either directly or indirectly in the decisionmaking of the political committee or separate segregated fund, including the appointment of the administrators of the committee or fund.".

(c) PENALTY.—Section 309(b)(1)(C) of FECA (2 U.S.C. 437g(d)(1)(C)) is amended by inserting "section 319 or" before "section 322".

SEC. 411. TECHNICAL CORRECTIONS TO ETHICS IN GOVERNMENT ACT OF 1978

The Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 103(i) by striking "7-day" and inserting "30-day"; and

(2) in section 105(b)(1) by—

(A) striking "Each agency" and inserting "Except as provided in the second sentence of this subsection, each agency"; and

(B) inserting after the first sentence the following: "With respect to any report required to be filed by May 15 of any year, such report shall be made available for public inspection within 30 calendar days after May 15 of such year, or within 30 days of the date of filing of such a report for which an extension is granted pursuant to section 101(g).".

SEC. 412. SENSE OF THE SENATE REGARDING APPLICATION OF PROVISIONS RELATING TO PACS EQUALLY TO CANDIDATES FOR THE SENATE AND CANDIDATES FOR THE HOUSE OF REPRESENTATIVES.

It is the sense of the Senate that all provisions of this Act and amendments made by this Act that relate to multicandidate political committees and separate segregated funds shall apply in regard to candidates for the House of Representatives in the same manner and to the same extent as they apply to candidates for the Senate.

TITLE V—TELEPHONE VOTING BY PERSONS WITH DISABILITIES

SEC. 501. STUDY OF SYSTEMS TO PERMIT PERSONS WITH DISABILITIES TO VOTE BY TELEPHONE.

(a) IN GENERAL.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(b) CONSULTATION.—The Federal Election Commission shall conduct the study described in subsection (a) in consultation with State and local election officials, representatives of the telecommunications industry, representatives of persons with disabilities, and other concerned members of the public.

(c) CRITERIA.—The system or systems developed pursuant to subsection (a) shall—

(1) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(2) propose procedures to identify persons who are so disabled; and

(3) describe procedures and equipment that may be used to ensure that—

(A) only those persons who are entitled to use the system are permitted to use it;

(B) the votes of persons who use the system are recorded accurately and remain secret;

(C) the system minimizes the possibility of vote fraud; and

(D) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(d) REQUESTS FOR PROPOSALS.—In developing a system described in subsection (a), the Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(e) PHYSICAL ACCESS.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons with disabilities.

(f) DEADLINE.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the date of enactment of this Act.

TITLE VI—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 601. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1993.

SEC. 602. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as may be necessary to carry out its functions under this Act.

SEC. 603. SEVERABILITY.

Except as provided in section 101(c) of this Act, if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

Mr. BOREN. I move to reconsider the vote.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, I thank all of my colleagues who joined me in passing what I believe is landmark legislation. By passing this bill early in this Congress, we have a real chance now, with time for the other House to act, for a conference committee between the two Houses and the greatest opportunity we have had in many years, certainly the greatest opportunity we have had in the 9 years that I have worked on this issue, to see a measure finally become law.

The Senate, in passing this bill today, is sending a strong message that we want the money chase to stop; that we understand that more and more money pouring into American politics with Members of the Congress having to spend more and more of their time and effort raising money instead of dealing with the Nation's problems is not good for this country; that we understand there is something badly wrong with the way we finance campaigns and we must change it, we must reform it.

It is my hope that the House of Representatives will pass a good bill in timely fashion, and we will be able to move to conference.

I am encouraged by what I have heard from the leaders of the Senate. I am encouraged by what I heard from the minority leader today, saying that he hopes to have an opportunity to participate in that conference, to help us fashion a bill in conference that will finally be signed into law by the President of the United States. We have a great opportunity. It is an opportunity that should not be missed for the sake of the country and for the sake of the strength of our democratic system.

Mr. President, I wish to thank many who have worked with us in this effort. I particularly thank the distinguished majority leader, whose leadership has been critical to the success of our efforts. With the majority leader, this has not been a political cause or a partisan cause; this has been an effort to do something for this entire country. He has been dedicated to this cause, and I express my personal appreciation to him for his help and his encouragement and his leadership throughout this effort.

I also thank the distinguished chairman of the Rules Committee, the Senator from Kentucky [Mr. FORD], whose committee labored long and hard to produce this bill and who has been a critical and key member of this process all the way through. He has made an immeasurable contribution to the substance of this legislation.

I also see the distinguished President pro tempore of the Senate, Senator BYRD, of West Virginia, on the floor. He for many years has been a leader in this effort. He is the historian of this body. He understands what is happening to the political process as a result of the money chase which is infecting American politics. He has been a real leader in the effort to change.

In addition, I thank several members of our staff who have been such an important part of our success. Many long hours have been spent by them in this process. I especially thank my legislative director, John Deeken, who has been my chief legislative assistant on this particular piece of legislation, for his effort, for his commitment and his dedication to this cause and to the cause of good government; Dan Webber, of my staff, who worked on this issue earlier; and also a former member of my staff, Greg Kubiak. I wish to thank Bob Rozen, of the majority leader's staff, who has also been invaluable in all of our efforts on behalf of this bill. He has been at every meeting. He has been at every planning session. He has spent many long hours to help us develop this bill and pass it. And the members of the Rules Committee staff and Senator FORD's staff have also played a very important role. Their contribution cannot be overestimated. I particularly want to call attention to the contribution of Jack Sousa, Tom Zeller, Jim King, and Rob Mangas, of the Rules Committee staff and of Senator FORD'S staff.

I thank all of my colleagues for their efforts and for their assistance. I thank my colleague, the Senator from Kentucky, the floor manager of the bill on the other side, for his courtesy, for allowing us to consider this matter in an expeditious fashion, with everyone having an opportunity on both sides of the aisle to have their arguments heard and to have their ideas considered. It has been a privilege to work with him on this piece of legislation. While we have not always agreed, I think we would both say we have immense respect for each other and that this process has been a credit to the Senate, the kind of debate that we have had on an issue of this importance.

So I thank all of those I have mentioned. I express my optimism and my determination that this will be only the first step toward seeing meaningful campaign reform become law in the United States and our system moved in the direction it should go.

I thank the Chair and I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I want to thank my friend from Oklahoma. I have enjoyed the last few days with him, and also I want to express my appreciation to the five Democrats who supported us on final passage. Last year there were no Democrats who voted with us on final passage. I think that shows significant movement in the direction of the bipartisan compromise that we hope will come out of the conference.

I thank you very much, Mr. President. I yield the floor.

Several Senators addressed the Chair.

Mr. BYRD. Mr. President, I congratulate the distinguished Senator from Oklahoma, Senator DAVID BOREN. He is, in my view, the foremost expert in this country on the arcane twistings and turnings of our system of campaign finance laws.

It is a difficult and tedious subject, requiring an enormous amount of time and effort to master, and then clearly explain.

Senator BOREN has consistently believed in the rightness and necessity of campaign reform, as have I, and he is to be commended for his commitment to the idea, and his tenacity in pursuing this fundamentally important goal.

I again congratulate him for his brilliant management of the campaign finance reform bill. His mastery of the subject, his willingness to compromise, and his years of hard work in furtherance of a cause in which he believes should be an inspiration to us all.

Mr. BOREN. Mr. President, I thank my colleague. I ask unanimous consent that S. 3 be printed as passed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Michigan.

Mr. RIEGLE. Mr. President, I want to commend the Senator from Oklahoma for his really extraordinary efforts of leadership on this issue now over a great length of time. I know the Senate appreciates that. I think the country does and certainly I do.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

ADJOURNMENT OF THE TWO HOUSES OVER THE MEMORIAL DAY RECESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 157 now at the desk.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

H. CON. RES. 157

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, May 23, 1991, it stand adjourned until noon on Wednesday, May 29, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate adjourns on Thursday, May 23, or Friday, May 24, 1991, pursuant to a motion made by the majority leader, or his designee, it stand adjourned until 2 p.m. on Monday, June 3, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 3 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the minority leader of the House, shall notify the Members of the House to reassemble whenever, in their opinion, the public interest shall warrant it.

SEC. 3. The majority leader of the Senate, after consultation with the minority leader of the Senate, shall notify the Members of the Senate to reassemble whenever, in their opinion, the public interest shall warrant it.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 157) was agreed to.

Mr. MITCHELL. I move to reconsider the vote.

Mr. BOREN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania.

RECENT DEVELOPMENTS ON BASE CLOSURES

Mr. SPECTER. I thank the Chair. Mr. President, I have apprised the majority leader and the Republican leader that I will seek just a few minutes, perhaps no more than 5 to make a comment about recent developments on the base closings which I consider to be a real of real importance and put certain documents in the RECORD so that our colleagues and others may consider this issue which is now moving forward on a very tight timeframe.

Yesterday, the Base Closure Commission issued releases severely critical of the Department of the Navy for not putting in the RECORD reasons for recommendation on base closings which I believe specifically refer to the Philadelphia Navy Yard. A release issued by the chairman said this:

> On Monday of this week, members of the commission staff met for 4½ hours with the Navy's base closure group in an effort to determine how their conclusions were reached. During this meeting we learned that the Navy group employed a great deal of subjective judgment in drawing up their list.

The release further goes on to say:

> The GAO and the commission staff have pointed to an alarming lack of information about the Navy's decisionmaking process.

Mr. President, I ask unanimous consent that the full text appear at the conclusion of my statement.

The PRESIDING OFFICER. Without objection.

(See exhibit 1.)

Mr. SPECTER. In a separate document released by the Base Closing Commission, the Commission stated:

> The Navy Base Closing Commission applied a great deal of undocumented subjective judgment to a major Navy facility study.

I ask unanimous consent further that this document appear at the conclusio of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. SPECTER. Mr. President, the Base Closing Commission had referred to a report by the General Accounting Office, and I think the simplest thing to do is to read two statements into the RECORD appearing at page 46 of the GAO report relating to the Philadelphia Navy Yard.

> Due to the limited documentation of its process we also cannot assess the reasonableness of the Navy's recommendations for closures.

Then continuing on page 46:

> The base structure committee decided that much of the data were based in favor of keeping bases opened and were inadequate for an objective assessment of the Navy's basing needs.

Mr. President, I have raised similar issues, and others in the Pennsylvania delegation have raised issues with the Secretary of Defense, at hearings before the Defense Appropriations Subcommittee.

At this time, I ask unanimous consent that a copy of my letter dated May 21, 1991, together with a copy of a memorandum from my staff member, Morrie Ruffin, to me, dated May 15, 1991, be included in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. SPECTER. Mr. President, the importance of these documents relate to a finding by my staff person, Mr. Ruffin, that the Department of the Navy had withheld a response to my letter of April 19 until May 24, 1991, which would be after the hearing of the Base Closure Commission yesterday, May 22, and too late to be of any use in the hearings on the Philadelphia Navy Yard scheduled for Philadelphia on May 24.

Later, Mr. President, yesterday after the hearing before the Base Closure Commission, I received, through the intervention of Commissioner Will Ball, former Secretary of the Navy, a copy of the Navy routing slip which the Navy official had refused to make available to my staffer, Mr. Ruffin, which shows in fact that the letter of request which I made on April 19, 1991, was not set forth for reply until May 4, 1991.

I ask unanimous consent that a copy of this Navy routing slip together with a copy of my letter dated April 19, 1991, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AUTOMATED NAVY ROUTE SLIP

From: Sen. Specter.

Primary controlling office: SECNAVAD.

Classification of attached material: Unclassified.

Date: 19APR91.

Date received: 23APR91.

OCN: 1U006286.

Subject abstract: Documentation regarding closing of nuclear & conventional shipyards be made part of the public record.

CR1: Closure.

CR5: Phase I.

TC: R.

Type: C.

Cat: GH.

Doc. due to: Sen.

CR2: Shipyard.

CR6: BBC.

Analyst router: PM.

Date: 21May91.

Due to: SECNAVAD.

CR3: Public.

CR4: Documentation.

Remarks distribution: 1U006286.

Date: 10May91.

Control center primary routing: To SECNAV—PC: G.

Comments:

(42) Original advanced to Front Office.

(48) Routing changed by: SECNAV.

U.S. SENATE,
Washington, DC, April 19, 1991.

Hon. H. LAWRENCE GARRETT III,
Secretary, Department of the Navy, The Pentagon, Washington, DC.

DEAR SECRETARY GARRETT: Upon reviewing the "detailed analysis" that the Navy is using as justification for making its base closure recommendations, I am extremely concerned by what looks to be a significant deviation from the base closure criteria.

According to Navy documents, during a process called Phase I, all installations were to be evaluated against the first four OSD closure criteria (military value) developed by the Secretary of Defense. This was done. At the end of Phase I, the Base Structure Committee (BSC), the group charged with determining which Navy facilities should close, then excluded from further review those bases "that received an overall rating of 'green' after applying all four military value criteria." In the case of the naval shipyards, the only base that merited exclusion from further review on this basis was NSY Puget Sound.

One would therefore assume that if the Navy were strictly following the base closure criteria, as mandated by law, seven remaining shipyards should have been evaluated during Phase II. However, only one shipyard—Philadelphia—was evaluated during Phase II against the final four criteria! The five remaining nuclear shipyards and the one other conventional shipyard (none of which received an overall rating of "green") were summarily excluded from consideration for closure. This decision was based not on the eight criteria developed by the Secretary of Defense, but on criteria the Navy unilaterally and arbitrarily decided was more important.

According to Navy documents, the BSC excluded the six nuclear capable shipyards from further consideration because of the nuclear workload scheduled for the naval shipyards in the remainder of the century. The documents state that "this scheduling is based upon the best information available and takes into consideration the known force structure reductions."

If this information carried such weight that it allowed the Navy to supersede evaluation against the Secretary of Defense's final criteria, then it is imperative that this "workload" data be made available to Members of Congress, the Base Closure Commission, and the GAO. Accordingly, I hereby request that all documentation concerning both the nuclear and conventional workload for the naval shipyards for the remainder of the century immediately be made part of the public record.

Thank you for your attention to this matter.

My best.

Sincerely,

ARLEN SPECTER.

Mr. SPECTER. I thank the Chair.

These documents, Mr. President, show a deliberate effort by the Department of the Navy to conceal very important factual data necessary for an appropriate determination as to what ought to be done with the Philadelphia Navy Yard, information which should have been made available to me, should have been made available to other members of the Pennsylvania, New Jersey, and Delaware delegations including the distinguished Senator who is presiding at the present time.

The failure of the Navy to provide this kind of important supporting data has been noted by the General Accounting Office, and has been the subject of investigation by the Base Closure Commission itself with very strong language, really a reprimand of the Navy.

I suggest, Mr. President, that it does not cure the situation for the Navy at this late date to make this information available unless there is to be an entire reprocessing of the entire procedure. Even that would be inadequate because the Members of Congress were entitled to this information in a timely fashion so that we could evaluate it, have other experts evaluate it, and use that as a basis for our presentation to the Base Closure Commission. Of course that is impossible since the hearing was held in Washington yesterday and a hearing will be held in Philadelphia tomorrow.

But I believe, Mr. President, that there is no question on this state of the record that the statute has not been followed, that in fact the Philadelphia Navy Yard cannot be closed based on what the Department of the Navy has done. The statute has not been followed and all of the proceedings are fatally flawed.

I wanted to put these documents in the RECORD so that others could evaluate them fully at this time.

I thank the Chair. I thank my colleagues for yielding the floor.

[EXHIBIT 1]

COMMISSION DEMANDS EXPLANATION OF NAVY BASE CLOSURE PROCESS

Chairman Courter today released the following statement:

"Last week the General Accounting Office released a report on base closure and realignment. This document made it clear that the methodology designed by the Navy was sound. However, the GAO raised serious questions about the application of this methodology.

"On Monday of this week members of the Commission staff met for four and a half hours with the Navy's base closure group in an effort to determine how their conclusions were reached.

"During this meeting we learned that the Navy group employed a great deal of subjective judgment in drawing up their list of recommendations for closure and realignment. Nobody on the Commission can say yet whether the Navy's judgments were fairly and consistently applied, but we intend to find out.

"We have repeatedly sought clarification from senior Navy representatives. I have publicly asked for minutes, notes and any documentation that would give us an idea of how the service came up with its recommendations. What we have received is inadequate.

"The GAO and the Commission staff have pointed to an alarming lack of information about the Navy's decision-making process. Therefore, we are demanding from the Navy a detailed explanation of the process used to justify its recommendations for closure and realignment.

"On Monday we asked Navy representatives to prepare for the Commission a narrative account of their selection process. We have provided the base closure group with a detailed plan aimed at ensuring a thorough account of the Navy process. We hope the Navy will agree to this plan and comply with our rigorous schedule.

"The Commission is determined to follow the GAO's recommendations. If necessary, I will call a special hearing to learn more how the Navy's recommendations were reached.

"It's clear that the Navy maintains significant excess capacity. If Navy representatives cannot prove that their selection criteria were applied evenly, then the Commission is fully prepared to draw up a list of recommendations using methodology designed by the Navy and GAO application guidelines."

EXHIBIT 2

PROPOSED DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION COURSE OF ACTION ON DEPARTMENT OF NAVY BASE CLOSURE PROCESS

1. Due to gaps of information in the Navy process identified by both Commission staff and the General Accounting Office (GAO), staff of the Base Closure Commission (BCC) met with the Navy base closure group (the Base Structure Committee, or BSC) on Monday, May 20, 1991 to request detailed information on its process. During that meeting, staff learned that the Navy's BSC applied a great deal of undocumented, subjective judgment to a major Navy facilities study (the Vice Chief of Naval Operations, or VCNO study), as well as numerous briefings from field commanders. Despite general explanations of the process, the Commission is still unable to determine if the subjective judgement of the Navy's group was applied fairly and consistently to all bases in all categories in accordance with the Force Structure Plan and Department of Defense criteria mandated by law.

2. During its decision-making meetings, the BSC kept no minutes and in its written submittal to the Commission, only briefly explained why bases were on the list.

3. Therefore, the Commission proposes the following course of action. The Navy has pledged its cooperation, and we look forward to its acceptance of this course of action and conformity with the Commission's rigorous schedule.

The BSC must provide written explanations of its decisions, using the Vice Chief of Naval Operations (VCNO) working group study as a baseline. The VCNO working group studies options for base closures begining in January 1990 and has rated each Navy installation against five weighted criteria called "major factors." The major factors are mission suitablity, availability of facilities, quality of facilities, quality of life, and community support. Each rating is supported by verifiable quantitative and qualitative measures. This approach is similar to that used by the other Services. The VCNO study was a significant input to the BSC's decision-making process, which also included briefings from the Navy's major operational commands.

The BSC must provide an explanation of the relationship between the five VCNO major factors and the DoD criteria used by the BSC to rate each installation. Although the BSC used the VCNO study, the BSC translated its ratings to correspond with the military value criteria required by the DoD Federal Register notice. The Commission needs that translation between those two sets of rating criteria to determine the fairness and consistency of the BSC's rating process.

The BSC must provide explanations for the changes it made to the VCNO ratings. The BSC rated some installations differently than the VCNO study based on the briefings it received and its own military judgement. The Commission needs detailed, written explanations for each instance in which the BSC disagreed with the VCNO study's major factor ratings. The explanations must be explicit, verifiable, and, whenever possible, quantifiable.

The BSC must justify its overall installation ratings. The BSC used the military value DoD criteria to assign an overall rating for each Navy installation. The Commission staff needs detailed, written explanations for each of those ratings. Explanations must address how installations were compared with others in the same categories. Explanations must also address those installations excluded from further review based on geography, strategic importance, operational value, and other unique assets.

The BSC must provide the back-up data for the VCNO study. The data on which the VCNO study's ratings are based is needed to verify those ratings and to review the consistency of their application within installation categories. The Commission will provide the BSC with a list of the missing data.

The Commission will review the BSC responses. The information provided by the BSC in response to the above steps will allow the Commission staff to determine whether the BSC's decision methodology substantially deviated from the requirements of Title XXIX.

The Commission's staff will present options to the Commissioners for any changes to the Navy's list of base closures and realignments.

EXHIBIT 3

U. S. SENATE,
Washington, DC, May 21, 1991.

Hon. DICK CHENEY,
Secretary of Defense, Department of Defense, The Pentagon, Washington, DC.

DEAR DICK: I have decided to hand you this letter with the enclosed memo at today's hearing to be certain you get it forthwith.

I am very, very concerned about the Navy Department's routing slip which gives a due date of May 24, 1991, to my letter of April 19, 1991, since the response would be too late for my presentation on the Philadelphia Navy Yard at either the Washington hearing (May 22, 1991) or the Philadephia hearing (May 24, 1991).

I would appreciate your personal review of the situation and your prompt response.

Sincerely,

ARLEN SPECTER.

MEMORANDUM

To: Senator Specter.
From: Morrie Ruffin.
Date: May 15, 1991.
Re: Status of 4/19/91 Request to Secretary Garrett for Additional Information on Navy's Analysis"

Per your request, I have described the sequence of events pertaining to the Navy's "response" to your letter of 4/19/91. Attached is a copy of the 4/19 letter.

4/19/91—Your office FAXed a copy of the attached letter to Secretary Garrett. The letter requests that all documentation concerning both the conventional and nuclear workload at the naval shipyards for the remainder of the century immediately be made part of the public record. This request was made because the Navy's "detailed analysis" provides no justification for its decision to exclude *all* Navy shipyards from review for closure.

5/7/91—Having received no response to your letter and having confirmed that neither the Base Closure Commission nor the General Accounting Office had received any information subsequent to your letter, I called the Senate Navy Liaison office and inquired as to the status of the reply.

5/8/91—I received a call from a Mr. Fred Sterns in Assistant Secretary of the Navy for Installations Jackie Schafer's office. I informed Mr. Sterns that we wanted every piece of information available on the Navy's ship maintenance schedule (data on the maintenance schedule for every ship in the Navy). I also suggested that we wanted all other information that would allow the Navy to represent that due to the Navy's nuclear workload the six nuclear Yards should be excluded from review for possible closure. *He informed me that this information would be "on your doorstep at 8:00 AM, Monday, May 13, 1991.*

5/13/91—At 9:30 AM I received a call from Mr. Sterns where upon he stated that he believed he had everything we had asked for and asked when he could send it over. At 11:30 AM I met with a Mr. David Rolfe Herron from Schafer's office, and Capt. Thomas Williams and Ms. Mary MacKinnon from OP–431. At the meeting they presented me with the attached memo marked B. I asked them if they felt they had complied with the request made in your letter. They said yes. I then asked them if the memo represented "all documentation concerning both the nuclear . . ." (see highlighted potion of letter). They said no and promised to provide us with more information. I said we wanted it but that it was probably too late.

Following the meeting, I had a conversation with Mr. Herron.

I mentioned to Mr. Herron that he should inform Ms. Schafer that Senator Specter's office was not satisfied with their response to our request. He then mentioned to me that he was in a difficult position because the response to the April 19 did not appear to be a Navy priority. *He then mentioned to me that he had a copy of a routing slip attached to the letter which gave a due date for the response of 5/24/91.* (5/24 is the date of the regional hearings on PNSY and the last official opportunity for us to make our case before the Base Closure Commission.) I asked Mr. Herron if I could see a copy of the routing slip. He proceeded to remove from his folder a copy of your letter which appeared to have a routing slip attached to it with a due date of 5/24/91. I then asked Mr. Herron if I could borrow the routing slip for a minute whereupon a Mr. Liebman (also from Schafer's office) who had entered the reception area grabbed the letter back from Mr. Herron and quickly forced it into Mr. Herrons brief case. Mr. Liebman said something along these lines: "God knows, you can't have that."

5/14/91—In the morning I spoke with Wendy Pensinger, a staffer on the Base Closure Commission, and mentioned the incident with Mr. Herron. She took his name and the names of the two other individuals who accompanied him to our office. In the afternoon, Mr. Liebman delivered to our office a computer print out of the "ship availabilities at all of the Navy's shipyards." This document is also barely adequate in that it was outdated and did not include any of the AEGIS work which will be up for Public/Private competition.

5/15/91—Spoke with Captain Rice, the Executive Assistant to Ms. Schafer, and Jim Dykstra, the Deputy Assistant Secretary of Defense for Legislative Affairs, and reiterated our request for information.

EXTENSION OF FAST-TRACK PROCEDURES

Mr. BENTSEN. Mr. President, I move that the Senate proceed to the immediate consideration of Senate Resolution 78.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

> A resolution (S. Res. 78) to disapprove the request of the President for extension of the fast track procedures under the Omnibus Trade and Competitiveness Act of 1988 and the Trade Act of 1974, reported unfavorably without amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Who yields time on the resolution?

Mr. BENTSEN. I yield myself such time as I may need.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, Senate Resolution 78, which would disapprove the President's request for fast track, I think may be the most important and the most controversial vote that we will cast this year. The Finance Committee has given it very serious, thoughtful, and long time consideration.

We held seven hearings on this subject. We heard from all sides in the debate. And after 2½ months of weighing the pros and cons on this subject, we voted it out of committee by a vote of 15 to 3, an overwhelming vote.

There is nothing that would have required us to vote this out of the committee. We could have locked it up in the committee, and that is often done here in the Senate and in the House of Representatives. But I felt this issue was so important, and the committee shared that thought, that it had to be brought before the entire Senate, to let them debate it and decide what should be done.

Let us understand precisely what is at stake in this vote. This resolution would deny fast-track procedures for all trade agreements. That means the Uruguay round, the United States-Mexico Free-Trade Agreement, and any other trade agreement that was under consideration.

Although we are not directly voting on the negotiations, it is clear to me that a vote to deny fast-track authority is in fact a vote to stop these negotiations dead in their tracks. It is inconceivable to me that the United States would deny itself the ability to negotiate away all the protectionism around the world that is facing us when our products are so ready to go to export, to add jobs in this country. It would be kind of a unilateral disarmament on trade. But that is precisely what this resolution is intended to do.

Let there be no mistake about it, the stakes are that high, and we cannot afford to make a wrong decision at a time when trade is of such importance to us in the growth of our economy. Last year, 88 percent of our GNP growth came from export growth. We are in a recession, and more so than at any time in the past, America will have to export its way back to prosperity.

We sure cannot look back to the Government for the traditional pump-priming as we have done in the past, not with a $400 billion trade deficit and a $3 trillion national debt.

Our growing dependence on foreign capital makes it difficult to stimulate the economy with interest rates; so we have to export, and we have to export successfully with lower interest rates. To export successfully, we need better market access in areas where our products are more competitive. To achieve that market access, we must have an effective and aggressive trade policy.

I have been pushing an aggressive trade policy for years. Four-and-a-half years ago, when I took over the chairmanship of the Finance Committee, I made trade a No. 1 priority for me. Like many of my colleagues, I was frustrated by the Reagan administration's head-in-the-sand trade policy that exalted an overvalued dollar, let foreign trade barriers stand unchallenged, and ceded one American industry after another to foreign competition.

As the decade began, America was the largest creditor nation in the world. By 1985, those trade policies had transformed the United States into the largest debtor nation the world has ever known. That is why I fought so hard for the passage of the 1988 trade bill.

It took us 2 long years to convert that into legislation, even in the face of a possible Presidential veto. That act was guided by the basic, fundamental first principle of trade: countries selling goods freely in our market must entitle us to sell freely in their markets. I believed that should be our guiding light then, and I believe it today.

In that law, Congress gave the President the tools to bring trade actions against a wide range of unfair foreign practices. Whether the problem was patent pirates stealing U.S. inventions or European Community subsidies that unfairly deny our farmers sales in foreign markets, the 1988 Trade Act sought to get us back in the trade game.

I wish this administration would use that authority more aggressively. I have been pressing them for 2 years to do that, and I intend to keep up that pressure.

But trade negotiations must be an essential element of a complete trade strategy, and that is why the 1988

Trade Act that Congress passed also gave the administration fast-track authority to negotiate to eliminate unfair trade practices.

Let's face it; we cannot bring individual trade actions against every foreign trade barrier U.S. companies face. Most countries still impose high tariff rates on us. Look at India, they have a 118-percent average tariff against us.

I think the basic question that we are look at, and the one that concerns most people in this trade deal, is the question: Are we going to have an exodus of jobs? Does it mean that we lose jobs in America? We have lost 2,600,000 jobs in the past decade, and we certainly cannot lose more of them.

If I believed that this meant a net loss of jobs to the United States, I would fight fast track every step of the way. I would fight any kind of a trade agreement that I thought would bring that about.

But that is not what we are looking at. We are talking about trying to open up these markets. Look at the situation with Mexico. That has been one of the controversial issues: Whether or not we should have a United States-Mexican Free-Trade Agreement.

We have had an incredible change there. I was born and reared on the Mexican border. All my life I have known Mexico as one of the most protectionist of nations, whether you were talking about the manufacturers, or whether you were talking about the government. It was always railing against the United States. Poor Mexico, so far from God, so close to the United States. And always the foreign minister was appealing to the racial left in Mexico, and that was again politically running against the United States.

But what happened? De la Madrid came in and, for the first time, wanted to join GATT, open up their markets and be internationally competitive, and see that they had free trade with the United States. And along came President Salinas, with an amazing change in policy, taking duties that were up to 100 percent and bringing the maximum duty down to 20 percent, and the average duty to less than 10 percent, moving the private sector in, taking public companies and making them private sector companies, addressing a situation on the environment that has concerned us all.

Along that border I look at situations like we have in Laredo, where you see 26 million gallons of raw sewage every day dumped into that Rio Grande. To look at Juarez where you have an open ditch running on the Mexican side with raw sewage. Are we concerned about it? Of course we are concerned about it. And we should be concerned about it.

But let us see what happened in this kind of a situation. They have a President now who took a refinery in Mexico City, spewing out all kinds of toxic smoke, contributing 15 percent of the pollutants to Mexico City, who closed that refinery down, putting 4,500 people out of work at a time of high unemployment in Mexico. That is making a major priority of the environment and that is what President Salinas has done. How are we going to take care of those problems of pollution along the Rio Grande unless we negotiate? Do you turn your back on those things and think that all of a sudden they will solve themselves?

Of course, he does not. You have a Mexican President talking about putting catalytic converters in automobiles. Tell me another developing country going that far with that kind of cost when they have high unemployment—putting that kind of penalty on them from an economic standpoint to better clean up the environment. That is the kind of change that is taking place down there.

I have people say, well, all these companies are going to move to Mexico. They can move there now. That is a sovereign nation down there. They can take off any penalties they want to any time.

Let us look at what the duties are. In our direction, in effect, we virtually provide them free trade. Over 50 percent of the items coming in from Mexico are duty free, and the others average only 4 percent.

Let us look at automobiles. If you want to import a car into the United States, the duty is 2½ percent. If you are talking about auto parts, it is 3½ percent. But if you are trying to export a car into Mexico the duty on it is 15 percent; on parts it is about 13½ percent. Then you cannot ship a car into Mexico until they have shipped 2½ cars out. You even have holding stations along that border to see that that kind of a requirement has been met before they ship another United States car into Mexico. That is what you are facing today.

You are looking at a country with 85 million people, a country with substantially lower income than ourselves but a country that spends $350 per capita on U.S. products. That is $15 more per capita than the Europeans are spending on United States products.

What do we sell to Canada? We are selling them $3,000 per capita—$3,000 per capita. Who do you sell the most to—a poor country or a rich country? Of course, you sell more to a rich country, and if we can continue to raise the standard of living of Mexico along with our own, you will find them buying far more products than they are buying now and continuing to do that.

I think we ought to encourage that. Besides that, it gives us stability in that country which is terribly important to us. There have been those who say, well, we ought to split off Mexico from the rest of the negotiations. Of course, this is a generic term insofar as the trade bill of 1988 and covers all of these negotiations.

But when asked about that, President Salinas says, well, then you just ought to take the "1" out of "splitting." It will be a matter of spitting on Mexico, putting down Mexico. You will turn around and give fast track to countries around the world, countries like India with an average duty of 118 percent, ripping us off on intellectual property rights, doing the same kind of thing for Taiwan, but you will not do it for your neighbor to the South.

I think we ought to work to see that we develop this kind of trade negotiations with Mexico. We are not talking about voting up or down on a treaty today. We are talking about the authority to negotiate and try to do away with some of these problems that we have seen in the way of environment, that we have seen in the way of trade barriers.

I have had people say to me, well, you have got a problem with the judicial system in Mexico. Yes, I think that is true to a degree. But you have it with every developing country and we have our own problems in our own country concerning the judiciary.

But look at some of the dramatic things that have happened in Mexico under President Salinas. I was talking to him about the number of convictions insofar as income tax evasions. He told me that, from 1922 to 1988 you had 2 convictions on income tax evasion in Mexico. But since 1988, with the new administration, you have had 183 convictions for income tax evasion.

Talking about drug traffickers, some 24,000 since 1988 have been apprehended and some 4,700 of them have been convicted and sent to prison. When you take a look at our laws here and the administration of them and the apprehension of drug violators and see how long it takes to put them in prison, that is not a bad record on that part.

Some people say, well, you do not really need fast track, we ought to open this up to changes.

Let us think back to where we were back in the Kennedy round. At that time, the agreement was sent here to the Congress, and the Congress chose to make amendments to it. Many other countries said, well, that is it. We are not going to negotiate any further. And we could not get them back to the negotiating table for several years, and that is when we finally decided we had to go to fast track.

What we are talking about is the Congress having the responsibility on trade. But the Congress speaks with many voices, represents many regions, and many interests. So the administration has to have the authority to do the negotiations. That also means that they must consult with us in the process.

We look at the Canadian-United States Free-Trade Agreement, and in that situation the Congress felt that the administration was not consulting with us. What did we do? We blocked that one in the committee, stopped it cold. The administration got the message, and then they came and consulted and then we worked out our differences and we passed it. I think they have learned that lesson and they have been consulting with us every step of the way.

We felt, in addition, that we ought to get some commitments ahead of time on this one. So Chairman ROSTENKOWSKI, Majority Leader GEPHARDT, and I, as chairman of the Finance Committee, wrote a letter to the President addressing what we could get in the way of some assurances on the environment, what we could get insofar as job training and assistance—because there will be winners and losers in this and we are quite aware of that.

I think the letter that we received back is one that is encouraging, makes major concessions on the part of the administration, and will be of help. Many of those things that are cited in that letter require clear evidence of progress before that treaty is finally brought back to us for consideration.

If you are serious about cracking down on foreign barriers, trade negotiations must be a part of your strategy. In the absence of negotiations, a multitude of unfair foreign barriers will remain. And the United States cannot settle for that—not if we want to be effective competitors for world markets.

But Senators ask, "Why do we need to give fast-track negotiating authority?" It is very simple: Without the fast track, countries will not negotiate with us.

You do not have to take my word for it. We have the lesson of history. The fast track was first enacted in 1974 at a time when we simply could not get our trading partners to come to the table.

In the 1960's—during the Kennedy round of negotiations—the administration tried to negotiate trade agreements without fast-track authority and Congress amended the agreements in several respects. The result was that for 6 years we could not get our trading partners to come back to the table, until Congress enacted the fast track.

Some of you are concerned that fast track is a forfeiture of congressional power. But the fast track was first enacted in 1974, by a Democratic Congress in the wake of the Watergate scandal. If there ever was a Congress that should have been wary of abuses of Presidential power, it was that Congress.

So why did that Watergate Congress accept fast track? Because they beleived it increased congressional power. Let me explain what Congress got in the deal.

First, the White House agreed to send the entire trade agreement back to Congress for approval. During the Kennedy round negotiations, the administration argued that trade agreements could be negotiated under the President's foreign affairs authority without even submitting the agreement to Congress for approval. The fast track established clearly that these agreements would be submitted to Congress.

Under the fast track, Congress also writes the legislation implementing the agreement, not the administration. And the White House tells us in advance what administrative actions they intend to take to implement the agreement. Senators know how important agency regulations and other agency actions can be. With the fast track, we know in advance what they will be. And finally, Congress set up an entire system to ensure that the administration consults with us.

And that system has worked pretty well. Consider what the situation would be today regarding the Mexican talks if we had not had the fast track.

Last June, Presidents Bush and Salinas announced that they would seek to negotiate a United States-Mexico Free-Trade Agreement. If the fast track had not existed, those negotiations probably would have proceeded, and today the Senate might be considering whether to accept a trade agreement, not whether to start negotiations.

Instead, the fast-track rules required the President to notify Congress of his intent to proceed and imposed a waiting period before negotiations could begin. We held extensive hearings in the Finace Committee. Chairman ROSTENKOWSKI, Congressman GEPHARDT, and I asked the President to set forth an action plan addressing a broad range of labor and environmental issues.

The President responded, and today the United States is prepared to enter these negotiations with an agenda that more completely addresses the full range of congressional concerns.

That never would have happened if the fast track did not exist. It is a check on the President from getting us into these negotiations before Congress can examine that policy. And it has made a big difference in the case of Mexico.

In 1988, we renewed the fast track, but not without building in some safeguards.

In 1988, the administration had proposed that we give it permanent fast-track authority. We refused that; we gave the President until June 1993 instead. But we also required that the President come back to Congress at the halfway point to get those last 2 years, on the understanding that either House of Congress could deny the President those last 2 years if it felt that sufficient progress had not been made in negotiations.

We did that because we wanted to make sure that Congress was actively involved in making trade policy. That is why we are here today.

But as we consider this extension, the question really comes down to whether you believe trade negotiations are good for America. At stake is the Uruguay round and the Mexican talks.

Consider the Uruguay round. Over one-third of world trade is not even covered by General Agreement on Tariffs and Trade [GATT] rules. In countless areas, we can help American companies and workers become more competitive by cracking open foreign markets in this round. Listen to some of the groups that have come forward to support these negotiations—and the extension of the fast track generally.

I have a list here of organizations, farm groups, and companies that support the extension of fast track. This list is 36 pages long, single-spaced. It includes a wide range of interests. For example:

National Association of Wheatgrowers, Consumers Union, National Wildlife Federation, The Business Roundtable, American Soybean Association, Chemical Manufacturers Association, Semiconductor Industry Association, American Mining Congress, Mexican-American Legal Defense and Education Fund (MALDEF), Coalition of Service Industries, National Small Business Association, American Paper Institute, Motion Picture Association of America, League of United Latin American Citizens (LULAC).

They know that cracking open foreign markets can mean good jobs for good wages in this country. Those companies and those workers are America's trading future. We cannot afford to turn our backs on them.

Perhaps an even greater challenge confronts us in the trade negotiations with Mexico. Nowhere else in the world do a developed country and a developing country share a common border. It is a big challenge for the United States.

But when I look at Mexico I see great potential. I was born and reared on that Mexican border. I have seen the old Mexico, and I have seen the new Mexico. And I can tell you I like the new Mexico a lot better.

President Salinas has transformed the face of that country. Sometimes I wonder what happened to mañana land. President Salinas has reduced Mexico's maximum tariffs from 100 percent to 20 percent. Their average tariff is now below 10 percent. They eliminated most of their import licensing requirements. They are beginning to get their debt problems under control.

In short, they are doing exactly what we have been asking developing countries to do for the last 40 years.

Will free trade with Mexico help the United States? We already know it will. When many countries, like Japan, eliminate formal barriers, we do not see any hard trade results. Informal barriers remain.

But that is not the case with Mexico. Since the Mexican reforms began in 1986, we have seen our exports to Mexico double. Manufactured exports more than doubled, growing almost twice as fast as other United States manufactured exports. Exports of telecommunications equipment doubled. Exports of corn tripled. And all this export growth has created 400,000 new jobs in the United States.

And those benefits have applied to every corner of this Nation. In the last 3 years, Wisconsin's exports to Mexico increased 77 percent; Rhode Island, 180 percent; Illinois, 216 percent.

Don Fites, the chief executive officer of Caterpillar, told the Finance Committee this spring that they thought the Salinas reforms would increase their exports to Mexico by $20 million. They were way off the mark. Last year, Caterpillar exports to Mexico doubled—to $131 million. Their sales to Mexico provide good jobs for 900 U.S. Caterpillar workers and another 1,800 jobs at the company's American suppliers.

All the studies indicate that free trade with Mexico will benefit the United States. But the best indication is the trade benefits we have experienced since Mexico began to open up.

We can build on that foundation. Mexico has made great progress, but its tariff rates are still twice as high as ours. Forty percent of the farm products we send them are still subject to import licenses—basically a quota restricting what we can sell them.

Mexico requires 36 percent Mexican content in all the cars we make down there. They won't let us ship a car into their country, until they ship 2½ cars out. The problem is so bad that they have special facilities to hold United States-made cars on the border until that requirement is met.

Simply put, eliminating all barriers would be a significant net gain for the United States, because Mexico has more to give up.

Now the opponents argue that free trade with Mexico will make United States companies invest in Mexico. Mr. President, those companies can do that right now. Particularly in manufacturing industries, Mexico already permits free investment.

And Mexico is a sovereign nation. It can eliminate its investment restrictions anytime it wants—even without a free-trade agreement.

During the 1980's, we already had 2.6 million jobs move overseas, largely to the Pacific Rim. Every low-wage country in the world today wants to attract United States investment—and that will continue regardless whether we negotiate an agreement with Mexico.

We can curse that darkness, or we can develop a strategy to compete in the world as it exists today. Mexico is a critical element of that strategy. Trade with Mexico can keep and create good jobs in this country.

Consider the case of Deltec, a San Diego electronics firm that cut over 50 percent of its work force in the early 1980's as it struggled against overseas competition. Deltec ultimately decided to locate a plant in Mexico and continue with some of its operations in the United States, rather than move lock, stock, and barrel to the Far East. Since then, it has increased its United States work force by 75 percent and quadrupled its sales.

Mr. President, almost 50 years ago, Franklin Roosevelt charted a new course for Mexico that he called the "good neighbor policy." We should learn from that leadership and recognize that better relations with Mexico are critical for our long-term security and prosperity.

Let's face it. It is much better to have a rich neighbor than a poor neighbor. Today the average Mexican buys 350 dollars' worth of American products each year. The average Canadian buys over $3,000. If Mexico were as rich as Canada, our exports to Mexico would increase by $240 billion. That won't happen anytime in the near future. But the sooner we begin to plant that tree, the sooner it will bear fruit.

It is also critical to have a stable, friendly neighbor. Last August, immediately after the Iraqi invasion of Kuwait, President Salinas announced that Mexico would increase its oil production capacity by 100,000 barrels a day to demonstrate its solidarity with our cause. Mr. Cardenas, President Salinas' chief opposition rival, would have cut off our supply completely.

It is said that a friend in need is a friend indeed. Let me tell you, when it comes to energy policy, we cannot have too many friends in the Western Hemisphere.

Consider immigration. That is a powder keg waiting to ignite. The opponents of these negotiations are worried about job losses in this country. But what about the thousands of jobs Americans lose each day to illegal immigrants? We will never put a lid on that problem until Mexicans can find good jobs at good wages in their own country.

Mr. President, this is a decisive vote for the future of this country, and it is a momentous occasion for the Senate. I think the essential choice is whether we choose to move forward or backward as a country.

If we pass this resolution, we signal to the world that the United States is throwing off the mantle of global economic leadership, which it has held with conviction and courage for over half a century. We signal that we are not even willing to negotiate with our trading partners to eliminate unfair foreign trade practices.

There is no clearer signal we could send that the United States has taken itself out of the game—that the rest of the world can negotiate while we sit on the sidelines. Or we can reject this resolution. We can get back in the game and fight until we win.

We can tell the world that the United States will not tolerate barriers to our exports, that United States farmers refuse to compete against subsidized competition, that United States inventions cannot be stolen with impunity, that India's 118 percent tariff rates are a vestige of the past, and that America insists that its companies and its workers be able to compete head-to-head with the best the world has to offer.

I urge my colleagues to vote against the resolution.

So, Mr. President, as I look at this issue that is before us, I think it is an opportunity for us to move forward and increase the exports of American products and build jobs around the world.

I strongly urge my colleagues to support further negotiations, and I have here a list of some 36 pages of various organizations that are supporting the negotiations on the fast track. I strongly urge that Senate Resolution 78 be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, this is my bill.

Mr. PACKWOOD addressed the Chair.

Mr. HOLLINGS. I think I am in control of the time over here; is that correct?

Mr. PACKWOOD. I do not think so.

The PRESIDING OFFICER. I believe the Senator from Oregon controls the other 10 hours on the time.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The time is equally divided.

Mr. HOLLINGS. That could not possibly be true. I am the author of the bill. Do you mean to say the two opponents of the bill control the time, the 20 hours, and we are not recognized at all? I heard of fast track, but this is fast, indeed.

The PRESIDING OFFICER. In response, it is noted that the two leaders control the time.

Mr. HOLLINGS. Two leaders or their designees.

The PRESIDING OFFICER. Or their designess. It is 20 hours equally divided.

Mr. HOLLINGS. So what we have are two negatives.

The PRESIDING OFFICER. The two leaders are free to parcel out the time or their designees as they see fit.

Mr. HOLLINGS. Now Mr. President, let us get right to the point. They have been asking me to step forward as the author of this particular resolution which was reported out of the Finance Committee. Incidentally, they say, there were 15 votes against it in committee, but we have got 17 positive votes that have cosponsored the resolution. It was my understanding that I was in control of 10 hours on this side and Senator BENTSEN was to control 10 hours on the opposing side.

Is the ruling of the Chair now that we do not have any time to speak in favor of the bill? Is that what we are saying? What goes on here?

The PRESIDING OFFICER. If the Senator will indulge the Chair, the Chair will read the applicable paragraph here. The debate—this is a bill with floor consideration of the Senate. Debate in the Senate on a resolution and all debatable motions and appeals in connection with this shall be limited to not more than 20 hours.

This is the unanimous-consent report presented, "shall be limited to not more than 20 hours, to be equally divided and controlled by the majority leader or their designees."

Mr. HOLLINGS. That is all right then. Will the majority leader tell us where we are?

Mr. BENTSEN. Let me say, Mr. President, to the distinguished Senator from South Carolina, there is no question, as far as matter of equity, that the opposition to the point of view of those of us in the Finance Committee deserves equal time. I would not quarrel with that.

Mr. HOLLINGS. And the author of the bill ought to be heard on his own bill.

Mr. BENTSEN. Of course, he shall.

Mr. HOLLINGS. I could be down in the well but I am courteous enough to stand up here.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the 20 hours for debate on this matter be allocated as follows: 10 hours for the proponents of the resolution of disapproval, to be under the control of Senator HOLLINGS; 5 hours of the time of the opponents of the resolution of disapproval to be under the control of Senator BENTSEN; 5 hours of the time of the opponents of the resolution of disapproval to be under the control of Senator PACKWOOD.

Mr. DOLE. Mr. President, what about the time we have used? We would like to get rid of that.

The PRESIDING OFFICER. Twenty-five minutes has been thus far consumed.

Mr. DOLE. That would come off of whose time?

The PRESIDING OFFICER. That would be charged to the Senator from Texas.

Mr. DOLE. Then it is not possible to get additional time then, after this 20 hours?

The PRESIDING OFFICER. The Senator is correct. The statute does not provide for that except by consent.

Mr. DOLE. I appreciate that.

Mr. MITCHELL. I wish to make clear that my proposal does not suggest there be 20 hours and 25 minutes. I suggest 20 hours, so that, if approved, Senator BENTSEN would have 5 hours, less whatever time he has already used.

The PRESIDING OFFICER. Is there objection? If not, the unanimous-consent request is agreed to.

Mr. PACKWOOD addressed the Chair.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HOLLINGS. Oregon?

I thank the distinguished Chair.

Mr. PACKWOOD. Wait a minute. Who has the floor?

The PRESIDING OFFICER. The designee on the Republican side is recognized.

Mr. PACKWOOD. I will not go more than 10 or 15 minutes right now.

Mr. HOLLINGS. Very good.

Mr. PACKWOOD. Mr. President, there was an article in the Washington Post of May 20 entitled "U.S. Firms Stage Competitive Revival." It was a most informative article about major manufacturing industries in the United States. And I emphasize manufacturing, because we have taken great pride in some of our high-technology industries, certainly great pride in agriculture where we still lead the world except where we have to compete with extraordinary subsidies to the farmers and export subsidies.

But this article was on basic heavy manufacturing, General Electric, Xerox, Boeing, pharmaceuticals, Caterpillar, Cummins Engine, all of whom have been staging amazing productivity increases and increases in export sales.

As a matter of fact, it is very clear, and Chairman BENTSEN indicated it, there is no question that it is exports that have allowed this Nation to keep its head above water in the last year and a half.

We have seen a modest recession, and we are starting to come out of that recession now. But for the exports this recession would have been very, very severe. There is no question now that major American businesses, hard goods businesses, can compete throughout this world. As a matter of fact, this article indicates that manufacturing today accounts for a slightly larger share of total U.S. economic output than it did a decade ago. It would not be doing that, Mr. President, but for exports. It would not have grown that fast in the last years but for exports.

So, as we look toward the approval, I hope, of allowing the President to have fast-track authority, I hope we do not dwell exclusively on Mexico, although our exports to Mexico will increase. I will cite some figures, including companies in Oregon, to indicate that.

But we have a lot more at stake in addition to the North American Free-Trade Agreement. We have at stake attempting to accomplish in the so-called Uruguay round GATT negotiations, protections for things we have never been able to achieve before. And mainly because trade 40 years ago, 30 years ago, even 20 years ago, consisted heavily of machines, airplanes, what I would call hard goods. And what we have seen in the last 20 years, in addition to the expansion of exports of our hard goods, is an explosion around the world of stealing of our intellectual property rights—movies, television, books, pharmaceuticals, products of the mind, creativity that may not weigh as much as an automobile, but is being copied daily and duplicated daily in countries around the world and paying us nothing.

In many cases, we are seeing our products, if not illegally stolen, worse, legally stolen because we don't have adequate protection under the current trade agreements among the major nations of the world.

And, in the area of agriculture most of all, this country has been blessed as no other country in the world. We still have an immense agricultural surplus when it comes to exports. But we are attempting to export in competition with Germany and with France, who have many, many small inefficient farms, heavily subsidized, and the exports from those farms heavily subsidized. And even with that we managed to stay ahead of the curve and have a surplus in our agricultural exports.

But what a boon it would be to the farm sector of this country alone and to all of the sectors of manufacturing industries that supply the farm sector, if we could get a level playing field in the sale of wheat down the Columbia River, or soybeans, or rice into Japan. And we have a chance of getting that if we give to the President of the United States the authority to conclude these agreements with the 107 other nations involved in the Uruguay round—and I say "conclude" because those agreements are almost done. But we have not yet closed the circle on some of the areas that are most vital to us. Give the President the power to finish those negotiations and then turn his attention to starting negotiations with Mexico.

I was chairman of the Finance Committee during the initiation and the completion of one round of free-trade agreements. That was with Israel. And I was chairman and ranking member when we started and then subsequently finished the free-trade agreement with Canada. And I know there were misgivings about both the Israeli free-trade agreement from some sectors of our economy and misgivings about the Canadian Free-Trade Agreement from some sectors of our economy, but by and large those free-trade agreements have worked out magnificently.

Are there some problems? Sure. We have some problems with some of our closest friends in the world, some of our English-speaking friends. We have great problems with New Zealand, great problems with Australia. But do you mean is it working out to the benefit of both countries? Sure. You bet it is.

Did Congress have any input to that agreement? You bet we did. We heard the chairman make reference to the fact that because, on occasions, Congress had been stiffed on previous negotiations, when it came time to negotiate the Canadian Free-Trade Agreement the President almost did not get the necessary authority. And that was a wake-up call for the administration, and during those Canadian free-trade agreements we had all the input we wanted. I will give a specific example. We introduced a resolution that we did not want maritime—maritime, involving shipping—in the Canadian Free-Trade Agreement. And there were not. That was input from the Congress.

When it comes time to start to negotiate the free-trade agreement with Mexico, we will have ample opportunity for input. If there is anything that can be said now about our U.S. Trade Representative, Ambassador Carla Hills, it is that she has given us opportunity after opportunity after opportunity for input. We all kid about her coming up to the Finance Committee. We go, "My gosh, is she here again?"

In the law there is a principle called estoppel, which means you are precluded from raising an argument against your own act or deed. And we are certainly not going to be able to raise the defense against the agreement that we were not consulted. There might be some portions of it we do not like, but we cannot claim that we were not and will not be consulted.

Then I want to be realistic, if I might, Mr. President, about whether or not 2 years from now a free-trade agreement with Mexico might or might not be approved. Let us assume that those who oppose it now were to continue their opposition. That is principally organized labor, and I think they have some very justifiable concerns, and environmentalists, who also have justifiable concerns.

But let us assume nothing changed in 2 years, the free-trade agreement was presented by the President to Congress and we had to vote for it. If you had in opposition to it the overwhelming bulk of organized labor, the overwhelming bulk of the environmental groups, and the inevitable opposition you will pick up from some specific groups—because in a trade agreement there is some give and some take I think, if you had uniform opposition from labor and strong opposition from environmentalists, coupled with other specific industries—they might be small in and of themselves but if you add 10 or 12 or 14 small ones together, together with some major forces—I think we would see the agreement defeated.

So the President is not going to be able to bring us an agreement that does not at least address the major problems that have been legitimately raised by labor and environmentalists. But, from an environmental standpoint especially, I think you are hard pressed to argue against the potential for helping the environmental by signing an agreement with Mexico.

This is a rule of thumb. Although certainly the Communist countries in Eastern Europe while they were Communist were certainly not environmental paragons—if anything, they were the other way around—but as a rule of thumb you can say this: The more a country's economy grows, the more it starts to prosper, the more its gross national product increases, the more concerned it becomes with the environment. The countries that you have the worst problem with on the environment are the poorest countries in this world. Bangladesh goes through cataclysmic hurricanes, tidal waves, hundreds of thousands of people die. It is one of the poorest countries of the world. And it is awfully hard to ask them to be concerned about the environment and to spend extra money for environmental protection when the very, very few basics of life that they have are being washed away or blown away. It is only when you start to climb out of that poverty and have a little bit greater stake in life that you begin to think you can afford to clean up you air, clean up your water. You are not going to do that before you can protect your people from tidal waves, or even basically feed them.

So it is in our interest to encourage Mexico to prosper. Now the argument is made that if Mexico prospers, it will be done by American businesses moving to Mexico. Unlikely, I think. You heard the chairman indicate that the trade barrier situation is, and this, Mr. President, is basically what it is. The tariffs or quotas or licensing agreements on American products moving into Mexico are relatively high, rigid, difficult. The tariffs or other limitations on Mexican products moving into the United States are rather low—for example, 2.5 percent for automobiles. If a company's only concern were pollution controls or the difference in labor costs, why does Chrysler or General Motors or Ford not move all its operations south of the border? Why did the Japanese bring some of their operations to us, Honda in Ohio, Nissan in Tennessee, the others that are locating here? Why did they not locate everything in Mexico?

For the small price of a 2.5-percent tariff, if there was that much to be gained by locating in Mexico they would have done so now. The free-trade agreement would not have made any difference and will not make any difference as to the significant technological, skilled labor, infrastructure, communications, and other advantages the United States possesses.

I circulated a questionnaire in Oregon. I sent it to 154 Oregon companies that reportedly have some business relationship with Mexico. I took their names from the 1991 Directory of International Trade. And the thing that often amazes me as long as I have been in the Senate, every now and then I run across companies with 30, 40, 50 employees that I have not visited before, have not seen before, that have been in business 5, 10, 15, 20 years, that have a fair stake in foreign trade.

Of the 154 companies that I wrote to in Oregon, I asked them for the following identifying information: Who are they, what do they make, employee information, Mexican trade information, Mexican trade barrier information and their views on the Mexico free-trade agreement.

As of today, I have had 37 responses, which is about a 24-percent response rate. Of those, 9 of the 37 indicate they have no significant current business relationships with Mexico, import or export. Of the 28 responding companies with a significant current business relationship with Mexico, 26 of them, 93 percent, favor a free-trade agreement with Mexico. One company opposed it and one company was more or less ambivalent.

Of the 26 who responded and said, yes, they would tend to favor a free-trade agreement with Mexico, 68 percent are engaged in manufacturing; 28 percent in distribution; 12 percent in agriculture; 4 percent in retail or other services, and these total more than 100 percent because some of the companies are involved in more than one activity.

Of the 28 companies that have a significant business relationship with Mexico, 61 percent said they faced tariff and nontariff barriers; 27 percent said they faced tariffs on their exports; and other barriers that they identified were infrastructure problems, inefficiencies in Mexico, corruption in the Mexican bureaucracy, quotas, licensing agreements and currency problems. Of those that responded, I selected just three. They are illustrative.

One is Automotive-Industrial Marketing, AIMCO, in Portland, OR. It has 80 employees. The company manufactures and distributes industrial power tools. Of $650,000 in total foreign sales in 1990, $500,000 went to Mexico. This company currently faces Mexican tariffs of 22 percent. They are absolutely convinced that with the elimination of those tariffs under a free trade agreement, they will substantially increase their exports to Mexico.

Stanley Hydraulic Tools in Milwaukie, OR, a Portland suburb, has 257 employees. They manufacture hydraulic tools. In 1990, the company's total foreign sales was $12.3 million of which only $65,000 was to Mexico. But they expect this year they will increase their sales from $65,000 to $500,000 in Mexico and they expect, if there is a free trade-agreement with Mexico, their trade will grow significantly.

Let us take the third and last company from a smaller town in Oregon: Con-Vey/Keystone, in Roseburg, OR, about 175 miles south of Portland. A small town by the Nation's standards. This company manufactures material-handling equipment for sawmills and planing mills. It has over $1.1 million in foreign sales in 1990 and only $50,000 of that was to Mexico. They currently sell only used machinery to Mexico because the tariffs and quotas and limitations that they face do not make it possible for them to sell new equipment. But they are convinced under a free-trade agreement they could sell new equipment which they manufacture in Roseburg, OR.

I could go on and on with this list, but as I have indicated, I do not want to dwell just on Mexico. The United States has proven in the decade of the eighties that faced with the most intense foreign competition this country had ever been faced with—and let us be serious, until practically the mid-seventies or early seventies, the world was our oyster—that is, we could sell what we wanted around the world. We were successful at it. We had a surplus balance of trade even though some of the things we sold were shoddy. But we were the only kid on the block.

Then from the midseventies or late seventies onward through the eighties, we were faced not only throughout the world but in the United States itself with the toughest foreign competition, tougher than any domestic competition we had ever seen. Some of our companies broke. Most of them, however, bent. We moved. we are resilient. Those companies that bent, reorganized, cut their costs, until today they are as lean and hard as anyone competing in this world.

Remember the plight of the steel industry in the early eighties, a tremendous request for protection? Without protection, it was argued they would not succeed in this world and they could never match costs in the world. Do you know what we have discovered now? The pretax costs of producing cold rolled sheet steel in the United States in March of this year was $507 a metric ton; $30 a ton less than in Japan. Last year, the steel mills in the United States produced an estimated 11.5 percent of the world's steel, up 10.3 percent from the year before.

So, Mr. President, let us not be afraid of the competition. We cannot just beat it; we can meet it.

I think the chairman of the Finance Committee and I can assure this Senate that there is not going to be an agreement brought forth by this administration in which we have had no consultation. We will be there time and time and time again until we are sure that the legitimate concerns of our farmers, our manufacturers, our service industries and all of those extraordinary industries that need protection in the area of intellectual property rights, have been served. But we will never have that opportunity, Mr. President, if we do not give now to the President of the United States the authority and the power to adequately negotiate these agreements.

I thank the Chair.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. HARKIN). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I yield such time as is necessary at the moment.

Mr. President, in March, 16 of our colleagues joined me in introducing a resolution to restore constitutional balance and a sense of perspective to our international trade policy, by repealing fast-track treatment.

Under article 1, section 8 of the Constitution it is the right and responsibility of Congress to regulate foreign commerce. All we are asking for is a chance to exercise that constitutional responsibility to carefully examine both the pending GATT Agreement and the prospective North American Free-Trade Agreement. Judging by the reaction of our U.S. Trade Representative [USTR], you might think that this resolution is a threat to world peace, that this resolution will put an end to commerce between nations and cause a global economic apocalypse.

Mr. President, fighting the fast-track resolution has become a growth industry in the city of Washington, every law firm and public relations firm have signed on. Mexico, a country with a per-capita income of less than $2,000 a year, has spent a not-so-small fortune to hire 11 law firms and public relations firms. The corporate jets are stacking up at National Airport offloading CEO's to extol the virtues of an agreement with Mexico. In the Halls of Congress, Mrs. Hills has opened her bazaar wheeling and dealing, to keep Senators from supporting this resolution.

Mr. President in the past 2 years, we have witnessed fundamental changes in the world. After 45 years, our long twilight struggle against totalitarianism and aggression ended in triumph with the collapse of the Berlin Wall. But, while we bask in the glow of our victory in the cold war and our victory in the gulf war, the time has come for us to wake up from our economic daydreams.

Mr. President, this country is still at war—a trade war, an economic struggle that is eroding our standard of living and threatening our national security. In this struggle, the battlefield is the international marketplace and its warriors are the millions of working men and women of this country who comprise our manufacturing base.

Unfortunately, those whose duty it is to defend our position in the international marketplace, namely the Office of the U.S. Trade Representative cannot even recognize that we are being put to rout in the international marketplace.

In an appearance before the Appropriations Subcommittee that I chair, the distinguished U.S. trade Representative, Ambassador Carla Hilla, told us that, "Today, our manufacturing sector is stronger than at any time since World War II." Mr. President, with all due respect, Mrs. Hills must have been spending too much time in boardrooms with the chief executives of our major multinational corporations because, if she had spent any time in the heartland, any time on the factory floor, she would never have made such a statement.

We have lost over 2 million jobs in the manufacturing sector since 1980. Those who kept their jobs during the eighties were barely able to keep their head above water, in fact, the average family lost ground, real incomes have not risen above 1973 levels, while manufacturing wages in our two strongest competitors, Germany and Japan rose 14 and 18 percent, respectively. For the American worker, import competition has kept wage gains below the rate of inflation in such vital manufacturing industries as machine tools and industrial machinery. The administration boasts of "unprecedented growth" over the last decade, but the balance sheets of many of our corporations tell a different story. Last year Standard and Poor downgraded the credit ratings of 768 debt-laden companies, and the Nation as a whole slid from net creditor status to net debtor status, racking up close to a trillion dollars worth of IOU's to foreign creditors. The accumulation of this foreign debt will jeopardize our position of leadership in the world or at least that is what one of our major creditor nations believes. According to a recent study of United States-Japan relations commissioned by Japan's Foreign Ministry:

> It is apparent that the U.S. economy is not recovering and if its ability to manage its foreign strategy is declining—the American people and policymakers seem to refuse to acknowledge the country's decline and need for improvement.

Mr. President, the question is how long can we afford to pay for the costs of world leadership by ignoring economic realities? The geopolitical realities that forced this Nation to subordinate its economic interests to larger geostrategic interests have now been altered. But the administration has chosen to ignore the erosion of our economic strength. Instead of addressing head-on the fundamental issues that have diminished our economic statute, they offer more of the same—a continuation of policies that have produced record trade deficits. Rather than acknowledge that Government intervention and Government-directed export policies have turned our economic competitors in Europe and Asia into economic powerhouses, Mrs. Hills and her allies at the Council of Economic Advisers have worked zealously to impose their free-trade-at-any-cost ideology on the rest of the world.

If America is being battered in the international marketplace, it is not because of the way we were playing the game. It is because of our failure to play the same no-holds-barred ground rules that our rivals play by. While they pursued aggressive Government-directed trade strategies, the ivory tower economists and lawyers at CEA and USTR decided that what we needed was not to get competitive, but to get more rules to govern trade and then expand these rules to new areas, particularly to their economic savior, the service sector. So, for the past 4 years, this administration and its predecessor have been on a mission to sell the Congress and the world on the merits of GATT and a successful conclusion to the Uruguay round. We are told time and again that a successful completion of the GATT, one that incorporates trade in services and agriculture, as well as including protection of intellectual property, will expand world trade by $4 or $5 trillion.

However, a detailed study conducted by the Economic Strategy Institute [ESI] shows how this administration and previous administrations have absurdly overstated the benefits to world trade that would result from such agreements. According to ESI, the administration has overestimated the economic benefits of the Uruguay round by more than 700 percent. Their analysis shows that USTR figures are based on a set of completely unreasonable economic assumptions, such as increasing U.S. exports to heavily indebted third world countries by $200 billion over 10 years. A more reasonable economic analysis shows that successful completion of the Uruguay round could increase the United States trade deficit by as much as $14 billion.

Overstating, overestimating, and overselling the benefits of GATT agreements is a time-honored tradition at the Office of the U.S. Trade Representative. During negotiations in the Tokyo round, USTR estimated that a successful completion of the Tokyo round would benefit U.S. consumers by as much as $10.6 billion per year. In the end, the Michigan study of world production and trade estimated that the total net benefit for the economy from the Tokyo round was only $700 million—$700 million in a 5-trillion-dollar economy. Nor did the Tokyo round benefit our balance of trade. In 1979, when it was completed, our trade deficit stood at $15 billion, now it hovers around $100 billion.

Mr. President, the fact is that, while operating under the GATT, we have lost our economic preeminence, particularly in manufacturing. While Mrs. Hills may choose to believe that our manufacturing still is strong, the facts say otherwise. Take a look at the latest import penetration figures and that will give you an indication of the relative strength of our manufacturing sector. In consumer electronics, 100 percent of black and white televisions and 100 percent of radios are now imported. Over 30 percent of the automobiles sold in the United States are Japanese, and Chrysler chairman, Lee Iacocca, has stated that, if the figure goes to 40 percent, the Big Three will become the Big Two. Some proudly boast of American success in machine tool exports, but the fact is that 60 percent of machine tools used in this country are imported as is 60 percent of the apparel worn in this room.

Some academics say we should not be concerned by the decimation of our smokestack manufacturing industries. Instead, they claim that this loss is healthy for the economy, allowing us to shift production away from sunset industries to the sunrise high-technology industries. Unfortunately, we are losing the battle for market share in high-technology industries, too. Over the past 10 years, U.S. companies' share of the American market in computers went from 94 to 66 percent, in semiconductors from 90 to 67 percent. In the competition for global markets, the situation is even worse. U.S. market share in semiconductors fell from 80 percent to less than 40 percent.

If we are no longer dominant in manufacturing then what kind of economy will this Nation have and what will replace the high-paying manufacturing jobs that provided millions of Americans with the means to achieve the American dream of owning a home and sending a child to college? The answer that Ambassador Hills gives is services and exports. According to Mrs. Hills, one of the primary objectives in the Uruguay round is to achieve an agreement incorporating services into the GATT. Mrs. Hills proclaims that we have "a tremendous comparative advantage" in financial services. I, for one, find this a little ironic. Our negotiators are willing to sacrifice our manufacturing sector for the benefit of those on Wall Street, who have left us with a legacy of debt-laden corporations and have contributed to the weakening of banking and insurance sectors.

Mr. President, the textile industry invested $18 billion in plant and equipment in the 1980's, won the Baldrige Award for competitive excellence, and was rewarded for this by USTR's decision to use the textile and apparel program, as a bargaining chip to get an agreement favorable to our multinational banks. These are the same banks who squandered billions of dollars making bad loans to Third World despots and then turned to the U.S. taxpayer to bail them out.

Mr. President, this administration says time and again that government cannot pick winners and losers, but that is exactly what we are doing. By ending the quota program, they have already determined that 1.4 million textile and apparel workers are losers, in favor of a handful of Wall Street bankers. The plain truth is that the service economy is a myth. It will never create the high-paying jobs, nor achieve the productivity growth that is necessary to sustain our traditional standard of living. Nor, for that matter, will exports. We keep hearing that we need an agreement that will open markets, expand our exports, and jump-start our ailing economy. Mrs. Hills has come before committee after committee emphasizing the strength of our exports. The only reason why our exports have done well has little to do with tough negotiating and market access, and everything to do with currency devaluation.

It was government action, namely the 1985 Plaza accord, that precipitated the depreciation of the dollar and which, in turn, spurred our export boom. But, let me point out to my colleagues that this was not without cost to our overall economic strength. The respected investment banker, Felix Rohytan, in a recent speech at Northwestern University, lamented the fact that weakening our currency has cheapened our assets in the world markets and resulted in business after business being being snapped up at fire sale prices by foreign investors.

Mr. President, we are here today, in part, because, last December in Brussels, the economic powerhouses of the world, the Europeans and the Japanese, told our negotiators that they were not willing to duplicate American folly by sacrificing substantial sectors of their economies for the sake of ideological purity. They have been too successful in international trade competition to adopt the same dubious policies that brought the United States triple-digit trade deficits. After 4 years, the Brussels Ministerial ended in failure because the rest of the world does not accept our concept of free trade. They are not willing to let the magic of the marketplace determine their destiny. On the contrary, they understand that it is affirmative government policies that create a nation's comparative advantage.

Mr. President, as long as our negotiators slavishly adhere to their outmoded free trade ideology, as long as they are willing to sacrifice our economic interests as bargaining chips in exchange for political concessions, as long as they cater exclusively to the interests of multinationals which seek to move their operations offshore and then dump their goods back in our markets, this body cannot grant these negotiations a blank check. We cannot let them put our industrial decline on a fast track.

Mr. President, article I, section 8 of the Constitution gives to Congress alone the right and responsibility to regulate foreign commerce. Fast-track treatment represents an abdication of this constitutional duty.

Mr. President, fast track was written into the Trade Act of 1974. It was a response to this body's refusal to accept a side agreement from the Kennedy round of the GATT eliminating the American selling price. The proponents of fast track argued that our trading partners in the GATT would not negotiate with us in the Tokyo round if Congress were again allowed to exercise its right to amend or disapprove parts of the agreement. By agreeing to fast track, Congress took itself out of the trade war. When a trade agreement is concluded, fast track operates like a gun to our head—no amendments, no reservations, take 30 days and vote up or down. Now, with a wink and a nod, USTR officials have come to the Members of this body and told them that any specific concerns they might have with the effects of a trade agreement will be worked out—just support an extension of fast track and we'll take care of you. By the way, if you do not, they will write off the sector of the economy that you are concerned about.

Mr. President, all we are asking for is time to examine a trade agreement—its merits, its deficiencies. If an agreement really were going to have a $4 trillion expansionary effect on world trade, then you wouldn't need 30 days to pass it. You could pass it in 30 minutes.

During the cold war, even our Communist adversaries respected our constitutional processes. When this body considered the nuclear test ban treaty, the ABM Treaty, SALT I, and SALT II, and the INF Treaty, there was no need to impose a 30-day limit on our consideration. To limit our consideration to 30 days would have been unconscionable. Even when we did not approve the SALT II Treaty, the Soviets still continued to negotiate with us, eventually signing the INF Agreement. In fact, according to the Library of Congress, "the overwhelming proportion of treaties receive favorable action within a reasonable period of time," and "most survive the process without proposed changes or conditions of any kind. "Approval is almost always expeditious * * * and is unusually unanimous."

In contrast to fast-track procedures for trade agreements, debate on treaties is not limited and conditions may be attached in the process of the Senate's advice and consent. Treaties can be multilateral or bilateral. In fact, 89 multilateral agreements have been approved since 1974 and some have involved economic issues. These treaties include the Berne Convention, the wheat, sugar, rubber and coffee agreements, and treaties on patents and trademarks. In the consideration of these agreements, the Senate fulfilled its consitutional obligations in full and unfettered debate.

After spending billions of dollars and risking our lives to protect our trading partners from totalitarian aggression, the least our trading partners can do is to show similar respect for our constitutional process. If we disapprove the extension of fast track, the world as we know it will not come to an end. What may end, however, is our deluded faith in the GATT's ability to protect American jobs. If the Uruguay round fails, American business will not shut down, but it if succeeds, I can tell you that certain industries will be doomed. The fact of the matter is that, since GATT covers only 5 to 10 percent of the world commerce, business will not come to a screeching halt. Instead, we will carry on and maybe we will wake up and discover who our competition really operates. Our competitors understand that it is government that creates their comparative advantage—David Ricardo wrote that land, labor, capital, and natural resources determined comparative advantage, but in today's international competition, it is Government guidance that decisively determines comparative advantage. It is not the fields and the streams, it is MITI in Japan and their equivalents in Korea, Hong Kong, and EC 92.

In addition to an extension for the Uruguay round, the President has also requested fast-track treatment for a free-trade agreement with Mexico. Again, Mr. President, we are told that an agreement cannot be negotiated without fast-track treatment assured in advance. Mr. President, do the Mexicans really have a choice? Since its revolution, Mexico has pursued a statist economic policy, keeping its borders closed and nationalizing its major industries. Thanks to oil wealth generated by the price explosion in the seventies, the Mexicans went on a borrowing binge, loading themselves up with close to $100 billion of commercial debt. When oil prices collapsed, so did the Mexican economy. I applaud the efforts of President Salinas to liberalize the political and economic system. But the political and economic differences that divide our two nations are wider than the Rio Grande.

Mr. President, politically the Mexicans have never had a free and fair election—one party has ruled that country for 50 years. Economically, any agreement with Mexico must address the vast difference in wages, environmental standards, and worker protections. The average wage in Mexico is about $1 an hour. The average Mexican work week is 48 hours. If we are worried about illegal immigration now, if an FTA is negotiated, we will witness a reverse migration as American-based multinational corporations stream across the border to take advantage of low wages and the absense of environmenatl enforcement south of the border. Let us be done with the myth that these are patriotic American companies. Their allegiance is not to the red, white, and blue, it is strictly to the green, the almighty dollar.

The idea that an FTA would provide a vast market for American exports is even more optimistic than USTR's estimates of the benefits from the Uruguay round. How is a nation with a per capita GNP of $1,770 going to buy American exports in any significantly increased volume? Mr. President, the fact of the matter is that the Mexican economy is being crushed by an onerous debt burden. They need an agreement more than we do. They need our capital, our technology, and with 40 percent of their export earnings going to finance their debt burden, they need our market. In contrast, the benefits to our own economy are marginal. If this body asserts its constitutional authority, the Mexicans will not walk out of the negotiations, because frankly, they have nowhere else to go.

I want President Salinas to succeed and I want to promote stability in Mexico, but I do not want to pay for it with American jobs.

Mr. President, let me conclude by making one final point. Time and time again in trade debates on the Senate floor, Senators issue dire predictions of a return to the Great Depression if we take steps to protect and preserve our economy. Mrs. Hills, herself, has asserted that, if we do not grant the administration fast track, then we will "return to the days of Smoot-Hawley, which caused the Great Depression." It is time once and for all to put an end to this.

To begin with, Milton Friedman, the eminent free-market economist, has written that "the Depression was in fact a tragic testimonial to the importance of monetary forces." It was the restrictive policy of the Federal Reserve, not Smoot-Hawley, that caused the Depression. Secondly, Paul Krugman of MIT has said "the claim that protectionism caused the Depression is nonsense. The claim that future protectionism will lead to a repeat performance is equally nonsensical." But none has debunked the myth better than our late colleague, Senator John

Heinz of Pennsylvania. And I would like to submit for the record his statement on this entitled "The Myth of Smoot-Hawley." As Senator Heinz pointed out, Smoot-Hawley actually was adopted in June 1930, 8 months after the crash. The truth of the matter is that Smoot-Hawley affected less than 1 percent of world trade, and by the third year, trade had actually increased. So let us dispense with false historical analogies and put some common sense and muscle back in our trade policy. But if they insist on using historical analogies, let me turn to one of the most distinguished Members to ever serve this body, Henry Clay. It was Clay who said:

> The call for free trade is as unavailing as the cry of a spoiled child in its nurse's arm for the moon or the stars or the glitter in the firmament of heaven. It never has existed. And never will * * *. The measure of the wealth of a nation is indicated by the measure of its protection of its industry; the measure of the poverty of a nation is marked by the degree in which it neglects and abandons the care of its own industry, leaving it exposed to the action of foreign powers.

Mr. President, I urge my colleagues to stop this attempt to turn the world's most deliberative body into the fast-track body. In the words of Justice Brandeis,

> The doctrine of separation of powers was adopted by the Convention of 1787, not to promote efficiency but to preclude the exercise of arbitrary power. The purpose was, not to avoid friction, but by means of the inevitable friction incident to the distribution of the Government powers among three departments to save the people from autocracy.

Mr. President, I had committed to our colleague, the Senator from Minnesota. I could listen to our colleagues on the other side of this particular question all evening long because they really make up my arguments for me. I raised the issue of time so that Senator WELLSTONE could be heard, and I was trying to keep a commitment to him.

Specifically, my colleague from Oregon and I have debated trade before and he always regales us with that amusing story of the little train—the Little Engine That Could. You just have to say to yourself, "I think I can, I think I can, I think I can, I knew I could, I knew I could, I knew I could."

He always has this psychological approach to the matter of competitiveness, as if a good attitude and good morale were the key factors. This is rather amusing and he waxes sentimental as he tells us that Mexico is one of the poorest countries and that you will find that those who have the worst trouble with their environment are the poorest countries.

I wish he could take me down that primrose path a little while and we had time to discuss it. Briefly, I will tell you categorically that the worst trouble we have environmentally is with the richest countries. Anybody who has studied global warming, chlorofluorocarbons, consumption of energy in the United States, the mountains of garbage created by New York City, the medical waste on our shores, North Carolina dumping its waste into South Carolina and everything else, if you want to know who the worst polluters are, it is the richest countries.

And then the Senator says that, oh, if people ever thought that Mexico would really take any jobs away, they would really be fighting this.

We hear wonderful things about President Salinas down there, about how he is cleaning things up, bringing tax cheats to justice, and so on.

In Mexico, they have not cleaned up fast track. They do not have any track at all. The Institutional Revolutionary Party down there controls it all. They will never have an honest debate on a free-trade agreement in their parliament.

With respect to the industries, why are they locating in Mexico when they could be here? The Senator from Oregon better learn that is exactly this threat which makes this Senator so fearful. I talk from experience. I carpetbagged the North for years on end, moving companies from the Northeast down to South Carolina, and I have been carpetbagging the world. I got Nissan and Bausche with their high technology, automated automotive electronic engineering. We broke ground for that plant year before last. They studied countries with technical training. They decided to locate in South Carolina because of our productivity and our competitiveness. And yet, living in the real world, I am looking at other companies that have been leaving for Mexico.

The Senator from Oregon evidently has not been coached by the chairman of this committee, who is totally familiar with the maquiladora industries. Forty-three General Motors plants are down there. Twenty-seven General Electric plants are down there. Over 2,000 American industries have set up shop just over the border, even with the existing tariff. And now, in anticipation of the so-called Mexico Free-Trade Agreement Nissan has just announced a new $1 billion plant for Mexico—I am talking just about the automotive industries.

Volkswagen is moving a $1.5 billion plant down to Mexico, Hyundai from Korea, a $400 million plant.

I could continue this list. If you want to get into Mexico today, you are going to get run over by a Cadillac full of Japanese businessmen. The red carpet is out, because with that free-trade agreement they will know how to avoid the safety costs, the environmental costs, and so on that we in the Congress impose on U.S.-based manufacturers. They will know how to evade the environmental costs, and they will get away with the toxic waste dumps that American blue ribbon corporations are creating in Mexico this very minute. And they will know how to avoid all the other costs of business in the United States—retirement, health benefits, safe workplace, everything else of that kind.

I take it that Mexico will grow like gangbusters because the Japanese have the money to invest there, and we do not have any money. We are broke. Entire industries will move down to Mexico. I have seen it with my own eyes.

Take Cummis-Gaer, I got them from Stuttgart. "Governor, we had a good stay down in South Carolina, in your town of Charleston. We increased our productivity but to stay ahead of that competitive curve in international trade, we will see you later. We are moving to Mexico."

Pratt & Reid from up in the Senator's State there, making pianos, we had them in Liberty, SC. "Governor, we had a fine time. We really produced. But we are sorry; we have to leave, and stay in with the competition, for Mexico."

This country is broke, and it is getting broker. I can tell you here and now we are just losing our industrial backbone. I wish we had the time to talk about Mexico. It is a wonderful country. I have been in the vanguard of trying to democratize and develop this hemisphere. I wanted to go to war for Nicaragua, not for the Mideast and the gulf. We will fight for an emir with 41 wives, who waited until they reestablished room service in Kuwait city before he returned home, and then promptly closed down the free press.

Do not preach to me about this hemisphere and the opportunities here. Poor little, struggling residents and citizens down there in Nicaragua trying to get freedom. We had to sneak, and sneak, and sneak around, and virtually indict the President in order to get aid for Nicaragua. So do not tell me about our hemisphere and the opportunity.

I voted for the trade agreement with Canada because we had relatively the same standard of living. But there will have to be a heck of a lot of reconciliation before we get a similar parity with Mexico. The foreign concerns with their wealth and technology are going to move in. It will not be just jobs that are lost to Mexico. It will be entire industries lost from the United States. They will just be gone.

But the distinguished chairman of the Finance Committee says we are talking about authority to negotiate. Now, let us talk about that because I know their strategy. And on the same day that I introduced Senate Resolution 78, I introduced S. 636 which is entitled "To Authorize the President to Resume Negotiations in the Uruguay Round and Negotiate an Agreement With the Governments of Canada and Mexico." That is in the Finance Committee.

If they want to negotiate, fine. We understand that the President in foreign policy, in trade matters, has to negotiate. But the authority constitutionally is vested not in the courts and not in the executive but in this Congress, the legislative branch, article I, section 8 of the Constitution.

And we are told, Oh, yes, we came in 1974 to fast track. Why? Because the President threatened he was going to negotiate these trade agreements, make them executive agreements, and put them into effect whether we agreed to them or not. But he could not enforce them. Under the Constitution, they were not enforceable unless we ratified them as treaties. The authority is not in question here.

This is a bum rap when they come along and tell you that those who are opposed to fast track are opposed to any and all negotiations. Absolutely not. I am the author of the particular measure now being discussed, and I put in that same day the separate authority for the President to continue the negotiations of the Uruguay round and the North American Free-Trade Agreement so that we could look at it, evaluate it, and consider it.

That is really the issue involved here. Unfortunately, we have been on a fast track to pass fast track. As you can see right here, the opponents of this measure come, take over the floor and start controlling the time and, I thought for a minute, they were going to control it all. I have never seen such conduct.

The point here, Mr. President, is that we have debated and ratified 1,500 treaties since the beginning of this Republic. Over 1,500. The fact is that we have considered 90 multilateral treaties since 1974, only one, the Tokyo round, on fast track. Can you imagine that, 90 multilateral treaties that we have considered.

We have had the Berne Convention. They say, oh, it is so terrible to negotiate without fast track. We had the Berne Treaty with 84 countries with regard to a copyright convention. We had the International Telecommunications Agreement with 144 countries. We had the Test Ban Treaty that was sent by President Kennedy and it involved 116 nations, can you imagine that, without fast track.

Here they threaten that Mexico and our other trading partners will not want to negotiate with us without fast track. Who in the world believes they do not want to negotiate with us? They want to negotiate because they know what they will get. They will get all these rules, which they are expert in taking advantage of, and they continue to increase the U.S. deficit in the balance of trade.

I think it should be emphasized that we have passed hundreds of these treaties without fast track. I will never forget debating SALT I, about throw weights and everything else, very complicated matters, affecting not just trade but our national security. This Senate considered it, and we voted and ratified it in less time than we did campaign finance reform, which we just finished with 7 days of debate. We passed SALT I. We passed the ABM Treaty. We turned down SALT II and they made the same claim you are hearing tonight on the floor that the Soviets would not negotiate any further.

The Soviets came around after we turned down SALT II within a year and they agreed to the Intermediate-range Nuclear Forces Treaty, the INF Treaty. So we have heard these arguments before.

They told us, in the case of the Tokyo round, that we are going to have a benefit of $100 billion. It was actually $106 billion over a 10-year period. And then the Michigan report finally concluded that, rather than $106 billion over the 10-year period, we had a $7.7 billion benefit, and that is in the context of a $5 trillion economy.

What a wonderful thing the Tokyo round was. The Government projected an opening up of $25 billion in these new, undeveloped markets around the world. But GAO said we actually had a net gain of only $200 million. So beware these absurdly inflated predictions.

What happens to the deficit or the balance of trade? We went from the $23 billion deficit over that 10-year period to a $100 billion annual deficit.

Now that is why we are saying, wait a minute, do not put a gun at our heads here tonight. Give us a chance to debate whatever you submit.

Obviously, it is complicated. We have been negotiating since 1985, 5 years, on the Uruguay round. We do not have a treaty to look at. They have not yet begun formal negotiations with Mexico. Yet they are saying a "gun at your head, take it or leave it," no amendments, no nothing. That is just against my visceral training as an attorney.

I always told my clients to, for heavens sake, read the document, understand it now, be sure you know exactly what it provides. If it is good for you, fine, sign it. But you ought to understand, always read, always read. But the administration proposes to come up here to the most deliberative body in the world, ha, ha, ha, say, deliberate, my Aunt Ida. Come on. They want to say, look, you only have a certain time to discuss it, a certain time to act on a treaty. They have fast track on fast track on fast track. This is control tonight, and you see how they take control through a resolution to make darned sure you are barely heard around this place.

I will never forget the anecdote told about Jefferson when he returned from his service in France. He was out at Mount Vernon with Washington. He asked Washington, "Why did you agree to the bicameral system there, the two Houses in the Congress, rather than the unicameral?"

And Washington said, "Why have you poured your coffee into your saucer." Jefferson responded, "To cool it." Washington said that is exactly why he chose the bicameral system, so we would have that second body to cool the heated debates and passions of a popularly elected group constantly subject to the people's vote. He sought a deliberative body in the Senate.

Yet in this particular fix we have here tonight, we can barely be heard. Everybody is saying we have to go. We are leaving. We are gone tomorrow if we vote tonight. Can we get out of the blooming place? No wonder the country is broke.

Mr. President, we have heard about the Tokyo round, and we heard about consultation on this one.

I have here the record because the distinguished lady, Ambassador Carla Hills, our Special Trade Representative, testified before the Senate Appropriations Subcommittee on Commerce, Justice, State, Judiciary, and Related Agencies, the subcommittee which I chair.

Quoting from it: "These are ambitious goals, indeed, but ones that would yield enormous returns. Achieving our target on tariff reduction alone would generate $5 trillion growth to global output. Over the next decade, the U.S. share would be more than $1 trillion."

Well, we had Clyde Prestowitz in the Economic Strategy Institute have a chance to evaluate that claim. Yes, we have consulted. Instead of $1 trillion gain, the Institute says it would produce a $14 billion loss from that Uruguay round.

So we have a real salesman here. She cannot negotiate a treaty but she sure can sell politicians. She says here, "Think of that, $1 trillion. The U.S. share of that would be more than $1 trillion. That would be like writing a check for every American family for $17,000 payable over 10 years."

Mr. President, is not that delightful? All the Senators are supposed to sit and smile. Man, we are going to give every family here $17,000, a check, but if they stop and look and listen they will realize that that the Tokyo round produced exactly the opposite of this latest GATT promise, because our cumulative deficits over the past 10 years have been right at that $1 trillion level.

So instead it is like taking a check from every American family in the amount of $17,000. Think of that. What we have done—we do not have to speculate about it. We will use her arithmetic and logic, and realize that with that Tokyo round and fast track we have in essence taken away $17,000 from every American family over the last decade.

Mr. President, fast track is not the way that other countries do business. The Canadians, in the case of the trade agreement that we agreed on, did not have fast track. It took almost a solid year in Parliament. It was quite a stormy situation. But they finally approved it. We can go down in Mexico, fast-track like. I said earlier, they have no track at all, no opposition to speak of. But the consultation should be emphasized here. The distinguished Trade Ambassador has really been negotiating not trade but politics with this body.

If she could be half as effective with our trading partners as she has been politically with our colleagues, we would all get rich. The trouble is she wins a little bit on oranges, a little bit on copywrite concessions, and meanwhile people who work by the sweat of their brow are going broke.

I will yield right now to our distinguished colleague, the Senator from Maryland, 5 minutes.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 5 minutes.

Mr. PACKWOOD. Mr. President, I am curious. Can the Senator yield without losing the floor? I thought when you finished your speech, you gave up the floor.

Mr. HOLLINGS. I have control of the time on this side, and the Senator has control over there.

Mr. PACKWOOD. I understand. I do not think he can just hand it over.

The PRESIDING OFFICER. I am informed that the Senator, since he controls time, may yield whatever time he so desires to any other Senator. That Senator then must be recognized.

Mr. PACKWOOD. Can he finish his speech and then yield without anybody else having a chance to get the floor?

Mr. HOLLINGS. I was not trying to hog the floor. I was trying to convenience a colleague. The Senator from Maryland can talk for 5 minutes and be done with it.

Mr. PACKWOOD. I wonder if we might ask this. I am not going to object, but can we try to go back and forth with the proponents?

The PRESIDING OFFICER. The Chair will respond to the Senator that when the Senator yields time to another Senator, the Senator then loses the right to the floor, and any Senator can then be recognized.

Mr. PACKWOOD. I thank the Chair.

The PRESIDING OFFICER. Who seeks recognition?

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I will not take more than 5 minutes, and I note that the Senator from Montana has been on the floor as long as I have, and he has actually been involved with this bill longer than I have.

Let me just say this. I want to make two points. I rise in opposition to the President's request for fast track and in support of the resolution. I do that because of American jobs. I am sensitive to the problems our neighbor, Mexico, is struggling with, and I want to help President Salinas develop Mexico into a strong, vital part of the Americas. However, I do not think fast track is the way to do it.

No one can tell me about what happens when workers lose their jobs or try to better themselves. Many years ago I worked to help people get retraining. We trained them to be garment workers, or skilled workers, such as welders, to move off of public welfare, or for their husbands to better their lives. What then happened is we lost jobs in the garment industry, in the shipyards, and all under the guise that we were going to open the markets of the world.

Every time somebody talks about a trade agreement that is going to provide a cornucopia of opportunity, we lose jobs in Baltimore.

I want to put a little human face on this and then yield my time. Linda Ebert came to see me, who is a friend of our family. Her parents and my parents knew each other and, in fact, the Ebert people used to come to my father's grocery store. Ten years ago, Linda had to go back to work because her husband lost his job. He was replaced by a robot at the General Motor plant in Baltimore. We were grateful that General Motors stayed in Baltimore and did not move. So we kept the jobs that we got, and we took the robots that we had to take.

Right now, Mr. Ebert is not collecting the kind of pay he did then. Linda works as a garment worker making about $7 an hour. On this, and what her husband now brings home, they support three children, and they are trying to give those children a good life and a future.

Linda and her husband would like to have a future for themselves. They have earned a little peace and quiet, and now they are concerned about their own future and that of their children.

Mr. President, I am here because of Linda Ebert, and her husband, and all of the other people who are saying certainly we want Mexico to have the opportunity to move into the 21st century, but we want to make sure our country does not end up with a 19th century economy. That is why I oppose fast track and look forward to working with my colleagues on other alternatives.

I yield the floor.

Mr. BAUCUS addressed the Chair.

Mr. BENTSEN. Mr. President, I yield 10 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 10 minutes.

Mr. BAUCUS. Mr. President, I rise to speak in disapproval of the motion to disapprove. That is, I do favor Congress extending fast track negotiating authority.

Mr. President, we must remind ourselves that the U.S. Government is built upon the concept of division of power. That is, the Farmer of our Constitution mistrusted centralized authority. They, therefore, divided power among the three branches of Government, allowing each branch to check and balance the others.

If the U.S. Government is to function, the branches must cooperate. If there is anything I have learned since I have been a U.S. Senator, it is that under the American form of government, if the U.S. Government is going to work, the Federal Government is going to work, the President and Congress must cooperate. If we do not cooperate, there is stalemate and nothing happens.

The delicate balance between the Congress and the President is particularly apparent in the area of international trade.

Article 1, section 8, of the Constitution grants the Congress the power "to regulate commerce with foreign nations," therefore, establishing that Congress is the primary actor with regard to foreign trade. The same section also grants the Congress the authority to impose duties on imports.

But the President, under the Constitution, also has a role to play. International trade, necessarily, must be regulated by international agreements. As a practical matter, it is not the Congress, but the President, as head of State, who must conduct the negotiations to conclude those agreements.

Congress, obviously, speaks with too many voices to conduct international negotiations, and to implement any agreement that is reached, the President must, under the Constitution, gain the approval of the Congress. In short, both the Congress and the President have a legitimate and constitutionally sanctioned role to play in making trade policy.

The effective conduct of trade policy requires cooperation between the Congress and the President. Well, what does this constitutional theory mean in practice? Today the division of power between the Congress and President on trade matters is best illustrated by what is commonly called fast-track negotiating authority.

Congress first authorized fast-track negotiating authority in the 1974 Trade Act. The fast track allows the President to negotiate trade agreements with the assurance that Congress will vote on the agreement without formally offering amendments. In return, the President agrees to consult closely with Congress in setting objectives for trade negotiations.

Without fast track, without this compromise, it would be virtually impossible to negotiate and conclude trade agreements with other countries.

Trade agreements are quite different from arms control treaties or the many other international agreements that are negotiated without the fast track.

Though arms control treaties are complex and do have a tremendous impact on U.S. national security, they do not touch upon the hundreds of special interests effected by international trade agreements.

I might add, Mr. President, that some suggest, well, we should have fast track for multinational negotiations, that we do not need them for bilateral. I remind this body, Mr. President, that the bilateral trade agreement with Canada has 50 percent more pages than the multilateral Tokyo round. It is just evidence of how complex international trade is, even in bilateral negotiations. Hundreds, almost thousands, of different economic matters that are international commerce are now negotiated also in bilateral treaties.

It is very, very complicated. A major trade agreement affects almost every product produced in the United States from logs to semiconductors, from supercomputers to wheat.

Were it not for the discipline of the fast track, Members of Congress would obviously be sorely tempted to amend trade agreements in order to protect particular special interests. Congressional tampering would likely lead to similar foreign actions and then further congressional action. As a consequence, the cycle would soon pull apart any trade agreement that the President attempted to conclude with the head of state of another country.

We must also remind ourselves that most of our trading partners have a parliamentary form of government. Thus, when our trading partners' head of state concludes an agreement with our trade negotiators, the consent of that other country's parliament is essentially automatic. They have their fast tracks.

Obviously, this is not so in the United States. That is, we do not have a parliamentary form of government. So, to even it out, the compromise is necessary, the fast-track process is necessary.

Our trading partners are intensely aware of the difference between the U.S. system and their own. They are also aware of potential difficulties it could cause for international trade agreements. Many of our trading partners have refused even to negotiate with the United States without the fast track.

As former U.S. Trade Representative Robert Strauss has stated, the European Community would not begin the Tokyo round of multilateral trade negotiations with the United States until Congress had authorized the fast track. Robert Strauss, who, a lot of us know, is probably one of the wiser, more shrewd negotiators this country has ever had the service of.

Every top U.S. trade negotiator for the last 20 years, Republican and Democrat, has testified that the fast track is critical if the United States is to conduct international trade negotiations.

In the 1988 Trade Act, Congress struck a bargain with the administration on fast-track negotiating authority. Congress granted the President fast-track authority for 2 years to negotiate a new GATT agreement and also bilateral free-trade agreements. In return, the Congress set certain objectives for negotiations and required increased consultation to set standards. The Congress also required that the administration pursue a vigorous bilateral effort to remove specific barriers using section 301. Now the President is seeking to extend this bargain for an additional 2 years. Does the bargain still make sense? I believe it does.

Though it was not always true in the past, the administration and the Congress have been partners in recent trade negotiations. Ambassador Hills has been very willing to consult with the Congress. Some have said she actually consults too much. The consultations have been meaningful. The administration has changed the U.S. negotiating position in response to congressional concerns.

In Congress there is solid support for U.S. objectives in the Uruguay round regarding trade in agricultural products, trade in services, and protection of intellectual property. In fact, virtually at Congress' suggestion, the administration increased the priority assigned to eliminating agricultural export subsidies and lowering tariffs in the GATT negotiations.

Most recently, the administration responded to congressional concerns recently and established a plan to address worker adjustment, workers' rights, and environmental concerns in the negotiations with Mexico. In addition, in other trade matters, the administration has employed section 301 provisions in the 1988 Trade Act. They are living up to their end of the bargain.

Though I believe section 301 should be used more aggressively, the administration did use Super 301 to open markets and has begun to use Special 301 to protect U.S. intellectual property. They are more aggressive, and, in my judgment, are living up to their end of the bargain.

The administration also has negotiated bilaterally to open markets for U.S. exports of semiconductors, telecommunication products, airplanes, and other products.

Do not get me wrong. I expect the administration to do more in each of these areas. I further expect the administration to work with Congress to improve section 301 by adding the Trade Agreements Compliance Act to section 301 and by sending Super 301. But thus far the administration has held up its end of the bargain.

Now it is time for Congress to do its part, extend its part of the bargain, and extend fast track for 2 more years. In today's global economy, exports are critical to America's economic growth, and international trade agreements are the best way to open new markets for those exports.

According to the National Association of Manufacturers, in 1990, 96.5 percent of the total growth in the U.S. economy was directly linked to exports—96.5 percent of the total growth in the U.S. economy was directly linked to exports. In fact, were it not for exports, the U.S. economy would have slipped into recession one quarter earlier.

These statistics may seem faceless, but exports are not an abstract concern. Exports create real jobs for real Americans. Virtually all major segments of the U.S. economy—from the lumber mills of the Pacific Northwest to the computer chip plants of Silicon Valley to Caterpillar's manufacturing plants in Pennsylvania—all depend much more now upon exports.

With an additional 2 years to negotiate, the administration should be able to conclude two important new trade agreements: The Uruguay round of multilateral trade negotiations and the North American Free-Trade Agreement.

Mr. President, I ask for additional time.

The PRESIDING OFFICER. The Senator is requesting 5 additional minutes.

Mr. BAUCUS. If I could.

Mr. BENTSEN. I will be glad to yield an additional 5 minutes to the distinguished Senator from Montana.

Mr. BAUCUS. Mr. President, more than 100 nations are now negotiating with the United States in Uruguay round to remove trade barriers the world round. A successful Uruguay round could increase exports of United States agricultural products, services, intellectual property, and also advance us in many other areas. If all foreign trade barriers were eliminated, U.S. agricultural exports could expand by $8 to $10 billion annually. If all foreign trade barriers were eliminated worldwide, U.S. agricultural exports would expand $8 to $10 billion a year.

The International Trade Commission has estimated that foreign piracy of U.S. intellectual property costs the United States $60 billion in lost exports each year; $60 billion of lost exports because of failure of other countries to protect American intellectual property rights.

Over 10 years, a successful Uruguay round could increase exports by $200 billion and the U.S. economy could grow by $1.1 trillion. That means hundreds of thousands of new American jobs and higher living standards for most Americans.

And the benefits of extending fast track do not stop there. Free trade with Mexico could create a new major new market for American exports. In many ways, we already have a free trade agreement with Mexico. We have one today. We have a free-trade agreement with Mexico. It is one-way free trade. United States barriers against Mexican exports are already fairly low. The major remaining barriers are tariffs, and United States tariffs on Mexican goods average less than 4 percent. On the other hand, Mexican barriers remain quite substantial. Mexican tariffs are on average 2½ times higher than United States tariffs. And Mexico also retains an extensive series of other import barriers, including import licenses.

But even with those barriers, Mexico is a rapidly growing market for American exports ranging from corn and wheat to computers and automobiles and others. United States exports to Mexico have more than doubled in just the last 4 years. If Mexican tariffs and other import barriers are eliminated in a two-way free-trade agreement, United States exports obviously should continue to grow quite rapidly.

Several economic analyses of the proposed agreement indicate that the United States will gain tens of thousands of new jobs from free trade with Mexico. And, further, a successful North American Free-Trade Agreement would grant U.S. business unfettered access to a $6 trillion market of 360 million consumers—the largest in the world. This would provide a tremendous economy of scale advantage to United States businesses vis-a-vis their Japanese and European competitors. Those agreements will not be concluded unless the Congress extends the fast track. The Europe Community and Mexico both have stated that they will not negotiate, they will not sit down and negotiate with the United States if fast track authority is not extended.

It is critical that we all understand, moreover, Mr. President, what the fast track does do and what it does not do. The fast track is really nothing more than a promise that Congress will vote up or down on an agreement negotiated by the President without offering amendments. It does not commit the Congress to support the trade agreements that are negotiated. If we find that any of those agreements are not in the national interest, we can simply vote them down, and, of course, we will. And if the administration sends back an agreement that is not in the national interest, you can be sure that this Senator will vote and work to defeat it. I have no intention of supporting a North America Free-Trade Agreement or Uruguay round agreement that is not good for America. But the fast track only gives the green light to begin negotiations. It is not a blank check. In the end we in the Congress will make the final decision on all trade agreements.

The fast track is a bargain. It is a bargain that forms the basis of a partnership between the President and the Congress that allows trade negotiations to succeed. And if we in the Congress are serious about pursuing those negotiations and strengthening the American economy, we should be working to foster this partnership, not destroy it. America's economic future depends on expanding our foreign markets.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BRYAN). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I yield 25 minutes to my distinguished colleague from Michigan.

The PRESIDING OFFICER. The Senator is recognized for 25 minutes.

Mr. RIEGLE. I thank the Senator from South Carolina and I appreciate very much his leadership on this issue. I am supporting his proposition to turn down the fast-track authority. My objection is centered on the United States-Mexico free trade part of it and I will elaborate on that a little bit later.

I want to refer at the outset to some articles in this morning's newpapers and I want to take today's New York Times. I do so because, in order to get some sense as to what the threat is to this country and our economic future by a free-trade agreement with Mexico as it is now coming down this fast track, we have to look at how our economy is performing, what the trend lines are, and where we are going to otherwise.

Today in the business section of the New York Times, there is an article in the middle of page D-1 on our recession at the present time. The headline is, "Recovery Expected To Be Weak." Underneath, it says, "Little Stimulation by Government Seen," and it goes on to describe the very difficult condition that is going on in the U.S. economy at the present time.

Then, if you go over on the inside, on page D-4 there is another story here, the headline of which is, "Steelmakers' Grim Outlook for the Year; Lower Demand, Rising Costs Expected To Take a Heavy Toll on Profits." And it goes on in that vein.

The problem here is that the U.S. economy is in very serious trouble and it has been getting into deeper and deeper trouble throughout the 1980's. There are a lot of factors that go into it. The onrush of the realities of the global economy have had a lot to do with it, but so have a lot of missed opportunities and mistaken policies in the United States. So we have an economy in trouble.

Right now, tonight, in this country we have at least 10 million workers who are either unemployed and cannot find any work at all or who are substantially underemployed, maybe working at a McDonald's fast food place or some other place because they cannot find a job equal to their real job skills and their ability to be producing in a much higher level because of the fundamental weakness of our economy which has been building up over a period of time.

I brought a chart here tonight to illustrate the nature of this problem with respect to our overall change in economic circumstance versus the rest of the world in terms of our ability to compete. This chart is a very powerful one because over on the left-hand side there is a scale that is notched in $100 billion increments. You will notice that there is a line that runs along here which is a zero line, and the area above that that is colored in blue, and has the word "creditor" on it. This is a depiction of the fact that the United States was a creditor nation in terms of its economic standing with the rest of the world as recently as 1984; the years starting in 1977 and coming up to the present time are listed at the bottom of this chart. But as one can see, in the mideighties we dropped out of that creditor nation status. We became a debtor nation for the first time since 1914 and we have been rocketing down into this international debtor's hole in the time since.

So we are now down to the point where we have a net debtor position in excess of $700 billion with the rest of the world, and you can see the rate of descent in terms of our relatively poor performance vis-a-vis the rest of the world economy. We are estimated to owe the rest of the world, because of the continuation of those trend lines, something on the order of a trillion dollars within the next 3 years or so. And it is an enormously damaging position to be in.

Of course, as that happens, jobs are disappearing in this country, good jobs are disappearing, middle-class jobs are disappearing, manufacturing-base jobs are disappearing. Jobs that pay $10 an hour, $12 an hour, $8 an hour are the kinds of jobs that we are seeing disappear in the American economy because steadily they have been moved overseas whether to Japan or Taiwan or whether now under this proposal down to Mexico.

So we are finding the jobs that take their place are jobs that pay a much lower standard of living because they have a lower valued added component to the work that is being done. Even if there are jobs closer to the minimum wage, there are not nearly enough of those.

The other day a fast food restaurant opened up in Massachusetts, not far from Boston. They advertised 11 jobs and 1,100 job applicants showed up for those 11 jobs. That is not uncommon. That condition exists now pretty much across this country.

So even in the low-wage jobs, let alone the high-wage jobs which are the ones we need and want, and a strong Nation has to have—we do not have enough of either kind—we do not have an economic strategy or economic plan as a country to deal with these deteriorating trend lines.

During the 1980's, the political catch phrase was "Morning in America," "Morning in America." In other words everything is fine, do not worry about it. We are on the right track. Then we get up into the 1988 election, it was "Don't worry, be happy." Remember that? That was the follow-on to "Morning in America." So we have been following the "Don't worry, be happy" strategy right down into this kind of debtor Nation position.

So here we are now 11 months in this recession, unemployment in the State of Michigan, nearly 11 percent at the present time, not enough jobs to go around. We need an economic growth plan for America, a jobs strategy for America. And what are being offered here? We are being offered a job plan for Mexico.

Now this administration, I know, loves foreign policy. They love foreign policy and they spend all their time on it. We have an economic development plan for virtually every country in the world. We have one for Kuwait, we now have one for China. The administration wants to give China most-favored-nation trading status. The Chinese this year are going to have a trade surplus with the United States of an estimated $15 billion. That means the Chinese are taking out of this country, net, more than $1 billion a month.

We cannot afford that. We do not have the extra money. We need the jobs in this country. But the administration has a plan here to help China. And they have plans to help everybody else. There is a plan to help Saudi Arabia. And now here, tonight, there is a plan for Mexico.

Well, what about a plan for America? What about a jobs program for America? That is what this country needs. And there is an obligation to have one. But this plan on the floor tonight, which is a jobs plan for Mexico, will take jobs out of United States and to Mexico. And it is not right. It is not right. You know the world expects us to do everything else; now we have a plan to industrialize Mexico by deindustrializing the United States.

The other day when we were in here debating the Persian Gulf, everybody thought it was a great idea around the world, until it came to the point of being willing to send their young service people, men and women, into the war to fight or to pay for it. Then even though it was a great idea, most other countries did not want to participate.

I asked SAM NUNN on this Senate floor, what percent of the combat forces that were going to go over the line into that war zone were American, and he said over 90 percent. Over 90 percent. And those were the ratios.

So the rest of the world did not want to fight the war. Yes, the British sent some people and the French did, to their credit. But almost no one else. So we went ahead and we fought the war valiantly and very ably and with great credit to the men and women who fought the war in our behalf.

So then we asked the rest of the world to help pay for it. If you will not fight it, how about helping to pay for it? So we asked the Japanese to make a contribution and other people to make a contribution. We got the brush off from many of them and the Japanese to this day have refused to pay their full contribution. And yet here we are with an economic strategy and a jobs program for every country around the globe except this one.

This country needs an economic plan and an economic strategy, and it needs a lot more jobs. We cannot afford to send one more job to Mexico, or to China, or to any other place.

I am convinced in my own mind that if the top people in the executive branch of Government today—if all the members of their families were out of work, standing in unemployment lines as so many other people are in this country, they would be in here with a jobs plan for America. They would be in here with a plan. Because they would understand what the problem is.

But they are disconnected from the problem and they do not understand it, and they have an elitist view. That view says let us take care of the rest of the world and America will somehow take care of itself. That strategy does not work, and the rest of the world is laughing at us. They are laughing at us. The Chinese leaders are laughing at us.

Of course the Mexicans like this agreement. A newspaper report recently estimated that the Mexican Government is spending $100 million to buy every high priced lobbyist in this town to hover all over this issue and to ram it through the Congress because it is good for Mexico. I think it is good for Mexico, at least the people who are on the top of the heap in Mexico.

But if we look at how these Maquiladora plants have worked down along the U.S. border, what has happened in recent years is the real wages of workers in those plants have actually gone down. I am talking now about the Mexican workers. And they live and work in squalid conditions.

Who says so? Let me tell my colleagues who says so. Here is an article from no less a magazine than U.S. News & World Report, one of the most distinguished business magazines in this country. They talk about what is going on down in Mexico today.

The headline of this six-page story is called "Poisoning the border." It is subheaded, "Many American-owned factories in Mexico are fouling the environment and their workers aren't prospering." It goes on with six pages of horror stories of what is going on down there. Why would U.S. News & World Report write a story of this kind? Because of the squalid conditions that exist down there.

People can come in here and dress it up any way they want. I know the President likes to look at this thing, and I happen to like this President, so I do not want to be misunderstood on that. But he happens to be wrong on this issue. I can see from his vantage point, from a Texas point of view, this looks like a great deal, to get a tier of business down there just over the Mexican border and so forth, maybe help with the immigration problems and so forth. But this thing has to stand the test of whether it is good for 50 States, not just one. Not just the President's home State. It has to be good for the whole country.

Let me tell my colleagues why it is not good for the whole country. A manufacturing worker today in Mexico earns 57 cents an hour. A comparable worker in this country earns about $10.50 an hour. And that is not a very good wage. You pay your taxes, your Social Security taxes and everything else and try to support a family on $10.50 an hour wages in the United States and you do not have a very high living standard. But, thank God, we still have some of those jobs because that is what has built the middle class, that is, what is left of the middle class.

But if we go into a free-trade agreement where we are forcing our workers at $10.50 to compete against workers who are being paid 57 cents an hour, it is like tipping the table. The jobs in that category are going to roll right down this country and roll right into Mexico. It is as plain as the nose on your face. It is what is going to happen. It has already happened.

I have had plant after plant after plant in Michigan go down there to take advantage of the low labor rates.

You can say that the productivity of the Mexican workers is not as high. It is not as high, but it is still quite high. Because when you move a modern factory down there, you put modern technology in. If workers are fighting each other to get the jobs at 57 cents an hour, their productivity is about 85 percent or so of what an American worker can do in a transplanted American factory down there, but the wage differential is so vast that the Americans cannot compete with that, and that is why the jobs are going to leave this country.

I hear all of this talk about we will sell the Mexicans all these products built in America. Who is going to buy them? The Mexicans do not have that kind of income. A family in Mexico is estimated to earn about $2,000 a year. How many cars built in America are they going to buy on a $2,000 a year income, or how many refrigerators, or how many anything else built in the United States?

It is nonsense. That is sophistry. It is a phony argument. They do not have the money, and they will not have it for the foreseeable future to make any significant dent in terms of being able to buy enough from this country to create jobs in the United States worth talking about.

Let me give the number on cars. The last year for which the data is available—and conveniently most of the data is out of date, and I think it is not accidental that is the case. The last year for which we have auto sales, 1986—it is not very long ago—the Mexicans exported to the United States 141,000 cars. They took back 6,000 from us. That is a heck of a deal.

You are not going to buy cars on a $2,000 a year income, and that is just one problem, the problem of labor rates.

You have terrible environmental problems down there. That is what this U.S. News & World Report article is about. But let me give another one. How about one from the Wall Street Journal? There is a paper that is not exactly known for its liberalism. It carried a front page story just the other day on working children, "underage laborers fill Mexican factories, stir U.S. trade debate."

It tells a story about a 12-year-old boy who has been working in a factory under terrible conditions. His father, who previously had worked in the factory, had gone to work at age 7. That is what is going on down there. They do not have a labor movement in Mexico worth talking about. The government down there controls the labor movement. There is no effective independent labor movement. That is why these working conditions are so squalid. Now we are saying to American workers, we would like you to compete with that.

We hear the comparison to Canada. That is a phony as well. I voted for the Canadian-United States Trade Agreement because these two economies, Canada and the United States, are roughly on an equal footing. The Mexican economy is a Third World economy. It is fundamentally different.

The case is made with the European Community. Yes, there is a relevant example in the European Community, and it is Turkey. Turkey has asked to come into the European Community on an equal footing, and do you know what the European Community has said? No dice, you cannot come in because your economy is too far below the rest and it would create impossible issues to have to try to reconcile. This is precisely what we have in the case of Mexico.

So this is a lot more about international politics than it is about economics. Because it is lousy economics for the United States. We need an economic plan for this country—for this country. We need jobs in America, in every State and in every community, and we do not have enough today.

What I see coming down the track is more and more workers in this country competing for fewer and fewer jobs. Now I see some politics coming into that as well. The question: If there are not enough jobs to go around, who gets the jobs? Now there is this issue that is being raised about, does the black worker take the job from the white worker? Does the white worker take the job from the black worker? The point is there are not enough jobs for all of our workers. If we had a program like we need in the United States, we would be creating enough jobs for all of our workers so our unemployed black workers and our unemployed white workers would all be able to work.

I have to say I find it reprehensible that an administration that does not have any kind of a jobs program or an economic strategy for America, with mass unemployment, will then allow exploitation to go on in terms of the struggle over who gets left out or who gets the jobs. There ought to be a commitment for a job for every person in this country. And everybody that is able to work ought to work. They ought to support themselves and they ought to make a contribution to the well-being of this Nation.

That is not happening. That is why we are going into this international debtor's hole and we are going to go a lot faster with a United States-Mexican Free-Trade Agreement when we let our Nation compete with the economy of a Third World nation situation.

So, I have a plan to change that. After we end up voting on the Hollings proposition, which I am going to be voting for—if that does not carry, I have a resolution, Senate Resolution 109, that will allow the Senate to amend any free trade agreement that comes back with Mexico, in five specific areas and only five areas. And they are all areas that we ought to be able to amend if the agreement is deficient, as it almost certainly is bound to be.

The first one is the monitoring and enforcement of fair labor standards. Everybody in this place ought to be for that. We ought to be for it here, and we ought to be for it down there as well.

The second is the monitoring and enforcement of fair environmental standards.

The third is the rule of origin so that if we are going to get into any kind of a trade arrangement phased in over a period of time, we do not have third countries, Japan or anybody else, taking advantage of it, which they almost certainly will because they find ways to cheat in the trade relationship every possible way they can. That is why we cannot sell much of anything in Japan.

So we have to nail that problem down. We need to be sure there is a means for dispute resolution because you cannot count on the legal system and the court system in Mexico. Anybody who looks at it knows that. They do not have process and legal procedures such as we do here, and we have to have an ironclad assurance in that area.

Finally, adjustment assistance. What about the workers in this country who lose their jobs? And there will be many who do if there is a free-trade agreement. And good jobs lost. We may get jobs at the minimum wage level, but we are going to lose those high manufacturing-based jobs. Are we going to have trade adjustment assistance for those workers?

This administration does not have a dime in the budget at the present time for trade adjustment assistance, for people who have already experienced this problem from other countries.

So to come in here with an 80-page so-called action plan and say we now recognize that problem, that is a hollow promise. If they recognize that problem and if it meant anything to them, there would be money in the budget right now for workers who are already being displaced by foreign trade. There is not a penny for it in the budget today. So that is another phony.

We cannot tip this whole country off its axis because the President likes this, and he may see it as being good for his home State. This has to meet the test of being good for all of America, and there happen to be 50 States in America and not just one. And I represent one of those 50 States, and my State is in economic trouble because jobs are moving out and they are going to places like Mexico already at too fast a rate. This threatens to speed it up.

It is time I think somebody in our Government—I would like to think the President and the people in the Cabinet—would stand up for American workers. Why not a plan for American workers? Why is there a plan here for Mexican workers? I want to help the Mexicans. I am interested in helping other people around the world. But if we are going to help anybody for very long in a meaningful way, we better help ourselves first. We better get this country back to work. We better restore the industrial base of this country, and that means more savings, more investment, a speed-up in technology, improving productivity, doing a better job in education.

All of that takes money. All of it takes money to make this economic system hum and to make it work, to dig out of that debtor's hole.

I want to read one other thing out of the New York Times today because what is in the economic area comes out through the whole society. This is page A-25, headline: "Trauma Centers Are Closing Down." Subheadline: "At least 60 fiscally troubled hospital sites are shut, Congress study finds."

I asked for that study from the GAO. What it points out is that because out economy is malfunctioning so badly, we do not have the money to support a health care system properly, and emergency rooms in trauma centers and hospitals across this country are having to shut down.

What that mean is if you or a family member happen to be in one of those locations and are in a car accident, or injured in a serious way, and taken to that hospital, there is no way you can get the care you need if the trauma unit is closed because they do not have the money.

We need a health care system, and we need a stronger economic performance to be able to remedy that problem. We cannot just shut down all the emergency rooms in the hospitals across the United States. But that is what the GAO tells us is happening. And, in fact, it is happening, because we are not paying attention to our own economy.

In here, now, we have a plan to take care of the Mexican economy, as I say, a plan to help the Chinese economy and the Kuwait economy and the Turkish economy and the Saudi Arabian economy; every other economy except our own. I would like to have a President and administration that would like to develop an economic plan for the United States, because we need one. If we have one, the world is going to be better off for it because then we can help do some other things over a period of time.

But to come in here and tack this onto the Uruguay round is an entirely different story. There are dozens and dozens of nations tied together in that. The Mexican thing is profoundly different in that it is a bilateral negotiation and, in this case, fundamentally different in the sense you are trying to integrate with a Third World economy with labor rates that bear no relevance or relationship to what we have in the United States.

I will just conclude right now by saying this. There is an elitist view built into this because if we go down this track, yes, there will be some people in the United States who do prosper, there will be some people up at the high ends of the income scales and people who have very vast financial and business holdings that will make a lot more money. That is obvious. That is why all these high-priced lobbyists have been hired in this town to ram this thing through here.

So, yes, some people are going to make a killing on this. But across this country, rank and file workers, men and women who need work, who want to be able to provide for themselves and earn enough to buy a home and be able to save enough money to send their kids to college and put some money aside for retirement, their jobs are going to disappear as they now are disappearing, but at a faster rate.

The PRESIDING OFFICER. The Chair informs the Senator the 25 minutes allocated to him have expired.

Mr. RIEGLE. If I can take 1 more minute.

Mr. HOLLINGS. I yield another minute to the distinguished Senator.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the articles I mentioned, the one in U.S. News & World Report, the front-page story in the Wall Street Journal, the three stories from today's New York Times, all be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 23, 1991]

RECOVERY EXPECTED TO BE WEAK

(By Louis Uchitelle)

WASHINGTON.—Ask a White House official, a member of Congress or a Federal Reserve policymaker what might happen when the recession ends, and they give this answer: Growth will be slow and sluggish. The bursts of activity that came immediately after other post-World War II recessions will not materialize this time.

That view showed up repeatedly in nearly a dozen recent interviews with Government officials. They accept the view of many economists that the American economy will probably expand by less than 3 percent in the first year of recovery, or roughly one-third the average growth rate after the eight previous postwar recessions.

The Government's reluctance to provide special stimulus has two aspects. One is a belief that the economy lacks the capacity to grow robustly without reigniting inflation. The other reflects a decision, shared by Democrats and Republicans, not to violate the October budget agreement, which chips away at the deficit over five years. The agreement rules out—for the first time since World War II—the combination of tax cuts and new spending that made the economy boom in the past.

"I am not attending meetings where we talk about how to get out of the recession and insure a strong recovery," said Representative Lee H. Hamilton, Democrat of Indiana.

Did such meetings to discuss emergency spending programs like highway construction or job training take place in the 1981-82 recession? "Sure they did," Mr. Hamilton said, "We talked about many programs, but we have lost confidence in what Congress can do to pump up the economy in the short term."

Beyond politics, the various engines of growth—exports, home construction, auto sales and household incomes—are not likely to be strong enough to power a brisk recovery, economists say. What's more, Corporate America is no longer willing to engage in the rapid stockpiling of goods in anticipation of rising sales, a practice that inflated growth in the aftermath of past recessions.

"The real story of this recession, and probably the early recovery period, is that there is no area of strength, not in export, or rising personal income or Government spending or manufacturing," said Henry J. Aaron, director of economic studies at the Brookings Institution.

The recession is not over yet. The gross national product is still shrinking, which means that the quantity of goods and services produced in each quarter since last October has declined. The Administration says the decline will end by July, and that is also the consensus view of 50 private forecasters surveyed each month by Blue Chip Economic Indicators.

Assuming that a turning point is near, the Blue Chip consensus forecast in May predicted G.N.P. growth of 2.2 percent in the recovery's first year. After the eight other postwar recessions, the average first-year growth rate was 6.5 percent.

"We could drift along for some months," said Robert D. Reischauer, director of the Congressional Budget Office.

An anemic first-year recovery would make companies reluctant to rehire laid-off workers. Raises for those who do have jobs might be small and scarce, reflecting recent trends. And consumers will probably remain cautious shoppers until a stronger economy makes them feel more secure in their jobs.

[From the New York Times, May 23, 1991]

STEELMAKERS' GRIM OUTLOOK FOR THE YEAR

(By Jonathan P. Hicks)

WASHINGTON, May 22.—Executives of the nation's largest steel companies attending the annual meeting of the American Iron and Steel Institute conference here said today that the industry would lose tens of millions of dollars this year, making 1991 the worst year of industry losses since 1986, when they totaled $4 billion.

The officials said they could do little to reverse the situation, since they had cut costs and trimmed operations almost as much as possible.

"After four years of positive operating results, steelmakers began posting losses in the third quarter of 1990 and these losses continued through the first quarter of 1991," said David H. Hoag, the president and chief executive of the LTV Corporation, the nation's third-largest steelmaker. "And it appears that most are expecting losses in the second quarter as well."

Mr. Hoag and other executives added that an industrywide loss would likely occur for all of 1991. Other chief executives said they did not expect any improvement until the end of the year at the earliest and predicted that no large steel company would report a profit for the year.

The steel industry leaders, in speeches and interviews here today, urged the Federal Government to assist their industry and called on the Bush Administration to develop a sweeping program to rebuild the nation's highways and bridges.

They also proposed that the Administration develop environmental trade policies with steel-producing nations that call for pollution controls equivalent to those being undertaken by American steel producers.

Industry analysts say these proposals are unlikely to be enacted.

There also were frequent, bitter complaints about the spiraling costs of health care. "Health-care costs are rising faster than any other major cost we face," said Brian W.H. Marsden, the president and chief executive of the Acme Steel Company, the smallest of the leading integrated steelmakers. "They jumped 18.6 percent in 1988, 20.4 percent in 1989 and 21.6 percent in 1990."

Mr. Hoag painted a bleak picture for the industry for the remainder of the year, particularly concerning steel demand. He predicted that domestic steel shipments would fall to 73 million tons to 76 million tons this year, down sharply from the 85 million tons in 1990.

"Auto sales in the first quarter of 1991 were the lowest since 1982 and the outlook for the first half of this year also is the lowest since 1982," he said. "The continuing slump in new home construction, combined with a drop in contracts awarded for major building projects indicates that the construction market has yet to hit bottom."

Car makers buy a quarter of the steel produced in the country, while the construction industry accounts for about 35 percent of demand.

Mr. Hoag added that the Association of Home Appliance Manufacturers, an industry group, indicated that shipments of appliances fell by 25 percent in the first quarter of the year. Appliances like refrigerators and washing machines account for about 7 percent of steel demand.

[From U.S. News & World Report, May 6, 1991]

POISONING THE BORDER

(By Michael Salchell)

With its manicured lawns and high-tech ambience, the FINSA industrial park in Matamoros, across the Mexican border from Brownsville, Texas, gleams with ultramodern, American-owned manufacturing and assembly plants that turn out a variety of consumer and industrial products. Eager to cut costs, U.S. companies from Fortune 500 giants to small entrepreneurs began relocating to northern Mexico 25 years ago under a program called maquiladora—from an ancient custom of trading raw for finished goods. They have transformed once somnolent border towns like Matamoros into sprawling urban centers that annually attract thousands of job-hungry workers.

Close to 2,000 plants employing about half a million people are now strung along the 2,000 miles of border from Matamoros in the East to Tijuana in the West. Here, the industrial dynamism of the First World and the poverty of the Third dovetail in what is widely viewed as a mutually beneficial arrangement. U.S. companies enjoy cheap labor and generous tax breaks from both nations; Mexican workers get steady jobs and the chance to improve their lives. The program last year pumped $3.5 billion in foreign exchange into the Mexican economy—second only to the $9 billion from oil exports. Says Alfred Rich, president of the Western Maquila Trade Association: "This is a program in which everyone benefits."

But that portrait is incomplete. The border region is paying a growing environmental price for allowing the Mexican-based firms to operate beyond the restraints of the U.S. Environmental Protection Agency and the Occupational Safety and Health Administration. Some companies admit they have moved south to avoid expensive U.S. environmental requirements. The result: They are creating more pollution there than they would in the United States. And while Mexico enacted tough new cleanup laws in 1988, scant resources have been made available to enforce them.

As the Bush administration presses forward with plans for a free-trade pact with Mexico, critics in Congress and organized labor cite present environmental and social conditions as a reason to block the treaty. They point to a report last June by the American Medical Association, which described the region as "a virtual cesspool and breeding ground for infectious disease." The AMA concluded: "Uncontrolled air and water pollution is rapidly deteriorating and seriously affecting the health and future economic vitality on both sides of the border." Treaty opponents argue that conditions will worsen if the border is fully opened. And these growing concerns about pollution have prompted several federal agencies to consider whether U.S. Trade Representative Carla Hills should order an environmental impact statement, which could delay the pact for years.

Advocates of a free-trade agreement argue that economic development, while inevitably creating some pollution, frequently spurs prospering nations to significantly improve their environmental enforcement and to enact more stringent workplace rules. In addition, President Carlos Salinas de Gortari is more determined than any predecessor to clean up pollution, suggesting a brighter future for workers and the environment. But a U.S. News survey of current conditions reveals:

Indiscriminate dumping or long-term storage of industrial garbage and hazardous wastes is trashing the landscape and poisoning the water and soil.

A slumgullion of chemical-laced industrial waste water and raw sewage pumped into canals and rivers is causing widespread gastrointestinal illness, hepatitis and other long-term health problems—including a suspected increase in mortality from certain cancers.

Massive discharges of toxic fumes have occurred in chemical plants and other factories. In the Matamoros-Reynosa region alone, seven major accidents since 1986 have sent more than 350 people to hospitals and forced thousands to flee their homes.

Maquiladora employees—most of them women, who sometimes start work as young as 13 years old—are exposed to toxic substances and other workplace health hazards without being given safety instructions or basic protection like masks and gloves. There is also evidence of severe birth defects suffered by infants born to workers.

The maquiladoras—or maquilas, as they are commonly known—have sustained explosive growth of 15 to 20 percent over the past five years. As a result, tens of thousands of workers are now packed into shantytown colonias, living in hovels built from cinder blocks, tin sheets, scrap lumber, plastic and cardboard without electricity, sewers or potable water.

Some of these conditions might be endurable if the prospect of upward economic mobility weren't so distant for most of the workers. Wages start at 82,000 pesos—$27—for a 49-hour week. The average weekly salary is about $47 in a border economy where food and other necessities often are as expensive as in the United States. The case of Yolanda Carrillo, who lives and works in the FINSA park, is typical. The 16-year-old began working at the MagneTek lighting plant at the age of 14 and earns the peso equivalent of about $46 a week wiring electrical coils. Home is a wooden shack with a dirt floor, cardboard covering the window holes and wind whistling through cracks in the walls. A colonia canal flows nearby, its milky water badly polluted by industrial wastes. "Even the goats won't drink it," says the young woman.

Little money. She shares the tumbledown structure with her blind, bedridden father, an older sister who also works in a maquila, four other female relatives and three sickly infants. There is no electricity, and water must be carried in plastic buckets from a standpipe three blocks away. Meals are cooked on an open fire or on a small propane burner. Despite two maquila salaries, Yolanda and her family live at little better than subsistence level. "The money," she shrugs, "isn't enough to make a change."

Questions about worker exploitation in a nation where unemployment is endemic draw ready rejoinders from maquila officials. "We're in a foreign country and it's a big mistake to impose U.S. values," says John Riley, vice president of Vertek, a Tijuana-based electronics company. Adds trade association chief Alfred Rich: "Are these people better off with me or without me? The small wage gives them the ability to enjoy a decent lifestyle. They may not be living in the lap of luxury, but they aren't starving."

Some, though, are getting sick. Interviews with dozens of employees in border communities turned up complaints of headaches, vision and respiratory problems and skin diseases caused by soldering fumes, solvents and other chemicals—particularly in the electronics-assembly industry. Some plants supply protective gloves, but few women wear them because they hamper dexterity and prevent the workers from maintaining the fast-paced production schedules. "They take advantage of us because women are more docile," says Reynosa worker Apolonia Resendiz, 39. "The men complain, so they don't get hired."

Catalina Denman, a professor at El Colegio de Sonora in Hermosillo, has studied health conditions among maquila women in Nogales since 1985. Among other problems, she finds that workers in the American-owned plants are three times as likely to give birth to infants of low weight as are other local women; half of these underweight babies are born prematurely. "We suspect toxics," Denman says. "We need to study just what the long-term effects are from being exposed to all these chemicals and fumes."

The Mallory children. Dr. Isabel de la O Alonso knows all too well. Over the past eight years, she has pieced together evidence strongly suggesting an environmental tragedy that has gone largely unnoticed. In 1982, while operating the Matamoros school for special education, she began seeing retarded children with unusual physical characteristics that fell outside well-documented conditions such as Down's syndrome. The children, with degrees of retardation ranging from mild to profound, had broad noses, bushy eyebrows, thin lips, webbed and deformed hands and feet and other distinctive birth defects. A clinical history of their families revealed a single common thread: Each of their mothers worked during her pregnancy at a now defunct electrical components maquila then called Mallory Capacitors.

Dr. de la O has located living Mallory children, has documented another half dozen who died shortly after birth and suspects there are several others. The mothers all told her their jobs involved washing capacitors—small devices that hold electrical charges—in a chemical mixture they knew only as electrolito. As they worked with the liquid it would cover their hands and arms and splash onto their faces.

Now in charge of special education for the state of Tamaulipas, Dr. de la O suspects that the women were exposed to polychlorinated biphenyls, or PCBs, widely used in the electrical components industry before they were banned by the United States in 1979. Today, the Mallory children have passed the age of puberty, and the insidious genetic defects continue. Most of the girls have not begun menstruation, and many of the boys have undescended testicles.

In the absence of tort laws or strictly enforced EPA- and OSHA-style regulations, U.S. companies in Mexico are under little more than a moral obligation to protect either their workers or the environment. Some corporations—Union Carbide for example—are lauded by activists for treating workers and the environment well. Others can't claim the same honors. And maquila owners say attempts to operate their plants up to EPA standards are sometimes stymied by the slovenly practices of workers. "There's a lot of ignorance on the shop floor and old habits die hard," says David Flowers, head of Pulse Engineering in Tijuana.

SEDUE is the acronym for the Mexican federal agency charged with enforcing the nation's environmental laws. René Altamirano, its director of pollution prevention, vows: "The border will never become a pollution haven for the United States." But despite the best of intentions, Altamirano concedes, his agency is under severe handicaps. SEDUE has multiple responsibilities nationwide, including housing and parks, but its entire annual budget is just $10 million. While the United States will spend $24.40 per capita this year on environmental protection, Mexico can afford to spend only 48 cents—a major increase from the 8 cents it spent in 1989. Altamirano's financially strapped agency, for example, has only two inspectors in each of the six border states to investigate and ferret out environmental scofflaws.

This inadequate supervision invites problems. Under a binational agreement, maquilas are required to ship their hazardous wastes back to the United States for disposal and to notify the EPA. But transportation and EPA-approved disposal of a single 55-gallon drum of hazardous waste can cost anything from $150 to $1,000. As a result, most maquila wastes are stockpiled, buried, dumped, flushed, burned or "donated" to charities for "recycling"—an environmental charade, permissible under a loophole in Mexican law. In 1989, reports the EPA's Kathleen Shimmin, the agency received just 12 notifications of hazardous-waste shipments being returned to the United States across the California and Arizona borders. Last year, the total rose to 85. "That's a small drop in the bucket," Shimmin says. "Besides jawboning, we have no legal means to force these companies to comply."

Those who monitor the maquila industry believe that big corporations, with their modern plants and their keen eye on public image, are more likely than small factories to voluntarily follow EPA and SEDUE standards. Yet controversy has even tainted some of America's giants. General Motors, for example, operates 34 border plants employing 41,500 people. Spokesman John Mueller says the auto maker has factories in 35 nations and "complies with local environmental standards and cultural norms." At the FINSA industrial park in Matamoros, some 1,200 workers at GM's $80 million RIMPIR plant manufacture 6,000 automobile bumpers daily. RIMIR officials say their hazardous wastes are recycled locally or repatriated to the United States, and the plant appears to be a model of industrial efficiency and environmental rectitude. "We play by the EPA and SEDUE rules, we have to keep our nose clean and we are the environmental leader of the other maquilas," says Chuck Almquist, RIMIR's managing director.

BATTLE OVER NUMBERS

Now, however, there is a dispute over the company's practices. Environmentalists claim their tests of discharges from the RIMIR plant showed much higher readings than GM's own tests. Last year, the Boston-based National Toxics Campaign Fund collected some 100 separate samples from discharge pipes at 22 U.S. plants in Mexico. Chemist Marco Kaltofen says NTCF's federally approved laboratory found that the RIMIR sample contained xylenes—common solvents that can cause lung, liver, kidney and brain damage—in a concentration of 2,800 parts per million (ppm). Kaltofen also says he measured discharges of ethyl benzene at 430 ppm, acetone at 56 ppm, methylene chloride at 41 ppm and toluene at 5.7 ppm. The EPA's cumulative permissible limit for all toxic organic chemicals discharged from industrial plants like RIMIR is 2.13 ppm, and some state standards are even lower. SEDUE's standards closely parallel the EPA's.

RIMIR officials say they are mystified by the high readings and are anxious to correct any deficiencies. Their routine tests conducted by an independent laboratory at roughly the same time as Kaltofen's last year showed xylene discharges of 0.56 ppm. Their tests for the other chemicals all showed readings of less than 1 ppm.

Pollution problems are evident elsewhere along the border. NTCF's tests at other plants found concentrations of hazardous materials in some samples that were too high to measure accurately. Water samples at 16 of the 22 sites, says the NTCF, violated Mexican and U.S. water-quality standards; some in Matamoros contained pH levels so severe they would cause acidic or caustic burns to skin.

Beyond the discharges, other practices by some U.S. firms also degrade the environment. Adjacent to the Reynosas industrial park that is home to several major corporations is a massive open dump that contains acre after acre of industrial detritus—plastic, metal, rubber, resins, paint sludge. Foul-smelling slime leaks from drums marked "Zenith Plant No. 12." Zenith Electronics Corp. spokesman John Taylor acknowledges that the company, which employs as many as 10,000 workers at its Reynosa facility, dumps its bathroom, kitchen, office and nonhazardous industrial trash here but says toxic wastes are returned to the United States. "This [site] is a SEDUE-licensed disposal facility and anything we do is in accordance with the law," Taylor says. "We are a good corporate citizen in Mexico." Both SEDUE and Reynosa municipal officials however, say they have not authorized the area to be used as a dump.

The public-health threat from the kinds of solid wastes found at the Reynosa dump is generally confined to the local area. But polluted industrial effluent and untreated sewage from the exploding populations of the cities and colonias are migrating into the United States and creating serious waterborne health problems north of the border. In Tijuana, toxic effluent from the industrial park at Otay Mesa mixes with 12 million gallons of raw sewage discharged daily into the Tijuana River. The river then flows north before emptying into the Pacific Ocean at Imperial Beach, Calif., south of San Diego. Some 2.4 miles of shoreline are quarantined, and local officials estimate the closed beach and the area's befouled reputation cost more than $100 million a year in lost tourism and recreation opportunities.

California officials describe the New River, some 120 miles east of San Diego, as the filthiest waterway in the state—if not the entire United States. It flows north out of Mexicali, a booming maquila city, and into the Salton Sea, a large lake southeast of Palm Springs. Tests show the New River contains some 100 different industrial chemicals and 15 viruses capable of causing outbreaks of polio, dysentery, cholera, typhoid, meningitis and hepatitis.

Continuing east, the pattern is repeated. Up to 30 million gallons of untreated sewage flow out of Nogales each day and into Arizona's Santa Cruz River. An underground plume of carcinogenic solvents—including trichloroethylene—along with chromium, lead, manganese, cadmium, arsenic and mercury has badly polluted an aquifer that provides drinking water for thousands of colonia residents. The plume has migrated 10 miles beneath the border, forcing the closing of at least 12 wells on the U.S. side. In Texas, more than 100 million gallons of raw sewage laced with solvents, heavy metals and pesticides empty each day into the Rio Grande from Ciudad Juarez, Nuevo Laredo, Reynosa and other cities. Tissues of fish caught in the river show high levels of copper, selenium and mercury, and untreated human wastes turn the Rio Grande—literally—into the nation's biggest open sewer.

"This is a public-health disaster waiting to happen," says Dr. Reynaldo Godines, president of the Tri-County Medical Society in Laredo, Texas. The incidence of hepatitis between Brownsville and El Paso, he points out, is already six times the national average. In the El Paso colonia of San Elizario, 35 percent of children 8 years old and under are infected with hepatitis A, and 85 to 90 percent of adults contract the disease by the age of 35. At the University of Texas Health Science Center at Houston, epidemiological studies by Dr. Irina Cech reveal significantly elevated liver and gall bladder cancer mortality rates in the 33 counties along the Rio Grande that get their drinking water from the river. Dr. Cech suspects a combination of factors is responsible, including poor living conditions, high levels of fecal pollution in the water and toxic chemicals from the maquilas.

Heading south. One fear of free-trade opponents—industries fleeing south to avoid U.S. environmental laws and the skyrocketing costs of waste disposal—has already been validated. Between 40 and 50 furniture manufacturers, unable to meet Southern California's air quality standards, have relocated in Mexico. Joseph Haring, director of the Pasadena Research Institute, monitors the trend and says furniture-industry employment in Southern California has shrunk from 85,000 workers in 1987, to 55,000 today. Over the next five years, he predicts, half of the region's 125,000 metal-finishing jobs will be lost to Mexico. "These industries can operate down there with fewer precautions and, in fact, create pollution," Haring says. "Almost to a man, that's what happens." Analysts say other industries that generate large amounts of toxic garbage—metal plating, chemicals, plastics, fiberglass and electronics—are also migrating south.

What are the prospects for change? Observers like Roberto Sánchez of El Colegio de la Frontera Norte believe the Mexican government, eager to foster industrialization, will never lean hard on the plants unless forced to by massive environmental tragedy. There is some possibility, though, that the Bush administration will promise a more serious and comprehensive crackdown on polluters. Trade Representative Hills will unveil a proposal this week, designed to win the backing of Democrats for her trade talks with Mexico, that is expected to seek stronger bilateral enforcement of pollution standards and suggest that U.S. assistance might be available for environmental programs in Mexico.

The Bush administration is also being pressured by critics like the Coalition for Justice in the Maquiladoras—an umbrella lobbying group—to find ways to improve wages and conditions for the Mexican workers. And American companies are coming under increasing fire from liberal lobbying groups. For industry and the Bush administration, the challenge from opponents is clear: Find ways to clean up the maquiladora mess, or the prospects for a free-trade agreement will get worse.

[From the Wall Street Journal, Apr. 8, 1991]

WORKING CHILDREN: UNDERAGE LABORERS FILL MEXICAN FACTORIES, STIR U.S. TRADE DEBATE

(By Matt Moffett)

LEON, MEXICO.—When Vicente Guerrero reported for work at the shoe factory, he had to leave his yo-yo with the guard at the door. Then Vicente, who had just turned 12 years old, was led to his post on the assembly line: a tall vertical lever attached to a press that bonds the soles of sneakers to the uppers.

The lever was set so high that Vicente had to shinny up the press and throw all his 90 pounds backward to yank the stiff steel bar downward. It reminded him of some playground contraption.

For Vicente this would have to pass for recreation from now on. A recent graduate of the sixth grade, he joined a dozen other children working full time in the factory. Once the best orator in his school and a good student, he now learned the wisdom of silence: even opening his mouth in this poorly ventilated plant meant breathing poisonous fumes.

Vicente's journey from the front-row desk of his schoolroom to the factory assembly line was charted by adults: impoverished parents, a heedless employer, hapless regulators, and impotent educators. "I figure work must be good for me, because many older people have helped put me here," says Vicente, shaking his hair out of his big, dark eyes. "And in the factory I get to meet lots of other boys."

Half of Mexico's 85 million people are below the age of 18, and this generation has been robbed of its childhood by a decade of debt crisis. It's illegal in Mexico to hire children under 14, but the Mexico City Assembly recently estimated that anywhere from five million to 10 million children are employed illegally, and often in hazardous jobs. "Economic necessity is stronger than a theoretical prohibition," says Alfredo Farit Rodriguez, Mexico's Attorney General in Defense of Labor, a kind of workers' ombudsman.

Child labor is one of several concerns about standards in the Mexican workplace clouding the prospects for a proposed U.S.-Mexico free trade agreement, It is being seized upon, for example, by U.S. labor unions, which oppose free trade and fear competition from Mexican workers.

Recently, Democratic Sen. Lloyd Bentsen of Texas, the chairman of the Senate Finance Committee, and House Ways and Means Committee Chairman Dan Rostenkowski of Illinois warned President Bush in a letter of the major hang-up: "the disparity between the two countries in . . . enforcement of environmental standards, health and safety standards and worker rights." Mr. Bush yesterday reiterated his support for the trade pact.

Free-trade advocates argue that investments flowing into Mexico would ameliorate the economic misery that currently pushes Mexican children into the work force. Partisans of free trade also point to the aggressiveness Mexican President Carlos Salinas de Gortari has lately shown in fighting lawbreaking industries: Mexico added 50 inspectors to regulate foreign plants operating along the U.S.-Mexico border and shut down a heavily polluting refinery in Mexico City.

LITTLE FOXES

Young Vicente Guerrero's life exemplifies both the poverty that forces children to seek work and the porous regulatory system that makes it all too easy for them to find jobs. In the shantytown where Vicente lives and throughout the central Mexico state of Guanajuato, it is customary for small and medium-sized factories to employ boy shoemakers known as zorritas, or little foxes.

"My father says I was lucky to have so many years to be lazy before I went to work," says Vicente. His father, Patricio Guerrero, entered the shoe factories of Guanajuato at the age of seven. Three decades of hard work later, Mr. Guerrero lives in a tumbledown brick shell about the size and shape of a baseball dugout. It is home to 25 people, maybe 26. Mr. Guerrero himself isn't sure how many relatives and family friends are currently lodged with him, his wife and six children. Vicente, to get some privacy in the bedroom he shares with eight other children, occasionally rigs a crude tent from the laundry on the clotheslines crisscrossing the hut.

School was the one place Vicente had no problem setting himself apart from other kids. Classmates, awed by his math skills, called him "the wizard." Nearly as adept in other subjects. Vicente finished first among 105 sixth-graders in a general-knowledge exam.

Vicente's academic career reached its zenith during a speaking contest he won last June on the last day of school. The principal was so moved by the patriotic poem he recited that she called him into her office to repeat it just for her. That night, Vicente told his family the whole story. He spoke of how nervous he had been on the speaker's platform and how proud he was to sit on the principal's big stuffed chair.

After he finished, there was a strained silence. "Well," his father finally said. "it seems that you've learned everything you can in school." Mr. Guerrero then laid his plans for Vicente's next lesson in life. In a few weeks, there would be an opening for Vicente at Deportes Mike, the athletic shoe factory where Mr. Guerrero himself had just been hired. Vicente would earn 100,000 pesos a week, about $34.

At the time, money was tighter than usual for the Guerreros: Two members of the household had been laid off, and a cousin in the U.S. had stopped sending money home.

After his father's talk, Vicente stowed his schoolbooks under a junk heap in a corner of the hut. It would be too painful, he thought, to leave them out where he could see them.

Last August Vicente was introduced to the Deportes Mike assembly line. About a dozen of the 50 workers were underage boys, many of whom toiled alongside their fathers. One youth, his cheek bulging with sharp tacks, hammered at some baseball shoes. A tiny 10-year-old was napping in a crate that he should have been filling with shoe molds. A bigger boy was running a stamping machine he had decorated with decals of Mickey Mouse and Tinker Bell. The bandage wrapped around the stamper's hand gave Vicente an uneasy feeling.

Showing Vicente the ropes was the plant superintendent's 13-year-old son, Francisco Guerrero, a cousin of Vicente's who was a toughened veteran, with three years' experience in shoemaking.

When a teacher came by the factory to chide school dropouts, Francisco rebuked her. "I'm earning 180,000 pesos a week," he said. "What do you make?" The teacher, whose weekly salary is 120,000 pesos, could say nothing.

Vicente's favorite part of his new job is running the clanking press, though that usually occupies a small fraction of his eight-hour workday. He spends most of his time on dirtier work: smearing glue onto the soles of shoes with his hands. The can of glue he dips his fingers into is marked "toxic substances . . . prolonged or repeated inhalation causes grave health damage; do not leave in the reach of minors." All the boys ignore the warning.

Impossible to ignore is the sharp, sickening odor of the glue. The only ventilation in the factory is from slits in the wall where bricks were removed and from a window near Vicente that opens only half-way. Just a matter of weeks after he started working, Vicente was home in bed with a cough, burning eyes and nausea.

What provoked Vicente's illness, according to the doctor he saw at the public hospital, was the glue fumes. Ingredients aren't listed on the label, but the glue's manufacturer, Simon S.A. of Mexico City, says it contains toluene, a petroleum extract linked to liver, lung and central nervous system damage. The maximum exposure of toluene permitted under Mexican environmental law is twice the level recommended by recently tightened U.S. standards. And in any event, Deportes Mike's superintendent doesn't recall a government health inspector coming around in the nine years the plant has been open.

When Vicente felt well enough to return to work a few days later, a fan was installed near his machine. "The smell still makes you choke," Vicente says, "but el patron says I'll get used to it."

El patron, the factory owner, is Alfredo Hidalgo. "These kinds of problems will help make a man of him," Mr. Hidalgo says. "It's a tradition here that boys grow up quickly." Upholding tradition has been good for Mr. Hidalgo's business: Vicente and the other zorritas generally are paid less than adult workers.

Mr. Hidalgo doesn't see that as exploitation. "If it were bad for Vicente, he wouldn't have come back after the first day of work," he says. "None of the boys would, and my company wouldn't be able to survive."

"The system makes protecting the zorritas very, very difficult," says Teresa Sanchez, a federal labor official in Guanajuato state. The national labor code gives the federal government jurisdiction over only a limited number of industries that make up just 3% of businesses in the state. "The important industries, like shoes," she says, "are regulated by the states, and the states . . . " She completes the sentence by rolling her eyes.

At the state labor ministry, five child labor inspectors oversee 22,000 businesses.

The staff has been halved in the decade since Mexico's economic crisis erupted, says Gabriel Eugenio Gallo, a sub-secretary. The five regulators make a monthly total of 100 inspections. At that rate it would take them more than two decades to visit all of the enterprises under state jurisdiction. Because child labor violations weren't even punishable by fines until very recently, state regulators say they have a hard time getting the tradition-bound employers they do visit to take them seriously, "Ultimately, the schools must be responsible for these kids," Mr. Gallo concludes.

Located just four blocks from where Vicente Guerrero labors, the Emperador Cuauhtemoc school employs two social workers to reclaim dropouts. (Children are required by law to stay in school through the sixth grade.) One-third of the students at Cuauhtemoc never finish the Mexican equivalent of junior high. With their huge caseloads, the two social workers certainly have never heard of Vicente Guerrero. "Ultimately, it's the boy's own responsibility to see to it that he gets an education," says Lourdes Romo, one of the counselors.

Vicente is still getting an education, but it's of a different sort than he would be getting in school. On a factory break, the superintendent puts a zorrita in a headlock to act out the brutal murder of a member of a local youth gang. This pantomime is presented to Vicente and a rapt group of boys as a cautionary tale. "Boys who don't work in the factory die this way on the street," the superintendent warns.

Vicente hasn't missed work again, though he always has a runny nose and red eyes. "One gets accustomed to things," he says. It's lucky for him that he is adaptable. The plant was expanded recently and Vicente's window, once his source of fresh air, now swings open onto a sewing room where several new boys labor.

The zorrita tradition is unlikely to fade any time soon. "We eat better now that Vicente works," says Patricio Guerrero, watching his wife stir a skillet of chicken in sweet mole sauce. "And Vicente has a few pesos left over so he can enjoy being a boy."

But Vicente doesn't have the time. Even though he's the captain, he recently missed an important Saturday match of his soccer team. A rush order of soccer shoes had to be filled at Deportes Mike. His friends tell him that "I stink as bad as the patch on a bicycle tire," he says. "But I know that's just the smell of work."

[From the Wall Street Journal, Apr. 25, 1991]

United States-Mexico Trade Pact Is Pitting Vast Armies Of Capitol Hill Lobbyists Against Each Other

(By Jill Abramson)

WASHINGTON.—The war brewing in Congress over the U.S.-Mexico free trade agreement has spiced up life for this city's lobbyists.

"We've never had a trade issue that has been this hot," says Harry Freeman. "It's quite a donnybrook." Mr. Freeman, a former American Express Co. executive, has been lobbying furiously on behalf of a big business coalition that's pushing for the trade agreement and for congressional extension of the president's trade-negotiating authority.

The trade battle has snapped the Washington lobbying community out of the postwar doldrums and blues over a general downturn in legislative activity. But the burst of lobbying has some lawmakers complaining of overkill.

"They've reached the point of saturation," says Democrat Marcy Kaptur of Ohio, who has criticized Mexico for its labor and environmental standards, and sides with a coalition of labor unions and environmental groups that oppose extension of President Bush's trade-negotiating authority.

MEXICO'S BIG GUNS

Mexico, which hadn't previously employed Washington lobbyists, has suddenly upstaged Japan as the foreign government with the most visible lobby muscle. Beginning in January, the Mexican government began hiring an A-team of lobbyists and lawyers, including such GOP heavyhitters as Charles Walker, and such politically connected Democrats as Joseph O'Neill, a former top aid to Senate Finance Committee Chairman Lloyd Bentsen, and Robert Keefe, a former strategist for the late Sen. Henry Jackson.

Virtually every major business organization in the U.S. is also combining Capitol Hill, from the Business Roundtable to the U.S. Chamber of Commerce to the National Association of Manufacturers. "It's a pan-business effort," says Calman Cohen, a former government trade official with the Emergency Committee for American trade. "I've never seen a larger grouping from the private sector." Mr. Cohen coordinates weekly strategy sessions of an ad hoc lobby called the Coalition for Trade Expansion, which includes more than 500 corporate chieftains, association heads and lobbyists.

The most intense lobby activity now isn't even focused on the U.S.-Mexico treaty itself, which has yet to be negotiated or written, but on countering efforts by the labor-environmental alliance, which is lobbying Congress to block the administration's request for a two-year extension of its so-called fast-track authority.

The existing fast-track authority was approved by Congress in the Reagan administration and allows the President to negotiate international trade treaties and submit them to Congress for approval without amendments. A congressional refusal to extend fast-track authority could doom both the U.S.-Mexico agreement, which would effectively erase the trade borders between the two nations, as well as the Uruguay Round of trade talks. If Congress doesn't act before June 1, the fast-track authority will be automatically extended for two years.

Lobbyists have been working hardest on members of the Senate Finance and House Ways and Means committees, which have jurisdiction over the issue. Democrats are having the toughest time choosing sides. Although union officials deny making a litmus test out of the vote to disapprove fast-track authority, some lawmakers fear that unions will withdraw their support and contributions from Democrats who vote the wrong way.

LABOR STARTED ITS CAMPAIGN EARLY

Labor began its lobbying campaign against fast-track extension last fall and quickly gained congressional converts. The labor-environmental lobby put together a broad coalition of organizations, from Ralph Nader's Public Citizen to farm groups. Last week, the AFL–CIO sent every member of Congress a video showing poverty-infested Mexican villages and ravines carrying raw sewage. Opponents argue that the U.S.-Mexico trade agreement will bring massive job losses as businesses head south in search of a cheaper work force and looser environmental laws.

Preoccupied by the war and other issues, U.S. corporations were slower to start their lobbying effort for fast-track extension and the trade agreement, which they say will be a boom to the U.S. economy. Last month, Rep. Dan Rostenkowski, chairman of the House Ways and Means Committee, helped jump-start big business's lobbying campaign when he bluntly warned a group of 20 business leaders that they could lose the fast-track fight. According to Mr. Freeman, who attended the meeting, the Illinois Democrat told the group, "If you want to win this thing, move your ass."

Heeding the chairman's words, corporate America assembled a virtual lobbying Who's Who, including corporate chiefs from American Express Co., Eastman Kodak Co., Procter & Gamble Co. and many other blue-chip concerns. The business forces have now regained strong footing and have set up a practically nonstop schedule of meetings with lawmakers. In a show of bipartisan might, a business delegation led by two former U.S. trade representatives, Democrat Robert Strauss and Republican William Brock, met with President Bush on the issue last week. The current U.S. trade representative, Carla Hills, who is herself strenuously lobbying members of Congress, huddled recently with a group of well-known lobbyists to talk over prospects for winning fast-track extension.

These off-the-record sessions between top government officials and business lobbyists irk labor. "There's no reason for a cloak-and-dagger operation," says Robert McGlotten, the AFL–CIO's legislative director. "There ought to be open debate."

Mrs. Hills' office responds that she has an "open door" policy and has met several times with labor representatives, too.

The Mexicans, meanwhile, are getting a crash course in lobbying U.S.-style. The Mexican embassy has been careful to cover both Democratic and GOP flanks with a fleet of lobbyists and lawyers who are regaling lawmakers with Mexico's efforts to modernize its working conditions. Mexican business interests, meanwhile, have formed their own version of the Business Roundtable and have hired the Washington law firm of Steptoe & Johnson. "When in Rome do as the Romans do," says one Mexican government official "When in Washington, do as people inside the beltway do."

[From the New York Times, May 23, 1991]

Trauma Centers Are Closing Down—At Least 60 Fiscally Troubled Hospital Sites Are Shut, Congress Study Finds

WASHINGTON, May 22.—Money troubles have put at least 60 hospital trauma centers out of business, particularly in violent inner cities where speedy treatment is often a matter of life or death, a Congressional study has found.

"Closing more centers could threaten access to treatment of severe injury in some metropolitan areas" and "jeopardize the lives of many severely injured Americans," the General Accounting Office reported Monday.

The agency, the auditing and investigative arm of Congress, said that at least 60 trauma centers had stopped operating in the past six years. It said that 370 hospitals were still designated as trauma centers, but that many were under severe financial strain and might not survive.

The study was requested by Senator Donald W. Riegle Jr., a Michigan Democrat who is chairman of the Senate subcommittee on health for families and the uninsured. He said the study showed a need for "comprehensive reform" of the health care system.

FINANCIAL CHOKE HOLD

"Trauma centers can't stay open when their losses mean a financial choke hold on the hospitals that run them," Mr. Riegle said.

The Congressional agency reviewed 35 trauma centers in Chicago, Detroit, Los Angeles, Miami, San Diego and Washington. Of those, 15 have closed in the last five years, 12 of them because of financial hardship.

Most of the centers still operating are losing money.

The high cost of treating trauma patients, many of whom have no health insurance, and limited assistance from Medicaid and other Government programs are the major reasons for the crisis, the agency said. Inner-city hospitals have a disproportionately high share of uninsured trauma patients.

In 1988 dollars, the average charge per admission in a trauma center was about $12,000, as against $4,130 for each adminission in a hospital for regular acute care.

HEAVY LOSSES IN DETROIT

Henry Ford Hospital in Detroit provided about $15 million worth of uncompensated trauma care and other emergency services, said Thomas McNulty, the hospital's senior vice president. Bad debts for such treatment totaled another $15 million, he said.

A partial solution to the problem may be "doing a better job at triage," weeding out those who are not facing emergencies, Mr. McNulty said.

The trauma system developed from the wartime experiences of military doctors. During World War II and later conflicts, they discovered that speedy treatment and availability of skilled surgical teams were keys to saving lives of badly injured soldiers, the Congressional report said.

The system has reduced trauma death rates by up to 64 percent in some civilian hospitals.

In Washington, the system has been credited with a 50 percent decline in trauma deaths within five years. The death rate from trauma in San Diego County fell 55 percent the first year after a countywide trauma care system was instituted, the report said.

In 1985, Congress ordered hospitals participating in Medicare to give the public virtually uncontested access to emergency care services. But Federal reimbursement to emergency rooms and trauma centers is largely limited to care for patients who qualify for public health-care assistance, the report said.

Mr. RIEGLE. Mr. President, I reserve part of my time because I want to come back later and address in more detail some of the fundamental misrepresentations that exist on the other side of this debate. But make no mistake about it, this is the most important economic issue this country probably will face through the remainder of this decade.

We have to have a way to protect ourselves against the loss of the best jobs in our society which are already streaming out of America. I have a way to do that. We will not vote on it today. The majority leader has said he will do everything to enable us to bring it to the floor at a later time. I hope to have a vote at that time, and I hope to win that vote.

The PRESIDING OFFICER. The Chair informs the Senator the additional minute allocated has expired.

Several Senators addressed the Chair.

Mr. PACKWOOD. I would like to yield to the Senator from Rhode Island 15 minutes.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I was not going to get right to the point of why we are here tonight, what we are voting on, but the prior speech indicated to me there is some confusion. Why are we here tonight and what are we voting on?

We are not voting on a trade agreement with Mexico. We are not voting on whether we approve or do not approve of the Uruguay round. What we are doing, Mr. President, is voting on a procedure. We are voting on whether or not in these trade negotiations, when after consultation with the Congress of the United States the agreement is signed, with in one case Mexico, with in the other case the 100-plus nations involved in the Uruguay round, whether that agreement is going to come back to the Senate of the United States on an up-or-down vote. That is what we are deciding: a procedural matter.

We are not debating whether there are going to be jobs with low wages for Mexico or how it is all going to work out with the environmental agreements. Let us wait and see. That will be negotiated within the next 2 years. An agreement will be brought back, in one case with Mexico, in the other case with all the other nations. There we will have our choice, do we like it or do we not like it?

If it has all the flaws in it that the distinguished Senator from Michigan has mentioned, then vote against it. If it is a terrible agreement, which in his view is the way he predicts it will be, we will have a chance to defeat it at that time.

But we do not have to cross that bridge yet, Mr. President. Certainly we do not this evening. What we are here for is just to decide a procedural matter.

The distinguished Senator from South Carolina has said why do we need fast-track authority when we deal with Mexico; that is just one nation. He points out we have dealt with the Test Ban Treaty; we have dealt with SALT I: we have dealt with the INF Treaty, and he said 1,500 treaties and agreements have gone through here without any fast-track procedure.

But he knows and we all know that when a trade agreement comes up, whether it is 100-plus nations in the Uruguay round, or whether it is with Mexico, every single Senator on this floor has an amendment he would like to make.

I have plenty. Our State is a textile State. Our State is a State that manufactures jewelry. Our State is a State that deals with wire products. I want those taken care of in any agreement that comes, whether it is the Uruguay round, or the Mexican Free-Trade Agreement, and so do 435 Members in the House of Representatives. All of them have amendments. But that does not apply when the INF Treaty comes before us, or the Test Ban Treaty.

Let us look at some of the treaties we voted on just last week, and I think the distinguished Senator from South Carolina will agree they are not like any trade agreement. "The Convention for the Prevention of Pollution From Ships"; now how many Senators have any view on that one way or the other? "1988 Protocols Relating to the Safety of Life at Sea and Load Line Conventions"; those treaties, sometimes we take three at a time and vote up and down on all of them.

So to make the analogy that we have done 1,500 treaties through here since the beginning of the Republic and we do not need any fast-track procedure when we deal with the trade agreement just is not so.

As the distinguished Senator from Montana pointed out, every individual special trade representative, be he Democrat, be he Republican has said that we need this type of procedure. Indeed we do because all of us have amendments that we want to put on those agreements when they come back.

I would like to move on to the question that jobs are going to flee to Mexico. That was the pitch of the Senator from Michigan. It seems very odd to me that the Senator from Michigan, where the problems are brought about by the decline of the automobile industry and related industries, does not recognize or did not mention that the problems of that industry, which drives his State, come not from low-wage areas but from high-wage areas.

Who are these companies that the Senator is having trouble with in their competitive position? Is it with Mexico? Of course it is not. It is with Germany and it is with Japan. No one accuses those countries of being low-wage nations.

The theory somehow is that you have a country that has low wages and everybody in the United States picks up and moves there, whether it is Mexico, Taiwan, Sri Lanka, or wherever it is. That is nonsense. It has not occurred in the United States. Does everybody pick up from high-wage areas of the United States and move to low-wage areas? I can tell you they do not.

My State has the second lowest manufacturing wages in the United States of America. We are not proud of that, but it is a fact; the second lowest manufacturing wages in our country. Are we overwhelmed with manufacturing plants moving into our State? I wish we were. But the truth is we are not. That is not occurring. It certainly has not occurred in Mexico and it has not occurred elsewhere throughout the globe.

As has been pointed out by the chairman of the Finance Committee in his opening remarks, manufacturers in the United States can already go to Mexico. If manufacturers moved because of low wages, everybody would be down there. But that just has not occurred. Jobs do not flee to low-wage areas.

Now, what do we know about the proposed FTA with Mexico? We have had testimony in the Finance Committee, and particularly telling was the testimony from the head of the Caterpillar Tractor Co. There is a high-wage-paying company with labor organized by the United Auto Workers. What did he say? He pointed out two things.

First, that when Mexico has high tariffs, as they currently do, in order to obtain market access in Mexico and avoid the high tariffs going into Mexico, Caterpillar Tractor located a plant in Mexico. These tariffs will be eliminated in the free-trade agreement, if it is successful.

He also pointed out that that plant has resulted in increased jobs in Peoria, IL, and elsewhere in the United States where Caterpillar manufactures the parts that are then assembled in Mexico. Seven hundred Caterpillar jobs are directly due to the fact that they have this plant in Mexico.

Next, he pointed out that if he were starting from scratch, under a successful free-trade agreement, they would not have to locate that plant in Mexico. They would have access to Mexico and could maintain their manufacturing facilities in the United States. So logically the question is, are there not savings in Mexico? Is that not a low-wage area?

He says certainly, it is a low-wage area. But wages are not everything. The Senator from Michigan suggests that wages determine everything. That just is not true. I am not talking some ephemeral example that I have dreamed up. We are talking Caterpillar's experience with Mexico. This is straight from the testimony of the president of the Caterpillar Tractor Co.

They are not expanding their facilities in Mexico because there are many other factors involved. Productivity is certainly one of them; the capabilities of the workers, the transportation system, and a whole series of other factors are involved.

So when you take those two illustrations, the one from Mexico and Caterpillar Tractor and the other from the competition that has been extremely destructive to our automobile companies, competition from Japan and West Germany, I believe it proves that an FTA with Mexico will not have a negative impact on jobs in the United States.

What happened when Yugoslavia tried to make an automobile? Did they affect Detroit? Not at all. How about Korean automoibles? They have not affected Detroit. They have not been successful. It is the high-wage areas that have made the inroads into the automobile manufacturing capabilities of the United States.

Now, Mr. President, I would just like to point out what exports have meant to my State and what the predictions are for the future.

In 1987 in our State, we had 17,000 jobs, producing over 500 million dollars' worth of business through exports. Three years later, because of the growth of exports and the effort that is placed into it by our manufacturers, we have close to 22,000 jobs directly reliant upon exports. The value of the products we export have increased from $500 million to over $700 million.

Mexico is now the fifth largest export nation for products from my State. So Mexico is important, and we view this free-trade agreement with Mexico as being a plus when eventually negotiated. We do not know what it is going to be, but it is tailored we believe, like the free-trade agreement with Canada.

Many have said, well they talk about consultation, but they will not do it.

Let us give a little experience. Let us look at the record. I had the privilege of serving on the Finance Committee when the Canadian Free-Trade Agreement was negotiated. During the course of that negotiation there was constant consultation, certainly with our committee and other Senators who were interested.

Before that final agreement was made with Canada we knew what was in it; we knew how it would affect us. We had input into those negotiations and that will also occur in connection with the Mexican agreement.

It seems to me that the principal point of contention tonight is a free-trade agreement with Mexico and a fast-track procedure for implementation of that agreement.

I do not think anybody seriously can deny the fact that we need the fast-track procedure for the Uruguay round. If there is anybody who seriously suggests that, I think they are overlooking the real facts that exist when 108 nations try to negotiate among themselves. Moreover, they recognize that with all these Senators, all these Representatives, and every single individual who has a view on it, the trade agreement will not look anything like it did when it came here if everybody has an amendment and a vote up or down.

Mr. President, I would finally like to touch on the environment. This was a point that the distinguished Senator from Michigan touched upon.

The President has made a pledge that environmental review will be part of the negotiations. He said that there will be environmental representation on the President's advisory committee on trade policy and negotiations. Finally, he promised close consultation with Congress throughout the negotiations, which will encompass environmental consultation likewise.

Now, you might think, listening to the description that was given here, that Mexico is nothing but an open sewer with every type of pollution existing. We recognize that Mexico has plenty of environmental problems, just as we have environmental problems in this country.

It has been my experience that the best way for a nation to handle its environmental challenges is for that nation to be come a wealthier nation. If we can increase the wealth of a nation and make it more prosperous, then it will be in a greater position to attack its environmental problems.

Does any Senator here think that anyone in Bangladesh is concerned about environmental problems? They certainly are not; they are just trying to survive. And so it is in many nations in the world. If Mexico's economy is improved, if Mexico's income is increased, then Mexico's ability to deal with its environmental challenges will be greatly improved.

Does the man at the helm in Mexico care about all of this? I will just note the following: President Salinas was awarded the Inaugural Earth Prize for Distinguished Leadership in Environmental Statesmanship. This is an award that has come to the President of Mexico for the efforts that he has made to deal with environmental issues. The other recipients of this award are the Prime Minister of Norway, the executive director of UNICEF, and others.

So, Mr. President, following up on what our chairman, the distinguished Senator from Texas, said in his opening remarks, there is but one more note about the efforts that President Salinas is taking to improve the environment of Mexico. In 1992, all automobiles sold in Mexico will be required to have catalytic converters. This is necessary to reduce the tailpipe emissions from automobiles sold in Mexico.

You might think, where have they been? We have had catalytic converters since 1972. What is the matter with Mexico? Well, listen to this: the European Community does not yet require catalytic converters in automobiles sold in the European Community. So the step that Mexico is taking is a significant one in an effort to decrease the smog that exists within their nation and reduce the pollution that comes from automobiles.

Mr. President, Mexico is making an effort to improve its environment; hopefully, this trade agreement will assist this effort and improve the economies in both the United States and Mexico. This is not a one-way street. But after listening to the Senator from Michigan, you would think we were doing everything for Mexico.

The PRESIDING OFFICER. The Chair informs the Senator the time allocated to him has expired.

Mr. CHAFEE. May I have 3 minutes? I will not use it.

Mr. President, we in Rhode Island believe that a United States-Mexican Free-Trade Agreement is good for us. As a U.S. Senator, it is a deal that I believe potentially is good for the United States of America and, if it is not, I will not vote for it. The Congress will have that decision when it finally comes here for us to vote up or down, yes or no.

Finally, Mr. President, on the environmental front, I would like to say that the President of the National Wildlife Federation, the Nation's largest environmental organization, printed a letter on Sunday, May 19, in the New York Times, favoring the United States-Mexican Free-Trade Agreement. So those who suggest that the agreement will result in an environmental disaster, and that we should have nothing to do with it, are not observing the facts.

This evening, I hope we will approve the fast-track procedure for the Uruguay round agreement and the proposed Mexican Free-Trade Agreement.

Mr. President, I ask unanimous consent that an article from the New York Times dated May 19, 1991 entitled "Nature Can Live With Free Trade" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 19, 1991]

NATURE CAN LIVE WITH FREE TRADE

(By Jay D. Hair)

WASHINGTON.—President Bush's commitment linking the environment and free trade has made it possible for environmentalists to support putting the negotiations on the U.S.-Mexico pact on the fast track." The National Wildlife Federation can thus confidently call for Capitol Hill's endorsement of this process, which would prohibit amendments to the trade agreement and force Congress to accept or reject the accord in its entirety.

While Mr. Bush's position is not all that many environmentalists might want, the ideal should not be the enemy of the good. His word is his marker. The job ahead is to forge environmentally sound free-trade agreements, beginning with Mexico. We should not obstruct a path that can lead to significant international benefits.

When a handful of environmental groups first stepped into the free-trade discussion, they were greeted with condescending incredulousness by financial experts who viewed the talks as belonging to a closed club devoted excusively to commercial considerations. That presumption—that environmentalism and economics don't mix—has been punctured.

International trade is increasingly the basic way our planet's natural resources are allocated. The rules of trade profoundly influence whether these resources will be protected or degraded. The same rules determine whether pollution will be prevented or allowed to spread, harming all life on earth.

Free trade agreements are scripts from which we can read a future of sustainable development or accelerated environmental deterioration. If we get the script wrong, then the stage is set for costly and avoidable mistakes. From now on, free trade pacts are inherently statements of environmental policy

Mr. Bush has adopted this concept. His embrace is tentative, but that is less important than the precedent he has set. He has made the commitment that for the first time in free trade history, an environmental review will be part of the negotiations. This is a crucial step. Certainly, further strides will be necessary.

Mr. Bush has offered a framework within which the hard details of meshing environmental and free trade concerns can be worked out. It should be accepted as such, with a clear understanding that the structure is far from complete.

In its talks with Mexico, the United States should negotiate the enforcement of environmental standards and the adoption of a "polluter pays" principle for investment that results from the agreement. Discussion of these issues, from an environmental perspective, implies a good-faith commitment that all the talk will produce action.

At the same time, environmentalists must nor evade the logic of free trade. The means of addressing environmental concerns are directly tied to economic development. If environmental progress is not to remain solely the property of affluent nations, developing nations must have their fair shot at progress. Free trade incorporating sound environmental principles enhances that prospect of advancement.

Advocates argue that the underlying argument for free trade is that it will improve business conditions. Trade is intended to spur progress, not dismantle it. In this light, the President's commitment to protect U.S. environmental standards from attack as non-tariff barriers to free trade must govern the negotiations with Mexico.

President Bush has made two additional pledges. One is to include environmental representation on his advisory committee on trade policy and negotiations. The other is to consult closely with Congress throughout the negotiations for a free-trade agreement; this offer to maintain the dialogue should be taken seriously by all involved.

The President has pledged to deal effectively with the environmental aspects of a free trade agreement. So it is fair to take him at his word—and to hold him to it.

His commitment should be reciprocated by Congress; it should grant fast-track authority to begin the free trade negotiations with Mexico in earnest.

Mr. HOLLINGS. I yield 10 minutes to our distinguished senior colleague, the senior Senator from South Carolina [Mr. THURMOND].

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise today in support of Senate Resolution 78 which will disapprove the extension of the fast-track procedures for congressional consideration of trade agreements which was recently requested by the administration.

Mr. President, since 1986 the previous and the current administrations have been negotiating the Uruguary round of the General Agreement on Tariffs and Trade [GATT]. The negotiators have worked to improve the trade rules that had been implemented in the previous seven GATT rounds. The major areas of negotiations have focused on agricultural trade, services and trade related to foreign investment, as well as protection of intellectual property rights.

The President has also proposed negotiating a Mexico Free-Trade Agreement. In negotiating such an agreement, the major areas of emphasis will be the elimination of tariffs, the elimination of nontariff barriers such as import quotas, licenses and technical barriers to trade, protection of intellectual property rights, and the improvement as well as the expansion of the flow of goods, services and investment between the United States and Mexico.

In 1988, Congress approved fast-track procedures which prevent Congress from amending trade agreements submitted for approval by the administration. The current authority for fast-track procedures expires on May 31, 1991, and the administration has requested a 2-year extension. If either body of Congress passes a resolution denying fast-track procedures before the deadline, then these procedures will not be extended.

While the current trade negotiations may be helpful to some of the industries of this country, they will be devastating to the domestic textile industry. It is estimated that over the 10-year phaseout period of the Multifiber Arrangements, as proposed in the GATT talks, the domestic textile and apparel industry could lose as many as 1.4 million jobs. Further, the industry could lose two-thirds of its production capacity. Some sectors of the textile industry would also be opened to unrestricted imports immediately, so they would not have the phaseout period to adjust to the agreement.

During the last 10 years, the national textile and apparel industry lost approximately 400,000 jobs. Further, 332 textile plants were closed, with 174 of these plants located in South Carolina. According to the U.S. Department of Labor, South Carolina lost 2,600 textile jobs during 1989. In 1990, South Carolina lost 5,400 jobs in the textile industry and 4,000 jobs in the apparel industry. From 1980 to 1990, South Carolina lost 42,643 jobs in the textile and related industries. The work force in South Carolina for the textile and apparel industry has decreased almost 10 percent since 1980. All of these lost jobs and disruptions have occurred with our current trade laws and policy. The proposed changes included in GATT will have an even more detrimental effect on this most important industry.

Mr. President, American businesses have been harmed by imports because our industries are not able to compete with foreign countries on an equal basis. If they did, our businesses could compete with those of any nation. However, our industries cannot be expected to compete or should they have to, with foreign industries that have unfair advantages.

One example where American business cannot compete is the wages paid to employees. Wage rates in Mexico average less than $10 a day. While American workers average nearly $10 an hour. The advantage of hiring one worker for a week for what it costs to hire a worker in another country for just one day is an unfair advantage that foreign countries should not be allowed.

Furthermore, many foreign businesses operate free of the health and environmental regulations that we believe essential to the protection of our workers and environment. In 1991, the United States will spend $24.40 per capita on environmental protection, while Mexico will spend only $0.48. Although Mexico has health and environmental regulations, they are not as stringent as those in the United States. Therefore, companies that operate in Mexico will only have a moral obligation to protect workers and the environment with standards as high as those encountered by businesses in the United States.

Mr. President, our current trade agreements have caused much damage to our domestic industries. We cannot allow these industries to be further harmed by current and future trade negotiations. The legislation we are debating today will not prevent consideration of the GATT agreement or a Mexico Free-Trade Agreement. It will simply take these agreements off the fast-track procedures so that provisions with regard to individual industries may be considered separately rather than as one package. This will help assure that all industries are getting a fair deal in trade negotiations. If the administration is confident that a fair trade agreement has been negotiated, there should be no objections to allowing the agreement to be carefully scrutinized.

Mr. President, last year the American textile industry celebrated its bicentennial. Congress passed House Joint Resolution 518 designating a week in October 1990 as "American Textile Industry Bicentennial Week" in honor of this occasion. The resolution states in part that this "industry has played a major role in the development of the American economy, social system and political history over the past 200 years." I am concerned that if the proposed trade agreements are implemented the textile industry as well as many other industries will not play as important a role in the next 200 years.

Mr. President, I urge my colleagues to support this measure to help keep jobs and workers in this country.

Mr. President, I just want to say this: The American textile industry represents 1 of 11 manufacturing jobs in the United States. In other words, 2.1 million workers, and it employs more women and more minorities than any other industry in this Nation. The American textile industry has been ranked number one in safety by the National Safety Council in 3 of the last 4 years. The American textile industry is larger than the paper, petroleum, primary metals or automobile industries combined. The American textile industry contributes over $50 billion to the Nation's gross national product.

I say this again, Mr. President, that in the last 10 years, 1980 to 1990, in this country we lost 453,000 jobs. In my State alone, we lost 42,600 jobs. And in the last 10 years, 1980 to 1990, 332 mills closed in the United States. My State lost 174 mills.

Mr. President, in all fairness, what is the objection to turning down fast track so we can offer amendments, if we need to offer them? If we do not, OK. But why foreclose and shut out and prohibit anybody from offering any amendment? It just does not make sense. It is not fair.

Mr. President, I want to say that we should allow amendments to be offered on those trade agreements, and we should kill the fast-track procedures.

• Mr. HELMS. Mr. President, as an original cosponsor of Senate Resolution 78, I urge my colleagues to take the time to review carefully the ramifications that fast-track extension will have on our country. Based on what we already know about the Uruguay round of the GATT talks, I am convinced that an extension of fast-track authority will have a devastating impact on the textile/apparel industry. Furthermore, a free-trade agreement with Mexico could also cause a major shift in our longstanding foreign policy toward Cuba.

Mr. President, the first objection I have to an extension of fast-track authority for trade agreements is that it is an abdication by Congress of its constitutional responsibility to regulate international commerce. As trade negotiations have moved beyond simple tariff reductions and into extensive modifications of domestic policy, active and aggressive participation of Congress is essential. Otherwise, Congress will have almost no control over the significant changes that will be proposed in both our international trading relationships and our domestic economic policies.

The administration responds that Congress will have input during the negotiations. Well let us look at one example of how well the administration has listened to the recommendations of Congress.

Between April 1989 and September 1990, approximately 35 meetings were held between representatives of the textile/apparel industry and staff from the office of the U.S. Trade Representative. These meetings were designed to explore with the administration various ways to solve the import problems confronting the textile/apparel industry.

In late 1989, the administration proposed that a system of global quotas could be used as a basis for a phaseout of the Multifiber Arrangement in the Uruguay round. This phaseout arrangement would last 10 years and would be linked to stronger GATT rules on other issues, such as dumping, subsidies, and so forth. It would also be linked to greater market access, particularly in the developing country markets for U.S. exports of textiles and apparel. It was also indicated by the U.S. Trade Representative's Office that there would be no significant cuts of U.S. tariffs on textile and apparel imports. This commitment was appropriate because the industry would already be giving up quotas over this 10-year period.

By April 1990, it became clear that the administration was not serious about pursuing a global quota system in the Uruguay round negotiations. Consequently, we reintroduced a textile bill that was very similar to the global quota approach proposed by the administration. The Senate passed that legislation by a vote of 68 to 32, the highest margin ever. The House of Representatives also passed the bill by the highest margin ever.

Did the administration heed this statement by the Congress? Not at all. First, the President vetoed the textile bill. Then, after Congress failed to override the President's veto, our U.S. Trade Representative's Office made a major shift in the U.S. textile proposal in Geneva and agreed to a phaseout mechanism that will be extremely damaging to the U.S. industry and its workers.

Moreover, our negotiators offered to cut textile and apparel tariffs by 33 percent, a direct contradiction of the earlier commitment with regard to tariffs.

Mr. President if other Members of this body are being assured that our negotiators will heed their input, I suggest they consider how much attention our negotiators have paid to Congress' clear voice regarding the importance of our textile industry.

Let me say at the outset that before Congress agrees to the fast-track proposal, Congress has a duty to know whether this is a fast track to American oblivion. A lot of people are wondering which American jobs the U.S. Trade Representatives will sacrifice this time.

Mr. President, I have reliable evidence that the USTR has had a deliberate plan to surrender the key American industries of textiles, steel, and automobiles. Sometime ago I was given an internal USTR memorandum on the strategy for the Uruguay round, prepared in 1984.

This internal USTR document was provided to me by a former official of that office. I have absolute confidence in the authenticity of the document and the integrity of the source. The document is entitled, "Strategy for New Multilateral Negotiations." One section of the document is actually entitled, "What we want, what we have to give." The trouble is that they are not giving away their industry; they are giving away other people's industries and other people's jobs.

Mr. President, let me read the key sentence in this astonishing document: "In order to get what we want from these negotiations, we will have to address U.S. policies affecting the commercial interests of other countries. Many foreign concerns focus on U.S. import restrictions in basic industries such as textiles, autos and steel."

Now, this was never disclosed to the American people, but this is precisely the plan that USTR followed. Apparently, the USTR was willing to sacrifice American jobs.

Mr. President, I ask that this document be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, I just do not buy the argument that fast-track authority is essential to a successful negotiation of new trade agreements. More than two dozen major multilateral agreements have been approved and ratified by the Congress since 1960 without fast-track procedures.

In fact, I believe that such fast-track authority encourages our trade negotiators to strike less favorable deals for domestic industries. It is much more difficult for our trading partners to make concessions during negotiations; however, with fast-track authority, our negotitators are able to—and do—trade off specific sectors of our economy at the negotiating table.

Mr. President, I cannot understand the administration's argument that our trading partners will not even come to the negotiating table if our negotiators don't have fast-track authority. In the Uruguay round of the GATT talks, the European Community negotiators do not have a comparable fast-track procedure. They must gain the approval of the representatives of their 12-member nations before they can agree to any concessions. Nevertheless, the United States still shows up at the negotiating table. Maybe our trading partners know something our negotiators don't.

In an article that appeared recently in the Harvard Business Review, Clyde Prestowitz, Alan Tonelson, and Robert Jerome provide an excellent analysis of why our negotiators repeatedly negotiate agreements that sacrifice important sectors of our economy.

The authors refer to our negotiators as "GATTists," which they define as those who "have been blinded by * * * a belief, bordering on a religious faith, in the power of ever-more detailed trade rules to solve major domestic and international economic problems; and a corresponding belief in the ability of the United States to impose its economic views on its trading partners."

Mr. President, the authors get to the heart of our trade problems when they observe that our negotiators naively "assume that countries will sacrifice individual interests and national sovereignty to create benefits for the world as a whole."

The authors go on to explain that, "World trade negotiators now routinely seek infringements on sovereignty that nations will not and, in many cases, should not accept. When pressed, most nations legitimately point to the still dangerous world they live in and cite their understandable desire to set their own economic, social, and political priorities. GATTists then castigate them as retrograde and protectionist. The real problem, again, is not with these nations but with the GATTist doctrine, which demands that nations act against their own self-interest or, more precisely, that they adopt a new and historically unproven definition of their self-interest."

Mr. President, I ask that a copy of this article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 2.)

Mr. HELMS. Mr. President, the administration is selling this fast-track procedure by making grand predictions of the benefits that will result from a new GATT agreement. Well, we have heard that before. The same argument was made after the Tokyo round in 1979; yet, as trade concessions we made at the Tokyo round were phased in during the 1980's, our trade deficit went through the roof.

Mr. President, the administration has predicted that a Uruguay round agreement will increase U.S. domestic output by $125 billion in its first year. However, an independent study of these claims by the Economic Strategy Institute demonstrates that the claims of financial benefits to our economy are based on unrealistic assumptions and are grossly overstated. In fact, the ESI study reveals that the most likely Uruguay round scenario would result in an increase in domestic gross domestic production more along the magnitude of $18 billion, not $125 billion.

I ask that the entire text of the ESI study be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 3.)

Mr. HELMS. Mr. President, even if we believe everything the administration predicts about the outcome of the Uruguay round, I still have serious concerns about the fast-track procedure because of the devastating effect an agreement will have on our domestic textile industry.

Based on what we already know about the negotiations affecting textiles, a new GATT agreement will result in the loss of approximately 1.4 million jobs in the textile/apparel industry over the 10-year phaseout period. Those job losses would be felt most heavily in my State, North Carolina. In fact, it is estimated that in North Carolina alone, the combined textile/apparel industry will experience a loss of more than 223,000 jobs; related industries will lose more than 10,000 jobs.

Mr. President, when I hear predictions of such enormous job losses in the textile/apparel industry, I am particularly concerned because of the drastic erosion already taking place in that industry. During 1990, the textile mill sector in North Carolina experienced a loss of 10,100 jobs. Apparel employment dropped by approximately 2,400 jobs.

Mr. President, let me turn now to a few of the major problems I see with the proposed free-trade agreement with Mexico.

First, I share the well-documented concerns that any free-trade agreement with Mexico will result in a substantial flight of jobs from the United States. While most countries have governments that foster industry and economic development, the U.S. Government is often the greatest adversary of business. It doesn't take a genius to examine the various burdens that Congress places on domestic businesses, compare them to the business practices in Mexico, and reach the obvious conclusion that employers will be scrambling to take advantage of the low cost of business south of the border.

Mr. President, as I stated during the Mexico free-trade hearings held in the Senate Foreign Relations Committee, this is an issue that clearly has very serious foreign policy implications. Mexico Free-Trade Agreement negotiations should not, and must not be separate from discussions on the political and social characteristics of Mexico. Any agreement with Mexico which does not take into consideration these aspects cannot be positive for the United States.

Some have attempted to say: "We have done it with Canada, why can't we do the same with Mexico?" With all due respect, the only thing Mexico and

Canada have in common is that they are both contiguous to the United States. Beyond that, they are not similar in any respects.

Let's look at the per capita income of these countries: in the United States, it is $21,082; in Canada, $19,600; and in Mexico, $2,165. By the way, the per capita income of Germany, the richest economy in Europe, is $15,000. So it is one thing to make an agreement with Canada, where the standard of living is above the richest economy in Europe, but how can the United States possibly be equal partners with Mexico when there is such economic disparity between the two countries?

Mr. President, many people believe that President Salinas of Mexico has made some positive steps in that country. The argument has been made that the United States should hurry up and come to a speedy agreement with Mexico while President Salinas is still in office. Now, I am prepared to give President Salinas the benefit of the doubt. But he will be the President for only three and one half more years. A free-trade agreement obviously lasts forever.

The issue with Mexico is not President Salinas. The issue is Mexico's lack of democracy. Mexico has been a one-party state for more than 60 years. The few positive changes made by President Salinas do not constitute freedom and democracy.

Mr. President, there are several non-economic issues that must be considered in any trade discussion with Mexico. I would add that these were never relevant with respect to Canada. I believe that the workers in the United States will be the losers if a free-trade agreement does not take into consideration a number of factors.

Perhaps the single most important problem in Mexico today is the institutionalized corruption. Massive corruption can be found at every level in the Mexican Government, as well as in Mexican industry. In Mexico, corruption is a way of life, and it is a fact that even my Mexican friends admit. A free-trade agreement must be based on good faith by both parties. But that is difficult when corruption is so pervasive in one country.

Then, there is the fear that free trade across borders will mean that everything and everybody will cross the borders freely. That means that illegal drugs and illegal aliens will be able to cross the borders more easily.

Mr. President, I have been informed that the issue of involvement in drug trafficking by Mexican Government officials will not be "on the table" at the negotiations of the free-trade agreement. President Salinas has had a few minor victories in the war on drugs. But at this point it could hardly be characterized as a serious war. It is well known that President Salinas' chief law enforcement officer—the Attorney General—has ties to major drug traffickers and money launderers. Furthermore, he is known by Mexicans to have presided over the coverup of the brutal murder of the U.S. Drug Enforcement Agent, Enrique Camarena.

Corruption, drug trafficking, and human rights abuses are common and well-documented among senior law enforcement officials in Mexico.

Mr. President, it will be a sad day in United States history if United States negotiators lead the Mexicans to believe that the United States wants a free-trade agreement at any cost—even it is means turning a blind eye to the dangerous flow of illegal narcotics coming across our southern border and contributing to crime in our neighborhoods.

Mr. President, there are numerous other issues which need to be addressed by the United States. And I remind you that not one of these was relevant to the agreement with Canada. What about lack of environmental controls in Mexico? What about massive capital flight out of Mexico? What about the serious problem of child labor in Mexico? Not one of these problems exists in Canada.

So, I ask my colleagues, "Is it possible to have a free and fair trade agreement between two societies with such different standards of decency and social justice?"

Finally, Mr. President, there are some very important foreign policy implications that must be considered before we commit Congress to a fast-track procedure for a United States-Mexico Free-Trade Agreement.

The Mexican Free-Trade Agreement will provide Cuba—and Brazil—an economic windfall by allowing them to substantially increase their exports of citrus and citrus products into and possibly through Mexico.

It will allow Mexico to substitute Cuban and Brazilian citrus for its own needs, while dumping its domestically produced citrus and other agricultural products into the United States. This will result in Cuba being able to substantially increase its exports of citrus and citrus products to Mexico.

Mr. President, Mexico was one of the first countries to recognize and establish relationshps with the Castro regime after the overthrow of the Batista dictatorship. In spite of the United States efforts to isolate Castro and his Communist regime both politically and economically, Mexico has maintained close political and economic ties with them. Mexico is Cuba's closet friend and strongest ally in the Western Hemisphere.

Mexico presently has as many acres of citrus planted as Florida, but it uses most of it—approximately 80 percent—for domestic fresh fruit consumption, exporting only 20 percent of its citrus production. Cuba also has major citrus plantings. In fact, Cuba has as many acreas of grapefruit as does Florida. A free-trade agreement will permit Mexico to divert up to 100 percent of its citrus production for export into the United States, meeting its own large domestic needs by importing citrus directly from Cuba and Brazil.

One of Communist Cuba's greatest needs is to import oil to keep its economy running. Until recently, it had exported its agricultural products to the Soviet Union in exchange for vital imports of oil. However, now that the Soviet Union's economy is in shambles and the Soviets are requiring hard currency for their oil, cuba isn't receiving the necessary oil it needs—and its economy is hurting.

Where can Cuba turn for its oil needs? Cuba can turn to its good friend Mexico. So Cuba takes its nationalized natural resources, its citrus and agricultural products, and exchanges them for Mexico's nationalized oil and gas.

Mexico then takes Cuba citrus and agricultural products and uses them as import substitutes, so that it can export even more Mexican citrus, vegetables, and other agricultural products into the lucrative United States market under a free-trade agreement.

A free-trade agreement will also adversely affect our relationships with the countries involved in the Caribbean Basin Initiative [CBI]. The fragile economies of many of these nations will be undermined by being thrown into direct competition with Mexico. The CBI currently excludes Cuba from its benefits until Cuba becomes a free country. Nevertheless, Cuba will be the obvious beneficiary in the Caribbean under a United States-Mexico Free-Trade Agreement.

Our trade representatives will reverse our CBI exclusion of Cuba by giving them a back door to sell to the United States either directly or indirectly through Mexican import substitution, which will be totally legal under a free-trade agreement.

The administration, with the aid and assistance of Congress, will be throwing Castro's Communist Cuba an economic life preserver, which will be handed to the Cubans by their good friends, the Mexicans—all at the expense of the American farmer.

A free-trade agreement, coupled with Mexico's expansive trade relationship with Cuba, effectively reverses almost 30 years of United States foreign polity to isolate, politically and economically, Fidel Castro and his Communist regime.

Mr. President, this is not just a trade issue. It is a complex foreign policy issue that goes beyond the expertise of our trade representatives and should be carefully reviewed by Congress. Congress should not give our trade representatives the power to undermine and reverse 30 years of U.S. foreign policy and the CBI by granting an extension of fast-track authority.

Mr. President, Congress must retain its responsibility under the Constitution to be able to modify any agreement to protect the well-founded concerns of the American workers.

EXHIBIT 1

STRATEGY FOR NEW MULTILATERAL TRADE NEGOTIATIONS

At the Williamsburg Economic Summit, President Reagan and the heads of government of other major trading nations agreed to the preparation of a new negotiating round in the GATT. The launching of new multilateral trade negotiations has become one of the key trade policy objectives of the United States. We believe it would make a crucial contribution to the revival of sustained non-inflationary growth in the world economy, and thus help assure a continued high-rate of economic growth in the United States.

The launching of new multilateral trade negotiations has also become an essential prerequisite for rolling back the accumulation of restrictive trade measures in recent years. Trade barriers and protectionist pressures have increased in recent years as a result of slow economic growth in many parts of the world, difficult adjustment problems in basic industries here and elsewhere, the large debt burden in many developing countries and the burgeoning US trade deficit. This protectionist environment makes trade liberalization a difficult goal to pursue either at home or abroad.

The very economic conditions that have led to protectionism make trade liberalization essential. Liberalization would help Europe to increase its economic growth by improving the allocation of economic resources and by expanding export markets, increase export markets for the developing countries and thereby relieve their debt problems, help the U.S. to maintain market oriented trade policies by reducing trade distorting policies abroad, and reduce the U.S. trade deficit through increased export opportunities.

The international response to US proposals for new multilateral trade negotiations in the GATT has been mixed. The Japanese government, under Prime Minister Nakasone's direction, has been taking an active leadership role. The European Community has been generally supportive, though it has been handicapped by French opposition and internal resistance to reform of its own agricultural trade policy. Major opposition, however, has come from India, Brazil and some of the other major developing countries. These countries are struggling with internal economic adjustment problems and are reluctant to address the liberalization of their own trade policy regimes or accept new trade disciplines in services or high technology. Moreover, developing countries that support new negotiations, such as Korea and the ASEAN countries, are reluctant to voice their support publicly for fear of being ostracized by the other developing countries.

The time has come for the major trading countries to exercise the necessary leadership by agreeing to initiate negotiations among themselves and any other countries that agree to participate. It is highly likely that the majority of countries would decide to participate if the large industrial countries decided to go ahead with negotiations. The key to success at this point is to get a decision among the major countries on initiating negotiations despite the continued opposition of key developing countries.

Although the United States is domestically handicapped by the large trade deficit, we are in the best position to provide the necessary leadership to get negotiations underway. Europe has weaker economic growth, is internally divided, and will have new leaders at the Commission in January. Japan continues to have credibility problems, and is reluctant to throw its weight around. Many developing countries are looking for American leadership, since they find it too difficult to make a decision on a consensus basis.

US leadership has to involve the use of both a carrot and a stick. We have to lay out the basis for a negotiation that will be in the commercial interest of all the countries that might participate. We also have to make it clear that in the absence of a broad agreement to negotiate in the GATT, the US will pursue negotiations with any group of countries or any particular country that will negotiate with us. In addition, we have to put countries on notice that we will take whatever actions are necessary to defend our own commercial interests. By clearly laying out the options, we would demonstrate that other countries cannot postpone a decision on negotiations indefinitely. Each country will have to choose between negotiating with us multilaterally, or dealing with us bilaterally.

There are at least two advantages to be gained by laying out possible US intentions with respect to trade negotiations. First, we would increase the incentive of other countries to join broad-based multilateral negotiations in the GATT. Second, we would expand US trade policy opportunities in the long run. The alternative options of negotiating among a relatively small group of countries (plurilateral negotiations) or with individual countries (bilateral negotiations), would be a useful tactic in getting negotiations off the ground. They may also be potentially viable US trade policy approaches that could complement any GATT-based multilateral trade negotiations.

In addition to laying out our negotiating options, we must also take actions over the next couple of months to convince other countries that we will do what is necessary to defend our commercial interests. The Omnibus Trade legislation passed by the Congress in October strengthens the President's hand in dealing with various unfair trade practices. By initiating a few cases under the new trade bill, we would convince other countries, Congress and the US public that the US government is serious about dealing with unfair trade practices and will do so either by negotiation or by unilateral actions.

WHAT WE WANT, WHAT WE HAVE TO GIVE

What we want from new multilateral trade negotiations is the reduction of barriers to US exports and the development of new trade rules in areas of policy affecting US trade interests. The principal US objectives are: a) the establishment of strict limits on the use of agricultural export subsidies, to remove the major obstacle to US agricultural exports; b) the development of rules that would limit the introduction of new barriers to trade in services and establish the basis for the negotiated reduction of existing barriers to services in the future; c) the reduction of barriers to US exports of high technology products, including restrictive government procurement and standards practices in telecommunications, inadequate protection for intellectual property rights in computers and pharmaceuticals, and reduction of high tariffs on electronic equipment and parts; d) establishing limits on the use of investment-related trade barriers such as local content and export performance requirements; e) strengthening existing GATT rules on safeguards and dispute settlement, to assure the credibility of GATT rules as a basis for fair trade.

We would also like to establish the basis for an expanded and strengthened multilateral discipline for foreign investment. Past US proposals regarding a "GATT for Investment" were unsuccessful, but we must try again to persuade other countries of the desirability for such rules.

In order to get what we want from these negotiations, we will have to address US policies affecting the commercial interests of other countries. Many foreign concerns focus on US import restrictions in basic industries such as textiles, autos and steel. In the area of services, foreign concerns focus on restrictions imposed by US regulatory agencies, in particular at the state level. In agriculture, foreign concerns are directed at both our Section 22 quotas and export credit practices.

Beyond the issues outlined above, we will need to address the possibility of broader tariff cuts. In light of the large U.S. trade deficit, proposals for new tariff reductions are not likely to find much domestic support. At the same time, it is difficult to conceive of a successful negotiation without a major tariff cut; also, it will be difficult to convince developing countries to cut their own very high tariffs without tariff cuts by the developed countries. What we may need to do is to agree that tariffs should be included in the negotiations, but defer negotiations until a time when the economic environment has improved.

TIMING AND ORGANIZATION OF THE NEGOTIATIONS

Our aim should be to start the negotiations at the beginning of 1986. With the strong political commitment of key countries, such a timetable is realistic. If the start of negotiations is delayed much longer, they would lack the credibility to influence economic decisions concerning global economic recovery, and fail to stave off growing protectionist pressures that could push the world toward increased trade restrictions over the years ahead.

Staff work has been underway in the GATT for the past two years on many of the negotiating issues that we would like to include in new multilateral trade negotiations. Some of the issues are sufficiently well prepared so that negotiations could start early next year; other issues may not be ready for negotiations to begin until January 1986. These and other considerations will dictate a more flexible approach to negotiations than in the past. We envision an early start on some issues (agriculture, safeguards), and an agreement to include other issues in negotiations at a later date after further preparations have been completed (services).

CONSULTATIONS LEADING UP TO NEGOTIATIONS

Discussions are underway among the US, Japan, the European Community and Canada on a Quadrilateral Trade Ministers meeting in early February. Our aim should be to reach agreement at that meeting on an agreed strategy for launching the new multilateral trade negotiations, following agreement at the Quadrilateral meeting in June 1984 on the contents of such negotiations.

The Quadrilateral trade ministers meeting will be followed by a meeting of the CG–18 (GATT Steering Committee at a deputies level) in March, which will provide an opportunity for the Quadrilateral countries to convey a coordinated political message to the rest of the world trading community.

This will be followed by the annual OECD Ministerial Meeting in mid-April in which we should use the Communique to clarify the commitment of OECD countries to launch new multilateral trade negotiations. A few days later, there will be a ministerial meeting of the Development and Interim Committees to discuss the world economic situation, including the link between finance and trade. This meeting will provide an opportunity to achieve broader understanding of the economic necessity for new trade negotiations, and to make clear to developing countries the intention of developed countries to launch negotiations by the beginning of 1986.

If everything goes according to plan, the stage would be set by early May for the key trading countries to announce their intent to launch new multilateral trade negotiations. We have indications that Germany, as host of the 1985 economic summit, would like to see a political decision on the launching of new multilateral trade negotiations.

The Bonn Summit may be followed in late May by a meeting of trade ministers from 16 key developed and developing countries in Stockholm, Sweden. This meeting would provide the occasion for a show-down between developed and developing countries on the nature, content and timing of new multilateral trade negotiations.

The next step in the process would occur in early July with a special session of the GATT Contracting Parties to consider the report being prepared by a group of wisemen established by the GATT Director General, Arthur Dunkel. We expect the wisemen's report to recommend the launching of new negotiations. Following the Contracting Parties Meeting in November, we would expect those countries that are prepared to participate in new multilateral trade negotiations to organize a Preparatory Committee, whose job it would be to organize the negotiations.

ALTERNATIVES TO MULTILATERAL GATT NEGOTIATIONS

Over the past few years, the United States pursued a number of bilateral free trade initiatives, including the Caribbean Basin Initiative, the free trade area with Israel, and sectoral free trade discussions with Canada. Senior US officials have also floated the possibility of free trade area negotiations with the ASEAN countries and other countries in the Pacific. These new initiatives by the United States have raised concerns in many quarters about continued US support of the GATT and the future evolution of the multilateral trading system. Free trade arrangements between countries are legal within the GATT, and need not be inconsistent with multilateral trade liberalization efforts. For example, the Kennedy Round of Multilateral Trade negotiations coincided with an expansion of the European Economic Community. Nevertheless, since the United States has been the major supporter of the GATT over the years, our pursuit of bilateral free trade arrangements does raise broader political and economic questions.

The concern of other countries about bilateral trade liberalization initiatives by the United States has had the welcome effect of making other countries more flexible in their attitudes toward new multilateral trade negotiations. In the recently passed Omnibus Trade Bill, Congress gave the Administration authority to negotiate bilateral reductions of tariffs. The implications of this provision has not been lost on our trading partners. Signals that the United States has not abandoned the consideration of bilateral free trade arrangements can be useful in the months ahead in building support for multilateral negotiations.

Over the months ahead, the Administration will need to examine the substantive desirability of negotiating free trade area arrangements with countries in the Pacific region, either as a substitute multilateral trade negotiations (should our attempts to launch them fail) or as a complement to such negotiations. Until such a review has been completed, discussion of this possibility needs to be characterized as informal ideas for tactical reasons. In any case, no formal discussions could begin until after the Senate Finance Committee and the House Ways and Means Committee have had 60 days to consider a concrete proposal for opening up negotiations with any country (other than Israel).

Another opportunity for bilateral negotiations has been opened by Congressional passage of the new GSP legislation, which authorizes the Administration to negotiate expanded tariff preferences in exchange for trade concessions by advanced developing countries. The Administration should make an early announcement of how it intends to implement this legislation, what we are prepared to offer specific developing countries in terms of expanded GSP benefits and what we want from them in terms of expanded market access for U.S. goods and services. Such an announcement could be useful in reminding developing countries that in the absence of multilateral negotiations, their only recourse is to negotiate with us bilaterally.

Another negotiating alternative we must consider is the possibility of plurilateral trade negotiations outside of the GATT among a group of interested trading countries. If the key developing countries do not accept a decision by developed countries to pursue trade negotiations in the GATT, the question arises how negotiations among developed countries might be organized. Another question that will need to be addressed is whether the results of such plurilateral negotiations should be extended to non-participating countries on a Most-Favored-Nation basis. A structured effort within the U.S. Government to address these questions could in itself send a signal that we are serious about this possibility.

UNILATERAL ACTIONS TO DEFEND U.S. COMMERCIAL INTERESTS

We should be prepared to use unilateral tools effectively and decisively to make clear our determination to defend our commercial interests. The new trade law provides three opportunities. First GSP provisions condition the continuation of duty-free treatment to LDC's on the reduction of specific unfair trade practices affecting our exports of goods and services to these countries. We should place appropriate emphasis on the new leverage we have in this area. Second, the new legislation gives the President authority to retaliate where foreign governments fail to protect intellectual property. And third, the law provides new authority under Section 301 to take action against trade-related investment measures imposed by foreign countries. It also clarifies the President's authority to act against unfair meaures by foreign governments adversely affecting our exports of services.

In the past, some of our unilateral measures have been taken haphazardly, relying on traditional American quasi-judicial processes to generate complaints that could lead to changes in trade and tariff treatment. A more carefully timed strategy of pursuing specific cases could have a meaningful effect on establishing a greater urgency and consensus among developed and developing countries for negotiations. We should make use of the new authority by selecting a "first case" under our new 301 authority to take action against unfair trade practices such as export performance and local content requirement, inadequate protection of US intellectual property rights, and barriers to our services trade. A strategy for self-initiation and timetables for tentative and final recommendations, should be drawn up early in 1985. This approach would crystalize the alternative of case-by-case, go-it-alone strategies or a negotiated understanding for dealing with problems.

SUMMARY

Our strategy should be one of offering mulitlateral negotiations, while insisting on some form of action to address trade practices affecting US export interests. We need to be diplomatically active in providing the leadership for the organization of new mulitlateral negotiations. We must also be tough-minded about taking actions to defend our interests. We need to consider how we can best communicate this policy stance early in the new Administration. Perhaps, the tone could be set in the President's State of the Union or Inaugural address and followed up by a more detailed statement by the Administration in the coming months.

[From the Harvard Business Review, March–April 1991]

EXHIBIT 2

THE LAST GASP OF GATTISM

(By Clyde V. Prestowitz, Jr., Alan Tonelson, and Robert W. Jerome)[1]

On December 7, 1990, U.S. Trade Representative Carla Hills appeared before the press in Brussels to announce the collapse of the four-year-long Uruguay Round of world trade talks. Casting blame on others, particularly on an intransigent European Community that refused to retreat on agricultural subsidies, she warned of dire consequences: world trade conflicts, global depression, even war. Although she defiantly declared that no deal is better than a bad deal, she lamented the loss of "new opportunities."

Since then, officials from many countries have scrambled in Geneva and in the world's major capitals to resuscitate the Uruguay Round. Like Hills, many commentators have bewailed the obstinacy they believe torpedoed it. There is talk of the death of the General Agreement of Tariffs and Trade (GATT) and even hints that, as a result, the world trading system will crumble into chaos.

Both the scrambling and the lamentations are in vain. No matter what they produce, the fact is that the Brussels trade negotiators have administered the coup de grace to a GATT system that has been dying at least since the end of the Tokyo Round in 1979. The Uruguay Round, conceived in 1986 as a last, desperate effort at revitalization was, in fact, stillborn.

GATT's 1940s-era assumptions and principles have become largely irrelevant to the world economy of the 1990s-and to America's interests in that economy. As long as this goes unrecognized, nothing that might have been agreed to in Brussels, or might yet be agreed to in Geneva, will halt continued erosion of GATT's elaborate legal structure.

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GATT supporters seem unable to acknowledge three problems in particular. First, the global economic preeminence of the United States has largely faded. It was U.S. strength that permitted much of the system's early vitality. Second, when GATT's focus shifted from its early tariff cutting to eliminating nontariff barriers to trade, members stumbled into intractable conflicts over their sovereign rights. Each nation understandably insisted on setting its own economic and social priorities and would not—on many issues could not—give way to a more international vision.

Finally, and perhaps most important, such principles as "national treatment" and "most-favored-nation"—principles that underpin the whole GATT structure—are inherently disadvantageous to the most liberal and open societies. When America's power was truly exceptional, this all could be masked. But with America in relative decline and GATT setting an increasingly broad and intrusive agenda, the real penalties resulting from liberalism and openness have been exposed—and with them, the weakness of GATT's original structure.

Why have U.S. political leaders and the trade policy establishment not recognized these facts? They have been blinded by what may be called "GATTism": a belief, bordering on a religious faith, in the power of ever-more detailed trade rules to solve major domestic and international economic problems; and a corresponding belief in the ability of the United States to impose its economic views on its trading partners.

GATTists have turned what was once a prudent, narrowly drawn exercise (again centered largely on cutting tariffs) into a futile, legalistic crusade to homogenize different nations—acting, at times, as if there are no such things as healthy expressions of diversity. The result has been a series of unenforceable rules applied to currently ungovernable areas of international economic competition. This, in turn, has produced a moralizing tone to U.S. trade policy; one that has needlessly inflamed many trade disputes and, ironically, caused repeated setbacks for the cause of freer world trade.

The GATTists' panacea of new global trade rules has also increasingly become a threat to the U.S. economy, particularly to the country's manufacturing sector. By focusing on process instead of results and by projecting U.S. economic practices as a world standard, U.S. trade negotiators have contributed significantly to the undoing of America's industrial and technological leadership.

The failure of the Uruguay Round can prove a blessing in disguise if it forces a reconsideration of current orthodoxy and prompts the United States to reformulate its economic and trade policies. For too long, GATTist doctrine has inhibited the real debate that should have been taking place: how to rebuild national economic strength.

FAILURE OF THE TOKYO ROUND

GATT entered into its death throes when the 1979 Tokyo Round manifestly failed to live up to its promise. Instead of producing multilateral market openings and despite reassurances from America's leading GATTists, the Tokyo Round failed to deliver concrete results form any of the measures contained in the final agreement: codes of conduct for international trade, government procurement, reform of the GATT framework, and reductions of nontariff barriers in specific product areas—notably aircraft and agriculture would be in the neighborhood of 60%, actually amounted to only 30%.

And the reassurances had been lavish. In the wake of the Tokyo Round, Special Trade Representative Robert Strauss predicted that changes to the government procurement code (all members had agreed to open up government procurement to outside bidders) would produce up to $25 billion worth of worldwide market access for American business. His office projected the creation of 50,000 to 100,000 new jobs in the United States. In fact, GATT figures from 1983 show that in the European Community procurement market, foreign companies won just .28% of the contracts covered by the Tokyo Round. Similar results could be seen in Japan and elsewhere. Countries that had not signed the agreement did every bit as well as those that had.

Nor did the agreements covering aerospace and high tech deliver. In 1979, the Congressional Budget Office predicted that the Tokyo Round would greatly benefit the U.S. aircraft industry because foreign governments would "use care in avoiding export subsidies or other practices that could hamper competitive trade." The Congressional Budget Office also claimed that newly negotiated standards codes would be particularly helpful to U.S. high-tech industries; the Department of Labor chimed in that the Round would boost employment in the U.S. computer and semiconductor industries by 3.3% and 3.6%, respectively.

But the years since 1979 have not been kind to the Congressional Budget Office nor to the Department of Labor—nor, more urgently, to the U.S. aerospace, computer, or semiconductor industries. The U.S. share of the international aircraft market has dropped steadily over the past decade, in part because the European Community absorbed substantial losses to develop Airbus—through enormous government subsidies that the Tokyo Round had presumably ruled out. Between 1980 and 1989, Airbus's market share went from 0% to 18.8% in narrowbody jets and from 25.2% to 49% in wide-body jets.

In computers, U.S. companies' share of the American market went from 94% to 66% and from 90% to 67% in semiconductors. Globally, the situation was even worse. In the world semiconductor market, U.S. producers' share tumbled from 80% to less than 40%. In the rapidly growing Japanese market, meanwhile, the Tokyo Round agreements did not result in any share increase for U.S. companies. According to a 1986 University of Michigan review of the final agreement, "the effects of the Tokyo Round on trade, employment, and welfare [in the United States] should be measured in tenths or even hundredths of a percent."

Some of this might have been predicted. To grease the skids in Tokyo, U.S. negotiators agreed to accept an injury test before duties could be imposed in dumping cases—a test that made it more difficult than before for U.S. industries to get relief. Such action was only part of a larger pattern in which U.S. negotiators have swapped relatively enforceable rules for unenforceable promises of market access; they have tended to accept wholesale violations of the Tokyo Round agreement—such as the Airbus subsidization—while faithfully adhering to the new stipulations that make U.S. industry more vulnerable to predatory activity.

URUGUAY'S WRONG AGENDA

For GATTists, the Tokyo Round was a victory: at least it gave them a five-year respite from domestic trade pressures. Negotiation could pass for action, and agreements—any agreements—could pass for success. For almost everybody else the Tokyo results were dubious.

International trade tensions only grew in the 1980s. Demands for protection, especially from U.S. manufacturers, ultimately forced free trader Ronald Reagan to hand out more import relief to more U.S. companies than any previous U.S. president; though his ambiguity and his too-little-too-late policies failed to satisfy either Congress or a growing portion of the American public. Granted, U.S. manufacturing ran into trouble in the 1980s for many reasons. Still, manufacturers have suffered from GATTist policies, and their setbacks inevitably ricocheted back onto the rules of trade, further exposing the weaknesses of GATT.

Unable (or unwilling) to change traditional political economic structures, worried about sluggish growth, and frustrated by GATT's spotty, slow, and leaky rules, one country after another sidestepped GATT rules using a variety of mechanisms. Trade relations between Japan and its trading partners became particularly troublesome. The combination of Japan's industrial policies and exclusionist business practices led to runaway trade imbalances and rising charges of unfairness.

What was the GATTists' solution to the growing tension? Another round, of course, to elaborate on the old rules and extend them to more complex and politically sensitive activities. The negotiations focused on services and agriculture, with emphasis on the developing nations and the EC—an agenda weirdly inadequate to America's worst manufacturing crisis since the Great Depression and strangely skewed away from disputes with Japan.

Services, so the GATTists said, were "the future." According to GATTist economic theory, services represented a higher stage of economic evolution—the "postindustrial age." Moreover, as Jay Dowling, international economist in the Commerce Department's Office of Service Industries, put it: "Services were perceived to be something we were relatively good at, something that the newly industrialized countries probably had a need for. [The decision] wasn't based on a lot of detailed microeconomic analysis. It was sort of a general perception. . . ."

Services had something else going for them too. GATT was created to deal with classic, easily identified and quantifiable trade barriers such as tariffs, quotas, and border controls. Japanese and European industrial targeting, administrative guidance, and research consortia were too subtle to fit into this classic trade framework. But services were, on the whole, an easily identified area that had remained outside the GATT rules. Was it not simpler to proceed in the old mold in a new area than to confront the much thornier contradictions threatening the old system?

Agriculture was not chosen after any detailed analysis either. Like services, it was simply a whole sector that had remained outside of GATT; one could imagine preparing a negotiating position in the classic style. At the same time, it seemed reasonable to expect that developing nations could be persuaded to accede to U.S. requests on services by promising them increased agricultural exports.

If services were the future, was manufacturing the past? GATTists have indeed brought to trade negotiations an antimanufacturing bias, based on the profoundly wrongheaded assumption that U.S. manufacturing is uncompetitive—not where the high value added is. And, ironically, one of the proofs cited by GATTists that U.S. manufacturing is passé (hence, not worth defending) is that U.S. manufacturers have demanded trade relief. GATTists do not see how this demand is actually the product of GATTism's self-fulfilling prophecy, even in high-tech industries.

When, for example, predatory dumping threatened the American semiconductor industry in the early 1980s, policymakers were slow to react. When they did, finally, they assumed that any U.S. industries needing special favors must be dinosaurs. They portrayed memory chips as "communities"—cheap, mass-production items. They comforted themselves with the idea that the United States would surely continue to dominate in the more advanced sectors such as services.

Actually, manufacturing strengthens national competitiveness in at least five ways:

Manufacturing finances most research and development for commercial purposes.

Because both productivity growth and wages are relatively high in manufacturing, it is still engenders many of the best jobs.

Since manufacturers account for the great bulk of U.S. imports and exports, America's international accounts will never improve significantly without upgrading manufacturing.

National security depends on a strong manufacturing base.

Many services are linked to the manufacturing sector in a variety of direct and indirect ways. A strong service sector without a strong manufacturing sector is not possible in the long run.

And so the Uruguay Round was doomed from the start. The corrosives eating away at the system before the Round were not coming primarily from areas uncovered by GATT rules—to be sure, disputes had broken out periodically in agriculture, but agriculture comprises less than 11% of world trade. As for trade in services, it was growing more rapidly than trade in goods, suggesting that GATT rules might not have been essential for expanding international commerce in any case. No, the problems were coming precisely from the areas GATT was supposed to be regulating.

UNFAIR TO OPEN MARKETS

Because it was heralded as a kind of reformation of trade doctrine, the Uruguay agenda did attempt to provide something for everyone. In addition to services and agriculture, there were negotiations on tariff cutting, subsidies, antidumping, safeguards, intellectual property, dispute settlement, and non-tariff measures—the unfinished and failed business of the Tokyo Round. The developing nations received progress in textiles and natural resources-based products. And the scripturalists of GATTism were handed something called "functioning of the GATT system"—appropriately named FOGS.

But the Round was to be more of the same. No one contemplated review of the orthodoxy's core tenets: the principles of national treatment and most-favored-nation status. Adopted as the basis of GATT undertakings in 1948, these concepts appear at first glance to be the embodiment of fairness. They are hardly that in 1991.

Under national treatment, for example, the U.S. government agrees to treat foreign participants in its economy just as it treats domestic companies. In exchange, other GATT members agree to do the same. Why is this unfair? It is not, so long as all countries treat domestic operators more or less the same way. But the United States enforces strict antitrust regulations, refrains from bureaucratic intervention and industrial targeting policies, and applies a strict standard of nondiscrimination. In other, more restrictive economies—Korea's, for instance—governments behave very differently. The result is unfair.

Over a period of time, companies from more restrictive countries will penetrate the more liberal countries markets. Gradually, the restrictive countries' companies will sell more, enjoy lower costs, and begin to dominate international markets, setting the stage for charges of unfairness and demands for protection or retaliation.

There are similar problems with most-favored-nation status. According to GATT rules, if country A and country B negotiate liberal concessions with each other, they must extend these to all other GATT members, so as to prevent their new policies from discriminating against other signatories. But this means that the latter countries can keep their concessions to a minimum while picking up the benefits of substantial liberalization by the first two countries. Under GATT rules, in other words, restrictive countries can maintain high barriers, if they do so on a nondiscriminatory basis. It is all perfectly legal and perfectly unfair to competitors from more liberal economies.

The problem was slight for American companies in the early days of GATT. The U.S. economy was much more powerful than any other country's, and original GATT signatories were, on the whole, quite similar in their priorities and domestic structures. By the 1980s, however, many very dissimilar countries had joined the system and U.S. dominance was long gone. The result was dispute after dispute, in steel, autos, semiconductors, government procurement, aerospace, and many other areas.

Again, none of these issues were on the agenda of the Uruguay Round. The talks were stacked from the start against U.S. manufacturing—by far the biggest contributor to U.S. exports. The United States put agriculture and services at the top of the list. Our trading partners made it clear that the price for concessions in these areas would be further weakening of those U.S. laws enabling manufacturing to counteract predatory trade practices.

American negotiators, in response, accepted that all trade rules were equally important to the U.S. economy, and equally enforceable—an approach with obvious appeal for Presidents Reagan and Bush. By negotiating rules and ignoring the results, they could keep government and industry neatly separated. There would be no partnership with industry and commerce. No trade strategy or any other heretical departures from laissez-faire principles. It was more important to negotiate to save GATT than to save U.S. manufacturing. With a GATT as a shield, U.S. leaders could deflect criticism: "We've done our part, now it's up to you in business to do yours."

The real-world cost of theological purity has been devastating. In 1950, the United States accounted for 18% of world exports and 12% of world imports. Since the 1980s, these proportions have been, in effect, reversed. Some of this was to be expected and even desired, but clearly not all of it.

THE GATTIST'S MISTAKES

GATTists are not stupid. But their faith has driven them to make the cardinal mistake of most zealots and ideologues: they assume that if their dogma does not accurately explain reality, then reality should change to fit their dogma. This view puts GATTists in the always uncomfortable position of insisting that there is nothing wrong with their ideology that a complex transformation of human nature cannot fix.

The real problem with U.S. trade policy today is GATTism itself, which is based on three related misunderstandings about the post-1945 economy. GATTists misunderstand why the GATT approach seemed to work as well as it did; why GATT died; and why nations act as they do in the international economic environment.

Why GATT Worked. International agreements can only codify power realities; they cannot substitute for them. The nation whose views prevail in such negotiations will not be the nation whose views are objectively superior but the one that brings the most cards to the table and can either bend others to its will or buy them off. That is the real lesson of GATT's early successes.

According to GATTist gospel, the system worked because the United States converted its trading partners to its own laissez-faire economic principles. Specifically, the United States was able to convince other countries that international economics was not a zero-sum game, where one side's gain was another's loss, and that therefore they had no reason to try to build national economic strength at the expense of other countries.

But such conversion took place. GATT worked early on mainly because the United States was strong enough to absorb the cost of world economic leadership. And through its ability to bribe others to support GATT, the United States gave those nations an easy way to rebuild their power and prosperity after the devastation of war.

In the 1950s and 1960s, overwhelming U.S. economic strength in virtually all key industries permitted American leaders to absorb unequal trade liberalization in the name of GATT progress. The United States also had abundant financial muscle to help U.S. companies win a reasonable share of business in international markets. And despite American predominance, trade long remained relatively unimportant to the U.S. economy, never exceeding 8% of GNP through 1977.

Geopolitics also led the United States to open its market regardless of other countries' trade practices. Determined to contain communism by creating a stable and prosperous free-world camp and by underwriting Third World economic development and poltical stability, Washington encouraged its European allies to form a restrictive trade bloc, tolerated flagrant protectionism by Japan, and routinely wooed developing countries with lucrative trade concessions. In addition, GATT's task in these early days was a relatively easy one to accomplish—cutting tariffs.

Visible and easily measurable, tariffs are trade barriers that invite elimination. At the same time, the international monetary system that lasted from 1945 to 1971 magnified the relative importance of tariff cutting. Fixed exchange rates limited the ability of GATT members to reap unilateral trade benefits by manipulating the movement of their currencies. Meanwhile, worldwide expressions of endorsement of GATT norms appeared to confirm two of the GATTists' most sacred assumptions: that market-oriented capitalist economies are all the same and that, therefore, GATT was an agreement among fundamentally like-minded countries.

Convinced that all signatories shared common views about national economic and social practices—for example, the proper role of governments in the economy, the relative importance of consumption and protection, the optimal balance of power between labor and management—GATT's founding fathers concluded that harmonizing these practices in the trade arena would be relatively easy. They were wrong.

Why GATT Died. Unfortunately, America's global dominance was unsustainable. Indeed, narrowing the gap between the United States and the rest of the world—restoring some semblance of pre-1939 "normalcy" to the world economy—was a leading aim of U.S. foreign economic policy. In 1947, U.S. officials unwittingly created a world trading system that required that history be frozen. They didn't allow for a change in the world economic power structure.

As America's global economic position declined from an early postwar peak, so did the country's ability to absorb painlessly the cost of economic leadership. Not only did the U.S. share of world trade decline substantially but earnings have also stagnated and many major U.S. industries have been driven out of business.

How Nations Really Compete. Some GATTists preach that rule-writing hasn't worked lately because most countries are too stupid, selfish, or narrow-minded to see that obeying such rules leaves everyone better off in the long run. Other GATTists suggest that a world bored with quiet competence and achievement is simply tiring of GATT in some psychological sense.

These conclusions rest on naive assumptions. They assume that countries will sacrifice individual interests and national sovereignty to create benefits for the world as a whole. They blame noncompliance with GATT norms on temporary, fluky, ultimately correctable problems—genuine misunderstandings and misinterpretations, moral lapses, and lack of information. Ultimately, GATTists believe that countries enter agreements "on the merits," regardless of international power relationships or the specific flow of benefits. And they hold that nations observe these rules in large part because nations become committed to the idea of observing rules.

Acccording to GATTists, in short, international trade regimes work just as the U.S. legal system does. GATT and other rule-making trade negotiations should be legal exercises. Just as domestic law can protect a country's citizens from arbitrary rule, the right kinds of trade rules can protect international commerce from arbitrary "political" forces. In this respect, GATTism also reflects another uniquely American belief—that economics can and should be divorced from politics.

It is, of course, completely unrealistic for the United States to expect to depoliticize world trade. Many pragmatists in the United States and most of the rest of the world have always viewed trade and trade negotiations as simply a continuation of economic conflict. They do not expect the competitive, anarchic nature of world politics to fade anytime soon. Rather, they see it as an unavoidable characteristic of a world of independent sovereign nations.

GATTists tend to believe that comparative advantage cannot be created and nations are stuck with the strengths and weaknesses that God gave them. Other nations disagree and cite, among others, the example of Japan, whose comparative advantage through the late 1950s was thought to be confined to dwarf trees and cheap, breakable toys.

Finally, GATT negotiators have made violations of trade rules all the more inevitable by adopting an ever-tightening spiral of more and more precisely worded covenants aimed at more and more subtle forms of national trade strategies. But national practices pose an unsolvable compliance and enforcement problems for GATT: many of the barriers reflect strong and entirely legitimate national preferences on numerous issues related to economic, political, and even social organization.

In fact, the GATTists' term "trade distorting" represents the ultimate fallacy of their worldview. It lumps together all manner of economic activities—from environmental regulation to consumer protection to government technology-promotion efforts designed to enhance long-term national wealth-creating capability—and implies that their immediate effect on trade is the only measure of their worth.

World trade negotiators now routinely seek infringements on sovereignty that nations will not and, in many cases, should not accept. When pressed, most nations legitimately point to the still dangerous world they live in and cite their understandable desire to set their own economic, social, and political priorities. GATTists then castigate them as retrograde and protectionist. The real problem, again, is not with these nations but with the GATTist doctrine, which demands that nations act against their own self-interest or, more precisely, that they adopt a new and historically unproven definition of their self-interest.

BEYOND GATT

What will result from the failure of the Uruguay Round? According to GATTists, terrible economic plagues are all but inevitable. A closer look reveals a more balanced picture.

It is hardly clear, first of all, that GATT was the main spur to the phenomenal post-World War II rise in international trade. After all, much of the expansion has occurred in sectors outside GATT's jurisdiction—notably services and agriculture—or in sectors that departed from GATT's discipline, as with textiles. Moreover, the emergence of the EC, of vastly improved transportation and communication, and of other political and technological developments were at least as important as GATT in spurring trade. The recoveries of Western Europe and Japan from wartime ruin, the advancement of the developing countries, and progress toward European economic integration owe more to the injection of American credit into the world economy than to any accomplishment of GATT.

Nor was the trade explosion primarily responsible for vigorous postwar growth. Indeed, it may be said that prosperity permitted trade liberalization in the postwar era, not the other way around.

This virtuous cycle ended not because protectionism began to increase. Rather, after the mid-1960s, as the United States added vast domestic social welfare obligations to its costly international military and financial burdens, its monetary policy became increasingly inflationary and, hence, unsustainable.

Second, the Uruguay Round did not have much bearing on the present leading conflicts. Current U.S.-EC agricultural trade disputes—over beef hormones, slaughterhouses, canned fruit, and pasta—are largely unrelated to what proved to be the Uruguay Round's agriculture agenda. Nor was the Uruguay Round set to do anything about the common foreign practice of industrial targeting that inevitably aims at U.S. industry.

GATT has been an inherently inappropriate forum for addressing what might be called American industry's structural handicaps—the unique problems posed by the Japanese keiretsu, the Korean chaebol, the German financial-industrial combines, and the French state-owned industrial giants, all of which enjoy political relationships with their governments and degrees of market control impossible for U.S. companies.

And the greatest threat the Uruguay Round was intended to preempt seems already to be a reality, namely, the fragmentation of the world into 1930s-style regional trade blocs. The development of EC 92, Japan's establishment of hegemony over the economies of the Pacific Rim, and the sudden emergence of a North American bloc built on bilateral free-trade pacts between the United States and Canada, perhaps Mexico—and even the rest of Latin America—are bound to continue regardless of what might have happened in Brussels or what may occur in other GATT talks.

Even though the global struggle for economic and technological leadership may well intensify, the trade-war scenario feared by GATTists is unlikely to unfold. Much of America's foreign trade and most international trade is based on bilateral agreements, formal and informal, outside GATT disciplines. These should survive the last days (or years) of the current world trade system quite nicely.

Indeed, the manifold activities of multinational corporations and banks of all shapes and sizes around the world have created a thick web of ties and relationships that are not about to disappear. Numerous and powerful interests in all the world's major countries have an overriding interest in containing economic disputes and reaching settlements. If anything, the Uruguay Round's failure has had the world walking on eggshells and should prompt a search for a new direction.

TRADING UP

Whether the international trade negotiations of the future are mainly multilateral, bilateral, regional, or functional, trade will become an ever-more competitive field of endeavor. And although economic links among many nations will broaden and deepen—to the point of speeding the formation of regional trade blocs—trade will continue to be dominated by rival political units.

As the Cold War winds down, economic strength will become the key to global power and influence, and ways of building that strength will become increasingly difficult to regulate. GATT-style trade liberalization will never keep up with the new strategies nations will devise to gain the upper hand. No matter how the details of a post-GATT world sort themselves out, the following principles should guide U.S. trade policy.

The United States should not formally abandon the GATT process. Future rounds may well produce some gains for the American economy. But Washington needs to spend much less time trying to breathe life back into the current GATT system and much more time developing, in cooperation with major trading partners, a new framework for world trade. America's principal challenge will be promoting its economic interests in a pragmatic, nonmoralizing manner.

The new trade framework must strike a more sensible balance between trade liberalization and legitimate national objectives than GATTism does. It must recognize that many current GATT signatories simply do not accept the laissez-faire economic principles characterizing the American version of capitalism. And it must replace the principles of national treatment and most-favored-nation with a single standard to ensure that liberal economies are not penalized and closed economies rewarded.

Achieving these goals may first require creating a "superGATT" or a new, more restrictive version of the failed International Trade Organization (ITO) proposed in the late-1940s. Both would consist of a smaller group of truly like-minded countries willing to abide by a single set of rules. As the European Community has found, the only way to achieve a truly single market is to achieve such convergence. This harmonization effort would focus on a small number of economic policies and strategies aimed at stimulating trade and growth. The benefits of the rules, which might usefully be called "GATT treatment," would accrue only to countries willing to take on the new obligations.

But the United States also needs new policies for those countries remaining outside superGATT. In trade relationships where the classic principles of comparative advantage do not apply, where industrial policies intrude, or where, as a result, free trade simply does not exist, the United States needs an approach that copes with different national economic structures. There is no point picking a fight. It is better to negotiate bilateral, reciprocal agreements.

A good example of how reciprocity might work is international trade in airline services. Here the United States faces the problem of gaining access to foreign markets where, in many cases, the competitors of American air carriers are owned or heavily subsidized by host governments. In response, Washington does not grant national treatment. It grants to various foreign carriers only the kind of access to the U.S. market that their governments are willing to give U.S. airlines in their markets. Trade is not "free" by GATT purists' standards, but a considerable degree of competition is preserved.

Unlike GATTism, which would pretend that the structural problem in international airlines services trade does not exist, bilateral reciprocity leads negotiators to recognize, accept, and accommodate key differences among trade partners. And the principle of reciprocity continually drives negotiators to seek outcomes that bring specific, concrete benefits to their countries.

But a superGATT—much less a new ITO—is still many years away. And until they are within reach, U.S. policymakers must recognize that trade negotiations will be just one very limited aspect of the broader economic strategy that is needed. In the past, trade negotiators could afford to seek abstract goals, such as "fairness." Today abstractions must give way to concrete self-interest and results, future agreements must be judged according to their direct impact on the U.S. economy, not on their ability to prop up a legalist world system in which critical U.S. industries are mere bargaining chips.

TRADE POLICY IS NO SUBSTITUTE FOR NATIONAL ECONOMIC STRENGTH

A results-oriented trade policy need not entail the guarantee of a certain amount of overseas sales. But it must entail thinking about the specific, industry-related impacts of various trade proposals before international negotiations reach the home stretch—something never done for the Tokyo or Uruguay Rounds. Such a policy would also help remind officials that different trade rules will have different effects in various sectors. In particular, rules governing manufacturers will usually be easier to enforce than rules governing services.

This kind of policy would carefully weigh the impact on trade and international competitiveness of major economic decisions made by the federal government. Time and again, Washington has ignored these considerations, even when the wrong move jeopardizes the strongest of industries. Recall the breakup of AT&T. It was never reviewed by the U.S. trade representative. When it was implemented, one unintended result was a massive U.S. trade deficit in telecommunications equipment.

In all, cultivating U.S. economic strength will be the best guarantee of prosperity and security, whether the post-GATT world is stable and primarily cooperative or volatile and fiercely competitive. Trade policy is no substitute for the nurturing of national economic strength. This is a top national security priority; the stronger the United States is economically, the more freedom of action it will have.

Ultimately, America's best hope for securing access to international markets is not to negotiate it but to make products so outstanding that countries will have no choice but to import them. Luckily, the United States still has a unique combination of advantages—great size and military strength, secure borders, tremendous natural wealth, and dynamic social and economic systems. U.S. economic policy should aim first and foremost at preserving and building on these advantages, not frittering them away in a hopeless quest for a worldwide trade utopia.

After Brussels, it is time to say that the emperor has no clothes. GATTist views simply do not conform with the world's realities. It will no longer suffice for the U.S. government to preach laissez-faire principles, write the rules for them, and expect free market forces automatically to serve the interests of U.S. companies and citizens.

Until the nations of the world become more like-minded economically, America's top priority in the post-GATT world must be to meet a challenge that practically defines successful diplomacy and policy-making: recognizing the inevitable and turning it to one's advantage. By casting off the blinders of GATTism, the United States should be able to make the post-GATT world not one of peril but one of opportunity.

EXHIBIT 3

[ESI Analysis, Economic Strategy Institute, Oct. 23, 1990]

READ MY STATS: BOGUS NUMBERS THREATEN THE URUGUAY ROUND

The Uruguay Round of GATT multilateral trade negotiations (MTN), scheduled to conclude in six weeks, will shape the world's economic future for years to come. A real success is urgently needed; that means an agreement that brings clear benefits to the United States by boosting economic output and reducing the trade deficit. This success is needed both for the American economy and to shore up flagging U.S. support for multilateral trade liberalization.

This analysis makes two major points: First, the figures used by the administration to describe the likely benefits of an agreement are demonstrably wrong. Such overly optimistic predictions inflate expectations and damage the credibility of the GATT process. By the same token, overly pessimistic predictions about the costs of a Uruguay Round failure could produce an agreement that inflicts serious long-term damage to the U.S. economy, especially to the manufacturing sector.

Second, the administration's approach ignores major risks to manufacturing that could result from altering U.S. trade laws. Although modest gains in agriculture and services would be welcome, an agreement that puts manufacturing at serious risk is not acceptable.

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INTRODUCTION

The scheduled deadline for concluding the Uruguay Round of world trade negotiations is less than 6 weeks away. What can the United States realistically expect from the talks? Aside from agreement on new rules governing various kinds of economic activity all around the world, what kinds of substantive results will an agreement achieve for America? Will national output rise or fall? Will the trade deficit narrow or widen?

Although the Uruguay Round talks have been underway since 1986, the U.S. government has begun to examine these questions only very recently. A bare handful of official studies has tried to estimate the economic and trade impact of a Uruguay Round agreement. In fact, many of the administration's projections are based on an academic study from Australia.

America's recent experience teaches that a failure to anticipate the substantive results of trade negotiations is a formula for trouble—both for the U.S. economy and for the world trading system. The 1979 GATT Tokyo Round agreement, for example, contained all kinds of new trade rules; it generated high hopes in Washington that America's trade problems and world trade tensions would be significantly reduced. But by the early 1980s, the Tokyo Round has proven itself a cosmetic success only. Its failure to deliver on its promises led to disappointment, rising trade tensions, eroding credibility for the GATT system, and ultimately to the Uruguay Round.

The Economic Strategy Institute is pleased that the administration is now focusing on the merits of the Uruguay Round. But given the tardiness of this focus, the Institute has been concerned that America may be setting itself up for amother GATT-related disappointment. Consequently, ESI decided to analyze the economic estimates being used by the administration on behalf of a Uruguay Round agreement.

The Institute's analysis, presented below, finds that these estimates dramatically overestimate the likeliest benefits of an agreement. Just as important, they all but ignore the likeliest risks—especially to a U.S. manufacturing sector that, despite the Round's focus on agriculture and services, remains the key to national economic success.

HIGHLIGHTS OF THE ESI ANALYSIS

I. Overstated numbers

The administration overstates the economic benefit from a Uruguay Round agreement by more than 700 percent.

The administration has predicted that a Uruguay Round agreement will increase U.S. domestic output by $125 billion in the first year after its signing alone.

ESI's analysis indicates that a one year increase in GDP of this magnitude would require the impossible: as much as $500 billion in increased investment (a doubling of current investment levels). The $125 billion figure also rests on unrealistic assumptions: principally, a 30 percent worldwide reduction in all trade barriers, and an instantaneous relocation and rationalization of the world's labor and capital assets. Further, the academic study cited by the administration clearly indicates that the most likely Uruguay Round scenario could result in an increase in U.S. GDP of $18 billion, not $125 billion.

Overestimating the benefits of GATT agreements is a tradition for U.S. administrations, and leads to bad agreements that undercut the credibility of the process.

In 1979, the Special Trade Representative's Office forecast that Tokyo Round tariff reductions would benefit U.S. consumers by as much as $10.6 billion per year. The Michigan Model of World Production and Trade estimates the total actual net welfare benefits to the U.S. economy at only $700 million.

STR claimed that the Tokyo Round Government Procurement Code would open a $25 billion worldwide foreign government procurement market for U.S. producers. GAO determined that actual U.S. annual sales to these markets were approximately $210 million.

The Uruguay Round results could boost the trade deficit by $14 billion per year.

The administration failed to mention that the same academic study that USTR cites to predict GDP growth also projects an increase in the U.S. trade deficit of $18 billion.

ESI estimates that, under the most realistic scenario, the trade deficit could increase by as much as $14 billion.

New rules on intellectual property rights protection will generate only small gains, and possibly losses, to U.S. producers.

USTR predicts that U.S. companies will reap a $60 billion gain from the tighter enforcement of intellectual property rights expected to be approved at the negotiations.

ESI has examined the International Trade Commission report on which this claim is based and believes that the trade gains are likely to be only $14 billion. Without tight enforcement of intellectual property rights around the world, the new rules could produce no gains for the United States. If Section 337 is not replaced with an adequate substitute, U.S. industry would almost certainly suffer substantial losses.

U.S. exports to third world countries will not increase by $200 billion over 10 years, as claimed by the administration.

USTR argues that a Uruguay Round agreement bringing the developing world into the global trading system could increase U.S. exports by $200 billion by the year 2000.

ESI considers this level of sales possible only with final resolution of the persistent debt crisis and the end of inflation in most developing countries. Equally remote is the prospect that these countries could finance huge increases in imports from the United States, especially given recent oil price rises.

ANNUAL EFFECTS OF A URUGUAY ROUND AGREEMENT

[In billions of dollars]

	ESI analysis	Administration claim
Domestic output effects [GDP]	+5–20	125
Total trade balance effects	−14	80
Improved intellectual property protection	0	60
Increased exports to developing countries	0	20
Trade balance effects of Uruguay round reductions	−14	80

II. Understated effects

Gains from the administration's top priority in the Round—agriculture and services—will be marginal at best . . .

The U.S. Department of Agriculture estimates that full liberalization of agriculture trade would yield only $3 billion in increased exports for the United States.

ESI estimates that if the administration achieves its own more modest goals of a 30 percent reduction in agriculture barriers, the benefits could be as small as $1 billion.

The U.S. government has not prepared any estimates of gains from services trade liberalization since the Round began in 1986.

ESI estimates that, even if the Uruguay Round brought a 10 percent increase in U.S. trade surplus, the U.S. trade surplus would gain only $2.7 billion annually.

* * * and these could place the full burden of the increase in the trade deficit on U.S. manufacturing by $17.7 billion.

An alternative scenario, in which U.S. trade laws are altered along the lines currently requested by U.S. trading partners, could result in lost export opportunities and increased import penetration of the U.S. market. The net effect would contribute additional billions to the trade deficit.

I. OVERSTATED NUMBERS

GDP effects

The U.S. Trade Representative's Office (USTR) has predicted that the United States can expect a $125 billion increase in domestic output in 1991 alone through the greater access to world markets resulting from the Uruguay Round. The source of this prediction is a study by the Centre for International Economics in Canberra, Australia titled, Western Trade Blocs. But the administration has erroneously described its results. According to the study, the $125 billion in gains are not a one-year gain, but a one-time gain from tariff and non-tariff measure cuts. A quick review of the relationship between Gross Domestic Product (GDP is the measure of a country's output excluding trade) and investment shows that a one-year increase in GDP of $125 billion would require the impossible: as much as $500 billion in increased investment (a doubling of current levels). Approximately 8 percent of total U.S. manufacturing would have to be converted from low-value to high-value-added activity.

The $125 billion figure is problematic for another reason. The Australian study utilizes a regional general equilibrium model of world trade. The $125 billion in GDP improvement projected by this study is based on an adjustment of the original Australian model results. The figure assumes a 30 percent worldwide reduction in all tariffs and non-tariff barriers to trade. The Round is unlikely to achieve such results—as the Australian study itself acknowledges.

The $125 billion figure, moreover, was the product of only one of several world trade liberalization scenarios presented by the Australian study. The GDP effects of a Uruguay Round outcome that the authors characterized as "likely" predicted that U.S. output would increase by $18 billion rather than the $125 billion cited by USTR. Plainly, the number cited by USTR does not tell the whole story.

Further, although it seems reasonable in contrast to the $125 billion estimate, the $18 billion estimate itself is tenuous. The Australian economic model rests on two shaky assumptions. First, it assumes instantaneous changes in the world's use of capital and labor, a totally unrealistic expectation. Second, the model assumes that major progress in reducing tariff measures will occur in its most likely scenario for the Round. Yet, negotiators in the Uruguay Round are hoping to reduce agricultural and manufacturing tariffs by only 30 percent. Further, agreements are unlikely to result in major reductions in barriers to trade in services, which now account for one-fourth of world trade. In addition, the model does not take into account exchange-rate fluctuations that could reduce any overall trade effects of a Uruguay Round agreement.

Trade effects

Reduction in Tariffs and Non-Tariff Measures (NTMs)

The Australian study cited by USTR for GDP effects also includes estimates of the Uruguay Round's impact on the U.S. trade balance. Although USTR used the $125 billion in GDP gains cited by the Australian study's best-case scenario, it neglected to mention that the same scenario projected an $18 billion increase in the U.S. trade deficit. According to the Australian study, the likeliest Uruguay Round outcome will cause a $3 billion deterioration in the U.S. trade balance in the first year.

In distinct contrast to the administration's estimates, other studies show that tariff and NTM reductions could result in a $14 billion deterioration in the U.S. trade balance. One study by Hufbauer, Berman, and Elliott, estimates that complete elimination of non-tariff measures (NTMs) in industrialized countries would raise U.S. exports by $20 billion and imports by $55 billion—thereby adding $35 billion to the U.S. trade deficit. Thus, using rough calculations, reducing NTMs by one-third could result in a $6.6 billion increase in exports and a $18.2 billion increase in imports. Another estimate, also developed by Hufbauer, shows that a complete elimination of tariff measures by industrial nations would increase U.S. exports by $8-billion and U.S. imports by $14 billion, and thereby raise the U.S. trade deficit by $6 billion. Taking one-third of this estimate yields a $2 billion increase in the GNP due to increased exports of $2.7 billon and increased imports of $4.7 billion.

Agriculture

Agriculture is considered to be one of two major U.S. priorities in the Uruguay Round. Yet a variety of studies, including some by the federal government, project only marginal potential gains from an agriculture agreement. The U.S. Department of Agriculture, for example, estimated that $3 billion might be gained from a complete liberalization of agricultural trade, including the elimination of European subsidies. Given the lack of progress on agriculture issues, however, a $1 billion improvement in U.S. trade (assuming a 30 percent reduction in agriculture barriers) seems closer to the mark. The U.S. Congress has already moved to cut U.S. agriculture supports by one-third. This, coupled with recent European moves in the Round to preserve their Common Agricultural Policy, makes it questionable whether the United States will realize gains in agriculture.

Services

The service sector is the other major U.S. priority in the Round—indeed, the Round commenced with U.S. insistence on the discussion of services trade. But, after four years, there still are available no offical estimates of the effects of the Uruguay Round on U.S. services trade. In other words the administration does not know how the Uruguay Round services agreement it is seeking will effect either U.S. output or the U.S. trade balance.

Gains from liberalizing trade in services are included in the Australian figures cited by the administration. However, ESI has found only one study that contains separate estimates for gains resulting from any kind of international service trade liberalization—a report by the Commission of the European Communities from 1988 that estimates a 1.5 percent improvement in the European Community's GDP from removing all internal Community barriers of financial services.

ESI has prepared its own rough estimates of possible one-year U.S. gains from liberalizing trade in services. Using the blance-of-payments figures prepared by the Bureau of Economic Analysis (U.S. Department of Commerce), U.S. services trade—services trade plus income transfers—will add $27 billion to the 1990 U.S. trade balance (annualizing the first two quarters of 1990). If the United States added 10 percent to the U.S. trade surplus in services as a result of the Uruguay Round—surely an optimistic projection—the U.S. trade balance would improve by only $2.7 billion in the first year.

Yet several key service sectors, such as telecommunications, maritime, and aviation, are unlikely to be included in any final agreement. If their omission limited the first year improvement in the current service-trade surplus to 5 percent, this would result in an addition of $1.4 billion to the services trade surplus.

It is most likely, however, that the Uruguay Round will produce no changes in current rules concerning barriers to services trade, although it could achieve an agreement to limit the development of new barriers to trade in services. This would have little effect on the U.S. balance of trade in services in the first year after the completion of the Uruguay Round, but might have significant impacts in the 1990s.

Improved Protection of Intellectual Property Rights

The administration predicts a $60 billion gain for "U.S. enterpreneurs" from better international enforcement of intellectual property rights (IPR) from the talks. This figure was drawn from a 1988 U.S. International Trade Commission (USITC) study showing $24 billion in losses to American business from IPR violations around the world. USTR increased the USITC results by 2.5 times to compensate for the possibility that the USITC survey did not adequately cover Fortune 500 firms and other large U.S. companies. But, the survey itself argues that most of the losses suffered by U.S. corporations through inadequate protection of U.S. IPRs affected the largest firms in the Fortune 500. Therefore, increasing the losses estimated by the USITC study does not appear to be justified.

The 1988 USITC study's estimates also should be adjusted to properly measure the impact on the U.S. trade balance. The study found that U.S. firms lost $10 billion due to infringements on product sales. But a large part of these sales occurred at the expense of foreign subsidiaries of U.S. firms, and therefore should not be included in estimates of how enforcing IPRs will improve the U.S. trade balance. Using a procedure devised by the USITC itself, it is possible to estimate that the losses to U.S. firms due to such infringements were closer to $2.5 billion.

When added to other categories for losses included in the USITC study—lost exports of $6.2 billion, pirated imports of $1.8 billion, and lost licensing revenues of $3.1 billion—the total losses from intellectual property rights violations add up to approximately $14 billion.

A Uruguay Round agreement could net the United States about $14 billion if IPRs were enforced. But unless the agreement on IPRs is strongly enforced around the world—a result that experience warns not to expect—few of the anticipated gains will be realized. Further, if the United States, which has agreed to modify Section 337, does not replace it with something comparable, the net effect of new rules on IPRs could well be negative; the United States would almost certainly suffer substantial losses.

Increased U.S. Exports to Developing Countries

The administration's prediction of $200 billion in increased U.S. sales to devleoping nations by 1990 is another major overstatement. Greater sales to these nations on this order would require a resolution of the persistent debt crisis and the end of inflation in most developing countries. But these prospects remain highly remote, especially in light of the recent increases in the price of oil.

EFFECTS OF A URUGUAY ROUND AGREEMENT

[In billions of dollars]

	Administration figures			ESI analysis
	Claim	w/exclusions	Adjusted	
GDP effects (change in domestic output):				
Reduction in tariffs and nontariff measures	125	125	18	+5 to −20
Trade balance effects (exports less imports):				
Reduction in tariffs and nontariff measures:				
All sectors	n/a	−18	−3	−14
Agriculture	n/a	3	1	1
Services	n/a	n/a	2.7	2.7
Manufacturing (implied)	n/a	−21	−6.7	−17.7
Improved protection of intellecrual property rights	60	60	14	0
Increased LDC imports of U.S. goods/services	20	20	0	0
Trade balance total	80	59	11	14

Administration Claim: Includes estimates presented by the administration in a New York Times op-ed piece, September 19, 1990.

Administration w/exclusions: Includes Administration Claim, plus trade balance effects of GDP scenario cited by administration, plus USDA agriculture estimate.

Administration Adjusted: Includes previous categories. GDP effects converted to most likely Uruguay Round scenario as cited in Australian study. Revised intellectual property and LDC export estimates.

ESI Analysis: A more likely scenario.

The Tokyo Round

The official U.S. approach to this trade negotiation is not unique to the Uruguay Round. In 1978–79, Washington predicted that extraordinary benefits would flow from the Tokyo Round. Very few materialized.

Tariff Reductions

In 1979, for example, the Special Trade Representative's (STR) office projected that U.S consumers could save as much as $10.6 billon per year as a result of Tokyo Round tariff reductions. This large number rested on a key assumption: U.S. tariff reductions would be fully reflected in lower prices for imports. Likewise, cuts in tariffs would indirectly restrain price increases for domestically produced goods competing with imports.

But tariff reductions are never fully reflected in consumer prices. World prices and exchange rates invariably adjust in response to tariff changes. Further, Tokyo Round tariff cuts that were phased in over eight years (which reduced U.S. average tariff rates from around 6.5 to 4.3 percent; worldwide rates were cut from 7.8 to 5.8 percent) would probably have had only marginal effects in any given year.

A more reasonable estimate of the benefits from Tokyo Round tariff cuts comes from the Michigan Model of World Production and Trade. Unlike the official predictions, this computer model takes into account exchange-rate and price fluctuations. It estimates a total net welfare benefit to the United States of $700 million (ESI has annualized this to $100 million per year over the seven-year period of incremental tariff reductions) as a result of the Tokyo Round.

TARIFF REDUCTIONS

[Gains in billions of dollars]

	Strauss/STR claim	Michigan Model of World Production and Trade
Annual gain	10.6	[1].01

[1] $.7 total.

Government Procurement

In 1979, STR estimated gains of $25 billion in access to other signatories' markets as a result of the Tokyo Round government procurement code. These estimates assumed complete enforcement of the code and general compliance by all signatories.

According to the General Accounting Office (GAO) in 1981 (the only year studied) the worldwide total of government purchases under the code was $8.4 billion (excluding U.S. government purchases) rather than $25 billion. Yet only $4 billion of that was actually competitive (open to foreign bidding), because of single-tendered contracts and government contracts that fell below the code's threshold of 150,000 SDRs. And of this $4 billion total, only $210 million was contracted to U.S. suppliers. Data on 1982 procurement indicated no significant change from 1981.

GOVERNMENT PROCUREMENT

[In billions of dollars]

	Strauss/STR claim	General Accounting Office, 1981 actual
Annual market access	25	4.0
Annual export increase	1.3–2.3	0.21

The administration also predicted that 50,000 to 100,000 U.S. jobs would be created as a result of the government procurement code. However, using the Department of Labor methodology on which this estimate is based, and taking into account actual export activity (as estimated by GAO) a rough estimate of jobs created is 700–1,400.

II. UNDERSTATED EFFECTS:

GDP effects

The GDP effects of a Uruguay Round agreement could actually be negative. ESI estimates that a Uruguay Round agreement could result in a $14 billion deterioration in the U.S. trade balance for U.S. firms in the first year after its completion. It is difficult to estimate the precise impact of such a change in the U.S. trade balance without the use of an economic model. Following standard economic practice, however, it is reasonable to assume that the total impact of such changes in GDP will include some multiplier of their impact on trade as well as some efficiency gains. A multiplier of 1.5 is not unreasonable: Consequently, a $14 billion increase in our trade deficit would be reflected in a decrease of $21 billion in GDP. However, efficiency gains from increased export and import activity are likely to be positive. Those ESI estimates that GDP effects could range from +$5 to —$20 billion.

Evidence for making this case can be found in some of the empirical studies that have recently been reviewed by David Richardson. One study of the formation of the European Community by Nicholas Owen uses an "imperfect competition" model that explicitly differentiates between large, profitable firms and smaller, marginal firms. Owen argues that trade liberalization brings significant consolidation of small, marginal firms. Substantial opening of the U.S. market would result in sizable adjustment costs, especially since weaker firms would no longer be able to compete with their foreign counterparts.

Other effects

The administration also overlooks several other components of a Uruguay Round agreement that could further widen the U.S. trade deficit. The USITC has estimated that the United States could suffer welfare losses of more than $3 billion a year if U.S. safeguards rules are abolished. In addition, estimates of the benefits created by Section 301 in promoting greater market access with U.S. trading partners should be counted in any Uruguay Round projection, since an agreement might restrict this law. For example, recent negotiations with Japan, Korea, Brazil, and Taiwan have added several billion dollars to the positive side of the trade ledger. Without Section 301, those benefits would be lost.

Another Uruguay Round scenario should also be considered. Many of the above estimated losses include only forsaken gains that have been achieved because of existing trade laws. If U.S. trade laws that deter predatory trade activity—particularly those covering dumping and subsidies—are altered along the lines requested by our trade partners, the results could be dramatic: increased targeting by foreign governments' industrial policies and dumping activity by foreign companies that reduces the domestic market shares of many U.S. firms. In several important manufacturing industries, including some of the more dynamic sectors, several corporations estimate that import penetration could result in a reduction of 5 to 10 percent in current output levels.

For example, many major U.S. industries—including computers, semiconductors, telecommunications, and fiber optics—are the objects of foreign trade campaigns. The European Community has taken direct aim at U.S. world leadership in civil aviation with its heavily subsidized Airbus program. If a Uruguay Round agreement entails significant alteration of U.S. trade laws, the U.S. trade deficit could rise by $20 billion in the first year after the agreement is signed. If this figure is added to the $14 billion that ESI's analysis concludes could be added each year to the U.S. trade deficit by a Uruguay Round agreement, the total annual increase in this deficit would hit $34 billion—a rise of more than 33 percent.

III. EXAGGERATED CONSEQUENCES

A critique of the analysis prepared for the MTN Coalition

The Stern Group, a private consulting firm, has recently issued estimates of the economic effects of the Uruguay Round for the MTN Coalition, an alliance of American private-sector interests promoting the Uruguay Round. These numbers, like those of the administration, are vastly exaggerated.

The Stern Group has made three principal points in its recent study of trade:

The United States could add $300 billion to GNP due to trade expansion if the Uruguay Round succeeds.

The United States could lose these gains and another $100 billion if the Uruguay Round fails.

The United States is gaining jobs from trade, not losing them, since U.S. "merchandise exports accounted for 90 percent of GNP growth in the first seven months of 1990."

These estimates provide erroneous information for several reasons. The Stern Group's projection is based on the same Australian study used by the administration. The Stern Group argues, however, that the $125 billion in GNP gains should be increased to $300 billion because the Australian model excludes "dynamic" effects. The Group assumes that removing trade barriers worldwide will give America the same kinds of advantages that the Australian model predicts the European Community will gain from removing its own trade barriers. But since most of these gains would come from integrating financial services and increasing economies of scale and productivity, it is difficult to assume that they would be achieved in the United States (or Europe) unless the industrial composition of investment was shifted from low-value-added industries to high-value-added industries.

In addition, few economists would combine the results from a static model with results from a dynamic one. Each gives a different picture of how changes in trade laws might influence GNP and trade. It is not methodologically sound to combine these two different pictures of one economic situation.

Further, the Stern Group calculates that nearly $100 billion in U.S. GNP losses will result from a failure to liberalize trade in the Uruguay Round. But this figure was generated from mistakenly adding the results of two separate scenarios in the Australian study—one projecting losses if North America as a whole (the United States and Canada, in their study) retaliates against the creation of a protectionist "Fortress Europe" ($64 billion) and one projecting losses if North America as a whole does not retaliate ($40 billion).

Finally, at the present time, the U.S. trade balance remains nearly $100 billion in the red. Overall, we are losing, not gaining, jobs from trade. Recent increases in U.S. exports should contribute to some job growth but this contribution is not substantial.

The "trade war" scenario

In addition to overstating the benefits of the Uruguay Round (and understating some possible effects), the administration considerably exaggerates the consequences of failure. This approach complicates negotiating tactics, and makes it more difficult to walk away from an agreement that is not in the U.S. interest.

According to the administration, a Uruguay Round failure is likely to heighten protectionism around the world. However, not even the construction of a "Fortress Europe", one possible result of a failure, need have significant negative impacts on the U.S. economy. According to the same Australian trade model cited for the USTR's estimates of gains from the Uruguay Round, greater protectionism in Europe would produce one of two possible outcomes:

Scenario I: Fortress Europe with no U.S. retaliation:

A loss of $52 billion in European GDP; and

A loss of $36 billion in U.S. GDP, but a $5.6 billion improvement in the U.S. trade balance, with imports declining by $24.7 billion and exports declining by $19.1 billion (this is derived by taking 90 percent of the original figures for total North American trade published by the Australian study.)

Scenario II: Fortress Europe with U.S. retaliation:

A loss of $132 billion in European GDP;

A loss of $58 billion in U.S. GDP; and

An $8-$9 billion improvement in the U.S. trade balance.

In no case would the United States lose $100 billion or more in GNP, as claimed in the Stern Group study; the same Australian study cited by the Stern Group shows that if North America (i.e., the United States and Canada) retaliates against a more protectionist Europe, the loss would be $64 billion in GDP, $58 billion of which would be lost by the United States.

All of these losses, moreover, are very likely overstated. They come from a static model that assumes major adjustments in the world's economies within the first year after any changes. This is quite unrealistic. Any major changes in complex industrial economies are likely to occur over a far longer period.

[From the New York Times, Sept. 19, 1990]

TEXTILE BILL: UNFAIR AND UNNEEDED

(By Carla A. Hills)

WASHINGTON.—The only good thing to say about the textile bill that passed the House yesterday is that the margin of approval fell short of the two-thirds needed to override an almost certain Presidential veto.

In all other respects, the bill is a disaster. It would expand three decades of protectionism, not only raising already artificially high U.S. apparel prices but also undermining global trade negotiations, now nearing completion in Geneva.

The bill, which would apply quotas to new items and make existing protections permanent, would badly hurt consumers, particularly at lower income levels. During the next five years, textile and apparel protection would cost about $160 billion, taxing every family of four about $2,600 a year.

What's more, the added protection is unnecessary. Economic indicators show that the U.S. textile and apparel industries are doing well.

Domestic shipments were up 7 percent and exports were up 27 percent in 1989. Factories are running at an all-time high; a higher rate, in fact, than the average for all U.S. manufacturers. Unemployment in the major textile producing states is generally lower than the national average.

Worst of all, the legislation violates our international commitments under the General Agreement on Tariffs and Trade, the Multi Fiber Arrangement and individual agreements with 38 of our trading partners.

Thus, at the very moment we are seeking to forge an historic alliance to confront Iraqi aggression, we are telling our allies that the U.S. is willing to ignore its international obligations. Indeed, the bill would violate recent agreements with Turkey and Egypt, two countries indispensable to our international efforts in the gulf.

Passing the bill also sends precisely the wrong message at a time when we are trying to convince other nations to dismantle their trade barriers. Approving such protectionist legislation after four years of negotiating to open world markets will be seen as the height of hypocrisy—in essence saying to the world "Do as we say, not as we do."

In Geneva, where negotiators are in the final stages of the Uruguay Round of talks on a new G.A.T.T. agreement, we are urging all nations to open their markets so that trade can expand. But on the verge of completing this agreement to open others' doors, we are closing our own.

If the bill were to become law, the Uruguay Round would collapse, with staggering economic costs. We would lose the $125 billion in increased U.S. output we expect to gain in the first year alone from greater access to foreign markets. The $60 billion that U.S. entrepreneurs lose annually from the theft and counterfeiting of their ideas would continue to grow out of control.

New markets would be lost for U.S. services firms, which export $90 billion annually and create 9-out-of-10 new jobs. We would lose the opportunity to get an agreement opening world markets to investment, which helps generate more than $240 billion annually, or two-thirds of total U.S. exports. And we would lose the chance to bring the developing world into the global trading system, which could increase U.S. exports by as much as 50 percent, or $200 billion, between now and the year 2000.

Beyond the economic tragedy of a failed Uruguay Round, we would squander a vital, proven framework of international collaboration. The collapse of the round would lead inevitably to increased protections and political instability.

Failure to come to an agreement also could destabilize poorer nations, including the emerging democracies. Without an agreement, these nations will continue to be drained by the costs of protections now imposed on them—costs that total two-and-a-half times the aid they receive.

How tragic it would be if the reform governments seeking to replace command economies with market-oriented systems were to fail because of restrictions erected by the world's trading nations, and were then replaced by authoritarian regimes.

The Uruguay Round presents 100 nations with the extraordinary opportunity to forge a new trading system that could trigger an economic renaissance. The 1990 textile bill risks all that. Those who are selling it to the American people are trying to pull the wool over their eyes.

ACTUAL AND PROJECTED U.S. TRADE NUMBERS

In order to keep trade numbers in perspective, the following chart of leading current trade forcasts is attached.

[In billions of dollars]

	Actual			Forecast		
	1987	1988	1989	1990	1991	1992
Merchandise trade:						
Exports NIPA BASIS:						
Actual	250.3	322.0	368.9			
DRI				396.4	427.2	466.6
WEFA				400.8	430.1	469.5
OECD				392.0	442.0	(1)
Imports NIPA basis:						
Actual	409.8	449.0	480.2			
DRI				504.1	536.9	573.4
WEFA				498.8	522.1	563.6
OECD				499.0	547.0	(1)
Trade balance NIPA basis:						
Actual	−159.5	−127.0	−111.3			
DRI				−102.4	−104.5	−100.8
WEFA				−98.1	−92.0	−94.1
OECD				−100.0	−97.0	(1)

[1] Not applicable.

NIPA: National Income and Product Accounts.

DRI: Data Resources, Inc.

WEFA: WEFA group.

OECD: Organization for Economic Co-operation and Development.

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Mr. PACKWOOD. Mr. President, I yield 15 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, it has been my great privilege to rise to speak on the floor of the Senate many times in the last 7 years. I have spoken on many subjects that I think are vitally important to America. Let me say, Mr. President, that I have never spoken on a subject that I think is more important than the subject we are debating tonight. In fact, all of our debates about the budget, our debates about taxation, our debates about regulation of American industry, all of those decisions that we have made here in the last 7 years, would pale by comparison with and be relatively insignificant to the dramatic negative impact that rejecting fast track and igniting a trade war would have on our great Nation and on the world.

Mr. President, I want to say tonight—because I think it is clear what the outcome of the vote is going to be—that I am proud that the United States is going to extend fast track for 2 years and allow us to move ahead in expanding world trade and tearing down barriers. I think it is a triumph of reason over passion. I think it is a victory of public interest over the special interest. Mr. President, that is a victory that does not occur enough on the floor of the U.S. Senate.

Those are big claims about the importance of the measure we debate tonight. Let me explain why I feel that way. First of all, the American success in the postwar period has come by and large through an expansion in trade. We often give great credit to the Marshall plan for rebuilding Europe and rebuilding Japan; but, basically, Europe and Japan were rebuilt, not by a small amount of aid from the American taxpayers, but by the opening up of massive markets to their products. That is what rebuilt and revitalized the economies of Western Europe and Japan.

The system of world trade on the American model turned South Korea, a backward nation with a per capita income of $50 a year in 1953, into the world's 11th largest economy, with a per capita income of over $5,000 today.

It made the people of Taiwan 13 times as rich as the people living on the mainland. It created in Western Europe a massive growth in production, a powerful opportunity machine.

Mr. President, people looked through the rust holes in the Iron Curtain and saw that opportunity, that prosperity, and that freedom. It was world trade that tore down the Berlin Wall.

Mr. President, we are going to vote on whether we will go forward, or whether we will go backward. We are going to vote on whether or not we repudiate everything that America has stood for in the postwar world. In the whole postwar period, on a bipartisan basis, Truman to Eisenhower to Kennedy, and every American President down to George Bush, Democrat and Republican, has tirelessly promoted a reduction of trade barriers and an expansion of world trade. If America has stood for one principle in the world, it has been trade. And we have been a great beneficiary from that principle.

If, today, we suddenly were to succumb to this siren song to build walls around America, to keep out competition, then I believe we would be repudiating everything we stand for in the world.

We have heard a lot of arguments tonight against fast track and against trade. They really boil down to the argument that we can be more competitive by not competing. That would be like a college football program that was in trouble, losing games, and so the president of the university calls in the coach and says, "Look, let's call off football for 10 years so we can get more competitive."

How do you get competitive except by competing? While we have heard many well-intended arguments here tonight and a lot of passion, the plain truth is we have heard special interest arguments based on single-entry bookkeeping. We have heard arguments that amount to the proposition that somehow all these foreign nations want to put their people to work, expend their capital, work and sweat and toil, all to sell things to Americans, with the objective not of benefiting themselves, not with the objective of spending the dollars they earn, but simply because they are somehow demented in that they are only interested in producing and giving us things. It is an absurd position, but it is a position that carries great credibility in trade debates in this country.

Now, Mr. President, let me talk about free trade with Mexico. There are some who oppose fast track because of GATT, and it is my belief that if we reject fast track, we kill GATT, we kill the Mexico free-trade agreement, and we clearly start a trade war, and we will be largely responsible for that calamity. But I think most people here tonight who are voting against the extension of fast track are looking at voting against it because of the Mexico free-trade agreement.

To listen to all of these arguments you would think that Mexico is going to flood America with goods, denying our people jobs. I wanted to try to come up with a figure that would demonstrate why this does not make any sense. Let me tell you the figure I came up with.

First of all, the Mexico economy is less than one-twentieth the size of our economy. Then, you look at data from the United Nations to define what a subsistence standard of living is, that is, what you have to consume in order to maintain human life. Next, you take that figure and you assume—and this is an absurd assumption, but it fundamentally is the assumption made by the opposition—let us assume that Mexico under the free-trade agreement imposed subsistence living standards on every man, woman, and child in Mexico. They dedicated all of their other productive capacity to the sole purpose of selling goods in America and bought absolutely nothing from us with the dollars they received. They just burned them up, put them in the mattress, or just looked at them. How big of an intrusion on the American economy would it be if the Mexican economy of today gave its own people just subsistence living and devoted every other bit of resource to selling goods in the American economy?

How big of an intrusion would it be? Mr. President, it would be less than 1 percent of American GNP. We are not talking about a threat here. We are talking about a small, poor, country that has virtually no productive capacity to threaten anything like the overall nature of the American economy even if the country were dominated by the lunacy in wanting simply to give us everything they could. So in terms of an overall threat, Mexico is no threat to the American economy, at the very worst, 1 percent of our GNP.

Second, and I know this point has been made, but I do not think it hurts to make it over and over again, we are not beginning from scratch in this free-trade agreement. Currently, American goods going into Mexico face a 10-percent tariff on average, and they face a lot of nontariff barriers. Mexican goods coming into the United States face on average only a 4-percent tariff, and 40 percent of their goods overall come in with no tariff whatsoever. If we adopted a free-trade agreement that had no exemptions, simply eliminated all tariff and nontariff barriers across the board, we are going to see the tariff on American goods fall by 10 percent. We will see tariffs on Mexican goods coming into this country fall by only 4 percent. So it is clear that the biggest beneficiaries are going to be American producers and Mexican consumers.

Finally, it is absurd to think that Mexico is not going to spend in America what it earns. After all, 70 percent of all of the foreign goods bought in Mexico are bought from the United States of America.

Currently on a per capita basis, Mexico buys about $300 per capita of American goods. By comparison, Canadians buy about $3,000 of American goods per capita. And the arithmetic works out beautifully because Mexican per capita income is about one-tenth of Canadian per capita income. So, Mr. President, if, through trade, Mexico prospers and grows and becomes a rich nation, they are simply going to move their per capita consumption of American goods up and we are going to be a beneficiary.

Mr. President, I want to answer specifically two charges that have been made throughout the debate in the country. I am going to answer them, because they have been made through the media and through all the so-called public interest groups, who know nothing about the public interest.

First is that this agreement, if we adopt fast track, if we have a free-trade agreement, imperils the environment. Mr. President, when somebody makes that argument, put them in the phony column. Mexico has an environmental problem for one and only one reason, and that is that Mexico is poor. I defy anyone in the U.S. Senate to name me one place in the world where poverty breeds good environmental policy. Nowhere does it breed good environmental policy.

But I will say on behalf of Mexico that they are a country, despite their great poverty, that is making great efforts to try to deal with their environmental problem. They shut down a refinery in Mexico City and put thousands of people out of work. They have entered into agreements with our country to try to clean up the Rio Grande River. The maquiladora plants that are every day criticized for the environmental problems they produce, criticized primarily by environmental groups who get their money from labor unions, are often the pace setters in Mexico in terms of improving the environment.

Mr. President, those who want a better environment in Mexico want free trade. Those who are for a better environment have to ask themselves, is Mexico going to have stronger environmental protections and enforce them if it is poor, or is it going to do more if it is richer? Mr. President, no person serious about the environment would argue that we are going to help the environment in Mexico and in our border areas by failing to do something to make Mexico richer.

Finally, I want to talk about working conditions and wages, not from the point of view of those who say we cannot compete against poor, unskilled workers. Mr. President, if we cannot compete against Mexico, against whom can we compete?

The answer I want to give here is not to that argument but to those who say, "Well, look, we do not want to trade with Mexico, we do not want a free-trade agreement with Mexico, because wages are low there and working conditions are bad. If you want higher wages in Mexico, and you want better working conditions, do you get them by rejecting fast track and by killing free trade? Is there anyone here who does not believe that a free-trade agreement with Mexico will improve wages in Mexico and will probably improve working conditions?

So I think if people are willing to put narrow, greedy, special interests in front of the public interest, well, that is a position that is advocated on the floor of the Senate every single day. But I do not think people ought to be arguing that they are against trade because of the environment, or they are against trade because of the working conditions in Mexico. We can improve the environment and we can improve the working conditions in Mexico, and we can do so through trade.

The PRESIDING OFFICER. The time yielded has expired.

Mr. GRAMM. I ask for 2 additional minutes.

Mr. ROTH. I yield 2 additional minutes.

Mr. GRAMM. So, Mr. President, if we want to improve the environment, if we want to improve working conditions, if we want to improve the lot of a neighbor, then we want this free-trade agreement.

Mr. President, I am for this agreement because it is good for the United States of America. I am for this agreement because I believe it will benefit every State in the Union. I believe it is enlightened policy and that we are doing the Lord's work on this issue. I am also not indifferent to the welfare of our neighbor, because the well-being of Mexico ultimately affects our own great country.

Finally, let me conclude by saying that we do not often have the opportunity to make history. Most of us came to this body, gave up other jobs and other professions, some occupations better than others, but every one gave up something to come here. We came here, I believe, whether we are Liberals or Conservatives, Democrats or Republicans, driven by the fact that we wanted to make history. We wanted to do something important.

I submit to my colleagues that we are never going to have a better chance to do that than by the matter we are debating tonight.

I would like to conclude with the words of Daniel Webster. For those who served in the House, you will remember that this is a quote that is engraved right over the Speaker's chair. I think it is appropriate to the vote we cast tonight because I believe by voting to kill this disapproval resolution, we are doing what Daniel Webster challenged us long ago to do.

He said:

> Let us develope the resources of our land, call forth its powers, build up its institutions, promote all its great interests and see whether we also in our day and generation may not perform something worthy of being remembered.

Mr. President, I believe that we are making history tonight. We are doing something worthy of being remembered. I call on my colleagues to take the big view of what is in the interest of all of the people of our great Nation, not some small view about some special interest group, important though it may be. We are talking about the future of every man, woman, and child living on the continent of North America. I think it is very important that we renew fast track.

I yield back the remainder of my time.

Mr. HOLLINGS. I yield to the distinguished Senator from North Dakota [Mr. CONRAD] 10 minutes.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair, and I thank the distinguished Senator from South Carolina.

I rise in strong support of the resolution of disapproval of fast track. I rise in opposition to fast-track because I am for free trade.

The junior Senator from Texas has just given an excellent description of the advantages of free trade. And if, in fact, what we were voting on here tonight was a free-trade agreement, my vote would be cast in the affirmative, because I believe in the power of free trade. I believe in a level playing field. I believe in the efficiency that can come from people doing what they do best. That is precisely the economic policy that makes the most sense.

But, Mr. President, this is not free trade. This is negotiated trade, and we are losing the negotiation.

Let me give just one example using a sector of our economy that is the largest of all, the agricultural and food sector. My State is an agricultural State. It lives or dies with agriculture. However, it is not just my State that is at stake. The agricultural and food industry is, as I have described, the largest industry in America, accounting for nearly 20 percent of the gross national product of our country.

My idea of free trade, Mr. President, is a level playing field. If we do better, if we are more efficient, we win. If the other fellow does better, if he is more efficient, he wins.

But that is not what is before us tonight. What is before us tonight is an authorization for our negotiators to continue on the path that they are on.

And with respect to agriculture, Mr. President, there is no level playing field on that path. Oh, no. Our negotiators have abandoned that long ago. We are not going to get a level playing field out of this agreement. We are not going to have an economic regimen in which the one who competes the best is the one that wins the race. That would be free trade. That would have my support.

But instead, we are telling our negotiators to continue on a path that will lead to a result that is very clear. Understand that in Europe, they subsidize every commodity at two or three times world market prices. And our negotiators are not saying, well, what we ought to do is wind up with a level playing field with both of us at the same position.

What our negotiators are pursuing now is equal percentage reductions from an unequal base.

Mr. President, I brought a chart with me to show the unlevel playing field in the GATT negotiations and what it would mean specifically to major commodities in this country.

If we were to achieve the agreement that most think is likely in the GATT round, this is where we would end up. In durum wheat, the European Economic Community would receive $8.50 a bushel for durum. American farmers would receive $3.67. I ask my colleagues, is that free trade? Is it free trade when the European farmer gets $8.50 and the American farmer gets $3.70? Is that free trade?

It is not my notion of free trade. I never read about that in the economic textbooks. For corn, the European farmer would get $4.77; the American farmer, $2.62. Is that free trade? I ask my colleagues, is that free trade? It is certainly not my understanding of free trade. It tells me that it does not matter how efficient or inefficient the European farmer is, he is going to have a tremendous edge on the American farmer.

If we achieve what is the most likely negotiated outcome in the GATT round, the European farmer will get $11.80 a bushel for soybeans, the American farmer will get $4.92. That is certainly not my idea of a level playing field, and that is not my idea of free trade or fair trade.

"Well," some will say, "what does it matter? This overall deal is so important and so good that we ought to sign off on it." As I said, Mr. President, this is not free trade. This is negotiated trade, and we are losing the negotiation. And maybe that was OK after World War II when we were preeminent, Japan was flattened, and Europe lay in ruins. Maybe it was more important right after World War II that we lose the negotiation and help rebuild the world economy. But that is not what we face in 1991. All one has to do is read the headlines day after day after day. Our friends in Japan bought Pebble Beach Golf Course; they bought Rockefeller Center; they bought much of Hawaii; they bought the real estate in Los Angeles. They are on the move; they are on the march. Last year, for the first time ever, their assets worldwide exceeded our own.

The average German worker, last year, for the first time ever, saw their wages higher than the average wages in America.

As the Senator from Michigan pointed out, we have gone from being the largest creditor nation in this world to being the largest debtor nation. The question has to be asked: When does it stop, where does it stop, and who is going to stop it?

This country can no longer afford to lose the negotiations. We can no longer afford to take a path where the United States gives up an economic base in order to secure a political result. Over and over, that is what we have done since World War II.

When the Secretary of Agriculture and the Trade Representative unveiled their plan for the negotiations on agriculture, I told them then it reminded me of the Russian proverb, "When famine comes, the fat man gets thin, and the thin man dies." And, unfortunately, we are the thin man. We are getting pretty skinny out in my part of the world. We are getting pretty skinny out in the heartland of America.

There is real hurt in the heartland. We have just had a projection that 35 percent of the grain farmers in my State will not cash flow this year; 35 percent of the farmers in my State cannot survive with the level of debt they have. And we are told: "Just trust us. We are negotiating on your behalf." And if we succeed in the negotiation, our competitors will get $8.50 a bushel for durum, but in my State we will get $3.70; in Europe they will get $4.70 for corn, and we will get $2.60; and they will get $11.80 for soybeans, and we will get $4.92. And they say to us, "Just trust us."

We do not trust them. We do not trust them because this is a disaster. This is a fast track, all right; it is a fast track to a train wreck, and we do not want to go on the trip.

We heard other Senators argue tonight, "All we are hearing is that 'I want my State taken care of.'" You bet we want our States taken care of. We want our people taken care of. That is our responsibility. That is why we were elected to come here, to make certain our people are given a fair shake. Not an advantage.

We do not seek, in my State, to have an edge on the competition. We do seek a fair shake. But the most likely GATT result is not fair. And it is not free trade.

I would like to have it explained to me how this could be fair trade.

Mr. President, I ask for 1 additional minute from my colleague from South Carolina.

Mr. HOLLINGS. I yield 1 additional minute.

Mr. CONRAD. Mr. President, we heard earlier on the floor my distinguished colleague from Michigan, Senator RIEGLE, saying the President has a plan for economic development for every country in the world but apparently no plan for America. We have a plan for Kuwait. We have a plan for Mexico. We have a plan for Europe. I can remember a plan to forgive Egypt's debt. But, there is no plan for America.

We have a President who is interested in foreign policy and he is bored by economic policy. He is bored by a jobs policy. He is bored by what is happening here at home.

Mr. President, we need leadership that understands America needs attention and needs it now. I urge my colleagues to join with me and reject the fast track. Join with me to send a signal that America is done negotiating losing deals.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time? The Senator from Texas.

Mr. BENTSEN. Mr. President, I yield 15 minutes to the distinguished Senator from New Jersey [Mr. BRADLEY].

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 15 minutes.

Mr. BRADLEY. I thank the distinguished chairman of the committee for yielding.

Mr. President, I support the extension of fast-track negotiating authority. I hope and expect a good deal for American workers can be achieved in these negotiations. I believe there is no serious reason we can get rid of fast track and expect our negotiators to work out a deal knowing that Congress can amend it and pick it apart while Mexico or 105 other partners in GATT watch from the sidelines.

We have a chance now, each of us, to make clear what is acceptable to us and what is not. Throughout the negotiations we will be involved in advising and consulting with the negotiators and ultimately we will decide whether the negotiators produced a good deal for our country. The only reason to oppose the extension of fast track is if you believe a good deal cannot be achieved. In other words, why bother trying; we will reject any deal they come up with. Or, if you believe a good deal is not worth achieving.

I am an optimist on this front. I think good agreements can be reached. It will be difficult, but I think we should try. I think the potential of a strong GATT Pact and North American Free-Trade Agreement to revitalize our economy is enormous. If fast-track opponents prevail, we will never know the scale of the opportunity we will miss.

In the case of GATT, it is an opportunity to avert a global recession, and I hope everyone understands that now. The proposed North American Free-Trade Pact would be, I believe, nothing less than our best opportunity to create new manufacturing jobs in America at the kind of pace that will really make a difference for American families.

It is a disappointing fact that a lot of countries we trade with prefer not to buy American products. Fortunately, Mexico is not one of them. Seventy cents out of every dollar Mexico spends on exports goes into the American economy. United States exports to Mexico total about $284.4 billion, having more than doubled in the last 3 years.

My State, New Jersey, sold more than 390 million dollars' worth of chemicals, metals, pharmaceuticals, electronics, and foodstuffs to Mexico in 1989 alone, and this year it will be more. Exports to Mexico accounted for 11 percent of the increase in New Jersey's total exports over 4 years, enough to create about 4,000 new jobs.

It is also worth noting, by the way, that despite the poverty of most Mexicans they spend more than $300 per capita, every year, on American goods; about 15 cents of every dollar of income a Mexican earns comes to the United States.

By the way, our rich European friends spend about $265 here, per person. In other words, the average Mexican citizen spends $300; the average European $265. Geography really is destiny.

These sales could be far higher if Mexico lifted its remaining tariffs and import license requirements and, more importantly, if it could escape the economic isolation that severely limits the buying power of Mexican households and companies.

Jobless people cannot even consider buying steel, textiles, electronics, cars, and most of the other goods we export. Every percentage point increase in Mexico's gross national product—which is about one twenty-fifth the size of ours—would produce $300 million in new American exports, which is almost as much as New Jersey exported to Mexico in 1989.

Let me repeat that. Every percentage point increase in the GNP of Mexico will generate $300 million in new American exports. And every million dollars in new exports creates about 20 new jobs. This is an opportunity for job growth that we are not going to find anywhere else in the world.

Because of these new export opportunities, a free trade partnership with Mexico would create somewhere between 44,000 and 150,000 jobs. The bulk of them would be manufacturing jobs. Many of them would be linked to new investment in Mexico, with low-skilled, low-paying portions of the manufacturing process taking place south of the border and American workers gaining the high-skilled, high-wage opportunities.

Already, for example, Kodak uses Mexican plants for low-skill assembly of sophisticated parts made by United States workers.

Kodak's alternative would be to use low-skilled Asian workers in Thailand or Malaysia for assembly, and probably prepare the parts closer by in Japan or Korea. Blocking a new trade agreement, blocking the fast-track process, which is the only way negotiations can proceed, will not prevent U.S. companies from seeking lower wage locations to competitive advantage.

Jobs that require skills and wages far below those of the average American worker are already moving to Asia and to other locations, just as they are moving east in Europe and into Southeast Asia out of Japan.

The question is not do we want to keep jobs here, instead of letting them go to Mexico. Some jobs cannot be kept here, and we have to face up to that fact. The question is, is it in our interest to see job growth in Mexico? The answer is clearly yes; it is in our interest.

First, as I said, Mexicans spend a far larger share of their incomes buying products from the United States and, second, corporation in Mexico is far more advantageous than losing entire plants to distant countries. Like Kodak's, those jobs are far more likely to be linked to high-skilled manufacturing jobs here in the United States than are jobs across the Pacific Ocean.

Japan and Korea are forging partnerships with Thailand and Malaysia. The European Community is teaming up with Portugal and Spain and Turkey and Eastern Europe. In a world of powerful international blocs, the United States needs a similar partnership with Mexico or our economy will stagnate while Asia and Europe create new jobs.

The fact is that American workers lost a lot of ground over the last decade, particulary because of policies that have put American workers last when it came to taxes, health care, and job security, and have allowed our Nation's manufacturing base to stagnate.

But, Mr. President, not a lot of those jobs and not a lot of that stagnation had to do with trade. But I understand the stresses on families because of these policies and the recession we are confronting today. Times are tough. The specter of unemployment is terrifying. We need to assure families that any agreement that would cost American jobs, that would let companies cut corners on basic standards of environmental protection or worker safety by relocating in Mexico will be dead on arrival.

We do not need the right to amend a bad deal. We cannot amend a bad deal into a good deal. All we need is the right to vote against a bad deal, and we have that.

Mr. President, it is also true that even an agreement that creates jobs will disrupt the lives of some American workers. A good agreement will include transition periods to manage this disruption, as well as a commitment from the administration to fully fund successful retraining programs. Education opportunity has to be flexible and broad enough to assure higher valued jobs are within the reach of every American worker who needs a new skill.

I understand the anxieties some Americans have of giving up a few very real jobs now for promises of better jobs in the future, but the solution is not to pass up an important opportunity to create new manufacturing jobs. It is better to prepare our workers for jobs that may require new skills.

The potential disruption of the Free-Trade Pact, in my view, would be nothing compared to the social and economic disruption we would cause by continuing to isolate Mexico behind a wall of denied opportunity.

Mr. President, earlier this month I visited Nuevo Leon, a prosperious state in northern Mexico, not far from Laredo, TX. One of the candidates running for Governor of that state told me about a small town called Decosse, with a population of 6,000; 4,000 women and 2,000 males.

The males are boys and old men. Almost all of the young and middle-aged men went to the United States. The men of Decosse did not want to break up their families, to leave their parents and wives and children behind. Like anyone, they would have preferred to remain in the town where they grew up, be with their families, be citizens in a stable, productive community.

But, Mr. President, there were no jobs. Prevented by trade barriers from developing businesses that could trade freely with U.S. consumers and industries, they had little chance of getting ahead.

And think of this, Mr. President. Half of the population of Mexico is under the age of 15. If there are not jobs and opportunity in Mexico, as those workers grow up, there will be no way to hold them behind a 2,000-mile border. Half of the population of Mexico is under the age of 15. They will be like the men of Decosse. They will continue to pour into America's cities and towns in search of a few new jobs that our economy is creating.

In fact, a recent New York Times story accounted that in the last 8 years in the New York-New Jersey area, the population of illegal Mexicans has quadrupled. Detached from their families, living illegally, they will take jobs from American workers anyway, but without helping to create a new export market for U.S. goods. To me, that is the most disturbing possibility.

In negotiating a free trade agreement, we are trying to build a partnership for growth, but we are not going to enter a partnership in which we are going to be taken advantage of. That means we need assurances from Mexico that they will hold employers to much tougher environmental standards. Out of the 1,800 Maquiladora plants around the border, 1,000 pollute. And my guess is the Mexican Government will commit to clean up those 1,000 in the next decade.

Mexican officials point out they have even tougher environmental laws on the books than we do, and in many cases that is right; that they are spending $3.5 billion to clean the air of Mexico City; that they shut down one of the largest refineries near the border.

Without economic opportunity, they argue, they will not be able to enforce their tougher laws or take these costly steps. They are right. But negotiations must establish specific goals for Mexico to achieve international standards.

They are also right that without economic growth to create jobs for parents, they will not be able to fully eliminate child labor and enforce their worker health and safety standards. Nonetheless, their negotiations must deal with all these issues and prevent companies from using Mexico to cut corners on basic standards of decency and respect for workers.

Mr. President, the fast-track procedure, by which all trade agreements since 1974 have been negotiated, is the right way to ensure that the agreement reached is a good one, because the final agreement is subject to an up-or-down vote in Congress. The negotiators simply have to pay close attention to what we say on this floor about what an agreement should look like, as well as the opinions of the public we represent.

The procedure resembles collective bargaining in which management and labor each designate a team of negotiators to work out a package that they believe is acceptable to their constituents. Union negotiators take the entire package that they have negotiated back to their membership for an up-or-down vote on the whole thing.

In this case, the union membership is Congress. Labor-management talks would be impossible if management could rewrite wage provisions or labor could change job security rules unilaterally.

There is nothing hasty about fast track, despite the name. If the agreement reached is unacceptable, Congress will reject it and start over. Fast track has the added advantage that Congress and the people we represent have a voice at the table at every step of the negotiations, and I know the distinguished chairman of the Finance Committee will insist on that.

When the negotiations are complete and Congress has taken all the time it needs to prepare implementing legislation, even then Congress has 90 days to review the draft and ask for changes before a vote is required.

Mr. President, I ask unanimous consent for another 4 minutes.

Mr. BENTSEN. Mr. President, I yield an additional 4 minutes to the Senator from New Jersey.

Mr. BRADLEY. The negotiations over a free trade pact with Mexico, quite simply stated, will be a test of whether Americans and Mexicans can overcome our stereotypes and suspicions of each other in pursuit of a larger goal, a more productive economy on both sides of the border. Can we be bold enough, imaginative enough to create the conditions that will enhance our children's future? Do we have the courage to face the fact that their chances for a better life depend on our raising our productivity, which in turn depends on our commitment to quality at home and finding common ground abroad?

Mr. President, a Mexican journalist told me once that what his country needed was "a market economy without a capitalist society." Achieving the efficiencies of the market without the excesses and exploitation of a noncompetitive state-protected capitalist culture can only take place in the context of a democratic society that is open both internally to ideas and movement and externally to the dynamic economies of a growing world.

Mexico is leading Latin America toward that possibility. It is a transition perhaps not quite as dramatic as the swinging of the Warsaw Pact from communism to capitalism but almost as difficult because the old system was not unnaturally imposed on Mexico from the outside. Mexican reform will be a model for Brazil and others in Latin America. We should not be so complacent as to think that it cannot offer implications for the United States, Japan, and other developed nations as well.

America must stand for the efficiency of the market system without the excesses and unfairness of a noncompetitive capitalist system. Wealth should not be guaranteed by Government contracts, licenses, or subsidies. It should be earned by performance in the real world. Economies should be open to worldwide trade, investment, and competition because that delivers the lowest prices and the highest quality to the greatest number of people. It also engenders pride and confidence in those who work for world-class companies that can compete.

Those countries that balk at opening up their markets should be penalized by the rest of the world for depriving their own citizens of a higher living standard and for imposing their irresponsibility on the international system.

Tax systems should be progressive. If you have more, you should pay more, but rates should be low. Tax evaders should be punished rigorously.

The goal of economic activity should be to advance the greatest number of people to a higher standard of living. That means investments in health, education, and clean environment. An efficient economy that concentrates wealth and ignores human needs is doomed in the long run.

The fundamental challenge for a democratic society is adapting to change, facilitating and assisting individual citizens in their quest to find tomorrow's opportunities and adjust to yesterday's losses. For America to remain the land of opportunity, economic policy has to be human centered, and political leaders have to level with people, and the promise of our pluralism has to be fulfilled.

To the extent that we achieve this ambitious, imaginative goal within the emerging North American free-trade area, America, by example, can lead a complex and shifting world of races, religions, ethnicities, and of ambitious individuals in search of economic opportunity.

Mr. President, the choice is clear. On the one hand, we could try to hold onto the manufacturing jobs we have, creating new jobs only in services, isolating ourselves from export markets while all around us regional blocs pull together to compete aggressively in a dynamic world market, or we can be a part of that market, using the skills, drive, and ingenuity only American workers possess to make the goods the world wants and creating new high-paying manufacturing jobs at a pace we have not seen since the 1970's.

Mr. President, we may never have the chance to negotiate such a deal again. It is worth the effort.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, I yield 20 minutes to the distinguished Senator from Minnesota [Mr. WELLSTONE].

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 20 minutes.

Mr. WELLSTONE. I thank the Senator from South Carolina.

Mr. President, I rise to support the resolution of disapproval, but this is not an easy vote for me and it is not an easy speech to give. There are many distinguished Senators present, I believe, who have reached a very different set of conclusions on this very important question.

This vote is about a very significant procedure called fast track, but it is really a vote about fast track and two major trade agreements—GATT [General Agreement on Tariffs and Trade] and the North American Free-Trade Agreement—two trade agreements which will crucially affect the quality or the lack of quality of the lives of people in our country.

This is a debate that has taken place in the House of Representatives and the Senate, and, interestingly enough, since it is about trade agreements, it is a debate taking place across our country. Who would have predicted 6 months ago that op-ed pieces and editorials would be appearing in major newspapers all across the country about a preliminary mechanism called fast track, something that very few people even knew existed half a year ago? But today people in our country are waiting to see how we in the Senate will act. People are engaged; that is the good news. People are concerned; that is the good news. In my State, Minnesota, people are telling me to vote for and people are telling me to vote against extending fast track.

When I came to Washington—I am a first-term U.S. Senator, a freshman Senator—I was wary of the administration's concept of free trade. I was worried that this would be laissez-faire, headlong in conflict with the environment, working conditions, family farmers, some of the very people I love, believe in, and who I feel I need to represent and want to represent in the Senate. But I came here with an open mind. I certainly favor achieving freer and fairer trade. I believe in that. I have heard from Minnesota businesses and they have told me that exports are key to the economic vitality and to the economic health of the State of Minnesota, much less our country. And I will vigorously pursue market access for those companies.

My position on these trade agreements if not "no, not never." My position is "yes, if." Yes to trade agreements if they internationally recognize labor rights; yes to trade agreements if they guarantee minimum safeguards for the environment; yes to trade agreements if they do not abandon family farmers to competition from export-oriented megafarms abroad operating free from any environmental regulation; yes to major trade agreements if they do not displace thousands of workers without any adjustment assistance.

I was one Member—and there were others—who expressed these concerns. I came here to the Senate to be a good legislator. I am learning from my colleagues. So I attended committee hearings and wanted to see whether or not my questions could be answered.

Yes, if the blanks could be filled in by the administration or those who were in favor of fast track, then I could support these trade agreements. But I wondered how my concerns would be met without the right to amendment. So it was that I dug in and I tried to learn. And I had questions that I asked. I looked for the answers.

On the Labor Committee, altogether we had 45 minutes. Fast track has been on a fast track here. Carla Hills was there, U.S. Trade Representative; Labor Secretary Lynn Martin was there; and EPA administrator William Reilly—45 minutes for three witnesses about major trade agreements which crucially defined the quality or lack of quality of lives of people in our country.

Here are some of the questions that I asked. I asked this question: Since one of the most prominent pro-NAFTA economists of MIT believes that if we sign this free-trade agreement with Mexico, there will be a substantial shift of investment to Mexico and worker dislocation, and over the years to come we might need to spend over $50 billion—that is what he said as a proponent of this agreement—in adjustment to assistance to American workers, what level of the assistance is the administration willing to provide for people who could very well be spit out of the economy with no place to go?

I am on the floor of U.S. Senate. That is my honor. I get to speak to people in our country. I do not think there is one person listening to our debate anywhere in the United States of America who would accept being just simply nowhere to go, spit out of the economy, lose your job and no assistance. Everybody has the right to think about what assistance, what support—where will I be able to support my family, how can I put bread on the table?

Question No. 2, I asked: Why have major environmental and consumer organizations opposed fast track?

Question No. 3, Why do not we put some binding language concerning labor and environmental standards directly into the trade agreement? If I could see that language with some binding agreements, if you could present that to me now, then I will not be so concerned.

I can tell you, Mr. President, that the content of the answer to these questions only underscored my concerns. The silence was deafening. Administrator Reilly is concerned about the environment. You know that. I think all of the representatives of the administration are operating in good faith, but they never could provide direct answers to those questions.

As a U.S. Senator being asked to make a decision on this kind of question, I have the right, we have the right, to receive answers to those questions.

Let me give you an example. Trade assistance, the Senator from Michigan talked about this. We know how the administration has performed on the issue of trade assistance. The administration's budget seeks to zero it out. Let me repeat that. We know the administration's record. The budget seeks to zero it out. Secretary Martin, in response to my question, sent me a letter. I appreciated that letter. She told me that dislocation would be best handled through something called—I am just learning about this as a freshman Senator—the Economic Dislocation of Worker Adjustment Program, the EDWA Program.

But this program is already inadequate. Where is the funding? The administration's promise to cooperate and deliver assistance to people who would be out of work as a result of these agreements ring hollow. It rings hollow unless the budget is there to back up the commitment, and the budget is not there. That is an irrefutable fact.

The administration tells us that this trade agreement will create new jobs. And to arrive at that conclusion, the administration makes two major assumptions that this Senator cannot let stand unchallenged. Assumption No. 1: There will be no significant shift of investment from the United States to Mexico. And, assumption No. 2: That we are somewhere close to full-employment economy. We are not close to a full-employment economy. We are in a recession.

And even if this free-trade agreement with Mexico creates new jobs for some, I do not think there is anybody in this Chamber tonight that will deny that others will be out of work. Where will be the assistance for working men and women who might very well lose their jobs? I have not heard an answer to that question, and promises are not sufficient.

Second of all, the administration has repeatedly assured me it "will do something in the NAFTA or GATT to weaken our environmental laws." But then I asked the same question: If the administration has given us this assurance and telling us they do not want us to have the right to attach any amendments dealing with these problems, then why does not the administration write directly into the agreements a prohibition on challenging our health and safety regulations which could very well happen?

We do not see those guarantees. I think we have succeeded in this debate, and in the discussion that has taken place in our country. I think it has been a good discussion. In raising these concerns—concerns about jobs, concerns about the environment, concerns about agriculture, and concerns about whether or not these agreements, fast track, will really be a step forward for people in our country or will it be a step backward?

And the inadequacies of the explanations that have been forthcoming from those who are the proponents of fast track is enough to make me want to vote against the extension of fast track. But there is more. We have heard economic analysis. The Economic Policy Institute has concluded that free trade as conceived by the administration would "cause major damage" both to the U.S. competitiveness and to balanced economic place in our country. I think it has been a good discussion.

They go on to argue that "not a single study convincingly has concluded that the United States economy will benefit substantially." Maybe they are right, maybe they are wrong. These are the questions that I have in my mind. But I tell you what my concern is tonight as we debate this question. My concern is that our primary export to Mexico will be jobs. I have not heard anything in this debate that will convince me otherwise.

I want also, Mr. President, to address a claim by the administration, and let me be clear, not one person in this debate on the U.S. Senate floor has come close to making such an argument. I do not mean to direct any of my remarks to any of my colleagues. But I am really offended and a little bit indignant at the claim by some in the administration that those of us who would question this free-trade agreement with Mexico have resorted to slurs against Mexico.

It is the very victimization of Mexican people by current free-trade practices as exhibited so clearly in maquiladora that has motivated so many of us to question whether or not this agreement will really be a good thing for people in Mexico or in our country. The Wall Street Journal piece reported that the maquiladoras are turning the United States-Mexican border into a "sinkhole of abysmal living conditions and environmental degradation." And when we on the Labor Subcommittee sent a staff person there to do an investigation, he came back with a video in which it was awful to see those conditions.

If the administration is so committed and so concerned about poverty in Mexico, and economic development in Mexico, as we all should be, then why not offer debt relief and why not offer some kind of an economic relationship that will be good both for people who work in Mexico and men and women who work in our country?

Mr. President, you come from North Dakota. You represent farmers in North Dakota. I represent another heartland State, Minnesota. Let me talk about agriculture.

Are we prepared, let me ask my colleagues, to drive our remaining family farmers from the land, further depressing our rural economy by opening up our borders to unlimited imports, some from foreign agro-export conglomerates, who exploit both labor and environment with no adequate safeguards that they will not continue to do so? My State is already losing dairy producers at the rate of 1,000 farms per year.

I did not like the 1990 farm bill. Some Senators in here probably favored it. Others did not. I will tell you one thing, Mr. President: I will preserve the right of every U.S. Senator to write agricultural legislation. And I will tell you another thing; I do not want to see the U.S. Senate forfeit its right, and its obligation, and its responsibility to debate and shape agricultural policy.

When I travel in the farm and rural areas, I say to family farmers, "the environment is the major issue," and people know that. People care about the 6 inches of topsoil. They care about the water that their children drink. Farmers care about the land; they want to be good stewards of the land.

But I will tell you something: All the sustainable agriculture organizations in our country, or at least most of them, have maintained, for good reason, that this fast-track procedure, and these agreements, especially the GATT agreement, will drive family farmers out of existence. We will see a massive transfer of ownership of farmland. And when people do not live on those farms and do not farm that land, and it is absentee ownership, then you are not going to have stewards of the land, or protection of the environment.

Of course, the White House should conduct trade negotiations. But there is no reason to give the White House autocratic power to do so. If a trade agreement cannot withstand the scrutiny of our democratic process, then it does not deserve to be enacted.

Mr. President, it is a serious mistake, it is a very serious mistake to characterize this debate we are having tonight on the floor of the U.S. Senate as a debate between free traders and protectionists. Negotiating trade agreements, fast track, and negotiating trade agreements is not about creating a free-trade world or protectionist world. That is not what is at stake.

What is at stake tonight is something very different. What is at stake is what roll will our national Government play in setting national policies which are all about where our country and our people fit in to an integrated global economy.

Mr. President, this debate about fast track, this debate about GATT, this debate about NAFTA, is a debate about major economic agreements, which affect family farmers, they affect workers, they affect our schools, they affect our revenue base, they affect the community we live in, and they affect the most important economics of the lives of the people that we are here to represent in the U.S. Senate.

I want to be clear that I will not, and I cannot forfeit my right, through some fast-track procedure, to represent the people of Minnesota on the most important kind of concern, when it comes to their future and the future of their children.

I yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I yield 15 minutes to the Senator from Delaware.

Mr. ROTH. Mr. President, I rise in strong opposition to Senate Resolution 78, which disapproves the extension of fast-track authority for 2 more years.

Over the past several weeks, I have found much of the debate over extending fast-track authority to be misleading, inaccurate and simplistic. It has been portrayed as leaving Congress devoid of any role in the developing of U.S. negotiating positions or in the crafting of U.S. trade agreements with other countries. It also has been viewed as solely a mechanism to ramrod through the Congress trade agreements which are economically devastating to the United States. Some have even suggested that fast track is undemocratic. When one takes a closer look at just what is involved, one discovers that none of these portrayals is true.

First of all, fast track is not simply an up-or-down, take-it-or-leave-it mechanism which gives the administration a blank check in negotiating trade agreements. Congress is a full and active participant throughout the entire process of negotiating and approving multilateral and bilateral trade agreements. Not only are various notification and consultative requirements closely linked to the granting of fast-track authority, progress must be made in achieving specific negotiating objectives before the President submits any trade agreement for congressional consideration under fast-track procedures.

Above all, it is Congress who is the final judge of any trade agreement. It would be foolhardy for the administration to submit a trade agreement which ignores congressional concerns, and those of U.S. workers and industry, for Congress would vote against it. Moreover, Congress will unlikely grant futher extensions of fast-track authority if previous grants have resulted in unacceptable trade agreements, a point that is no doubt well appreciated by our executive branch.

On the other hand, providing temporary fast-track authority to the President is an essential tool for developing and implementing an effective trade policy. It gives the President the backing and credibility he needs to negotiate comprehensive trade agreements by demonstrating to our trading partners that Congress will consider a trade agreement on its merits by a date certain without unravelling the entire agreement.

Mr. President, what is at stake here is the procedural means for achieving one of our Nation's most important trade-negotiating objectives. This objective is the reduction and elimination of trade and other barriers to U.S. exports of goods, services and agriculture through major international trade agreements. Whether we achieve this objective or not is up to Congress.

Mr. President, both the Congress and the executive branch strongly share this and other important trade negotiating objectives, and we have worked closely together toward attaining them. At a time when exports are playing an increasingly critical role in promoting economic growth and jobs here at home, it behooves us to move ahead on this course by extending fast track.

Clearly, without fast track, we will be unable to pursue one of the greatest opportunities for reaching our trade negotiating objectives in the most comprehensive manner—the successful completion of the Uruguay round of multilateral trade negotiations. Unfortunately, too little attention has been paid to the enormous potential benefits we hope to gain from concluding what represents the most ambitious and complex multilateral trade round ever launched.

Some of these benefits deserve special mention. For example, we have within our reach for the first time the possibility of establishing strong and effective internationally agreed trade rules and principles in the areas of agriculture, services, intellectual property rights, and investment. In agriculture, we seek nothing less than substantial and fundamental reform of distorted worldwide agriculture trade, the yearly costs of which now exceed well over $200 billion. In services, we aim to cover and liberalize one-third of world trade not currently covered under our global trade regime to significantly increase the $90 billion in annual U.S. service exports. In intellectual property rights, we seek the elimination of piracy of U.S. ideas and innovations that have cost us an estimated $60 billion per year.

These are just a few examples of the potential benefits. Others include the opportunity to compete on equal grounds in the European Community's estimated $600 billion government procurement market and the full integration of developing countries under our global trade regime.

Overall, we now have before us the chance to strengthen U.S. global competitiveness by bringing about greater overseas market access across all sectors, fairer and stronger trade rules to which over 100 countries will adhere, and a more modern and better-equipped multilateral trade system, which has steered the world economy along a path of expansion and growth for over four decades.

The Uruguay round has been 4½ years in the making. As we all know, we had hoped to conclude the round last December at the Brussels Ministerial, but due to the intransigence on the part of our major trading partners, particularly the European Community and Japan, the Brussels Ministerial resulted in the round's suspension.

Just this past February, we broke the deadlock and decided to resume the trade talks. The last thing we should do now is fail to extend fast track for this would provide a convenient excuse for our trading partners to blame the round's failure on the United States. Rather, we should preserve the fast-track process and demonstrate our continued capacity to lead in promoting a stable and expanding world economy. The onus should remain on our trading partners to demonstrate that they too have the political will that is needed to conclude the round. They must remain on notice that the success of the round is largely in their hands, and that the United States will accept nothing less than the substantial agreement we originally set out accomplish. It is high time that the European Community and Japan started putting action behind their words of commitment to a successful round. The European Community, in particular, must do so in the area of agriculture.

As is widely known, fast track is also needed for moving ahead with our proposed negotiations for a free trade agreement with Mexico under a North American Free-Trade Agreement. I believe this initiative holds great promise for all three sides of the border for it will create the largest free market in the world. In doing so, it will bolster our overall competitiveness on a worldwide basis.

I share many of the concerns that have been raised with respect to a free-trade agrement with Mexico, and agree with the majority of my collegues that issues such as the environment and labor must be addressed in one form or another. The President in his May 1 action plan underscored the commitment of both the United States and Mexico to work together in a cooperative fashion to do just that. The opportunity and will are there, and by extending fast track we will be able to take advantage of it.

We all know that Mexico has a long way to go in cleaning up its environment, but we should not ignore that President Salinas has seriously begun to take strong steps in this direction. The permanent closure of Mexico's largest oil refinery in Mexico City this past April, at a cost of $500 million and 5,000 jobs, and the recent permanent shutdown of 82 other industrial facilities for environmental reasons highlight this positive cleanup trend. The Salinas government has also mandated that all new automobiles must now have catalytic converters, something which not even all members of the European Community require.

Clearly, more must be accomplished, including the full enforcement of Mexico's already existing strong environmental laws, and assurances that new investment in Mexico will be done in a environmentally sound manner. A free-trade agreement will not further degrade Mexico's environment, it will help Mexico find the resources needed for dealing with costly environmental problems.

I am troubled by the concerns raised by United States workers that a free-trade agreement will lead to a massive flight of United States plant relocation to Mexico and worker dislocation. Liberalizing trade, however, is not a zero-sum game. Quite the contrary, it has been proven to lead to overall job creation not job loss. Just looking at the historic economic liberalization program that President Salinas has undertaken since 1986, highlights the impact that it can have here at home in terms of economic growth. Since 1986, our exports to Mexico have more than doubled to $28.4 billion, which has lead to an estimated 264,000 new jobs. Of each dollar's worth of goods Mexico imports, 70 cents is spent on goods of United States origin. It seems apparent that eliminating all of Mexico's trade barriers, which are much higher than ours, will lead to even greater United States export and job growth.

Regardless of the expected positive economic impact of a free-trade agreement with Mexico, we must ensure that the special needs of United States import-sensitive industries are taken care of. The specific commitments made in the President's May 1 action plan to ensure long transition periods in phasing in certain parts of the agreement, to provide strong country-of-origin rules to prevent third-country transshipment, to create special safeguard mechanisms to address instances of injurious trade, and to work with Congress in establishing an adequately funded and effective worker adjustment program are all designed to specifically address these special needs. I intend to work toward ensuring that any possible trade agreement with Mexico contains provisions along these lines.

A lot of tough negotiating remains ahead of us in both the Uruguay round and in our free-trade talks with Mexico. Many key concerns and issues will have to be addressed adequately and effectively in order to garner congressional support for the final agreements that are ultimately reached. I, for one, intend to continue to closely gauge the progress being made throughout both sets of negotiations, and will carefully examine the entire contents of a Uruguay round agreement and a trilateral North American Free-Trade Agreement prior to deciding whether or not to give my support to them when they come before the Senate for approval.

By extending fast track we will provide the President the backing he needs to forge forward in seeking the type of trade agreements that Congress expects, and that are ultimately in our Nation's best economic interests. Our negotiators are not blind. They know they must bring home agreements that are good for America, and they have delivered such agreements in the past, agreements which were overwhelmingly approved by the Congress. I am confident that the President, in partnership with the Congress, will bring home similar agreements during the next 2 years, if we are willing to let him by extending the fast-track authority he needs.

For all of these reasons, I urge my colleagues to vote against Senate Resolution 78.

I yield back the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. I yield 10 minutes to the distinguished Senator from Iowa [Mr. HARKIN].

The PRESIDING OFFICER. Will the Senator repeat the amount of time yielded?

Mr. HOLLINGS. I yield 10 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 10 minutes.

Mr. HARKIN. Mr. President, I take the floor to speak in favor of the submitted resolution introduced by my distinguished colleague from South Carolina [Mr. HOLLINGS]. I have concluded, after giving the matter a good deal of thought, that to extend the fast track procedure would not be in the best interest of our country.

Contrary to the assertions of the proponents of the fast-track procedure, a vote against extending fast track is not a vote against trade negotiations, nor is it a vote against reaching agreements with Mexico or under the GATT. It just means that we here in Congress retain our right to consider and modify those agreements to ensure they are in the best interest of our country. Fast track is not essential to trade negotiations or to concluding and adopting trade agreements.

Earlier this evening the distinguished Senator from South Carolina pointed out that 90 multilateral agreements had been approved since 1974, many of them concerning trade, and only one of those under fast track. I have not heard one opponent of this fast-track resolution get up and show why we now cannot use the procedure that was used for all of those agreements. It has worked well in the past. But now we are told that will not do.

The burden is on those who want the fast-track extension to demonstrate why, after all these other agreements have been hammered out with the Congress being able to work its will, that now we have to use the fast track. That burden has not been borne by the proponents of extending fast track.

I heard someone say earlier this evening that if we do not extend the fast track, Mexico will not sit down and negotiate with us. Well, is that not something? We here in the United States have a $5½ trillion economy. Mexico has an economy of about 3½ percent of that. And they are saying they will not sit down and negotiate with us? Talk about the tail wagging the dog.

What have we become, my friends? A pitiful, helpless giant when it comes to negotiating trade? That is what President Bush would have you believe. We are a pitiful helpless giant, with a $5½ trillion economy, and here is a country with a fraction of that telling us what we can and cannot do.

It seems like any time anyone questions the administration's trade policy they say we are guilty of protectionism or we are kowtowing to special interests.

Mr. President, I want trade agreements, but it is high time to make sure those agreements provide for fair trade and are in the best interest of the people of this country. Is that so wrong, for us to stand here and fight for the people of this country, to fight for jobs for our workers?

Mr. President, I took an oath of office to uphold and defend the Constitution of the United States against all enemies, foreign and domestic. That does not just mean the enemies that want to lob bombs in here. That means those who want to take away our jobs and our income from our people.

I did not take an oath of office to uphold the President of the United States, regardless of who that President might be, or to give a blank check or rubberstamp what a President may want. So I make no excuses. Am I here to protect the interests of my farmers and workers? You bet I am. And I make no excuses for it.

That does not not mean we will not have trade. I am all for it. But let us have fair trade in the best interest of both countries. This administration's idea of trade policy is to open up our borders and hope that other countries reciprocate. But other countries take a different approach. They pursue policies that further their national interest. And I do not blame them for it.

Well, the result is predictable. Our country continues to get taken to the cleaners by our trading partners.

The prospect of a free-trade agreement with Mexico has caused a great deal of concern among our working people in this country who fear their jobs will be moved to Mexico where there are lower wages, weaker protection for workers, and less effective environmental protection.

Mr. President, wages in Mexico are only about one-seventh of those in the United States. They are even lower in the maquiladora area along the border. There are 30 million workers in Mexico willing to take low-wage jobs. And worst of all, Mr. President, 5 to 10 million children in Mexico are working illegally.

You know, people often ask me, "Harkin, what is your bottom line on this Mexican trade agreement?" I will tell you what my bottom line is, Mr. President. It is simply this: This country ought not to import any item from any country that permits the employment of child labor, period. That ought to be our policy.

I will tell you what. You take that out to the countryside and you see if people will support that. Do not import any item from any country that permits the employment of child labor, period. I will tell you what kind of support you will get all over the country for that. Unanimous support for that kind of a policy.

Now, who is going to bear the brunt of these jobs moving to Mexico? High-wage people? No. It is going to be those workers in our country, 75 percent of our work force, who do not have college degrees. My Lord, they are already under severe stress. They cannot make ends meet. They cannot pay their medical bills. They cannot buy their own home. They cannot afford to send their kids to college. They are the ones who are going to bear the brunt of a free-trade agreement with Mexico. Ten million people in our country unemployed. Extending the fast track would be saying, "Sorry, you do not count any longer."

Studies show that about 550,000 to 900,000 U.S. jobs in 10 years would be lost under a Mexico Free-Trade Agreement. Well, the administration cites economic studies that are fatally flawed because they assume that United States investment will not move to Mexico. And they also assume full employment in our country—no loss of jobs under a free-trade agreement.

Well hallelujah, Mr. President. They have assumed away the critical issues in this debate: The movement of investment and the loss of U.S. jobs. Maybe the Bush administration is now going to send down the Humphrey-Hawkins bill for full employment.

Now, I will tell you what. We will bring up Humphrey-Hawkins and let us see how much the administration supports a full employment bill in this Congress.

Now, to underscore something my colleague from Minnesota pointed out a little bit ago: The administration says it will support transition assistance to workers displaced by a Mexico free-trade agreement. Well, big deal. The proof of the pudding is look at the administration's budget they sent up this year. It comes under my appropriations subcommittee. Guess what their budget request is for trade adjustment assistance to workers this year? Zero. That is what they want.

Now the administration is telling us go ahead and rubberstamp this fast track procedure and extend it and we will have trade adjustment assistance for our workers. Again, look at what they sent down this year for trade adjustment assistance. Zero. That is what they are asking for.

Do you have confidence in promises of worker assistance from this administration? I will tell you what: I will bring my appropriations bill out on the floor and we will have a vote, maybe to bust the budget, do away with the caps, and raise funding for trade adjustment assistance, and we will see how many people want to vote for that.

I will assure you we will not have any support for that from the administration.

Mr. President, I am all in favor of improving economic conditions in Mexico. But I say we should not lower our standard of living and our workers' wages to the levels there. We ought to help them raise their wages and living standards up to our level. And in that way we can truly compete on the quality of products and not on the misery and the suffering of the people who make them.

That ought to be our bottom line. I want America to compete, but not on the misery and suffering of children or of people who are making 57-cents-an-hour with no health benefits, no Social Security, nothing. And to those who argue that somehow a Mexico-Free-Trade Agreement is going to help us because they can sell those imported products in this country cheaper and it helps our consumers, I challenge anyone here to find one product produced in another country made by children that sells in this country at a cheaper price than products made in this country. You will not find it.

The Senator from South Carolina last year held up a shirt made in that land, and the same brand name, same shirt made in this country. In that land they were making $3 a day; our people in this country were making $7 or so an hour. You would think one shirt would cost a lot less than the other? No. Same price. Someone is making a killing and it is not the people who are working to make the product.

And then we have the GATT talks which are critically important to farmers, agricultural industries and the entire economy of my State. I fully support reaching a good agreement in the GATT negotiations, but again, I am not prepared to relinquish my rights to debate and seek to modify an agreement that I find unacceptable.

I am not satisfied that our negotiators will reject a bad GATT deal, nor has the administration made adequate commitments for dealing with the impacts on farm families and rural communities that would arise from a GATT agreement that reduces support to agriculture.

I am very concerned about the direction the GATT talks on agriculture are headed. There is now on the table a proposal to cut support to agriculture by a given percentage across the board. European farm subsidies are much higher than those in the United States, so a set percentage reduction would still leave U.S. farmers at a definite disadvantage compared to European farmers. The EC countries will spend around $54 billion this year on farm supports. The United States will spend around $12 billion or so. With equal percentage reductions in support, our U.S. farmers still would be at a big disadvantage.

Our U.S. trade and agriculture officials offered American farmers the prospect of a level playing field in return for giving up Government support. Now our negotiators appear ready to accept far less than a level playing field.

The EC has shown little willingness to make significant changes in its farm subsidy policies. And it appears that the EC will demand significant concessions from the United States before it makes even modest changes in its policies. Hence, I fear that the pressure to reach an agreement will lead the administration to make concessions that are not in the best interest of our farmers.

The administration seems to be more interested in slashing support to our farmers than in achieving a good GATT agreement for them. Again, I believe this reflects a lack of a well-conceived strategy for furthering the best interests of our country in international agricultural markets.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. I yield 3 minutes to the distinguished Senator from Iowa.

Mr. HARKIN. I thank my colleague for yielding me a little bit of additional time.

Finally, let me say this. It seems to this Senator that President Bush has an economic plan for a lot of other countries, but there is no economic plan for our country. The President has a $150 billion program this year to defend Western Europe from the Soviet Union—$150 billion of our taxpayers' money going in to bolster the German economy, the French economy, all of the European economy, and they come back and hit us with unfair trade in agriculture and other areas.

We forgive other countries' debts, we send taxpayers' money to them.

The President has a jobs program for other countries. He has a jobs program here for Mexico, a jobs program for China, a jobs program for South Korea. But there is no jobs program for the people of this country.

President Bush is saying to the people all over the world: Don't worry, we are going to make sure you have jobs; don't worry, we are going to make sure you get American taxpayers' dollars.

But what President Bush is saying to our workers in this country is: Don't worry; be happy. Don't worry about this, just be happy; this is the best we can do.

I say it is time the President quit spending 90 percent of his time worrying about the rest of the world and 10 percent worrying about what is happening in this country, and start spending 90 percent of his time worrying about what is happening in this country and pulling this country together and sticking up for our workers and our people and our business in this country, rather than trying to negotiate trade agreements on the fast track that will undermine the very strength, the very character, the very wealth of this country.

We Members of the Senate should not abdicate our rights or our responsibilities to insist that we treat these trade agreements just like we have the 89 others since 1974. Yes, let them negotiate, and when they come back let us take a look at what they have. And let us in the Congress of the United States represent the people that we were elected to represent, and not give a blank check to the President to send our jobs and our wealth out of this country.

Not this administration's brand of free trade, Mr. President; not their so-called free trade—instead fair trade. Because fair trade leads to economic improvement throughout the world. The kind of so-called free trade this administration wants leads only to the loss of jobs, wealth, and living standards in this country and the exploitation of poor and impoverished people in other countries.

The PRESIDING OFFICER. Who yields time? The majority leader.

Mr. MITCHELL. Mr. President and Members of the Senate, over the past few hours, I have consulted with the distinguished Republican leader, the chairman and ranking member of the Finance Committee, the distinguished chairman of the Commerce Committee, and several other interested Senators, in an effort to establish a firm schedule for disposition of this matter that would accommodate the schedules and interests of as large a number of Senators as possible.

As is always the case, those interests do not entirely coincide, and it is not possible to complete this schedule in a manner that fully accommodates each Senator.

But I will momentarily propound an agreement that attempts to accommodate as many as possible, and I would hope we can get this agreement, the reason for which will become clear as I propose it.

Mr. President, I now ask unanimous consent that at 9 a.m. on tomorrow, Friday, the Senate resume consideration of Senate Resolution 78; that there be 3 hours remaining for debate on the resolution, with the time from 9 a.m. until 10 a.m. under the control of Senator HOLLINGS, and the time from 10 a.m. until 12 noon to be divided as follows: Senator HOLLINGS controlling 1 hour, and Senators BENTSEN and PACKWOOD controlling 30 minutes each; that at 12 noon, without intervening action or debate, the Senate proceed to vote on the resolution; and that tonight, debate continue as long as any Senator desires to be recognized.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, reserving the right to object, could the leader tell us at what time the leader is proposing we have a final vote on this resolution? At noon?

Mr. MITCHELL. Noon tomorrow.

Mr. HARKIN. Is there any possibility of shortening that time?

Mr. MITCHELL. The Senator, having just spoken——

Mr. HARKIN. But the Senator only having taken 13 minutes of time, I remind the leader.

Mr. MITCHELL. And I appreciate that. This represents a significant shortening of the time tomorrow. It permits unlimited debate this evening and into the early morning hours of tomorrow for those Senators who wish to do so.

We considered and discussed at some length the possibility of remaining straight through this evening, because there are some Senators who would be better accommodated by that schedule.

Unfortunately, it appears that it would require staying in all night without any certain time for a vote tomorrow. We might end up voting at noon in any event. So it seems as though—once again recognizing that it is not humanly possible to precisely accommodate the interests of every Senator, since they do not all coincide—that this is the most reasonable approach for the greater good of the larger number.

Mr. HARKIN. I thank the leader. I do not object, and I yield the floor.

The PRESIDING OFFICER. Without objection, that will be the order.

Mr. MITCHELL. Mr. President, accordingly, there will be no rollcall votes this evening. And the only rollcall vote tomorrow will be at 12 noon on the resolution.

I thank my colleagues for their cooperation. I thank the distinguished managers, and I especially thank the chairman of the Commerce Committee, Senator HOLLINGS.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, just so those who want to speak on our side in favor of the agreement understand, we can speak as long as we want tonight. But I urge all those who want to speak to come tonight and speak. Because tomorrow the chairman and I only have a total of an hour divided between us.

It has been my experience before that people will come rushing in tomorrow and want 10 or 15 or 20 minutes, and the time supply will not be available. But anyone who wants to speak can speak tonight.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I strongly urge the Democrats to carry out the same request tonight and make their speeches tonight, those who are the proponents. Because I share very much with my colleague the concern that tomorrow we will just not have that time available.

With that, I now yield 15 minutes to the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 15 minutes.

Mr. ROCKEFELLER. I thank the Chair, and I thank the distinguished chairman of the Finance Committee for yielding to me.

Mr. President, I rise—with some reluctance and reservations—to support the extension of fast-track procedures so that trade negotiations can, in fact, go forward. My reluctance is based on my concerns about the process and my deep skepticism about the proposed free-trade agreement with Mexico.

My support essentially stems from the potential good that the other trade agreement—the Uruguay round—can do for my State of West Virginia and for our country. I have concluded that it is neither wise nor responsible to terminate the process that may lead to a successful conclusion of these GATT negotiations.

With respect to the fast track itself, it is fair to say that no great issue of the day—and this is one—should be decided on process. I am confident that will not be the case today. At the same time, however, the Congress is right to be concerned about process. This President has asserted executive authority over trade policy to a greater extent than any of his recent predecessors. His vetoes of the FSX resolution, the Chinese immigration bill, and last year's Export Administration Act Amendments, for example, all claim executive primacy in the regulation of foreign commerce that is belied by the Constitution. Unfortunately, Mr. President, we will confront that issue, and we will win, but we will not do it today.

In broad terms, the fast track gives the President the right to timely consideration of trade agreements without parliamentary games. The Congress surrenders its right to amend the agreement in exchange for close consultation with the administration throughout the negotiations and the opportunity to draft the implementing legislation.

Congress' role is not cosmetic. It has become a real part of the process. Congressional concerns have been well reflected in our Uruguay round negotiation positions. I hope that will prove true for the Mexican talks as well.

While it is doubtless true that many Members of Congress believe that the fast track constitutes an unacceptable surrender of congressional prerogatives, we all know the real debate today is not solely about process. Instead it reflects the depth of feeling about the substance of these potential agreements, particularly that with Mexico.

This has been an intense debate that reflects our deep concerns about the health of our economy. Because if our economy were anywhere near as strong as Presidents Reagan and Bush have claimed, the prospect of free trade with Mexico, with an economy only 4 percent the size of ours, would alarm no one. Instead, we have had a heated debate over this agreement, which has been, as it should be, a debate over our country's economic future.

The heat that has been generated therefore, should come as no surprise. For more than a decade, the Republicans have preached free trade without noticing that other nations were practicing mercantilism. They have defined free trade only in terms of what comes into the United States with little concern about what goes out.

They do not believe that it is Government's role to care about workers who have lost their jobs to imports or to try to stop the erosion of our manufacturing base. They are, in fact, actively purging from the Government anyone who even suggests that a Government role in technology development is important.

They immediately label a protectionist, or even worse, an advocate of the dreaded industrial policy, anyone who expresses concern about competitiveness.

They have stood by while our industries have died and our workers have suffered while the rich have only gotten richer. If people did not like it, they could, in the famous Republican phrase, "vote with their feet."

My State, Mr. President, has suffered grievously from the policy, and the country has suffered likewise. It will be a long time before we recover from the damage of a policy that has managed to be both naive and cynical at the same time.

But in 1988, over the objections of the Reagan administration, Congress committed us to a new trade policy. The premise of that legislation was that the era of one-way trade was over. We were no longer prepared to open our markets to the world without comparable access in return for our products and services. Nor were we prepared to suffer in silence the imports of nations which through subsidies and dumping evade the discipline of the market.

To that end, we strengthened section 301 to give the President new tools to open markets and break down barriers to our goods and services, and we gave the President specific objectives for the Uruguay round.

The negotiations we debate today are potentially consistent with those objectives. The round is first and foremost an effort to subject other nations to the discipline of the market system that has served us so well for over two centuries. Bringing newly industrialized countries like Korea under full GATT disclipline, establishing new rules for services and investment, eliminating subsidies on steel and other manufactured products, and reforming agriculture throughout the world are all ambitious goals, but critical ones for the trading system of the 21st century.

Success will do much to restore our position as the world's economic leader. It will also do much for West Virginia. My State's exports will increase. Chemicals, wood products, and coal, in particular, will share in the net expansion of trade. This will mean more jobs for West Virginians. Economists have predicted that a successful round could increase U.S. output by $1 trillion over the next decade. West Virginia will share in that gain because its export dollar earnings per capita are second only to the State of Washington.

At the same time, I must also state, Mr. President, that while administration objectives in the Uruguay round have thus far been consistent with those mandated by Congress, there is always the possibility of major last minute concessions. Americans by their nature are impatient people. It is one of our strengths as a nation, but it is not a desirable quality in negotiators. If we reach the point where reaching an agreement becomes more important than the substance of an agreement, we will have lost our leverage and with it any hope of a round that helps American workers.

But make no mistake about it, the bad guys are out there. Our trading partners who have done very well in our open markets want to weaken our trade laws so they can do even better, because we will have no defense against dumping or subsidization.

These laws are critical to the steel industry, among others vital to West Virginia. As chairman of the Senate Steel Caucus I worked with my friend and colleague, the late Senator Heinz, to achieve a multilateral steel agreement to end unfair trade in steel and to preserve U.S. trade laws. The President assured me, in a meeting I attended with other Senators 2 weeks ago, that he will steadfastly oppose any attempt to dismember those laws. I hope so, because that attempt will surely come. In fact, it has already begun.

It is obvious from these few examples that a successful conclusion to the round will not come quickly or easily. The European Community's intrasigence on agriculture last year proved an insurmountable obstacle to agreement, and there is little evidence to suggest that has changed. But given the magnitude of benefits possible from a successful round, it simply makes no sense to abandon the effort now, particularly as we teeter on the edge of global recession. To do so would only shift the blame from the failed negotiations from the Europeans, where it belongs, to the United States.

On the other hand, Mr. President, I have major concerns about the proposed negotiations with Mexico. I wish the process enabled us, in fact, to separate the question of fast-track authority for the GATT talks, from the question of fast-track authority for the proposed free-trade agreement. I take a much more negative, wary view toward giving the green light to an agreement with Mexico, in light of many serious problems and issues.

These are problems which the administration has done its best to ignore. Members of Congress, labor unions, environmental leaders, and consumers have pointed out the enormous difficulty of negotiations between countries at such different stages of development. They have documented concerns about job losses and plant relocations, about environmental degradation on both sides of the border, the possibility of products entering the United States that do not meet our health and safety standards, and the possibility of our developed trading partners like Japan or Taiwan stealing American jobs by locating assembly facilities—screwdriver plants—in Mexico. The Senator from New York [Mr. MOYNIHAN] has spoken eloquently on the Mexican political system and whether one can truly have free trade with a country that "isn't free."

Ulitmately, the administration produced a lengthy action plan that begins to recognize and address these problems. I do recognize that the President has now made a commitment, following his meeting with the Senator from Texas [Mr. BENTSEN] to work with the Congress to develop a new or expanded trade adjustment assistance program for impacted workers.

The administration's commitment is particularly noteworthy because it has spent the last 10 years trying to kill the limited Trade Adjustment Assistance Program we have now, without regard to its demonstrated effectiveness. That program has made the critical difference in the lives of West Virginians and their families. With the income support and job training provided by TAA, displaced workers in my State have gained the skills needed to regain jobs that pay good wages and provide opportunity.

So, I appreciate the President's newly discovered interest in worker adjustment assistance. But I question the validity of considering any agreement at this time that will result in more job losses and more dislocation for Americans.

I must say that I note with some irony the efforts of the past decade on the part of both administrations to kill the Trade Adjustment Assistance Program, a program that has made the difference, Mr. President, for West Virginians in getting back into good paying jobs.

I have a whole range of serious concerns about the potential impact of the North American Free-Trade Agreement. Most economists have concluded that the benefits of such agreements for the United States will be marginal and there is little doubt that some industries will be seriously hurt.

One that particularly concerns me is glassware. U.S. tariffs on glassware are in the 20-percent range, reflecting its import sensitivity. I have joined a number of my colleagues in a letter to the administration urging that glassware be excluded from an FTA. Failing that, I have asked the President to structure the agreement to minimize dislocations in the industry by providing a very long transition period for any tariff reductions. The President assured me this will be an important objective in the negotiations.

There is not much doubt that this agreement will be good for Mexico. Their gain, however, should not be at the expense of the American worker. If that occurs, I will oppose the agreement.

Mr. President, I have met with many of those who oppose the fast track. I share their concerns and I recognize their commitment. The opponents include friends and allies, whom I have joined in fighting the good fight against the misguided economic and trade policies of the 1980's. Together, we have stood up for trade adjustment assistance and plant closing legislation for the victims of those policies. We have fought for the health and safety of workers. We believe our Government has been too long indifferent to manufacturing's arrival in this country.

But the validity of all those concerns cannot justify denying the other effort affected by the fast-track process before us tonight—the Uruguay round—and foregoing the potential benefits of a successful agreement. As the regionalization of the world trading system goes forward, and the EC continues to build its protectionist cocoon, we make a major mistake if we fail to stand for open markets and free and fair trade.

We may not achieve that goal, but that is a judgment that can be made only after we have made the effort. In fact, if either effort fails to meet the test of what is good for America, America's workers, and America's families, I, along with others, will oppose the relevant agreement and defeat must be and will be unacceptable.

I thank the Chair and yield the remainder of my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, I yield 10 minutes to the distinguished Senator from Maryland.

Mr. SARBANES. Mr. President, I thank the distinguished Senator from South Carolina, chairman of the Commerce Committee.

Mr. President, article I, section 8 of the Constitution provides that Congress shall have the power to regulate commerce with foreign nations. Over the more than 200-year history of this country that is exactly what the Congress has sought to do. In fact, some of the most intense debates and struggles on the floor of this Senate have taken place over the exercise of this very power.

When we entered into the GATT negotiations, the argument was made that our trading partners needed assurances that the agreement negotiated by the administration would be considered by the Congress on a take-it-or-leave-it basis: Here is the agreement that we negotiated; vote it up or down.

They asserted that it would be very difficult to go back to 107 countries that have concluded negotiations on an agreement and renegotiate it after changes have been made by Congress. So the Congress ceded some of its authority over trade matters to the executive for the purposes of negotiating a multilateral trade agreement.

However, what is happening now is a procedure that was created for a special circumstance is being turned by the administration into a standard operating procedure. In this instance, they are seeking the same procedure for the negotiations with Mexico that would exist with the GATT. They are both wrapped up into one in this resolution, so to deny one you have to deny the other. Of course, the Congress can come back and give fast track authority for the GATT, if that is your judgment.

I have voted for this procedure on GATT in the past. I was moved by the argument that if you go to a negotiation with 107 negotiators, it is very difficult to go back and renegotiate it. I have some reservations about that position, but I have taken it. But now, the administration is extending this to negotiations with individual countries.

Fast-track authorization is a tremendous grant by the Congress to the executive of the congressional power to regulate commerce with foreign nations. What it means is that the executive will make the judgment on all the balancing and the tradeoffs of the various pieces that go into the trade agreement. What will you get to help investment bankers on the one hand as opposed to what might hurt plant workers on the other; what will you get that covers intellectual property rights but may sacrifice certain environmental protections? What is to be done for agriculture and which agriculture? Is it going to help the wheat farmers at the expense of the dairy farmers or the other way around?

In a bilateral or a trilateral negotiations, there is not the practical impediment that has been asserted with respect to GATT that you cannot go back to that bargaining table if the Congress thinks the pieces should have been done differently. In fact, the nation with whom we have negotiated may be willing to accept whatever changes the Congress might make. The Congress might not make any changes. The agreement may be brought to the Senate and we may look at the substance of the agreement, and the ultimate judgment of the body may be that the agreement should go through as is. But the body would have the opportunity to alter pieces of the agreement if it decided that it was advisable to do so.

That is the issue. The issue is not whether you are going to have an agreement or not, nor whether you are going to try to negotiate an agreement. I am in favor of trying to negotiate a trade agreement with Mexico. I am not in favor of giving the administration the authority to negotiate an agreement and then present it to the Congress for a yes or no vote. Congress must have the authority to change or modify that agreement.

What is the practical argument against the Congress exercising its right to amend an agreement. I know what they argue on GATT. I have heard that argument. I have been moved by it to some extent. They say we cannot go back to 107 nations; however, we can go back to the bargaining table if it is a single country or even two or three countries. In fact, we have been able to modify agreements in the past that have involved a significant number of countries.

People have talked here about the substance of the agreement, and what they expect to happen. Well, you do not know what is going to happen. That is just the point. We do not have the substance of the agreement before us.

Then they say, Mexico will not negotiate with us unless fast-track authority is granted. That is their position now, after our administration has given out the song sheet and said this is the sheet you are supposed to sing from. Only in mid-March, just a couple of months ago, Mexico's free trade chief negotiator stated "negotiations would continue with or without fast track."

Now of course the standard line by our administration is that if we do not get this fast-track authority, there will be no negotiations. Why is that? Why would there not be negotiations without fast-track authority?

These are difficult issues. People have talked here about the potential sweeping impacts of a trade agreement with Mexico. Some have talked about it positively. Some have talked about it negatively. But it is very clear on both sides of the question that there will be a sweeping impact.

If that is the case, let the agreement come to the Congress and let it be fought out on the floor of the U.S. Senate. Let each Senator then be able to respond to the important economic interests that are being affected and register a judgment, and not be bound by a framework that says you must either accept or reject this agreement.

You know and I know the argument that will be made then with respect to the agreement. It is being made now when we are talking about how you negotiate the agreement. But I can guarantee you that then the argument will be that this agreement must be approved in substance; otherwise the relationship with Mexico will be blown to pieces.

I want a positive relationship with Mexico. I think it is important to achieve it. I think there is a way it can be done and the prospects are there. But it ought not to be done in such a way that the Congress and most importantly the people we represent are shut out of an opportunity to participate in that process.

We are told the administration is going to allow us to participate in this process. The Congress and the American people have expressed a lot of misgivings already about an agreement and the administration has announced an action plan to address some of these questions, some that were raised so ably by my distinguished colleague from Michigan, Senator RIEGLE—fair labor standards, environmental standards, and adjustment assistance.

Adjustment assistance? The administration is giving us assurances about adjustment assistance as to the impact of a free-trade agreement with Mexico when they did not put a dime in their budget request for adjustment assistance—not a dime. Now we get a letter from the President that says he is very sensitive and concerned about the adjustment assistance issue.

The impact on employment. This administration has an extended benefit trust fund under unemployment that had a balance of $7.2 billion at the beginning of this fiscal year. The fund is building up additional surpluses as the year proceeds, and the administration will not support extended benefits for the unemployed. There are families that do not have an income, and are not being supported by unemployment insurance; and the administration continues to build up a surplus in the unemployment insurance trust fund right in the middle of a recession.

Mr. President, supporting this resolution, rejecting fast-track authority, does not mean that negotiations with Mexico cannot go forward. They can go forward. And they should go forward. But the Congress ought to retain the authority to examine that agreement when it comes back to the Congress and to make our own evaluation of it.

What is the guarantee that the administration's evaluation of the regional and sectoral interests that are involved will coincide with the evaluation that would be made by the Members of this body? And yet, this cessation of authority allows them to make those balances, put the package together and then present it to us on an all or nothing basis. Yes or no on the total package, with all the pressure that will come from the assertion at that time that if we do not approve the substance of this trade agreement with Mexico that our relationships with our neighbor to the south will be placed in disarray.

I can hear the argument coming right now. I can hear people say, you may not be happy with all of the pieces of this agreement but we have to approve it because of our relationship with Mexico.

All of these statements here that we are not going to approve the agreement if every "i" is not dotted, and every "t" is not crossed—will be overcome by that argument.

People have talked about wage levels in Mexico, about environmental considerations, and all of those are reasonable concerns. Could a trade agreement address them? Yes. Will a trade agreement address them? Who knows? We have to see the substance of the trade agreement.

Then they say, you cannot place the agreement before the Senate and let this thing be addressed and pulled apart by different interests. Why not? What is this body for? The interests that have concerns about the agreement are special interests. The interests that want the agreement because they in one way or another have assurances that their concerns will be addressed and protected—oh, they have a broad view of what is in the national interest.

Who is to say that? The judgment ought to be made here. The agreement ought to be presented here. We ought to have a chance to examine the agreement. We ought to have a chance to modify it if we choose to do so. We may not do so. We make other very important agreements—arms control agreements, sweeping in their import. They come to this body and are subject to change. They are not presented to us with the only options being a yes or no vote.

The argument is made at the time, do not change it because we will have to go back and renegotiate it. And we may or may not accede to that argument. But we keep the authority to change it, if we make the judgement that is what ought to be done. That is what we should do in this situation.

On that basis, Mr. President, I support this resolution. I do not think the fast-track authority should be extended to the Mexican negotiations. I do not support the administration's path of moving to make fast track standard operating procedure in each trade negotiation that comes along.

I hope very much that the body will support the resolution and vote down fast-track authority. That does not preclude us from coming back and considering the GATT question separately and addressing the complications raised by a multilateral negotiation with 107 nations. But what is happening is that a special situation is now being transformed into the standard situation, and the standard situation is an abdication by the Congress of its responsibility to represent its people and its economic interests.

Yes, the fight will be difficult on this floor. The fight ought to be difficult on this floor; it has been in the past. But we are not sent here by our States and by the people we represent simply to abdicate that authority to the Executive, reserving only the ultimate authority of saying yes or no to a total package which contains within it innumerable tradeoffs and bargains, some of which may sacrifice very important regional and sectoral economic interests.

Mr. RIEGLE. Will the Senator yield at that point for a moment?

Mr. SARBANES. Yes.

Mr. RIEGLE. Mr. President, the proposal that I have developed and am offering with several other Members as a modification, or as an alternative to this, would do precisely what I hear the Senator from Maryland saying should be done, and that would reserve for the Senate the right in at least five specific areas to be able to go into a proposed agreement that is brought back and to examine it and to offer amendments in the area of environmental protection, workers' rights, and adjustment assistance for displaced workers, dispute resolution in terms of the legal process, and the rule of origin, to make sure that other countries like Japan do not use the free-trade agreement with Mexico as a platform for movement of large volumes of their goods into the United States. That would be an approach, it seems to me, with time limits that would allow us to get at the very issues the Senator speaks about.

The Constitution, it seems to me, gives us that responsibility. I do not believe we can give it away properly. We are assigned that duty by the Constitution, and it seems to me that we are under an obligation to exercise that responsibility. But I am wondering if the approach that I have developed as an alternative might be a way to let us do exactly what the Senator from Maryland is suggesting we should do.

Mr. SARBANES. Well, I commend the Senator for his approach. It is an imaginative effort to place, even in bilateral negotiations, some restraints, so you are not completely caught up in all of the details of the agreement and, yet, reserve the opportunity to amend those aspects of it that are judged to be the most severe and the most substantive in terms of needing to be addressed.

My concern is, what can we address in terms of the substance of the agreement when it is brought to us? And what can we do about representing the people, the economic concerns of the people, who have sent us to the Congress of the United States? What this procedure is going to do is put you into a box where people will come to you with economic concerns, and you will say, you really have a good point about your economic concerns, and that was not negotiated very well in the agreement. I would really like to do something for you, but now this is part of this big agreement, and the only choice I have is to vote yes or no. I cannot try to help you unless I am prepared to jettison the whole agreement, and we are being told if we do that, the whole relationship with Mexico will be destroyed.

Why are we abdicating our responsibilities? People say we will not be able to handle our responsibilities. Well, that is a sad comment on our expertise and our abilities. We ought to hold to the constitutional role that we have been given to regulate commerce with foreign nations.

Mr. DANFORTH. Mr. President, parliamentary inquiry. How much time has expired of the 10 minutes yielded to the Senator from Maryland?

The PRESIDING OFFICER (Mr. KOHL). His time has expired. The extra time used has been extracted from the time allotted to Senator HOLLINGS.

Mr. DANFORTH. Mr. President, I yield 15 minutes to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, as I listen to my colleagues on the other side of the aisle, I think I understand the bit of wisdom of our predecessors who wrote the laws which have guided international trade policy.

The issue before the Senate this evening is not an agreement with Mexico, and it is not a multinational trade agreement with the member nations of GATT. The question before the Senate, appropriately, as it was before the House of Representatives earlier today, on which we will be voting tomorrow, is simply: Do we want to deny the President of the United States the authority to negotiate on behalf of this country for a reduction of international trade barriers against America?

I have had the opportunity over the last few weeks to speak to the leaders of agricultural and business groups in my State and to give them a chance to share their concerns. Based on those meetings and my discussions with the administration and the leadership of the Finance Committee, I have decided that it is in the best interest of Minnesota and the United States to let the negotiating process go forward. The benefits of agreements in GATT and with Mexico and Canada are very real and the problems which have been raised can and will be dealt with.

A vote for the resolution before us says, in effect, that the status quo in international trade is just fine; that we would rather stay where we are, or even step backward in international trade rather than take any chance on a new agreement. This is not kind of decision the world's leading economic power makes.

Just a few months ago, we showed the world our leadership in the Persian Gulf. Now it is time for us to show the same fortitude at the bargaining table of international trade.

Mr. President, if we vote down fast-track authority, we will send a signal to the rest of the world that we are satisfied with current foreign government policies that subsidize foreign agriculture. We will tell the world that theft of intellectual property rights is not something we are interested in. We will tell the world that service trade should remain protected behind outmoded and outdated national rules. We will tell the world that barriers to trade should be raised, not lowered. We simply cannot afford to send those kinds of messages.

Mr. President, I believe trade agreements will be a substantial benefit to our entire economy and to the farmers, businesses, and citizens of Minnesota. A strengthened GATT agreement is vital to Minnesota agriculture and agricultural processors—corn, wheat, soybeans, potatoes, sugar, and dairy—which must have both unfettered access to all world markets, and the end of unfair competition from government subsidized competitors.

A GATT agreement is critical to the computer and high technology companies in my State—3M, Cray, Honeywell, Control Data, Medtronic—that require uniform protection of their intellectual property rights and need an open international market to sell their world-class products.

A GATT agreement holds open great new possibilities for our highly competitive service industries—banking, finance, and insurance—that must have a set of established uniform rules to deal in the international marketplace.

All of these industries stand to benefit but only if the United States can go back to the GATT talks armed with the commitment of fast track.

Mr. President, Minnesota sits in the heartland of America as does the Presiding Officer's State of Wisconsin. Our States are known worldwide for high quality agricultural and industrial products. They are known for a highly skilled and a dedicated work force. They are known for innovative, management skills, techniques, and invention. When Soviet President Gorbachev wanted to see a vision of what the future could look like for a free-market Soviet economy, he chose to visit the State of Minnesota.

World trade is so important to the economy of Minnesota, that the State has set up world trading offices in Japan, France, Great Britain, Sweden, Norway, Belgium, and Costa Rica. Approximately 50,000 jobs in Minnesota are linked to exporting. That includes jobs in farming, mining, manufacturing, telecommunications, transportation, and finance.

With 17 percent of our manufacturing jobs linked to exports, Minnesota ranks ninth among the States in manufacturing employment linked to exports. Export trade is worth more than $8 billion a year to our State's economy—more than 18 percent of Minnesota's production. In addition, import trade plays a vital role in our State economy. In 1990, import and export activities just in the Port of Duluth-Superior supported nearly 3,000 jobs in my State and probably a comparable number the State of the Presiding Officer.

Mr. President, one of the most admired companies in America—3M Corp.—is headquartered in Minnesota. Fifty percent of its sales and profits come from sales in the United States, and 50 percent comes from outside the United States of America. One in six of 3M's 23,000 Minnesota employees owes his job to 3M's export activities. Those are jobs in St. Paul, in Hutchinson, in Alexandria, in New Ulm, and in Farmington, small towns all over our State. These jobs would not be there if it were not for export activity.

I point out, however, that it is not just the world famous 3M, or Cray, Pillsbury, Cargill, and Medtronics—names known to everyone in this room—that need open world trade. Companies of all sizes in my State depend on free access to the world market because they manufacture internationally competitive products. Let me just cite a few examples.

A company in Coon Rapids, Li'l Orbits, manufactures minidonut machines. The company employs 420 people and exports account for 70 percent of its business. FSI International, a Chaska Minnesota manufacturer of semiconductor equipment, employs 325 people and relies on exports for 60 percent of its business. North Central Plastics, a 50-person company manufacturing solar powered electric fencing, has seen its export business triple in the last 18 months.

These are just a few of the hundreds of companies in my State who need the assurance that America will be at the GATT bargaining table to negotiate improved rules for international trade. These are not companies that want our negotiators to pack their bags and turn their back on the world trading system.

Mr. President, several of my constituents have expressed serious concerns and reservations about the U.S. negotiating stance at the GATT. In particular, I am referring to sugar beet and dairy farmers in Minnesota who are afraid that the GATT negotiations will undermine our domestic agriculture programs and put our farmers at a competitive disadvantage in the world.

I understand their fears, but believe they can be answered. This administration—and I have heard this directly from the President—is committed to real and meaningful foreign agricultural reform as the critical linchpin of the Uruguay round. That was amply demonstrated last December when our negotiators walked out of the talks because the EC, the Japanese, and the Koreans refused to commit to substantive reform of their agricultural policies, and that was after 4 years of work.

We scuttled the entire GATT round because of agriculture. And because we would not take no for an answer on agriculture reform, the EC has now backed down and agreed to negotiate specific binding commitments in three primary areas: Domestic support mechanisms, market access, and export subsidies.

Mr. President, one of the biggest problems our farmers face in world trade is the distorting agriculture subsidy policies of the European Community. Look at what the EC subsidy policy has done to the sugar industry. In 1975, the EC was a net importer of more than 8 million tons of sugar. In less than 15 years, the EC's sugar program has turned its subsidized farmers into net exporters of more than 5 million metric tons. That is about 20 percent of world trade in sugar. No wonder American sugar beet and cane farmers want the EC to end its ruinous subsidy policy.

I am convinced that if we can negotiate an end to those policies, our farmers will be able to effectively compete in any open market in any part of the globe. But there will be no hope that the EC will make any significant changes in its agriculture policies unless we sit at the table and can negotiate. And that will only be possible if our negotiators retain fast-track authority.

Mr. President, I also want to address the proposed North American free-trade negotiations which would also be authorized under the fast track. I was an early supporter of the free-trade agreement with Canada. I thought it made sense to integrate our two economies because there is a large degree of economic, labor, and environmental parity between our two countries.

I began with reservations about a similar economic integration with our neighbor to the south, Mexico, because I could see the huge disparity between our economies. In wages, in environmental enforcement, in labor conditions, Mexico is decades behind the United States. Like many of its Third World neighbors in the hemisphere, Mexico has been struggling under the weight of more than $100 billion in commercial debt while trying to cope with an exploding population and environmental degradation.

But as we have learned from the economic transformation in the Pacific Rim, it is only in raising economic productivity and economic wealth that a nation can reduce is social and environmental degradation. And improved economic conditions in Mexico hold the promise of new export opportunities for all types of American products and services.

Legitimate concerns about Mexico's commitment to cleaning up its environment have also been raised. The administration recognizes these concerns and has indicated that it will include environmental issues in the free-trade negotiations and will expand cooperative environmental programs between our two countries. Furthermore, many American companies that have manufacturing facilities in Mexico apply the same environmental standards to their Mexican plants as they apply in the United States. I invite you to examine the record of Honeywell which operates that way in Mexico, so does 3M which operates that way in Mexico, and so does Green Giant Co. of Le Sueur, which applies the same kind of pesticide regulations and controls on Mexican products today as it is required by the EPA and our laws to apply in these countries. These plants should serve as environmental models for any new plants that are opened in Mexico.

Moreover, Mr. President, free-trade negotiations with Mexico will provide the United States with real leverage to get a commitment from Mexico that it will be serious about cleaning up its rivers and its air pollution. The economic benefits that could flow to Mexico if we reach an acceptable agreement will surely convince the government of Mexico that labor conditions and environmental conditions must be changed.

Mr. President, if recent history is a guide, a free-trade agreement could benefit both the United States and the people of Mexico. Since Mexico embarked on its economic reform program in the mid-1980's, our exports to Mexico have jumped by nearly 130 percent, from $12.4 to $28.4 billion. And while the United States has reduced its trade deficit with Mexico from $4.9 to $1.8 billion, if you exclude trade in petroleum products, our trade balance moved from a deficit of $1.5 billion in 1986 to a surplus of $2.7 billion in 1990.

Minnesota businesses and farmers have also benefited from the expansion of trade with Mexico. In just 2 years, from 1987 to 1989, Minnesota's share of exports to Mexico went up 80 percent—from $90 to $163 million. Mexico is now the State's ninth largest export market.

Between 1987 and 1989, Minnesota exports of livestock jumped 700 percent—from less than $60,000 to $4.2 million. Our State exported 24 million dollars' worth of agriculture products; processed food product exports tripled from $10.6 million to more than $31 million. And sales of computer and industrial machinery jumped nearly 90 percent of $75 million.

Mr. President, the Minnesota farm economy stands to benefit greatly if we can negotiate an open trade border with Mexico. Our 33,000 soybean farms currently export 50 percent of their soybeans throughout the world. Mexico could become a tremendously important market for our soybean growers and for our corn growers because of Mexico's proximity. Shipping costs are so much lower for United States farmers than for competitors in Europe and Australia that if we could open up and expand the economy of Mexico, and the rest of Latin America, we could gain an overwhelming share of their market.

Mr. President, legitimate concerns have been raised as to whether a free-trade agreement would invite an exodus of American companies to move across the border into Mexico. The fact is that because of intensive global competition, many companies already have had to move low-wage assembly operations in the United States to Mexico. In some instances, these moves preserved jobs in the United States because the alternative for some companies was simply to move their entire production and assembly operations to the Far East.

Mr. President, our national security, and our economic security, are in large measure based on improving economic and social conditions in our hemisphere. A free-trade agreement encompassing Mexico and, one day, expanded to other countries in the hemisphere and in the Caribbean could serve to shore up the economies in this hemisphere that have been mired in debt and poverty for decades.

Such agreements could bring political stability to a region that has only recently begun to experiment with democracy. And in many cases, they will either trade goods and services with us or they will export their unemployment to California, Texas, and the rest of the country.

Before I came to the Senate, I was counsel to the H.B. Fuller Co. That company long ago recognized the need to do business in Latin America, in Asia, in Europe. Today, it serves as a model for many other businesses seeking to sell their goods and services throughout the globe. An expansion of trade links throughout the hemisphere, and paralleled at the GATT round will ensure continued vitality and prosperity for this country. It is for that reason that we must not look inward and fall back on protectionist instincts. The talks we are authorizing look forward to the global marketplace of the 21st century.

Mr. President, we do not have a North American Free-Trade Agreement before us today nor a GATT agreement. What we are voting on is simply to allow this Government to talk to other governments about improving trade conditions. Will we allow our negotiators to sit down and begin that discussion?

This is not the last chance for the Senate to express its will on this subject. Senator BENTSEN, our distinguished chairman of the Finance Committee, has made it very clear that the Senate will assert its prerogatives throughout the negotiating process. The administration has promised thorough and regular consultation throughout the negotiating process. The word of George Bush and LLOYD BENTSEN should be enough to satisfy any Senator.

Mr. President, my State of Minnesota, and the whole United States has much to gain from a reduction of trade barriers. And we have very little to lose by giving the President the ability to talk.

I will vote against the resolution to deny fast track and I urge my colleagues to do likewise.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, I yield 45 minutes to our distinguished colleague from Ohio, Senator METZENBAUM.

Mr. METZENBAUM. Mr. President, I rise as a cosponsor and supporter of Senate Resolution 78 to disapprove of an extension of so-called fast-track trade procedures.

But I want to commend my distinguished colleague from South Carolina, Senator HOLLINGS, for his leadership in bringing this resolution before the Senate. And I want to doff my hat to the Senator from Michigan [Mr. RIEGLE]; the Senator from Maryland [Mr. SARBANES]; the Senator from Iowa [Mr. HARKIN]; and so many others who have addressed themselves to this issue. And my failure to include all is because I was not on the floor when all of them spoke. But the arguments I have heard them make are certainly persuasive and make the point.

I came to the Senate nearly two decades ago as an avowed free trader. I was a strong supporter of the 1988 Omnibus Trade Act that contains the fast-track procedure we are now debating.

In fact, Mr. President, I was one of the principal authors of the Worker Readjustment Program incorporated in that Trade Act. I supported the United States-Canada Free Trade Agreement that was negotiated pursuant to fast-track procedures. But my experience with that agreement has eroded my enthusiasm for free-trade pacts pushed through on a fast track.

In hindsight, we should have taken a much closer look at that agreement. Certain troubling issues have now come up in the context of the Canadian agreement, particularly regarding imported beef and asbestos products. Those issues could have been and should have been addressed fully by Congress. But they were not debated fully at the time because of the fast track.

The public health and safety of American consumers is now at risk because a trading partner is challenging our domestic asbestos regulations as unfair trade barriers. According to its brief filed in the fifth circuit, the Canadian Government claims that the EPA rule that bans the importation of asbestos products "is not necessary to achieve a legitimate domestic objective, and therefore runs counter to U.S. free-trade agreement commitments."

How absurd can we be? What an unbelievable situation for the Canadian Government to argue that our EPA rule that bans the importation of asbestos products is not necessary to achieve a legitimate domestic objective, and therefore runs counter to our free-trade agreement with them.

In addition, since the free-trade pact with Canada, there has been a dramatic reduction in border meat inspection, thereby undermining our efforts to enforce our domestic food safety standards. Those are very troubling developments that we cannot ignore in our discussion of the proposed United States-Mexico Free-Trade Agreement.

If at this point, we are having trouble with Canada, a respected partner, a neighbor of ours, with respect to the asbestos content provisions of our own laws, our EPA laws, and with respect to the problem of meat inspection of beef, what doors, what Pandora's box will we be opening when we enter into a free-trade agreement with Mexico? We must learn from the Canadian experience, and be extraordinarily cautious before extending the fast track again.

I recognize that it will be difficult, if not impossible, to negotiate a comprehensive General Agreement on Tariffs and Trade, GATT, if each nation reserves the right to modify any or all of the particular provisions of the final agreement. Therefore, although there may be significant substantive problems with the GATT, I am willing to grant our negotiators wide-ranging authority for global trade talks involving more than 100 nations in the Uruguay round.

I am confident that to reach a consensus among so many diverse national interests, there will have to be significant safeguards in the final agreement so as to protect the interests of this country. That is why I can more readily accept the argument for fast-track procedures for comprehensive, multilateral trade agreements.

But the proposed North America Free-Trade Agreement is not a global negotiation. It involves only three countries. Moreover, it is an unprecedented attempt to integrate two of the most widely divergent economies in the world. This agreement could have staggering implications for working people and the environment on both sides of the border.

Now, let me be perfectly clear. I support the administration's efforts to negotiate a North American Free-Trade Agreement. But for the sake of the American people and the environment, the Congress must retain the authority to modify any final agreement with regard to certain critical issues.

I feel so strongly about this issue that I will vote for Senate Resolution 78 even though it includes denial of fast-track procedures for the GATT negotiations. I would prefer to extend fast track for GATT, but modify it for the North American Free-Trade Agreement. But the strict procedures included in the 1988 Omnibus Trade Act guarantee only one opportunity to vote on this issue: the all or nothing disapproval of fast-track procedures embodied in the pending resolution. That is the rather absurd position that we have put ourselves in. We did it to ourselves in the Congress.

Senator RIEGLE has introduced a resolution that accommodates my concerns. His resolution is carefully crafted to preserve the finality of the trade provision of any agreement with Mexico. At the same time, Senator RIEGLE'S approach protects workers and the environment by allowing for amendments in five areas that focus on enforcement of environmental and labor standards, adjustment assistance, dispute resolution, and rules of origin.

Therefore, the Senate should be on notice, if we fail to approve the pending Senate resolution of the Senator from South Carolina, I will do all that I can in the weeks ahead to assist Senator RIEGLE in his effort to bring his more narrow resolution before the Senate for an up or down vote.

The rules of the Senate are wonderful. It makes it possible for us to put Senator RIEGLE'S amendment on almost any piece of pending legislation. And the fast track is nothing more than an agreement to consider legislation under a certain procedure. But we have the right, at any time, to change that agreement by majority vote.

I hope that we can resolve this issue now by adopting the Hollings resolution. But, if we cannot, we will revisit this issue on this floor, focusing on the United States-Mexico agreement in the near future. Time and time again, the administration has argued that there must be a fast-track procedure to ensure this free-trade agreement. For example, last month a State Department official testified that failure to extend fast-track procedures, "would take the United States out of the trade negotiating game. The other nations of the world will pin the blame on us for walking away from real bargaining."

I am confident that with or without the fast track we will be able to negotiate a free-trade agreement with Mexico. The Mexican Government wants and needs this agreement. They want it with or without the fast track. Perhaps the best evidence of this was a recent interview in which the leading Mexican trade negotiator publicly admitted to journalists in his country that either option is acceptable to Mexico. Frankly, the administration should do its homework before making sweeping assertions to the Congress. The administration has tried and tried to convince us that Mexico insists on the fast track. They have told us that. They have sent us messages. They represented that. But the Mexicans are not saying that.

The chief trade negotiator for the Mexican Government, Herminio Blanco, in a public statement published in El Financiero, a respected Mexican newspaper, stated in March of this year that: "With the fast track or without it, in any case the negotiations will be carried out." That is the Mexicans speaking.

Mr. President, I ask unanimous consent that a translation of the El Financiero article, prepared by the Congressional Research Service, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. METZENBAUM. To this day Mr. Blanco has never denied making that statement. The fact we discovered this article in a widely read public journal embarrassed those arguing that Mexico claimed it was absolutely necessary to move the agreement on a fast track. It is fortunate that someone on my staff reads Spanish well enough that they were able to bring the article to the attention of the Senator from Ohio. The Mexican Government did not challenge the accuracy of the statement when it was published. I released Mr. Blanco's statement in both the original Spanish and a English translation on April 29.

What happened? How interesting it was. That very day, 46 days after the statement was published in Mexico, the Mexican Embassy in Washington, in a release to the United States press, contended for the first time that Mr. Blanco was misquoted. He was not misquoted for the 46 days before that, but when the matter was made public in this country, at a hearing of the United States Senate, suddenly the Mexican Government—and I am not sure whether they were or were not prodded by the United States Government to say so—but the Mexican Government said Mr. Blanco was misquoted. Mr. Blanco himself did not and has not contested the accuracy of the statement.

More than a week later there was a press campaign launched in Mexico to downplay the impact of the Blanco statement. The Mexican Government and the supporters of this agreement have retained dozens of Washington lobbyists, the highest paid around, for this fast-track vote, at a cost of millions of dollars. Apparently one of the byproducts of this effort is that we have exported the concept of spin control to Mexico.

In an attempt to bury the Blanco statement, several articles were published in the Mexican establishment press questioning the motives of this Senator and other Members of Congress who oppose the fast track. Needless to say, no Mexican journalists ever contacted me before writing these stories.

Congress should not be confused. We hit a raw nerve when we released the Blanco statement. No amount of spin control can hide the obvious. The Mexicans initiated these trade talks. The Mexicans want this agreement. And the Mexicans will continue to negotiate with or without the fast track. That is the reality. Although we are debating fast-track procedures today, we should not lose sight of the underlying substantive issues involved in this proposed free-trade agreement.

Regrettably, this whole debate has been confined largely to the all or nothing category. Labels have been preassigned. It is an either/or situation. You are either for free trade or you are protectionist; you either support fast track or you oppose any agreement; you either side with Presidents Bush and Salinas, or you stand with American workers and environmentalists. The preassigned labels are nothing more than simplistic political posturing. These labels do not address the complex moral questions and ecological conditions involved in this proposed agreement. This either/or approach does nothing to confront the real human needs that hang in the balance on both sides of the border.

What is the basis for my concern about the proposed agreement with Mexico? In the last 4 weeks, I have chaired two joint hearings of the Labor Subcommittee and the Committee on Environment and Public Works on this issue.

At the first joint hearing, citizens of the United States and Mexico described life in the current free-trade zone with Mexico, the land of the maquiladora. Those witnesses told us about widespread, appalling squalor within a stone's throw of our border. The environmental degradation, the working standards and the living conditions were truly unbelievable. The troubling lessons of the maquiladora sector have direct relevance to the proposed free-trade agreement with Mexico.

The joint hearings raised a number of troubling questions. The questions that remain unanswered in this debate are not minor details that will be smoothed out in casual negotiations or side agreements or letters of understanding. They are tough questions that cut to the core, and they will not be resolved easily.

My colleagues in the Senate—not many are present here this evening, some are possibly within ear range. Let me say, if my colleagues were to go down with their wives or any of their children and saw the conditions that exist in the maquiladora, saw the kind of living conditions those people are working under, saw what American industry is doing with the people who work for them in that part of the country, in Juarez and other places nearby, saw the lack of environmental protection, there is not one who would vote for fast track. You would insist upon the protections in advance.

The conditions are abominable, they are abhorrent. The conditions are below human dignity. And for the United States to be a party to this and want to have more of it is just incredible. Why? Because some corporate lobbyist and the corporations they represent think they can make more money for their corporations in this country if they can do more business down in Mexico, more manufacturing.

I know the argument, we are going to export more to Mexico. The only problem is, Mexico does not have the money to buy the exports from this country. Why has more not been done to address the dangerous and wretched working conditions faced by hundreds of thousands of young Mexican workers in the maquiladora industries? Why has it not been done before? The occupational facility rate in Mexico is four times that in the United States. The living conditions for workers in the maquiladora sector are a true abomination. For those who support the fast track: Go, go and see for yourself and then come back and say you are for fast track.

Oh, we are going to get all the protections. I have heard that argument. There will be some little protections. But I say the working families who are living in hovels made of refrigerator packing boxes and the children who are drinking water from discarded barrels that previously held toxic chemicals, they are the ones, and their children and their brothers and their cousins and their sisters, who will be suffering more by reason of fast track. The hazardous warning labels printed in English on the barrels from which those kids are drinking, are still visible on the barrels. And nothing is happening. And all the talk from the administration that we are getting is not going to change that a scintilla.

Small creeks and washes near the factories have become dumping grounds for toxic waste and raw sewage.

These conditions are not a world away. They are not in South Africa where I was recently and saw how the squatters live. The squatters in South Africa, about which we protest so often, are not living any worse than the Mexicans living in the maquiladora, in the areas where United States manufacturers are employing those who live in the maquiladora, right within sight of our border.

Why have our two nations allowed the border region to become, in the words of the American Medical Association—and very seldom do I quote the American Medical Association, particularly in connection with any particular issue—"a virtual cesspool and breeding ground for infectious diseases." Where does the money come from for the environmental safeguards, the pollution controls, and adequate infrastructure in Mexico? Remember, Mexico's budget for environmental protection is less than $40 million. By comparison, EPA is budgeted to spend more than $6 billion next year, 150 times as much. Earlier this month, the administration released its proposal to address the critical environmental labor issues that flow from the proposed free-trade agreement.

Look at the facts. In 1989, the per capita spending on environmental protection in the United States was $20.80 and in 1989, it was 8 cents in Mexico. In 1990, it went up in the United States to $21.60. It went up in Mexico to 20 cents, one one-hundredth of the figure. And in 1991, we are expected to spend $24.40 for each individual in the United States, and in Mexico 48 cents.

Does anybody truly believe that there will be some comparability, that there will be some kind of protection? The administration acknowledges that labor and environmental issues must be included in these trade discussions. But I must say I am disappointed with the substance of the proposal. It is simply inadequate to address existing problems and I say, frankly, I do not trust the American negotiators to provide the kind of protection necessary with respect to the environment, nor with respect to labor conditions.

Let us look at the cold reality. We face a growing environmental nightmare on the border that, if left unchecked, could spread to the rest of our Nation. As we learned at our joint hearings, Mexico's environmental laws are not enforced aggressively largely because of a pitiful lack of enforcement resources.

The administration proposes to address this problem by holding meetings, exchanging information, and conducting training sessions and, yes, maybe playing tiddlywinks at the same time. Endless meetings and information exchanges may produce hot—and I do not believe they will produce—may produce hot air, but I do not believe they will produce clean air.

We must have a tough, effective international enforcement mechanism included in the trade agreement. Side deals and letters of understanding are not worth the paper they are printed on unless there is the necessary force of law to ensure effective enforcement. Equally important, there must be significant funds dedicated to environmental enforcement. But that is just not the reality; it is not going to occur. The money is not there.

Let us be realistic. The Mexican Government wants to entice foreign capital to Mexico to create new industry. If anything, foreign corporations will be pressuring the Mexican Government to relax environmental enforcement. Tell me one person who is for fast track who is willing to say that, oh, yes, the American companies will go down there and they will insist upon strict environmental protection as far as their plants are concerned. Suddenly, they will be something totally different than they are in this country because day after day we see notices of the kinds of penalties that are needed with respect to so many American companies, and that is where we have tough laws with strict enforcement and high penalties.

Is somebody going to suggest that when they go down to Mexico they are suddenly going to change their colors and they are going to insist upon strict enforcement of Mexico's environmental protection laws? We need an international mechanism to counter the push by the multinational corporations to avoid and evade strict environmental protection.

My recent experience proves my point. Under pressure to persuade the United States Congress on the free-trade agreement, Mexico has stepped up environmental enforcement. I hope such aggressive enforcement will continue, but the only way to sustain improved enforcement is through continued pressure to clean up the environment from both sides of the border. Despite recent and welcome increases in Mexico's budget for environmental protection, the sad truth is that Mexico spends less than 50 cents per person to enforce its environmental laws. In comparison, the U.S. Government spends more than $24 per person.

Let us not kid ourselves. This agreement is designed to benefit private corporations and financial institutions. They are the big winners. That is the reason you see so many of their lobbyists working the halls. They have gone home tonight. They think they have the votes and they very well may have it. They have been working the halls on this particular piece of legislation for a good many weeks and months and they have been persuasive.

The lawyers will be the big winners and the corporations they represent will be the big winners. But the workers and the environment and the American public are getting, at best, the trickle-down effects. They should not be forced to pay for the privilege of being the losers in this free-trade pact.

I believe the funds for tough environmental enforcement should come in large part from the private corporations that stand to reap huge profits from the free-trade agreement. It cannot come from anyplace else because Mexico does not have it. These corporations have the ability to pay; by contrast, the Mexican Government just could not possibly come up with the funds for comprehensive environmental enforcement for years, if not decades, to come. Yet, the administration proposal is silent on the issues of funding and effective enforcement.

Let us turn to another subject. Let us look at the matter of labor problems. The administration's proposal is nothing less than a cruel hoax. The administration wants to rush into a free-trade agreement that could eliminate hundreds of thousands of high-paying American manufacturing jobs, then retrain those workers for low-paying service jobs. That is the Government's version of a bait-and-switch game.

The absurdity of the position is that we are going to put American workers out of jobs, put them out of work and we are going to retrain them, but we do not know what we are going to retrain them for because we do not have the jobs for them. The unemployment rate is rising in this country. I am not sure what all the retraining and readjustment is going to do. Is it going to give them a slow way to the poverty line, to become permanently unemployed and possibly to lose their homes and to become the homeless? It is not going to solve the problem. I am for retraining and readjustment when there are conditions over which we can do nothing. But here is a situation in which we are creating the conditions, and that is the difference.

Let us look at the situation with respect to compensation between the United States and Mexico, and the disparity is growing, not lessening. In 1980, the average compensation per hour for manufacturing workers in the United States was $9.84 and the nonmaquiladora workers were getting $2.96 and maquiladora workers were getting $1.42.

What has happened since then? By 1985, the average worker's wage in the United States had gone up to $12.96; 1987 to $13.40; and 1989, $14.31. Meanwhile, what has happened in Mexico? The average wage of the nonmaquiladora worker has gone from $2.96 down to $2.09, down to $1.57, and now back up to $2.32, which is still less than it was back in 1980.

When we look at what is happening in the maquiladora situation, it is even worse. It was $1.42 per hour in 1980; it went down to $1.07 in 1985; it went down to 81 cents in 1987; and it has now gone up to the munificent figure of $1.15—$1.15 as against $14.31 for American workers. You think that any American employers are going to want to continue operating in this country under those circumstances? They are going to move everything and anything they can to Mexico. Compensation in Mexico is some 7 to 14 times less than that in the United States.

In the maquiladora plants, which rely on modern American technology, Mexican productivity is now approaching our own level. A little common sense will tell you the obvious. Cheap Mexican labor will result in massive dislocation in this country. That has been our experience with the maquiladoras. In the 1980's, the devaluation of the peso turned Mexico into one of the lowest wage countries in the world. American companies rushed to Mexico to pay workers less than a dollar an hour.

But do not take my word for the massive dislocation and the toll on families and communities. I say to my colleagues, Senators LUGAR and COATS, go to Indiana and ask the more than 2,000 Thomson Electronics workers who lost their jobs when the company shifted work to Mexico. Or to my other colleagues, go to Oklahoma, go to Arkansas, go to New Jersey, go to California, Illinois, or Virginia, and talk to one of the thousands of dislocated AT&T workers. Visit my own State of Ohio and listen to workers who were laid off at such companies as Westinghouse Electric, Ford Motors, United Technologies, Seimens, A.O. Smith, Square D, and the Hoover Division of Maytag.

I understand the administration contends there will be a net gain in U.S. jobs because of the trade agreement. First off, I think their figures are phony. The administration jobs in this Senator's opinion are phony. They are the same kind of figures we have been getting from them on the budget, and those have not been very reliable. But even using the figures they keep trumpeting, it is only a net gain of 64,000 jobs over 10 years or an average of 6,400 jobs per year. With a work force in this country of well over 100 million people, even the administration's own best figures show that any job gain from this agreement will be minimal.

I have grave doubts even about that claim. The Economic Policy Institute predicts this free-trade agreement could produce a loss of 550,000 high-wage American jobs in the next 10 years. The Economic Strategy Institute, headed by a former Reagan administration official, predicts potential job losses exceeding 900,000.

One thing is sure. Without adequate safeguards, this free-trade agreement will wreak havoc on the lives of hundreds of thousands of American working men and women.

The administration proposes to ease the pain of job loss by working with Congress to enhance readjustment and training programs. As I noted earlier, this Senator was one of the principal authors of the new worker adjustment program enacted as part of the 1988 Trade Act, so I know the value of such programs. Retraining is a safety net that should be a last resort, not a preferred option. We should be saving American jobs first, not cutting workers loose, then trying to cushion the fall with a readjustment program.

In the 1988 act, we worked together with the Reagan administration to authorize nearly $1 billion per year for the retraining program. Since then, however, the Bush administration refuses to seek full funding for the program. In each year since the new adjustment program has been in full operation, the White House has requested funding at less than half the authorized level.

In fiscal year 1990, the first full year of operation for the program, the administration requested only $400 million of the nearly $1 billion authorized. Congress provided $463 million. Despite this increased funding by Congress, the next year the White House once again asked for only $400 million of the nearly $1 billion authorized. Congress, recognizing the pressing needs for this assistance, upped it a bit and provided $527 million.

In the most recent budget, the Department of Labor calls for $527 million, and that looks pretty good because at least they used the last figure of Congress, but that figure is somewhat misleading. The request includes a new $50 million program created by Congress to aid workers dislocated by the Clean Air Act, and therefore the current administration proposal really amounts to a $50 million cut to a request for only $477 million for the existing program—once again, a cutback from the $1 billion that was intended and a cutback from the amount already appropriated by Congress.

In every year since the enactment of the retraining program, including this year, the administration has called for the abolition of the separate trade adjustment assistance program. I find it ironic, to say the least, that the centerpiece of the administration's proposal to address the serious impact of this free-trade agreement on workers is a new commitment to adjustment programs. If that is not talking out of both sides of your mouth, I do not know what is.

Earlier this year, all we heard from the administration was that labor and environmental issues were off the table in these trade talks. But under pressure from Congress the administration has put them on, or at least near, the table.

I am heartened that the prospect of meaningful congressional action has led to changes in the administration's position that will improve this trade agreement for working people and for our environment. But if we adopt the fast track, meaningful pressure on the negotiations will be reduced if not eliminated. The elected representatives of the people will be largely shut out of the process.

I have no doubt that if this agreement is negotiated under the fast track, in back rooms and behind closed doors, the interests of big business will be well represented. Multinational corporations and major financial institutions will not have to worry about being shut out of the process, and some of those who are in key committees that have to do with the procedures and the approval will probably be in a position to negotiate special arrangements for their particular constituency. But the fast track in reality could become a fast shuffle to a fast buck for a few fast operators.

That is not how our system should work. We must preserve the important right to engage in full and open debate on the proposed free-trade agreement. We must knock the fast track off track to ensure that the American public has a seat at the negotiating table. The threat that Congress might modify the final agreement would guarantee that the critical economic and environmental issues I have discussed today will be raised up front.

The choice is upon us.

I urge my colleagues to support Senate Resolution 78. By doing so, the Senate will retain a real opportunity to work with the administration to craft a free- and fair-trade agreement with Mexico. But I repeat once again, that if, as predicted, the votes will not go our way and the Hollings proposal is not adopted, we will return to this subject. We will find a way to give the Senate an opportunity to really deal with the subject on an up-or-down vote on the basis of taking into account all of the other issues that are contained in the Riegle proposal.

Mr. President, I yield the floor.

EXHIBIT 1

[Congressional Research Service, the Library of Congress]

"SLOW ROUTE" POSSIBLE IN FREE TRADE AGREEMENT

IN ANY CASE IT WILL BE NEGOTIATED; WITHOUT THE FAST TRACK, MORE DIFFICULT: BLANCO

(By P. Munoz, J. Sanchez, I. Rodriguez)

Herminio Blanco, head of the Free Trade Agreement Negotiating Unit, admitted the possibility that the negotiations will have to be carried out via the "slow route," keeping in mind the statements of U.S. trade representative Carla Hills to the effect that more time would be needed than originally thought.

The negotiator warned that the negotiations would be conducted with or without the "fast track," although he admitted that it would be much simpler if the U.S. Congress approved the "fast route."

It is very difficult, he stated, to negotiate without this mechanism, because if it is not used, then in the approval or rejection of the draft treaty, each representative and each Senator can introduce changes and amendments to all of the articles.

The relationship between Mexico and the U.S. does not begin or end with the FTA, but rather there are meetings of the Binational Commission and at them other subjects in addition to economic questions are discussed, Blanco stated.

THREE-NATION MEETING OF PARLIAMENTARIANS

U.S. President George Bush, meanwhile, met in Ottawa with the Prime Minister of Canada, Brian Mulroney, to whom he described as a priority the bill to establish the North American Free Trade Zone.

Bush insisted that he will continue to ask the Congress of his country to facilitate the negotiations with Mexico, through the approval of the fast track mechanism.

In Mexico, the President of the *Gran Comisión* of the Chamber of Deputies, Guillermo Jimenez Moralez, in turn, reported that he is preparing a meeting of parliamentarians from Mexico, the U.S. and Canada for the first week in June, in order to examine the most critical points in the FTA negotations.

Jimenez Moralez also said that the treaty will be the subject to which the legislators of Mexico and the U.S. will give the most time at a binational meeting that will take place in Cabo San Lucas the first half of May.

The President of the Confederation of Industrial Chambers (Concamin), Luis German Carcoba Garcia, noted that the FTA should establish minimum 10-year periods in the lowering of duties in sectors in which Mexico has a disadvantage.

Page 10, El Financiero:

POSSIBLE TO DO IT THROUGH THE SLOW ROUTE: HERMINIO BLANCO—WITH OR WITHOUT THE FAST TRACK, THE NEGOTIATION WILL BE CARRIED OUT

INFORMATION LACKING IN THE U.S. ON PROGRESS IN CONVERSATIONS; IF MECHANISM NOT APPROVED, ARTICLES COULD BE CHANGED

(By Patricia Munoz Rios)

The chief negotiator for the free trade agreement for the Mexican Government, Herminio Blanco Mendoza, warned yesterday that "theoretically the possibility exists that the negotiations on the trilateral agreement will be carried out via the slow track and not the fast one."

In holding a short talk with reporters in the press offices of the Office of the Secretary of Commerce and Industrial Development, the official said that in the case that the negotiation of the trilateral treaty is not carried out through the fast track, each Senator and Representative in the U.S. will be able to change the articles from what has already been negotiated, so the negotiations would become very slow, but they can be carried out.

However, he said, "with the fast track or without it, in any case, the negotiation will be carried out," although it would be simpler and more appropriate for the negotiations if the U.S. Congress approved the fast track."

Herminio Blanco explained that the fast track is a figure that the U.S. Congress invented, which consists of the Executive of that country introducing a certain arrangement or trade agreement in Congress just for it to approve it or not, but not to change or question it.

This because it is very difficult to negotiate without this "fast track" and that's why the U.S. Government has adopted this since the Tokyo Round of GATT.

He made it clear that the passage of this fast track mechanism is important for the U.S., not just to pave the way for the FTA with Mexico, but also because that mechanism is needed for its negotiations with Canada, in the Uruguay Round of GATT and in the Americas Initiative.

Therefore, the U.S. Executive must convince his Congress to grant him this fast track, "We aren't the ones that have to convince, but rather the president of that nation himself is," Blanco Mendoza explained.

UNAWARENESS OF WHAT'S BEING DONE

Questioned about the versions coming from the U.S. that the Congress of that country would pressure for inclusion in the negotiation of subjects such as the environment and even labor questions, he answered: "Information is lacking in some U.S. sectors on how much progress has been made and what has been accomplished between the two governments. These reports are wrong."

He added that in the same sense these positions are the result of the lack of knowledge of what is being done.

For example, regarding the point on the environment, what is happening is that in the U.S. there is still a lack of important information. They do not know that between the Office of the Secretary of Urban Development and Ecology of Mexico and the counterpart in the U.S., the EPA, there is an intensive work program.

Now, he stated, it must be admitted that the relationship between Mexico and the U.S. neither begins nor ends with the FTA; there are meetings of the Binational Commission annually and at them other subjects are discussed in addition to economic questions.

Although certainly there is a lack of information about how much progress there has been in the different fronts in this relationship, "it is a lack of information that will be resolved in years to come, explaining to all these people what has been done already and how much we have cooperated and achieved between the two countries on all fronts," he noted.

In addition, he talked about the studies being conducted by the Coordinator of Foreign Commerce Business Entities (COCEC), a point on which he said that already an important part of the monographs of each industrial sector of our country has been handed over.

Based on these studies, he noted, the strategy will be designated for the negotiation of each sector, and until all the work is done, the period of consultation will not begin and much less the negotiation. Upon reaching this point, Herminio Blanco Mendoza repeated that the negotiation will last however long it has to last."

CLEAR RULES

In addition, the official talked at a meeting with British businessmen where he maintained that if the trilateral negotiations unfold in a constructive atmosphere, "we hope that the treaty will go into effect in 1993."

Before the businessmen, he noted that Mexico will try to see that the regulations to be established with this agreement are simple and not protectionist.

As he explained, a treaty of this nature can eliminate all tariff obstacles and those of another nature, such as the phytosanitary, but the regulations on origin that are imposed could be strict in order to prevent one country not a member of the agreement from benefiting from these preferences in exchange for nothing.

On another aspect he stated that the Mexican anti-dumping legislation is one of the most advanced in the world, but does not claim to be protectionist, but rather a guarantee of protection to unfair competition.

In addition, the general coordinator of the negotiations unit for the Trade Agreement, Jaime Zabuludovsky, felt that the formal negotiations on the trilateral FTA will begin before the year is over.

The country is preparing for this process, proof of that being that on the eve of the negotiations 23 groups of experts have participated in the various productive branches, he said, and he added that this agreement should be seen as an instrument for giving meaning to the relationship "that is going to keep existing and that keep growing."

He felt that at the end of the negotiations a tariff elimination will be seen between Mexico, the U.S. and Canada, which could take 20 to 15 years, as well as the elimination of tariff barriers, restrictive and phytosanitary, and the establishment of a mechanism for the solution of controversies in trade, among many other benefits.

(Translated by Deanna Hammond, CRS—Language Services, April 1, 1991.)

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I yield 15 minutes to the Senator from Florida.

The ACTING PRESIDENT pro tempore. The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

Mr. President, there are a number of ways in which this debate has been characterized this evening, and I believe that the quality of the debate including that of our colleague from Ohio and the current Presiding Officer has been very eloquent.

We have characterized this as being pro-American versus pro-Mexican, protectionist versus free trade, constitutionalist versus excessive Executive power. Those are all ways in which one could look at the essence of this debate.

The Greeks had a way of describing politics as being the extension of the personality of citizens. I believe that concept of looking at this issue as how we as individual human beings might react to it can be helpful.

Change is almost always tinged with anxiety. There is apprehension created by the unknown that will accompany a changed position. But also opportunities for the future offer a sense of excitement. They create an energy, the potential for some new, positive result.

I believe that this debate could be characterized as a question of are we more afraid of the unknowns that will result for change, or are we more excited about the excitement and the challenge of a new future?

I am going to vote against Senate Resolution 78 because I believe that we have no reasonable alternative. If we refuse to grant fast-track authority to the President, I believe that it is a statement that we are a nation traumatized by fear of change and fear of the unknown. My feeling is reinforced in my own sense of confidence by the fact that it is shared by a wide range of citizens in our States.

I ask unanimous consent, Mr. President, to insert into the RECORD editorials from the largest paper in our State, the Miami Herald, and one of the smallest papers in our State, the Washington County News of Chipley, FL, both editorials in support of granting the President fast-track authority.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington County News, Feb. 28, 1991]

TRILATERAL TRADE PACT IS VITAL

With the future of the global trading system known as the General Agreement on Tariffs and Trade now in doubt, the idea of a North American free-trade zone is all the more vital. Thus it is welcome news that the United States, Canada and Mexico have agreed to negotiate a three-way agreement on free trade.

The newly established framework for the talks is, in President Bush's words, "a dramatic first step toward the realization of a hemispheric free-trade zone, stretching from Point Barrow in Alaska to the Straits of Magellan."

The United States, Canada and Mexico encompass 360 million consumers and a total annual output of roughly $6 trillion in goods and services. Altogether, a North American common market would be larger than even the 12-nation European Community.

But the free trade zone that President Bush envisions is by no means a fait accompli. For starters, American trade negotiators must craft an agreement that Canadian Prime Minister Brian Mulroney and Mexican President Carlos Salinas de Gortari can sell at home.

Then President Bush has to persuade Congress to extend "fast track" authority, under which trade pacts are either accepted or rejected by Congress in their entirety, with no amendments. This authority is scheduled to expire May 31. Without it, U.S. Trade Representative Carla Hills maintains, there is little hope for successful completion of the free-trade talks.

At the moment, most members of Congress appear to look favorably on a trilateral trade agreement. The chairman of the Senate's international trade subcommittee, Max Baucus, D-Mont., said recently that he welcomed the negotiations. And the chairman of Senate Finance Committee, Lloyd Bentsen, D-Texas, released an International Trade Commission report indicating that a free trade pact with Mexico alone would provide a substantial boost to the U.S. economy.

Yet, even though these key players are on board, the path to congressional approval is marked by several obstacles. Perhaps the biggest is the politically powerful AFL-CIO, which has already declared that its top legislative priority for this year is to derail the trade pact.

[From the Miami Herald, Mar. 21, 1991]

CLEAR THE "FAST TRACK"

President Bush has asked Congress to extend his "fast track" authority to negotiate trade agreements, and Congress should grant it. The authority assures the White House that any trade agreements that it reaches with foreign governments would move promptly through Congress.

The President primarily needs "fast track" authority to negotiate the intricate Uruguay Round of trade talks and a free-trade pact with Mexico. The Mexico talks would take place over two years. The resulting pact would phase in over 10 years.

The extraordinary economic community created by the agreement was unthinkable only a decade ago. It would group Mexico, Canada, and the United States in a grand North American trade zone that would bring greater prosperity to all three. It could also be a prelude to a common market covering the entire hemisphere.

In proposing such intimate economic ties with the United States, Mexican President Carlos Salinas de Gortari has made a revolutionary break with Mexican political tradition. Thus his political risks are great.

The AFL-CIO has voiced vehement opposition to the pact. It claims that the pact would threaten U.S. workers' wages as American industry moves south to take advantage of cheaper labor. South Florida vegetable farmers voice similar concerns that Mexican growers are free of protective labor or environmental laws.

These objections fail to note that U.S. investment in Mexico creates jobs in both countries. Further, if American companies cannot take advantage of Mexican labor, they will move elsewhere. And if American companies cannot invest advantageously in Mexico, foreign firms will.

In the short run, the Mexican economy will benefit greatly from a free-trade pact with the United States. But in the long term, such development will stabilize Mexico and help create a vast market for American goods and services. Thus Congress should give the President "fast track" authority to negotiate with Mexico. The prosperity of America's third-most-important trading partner is vital to the future of the United States.

Mr. GRAHAM. Mr. President, I am not naive. I recognize that Mexico is not Canada. I recognize that North America is not Europe. There are very fundamental differences. Within the European Community the greatest disparity is that between Germany and Portugal. That is a disparity of approximately 5 to 1 in terms of per capita income. We are dealing with a situation here between the United States and Canada and Mexico of differentials of 10 to 1 in per capita income.

I recognize as a result of that extreme differential in the state of development that there are a whole set of other issues other than trade itself which are appropriate to setting the context for trade.

Mr. President, I ask unanimous consent to insert into the RECORD at the conclusion of my remarks as illustrative of one of those in the field of agricultural practices a series of articles from the Palm Beach Post on the use of pesticides in Mexico.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAHAM. Mr. President, I believe it is important that we face this with a sense of reality of the relationship and the nontrade issues that must be taken into account.

Having said that, how do I square that with my previous statement that I am going to support the fast track? I do so in part because there are sources that give me confidence that we have the ability to deal with the issue of agricultural practices and other concerns.

One of those is the fact that the administration has recognized that there will be the need to engage not just in trade negotiations but also in a series of other parallel negotiations with Mexico on questions of the environment, of labor practices, agricultural practices, law enforcement, other legitimate issues of the relationship between the United States and Mexico.

Second, I am given confidence by the fact that the administration has indicated that there will be an open participatory process, for instance, in the area of agriculture. There will be agricultural technical advisory councils, agricultural production advisory councils, farmers who will work directly with our trade negotiators to ensure that those issues that are important to American farmers are considered at the bargaining table.

Mr. President, our State has some particular concerns for this because probably our State, more than any other, will be in direct competition in terms of the type of winter vegetables and citrus products that we produce, and what is and will be produced in Mexico.

I look to the administration to be faithful to the commitments that it has made, that it will see that those interests are properly taken into account. I am also given confidence by our trade negotiator, Mrs. Carla Hills. Mrs. Hills has impressed me as a woman of unusual ability. She has a broad, strategic vision of where the United States should be moving in terms of international economic policy. She has a staggering command of the specific detail.

The fact that Carla Hills was willing to walk away from the last best offer of the Europeans at the end of the GATT round in late 1990's tells me that this is a lady of real toughness. And it convinces me that she will be prepared to walk away from another GATT round if the final offer is not acceptable and will be willing to walk away from a United States-Mexico agreement if not successful.

Finally, Mr. President, I have, as a source of confidence, the fact that the vote we are going to take at noon tomorrow is not the last vote that we are going to take on this matter. This agreement is going to come back to the U.S. Senate for the final vote.

Do we take the position today that we are so temperate, that we are so without a sense of our own self-worth, that we are fearful that any agreement that rolls into this Chamber after having been negotiated, assuming one is negotiated, that we will automatically accept it?

What a comment that is about ourselves, my colleague. I will say tonight I will be prepared to vote no. If this agreement does not meet my standard of what is necessary in areas of the environment, in areas of parity, of production practices for agriculture, I announce tonight that it is my intention to vote no.

But it is not my intention tonight to take the position that I am so fearful of what that negotiation will be, and I am so absent of confidence in my ability to evaluate it and make a judgment that is in the Nation's interest that I will not even provide the authority to try.

I have a sense of excitement about the opportunities that are available. I am going to ask a question which was asked to me just a few hours ago by a representative of a major automobile manufacturing firm in this country. Mexico is a country, Mr. President, that has almost the lowest priced gasoline in the world, probably maybe some places in the Middle East, but I think it is about 25 cents a gallon—very inexpensive gasoline. It has lots of very bad roads. Those sound like conditions that would be ideal for the sale of a vehicle such as a Jeep, the old, rugged American Jeep.

How many Jeeps do you think were sold by the Chrysler Corp., which builds them, in Mexico last year? What do you think the number is? Well, the answer is zero. There were zero American-made Jeeps sold in Mexico last year. I ask why? Why? Because Mexico has such high barriers against the sale of the United States-produced automobiles in Mexico. There not only are economic barriers. There are also barriers that require certain parity of sales of Mexican-produced cars in order to be able to import American-manufactured vehicles.

On the other hand, do you know what the tariff is for cars made in Mexico sold in the United States? Two-and-a-half percent.

There is no effective tariff barrier against the sale of Mexican-made cars in the United States. The things that keep the American automobile industry from moving en mass to Mexico, a suggestion that has been made about that and other industries, are not the tariff barriers. They are production standards. They are questions of basic infrastructure, cost of transportation. None of those are going to be eradicated by passing the free-trade agreement. Those are inherent to the production capability of Mexico.

I am excited about the fact that we are going to be able to sell some American Jeeps in Mexico, Jeeps made by American workers, which will find a ready market in Mexico.

Berg Steel is a firm in Panama City, FL. They make very big pipes, which are used for the petroleum and natural gas industry. They are excited about the opportunity of putting their 250 people to work selling their pipe into Mexico, a difficult sale today because of barriers Mexico has against the sale of United States-manufactured large-diameter pipe.

I am excited about the fact that already in Florida we are experiencing a 40-percent-a-year increase in our trade with Mexico. What are we selling to Mexico from our State of Florida? Chemicals, computers, industrial machinery, electric and electronic equipment, scrap, and waste and paper products. Those represent 64 percent of the $424 million our State sold to Mexico last year. I am excited about the growth potential those industries have and additional jobs it is going to mean for Americans.

Mr. President, how much time do I have?

The ACTING PRESIDENT pro tempore. The Senator has 3 minutes remaining.

Mr. GRAHAM. May I have 2 additional minutes?

Mr. BAUCUS. I yield two additional minutes.

Mr. GRAHAM. Mr. President, I close with some comments about a party to which I and members of my family have belonged for many generations and for which I have great pride. I am proud of our Democratic Party, and I am particularly proud about our party being one whose traditions are rooted in the willingness to lead America to new challenges.

The first major domestic issue in this Nation's history is the issue we are debating tonight. On the one hand was Thomas Jefferson, who took the position that America should have a policy of economic openness to the world, and we should be prepared to compete with the world. On the other hand was Alexander Hamilton, who advocated a policy of protectionism in order to create a controlled economy, so that New England industry could flourish. I believe Thomas Jefferson was right when he advocated that economic policy.

Fifty years ago, Mr. President, we had a great debate in this Chamber. The man who held the seat I now hold was then Senator Claude Pepper. Claude Pepper introduced a bill to provide for lend-lease, that the United States would cooperate with England in the depths of the Battle of Britain.

Do you know what happened to that legislation Claude Pepper introduced 50 years ago? It was defeated by a vote of 18 to 1, within months of the United States entering World War II. It was because of Franklin Roosevelt and his sense of vision of the United States' responsibility to protect freedoms around the world that the United States was as prepared as it was, that England was able to survive an onslaught unknown in the previous history of war.

I am proud that Franklin Roosevelt, was a Democrat, had that vision of the world. I am proud that Harry Truman, with a 19-percent approval rating, was able to go to the American people and advocate the Truman Doctrine, the Marshall Plan that the United States was going to be an active part of shaping the world after World War II.

I am proud that it was Jack Kennedy who said this Nation was going to place a man on the Moon and return him to Earth within the decade of the 1960's.

Those are the traditions of this party, a party that was willing to accept the excitement of a challenge, which, I believe, is the fundamental tradition of the Democratic Party.

I also believe we are a party which is not a congressional party. We are a national party. We are a party which asks the question: What is in the best interest of America?

I believe the best interest of America will be served by authorizing the President to negotiate on a fast-track basis, because I believe we will get the best deal for American businesses and for American workers and American interests, if it is known that that agreement will then be submitted for an up-or-down vote by this Senate.

I do not believe we are deluding or being unfaithful to our responsibilities. I think we are being faithful to a higher responsibility, which is: What is the interest of the United States of America?

This is the same procedure we used in negotiating the bilateral agreement with Israel for a free-trade agreement, the bilateral agreement with Canada for a free-trade agreement, and now for a trilateral agreement among the United States, Canada, and Mexico. I believe it made sense in those past instances, and it will make sense now.

Mr. President, in closing, part of that excitment of the future is that we are about to make a dramatic change in this country, I predict, over the next few years. For 500 years, since Christopher Columbus, we have tended to look across the Atlantic to Europe and, frankly, so have the nations of South America looked across the Atlantic to Europe. I suggest that in the 21st century we are both going to take a 90-degree turn. We are going to be looking increasingly south, and our neighbors in Latin America are going to be looking increasingly north.

One hundred years ago, Theodore Roosevelt said the 20th century would be America's century. Without the need to explain what he meant, everybody knew what he meant. He meant it would be the century of the United States of America. What he meant was that in the 20th century, the United States of America would put together the industrial power of the eastern seaboard with the great resources of our industrial largely vacant west. And that is what the history of the 20th century has been, Mr. President.

The 21st century will again be America's century; but in this case, it will be all of the new world discovered 500 years ago by Christopher Columbus.

We will have the same opportunity as we did 100 years ago to link the developed technology of the north with the enormous human and natural resouces of the south. That is the challenge that lies before us. And that is not meant to denigrate the importance of the United States and Canada joining Mexico.

This is the beginning of an important, fundamental step in our Nation's history, in which we begin to look at the opportunities that exist within this hemisphere, opportunities I think have boundless potential for the good of our people and all of the people who share in the heritage of Christopher Columbus.

So for that excitement of opportunity, Mr. President, I will vote to give the President the opportunity to negotiate an important chapter toward turning that vision into reality.

I yield the floor.

EXHIBIT 1

[From the Palm Beach Post, Mar. 31, 1991]

U.S. "SELLING DEATH" FOR FOOD IMPORTS

(By Bill Collier)

SAN JOSE, COSTA RICA.—Cascading out of verdant mountains, rivers of this Central American nation course through hills of coffee beans, fields of onions and carrots, plantations of sugar cane and bananas, orchards of oranges and limes and cattle in pastures. This isthmus between the Caribbean Sea and Pacific Ocean yields a cornucopia of fruits and vegetables, shipping tons north for consumption in the United States.

It is typical of America's foreign gardens: rich and productive, yet sometimes deadly.

The signs are abundant: massive fish kills in the rivers, dead dairy cows outside villages, field workers rendered sterile, teenagers poisoned to death and residents with stomach cancer, respiratory problems or skin rashes.

The root of the trouble in this section of America's garden is widespread misuse of toxic and harmful pesticides—some imported from the United States, where they are illegal to use.

U.S. companies make numerous pesticides that cannot be applied on U.S. farms because of health concerns. The chemicals are exported to Third World countries, where they help grow food—possibly carrying toxic residues—for American tables.

Environmentalists call this the "Circle of Poison."

"These companies are exporting pesticides too dangerous to be used here and contaminating people, the environment and wildlife overseas, as well as the food U.S. consumers are eating," says Sandra Marquardt of the environmental group Greenpeace.

It is not a hidden problem. Government officials from Washington to Rome are trying through federal law and international treaty to come to grips with it, but powerful domestic and international economic forces stand in the way.

Last week, the struggle came to Palm Beach County. Sixty Costa Rican farmworkers filed individual suits in Palm Beach County Circuit Court, claiming they were exposed to dangerous pesticides and left sterile. One of the four major firms they sued is the parent company of Dole Fresh Fruit Co. in Boca Raton.

But the debate seems far removed from Third World fields where the human toll climbs.

"These companies are selling death," said Edwin Solano, a physician in the hospital at Guapiles, an agricultural center of 40,000 in Costa Rica.

In the late 1970s, U.S. companies continued to export the pesticide dibromochloropropane, or DBCP, even after its use was halted in the United States for causing sterility among men in the California plant that made it.

Hundreds—possibly thousands—of banana plantation workers became sterile in Costa Rica and other countries.

The next generation of potentially problematic U.S. pesticides to be peddled around the globe also is finding its way into the Circle of Poison. They include haloxyfop, a herbicide available throughout Costa Rica although the U.S. Environmental Protection Agency has refused to register its since 1985.

Considered by the EPA to be a likely human carcinogen, haloxyfop is made by Dow Elanco, a division of Houston-based Dow Chemical Co., which also made DBCP.

U.S. consumers also could be at risk, environmentalists say. They cite government reports that show that only 1 percent of 1 million annual shipments of imported food are sampled for pesticides—and then only for about half of the pesticides known to be in use in the exporting countries.

In developing nations such as Costa Rica, the pesticide threat is not a vague fear of future cancer. It is real, immediate.

Solano's Guapiles hospital—which serves 150,000—sees 30 to 60 pesticide poisonings a month and 10 pesticide suicides a year.

In Costa Rica—a country smaller than West Virginia—at least 1,500 agricultural workers seek medical treatment every year for pesticide poisioning.

Pesticides killed 484 Costa Ricans in the past decade at an increasing annual rate that reached 83 in 1989. Officials say those numbers underestimate the problem.

IMITATING U.S. PRACTICES

The World Health Organization estimates 1 million unintentional pesticide poisonings—including 20,000 deaths—on the planet every year. The organization also reports that 2 million people try to kill themselves every year by swallowing pesticides—and that 200,000 succeed.

Third World countries have imitated U.S. agricultural practices that have increased crop yeilds, including heavy reliance on chemical fertilizers and pesticides. In so doing, environmentalists say, these nations have joined U.S. farmers on the "pesticide treadmill."

Besides damaging the environment, heavy pesticide use kills insect predators and builds up resistance in targeted species. This requires ever-increasing amounts of pesticides and a constant influx of new chemical formulas, some of which have been inadequately tested for their health consequences, environmentalists say.

"TICKING TIME BOMBS"

The United States has the world's most sophisticated system of pesticide regulations and the largest bureaucracy to enforce them. But in Third World countries, such efforts are nascent at best.

Some, such as Costa Rica, have adequate pesticide registration regulations. However, they lack the personnel to enforce them.

In Costa Rica, with 100,000 agricultural workers, "there are only 10 people working on this full time," said Catharina Wesseling, a medical doctor with the pesticide program at the National University in San Jose, the country's capital. "In all of Central America, there are no more than 40."

Moreover, exposure levels in Third World agriculture far exceed standard assumptions in pesticide health risk studies, said Doug Murray, a visiting scholar at Stanford University.

Such studies do not take into account other factors that increase risk—such as inadequate diet and exposure to multiple pesticides, he said. "This suggests there may be health problems beyond anything we've seen. I think in time we'll find a lot of ticking time bombs."

Roadside billboards—which in the United States might advertise beer or cigarettes—in Costa Rica extol the merits of pesticides such as Galant, Dow's haloxyfop.

In every village, highly toxic insecticides and herbicides crowd the shelves of agricultural chemical stores. Many feature baskets of pesticide goodies to be given away to the winners of regular drawings.

In Costa Rica, said Wesseling, "They will sell them to anyone."

Everywhere in the fields, workers spray pesticides from backpack carriers called bombas, often without protective boots gloves or clothing. They sometimes even prepare the mixtures by stirring them with their bare hands.

Though it is illegal, adolescents under 18 often work the bombas.

Most of the country's annual pesticide poisonings—72 percent—occur on the banana plantations, Wesseling said, even though one study showed that only 35 percent of the pesticides applied in Costa Rica are used on bananas.

A primary reason is that workers on the 70,000 acres of banana plantations regularly handle some of the most toxic pesticides on the market—such as aldicarb and terbufos. Like DBCP, which they replaced, they are used to kill nematodes, microscopic worms that eat the roots of banana plants.

Aldicarb once sent 80 banana workers to the hospital in a single week in 1987. Terbufos killed two boys, age 15 and 16, who were applying it in 1988.

In Costa Rica—among pesticide experts, farmworkers and consumers—concern also is rising over the long-term consequences of pesticide exposure.

In one village where pesticides are used on ornamental flowers grown for export to the United States, Wesseling said, the chemicals were blamed for the hospitalization of a dairy farmer and his helper and the deaths of some cows. Leukemia rates in the neighborhoods around the flower farm are triple the national average, but the cause still is being studied, Wesseling said.

Costa Rican farmworkers and their supervisors say they take precautions with crops to be sold in the United States, because they do not want to risk having a shipment turned away by import inspectors.

Worse off, they say, are Costa Rican consumers who eat produce grown for home consumption that is subjected to less rigorous testing.

The San Jose newspaper La Nacion recently reported that it had tested vegetables from the city's markets and found pesticide residues up to five times the legal limits on celery, potatoes and lettuce—limits less stringent than those in the United States.

EMPHASIZING EDUCATION

Wesseling said the national pesticide program operates like an extension service, emphasizing education on pesticide problems, safe pesticide use and alternatives to pesticides.

There have been some signs of progress. A billboard in front of the Red Cross center in the agricultural village of Tierra Blanca carries this warning in Spanish: "Before using a pesticide, read the label!".

Such warnings are having some effect.

"Since Dr. Wesseling began her project five or six years ago, the number of cases of pesticide poisoning have diminished noticeably," said Jorge Meza Madriz, the only doctor in Tierra Blanca.

Wesseling is not so optimistic.

"In general, I think nothing has changed," she said. "If you look at small farmers, particularly, you will find almost no improvement. Safe pesticide use is not possible in this country."

[From the Palm Beach Post, Apr. 1, 1991]

THOUSANDS COPE WITH STERILITY

(By Bill Collier)

RIO FRIO, COSTA RICA.—Visitors to this banana plantation company town could travel the dirt main street, with its smattering of simple shops and modest homes and never learn the community's dark secret.

Hints come in the form of anguished whispers between husband and wife, crude taunts men reserve for one another and wistful glances at children from couples who never can have their own.

In Rio Frio, which exists to produce bananas for Standard Fruit Co. to sell under the Dole label, the secret has become a malignancy that, for its victims, strips away the very purpose of life—leaving divorce, alcoholism and suicide.

The truth, residents say, is that at least 825 men who have called Rio Frio home, who toiled under the endless canopy of banana plant leaves, are sterile. They believe—as do their doctors and lawyers—that they are victims of the pesticide 1,2-dibromo-3-chloropropane, or DBCP.

DBCP came from the United States, where it was banned because it causes sterility and cancer. Used in Costa Rica to grow food in part for U.S. consumption, DBCP illustrates what environmentalists call the "Circle of Poison:" pesticides that are prohibited on U.S. crops but are shipped for sale abroad—and sometimes return on imported produce.

While the circuit poses risks to U.S. consumers, the greater danger is to Third World farmworkers. According to environmentalists, DBCP left as many as 2,000 men sterile at Standard Fruit's banana plantations at Rio Frio and Valle de Estrella in Costa Rica.

Hundreds of Costa Rican workers have sued DBCP manufacturers—Dow Chemical and Shell Oil companies and Occidental Chemical Corp.—as well as Standard Fruit and its parent firm, Castle & Cooke Inc. Most of the suits were filed in Houston, where Dow and Shell maintain corporate offices.

Another sixty suits were filed Friday in Palm Beach County Circuit Court. Boca Raton-based Dole Fresh Fruit Co. is another Castle & Cooke subsidiary. The suits bring home huge potential liabilities.

But the issues are justice and worker safety, not money, said Mario Zumbado, a former banana plantation worker and now Rio Frio's barber, who became sterile.

"I'm not doing it because I want to be offerred a million dollars," said Zumbado. "If I had a choice between having a million dollars and being able to have a son of my own, I would choose to have a son."

The DBCP story shows how decisions by the U.S. government and pesticide corporations have endangered people in other countries as well as the American public, according to environmental groups.

The U.S. government initially approved DBCP for use on crops in spite of scientific evidence that it caused sterility and cancer in animals and without any warning to people who would have to make it and use it. Even after DBCP had sterilized employees in a California pesticide plant—prompting state and federal suspension of its use—U.S. firms continued to sell the pesticide in foreign countries.

The Costa Rican plaintiffs are not the first DBCP victims, nor the last. The pesticide has left victims from Canada and Israel to Panama and Honduras. Cancer studies of those exposed to the chemical are just beginning.

DBCP was developed independently by Dow and Shell in the early 1950s. The companies found it extremely effective in killing nematodes, microscopic worms that attack the roots of banana plants and other crops.

STUDY REVEALED DAMAGES

In 1958, scientists for Dow and Shell separately reported that in tests on laboratory animals, DBCP shriveled the testicles, reduced sperm counts to zero and caused precancerous lesions at virtually every exposure level.

Nevertheless, DBCP ws registered for use on food crops by the Environmental Protection Agency's predecessor in the business of regulating pesticides, the U.S. Department of Agriculture.

In 1970-74, work by Soviet scientists, the National Cancer Institute and another Dow-Shell team corroborated the 1958 studies.

Yet none of this information was translated into meaningful warnings on the product labels approved by the federal government. The labels on Dow's DBCP, marketed as Fumazone, and Shell's product, Nemagon, bore little more than the standard admonitions against swallowing the chemical, inhaling its vapors or getting it on the skin.

While thousands of workers came into contact with DBCP—either in the plants where it was manufactured or in the fields where it was mixed and applied—apparently none had any inkling of its hazards.

"Nobody told us that it was a poison," said Carlos Luis Munoz Ramirez, 42, who was one of the first to become ill. "But obviously it was. If you put even a little on a toad, it would kill it."

Roberto Chavez, a toxicologist who has done extensive research on DBCP, said field hands were exposed to the chemical as a vapor.

"The workers inject it in the ground, and the steam brings it out under the canopy of leaves," Chavez said. "We have many workers who never touched the product who were affected. One was a boy who simply carried lunch to his family members in the fields."

Meanwhile, in 1977, meeting at softball games and other company outings, the families of workers in Occidental's unit making DBCP discovered many of them had something in common: They were not having any children.

A "UNIFORM PATTERN"

Medical studies of the Occidental workers—and the employees of 17 other DBCP manufacturing plants—found a "uniform pattern," their attorney, Duane Miller, recalled. "Workers with more than 90 days' exposure had markedly impaired sperm counts, and as many as 70 percent of them were sterile."

The state of California then banned DBCP, and in August 1977, the EPA suspended its use on many food crops. Dow and Shell stopped manufacturing it and sent letters warning customers, including Standard Fruit, that the pesticide could cause sterility.

The next year, the EPA further restricted the use of DBCP. Then, in 1979, the agency suspended all its uses except one—on pineapples in Hawaii. That was allowed until 1985.

Standard Fruit continued to use DBCP on its Costa Rica plantations, even though many workers had complained of sterility in 1977.

Jack DeMent, a Boca Raton resident, is a defendant in the 60 lawsuits filed Friday. DeMent, Dole's senior researcher, was in charge of selecting the pesticides that Standard Fruit used on its banana plantations, said Charles Siegel, a Texas attorney for the 60 workers.

Standard did not halt DBCP use in Costa Rica until late 1978 or early 1979, under pressure from the Costa Rican government.

But Standard still had large stocks of DBCP in Costa Rica. So they were shipped to Honduras, where DBCP use continued. Finally, in November 1979, Standard's parent firm, Castle & Cooke, announced it would no longer use DBCP anywhere in the world—except on its Hawaiian pineapple plantations.

In the Hispanic cultures of Central America—where a man's virility often is measured by his ability to father children—the devastation wrought by DBCP-induced sterility was more than physical. It was also psychological.

PSYCHOLOGICAL INJURIES

"It was like the worst thing that could happen to a human being," said Waldeman

Loaiza Calvo, 47, a victim who has worked for Standard Fruit at Rio Frio for 30 years.

Bitterly disappointed that their union would produce no children, many wives left their husbands. Others stayed on, but the knowledge tore at the fabric of their marriages.

Some men also became impotent. Other became alcoholics, and a few attempted suicide.

In California, 57 Occidental workers brought lawsuits over their sterility. Fifty of the cases were settled, but seven went to trial with Miller as their attorney. The amounts paid the California workers ranged from $50,000 to $2.3 million, Miller said.

But in Costa Rica, where workers turned for help to the national insurance program, the disabled men were given payments ranging from $500 to $4,000, averaging about $1,000 each.

At the urging of Chavez's sister, a San Jose lawyer, the banana workers contacted Baron and Budd—a Dallas law firm specializing in litigation over injuries resulting from toxic chemicals. Baron and Budd filed the first lawsuits in the United States seven years ago.

The law firm also is in contact with victims in Honduras, where Mario Quintanilla, an official with the banana workers' union, said he knows of at least 200 men made sterile by DBCP.

Attorneys for Dow, Shell, Occidential and Standard Fruit say they expect to prevail when the complex lawsuits come to trial in Houston.

Dow and Shell lawyer denied they withheld any of the scientific information—saying the early health studies were turned over to the USDA when they sought to register DBCP. They said the label warnings were approved by the USDA and later the EPA.

Shell officials said they will prove their products never were used by Standard's Costa Rican plantation workers. "I don't think they have the foggiest idea what they were working with," Shell attorney Burt Ballanfant said.

LEGAL SKIRMISHING

Occidental, named as a defendant only in the most recent suit filed by the Costa Ricans, will plead the same defense, said the firms's attorney, Stephen Lewis.

Standard Fruit officials say they followed all safety instructions provided by DBCP manufacturers.

While preparatory skirmishes for their courtroom drama are played out in U.S. courts, life goes forward unchanged on Rio Frio's plantations.

One victim, Jorge Vega, 40, said he has thought of leaving Rio Frio in search of a better life but found it difficult to walk away and leave the benefits he has built up in 18 year's employment with Standard. He and his wife have turned to their religion for comfort.

"Some of us have become closer to God through all of this." Vega said.

Chavez said he is concerned that the pesticide—which can persist in the environment for up to 100 years—still may pose hazards for workers at Rio Frio more than a decade after Standard stopped using it.

[From the Palm Beach Post, Apr. 2, 1991]

1 Percent of 1 Million Food Shipments Into United States Tested for Pesticides

(By Bill Collier)

Among their myriad exports to developing nations, U.S. companies annually include 100 million to 150 million pounds of pesticides that cannot legally be used in the United States.

These pesticides—banned or never registered by U.S. regulators because of health or environmental concerns—are applied on food crops in countries less able than the United States to ensure safe use.

Many of those crops are shipped to American consumers—possibly tainted with residues of pesticides from which U.S. regulators seek to protect the public.

Environmentalists call this the "Circle of Poison."

In an ideal world, U.S. regulators would detect illegal pesticide residues at the ports of entry and reject the food shipment. But government studies show we live in a world that is far from ideal.

The U.S. General Accounting Office reports that the Food and Drug Administration annually samples just 1 percent of about 1 million imported food shipments—and tests for fewer than half the pesticides on the world market.

Among the pesticides ignored by the FDA, which tests produce, and the U.S. Department of Agriculture, which tests imported meat and poultry, are those that are not registered for use in the United States.

For example, DowElanco, a division of Houston-based Dow Chemical Co., markets the herbicide haloxyfop in more than 40 countries, although the Environmental Protection Agency has refused to give it a U.S. registration since 1985. The EPA considers haloxyfop a "likely" human carcinogen.

Yet the FDA and USDA do not test for haloxyfop residues in food entering the United States.

"We're not even aware of what that substance is. Is it a pesticide?" asked Jim Greene of USDA's Food Safety and Inspection Service. "If that's being used in other countries, we're just not aware of it."

Environmental and consumer groups say the export of banned or unregistered pesticides poses a health risk for farmworkers and consumers in the Third World, as well as U.S. consumers.

"If the EPA says a chemical is too unsafe for U.S. farm use, then it's too unsafe for use on foreign-grown foods that will be imported," said U.S. Sen. Patrick Leahy, D-Vt.

Last year, Leahy won Senate passage of a bill to end the export of banned and unregistered pesticides. But he withdrew the measure after failing to reach agreement with House members over a weaker House-passed version.

Determined to prevail this time, Leahy has reintroduced essentially the same bill. Environmental and consumer groups are poised for the battle.

Representatives of chemical manufacturers and the produce industry said they would again oppose the Leahy bill. They said the fact that a pesticide is not registered in the United States does not mean it is unsafe.

"If there's a bad chemical out there, the growers want it off the market," said Kathy Means of the Produce Marketing Association.

But many of the unregistered pesticides, Means said, were developed for pests, crops and climates that do not exist in the United States, "so that nobody would spend the money to try to register them here."

A REAL SCIENCE DISPUTE

"John McCarthy of the National Agricultural Chemicals Association said the "overwhelming majority" of unregistered pesticides exported by the United States have been registered in European countries that also have sophisticated regulatory processes—but assess human risk differently.

"There's a real science dispute out there about the way we regulate things that cause tumors in animals," McCarthy said. "It's a legitimate scientific dispute, rather than a moral argument."

John McClung of the United Fresh Fruit and Vegetable Association said Leahy's proposal would cost the United States jobs, anger its trading partners and do nothing to prevent Third World use of the targeted pesticides.

Officials with the FDA and USDA, meanwhile, defend the safety of the U.S. food supply.

The USDA's Greene and John Jones, FDA's pesticide program manager, said tests by their agencies show that pesticide contamination of U.S. food imports is not a serious problem.

Only 3.5 percent of 11,100 pesticide residue samples of imported food taken by the FDA in 1989 exceeded U.S. limits or contained illegal residues, Jones said.

Illegal residues could be those of pesticides banned in the United States. Or they could be legal pesticides found to exceed maximum levels set by the EPA or discovered on crops for which EPA has not approved their use.

Greene said USDA rejected 14.5 million pounds out of 2.5 billion pounds of beef and poultry inspected in 1989—less than 1 percent.

A HILL OF BEANS

Moreover, said Greene, "of the total product refused entry, pesticide residues accounted for only 2,460 pounds. That doesn't amount to a hill of beans."

Jones and Greene said biological contaminants, such as bacteria are a far greater concern.

"People are dropping in the streets if they get a bad batch of cheese," Jones said. "A need exists to monitor immediate health risks at a higher level of priority."

Both agencies say they sample for chlordane and heptachloride, two pesticides banned in the United States but manufactured for shipment to foreign countries, where they are commonly applied to food crops. Chlordane and heptachlor have been found in breast milk, cow's milk, the flesh of arctic marine mammals and a variety of food products around the world.

The General Accounting Office estimated that U.S. companies account for about a quarter of the annual worldwide agricultural chemical sales of $17 billion.

The United States exports 400 million to 600 million pounds a year of pesticides, about a quarter of which are unregistered, according to the GAO.

[From the Palm Beach Post, Apr. 2, 1991]

Two Inspectors Test Produce From 800 Trucks a Day

(By Bill Collier)

Nogalez, Ariz.—The U.S. Food and Drug Administration's approach to looking for pesticides on imported produce in Arizona is like looking for what is in a speeding freight train by standing behind a bush next to the tracks.

Each day, 700 or 800 trucks roll across the U.S. border at Nogales, hauling nearly 2 billion pounds a year of Mexican fruits and vegetables.

Yet there are only two FDA inspectors—and one is seasonal. They take five to 25 samples a day. And Saturdays—when the border also is open—they take samples only about twice a year.

In South Florida, produce from Honduras, Guatemala, El Salvador, Costa Rica and other countries in the Caribbean and Central America arrives by the shipload at the Port of Miami, Port Everglades and the Port of Palm Beach, said Abbie Land of the U.S. Department of Agriculture's Market News Service in Miami.

The Miami FDA office, which is responsible for all of South Florida, has seven positions for inspectors, said Estela Brown, consumer affairs officer for the FDA in Miami. Three of those jobs are vacant.

"The appalling truth is that our import inspection program does almost nothing to protect us from illegal pesticide residues," said Bill McNichol of the National Coalition Against the Misuse of Pesticides.

Nogales is the biggest U.S. point of entry for Mexican produce and the best case for those who argue that the federal government is not doing enough to protect consumers.

"We don't have somebody stopping every truck, and we don't have somebody there all the time. We can't be everywhere all the time," said John Jones, the FDA's program manager of pesticides.

"We have limited resources. We are stretched too thin," he said.

Nogales is one of four border checkpoints in the FDA's Los Angeles district, which also must inspect imported produce at numerous international airports and harbors. To do that job, there are just 24 inspectors, said district director George Gerstenberg.

Another handicap is the single lab to test for pesticide residues. Although it is FDA's biggest, it can handle just 5,000 samples a year.

But Gerstenberg said both limitations soon will be eased. The agency's new budget has authorized additional inspectors and lab analysts that will "almost double our staffing and investigations."

The influx of money, as well as some program changes, resulted from a 1966 General Accounting Office study that was highly critical of FDA's import inspection program.

The study found that FDA tested only about 1 percent of 1 million annual shipment of imported produce and looked for only about half the pesticides known to be used in the exporting countries.

The GAO also criticized the FDA's sampling techniques—focusing heavily on tomatoes, for example, while conducting no tests of the cucumber shipments from 17 countries for seven years.

Even when illegal pesticide residues were found, the GAO said, the FDA failed half the time to impound the tainted produce, which was eaten by U.S. consumers.

In the wake of the reports, Congress passed the Pesticide Monitoring Improvements Act. It directs the agency to implement a research program to develop ways to test for more pesticides, to improve its ability to target its sampling and to increase its knowledge of what pesticides are being used in countries exporting food to the United States.

"We have made significant improvements in the program, but we are still not perfect," Jones said.

He said he will soon be reporting to congressional committees on the agency's progress in implementing the act.

[From the Palm Beach Post, Mar. 31, 1991]

A Fraction of Produce Coming Into Florida Inspected

(By Lisa Shuchman)

Florida is both a major producer and importer of fruits and vegetables. But domestic and imported produce are subject to different rules when it comes to pesticides.

Florida fruit and vegetable growers are engaged in a never-ending battle with a climate that breeds humidity and bugs. For that reason, more pesticides are used in this state than in any other, experts say.

But Florida's pesticide law and the Federal Insecticide, Fungicide and Rodenticide Act require state growers to follow stringent regulations when using chemicals that may be used more freely abroad.

Federal and state laws have three objectives:

To protect farmworkers.

To protect the environment, including the water supply.

To guarantee that domestic produce is free of chemical residues that might cause cancer.

Every pesticide product used in Florida has a large label specifying which crops the pesticides can be used on, how much can be used, whether it can be sprayed from the air and how people should protect themselves while applying it.

"That label is the law,' said Scott Charbo, a western Palm Beach County agricultural extension agent who specializes in pesticide use.

A grower who uses a pesticide on a crop for which it is not specified is subject to stiff penalties and fines.

In addition to label restrictions, some chemicals considered especially toxic are classified as "restricted use" pesticides. Only state-licensed pesticide applicators can use those chemicals.

The state also regularly tests produce to ensure that it does not exceed established tolerance levels for pesticide residues, said Mike O'Hara, spokesman for the Florida Fruit and Vegetable Association. Crops found with residues above acceptable levels cannot enter the marketplace.

State inspections at Publix Super Market warehouses include both domestic and imported produce, said company spokeswoman Jennifer Bush. Publix supports such inspections because it feels food safety is extremely important, she said.

During the current legislative session, state lawmakers in Tallahassee may take even stronger steps in regulating pesticides. Legislators may alter the rule regulating the mixing and loading of pesticides to require that the task take place at a specified distance from lakes and streams.

State rules don't apply to imported produce, however. And there is a lot of it.

Produce from Honduras, Guatemala, El Salvador, Costa Rica and other countries in the Caribbean and Central America arrives in South Florida by the shipload at the Port of Miami, Port Everglades and the Port of Palm Beach, said Abbie Land of the U.S. Department of Agriculture's Market News Service in Miami.

More produce, primarily from Mexico, is trucked across the border into Texas and Arizona and distributed from there.

Those fruits and vegetables are grown without the pesticide controls that apply to Florida farmers.

USDA inspectors in Florida check incoming plants, fruits and vegetables for diseases and insects, and Food and Drug Administration inspectors examine produce for pesticide residues.

But both agencies inspect only a fraction of the fruits and vegetables coming into Florida.

In fact, a 1989 report by the House Subcommittee on Oversight and Investigations said FDA inspectors physically tested only about 2 percent of imported food.

"It's impossible to sample 100 percent of everything that comes in," said Estela Brown, consumer affairs officer for the FDA in Miami. "But we believe our selective system of sampling protects the American public."

The Miami FDA office, which is responsible for all of South Florida, has seven positions for inspectors, Brown said. Three of those jobs are vacant.

[From the Palm Beach Post, Apr. 1, 1991]

Pesticides a Preferred Suicide Tool—Paraquat Often Used, Costa Rica Doctor Says

(By Bill Collier)

Guapiles, Costa Rica.—Some pesticides are so poisonous and so prevalent in Costa Rica that they have become the preferred method of suicide.

Edwin Solano, a physician in the small hospital in this agricultural town of 40,000 residents, said the facility receives an average of 10 suicide victims annually.

By far, Solano said, their favored instrument of death is Gramoxone, the trade name for the herbicide paraquat made by ICI Americas Inc. and ICI Pan Americana of Guatemala—divisions of the England-based Imperial Chemical Industries.

As in the United States and elsewhere, Gramoxone and other paraquat products are legal but lethal.

Gramoxone is Costa Rica's No. 2 pesticide import, used on rice, coffee, bananas, onions, carrots, potatoes and other crops. Because it is so widely applied by farm-workers, it is available in many rural homes.

Solano acknowledged that those who wish to kill themselves could simply choose another pesticide or poison. But almost anything else, he said, would be preferable to Gramoxone—which he described as a terribly efficient killer.

"It blisters the tongue and burns through the esophagus and stomach and can kill even before it's into the blood stream," Solano said.

Once in the blood, he said, it can kill in a variety of ways—but most often by paralyzing the lungs.

"If a young man rejected by his girlfriend, for example, drinks some other pesticide in a moment of grief, we still have a chance to save him. With Gramoxone, there is almost no chance," Solano said.

"I would like to say to the head of ICI—you wouldn't want to see one of your children or grandchildren poisoned with Gramoxone."

Moreover, because the Gramoxone in use in Costa Rica is brown—and often stored by rural residents in soft-drink cola bottles—it sometimes is ingested accidentally, Solano said.

He and others in Costa Rica have appealed, without success, to ICI to change its product or pull it off the market.

But company officials said they have heard the pleas of people such as Solano and have responded.

"We have taken several steps to help safeguard the product from misuse," said Mike Tysowsky of ICI Americas.

ICI has changed the color of Gramoxone to blue-green, given it a "foul odor like fermenting goat milk" and added an emetic to induce vomiting in anyone who drinks it, Tysowsky said.

Tysowsky said the product changes were made five years ago, but that existing stocks of Gramoxone were not recalled.

14 YEARS AFTER BAN, DBCP IN FLA., CALIF. GROUND WATER

(By Bill Collier)

The pesticide linked to worker sterility in chemical plants and Costa Rica's banana plantations still poses environmental consequences today—nearly 14 years after it was first banned.

Officials in Fresno, Calif., have learned that many wells—the sole source of drinking water for 350,000 people—are contaminated with 1,2-dibromo-3-chloropropane, or DBCP.

Fresno is not alone. More than 20 other California municipalities are dealing with the same problem to varying degrees—including Sanger, a city of 17,000 where every well exceeds federal and state limits for DBCP content.

Traces of the chemical also have been found in Florida groundwater.

"It's the most widespread and serious groundwater contaminant in California," said Martin McIntyre, Fresno's water quality supervisor.

The presence of DBCP in California's groundwater has been known for a decade, but water suppliers were not forced to act on the problem until 1989 when the state and the U.S. Environmental Protection Agency reduced the maximum allowable DBCP content in drinking water to 0.2 parts per billion.

Twenty of Fresno's 235 wells exceeded that level and were shut down. Another 50 or 60 wells are contaminated to a lesser degree.

The city has begun installing charcoal filtration systems on its worst wells, McIntyre said. The cost—up to $1 million a well—doubles the cost of water produced.

Sanger, 10 miles east of Fresno, has had to inform residents their water will continue to exceed state and federal DBCP limits until treatment systems can be installed, City Manager Sue Tsuda said.

The cost—estimated from $3.5 million to $7.5 million—plus the long-term expense of paying for the contaminated charcoal to be hauled off to toxic waste dumps in other states is "a tremendous liability for a community our size," Tsuda said.

DBCP was widely used on grapes and fruit orchards around Fresno and Sanger.

After it was linked to sterility in pesticide-plant workers, DBCP was banned by the state and the EPA in 1977. The chemical—which produced cancer in laboratory animals—has also been found in groundwater in Arizona, North Carolina, Colorado and parts of central and northwestern Florida.

[From the Palm Beach Post, Apr. 1, 1991]

PESTICIDES: CIRCLE OF POISON—TEXAS LAWMAKERS COULD QUASH PESTICIDE SUITS

(By Bill Collier)

After seven years of litigation in three states, including Florida, hundreds of Costa Rican farmworkers hope to have their day in court soon on allegations that a now-banned pesticide made them sterile.

A state district judge in Houston has set a trial for late this year. But before they can plead their case to a jury, the Costa Ricans and their Dallas lawyers must leap hurdles being thrown up in federal court and the Texas Legislature by defendants and their allies.

To date, 390 current and former workers on Standard Fruit Co.'s Costa Rican banana plantations have sued, contending they were exposed during the 1970s to the pesticide 1,2-dibromo-3-chloropropane, or DBCP, and were left sterile.

Another sixty workers filed individual suits Friday in Palm Beach County Circuit Court.

The Texas lawsuits, each with a different group of plaintiffs, were filed by the Dallas law firm Baron and Budd, which specializes in litigation over injuries caused by toxic materials.

AN 'INCONVENIENT FORUM'

Named as defendants in all the Texas and Palm Beach County suits were Standard Fruit and its parent company, Castle and Cooke Inc., and DBCP manufacturers Dow Chemical and Shell Oil companies. The last suit also named Occidental Chemical Corp., another DBCP manufacturer.

To prevent the suits from coming to trial in Texas, the defendants trotted out a tried and true weapon: the legal theory of forum non conveniens. This would permit a judge to rule it would be inconvenient or unfair to one or both parties for the court to hear the case.

The inconvenient forum doctrine has been widely used by U.S. corporations to win dismissal of lawsuits filed by foreigners. The corporations contend that when witnesses and evidence are overseas, the case should be tried there.

Defense lawyers argue that the DBCP case should be tried in Costa Rica, not the United States. But plaintiffs' attorneys say the low damages that would likely be awarded in the Costa Rican courts would not make the suit worthwhile.

In Florida and California, where Baron and Budd first filed the DBCP cases, the inconvenient forum doctrine prevailed, and the suits were dismissed.

A state district judge in Houston agreed, also dismissing the Texas cases. But the state's 1st Court of Appeal in Houston reversed the trial court, holding that a 1913 state law abolished the doctrine in Texas.

On March 28, 1990, the Texas Supreme Court agreed, in a 5-4 ruling that delighted the plaintiffs but dismayed business leaders.

In January, the U.S. Supreme Court, without comment, let the Texas court ruling stand.

If an effort in the Texas Legislature is successful, however, forum non conveniens still may prevail in the state trial court.

LEGISLATION INTRODUCED

Two Texas legislators, Rep. Parker McCollough and Sen. John Montford, have introduced legislation to modify the 1913 law and allow state judges to invoke the inconvenient forum doctrine if they see fit—even in pending cases, such as the Costa Ricans'.

"Forum non conveniens is recognized in every other state and the federal courts," McCollough said. Its absence in Texas, he said, "has the potential to have a devastating effect on our judicial system and our ability to come out of this economic slump."

But Tommy Jacks, an Austin lawyer and president of the Texas Trial Lawyers Association, said his group would oppose the McCollough-Montford bill.

"The idea that a manufacturer like Shell or Dow finds it more convenient to litigate in Costa Rica than in Harris County, Texas—blocks from Shell's world headquarters and not far from one of Dow's biggest installations—is preposterous," Jacks said.

Meanwhile, the defendants still are trying to remove the cases to federal court, where they hope they will be dismissed.

Federal judges in Houston have rebuffed the defendants' efforts thus far to transfer the suit to their jurisdiction. But now the defendants have asked the 5th U.S. Circuit Court of Appeal to order the federal jurists to accept the cases. That ruling is pending.

The issue turns on whether Shell is a legitimate local defendant. If it is, the case can't be transferred to federal court, Siegel said.

[From the Palm Beach Post, Mar. 31, 1991]

PESTICIDES TAKING TOLL ON WORKERS, ANIMALS IN MEXICO

(By Nancy Nusser)

CULIACAN, Mexico—As if part of an apocalyptic scene from the Bible, the carcasses lay bloated and stinking along sun-drenched plains that stretched empty and desolate for miles.

The bodies were of 34 horses, cows and donkeys and numerous ducks, fallen as if stricken by a plague.

But the blight is hardly mysterious, because the animals were lying in a garbage dump filled with thousands of empty and half-empty bottles of potentially lethal pesticides. Most likely, the toxins seeped into the nearby canal, from which the animals drink, local growers and pesticide experts say.

"There are dumps all over Mexico, and you don't find dead animals in them," said Lilia Albert, a chemist who has studied insecticides for 20 years. "It had to be pesticides."

CANALS USED FOR BATHING

Mexican farm workers also use the narrow canals for bathing water. And so the grisly scene on Route 38—pesticide bottles scattered among hide-covered skeletons—is a grim warning for people working in the Culiacan Valley, a prime source of winter produce for the United States.

One-third to one-half of the tomatoes, cucumbers, bell peppers, summer squash, zucchini, eggplants and chili peppers eaten in the United States during the winter months come from the Culiacan Valley.

Trying to meet U.S. pesticide regulations, Mexican growers began several years ago using organophosphate insecticides, some of them imported from the United States. The chemicals decompose quickly so the produce can pass U.S. border inspections.

But before breaking down, the organophosphates are highly toxic. So while American consumers are safer, Mexican farmworkers face greater risks.

"The effect of the U.S. policy (regulating pesticides on imported produce) has been to expose workers to acute poisons," Albert said.

Angus Wright, a professor of environmental studies at California State University, Sacramento, said: "We're talking about really high toxicity here. That's why those animals died."

A FEW DROPS CAN KILL

One organophosphate—parathion—is so poisonous that a few drops on someone's skin could kill in a matter of hours, Wright said.

In Mexico, he said, parathion is usually diluted to between 5 percent and 15 percent of full strength. Even that solution is extremely toxic, Wright said.

During each agricultural season for the past three years, the government clinic outside Culiacan has handled 20 to 70 cases of "pesticide intoxication," said Jose Rodolfo Milan Guerrero, the facility's director.

He said one patient died.

The Culiacan Valley is in the state of Sinaloa in northern Mexico. Felipe Gurrola, a Culiacan lawyer and sociologist who works with farm workers, estimated that 150 people die annually from pesticide poisoning in Sinaloa.

A recent article in the Mexican newspaper El Financiero reported that 500 people died nationwide from pesticides in the past harvest.

Milan Guerrero said the problem is not the pesticides but the lack of protection for the people who apply them.

The toxic organophosphates used in Mexico also are applied in the United States—but under strict controls.

WORKERS COVERED WITH SPRAY

But in Mexico, pesticides are sprayed on farmworkers as they stand in leafy tomato and cucumber fields below fumigation planes.

On a recent spraying, Jesus Mercado, 22, stood in a chemical haze while directing a small plane over tomato fields at the San Jorge farm in the Culiacan Valley.

Mercado wore no protective clothing except for a homemade, ineffective gas mask: a bandanna wrapped around his nose and mouth. Nearby, an elderly man coughed and held a cloth to his face every time the plane passed.

"They won't give me any protection," said Mercado, who makes $5 a day as a bandalillero, a flagman for the cropduster.

Luis Cardenas Galves, the owner of the San Jorge farm, said the plane spraying Mercado and dozens of other people was spewing fertilizer, not pesticides.

He said the workers refuse to use protective masks when they are given out.

Other San Jorge workers were hand-spraying fields with paraquat, a highly toxic herbicide. They were not wearing protective clothing. Sometimes, their toenails fall off after their bare feet have been splashed with pesticides, one worker said.

A farm owner, Alonso Campos Encines, said most Culiacan growers could not care less about environmental protection because they are too worried about staying afloat economically.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized.

Mr. DANFORTH. I yield 10 minutes to the Senator from Washington.

Mr. HOLLINGS. Mr. President, it was our turn again.

Mr. DANFORTH. No. On the Republican side we have not had a turn in over an hour.

Mr. HOLLINGS. It is pro and con for the bill, the position we have; it is not Republican and Democrat.

Mr. DANFORTH. Is that right?

Mr. HOLLINGS. That is right.

The ACTING PRESIDENT pro tempore. There was an informal agreement, but the Senator from Missouri was recognized.

Mr. DANFORTH. Mr. President, I yield the floor.

Mr. HOLLINGS. Mr. President, I yield 10 minutes to the distinguished Senator from Illinois [Mr. SIMON].

Mr. SIMON. Mr. President, the issue is not GATT. If it were GATT, I would vote for fast track right away. The issue is the trade agreement with Mexico. I am one who believes we ought to be paying more attention to Mexico.

Mr. President, I am one who believes we ought to be paying a lot more attention to Mexico. Two years ago, I offered an amendment on this floor to set up a Commission for the United States and Mexico to work together. And that passed. That Commission was appointed by the President and legislative leaders.

The reasons we have to pay attention to Mexico are many. One of them is the reality of the huge population growth that is going to take place to the south of us. Mexico today has a population of 88 million, a high population growth factor.

If Mexico reaches the point of zero population growth by the year 2000, Mexico will taper off with a population of 175 million. If Mexico does not reach zero population growth by the year 2020, Mexico will taper off with a population of 270 million. You do not need to have great imagination to understand we have to work with Mexico to build the economy of that country. And we ought to be doing it.

The second reason I oppose this motion, with some reluctance, is that I have great respect for President Salinas. I think President Salinas is the best President Mexico has had in a long, long time. But there are problems, and we ought to recognize that there are problems.

We are given assurance by the administration they are going to be sensitive to working men and women. That is extremely important when you realize that no two countries anywhere in the world abutting each other have as great a dispartity in the quality of life and standard of living as the United States and Mexico.

So having an administration that is going to be sensitive to working men and women and protect them is important. But I have not seen that in the record. In the last 10 years, the Reagan-Bush-Quayle administration has dropped the tax on the wealthiest of Americans from 70 percent to 28 percent, while 66 percent of middle-income Americans see a growth in their tax rate. Family medical leave, vetoed by this administration; the Civil Rights Act, and the Civil Rights Act that was vetoed last year primarily benefits working women, vetoed by this administration.

When they say we are going to be sensitive to the problems of working men and women in this country, is there anything in the record to suggest that is going to be the case? I do not find it. I think we have to be concerned.

Let me give you another example. We just passed out of the Judiciary Committee today, I am pleased to say, by an 11-to-3 vote, a constitutional amendment calling for a balanced budget. We should have had leadership on this from the administration a long time.

One of the realities—and I got these figures from CBO—CBO says the deficit is responsible for 32 to 37 percent of the trade deficit; the Congressional Research Service says 40 to 55 percent. Whatever it is, one-third to one-half.

Hundreds of thousands of American jobs have been lost because we have just been twiddling our thumbs instead of paying attention to the deficit. We have just ignored it. Now the argument is made here we can reject whatever comes forward. But then we face this: This will be a slap in the face to President Salinas. The argument will be made, we cannot do it; we should not do that, and I do not want to do that.

Second, let us just say they come back with an agreement which no Member of the U.S. Senate is going to have the time to read. Even my distinguished friend from South Carolina is not going to have the time to read it. It is going to be a multihundred-page document. Let us say it is 60 percent good and 40 percent bad. We are not going to have a chance to change a word in that document.

And finally, Mr. President, let us take a look at what has happened within our country. The State of Illinois, perhaps the State of Minnesota—I am not sure—the State of Pennsylvania I know, we have lost jobs—and I say this with due respect to my friend from South Carolina—we have lost jobs to South Carolina, to Mississippi, to Arkansas, because they have more money; we have lost jobs.

We have lost jobs because of unemployment compensation laws, because of workmen's compensation laws, because of right-to-work laws, just in the differences that exist within our 50 States.

Now you take a country where the minimum wage, depending on where you live in Mexico, is 57 to 65 cents an hour, and largely unenforced; where industrial safety laws either are nonexistent or largely unenforced; where environmental laws are the same, and you pit one country against another. And if you do not do it with caution, you are going to create major, major problems in this country.

I want to have more trade with Mexico. I want to help Mexico. My record is very, very clear on that. But we have to proceed with caution, and this is a procedural vote. It is not the plan, and the question is, Do we proceed with caution, or do we give a blank check to the administration and say: Oh, go ahead and write it, and then we will decide what we are going to do. I think clearly we ought to proceed with some caution.

We have a responsibility to the people of our country, and I think we have a responsibility to the people of Mexico to make sure we do not create a situation that is very unhealthy.

I am going to be voting with the Senator from South Carolina. I recognize that the administration and all the business interests that have been pushing this thing, I think, have the votes. And maybe I am going to vote for that final passage they give to us. But I would feel a lot more comfortable if we had a voice and a chance to modify it.

I am not going to vote for a blank check for this administration. I would not vote for a blank check for a Democratic administration. I want to make sure we have a chance to protect America's working men and women.

Mr. President, if I have any time remaining, I yield the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, I yield 10 minutes to the Senator from Washington.

The ACTING PRESIDENT pro tempore. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, the phrase "fast track" refers to a procedure, not a trade treaty. Fast track allows the President of the United States to negotiate trade treaties with almost the same authority held by our leader in a parliamentary democracy, or for that matter, the leader of almost any other free or even unfree nation in the world, such as Mexico itself.

Even with fast track, the President probably has authority more limited than leaders in parliamentary democracies, because by custom, because governments will fall, a parliamentary body will not reject a treaty signed by its own leader. This Congress can and may very well reject a fast-track treaty negotiated with Mexico or with some other nation.

International treaties, Mr. President, simply cannot be negotiated by any foreign nation with 535 Members of Congress. Let us reverse that proposition. Would we, or the President of the United States, seriously consider negotiating a disarmament treaty with 2,500 members of the Supreme Soviet?

Not for a moment, Mr. President. The only way in which treaties of this sort can effectively be negotiated is between heads of government or their designated representatives.

Fast track, as I have already stated, Mr. President, is a procedure. Nevertheless, it is the only procedure likely ever to bring a trade treaty before the Congress of the United States because it is the only way in which our foreign negotiating partners can possibly consider entering an agreement with the United States. Fast track is not such a treaty with the General Agreement on Tariffs and Trade, with Mexico, or with anyone else.

I believe that fact is recognized by the proponents of this resolution of disapproval. Most of their opposition is not so much to fast track as it is to what they can conceive will be an ultimate free-trade agreement with the Republic of Mexico specifically. But scratch the surface only lightly and we find that much of that opposition is opposition to international trade, particularly free international trade in general, the age-old fear that Americans lose rather than gain by a free and generous system of international trade. Yet 200 years and more of our history shows that the greater our international trade, the greater our prosperity, the larger the number of jobs in the United States, and the more buoyant our growth.

Poor nations are often the most protectionist. The Republic of Mexico itself has struggled for 100 years to protect it industries and its economy. It finally has a President that recognizes that that is one of the principal causes of misery and poverty in that Republic. If we follow the prescriptions of the opponents to this fast-track authority, poverty will be the result.

Mr. President, if the administration makes a bad deal with the Republic of Mexico, with the General Agreement on Tariffs and Trade, or with any other individual nation, we can, and I strongly suspect will, reject it. In fact, the chances are fairly strong given the nature of this debate, that we may reject a good trade treaty with Mexico. But at least we ought to have the opportunity to deal with a specific one.

But the idea that the United States can increase jobs and increase its own prosperity by raising American consumer prices and by restricting American consumer choice was a fiction when it was debated in the Senate of the United States by Webster, Clay, and Calhoun, and it is a fiction today. Those who believe in America and its economic strength will reject this resolution of disapproval. We will build a stronger America by a greater span of free trade. We will build a stronger Mexico at the same time, a Mexico with the ability to purchase American products in ever increasing amounts because it will be exporting its goods and its products rather than its citizens. The resolution of disapproval should itself be disapproved.

Mr. President, fast track is a phrase that stands for a set of procedural rules under which Congress will vote on negotiated trade agreements within a fixed period of time, up or down, and without amendment. With fast track, the President and his representatives possess the necessary authority to negotiate trade agreements with our major trading powers.

Bilateral and multilateral trade negotiations are possible only if our trading partners can be reasonably confident that agreements made with the U.S. Trade Representative will not be picked apart line by line by the U.S. Congress. That will be the case only if fast-track approval procedures are extended.

Repudiation of fast-track authority, on the other hand, would deprive our trade representatives of their negotiating strength. Serious negotiations are possible only when all parties can be reasonably sure that any agreement reached likely will be approved in its entirety. After all, what good is a negotiated agreement that has little or no element of finality?

Contrary to protestations made by certain special interest groups, an appropriate role of Congress is fully preserved under the fast-track procedures. Individual Members and the Congress itself have been less than shy about voicing their concerns to the U.S. Trade Representative about key elements of pending trade negotiations. This Senator, for one, has found Ambassador Hills to be forthright and responsive to concerns raised.

Moreover, Congress retains the power to examine thoroughly each and every trade agreement, to vote for those that are in the best interests of the United States, and against those that are not. The time to do that, however, is after agreements are signed, not before. Without fast-track authority, there may be few, if any, useful trade agreements for Congress even to consider.

As a nation with one of the freest trading systems in the world, we particularly benefit from free international trade and by removing restrictions among our trading partners. Given reasonable opportunities and a level playing field, I am convinced that American manufacturers can compete effectively against anyone in the world.

The citizens of Washington State are well aware of this simple fact. They live it everyday. Twenty percent of Washington's gross State product is generated from exports. That exceeds California and even Japan. One out of every five jobs is related to exports. My constituents welcome the challenges that come with opening foreign markets.

Trade agreements in recent decades which have liberalized foreign trade all have taken place under fast-track authority. The Tokyo round of GATT negotiations, a free-trade agreement with Israel, and a highly successful free-trade agreement with Canada are the most striking examples of that success. I am optimistic that present negotiations at the Uruguay round of GATT negotiations and with Mexico may yield similar success, but only if fast-track authority is extended.

Growth in the American economy has been fueled by international trade and by its expansion, especially expansion of exports over the last decade. Similarly, growth in the 1990's—not only for Washington State but for the Nation as a whole—will result largely from increases in international trade.

We are fooling ourselves if we think that this Nation will be better off by turning our backs on the multilateral trading system. We would do no service to this Nation by looking backward to the imagined safety and security of a closed and captive marketplace.

Mr. President, fast track is little more than a code phrase; the immediate issue is trade. In the end, however, fast track is about something more than exports, even something more than jobs. It is about America's belief in itself, confidence in our ability to prosper in the world economy.

I believe in this Nation and in the American worker. Therefore, I choose to vote to extend fast-track authority. It is a vote of confidence.

Mr. HOLLINGS. Mr. President, I yield 10 minutes to the distinguished Senator from Nebraska [Mr. EXON].

The ACTING PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair and I thank my friend and colleague from South Carolina.

Mr. President, I support the Hollings resolution to disapprove the automatic extension of the so-called fast-track authority to negotiate trade agreements. I have two fundamental concerns, among others, which have not been adequately addressed in the week since the President requested an extension of his negotiating authority.

First, I am profoundly concerned about the Bush administration's negotiating strategy and objectives concerning agriculture; and, second, a situation which the Congress faced when we successfully accepted the United States-Canadian Trade Agreement is not the case when we look at the other part of the dual fast-track authority which endorses fast-track for a Mexican Trade Agreement.

I say this about the Mexican Trade Agreement primarily because of the gap in living standards between the United States and Mexico and the fact that it is so immense and so dramatic that it is inevitable that many in our country will see their standard of living reduced as a result of the unified marketplace, at least as envisioned by the administration. Some are wont to brand any of us who oppose giving the President broad authority to negotiate, along with relinquishing all of our customary rights to offer changes by amendment or otherwise, as protectionists. If I must wear such ill-fitting clothes to do what I think is fair and best for this Nation, so be it.

While I fully reserve judgment on any final agreements which may be negotiated by the President, after careful consideration and consultation with Nebraska business, labor and agricultural representatives, I cannot support an automatic extension of fast-track authority. That does not mean that I close the door to supporting either a good GATT agreement or a good Mexican free-trade agreement. Similarly, if the Hollings resolution is successful, there may be conditions under which I could support a statutory, rather than an automatic request for fast-track authority. With statutory authority, the Congress could enact other trade measures, as it did in 1988 when it granted the President his present authority. Such measures could assure that congressional concerns are heard or the Congress could attach appropriate conditions to the authority.

While some may object to congressional micromanagement of trade negotiations, direct congressional involvement in trade negotiations is appropriate and responsible. Article 1 of the U.S. Constitution clearly gives the Congress the power to "regulate commerce with foreign nations * * *." The fast-track procedure tends to weaken the traditional and constitutional lines which separate the powers of the legislative and executive branches. Under fast-track authority, the Congress amends its rules of procedure to permit the President the opportunity to negotiate a trade agreement and submit it to the Congress for an up or down vote without amendment and without and under a limited time for debate.

Fast-track is a relatively new procedure. And let us understand that no trade agreement was considered under the fast-track procedure prior to 1974. Under the present procedural situation, the President by virtue of his timely request will automatically retain his fast-track authority granted in 1988 to negotiate trade agreements unless either House of Congress votes to disapprove the extension.

In short, if the Congress does nothing or disapproval resolutions fail in both Houses, the President retains his fast-track authority.

I would prefer that fast-track authority would be separated into two debates, one on the GATT negotiation and one on the Mexican Free-Trade Agreement because each proposal poses different problems.

In the GATT negotiation, my fundamental concern is agriculture. The stated policy of the Bush administration is to attempt to negotiate away production-based farm subsidies. If successful, under such an agreement many critical farm programs in the United States would come to an end as we know them. Indeed I have in my possession a letter from the office of our Trade Representative that their goal is to reduce grain subsidies by 75 percent. I am convinced the Europeans will never ever agree to a similar real matching reduction of at least 90 percent on their part. Early in her term as U.S. Trade Representative, I wrote to Ambassador Hills and warned her not to attempt to do in Geneva what the Bush administration could not do in Congress. I expressed my view that the focus of U.S. agricultural trade negotiations should be to reduce barriers to American agriculture exports rather than to try to shape American domestic farm policy in our international trade negotiation. There are few friends of American agriculture in this administration.

Unfortunately, the Bush administration chose not to take that advice. In fact, over the last several years, American farm programs have been dramatically slashed. With this form of unilateral agricultural disarmament, it is no wonder that the European Community balked at reductions in their farm programs. If the United States had applied a similar negotiating strategy in the military arena, we would all be speaking Russian today.

In agriculture, no agreement is better than a bad agreement.

I am concerned that the Bush administration will settle for less than full agricultural trade disarmament from the Europeans.

The advocates of cheap farm prices in the Reagan and Bush administrations never seemed to understand that as long as prices are below the price of production, all the exports in the world will not make farming profitable. We are on a course of producing our way into poverty and a lower standard of living in the 21st century.

Therefore, given that the strategy is to dismantle the very price support and income support programs which are so important to Nebraska's family farmers, I cannot in good conscience, endorse the administration's approach in the GATT negotiations.

With regards to the Mexican Free-Trade Agreement, my concerns are more generic. I have not been convinced that a unified market with Mexico can come without an unfairly high price for the United States. It is certain I would like to be a part of a plan to improve the standard of living for our Mexican neighbors. But I am not prepared to relinquish my obligations as a U.S. Senator representing Nebraska and also all U.S. citizens to an administration that views U.S. interests far differently from mine.

It is inevitable that important segments of the American economy will see declines in their standard of living. Mexican wages are 85 percent less than American wages. The Bush administration has freely admitted that American jobs will be lost. The promise of retraining assistance for displaced American workers underlines that fact. The problem, of course, is that the promise of training assistance comes from the same crowd which for the last 10 years has been trying to eliminate existing trade adjustment assistance legislation.

I was pleased of course, that President Bush has come up and submitted to us the action plan to put environmental issues on the negotiating table. These good intentions are meritorious but do not provide the same degree of assurance that the Congress could provide with closer oversight of the negotiation or with the extension of a conditional fast-track negotiating authority.

I agree that there are several good features to the GATT negotiation and several good potential outcomes which could emerge from a United States-Mexican Free-Trade Agreement. Unfortunately, the potential good of these two agreements do not outweigh the known negatives for agriculture.

My vote on this legislation is also registered to send a message to the Bush administration that there is a growing uneasiness in rural America about this administration's trade agenda and to encourage the administration to do a better job of consulting with the Congress.

Last summer, I was part of a group of rural Senators who asked Ambassador Carla Hills, the U.S. Trade Representative to hold hearings about the impact of a GATT agreement on agriculture. Our request was denied and it was explained that such hearings, even though authorized under the 1974 Trade Act would not be a wise use of the Trade Representative's time. That response from last summer does not give me much faith in present assurances from the administration that they will seriously consult Congress.

To conclude, Mr. President, I have given the President's request the most serious consideration and have listened closely to Nebraskans on both sides of this issue. My vote to derail the fast track does not preclude me from making an independent judgement on the agreements should this effort be defeated. Should the Hollings resolution be successful, it also does not preclude me from supporting a legislative grant of fast-track authority with appropriate conditions and amendments attached thereto.

Mr. DECONCINI. Mr. President, for the past 45 years, the United States has been a leader in persuading countries around the world to open their economies to foreign trade and investment. We have been committed to free market economics because this system leads to the most prosperous international economy. For over a year, member after member of this body has stood in praise of the transformation of Eastern European countries from tightly controlled economies to market oriented nations. Meanwhile, our neighbor to the south has been undertaking equally remarkable economic reforms for several years without much notice or fanfare. Yet the changes to the Mexican economy are no less miraculous than those in Eastern Europe. These changes have created a more prosperous Mexico and offered significant economic gains for the United States. Extension of fast-track authority is essential to demonstrate to Mexico our support for these reforms and to enhance trade with our third largest trading partner.

The changes undertaken by Mexico represent a 180 degree turn in Mexico's economic policy. Until recently, the Mexican economy has been closed off to United States producers and investors by trade barriers, Government-owned and often inefficient monopolies, and severe foreign investment restrictions. Since 1986 when it joined the General Agreement on Tariffs and Trade [GATT], tariffs, which were 100% on many products, have tumbled to an average 10%. Permits which once were applied to 80% of all its import items, are now applied to only 3%. In 1982, the Mexican Government owned 1,155 companies. As of last year, the Government had sold or approved the sale of 801 Government-owned companies.

The Mexican reforms have set that country on a road to greater prosperity. Equally important to this debate are the benefits these changes have brought to the United States. A market of at least 80 million people has been made significantly more accessible to American producers than it was only 5 years ago. United States workers and companies have profited and the United States trade deficit with Mexico has been significantly reduced to a level which is now ⅔ less than that of 1986.

Our country's exports to Mexico have risen from $12 billion to $28 billion in 4 years. These figures translate into jobs for our workers. Each $1 billion in exports results in 22,000 jobs for American workers. The United States is Mexico's most important trading partner. Seventy percent of all the products that Mexico imports, it buys from the United States.

In spite of all these reforms, Mexico's barriers to trade are still greater than ours. An FTA will ensure that we are allowed the same access to their market which we allow them. In 1990, U.S. exports constituted 88% of the increase of our GNP. In this time when exports are proving to be a powerful force in the U.S. economy, we must pursue, not abandon, trade opportunities.

Fast track leaves Congress as the ultimate body able to approve or reject a final agreement. I believe it would be a grave error not to give the President the chance to try to reach an agreement. The right to vote for or against the final agreement still rests with Congress. One important point to remember about the FTA is that it is not going to be implemented overnight. In fact, the administration has said it is willing to consider phase-in periods longer than those applied to the United States-Canada agreement which averaged 10 years. Ambassador Carla Hills has proved in the GATT round that she would rather have no trade agreement than an unfavorable one. I am convinced she will use this criterion in negotiating a FTA as well.

Disapproving fast-track extension would torpedo the prospects of a North American Free-Trade Agreement [NAFTA] as well as bringing the Uruguay round of GATT to a halt. Reducing trade barriers through GATT could add billions to the U.S. economy.

Mr. President, in spite of all the economic benefits I see from an FTA, I could not support it without a strong commitment from the Mexican Government in fighting the drug war. Under the administration of President Salinas, anti-drug trafficking cooperation between the United States and Mexico has improved. Just recently, on May 2, the United States and Mexico culminated 3 years of negotiations with the ratification of a mutual legal assistance cooperation treaty, a treaty which will provide assistance in the investigation and prosecution of crimes on both sides of the border.

Earlier this year, the Mexican Government announced that United States customs P3 Aircraft would again be allowed to fly in Mexican airspace while tracking shipments of illegal drugs destined for the United States. Perhaps the best example of improved cooperation between the United States and Mexico on narcotics issues was the work done by the United States customs service and Mexican Federal police following the discovery of an underground tunnel between Douglas, AZ and Agua Prieta, Sonora, Mexico last year. The tunnel, in what has been described as one of the most sophisticated drug smuggling operations, utilized an elaborate hydraulic apparatus hidden beneath the floor of a home in Mexico and a warehouse in Douglas. Drug shipments could be transported through a 300 foot tunnel which linked the home to the warehouse. United States and Mexican law enforcement officials joined forces in a simultaneous raid that shut down the tunnel smuggling operation. Information gathered by both United States and Mexican law enforcement officials investigating the tunnel operation led to the seizure of 2,300 pounds of cocaine and 14 tons of marijuana discovered a week later in a warehouse belonging to the owner of the home in Agua Prieta.

In the past, I have often been critical of Mexico's lack of commitment to controlling the production and trafficking of illegal drugs.

I voted against certification of Mexican cooperation on narcotics in both 1987 and 1988. Over half the cocaine that enters the United States does so through Mexico, and the fact that Mexico still produces approximately one-third of the heroin, and 70 percent of the marijuana imported into the United States indicates that there is a great deal more that needs to be done. Continued cooperation between the Mexican northern border response force and the United States tactical analysis team in tracking air drug shipments, including the use of nine UH-1H helicopters provided to Mexico by the

United States last year, strict enforcement of anticorruption measures which were proposed by President Salinas, and continued improvement of the working relationship between law enforcement agencies in the United States and Mexico are areas which should be monitored closely.

I could not have supported a free-trade agreement with Mexico had this progress not been made. Mexico still has a long way to go to eliminate the threat illegal narcotics pose to both our countries. I am hopeful and optimistic, however, that the Mexican Government will continue its commitment to work with the United States to reduce drug production.

Throughout the discussions over the past several months on the potential FTA and the fast-track debate, I have reiterated that the environmental implications of a free-trade agreement be addressed concurrently with the trade negotiations. Industrial behavior in Mexico not only affects Mexican communities, but cities on the United States side of the border as well.

Because of the geographical and ecological characteristics of the border region, communities along both sides share common water and air supplies. Contamination occurring in northern Mexico finds its way to the United States.

In Nogales, AZ, a groundwater plume of industrial pollutants threatens the aquifer shared by both cities. Raw sewage flows into the United States from Nogales, Sonora through the Nogales wash because existing sewage lines are inadequate. In the Naco, Sonora area south of Bisbee, AZ, two lime plants exceed requirements for particulate pollution. No steps have been taken by Mexican officials to address these plants. Particulate pollution created by open burning and industrial activity exceeds EPA safety standards in the Dougals/Agua Prieta region as well.

These problems demonstrate the lack of effective coordination to regulate industrial activity. Poor coordination has been exacerbated by inadequate monitoring capabilities, and the inability of local border communities to pool their resources to provide an effective front line for monitoring and regulating of industrial activity. The FTA negotiations provide a unique opportunity to address border environmental problems. Not proceeding with FTA negotiations is certainly not going to lead to any improvement in the border environment. Expanded trade and environmental protection are not incompatible. Addressing both issues concurrently can ensure sustainable growth for both of our nations.

Mr. President, I also want to address the importance of the GATT negotiations and the FTA to enhancing global protection of intellectual property rights. U.S. industry and individual Americans lead the world in technological inventiveness and innovation. Our patent, copyright and trademark laws have helped inspire Americans to produce safer chemicals, develop more effective pharmaceuticals, create quality literature, music and art and design unique merchandise. However, weaknesses in these protections elsewhere in the world have led to the illegal copying of these inventions. This denies Americans the earnings they should be due for their creations and the incentive to introduce products of the American imagination onto the world market. Both the GATT negotiations and the North American Free-Trade Agreement [NAFTA] negotiations give us an opportunity to provide Americans the intellectual protection abroad with the same protections our country provides at home.

In closing, I want to share with my colleagues a recent incident which demonstrates the willingness of the Salinas administration to cooperate on issues which affect both our countries. In response to the problem their country faces of unauthorized importation of American cars, the Mexican Treasury Department imposed a $100 nonrefundable fee on all autos traveling into Mexico beyond the border. This issue was of great concern to me given the large numbers of Arizonans who travel south of the border. After I contacted the Office of the United States Trade Representative [USTR], the Mexican adminstration responded immediately when the USTR's office raised alarms about this matter. President Salinas quickly decided to suspend the fee in order to review the issue and devise a more rational policy. This action bodes well for FTA negotiations.

Mr. President, there have been few economic success stories as great as Mexico's in recent history. Presidents de la Madrid and Salinas have turned around an economy which was plagued by inefficiency and debt to one now experiencing real growth. The market reforms have been of great benefit not only to Mexico but to the United States as we increasingly rely on exports for economic growth. As we praise countries around the world for the economic reforms they have implemented, we should recognize the changes occurring in our own hemisphere. We should ensure that these reforms, which create opportunities for our workers and industries, do not unravel in the future by extending fast-track authority and allowing the administration to negotiate with Mexico.

Mr. HARKIN. Mr. President, I do not see any other Democrats now seeking recognition to speak in opposition to the resolution. Accordingly, I suggest the Senator from Missouri seek recognition.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized.

Mr. DANFORTH. I yield 15 minutes to the Senator from Arizona.

Mr. McCAIN. Mr. President, I rise in support of granting fast-track authority to the President. I do so because I believe that on this question we should take counsel of our aspirations and not our fears. Opponents should look beyond some of the patent nonsense offered by special interest groups that currently misinforms our debate on fast-track authority. They should look instead to the abundant evidence that proves indisputably that our economic growth, our prosperity, depends upon the expansion and not the limitation of free trade.

In 1990, exports accounted for 88 percent of our GNP growth. The United States exported $394 billion in merchandise in 1990. Reliable estimates indicate every $1 billion in exports creates 20,000 jobs. In other words, nearly 8 million American jobs are export dependent. That is a compelling rebuttal to the argument that a North American Free-Trade Agreement [NAFTA] would result in a net decrease in jobs.

Simply put, free trade means greater growth, greater growth means more jobs, more jobs mean greater individual prosperity for more Americans. As obvious as these assertions appear, they are ignored in the paranoia that the opponents of free trade have brought to the debate over fast track. Scare tactics and absurd constitutional arguments represent the attempts of protectionists to obscure the vast potential benefits of a North American Free-Trade Agreement and a successfully concluded Uruguay round of the GATT. They are also intended to obscure the complete collapse of free trade negotiations with Mexico and the Uruguay round negotiations that a denial of fast-track authority would certainly cause.

In response to these arguments, Mr. President, we should take care to carefully consider the great benefits that would accrue to the United States should we successfully conclude both the NAFTA and the Uruguay round.

The conclusion of a North American Free-Trade Agreement would place the United States in the center of a market of 360 million consumers, with a collective output of $6 trillion, a market much larger and much richer than the European Community. The tremendous increase in United States exports to Mexico, more than doubling over the last 4 years, vividly demonstrates the enormous potential for growth offered by the NAFTA. The Commerce Department estimates that 538,000 American jobs are related to our exports to Mexico. Half of those jobs are a direct consequence of the trade liberalization that Mexico has already undertaken with the United States. Obviously, further liberalization of our trading relationship with Mexico would generate even greater job creation.

The one-third cut in global tariff and nontariff trade barriers envisioned for the Uruguay round would generate in the next decade a $1.1 trillion increase in our GNP. On average, that amounts to a $16,700 real income gain for an American family of four. This prospect of prosperity is compelling motivation for us to refrain from undermining the President's negotiating ability.

Much of the opposition to fast track centers around the mistaken belief that fast-track authority represents an unconstitutional limitation of Congress' power to regulate commerce with foreign nations. Yet, we all know that Congress created the fast-track procedure so that the President could negotiate complex trade agreements without 535 congressional trade representatives amending the agreement beyond all recognition and scaring off all potential partners to the negotiations. Congress maintains its constitutional authority by reserving the right to approve or disapprove of the final agreement.

Additionally, the 1988 Trade Act includes a provision known as reverse fast track. This provision enables Congress to rescind fast-track authority by passing a joint resolution of disapproval within any 60-day period. The rescission can occur at any time before, during, or after the agreement is negotiated. Thus, constitutional objections to fast track are baseless.

More disturbing are charges that industrial development proceeds recklessly in Mexico without any regard to the environment. With raw sewage flowing across the border into Nogales and Naco, AZ, my constituents are all too aware of the risks of environmental degradation associated with industrial development in Mexico. Certainly, the Government must take the opportunity provided by free trade negotiations to help ensure that growth will be handled in a responsible manner on both sides of the border. Public health, as well as air, land, and water resources are as important to Arizonans and all Americans as is our material prosperity.

However, it is grossly unfair to believe that environmental quality is any less precious to the people of Mexico. Nor should we assume that blocking a free trade agreement would curtail environmental abuses in Mexico. On the contrary, the less prosperous Mexico is, the less able it will be to combat these abuses. Mexicans, no less than Americans, care about the health of their children and the quality of their air, land, and water.

The worst abuses in Mexico took place before the inauguration of the Salinas administration. In 1988, Mexico adopted legislation to protect its environment that is modeled in large part after United States law and experience. Since 1989, the Salinas government has begun to seriously enforce the provisions of the law by initiating a widespread crackdown on polluters, of which the recent closing of an oil refinery is only the most dramatic example. Under Salinas, Mexico's environmental ministry, SEDUE, has ordered 980 temporary and 82 permanent shutdowns of industrial facilities for environmental violations.

The Bush and Salinas administrations agree that they must develop plans to prevent trade and development from damaging the environment. The EPA and SEDUE have been instructed to work closely together to develop a comprehensive plan for dealing with border environmental problems. Parallel negotiations between Mexican and American environmental experts is the proper way to make progress on this issue. Both the Mexican and United States Governments have given the highest priority to environmental questions as an area of bilateral cooperation. Extending fast track will enhance that cooperation. Denying fast track will undermine it.

Congress, too, has an important role to play in ensuring that progress on bilateral questions occurs coincident with progress toward a free trade agreement. I have introduced S. 503, the United States Border Environmental Protection Act, which would create with Mexico a joint fund to prevent and respond to environmental emergencies along the border. S. 503 is a response to President Salinas' assurance to me that Mexico would contribute to this fund. It is an example of how Congress can effectively address outstanding bilateral concerns with Mexico without ruining the administration's ability to negotiate a free trade agreement. I urge my colleagues to support this bill, and to consider other ways to make progress on this and other issues that will compliment and not undermine trade liberalization.

Mr. President, not all American industries are certain winners in a free trade agreement. But I am hopeful that conditions that put these industries at an unfair trading disadvantage can be worked out during the negotiations. Citrus producers and vegetable growers in Arizona have very legitimate concerns about free trade with Mexico.

It is incumbent upon the administration to address those concerns throughout the negotiations. It is incumbent upon the Senate to be sure that when the agreement is concluded it is, indeed, accurately described as a free-trade agreement, before we ratify it.

In closing, Mr. President, let me talk briefly about why I believe a North American Free-Trade Agreement is so historically significant. The political transformations that have occurred throughout the world are nowhere more remarkable than in our own hemisphere. With few exceptions, the nations of the Americas are now democracies. Latin America is no longer the land of the caudillo or the Marxist tyrant. The pace of democratization in Latin America is breathtaking, and has occasioned nearly as much enthusiasm in the United States as it has in Latin America.

But it is important to recognize the fragility of democratic institutions in Latin America. And of all the threats to democratic governments—military intrusions into politics, political violence, drug cartels, and Communist insurgencies—the most dangerous are economic crises.

As former Secretary of State William Rogers wisely recognized:

> The world of the future will not flourish behind walls—no matter who builds them and no matter what their purpose. A world divided economically must inevitably be a world divided politically.

It is wise to begin our pursuit of a hemisphere without political or economic walls with a North American Free-Trade Agreement. That agreement could serve as the cornerstone of a hemispheric free-trade regime that could compete globally with regional trading blocs in Europe and Asia.

I am confident that Congress and the administration can meet the challenge of pursuing this worthy cause.

Tengo confianza de que los pueblos de las Américas reconocerán esta gran oportunidad y buscarán abrir sus mercados desde el Yukon, Alaska, hasta La Tierra del Fuego. Estoy seguro de que aprovecharemos esta oportunidad para cumplir la promesa del Nuevo Mundo—la promesa de un hemisferio de sociedades libres y prósperas, en paz, sirviendo como un modelo para todo el mundo.

Otorgar al Presidente la autoridad fast track, nos llevará un paso más cerca a la relación de este sueño. Pido a mis colegas que voten en contra de la resolución setenta y ocho.

I yield the floor, and I yield back the remainder of may time.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recognized.

Mr. HOLLINGS. I yield 10 minutes to the distinguished Senator from Pennsylvania.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. WOFFORD. Mr. President, I thank my good friend from South Carolina for this time and for his resolution. If the administration, which is asking for extension of the fast-track procedures, had put assistance for dislocated workers on a fast track, if it has moved fast in this recession to get our economy moving again, if it had moved fast to extend unemployment compensation benefits for the increasing number of jobless Americans who cannot find jobs before their benefits run out, if this administration had done anything fast or effective to stop the decade-long decline in real incomes of most Americans, if it had shown any commitment to move fast to help the workers who will lose their jobs under the proposed Mexican trade agreement, if it had given us any reason to believe that there would be a fast track for American workers, then we could have looked on a fast track for trade negotiations with Mexico with less skepticism, less concern, and less alarm.

But look at the record. The record of economic inaction gives us no reason to give a blank check to an administration which has regularly sold American workers short. The record gives no reason to trust that this administration will negotiate strongly to insist that environmental regulations and labor standards are on a level playing field in both countries. The record gives no reason to believe that American workers will be well served if this body gives up its constitutional authority to consider all the terms of a trade agreement with Mexico.

Mr. President, I speak tonight as the Member with the least seniority in this body, but I come here with an authority that lets me speak with special strength, to speak truth to the power of this administration. I speak with the authority of one who knows about Washington County, PA, Wyoming County, Warren County, Westmoreland County, Lackawanna County, and Lancaster County.

For the past 5 years, I have worked in those counties and in 61 others, places where the issues of world trade and international competitiveness are not the stuff of theoretical debates, places where trade means jobs, jobs mean dignity, security and oppportunity.

Do not just listen to me. Listen to the voice of a real expert on trade, a man named Melvin Aticella. Melvin is an auto worker—rather, he was an auto worker. He worked in an auto plant in New Stanton, PA. Like hundreds of other men and women, Melvin got up in daybreak every morning and went to work building high-quality cars. The plant he worked at was one of the most productive in the world. It had low absenteeism, high morale, world-class quality. Yet, the multinational corporation that ran Melvin's auto plant shut it down one day, not because Melvin did not work hard enough, not because he and his coworkers were not productive or competitive or efficient. No, the corporation shut down that Pennsylvania plant and shipped out those high-paying Pennsylvania jobs because of so-called world market conditions.

Those conditions included the low-pay wages in Mexico; environmental laws in Mexico and other countries that are on the books but not on the streets; worker rights protections that are on paper but not on the shop floor. Those jobs were lost because of a national Government in Washington that allows companies which ship our jobs overseas to ship their products back here, products that would have been made in America if we had a level playing field in the first place.

Mr. President, I have seen glass factories in India where children suffer inhuman conditions and subhuman wages. I have seen sweatshops in Asia where young women hunch over screaming machines and steamy heat. I have seen cane fields in Latin America where cruelty is common but decent wages are not.

Since living and working in India, Ethiopia and visiting Peace Corps projects in many countries of Asia, Africa, and Latin America, I have been deeply concerned about the plight of Third World countries.

But I understand the choice America must make. We must choose between lowering our standard of living to match the rest of the world or raising our productivity, training our workers, educating our children, jump-starting our economy and bringing the whole world to what John Kennedy called the "rising tide that lifts all boats." That is the trade policy that makes sense. But instead of acting to produce a rising tide that would lift all boats in Asia, Africa, Latin America, and America, this administration is giving our boats away and abandoning our own people to sink or swim.

Mr. President, I have been in this body only 13 days, but I have been in Pennsylvania a long time, long enough to hear the concerns and demands of workers like Melvin Aticella, long enough to know the problems of workers making men's slacks in Scranton, people making Calvin Klein jeans in Millersburg.

Remember this: When apparel plants close or move to Mexico, the jobs may disappear, but the people do not. They remain in their communities, often isolated, usually unemployed.

Yes, I have talked to Pennsylvania workers long enough to have the common sense to stand here and say no when an uncaring administration wants to put Pennsylvania jobs on a fast track to Mexico or a slow boat to China. For Melvin Aticella and the working men and women like him, I will vote no on any proposal that would sell out our workers.

So I will vote yes to the resolution by the Senator from South Carolina rejecting extension of the fast track.

Mr. DANFORTH. Mr. President, I yield such time as he may need to the Senator from New Mexico.

Mr. DOMENICI. I thank my friend from Missouri.

Mr. President, our country is at a crossroads. We can take the passive path of risk avoidance. In doing so we choose to let events overwhelm us. Or, we can choose an active path, one that leads toward an objective, and gives us an opportunity to influence events in a way that benefits our people.

In the case of international economics—jobs, energy, finance, and the environment—our economic strategy for the 21st century will depend largely upon how we choose to approach trade negotiations. We can engage, be competitive, and earn great benefits. Or we can retreat from our neighbors and the world, stay out of the formal trade negotiating process, live with a stagnant economy, and hope for the best.

I have looked at the opposing arguments, and reviewed the proposed compromises. I have concluded that they would lead us down the passive path. This world, one that startles us daily with unforeseeable developments, demands leadership, not passivity. Our President offers this leadership. Our Senate Finance Committee examined this issue in great detail, and agreed, on a bipartisan basis, by a 17 to 3 vote, that the President's approach is the right one.

Only through congressional concurrence with the President's fast-track authority will there be an opportunity to complete the Uruguay Round of the General Agreement on Tariffs and Trade [GATT] and the North American Free-Trade Agreement [NAFTA]. This is why I choose to join in support of the fast-track authority to complete negotiations on making the global and continental trading rules relevant and useful to America.

Despite the importance of discussions in the Uruguay round, it appears that inordinate conflict has arisen over the free-trade agreement with our neighbor, Mexico. As one of the United States Senators representing a State sharing a contiguous border with Mexico, as well as one sharing the unique distinction of similar name identification—New Mexico—I would like to suggest that we really have little to fear.

I certainly recognize that there are legitimate concerns that must, and have, been raised regarding an agreement between our two countries. There are many of us who insist that any agreement include safeguards, assurances, and guarantees against any potential negative effects that may arise. Fortunately, the administration recognizes the importance of addressing and resolving these concerns.

It is disconcerting, to say the least, to hear arguments as to the capability or intent of our neighbors on our southern border to meet and fulfill the terms of an equitable agreement. There is little acknowledgement that Mexico has undertaken a tremendous economic restructuring. It is unparalleled in our hemisphere. Only the successful postwar efforts by Germany and Japan, and the former Japanese colonies of Korea and Taiwan, can be compared with Mexico. We should admire and applaud the people of Mexico for what they have accomplished over the last 4 or 5 years. There is no reason to act superior or omniscient about our relationship with Mexico—we may even learn something.

Mexicans, too, want a decent future for themselves and their children. Mexicans realize, as we do, that a strong, sustainable economy is vital to everyone. They want a clean and healthy environment—they don't want open sewers and pollution any more than we.

Why do some think an agreement with Mexico is dangerous, threatening, or undesirable? Bluntly, I believe such an attitude is patronizing. We should, in fact, look to Mexico as a country with millions of skilled, educated, and forward-looking peoples. We owe it to ourselves and the citizens of Mexico to dispel old myths, and instead get on with the business of cooperation, coordination, and economic and social growth for both countries.

This agreement will challenge all of us, on both sides of the border, to address and implement the kinds of changes we both seek so sincerely.

I would now like to turn to several issues that I believe support extension of the fast-track negotiating authority.

First, we have read extensively that this agreement may exacerbate our environmental quality. No one disputes that environmental degradation is serious; we've had our own problems in this area. However, I fail to understand how we can possibly address every single issue relating to the environmental components of the free-trade agreement before we even start the discussions. Frankly, it seems just a little backwards to me.

Accelerated population and industrial growth can create environmental problems. However, there is no reason to assume that such potential adverse impacts will not be analyzed, addressed, and resolved by the two countries sharing a common border.

The administration has advised us that parallel and comprehensive initiatives will be undertaken to address these environmental protection issues. Administrator of the Environmental Protection Agency [EPA] William Reilly has written me that the FTA has enabled our two countries to "strengthen greatly joint programs of environmental protection" and that it has offered an "unprecedented opportunity to improve the living conditions of 85 million Mexicans." I, for one, am very appreciative of this sensitivity to the needs of both Americans and Mexicans. It reaffirms that this is a joint effort on the part of two governments to protect and enhance the lives of their citizens.

Moreover, I am most pleased that the administration has detailed its ambitious recommendations for an integrated border development plan [IBEP]. This plan, initiated by Presidents Bush and Salinas during their Monterrey summit in November 1990, proposes an aggressive agenda for focussing on these issues. I have been advised that I will receive a copy of the draft IBEP that will be presented to the United States-Mexico National Environmental Coordinators at their annual meeting in June of this year. I, along with others, will have an opportunity to comment and help frame this agreement, so that our EPA Administrator and the Undersecretary of the Mexican Secretariat of Urban Development and Ecology [SEDUE] can continue their discussions and negotiations throughout the year.

Additionally, New Mexico State University in Las Cruces, NM, is a member of the Southwest Center for Environmental Research and Policy. This consortium of four United States universities and the Monterrey Institute of Technology in Mexico has been identified as an important resource for addressing these environmental concerns. The consortium will contribute significantly through its projects, studies, research, and specific policy recommendations. It will be able to participate and play an important advisory role in these negotiations, and I am confident that its technical input will be of invaluable assistance over the months ahead.

I was advised by the Region 6 EPA Administrator that the IBEP "is an exciting, positive step toward bilateral environmental improvement." The New Mexico State University Border Institute, and others in our State, are actively pursuing research efforts and providing recommendations for these environmental discussions. I am most pleased that the administration recognizes the advantages of working with and soliciting the advice of our U.S.-based academic institutions. This is an important resource that should be, and is being, optimized.

I would also like to note another important research initiative by a New Mexico institution with the country of Mexico. The United States Department of Energy and the Mexican Petroleum Institute are conducting a multimillion dollar computer model study to understand the pattern of air pollution in Mexico City. This effort is being designed and developed by the Los Alamos National Laboratory in Los Alamos, NM. This illustrates the resolve and commitment of the Mexican Government to tackle the most serious environmental problem facing that nation—that is—the extremely serious air pollution that plagues its capital city. I applaud the Mexicans' willingness to work with our country's top scientists to help solve this dangerous and life-threatening problem.

As detailed in the administration's submission of recommendations for a long-term integrated border environmental plan, it intends to establish a systemwide exchange of relevant scientific/technical data and information as well as facilitate the transfer of technology for the environment. I can think of no better physical or intellectual environment for these efforts than in our universities and scientific laboratories in New Mexico. We have extraordinary talent and commitment to these objectives; we have in-depth experience in exchange efforts with our neighbors to the south; and we have the scientific skills and academic credentials to meet the necessary standards of excellence.

I have mentioned these New Mexico efforts because I firmly believe we need to take the opportunity, whenever possible, to explain to the American public that the United States and the country of Mexico have much to gain by proceeding with the fast-track procedure. In the case of the free-trade agreement with Mexico, it benefits both countries. It maximizes the dialog between our two peoples to help both, and it invigorates the exchange of information and friendship that has been absent far too long. And, finally, it supports the administration's reassurances that deep concerns will not be overlooked or ignored, but instead collaboratively resolved over the weeks and months ahead.

I believe it is also very important to point out that while we anticipate the integrated border environmental plan to be in place by late 1991, the actual implementation will take place over an approximately 10-year period of time. For those who are concerned that complicated and comprehensive environmental issues will be left unattended because of fast track, nothing could be further from the truth. These issues will be laboriously negotiated, step-by-step, line-by-line. However, there will be ample time to implement the necessary transactions or changes over the next decade. We can be assured there will be strong procedures and safeguards for monitoring, designing, and implementing environmental actions or activities.

A second issue of importance to me is the commitment of maintaining our border facilities along our United States and Mexico boundaries.

Increases in economic activity between the United States and Mexico require significant investments in our border infrastructure. In 1989, I, along with my distinguished colleague from Arizona, Senator DECONCINI, ensured that sufficient funds were included in the Treasury, Postal Service and General Government Appropriations Act for capital improvements of our border facilities. Over the past 4 years, a total of $356.96 million has been provided to repair, renovate, expand and construct U.S. inspection facilities along our border. The work funded and presently underway through the Southwest Border Capital Improvements Program will increase our capacity to meet initial increases in economic activity under a

North American Free-Trade Agreement.

Additionally, I am pleased to note that the Customs Service is developing a directive to establish a national policy for handling hazardous materials at our ports of entry. The Customs National Logistics Center will also provide a study for developing design and construction standards for hazardous materials inspection and containment facilities. These standards will be incorporated into the "U.S. Border Station Design Guide."

These efforts coincide very well with the administration's integrated border environmental plan. This further emphasizes that negotiating a free-trade agreement with such multifaceted components demands adequate time under the fast-track authority. However, it also reaffirms that the administration, in coordination with various U.S. agencies and departments, can and will address the complex issues associated with this agreement.

Mr. President, many legitimate concerns have been raised with regard to extension of the fast-track authority. Congress and the American public have every right to expect thorough, careful and rigorous negotiations. I can see absolutely nothing that will preclude our Government officials from conducting such negotiations under the fast-track authority. In fact, to my way of thinking, fast track is the only means by which our U.S. negotiators and their counterparts can discuss the multiplicity of issues.

It goes without saying that we can guide, direct, and advise our negotiating teams. We should not, however, assume that 500-plus Members of Congress can impose specific language—crossing every single "t" and dotting every single "i"—before the negotiators even sit down at the table.

We have more than made our concerns and views known. Let's let the administration proceed with its work. We can all avail ourselves to the administration's open invitation for counsel during the process. And, we will have another opportunity to decide how well the negotiators have addressed our concerns and challenges when they present the final documents for approval.

I recognize that there are many issues to be resolved—from possible American job losses, to fair agricultural policies for our American farmers, to workers' health and safety standards.

However, I for one, have enormous confidence in our process of advice and consent. I congratulate the administration on its collaborative spirit—its willingness to seek our support and assistance. We should get on with the business of negotiating these important instruments. We can negotiate fair and solid agreements with all of our trading partners, but only if we give our negotiators the wherewithal to proceed. I believe they need and deserve our support.

In conclusion, I believe President Bush said it best: "* * * refusing to extend the fast track would end negotiations before they have even begun and relinquish a critical opportunity for future economc growth." I cannot agree more.

Mr. President, it is now past midnight and it is optional as to whether one wants to speak more on this matter at this hour.

I just want the friends that I have in Mexico and those here in the Embassy to know that I thought this was one of the most important discussions that we will have a chance to engage in as Senators, and so I chose even at this hour, knowing full well that the debate has already ended—most Senators, if not all, have made up their minds—to speak for a few more minutes.

We have heard a lot of talk tonight about what is good for American workers. I submit that what is best for American workers is a thriving Mexico, a Mexico that is prospering, a Mexico, the standard of living of which is rising each year, moving dramatically toward that of their neighbors in the United States and Canada.

Or another way to put it is the best way to make sure that we have less trade, thus less jobs, is to do what we can to keep Mexico poor. I defy anyone in this Senate, speaking in behalf of the working men and women of the United States, to deny that.

The best way to keep American workers limited, in terms of where they are going, where their companies are going, where the profits are going to come from, is to keep our neighbors poor. For just as sure as we do that, the jobs in America will shrink, shrivel, and disappear.

How can we stand here tonight and suggest we are helping American workers by keeping Mexico poor? Right on our border sits the greatest market for American goods, services, and products anywhere in the world. Why is it not a bigger market? It is a pretty good one, growing dramatically, maybe our third largest trading partner.

Why is it not larger? Because Mexico is poor. Why is Mexico poor? Is something wrong with the Mexican people? Of course not. Is something wrong with their environment? Of course not.

Huge pieces of Mexico's geography are just like California, next door to us just like New Mexico, right across the border just like Texas. They are poor because they have not had leadership that wanted Mexico to grow and prosper in a world market. They decided for decades to isolate themselves. In fact, their political leaders talked as our political leaders have been talking in this Chamber for three decades or four: Do not export any Mexican jobs. Make government deals to keep everything here in Mexico—frightened to death of having any business relationships with America. What happened to them? Poverty was abundant. Growth was minimal. Inflation was rampant. And then even what good they had, the capital that their sweat produced left the country.

Now what has happened? In a short period of time they have two leaders that decided that must change. Now they have one, President Salinas, and I say to the occupant of the chair, President Salinas, when he leaves office, God willing that he is in good health, he will be an international leader of renown. He will travel the world showing Third World countries how to grow and prosper. They are already inviting him. He does not have enough time to answer their requests. All of Central America has invited him there. "How are we going to grow and change like you have changed Mexico?"

In fact, the other day, the Senator from New Mexico met five Third World leaders not even of Hispanic origin; from Europe. Guess who they wanted to talk to them about their future and their transition from sloppy, slow-moving, socialist, Communist regimes to capitalist entrepreneural economies? Their idol and their teacher was the President of Mexico.

How fortunate we are. And we stand here on the floor of the Senate and talk as if it is a very dangerous situation, dangerous for our workers, for our future. How fortunate we are that Mexico decided to change. They sit there and say "We want to be like you." And we sit here tonight, some of us, and say "We are frightened of you. You are going to take our jobs away."

Well, if there are any Americans worried about that, other than a few, perhaps organized labor union leaders, let me say to Americans, we are 25 percent of the world's economic wealth, the U.S.A., 25 percent as you measure GNP's. That is America, 7 percent of the world's population, 25 percent of its wealth.

What is Mexico? We think it is 1 percent. Is not it amazing? We are frightened to let our negotiators negotiate open markets with a country that is 1 percent and we are 25 percent. We are 25-percent stronger, more powerful, and we do not think we can compete in Mexico's economy and come out?

Some are saying we will come out short. I am saying we are going to come out long.

What if we came out neutral and Mexico improved dramatically in the process? At least our children would find a Mexico coming close to what this President, President Salinas, wants of Mexico, and that is a Mexico not seeking help from America, but a Mexico helping itself, a Mexico that does not want to send her people to America but wants to sell her goods to America to the world and accept goods and services from the world for her people.

For Americans who think that we go so fast, do not forget trade agreements provide very lengthy transition periods for those who are worried about what will happen next week or next month. Some of the Canadian free trade arrangements are 10 years in duration. It takes 10 years for the whole phasein. Those are going to be negotiated.

That is the essence of an agreement of this type, that you sit down and talk about what is reasonable, what is ordinary; but what you do is you minimize the barriers, the extraordinary and imposed costs the Government puts on goods and services moving between countries, tariffs, and barriers.

Let me suggest another anomaly. For some to argue this is going to be bad for us, when we are already exporting more to them than we are importing from them, and we are doing that, American business is doing that with American workers, we are doing that with barriers running against our goods. For the most part the trade barriers and tariffs are imposed on American goods going to Mexico. Those are going to come down because they have confidence in themselves.

So it seems to me at this particular moment in this hemisphere's history, when for about 7 or 8 years we look off to the world and we are constantly worried about Europe, and Europe unifying, and Japan competing and we are frightened of it—here we have an opportunity to let our best trade negotiators sit down and talk with Mexico, our neighbor, and see if we cannot put together our own trading community.

If it works between Canada and America and Mexico, we will dwarf any other market in the world. Why would we not want to do that? I cannot understand why we would not want to do that.

I close by saying for those who say to Mexico, "We are worried about your environment,"—well, I wanted to use the word that is "arrogance," but I will not. I will just say I cannot believe we are prepared to say "Mexico, you and your people cannot be trusted with your environment, so stay poor because if you grow and prosper, you are going to pollute the air and the water. And you do not know how to protect yourselves. So we just do not think you ought to be permitted to raise your standard of living even though you are right next door to us. You have many of your relatives here, especially in the border States. We just do not think you will take care of yourselves."

I do not believe that is a very good case. I do not believe that will work. I believe we can work with Mexico on environmental issues, but I believe we cannot say to our neighbor we are not going to help you in a free-trade arrangement to prosper, even if it means we sell you more of our goods and services, because we do not think you are going to take care of your health and safety. I do believe that is very, very close to arrogance. I am not quite sure that is the right word, but it surely comes close.

So from the Senator from New Mexico's standpoint, it should be obvious, I think, America's future is tied with Mexico, and I believe it is tied with much more hope for our people and for their people if we tear down the trade barriers in due time under an orderly arrangement; and we trust our competitive spirit and entrepreneurial skills; and we say to them, "We hope you get more of those. Use your people in good jobs, ever increasing your standard of living, and we will both come out better and our people will come out better."

I think that is what modern times are all about. To do otherwise seems to this Senator to be living in another time, perhaps even in another part of the world. I just do not believe it is going to work.

I hope tomorrow we will give our President authority to enter into this agreement, work at it. Maybe what he ends up with we will not like. But for now we ought to give our President a vote of confidence and, strange as it may sound, we ought to give the President and current regime in Mexico our vote of confidence, and say we think you are on the right track and we are going to vote the fast track in.

I yield the floor.

Mr. DANFORTH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, I do not think there are any other speakers who want to be heard tonight on this subject. I know the hour is very late. The subject is also very important. It is one I have been dealing with on the Finance Committee ever since 1979, the question of trade. Therefore I would like to indulge the Senator from Montana, the distinguished Presiding Officer, and the Senator from New Mexico, if he cares to stay around, for a short time even though the hour is late because I really cannot be silent throughout the debate on such an important subject as trade.

Mr. President, I am a believer in change. The present world trading system needs change.

That is the long and the short of the argument. It is not good enough the way it is. It is not good enough to serve the interests of the American people. The world trading system is not good enough today to serve our people, and the hemispheric trading system is not good enough to serve the American people.

The trading system must be changed, not for the benefit of somebody who lives somewhere else, although a growing world trading system does benefit a lot of people worldwide. But we are not Senators for Mexico, Canada, Europe, Japan, or anywhere else; we are Senators in the U.S. Senate. We serve our constituents in our States, and the world trading system is not good enough for our people. They are being hurt by the present rules and by the way the rules are being enforced, or not enforced.

Improving the rules of world trade, and better enforcement of those rules, are goals to serve the needs of our people in our States and our country. That is why we enter into trade negotiations. In these negotiations, we do not know how they are going to turn out. What we do know is that the status quo is not very good; it is not good enough, and it has to be changed.

Americans who want to sell abroad are not able to sell abroad. Complaints are legion of Americans who try to sell in Japan or Korea; American soybean producers who want to sell in Europe; beef producers who want to sell in Europe. And they are not able to do it. Farmers want to sell in Mexico and are not able to do it, because the rules are not fair.

And everybody says: Make the rules fair, and we can compete. Give us a level playing field, and then we can compete. But the rules are not fair. So what trade negotiations are about are efforts to make the rules better to serve our people.

We happen to have a wonderful and very tough trade negotiator in Carla Hills. What we are saying is just give her a chance to improve the rules for our workers, for our people, so that we can get a better shake, because we are not getting it now.

It is very interesting that the reason we are not able and did not really voluntarily on our part consummate a deal on the Uruguay round last year before fast-track authority ran out was that Carla Hills was so tough in negotiating the agricultural agreement with the Europeans. She would not take a bad deal, so the time ran out. And now she has to come to us, because she was so tough in those negotiations.

How ironic it would be for us to say: Well, Madam Ambassador, good job; but you out-tricked yourself. Therefore, we are going to let fast track expire.

What this debate is about is whether we are going to try to improve the rules of international trade and the enforcement of those rules for the benefit of our own people. Right now, the rules are not working well enough.

Just two examples: One, agriculture, particularly with respect to the Europeans. The European Community spends more on export subsidies alone than we spend on our entire farm program. That, Mr. President, is wrong. It is wrong, and it hurts American farmers. And it should be changed for the benefit of American farmers.

With respect to Mexico, a wonderful market for American agriculture; but 40 percent of American agricultural exports to Mexico today are exports under export licenses to Mexico. We have to get a license to sell. That should be changed. It is not fair.

And because it is not fair, this fast-track extension is supported by the American Farm Bureau, American Soybean Association, Wheat Growers, Cattlemen, Corn Growers, Pork Producers, and on and on and on. They know that the future of American agriculture is opening world markets. They know that world markets are unfairly closed to them, and they want them opened up.

A second example: A lot of people have said today that if we agree to fast track, somehow the result of all of this will be that American jobs and American plants will be exported to Mexico. Auto plants, automobile manufacturers. We have a very large automobile manufacturing State, so it is said that auto plants will move to Mexico.

Mr. President, they already have. Ford, GM, and Chrysler plants are in Mexico today. Why is it that they are in Mexico today? It is because the rules established by the Government of Mexico today are unfair to American auto companies and auto workers.

Our tariff on imports from Mexico, automobile imports from Mexico, is 2.5 percent. The Mexican tariff against exports from the United States to Mexico is 15 percent. Our tariffs are six times more than their tariffs on automobiles. Why is that fair to American auto workers? Why should we say that the status quo helps American auto workers?

Mexico places a 15-percent domestic content requirement on automobiles that are sold there. We do not have such a requirement. Why is that fair? Why should Mexico be able to have a 36-percent domestic content requirement on automobiles sold in that country? For every dollar of autos imported by an auto maker into Mexico, the auto maker must earn $2.50 in auto exports from Mexico. Why is that kind of a rule fair to us? It is not.

So the point of negotiations is to try to change these rules. And the opponents of fast track, as I understand their position, are saying: Let us not even try to do that. Let us not even make the effort.

Any negotiated agreement has to come back to the Congress, but they say do not even go through the motion.

Mr. DOMENICI. Do they not say leave it like it is?

Mr. DANFORTH. Leave it like it is.

Mr. President, Carla Hills testified before the Finance Committee, and it is the overwhelming opinion of people who know anything about international trade that without fast track there is no possibility of a trade agreement. It is just not going to happen. People will say let us have a trade agreement, but without fast track, Carla Hills says she has been told by her negotiating partners, forget it, we are not even going to talk to you.

We said back in 1974 when fast track was first passed the reason they passed this anomaly to the American legislative process, the reason to do it was that it was a necessity, that we could not have trade agreements without it. And since 1974, we have negotiated both bilateral agreements and the Tokyo round under the fast-track process. We would not have had any of them without fast track. Let us at least try.

Finally, Mr. President, just one final point. I really do believe that the fundamental issue before us is not some arcane procedure known as fast track; I really think that the underlying issue in this debate truly is free trade versus protectionism. And I understand the position of the protectionists. They are frightened. They are frightened of change, they are frightened of competiton. They are concerned that maybe we cannot keep up, maybe we cannot compete, maybe we cannot prosper if we do business in international markets.

I think that that is an understandable position. I think it is also a pitiful position. I think it is a position that connotes, in my mind, an image of an outing of kids where all the kids are charging ahead up some hill and hundreds of yards back there is this pudgy, weak kid, and he is stumbling along and he is wheezing and he is whining, and he says, "I cannot keep up. Wait for me."

That is not my image of this country, to say to the world, wait for me, I cannot keep up. The world is not going to wait. The European Community is not going to wait for us. The emerging countries, the Pacific rim, they are not going to wait for us. Even Latin America is not going to wait for us. There is not any safe world in Fortress America anymore.

If our image of our country is the weak, pudgy, whining kid struggling hundreds of yards behind his fellows to try to catch up, whining and saying, "Wait for me," if that is our image of America, the world is not going to wait. It is going to keep charging ahead, and we are going to fall behind more and more and more. There is no substitute for being in shape. There is no substitute for being tough and strong and competitive. Protectionism is not a substitute for that. Whining is not a substitute for that. There is no substitute.

And there is no alternative, in the opinion of this Senator, than to at least try to negotiate fair agreements, to allow Americans to do what we have always done best and that is to compete.

Mr. President, I know of no other speakers on this side.

Mr. BOND. Mr. President, I rise today opposing Senate Resolution 78, which would bar the extension of fast-track procedures to future trade agreements. Without question, the failure to extend fast track will cause a failure in the trade negotiations.

Fast track is a creation of Congress. No country is willing to take a chance on 535 Members of Congress to negotiate a trade package. Congress understood that trade agreements were particularly vulnerable to multiple amendments which could unravel entire agreements when Congress created the current version of fast track in 1974.

The Uruguay round and the North American Free-Trade Agreement present a historic opportunity to achieve meaningful reform of world agricultural trading practices. American farmers and other agricultural interests have long supported international efforts to achieve more open markets and fairer trading rules for agriculture through multilateral trade negotiations.

Agricultural exports remain one of the few bright spots of U.S. trade. The food and fiber sector now accounts for roughly 20 percent of all jobs in the United States, and 17 percent of total gross national product. For every $1 billion increase in U.S. exports, over 20,000 new export-related jobs are created. In 1990, U.S. agricultural trade had a surplus of more than $17 billion—$40 billion in exports and $22.5 billion in imports—and supported 1,055,000 jobs, of which 426,000 were on farm and 629,000 were nonfarm.

My State is an aggressive exporter. We're proud to compete and win in the world's markets. Exports mean jobs for Missouri and a good trade agreement will lead to more exports and more jobs. In agriculture, for example, Missouri exported over $1.2 billion of agricultural products in 1989—62 percent of our soybeans, 78 percent of our wheat, and 49 percent of our corn and feed grains. Agriculture is an export industry and in most years the United States ranks No. 1 in the world.

As the most productive nation in the world, the United States should position itself to take advantage of new opportunities. The Mexico Free-Trade Agreement and the GATT Uruguay round are just two of the opportunities that will benefit American agriculture.

Despite the slow pace of the Uruguay round negotiations, the benefits of a substantial agreement suggest it is worth a short delay. With a GATT Agreement, U.S. farm export sales by the mid-1990's would likely be $6 to $8 billion higher—about 16 percent to 22 percent higher than now. That should create roughly 120,000 to 180,000 new jobs.

A North American Free-Trade Agreement would be one of the largest economic areas in the world. Mexico was the fifth largest single market for United States agricultural exports in fiscal year 1990. During this period, a total of $2.7 billion in agricultural products were exported to Mexico.

Mexico's population is increasing rapidly and they continue to struggle with a growing poverty level. Mexico, Canada, and the United States have the same Achilles heel. Simply, North America imports too much, and exports too little.

Without trade agreements, American agriculture will be faced with the very real threat of escalating and damaging trade conflicts in agriculture. Without multilateral trade reform, governments will seek to protect their economies. Trade barriers against imports are often introduced in the earlier stages of economic development and increase later on. This will lead to a new cycle of trade tensions and rising protectionism, as governments attempt to counter the impact of lower prices on farm incomes.

A vote for fast track is a vote for jobs and opportunity. No fast-track authority means no trade agreement and that means missed opportunity and lost jobs.

A vote on the fast-track authority is not a vote for a GATT Agreement, or for a North American Free-Trade Agreement. A vote for fast track is simply a vote to enable the talks to proceed. Congress will have the last say when either agreement is brought back to Congress for approval. Whether a trade agreement is in the overall interest of the United States can only be determined by looking at the whole package. It is essential we give these talks a chance. I urge my colleagues to vote "no."

Mr. SANFORD. Mr. President, I rise in support of Senate Resolution 78 offered by my colleague from South Carolina. This resolution calls for the disapproval of the request for extension of fast-track procedures under the Omnibus Trade and Competitiveness Act of 1988. The administration has requested this extension to complete the Uruguay round of multilateral negotiations, to initiate negotiation of a North America Free-Trade Agreement with Mexico and Canada, and to pursue trade objectives under the Enterprise for the Americas Initiative. With the extension of fast-track procedures, legislation implementing any trade agreements reached would be accorded consideration by the Congress without amendment by an up-or-down vote.

The request for extension of fast track has sparked extensive debate. This issue is clearly more than just a struggle over procedures. It is a struggle over the vision of what the United States trade policy should be.

This is indeed a telling time for United States trade policy. Many of us in the Congress have grown increasingly tired of watching agreement after agreement being negotiated in the name of free trade only to see the tremendous devastation such agreements have wrought upon key sectors of our economy and our work force. We have come to expect reliance on an approach which exposes manufacturing to low-wage competition in return for increased access to service markets of developing economies. This has been tolerated as an approach to trade in the vain hope that somehow the increase in services will compensate for the losses from manufacturing. For many, this amounts to an enormous sacrifice—a sacrifice we are all too ready to let someone else bear: the workers of America.

It is time to take a realistic look at whether the mythical goal of free trade is worth the toll it has taken. To meet the needs for our economic future, we must expand the breadth and depth of the debate beyond the procedural confines of fast track and we must do so now.

TEXTILE AND APPAREL INDUSTRY

With apologies to William Earnest Henley, the lines from his poem Invictus might well describe the state of the textile industry today.

> In the fell clutch of circumstance
> I have not winced nor cried aloud.
> Under the bludgeonings of chance
> My head is bloodied, but unbowed.

The industry has withstood just about all the "bludgeonings of chance" it can. My home State is the largest fiber, textile and apparel State in the country with over 350,000 workers. We are proud of our record, proud of this industry, and determined to ensure that any trade policy that is adopted recognizes and treats fairly this essential segment of the economy.

The textile industry has always played an important role in the basic manufacturing of the United States. With 2.2 million workers and an annual payroll of $25 billion, the U.S. textile and apparel industry constitutes a major share of our manufacturing base and serves as the largest manufacturing employer of women and minorities.

This once vital industry has experienced great loss and even greater suffering. With the end of the 1980's, orders for domestic textiles are at their lowest level in several years, employment is down and plants have closed. In the last decade alone, North Carolina has experienced the closing of 391 plants with a loss of employment of over 47,000 workers.

In letters from Burlington, Mount Olive, Wake Forest, Cordova, and Raeford, textile workers have written to express their fears and their concerns. Their jobs are on the line. The stability of their lives rests on the decisions we make here today. These trade agreements are feared by the workers because they represent increasing pressure to accept lower wages, benefits and work standards in order for their companies to stay competitive and for them to stay employed.

The loss of jobs in the textile industry many argue is attributable to increasing production efficiencies and advances in technology, but that would not be entirely the truth. The textile industry has already made these adjustments by developing machines for repetitive jobs once done by humans. Unlike the textitle industry, however, the apparel industry cannot find a way to make all of its products by machines; it must rely on people to do the job. These workers have seen imports of textiles and apparel products triple in the last decade. The consequence of this has seen effect in North Carolina, as I have mentioned, as well as nationwide with a loss of 400,000 jobs. This relentless tide of imports has without a doubt seriously injured a once vital sector of our economy.

Huge portions of both the apparel and footwear markets in the United States have now been captured by imports. In 1980, imports accounted for 28 percent of the market. They now account for 50 percent of the market. That number represents an alarming statistic. Equally disturbing is the fact that the United States now imports 2.3 billion more in apparel than we export. Imports continue to surge while the domestic market remains stable at a 1-percent growth level. As a result, U.S. profits are down 71 percent. We cannot let this invasion of foreign textiles continue. At the rate we are going it will not take long for the textile and apparel industry to virtually disappear from the American industrial scene as both a major manufacturer and an employer. In a 1988 study, Alan Wolff, a former deputy U.S. Trade Representative, stated, "[t]he disappearance of significant portions of the industry would not only affect firms and workers in the textile complex, but its adverse effects would ripple throughout the U.S. manufacturing, agriculture and services industries." Mr. President, this industry is in the "fell clutch of circumstance" and, unfortunately, it is one of our own making.

LABOR CONCERNS

The textile industry is often considered the classic entry industry for development. But, what does that mean for the American textile worker? While jobs are being lost to imports, we are told that they will be replaced with higher skilled jobs. Really? Will that assurance make it easier to explain to a displaced textile worker and to his community? This is not just a textile industry problem, Mr. President, although I am highlighting it. The problem is more universal than that. For many of these displaced workers—minority, rural or disadvantaged workers—more often than not there are few work alternatives. Most of the jobs lost in the United States in the last decade occurred among non-college workers. Hardest hit are the least mobile and poorest workers. Labor Department surveys have shown that U.S. workers dislocated by foreign imports, if they've managed to find other jobs, have found less skilled jobs at lower pay thereby reducing their standard of living even farther.

In this regard, the administration has recently delivered an action plan to the Congress which attempts to address many of the very critical and legitimate concerns the Mexico Free-Trade Agreement, like GATT, has raised. These issues include not only worker displacement, but also the differentials in labor standards and wages between our two countries, the effects of varying standards of environmental control have upon competition, and differences in health and safety requirements. Unfortunately, the action plan obfuscates more than it offers solutions. If it is a step toward integration of trade issues into a broader framework, then it is a small one. I do not disparage the fact that the administration has at least taken this step. Nevertheless, consider for just a moment that we would not even be discussing these other issues were it not for the fact that many in Congress have forced it to be so.

Congress has the right and the responsibility to demand even more and it should. For one thing, we should demand a more measured and realistic assessment of the benefits to be derived from the Mexico Free-Trade Agreement. The various studies that have been undertaken, thus far, contradict one another and fail to help us clearly understand just what is to be achieved.

In one report, the International Trade Commission [ITC] predicted that unskilled workers in the United States would suffer a slight decline in real income but skilled workers would benefit. In a later study, the ITC reported that "all classes of workers would find their real income increase as a result of the FTA." The Clopper Almon—INFORM-CIMAT—study of September 1990 for the Department of Labor predicts a net job gain of only 64,200 over a 10 year period! The Peat-Marwick study for the U.S. Council of the Mexico-U.S. Business Committee of February 1991 assumes full employment and then predicts no changes in U.S. employment levels at all. By contrast, the Economic Policy Institute suggests that there will be a loss of 550,000 high-wage American jobs and the Economic Strategy Institute argues that potential job losses may exceed 900,000.

Against this welter of information and disagreement, the administration has offered to work with the Congress to ensure effective, adequately funded worker adjustment and training programs. However, it is notable that funding requests for adjustment programs have been consistently beneath authorized levels since enactment, and the administration has repeatedly called for the abolition of the separate trade adjustment program. This year's budget proposal for that program was zero. The offer to now redress worker adjustment and retraining with, perhaps, an entirely new program cannot help but strain credulity.

The Congress has the right and the responsibility to demand even more and it should.

ENVIRONMENTAL CONCERNS

Environmentally, the situation could not be much worse. Again, the administration has taken a step, but it is a small one indeed and one that is relegated to a separate and parallel track. We have asked the administration to conduct an environmental analysis or assessment following the guidelines of the National Environmental Policy Act. We have also asked that the "harmonization" of environmental and health standards between Mexico and the United States not be used to diminish United States environmental law, or to challenge that law in the context of nontariff barriers. The response has not been reassuring.

Environmental protections and economic integration, as never before, must be linked in the consideration of trade agreements. A trade agreement with a developing country like Mexico requires new approaches to address new and serious problems. Today, the border region between Northern Mexico and the Southwestern United States is experiencing the environmental stress of increased industrialization—much of which is associated with the maquiladoras. The maquiladora represent a unique experiment in bilateral industrialization that is touted by some as a success. For many, however, the program rerpresents much that is irresponsible, intolerable and inhumane. The environmental destruction wreaked by the maquiladoras in the free trade zone along the border is the best argument for closer examination and inclusion of environmental issues in the trade agreement with Mexico.

Enjoying the advantages of low wages, minimal if nonexistent work protections and standards, and looser enforcement of environmental standards, many U.S. companies have moved operations to this border region. Nearly 2,000 maquiladora plants now exist and employ close to 500,000 people. The loss of U.S. jobs, the exploitation of Mexican workers and the environmental havoc are documented. Air pollution form the maquiladora drifts as far as the Grand Canyon, and Mexico's New River is considered one of the most polluted rivers in North America. We cannot begin to measure the toll that has been taken in human misery and suffering from the living and working conditions that exist. The American Medical Association [AMA] has called the region a "virtual cesspool and breeding ground for infectious disease." The AMA further stated that "[u]ncontrolled air and water pollution is rapidly deteriorating and seriously affecting the health and future economic vitality on both sides of the border."

What is the allure of the maquiladora program? Why do companies relocate operations to Mexico? Besides lower wages and less enforcement of labor health and safety standards, consider what the environmental advantages are for such companies. The Mexican environmental program is managed by the Secretaria de Desarrollo Urbano y Ecologia, SEDUE, which is also charged with authority over parks and housing. SEDUE has few financial, personnel and technical resources—its entire annual budget in years past was about $10 million and only raised this year in anticipation of the trade agreement. SEDUE has a technical staff of about 140 people to oversee the environmental laws throughout the entire country, not just the border area. According to Sergio Reyes Lujan, Subsecretary for SEDUE, his greatest challenges are "the lack of people and training and more sophisticated technology." As a result, Mexico has relied on a program of voluntary industrial compliance with environmental regulations.

Inadequate environmental protection produces obvious problems, not the least of which is an artificially lower cost of doing business to the products produced or processed in the maquiladoras and throughout Mexico.

The administration has responded to the environmental concerns raised by Congress and others by promising to address them on a parallel track leading to a possible, but by no means guaranteed, parallel agreement. Environmental concerns are not part of the dispute resolution process and I am not assured that any environmental agreement will have any actual bearing on the implementation or operation of the Mexican trade agreement.

SUPPORT FOR SENATE RESOLUTION 78 AND 109

It is with these concerns in mind that I now approach the request for fast-track approval. I support Senate Resolution 78 because I am convinced that fast track is an inappropriate mechanism to support an issue of such magnitude. It is up to Congress to put United States-Mexico economic integration into a broader framework, to drive the negotiations toward the objectives we seek. It is up to Congress to put U.S. and world trade negotiations into a structure that provides for mutual prosperity. We cannot support losing jobs at home in order to create them abroad. We cannot support cleaning up our air or our rivers and streams at home in order to pollute them elsewhere. We cannot support worker safety and health protections at home only to exploit those in less advantaged countries. Let us not rush head-long into action, any action, before we have had the opportunity to ensure that what we do works to the benefit of the country and not to its ultimate detriment—that what we do helps our workers and our manufacturing and does not hurt them, that the road to recovery is paved with good intentions but realizes actual benefits. Let us structure the negotiations now before we proceed, not wait to see what might turn up later. And, finally, let us not relegate ourselves to a take or leave it status.

On this issue, I am aware that there are many who find the assurance from the administration adequate and many who will want to see the negotiations move forward under fast track. I can read the handwriting on the wall. Although I would wish it to be otherwise, I recognize that resolution 78 is not destined to prevail. With that in mind, I am also supporting Senate Resolution 109 offered by my colleague from Michigan, Senator RIEGLE. This resolution will modify fast-track authority for the free-trade agreement with Mexico to allow Senate floor amendments in five specific areas when the proposed implementing language for the treaty is presented to us. The five areas are: monitoring and enforcement of fair labor standards, monitoring and enforcement of environmental standards, rule of origin, dispute resolution, and adjustment assistance for United States workers, firms and communities. By contrast to the Hollings resolution, the Riegle resolution modifies fast track for nontariff related matters under the Mexico agreement but does not eliminate fast track for the remainder of the agreement or for the GATT negotiations. I believe this is the very least we can do to ensure that the Congress remains engaged in genuine and concrete consultation with the administration during the negotiations that will be undertaken with Mexico.

CONCLUSION

In conclusion, Mr. President, I would remind my colleagues that the United States of America has throughout its history made contribution after contribution to the wealth and well-being of other nations. As we move into the next century, we must be mindful of changing circumstances and our position among the nations of the world. The post-war sway once held by this country is no longer the case, and, a different order is emerging. We must recognize these changing times, these changing circumstances and the changing needs that they engender. How do we do this? One way, Mr. President, is to continue the discussion we are now embarked upon. At the beginning of this debate, when the request for extension of fast track approval was first presented, much rhetoric was expended on the necessity to limit our attention to a so-called simple procedural decision. Since that initial request, however, we have at least gotten the administration's attention on a broader range of issues. We have actually succeeded in bringing to the forefront issues of the very highest concern and we should proceed to discuss them. Because it is not likely that we will do so, unless either of the resolutions passes, I want to make it clear what a vote to extend fast track will mean. I want the administration to understand that a final agreement negotiated under this authority will be carefully scrutinized, assessed and reviewed. If any agreement reached through trade negotiations does not or cannot withstand the intensity of this examination, it will fail and I do not want to hear it said then, as an argument to support such an agreement, that we are under the gun to give our approval because so much has been invested in time and effort, because it would embarrass this government or another government. No, that will not be enough to gain passage of an agreement. If the promises made regarding these agreements are not reflected as promises kept then there will be no end to the debate and discussion that will ensue.

Finally, let me close by reading you the words of one of my constituents from Spray Cotton Mills in Eden, NC who wrote to me urging my disapproval of the fast-track extension. The letter closed with these words, "I have never been impressed by the negotiating ability of our government when it deals with other nations and I believe that they would do a better job if they were faced with the fact that their proposals would be reviewed and amended, if necessary, by Congress. Our government people never seem to learn that one does not get what one deserves, one only gets what one negotiates."

Mr. WALLOP. Mr. President, I join today's debate to express my support for the fast-track trade negotiation authorization. This authorization has been a useful procedure for eliminating trade barriers, and expanding American economic opportunities in the international marketplace. As we are currently reminded by the Uruguay round talks, negotiating a multilateral trade agreement is more aggravating and frustrating than trying to negotiate the Capital Beltway, but very rewarding when the final destination has been reached.

But, I also want to raise some concerns that linger from our last experience with a fast-track agreement. I am very excited about the prospect for a North American Free-Trade Agreement. We are on the verge of creating the largest free market in the world. Yet, I retain a healthy skepticism about the signing away of a congressional voice in the formulation of that agreement.

For the past 17 years, Congress and the President have cooperated under fast-track procedures to promote worldwide free trade. This has expanded opportunities for American companies to invest abroad, created jobs for Americans in export industries, and provided American consumers with competitive prices for goods and services at home.

Fast track is a marvelous mechanism for facilitating action rather than engaging in the normal debate and amendment process. We basically suspend our rules of procedure—out of necessity for maintaining an international trade agreement which would have to be renegotiated if any change were added by Congress. This procedure distorts the legislative process by empowering the executive branch to determine the content of legislation. The net effect of the fast-track authority has been good, but it does require a rather strong act of faith by the Congress. We have to accept that the negotiators chosen by the administration will be tough and effective advocates of America's interests.

America can be a strong competitor in the world marketplace—we have desirable products and services. But, we can only be competitive if this international marketplace is free of price distorting subsidies and artificial quotas. I can cite examples from my own State of Wyoming where we have a product that can compete in any market—if the barriers to entering the market are removed. For instance, in Sweetwater County there exists over 90 percent of this country's deposits of trona ore. In fact, we have the largest deposits in the world. My colleagues may wonder what is trona—next time you take some Rolaids after one of our late night sessions, you will be chewing trona. Trona ore is a mineral which is converted into soda ash, the primary ingredient used in making soda bicarbonate, glass, detergents, and other chemicals. Residents in Sweetwater County understand the very direct relationship that exists between free trade and jobs in Wyoming. Lower tariffs for soda ash around the world mean more exports from Wyoming, and more exports mean more work for Wyoming producers—in other words, jobs. The same is true for other Wyoming producers such as lean beef and low-sulfur coal. We continually encounter closed markets, and the tradeoff for granting fast track is that our trade representatives will have to open other markets as well as allowing more products into our market.

The fast-track authority enabled us to create the largest free trade zone in the world when we signed the United States-Canada Free-Trade Agreement. Under this new authority, we will have an opportunity to further expand into a North American free trade zone through our negotiations with Mexico. A prosperous Mexico is clearly in our interest. And a free-trade agreement between our two countries will put the United States in the middle of a market of over 360 million consumers, with a current combined output of $6 trillion—20 percent larger than the European Community. A free-trade agreement would create new markets for American goods and services; it would enhance the security and stability of our continent; and it would encourage cooperation in such matters as narcotics traffic and illegal immigration. Economic development would allow the Mexican Government to devote more resources to such problems as environmental protection and child labor. Failure of the Mexican trade talks, through the denial of fast-track authority, likely would sour United States-Mexican relations for years to come. This would be a lost opportunity considering how long it took Mexico to overcome her isolationist past.

Trade—and not foreign aid—is the engine of development. In fact trade is the only successful model of development in several thousand years of history. Free trade means that we are letting the market, as opposed to governments, decide how we will prosper. I am sure that today we will hear many of our colleagues speak of fair trade. Do not be fooled. Fair trade only means that the government can pick and choose which industries will be protected and which won't. This "managed free trade" is as much of an oxymoron as the terms like "regulated market" coming out of the Soviet Union.

We must remember, too, that much of our production is already integrated with Mexico. And this production—electronic components to automotive assembly—is only being made more expensive by the taxes and tariffs being imposed on the end products. Lowering or eliminating those tariffs reduces production costs, lowers prices, and makes American products more competitive.

So while I am at no loss to express my strong belief in the importance of free trade, I do have some concerns over the fast-track procedure. My concerns stem from my own recollections of the Canada Free-Trade Agreement and I believe that they are concerns that, if addressed properly, will make the final agreement that much better. In 1988, the administration adopted an informal consultation process with the Congress as a substitute for the normal legislative process which would be employed in drafting legislation. This consultation process, which was really ad hoc in nature, had definite drawbacks as a substitute for legislating by the Congress.

The Special Trade Representative did make a point of keeping us informed of the negotiations. However, the FTA was hammered out during intense negotiating sessions conducted at the 11th hour. There was little opportunity for congressional input or objections to the decisions reached. While I have no objection to reaching a preliminary agreement without congressional involvement, the fact that the resulting implementing legislation could not be changed created a dilemma.

I'd like to give one brief example in the hope that, by acknowledging past difficulties, the Trade Representative will understand the imperative of keeping Congress', and, thus, the American people's, interests in mind—and not be willing to make unnecessary or unwanted concessions solely for the purpose of getting an agreement, fast. In the Canada FTA, a number of Senators from Western States were concerned about subsidies the Canadian Government provided to its energy industry. Once the agreement was reached, in a very late night session, we found out that the subsidy issue had been taken off the table. That decision, not made in consultation with the Congress, created problems for Western Senators. Several Senators, including myself, sought to rectify this matter by negotiating with the administration on language to the implementing language regarding the appropriate treatment of vital sectors of our energy market, such as the uranium industry as a quid pro quo for doing nothing on subsidies. But our negotiations were one-sided since it was the administration which had the final say—we really had no leverage.

I see two corrective measures. The first is to have the administration issue a clear policy statement on how the consultation process will work. The second is for our negotiators to become more aggressive in negotiating provisions in which America's interests are at stake.

We are making progress in our trade negotiations. I was very excited that on April 1 of this year, Japan eliminated its quotas on United States, and thus, Wyoming, beef imports. This did not open the market completely, immediately since under a recently negotiated beef-citrus accord with the Japanese, quotas will be replaced with a 70 percent import tariff. We have an agreement to reduce these tariffs over time, so Japanese shoppers will eventually be able to buy Wyoming beef, not at $20 a pound, but at $2 a pound.

Another Wyoming product facing import tariffs is soda ash exported to Brazil. With our extensive reserves in Wyoming, high quality soda ash can be produced far more efficiently here than in countries that utilize synthetic processes. In Brazil the highly inefficient state-owned producer of soda ash was the only firm licensed to import soda ash. Because they could import American soda ash more cheaply than they could produce it, our imports essentially subsidized an outmoded, overemployed manufacturing plant. In December, the Government of Brazil decided to eliminate the licensing restriction so that other firms could import soda ash. But close on the heels of that decision, the Government imposed a 25-percent tariff. This is wholly inconsistent with President Collor's trade liberalization initiatives. More importantly, though, it represents another situation in which our market access negotiators need to take a strong stand on an issue where America stands to gain $10 million in new exports.

The final situation that comes to mind, one which all of us have heard more than enough about, is that of Japanese rice. We are all familiar with stories of Japanese protection of their coveted rice farmers. Some weeks ago, I read a story in the Washington Post, which would have been comical had it not symbolized a very real, often discouraging situation. Let me read the opening paragraph:

> The cold war and the Persian Gulf war may be over, but the great rice war is heating up. This week, the United States and Japan have been nose to nose over the display of a few bags of American rice at an international food fair [in Tokyo]. The Japanese Agriculture Ministry contends that the exhibit violates Japan's strict ban on foreign rice . . . [on Saturday], shortly before noon, United States officials removed the rice from display because, according to rice industry representatives, the Japanese authorities had threatened to "prosecute and arrest" the people associated with the exhibit.

If Americans cannot display a few bags of rice for educational purposes—the alleged reasoning behind a food fair—it would seem to this Senator that prospects for freer trade globally are grim.

In sum, Mr. President, I would hope to impress upon our special trade representatives that by voting in favor of fast-track authority, I am putting my trust and the trust of the people I represent—the miners, the cattlemen, and all the associated individuals—in the ability of our team to be effective negotiators for America's interests. A trade agreement is not a piece of paper, but a document with the ability to level the playing field, to allow the mechanisms of a truly free market to call the day. I hope that when the Congress grants the administration the authority to negotiate on a fast track, it will, in turn, use this authority to create effective mechanisms for expanding truly free markets throughout North America and the world. I urge that defeat of the dispproval resolution, and allow the continuation of the fast-track authority.

Mr. MOYNIHAN. Mr. President, for some months now, I have made the point to the administration that Mexico does not have an independent judiciary. This is not a marginal or esoteric concern. We are for the first time being asked to consider a free-trade agreement with a country that is not free. And the administration wants to negotiate with the broadest possible delegation of Congress' constitutional authority, under article I, section 8.

In our considerations, we ought not overlook the stability that the PRI may have brought Mexico after the civil turmoil that preceded it in the second decade of the 20th century, or the positive intentions of President Salinas.

Neither, however, should we pretend that civil or political rights are fully respected in Mexico. They are not. In its 1990–91 edition of "Freedom in the World," Freedom House reports that fully two-thirds the nations of the Caribbean and Latin America are now free. Encouraging, indeed. Only one-third, including Mexico, remain just partly free. One, Cuba, is not free.

The problems in Mexico then can not simply be explained as a condition of developing countries or the condition of Latin America. More, if this was simply an issue of U.S. trade benefits to help development in Latin America, different considerations would apply. I have always supported our GSP and CBI programs. Indeed, I am the only Democrat who is an original cosponsor of the President's Andean trade initiative.

But a free-trade agreement is a different and more intimate level of reciprocal responsibilities than GSP or CBI. How then are we to consider in our calculations the June 1990 Americas Watch report titled "Human Rights in Mexico: A Policy of Impunity." What is involved here is not something trivial. Mexico is reported to be a country in which torture is endemic.

What permits such conditions in Mexico is the lack of an independent judiciary. Other causes also, to be sure. But we ought listen when Freedom House tells us of Mexico:

> Although it is nominally independent * * * the judicial system is weak and riddled with corruption. In many rural areas, respect for laws by official agencies is nonexistent.

Due process under law is not assured in Mexico. To think this is not relevant to a free-trade agreement, in my mind, denies an elemental problem. So far, the administration seems to have chosen denial.

That being the case, and I am disappointed that it is so, I will oppose fast track today. I only wish the administration had listened to our concerns earlier and had found a way to respond.

My decision is difficult because I continue to support fast track for the Uruguay round. My commitment to the multilateral trade system is much based upon my view of Smoot-Hawley as a disaster which could be counted as one of the events that led us to the Second World War. Cordell Hull began to reverse the error with the Reciprocal Trade Agreement Act of 1934. A little over a decade later these efforts gave us the General Agreement on Tariffs and Trade.

Thirty years ago, as an Assistant Secretary of Labor in the Kennedy administration, I was given the task, with Hickman Price and Mike Blumenthal, of negotiating the Long Term Cotton Textile Agreement. This was a necessary precondition for going ahead with the Trade Expansion Act of 1962. Which in turn permitted us to go forward with the Kennedy round.

This is all to say that on such matters, I need not prove my bona fides. As a Member of the Senate, I have supported every trade initiative. Be it the 1979 Trade Agreements Act to implement the Tokyo round, the Israel Free-Trade Agreement, negotiating authority for the Canada Free-Trade Agreement, the Canada Free-Trade Agreement itself, and the fast-track negotiating authority that permitted the Uruguay round to move forward. Indeed, I can say that during the Carter, Reagan, and Bush administrations I have been considered a reliable vote. Until today, I was always counted in the "aye" column by administrations when looking for support on trade measures.

And I still support continued fast-track authority for the Uruguay round. I just cannot do so for Mexico. Not given the profoundly important issues upon which the administration has given us no commitments, no assurances, not even a reply.

Let us not forget that fast track is new and extraordinary. Not something the administration has any claim to expect. Fast track was first written into the Trade Act of 1974. The purpose was to provide greater assurance that the Tokyo round agreements would be implemented by the Congress. Some minor portions of the Kennedy round agreements had not been. We wanted to avoid any repeat of this.

And we succeeded. The fast track was used for the consideration of the Tokyo round results in 1970. The first and only such experience. In 1984, we expanded fast-track negotiating authority to include bilateral agreements. With Israel in mind. And that was done. A hugely important event, and one which we surely undertook to increase our ties with the only democracy in the Middle East; a democracy boycotted by its neighbors and natural trading partners.

Then we moved on to Canada. Need I remind the Senate that the Canada Free-Trade Agreement survived on the fast track in the Finance Committee by a 10-to-10 vote on a motion to disapprove. A tie vote meant the motion failed, and this level of resistance was recorded against our largest trading partner and a democratic nation.

How can it be any surprise then that the Senate might turn down fast track for Mexico? Five years ago, we very nearly did so for Canada.

More, with what assurance does the administration ask us to so broadly delegate our constitutional responsibilities for trade. Of a sudden, we are told the President wants a free-trade agreement with Mexico, that he wants it in a year, and we ought just abide. Might I offer the thought that even if we do permit fast track, how can we know what will occur in Mexico where there is no fast track. Let us not forget that Canada very nearly failed to pass the free-trade agreement. It was blocked in Parliament. A national election had to be called. To be sure Canadian elections are on a fast track compared to ours, but since Canada is a democracy the agreement itself was very nearly rejected. Is the administration's view that Mexico is not such a democracy and we then have no cause for concern?

If this negotiation goes forward, on the fast track or otherwise, a number of matters will have to be addressed if the agreement is to pass the Senate.

We simply cannot pretend that Mexico is a democracy with an independent judiciary. We cannot pretend Mexico is a free country. This, as I have tried to explain, raises a threshold question; whether to have a free-trade agreement with Mexico.

If we go beyond that question, as the administration has, it still presents us with an elemental problem. We must write into any agreement due process protection; we cannot rely upon the Mexican courts or the Mexican Government. Consequently, our dispute settlement arrangements will necessarily break new ground. We cannot simply reproduce the arrangements we have with Canada. What does the administration have in mind? They have not told us.

And these considerations apply whether we are discussing traditional areas of trade agreements, say antidumping and countervailing duty measures, or new areas such as environmental regulation.

It is modestly encouraging that the administration has finally recognized the relationship between trade and environmental regulation. But the recognition has been belated and unenthusiastic. Indeed, some of us first raised the point 3 years ago with then-USTR Clayton Yeutter. We said we needed to get environmental issues onto the GATT agenda. The response was befuddlement. Our trade bureaucracy had no idea what we were talking about, and did not much seem to care. So we got the International Trade Commission and the General Accounting Office about the task of studying the matter. We introduced bills, and I began to call for a GATT for the environment. When the administration first came to let us know of the possibility of an agreement with Mexico we raised it then. Still no reaction. Only when the environmental community finally awoke and a larger number of members began to notice, did the administration respond. They gave us a work program. No specifics, no commitments and no enforcement. They still seem to hope the issue will be worked out in another place, at another time. Anywhere but the trade agreement itself. But if the environmental commitments are not enforceable through trade measures, we will have not achieved our purpose. Reciprocal rights of inspection must be in the agreement. United States inspectors sent to Mexico, and Mexican ones sent here. If violations of environmental laws are found, they will have to be remedied. Mexican factories that do not remedy violations of environmental law must be denied access to the United States market. And the reciprocal should also be true. We must press for such an arrangement.

Let us also consider trade adjustment for U.S. workers. Trade adjustment was a solemn commitment of previous administrations to American labor. It has been utterly broken. For the past decade, the administration has been acting not only as if no such commitment was made, but with determined and doctrinal opposition to even the idea of trade adjustment.

Worse still, the administration has passively watched the near collapse of our unemployment compensation system. It is now the case that of the G-7 nations, we have the least amount of unemployed eligible for benefits, a bare 40 percent. This is only half the rate of most other nations. What benefits are provided are for the shortest duration, 26 weeks. Again half as long as those countries. And the amount of the benefits is a third of previous earnings, again only half the average benefit in other countries.

We are not maintaining an adequate unemployment compensation program, the most elemental of all trade adjustment programs. Of what value then are administration pretensions that something will be done for workers that lose their jobs in Mexico? And many will.

On worker rights we need more from the administration than a compilation of how good Mexico's laws are. The laws on worker rights in China, I would guess, compare as well. It is the enforcement that matters. Our trade laws already are used to enforce ILO standards of worker rights. CBI, GSP and section 301 all require the enforcement of worker rights.

Again, we will need reciprocal rights of inspection. Mexican factories will have to be open to U.S. inspectors. Mexican inspectors must be given access to our factories. Enforcement must be written into the agreement. If a factory is in violation of worker rights laws, then imports must be subject to sanction.

These are minimal concerns to be addressed in any free-trade agreement with Mexico. If they are not, this Senator will once again have to oppose it.

Mr. LIEBERMAN. Mr. President, I rise today to declare my support for the extension of fast track. After 45 years of effort, the United States has won the cold war. But new superpowers are emerging now—economic superpowers—and we are at risk of losing trade wars in the competitive global marketplace because of our failure to pursue effective export strategies.

We are surprisingly happy when our monthly trade deficit falls below $10 billion. This negative approach to trade and our economy must end. We must build a dynamic trade policy that will increase trade and create jobs at home.

Part of out trade policy must be an aggressive approach in making new agreements—bilateral and multilateral—with our trading partners. We can't sit back, hiding our heads in the sand, saying that we don't like foreign competition or that we are afraid to negotiate a trade agreement because we may get hurt in the process.

We have to be on the attack. We have to let our trading partners know that we will not sign any new agreement that is not a net gain for the United States. The fast-track procedure strengthens the hand of our negotiators who can say that they have the backing of Congress for any deal as long as it is in our national interest, but if that deal does not benefit the United States, then Congress will not support it. Those are very clear marching orders.

A vote for fast track is not a vote for a free ride for the administration. Fast track merely means that the administration has congressional authorization to negotiate an agreement, which Congress will then approve or disapprove.

I intend to scrutinize all agreements the U.S. Trade Representative [USTR] negotiates and send to the Hill. Congress must be consulted regularly about the proposed North American Free-Trade Agreement [NAFTA], the Uruguay round, or any other trade agreement the administration negotiates.

Congress has the final say over trade agreements, and we have to make our views known. We also have to make sure that we not only have a seat at the negotiating table but that we use it. Each committee, each Senator, each Congressmen has not only the right but the obligation to make sure that any trade pact is fair. We have an obligation to make certain that American workers are protected, that the environment is not neglected, that we do not increase our trade deficit as a result of a new agreement. The quid pro quo of fast track is that we will be consulted and that our voices will be heard.

I hope good trade agreements can be reached between the United States and Mexico and in the Uruguay round. Trade is very important to Connecticut. State exports increased by nearly 18 percent last year and have increased by 45 percent since 1987. Of the State's 349,000 manufacturing jobs, 84,000 are directly related to exports, and another 63,000 jobs statewide can be attributed to export-generated activity.

Trade means jobs for Connecticut and America. This is absolutely crucial for us at a time when our economy is suffering from a prolonged recession. I want to do all that I can to create new jobs for the people of my State. I am not content to sit back and simply try to protect an ever diminishing economic pie, telling working men and women that they must fight over the crumbs of a stale economy.

I want to expand the pie, create new wealth and new opportunities. By aggressively seeking new export markets and making new trade agreements, that is exactly what we will do. Trade between Connecticut and Canada increased as a result of the free trade agreement with that nation. Our trade is increasing with the European Community, and I am hopeful that a successful conclusion of the Uruguay round will further expand trade with the EC.

Our national economy is being driven by exports—growth that translates into jobs for the American people. With active Government support for trade and trade financing, we can expect far greater prosperity here at home. I view the fast-track procedure as a necessary part of that effort.

We cannot be afraid to negotiate. As President Kennedy said at the height of the cold war, in reference to the deadly arms competition between the United States and the Soviet Union, "Let us never negotiate out of fear. But let us never fear to negotiate."

As we confront an economic competition that threatens not our lives but our livelihood, let us not fear to negotiate trade pacts. President Kennedy also said that America must "trade or fade." So let us support a continuation of the fast-track procedure, and at the same time make certain that our trade pacts are balanced and fair, secure in the knowledge that America's economic prowess is unmatched, and that trade with the nations of the world is good for the people of our Nation.

Mr. McCONNELL. I rise today to speak on fast-track negotiating authority. President Bush needs this authority to complete the Uruguay round of GATT negotiations and to begin negotiating a free trade pact with Mexico. These two agreements are vital to the economic interests of the United

States and, in the opinion of this Senator, an extension of fast-track authority is warranted.

ECONOMIC JUSTIFICATION

The economic arguments for extending fast track are overwhelming. The GATT and Mexico negotiations will reduce trade barriers and expand United States exports, something upon which our economy is increasingly dependent. Exports have essentially kept the current recession from turning into a full-fledged economic rout. Every $1 billion increase in U.S. exports creates 20,000 new export-related jobs. A vote for fast track, Mr. President, is a vote for economic recovery and expansion.

It is also a vote for American agriculture. Agriculture is probably our most export-oriented industry and has much to gain from fairer world trade. One out of every three acres of crops harvested in the United States end up in the export market. The sale of farm products overseas puts close to $40 billion into farmer's pockets every year.

Nonetheless, barriers to U.S. farm products exist in virtually every foreign country. Additionally, many foreign countries stimulate high, inefficient production of farm commodities with billions of dollars annually and then spend several billion more dollars to subsidize the dumping of this excess production on the world market, depressing prices and hurting our farmers.

This is not fair to our farmers and it is exactly why we need to reform current international trading practices. U.S. farmers can compete given the opportunity, but we can not compete in closed markets. The Uruguay round of trade talks offers the best opportunity to push for a set of global, enforceable rules for fairer trade. Without fast track, however, there is little chance for trade reform.

At the local level, Mr. President, my State of Kentucky stands to gain much from freer trade—particularly trade with Mexico. In the last 3 years, Kentucky exports to Mexico grew by $62 million. That's an increase of 143 percent. Mexico is not the State's eighth largest export market. Under a free trade agreement, Kentucky can do even better. Currently, Mexican tariffs average 10 percent, compared to 4 percent in the United States. Mexico also uses nontariff barriers like import licenses on tobacco to limit imports. A free-trade agreement will eliminate these remaining barriers and increase our ability to sell even more Kentucky products in Mexico.

MORE THAN JUST TRADE

This is a trade vote, Mr. President, but the debate is about more than just trade. It is about the economic structure of the new world order and the role the United States will play in shaping that structure.

Earlier this year, the United States confirmed beyond a doubt its position as the world's leading military power. As the catalyst and leader of the allied effort to reject Saddam Hussein from Kuwait, we established a key principle of the new world order: The sanctity of borders will be respected and naked aggression will not be tolerated.

During the debate on granting President Bush the authority to carry out that task, it became clear that some people did not believe that America could succeed—that American technology and manpower were somehow not up to the task. They were wrong, Mr. President, and, fortunately, a majority of Congress knew it.

Now we have an opportunity to exercise our economic leadership to establish another key principle of the new world order: Open and fair trade will promote domestic and global economic growth.

The GATT negotiations are limping along and could collapse at any moment. That would mean, in all probability, a breakdown of the global trading system as we now know it and economic decline for all countries involved. At this critical juncture, it is important that the United States exercise strong economic leadership. The choice today is clear: We can lead the world toward a future of free trade and economic prosperity, or we can revert to the discredited policies of the past: Isolationism and protectionism.

RECOGNITION OF CONCERNS

I recognize the concerns some have with the concept of free trade with Mexico: Job loss, environmental regulations, labor rights, new competition for certain United States industries. These are all important concerns and I share my colleagues interest in ensuring they are addressed. In Kentucky, there are tens of thousands of textile workers eyeing these developments with caution.

However, my colleagues should be reminded that a vote against the Hollings resolution is not a vote for the final agreement. We will have ample opportunity to review any and all trade pacts negotiated under fast track. If we are not satisfied, we can reject any deal. I've made clear my concerns to President Bush and I fully intend to vote against an agreement that does not address those concerns fully.

But let's not refuse to even sit down at the bargaining table. The potential opportunities a reduction in foreign trade barriers can bring are too great. To cut off the President's ability to negotiate—and that's exactly what a vote for the Hollings resolution would do—simply makes no sense.

History tells us that our quality of life rises with open trade and declines with protectionism. Let's take a positive step today to reduce foreign trade barriers and increase our quality of life.

Mr. COCHRAN. Mr. President, I oppose the resolution disapproving extension of fast-track negotiating authority. Our exporters will benefit from more trade opportunities, and this will help everybody in America. I am very optimistic about the long-term benefits for our country that will result from wider and freer world trade. I'm convinced it will mean that we will export more goods and commodities and reduce our trade deficit.

History has shown that we can be competitive with other nations if we have a level playing field. We cannot have that level playing field, however, unless we are willing to negotiate with other countries to achieve fair rules of international trade, together with procedures to ensure those rules are vigorously enforced.

I am fully aware of the concerns that several agricultural groups have about the extension of fast-track authority. In particular, the U.S. cotton industry is concerned that any extension will have an adverse impact in the areas of increased raw cotton, textiles, and apparel imports. There is concern that the loss of quotas governing imports of raw cotton could result in uncontrolled surges of imports that might destabilize domestic markets, disrupt and escalate cotton program costs and reduce farm income. Also, given the fact that over 50 percent of U.S. cotton production is sold to domestic textile mills, there is concern that any significant increase in textile imports could further displace U.S. cotton.

While I share many of these concerns, I feel disapproval of the negotiating authority is not the best way to address the concerns. A better course of action for Congress is to extend fast-track authority and then monitor the administration's negotiations closely, reserving judgment until final agreements are reached, whether in a North American Free-Trade Agreement, the Uruguay round of the General Agreement on Tariffs and Trade [GATT], or the trade component of the Enterprise for the Americas Initiative. It should be clear to all that Congress will look carefully at any agreements reached.

If there ever was a time for the United States to negotiate new rules to expand international trade, this is it. We are the largest trading nation in the world, and our ability to raise our living standards depends in large part upon our success in expanding world trade opportunities.

Our exports of goods and services have grown nearly tenfold since 1970, from $69 billion to $670 billion.

Exports have grown from 6.8 percent of our gross national product [GNP] in 1970 to 12.3 percent in 1990.

In the past 4 years, our export volume has grown 55 percent—twice the growth rate of our import volume.

Exports accounted for 88 percent of U.S. GNP growth in 1990.

It has been estimated that our GNP will grow an additional $1.1 trillion in the next 10 years if the Uruguay round is successfully concluded.

The States we represent have made trade an important part of their economic development strategies. Since 1980, combined State government expenditures to promote international trade have nearly tripled—from approximately $26 to $73 million.

My own State of Mississippi saw exports increase from $1.3 billion in 1987 to $1.8 billion in 1989, an increase of $500 million in just 2 years. Mississippi's exports to Mexico alone grew by 86 percent for the same period, from $52.5 million to $97.5 million.

Mr. President, we have all been inspired in recent years by the growth of democracy in the world. I believe wider international commerce contributed to that growth. Freer exchange of goods has usually been accompanied by freer exchange of ideas.

I hope we will give President Bush the necessary tools to continue this process for the benefit of our Nation and the world.

Mr. COATS. Mr. President, as we are discussing the future of America's trade relations with our global economic partners in the debate on the fast-track legislation, I would like to bring to your attention a very relevant and thought-provoking piece on the importance of bettering the economic conditions of our neighbors in the Third World.

Graciela D. Testa, an economist with the International Freedom Foundation, has taken us to the heart of the arguments in favor of promoting, as opposed to discouraging, economic growth in the world's developing nations. Healthier economies in what we now define as the "Third World" not only create new markets for American goods and services, they also provide a better standard of living for their peoples, better wages for employees, and an improved capacity to address growing environmental problems that are characteristic in developing countries.

As such, Mr. President, I ask unanimous consent that Ms. Testa's comments be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FREE TRADE: DO AS I SAY, NOT AS I DO

(By Graciela D. Testa)

Both the House Ways & Means Committee and the Senate Finance Committee have endorsed by wide margins the extension of the current fast-track approval process for the President to negotiate a trade agreement with Mexico and continue pursuing negotiations in the Uruguay Round. The matter now goes to the full House and Senate where, unless either house decides to withdraw approval of the fast-track process by June 1st, it will be automatically extended by two more years. Despite the wide margins in favor of continuation of fast track in the Committee votes, it is not at all clear what the result will be. Pressure from interest groups against fast track is fierce. The AFL-CIO called defeat of fast track negotiating authority its top priority this year. Business interests, environmentalists and consumer groups also have indicated opposition.

Their concerns regarding Mexico's labor and environmental practices and the impact on U.S. businesses and jobs already have been amply discussed. There exists a wealth of empirical evidence documenting the gains from trade even for nations that choose to unilaterally relax trade restrictions. Indeed, expanded trade results in a rise, not a decline in jobs. It should be noted that existing labor and environmental problems in Mexico started to be vigorously addressed when the Salinas Administration came to power in 1988 (something that opponents of free trade conveniently ignore). Moreover, increased trade will only improve, not worsen labor and environmental conditions in Mexico.

The upcoming vote on fast track authority, however, has much broader implications, of which neither the American public nor Congress seems to be aware. The vote this month will have enormous international implications. It is not just a vote on extending the President's fast track authority to negotiate trade pacts, but a tug-of-war between free trade and protectionism.

If Congress chooses protectionism over liberalization, the progress towards increased freedom and individual choice that the world has made during the past decade will suffer a serious blow. The message that the United States will be sending to developing nations and to the countries of eastern Europe will be that, despite our free market rhetoric, our commitment to economic freedom is not reliable. In essence, we will be saying that by free trade we mean that we want to have access to their markets, but have no intention of giving them equal treatment.

For several years now, the industrialized nations and organizations such as the World Bank and the IMF have urged developing countries to liberalize the trade practices and open up their economies to foreign investors. Many developing and former Soviet Bloc nations have begun to radically transform their economies to permit market relationships to guide economic activity. They have taken these steps because after decades of experimentation with interventionist economic policies, it has become clear that the success stories in today's world are those nations that based their economic arrangements on a free market system. These nations not only grew faster in the last four decades, but in some cases, also surpassed their counterparts in virtually every measure of economic and social well-being.

However, economic liberalization has short-term costs. In our hemisphere, Mexico and Chile are examples of the willingness of societies to accept short-term sacrifice to enhance the prospects of future prosperity for all. Poland, Hungary, Czechoslovakia, and even Bulgaria, struggle to implement market measures that promise them a freer and more affluent future but which cost dearly in the short run. Privatization of state-owned enterprises, removal of price controls, and subsidies and protection for favored groups, all have near term consequences despite their longer term benefits for the nations that implement these measures.

For the countries that are undergoing these daunting transformations, the light at the end of the tunnel is the promise of integration into the world economy with its attendant benefits of foreign trade and investment. Yet the Western nations are systematically closing the door to a more prosperous future for the developing nations that have followed their advice. They offer foreign aid, but not foreign trade. We would do more to benefit the developing nations and the countries of eastern Europe if we removed our barriers to their trade than if we sent them more billions in assistance. Indeed, studies have shown that because of restrictions imposed by industrial countries, the GNP of the developing nations is approximately 3 percent lower each year than would otherwise have been the case. This is twice what the industrialized nations provide those countries in development assistance.

Studies show that despite seven rounds of GATT-sponsored trade liberalization, the industrialized countries pose significant impediments to economic growth and development in the poorer nations. For instance, most-favored-nation (MFN) tariff rates are, on average, higher on goods imported from developing countries. High tariffs are more prevalent on goods exported by developing countries. And, in general, developed countries grant their counterparts, not developing countries, preferences that result in lower tariffs. A World Bank study of average industrial country tariffs on manufactures showed that as of 1983, the United States applied an MFN rate of 3.9 percent on imports from industrial countries, but a 7.9 percent rate on imports from developing countries. The comparable rates for the European Community were 7.7 percent and 13.8 percent, respectively, and for Japan, 4.2 percent and 5.2 percent, respectively.

More insidiously, however, higher tariff rates and nontariff barriers on first-stage manufactured products thwart the development efforts of poorer nations. For instance, developed nations may allow an unprocessed product, such as, pineapples, unclean wool, or hides and skins, to enter duty free or with very low tariffs. But as soon as the developing nation begins to process these products (into pineapple juice, woolen clothing, or shoes), the tariffs rise. These barriers make it ever more difficult for the developing nations to advance from being merely producers of raw materials to producing goods with more value added. In essence, they hinder poor countries' efforts at raising the standard of living of their citizens.

In a 1987 study for the World Bank, Alexander Yeats calculated tariff and nontariff protection of industrial countries vis-a-vis the raw materials and processed products of developing countries. He found, for instance, that fresh fruit from developing countries faces average tariffs in the developed nations of 7.4 percent, but fruit preparations face average tariffs of 17.1 percent. Similarly, raw cotton imports face no tariffs in the industrial countries, but tariffs on fabrics average 5.8 percent. In the EC, the duty on pineapples is 9 percent, but it rises to 20 percent on unsugared pineapple juice, and to 19 percent to 42 percent on sugared juice.

Protectionism is alive and well in the developed nations, and many observers believe that it is, in fact, rising. The current debate in this country gives further credence to this notion. Inasmuch as it threatens to turn the United States further inward, it will give many countries that are making the sacrifice of turning their nations into free market democracies, such as Mexico, a reason to pause in their commitment. It also gives the eastern European nations that are just embarking on this path, reason to doubt the wisdom of their choice.

If the industrialized nations are unable to rise above the pressures of groups with limited visions of the future, some of the developing countries may well show them the way. While the EC is steadfastly avoiding real trade liberalization in such areas as agriculture, and the United States worries about the dangers posed to it by the "Colossus to the South," some developing countries are going ahead without us. Chile, for instance, has unilaterally relaxed its trade rules. It now has a very open trading system with low tariffs, no nontariff barriers, and no subsidies or licensing requirements, and the Chilean economy has flourished. The country's exports account for one-third of GNP and and investment reached a record 20 percent of GDP last year (significantly foreign investment also reached a record level). Mexico and Chile are expected to sign a free trade agreement sometime this summer. Chile has also moved forward in trade negotiations with Venezuela. And Argentina, Brazil, Paraguay and Uruguay recently formed their own free trade area.

If we turn towards protectionism the losers will be mostly in the United States. According to Michael Finger of the World Bank, "nine-tenths of the impact of a trade restriction is to shift money from one person's pocket to another's—in the country that imposes the restriction. Most of the beggaring done by a trade restriction is at the expense of a fellow-citizen neighbor, not a foreign one." And this indeed is what the current efforts to thwart moves toward liberalization are all about.

(Byline: Graciela D. Testa is director of International Trade and Economic Affairs at the International Freedom Foundation, a Washington-headquartered foreign policy research organization with offices in London, Brussels, Hamburg, and Johannesburg.)

Mr. ADAMS. Mr. President, the vote today on the extension of fast-track trade negotiating authority is one of the most important votes the Senate will cast on trade. For those of us who are free traders, we want to support the President and the chairman of the Senate Finance Committee in the pursuit of a more open global trading system.

But being a free trader does not mean I must accept a process that transforms today's blank piece of paper into an unamendable and unstoppable piece of legislation tomorrow.

Washington State is a world-class trading State that will win big from the Uruguay round but, on balance, gain nothing from a Mexico free-trade deal. The United States stands to win big from the Uruguay round, but may lose big from a free-trade agreement with Mexico.

When we voted to extend fast track for GATT in 1988, it was only with the Uruguay round in mind. We had a record of 2 years of negotiations on which to form a judgment, and today we have an even better idea of the contents of a final GATT agreement. Since we extended fast-track authority in 1988, the President has added bilateral negotiations on a free-trade agreement [FTA] with Mexico to the equation. We have no idea what will be in a free-trade deal with Mexico. However, we do know it will not contain open trade in cultural areas, like films, publications, recordings, and television programs; nor will it contain any free trade in energy, the backbone of Mexico's economy.

Washington exports more than 20 percent of our production, making one of every five jobs dependent on trade. Our global trade has jumped from $12.5 billion in 1978 to more than $64 billion last year, including more than $30 billion in exports worldwide. But we ship less than 0.3 percent of our exports to Mexico.

Puget Sound ports are strategically located. They are the closest U.S. mainland ports to Asia, and the closest west coast ports to Europe. For air transport, Seattle-Tacoma Airport is nearly equidistant between Tokyo and London. Asia and Europe are our natural trading partners.

The Asia-Pacific region accounts for a critical 50 percent of all Washington-produced exports. Europe comes in a close second, taking about one-third of our overseas shipments. According to the Commerce Department, Europe also purchased more labor-intensive items from the State and is the fastest growing market for our products.

My State is home to some of the United States' strongest export products, from Boeing aircraft and Weyerhaeuser wood products to Microsoft computer programs and John Fluke measuring and test equipment. We are also a force in agricultural trade, exporting one-half of our wheat crop, and shipping significant portions of our apples, cattle, potatoes, hops, and other commodities overseas.

Washington's economy may be anchored in trade. But we must accept that we live in a world of mercantile traders, and we must deal with trade problems in a multilateral, not bilateral context. Attempting to resolve trade problems and expand export markets primarily through bilateral negotiations, as the administration is trying to do with Mexico, is foolhardy. That is why the United States pushed for the creation of the General Agreement on Tariffs and Trade, the GATT, in 1947. I am committed to achieving stronger multilateral trade rules through the GATT.

The area of intellectual property underscores this point. The protection of intellectual property is one of our top priorities in the GATT. The U.S. Trade Representative argues that extending GATT rules to cover intellectual property will protect U.S. manufacturers against $60 billion annually in stolen and counterfeited ideas and products. Microsoft based in Redmond, WA, and other Washington software exporters could double their revenues if software piracy were halted. Mexico is one country that has dragged its feet on this issue. Despite many bilateral meetings on this matter and Mexico's promise to act before the vote on fast track, the United States Trade Representative was recently forced to delay a decision on Mexico's request for an additional $2.4 billion in duty-free imports to the United States because Mexico failed to adopt adequate intellectual property protection laws.

The administration has made a tragic choice. It has nearly derailed the GATT Uruguay round by putting Mexico on a fast track.

It is deeply disturbing that the administration has shelved 4 years of very hard work at the Uruguay round negotiations in Geneva. Our efforts since 1986 to secure unprecedented liberalization of global commerce with more than 100 nations have been unceremoniously dumped in favor of a bilateral trade pact with Mexico.

The administration itself has stated: "An open multilateral trading system is the best guarantee that expansion of export opportunities continues into the next century, and the Uruguay round is the most important initiative to expand them * * * U.S. output could increase by more than $1 trillion over the next 10 years." Contrast this to the International Trade Commission's evaluation of a United States-Mexico Free-Trade Agreement:

> * * * the U.S. economy will probably gain on net. However, there are likely to be some shifts in production so that certain U.S. industries—such as horticultural products—will be disproportionately affected by an FTA * * * the benefits relative to the size of the U.S. economy are likely to be small in the near to medium term.

The United States can certainly achieve far greater benefits through a Uruguay round agreement than we could ever hope to obtain through a bilateral accord with Mexico. The administration's trade policy is so irretrievably skewed in favor of bilateralism and its trade strategy in the GATT so fatally flawed that I question the wisdom of entrusting the administration with fast-track authority.

My reservations are intensified by the negative impact a trade agreement with Mexico would have on jobs, the environment, and the competitiveness of certain sectors of our economy.

One factor in my decision to oppose fast track for Mexico is the potential impact of such an agreement on the ability of Washington producers to compete against Mexican imports in our home market.

The International Trade Commission report found that American fruit and vegetable growers, among others, would be big losers under a free-trade accord with Mexico. According to a Congressional Research Service summary of the ITC report:

> Eliminating tariffs and non-tariff barriers under an FTA could increase U.S. fruit and vegetable imports from Mexico significantly but increase U.S. exports to Mexico only moderately. Mexico can supply the U.S. market with many of the products grown or processed in the United States—especially citrus and winter vegetables—at much lower costs.

These concerns were echoed at a meeting I recently convened of Washington agricultural leaders. For Washington potato growers, in particular, the fears are real. The industry relies on the domestic market for 87 percent of its total fresh potato sales and 80 percent of total processed potato sales. Currently, I am working with my potato growers to oppose a petition by food giant Frito-Lay to obtain duty-free access to the United States market for imports of potato chips produced under low-labor conditions in Mexico.

Washington's asparagus, bean, and other vegetable growers could face a similar situation. Even Washington's wheat farmers, who generally support fast track, are concerned that Canada would benefit disproportionately from a free-trade pact by continuing to sell their subsidized wheat to Mexico.

A free-trade accord with Mexico would also have a tremendous impact on jobs in the United States. Mexico is under tremendous pressure to find employment for the hundreds of thousands of new workers that enter the job market each year. While Mexico's labor standards may be acceptable on paper, their enforcement falls far short. Wages average 57 cents an hour in Mexico, and real wages have fallen 40 percent since 1982. No trade unions function independently of the ruling PRI party. Child labor is common—the legal minimum age for employment is 14—and enforcement of occupational safety and health laws is lax.

According to the Mexican Government's own statistics, 500,000 jobs have been created by the relocation of United States plants to Mexico, and there is evidence hundreds of thousands more American workers have lost their jobs to the maquiladoras. The Commerce Department predicts significant job losses in steel, auto parts, textiles, and shoes. The maquiladora plants, where only 10-20 percent of the workers are organized, account for about 80 percent of Mexico's exports to the United States.

Such labor conditions will likely draw more United States businesses to establish Mexican-based manufacturing. In Washington, Paccar, a maker of heavy-duty trucks, currently protects workers at its profitable division in Mexico while laying off workers at its United States plants. Pillsbury recently rejected the Tri-Cities for a food processing facility in favor of Mexico.

The adjustment assistance plan offered by the administration to help workers that may be displaced by imports under a Mexican FTA is flatly inadequate. Inexcusably, the administration refuses to develop a trade adjustment assistance program for American workers who lose their jobs because of a free-trade agreement. The administration prefers counseling and placement referral services rather than the tangible assistance workers need to help pay for food, rent, and medical bills.

Environmental protection poses another set of problems. For many years environmental groups have sounded alarms about deteriorating conditions along the border as a result of unrestrained manufacturing. Last June, the American Medical Association reported that the border region is "a virtual cesspool and breeding ground for infectious diseases." In the last 25 years, as nearly 2,000 United States companies set up manufacturing facilities along the border, enforcement of Mexico's environmental laws has been lax. The Mexican environmental agency, SEDUE, has an annual budget of only $10 million. Moreover, in its eagerness to attract manufacturing to the border area, the Mexican Government encourages agents to go easy in enforcing environmental protection laws.

Thirty-five GM maquiladora plants, which GM officials admitted have never treated their water, were cited earlier this month by the Mexican authorities for dumping raw sewage and toxic waste in rivers and streams, a GM spokesperson acknowledged that "there were children playing in the water (where raw sewage was being dumped)."

At a minimum, a free-trade agreement with Mexico must include a mechanism to ensure compliance with the National Environmental Policy Act. It must also assure that higher U.S. standards in such areas as pesticide residues on food imports remain in place and are not subject to weakening through a backdoor. An FTA with Mexico must also guarantee that United States environmental protection laws, such as the Marine Mammal Protection Act, are not undermined.

Problems abound in a variety of other areas, such as rules of origin, that which Japanese and other third party companies could exploit to gain free access to the United States market through Mexico. It is also imperative that clear dispute settlement rules are embodied in an agreement. If we have learned anything from our experience with the Canadian Free Trade Agreement, it is that commitments made during negotiations are not necessarily fulfilled in practice.

A number of organizations in Washington State have issued statements opposing fast track for a trade deal with Mexico. Among them, the Washington State Democratic Central Committee adopted a resolution on April 27, 1991, opposing fast-track procedures. The Friends of the Earth Northeast Office, the Washington State Labor Council, El Centro de la Raza, the Washington Association of Churches, the asparagus, bean, and potato growers and others have also gone on record in opposition to fast track for Mexico. I will ask unanimous consent to insert statements from these organizations in the RECORD.

For Washington State, there is simply no comparison between the importance of a Uruguay round and a so-called free-trade agreement with Mexico. Washington State alone exports more to the world than all 50 states combined sell to Mexico. The products Washington exports to Mexico barely register in the trade balance. Only Alaska and Hawaii sell less to Mexico than our State.

For these reasons, I fully support the approach advanced by Senator RIEGLE in Senate Resolution 109. This resolution would grant fast-track extension for the Urguay round talks. It would allow the Senate to consider a Mexican FTA but enable it to offer amendments to any agreement with Mexico in five critical areas. These include monitoring and enforcement of fair labor standards and of environmental standards, establishment of fair rules of origin and of clear dispute settlement mechanisms, and providing adequate adjustment assistance for displaced American workers. The traditional trade portions of the agreement, relating to tariffs and market access, would continue to be considered as an unamendable package.

Unfortunately, we will not have the opportunity at this time to vote on the Riegle resolution.

If the Riegle resolution were in force today, I would support fast track to sustain the Uruguay round negotiations. But that option is not before us.

The choice we face today is whether to ignore the uncertainties and dangers inherent in a take-it-or-leave-it free-trade pact with Mexico. It is not a question of fast track, it's a matter of whether the administration puts the GATT negotiations back on track.

I cannot trust our jobs, our environment, our competitiveness to a package of pledges from this administration. I will not risk the living standards of Americans for promises and a blank sheet of paper. We should reject the all-or-nothing fast track for Mexico and return to finish our work at the negotiating table in Geneva.

I ask that the statements to which I earlier referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

KING COUNTY LABOR COUNCIL
OF WASHINGTON,
Seattle, WA, May 9, 1991.

Senator BROCK ADAMS,
Hart Senate Office Building, Washington, DC.

DEAR BROCK: One of the most important issues facing the United States Congress and the American worker is the United States/Mexico free trade agreement and the so called "fast track" provision adopted as part of the 1988 Omnibus Trade Act.

Labor is deeply concerned that a fast track on such a complex issue could do much harm to workers in this country and result in very little benefit to workers in Mexico. The only beneficiaries would be those corporations that plan to exploit the low wages (Mexican wages are less than one-tenth of ours), the lack of environmental protections and workplace safety standards and all for the almighty profit.

During the past 10 years, approximately 1800 companies, mostly U.S. corporations such as AT&T, Westinghouse and General Motors have built plants along the Mexican border. These plants called Maquiladoras have a record of providing extremely poor working conditions for their workers. There are very few health and safety regulations, few environmental standards, tend to use a young workforce (predominately women between the ages of 14 and 20 who are unlikely to insist on better working conditions).

Removing the talks from the fast track would not kill the amendment, but would allow Congress to address flaws and make corrective changes that otherwise could cost tens of thousands of American jobs. It's important to note that this is not only a threat to manufacturing jobs, but could also impact U.S. Service Industries and the Building Trades.

Protectionism is not the answer, but neither is international, corporate anarchy. Can we really depend on the kindness or fairness of private capital to resolve the difficult issue of poverty both here and in Mexico? Responsible governmental regulation is essential to fair trade, fair play and a fair deal for all people who work for a living.

On behalf of the 147 affiliates and 84,000 union members that belong to the King County Labor Council to oppose the "fast track." We urge you to support and vote in favor of Senate Resolution 78 and House Resolution 101.

Thank you for your time and consideration on this very important matter.

Sincerely,

RICK D. BENDER,
Executive Secretary.

WASHINGTON STATE DEMOCRATIC
CENTRAL COMMITTEE,
Seattle, WA, April 30, 1991.

To: Senator Brock Adams.
From: Karen Marchioro.

Enclosed are copies of three resolutions that were passed during the April 27th meeting of the Washington State Democratic Central Committee. The Committee requested that they be passed along to you for your information and action.

A RESOLUTION ON THE "FAST TRACK"

Whereas the President has requested that Congress allow extension of the fast-track procedure for the approval of trade agreements, specifically for the approval of the General Agreement on Tariffs and Trade (GATT) and the U.S.-Mexico Trade Agreement:

Whereas "fast track" is a procedure that requires Congress to totally accept or totally reject a treaty *without* amendment and with very little debate:

Whereas the trade agreements currently under negotiation contain provisions that would preempt many U.S., state, and local environmental, food safety, and public health laws;

Whereas these proposed agreements would put the decisions as to whether U.S. environmental and food safety standards are justifiable in the hands of regulatory bodies outside the United States, bodies which set much less stringent environmental and food safety standards than we do;

Whereas the quality of our environment and the health and safety of our food supply and our workers are of great and abiding concern to the voters of our district and to all Washington residents;

And whereas we believe the Congress should take back its right and responsibility to fully debate and amend any agreements that so broadly affect the lives of its citizens: Therefore, be it

Resolved, That the Washington State Democrats go on record as opposing the "fast-track" procedures for international trade agreements; And further be it

Resolved, That we oppose any international agreements which would override our national, state, and local environmental and pure food standards; And further be it

Resolved, That this resolution be communicated to our members of Congress with the request that they oppose "fast track" in committee and on the floors of the House and Senate.

[From the Friends of the Earth, May 10, 1991]

BROAD OPPOSITION FORMS TO ADMINISTRATION FAST TRACK

SEATTLE.—A broad spectrum of labor, consumer, church and environmental organizations announced at a press conference this morning in Seattle their opposition to the Bush Administration's efforts to extend fast track authority for trade agreements such as the U.S.-Mexico Free Trade Agreement.

Fast track is the process by which Congress allows the Administration to negotiate trade agreements and bring an agreement back to Congress for ratification with no possibility of amendments. A vote to extend this authority will take place in Congress later this month. This process, according to former U.S. Representative Mike Lowry, is not only undemocratic, it allows the Administration to proceed without accountability or public involvement.

"Until 1974, trade agreements were negotiated with the full cooperation of Congress", added Lawrence Kenney, President of the Washington State Labor Council, AFL-CIO.

Roberto Maestas, Executive Director of El Centro de la Raza in Seattle pointed out the dismal living conditions and worsening health of the border communities centered around the Mexican maquiladora industries along the U.S./Mexico border.

Maestas said. "Our first-hand knowledge of the unmitigated exploitation by the transnationals of Mexican labor along the border, our first-hand knowledge of the total disregard for the environment on that side of the border by these companies even where there are laws to protect it, and the systematic political assassinations of reporters, publishers, teachers, union activists, and members of the opposition Party of the Democratic Revolution are three of the major reasons why we will oppose with all our means this insidious plan to damage the interests of the working people of both countries."

"The Washington Association of Churches strongly opposes the proposed Mexican/American Free Trade Act as it stands today. The 'free' this act contemplates is only for the wealthy few; for the rest of us, especially the Mexican poor, this act means exploitation ", said the Rev. John Boonstra, Executive Minister of the Washington Assoiciation of Churches.

"The Administration is on the wrong track", said Andrea Durbin, Policy Associate with the Northwest office of Friends of the Earth. "Without an environmental impact analysis, as required by the National Environmental Policy Act, plus pollution prevention measures, trade agreements will continue to fuel the loss of habitat, resources, and ecological systems around the world. If the administration wants free trade, then we say, become green free traders. Even though he campaigned as an Environmental President—the League of Conservation Voters gave George Bush a grade of "D" on his environmental record during his first two years as president. Frankly, whether on free trade or on the environment, the President has given us little to believe in."

"The proposed agreement with Mexico is complex and difficult", summed up Kenney. "It will have a tremendous impact on U.S. jobs, workers' wages and the living standards of all Americans. It should not be rushed through Congress without review. We oppose fast-track authority. We believe that trade agreements with all nations, including Mexico, should be subjected to congressional oversight."

Recently, the Pilsbury Co. rejected a Tri-Cities, Washington site for a food-processing plant in favor of a site in Mexico. Paccar, which makes heavy-duty trucks and is located in Belleuve, has long had a Kenworth division in Mexico which is profitable while their other plants in the U.S. have faced layoffs.

FRIENDS OF THE EARTH, ENVIRONMENTAL POLICY INSTITUTE, OCEANIC SOCIETY,
Washington, DC, May 13, 1991.

PROTECT THE ENVIRONMENT—REJECT FAST TRACK—ADMINISTRATION PLAN INADEQUATE

DEAR SENATOR: The Administration's May 1st response to environmental concerns with the proposed North American Free Trade Agreement (NAFTA) is woefully inadequate. Indeed, the response even proposes to weaken existing U.S. environmental law. Rejection of "fast-track" authority is essential for Congress to assure that environmental concerns are addressed adequately in the NAFTA.

To its credit, the Administration finally has acknowledged that the NAFTA raises serious and legitimate environmental issues. Yet, its response merely rehashes existing ineffective border activities and relegates crucial trade-related environmental issues to separate negotiations. The response is silent on a host of other important environmental concerns. The Administration plan, for example:

Undermines our nation's National Environmental Policy Act (NEPA) with its invention of a new, weaker environmental assessment process, despite clear compliance requirements in existing law;

Pledges "separate" negotiations on the environment which will remove crucial issues from the negotiating table such as enforcement of all three countries' environmental laws;

Fails to pledge that Mexico's and Canada's environmental standards will not be weakened, as occurred with pesticides in the Canadian FTA;

Fails to protect Congress' right to use trade restrictions to stimulate worldwide environmental reforms except in cases specifically controlled by existing international treaties; and

Does not address the basic process by which domestic environmental standards could be weakened—namely, by challenging them as non-tariff barriers to trade.

Further, Congress has no guarantee that even the minimal commitments advanced by the Administration will be included in the NAFTA. In effect, the Administration's plan simply represents the opening positions of the U.S. negotiators. The Administration could present an agreement to Congress and explain that it was unable to achieve its environmental goals in the negotiations. Moreover, environmental protection measures included in an NAFTA could be superseded by harmful provisions negotiated under the General Agreement on Tariffs and Trade (GATT).

The Administration's plan makes no firm new commitments on immediate environmental needs such as border cleanup funding, enforcement personnel, and environmental monitoring. Instead, the plan relies upon the idea that free trade will increase growth and wealth, and Mexico, in turn, will apply this to environmental protection. This inverted development model has brought Eastern Europe to the edge of ecological collapse.

Friends of the Earth does not necessarily oppose a NAFTA. Some trade agreement might help resolve pressing environmental issues and organize the currently chaotic economic integration of North America. But, trade agreements are enormously complex and potential opportunities may be squandered if the agreement is hastily negotiated and then "fast tracked" through Congress.

The Administration's feeble response on environmental issues underscores the urgent need for full Congressional involvement in and oversight of the NAFTA negotiating process.

Numerous trade and other complex international negotiations have been concluded successfully without "fast track." The claim that "fast track" is necessary for the NAFTA negotiations to go foward is simply untrue.

We urge you to take the course that allows you a strong role in this potentially historic agreement. Please reject "fast-track" authority.

Sincerely,

MICHAEL S. CLARK,
President.

WASHINGTON STATE
POTATO COMMISSION,
Moses Lake, WA, May 1, 1991.

To: Ron Walker, Executive Director, NPC.
From: Henry Michael, Administrator, WSPC.
Subject: Mexican Free Trade Agreement.

The WSPC, representing the approximate 450 Washington potato growers and the Washington Potato Industry, supports the Florida Fruit & Vegetable Association position letter dated February 13, 1991 in regard to the Mexican Free Trade Agreement.

Furthermore, the WSPC supports the position letter dated March 28, 1991 to Ambassador Carla Hills and signed by numerous U.S. Senators including Senator Brock Adams and Slade Gorton from Washington State.

THE NATIONAL POTATO COUNCIL WARY OF FREE TRADE AGREEMENT

The United States potato industry relies on the United States domestic market for roughly 87 percent of its total fresh potato trade and 80 percent of its total processed potato sales. Would a proposed United States-Mexico free trade agreement put thousands of U.S. vegetable growers out of business? Or would it create opportunities to sell U.S. produce (potatoes) to Mexico? These are questions that are now being debated as the Bush Administration continues negotiations with the Mexican government over a proposed free trade agreement. For this reason the Council is extremely concerned with the potential for increased imports of Mexican fresh and processed potato items as a result of a free trade agreement between the two countries.

The Council is also concerned that a free trade agreement will entice major U.S. potato processors to move their operations to Mexico to take advantage of low labor and low overhead costs of production. In turn their plants would likely look to source their fresh supply from Mexican-produced potatoes. It is a fact that more and more U.S. vegetable growers will shift a portion of their production south of the border. Statistics also indicate a rapid rise in Mexican vegetable exports to the U.S. Recent figures from the U.S. Department of Commerce, Bureau of Census show that the value of fresh vegetables imported into the U.S. from Mexico increased from $435 Million in 1988 to $586 Million in 1989. This does not include melons or prepared vegetables.

Many are asking the question "will all vegetable production shift to Mexico?" No. Growers who have farms in Mexico indicate the advantages are not always as great as they might seem. The trend currently favors more Mexican vegetables, and a free trade agreement would greatly boost this trend. While we recognize that such an agreement can be of great benefit to some sectors of our national economy, it is important that the negotiators not forget the impact such an agreement will have on specific industries such as potatoes. To date statistics reveal nearly 90 percent of Mexican fresh fruits and vegetables are exported and shipped to U.S. markets under current trade relations.

The negotiations between the U.S. and Mexico must have specific goals. The U.S. should conclude all efforts in the Uruguay Round before formal negotiations begin on any free trade agreement. All tariff and non-tariff barriers must be addressed in the free trade negotiations. Mexico's restrictive licensing practices must be eliminated. Tariff eliminations should occur over the longest possible timeframe for sensitive items such as potatoes. Free access on both sides of the border will mean increased U.S. imports of both fresh and processed potatoes from Mexico.

In 1990 approximately 85,000 hectares (215,000 acres) of potatoes were planted in Mexico. In addition Mexico produced some 200,000 tons of seed potatoes. Today the Mexican growers have purchased seed potatoes from both the U.S. and Canada to not only improve but to expand their production. Industry sources estimate that Mexico has the potential to plant an additional 400,000 acres of fruits and vegetables in the Matzulan areas. We view the idea of a free trade agreement between the U.S. and Mexico with grave concern for the simple reason that every study that has been done on the subject has found that the U.S. fresh fruit and vegetable industry will be the loser in the end.

One other issue that has not been discussed is that of agricultural chemicals. The registration process and maximum residue levels between the U.S. and Mexico must be harmonized with adequate safeguards to insure compliance. Today there is a vast difference between what is being used in Mexico versus what is being used in the U.S. with regard to agricultural chemicals.

In conclusion the Council strongly believes that, as stated before, the U.S. must conclude all efforts in the Uruguay Round of multilateral trade negotiations before pursuing a free trade agreement with Mexico. If the Uruguay Round negotiations fail, then all areas of access concern—tariffs, import licenses, effective phytosanitary enforcement based upon sound scientific standards, subsidies and certification, and inspection requirements—should be addressed in the negotiations.

Any U.S. and Mexico free trade agreement will be a double-edged sword. Potato growers in this nation have cause to be alarmed and concerned about possible implications. They, in the end, could feel the sharp edge.

U.S. SENATE,
Washington, DC, March 28, 1991.

Ambassador CARLA HILLS,
U.S. Trade Representative, Washington, DC.

DEAR AMBASSADOR HILLS: We are writing to urge that you deny a request by PepsiCo (Frito Lay) to be allowed to ship potato chips from Mexico duty-free. The current U.S. duty on Mexican imports of potato chips is 10 percent. The U.S. potato chip industry is specifically mentioned as vulnerable to increased exports in the International Trade Commission's recent study on a U.S.-Mexico free trade agreement.

It is our strong feeling that any changes in tariff levels should be delayed until after negotiations are concluded with Mexico regarding a proposed free trade agreement. It would be premature to begin to reduce duties now and set an unfortunate precedent for the future before we even go to the negotiating table.

The request for a waiver to allow duty-free treatment under the U.S. Generalized System of Preferences would be an unfortunate unilateral United States concession which should not be granted at this point in time.

Sincerely,

Senators Kent Conrad, William Cohen, Herb Kohl, Carl Levin, Slade Gorton, Bob Packwood, Quentin Burdick, Brock Adams, Larry Craig.

STATEMENT BY U.S. FRUIT AND VEGETABLE GROWERS

EFFECT ON AMERICAN HORTICULTURAL INDUSTRY

After a series of discussions held in the summer of 1990, a group of diverse fruit and vegetable industry representatives developed a position on the proposed U.S.-Mexico Free Trade Agreement (FTA).

Some representatives noted the proposed FTA may enhance U.S. exports of apples, wines, tree nuts, and possibly some other deciduous fruits. However, a significant number of representatives felt a Mexican FTA is of significant concern to and will have a severe adverse impact on segments of the U.S. fruit and vegetable industry.

Members of the winter fruit and vegetable industry, which is in direct competition with the Mexican winter fruit and vegetable industry, expressed the most serious concerns about the proposed agreement. Other horticultural industries, including the U.S. floral industries, are concerned about the year-round impact of the proposal. Members of the Northwest tree fruit industry, which considers Mexico an export market, expressed the strongest support for the proposal.

Despite minor disagreements over the relative benefits that would accrue to American industry from a Mexican FTA, there was widespread agreement that a number of factors must be addressed in any U.S.-Mexican FTA.

A primary concern is the vast disparity in the laws and regulations affecting preproduction, production, harvesting and post harvest handling of agricultural produce in the U.S. and Mexico. U.S. producers must comply with laws and regulations which do not exist in Mexico. For example, growth management, environmental, water management, labor, and food safety regulations do not exist to the same extent or are not enforced in Mexico. This disparity between U.S. and Mexico provides Mexican producers with an artifical comparative advantage. This comparative advantage is founded only in the differences in government regulations. Therefore, all laws and regulations affecting agriculture must be harmonized before a fair agreement can be negotiated. The harmonization of all laws and regulations affecting agriculture will allow comparative advantage to be determined by the factors of production and not by the differences in government regulations.

PRE-CONDITIONS FOR NEGOTIATIONS

In an attempt to harmonize laws and regulations affecting agriculture, the following activities should be completed before an FTA is negotiated.

(1) the availability of accurate information on Mexican fruit and vegetable production, costs, prices, and shipments historically has been dismally lacking. Consequently, growers suggest that:

(a) full disclosure concerning acreage, production, quality, prices, and marketing for traded commodities should be required from Mexico.

(b) cooperation should be required in permitting or conducting analysis of particular commodity situations.

(c) identification of all policies should be required affecting traded commodities and their impact on the availability and price of such commodities.

(d) U.S. negotiators must specifically examine the Mexican industry's various direct and indirect subsidies, many of which are hidden.

(2) Chemical registration, the registration process and maximum residue levels between the U.S. and Mexico must be harmonized with adequate safeguards to ensure compliance. Worker safety and exposure regulations must also be harmonized.

(3) Mexico must comply with all its GATT obligations with special emphaisis on dismantling its licensing requirements and other onerous restrictions on imports into Mexico.

(4) Transportation regulations in the two nations must be harmonized.

(5) The free flow of labor between the two nations must be negotiated.

(6) All trade related activities and, in particular, all subsidies must be apparent and recorded. There must be trnsparency.

(7) The criteria for exceptions to the FTA need to be clearly defined.

(8) There must be an agreement about how the FTA and other national regulations that affect trade are to be monitored and enforced.

Once the above objectives have been met, the U.S. should move cautiously so that the Agreement includes all of the above and also addresses:

(1) Rules of origin.

(2) Binational dispute settlement procedures for an antidumping and countervailing duty cases.

(3) Intellectual property protection must be guaranteed for seed, plants, etc.

(4) A snap back provision similar to the one in the U.S.-Canadian Free Trade Agreement must be included.

(5) A phase-in period of at least 10 years.

(6) It is recommended that the U.S. International Trade Commission conduct the necessary probable economic effects study on agricltural imports from Mexico

[From the National Dry Bean Council, International Market Development Programs, Saginaw, MI]

UNITED STATES DRY BEAN INTERESTS CONCERNED OVER FTA SNAGS WITH MEXICO

(By John A. McGill, Jr., Administrator-Treasurer)

LONGMONT, CO.—W. F. Bolster, President of the National Dry Bean Council and Jim Melban, California Dry Bean Advisory Board are working on the U.S. Dry Bean Industry's stance on the pending free trade negotiations that are about to happen between Mexico-U.S.A. and Canada.

The National Dry Bean Council represents dry bean farmers and processors from New York to California. The California Dry Bean Advisory Board is one of the largest dry bean producer organizations in the world. Bolster and Melban claim their membership is concerned over talk that the Mexican government would seek protection under the FTA agreement for corn, beans, rice and wheat in the upcoming negotiations.

U.S. dry bean interests already market U.S. grown bean products in Mexico. The U.S. bean group claims that tariffs or other restictions placed on beans and other primary U.S. crops now imported by Mexico from the U.S. would place a very jaundiced light on the National Dry Bean Council's consideration for support of the FTA. For sure the U.S. producers of dry beans, many of whom produce corn, rice and wheat will vigorously oppose FTA if Mexico imposed tariffs or taxes on the import of these U.S. agricultural products.

Mr. AKAKA. Mr. President, I rise in support of the resolution offered by the Senator from South Carolina [Mr. HOLLINGS] to disapprove the extension of fast-track authority. My support for Senate Resolution 78 is based on the need to assure full congressional involvement in trade negotiations, including the responsibility to fully debate, and offer amendments to, any legislation to implement trade agreements.

It is not my goal to derail the negotiations now underway to resurrect the Uruguay round of GATT. If that were the case I would be too late, since news accounts from Brussels indicate that our trading partners need no assistance in bringing negotiations to a standstill, despite the presence of United States fast track. Nor do I seek to preclude negotiations with Mexico on a North American Free-Trade Agreement. Negotiators from Mexico have stated that discussions will continue with or without fast-track authority.

However, I believe renewal of fast-track authority unnecessarily restricts congressional debate and involvement when considering trade agreements. Future trade packages could require substantial revisions, and sharp reversals, in current U.S. law. Congress would be compelled to vote on these changes without amendment and under limited debate. The promises made by the administration and assurances given by USTR in return for fast track have done little to guarantee the fair and equitable treatment of American workers and industries under any trade agreement.

Consider the case of my own State, where sugar has been an integral part of our history and economy for over a century. I am proud to represent over 17,600 sugar workers and their families. Today, Hawaii remains the second largest sugar-producing State in the Union, with the highest yields in the world, more than double its nearest rival. Our workers are the best in the world at what they do. Their 1990 per capita output of 152 tons per capita is the highest in the sugar industry by far, more than 10 times the level of productivity achieved by other countries.

As a consequence of their efficiency and productivity, Hawaii sugar workers earn the highest agricultural wages and benefits in the industry. Sugar remains a vital component of Hawaii's economy. In spite of this enviable record of achievement, they enjoy no real feeling of economic security.

Sugar is the most heavily subsidized commodity in the world. Nowhere is it more heavily subsidized than in Europe by the European Community. By comparison, the U.S. sugar program provides our American industry a minimal safety net and operates at no cost to the Treasury or the taxpayer.

Yet, Mr. President, our USTR trade negotiators have admitted, both in Brussels and in congressional testimony, that sugar is a bargaining chip in the Uruguay round. The United States has already given up its GATT waiver allowing use of "section 22" authority to limit imports that would jeopardize domestic commodity programs.

Last December, U.S. negotiators looked to the "Hellstrom Proposal" as a compromise to break the impasse over Uruguay round agricultural reforms. This proposition calls for an across-the-board 30-percent cut in price supports, import barriers, and export subsidies. Acceptance of this proposal would be the death knell for the American sugar industry, while EC producers would continue to benefit with support levels above their cost of production.

The damage done to the U.S. industry, and Hawaii in particular, would be considerable. Yet the administration has so far refused to provide an analysis of the impact of a Uruguay round agricultural agreement upon United States sugar, EC sugar, and other foreign production.

This oversight extends to the initial studies the administration has undertaken on a United States-Mexico free-trade agreement. A U.S. International Trade Commission study released in February evaluated the potential effects of a trade agreement on a number of American agricultural products. However, strange as it may seem, an analysis of sugar was conspicuously absent, even though Mexico is the eighth largest sugar producer and the seventh largest consumer.

Officials of the United States sugar industry have offered credible testimony that under a free-trade agreement, Mexico could ship all of its domestic production to the United States to take advantage of our higher minimum price, while satisfying its domestic needs with sugar purchased on the international dump market. This surge of sugar imports could replace half of U.S. production and turn our cost-free sugar program into a fiscally draining and politically untenable one.

A trade policy aimed at enhancing the export market for manufactured goods and services and protecting U.S. intellectual property at the expense of American agriculture is misdirected and warrants careful consideration by Congress. It should not be subject to the up-down, take-it-or-leave-it approach provided under fast track.

The inclusion and implementation of these proposals in a Uruguay round agreement would have a devastating impact upon my State. The massive unemployment resulting from the destruction of our domestic sugar industry would have a ripple effect measurable on the "tsunami" scale upon the Hawaiian economy. Unemployed workers would be unable to purchase homes, unable to patronize local retailers, and would require additional State and local services while the tax revenues to support these services would shrink.

This scenario is not unique to Hawaii. Auto workers in Ohio, textile workers in South Carolina, Governors and mayors across the country are all aware of the precarious financial situation confronting families, businesses, and communities today. An international trade agreement offers these communities the great promise for economic prosperity and revitalization. It poses an equally great threat to their fiscal security and very existence.

The key to American productivity, prosperity, and growth is the American worker. Under fast track, and without sufficient safeguards, the stakes for the working men and women of Hawaii, for all working families in America, are too important for Congress to surrender its constitutional responsibility to play a leading role in working to secure strong, enforceable, and balanced trade agreements to unelected USTR negotiators.

We must affirm the role of Congress to participate fully in consultations and negotiations in any trade agreements before they are written. The Hollings resolution preserves this authority, and I urge my colleagues to support the measure.

Mr. LEAHY. Mr. President, today's debate on fast track gives us the opportunity to look once again at the issue of trade.

I have long been a supporter of efforts to lower trade barriers and to expand overseas markets. That is why I supported fast-track GATT 4 years ago and a free-trade agreement with Canada. I expect to support other agreements in the future.

But now the administration comes before Congress asking for a blank check—to continue GATT negotiations in the Uruguay round and to begin negotiations with Mexico. I have met privately with administration officials, pushing them to specify their negotiating goals and positions. I have chaired hearings in the Senate Agriculture Committee and the Judiciary Committee to flesh out the pros and cons of the GATT negotiations and of a possible agreement with Mexico.

While I hope the administration will come back with excellent agreements I can support, I have not seen enough to make the leap of faith to support the fast-track extension.

This issue is not about free trade—it is about fair trade. Based on what I have seen to date I do not believe that the administration will negotiate a GATT agreement that is fair for American agriculture. And I remain concerned that a free-trade agreement with Mexico will not be fair to American workers nor include strong environmental standards.

Does the fundamental concept of fair trade matter to this administration? By following the ideological straightjacket of free trade, they have lost sight of the most important goal of any agreement—fair trade. I believe that our negotiators are more committed to good rules than to good results.

While the administration cannot be expected to spell out each and every detail of its negotiating strategy, the American public deserves greater assurances than they are now receiving. The public and those industries affected by the negotiations have the right to know more about how the administration plans to prevent the deterioration of our environmental standards and loss of American jobs. They need more than vague promises that these issues can be resolved in some foreign capital. There comes a time when it is important to say "nice try, but back to the drawing board." That time has come with fast track.

GATT AND AMERICAN AGRICULTURE

Early in the GATT negotiations, I believe an agreement could benefit all agricultural commodities. In 1987, the administration calculated that 40 percent of U.S. agricultural spending was required just to offset the money spent by other nations to subsidize their exports.

It clearly makes no sense for both the United States and Europeans to bid against each other and bribe other countries to buy their farm products. This only drives prices down and raises taxpayer costs. I believed our negotiators deserved the chance to end this chaos and rid agricultural trade of direct export subsidies.

But 4 years later, the chaos is still with us and few believe success is imminent. Negotiations collapsed last year when the European Community was unwilling to negotiate the kind of agreement that would benefit U.S. agriculture. And there is little evidence that the Europeans' position has changed.

To compound the problem, proposals discussed at Brussels last year, would have devastated dairy farmers and producers of other commodities, including peanuts and sugar. I cannot vote in favor of fast track and implicitly condone the current direction of these negotiations.

Indeed, according to the Department of Agriculture's own estimates, the most recent negotiating proposals if adopted could force a drop in dairy farmers' net returns of over $1 billion, and a 68-cent reduction in milk prices, a price drop that could push many family farmers into bankruptcy.

Today in Vermont, family farmers are having difficulty making it through these tough times. A bad GATT agreement could push them over the edge.

The administration has told U.S. agriculture that by eliminating the export subsidies of the European Community, U.S. agriculture will benefit from significantly higher world market prices and huge savings in Government expenditures. A close look at the facts does not paint such a rosy picture.

First, the so-called increase in prices touted by the administration would, in many instances, give U.S. farmers a lower domestic price than they now receive. The result—a net loss of U.S. agriculture.

Second, with GATT negotiations going into their fourth year, the European Community has not made a bona fide commitment to control its export subsidies. Initially, the administration argued for complete elimination of those subsidies. Now, it will agree to only a 30-percent reduction. But the European Community would not agree to even that. The result—no real gain for U.S. agriculture.

Third, the administration's position on market access would open up the U.S. markets to subsidized foreign competition. This puts U.S. farmers even more directly into competition with the treasuries of foreign governments than they are now. The result—unfair competition for U.S. agriculture.

Further, the administration, while seeking increased market access to all countries' markets, has not addressed the legitimate desire of countries to maintain domestic agricultural production—even if it is not price competitive.

U.S. negotiators are so intent on achieving a GATT agreement that they cannot accept the economic analysis of their negotiating positions. I fear that they have lost sight of the real goal of multilateral trade negotiations—to benefit the entire U.S. agricultural community.

INTELLECTUAL PROPERTY

The issue of intellectual property is one I have carefully considered. Last week, Senator DECONCINI and I held hearings on intellectual property in the context of GATT and negotiations with Mexico. We heard not only from the administration, but also from various intellectual property industries—including computers, computer software, motion pictures, sound recordings, and pharmaceuticals.

Intellectual property is one of the crown jewels of our economy. While smokestack industries—like steel and autos—used to fire out the engine of our economic growth, more and more that engine is being fired by the works of our imagination—software, motion pictures, sound recordings, and the like. Our core copyright industries in 1989 alone accounted for $22 billion in foreign sales, more than the entire U.S. aerospace industry.

At the same time, success carries risks. Products like computer programs, pharmaceuticals, and movies are expensive to make, but easy to copy. It takes no great genius for an overseas bootlegger to duplicate a U.S.-made floppy disk or a video cassette or for a foreign chemist to break down the components of a new wonder drug.

Modern day pirates who steal the creations of American artists, scientists, and engineers cheat the American economy of billions of dollars each year.

So there is no doubt that we must demand the highest level of worldwide protection for intellectual property. We must demand strict standards of production and serious enforcement.

Last month, the administration sent China, Thailand, and India the right messages under special 301 of the 1988 Trade Act: Entry into the United States market is not a one-way street; reciprocity must guide our trade relations; and countries that raise barriers to American goods cannot expect a free ride into our open market.

Would the United States interest in tough protection for intellectual property be served by an Uruguay round accord or a North American agreement? The answer is far from clear. With respect to Mexico, it is too early to know since negotiations have not begun.

But with respect to the Uruguay round, we know that after 4 years of negotiations, serious problems still exist. These include: The level of protection for computer software and for semiconductor chip designs; the European determination to exempt cultural industries from a services agreement; the conditions under which countries may grant compulsory licenses for patented products; the right, if any, of producers of sound recordings and software to prohibit rental; and the dangerous inclusion of a provision on the international exhaustion of rights.

Other issues remain as well. I am troubled that an agreement may preclude us from taking a unilateral action under special 301—our most potent tool for securing tougher intellectual property protection. The last thing we want is a watered-down least-common-denominator agreement that codifies inadequate levels of protection while curtailing our ability to act.

ENVIRONMENTAL/HEALTH AND SAFETY ISSUES

The United States has the toughest environmental and health and safety standards in the world and we are constantly looking for ways to make these laws better. While these issues are becoming increasingly important to the world community, other nations are scrambling to catch up. Even so, the gap between the United States and some developing countries is vast.

For example, a recent survey of 23 industrial sites and nearby rivers in the maquiladora area of northern Mexico along the United States border found evidence of toxic discharge at 75 percent of the sites and severe contamination at one-third of the facilities. Eight of these facilities are run by United States companies, including the Rimir plant—run by the General Motors Corp.—in Matamoros and the Lamosa plant (run by Ford Motor Co.) in Nuevo Laredo, both of which make automobile components.

In addition, the General Accounting Office reported in 1990 that Mexico registers for use 11 pesticides that have been canceled for or voluntarily withdrawn from United States use, including DDT, chlordane, heptachlor, and EDB.

The current structure to deal with the pesticide and maquiladora pollution problems are inadequate. Instead, we need a strengthened, joint United States-Mexico approach to tackle the problem. Also, U.S. corporations must take a major responsibility for cleaning up the chemical mess they helped create.

There are some bright spots. Mexico has begun to treat some of its worst environmental problems. For example, it recently closed down a large oil refinery near Mexico City because of air pollution emissions.

In addition, the administration, in its 70-page document on the environmental aspects of an agreement with Mexico, has gone a long way to easing some of the concerns of the critics. Even so, there are still some issues that remain unanswered.

First, what does the administration intend to do about the export from the United States of banned and unregistered pesticides to Mexico and about breaking the circle of poison?

Second, will the administration commit the resources to inspect the increased amount of food that will enter this country if an agreement with Mexico is reached?

Third, any North American agreement should be drafted to ensure that national and State environmental and health and safety laws, regulations, and standards are not intentionally or inadvertently weakened or undermined.

AMERICAN JOBS

While fast-track proponents argue that an agreement with Mexico will benefit the United States economy by creating jobs, they have offered little evidence to support their contentions. One study cited by the administration suggests that 64,000 U.S. jobs may be created by the year 2000. This number is so small that it would affect the unemployment rate by one-twentieth of 1 percent, hardly a statistically significant number.

Even the International Trade Commission study showed that a trade agreement with Mexico would reduce the income of unskilled workers in the United States—workers least able to weather tough economic times.

Are we willing to stake the lives of American workers on the tenuous promise of a handful of jobs in the future?

When I go home to Vermont, I would like to be able to tell the working men and women of the State we said "no" to exporting U.S. jobs.

This has not been an easy decision for me. I have heard from all sides and from Vermonters of all walks of life—from farmers to shop owners to business executives. Vermont is not just a State of dairy farmers. In fact, many favor fast track because they see its economic benefits.

With or without fast track, the administration can still negotiate trade agreements with Mexico and under GATT. During negotiations on past trade agreements, I maintained an active role, meeting with administration and foreign officials, commenting on proposed language, and holding hearings. I have raised a number of issues that the administration should consider in contemplating any future agreement. My vote against fast track should send a message to the administration that I can and will support a final agreement if it is fair to American farmers, workers, and consumers.

Mr. DASCHLE. Mr. President, when Congress is asked to suspend regular legislative procedure, the burden of proof should be on those advocating the change. The proponents should be required to prove why this procedure, and only this procedure, is so necessary that we must shift the balance between the executive and Congress. The proponents have not met this burden.

It is important to distinguish the fast-track procedure from the trade agreements themselves. My vote is not a vote against freer trade. My vote is not a vote against an agreement in the Uruguay round. My vote is not one against an agreement with Mexico, or against a North American Free-Trade Agreement. My vote is against this procedure, and my vote is against the proposals the administration has offered in these negotiations.

Ultimately, the decision on fast track for each Senator comes down to whether one can trust this administration to conduct these sensitive negotiations with a proper appreciation for the political, social, economic and environmental consequences of these agreements. Trust must be earned. It must be acquired through acts of good faith. Time and again, this administration has not shown good faith and, consequently, has not earned our trust. I have serious concerns, based on prior experience, that the administration's aims in these agreements are not limited to trade matters. I am concerned that the agreements are a pretext for a more fundamental restructuring of our economic relationships.

I commend Senator **BENTSEN** for his handling of this difficult issue. He has been fair and reasonable in attempting to help those of us who have had doubts about this matter. He has given opponents and proponents a chance to be heard and to raise their questions. He has worked tirelessly to try to answer our concerns. It is with a deep sense of regret that I cannot vote with him. I have no doubt that he firmly believes this procedure is necessary and in the national interest. I also believe that he has confidence in the administration. I wish that I could share his confidence. But I cannot. This issue is too important and the conduct of the administration too troubling to justify the extension of fast-track procedures.

One feels like a parent when the teenager asks for the keys to the family car. If you urge the teenager to be careful, and he tells you to mind your business, you're reluctant to turn over the keys. That's the position we are in here.

The extension of fast track is not justified on two grounds: First, the procedure is no longer adequate to deal with the scope of issues we must confront when these agreements come to us, and, second, the administration has not shown the proper appreciation for the consequences of its proposals.

Proponents of fast track argue that the procedure is necessary because other nations will not negotiate with us, or even if they do, will not give us their best deal, if they know Congress will amend, or pick apart, the agreement. That other nations would want this assurance is understandable, but this procedure provides little of that assurance. It can be changed at any time by majority vote. Other countries will have no more comfort that we will keep this procedure, than they will have assurance that the treaty will be approved. Fast track's benefit in this respect is merely symbolic.

Congress has approved many international agreements and treaties, involving multiple parties, without fast track. In the 1980's alone, the United States completed 79 multilateral agreements involving almost every country on Earth, including agreements in tax, trade, environment and arms control. Negotiators have successfully negotiated and Congress has approved such treaties without this procedure, and without the agreements breaking down under congressional amendments.

The necessity for assuring that the treaty will not be amended does not explain why fast track must apply to the implementing legislation for the agreement. Fast track covers two products of a trade negotiation: the treaty and the implementing legislation. The implementing legislation is the changes Congress must make in domestic law to come into compliance with the terms of the agreement. The administration submits this legislation after 90 days of working with the committees of jurisdiction. After the legislation is introduced, no further amendments are allowed.

In agriculture, for example, it is the implementing legislation by which we will rewrite farm programs. The 1990 farm bill took about 18 months to write, after 4 years of debate. Under fast track, this process is condensed into 90 days. The Senate farm bill was one of the largest, most comprehensive bills ever considered by this body, covering more than 1,000 pages and dealing with rural development, conservation, food safety, credit, trade and general commodity programs. The bill touched virtually every aspect of rural life. It was pieced together into an elaborate quilt of compromise, each segment linked to the other.

The administration is not being honest when it asserts that if its Uruguay round proposal prevails, no changes will be necessary in the farm bill. The opposite is true. By demanding that payments not be "trade-distorting," the administration is calling for dramatic changes in the ways payments are made for most commodities. Even without these changes, by abandoning section 22, as the administration proposes, programs for certain commondities must be substantially restructured. As the fast-track proponents frequently claim, once you pull the thread holding together such intricate compromises, you threaten to unravel the entire cloth. Changes in commodity programs will effect conservation and environmental provisions of the farm bill. The agreement also is likely to affect food safety and meat and poultry inspection. Fast track is not adquate to deal with changes in domestic law of this magnitude.

Furthermore, by tying the hands of Congress, fast track gives the administration unprecedented power in the legislative process. Even if the constitutional basis for Congress' authority over the trade agreement itself is debatable, there is no doubt as to Congress' total power over matters of domestic commerce affected by such agreements. Fast track is simply too tempting for those mischievous officials in the administration who will see an opportunity, when Congress has its hands tied behind its back, to sneak some special provisions in the implementing legislation that they could not get through Congress otherwise. If our negotiating partners insist that the treaty receive special treatment, then fast track should be applied to the agreement itself. But this argument does not, by extension, mean that fast track should apply to the implementing legislation.

If our trading partners observed the same procedure, perhaps fast track would be reasonable. But that is not the case. In Canada, the provincial governments have greater autonomy than our States. They operate independent of, and in cooperation with, the Federal Government in implementing Federal programs, including, for example, agricultural subsidies. Provincial governments contribute one-third of the funds applied to payments to producers of certain commodities. Thus, the provincial governments have a significant role in implementing a trade agreement.

The provincial government of Ontario, for example, reserves the right to not implement parts of a North American Free-Trade Agreement, with which the provincial government disagrees. This position would be similar to Congress reserving for itself the right to amend, or to not implement, parts of an agreement, a right Congress does not have under fast track. If this procedure is necessary for our participation in these negotiations, then it should also be necessary for Canadian participation, as well. Our negotiators must see to it that Canadian provinces obey a take-it-or-leave-it approach, if Congress must.

It is also not appropriate to compare fast track to parliamentary systems, where the executive is a member of the majority party of the parliament. For one thing, the executive and the majority party in Congress are not of the same party. As Members of Congress, we represent citizens and States who demand that their voices be heard on trade matters—not only heard, but responded to. Moreover, European trade negotiators operate from a specific mandate, while U.S. negotiators operate on proposals they develop without any formal endorsement by Congress.

Fast track might be appropriate if our negotiators were tied to a specific mandate. Absent a mandate, our negotiators have a blank check, and are free to disregard anything we say in the much-celebrated consultations.

As I hear my colleagues characterize the merit of these consultations, I must say, I think was in different meetings. In my experience, the consultations have not been meaningful. Senators like these consultations because they offer an opportunity to meet directly with administration trade negotiators. Muggers meet directly with their victims, too, but we don't call it consultations. We have had about as much chance convincing this administration to change its approach, as we would have persuading a mugger to not take our money.

Stripped of our constitutional powers, the extent of Congress' role in the process depends on these consultations being meaningful. If they are not meaningful, the consultations are nothing more than window dressing. Had these consultations been meaningful, I might have been willing to accept this procedure. But so long as the administration does not, in good faith, live up to its obligations under this arrangement, I cannot support its continuation.

The other ground for opposing this procedure is the administration's demonstration that it lacks a full appreciation for the consequences of its proposals. Those who favor extending fast track say that even if one has concerns about the agreement, one should still support fast track, because one can vote against the agreement later. While that observation is true, it misses the point. How can one support the negotiations if one opposes the proposals the administration has offered in the negotiations? With these proposals, the agreements are fundamentally flawed from the beginning. I will have more to say about that in a minute. But the proponent's argument also overlooks the main reason for voting against the agreement, that is, to prevent the agreement from taking effect.

Chances are, the administration will reach an agreement and will ask that it be approved. At that point, all the forces of international business that have been marshaled in support of fast track will descend upon Congress and urge that we set aside our reservations and approve the agreement. We will no doubt hear how it would be an embarrassment to our President to not approve an agreement that he has made with other governments. At that point, voting against the agreement is of little use. If one is concerned that constituents, or whole industries, will be harmed by the agreement, voting against an agreement that takes effect despite one's negative vote, is not much comfort for one's constituents who lose their jobs, their farms or their businesses. They expect more than symbolic votes.

I am opposed to the administration's proposals for negotiations in the Uruguay round and for the North America Free-Trade Agreement because they are flawed in conception and skirt too many fundamental issues. Free trade must be fair trade. The administration has not shown that it will make a deal that is fair. Our market will be wide open, while other countries will continue to block out American products.

While proponents often claim that a GATT agreement will expand the U.S. economy. What they do not say is that a GATT agreement will not reduce the trade deficit. In fact, the GATT agreement, by dismantling U.S. trade remedy laws, is likely to increase the trade deficit. Clyde Prestowitz of the Economic Strategy Institute, a leading critic of U.S. trade policy who is well-respected in the business community, testified before the Finance Committee that the GATT agreement, as it stands now, will increase the U.S. trade deficit by $14 billion per year. With the further weakening of our trade laws, the deficit could balloon by another $20 billion. The total annual increase in the trade deficit would be $34 billion, an increase of more than 33 percent. Mr. President, there's something wrong with a trade policy that will make our trade deficit worse, not better.

The 1988 United States-Canada Free-Trade Agreement is a case in point. Tens of millions of bushels of wheat from Canada are flooding United States markets, but American farmers can't get even a bushel of wheat into Canada. Now that United States support levels for wheat have dropped below Canadian levels, the Canadians are scheduled to remove their import licenses which are one barrier to United States wheat and wheat products. This step is no assurance any United States wheat will be sold in Canada. United States negotiators also failed to abolish the Canadian rail subsidy that applies to shipments of agricultural goods, another advantage for Canadian farmers. The proposals also overlook tax policies, which operate as subsidies, and that recent economic studies show give Canadian producers a significant edge over American farmers, and that tend to favor large farms over family farmers.

Despite walking out of the Uruguay round, the administration has not shown that it will stand tough for a fair deal for all segments of the economy. The administration and its negotiators should be commended for insisting on significant reductions in agricultural export subsidies and trade barriers. But these elements are only pieces of the puzzle.

The administration's proposal in agriculture calls for proportional reductions. Each party agrees to the same percentage cut. Proportional reductions are not fair, if one party starts the reductions from a significantly higher point than the other party. The party that starts from a higher point is still at a higher point at the end of the cuts. Under the administration's approach, an agreement will be reached that will lock in place gross disparities between United States and European support for farmers.

In 1991, the European Community will spend $46 billion to support its farmers. Direct support from EC member states will add another $14 billion, for a total of $60 billion in agricultural support. American farmers receive less than $11 billion in government support, one-fifth the amount of their European counterparts. Under the administration's proposal, EC farmers will still receive more government support than American farmers.

Depending upon the base years used to make these reductions, the agreement may improve the ratio of American-to-European subsidies. That would be a positive result. But subsidies measured in total dollar figures tell only part of the story. The more important question is whether the remaining subsidies continue to cover the producer's costs. Even if the Europeans spend less, if their farmers can recover their production costs through government subsidy and American farmers cannot, then American farmers are left at a significant disadvantage. Under the administration's proposal, a European farmer could recover his production costs from the government. Meanwhile, government support for the U.S. farmer is now well below a farmer's production costs. A deal that leaves this disparity in place is unfair.

The way the payments are made can have a significant effect on whether or not these subsidy reductions translate into cuts in agricultural production. No one should be deluded by what is promised for these agreements. Even the trade negotiators, in their candid moments, admit these agreements will not produce the promised results. Our chief negotiator in agriculture concedes that the European Community will agree to no more cuts in the Uruguay round than the EC will make through its own internal adjustments. Nevertheless, the administration has exaggerated the potential benefits of the agreement based on scenarios that bear little relationship to the likely outcome. USDA assumes substantial reductions in internal and external supports, and on the elimination of the EC variable levy. These are worthy objectives, but totally unrealistic. Furthermore, USDA makes the assumption that these reductions will translate into a comparable reduction in European agricultural production and exports. This factor is critical because unless European production declines by substantial amounts, American farmers will not see the price increases USDA promises. Without the price benefits, farmers get none of the income increases. USDA's assumption on production declines ignores the ingenuity of European bureaucrats to devise payment schemes that will comply with GATT and will keep EC farmers producing at substantial levels that will prevent significant price increases.

The administration's proposal will have much broader effects than mere adjustments in subsidy levels. If carried out as proposed, it will unravel a delicate fabric of programs that strengthen rural America, including mechanisms to enforce and encourage soil conservation, environmental protection and resource management. These conservation and environmental measures are linked to program participation. If fewer farmers participate in government programs, enforcement of environmental and soil conservation measures will decline.

The administration's approach also fails to distinguish between the size of farms and to recognize how its approach will have a disproportionately harsh effect on midsized family farms, which are the basic building block of rural communities. The failure to appreciate this disparate impact on family farms goes to the very core of the philosophy behind the administration's approach. In the administration's view, farm families are merely economic entities. Certainly, a farm is a business. But it is that, and more. One does have to be a romantic to recognize that our society is more than millions of economic particles bumping into one another, like cells in a petri dish. The idea that our society is no more than the sum of our economic parts is tearing apart families and communities. A farm is part of a living, breathing organism called community. When you kill off parts of that organism, you weaken the community until it dies. This philosophy—that there is a social purpose served by maintaining healthy rural communities—is at the heart of the European farm policies. It is this philosophy, not just trade barriers, that the administration hopes to kill in the Uruguay round. The administration has been trying for 12 years to destroy rural programs. One should not be surprised that those of us who see the importance of rural communities in our society are suspicious of the administration's intentions.

The administration says that its proposal would permit governments to provide income assistance, so long as it is not trade distorting. First, income assistance in any form eventually becomes trade distorting if it covers a producer's cost of production so that he may stay in operation and continue producing surplus products, while farmers in other nations are not so advantaged. But, the important point is that this argument is nothing but a smoke screen. The administration refuses to commit any political support for assistance funds, and is evasive when asked to describe how such payments would be structured. The same problem arises when we consider worker retraining assistance. I'll have more to say about that later. The reality is, the administration will not support and will oppose assistance to farmers. If this is not true, then the administration should commit now to support such assistance, instead, it has refused to make such a commitment. This is an example of how the administration has not shown good faith.

The snap back provisions in the Budget Act are little assurance to farmers who are concerned that the United States has already disarmed unilaterally in this trade cold war. I have learned in my time in Congress that straightforward mandates in law are no assurance that the administration will carry out the law. If the administration believed marketing loans and increased spending for the Export Enhancement Program were needed, they could implement them now without the authority in the Budget Act. Denying fast track is not an automatic elimination of these snap back provisions. The provisions lose effect only if the President certifies that the denial of fast track in its current form was the reason for the collapse of the Uruguay round. If fast track is denied, I am sure that he will make such a certification. But he is not bound to, and could implement the provisions regardless of what happens here with fast track. That the administration is using these provisions as black mail is only more evidence of how the administration would sacrifice American farmers in return for political advantage.

Food safety is another case of administration duplicity. This issue receives little attention but it is central to several ongoing trade disputes with the European Community. Clearly, steps must be taken to establish a mechanism to resolve these kinds of disputes. I commend the administration for making this an objective. But, again, what starts as an important trade objective, can be, and has been, manipulated by others in the administration who have another agenda. Under fast track, food safety will be tucked away among hundreds of other concerns, many that will be seen as having greater economic significance. If there's a loophole—by which a USDA bureaucrat thinks he can turn over responsibilities under U.S. law to foreign meat inspectors—the problem could be lost in the shuffle. We need greater protection against such administration conduct than fast track affords.

The administration seeks to submit food safety and environmental regulations to an objective standard. That sounds good in principle, but it is doubtful that objectivity will result in practice. The body that will set the standard is an international committee composed almost entirely of representatives of multinational chemical and food-processing companies. Instead of objective science, food safety laws will be measured by science bought and paid for by international companies with no allegiance to the United States and with a direct economic stake in low food-safety standards. The international fox will be guarding the American chicken coop.

The administration has not been straight with the American people about its intentions for a Mexico agreement, either. It has attempted to hide behind a fog of economic studies that are rigged to produce numbers the administration wants. The administration has cited studies purported to show substantial job gains from a Mexico agreement. In fact, the job increases fall within the range for standard error. Based on these studies, there's no more reason to believe there will be job gains than to believe their will be job losses. None of the studies the administration cites deal with the crucial issue of whether businesses will relocate to Mexico, or what will happen if they do. Instead, these studies arbitrarily assume this issue away. They do not even factor this possibility into their calculations the ITC model and the Peat-Marwick study take this approach one step further and assume full employment. These studies do not consider net job losses because they assume no job losses.

Meanwhile, another economic analysis by the University of California at Berkeley for the Economic Policy Institute shows job losses as high as 550,000 American workers and a decline in U.S. gross national product of $36 billion. Because this model also assumes full employment, these 550,000 workers reemployed, but at a 50-percent cut in wages. The difference between these studies is that the Berkeley model attempts to account for some shift in investment to Mexico resulting from a more stable investment climate, while the studies the administration cites assumes this factor away.

The proponents rebut the jobs argument by asserting that there will be no greater incentive under the North American Free-Trade Agreement than exists now for American companies to relocate to Mexico. If Mexico can't anticipate foreign investment, then this agreement can't be of much value to Mexico. But, the truth is, there are incentives that will be enhanced by an agreement, presuming the removal of certain of these barriers is one of the objectives of the negotiators.

The maquiladora program gives us some picture as what economic development will look like under a free trade agreement. The program effectively suspends Mexican import duties on United States production-related machinery, as well as components, that are incorporated into exports manufactured in a maquiladora plant. United States duties on the United States content of products imported from these plants are also eliminated. In response to these tariff suspensions, the maquiladora program has mushroomed from 120 plants, employing about 19,000 workers in Mexico 20 years ago, to about 1,800 plants employing about 500,000 workers today. Several United States companies have moved or set up operations in Mexico at the expense of United States workers, including Electrolux, Tyco, Zenith, Westinghouse, Farah, GE, AT&T, GM, Ford and Chrysler. As a result, trade from the maquiladoras has doubled and now accounts for 45 percent of all United States imports.

There must be some incentive for these companies to invest in Mexico. It's probably not the Mexican consumer. Most of the United States exports to Mexico are products shipped by United States companies to their plants in Mexico to be assembled and shipped back to the United States market. These value-added products are also the majority of Mexican exports to the United States. The fast-track proponents often say that United States-Mexico trade is about $50 to $60 billion a year, based on a $52 billion total in 1989. United States exports were $25 billion and United States imports were $27.2 billion. But real trade—that is, what Mexicans actually bought from and sold to Americans—is actually more than a third less than these figures suggest. An estimated $12.5 billion, about half of United States imports from Mexico, come from the maquiladora plants. Of this $12.5 billion, $9.5 billion is goods shipped from the United States to Mexico and counted as United States exports. Thus, of the $25 billion in United States exports to Mexico, more than one-third, $9.5 billion, is reexported to the United States. United States companies actually sold only $15.5 billion worth of goods to Mexicans, not $25 billion. These figures show that United States companies are using Mexican labor to make goods for the United States market.

No one can predict with certainty what businesses will do. Are these duty-suspension incentives alone enough to cause a company to close its United States operation and start up in Mexico? Probably not. Labor costs alone may not be enough, either. It is the aggregate of incentives, building one on top of the other, that will encourage companies to relocate. Start with cheaper wages, add lower tariff duties on components imported from the United States to Mexico, add the lower tariffs for reexporting to the United States, add the lower costs associated with not having to deal with OSHA, EPA, Social Security, health care costs, and a company reaches a point at which it may conclude that the savings outweigh the costs of doing business in Mexico.

But costs are only part of the relocation issue. The real incentive for relocation stems from greater stability for investment. Companies are unwilling to relocate now because they are afraid that the Mexican Government could change overnight and that a new government could take their business under government control. A free-trade agreement will create a more stable business climate. It will be a sign that the Mexican Government is less likely to change and become anti-American. That's the whole point to this agreement. American companies want a stable investment climate. Only the free-trade agreement gives them that. It is not Mexico's tiny domestic market that is of interest to United States multinationals, it is the labor force of almost 30 million people—about 25 percent of the United States labor force. For United States manufacturers to take advantage of that resource, Mexico must first be a safe place to invest.

Nobody is arguing that every business will find it cheaper and more desirable to relocate to Mexico. I am not saying that trade is a zero-sum game, that every job created in Mexico is a job lost in America. What skeptics are saying is, that if Mexico can offer cheaper wages and a safe haven from health, safety, and environmental regulations, some companies faced with high labor and high regulatory costs are likely to relocate. This point is so obvious it should defy contradiction. That the administration has strained so momentously to deny the obvious has weakened the administration's credibility.

It would have been better for the administration to have acknowledged the potential for some companies to relocate, and for some American workers to lose their jobs, and to have offered a plan to deal constructively with this potential. Instead, the administration's response in the action plan is a deathbed conversion—too little and too late to be taken seriously. The reluctance of the administration to even acknowledge these concerns as legitimate is palpable on the face the action plan. The document goes on for pages as to how there is no justification for concern over job losses. But, it says, if Congress insists on making it an issue, we'll agree to talk with you about an assistance package, but understand, we intend to make the criteria so tight that few people will be eligible. Besides, the administration might as well have said, we'll never let you fund it anyway. Given its history, the administration's assurances on environmental protection and worker assistance are not credible. The action plan should be seen for what it is—a cynical ploy to buy a few votes.

The administration also was dragged reluctantly into considering environmental issues in these negotiations. The administration should have been more disturbed by the development model set by the maquiladora program. While economic growth will help improve environmental regulation in Mexico, this is not enough. The U.S. News & World Report found indiscriminate dumping or long-term storage of industrial garbage and hazardous wastes fouling the landscape and poisoning the water and soil. The magazine also found chemical-laced industrial waste water and raw sewage pumped into canals and rivers which is causing widespread gastrointestinal illness, hepatitis and other long-term health problems. Massive discharges of toxic fumes have occurred in chemical plants and other factories. Maquiladora plants employ women and children, some as young as 13, who are exposed to toxic substances and other workplace health hazards without being given safety instructions or protective gear. Yet, until pressed by Congress, the administration insisted that these environmental health and safety issues were not relevant in these negotiations.

One of the disturbing aspects of this entire debate is the assumption that there can be only one model for trade agreements, and that if you challenge that model, you must be a protectionist. I cannot accept that our thinking must be so rigid, our minds so closed, that we cannot adopt new models for trade agreements to address the problems we face in the world now. The old model was designed for a postwar world dominated by the United States. That's not the world today. Environment, human rights, health and safety concerns take a much more prominent role now than in the past. Our trading partners are stronger, more aggressive, and more inclined to see their national interest linked with their economic well-being. Our negotiators, however, are committed to free trade as if it were some religion. We should be able to develop mechanisms to deal with the new world. These problems deserve more than lip service, which this administration has offered, they deserve a genuine commitment. We should seek a level playing field. An American company in Mexico should obey the same health, environment, safety, and child labor laws as that company faces here.

We should learn from the Europeans, who, when Portugal and Spain were brought into the European Commuity, took 7 years to negotiate the agreements, as well as provide 7 to 10 years for transition in certain sectors. The EC also provided an economic assistance package to Spain and Portugal to help them come up to EC standards, and provided meaningful retraining and assistance programs for farmers and workers displaced by the adjustments. This is the responsible way to go about trade agreements.

Trade agreements must accomplish more than reshuffling the economic deck. It must mean that we recognize that people are more than economic pawns in an elaborate international chess game. Trade agreements are not only abstract exercises over rules, they have a profound effect on people's lives. We must recognize that communities are important in the quality of life, and to social and family stability. Sadly, these proposals seek to speed up trends that are already tearing communities and families apart.

I can see why the President wants such a procedure because it gives him and his negotiators maximum power. But Congress should not be so eager. This procedure was written in a time when trade negotiations covered mostly tariffs. Now, these negotiations cover more sensitive issues, with much broader social implications, such as food safety, environmental regulation, health policy, to name a few.

Has our country become so desperate, has our relative economic strength become so weak, that we must agree to such a demand from our trading partners that compromises the fundamental relationships in our Government? If trade agreements are in the best interests of other nations, then they will negotiate. If not, no promises we make will persuade them to negotiate. If leverage is what we need to win concessions, then access to the American market should be our leverage. We will open our market to those who open their market to us. And we will close our market to those who close their market to us.

Mr. President, fast track is contrary to the principles of our Government. It weakens the ability of injured parties to challenge these agreements. It allows the most powerful economic forces in our country to run roughshod over the weaker. The Founders of our Nation created a bicameral legislature, and a three-branch form of government, to avoid this very outcome. I see no justification for overturning their wisdom now.

Mr. HATCH. Mr. President, as I have listened to the debate on the renewal of fast-track authority, I have been disturbed by what I have heard. At a time when Europe seeks to integrate its economies and even to establish a common currency and when Japan increasingly is carving out a Yen-based trading zone in the Pacific, it is hard to understand the opposition to renewing the President's authority to undertake fast-track procedures to conclude comprehensive trade agreements.

In my remarks, I would like to analyze the source of our disagreements.

First of all, what points do we all agree upon?

We agree that international trade benefits those who engage in it. In Economics 101, we all learned that through the workings of comparative advantage all countries enjoy greater prosperity if they trade with each other. No one can disagree with that logic.

We agree that increased trade abroad leads to economic growth and more jobs at home. In the 1980's, the explosive growth of world trade helped fuel the longest period of sustained economic growth in U.S. history. No one would advocate reducing trade and undercutting the growth of our economy.

We agree that we should seek reciprocal free-trade arrangements. Our trade disputes with Japan and other countries focus on our demands for reciprocity and for lowering barriers to trade. No one would dispute the desirability of reciprocal, low tariffs.

We agree that the free-trade pact with Canada and Israel were positive developments. They were enacted through fast-track procedures, and our economy has already benefited from them. No one would repeal these free-trade pacts.

Yet despite these broad areas of agreement, we are locked in a pitched battle here on the floor. Some who oppose the renewal of fast-track procedures argue that they represent an abdication of Congress' constitutional mandate to set external tariffs. Others make no bones about the fact that their opposition stems from the ulterior motive of preventing the negotiation of a free-trade pact with Mexico. I wish to take on these two arguments briefly.

The need for the fast-track procedures is clear. Congress has the constitutional power to regulate external tariffs. But only the Executive can negotiate trade agreements. Therefore, a modus vivendi must be devised.

In 1974, as we anticipated the need to conclude comprehensive trade agreements, the fast track was devised as a mechanism through which both branches of Government could exercise their legitimate powers. It allows the Executive to negotiate a deal that Congress must then vote up or down without amendment. In accepting fast track, the Congress gave away no powers, and the Executive usurped no constitutional prerogatives. Rather, through fast track, Congress created a means by which it can best exercise its constitutional powers to benefit the American economy and the American people.

The fact is that fast-track procedures are indispensable in the case of comprehensive trade agreements. To achieve comprehensive trade agreements, concessions in one area must be traded for counterconcessions in another. The overall deal depends on all these smaller tradeoffs. If Congress has the right to amend specific provisions in such agreements—and all of us have parochial interests that would demand such amendments—it would not take long before the entire agreement unraveled. In fact, no trading partner would even enter negotiations for a free-trade pact if Congress had the right to second-guess the bargain that was finally struck. Mexico's leaders have explicitly stated that without fast track they cannot go forward with talks to achieve a free-trade agreement.

So let's be honest. A vote against renewing fast-track authority is a vote against free and fair trade and against greater trade abroad and greater job opportunities at home for all Americans. The defeat of fast track would make it impossible for President Bush to negotiate comprehensive trade agreements. It would represent a major victory for the protectionist lobby. It would give post-1992 Europe and other emerging trade blocs an uncontested advantage over North America.

Others who oppose renewing fast track really want to prevent a free-trade agreement with Mexico. For them, the fast-track issue is a false issue, a way to block a free-trade pact without taking on the merits of such an agreement. They argue that a free-trade agreement would lead to a loss of United States jobs, a decline of import-sensitive industries, and an unfair competitive advantage for Mexico because of its lax environmental standards and labor laws. None of those arguments is valid.

A free-trade agreement would produce a net increase, not a decrease, in U.S. jobs. While some firms and jobs would move to Mexico, the United States would gain even more jobs in industries in which we are more competitive than Mexico. All government and academic studies have concluded that the net effect would be U.S. job growth. From 1986 to 1990, as Mexico reduced its import barriers, United States exports more than doubled from $12.4 billion to $28.4 billion, generating 264,000 additional jobs. The gradual elimination of nearly all Mexican tariffs through a free-trade agreement would have an even greater effect.

Those industries that would be particularly sensitive to competition from Mexico would be protected through agreed-upon transition periods. The tariffs for those goods would not be lifted immediately but rather phased out over a number of years, thereby enabling vulnerable U.S. industries to upgrade their competitiveness. President Bush has also agreed to provide tariff removal schedules that exceed the 10-year limits in the Canadian Free-Trade Agreement.

Although Mexico's environmental laws are not as strict as United States laws, President Salinas has sought tougher legislation and more active enforcement to clean Mexico's air and water. For example, Mexico has committed itself to the expensive step of mandating catalytic converters for new cars, a requirement even some European countries have yet to enact. In recent months, over 900 firms that violated Mexico's environmental regulations have been shut down. Contrary to the critics, President Salinas is already serious about environmental issues.

Mexico also has quite strict labor laws, in many cases tougher than United States laws. In a fact-finding trip to Mexico last August, I found that one of the principal problems Mexican employers face is a lack of flexibility and mobility because of a wide variety of regulations restricting adjustments in a firm's work force. While enforcement has sometimes been lax, particularly in the area of child labor, the Mexican Government has committed itself to expanded cooperation and joint action with the United States Department of Labor to enhance occupational health and safety and to regulate child labor practices.

Critics of a free-trade agreement also fail to see the four reasons why creation of a North American free-trade zone is vitally important.

First, the failure of the most recent Uruguay round of the General Agreement on Trade and Tariffs reinforces the probability that the future of free and fair trade for the United States will depend on bilateral arrangements with major trade partners. If we create a unified North American trade zone, we can use control over access to that market as leverage in the battle to expand access to European markets. Moreover, a free-trade pact with Mexico will increase the global competitiveness of United States products that have components produced in Mexico—and thereby will increase our capability to penetrate even protected markets abroad.

Second, given the long and troubled history of United States-Mexican relations, a free-trade agreement would open a positive and cooperative chapter. We depend on Mexico's help to control the flow of drugs from South America and on many other issues. Locking in a free-trade pact would enhance cooperation across the board.

Third, with a foreign debt of $95 billion, Mexico cannot repay its lenders—most of which are United States banks—if it cannot export its goods. Coupled with President Salinas's domestic economic reforms, a free-trade agreement would bring home Mexican capital stashed in foreign banks and would create opportunities for Mexico to earn its way out of its debt crisis rather than seeking debt forgiveness.

Fourth, we must help Mexico succeed in its effort to become a modern country. President Salinas has initiated reforms to replace its one-party political system with pluralism and to transform its state-dominated economy with free markets. These changes not only will create a better life for the Mexican people but also will reduce incentives for the poor to emigrate unlawfully to the United States.

A free-trade agreement will not be a one-way deal. It serves the interests of both sides. It will increase economic growth, make our products more competitive in international markets, and generate jobs.

In the past, the United States has enthusiastically concluded free-trade agreements with Israel and Canada. Congress approved these agreements because they were clearly in our interest. At the time, we raised no objection to fast-track authority. And all would agree that we have derived clear benefits from these agreements.

But when we look at the present debate, I must say that I am sad to see Members of this distinguished body applying such a blatant double standard to the case of Mexico. The critics apply a different standard to Mexico than was used in the cases of Israel and Canada. What was good for the United States then, the critics argue, is not good for the United States now. They refuse to treat Mexico as an equal and valued partner. They would discriminate against Mexico, dooming its people to underdevelopment and in many cases to poverty.

Yet these are the same people who pose as friends of the poor, as advocates of foreign aid, and as proponents of the Third World. But where are they now, when they have a clear chance to help Mexico turn the corner toward sustained growth. The Mexican people do not want charity. They are not asking for a giveaway. They are asking for a chance to develop their economy through free markets and private enterprise. They are seeking the chance to work their way out of the economic crisis produced by decades of incompetent statist management of their country.

We should reject the double standard through which the critics of a free-trade agreement would discriminate against Mexico. We should treat the Mexican people as equal and valued partners in building more prosperous and competitive economies through a North American free-trade zone.

I urge my colleagues to join me in opposing this resolution, which would have disastrous economic consequences, not only for our neighbors to the South, but also to our own economy as well.

Mr. MURKOWSKI. Mr. President, I rise today to add my support to the President's request for an extension of fast-truck authority. On March 1 of this year, President Bush formally asked for this 2-year extension, as is his right under the 1988 Omnibus Trade Act.

FOCUS OF OPPOSITION—MEXICO FTA

In reading the newspaper articles and editorials, in reading the piles of mail my office has received, and in listening to my colleagues here in Congress debate the fast-track issue, it strikes me that the debate has largely failed to focus on fast-track authority.

Instead, the debate has focussed almost entirely on issues relating to a free trade agreement with Mexico. The fast-track extension issue, on which we must vote before June 1, will not settle any part of the Mexican FTA. A vote for fast track will ensure only that the United States retains the right to negotiate a free-trade agreement.

Conversely, Mr. President, a vote against fast track will almost certainly ensure that we cannot negotiate an FTA with Mexico. It will also greatly reduce the chances of reviving the Uruguay round of the GATT talks. And, without fast-track authority we can safely say that the Latin American FTA will be unattainable.

CONGRESSIONAL ROLE

We must remember that Congress is not a loser in the fast-track procedures. Fast-track procedures guarantee that the administration must consult closely with Congress throughout the process of formulating U.S. bilateral and multilateral trade policies. Last Friday the Washington Post ran an editorial on this point which I would like to submit for the RECORD at the end of my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

BENEFITS OF FREE TRADE

Mr. MURKOWSKI. Mr. President, we must also remember that the United States as a whole benefits greatly from all its trade negotiations. That GATT round currently underway will significantly lower tariffs and trade barriers around the globe if we can complete it successfully. Free-trade areas not only eliminate tariff and trade barriers, they also reduce costs of American products for our trading partners, stimulate export-oriented growth, and provide new jobs at home.

Americans are deeply concerned about the large U.S. trade deficit. In 1990 this deficit was $101 billion. But just 3 years earlier, in 1987, the United States' trade deficit reached an all time record high of $152 billion. Simple math illustrates that the deficit was brought down by a full third in only 3 years. In fact, the 1990 deficit would have likely come down even more to only $91 billion if the Persian Gulf war had not caused higher oil costs.

ENFORCING TRADE LAWS

Mr. President, the trade deficit has not fallen of its own accord. In 1988 the Congress enacted tough trade legislation aimed at making our trade partners play by the rules of the free-market game. We have demanded a level playing field. And Congress is not acting alone; the administration has been using our trade laws to demand equal access for American goods.

Through the use of the section 301 investigations, the Super 301 priority watch list, our antidumping and countervailing duty laws, and export licensing controls, the administration has shown our partners that we mean business. This is why our deficit has fallen and continues to fall.

JAPANESE CONSTRUCTION MARKET

For the last several years Mr. President, I have worked to resolve the trade dispute with the Japanese over the opening of their construction market to United States business. As with many trade disputes, United States firms were specifically limited to a tiny market share in Japan, and even within that share had trouble securing contracts because of unfair trade practices such as bid-rigging.

Over the last 15 months the administration has been in negotiations with the Japanese on this issue. The Congress had passed legislation in 1990 that I introduced which would have barred Japanese construction firms from the United States public works market if access to the Japanese market could not be achieved by May 1, 1991.

In April, USTR Carla Hills decided to initiate sanctions against Japan because of their repeated failure to drop trade barriers. The announced sanctions encompass all aspects of my legislation, and include other sectors of the market which Congress had not. Concurrently, Under Secretary of Commerce, Mike Farren continues to negotiate the issue and in fact is in Japan at this time pressing for greater access.

CONCLUSION

During these months the administration, particularly Commerce and USTR have worked closely with me on the issue, consulting with me almost weekly. The Congress can expect the same to be true when the GATT accords or the Mexican FTA are being negotiated and enforced. But only if we act to extend the fast-track authority which the President has requested. I urge my colleagues to support the request, and to allow our negotiating strength to continue.

EXHIBIT 1

THE NECESSITY FOR FAST TRACK

Prospects for fast track have suddenly improved, and fast track is essential to a strong and competent American foreign trade policy. It is the procedure for enacting trade legislation, and Congress will vote next week whether to extend it—in effect, whether to let the President negotiate a trade agreement with, for example, Mexico. Earlier this spring it seemed very possible that Congress would say no. But this week the two key committees on trade—Ways and Means in the House, Finance in the Senate—voted by large majorities in favor of fast track. A few days earlier the House majority leader, Richard A. Gephardt, who had been on the fence, said he would support it. He reserves the right, he said, to amend or reject a free trade argreement with Mexico if it falls short, but he won't vote to block the negotiations.

That's exactly the right point. As the Mexican negotiations get underway, Congress will have many opportunities to advise, criticize, oppose and amend. Opponents have been claiming that fast track robs Congress of all discretion, giving it only an up-or-down vote on the final product. The AFL-CIO argues that fast track will put Congress "on the sidelines." That's exactly wrong.

The reason for a fast-track procedure is that trade agreements are difficult to handle under the American system of government. The President's negotiators, in an agreement, commit the United States to change its laws. But only Congress can enact those changes. No foreign government will negotiate with the United States if it knows that any deal is going to be reopened and changed by successive committees of Congress. The solution is the fact-track rule, which says that there will be no delays after the President submits as signed agreement and no changes in it as it goes to a final vote.

But a lot happens before the agreement is signed. No President wants to see an international agreement fail—least of all Mr. Bush, who is investing much political capital in the Mexican agreement. He is under great pressure to bring Congress deeply into the process. You can see that happening already. Last month, the chairmen of the trade committees and, separately, Mr. GEPHARDT wrote to him setting out concerns that they wanted a Mexican agreement to address. Mr. Bush replied at length 2 weeks ago. The Ways and Means Committee has put the President's response into the form of a resolution on which the House will shortly vote.

Before the President signs anything, he has to give Congress 90 days' notice. In earlier trade talks the administration brought the draft agreements back to Congress while they were still being negotiated and the two trade committees held shadow markups, actually voting clause by clause on the drafts. Where the committees objected, the American negotiators went back to the table for changes. There were caucuses of chairmen of the other interested committees. By the time these treaties were finally signed, they had been carefully reviewed and at many points revised by Congress.

That's the kind of congressional participation necessary to ensure passage of any trade agreement, Mr. GEPHARDT is correct. Extending the fast-track procedure only allows the President to negotiate. Congress will not only have the last word on the Mexican agreement, but in the meantime it will have enormous influence in molding it into its final form.

Mr. BAUCUS. Mr. President, I think that essentially concludes debate tonight. I thank very much the Senators from New Mexico and Missouri for their last two statements. I think they were two of the better, more farsightful statements that we have heard in this debate. I think they capsulize the nub of the reasons why fast track should be extended.

Let me just say, Mr. President, I believe very strongly that this vote that we will take later on this morning, actually at 12 noon on Friday, is going to be one of the more important votes that we are going to cast not only this year, but perhaps this decade. This could very well be one of those turning points in history where the United States signals to the world whether it is going to look forward, meet the challenges of the future, or whether, on the other hand, it is going to cower and shrink and be withdrawn.

It is clear to this Senator that, even though we are not Simon pure as Americans, we have some barriers to trade, we are not perfect, we do not wear white hats and it is also clear to me that other countries are not the Darth Vader, they do not all wear black hats, they are not the countries that have all the trade barriers. But it is also clear the shade of gray of our hats is a lot lighter than the shade of gray of their hats. That is, most countries have far more barriers to trade than we Americans. We are proud of the military POW's in the Persian Gulf. We are very proud. We have the best defense establishment in the world, undisputed.

We Americans are, on the other hand, a little uncertain about the economic future, uncertain about ecomomic powers in the world, uncertain, a little tentative whether we can meet the challenge of the Japanese, other Asian countries, or the European or even Latin American countries, for that matter. We are not uncertain. It is clear to me, Mr. President, if we are going to be more confident of our economic prowess, more confident of our ability to trade in the world and meet the economic challenge, we are going to have to at least sit down and try to negotiate with these other countries' international trade agreements that give us Americans the opportunity to compete and knock down those barriers. I know there is some concern, there are some worries, there are worries about potential loss of jobs, worries about insufficient protection in Mexico. There are very great worries, but we have two choices, Mr. President, either we try or we do nothing. I submit to ask the question is to answer it. We have to try. We have to see if we have within us as Americans what it takes to meet these challenges to be creative, to dig down deeper, pull ourselves up by the bootstraps a little bit more. That is the challenge we face. It is clear to this Senator, if we reject fast track, that other countries will not negotiate. There is no reason for them to.

As has been said on the floor tonight, they will go on their own way. They will pass us by. Today the European Community is already very confident, it is very self-assured. They care much less about the United States today compared to a decade ago. You see it if you go to Europe and talk to Europeans. I saw it myself, and Senator

DANFORTH was with me a short while ago. It is obvious I tell you, Mr. President, if we turn down fast track, the Europeans will be a little bit saddened and say, "Poor Americans; we hoped maybe they had it within them to look toward the future. It is too bad they do not. That is their tough luck. We Europeans are going our way." Asians will feel the same way. People in other countries will, too.

It is critical, Mr. President, that we face the future, that we try to find solutions, and certainly this Congress, certainly every Member of the U.S. Senate is going to work very, very aggressively with the administration to make sure it is a good agreement for America. We are going to do that. And the very fact that we spent so much time debating this issue is evidence to this Senator that Senators are going to be spending a lot of time closely consulting with the administration to be sure that it is a good agreement. That is clear. And certainly no Senator is going to vote for an agreement that is not in the United States best interests, and certainly no administration is going to bring back an agreement to the Senate which it knows is going to be turned down. Senators are going to be looking at this much more closely because so many more jobs are at stake and because our livelihood as Americans is at stake.

I submit to you, Mr. President, the choice is clear. We have no choice but to vote for fast track so we can sit down and try to negotiate an agreement and give it our best shot, because if we do not, we are going to have to answer to our children. Our children are going to ask, "Where were you, Dad, or Mom, where were you back in 1991 when the United States took a turn inward, the United States decided not to meet these challenges? Where were you?"

We owe it to ourselves and to our children to face the future positively, creatively, with imagination, and at least give it our best shot. It is for those reasons, Mr. President, I feel very strongly we should vote to extend fast track and get on with it.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BAUCUS. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ZEBRA MUSSELS FOUND IN UPPER HUDSON

Mr. MOYNIHAN. Mr. President, I rise today with distressing but not unexpected news. The zebra mussel has been found in the Upper Hudson River at Catskill, NY. This is the first confirmed discovery of the mussel in U.S. waters outside of the Great Lakes drainage basin. We learned this today from the New York Sea Grant Institute, State University of New York, College at Brockport.

New York City receives 95 percent of its water from upstate reservoir systems. As those of my colleagues familiar with New York City and its magnificent water supply system will note, Catskill, NY, is within 50 miles of this system.

In January, on the first day of the 102d Congress, I introduced S. 36, the New York City Zebra Mussel Monitoring Act, which will direct the U.S. Army Corps of Engineers to protect New York City's critical water supply. It appears ever more urgent that we act on this legislation.

Indeed, as Coastal Resources Specialist Charles O'Neill of the Sea Grant Institute announced in a press release today:

> With the mussel now in the Hudson and poised to enter the Mississippi River drainage system south of Chicago, the genie is out of the bottle.

Mr. President, last year the Senate Committee on Environment and Public Works, Subcommittee on Water Resources, Infrastructure, and Transportation, of which I am chairman, conducted several hearings concerning the zebra mussel. I learned many things about the zebra mussel and at that time made the simple projection, that within the coming two decades the zebra mussel will have infested the entire water system of the United States and Canada and that its migration is irreversible and cannot be quarantined. What I report today is the first of many such stories.

Mr. President, I ask unanimous consent that a press release from the New York Sea Grant Institute be entered into the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

ZEBRA MUSSELS FOUND IN UPPER HUDSON—IDENTIFICATION CONFIRMED BY INTERNATIONALLY RENOWNED MARINE BIOLOGISTS

BROCKPORT, NY.—New York Sea Grant Extension announced today that the zebra mussel has been found in the upper Hudson River. According to Coastal Resources Specialist Charles O'Neill, the mussels were found on freshwater clam shells, rocks, and driftwood in the vicinity of the Rip Van Winkle Bridge near Catskill, New York. The suspected mussels were sent to Cornell University's Biological Field Station where a preliminary identification as zebra mussels was made by Dr. Edward Mills, an aquatic biologist. This identification was corroborated by Sea Grant Extension Biologist David MacNeill. Zebra mussel experts approached the identification of these mussels with caution because the native brackish water "dark false mussel" (*Mytilopsis leucophaeta*) was mistakenly identified as the zebra mussel (*Dreissena polymorpha*) last November in the lower Hudson near Corton Point. Final confirmation that the Rip Van Winkle mussels are, indeed, zebra mussels was provided by Dr. James Carlton, director of the Maritime Studies Program of Williams College in Mystic Seaport, Connecticut, and an internationally recognized expert on marine exotic organism introductions.

"Although zebra mussels are known to be along the entire south shore of Lake Ontario, in the Erie Canal from Buffalo to Palmyra (about 20 miles east of Rochester), and in the eastern end of Oneida Lake near Syracuse, the sighting in the Hudson River is the easternmost occurrence of the mussel in New York," said O'Neill. "The mussel showing up in the Hudson is not unexpected," O'Neill said, "it's just there much sooner than we had predicted." The sighting is also significant in that it is the first confirmed sighting of the mussel in the United States outside of the Great Lakes drainage basin. "Up until now, all occurrences of the zebra mussel have been within the portion of North America that drains into the Great Lakes. With the mussel now in the Hudson and poised to enter the Mississippi River drainage system south of Chicago, the genie is out of the bottle," O'Neill stated.

The mussel is capable of being transported throughout North America by currents in lakes, rivers, and canals. It can also be carried by boats traveling through waterbodies and from infested waters to uninfested waters in the form of juvenile and adult mussels "hitchhiking" on trailered pleasure boats or as larval mussels carried in bait buckets, live wells, or boat bilges filled with infested water. "While the actual transmittal vector in this case is not known," said O'Neill, "it could have been by direct transport in the waters of the Erie Canal, on a boat trailered to the Hudson from Lake Erie or Lake Ontario, or dropped off directly into the river from freshwater ballast from an international commercial ship traveling to the Port of Albany," said O'Neill.

The zebra mussel, a small black and white striped bivalve mollusk, made its way into North America through the discharge of international shipping ballast water. Since its first Great Lakes discovery in Lake St. Clair in June 1988, the zebra mussel spread rapidly into and throughout Lake Erie, becoming one of the dominant organisms in the West Basin of Lake Erie by the end of 1989. It has now spread throughout Lake Ontario, in the western reaches of the Erie Canal, and in locks of the St. Lawrence Seaway in Massena. The zebra mussel threatens to have major impacts on utility, industrial, and public water supply intakes, sportfishing, tourism, boating and recreation, and ecosystems throughout North America.

New York Sea Grant is a university-based research and education program administered through the State University of New York and Cornell University. New York Sea Grant research provides scientific information on a wide variety of important coastal issues. This information is made available to individuals, groups, industry, and public de-

cision makers through the Sea Grant Extension Program's education programs, serving all of New York's coasts. Sea Grant is supported by SUNY, Cornell University, and the National Oceanic and Atmospheric Administration.

THE ANNIVERSARY OF THE ELECTION IN BURMA

Mr. MOYNIHAN. Mr. President, it is now nearly 1 year since the Burmese people on May 27, 1990, overwhelmingly, decisively, and irrefutably repudiated the military junta that reigns in Burma. In a free election, albeit not a free campaign, the National League for Democracy won 80 percent of the seats for the Burmese assembly. Eighty percent.

No sooner had the results of the election been tabulated then the junta, the SLORC as it is known, reverted to repression. The army in Burma resumed the role that it has played since 1962; it once again crushed the will of the Burmese people. And it does it in the name of "law and order." Nothing could be less true. The SLORC stands for the opposite of law and order. It is illegal and lawless; it brings Burma chaos and death.

Once again the bolt of light and hope created by the strength and majesty of the democratic will of the Burmese people was obliterated by the thugs who pretend to speak for them. But the world clearly knows who speaks for the Burmese, the National League for Democracy.

And no individual speaks for them with more force than Aung San Suu Kyi Even though we have not been able to hear her for almost 2 years now, her silence still speaks to us with more majesty, more eloquence, and more strength than all the pathetic prater of the SLORC.

Aung San Suu Kyi inspires us as she inspires the Burmese people for whom she speaks. We can only hope that we soon hear her voice in freedom once again. I, among many others, have urged that Aung San Suu Kyi be awarded the Nobel Prize for Peace, and we can hope that the Nobel Committee will find her to be the most deserving candidate from the list of such extraordinary persons that they consider.

For the past 12 months, arrests, torture, and murder have continued to sweep Burma. It is a hell for human rights. The brutal civil war against the minority people has continued to take thousands of lives. The regime continues to survive by stealing from its own people, whether it be their teak forests or their fishing resources. The SLORC also runs one of the biggest protection rackets in the world for Burma's heroin dealers.

The world has watched all of these events with horror, outrage, and sorrow. The Congress of the United States has spoken out consistently and forcefully, and we will continue to do so. We will continue to encourage our friends and allies to do the same. It is long overdue for the United Nations to take serious action against the regime in Burma. Now is the time.

As we recall this Memorial Day in the United States the price we have paid in lost lives to preserve freedom, let us also for a moment remember the Burmese people who continue their struggle to reclaim their freedom.

THE HEROIC ACTIONS OF JANET COLVIN

Mr. GORTON. Mr. President, it is with great honor that I rise today to commend the heroic actions of Janet Colvin of Clayton, WA. Janet is a 17-year-old Deer Park High School student whose outstanding judgement was responsible for saving the life of her 2-month-old nephew, Patrick Haggard, on April 1, 1991.

While babysitting Patrick, Janet noticed the child had stopped breathing and had no heartbeat. Although she had no formal training, Janet immediately administered cardiopulmonary resuscitation [CPR].

Janet's father, Tom Colvin, has spent 17 years as a member of the Clayton Fire Department and he has always made his children aware of CPR. Janet's younger brother, Bucky, has now gone through formal CPR training.

Because of Janet's quick thinking, her ability to stay calm in a tense situation, and her parent's dedication to teaching the importance of safety procedures, Patrick was released from the hospital after only a few days. The doctors have since credited Janet with saving her nephew's life.

Mr. President, I am proud to pay tribute to Janet Colvin, whose bravery and good judgement was responsible for ensuring that Patrick will have a chance at life.

TRIBUTE TO COL. JACK LIBBY

Mr. BRYAN. Mr. President, I rise today to recognize a good friend and outstanding citizen of Nevada. Col. Jack Libby will be inducted tomorrow into the Army's Officer Candidate School [OCS] Hall of Fame. Since 1958, this Hall of Fame has honored those graduates of OCS at Fort Benning, GA, or the Ground General School at Fort Riley, KS, who have distinguished themselves in military or civilian pursuits. Jack Libby has certainly done both.

Col. Jack Libby joined the Armed Forces in 1943 and served in World War II and the Korean war. For his service, Colonel Libby was awarded three Silver Stars, two Purple Hearts, the Bronze Star, the Legion of Merit, the French Croix de Guerre, the Belgium Fourragere, and the Combat Infantryman's Badge. These honors speak to his outstanding record of military excellence. Jack Libby's service is not confined to the Armed Forces.

As an invaluable member of our community in Las Vegas, Jack has served as director of the National Association of Home Builders, president of the Southern Nevada Home Builders Association, and president of Young American Homes. He served as vice chairman of the Las Vegas Convention and Visitors Authority and is a former president of the Las Vegas Chamber of Commerce "Prospectors." He also is a commissioner of the California-Nevada Super Speed Train Commission.

Mr. President, I could go on and on. I have known and admired Jack Libby for many years, and am proud of both his efforts to protect our Nation's security and to improve our community. This year marks the 50th anniversary of the Army's Officer Candidate School, and Colonel Libby will join the ranks of approximately 1,500 of our Nation's most distinguished officers in the Hall of Fame. I congratulate my friend on this outstanding achievement and offer my appreciation for all he has done for both Nevada and the United States.

AMERICA 2000 EDUCATION

Mr. HARKIN. Mr. President, yesterday President Bush visited St. Paul, MN, to announce his legislative package for improving American education based on the America 2000 strategy released a month ago.

Overall, America 2000 should make a valuable contribution to improving education in our country and I appreciate the attention President Bush has focused on this issue. We in the Congress have repeatedly expressed our desire to work with the administration on a plan that will enable the United States to meet the national education goals adopted more than a year ago. However, America 2000 does not address the most important goal—that of school readiness.

We all support the six national goals but these goals are meaningless if we don't put some muscle into programs to make them happen. Unfortunately, the budget submitted lacked the muscle of a Popeye, in fact it was more like a Whimpie—"I'll gladly pay you Tuesday."

At first glance it looked pretty good, but once we take a closer look we find that discretionary education programs do not even keep pace with inflation.

Head Start recently celebrated its 25th anniversary and received praise from all quarters as being an effective program. But only 25 percent of eligible children participate.

In 1988, candidate George Bush promised to fully fund Head Start so all eligible children could benefit. However, at the current rate being requested by President Bush, this won't happen until 2050. By the middle of the next decade, today's children will be receiving Social Security.

It's time for the resources to match the rhetoric.

I was most disheartened to see that the plan announced yesterday did not even mention school readiness. We all know that the best way to accomplish a task is to start at the beginning and the administration's proposal doesn't do that.

Not one word about school readiness even though the No. 1 national education goal says that by the year 2000 all children will start school ready to learn. All of the goals are important but school readiness provides the foundation for achieving the rest. The best schools in the world won't mean much if our kids aren't physically and mentally ready to learn when they start kindergarten.

In order to accomplish this goal, we must change our views about education. A report by the Committee for Economic Development entitled "The Unfinished Agenda: A New Vision for Child Development and Education" calls for a systematic reappraisal of the way children are prepared for school and urges—

> a comprehensive and coordinated strategy for human investment that redefines education as a process that begins at birth.
>
> The nation must make investment in early childhood development a priority and should support full funding of such demonstrably effective programs as Head Start, The Women's, Infant's and Children's (WIC) nutrition program and childhood immunization.

The administration plan calls for a comprehensive, coordinated strategy and yet none of these programs are mentioned.

In education, as in health care, we should intervene at an early age and we need to look at the whole child. We need to change our attitude that school begins at age 5—school begins with prenatal care.

Education is not just school work. Good nutrition, healthy bodies, a secure home and a drug-free neighborhood enhance educational achievement. We need to take a comprehensive approach to solving our educational crisis. Until we do, we will not reach the education goals we have set for our Nation.

FIRST BAPTIST CHURCH OF FLORENCE: 125 YEARS OF PROUD CHRISTIAN WITNESS

Mr. HOLLINGS. Mr. President, on Sunday, June 9, the city of Florence, SC, will celebrate a remarkable milestone: the 125th anniversary of the founding of First Baptist Church of Florence. Since its birth in 1866, First Baptist Church of Florence has occupied three buildings on the same site in the center of downtown. This historic church is often referred to as the "Heart of Florence," and the fact is that First Baptist is the soul of this Pee Dee community.

Mr. President, if you want to experience a true example of a robust, thriving Christian congregation, I recommend a visit to First Baptist Church of Florence. Not only does it stand as a beloved extended family to its 3,000 members, First Baptist has also set an inspiring example of spiritual and humanitarian outreach to the surrounding community and State. Within the South Carolina Baptist Convention, it is recognized as a leader in missions and evangelism, and it is has won special respect for its generous, openarmed outreach to "the least of these our brethren." Taken together, this is a living tradition—an active Christian witness—which the people of First Baptist Church of Florence can take tremendous pride in.

Mr. President, for the last 13 years, Pastor Jimmie Harley has continued another tradition at the First Baptist Church of Florence—a tradition of dynamic pastoral leadership not only in Florence, but also within the State Convention and the Southern Baptist Convention. His leadership in his church and in the greater Florence community has made a tremendous difference.

Mr. President, my hat is off to this fine church as it celebrates its anniversary June 9. For one and a quarter centuries, the Good Lord has abundantly blessed First Baptist Church of Florence. May He bestow an equal blessing on the church during its next 125 years.

EASTERN MARKET CELEBRATES A CENTURY

Mr. LEVIN. Mr. President, I rise to commemorate the 100th anniversary of Eastern Market in Detroit. The market has a long and colorful history and now, each week, some 70,000 tons of produce and other food, livestock, flowers and plants are trucked in to be sold to wholesale and retail customers.

This 43-acre market is primarily a supplier to the wholesale trade, but thousands of retail customers also use the market. Each Saturday, some 30,000 shoppers from the Detroit metropolitan area show up to purchase farm produce and shop at the stores. An estimated 100,000 people will visit on each of the two Flower Days held this year.

What is remarkable about this bustling site is not just its use as a market, but its history. For instance, before 1981, it was used as a stop along the Underground Railroad. In a warehouse beneath what is now the Roma Restaurant, escaped slaves were housed awaiting passage through a tunnel into Canada and freedom.

Mr. President, I offer my best wishes for a successful celebration, which began in April and continues through the Oktoberfest celebration in Detroit.

TRIBUTE TO STAFF OF SENATOR JOHN HEINZ

Mr. SPECTER. Mr. President, during his 20 years in the Congress, 6 in the House and the last 14 in the Senate, the late John Heinz compiled an enviable record of accomplishment. He was successful in many areas, building a national reputation for his work on retirement, health, international trade and human development issues.

John Heinz succeeded because he was intelligent and talented, but mainly because he was willing to pay the price. And the price of anything worthwhile is hard work. John Heinz got things done. In the final analysis, that is the true measure of any Member of Congress.

For his efforts and resultant successes, John Heinz has been fittingly eulogized. Today I believe it is also appropriate to publicly take notice of the fine staff that supported him in these endeavors.

There is an old cliche that behind every successful man or woman is a good and supportive spouse. And this is very often true. In the case of Members of Congress, it is also true, however, that there is a fine, hardworking, dedicated and loyal staff. Every one of the 535 Members strives diligently to assemble such a staff, and this was yet another of John Heinz's accomplishments.

He brought together a group of people who were absolutely dedicated to assisting him with his legislative agenda and with serving his Pennsylvania constituents. They did this with competence, integrity and enthusiasm. They did this because they believed in John Heinz and his never faltering mission to serve his fellow Pennsylvanians.

Now this fine group is in the process of disbanding, which is the normal course when a Member of Congress, for whatever reasons, leaves office. His staff, both here and in the State, either have found or are seeking new endeavors, new challenges for the skills they learned and honed in the employ of John Heinz and the U.S. Senate.

I feel I would be remiss if I did not compliment them on the fine job they have done. As John's colleague, who worked with him closely on many issues affecting our Nation and Pennsylvania, I have had the opportunity to observe their work close up. I know how good they have been.

As this cohesive group disbands and its individual members move on, I think it is only fitting that the U.S. Senate take note of all their hard work, their dedication and their loyalty, not only to Senator Heinz but to this institution. They have served nobly and well and we can all be proud of them and their efforts.

To each of them, I say: "Thank you. We are all grateful. We are in your debt. We wish you every success in all future endeavors."

I know my colleagues in the Senate will join me in saluting Senator Heinz's very distinguished staff:

HEINZ STAFF

Mark Adams, Jeanne Alexander, Larry Bageant, Gerry Balbier, Mary Bennett, Jane Bonner, Cynthia Brown, Richard Bryers, Jon Caudle, Leslie Caudle, Allison Cessna, John Deasy, Mark DeSantis, Gerry Dorian, Ken Frantz, Michael Fulwider, Peter Gleason, Joe Haviland, Megan Hedden, Sharesa Wilkins James, Gail Johnson, Janice Kelly, Bruce Kirkpatrick, Marja Maddrie, Grant Oliphant, Trip Oliver, Melissa Perez, Bill Reinsch, Dolores Senanis, Cliff Shannon, Mary Louise Sinclair, Leonard Swoopes, Kathryn Turman, Lynda Walker, Scott Whipple, and Matthew Winslow.

SPECIAL COMMITTEE ON AGING

Leslie Alexander, Diane Braunstein, Mark Coin, Kendra Diamond, Jeff Lewis, Deborah Matthews, Tom Morgan, Jay Shah, and Joan Venes.

NORTHEAST/MIDWEST COALITION

Gray Maxwell.

GOVERNMENTAL AFFAIRS

Joel Cliff, Lenny Glickman, and Ingrid Sausjord.

BANKING

Brad Belt, Ira Paull, and John Walsh.

STATE OFFICES—PHILADELPHIA

Jonathan Decker, Julie Han, Walter Irvine, Hope Jackson, Cindy Mota, Thorne Sparkman, and Allan Wolinsky.

PITTSBURGH

Agnes DeLuca, Diane Martz, John McCarty, Deborah Shiring, Sharon Simmons, Mary Louise Turano, and John Verbanac.

HARRISBURG

Susan Boyle and Bob Bushey.

SCRANTON

David Pease and Joe Stefko.

ERIE

Gail Sherred.

TRIBUTE TO PROF. BARBARA HORWITZ

Mr. SPECTER. Mr. President, May 23, 1991, Prof. Barbara Horwitz, professor of metabolic physiology at the Univerity of California at Davis, will receive that institution's prestigious UC Davis prize for teaching and scholarly achievement.

Only those preeminent in their field, who have great stature both in the classroom and the laboratory, are selected for this honor.

During a rich and rewarding career, Professor Horwitz has exhibited time and time again her ability as teacher and researcher. Her work and erudite writings in cell physiology, metabolism and energetics, in nutrition and how it can affect appearance and ward off disease have earned her the high regard and esteem of her peers in academe.

As a teacher, she has demonstrated the efficacy to inspire her students with enthusiasm for the disicipline to be mastered, to make them willing warriors in the often exasperating battles waged to conquer human ignorance.

Professor Horwitz eminently deserves the prize to be bestowed upon her.

As she receives this honor, I believe it is fitting that the U.S. Senate take note of her efforts to advance human knowledge and to inspire new scientists and to wish her continued success in her praiseworthy career.

EDUCATION OF OUR CHILDREN AND OUR YOUTH

Mr. ADAMS. Mr. President, I rise today to join with my colleagues to take up one of the most important issues facing our Nation: The education of our children and youth.

We are a nation at risk. We are at risk of educational mediocrity, even educational failure. Nearly 30 million Americans are illiterate; 25 percent of our students drop out of school before graduation; among industrial nations, American 13-year-olds rank 13th in the world in math achievement.

A little over a year ago, the President and the Nation's Governors announced six national education goals to be achieved by the year 2000: Every child will be ready to learn, the high school graduation rate will rise to 90 percent, students in grades 4, 8, and 12 will have high competency in the basic courses, U.S. students will be first, in the world in math and science, every adult will be literate, and schools will be safe and drug free. These are admirable and laudable goals. But simply identifying benchmarks of educational achievement is not enough. We must talk less and do more. Parents and teachers demand more. Our children deserve more.

We should achieve these six national education goals, and other education goals. When faced with the conflict in the Persian Gulf, Americans quickly met the crisis and prevailed. Now we must use that same dedication of purpose for the education of American children, youth, and families.

Unfortunately, for the last 10 years, we have lacked Presidential leadership on education. However, we have not lacked for rhetoric. As a result, in terms of action, education has not even registered on the administration's priority list for our Nation.

I am pleased that the President, has accepted of the importance of education and that he has decided to fulfill his campaign promises by presenting a comprehensive education plan of his own. Today, he has submitted legislation to implement his education agenda, America 2000. America 2000 includes some constructive ideas, some of which were initiatives in the Democrats education legislation, the Strengthening Education for American Families Act. It also includes some very controversial measures. I am hopeful, however, that the President and the Congress can work cooperatively to create education legislation that invests in the future of all Americans.

As the various education proposals move forward, I intend to take a significant role in ensuring that the best education programs are made available to all students, that children and their families receive the comprehensive services that will make them ready and able to learn, that every school has quality teachers, safe and healthy learning environments, and state-of-the-art educational materials, and that every student who wants to go to college is able to.

Last Tuesday, I introduced the Homeowners Higher Education Student Assistance Relief Act of 1991. The dramatic increases in home values in many areas of the country has created a serious problem for lower and middle income families applying for higher education financial aid. Families who own homes whose market value has far outstripped their family income find themselves ineligible for financial aid. My bill will return fairness to this equation for middle and lower income families by capping home value at two times family income.

In addition, I will continue to push for early, comprehensive intervention services for children and families. For many children, the day they reach the school house door is already too late. We must begin before birth, by ensuring that their mothers have access to quality prenatal care. A child deprived of early childhood health care, nutrition, and emotional support will not be ready or able to learn at age 5. That is why I cosponsored S. 911, the School Readiness Act of 1991, because every child deserves a head start. The legislation will phase in full funding for the Head Start Program by 1994. It also expands maternal and early childhood health care because early, quality health care is integral to a child's ability to learn.

Unfortunately, the President's America 2000 barely mentions Head Start or early, comprehensive intervention programs. Yet school readiness is the first of the six national education goals.

Another of the six education goals is safe and drug free schools. Today, 135,000 children will bring a gun to school. For some children, violence is a way of life in their homes, neighborhoods, as well as their schoolyards. In addition to enhancing the number of school counselors, we should be empowering students to deal constructively with their frustrations and problems. I will be proposing an initiative to help students, starting at a very early age, learn how to resolve their conflicts without resorting to violence and to become peer mediators.

There is no one simple solution to the education crisis. Any solution demands fundamental changes in the

American education system. But those changes must involve not only the President and Congress. Parents, students, community organizations, and business must all be players in the search for a better education for all of our Nation's children, youth, and families.

The education Congress is well on its way to making educational excellence for all Americans a reality and not just a goal. We must not slacken our efforts; we must work even harder. I would like to commend Chairman KENNEDY of the Committee on Labor and Human Resources, and Majority Leader MITCHELL for pledging to make the 102d Congress the education Congress.

I join them in restating my commitment to making the lives of American children and families better. I strongly urge my colleagues to join me in matching our rhetoric with action, in accomplishing the educational goals, and in improving education for our Nation's young people.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, as we prepare to honor the men and women of this Nation who have given their lives in war, to remember—together—our loved ones and to celebrate their courage, I call upon my colleagues to reflect also on the courage of the American hostages in Lebanon. These men are victims of another kind of war. A private, illegal war.

Terry Anderson is the longest held hostage. Today is his 2,259th in captivity. Our thoughts must be with him, and with the other hostages and their families.

UNIVERSITY OF OSTEOPATHIC MEDICINE AND HEALTH SCIENCES—COMMENCEMENT

Mr. HARKIN. I was privileged to be invited to be part of the 91st commencement of the University of Osteopathic Medicine and Health Sciences in Des Moines, IA. The university is a truly distinguished Iowa institution which now ranks in enrollment as the third largest private health science center in America.

Since 1898, the school has graduated thousands of men and women dedicated to making our country a healthier America. The commitment of these young doctors and health professionals is truly inspiring, and I ask unanimous consent to share my remarks to their class of 1991 with you here today:

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR TOM HARKIN AT THE UNIVERSITY OF OSTEOPATHIC MEDICINE AND HEALTH SCIENCES

Thanks President Azneer for that generous introduction. but I'm not sure I deserve all that praise.

It reminds me of what Mark Twain once said. He said, "You'll go to heaven for your charity, unless you go somewhere else for your exaggeration."

Thank you all for inviting me to speak here today.

I'd like to say how proud and honored I am to receive this degree from you. And as someone who puts his foot in his mouth a lot, I'm comforted to see so many Podiatrists among you.

You know, growing up on Cumming, Iowa, population 151, I often wondered if I'd even have the chance to even go to college. My parents brought up six kids in a two-bedroom home. My dad was a coal miner with an eighth grade education. My mom was an immigrant without any formal education.

We didn't have any money. And, like most people who grew up in Cumming, I wondered if I'd ever get the chance to prove myself, to accomplish all I wanted to.

But my mom and dad believed in me—as your parents believe in you—and taught me that if you work hard, if you study, and if you're responsible, that you can accomplish anything in life.

Well, Mom, you were right. You can accomplish anything. I've got the robe and the funny hat to prove it.

So, I just want you to know how proud I am to be standing before you today.

And for all the moms and dads, spouses and relatives who believed in *YOU*, the graduating class of 1991, I think we owe them a round of applause.

Standing here, looking at so many doctors of osteopathic medicine, and podiatrists, and physicians's assistants, and physical therapists, and health care administrators, and health information managers, I'm reminded of a story about the famous preacher, Norman Vincent Peale.

One day, Reverend Peale went to make use of the services of a young doctor who wasn't much of a churchgoer. After the Reverend left, the doctor never sent a bill.

A few weeks passed, and still, no bill. So one day, Reverend Peale approached the young doctor and said, "Look here, doctor, I have to know how much I owe you."

The doctor thought a minute, scratched his head, then looked at the preacher and said, "I'll tell you what, Reverend Peale. I hear you're a pretty fair preacher. And you seem to think I'm a pretty good doctor."

"I'll make a deal with you. I'll do all I can to keep you out of heaven, if you'll do all you can to keep me out of hell, and it won't cost either of us a cent."

Well, as a politician I tried to make a similar deal, but the good preacher said he had the much harder job.

But I will make a deal with you today. With all of you. It's a deal that will benefit all of us.

And here it is: As chairman of the subcommittee which oversees the funding of health programs in America, I'll continue to fight for the resources doctors and health professionals need to keep people well.

Notice I said "keep people well" and not "make people well." This is where your part of the deal comes in.

While you work to cure people, make sure you give equal attention to preventive health care, to keep people well in the first place.

Prevention is something that has always been among the first priorities of osteopathic medicine and allied health professionals. Now we have to work to make it the first priority of health care in America.

By putting prevention first, we can improve our quality of life, prevent a lot of suffering, and save a lot of money.

You know, we spend more than $700 billion on health care in this country—and we're not getting our money's worth. We don't need to spend more on health care. We just need to spend it better.

Experts say that nearly half of that amount is preventable. Yet, of the more than $700 billion, only about one percent is spent on prevention.

Well, my mother taught me the same way your mother taught you, that an ounce of prevention is worth a pound of cure.

If that's true, what is a pound of prevention worth?

Everybody's talking about how to patch and fix and mend people, and that's important, no doubt. But it's also important to prevent or reduce injury, disability, and disease in the first place.

Imagine if Americans took care of their cars like they take care of their bodies.

What would you say if I bought a new car, drove it out of the lot, and never checked the oil, and never checked the water, and never tuned it up. Just drove it. And then, one day the engine seizes, and I call the mechanic, and he tells me that I need a new engine, so I say, okay, just put one in.

You'd probably think I was a little crazy.

Fact is, most of us spend more to maintain our cars than we do to maintain our bodies.

Earlier this year, I introduced seven bills—called Prevention First, to focus our attention on prevention and get rid of some of the anomalies in our system.

I'd like to talk about some of these anomalies. On both sides of life.

First, look at breast cancer. In America this year, 1 in 9 women will develop breast cancer. Of those, 1 in 4 will die. In Iowa alone this year, 500 women will die of breast cancer.

If you qualify for Medicare or Medicaid, they'll pay up to $15,000 for a mastectomy, and up to $50,000 for chemotherapy. And, after all that, too often a woman dies because they didn't catch it in time.

But here's the anomaly: We won't pay $75 to pay for mammograms to help catch the cancer in the first place. This year, for the first time, Medicare will provide mammograms for women over age 65. But there are as many women ages 50 to 65 that are at risk, and aren't covered.

I had two sisters die of breast cancer before they turned 55. If the disease was caught early, they'd probably be alive today.

That's the back side of life. Here's an example from the front side.

You know low-infant babies? We spend up to $2,000 per day to care for low birthweight babies. And we gladly pay it. There's not a person here that wouldn't. It tears your heart out to see those sick children.

But here's the anomaly: while we'll pay $2,000 a day to care of them, we won't spend the $500 it takes for 9 months of pre-natal care that will generally ensure a healthy baby in the first place. We know that women who have pre-natal care are 90% likely to have a healthy baby, yet we cut that program. Why?

One more example. The number one preventable disease among kids today is lead poisoning. It affects nearly 3.5 million children. A few months ago, a Wisconsin boy had so much lead in his system, it began to replace the calcium in his bones.

Children afflicted by lead poisoning are 7 times more likely to drop out of school. The cost in social and economic terms is enormous. But if the poisoning is caught early, we can treat it, so a kid can live a healthy life. Yet, we won't pay the $50 it takes to get a lead screening.

I just don't understand the logic here. It's really common sense. Isn't it better to pay a little now than pay a lot later?

What role can you play in all of this, as this nation's freshmen doctors and health professionals?

Continue your dedication to good health care. Educate the public. And promote wellness and prevention with all of your patients.

I'm glad to see so many of you going into primary care practicioning. Because that is where our future lies in both preventing illness and disease and improving our health care system.

There may be limits to your abilities to cure, but there are no limits to your capacity to teach and care. Together, we can make *Prevention First* America's motto for health care in the 90s.

Finally, there's one more thing I want to mention to you graduates.

After you leave here, when you go to celebrate with family and friends, after you take off your robes and funny hats, when you drive past the farms of Iowa, or fly over its fields, think about rural health care.

If you haven't decided where to practice, or even if you have, think about practicing in rural hospitals and health centers. Think about setting up shop on main street in one of America's great rural towns.

People in rural communities can use your talent and your help.

It's also a good place to start out and to raise a family. Rural towns generally have good values, strong communities, nice people, safe streets, low drug use, and is just plain fun.

In closing, I'd like to congratulate you all. When you leave today, don't forget to thank the people who helped you get here, and the people who believe in you.

You know, I've always believed that the richest life, the fullest life, is a life dedicated to helping others. Whether through public service, as I do, or through medicine, as you do.

I'm counting on you to continue your dedication to making America a healthier America. And don't let anybody tell you that we can't.

Because never forget. When you set your mind to it, you can accomplish anything you want to in life.

Thank you.

IN HONOR OF IRVING D. RUBENSTEIN

Mr. DOMENICI. Mr. President, there are often times very special individuals in our midst, who have served their country with distinction and selflessness, but who have also served without great fanfare or extraordinary public display.

However, there are also times when we can take a few minutes and recognize their talents, their kindnesses, and their dedication.

This is the case today. I am very honored to have the opportunity to recognize Mr. Irving D. Rubenstein of Las Cruces, NM. Irv has just retired from White Sands Missile Range after 50 years of service to our Government. This is truly an outstanding record.

Irving Rubenstein served 29 years in the military and 21 years in the civilian service. He has served in Illinois, Ohio, Indiana, New Jersey, and New Mexico. His last 9 years of service have been at the U.S. Army White Sands Missile Range as the Chief, Community Operations Division, Directorate of Personnel and Community Activities.

Irv has also given of his time for many community and civic activities. He is now serving his second term as the regional president for the Federal Managers' Associaton and is an active member and past president of the International Military Club Executive Association. He is a guest editor for the column, Civilian Corner, in the Missile Ranger, a newspaper at White Sands Missile Range. And, he serves as the Jewish lay leader for the White Sands Missile Range.

Most importantly, Mr. President, Irv Rubenstein has been a warm and generous individual. He has given his time and energies to his work and he has given of himself to so many of us who have had the opportunity to be his friend.

I am proud to have this chance to recognize Irv's many achievements. He indeed epitomizes what we think of as a fine and skilled contributor to our work force. Most of all, however, he is indeed a great American, and a very special and great friend.

I feel privileged to have the opportunity to acknowledge Irving D. Rubenstein for his talents and many contributions to our Government service and to our country. And, I know he will continue his caring and generous service to his community and friends in the years ahead.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT—PM 51

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for Fiscal Year 1990 and the Inventory of Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies: Fiscal Year 1990.

GEORGE BUSH.

THE WHITE HOUSE, *May 23, 1991.*

ADMINISTRATION OF RADIATION CONTROL FOR HEALTH AND SAFETY ACT—MESSAGE FROM THE PRESIDENT—PM 52

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with section 360D of the Public Health Service Act (21 U.S.C. 360qq), I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act of 1968 during calendar year 1990.

The report recommends the repeal of section 360D of the Public Health Service Act that requires the completion of this annual report. All the information found in this report is available to the Congress on a more immediate basis through Center technical reports, the Radiological Health Bulletin, and other publicly available sources. This annual report serves little useful purpose and diverts Agency resources from more productive activities.

GEORGE BUSH.

THE WHITE HOUSE, *May 23, 1991.*

MESSAGES FROM THE HOUSE

At 5:15 p.m., a message from the House of Representatives announced that the House agrees to the amendments of the Senate to the bill (H.R. 232) to amend title 38, United States Code, with respect to veterans programs for housing and memorial affairs, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 157. Concurrent resolution providing for an adjournment of the House from May 23, 1991, to May 29, 1991, and an adjournment of the Senate from May 23 or May 24, 1991, to June 3, 1991.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1247. A communication from the Acting Secretary of Defense (Acquisition), transmitting, pursuant to law, the selected acquisition reports for the quarter ended March 31, 1991; to the Committee on Armed Services.

EC-1248. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report for 1991 on the Strategic Defense Initiative; to the Committee on Armed Services.

EC-1249. A communication from the Chief of the Special Actions Branch, Congressional Inquiry Division, Department of the Army, transmitting, pursuant to law, a report on the decision to retain the commissary storage and warehouse function at Fort Leavenworth, Kansas, as an in-house function; to the Committee on Armed Services.

EC-1250. A communication from the Chief of the Special Actions Branch, Congressional Inquiry Division, Department of the Army, transmitting, pursuant to law, a report on the decision to retain the commissary storage and warehousing function at Redstone Arsenal, Alabama, as an in-house function; to the Committee on Armed Services.

EC-1251. A communication from the Chief of the Special Actions Branch, Congressional Inquiry Division, Department of the Army, a report on the decision to retain the commissary storage and warehousing function as an in-house operation; to the Committee on Armed Services.

EC-1252. A communication from the Principal Deputy Assistant Secretary of Defense (Production and Logistics), transmitting, pursuant to law, a study on recycling postconsumer waste at Department of Defense facilities; to the Committee on Armed Services.

EC-1253. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a supplement to the report entitled "Military Bases: Letters and Requests Received on Proposed Closures and Realignments"; to the Committee on Armed Services.

EC-1254. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a supplement to the report entitled "Military Bases: Observations on the Analyses Supporting Proposed Closures and Realignments"; to the Committee on Armed Services.

EC-1255. A communication from the Secretary of Defense, transmitting, pursuant to law, notification that he had exercised certain authority under the National Defense Authorization Act with respect to certain foreign nationals; to the Committee on Armed Services.

EC-1256. A communication from the Director of the Office of Environmental Restoration and Waste Management, Department of Energy, transmitting, pursuant to law, notice of a delay in the submission of the annual report on research and technology development; to the Committee on Armed Services.

EC-1257. A communication from the Director of the Office of Environmental Restoration and Waste Management, Department of Energy, transmitting, pursuant to law, notice of a delay in the submission of the report on the management of environmental restoration and waste management activities at facilities under the jurisdiction of the Department of Energy; to the Committee on Armed Services.

EC-1258. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1259. A communication from the Deputy Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1260. A communication from the Managing Trustee and the Trustees of the Federal Old Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting, pursuant to law, the 1991 annual report of the Board of Trustees of the Funds; to the Committee on Finance.

EC-1261. A communication from the Managing Trustee and Trustees of the Board of Trustees of the Federal Hospital Insurance Trust Fund, transmitting, pursuant to law, the 1991 annual report of the Board of Trustees; to the Committee on Finance.

EC-1262. A communication from the Managing Trustee and Trustees of the Federal Supplementary Medical Insurance Trust Fund, transmitting, pursuant to law, the 1991 annual report of the Board of Trustees; to the Committee on Finance.

EC-1263. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the study of the Medicaid Eligibility Quality Control negative case action program; to the Committee on Finance.

EC-1264. A communication from the Chairman of the Physician Payment Review Commission, transmitting, pursuant to law, the Commission's recommendations on the Feed Update and Medicare Volume Performance Standards for 1992; to the Committee on Finance.

EC-1265. A communication from the President of the United States, transmitting, pursuant to law, notice of the waiver of legislative prohibitions on approval of United States-origin exports to China for the Aussat Project; to the Committee on Foreign Relations.

EC-1266. A communication from the Executive Director of the United States Commission for the Preservation of America's Heritage Abroad, transmitting a draft of proposed legislation to amend the International Security and Development Cooperation Act of 1985 to authorize appropriations for fiscal years 1992 and 1993 for carrying out that Act; to the Committee on Foreign Relations.

EC-1267. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice of a Presidential determination with respect to Bulgaria; to the Committee on Foreign Relations.

EC-1268. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the provision of certain emergency medical assistance to Israel; to the Committee on Foreign Relations.

EC-1269. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report on the proposed increase in the resources of the International Monetary Fund; to the Committee on Foreign Relations.

EC-1270. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Federal Maritime Commission, for the period October 1, 1990-March 31, 1991; to the Committee on Governmental Affairs.

EC-1271. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Federal Election Commission, for the period October 1, 1990-March 31, 1991; to the Committee on Governmental Affairs.

EC-1272. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the annual report of the Office under the Freedom of Information Act for calendar year 1990; to the Committee on the Judiciary.

EC-1273. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the annual report of the Board for fiscal year 1989; to the Committee on Labor and Human Resources.

EC-1274. A communication from the Chairman and Members of the Railroad Retirement Board, transmitting a draft of proposed legislation to amend the Railroad Retirement Act and the Railroad Unemployment Insurance Act to enhance the authority of the Government to recover debts resulting from overpayments of benefits under those Acts; to the Committee on Labor and Human Resources.

EC-1275. A communication from the Secretary of Veterans Affairs and the Secretary of Defense, transmitting jointly, pursuant to law, a report on the implementation of the health resources sharing portion of the Department of Veterans Affairs and the Department of Defense Health Sharing and Emergency Operations Act; to the Committee on Veterans' Affairs.

EC-1276. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend expiring laws authorizing the Department of Veterans Affairs to establish nonprofit research corporations, to contract for alcohol or drug treatment services, to make State home grants, to contract for the care of United States veterans in the Philippines, to furnish adult day health care services, and for other purposes; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

Special Report entitled "First Monetary Policy Report for 1991 (Rept. No. 102-62).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 210. A bill to establish the United States Enrichment Corporation to operate the Federal uranium enrichment program on a profitable and efficient basis in order to maximize the long-term economic value to the United States, to provide assistance to the domestic uranium industry, and to provide a Federal contribution for the reclamation of mill tailings generated pursuant to Federal defense contracts at active uranium and thorium processing sites (Rept. No. 102-63).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 343. A bill to provide for continued United States leadership in high-performance computing (Rept. No. 102–64).

By Mr. PELL, from the Committee on Foreign Relations, without amendment and an amended preamble:

S. Res. 121. A resolution supporting the breakthrough for peace in Angola, and for other purposes.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 129. A resolution regarding the recent parliamentary elections in Albania.

S. Res. 132. A resolution commending the humanitarian relief efforts for Iraqi refugees.

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 113. A bill to amend title 18 of the United States Code, to increase the term of imprisonment for offenses involving driving while intoxicated when a minor is present in the vehicle.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 41. A concurrent resolution to express the sense of the Congress that Tibet, including those areas incorporated into the Chinese provinces of Sichuan, Yunnan, Gansu, and Qinghai that have historically been a part of Tibet, is an occupied country under established principles of international law whose true representatives are the Dalai Lama and the Tibetan government in exile as recognized by the Tibetan people.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

Ira H. Raphaelson, of Illinois, to be Special Counsel, Financial Institutions Fraud Unit, Department of Justice.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to the requests to appear and testify before any duly constituted committee of the Senate.)

Emilio M. Garza, of Texas, to be United States Circuit Judge for the Fifth Circuit;

Louis J. Freeh, of New York, to be United States District Judge for the Southern District of New York;

Sharon Lovelace Blackburn, of Alabama, to be United States District Judge for the Northern District of Alabama;

Richard T. Haik, Sr., of Louisiana, to be United States District Judge for the Western District of Louisiana;

Edward G. Bryant, of Tennessee, to be United States Attorney for the Western District of Tennessee for the term of four years;

Donald R. Brookshier, of Illinois, to be United States Marshal for the Southern District of Illinois for the term of four years; and

W. Bruce Beaty, of Texas, to be United States Marshal for the Northern District of Texas for the term of four years.

By Mr. NUNN, from the Committee on Armed Services:

The following named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Harold T. Fields, Jr., [redacted], U.S. Army.

The following named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Bradley C. Hosmer, [redacted], U.S. Air Force.

The following named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Lt. Gen. Howard D. Graves, [redacted], U.S. Army.

By Mr. PELL, from the Committee on Foreign Relations:

Treaty Doc. 101–21) Convention for the Protection of the Natural Resources and Environment of the South Pacific Region (Exec. Rept. 102–8).

TEXT OF RESOLUTION OF RATIFICATION

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, with Annex, and the Protocol for the Prevention of Pollution of the South Pacific Region by Dumping, with Annexes, done at Noumea, New Caledonia, on November 24, 1986, subject to the following understandings:

1. In ratifying the Convention, the United States understands that wastes and other matter which would be recommended for exemption from regulatory control as radioactive waste by the relevant recommendations, standards, and guidelines of the International Atomic Energy Agency shall be treated as nonradioactive for the purposes of the Convention; and

2. It is the understanding of the United States that as the Convention does not apply to any warship, naval auxiliary, or other vessels or aircraft owned or operated by a state and used, for the time being, only on government noncommercial service and therefore entitled to sovereign immunity under international law, each state shall ensure, by the adoption of appropriate measures not impairing operations or operational capabilities of such vessels or aircraft owned or operated by it, that such vessels or aircraft act in a manner consistent, so far as is reasonable and practicable, with this Convention.

Bruce S. Gelb, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium:

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: Bruce S. Gelb.

Post: Ambassador to Belgium.

Contributions, amount, date, and donee:

1. Self, Bruce S. Gelb:

Amount, date, and donee:

$5,000, 1987, Fund for America's Future; $1,000, 1987, Hatch Election Committee; $1,000, 1987, Pete Dawkins for U.S. Senate; $1,000, 1987, Bristol-Myers PAC; $5,000, 1988, Committee for Fairness; $10,000, 1988, Republican National Committee; $5,000, 1988, Fund for America's Future; $1,000 1988, George Bush for President Compliance Committee; $1,000, 1988 Bristol-Myers PAC; $1,000, 1988, Republican Congressional Leadership Council; $1,000, 1988, Dole for President; $1,500, 1989, Pete Dawkins; $15,000, 1990, RNC Eagles; $1,000, 1990, The President's Club; $1,000, 1990, FINA for Ellington; $15,000, 1991, RNC Eagles.

2. Spouse: Lueza T. Gelb, $5,000, 1987, Fund America's Future; $5,000, 1988, Fund for America's Future; $10,000, 1988, Presidential Trust; $2,000, 1988, Bob McMillan for US Senate; $5,000, 1988, Victory '88 NYS Account; $1,000, 1988, Bob McMillan for US Senate; $1,000, 1988, Friends of Voinovich; $1,000, 1988, Friends of Senator D'Amato.

3. Children and spouses: John T. and Janice L. Gelb, $500, 1988, McMillan for Senator; $200, 1989, Manufacturers Hanover Trust Corp. Assn for Responsible Government Fund; $200, 1990, Manufacturers Hanover Trust Corp. Assn for Responsible Government Fund. Joan H. Gelb[1] and Yacek Jarkowski, none. Richard E. and Rosanna Gelb, none. Mary Constance Gelb[1] amd Scott Otteman, none.

4. Parents, deceased.

5. Grandparents, deceased.

6. Brothers and spouses: Richard L. Gelb, $5,000, 1987, Fund for America's Future; $1,000, 1987, Weicker '88; $250, 1987, Business-Industry PAC; $1,000, 1987, Senator Lloyd Bentsen Elect Committee—1988 Campaign; $250, 1987, George Bush for President; $1,000, 1987, Committee for Cong. Green—'88; $500, 1987, Friends of Ham Fish; $500, 1987, Bristol-Myers Company Political Action Committee; $500, 1987, Bristol-Myers Company PAC; $1,000, 1987, Pete Dawkins for US Senate; $1,000, 1987, Danforth for Senate; $10,000, 1987, Republican Eagles; $1,000, 1988, NY Salute to Senator Pete Wilson; $5,000, 1988, Committee for Fairness (G. Bush); $250, 1988, Business-Industry PAC; $5,000, 1988, Fund for America's Future; $500, 1988, Lehigh Valley Citizens for Don Ritter; $1,000, 1988, George Bush for President Compliance Committee; $500, 1988, Friends of Ham Fish, Jr.; $1,000, 1988, People for John Heinz Committee; $1,000, 1988, Dole for President Committee (Campaign Deficit); $5,000, 1988, Presidential Trust; $1,000, 1988, 1988 Republican Convention Gala; $500, 1988, AHC Committee on Legislation and Taxation (COLT); $250, 1988, Committee to Elect John Ravitz Rep. Candidate 66th AD; $10,000, 1989, Republican Eagles; $1,000, 1989, McMillan for US Senate (Campaign Deficit); $1,000, 1989, Cohen for Senator; $500, 1989, Friends of Ham Fish, Jr.; $500, 1989, AHC Committee on Legislation and Taxation; $250, 1990, Business-Industry PAC; $15,000, 1990, Republican Eagles; $1,000, 1990, Committee for Bill Green; $1,000, 1990, The Moynihan Committee—1994 Election; $500, 1990, Lynn Martin for US Senate; $500, 1990, Friends of Ham Fish, Jr.; $1,000, 1990, Hank Brown for US Senate Committee; $250, 1990, Senate Republican Campaign; $500, 1990, Lynn Martin for US Senate; $1,000, 1990, The President's Club; $500, 1990, NY Thoroughbred Racing PAC; $250, 1990, Committee to Elect John Ravitz; $15,000, 1991, Republican Eagles; $1,000, 1991, Citizens for Arlen Specter; Phyllis N. Gelb (brothers spouse); $5,000, 1987, Fund for America's Future; $5,000, 1988, Fund for America's Future; $1,000, 1988, people for John Heinz Committee; $1,000, 1988, Pete Dawkins or US Senate; $1,000, 1988, Weicker '88.

7. Sisters and spouses: none.

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[1] Joan H. Gelb and Mary Constance Gelb believe that they may have made a contribution to the Bush Presidential Campaign. No record of those contributions has been found.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KENNEDY (for himself, Mr. Hatch, Mr. Pell, Mrs. Kassebaum, Mr. Dole, Mr. Simpson, Mr. Jeffords, Mr. Thurmond, Mr. Durenberger, Mr. Cochran, Mr. Nickles, Mr. Hatfield, Mr. Specter, Mr. Kasten, Mr. Lugar, Mr. Gorton, Mr. Danforth and Mr. Stevens) (by request):

S. 1141. A bill to help the Nation achieve the National Education Goals by supporting the creation of a new generation of American schools in communities across the country; rewarding schools that demonstrate outstanding gains in student performance and other progress toward the National Education Goals; creating academies to improve leadership and core-course teaching in schools nationwide; supporting State and local efforts to attract qualified individuals to teaching and educational administration; providing States and localities with statutory and regulatory flexibility in exchange for greater accountability for student learning; encouraging, testing, and evaluating educational choice programs; increasing the potential usefulness of the National Assesment of Educational Progress to State and local decisionmakers; expanding Federal support for literacy improvements; and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GORTON:

S. 1142. A bill to amend the Controlled Substances Act with respect to the regulation of precursor chemicals; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1143. A bill to include the Territory of American Samoa in the program of aid to the aged, blind, or disabled; to the Committee on Finance.

By Mr. MACK:

S. 1144. A bill to authorize the Secretary of Transportation to carry out a highway demonstration project for construction of a tunnel to replace the 17th Street Causeway Bridge in Fort Lauderdale, Florida; to the Committee on Environment and Public Works.

By Mr. LEVIN (for himself and Mr. Cohen):

S. 1145. A bill to amend the Ethics in Government Act of 1978 to remove the limitation on the authorization of appropriations for the Office of Government Ethics; to the Committee on Governmental Affairs.

By Ms. MIKULSKI:

S. 1146. A bill to establish a national advanced technician training program, utilizing the resources of the Nation's two-year associate-degree granting colleges to expand the pool of skilled technicians in strategic advanced-technology fields, to increase the productivity of the Nation's industries, and to improve the competitiveness of the United States in international trade, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LIEBERMAN (for himself, Mr. Lautenberg, Mr. Mack, Mr. Murkowski, Mr. Cranston, Mr. Kasten, Mr. Packwood, Mr. Wirth, Mr. Graham, Mr. Rockefeller, Mr. D'Amato, Mr. Grassley, Ms. Mikulski, and Mr. Levin:

S. 1147. A bill to require that the United States Government hold certain discussions and report to Congress with respect to the secondary and tertiary boycotts of Israel by Arab nations; to the Committee on Foreign Relations.

By Mrs. KASSEBAUM:

S. 1148. A bill to amend title VII of the Public Health Service Act to improve certain health professions training programs, and for other purposes; to the Committee on Labor and Human Resources.

S. 1149. A bill to amend the Social Security Act to increase payments for direct graduate medical education costs of primary care residents in initial residing period, and for other purposes; to the Committee on Finance.

By Mr. PELL (for himself, Mrs. Kassebaum, Mr. Kennedy, and Mr. Hatch):

S. 1150. A bill to reauthorize the Higher Education Act of 1965, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CRAIG (for himself and Mr. Symms):

S. 1151. A bill to restore an enforceable Federal death penalty, to curb the abuse of habeas corpus, to reform the exclusionary rule, to combat criminal violence involving firearms, to protect witnesses and other participants in the criminal justice system from violence and intimidation, to address the problem of gangs and serious juvenile offenders, to combat terrorism, to combat sexual violence and child abuse, to provide for drug testing of offenders in the criminal justice process, to secure the right of victims and defendants to equal justice without regard to race or color, to enhance the rights of crime victims, and for other purposes; read the first time.

By Mr. BREAUX (for himself and Mr. Johnston):

S. 1152. A bill to facilitate the employment of certain Public Health Service employees by the Bureau of Prisons at the Gillis W. Long Hansen's Disease Center, and for other purposes; to the Committee on the Judiciary.

By Mr. JEFFORDS:

S. 1153. A bill to require the Administrator of the Environmental Protection Agency to issue regulations concerning the reporting of compliance assurance activities; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN:

S. 1154. A bill to amend title 18, United States Code, to require that persons comply with State and local firearms licensing laws before receiving a Federal license to deal in firearms; to the Committee on the Judiciary.

By Mr. HATFIELD:

S. 1155. A bill to require that executions under Federal law be carried out in public and to protect prison employees from being required to participate in executions contrary to moral or religious conviction; to the Committee on the Judiciary.

By Mr. PACKWOOD. (for himself, Mr. Hatfield, Mr. Gorton, Mr. Murkowski, Mr. Breaux, Mr. Heflin, and Mr. Shelby):

S. 1156. A bill to provide for the protection and management of certain areas on public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in the States of California, Oregon, and Washington; to ensure proper conservation of the natural resources of such lands, including enhancement of habitat; to provide assistance to communities and individuals affected by management decisions on such lands; to facilitate the implementation of land management plans for such public domain lands and federal lands elsewhere; and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DASCHLE:

S. 1157. A bill to amend the Internal Revenue Code of 1986 to allow the energy investment credit for solar energy and geothermal propery against the entire regular tax and the alternative minimm tax; to the Committee on Finance.

By Ms. MIKULSKI:

S. 1158. A bill to amend title 38, United States Code, to provide for the payment, on an interim basis, of compensation, dependency, and indemnity compensation, and pension to veterans and their survivors and dependents if the claims of such persons for such benefits are not resolved by the Secretary of Veterans Affairs within specified time periods, to provide for the provision of interim rehabilitative and counseling services, and for other purposes; to the Committee on Veterans' Affairs

By Mr. GORE (for himself, Mr. Kasten, Mr. Dodd, Mr. Akaka, Mr. Adams, Mr. Heflin, Mr. Moynihan, Mr. Wellstone, Mr. Pell, Mr. Bumpers, Ms. Mikulski, Mr. Gorton, Mr. Bryan, Mr. Riegle, Mr. Kennedy, Mr. Daschle and Mr. Chafee):

S. 1159. A bill to provide for the labeling or marking of tropical wood and tropical wood products sold in the United States; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO (for himself and Mr. Specter):

S. 1160. A bill to amend and extend programs under the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GARN:

S. 1161. A bill to prevent the unreasonable use of tied aid and partially untied aid credits, to authorize appropriations for tied aid credit programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PELL:

S. 1162. A bill to strengthen the ties between the United States and Central and Eastern European countries through the improvement in such countries of education for competent and responsible citizenship in a constitutional democracy; to the Committee on Labor and Human Resources.

By Mr. THURMOND (by request):

S. 1163. A bill to encourage innovation and productivity, stimulate trade, and promote the competitiveness and technological leadership of the United States; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mr. McCain, Mr. Durenberger and Mrs. Kassebaum):

S. 1164. A bill to authorize the Secretary of Health and Human Services to impose debarments and other penalties for illegal activities involving the approval of abbreviated drug applications under the Federal Food, Drug, and Cosmetic Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LEVIN (for himself, Mr. Hatch and Mr. Heflin):

S. 1165. A bill to extend the patent term of certain products; to the Committee on the Judiciary.

By Mr. INOUYE (for himself, Mr. HOLLINGS, Mr. FORD, Mr. GORE, Mr. SIMON and Mr. BRYAN):

S. 1166. A bill to provide for regulation and oversight of the development and application of the telephone technology known as pay-per-call, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DECONCINI:

S. 1167. A bill to deny the People's Republic of China most-favored-nation treatment; to the Committee on Finance.

By Mr. DASCHLE:

S. 1168. A bill to authorize the Secretary of Transportation to carry out a highway bridge demonstration project in the Vermillion, South Dakota-Newcastle, Nebraska area to improve the flow of traffic between the States of Nebraska and South Dakota; to the Committee on Environment and Public Works.

By Mr. GORTON:

S. 1169. A bill to authorize a certificate of documentation for the vessel COMMANDO; to the Committee on Commerce, Science, and Transportation.

By Mr. DURENBERGER:

S. 1170. A bill to require any person who is convicted of a State criminal offense against a victim who is a minor to register a current address with local law enforcement officials of the State for 10 years after release from prison, parole, or supervision; to the Committee on the Judiciary.

By Mr. AKAKA:

S. 1171. A bill to require the Secretary of Agriculture to take action to prevent the inadvertent introduction of brown tree snakes into Hawaii from Guam, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1172. A bill to require the Secretary of Defense to take actions to prevent the inadvertent introduction of brown tree snakes from Guam to Hawaii in Department of Defense aircraft and vessels; to the Committee on Armed Services.

By Mr. LIEBERMAN:

S. 1173. A bill to authorize Federal Government guarantees for private loans for defense export projects with friendly foreign countries and international organizations, and for other purposes; to the Committee on Foreign Relations.

By Mr. BROWN (for himself and Mr. WIRTH):

S. 1174. A bill to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado; to the Committee on Energy and Natural Resources.

By Mr. KERRY (for himself, Mr. MURKOWSKI, Mr. CRANSTON, Mr. BURDICK, Mr. DOLE and Mr. ROBB):

S. 1175. A bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes; to the Committee on Armed Services.

By Mr. DECONCINI (for himself, Mr. MCCAIN, Mr. DOMENICI, Mr. SARBANES, Mr. BURDICK, Mr. HARKIN, Mr. BAUCUS, Mr. WIRTH, Mr. KENNEDY, Mr. BRADLEY, Mr. INOUYE, Mr. REID, Mr. DASCHLE, Mr. AKAKA, Mr. BRYAN, Mr. BINGAMAN, Mr. HATCH, Mr. NUNN, Mr. CHAFEE, and Mr. SIMPSON):

S. 1176. A bill to establish the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation, and for other purposes; to the Committee on Environment and Public Works.

By Mr. ROCKEFELLER:

S. 1177. A bill to amend the Social Security Act to assure universal access to health insurance for basic health services in the United States through qualified employer health plans and a public health insurance plan, to contain costs and assure quality in the provision of health insurance to small employers, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Mr. DANFORTH, Mr. BOREN, Mr. D'AMATO, Mr. BINGAMAN, and Mr. NICKLES):

S. 1178. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for expenditures for vehicles which may be fueled by clean-burning fuels, for converting vehicles so that such vehicle may be so fueled, or for facilities for the delivery of such fuels, and for other purposes; to the Committee on Finance.

By Mr. JOHNSTON (for himself, Mr. BINGAMAN, and Mr. CRAIG):

S. 1179. A bill to stimulate the production of geologic-map information in the United States through the cooperation of Federal, State, and academic participants; to the Committee on Energy and Natural Resources.

By Mr. FOWLER (for himself, Mr. ADAMS, Mr. AKAKA, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOND, Mr. BOREN, Mr. BRADLEY, Mr. BREAUX, Mr. BROWN, Mr. BRYAN, Mr. BUMPERS, Mr. BURDICK, Mr. BURNS, Mr. BYRD, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. COHEN, Mr. CONRAD, Mr. CRAIG, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DASCHLE, Mr. DECONCINI, Mr. DIXON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EXON, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. GRAHAM, Mr. GRAMM, Mr. GRASSLEY, Mr. HATCH, Mr. HATFIELD, Mr. HEFLIN, Mr. HELMS, Mr. HOLLINGS, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mr. LOTT, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. NUNN, Mr. PACKWOOD, Mr. PELL, Mr. PRESSLER, Mr. REID, Mr. RIEGLE, Mr. ROBB, Mr. ROCKEFELLER, Mr. ROTH, Mr. RUDMAN, Mr. SANFORD, Mr. SARBANES, Mr. SASSER, Mr. SEYMOUR, Mr. SHELBY, Mr. SIMON, Mr. SIMPSON, Mr. SMITH, Mr. SPECTER, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND, Mr. WALLOP, Mr. WARNER, Mr. WELLSTONE, Mr. WIRTH, and Mr. WOFFORD):

S.J. Res. 150. Joint resolution to designate June 15, 1991, as "Magna Carta Day"; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself, Mr. LUGAR, Mr. ROTH, Mr. DECONCINI, Mr. GLENN, Mr. D'AMATO, Mr. PACKWOOD, Mr. METZENBAUM, Mr. HELMS, Mr. SPECTER, Mr. BROWN, Mr. KERRY, Mr. SHELBY, Mr. CONRAD, Mr. DIXON, Mr. LEVIN, Mr. GRASSLEY, Mr. ROBB, Mr. INOUYE, Mr. BURDICK, Mr. DASCHLE, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. DANFORTH, and Mr. KERREY):

S.J. Res. 151. Joint resolution to designate October 6, 1991, and October 6, 1992, as "German-American Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY (for himself, Mr. HATCH, Mr. PELL, Mrs. KASSEBAUM, Mr. DOLE, Mr. SIMPSON, Mr. JEFFORDS, Mr. THURMOND, Mr. DURENBERGER, Mr. COCHRAN, Mr. NICKLES, Mr. HATFIELD, Mr. SPECTER, Mr. KASTEN, Mr. GORTON, Mr. DANFORTH, and Mr. STEVENS) (by request):

S. 1141. A bill to help the Nation achieve the national education goals by supporting the creation of a new generation of American schools in communities across the country; rewarding schools that demonstrate outstanding gains in student performance and other progress toward the national education goals; creating academies to improve leadership and core-course teaching in schools nationwide; supporting State and local efforts to attract qualified individuals to teaching and educational administration; providing States and localities with statutory and regulatory flexibility in exchange for greater accountability for student learning; encouraging, testing, and evaluating educational choice programs; increasing the potential usefulness of the national assessment of educational progress to State and local decisionmakers; expanding Federal support for literacy improvements; and for other purposes; to the Committee on Labor and Human Resources.

(The remarks of Senators and the text of the legislation appear earlier in today's RECORD.)

By Mr. GORTON:

S. 1142. A bill to amend the Controlled Substances Act with respect to the regulation of precursor chemicals; to the Committee on the Judiciary.

REGULATION OF PRECURSOR CHEMICALS

Mr. GORTON. Mr. President, although Americans are acutely aware of the continuing drug war in this Nation, most believe that the battlegrounds are confined largely to major metropolitan areas. How wrong they are. Home drug laboratories producing synthetic drugs such as methamphetamines can be found across this Nation, in neighborhoods rich and poor, urban and rural, bucolic and blighted. Hiding in houses, apartments, motel rooms, shacks, barns, and even abandoned buses, these amateur scientists produce a variety of street drugs in relative obscurity.

Although these drug kitchens often are small, each has the potential of creating a miniature "Love Canal," contaminating entire neighborhoods or towns with highly toxic chemical wastes. This problem already is severe and is growing. With the advent of new capabilities to manufacture a powerful and particularly virulent form of methamphetamine nicknamed "ice," home drug laboratories will proliferate at an exponential rate, as will the environmental destruction.

I hope to prevent that tragedy. The Precursor Chemical Registration Act of 1991 will restrict and regulate the sale of precursor chemicals used to make methamphetamines such as ice. In addition, it will make the owners and operators of home drug laboratories fully liable for costs to dispose properly of these toxic chemicals and to restore the buildings and contaminated property to their original pristine state. Currently, those environmental cleanup costs are borne by Federal and State governments, in other words, the American taxpayer.

Home drug laboratories are popular within the drug trade primarily because precursor chemicals—chemicals used to produce synthetic drugs such as methamphetamines—are simple and legal to purchase. Further, the risks and consequences of arrest and conviction are relatively modest.

Earlier this year, Paul Pearce of Camas, WA, testified before the Senate Judiciary Committee about the environmental hazards associated with home drug laboratories. As a field expert on clandestine drug laboratory investigations and the president of the Clandestine Laboratory Investigations Association [CLIA], Mr. Pearce understands the imperative need to reduce these drug kitchens and the assured hazards they represent.

The rise of a popular new form of methamphetamines known as ice has the potential of causing an explosive increase in the size and number of home drug laboratories. The Western States, including my home State of Washington, are reporting increased trafficking of new methamphetamines such as ice. In addition, this problem is spreading rapidly across the Nation.

Most precursor chemicals are used as chemical reagents in the manufacturing process. Following drug production, these highly toxic reagents are disposed, usually in the manner most convenient to the drug cooks. Acids, poisons, corrosive sludge, and flammable liquids are carelessly dumped on the ground, poured into drains, flushed down toilets, and released into rivers. Other toxins evaporate. These toxic wastes contaminate the ground, air, and water and can endanger human health for miles around.

The popularity of ice stems from its potency; it is far more potent and deadly than even crack cocaine. Users sustain a chemically induced euphoria for 2 to 16 hours, as compared to a 30-minute high from crack cocaine. In addition, ice can cause users to lose their inhibitions, often resulting in fits of unbridled rage and violence. Robberies, assaults, and murders are already prevalent in cities fallen prey to the crack epidemic. Imagine the consequences if ice were to replace crack as the "drug of choice."

The home drug industry is attempting to import from the Pacific rim the technology necessary to produce ice in mass quantities. Although this effort has been largely unsuccessful to date, the Drug Enforcement Agency and other law enforcement officials acknowledge that it is only a matter of time until that technology is achieved.

Mr. President, in 1988, Congress took a step in the right direction by passing the Chemical Diversion and Trafficking Act. This law regulates precursor chemicals that otherwise could be diverted to clandestine drug laboratories operating abroad. My legislation builds on those principles and applies them domestically. Provisions of a bill similar to this that I introduced last session were incorporated into the omnibus crime bill with overwhelming bipartisan support in the Senate, but were later dropped in conference.

Mr. President, seizures of domestic drug laboratories increased 400 percent during the 1980's. Even with increased manpower, our law enforcement officials always will be one step behind the problem. In addition, none of us wants this decade to become known as the ice age. Nor do we want to expose our friends and neighbors to more and more miniature Love Canals.

It would be both prudent and more effective to prevent the problem before it starts by inhibiting the supply of precursor chemicals from illegal operations. Convicted drug laboratory owners and operators should be held responsible to undo the environmental damages they cause. The American taxpayer should not bear the burden of their contemptible acts. This cause will be served well by the adoption of this timely and vital legislation.

Mr. President, I ask unanimous consent that a copy of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1142

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRECURSOR CHEMICALS.

(a) EXPANDED LIST OF PRECURSOR CHEMICALS.—Section 102(34) of the Controlled Substances Act (21 U.S.C. 802(34)) is amended by striking subparagraphs (A) through (Y) and inserting the following:

"(A) Anthranilic acid.
"(B) Benzyl cyanide.
"(C) Chloroephedrine.
"(D) Chloropseudoephedrine.
"(E) D-lysergic acid.
"(F) Ephedrine.
"(G) Ergonovine maleate.
"(H) Ergotamine tartrate.
"(I) Ethylamine.
"(J) Hydriodic acid.
"(K) Isosafrole.
"(L) Methylamine.
"(M) N-acetylanthranilic acid.
"(N) N-ethylephedrine.
"(O) N-ethylpseudoephedrine.
"(P) N-methylephedrine.
"(Q) N-methylpseudoephedrine.
"(R) Norpseudoephedrine.
"(S) Phenylacetic acid.
"(T) Phenylpropanolamine.
"(U) Phenyl-2-propanone.
"(V) Piperidine.
"(W) Piperonal.
"(X) Propionic anhydride.
"(Y) Pseudoephedrine.
"(Z) Safrole.
"(AA) Thionylchloride.
"(BB) Any salt, optical isomer, or salt of an optical isomer of the foregoing chemicals.".

(b) ELIMINATION OF THRESHOLD REQUIREMENT FOR PRECURSOR CHEMICALS.—Section 102(39)(A) of the Controlled Substances Act (21 U.S.C. 802(39)(A)) is amended—

(1) by inserting "any amount of a listed precursor chemical, or" before "a threshold amount, including a cumulative threshold amount for"; and

(2) by striking "listed chemical" the first place such term appears and inserting "listed essential chemical".

(c) RECORDS OF REGULATED TRANSACTIONS.—Section 310(a)(1) of the Controlled Substances Act (21 U.S.C. 830(a)(1)) is amended—

(1) by inserting "any quantity of a listed precursor chemical," after "involving"; and

(2) by striking "a listed chemical" and inserting "a listed essential chemical".

(d) PROVISION TO STATES OF INFORMATION RELATING TO REGULATED TRANSACTIONS.—Section 310(c)(3) of the Controlled Substances Act (21 U.S.C. 830(c)(3)) is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(C) cooperate with the authorities of each State by providing information relating to regulated transactions in listed precursor chemicals and anticipated regulated transactions (including impending interstate deliveries) in such chemicals that might be useful in the enforcement of State laws relating to precursor chemicals, controlled substances, and other illegal drugs.".

(e) LICENSING.—Section 310 of the Controlled Substances Act (21 U.S.C. 830) is amended by adding at the end thereof the following new subsection:

"(d)(1) It shall be unlawful for a person to—

"(A) engage in a regulated transaction involving a listed precursor chemical; or

"(B) manufacture, distribute, import, or export a listed precursor chemical,

without a license required under this subsection.

"(2)(A) The Attorney General shall by rule establish a licensing program for regulated persons and regulated transactions involving listed precursor chemicals under which licenses will be required in circumstances in which the Attorney General determines that requiring licensing will contribute to the achievement of the purposes of this section and to criminal drug law enforcement in general. The Attorney General shall not require a regulated person who maintains a record of all regulated transactions or reports all regulated transactions in accordance with this section to be licensed under this subsection.

"(B) The licensing program described in subparagraph (A) shall require a license application to be made in such form as the Attorney General shall prescribe and may provide for the denial, revocation, or suspension of a license for cause, after opportunity for a hearing on the record.

"(3) Whoever violates paragraph (1) shall be fined under title 18, United States Code, or imprisoned not more than 4 years, or both.

"(4) The Attorney General shall by inspection or otherwise provide for the audit and control of listed precursor chemical inventories of persons possessing a license under this subsection.".

(f) APPLICATION OF SECTION.—Section 310 of the Controlled Substances Act (21 U.S.C. 830), as amended by subsection (e), is amended by adding at the end thereof the following new subsection:

"(e) This section does not apply to a transaction or other activity involving a listed chemical contained in a drug that is lawfully marketed or distributed under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).".

(g) MANAGEMENT OF LISTED CHEMICALS.—(1) Part C of the Controlled Substances Act (21 U.S.C. 801 et seq.) is amended by adding at the end thereof the following new section:

"MANAGEMENT OF LISTED CHEMICALS

"SEC. 311. (a) It is unlawful for a person who possesses a listed chemical with the intent that it be used in the illegal manufacture of a controlled substance to manage the listed chemical or waste from the manufacture of a controlled substance otherwise than as required by regulations issued under sections 3001 through 3005 of the Solid Waste Disposal Act (42 U.S.C. 6921—6925).

"(b)(1) In addition to a penalty that may be imposed for the illegal manufacture, possession, or distribution of a listed chemical or toxic residue of a clandestine laboratory, a person who violates subsection (a) shall be assessed the costs described in paragraph (2) and shall be imprisoned as described in paragraph (3).

"(2) Pursuant to paragraph (1), a defendant shall be assessed the following costs to the United States, a State, or other authority or person that undertakes to correct the results of the improper management of a listed chemical:

"(1) The cost of initial cleanup and disposal of the listed chemical and contaminated property.

"(2) The cost of restoring property that is damaged by exposure to a listed chemical for rehabitation under Federal, State, and local standards.

"(c) The Attorney General may direct that assets forfeited under section 511 in connection with a prosecution under this section be shared with State agencies that participated in the seizure or cleaning up of a contaminated site.

"(3)(A) A violation of paragraph (1) shall be punished as a Class D felony, or in the case of a willful violation, as a Class C felony.

"(B) It is the sense of Congress that guidelines issued by the Sentencing Commission regarding sentencing under this paragraph should recommend that the term of imprisonment for a violation of paragraph (1) should not be less than 5 years, nor less than 10 years in the case of a willful violation.

"(4) The Court may order that all or a portion of the earnings from work performed by a defendant in prison be withheld for payment of costs assessed under paragraph (1).".

(2) Section 523(a) of title 11, United States Code, is amended—

(1) by striking "or" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; or"; and

(3) by adding the following new paragraph at the end thereof:

"(11) for costs assessed under section 311(b) of the Controlled Substances Act.".

By Mr. INOUYE:

S. 1143. A bill to include the Territory of American Samoa in the program of aid to the aged, blind, or disabled; to the Committee on Finance.

INCLUSION OF AMERICAN SAMOA UNDER CERTAIN AID PROGRAMS

• Mr. INOUYE. Mr. President, I am introducing legislation to amend the Social Security Act, which will include American Samoa under the program of "Aid to the Aged, Blind, or Disabled" to provide basic assistance for 1,600 aged and disabled individuals residing in American Samoa.

Many of the men and women I seek to help do not qualify for benefits from either Social Security or the territorial retirement program. These people have been caught between two systems. When Social Security went into effect in American Samoa, this group was nearing retirement and did not contribute enough to receive minimum benefits. The territorial retirement system began in 1971. This, too, was implemented too late for this group to qualify for benefits.

Mr. President, the benefits of the Aid to the Aged, Blind, or Disabled Program have been extended to Puerto Rico, Guam, and the Virgin Islands. The Commonwealth of the Northern Marianas Islands [CNMI] enjoys similar benefits under the Supplemental Security Income Program [SSI]. This has been an important program for their handicapped and needy elderly citizens.

The Territory of American Samoa is the only insular possession of the United States that is not included in any Social Security program to specifically serve the needs of its elderly and disabled population. American Samoa does not even receive aid for families of dependent children or food stamp benefits. The elderly and handicapped individuals, approximately 1,600 people, have no personal resources and nowhere to turn. There are no local or Federal support programs to address their needs. The territorial government is severely strained financially at the present time to meet all its needs. I believe this measure will help relieve the critical needs of these elderly and handicapped individuals. There is no reason why American Samoa should be left out.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD. I urge my colleagues to support this important measure.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCLUSION OF THE TERRITORY OF AMERICAN SAMOA IN THE PROGRAM OF AID TO THE AGED, BLIND, OR DISABLED.

(a) IN GENERAL.—The fifth sentence of section 1101(a)(1) of the Social Security Act (42 U.S.C. 1301(a)(1)) is amended by striking "and Guam" each place such term appears and inserting "Guam, and American Samoa".

(b) PROGRAM PAYMENTS.—Sections 3(a)(2), 1003(a)(2), 1403(a)(2), and 1603(a)(2) of such Act (42 U.S.C. 303(a)(2), 1203(a)(2), 1353(a)(2), and 1383 note) are each amended by striking "and Guam" and inserting "Guam, and American Samoa".

(c) LIMITATION ON PAYMENTS.—Section 1108(a) of such Act (42 U.S.C. 1308(a)) is amended—

(1) in paragraph (3), by striking the period and inserting "; and "; and

(2) by inserting after and below paragraph (3) the following:

"(4) for payment to American Samoa shall not exceed—

"(A) $1,000,000 with respect to the fiscal year 1992, or

"(B) $1,000,000 with respect to the fiscal year 1993.".

(d) ALTERNATIVE FEDERAL PAYMENT AUTHORITY.—Section 1118 of such Act (42 U.S.C. 1318) is amended by striking "and Guam," and all that follows and inserting "Guam, and American Samoa, means 75 percent.".

(e) EFFECTIVE DATE.—The amendments made by this Act shall take effect on October 1, 1992.•

By Mr. LEVIN (for himself and Mr. COHEN):

S. 1145. A bill to amend the Ethics in Government Act of 1978 to remove the limitation on the authorization of appropriations for the Office of Government Ethics; to the Committee on Governmental Affairs.

OFFICE OF GOVERNMENT ETHICS AMENDMENT OF 1991

• Mr. LEVIN. Mr. President, today I am introducing a bill that would remove the specified limit on the authorization of appropriations for the Office of Government Ethics [OGE] and permit the Appropriations Committees to appropriate such sums as may be necessary for each fiscal year. Senator COHEN, the ranking member of the Subcommittee on Oversight of Government Management, which I chair, joins me as an original cosponsor.

OGE was created in 1978 as part of the Office of Personnel Management. Over the years, Congress has given OGE more authority and autonomy, making it a separate agency as of October 1, 1989.

But OGE's budget and staff have not kept pace with its growing responsibilities. When it was reauthorized in 1988, OGE's annual authorization was capped at $3.5 million. We have since raised that cap to $5 million, at the administration's request. But even that is no longer sufficient to allow OGE to fully discharge its duties. The President's budget calls for $6.3 million for OGE for fiscal year 1992—$1.3 million over its current authorized limit. The bill Senator COHEN and I are introducing today would permit OGE to receive the funds requested in the President's budget, and it would permit the funding of OGE in future years to be similar to that of other freestanding agencies—based on the amount necessary for that particular fiscal year.

It is OGE's job to promote ethics throughout the entire executive branch. As part of that mission, both Congress and the President have assigned new tasks to OGE over the past few years. OGE's responsibilities range from teaching to enforcement, from issuing regulations to providing guidance and interpretation, from reviewing financial disclosure forms to auditing agency ethics programs. In one sense, OGE's successes add to its workload: Increased education about ethics leads to a heightened sensitivity to potential ethical problems, and more agencies and individuals call on OGE for help and guidance.

Last summer, my subcommittee held a hearing to look at OGE's oversight of agency ethics programs. What we found was that when OGE went in and took a look at an agency's ethics program, it did a pretty good job of identifying weaknesses. The problems were, first of all, the OGE didn't look at enough programs and, second, that OGE didn't follow up effectively to get problems solved in the programs that it did look at. So, as a practical matter, OGE was not adequately overseeing agency ethics programs.

OGE told us that one big impediment to its doing a better job in the auditing area was lack of staff—it simply did not have enough people in its monitoring and compliance division to visit all of the executive branch agencies as often as it would like, or to follow up diligently with the agencies it did audit. GAO concurred in OGE's assessment that staffing was a major problem.

The basic premise of the ethics program in the executive branch is that it is a decentralized system. Each agency bears primary responsibility for its own ethics program—for training, guidance, investigations, and enforcement when necessary. This system can only work, however, if OGE is there to provide overall guidance and coordination. If OGE doesn't have sufficient resources to play its part, the whole system breaks down.

OGE has told us that it wants to improve its oversight of agency ethics programs. If it receives the additional funds requested, it will target the overwhelming proportion of its new staff—21 out of 26 new full-time positions—to the monitoring and compliance division. We think that this would be an important improvement.

We've all had our fill of newspaper revelations about ethical lapses by Government officials in the last few years. These tales of conflicts of interest and using public office for private gain undermine people's confidence in government. Providing adequate funding for OGE will allow it to do its job as leader and watchdog on ethical issues. There's no telling how much this will save in the long run—both in terms of the costs of transgressions not committed and in public confidence in government integrity.•

By Mr. LIEBERMAN (for himself, Mr. LAUTENBERG, Mr. MACK, Mr. MURKOWSKI, Mr. CRANSTON, Mr. KASTEN, Mr. PACKWOOD, Mr. WIRTH, Mr. GRAHAM, Mr. ROCKEFELLER, Mr. D'AMATO, Mr. GRASSLEY, Ms. MIKULSKI, and Mr. LEVIN):

S. 1147. A bill to require that the United States Government hold certain discussions and report to Congress with respect to the secondary and tertiary boycotts of Israel by Arab nations; to the Committee on Foreign Relations.

PROCOMPETITIVENESS AND ANTIBOYCOTT ACT

• Mr. LIEBERMAN. Mr. President, today I am introducing legislation, the Procompetitiveness and Antiboycott Act of 1991, that will help to make American companies more internationally competitive by getting our economic allies to end their participation of companies within their borders in the secondary and tertiary boycott of Israel.

The boycott of Israel by Arab nations has been in existence since the mid-1940's when the Arab League formalized the boycott of Palestinian Jews. While it is bad enough that Arab nations themselves refuse to deal with Israel, it is even worse that they have created a blacklist of companies from third-party nations that engage in economic relationships with Israel.

It is against the law for American companies to obey the secondary boycott of Israel. But our law can only truly be effective if we get other nations to do the same: ignore the secondary boycott. We need to create a level playing field for American companies to do business where they want by making certain that no nation that believes in free international trade in any way condones the participation of a company within its borders in the secondary boycott. In a very real way, the secondary and tertiary boycotts are the ultimate expression of disregard for a market-based economy.

While we in this country have some good laws on the books to prohibit the participation of American companies in these restraints on trade, we must begin the process of getting other nations to do the same, either through the passing of their own tough domestic laws that would penalize companies that follow Arab League boycott guidelines, or by establishing international rules of the road for ending boycott compliance.

On March 16, I hand-delivered a letter signed by 85 of my colleagues in this body to Crown Prince Saad of Kuwait, asking that his government end the secondary boycott of Israel. Soon after, Senators ROCKEFELLER, WIRTH, and others sent a letter to Japanese Prime Minister Kaifu, asking him to encourage Japanese companies to end their observance of the boycott. Then, eight Members of the Senate sent a letter to Secretary of State James Baker, asking him to raise the issue of the secondary and tertiary boycott with members of the G–7 that were holding meetings at the State Department in late April. Members of the House, led by Congressmen SCHUMER, LEVINE, and TORRICELLI have also been taking action on this problem.

The bill that I am introducing today along with Senators LAUTENBERG, MACK, MURKOWSKI, CRANSTON, KASTEN, PACKWOOD, WIRTH, GRAHAM, ROCKEFELLER, D'AMATO, GRASSLEY, MIKULSKI, and LEVIN, emphasizes the harm that the secondary and tertiary boycott has on the international economic environment and calls on international economic organizations that were founded on the principles of free-trade to play a part in ending the boycotts. I refer specifically to the OECD and the GATT. The legislation also requires a report from the administration to the Congress on progress that has been made to get other nations to end compliance with the boycott and to get the Arab nations to end the boycott entirely.

We attempt to achieve these goals in three fundamental ways: by requiring our ambassador to the OECD to enter into negotiations with other member nations on what steps must be taken to end compliance with the boycott, establishing guidelines on how to eliminate compliance with the secondary boycott; by requiring the USTR to enter into discussions with members of the GATT to get that organization more involved in trying to eliminate the secondary and tertiary boycott; and by requesting that the President send a report to the Congress on what steps the administration has taken to end the boycott.

This legislation is a first, positive step in the process of making other nations aware through their participation in international organizations, whose purpose it is to create an open and prosperous international economic environment, that the pernicious practice of the secondary and tertiary boycott of Israel must end because it is an impediment to global investment and trade. Why should a company that does not participate in the boycott be penalized and put at a competitive disadvantage with a company that does comply? That's not good business. That's not fair competition. That's blackmail, and it has to stop.

I ask unanimous consent that a copy of the bill be included in the RECORD after my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1147

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Procompetitiveness and Antiboycott Act of 1991".

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) the Arab boycotts of Israel has distorted international trade and investment;

(2) the secondary and tertiary boycotts of Israel by Arab nations has put American companies refusing to obey it at a competitive disadvantage;

(3) the secondary and tertiary boycotts of Israel by Arab nations has stifled foreign investment in Israel;

(4) companies that conform to the boycotts contribute to the distortion of international commerce and investment; and

(5) it is in the interest of all nations to have free trade and a liberal climate for investment.

SEC. 3. OECD REPORT.

(a) DISCUSSIONS AT THE OECD.—The United States Ambassador to the Organization for Economic Cooperation and Development (OECD) shall discuss with representatives from other OECD member nations—

(1) the extent to which companies, public and private, obey the secondary and tertiary boycotts of Israel by Arab nations;

(2) the effectiveness of antiboycott laws of those nations that currently have or have had such laws;

(3) the extent to which the boycotts has skewed global trade and investment, as well as regional trade and investment in the Middle East;

(4) the extent to which companies not obeying the boycotts are placed at a competitive disadvantage as a result of the boycott;

(5) the extent to which the boycotts contradicts OECD trade and investment policy; and

(6) the development of a set of guidelines, using the Arrangement on Export Credits as a model for the development of these guidelines, that OECD nations can agree on as a way to eliminate compliance with the Arab secondary and tertiary boycotts of Israel.

(b) REPORT TO CONGRESS. —The United States Ambassador to the OECD shall submit to Congress a report six months after the date of enactment of this Act on the progress of discussions as described in section 3(a).

SEC. 4. GATT REPORT.

(a) IN GENERAL. —The United States Trade Representative shall enter into discussions with representations from member nations of the General Agreement on Tariffs and Trade (GATT) to determine the extent to which—

(1) the Arab secondary and tertiary boycotts of Israel has distorted trade;

(2) members of and observers to the GATT encourage actions, including the furnishing of information or entering into implementing agreements, which have the effect of furthering or supporting the secondary and tertiary boycotts;

(3) the GATT can and should work to eliminate the Arab secondary and tertiary boycotts of Israel; and

(4) GATT articles, specifically Articles I and XI, can be used to eliminate compliance with the secondary and tertiary boycotts and what additional measures, including penalties, can be applied to nations imposing and obeying the secondary and tertiary boycotts.

(b) REPORT TO CONGRESS.—The United States Trade Representative shall submit to Congress a report six months after the date of enactment of this Act on the discussions as described in section 4(a).

SEC. 4. PRESDIENTIAL REPORT.

Not later than 90 days after the date of enactment of this Act, the President shall submit a report to the Congress on—

(1) what progress has been made on getting other nations to end compliance with the secondary and tertiary boycotts; and

(2) what progress has been made to get Arab nations to end the secondary and tertiary boycotts of Israel.

SEC. 6. DEFINITIONS.

For purposes of this Act, the term "secondary and tertiary boycotts" means the boycotts by Arab governments of companies which provide goods or services to Israelis or Israeli firms, invest in Israel or Israeli firms, ships that call at Israeli ports, and the goods and services of people or entities which support the State of Israel.●

● Mr. LAUTENBERG. Mr. President, I am pleased to join Senator LIEBERMAN in introducing this legislation, which is aimed at unifying the major industrialized nations and trading partners of the world against the Arab boycott of companies that do business with Israel.

The Arab League has maintained a primary economic boycott against Israel since 1948, refusing to do business with any individual or business in that country. Since the early 1950's, the Arab League has maintained secondary and tertiary boycotts against Israel and her trading partners. Under the terms of the secondary boycott, the Arab League demands companies worldwide to refrain from trading with or investing in Israel. If a company does trade with Israel, it is blacklisted by the Arab League. Arab League countries will not trade with any blacklisted company. They also will not trade with any company that does business with a blacklisted company. This is known as the tertiary boycott.

The Arab League must end its boycott. The boycott demonstrates the depths of the Arab countries' denial of Israel's existence. It makes peace impossible.

Mr. President, the Arab boycott doesn't hurt only Israel, it harms America as well. Longstanding U.S. policy on the boycott has been clear. We don't accept it. We won't stand by and let American firms be threatened and coerced. We won't tolerate or cooperate with these outrageous barriers to trade. That's why U.S. law bars American companies from providing certain information to Arab countries to demonstrate compliance with the boycott.

This bill is aimed at encouraging the major industrialized countries of the world to move in the same direction. We have laws preventing compliance with the boycott. So should they.

The bill would require our Ambassador to the OECD [the Organization of Economically Development Countries] to enter into negotiations with other member nations to determine what steps must be taken to end compliance with the boycott and to establish guidelines on how to eliminate compliance with the secondary boycott. It would require the USTR to enter into discussions with GATT members to get that organization more involved in trying to eliminate the secondary and tertiary boycott. And it requests that the President send a report to the Congress on what steps the administration has taken to end the boycott.

Our international trading partners should be tough on this issue. They should have laws that prohibit their companies from complying with the Arab boycott of Israel. During the war, we witnessed just how powerful the world community can be when it is unified. This issue is no different. It requires cohesion. If the world trading partners are unified in their approach, the Arab countries can be convinced to lift their nefarious boycott against businesses that do have economic relations with Israel.

Mr. President, the time has come for the Arab League countries—particularly our coalition allies—to end their economic boycott of Israel and companies that do business with Israel. Lifting the boycott against Israel and her trading partners would provide an important gesture of good faith and a critical confidence building measure between the Arab states and Israel. It would be a positive first step toward the goal of achieving a long-lasting Arab-Israeli peace.

I met with Egyptian Foreign Minister Ahmed Esmat Abdel Meguid in Egypt in early April. I discussed this issue with him. I called on the Egyptians to encourage the Arab world to reverse this longstanding policy. He told me it is an Arab League policy, and that the Arab League must take the first step.

Well, now, Mr. Meguid is the new head of the Arab League. He now has the opportunity to seek a reversal of this policy. I hope that as a representative of Egypt, which made peace with Israel, Mr. Meguid will take this issue up with other Arab League diplomats.

Mr. President, if Arab countries and the Arab League agreed to reverse this policy, it would be a positive step toward recognizing Israel's right to exist. It would give hope to the Israelis that her neighbors are serious about acknowledging her permanence. It would bring hope to many that Arab nations will one day formally end their state of war with Israel and enter direct negotiations for peace agreements with that country.

It is also important for U.S. businesses. America fought to preserve the national sovereignty of Arab nations faced with Saddam Hussein's aggression. It is an absolute insult that they will not trade with our companies if they have business relations with Israel.

The international community must keep the pressure on the Arab nations until they take this important step. Governments of all our trading partners should also demand that no company in their country comply with the boycott. This legislation is aimed at moving the industrialized nations of the world in that direction, and I urge my colleagues to cosponsor this legislation.●

By Mrs. KASSEBAUM:

S. 1148. A bill to amend title VII of the Public Health Service Act to improve certain health professions training programs, and for other purposes; to the Committee on Labor and Human Resources.

S. 1149. A bill to amend the Social Security Act to increase payments for direct graduate medical education costs of primary care residents in initial residing period, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH PROFESSIONS TRAINING IMPROVEMENT AND THE MEDICARE MEDICAL EDUCATION IMPROVEMENT ACT

Mrs. KASSEBAUM. Mr. President, I rise today to introduce legislation aimed at reducing this country's alarming shortage of primary care physicians, as well as its serious undersupply of health care providers in rural and inner-city communities.

Our problem is not that we lack for enough doctors. In fact, a recent study in the New England Journal of Medicine predicts that the overall supply of physicians will have risen 22 percent from 1986 to the year 2000. Where we do have a problem, however, is that too many of the doctors we do have are concentrated in narrow medical specialties, rather than in the primary care disciplines of family medicine, general internal medicine, and pediatrics.

Only about 30 percent of the doctors practicing in this country today are primary care physicians. This is among the lowest such percentages in the developed world. In Canada, for example, 50 percent of the doctors are in primary care practice, and in Great Britain, this figure is 75 percent.

Mr. President, Health and Human Services Secretary Louis Sullivan and others have pointed to the overspecialization in American medicine as one of the forces behind the current explosion in health care costs. What is happening is that we are focusing too many resources on expensive specialty procedures, and too few on the basic, primary care services that keep people healthy and out of the hospital.

Regrettably, the current health care marketplace rewards medical specialists with incomes averaging two to four times higher than those received by doctors in primary care. Recent reforms in Medicare reimbursement may eventually narrow this gap somewhat, but significant disparities are certain to remain.

Understandably, it is difficult for medical students to resist the temptation to pursue the vastly higher incomes associated with specialty practice, particularly considering that many of them leave medical school with a tremendous load of debt. Not surprisingly, the proportion of medical school graduates choosing primary care residencies declined from 37.3 percent in 1981 to 23.6 percent in 1989.

Mr. President, nowhere is the relative lack of primary care physicians felt more acutely than in the sparsely populated communities of rural America and in the poverty-stricken neighborhoods of our innercities. Over the past decade, the number of federally designated primary care shortage areas has increased by more than 35 percent, and the Department of Health and Human Services estimated last year that an infusion of an additional 4,000 doctors, nurses, and other health professionals would be needed to bring these communities up to even a minimal level of primary care. In my own State of Kansas, fully 69 of the State's 105 counties have been identified by the University of Kansas Medical Center as being underserved in primary care.

The legislation I am introducing today has two purposes, both of which are designed to address the problems I've just outlined. The first is to boost the profile of primary care in our medical schools and residency programs, and the second is to provide strong incentives for health professions schools of all kinds to place greater emphasis on training students for practice in medically underserved communities.

The provisions of this legislation are based, in part, on recommendations contained in the Office of Technology Assessment's recent comprehensive study of rural health care in America. In addition, much credit should also go to the innovative work done by the Univeristy of Kansas Medical Center at Wichita. Over the past year, Wichita has developed a program known as the Bridging Plan, which is targeted at attracting medical students and residents to practice in underserved areas. Sponsored in part by the Kansas-based Wesley Foundation, this program makes effective use of incentives such as loan-repayment options and clinical clerkships in rural communities. As it nears the end of its first academic year, the Bridging Plan is already oversubscribed, and it has now expanded to include students at the State's partner medical school in Kansas City.

Mr. President, because of divided Senate committee jurisdiction on health care issues, I am introducing this legislation as two separate bills. One of these deals with programs operated by the Public Health Service, while the other addresses Medicare medical education funding.

The Health Professions Training Improvement Act specifies that medical and health professions schools with a high rate of placement in underserved areas will be awarded priority for receiving health professions and nurse training grants under Titles VII and VIII of the Public Health Service Act. Schools can also receive such priority if they develop programs aimed specifically at increasing placement rates in underserved communities. Such programs could include—but are not limited to—clinical rotations to underserved areas, service-contingent scholarship programs, or the targeted recruitment of students likely to choose practice in a medically underserved area.

This bill also authorizes special grant assistance to medical schools and other health professions training programs to help them implement curricular changes such as those outlined above. Additional grants will also be available to consortiums of medical schools and other health professions programs for the development of training programs that emphasize clinical cooperation between doctors and mid-level health professionals in underserved areas. Total authorized funding for these grant programs would be $22 million in fiscal year 1992.

Mr. President, both title VII and title VIII are up for reauthorization this year, and it is my hope and intention to add a version of this bill to the Senate's reauthorization package.

The second bill I am introducing today is the Medicare Medical Education Improvement Act. Its chief provision is to increase the Direct Medical Education [DME] weighting factor for primary care residents by 20 percent, while at the same time reducing overall resident reimbursements by an exactly proportionate amount. This change, which is strictly budget-neutral, will provide an incentive for residency programs to shift greater emphasis toward training physicians in the under-represented primary care disciplines.

Further, this bill requires that hospitals wishing to receive Medicare assistance for their residency programs must set salaries for primary care residents at least 20 percent higher than those paid to specialty residents. Doing this will create a strong material incentive to medical students to choose primary care residencies. It will also help offset the current deep bias toward specialty residencies caused by the anticipation of high incomes in private practice.

Mr. President, as discussion of these issues develops, I would very much appreciate any suggestions my colleagues may have for improving either of these bills. Likewise, I would welcome comments from those in the health care community who have not yet had an opportunity to review these proposals.

In particular, I think there are a number of additional issues in the area of medical education reform that deserve further attention. One avenue we might want to explore, for example, is the possibility of associating a medical school's receipt of Federal biomedical research funding with its performance in graduating at least a basic number of primary care physicians. If a school is receiving thousands, if not millions, of taxpayer-supported research dollars, might it not be appropriate to hold that school accountable to certain minimal public health policy goals?

Mr. President, for many years now, financial and demographic pressures have been driving doctors and other health professionals away from primary care and away from the underserved communities that need them the most. The legislation I am introducing today is a fair and responsible effort to fight back, and I urge all of my colleagues to lend it their support.

Identical bills are being introduced in the House today by Congressman PAT ROBERTS, my colleague from Kansas and the co-chairman of the House Rural Health Coalition.

Without objection, I ask unanimous consent that summaries of the two bills, as well as the bills themselves, be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Professions Training Improvement Act of 1991".

SEC. 2. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

SEC. 3. MEDICALLY UNDERSERVED AREA TRAINING INCENTIVES.

Part A of title VII (42 U.S.C. 292 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 711. PRIORITIES IN AWARDING OF GRANTS.

"(a) ALLOCATION OF COMPETITIVE GRANT FUNDS.—In awarding competitive grants under this title or title VIII, the Secretary shall, among applicants that meet the eligibility requirements under such titles, give priority to entities submitting applications that—

"(1) can demonstrate that such entities—

"(A) have a high permanent rate for placing graduates in practice settings which serve residents of medically underserved communities; and

"(B) have a curriculum that includes—

"(i) the rotation of medical students and residents to clinical settings whose focus is to serve medically underserved communities;

"(ii) the appointment of health professionals whose practices serve medically underserved communities to act as preceptors to supervise training in such settings;

"(iii) classroom instruction on practice opportunities involving medically underserved communities;

"(iv) service contingent scholarship or loan repayment programs for students and residents to encourage practice in or service to underserved communities;

"(v) the recruitment of students who are most likely to elect to practice in or provide service to medically underserved communities;

"(vi) other training methodologies that demonstrate a significant commitment to the expansion of the proportion of graduates that elect to practice in or serve the needs of medically underserved communities; or

"(2) contain an organized plan for the expeditious development of the placement rate and curriculum described in paragraph (1).

"(b) SERVICE IN MEDICALLY UNDERSERVED COMMUNITIES.—Not less than 50 percent of the amounts appropriated for fiscal year 1995, and for each subsequent fiscal year, for competitive grants under this title or title VIII, shall be used to award grants to institutions that are otherwise eligible for grants under such titles, and that can demonstrate that—

"(1) not less than 15 percent of the graduates of such institutions during the preceding 2-year period are engaged in full-time practice serving the needs of medically underserved communities; or

"(2) the number of the graduates of such institutions that are practicing in a medically underserved community has increased by not less than 50 percent over that proportion of such graduates for the previous 2-year period.

"(c) WAIVERS.—A health professions school may petition the Secretary for a temporary waiver of the priorities of this section. Such waiver shall be approved if the health professions school demonstrates that the State in which such school is located is not suffering from a shortage of primary care providers, as determined by the Secretary. Such waiver shall not be for a period in excess of 2 years.

"(d) DEFINITIONS.—As used in this section:

"(1) GRADUATE.—The term 'graduate' means, unless otherwise specified, an individual who has successfully completed all training and residency requirements necessary for full certification in the health professions discipline that such individual has selected.

"(2) MEDICALLY UNDERSERVED COMMUNITY.—The term 'medically underserved community' means—

"(A) an area designated under section 332 as a health professional shortage area;

"(B) an area designated as a medically underserved area under this Act;

"(C) populations served by migrant health centers under section 329, community health centers under section 330, or Federally qualified health centers under section 1905(l)(2)(B) of the Social Security Act;

"(D) a community that is certified as underserved by the Secretary for purposes of participation in the rural health clinic program under title XVIII of the Social Security Act; or

"(E) a community that meets the criteria for the designation described in subparagraph (A) or (B) but that has not been so designated.".

SEC. 4. MEDICALLY UNDERSERVED AREA TRAINING GRANTS.

Part F of title VII (42 U.S.C. 295g et seq.) is amended by adding at the end thereof the following new section:

"SEC. 790B. MEDICALLY UNDERSERVED AREA TRAINING GRANT PROGRAM.

"(a) GRANTS.—The Secretary shall award grants to health professions institutions to expand training programs that are targeted at those individuals desiring to practice in or serve the needs of medically underserved communities.

"(b) PLAN.—As part of an application submitted for a grant under this section, the applicant shall prepare and submit a plan that describes the proposed use of funds that may be provided to the applicant under the grant.

"(c) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applicants that demonstrate the greatest likelihood of expanding the proportion of graduates who choose to practice in or serve the needs of medically underserved areas.

"(d) USE OF FUNDS.—An institution that receives a grant under this section shall use amounts received under such grant to establish or enhance procedures or efforts to—

"(1) rotate health professions students from such institution to clinical settings whose focus is to serve the residents of medically underserved communities;

"(2) appoint health professionals whose practices serve medically underserved areas to serve as preceptors to supervise training in such settings;

"(3) provide classroom instruction on practice opportunities involving medically underserved communities;

"(4) provide service contingent scholarship or loan repayment programs for students and residents to encourage practice in or service to underserved communities;

"(5) recruit students who are most likely to elect to practice in or provide service to medically underserved communities; or

"(6) provide other training methodologies that demonstrate a significant commitment to the expansion of the proportion of graduates that elect to practice in or serve the needs of medically underserved communities.

"(e) ADMINISTRATION.—

"(1) REQUIRED CONTRIBUTION.—An institution that receives a grant under this section shall contribute, from non-Federal sources, either in cash or in-kind, an amount equal to not less than 50 percent of the amount of the grant to the activities to be undertaken with the grant funds.

"(2) LIMITATION.—An institution that receives a grant under this section, shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the type described in subsection (d) in the fiscal year preceding the year for which the grant is received.

"(f) DEFINITIONS.—As used in this section:

"(1) GRADUATE.—the term 'graduate' means, unless otherwise specified, an individual who has successfully completed all training and residency requirements necessary for full certification in the health professions discipline that such individual has selected.

"(2) MEDICALLY UNDERSERVED COMMUNITY.—The term 'medically underserved community' means—

"(A) an area designated under section 332 as a health professional shortage area;

"(B) an area designated as a medically underserved area under this Act;

"(C) populations served by migrant health centers under section 329, community health centers under section 330, or Federally qualified health centers under section 1905(l)(2)(B) of the Social Security Act;

"(D) a community that is certified as underserved by the Secretary for purposes of participation in the rural health clinic program under title XVIII of the Social Security Act; or

"(E) a community that meets the criteria for the designation described in subparagraph (A) or (B) but that has not been so designated.".

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $15,000,000 for each of the fiscal years 1992 and 1993, and such sums as may be necessary for each of the fiscal years 1994 and 1995.".

SEC. 5. HEALTH PROFESSIONS INTEGRATION GRANTS.

Part F of title VII (42 U.S.C. 295g et seq.) (as amended by section 5) is further amended by adding at the end thereof the following new section:

"SEC. 790C. HEALTH PROFESSIONS INTEGRATION GRANT PROGRAM.

"(a) GRANTS.—The Secretary shall award grants to eligible regional consortia to enhance and expand coordination among various health professions programs, particularly in medically underserved rural areas.

"(b) ELIGIBLE REGIONAL CONSORTIUM.—

"(1) IN GENERAL.—To be eligible to receive a grant under subsection (a), an entity must—

"(A) be a regional consortium consisting of at least one medical school and at least one other health professions school that is not a medical school; and

"(B) prepare and submit an application containing a plan of the type described in paragraph (2).

"(2) PLAN.—As part of the application submitted by a consortium under paragraph (1)(B), the consortium shall prepare and submit a plan that describes the proposed use of funds that may be provided to the consortium under the grant.

"(c) USE OF FUNDS.—A consortium that receives a grant under this section shall use amounts received under such grant to establish or enhance—

"(1) strategies for better clinical cooperation among different types of health professionals;

"(2) classroom instruction on integrated practice opportunities, particularly targeted toward rural areas;

"(3) integrated clinical clerkship programs that make use of students in differing health professions schools; or

"(4) other training methodologies that demonstrate a significant commitment to the expansion of clinical cooperation among different types of health professionals, particularly in underserved rural areas.

"(d) LIMITATION.—A consortium that receives a grant under this section, shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the type described in subsection (c) in the fiscal year preceding the year for which the grant is received.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $7,000,000 for each of the fiscal years 1992 and 1993, and such sums as may be necessary for each of the fiscal years 1994 and 1995.".

SUMMARY OF THE HEALTH PROFESSIONS TRAINING IMPROVEMENT ACT OF 1991

I. MEDICALLY UNDERSERVED AREA TRAINING INCENTIVES

Goal: Create financial incentives for medical schools and other health professions training institutions to address the growing shortage of health professionals in medically underserved rural and inner-city areas.

(A) In deciding the allocation of competitive grant funding under Titles VII and VIII of the Public Health Service Act (Health Professions Training and Nurse Education) the Secretary shall award priority to institutions which can either demonstrate the following characteristics or present an organized plan for their expeditious development:

(1) A high permanent rate for placing graduates in settings which serve medically underserved communities, and

(2) A curriculum which features the following:

(a) Rotation of students and residents to clinical settings whose focus is to serve medically underserved comunities,

(b) Appointment of health professionals whose practices serve medically underserved areas as preceptors to supervise training in such settings,

(c) Classroom instruction on practice opportunities involving medically underserved communities,

(d) Service-contingent scholarship or loan-repayment programs to encourage practice in or service to medically underserved communities,

(e) Targeted recruitment of students most likely to choose practice in an underserved area (i.e. minorities or persons who are natives of underserved regions), or

(f) Other training methodologies which show significant promise of expanding the proportion of graduates choosing to practice in, or serve the needs of, medically underserved communities.

(B) Commencing four years after enactment, not less than 50 percent of newly appropriated competitive grant funding awarded to teaching institutions under Titles VII and VIII (Health Professions and Nurse Education) shall go to institutions which can demonstrate either 1) that at least 15 percent of graduates over the previous two years are engaged in full-time practice serving the needs of medically underserved communities or 2) that the number of graduates in such practice has increased by not less than 50 percent over the previous two years.

(C) For the purpose of this legislation, "medically underserved community" shall be defined as either 1) A federally designated Health Professions Shortage Area (HPSA), 2) a federally designated Medically Underserved Area (MUA), 3) populations served by Community Health Centers, Migrant Health Centers, or Federally Qualified Health Centers, 4) a community certified as underserved by the Secretary for purposes of participation in the Medicare rural health clinic program, or 5) a community which meets the criteria for designation as a HPSA or an MUA but which may not have applied for official designation.

(D) For the purpose of this legislation, the term "graduate" shall refer to a person who has successfully completed all training and residency requirements for full certification in the health professions discipline he or she has chosen.

(E) Health professions schools may petition the Secretary for waivers under this title. To qualify, a school must demonstrate to the Secretary that the state in which the school is located is not suffering from a shortage of primary care providers, as defined by the secretary. Such waivers shall not be longer than two years in duration.

II. MEDICALLY UNDERSERVED AREA TRAINING GRANTS

Goal: Provide financial assistance to schools in adapting their training programs to better focus on training health professionals for practice in medicaly underserved areas.

(A) Establish grants under Title VII for health professions institutions (including nursing programs) which are seeking to expand training programs aimed at practice in medically underserved areas. Grants shall be awarded on a competitive basis.

(B) Proposed use of grant funds shall be at the discretion of the school, but must be described in a plan submitted to the Secretary.

(C) In making award decisions, the Secretary shall favor applications which demonstrate the greatest likelihood of expanding the proportion of graduates who choose to practice in or serve the needs of medically underserved communities.

(D) Use of funds may include the creation or enhancement of:

(1) Rotation of students and residents to clinical settings whose focus is to serve medically underserved communities,

(2) Appointment of health professionals whose practices serve medically underserved areas as preceptors to supervise training in such settings,

(3) Classroom instruction on practice opportunities involving medically underserved communities,

(4) Service-contingent scholarship or loan-repayment programs to encourage practice in or service to medically underserved communities,

(5) Targeted recruitment of students most likely to choose practice in an underserved area (i.e. minorities or persons who are natives of underserved regions), or

(6) Other training methodologies which show significant promise of expanding the proportion of graduates choosing to practice in, or serve the needs of, medically underserved communities.

(E) Schools receiving grant assistance will be required to provide a match of 50 percent toward the funding of the proposed conversion.

(F) Schools will not be permitted to use grant funding under this section to underwrite existing efforts in this area.

(G) Authorized funding for this section shall be $15 million in each of fiscal years 1992 and 1993, and such sums as may be necessary in fiscal years 1994 and 1995.

III. HEALTH PROFESSIONS INTEGRATION GRANTS

Goal: Address the need, particularly in underserved rural areas, for better integration between doctors, nurse practitioners, and other "physician extenders."

(A) Make grants available under title VII to regional consortia of different health professions training institutions (i.e. a medical school, a nursing school, and a physician assistant program) for the purpose of building better coordination among the various kinds of health professions programs. To be eligible, a consortium shall include at least one medical school.

(B) Proposed use of grant funds shall be at the discretion of the applicants, but must be described in a plan submitted to the Secretary.

(C) Use of funds may include the developments and implementation of:

(1) Strategies for better clinical cooperation among different kinds of health professionals,

(2) Classroom instruction on integrated practice opportunities, particularly in rural areas,

(3) Integrated clinical clerkship programs making use of students in differing health professions schools, or

(4) Other training methodologies which show significant promise of expending clinical cooperation among different kinds of health professionals, particularly in rural underserved areas.

(D) Schools will not be permitted to use grant funding under this section to underwrite existing efforts in this area.

(E) Authorized funding for this section shall be $7 million in each of fiscal years 1992 and 1993, and such sums as may be necessary for fiscal years 1994 and 1995.

S. 1149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAYMENTS FOR DIRECT GRADUATE MEDICAL EDUCATION COSTS ON PRIMARY CARE RESIDENTS INCREASED.

(a) In General.—Subparagraph (C) of section 1886(h)(4) of the Social Security Act (42 U.S.C. 1395ww(h)(4)) is amended to read as follows:

"(C) Weighting factors for certain residents.—Subject to subparagraph (D), such rules shall provide, in calculating the number of full-time-equivalent residents in an approved residency program—

"(i) on or after October 1, 1991, for a primary care resident who is in the resident's initial residency period, the weighting factor is 1.20,

"(ii) on or after October 1, 1991, for a resident (other than a primary care resident) who is in the resident's initial residency period, the weighting factor is the applicable factor, and

"(iii) on or after October 1, 1991, for a resident who is not in the resident's initial residency period, the weighting factor is .50.".

(b) Definition.—Section 1886(h)(5) of such Act (42 U.S.C. 1395ww(h)(5)) is amended—

(1) by redesignating subparagraph (H) as subparagraph (I); and

(2) by inserting after subparagraph (G) the following new subparagraph:

"(H) Primary care resident.—The term 'primary care resident' means (in accordance with criteria established by the Secretary) a resident being trained in a distinct program of family practice medicine, general internal medicine, or general pediatrics.".

(c) Overall Cap on Payments for Direct Graduate Medical Education Costs.—Section 1886(h)(2) of such Act (42 U.S.C. 1395ww(h)(2)) is amended by adding at the end thereof the following new subparagraph:

"(F) Overall cap on approved FTE resident amounts.—With respect to each fiscal year beginning after September 30, 1991, and ending before October 1, 1994, the Secretary shall make such adjustments as are necessary to approved FTE resident amounts for all hospitals to maintain the aggregate payment amount for all hospitals for such fiscal year under paragraph (3) at the same level as such amount would have been if the weighting factor for clause (i)(I) had been 1.00 for hospital cost reporting periods for such fiscal year.".

"(d) Effective Date.—The amendments made by this section shall apply to cost reporting periods beginning on or after October 1, 1991.

SEC. 2. INCENTIVES TO PURSUE PRIMARY CARE RESIDENCIES.

"(a) In General.—Paragraph (4) of section 1886(h) of the Social Security Act (42 U.S.C. 1395ww(h)), as amended by section 1, is further amended—

(1) in subparagraph (C), by striking "subparagraph (D)" and inserting "subparagraphs (D) and (F)", and

(2) by adding at the end thereof the following new subparagraph:

"(F) Resident compensation requirement.—

"(i) General rule.—For any fiscal year during which a hospital does not meet the compensation requirement described in clause (ii), the weighting factor for residents described in subclauses (II) and (III) of subparagraph (C)(i) shall be zero.

"(ii) Compensation requirement.—For purposes of clause (i), a hospital shall meet the compensation requirement for any fiscal year if such hospital provides a rate of compensation to each primary care resident which equals or exceeds 120 percent of the average rate of compensation of residents of such hospital who are not primary care residents.

"(iii) Compensation.—For purposes of this subparagraph, the term 'compensation' means the value of any salary, employee benefits, debt forgiveness, or other monetary or material payment, whether actually received before, during, or after any residency period.".

(b) Effective Date.—

"(1) In general.—The amendments made by this section shall apply with respect to any resident entering an approved medical residency training program (as defined in section 1886(h)(5)(A) of the Social Security Act) at a hospital after the date of the enactment of this Act.

"(2) Election.—Any hospital may elect to apply such amendments to any resident in an approved medical residency training program on the date of the enactment of this Act.

Summary of the Medicare Medical Education Improvement Act

I. PRIMARY CARE RESIDENCY WEIGHTS

Goal: To provide an incentive for residency programs to shift greater emphasis toward training physicians in the under-represented primary care specialties.

(A) The funding formula for Direct Graduate Medical Education (DME) payments shall be changed so as to weight primary care residents as 1.2 of Full Time Equivalent (FTE). Currently, the weight for all beginning residents is 1.0.

(B) For the purpose of this legislation, "primary care" shall be defined as family medicine, general internal medicine, and general pediatrics.

II. COMPENSATING ADJUSTMENTS IN OVERALL DME PAYMENT LEVELS

Goal: To assure 1) that the new primary can DME weights outlined above are applied on a budget-neutral basis, and 2) that there be no overall reduction in the level of Medicare DME reimbursement.

(A) The Secretary shall be instructed to calculate the additional expenditures that would be needed to cover the new 20 percent primary care weight in the coming year.

(B) The Secretary shall then be directed to reduce the overall DME reimbursement level for the upcoming year by the amount determined above. This reduction will be applied across-the-board on a percentage basis.

(C) The *only* criteria the Secretary shall use in determining the compensation reduction shall be the amount of additional expenditure anticipated as a result of the new primary care weight. (This is to assure that this section is employed only to adjust for added weighting in primary care, and NOT as a mechanism for reducing the overall amount of money reimbursed through the DME program.)

(D) This legislation shall sunset after three years to allow for an assessment of the effect of the new weights on residency training.

III. RESIDENT COMPENSATION

Goal: To provide a material incentive to medical students to choose primary care residencies. Will help offset the current strong bias toward specialty residencies caused by the anticipation of high compensation in private practice. This provision will be budget-neutral.

(A) All schools wishing to receive Medicare DME and IME funding shall comply with the following conditions:

(B) The compensation of primary care residents shall be not less than 20 percent greater than the compensation of non-primary care residents.

(C) Compensation shall be defined as the sum of salary, benefits, debt forgiveness, and all other presentations to residents, both monetary and material. Payments or presentations made to residents by the residency program either prior to or following the actual period of residency shall also be considered as compensation under this section.

(D) This section shall apply to all persons entering residency training following the date of enactment. Residency programs may elect to apply the new differential to current residents, although they will not be required to do so.

(E) The Secretary shall monitor residency program compensation and shall apply penalties to programs found to be in non-compliance. The penalty for non-compliance shall be a one-year suspension of DME reimbursement for all non-primary care resident FTEs.

(Note: The 20 percent increase in primary care DME weights outlined in the first section will assist residency programs in adjusting financially to the new compensation requirements.)

By Mr. PELL (for himself, Mrs. Kassebaum, Mr. Kennedy, and Mr. Hatch):

S. 1150. A bill to reauthorize the Higher Education Act of 1965, and for other purposes; to the Committee on Labor and Human Resources.

REAUTHORIZATION OF THE HIGHER EDUCATION ACT

• Mr. PELL. Mr. President, today I introduce a straight-line extension of the current Higher Education Act of 1965. This bill will serve as a vehicle for the rewrite of this most important education legislation.

It is appropriate that we should introduce this bill today, for just this morning the Education Subcommittee completed its last scheduled hearing on the reauthorization. We will now turn to the difficult task of compiling all the suggestions we have received and carefully weighing each recommendation. The subcommittee will spend the better part of the summer putting together a comprehensive bill.

There is no more important work in this Congress than that being done on the Higher Education Act. For it is through this legislation that the dream of a colleage education has become a reality for an entire generation of Americans. I can assure my colleagues that those of us on the Education Subcommittee are firmly committee to assuring that the next generation of deserving students will find the same opportunities to pursue their educational dreams that we afforded the last.•

By Mr. BREAUX (for himself and Mr. JOHNSTON):

S. 1152. A bill to facilitate the employment of certain Public Health Service employees by the Bureau of Prisons at the Gillis W. Long Hansen's Disease Center, and for other purposes; to the Committee on the Judiciary.

EMPLOYMENT OF CERTAIN PERSONS BY THE BUREAU OF PRISONS

Mr. BREAUX. Mr. President, I rise to introduce legislation on behalf of the employees of the Gillis W. Long Hansen's Disease Center in Carville, LA.

The Carville Center is the only facility of its kind in the United States for the treatment of Hansen's Disease patients. Hansen's Disease is also known as leprosy. The patient population at the Center is now very small and research functions that were conducted there are being moved to a university setting in Baton Rouge. So, the Public Health Service facility will be gradually turned over to the Bureau of Prisons over the course of the next 3 to 5 years. The Bureau will use it as a long-term care facility for mentally and physically ill prisoners.

The people of Carville are generally glad that the facility will remain as a Federal entity and that jobs will be available when the Center is turned over to the Bureau of Prisons. Unfortunately, there is one hitch. The Bureau of Prisons does not hire "law enforcement personnel" who are over the age of 40. This makes sense for prison guards and similar positions for which an individual would have to be physically fit and in which he or she would have contact with prisoners. It does not make much sense for clerical workers and similar employees.

Senator JOHNSTON and I are introducing a bill today that would allow the Bureau of Prisons to hire the current Public Health Service employees, despite their age, should a suitable position be available under the Bureau's management. Our bill does not require the Bureau to keep individuals on for whom a suitable position is not available or who might be endangered by the physical requirements of working with prisoners. We simply allow the employees a fair chance of retaining their jobs where it is appropriate.

The Bureau of Prisons has the authority to retain as many of the current Public Health Service employees as they can use. It is possible for them to do this under the current law, which only applies the age requirement to "law enforcement personnel." It is my understanding, however, that the Bureau intends to apply this designation to all of the employees who will eventually work at Carville. I am not convinced that this is appropriate or fair. We are hopeful that we will be able to work this matter out in a manner that does not require legislation, but are prepared to handle it either way.

Mr. President, a companion bill is being introduced in the House of Representatives and, I am happy to say, most of the State delegation is sponsoring it. I look forward to working with the Bureau and accommodating their concerns as the transition at the Carville Center moves forward. I ask unanimous consent that our bill be printed in the RECORD at the conclusion of my remarks and I yield the floor.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1152

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EMPLOYMENT OF CERTAIN EMPLOYEES BY THE BUREAU OF PRISONS.

(a) WAIVER OF MAXIMUM AGE LIMITATION.—Notwithstanding the provisions of section 3307 (d) and (e) of title 5, United States Code, relating to maximum age limitations, any employee of the Public Health Service of the Department of Health and Human Services who was employed at the Gillis W. Long Hansen's Disease Center in Carville, Louisiana on November 30, 1990 shall be—

(1) eligible for employment at any medical center for inmates in the custody of the Bureau of Prisons of the Department of Justice, which is established on the site of the Center; and

(2) considered by the Bureau of Prisons for such employment in all positions for which such employee applies and is otherwise qualified.

(b) EMPLOYEE PLACEMENT.—The Bureau of Prisons shall make all reasonable efforts to employ any such employee described under subsection (a), in a position for which such employee would qualify except for any maximum age limitation on original appointments. To the greatest extent practicable, the Bureau of Prisons shall employ such an employee in a position of equal or higher grade relative to such employee's most recent position with the Public Health Service.

Mr. JOHNSON. Mr. President, I am pleased to join my colleague from Louisiana in introducing legislation to facilitate the employment of certain Public Health Service employees by the Bureau of Prisons at the Gillis W. Long Hansen's Disease Center in Carville, LA.

This legislation is necessary due to an interagency agreement to transfer the Gillis W. Long Hansen's Disease Center from the Public Health Service to the Bureau of Prisons for use as a minimum security long-term care facility. Federal law prohibits the Bureau of Prisions from hiring anyone over age 40. Virtually all of the individuals who are employed at the Hansen's Disease Center are over 40 and have worked there most of their adult life. Many are just a few years short of retirement. Under current law, these individuals will have to seek employment elsewhere.

This legislation would waive the Bureau of Prisons age limitations with respect to employment at the Gillis W. Long Hansen's Disease Center. As such, individuals who would qualify for a job with the Bureau of Prisions but for their age will be equally considered for employment positions at the new minimum security long-term care facility.

Mr. President, the transfer of this facility has caused a lot of anxiety for both the employees of and residents at the Hansen's Disease Center. By providing employment options, I think this legislation will go a long way toward alleviating some of the uncertainty and fear that is being experienced by the employees and I therefore hope it will be acted upon as expeditiously as possible.

By Mr. JEFFORDS:

S. 1153. A bill to require the Administrator of the Environmental Protection Agency to issue regulations concerning the reporting of compliance assurance activities; to the Committee on Environment and Public Works.

ENVIRONMENTAL COMPLIANCE

• Mr. JEFFORDS. Mr. President, I rise today to introduce a bill to help improve compliance with our Nation's environmental laws. The current compliance record of many regulated facilities is poor. Numerous studies have shown that violations are commonplace. I believe this bill I am introducing today will help improve environmental compliance without imposing an undue burden on the regulated community.

I believe this legislation offers a significantly different approach from the auditing proposals introduced so far. These other proposals, I believe, will in fact be counter-productive. But first, let me describe my proposal.

In this bill, an applicant for a permit must describe in the permit application the system the permittee will use to ensure compliance. In short, this bill requires the permittee to report the activities they will conduct to ensure compliance with their permits. This reporting will also ensure that the permittee has an adequate understanding of the activities needed to maintain compliance.

Many regulated entities have developed an effective compliance assurance system and should be allowed to continue to use their systems. Other bills on this subject mandate a specific system on a regulated entity regardless of the effectiveness of the systems already being implemented. My bill imposes no firm requirements for the form of the compliance program; thus, I refer to it as a flexible compliance assurance approach. It is flexible because it allows the regulated community an opportunity to develop a compliance system that works for its particular situation.

My approach allows corporations to set up compliance assurance programs that fit their particular corporate culture. Furthermore, this approach will allow corporations to apply a consistent auditing approach to all of their facilities. If one facility of a corporation is found to be in routine violation, then this approach allows the administrator to focus in on the offending plant and make the modifications needed without disrupting an entire company-wide compliance system. For example, the frequency of corporate oversight could be increased by the administrator. Then, once a plant has corrected its deficiencies and proven its compliance record once again, the permittee may apply to have its auditing program returned to that of the rest of the corporation.

Under my approach, each time a permittee is found in violation, the permittee must explain why the compliance assurance system did not detect this violation. Improvements, as necessary, must be made to the existing program sufficient to detect and prevent future violations. Thus, my bill sets up a cyclical process where a routine violator will have to continually improve its system; while complying facilities can go about their business.

Probably the biggest difference between my approach and the other approaches is the issue of confidentiality. The other approaches require a permittee to submit a copy of the audit report to the agency. I strongly object to this requirement for several reasons. First, I believe disclosure of such audits is self-defeating. The primary purpose of an audit should be to detect current violations and prevent future violations. Human nature is such that while people want to do the right thing, they also don't want their honest mistakes to hurt them or their employer.

Mandatory disclosure of the audit sets up an inherent conflict of interest. The people being audited will feel the need to protect themselves and their employers from the adverse public reaction to innocent mistakes. To do a good and accurate audit, the auditor must thus have the trust of the people being audited. The people being audited, and we are talking about people just like us, can use the audit as an opportunity to learn. They can feel free to ask questions even though these questions may disclose a violation. I honestly believe most people want to comply with the law, its just that there is so much to keep track of, so much to do, so many changes to the regulations, that sometimes people just don't know that they are in violation.

If you overlay the fear of public disclosure, then you've set up a situation where the people being audited will feel the need to protect themselves and the company. Accurate information may not be obtained. Violations may not be corrected.

Let's also think about what an audit report written for public consumption would look like. By the time the report was approved by the company hiring the independent auditor for release, while accurate, the report would be written in such noncontroversial language so as to be meaningless. The audit report would basically sugar-coat all violations.

We've seen evidence of this in hazardous waste cleanup plans, for example. How many cleanup plans submitted for approval say in plain language that ground water is contaminated and people are at risk. Few, I believe. Instead, words like "the presence of elevated concentrations of constituents was detected which could potentially pose a possibility of biological response on receptors." What does this mean?

I believe if we allow the regulated industry to keep the audit report internal, plain English will be used. The plant manager will see reports that say "you can go to jail if you don't stop bypassing your wastewater into the river" instead of "measures should be undertaken to correct the inadvertent overflow of wastewater during anamalous storm events."

Before closing, however, I want to make it clear that my proposal does not prevent the disclosure of violations, only the disclosure of the audit report. Permittees are already required to report violations, even those detected by the audit. Thus, the requirement for reporting of violations already exists. My proposal does not exclude EPA or citizen participation in the process. My proposal does not preclude the use of outside auditors, but it also allows permittees to use internal auditors to satisfy the need to improve compliance. I urge my colleagues to support this proposal as a fair, flexible means to help the regulated community comply with our environmental laws.

I ask unanimous consent to print the bill in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1153

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPORTING OF COMPLIANCE ASSURANCE ACTIVITIES.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Administrator of the Environmental Protection Agency (hereafter in this Act referred to as the "Administrator") shall promulgate regulations that require that each applicant for a permit issued under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), the Solid Waste Disposal Act (42 U.S.C. 1857 et seq.), or the Safe Drinking Water Act (42 U.S.C. 201 et seq.) and each permittee under any such Act shall, as a condition to receiving any such permit, agree to—

(1) periodically evaluate the internal control system of the entity that is the subject of the permit for the purpose of complying with paragraph (2)(C);

(2) set forth in the application for the permit or a renewal of the permit—

(A) a description and statement of the responsibilities of the permittee for compliance with Federal, State and local environmental laws, and for establishing and maintaining an adequate environmental compliance assurance system;

(B) a brief description of the environmental compliance assurance system described in subparagraph (A);

(C) an assessment of whether such environmental compliance assurance system (after any corrections of the type referred to in subparagraph (D)) reasonably assures compliance with Federal, State, and local environmental laws; and

(D) the disclosure of any material weaknesses that have been identified in such environmental compliance assurance system and that have not been substantially corrected by the manager as of the date of the filing of the permit application or permit renewal application.

(b) ADDITIONAL REPORTING.—In promulgating the regulations described in subsection (a), the Administrator shall require a permittee subject to the requirements of subsection (a), upon receiving a citation for a violation of any such Act that was not identified and reported pursuant to the permit conditions described in subsection (a) (or pursuant to any other permit conditions), to provide—

(1) a written explanation of the reasons why such violation was not detected by the environmental compliance assurance system described subsection (a); and

(2) a schedule of the dates of implementation of improvement measures—

(i) to rectify the violation and ensure compliance with the Act; and

(ii) to address any material weaknesses in the environmental compliance assurance system identified in the written explanation described in paragraph (1).

(c) REQUIREMENTS FOR REGULATIONS.—(1) In promulgating regulations under this section, the Administrator shall ensure that—

(A) no such regulation shall create an unreasonable economic burden with respect to—

(I) small communities (as defined in paragraph (2); and

(II) small business concerns (as defined in section 3(a)(1) of the Small Business Act (15 U.S.C. 632(a)(1)); and

(B) to the maximum extent possible, such regulations shall not impede the development or implementation of a consistent compliance assurance program by any permittee (within a single facility or among multiple facilities).

(2) For the purposes of this subsection, the term "small community" means an incorporated or unincorporated community (as defined by the Administrator) with a population of less than 5,000 individuals.

(d) CONFIDENTIALITY OF AUDITS.—(1) Except as provided in paragraph (2), notwithstanding any other provision of law, the Administrator may not require any permittee who is subject to the requirements of this section to submit any information (including any report or record) with respect to an environmental audit conducted by the permittee with respect to a facility of the permittee if such information is not otherwise required to be submitted pursuant to the reporting requirements under this section.

(2) If the Administrator determines that the information described in paragraph (1) is material to a criminal investigation, the Administrator may require a permittee to submit such information.●

By Mr. MOYNIHAN:

S. 1154. A bill to amend title 18, United States Code, to require that persons comply with State and local firearms licensing laws before receiving a Federal license to deal in firearms; to the Committee on the Judiciary.

COMPLIANCE WITH STATE AND LOCAL LAWS IN OBTAINING A FEDERAL FIREARMS LICENSE

● Mr. MOYNIHAN. Mr. President, I rise today to introduce a bill to prevent the issuance of a Federal license to deal firearms unless the applicant has a State or local license for this same purpose. My distinguished colleague in the other Chamber, Representative GREEN, will introduce an identical measure.

Our streets are riddled with crime involving guns, and many of the guns are possessed illegally. Too often these illegal firearms get to the street from people without licenses to sell in their locality. A Federal license to deal in firearms may be obtained directly from the Bureau of Alcohol, Tobacco and Firearms [BATF]. A valid State or local dealers license is not required. In New York City, for example, fewer than 1 in 12 people who have Federal dealer licenses hold a valid local license. In the District of Columbia, where handgun sales are banned, 41 individuals have Federal dealer licenses. There are another 2,400 or so in the Metorpolitan Washington area.

Law enforcement officials at every level worry that easy access to Federal dealer licenses may contravene efforts to control the flow of guns to criminals. The Gun Control Act of 1968 prohibits anyone but a federally licensed dealer from shipping guns interstate directly from the manufacturer or distributor. But the loophole permits gunrunning. Licensees, says BATF, "can purchase any handgun, rifle or shotgun anywhere and anytime." Thousands of guns are bought by federally licensed dealers and sold illegally to drug gangs, organized crime and common street criminals.

Law enforcement agencies have attempted to stem this flow. BATF has brought criminal charges against 270 dealers over the past 2 years, and New York City police have caused 18 licenses to be surrendered. But there are 272,000 licenses nationwide, and another 20,000 to 30,000 apply for new licenses each year.

This bill does not mandate new gun control legislation for the States, it simply requires that Federal licensing of dealers conforms to standards established at the State and local levels. It is simple common sense.

"It's a loophole you can drive a truck through," one Federal law enforcement official told the Washington Post. I hope my colleagues agree it is time to close this loophole. I urge them to cosponsor this legislation.

I ask unanimous consent that the text of the bill, a letter of support from New York City Police Commissioner Lee Brown, and articles from the New York Times and Washington Post be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1154

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMPLIANCE WITH STATE AND LOCAL FIREARMS LICENSING LAWS REQUIRED BEFORE ISSUANCE OF FEDERAL LICENSE TO DEAL IN FIREARMS.

(a) IN GENERAL.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end of the following:

"(F) in the case of an application for a license to engage in the business of dealing in firearms—

"(i) the applicant has complied with all requirements imposed on persons desiring to engage in such a business by the State and political subdivision thereof in which the applicant conducts or intends to conduct such business; and

"(ii) the application includes a written statement which—

"(I) is signed by the chief of police of the locality, or the sheriff of the county, in which the applicant conducts or intends to conduct such business, the head of the State police of such State, or any official designated by the Secretary; and

"(II) certifies that the information available to the signer of the statement does not indicate that the applicant is ineligible to obtain such a license under the law of such State and locality.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to applications for a license that is issued on or after the date of the enactment of this Act.

[From the Washington Post, May 8, 1991]

GUN DEALERS' "GREAT SCAM"—U.S. LICENSES GROW POPULAR WITH CRIMINALS

(By Michael Isikoff)

DETROIT.—The packages arrived at the United Parcel Service office twice a week—boxes filled with semiautomatic pistols and other handguns addressed to McClinton Thomas Jr., one of more than 7,200 federally licensed gun dealers in this city.

But when federal agents began looking into the shipments, they discovered that Thomas—operating under the name "MQ Firearms"—had never opened a gun store or kept records of his sales. Instead, federal agents said, Thomas ordered more than 400 handguns through the mail last year and distributed them for cash to gun runners working for a nearby crack house.

Thomas isn't charged with any crime, and in a recent interview he denied knowingly selling guns to drug dealers. But he acknowledged dealing "under the table" and illegally selling guns on the street.

"I never ask too many questions," said Thomas, 31, about his customers. "I didn't think I was selling to any homicidal maniacs or anything."

Thomas's activities illustrate what some officials say is one of the most gaping holes in federal firearms laws—and one reason for the proliferation in weapons that is fueling the nationwide surge in gun-related violence. By acquiring federal gun licenses—a relatively simple procedure that costs $30—illegal gun traffickers have discovered a convenient way to evade state and local gun control laws and acquire virtually unlimited quantities of high-powered weapons.

"It's a great scam—get a federal [gun] license, and you can buy and sell as many guns as you want," said David Krug, an agent with the Bureau of Alcohol, Tobacco and Firearms (BATF) office here. "And then you can drop them off as fast as you want—and not get caught."

The growing prevalence of such cases underscores the limitations of "piecemeal" gun control measures such as the seven-day waiting period scheduled to be voted on by the House today, some officials and gun control experts say.

The waiting period measure, dubbed the "Brady bill" after former White House press secretary James S. Brady, is designed to give local police time to conduct background checks on individual handgun purchasers, including reviewing federal and state felony records and making sure the buyers live in the residences they claim.

But federal officials say that abuses by loosely regulated federal gun dealers hold the potential for putting far more weapons on the street. "It's a loophole you can drive a truck through," said one federal law enforcement official.

There are 272,000 licensed gun dealers nationally—sports store owners, gun enthusiasts, Civil War collectors and "kitchen table" dealers who operate out of their homes. There are 2,400 licensed dealers in the Washington area, including 41 in the District where handgun sales to the public are banned.

Gun magazines promote the industry, carrying ads such as "Professional Gun Dealer Kit gives you everything you need!!" and "Federal Firearms License Guaranteed."

But increasingly, officials say, federal gun licenses have become a hot commodity on the streets, abused by illicit gun runners, drug dealers and others looking for fast and easy access to heavy firepower. In some of the city's drug-infested neighborhoods, "you have five, six or eight licensed [gun] dealers on the same street," said Bernard La Forest, special agent in charge of the Detroit BATF office.

But establishing criminal wrong-doing by dealers can be difficult. Last June, undercover BATF agents said, they trailed Thomas as he picked up boxes of handguns at the UPS office and then handed them over to two men in the UPS parking lot for large wads of cash.

The agents said they then followed the men to the crack house where, according to Krug, as many as 10 cars would congregate on the days that Thomas's UPS deliveries were due. Thomas said he did not know who was buying his guns, adding that all he knew was that a man named "Dave" he met playing basketball was willing to pay cash for his UPS shipments.

Thomas was arrested on gun charges last June, but a criminal complaint was dropped. Federal agents said they are continuing their investigation.

Since 1989, BATF has brought criminal charges against more than 270 licensed gun dealers. Federally licensed dealers have been charged with selling pistols to crack dealers and assault rifles to street gang members. Two Miami gun dealers, operating under the name "Commando's Gun Shop," sold machine guns to operatives of the Medellin cocaine cartel. An Ohio dealer shipped weapons to the Irish Republican Army.

In some of these cases, agents said, the licenseholders themselves turned out to be directly involved in the drug trade. Agents here said federal license applications surged after the head of one of the city's biggest drug gangs—who has since been murdered—acquired a license and began using it to arm himself and his associates. "It got to be a word of mouth thing," said Krug.

What makes such cases alarming is the sheer quantity of weapons to which gun dealers have access. It is illegal for ordinary citizens to buy handguns in a state where they do not live. Cities such as the District and Chicago prohibit the purchase of handguns and some states have banned military-style assault rifles.

But no such restrictions apply to licensed gun dealers. Licensed gun dealers "can purchase any handgun, rifle or shotgun anywhere and anytime," according to a recent BATF briefing paper on the subject.

A wide-ranging investigation into Detroit's illegal gun trade identified one licensed gun dealer who had imported 2,169 assault rifles and handguns through an Ohio wholesaler in the course of a year. The dealer, Larry Wilson, who was later convicted, kept no records of his sales and diverted most of the weapons to the black market where they sold for premiums of 300 and 400 percent, earning him proceeds of up to $1 million, agents said.

Carroll Brown, a Baltimore postal worker and licensed gun dealer, pleaded guilty last month to unlawfully selling more than 300 handguns, taking out classified ads in the Baltimore Sun touting his stock of semiautomatic Glock 9mm pistols—a weapon of choice of the city's drug traffickers. Gustavo Salazar, a Los Angeles gun dealer who agents believe once belonged to the "Mexican Mafia" street gang, purchased more than 1,400 handguns from wholesalers and, with an associate, hawked them out of a van in Lincoln Park, an area notorious for crack dealing and violence.

But some agents said that despite the Justice Department's push to impose stiff mandatory sentences on criminals caught carrying guns or using them in the commission of crimes, sentences for the licensed gun dealers who sell them their weapons remain light. Proving criminal intent is often difficult. Salazar received less than a year in prison, a term in line with U.S. Sentencing Commission guidelines for such crimes.

"The severity of sentences for licensed dealers hasn't caught up with the severity of the crime," said Steven J. Markman, the U.S. attorney in Detroit who has made prosecuting firearm offenses his number one priority.

At the heart of the problem, officials said, is the relative ease with which virtually anyone can receive a gun dealer's license.

All one need do is fill out a two-page federal form listing a place of business and hours of operation, and affirming that one is not a mental defective or illegal alien and has never been convicted of a crime punishable by more than a year in jail. The cost is $30, covering the annual fee for the first three years.

Approvals of license applications are routine. Most of the time the only check of applicants is performed at BATF's Firearms and Explosives Licensing Center in Atlanta, where four data processors run the applicants through the Treasury Department's law enforcement computer system. The system contains a data base of convicted felons, but officials acknowledge it is largely incomplete because it excludes arrests and dispositions from many of the states.

But applicants can avoid even that minimal risk by getting friends, girlfriends or even their mothers to file the application for them. BATF officials were embarrassed last year when they discovered they had approved applications for two dogs. "The point is well taken," said Jack Killorin, chief of BATF public affairs. "The dogs would clearly pass a record check designed for human beings."

John Struewing, assistant chief of the licensing center, said that between July 1, 1990, and last March 31, BATF received 26,190 applications for gun dealer licenses and rejected 38. Struewing said that another 1,403 applications were abandoned or canceled after BATF inspectors, having gotten a positive "hit" on the Treasury Department computer or a tip that something was amiss, contacted the applicant for a personal interview.

Once an applicant has gotten his license, it is rare that he will lose it. It cannot be revoked unless the dealer is criminally convicted. And one licensed dealer here had his license renewed two years ago despite his conviction on a felony charge of carrying a concealed weapon.

The loose regulation in large part reflects the peculiar politics of firearm law enforcement. For years, the National Rifle Association and other gun groups campaigned to abolish the BATF, accusing the agency of overzealous enforcement and harassment of gun store owners and other licensed dealers. In an NRA film made in 1981, Rep. John D. Dingell (D-Mich.), a member of the NRA board of directors, called BATF agents "a jackbooted group of fascists."

As a result of the NRA lobbying, Congress cut funding for BATF enforcement in the early 1980s and in 1986 passed a law that limited inspection of dealer records. The NRA is currently sponsoring a lawsuit in Ohio to block BATF agents from copying the records of firearm sales kept by dealers. BATF officials say they need the records for investigations like those they did here, tracing guns seized in crimes back to their source.

But NRA officials said they are adamantly opposed to "wholesale copying" of records. "That's a method by which you can register firearm owners," said James Jay Baker, the NRA's top Washington lobbyist.

BATF treads gingerly when it comes to gun dealers, according to Josh Sugarman, executive director of the Firearms Policy Project, a gun control group. "They have been kicked in the teeth too much," he said.

CITY OF NEW YORK,
May 16, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senator,
New York, NY.

DEAR SENATOR MOYNIHAN: I am writing to ask for your assistance in our common effort to reduce the proliferation and criminal use of illegal firearms in our city. As you know, Congressman Bill Green has introduced legislation that would require all Federal Firearm License applicants to submit proof that they are duly licensed under state and local law. I am asking you to introduce a similar bill in the Senate.

Under current federal regulations, applicants for Federal Firearm License (F.F.L.) are required to be licensed with the state and local government of their residence. However, since applicants are not required to submit proof of their compliance with this requirement at the time of application there is no way to enforce the regulation. This loophole allows F.F.L. holders around the country to order weapons to be delivered to their houses or businesses without being licensed as firearm dealers or even having permits to possess firearms. There are nearly a thousand such F.F.L. holders in New York City. By contrast, only 77 individuals are licensed by the Police Department as firearms dealers. We are currently making efforts to contact these individuals to determine how many are actively using their licenses and to inform them of their responsibilities under the law. So far our efforts have led 18 individuals to surrender their licenses and the Bureau of Alcohol, Tobacco and Firearms is revoking an additional 83 licenses because of inaccurate addresses.

This legislation is consistent with our efforts to stop the flow of illegal weapons into our city and onto our streets. The enforcement of laws and regulations cannot be left to an honor system. I urge you to continue your efforts on this front by seeking Senate support for the concept embodied in this legislation.

With my best regards.

Sincerely,

LEE P. BROWN,
Police Commissioner.

[From the New York Times, Jan. 4, 1991]

REVOKING LICENSES TO KILL

(By James B. Jacobs)

The Federal Bureau of Alcohol, Tobacco and Firearms and New York City, both license firearms dealers, but the city's licensing criteria are much more stringent, requiring fingerprints and a criminal-record check. Consequently, according to the New York City police, there are 1,043 federally licensed firearms dealers in New York City but only 77 city-licensed dealers.

Anyone with a Federal license can purchase unlimited firearms by mail order from manufacturers. The B.A.T.F. is required to grant an applicant's request for a license unless it has evidence that the applicant fails to meet Federal standards. Since the bureau does not require fingerprints or proof of eligibility, it essentially operates as an honor system. Moreover, while Federal regulations require prospective firearms dealers to follow all state and local laws and regulations, they do not require proof of having obtained a local license.

Not surprisingly, some federally licensed firearms dealers in New York City have criminal records and, even worse, are in business to supply weapons to criminals. A 1985 U.S. Department of Justice study found that 21 percent of armed criminals obtained their handguns directly through licensed gun dealers.

A small but eminently sensible step to take would be for Congress or the B.A.T.F. to require that applicants for Federal licenses provide proof of having met local laws for dealing in firearms. A New York City applicant would have to show that he had conformed to the city's demanding standards. If he could not make such a showing, he would be unable to obtain a Federal license—and unable to purchase firearms directly from legitimate manufacturers and wholesalers.•

By Mr. HATFIELD:

S. 1155. A bill to require that executions under Federal law be carried out in public and to protect prison employees from being required to participate in executions contrary to moral or religious convictions; to the Committee on the Judiciary.

PUBLIC EXECUTIONS LEGISLATION

• Mr. HATFIELD. Mr. President, as many of my colleagues are aware, a California public television station is currently seeking the right to broadcast California's first execution since 1987. This dispute between the State of California and a San Francisco public television station has focused national attention on whether the death penalty is consistent with the principles of a free society—and on how much of this gruesome practice the public should be allowed to see.

With that case in mind, I come to the floor today to introduce legislation that would require Federal executions to be televised. I have introduced this proposal as an amendment in the past, and plan to offer it again as an amendment to legislation containing a death penalty provision.

Despite overwhelming factual evidence to the contrary, many of my colleagues still seem to believe that the death penalty acts as a deterrent. If one accepts that argument—if one really believes that government-sanctioned killing is a deterrent to murder and other crimes—then it seems to me that we should do everything possible to assure the maximum deterrence value of each and every execution.

Let me be very clear: I do not believe that the death penalty serves as a deterrent. But the logical extension of the argument is that we should maximize the impact of the death penalty for all the would-be criminals around this country and for my colleagues who come to this floor year in and year out touting the deterrence value of the death penalty. I offer the next logical step: bringing executions to every home in this country by broadcasting the executions live on television and radio.

If, as my colleagues claim, the death penalty is a deterrent as it is conducted now—imagine what it would be like if the public were really exposed to it, really had a true appreciation for what the death penalty looks like.

As things are now, we execute prisoners in the middle of the night, out of public view, under bizarre procedures seemingly designed to dehumanize and sterilize the process as much as possible. The antiseptic term "capital punishment" is substituted for "public execution" or "government-sanctioned killing". Why does the government kill people in this way? The answer seems obvious: we don't want to see what we have done. But we can't have it both ways. We can't say the death penalty serves as a deterrent and then hide it from public view. Either it does or it doesn't—and if it does, then it should be made plain for all to see.

Mr. President, I speak—as do many of my colleagues—from very personal, practical experience. When I was elected Governor of Oregon in 1958, I inherited six people on death row. I remember the phoneline being strung into my home, directly from the execution chamber, where the executions were to take place. I remember the knocking on the door 10 minutes before the scheduled execution with a plea for a last-minute appeal. I remember the tremendous sense of responsibility I had for this human life, a life that would continue—or not—based upon my decision.

Life and death decisions, Mr. President. It's that simple—and that serious.

Death—the death penalty—is not some antiseptic concept, its hideous, and public viewing would allow Americans to see the many botched executions—like the execution of Jessie Tafero. For those of my colleagues who do not know, Jessie Tafero was executed by electrocution in Florida about a year ago. Because of a problem with the equipment, flames, smoke and sparks shot out 3 to 6 inches from the headpiece strapped to Mr. Tafero's head; he shook and gurgled for 4 minutes while his eyebrows burned and ashes fell from his head; the electric current had to be turned off and on twice to keep the headgear from bursting into flames.

Imagine if each of us could witness all this—right in our own living rooms. Would we still stand behind this embarrassing tradition of death?

The death penalty, as I have said many times before on the basis of empirical evidence, will not solve this Nation's violent crime epidemic. Violent crime is merely a symptom of our society's ills. Implementation of the death penalty does not address the root causes of the problems in our society.

Mr. President, to be quite honest, rarely do we address the root causes of the problems in our society. The roots of these problems often run through our very foundation, and even begging to find solutions requires great vision and creativity. Instead, we put blinders on and simply look for the quickest solution—a quick fix that remains effective for only about as long as it takes to apply.

With one murder every 24 minutes, one forcible rape every 6 minutes, and one violent crime every 6 seconds in this country, clearly we cannot apply a quick fix solution to violent crime. The death penalty—aside from being costly, immoral, and discriminatory—is nothing more than a quick fix solution to the problem of violent crime in our Nation.

Mr. President, my legislation is a repulsive proposal. It is repulsive because the reality of legalized executions is repulsive. But if we do want to execute people, we should not do so in hiding; we should take full credit for our barbarism. Just as democracy is taking place here in the open, under the lens of public scrutiny, so too should our executions. Let us put this product of our democracy to the test.•

By Mr. PACKWOOD (for himself, Mr. HATFIELD, Mr. GORTON, Mr. MURKOWSKI, Mr. BREAUX, Mr. HEFLIN, and Mr. SHELBY):

S. 1156. A bill to provide for the protection and management of certain areas on public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in the States of California, Oregon, and Washington; to ensure proper conservation of the natural resources of such lands, including enhancement of habitat; to provide assistance to communities and individuals affected by management decisions on such lands; to facilitate the implementation of lands management plans for such public domain lands and Federal lands elsewhere; and for other purposes; to the Committee on Energy and Natural Resources.

FEDERAL LANDS AND FAMILIES PROTECTION ACT

• Mr. PACKWOOD. Mr. President, I rise today to introduce the Federal Lands and Families Protection Act. This is a comprehensive bill that addresses the old growth and timber supply problems facing Oregon, Washington, and northern California. I am pleased to have Senators HATFIELD, GORTON, MURKOWSKI, BREAUX, HEFLIN, and SHELBY joining me in the introduction of this legislation. Additional cosponsors will be added in the weeks ahead. The spotted owl/old growth issue of the Pacific Northwest has truly become a national issue requiring congressional action. A companion bill is being introduced in the other body today.

Since the listing of the northern spotted owl as a threatened species under the Endangered Species Act, the harvesting of timber on Forest Service and BLM lands has come to a virtual standstill. Communities and families dependent on timber for their livelihood are in jeopardy because of the uncertainty of the timber supply. The Federal courts have become the land managers of the old growth forests, and that is not how our natural resources should be managed.

Last week Judge Dwyer of the District Court in Seattle held 7 days of hearings on whether or not to grant an injunction which would halt timber sales in old growth forests for 2 years. This would be devastating to the already hard pressed communities of the Northwest.

This bill incorporates the goals identified by the Oregon and Washington congressional delegations as being essential components of any comprehensive timber legislation. Briefly, our goals would:

First, provide a stable timber supply for the forest products industry;

Second, streamline the appeals process for timber sales;

Third, put additional resources into reforestation and timber stand improvement; and

Fourth, provide assistance to timber communities adversely affected by a decline in the timber supply.

The bill we are introducing today is consistent with these overall goals. This new approach has two principal components: First, a 3-year interim program to address the immediate short-term situation, and second, a long-term program.

The bill establishes a 3-year interim program specifically aimed at the spotted owl forests and districts in Oregon, Washingon, and California. It provides interim protection for old growth forests and establishes a minimum level of timber harvest for these forests and districts to provide the certainty necessary for the forest products industry to plan for the future. Congressionally mandated targets would be set for BLM and Forest Service annual timber sales programs in spotted owl districts and forests for each of the fiscal years 1992, 1993, and 1994. These targets would constitute a floor, below which the annual sales levels would not be allowed to fall during this interim period.

This proposal does not, however, short-circuit the consultation process under the Endangered Species Act. The Forest Service and BLM would submit annual timber sales programs for spotted owl forests and districts 6 months before the beginning of each fiscal year for consultation with the Fish and Wildlife Service under the Endangered Species Act. Should the consultation result in findings that the timber sales programs would adversely affect critical habitat, the agencies shall try to develop a reasonable and prudent alternative program that meets the annual timber sales target. If such an alternative cannot be agreed upon, the annual program would be submitted immediately to the Endangered Species Committee.

During the 3-year interim period, an Old Growth Research Program would be established to conduct basic research on ecosystems and species associated with old growth forest areas in spotted owl forests and districts. In addition, this program will include research on methods of timber harvesting that maintains or enhances those ecosystem values. It is my belief that we can set aside areas for protection while at the same time allowing for management within the old growth reserve. Accordingly, the research program would assist in preparing guidelines for management—including timber harvesting—of ecologically significant old growth areas. This bill, therefore, will balance protection of old growth while allowing for timber harvesting to continue.

Finally, the interim program establishes a fund for a Community Adjustment, Worker Assistance and Retraining Program. This program seeks to provide mechanisms for returning predictability to the management of our public lands and attempts to deal with those job losses that will be inevitable as a consequence of the need to devote greater attention to the protection of endangered species and old growth values. The program will provide health, retraining, and other benefits payments to dislocated workers and grants to promote economic diversification and stability for dependent communities.

Mr. President, the second component of the bill, long-term management, includes additional direction for the revision of Forest Service and BLM plans. Many of these provisions will apply nationally to Forest Service and BLM plans. This section establishes a practical process to revise, amend, and implement resource management plans. This component of the legislation amends the National Forest Management Act and the Federal Land Policy and Management Act to establish standards and levels for a minimum timber sale program from Federal lands. This is done on a forest-by-forest and district-by-district basis. The bill recognizes that community stability should be an integral component of resource plans. There are hundreds of communities throughout the nation dependent on resources from Forest Service and BLM lands. This section also streamlines the appeals process to ensure that plans can be implemented, not just indefinitely postponed. Accordingly, portions of my judicial review bill from the last Congress are incorporated in the bill we are introducing today.

I am happy to report that the Federal Lands and Families Protection Act of 1991 has broad support both within and outside the Congress. The list of Senate cosponsors spans several regions and is bipartisan in nature. The measure is also supported by the AFL-CIO as well as the labor unions that represent workers in the forest products industry. Finally, many forest industry and grassroots groups have already written in support of the measure with 61 groups from 28 States indicating support for it. The list of groups supporting the Forests and Families Protection Act of 1991 follows: I ask unanimous consent that this material, a section-by-section analysis of the bill, and the bill language be printed in the RECORD.

Mr. President, I stand ready to work with the appropriate committees to fashion legislation on which we can reach a consensus and which will address the severe crisis facing the communities of the Northwest.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1156

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Lands and Families Protection Act".

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in California, Oregon, and Washington contain the most significant remaining stands of old growth forests which were once abundant in many regions of the Nation;

(2) a significant but unquantified portion of this remnant old growth forest has been preserved by the Congress through statutory designation as, and withdrawn from the public domain for, units of the National Park, Wildlife Refuge, Wilderness Preservation, Wild and Scenic Rivers, Trails, and other conservation systems;

(3) the old growth forest on the Bureau of Land Management and Forest Service public domain lands which remains outside of the conservation system units designated by the Congress is subject to the sustained-yield and multiple-use planning and management mandates of the Federal Land Policy and Management Act of 1976 and other land management statutes;

(4) portions of this remaining old growth forest which occupy productive forest sites and are suitable for timber production contain extraordinary economic value for communities dependent on a stable and predictable supply of timber for employment, revenues, and public services, and for the manufacture of wood products critical for housing construction and other sectors of the national economy;

(5) portions of this remaining old growth forest, termed "ecologically-significant old growth forest," also contain rare and irreplaceable ecological and species preservation values which have recently gained heightened recognition from scientific research and widespread public interest;

(6) portions of the old growth forest serve as habitat for the Northern Spotted Owl;

(7) the intense, competing pressures to preserve or make economic use of the remaining old growth forest have severely disrupted the ability of the Bureau of Land Management and the Forest Service to plan and manage the existing or previously withdrawn public domain lands within their jurisdiction;

(8) most of the plans for public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in

California, Oregon, and Washington have been completed, but, notwithstanding administrative set-asides of old growth forest, may not provide fully for the protection and attendant management of ecologically-significant old growth forest and species associated with old growth forest, and remain, in any event, subject to continued controversy;

(9) further Congressional direction, including establishment of a Reserve system, is required to ensure the effective planning and management of such existing and previously withdrawn public domain lands which contain old growth forest to secure the protection and attendant management of those areas of old growth forest that are ecologically-significant and the species that are associated with old growth forest;

(10) further Congressional direction and an economic adjustment program are required to avoid or minimize any reduction in timber supply and any social or economic disruption in timber-dependent communities that might otherwise result from the protection and attendant management of ecologically-significant old growth forest and species associated with old growth forest on such existing and previously withdrawn public domain lands;

(11) areas of ecologically-significant old growth forest in the National Park and Wildlife Refuge systems should be added to the Reserve by the Secretary of the Interior;

(12) The Federal Land Policy and Management Act and the National Forest Management Act were enacted in 1976 in order to assure orderly and environmentally sensitive planning, with substantial public involvement, for the multiple-use of the resources of federal lands in a stable and predictable manner;

(13) numerous plans were not completed until after statutory and regulatory deadlines for plan completion and most completed plans in controversial areas have not been successfully implemented;

(14) changes in policy made outside the planning process have resulted in the constructive amendment of completed plans without adherence to statutory procedures for plan amendment;

(15) administrative appeals and litigation have been filed extensively, have substantially delayed plan preparation, have frustrated plan implementation and federal land management actions, and have on several occasions, compelled the Congress to enact emergency provisions to alleviate federal land management problems resulting therefrom;

(16) neither the Federal Land Policy and Management Act nor the National Forest Management Act contains any meaningful direction to the Bureau of Land Management or the Forest Service on how to effectively implement plans; and

(17) additional Congressional guidance on the implementation, amendment, and revision of plans is necessary to ensure that the stability and predictability in federal land management intended by the 1976 Acts are achieved, that the Congressional direction herein to protect and manage areas of ecologically-significant old growth forest and species associated with old growth forest is implemented, and that the environment impacts and community social and economic dislocation which result from instability and uncertainty in federal land management are avoided.

SEC. 3. DEFINITIONS.

(a) (a) As used in Titles I, III, IV, and V and sections 2 and 201 of this Act, the term—

(1) "Commission" means the Timber Economic Adjustment Commission established pursuant to section 402 of this Act;

(2) "Committees of Congress" means the Committee on interior and Insular Affairs and the Committee on Agriculture of the House of Representatives, and the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate;

(3) "federal lands" means those lands managed by the Bureau of Land Management and defined in section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1702(e)) and those lands in the National Forest System managed by the Forest Service and defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1609(a));

(4) "Land Management Plans" means land use plans prepared by the Bureau of Land Management for units of the Public Lands, as defined in clause (7) of this subsection, pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) and land and resource management plans prepared by the Forest Service for units of the National Forest Lands, as defined in clause (5) of this subsection, pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976 (16 U.S.C. §1604);

(5) "National Forest Lands" means those federal lands, as defined in clause (3) of this subsection, withdrawn from the public domain and managed by the Forest Service that are included within the following seventeen national forests in Oregon, Washington and California: the Deschutes, Gifford Pinchot, Klamath, Mendocino, Mt. Baker-Snoqualmie, Mt. Hood, Okanogan, Olympic, Rogue River, Shasta-Trinity, Siskiyou, Siuslaw, Six Rivers, Umpqua, Wenatchee, Willamette, and Winema;

(6) "Panel" means the Timber Economic Adjustment Advisory Panel established pursuant to section 405 of this Act;

(7) "Public Lands" means public domain lands on the federal lands, as defined in clause (3) of this subsection, managed by the Bureau of Land Management that are included within the following eight Bureau of Land Management administrative districts in Oregon and California: Coos Bay, Eugene, Lakeview, Medford, Roseburg, Salem, Susanville, and Ukiah;

(8) "Reserve" means the Old Growth Forest Reserve established pursuant to Title I of this Act; and

(9) "Secretaries" or "Secretary" means the Secretary of the Interior with respect to Public Lands and the Secretary of Agriculture with respect to National Forest Lands.

(b) Terms used in sections 202 through 217 of this Act have the same meaning they are accorded in the Federal Land Policy and Management Act of 1976 (43 U.S.C. §§1701 et seq.) or the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §§1600 et seq.), whichever is applicable.

TITLE I—ESTABLISHING LONG TERM PROGRAM

SEC. 101. PURPOSES.

The purposes of this Title are to establish an Old Growth Forest Reserve on certain public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in Oregon, Washington, and Northern California; to designate areas of ecologically-significant old growth forest to the Reserve; to ensure the proper management of such areas in order to conserve the Northern Spotted Owl and protect other species associated with the old growth forest; to avoid or minimize any effects on other resources and the uses thereof, and the communities economically dependent on such resources, on those lands; and to provide for a period of stability in managing those lands.

SEC. 102. PLAN REVISIONS.

Not later than three full fiscal years from the date of enactment of this Act, the Secretaries shall adopt final revisions of Land Management Plans, or, where no Land Managment Plans exist, final new Land Management Plans, in accordance with the procedures and requirements of this Title and the Federal Land Policy and Management Act of 1976 (43 U.S.C. §§1701 et seq.) or the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §§1600 et seq.), as both are amended by Title II of this Act: *Provided, however*, That, for the purpose of this Title, the "five fiscal years" referred to in section 207 of this Act shall be the three full fiscal years of the interim program established pursuant to Title III of this Act and two years each of which is deemed to have the average annual commodity output for the decade of 1980 through 1989.

SEC. 103. REGULATIONS; ESTABLISHMENT OF THE OLD GROWTH RESERVE.

Not later than fifteen months from the date of enactment of this Act, the Secretaries shall promulgate regulations to govern the preparation of the revised or new Land Management Plans and otherwise implement this Title, which regulations, at a minimum, shall—

(1) define "ecologically-significant old growth forest" as used in this Act;

(2) establish the Old Growth Forest Reserve to be comprised of areas of ecologically-significant old growth forest on Public Lands and National Forest Lands that are designated pursuant to Section 105 of this Act and on National Park and Wildlife Refuge System lands, and, upon petition of the relevant governor, lands owned by the States of California, Oregon, and Washington that are designated pursuant to Section 104 of this Act; and

(3) establish procedures and criteria for the identification and selection of areas of ecologically-significant old growth forest to be included in the Reserve pursuant to section 105 of this Act.

SEC. 104. INITIAL DESIGNATIONS TO THE OLD GROWTH RESERVE BY THE SECRETARY OF THE INTERIOR.

(a) Not later than eighteen months from the date of enactment of this Act, the Secretary of the Interior shall designate to the Reserve all areas of ecologically-significant old growth forest in units of the National Park System and National Wildlife Refuge System in Oregon, Washington, and Northern California.

(b) The Secretary of the Interior shall designate to the Reserve any area of ecologically-significant old growth forest on State lands in Oregon, Washington, or Northern California if such area is nominated for designation by the governor of the State and is managed under State law in a manner consistent with the requirements of section 111 of this Act.

SEC. 105. DESIGNATION OF AREAS TO THE OLD GROWTH RESERVE.

(a) The final revised or new Land Management Plans adopted pursuant to section 102 of this Act shall designate areas of ecologically-significant old growth forest on Public Lands and National Forest Lands to the Old Growth Forest Reserve established by regulation pursuant to section 103(2) of this Act.

(b) The number, size, and types of areas of ecologically-significant old growth forest designated to the Reserve shall be those necessary to achieve the purposes of this Title as provided in section 101 of this Act.

(c) Areas of ecologically-significant old growth forest shall be selected from the Public Lands and National Forest Lands for designation to the Reserve in the following order of priority:

(1) first, areas of ecologically-significant old growth forest which are included within the National Wilderness Preservation System, National Wild and Scenic Rivers System, National Trails System, or are otherwise designated by Congress in a manner that excludes timber harvesting;

(2) second, areas of ecologically-significant old growth forest in which timber harvesting remains proscribed by previous planning or other administrative decision after completion of the review required in section 107 of this Act;

(3) third, any areas of ecologically-significant old growth forest which may be identified, or may meet criteria provided, in the recovery plan for the Northern Spotted Owl prepared pursuant to section 4(f) of the Endangered Species Act (16 U.S.C. §1533(f)) for management in a manner similar to that required in section 111 of this Act; and

(4) fourth, other areas of ecologically-significant old growth forest which are necessary to achieve the purposes of this Title as provided in section 101 of this Act, require management in accordance with section 111 of this Act, and otherwise meet criteria established by rule pursuant to section 103(3) of this Act.

(d) Preference in selecting areas of ecologically-significant old growth forest shall be accorded to—

(1) those areas which contain multiple noncommodity resource values associated with ecologically-significant old growth forest over those areas in which the number of such values is limited;

(2) those areas which contain non-commodity resource values associated with ecologically-significant old growth forest that have demonstrated significance over areas in which such values have limited or no significance;

(3) those areas which contain non-commodity resource values associated with ecologically-significant old growth forest that are not redundant to non-commodity values contained in areas which are outside of Public Lands and National Forest Lands are accorded protection under Federal or State law comparable to that provided by section 111 of this Act, including units of the National Park and Wildlife Refuge Systems and State park systems;

(4) those areas which have the least adverse impact on communities or economic enterprises economically dependent upon the Public Lands or National Forest Lands, in accordance with section 202 of this Act; and

(5) those areas which have the least impact on, and permit maintenance of the balance most similar to that which has existed historically among, all uses of each affected unit of Public Lands or National Forest Lands.

Sec. 106. PROTECTION OF THE NORTHERN SPOTTED OWL AND OTHER SPECIES.

(a) The final revised or new Land Management Plans adopted pursuant to section 102 of this Act shall provide protection for the Northern Spotted Owl and other species associated with old growth forest in accordance with this section.

(b) In preparing each revised or new Land Management Plan, the Secretary shall consider fully the recovery plan, and any economic analysis related thereto, prepared for the Northern Spotted Owl pursuant to section 4(f) of the Endangered Species Act (16 U.S.C. §1533(f)), and incorporate in the final revised or new Land Management Plan such portions of, or alternatives to, the recovery plan as the Secretary deems necessary to meet the obligations of the Bureau of Land Management or the Forest Service under the Endangered Species Act (16 U.S.C §§1531 et seq.) in the unit to which the Land Management Plan applies.

(c) In preparing each revised or new Land Management Plan, the Secretary shall consider any other species associated with old growth forest in the unit to which the Land Management Plan applies which the Secretary believes warrants special protection. Such consideration shall include a determination of the extent to which the designation of areas to the Reserve pursuant to section 105 of this Act, and the incorporation of portions of or alternatives to the Northern Spotted Owl recovery plan pursuant to this section, in such Land Management Plan provides such protection. The Secretary shall provide in writing in the decision to adopt the final revised or new Land Management Plan the basis of his determination and, if any other direction providing additional protection to such species is included in such Land Management Plan, an explanation of the necessity thereof and the effect thereof on other resources and their uses in the unit to which the Land Management Plan applies.

Sec. 107. REVIEWS OF ADMINISTRATIVE SET-ASIDES.

In preparing each revised or new Land Management Plan pursuant to section 102 of this Act, the Secretaries shall review and, where appropriate, revise all land allocations and other resource constraints previously applied to the unit to which the Land Management Plan applies to minimize, to the maximum extent feasible, the impact on preexisting uses and levels of use of the unit resulting from establishment thereto of the Reserve and the designation thereto of areas of ecologically-significant old growth forest.

Sec. 108. ENDANGERED SPECIES ACT COMPLIANCE.

(a) Prior to the adoption of each final revised or new Land Management Plan pursuant to section 102 of this Act, the Secretary shall submit the Land Management Plan for consultation pursuant to section 7(a)(2) of the Endangered Species Act (16 U.S.C. §1536(a)(2)). Consultation shall include the Land Management Plan and all actions, including timber sales, which may be undertaken under and consistent with the Land Management Plan during the term of the Land Management Plan. Thereafter, consultation shall be reinitiated only when the Land Management Plan is revised or significantly amended and shall include the revision or amendment and all actions which may be undertaken under and consistent with such revision or amendment during the term of such Land Management Plan, as revised or amended.

(b) If, during consultation on a Land Management Plan required by subsection (a) of this section, jeopardy of any listed species or adverse modification of any designated critical habitat is found under section 7(b) of the Endangered Species Act (16 U.S.C. §1536(b)), the Secretary responsible for the Land Management Plan shall consider any reasonable and prudent alternatives suggested during consultation that are consistent with and comply with the provisions of this Title; the Federal Land Policy and Management Act of 1976 or the Forest and Rangeland Renewable Resources Planning Act of 1974, as both are amended by Title II of this Act; and other applicable law. If the Secretary determines that no such reasonable and prudent alternative exists, the Secretary shall apply for review of the Land Management Plan pursuant to section 7(e)-(1) of the Endangered Species Act (16 U.S.C. §1536(e)-(1)).

Sec. 109. MAPS AND LEGAL DESCRIPTIONS.

The Secretaries shall prepare a map or set of maps of the areas of ecologically-significant old growth forest designated to the Reserve under section 105 of this Act. Such map or maps shall be on file for public inspection in the offices of the Director of the Bureau of Land Management and the Chief of the Forest Service and each office of the Bureau of Land Management and Forest Service responsible for administering any such area. Such maps shall be revised as made necessary by subsequent revisions of or significant amendments to the Land Management Plans.

SEC. 110. RELEASE.

(a) After adoption of the final revised or new Land Management Plans pursuant to section 102 of this Act, each Secretary shall not be required to review the designation of ecologically-significant old growth forest areas to the Reserve prior to the revision of such Land Management Plans, but shall conduct such review when such Land Management Plans are revised, which revision will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless prior to that time the Secretary finds that conditions in the unit to which a Land Management Plan applies have significantly changed.

(b) Those areas of ecologically-significant old growth forest or other old growth forest areas not designated to the Reserve shall be managed for multiple use in accordance with the Land Management Plans pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) or section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604), and those areas need not be managed for the purpose of protecting their suitability for designation to the Reserve prior to or during subsequent revision of the final revised or new Land Management Plans following their adoption pursuant to section 102 of this Act.

(c) If Land Management Plans revised pursuant to subsection (b) of this section are implemented pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. §§1701 et seq.) or the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §§1600 et seq.), and other applicable law, areas of ecologically-significant old growth forest or other old growth forest areas not designated to the Reserve need not be managed for the purpose of protecting their suitability for designation to the Reserve prior to or during subsequent revision fo those Land Management Plans.

SEC. 111. MANAGEMENT OF THE OLD GROWTH RESERVE.

(a) Each area of ecologically-significant old growth forest designated to the Reserve shall be managed in accordance with direction provided in the applicable final revised or new Land Management Plan. Such direction shall ensure protection of those noncommodity resource values identified in the Land Management Plan as the values for which the area is designated to the Reserve, and shall comply with the requirements of the Federal Land Policy and Management

Act of 1976 (43 U.S.C. §§1701 et seq.) or the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §§1600 et seq.), as both are amended by Title II of this Act; other applicable law; and this section.

(b) Effective upon adoption of the final revised or new Land Management Plan, any area of ecologically-significant old growth forest designated to the Reserve in such Land Management Plan is, subject to valid existing rights, withdrawn from disposition under the public land laws and location, entry, and patent under the mining laws of the United States, and closed to the operation of the mineral leasing laws of the United States and the Geothermal Steam Act of 1970.

(c) Except as prohibited or restricted by applicable law, roads, structures, and motorized and nonmotorized recreation and access may be permitted within areas of ecologically-significant old growth forest designated to the Reserve where consistent with the purposes of this Title as provided in section 101 of this Act.

(d) Except as prohibited or restricted by applicable law, the Secretary may permit hunting, trapping, and fishing on lands and waters within areas of ecologically-significant old growth forest designated to the Reserve in accordance with applicable Federal and State law. The Secretary may designate zones where, and establish periods when, such activities will not be permitted for reasons of public safety, fish and wildlife management, public use and enjoyment, or protection of the Reserve. Except in emergencies, any regulations issued by the Secretary under this subsection shall be put into effect only after consultation with the appropriate State agencies responsible for hunting and fishing activities.

(e) Timber harvesting on any area of ecologically-significant old growth forest designated to the Reserve shall be permitted—

(1) if it is necessary to protect such area or adjacent lands from insects or disease and life or property from imminent fire danger; or

(2) if it complies with the prescriptions and guidelines developed in the Old Growth Forest Research Program pursuant to section 308(b) of this Act and is not proscribed for such area in the final revised or new Land Management Plan applicable thereto.

SEC. 112. SUFFICIENCY.

Upon completion of the Endangered Species Act processes pursuant to section 108 of this Act and the adoption of a final revised or new Land Management Plan pursuant to section 102 of this Act, on the unit to which the Land Management Plan applies the responsibilities for the management, protection, and recovery of the Northern Spotted Owl and other species associated with old growth forests of the federal government and any person authorized by the federal government to conduct activities on such unit under the Endangered Species Act (16 U.S.C. §§1531 et seq.), the Act of July 3, 1918 (16 U.S.C. §§703 et seq.) (commonly known as the "Migratory Bird Treaty Act"), and the applicable wildlife-related provisions of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §§1701 et seq.) and the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §§1600 et seq.) and are fully discharged until such Land Management Plan is revised or significantly amended. Upon completion of the Endangered Species Act processes pursuant to section 108 of this Act pertaining to any such revision or significant amendment and to each revision to or significant amendment of the Land Management Plan thereafter, the same responsibilities are fully discharged for the term of the Land Management Plan, as amended or revised.

SEC. 113. ACCESS TO NON-FEDERAL LAND

The granting of any easement or other form of access across federal land to private or other nonfederal land by the Forest Service, U.S. Department of Agriculture, or the Bureau of Land Management, U.S. Department of the Interior, and the construction and maintenance of such easement or access, shall not constitute an "agency action" under section 7, nor otherwise subject the agency or the recipient of the easement or access to section 7(a) or 9(a)(1), of the Endangered Species Act concerning any species listed pursuant to section 4 of that Act which is associated with old growth forest in Washington, Oregon, or Northern California.

TITLE II—ENSURING THE EFFECTIVENESS OF FEDERAL LAND PLANNING

SEC. 201. PURPOSES.

The purposes of this Title are to provide additional Congressional guidance on the implementation, amendment, and revision of plans for federal lands necessary to ensure that the final new or revised Land Management Plans, and the protection provided therein to the Old Growth Forest Reserve, Northern Spotted Owl, and other old growth associated species in Title I of this Act are implemented effectively; that the stability and predictability in the management of federal lands intended by the Federal Land Policy and Management Act of 1976 (43 U.S.C. §§1701 et seq.) and the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976 (16 U.S.C. §§1600 et seq.), are achieved; and that the environmental impacts and community social and economic dislocation which result from instability and uncertainty in management of the federal lands are avoided.

PART A—AMENDING, REVISING, AND MONITORING PLANS

SEC. 202. ECONOMIC STABILITY.

(a) Section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) is amended by inserting at the end thereof the following new subsection (g):

"(g) In developing, maintaining, amending and revising land use plans pursuant to this section, the Secretary shall assure that such plans—

"(1) maintain to the maximum extent feasible the stability of any community or economic enterprise economically dependent upon public lands to which the plans apply, and shall conduct in the course of preparation of any plan, plan amendment, or plan revision undertaken after the date of enactment of this subsection an analysis for each such community or enterprise that: (i) examines the impacts of planning alternatives on the community, including its revenues and budget, the level of and quality of its public services, the employment and income of its residents, and its social conditions, and on the enterprise and its employees; (ii) explains how resource allocations for the planning alternatives would comport with or differ from historic community expectations; and (iii) describes how those impacts were considered in selecting a preferred alternative. The Secretary, in consultation with the Secretaries of Commerce and Labor, shall define by regulation the term 'community or economic enterprise economically dependent upon public lands' as used in this subsection; and".

(b) Section 6(e) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(e)) is amended by striking "wilderness; and" and inserting "wilderness;" in paragraph (1), striking "management." and inserting in lieu thereof "management;" in paragraph (2), and adding a new paragraph (3) as follows:

[(e) . . . In developing, maintaining, and revising plans for units of the national Forest System pursuant to this section, the Secretary shall assure that such plans—]

"(3) maintain to the maximum extent feasible the stability of any community or economic enterprise economically dependent upon a unit of the National Forest System, and shall prepare in the course of any plan amendment or revision undertaken after the date of enactment of this paragraph an analysis for each such community or enterprise that: (i) examines the impacts of planning alternatives on the community, including its revenues and budget, the level and quality of its public services, the employment and income of its residents, and its social conditions, and on the enterprise and its employees; (ii) explains how resource allocations for the planning alternatives would comport with or differ from historic community expectations; and (iii) describes how those impacts were considered in selecting a preferred alternative. The Secretary, in consultation with the Secretaries of Commerce and Labor, shall define by regulation the term 'community or economic enterprise economically dependent upon a unit of the National Forest System' as used in this paragraph; and".

SEC. 203. CONSIDERATION OF COMMODITY RESOURCES.

(a) Section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) is amended by adding at the end of the new subsection (g) provided by section 202(b) of this Act the following clause (2):

"(2) consider fully global demand for commodity resources located on the public lands to which such plans apply and the environmental implications or effects of satisfying such demand by supply of such resources from other domestic or foreign sources or substitution of other resources or products.".

(b) Section 6(e) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(e)) is amended by adding at the end thereof a new paragraph (4) as follows:

[(e) . . . In developing, maintaining, and revising plans for units of the National Forest System pursuant to this section, the Secretary shall assure that such plans—]

"(4) consider fully global demand for commodity resources located in the units of the National Forest System to which such plans apply and the environmental implications or effects of satisfying such demand by supply of such resources from other domestic or foreign sources or substitution of other resources or products."

SEC. 204. PLAN BALANCE AND OTHER REQUIREMENTS.

(a) Section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) is amended by adding to the end thereof the following new subsection (h):

(h)(1) Whenever a land use plan is amended or revised, the Secretary shall consider and discuss in decision and environmental analysis documentation accompanying the plan amendment or revision other land use or management changes that, in combination with the change for which the amendment or revision was initiated, would be appropriate to maintain overall plan balance and meet other plan goals and outputs.

"(2) Any change in management of the public lands that is required by a court order or designation of a threatened or endangered species or other action under the Endangered Species Act (16 U.S.C. §§ 1351 et seq.), or that is justified on the basis of new information, which would not be consistent with an existing land use plan shall require amendment or revision of the plan and, except where the Secretary determines the court order or statute requires otherwise and publishes the determination in the Federal Register, shall not be taken until the plan amendment or revision is final."

(b) Section 6(f) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(f)) is amended by striking "section; and" and inserting in lieu thereof "section;" in paragraph (4), striking "section." and inserting in lieu thereof "section; and" in paragraph (5), and adding a new paragraph (6) as follows:

[(f) Plans developed in accordance with this section shall—]

"(6) be subject to the following additional problems concerning amendment and revision:

"(A) When a plan amendment or revision process is initiated pursuant to paragraph (4) or (5) of this subsection, the Secretary shall consider and discuss in decision and environmental analysis documentation accompanying the plan amendment or revision other land use or management changes that, in combination with the change for which the amendment or revision was initiated, would be appropriate to maintain overall plan balance and meet other plan goals and outputs.

"(B) Any change in management of a unit of the National Forest System that is required by a court order or designation of a threatened or endangered species or other action under the Endangered Species Act (16 U.S.C. §§1351 et seq.), or that is justified on the basis of new information, which would not be consistent with an existing plan shall require amendment or revision of the plan pursuant to paragraph (4) or (5) of this subsection and, except where the Secretary determines the court order or statute requires otherwise and publishes the determination in the Federal Register, shall not be taken until the plan amendment or revision is final.".

SEC. 205. FULLY ALLOCATED COSTS ANALYSIS.

Section 6(g) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(g)) is amended by striking "resource." and inserting in lieu thereof "resource;" in paragraph (3)(F)(v), and adding a new paragraph (4) as follows:

[(g) . . . The regulations shall include, but not be limited to—]

"(4) specifying that, in the presentation of alternative land management plans, plan amendments, or plan revisions, the Secretary shall analyze the fully allocated cost including foregone revenues, expressed as a user fee or cost-per-beneficiary, of each noncommodity output proposed by each alternative; and".

SEC. 206. MINIMUM MANAGEMENT REQUIREMENTS.

(a) Section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) is amended by adding at the end thereof the following new subsection (i):

"(i) A minimum decadal level of timber sale volume based on the requirements of subsection (g) of this section shall be established in each land use plan for the area of the public lands to which the plan applies. The Secretary shall offer, on a decadal basis, the full decadal minimum level of timber sale volume specified in the land use plan. Not less than 25 per centum of the decadal minimum level of timber sale volume shall be awarded in any three consecutive years during the term of the land use plan.".

(b) Section 6(g) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(g)) is amended by adding a new paragraph (5) as follows:

[(g) . . . The regulations shall include, but not be limited to—]

"(5) specifying the role, if any, of minimum management requirements in the planning process and providing procedures for the adoption thereof, including the following requirements:

"(A) A 'minimum management requirement' is any directive adopted at the regional or forest level that guides the development, analysis, approval, implementation, monitoring or evaluation of land management plans. The issuance of minimum management requirements is discretionary except where required by this Act.

"(B) The Secretary shall provide for public participation comparable to that required by subsection (d) of this section in the development of any minimum management requirement.

"(C) A minimum management requirement to achieve a level of timber sales based on goals developed pursuant to section 4, and the requirements of section (6)(e)(3) and (4), of this Act shall be established for each unit of the National Forest System in the applicable land and resource management plan.

"(D)(i) Where a particular land area is identified in a land and resource management plan as contributing to the minimum management requirement for timber sales, no management action shall preclude the achievement, on a decadal basis, of the minimum management requirement designated for that particular area.

"(ii) The Secretary shall offer, on a decadal basis, the full minimum management requirement for timber sales specified in each land and resource management plan. Not less than 25 per centum of the decadal minimum management requirement shall be awarded in any three consecutive years during the term of the plan.".

SEC. 207. PHASE-IN OF OUTPUT CHANGES.

(a) Section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) is amended by adding at the end thereof the following new subsection (j):

"(j) To maintain the stability of any community or economic enterprise economically dependent upon public lands, as defined by regulation pursuant to subsection (g) of this section, and to avoid the dislocation resulting from abrupt changes in the management of such public lands in the transition to a new land use plan, amendment thereto, or revision thereof, the Secretary shall, upon adoption of a new plan, amendment, or revision, phase in through four equal annual increments any decrease or increase in any commodity output under the plan, amendment, or revision greater than ten per centum per year in comparison to the average output of the commodity from the area to which the plan applies for the five consecutive fiscal years preceding the year in which the plan, amendment or revision is adopted (as measured by volume offered for lease or sale).".

(b) Section 6(j) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(j)) is amended by changing the period at the end thereof to a colon and adding the following:

Provided, That, to maintain the stability of any community or economic enterprise economically dependent upon a unit of the National Forest System, as defined by regulation pursuant to subsection (e)(3) of this section, and to avoid the dislocation resulting from abrupt changes in management of any such unit in the transition to a new land management plan, amendment thereto, or revision thereof, the Secretary shall, upon adoption of a new plan, amendment, or revision, phase in through four equal annual increments any decrease or increase in any commodity output under the plan, amendment, or revision greater than ten per centum per year in comparison to the average output of the commodity from the unit to which the plan applies for the five consecutive fiscal years preceding the year in which the plan, amendment, or revision is adopted (as measured by volume offered for lease or sale)."

SEC. 208. PLAN MONITORING AND MAINTENANCE.

(a) Section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) is amended by adding at the end thereof the following new subsection (k):

"(k) The Secretary shall certify in writing as part of each management decision to implement a land use plan developed, amended, or revised under this section that such decision contributes to or, at a minimum, does not preclude achievement of the goals and outputs in such plan. The Secretary shall monitor regularly management of and outputs from the area to which each land use plan applies to ensure that each such plan is not constructively changed through a pattern of implementing actions or failures to take implementing actions that is inconsistent with the plan. If the Secretary finds the plan has been so changed, the Secretary shall direct that corrective implementing actions be undertaken to restore plan consistency or that the plan be amended.".

(b) Section 6(i) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(i)) is amended by inserting "(1)" between "(i)" and "Resource" and adding a new paragraph (2) as follows:

"(2) The Secretary shall certify in writing as a part of the decision on each implementing action that such decision contributes to or, at a minimum, does not preclude achievement of the goals and outputs in the applicable land management plan. The Secretary shall monitor regularly forest management and forest goals and outputs to ensure that a land management plan is not constructively changed through a pattern of implementing actions or failures to take implementing actions that is inconsistent with the plan. If the Secretary finds the plan has been so changed, the Secretary shall direct that corrective implementing actions be undertaken to restore plan consistency or that the plan be amended.".

SEC. 209. CITIZEN PETITIONS FOR AMENDMENT OR REVISION.

(a) Section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1712) is amended by adding at the end thereof the following new subsection (l):

"(l) A person may petition the Secretary for an amendment or revision of any land use plan if the person alleges and relies on new information, law, or regulation as defined in this subsection. A person who wishes to challenge a plan or an action implementing a plan alleging new information, law, or regulation must petition the Secretary for an amendment or revision of the plan in lieu of filing an administrative appeal of such plan or action. The petition shall be filed in accordance with regulations adopted by the Secretary, which shall require the Secretary to seek and consider the advice of the Secretary, as defined in section 3(15) of the Endangered Species Act (16 U.S.C. §1532(15)) if the petition concerns a species listed, or critical habitat designated, pursuant to section 4 of the Endangered Species Act (16 U.S.C. §1533). The Secretary shall accept or deny the petition in writing within 60 days of receipt. If the Secretary accepts the petition, the amendment or revision process shall begin on the date of the acceptance. If the Secretary rejects the petition, the petitioner may seek immediate judicial review unless the Secretary provides for further administrative review of decisions on petitions. For purposes of this subsection, 'new information' means information related to the plan or action that was not known to and considered by the Secretary in the preparation of the plan and 'law, or regulation' means any law or regulation not in effect when the plan was adopted.".

(b) Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604) is amended by adding at the end thereof a new subsection (n) as follows:

"(n)(1) A person may petition the Secretary for an amendment or revision of any land and resource management plan or of any document that establishes a minimum management requirement either in units of the National Forest System within a Forest Service region or for a particular unit if he or she alleges and relies on new information, law, or regulation as defined in this subsection to support the amendment or revision. A person who wishes to challenge a plan or an action implementing a plan alleging new information, law, or regulation must petition the Secretary for an amendment or revision of the plan in lieu of filing an administrative appeal on such plan or action. A person who wishes to challenge a minimum management requirement document alleging new information, law, or regulation must first petition the Secretary for an amendment or revision of the document.

(2) The petition shall be filed in accordance with regulations adopted by the Secretary, which shall require the Secretary to seek and consider the advise of the Secretary, as defined in section 3(15) of the Endangered Species Act (16 U.S.C. §1532(15)), if the petition concerns a species listed, or a critical habitat designated, pursuant to section 4 of the Endangered Species Act (16 U.S.C. §1533). The Secretary shall accept or deny the petition in writing within 60 days of receipt. If the Secretary accepts the petition, the amendment or revision process shall begin on the date of the acceptance. If the Secretary rejects the petition, the petitioner may seek immediate judicial review in accordance with subsections (p) and (q) of this section unless the Secretary provides for further administrative review of the decisions on petitions.

(3) For purposes of this section , 'new information' means information related to the plan, action, or document that was not known to and considered by the Secretary in the preparation of the plan or document and 'law, or regulation' means any law or regulation not in effect when the plan or document was adopted.".

PART B—IMPLEMENTING PLANS

SEC. 210. ADMINISTRATIVE APPEALS AND PETITIONS.

Seciton 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604) is amended by adding at the end thereof a new subsection (o) as follows:

"(o) Administrative appeal of a land and resource management plan, an implementing action under a land and resource management plan, or document adopted by the Secretary pursuant to this section shall be in accordance with rules promulgated by the Secretary, including the following additional provisions;

"(1) Standing to bring an administrative appeal shall be available only to persons who have submitted written or oral comment during the preparation of the plan, amendment, revision, document or action on the issue or issues for which administrative review is sought.

"(2) A person who wishes to challenge a land and resource management plan, implementing action, or document that establishes a minimum management requirement either in a unit of the National Forest System or within a Forest Service region alleging or relying on new information, law, or regulation must first petition the Secretary for an amendment or revision of the plan or document in accordance with subsection (n) of this section.

"(3) No administrative stay pending appeal or petition filed under this subsection shall extend beyond, or be imposed after, the conclusion of the applicable period for filing suit in subsections (p)(2), (q)(2), or (r)(2) of this section.

"(4) Failure by the Secretary to issue a final decision on appeal or petition by the prescribed regulatory deadline, not including any extensions thereto that may be granted by the Secretary, shall be deemed to be a denial of the appeal or petition for purposes of this section.".

SEC. 211. JUDICIAL REVIEW OF PLANS.

Section 6 of the Forest and Rangeland Renewable Resources Planning of 1974 (16 U.S.C. §1604) is amended by adding at the end thereof a new subsection (p) as follows:

"(p) Suits to challenge a land and resource management plan, amendment thereof, or revision thereto, adopted by the Secretary pursuant to this section, or a decision by the Secretary not to amend or revise such a plan pursuant to subsection (n) of this section, shall be filed in the United States court of appeals for the circuit in which the unit of the National Forest System to which the plan applies is located. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection.

"(1) Standing to obtain review shall be available only to persons who have—

"(A) participated in the preparation of the plan, amendment, or revision, or petition for plan amendment or revision, through written or oral comment on the issue or issues for which judicial review is sought; and

"(B) exhausted their administrative remedies.

"(2) Any suit under this subsection must be filed not more than 90 days after the final decision of the Secretary on the relevant administration appeal of the plan, amendment, revision, or petition. The plan or any portion thereof, as finally adopted, shall not thereafter be reviewable as a part of any other action under this Act or any other provision of law or regulation in existence at the conclusion of such 90-day period.

"(3) A suit under this subsection shall not allege or rely upon new information, law, or regulation as defined in subsection (n) of this section unless the party has petitioned the Secretary pursuant to subsection (n) of this section, the Secretary has denied the petition, and the party has exhausted any administrative appeal rights concerning that denial.

"(4) The record upon review shall be limited to the administrative record compiled in accordance with this Act and such additional written evidence as the court shall permit.".

SEC. 212. JUDICIAL REVIEW OF MINIMUM MANAGEMENT REQUIREMENTS.

Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604) is amended by adding at the end thereof a new subsection (q) as follows:

"(q) Issuance of any document that establishes a minimum management requirement either in units of the National Forest System within a Forest Service region or for a particular unit (other than a land and resource management plan) shall be considered a final agency action. Suits to challenge such document, or a decision by the Secretary not to amend or revise such document pursuant to subsection (n) of this section, shall be filed in the United States court of appeals for the circuit in which the units or unit to which the document applies is located. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection. Standing to obtain review shall be available only to persons who have—

"(A) participated in the preparation of such document through written or oral comment or the issue or issues for which judicial review is sought, if notice and opportunity for public comment was provided; and

"(B) exhausted their administrative remedies.

"(2) Any suit under this subsection must be filed not more than 60 days after the final decision of the Secretary on any administrative appeal of the document. The document, or any portion thereof, as finally adopted shall not thereafter be reviewable as part of any other action under this Act or any other provision of law or regulation in existence at the conclusion of such 60-day period.

"(3) A suit under this subsection shall not allege or rely upon new information, law, or regulation as defined in subsection (n) of this section unless the party has petitioned the Secretary pursuant to subsection (n) of this section, the Secretary has denied the petition, and the party has exhausted any administrative appeal rights concerning that denial.

"(4) The record upon review shall be limited to the administrative record compiled in accordance with this Act and such additional written evidence as the court shall permit.".

SEC. 213. JUDICIAL REVIEW OF PLAN IMPLEMENTING ACTIONS.

Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604) is amended by adding at the end thereof a new subsection (r) as follows:

"(r) Suits to challenge an action implementing a land and resource management plan adopted, amended or revised by the Secretary pursuant to this section shall be filed in the United States district court for the district in which the implementing action will occur. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection. Standing to obtain review shall be available only to persons who have—

"(A) participated in the preparation of such implementing action through written or oral comment on the issue or issues for which judicial review is sought, if notice and opportunity for public comment was provided; and

"(B) exhausted their administrative remedies.

"(2) Any suit under this subsection must be filed not more than 30 days after the final decision of the Secretary on any administrative appeal of the action.

"(3) A suit to challenge an implementing action which alleges or relies upon new information, law, or regulation as defined in subsection (n) of this section shall be brought under subsection (p) of this section after the party has petitioned the Secretary pursuant to subsection (n) of this section, the Secretary has denied the petition, and the party has exhausted any administrative appeal rights concerning the denial.

"(4) The record upon review shall be limited to the administrative record compiled in accordance with this Act and such additional written evidence as the court shall permit.

"(5) Any action found to be not inconsistent with the plan in implements is valid, unless it is found to violate a nondiscretionary provision of law other than this Act and the National Environmental Policy Act (42 U.S.C. §§4321 et seq.).".

SEC. 214. DEADLINES AND PROCEDURES.

Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604) is amended by adding at the end thereof a new subsection (s) as follows:

"(s)(1) A suit governed by this section or any appeal of the decision on such suit shall be assigned for hearing at the earliest possible date and shall take precedence over all other matters pending on the docket of the court at that time except for criminal cases.

"(2) The court shall render its final decision and dissolve any restraining order or preliminary injunction relative to any suit governed by this section or appeal of decision on such suit within the number of days specified in clauses (A) through (C) of this paragraph from the date such suit or appeal is filed, unless the court determines that a longer period of time is required to satisfy the requirements of the United States Constitution:

"(A) A land and resource management plan that is the subject of subsection (p), 180 days.

"(B) A document that is the subject of subsection (q), 120 days.

"(C) An implementing action that is the subject of subsection (r), 60 days: *Provided, however*, That the period shall be 30 days in the case of an action to offer or award salvage timber or such other action that is determined by the Secretary to be an emergency action.".

SEC. 215. STATUS OF PLANS.

Section 6(c) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604(c)) is amended by inserting "(1)" between "(c)" and "The" and adding a new paragraph (2) as follows:

"(2) When a unit of the National Forest System is subject to a plan developed in accordance with this Act, such unit shall be managed under the most recent initial, amended, or revised version of that plan that has been adopted as final. If at any time a final version of a plan or portion thereof is enjoined by court order from operation, the management of the unit shall continue under the immediately previous final version of that plan or relevant portion thereof, which shall not be subject to challenge or injunction except as provided in this section.".

SEC. 216. TIERING OF ENVIRONMENTAL DOCUMENTATION.

Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1604) is amended by adding at the end thereof a new subsection (t) as follows:

"(t)(1) Where documentation pursuant to section 102(2) of the National Environment Policy Act of 1969 (42 U.S.C. §§4332(2)(C), is required on an action implementing a land and resource management plan, such documentation shall be tiered to the final environmental impact statement, as amended or supplemented, on the plan. The documentation on the action shall incorporate by reference the relevant analysis of the final environmental impact statement, including cumulative impact analysis, and shall focus on any site-specific or project-specific environmental consequences which are required to be analyzed and have not been analyzed, or which are substantially different from or greater than the general environmental consequences which have been analyzed, in the final environmental impact statement.

"(2) An environmental assessment, as defined by the Council on Environmental Quality, shall be the most comprehensive level of environmental documentation required for an action implementing a plan except when the Secretary, in his discretion in accordance with regulation, determines that the nature or scope of potential environmental consequences of an implementing action is substantially different from or greater than the nature or scope of the consequences considered in the final environmental impact statement for the plan.".

SEC. 217. BUDGET DISCLOSURES.

Section 8(b) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. §1060(b)) is amended by inserting the following after the first sentence: "Commencing with the fiscal budget or the first full fiscal year following enactment of this sentence, such requests shall include as an appendix to the budget a statement of what funds would be required to achieve 100 per centum of annual outputs specified in, or otherwise implement fully, the land and resource management plan for each unit of the National Forest System.".

SEC. 218. REGULATIONS.

Not later than twelve months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall promulgate regulations to carry out the purposes and provisions of this Title.

TITLE III—PROVIDING AN INTERIM PROGRAM

SEC. 301. PURPOSES.

The purposes of this Title are to provide for a five-year basic and applied research program on old growth forest on certain public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in Oregon, Washington, and Northern California to better understand the values and processes of the old growth forest and to permit its active management to maintain and enhance these values and processes, and to ensure the protection of any areas of ecologically-significant old growth forest that might be considered or designation to the Old Growth Forest Reserve, the protection of the Northern Spotted Owl and adherence to the Endangered Species Act (16 U.S.C. §§1531 et seq.), and the provision of an adequate supply of timber, on these public domain lands during the interim period from the date of enactment of this Act until the Reserve is designated and the final new or revised Land Management Plans are adopted pursuant to Title I of this Act.

SEC. 302. DURATION OF THE INTERIM PROGRAM.

The interim program established pursuant to this Title shall be effective upon the date of enactment of this Act and shall terminate three full fiscal years from such date for all units of Public Lands and National Forest Lands to which apply final revised or new Land Management Plans adopted pursuant to section 102. The interim program shall continue to apply thereafter to any unit for which no applicable final revised our new Land Management Plan has been adopted until the end of the fiscal year in which such adoption occurs. If any final revised or new Land Management Plan is challenged by administrative appeal or litigation, the unit to which such Land Mangement Plan applies shall revert to management under the interim program until the end of the fiscal year in which any and all such appeals and litigation are exhausted.

SEC. 303. SUSPENSION OF CERTAIN PLAN ELEMENTS.

In order to provide the protection for the areas of old growth forest required by section 305 of this Act and ensure the offering of timber sales required by section 304 of this Act, all elements of any plans for the management of Public Lands and National Forest Lands (i) proscribing timber harvesting outside such areas, or (ii) permitting timber harvesting, road construction, or mineral or geothermal leasing inside such areas, shall be suspended during the duration of the interim program established pursuant to this Title.

SEC. 304. INTERIM TIMBER SALES PROGRAMS.

(a) Subject only to the provisions of this Title and notwithstanding any provision of law or order of a court to the contrary, for each full fiscal year in which the interim program established pursuant to this Title is in effect:

(1) the Secretary of the Interior shall offer for sale at least —— board feet from federal lands managed by the Bureau of Land Management in Oregon, Washington and California, of which at least —— board feet shall be offered from the Public Lands;

(2) the Secretary of Agriculture shall offer for sale at least —— board feet per year from federal lands managed by the Forest Service in Regions 5 and 6 (Oregon, Washington and California), of which at least —— board feet per year shall be offered from the National Forest Lands;

(3) the secretaries shall allocate the sales volumes for each fiscal year established in clauses (1) and (2) of this section among each national forest and Bureau of Land Management administrative district at least seven months prior to the beginning of such fiscal year;

(4) for any portion of a fiscal year prior to the first full fiscal year after enactment of this Act, the sales volume required to be offered by this section shall be the product of the relevant volume in clause (1) or (2) of this section times the fraction of the fiscal year represented by the portion thereof during which the interim program is in effect; and

(5) for any Bureau of Land Management administrative district or national forest which remains subject to the interim program after three full fiscal years from the date of enactment of this Act, the annual sales volume thereafter until the interim program is no longer applicable shall be the volume allocated to that forest or district in the third full fiscal year.

(b) For purpose of subsection (a) of this section, the timber sale level for any annual interim timber sale program which may undergo review pursuant to section 7(e)-(1) of the Endangered Species Act (16 U.S.C. §1536(e)-(1)) in accordance with section 306(b) of this Act shall be the level established by or resulting from that review in lieu of the level provided for that program in subsection (a).

SEC. 305. INTERIM OLD GROWTH FOREST PROTECTION.

(a) No timber sale may be offered, road constructed, or mineral or geothermal lease sold by either Secretary on any Public Lands and National Forest Lands subject to the interim program established pursuant to this Title III——

(1) which are located within unfragmented areas of old growth forest containing more than —— acres each of Public Lands or National Forest Lands within the habitat conservation areas identified in Appendix Q of the May 1990 report of the Scientific Committee to Address the Conservation of the Northern Spotted Owl specified in section 318(b)(6)(B) of Public Law 101-121 (103 Stat. 747); or

(2) which are located within a —— radius of any active nest site of the Northern Spotted Owl.

(b) The lands subject to this section shall be identified by the Secretaries, after an opportunity for public comment, on a map or maps on file for public inspection in the offices of the Director of the Bureau of Land Management and the Chief of the Forest Service and each office of the Bureau of Land Management and Forest Service responsible for administering the Public Lands and National Forest Lands.

SEC. 306. NATIONAL ENVIRONMENTAL POLICY ACT AND ENDANGERED SPECIES ACT COMPLIANCE.

(a) For each of the first three full fiscal years after enactment of this Act, each Secretary shall prepare an environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act (42 U.S.C. §§4322(2)(C)) on the annual interim timber sales program under the Secretary's jurisdiction established by Section 304(1) and (2) of this Act, and shall submit such program for consultation with the Fish and Wildlife Service pursuant to section 7 of the Endangered Species Act (16 U.S.C. §1536), no later than six months prior to the beginning of the fiscal year. Not later than six months prior to the beginning of each fiscal year thereafter, each Secretary shall prepare an environmental impact statement on, and submit for consultation, any annual interim timber sales program under the Secretary's jurisdiction required by section 304(5) of this Act.

(b) If, during consultation on an annual interim timber sales program required by subsection (a) of this section, jeopardy of any listed species or adverse modification of any designated critical habitat is found under section 7(b) of the Endangered Species Act (16 U.S.C. §1536(b)), the Secretary responsible for the program shall consider any reasonable and prudent alternatives suggested in the consultation that are consistent with the provisions of this Title and that offer the sales volume required for the program in section 304 of this Act. If the Secretary determines that no such reasonable and prudent alternative exists, the Secretary shall apply for review of the program pursuant to section 7(e)-(1) of the Endangered Species Act (16 U.S.C. §1536(e)-(1)).

SEC. 307. JUDICIAL REVIEW.

Nothwithstanding any other provision of law to the contrary:

(1) Any action taken or decision made by a federal agency pursuant to this Title (other than an action or decision defined as or considered to be proposed or draft under the Administrative Procedure Act, Federal Land Policy and Management Act of 1976, Forest and Rangeland Renewable Resources Planning Act of 1974, National Environmental Policy Act, or other applicable law) shall be deemed to be a final agency action or decision and shall not be subject to any administrative appeal or administrative stay.

(2) A suit challenging any such action or decision must be filed in the United States Court of Appeals for the Ninth Circuit not later than 30 days after the date of such action or decision. Such court shall have jurisdiction to hear and determine any suit brought in accordance with this section.

(3) No temporary restraining order or preliminary injunction may be issued in a suit governed by this section after 60 days from the date such suit is filed. If a temporary restraining order or preliminary injuction is issued within such 60-day period, the court shall render its final decision and dissolve any remaining preliminary injunction on or before the final day of such period.

(4) The grounds for any litigation challenging an annual interim timber sales program or any portion thereof pursuant to this Title shall be limited solely to compliance with the provisions of this Title.

SEC. 308. OLD GROWTH FOREST RESEARCH PROGRAM.

(a) Not later than six months from the date of enactment of this Act, the Secretaries shall establish an Old Growth Forest Research Program, which shall include (but need not be limited to) each of the following components:

(1) basic research on ecosystems of, processes in, and species associated with old growth forest on Public Lands and National Forest Lands;

(2) the development and testing of ecologically-sensitive forest management practices at the stand and landscape levels on Public Lands and National Forest Lands;

(3) the development and testing of particular timber harvesting methods which may be employed in, and be consonant with maintenance of the non-commodity values of, the ecologically-significant old growth forest areas to be designated to the Old Growth Forest Reserve;

(4) determination of methods of supplying the economy, and particularly communities dependent on resources of the Public Lands and National Forest Lands, with such resources on a sustained basis; and

(5) development of techniques for regenerating old growth forest on Public Lands and National Forest Lands.

(b) Not later than thirty months from the date of enactment of this Act, the Secretaries shall, taking into account work performed in the Old Growth Forest Research Program, prepare and publish in the Federal Register prescriptions and guidelines for timber harvesting in ecologically-significant old growth forest areas to be designated to the Reserve, including techniques associated with New Forestry, which maintain or enhance the non-commodity resource values associated with such areas.

(c) The Old Growth Forest Research Program shall terminate at the end of five full fiscal years from the date of enactment of this Act.

TITLE IV—ECONOMIC ADJUSTMENT

SEC. 401. PURPOSES.

The purposes of this Title are to develop an organizational structure and a program to provide grants and benefit payments to, and promote economic diversification and stability for, communities which and workers who are economically dependent on the Public Lands and National Forest Lands are adversely impacted by timber supply which is declining as set forth in the Findings of this Act and may decline further in response to the interim and long term programs established by this Act.

SEC. 402. SPECIAL ECONOMIC ADJUSTMENT FUND.

(a) Effective for six full fiscal years after the date of enactment of this Act, —— percentum of the federal portion of all moneys received each fiscal year from the sale of timber and other forest products from the federal lands shall be deposited into the Treasury of the United States and shall constitute a special fund which shall be made available without further appropriation to the Timber Readjustment Commission established pursuant to section 403 of this Act for grants and benefit payments pursuant to section 407 of this Act and for the operations of the Commission and the Timber Readjustment Advisory Panel established pursuant to section 405 of this Act.

(b) For purposes of subsection (a) of this section the term "moneys received"—

(1) has the same meaning given such term under the Act of May 23, 1908 (16 U.S.C. §500) and section 13 of the Act of March 1, 1911 (16 U.S.C. §500); and

(2) means—

(A) moneys deposited into the Oregon and California land-grant fund pursuant to the Act of August 28, 1937 (Chapter 876, 50 Stat. 874; 43 U.S.C. §1181a et seq.);

(B) moneys deposited into the Coos Bay Wagon Road grant fund pursuant to the Act of May 24, 1939 (Chapter 144, 54 Stat. 753; 43 Stat. 1181f-1 et seq.); and

(C) moneys received from the disposal of timber and other forest products pursuant to the Act of July 31, 1947 (30 U.S.C. §601 et seq.).

(c) Nothing in this section shall be construed as modifying or altering payments to States under the Act of May 23, 1908 and section 13 of the Act of March 1, 1911 (16 U.S.C. §500), the Act of August 28, 1937 (43 U.S.C. §1181f et seq.), and the Act of May 24, 1939 (43 U.S.C. 1181f-1 et seq.).

SEC. 403. TIMBER ECONOMIC ADJUSTMENT COMMISSION.

There is hereby established the three-member Timber Economic Adjustment Commission to perform the functions prescribed in section 407 of this Act. Within sixty days of the date of enactment of this Act, the governors of California, Oregon, and Washington shall each appoint a commissioner to serve on the Commission. Any vacancy on the Commission shall be filled in the same manner as the original appointment was made. The chair of the Commission shall be elected annually from among the commissioners by majority vote thereof.

SEC. 404. ADMINISTRATIVE AUTHORITY.

(a) The Commission shall have the authority to appoint, fix compensation for, and assign and delegate duties to an Executive Director and such other employees, and procure such temporary and intermittent services, as the Commission deems necessary to fulfill its functions pursuant to this Title.

(b) The Commission shall adopt such internal rules of procedure as it deems necessary. All Commission meetings shall be open to the public, but may be closed temporarily for discussion of personnel and budgetary matters. Notice of Commission meetings shall be published in newspapers of general circulation in California, Oregon, and Washington.

(c) Upon the request of the Commission, Federal agencies are authorized to provide technical assistance on a nonreimbursable basis to the Commission to assist it in fulfilling its functions pursuant to this section. The Commission is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal, State, and other agencies with or without reimbursement. Each federal agency is authorized and directed to cooperate fully in making its services, equipment, personnel, and facilities available to the Commission.

SEC. 405. TIMBER ECONOMIC ADJUSTMENT ADVISORY PANEL.

In performing its functions pursuant to section 407 of this Act, the Commission shall consult with and consider the recommendations of the nine-member Timber Economic Adjustment Advisory Panel. Each Governor shall appoint three members to the Panel: one from the forest products industry, one from organized labor, and one from the general public. The term of each member of the Panel shall be one year, subject to reappointment. The chair of the Panel shall be elected from among its members by majority vote thereof.

SEC. 406. COMPENSATION AND EXPENSES.

(a) Commissioners who are not otherwise employed may be compensated at a rate fixed by the President but not in excess of the maximum rate of pay for grade level IV of the Executive Schedule under section 5316 of Title 5 of the United States Code.

(b) The members of the Commission and the Panel while away from their homes or regular places of business in performance of services for the Commission or Panel, shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government Service are allowed expenses under section 5703(b) of title 5 of the United States Code.

SEC. 407. PURPOSE OF ECONOMIC ADJUSTMENT GRANTS AND BENEFIT PAYMENTS.

The Commission shall distribute from the special fund established in section 402 of this Act monies in the form of grants or benefit payments to communities which or workers who meet the eligibility requirements of section 408 of this Act. The grants and benefit payments shall be provided for, but not be limited to, the following purposes:

(1) to assist any eligible community to achieve economic diversity and diminish dependency on forest products from old growth forest on Public Lands and National Forest Lands;

(2) to provide short-term and longer term retraining and adjustment assistance to any eligible worker;

(3) to supplement unemployment insurance benefits and extend income maintenance payments for any eligible worker whose eligibility for unemployment insurance benefits is exhausted and who is enrolled in a training or education program which the Commission determines to be bona fide;

(4) to provide base level health care insurance coverage for an eligible worker, and his or her family members, who is enrolled in a training or education program which the Commission determines to be bona fide; and

(5) to defray job search expenses and relocation expenses for any eligible worker who the Commission determines cannot reasonably be expected to secure employment comparable to his or her previous employment in the commuting area in which the worker resides.

SEC. 408. ELIGIBILITY FOR ECONOMIC ADJUSTMENT GRANTS OR BENEFITS PAYMENTS.

To be eligible for a grant or benefit payment pursuant to section 405 of this Act—

(1) a communtiy must—

(A) be a "community economically dependent on public lands," as defined pursuant to section 202(a) of this Act, which unit must be a unit of the Public Lands, as defined in section 3(a)(7) of this Act, or a "community economically dependent on a unit of the National Forest System," as defined pursuant to section 202(b) of this Act, which unit must be a unit of the National Forest Lands, as defined in section 3(a)(5) of this Act; and

(B) have associated with it a wood products plant which closed or reduced its work force by —— percent within two years before, and remains closed or continues with such reduction in force upon, the date of enactment of this Act, or closes or reduces its work force by —— percent after the date of enactment of this Act and remains in such condition for —— months after the date of closure or reduction in work force; and

(2) a worker must—

(A) have been in employment related to wood products or timber harvesting and have been terminated or laid off from such employment within two years before, and be unemployed on, the date of enactment of this Act, or be terminated or laid off from such employment after the date of enactment of this act and be unlikely to return to such employment within —— months thereafter; or

(B) have been employed or self-employed in an occupation not directly related to wood products or timber harvesting in a community as defined in clause (1) of this section, have been terminated from such employment after the date of enactment of this Act, and be unlikely to return to such employment within——months thereafter.

SEC. 409. NOTICE OF SECRETARIES.

The Secretaries shall—

(1) provide timely information to the Commission on any federal action with respect to managing the Public Lands and National Forest Lands which may have a substantial local or regional impact on employment;

(2) where feasible, identify the location of the employment which will be affected by such federal action, and

(3) provide the Commission such other information concerning such federal action as is available to the Secretaries and as the Commission may require.

SEC. 410. TERMINATION OF COMMISSION AND PANEL; COMMISSION REPORT.

The Commission and Panel shall terminate six full fiscal years from the date of enactment of this Act. No later than six months prior to termination of the Commission, the Commission shall submit in writing to the Congress and the governors of California, Oregon, and Washington a report on the accomplishments of the Commission, the economic conditions of communities and employment in the region in which Public Lands and National Forest Lands are located, and any recommendations the Commission may have concerning such conditions.

TITLE V—MISCELLANEOUS

SEC. 501. O & C LANDS.

Notwithstanding any provision of this Act except section 402, in the event of conflict with or inconsistency between this Act and the Acts of August 28, 1937 (50 Stat. 874; 43 U.S.C. 1181a–1181j), and May 24, 1939 (53 Stat. 753), insofar as they relate to management of timber resources, the latter Acts shall prevail.

SEC. 502. AUTHORIZATION OF APPROPRIATIONS.

These are hereby authorized to be appropriated such sums as are necessary to carry out the purposes and provisions of this Act.

FEDERAL LANDS AND FAMILIES PROTECTION ACT OF 1991 SECTION-BY-SECTION SUMMARY AND ANALYSIS

Sec. 2. Findings. This section contains 17 findings concerning certain public domain lands managed by the Bureau of Land Management ("BLM") and lands withdrawn from the public domain managed by the Forest Service in Northern California, Oregon, and Washington that include areas of old growth forest and habitat for the northern spotted owl. The findings state the old growth and habitat lands contain both rare and irreplaceable ecological and species values warranting protection and extraordinary economic values sustaining employment, families and dependent communities in the region and contributing to housing construction and other sectors of the national economy. They also note that the intense competing pressures to preserve or make economic use of those lands have severely disrupted the ability of the BLM and Forest Service to plan and manage them, that additional Congressional direction is required to ensure protection of ecologically-significant old growth and old growth-associated species on those lands, and that an economic adjustment program is needed to minimize social and economic disruption from such old growth and species protection efforts. The findings conclude that additional Congressional guidance, missing from the agencies' planning statutes, is needed to ensure that the old growth and species protection efforts specifically, and BLM and Forest Service land management plans generally, are implemented.

Sec. 3. Definitions: This section contains 9 definitions. Three of those terms are used in this summary:

"Public and National Forest Lands" includes public domain lands in the 8 BLM administrative districts and lands withdrawn from the public domain in the 17 named national forests in Oregon, Washington, and California which include northern spotted owl habitat and significant old growth.

"Secretary" means the Secretary of the Interior if BLM lands are concerned and the Secretary of Agriculture if Forest Service lands are concerned.

"Congressional Committees" means the Committee on Interior and Insular Affairs and the Committee on Agriculture of the House of Representatives, and the Committee on Energy and Natural Resources and the Commitee on Agriculture, Nutrition, and Forestry and of the United States Senate.

TITLE I—ESTABLISHING LONG TERM PROGRAM

This title establishes the long term BLM and Forest Service program to protect old growth forest, the northern spotted owl, and old growth-associated species on Public and National Forest Lands by: (i) requiring identification and protection of areas of ecologically-significant old growth forest in an Old Growth Reserve ("Reserve") through revisions in the applicable BLM and Forest Service land management plans; (ii) by applying procedures and requirements of the Endangered Species Act ("ESA") to the plan revision process; and (iii) providing a measure of stability and predictability to commodity production from the Public and National Forest Lands once the old growth and species protection is accomplished and the plan revision process is completed.

Sec. 101. Purposes: This section sets forth the purposes of Title I, which are presented in the above description of this Title.

Sec. 102. Plan Revisions: This section requires that the long term program, in the form of revisions to the BLM and Forest Service land management plans applicable to the Public and National Forest Lands, be completed and effective by the end of 3 full fiscal years after enactment. It also has a technical provision discussed in the summary of section 207.

By establishing the Reserve through plan revisions (rather than permanent Congressional designations to a new system similar to the National Park and Wilderness Preservation Systems) and by providing 3 years to accomplish the task, the legislation will: (i) ensure that the long term program is not simply an overlay on existing land management plans and that, instead, existing plan decisions which may be superseded by the long term program's new protections are fully reconsidered; (ii) allow the opportunity to finish work required by the Endangered Species Act on critical habitat designation and the recovery plan for the northern spotted owl and have that work incorporated in the long term program's plan revisions; (iii) permit periodic consideration in subsequent plan revisions (normally every 10 to 15 years) whether the ecosystem-based boundaries of the Reserve are still correct or should be altered due to fire, disease, or new information; and (iv) ensure the continued viability of the method chosen by Congress in 1976 in the Federal Land Policy and Management Act ("FLPMA") and National Forest Management Act ("NFMA") for allocating and protecting resources on BLM and Forest Service lands.

Sec. 103. Regulations; Establishment of the Old-Growth Reserve: This section requires the publication of BLM and Forest Service regulations to guide establishment of the old growth program. Of particular importance are uniform regulations: (i) defining "ecologically significant old growth forest" for purposes of identifying each area for the Reserve (and avoiding any confusion which might result from the various definitions presently used by the two agencies, knowledgeable academics, and concerned environmental organizations); (ii) officially establishing the Reserve; and (iii) providing procedures and criteria for identification and selection of the Reserve areas. The regulations must be promulgated within 15 months after enactment.

Sec 104. Initial Designations to the Old Growth Reserve by the Secretary of the Interior: With provisions similar to those in the Wild and Scenic Rivers Act, this section broadens the Reserve beyond Public and National Forest Lands to include other federal and state lands. The Secretary of the Interior is directed to designate to the Reserve all ecologically-significant old growth forest areas in National Parks and National Wildlife Refuges in Oregon, Washington, and Northern California. Additionally, the Governors of those three States can nominate qualifying land areas to the Reserve.

Sec. 105. Designation of Areas to the Old Growth Reserve: This section provides Congressional criteria which the BLM and Forest Service must apply, during the land management plan revision process, in selecting ecologically-significant old growth forest areas for inclusion in the Reserve. Not all ecologically-significant old growth forest must be placed in the Reserve. Instead, this section provides that the number, size and type of areas selected for the Reserve must be those necessary to meet the purposes of Title I set out in section 101.

This section provides a list of priorities and preferences for selecting Reserve areas. The list of priorities is based on management considerations; it ensures that the areas which already have a degree protection—by statute or by administrative discretion—are selected before areas which are managed for multiple-use and contain and contribute important commodity and non-commodity resources other than old growth forest and old growth-associated species. The list of preferences is based on scientific considerations; it ensures that those areas which are richest in multiple ecosystem values and which do not duplicate other potential Reserve areas are selected over areas with fewer, lesser, or redundant values. The final two preferences are for areas that have the least impact on the historic balance and mix of uses of, and the communities economically dependent on, the Public and National Forest Lands.

Sec. 106. Protection of the Northern Spotted Owl and Other Species: The selection of the richest and best old growth areas for the Reserve improves the likelihood, but does not necessarily ensure, that the northern spotted owl and other old growth-associated species are adequately protected. Creation of the Reserve should not excuse the long term program from the procedures and requirements of the Endangered Species Act. This section requires that both the proper protection for those species is provided and compliance with the ESA occurs. First, it establishes a statutory requirement in this legislation for the protection of the northern spotted owl and old growth-associated species. Second, it requires the BLM and Forest Service planners to fully consider the northern spotted owl recovery plan now being prepared by the U.S. Fish and Wildlife Service as required by section 4(f) of the ESA and incorporate relevant parts of that plan in the long term program's land management plan revisions. Third, it requires the BLM and Forest Service to consider any other old growth-associated species which may need special protection and incorporate the necessary protective measures for those species in the plan revisions as well.

Sec. 107. Reviews of Administrative Set-Asides: The long term program will result in the elimination or reduction of timber harvesting from significant old growth areas of the Public and National Forest Lands. To ensure that no opportunity is lost to find alternative sources of fiber on those lands, this section directs the BLM and Forest Service, in conducting the long term program's revisions of land management plans, to reconsider administrative constraints on resource uses imposed by previous planning decisions. The purpose of these reviews is to minimize the impact of establishment of the Reserve and other protections in the long term program on pre-existing uses and levels of use in each unit of the Public and National Forest Lands.

Sec. 108. Endangered Species Act Compliance: As noted in the discussion of section 105, establishment of the long term program and its protection of ecologically-significant old growth forest and old growth-associated species should not excuse the BLM or Forest Service from compliance with the Endangered Species Act. This section is intended to provide for such compliance. It requires that the two agencies submit their plan revisions for consultation with the Fish and Wildlife Service under section 7(a)(2) of the ESA and that the consultation cover each plan revision and all actions, including timber sales, which may be undertaken under and consistent with the plan revision. Once this consultation is completed, no further consultation would occur on the plan revision or actions pursuant to the revision unless and until the plan is revised again or is significantly amended. Consultation would proceed as required by the ESA with: the Fish and Wildlife Service issuing a "no jeopardy" biological opinion; or, the agency issuing a "jeopardy" opinion and offering a "reasonable and prudent alternative" to the revision with which the BLM or Forest Service concurs; or, if no concurrence is possible, the BLM or Forest Service seeking an exemption with "reasonable mitigation and enhancement measures" under section 7 (e)-(l) of the ESA.

Sec. 109. Maps and Legal Descriptions: This section directs that, once the plan revisions are complete, the BLM and Forest Service prepare maps and legal descriptions of the areas of ecologically-significant old growth forest which the plan revisions have designated to the Reserve, and make those maps and descriptions available to the public.

Sec. 110. Release: This section borrows virtually verbatim the so-called "soft release" boiler-plate language included in virtually all wilderness bills enacted by Congress. It provides that the decisions on whether to include specific areas in the Reserve are made in the plan revisions and will not be reconsidered until the next round of plan revisions, which ordinarily occurs ten years later. Further, this section provides that areas not designated to the Reserve in the plan revisions are to be managed for multiple use and need not be managed to protect their suitability to be considered for designation to the Reserve in later plan revisions.

Sec. 111. Management of Old Growth Reserve: To a large extent the manner in which each area designated to the Reserve will be managed will be determined during the plan revision process and in the decision documents on the revision. This section constrains those decisions by establishing certain "bottom-line" uniform requirements of Congress for management of all Reserve areas. Subject to valid existing rights, further acquisition of mineral and mining rights in Reserve areas is barred. Roads, structures, motorized and nonmotorized recreation and access, and hunting may be permitted in the Reserve areas.

Timber harvesting, too, may be allowed but only in two limited circumstances. First, it can occur if it is necessary to protect the Reserve area or adjacent lands from insects or disease or to protect life or property from imminent fire damage. Second, it can be permitted if it can be conducted to maintain or enhance the ecosystem values for which the particular Reserve area was designated and in accordance with standards and guidelines for New Forestry established by the two agencies' Old Growth Research Program established under section 308(b). In either case, harvesting will not occur in any Reserve area unless the applicable plan revision determines it to be appropriate and allows it in that area. Even then, the revision can set silvicultural and environmental conditions that are more stringent than the Research Program's standards and guidelines.

Sec. 112. Sufficiency: This section addresses the need for stability and predictability in implementing plan revisions. It provides that stability and predictability only after the ecologically-significant old growth forest, the northern spotted owl, and other old growth-associated species have been accorded protection in the plan revisions, and after those revisions have undergone, pursuant to section 107, all the procedures required by the ESA. Once the revisions are complete and the ESA requirements have been satisfied, this section discharges the agency (BLM or Forest Service) responsible for the land to which the revision applies and any person authorized by that agency to conduct activities on that land from any additional responsibilities for management or protection of the owl or other species under four specific statutes. Those statutes are the ESA, the Migratory Bird Treaty Act, FLPMA and NFMA.

This declaration of sufficiency lasts only as long as the revision is good—that is, until the revised plan is significantly amended or revised again. Then that amendment or revision, and each amendment or revision thereafter, would have to proceed again through the ESA procedures as required in section 107 before this section's sufficiency declaration would apply again. The sufficiency provided by this section is only temporary because significant amendments could occur at any time and plan revisions normally occur every ten years, but earlier if the agency determines changed conditions warrant an earlier revision. Finally, to ensure prompt amendments or revisions can be obtained from a possibly recalcitrant agency, section 209 of this legislation creates a wholly new procedure (analogous to citizen suit provisions in several environmental laws) for individual citizens to petition the Secretary of Agriculture or the Interior at any time for a plan revision and, if the affected Secretary denies the petition, to challenge that decision in court.

Sec. 113. Access to Non-Federal Land: This section ensures that the granting, construction or maintenance of access across Federal lands to non-Federal lands will not subject either the granting agency or the grantee to the conservation and consultation requirements and "takings" prohibitions of sections 7 and 9 of the Endangered Species Act for any old growth-associated species.

TITLE II—ENSURING THE EFFECTIVENESS OF FEDERAL LAND PLANNING

The long term program of Title I promises protection for the Old Growth Reserve, the northern spotted owl, and other old growth-associated species in the revisions of the BLM and Forest Service land management plans. This can be achieved only if those plan revisions are implemented, which is far from guaranteed. Indeed, BLM and Forest Service land management plans outside of Oregon, Washington, and Northern California have suffered implementation problems for a variety of reasons, including lengthy appeals and litigation, failure to monitor plan implementation and amend plans as required, adoption of policies separate from and in conflict with plans, etc. Contributing to the failure of plan implementation is the absence of any Congressional guidance to the agencies on how to implement plans. Both planning statutes—NFMA and FLPMA (as supplemented by contemporaneous and subsequent enactments, including the Coal Leasing Amendments Act of 1976, the Surface Mining Act of 1977, and Public Rangelands Improvement Act of 1978)—focus on the procedures for preparing, and the contents to be included in, the plans and are virtually silent on implementing, amending or revising them. This Title amends the two statutes to provide missing Congressional guidance.

Sec. 201. Purposes: This section states the purposes of Title II, including: (i) providing Congressional guidance on plan implementation, amendment, and revision to ensure that the long term program's revised plans and the protection they accord to the Reserve, the northern spotted owl, and other old growth-associated species are implemented effectively; (ii) achieving stability and predictability in the management of other BLM and Forest Service lands; and (iii) avoiding the environmental, social and economic injuries which result from unstable and uncertain federal land management.

Part A—Amending, revision, and monitoring plans

The objects of Part A are to establish standards and procedures for amending and revising land management plans; assure timely, responsive, and balanced plan amendments and revision; and encourage better plan implementation by requiring regular monitoring and accountability.

Sec. 202. Economic Stability: This section directs the BLM and Forest Service to maintain to the maximum extent feasible the stability of communities and economic enterprises economically dependent upon BLM and Forest Service lands when developing land management plans, plan amendments, and plan revisions. It requires that the effects on employment, revenues, and public services in those communities and economic enterprises be considered by each agency in the various plan, amendment, or revision alternatives. Economically dependent communities and enterprises are to be defined by regulation by the Secretaries of the Interior and Agriculture, in consultation with the Secretaries of Commerce and Labor.

Sec. 203. Consideration of Commodity Resources: Similarly, this section directs the two agencies to consider in developing, amending, or revising plans the global demand for the commodity resources of their lands and the environmental impacts of obtaining such resources from other domestic or foreign sources (e.g., Canadian or Brazilian fiber) or using substitute resources (e.g., plastics).

Sec. 204. Plan Balance and Other Requirements: To avoid too narrowly focused plan amendments or revisions, this section directs the BLM and Forest Service in preparing any amendment or revision, to consider all changes in the plan beyond the specific change sought or intended which are needed to retain continued overall plan balance and meet other plan goals and outputs. This section also directs that any changes in land management that are required by court order, a species' listing or other action under the ESA, or new information, must be accomplished only through amendment or revision of the applicable plans. This is to ensure that all available alternatives to implement the requirements of the ESA or court order or to respond to the new information, and the environmental impacts associated with each alternative, are considered as required by the FLPMA, NFMA, and NEPA when plans are amended or revised. An exception to this plan amendment or revision requirement is provided when the Forest Service or BLM determines that the court order or statute requires immediate action.

Sec. 205. Fully Allocated Costs Analysis: To ensure that the costs of all activities on Forest Service lands are given due consideration in the preparation of plans, amendments or revisions, this section directs the Forest Service to analyze the full cost, expressed as user fees or cost-per-beneficiary, of all non-commodity outputs, as well as commodity outputs, in each plan alternative considered.

Sec. 206. Minimum Management Requirements: The Forest Service relies heavily on minimum managements ("MMRs")—established not only in land management plans but also in Regional Guides and other documents—to govern management activities. Yet, the agency has applied these MMRs only to non-commodity resources and not provided any assurance by regulation or otherwise of public participation, environmental analysis, and other prerequisites of a proper administrative record will be followed in adopting the MMRs. This section requires that, in preparing the documents which set MMRs, the Forest Service must provide public participation (notice and hearing) opportunities that are comparable to the opportunities already required by the NFMA and Forest Service regulations during preparation of plans, plan amendments, and plan revisions. It also mandates that on MMR similar to the MMRs established for other resources be set for timber sale levels in each BLM and Forest Service plan. Further, this section prohibits actions in particular land areas identified as contributing to the MMR for timber sales that would preclude achievement of the MMR for that area over ten years (the normal life span of a plan). Finally, this section requires that the full MMR for timber sales be offered on a decadal basis and, to ensure a relatively stable and predictable timber sale program and avoid a demonstrated tendency by the agencies to frequently postpone sales to the end of the ten year period, directs that at least 25 percent of the decadal MMR be awarded every three consecutive years.

Sec. 207. Phase-In of Output Changes: One of the cardinal principles of proper planning is that it should not impose swift, disruptive change. Yet that can happen whenever a new BLM or Forest Service land management plan is prepared or an existing plan is amended or revised if significantly different output levels are adopted and fully applied on the first day of the new plan, amendment or revision. This section strives to avoid the dislocation (particularly to communities economically dependent on resources of the BLM and Forest Service lands), resulting from abrupt changes in land management during the transition to a new plan, amendment, or revision.

This section provides for the phase-in over a 4-year period of any significant increase or decrease in annual outputs (10 percent over or under the average annual output for the previous 5 years) dictated by the plan, amendment, or revision. Section 102 and a special provision for phasing in output changes for the plan revisions required by the long term program. As output levels on lands subject to the long term program have dropped dramatically since the listing of the northern spotted owl under the ESA—to the point that there may be no meaningful timber sale program in fiscal year 1991—section 102 sets the 5-year base for determining the phase-in to straddle the listing date in order to average together pre- and post-listing sales volumes.

Sec. 208. Plan Monitoring and Maintenance: Plan monitoring may be the single most important action to ensure plan implementation, but only if it prompts corrective action. This section mandates regular monitoring of the BLM and Forest Service plans to ensure that each plan has not been constructively amended or rendered obsolete by a pattern of implementing actions or inaction that is inconsistent with the plan. If the monitoring discloses that the plan is no longer being followed, the agency is required either to take corrective implementing actions or to initiate plan amendments. This section also requires the BLM and Forest Service to certify in the decision on each action implementing a plan that the decision does not preclude achievement of the plan's goals and outputs.

Sec. 209. Citizen Petitions For Amendment or Revision: In the FLPMA and NFMA, the agencies are required to revise any land management plan if conditions on the lands to which the plan applies have changed significantly. Certainly, this same precept should hold for plan amendments. Yet, for whatever reason—cost in dollars and manpower, bureaucratic inertia, etc.—the agency officials seem reluctant to undertake either plan amendments or revisions. This section would remedy this problem by establishing a process for citizens to petition for plan amendments or revisions (analogous to the citizen suit provisions in several environmental laws).

This section authorizes any person to petition the BLM or Forest Service to amend or revise any plan or other document establishing MMRs on the basis of new information, laws, or regulations. To avoid repetitious challenges to plan implementing actions on the basis of new information, laws or regulations, anyone who wishes to challenge such an action on that basis must file a petition on the plan in lieu of an administrative appeal on the action. The agency must accept or deny the petition in 60 days (with the advice of the Fish and Wildlife Service if the petition concerns a species listed under the ESA). If the petition is denied, the petitioner may seek immediate judicial review.

Part B—Implementing plans

The object of Part B is to ensure better implementation of Forest Service land management plans by expediting administrative and judicial review procedures.

Sec. 210. Administrative Appeals and Petitions: This section governs administrative appeals of Forest Service plans and plan implementing actions. It sets a standing requirement for appeal: the appellant must have participated, and raised the issue or issues to be appealed, during the preparation of the plan or action. This requirement is consonant with general case law under the Administrative Procedure Act and a recent federal court decision directly on point in the Idaho Panhandle Forests Plan litigation. It ensures that appellants cannot gain standing simply by submitting a non-substantive, cursory, pro forma letter or testimony during preparation of the plan or action, which gives the agency no notice of, or opportunity to correct, the infirmity perceived by the appellant in a timely manner.

This section also requires that the appeal of any plan, document setting MMRs, or plan implementing action that is based on new information developed since the preparation of the plan may not be taken until the prospective appellant has petitioned the agency for a plan amendment or revision pursuant to section 209 and the agency have had an opportunity to accept or deny the petition. To prevent the agency from sitting on administrative appeals or petitions, this section deems appeals and petitions denied if they are not decided by the regulatory deadline. The appellants can then proceed to court without delay. Finally, the section bars administrative stays beyond the deadlines for filing litigation provided in sections 211 through 213.

Sec. 211. Judicial Review of Plans.

Sec. 212. Judicial Review of Minimum Management Requirements.

Sec. 213. Judicial Review of Plan Implementing Actions: TO ensure expeditious judicial review and avoid lengthy plan implementation paralysis during the course of litigation, these three sections establish the following deadlines for filing suit after a final administrative appeal decision:

90 days for litigation over plans (including plan amendments or revisions) (§211):

60 days for litigation over documents which set MMRs (§212): and

30 days for litigation over plan implementing actions. (§213).

Further, these sections:

Provide that judicial challenges to plans and documents establishing MMRs will be heard in the federal court of appeals for the circuit where the national forest to which the plan or document applies is located (§211 and 212) and judicial challenges to plan implementing actions will be heard in the federal district court for the district in which the implementing action will occur (§213);

Limit the record on review to the agency's administrative record, plus any additional written information the court permits;

Establish the same standing requirement for litigation contained in section 210 for administrative appeals and for the same reasons; and

Provide that the grounds for challenging an implementing action are inconsistency with the plan which the action is intended to implement or violation of a nondiscretionary provision of any law other than the NFMA (§213). This last requirement reflects a position taken by the Western Governors' Association (Resolution 86-021) in 1986 and again in 1989.

Sec. 214. Deadlines and Procedures: This section provides that lawsuits over plans, documents establishing MMRs, and implementing actions are to be scheduled promptly and provided precedence over other docket matters, except criminal cases. Further, it establishes time frames for the courts to render final decisions, and for the lifting of any preliminary injunctions, in lawsuits over plans (180 days), documents establishing MMRs (120 days), and implementing actions (60 days; 30 days for salvage sales of emergency actions), unless the time is extended in order to satisfy requirements of the Constitution.

Sec. 215. Status of Plants: This section provides that, in the event a land management plan is enjoined, its predecessor plan automatically takes effect until the enjoined plan is reinstated.

Sec. 216. Tiering of Environmental Documentation: This section requires the Forest Service to tier documents under the National Environmental Policy Act so that each NEPA document on a plan implementing action references applicable analysis in the environmental impact statement ("EIS") prepared for the plan and focuses on issues not previously analyzed in that plan-level EIS. This requirement is fully consonant with guidance from the Council on Environmental Quality and judicial precedent. Congress has already directed the Forest Service in the NFMA to develop rules on how it will apply NEPA to the land management planning process. This section would provide further, more explicit Congressional direction to ensure timely decisionmaking without unnecessarily costly, time-consuming, and duplicative analysis.

Sec. 217. Budget Disclosures: This section requires that the President's budget submission include a statement of the funding totals necessary to achieve 100 percent of all outputs specified in, or otherwise implement fully, each Forest Service plan.

Sec. 218. Regulations: This section directs the BLM and Forest Service to promulgate regulations to implement Title II within one year of enactment.

TITLE III—PROVIDING AN INTERIM PROGRAM

This title establishes a 3-year interim program to protect ecologically-significant old growth forest and the northern spotted owl, and to ensure maintenance of a timber sale program, on Public and National Forest Lands while the long term program provided by Title I is being prepared.

Sec. 301. Purposes: This section states that purposes of the interim program as expressed directly above, and also includes the establishment of an Old Growth Research Program to better understand old growth ecosystem processes and values and to permit active management to maintain and enhance those processes and values.

Sec. 302. Duration of the Interim Program: This section directs that the interim program will last for three full fiscal years after enactment, and thereafter in any particular area of the Public and National Forest Lands for which the plan revision required by the long term program is either not completed or is being challenged in administrative appeal or litigation.

Sec. 303. Suspension of Certain Plan Elements: To ensure that the effectiveness of the Congressional-mandated interim program is not compromised by existing BLM and Forest Service plans containing administrative decisions that were made potentially obsolete by the listing of the northern spotted owl under the ESA, this section suspends elements of the plans proscribing timber harvesting outside, and permitting timber harvesting, road construction, or mineral leasing, inside, areas of old growth forest protected by section 305.

Sec. 304. Interim Timber Sales Program: This section directs the preparation and offering of annual timber sales programs by the BLM and Forest Service on Public and National Forest Lands not identified and protected by section 305. These annual timber sale programs would operate during the interim period and be subject only to the provisions of Title III. For now, the actual volumes of the two agencies' annual timber sales programs are not assigned so that the agencies can be consulted on realistic numbers to include in the legislation based on the amount of old growth forest accorded interim protection under section 305. The section provides for the allocation of the numbers ultimately assigned to the programs among the various BLM administrative districts and national forests. It also makes clear that the assigned numbers do not apply if an exemption is a program under section 7 (e)-(1) of the ESA and section 306 of this legislation.

Sec. 305. Interim Old Growth Forest Protection: This section provides protection for ecologically-significant old growth forest for the life of the interim program. The protection includes a prohibition against timber sales, road construction, and mineral leasing. The lands to be protected include unfragmented areas of old growth forest of a certain size in habitat conservation areas identified by the Scientific Committee to Address the Conservation of the Owl (the "Thomas Committee") and lands within a certain radius of active northern spotted owl nest sites. The sizes of the unfragmented areas and nest site radii are left blank for the same reason the volumes of timber sales are left blank in section 304: the sizes should be set only after soliciting expert agencies' advice.

Sec. 306. National Environmental Policy Act and Endangered Species Act Compliance: This section ensures that the requirements of the NEPA and ESA are adhered to in the interim program and sets deadlines for preparation of environmental impact statements and conducting ESA consultation on each of the BLM and Forest Service annual interim timber sales programs. It ensures that the northern spotted owl will receive full protection through the ESA consultation process while the recovery plan and critical habitat designation processes unfold. This section provides that, if a jeopardy opinion is rendered in consultation on a particular program, the Fish and Wildlife Service suggests reasonable and prudent alternatives involving the sales volume assigned to that program in section 304. If, however, an exemption is sought for the program under the ESA, section 304 makes clear that the exemption may be considered and granted unencumbered by the assigned volume.

Sec. 307. Judicial Review: The interim program cannot provide as much certainty for the annual interim timber sales programs as it does for protection of old growth forest and the northern spotted owl unless it proscribes litigation challenges of those programs and of individual sales. No attempt is made, however, in this legislation to bar judicial access.

To the contrary, this section encourages expedited judicial review during the interim program. It provides that agency decisions on the annual interim timber sales programs and individual timber sales are final agency actions, not subject to further administrative review or administrative stays. This means opponents do not have to file administrative appeals, but, instead, can seek immediate judicial relief. To ensure that litigation is expedited, this section also provides that any lawsuit must be filed within 30 days of the challenged decision, that the U.S. Court of Appeals will hear the case, and that any preliminary injunction issued shall have a maximum term of 60 days.

Sec. 308. Old Growth Forest Research Program: This section requires the Secretaries of the Interior and Agriculture to establish a five-year Old Growth Research Program within six months of enactment. The Program is to include Basic research on ecosystem values and processes and applied research on methods of timber harvesting to maintain or enhance those ecosystem values and processes. This section also requires that, within 2½ years of enactment, the two Secretaries study the work of the Research Program and prepare prescriptions and guidelines to govern timber harvesting in ecologically-significant old growth forest areas to be designated to the Reserve, if harvesting is authorized in the applicable plan revisions under the long term program. These prescriptions and guidelines, which may include techniques associated with New Forestry, are to ensure that any harvesting permitted in such areas will maintain or enhance the areas' ecosystem values.

TITLE IV—ECONOMIC ADJUSTMENT

The long term and interim programs and the old growth forest and species protection they provide will result in significant adverse economic and social effects among employees, families, and communities economically dependent on the Public and National Forest Lands. The objective of this Title is to develop a 6-year program to provide health, retraining, and other benefits payments to dislocated workers and grants to promote economic diversification and stability for dependent communities.

Sec. 401. Purposes: This section states the purposes of Title IV, which are discussed above in the description of the Title.

Sec. 402. Special Economic Adjustment Fund: This section provides for the funding of the economic adjustment program. It requires that, for the 6 full fiscal years after enactment, a certain percentage of the federal portions of all revenues received under various statutes from timber sales on BLM and Forest Service lands must be deposited into a special fund in the Treasury to be used to implement Title IV. The percentage is left blank and will be filled in at a later time in the legislative process when the effects of the long term and interim programs, and the attendant funding needs they will produce, can be determined.

Sec. 403. Timber Economic Adjustment Commission: This section provides the decisionmaking body for the economic adjustment program. To best respond to regional concerns—involving problems that are specific to rural areas in a discrete region involving portions of 3 states—this section establishes a 3-member Timber Economic Adjustment Commission that is also regionally based. The section requires that each governor in the 3 States—California, Oregon, and Washington—appoint a commissioner. The chair is to be elected annually by the 3 commissioners.

Sec. 404. Administrative Authority: This section provides certain administrative authority to the Commission concerning contracting for services, adoption of internal rules (including open meetings and meeting notices), and provision of federal agency technical assistance, equipment, and services.

Sec. 405. Timber Economic Adjustment Advisory Panel: To ensure that regional expertise is available, this section establishes a 9-member advisory panel—the Timber Economic Adjustment Advisory Panel—to counsel the Commission. Each governor is directed to appoint 3 members to the Advisory Panel: one from the forest products industry, one from organized labor, and one from the general public.

Sec. 406. Compensation and Expenses: This section provides for salaries for Commissioners and travel expenses for both Commissioners and Advisory Panel members.

Sec. 407. Purpose of Economic Adjustment Grants and Benefit Payments: This section directs the Commission to make grants to communities which, and benefit payments to workers who, meet the eligibility requirements of section 408. It states the following purposes for the grants and benefit payments:

Assist eligible communities to achieve economic diversity and diminish dependency on forest products from old growth forest on National Forest Lands and Public Lands;

Provide short term and longer term retraining and adjustment assistance to eligible workers;

Supplement unemployment insurance benefits and extend income maintenance payments for eligible workers whose eligibility for unemployment insurance benefits is exhausted and who are enrolled in Commission-certified training or education programs;

Provide base level health care insurance coverage for the families of eligible workers who are enrolled in those training or education programs; and

Defray job search expenses and relocation expenses for eligible workers who have exhausted employment opportunities in their communities.

Sec. 408. Eligiblity for Economic Adjustment Grants or Benefits Payments: This section provides the requirements for dependent communities and dislocated workers to be eligible for the economic adjustment grants and benefit payments. The community's eligibility is based on a percentage reduction in work force in an associated mill or other wood products facility, and the worker's eligibility is based on loss of employment for a minimum period and unlikely return to his or her former job.

Sec. 409. Notice of Secretaries: So as to give the Commission early warning, this section requires the Secretaries of the Interior and Agriculture to inform the Commission of the likely impacts on the local or regional economy of land management actions they intend to take on the Public and National Forest Lands.

Sec. 410. Termination of Commission and Panel; Commission Report: This section sunsets the economic adjustment program at the end of 6 full fiscal years from enactment and requires a report from the Commission on the economic conditions of communities and employment in the region that includes the Public and National Forest Lands.

TITLE V—MISCELLANEOUS

Sec. 501. O&C Lands: This section ensures that this legislation will not amend by implication the O&C Lands Act.

Sec. 502. Authorization of Appropriations: This section authorizes appropriations to implement this legislation.

GRASSROOTS GROUPS IN SUPPORT OF THE FEDERAL LANDS AND FAMILIES ACT

John Shoemaker, Executive Vice President, National Wood, Window & Door, Assn., Des Plaines, IL.

Kevin Cain, Vice President, Colorado Timber Industries Assn., Cortez, CO.

Stuart Hardy, Manager, Food, Energy and Natural Resources, U.S. Chamber of Commerce, Washington, DC.

Valerie Johnson, President, Oregon Lands Coalition, Tigard, OR.

John McMillan, Executive Director, Alabama Forestry Assn., Montgomery, AL.

Buck Vandersteen, Executive Director, LA Forestry Assn., Alexandria, LA.

Conrad Rupert, President, Black Hills Forest Resource Alliance, Rapid City, SD.

Ken Christgen, Exec. Director, Missouri Forest Products Assn., Jefferson City, MO.

Jim Geisinger, Executive Vice President, Northwest Forestry Assn., Portland, OR.

Mike Miller, Executive Vice President, Associated Oregon Loggers, Springfield, OR.

Steve Bennett, Chairman, Appalachian Forest Management Group, Covington, VA.

Gary Donnelly, Executive Vice President, National Lumber Builders & Material, Dealers Assn.

Greg Miller, Executive Vice President, Southern Oregon Timber Industries Assn., Medford, OR.

William Robison, President, American Plywood Assn., Tacoma, WA.

Tom McDonnell, American Sheep Industries Assn., Denver, CO.

James Lee, Executive Director, Kentucky Forest Industries Assn., Frankfort, KY.

Bernard Tomasko, Executive Vice President, Wood Moulding and Millwork, Producers Assn., Portland, OR.

James Riley, Executive Vice President, Intermountain Forest Industries, Assn., Coeur d'Alene, ID.

Rich Lewis, Vice President, American Pulpwood Assn., Washington, DC.

Don Brunell, President, Assn. of Washington, Business, Olympia, WA.

John Healy, Executive Vice President, National Wooden Pallet and Container Association, Washington, DC.

Ron Cornell, Executive Director, Ohio Forestry Assn., Worthington, OH.

Pamela Neal, Executive Director, Public Lands Council, Washington, DC.

Y. Leon Favereau, President, Multiple Use Land Assn., Bethel, ME.

Jim Gundy, Executive Vice President, Appalachian Hardwood Manufacturing Inc., High Point, NC.

Ernie Stebbings, Executive Manager, National Hardwood Lumber Assn., Memphis, TN.

P. Ford Waterman, President, Michigan Assn. of Timbermen, Newberry, MI.

Beryl G. Toler, Chairman, Michigan Forest Resource Alliance, Manistee, MI.

Mark Rey, Executive Director, American Forest Resource Alliance, Washington, DC.

George Mitchell, Executive Director, Northeastern Loggers Assn., Old Forge, NY.

Pamela Neal, Director of Public Lands, National Cattlemens Assn., Washington, DC.

J. William Peterson, Director of Government Affairs, Construction Industry Manufacturers, Assn., Washington, DC.

Bill Dennison, President, Timber Assn. of California, Sacramento, CA.

W. Carroll Lamb, Executive Vice President, Florida Forestry Assn., Tallahassee, FL.

Kathy Kvarda, Coordinator, Alliance for Resources and Environment, Sacramento, CA.

Holly Swanson, Director, Citizens Information Network, Medford, OR.

Ron Hufford, Executive Director, Texas Forestry Assn., Lufkin, TX.

Ed Ehlers, Executive Director, Associated California Loggers, Sacramento, CA.

Don Purcell, President, Portable Power Manufacturers Assn., Bethesda, MD.

Rolf Glerum, Executive Director, Pacific Rim Trade Assn., Portland, OR.

Charles S. Cushman, Executive Director, National Inholders Assn., Battle Ground, WA.

Myron Ebell, Washington Representative, Multiple Use Land Alliance, Washington, DC.

Cathy Nordine, President, Lake States Women in Timber, Land O'Lakes, WI

Chris Boschler, President, Timber Employees Assn. for Responsible Solution, Oregon City, OR.

Beryl Toler, Chairman, Michigan Forest Resource Alliance, Manistee, MI.

Ray Crane, Correspondence Sec., Tahema Alliance for Resources and Environment, Red Bluff, CA.

Troy Reinhart, Executive Director, Douglas Timber Operators, Roseburg, OR.

Larry Wiseman, President, American Forest Council, Washington, DC.

Bill Jacobs, Executive Director, Washington Forest Production Assn., Olympia, WA.

Deborah Baker, Executive Director, Southern Timber Purchasers Council, Atlanta, GA.

Larry Duysen, Chairman, TAKE CARE.

Bob Slocum, Executive Vice President, North Carolina Forestry Assn., Raleigh, NC.

Don Finney, Executive Director, Alaska Loggers Assn., Ketchikan, AK.

Robert H. McKellar, President, Oregon Forest Products Transportation Assn., Salem, OR.

Bob Scott, President, South Carolina Forestry Assn., Columbia, SC.

Don Allen, Executive Vice President, Montana Wood Products Assn., Helena, MT.

Bruce Barker, Assistant Vice President, Minnesota Forest Industries Assn., Duluth, MN.

Wayne Brandt, Vice President, Minnesota Timber Producers Assn., Duluth, MN.

Marilyn Parry, President, Oregon Women in Timber, LaGrande, OR.

Donald C. Chapman, General Chairman, Shasta Alliance for Resource and Environment, Redding, CA.

Tom Hirons, President, Communities For a Great Oregon, Mill City, OR.

• Mr. HATFIELD. I rise to join Senator PACKWOOD, as a cosponsor of S. 1156, the Public Domain Forests and Families Protection Act of 1991, and to share some of my thoughts on the very serious issues this legislation seeks to address.

Eight months ago, I stood on this floor during our debate on an amendment designed to eliminate $100 million from the national forest road construction budget and tried to give my colleagues a better understanding of the effect that Federal decisionmaking has on the people who live and work in resource-dependent communities.

In Oregon, we have over 70 such communities. These places are not just words on a map—they are homes to over 500,000 Oregonians who hold 200,000 jobs directly and indirectly related to the health of a single industry—forest products. These people generate over $2 billion for Oregon's economy—and their communities represent businesses, schools, farms, hopes, and dreams.

In short, Mr. President, these resource-dependent communities represent the lifeblood of Oregon's rural economy—and one form of the diversity which makes the Pacific Northwest a growing, vibrant place to live.

During the past 5 years, however, the Pacific Northwest has changed from what some regard as utopia into a social battlefield. Concern about our global environment has been channeled into actions which affect our lives at home.

A perception has been created that, somehow, Oregon and Washington forests have been mowed down—that literally thousands upon thousands of acres of clearcuts have ravaged the region.

While people can discuss and debate the forest practices which occur on these lands, the fact is that Oregon today has more standing forests than it did 50 years ago. Are these forests different than they were 50 years ago? Yes, without question.

Nearly one-half of our national forest land base—over 8 million acres—has been withdrawn from timber production either predominantly or completely. There are 2.1 million acres of wilderness area alone. More than 6 million more acres are allocated in national scenic areas, national recreation areas, wild and scenic river corridors, research natural areas, and other such special management designations.

And yet, despite all of this, we are still able to produce 20 percent of the Nation's softwood supply—year in and year out.

The battle we face today is over the lands not already protected or withdrawn. But let me be very clear: its not as if over 8 million acres of national forest land will be clearcut in the next decade, because we harvest less than 1 percent per year of the remaining available forest land base.

In 1984, when we finished the Omnibus Oregon Wilderness Act, the Congress released the lands considered for wilderness from further consideration as wilderness. The Congress intended for those lands to be evaluated for their multiple use values in the forest planning process, and for some of those released lands to be placed into timber production.

Instead, just the opposite has happened. Because of strategies designed to secure outside the legislative process that which could not be achieved legislatively, we are now at the point where 11.6 million acres of national forest and private land have been recommended by the U.S. Fish and Wildlife Service for withdrawal for a single species: the northern spotted owl.

The Endangered Species Act has been the primary tool of choice for this lock-up strategy and it has been very effective indeed.

In just 3 years, we have moved from the best biology suggesting a series of spotted owl habitat areas [SOHA's] equaling nearly 2 million acres of land—7.3 million acres of withdrawals in large habitat conservation areas [HCA's] to today's even larger critical habitat areas [CHA's] totaling 11.6 million acres.

I shudder to think what tomorrow's so-called best biology will tell us.

Mr. President, I do not propose that we turn our backs on the Endangered Species Act; in fact, I helped write it. Instead, I believe sound, responsible, and defensible resource management can occur under the Endangered Species Act as it is now written.

But, we are, unfortunately, treading new ground. For the first time, we have applied the ESA to an entire region of the country. The western half of two entire States—Oregon and Washington—and the northwestern section of another—California—plus the southwestern section of the Canadian province of British Columbia are recommended for withdrawal to meet the needs of one animal.

Regrettably, there is no book we can turn to in the library which tells us how to resolve this problem. We must begin to reestablish rational management without divine guidance—indeed, without historic precedence at all.

Senator PACKWOOD has thoroughly captured the substance of this bill in the materials he has submitted for the record, and I will not recount them here. Instead, I simply want to comment on the principles on his legislation—and the process.

The Forests and Families Protection Act attempts to establish a process that will lead to the protection of ecologically significant old growth forests while simultaneously establishing forest planning and management process changes which will provide some predictability for our resource-dependent communities.

This bill is the product of thousands of hours of testimony, discussions, debate, fact-gathering, and lots and lots of just plain hard work. It reflects a clear understanding of the realities facing our communities and their people—a clear understanding of what our forests truly are on the ground—and the biological realities of the world we live in today.

It recognizes the need to work within the tenets of the Endangered Species Act to coordinate protection of the spotted owl with the larger question of the overall stewardship of our forest ecosystems.

Mr. President, based upon conversations I have had with other Senators and other Members of Congress, I realize this is—politically speaking, at least—not a perfect bill. Like all legislative proposals, it will be subject to the twists and turns of the legislative process. Undoubtedly, the final product will look a bit different than this proposal today. And it may be that yet other proposals will emerge in the coming weeks. I will give those proposals, should they come forth, the closest and most objective scrutiny possible. I am willing to entertain any good faith suggestions that will lead my region out of the procedural and legal straitjacket we now collectively are in.

But I urge my colleagues to think carefully about the full implications of what is happening in the Pacific Northwest.

The initial reaction will be for the Nation's forest products markets to seek materials from wherever they may be available. If materials can't be obtained from the Pacific Northwest, they will turn to the South, to the Great Lakes, to Canada, to South America, or to other parts of the world.

The implications are clear: we will be transferring the harvest of timber from Oregon and Washington to regions of the country with no forest practices acts to guide their actions. We will be turning to Canada, which has no formal forest practices laws to guide its foresters. We will turn to South America or to Asia, where they not only do not have forest practices standards, but also practice deforestation, the literal destruction of tens of thousands of acres of tropical rain forest every year.

I do not think that is what any of us wants to see.

In October 1989, I joined my friends and supporters in Silverton, OR, to announce my intention to run for a fifth term in the U.S. Senate. One of the primary reasons I made the decision to run again was to assist in securing a long-term resolution to this national forest management crisis.

In short, my intention is to legislate, not pontificate. The time for windy speeches and flowery rhetoric is at an end. This proposal begins the effort to achieve that goal, and I ask my colleagues to join with us in securing passage of a bill that brings peace to our forests and allows our people to return to their private lives.●

Mr. GORTON. Mr. President, I speak today as an original cosponsor of the Federal Lands and Families Protection Act of 1991. This bill represents a thoughtful balance between the needs of working families in small, Northwest communities and the need to protect the spotted owl and other old-growth dependent species.

On both sides of the equation, this legislation provides certainty. For Northwest communities, which have been victimized by repeated judicial decisions and Fish and Wildlife designations, this legislation provides certainty in the form of minimum harvest levels. For those who believe that the last old-growth tree is about to be harvested, this bill provides certainty by preserving even more old growth than is already protected in national parks and wilderness areas.

Mr. President, this bill is about certainty.

Working families in the Northwest have been torn apart. Since the listing of the Northern Spotted Owl as a threatened species, last spring alone, more than 7,000 timber industry jobs have been lost. But the heaviest blows are the most recent. The U.S. Fish and Wildlife Service has proposed designating almost 12 million acres as the owl's critical habitat. That is a land mass the size of New Jersey, Massachusetts, Delaware, and Rhode Island combined.

This most recent set of owl set-asides could cost as many as 40,000 jobs in the Northwest. And the Federal district court judge has just enjoined almost all Federal timber sales in the Northwest because of perceived Forest Service planning errors. The judge has found the Forest Service guilty of negligence and has sentenced dozens of timber communities to death and the families to living in destitution to punish the Forest Service.

For several years, Congress has turned its back on the families of timber-dependent communities and some in Congress have pointed the finger of blame at the administration.

Mr. President, the burden is on Congress to find a solution and this legislation is introduced today as an effort to face squarely the needs of those people and communities and to offer them some relief.

The Fish and Wildlife Service-Federal Court combination illustrates vividly the need for prompt action on this bill.

Many claim that the last stand of old growth on Forest Service land will soon be logged. That simply is not true; 1.6 million acres of old growth in wilderness areas and national parks and 1.4 million acres of old growth that is unavailable for timber harvest based on current forest plans is already set aside.

Nevertheless, this bill directs the Forest Service and BLM to reserve those additional portions of the forests' old growth that are ecologically significant. We recognize, however, that if left to their current planning practices, the Forest Service and BLM would continue to be the subjects of endless judicial and administrative appeals. We have therefore proposed significant amendments to the Federal land planning statutes to ensure the implementation of enforcement of the forest plans and the prompt and efficient resolution of judicial and administrative appeals.

In order to protect the Northern Spotted Owl, this legislation will require the Forest Service and BLM to establish, after public comment, interim Habitat Conservation Areas. For the long term, the two agencies would be required to incorporate the spotted owl recovery plan and the final critical habitat designation into the plan revision process and consult with Fish and Wildlife on each plan revision.

If consultation with Fish and Wildlife results in a finding of jeopardy or adverse modification to critical habitat and the particular agency, either the Forest Service or BLM, is unable to agree on a reasonable alternative to the plan revision, the revision would be automatically submitted to the Endangered Species Committee. The resulting plan revisions would be deemed sufficient under the Endangered Species Act.

In exchange for old-growth and species protection, I don't believe that timber families are asking too much when they ask for certain minimum harvest levels. The national environmental organizations demand certainty for their interests. Meanwhile, working families who rely on a supply of timber from Federal forests have been paying for those demands with job losses, uncertainty for the future, and frustration. Those families need a return of certainty and stability to their lives. Minimum harvest levels are what they deserve and this legislation finally provides them with that relief.

This day marks the beginning of a debate in which all interested parties are now joined. This legislation represents a remarkable coalition of labor and management, two interests all to rarely found on the same side of an issue. I would hate to miss this opportunity to capitalize on such a powerful coalition. Together, labor and management realize the need to sustain a timber supply. Without this bill, the hope of sustaining working families and communities in the Northwest stands little chance. With it, that hope stands at least on equal ground with the hope of protecting the spotted owl and other old-growth dependent species.

This bill offers the opportunity to place human and community values on an equal plane with species values.

I thank the current cosponsors of this bill: Senators HATFIELD, HEFLIN, BREAUX, SHELBY, and MURKOWSKI. I encourage all Members of this body to look this bill over very thoroughly and I hope that more of you will consider supporting it.

By Mr. DASCHLE:

S. 1157. A bill to amend the Internal Revenue Code of 1986 to allow the energy investment credit for solar energy and geothermal property against the entire regular tax and the alternative minimum tax; to the Committee on Finance.

CREDITS AGAINST THE ALTERNATIVE MINIMUM TAX

Mr. DASCHLE. Mr. President, a successful national energy policy requires that we shift our reliance away from finite fossil fuels toward the infinite supply of renewable alternative technologies. To that end, earlier this year I introduced S. 141, which would extend for 5 years the business energy tax credits set forth in section 46 to the Internal Revenue Code for investment in solar and geothermal energy facilities. Those credits are scheduled to expire at the end of this year. Today I am introducing legislation that would permit the credits to be taken against the alternative minimum tax, for those businesses subject to its provisions. These energy credits represent a small but important contribution to developing a broader, more sensible, and more reliable national energy strategy.

The promotion of renewable energy sources is more important now than ever before. If recent events in the Persian Gulf have demonstrated anything, it is that we cannot continue to ignore our increasing dependence on imported oil. The world's oil supply is going to run out. Nothing can change that. However, to the extent that we foster and encourage the development of solar and geothermal technologies, we can reduce our reliance on imported oil.

Moreover, the need to slow the detrimental effects on our environment of traditional sources of energy is as important as energy supply and security. Renewable energy sources are the answer to this need. I have often spoken on the merits of alcohol fuels in this regard. Solar and geothermal energy have similar potential for the environment. For example, in the solar mode of operation, solar technology has no combustion-related emissions at all. Even when using backup fossil fuel to assure reliability, present generation solar technology produces far less carbon dioxide than natural gas, the cleanest fossil fuel alternative. Geothermal plants also emit substantially less carbon dioxide than gas, oil, or coal-fired plants for the same electrical output.

Recent investment in solar and geothermal technologies is just beginning to yield potential return in the form of energy security and an improved environment. These technologies are not yet at the point, however, where they are commercially viable. The tax credits provide the margin needed to keep renewable projects in operation. It would be counterproductive not to extend the credits at this time, in view of our national investment to date and our desire to lessen our dependence on imported oil.

Similarly, it makes no sense that the credits currently may not be taken against the alternative minimum tax. This undercuts the effectiveness of the credit, since, in many cases, the credit earned when a solar or geothermal facility is placed in service cannot now be used because the business entity is subject to the alternative minimum tax. The legislation I am introducing today would address this anomaly and allow the credit against the alternative minimum tax as well.

I will be working in the weeks and months ahead in support of these pieces of legislation, as well as a variety of other tax incentive measures relating to renewable energy sources and conservation. Some of my colleagues have introduced similar measures. I hope we can all work together to achieve our common goals. No less than our children's and grandchildren's future is at stake.

Mr. President, I ask unanimous consent that the text of both S. 141 and the measure I am introducing today be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 141

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF SOLAR AND GEOTHERMAL ENERGY CREDITS.

Section 48(a)(2)(B) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "1991" and inserting "1996".

S. 1157

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHANGES RELATING TO ENERGY CREDIT.

(a) ENERGY CREDIT ALLOWABLE AGAINST ENTIRE REGULAR TAX AND ALTERNATIVE MINIMUM TAX.—

(1) Subsection (c) of section 38 of the Internal Revenue Code of 1986 (relating to limitation based on amount of tax) is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULES FOR ENERGY CREDIT—

"(A) IN GENERAL.—In the case of a C corporation, this section and section 39 shall be applied separately—

"(i) first with respect to so much of the credit allowed by subsection (a) as is not attributable to the energy credit, and

"(ii) then with respect to the energy credit.

"(B) RULES FOR APPLICATION OF ENERGY CREDIT.—

"(i) IN GENERAL.—In the case of the energy credit, in lieu of applying the preceding paragraphs of this subsection, the amount of such credit allowed under subsection (A) for any taxable year shall not exceed the net chapter 1 tax for such year.

"(ii) NET CHAPTER 1 TAX.—For purposes of clause (i), the term 'net chapter 1 tax' means the sum of the regular tax liability for the taxable year and the tax imposed by section 55 for the taxable year, reduced by the sum of the credits allowable under this part for the taxable year (other than under section 34 and other than the energy credit).

"(C) ENERGY CREDIT.—For purposes of this paragraph, the term 'energy credit' means the credit allowable under subsection (a) by reason of section 48(a)."

(2) Paragraph (2) of section 55(c) of such Code is amended to read as follows:

"(2) CROSS REFERENCES.—

"(A) For provisions providing that certain credits are not allowable against the tax imposed by this section, see sections 26(a), 28(d)(2), 29(b)(5), and 38(c).

"(B) For provision allowing energy credit against the tax imposed by this section, see section 38(c)(3)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1991.

By Ms. MIKULSKI:

S. 1158. A bill to amend title 38, United States Code, to provide for the payment, on a interim basis, of compensation, dependency, and indemnity compensation, and pension to veterans and their survivors and dependents if the claims of such persons for such benefits are not resolved by the Secretary of Veterans Affairs within specified time periods, to provide for the provision of interim rehabilitative and counseling services, and for other purposes; to the Committee on Veterans' Administration.

VETERANS CLAIM ADMINISTRATIVE EQUITY ACT OF 1991

Ms. MIKULSKI. Mr. President, today I am introducing legislation designed to deal with the growing backlog of pending claims at the Department of Veterans Affairs, and to address the appalling quality of service our veterans are receiving at VA.

Veterans are being forced to wait more than 6 months in many cases to get a disability claim decided by VA. VA has an average monthly backlog of about 390,000 claims. This is simply unacceptable.

It's time veterans get the services they were promised and that they so highly deserve. Veterans are living testament to the principles that have kept this country strong and free. When we think of our veterans, we think of everything that is good about this country—patriotism, courage, loyalty, duty, and honor. Now we need to live up to our responsibility of ensuring that the promises made to veterans are promises kept.

That's why I'm introducing a bill today which is intended to get VA off the dime and force them to address this issue.

What my bill will do, is require VA to make interim payments to a veteran whose claim for compensation, pensions or disability payments is not decided within 180 days—VA's own standard. It also requires VA to contract for vocational rehabilitation and counseling services for a veteran if VA does not provide care within 60 days of application.

For too long, those in the VA's bureaucracy have argued that the problem is inadequate funding. More funding, for more staff, which leads to more bureaucracy, redtape, and a mounting backlog of claims.

As chair of the Appropriations Subcommittee which funds the Department of Veterans Affairs, I have increased the Veterans Benefits Administration's budget by 17 percent since I took over the subcommittee in 1989. And still the delays and backlogs continue.

Mr. President, on Monday we will be observing Memorial Day. A day when we honor and pay tribute to those who have served our country and made it safe for democracy. But yellow ribbons and parades are not enough—we need to take action where action is needed! It is not unreasonable for veterans to expect a decision on a claim within 6 months. I hope I can count on your support.

By Mr. GORE (for himself, Mr. KASTEN, Mr. DODD, Mr. AKAKA, Mr. ADAMS, Mr. HEFLIN, Mr. MOYNIHAN, Mr. WELLSTONE, Mr. PELL, Mr. BUMPERS, Ms. MIKULSKI, Mr. GORTON, Mr. BRYAN, Mr. RIEGLE, Mr. KENNEDY, Mr. DASCHLE, and Mr. CHAFEE):

S. 1159. A bill to provide for the labeling or marking of tropical wood and tropical wood products sold in the United States; to the Committee on Commerce, Science, and Transportation.

TROPICAL FOREST CONSUMER INFORMATION AND PROTECTION ACT

• Mr. GORE. Mr. President, I rise today to introduce legislation that gives consumers the opportunity to make a positive and powerful contribution to the sustainable management of tropical rain forests. This bill calls on the Secretary of Commerce to make available to the public information on tropical forest logging practices, and to require tropical wood products to bear a label indicating the country of origin of the wood used to produce them. I am joined in this initiative by 16 of my distinguished collegues.

Every day, some 140,000 acres of tropical rain forest are torn down. As these trees fall to the chain saw, the damage is felt locally and globally.

Over one-half of the species on this planet live in rain forests. But every day, rampant deforestation drives as many as 50 species to extinction. Some scientists have compared this rate of destruction to the mass extinctions that led to the demise of the dinosaurs some 65 million years ago.

The plants and animals of the forests are valuable not only because of their beauty; many are also potentially potent therapeutic agents. In fact, there is a 1-in-5 chance that the medicine we purchase at the drug store is produced from raw materials harvested from rain forest plants, and 70 percent of the plants known to possess cancer-fighting properties come from the lowland tropics.

Rain forests also play a significant and complex role in the global climate. The Amazonian rain forest is the source of 20 percent of all river water that flows into the world's oceans, and rain forest trees are sinks for tons of the carbon dioxide that industrial civilization pours into the atmosphere. In addition, trees play a vital role in continuing the cycle of water from the air to the Earth; the loss of trees rapidly leads to desertification and severe soil erosion. Within 3 to 4 years after forests are burned or cut down, the area becomes a wasteland, unable to support life.

This destruction is unnecessary. Forests can be managed sustainably. Indeed, forest tracts that have been used to produce commodities such as fruit and rubber, in addition to wood products, have generated six times as much revenue as those used for wood alone. Moreover, in Java, centuries-old plantations of teak are managed in an environmentally responsible manner. The same is true of some rubber wood forests in Malaysia that have been cared for by indigenous people and harvested with minimal impact.

Mr. President, I believe we can make a difference. The United States imports a significant amount of tropical wood, about one-third—in value terms—of the world's trade. We therefore have a tremendous opportunity to encourage sustainable forestry practices. To do so, however, we need to provide consumers with the information they need to make sound purchasing decisions.

This legislation is an important first step. I look forward to working with my colleagues to secure its passage.•

By Mr. D'AMATO (for himself and Mr. SPECTER):

S. 1160. A bill to amend and extend programs under the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL MASS TRANSPORTATION ACT

• Mr. D'AMATO. Mr. President, I rise today to introduce a bill which reauthorizes the Federal mass transportation program for the next 5 years. I am joined by my colleague, Senator SPECTER. This legislation represents what I believe is an important framework for the committee's reauthorization work.

As ranking member of the Banking Subcommittee on Housing and Urban Affairs, I will work on a bipartisan basis with the chairman to reauthorize the transit program which expires on September 30. As we have documented throughout the subcommittee hearing process, transit needs have never been greater.

Times are tough everywhere. Fiscal pressures are forcing service cuts and fare increases across this Nation. While revenue is falling, the responsibilities of our rail and bus systems are growing.

Federal spending on transit is an investment in our Nation and our people. It strengthens our infrastructure, creates jobs, and moves people, goods, and services. And now more than ever, it is time to recognize transit's vital role in attaining national energy, economic, and environmental goals.

The New York-New Jersey-Connecticut region carries over one-third of our Nation's riders. Federal investment in this region has helped to address critical congestion and pollution problems, reduce our dependence on imported oil, and increase productivity. As the financial and commercial center of this Nation, Federal investment there is Federal investment nationwide.

Since 1982, the MTA alone has spent $16 billion on capital improvement projects. This has generated $19.5 billion in economic activities throughout New York State. It also produced 207,350 person years of employment and some 14,800 jobs annually in New York State. This money has stimulated billions of dollars in economic activity around the country. For example, the MTA has spent over $245 million with firms in California, $243 million in Connecticut, $599 million in New Jersey, $143 million in Illinois, and many millions more in Pennsylvania, Texas, Ohio, Michigan, Alabama, South Carolina, Delaware, Virginia, New Mexico, and even in Washington, DC.

I ask my colleagues to recognize the vital national economic contributions that are made by an investment in these transportation programs.

This legislation does not represent major changes in the current program structure. It highlights predictability by relying on more formula and less discretionary funding. It also begins to spend down the trust fund in a responsible manner. It increases funding for rural areas and for the elderly and handicapped program. It also includes the President's planning and research proposal which will increase attention on research and technology development with coordination of the private sector, the academic community, and State and local governments.

The Federal Mass Transportation Act of 1991 is funded by a combination of funds from the mass transit account of the highway trust fund as well as general revenue funds. This approach will allow us to make improvements to our Nation's transportation systems with the user fees collected for such purposes. This legislation will responsibly draw down the growing surplus in the mass transit account while ensuring that an adequate balance remains in the account to meet future transportation needs. Additionally, this bill would use $1.8 billion in general funds to augment the trust fund dollars.

Mr. President, I submit that the continued use of general funds to support mass transit is reasonable. Use of these funds is just, because it enables us to assist our Nation's rural and urban transit operators in meeting the costly and complex social, environmental, and other national goals imposed on transit by other congressional action, such as the Americans With Disabilities Act and the Clean Air Act.

In this legislation we are overhauling the transportation planning process to coordinate with Clean Air Act amendments and to be more creative in meeting mobility problems through congestion management, increased emphasis on energy conservation, and greater local coordination.

This bill places greater emphasis on past congressional efforts to restore our older urban rail systems by providing Federal formula funds for rail modernization projects. This approach will enable our older rail systems to develop improvement plans based on reliable Federal funding levels. In addition, these funds will be made available on a formula basis that takes into account both the size and ridership of our Nation's urban systems.

While this bill amends the process by which new starts rail systems may qualify for Federal funding, I remained concerned that the process used by UMTA is too cumbersome and time consuming. It frustrates local decisionmaking and delays greatly needed improvements. In light of the obvious need to move expeditiously to provide transit improvements in nonattainment areas and to address the need to efficiently and effectively use flexible transportation dollars, I feel very strongly that we must work to revise and streamline the present policies and procedures for new systems. I look forward to working with the committee chairman on these changes.

This bill draws upon many elements of the administration's proposal for surface transportation programs (S. 610), including further streamlining of the section 9 Block Grant Program. More than two-thirds of all the funding in this bill is distributed through section 9 to all 50 States on a formula basis. This bill does not, however, accommodate the administration's proposal to eliminate the use of Federal funds for operating expenses and does not incorporate its proposal to double the required local funding match. While I encourage these localities which are able to overmatch Federal transit funds to do so, I cannot support the proposal to require greater local funding levels.

It is important to note that despite our best efforts over the last 10 years, the value of Federal outlays for mass transit has declined by 50 percent. Like other vital programs, the failure of the Federal transit programs to keep pace with inflation and routine maintenance and service needs has resulted in the transfer of major financial investment in mass transit from the Federal to the local level. A continuing and sizable Federal partnership in financing transit projects is justified by the role that public transportation plays in both our urban and our rural areas. America's economic health and well-being is dependent on the economic health of its cities and rural areas.

Mr. President, this legislation would also provide for further pursuit of ways to improve safety on our transit systems. I am still not satisfied with the level of safety found in some of our transit systems, be it in terms of crimes committed against transit riders or in terms of inadequate equipment or operating procedures which potentially jeopardize transit riders. This bill would require the Secretary of Transportation to make recommendations to Congress on the need for legislative or administrative action necessary to pursue the elimination of hazards that pose the potential for death or injury to transit users.

Mr. President, I look forward to working with the chairman and the committee on these and other important issues.

Mr. President, I ask unanimous consent that the text of my bill be printed in its entirety at the conclusion of my remarks as well as the statement by Gov. Mario Cuomo and the Metropolitan Transportation Authority.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1160

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Mass Transportation Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Redesignation of UMTA.
Sec. 4. Commute-to-work benefits.
Sec. 5. Capital grant or loan program.
Sec. 6. Discretionary grants—elderly and handicapped.
Sec. 7. Multiyear funding authority.
Sec. 8. Criteria for new starts.
Sec. 9. Allocations.
Sec. 10. Planning.
Sec. 11. Formula grant program apportionments.
Sec. 12. Distribution of funds.
Sec. 13. Certifications.
Sec. 14. Program of projects.
Sec. 15. Associated capital maintenance items.
Sec. 16. Revenue retention.
Sec. 17. Flexible use.
Sec. 18. Operating assistance for new urbanized areas.
Sec. 19. Grandfather designated recipients.
Sec. 20. Discretionary transfer of apportionment.
Sec. 21. Delegation of environmental assessment responsibility.
Sec. 22. Research and training grants.
Sec. 23. Rulemaking.
Sec. 24. Transfer of facilities and equipment.
Sec. 25. Vehicle lease.
Sec. 26. Limitation on administration.
Sec. 27. Authorizations.
Sec. 28. Interstate transfer.
Sec. 29. Rural program.
Sec. 30. 16(b) program.
Sec. 31. Program authorizations.
Sec. 32. Safety authority.
Sec. 33. Planning and research.
Sec. 34. Multiyear contract for Queens Extension Project.
Sec. 35. World University Games.
Sec. 36. Cross-County Metro.
Sec. 37. Technical accounting provisions.
Sec. 38. Stage II LRT rehabilitation in Allegheny County.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Section 2(a) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1601(a)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting the following: "; and"; and

(3) by adding at the end the following:

"(4) that national goals for improved air quality, energy conservation and independence, international competitiveness, and mobility for elderly, disabled, and economically disadvantaged persons depend upon significant contributions by the public transportation sector.".

(b) PURPOSE.—Section 2(b) of the Urban Mass Transportation Act of 1964 (50 U.S.C. App. 1601(b)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by adding at the end the following:

"(4) to provide assistance to State and local governments and their instrumentalities in their efforts to implement programs and promote policies that are supportive of national goals and Federal mandates especially those relating to improved air quality, energy conservation and independence, international competitiveness, and mobility for elderly, disabled, and economically disadvantaged persons.".

SEC. 3. REDESIGNATION OF UMTA.

(a) IN GENERAL.—The Urban Mass Transportation Administration is hereby redesignated as the "Federal Transit Administration".

(b) Conforming Amendments.—Titles 5 and 49, United States Code, are amended by deleting "Urban Mass Transportation" wherever it appears and inserting in lieu thereof "Federal Transit Administration".

(c) Other References.—Any reference in any other provision of law to the "Urban Mass Transportation Administration" is amended by deleting "Urban Mass Transportation Administration" and inserting in lieu thereof "Federal Transit Administration".

SEC. 4. COMMUTE-TO-WORK BENEFITS.

(a) Findings.—The Congress finds that—

(1) current Federal policy treatment of commute-to-work benefits is inequitable with that of drive-to-work benefits;

(2) this Federal policy is inconsistent with important national policy objectives including the need to conserve energy, reduce reliance on energy imports, lessen congestion and clean up our Nation's air;

(3) commute-to-work benefits can be looked to as part of the solution to our national objectives;

(4) current Federal law only allows employers to provide up to $15 a month in employee benefits for transit or vanpools;

(5) the current "cliff provision" unduly punishes ambitious employer provided benefit programs by treating the entire benefit as taxable income;

(6) the economic benefits of employer participation in a commute-to-work program are many, and they include a low cost employee fringe benefit, a recruitment and retention tool for lower wage jobs, relief of parking problems and costs to provide parking and use as an incentive tool to reward employees for arriving to work on time; and

(7) legislation has been introduced with bipartisan support in both the House of Representatives and the Senate that supports equitable treatment of employer-provided commute to work benefits.

(b) Policy.—The Congress strongly supports Federal policy that promotes increased use of commute-to-work benefits. Such a Federal policy "levels the playing field" between transportation modes and is consistent with the important national policy objectives of energy conservation, reduced reliance on energy imports, lessened congestion, and clean air.

SEC. 5. CAPITAL GRANT OR LOAN PROGRAM.

The heading of section 3 of the Urban Mass Transportation Act of 1964 (50 U.S.C. App. 1602) is amended by striking "DISCRETIONARY" and inserting in lieu thereof "CAPITAL".

SEC. 6. DISCRETIONARY GRANTS—ELDERLY AND HANDICAPPED.

Section 3(a)(1) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1602(a)(1) is amended by striking the period at the end of subparagraph (E) and inserting the following: "; and

"(F) mass transportation services which are planned, designed, and carried out to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to all of the terms, conditions, requirements, and provisions applicable to grants and loans made under this section.".

SEC. 7. MULTIYEAR FUNDING AUTHORITY.

Section 3(a)(4) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1602(a)(4)) is amended—

(1) by inserting after the fourth sentence the following: "The Secretary's participation may include the allowable Federal participation in the defined project as provided by this Act, to include the costs (inclusive of debt service), to retire any long-term debt issued by the applicant to finance the project, including debt incurred by the applicant to complete the project for which a letter of intent or full funding contract has been issued by the Secretary when such debt is incurred due to the lack of funds being made available in appropriations Acts in accordance with the approved project budget. The Secretary is to determine the allowable cost of such debt service based on reasonable costs available to the applicant rather than on any calculation of inflation impact on the project cost.";

(2) in the seventh and ninth sentences, by inserting "or full funding contract" after "letter";

(3) in the seventh sentence—

(A) by striking "shall" and inserting "may"; and

(B) by striking the comma after "Act" in the seventh sentence and inserting in lieu thereof "not to exceed, in the aggregate, more than 10 percent of the projected unobligated balance of the Mass Transit Account of the Highway Trust Fund as of October 1, 1996,";

(4) in the ninth sentence, by inserting "and full funding contracts" after "all outstanding letters of intent"; and

(5) in the tenth sentence, by inserting "and full funding contracts executed" after "by new letters issued".

SEC. 8. CRITERIA FOR NEW STARTS.

Section 3(i) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1602 (i)) is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C);

(2) by striking "No grant" and inserting the following: "(1) Determinations.—No grant";

(3) by striking "and" at the end of subparagraph (B), as redesignated;

(4) by striking the period at the end of subparagraph (C), as redesignated and all that follows and inserting the following: "; and

"(D) is based upon a thorough assessment of the feasibility of using a variety of innovative financing mechanisms in connection with the construction and operation of the project, as well as for its long-range finance plan for meeting overall system capital and operating costs including—

"(i) benefit assessment districts,

"(ii) private developer cost sharing arrangements,

"(iii) public-private joint development arrangements,

"(iv) possible private asset ownership, and

"(v) other such techniques.

"(vi) Notwithstanding the criteria of this subparagraph, the Secretary is authorized to make grants for the development of corridors to support fixed guideway systems. Such grants may be used for bus service improvements, unique marketing of bus service, protection of rights-of-way through acquisition, transportation system management improvements such as dedicated bus and high occupancy vehicle lanes and construction of park and ride lots, and any other improvements that the Secretary may determine would result in increased transit usage in the corridor.

"(2) Considerations.—In making a grant or loan under this section, the Secretary—

"(A) shall consider the direct and indirect costs of a highway project with capacity comparable to that to be provided by proposed transit alternative;

"(B) shall include factors to measure economic development, congestion relief, improved mobility, air quality impacts, and all associated ancillary and mitigation costs necessary to implement each alternative analyzed; and

"(C) shall issue guidelines that set forth the means by which the Secretary will evaluate cost-effectiveness, results of alternatives analysis, and degree of local financial commitment. The Secretary shall not prohibit the simultaneous evaluation of new fixed guideway projects or projects to extend any fixed guideway in more than one corridor in a metropolitan area if each corridor is found to contain at least one potential project meeting the minimum criteria established by the Secretary for a project to enter into the prescribed process for alternatives analysis and preliminary engineering. Such cost-effectiveness evaluations shall be adjusted to reflect differences throughout the Nation in local land costs, construction costs, and operating costs. A new fixed guideway system or extension of any fixed guideway system shall not be subject to an alternatives analysis if the project (i) is located within a non-attainment area as defined by the Clean Air Act and is contained within a State Implementation Plan, or (ii) is financed with funds provided under the Federal Highway Act.

"(3) Secretary's determinations.—The Secretary shall determine—

"(A) whether a proposed project is cost-effective based on a summary of the findings provided for in this section; and

"(B) that a proposed project is supported by an acceptable degree of local financial commitment only if—

"(i) the amount of local funding provided to the project is equal to or more than the amount required by law;

"(ii) the proposed financial plan provides for the availability of contingency funds which are adequate to cover unanticipated cost overruns;

"(iii) each proposed local source of capital and operating funding is stable, reliable and available within the proposed project timetable; and

"(iv) local resources are available to operate the overall proposed transit system (including essential feeder bus and other services necessary to achieve projected ridership levels) without requiring a reduction in existing transit services in order to operate the proposed project.

"(4) Local funding.— In assessing the stability, reliability, and availability of proposed sources of local funding, the Secretary shall consider—

"(A) existing grant commitments;

"(B) the degree to which funding sources are dedicated to the purposes proposed; and

"(C) any debt obligations which exist or are proposed by the recipient for the proposed project or other transit purposes.

"(5) Project advancement.—No project shall be advanced from alternatives analysis to preliminary engineering unless the Secretary finds that the proposed project meets the requirements of this section and there is a reasonable chance that the project will continue to meet these requirements at the conclusion of preliminary engineering.

"(6) Project implementation.—A project funded pursuant to this subsection shall be implemented by means of a full funding contract.".

SEC. 9. ALLOCATIONS.

Section 3(k) of the Urban Mass Transportation Assistance Act of 1964 (49 U.S.C. App. 1602(k)(1)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) In general.—Of the amounts available for grants and loans under this section for fiscal years 1992, 1993, 1994, 1995, and 1996—

"(A) 41.25 percent shall be available for rail modernization;

"(B) 41.25 percent shall be available for construction of new fixed guideway systems and extensions to fixed guideway systems; and

"(C) 17.5 percent shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities."; and

(2) by adding at the end the following:

"(3) NEW CONSTRUCTION AND BUS PURCHASE.—15 percent of the amounts that are available for the purposes described in subparagraphs (B) and (C) of paragraph (1) shall be available for projects described in such subparagraphs, as determined by the Secretary.

"(4) OLD RAIL SERVICE.—Of the amounts available under subparagraph (A) of paragraph (1), $455,000,000 shall be made available in each of fiscal years 1992 through 1996 to those urbanized areas that have received grants under this section for rail modernization projects in at least 12 of the Federal fiscal years in which the Secretary has made funding available for such projects, so that each urbanized area receives no less in each of fiscal years 1992, through 1996 than the 7-year average of funds received by each such urbanized area in fiscal years 1984 through 1990.

"(5) REMAINDER.—Of the remaining funds available under subparagraph (A) of paragraph (1), all amounts up to $535,000,000 shall be made available to all urbanized areas with fixed guideway facilities except those urbanized areas as described under paragraph (6). All funds available under subparagraph (A) of paragraph (3) in excess of $535,000,000 shall be made available to all urbanized areas with fixed guideway facilities.

"(6) APPORTIONMENT.—Funds made available under paragraph (5) shall be apportioned on the basis of a formula under which each urbanized area or part thereof will be entitled to receive the sum of the following:

"(A) 60 percent of such funds multiplied by the ratio which the number of fixed guideway revenue vehicle miles attributable to the urbanized area, as determined by the Secretary, bears to the total number of all fixed guideway revenue vehicle miles attributable to all such urbanized areas; and

"(B) 40 percent so made available multiplied by the ratio which the number of fixed guideway route miles attributable to the urbanized area, as determined by the Secretary, bears to the total number of all fixed guideway route miles attributable to all such urbanized areas.

"(7) AVAILABLE USES.—Sums apportioned under paragraph (6) shall only be available for the purposes under subsection (a)(1)(B) of this section, and shall be made available for obligation by the recipient for a period of 3 years following the close of the fiscal year for which such sums are apportioned. Any amounts so apportioned remaining unobligated at the end of such period shall be added to the amount available for apportionment under paragraph (6) for the succeeding fiscal year not later than 30 days after the end of such period.

"(8) DEFINITION.—As used in this section, the term 'rail modernization' means a project to replace, renovate or refurbish facilities and equipment which are functionally or economically obsolete with new components, subsystems, or entire units, as necessary, to achieve original levels of service, safety, capacity or reliability commensurate with standards established by the applicant.".

SEC. 10. PLANNING.

Section 8 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607) is amended to read as follows:

"SEC. 8. METROPOLITAN PLANNING.

"(a) IN GENERAL.—

"(1) NATIONAL INTEREST.—It is in the national interest to encourage and promote the development of transportation systems embracing a variety of modes of transportation in a manner that will serve the States and local communities efficiently and effectively.

"(2) COOPERATION WITH STATE AND LOCAL BODIES.—To accomplish the objective described in paragraph (1), the Secretary shall cooperate with State and local officials in urbanized areas in the development of transportation plans and programs, and shall formulate with due consideration to comprehensive long-range land use plans, development objectives, overall social, economic, environmental, system performance, historic and neighborhood preservation, and energy conservation goals and objectives and with their probable effect on the future development of the area.

"(3) DEVELOPMENT PROCESS.—The process for developing plans and programs shall be coordinated with the process for the development of the transportation measures of the State Implementation Plan required by the Clean Air Act. The transportation planning process at a minimum shall cover the existing urbanized area and the area expected to become urbanized within the forecast period, and may encompass the entire Metropolitan Statistical Area/Consolidated Metropolitan Statistical Area (MSA/CMSA) at the discretion of the Governor and the affected units of local government. Such coverage of the planning process provided by this section may be especially warranted to assist urbanized areas in complying with the requirements of the Clean Air Act.

"(b) PLANNING FOR URBANIZED AREAS.—

"(1) CONTINUING PROCESS.—In urbanized areas with a population of 50,000 or more persons, transportation plans and programs shall be based on a continuing transportation planning process carried out by a metropolitan transportation organization in cooperation with the State and transit operators, and shall be comprehensive to the degree appropriate based on the complexity of transportation problems, including transportation related air quality problems, in the affected areas.

"(2) COMPREHENSIVE PLANNING.—The process shall—

"(A) consider all modes of transportation, including intermodal connectivity, and the balance between future development and transportation needs, including opportunities for corridor preservation;

"(B) include the development of—

"(i) a transportation improvement program, and

"(ii) long-term financial plans (to include consideration of innovative financing mechanisms) for regional urban mass transit improvements and the revenue available from current and potential sources to implement such improvements;

"(C) include an analysis of areawide multimodal congestion management techniques, demand management techniques, participation of private enterprise, and the use of transportation management associations appropriate for the size of the area and the complexity of transportation problems in the area, including air quality problems;

"(D) address air quality considerations;

"(E) in nonattainment areas for transportation related pollutants, be coordinated with the process for development of the transportation element of the State Implementation Plan required by the Clean Air Act; and

"(F) include an evaluation of the costs and impacts of proposed actions on mobility and air quality.

"(3) CONGESTION MANAGEMENT STRATEGIES.—No highway project in urbanized areas of 200,000 or more persons that, by reconstruction or new construction, significantly increases the vehicle carrying capacity of a transportation corridor shall be approved by the Secretary unless the project is consistent with the congestion management strategies developed for the area.

"(c) METROPOLITAN PLANNING ORGANIZATION.—A metropolitan planning organization shall be designated in each urbanized area by agreement among the units of general purpose local government and the Governor to carry out the transportation planning process required by this section. Those agencies currently designated as metropolitan planning organizations shall remain so designated unless, absent State law to the contrary, at least 75 percent of the units of general purpose local governments representing at least 90 percent of the population of an urbanized area and in cooperation with the Governor, redesignate any representative organization as the metropolitan planning organization.

"(d) TRANSPORTATION IMPROVEMENT PLAN.—The metropolitan planning organization, in cooperation with the State and transit operators, shall develop a transportation improvement program in accordance with subsection (b) that includes all projects proposed for funding within the study area under this Act.

"(e) GRANTS.—

"(1) ELIGIBILITY.—The Secretary is authorized to contract for and make grants to States and local public bodies and agencies thereof, or enter into working agreements with other Federal departments and agencies, for the planning, engineering, design, and evaluation of public transportation projects, and for other technical studies. Activities assisted under this section may include—

"(A) studies relating to management, operations, capital requirements, and economic feasibility;

"(B) evaluation of previously funded projects; and

"(C) other similar or related activities preliminary to and in preparation for the construction, acquisition, or improved operation of mass transportation facilities and equipment.

"(2) CRITERIA.—A grant, contract, or working agreement under this section shall be made in accordance with criteria established by the Secretary.".

SEC. 11. FORMULA GRANT PROGRAM APPORTIONMENTS.

Section 9(a) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(a)) is amended by striking "from the general fund of the Treasury under section 21(a) of this Act" each place it appears and inserting "under section 21(d)".

SEC. 12. DISTRIBUTION OF FUNDS.

Section 9(b) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1607a(b)) is amended—

(1) by inserting before the period at the end of paragraph (2)(B) the following: ", and in the case of routes where multiple tracks or lanes are in use in the same direction, shall

include all such tracks or lanes in the computation of total fixed guideway route miles"; and

(2) by adding after paragraph (3) the following new paragraph:

"(4) In the interest of supporting the National Energy Strategy, designated recipients under this section which are able to demonstrate energy or operating efficiencies by using less equipment while providing revenue service to the same number of riders without a reduction in the frequency of service and which certify such energy and operating efficiencies to the Secretary shall have their apportionment for any fiscal year made with regard to paragraph (2)(B) based on the fixed guideway revenue vehicle miles reported under section 15 as that level reported to the Secretary for the 1990 reporting year or the current reporting year, whichever is greater.".

SEC. 13. CERTIFICATIONS.

Section 9(e)(3) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(e)(3)) is amended—

(1) in subparagraph (B), by inserting "including domestic and offshore safe harbor lease transactions" after "otherwise,";

(2) in subparagraph (C), by inserting "(excluding track, signal and communications and other wayside equipment)" after "equipment,"; and

(3) by adding at the end the following:

"Such certifications shall be submitted on a one-time basis as part of a fiscal year grant application. The Secretary shall publish a list of all certifications required under this paragraph for any fiscal year in conjunction with subsection (q).".

SEC. 14. PROGRAM OF PROJECTS.

Section 9(f)(2) of the Urban Mass Transportation Act of 1964 (49 U.S.C App. 1607a(f)(2)) is amended by inserting ", the sum of which may, for local planning purposes, exceed the annual apportionments to an urbanized area under subsections (a)(1) and (a)(2), and subsections (a)(1), and (a)(2) of section 9A" after "projects".

SEC. 15. ASSOCIATED CAPITAL MAINTENANCE ITEMS.

Section 9(j) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(j)) is amended—

(1) in the last sentence of paragraph (1), by striking "materials and" each place it appears and inserting "materials, and supplies (not including fuel and lubricants)"; and

(2) in paragraph (2), by inserting ", and supplies (not including fuel and lubricants)" after "materials" each place it appears.

SEC. 16. REVENUE RETENTION.

Section 9(j) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(j)) is amended by adding at the end the following:

"(3) Net income received from the use, lease, or sale of airspace or adjacent property acquired as a result of a project funded under this section or section 3(a)(1), including property found to be incidental or surplus upon project completion, or such income derived from the disposal of fungible items such as gravel, rail ties, or rail and excluding rolling stock, which have been fully depreciated over their useful lives shall be totally retained by the recipient for projects eligible under this section or section 3(a)(1) of this Act. The Secretary may not (A) award any grant or make any loan under this Act on the condition that such net income must be used to finance a part of any project for which funding is sought under this Act, or to reimburse the United States for grants or loans made pursuant to this Act, or (B) use such net income in any calculation of net project cost under section 4(a).".

SEC. 17. FLEXIBLE USE.

Section 9(j) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(j)) is amended by adding at the end the following:

"(4) Up to 15 percent of funds made available to urbanized areas under this section may be used to finance the construction of projects designed to meet capacity expansion needs, to improve the movement or use of mass transit and shared ride programs, or to facilitate the development of intermodal facilities. No grant shall be provided under this paragraph unless the designated recipient certifies that basic transit maintenance needs have been addressed in the metropolitan planning process, and projects have been programmed in the transportation improvement program to meet such needs.".

SEC. 18. OPERATING ASSISTANCE FOR NEW URBANIZED AREAS.

Section 9(k)(2)(A) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(k)(2)(A)) is amended in the second sentence by inserting ", based on the full authorization as provided in section 21(d)," after "apportionment".

SEC. 19. GRANDFATHER DESIGNATED RECIPIENTS.

Section 9(m) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(m)) is amended by adding at the end the following:

"(3) Any entity acting as a designated recipient of funds provided by this section in urbanized areas with populations of less than 200,000 persons prior to the date of enactment of this paragraph shall continue to be authorized to receive and dispense such funds upon enactment of this paragraph.".

SEC. 20. DISCRETIONARY TRANSFER OF APPORTIONMENT.

Section 9(n)(1) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a(n)(1) is amended—

(1) by inserting "16(b) or" before "18(a)" in the first sentence; and

(2) by adding at the end the following: "The Governor may transfer an amount of the State's apportionment under section 16(b) to supplement funds apportioned to the State under section 18(a) or subsection (d).".

SEC. 21. DELEGATION OF ENVIRONMENTAL ASSESSMENT RESPONSIBILITY.

Section 9 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607a) is amended by adding at the end the following:

"(r) NATIONAL ENVIRONMENTAL POLICY ACT.—

"(1) DELEGATION.—In lieu of the Federal environmental review procedures otherwise applicable under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) (hereafter referred to as 'NEPA'), the Secretary may provide by regulation for the approval of projects by recipients of assistance under this section who assume all the responsibilities for environmental review, decisionmaking, and action pursuant to NEPA, and other provisions of law that would apply to the Secretary if the projects were undertaken as Federal projects. The Secretary shall issue regulations to carry out this paragraph after consultation with the Council on Environmental Quality.

"(2) CERTIFICATION.—Recipients of assistance described in paragraph (1) shall submit a one-time certification under the regulations authorized by paragraph (1). Such certification shall—

"(A) be in a form acceptable to the Secretary;

"(B) be executed by the chief executive officer or other officer of the recipient of assistance under this section qualified under the regulations referred to in paragraph (1);

"(C) specify that the recipient of assistance under this section will carry out fully its responsibilities as described in paragraph (1);

"(D) specify that the certifying officer consents to assume the status of a responsible Federal official, as defined in NEPA, subject to regulations issued by the Secretary, insofar as the provisions of NEPA apply under the regulations authorized under paragraph (1), and is authorized and consents on behalf of the recipient of assistance under this section and the certifying officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities; and

"(E) include an agreement that the Secretary's acceptance of any certification shall be deemed to satisfy the Secretary's responsibilities under NEPA, as the regulations of the Secretary specify, insofar as those responsibilities relate to the approval of projects under this section.

"(3) COMPLIANCE.—If the Secretary determines that a recipient has failed to comply substantially with any provision of this subsection or any certification made under paragraph (2), the Secretary shall notify the recipient that, if it fails to take corrective action within 60 days from the receipt of notification, the Secretary will withhold future payments under this section until the Secretary is satisfied that appropriate corrective action has been taken.".

SEC. 22. RESEARCH AND TRAINING GRANTS.

Section 11 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1607c) is amended—

(1) in the third sentence of subsection (a), by inserting "safety," after "engineering,"; and

(2) by adding at the end the following new subsection:

"(c) NATIONAL COOPERATIVE TRANSIT RESEARCH CENTER.—

"(1) GRANTS FOR ESTABLISHMENT AND OPERATION.—In addition to grants authorized by subsections (a) and (b), the Secretary shall make grants to the National Cooperative Transit Research Center.

"(2) RESPONSIBILITIES.—The responsibilities of the Center shall include, the conduct of research concerning short-term operating problems experienced by public transportation service providers receiving assistance under this Act.".

SEC. 23. RULEMAKING.

Section 12(i) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1608(i)) is amended by adding at the end the following:

"(3) LIMITATION.—The Secretary may not use any other method to propose or implement rules governing activities under this Act except as provided under this subsection.".

SEC. 24. TRANSFER OF FACILITIES AND EQUIPMENT.

Section 12 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1608) is amended by adding at the end the following new subsection:

"(k) TRANSFER OF CAPITAL ASSET.—

"(1) AUTHORIZATION.—If a recipient determines that facilities and equipment acquired with assistance under this Act are no longer needed for their original purposes, the Secretary may authorize the transfer of such assets to any public body to be used for a public purpose, with no further obligation to the Federal Government, the Secretary determines that—

"(A) the transfer is subject to the condition that any such facilities (including land) or equipment remain in public use for a period of not less than 5 years after the date of the transfer;

"(B) there are no purposes eligible for assistance under this Act for which the asset should be used;

"(C) the overall benefit of allowing the transfer outweighs the Federal Government interest in liquidation and return of the Federal financial interest in the asset, after consideration of fair market value and other factors; and

"(D) in the case of facilities (including land), through an appropriate screening or survey process, there is no interest in acquiring the asset for Federal use.

"(2) Documentation.—If the Secretary finds that a transfer is warranted under this subsection, the Secretary shall set forth in writing the rationale for the decision that the transfer is appropriate under paragraph (1).

"(3) Relation to other provisions.—The provisions of this subsection shall be in addition to and not in lieu of any other provision of law governing the use and disposition of facilities and equipment under an assistance agreement.".

SEC. 25. VEHICLE LEASE.

Section 16(b) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1612(b)) is amended by adding at the end the following: "The Secretary shall, within 120 days following the date of enactment of the Federal Mass Transportation Act of 1991, promulgate regulations to allow vehicles purchased under this subsection to be leased to public transit operators.".

SEC. 26. LIMITATION ON ADMINISTRATION.

Section 18(f) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1614(f)) is amended by adding at the end the following: "A State may not impose further terms or conditions in administering this section.".

SEC. 27. AUTHORIZATIONS.

Section 21 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1617) is amended—

(1) by redesignating subsections (d) through (i) as subsections (e) through (j), respectively; and

(2) by inserting after subsection (c) the following:

"(d)(1) Capital and Operating Assistance.—There are authorized to be appropriated to carry out the provisions of sections 3, 4(i), 6, 8, 9, 11(a), 12(a), 16(b), 18, 20, and 21(e)—

"(A) $4,452,500,000 for fiscal year 1992;

"(B) $4,622,000,000 for fiscal year 1993;

"(C) $4,797,000,000 for fiscal year 1994;

"(D) $4,980,000,000 for fiscal year 1995; and

"(E) $5,169,000,000 for fiscal year 1996; to remain available until expended.

"(2) Funding.—Of the amounts made available under paragraph (1), there shall be available from the Mass Transit Account of the Highway Trust Fund—

"(A) $2,582,817,000 for fiscal year 1992;

"(B) $2,752,317,000 for fiscal year 1993;

"(C) $2,927,317,000 for fiscal year 1994;

"(D) $3,110,317,000 for fiscal year 1995; and

"(E) $3,299,317,000 for fiscal year 1996; to remain available until expended.".

SEC. 28. INTERSTATE TRANSFER.

Section 21(e) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1617(e)), as redesignated, is amended to read as follows:

"(e) Interstate Transfer.—For substitute mass transportation projects under section 103(e)(4) of title 23, United States Code, there shall be available from the sums authorized in subsection (d)(1) $160,500,000 for each of fiscal years 1992, and 1993.".

SEC. 29. RURAL PROGRAM.

Section 21(f) of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1617(f)), as redesignated, is amended to read as follows:

"(f) Rural Program.—For each of fiscal years 1992 through 1996, 2.93 percent of the aggregate funds made available for sections 9 and 18 under subsection (d)(1) of this section shall be available to carry out section 18. The total amount of funding made available from subsection (d)(1) under the preceding sentence shall be not less than—

"(1) $120,000,000 in fiscal year 1992;

"(2) $140,000,000 in fiscal year 1993;

"(3) $160,000,000 in fiscal year 1994;

"(4) $180,000,000 in fiscal year 1995; and

"(5) $200,000,000 in fiscal year 1996.".

SEC. 30. 16(b) PROGRAM.

Section 21(h) of the Urban Mass Transportation Act of 1964 (49 US.C. App. 1617(h)), as redesignated, is amended to read as follows:

"(h) Section 16(b).—From the funds made available under subsection (d)(1) of this section, there are authorized to be appropriated—

"(1) $60,000,000 in fiscal year 1992;

"(2) $66,000,000 in fiscal year 1993;

"(3) $73,000,000 in fiscal year 1994;

"(4) $80,000,000 in fiscal year 1995; and

"(5) $88,000,000 in fiscal year 1996.".

SEC. 31. PROGRAM AUTHORIZATIONS.

Section 21 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1617) is amended by adding at the end the following new subsections:

"(k) Sections 4(i), 6, 8, 10, 11, 18(h), and 20.—

"(1) Research, planning, and training.—From the funds made available under subsection (d)(1), there shall be available for the purposes of sections 4(i), 6, 8, 10, 11, 18(h), and 20—

"(A) $90,000,000 for fiscal year 1992;

"(B) $100,000,000 for fiscal year 1993;

"(C) $110,000,000 for fiscal year 1994;

"(D) $120,000,000 for fiscal year 1995; and

"(E) $130,000,000 for fiscal year 1996.

"(l) Administrative Expenses.—From the funds made available under subsection (d)(1), the following sums shall be made available to carry out section 12(a):

"(1) $45,000,000 for fiscal year 1992;

"(2) $50,000,000 for fiscal year 1993;

"(3) $55,000,000 for fiscal year 1994;

"(4) $60,000,000 for fiscal year 1995;

"(5) $65,000,000 for fiscal year 1996.

SEC. 32. SAFETY AUTHORITY.

Section 22 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1618) is amended—

(1) by inserting "(a) In General.—" after "Sec. 22."; and

(2) by adding at the end a new subsection as follows:

"(b) Report.—The Secretary shall, within 180 days of enactment of this subsection, make a report to Congress to include—

"(1) actions taken to identify and investigate conditions in any facility, equipment, or manner of operation as part of the findings and determinations required of the Secretary in providing grants and loans under this Act;

"(2) actions taken by the Secretary to correct or eliminate any conditions found to create a serious hazard of death or injury as a condition for making funds available through grants and loans under this Act;

"(3) a summary of all passenger-related deaths and injuries resulting from unsafe conditions in any facility, equipment, or manner of operation of such facilities and equipment financed in whole or in part under this Act;

"(4) a summary of all employee-related deaths and injuries resulting from unsafe conditions in any facility, equipment, or manner of operation of such facilities and equipment financed in whole or in part under this Act;

"(5) a summary of all actions taken by the Secretary to correct or eliminate the unsafe conditions to which such deaths or injuries were attributed;

"(6) a summary of those actions taken by the Secretary to alert transit operators of the nature of the unsafe conditions which were found to create a serious hazard of death or injury; and

"(7) recommendations to the Congress by the Secretary of any legislative or administrative actions necessary to ensure that all recipients of funds under this Act will institute the best means available to correct or eliminate hazards of death or injury, including—

"(A) a timetable for instituting corrective actions,

"(B) an estimate of the capital and operating costs to take such actions, and

"(C) minimum standards for establishing and implementing safety program plans by recipients of funds under this Act.".

SEC. 33. PLANNING AND RESEARCH.

The Urban Mass Transportation Act of 1964 (49 U.S.C. App. 1601 et seq.) is amended by adding at the end the following new section:

"SEC. 26. PLANNING AND RESEARCH.

"(a) National Program.—

"(1) Funds set aside.—Of the funds made available under section 21(b)(1), one-third shall be available to the Secretary for grants or contracts for the purposes of sections 4(i), 6, 8, 10, 11, 18(h), or 20 of this Act as the Secretary deems appropriate.

"(2) Use of fees.—Notwithstanding any other provision of law, the Secretary is authorized to charge and retain fees, tuition, or related amounts resulting from conferences, seminars, training sessions and the like funded under this subsection, and any such amounts may be used for the purposes of this subsection. The Secretary shall determine what constitutes a necessary expense for the conduct of activities under this subsection.

"(3) Demonstration initiatives.—Of the amounts available under subsection (1), an amount not to exceed 25 percent shall be available to the Secretary for special demonstration initiatives subject to such terms, conditions, requirements and provisions as the Secretary deems appropriate for the purposes of this paragraph.

"(4) Technology Development.—

"(A) The Secretary is authorized to undertake a program of transit technology development in coordination with affected entities.

"(B) The Secretary shall establish an Industry Technical Panel consisting of representatives of transportation suppliers and operators and others involved in technology development. A majority of the panel members shall represent the supply industry. The Panel shall assist the Secretary in the identification of priority technology development areas and in establishing guidelines for project development, project cost sharing, and project execution.

"(C) The Secretary shall develop guidelines for cost sharing in technology development projects funded under the section. Such guidelines shall be flexible in nature and reflect the extent of technical risk, market risk, and anticipated supplier benefits and pay back periods.

"(5) SUPPLEMENTAL USE OF FUNDS.—The Secretary may use funds appropriated under this subsection to supplement funds available under subsection (b)(1), as the Secretary deems appropriate.

"(6) FEDERAL SHARE.—Where there would be a clear and direct financial benefit to an entity under a grant or contract funded under this subsection or subsection (b)(1), the Secretary shall establish a Federal share consistent with that benefit.

"(b) STATE AND LOCAL PROGRAM.—Of the funds made available under section 21(b)(1), two-thirds shall be available for State and local programs as follows:

"(1) TRANSIT COOPERATIVE RESEARCH PROGRAM.—Sixteen and one-half percent of that amount shall be available for transit cooperative research program to be administered as follows:

"(A) The Secretary shall establish an independent governing board for such program to recommend mass transportation research, development, and technology transfer activities as the Secretary deems appropriate.

"(B) The Secretary may make grants to, and enter into cooperative agreements with the National Academy of Sciences to carry out such activities as the Secretary determines are appropriate.

"(2) STATE AND LOCAL PLANNING AND RESEARCH.—The remaining 83.5 percent of that amount shall be apportioned to the States for grants and contracts consistent with the purposes of sections 4(i), 6, 8, 10, 11, 18(h), and 20.

"(A) APPORTIONMENT FORMULA.—Amounts shall be apportioned to the States in the ratio which the population in urbanized areas, in each State, bears to the total population in urbanized areas, in all the States as shown by the latest available decennial census, except that no State shall receive less than one-half of 1 percent of the amount apportioned under this section.

"(B) ALLOCATION WITHIN A STATE.—

"(i) Of the funds made available to each State under this subsection, 25 percent shall be available for State programs to carry out the objectives of this subsection. A State may authorize a portion of its funds made available under paragraph (1) or clause (ii) of this paragraph, as the State deems appropriate. Of the funds made available under this subsection, at least 33⅓ percent shall be used for purposes of section 18(h).

"(ii) Of the funds made available to each State under subsection (b), 75 percent shall be, by a formula developed by each State in cooperation with local elected officials acting through the metropolitan planning organization and approved by the Secretary which considers population in urbanized areas and provides an appropriate distribution for urbanized areas to carry out the cooperative processes described in section 8 of this Act, made available by the State to metropolitan planning organizations designated as being responsible together with the State for carrying out the objectives of this section.

"(C) FEDERAL SHARE PAYABLE.—The Federal share payable for a project under paragraph (2) shall be 80 percent except—

"(i) where the Secretary determines that it is in the Federal interest not to require a State or local match; and

"(ii) 100 percent for funds used for the purposes of section 18(g).

"(c) HOLD HARMLESS.—The amounts made available under this section shall be adjusted as follows:

"(1) The amount made available under subsection (a) shall be reduced and the amount made available under subsection (b)(2) shall be increased so that the aggregate amount provided to the States for allocation to metropolitan planning organizations under subsection (b)(2)(B)(ii) is no less than the aggregate amount provided to metropolitan planning organizations by administrative formula under section 8 of this Act in fiscal year 1991.

"(2) The amount apportioned to each State by formula under subsection (b) shall be adjusted so that the aggregate amount apportioned to each State to be made available to metropolitan planning organizations under subsection (b)(2)(B)(ii) is no less than the aggregate amount provided to metropolitan planning organizations in the State by administrative formula under section 8 of this Act in fiscal year 1991.

"(3) Of the funds allocated to a State under subsection (b), a larger amount than provided for under subsection (b)(2)(B)(i) may be available for State programs to the extent that the amount otherwise available to the State for State programs is less than the amount made available to the State by administrative formula under section 8 of this Act in fiscal year 1991 and under section 18(h) of this Act in fiscal year 1991. The aggregate amount made available by the State to metropolitan planning organizations under subsection (b)(2)(B)(ii) shall in no event be less than the aggregate amount made available to metropolitan planning organizations in that State by administrative formula under section 8 of this Act in fiscal year 1991.".

SEC. 34. MULTIYEAR CONTRACT FOR QUEENS LOCAL EXPRESS EXTENSION PROJECT.

The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new section.

"(a) FEDERAL SHARE.—The Secretary shall negotiate and execute a letter of intent and a full funding agreement to provide the Federal share of the cost of construction of the Queens Local/Express Connection in New York City in the amount of $306,100,000.

"(b) PAYMENT.—The letter of intent and the full funding agreement shall provide that the Federal share of the cost of such project shall be paid by the Secretary from amounts provided under section 3 of the Urban Mass Transportation Act of 1964 for construction of new fixed guideway systems and extensions to fixed guideway systems, as follows: not to exceed $12,000,000 in fiscal year 1992, $17,700,000 in fiscal year 1993, $77,800,000 in fiscal year 1994, $76,800,000 in fiscal year 1995, and $121,800,000 in fiscal year 1996.".

SEC. 35. WORLD UNIVERSITY GAMES.

The Secretary shall provide Federal funds from amounts provided under sections 3, 9, and 21 of the Urban Mass Transportation Act of 1964 to the State of New York, as the designating recipient for the purposes of this section to carry out projects to meet the transportation needs associated with the staging of the 1993 World University Games in the State of New York. The Secretary shall, if requested, temporarily waive the provisions of sections 3(e), 3(f), 9(e)(1), and 9(k)(2) of the Urban Mass Transportation Act of 1964. The Secretary shall ensure that all projects financed under this section are planned and executed by the State of New York in consultation with the World University Games Buffalo 1993 Organizing Committee, the Niagara Frontier Transportation Committee, and the Niagara Frontier Transportation Authority.

SEC. 36. CROSS-COUNTY METRO.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary shall, in cooperation with Southeastern Pennsylvania Transportation Authority (SEPTA), determine the required process under the National Environmental Policy Act of 1969 (NEPA) for assessing the environmental impacts of the Cross County Metro project from Morrisville to Downingtown, Pennsylvania.

(b) DOCUMENT PREPARATION.—Within 10 days of making the determination required under subsection (a), the Secretary shall commence the preparation of any documents required under NEPA.

(c) FULL FUNDING AGREEMENT.—Within 90 days of a finding by the Secretary that the project has complied with the requirements of NEPA, the Secretary shall enter into a Full Funding Grant Agreement with SEPTA for the construction of the project. The agreement will provide for payment to SEPTA of the Federal share of eligible project costs from amounts provided under section 3 of the Urban Mass Transportation Act of 1964 for construction of new fixed guideway systems and extensions of fixed guideway systems. This contract shall be entered into notwithstanding the alternatives analysis requirements of section 3(i) of the Urban Mass Transportation Act of 1964.

SEC. 37. TECHNICAL ACCOUNTING PROVISIONS.

Notwithstanding any other provision of law, any funds appropriated under section 6, 10, 11, or 18 of the Urban Mass Transportation Act of 1964, or section 103(e)(4) of title 23, United States Code, in effect on September 30, 1991, before October 1, 1983, that remain available for expenditure after October 1, 1991, may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 38. STAGE II LRT REHABILITATION IN ALLEGHENY COUNTY.

Not later than 3 months following the enactment of this Act, the Secretary shall begin preparation of a multiyear funding contract for the rehabilitation of the Drake/Library and Overbrook trolley lines in Allegheny County, Pennsylvania. Following this action the Secretary shall report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the status of completion of this agreement. This contract shall authorize a Federal share for such project in the amount of $225,000,000 and shall provide that the Federal share of the cost shall be paid by the Secretary from amounts provided under section 3 of the Urban Mass Transportation Act of 1964 for rail modernization projects as follows:

(1) Not to exceed $15,000,000 in fiscal year 1992.

(2) Not to exceed $75,000,000 in fiscal year 1993.

(3) Not to exceed $75,000,000 in fiscal year 1994.

(4) Not to exceed $45,000,000 in fiscal year 1995.

(5) Not to exceed $15,000,000 in fiscal year 1996.

STATEMENT BY GOV. MARIO M. CUOMO

I applaud Senator Al D'Amato for his leadership in developing comprehensive legislation reauthorizing federal mass transportation programs. The five-year bill he introduced today continues the Federal commitment to public transportation while reaffirming the national goals of improving air quality, easing traffic congestion, and enhancing our energy independence.

Senator D'AMATO has resisted the temptation to weaken existing effective federal transit programs. These programs work, and appropriately allocate funds to transit systems based on their needs.

When combined with the highway portion of the surface transportation reauthorization, this proposal provides the funding and flexibility to meet our basic transportation needs.

I am particularly pleased that Senator D'Amato's transit bill, like the highway bill advanced by Senator Pat Moynihan, recognizes that sound Federal transportation policy does not mean passing greater financial responsibility onto states or local governments. Unlike the Bush Administration's surface transportation proposal, the bills introduced by New York's two Senators properly refrain from mandating even greater state matching requirements. State and local governments outspend the Federal Government for virtually every mode of transportation. We will continue our substantial support, and welcome the increased Federal contribution provided by Senators D'Amato and Moynihan.

The D'Amato bill also differs with the Administration plan by increasing significantly Federal mass transit funding. It proposes about $24 billion over five years, while the Bush Administration recommended just $16 billion—which represented no increase over current funding levels, and in fact was a decline in real terms.

Enactment of this important legislation makes good sense not only from a national perspective, but from a New York perspective as well. It will provide New York with about $4.8 billion over the next five years—about $1.4 billion more than our share under the Administration plan. Of critical importance is the preservation of operating assistance for cities with populations over one million, which the Administration had sought to eliminate. In addition, we are assured of receiving our full share of the Westway trade-in.

The D'Amato bill doubles the amount of Federal funding available to rural transit systems, which will help assure continued transit service in small communities such as Jamestown, Watertown, Oneonta, and Ithaca. It also doubles the Federal funds for the purchase of buses and vans that will increase the mobility of our elderly and disabled citizens.

I commend Senator D'Amato for his continued commitment to our nation's transportation systems. As the ranking Republican member of the Senate Banking subcommittee with jurisdiction over transit programs, and as the ranking Republican in the Transportation Appropriations Subcommittee, he will play a critical role this year in national transportation policy.

I offer my assistance and that of my Administration in working for the enactment of this important legislation as well as the companion highway bill.

MTA CHAIRMAN APPLAUDS SENATOR D'AMATO'S TRANSIT BILL

Metropolitan Transportation Authority Chairman Peter E. Stangl praised transit legislation introduced today by Senator Alfonse M. D'Amato, which would dramatically increase funding for the MTA and transit systems in the New York metropolitan area.

Stangl said, "This $4.45 billion proposal is a bold step aimed squarely at changing the step-child status that transit has had to endure in the recent past from the federal government.

"By increasing national transit funding by $1.2 billion over current levels, the proposal recognizes the key role transit must play in helping the nation meet the goals of the Clean Air Act and the National Energy Strategy. It will also go a long way toward helping us address the needs of our disabled passengers as we continue to improve the accessibility of our system in accordance with last year's Americans with Disabilities Act.

"The transit investment envisioned by the bill will also help reduce the traffic congestion that adds billions of dollars to the cost of doing business in not only urban America, but in suburban areas as well.

"As far as the MTA is concerned, the proposal not only protects the $93 million we receive annually in federal operating assistance, it substantially increases the federal capital dollars that are desperately needed to fund the third phase of our proposed $11.5 billion Capital Program. This third phase of that ongoing program, which will restore our entire system to a state of good repair by the year 2012, must be approved by the State Legislature in Albany by the end of this year.

"We are truly fortunate to have Senator D'Amato in Washington as a national mass transit advocate. He has continually championed the cause of the five million New Yorkers who use MTA services daily. This bill continues and expands that tradition.

"When this transit portion of the Surface Transportation Act is coupled with Senator Moynihan's recently introduced highway portion, New York and the nation come up with a winning combination. It is my sincere hope that the entire Congress will embrace both proposals. Together they chart a new course for an enlightened transportation policy as we head toward the year 2000."•

Mr. SPECTER. Mr. President, I am pleased to join my distinguished colleague Senator D'AMATO in introducing what I believe to be an appropriate starting block for this year's consideration of mass transit reauthorization legislation.

I wish to commend the Senator from New York for his efforts in working with this Senator to develop legislation which, I believe, is a very well balanced, thoughtful piece of important legislation for our States and the Nation.

I had the opportunity to testify before the Housing and Urban Affairs Subcommittee on April 16, 1991, regarding the importance of Federal funding for Pennsylvania's 30 rural and urban transit authorities. It became clear to me from those discussions that transit needs have become a priority to many who recognize its many benefits. A strong system is essential to the economic vitality of communities, both rural and urban, throughout the United States. Moreover, expanded use of public transportation would help alleviate the critical problems of urban congestion, air quality, and energy dependence on foreign oil.

As we are all aware, Federal transit assistance over the past decade has deteriorated precipitously from $4.6 billion in fiscal year 1981 to $3.2 billion in fiscal year 1991. This reduction in funding represents a 50-percent decrease in real dollars.

While Federal assistance to transit has dwindled, the highway trust fund has developed an ever increasing large uncommitted balance. The trust fund was designed to provide infrastructure improvements and, therefore, should be used for that purpose. Specifically, the transit account of the transportation trust fund has a cash balance of $7.2 billion. This misuse of the trust fund is intolerable while our cities and rural transit systems are facing a decaying infrastructure that threatens those local economies.

The bill Senator D'AMATO and I are presenting today to the U.S. Senate provides additional funding for public transit in an effort to ensure a strong investment in our public transportation systems nationwide. It is my hope that the additional funds provided by this bill will be taken from the huge surplus of the transit account.

Mr. President, a recently released study by the Urban Institute, along with Cambridge Systematic and the Pennsylvania Economy League, analyzed the return on investment for the funds invested in the Southeastern Pennsylvania Transportation Authority. The study found that for every $1 invested in rehabilitation in SEPTA returns $9 to the economy. This high level of return of the public's investment is indicative of the value of this transit system to the region's economy.

Mr. President, public transportation is a vital public service for citizens living in America today. Low income individuals, those with physical disabilities, individuals denied licensing or access to an automobile, rely on public transit for their daily lives. Particularly in cities with urban centers, public transportation frequently provides the only form of motorized travel for many of these people. The bill we are introducing today will help to ensure that these vital services are maintained into the future.

Further, the bill is designed to ensure adequate funding for our Nation's cities with existing systems, while allowing for the expansion of new systems nationwide. In addition to assistance to urban areas, the bill is balanced to guarantee that rural systems and the elderly and handicapped receive the support they deserve.

The bill is designed to work well with the highway provisions currently being crafted by the Environment and Public Works Committee. It is my hope that the bill that will be reported by the Banking Committee will complement the bill from the Environment and Public Works Committee. In order for the Nation to be in a position to best use its limited resources, we must have a transportation system which fully utilizes all forms of transportation.

Mr. President, years of patchwork maintenance due to reductions in Federal transit funding now threatens to curtail the availability of public transportation when it is most needed. For the development of additional support from our Nation's transit systems and local communities, I believe it is imperative that the Federal Government demonstrate that it will be a meaningful participant in the partnership to advance this vital form of transportation for Americans.

I urge my colleagues to join Senator D'AMATO and me in recognizing the importance of public transportation and the importance of investment in our Nation's infrastructure. By increasing the investment in infrastructure, we can help ensure the transportation needs for citizens are met, while raising private sector productivity and enhancing our Nation's competitiveness in the world marketplace.

By Mr. GARN:

S. 1161. A bill to prevent the unreasonable use of tied aid partially untied aid credits, to authorize appropriations for tied aid credit programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

TIED AID CREDIT REDUCTION ACT OF 1991

• Mr. GARN. Mr. President, I rise today to introduce legislation intended to provide U.S. negotiators with the tools to strictly limit the use of export subsidies to support exports to commercially viable projects in the developing world. Negotiations are reaching a critical stage in the Organization for Economic Cooperation and Development, or OECD, to restrict the use of so-called tied aid credits. While I hope for a solid agreement that will limit tied aid, this issue has been with us for quite a few years and appears to be here to stay. We must be equipped to continue to deal with it.

In layman's terms, "tied aid credits" are a combination of foreign aid grants and export credits that are extended to developing countries and must be used to import goods from the donor country. In theory, heavily subsidized credit could be justified for development projects in the poorest of countries that could not attract market-rate financing. In practice, many of our international trade competitors have used tied aid credits to gain unfair advantage in the bidding process for commercially viable contracts in attractive export markets. The use of tied aid credits to finance profitable, commercial projects alters the playing field and is a significant disadvantage to U.S. businesses.

It is clear that in some of the countries in East Asia, the markets for telecommunications, transport, power and construction projects have been spoiled by heavy subsidies from foreign governments. Commercially oriented tied aid credits not only distort the market for highly profitable and important projects in the wealthier developing countries, but also deprive poorer countries of much needed aid.

For many years, the U.S. approach to foreign aid has been to support humanitarian projects in developing countries, rather than industrial projects with linkages to U.S. business. A number of my Senate colleagues are suggesting that we move away from this exclusive policy and begin to focus more on the funding of capital projects in developing countries. While I look forward to discussion of that issue, a shift in aid priorities is not the purpose of this bill. This bill is about combating an unfair trade practice that is being aggressively pursued by our principal trade competitors.

I continue to support the administration's efforts against the use of commercially oriented tied aid credits. I believe that we are making some progress in developing an international arrangement through the OECD to restrict this unfair and unreasonable practice. But we would be naive to think that other countries will give up what has been a very lucrative habit overnight. It will take time for an arrangement to enter into force. Once in place, the arrangement will have to be policed—and the OECD has no enforcement mechanism. Even if the terms of the arrangement are rational and reasonable, some participants will find ways to circumvent it.

Although negotiating an equitable and disciplined set of rules to govern the use of tied aid credits is our goal, we must be prepared to fight back against the continued use of tied aid by our competitors. We must to recognize that this is a long term concern that requires a long term financial commitment.

For these reasons, the bill I am introducing will make permanent the authority of the warchest that was originally established for this purpose in 1986. The bill will toughen the rules for using the warchest and it will add an important new element to our overall strategy by defining the use of tied aid credits to fund commercially viable projects as an unreasonable and unfair trade practice sanctionable under the Trade Act of 1974.

In effect, this would create a two-pronged U.S. strategy to combat the use of commercially-oriented tied aid credits. In the event that another country chooses to fund what is clearly a commercially viable project with no compelling aid or foreign policy justification, the United States could combat that action by either matching the financing offer, or moving to impose trade penalties. I realize that this two-pronged approach places us in the position of, at times, engaging in the very practice that we have labelled as unfair. But our actions are defensive and we have to keep in mind that we are dealing with exports to countries whose business is critical to our own balance of trade. The future of our economy is closely tied to our ability to compete in these foreign markets.

Mr. President, I believe that this bill will strengthen our position on the unreasonable use of tied aid credits for commercial projects and give a clear signal to our international competitors that we will not turn a blind eye on their attempts to unfairly disadvantage U.S. businesses. Most importantly, I believe that this bill is an important factor in protecting our international competitiveness.

I urge my colleagues to join me in supporting the Tied Aid Credit Reduction Act of 1991. I ask unanimous consent that the full text of the bill be printed in the RECORD following my statement.•

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1161

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tied Aid Credit Reduction Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that—

(1) expansion of United States exports to developing countries is essential if the United States is to maintain strong export growth and eliminate its $100,000,000,000 annual balance of payments deficit;

(2) export expansion in developing countries is limited by a lack of competitive export credit, due to—

(A) the reluctance of commercial banks to increase exposure to countries that have experienced repayment difficulties; and

(B) the extensive use of aid budgets by major trade competitors to finance or subsidize commercial exports through the use of tied aid credits;

(3) the Congress created a tied aid credit "warchest" at the Export-Import Bank in 1986—

(A) to support negotiations in the Organization for Economic Cooperation and Development intended to restrict the use of tied aid credits for commercially viable projects; and

(B) to provide leverage in the negotiations by financing United States tied aid credit offers in competition with those from abroad;

(4) agreement was reached in 1987 to increase the minimum grant element of tied aid credits in hopes of reducing their use, supported by the United States' use of warchest authority;

(5) because the resulting increase in cost has not reduced the use of tied aid credits, but has instead produced a shift of aid resources toward higher income countries to support export subsidies, the United States has now embarked on a new round of negotiations in the Organization for Economic Cooperation and Development to limit use of tied aid credits;

(6) negotiations to reduce the use of tied aid credits have been underway for more than a year, supported by the use of United States warchest authority, but have as yet produced no meaningful results;

(7) the process of establishing practices within the Organization for Economic Co-

operation and Development to eliminate the unreasonable use of tied aid credits for commercially viable projects is likely to continue throughout the foreseeable future;

(8) the United States will have to continue to combat the unreasonable use of tied aid credits through its use of warchest authority and appropriate trade remedies; and

(9) the authority in the Export-Import Bank charter to finance tied aid credits should be strengthened and extended beyond its current expiration date.

SEC. 3. TIED AID CREDITS.

(A) IN GENERAL.—Section 15 of the Export-Import Bank Act of 1945 (12 U.S.C. App. 635i-3) is amended—

(1) by striking "predacious" each place it appears and inserting "predatory"; and

(2) in subsection (a), by striking paragraph (5) and inserting the following:

"(5) there should be established and maintained a tied aid credit program—

"(A) to target the export markets of countries that, in the Bank's judgment, make extensive, unreasonable use of tied aid or partially untied aid credits for commercial advantage in order to support development of an international arrangement to eliminate such use of tied aid and partially untied aid credits; and

"(B) to monitor observance of any such arrangement by extending tied aid credits to match those of other countries made in violation of the terms of the agreement, or other unreasonable use of tied aid, as determined by the Bank.";

(3) in subsection (b)(1)—

(A) by inserting "and maintain" after "shall establish"; and

(B) by striking subparagraph (B)(ii) and inserting the following:

"(ii) fails to observe provisions of international arrangements to restrict or eliminate the use of such credits for commercial purposes or otherwise provides such credits in an unreasonable manner; or";

(3) in subsection (c)(2), by striking "through the fiscal year 1992";

(4) by striking subsection (e) and inserting the following:

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 1993 and 1994, $200,000,000. Such sums shall remain available until expended."; and

(5) in subsection (g)(2)(E), by striking "in negotiations to establish" and inserting "in consultations to develop and maintain".

SEC. 4. RESPONSE TO UNREASONABLE USE OF TIED AID CREDITS.

Section 301(d)(3)(B) of the Trade Act of 1974 (19 U.S.C. 2411) is amended—

(1) by striking "or" at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting ", or"; and

(3) by adding at the end the following:

"(iv) constitutes an unreasonable use of tied aid or partially tied aid credits to subsidize exports, as determined by the Export-Import Bank, consistent with the purposes of section 15 of the Export-Import Bank Act of 1945.".●

By Mr. PELL:

S. 1162. A bill to strengthen the ties between the United States and central and Eastern European countries through the improvement in such countries of education for competent and responsible citizenship in a constitutional democracy; to the Committee on Labor and Human Resources.

INTERNATIONAL CONSTITUTIONAL DEMOCRACY ACT

● Mr. PELL. Mr. President, over the past 2 years, we have witnessed remarkable events in country after country in central and Eastern Europe. The walls of communism came tumbling down, and democracy flourishes where hope for freedom had been extinguished for more than half a century.

In Hungary, Czechoslovakia, East Germany, Poland, Romania, and Bulgaria, people literally broke the shackles of totalitarianism that had enslaved them for decades. In their struggle for freedom, they looked to the United States. Our democratic system of government was their beacon of hope. They looked to the establishment of democracy as the way out of repression.

We all share the joy of the political, spiritual, and intellectual regeneration that has taken place in those countries. Our joy, however, must be tempered by our knowledge of the massive challenges they face. Their economies are in disarray, often unable to satisfy the demands and aspirations of their people.

The demise of the dictatorships has not—and indeed cannot—produce overnight the sweeping changes for which the people of these countries yearn.

I am deeply concerned that the United States is not doing enough to assist these fledgling democracies, particularly in the area of civic education. While economic assistance is imperative, so is help in understanding the principles and practices of democracy.

Often we forget that we have had almost 400 years to learn the principles and develop the practices of constitutional government. From the establishment of the colonies in the early part of the 17th century to the present time, we have been developing political practices and institutions to deal with our society's problems.

Unfortunately, our memories are often short. We tend to forget the length and breadth of our experience. And, we also tend to forget our failures, as well as the successes, in our long history of experimentation with the challenges of democracy.

It is inevitable that the newly liberated democracies will occasionally stumble as they seek to repair the ravages of decades of totalitarian rule and economic mismanagement. It is critical, therefore, that the United States lend a helping hand to these struggling countries.

We need, for example, to make available information on exemplary programs in civic education, and to help the nations of central and Eastern Europe adapt and implement them within their own borders.

We need to provide exchanges among educators, students, and government leaders to give citizens from central and Eastern European nations the opportunity to observe firsthand how some of our programs in civic education actually work.

At the same time, we need to have Americans learn about the civic education programs that are in place in those nations. It is important to recognize that we can learn from their very different civic experience, just as they can benefit from ours.

We need to translate materials, information, and even basic documents on U.S. constitutional government into the relevant languages of these countries. And, just as important, we need to translate and adapt curricula materials for use in central and Eastern European schools so that the materials will actually be of help.

If democracy is to become an established fact of life in these countries, our help is imperative. What better way to push that along than through a modest, but important, educational initiative of this nature.

I am introducing this legislation with the intention that it be considered within the context of the reauthorization of the office of educational research and improvement. The problem the legislation addresses is a pressing and critical one, and I believe it imperative that we give the legislation our thoughtful deliberation and consideration at the earliest possible moment.

Mr. President, I ask unanimous consent that the full text of the legislation be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1162

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Constitutional Democracy Act of 1991".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The firm establishment of constitutional democracies in other countries and particularly in Central and Eastern Europe is of paramount importance to the United States and the world community.

(2) Constitutional democracy, more than any other form of government, presupposes and depends upon an enlightened and responsible citizenry, and while some students of politics may claim that the creation of the right institutions and the formal organization of a constitutional government are adequate for the establishment of a constitutional democracy, it has long been recognized that such governments ultimately must rest on the character of their citizens and the individuals such governments select to serve in public office.

(3) The development of an enlightened and responsible citizenry should be one of the principal goals of schools in a constitutional democracy in order to develop among each generation the knowledge, skills, and traits of character essential for the preservation

and improvement of constitutional democracy.

(4) The emerging constitutional democracies in Central and Eastern Europe and elsewhere have not enjoyed the full benefits to be derived from the American experience of almost four hundred years of evolution of democratic institutions.

(5) Educational leaders of emerging constitutional democracies and the educational programs of such democracies can benefit from an understanding of the American experience, the fundamental documents and writings of the American experience, exemplary civic education programs, and the exchange of ideas and experiences with United States educators.

(6) Exchanges of ideas and experiences between United States educators and educators of emerging constitutional democracies will benefit United States education.

(7) The Federal Government has a leadership role in promoting the establishment and maintenance of constitutional democracies in Central and Eastern Europe and other nations through the establishment of a series of targeted initiatives that—

(A) make available to such nations the most exemplary educational programs developed in the United States which are designed to foster among youth the knowledge, skills, and traits of character required for the preservation and improvement of United States constitutional democracy;

(B) provide assistance to such nations in the adaptation and implementation of United States educational programs in forms appropriate for the culture and traditions of such nations;

(C) provide a means for the continued exchange of ideas and experiences among United States educational leaders and educational leaders of emerging constitutional democracies; and

(D) provide a means for students in United States educational institutions to benefit from the ideas and experiences of the people of emerging constitutional democracies.

SEC. 3. DEFINITION.

As used in this Act, the term "Secretary" means the Secretary of Education.

SEC. 4. GENERAL AUTHORITY.

(a) PROGRAM ESTABLISHED.—

(1) IN GENERAL.—The Secretary, through the Office of Educational Research and Improvement, shall carry out an international education program entitled "The International Civic Education Exchange Program" that shall—

(A) make available to educators from Central and Eastern European countries exemplary programs in civic education developed in the United States;

(B) assist such countries in the adaptation and implementation of such programs;

(C) create and implement educational programs for United States students which draw upon the experiences of emerging constitutional democracies; and

(D) provide a means for the exchange of ideas and experiences in civic education among leaders of participating nations.

(2) CONTRACTUAL AUTHORITY.—The Secretary is authorized to contract with an independent nonprofit educational organization to carry out the provisions of this section. Such organizations shall be experienced in—

(A) the development and national implementation of curricular programs in civic education for students from grades kindergarten through 12 in local, intermediate, and State educational agencies and in private schools throughout the nation with the cooperation and assistance of national professional educational organizations and private sector organizations;

(B) the development and implementation of cooperative university and school based in service training programs for teachers of grades kindergarten through 12 using scholars from such relevant disciplines as political science, political philosophy, history, and law;

(C) the development of model curricular frameworks in civic education;

(D) the administration of international seminars on the goals and objectives of civic education in constitutional democracies (including the sharing of curricular materials) for educational leaders, scholars in related disciplines, and educational policymakers; and

(E) the evaluation of civic education programs.

(b) PROGRAM CONTENT.—The international education program described in this section shall—

(1) provide European participants with—

(A) seminars on the basic principles of United States constitutional democracy, including seminars on the major governmental institutions in the United States and visits to such institutions;

(B) visits to school systems, institutions of higher learning, and non-profit organizations conducting exemplary programs in civic education in the United States;

(C) home stays in United States communities;

(D) translations and adaptions of United States civic education curricular programs for students and teachers into forms useful in Central and Eastern European schools; and

(E) translation of basic documents of United States constitutional government for use in Central and Eastern European nations, such as *The Federalist*, selected writings of Presidents Adams and Jefferson and the Anti-Federalists, and more recent works on political theory and constitutional law; and

(2) provide United States participants with—

(A) seminars on the histories and governments of participating Central and Eastern European nations;

(B) visits to school systems, institutions of higher learning, and organizations conducting exemplary programs in civic education in the Central and Eastern European nations;

(C) home stays in Central and Eastern European communities;

(D) assistance from educators and scholars in Central and Eastern European nations in the development of curricular materials on the history and government of such nations that are useful in United States classrooms; and

(E) opportunities to provide on-site demonstrations of United States curricula and pedagogy for educational leaders in European nations; and

(3) assist European and American participants in participating in international conferences on civic education for educational leaders, scholars in related disciplines, and educational policymakers.

(c) SPECIAL RULE.—All printed materials and programs provided to foreign nations under this Act shall bare the logo and text used by the Marshall Plan after World War II, that is, clasped hands with the inscription "A gift from the American people to the people of (insert name of country)".

(d) PROGRAM PARTICIPANTS.—The primary participants in the international education program assisted under this Act shall be leading civic educators, including curriculum and teacher training specialists, scholars in relevant disciplines, and educational policymakers, from the United States and participating Central and Eastern European nations.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $5,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993, 1994, 1995, and 1996 to carry out the provisions of this Act.●

By Mr. THURMOND (by request):

S. 1163. A bill to encourage innovation and productivity, stimulate trade, and promote the competitiveness and technological leadership of the United States; to the Committee on the Judiciary.

COOPERATIVE PRODUCTION ACT OF 1991

Mr. THURMOND. Mr. President, I am pleased to be able to introduce, at the request of the administration, the Cooperative Production Act of 1991. This proposed legislation amends the National Cooperative Research Act of 1984 [NCRA], and expands the provisions of that act to include not only research and development, but also manufacturing.

Mr. President, as many of my colleagues are aware, I have been a longtime proponent of the need to amend the NCRA to include production. Earlier this year, Senator LEAHY, Senator BIDEN, and I, introduced S. 479, legislation very similar to the administration's proposal which I am now introducing. Although there are differences between the two bills, these differences are not significant. It is my expectation that we will take the best from both bills and fashion legislation that will satisfy all concerns.

As I noted in my statement on S. 479, the amendments which have been proposed to the NCRA, will enable American businesses to respond more effectively to the competitive challenges that face them in international markets. American firms cannot afford to settle for less than the most advanced means of manufacturing and production if they are to be successful in this challenge. Although costly, substantial investments must be made in state-of-the-art facilities. Joint manufacturing ventures will ease such investment burdens, and may provide just the answer for firms which cannot make the needed investments in new production technology, but do not want to merge their entire operations to achieve the benefits such ventures provide.

Mr. President, proposals to amend the NCRA to include production have always received bipartisan support, and it is my hope that this will be equally true for the Cooperative Production Act of 1991. I urge the Senate to act quickly, and to pass this much needed legislation.

By Mr. HATCH (for himself, Mr. McCain, Mr. Durenberger, and Mrs. Kassebaum):

S. 1164. A bill to authorize the Secretary of Health and Human Services to impose debarments and other penalties for illegal activities involving the approval of abbreviated drug applications under the Federal Food, Drug, and Cosmetic Act, and for other purposes; to the Committee on Labor and Human Resources.

GENERIC DRUG ENFORCEMENT ACT

• Mr. HATCH. Mr. President, I am pleased to introduce the Generic Drug Enforcement Act of 1991. My colleagues, Senators McCain, Durenberger, and Kassebaum are joining me as original cosponsors. This legislation is a companion bill to one introduced in the House by my friend and colleague, Chairman John Dingell. This legislation would give the Department of Health and Human Services and its Food and Drug Administration urgently needed authority to take quick and effective action against individuals and companies who could threaten the safety of our Nation's generic drugs.

This bill has three distinct purposes: the cleanup of the troubled generic drug industry; the restoration of American consumer confidence in generic drugs; and the creation of a strong deterrent for future misconduct.

Various congressional investigations have uncovered significant corruption in the Food and Drug Administration's generic drug approval process. Subsequent probes of the U.S. Attorney in Baltimore and the FDA discovered extensive evidence of irregularities in the process. Consequently, several FDA employees, generic drug companies, and drug company executives have entered guilty pleas based on criminal misconduct associated with this activity.

This bill is needed to restore the confidence of the American people in generic drugs and to ensure that the Food and Drug Administration has the authority to remove from the marketplace those individuals and companies who bribe regulators, falsify applications, or otherwise subvert the streamlined generic drug approval process. There are many good manufacturers of generic drugs who are being harmed by a few. Those few have reduced many people's confidence in generic drugs and in the generic drug process. This legislation should restore American's confidence in the integrity of the generic drug approval process.

The generic drug provisions of the bill address the need for a safe and reliable generic drug industry by requiring or permitting the Secretary of the Department of Health and Human Services to debar from future generic drug approvals for periods ranging upwards from 1 year, those firms and individuals convicted or seriously implicated in bribery, fraud, false statements, or other crimes that undermine the FDA approval process.

It also permits the Secretary to suspend sales of existing generic drugs from companies engaging in such crimes until they show that their other applications are not tainted.

Due process for both companies and individuals is explicitly provided. Existing remedies such as the authority of the Secretary to temporarily withhold new approvals from suspect companies and to withdraw permanently generic drug applications tainted by fraud are codified.

While there may be some opposition, I expect support from a majority of honest generic firms who recognize the importance of cleaning up this industry once and for all.

The American people need reliable generic drugs. Our individual budgets and those of State, local and Federal Government are desperate for the relief such medicines provide from the rising cost of drugs. Only when the bad actors, individuals and, in a few cases, firms, exit the industry can Americans feel comfortable with low cost generic alternatives to prescription medications.

As I stated earlier, a companion bill is being introduced today in the House of Representatives by the Honorable John Dingell, chairman of the House Energy and Commerce Committee along with 40 other Members of his committee.

I intend to do all I can to move this bill through the Senate, and I urge my colleagues to cosponsor and support this legislation.

I ask unanimous consent that the bill and its section by section be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1164

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE; FINDINGS; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Generic Drug Enforcement Act of 1991".

(b) Reference.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act.

(c) Findings.—The Congress finds that—

(1) there is substantial evidence that significant irregularities occurred in the Food and Drug Administration's process of approving drugs under abbreviated drug applications (referred to in this subsection as the generic drug approval process), including guilty pleas by several Food and Drug Administration employees, generic drug companies, and drug company executives based on criminal misconduct associated with the generic drug approval process,

(2) there is a need to establish procedures designed to restore and ensure the integrity of the generic drug approval process, including barring from the process those who have been convicted of corrupting the process and staying approvals when the process may have been corrupted,

(3) it is important for the safety and health of the general public to permit the suspension of distribution of generic drugs where approval of such drugs has been tainted,

(4) it is imperative to restore public confidence in the generic drug approval process by mandating the withdrawal of any generic drug approval corruptly obtained,

(5) in order to deter future misconduct, civil penalties for actions corrupting the generic drug approval process are necessary,

(6) additional standby capacity for criminal investigations of violations of the Federal Food, Drug, and Cosmetic Act may be needed, and

(7) the current requirement that a hearing be held before a criminal violation of the Federal Food, Drug, and Cosmetic Act is reported to the United States attorney for institution of criminal prosecution is cumbersome and unnecessary.

(d) Table of Contents.—

Sec. 1. Short title; reference; findings; table of contents.
Sec. 2. Authority to deny review and approval of applications.
"Sec. 306. Debarment, temporary denial of approval, and suspension.
"(a) Mandatory debarment.
"(b) Permissive debarment.
"(c) Debarment period and considerations.
"(d) Termination of debarment.
"(e) Publication and list of debarred persons.
"(f) Temporary denial of approval.
"(g) Suspension authority.
"(h) Termination of suspension.
"(i) Procedure.
"(j) Judicial review.
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Sec. 3. Certifications.
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"Sec. 307. Civil penalties.
"(a) In general.
"(b) Procedure.
"(c) Judicial review.
"(d) Informants.".
Sec. 5. Authority to withdraw approval of applications.
"Sec. 308. Authority to withdraw approval of applications.
"(a) In general.
"(b) Procedure.
"(c) Applicability.
"(d) Judicial review.".
Sec. 6. Inspector General.
Sec. 7. Information.
Sec. 8. Definitions.
Sec. 9. Effect on other laws.
Sec. 10. Repeal.

SEC. 2. AUTHORITY TO DENY REVIEW AND APPROVAL OF APPLICATIONS.

Sections 306 and 307 (21 U.S.C. 336, 337) are redesignated as sections 309 and 310, respectively, and the following is inserted after section 305:

"DEBARMENT, TEMPORARY DENIAL OF APPROVAL, AND SUSPENSION

"Sec. 306. (a) Mandatory Debarment.—If a person has been convicted of a felony under Federal law for conduct relating to the development or approval, including the process for development or approval, of any abbreviated drug application, the Secretary shall debar such person from submitting any abbreviated drug application.

"(b) Permissive Debarment.—

"(1) In general.—The Secretary, on the Secretary's own initiative or in response to a petition, may debar a person described in paragraph (2) from submitting, or assisting in the submission of, any abbreviated drug application if the Secretary finds that there is reason to believe that such person may undermine the regulatory process.

"(2) PERSONS SUBJECT TO PERMISSIVE DEBARMENT.—The following persons are subject to debarment under paragraph (1):

"(A) CONVICTION RELATED TO AN ABBREVIATED DRUG APPLICATION.—Any person that the Secretary finds has been convicted of (i) a misdemeanor under Federal law or a felony under State law for conduct relating to the development or approval, including the process for the development or approval, of any abbreviated drug application, or (ii) a conspiracy to commit, or aiding or abetting, such criminal offense.

"(B) CONVICTION FOR BRIBERY, FRAUD, OR SIMILAR CRIME.—Any individual whom the Secretary finds has been convicted under Federal or State law of (i) a felony of bribery, payment of illegal gratuities, fraud, perjury, false statement, racketeering, blackmail, extortion, or falsification or destruction of records, or (ii) a conspiracy to commit, or aiding or abetting, a felony offense described in clause (i).

"(C) CONVICTION RELATED TO OBSTRUCTION OF JUSTICE.—Any individual whom the Secretary finds has been convicted under Federal or State law, of (i) a felony related to the interference with, obstruction of the investigation into, or prosecution of, any criminal offense, or (ii) a conspiracy to commit, or aiding or abetting, such felony.

"(D) MATERIAL PARTICIPATION.—Any individual whom the Secretary finds materially participated in acts that were the basis for a conviction for an offense described in subparagraph (A), (B), or (C) for which a conviction was obtained.

"(E) USE OF DEBARRED PERSON.—Any person that the Secretary finds has knowingly—

"(i) employed or retained as a consultant or contractor, or

"(ii) otherwise used the services of,

a person who is debarred under this section in any capacity in which such person has or might have any control over or involvement in the development of any drug application subject to section 505 or 507.

"(c) DEBARMENT PERIOD AND CONSIDERATIONS.—

"(1) IN GENERAL.—During the period of debarment under subsection (a) or (b), the Secretary shall not accept any abbreviated drug application and shall not review (other than audit under this section) any pending abbreviated drug application of a person debarred under such subsection.

"(2) DEBARMENT PERIODS.—

"(A) IN GENERAL.—The Secretary shall debar a person under subsection (a) or (b) for the following periods:

"(i) The debarment of an individual under subsection (a) shall be permanent.

"(ii) The period of debarment of a person (other than an individual) under subsection (a) shall not be less than 1 year or more than 10 years, but if an act leading to a subsequent debarment occurs within 10 years after such person has been debarred under subsection (a), the period of debarment shall be permanent.

"(iii) The period of debarment of any person under subsection (b)(2) shall not be more than 5 years.

The Secretary may determine whether debarment periods shall run concurrently or consecutively in the case of a person debarred for multiple offenses.

"(B) NOTIFICATION.—Upon a conviction described in subsection (a) or (b), a person may notify the Secretary that the person acquiesces to debarment and such person's debarment shall commence upon such notification.

"(3) CONSIDERATIONS.—In determining the appropriateness and the period of a debarment of a person under subsection (b) and any period of debarment beyond the minimum specified in subparagraph (A)(ii) of paragraph (2), the Secretary shall consider where applicable—

"(A) the nature and seriousness of any offense involved,

"(B) the nature and extent of management participation in any offense involved, whether corporate policies and practices encouraged the offense, including whether inadequate institutional controls contributed to the offense,

"(C) the nature and extent of voluntary steps to mitigate the impact on the public of any offense involved, including the discontinuation of the distribution of suspect drugs, full cooperation with any investigations (including the extent of disclosure to appropriate authorities of all wrongdoing), the relinquishing of profits on drug approvals fraudulently obtained, and any other actions taken to substantially limit potential or actual adverse effects on the public health,

"(D) whether and the extent to which changes in ownership, management, or operations have corrected the causes of any offense involved and provide reasonable assurances that the offense will not occur in the future,

"(E) whether the person to be debarred is able to present adequate evidence that current production of drugs subject to abbreviated drug applications and all pending abbreviated drug applications are free of fraud or material false statements, and

"(F) prior convictions under this Act or under other Acts involving matters within the jurisdiction of the Food and Drug Administration.

"(d) TERMINATION OF DEBARMENT.—

"(1) APPLICATION.—Any person that is debarred under subsection (a) (other than a person permanently debarred) or any person that is debarred under subsection (b) may apply to the Secretary for termination of the debarment. Any information submitted to the Secretary under this subsection does not constitute an amendment or supplement to pending or approved abbreviated drug applications.

"(2) ACTION BY THE SECRETARY.—The Secretary shall grant or deny any application respecting a debarment which is submitted under paragraph (1) within 180 days of the date the application is submitted.

"(3) TERMINATION.— If the conviction for which a person has been debarred under subsection (a) or (b) is reversed, the Secretary shall, on the Secretary's own initiative or upon petition, withdraw the order of debarment. Upon application submitted under paragraph (1), the Secretary shall terminate the debarment of a person if the Secretary finds that—

"(A) changes in ownership, management, or operations have fully corrected the causes of the offense involved and provide reasonable assurances that the offense will not occur in the future, and

"(B) sufficient audits, conducted by the Food and Drug Administration or by independent experts acceptable to the Food and Drug Administration, demonstrate that pending applications and the development of drugs being tested before the submission of an application are free of fraud or material false statements.

In the case of persons debarred under subsection (a), such termination shall take effect no earlier than the expiration of one year from the date of the debarment.

"(4) SPECIAL EARLY TERMINATION.—

"(A) APPLICATION.—Any person that is debarred under subsection (a) (other than an individual or a person permanently debarred under subsection (c)(2)(A)(ii)) may apply to the Secretary for special early termination of debarment which may take effect before the expiration of the one-year minimum period prescribed under subsection (c)(2)(A)(ii).

"(B) HEARING ON PETITION.—If the Secretary, after an informal hearing, determines that—

"(i) the person making the application under subparagraph (A) has demonstrated that the felony conviction which was the basis for such person's debarment involved the commission of an offense which was not authorized, requested, commanded, performed, or recklessly tolerated by the board of directors or by a high managerial agent acting on behalf of the person within the scope of the board's or agent's office or employment,

"(ii) all individuals who were involved in the commission of the offense or who had or should have had prior knowledge of the offense have been removed from employment involving the development or approval of any drug subject to sections 505 or 507,

"(iii) the person fully cooperated with all investigations and promptly disclosed all wrongdoing to the appropriate authorities, and

"(iv) the person acted to mitigate any impact on the public of any offense involved, including the discontinuation of the distribution of any drug which the Secretary asked by withdrawn due to concerns about its safety or efficacy,

the Secretary shall take the action described in subparagraph (C).

"(C) SECRETARIAL ACTION.—The action referred to in subparagraph (B) is—

"(i) terminating the debarment immediately, or

"(ii) limiting the period of debarment to less than one year,

whichever best serves the interest of justice and protects the integrity of the abbreviated drug application approval process.

"(e) PUBLICATION AND LIST OF DEBARRED PERSONS.—The Secretary shall publish in the Federal Register the name of any person debarred under subsection (a) or (b), the effective date of the debarment, and the period of the debarment. The Secretary shall also maintain and make available to the public a list, updated no less often than quarterly, of such persons, of the effective dates and minimum periods of such debarments, and of the termination of debarments.

"(f) TEMPORARY DENIAL OF APPROVAL.—

"(1) IN GENERAL.—The Secretary, on the Secretary's own initiative or in response to a petition, may, in accordance with paragraph (3), refuse by order, for the period prescribed by paragraph (2), to approve any abbreviated drug application submitted by any person—

"(A) if such person is under an active Federal criminal investigation in connection with an action described in subparagraph (B),

"(B) if the Secretary determines that such person—

"(i) has bribed or attempted to bribe, has paid or attempted to pay an illegal gratuity, has induced or attempted to induce another person to bribe or pay an illegal gratuity to any officer, employee, or agent of the Department of Health and Human Services or to any other Federal, State, or local official in connection with any abbreviated drug application, or has conspired to commit, or aided or abetted, such actions, or

"(ii) has knowingly made or caused to be made a pattern or practice of false statements or misrepresentations with respect to material facts relating to any abbreviated drug application or the production of any drug subject to an abbreviated drug application to any officer, employee, or agent of the Department of Health and Human Services, or has conspired to commit, or aided or abetted, such actions, and

"(C) if a significant question has been raised regarding the integrity of the approval process with respect to such abbreviated drug application, the reliability of data in such person's abbreviated drug application, or the reliability of data concerning such abbreviated drug application.

Such an order may be modified or terminated at any time.

"(2) APPLICABLE PERIOD.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), a denial of approval of an application of a person under paragraph (1) shall be in effect for a period determined by the Secretary but not to exceed 18 months beginning on the date the Secretary makes the determination described in paragraph (1) with respect to which the denial was made. The Secretary shall terminate such denial if the investigation with respect to which the determination was made ends and—

"(i) does not result in a criminal charge against such person, or

"(ii) if criminal charges have been brought and the charges have been dismissed or a judgment of acquittal has been entered.

"(B) EXTENSION.—If, at the end of the period described in subparagraph (A), the Secretary determines that a person has been criminally charged for an action described in subparagraph (B) of paragraph (1), the Secretary may extend the period of denial of approval of an application for a period not to exceed 18 months. The Secretary shall terminate such extension if the charges have been dismissed or a judgment of acquittal has been entered.

"(3) INFORMAL HEARING.—Within 10 days of the date of the order of the Secretary's refusing to approve an abbreviated drug application is served upon a person under paragraph (1), the Secretary, in response to a petition, shall provide such person with an opportunity for an informal hearing on the decision of the Secretary to refuse such approval. Within 60 days of the date on which such hearing is held, the Secretary shall notify the person given such hearing whether the Secretary's refusal of approval will be continued, terminated, or otherwise modified. Such notification shall be final agency action.

"(g) SUSPENSION AUTHORITY.—

"(1) IN GENERAL.—If—

"(A) the Secretary determines—

"(i) that a person has engaged in an action described in subparagraph (B) of subsection (f)(1) in connection with 2 or more drugs under abbreviated drug applications, or

"(ii) that a person has engaged in flagrant and repeated violations of good manufacturing practice or good laboratory practice in connection with the development, manufacturing, or distribution of a drug approved under an abbreviated drug application during a 2-year period and—

"(I) such violations may undermine the safety and efficacy of such drugs, and

"(II) the causes of such violations have not been corrected within a reasonable period of time following notice of such violations by the Secretary, and

"(B) such person is under an active investigation by any Federal authority in connection with a civil or criminal action involving an action described in subparagraph (A),

the Secretary shall issue an order suspending the distribution of all drugs the development or approval of which was related to an action described in subparagraph (A) or suspending the distribution of all drugs approved under abbreviated drug applications of such person if the Secretary finds that an action of such person described in subparagraph (A) may have affected the development or approval of a significant number of drugs which the Secretary is unable to identify. The Secretary shall exclude a drug from such order if the Secretary determines that such action was not likely to have influenced the safety or efficacy of such drug.

"(2) PUBLIC HEALTH WAIVER.—The Secretary shall, on the Secretary's own initiative or in response to a petition, waive the suspension under paragraph (1) (involving an action described in paragraph (1)(A)(i)) with respect to any drug if the Secretary finds that such waiver is necessary to protect the public health because sufficient quantities of the drug are otherwise not available. The Secretary shall act on any petition seeking action under this paragraph within 180 days of the date the petition is submitted to the Secretary.

"(h) TERMINATION OF SUSPENSION.—The Secretary shall withdraw an order of suspension of the distribution of a drug under subsection (g) if the person with respect to whom the order was issued demonstrates—

"(1)(A) on the basis of an audit by the Food and Drug Administration or by experts acceptable to the Food and Drug Administration, or on the basis of other information, that the development, approval, manufacturing, and distribution of such drug is in substantial compliance with the applicable requirements of this Act, and

"(B) changes in ownership, management, or operations (i) fully remedy the patterns or practices with respect to which the order was issued, and (ii) provide reasonable assurances that such actions will not occur in the future, or

"(2) the initial determination was in error.

The Secretary shall act on a submission under paragraphs (1) and (2) within 180 days of the date of the submission and the Secretary may consider the submission concurrently with the suspension proceeding. Any information submitted to the Secretary under this subsection does not constitute an amendment or supplement to a pending or approved abbreviated drug application.

"(i) PROCEDURE.—The Secretary may not take any action under subsection (a), (b), (c), (d)(3), (g), or (h) with respect to any person unless the Secretary has issued an order for such action made on the record after opportunity for an agency hearing on disputed issues of material fact. In the course of any investigation or hearing under this subsection, the Secretary may administer oaths and affirmations, examine witnesses, receive evidence, and issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

"(j) JUDICIAL REVIEW.—Any person that is the subject of an adverse decision under subsection (a), (b), (c), (d), (f), (g), or (h) may obtain a review of such decision by the United States Court of Appeals for the District of Columbia or for the circuit in which the person resides, by filing in such court (within 60 days following the date the person is notified of the Secretary's decision) a petition requesting that the decision be modified or set aside.

"(k) APPLICABILITY.—

"(1) CONVICTION.—For purposes of this section, a person is considered to have been convicted of a criminal offense—

"(A) when a judgment of conviction has been entered against the person by a Federal or State court, regardless of whether there is an appeal pending,

"(B) when a plea of guilty or nolo contendere by the person has been accepted by a Federal or State court, or

"(C) when the person has entered into participation in a first offender, deferred adjudication, or other similar arrangement or program where judgment of conviction has been withheld.

"(2) EFFECTIVE DATE.—Subsection (a) and subparagraphs (A), (B), and (C) of subsection (b)(2) shall not apply to a conviction which occurred more than 5 years before the initiation of the action proposed to be taken under such subsection or subparagraph, and subparagraphs (D) and (E) of subsection (b)(2) and subsections (f) and (g) shall not apply to an act which occurred more than 5 years before the initiation of the action proposed to be taken under such subparagraph or subsection.".

SEC. 3. CERTIFICATIONS.

Section 505(j)(2)(A) (21 U.S.C. 355(j)(2)(A)) is amended—

(1) by striking out "and" at the end of clause (vii), by striking out the period at the end of clause (viii) and inserting in lieu thereof a semicolon, and by adding at the end the following:

"(ix) a certification that the applicant did not and will not use the services of any person debarred under section 306 in connection with the application; and

"(x) a list of all convictions within the last 5 years of the applicant and affiliated persons responsible for the development or submission of abbreviated drug applications.", and

(2) in the last sentence, by striking out "(viii)" and inserting in lieu thereof "(x)".

SEC. 4. CIVIL PENALTIES.

Chapter III, as amended by section 2, is amended by adding after section 306 the following:

"CIVIL PENALTIES

"SEC. 307. (a) IN GENERAL.—Any person that the Secretary finds—

"(1) knowingly made or caused to be made, to any officer, employee, or agent of the Department of Health and Human Services, a false statement or misrepresentation with relation to a material fact in connection with an abbreviated drug application,

"(2) bribed or attempted to bribe or paid or attempted to pay an illegal gratuity to any officer, employee, or agent of the Department of Health and Human Services in connection with an abbreviated drug application,

"(3) destroyed, altered, removed, or secreted, or procured the destruction, alteration, removal, or secretion of, any material document or other material evidence which was the property of or in the possession of the Department of Health and Human Services for the purpose of interfering with that Department's discharge of its responsibilities in connection with an abbreviated drug application

"(4) knowingly failed to disclose, to an officer or employee of the Department of Health and Human Services, a material fact which such person had an obligation to disclose relating to any drug subject to an abbreviated drug application,

"(5) knowingly obstructed an investigation of the Department of Health and Human Services into any drug subject to an abbreviated drug application,

"(6) is a person that has filed with the Secretary at any time an abbreviated drug application (whether or not such application has been approved) and employed, retained as a consultant or contractor, or otherwise used (in any capacity in which such person has or might have any control over or involvement in the development of an abbreviated drug application) the services of a person that the person knew or should have known was debarred pursuant to section 306, or

"(7) is debarred pursuant to section 306 and provided services to an applicant under an abbreviated drug application that could subject such applicant to debarment under section 306 or to a civil penalty under this section,

shall be liable to the United States for a civil penalty for each such violation in an amount not to exceed $250,000 in the case of an individual and $1,000,000 in the case of any other person.

"(b) PROCEDURE.—

"(1) IN GENERAL.—A civil penalty under subsection (a) shall be assessed by the Secretary on a person by an order made on the record after an opportunity for an agency hearing on disputed issues of material fact and the amount of the penalty. In the course of any investigation or hearing under this paragraph, the Secretary may administer oaths and affirmations, examine witnesses, receive evidence, and issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

"(2) AMOUNT.—In determining the amount of a civil penalty under paragraph (1), the Secretary shall take into account the nature, circumstances, extent, and gravity of the act subject to penalty, the person's ability to pay, the effect on the person's ability to continue to do business, any history of prior, similar acts, and such other matters as justice may require.

"(3) LIMITATION ON ACTIONS.—The Secretary may not initiate an action under this subsection with respect to any act described in subsection (a) which occurred before the date of the enactment of this Act or which occurred more than 6 years after the date when facts material to the act are known or reasonably should have been known by the Secretary but in no event more than 10 years after the date the act took place.

"(c) JUDICIAL REVIEW.—Any person that is the subject of an adverse decision under subsection (b)(1) may obtain a review of such decision by the United States Court of Appeals for the District of Columbia or for the circuit in which the person resides, by filing in such court (within 60 days following the date the person is notified of the Secretary's decision) a petition requesting that the decision be modified or set aside.

"(d) INFORMANTS.—The Secretary may award to any individual (other than an officer or employee of the Federal Government) who provides information leading to the imposition of a civil penalty under this section an amount not to exceed—

"(1) $250,000, or

"(2) one-half of the penalty so imposed and collected,

whichever is less. The decision of the Secretary on such award shall not be reviewable.".

SEC. 5. AUTHORITY TO WITHDRAW APPROVAL OF APPLICATIONS.

Chapter III, as amended by section 4, is amended by adding after section 307 the following:

"AUTHORITY TO WITHDRAW APPROVAL OF APPLICATIONS

"SEC. 308. (a) IN GENERAL.—The Secretary—

"(1) shall withdraw approval of an abbreviated drug application if the Secretary determines that the approval was obtained, expedited, or otherwise facilitated, in whole or in part, through bribery, payment of an illegal gratuity, or fraud or material false statement, and

"(2) may withdraw approval of an abbreviated drug application if the Secretary determines that the applicant has repeatedly demonstrated a lack of ability to produce the drug for which the application was submitted in accordance with the formulations or manufacturing practice set forth in the abbreviated drug application and has introduced, or attempted to introduce, such adulterated or misbranded drug into commerce.

"(b) PROCEDURE.—The Secretary may not take any action under subsection (a) with respect to any person unless the Secretary has issued an order for such action made on the record after opportunity for an agency hearing on disputed issues of material fact. In the course of any investigation or hearing under this subsection, the Secretary may administer oaths and affirmations, examine witnesses, receive evidence, and issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

"(c) APPLICABILITY.—Subsection (a) shall apply with respect to offenses or acts regardless of when such offenses or acts occurred.

"(d) JUDICIAL REVIEW.—Any person that is the subject of an adverse decision under subsection (a) may obtain a review of such decision by the United States Court of Appeals for the District of Columbia or for the circuit in which the person resides, by filing in such court (within 60 days following the date the person is notified of the Secretary's decision) a petition requesting that the decision be modified or set aside.".

SEC. 6. INSPECTOR GENERAL.

Section 702 (21 U.S.C. 372) is amended by adding at the end the following:

"(f)(1) In addition to existing authority, the Inspector General may investigate the following:

"(A) Any allegation of misconduct by employees of the Food and Drug Administration.

"(B) Any allegation of violation of section 301(t).

"(C) Any allegation of violation, or class of violations, of this Act which the Commissioner of the Food and Drug Administration has requested the Inspector General to investigate.

"(D) Any allegation of violation, or class of violations, of this Act for which the Secretary delegates authority to the Inspector General to investigate or requests the Inspector General to investigate, including—

"(i) any allegation that false or fraudulent materials have been submitted to the Food and Drug Administration,

"(ii) any allegation that false or fraudulent records have been maintained under any law administered by the Food and Drug Administration,

"(iii) any allegation of fraud, false claims, waste, or abuse relating to programs or operations administered, carried out, financed, or conducted by the Food and Drug Administration,

"(iv) any allegation of fraud in reporting of research by clinical investigators which is submitted to the Food and Drug Administration,

"(v) any allegation of an illegal sale under Federal law of a drug which is not a controlled substance, and

"(vi) any allegation of a felony violation of this Act.

In making determinations regarding any delegation of authority, the Secretary shall consider the expertise and resources available in the Office of Inspector General and in the Food and Drug Administration.

"(2) Paragraph (1) shall not be construed to preclude the Inspector General from initiating an investigation of a violation of this Act to determine if the violation is a violation described in subparagraph (A) of paragraph (1).".

SEC. 7. INFORMATION.

Section 505(j) (21 U.S.C. 355(j) is amended by adding at the end the following:

"(8) The Secretary shall with respect to each application submitted under this subsection maintain for public inspection and revise every 30 days—

"(A) the name of the applicant,

"(B) the name of the drug covered by the application,

"(C) the name of the person to whom the review of the chemistry of the application was assigned and the date of such assignment, and

"(D) the name of the person to whom the bio-equivalence review for such application was assigned and the date of such assignment.".

SEC. 8. DEFINITIONS.

Section 201 (21 U.S.C. 321) is amended by adding at the end the following:

"(bb) The term 'abbreviated drug application' means an application submitted under section 505(j) or 507 for the approval of a drug that relies on the approved application of another drug with the same active ingredient to establish safety and efficacy, and—

"(1) in the case of section 306, includes a supplement to such an application for a different or additional use of the drug but does not include a supplement to such an application for other than a different or additional use of the drug, and

"(2) in the case of sections 307 and 308, includes any supplement to such an application.

"(cc) The term 'knowingly' means that a person, with respect to information—

"(1) has actual knowledge of the information, or

"(2) acts in deliberate ignorance or reckless disregard of the truth or falsity of the information.

"(dd) The term 'high managerial agent' means an officer of a corporation or an unincorporated association, or, in the case of a partnership, a partner, or any employee or other agent of a corporation or unincorporated association having responsibility for (1) submissions to the Food and Drug Administration regarding the development or approval of an abbreviated drug application, (2) production or quality assurance or quality control of any drug produced under an abbreviated drug application, (3) research and development of any drug subject to an abbreviated drug application, or (4) other duties of such responsibility that his conduct may fairly be assumed to represent the policy of the corporation or association.".

SEC. 9. EFFECT ON OTHER LAWS.

No amendment made by this Act shall preclude any other civil, criminal, or administrative remedy provided under Federal or State law, including any private right of action against any person for the same action subject to any action or penalty under an amendment made by this Act.

SEC. 10. REPEAL.

Section 305 (21 U.S.C. 355) (relating to hearing before report of criminal violation for criminal prosecution) is repealed.

GENERIC DRUG ENFORCEMENT ACT OF 1991

HIGHLIGHTS

1. Mandatory and permissive debarment from the generic drug approval process based on convictions. Permanent debarment for individuals, and for previously debarred companies, convicted of an approval-related felony and a one year minimum debarment period for companies convicted of an approval-related federal felony.
2. Temporary denial of generic drug approvals for up to 18 months, with one possible 18 month extension, where the Secretary determines bribery, fraud or the like has occurred.
3. Authority to suspend distribution of generic drugs of tainted companies, unless the company can prove some or all of its drugs are untainted, until the company rehabilitates itself.
4. Civil money penalties up to $1,000,000 for a corporation and up to $250,000 for an individual per offense for a variety of offenses related to generic drugs, with a whistleblower reward up to $250,000.
5. Mandatory withdrawal of tainted generic drug approvals, and permissive withdrawal of approvals where the company has repeatedly failed to live up to its commitments to FDA.
6. Standby investigational authority for the Health and Human Services Inspector General concerning Food and Drug Administration matters, including drug diversion and fraud on the agency.
7. Limited sunshine provisions for generic drug applications.
8. Repeal of the requirement of notice and opportunity for hearing before a violation of the Food, Drug and Cosmetic Act is reported by the Secretary to a United States Attorney for institution of a criminal proceeding.

GENERIC DRUG LEGISLATION

SECTION-BY-SECTION

Section 1—The title is the "Generic Drug Enforcement Act of 1991"

Section 2—New Section 306 (Debarment) gives the Secretary authority to refuse to accept, review or approve generic drug applications for companies under specified circumstances.

Creates mandatory debarment for firms and/or individuals from involvement in the generic drug approval process for felony criminal convictions in connection with the development or approval of generic drugs. [306(a)]

Creates permissive debarment of firms and/or individuals by the Secretary for (1) a criminal conviction in connection with an activity relating to the development or approval of generic drugs, (2) a criminal conviction for bribery, fraud, or similar crimes, (3) a criminal conviction related to obstruction of justice, (4) being a material participant in such crimes, or (5) knowing use of a debarred person. [306(b)]

Under mandatory debarment individuals will be permanently debarred for federal felony convictions relating to the generic drug review process, and the minimum period for debarment for convicted companies is 1 year. The maximum period is 10 years. Under permissive debarment the maximum period is 5 years. [306(c)]

Debarment may be terminated within 180 days or at end of minimum period upon application to Secretary if the Secretary finds: (A) no basis for its continuation and there are reasonable assurances that actions will not recur; and (B) sufficient audits demonstrate that pending applications are free of fraud or material false statements. [306(d)(3)]

Debarment may be terminated at any time if a company can prove that its conviction was based on conduct of an employee who was not a high managerial agent and who was acting without the knowledge of top officials in the corporation. [306(d)(4)]

The Secretary shall make public a list of debarred individuals and companies. [306(e)]

Permits the Secretary to temporarily withhold a generic drug approval for up to 18 months if he determines that a firm or individual that is under an active federal criminal investigation, has engaged in (1) bribery or attempted bribery of an HHS employee in connection with a generic drug, or (2) a pattern of false statements or representations relating to any generic drug and (3) a significant question has been raised regarding the integrity of the approval process with respect to such generic drug. This period of denial can be extended for an additional 18 months if the firm has been indicted. [306(f)]

Creates suspension authority covering the distribution of all generic drugs produced by companies under active federal criminal investigations for corrupting the approval process after a determination that such companies have committed such an offense or that they have repeatedly failed to live up to their commitments to the FDA if such action influences the safety and efficacy of such drugs. [306(g)(1)]

The Secretary can waive suspension on public health grounds. [306(g)(2)]

The suspension order can be withdrawn if (1) the suspended drugs have been satisfactorily audited to assure they meet FDA standards and the person presents evidence of ownership, management, and operational reforms to satisfactorily remedy the pattern of practice of acts causing the suspension or (2) the initial determination was in error. Information submitted to the Secretary shall be made public. [306(h)]

The Secretary may not take any action with respect to debarment, the period of debarment, the termination of debarment, suspension or termination of suspension without providing a full Administration Procedure Act hearing on disputed issues of material fact. The Secretary is provided additional authorities to conduct discovery during these hearings. [306(i)]

Any person that is subject to final decision under this section has a right of judicial review. [306(j)]

Sets forth the definition of "conviction" and applies this section to all acts or convictions which occurred within the 5 years before the initiation of the actions proposed to be taken under this section. [306(k)]

Section 3—Amends Section 507(j) to add to generic drug applications the requirement that the applicant certify it did not and will not use the services of a debarred person in connection with the application.

Section 4—New section 307 (Civil Money Penalties). Creates civil money penalties of up to $250,000 for individuals and $1,000,000 for companies committing certain offenses in connection with generic drugs.

Provides for a list of offenses in connection with generic drugs that trigger penalities: (1) false statements; (2) bribery or gratuity; (3) destruction of records; (4) failure to make obligated disclosure of a material fact; (5) obstruction of an investigation; (6) use of a debarred person; or (7) as a debarred person, subjecting another person to sanction. [306(a)]

Provisions for notice, and hearing and authority for the Secretary to conduct discovery and hold hearings. [306(b)]

Sets forth various considerations the Secretary shall take into account in determining the amount of a civil penalty. [306(b)]

Sets forth a maximum 10-year statute of limitation for civil penalties. [306(b)]

Judicial review provision. [306(c)]

Whistleblower bounty of $250,000 or one-half of penalty imposed and collected, whichever is less. [306(d)]

Section 5—New Section 308 (Withdrawal) Creates explicit authority to withdraw approval of generic drug applications in cases of bribery, fraud, or false statements or for repeated failure to live up to its commitments to FDA.

Provisions for notice and hearings, and authority for the Secretary to conduct discovery and judicial review. [306(b)&(b)]

This section applies to improper acts regardless of when they occurred. [306(c)]

Section 7—Sets forth limited sunshine provisions for generic drug applications.

Section 8—Defines the terms "abbreviated drug application," "knowingly" and "high managerial agent."

Section 9—This Act does not preclude existing criminal or civil remedies.

Section 10—Repeals existing Section 305 language requiring notice before the Secretary recommends criminal prosecution for any violation of the Food, Drug and Cosmetic Act.•

• Mr. McCAIN. Mr. President, I rise today to join my distinguished colleagues, Senators HATCH, DURENBERGER, and others, in introducing the Generic Drug Enforcement Act of 1991. The purpose of this legislation is threefold: Cleaning up the troubled generic drug industry, restoring American consumer confidence in generic drugs, and the creation of a strong deterrent for future misconduct.

The FDA was established to protect the American public from bad devices and products. Yet, at times, the FDA is rendered unable to take action against a bad actor, even one that is under an active Federal criminal investigation for engaging in bribery or attempted bribery of an HHS employee in connection with a generic drug, or a pattern of false statements or representations relating to any generic drug, or involving a significant question about the integrity of the approval process with respect to such generic drug.

As we have seen in a number of well publicized cases over the past couple of years, this places the consumer at incredible risk. There have been numerous congressional hearings and investigations involving this issue.

What is more, as we continue to encourage the use of generic equivalents, and as we see our Nation's elderly using more and more generic drugs, it is critical that these consumers have the confidence that the drugs they are purchasing in an attempt to save money are not going to place them in harm's way.

Mr. President, our Nation's citizens need to have confidence when they purchase health care services or products that are supposed to be regulated, that this regulation is being performed effectively. Currently, the FDA's hands are tied, and they are unable to deal effectively and swiftly with bad apples in the industry. The result is a direct threat to our Nation's health consumers.

If there is a fault with this legislation, it is that it is not broad enough in scope. By that, I mean that there are bad apples in all areas of the health device and drug manufacturing industry. In my view, it is important that we not confine a strengthening of the FDA's consumer protection tools to only the generic drug industry—we need to strengthen their tools to deal with bad apples in all areas of the health manufacturing industry.

Mr. President, no segment of the health industry is bad in and of itself—but there are bad apples in most segments of the health industry. And, these bad apples tarnish the reputation of that entire segment of the industry. While we must not pull the rug out from under the entire health industry in the attempt to deal with the bad apples, we must be able to effectively deal with the bad apples. That is what this legislation is all about.

Mr. President, this is critical consumer protection legislation for those who consume health care—specifically, those who use generic drugs. I hope that our colleagues will review it carefully and consider adding their support to this important legislation.●

By Mr. INOUYE (for himself, Mr. HOLLINGS, Mr. FORD, Mr. GORE, Mr. SIMON, and Mr. BRYAN):

S. 1166. A bill to provide for regulation and oversight of the development and application of the telephone technology known as pay per call, and for other purposes; to the Committee on Commerce, Science, and Transportation.

TELEPHONE CONSUMER ASSISTANCE ACT

● Mr. INOUYE. Mr. President, I rise today to introduce the Telephone Consumer Assistance Act, legislation designed to address problems that have arisen due to the use of pay-per-call services, better known as 900 numbers. While most 900 service providers are legitimate businesses, this industry has attracted some unscrupulous companies. Some 900 providers charge excessive rates, do not reveal their identity or the actual cost of these calls to consumers and fail to provide the service they advertise. In recent months, the FCC, the FTC, and the State attorneys general have concluded that it is imperative that additional regulation, legislation, and industry standards be implemented to protect consumers. This legislation constitutes a first step toward addressing these problems.

Let me take a few minutes to describe industry and the problems that have arisen. Pay-per-call services give callers access to a variety of information services through the telephone network. Customers can obtain access to this information by calling a 10 digit number whose prefix is typically 900 or 700. When consumers call one of these numbers, they then assessed a charge in addition to regular long distance charge. Generally, callers are charged either a flat fee per call, or by the minute. The charge appears on the caller's telephone bill and can be as high as $25 per call or $10 per minute.

These numbers are used to: provide information like stock quotes, and sports data; conduct polls—call one number for yes and another number for no; provide legal and other advice; provide mass announcements which play prerecorded messages; promote sweepstakes; sell goods; raise funds for charitable and political organizations; provide "dating" services and group access bridging "gab" lines or "party" lines.

The way most 900 services operate is, that the information service provider enters into a contract with a telephone company—most often long distance companies. The telephone company makes telephone lines available to the information service provider and also handles the billing and collection. The 900 service provider offers the information, such as stock quotes. The service provider then advertises the service and the 900 number using print and/or broadcast media. When a consumer calls the stock quote 900 number, he/she is then billed directly on his/her telephone bill. In other words, 900 services operate like credit cards; as soon as you place a call, you are automatically billed by the phone company. The telephone company collects the charge for the consumer, takes out its share to cover the cost of providing the lines and the billing service, and passes the remainder of the charge to the service provider. It is important to note that the telephone company does not provide the information; the telephone company provides the telephone lines and billing, but, generally does not provide the information content.

The 900/700 per-per-call business, which began in the early 1980's, has developed into a $759 million industry, and is projected to grow into a $1.6 billion industry by 1992. Recently, a group of State attorneys general released a report which estimates that there are presently 10,000 different pay-for-call programs available.

According to the State attorney's general report, "the recent growth of this industry has been attributed to the fact that it represents an inexpensive and relatively simple means of tapping into a highly profitable, nationwide market." They also attribute the growth to the divestiture of AT&T, which has opened the telecommunications industry to more competition and expansion of services.

In recent years, the increased usage of 900 numbers has resulted in many consumer complaints. Since January of 1988 the FCC has received over 2,000 complaints, and the complaints are continuing. The FCC received 197 complaints in November 1990, and 190 in January 1991. The most frequent complaints concern false or deceptive disclosure of rates and products. Advertisements often fail to disclose the cost of calls to 900 numbers, or the cost of the call is printed in small illegible "mice" print. Some ads only state the cost of the call once, or in slurred, last minute voiceovers, but repeat the 900 numbers frequently throughout the advertisement.

In some cases, callers are told to call an 800 number only to get a recorded message advising them to call a 900 number, but are never told that there will be a charge for calling the 900 number. Even where the price is disclosed, the ad may not state that the caller will be charged per minute. Some sweepstakes programs require consumers to call a 900 number to claim their prize, without disclosing the cost of the call. The attorneys general report noted that a number of these companies advertise free vacations to Hawaii by calling a 900 number.

Some of these services target children who do not appreciate the costs of dialing these numbers. Especially dangerous are those that run TV and radio advertisements telling children to hold the phone up to the TV or radio. The tone associated with each telephone number are then broadcast over the TV or radio so that the call is dialed automatically. As a result, children do not even have to know how to dial to be connected to one of these services.

Finally, this problem is exacerbated by the fact that when consumers receive their monthly telephone bill, they have no idea who is the source of the 900 charge. The bill only shows the long distance carrier, AT&T, MCI or whoever carried the call. This not only lends legitimacy to the charge, because it looks like the telephone company is responsible for the charge, but the consumer believes that he/she must pay the charge or the telephone company will disconnect their service.

These problems have not gone unnoticed. Some telephone companies have voluntarily begun to institute measures to provide some protections to consumers. For example, GTE Hawaiian Telephone Co. has made call blocking of 900 and 700 numbers available to all of its customers. The blocking service is free the first time it is requested by a customer. If the customer cancels the service and then reinstates it there will be a charge. However, this only addresses part of the problem and this service is not universally available.

In addition, the FCC has initiated a rulemaking proceeding to consider regulations on 900 service providers. The FTC has initiated multiple investigations into telemarketing fraud. In fact, the FTC recently settled one of its suits which will result in $1 million in refunds to victims of one telemarketing fraud scheme, assuming they can locate the victims. The FTC also has encountered great difficulty in tracking down the information providers.

The National Association of Attorneys General [NAAG], however, believes that neither the FCC nor FTC proceedings go far enough to protect the consumer from 900 number problems. NAAG is concerned because many consumers are completely unaware of the charges associated with 900 numbers. Further, neither the FCC nor the FTC have the authority to address these problems comprehensively under existing statutes. The NAAG report, thus, proposed several legislative changes that go beyond the proposals of the FCC or FTC proceedings.

I agree with NAAG that stronger action is needed. Accordingly, the Telephone Consumer Assistance Act addresses many of the concerns raised in the NAAG report and expands the jurisdiction of both the FCC, FTC, and the States to provide express authority to address the problems raised by the explosive growth of the pay-per-call industry. While the telephone companies can be helpful in stemming some abuses in this industry, this bill recognizes that most of the burden for solving these problems rests with those who are causing the problems—the information providers.

Accordingly, this legislation:

Requires that 900 services provide a preamble stating the cost of the call, all per call charges, describing the information, product or service to be provided, and gives the caller the option to hang up without being charged;

Requires that charges for calls cease immediately when the caller hangs up;

Bans 900 services aimed at children under the age of 16;

Requires the phone companies to give their subscribers the option to block all calls to 900 numbers from their phone, where technically feasible;

Requires that the telephone companies include in bills sent to subscribers information describing the rates charged for 900 numbers, the name and address of the numbers called, and the rights and obligations of callers and the carrier;

Prohibits local telephone companies from disconnecting subscribers for failure to pay interstate 900 number charges;

Prohibits broadcasters from carrying advertisements that emit tones that automatically dial a telephone number when the phone is held up to the radio or television;

Requires full and clear disclosure of the rates for these calls in advertisements carried on broadcast stations and in print media;

Prohibits referrals from 800 numbers, free calls, to 900 numbers that charge the caller;

Requires all 900 number service providers to register with the FTC and prohibits them from offering any service until they are on file;

Prohibits telephone companies from contracting with any 900 number service providers unless they are on file with the FTC; and

Gives the FCC, the FTC, and the States the authority to enforce the provisions of this legislation.

Requires the FTC to conduct a study concerning use of caller's numbers, without their knowledge, by telemarketing services.

Requires the FCC to conduct a study into the need for regulations requiring automatic disconnection of sevices after one full cycle, or of interactive programs if there is no activity for some period of time, and the need for beep tones to remind callers that they are being charged for interactive calls.

In closing, I believe that this legislation is very important. we are faced with a situation where, as the NAAG report states, "the telephone, a common and necessary household utility, has been transformed into a credit purchasing tool." The 900 service providers are using and abusing option to take unfair advantage of consumers. I believe that this legislation goes a long way toward ensuring that consumers are protected against abuses by pay-per-call service providers, while permitting legitimate service providers to expand their business opportunities.•

By Mr. DECONCINI:

S. 1167. A bill to deny the People's Republic of China most-favored-nation trade treatment; to the Committee on Finance.

DENIAL OF MOST-FAVORED-NATION STATUS TO THE PEOPLE'S REPUBLIC OF CHINA

• Mr. DECONCINI. Mr. President, I am pleased today to once again join with the distinguished majority leader as an original cosponsor of his legislation placing conditions on any extension of most-favored-nation trade status for China by President Bush.

Last Wednesday, the President indicated his intention to extend this preferential treatment to China because it is a "large and important nation." He believes that we must allow China time to meet conditions laid out last year when he extended China's MFN. I strongly disagree: China has had enough time to prove itelf. It has been nearly 2 years since the murder of democracy in Tiananmen Square and since that time I believe China has regressed—not progressed—in meeting its obligations to the world and its obligations to its own people.

It has responded to the people's yearning for democracy by forcing students into "re-education" camps and mandating military service before attending university. According to moving testimony from the Dalai Lama, the People's Republic of China continues its illegal occupation of and apparent policy of genocide toward the people of Tibet by killing an estimated 1 million Tibetans. The People's Republic continues to hold prodemocracy demonstrators in detention without charge or trial. And, something which is deeply disturbing to this Senator, is China's continued policy of flagrant proliferation of technology and weapons of mass destruction to Third World countries without safeguards of any kind. These weapons include missiles to Syria, Iran, and Iraq, M–11 missiles, missile technology, and weapons grade uranium to Pakistan, a nuclear reactor to Algeria, and other destructive technologies to North Korea.

Is the People's Republic of China a country which has moderated its behavior after the United States extended MFN? Is this a nation which adheres to internationally accepted standards of human rights and respect for the rule of law? Is it a nation whose policies support and nurture efforts by outward-looking, reform-minded Chinese? The answer is obvious—No.

I object to President Bush's favorable and, I believe, morally deficient treatment of the Government of the People's Republic of China. Our Government continues to ignore the atrocious neglect of human rights in China. We seem to believe that by giving China—or Iraq or the Soviet Union, for that matter—a chance to change, they will see the error of their ways and agree to join the community of civilized nations. Some nations just do not get the message. It did not work with Iraq which gassed its Kurdish citizens and invaded Kuwait. It has not worked with the Soviets whose brutal and bloody repression against the Baltic States and Armenia continues. And it has not worked with China.

All you need to do is ask the students and others who continue to languish in Chinese jails. Or ask the Tibetan priests who are denied the right to worship freely in their own country. Or ask the women who, according to the Associated Press, are forced to wear government-mandated intrauterine devices because China continues to strictly enforce its one-child policy. Or ask the doctors who are jailed because they remove these IUD's. Or ask the Western businessmen who have their products undercut through China's blatant piracy of intellectual property rights. Just ask these individuals, or the thousands like them, and you will find that Bush's policy of appeasement of the aging Chinese gerontocracy is not working.

If anything, it is having the opposite effect. It appears that Bush's policy has emboldened the Chinese leadership. They seem to say, "It does not matter what we do, Bush is there to cover for us."

Well, I believe the time to act is now. I strongly support the majority leader's effort because it has the best chance of becoming law. But, I believe we must go farther. For that reason I am also introducing legislation similar to S. 1278, which I introduced last year, to immediately remove China's MFN status. I ask my colleagues to join me in cosponsoring this legislation which will tell the Chinese in no uncertain terms that their policies will no longer be tolerated by the United States.

The American Government must take action now. We must go on record against President Bush's "business as usual" policy. What signal does his policy send to those voices yearning for democracy around the world? Will we abandon them the same way we have abandoned the heroes of Tiananmen Square? Will we ignore the principle of stopping biological, chemical, and nuclear missile proliferation to appease an aging, blind, deaf, and dumb gerontocracy. Since our past exhortations have fallen on deaf ears, we must unequivocally demonstrate our commitment to democracy and human rights by opposing MFN. I ask unanimous consent that my legislation and the article referred to in my statement be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1167

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled,

SECTION 1. FINDINGS.

The Congress finds that:

(1) The People's Republic of China has engaged in flagrant violation of internationally recognized standards of human rights including—

(A) the trial and sentencing of persons whom the United States Department of State declared on January 8, 1991, "were guilty of nothing more than the peaceful advocay of democracy";

(B) the continuation of a policy of mandatory sterilization and forced adherence to the one-child per family policy through, among other methods, the persecution of doctors who have removed government-mandated intrauterine devices from women; and

(C) the religious persecution of citizens of China and Tibet by detention and house arrest.

(2) The People's Republic of China continues to harass and restrict the Chinese and international media and to interfere in Voice of America broadcasts to China and Tibet.

(3) Troop of the People's Republic of China have killed approximately 1 million Tibetans during China's illegal occupation of Tibet, according to information provided by the Dali Lama to Congress and the President.

(4) The People's Republic of China continues to provide military aid and support to the genocidal Khmer Rouge in Cambodia.

(5) The People's Republic of China continues to engage in a policy of forced labor, accordance to reports from Asia Watch and the General Accounting Office.

(6) The People's Republic of China has refused to restrict the proliferation of biological, chemical, and nuclear weapons and technology throughout the Third World, including terrorist states such as Iraq, Iran, Syria, and North Korea.

SEC. 2. DENIAL OF MOST-FAVORED-NATION TRADE TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA.

Notwithstanding any other provision of law—

(1) the President shall terminate or withdraw any portion of any trade agreement or treaty that relates to the provisions of nondiscriminatory (most-favored-nation) trade treatment to the People's Republic of China;

(2) the People's Republic of China shall be denied nondiscriminatory (most-favored-nation) trade treatment by the United States and the products of the People's Republic of China shall be subject to the rate of duty set forth in column number 2 of the harmonized Tariff Schedule of the United States; and

(3) the People's Republic of China may not be provided nondiscriminatory (most-favored-nation) trade treatment under any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431, et seq.).

SEC. 3. EFFECTIVE DATE.

The provisions of this Act shall apply with respect to articles entered, or withdrawn from from warehouse for consumption, after the date that is 15 days after the date of the enactment of this Act.

CHINA JAILING DOCTOR FOR REMOVING IUDs

BEIJING.—A doctor has been sentenced to two years to jail for removing intrauterine devices from woman, an official newspaper reported today.

Many Chinese hospitals routinely insert IUDs in women after they give birth to the one child they are permitted by national policy, and it is illegal to remove the devices without state approval.

However, many women try to remove the devices themselves or hire doctors to do it because they want more children.

Hao Yuzheng, a doctor at a school in rural Pingding County in Shanix province, west of Beijing, secretly removed several women's IUDs to make money, the *Shanzi Daily* said. It said the county judiciary sentenced her to two years in jail and fined her 135, the equivalent of several months' wages.

The case contradicts government assertions that its family-planning policy is voluntary China uses various means including fining parents or firing them from their jobs, to enforce its policy of limiting each couple to one child.

Exceptions are made in some rural areas for couples whose one child is a girl. Peasants generally want boys to help in the fields. Exceptions also are made if a first child is handicapped.

IUDs are the main form of contraception in China, in large part because they do not require voluntary action such as taking a pill daily, on the part of woman.

According to government statistics, more than 60 million Chinese women use IUD's, and nearly as many have been sterilized.

China has 13 billion people and fears that unless it curbs births, the population will become too large to feed without major food imports.●

By Mr. DASCHLE:

S. 1168. A bill to authorize the Secretary of Transportation to carry out a highway bridge demonstration project in the Vermillion, SD-Newcastle, NE, area to improve the flow of traffic between the States of Nebraska and South Dakota; to the Committee on Environment and Public Works.

NEBRASKA-SOUTH DAKOTA BRIDGE DEMONSTRATION PROJECT

Mr. DASCHLE. Mr. President, today I rise to introduce S. 1168, legislation addressing a long-overdue problem for the rural areas of Vermillion, SD, and Newcastle, NE. These towns, only a stone's throw from each other, must drive over 25 miles to the nearest bridge in order to cross the Missouri River.

S. 1168 would provide for the construciton of a bridge between these two areas. This would be the first, vital step toward bringing to Vermillion and Newcastle a link not only to each other, but to the byways and arteries that facilitate economic growth and development in the entire States of South Dakota and Nebraska.

I am pleased with the cooperation this bill has fostered between the communities of Newcastle and Vermillion, and I am proud to introduce this bill after working closely with the Newcastle-Vermillion Bridge Committee on the legislation. In addition, my friend and colleague in the House of Representatives, TIM JOHNSON, will be introducing a smiliar bill later today.

This bill would, first, authorize a feasibility and planning study to determine whether the bridge would be feasible as well as beneficial and cost-effective. Second, it would authorize the Depatment of Transportation to carry out the bridge project, should the study determine that the bridge is feasible.

A bridge linking Vermillion and Newcastle would improve economic development and community services dramatically. For example, movement of grain and livestock to market centers in Nebraska and South Dakota would be enhanced. The expected yearly flow of agricultural products over the bridge would be over $10 million, and agricultural production would reach $7 million.

As you know, access to health care is also a major problem for rural areas. The people of Vermillion estimate that access to care would increase for two-third of the people within 5 to 10 miles of the bridge in Nebraska and for almost one-quarter of the people up to 30 miles from the bridge.

In addition to health care availability, access to higher education would increase dramatically for these areas. The bridge would allow Nebraska residents access to the University of South

Dakota, and South Dakotans would have daily access to Wayne State College and Northeast Nebraska Technical College.

Recreational traffic would improve in both States, and businesses would benefit from increased sales, a larger labor pool, and better shipping routes. Vehicle traffic has been projected to be between 730,000 and 912,000 vehicles per year.

Mr. President, many in South Dakota could attest to, and give further evidence for, the need for a bridge linking the two communities. There is no doubt that the bridge project is feasible and warranted. Nevertheless, I and the bridge project sponsors understand the need for a Departrment of Transportation-approved study to demonstrate that need definitively. Once that need had been demonstrated in the feasibility study, there would be an automatic authorization of appropriations for construction of the Vermillion-Newcastle bridge.

I want to stress to my colleagues that this bridge project will assist thousands of people in at least two States, with the benefits spreading over a 100-mile radius. The State and local governments will be partners in the study and funding for the project. Each State will contribute at least 10 percent of the funds necessary for the bridge design and construction. In addition, the Vermillion-Newcastle community has managed to raise over $40,000 for the feasibility study. Clearly, the substantial fundraising effort by these communities proves how important the bridge project is.

Mr. President, I ask that my colleagues support this measure, and I look forward to working with the Committee on Environment and Public Works to see that this legislation is approved.

I ask unanimous consent that the text of the bill be printed in full following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1168

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NEBRASKA-SOUTH DAKOTA BRIDGE DEMONSTRATION PROJECT.

(a) STUDY DESCRIPTION.—The Secretary of Transportation shall, in cooperation with the States of South Dakota and Nebraska, conduct a highway bridge planning and feasibility study for a bridge structure in the Vermillion, South Dakota-Newcastle, Nebraska area. Such study may be contracted out upon the agreement of the Secretary of Transportation and the States of South Dakota and Nebraska.

(b) AUTHORIZATION OF PROJECT.—If such study determines that such a bridge would be feasible and desirable, taking into account, among other things, the need for, and impact on commerce of, such a bridge, then the Secretary of Transportation is authorized to carry out a highway project, to plan, engineer, and construct a bridge across the Missouri River, connecting a Federal-aid highway in the vicinity of Newcastle, Nebraska, with a Federal-aid highway in the vicinity of Vermillion, South Dakota, for the purpose of demonstrating methods of improving the interstate flow of traffic, improving access to rural healthcare and higher education, improving grain and livestock movement, and improving overall economic growth and development of this rural area.

(c) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated out of the Highway Trust Fund (other than Mass Transit Account) such sucm as may be necessary for each of fiscal years 1992 and 1993 to carry out this section.

(d) APPLICABILITY OF TITLE 23.—Funds made available under this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of the project under this section shall be 80 per centum and such funds shall remain available until expended. Funds made available under this section shall not be subject to any obligation limitation.

(e) STATE SHARE.—The States of Nebraska and South Dakota or political subdivisions of such States shall each provide for the project under this section 10 per centum of the cost of such project.

By Mr. GORTON:

S. 1169. A bill to authorize a certificate of documentation for the vessel *Commando*; to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION OF VESSEL "COMMANDO"

• Mr. GORTON. Mr. President, today I am introducing a bill to provide the necessary documentation for the vessel *Commando*. *Commando* is a 40-foot wooden vessel that was built in California in 1947. It is owned by Mr. Karl Lang of Bellevue, WA. Mr. Lang has owned the vessel since 1975. Mr. Lang would like to begin chartering the vessel on a part-time basis and perhaps on a more frequent basis after he retires in a few years. Mr. Lang is the fourth owner of the vessel. The first two owners are deceased. Mr. Lang has been unable to obtain absolute proof—birth certificates, death certificates, and so forth—that all the previous owners were American citizens. I am therefore introducing legislation to allow Mr. Lang to obtain the necessary Coast Guard documentation.

I ask unanimous consent that the attached bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel COMMANDO, United States official number 955188.•

By Mr. DURENBERGER:

S. 1170. A bill to require any person who is convicted of a State crimial offense against a victim who is a minor to register a current address with local law enforcement officials of the State for 10 years after release from prison, parole, or supervision; to the Committee on the Judiciary.

CRIMES AGAINST CHILDREN REGISTRATION ACT

Mr. DURENBERGER. Mr. President, I rise today to introduce the Crime Against Children Registration Act. This legislation will require people who are convicted of a sexual offense against a child to register a current address with local law enforcement officials for 10 years after their release from prison.

Mr. President, more than a year and a half ago, I became especially concerned about the vulnerability of America's children because of a tragic event that took place in my home community of St. Joseph, MN. On October 22, 1989, an 11-year-old boy named Jacob Wetterling was abducted by a masked man at gunpoint while returning home from a convenience store with his brother and a friend. Not a single word has been heard from Jacob or his abductor since that day.

There is not a community in Minnesota that was not shocked and heartbroken by what happened to Jacob. St. Joseph is a small, close-knit, safe community, and Jacob could have been anyone's child. Jacob's parents, Jerry and Patty Wetterling, remain hopeful that Jacob will be found, and we all pray for the day when Jacob will return home safely to his family.

Local, State, and Federal law enforcement officials responded quickly to Jacob's abduction. If local and State police had been aware of the presence of any convicted sex offenders in the community, it would have been of invaluable assistance during those first critical hours of investigation. The Crimes Against Children Registration Act would provide law enforcement officials with this tool.

The National Center for Missing and Exploited Children has expressed its support for a national system of registering child sex offenders, not only to protect children from abductions, but to protect every child that may be a victim of sexual abuse or molestation. The bill that I am introducing today grew out of the work of Patty Wetterling and her colleagues on the Minnesota Governor's Task Force on Missing Children.

Because of their efforts, a bill establishing this registration requirement just passed both Houses of the State legislation in Minnesota. A similar bill is being considered in the State of Texas. And 13 other States already have an address registration requirement: Alabama, Arkansas, Arizona, California, Florida, Illinois, Montana, Nevada, Ohio, Oklahoma, Rhode Island, Utah, and Washington.

The reasons for enacting this legislation on the national level are clear: sexual crimes against children are widespread; the people who commit these offenses repeat their crimes again and again; and local law enforcement officials need access to an interstate system of information to prevent and respond to these horrible crimes against children.

If there is any doubt about the seriousness of the problem, consider the following statistics, provided to me by the National Center for Missing and Exploited Children:

ChildHelp USA estimates that 1 in 3 girls and 1 in 6 boys will be sexually abused or victimized before the age 18. More than half—54 percent—of sexually abused children are victimized before age 7, and 84 percent are younger than 12 years old. Of the 2.4 million reported cases of child abuse in 1989, 380,000 involved sexual abuse. Two-thirds of reported nonfamily child abductions involved sexual assault. According to the FBI Law Enforcement Bulletin, child molestation is one of the most underreported crimes—only one to 10 percent of these crimes are ever disclosed.

The widespread tragedy of sexual abuse and molestation of children is compounded by the fact that child sex offenders are serial offenders. A National Institute of Mental Health study found that the typical offender molests an average of 117 children, most of whom do not report the offense. Those who attack young boys molest an average of 281. A study of imprisoned offenders found that 74 percent had one or more prior convictions for a sexual offense against a child.

The behavior of child sex offenders is repetitive to the point of compulsion. In fact, one State prison psychologist has observed that sex offenders against children have the same personality characteristics as serial killers.

Sex offenders against children are not only repeat offenders, but they are also dangerous and violent. The Justice Department has reported that over 85 percent of nonfamily abductions involved force and over 75 percent involved a weapon. Of the homicides that occur from stranger abductions, almost 40 percent involved rape or another sexual offense, and those are only the cases in which the circumstances were known.

Under the Crimes Against Children Registration Act, the type of crimes that would trigger the registration requirement include the kidnaping or false imprisonment of a minor, criminal sexual conduct toward a minor, solicitation of minors to engage in sexual conduct, the use of minors in a sexual performance, or the solicitation of minors to practice prostitution.

When a person convicted of any of these crimes is released from prison, the individual will be informed of his/her duty to register a current address with law enforcement for the following 10 years. Each time the offender moves, he or she will be required to register the new address within 10 days. This information will then be entered into the State law enforcement and National Crime Information Center computer networks, and will only be allowed to be used for law enforcement purposes.

To ensure that offenders are complying with the registration requirement, a nonforwardable verification form will be sent to the offender's last registered address each year. Failure to return the form within 10 days would constitute a class A misdemeanor unless the offender could offer a valid reason for failing to respond to the inquiry.

Mr. President, the Crimes Against Children Registration Act may require some of us to choose between two interests. One of those interests is the interest in protecting children from sexual abuse and exploitation. The other interest is the inconvenience to convicted child sex offenders who would be required to register an address with law enforcement officials once a year and each time they move.

Mr. President, for this Senator, there are no competing issues to debate. If a registration requirement for convicted sex offenders will assist law enforcement authorities in one criminal apprehension, or if it will deter a single kidnaping, I believe it is worth implementing.

I hope that my colleagues will join me in supporting this much-needed piece of legislation. I ask unanimous consent that the text of the Crimes Against Children Registration Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1170

Be it enacted in the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Crimes Against Children Registration Act".

SEC. 2. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—

(1) STATE GUIDELINES.—The Attorney General shall establish a State program and guidelines requiring any person who is convicted of a criminal offense against a victim who is a minor to register a current address with local law enforcement officials of the State for 10 years after release from prison, parole, or supervision.

(2) DEFINITION.—For purposes of this Act, the term "criminal offense against a victim who is a minor" includes—

(1) kidnapping of a minor;

(2) false imprisonment of a minor;

(3) criminal sexual conduct toward a minor;

(4) solicitation of minors to engage in sexual conduct;

(5) use of minors in a sexual performance; or

(6) solicitation of minors to practice prostitution.

(b) REGISTRATION REQUIREMENT UPON RELEASE, PAROLE, OR SUPERVISED RELEASE.—An approved State registration program established by this Act shall contain the following requirements:

(1) RELEASE.—If a person who is required to register under this Act is released from prison, the commissioner of the corrections facility in which the person was confined shall—

(A) inform the person of the duty to register;

(B) require the person to read and sign a form stating that the duty of the person to register under this Act has been explained;

(C) obtain the address where the person expects to reside upon release and report the address within 3 days to the State law enforcement agency; and

(D) give 1 copy of the form to the person and send 1 copy to the State law enforcement agency and 1 copy to the appropriate law enforcement agency having local jurisdiction where the person expects to reside upon release.

(2) REGISTRATION REQUIREMENTS UPON PROBATION OR SUPERVISED RELEASE.—

(A) PROBATION OFFICER.—If a person who is required to register under this Act completes a term of parole or other supervised release, within 14 days after the end of the probation or other supervised release, the person shall register with a law enforcement officer assigned by the State to the person at the end of that term. If the person changes residence address, the person shall give the new address to the last assigned officer in writing within 10 days.

(B) CONTENTS OF STATEMENT.—The registration provided to the officer under subparagraph (A) shall include—

(i) a statement in writing signed by the person, giving information required by the State law enforcement agency; and

(ii) a fingerprint card and photograph of the person if these have not already been obtained in connection with the offense that triggers registration.

(C) TRANSFER OF INFORMATION TO STATE AND THE NCIC.—The officer shall, within 3 days after receipt of information under subparagraph (B), forward it to the State law enforcement agency. The State law enforcement agency shall immediately enter the information into the State law enforcement system and National Crime Information Center computer networks.

(D) ANNUAL VERIFICATION.—On each anniversary of the person's release date during the period in which the person is required to register under this Act, the officer shall mail a nonforwardable verification form to the last reported address of the person. The person shall mail the verification form to the officer within 10 days after receipt of the form. The verification form shall be signed by the person, and state that the person still resides at the address last reported to the officer. If the person fails to mail the verification form to the officer within 10 days after receipt of the form, the person shall be in violation of this Act unless the person proves that the person has not changed his or her residence address.

(a) REGISTRATION FOR 10 YEARS.—A person required to register under this Act shall continue to comply with this Act until 10 years have elapsed since the person was released from imprisonment, parole, or supervised release.

(f) PENALTY.—A person required to register under this Act who violates any requirement of the program established by this Act is guilty of a class A misdemeanor.

(g) PRIVATE DATA.—The information provided under this Act is private data on individuals and may be used only for law enforcement purposes.

SEC. 3. STATE COMPLIANCE.

(a) COMPLIANCE DATE.—Each State shall have 3 years from the date of the enactment of this Act in which to implement the provisions of this Act.

(b) INELIGIBILITY FOR FUNDS.—A State not complying with the provisions of this Act 3 years after the date of enactment of this Act shall be ineligible for any grant, cooperative agreement, or other assistance under section 1404 of the Victims of Crime Act (42 U.S.C. 10603).

By Mr. AKAKA:

S. 1171. A bill to require the Secretary of Agriculture to take action to prevent the inadvertent introduction of brown tree snakes into Hawaii from Guam, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1172. A bill to require the Secretary of Defense to take actions to prevent the inadvertent introduction of brown tree snakes from Guam to Hawaii in Department of Defense aircraft, and for other purposes; to the Committee on Armed Services.

BROWN TREE SNAKE EXCLUSION LEGISLATION

• Mr. AKAKA. Mr. President, the United States is experiencing a serious but little-noticed invasion whose costs are astronomical. The armies are larger, numbering in the millions, and the battlefront extends from the East Coast to the borders of Texas and California and stretches all the way to my home State of Hawaii—literally from sea to shining sea. And I fear we may be losing the war.

I speak of the ongoing invasion of alien pest species. California has been fighting a multimillion-dollar battle against the Mediterranean fruit fly for years. Texas has already been stung by the African bee. And Customs and Agriculture agents in Miami and Los Angeles can no doubt write volumes on the countless alien plant and animal species they have intercepted and destroyed. But who knows how many more have slipped by them?

Today, Mr. President, I am introducing legislation which seeks to protect Hawaii from one of the most dangerous and costly of alien pests. The brown tree snake, which quickly established itself in Guam after World War II, now poses a severe health and environmental threat to Hawaii, I hestitate to even call the brown tree snake a "pest" since this term misleads people to believe it is no more a nuisance than a housefly or a gnat.

The threat is serious and cannot be ignored. The brown tree snake has wiped out at least nine native bird species in Guam. Where once you could hear an endless variety of bird calls and avian chatter on this Pacific island, today there is a haunting silence.

Hawaii's own bird population is already at great risk. Hawaii once could boast of at least 74 native birds species found nowhere else in the world. Today 24 species are extinct, and of the remainder, 30 are either endangered or threatened. I shudder to think of the appalling devastation and the deathly silence which would follow a successful brown tree snake invasion of Hawaii's forests.

In Guam, other mammal and lizard populations have been devastated as well, and domestic poultry and pet animals are on the defensive. In short, Mr. President, because the snake has no natural predators in Guam, it has wreaked havoc on the ecological balance.

Beyond the environmental disaster, the snake is responsible for numerous electrical power outages. The brown tree snake climbs on electrical lines and transformers and short-circuits the wires. The frequent blackouts, from 40 to 88 a year, mean lost productivity and damaged equipment running into the millions of dollars.

And if that isn't enough, consider the human health threat. The snake is mildly toxic to the average adult. But to infants, elderly people, and anyone prone to allergic reactions, the snake can be deadly.

Mr. President, Hawaii is extremely vulnerable to an alien species invasion. Over 90 percent of her native plants, birds, and insects are found nowhere else in the world. This high degree of endemism, however, means that our native flora and fauna have not developed natural defenses against recently introduced species.

Hawaii is already fighting on several fronts to eradicate or control alien pest species, such as the banana poka vine, the Clidemia shrub, and the Miconia tree, which are literally choking out native plant species. And every year, an estimated 35 new alien species arrive in Hawaii. But the threat of most of these species pales in comparison to that of the brown tree snake.

Mr. President, my legislation is an important first step to protect Hawaii and other Pacific States from this insidious snake. My measure directs the Departments of Defense and Agriculture to institute an aggressive screening of incoming cargo, whether through the use of sniffer dogs, traps, or other measures.

We must take action now. In the last decade, Mr. President, four brown tree snakes managed to reach Hawaii aboard air cargo. All were caught and killed. So far we've been lucky. But then again, Mr. President, luck is a poor substitute for policy. Unless we act quickly, the brown tree snake may soon be calling Hawaii its new home.•

By Mr. KERRY (for himself, Mr. MURKOWSKI, Mr. CRANSTON, Mr. BURDICK, Mr. DOLE, and Mr. ROBB):

S. 1175. A bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoner or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes; to the Committee on Armed Services.

ELIGIBILITY FOR AWARD OF PURPLE HEART

• Mr. KERRY. Mr. President, today, along with my colleagues, FRANK MURKOWSKI, ALAN CRANSTON, QUENTIN BURDICK, BOB DOLE, and CHARLES ROBB, I am reintroducing legislation to extend eligibility for the award of the Purple Heart to United States service personnel captured and held as prisoners-of-war during World Wars I and II and the Korean conflict.

No one can deny many of these prisoners-of-war suffered greatly as a direct result of their dedication and service to the United States. The inhumane treatment they often times suffered at the hand of the enemy ranged from physical torture resulting in permanently disabling injury to psychological damage, starvation and even execution. Although this suffering was endured in defense of the United States and her principles, the sacrifices made by many of these former prisoners-of-war have gone unrewarded. United States prisoners-of-war from World War I totalled 4,120. World War II brought captivity to 130,201 individuals. The Korean conflict saw the holding of 7,140 of our nationals.

President John F. Kennedy, in April 1962, signed Executive Order 11016 which ensured that future U.S. prisoners-of-war would be eligible to receive the Purple Heart for injuries they received while in captivity, or if their ill-treatment resulted in death. Previously, U.S. prisoners-of-war were eligible for the Purple Heart if they had been injured in action, before or during capture, or in an escape attempt.

This change in policy applied only to prisoners-of-war captured after April 25, 1962. There was no retroactive award of the Purple Heart to former prisoners-of-war captured during World Wars I and II and the Korean conflict because, among other reasons, it was felt this action would contradict the decisions made by past military leaders who thought that injuries incurred while a prisoner-of-war during those actions, were the result of war crimes, not the result of a legal act of war.

Although this judgement must be respected, bestowing the much deserved recognition to those individuals who have suffered in so many ways as a result of their willingness to work in defense of all we hold sacred, must take precedence.

Again, there can be no question that the experiences of prisoners-of-war injured or killed during captivity prior to April 25, 1962 is deserving of the honor of the Purple Heart. The sacrifices they made in service to our country are no less valuable than those of the brave individuals serving our interests after that date. Far too much time has passed to allow any more delay. We strongly urge our colleagues to join us in affirming that this noble distinction should belong to all prisoners-of-war, regardless of their date of capture.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1175

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY FOR AWARD OF THE PURPLE HEART.

(a) REQUIREMENT TO MAKE AWARD.—(1) Subject to paragraph (2), the President may award the Purple Heart to a person described in subsection (b) who was taken prisoner and held captive before April 25, 1962.

(2) An award of the Purple Heart under paragraph (1) may be made only in accordance with the standards in effect on the date of the enactment of this Act for the award of the Purple Heart to a person described in subsection (b) who has been taken prisoner and held captive on or after April 25, 1962.

(b) ELIGIBLE PERSON.—A person referred to in subsection (a) is an individual who, while a member of the Armed Forces of the United States or a civilian national of the United States serving in any capacity with the Armed Forces of the United States, is taken prisoner and held captive—

(1) while engaged in an action against an enemy of the United States;

(2) while engaged in military operations involving conflict with an opposing foreign force; or

(3) while serving with friendly forces engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party.

(c) RELATIONSHIP TO OTHER AUTHORITY TO AWARD THE PURPLE HEART.—The authority under this section is in addition to any other authority of the President to award the Purple Heart.•

By Mr. DECONCINI (for himself, Mr. McCAIN, Mr. DOMENICI, Mr. SARBANES, Mr. BURDICK, Mr. HARKIN, Mr. BAUCUS, Mr. WIRTH, Mr. KENNEDY, Mr. BRADLEY, Mr. INOUYE, Mr. REID, Mr. DASCHLE, Mr. AKAKA, Mr. BRYAN, Mr. BINGAMAN, Mr. HATCH, Mr. NUNN, Mr. CHAFEE, and Mr. SIMPSON):

S. 1176. A bill to establish the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation, and for other purposes; to the Committee on Environment and Public Works.

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY ACT

• Mr. DECONCINI. Mr. President, I am here today with very mixed feelings. On the one hand, I am saddened by the fact that after 30 years of outstanding and distinguished service, Mo Udall is no longer a Member of Congress. Yet, I am heartened by the fact that I had the opportunity to serve with this giant of the legislative branch. He was a mentor and a friend and I shall sorely miss his counsel, his advice, his wit, and friendship.

He will also be missed by all his colleagues. As the Members of the House of Representatives recently demonstrated in their floor tributes, Mo is an irreplaceable Member of that body. His colleagues in the House—liberals, conservatives, Democrats, and Republicans—each had his or her little story about Mo Udall—each from a different perspective—but each pointing out that for 30 years Mo was a shining example of what a Congressman should be.

I am extremely proud that during most of those 30 years Mo Udall was my Congressman. During his long tenure, Mo distinguished himself in many areas—postal reform, campaign finance reform, civil service reform, foreign relations, to name just a few. As one of the founders and the first chairman of the Office of Technology Assessment, Mo also demonstrated his deep interest in science and mathematics. But I believe Mo's work on behalf of the environment will be his greatest monument.

Protecting our environment presents us with one of the greatest challenges, if not the greatest challenge, now facing our Nation and the world. The legislation I am introducing today, along with 19 of my colleagues, honors the legacy of Morris K. Udall by carrying on his work on the environment in a way in which I think Mo would approve. This legislation creates a foundation with a $40 million endowment that will award scholarships, fellowships, and internships to outstanding students pursuing environmental studies. From his seat as chairman of the House Interior Committee, Mo focused his legislative agenda on resolving the problems facing our environment and natural resources. Training young people to solve today's environmental problems and prevent future ones is a fitting tribute to the man who dedicated his entire legislative career to educating the public on the precarious relationship we have with our environment, both individually and collectively.

The foundation would also fund some of the programs of the Udall Center located on the campus of the University of Arizona, Mo's alma mater. The Udall Center will invite visiting policymakers to share their practical experiences in the environmental area; convene panels of experts to discuss contemporary environmental issues; and develop and implement a Program of Environmental Research and Environmental Conflict Resolution.

The bill will also allow for the funding of a repository for the papers of Morris K. Udall, as well as the papers of other appropriate individuals. This will insure their availability to the public.

Many men and women have had the good fortune to be allowed to serve in the Congress of the United States. Most serve with honor. Many serve with distinction, but only a handful leave the legacy that Morris K. Udall has left during his 30 years in the Congress of the United States.

This bill would both honor Mo and hopefully make a significant contribution to addressing and resolving the environmental problems that lie ahead.

Mr. President, I urge all Members of the U.S. Senate to join with me in honoring Mo Udall by cosponsoring this legislation.

Mr. President, I ask unanimous consent that statements from Senators McCAIN and KENNEDY appear in the RECORD at this point as if read.

Also, I ask unanimous consent that the full text of the bill be printed at this point in the RECORD and urge its expeditious consideration.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1176

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Morris K. Udall Scholarship and Excellence in National Environmental Policy Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) For three decades, Congressman Morris K. Udall has served his country with distinction and honor;

(2) Congressman Morris K. Udall has had a lasting impact on this Nation's environment, public lands, and natural resources, and has instilled in this Nation's youth a love of the air, land, and water; and

(3) It is a fitting tribute to the leadership, courage, and vision Congressman Morris K. Udall exemplifies to establish in his name programs to encourage the continued use, enjoyment, education, and exploration of our Nation's rich and bountiful natural resources.

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "Board" means the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation established under section 4(b);

(2) the term "Center" means the Udall Center for Studies in Public Policy established at the University of Arizona in 1987;

(3) the term "eligible individual" means a citizen or national of the United States or a permanent resident alien of the United States;

(4) the term "Foundation" means Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation established under section 4(a);

(5) the term "fund" means the Morris K. Udall Scholarship and Excellence in Na-

tional Environmental Policy Trust Fund established in section 8;

(6) the term "institution of higher education" has the same meaning given to such term by section 1201(a) of the Higher Education Act of 1965; and

(7) the term "State" means each of the several States, the District of Columbia, Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federal States of Micronesia, and the Republic of Palau (until the Compact of Free Association is ratified).

SEC. 4. ESTABLISHMENT OF THE MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION.

(a) Establishment.—There is established as an independent entity of the executive branch of the United States Government, the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation.

(b) Board of Trustees.—The Foundation shall be subject to the supervision and direction of the Board of Trustees. The Board shall be comprised of 10 members, as follows:

(1) Two Members, one appointed by the Speaker of the House of Representatives and one appointed by the Minority Leader of the House of Representatives.

(2) Two Members, one appointed by the Majority Leader and one appointed by the Minority Leader of the Senate.

(3) Two members, appointed by the President, who have shown leadership and interest in the continued use, enjoyment, education, and exploration of our Nation's rich and bountiful natural resources, such as presidents of major foundations involved with the environment.

(4) One member, appointed by the President of the University of Arizona after consultation with the Center, who has shown leadership and interest in the continued use, enjoyment, education, and exploration of the Nation's rich and bountiful resources.

(5) The Secretary of the Interior, or the Secretary's designee, who shall serve as a voting ex officio member of the Board but shall not be eligible to serve as Chairperson.

(6) The Secretary of Education, or the Secretary's designee, who shall serve as a voting ex officio member of the Board but shall not be eligible to serve as Chairperson.

(7) The President of the University of Arizona shall serve as a non-voting, ex officio member and shall not be eligible to serve as chairperson.

(c) Term of Office.—

(1) In general.—The term of office of each member of the Board shall be six years, except that—

(A) in the case of the Board members first taking offices—

(i) members appointed by the President shall serve for 2 years; and

(ii) the Members appointed by the Senate and the members appointed by the President of the University of Arizona shall each serve for 4 years; and

(B) a member appointed to fill a vacancy shall serve for the remainder of the term for which the member's predecessor was appointed and shall be appointed in the same manner as the original appointment for that vacancy was made.

(d) Travel and Subsistence Pay.—Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

(e) Location of Foundation.—The Foundation shall be located in Tucson, Arizona.

(f) Executive Director.—

(1) In general.—There shall be an Executive Director of the Foundation who shall be appointed by the Board. The Executive Director shall be the chief executive officer of the Foundation and shall carry out the functions of the foundation subject to the supervision and direction of the Board. The Executive Director shall carry out such other functions consistent with the provisions of this Act as the Board shall prescribe.

(2) Compensation.—The Executive Director of the Foundation shall be compensated at the rate specified for employees in level IV of the Executive Schedule under section 5315 of title 5, United States Code.

SEC. 5. PURPOSE OF THE FOUNDATION.

It is the purpose of the Foundation to—

(1) increase awareness of the importance of and promote the benefit and enjoyment of the Nation's natural resources;

(2) foster among the American population greater recognition and understanding of the role of the environment, public lands and resources in the development of the United States;

(3) identify critical environmental issues;

(4) establish a Program for Environmental Policy Research and an Environmental Conflict Resolution at the Center;

(5) develop resources to properly train professionals in the environmental and related fields; and

(6) provide educational outreach regarding environmental policy.

SEC. 6. AUTHORITY OF THE FOUNDATION.

(a) Authority of the Foundation.—

(1) In general.—(A) The Foundation, in consultation with the Center, is authorized to identify and conduct such programs, activities, and services as the Foundation considers appropriate to carry out the purposes described in section 5. The Foundation shall have the authority to award scholarships, fellowships, internships and grants and fund the Center to carry out and manage other programs, activities and services.

(B) The Foundation may provide, directly or by contract, for the conduct of national competition for the purpose of selecting recipients of scholarships, fellowships, internships and grants awarded under this Act.

(C) The Foundation may award scholarships, fellowships, internships and grants to eligible individuals in accordance with the provisions of this Act for study in fields related to the environment. Such scholarships, fellowships, internships and grants shall be awarded to eligible individuals who meet the minimum criteria established by the Foundation.

(2) Scholarships.—(A) Scholarships shall be awarded to outstanding undergraduate students who intend to pursue careers related to the environment.

(B) An eligible individual awarded a scholarship under this Act may receive payments under this Act only during such periods as the Foundation finds that the eligible individual is maintaining satisfactory proficiency and devoting full time to study or research and is not engaging in gainful employment other than employment approved by the Foundation pursuant to regulations of the Board.

(C) The Foundation may require reports containing such information, in such form, and to be filed at such times as the Foundation determines to be necessary from any eligible individual awarded a scholarship under this Act. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, approved by the Foundation, stating that such individual is making satisfactory progress in, and is devoting essentially full time to study or research, except as otherwise provided in this subsection.

(3) Fellowships.—Fellowships shall be awarded to—

(A) outstanding graduate students who intend to pursue advanced degrees in fields related to the environment including law and medicine; and

(B) faculty from a variety of disciplines to bring the expertise of such faculty to the Foundation.

(4) Internships.—Internships shall be awarded to—

(A) Deserving and qualified individuals to participate in internships in Federal, State and local agencies or in offices of major environmental organizations pursuant to Sec. 5.

(5) Grants.—The Foundation shall award grants to the Center—

(A) to provide for an annual panel of experts to discuss contemporary environmental issues;

(B) to conduct environmental policy research;

(C) for visiting policymakers to share the practical experiences of such for visiting policymakers with the Foundation.

(6) Repository.—The Foundation shall provide direct or indirect assistance from the proceeds of the Fund to the Center to maintain the current site of the repository for Morris K. Udall's papers and other such public papers as may be appropriate and assure such papers' availability to the public.

(7) Coordination.—The Foundation shall assist in the development and implementation of a Program for Environmental Policy Research and Environmental Conflict Resolution to be located at the Center.

(b) Morris K. Udall Scholars.—Recipients of scholarships, fellowships, internships and grants under this Act shall be known as "Morris K. Udall Scholars."

(c) Program Priorities.—The Foundation shall determine the priority of the programs to be carried out under this Act and the amount of funds to be allocated for such programs. However, not less than 50 percent shall be utilized for the programs set forth in section 6(a)(2), section 6(a)(3), and section 6(a)(4), not more than 15 percent shall be used for salaries and other administrative purposes, and not less than 20 percent shall be appropriated to the Center for section 6(a)(5), section 6(a)(6), and section 6(a)(7) conditioned on a 25 percent match from other sources and further conditioned on adequate space at the Center being made available for the Executive Director and other appropriate staff of the Foundation by the Center.

SEC. 7. ESTABLISHMENT OF THE MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY TRUST FUND.

(a) Establishment of Fund.—There is established in the Treasury of the United States a trust fund to be known as the "Morris K. Udall Scholarship and Excellence in National Enviromental Policy Trust Fund" to be administered by a Foundation. The fund shall consist of amounts appropriated to it pursuant to section 10 and amounts credited to it under subsection (d).

(b) Investment of Fund Assets.—

(1) In general.—It shall be the duty of the Secretary of the Treasury to invest, at the direction of the Foundation Board, in full the amounts appropriated to the fund. Such investments shall be in Public Debt Securities with maturities suitable to the needs of the Fund. Investments in Public Debt securi-

ties shall bear interest "at rates determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States" of comparable maturity.

SEC. 8. EXPENDITURES AND AUDIT OF TRUST FUND.

(a) IN GENERAL.—The Foundation shall pay from the interest and earnings of the fund such sums as the Board determines are necessary and appropriate to enable the Foundation to carry out the provisions of this Act.

(b) AUDIT BY GENERAL ACCOUNTING OFFICE.—The activities of the Foundation and the Center under this Act may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. Representatives of the General Accounting Office shall have access to all books, accounts, records, reports filed and all other papers, things, or property belonging to or in use by the Foundation and the Center, pertaining to such federally assisted activities and necessary to facilitate the audit.

SEC. 9. ADMINISTRATIVE PROVISIONS.

(a) IN GENERAL.—In order to carry out the provisions of this Act, the Foundation may—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees other than the Executive Director be compensated at a rate to exceed the maximum rate for employees in grade GS–15 of the General Schedule under section 5332 of title 5, United States Code;

(2) procure or fund the Center to procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for level IV of the Executive Schedule under section 5315 of title 5, United States Code;

(3) prescribe such regulations as the Foundation considers necessary governing the manner in which its functions shall be carried out;

(4) accept, hold, administer and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the foundation;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse such personnel for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5); and

(7) make other necessary expenditures.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the fund $40,000,000 to carry out the provisions of this Act.●

● Mr. MCCAIN. Mr. President, it's with both great joy and sadness that I rise today to acknowledge the retirement from Congress of our friend and colleague Morris K. Udall.

Much has been said and written about Mo Udall by individuals of far greater eloquence than me, so I will be brief. I would, however, like to submit for the RECORD some of the editorials and columns which have appeared to honor Mo and his life's work.

I wonder how one finds the words to talk about a man who has achieved so much, who has served with such distinction and who has touched the lives of so many. Only two words keep coming back to me, over and over again—thank you.

Thank you, Mo Udall, for gracing our national and political life with your talent and humor. Thank you for your courage, compassion, and integrity. Thank you for exemplifying all that is good and decent in public service. Thank you for devoting your life to your country. Thank you for making our Nation and our world a better place to live.

The imprint of Mo Udall is prominent in the laws of our Nation, his values memorialized in a natural heritage which is richer and healthier because of him. He is a public figure of enormous significance to the history of our Nation. But I'm sure what matters most to Mo Udall, is not his place in legal briefs and history books. Rather, Mo probably sees his legacy in the smiles of the countless souls whose lives he enriches by the fruits of his life's work. What greater legacy can a man leave? When we think of Mo Udall, we should think of the smiles and the joy he brings and will continue to bring to a world very much in need.

The creation of a Morris K. Udall Excellence in National Environmental Policy Foundation and Scholarship is a proper tribute to our friend and colleague. Senator DECONCINI is to be congratulated for bringing this initiative together. It will ensure that Mo's passion and commitment to our natural heritage will endure. It is our way of saying thank you.

I know this is a very emotional time for Mo and his family. Our thoughts and prayers are with you. And, once again, thank you Mo Udall.

Mr. President, I ask unanimous consent that the articles and editorials mentioned earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FAREWELL, MO—WE'RE REMINDED OF A STORY OR TWO OR THREE

One of Mo Udall's early leadership tasks in Congress was to oversee reorganization of the U.S. Post Office into an independent Postal Service.

He used to joke after accomplishing that task that his biggest fear in life was that he would be remembered as "the father of the modern postal system."

No problem, Mo.

As the accolades coming forth in the wake of his announced retirement indicate, Morris K. Udall will be remembered for a lot more than that.

He is the man who oversaw vast expansion of the nation's wilderness system.

He is the man who saved Alaska's wilderness, what he called "the crown jewels" of the country's parks and wilderness.

He is the man who brought the Central Arizona Project to Tucson.

He is the man who worked hard throughout his 30-year career as the representative from Arizona's 2nd Congressional District to reform the seniority system in Congress, and the way campaigns are run.

He championed clean air and clean water legislation and restoration of lands destroyed by strip mining. He promoted an environmental ethic that saw its way into scores of bills.

He did it all with a wit and grace that did Arizona proud. No doubt he enjoyed the honors and awards that came his way, but he had a down-to-earth assessment of self. He never became "a legend in his own mind"—the phrase he often used to describe some of his more pumped-up contemporaries.

He came close to being president of the United States. It was emblematic of the Udall style that he turned the disappointing experience of the many narrowly lost primaries in 1976 into more grist for the Udall humor mill.

It became a series of jokes about how "presidentialitis" could be cured only with embalming fluid, and how mothers in Arizona, knowing of his and Barry Goldwater's failed tries, couldn't tell their children that they could grow up to be president.

It became a book title: "Too Funny to Be President."

Year after year, until his recent illness, Udall's House colleagues voted him the most persuasive orator in the House and ranked him among the most effective legislators. The reason was always apparent—he had integrity. He kept his covenant with his colleagues, his district, his country and his conscience.

It would have been fitting to see Mo Udall walk boldly from the House where he served 30 years. It would have been satisfying to see him step to the podium one more time to make his farewell. "I'm reminded of a story," he would begin.

But the manner of his leaving diminishes none of what he did there. It doesn't diminish his earlier career as county attorney, as lawyer for the defense, as professional basketball player, UA student body president, pride of St. Johns, Arizona.

He will be missed.

We will not see his equal soon—if ever.

[From the Arizona Republic, Apr. 23, 1991]

MO UDALL'S RETIREMENT—THE END OF AN ERA

Through the years Arizona has enjoyed the services of a number of able and respected politicians. Barry Goldwater, Paul Fannin, John Rhodes, Carl Hayden and Ernest MacFarland left enduring legacies. Those not fortunate enough to live in Arizona have marveled at how a sparsely populated Western state could produce political giants who left their mark on America's national life.

Add to that august list the name of Morris Udall, the last of his generation. Reduced by Parkinson's disease to a shadow of his former self, Mr. Udall has decided to hang up his spurs. The decision to retire from Congress on May 4 is the right one for the ailing 68-year-old native Arizonan. He will be missed. His self-deprecating wit, quick intelligence and home-spun humility have made him one of the most respected congressmen.

In 1976 Mr. Udall made a gritty run for the presidency. He placed second in a series of close primaries, but his dignified campaign never could overtake Jimmy Carter. The reluctance of other long-shot liberals to withdraw from the race likely sealed the Udall defeat. Mr. Udall frequently joked that the voters simply had grown sick of him, and in 1984 he nixed talk of another run, saying he would not want the campaign to become a forum on Parkinson's disease.

Whatever Mr. Udall's failings in presidential politics, his success in the legislative arena was remarkable. He was the driving force in campaign finance reform, he helped forge reforms in the House's creaky seniority system and he was the floor whip for the historic 1964 Civil Rights Act.

As chairman of the Interior and Insular Affairs Committee, Mr. Udall recorded several major environmental achievements, including the regulation of reclamation on strip-mined land and the Alaska Lands Act that doubled the size of the national park system and tripled the amount of wilderness area. Truly, Mr. Udall was ahead of this time on environmental concerns.

Several years ago, when concern over his health was becoming public, Mr. Udall was asked how he would like to be remembered. I would hope, he said, "that in Arizona people would think of me as somebody who cared about the land deeply, who left a legacy of national parks and wilderness areas and resource policies that give future generations some idea of what kind of love of the land and environment that I've always felt."

Clearly, Mr. Udall achieved that and more. His distinguished example in gentle word and historic deed set a standard for public service. In riding into the sunset Mr. Udall carries the heartfelt admiration of the Arizonans. We wish him Godspeed.

MO GOES—30 YEARS OF WARMTH AND WIT

The last days of Morris K. Udall's service to his country were an embarrassment. But the embarrassing actions were not Udall's they came from others.

The man from Arizona's 2nd District, hospitalized with advancing Parkinson's disease, debilitated by severe injuries suffered in a Jan. 6, fall, was withering away—and everyone knew it, it was only a matter of time, as his wife and family and staff put his affairs in order, before the inevitable retirement announcement came. Still, the unnecessary, tasteless calls for his resignation cascaded from editorials and calculating columnists who showed all the emotion of Cleveland pathologists.

The Udall years were pushed to one side, forgotten in the rush to see who would be Arizona's next congressman. The tawdry display was in the genre of Evan Mecham, the King holiday and AzScam. It was an embarrassment. But now that the inevitable, announcement has come, now that Udall's departure from Congress is official, perhaps the ambitious and the calculating, the impatient and the unsympathetic can join with the rest of Arizona to pay Udall the tribute he is due.

As chairman of the House Interior and Insular Affairs Committee, Udall was an incredibly powerful and influential engine of government. While he served, Udall made the most of his energies and influence for Arizona. He was Arizona's wilderness man, introducing legislation that added to the state's wilderness system, in addition to shepherding the Alaska National Interest Lands Conservation Act, enacted and signed into law in 1980, doubling the size of the national park system.

Udall was instrumental in securing passage of legislation that provided direction for the mining industry in the reclamation and restoration of land. He was a bold champion for the causes of native Americans. He was a basketball player and a presidential candidate, a tall presence wherever his pursuits drew him. He is a good fellow and has been a good colleague—wise, warm and witty.

Were Mo in better health, the embarrassing moments that presaged his farewell to Congress would undoubtedly have been countered by his wit and humor.

"Through their tears," he might have said, "some of those who have been mourning my departure, still managed to pack my bags without missing a pair of socks or pad of paper."

Fortunately, for the rest of us, what Mo Udall did for Arizona and the United States cannot be packed away to make way for his replacement. It is too vast, too wide, too heavy to be put in a box, or ever forgotten.

[From the Tribune Newspapers, Apr. 20, 1991]

UDALL'S CONTRIBUTIONS

Anyone who appreciates the wondrous beauty of America's public lands should share the sadness as one of its most eloquent and powerful protectors steps down.

Morris K. Udall, who rose to within grasp of the Democratic presidential nomination during three decades as a respected and beloved leader in the U.S. House of Representatives, on Friday resigned his seat. Regardless of political persuasion, all Americans—and particularly Arizonans—should feel the loss of his effective and humane leadership.

Above all, Udall was a strong advocate for protecting wilderness and natural waterways, preserving water quality, improving conditions for Native Americans and ensuring the safety of nuclear energy. He also has been an effective team player with the rest of the state's congressional delegation in advancing causes of particular importance to Arizona.

Some people have criticized Udall for not resigning sooner as the ravages of Parkinson's Disease steadily withered his once athletic 6-foot-5-inch frame. Only after being hospitalized for more than three months following a fall down a flight of stairs at his Arlington, Va., home did he concede his position.

But Udall would have been out of character had he resigned sooner. He is no quitter. And he has pursued his chosen causes as tenaciously as he has waved off those who questioned his physical ability to do the job.

He can be proud of his many accomplishments. After winning the southern Arizona House seat vacated in 1961 by his brother Stewart's appointment to Interior secretary, Mo was instrumental in winning congressional approval for the Central Arizona Project.

Through his long tenure as head of the House Interior Committee he earned his reputation as protector of America's scenic and recreational assets. When he hasn't been working to add to the nation's inventory of protected lands, he has fought to broaden the scope of those protections.

A high point in Udall's career came with passage of his Alaska Lands Bill, which preserves what he refers to as the "crown jewels" of North America.

He also has been a friend and advocate for the nation's Indian tribes as they have struggled to improve education, health care and economic conditions on their reservations.

Udall the man has given us as much as has Udall the politician. He never backed down from a tough battle, even if he didn't always win. But he never succumbed to bitterness or personal attacks.

Through the years, Udall's ever-ready sense of humor has endeared him to political friend and foe alike. He has used it as often to publicly poke fun at himself as to disarm his opponents.

Truly, he has earned the rank of statesman when there are precious few around.

While Udall has relinquished his seat in Congress, he surely hasn't given up the ultimate fight. He will be in our prayers.

[From the Tribune Newspapers, Apr. 25, 1991]

CONGRESS LOSING SPIRITED MEMBER AS UDALL DEPARTS

(By David Broder)

WASHINGTON.—The losing presidential candidates in the past generation who were most cherished by the reporters who covered them were both Arizonans—Barry Goldwater and Morris Udall. It had nothing to do with ideology and everything to do with character and personality.

Goldwater, a conservative Republican, and Udall, a liberal Democrat, shared traits which made them great friends despite their disagreements. They both had a deep aversion to self-important phonies. And they both knew that politics, like life itself, requires the leavening gift of humor.

Goldwater went home four years ago, hobbled by arthritic hips. And now Udall has announced his resignation from Congress because he has been immobilized by the effects of Parkinson's disease and the injuries he suffered in a fall down the stairs at his home.

Goldwater won his party's nomination in a year when no Republican could be elected. Udall lost the nomination in a year when the Democrats could—and did—win. Both had to overcome the frustration they felt; both succeeded, but Udall's was probably the greater triumph.

In his 1976 campaign, he went through a series of agonizingly close, second-place finishes to Jimmy Carter. He was the victim of the tactical amateurism of his own organization and of the cannibalism of the Democratic left. Three other liberals, with less chance of winning, stayed in the race and drained off crucial support. Had he gained the votes of only one of them, former Sen. Fred Harris of Oklahoma, he would have beaten Carter in New Hampshire, Wisconsin and Michigan—and history would have been different. He also was sold out by liberal trade unions, which used the excuse of Udall's independence on labor issues to rationalize their deal-making with the favored Carter.

All this he bore with remarkable good humor, bouncing back time and again to rejoin the battle. By the end, in Ohio, he was dead-broke, all but exhausted—and adored by the reporters covering him.

In retrospect, it clearly was not the time for a Udall presidency. Two years after Watergate, America wanted an "outsider" as president, not a longtime congressman like Udall or Jerry Ford. And two years before Proposition 13 triggered a national tax revolt, it was not the time for a man who told voters that until America is "a just society," government's work is not done.

So Udall came back to the House, his home since 1961 and the place where his skills as a legislator, a political conciliator and a reformer were most appreciated. The legacy he left there is imposing and enduring. It ranges from strip-mining and Alaskan wilderness legislation to the reform of archaic committee and floor procedures that congressional barons had used to conceal their arbitrary power. For a whole generation of congressmen, Udall became a mentor and a model—and they will miss him as much as the press galleries do.

Few of them, unfortunately, can match him as a teacher. Like his friend, former Rep. Barber B. Conable, Jr., the Rochester, N.Y., Republican who is retiring now from his job as head of the World Bank, Udall wrote his own newsletters, sharing with constituents his insights into the issues in the news and the ways of government.

So candid and delightful were these Udall newsletters that they were published in book form back in 1972. The title was appropriate—The Education of a Congressman—for Udall operated on the belief that representative government really is a continuing dialogue between citizens and their leaders.

Adlai Stevenson's belief that a campaign is a time to "talk sense to the American people" sustained Udall's run for the White House. His aides worried how to "pump Mo up" and "get him mad" at the opposition. He would respond with one of his hundreds of Lincolnian stories about the ridiculousness of overweening ambition.

But it was not a joking Udall who said in the midst of his own 1976 campaign, "Beware of the presidential candidate who has no friends his own age and confidantes who can tell him to go to hell, who has no hobbies and outside interests. * * * God help us from presidents who can't be a little bit gentle, and who don't have a sense of humor, and who can't gather friends around and play poker and climb a mountain. You know, these intense workaholics really worry me."

Mo Udall was a westerner and a liberal and a skeptic and a man whose humor was rooted in a deep appreciation of the tragedy of human life and the futility of human striving. For all those reasons—and more—he was special and precious to many of us.

What Archibald Cox said of him in a symbolic nominating speech at the 1976 Democratic convention was true: "By the count of votes, he did come in second, but he succeeded in the larger aim * * * for he proved that a public figure, even in a long and heated political contest, can exemplify the best of the American spirit, that honor need not yield to ambition, that open-mindedness and willingness to listen are not inconsistent with devotion to principle, that civility can accompany tenacity, and that humility should go hand in hand with power."

And, besides, he made it such fun.

Udall: An Accomplished Lawyer, Politician, Fighter

(By Dennis DeConcini)

To see the prodigious legacy of Rep. Morris K. Udall, one need only look about the nation and state he so passionately loved and so ably served. His public monuments will endure forever.

I could go on for forever about Mo's many great accomplishments, but I'd like to offer a different perspective. There is a different side to this man. A side I saw as a young high-school and college student, when, even then, I witnessed firsthand why this man was destined for greatness.

Some of my most lasting memories of Mo Udall occurred after he had graduated from the University of Arizona law school and eventually came to work in my father's law office. I remember sitting in my father's office as a young high school student; Mo and his brother Stewart would meet with my father and strategize about cases on which they were working. Mo had a brilliant legal mind. He was an extremely hard worker, but more importantly, he listened intently to everything that was said.

I was also impressed with Mo's organizational skills. Specializing in personal injury cases, Mo carried a tremendous work load as a young lawyer. He seemed happiest during those times when he was barely keeping his head above water.

In fact, when Mo and Stewart Udall formed their own law firm, they carried three lawyers, including themselves. The firm used one secretary, so Mo and Stewart performed many of the administrative and secretarial tasks themselves.

Even with this busy schedule, Mo always found time after work with his kids to play baseball or participate in the Y-Indian Guide program. "Big Beaver," his chosen name in Indian Guides, always found time to enjoy life.

I was 24 years old when Mo Udall was first elected to Congress. I worked on his first campaign, and as I listened to him speak at various functions throughout his race, I was in awe of his ability to capture and maintain an audience's attention. His ability to communicate with people was not something he had trained himself to do. Rather, he was blessed with an ability to speak to his audience as if he were having a personal conversation with each individual. Even more impressively, Mo used few or no notes when he addressed an audience.

In addition to Mo's talents as both a lawyer and politician, he was also an accomplished businessman. Mo was concerned that no banks in Tucson were either controlled or owned by Tucsonans. At that time, all the banks in the area were owned and operated by institutions based in California or Phoenix. In order to remedy this problem, Mo became one of the original co-founders of Catalina Savings and Loan.

Mo also showed a great deal of interest in the real-estate market. He invested in real estate not only in Tucson and its outlying areas, but also in the Shenandoah Valley in Virginia.

Mo also loved to fly. He was an accomplished pilot, having served in the U.S. Army Air Corps during World War II. He continued to fly after he was discharged, but he found that flying time proved to be too expensive. In order to soften the financial burden, Mo and his flying partners formed a business. They would fly over the Catalinas and spread the ashes of people's loved ones over the mountains for a fee.

Mo Udall is a fighter. He never allowed any of his personal hardships or his battle with Parkinson's disease to slow him down. Even as Parkinson's began to take its toll, the old Udall charm and wit never faded.

I will dearly miss Mo Udall on Capitol Hill. I will always remember what he has done for Arizona and our nation, and I will always cherish these memories.

[From the Arizona Daily Star, May 3, 1991]

Mo Udall: True Friend of Indian Tribes

(By John McCain)

His legendary wit, his vital hand in landmark environmental legislation and his national political leadership have been the focus of numerous remembrances about Mo Udall as his 30-year House career comes to a close. While all these areas are indeed hallmarks of his service to Arizona and the nation, they neglect an important aspect of his work that I think is important to include: his concern, compassion and efforts for Native Americans.

While faddish attention has focused on our first Americans from time to time over the years, Mo was persistent in ensuring that, during the 14 years he chaired the House Interior Committee, the Congress met its responsibility to advocate for and protect the rights and interests of Indians. Even before he attained the powerful chairmanship, Mo labored in an often fruitless vineyard of Indian issues for over a quarter of a century.

DEEP COMMITMENT

He did not work so long and so hard for personal glory or political gain. He did so because he cared for the dignified people in Indian tribes across the land and for the sanctity of the federal commitment memorialized in over 350 treaties with Indian tribes.

The evidence of his concern is spread across the public record. As a member of the House Interior and Insular Affairs Committee (and its chairman since 1977), he played a major role in the enactment of the Alaska Native Claims Settlement Act, the Indian Self-Determination Act, the Native American Grave Protection and Repatriation Act, the Indian Child Protection and Repatriation Act, the Indian Child Protection and Family Violence Prevention Act and the Indian Health Care Improvement Act. The list of major Indian reform bills he sponsored or supported could go on and on.

His finest work and fondest memories, however, came not in the major legislation but in the smallest problems that he was able to solve by the wise use of his office. Of the 184 Indian bills passed by the committee under his leadership, many were measures of little significance nationally, but of critical importance to one Indian tribe.

NO PROBLEM TOO SMALL

The Cocopah Tribe of Arizona and the Rumsey Rancheria of California are examples of two small tribes that benefited directly from Mo's concern for the Indian people. His efforts on their behalf assured the future stability and well-being of both these tribes. His work on their behalf demonstrates that no Indian problem was too small for his attention and time.

Mo also faithfully worked against legislation or other government action hostile to the treaties, rights, property of other vital interests of Native Americans. Sometimes all alone, he fought to ensure that the kinds of government action that have historically been bad for Indians were not allowed to go forward on his watch.

Yet, the public record of his legislation and other actions on behalf of Indians offers only surface testimony to Mo's efforts and accomplishments. You have to go to the Indian reservations and other native communities to see the real impact of his fostering hand.

TOWARD A BETTER LIFE

Life there is still hard. Poverty can be crushing and despair ever-present. But hope has been regenerated in the last 20 years, and slow, steady progress is being made toward a better life for Indian people, in large measure because of the legislative efforts of Mo Udall.

While the nation may not be aware of the role Mo has played in ensuring we meet our obligations to the first Americans, one need only visit his home or office to see that Indians know. On his walls and shelves are emblems of heartfelt appreciation from Indian tribes, Alaskan Native groups and Indian organizations that express love, respect and gratitude to him for a career of work on their behalf. All of this work, and most of the appreciation, occurred before "Dances

With Wolves" spawned a bevy of Indian advocates.

It is not this outpouring of recognition that matters to Mo. He is ending his distinguished career with the proud and long-suffering Native American people, knowing he has touched their lives and made their futures brighter by his efforts. This is his most lasting recognition in our nation's history, and why he will be missed first and missed most by the first Americans.

[From the Arizona Daily Star, May 5, 1991]

MORRIS K. UDALL, A MAN OF INTEGRITY

I'm reminded of a story.

That's the way Mo Udall began every speech I ever saw him make.

But the story I'm reminded of is not one of his. It may seem an odd metaphor for a Democrat, but you remember the tale about the blind men who each felt a different part of the elephant and deduced it to be quite different things depending on whether a tusk, a tail, a trunk or a leg was being touched and described.

A lot of Udall yarns have been swapped lately, a lot of the parts and pieces of the Udall legacy have been described.

And it's true that Mo Udall was an effective legislator, a friend of the environment, a witty, Lincolnesque orator, a man who used his powers of persuasion and his personal friendships to get the job done.

But it's also true he was a powerful figure who wielded that power to accomplish what personal persuasion could not. And like every great legislator, he was a creature of compromise, willing to shave off the more extreme edges of a bill or a policy to satisfy critics willing to trade votes.

He was, critics will note, the savior of wilderness who once lobbied for dams at the edges of the Grand Canyon and did little for the Mount Graham red squirrel.

He was the conservationist who spent most of his legislative career pushing a waiver reclamation project that urbanized his native state.

He was the friend of labor who voted to protect his home state's right-to-work law.

And he would be the first to admit, were he able to speak for himself in this Udall lovefest that surrounds his retirement yesterday from Congress, that politics is not a game for the overfastidious.

He was a careful legislator, who researched issues and argued them with friends and foes before making a commitment. He had a reputation for integrity, fairness and kindness, but he was no bloodless saint.

If he could raise that magnificent voice in protest one more time, he would tell us all to end this damn wake—and pour him three fingers of Scotch.

"Perfection is the enemy of the merely good," he would say, as his friend Jim McNulty remembers him saying on one particular occasion of comprise.

He wasn't perfect. He was merely better than the rest of us.

DRIVE TO EXCEL

He always excelled at everything he did.

Growing up in St. Johns, where he lost his right eye at age 6 in an accident, he was the center of attention—the center of the community that his grandfather founded as a Mormon settlement in 1880.

He wasn't just the star center of the basketball team, he was the pitcher on the baseball team and the quarterback of the football team. On football Saturdays, he changed quickly at halftime so that he could join the band on the field. He was a top student and one of the town's best poker players.

Tom Chandler, a Tucson lawyer who has known the Udall family since his days at the university was a contemporary of Mo's big brother, Stewart. He remembers being across the street, says Udall was the finest courtroom lawyer he ever saw. "He didn't try a case, he produced it, he put on a show."

Udall used every inch of his 6-foot-5 frame and every bit of his no-frills country manner to his advantage. Because he had his own planes, he was fond of using aerial photographs of accident and crime scenes. Chandler remembers losing a lawsuit to Udall when a woman tripped over a step at the Flamingo Hotel despite the fact that the step Udall called hidden was clearly visible. Chandler told the jury, from 1,000 feet in the air.

Udall ran for his first office in 1950—county attorney—and won, becoming, in Chandler's eyes at least, the best county attorney Pima ever had.

"There are very few public officials who will ever measure up to that man as far as gut integrity is concerned," Chandler said.

Integrity is a word mentioned often when you ask Udall's friends and colleagues to describe him. It was the only thing that occurred to Prior Pray, Udall's longtime district aide, when asked to sum up the man's career, "Integrity is the word I keep coming back to," he said.

Udall was elected to Congress on May 2, 1961, in a special election to replace his brother Stewart who was named interior secretary by President Kennedy.

He began the practice of making his income tax records public because he didn't think the required congressional disclosure was tough enough. He fought for campaign finance reform and reform of the seniority system in Congress.

Over the years, he would lead successful battles for reform of campaign laws and the civil service system.

And he led the battle, of course, for the Central Arizona Project—the state's biggest federal bonanza—a project originally geared toward the state's farmers that is ending its construction as a lifeline to the state's rapidly growing water-starved cities.

Much, much later, he would concede that it would have been better for Arizona to develop a string of cities along the Colorado instead of bringing the water to Phoenix and Tucson. But that was more regret than admission of mistake. The die had been cast when Udall went to Congress. He simply delivered what the congressman was supposed to deliver—though many thought he never would do it.

The dams on the Colorado are another story. Had they been developed to supply power to the CAP, they would have further controlled the flow of the Colorado, already a mechanized spigot rather than a river. But while they would have created reservoirs upstream and downstream from the national park, they would also have provided a more even flow than that coming through Glen Canyon Dam, whose fluctuations are now blamed for much environmental damage in Grand Canyon.

And you could argue that those dams would have been better for the state's environment than their replacement—the Navajo Generating Station at Page—blamed for air pollution that obscures canyon views.

Of course, purists can argue that nothing at all would have been the best solution—no dams, no reaction when he walked out of the snow and into a New Hampshire barber shop and introduced himself: "Hi, I'm Mo Udall and I'm running for president."

"We know," answered one of the townfolk passing time there. "We were just laughin' about that this morning."

Udall lost, in primary after primary, to Jimmy Carter. His delegates learned to turn their "MO" buttons upside-down to read "OW."

Tom Chandler thinks Udall could have won if a few more influential Arizona friends had believed more strongly in the possibility.

A HERO ABROAD

But Udall always seemed to command more respect on that national level than at home. That's partly because his increasingly conservative district was often out of step with Udall's progressive stands. And it's partly because in Tucson he was simply the local congressman.

Michael McNulty, local lawyer and son of Mo's friend Jim, was a Udall staffer for four years and once accompanied him to a speech at the University of Virginia law school. When Mo entered the auditorium, the place erupted in cheers and applause. Udall turned to McNulty and said, "Sometime I wish I could get a reaction like that in Tucson."

Udall's last campaign was first rumored to be in 1980. That was the first year Udall admitted publicly that he had Parkinson's disease. J. Dan O'Neill, a longtime friend, said he went to work running Udall's Tucson office then, figuring on two to four years max.

But Udall kept running, finally announcing his final campaign in 1990. His physical condition was painful to behold and he made few public appearances, but he did kick off his re-election campaign in April with a speech to the Democrats of Greater Tucson.

As always, his own frailties were the brunt of the famous Udall humor. In a voice that was barely audible in the respectfully silent room, Udall told the tale of the senator who was approaching his 100th birthday and was asked how he felt. "Considering the alternatives, not too bad," was the answer.

"Well, I stand before you with a painful old back, Parkinson's disease, arthritis, one good eye, and I can tell you, considering the alternatives, I feel pretty good," said Udall.

He held hope of being fully involved in his final term. He was investigating fetal-tissue surgery that held some promise for him and was on new medication for Parkinson's. "Some days it seems it really does the job and I can bounce into the car without any help. Then the hoarse voice, all these things assert themselves again."

There is a tendency to make this a sad occasion. But what did Mo Udall wish to be his political legacy?

In 1973, as the Watergate scandal was pulling down a presidency and the reputation of politics in general, Udall penned one of his famous newsletters, arguing that public servants could still be found practicing the nation's politics. He mentioned Arizona's Goldwater, John Rhodes and Carl Hayden and his own brother, Stewart.

"I have had Arizona ancestors and relatives in both political parties serve in all kinds of public offices from the president's Cabinet to local school boards. Not one has been touched with a breath of scandal or abuse of public trust. My greatest desire is to retire from public office someday with a record that will enhance that tradition."

Yesterday, Morris K. Udall retired from Congress with a record of integrity in public service that is a credit to his relatives and ancestors and to the people of Arizona whom he served for 30 years.●

Mr. KENNEDY. Mr. President, it is an honor to join as a sponsor of this

measure to establish the Mo Udall scholarship and advance the cause to which he devoted so much of his public career—the preservation of our environment and our magnificent natural resources.

The retirement of Congressman Udall was a sad day for Congress, the country, and the legions of citizens in America and many other lands whose lives are better today because of his brilliant public service. He will rank as one of the greatest Members of the House of Representatives of all time, and also as one of the most beloved.

As Mo liked to say, the job of leaders is to lead. And lead he did. As chairman of the House Interior Committee, he was "Mr. Environment" in the Congress, urging the Nation to deal more effectively with the increasingly urgent environmental challenges we face. His leadership on these issues was especially courageous in the long battle he led to regulate the strip mining industry, against the vigorous resistance of the industry in his State.

Mo Udall's leadership was equally preeminent on many other issues. Somehow, for 30 years, whenever you probed to the heart of the great concerns of the day, you found Mo Udall in the thick of the battle, championing the rights of average citizens against special interest pressures, defending the highest ideals of America, and always doing it with the special grace and wit that were his trademark and that endeared him to Democrats and Republicans alike.

I think particularly of his influential role in ending the Vietnam war. Mo Udall was one of the first leaders in the Congress in the 1960's to break with the administration and oppose the war. Because of his action, we were able to end the war more quickly.

I also think of his early battles to reform the seniority system and to make the Congress more responsive to the people we serve. In carrying forward these efforts today, we continue to follow the paths he blazed so well throughout his remarkable career.

Above all, I think of the extraordinary courage he has displayed in recent years in battling the cruel disease that finally led to his resignation from the Congress. In this, as in so many other battles, Mo won the respect and admiration and affection of us all.

The legislation we are introducing today is a fitting tribute to Mo Udall's indispensable leadership during the past three decades in the Congress. We will miss him in the years ahead, and so will the country.

Mr. President, I ask unanimous consent that an eloquent recent tribute by David Broder to Mo Udall may be printed in the RECORD.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 24, 1991]

UDALL'S TRIUMPH

(By David Broder)

The losing presidental candidates in the past generation who were most cherished by the reporters who covered them were both Arizonans—Barry Goldwater and Morris Udall. It had nothing to do with ideology and everything to do with character and personality.

Goldwater, a conservative Republican, and Udall, a liberal Democrat, shared traits that made them great friends despite their disagreements. They both had a deep aversion to self-important phonies. And they both knew that politics, like life itself, requires the leavening gift of humor.

Goldwater went home four years ago, hobbled by arthritic hips. And now Udall has announced his resignation from Congress because he has been immobilized by the effects of Parkinson's disease and the injuries he suffered in a fall down the stairs at his home.

Goldwater won his party's nomination in a year when no Republican could be elected. Udall lost the nomination in a year when the Democrats could—and did—win. Both had to overcome the frustration they felt; both succeeded, but Udall's was probably the greater triumph.

In his 1976 campaign, he went through a series of agonizingly close, second-place finishes to Jimmy Carter. He was the victim of the tactical amateurism of his own organization and of the cannibalism of the Democratic left. Three other liberals, with less chance of winning, stayed in the race and drained off crucial support. He had gained the votes of only one of them, former senator Fred Harris of Oklahoma, he would have beaten Carter in New Hampshire, Wisconsin and Michigan—and history would have been different. He also was sold out by liberal trade unions, which used the excuse of Udall's independence on labor issues to rationalize their deal-making with the favored Carter.

All this he bore with remarkable good humor, bouncing back time and again to rejoin the battle. By the end, in Ohio, he was dead-broke, all but exhausted—and adored by the reporters covering him.

In retrospect, it clearly was not the time for a Udall presidency. Two years after Watergate, America wanted an "outsider" as president, not a longtime congressman like Udall or Jerry Ford. And two years before Proposition 13 triggered a national tax revolt, it was not the time for a man who told voters that until America is "a just society," government's work is not done.

So Udall came back to the House, his home since 1961 and the place where his skills as a legislator, a political conciliator and a reformer were most appreciated. The legacy he left there is imposing and enduring. It ranges from strip mining and Alaskan wilderness legislation to the reform of archaic committee and floor procedures that congressional barons had used to conceal their arbitrary power. For a whole generation of congressmen, Udall became a mentor and a model—and they will miss him as much as the press galleries do.

Few of them, unfortunately, can match him as a teacher. Like his friend, former representative Barber B. Conable Jr., the Rochester, NY, Republican who is retiring now from his job as head of the World Bank, Udall wrote his own newsletters, sharing with constituents his insights into the issues in the news and the ways of government.

So candid and delightful were these Udall newsletters that they were published in book form back in 1972. The title was appropriate—"The Education of a Congressman"—for Udall operated on the belief that representative government really is a continuing dialogue between citizens and their leaders.

Adlai Stevenson's belief that a campaign is a time to "talk sense to the American people" sustained Udall's run for the White House. His aides worried how to "pump Mo up" and "get him mad" at the opposition. He would respond with one of his hundreds of Lincolnian stories about the ridiculousness of overweening ambition.

But it was not a joking Udall who said in the midst of his own 1976 campaign, "Beware of the presidential candidate who has no friends his own age and confidantes who can tell him to go to hell, who has no hobbies and outside interests. . . . God help us from presidents who can't be a little bit gentle, and who don't have a sense of humor, and who can't gather friends around and play poker and climb a mountain. You know, these intense workaholics really worry me."

Mo Udall was a westerner and a liberal and a skeptic and a man whose humor was rooted in a deep appreciation of the tragedy of human life and the futility of human striving. For all those reasons—and more—he was special and precious to many of us.

What Archibald Cox said of him in a symbolic nominating speech at the 1976 Democratic convention was true: "By the count of votes, he did come in second, but he succeeded in the larger aim . . . for he proved that a public figure, even in a long and heated political contest, can exemplify the best of the American spirit, that honor need not yield to ambition, that open-mindedness and willingness to listen are not inconsistent with devotion to principle, that civility can accompany tenacity and that humility should go hand in hand with power."

And, besides, he made it such fun.

By Mr. ROCKEFELLER:

S. 1177. A bill to amend the Social Security Act to assure universal access to health insurance for basic health services in the United States through qualified employer health plans and a public health insurance plan, to contain costs and assure quality in the provision of health services, to reform the provision of health insurance to small employers, and for other purposes; to the Committee on Finance.

PEPPER COMMISSION HEALTH CARE ACCESS AND REFORM ACT

• Mr. ROCKEFELLER. Mr. President, I am extremely proud to be introducing today the Pepper Commission Health Care Access and Reform Act of 1991. I believe this legislation will be the benchmark from which future health care reform will be measured.

I am extremely honored that my colleague, Congressman HENRY WAXMAN, is introducing the Pepper Commission companion bill in the House. HENRY WAXMAN has long been a committed, dedicated, and tireless leader on health care issues, especially in children's health care. Over the past decade, millions of children have received health care directly as a result of his legislative efforts. I am extremely pleased to be a partner with someone whom I hold in such high esteem.

Mr. President, through legislation passed in 1987, the U.S. Bipartisan Commission on Comprehensive Health Care—later renamed after its founder, Claude Pepper—was charged with designing a blueprint which would provide universal access to health and comprehensive long term care to every American. We met our charge last fall when we unveiled the Pepper Commission final report and issued a call for action—to the public, to the President, and to Congress.

Today's legislation represents over 2 years of careful and intense attention on ways to reform our health care system. The Pepper Commission said that we need fundamental health care reform and we need it now.

We carefully weighed all the options. We considered patching up the current Medicaid Program, but ultimately rejected that approach. Not only was it more costly than the final Pepper Commission recommendations, but it would not achieve the goal of universal health access that was unanimously agreed to by all Commission members.

National health insurance, while certainly appealing in many respects, was deemed simply not practical given the current budget climate. In addition to its costs, though, there was a deep sense that the American public is simply not ready for a one-size-fits-all national insurance plan. We are a pluralistic society. We crave diversity, choice, and innovation. Over the next decade, perhaps the political sentiment for national health insurance will grow. If we do nothing for 10 years, that will certainly be the case. But waiting 10 years is too high a price for 33 million uninsured Americans to pay.

As the Commission built its plan, we studied and addressed all of the major failings of our present health care system, as well as the many political concerns. We choose to build on the current job-based system since three-fourths of all Americans already have health insurance coverage through their workplace, and because over three-fourths of the uninsured are workers or in a worker's family.

But, instead of simply mandating businesses to comply with a health insurance requirement, the Pepper plan addresses the very legitimate concerns of small business for affordability and availability of private health insurance coverage. In order to make it possible for those businesses not currently providing coverage to their workers—most of which are overwhelmingly small—to be able to actually obtain and afford health insurance coverage, the Pepper Commission unanimously agreed on the need for immediate reform of the private health insurance market for small employers.

The legislation I am introducing today lays out in great detail the specific measures needed to achieve real small group insurance reform, as envisioned by the Commissioners. Under this legislation, private health insurers in the small employer market would be prohibited from competing on the basis of risk selection. The practice of cherry picking—through enrollment and renewal practices, through discriminatory pricing, and through benefit design—would be eradicated. Under a reformed market, insurers would have to start competing on the basis of efficiency, customer service, and managing the cost of health care.

Specifically, the Pepper legislation includes the following:

Guaranteed issue of coverage for any small business, regardless of health status or risk status;

Community rating, with only a minor adjustment allowed for age and sex, both at issue and at renewal; and

A minimum benefit standard—overriding State-mandated benefits—to ensure adequate health care protection that would apply to every health insurance policy sold to small employers.

Small employer is defined as firms with 1 to 100 employees so that over 90 percent of all employers—and virtually all traditional employer health insurance plans—would be protected. Similar to Medigap legislation enacted last year and as recommended by the Pepper Commission, these reforms envision a key role for the National Association of Insurance Commissioners [NAIC]. The Federal Government would set standards for enrollment, rating, and benefit design practices and the NAIC would draw up model legislation leaving States to carry out the reforms. Importantly, States would be free to design reinsurance programs—again, within Federal standards—to promote further stability in health insurance. Instead of forcing a one-size-fits-all reinsurance scheme on every State, States would be encouraged to fashion programs that would be compatible with the special needs of their own small employer and insurance markets.

Turning to affordability, the Pepper legislation includes two kinds of tax credits for small employers. One allows unincorporated businesses and the self-employed, like incorporated businesses, to deduct from taxable income the entire cost of their health insurance premiums. Another tax credit provides for a 5-year 40 percent subsidy against the cost of health premiums from employers with fewer than 25 workers and an average payroll of less than $18,000 per worker.

I believe these two tax credits, in addition to the insurance reforms will enable the vast majority of small businesses to afford health insurance for their workers. But, because I have a concern that these measures could still fall somewhat short, I have included in my legislation a proposal not originally recommended by the Pepper Commission.

Mr. President, I want to the emphasize that this is the only divergence from the Pepper Commission plan included in this legislation. But, I sincerely believe that the unique circumstances of small businesses requires special attention. My provision would allow small employers to insist that their private insurance carrier pay doctors and hospitals according to Medicare's payment rules. This wouldn't necessarily mean Medicare payment rates—but they could insist on DRG's for hospitals and the resource-based relative value scale for physicians. The effect of this reform would be to drastically reduce cost shifting in the system and give small businesses the same type of market clout afforded large businesses in negotiating payment rates with hospitals and doctors.

I selected Medicare payment rules because they are the most fair and useable. Obviously, some significant adjustments would need to be made, especially to reflect a younger population. But, Congress has been working hard to improve the equity in Medicare payments to rural and urban hospitals. And the RBRVS offers the best option to date for making physician payments fair and reasonable.

After all these reforms, tax credits, and incentives for small business are in effect for a period of 5 years, it would be expected that small businesses would voluntarily purchase health insurance coverage for their workers. If 80 percent of the previously uninsured workers of small business remain without coverage after a period of time, small businesses, like larger ones, would be required to purchase coverage.

A key element of the Pepper plan was the creation of a new Federal health plan to replace the flawed and miserably failed Medicaid program. Instead of a patchwork of 50 individual State programs, with uneven eligibility, arbitrary benefit standards and clearly inadequate payments levels, this legislation creates a new Federal health program with uniform benefits, eligibility guidelines, and reimbursement levels along the lines of the Medicare Program.

A critical feature of the Pepper plan allows employers to purchase coverage from this new Federal Health Insurance Program at a set percent of payroll. Rather than simply requiring businesses to buy private coverage, whatever its costs, employers would have a choice. The payroll percentage would be set to encourage employers who now purchase private insurance to retain that coverage, and to establish a fair balance between public and private insurance.

Mr. President, the twin goals of access and cost containment are forever intertwined and therefore must be addressed simultaneously. To pursue one goal without the other would further undermine a system already seriously stressed. The mere, albeit major, accomplishment of universal health coverage would eliminate the significant cost shifting currently occurring between and among current purchasers of health care and would go a long way toward stabilizing health care costs.

Other cost containment measures included in this bill are more Federal research in practice guidelines and outcome measures to reduce unnecessary and inappropriate medical care; elimination of medical underwriting to substantially reduce administrative expenses of insurance companies; minimum cost sharing requirements so that individuals—subject to ability to pay—take costs as well as benefits into account when seeking medical care; and encouragement of managed care in both the public and private sectors.

With the additional proposal of allowing small businesses the ability to elect Medicare rules for reimbursement, I am confident that taken together, these cost containment measures will significantly reduce overall health care costs.

The Pepper plan has already achieved a level of success. Last year, Congress enacted three important measures that are proposed in the Pepper Commission's call for action. As part of the 5-year budget deal, and with the help of my colleagues on the Finance Committee and under the leadership of Chairman BENTSEN, we reformed the Medigap system, expanded access to public insurance for all pregnant mothers and children up to 100 percent of poverty, and we enacted the first step for the Commission's long term care plan—more home care services through Medicaid.

Corporate leaders, organized labor, consumer groups, and providers, like the American Medical Association, and others with a stake in our health care system are urging Congress and the President to act.

Mr. President, I have been working with the majority leader, as well as Senators RIEGLE, KENNEDY, and METZENBAUM, and will soon join them in introducing a leadership package on health care reform. It is time to lead all the players through the tradeoffs and the compromises this type of major legislation requires.

Before concluding, Mr. President, I have many to thank for their tireless devotion and commitment to health care reform. Without their time, energy, and hard work, none of this would have been possible. I will name just a few.

Of course, first in line to thank are the staff members of the Pepper Commission led by the brilliant Judy Feder and the exceptional Ed Howard. It was only through the careful and deliberate work of the Pepper staff, their tremendous sense of dedication and pride, that a report of such high caliber was produced. I will always be grateful to each and every one of them. And, it was only through the drafting wizardry of Ed Grossman that the Pepper Commission final report was so carefully crafted into final legislative form.

Mr. President, hard work and tough choices lie ahead to break the health care gridlock. But I am very proud of the contribution made so far by the Pepper Commission. With this legislation, we now have laid out in a detailed and precise fashion just how we can build a health care system that makes sense and provides for all Americans. And I know that both HENRY WAXMAN and I renew our pledge today to convince our fellow political leaders and the American people to agree that we must take this course, as soon as we possibly can.

Mr. President, I ask unanimous consent that the full text of this bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1177

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Pepper Commission Health Care Access and Reform Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—ACCESS TO PRIVATE OR PUBLIC HEALTH INSURANCE FOR BASIC HEALTH SERVICES THROUGH EMPLOYMENT

Sec. 101. Employment-based health insurance coverage.

"TITLE XXI—ACCESS TO PRIVATE OR PUBLIC HEALTH INSURANCE FOR BASIC HEALTH SERVICES THROUGH EMPLOYMENT

"PART A—EMPLOYER REQUIREMENT TO ENROLL EMPLOYEES AND FAMILIES IN A QUALIFIED EMPLOYER HEALTH PLAN OR IN PUBLIC HEALTH INSURANCE PLAN

"Sec. 2101. Application to full-time employees.
"Sec. 2102. Application to part-time employees.
"Sec. 2103. Application to seasonal and temporary employees.
"Sec. 2104. Treatment of all family members as a unit.
"Sec. 2105. Meeting requirement of enrollment in qualified employer health plan through enrollment in public health insurance plan.
"Sec. 2106. Application of requirement to employers of different sizes.
"Sec. 2107. Timing of enrollment; period of coverage.
"Sec. 2108. Enforcement.

"PART B—REQUIREMENTS FOR QUALIFIED EMPLOYER HEALTH PLANS

"Sec. 2121. Qualified employer health plan and covered employer health plan defined.
"Sec. 2122. Requirements relating to employee premiums and cost-sharing.

"PART C—DEFINITIONS AND MISCELLANEOUS

"Sec. 2181. Definitions.
"Sec. 2182. Nonapplication to residents of Puerto Rico and territories.

TITLE II—ACCESS TO HEALTH INSURANCE FOR BASIC HEALTH SERVICES THROUGH A PUBLIC HEALTH INSURANCE PLAN

Sec. 201. Public health insurance plan.

"TITLE XXII—ACCESS TO HEALTH INSURANCE FOR BASIC HEALTH THROUGH A PUBLIC HEALTH INSURANCE PLAN

"PART A—ELIGIBILITY AND ENROLLMENT

"Sec. 2201. Eligibility to enroll for health insurance benefits and to apply for low-income assistance.
"Sec. 2202. Application for enrollment.
"Sec. 2203. Coverage period; termination of enrollment.
"Sec. 2204. Requirement of health insurance coverage.

"PART B—HEALTH INSURANCE BENEFITS

"Sec. 2211. Basic health services (including preventive services) for general enrollees.
"Sec. 2212. EPSDT services.
"Sec. 2213. Medicare supplemental benefits for low-income medicare beneficiaries.
"Sec. 2214. Scope of coverage.

"PART C—PAYMENTS FOR BENEFITS; DEDUCTIBLES, COINSURANCE, AND STOP-LOSS PROTECTION FOR BASIC HEALTH SERVICES

"Sec. 2221. Payments for benefits.
"Sec. 2222. Deductible for basic health services.
"Sec. 2223. Coinsurance for basic health services.
"Sec. 2224. Limit on cost-sharing for basic health services.
"Sec. 2225. Exclusions; coordination.
"Sec. 2226. Application of qualified health plan provisions.

"PART D—PREMIUMS, PUBLIC HEALTH INSURANCE TRUST FUND

"Sec. 2231. Premiums.
"Sec. 2232. Collection of premiums.
"Sec. 2233. Public Health Insurance Trust Fund.

PART E—ASSISTANCE FOR LOW-INCOME INDIVIDUALS

"Sec. 2241. Assistance for individuals with income below the poverty line enrolled on a non-employment basis.
"Sec. 2242. Assistance for individuals with income below twice the poverty line enrolled on a non-employment basis.
"Sec. 2243. Assistance for individuals covered under qualified employer health plans.
"Sec. 2244. Applications for assistance.
"Sec. 2245. Reconciliation of premium assistance through use of income statements.
"Sec. 2246. Treatment of certain cash assistance recipients.
"Sec. 2247. Computation of family adjusted total income.

"PART F—QUALIFIED HEALTH PLANS

"Sec. 2251. Certification of qualified health plans.
"Sec. 2252. Treatment of family as a unit; coverage period; health plan cards.
"Sec. 2253. Requirements respecting basic benefits.

"Sec. 2254. Requirements respecting limits on preexisting condition exclusions and coverage standards for basic health services.
"Sec. 2255. Requirements respecting limits on cost-sharing.
"Sec. 2256. Adequacy of payments.
"Sec. 2257. Coordination and portability of health coverage under qualified health plans.
"Sec. 2258. Consumer protections.
"Sec. 2259. Preemption of certain State and Federal requirements.

"PART G—ADMINISTRATIVE PROVISIONS

"Sec. 2261. Agreements with hospitals; participating physicians; treatment of Indian Health Services facilities.
"Sec. 2262. Health maintenance organizations and competitive medical plans.
"Sec. 2263. Use of fiscal agents.
"Sec. 2264. General administration.
"Sec. 2265. Determinations; appeals; Provider Reimbursement Review Board.
"Sec. 2266. Program integrity.
"Sec. 2267. Information by telephone.
"Sec. 2268. Incorporation of miscellaneous medicare provisions.

"PART H—DEFINITIONS AND MISCELLANEOUS

"Sec. 2281. Incorporation of certain definitions used in other health-related titles.
"Sec. 2282. Definitions relating to families.
"Sec. 2283. Other definitions.
"Sec. 2284. Glossary of defined terms used in title and contained in this title or related titles.
"Sec. 2284. Other definitions.
"Sec. 2285. Authorizing reciprocal coverage of foreign nationals.
"Sec. 2286. Nonapplication to residents of Puerto Rico and territories.

TITLE III—QUALITY ASSURANCE AND COST CONTAINMENT

Sec. 301. Application of payment rates under public health insurance plan under qualified employer health plans.
Sec. 302. Favorable treatment of managed care.
Sec. 303. Application of outcomes research to public health insurance plan.
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"Sec. 2331. Favorable treatment of managed care plans.
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TITLE I—ACCESS TO PRIVATE OR PUBLIC HEALTH INSURANCE FOR BASIC HEALTH SERVICES THROUGH EMPLOYMENT

SEC. 101. EMPLOYMENT-BASED HEALTH INSURANCE COVERAGE.

The Social Security Act is amended by adding at the end the following new title:

"TITLE XXI—ACCESS TO PRIVATE OR PUBLIC HEALTH INSURANCE FOR BASIC HEALTH SERVICES THROUGH EMPLOYMENT

"PART A—EMPLOYER REQUIREMENT TO ENROLL EMPLOYEES AND FAMILIES IN A QUALIFIED EMPLOYER HEALTH PLAN OR IN PUBLIC HEALTH INSURANCE PLAN

"SEC. 2101. APPLICATION TO FULL-TIME EMPLOYEES.

"(a) UNMARRIED EMPLOYEES.—

"(1) IN GENERAL.—Except as provided in this part, each employer shall, in accordance with this title, enroll each of its full-time employees who is unmarried in a qualified employer health plan (or in the public health insurance plan, if elected by the employer under section 2105).

"(2) MULTIPLE FULL-TIME EMPLOYMENT.—In the case of an unmarried individual who is a full-time employee of more than 1 employer, the individual shall elect (in a manner specified by the Secretary) the covered employer health plan (as defined in section 2121(b)) under which the individual will be enrolled.

"(b) MARRIED EMPLOYEES.—

"(1) IN GENERAL.—Except as provided in this part, each employer shall, in accordance with this title, enroll each of its full-time employees who is married in a qualified employer health plan (or in the public health insurance plan, if elected by the employer under section 2105).

"(2) BOTH FULL-TIME EMPLOYEES.—

"(A) ASSIGNMENT BASED ON DATE OF BIRTH RULE.—In the case of married individuals both of whom are full-time employees, both individuals shall be enrolled in the covered employer health plan of the employee with the earlier month, day, and time of birth in the year.

"(B) CONSTRUCTION.—Nothing in this paragraph shall be construed as preventing the nonenrolling plan from supplementing the benefits of the enrolling plan.

"(C) DEFINITIONS.—In this paragraph, the terms 'enrolling employer' and 'enrolling plan' mean, with respect to a married couple, the employer that offers the covered employer health plan in which the couple is enrolled under subparagraph (A) and such plan, respectively, and the terms 'nonenrolling employer' and 'nonenrolling plan' mean the other employer and other covered employer health plan.

"(3) MULTIPLE FULL-TIME EMPLOYMENT.—In the case of married individuals both of whom are full-time employees, if either spouse is a full-time employee of more than 1 employer that spouse shall elect the employer which shall be treated as the spouse's enrolling employer in applying this subsection.

"SEC. 2102. APPLICATION TO PART-TIME EMPLOYEES.

"(a) REQUIRED ENROLLMENT OR CONTRIBUTION.—

"(1) IN GENERAL.—

"(A) REGULAR PART-TIME EMPLOYEES.—Except as provided in this part, with respect to each part-time employee who is not a medicare beneficiary and who normally performs on a monthly basis for the employer 10 or more hours of service per week, each employer shall, in accordance with this title, enroll the employee (and family members) in a qualified employer health plan (or in the public health insurance plan, if elected by the employer under section 2105).

"(B) VERY PART-TIME EMPLOYEES.—Except as provided in this part, with respect to each part-time employee who is not a medicare beneficiary and who normally performs on a monthly basis for the employer less than 10 hours of service per week, each employer shall, in accordance with this title, either—

"(i) enroll the employee (and family member) in a qualified employer health plan, or

"(ii) subject to subsection (c), provide for a contribution towards the employee's enrollment under the public health insurance plan in an amount equal to not less than the minimum amount specified in subsection (b).

"(2) FULL-TIME EMPLOYMENT EXCEPTION.—Paragraph (1) shall not apply with respect to a part-time employee if—

"(A) the employee is the full-time employee of another employer,

"(B) the employee's spouse is a full-time employee, or

"(C) the employee is the child of an individual who is a full-time employee.

"(3) UNIFORM ELECTION.—The election under paragraph (1)(B) shall be made uniformly with respect to all part-time employees.

"(b) MINIMUM CONTRIBUTION.—For purposes of subsection (a)(1)(B)(ii), subject to subsection (c), the minimum amount specified in this subsection with respect to an employee is the product of—

"(1) the employer premium percentage determined under section 2231(b)(2) for the year, and

"(2) the wages paid by the employer with respect to such employee for the period during which the contribution is required.

"(c) MULTIPLE PART-TIME EMPLOYMENT.—Subject to subsection (a)(2), the treatment of unmarried, and married, individuals who have multiple part-time employment shall be governed by rules, established by the Secretary, based on the principles of the rules for multiple full-time employment described in subsections (a)(2) and (b)(3) of section 2101.

"SEC. 2103. APPLICATION TO SEASONAL AND TEMPORARY EMPLOYEES.

"(a) IN GENERAL.—

"(1) IN GENERAL.—Except as provided in section 2104(b), in the case of an employee designated under paragraph (3) as a seasonal or temporary employee (as defined in section 2181(b)(3)), whether a part-time or full-time employee, instead of enrolling the employee (and family members) in the qualified employer health plan of the employer, the employer shall make a payment to the public health insurance plan in an amount not less than the minimum amount specified in subsection (b), and the amount of such payment shall be credited towards the enrollment of the employee (and family members) under the public health insurance plan. The failure of the employee to be enrolled in the public health insurance plan shall not affect the liability for, or amount of the, such payment to the plan.

"(2) FULL-TIME EMPLOYMENT EXCEPTION.—Paragraph (1) shall not apply with respect to a seasonal or temporary employee if—

"(A) the employee is the full-time or part-time employee (but not a seasonal or temporary employee) of another employer, or

"(B) the employee's spouse is a full-time or part-time employee (but not a seasonal or temporary employee).

"(3) DESIGNATION OF SEASONAL OR TEMPORARY EMPLOYEES.—Each employer shall designate, at the time of initial employment and in a manner specified by the Secretary, if the individual is to be treated under this title as a seasonal or temporary employee.

"(4) KEEPING CONTRIBUTION IF NOT ENROLLED.—A contribution is required with respect to an employee (and family members) under paragraph (1) regardless of whether or not the employee (and family members) are enrolled under the public health insurance plan.

"(b) MINIMUM CONTRIBUTION.—The minimum amount specified in this subsection with respect to an employee is the product of—

"(1) the employer premium percentage computed under section 2231(b)(2) for the year, and

"(2) the wages paid by the employer with respect to such employee for the period during which the contribution is required.

"SEC. 2104. TREATMENT OF ALL FAMILY MEMBERS AS A UNIT.

"(a) IN GENERAL.—In accordance with section 2252(a), enrollment of an employee in a covered employer health plan shall include enrollment of the other family members of the employee.

"(b) NO CONTRIBUTION REQUIRED FOR CHILDREN.—In the case of an individual who is a child, the employer of the child is not required to enroll the child in a covered employer health plan or make a contribution with respect to enrollment under the public health insurance plan on behalf of a child by virtue of the part-time or full-time employment of the child (whether or not the parent of the child is a full-time or part-time employee).

"SEC. 2105. MEETING REQUIREMENT OF ENROLLMENT IN QUALIFIED EMPLOYER HEALTH PLAN THROUGH ENROLLMENT IN PUBLIC HEALTH INSURANCE PLAN.

"(a) IN GENERAL.—In the case where an employer is required under this part to enroll employees (and family members) in a qualified employer health plan, the employer may elect to meet such requirement by entering into an agreement with the Secretary to enroll such individuals under the public health insurance plan.

"(b) CONTENTS OF AGREEMENT.—Such agreement shall provide, among other things, for the following:

"(1) The employer shall provide to the Secretary (in such form and manner as the Secretary may specify and no later than the date enrollment under a qualified employer health plan is required under this part) completed application forms for enrollment with the public health insurance plan of employees (and family members) required to be enrolled under this part and covered under the agreement.

"(2) The employer shall provide for payment of employer premiums (in the amount established under section 2231(b)) with respect to such enrollment.

"(3) The employer shall withhold from the pay of the employee any amount of the employee premium applicable to such enrollment which is charged by the employer consistent with section 2122(b) (relating to limitation on employee premiums).

"(c) ELECTION FOR FULL-TIME AND PART-TIME EMPLOYEES OR FOR PART-TIME EMPLOYEES ONLY.—The election under subsection (a), insofar as it applies to employees who are not seasonal or temporary employees, shall only be available with respect to either—

"(1) all employees (and their family members), including part-time employees, or

"(2) all part-time employees (and their family members).

"SEC. 2106. APPLICATION OF REQUIREMENT TO EMPLOYERS OF DIFFERENT SIZES.

"(a) LARGE EMPLOYERS.—Except as provided in subsection (d), the requirements of this part apply to large employers as of January 1 of the 4th year beginning after the date of the enactment of this title.

"(b) SMALL EMPLOYERS THAT ARE NOT VERY SMALL EMPLOYERS.—

"(1) BASELINE SURVEY OF CURRENT AVAILABILITY.—The Secretary shall provide for a survey of small employers that are not very small employers respecting their offering, as of January of the first year beginning after the date of the enactment of this title, of health benefits to employees for which there is some employer contribution toward part or all of the costs of coverage. Based on such survey, the Secretary shall determine the percentage, as of such month, of full-time equivalent employees of such employers who have been offered health benefits for which there is some such employer contribution.

"(2) INITIAL FOLLOW-UP SURVEY.—The Secretary shall provide for a survey of small employers that are not very small employers respecting the coverage, as of January of the 4th year beginning after the date of the enactment of this title, of their employees under a qualified employer health plan. Based on such survey, the Secretary shall determine the percentage, as of such month, of full-time equivalent employees of such employers who are covered under a qualified employer health plan.

"(3) 80 PERCENT TEST.—

"(A) FAILURE TO MEET TEST.—If the percentage determined (under a survey as of January of a year) under paragraph (2) (or, if applicable, under subparagraph (B)(ii)) is less than the target percentage (as defined in subparagraph (C)), then, subject to subsection (d), the requirements of this part apply to small employers that are not very small employers as of January 1 of the following year.

"(B) TEST MET.—If the percentage determined (under a survey as of January of a year) under paragraph (2) (or, if applicable, under clause (ii) of this subparagraph) is not less than the target percentage—

"(i) the Secretary shall submit to Congress a report on how to assure coverage of all full-time employees (and family members) of small employers that are not very small employers under qualified health plans,

"(ii) the Secretary shall provide for a survey and determination, of the type described in paragraph (2), for the month of January in the following year, and

"(iii) the provisions of this paragraph (other than clause (i)) shall also apply to the survey (and any subsequent surveys under clause (ii)).

No subsequent surveys shall be conducted under clause (ii) after the first year in which condition described in subparagraph (A) has been met.

"(C) TARGET PERCENTAGE DEFINED.—In this paragraph, the term 'target percentage' means the percentage determined under paragraph (1) plus 80 percent of the difference between such percentage and 100 percent.

"(4) EMPLOYEES DO NOT INCLUDE MEDICARE BENEFICIARIES.—In this subsection (and, by reference, subsection (c)) the term 'employees' does not include medicare beneficiaries.

"(c) VERY SMALL EMPLOYERS.—The provisions of subsection (b) shall be applied separately to very small employers in the same manner as they apply to small employers that are not very small employers, except that, for this purpose, the reference in subsection (b)(2) to the 4th year beginning after the date of the enactment of this title is deemed a reference to the 5th year beginning after such date.

"(d) TRANSITIONAL RULES.—

"(1) EXCEPTION FOR NON-FULL-TIME WORKERS.—The requirements of this part shall in no case apply to part-time employees or to seasonal or temporary employees earlier than January 1 of the 6th year beginning after the date of the enactment of this title.

"(2) TRANSITION FOR COLLECTIVE BARGAINING AGREEMENTS.—The requirements of this part shall not apply to employers with respect to their employees, insofar as such employees are covered under a collective bargaining agreement ratified before the date of the enactment of this title, earlier than the date of termination of such agreement (determined without regard to any extension thereof agreed to after the date of the enactment of this title).

"(3) SUSPENSION OF DATE OF BIRTH.—In the case of married individuals both of whom are full-time employees, the rule (described in section 2101(b)(2)(A)) requiring coverage under a covered employer health plan based on a date of birth rule shall only apply if both spouses are required under this part to be enrolled under a qualified employer health plan.

"SEC. 2107. TIMING OF ENROLLMENT; PERIOD OF COVERAGE.

"(a) TIMING OF ENROLLMENT; NOTICES.—

"(1) IN GENERAL.—Enrollment under this part shall occur not later than the date on which the employment, for which such enrollment is required under this part, commences.

"(2) REFERENCE TO DISCLOSURE REQUIREMENT.—For requirement for disclosure to employees of information respecting—

"(A) certain managed care plans, and

"(B) the availability of low-income assistance under part E of title XXII,

see section 2258(a)(2).

"(b) PERIOD OF COVERAGE.—

"(1) BEGINNING OF COVERAGE.—Coverage under a covered employer health plan shall begin in accordance with section 2252(b).

"(2) TERMINATION OF COVERAGE.—

"(A) IN GENERAL.—If an enrollment is effected under this part on the basis of employment, coverage under such enrollment may be terminated, subject to subparagraph (B), on the last day of the month (or of any subsequent month) during which such employment is terminated.

"(B) NOTICE REQUIRED.—Effective on the date specified in section 2257(b)(2), coverage under a covered employer health plan shall not be terminated as of the last day of a month unless notice has been provided to the Secretary, as required in section 2257(b)(1), of such termination at least 7 days before the last day of that month.

"(3) TREATMENT OF FAMILY MEMBERS.—Subject to section 2252, the period of coverage for family members of an employee shall be the same as the period of coverage for the employee.

"SEC. 2108. ENFORCEMENT.

"(a) COMPLAINTS AND INVESTIGATIONS.—The Secretary shall establish procedures—

"(1) for individuals and entities to file written, signed complaints respecting potential violations of the requirements of this part,

"(2) for the investigation of those complaints which, on their face, have a substantial probability of validity, and

"(3) for the investigation of such other violations of the requirements of this part as the Secretary determines to be appropriate.

For purposes of this paragraph, the designation as a seasonal or temporary employee under section 2103(a)(3) of an individual who is employed for periods in excess of the period permitted under section 2181(b)(3) constitutes a violation of the requirements of this part.

"(b) AUTHORITY IN INVESTIGATIONS.—In conducting investigations and hearings under this section—

"(1) agents of the Secretary and administrative law judges shall have reasonable access to examine evidence of any person or entity being investigated, and

"(2) administrative law judges, may, if necessary, compel by subpoena the attendance of witnesses and the production of evidence at any designated place or hearing.

In case of contumacy or refusal to obey a subpoena lawfully issued under this subsection and upon application of the Secretary, an appropriate district court of the United States may issue an order requiring compliance with such subpoena and any failure to obey such order may be punished by such court as a contempt thereof.

"(c) HEARING.—

"(1) IN GENERAL.—Before imposing an order described in subsection (d) against an employer under this section for a violation of the requirements of this part, the Secretary shall provide the employer with notice and, upon request made within a reasonable time (of not less than 30 days, as established by the Secretary) of the date of the notice, a hearing respecting the violation.

"(2) CONDUCT OF HEARING.—Any hearing so requested shall be conducted before an administrative law judge under section 201. If no hearing is so requested, the Secretary's imposition of the order shall constitute a final and unappealable order.

"(3) ISSUANCE OF ORDERS.—If the administrative law judge determines, upon the preponderance of the evidence received, that an employer named in the complaint has violated the requirements of this part, the administrative law judge shall state his findings of fact and issue and cause to be served on such employer an order described in subsection (d).

"(d) CEASE AND DESIST ORDER WITH CIVIL MONEY PENALTY.—

"(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, the order under this section—

"(A) shall require the employer—

"(i) to cease and desist from such violations, and

"(ii) to pay a civil penalty in an amount not to exceed 3 times the amount of premiums which the employer would be required to pay to enroll all individuals (otherwise required under this part to be enrolled under a qualified employer health plan) under the public health insurance plan a period of not less than 1 year; and

"(B) may require the employer to take such other remedial action as is appropriate.

"(2) CORRECTIONS WITHIN 30 DAYS.—No order shall be imposed under this section by reason of any violation if the employer establishes to the satisfaction of the Secretary that—

"(A) such violation was due to reasonable cause and not to willful neglect, and

"(B) such violation is corrected within the 30-day period beginning on earliest date the employer knew, or exercising reasonable diligence could have known, that such a violation was occurring.

"(3) WAIVER BY SECRETARY.—In the case of a violation which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the civil money penalty imposed by paragraph (1)(A)(ii) to the extent that payment of such penalty would be grossly excessive relative to the violation involved and to the need for deterrence of violations.

"(4) STATE LOSS OF FUNDS.—In the case of an employer that is a State or political subdivision of a State or an agency or instrumentality of a State or political subdivision and that violates the requirements of this part, instead of imposing a civil money penalty under paragraph (1)(A)(ii), there shall be imposed an order reducing payments to the State (in which the violation occurs), under title IV, V, XIX, or XX (as specified by the Secretary), in an amount equivalent to the amount of the civil money penalty that otherwise would be imposed in the case of other employers.

"(e) ADMINISTRATIVE APPELLATE REVIEW.—The decision and order of an administrative law judge shall become the final agency decision and order of the Secretary unless, within 30 days, the Secretary modifies or vacates the decision and order, in which case the decision and order of the Secretary shall become a final order under this section.

"(f) JUDICIAL REVIEW.—An employer adversely affected by a final order issued under this section may, within 45 days after the date the final order is issued, file a petition in the Court of Appeals for the appropriate circuit for review of the order.

"(g) ENFORCEMENT OF ORDERS.—If an employer fails to comply with a final order issued under this section against the employer, the Secretary shall file a suit to seek compliance with the order in any appropriate district court of the United States. In any such suit, the validity and appropriateness of the final order shall not be subject to review.

"(h) USE OF AMOUNTS COLLECTED.—Civil money penalties collected under this section shall be credited to the Public Health Insurance Trust Fund.

"PART B—REQUIREMENTS FOR QUALIFIED EMPLOYER HEALTH PLANS

"SEC. 2121. QUALIFIED EMPLOYER HEALTH PLAN AND COVERED EMPLOYER HEALTH PLAN DEFINED.

"(a) QUALIFIED EMPLOYER HEALTH PLAN DEFINED.—In this title and title XXII, the term 'qualified employer health plan' means an employment-related health plan (as defined in section 2304(a)(2)) that—

"(1) is a qualified health plan (as defined in section 2251(a)),

"(2) except as provided in section 2122, does not impose premiums, deductibles, or copayments on employees (and family members) required to be enrolled in a covered employer health plan under part A, and

"(3) meets the requirements of section 2243(c)(3) (relating to coordination of low-income assistance for deductibles and coinsurance).

Such term does not include the public health insurance plan.

"(b) COVERED EMPLOYER HEALTH PLAN DEFINED.—In this title, the term 'covered employer health plan' means, with respect to employees (and family members) whom an employer is required to enroll under part A, the qualified employer health plan in which they are enrolled or, in the case of an election with respect to such employees (and family members) under section 2105, the public health insurance plan.

"SEC. 2122. REQUIREMENTS RELATING TO EMPLOYEE PREMIUMS AND COST-SHARING.

"(a) ENROLLEE PREMIUMS AND COST-SHARING PERMITTED.—

"(1) In general.—A qualified employer health plan may require an enrollee to pay for—

"(A) premiums for coverage under the plan, but only if the premiums do not exceed the limitations imposed under this section, and

"(B) cost-sharing amounts for coverage under the plan, but only if the cost-sharing does not exceed the limitations on deductibles, copayments, and coinsurance imposed with respect to qualified health plans under section 2255.

"(2) Treatment of additional, required coverage.—If a qualified employer health plan provides benefits in addition to the benefits required under this title and the employee is not permitted the option of not accepting such additional benefits, the plan—

"(A) may not impose a premium, for such basic and additional benefits, that exceeds the premiums that may be imposed for the basic benefits, and

"(B) shall assure that cost-sharing is not imposed with respect to basic health services once the cost-sharing limit has been reached in a year with respect to benefits for such services.

"(3) Nondiscrimination in premium amounts.—Under a qualified employer health plan, no employee may be charged a different premium for similar benefits in the same covered employer health plan for the same beneficiary class based on the age or sex of the employee.

"(b) Limitation on Premiums.—

"(1) Monthly premium limited to 20 percent of actuarial rate.—

"(A) In general.—A qualified employer health plan may not require an employee to pay a premium—

"(i) for coverage for a period of longer than one month, or

"(ii) the amount of which on a monthly basis exceeds 20 percent of the monthly actuarial rate (as defined under subparagraph (B)).

"(B) Monthly actuarial rate defined.—For purposes of this subsection, the term 'monthly actuarial rate' means—

"(i) with respect to a qualified employer health plan in a plan year, the average monthly per enrollee amount that the plan estimates, for enrollees under the plan during the year, would be necessary to pay for the total benefits required during the year under the plan (with respect to basic health services), including administrative costs for the provision of such benefits and an appropriate amount for a contingency margin, or

"(ii) with respect to the public health insurance plan, the beneficiary actuarial rate (established under section 2231(a)(2)) applicable to basic health services in the community with respect to the beneficiary class which describes the employee's enrollment.

"(C) Application on basis of family status.—For purposes of subparagraph (B)(i), a qualified employer health plan may provide for the premium to be applied, and the monthly actuarial rate described in such subparagraph to be estimated, for basic health services based on the beneficiary classes described in section 2231(d)(1) (other than subparagraphs (A) and (C)) or on such other beneficiary classifications, consistent with subsection (a), as the employer or plan may specify.

"(3) Liability for payment of premiums.—An employee enrolled under a qualified employer health plan is liable for payment of premiums required under that plan in accordance with this subsection. In no case shall an employee be liable for premiums with respect to a qualified employer health plan, other than the portion of the premium which may be imposed on the employee consistent with this section.

"(4) Withholding permitted.—No provision of State law shall prevent an employer of an employee enrolled under a qualified employer health plan from withholding the amount of any premium due by the employee under this subsection from the wages paid the employee.

"(5) Construction.—Nothing in this section shall be construed—

"(A) as preventing an employer from paying part or all of the employee premium for basic health services or other health services, or

"(B) subject to subsection (a), from requiring an employee to pay for all or part of the premium for benefits for services other than basic health services.

"Part C—Definitions and Miscellaneous

"SEC. 2181. DEFINITIONS.

"(a) Employee, Employer, Employment, Wages.—

"(1) In general.—In this title, except as otherwise provided in this section, the terms 'wages', 'employer', 'employee', and 'employment' have the same meanings as such terms have for purposes of chapter 21 of the Internal Revenue Code of 1986.

"(2) Modifications of rules.—In applying paragraph (1)—

"(A) the exceptions specified in paragraphs (5), (6), (7), and (8) of section 3121(b) of the Internal Revenue Code of 1986 shall not be applied, and

"(B) in applying section 3121(a) of such Code, the limitation of wages to the contribution and benefit base under section 3121(a) of such Code shall not apply.

"(3) Treatment of federal employment.—In applying paragraph (1), the term 'employment' shall not be considered to include service performed in the employ of the United States if, in connection with the performance of such service, the individual—

"(A) is enrolled in a health benefits plan under chapter 89 of title 5, United States Code, or

"(B) is provided medical and dental benefits under chapter 55 of title 10, United States Code.

"(b) Definitions Relating to Employees.—In this title:

"(1) Full-time employee.—The term 'full-time employee' means, with respect to an employer, an employee who normally performs on a monthly basis at least 25 hours of service per week for that employer.

"(2) Part-time employee.—The term 'part-time employee' means, with respect to an employer, an employee who is not a full-time employee.

"(3) Seasonal or temporary employee.—The term 'seasonal or temporary employee' means, with respect to an employer, an employee who is employed by the employer for not more than 4 months in any 12 month period; except that the Secretary may extend such period for up to 6 months in any 12 month period in the case of employment that is sporadic, irregular, and seasonal in nature.

"(4) Treatment of consultants and contractors.—The term 'employee' includes an individual who is a consultant or contractor of an employer if the Secretary determines that the consulting arrangement or contract was entered into to avoid the requirements of this title.

"(5) Exclusion of foreign employment.—The term 'employee' does not include an individual—

"(A) who is not a citizen or resident of the United States with respect to service performed outside the United States, or

"(B) who is a citizen or resident of the United States with respect to services performed outside the United States for an employer other than an American employer (as defined in section 3121(h) of the Internal Revenue Code of 1986).

"(c) Definitions Relating to Size of Employer.—In this title:

"(1) Very small employer.—The term 'very small employer' means, with respect to a calendar year, an employer that normally employs fewer than 25 employees on a typical business day during the calendar year.

"(2) Small employer.—The term 'small employer' means, with respect to a calendar year, an employer that normally employs fewer than 101 employees on a typical business day during the calendar year.

"(3) Large employer.—The term 'large employer' means an employer that is not a small employer.

"(4) Application of controlled group rules.—For purposes of determining if an employer is a very small, small, or large employer or the number of hours an individual is normally employed with respect to an employer, rules similar to the rules of subsection (b) and (c) of section 414 of the Internal Revenue Code of 1986 shall apply.

"(d) Incorporation of Definitions.—Except as otherwise provided in this title, the terms defined in section 2282 and 2283 shall apply under this title in the same manner as they apply under title XXII.

"SEC. 2182. NONAPPLICATION TO RESIDENTS OF PUERTO RICO AND TERRITORIES.

"The provisions of this title shall not apply with respect to an employee who is not a resident of one of the 50 States or the District of Columbia.".

TITLE II—ACCESS TO HEALTH INSURANCE FOR BASIC HEALTH SERVICES THROUGH A PUBLIC HEALTH INSURANCE PLAN

SEC. 201. PUBLIC HEALTH INSURANCE PLAN.

The Social Security Act is amended by adding after the title added by section 101 the following new title:

"TITLE XXII—ACCESS TO HEALTH INSURANCE FOR BASIC HEALTH SERVICES THROUGH A PUBLIC HEALTH INSURANCE PLAN

"Part A—Eligibility and Enrollment

"SEC. 2201. ELIGIBILITY TO ENROLL FOR HEALTH INSURANCE BENEFITS AND TO APPLY FOR LOW-INCOME ASSISTANCE.

"(a) Eligibility to Enroll for Health Insurance Benefits.—Subject to subsection (c)—

"(1) Enrollment to obtain benefits with respect to basic health services.—

"(A) In general.—Each eligible individual (as defined in subsection (d)) who is not a medicare beneficiary is eligible to enroll under this title—

"(i) on a non-employment basis, for health insurance benefits with respect to basic health services and with respect to EPSDT services, or

"(ii) on an employment basis, for health insurance benefits with respect to basic health services.

"(B) Enrollment under title on an employment and non-employment basis defined.—An eligible individual is considered, for purposes of this title, to be enrolled under this title—

"(i) with respect to basic health services on an 'employment basis' only if the individual is enrolled by an employer pursuant to a public plan election under section 2105, or

"(ii) on a 'non-employment basis'—

"(I) with respect to EPSDT services and medicare supplemental benefits, and

"(II) with respect to basic health services, if the individual is enrolled under this title other than on an employment basis.

"(C) ENROLLMENT UNDER A QUALIFIED EMPLOYER HEALTH PLAN DEFINED.—An individual is considered, for purposes of this title, to be 'enrolled under a qualified employer health plan' if—

"(i) the individual is enrolled under a qualified employer health plan (as defined in section 2281(b)(7)) as an employee (or family member of an employee),

"(ii) the employer is required to provide for such enrollment (or, in the case of a public plan election, for enrollment under this title) under part A of title XXI, and

"(iii) the amount of the employee share of the premium is limited under section 2122(b).

"(2) ENROLLMENT TO OBTAIN BENEFITS WITH RESPECT TO EPSDT SERVICES.—An eligible individual who—

"(A)(i) is enrolled under this title on an employment basis, (ii) is enrolled under a qualified employer health plan, or (iii) is enrolled under another qualified health plan, and

"(B) is not a medicare beneficiary,

is eligible to enroll under this title with respect to EPSDT services.

"(3) NON-EMPLOYED MEDICARE BENEFICIARIES.—In the case of an eligible individual who—

"(A) is a medicare beneficiary, and

"(B) is not enrolled under a qualified employer health plan or under this title on an employment basis,

the individual is eligible to enroll under this title with respect to medicare supplemental benefits only if the individual is a low-income medicare beneficiary (as defined in section 2283(a)(1)(B)).

"(b) ELIGIBILITY TO APPLY FOR LOW-INCOME ASSISTANCE.—Subject to subsection (c), each eligible individual who—

"(1) is enrolled in the public health insurance plan under this title, whether on a non-employment basis or on an employment basis,

"(2) is enrolled under a qualified employer health plan, or

"(3) is a medicare beneficiary,

is eligible to apply for low-income assistance under part E.

"(c) PHASE-IN OF ELIGIBILITY.—

"(1) DELAY IN FULL ELIGIBILITY.—Except as provided in paragraph (2), no individual is eligible to enroll for any health insurance benefits under this title or to apply for low-income assistance under part E for any period before January 1 of the 6th year beginning after the date of the enactment of this title.

"(2) ELIGIBILITY PHASE-IN.—

"(A) CHILDREN AND PREGNANT WOMEN.—Children under 7 years of age and pregnant women (as defined in section 2282) are eligible to enroll under this title on a non-employment basis and to apply for low-income assistance under part E effective on January 1 of the 2nd year beginning after the date of the enactment of this title.

"(B) ALL CHILDREN.—Unmarried individuals under 19 years of age are eligible to enroll under this title on a non-employment basis and to apply for low-income assistance under part E effective on January 1 of the 3rd year beginning after the date of the enactment of this title.

"(C) EMPLOYEES OF LARGE EMPLOYERS.—Large employers may provide for enrollment of employees (and family members) on an employment basis effective January 1 of the 4th year beginning after the date of the enactment of this title. Employees of such employers (and their family members) who are enrolled under qualified employer health plans (or under this title on an employment basis) are eligible as of such date to apply for low-income assistance under part E.

"(D) OTHER EMPLOYED INDIVIDUALS.—Any other employer who is subject to the requirements of part A of title XXI may provide for enrollment of employees (and family members) on an employment basis. Employees of such employers (and their family members) who are enrolled under qualified employer health plans (or under this title on an employment basis) are eligible as of the date the employers are subject to such requirements to apply for low-income assistance under part E.

"(d) ELIGIBLE INDIVIDUAL DEFINED.—In this section, the term 'eligible individual' means an individual who is—

"(1)(A) a citizen or national of the United States, (B) an alien lawfully admitted for permanent residence, or (C) an alien otherwise residing permanently in the United States under color of law, and

"(2) a resident of the United States.

"SEC. 2202. APPLICATION FOR ENROLLMENT.

"(a) PERIOD OF APPLICATION.—Individuals eligible to enroll under this title may apply to enroll at any time at which they are so eligible.

"(b) APPLICATION PROCESS.—

"(1) IN GENERAL.—The filing of a complete application for enrollment under this title shall (except as the Secretary may provide) constitute enrollment under this title. Such an application may be filed with the Secretary by mail or at such locations as the Secretary may specify.

"(2) AVAILABILITY OF APPLICATIONS.—The Secretary shall make applications for enrollment under this title available—

"(A) at local offices of the Social Security Administration,

"(B) at out-reach sites (such as provider locations), and

"(C) at other locations accessible to a broad cross-section of individuals eligible to enroll.

"(3) APPLICATION FOR LOW-INCOME ASSISTANCE.—An application for enrollment under this section may (but need not) be accompanied by an application for low-income assistance under part E.

"(4) RESTRICTION ON USE OF AGENTS.—The Secretary may not provide for receipt or processing of applications for enrollment under this title—

"(A) by any non-Federal entity which is directly or indirectly involved in the administration of title IV, XVI, or XIX of this Act, or

"(B) by any entity which does not meet such standards as the Secretary establishes to assure the confidentiality of information collected in the enrollment process.

"SEC. 2203. COVERAGE PERIOD; TERMINATION OF ENROLLMENT.

"(a) BEGINNING OF COVERAGE.—For provision regarding the beginning of coverage under the public health insurance plan, see section 2252(b).

"(b) TERMINATION OF ENROLLMENT DURING TRANSITION PERIOD.—

"(1) IN GENERAL.—Before January 1 of the 6th year beginning after the date of the enactment of this title, except as provided in paragraph (3)—

"(A) an individual enrolled under this title may terminate enrollment on a non-employment basis by providing written notice to the Secretary that the individual—

"(i) no longer wishes to be enrolled in the public health insurance plan, or

"(ii) is enrolled under a qualified health plan or is a medicare beneficiary; and

"(B) the Secretary may terminate enrollment on a non-employment basis of an individual, after providing the individual (or the individual's representative) with written notice, for failure to pay premiums required with respect to such enrollment.

"(2) EFFECTIVE DATE OF TERMINATION.—A termination of enrollment under paragraph (1)(A) shall take effect at the close of the month following the month in which the notice is filed. A termination of enrollment under paragraph (1)(B) shall take effect on a date (determined under regulations) after the date written notice of such termination has been provided to the enrollee (or the enrollee's representative). Such regulations shall provide a grace period of at least 1 month after the date of written notice in which overdue premiums may be paid and coverage continued.

"(3) MINIMUM PERIOD OF ENROLLMENT DURING TRANSITION.—Subject to paragraph (4), before January 1 of the 6th year beginning after the date of the enactment of this title—

"(A) IN GENERAL.—An individual (other than a pregnant woman or newborn) who is enrolled under this title on a non-employment basis may not terminate enrollment less than 12 months after the date of the enrollment.

"(B) PREGNANT WOMEN AND NEWBORNS.—In the case of a woman who is enrolled under this title during pregnancy on a non-employment basis—

"(i) the enrollment of the woman may not be terminated earlier than the end of the month in which the 60-day period, beginning on the last day of the pregnancy, ends; and

"(ii) the newborn child shall be deemed enrolled under this title as of the date of birth, and such enrollment may not be terminated earlier than the end of the month in which the child's first birthday occurs.

"(4) TERMINATION PERMITTED IF COVERED UNDER ANOTHER QUALIFIED HEALTH PLAN.—The minimum period of enrollment under paragraph (3) shall not apply if, at the time of termination of enrollment, the individual is immediately covered under another qualified health plan which will provide coverage during the minimum period for which enrollment is otherwise required under such paragraph.

"(c) TERMINATION OF ENROLLMENT AFTER TRANSITION PERIOD.—For limitations on termination of enrollment under this title on or after January 1 of the 6th year beginning after the date of the enactment of this title, see section 2204(c).

"SEC. 2204. REQUIREMENT OF HEALTH INSURANCE COVERAGE.

"(a) REQUIREMENT FOR ALL ELIGIBLE INDIVIDUALS.—

"(1) IN GENERAL.—Effective on and after the date specified in subsection (e), each eligible individual (as defined in section 2201(d)) who is not an excepted individual (as defined in paragraph (2)), is deemed to have enrolled under this title on the date before such date or as soon thereafter as the individual is not an excepted individual. If such an individual has not filed an application for enrollment under this title by such date, the Secretary shall provide a means to collect information sufficient to effect such enrollment as soon as possible after such date.

"(2) EXCEPTED INDIVIDUALS.—For purposes of paragraph (1), the term 'excepted individual' means an individual who—

"(A) is a medicare beneficiary,

"(B) is enrolled under a qualified employer health plan, or

"(C) demonstrates (in a manner specified by the Secretary) enrollment under a qualified health plan or under a Federal health plan (as defined in subsection (f)).

"(b) AUTOMATIC CONTINUING ENROLLMENT.—For provisions relating to coordination of enrollment among qualified health plans and assuring continuous coverage for basic health services (and portability of health insurance benefits among such plans), see section 2257.

"(c) LIMITATION ON TERMINATION OF ENROLLMENT FOR BASIC HEALTH SERVICES.—Effective on the date specified in subsection (e) and with respect to basic health services—

"(1) EMPLOYMENT-BASED ENROLLMENT.—An individual enrolled under this title on an employment basis may not elect to terminate such enrollment.

"(2) NON-EMPLOYMENT BASIS.—An individual enrolled under this title on a non-employment may not terminate such enrollment unless—

"(A) the individual is no longer eligible to be enrolled under this title because of a change of immigration or residency status, or

"(B) the individual demonstrates to the satisfaction of the Secretary that the individual is a medicare beneficiary or is enrolled under another qualified health plan.

"(d) ENFORCEMENT.—

"(1) MONITORING OF INDIVIDUAL TAX RETURNS.—The Secretary of the Treasury shall require, in conjunction with the filing of each individual income tax return under chapter 1 of the Internal Revenue Code of 1986 or (in the case of individuals not required to file such a return) at such other times as the Secretary may specify, the filing of such information as may be necessary to establish compliance with subsection (a).

"(2) RETROACTIVE ENROLLMENT.—If such an individual has not provided evidence of enrollment in a qualified health plan or Federal health plan, the Secretary—

"(A) shall enroll the individual pursuant to the filing of such return, and

"(B) shall require the payment of twice the amounts of premiums that would have been paid if the person had been enrolled on a timely basis, unless the individual has established to the satisfaction of the Secretary good cause for the failure to enroll on a timely basis.

"(e) EFFECTIVE DATE OF REQUIREMENT.—The date specified in this subsection is January 1 of the 6th year beginning after the date of the enactment of this title.

"(f) FEDERAL HEALTH PLAN DEFINED.—In this section, the term 'Federal health plan' means a health plan of, or contributed to by, the Federal Government on behalf of its employees, retirees, and their family members, and includes—

"(1) the Federal employees health insurance program under chapter 89 of title 5, United States Code,

"(2) the program for the provision of medical and dental benefits under chapter 55 of title 10, United States Code, and

"(3) the program for the provision of hospital care and medical services by the Department of Veterans' Affairs under chapter 17 of title 38, United States Code.

"PART B—HEALTH INSURANCE BENEFITS

"SEC. 2211. BASIC HEALTH SERVICES (INCLUDING PREVENTIVE SERVICES) FOR GENERAL ENROLLEES.

"(a) GENERAL POPULATION.—

"(1) IN GENERAL.—Except as provided in the succeeding provisions of this part, the health insurance benefits provided to an individual enrolled under this title (whether on an employment basis or a non-employment basis) shall consist of entitlement to have payment made, subject to the succeeding provisions of this title, with respect to basic health services (as defined in subsection (b)).

"(b) BASIC HEALTH SERVICES DEFINED.—

"(1) IN GENERAL.—In this title, the term 'basic health services' means, subject to paragraph (2), the following items and services:

"(A) Preventive services (described in subsection (c)).

"(B) Inpatient hospital services.

"(C) Medical and other health services (as defined in section 2281(a)(9)), which include physicians' services and certain other practitioner services and outpatient and clinic services.

"(2) TREATMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES.—Basic health services include the items and services described in paragraph (1) for the treatment of mental illness, a mental disorder, or substance abuse, but do not include—

"(A) inpatient hospital services for such treatment for any individual in excess of 45 days in any calendar year, and

"(B) outpatient psychotherapy and counseling for such treatment for any individual in excess of 25 visits in any calendar year.

"(c) PREVENTIVE SERVICES.—

"(1) IN GENERAL.—In this title, the term 'preventive services' means the following items and services furnished in accordance with any applicable periodicity schedule established under paragraph (2):

"(A) Prenatal care (including home visitation services).

"(B) Well-child care (including appropriate immunizations according to age and health history).

"(C) Screening mammography (as defined in section 2281(a)(15)).

"(D) Screening pap smear (as defined in section 2281(a)(16)).

"(E) Family planning services.

"(F) Colorectal cancer screening services (as defined by the Secretary).

"(2) PERIODICITY SCHEDULES.—

"(A) PRENATAL CARE.—With respect to prenatal care under paragraph (1)(A), the Secretary shall establish a schedule of periodicity which reflects the appropriate frequency with which such care should be provided to pregnant women, taking into account age and other risk factors.

"(B) WELL-CHILD CARE.—With respect to well-child care under paragraph (1)(B), the Secretary shall establish a schedule of periodicity which reflects the general, appropriate frequency with which such care should be provided routinely to healthy children.

"(C) SCREENING MAMMOGRAPHY AND SCREENING PAP SMEAR.—With respect to screening mammography and screening pap smear, the Secretary shall establish a schedule of periodicity which reflects the appropriate frequency with which such services should be provided to individuals, taking into account age and other risk factors.

"(D) COLORECTAL CANCER SCREENING SERVICES.—With respect to colorectal cancer screening services described in paragraph (1)(F), the Secretary shall establish a schedule of periodicity which reflects the appropriate frequency with which such services should be provided to individuals, taking into account age and other risk factors.

"(3) CONSULTATION.—The Secretary shall consult with recognized medical organizations involved in the respective field (or fields) of health in establishing the periodicity schedules under paragraph (2).

"(4) STANDARDS.—The Secretary shall establish standards for entities furnishing preventive services under this title, in the case of providers and practitioners who otherwise are not qualified to provide other services under title XVIII or this title.

"(5) REVIEW OF ADDITIONAL PREVENTIVE SERVICES.—The Secretary shall examine and periodically report to Congress on additional services that, based on studies of usefulness and cost-effectiveness, should be included as preventive services under this title.

"SEC. 2212. EPSDT SERVICES.

"(a) INCLUDED WITH NON-EMPLOYMENT BASED ENROLLMENT.—

"(1) IN GENERAL.—Each child who is enrolled under this title on a non-employment basis is entitled to health insurance benefits with respect to EPSDT services, regardless of whether or not the child is entitled to health insurance benefits under this title with respect to basic health services.

"(2) OPTIONAL EMPLOYER CONTRIBUTIONS.—Nothing in this section shall be construed as preventing an employer from providing, or as requiring an employer to provide, a contribution with respect to enrolling children of employees under this title in order to obtain health insurance benefits with respect to EPSDT services.

"(b) EPSDT SERVICES DEFINED.—In this title, the term 'EPSDT services' means the following items and services, but only to the extent they are not preventive services (as defined in section 2211(c)(1)):

"(1) Screening services—

"(A) which are provided—

"(i) at intervals which meet reasonable standards of medical and dental practice, as determined by the Secretary after consultation with recognized medical and dental organizations involved in child health care, and

"(ii) at such other intervals, indicated as medically necessary, to determine the existence of certain physical or mental illnesses or conditions; and

"(B) which shall at a minimum include—

"(i) a comprehensive health and developmental history (including assessment of both physical and mental health development),

"(ii) a comprehensive unclothed physical exam,

"(iii) appropriate immunizations according to age and health history,

"(iv) laboratory tests (including lead blood level assessment appropriate for age and risk factors), and

"(v) health education (including anticipatory guidance).

"(2) Vision services—

"(A) which are provided—

"(i) at intervals which meet reasonable standards of medical practice, as determined by the Secretary after consultation with recognized medical organizations involved in child health care, and

"(ii) at such other intervals, indicated as medically necessary, to determine the existence of a suspected illness or condition; and

"(B) which shall at a minimum include diagnosis and treatment for defects in vision, including eyeglasses.

"(3) Dental services—

"(A) which are provided—

"(i) at intervals which meet reasonable standards of dental practice, as determined by the Secretary after consultation with recognized dental organizations involved in child health care, and

"(ii) at such other intervals, indicated as medically necessary, to determine the existence of a suspected illness or condition; and

"(B) which shall at a minimum include relief of pain and infections, restoration of teeth, and maintenance of dental health.

"(4) Hearing services—

"(A) which are provided—

"(i) at intervals which meet reasonable standards of medical practice, as determined by the Secretary after consultation with recognized medical organizations involved in child health care, and

"(ii) at such other intervals, indicated as medically necessary, to determine the existence of a suspected illness or condition; and

"(B) which shall at a minimum include diagnosis and treatment for defects in hearing, including hearing aids.

"(c) Treatment of Certain Providers and Practitioners.—

"(1) Standards.—The Secretary shall establish qualifying standards for providers and practitioners furnishing EPSDT services under this title, in the case of providers and practitioners who otherwise are not qualified to provide other services under title XVIII or this title.

"(2) Construction.—Nothing in this title shall be construed as limiting the providers and practitioners furnishing EPSDT services to providers and practitioners who are qualified to provide all such services or as preventing such a provider or practitioner that is qualified under this title to furnish one or more (but not all) of such items or services from being qualified to furnish such items and services as part of EPSDT services.

"SEC. 2213. MEDICARE SUPPLEMENTAL BENEFITS FOR LOW-INCOME MEDICARE BENEFICIARIES.

"(a) In General.—In the case of a low-income medicare beneficiary who is enrolled under this title on a non-employment basis and is not enrolled under a qualified employer health plan, the health insurance benefits under this title shall consist of medicare supplemental benefits described in subsection (b).

"(b) Medicare Supplemental Benefits Defined.—In this title, the term 'medicare-supplemental benefits' means the minimum benefits required to be offered by a medicare supplemental policy under section 1882, plus coverage of the inpatient hospital deductible under part A of title XVIII.

"SEC. 2214. SCOPE OF COVERAGE.

"(a) In General.—Subject to the succeeding provisions of this section, services covered under this title are not subject to any limitation on amount, duration, or scope. However, no payment shall be made under this title for services furnished which are not reasonable and medically necessary (as determined under subsection (b)).

"(b) Reasonableness and Medical Necessity.—

"(1) In general.—Except as provided in this subsection, services are considered not reasonable and medically necessary under this title unless they would be considered (under section 1862(a)(1)) reasonable and medically necessary for purposes of title XVIII.

"(2) Preventive services; EPSDT services, etc.—In the case of preventive services provided consistent with the periodicity schedule established under section 2211(c)(2) and EPSDT services provided consistent with any periodicity schedule applicable to such services—

"(A) such services shall be considered to be reasonable and medically necessary, and

"(B) shall not be subject to exclusion through the operation of paragraph (1), (7), or (12) of section 1862(a) (as incorporated under section 2225(a)(2)).

"(3) Use of same national coverage decision review process.—The provisions of section 1869(b)(3) shall apply under this title in the same manner as they apply under title XVIII. Any determination under such title that, under paragraph (1), would apply under this title shall not be subject to review under this paragraph.

"(c) Reference to Limitations on Certain Mental Health and Substance Abuse Treatment Services.—For limitation on coverage of basic health services for the treatment of mental illness, a mental disorder, or substance abuse, see section 2211(b)(2).

"(d) Report on Prescription Drugs as a Covered Service.—Not later than the beginning of the 3rd year beginning after the date of the enactment of this title, Director of the Office of Technology Assessment shall submit to Congress a report on the cost-effectiveness of including health insurance benefits under this title for some or all prescription drugs.

"PART C—PAYMENTS FOR BENEFITS; DEDUCTIBLES, COINSURANCE, AND STOP-LOSS PROTECTION FOR BASIC HEALTH SERVICES

"SEC. 2221. PAYMENTS FOR BENEFITS.

"(a) Use of Medicare Payment Rules.—

"(1) In general.—Except as otherwise provided in this title—

"(A) payment of benefits under this title with respect to benefits shall be made, subject to adjustment in payment rates under subsection (b), in the same amounts and on the same basis as payment may be made with respect to such benefits under title XVIII, and

"(B) the provisions of sections 1814, 1815, 1833, 1834(c) (other than paragraphs (1)(A) and (2)), 1835, 1842, 1848, 1886, 1887 shall apply to payment of benefits (and provision of services and charges thereon) under this title in the same manner as they apply to benefits, services, and charges under title XVIII.

"(2) Identification of comparable payment methods for new services.—In the case of services for which there is not a payment basis established under title XVIII, the Secretary shall establish payment rules that are similar to the payment rules for similar services under such title.

"(3) No judicial or administration review.—There shall be no administrative or judicial review of the payment rates or rules under this section (including adjustments made under subsection (b)).

"(b) Adjustment of Medicare Payment Rates.—

"(1) In general.—For purposes of payment for inpatient hospital services, physicians' services, and other services under this title for which payment rates are established under title XVIII, the Secretary shall adjust the payment rates otherwise established under title XVIII to take into account differences between the population served under that title and the population served by this title or enrolled under qualified employer health plans and such other appropriate factors (such as the special circumstances of hospitals the inpatients of which are predominantly children) as the Secretary deems appropriate.

"(2) Consultation.—In making adjustments under paragraph (1), the Secretary shall consult with the Prospective Payment Assessment Commission with respect to inpatient hospital services and with the Physician Payment Review Commission with respect to physicians' services.

"(d) Use of Trust Fund.—In carrying out this section, any reference in title XVIII to a trust fund shall be treated as a reference to the Public Health Insurance Trust Fund established under section 2233.

"(e) Withholding of Payments for Certain Medicare and Medicaid Providers.—The provisions of section 1885 (relating to withholding of payments for certain medicaid providers) shall apply under this title in the same manner as they apply under title XVIII, except that for this purpose any reference in such section to title XIX shall be deemed to include a reference to title XVIII.

"(f) Offset of Payments to Individuals to Collect Past-Due Obligations Arising from Breach of Scholarship and Loan Contract.—The provisions of section 1892 (relating to offset of payments to individuals to collect past-due obligations arising from breach of scholarship and loan contracts) shall apply under this title in the same manner as they apply under title XVIII; except that, in applying this subsection, the amounts transferred under subsection (e) of that section shall be credited directly to the scholarship or loan program to which the amounts were due.

"SEC. 2222. DEDUCTIBLE FOR BASIC HEALTH SERVICES.

"(a) Deductible.—

"(1) In general.—Except as provided in this section and part E, the amount of expenses for basic health services with respect to which an individual is entitled to have payment made under this title for any year shall first be reduced by a deductible of—

"(A) $250, in the case of each person included within a beneficiary class described in subparagraph (A) or (C) of section 2231(d)(1), or

"(B) $500, in the case of each individual included within another beneficiary class.

"(2) Family deductible.—In the case of individuals described in paragraph (1)(B) who are members of a family, the deductible under such paragraph shall be applied collectively to the expenses of all family members who are not medicare beneficiaries.

"(3) Application of deductible in place of medicare deductibles.—The deductible established under this subsection shall be applied instead of applying the deductible for inpatient hospital services under the first sentence of section 1813(a)(1) and the deductible under section 1833(b).

"(4) Indexing of dollar amounts of deductible.—The dollar amounts specified in paragraph (1) shall be increased each year (beginning with second year after the year in which this title is enacted) by a percentage equal to the percentage increase in the contribution and benefit base (determined under section 230) from the year before the year in which this title is enacted to the year before the year involved. Any such increase shall be rounded to the nearest multiple of $5.

"(b) Deductible Does Not Apply to Preventive Services, EPSDT Services, and Medicare Supplemental Benefits.—The deductible established under subsection (a) does not apply—

"(1) to preventive services or EPSDT services provided consistent with the respective periodicity schedules, or

"(2) to medicare supplemental benefits.

"SEC. 2223. COINSURANCE FOR BASIC HEALTH SERVICES.

"(a) COINSURANCE RATES.—Subject to subsections (b) and (c), the coinsurance rates applicable to basic health services under title XVIII shall apply in the administration of this title

"(b) NO COINSURANCE FOR PREVENTIVE AND EPSDT SERVICES.—There shall be no coinsurance under this title in the case of—

"(1) preventive services, and

"(2) EPSDT screening services described in section 2112(b)(1),

provided consistent with any applicable periodicity schedules.

"(c) NO COINSURANCE FOR INPATIENT HOSPITAL SERVICES.—Payment shall be made for inpatient hospital services under this part without regard to the coinsurance amounts established under section 1813(a).

"SEC. 2224. LIMIT ON COST-SHARING FOR BASIC HEALTH SERVICES.

"(a) LIMITATION.—

"(1) IN GENERAL.—Whenever in a calendar year an individual's or family's expenses for the deductible and coinsurance with respect to basic health services covered under this title and furnished during the year equals $3,000, payment of benefits under this title for the individual or family for basic health services furnished during the remainder of the year shall be paid without the application of any coinsurance.

"(2) INDEXING OF DOLLAR AMOUNT OF LIMIT.—The dollar amount specified in paragraph (1) shall be increased each year (beginning with second year after the year in which this title is enacted) by a percentage equal to the percentage increase in the contribution and benefit base (determined under section 230) from the year before the year in which this title is enacted to the year before the year involved. Any such increase shall be rounded to the nearest multiple of $5.

"(b) CREDITING FOR EXPENSES INCURRED UNDER QUALIFIED EMPLOYER HEALTH PLANS.—For provision relating to the accounting of cost-sharing incurred for basic health services furnished under this title and the crediting under this title of cost-sharing incurred for such services furnished under other qualified health plans, see section 2257(c).

"SEC. 2225. EXCLUSIONS; COORDINATION.

"(a) IN GENERAL.—

"(1) REASONABLENESS AND MEDICAL NECESSITY.—For exclusion of payment for services on the basis of reasonableness and medical necessity, see section 2214.

"(2) OTHER EXCLUSIONS.—Except as provided in this section and section 2214, section 1862 (other than subsection (a)(1)) shall apply to expenses incurred for items and services provided under this title in the same manner as such section applies to items and services provided under title XVIII.

"(b) RELATIONSHIP TO MEDICARE IN CASE OF EMPLOYMENT BASED ENROLLMENT.—In the case of enrollment of a medicare beneficiary on an employment basis under this title, in applying section 1862(b) (pursuant to subsection (a)(2) of this section), the public health insurance plan shall be treated as a large group health plan (described in section 1862(b)).

"(c) SECONDARY PAYOR FOR EPSDT SERVICES.—

"(1) IN GENERAL.—Payment under this title with respect to EPSDT services shall be secondary to payment under other qualified health plans with respect to such services. In applying this paragraph, State plans of medical assistance under title XIX shall not be treated as qualified health plans.

"(2) COORDINATION.—Under standards established by the Secretary, the coordination of benefit standards specified in section 1862(b)(4) shall apply in the case described in paragraph (1) in the same manner as such standards apply under title XVIII in the case in which such title is a secondary payor.

"SEC. 2226. APPLICATION OF QUALIFIED HEALTH PLAN PROVISIONS.

"Except as specifically provided in part F, the provisions of part F shall apply to the public health insurance plan in the same manner as they apply to qualified health plans.

"PART D—PREMIUMS, PUBLIC HEALTH INSURANCE TRUST FUND

"SEC. 2231. PREMIUMS.

"(a) BENEFICIARY PREMIUMS.—

"(1) AMOUNT OF PREMIUMS.—

"(A) IN GENERAL.—Except as provided in this section, the premium to be charged for enrollment under this title on a non-employment basis of any individual in a beneficiary class (as defined in subsection (d)) for a benefit package (as defined in subsection (c)) in any community (as defined in subsection (e)) is the actuarial rate established under paragraph (2) with respect to such class, package, and community.

"(B) PART-TIME EMPLOYEES AND SEASONAL OR TEMPORARY EMPLOYEES.—

"(i) IN GENERAL.—Subject to clause (iii), in the case of a covered employee (as defined in clause (ii)) who—

"(I) normally performs on a monthly basis 10 or more hours of work per week for any employer, the premium to be charged for enrollment under this title on a non-employment basis is 20 percent of the beneficiary actuarial rate otherwise applicable under subparagraph (A), or

"(II) is not described in subclause (I), the premium to be charged for enrollment under this title on a non-employment basis is the beneficiary actuarial rate otherwise applicable under subparagraph (A), less the amount of the contributions of all the employers with respect to that employee, but in no case is the premium under this subclause to be less than the premium described in subclause (I).

"(ii) COVERED EMPLOYEE DEFINED.—In clause (i), the term 'covered employee' means an individual who—

"(I) is employed by one or more employers as a part-time employee or as a seasonal or temporary employee, and

"(II) none of whose employers has elected to meet the requirements of part A of title XXI with respect to part-time employees or seasonal or temporary employees, respectively, through enrollment under a qualified employer health plan, but all of whom are providing any contribution towards the employee's premiums under this title,

and includes the family members of such an employee.

"(iii) LIMIT ON PREMIUM WHERE PREMIUM SUBSIDY.—In no case shall the premium under clause (i) exceed—

"(I) the beneficiary actuarial rate otherwise applicable under subparagraph (A), reduced by

"(II) the amount of any premium subsidy under part E.

"(C) MEDICARE BENEFICIARIES.—

"(i) IN GENERAL.—In the case of a low-income medicare beneficiary enrolled under this title on a non-employment basis, the amount of the monthly premium to be charged for enrollment under this part shall be equal to the amount (if any) by which—

"(I) 1/12 of 5 percent of the individual's adjusted total income (as defined in section 2247, subject to clause (ii)) for the year in which the month occurs, exceeds

"(II) the premiums paid for enrollment of the individual in the month under part B (and, if applicable, part A) of title XVIII.

"(ii) COMPUTATION OF ADJUSTED TOTAL INCOME.—In the case of a medicare beneficiary who is a married and who is not enrolled in a qualified employer health plan or under this title on an employment basis, in applying clause (i) and section 2242(b), the individual's adjusted total income is ½ of the sum of the family adjusted total income of the family of which the individual is a member.

"(2) DETERMINATION OF ACTUARIAL RATES.—

"(A) IN GENERAL.—In September of each year, beginning with the 1st year beginning after the date of the enactment of this title, the Secretary shall determine and publish the beneficiary actuarial rate for each beneficiary class (as specified in subsection (d)) for each of the benefit packages (as specified in subsection (c)) available under this title (with respect to that class) for each community (designated under subsection (e)) for health insurance benefits in the following year.

"(B) BASIS FOR ACTUARIAL RATES.—Each such actuarial rate shall be established in a manner so that if all eligible individuals in the class were enrolled under this title for the benefit package in the community, the aggregate of the rates would be equal to the total expenditures (including administrative expenses) with respect to that class, benefit package, and community under this title in that following year. Each such actuarial rate shall be uniform within each beneficiary class, benefit package, and community, and shall not vary among such individuals by age, sex, health, or other risk characteristics.

"(C) PUBLIC STATEMENT.—Whenever the Secretary publishes beneficiary actuarial rates under this paragraph, the Secretary shall, at the time of such publication, include a public statement setting forth the actuarial assumptions and bases employed in arriving at the amount of the actuarial rates.

"(3) NO JUDICIAL OR ADMINISTRATION REVIEW.—There shall be no administrative or judicial review of the actuarial rates determined under this subsection.

"(b) EMPLOYER PREMIUMS.—

"(1) AMOUNT OF PREMIUMS.—

"(A) IN GENERAL.—The employer premium to be charged an employer for enrollment of full-time employees (and their families) on an employment basis under this title in a year is the product of—

"(i) the employer premium percentage computed under paragraph (2) for the year, and

"(ii) the wages paid by the employer with respect to such employees.

The employer premium to be charged for employment based enrollment of part-time and seasonal employees (and their families) under this title if the product described in the previous sentence as applied to such employees instead of to full-time employees.

"(B) CONSTRUCTION.—Nothing in this subsection prevents an employer from making contributions on behalf of the enrollment on a non-employment basis of individual employees (and their families)—

"(i) with respect to basic health services during the period beginning with the 3rd year that begins after the date of the enactment of this title and ending with the year before the year in which the employer is required to enroll employees in a qualified employer health plan, or "(ii) at any time with respect to EPSDT services.

"(2) Determination of employer premium percentage.—The Secretary shall determine in September of each year (beginning with the 3rd year beginning after the date of the enactment of this title) the employer premium percentage with respect to employers purchasing health benefits under this title with respect to their employees for different beneficiary classes for the following year. Such percentage may (at the Secretary's discretion) be determined separately for each region (as defined by the Secretary) and shall be determined as follows:

"(A) Transitional percentage.—The percentage shall be computed for each year in the transition period so that it is anticipated that by the 6th year after the date of the enactment of this title—

"(i) the number of full-time equivalent employees (and family members) who will be enrolled under this title on an employment basis, will be equal to

"(ii) ½ of the number of full-time equivalent employees (and family members) not covered under any employer health plan as of the date of the enactment of this title.

"(B) Percentage after transitional period.—For any subsequent year, the percentage established under this paragraph for the previous year for a beneficiary class shall be increased by an index established by the Secretary. The index shall reflect the ratio of—

"(i) the rate of increase in per capita health care costs under this title for individuals enrolled on an employment basis, to

"(ii) the rate of increase in the contribution and benefit base (under section 230).

"(3) No judicial or administration review.—There shall be no administrative or judicial review of the employer premium percentage determined under this subsection.

"(4) Transition period defined.—In this subsection, the term 'transition period' means the period beginning with the 4th year beginning after the date of the enactment of this title and ending with the 6th year beginning after such date.

"(c) Benefit Packages.—For purposes of this section, each of the following shall be treated as a separate benefit package:

"(1) Benefits for basic health services and EPSDT services.

"(2) Benefits for basic health services.

"(3) Benefits for EPSDT services.

"(4) Medicare supplemental benefits.

"(d) Beneficiary Classes.—For purposes of this section, the beneficiary classes are as follows:

"(1) With respect to benefit packages described in paragraphs (1) and (2) of subsection (c), each of the following:

"(A) Only 1 child.

"(B) Only 2 or more children in the same family.

"(C) 1 adult.

"(D) A married couple without children.

"(E) 1 adult and 1 child.

"(F) A married couple with 1 or more children, or 1 adult with 2 or more children.

"(2) With respect to the benefit package described in subsection (c)(3), each child.

"(3) With respect to the benefit package described in subsection (c)(4), each medicare beneficiary.

The Secretary may establish additional classes of beneficiaries if it is necessary to carry out the purposes of this title, title XXI, and title XXIII.

"(e) Community.—For purposes of this section, the term 'community' means a geographic area designated by the Secretary as—

"(1) encompassing one or more adjacent metropolitan statistical areas, or

"(2) the remaining area within each State (that is not designated within any community under paragraph (1));

except that the Secretary may designate an entire State as a community if such a designation would better carry out the purposes of this title and title XXIII. The Secretary from time to time may change the boundaries of communities designated under paragraph (1) or (2) for such purposes. There shall be no administrative or judicial review of the designation of communities under this subsection.

"SEC. 2232. COLLECTION OF PREMIUMS.

"(a) Individual Enrollment.—

"(1) In general.—In the case of individuals enrolled on a non-employment basis under this title, the Secretary shall provide for the payment of premiums on a monthly or quarterly basis. To the maximum extent feasible, the Secretary shall arrange for payment of such premiums through automatic withholding from income sources or accounts with financial institutions.

"(2) Collection of unpaid premiums.—

"(A) Transmission of information to secretary of the treasury.—In the case of premium amounts owing and unpaid under this subsection, the Secretary shall inform the Secretary of the Treasury of individuals or individuals owing such amounts and the amounts owed.

"(B) Collection.—The Secretary of the Treasury shall assess and collect the amounts referred to in subparagraph (A) in the same manner as taxes imposed by subtitle C of the Internal Revenue Code of 1986.

"(b) Employer Enrollment.—

"(1) In general.—In the case of individuals enrolled under this title on an employment basis, the employer shall provide for periodic payments of premiums to the Secretary in a form, manner, and time established by the Secretary. Such frequency may vary based on the number of full-time employees covered and the amount of premiums due.

"(2) Collection of unpaid premiums.—

"(A) Transmission of information to secretary of the treasury.—In the case of premium amounts owing and unpaid under this subsection, the Secretary shall inform the Secretary of the Treasury of employers owing such amounts and the amounts owed.

"(B) Collection.—The Secretary of the Treasury shall assess and collect the amounts referred to in subparagraph (A) in the same manner as taxes imposed by subtitle C of the Internal Revenue Code of 1986.

"(c) Deposit.—Premiums collected under this section shall be deposited to the credit of the Public Health Insurance Trust Fund (established under section 2233).

"SEC. 2233. PUBLIC HEALTH INSURANCE TRUST FUND.

"(a) Establishment.—

"(1) In general.—There is hereby created on the books of the Treasury of the United States a trust fund to be known as the 'Public Health Insurance Trust Fund' (in this section referred to as the 'Trust Fund'). The Trust Fund shall consist of such gifts and bequests as may be made as provided in paragraph (2) and such amounts as may be deposited in, or appropriated to, such Trust Fund as provided in this part.

"(2) Authorization to accept gifts.—The Managing Trustee of the Trust Fund is authorized to accept on behalf of the United States money gifts and bequests made unconditionally to the Trust Fund, for the benefit of the Trust Fund, or any activity financed through the Trust Fund.

"(b) Incorporation of Provisions.—

"(1) In general.—Subject to the succeeding provisions of this subsection, the provisions of subsections (b) through (e) of section 1841 shall apply to the Trust Fund in the same manner as they apply to the Federal Supplementary Medical Insurance Trust Fund (established under section 1841).

"(2) General references.—In applying paragraph (1), any reference in section 1841 to the Federal Supplementary Medical Insurance Trust Fund or to title XVIII (or part B thereof) is deemed a reference to the Trust Fund and this title, respectively.

"(3) Transfers to SMI trust fund.—There shall be transferred periodically (but not less often than monthly) from the Trust Fund to the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, amounts equivalent to the premium subsidies provided under part E of this title with respect to premiums under part A or part B, respectively, of title XVIII.

"(c) Authorization of Appropriations To Cover Government Contributions.—

"(1) Annual estimate of expenditures.—In April before the beginning of each fiscal year, the Secretary shall determine and report to Congress on—

"(A) the total amount of expenditures projected under this title in the fiscal year involved, and

"(B) the total amount of revenues (other than those attributable to this subsection) to be deposited into the Trust Fund in the fiscal year.

Such determination and report shall first be made for the fiscal year that ends during the 2nd year that begins after the date of the enactment of this title.

"(2) Authorization of appropriations.—There are authorized to be appropriated for each fiscal year, out of any moneys in the Treasury not otherwise appropriated, to the Public Health Insurance Trust Fund, a Government contribution equal to the amount by which—

"(A) the projected expenditures for the fiscal year reported under paragraph (1)(A), exceed

"(B) the projected revenues for the fiscal year reported under paragraph (1)(B).

"Part E—Assistance for Low-Income Individuals

"SEC. 2241. ASSISTANCE FOR INDIVIDUALS WITH INCOME BELOW THE POVERTY LINE ENROLLED ON A NON-EMPLOYMENT BASIS.

"(a) In General.—Except as otherwise provided in this section, in the case of an individual—

"(1) who is enrolled under this title on a non-employment basis,

"(2) who is not a low-income medicare beneficiary, and

"(3) whose family adjusted total income (as defined in section 2247) does not exceed 100 percent of the official poverty line (as defined in section 2183(2)),

the low-income assistance under this part shall consist of waiver of the premiums imposed under section 2231(a) and of any deductibles or coinsurance under this title for the individual and the individual's family.

"(b) Treatment of Medicare Beneficiaries.—In the case of a medicare beneficiary—

"(1) who is not enrolled under a qualified employer health plan or under this title on an employment basis, and

"(2) whose family adjusted total income (as defined in section 2247) does not exceed 100 percent of the official poverty line (as defined in section 2183(2)),

the low-income assistance under this part shall consist of waiver of the premiums imposed under section 2231(a) and of any deductibles or coinsurance under this title for the individual and the individual's family.

"(b) TREATMENT OF MEDICARE BENEFICIARIES.—In the case of a medicare beneficiary—

"(1) who is not enrolled under a qualified employer health plan or under this title on an employment basis, and

"(2) whose family adjusted total income (as defined in section 2247) does not exceed 100 percent of the official poverty line (as defined in section 2183(2)),

the low-income assistance under this part shall consist of (A) payment for premiums imposed under part A (if any) or part B of title XVIII and (B) waiver of any premiums imposed for medicare supplemental benefits under this title. The assistance described in clause (A) shall be provided in a manner so that no such premium amount is deducted from monthly benefits or transfers under section 1840.

"SEC. 2242. ASSISTANCE FOR INDIVIDUALS WITH INCOME BELOW THE TWICE THE POVERTY LINE ENROLLED ON A NON-EMPLOYMENT BASIS.

"(a) NON-MEDICARE POPULATION.—In the case of an individual who is not a medicare beneficiary, who is enrolled under this title on a non-employment basis, and whose family adjusted total income exceeds 100 percent but is less than 200 percent, of the official poverty line, the low-income assistance under this part shall consist of the following:

"(1) PREMIUMS.—The beneficiary premium amount under section 2231(a) shall be reduced by the subsidy percentage (as defined in subsection (c)) of the premium amount otherwise applied. Any reduction in premium under this paragraph shall be rounded to the nearest multiple of $5.

"(2) DEDUCTIBLE.—The deductible under section 2222 shall be reduced by the subsidy percentage of the deductible otherwise applied. Any reduction in the deductible under this paragraph shall be rounded to the nearest multiple of $10.

"(3) COINSURANCE.—The percentage coinsurance applied under section 2223 shall be reduced by the subsidy percentage multiplied by the percentage coinsurance otherwise applied.

"(b) PREMIUM SUBSIDY FOR MEDICARE BENEFICIARIES.—In the case of a low-income medicare beneficiary—

"(1) who is not enrolled under a qualified employer health plan or under this title on an employment basis, and

"(2) whose family adjusted total income exceeds 100 percent of the official poverty line,

the low-income assistance under this part for a month shall consist of payment for premiums imposed under part A (if any) or part B of title XVIII, but only to the extent that such premiums (and any premium imposed for enrollment under this title) does not exceed 1/12 of 5 percent of the individual's adjusted total income (as defined in section 2247, subject to section 2231(a)(1)(C)(ii)) for the year in which the month occurs. Such assistance shall be effected in a manner so that no such premium amount is deducted from monthly benefits or transfers under section 1840.

"(c) SUBSIDY PERCENTAGE DEFINED.—

"(1) IN GENERAL.—In this section and section 2243, the term 'subsidy percentage' means the number of percentage points by which the family's adjusted total income (expressed as a percent of the applicable official poverty line) is less than 200 percent.

"(2) ROUNDING FOR COINSURANCE.—For purposes of subsection (a)(3) and section 2243(c)(2), the subsidy percentage (as applied to the coinsurance percentage) shall be rounded to the nearest multiple of 5 percent.

"SEC. 2243. ASSISTANCE FOR INDIVIDUALS COVERED UNDER QUALIFIED EMPLOYER HEALTH PLANS.

"(a) IN GENERAL.—In the case of an eligible individual who is enrolled under a qualified employer health plan or is enrolled under this title on an employment basis, low-income assistance under this part shall consist of—

"(1) payment (in a manner specified by the Secretary) of the premium subsidy under subsection (b) to the individual or another family member, or, in the case described in subsection (b)(4), the employer, and

"(2) payment to the plan of the deductible and coinsurance subsidy under subsection (c).

Such subsidies shall apply to premiums, deductibles, and coinsurance for the individual and family member covered on an employment basis under the plan or under this title.

"(b) PREMIUM SUBSIDY.—

"(1) AMOUNT.—The amount of the premium subsidy under this subsection is the subsidy percentage (as defined in section 2242(c)) of the employee share of the premium. Any premium subsidy under this paragraph which is not a multiple of $5 shall be rounded to the nearest multiple of $5.

"(2) USE OF LEAST EXPENSIVE QUALIFIED PLAN.—In applying paragraph (1), the amount of the premium subsidy shall be based on the qualified employer health plan available to the employee with the smallest premium payment required of the employee (for the type of family enrollment with which the employee is enrolled).

"(3) FREQUENCY OF PAYMENT.—Except as provided in paragraph (4), the premium subsidy under this subsection shall be paid not less frequently than quarterly or, if the amount of the premium subsidy on a monthly basis exceeds $20, monthly.

"(4) OPTIONAL, DIRECT COORDINATION WITH EMPLOYERS.—In the case of an employee—

"(A) who is enrolled under a covered employer health plan,

"(B) who is entitled to assistance under this part,

"(C) whose employer agrees to enter into an arrangement with the Secretary under this paragraph, and

"(D) who assigns (in the manner specified by the Secretary) rights to premium subsidies under this subsection to the employer,

the Secretary shall enter into an arrangement with the employer under which (i) the employer agrees to reduce premiums otherwise imposed with respect to the individual by the amount of the subsidy, and (ii) the Secretary agrees to make payment (not less often than monthly) to the employer of the amount of such premium subsidy.

"(c) DEDUCTIBLE AND COINSURANCE SUBSIDY.—

"(1) DEDUCTIBLE SUBSIDY AMOUNT.—The amount of the deductible subsidy under this subsection is the subsidy percentage of the deductible otherwise applied. Any deductible subsidy under this paragraph that is not a multiple of $10 shall be rounded to the nearest multiple of $10.

"(2) COINSURANCE SUBSIDY AMOUNT.—The amount of the coinsurance subsidy under this subsection is the product of the subsidy percentage, the percentage coinsurance otherwise applied, and the payment amount permitted for basic health services.

"(3) DIRECT COORDINATION BY PLAN REQUIRED.—Each qualified employer health plan shall provide for—

"(A) acceptance of information, electronically, from the Secretary on the amount of the deductible and coinsurance subsidy for individuals (and family members),

"(B) a reduction in the deductibles and coinsurance otherwise imposed to reflect the deductible and coinsurance subsidies to which the individual and family members are entitled,

"(C) reasonably prompt payment of bills for which such charges have been made, and

"(D) transmission of such information as is necessary to indicate the amount of subsidy provided under the plan for specified individuals.

In return, the Secretary shall provide for payment, not less often than monthly, to the plan of the amount of payments made by such a plan for deductible and coinsurance subsidies under this subsection.

"SEC. 2244. APPLICATIONS FOR ASSISTANCE.

"(a) IN GENERAL.—Subject to section 2245, any individual who seeks assistance under this part (with respect to himself or herself or a family member) shall submit a written application, by person or mail, to the Secretary. The application may be submitted with an application to enroll under this title on a non-employment basis or separately.

"(b) BASIS FOR DETERMINATION.—Subject to section 2245 and reconciliation under such section, eligibility for assistance under this part shall be based on 4 times the family adjusted total income (as defined in section 2247, subject to section 2231(a)(1)(C)(ii)) during the 3 months preceding the month in which the application is filed.

"(c) FORM AND CONTENTS.—An application for assistance under this part shall be in a form and manner specified by the Secretary and shall require—

"(1) the provision of information necessary to make the determinations described in subsection (b),

"(2) the provision of information respecting any covered employer health plan in which the individual is enrolled, and

"(3) the individual (if enrolled under such a plan) to assign rights for deductible and coinsurance subsidies under this part to such plan.

Such form also shall include an option to execute, as part of completing the form and in order to meet the condition described in section 2243(b)(4)(D), an assignment of an individual's right for premium subsidies under this part to an employer.

"(d) FREQUENCY OF APPLICATIONS.—

"(1) IN GENERAL.—An application for assistance under this part may be filed at any time during the year and may be resubmitted (but, except as provided in paragraph (3), not more frequently than once every 3 months) based upon a change of income or family composition.

"(2) NEED TO REAPPLY.—In the case of an individual who—

"(A) is entitled to assistance under this section in September of a year, and

"(B) wishes to remain eligible for benefits for months beginning with January of the following year,

the individual (or a family member) must file with the Secretary in October of that preceding year a new application for assistance. If an individual that fails to file a new application under this paragraph, an application for such assistance with respect to any family member may not be filed file during November or December of that preceding year.

"(3) CORRECTION OF INCOME.—Nothing in paragraph (1) shall be construed as preventing an individual or family from, at any time, submitting an application to reduce the amount of assistance under this part based upon an increase in income from that stated in the previous application.

"(e) TIMING OF ASSISTANCE.—

"(1) IN GENERAL.—If an application for assistance under this part is filed—

"(A) on or before the 15th day of a month, assistance under this part shall be available for premiums for months after such month and, with respect to the deductible and coinsurance, for expenses incurred after such month; or

"(B) after the 15th day of a month, assistance under this part shall be available for premiums for months after the month following such month and, with respect to the deductible and coinsurance, for expenses incurred after such following month.

"(2) WELFARE RECIPIENTS.—In the case of an individual or family with respect to whom an application for assistance is not required because of section 2246, in applying paragraph (1), the date of approval of aid or benefits described in such section shall be considered the filing of an application for assistance under this part.

"(f) VERIFICATION.—The Secretary shall provide for verification, on a sample basis or other basis, of the information supplied in applications under this part. This verification shall be separate from the reconciliation provided under section 2245.

"(g) HELP IN COMPLETING APPLICATIONS.—The Secretary shall provide, from funds appropriated to carry out this title, for grants to public or private nonprofit entities that will make available assistance to individuals and families in filing applications for assistance under this part. The Secretary shall make grants in a manner that provides such assistance at a variety of sites (such as low-income housing projects and shelters for homeless individuals) that are readily accessible to individuals and families eligible for assistance under this part.

"(h) PENALTIES FOR INACCURATE INFORMATION.—

"(1) INTEREST FOR UNDERSTATEMENTS.—Each individual who knowingly understates income reported in an application for assistance under this part or otherwise makes a material misrepresentation of information in such an application shall be liable to the Federal Government for excess payments made based on such understatement or misrepresentation, and for interest on such excess payments at a rate specified by the Secretary.

"(2) PENALTIES FOR MISREPRESENTATION.—Each individual who knowingly misrepresents material information in an application for assistance under this part shall be liable to the Federal Government for $1,000 or, if greater, three times the excess payments made based on such misrepresentation.

"(i) FILING OF APPLICATION DEFINED.—Except as provided in subsection (e)(2), for purposes of this part, an application under this part is considered to be 'filed' on the date on which the complete application, including all documentation required to act on the application, has been filed with the Secretary.

"SEC. 2245. RECONCILIATION OF PREMIUM ASSISTANCE THROUGH USE OF INCOME STATEMENTS.

"(a) REQUIREMENT FOR FILING OF INCOME STATEMENT.—Subject to section 2246, in the case of a family which is receiving low-income assistance under this part for any month in a year, a member of the family shall file with the Secretary, by not later than April 15 of the following year, a statement that verifies the family's total adjusted family income for the taxable year ending during the previous year. Such a statement shall provide information necessary to determine the family adjusted total income during the year and the number of family members in the family as of the last day of the year.

"(b) RECONCILIATION OF PREMIUM ASSISTANCE BASED ON ACTUAL INCOME.—Based on and using the income reported in the statement filed under subsection (a) with respect to a family or individual, subject to section 2246, the Secretary shall compute the amount of assistance that should have been provided under this part with respect to premiums for the family in the year involved. If the amount of such assistance computed is—

"(1) greater than the amount of premium assistance provided, the Secretary shall provide for payment (directly or through a credit against future premiums owed) to the family or individual involved of an amount equal to the amount of the deficit, or

"(2) less than the amount of assistance provided, the Secretary shall require the family or individual to pay (directly or through an increase in future premiums owed) to the Secretary (to the credit of the program under this title) an amount equal to the amount of the excess payment.

"(c) DISQUALIFICATION FOR FAILURE TO FILE.—Subject to section 2246, in the case of any family that is required to file an information statement under subsection (a) in a year and that fails to file such a statement by the deadline specified in such subsection, no member of the family shall be eligible for assistance under this part after May 1 of such year. The Secretary shall waive the application of this subsection if the family establishes, to the satisfaction of the Secretary, good cause for the failure to file the statement on a timely basis.

"(d) PENALTIES FOR FALSE INFORMATION.—Any individual that provides false information in a statement under subsection (a) is subject to a criminal penalty to the same extent as a criminal penalty may be imposed under section 1128B(a) with respect to a person described in clause (ii) of such section.

"(e) NOTICE OF REQUIREMENT.—The Secretary shall provide for written notice, in March of each year, of the requirement of subsection (a) to each family which received assistance under this part in any month during the preceding year and to which such requirement applies.

"(f) TRANSMITTAL OF INFORMATION.—The Secretary of the Treasury shall transmit annually to the Secretary such information relating to the adjusted total income of individuals for the taxable year ending in the previous year as may be necessary to verify the reconciliation of assistance under this section.

"(g) CONSTRUCTION.—Nothing in this section shall be construed as authorizing reconciliation of assistance provided with respect to deductibles and coinsurance.

"SEC. 2246. TREATMENT OF CERTAIN CASH ASSISTANCE RECIPIENTS.

"In the case of a family that has been determined to be eligible for aid under part A or E of title IV or an individual who has been determined to be eligible for supplemental security income benefits under title XVI—

"(1) the family or individual is deemed, without the need to file an application for assistance under section 2244, to have adjusted total income below 100 percent of the official poverty line applicable to a family of the size involved,

"(2) the family or individual need not file a statement under section 2245(a), and

"(3) the assistance received by the family is not subject to reconciliation under section 2245(b).

"SEC. 2247. COMPUTATION OF FAMILY ADJUSTED TOTAL INCOME.

"In this part:

"(1) ADJUSTED TOTAL INCOME.—The term 'adjusted total income' means—

"(A) adjusted gross income (as defined in section 62(a) of the Internal Revenue Code of 1986), determined without the application of paragraphs (6) and (7) of such section and without the application of section 162(l) of such Code, plus

"(B) the amount of social security benefits (described in section 86(d) of such Code) which is not includable in gross income under section 86 of such Code.

"(2) FAMILY ADJUSTED TOTAL INCOME.—Except as provided in section 2231(a)(1)(C)(ii), the term 'family adjusted total income' means, with respect to an individual, the sum of the adjusted total income for the individual and all the other family members.

"(3) FAMILY SIZE.—The family size to be applied under this part, with respect to family adjusted total income, is the number of individuals included in the family for purposes of coverage of health insurance benefits under this title or under a qualified employer health plan (as the case may be).

"PART F—QUALIFIED HEALTH PLANS

"SEC. 2251. CERTIFICATION OF QUALIFIED HEALTH PLANS.

"(a) QUALIFIED HEALTH PLAN DEFINED.—For purposes of this title, the term 'qualified health plan'—

"(1) means a health plan that the Secretary certifies, upon application by the plan, to meet the requirements of this part, and

"(2) includes, unless the context indicates otherwise, the public health insurance plan under this title.

"(b) DEEMED CERTIFICATION.—The Secretary shall establish a procedure under which an insured health plan (as defined by the Secretary), other than a public employee health plan, issued in a State shall be deemed to be certified under subsection (a)(1) with respect to that State if the applicable regulatory authority (as defined in section 2281(c)(1)) certifies that the plan meets the requirements for certification under this part.

"(c) REVIEW AND RECERTIFICATION.—The Secretary shall establish procedures for the periodic review and recertification of plans as qualified health plans.

"(d) TERMINATION OF CERTIFICATION.—The Secretary shall terminate the certification of a qualified health plan if the Secretary determines—

"(1) in the case of a plan deemed certified under subsection (b), that the applicable regulatory authority has terminated its certification of the plan, or

"(2) in the case of any plan, that the plan no longer meets the requirements for certification.

Before effecting either such termination, the Secretary shall provide the plan notice and opportunity for a hearing on the proposed termination.

"SEC. 2252. TREATMENT OF FAMILY AS A UNIT; COVERAGE PERIOD; HEALTH PLAN CARDS.

"(a) TREATMENT OF FAMILY AS A UNIT.—

"(1) IN GENERAL.—Subject to paragraph (2), enrollment of a individual in a qualified health plan shall include enrollment of the other family members (as defined in section 2282(1)) of the individual.

"(2) TREATMENT OF INELIGIBLE INDIVIDUALS.—Nothing in paragraph (1) shall be construed as requiring a qualified health plan (or permitting the public health insurance plan) to enroll individuals who are not eligible individuals (as defined in section 2201(d)).

"(b) BEGINNING OF COVERAGE.—

"(1) IN GENERAL.—In the case of an individual enrolled under any qualified health plan, subject to subsection (c), the benefits under the plan shall first become available for services furnished beginning on the first day of the month following the month of enrollment.

"(2) SPECIAL RULES.—The Secretary shall provide for such standards as may be necessary to provide for the allocation of responsibility among qualified health plans in the case of an inpatient hospital stay, or other services provided over a period of time and for which a single payment amount is established, that begins during the period of coverage under one qualified health plan and ends during a period of coverage under another qualified health plan.

"(c) STANDARDS TO REFLECT CHANGES IN FAMILY AND EMPLOYMENT STATUS.—

"(1) IN GENERAL.—Under standards established by the Secretary consistent with this subsection, qualified health plans shall provide for appropriate changes in the coverage of family members to take into account—

"(A) changes in family composition or status, including marriage, divorce (or legal separation), birth or adoption of children, and the aging of children into adulthood, and

"(B) changes in employment status.

"(2) MONTHLY CHANGES.—Except as specifically provided in this subsection, such standards shall be designed—

"(A) to effect a change in enrollment (or status of enrollment) as of the first day of the first month (or, in order to provide for notice and an opportunity for coordination among plans, a later month) following the date of the event causing the change,

"(B) to prevent any periods of noncoverage under any qualified health plans, and

"(C) to provide, in cases of a change of family status such as marriage, divorce, or legal separation, for accounting and crediting of cost-sharing among family members (described in section 2257(c)) in an equitable and administrable manner.

"(3) TREATMENT OF NEWBORNS.—

"(A) BIRTH TO WOMAN DURING PERIOD OF COVERAGE.—Any child born to a woman during the period of coverage under a qualified health plan shall, as of the date of birth, be automatically enrolled and covered for benefits under the plan.

"(B) BIRTH TO WOMAN WITHOUT COVERAGE.—Any child born in the United States to a woman who is not, at the time of birth, enrolled under a qualified health plan shall be automatically enrolled and covered for benefits under this title as of the date of birth if an application for such enrollment is made not later than 60 days after the date of birth or, if later, the end of the year in which the child is born.

"(C) EXCEPTION.—Subparagraphs (A) and (B) shall not apply in such cases, specified by the Secretary, in which the newborn child should be covered under the health plan of the father or another individual.

"(4) ADOPTION.—

"(i) TREATMENT OF VOLUNTARY RELINQUISHMENT.—Any child who is voluntarily relinquished to a public or private agency shall upon the application by the agency be enrolled under this title and covered as of the date of the relinquishment, until the date of the child's placement for adoption.

"(ii) TREATMENT OF ADOPTED CHILDREN.—Any child who is placed for adoption with an individual during the period the individual is enrolled and covered under a qualified health plan shall, as of the date of the placement for adoption, be treated as the child of the individual and be automatically enrolled and covered under such plan.

"(5) PLACEMENT IN CUSTODY OF PUBLIC AGENCY PURSUANT TO COURT ORDER OR OTHERWISE.—Any child who is removed from the family and placed in the temporary custody of a public agency pursuant to a court order or otherwise shall, upon application by the public agency on or after the date of the removal and placement with the public agency, be deemed to be automatically enrolled and covered for benefits under this title as of the date of the application, until the child is returned to the family or placed for adoption.

"(6) TREATMENT OF LEGAL WARDS, FOSTER CHILDREN, ETC.—In cases not described in paragraphs (4) or (5), the Secretary shall establish standards relating to the time an individual described in section 2282(5)(B)(ii) is treated as the child of the person with custody and such other standards as may be necessary to assure the proper coordination of enrollment of children and other individuals among qualified health plans.

"(d) HEALTH PLAN CARDS.—In conjunction with enrollment of individuals under a qualified health plan, the plan shall provide for the issuance of a card which may be used for purposes of identification of such enrollment and the processing of claims for benefits under the plan. Such card shall—

"(1) identify (as appropriate) the types of benefits to which the individual is entitled under the plan, and

"(2) contain such other information as the Secretary (and the plan) shall specify.

"SEC. 2253. REQUIREMENTS RESPECTING BASIC BENEFITS.

"(a) IN GENERAL.—Each qualified health plan must provide for benefits for at least all basic health services (as defined in section 2212(b)).

"(b) TREATMENT OF ADDITIONAL BENEFITS.—Nothing in this section shall be construed as preventing a qualified health plan from including benefits in addition to benefits for basic health services.

"(c) TREATMENT OF PUBLIC HEALTH INSURANCE PLAN.—In applying subsection (a) with respect to the public health insurance plan, the provisions of part B are deemed to supersede such subsection.

"SEC. 2254. REQUIREMENTS RESPECTING LIMITS ON PREEXISTING CONDITION EXCLUSIONS AND COVERAGE STANDARDS FOR BASIC HEALTH SERVICES.

"(a) IN GENERAL.—Except as provided under subsection (b), a qualified health plan—

"(1) may not deny, limit, or condition the coverage under (or benefits of) the plan with respect to basic health services based on the health status, claims experience, receipt of health care, medical history, or lack of evidence of insurability, of an individual, and

"(2) may not provide for exclusions from coverage for basic health services that are more restrictive than the exclusions for such services under this title.

"(b) TREATMENT OF PRE-EXISTING CONDITION EXCLUSIONS FOR ALL SERVICES.—

"(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, a qualified health plan (other than the public health insurance plan) may exclude coverage with respect to services related to treatment of a preexisting condition, but the period of such exclusion may not exceed 6 months.

"(2) NONAPPLICATION TO NEWBORNS AND SUNSET OF PRE-EXISTING CONDITION EXCLUSIONS FOR BASIC HEALTH SERVICES.—The exclusion of coverage permitted under paragraph (1) shall not apply to—

"(A) services furnished to newborns, or

"(B) basic health services furnished on or after July 1 of the 6th year beginning after the date of the enactment of this title.

"(3) CREDITING OF PREVIOUS COVERAGE.—

"(A) IN GENERAL.—If an individual is in a period of continuous coverage (as defined in subparagraph (B)(i)) with respect to particular services as of the date of initial coverage under a plan, any period of exclusion of coverage with respect to a preexisting condition for such services or type of services shall be reduced by 1 month for each month in the period of continuous coverage.

"(B) DEFINITIONS.—In this paragraph:

"(i) PERIOD OF CONTINUOUS COVERAGE.—The term 'period of continuous coverage' means, with respect to particular services, the period beginning on the date an individual is enrolled under a health plan or program (including a qualified health plan, a Federal health plan, the medicare program, a State plan under title XIX, or a State general medical assistance program) which provides the same or substantially similar benefits with respect to such services and ends on the date the individual is not so enrolled for a continuous period of more than 3 months.

"(ii) PREEXISTING CONDITION.—The term 'preexisting condition' means, with respect to coverage under a plan, a condition which has been diagnosed or treated during the 3-month period ending on the day before the first date of such coverage, except that such term does not include a condition which was first diagnosed or treated during a period of continuous coverage.

"(C) STANDARDS FOR SIMILAR BENEFITS.—The Secretary, in consultation with the National Association of Insurance Commissioners, shall establish such criteria for determining if benefits are substantially similar as may be necessary to carry out this subsection.

"SEC. 2255. REQUIREMENTS RESPECTING LIMITS ON COST-SHARING.

"(a) IN GENERAL.—Except as provided in subsection (b), a qualified health plan may not impose deductibles, copayments, or coinsurance with respect to basic health services in excess of the deductible and coinsurance permitted under part C with respect to such services (not taking into account any low-income assistance provided under part E).

"(b) EXCEPTION FOR MANAGED CARE PLANS.—In the case of a qualified health plan that is a managed care plan (as defined in section 2281(c)(3)), the limitations on deductibles, copayments, and coinsurance under paragraph (1) shall not apply to services furnished other than by participating providers, except that such limitations shall continue to apply to services that are medically necessary and that are required to be provided immediately because of an unforeseen illness, injury, or condition.

"(c) CONSTRUCTION.—Nothing in this section shall be construed as preventing a qualified health plan from providing for deductibles, coinsurance, and copayments or other restrictions with respect to services other than basic health services that are different from those permitted with respect to basic health services.

"(d) TREATMENT OF PUBLIC HEALTH INSURANCE PLAN.—In applying subsection (a) with respect to the public health insurance plan, the provisions of part C are deemed to supersede such subsection.

"SEC. 2256. ADEQUACY OF PAYMENTS.

"(a) IN GENERAL.—A qualified health plan shall establish adequate payment rates for basic health services.

"(b) TEST IF RATES BELOW PUBLIC PLAN RATES.—If a qualified health plan provides payment rates for basic health services that, in the aggregate, are less than the payment rates provided under the public health insurance plan, the plan is not considered to meet the requirement of subsection (a) unless it demonstrates to the satisfaction of the Secretary that its enrollees, in order to obtain medically necessary basic health services, are not required to incur out-of-pocket expenditures (for other than premiums) substantially in excess of the out-of-pocket expenditures the enrollees would have incurred if enrolled under the public health insurance plan.

"(c) MANAGED CARE PLANS.—A qualified health plan (other than the public health insurance plan) may limit the number of providers or practitioners for which benefits for basic health services are paid only if the plan is a managed care plan.

"(d) TREATMENT OF PUBLIC HEALTH INSURANCE PLAN.—In applying subsection (a) with respect to the public health insurance plan, the provisions of part C are deemed to supersede such subsection.

"SEC. 2257. COORDINATION AND PORTABILITY OF HEALTH COVERAGE UNDER QUALIFIED HEALTH PLANS.

"(a) IN GENERAL.—Each qualified health plan shall provide for coordination of—

"(1) enrollment and termination of enrollment among the qualified health plans and title XVIII, and

"(2) application of deductibles and limitations on cost-sharing among such qualified health plans,

in accordance with standards established by the Secretary consistent with this section.

"(b) REQUIREMENT OF NOTICES WITH RESPECT TO COVERAGE.—

"(1) IN GENERAL.—Each qualified health plan shall provide notice at the time an individual's coverage under the plan begins or is terminated. Such notice shall be provided (in a form and manner and at a time specified by the Secretary)—

"(A) to the individual (or in the case of enrollment only of a child or children, to the parent enrolling the child or children), and

"(B) effective (on the date specified in paragraph (2)) to the Secretary.

The notice under this paragraph shall include the names and other identifying information of family members whose coverage is affected by the change.

"(2) DATE OF REQUIREMENT FOR NOTICE TO PUBLIC HEALTH INSURANCE PLAN.—The date specified in this paragraph is January 1 of the 6th year beginning after the date of the enactment of this title.

"(3) NOTICE TO BENEFICIARY AND OTHER QUALIFIED HEALTH PLANS UPON OBTAINING COVERAGE.—

"(A) IN GENERAL.—In the case of an individual who begins coverage under a qualified employer health plan (or under this title on an employment basis), when the Secretary receives notice under paragraph (1)(B)—

"(i) if, at the time of obtaining such coverage, the individual is enrolled on a non-employment basis in the public health insurance plan for basic health services or for medicare supplemental benefits, the Secretary shall notify the individual that coverage for such services on such a basis or for such benefits shall be terminated effective on the date of coverage under such a plan, and

"(ii) the Secretary shall provide for notice to any other qualified health plan in which the Secretary knows the individual is enrolled of the fact of such new coverage.

"(B) TREATMENT OF EPSDT SERVICES.—In the case of notice under subparagraph (A)(i), if the individual was enrolled for benefits under this title for EPSDT services, the notice shall include a statement that, unless the individual indicates otherwise, the benefits with respect to such services shall continue under this title and will not be terminated under such subparagraph. Such continuation is subject to the continued payment of any premiums due.

"(4) NOTICES OF TERMINATION.—Each notice of termination under paragraph (1) shall include—

"(A) the effective date of the termination,

"(B) in the case of notice to the Secretary, sufficient information to permit enrollment of the individuals affected under the public health insurance plan, and

"(C) in the case of an individual whose coverage under the plan is terminated other than at the end of a calendar year, the accounting statement produced under subsection (c)(2).

"(c) ACCOUNTING FOR COST-SHARING.—

"(1) IN GENERAL.—Each qualified health plan shall provide for an ongoing accounting, for each enrollee (and enrolled family members) on a calendar year basis, of expenses incurred for basic health services that are counted towards the deductible established under section 2222 and that are counted towards the cost-sharing limit established under section 2224. The amount credited for each account shall be determined in accordance with standards established by the Secretary in order to provide consistency among qualified health plans and to promote portability of benefits across qualified health plans.

"(2) STATEMENT OF ACCOUNT BALANCE.—In the case of an individual whose coverage under the plan is terminated other than at the end of a calendar year, the qualified health plan shall produce an accounting statement (in a uniform manner established by the Secretary) of the amounts that are credited under the plan towards such deductible and cost-sharing limitations for the year for each enrollee (and family members) involved, in accordance with the accounting under paragraph (1).

"(3) CREDITING OF PREVIOUS EXPENSES TOWARDS DEDUCTIBLES AND COINSURANCE.—Each qualified health plan shall, in the case of an individual who is enrolled under the plan after the beginning of a year, credit, against the deductible and cost-sharing limit for basic health services under its plan, the amounts previously accounted against the deductible and cost-sharing limit under another qualified health plan for the calendar year. The credit under this subparagraph shall be based on the accounting statement produced under paragraph (2).

"(d) COVERAGE UNDER PUBLIC HEALTH INSURANCE PLAN.—

"(1) IN GENERAL.—Except as provided in this subsection, the public health insurance plan shall enroll each eligible individual whose coverage under another qualified health plan or under title XVIII is terminated, effective on the date following the effective date of termination of coverage under such plan.

"(2) TREATMENT OF MEDICARE ELIGIBLE INDIVIDUALS.—Except as provided in paragraphs (3) and (4), in the case of an individual who—

"(A) is eligible for enrollment under part B of title XVIII,

"(B) is not so enrolled because of enrollment under a qualified health plan, but

"(C) whose enrollment under such a plan is terminated,

the Secretary shall provide, upon the effective date of such termination, for enrollment of the individual under such part.

"(3) OBTAINING ALTERNATE COVERAGE.—Paragraphs (1) and (2) shall not apply if the individual provides satisfactory evidence that the individual has obtained coverage through another qualified health plan or is a medicare beneficiary.

"(4) NO AUTOMATIC ENROLLMENT DURING TRANSITION.—Paragraphs (1) and (2) shall not apply to terminations occurring before January 1 of the 6th year beginning after the date of the enactment of this title.

"SEC. 2258. CONSUMER PROTECTIONS.

"(a) DISCLOSURES REQUIREMENTS.—

"(1) FOR PLANS SOLD TO INDIVIDUALS.—In the case of a qualified health plan that is offered to an individual, other than as enrollment under a qualified employer health plan, the plan may not be issued or sold to the individual unless the individual has been provided a written statement containing at least the following:

"(A) A description of the benefits covered in the plan and cost-sharing required with respect to such benefits.

"(B) A comparison of the benefits and cost-sharing described in subparagraph (A) with the benefits and cost-sharing available to individuals enrolled in the public health insurance plan under this title (not taking into account any low-income assistance under part E).

"(C) The premiums charged under the plan, and a comparison of such premiums with the premiums charged for enrollment under this title (not taking into account any low-income assistance under part E).

"(D) A statement that no low-income assistance is available under part E with respect to individuals who purchase such a plan, but that such assistance may be available under such part with respect to individuals who are enrolled under the public health insurance plan or under a qualified employer health plan.

"(E) A statement that, effective on January 1 of the 6th year beginning after the date of the enactment of this title, most individuals who are not full-time employees (or their family members) are eligible to enroll on a non-employment basis under the public health insurance plan.

"(F) A description of any pre-existing condition limitations that are applied under the plan, either with respect to basic health services or other health services.

"(G) If the plan restricts the providers or practitioners from which individuals may obtain covered benefits or is a managed care plan, a statement describing (i) how the choice of providers practitioners affects payment of benefits under the plan and (ii) the coverage under the plan of out-of-area services and of emergency services and urgently needed care.

"(H) If the plan includes a utilization review program, a statement (in accordance with any standards established under section 2332) describing such program.

"(2) FOR EMPLOYER PLANS.—

"(A) MANAGED CARE PLAN.—In the case of a qualified health plan that is offered to an employer as a qualified employer health plan and that—

"(i) restricts the providers or practitioners from which enrollees may obtain covered benefits, or

"(ii) is a managed care plan,

the plan may not be issued or sold to the employer unless the covered employees have been provided, by the plan or employer, a statement that describes (I) how the choice of providers or practitioners affects payment of benefits under the plan and (II) the coverage under the plan of out-of-area services and of emergency services and urgently needed care.

"(B) NOTICE OF AVAILABILITY OF LOW-INCOME ASSISTANCE.—At the time of enrollment of an employee under a qualified employer health plan, the plan (directly or through the employer) shall provide the employee with a notice (in a form specified by the Secretary) of the low-income assistance available under part E with respect to enrollment under the plan.

"(3) STANDARD FORMAT.—The disclosures under paragraphs (1) and (2) shall be made in a uniform format established by the Secretary, after consultation with the National Association of Insurance Commissioners.

"(4) VIOLATIONS.—Any entity that issues or sells a qualified health plan in violation of paragraph (1) or (2) is subject to a civil money penalty of an amount not to exceed $5,000 with respect to each such issuance or sale. The provisions of section 1128A (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

"(6) TREATMENT OF PUBLIC HEALTH INSURANCE PLAN.—This subsection shall not apply to the public health insurance plan.

"(b) EFFECTIVE GRIEVANCE PROCEDURES.—

"(1) IN GENERAL.—Each qualified health plan shall provide for meaningful procedures for hearing and resolving grievances between the plan and individuals enrolled under the plan.

"(2) TREATMENT OF PUBLIC HEALTH INSURANCE PLAN.—In applying paragraph (1) with respect to the public health insurance plan, the provisions of part G are deemed to supersede such paragraph.

"(c) RESTRICTION ON CERTAIN PHYSICIAN INCENTIVE PLANS.—

"(1) IN GENERAL.—A health plan is not a qualified health plan if it operates a physician incentive plan (as defined in paragraph (2)) unless the requirements specified in clauses (i) through (iii) of section 1876(i)(8)(A) are met (in the same manner as they apply to eligible organizations under section 1876).

"(2) PHYSICIAN INCENTIVE PLAN DEFINED.—In this subsection, the term 'physician incentive plan' means any compensation or other financial arrangement between the qualified health plan and a physician or physician group that may directly or indirectly have the effect of reducing or limiting services provided with respect to individuals enrolled under the plan.

"(d) ENROLLEE FINANCIAL PROTECTION.—

"(1) SOLVENCY PROTECTION FOR INSURED PLANS.—In the case of a qualified health plan that is an insured plan (as defined by the Secretary) and is issued in a State, in order for the plan to be certified under this part the Secretary must finds that the State has established satisfactory protection of enrollees with respect to potential insolvency.

"(2) PROTECTION AGAINST PROVIDER CLAIMS.—In the case of a failure of a qualified health plan to make payments with respect to basic health services, under standards established by the Secretary, an individual who is enrolled under the plan is not liable to any health care provider or practitioner with respect to the provision of basic health services for payments in excess of the amount for which the enrollee would have been liable if the plan were to have made payments in a timely manner.

"SEC. 2259. PREEMPTION OF CERTAIN STATE AND FEDERAL REQUIREMENTS.

"(a) BENEFIT AND COVERAGE RULES.—Effective as of January 1 of the applicable year (as defined in subsection (b)), no State shall establish or enforce any law or regulation that—

"(1) requires the offering, as part of a qualified health plan, of any services, category of care, or services of any class or type of provider that is different from the benefits required to be provided under section 2253,

"(2) specifies the individuals to be covered under a qualified health plan or the duration of such coverage, or

"(3) effective as of January 1 of the 6th year beginning after the date of the enactment of this Act, requires a right of conversion from a group qualified health plan to an individual qualified health plan.

"(b) APPLICABLE YEAR DEFINED.—In this section, the term 'applicable year' means, with respect to—

"(1) a qualified employer health plan offered to a small employer, the 3rd year beginning after the date of the enactment of this title,

"(2) any other qualified employer health plan, the 4th year beginning after the date of the enactment of this title, or

"(3) any other qualified health plan, the 5th year beginning after the date of the enactment of this title.

"(c) REFERENCE TO STATE PAYMENT RULE.—For provision relating to permitting recognition of State payment with respect to qualified health plans, see section 301(d).

"(d) EFFECTIVE DATE OF REPEAL OF DUAL CHOICE MANDATE.—Section 7(b) of Public Law 100–517 is amended by striking 'Effective 7 years after the date of the enactment of this Act' and inserting 'Effective on January of the applicable year (as defined in section 2259(b) of the Pepper Commission Health Care Access and Reform Act of 1991'.

"(e) STATE DEFINED.—In this section, the term 'State' means the 50 States and the District of Columbia.

"PART G—ADMINISTRATIVE PROVISIONS

"SEC. 2261. AGREEMENTS WITH HOSPITALS; PARTICIPATION PHYSICIANS; TREATMENT OF INDIAN HEALTH SERVICES FACILITIES.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—Any hospital shall be qualified to participate under this title and shall be eligible for payments under this title if—

"(A) it has in effect a participation agreement under section 1866(a)(1), and

"(B) it files with the Secretary a participation agreement meeting the requirements of subsection (b).

"(b) ELEMENTS OF AGREEMENT.—

"(1) IN GENERAL.—Except as provided in this subsection, a participation agreement under this subsection shall provide terms, specified by the Secretary, that are the same terms as that required of hospital participation agreements under section 1866(a)(1).

"(2) MODIFIED COPAYMENTS.—Instead of the limitation on charges specified under paragraphs (1)(A) and (2) of section 1866(a), the agreement shall not permit the hospital to charge more than the applicable deductible and coinsurance permitted under this title.

"(3) ACCEPTANCE OF PAYMENT LIMITS.—Each agreement shall require the hospital not to impose charges, in the case of a qualified employer health plan with respect to which the option described in section 2314(a) has been offered and accepted, that exceed the amount of charges permitted to be imposed under this title. The previous sentence shall not be construed as prohibiting a qualified health plan from negotiating or otherwise providing payment rates that are less than the payment rates established under this title.

"(c) PHYSICIAN PARTICIPATION AGREEMENTS.—

"(1) IN GENERAL.—Except as provided in this subsection, the Secretary shall provide for participating physician agreements under this title in the same manner as such agreements are provided for under title part B of title XVIII pursuant to section 1842(h).

"(2) LIMITATION ON CHARGES TO OTHER ENTITIES.—A participating physician agreement under this subsection shall provide that the physician agrees, in the case of a qualified employer health plan with respect to which the option described in section 2314(a) has been offered and accepted, not to impose charges with respect to basic health services in the same manner as they apply to the imposition of charges under the public health insurance plan. The previous sentence shall not be construed as prohibiting a qualified health plan from negotiating or otherwise providing payment rates that are less than the payment rates established under this title.

"(d) INDIAN HEALTH SERVICE FACILITIES.—The provisions of section 1880 (relating to Indian health service facilities) shall apply to this title in the same manner as they apply under title XVIII.

"SEC. 2262. HEALTH MAINTENANCE ORGANIZATIONS AND COMPETITIVE MEDICAL PLANS.

"(1) IN GENERAL.—Except as provided in this subsection, section 1876 shall apply to individuals entitled to benefits under this title in the same manner as such section applies to individuals entitled to benefits under part A, and enrolled under part B, of title XVIII.

"(2) APPLICATION.—In applying section 1876 under this section—

"(A) the provisions of such section relating only to individuals enrolled under part B of title XVIII shall not apply;

"(B) any reference to a Trust Fund established under title XVIII and to benefits with respect to any services under such title is deemed a reference to the Public Health Insurance Trust Fund and to health insurance benefits with respect to basic health services under this title;

"(C) the adjusted average per capita cost shall be determined on the basis of benefits under this title;

"(D) subsections (e), (f), (g)(2), and (h) shall not apply; and

"(E) in applying subsection (c)(3)(B), an eligible organization may require a minimum period of enrollment (of not greater than 12 months) during which an individual may not terminate enrollment unless enrollment under this title is terminated.

"SEC. 2263. USE OF FISCAL AGENTS.

"(a) USE OF FISCAL AGENTS.—

"(1) IN GENERAL.—Except as provided in this section, the Secretary shall provide for the administration of this title through the use of fiscal intermediaries and carriers in the same manner as title XVIII is carried out through the use of such fiscal intermediaries and carriers.

"(2) SPECIAL RULES.—In the administration of this title, the Secretary shall—

"(A) to the maximum extent practicable, use—

"(i) the same fiscal intermediaries and carriers with respect to medicare supplemental benefits, and

"(ii) a single carrier with respect to all basic health services and EPSDT services in an area; and

"(B) establish performance standards at least as rigorous as the performance standards applied in the administration of title XVIII.

"(3) SEPARATE CONTRACTS.—Contracts with fiscal intermediaries and carriers entered into pursuant to this subsection for an area need not be with the same intermediary or carrier with an agreement under section 1816 or a contract under section 1842 for the area. However, nothing in this section shall be construed as preventing such an organization with such an agreement or contract under such section from entering into a contract under this section.

"(b) REQUIRING USE OF ELECTRONIC BILLING.—Effective for claims submitted on or after January 1 of the 6th year beginning after the date of the enactment of this title, payment shall only be made under this title on the basis of bills or charges that are submitted electronically in a manner specified by the Secretary.

"SEC. 2264. GENERAL ADMINISTRATION.

"(a) THROUGH HEALTH CARE FINANCING ADMINISTRATION.—Except as otherwise provided in this title, this title shall be administered by the Health Care Financing Administration.

"(b) REGULATIONS; TITLE II PROVISIONS; ADMINISTRATION.—The provisions of sections 1871, 1872, and 1874 (relating to regulations, application of certain provisions of title II, and administration) shall apply to this title in the same manner as they apply to title XVIII.

"(c) TREATMENT OF AMOUNTS DUE.—In bankruptcy and reorganization proceedings, amounts owed to the public health insurance plan under this title shall be treated in the same manner as amounts owed to the Federal Government under the Federal Insurance Contributions Act.

"SEC. 2265. DETERMINATIONS; APPEALS; PROVIDER REIMBURSEMENT REVIEW BOARD.

"(a) DETERMINATIONS.—The determination of whether an individual is entitled to benefits under this title, and the determination of the amount of benefits under this title, and any other determination with respect to a claim for benefits with respect to inpatient hospital services under this title shall be made by the Secretary in accordance with regulations prescribed by the Secretary.

"(b) HEARINGS.—

"(1) IN GENERAL.—Any individual dissatisfied with any determination under subsection (a) shall be entitled to a hearing thereon by the Secretary to the same extent as is provided in section 205(b) and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g). Sections 206(a), 1102, and 1871 (as incorporated by reference by section 2264) shall not be construed as authorizing the Secretary to prohibit an individual from being represented under this subsection by a person that furnishes or supplies the individual, directly or indirectly, with services or items solely on the basis that the person furnishes or supplies the individual with such a service or item. Any person that furnishes services or items to an individual may not represent an individual under this subsection with respect to the issue described in section 1879(a)(2) unless the person has waived any rights for payment from the beneficiary with respect to the services or items involved in the appeal. If a person furnishes services or items to an individual and represents the individual under this subsection, the person may not impose any financial liability on such individual in connection with such representation.

"(2) LIMITATION.—Notwithstanding paragraph (1), a hearing shall not be available to an individual if the amount in controversy is less than $500 and judicial review shall not be available to the individual if the amount in controversy is less than $1,000. In determining the amount in controversy, the Secretary, under regulations, shall allow two or more claims to be aggregated if the claims involved the delivery of similar or related services to the same individual or involve common issues of law and fact arising from services furnished to two or more individuals.

"(3) EXPEDITED REVIEW.—In an administrative hearing pursuant to paragraph (1), where the moving party alleges that there are no material issues of fact in dispute, the administrative law judge shall make an expedited determination as to whether any such facts are in dispute and, if not, shall determine the case expeditiously.

"(c) PROVIDER REIMBURSEMENT REVIEW BOARD.—The provisions of section 1878 (relating to the Provider Reimbursement Review Board) shall apply under this title in the same manner as they apply under title XVIII.

"SEC. 2266. PROGRAM INTEGRITY.

"Sections 1124, 1124A, 1126, and 1128 through 1128B (relating to fraud and abuse) shall apply to this title in the same manner as they apply to title XVIII.

"SEC. 2267. INFORMATION BY TELEPHONE.

"The Secretary shall provide information via a toll-free telephone number on the public health insurance plan, including information concerning—

"(1) the requirement of section 2204, and

"(2) low-income assistance under part E.

"SEC. 2268. INCORPORATION OF MISCELLANEOUS MEDICARE PROVISIONS.

"(a) OVERPAYMENTS ON BEHALF OF INDIVIDUALS AND SETTLEMENT OF CLAIMS FOR BENEFITS ON BEHALF OF DECEASED INDIVIDUALS.—The provisions of section 1870 (relating to overpayments on behalf of individuals and settlement of claims for benefits on behalf of deceased individuals), other than subsection (b), shall apply under this title in the same manner as they apply under title XVIII.

"(b) LIMITATION ON CERTAIN PHYSICIAN REFERRALS.—The provisions of section 1877 (relating to limitation on certain physician referrals) shall apply under this title in the same manner as they apply under title XVIII.

"PART H—DEFINITIONS AND MISCELLANEOUS

"SEC. 2281. INCORPORATION OF CERTAIN DEFINITIONS USED IN OTHER HEALTH-RELATED TITLES.

"(a) INCORPORATION OF CERTAIN MEDICARE DEFINITIONS.—In this title, except as otherwise provided, the definitions of the following terms contained in section 1861 apply for purposes of this title in the same manner as they apply for purposes of title XVIII:

"(1) ARRANGEMENTS.—The term 'arrangements', as defined in section 1861(w).

"(2) CERTIFIED NURSE-MIDWIFE SERVICES AND CERTIFIED NURSE-MIDWIFE.—The terms 'certified nurse-midwife services' and 'certified nurse-midwife', as defined in section 1861(gg).

"(3) CLINICAL SOCIAL WORKER AND CLINICAL SOCIAL WORKER SERVICES.—The terms 'clinical social worker' and 'clinical social worker services', as defined in section 1861(hh).

"(4) DISCHARGE PLANNING PROCESS.—The description of the discharge planning process, under section 1861(ee).

"(5) DRUGS AND BIOLOGICALS.—The terms 'drugs' and 'biologicals', as defined in section 1861(t).

"(6) HOSPITAL.—The term 'hospital', as defined in section 1861(e).

"(7) INPATIENT HOSPITAL SERVICES.—The term 'inpatient hospital services', as defined in section 1861(b).

"(8) INSTITUTIONAL PLANNING.—The description of overall plans and budgets of providers of services, under section 1861(z).

"(9) MEDICAL AND OTHER HEALTH SERVICES.—The term 'medical and other health services' means, subject to the second, third, and fourth sentences of section 1861(s), the items and services described in paragraph (1), subparagraphs (A), (B), (C), (E), (H), and (K) through (N) of paragraph (2), or in paragraphs (3), (4), or (5) of such section.

"(10) PHYSICIAN.—The term 'physician', as defined in section 1861(r).

"(11) PHYSICIANS' SERVICES.—The term 'physicians' services', as defined in section 1861(q).

"(12) REASONABLE COST.—The term 'reasonable cost', as defined in section 1861(v).

"(13) RURAL HEALTH CLINIC SERVICES.—The terms 'rural health clinic services', 'rural health clinic', 'physician assistant', and 'collaboration', as defined in section 1861(aa).

"(14) QUALIFIED PSYCHOLOGIST SERVICES.—The term 'qualified psychologist services', as defined in section 1861(ii).

"(15) SCREENING MAMMOGRAPHY.—The term 'screening mammography', as defined in section 1861(jj).

"(16) SCREENING PAP SMEAR.—The term 'screening pap smear', as defined in section 1861(nn), except that the matter after 'results of the test' shall be deemed, for purposes of this title, to have been deleted.

"(17) SERVICES OF A CERTIFIED REGISTERED NURSE ANESTHETIST AND CERTIFIED REGISTERED NURSE ANESTHETIST.—The terms 'services of a certified registered nurse anesthetist' and 'certified registered nurse anesthetist', as defined in section 1861(bb).

"(18) STATE AND UNITED STATES.—Except as provided in section 2259(e), the terms 'State' and 'United States', as defined in section 1861(x).

"(b) INCORPORATION OF CERTAIN EMPLOYMENT-RELATED DEFINITIONS IN TITLE XXI.—In this title, except as otherwise provided, the definitions of the following terms contained in title XXI apply for purposes of this title:

"(1) COVERED EMPLOYER HEALTH PLAN.—The term 'covered employer health plan' as defined in section 2121(b).

"(2) EMPLOYEE.—The term 'employee' as defined in section 2181(a)(1).

"(3) EMPLOYER.—The term 'employer' as defined in section 2181(a)(1).

"(4) FULL-TIME EMPLOYEE.—The term 'full-time employee' as defined in section 2181(b)(1).

"(5) LARGE EMPLOYER.—The term 'large employer' as defined in section 2181(c)(3).

"(6) PART-TIME EMPLOYEE.—The term 'part-time employee' as defined in section 2181(b)(2).

"(7) QUALIFIED EMPLOYER HEALTH PLAN.—The term 'qualified employer health plan' as defined in section 2121(a).

"(8) SEASONAL OR TEMPORARY EMPLOYEE.—The term 'seasonal or temporary employee' as defined in section 2181(b)(3).

"(9) SMALL EMPLOYER.—The term 'small employer' as defined in section 2181(c)(2).

"(10) VERY SMALL EMPLOYER.—The term 'very small employer' as defined in section 2181(c)(1).

"(11) WAGES.—The term 'wages' as defined in section 2181(a)(1).

"(c) INCORPORATION OF CERTAIN INSURANCE REFORM RELATED DEFINITIONS IN TITLE XXIII.—In this title, except as otherwise provided, the definitions of the following terms contained in title XXIII apply for purposes of this title:

"(1) APPLICABLE REGULATORY AUTHORITY.—The term 'applicable regulatory authority' as defined in section 2304(c)(1).

"(2) EMPLOYMENT-RELATED HEALTH PLAN.—The term 'employment-related health plan' as defined in section 2304(a)(2).

"(3) MANAGED CARE PLAN.—The term 'managed care plan' as defined in section 2331(c)(1).

"(4) PARTICIPATING PROVIDER.—The term 'participating provider' as defined in section 2331(d)(2).

"SEC. 2282. DEFINITIONS RELATING TO FAMILIES.

"In this title:

"(1) IN GENERAL.—Except as provided in paragraph (2), the terms 'family' and 'family member' mean an individual and the individual's spouse, and includes all the individual's children.

"(2) TREATMENT OF FAMILIES WITH MEDICARE BENEFICIARIES FOR COVERAGE PURPOSES.—In the case of a family with a medicare beneficiary, if coverage is provided to family members other than on the basis of employment of a family member, the beneficiary shall not be treated under this title as a member of the family for purposes of determining eligibility for coverage but shall be treated as a separate individual. However, except as provided in section 2242(b)(2), for purposes of applying part E, a medicare beneficiary shall continue to be treated as a member of the beneficiary's family.

"(3) SPOUSE.—The term 'spouse' means, with respect to an individual, the individual to which the individual is married.

"(4) MARRIED; UNMARRIED.—Marital status shall be determined in accordance with section 7703 of the Internal Revenue Code of 1986.

"(5) CHILD.—The term 'child' means, with respect to a person who is not a child, an individual—

"(A) who (i) is unmarried and under 18 years of age, (ii) is unmarried and under 23 years of age and a full-time student, or (iii) is an unmarried, dependent child, regardless of age, who is incapable of self-support because of mental or physical disability which existed before age 22;

"(B)(i) who is the child of the person or the person's spouse, or

"(ii) who is the legal ward of the person or the person's spouse; and

"(C) who is not in the legal custody of another individual.

The Secretary shall establish, by regulation, such rules as are appropriate with respect to the treatment of foster children, emancipated minors, children in the process of adoption, and other unmarried individuals under 23 years of age under similar circumstances as children for purposes of this title.

"(6) ADULT.—The term 'adult' means an individual who is not a child.

"SEC. 2283. OTHER DEFINITIONS.

"In this title:

"(1) MEDICARE BENEFICIARY; LOW-INCOME MEDICARE BENEFICIARY.—

"(A) The term 'medicare beneficiary' means an individual entitled to benefits under part A of title XVIII.

"(B) The term 'low-income medicare beneficiary' means a medicare beneficiary whose family adjusted total income (as defined in section 2247(2)), as determined based upon an application under part E, is less than 200 percent of the official poverty line applicable to a family of the size involved.

"(2) OFFICIAL POVERTY LINE.—The term 'official poverty line' means, for an individual in a family, the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

"(3) PREGNANT WOMAN.—The term 'pregnant woman' means a woman who has been certified by a physician (in a manner specified by the Secretary) as being pregnant, until the last day of the month in which the 60-day period (beginning on the date of termination of the pregnancy) ends.

"(4) PUBLIC HEALTH INSURANCE PLAN.—The term 'public health insurance plan' means the program of health insurance provided under this title.

"SEC. 2284. GLOSSARY OF DEFINED TERMS USED IN TITLE AND CONTAINED IN THIS TITLE OR RELATED TITLES.

"ADJUSTED TOTAL INCOME.—The term 'adjusted total income' is defined in section 2247(1).

"ADULT.—The term 'adult' is defined in section 2282(6).

"APPLICABLE REGULATORY AUTHORITY.—The term 'applicable regulatory authority' is defined in section 2304(c)(1).

"BASIC HEALTH SERVICES.—The term 'basic health services' is defined in section 2211(b).

"BENEFICIARY CLASS.—Beneficiary classes are described in section 2231(d).

"BENEFIT PACKAGE.—Benefit packages are listed in section 2231(c).

"CHILD.—The term 'child' is defined in section 2282(5).

"COMMUNITY.—The term 'community' is defined in section 2231(e).

"COVERED EMPLOYER HEALTH PLAN.—The term 'covered employer health plan' is defined in section 2121(b).

"ELIGIBLE INDIVIDUAL.—The term 'eligible individual' is defined in section 2201(d).

"EMPLOYEE.—The term 'employee' is defined in section 2181(a)(1).

"EMPLOYER.—The term 'employer' is defined in section 2181(a)(1).

"EMPLOYMENT BASED ENROLLMENT.—Employment based enrollment is described in section 2201(a)(1)(B)(i).

"EMPLOYMENT-RELATED HEALTH PLAN.—The term 'employment-related health plan' is defined in section 2301(A)(2).

"ENROLLMENT UNDER A QUALIFIED EMPLOYER HEALTH PLAN.—Conditions under which an individual is considered to be enrolled under a qualified employer health plan are described in section 2201(a)(1)(C).

"EPSDT SERVICES.—The term 'EPSDT services' is defined in section 2212(b).

"FAMILY, FAMILY MEMBER.—The terms 'family' and 'family member'' are defined in section 2282(1).

"FAMILY ADJUSTED TOTAL INCOME.—The term 'family adjusted total income' is defined in section 2247(2).

"FEDERAL HEALTH PLAN.—The term 'Federal health plan' is defined in section 2204(f).

"FULL-TIME EMPLOYEE.—The term 'full-time employee' is defined in section 2181(b)(1).

" HOSPITAL.—The term 'hospital' is defined in section 2281(6).

"INPATIENT HOSPITAL SERVICES.—The term 'inpatient hospital services' is defined in section 2281(7).

"LARGE EMPLOYER.—The term 'large employer' is defined in section 2181(c)(3).

"LOW-INCOME MEDICARE BENEFICIARY.—The term 'low-income medicare beneficiary' is defined in section 2283(1)(B).

"MANAGED CARE PLAN.—The term 'managed care plan' is defined in section 2331(c)(1).

"MARRIED.—The marital status of an individual is determined in accordance with section 2282(4).

"MEDICAL AND OTHER HEALTH SERVICES.—The term 'medical and other health services' is defined in section 2281(9).

"MEDICARE BENEFICIARY.—The term 'medicare beneficiary' is defined in section 2283(1)(A).

"MEDICARE SUPPLEMENTAL BENEFITS.—The term 'medicare supplemental benefits' is defined in section 2213(b).

"NON-EMPLOYMENT BASED ENROLLMENT.—Non-employment based enrollment is described in section 2201(a)(1)(B)(ii).

"OFFICIAL POVERTY LINE.—The term 'official poverty line' is defined in section 2283(2).

"PART-TIME EMPLOYEE.—The term 'part-time employee' is defined in section 2181(b)(2).

"PARTICIPATING PROVIDER.—The term 'participating provider' is defined in section 2331(d)(2).

"PERIOD OF CONTINUOUS COVERAGE.—The term 'period of continuous coverage' is defined in section 2254(b)(3)(B)(i).

"PHYSICIAN.—The term 'physician' is defined in section 2281(10).

"PHYSICIAN INCENTIVE PLAN.—The term 'physician incentive plan' is defined in section 2258(c)(2).

"PHYSICIANS' SERVICES.—The term 'physicians' services' is defined in section 2281(11).

"PREEXISTING CONDITION.—The term 'preexisting condition' is defined in section 2254(b)(3)(B)(ii).

"PREGNANT WOMAN.—The term 'pregnant woman' is defined in section 2283(3).

"PREVENTIVE SERVICES.—The term 'preventive services' is defined in section 2211(c).

"PUBLIC HEALTH INSURANCE PLAN.—The term 'public health insurance plan' is defined in section 2283(4).

"PUBLIC PLAN ELECTION.—The term 'public plan election' is defined in section 2105(a).

"QUALIFIED EMPLOYER HEALTH PLAN.—The term 'qualified employer health plan' is defined in section 2121(a).

"QUALIFIED HEALTH PLAN.—The term 'qualified health plan' is defined in section 2251(a).

"SCREENING MAMMOGRAPHY.—The term 'screening mammography' is defined in section 2281(15).

"SCREENING PAP SMEAR.—The term 'screening pap smear' is defined in section 2281(16).

"SEASONAL OR TEMPORARY EMPLOYEE.—The term 'seasonal or temporary employee' is defined in section 2181(b)(3).

"SMALL EMPLOYER.—The term 'small employer' is defined in section 2181(c)(2).

"SPOUSE.—The term 'spouse' is defined in section 2282(3).

"STATE.—The term 'State' is defined in sections 2259(e) and 2281(18).

"SUBSIDY PERCENTAGE.—The term 'subsidy percentage' is defined in section 2242(c).

"TRANSITION PERIOD.—The term 'transition period' is defined in section 2231(b)(4).

"UNITED STATES.—The term 'United States' is defined in section 2281(19).

"UNMARRIED.—The marital status of an individual is determined in accordance with section 2282(4).

"UTILIZATION REVIEW PROGRAM.—The term 'utilization review program' is defined in section 2332(c).

"VERY SMALL EMPLOYER.—The term 'very small employer' is defined in section 2181(c)(1).

"WAGES.—The term 'wages' is defined in section 2181(a)(1).

"SEC. 2285. AUTHORIZING RECIPROCAL COVERAGE OF FOREIGN NATIONALS.

"Effective January 1 of the 6th year beginning after the date of the enactment of this title, the Secretary may make benefits available under this title with respect to basic health services for individuals who—

"(1) are not eligible individuals described in section 2201(d),

"(2) are in the United States, and

"(3) are nationals of a foreign state which provides health benefits to nationals of the United States who are in that state,

if the Secretary determines that such benefits with respect to such services would be available to nationals of the United States under comparable circumstances in the foreign state.

"SEC. 2286. NONAPPLICATION TO RESIDENTS OF PUERTO RICO AND TERRITORIES.

"The provisions of this title shall not apply to an individual who is not a resident of one of the 50 States or the District of Columbia.".

TITLE III—QUALITY ASSURANCE AND COST CONTAINMENT

SEC. 301. APPLICATION OF PAYMENT RATES UNDER PUBLIC HEALTH INSURANCE PLAN UNDER QUALIFIED EMPLOYER HEALTH PLANS.

(a) REFERENCE TO OPTION.—For a provision that contains costs for small employers by permitting them to elect to use payment rates under the public health insurance plan in their qualified employer health plans, see section 2314 of the Social Security Act (as added by section 401 of this Act).

(b) REFERENCE TO REQUIREMENT FOR MEDICARE PARTICIPATING PROVIDERS TO PARTICIPATE UNDER PUBLIC HEALTH INSURANCE PLAN.—For a provision that requires medicare providers of services and participating physicians to participate under the public health insurance plan, see section 703 of this Act.

(c) REFERENCE TO REQUIREMENT FOR PUBLIC PLAN PARTICIPATING PROVIDERS TO LIMIT CHARGES IN THE CASE OF ELECTING EMPLOYERS.—For a provision that requires providers of services and physicians participating in the public health insurance plan to agree not to charge electing small employers in excess of charges permitted under the plan, see section 2261 of the Social Security Act (as added by section 201 of this Act).

(d) USE OF STATE UNIFORM PAYMENT RULES.—

(1) IN GENERAL.—Nothing in title XXII of the Social Security Act or in this Act shall be construed as preventing a State from establishing uniform payment rates for one or more services under qualified health plans. Such payment rates may, subject to paragraph (2), apply to the medicare program under title XVIII of such Act or the public health insurance plan under title XXII of such Act, or both.

(2) APPROVAL OF PUBLIC PROGRAMS.—The Secretary may waive the requirements of titles XVIII and XXII of the Social Security Act insofar as they prevent the use of State uniform payment rates, so long as the Secretary determines—

(A) that the aggregate payments (determined for a period of at least 3 years) under each respective title will not exceed the aggregate payments that would have been made under such title in the absence of such waiver, and

(B) the payment system will not preclude an eligible organization (as defined in section 1876(b) of such Act) from negotiating directly with providers and practitioners with respect to the organization's rate of payment for services.

Nothing in this subsection shall be construed as affecting the Secretary's authority under other law to use State payment rates under title XVIII.

SEC. 302. FAVORABLE TREATMENT OF MANAGED CARE.

For section providing favorable treatment of managed care, see section 421.

SEC. 303. APPLICATION OF OUTCOMES RESEARCH TO PUBLIC HEALTH INSURANCE PLAN.

(a) EXPANSION OF RESEARCH TO INCLUDE PUBLIC HEALTH INSURANCE PLAN.—Section 1142 of the Social Security Act (42 U.S.C. 1320b-12), relating to research on outcomes of health care services and procedures, is amended—

(1) in subsection (a)(1)(B), by inserting "and of the public health insurance plan under title XXII" after "title XVIII";

(2) in subsection (b)(3)—

(A) by inserting "AND PUBLIC HEALTH INSURANCE PLAN" after "MEDICARE PROGRAM", and

(B) by inserting before the period at the end the following: ", and the needs and priorities of the public health insurance plan under title XXII"; and

(3) in subsection (h), by inserting "or under title XXII" after "title XVIII".

(b) EXPANSION AND MODIFICATION OF FUNDING TO INCLUDE PUBLIC HEALTH INSURANCE TRUST FUND.—

(1) INCREASE IN FUNDING.—Subsection (i)(1) of such section is amended—

(A) in subparagraph (D), by striking "$148,000,000 for fiscal year 1993; and" and inserting "$300,000,000 for fiscal year 1993;",

(B) in subparagraph (E), by striking "$185,000,000 for fiscal year 1994." and inserting "$400,000,000 for fiscal year 1994; and", and

(C) by adding at the end the following new subparagraph:

"(F) $500,000,000 for fiscal year 1995.".

(2) ALLOCATION TO PUBLIC HEALTH INSURANCE PLAN.—Subsection (i)(2) of such section is amended—

(A) by striking "and 1994" and inserting ", 1994, and 1995",

(B) in subparagraph (A), by striking "60 percent" and inserting "30 percent",

(C) in subparagraph (B), by striking "40 percent" and inserting "20 percent", and

(D) by adding at the end the following new subparagraph:

"(C) 50 percent from the Public Health Insurance Trust Fund (established under section 2233).".

(c) DEVELOPMENT OF MENTAL HEALTH PRACTICE PARAMETERS.—The Administrator for Health Care Policy and Research, working with the National Institute of Mental Health and mental health providers, shall develop outcomes research and practice parameters for mental health services, including at least the diagnosis and treatment of childhood attention deficit disorders and manic depression, required of qualified health plans under title XXII of the Social Security Act.

SEC. 304. APPLICATION OF PEER REVIEW PROGRAM UNDER THE PUBLIC HEALTH INSURANCE PLAN.

(a) IN GENERAL.—Title XXII of the Social Security Act is amended by redesignating section 2268 as section 2269 and by inserting after section 2267 the following new section:

"SEC. 2268. APPLICATION OF PEER REVIEW PROGRAM.

"(a) IN GENERAL.—Subject to the succeeding provisions of this section, part B of title XI (relating to peer review of the utilization and quality of health care services) shall apply to this title in the same manner as it applies to title XVIII, and, for such purposes, any reference in such part to a provision in such title is deemed a reference to the appropriate provision (as identified by the Secretary) in this title.

"(b) CONTRACTS.—

"(1) SEPARATE CONTRACTS.—Contracts with utilization and quality control peer review organizations entered into pursuant to subsection (a) for an area need not be with the same organization with a contract under section 1153 for the area. However, nothing in this section shall be construed as preventing such an organization with a contract under such section from entering into a contract under this section.

"(2) FUNCTIONS.—The duties required of peer review organizations under contracts under this section shall be adapted to services and populations served under this title.

"(c) FUNDING.—

"(1) IN GENERAL.—In applying section 1159 under subsection (a), expenses incurred in the administration of contracts under this section shall be payable from funds in the Public Health Insurance Trust Fund.

"(2) USE OF SIMILAR FUNDING MECHANISMS.—The provisions of section 1866(a)(1)(F) shall apply to agreements with hospitals under section 2261 with respect to peer review organizations with contracts under this section in the same manner as they apply to agreements with hospitals under section 1866(a)(1) with respect to peer review organizations with contracts under part B of title XI.

"(d) NO REQUIREMENT FOR SECOND OPINION IN CERTAIN SURGICAL PROCEDURES.—Section 1164 shall not apply with respect to contracts under this section.".

SEC. 305. MEDICAL MALPRACTICE.

(a) DEMONSTRATION PROJECTS.—The Administrator for Health Care Policy and Research (established under section 901 of the Public Health Service Act) shall design, implement, and evaluate studies on medical malpractice issues and demonstration projects related to medical malpractice reform for the purpose of making recommendations to Congress under subsection (b). The studies and projects shall be designed to assure a system for compensation for persons injured as a result of adverse medical occurrences that—

(1) assures appropriate compensation,

(2) reduces the practice of defensive medicine,

(3) assures the availability and affordability of insurance for all types of providers and practitioners against claims, and

(4) provides incentives to provide quality care and to reduce the number and severity of such occurrences.

(b) RECOMMENDATIONS.—Based on such studies and demonstration projects, the Administrator shall make recommendations to Congress respecting—

(1) incentives to improve the quality of care, and

(2) cost-effective methods of providing efficient and appropriate compensation to individuals injured in adverse medical occurrences.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 1992 through 1996, such sums as may be necessary to carry out this section.

SEC. 306. REPORT ON REQUIRING USE OF UNIFORM CLAIMS FORMS.

Not later than January 1 of the 2nd year beginning after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on requiring that all claims submitted under all qualified health plans (including under titles XVIII, XIX, or XXII of the Social Security Act or under a qualified employer health plan) be on a uniform claims form which includes clinical data stated using uniform definitions and standards (such as those developed under section 1142(d) of the Social Security Act).

TITLE IV—GROUP HEALTH INSURANCE REFORM

Subtitle A—General Reforms

SEC. 401. GENERAL REFORMS.

The Social Security Act is amended by adding at the end the following new title:

"TITLE XXIII—GROUP HEALTH INSURANCE STANDARDS

"PART A—GENERAL STANDARDS; DEFINITIONS

"SEC. 2301. APPLICATION OF REQUIREMENTS TO EMPLOYMENT-RELATED HEALTH PLANS.

"(a) INSURED PLANS.—

"(1) PLAN UNDER STATE REGULATORY PROGRAM OR CERTIFIED BY THE SECRETARY.—No insured employment-related health plan may be issued in a State on or after the effective date specified in subsection (d) (and no new contract may be offered under such plan with respect to any employer beginning on or after such effective date) unless—

"(A) the Secretary determines that the State has established a regulatory program that provides for the application and enforcement of the applicable standards established under section 2302 (to carry out the requirements of this title) and that meets the requirements of section 2302(b) by such effective date, or

"(B) if the State has not established such a program, the plan has been certified by the Secretary (in accordance with such procedures as the Secretary establishes) as meeting the applicable standards established under section 2302 by such effective date.

"(2) PLAN DISAPPROVED UNDER LOOK-BEHIND AUTHORITY.—If the Secretary determines, under section 2302(c), that an employment-related health plan does not meet the applicable requirements of this title on or after such effective date, regardless of whether or not the State has taken any action with respect to such noncompliance, no new contracts may be offered to employers under the plan on or after the date of the determination.

"(b) SELF-INSURED PLANS.—

"(1) NEW PLANS.—No self-insured employment-related health plan may be offered on or after the effective date specified in subsection (d) unless the plan has been certified by the Secretary (in accordance with such procedures as the Secretary establishes) as meeting the applicable standards established under section 2302 by such effective date.

"(2) PLAN DISAPPROVED UNDER LOOK-BEHIND AUTHORITY.—If the Secretary determines that a self-insured employment-related health plan does not meet the applicable requirements of this title on or after such effective date, no coverage may be provided under the plan to individuals not enrolled as of the date of the determination and the plan may not be continued for plan years beginning after the date of such determination until the Secretary determines that such plan is in compliance with such requirements.

"(c) SANCTIONS.—

"(1) USE OF CEASE AND DESIST ORDER PROCESS.—Except as provided in this subsection, the provisions of section 2108 shall apply to violations by plans of subsection (a) or (b) in the same manner as such provisions apply to violations by employers of the requirements of section 2101 of such Act.

"(2) AMOUNT OF CIVIL MONEY PENALTY.—The amount of any civil money penalty imposed under paragraph (1) shall not exceed $25,000 for each employer with respect to which a violation occurs. Such amount may take into account the penalties imposed by a State with respect to the same such violation.

"(3) NOTICE TO EMPLOYER IN THE CASE OF INSURED PLANS.—As part of any order issued under paragraph (1) in the case of an insured employment-related health plan, the order shall require notice to be provided to each employer which meets the requirement of section 2101 through coverage under the plan of the findings in the order.

"(4) LOSS OF STATUS AS QUALIFIED EMPLOYER HEALTH PLAN.—

"(A) IN GENERAL.—If an employment-related health plan is determined to be in violation of subsection (a) or (b) and is not determined to have come into compliance with the applicable standards within 6 months after the date of the initial determination of such a violation, the plan shall no longer be treated as a qualified employer health plan under title XXII as of the end of such 6-month period.

"(B) NO ENFORCEMENT OF INSURANCE CONTRACTS.—In the case of an employer that is required, under part A of title XXII, to provide enrollment under a qualified employer health plan and that meets such requirement through an insured plan that is determined to be in violation of subsection (a)—

"(i) if such plan is not brought into compliance within 30 days after the date of the violation, the employer may terminate by notice the contract with the plan and is not liable for payment of any additional amounts under the plan, and

"(ii) if such plan no longer qualifies as a qualified employer health plan, such contract shall be terminated and the employer is not liable for payment of any amounts for periods in which the plan no longer qualifies as a qualified employer health plan.

"(5) REFERENCE TO EXCISE TAX.—For excise tax on violations of requirements of this title, see section 4980C of the Internal Revenue Code of 1986, as added by section 604 of this Act.

"(d) EFFECTIVE DATE.—The effective date specified in this subsection is January 1 of the third year that begins after the date of the enactment of this Act.

"SEC. 2302. ESTABLISHMENT OF STANDARDS.

"(a) ESTABLISHMENT OF STANDARDS.—

"(1) NAIC.—The Secretary shall request the NAIC—

"(A) to develop specific standards, in the form of a model Act and model regulations, to implement the requirements of this title, and

"(B) to report to the Secretary on such development,

by not later than October 1 of the year following the year in which this title is enacted. If the NAIC develops such standards within such period and the Secretary finds that such standards implement the requirements of this title, such standards shall be the standards applied under section 2301.

"(2) SECRETARY.—If the NAIC fails to develop and report on such standards by such date or the Secretary finds that such standards do not implement the requirements of this title, the Secretary shall develop and publish, by not later than November 15 of the year following the year in which this title is enacted, such standards. Such standards shall then be the standards applied under section 2301.

"(b) ADDITIONAL ELEMENTS OF REGULATORY PROGRAMS.—

"(1) IN GENERAL.—A State regulatory program shall include the following:

"(A) The enforcement under the program—

"(i) shall be designed in a manner so as to secure compliance with the standards within 30 days after the date of a finding of noncompliance with such standards, and

"(ii) shall provide for notice to the Secretary in cases where such compliance is not secured within such 30-day period.

"(B) A toll-free telephone which provides for—

"(i) a system for the receipt and disposition of consumer complaints or inquiries regarding compliance of health plans with the requirements of this title, and

"(ii) information to small employers about carriers that offer small employer health plans in the area covered by the regulatory authority.

Such system shall provide for the recording of consumer complaints in accordance with a uniform methodology developed by the NAIC and recognized by the Secretary.

"(2) SECRETARIAL AUTHORITY.—In the case of a State without a regulatory program approved under subsection (a), the Secretary shall provide for the establishment of the toll-free telephone information and complaint system described in paragraph (1).

"(c) SECRETARIAL REVIEW.—

"(1) PERIODIC REVIEW OF STATE REGULATORY PROGRAMS.—The Secretary periodically shall review State regulatory programs to determine if they continue to meet the standards referred to in subsection (a) and the requirements of subsection (b). If the Secretary finds that a State regulatory program no longer meets such standards and requirements, before making a final determination, the Secretary shall provide the State an opportunity to adopt such a plan of correction as would permit the program to continue to meet such standards and requirements. If the Secretary makes a final determination that the State regulatory program, after such an opportunity, fails to meet such standards and requirements, the Secretary shall assume responsibility under section 2301(a)(1)(B) with respect to plans in the State.

"(2) LOOK-BEHIND AUTHORITY.—In the case of a State with a regulatory program found by the Secretary to meet the standards and requirements under this title, the Secretary nonetheless is authorized to determine whether or not individual insured employment-related health plans in the State have failed to comply with the applicable requirements of this title.

"(d) GAO AUDITS.—The Comptroller General shall conduct periodic audits on a sample of State regulatory programs to determine their compliance with the requirements of this section. The Comptroller General shall report to the Secretary and Congress on the findings in such audits.

"SEC. 2303. REQUIREMENTS APPLICABLE TO ALL EMPLOYMENT-RELATED HEALTH PLANS.

"(a) NO DISCRIMINATION BASED ON HEALTH STATUS FOR CERTAIN SERVICES.—

"(1) IN GENERAL.—Except as provided under paragraph (2), an employment-related health plan may not deny, limit, or condition the coverage under (or benefits of) the plan with respect to basic health services based on the health status, claims experience, receipt of health care, medical history, or lack of evidence of insurability, of an individual.

"(2) TREATMENT OF PRE-EXISTING CONDITION EXCLUSIONS FOR ALL SERVICES.—

"(A) IN GENERAL.—Subject to the succeeding provisions of this paragraph, an employment-related health plan may exclude coverage with respect to services related to treatment of a preexisting condition, but the period of such exclusion may not exceed 6 months.

"(B) NONAPPLICATION TO NEWBORNS AND SUNSET OF PRE-EXISTING CONDITION EXCLUSIONS FOR BASIC HEALTH SERVICES.—The exclusion of coverage permitted under subparagraph (A) shall not apply to—

"(i) services furnished to newborns, or

"(ii) basic health services furnished on or after July 1 of the 6th year beginning after the date of the enactment of this title.

"(C) CREDITING OF PREVIOUS COVERAGE.—

"(i) IN GENERAL.—If an individual is in a period of continuous coverage (as defined in clause (ii)(I)) with respect to particular services as of the date of initial coverage under a plan, any period of exclusion of coverage with respect to a preexisting condition for such services or type of services shall be reduced by 1 month for each month in the period of continuous coverage.

"(ii) DEFINITIONS.—In this subparagraph:

"(I) PERIOD OF CONTINUOUS COVERAGE.—The term 'period of continuous coverage' means, with respect to particular services, the period beginning on the date an individual is enrolled under a health plan or program (including a qualified health plan, a Federal health plan, the medicare program, a State plan under title XIX, or a State general medical assistance program) which provides the same or substantially similar benefits with respect to such services and ends on the date the individual is not so enrolled for a continuous period of more than 3 months.

"(II) PREEXISTING CONDITION.—The term 'preexisting condition' means, with respect to coverage under a plan, a condition which has been diagnosed or treated during the 3-month period ending on the day before the first date of such coverage, except that such term does not include a condition which was first diagnosed or treated during a period of continuous coverage.

"(iii) STANDARDS FOR SIMILAR BENEFITS.—The standards established under section 2302 shall establish such criteria for determining if benefits are substantially similar as may be necessary to carry out this subparagraph.

"(b) PERMITTING COVERAGE DURING WAITING PERIOD.—

"(1) IN GENERAL.—If an employment-related health plan imposes a waiting period before an eligible individual may be covered under the plan, the plan—

"(A) must make available to the individual coverage (including coverage of dependents) equivalent to the coverage available to the employee upon the completion of any applicable waiting period, and

"(B) may not impose for such coverage charges that exceed the cost under the plan of providing such coverage (determined, in the case of a self-insured plan, on an average, per participant cost basis) with respect to the employee if such waiting period did not apply.

Nothing in this paragraph shall be construed as requiring a health plan to make coverage available to an individual who no longer has an employment relationship (or who is the spouse or dependent of such an individual) with respect to the plan.

"(2) ELIGIBLE INDIVIDUAL DEFINED.—In paragraph (1), the term 'eligible individual' means, with respect to a health plan, an individual who, but for a waiting period, would be eligible for immediate coverage under the plan.

"SEC. 2304. DEFINITIONS.

"(a) HEALTH PLAN AND OTHER DEFINITIONS RELATING TO HEALTH PLANS.—In this title:

"(1) HEALTH PLAN.—The term 'health plan' means any hospital or medical expense incurred policy or certificate, hospital or medical service plan contract, health maintenance subscriber contract, other employee welfare plan (as defined in the Employee Retirement Income Security Act of 1964), or any other health insurance arrangement, and includes an employment-related reinsurance plan (as defined in paragraph (3)), but does not include—

"(A) accident-only, credit, dental, or disability income insurance,

"(B) coverage issued as a supplement to liability insurance,

"(C) worker's compensation or similar insurance, or

"(D) automobile medical-payment insurance.

"(2) EMPLOYMENT-RELATED HEALTH PLAN.—The term 'employment-related health plan' means any health plan provided or arranged for or contributed to by the employer or an employment-related organization to provide health benefits (directly or indirectly) for the employer's employees and dependents, and includes (but only for purposes of sections 2313 unless the context otherwise requires) an employment-related reinsurance plan.

"(3) EMPLOYMENT-RELATED REINSURANCE PLAN.—The term 'employment-related reinsurance plan' means any reinsurance or similar mechanism that underwrites a portion of the risk for an employment-related health plan, if the mechanism is offered directly to an employer or employment-related group.

"(4) INSURED EMPLOYMENT-RELATED HEALTH PLAN.—The term 'insured employment-related health plan' means an employment-related health plan that is not a self-insured employment-related health plan or an employment-related reinsurance plan.

"(5) MANAGED CARE PLAN.—The term 'managed care plan' has the meaning given such term in section 2331(c)(1).

"(6) SELF-INSURED EMPLOYMENT-RELATED HEALTH PLAN.—The term 'self-insured employment-related health plan' means an employment-related health plan which is an employee welfare benefit plan (as defined in the Employee Retirement Income Security Act of 1964) and in which the employer or employment-related group assumes the underwriting risk for the plan (whether or not there is any reinsurance or similar mechanism to underwrite a portion of that risk).

"(7) SMALL EMPLOYER HEALTH PLAN.—The term 'small employer health plan' means an employment-related health plan insofar as it offers benefits with respect to any small employer, as defined in subsection (c)(8), or the employees of a small employer.

"(b) CARRIER; HEALTH MAINTENANCE ORGANIZATION; AND OTHER DEFINITIONS RELATING TO CARRIERS.—In this part:

"(1) CARRIER.—The term 'carrier' means any person that offers a health plan, whether through insurance or otherwise, including a licensed insurance company, a prepaid hospital or medical service plan, a health maintenance organization, a self-insurer carrier, a reinsurance carrier, and a multiple employer welfare arrangement.

"(2) HEALTH MAINTENANCE ORGANIZATION.—The term 'health maintenance organization' has the meaning given the term 'eligible organization' in section 1876(b).

"(3) REINSURANCE CARRIER.—The term 'reinsurance carrier' means the entity assuming responsibility for underwriting under an employment-related reinsurance plan, but does not include a carrier insofar as it directly offers a health plan.

"(4) SELF-INSURER CARRIER.—The term 'self-insurer carrier' means a carrier that is not a licensed insurance company, a prepaid hospital or medical service plan, or a health maintenance organization, that offers a health plan directly with respect to an employment-related group.

"(5) SMALL EMPLOYER CARRIER.—The term 'small employer carrier'—

"(A) means any carrier which offers small employer health plans, and

"(B) includes (unless the context otherwise requires)—

"(i) a self-insurer carrier offering such a plan, or

"(ii) a reinsurance carrier offering a small employer health plan that is an employment-related reinsurance plan.

"(c) GENERAL DEFINITIONS.—In this part:

"(1) APPLICABLE REGULATORY AUTHORITY.—The term 'applicable regulatory authority' means, with respect to a health plan offered in a State, the State commissioner or superintendent of insurance or other State authority responsible for regulation of health insurance, or, if the Secretary is exercising authority under section 2301(a)(1)(B) in the State, the Secretary.

"(2) BLOCK OF BUSINESS.—The term 'block of business' means all, or a distinct grouping of, small employers as shown on the records of the small employer carrier, if established consistent with section 2312(b)(3).

"(3) COMMUNITY.—The term 'community' has the meaning given such term in section 2231(e).

"(4) FULL-TIME EMPLOYEE.—The term 'full-time employee' has the meaning given such term in section 2181(b)(1).

"(5) NAIC.—The term 'NAIC' means the National Association of Insurance Commissioners.

"(6) REFERENCE PREMIUM RATE.—The term 'reference premium rate' means, for each block of business for a rating period in a community, the lowest premium rate charged or which could have been charged by the small employer carrier to small employers in that block under a rating system for that block of business in the community for health plans with the same or similar coverage. The reference premium rate is determined without regard to any adjustment for age or sex described in section 2312(c) and without regard to any adjustment effected under section 2312(d).

"(8) SMALL EMPLOYER.—The term 'small employer' has the meaning given such term in section 2181(c)(2).

"(9) STATE.—The term 'State' means the 50 States and the District of Columbia.

"PART B—SMALL EMPLOYER HEALTH INSURANCE REFORM

"SEC. 2311. ENROLLMENT PRACTICE AND GUARANTEED RENEWABILITY REQUIREMENTS FOR SMALL EMPLOYER HEALTH PLANS.

"(a) REGISTRATION WITH APPLICABLE REGULATORY AUTHORITY.—

"(1) IN GENERAL.—Each small employer carrier (as defined in section 2304(b)(5)) shall register with the applicable regulatory authority for each State in which it issues or offers a small employer health plan.

"(2) NO PREEMPTION OF STATE INFORMATION REQUIREMENTS.—Nothing in paragraph (1) shall be construed as preventing the applicable regulatory authority from requiring, in the case of carriers that are not self-insurance carriers, such additional information in conjunction with, or apart from, the registration required under paragraph (1) as the applicable regulatory authority may be authorized to require under State law.

"(b) GUARANTEED ISSUE.—

"(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, a carrier that offers a health plan (including a reinsurance plan, but only if offered to a self-insured employment-related health plan) to small employers located in a community must offer the same plan to any other small employer located in the community.

"(2) TREATMENT OF HEALTH MAINTENANCE ORGANIZATIONS.—

"(A) GEOGRAPHIC LIMITATIONS.—A health maintenance organization may deny coverage under a plan to a small employer whose employees are located outside the service area of the organization, but only if such denial is applied uniformly without regard to health status or insurability.

"(B) SIZE LIMITS.—A health maintenance organization may apply to the applicable regulatory authority to cease enrolling new small employer groups in its small employer health plan (or in a geographic area served by the plan) if it can demonstrate that its financial or administrative capacity to serve previously enrolled groups and individuals (and additional individuals who will be expected to enroll because of affiliation with such previously enrolled groups) will be impaired if it is required to enroll new groups.

"(3) GROUNDS FOR REFUSAL TO ISSUE OR RENEW.—

"(A) IN GENERAL.—A carrier may refuse to issue or renew or terminate a plan only for—

"(i) nonpayment of premiums,

"(ii) fraud or misrepresentation, and

"(iii) failure to meet minimum participation rates (consistent with subparagraph (B)).

"(B) MINIMUM PARTICIPATION RATES.—A carrier may require, with respect to a small employer health plan, that a minimum percentage of full-time, permanent employees eligible to enroll under the plan be enrolled, so long as such percentage is enforced uniformly for all employment groups of comparable size.

"(c) MINIMUM PLAN PERIOD.—A carrier may not offer to, or issue with respect to, a small employer a small employer health plan with a term of less than 12 months.

"(d) GUARANTEED RENEWABILITY.—

"(1) IN GENERAL.—

"(A) GENERAL RULE.—Subject to the succeeding provisions of this subsection, each small employer health plan must be renewed, at the option of the employer or employment-related organization described in section 2304(a)(2), unless the plan is terminated for the reasons specified in subsection (a)(3)(A) or under subparagraph (B).

"(B) TERMINATION OF BLOCK OF BUSINESS.—A carrier need not renew a health plan with respect to such an employer or employment-related organization if the carrier—

"(i) is terminating the block of business that includes the plan, and

"(ii) provides notice to the employer or organization covered under the plan of such termination at least 90 days before the date of expiration of the plan.

In the case of such a termination, the insurer may not provide for issuance of any small employer health plan in any block of business during the 5-year period beginning on the date of termination of such block of business.

"(C) CONSTRUCTION RESPECTING ADDITIONAL STATE DISCLOSURE REQUIREMENTS.—Subparagraph (B)(ii) shall not be construed as preventing the applicable regulatory authority from specifying the information to be included in the notice under such subparagraph or in requiring such notice to be provided at an earlier date.

"(2) NOTICE AND SPECIFICATION OF RATES AND ADMINISTRATIVE CHANGES.—

"(A) NOTICE.—The small employer carrier of a small employer health plan shall provide for notice, at least 30 days before the date of expiration of the health plan, of the terms for renewal of the plan. Except with respect to rates and administrative changes, the terms of renewal (including benefits) shall be the same as the terms of issuance.

"(B) RENEWAL RATES SAME AS ISSUANCE RATES.—The carrier may change the terms for such renewal, but the premium rates charged with respect to such renewal shall be the same as that for a new issue.

"(C) RATES CANNOT CHANGE MORE OFTEN THAN MONTHLY.—

"(i) IN GENERAL.—A small employer carrier may not change the premium rates established with respect to any block of business for a small employer health plan more often than monthly.

"(ii) APPLICATION OF NEW RATES.—In the case of a plan issued which becomes effective in a month, the premium rates established under clause (i) for that month shall apply to all months during the 12-month period beginning with that month. In the case of a plan renewal which is effective for a 12-month period beginning with a month, the premium rates established under clause (i) with respect to that month shall apply to all months during 12-month renewal period.

"(3) PERIOD OF RENEWAL.—The period of renewal of each small employer health plan shall be for a period of not less than 12 months.

"(e) EXCEPTION FOR SELF-INSURED CARRIERS.—The requirements of this section (other than subsection (a)) shall not apply to self-insured carriers and self-insured employment-related health plans.

"SEC. 2312. RATING PRACTICES FOR SMALL EMPLOYER HEALTH PLANS.

"(a) COHESIVE RATING SYSTEM AND ACTUARIAL CERTIFICATION.—

"(1) IN GENERAL.—The premiums (including reference premium rate, as defined in section 2304(c)(6), age-sex adjustments under subsection (c), and reductions provided under subsection (d)) for all small employer health plans of the same entity shall—

"(A) be established based on a single cohesive rating system which is applied consistently for all employer groups and is designed not to treat groups, after the second effective year (as defined in subsection (f)), differently based on health status or risk status; and

"(B) be actuarially certified annually.

"(2) ACTUARIAL CERTIFIED DEFINED.—For purposes of paragraph (1)(B), a plan is considered to be 'actuarially certified' if there is a written statement, by a member of the American Academy of Actuaries or other individual acceptable to the applicable regulatory authority that a small employer carrier is in compliance with this section, based upon the individual's examination, including a review of the appropriate records and of the actuarial assumptions and methods utilized by the carrier in establishing premium rates for applicable health plans.

"(b) USE OF COMMUNITY-RATING.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and subsection (c):

"(A) COMMUNITY RATING WITHIN A BLOCK OF BUSINESS.—The reference premium rate charged for a small employer health plan with similar benefits in a community within a block of business for a type of family enrollment (described in subsection (e)) shall be the same for all small employers.

"(B) LIMITING VARIATION ON REFERENCE PREMIUM RATES AMONG BLOCKS OF BUSINESS.—

"(i) IN GENERAL.—Except as provided in clause (iii), the reference premium rate charged for small employer health plans with similar benefits in any community for a type of family enrollment for the most expensive block of business shall not exceed 120 percent of such rate charged for such plan for the same type of family enrollment for the least expensive block of business.

"(ii) ROLE OF REGULATORY AUTHORITY.—An applicable regulatory authority that is a State may reduce or eliminate the percent variation otherwise permitted under clause (i).

"(iii) EXCEPTION.—Clause (i) shall not apply to a block of business—

"(I) if the block is one for which the carrier does not reject, and never has rejected, small employers included within the definition of employers eligible for the block of business or otherwise eligible employees and dependents who enroll on a timely basis,

"(II) the carrier does not involuntarily transfer, and never has involuntarily transferred, a health plan into or out of the block of business, and

"(III) that block of business was available for purchase as of the date of the enactment of this title.

"(2) TRANSITION.—Notwithstanding paragraph (1)—

"(A) during the first effective year (as defined in subsection (f)), the premium rate for any employer may be as much as, but may not exceed, 150 percent of the reference premium rate for such plans in the same community for similar benefits in the same block of business, or

"(B) during the second effective year, the premium rate for any employer may be as much as, but may not exceed, 122 percent of the reference premium rate for such plans in the same community for similar benefits in the same block of business.

"(3) ESTABLISHMENT OF BLOCKS OF BUSINESS.—For the purpose of establishing premiums for small employer health plans with similar coverage, the small employer carrier may establish blocks of business based only on one or more of the following characteristics:

"(A) Plans that are marketed by clearly different sales forces.

"(B) Plans that have been acquired from another carrier as a distinct group.

"(C) Plans that are managed care plans.

"(D) Plans within another distinct group, if the applicable regulatory authority finds that establishment of such a group will enhance the efficiency and fairness of the small employer insurance marketplace.

"(c) Age and Sex Adjustment to Community-Rating.—

"(1) In general.—Subject to paragraph (2), a small employer health plan may provide for an adjustment to the reference premium rate based on age and gender of covered individuals. Any such adjustment shall be applied consistently to all small employers.

"(2) Limitation on adjustment.—

"(A) In general.—The adjustment under paragraph (1) may not result, with respect to small employer health plans with similar benefits in the same block of business in a community, in a premium rate for the most expensive age-sex group exceeding the applicable percent (as defined in subparagraph (B)) of the premium rate for the least expensive age-sex group.

"(B) Applicable percent defined.—In subparagraph (A) but subject to subparagraph (C), the term 'applicable percent' means—

"(i) for the first effective year (as defined in subsection (e)), 200 percent,

"(ii) for the second effective year, 150 percent, and

"(iii) for any subsequent year, 110 percent.

"(C) Role of regulatory authority.—An applicable regulatory authority that is a State may reduce or eliminate the applicable percent otherwise applied.

"(d) Adjustment in Rates Permitted in Case of Medicare Reimbursement Election.—A small employer health plan may compute premiums based upon a percentage of the reference premium rate otherwise applicable if the employer or employment-related organization to which the plan is being offered makes the reimbursement election described in section 2123. Any such adjustment shall be applied consistently to all small employers.

"(e) Types of Family Enrollment.—

"(1) In general.—Each small employer health plan shall permit enrollment of (and shall compute premiums separately for) individuals based on each of the following beneficiary classes:

"(A) 1 adult.

"(B) A married couple without children.

"(C) 1 adult and 1 child.

"(D) A married couple with 1 or more children, or 1 adult with 2 or more children.

"(2) Application of definitions.—The definitions in section 2281(b) shall apply for purposes of this subsection.

"(f) Effective Years Defined.—In this section, the terms 'first effective year' and 'second effective year' mean the third and fourth years beginning after the date of the enactment of this Act.

"(g) Exception for Self-Insured Carriers.—The requirements of this section shall not apply to self-insured carriers and self-insured employment-related health plans, but does apply to reinsurance carriers and employment-related reinsurance plans offered to such carriers or underwriting such self-insured plans.

"SEC. 2313. BASIC BENEFIT PACKAGE FOR SMALL EMPLOYER HEALTH PLANS.

"(a) In General.—

"(1) Benefits and cost-sharing in qualified health plans.—Except as provided in paragraph (2), no small employer health plan may be issued to a small employer by a carrier unless—

"(A) the plan provides for benefits for all basic health services (as defined in section 2211(b));

"(B) the plan does not impose cost-sharing with respect to basic health services in excess of the deductibles and coinsurance permitted under title XXII with respect to such services (not taking into account any low-income assistance under part E of such title); and

"(C) the carrier makes available to the employer a small employer health plan that, subject to paragraph (2)(C), only provides the benefits for basic health services and the maximum cost-sharing consistent with subparagraphs (A) and (B).

"(2) Exceptions.—

"(A) No application to reinsurance plans.—Paragraph (1) shall not apply to employment-related reinsurance plans.

"(B) Required offering does not apply to self-insured plans and HMO's.—Paragraph (1)(C) shall not apply to a self-insured plan or the plan of a health maintenance organization.

"(C) Additional, optional minimum services.—In meeting the requirement of paragraph (1)(C), a small employer health plan may include such additional items and services as the small employer carrier can demonstrate to the satisfaction of the applicable regulatory authority that inclusion of such items and services will facilitate appropriate hospital discharges or avoid unnecessary hospitalization.

"(b) Managed Care Option.—If a carrier (other than a health maintenance organization or reinsurance carrier) offers to employers, that are not small employers, in a community a qualified employer health plan that is a managed care plan, the carrier must make available in the community a small employer health plan that is such a managed care plan.

"(c) Exception for Reinsurance Carriers and Plans.—The requirements of this section shall not apply to reinsurance carriers and employment-related reinsurance plans.

"(d) Standardization of Benefit Packages.—The NAIC shall develop a model to standardize benefits to be made available under small employer health plans in order to promote consumer understanding and comparison among such plans.

"SEC. 2314. PUBLIC PLAN REIMBURSEMENT OPTION FOR SMALL EMPLOYER HEALTH PLANS.

"(a) Option Must Be Offered.—Each small employer carrier offering a small employer health plan to a small employer shall offer the employer the option of having payment under the plan made for basic health services at rates no higher than the payment rates established under title XXII for such services. The provisions of section 1848(g)(3) shall not be considered to apply under this subsection.

"(b) Application of Public Plan Billing Limitations.—In the case of a small employer that elects the option offered under subsection (a) with respect to a small employer health plan, the limitations on charges that may be made under the public health insurance plan shall apply to individuals receiving benefits under the plan. The sanctions imposed under the medicare program (and title XI), including exclusion under such program and the imposition of civil money penalties for violations of such limitations, apply to violations of the limitations imposed under this subsection.

"(c) Exception for Reinsurance Plan.—Subsection (a) shall not apply to employment-related reinsurance plans.

"SEC. 2315. MISCELLANEOUS DISCLOSURE AND RECORD-KEEPING REQUIREMENTS FOR SMALL EMPLOYER HEALTH PLANS.

"(a) Disclosure to Employers.—

"(1) General disclosure.—Each small employer carrier shall disclose to each small employer before issuing a small employer health plan the following:

"(A) The availability (pursuant to the requirement of section 2313(a)(1)(C)) of a plan including only basic benefits.

"(B) Whether any plan that is a managed care plan or provides for a utilization review program, or both, is available, as required under section 2313(b).

"(C) The option of electing the reimbursement rules, as required under section 2314.

"(D) The limits, imposed under section 2312, on the premiums permitted to be charged for such plans.

"(E) The rights of guaranteed issue and renewability provided under section 2311.

Such disclosure shall be in addition to any disclosure required generally of qualified health plans under section 2257(a).

"(2) Specific disclosure upon request.—Each small employer carrier shall disclose to each small employer, upon request, information concerning the blocks of business established with respect to small employer health plans and the applicable premiums for such plans.

"(3) Standard format.—The disclosure under paragraph (1) shall be made in a uniform format established by the Secretary, after consultation with the NAIC.

"(4) Exceptions.—Paragraph (1) (other than subparagraphs (D) and (E)) shall not apply to a small employer reinsurance carrier with respect to an employment-related reinsurance plan.

"(b) Information Filed with Applicable Regulatory Authority.—

"(1) In general.—Each small employer carrier shall disclose to the applicable regulatory authority, in a manner specified by the Secretary, information concerning—

"(1) blocks of business established, and

"(2) applicable premiums for small employer health plans.

"(2) Additional information.—Nothing in this subsection shall be construed as limiting the information which an applicable regulatory authority may require to be reported by small employer carriers (other than self-insured carriers).

"SEC. 2316. NONAPPLICATION IN PUERTO RICO AND THE TERRITORIES.

"This part shall not apply outside the 50 States or the District of Columbia.".

Subtitle B—Reinsurance Systems

SEC. 411. ENCOURAGING DEVELOPMENT OF REINSURANCE SYSTEMS.

Title XXIII of the Social Security Act, as added by section 401, is amended by inserting after part B the following new part:

"Part C—Encouraging Development of Reinsurance Systems

"SEC. 2321. ENCOURAGING DEVELOPMENT OF REINSURANCE SYSTEMS.

"(a) Development of Models.—

"(1) In general.—Not later than October 1 of the year following the year in which this title is enacted, the NAIC shall develop several models of legislation for the enactment of reinsurance systems that may be used by States with respect to health insurance policies (including small employer health plans).

"(2) Specific models.—Such models shall include at least 1 of each of the following 3 models:

"(A) A model providing for voluntary participation by insurers.

"(B) A model providing for insurer participation on a retrospective basis.

"(C) A model providing for the case management of services for individual claims or groups which are reinsured through the system.

"(3) TERMS OF MODELS.—Each of the models—

"(A) shall be consistent with the provisions of this title (including those relating to community-rated premiums), and

"(B) shall include deductibles and coinsurance which (i) limit the amount of risk ceded to the reinsurance system and (ii) to encourage insurers to manage health care costs.

"(b) PROTECTION OF HEALTH MAINTENANCE ORGANIZATIONS UNDER REINSURANCE SYSTEMS.—No State may establish or enforce a reinsurance system with respect to health insurance policies unless the system provides for an adjustment in reinsurance premiums (or, in the event of losses to the system, assessments) charged to health maintenance organizations that takes into account—

"(1) the higher premiums charged by such organizations due to the greater coverage provided by such organizations as required by law,

"(2) the limitations under title XIII of the Public Health Service Act on the amount of risk which such an organization can reinsure, and

"(3) the ability of such organizations to manage risk internally.

"(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this title.".

Subtitle C—Encouraging Establishment of Managed Care

SEC. 421. FAVORABLE TREATMENT OF MANAGED CARE PLANS AND UTILIZATION REVIEW PROGRAMS.

Title XXIII of the Social Security Act is further amended by adding at the end the following new part:

"PART C—FAVORABLE TREATMENT OF MANAGED CARE

"SEC. 2331. FAVORABLE TREATMENT OF MANAGED CARE PLANS.

"(a) MANAGED CARE PLAN DEFINED.—

"(1) DEFINED.—In this section, the term 'managed care plan' means a qualified health plan—

"(A) in which the carrier—

"(i) utilizes explicit standards for the selection and recertification of participating providers,

"(ii) has organizational arrangements, established in accordance with regulations of the Secretary, for an ongoing quality assurance program for its health services, which program (I) stresses health outcomes, and (II) provides review by physicians and other health professionals of the process followed in the provision of health services, and

"(iii) contains significant incentives to use the participating providers and procedures provided for by the plan; and

"(B) which, if it limits coverage of services to those provided by participating providers or permits deductibles and coinsurance with respect to basic health services provided by persons who are not participating providers which are in excess of those permitted under qualified health plans under title XXII—

"(i) has a sufficient number and distribution of participating providers to assure that all covered items and services are (i) available and accessible to each enrollee, within the area served by the plan, with reasonable promptness and in a manner which assures continuity, and (ii) when medically necessary, available and accessible twenty-four hours a day and seven days a week, and

"(ii) provides benefits for covered items and services not furnished by participating providers if the items and services are medically necessary and immediately required because of an unforeseen illness, injury, or condition.

"(2) DETERMINATION OF MANAGED CARE PLANS.—

"(A) INSURED PLANS.—In the case of a health plan that is offered by an entity that is subject to regulation by an applicable regulatory authority (as defined in section 2704(c)), consistent with procedures established by the Secretary in consultation with such authorities, such authorities shall be responsible for certifying for purposes of this title and the Social Security Act whether the health plan is a managed care plan.

"(B) SELF-INSURED PLANS.—In the case of other health plans, the Secretary shall be responsible for certifying for purposes of this title and the Social Security Act whether the health plan is a managed care plan.

"(b) CONDITION OF STATE FUNDING.—

"(1) IN GENERAL.—No amounts shall be made available under title IV, V, or XX of this Act to a State in any fiscal year (beginning with the first fiscal year beginning after the date of the enactment of this section) unless the State is in compliance with subsection (a).

"(2) DEEMED ELECTION; IMPLIED PREEMPTION.—

"(A) IN GENERAL.—A State is deemed to have elected subsection (a) to be in effect in the State as of the beginning of a fiscal year, unless the chief executive officer of a State indicates in writing that the State will not comply with this section. Such an election shall have the effect of preempting the establishment or enforcement of any State law that is in violation of subsection (a).

"(B) CHANGES.—A State is deemed not to have such an election in effect as of the date the Secretary determines that the State is enforcing any law or regulation in violation of subsection (a).

"(c) LIMITATION ON RESTRICTIONS ON MANAGED CARE PLANS.—In order to comply with the requirements of this subsection, a State may not by law or regulation prohibit or unreasonably limit any of the following:

"(1) A State may not prohibit or unreasonably limit a managed care plan from including incentives for enrollees to use the services of participating providers.

"(2) A State may not prohibit or unreasonably limit a managed care plan from limiting coverage of services to those provided by a participating provider.

"(3)(A) Subject to subparagraph (B), a State may not prohibit or unreasonably limit the negotiation of rates and forms of payments for providers under a managed care plan.

"(B) Subparagraph (A) shall not apply where the amount of payments with respect to a block of services or providers is established under a Statewide system applicable to all non-Federal payors with respect to such services or providers.

"(4) A State may not prohibit or unreasonably limit a managed care plan from limiting the number of participating providers.

"(5) A State may not prohibit or unreasonably limit a managed care plan from requiring that services be provided (or authorized) by a primary care physician selected by the enrollee from a list of available participating providers.

"(d) ADDITIONAL DEFINITIONS.—

"(1) APPLICATION OF OTHER DEFINITIONS.—In this part, the definitions contained in sections 2304 shall also apply.

"(2) PARTICIPATING PROVIDER.—The term 'participating provider' means an entity which provides, sells, or leases health care services under a contract with a managed care plan, which contract does not permit deductibles and coinsurance in excess of those permitted under a qualified health plan under title XXII with respect to basic health services.

"SEC. 2332. FAVORABLE TREATMENT OF UTILIZATION REVIEW PROGRAMS.

"(a) PREEMPTION OF STATE LAWS RESTRICTING UTILIZATION REVIEW PROGRAMS THAT MEET FEDERAL STANDARDS.—

"(1) CERTIFICATION PROCESS.—The Secretary shall establish a process whereby health plans that include utilization review programs (as defined in subsection (c)) may apply to the Secretary for a certification that the programs meet the standards established under subsection (b). The Secretary may not provide for such a certification unless the program meets such standards.

"(2) RESULTS OF CERTIFICATION.—In the case of a utilization review program certified under paragraph (1), no State law or regulation shall prohibit or regulate activities under such program, except insofar as such law or regulation is consistent with the standards established under paragraph (1).

"(b) ESTABLISHMENT OF STANDARDS FOR UTILIZATION REVIEW PROGRAMS.—

"(1) IN GENERAL.—The Secretary shall provide, by regulation, for the establishment of Federal standards for utilization review programs of qualified health plans and of employment-related health plans. Such standards shall be designed to assure, within a plan, the cost-effective and medically appropriate use of services.

"(2) CONTENTS OF STANDARDS.—Such standards shall be established with respect to at least each of the following aspects of utilization review programs:

"(A) The qualification of those who may perform utilization review activities.

"(B) The standards to be applied in performing utilization review.

"(C) The timeliness in which utilization review determinations are to be made.

"(D) An appeals process which provides a fair opportunity for individuals adversely affected by a utilization review determination to have such a determination reviewed.

"(E) Protection for the confidentiality of individually-identifiable information used in the process.

"(3) USE OF GUIDELINES.—Such standards shall, to the maximum extent feasible, be consistent with practice guidelines developed by the Agency for Health Care Policy and Research.

"(4) EXPERIENCE WITH PEER REVIEW ORGANIZATIONS.—In the development of the standards, the Secretary shall consider the experience obtained in the peer review program under part B of title XI and in the activities of fiscal intermediaries and carriers under title XVIII.

"(5) DEADLINE.—Standards shall first be established under this subsection by not later than 2 years after the date of the enactment of this title. The Secretary may revise the standards from time to time as required to assure, within health plans, the cost-effective and medically appropriate use of services.

"(c) UTILIZATION REVIEW PROGRAM DEFINED.—In this section, the term 'utilization review program' means a system of reviewing the medical necessity and appropriateness of patient services (which may include inpatient and outpatient services) using specified guidelines. Such a system may include preadmission certification, the application of practice guidelines, continued stay review, discharge planning, preauthorization of ambulatory procedures, and retrospective review.".

TITLE V—EXPANSION OF PRIMARY CARE AND PUBLIC HEALTH DELIVERY CAPACITY IN MEETING HEALTH OBJECTIVES

SEC. 501. EXTENSION OF AUTHORIZATIONS FOR PRIMARY CARE AND PUBLIC HEALTH PROGRAMS THROUGH THE YEAR 2000.

(a) IMMUNIZATION PROGRAMS.—Section 317(j)(1)(A) of such Act (42 U.S.C. 247b(j)(1)(A)) is amended by striking "1995" and inserting "2000".

(b) TUBERCULOSIS PREVENTION AND CONTROL.—Section 317(j)(2) of such Act (42 U.S.C. 247b(j)(2)) is amended by striking "1995" and inserting "2000".

(c) LEAD POISONING PREVENTION.—Section 317A(j) of such Act (42 U.S.C. 247b–1(j)) is amended by adding before the period at the end the following: "and such sums as may be necessary for each succeeding fiscal year through fiscal year 2000".

(d) PROJECTS AND PROGRAMS FOR THE PREVENTION AND CONTROL OF SEXUALLY TRANSMITTED DISEASES.—Section 318(d)(1) of such Act (42 U.S.C. 247c(d)(1)) is amended by striking "and 1991" and inserting "through 2000".

(e) MIGRANT HEALTH CENTERS.—Section 329(h)(1)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(1)(A)) is amended by striking "1994" and inserting "2000".

(f) COMMUNITY HEALTH CENTERS.—Section 330(g)(2)(A) of such Act (42 U.S.C. 254c(g)(2)(A)) is amended by striking "1994" and inserting "2000".

(g) HOMELESS PROGRAMS.—Section 340(q)(1) of such Act (42 U.S.C. 256(q)(1)) is amended by striking "and 1994" and inserting "through 2000".

(h) PUBLIC HOUSING PROGRAMS.—Section 340A(p)(1) of such Act (42 U.S.C. 256a(p)(1)) is amended by striking "and 1993" and inserting "through 2000".

(i) FAMILY PLANNING SERVICES.—Section 1001(d) of such Act (42 U.S.C. 300(d)) is amended—

(1) by striking "and" after "1984;", and

(2) by inserting before the period at the end the following: "; and such sums as may be necessary for fiscal years 1992 through 2000".

(j) EARLY INTERVENTION SERVICES FOR INDIVIDUALS WITH HIV DISEASE.—Section 2655 of such Act (42 U.S.C. 300ff–55) is amended by striking "1995" and inserting "2000".

SEC. 502. EXPANDING PRIMARY CARE AND PUBLIC HEALTH DELIVERY CAPACITY.

Section 2243 of the Social Security Act, as added by section 201 of this Act, is amended by adding at the end the following new subsection:

"(d) ALLOCATION FOR PLANNING AND DEVELOPMENT GRANTS FOR PRIMARY CARE CENTERS AND PUBLIC HEALTH CLINICS.—

"(1) IN GENERAL.—From the amounts provided under paragraph (3) the Secretary shall make grants to public and private nonprofit private entities for projects to plan and develop primary care centers and public health clinics which will serve medically underserved populations. The funds provided under such a grant may be used for the same purposes for which a grant may be made under section 330(c) of the Public Health Service Act.

"(2) PROCESS OF AWARDING GRANTS.—The provisions of section 330(e)(1) of the Public Health Service Act shall apply to a grant under this subsection in the same manner as they apply to a grant under subsection (c) of such section.

"(3) EXPENDITURES FROM TRUST FUND.—

"(A) IN GENERAL.—Expenditures, within the range specified in subparagraph (B), necessary to provide all grants under paragraph (1) in order to adequately serve medically underserved populations which are enrolled under this title or are receiving low-income assistance under part E, shall be made from the Trust Fund each fiscal year (before fiscal year 2001).

"(B) RANGE OF FUNDS.—The amount of expenditures under this subsection for any fiscal year shall be not less than ½ percent, or greater than 1 percent, of the amounts the Secretary estimates will be expended from the Trust Fund in the fiscal year for low-income assistance under part E.

"(C) FUNDS SUPPLEMENTAL TO OTHER FUNDS.—The funds provided under this subsection with respect to primary care centers and public health clinics are in addition to, and not in replacement of, funds made available to such centers and clinics under sections 317, 317A, 318, 329, 330, 340, 340A, 1001, and 2655 of the Public Health Service Act or any other law.

"(4) PRIMARY CARE CENTER DEFINED.—In this subsection, the term 'primary care center' means—

"(A) a migrant health center (as defined in section 329(a)(1) of the Public Health Service Act),

"(B) a community health center (as defined in section 330(a) of such Act), or

"(C) an entity qualified to receive a grant under section 340, 340A, 1001, or 2655 of such Act.

"(5) PUBLIC HEALTH CLINIC DEFINED.—In this subsection, the term 'public health clinic' means an entity qualified to receive a grant under section 317, 317A, or 318 of the Public Health Service Act.

"(6) MEDICALLY UNDERSERVED POPULATION DEFINED.—In this subsection, the term 'medically underserved population' has the meaning given such term in section 330(b)(3) of the Public Health Service Act.".

SEC. 503. ANNUAL REPORT ON IMPACT OF ACT IN MEETING GOALS AND OBJECTIVES STATED IN "HEALTHY PEOPLE, 2000".

(a) IN GENERAL.—The Secretary of Health and Human Services every 5 years, beginning with 1996, shall submit to Congress a report on the impact of this Act in meeting the following Goals for the Nation stated in "Healthy People, 2000" (and in meeting the specific national health promotion and disease prevention objectives stated in such report):

(1) To increase the span of healthy life for Americans.

(2) To reduce health disparities among Americans.

(3) To achieve access to preventive services for all Americans.

(b) RECOMMENDATIONS.—Each report under subsection (a) shall include such recommendations with respect to changes in the benefits and payment policies under qualified health plans as will best promote achievement of national health promotion and disease prevention goals and objectives.

TITLE VI—FINANCING AND TAX-RELATED PROVISIONS

SEC. 601. PROGRESSIVE FINANCING OF PUBLIC HEALTH INSURANCE PLAN.

The public health insurance plan shall be funded through one or more funding means in a manner that—

(1) is progressive in the aggregate,

(2) is sufficient, each year, over time, and in the aggregate, to cover the net costs of the plan, and

(3) is not derived from any one age group of society.

SEC. 602. STATE MAINTENANCE OF EFFORT PAYMENTS.

(a) CONDITION OF CONTINUED FEDERAL PAYMENTS.—Notwithstanding any other provision of the Social Security Act, as a condition of payment to a State for a calendar quarter beginning on or after January 1 of the 2nd year beginning after the date of the enactment of this Act under title IV, V, XIX, or XX of the Social Security Act, the State must provide (in a manner and at a time specified by the Secretary) for payment to the Public Health Insurance Trust Fund (established under section 2233 of such Act) of the amount specified in subsection (b) for the quarter.

(b) MAINTENANCE OF EFFORT AMOUNT.—

(1) IN GENERAL.—The amount of payment specified in this subsection for a State for a calendar quarter is equal to the State hypothetical savings specified in paragraph (2) increased by the compounded sum of the increase in the consumer price index for all urban consumers (U.S. City average, as published by the Bureau of Labor Statistics of the Department of Labor) for each year after fiscal 1991 and up to the fiscal year in which the quarter occurs.

(2) STATE SAVINGS.—A State hypothetical savings specified in this paragraph for a calendar quarter is ¼ of the amount by which the payments (net of Federal payments) made by a State under its State plan under title XIX of the Social Security Act for fiscal year 1991 for medical assistance would have been reduced if the law (as amended by this Act and in effect during such quarter) has been in effect during all of fiscal year 1991.

(c) STATE DEFINED.—In this section, the term "State" means the 50 States and the District of Columbia.

SEC. 603. FULL DEDUCTION FOR QUALIFIED HEALTH PLAN INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended—

(1) by striking "25 percent of", and

(2) by inserting "which is certified as a qualified health plan under part F of title XXII of the Social Security Act (including the public health insurance plan under such title) and" after "for insurance".

(b) DEDUCTION MADE PERMANENT.—Subsection (l) of section 162 of such Code is amended by striking paragraph (6).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 604. EXCISE TAX FOR VIOLATION OF HEALTH BENEFIT PLAN REQUIREMENTS.

(a) IN GENERAL.—

(1) IN GENERAL.—Chapter 43 of the Internal Revenue Code of 1986 (relating to qualified pension, etc., plans) is amended by adding at the end thereof the following new section:

"SEC. 4980C. VIOLATION OF HEALTH BENEFIT PLAN REQUIREMENTS.

"(a) IMPOSITION OF TAX.—There is hereby imposed a tax on an entity's violation of subsection (a) of section 2301 of the Social Security Act. The determination of whether there has been such a violation shall be made by the Secretary of Health and Human Services under such section.

"(b) AMOUNT OF TAX.—The tax imposed by subsection (a) shall be equal to 25 percent of the amounts received by the entity (during the period such a violation persists) for providing any health plan for all blocks of business in all communities.

"(c) LIABILITY FOR TAX.—The tax imposed by this section shall be paid by the entity.

"(d) EXCEPTIONS.—

"(1) CORRECTIONS WITHIN 30 DAYS.—No tax shall be imposed by subsection (a) by reason of any violation if—

"(A) such violation was due to reasonable cause and not to willful neglect, and

"(B) such violation is corrected within the 30-day period beginning on earliest date the entity knew, or exercising reasonable diligence could have known, that such a violation was occurring.

"(2) WAIVER BY SECRETARY.—In the case of a violation which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that payment of such tax would be excessive relative to the violation involved.

"(e) DEFINITIONS.—For purposes of this section, the definitions in title XXIII of the Social Security Act shall apply under this section."

(2) CLERICAL AMENDMENT.—The table of sections for chapter 43 of such Code is amended by adding at the end thereof the following new item:

"Sec. 4980C. Violation of health plan requirements.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on January 1 of the 4th year beginning after the date of the enactment of this Act.

SEC. 605. REFUNDABLE CREDIT FOR QUALIFIED PLAN COSTS OF VERY SMALL EMPLOYERS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. QUALIFIED HEALTH PLAN COSTS OF VERY SMALL EMPLOYERS.

"(a) ALLOWANCE OF CREDIT.—In the case of a very small employer, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 40 percent of the amount paid or incurred by the taxpayer during the taxable year for any qualified employer health plan providing coverage to employees of such employer.

"(b) SMALL EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—The term 'very small employer' means any person engaged in the active conduct of a trade or business during the taxable year if—

"(A) the average number of full-time employees (or their equivalent) during the taxable year of such person does not exceed 24, and

"(B) the average annual rate of pay (taking into account only wages as defined in section 51(c) without regard to paragraph (4) thereof) of the employees of such person is $18,000 or less.

"(2) CONTROLLED GROUPS.—For purposes of this section—

"(A) all employers treated as a single employer under subsection (a) or (b) of section 52 shall be treated as a single employer, and

"(B) the credit (if any) allowable under this section with respect to each such employer shall be such employer's proportionate share of the payments giving rise to such credit.

"(c) QUALIFIED EMPLOYER HEALTH PLAN.—For purposes of this section, the term 'qualified employer health plan' means any plan meeting the requirements of subtitle B of title XXI of the Social Security Act.

"(d) APPLICATION OF SECTION.—This section shall apply only to taxable years beginning in the 5-year period which begins with the 3rd calendar year beginning after the date of the enactment of this section."

(b) TECHNICAL AMENDMENT.—Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period "or from section 35 of such Code".

(c) CLERICAL AMENDMENT.—The table of sections for such subpart C is amended by striking the last item and inserting the following new items:

"Sec. 35. Qualified health plan costs of very small employers.

"Sec. 36. Overpayments of tax."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the close of the 1st calendar year beginning after the date of the enactment of this Act.

(d) STUDY OF EXTENSION OF CREDIT FOR EMPLOYERS OF 10 OR FEWER EMPLOYEES.—The Secretary of Health and Human Services, in cooperation with the Secretary of the Treasury, shall review the impact of this Act, and the credit provided by the amendments made by this section, on employers of 10 or fewer full-time employees. Not later than 7 years after the date of the enactment of this Act the Secretary shall submit to Congress a report on such impact and on whether the credit provided by the amendments made by this section should be expended for very small employers with 10 or fewer full-time employees.

SEC. 606. REPEAL OF COBRA CONTINUATION REQUIREMENTS.

(a) IN GENERAL.—Section 4980B of the Internal Revenue Code of 1986 is repealed.

(b) CONFORMING AMENDMENTS.—Section 414 of such Code is amended—

(1) in subsection (n)(3)(C), by striking "505, and 4980B" and inserting "and 505", and.

(2) in subsection (t)(2), by striking "505, or 4980B" and inserting "or 505".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The repeal effected by subsection (a) shall apply to—

(A) health plans with respect to employees of large employers as of January 1 of the 4th year beginning after the date of the enactment of this Act,

(B) health plans with respect to employees of small employers that are not very small employers as of January 1 of the 5th year beginning after the date of the enactment of this Act, and

(C) health plans with respect to employees of very small employers as of January 1 of the 6th year beginning after the date of the enactment of this Act.

(2) DEFINITIONS.—The terms "large employer", "small employer", and "very small employer" have the meanings given such terms in 2181(c) of the Social Security Act.

(c) NOTICE OF BENEFITS UNDER PUBLIC HEALTH INSURANCE PLAN.—In the case of continuation coverage which is in effect on the date of the repeal under subsection (a) but which is to be discontinued after such date (and before the date required under law in effect before the date of the enactment of this Act) such continuation may not be discontinued without 30 days notice to the individual of such discontinuation. Such notice shall include such information respecting continuation of coverage through enrollment under the public health insurance plan as the Secretary of Health and Human Services shall specify.

TITLE VII—MEDICARE AND MEDICAID AMENDMENTS

Subtitle A—Medicare

SEC. 701. PROTECTION FOR LOW-INCOME MEDICARE BENEFICIARIES.

(a) REFERENCE TO PROVISION.—For provision making assistance available to low-income medicare beneficiaries in meeting medicare cost-sharing, see part E of title XXII of the Social Security Act, as added by section 201 of this Act.

(b) CLARIFYING APPLICATION OF BILLING LIMITS.—

(1) IN GENERAL.—Section 1848(g)(3)(A) of the Social Security Act (42 U.S.C. 1395w-4(g)(3)(A)) is amended by striking "any medical assistance" and all that follows through "title XIX" and inserting "low-income assistance under part E of title XXII".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on January 1 of the 6th year beginning after the date of the enactment of this Act.

SEC. 702. PHASED-IN REQUIREMENT OF PART B ENROLLMENT.

(a) IN GENERAL.—Section 1811 of the Social Security Act (42 U.S.C. 1395c) is amended by inserting "(a)" after "1811." and by adding at the end the following new subsection:

"(b) Notwithstanding sections 226 and 226A and any other provision of this title, effective for services furnished on or after January 1 of the 6th year beginning after the date of the enactment of this subsection, payment may not be made under this part for items and services during any period in which the individual is not enrolled under part B or under a qualified health plan (as defined in section 2251). For purposes of the previous sentence, entitlement to benefits under this part (but for this subsection) shall not be considered enrollment in a qualified health plan.".

(b) CLARIFICATION OF COVERAGE PERIOD.—Section 1838(b) of the Social Security Act (42 U.S.C.1395q(b)) is amended to read as follows:

"(b)(1) An individual's coverage period shall continue until the individual's enrollment is terminated by the filing of notice that the individual—

"(A) no longer wishes to participate in the insurance program established by this part,

"(B) is covered under a qualified health plan, and

"(C) has notified the plan that the individual is entitled to benefits under part A of this title.

"(2) The termination of coverage under paragraph (1) shall take effect at the close of the month following the month in which the notice is filed.

"(3) Such termination shall no longer be effective at such time as the individual is eligible to be enrolled under this part and is no longer covered under a qualified health plan.".

(c) ELIMINATION OF LATE ENROLLMENT PENALTIES.—Section 1839 of such Act is amended by striking subsection (b).

(d) EFFECTIVE DATE.—The amendments made by subsections (b) and (c) shall take effect January 1 of the 6th year beginning after the date of the enactment of this Act and shall apply to premiums beginning with such January.

SEC. 703. CHANGES IN PARTICIPATION AGREEMENTS.

(a) PROVIDERS OF SERVICES.—Section 1866(a)(1) of the Social Security Act is amended—

(1) by striking "and" at the end of subparagraph (P),

(2) by striking the period at the end of subparagraph (Q) and inserting ", and", and

(3) by inserting after subparagraph (Q) the following new subparagraph:

"(R) to have entered into a participation agreement under title XXII of this Act.".

(b) PHYSICIANS.—Section 1842(h)(1) of such Act is amended by adding at the end the following: "No such agreement with a physician shall be entered into and continued in effect on or after January 1 of the third year beginning after the date of the enactment of this sentence unless the physician has entered into a comparable agreement for purposes of title XXII."

SEC. 704. ASSURING COORDINATION OF ENROLLMENT WITH QUALIFIED HEALTH PLANS.

(a) NOTICES.—Section 1837 of the Social Security Act (42 U.S.C. 1395p) is amended by adding at the end the following new subsection:

"(j) The Secretary shall provide for notices of coverage under this part (and part A) in the same manner as qualified health plans are required to provide notices of coverage under section 2257(b).".

(b) TREATMENT OF SECONDARY PAYMENT IN CASE OF PART-TIME EMPLOYMENT.—Section 1862(b)(1)(A)(i)(I) of such Act (42 U.S.C. 1395y(b)(1)(A)(i)(I)) is amended by inserting "other than on a part-time basis (as defined in section 2181(b)(2))" after "individual's spouse)".

(c) EFFECTIVE DATES.—(1) The amendment made by subsection (a) shall take effect on the date specified in section 2257(b)(2) of the Social Security Act.

(2) The amendment made by subsection (b) shall apply to employment occurring on or after January 1 of the 4th year beginning after the date of the enactment of this Act.

SEC. 705. MISCELLANEOUS.

(a) TREATMENT OF NONPROFIT HOSPITAL PHILANTHROPY.—Section 1134 of the Social Security Act (42 U.S.C. 1320b-4) is amended by striking "and XIX" and inserting ", XIX, and XXII".

(b) HOSPITAL PROTOCOLS FOR ORGAN PROCUREMENT.—Section 1138(b) of the Social Security Act (42 U.S.C. 1320b-8(b)) is amended by striking "or XIX" and insert ", XIX, or XXII".

(c) WITHHOLDING OF PAYMENTS FROM CERTAIN PROVIDERS.—Section 1885 of such Act (42 U.S.C. 1395vv) is amended by adding at the end the following new subsection:

"(d) Subsections (a) through (c) shall apply to the public health insurance plan under title XXII, the Secretary, and the Public Health Insurance Trust Fund in the same manner as such subsections apply to title XIX, the State agency, and the appropriate State agency paid funds under subsection (c), respectively.".

Subtitle B—Medicaid

SEC. 711. COORDINATION WITH PUBLIC HEALTH INSURANCE PROGRAM.

(a) IN GENERAL.—

(1) LIMITING FEDERAL FINANCIAL PARTICIPATION FOR SERVICES COVERED UNDER PUBLIC HEALTH INSURANCE PLAN.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i)) is amended—

(A) in the paragraph (10) inserted by section 4401(a)(1)(B) of Omnibus Budget Reconciliation Act of 1990, by striking all that follows "1927(g)" and inserting a semicolon;

(B) by redesignating the paragraph (10) added by section 4701(b)(2) as paragraph (11), by transferring and inserting it after the paragraph (10) inserted by section 4401(a)(1)(B) of Omnibus Budget Reconciliation Act of 1990, and by striking all that follows "with respect to hospitals or facilities" and inserting a semicolon;

(C) by transferring and inserting the paragraph (12) inserted by section 4752(a)(2) of Omnibus Budget Reconciliation Act of 1990 after paragraph (11), as redesignated by subparagraph (B), and by striking the period at the end and inserting a semicolon;

(D) by redesignating the paragraph (14) inserted by section 4752(e) of Omnibus Budget Reconciliation Act of 1990 as paragraph (13), by transferring and inserting it after paragraph (12), and by striking the period at the end and inserting a semicolon;

(E) by redesignating the paragraph (11) inserted by section 4801(e)(16)(A) of Omnibus Budget Reconciliation Act of 1990 as paragraph (14), by transferring and inserting it after paragraph (13), and by striking the period at the end and inserting "; or"; and

(F) by inserting after paragraph (14), as so redesignated, the following new paragraph:

"(15) with respect to items and services (including medicare cost-sharing) for which payment is made under the public health insurance plan under title XXII.".

(2) CLARIFICATION OF NONDUPLICATION OF MEDICAL ASSISTANCE WITH BENEFITS UNDER PUBLIC HEALTH INSURANCE PLAN.—Title XIX of such Act is amended by adding at the end the following new section:

"NONDUPLICATION OF BENEFITS WITH PUBLIC HEALTH INSURANCE PLAN

"SEC. 1931. Notwithstanding any other provision of this title, a State is not required under its plan under section 1901(a) to provide medical assistance for items and services (including medicare cost-sharing) for which payment is made under the public health insurance plan under title XXII.".

(3) CLARIFICATION OF APPLICATION OF THIRD-PARTY PAYOR RULES TO QUALIFIED HEALTH PLANS.—Section 1902(a)(25)(A) of such Act (42 U.S.C. 1396a(a)(25)(A)) is amended by inserting "and qualified health plans certified under part F of title XXII" after "health insurers".

(b) CONTINUATION OF MEDICAID BENEFITS NOT COVERED UNDER PUBLIC HEALTH INSURANCE PLAN.—Nothing in this Act shall be construed as—

(1) changing the eligibility of individuals for medical assistance under title XIX of the Social Security Act, or

(2) subject to the amendments made by subsection (a), changing the amount, duration, or scope of medical assistance required (or permitted) to be provided under such title.

(c) REFERENCE TO STATE MAINTENANCE OF EFFORT REQUIREMENT.—For provision requiring State payments to the public health insurance plan in order to continue to qualify for payments under certain Social Security Act programs, see section 602 of this Act.

TITLE VIII—CONFORMING CHANGES TO ERISA

SEC. 801. REPEAL OF COBRA CONTINUATION REQUIREMENTS.

(a) IN GENERAL.—Part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is repealed.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The repeal effected by subsection (a) shall apply to health plans with respect to employees of any employer as of January 1 of the 6th year beginning after the date of the enactment of this Act.

(2) DEFINITIONS.—The terms "large employer", "small employer", and "very small employer" have the meanings given such terms in title 2181(c) of the Social Security Act.

(c) NOTICE OF BENEFITS UNDER PUBLIC HEALTH INSURANCE PLAN.—In the case of continuation coverage which is in effect on the date of the repeal under subsection (a) but which is to be discontinued after such date (and before the date required under law in effect before the date of the enactment of this Act) such continuation may not be discontinued without 30 days notice to the individual of such discontinuation. Such notice shall include such information respecting continuation of coverage through enrollment under the public health insurance plan as the Secretary of Health and Human Services shall specify.●

By Mr. ROCKEFELLER (for himself, Mr. DANFORTH, Mr. BOREN, Mr. D'AMATO, Mr. BINGAMAN, and Mr. NICKLES):

S. 1178. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for expenditures for vehicles which may be fueled by clean-burning fuels, for converting vehicles so that such vehicles may be so fueled, or for facilities for the delivery of such fuels, and for other purposes; to the Committee on Finance.

ALTERNATIVE FUELS INCENTIVE ACT

● Mr. ROCKEFELLER. Mr. President, today I am introducing the Alternative Fuels Incentive Act of 1991.

I authored the Alternative Motor Fuels Act of 1988 because I believed that alternative fuels could help America address serious energy, environmental, and economic problems. Sixty-five of our colleagues joined as cosponsors.

The need for aggressive action on alternative fuels has become even clearer since 1988. The Clean Air Amendments of 1990 recognized the important role of alternative fuels in combating urban smog. The conflict in the Persian Gulf brought home again our critical need to end our dependence on imported oil.

Developments like these have raised the issue of alternative fuels to a top national priority. Not long ago, the interest in new fuels and engines was viewed by some as a pastime for automobile buffs. Today, alternative fuels have become a matter of life and death for energy security. With dependence on imported oil rising over 50 percent, we have passed the danger point.

Alternative fuels are not a project for the distant future. Many alternative fuel vehicles are already on the road across the country. A number of studies have found that the fuels can be competitive. But there is no question, either, that the fuels need a jump start to get going in the marketplace. This is because of the well-known chicken and egg problem. Producers of fuel and cars and service station operators each wait for the availability of the other's product or service and the result is inaction.

We need targeted efforts that resolve the chicken and egg problem. The Alternative Fuels Incentive Act of 1991 does this by providing modest tax incentives at points critical to establishing alternative fuels in the marketplace. The bill provides incentives for purchase of alternative fuel vehicles by businesses and State and local governments. It provides a tax deduction to the ordinary consumer for purchase of alternative fuel vehicles for personal or business use. And it provides tax incentives for installation of fueling equipment for alternative fuels at service stations and elsewhere.

Previous efforts on alternative fuels have provided a foundation for the present effort. But this bill fills in the blank spaces, providing the spark that is needed for infrastructure and among consumers as well as producers.

The benefits that we can gain from alternative fuels are now well known. We can significantly reduce the smog in our cities and the tremendous damage to human health and the environment caused by auto emissions. We can diversity our fuel supply so that we are not held hostage to the explosive politics of oil in the Middle East. We can move toward fuels such as compressed natural gas, ethanol, and methanol which can be made from domestic resources, with the potential for contributing to domestic jobs and businesses.

All of this requires us to learn the lessons of the recent past and to have the foresight to apply them to the future. If we do not now seek alternatives to oil, in some future crisis we will face a situation in which there are no good alternatives at all.

Rarely are the choices so clear on an issue of such importance. We must take measures to secure our Nation's future. I urge my colleagues to join in supporting this legislation and pushing for its early enactment.

I thank all those who have helped bring this legislation to the point of introduction. I especially want to thank the distinguished Senator from Missouri [Mr. DANFORTH]. He was a tremendous help in passage of the Alternative Motor Fuels Act of 1988 and he has been indispensable as well on the present effort.

I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1178

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alternative Fuels Incentive Act of 1991".

SEC. 2. DEDUCTIONS RELATING TO VEHICLES WHICH MAY USE CLEAN-BURNING FUELS.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to itemized deductions for individuals and corporations) is amended by adding after section 179 the following new section:

"SEC. 179A. DEDUCTION FOR PURCHASE OF QUALIFIED CLEAN-BURNING MOTOR FUEL AND REFUELING PROPERTY.

"(a) GENERAL RULE.—There shall be allowed as a deduction for a taxable year an amount equal to the cost of—

"(1) any qualified clean-burning motor vehicle fuel property, or

"(2) any qualified clean-burning motor vehicle refueling property,

the original use of which by the taxpayer begins during such taxable year. In the case of property described in paragraph (2), such deduction shall be allowed only if such cost is paid or incurred in connection with a trade or business of the taxpayer.

"(b) LIMITATIONS.—

"(1) QUALIFIED CLEAN-BURNING MOTOR VEHICLE FUEL PROPERTY.—The cost which may be taken into account under subsection (a) with respect to each qualified clean-burning motor vehicle fuel property shall not exceed—

"(A) in the case of an automobile, or any truck having a gross vehicle weight rating of 10,000 pounds or less, $2,000,

"(B) in the case of any truck having a gross vehicle weight rating greater than 10,000 pounds but not greater than 26,000 pounds, $5,000, or

"(C) in the case of any other truck, or any bus, $50,000.

"(2) QUALIFIED CLEAN-BURNING MOTOR VEHICLE REFUELING PROPERTY.—

"(A) IN GENERAL.—The aggregate cost which may be taken into account under subsection (a) with respect to qualified clean-burning motor vehicle refueling property placed in service during the taxable year at the same or related fueling locations shall not exceed the excess (if any) of—

"(i) $75,000, over

"(ii) the aggregate amount taken into account under subsection (a) by the taxpayer (or any related person or predecessor) with respect to priority placed in service at such locations for all preceding taxable years.

"(B) RELATED LOCATIONS.—For purposes of this paragraph, refueling locations shall be treated as related if such locations—

"(i) are less than 2 miles apart, and

"(ii) are owned or controlled by the taxpayer or any related person.

"(C) RELATED PERSON.—For purposes of this paragraph, a person shall be treated as related to another person if such person bears a relationship to such other person described in section 267(b) or 707(b)(1).

"(D) ELECTION.—If the limitation under subparagraph (A) applies for any taxable year, the taxpayer shall, on the return of tax for such taxable year, specify the items of property (and the portion of costs of such property) which are to be taken into account under subsection (a).

"(E) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to ensure that the limitation under this paragraph with respect to refueling locations may not be circumvented.

"(c) QUALIFIED CLEAN-BURNING MOTOR VEHICLE FUEL PROPERTY DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified clean-burning motor vehicle fuel property' means property the original use of which commences with the taxpayer, with respect to which the environmental standards of paragraph (2) are met, and which is described in either of the following subparagraphs:

"(A) RETROFIT PARTS AND COMPONENTS.—Any part or component designed to modify a motor vehicle which is propelled by a fuel which is not a clean-burning fuel so that the vehicle may be propelled by a clean-burning fuel, but only to the extent such part or component is—

"(i) an engine (or modification thereof) which uses a clean-burning fuel, or

"(ii) attributable to the storage or delivery to the engine of such fuel, or the exhaust of gases from combustion of such fuel.

"(B) ORIGINAL EQUIPMENT MANUFACTURER'S VEHICLES.—A motor vehicle produced by an original equipment manufacturer and designed so that the vehicle may be propelled by a clean-burning fuel but only to the extent of the portion of the basis of such vehicle which is attributable to an engine which uses such fuel, to the storage or delivery to the engine of such fuel, or to the exhaust of gases from combustion of such fuel.

"(2) ENVIRONMENTAL STANDARDS.—

"(A) GENERAL RULE.—Property shall not be treated as qualified clean-burning motor vehicle fuel property unless—

"(i) the motor vehicle of which it is a part meets any applicable Federal or State emissons standards with respect to each fuel by which such vehicle is designed to be propelled, or

"(ii) in the case of retrofit equipment described in paragraph (1)(A), such retrofit equipment meets all applicable Federal and State emissions-related certification, testing, and warranty requirements.

"(B) RULES WHERE NO STANDARDS ESTABLISHED.—

"(i) IN GENERAL.—If no standards described in subparagraph (A) have been established specifically with respect to any fuel or any retrofit equipment described in paragraph (1), the Administrator of the environmental Protection Agency shall establish interim standards for such fuel or retrofit equipment within 60 days of the date such standards are requested by any person.

"(ii) BASIS FOR STANDARDS.—In the case of fuel, any interim standards established under clause (i) shall be equivalent to the standards for gasoline or diesel vehicles or engines of the same class, except that if the ozone forming potential of the fuel is not more than that of gasoline, then, for purposes of any ozone requirement, the hydrocarbon emissions requirement shall be adjusted to qualify the fuel under the hydrocarbon standard. Any such standards applicable to retrofit equipment described in paragraph (1) shall provide for emissions-related certification, testing, and warranty requirements no less rigorous than those applicable to original equipment manufacturers' vehicles.

"(d) QUALIFIED CLEAN-BURNING MOTOR VEHICLE REFUELING PROPERTY.—For purposes of this section, the term 'qualified clean-burning motor vehicle refueling property' means property the original use of which begins with the taxpayer and which is for the storage or dispensing of a clean-burning fuel into the fuel tank of a motor vehicle propelled by such fuel, but only if the storage or dispensing of the fuel is at the point where such fuel is delivered into the fuel tank of the motor vehicle.

"(e) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) CLEAN-BURNING FUEL.—The term 'clean-burning fuel' means—

"(A) natural gas,

"(B) liquefied petroleum gas, and

"(C) any fuel at least 85 percent of which is 1 or more of the following: methanol, ethanol, any other alcohol, or ether.

"(2) COORDINATION WITH BASIS PROVISIONS AND DEPRECIATION ALLOWANCE.—

"(A) REDUCTION IN BASIS.—For purposes of this title, the basis of any property shall be reduced by the portion of the cost of such property taken into account under subsection (a).

"(B) COORDINATION WITH SECTION 1245.—For purposes of section 1245, the amount of any deduction allowed under subsection (a) shall be treated as a deduction allowed for depreciation under section 167 (or amortization in lieu thereof) to the extent, but for subparagraph (A), it would otherwise be treated as so allowed."

(b) DEDUCTION FROM GROSS INCOME.—Section 62(a) of such Code is amended by adding at the end thereof the following new paragraph:

"(14) QUALIFYING CLEAN-BURNING MOTOR FUEL AND REFUELING PROPERTY.—The deduction allowed by section 179A."

(c) CONFORMING AMENDMENTS.—

(1) Section 1016(a) of such Code is amended by striking "and" at the end of paragraph (23), by striking the period at the end of paragraph (24) and inserting ", and", and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 179A(e)(2)(A)."

(2) The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 179 the following new item:

"Sec. 179A. Deduction for purchase of qualified clean-burning motor fuel and refueling property."

SEC. 3. EQUIVALENT PAYMENTS FOR PROPERTY OWNED BY STATE AND LOCAL GOVERNMENTS.

(a) IN GENERAL.—The Secretary of the Treasury or his delegate shall pay to each State or local governmental unit which files a claim under this section for any calendar year an amount determined under regulations prescribed by the Secretary equal to the present value of the incremental benefit that would be available under section 179A of the Internal Revenue Code of 1986 if—

(1) all qualified clean-burning motor vehicle fuel property (as defined in section 179A(c) of such Code) held by such unit were used in a trade or business,

(2) such unit were subject to tax under chapter 1 of such Code, and

(3) such year were such unit's taxable year.

(b) TREATMENT AS OVERPAYMENT.—For purposes of any law of the United States, any payment under subsection (a) shall be treated as a refund of an overpayment of tax imposed by chapter 1 of such Code.

(c) STATE OR LOCAL GOVERNMENTAL UNIT.—For purposes of this section, the term "State or local governmental unit" means any State or political subdivision thereof, the District of Columbia, and any agency or instrumentality of any of the foregoing.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply to property placed in service after September 30, 1992, and before October 1, 2002.●

● Mr. DANFORTH. Mr. President, our domestic oil reserves are in permanent decline. As the events of earlier this year demonstrate, our need for imported oil remains so great that our economic well-being and national security are linked to the stability of the Persian Gulf. This has been called an energy crisis. But we do not face a shortage of energy; our ability to produce electricity domestically has virtually no long-term limits. Instead, we face a shortage of liquid fuels, primarily for transportation. Transportation uses consume more than 60 percent of the oil used in this country.

FUELS THAT CAN REDUCE OUR DEPENDENCE ON FOREIGN OIL

Mr. President, there are a variety of fuels whose use will reduce this dangerous dependence on foreign oil while maintaining the quality of the environment. One of the most promising of these fuels is methanol. It is currently available in excess supply. It can be produced domestically in nearly inexhaustible quantities from natural gas, coal, or biomass. It is a proven transportation fuel that can readily be used in automobiles and other vehicles. It can be delivered through our existing distribution network with only minor modifications.

Methanol can be used as a replacement fuel for gasoline, 100-percent methanol or a 85-percent methanol—15-percent gasoline blend. Methanol burns so efficiently that race cars will use it at this weekend's Indianapolis 500. Methanol burns more cleanly than gasoline, producing lower emissions of nitrogen oxide and hydrocarbons. Finally, methanol can be delivered at a price that is competitive with gasoline.

Mr. President, there are other alternative fuels that might be used for transportation, including ethanol, compressed natural gas, and propane. Ethanol is made from corn or agricultural wastes. Almost all of Brazil's automotive fleet operates either on pure ethanol or on ethanol-gasoline blends. Like methanol, ethanol burns more cleanly than gasoline and its increased uses would provide a major new market for American farmers, including the many corn growers in my home State of Missouri.

Compressed natural gas is currently used to power 30,000 vehicles in the United States and has been used even more widely overseas. Its use would also lower harmful emissions. Finally, propane, which is sometimes known as LP gas, is also a promising alternative fuel.

PRACTICAL, CLEAN-BURNING FUELS

These fuels are practical. Take methanol for example. Our Nation has almost unlimited methanol production potential. At the present time, methanol is made from natural gas and is primarily used as a chemical feedstock; it is an important source of formaldehyde for use in plywood and other building materials.

Natural gas is likely to meet the demand for methanol in the near term. Currently, the methanol equivalent of a gallon of gasoline can be produced from natural gas for $1.25. Indeed, an enormous amount of excess capacity for producing mathanol from natural gas exists in the world today.

Broad adoption of methanol by the immense American auto market would eventually exhaust excess natural gas supplies and require conversion of coal, at a slightly higher cost—the energy equivalent of less than $2 a gallon of gasoline. In my own State of Missouri, we have an abundance of coal. As much of it has a high sulfur content, it is undesirable for utility use. Since sulfur extraction is part of the coal to methanol conversion process, this coal could be used to meet our energy needs without adding excess sulfur to the atmosphere.

Methanol also has positive environmental consequencs. The California Energy Commission and the Bank of America have both conducted major fleet tests for methanol cars, with excellent results. Methanol-powered cars have operated significantly more cleanly than gasoline-powered cars. Emissions of nitrogen oxides and hydrocarbons are reduced substantially. Controlling emissions through uses of alternative fuels is particularly important for the 100 jurisdictions around the country that are in noncompliance with the Clean Air Act's air quality standards. For example, computer modeling predicts reductions of harmful pollutants by 15 to 25 percent in Los Angeles if methanol is substituted for gasoline and diesel fuels.

The other alternative fuels will have similar positive environmental consequences. Ethanol has been used as an additive to gasoline to reduce carbon monoxide in cities such as Denver. Natural gas use also reduces emissions.

In my judgment, we need to convert a portion of our automotive fleet to methanol and other alternative fuels. Such an effort would have positive consequences for our national security, our domestic economy, and for the environment. For these reasons, I have been working to promote alternative fuels since 1984. In 1988, Senator ROCKEFELLER and I were successful in obtaining legislation to provide automakers corporate average fuel economy [CAFE] incentives to produce alternative fuel cars. In the coming debate on CAFE legislation, I plan to seek an expansion of these incentives.

NEW INCENTIVES FOR ALTERNATIVE FUELS

I am pleased to join Senator ROCKEFELLER as the primary cosponsor of this legislation. The intent of this legislation is simple. We want to encourage the production of alternative fuels and the sale of vehicles that can run on these fuels.

This legislation provides tax incentives for the purchase of vehicles that use clean-burning fuels or for converting vehicles so that they can use such fuels. Both individuals and business owners would be able to expense up to $2,000 for a qualifying automobile or light truck, $5,000 for a medium size truck, and $50,000 for a heavy truck or bus. In addition, businesses would be able to expense up to $75,000 for expenditures made for the refueling stations that must be available to service these vehicles.

CONCLUSION

Mr. President, alternative fuels can be produced from domestic sources. Their use can reduce our dependence on foreign suppliers of oil, which will have important economic and strategic consequences. It can reduce the pollution of our skies and stimulate our domestic economy. I believe we should move forward quickly to encourage the development and growth of transportation market for alternative fuels. I urge my colleagues to support this important legislation.•

• Mr. D'AMATO. Mr. President, I am pleased to be joining with Senators ROCKEFELLER and DANFORTH in introducing the Alternative Fuels Incentive Act of 1991.

The war in the Persian Gulf has served once again to highlight our dangerous reliance on imported oil. Since the 1970's our dependence on foreign oil has gotten worse. In 1973, we imported 37 percent of our oil. In 1990, we imported 50 percent of our oil. Now, more than ever, we must begin to focus on ways to reduce this dependency. One of our most viable options is alternative fuels.

Alternative fuels are beneficial for many reasons. While they can assist in reducing our appetite for imported oil, they are also good for the environment.

The transportation sector in the United States is the largest consumer of petroleum. The single largest contributor to the ozone and carbon dioxide problems in New York and the entire Northeast are emissions from mobile sources: cars, buses, and trucks. Recent analysis shows that in 1987, motor vehicles accounted for anywhere between 50 and 70 percent of the hydrocarbon, nitrogen oxide, and carbon monoxide emissions in the Northeast. The American Lung Association estimates that automobile emissions in New York State alone results in over $5 billion in health costs annually.

There is little doubt that alternative fuels will have a major role in helping our smog-choked cities reduce pollution. But while we all realize the potential presented by cleaner fuels, the problem becomes one of encouraging their use. Here we are faced with chicken-and-egg syndrome. How can we require auto manufacturers to build cars that run on alternative fuels when there is no refueling infrastructure to accommodate them. And how do we encourage the refueling infrastructure without the vehicles to use them.

The legislation we are introducing today is an attempt to help solve this problem. The Alternative Fuels Incentive Act provides tax incentives to purchase alternative fuel vehicles, for converting vehicles to run on clean fuels, and for the costs involved in building refueling stations. Under our legislation, both individuals and business owners would be allowed to expense up to $2,000 for purchasing or converting an automobile to run on an alternative fuel; $5,000 for medium trucks; and $50,000 for heavy trucks or buses. In addition, businesses would be able to expense up to $75,000 for costs incurred for installing refueling stations that would service these types of vehicles.

The Alternative Fuels Incentive Act incorporates the concept of a level playing field with respect to the variety of available alternative fuels. The legislation covers natural gas, methanol, ethanol, and liquefied petroleum gas. By the way, all of these fuels can be produced from domestic sources. Natural gas is found in great supply in the United States; methanol is made from natural gas or coal, and ethanol comes from corn, wheat, and barley.

Mr. President, last year's clean air legislation recognized the role that alternative fuels can play in cleaning up our polluted cities. Our proposal provides a way to meet the requirements of the Clean Air Act by offering an incentive for individuals and businesses to become part of the solution. This legislation deserves the attention of our colleagues, and I urge the Senate to move on its enactment.•

By Mr. JOHNSTON (for himself, Mr. BINGAMAN, and Mr. CRAIG):

S. 1179. A bill to stimulate the production of geologic map information in the United States through the cooperation of Federal, State, and academic participants; to the Committee on Energy and Natural Resources.

GEOLOGIC MAPPING ACT

• Mr. JOHNSTON. Mr. President, today I am introducing legislation, on behalf of myself and Senators BINGAMAN and CRAIG, to establish a national geologic mapping program. The purpose of the bill is to expedite the production of a geologic map information base to meet the goal of mapping the geology of the entire United States. Geologic maps are the principal sources of geologic information for nearly all basic and applied Earth-science research and decisionmaking.

Geologic maps provide data essential to assessing energy, mineral, and water resources; screening and characterizing sites for toxic and nuclear waste disposal; land-use planning; earthquake-hazard reduction; predicting volcanic hazards; mitigating effects of coastal and stream erosion; and basic Earth-science research. Conversely, the lack of proper geologic maps can lead to the poor design of such structures as dams and waste disposal facilities.

Despite the pivotal role that geologic maps play in the portrayal and dissemination of geologic information crucial to many of today's pressing issues, this Nation has never committed itself to a sustained, systematic effort to build a comprehensive national geologic data base. Instead, scientific effort has been directed away from the acquisition of long-term baseline information and toward the solution of single-issue problems.

Geologic maps are prepared from field surveys and other available information such as geophysical and remote-sensing data and drilling and mining records. Geologic mapping basically involves the gathering of information about surface occurrences of rocks, minerals and other materials at or near the surface of the Earth and plotting this data on maps. Users of geologic maps include Federal agencies, State and local governments, private industry, and the general public.

Most of the geologic mapping is carried out by the U.S. Geological Survey and by the State geologic surveys. Due to increasing costs and decreasing budgets, current combined geologic mapping is not adequate to meet the geologic mapping needs of the United States. According to the Association of American State Geologists, only two States and Puerto Rico have essentially complete geologic map coverage. To achieve important geologic mapping goals, a focused nationwide effort is required.

The bill I am introducing today would direct the Secretary of the Interior to establish a nation-wide geologic mapping program led by the U.S. Geologic Survey, with participation from State geological surveys and agencies and academia.

The mapping program is to be made up of a Federal mapping component to determine national geologic mapping needs and priorities, a State geologic mapping component to determine and fulfill State needs and priorities; a geologic mapping support component to provide interdisciplinary support in areas such as paleontologic, geochronologic and isotopic studies and geophysical and geochemical investigations, and an education component. Funding for the State component is to be matched on a one-to-one basis with non-Federal dollars.

I believe that this program will provide information necessary to assist in resolving many of today's energy and environment issues, and I urge your support of the legislation.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1179

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Geologic Mapping Act of 1991".

SEC. 2. FINDINGS.

The Congress finds and declares the following:

(1) Geologic maps are the primary data base for virtually all applied and basic earth-science investigations, including: exploration for and development of mineral, en-

ergy, and water resources; land-use evaluation and planning for environmental protection; recognition and mitigation of geologic hazards; design and construction of infrastructure requirements such as utility lines, transportation corridors, and surface-water impoundments, and basic research into the composition, structure, and history of earth materials and formation processes.

(2) All fifty States require basic geologic-map information to plan and execute decisions that affect the social and economic welfare of the public and private sectors.

(3) Despite the pivotal role that geologic maps play in the portrayal and dissemination of geologic information, the Nation has never committed itself to a sustained, systematic effort to build a comprehensive national geologic-map data base; instead scientific effort has been directed away from the acquisition of long-term baseline information and toward the solution of short-term single-issue problems.

(4) A comprehensive, nation-wide program of geologic mapping based on Federal, State and private efforts is essential to systematically build the Nation's geologic-map data base at a pace that responds to increasing demand for data necessary for the long-term needs of the Nation.

SEC. 3. PURPOSE.

The purpose of this Act is to expedite the production of a geologic-map information base for the Nation which can be applied to resolution of issues related to land-use management, assessment, utilization and conservation of natural resources, groundwater management, and environmental protection.

SEC. 4. DEFINITIONS.

As used in this Act, unless otherwise provided:

(1) The term "association" refers to the group of participants, established by the Secretary of the Interior, conducting geologic mapping activities under the auspices of the nation-wide geologic mapping program established pursuant to this Act.

(2) The term "geologic framework" refers to the geologic architecture of an area or region, including its geologic composition, structure, and history.

(3) The term "geologic map" refers to a graphical information display that uses a combination of colors, lines, symbols, and information attributes to (A) depict the geologic setting of an area and (B) interpret the sequence of events and processes that have shaped that setting. The standard geologic map is a general-purpose map from which many different special-purpose maps can be derived.

(4) The term "geologic-map data base" refers to the national archive of geologic map-based information established pursuant to section 6 of this Act.

(5) The term "State" means each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands, and any other territory or posssession of the United States.

(6) The term "State Geological Survey" means a State or university organization, directed by the person designated as the State Geologist, recognized by the governor as the principal State unit responsible for geological mapping and investigations aimed at understanding the State's energy, mineral, environmental, and geological resources.

(7) The term "United States" means, when used in a geographical sense, all of the States as defined in section 4(8).

SEC. 5. GEOLOGIC MAPPING PROGRAM.

(a) ESTABLISHMENT.—The Secretary of the Interior (hereafter referred to as the "Secretary") shall establish and maintain, in accordance with the provisions and policy of this Act, a comprehensive nation-wide geologic mapping program that shall—

(1) be designed and administered to achieve the objectives set forth in subsection (c) of this section;

(2) involve, where appropriate, each of the agencies listed in subsection (d) of this section;

(3) include each of the elements described in subsection (e) of this section, the implementation plan described in subsection (f) of this section, and assistance to the States for the State Geologic Mapping Program pursuant to subsection (e)(3) of this section.

(b) DUTIES.—The Secretary shall—

(1) within 30 days after the date of enactment of this Act, designate the U.S. Geological Survey as the lead Federal agency responsible for overall management of the nationwide geologic mapping program and direct the U.S. Geological Survey to develop the program implementation plan pursuant to subsection (f) of this section.

(2) within 90 days after the date of enactment of this Act, direct the U.S. Geological Survey, with the advice and consultation of the State Geological Surveys, to appoint an advisory group pursuant to subsection (d)(3) of this section;

(3) within 210 days after such date of enactment, submit to the Committee on Energy and Natural Resources of the United States Senate and to the House of Representatives the implementation plan described in subsection (f) of this section; and

(4) within 300 days after the date of enactment of this Act, submit a report to the Committee on Energy and Natural Resources of the United States Senate and to the House of Representatives identifying—

(A) how the U.S. Geological Survey will coordinate the development and implementation of the nation-wide geologic mapping program;

(B) how the association of geologic mapping partners will coordinate to jointly develop the national geologic-map data base;

(C) how the U.S. Geological Survey, in cooperation with all partners of the geologic mapping association, will establish goals, mapping priorities, and target dates for implementation of the geologic mapping program; and

(D) how long-term staffing plans for the various geologic mapping program components will lead to successful implementation of such program.

(c) PROGRAM OBJECTIVES.—The objectives of the geologic mapping program shall include—

(1) determination of the nation's geologic framework through systematic development of geologic maps, to be contributed to a national geologic map data base, at scales appropriate to the geologic setting and the perceived application, for the purpose of resolving issues related to land-use management, assessment, utilization and conservation of natural resources, groundwater management, and environmental protection;

(2) establishment of a geologic mapping association whose cooperating partners coordinate to identify national priorities and to develop the national geologic-map data base;

(3) development of complementary geophysical, geochemical, geochronologic, and paleontologic data bases that provide value-added descriptive and interpretive information to the geologic-map data base;

(4) application of cost-effective mapping techniques that assemble, produce, translate, and disseminate geologic-map information and that render such information of greater application and benefit to the public;

(5) development of public awareness for the role and application of geologic-map information to the resolution of national issues of land use management.

(d) PARTICIPATION.—(1) The nationwide geologic mapping program shall be directed by the U.S. Geological Survey and carried out by an association of geologic mapping partners. The association collectively shall identify mutual priorities, coordinate so as to maximize productivity and avoid redundancy, and maintain the long-term growth of the national geologic-map data base established pursuant to section 6 of this Act.

(2) The mapping association shall be established by the Secretary and shall consist of the U.S. Geological Survey, the individual State Geological Surveys, and scientists from the academic community. In developing the mapping association, the Secretary shall identify mechanisms to incorporate the various participants into the geologic mapping program while recognizing and protecting the participants' unique needs and missions.

(3) The Secretary shall appoint a 16-member geologic mapping advisory group to evaluate annually the scientific progress of the geologic mapping program. The advisory group shall consist of representatives from each of the mapping partners, including the U.S. Geological Survey, state Geological Surveys, and academia, a representative each from the Environmental Protection Agency, the Department of Energy, the Department of Agriculture, and other agencies as appropriate, as well as representatives from the private sector and a representative of the President's Office of Science and Technology. As its first task, the advisory group shall review and critique the implementation plan prepared by the U.S. Geological Survey pursuant to subsection (f) of this section. The advisory group shall provide an annual report to the Secretary, evaluating the progress of the Federal and State mapping activities and evaluating the progress made toward fulfilling the purposes of this Act. The Secretary shall incorporate the advisory group report in the report required pursuant to section 8 of this Act.

(e) PROGRAM ELEMENTS.—The geologic mapping program elements shall include—

(1) A Federal Geologic Mapping Component, the objective of such component to be to determine the geologic framework of areas determined to be vital to the economic, social, or scientific welfare of the Nation. Mapping priorities shall be based on:

(A) national requirements for geologic-map information in areas of multiple-issue need or areas of compelling single-issue need;

(B) national requirements for geologic-map information in areas where mapping is required to solve critical earth-science problems.

(2) A Geologic Mapping Support Component, the objective of such component to be to provide interdisciplinary support for the Federal Geologic Mapping Component. Representative categories of interdisciplinary support shall include:

(A) studies that lead to the implementation of cost-effective digital methods for the acquisition, compilation, analysis, cartographic production, and dissemination of geologic-map information;

(B) paleontologic investigations that provide information critical to understanding the age and depositional environment of fossil-bearing geologic-map units; the results of such investigations shall be contributed to a National Paleontologic Data Base;

(C) geochronologic and isotopic investigations that (1) provide radiometric age dates for geologic-map units and (2) fingerprint the geothermometry, geobarometry, and alternation history of geologic-map units; the results of such investigations shall be contributed to a National Geochronologic Data Base;

(D) geophysical investigations that assist in delineating and mapping the physical characteristics and three-dimensional distribution of geologic materials and geologic structures; the results of such investigations shall be contributed to a National Geophysical-Map Data Base;

(E) geochemical investigations and analytical operations that characterize the major- and minor-element composition of geologic-map units, and that lead to the recognition of stable and anomalous geochemical signatures for geologic terrains; the results of such investigations shall be contributed to a National Geochemical-Map Data Base.

(3) A State Geologic Mapping Component, the objective of such component to be to determine the geologic framework of areas that the State Geological Surveys determine to be vital to the economic, social, or scientific welfare of individual States. Mapping priorities shall be determined by multi-representational State panels, and these priorities shall provide mapping targets for State-funded geologic mapping activities. Federal funding for the State component shall be matched on a one-to-one basis with non-federal funds.

(4) A Geologic Mapping Education Component, the objective of such component to be (A) to develop the academic programs that teach earth-science students the fundamental principles of geologic mapping and field analysis, and (B) to provide for graduate education, including support for field studies involving geologic mapping. Investigations conducted under the Mapping Education Component shall be integrated with the other mapping components of the geologic program, and shall respond to priorities identified for those components.

(f) IMPLEMENTATION PLAN.—The Secretary shall direct the U.S. Geological Survey, with the advice and review of the advisory group, to prepare an implementation plan that shall identify the overall management structure and operation of the nationwide geologic mapping program. The plan shall be completed within 90 days of enactment of this Act. The plan shall provide for—

(1) the role of the cooperating partners within the geologic mapping association, with particular emphasis on development of a unified program that serves the public interest while simultaneously recognizing the unique needs and missions of each partner;

(2) the role of the United States Geological Survey in its capacity as overall management lead, including the responsibility for developing a balanced geologic mapping program that meets Federal needs while simultaneously fostering State needs;

(3) the responsibilities accruing to the State Geological Surveys, with particular emphasis on mechanisms that incorporate their needs, missions, capabilities, and requirements into the nationwide geologic mapping program;

(4) the specific role, responsibilities, and membership of the advisory group;

(5) mechanisms for identifying short-term and long-term priorities for each component of the geologic mapping program, including—

(A) for the Federal Geologic Mapping Component, a priority-setting mechanism that shall respond both to (1) Federal mission requirements for geologic-map information and to (2) critical scientific problems that require geologic-map control for their resolution;

(B) for the Geologic Mapping Support Component, a strong interdisciplinary research program plan in isotopic and paleontologic geochronology, geophysical mapping, and process studies to provide data to and interpret results from geologic mapping;

(C) for the State Geologic Mapping Component, a priority-setting mechanism that shall respond to (1) specific intra-State needs for geologic-map information and (2) inter-State needs shared by adjacent entities that have common requirements;

(D) for the Geologic Mapping Education Component, a priority-setting mechanism that shall respond to requirements for geologic-map information that are driven by Federal and State mission requirements;

(6) a U.S. Geological Survey staffing plan that ensures the utilization and recruitment, as appropriate, of scientists having the expertise to produce and interpret general-purpose geologic maps in a variety of geologic terrains;

(7) a mechanism for adopting scientific and technical map standards for preparing and publishing general-purpose and special-purpose geologic map to (1) assure uniformity of cartographic and scientific conventions and (2) provide a basis for judgement as to the comparability and quality of map products; and

(8) a mechanism for monitoring the inventory of published and current mapping investigations nationwide in order to facilitate planning and information exchange and to avoid redundancy.

SEC. 6. NATIONAL GEOLOGIC-MAP DATA BASE.

(a) ESTABLISHMENT.—The U.S. Geological Survey shall establish a national geologic-map data base. Such data base shall be a national archive that includes all maps developed pursuant to this Act, the data bases developed pursuant to section 5(e)(2)(B), (C), (D) and (E) of this Act, and other maps and data as the U.S. Geological Survey deems appropriate.

(b) STANDARDIZATION.—Geologic maps contributed to the national archives should have standardized format, symbols, and technical attributes so that archival information can be assimilated, manipulated, accessed, exchanged, and compared efficiently and accurately.

SEC. 7. ANNUAL REPORT.

The Secretary shall, within 90 days after the end of each fiscal year, submit an annual report to the Committee on Energy and Natural Resources of the Senate and to the House of Representatives describing the status of the nationwide geologic mapping program, and describing and evaluating progress achieved during the preceding fiscal year in developing the national geologic-map data base. Each report shall include any recommendations for legislative or other action the Secretary deems necessary and appropriate to fulfill the purposes of this Act.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

(a) FISCAL YEAR 1992.—There is authorized to be appropriated for the purposes of this Act for fiscal year 1992, the following—

(1) $12 million for the Federal Geologic Mapping Component;

(2) $9.5 million for the Geologic Mapping Support Component;

(3) $15 million for the State Geologic Mapping Component, subject to the matching requirement pursuant to Sec. 5(e)(3) of this Act;

(4) $0.5 million for the Geologic Mapping Education Component.

(b) FISCAL YEAR 1993.—There is authorized to be appropriated for the purposes of this Act for fiscal year 1993, the following—

(1) $14 million for the Federal Geologic Mapping Component;

(2) $10 million for the Geologic Mapping Support Component;

(3) $18 million for the State Geologic Mapping Component, subject to the matching requirement pursuant to Sec. 5(e)(3) of this Act;

(4) $0.75 million for the Geologic Mapping Education Component.

(c) FISCAL YEAR 1994.—There is authorized to be appropriated for the purposes of this Act for fiscal year 1994, the following—

(1) $16 million for the Federal Geologic Mapping Component;

(2) $10.5 million for the Geologic Mapping Support Component;

(3) $21 million for the State Geologic Mapping Component, subject to the matching requirement pursuant to Sec. 5(e)(3) of this Act;

(4) $1.0 million for the Geologic Mapping Education Component.

(d) FISCAL YEAR 1995.—There is authorized to be appropriated for the purposes of this Act for fiscal year 1995, the following—

(1) $18 million for the Federal Geologic Mapping Component;

(2) $11 million for the Geologic Mapping Support Component;

(3) $25 million for the State Geologic Mapping Component, subject to the matching requirement pursuant to Sec. 5(e)(3) of this Act;

(4) $1.5 million for the Geologic Mapping Education Component.●

By Mr. FOWLER (for himself, Mr. ADAMS, Mr. AKAKA, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOND, Mr. BOREN, Mr. BRADLEY, Mr. BREAUX, Mr. BROWN, Mr. BRYAN, Mr. BUMPERS, Mr. BURDICK, Mr. BURNS, Mr. BYRD, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. COHEN, Mr. CONRAD, Mr. CRAIG, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DASCHLE, Mr. DECONCINI, Mr. DIXON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EXON, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. GRAHAM, Mr. GRAMM, Mr. GRASSLEY, Mr. HATCH, Mr. HATFIELD, Mr. HEFLIN, Mr. HELMS, Mr. HOLLINGS, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mr. LOTT, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. NUNN, Mr. PACKWOOD, Mr. PELL, Mr. PRESSLER, Mr. REID, Mr. RIEGLE, Mr.

ROBB, Mr. ROCKEFELLER, Mr. ROTH, Mr. RUDMAN, Mr. SANFORD, Mr. SARBANES, Mr. SASSER, Mr. SEYMOUR, Mr. SHELBY, Mr. SIMON, Mr. SIMPSON, Mr. SMITH, Mr. SPECTER, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND, Mr. WALLOP, Mr. WARNER, Mr. WELLSTONE, Mr. WIRTH, and Mr. WOFFORD):

S.J. Res. 150. A joint resolution to designate June 15, 1991, as "Magna Carta Day"; to the Committee on the Judiciary.

MAGNA CARTA DAY

• Mr. FOWLER. Mr. President, I recently visited my home State of Georgia and had the opportunity to speak with my good friend and mentor, Dean Rusk.

He spoke of one event which struck me as unique. In 1965, while serving our Nation as Secretary of State under President Johnson, Dean Rusk had the privilege of traveling to Runnymede, the Field of Magna Carta, to receive an acre of ground from a woman who blessed us with her presence just last week, Her Majesty the Queen. The acre was a gift to the American people in memory of President John F. Kennedy. Many Americans do not realize that each one of us owns a little piece of this site. It is for this reason that I am introducing a resolution designating June 15, 1991 as "Magna Carta Day."

June 15, 1991 marks the 776th anniversary of the signing of Magna Carta by King John in 1215. Magna Carta was outstanding because of its prolonged influence on judicial and constitutional thought in England and among English-speaking nations as a declaration of fundamental law, expressing principles of human freedom and liberty. Magna Carta subsequently provided historical precedent for the powerful stream of thought emphasizing the natural rights of the individual expressed in our own Constitution of the United States of America.

Forever enshrined on the tablet presented back in 1965 to Secretary Rusk by the Queen are words spoken by President John F. Kennedy which proclaim the long abiding commitment of the American people to defend human liberties:

> Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty.

I invite my distinguished colleagues to remember Runnymede by joining as cosponsors in this effort.•

ADDITIONAL COSPONSORS

S. 20

At the request of Mr. ROTH, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 20, a bill to provide for the establishment and evaluation of performance standards and goals for expenditures in the Federal budget, and for other purposes.

S. 129

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 129, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income the value of certain transportation furnished by an employer.

S. 140

At the request of Mr. WIRTH, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 153

At the request of Mr. COATS, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 153, a bill to authorize States to regulate certain solid waste.

S. 392

At the request of Mr. LEVIN, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 392, a bill to amend chapter 23 of title 5, United States Code, to extend certain protection of the Whistleblower Protection Act of 1989 to personnel of Government corporations.

S. 463

At the request of Mr. HATFIELD, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 463, a bill to establish within the Department of Education an Office of Community Colleges.

S. 501

At the request of Mr. KOHL, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 501, a bill to establish a data collection, information dissemination, and student counseling and assistance network, and for other purposes.

S. 567

At the request of Mr. SANFORD, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 567, a bill to amend title II of the Social Security Act to provide for a gradual period of transition (under a new alternative formula with respect to such transition) to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927 (and related beneficiaries) and to provide for increases in such workers' benefits accordingly, and for other purposes.

S. 588

At the request of Mr. MITCHELL, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 588, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of certain cooperative service organizations of private and community foundations.

S. 603

At the request of Mr. GLENN, the names of the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 603, a bill to require the Administrator of General Services to establish procurement criteria for plastic products containing recycled material; to establish an interagency task force on plastic container coding to coordinate the expertise, responsibilities, and initiatives of Federal agencies to facilitate use of degradable plastics, without adversely affecting recycling of nondegradable plastic products, to require coding of plastic containers to facilitate separation of degradable plastic containers from nondegradable plastic containers and sorting of nondegradable plastic containers by resin type to promote recycling containers, and for other purposes.

S. 694

At the request of Mr. HARKIN, the names of the Senator from Nebraska [Mr. KERREY], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 694, a bill to amend title VII of the Public Health Service Act to increase the support provided to programs for the training of medical rehabilitation health personnel, to establish an Advisory Council on Allied Health, and for other purposes.

S. 709

At the request of Mr. HATCH, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 709, a bill to amend the Internal Revenue Code to allow a deduction for qualified adoption expenses, and for other purposes.

S. 720

At the request of Mr. KENNEDY, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 720, a bill to provide financial assistance to eligible local educational agencies to improve urban education, and for other purposes.

S. 756

At the request of Mr. DECONCINI, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 756, a bill to amend title 17, United States Code, the copyright renewal provisions, and for other purposes.

S. 765

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 765, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer social security taxes on cash tips.

S. 781

At the request of Mr. SARBANES, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 781, a bill to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia.

S. 821

At the request of Mr. LIEBERMAN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 821, a bill to establish the Silvio Conte National Fish and Wildlife Refuge.

S. 844

At the request of Mr. DOMENICI, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 844, a bill to provide for the minting and circulation of one dollar coins.

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 844, supra.

S. 881

At the request of Mr. INOUYE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 881, a bill to amend title VII of the Public Health Service Act to provide educational support for individuals pursuing graduate degrees in social work, and for other purposes.

S. 884

At the request of Mr. PACKWOOD, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 884, a bill to require the President to impose economic sanctions against countries that fail to eliminate large-scale driftnet fishing.

S. 935

At the request of Mr. KOHL, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 935, a bill to amend title 11, United States Code, to provide that certain liens under a marital property settlement may not be exempted.

S. 971

At the request of Mr. DECONCINI, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 971, a bill to promote the development of microenterprises in developing countries.

S. 978

At the request of Mr. SYMMS, the names of the Senator from Utah [Mr. GARN] and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 978, a bill to amend the Internal Revenue Code of 1986 to deposit all highway-related taxes in the Highway Trust Fund.

S. 1010

At the request of Mr. INOUYE, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 1010, a bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants.

S. 1107

At the request of Mr. SHELBY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1107, a bill to amend title 38, United States Code, to provide for the payment, on an interim basis, of compensation, dependency, and indemnity compensation, and pension to veterans and their survivors and dependents if their claims for those benefits are not decided by the Department of Veterans Affairs within specified time limits.

SENATE JOINT RESOLUTION 6

At the request of Mr. JOHNSTON, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Texas [Mr. BENTSEN], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 6, a joint resolution to designate the year 1992 as the "Year of the Wetlands."

SENATE JOINT RESOLUTION 36

At the request of Mr. PRESSLER, the names of the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Maryland [Ms. MIKULSKI], the Senator from Georgia [Mr. NUNN], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 36, a joint resolution to designate the months of November 1991, and November 1992, as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 78

At the request of Mr. COHEN, his name was added as a cosponsor of Senate Joint Resolution 78, a joint resolution to designate the month of November 1991 and 1992 as "National Hospice Month."

SENATE JOINT RESOLUTION 96

At the request of Mr. RIEGLE, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of Senate Joint Resolution 96, a joint resolution to designate November 19, 1991, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 121

At the request of Mr. DECONCINI, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Nevada [Mr. REID], the Senator from Montana [Mr. BAUCUS], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 121, a joint resolution designating September 12, 1991, as "National D.A.R.E. Day."

SENATE JOINT RESOLUTION 130

At the request of Mr. LAUTENBERG, the names of the Senator from Alabama [Mr. SHELBY], the Senator from North Carolina [Mr. SANFORD], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 130, a joint resolution to designate the second week in June as "National Scleroderma Awareness Week."

SENATE JOINT RESOLUTION 136

At the request of Mr. RIEGLE, the names of the Senator from Kentucky [Mr. FORD], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Illinois [Mr. DIXON], the Senator from Indiana [Mr. COATS], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 136, a joint resolution to authorize the display of the POW–MIA flag on flagstaffs at the national cemeteries of the United States, and for other purposes.

SENATE JOINT RESOLUTION 144

At the request of Mr. D'AMATO, the names of the Senator from Colorado [Mr. BROWN], and the Senator from Maine [Mr. COHEN] were added as cosponsors of Senate Joint Resolution 144, a joint resolution to designate May 27, 1991, as "National Hero Remembrance Day."

SENATE JOINT RESOLUTION 146

At the request of Mr. LAUTENBERG, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from New York [Mr. D'AMATO], the Senator from South Dakota [Mr. DASCHLE], the Senator from Illinois [Mr. DIXON], the Senator from Washington [Mr. GORTON], the Senator from Oregon [Mr. HATFIELD], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Michigan [Mr. LEVIN], the Senator from New York [Mr. MOYNIHAN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Rhode Island [Mr. PELL], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from North Carolina [Mr. SANFORD], the Senator from Maryland [Mr. SARBANES], the Senator from South Carolina [Mr. THURMOND], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 146, a joint resolution designating July 2, 1991, as "National Literacy Day."

SENATE CONCURRENT RESOLUTION 19

At the request of Mr. CRANSTON, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Concurrent Resolution 19, a concurrent resolution condemning the People's Republic of China's continuing violation of universal human rights principals.

SENATE CONCURRENT RESOLUTION 35

At the request of Mr. GLENN, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Oklahoma [Mr. BOREN], the Senator from Texas [Mr. BENTSEN], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Indiana [Mr. COATS], the Senator from South Dakota [Mr. DASCHLE], the Senator from Kentucky [Mr. FORD], the Senator from Utah [Mr. GARN], the Senator from North Carolina [Mr. HELMS], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Concurrent Resolution 35, a concurrent resolution expressing the sense of the Congress that the awarding of contracts for the rebuilding of Kuwait should reflect the extent of military and economic support offered by the United States in the liberation of Kuwait.

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Concurrent Resolution 40, a concurrent resolution expressing the sense of the Congress that the Federal Republic of Germany and the Republic of Austria should take all applicable steps to halt the distribution of neo-Nazi computer games and prosecute anyone found in possession of these materials to the full extent of the law.

SENATE CONCURRENT RESOLUTION 41

At the request of the Mr. PELL, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of Senate Concurrent Resolution 41, a concurrent resolution to express the sense of the Congress that Tibet, including those areas incorporated into the Chinese provinces of Sichuan, Uynnan, Gansu, and Qinghai that have historically been a part of Tibet, is an occupied country under established principles of international law whose true representatives are the Dalai Lama and the Tibetan government in exile as recognized by the Tibetan people.

AMENDMENTS SUBMITTED

SENATE ELECTION ETHICS ACT

EXON (AND OTHERS) AMENDMENT NO. 263

Mr. EXON (for himself, Mr. LEVIN, and Mr. KERREY) proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, as follows:

On page 21, line 10, before the end period insert: ", except that no vouchers shall be issued to any eligible candidate unless Congress provides that the amounts in the Fund to pay for such vouchers are derived solely from—

"(A) voluntary contributions or tax check-off contributions that are not from any tax liability owed by the person to the Treasury; or

"(B) sources which do not affect individual taxpayers, corporate taxpayers, partnerships, and estates and trusts, other than with respect to their campaign activities or other activities with respect to influencing Federal legislation."

NICKLES AMENDMENT NO. 264

Mr. NICKLES proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 44, line 4, strike "50 percent" and insert in lieu thereof "100 percent".

HATCH AMENDMENT NO. 265

Mr. HATCH proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 88, between lines 12 and 13, insert the following:

SEC. 232. LABOR ORGANIZATIONS.

Title III of FECA, as amended by section 106, is amended by adding after section 304A the following new section:

"DISCLOSURE OF INFORMATION CONCERNING EXPENDITURE OF UNION DUES, FEES, AND ASSESSMENTS FOR POLITICAL ACTIVITIES

"SEC. 304B. (a) IN GENERAL.—Each labor organization shall, not later than January 30 of the year following the end of each Federal election cycle, provide to the Commission and to each employee within the labor organization's bargaining unit or units a written report disclosing the portion of the labor organization's income from dues, fees, and assessments that was expended directly or indirectly with respect to activities that, in whole or in part, were in connection with an election for Federal office during that election cycle.

"(b) CONTENTS.—(1) The report under subsection (a) shall disclose information on the dues, fees, and assessments spent at each level of the labor organization and by each international, national, State, and local component or council and each affiliate of the labor organization, showing the amount of dues, fees, and assessments spent—

"(A) on direct activities, such as cash contributions, to candidates and committees of political parties;

"(B) on internal and external communications relating to specific candidates, political causes, and political parties;

"(C) internally by the labor organization to maintain, operate, and solicit contributions for a separate segregated fund; and

"(D) on voter registration drives, state and precinct organizing on behalf of candidates, and political parties and get-out-the-vote campaigns.

"(2) For each of the categories of information described in paragraph (1) (A), (B), (C), and (D), the report shall identify the candidate for public office on whose behalf expenditures were made or the political cause or purpose for which expenditures were made.

"(3) The report under subsection (a) shall also list all contributions on expenditures made by separated segregated funds established and maintained by each labor organization.

"(c) DEFINITION.—For the purposes of this section, the term 'in connection with an election for Federal office' has the meaning that it has under section 325(b)."

BOREN AMENDMENT NO. 266

Mr. BOREN proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 10, line 21 strike "Commission" and insert "Secretary of the Senate".

On page 50, line 8 strike "Commission" and insert "Secretary of the Senate".

On page 50, line 14 strike "Commission" and insert "Secretary of the Senate".

On page 51, line 1 strike "Commission" and insert "Secretary of the Senate".

On page 54, line 8 after "title V" insert "(whenever a 24 hour response is required of the Commission)".

At the end of title IV, insert:

SEC. 405. TECHNICAL CORRECTIONS TO ETHICS IN GOVERNMENT ACT OF 1978

The Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 103(i) by striking "7-day" and inserting "30-day"; and

(2) in section 105(b)(1) by—

(A) striking "Each agency" and inserting "Except as provided in the second sentence of this subsection, each agency"; and

(B) inserting after the first sentence the following: "With respect to any report required to be filed by May 15 of any year, such report shall be made available for public inspection within 30 calendar days after May 15 of such year, or within 30 days of the date of filing of such a report for which an extension is granted pursuant to section 101(g).".

LOTT AMENDMENT NO. 267

Mr. MCCONNELL (for Mr. LOTT) proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 101, between lines 4 and 5, insert the following:

SEC. 405. SENSE OF THE SENATE REGARDING APPLICATION OF PROVISIONS RELATING TO PACS EQUALLY TO CANDIDATES FOR THE SENATE AND CANDIDATES FOR THE HOUSE OF REPRESENTATIVES.

It is the sense of the Senate that all provisions of this Act and amendments made by this Act that relate to multicandidate political committees and separate segregated funds shall apply in regard to candidates for the House of Representatives in the same manner and to the same extent as they apply to candidates for the Senate.

DOLE AMENDMENTS NOS. 268 THROUGH 270

Mr. DOLE proposed three amendments to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

AMENDMENT NO. 268

At the end of the amendment add the following:

TITLE V—TELEPHONE VOTING BY PERSONS WITH DISABILITIES

SEC. 501. STUDY OF SYSTEMS TO PERMIT PERSONS WITH DISABILITIES TO VOTE BY TELEPHONE.

(a) IN GENERAL.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(b) CONSULTATION.—The Federal Election Commission shall conduct the study described in subsection (a) in consultation with State and local election officials, representatives of the telecomunications industry, representatives of persons with disabilities, and other concerned members of the public.

(c) CRITERIA.—The system or systems developed pursuant to subsection (a) shall—

(1) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(2) propose procedures to identify persons who are so disabled; and

(3) describe procedures and equipment that may be used to ensure that—

(A) only those persons who are entitled to use the system are permitted to use it;

(B) the votes of persons who use the system are recorded accurately and remain secret;

(C) the system minimizes the possibility of vote fraud; and

(D) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(d) REQUESTS FOR PROPOSALS.—In developing a system described in subsection (a), the Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(e) PHYSICAL ACCESS.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons with disabilities.

(f) DEADLINE.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the date of enactment of this Act.

AMENDMENT NO. 269

At the appropriate place:

TITLE V—ETHICS IN GOVERNMENT

SEC. 501. PUBLIC DISCLOSURE OF CONGRESSIONAL INTERVENTION IN ENFORCEMENT ACTIONS.

(a) UNWRITTEN CONTACTS.—

(1) IN GENERAL.—Each department and agency of the executive branch of the United States shall compile a monthly list of all unwritten communications from any Member, employee, or agent of the Congress received by the department or agency with respect to—

(A) potential or ongoing enforcement matters before the department or agency; and

(B) any proceedings in the department or agency relating to the award of contracts.

(2) DETAILS OF LIST.—The list required by this subsection shall include—

(A) the source of the contact;

(B) the stated purpose of the contact;

(C) any information or actions requested; and

(D) any other pertinent information.

(3) FILING LISTS.—Not later than the 15th of each month, each department or agency of the United States Government shall submit the list required by this subsection for the preceding month to the committees of the House of Representatives and the Senate with jurisdiction over the department or agency. Each committee receiving lists pursuant to this subsection shall submit the lists to the Congressional Record on January 1st and July 1st of each year for publication on the next day the record is printed.

(b) WRITTEN CONTACTS.—Each department and agency of the executive branch of the United States shall—

(1) create a public file containing all written communications from any Member, employee, or agent of the Congress received by the department or agency and any written responses by the department or agency to the written communications with respect to—

(A) potential or ongoing enforcement matters before the department or agency; and

(B) any proceedings in the department or agency relating to the award of contracts; or

(2) include the information described in paragraph (1) in an appropriate existing public file.

AMENDMENT NO. 270

At the end of title II, subtitle C, add the following:

SEC. 224. SEED MONEY FOR CHALLENGERS.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 223, is amended by adding at the end thereof the following new subsection:

"(m)(1) Notwithstanding any other provision of this Act, the congressional campaign committee or the senatorial campaign committee of a national political party, whichever is applicable, may make contributions to an eligible candidate (and the candidate's authorized committees) that in the aggregate do not exceed the lesser of—

"(A)(i) $150,000, in the case of a candidate for the House of Representatives; or

"(ii) $250,000, in the case of a candidate for the Senate; or

"(B) the aggregate qualified matching contributions received by the candidate and the candidate's authorized committees.

"(2) A contribution under paragraph (1) shall not be treated as an expenditure for purposes of subsection (d)(3).

"(3) For purposes of this subsection—

"(A) the term "qualified matching contributions" means contributions made during the period of the election cycle preceding the primary election by an individual who, at the time the contributions are made, is a resident of the State in which the election with respect to which such contributions are made is to be held; and

"(B) the term "eligible candidate" means a candidate for election, or nomination for election, to Federal office (other than President or Vice President) who does not hold Federal office.".

DANFORTH (AND INOUYE) AMENDMENT NO. 271

Mr. DANFORTH (for himself and Mr. INOUYE) proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

Strike all on page 44, line 21, through page 45, line 5, and insert in lieu thereof the following:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period the rates under subsection (b)(1)(A) or (2) are in effect, of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to subsection (b)(1)(A) or (2).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.".

On page 45, after line 19, insert the following:

(d) APPLICABILITY OF LOWEST UNIT CHARGE REQUIREMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as so redesignated by subsection (c) of this section, is amended—

(1) by striking "forty-five" and inserting in lieu thereof "thirty";

(2) by striking "sixty" and inserting in lieu thereof "forty-five"; and

(3) by striking "class and".

On page 97, line 3, strike "broadcast" and insert in lieu thereof "television, radio and cable communication".

On page 97, line 7, line 14, and line 17, strike "broadcast" and insert in lieu thereof "communication".

On page 97, line 13, strike "broadcast" and insert in lieu thereof "message".

On page 97, line 11, after "I" insert the following ", (name of the candidate),".

MCCONNELL AMENDMENT NO. 272

Mr. MCCONNELL proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

At the end of the amendment, insert the following:

SEC. . RESTRICTIONS ON SOFT MONEY ACTIVITIES ON TAXEXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Section 501 of the Internal Revenue Code of 1986 (relating to exemption from tax) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) DENIAL OF TAX-EXEMPT STATUS FOR ACTIVITIES TO INFLUENCE A FEDERAL ELECTION.—An organization shall not be treated as exempt from tax under subsection (a) if such organization participates or intervenes in any political campaign on behalf of or in opposition to any candidate for Federal office.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any participation or intervention by an organization on or after the date of enactment of September 1, 1992, whichever is later.

SEC. . DENIAL OF TAX-EXEMPT STATUS FOR CERTAIN POLITICALLY ACTIVE ORGANIZATIONS

(a) IN GENERAL.—Section 501 of the Internal Revenue Code of 1986 (relating to exemption from tax), as amended by the preceding section, is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

"(o) DENIAL OF TAX-EXEMPT STATUS FOR CERTAIN POLITICALLY ACTIVE ORGANIZATIONS.—

"(1) IN GENERAL.—An organization shall not be treated as exempt from tax under subsection (a) if—

"(A) such organization devotes any of its operating budget to—

"(i) voter registration or get-out-the-vote campaigns; or

"(ii) participation or intervention in any political campaign or behalf of or in opposition to any candidate for public office; and

"(B) a candidate, or an authorized committee of a candidate, has—

"(i) solicited contributions to, or on behalf of, such organization; and

"(ii) the solicitation is made in cooperation, consultation, or concert with, or at the request or suggestion of, such organization.

"(2) CANDIDATE DEFINED.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'candidate' has the meaning given such term by paragraph (2) of section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(2)).

"(B) MEMBERS OF CONGRESS.—The term 'candidate' shall include any Senator or Representative in, or Delegate or Resident Commissioner to, the Congress unless—

"(i) the date for filing for nomination, or election to, such office has passed and such individual has not so filed, and

"(ii) such individual is not otherwise a candidate described in subparagraph (A).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending the date of enactment of this Act, but only with respect to solicitations or suggestions by candidates made after the date of the enactment of this Act.

MCCONNELL AMENDMENTS NOS. 273 AND 274

Mr. MCCONNELL proposed two amendments to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

AMENDMENT NO. 273

At the end of the amendment, insert the following:

SEC. . REPEAL OF FUNDING FOR PARTY CONVENTIONS.

(a) IN GENERAL.—Section 9008 of the Internal Revenue Code of 1986 (relating to payments for presidential nominating conventions) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 9006(c) of such Code is amended by striking ", 9008(b)(3),".

(2) Section 9009(a) of such Code is amended by inserting "and" at the end of paragraph (2), by striking the semicolon at the end of paragraph (3) and inserting a period and by striking paragraphs (4), (5), and (6).

(3) Section 9012(a)(1) of such Code is amended by striking the last sentence.

(4) Section 9012(c) of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(5) Section 9037(a) of such Code is amended by striking "and for payments under section 9008(b)(3)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to conventions held after the date of the enactment of this Act.

AMENDMENT NO. 274

At the appropriate place in title I, insert the following new section:

SEC. 1. CAMPAIGN SUBSIDIES PROHIBITED UNTIL BUDGET IS BALANCED.

(a) FINDINGS.—The Congress finds that—

(1) according to section 2 of the Conference Report on the Concurrent Resolution on the Budget for Fiscal Year 1992 which was filed on May 21, 1991—

(A) the amounts of the deficits for the Government of the United States are—

(i) for fiscal year 1992, $351,200,000,000,
(ii) for fiscal year 1993, $302,300,000,000,
(iii) for fiscal year 1994, $268,100,000,000,
(iv) for fiscal year 1995, $183,400,000,000, and
(v) for fiscal year 1996, $197,100,000,000; and

(B) the appropriate levels of the public debt for the Government of the United States are—

(i) for fiscal year 1992, $3,982,200,000,000,
(ii) for fiscal year 1993, $4,353,200,000,000,
(iii) for fiscal year 1994, $4,696,600,000,000,
(iv) for fiscal year 1995, $4,955,800,000,000, and
(v) for fiscal year 1996, $5,226,600,000,000.

(2) payment of benefits provided under this title to candidates for election to the office of United States Senator will require millions of dollars in outlays from the Treasury of the United States Government.

(b) PROHIBITION.—No person shall accept, and no officer of the United States shall authorize or disburse, any—

(1) reduced rate for mail under section 3629 of title 39, United States Code (as added by section 104 of this Act);

(2) payment from the Senate Election Campaign Fund (as established by section 101 of this Act); or

(3) voter communication voucher (as authorized by section 101 of this Act) for any election in any year in which the outlays of the United States Government are projected to exceed revenues to the United States Government.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "outlays" means "total budget outlays"; and

(2) the term "revenues" means "Federal revenues"

as those terms are defined and used for any year in the most recent concurrent resolution on the budget (as required by section 301 of the Congressional Budget Act of 1974, as amended), as such resolution was adopted by the Congress.

GRAMM AMENDMENT NO. 275

Mr. GRAMM proposed an amendment to amendment No. 242 proposed by Mr. BOREN to the bill S. 3, supra, as follows:

On page 88, between lines 12 and 13, insert the following:

SEC. 232. LABOR ORGANIZATIONS, CORPORATIONS, AND TAX-EXEMPT ORGANIZATIONS.

Title III of FECA, as amended by section 106, is amended by adding after section 304A the following new section:

"DISCLOSURE OF INFORMATION CONCERNING EXPENDITURE OF UNION DUES, CORPORATE FUNDS, AND FUNDS OF TAX-EXEMPT ENTITIES FOR POLITICAL ACTIVITIES

"SEC. 304B. (a) IN GENERAL.—An organization that intends to make an expenditure of $5,000 or more on activities described in subsection (b)(1) shall, not later than 10 days prior to making the expenditure, file with the Commission a written report disclosing the intended expenditure.

"(b) CONTENTS.—A report under subsection (a) shall—

"(1) disclose the amount intended to be spent—

"(A) on direct activities, such as cash contributions, to candidates and committees of political parties;

"(B) on internal and external communications relating to specific candidates, political causes, and political parties;

"(C) internally by the organization to maintain, operate, and solicit contributions for a separate segregated fund; and

"(D) on voter registration drives, State and precinct organizing on behalf of candidates and political parties, and get-out-the-vote campaigns;

"(2) for each of the categories of information described in paragraph (1) (A), (B), (C), and (D), identify the candidate for public office on whose behalf the expenditure will be made or the political cause or purpose for which the expenditure will be made;

"(3) list all contributions made to the organization for purposes of activities described in subsection (b)(1) since the date of the most recent report of the organization under this section, stating the amount contributed and the contributor's name, address, and occupation; and

"(4) in the case of a labor organization, list all contributions and expenditures made by separated segregated funds established and maintained by the labor organization since the date of the most recent report of the organization under this section.

"(c) DEFINITIONS.—For the purposes of this section, the term 'organization' means a labor organization, a corporation, or an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of the Internal Revenue Code of 1986."

LUKE EASTER POST OFFICE

GLENN AMENDMENT NO. 276

Mr. BAUCUS (for Mr. GLENN) proposed an amendment to the bill (H.R. 971) to designate the facility of the U.S. Postal Service located at 630 East 105th Street, Cleveland, OH, as the "Luke Easter Post Office," as follows:

At the end of the bill, insert the following:

SEC. . LEAVE BANK FOR JUDICIAL BRANCH EMPLOYEES OF THE FEDERAL GOVERNMENT IN RESERVES WHO WERE ACTIVATED DURING PERSIAN GULF WAR

(a) JUDICIAL BRANCH EMPLOYEES.—The Director of the Administrative Office of the United States Courts shall establish a leave bank program under which—

(1) an employee of the Judicial Branch may (during a period specified by the Director of the Administrative Office) donate any unused annual leave from the employee's annual leave account to a leave bank established by the Director;

(2) the total amount of annual leave that has been donated under paragraph (1) shall be divided equally among the annual leave accounts of all employees who have been members of the Armed Forces serving on active duty during the Persian Gulf conflict pursuant to an order issued under section 672(a), 672(g), 673, 673b, 674, 675, and 688 of title 10, United States Code, and who return to employment with the Judicial Branch; and

(3) such Persian Gulf conflict participants who have returned to Judicial Branch employment may use such annual leave, after it is credited to their leave accounts, in the same manner as any other leave to their credit.

(b) DEFINITIONS.—For purposes of subsection (a), the term "employee" means an employee as defined in section 6301(2) of title 5, United States Code.

(c) DEADLINE FOR REGULATIONS.—Within 30 days after the date of the enactment of this Act, the Director of the Administrative Office shall prescribe regulations necessary for the administration of subsection (a).

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will be holding a hearing on the Circle of Poison: Impact on the Third World. The hearing will be on Wednesday, June 5, 1991, at 9:30 a.m. in SR-332. For further information please contact Carolyn Brickey or Jon Haber of the committee staff at 224-2035.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Full Committee on Energy and Natural Resources.

The hearing will take place Thursday, June 6, 1991, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony from John Schrote, nominee for Assistant Secretary of the Interior for Program, Budget, and Administration, and Mike Hayden, nominee for Assistant Secretary of the Interior for Fish and Wildlife and Parks.

For further information, please contact Rebecca Murphy at (202) 224-7562.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BINGAMAN. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Mineral Resources Development and Production Subcommittee of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, June 11, 1991, at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 433, the Mining Law Reform Act of 1991, legislation to provide for the disposition of certain minerals on Federal lands and on S. 785, the Minerals Policy Review Commission Act of 1991, legislation to establish a commission to study existing laws and procedures relating to mining.

Those wishing to submit written statements for the hearing record should deliver them to the Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, room 364, Washington, DC 20510. For further information, please contact Lisa Vehmas of the subcommittee staff at (202) 224-7555.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Thursday, May 23, at 9:30 a.m., for markup on: S. 533, S. 260, and other pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 23, at 2:30 p.m., to hold a hearing on "Eastern Europe: Environmental and Energy Issues."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Thursday, May 23, at 10:30 a.m., for a hearing on the legislation S. 20, performance standards.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet on Thursday, May 23, 1991, at 2 p.m., to receive testimony on command, control, and communications issues in review of S. 1066, the Department of Defense authorization bill for fiscal years 1992-93.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts and Humanities of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Thursday, May 23, 1991, at 10 a.m., for a hearing on the Reauthorization of the Higher Education Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 23, at 2 p.m., to hold a hearing on the "Middle East: The Search for Peace."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 23, at 2 p.m., to hold a hearing on the nomination of Bruce S. Gelb, to be Ambassador to Belgium.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER AND REGULATORY AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Consumer and Regulatory Affairs of the Committee on Banking, Housing and Urban Affairs be allowed to meet during the session of the Senate Thursday, May 23, 1991, at 10 and continuing at 2 p.m. to conduct a hearing on the Bank of Credit and Commerce International as a case study revealing the inadequacies in our present regulation and supervision of foreign banks; and on S. 1019, the Foreign Bank Supervision Enhancement Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 23, at 10 a.m. to hold a hearing on "The Middle East: Regional Security Issues."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 23, immediately following the first rollcall vote after 3 p.m., to hold a brief business meeting to consider and vote on pending items.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NUCLEAR REGULATION

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Nuclear Regulation, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Thursday, May 23, beginning at 2 p.m., to conduct a hearing on sections 511 and 512 of S. 570, the National Energy Strategy Act, to amend the Nuclear Waste Policy Act with respect to the procedures for the characterization of Yucca Mountain, NV, and the construction of a monitored retrievable storage facility for spent nuclear fuel.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN, COMMERCE AND TOURISM SUBCOMMITTEE

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Foreign, Commerce and Tourism Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 23, 1991, at 10 a.m. on the consolidating of the U.S. export functions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 23, 1991, at 2 p.m. on the takeover of the First Capital Life Insurance Co.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on May 23, 1991, beginning at 2 p.m., in 485 Russell Senate Office Building, on Indian Libraries, Archives and Information Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on May 23, 1991, beginning at 9 a.m., in 485 Russell Senate Office Building, on S. 290, to establish an Indian Substance Abuse Program, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. BAUCUS. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on education and employment legislation including S. 868 and Veterans' Reemployment Rights, and Court of Veterans Appeals legislation, H.R. 153, on Thursday, May 23, 1991, at 9:30 a.m. in SR-418.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on May 23, 1991 at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., May 23, 1991, to consider S. 341 and S. 244.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CURTIS-TUFTS ALTERNATIVE SCHOOL

• Mr. KERRY. Mr. President, today the Curtis-Tufts Alternative School of Medford, MA celebrates its 10th anniversary. As a progressive school, Curtis-Tufts is designed to meet the educational, behavioral, and emotional needs of those students who are not able to benefit from a traditional educational environment.

In the 10 years since the Curtis-Tufts Alternative School was founded, the program has grown by leaps and bounds, and hundreds of students have benefited. Rather than limiting the student's educational experience to the classroom, the Curtis-Tufts curriculum combines educational, vocational and community experiences, and incorporates intensive counseling and a responsible social behavior component into the student's life. For the past 10 years, this program has aimed to maximize student interest, involvement and motivation while providing the essential skills for obtaining a high school diploma, and those necessary for the pursuit of continued education and employment.

Today, in 1991, many of our schools are plagued with violence and substance abuse, and students must fight to say no. We must realize that not every student can benefit from a traditional educational framework. Options such as those offered by Curtis-Tufts are needed, and we must encourage them.

The Curtis-Tufts Alternative School serves as a model in alternative education throughout the Commonwealth of Massachusetts and the Nation. Its innovative approach to secondary education is second to none, as we have seen by the quality of its graduates over the past 10 years. Today, as the Curtis-Tufts Alternative School celebrates its 10th anniversary and its 10th commencement exercises, we must congratulate each and every student, faculty member, and administrator who has played a part in the success of this extraordinary educational institution.•

TRIBUTE TO MS. MARCIA ROTH

• Mr. McCONNELL. I rise, Mr. President and distinguished colleagues, to recognize a woman whose inner strength and moral conviction have literally helped save the lives of many victims of domestic violence—a crime that is so pervasive, yet so unreported, that it threatens our sacred familial bond.

Ms. Marcia Roth feels that her primary function as director of Jefferson County's Office for Women is to help victims cope with what appears to be an overwhelming, and somewhat frightening, morass of bureaucratic redtape.

"I want women to feel comfortable trying to gain access to this system," Roth said. "And all I'm trying to do is make it easier and smoother."

Ms. Roth's envisions her agency branching out into more of a proactive role, informing women of the services available to them with greater ease, and less fear and embarrassment.

"I'd like to see it—program information—in every Kroger store and Winn-Dixie, and any place that women go. It's not enough to have it available at social service agencies. I'd like them where a woman can pick it up and stick it in a drawer, and pull it out when she needs it," said Roth.

Her colleagues respect her. Her superiors praise her. I admire her.

Mr. President, Director Marcia Roth deserves the fullest recognition of this body, and I feel it is my duty as a representative of the great State of Kentucky to do so.

At this time, I request that the Courier-Journal piece on Ms. Roth be inserted into the RECORD.

The article follows:

[From the Louisville (KY) Courier-Journal, Apr. 8, 1991]

A WOMAN'S PLACE

(By Leslie Ellis)

After a month as director of Jefferson County's new Office for Women, Marcia Roth has learned how overwhelmed, frightened and confused victims of domestic violence can be.

And Roth also has spent hours probing for the gaps and cracks in the system that is supposed to help and protect them.

"It's such a confusing system. It has so many pieces to it," she said, the ever-present note pad tucked under her arm as she hurried out of the courthouse after a morning full of meetings.

She had just finished a one-hour meeting with the county attorney, similar to dozens of others she has had in recent weeks with prosecutors, social workers, administrators of state agencies, victim advocates and counselors, as she peels away at the layers of the system. She was rushing to have lunch with a district court judge, to get still another perspective.

"I want women to feel comfortable trying to gain access to this system," she said. "All I'm trying to do is make it easier and smoother. . . . I didn't want to take this job if I didn't have a chance of making changes or a difference."

Roth, 44, has spent the last month setting up the new office, created in the wake of widespread attention focused on domestic violence after Pamela Fortney, a schoolteacher, was gunned down by her estranged husband, Robert Fortney Jr., in January.

The first task of the office will be to coordinate efforts among agencies and to find out what additional services are needed to help abused women.

When tapped for the director's job by Jefferson County Judge-Executive David Armstrong, Roth didn't have any particular expertise in domestic violence, the office's first priority.

Armstrong said he chose Roth because of her long history of community involvement and concern for women's issues.

Eventually, the office will branch out into issues affecting women's economic status, such as health care, child care, job training and housing.

Roth's 20 years of experience as a civic activist and volunteer have frequently required her to analyze programs, offer remedies and aggressively pursue answers to questions.

She has been described as "a problem solver" and "fierce advocate" by those who have worked with her on civic projects.

"She's really a strong leader," said Sally Erny, director of Court Appointed Special Advocates, a program that trains volunteers to monitor foster children in court and social-service system. Roth helped launch that program when she was president of the local chapter of the National Council of Jewish Women from 1983 to 1985.

"She's able to motivate people," Erny said. "The positions of leadership she's held are more than a full-time job that require every single administrative skill you need to run an agency. Sometimes it's tougher because you have to motivate people who aren't paid."

"She's very inquisitive and has a very outspoken attitude," said David Karem, executive director of the Waterfront Development Corp. Appointed to that agency's board by Mayor Jerry Abramson, Roth currently serves as its treasurer.

She's straightforward and expects others to be the same; she's not afraid to say a report or memo is incomprehensible.

Her directness is balanced, admirers say, by a refreshing sense of humor. Lynn Meckler, local president of the Council of Jewish Women, recalls Roth's term as president as "lots of hard work couched in good jokes, witty puns and plenty of smiles."

Roth's community involvement is rooted in a childhood spent in a small town in upstate New York called Herkimer. "There's a sense of family in a small town which pervades the air," she said. "If you're not interested in the community, then you're out of the family, and I think it must be a terribly isolated feeling."

She married her husband, Bruce, between her junior and senior year at Northwestern University. She finished school, had a son and in 1970 the family moved to Louisville, Bruce's hometown, where he joined his father's accounting firm, Louis T. Roth & Co.

She quickly was inducted into the whirl of Louisville volunteer activities. A family friend, Minx Auerbach, "joined the National Council of Jewish Women for me."

"I remember her calling on the phone and saying, 'You are now a member and I expect you to be active.'"

It turned out to be a wonderful gift, Roth said. "That gave me a window into the world of Louisville because the NCJW is involved in so many community services. It opened up a new world for me. That was my post-graduate education."

Roth held offices ranging from assistant treasurer to vice president. Through local and national workshops, she learned about women's issue and leadership skills. She helped launch ParkSide, a day-care program for the elderly. And she serves on the NCJW national board of directors.

She's a United Way board member and a longtime volunteer at Channel 15, and has been chairman of the Community Relations Council of the Jewish Community Federation. She also was volunteer coordinator for Armstrong's election campaign in 1989.

Roth has three children: Evan is a junior at the University of Pennsylvania; Daniel is a senior at Atherton High School; and Jessica is a sixth-grader at Collegiate School.

As the children were growing up, she worked almost full time as a volunteer, and she laughingly recalls toting babies and toddlers to meetings with her.

Now, for the first time, she is earning a salary: The director's job pays $35,000 a year.

"I've been very fortunate," said Roth, explaining that she didn't feel the economic pressures that force other mothers to find paying jobs when their children are young. She said she has "great parents, a wonderful husband and terrific kids."

"I feel like I have an obligation to give something back to the community," she added. "I really do want to give something back."

Roth sees her new job as one of her biggest challenges. She is in the process of selecting members for an advisory board, and she has learned that many good programs are in place but changes and new services are needed to shore them up.

She sees a need for an easy-to-read, widely dispersed pamphlet telling victims how to seek help and what to expect.

"I'd like to see it in every Kroger store and Winn-Dixie, and any place that women go. It's not enough to have it available at social-service agencies. I'd like them where a woman can pick it up and stick it in a drawer and pull it out when she needs it," Roth said.

Victims need support from the beginning, she continued.

"From the first person the victim calls to the last one they talk to, they all need an understanding of the psychology of the victim, of the laws and what options she has," Roth said. "It only takes one person to either turn you on or tune you out."

She's looking at volunteer programs in other communities where former victims guide women through the system.

She's considering suggestions that victims' families receive services, including housing, food and counseling, to help them get back on their feet after separation or divorce.

Joanne Weis, program director at the Center for Women and Families, which runs a spouse-abuse shelter and counsels domestic-violence victims, is encouraged by Roth's work.

"A real strength is her willingness to learn. The first day on the job, she was here. That's very encouraging to me," Weis said.

Because of her volunteer work, Roth has contacts throughout the community, Weis said. And the Office for Women and its advisory panel can mean fresh voices and possibly extra political clout lobbying for changes.

"What is frightening to think about," said Roth, "is that domestic violence is a tremendously underreported crime.

"I hope with the publicity, more women will realize they are not alone and they can do something to change their lives."

She added, however, that the task sometimes seems daunting.

"The system," she said, "is so overloaded now, it's scary."

If more women do come forward, she said, the community must be adequately prepared to help them.●

SENATE JOINT RESOLUTION 49—YEAR OF PUBLIC HEALTH RESOLUTION

● Ms. MIKULSKI. Mr. President, the current activities surrounding health care are important ones. Access to health-care services is one of the most important issues we can address. But I am happy to be cosponsor of Senate Joint Resolution 49, which designates 1991 as the Year of Public Health.

Public health is just what it sounds like—the health of the entire public. The focus is not just on one disease or one tragic event in a part of the world, but the preservation and improvement of health for both individuals and communities. It includes a range of issue from immunization programs and hunger relief projects to industrial and environmental health.

As one of the principal architects of the Johns Hopkins School of Hygiene and Public Health, Dr. William H. Welch put it, "It is a well-known fact that there are no social, no industrial, no economic problems which are not related to health." Everything we do from the food we eat to the way we live out our lives contribute to our own personal health.

Over the last 50 years, we have learned to balance our diets and make water safe to drink. Milk is pasteurized and immunization programs are common. These were all public health problems of the past. Some are recurring. Others have been licked. We are now facing new problems, such as AIDS, substance abuse, disgracefully high infant mortality rates and injuries, as well as new challenges including controlling health care costs and providing care to those in need.

The Year of Public Health not only highlights our successes, but points out we still have a long way to go in meeting our public health goals.

I am proud to sponsor this bill with the senior Senator from Maryland, Senator SARBANES, and thank my colleagues for supporting the resolution.●

1990 FINANCIAL STATEMENT AND INCOME TAX INFORMATION

● Mr. KASTEN. Mr. President, I ask unanimous consent that my 1990 financial statement, my Federal income tax form 1040 for 1990, and my Wisconsin income tax, form 1 for 1990 be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Robert W. Kasten, Jr. Financial Statement—December 31, 1990

Assets:	
Washington, DC, home	$580,000
Household goods/personal property	40,000
Automobile (Ford 1986 Taurus)	4,700
Life insurance policy (net cash value)	4,345
Credit union account	864
Checking account	246
Stocks	12,532
IRA	5,503
Offset Civil Service Retirement Program	35,613
Total	683,804
Liabilities:	
The Riggs National Bank, Washington, DC	361,549
Henry and Wendy Raymont, Brookline, MA	100,000
Total	461,549
Net Worth	222,255
1990 taxes paid:	
Federal	32,148
State (Wisconsin)	11,144
	43,292
1990 income:	
Senate salary	97,658
Honoraria	27,075
Total	124,733

FORM 1040 U.S. INDIVIDUAL INCOME TAX RETURN, 1990

Robert W. Kasten, Jr. Your social security number [redacted].

Eva J. Nimmons-Kasten. Spouses' social security number [redacted].

9765 N. Port Washington Lane.

Mequon, Wisconsin, 53092.

Presidential Election Campaign: Do you want $1 to go to this fund? No. If joint return, does your spouse want $1 to go this fund? No.

FILING STATUS

2. Married filing joint return (even if only one had income).

EXEMPTIONS

6a. Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a. But be sure the box on line 33b on page 2,

b. Spouse.

c. Dependents: Nora Kasten, [redacted], Child, 12 Mo.

e. Total number of exemptions claimed, 3.

INCOME

7. Wages, salaries, tips, etc. (attach Form(s) W-2) (See statement 1), $172,010.

8a. Taxable interest income (also attach Schedule B if over $400), $2,497.

9. Dividend income (also attach Schedule B if over $400), $1,690.

10. Taxable refunds of state and local income taxes, if any, from worksheet on page 14, $1,094.

12. Business income or (loss) (attach Schedule C), $38,875.

13. Capital gain (or loss) (attach Schedule D), $3,000.

22. Other income (list type and amount—see page 16 (see statement 1), $2,250.

23. Add the amounts shown in the far right column for lines 7 through 22. This is your total income, $215,416.

ADJUSTED GROSS INCOME

31. Subtract line 30 from line 23. This is your adjusted gross income. If this amount is less than $20,264 and a child lived with you, see page 23 to find out if you can claim the "Earned Income Credit" on line 57, $215,416.

TAX COMPUTATION

32. Amount from line 31, (adjusted gross income), $215,416.

34. Enter the larger of: Your itemized deductions (from Schedule A, line 27). If you itemize, attach Schedule A and check here, $85,731.

35. Subtract line 34 from line 32, $129,685.

36. Multiply $2,050 by the total number of exemptions claimed on line 6e, $6,150.

37. Taxable income, Subtract line 36 from line 35. (If line 36 is more than line 35, enter -0-), $123,535.

38. Enter tax. Tax Rate Schedules, $32,628.

40. Add lines 38 and 39, $32,628.

CREDITS

41. Credit for child and dependent care expenses (attach Form 2441), $480.

46. Add lines 41 through 45, $480.

47. Subtract line 46 from line 40 (if line 46 is more than line 40, enter -0-), $32,148.

OTHER TAXES

49. Alternative minimum tax (attach Form 6251), none.

54. Add lines 47 through 53. This is your total tax, $32,148.

PAYMENTS

55. Federal income tax withheld, $38,877.

62. Add lines 55 through 61. These are your total payments, $38,877.

REFUND AMOUNT YOU OWE

63. If line 62 is more than line 54, enter amount overpaid, $6,729.

64. Amount of line 63 to be refunded to you, $6,729.

WISCONSIN INCOME TAX

Kasten, Jr., Robert W. Social security number [redacted].

Nimmons-Kasten, Eva J. Social security number [redacted]

9765 N. Port Washington Lane.

Mequon, Wisconsin, 53092.

1. Federal adjusted gross income (from line 31 of federal Form 1040 or line 16 of Form 1040A), $215,416.

2. Additions. Complete Schedule 1 on page 2, $2,500.

3. Add lines 1 and 2, $217,916.

4. Subtractions (state income tax refunds, etc.). Complete Schedule 2 on page 2, $2,648.

5. Subtract line 4 from line 3. This is your Wisconsin income, $215,268.

6. Tax. Tax Table, $14,677.

7. Dependent credit. Fill in number of dependents, 1 x $50=$50.

9. Wisconsin itemized deduction credit, $2,983.

10. School property tax credit: b: Property taxes paid on home in 1990, $2,640 find credit from table, page 11, $200.

11. Adds lines 7 through 10b, $3,233.

12. Subtract line 11 from line 6. If line 11 is larger than line 6, fill in zero (0), $11,444.

13. Alternative minimum tax. Attach Schedule MT, none.

14. Add lines 12 and 13, $11,444.

16. Married couple credit. Complete Schedule 4 on page 2, $300.

16. Subtract line 15 from line 14. If line 15 is larger than line 14, fill in zero (0). This you net tax, $11,144.

20. Add lines 16 through 19, $11,144.

21. Wisconsin income tax withheld. Attach readable withholding statements, $7,067.

25. Net income tax paid to other states (See statement 1), $6,408.

8. Add lines 21 through 27, $13,475.

29. If line 28 is larger than line 20, subtract line 20 from line 28. This is the amount of your refund, $2,331.●

CONVENTION ON THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN

● Mr. **HARKIN.** Mr. President, as you know the Convention on the Elimination of All Forms of Discrimination Against Women was adopted by the U.N. General Assembly in 1979 and signed by President Carter in 1980. To date, 103 countries have ratified the Convention, including the Soviet Union. Yet, despite the leadership the United States has demonstrated in promoting human rights, we have failed to ratify this treaty and our beliefs that sexual discrimination has no place in the community of nations.

I believe the Senate must vote on this issue and let its voice ring loud and clear. In practice, the United States has enacted many laws which have placed us on a path toward achieving the goals purported by the convention. Still, we have a long road ahead of us before sexual discrimination is completely eradicated from our society. We have come a long way but need to go further in advancing women's rights and human rights. The United States must continue to demonstrate leadership in these areas. For this reason, I believe it is unconscionable and inexcusable that 11 years after it was signed by the President and ratified by 103 countries, The Convention on the Elimination of All Forms of Discrimination Against Women has not become the law of the land.

Sexual discrimination is something which affects all people and all nations. It is a problem we share in common with the developing world and a problem we must overcome together. It is not, as some might suggest, a problem which only developed nations have the luxury of addressing. It is not a problem that has arisen as nations have developed but rather, a reason why many nations fail to develop. How can a nation and society advance when over half the population is denied their fundamental rights? How can a nation advance when governments fail to provide opportunities which allow women to reach their full potential and freely contribute to the betterment of society? How can the world advance when over half of its intellectual capacity and artistic genius lays waste due to prejudice? Sexual discrimination is detrimental to development. It has been detrimental to our development as a nation and as a people and will continue to be detrimental as long as it permeates the different facets of our society. The Senate could take a great stride forward in demonstrating its firm commitment to ending sexual discrimination by ratifying the Convention on the Elimination of All Forms of Discrimination Against Women. I urge my Senate colleagues to take that step and swiftly ratify this treaty.

Mr. President, I ask that the House concurrent resolution, adopted by the State of Iowa's General Assembly, relating to the ratification of the U.N. Convention on the Elimination of All Forms of Discrimination Against Women be printed in the record.

The concurrent resolution follows:

HOUSE CONCURRENT RESOLUTION NO. 15

Whereas the Convention on the Elimination of All Forms of Discrimination against Women was adopted by the United Nations General Assembly on December 18, 1979, became an international treaty on September 3, 1981, and by 1991, 104 nations have agreed to be bound by the Convention's provisions; and

Whereas the United States supports and has a position of leadership in the United Nations, and has been an active participant and signatory to the Convention; and

Whereas the spirit of the Convention is rooted in the goals of the United Nations to affirm faith in fundamental human rights, in the dignity and worth of the human person, and in the equal rights of men and women; and

Whereas the Convention provides a comprehensive framework for challenging the various forces that have created and sustained discrimination based on sex and the nations in support of the present Convention have agreed to follow Convention prescriptions; and

Whereas although women have made major gains in the struggle for equality in social, business, political, legal, educational, and other fields in this century, there is much yet to be accomplished and through its support and leadership, the United States can help create a world where women are no longer discriminated against and have achieved one of the most fundamental of human rights, equality; Now Therefore,

Be It Resolved by the House of Representatives, the Senate concurring, That the Iowa General Assembly strongly urges President George Bush and Secretary of State James

Baker to place this treaty, the United Nations' Convention on the Elimination of All Forms of Discrimination Against Women, in the highest category of priority in order to accelerate the treaty's passage through the Senate Foreign Relations Committee; and

Be It Further Resolved, That the Iowa General Assembly exhorts the Senate Foreign Relations Committee to pass this treaty favorably out of committee; and

Be It Further Resolved, That the Iowa General Assembly strongly urges the Congress of the United States to ratify the United Nations' Convention on the Elimination of All Forms of Discrimination against Women and supports the Convention's continuing work.

Be It Further Resolved, That the Chief Clerk of the House of Representatives send a copy of this resolution to the President of the United States, the Secretary of State of the United States, the President of the United States Senate, the chair of the Senate Foreign Relations Committee, Claiborne Pell, and to all members of the Iowa congressional delegation.•

RULES OF THE SPECIAL COMMITTEE ON AGING

• Mr. COHEN. Mr. President, in accordance with rule XXVI, section 2, of the Standing Rules of the Senate, I hereby submit for publication in the CONGRESSIONAL RECORD, the rules of the Special Committee on Aging:

The rules follow:

RULES OF THE U.S. SENATE SPECIAL COMMITTEE ON AGING

The rules are as follows:

I. CONVENING OF MEETINGS AND HEARINGS

1. Meetings: The Committee shall meet to conduct Committee business at the call of the Chairman.

2. Special meetings: The members of the Committee may call additional meetings as provided in Senate Rule XXVI(3).

3. Notice and agenda:

(a) Hearings. The Committee shall make public announcement of the date, place, and subject matter of any hearing at least 1 week before its commencement.

(b) Meetings. The Chairman shall give the members written notice of any Committee meeting, accompanied by an agenda enumerating the items of business to be considered, at least 5 days in advance of such meeting.

(c) Shortened notice. A hearing or meeting may be called on not less than 24 hours notice if the Chairman, with the concurrence of the ranking minority member, determines that there is good cause to begin the hearing or meeting on shortened notice. An agenda will be furnished prior to such a meeting.

4. Presiding officer: The Chairman shall preside when present. If the Chairman is not present at any meeting or hearing, the ranking majority member present shall preside. Any member of the Committee may preside over the conduct of a hearing.

II. CLOSED SESSIONS AND CONFIDENTIAL MATERIALS

1. Procedure: All meetings and hearings shall be open to the public unless closed. To close a meeting or hearing or portion thereof, a motion shall be made and seconded to go into closed discussion of whether the meeting or hearing will concern the matters enumerated in rule II.3. Immediately after such discussion, the meeting or hearing may be closed by a vote in open session of a majority of the members of the Committee present.

2. Witness request: Any witness called for a hearing may submit a written request to the Chairman no later than 24 hours in advance for his examination to be in closed or open session. The Chairman shall inform the Committee of any such request.

3. Closed session subjects: A meeting or hearing or portion thereof may be closed if the matters to be discussed concern: (1) national security; (2) Committee staff personnel or internal staff management or procedure; (3) matters tending to reflect adversely on the character or reputation or to invade the privacy of the individuals; (4) Committee investigations; (5) other matters enumerated in Senate Rule II(VI)(5)(b).

4. Confidential matter: No record made of a closed session, or material declared confidential by a majority of the Committee, or report of the proceedings of a closed session, shall be made public, in whole or in part by way of summary, unless specifically authorized by the Chairman and ranking minority member.

5. Broadcasting:

(a) Control: Any meeting or hearing open to the public may be covered by television, radio, or still photography. Such coverage must be conducted in an orderly and unobtrusive manner, and the Chairman may, for good cause, terminate such coverage in whole or in part, or take such other action to control it as the circumstances may warrant.

(b) Request: A witness may request of the Chairman, on grounds of distraction, harassment, personal safety, or physical discomfort, that during his/her testimony, cameras, media microphones, and lights shall not be directed at him/her.

III. QUORUMS AND VOTING

1. Reporting: A majority shall constitute a quorum for reporting a resolution, recommendation or report to the Senate.

2. Committee business: A third shall constitute a quorum for the conduct of Committee business, other than a final vote on reporting, providing a minority member is present. One member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony at hearings.

3. Polling:

(a) Subjects: The Committee may poll (1) internal Committee matters including those concerning the Committee's staff, records, and budget; (2) other Committee business which has been designated for polling at a meeting.

(b) Procedure: The Chairman shall circulate polling sheets to each member specifying the matter being polled and the time limit for completion of the poll. If any member so requests in advance of the meeting, the matter shall be held for meeting rather than being polled. The clerk shall keep a record of polls; if the Chairman determines that the polled matter is one of the areas enumerated in rule II.3, the record of the poll shall be confidential. Any member may move at the Committee meeting following a poll for a vote on the polled decision.

IV. INVESTIGATIONS

1. Authorization for investigations: All investigations shall be conducted on a bipartisan basis by Committee staff. Investigations may be initiated by the Committee staff upon the approval of the Chairman and the ranking minority member. Staff shall keep the Committee fully informed of the progress of continuing investigations, except where the Chairman and the ranking minority member agree that there exists temporary cause for more limited knowledge.

2. Subpoenas: Subpoenas for the attendance of witnesses or the production of memoranda, documents, records, or any other materials shall be issued by the Chairman, or by any other member of the Committee designated by him. Prior to the issuance of each subpoena, the ranking minority member, and any other member so requesting, shall be notified regarding the identity of the person to whom the subpoena will be issued and the nature of the information sought, and its relationship to the investigation.

3. Investigative reports: All reports containing findings or recommendations stemming from Committee investigations shall be printed only with the approval of a majority of the members of the Committee.

V. HEARINGS

1. Notice: Witnesses called before the Committee shall be given, absent extraordinary circumstances, at least 48 hours' notice, and all witnesses called shall be furnished with a copy of these rules upon request.

2. Oath: All witnesses who testify to matters of fact shall be sworn unless the Committee waives the oath. The Chairman, or any member, may request and administer the oath.

3 Statement: Any witness desiring to make an introductory statement shall file 50 copies of such statement with the Chairman or clerk of the Committee 24 hours in advance of his appearance, unless the Chairman and ranking minority member determine that there is good cause for a witness' failure to do so. A witness shall be allowed no more than ten minutes to orally summarize his prepared statement.

4. Counsel:

(a) A witness' counsel shall be permitted to be present during his/her testimony at any public or closed hearing or deposition or staff interview to advise such witness of his/her rights, provided, however, that in the case of any witness who is an officer or employee of the government, or of a corporation, or association, the Chairman may rule that representation by counsel from the government, corporation, or association creates a conflict of interest, and that the witness shall be represented by personal counsel not from the government, corporation, or association.

(b) A witness who is unable for economic reasons to obtain counsel may inform the Committee at least 48 hours prior to the witness' appearance, and the Committee will endeavor to obtain volunteer counsel for the witness. Such counsel shall be subject solely to the control of the witness and not the Committee. Failure to obtain counsel will not excuse the witness from appearing and testifying.

5. Transcript: An accurate electronic or stenographic record shall be kept of the testimony of all witnesses in executive and public hearings. Any witness shall be afforded, upon request, the right to review that portion of such record, and for this purpose, a copy of a witness' testimony in public or closed session shall be provided to the witness. Upon inspecting his/her transcript, within a time limit set by the Committee clerk, a witness may request changes in testimony to correct errors of transcription, grammatical errors, and obvious errors of fact; the Chairman or a staff officer designated by him/her shall rule on such request.

6. Impugned persons: Any person who believes that evidence presented, or comment

made by a member of staff, at a public hearing or at a closed hearing concerning which there have been public reports, tends to impugn his character or adversely affect his reputation may:

(a) file a sworn statement of facts relevant to the evidence or comment, which shall be placed in the hearing record;

(b) request the opportunity to appear personally before the Committee to testify in his/her own behalf; and

(c) submit questions in writing which he/she requests be used for the cross-examination of other witnesses called by the Committee. The Chairman shall inform the Committee of such requests for appearance or cross-examination. If the Committee so decides, the requested questions, or paraphrased versions or portions of them, shall be put to the other witness by a member or by staff.

7. Minority witnesses: Whenever any hearing is conducted by the Committee, the minority on the Committee shall be entitled, upon request made by a majority of the minority members to the Chairman, to call witnesses selected by the minority to testify or produce documents with respect to the measure or matter under consideration during at least 1 day of the hearing. Such request must be made before the completion of the hearing or, if subpoenas are required to call the minority witnesses, no later than 3 days before the completion of the hearing.

8. Conduct of witnesses, counsel and members of the audience: If, during public or executive sessions, a witness, his counsel, or any spectator conducts himself in such a manner as to prevent, impede, disrupt, obstruct, or interfere with the orderly administration of such hearing or meeting, the Chairman or presiding member of the Committee present during such hearing or meeting may request the Sergeant at Arms of the Senate, his representative, or any law enforcement official to eject said person from the hearing room.

VI. DEPOSITIONS AND COMMISSION

1. Notice: Notices for the taking of depositions in an investigation authorized by the Committee shall be authorized and issued by the Chairman or by a staff officer designated by him. Such notices shall specify a time and place for examination, and the name of the staff officer or officers who will take the deposition. Unless otherwise specified, the deposition shall be in private. The Committee shall not initiate procedures leading to criminal or civil enforcement proceedings for a witness' failure to appear unless the deposition notice was accompanied by a Committee subpoena.

2. Counsel: Witnesses may be accompanied at a deposition by counsel to advise them of their rights, subject to the provisions of rule V.4.

3. Procedure: Witnesses shall be examined under oath administered by an individual authorized by local law to administer oaths. Questions shall be propounded orally by Committee staff. Objections by the witnesses as to the form of questions shall be noted by the record. If a witness objects to a question and refuses to testify on the basis of relevance or privilege, the Committee staff may proceed with the deposition, or may at that time or at a subsequent time, seek a ruling by telephone or otherwise on the objection from a member of the Committee. If the member overrules the objection, he may refer the matter to the Committee or he may order and direct the witness to answer the question, but the Committee shall not initiate the procedures leading to civil or criminal enforcement unless the witness refuses to testify after he has been ordered and directed to answer by a member of the Committee.

4. Filing: The Committee staff shall see that the testimony is transcribed or electronically recorded. If it is transcribed, the witness shall be furnished with a copy for review. No later than 5 days thereafter, the witness shall return a signed copy, and the staff shall enter the changes, if any, requested by the witness in accordance with rule V.6. If the witness fails to return a signed copy, the staff shall note on the transcript the date a copy was provided and the failure to return it. The individual administering the oath shall certify on the transcript that the witness was duly sworn in his presence, the transcriber shall certify that the transcript is a true record to the testimony, and the transcript shall then be filed with the Committee clerk. Committee staff may stipulate with the witness to changes in this procedure; deviations from the procedure which do not substantially impair the reliability of the record shall not relieve the witness from his obligation to testify truthfully.

5. Commissions: The Committee may authorize the staff, by issuance of commissions, to fill in prepared subpoenas, conduct field hearings, inspect locations, facilities, of systems or records, or otherwise act on behalf of the Committee. Commissions shall be accompanied by instructions from the Committee regulating their use.

VII. SUBCOMMITTEES

1. Establishment: The Committee will operate as a Committee of the Whole, reserving to itself the right to establish temporary subcommittees at any time by majority vote. The Chairman of the full Committee and the ranking minority member shall be ex-officio members of all subcommittees.

2. Jurisdiction: Within its jurisdiction, as described in the Standing Rules of the Senate, each subcommittee is authorized to conduct investigations, including use of subpoenas, depositions, and commissions.

3. Rules: A subcommittee shall be governed by the Committee rules, except that its quorum for all business shall be one-third of the subcommittee membership, and for hearings shall be one member.

VIII. REPORTS

Committee reports incorporating Committee findings and recommendations shall be printed only with the prior approval of the Committee, after an adequate period for review and comment. The printing, as Committee documents, of materials prepared by staff for informational purposes, or the printing of materials not originating with the Committee or staff, shall require prior consultation with the minority staff; these publications shall have the following language printed on the cover of the document: "Note: This document has been printed for informational purposes. It does not represent either findings or recommendations formally adopted by the Committee."

IX. AMENDMENT OF RULES

The rules of the Committee may be amended or revised at any time, provided that not less than a majority of the Committee present so determine at a Committee meeting preceded by at least 3 days notice of the amendments or revisions proposed.•

FISCAL YEAR 1992 BUDGET RESOLUTION CONFERENCE REPORT

• Mr. WIRTH. Mr. President, last night the Senate passed, with my support, the 1992 budget resolution by a vote of 57 to 41. I want to take this opportunity to discuss that legislation and why that was the right thing to do.

Last month in the Senate Budget Committee, in a strong bipartisan vote, we set some priorities. We said that it is important for the Federal Government to support the critical programs that help kids be prepared to learn. We said that it is important for the Federal Government to support valuable, time-tested programs in education. We made a choice. We said that our kids deserve our support.

By a vote of 15 to 6, the Budget Committee accepted an amendment that would provide $4.4 billion new dollars for proven, cost-effective programs that will make ours a healthier—in every sense of the word—and better educated Nation.

The conference report on the fiscal year 1992 budget resolution we are considering today preserves these priorities for the domestic discretionary side of the budget. For functions 550 and 600, which contain the child health and nutrition programs, the full Senate increase over fiscal year 1991 levels is maintained. For function 500, the education programs, 65 percent of the Senate increase is included. I believe that the compromises reached by the conferees are reasonable and supportable.

Mr. President, the membership of the Senate Budget Committee comprises nearly one-quarter of the entire Senate, and includes a number of members of the Appropriations Committee. Clearly, the priorities set forth in the budget resolution should act as a guide to the appropriators as they carry out their difficult and important work during the remainder of the fiscal year.

If we in Congress are able to maintain and carry out the priorities outlined in the conference agreement on the 1992 budget resolution—

We will increase funding for Head Start by $500 million, allowing us to serve only 38 percent of those eligible;

We will educate 1,400,000 more disadvantaged children under the chapter 1 program, raising the percentage of all those eligible from 60 percent to 70 percent;

We will continue on the track toward full funding for WIC, the Women, Infant, and Child nutrition program. Due to the recession, this program is needed now more than ever and for every dollar we spend, we save $3 in future health care costs. There are over 4 million women and kids who are eligible but not served under this program;

We will immunize 71 percent of those eligible children against preventable childhood diseases. In my State alone, this means 18,000 more children will be protected.

Mr. President, I just want to underscore to the Senate that the biggest problem with the funding levels set forth in the conference report for these programs is that we recognized the very constrained domestic discretionary playing field created by last year's budget agreement. We all know that it only makes sense to be immunizing 100 percent of our children, not just 71 percent; that all mothers and children eligible under the WIC Program are served, not just the 59 percent that make it through the door first.

Last year, the Nation embarked on a decade long effort to improve education. We have set ambitious, yet attainable goals. Achieving them will play a major role in reinvigorating our economy and recapturing our position in the world market. If we fail to have the best educated and most skilled work force, our position in the world economy will continue to decline and our society will never be able to shed the costs of untrained workers—who strongly wish to work but for whom there are simply no jobs for which they are qualified.

Our Federal and State budgets must reflect the importance of these goals. We cannot merely demand results—we must provide the means to attain them.

Last month, the President presented his education strategy to the Nation. While some of his recommendations warrant thoughtful consideration, I feel that something obvious is missing.

If we were fully funding programs that are proven and cost-effective, and that meet the needs of the students, would not we now have a country that was closer to meeting the goals outlined by the administration? If every Federal commitment were filled and every eligible child served, would not we have progressed more than we have?

Certainly, there are changes to be made and certainly we need to reinvigorate the system, but I say we have to also support the programs we know work. I disagree with the President: I say good can come from new money in education—new money devoted to the programs that have served students well. We just needed to serve more of them.

As we continue debating the needs of our children, I hope my colleagues will keep this in mind: All the answers are not hidden away with a few new experiments and creating the best for the few. We already have many of the answers—we need to provide the means to see them actualized.

I thank Senator SASSER, chairman of the Budget Committee—who holds one of the most thankless jobs around here—and the other 13 Senators who joined me in passing this amendment in committee by a bipartisan margin of 15 to 6. While this budget resolution conference report is not perfect—few bills are—it does contain the homefront initiative and so deserved our support.•

COAST GUARD RECREATIONAL BOAT TAX REPEAL

• Mr. D'AMATO. Mr. President, I am pleased to join a number of my colleagues in cosponsoring S. 843.

This bill would repeal the Coast Guard indirect user fee to be imposed on recreational boaters under last fall's Omnibus Budget Reconciliation Act of 1990. The proposed fees range from $25—for vessels over 16 feet, but less than 20 feet—up to a maximum of $100 for vessels over 40 feet in length. The penalty for noncompliance is $5,000. I voted against last year's reconciliation bill in large part because it was a broad-based tax increase, hitting disproportionately at middle Americans. This Coast Guard recreational boat fee is an example of such misguided taxation.

This so-called user fee is in fact nothing more than a tax increase selectively imposed on certain individuals who receive no benefit from any new services provided by the Government. The funds will not be used to improve Coast Guard services for recreational boaters. They will simply be used to augment the Federal Government's tax and spend policies. In fact, if anything, the impact on Coast Guard operations is detrimental, due to the resources they may expend simply to collect and enforce payment of the fee. As with many other miscellaneous tax increases, the cost to collect may offset a significant portion of the revenues brought in through collection.

Finally, it should be pointed out that recreational boat owners already pay State fees and Federal excise and fuel taxes for the privilege of boating. Last year's budget reconciliation bill, for example, raised the motor boat fuel tax 5 cents per gallon. Imposing this new Coast Guard boat tax on top of these other fees and taxes is burdensome and unfair. Therefore, I look forward to working with my colleagues to overturn this tax.•

COMMON SENSE ON VIETNAM

• Mr. SIMON. Mr. President, I compliment my colleague on the Foreign Relations Committee, RICHARD LUGAR, for his insightful column about United States policy toward Vietnam in the April 5 Christian Science Monitor. I ask that the column be inserted in the CONGRESSIONAL RECORD.

I agree that we need a rethinking of our policy toward the countries of Indochina. Senator LUGAR has correctly pointed out that changing circumstances—and our own interests in Vietnam—suggest that the time is right for a reassessment of our policy. The administration is moving in the right direction by opening an office in Hanoi to help resolve the status of those missing in action from the Vietnam war, and by providing a token amount of aid—$1 million of humanitarian assistance for prosthetic devices for the people of Vietnam. But we can and should do more. I saw in Hong Kong recently the plight of the thousands who have fled Vietnam and fear to return; I recounted some of their stories in remarks on the floor May 20. Lifting the trade embargo and recognizing the government in Hanoi will help to stem that tragic tide of refugees out of Vietnam. At the same time our actions will allow us to press Vietnam more effectively to improve its record on human rights and to address fully our questions about those missing in action during the war.

The column follows:

[From the Christian Science Monitor, Apr. 5, 1991]

IT'S TIME FOR NEW THINKING ON VIETNAM

(By Richard G. Lugar)

For more than 15 years, United States-Vietnam relations have been frozen in enmity and isolation. The scars created by the Indochina war prompted a U.S.-led international embargo to punish Vietnam. These sanctions are still in place, even though most nations ignore them. It is time for a change.

The U.S. is virtually alone in prohibiting trade with Vietnam. Foreign competitors are positioning themselves for a promising Vietnam market, including development of its lucrative off-shore oil tracts. The best construction contracts, banking concessions, oil leases, and consumer markets may go to our competitors.

Today, Vietnam has widespread poverty, a steady exodus of people, and human environmental deprivation matched in the region only by neighboring war-torn Cambodia. These dreadful symptons are testimony to a filed system in need of profound reform. The U.S. can help lessen this human suffering by encouraging reform.

During my visit to Hanoi last August, I learned that market economic principles had seeped into official thinking, especially in the agricultural sector. The liberal reforms introduced in the late 1980s, for example, were responsible for moving Vietnam from a net rice importer to the world's third largest rice exporter. We should encourage these trends toward market economics through engagement with the Vietnamese reformers, instead of continued disengagement.

One of the core elements of the new world order articulated by President Bush contends that friendly economic competition among nations can be a healthy alternative to military confrontations. Trade and commerce are closely linked with traditional security concerns.

In our relations with other countries, American self-interest in the new order argues for new attitudes on increased trade. There must be new instruments of policy rooted as much in carrots as sticks. Efforts to improve relations in the late 1970s were dashed by Vietnam's invasion and occupation of Cambodia. Our policy rightly conditioned improved ties with Hanoi on its withdrawal of forces from Cambodia and on cooperation on POW/MIA issues. When Vietnam's forces were pulled out of Cambodia last year, we conditioned improved relations on Hanoi's cooperation in fostering peace in

Cambodia and resolving outstanding POW/MIA matters.

There are sound foreign policy reasons for following this course. Hanoi must cooperate in the Cambodian peace process and must provide tangible progress in the POW/MIA cases. Absent real progress on both, it will be difficult to shift US policy.

But there are compelling arguments for revising US policy toward Indochina. We should build on the lessons of Eastern Europe, where Western economic and cultural presence helped hasten democratic change and accelerate the demise of centrally planned economies. Exposure to Western ideas and American capitalism, through example, can subvert communist control. Our self-imposed isolation from Vietnam—intended to extract favorable behavior—now amounts to economic and poliical self-denial.

It is time to modify regulations restricting American business and related activities. This should be followed by a lifting of the embargo on non-strategic trade and movement toward normalization of ties. At each step, we should judge whether these unilateral initiatives prompt reciprocal concessions by Hanoi in the Areas of interest to us: POW/MIAs, human rights, Cambodia peace, and economic and political reform.

Our Vietnam war is over. It has receded further in the aftermath of the Gulf war. The new world order calls for reshaping priorities, with enhanced economic interaction that furthers our goals of spreading democracy and creating new opportunities for Americans.●

THE NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND THE BILL OF RIGHTS

● Mr. GRASSLEY. Mr. President, I would like at this time, to recognize the achievements of a remarkable group of Cedar Falls, IA, students and educators.

For the third consecutive year the sophomore government class from Cedar Falls High School has proudly represented the State of Iowa in the National Bicentennial Competition on the Constitution and Bill of Rights. The competition, which was held April 27–29, 1991, in Washington DC, enabled students to demonstrate their academic abilities while supporting their community and Nation.

The following students participating in the competition were: Michael Ackerman, Lori Boleyn, Brian Buenger, Martin Burgess, Christopher Cawelti, Anne Corley, Sarah Durchenwald, Jodi Graham, Mark Herold, Mohib Hussain, Heather Jay, Amy Jensen, Todd Johnston, Jenna Juel, Mattew Keiser, Wendy Schultz, Zachary Wolf, and educators: Superintendent Dan Smith, Principal Dean Dreyer, Secondary Curriculum Director Floyd Winter, and project chair of the Third Congressional District, Linda Martin. Mr. President, I commend these individuals and wish them all the best in future.●

SENATE QUARTERLY MAIL COSTS

● Mr. FORD. Mr. President, in accordance with section 318 of Public Law 101–520, I am submitting the summary tabulations of Senate mass mail costs for the quarter ending March 31, 1991, to be printed in the RECORD, along with the quarterly statement from the U.S. Postal Service setting forth the Senate's total postal costs for the quarter. The population figures used in the calculation of the per capita amounts are those from the 1990 census.

The tabulations follow:

SENATE QUARTERLY MASS MAIL VOLUMES AND COSTS FOR THE QUARTER ENDING MARCH 31, 1991

Senators	Total Pieces	Pieces per capita	Total cost	Cost per capita
Adams	23,500	0.00483	$17,711.98	$0.00364
Akaka	850	.00077	243.91	.00022
Armstrong	0	0	....	0
Baucus	31,100	.03892	6,123.94	.00766
Bentsen	215,125	.01266	41,753.40	.00246
Biden	0	0	....	0
Bingaman	13,475	.00889	2,579.35	.00170
Bond	6,999	.00137	3,036.18	.00059
Boren	0	....	....	0
Boschwitz	0	....	....	0
Bradley	2,950	.00038	701.25	.00009
Breaux	333,750	.07909	52,336.46	.01240
Brown	0	0	....	0
Bryan	83,050	.06910	10,893.20	.00906
Bumpers	48,200	.02050	7,617.29	.00324
Burdick	783	.00123	151.26	.00024
Burns	0	0	....	0
Byrd	0	0	....	0
Chafee	32,400	.03229	5,570.97	.00555
Coats	0	0	....	0
Cochran	0	0	....	0
Cohen	37,866	.03084	8,265.98	.00673
Conrad	0	0	....	0
Craig	3,050	.00303	520.11	.00052
Cranston	1,085,235	.03647	203,479.24	.00684
D'Amato	1,566,350	.08707	227,709.75	.01266
Danforth	0	0	....	0
Daschle	213,500	.30675	31,342.70	.04503
DeConcini	0	0	0	0
Dixon	120,825	.01057	24,587.07	.00215
Dodd	0	0	....	0
Dole	0	0	....	0
Domenici	5,650	.00373	959.17	.00063
Durenberger	900	.00021	218.71	.00005
Exon	0	0	....	0
Ford	0	0	....	0
Fowler	2,580	.00040	816.11	.00013
Garn	0	0	....	0
Glenn	0	0	....	0
Gore	24,718	.00507	4,676.78	.00096
Gorton	3,100	.00064	691.21	.00014
Graham	72,150	.00558	12,194.87	.00094
Gramm	119,000	.00701	17,162.83	.00101
Grassley	42,450	.01529	8,670.71	.00312
Harkin	0	0	0	0
Hatch	1,200	.00070	213.69	.00012
Hatfield	0	0	....	0
Heflin	0	0	....	0
Heinz	299,150	.02518	42,580.06	.00358
Helms	0	0	....	0
Hollings	0	0	....	0
Humphrey	0	0	....	0
Inouye	0	0	....	0
Jeffords	0	0	....	0
Johnston	0	0	....	0
Kassebaum	0	0	....	0
Kasten	124,900	.02553	25,042.64	.00512
Kennedy	0	0	....	0
Kerrey	936	.00059	841.46	.00053
Kerry	182,450	.03033	30,060.44	.00500
Kohl	0	0	....	0
Lautenberg	14,925	.00193	2,721.85	.00035
Leahy	24,030	.04270	4,868.83	.00865
Levin	31,000	.00334	6,779.26	.00073
Lieberman	104,911	.03192	22,711.21	.00691
Lott	931,500	.36200	120,049.68	.04665
Lugar	14,355	.00259	3,034.03	.00055
Mack	12,535	.00097	2,954.43	.00023
McCain	3,300	.00090	769.03	.00021
McClure	0	0	....	0
McConnell	16,000	.00434	3,272.96	.00089
Metzenbaum	0	0	....	0
Mikulski	1,275	.00027	632.57	.00013
Mitchell	0	0	....	0
Moynihan	49,825	.00277	9,833.58	.00055
Murkowski	0	0	....	0
Nickles	173,800	.05525	31,059.45	.00987
Nunn	0	0	....	0
Packwood	107,351	.03777	22,824.69	.00803
Pell	118,000	.11759	22,239.54	.02216
Pressler	1,200	.00172	154.85	.00022
Pryor	65,123	.02770	11,900.28	.00506
Reid	38,300	.03187	5,087.75	.00423
Riegle	17,625	.00190	3,635.92	.00039
Robb	0	0	....	0
Rockefeller	19,885	.01109	6,224.23	.00347
Roth	299,575	.44970	46,236.83	.06941
Rudman	0	0	....	0
Sanford	173,600	.02619	25,821.81	.00390
Sarbanes	86,000	.01799	15,117.03	.00316
Sasser	0	0	....	0
Seymour	0	0	....	0
Shelby	1,032,760	.25560	146,431.43	.03624
Simon	719,750	.06297	106,544.31	.00932
Simpson	73,150	.16127	9,346.63	.02061
Smith	0	0	....	0
Specter	1,707,200	.14368	243,110.45	.02046
Stevens	71,550	1.3008	15,326.03	.02786
Symms	87,930	.08734	17,512.94	.01740
Thurmond	0	0	....	0
Wallop	675	.00149	137.88	.00030
Warner	0	0	....	0
Wellstone	0	0	....	0
Wilson	0	0	....	0
Wirth	309,656	.09399	51,893.91	.01575

Other offices	Pieces	Cost
The Vice President	0	....
The President pro-tempore	0	....
The majority leader	0	....
The minority leader	0	....
The assistant majority leader	0	....
The assistant minority leader	0	....
Secretary of majority conference	0	....
Secretary of minority conference	0	....
Agriculture Committee	0	....
Appropriations Committee	0	....
Armed Services Committee	0	....
Banking Committee	0	....
Budget Committee	0	....
Commerce Committee	0	....
Energy Committee	0	....
Environment Committee	0	....
Finance Committee	0	....
Foreign Relations Committee	0	....
Governamental Affairs Committee	0	....
Judiciary Committee	0	....
Labor Committee	0	....
Rules Committee	0	....
Small Business Committee	0	....
Veterans Affairs Committee	0	....
Ethics Committee	0	....
Indian Affairs Committee	1,605	$1,670.02
Intelligence Committee	0	....
Aging Committee	640	273.77
Joint Economic Committee	0	....
Joint Committee on Printing	0	....
Democratic Policy Committee	0	....
Democratic Conference	0	....
Republican Policy Committee	0	....
Republican Conference	0	....
Legislative Counsel	0	....
Legal Counsel	0	....
Secretary of the Senate	0	....
Sergeant at Arms	0	....
Narcotics Caucus	0	....

U.S. POSTAL SERVICE,
DEPARTMENT OF THE CONTROLLER
Washington, DC, May 22, 1991.

Hon. WENDELL H. FORD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Detailed data on franked mail usage by the U.S. Senate for the second quarter, Fiscal Year 1991, is enclosed. Total postage and fees for the quarter is $1,915,765.

A summary of Senate franked mail usage based upon the first two quarters of actual data for Fiscal Year 1991 is as follows:

Volume	17,621,212
Revenue per piece	$.2001
Revenue	$3,526,747.00
Provisional payments to date	$10,000,000.00
Excess in provisional payments	$6,473,253.00

The first two Postal Quarter results, when projected to an annual figure based upon historical trends for Senate franked mail activity, provide the following estimates for FY 1991:

Volume	86,378,490
Revenue per piece	$.1949

Total revenue	$16,832,935
Current appropriation	$30,000,000
Estimated surplus	$13,167,065

However, the validity of these projections does remain questionable due to substantial variances in Senate quarterly mailing patterns over the past several years.

If you or your staff have any questions, please call Tom Galgano of my staff on 268-3255.

Sincerely,

JAMES S. STANFORD,
General Manager, Official and International Mail Accounting Division, Office of Accounting, Washington, DC.

SENATE FRANKED MAIL, POSTAL QUARTER II, FISCAL YEAR 1991

Subcategories	Pieces	Rate	Amount
1. Letters: 1st class (total)	1,011,511	$0.2573	$260,236
2. Flats: 1st class (total)	91,443	1.0061	92,004
Parcels:			
Priority—up to 11 oz			
Priority—over 11 oz	10,814	4.4983	48,645
4th class—regular	22,978	3.4117	78,394
Total	33,792	3.7594	127,039
4. Orange bag pouches:			
First class	49,315	.3536	17,436
Priority—up to 11 oz	1,152	2.8290	3,259
Priority—over 11 oz	6,152	4.8114	29,600
Total	56,619	.8883	50,295
5. Agriculture bulletins:			
First class			
Priority—up to 11 oz			
Priority—over 11 oz			
3d class			
4th class special (bk)			
4th class regular	79	8.2278	650
Total	79	8.2278	650
6. Yearbooks: 4th class special (bk) (total)	56	1.4286	80
7. Other (odd size parcels):			
Priority—up to 11 oz			
Priority—over 11 oz	415	33.1494	13,757
4th class special (bk)			
4th class regular	2,560	11.7742	30,142
Total	2,975	14.7560	43,899
Total outside DC	259,515	.4594	119,227
3rd class bulk rate	8,741,307	.1163	1,016,580
Parcel post—interbmc—pi	317	23.6056	7,483
First class single pc—pi			
Address corrections (3547's)	1,032	.3091	319
Address corrections (3d cl)	1,876	.2585	485
Mailing list corrections (10 names or less)			
Mailing list corrections (more than 10 names)			
Mailgrams			
IPA—international priority airmail			
Mailing fees (registry, certified, etc.)			
Postage due/short paid mail			133
Permit fees			
Miscellaneous charges/adj			
Express maill service			197,335
Subtotal	10,200,552	.1878	1,915,765
Adjustments	0		0
Grand total	10,200,552	.1878	1,915,765

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TREES AND SOIL CONSERVATION

● Mr. DASCHLE. Mr. President, one of the most important tools this country has at its disposal for soil conservation and wildlife protection is the planting of trees on agricultural lands. Tree planting programs have made dramatic contributions to conservation, but we now face a situation where those benefits are threatened.

Many of the shelterbelts and other windbreaks that were established in the 1930's and 1940's are being lost due to age and lack of maintenance. Congress should recognize the important role the tree has played and take action to maintain the continued vitality of this productive resource.

The mere mention of "Dust Bowl" conjures up stark images in the minds of all of us. Most Americans' experience with the phenomenon is limited to the haunting pictures and films we have seen in the era. Those who lived through the darkness of those days carry with them memories that last a lifetime.

In the intervening decades we have gone though periods of drought, but none of these droughts prompted the unprecedented rate of soil erosion that occurred during the Dust Bowl. It often seems as though we have developed a somewhat cavalier attitude toward those times, believing that another Dust Bowl cannot occur.

Our successes in reducing erosion since the 1930's have been the result of hard, diligent work. American agriculture adopted new farming practices and management techniques to keep soil on the fields instead of in rivers, ditches, and the air. This effort is an ongoing proposition that we cannot afford to relax.

One of the most important practices that was adopted in response to the Dust Bowl was the establishment of tree rows, shelterbelts, living snow fences, and other windbreaks. The list of positive effects resulting from these practices is impressive.

Tree rows cut wind erosion to a fraction of what it is on unprotected fields. Windbreaks create habitat that fosters a wide variety of wildlife by providing cover and undisturbed nesting grounds. They promote higher yields by sheltering crops and livestock from wind and by trapping moisture in the form of snow. Shelterbelts also help moderate energy consumption by reducing the amount of fuel needed to heat homes and by helping to control snow accumulations on highways and roads.

In recent years trees have also been touted for the positive effects they have on atmospheric conditions. Studies have shown that each mature tree removes an average of 13 pounds of carbon monoxide from the air every year and converts it to oxygen. This is highly significant when we consider that carbon monoxide is cited as one of the atmospheric gases most responsible for global warming and the greenhouse effect. Every living tree, therefore, plays a quantifiable role in lessening the impact of global warming.

Trees are also being recognized as offering other new benefits. A project sponsored by the Leopold Center for Sustainable Agriculture at Iowa State University found that poplar trees help remove excess nitrates in the soil that might otherwise run off into nearby water systems. The expansive root system of the poplar acts as a filter that absorbs nitrates from groundwater. At the site where the study was conducted, 77 milligrams of nitrate per liter of groundwater were found under a normal corn field. In groundwater that filtered through the roots of poplar trees, the concentration was seven milligrams of nitrate per liter—one-tenth the normal amount.

The value of the nitrate-reducing characteristics of the poplar will take on increased significance during Congress' consideration of the Clean Water Act. It seems certain that one of the items up for discussion will be pollution problems stemming from nonpoint sources. Some will point to agriculture as the leading contributor to nonpoint source pollution.

While evaluation of these claims will be the subject of a future debate, I would like to point out that tree planting offers us a means of addressing the issue in a constructive way. At the same time trees reduce nitrate concentrations, they will also provide the added benefits of erosion control, improved wildlife habitat, snow control, and much more.

The planting of the trees in the 1930's and 1940's was inspired by Government incentives. As Government incentives withered, so did the establishment of new stands. Not only is it important to encourage the planting of new shelterbelts, it is vital that we maintain the ones we already have.

Our country now has a tree population that consists largely of older trees. Many of the stands that were established through the enactment of Government programs in the 1930's and 1940's are now in trouble.

During the Dust Bowl period and in the years immediately in its aftermath, over 200 million trees and shrubs were planted on 30,000 farms in the Prairie States, in roughly 18,600 miles of windbreak. Those trees are now over half a century old. While trees may be noted for their longevity, they do not live forever, especially if they are not cared for properly. A study in my home state of South Dakota showed that over 60 percent of the windbreaks were only in fair to poor condition, meaning that their canopy was diminished by 40 percent or more.

The Nation is in danger of losing a resource whose benefits have far outweighed the cost to establish them. The problem is not a lack of interest in planting trees. Landowners want to plant trees, but it is very expensive and time consuming to plant and maintain them.

When landowners are asked what is needed to get more trees planted, the response is always the same—more cost-share assistance. In this time of budget constraints, it is vital that the dollars we do spend are spent wisely. There is no question in my mind that we get far more back from the tree than we put into it.

During the debate on the 1900 farm bill, I introduced an amendment that was designed to encourage the establishment of new shelterbelts and the maintenance of existing ones. Some of the amendment's provisions were adopted; however, others that would have increased cost-share assistance and other incentives were not.

If we become complacent, the quantity and quality of windbreaks will gradually decrease. This is something that we must not allow to happen if we are to avoid a return to the days when there was nothing standing between our soil and the wind. Congress must take the lead in providing the resources necessary to preserve and expand the gains that have been made. As chairman of the Agriculture Committee's Subcommittee on Agricultural Research and General Legislation, I will be working toward that end. I urge my colleagues to join me in that effort.●

RUST VERSUS SULLIVAN SUPREME COURT RULING

● Ms. MIKULSKI. Mr. President, I heard today that the Supreme Court handed down its decision on family planning and I am shocked. The decision, decided on a 5 to 4 vote with the only woman on the Court dissenting, essentially eliminates proper discussion of women's options at a family planning clinic.

The Supreme Court decided this was proper because, in their eyes, it is OK to tell rich women of all the options they should consider if they find they are pregnant, but it is OK to dictate to poor women what their choices are.

Both our governmental system and our medical system have relied, up until now, upon the tenet of informed consent—with all the information before the individual, that individual makes a choice—on candidates, on medical treatments, on doctors and on Presidents. But now, politics can interfere with a woman's most personal and private decision.

The family planning clinics I have visited are some of the last health care providers around in the poorer areas of my State. They provide health care services to people most doctors have forgotten. But now, because they provide a legitimate, sometimes needed service—they perform safe, legal abortions—they could go out of business in the next few months denying access to health care services for many in these communities.

Where does this end, Mr. President? Are we going to tell people that because they go to a publicly funded clinic, they cannot receive information about child care services available in the community because some well-placed politicos in the administration think that moms should not be allowed in the workplace? That is absurd, and this ruling is too.●

IN RECOGNITION OF RAYMOND R. MAGGI'S ACCOMPLISHMENTS IN THE APARTMENT INDUSTRY

● Mr. SEYMOUR. Mr. President, I rise in recognition of a constituent of mine from my home of Orange County, CA. Mr. Ray Maggi's contributions to the apartment industry, especially his tireless efforts to help disadvantaged and disabled individuals, are well known in Orange County.

Ray has decided to step down from his active efforts on behalf of the Apartment Association of Orange County, where he has served in numerous capacities over the past 17 years. I want to congratulate Ray and to thank him, and I ask my colleagues to join with me in recognizing his service to his community.

I ask that the statement detailing Ray's years of service be inserted into the RECORD:

The statement follows:

Mr. Ray Maggi has been a member of the Apartment Association of Orange County for over 17 years, serving as President for four years (1977 to 1981) and as a Director for the past 16 years.

Ray's involvement in the apartment industry has stretched far beyond Orange County. He has been an active member of the California Apartment Association (CAA) and served as CAA President in 1983. His service on the state level includes his Chairmanship of CAA's Legislative Council and CAA's Political Action Committee as well as numerous other committee assignments. Ray has also been active with the National Apartment Association (NAA) in Washington D.C. and is a past NAA Treasurer.

Throughout his years of service to AAOC and the apartment industry, Ray Maggi has devoted a great deal of time and energy toward the legislative arena at all levels of government. Serving as Vice President of AAOC's Legislative Council since its inception, Ray has become a well recognized figure in Orange County Political circles and has served in numerous political campaigns. He is often called upon to serve as Chairman or as a Steering Committee Member for both issue and candidate campaigns.

Over the years, Ray has become recognized throughout the county as a leading advocate of private property rights and an outspoken supporter of the housing industry. Always an innovator, Ray has been constantly engaged in finding public and private sector solutions to the many housing problems facing the people of Orange County. Mr. Maggi has often demonstrated the unique ability to pull together principal segments of the housing industry as well as key government agencies in efforts to solve problems of mutual concern.

Whenever Mr. Maggi discovered a community problem which the Apartment Association was in a unique position to solve, he wssted little time in devoting his full attention and that of the association towards the immediate resolution of the problem. An example of this came in 1982 when the Association recognized the need for the installation of smoke detectors in multi-family residential buildings throughout Orange County. Ray led the charge by drafting a "model smoke detector ordinance" for adoption by cities countywide.

Currently Ray is again working to address a concern shared by communities countywide—overcrowding. Mr. Maggi is one of those who believes that a whole host of problems (i.e. crime, drugs, graffiti, traffic, parking, deterioration . . .) result when neighborhoods are overcrowded. Under Ray's leadership, AAOC has drafted a "model Occupancy Ordinance" which is designed to help cities deal with the problem of overcrowded dwelling units and homes.

Throughout his career in the apartment industry and in his work with AAOC, Ray has worked tirelessly to eradicate blighted and slum conditions wherever they exist. When cities in Orange County have called upon the association to help revitalize particularly run-down areas, Ray has aided them by developing a cooperative partnership with area apartment owners. Examples of this public/private effort and its successful application were best seen in the "Buena-Clinton" area in Garden Grove and the "Patrick-Henry" area in Anaheim. In both cases, Ray Maggi played an instrumental role.

A different example of Ray's industry involvement came in the early 1980's, when he heard of a couple who was having a difficult time finding a place to live because one of them was handicapped and in a wheelchair. Ray stepped in and rented to them and completely retrofitted one of his apartment units to accommodate this couple's unique needs. In the process he pioneered handicapped access design for rental units and Ray used the publicity gained by this incident to lobby for greater handicapped access in multi-family buildings.

Ray also served the County of Orange as a member of the John Wayne Airport Commission for over seven years, serving as Chairman for two.

Mr. Maggi has always been gracious when it comes to sharing his knowledge and expertise with others in the Housing Industry. He has conducted numerous educational seminars on property management, specializing in rehabilitation and community improvement projects.

He is also a well recognized expert on the housing industry and his insight into legislative and market trends has led to his appearance before such well recognized groups as the: Building Industry Association, Western Mobilehome Assoc., California Housing Council, Realty Investment Association of California, Industrial League of Orange County as well as numerous Chambers of Commerce and Boards of Realtors.

These are but a sprinkling of the numerous accomplishments of Ray Maggi. While not all inclusive, they exemplify well the philosophy and convictions which have governed his involvement in the housing industry.●

MICHIGAN RELAY CENTER

● Mr. RIEGLE. Mr. President, the Michigan Relay Center, a ground breaking service operated by Michigan Bell on behalf of all the 37 telephone companies in Michigan, is scheduled to open May 29, 1991. I rise today to commend this effort as well as the dedicated and talented people who have made it possible.

I can't think of a better way to celebrate National Deaf Awareness Month and I know Michigan is proud to participate in this celebration by joining the other twenty-three States that now provide relay services for persons with hearing and speech difficulties.

In accordance with the Americans with Disabilities Act [ADA], Michigan Bell with the help of the Division on Deafness, developed a system whereby the estimated 600,000 Michigan residents who are unable to utilize conventional telephone services can communicate with anyone in the State with the ease and dignity that persons without hearing or speech difficulties have always enjoyed. The ADA is about the quality of access and independence. So is the Michigan Relay Center.

The center will enable people who are deaf, hearing, or speech impaired to call hearing people 24 hours a day, every day of the year. It will also make it possible for any hearing person to call any deaf person who has a telephone equipped with a special computer called a "telecommunication device for the deaf [TDD]—a device that allows differently able persons to use a keyboard and screen in the same manner one would use a telephone. A person with a TDD can simply contact an operator at the center who places a call to the called party and relays the message by voice. Or one might contact the center by conventional telephone and have his voice message relayed via TDD. The service is free and the calls are confidential.

Although access to communication has only recently become a national priority, here in the Midwest the Michigan Association for Deaf, Hearing, and Speech [MADHS] has been providing this type of service, on a local level, for nearly 20 years. It was the diligent effort of the MADHS staff, their advocacy and lobbying, which directly contributed to the inclusion of title V to the ADA. Title V requires phone companies to provide this telephone relay service by 1992.

Michigan Bell, MADHS, the Division on Deafness, of the advocacy groups around this State, and the deaf community, should all take great pride in their pioneering spirit, foresight, and conviction. I congratulate them on their willingness to fight to bring this issue, a long-time concern in Michigan, to the national consciousness and am proud of their participation in making this service possible.•

THE 75TH RUNNING OF THE INDIANAPOLIS 500

• Mr. COATS. Mr. President, it is with great pride that I rise today to pay tribute to a very special event that will be taking place this weekend in my home State of Indiana. On Sunday, May 26, 33 brave drivers will climb into their cars and race in pursuit of the checkered flag at the 75th running of the Indianapolis 500-mile race.

Since 1911, with the only exceptions being the war years of 1917–18 and 1942–45, the Indianapolis Motor Speedway has been the site of the "Greatest Spectacle in Racing" every Memorial Day weekend. This great American classic has touched nearly every citizen, young and old, in some way. Just say the name, "Indy" and memories of speed, thrills and courage come to the minds of all who have been fortunate enough to come in contact with this extraordinary event.

For years, Americans at home and abroad, have listened to the race on the Indianapolis Motor Speedway Radio Network, and watched the race on TV. The events, history and drama of this race have been shared with us through the enthusiasm and knowledge of such immortal announcers of the past as the late Sid Collins, and today in Bob Jenkins and Paul Page. Those of us fortunate enough to have attended qualifications, or the race itself, cannot forget Tom Carnegie's call each day at the track, or nights with Donald Davidson's "The Talk of Gasoline Alley" on WIBC radio. These are the voices and personalities who have brought Indy into our lives and helped to make the month of May a very special time for all of us.

The Speedway itself has continued to stand and grow through the years. The track was built in 1909 by Carl G. Fisher, James A. Allison, Arthur C. Newby and Frank H. Wheeler as a proving ground for the then fledgling automobile industry. The current 2½ mile oval remains in the same dimensions as when it was built. For safety reasons, the four owners decided to resurface the crushed rock and tar track with over 3,200,000 bricks shortly after the Speedway opened. It is from this original race surface that the course got its now famous nickname, "The Brickyard," a term that is still used today as the track maintains a 1-yard strip of original bricks at the start/finish line.

What few realize is that Indy has been an important influence in the development of passenger automobiles, as well as the site of 74 500-mile classics. Many refinements found in modern cars can be traced directly to innovative testing done at this outdoor laboratory. The first Indy 500 winner, Roy Harroun in 1911, installed what is believed to be the first rearview mirror on an automobile. Important improvements in safety and economy such as: seat belts, shoulder harnesses, power steering, disc brakes, low pressure tires, hydraulic brakes, and shock absorbers, and improvements in motor oil viscosity were all first tested and instituted at "The Brickyard."

All of these wonderful traditions would have come to an end after World War II had it not been for the vision and dedication of one man, Anton (Tony) Hulman of Terre Haute. Hulman bought the dilapidated Speedway in 1945 from then owner Eddie Rickenbacker. Rickenbacker, the former Indy driver and World War I "Flying Ace," bought the track in 1927 from his old friends, Fisher and Allison and ran the track enthusiastically at first, but less so later on. During World War II, with its tight rationing of rubber and oil, the track was not only out of use, but also fell into disrepair. Hulman bought the track with the hope of restoring its tradition and importance back to the racing and State community. Hulman returned the Speedway, and the 500, to its former glory in very little time. He ran the Speedway with vigor and skill until his death in 1977 and is credited with making the Speedway, and the race, the world-renowned spectacle it currently is.

Today, members of Tony Hulman's family carry on the tradition and serve as a proud legacy to his foresight and commitment. Tony George, grandson of Hulman and the current president of the Speedway, is now in charge of a facility, open year-round, with seating for over 250,000 people, space for just as many in its spacious infield, two golf courses, a Hall of Fame Museum, a motel, the Hanna Medical Center and, of course, the famous Gasoline Alley. This 559-acre complex on Indianapolis' northwest side is a marvel to all its visitors before, during and after the month of May.

Mr. President, the aforementioned individuals are the ones whose work through 81 years have made Indy the most prestigious race in motorsports and who have made it possible for the Speedway to be named a National Historic Landmark. However, it is the drivers who every year risk their lives to thrill us with their feats of skill on the oval track who are the heroes most famous to us all.

Names such as Wilbur Shaw, A.J. Foyt, Jr., Louie Meyer, Rick Mears, and Ralph DePalma, have become legends through their victories and sportsmanship. Families with names such as Unser, Bettenhausen, Vukovich and Andretti have qualified as many as three generations in this race. All have been fortunate enough to race, many have been blessed with victory, while some have paid the ultimate price while driving at Indy. It is a proud testament to these families that they continue to follow their dreams and race in memory of their loved ones. This year, one Unser, two Bettenhausens, and a remarkable four Andrettis will be in the field on raceday.

As stated before, Indy is a place for many milestones in both racing and testing. Four significant achievements will be celebrated during the running of this, the 75th race. This year's starting field is the fastest ever—averaging a speed of over 218 miles per hour in qualifying. A.J. Foyt's 34th and last 500 will be a bittersweet moment for all fans close to the race. Hiro Matsushita will be the first Japanese driver at Indy and will serve as a reminder of the international appeal and flavor of the event. And, Willy T. Ribbs will be welcomed as the first black American to qualify and race at Indy.

Therefore Mr. President, I salute all those involved with Indy over the years. From the staff, to the pit crews, to the drivers, and especially to the fans who continue to visit each year—nearly one-half million of them will fill the grandstands and infield on May 26 to witness the "Greatest Spectacle in Racing" being held for the 75th time. To all involved, I wish a safe and exciting "Diamond Jubilee" at the "The Brickyard."

Happy Birthday Indy. "Gentlemen, start your engines."●

TRIBUTE TO LT. GEN. DONALD L. CROMER

● Mr. SEYMOUR. Mr. President, I rise to salute Lt. Gen. Donald L. Cromer, commander of the Space Systems Division, Air Force Systems Command, Los Angeles Air Force Base, CA.

General Cromer is retiring from the U.S. Air Force after nearly 32 years of service to his Nation. His contributions to our national security have particularly been welcomed in California, where the general has served many of his years of active duty.

I ask the U.S. Senate to join me in commending Lt. Gen. Donald L. Cromer for a lifetime of dedicated service to his country and extending to him our best wishes for a long and happy retirement.

I ask that the general's biography be printed in the RECORD.

The biography follows:

LT. GEN. DONALD L. CROMER

Lieutenant General Donald L. Cromer is commander of Space Systems Division, Air Force Systems Command, Los Angeles Air Force Base, Calif. He is responsible for managing the research, design, development and acquisition of space launch, command and control, and satellite systems.

General Cromer was born Jan. 23, 1936, in Grand Junction, Colo., and graduated from Lewis and Clark High School, Spokane, Wash. He attended Washington State University and graduated with a bachelor's degree from the U.S. Naval Academy in 1959. He earned a master's degree in electrical engineering from the University of Denver in 1969. The general completed Squadron Officer School in 1967 and was a distinguished graduate of Air Command and Staff College in 1973. He also attended the executive program at Stanford University's Graduate School of Business and the National Security Management Course at Harvard University.

Upon graduation from the academy in June 1959, he was commissioned in the Air Force. He then was assigned to Strategic Air Command's 549th Strategic Missile Squadron (Atlas D) at Offutt Air Force Base, Neb., as a guidance control officer and deputy missile combat crew commander. From January 1963 to August 1965 he served as an engineer analyst in the 4000th Aerospace Applications Group at Offutt.

The general was assigned to Kennedy Space Center, Cape Canaveral, Fla., and worked with the National Aeronautics and Space Administration on the Project Gemini Manned Spacecraft Program as a spacecraft test conductor. In December 1967 he returned to SAC headquarters in the Future Systems Division, Directorate of Plans. From December 1969 to August 1972 General Cromer served as chief of the Payload Branch, Satellite Data Systems Program Office, Space and Missile Systems Organization, Los Angeles Air Force Station (now Los Angeles Air Force Base).

In June 1973 he was assigned to the Directorate of Space, Office of the Deputy Chief of Staff for Research and Development, Headquarters U.S. Air Force, Washington, D.C., as program element monitor for the Satellite Data System and Defense Dissemination System programs. He then became project director, Office of the Secretary of the Air Force, Fort Belvoir, Va.

From May 1977 to June 1978 General Cromer served as deputy for Defense Meteorological Satellite Systems and director of the Defense Meteorological Satellite Program Office, Space Division, Los Angeles Air Force Station. He later was assigned as director of advanced technology for the Secretary of the Air Force's Special Projects Office there. In May 1982 he became director of space systems, Office of the Secretary of the Air Force, Washington, D.C. He returned to Los Angeles Air Force Station in June 1984 as deputy commander for launch and control systems, Space Division, and in January 1985 became vice commander.

In June 1986 General Cromer became commander of the Space and Missile Test Organization, Vandenberg Air Force Base, Calif. He was responsible for the management of test, launch and on-orbit control activities of Air Force space and ballistic missile systems. He also was responsible for the Western Space and Missile Center at Vandenberg, the Eastern Space and Missile Center at Patrick Air Force Base, Fla., and the Consolidated Space Test Center at Onizuka Air Force Base, Calif. He assumed his present command in June 1988.

The general's military decorations and awards include the Distinguished Service Medal, Legion of Merit with oak leaf cluster, Meritorious Service Medal with oak leaf cluster, and Joint Service Commendation Medal. He wears the Master Missile and Master Space badges.

He was promoted to lieutenant general July 1, 1988, with same date of rank.

General Cromer is married to the former Barbara Ann Jergens of Colorado Springs, Colo. They have four children: Clay, Colin, Cathleen and Melinda.●

CALIFORNIA'S DRUG-FREE SCHOOLS: WELDON ELEMENTARY AND SIERRA VISTA HIGH

● Mr. SEYMOUR. Mr. President, I ask the Senate to join me today in honoring the American schools which were recently designated as winners in the 1990–91 Drug-Free School Recognition Program.

Two California schools were honored by Secretary of Education Lamar Alexander among the 56 schools nationwide chosen as winners for their efforts to prevent or substantially reduce student alcohol, drug, and tobacco use.

The California schools chosen included Weldon Elementary School in Clovis, CA, and Sierra Vista High School in Dinuba, CA.

The students, faculty, parents, and administration of these two outstanding schools have my congratulations. They will serve as a model for schools throughout California and the Nation making similar attempts to stem the plague of drug and alcohol abuse afflicting our Nation's young people.

I thank my colleagues for joining with me in extending the congratulations of the U.S. Senate to America's drug-free schools.●

ENVIRONMENTAL PROTECTIONS IN ANTARCTICA

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 82, Senate Concurrent Resolution 26, a concurrent resolution calling on the United States to support an Antarctic Treaty.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 26) calling for the United States to support a new agreement among the Antarctic Treaty Consultative Parties which would provide comprehensive environmental protection of Antarctica and would prohibit indefinitely commercial mineral development and related activities in Antarctica.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution which had been reported from the Committee on Foreign Relations with an amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. KERRY. Mr. President, Antarctica plays an important and unique role in our global ecosystem and it must be protected. I rise today to commend my colleagues for passing so quickly this resolution urging the U.S. representatives at the final meeting of the Antarctic Treaty negotiators in June to adopt a new agreement which would ban indefinitely mineral mining activities in Antarctica; conserve and protect permanently the natural environment of Antarctica; grant Antarctica special protective status as a world park dedicated to wilderness protection, international cooperation, and scientific research; and agree to comprehensive measures for the overall protection of the Antarctic environment. I am pleased to note that this resolution enjoys bipartisan support.

Mr. President I want to commend the U.S. negotiators and other representatives from the consultative parties for the excellent tentative agreement they reached 2 weeks ago in Madrid, on a protocol to the Antarctic Treaty on Environmental Protection. On April 30 the Antarctic Treaty nations tentatively agreed to an indefinite prohibition on mineral mining activities unless a consensus of the consultative parties agrees to lift the moratorium after 50 years. In order to ratify lifting the prohibition three-fourths of the consultative parties, including all of the original treaty nations must agree to modify the prohibition. Furthermore, the consultative parties reached agreement on several additional critical issues important to the environmental protection of Antarctica that were embodied in the law Congress passed last year.

It is important that we pass this resolution today and show our support for the quality agreement reached recently in Madrid. The consultative parties will be meeting again in June to officially sanction it. It is my understanding that all of the nations except the United States have agreed to support the tentative agreement worked out in Madrid; and by passing this resolution today Congress in effect is endorsing the agreement reached on April 30.

In passing this resolution we are urging the U.S. negotiating team to follow the directive of Congress last year to provide comprehensive environmental protection of Antarctica and prohibit indefinitely commercial mining development on the continent. These measures, Public Law 101-594 introduced by the late Honorable Silvio Conte and myself and Public Law 101-620 introduced by Senator GORE and Congressman OWENS, direct the United States to pursue an indefinite prohibition on all mineral exploration and development and to reject the Convention on the Regulation of Antarctic Mineral Resource Activities [CRAMRA], because it does not guarantee protection to the fragile Antarctic environment.

What would be more fitting to the memory of our great friend, Sil Conte, than to honor him for his work on the environment by having our negotiators push for the effort Sil Conte worked on tirelessly over the past few years. What is now the law of our land should be the language of the new international treaty on Antarctica.

By passing this resolution we are in effect reminding the administration of the support that exists in Congress for a long-term indefinite ban on mining, and the support for a more comprehensive environmental shield over the continent.

Similar to the agreement reached on April 30, our resolution urges an indefinite ban on mining unless a consensus is reached among the parties to the treaty to modify the treaty in a way that would provide comprehensive environmental protection to the area. There is no doubt in my mind that this is a fair and equitable approach to address the issue.

Mr. President, the Antarctic ecosystem is precious and fragile and it is imperative that we negotiate a treaty that will protect it from any future development which may be hazardous to its long-term health.

Mr. President, Antarctica is precious for many reasons. Chief among them, however, is its near pristine wilderness which serves as a perfect laboratory for studying global warming trends. Many scientists believe that development is likely to cause ice caps to melt, which would not only cause sea levels to rise, but would also reduce the ocean's capacity to absorb carbon dioxide—one of the main greenhouse gases. Altering this ability of our ocean to absorb CO_2, is clearly counterproductive to the findings in the report issued yesterday by the National Academy of Science on global warming trends. If the Antarctic environment gets sullied, we will lose a perfect testing ground for measuring global change and other critical scientific issues.

In closing, Mr. President, let me reiterate my belief that the final meeting in Madrid provides the United States with a great opportunity to take a leadership role in the protection of Antarctica. I urge the negotiators to adopt the strong position which a majority of the other consultative parties have already agreed to and which is the position already reflected in the laws passed by Congress last year.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 26), as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution, as amended, and the preamble, are as follows:

S. CON. RES. 26

Whereas Antarctica, like the great oceans and the atmosphere, is part of the global commons;

Whereas Antarctica is the Earth's last near-pristine continental wilderness and is, thus, a critical area in the study of global change;

Whereas the exploitation of minerals resources in Antarctica could severely degrade the Antarctic environment and threaten its fragile marine ecosystem;

Whereas the Protection Act of 1990 (Public Law 101-594) and Public Law 101-620 call for an indefinite prohibition of all Antarctic minerals activities and for the permanent protection of the Antarctic environment;

Whereas significant progress was made toward achieving these goals at the special consultative meeting of parties to the Antarctic Treaty in November 1990; and

Whereas the upcoming consultative meetings of parties to the Antarctic Treaty provide opportunities for the United States to exercise leadership toward the protection and sound management of Antarctica: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (a) it is the sense of the Congress that Antarctica, as a global ecological commons, should be subject to a new agreement or protocol among the Antarctic Treaty Consultative Parties which would supplement the Antarctic Treaty (signed at Washington on December 1, 1959; 12 UST 795 et seq.) by providing for comprehensive environmental protection of Antarctica and by establishing Antarctica as a region closed, for an indefinite period, to commercial minerals development and related activities, unless a consensus is reached among the parties to the Treaty to modify its terms for such purposes.

(b) Such agreement would also—

(1) conserve and protect permanently the natural environment of Antarctica and its associated and dependent ecosystems;

(2) grant Antarctica special protective status as a world park dedicated to wilderness protection, international cooperation, and scientific research; and

(3) would include other comprehensive measures for the protection of the Antarctic environment.

(c) The prohibition on all minerals activities in Antarctica in such a new agreement would fully support and strengthen the Antarctic Treaty's fundamental objective of keeping Antarctica free of international discord and activities of a military nature.

(d) It is further the sense of the Congress that, at the upcoming special consultative meeting of parties to the Antarctic Treaty, ending June 23, 1991, in Madrid, Spain, the President should support efforts to conclude the international agreement described in subsection (a).

Mr. BAUCUS. I move to reconsider the vote by which the concurrent resolution, as amended, was agreed to and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JESSE OWENS BUILDING OF THE U.S. POSTAL SERVICE

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of H.R. 831 regarding a post office designation in Ohio; that the Senate then proceed to its immediate consideration; that the bill be deemed read three times and passed, and the motion to reconsider be laid upon the table.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LUKE EASTER POST OFFICE

Mr. BAUCUS. Mr. President I ask unanimous consent that the committee on Governmental Affairs be discharged from further consideration of H.R. 971, a bill to designate a Postal Service facility in Cleveland, OH, as the Luke Easter Post Office and that the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 971) to designate the facility of the U.S. Postal Service located at 630 East 105th Street, Cleveland, OH, as the "Luke Easter Post Office".

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 276

Mr. BAUCUS. Mr. President, on behalf of Senator GLENN, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS], for Mr. GLENN, proposes an amendment numbered 276.

Mr. BAUCUS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following:

SEC. . LEAVE BANK FOR JUDICIAL BRANCH EMPLOYEES OF THE FEDERAL GOVERNMENT IN RESERVES WHO WERE ACTIVATED DURING PERSIAN GULF WAR.

(a) JUDICIAL BRANCH EMPLOYEES.—The Director of the Administrative Office of the United States Courts shall establish a leave bank program under which—

(1) an employee of the Judicial Branch may (during a period specified by the Director of the Administrative Office) donate any unused annual leave from the employee's annual leave account to a leave bank established by the Director;

(2) the total amount of annual leave that has been donated under paragraph (1) shall be divided equally among the annual leave accounts of all employees who have been members of the Armed Forces serving on active duty during the Persian Gulf conflict pursuant to an order issued under section 672(a), 672(g), 673, 673b, 674, 675, or 688 of title 10, United States Code, and who return to employment with the Judicial Branch; and

(3) such Persian Gulf conflict participants who have returned to Judicial Branch employment may use such annual leave, after it is credited to their leave accounts, in the same manner as any other annual leave to their credit.

(b) DEFINITIONS.—For purpose of subsection (a), the term "employee" means an employee as defined in section 6301(2) of title 5, United States Code.

(c) DEADLINE FOR REGULATIONS.—Within 30 days after the date of the enactment of this Act, the Director of the Administrative Office shall prescribe regulations necessary for the administration of subsection (a).

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 276) was agreed to.

Mr. BAUCUS. I move to reconsider the vote by which the amendment was agreed to and I also move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. Are there further amendments? If not, without objection, the bill is deemed read the third time and passed.

Mr. BAUCUS. I move to reconsider the vote by which the bill was passed and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATE RESOLUTIONS 121, 132, 129, AND SENATE CONCURRENT RESOLUTION 41

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Senate proceed en bloc to the following Senate Resolutions 121, 132, 129, and Senate Concurrent Resolution 41, just reported by the Foreign Relations Committee; that the committee amendments where appropriate be agreed to; that the resolution be agreed to, and the preambles be agreed to; and that the motions to reconsider be laid upon the table; that any statements relating to these items be printed in the RECORD at the appropriate place, and the consideration of these items appear individually in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The resolutions considered and agreed to are as follows:

BREAKTHROUGHS FOR PEACE IN ANGOLA

The resolution (S. Res. 121) supporting the breakthrough for peace in Angola, and for other purposes, was considered and agreed to.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The resolution, and the preamble as amended, are as follows:

S. RES. 121

Whereas the people of Angola have never enjoyed the right to select their own government through free and fair elections;

Whereas on May 1, 1991, representatives of the Government of the People's Republic of Angola and the National Union for the Total Independence of Angola (UNITA) initialed an agreement establishing a permanent cease-fire in May 1991 and the holding of free and fair elections during the period of September through November 1992;

Whereas the agreement would not have been achieved without the effective mediation of the Government of Portugal and the participation of the governments of the United States and the Soviet Union; and

Whereas it is the bipartisan support of the United States Congress which enabled the President effectively to encourage dialogue and compromise with the Soviet Union, the Government of the People's Republic of Angola, and UNITA: Now, therefore, be it

Resolved, That (a) the Senate supports the historic transition to mulitparty democracy in Angola.

(b) It is the sense of the Senate that such support should continue to be bipartisan and be dedicated to implementing the cease-fire in Angola and ensuring a free and fair election in that country, including—

(1) support for United Nations Peacekeeping Forces, handling of the census, voter education, democratic institution-building, and election monitoring; and

(2) humanitarian support to the civilian population in Angola.

(c) It is further the sense of the Senate that, upon the completion and validation of free and fair elections, the President should, on behalf of the United States, recognize and establish full diplomatic relations with the duly elected Government of Angola.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

COMMENDING HUMANITARIAN RELIEF EFFORTS FOR IRAQI REFUGEES

The resolution (S. Res. 132) commending the humanitarian relief efforts for Iraqi refugees, was considered and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 132

Whereas beginning on March 28, 1991, nearly two million Kurdish and Shia men, women, and children in Iraq fled to their nation's borders in the aftermath of the failed uprising against Saddam Hussein;

Whereas the past policies of Saddam Hussein against the Iraqi people and attacks on the population since the defeat of Iraqi forces instilled terror in the population and led to the largest and swiftest flight of refugess in modern history;

Whereas an estimated 700,000 Kurdish refugees sought safety from Iraqi forces in the mountains along the Turkish-Iraqi border; 1.3 million Kurdish refugees sought safety along the Iranian-Iraqi border; 100,000 Shiites sought refuge along the Iranian-Iraqi border and 25,000 Shiites—who sought refuge along the Kuwaiti-Iraq border have been relocated to Saudi Arabia;

Whereas an unknown number of Iraqis have been displaced internally inside Iraq;

Whereas an estimated 1,000 Kurdish refugees died each day in the early days of the refugee crisis along the Turkish-Iraqi border from exposure, malnutrition, and disease;

Whereas on April 5, 1991, President Bush ordered United States forces to begin providing assistance to the refugees along the Turkish-Iraqi border;

Whereas on April 16, 1991, in response to the overwhelming humanitarian needs of the Kurdish refugees along the Turkish-Iraqi border, President Bush, following consultations with Prime Minister Major of the United Kingdom, President Mitterand of France, President Ozal of Turkey, Chancellor Kohl of Germany, and the United Nations Secretary General Perez de Cuellar, announced a greatly expanded relief effort, named "Operation Provide Comfort", to provide adequate food, medicine, clothing, and shelter to the Kurds living in the mountains along the Turkish-Iraqi border;

Whereas, consistent with United Nations Security Council Resoluton 688 and in conjunction with European nations, the United Nations and international relief organizations, the United States forces established encampments in northern Iraq to provide relief supplies to the refugees;

Whereas "Operation Provide Comfort" saved the lives of more than 20,000 Kurdish refugees in northern Iraq and Turkey by reducing the death rate to less than 10 per day; and

Whereas the performance of the allied forces involved in this effort have accomplished an extraordinary humanitarian relief effort in a brief period of time: Now, therefore be it

Resolved, That (a) The Senate—

(1) commends the United States and allied troops who are participating in Operation Provide Comfort in northern Iraq and Turkey and those who ably assisted thousands of refugees in Kuwait and southern Iraq, and who have demonstrated exceptional dedication, professionalism, and compassion in accomplishing this humanitarian task;

(2) supports the continuation of the benefits enacted by Congress for "Operaton Desert Storm" to the participants of "Operation Provide Comfort" for the duration of that operation;

(b) It is the sense of the Senate that—

(1) the United States and the international community should continue to assist and protect refugees and to support the goal of enabling all the refugees, including those along the Turkish-Iraqi border, the Iranian-Iraqi border, and in Saudi Arabia, to return home with adequate assurances of peace and security;

(2) increased efforts should be made to assist the remaining 900,000 refugees in Iran and the Iranian Government should cease impeding international relief efforts; and

(3) the United States should respond immediately to the United Nations appeal for increased assistance to the refugees.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. SIMPSON. Mr. President, I rise to join my colleague in support of this resolution commending the performance of our military and the other allied forces in providing emergency relief to the Kurdish and Shia refugees who fled the depredations of Saddam Hussein's army.

Operation Provide Comfort has saved the lives of tens of thousands of refugees, and that is something that every participating country can be proud of.

I also want to pay tribute to President Bush for his decisive and resolute action in ordering our forces to provide the lifesaving assistance to the Kurds in the mountains along the Turkish-Iraqi border.

I know that President Bush told our military to determine what could be done to help—not what could be done "if we had the money," but what could be done. Well, what was done was effective, lifesaving and another example of the superb skills, training and ability possessed by our men and women in uniform.

What our troops did was historic. Never before have our military forces taken on a humanitarian assistance task of this scale and under such harsh conditions as existed in the mountains along the Iraqi-Turkish border.

Our forces carried out their duties in Operation Provide Comfort with the same dedication, professionalism and effectiveness that we saw in Operation Desert Storm.

Our troops fought two extraordinary campaigns, and won them both. We are all so proud.

I urge my colleagues to support this resolution which recognizes this fine humanitarian accomplishment of our Armed Forces.

Mr. KENNEDY. Mr. President, yesterday, Senators SIMPSON, DECONCINI and I introduced a resolution to commend the extraordinary humanitarian relief mission of our troops in aiding the Iraqi refugees. The Senate Foreign Relations Committee reported the resolution unanimously earlier today, and I urge my colleagues to join in paying tribute to this historic relief operation.

I am grateful to the chairman of the Senate Foreign Relations Committee for considering this resolution in such an expedited manner. The strong support it received today in the committee underscores the overwhelming appreciation in this body and across the Nation for the lifesaving mission our forces carried out to save Kurds and other refugees fleeing Saddam Hussein's murderous retribution and violence.

Only a month ago, the world watched a massive tragedy unfold, as hundreds of thousands of Iraqi Kurds and Shia fled their homes and villages. Never before in modern times has such a massive and sudden exodus of innocent men, women, and children occurred. Their flight is a chilling testament to the brutal and ruthless regime of Saddam Hussein.

None of us will ever forget the heartwrenching pictures night after night on the evening news of starving Kurds rushing to grab the initial deliveries of relief supplies, or the faces of the dying children, and grief stricken parents. Rather than face Saddam Hussein, the Kurds preferred to face death and disease in the harsh mountains along the Turkish-Iraqi border.

At first, the administration hesitated to come to the assistance of these innocent victims of the war. But the plight of the Kurds touched the conscience of the Nation and the world. On April 16, President Bush ordered the United States to act, and sent troops into northern Iraq in an unprecedented military mission of mercy. Within days, the number of Kurds dying in the mountains dropped from 1,000 a day to less than 50. Today, the rate is less than 10.

This extraordinary effort, Operation Provide Comfort, saved an estimated 20,000 lives, as United States and allied troops provided food, clothing, shelter, and medicine to the Kurds. The only regret is that we did not act sooner and save an even larger number of lives.

In addition, beginning in the early days after the war, the United States, together with the allied forces and international relief agencies, assisted the 40,000 mostly Shia refugees in southern Iraq. In one aspect of that most impressive operation, the United States military airlifted 25,000 Iraqi refugees to a camp in Saudi Arabia. We have now turned over the responsibility of the remaining refugees to the United Nations within a demilitarized military zone along the Iraqi-Kuwait border. The committed men and women involved in this impressive effort deserve recognition for their extraordinary performance and the tremendous success of their operation.

The resolution before us commends these men and women for their skill, courage and dedication. It also urges that the benefits enacted by Congress for Operation Desert Storm be extended to the participants of Operation Provide Comfort for the duration of the relief mission.

Trained for war, our troops demonstrated the outstanding capability and flexibility of our military to adapt to changing circumstances and changing missions. Never before has the military conducted such a massive humanitarian relief effort. And never before have relief efforts been so extraordinarily successful and saved so many lives so quickly.

The resolution also urges the United States and the international community to continue to assist and protect the refugees and to support the goal of enabling all the refugees to return home with adequate assurances of peace and security. The arrival of allied troops in the critical city of Dahuk and the eventual transfer of authority to the United Nations officials provide a needed sense of security for the returning Kurds. That action, coupled with the ongoing autonomy negotiations between the Kurdish leadership and the Iraqi Government, will enable the vast majority of the Kurds along the Turkish-Iraqi border to return home.

But long-term problems persist and the United States has a responsibility to remain engaged in the process of establishing peace and stability throughout Iraq. Secret police remain active throughout the country, even in the allied controlled areas, and threaten and harass the Iraqi people. One million Kurdish and Shia refugees remain along the Iran-Iraq border and another 25,000 Shia remain in the refugee camp in Saudi Arabia. No one knows how many more Iraqis are displaced within Iraq. We must continue to work for conditions that will enable them to return home, too.

Finally, our policy toward Iraq cannot be based solely on the overthrow of Saddam Hussein. Peace and stability will never come to Iraq until all the people of that troubled country have a role in choosing their own leaders. Our current policy of supporting an internal coup within the Ba'ath party structure disenfranchises 80 percent of the population. The Shia, who make up 55 percent of Iraq's people, and the Kurds, who make up another 25 percent, must also participate in governing the nation. The United States must put itself clearly on the side of democracy and human rights in Iraq.

I thank the majority leader for allowing this important resolution to be considered by the Senate, and I urge my colleagues to join in giving the suport of the Senate to this historic relief effort and to our forces who made it all possible.

RECENT PARLIAMENTARY ELECTIONS IN ALBANIA

The resolution (S. Res. 129) regarding the recent parliamentary elections in Albania, was considered and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. Res. 129

Whereas on March 31, 1991 Albania conducted its first open, multiparty parliamentary elections since the 1920's;

Whereas a fair election is a process, not a single event, which includes the formulation of rules governing the election, the conduct of the campaign prior to the actual voting and finally, the voting, tabulation and release of results.

Whereas the Document of the June 1990 Meeting of the Conference on the Human Dimension of the Conference on the Security and Cooperation in Europe (CSCE) states that participating States will "ensure that law and public policy work to permit political campaigning to be conducted in a fair and free atmosphere in which neither administrative action, violence or intimidation bars the parties and the candidates from freely presenting their views and qualifications, or prevents the voters from learning and discussing them or from casting their vote free of fear of retribution";

Whereas although the election itself appeared to have been conducted properly with few reports of fraud, some irregularities were noted such as disparities in the number of registered voters per precinct; and there were credible reports that during the campaign preceding the election some intimidation of voters and harassment of opposition party activities occurred:

Whereas the monopoly over election rulemaking enjoyed by the Communist Party of Labor, in addition to its greater access to government-supplied resources such as transportation, office space and printed material, contributed to the Party of Labor's ability to win over two-thirds of the seats in the new 250-member parliament;

Whereas the opposition did well in the cities, defeating many leading Party of Labor candidates such as President Alia, and Foreign Minister Kapliani;

Whereas the Party of Labor won decisively in rural areas very likely because rural voters had little contact with international observers, had limited access to media coverage of the campaign, feared the effects of agricultural decollectivization, and were conditioned by decades of repression to vote for communist candidates;

Whereas on April 2, when the election results were announced, peaceful opposition demonstrations occurred in the capital city of Tirana as well as in other cities;

Whereas during one of these demonstrations, which the government sought to suppress, in the northern city of Shkoder, four unarmed opposition members, including Arben Broci, a leader of the Democratic Party of Albania were killed, reportedly by Albanian security forces;

Whereas the Albanian people are in dire need of medical and other humanitarian assistance: Now, therefore, be it

Resolved by the Senate, That—

(1) the Senate condemns the use of violence to break up peaceful demonstrations and calls on the government of Albania promptly to complete a full and objective investigation of the April 2 killings in Shkoder, as requested by the Democratic Party of Albania and to deal appropriately with those found responsible;

(2) the Senate regrets that the organization and conduct of the campaign preceding the March 31 election did not permit opposition political parties to compete fairly with the governing Party of Labor;

(3) the Senate commends the President for his decision to re-establish full diplomatic relations with Albania and urges him to utilize this new relationship (a) to encourage a dialogue between the government and the opposition regarding the future of the country and (b) to urge the government to honor its expressed commitments to make political and market-oriented economic reforms and to meet European political and human rights standards;

(4) the Administration should support Albania's application for CSCE membership, provided that Albania unequivocally accepts all of the obligations of the Helsinki Final Act of 1975 and subscribes to the objectives set forth in the Document of the June 1990 Meeting of the Conference on the Human Dimension of the CSCE;

(5) if Albania becomes a CSCE member, the United States should use the CSCE forum to monitor and encourage Albania's compliance with its CSCE obligations;

(6) the United States should be as responsive as possible to Albania's genuine humanitarian needs, which should be addressed through private voluntary organizations;

(7) other economic assistance and economic relations should be directly related to Albania's progress in making political and economic reforms and in improving its human rights performance;

(8) the Administration should encourage and support programs of the National Democratic and Republican Institutes to assist in Albania's democratic development; and

(9) the Voice of America and/or Radio Free Europe should expand Albanian language broadcasting to Albania, and the United States Information Agency should establish a strong information program at the new Embassy in Tirana.

Mr. DOLE. Mr. President, I am pleased to cosponsor this resolution with the distinguished chairman of the Senate Foreign Relations Committee. Senator PELL was an observer of the historic elections in Albania 2 months ago—the first open, multiparty parliamentary elections in over 70 years—and his first hand observations are reflected in this resolution.

Mr. President, many of us in this body never thought we would see the day when the light of democracy would shine on the darkest of Communist states, Albania. And, while there is a long, long way to go, we can say that a few rays of democracy's light are now shining on Albania.

The multiparty parliamentary elections held on March 31 were the first step. Now, as this resolution points out—a fair election is a process—and the evidence shows that as a process, these elections fell short of Western standards. And the primary reason for this is that the Communist Government of Albania had a monopoly over election rulemaking which it utilized—along with its access to means of communicating with the Albanian people—to its great advantage. The effects of the government's monopoly and the opposition's lack of access—were apparent in the election results: the renamed Communist Party—the Party of Labor—won two-thirds of the seats in the Parliament. It is not surprising that the Party of Labor did best in rural areas where there was limited media coverage of the campaign, little information about the alternatives proposed by the opposition, limited contact with international observers, all set against a historical backdrop of repression under forced collectivization.

It is also not surprising that the opposition did well in the cities and even defeated leading labor candidates, including President Alia and his Foreign Minister.

This resolution is important because it lets everyone know that the United States Senate clearly understood the election process in Albania and the events that followed. This resolution is also important because it indicates that the United States is still watching.

On April 2, the day the election results were announced, peaceful opposition demonstrations occurred in the Capital of Tirana and in other cities. The Albanian Government sought to brutally and forcibly suppress these demonstrations—and as a result, four opposition members—all unarmed—were killed by Albanian security forces.

Mr. President, the events of April 2 proved that one election does not a democracy make. And, this resolution condemns the use of violence to break up these peaceful demonstrations.

In addition, this resolution urges that United States economic assistance to Albania, and economic relations between the United States and Albania be directly related to Albania's progress in making political and economic reforms and in improving its human rights performance. The United States should not subsidize repression.

Now, the Government of Albania has made some promises to reform economically, politically, and in the critical area of human rights.

Mr. President, we will be watching to see if the Albanian Government lives up to these promises—for the future of the people of Albania—I sincerely hope it does.

Mr. PELL. Mr. President, we have before us today a resolution that Senator DOLE and I submitted earlier this week regarding the recent elections in Albania.

At the end of March, I traveled to Albania to observe that country's first multiparty parliamentary elections since the 1920's. I concluded that although the voting procedures were orderly and ballot counting took place with a low incidence of fraud or procedural irregularities, there were other severe defects in the election process.

The ruling party possessed a monopoly over election rulemaking, as well as a distinct organizational advantage, through its access to transportation, the media, and party headquarters buildings in virtually every city, town, and village. There also were reports of voter intimidation and harassment, but since international observers were not permitted to enter the country until the last week of the campaign—which also raises questions about election procedures—the extent of this harassment has been difficult to determine.

Moreover, on April 2, when the election results were announced, peaceful opposition demonstrations occurred in several cities throughout Albania. During a demonstration in Shkoder, four unarmed opposition members, including a leader of the Democratic Party, were killed, reportedly by Albanian security forces.

Mr. President, a delegation of the Commission on Security and Cooperation in Europe [CSCE], led by the Commission's chairman, Senator DECONCINI, also observed the Albanian elections. The delegation agreed that "taken as a whole, the Albanian elections cannot be considered free and fair. This does not mean, however, that the irregularities, intimidation, and other problems encountered were necessarily sufficient to invalidate the results * * * the very holding of these multiparty elections was a definite step forward."

Mr. President, the resolution that I am introducing acknowledges both of these facts: That there were disturbing problems with the election, and that the election in itself was an important milestone. Now that Albania has taken this major step forward, I believe that there is much that we in the United States can do to encourage further reform in Albania.

Accordingly, this resolution urges the United States administration, among other things, to support Albania's application for CSCE membership; to encourage and support programs of the National Democratic and Republican Institutes to assist in democratic development; and to establish a strong information program at the new United States Embassy in Tirana. It also calls upon the Albanian Government to complete promptly a full and objective investigation of the April 2 killings.

Mr. President, this week, Dr. Sali Berisha, the chairman of the Democratic Party of Albania, is in Washington. The Albanian Democratic Party, which made a strong showing in urban areas, is the first legal political party in Albania, and is by far the largest and best organized of the opposition groups. Its program espouses privatization, decollectivization, and foreign investment.

Dr. Berisha has also called for a thorough investigation of the April 2 events. I believe that it would be most fitting for the Senate to act upon this resolution while Dr. Berisha is in the United States, and accordingly, I urge my colleagues to support it.

OCCUPATION OF TIBET

The concurrent resolution (S. Con. Res. 41) to express the sense of the Congress that Tibet, including those areas incorporated into the Chinese provinces of Sichuan, Yunnan, Gansu, and Quinghai that have historically been a part of Tibet, is an occupied country under established principles of international law whose true representatives are the Dalai Lama and the Tibetan Government in exile as recognized by the Tibetan people, was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, and the preamble, are as follows:

S. CON. RES. 41

Whereas Tibet has maintained throughout its history a distinctive national, cultural, and religious identity separate from that of China;

Whereas Chinese archival documents and traditional dynastic histories, including those pertaining to periods of Manchu and Mongol rule, never refer to Tibet being made "an integral part" of China;

Whereas several countries, including Mongolia, Bhutan, Nepal, British India, and Czarist Russia recognized Tibet as an independent nation or dealt with Tibet independently of any Chinese government;

Whereas in 1949–50, China launched an armed invasion of Tibet in contravention of international law;

Whereas at the time of the Chinese occupation, Tibet possessed all the attributes of statehood under international law including a defined territory and population, an independent government, and the ability to conduct domestic affairs and independent international relations, as found in 1960 by the International Commission of Jurists;

Whereas it is the policy of the United States to oppose aggression and other illegal uses of force by one country against the sovereignty of another as a manner of acquiring territory, and to condemn violations of international law, including the illegal occupation of one country by another;

Whereas in the 1950's and 1960's, the United States repeatedly condemned what it characterized as China's aggression against Tibet and actively supported the United Nations in both condemning China and calling for Tibet's right to self-determination in General Assembly Resolutions 1353 (1959), 1723 (1961), and 2079 (1965);

Whereas on December 16, 1961, at the United Nations, United States Ambassador Plimpton summarized the official United States' position on Tibet, stating: "The United States believes that our objectives must include the restoration of human rights of the Tibetan people and their natural right of self-determination";

Whereas China's illegal occupation of Tibet continues to this day;

Whereas the United States should not condone aggression by accepting China's claim to sovereignty over Tibet; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that Tibet, including those areas incorporated into the Chinese provinces of Sichuan, Yunnan, Gansu, and Quinghai, is an occupied country under the established principles of international law whose true representatives are the Dalai Lama and the Tibetan government in exile as recognized by the Tibetan people.

ORDER TO PROCEED TO THE CONSIDERATION OF S. 173 AT 3 P.M., MONDAY, JUNE 3, 1991

Mr. BAUCUS. Mr. President, I ask unanimous consent that at 3 p.m., Monday, June 3, the Senate proceed to the consideration of Calendar Order 67, S. 173, a bill to permit the Bell Telephone Cos. to engage in the manufacture of telecommunications equipment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair on behalf of the Vice President, pursuant to the provisions of Public Law 99–93, as amended by Public Law 99–151, appoints the Senator from California [Mr. SEYMOUR], to the U.S. Senate Caucus on International Narcotics Control.

ORDERS

Mr. BAUCUS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m., Friday, May 24; that following the prayer, the Journal of proceedings be approved to date, and the time for the two leaders be reserved for their use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 9 A.M.

Mr. BAUCUS. Mr. President, if there is no further business to come before the Senate today, and if the acting Republican leader has no further business, I now ask unanimous consent that the Senate stand in recess as under the previous order until 9 a.m., Friday, May 24, 1991.

There being no objection, the Senate, at 12:55 a.m., recessed until Friday, May 24, 1991, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate May 23, 1991:

THE JUDICIARY

ANDREW J. KLEINFELD, OF ALASKA, TO THE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT VICE ALFRED T. GOODWIN, RETIRED.

HARVEY E. SCHLESINGER, OF FLORIDA, TO THE U.S. DISTRICT JUDGE FOR THE MIDDLE DISTRICT OF FLORIDA VICE HOWELL W. MELTON, RETIRED.

RALPH W. NIMMONS, JR., OF FLORIDA, TO THE U.S. DISTRICT JUDGE FOR THE MIDDLE DISTRICT OF FLORIDA VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

EXTENSIONS OF REMARKS

THE INTRODUCTION OF THE GENERIC DRUG ENFORCEMENT ACT OF 1991

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. DINGELL. Mr. Speaker, I am proud to introduce with my distinguished colleagues, the Honorable THOMAS J. BLILEY, the ranking Republican member of the Subcommittee on Oversight and Investigation, the Honorable HENRY A. WAXMAN, the chairman of the Subcommittee on Health and Environment, the Honorable NORMAN F. LENT, the ranking Republican member of the Committee on Energy and Commerce and 37 other members of the Committee on Energy and Commerce, the Generic Drug Enforcement Act of 1991.

This bill is designed to be remedial in nature. Its purpose is to protect the integrity of the generic drug approval process, restore consumer confidence in generic drugs and to create a strong deterrent to future misconduct.

As many of you know, the Subcommittee on Oversight and Investigation discovered significant corruption in the Food and Drug Administration's process for approving drugs under abbreviated drug applications. As a result of subsequent probes by the U.S. attorney in Baltimore, the FDA, and the subcommittee, there have been 18 criminal guilty pleas and convictions, scores of products have been recalled or withdrawn, and 5 of the top 10 generic drug firms have been implicated in corruption, fraud, or false statements. This legislation is essential to restore the confidence of the American people in generic drugs and to assure that the Food and Drug Administration [FDA] has sufficient authority to act against those individuals and companies who subvert the generic drug approval process.

The provisions of the enforcement bill will, among other things, establish new procedures designed to ensure the continued integrity of FDA's generic drug approval process.

First, it will protect the future honesty of the system by requiring or permitting the Secretary of the Department of Health and Human Services [HHS] to debar from future generic drug approvals, for at least 1 year, those firms and individuals convicted or materially implicated in bribery, fraud, false statements, or other crimes which undermine FDA approval process.

Second, it will permit the temporary denial of generic drug approvals for up to 18 months, with one possible 18-month extension, where the Secretary determines bribery, fraud, or the like has occurred.

Third, it will grant the Secretary authority to suspend the distribution of drugs of certain companies, unless those companies can prove that some or all of their drugs are untainted.

Fourth, the bill will require the mandatory withdrawal of any generic drug approval illicitly obtained and the permissive withdrawal of approvals where the company has repeatedly failed to live up to its commitments to FDA.

Fifth, it will establish a series of civil penalties for action corrupting the approval process.

Finally, it provides standby investigational authority for the Health and Human Services Inspector General concerning Food and Drug Administration matters, including drug diversion and fraud on the agency.

Undoubtedly, some generic firms will oppose this legislation, particularly those which are or will be the targets of Federal criminal investigations. However, we do expect support from a majority of the honest generic drug firms that recognize the importance of cleansing the industry of those who would corrupt the generic drug approval process.

The rapidly rising cost of drugs is severely taxing the resources of individuals and governmental entities. The American consumer has a right to safe, effective, and low-priced generic drugs. Unscrupulous individuals and, in a few cases, firms, should not be allowed to undermine the public confidence in the industry that provides us with low-cost alternatives to prescription medication. It is essential that we enact legislation that would bar such individuals and firms from further participation in this important business. Therefore, I urge my colleagues to support the Generic Drug Enforcement Act of 1991.

A section-by-section description of the bill follows:

SECTION-BY-SECTION DESCRIPTION OF THE GENERIC DRUG LEGISLATION

Section 1—The title is the "Generic Drug Enforcement Act of 1991."

Section 2—New Section 306 (Debarment) gives the Secretary authority to refuse to accept, review or approve generic drug applications for companies under specified circumstances.

Creates mandatory debarment for firms and/or individuals from involvement in the generic drug approval process for felony criminal convictions in connection with the development or approval of generic drugs. [306(a)]

Creates permissive debarment of firms and/or individuals by the Secretary for (1) a criminal conviction in connection with an activity relating to the development or approval of generic drugs, (2) a criminal conviction for bribery, fraud, or similar crimes, (3) a criminal conviction related to obstruction of justice, (4) being a material participant in such crimes, or (5) knowing use of a debarred person. [306(b)]

Under mandatory debarment individuals will be permanently debarred for federal felony convictions relating to the generic drug review process, and the minimum period for debarment for convicted companies is 1 year. The maximum period is 10 years. Under permissive debarment the maximum period is 5 years. [306(c)]

Debarment may be terminated within 180 days or at end of minimum period upon application to Secretary if the Secretary finds: (A) no basis for its continuation and there are reasonable assurances that actions will not recur; and (B) sufficient audits demonstrate that pending applications are free of fraud or material false statements. [306(d)(3)]

Debarment may be terminated at any time if a company can prove that its conviction was based on conduct of an employee who was not a high managerial agent and who was acting without the knowledge of top officials in the corporation. [306(d)(4)]

The Secretary shall make public a list of debarred individuals and companies. [306(e)]

Permits the Secretary to temporarily withhold a generic drug approval for up to 18 months if he determines that a firm or individual that is under an active Federal criminal investigation, has engaged in (1) bribery or attempted bribery of an HHS employee in connection with a generic drug, or (2) a pattern of false statements or representations relating to any generic drug and (3) a significant question has been raised regarding the integrity of the approval process with respect to such generic drug. This period of denial can be extended for an additional 18 months if the firm has been indicted. [306(f)]

Creates suspension authority covering the distribution of all generic drugs produced by companies under active Federal criminal investigations for corrupting the approval process after a determination that such companies have committed such an offense or that they have repeatedly failed to live up to their commitments to the FDA if such action influences the safety and efficacy of such drugs. [406(g)(1)]

The Secretary can waive suspension on public health grounds. [306(g)(2)]

The suspension order can be withdrawn if (1) the suspended drugs have been satisfactorily audited to assure they meet FDA standards and the person presents evidence of ownership, management, and operational reforms to satisfactorily remedy the pattern of practice of acts causing the suspension or (2) the initial determination was in error. Information submitted to the Secretary shall be made public. [306(h)]

The Secretary may not take any action with respect to debarment, the period of debarment, the termination of debarment, suspension or termination of suspension without providing a full Administration Procedure Act hearing on disputed issues of material fact. The Secretary is provided additional authorities to conduct discovery during these hearings. [306(i)]

Any person that is subject to final decision under this section has a right of judicial review. [306(j)]

Sets forth the definition of "conviction" and applies this section to all acts or convictions which occurred within the 5 years before the initiation of the actions proposed to be taken under this section. [306(k)]

Section 3—Amends Section 507(j) to add to generic drug applications the requirement that the applicant certify it did not and will not use the services of a debarred person in connection with the application.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Section 4—New section 307 (Civil Money Penalties). Creates civil money penalties of up to $250,000 for individuals and $1,000,000 for companies committing certain offenses in connection with generic drugs.

Provides for a list of offenses in connection with generic drugs that trigger penalties: (1) false statements; (2) bribery or gratuity; (3) destruction of records; (4) failure to make obligated disclosure of a material fact; (5) obstruction of an investigation; (6) use of a debarred person; or (7) as a debarred person, subjecting another person to sanction. [307(a)]

Provisions for notice, and hearing and authority for the Secretary to conduct discovery and hold hearings. [307(b)]

Sets forth various considerations the Secretary shall take into account in determining the amount of a civil penalty. [307(b)]

Sets forth a maximum 10-year statute of limitation for civil penalties. [307(b)]

Judicial review provision. [307(c)]

Whistleblower bounty of $250,000 or one-half of penalty imposed and collected, whichever is less. [307(d)]

Section 5—New Section 308 (Withdrawal) Creates explicit authority to withdraw approval of generic drug applications in cases of bribery, fraud, or false statements or for repeated failure to live up to its commitments to FDA.

Provisions for notice and hearings, and authority for the Secretary to conduct discovery and judicial review. [308 (b) and (d)]

This section applies to improper acts regardless of when they occurred. [308(c)]

Section 6—Gives the Inspector General standby investigational authority concerning Food and Drug Administration matters, including drug diversion and fraud on the agency.

Section 7—Sets forth limited sunshine provisions for generic drug applications.

Section 8—Defines the terms "abbreviated drug application," "knowingly" and "high managerial agent."

Section 9—This Act does not preclude existing criminal or civil remedies.

Section 10—Repeals existing Section 305 language requiring notice before the Secretary recommends criminal prosecution for any violation of the Food, Drug and Cosmetic Act.

INTRODUCTION OF THE GENERIC DRUG ENFORCEMENT ACT OF 1991

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. BLILEY. Mr. Speaker, for almost 3 full years the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce, of which I am privileged to serve as the ranking Republican member, has uncovered a series of scandals in the generic drug industry and the Division of Generic Drugs at the Food and Drug Administration [FDA]. I worked hand in hand with Chairman DINGELL on this extensive inquiry, and it is in that spirit that today we introduce the Generic Drug Enforcement Act of 1991. We are joined by the chairman and ranking Republican member of the Subcommittee on Health and the Environment, Mr. WAXMAN and Mr. DANNEMEYER, the ranking Republican member of the Energy and Commerce Committee, Mr. LENT, and 36 other members of the committee.

The record of our subcommittee's generic drug hearings spans well over 1,000 pages of sworn testimony. In it, we have documented payment of illegal gratuities and other forms of corruption involving personnel in the FDA's Division of Generic Drugs and major segments of the generic drug industry who acted illegally to influence the review of pending generic drug applications. While this scandal was bad enough, our continuing probe uncovered a shocking tale of deceit involving a host of generic drug companies which obtained approval for their products through fraudulent tests and false statements. More recently, we have learned that many generic drug companies have a deplorable record in terms of complying with FDA's good manufacturing practices.

The U.S. attorney's office for Maryland, where FDA's headquarters is located, has been vigorously prosecuting generic drug companies and individuals associated with these scandals. Just last week, a former director of research and development for one of the generic drug companies implicated in the scandal pleaded guilty to submitting rigged test results to the FDA. The company's generic version of a widely used antihyper- tension medication was not tested against the brand name product as required by law. Instead, a quantity of the brand name product was disguised as the proposed generic and thus the brand name product was tested against itself. Unsuspecting consumers took over $11 million of the untested generic medication. Similar examples abound.

The guilty pleas entered last week were not an isolated event. This case is part of a continuing investigation, which to date has resulted in convictions of five former FDA employees, nine generic drug company executives, one industry consultant, and four generic drug companies.

During the course of our investigation, we learned, much to our dismay, that FDA lacks sufficient legal authority and resolve to take adequate enforcement action to protect the public health against attack from those who would obtain approval for their products through illegal payments and false statements. Such illegal behavior must be deterred to keep dishonest companies and individuals out of the industry. Thus, the bill we are introducing today, which is based on a similar bill a number of us introduced last year, explicitly provides the Secretary of Health and Human Services with authority to debar companies and individuals who engage in certain criminal activity, as well as temporarily deny new generic drug approvals, impose civil money penalties, suspend distribution of products, and withdraw product approvals when there is evidence that the regulatory process has been tainted.

As was the case with the predecessor bill, H.R. 4810 from the last Congress, the bill we are introducing today is based on the fact that the generic drug industry, unique among the industries regulated by FDA, is a creature of the Congress. The generic drug industry took off after Congress passed legislation in 1984 making it easier to obtain approval of proposed generic versions of brand name drugs whose patent protection has expired. What Congress did not envision when it passed that law is that so many persons associated with the emerging generic drug industry would be so tempted by the economic advantage gained by the first firm to obtain approval of a generic version of a given brand name drug that they would engage in illegal and improper activity to obtain such approvals.

Our consumers deserve the benefit of honest drug price competition, but in a regulatory environment where the generic drug approval process is no longer tainted and the cloud over the entire industry is lifted. Unfortunately, the scandal has affected not only the many firms and individuals who actually engaged in wrongdoing and reaped its rewards, but generic drug firms which did not engage is such behavior.

In conclusion, I am pleased that the differences which prevented passage of this legislation in the last Congress have been resolved. This is a text book example of how Congress should function. On a bipartisan basis, we conducted searching oversight of an important agency, followed the investigative leads thoroughly, developed an extensive factual record, and not only identified the nature of the problems, but crafted legislation to help make certain that these problems do not occur in the future. I look forward to enactment of this legislation without further delay.

RULES OF THE JOINT COMMITTEE ON PRINTING

HON. CHARLIE ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. ROSE. Mr. Speaker, on April 25, 1991, the Joint Committee on Printing held its organizational meeting for the 102d Congress. At that meeting, I had the privilege to be elected chairman, to serve for the next 2 years. The Honorable WENDELL H. FORD of Kentucky, was elected vice chairman.

Mr. Speaker, I look forward to my new duties at the Joint Committee on Printing and working with the other members of the committee who include our colleagues, SAM GEJDENSON, GERALD KLECZKA, PAT ROBERTS, and NEWT GINGRICH, and Senators DENNIS DECONCINI, AL GORE, TED STEVENS, and MARK HATFIELD.

The Joint Committee has already held its first hearing under my chairmanship, which was convened coincident with the organizational meeting. The hearing addressed the question of citizens' access to Government information through the depository library system. I anticipate holding another hearing within the next few weeks concerning the effect of new technologies on the role and activities of the Government Printing Office. It is my intention to have the committee actively pursue many topics that I expect will bring about constructive changes in the way the Government produces and disseminates information products to its citizens. I urge all Members who have thoughts, ideas, or suggestions for improvement in matters under the committee's jurisdiction, to forward them for our consideration.

Finally, Mr. Speaker, at our meeting on April 25, 1991, the Joint Committee adopted its rules for the 102d Congress. In compliance with those rules, I hereby offer them for publication in the CONGRESSIONAL RECORD.

JOINT COMMITTEE ON PRINTING

RULE 1—COMMITTEE RULES

(a) The rules of the Senate and House insofar as they are applicable, shall govern the Committee.

(b) The Committee's rules shall be published in the Congressional Record as soon as possible following the Committee's organizational meeting in each odd-numbered year.

(c) Where these rules require a vote of the members of the Committee, polling of members either in writing or by telephone shall not be permitted to substitute for a vote taken at a Committee meeting, unless the ranking minority member assents to waiver of this requirement.

(d) Proposals for amending Committee rules shall be sent to all members at least one week before final action is taken thereon, unless the amendment is made by unanimous consent.

RULE 2—REGULAR COMMITTEE MEETINGS

(a) The regular meeting date of the Committee shall be the second Wednesday of every month when the House and Senate are in session. A regularly scheduled meeting need not be held if there is no business to be considered and after appropriate notification is made to the ranking minority member. Additional meetings may be called by the chairman as he may deem necessary or at the request of the majority of the members of the Committee.

(b) If the chairman of the Committee is not present at any meeting of the Committee, the vice-chairman or ranking member of the majority party on the Committee who is present shall preside at the meeting.

RULE 3—QUORUM

(a) Five members of the Committee shall constitute a quorum which is required for the purpose of closing meetings, promulgating Committee orders or changing the rules of the Committee.

(b) Three members shall constitute a quorum for purposes of taking testimony and receiving evidence.

RULE 4—PROXIES

(a) Written or telegraphic proxies of Committee members will be received and recorded on any vote taken by the Committee, except at the organization meeting at the beginning of each Congress or for the purpose of creating a quorum.

(b) Proxies will be allowed on any such votes for the purpose of recording a member's position on a question only when the absentee Committee member has been informed of the question and has affirmatively requested that he be recorded.

RULE 5—OPEN AND CLOSED MEETINGS

(a) Each meeting for the transaction of business of the Committee shall be open to the public except when the Committee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public. No such vote shall be required to close a meeting that relates solely to internal budget or personnel matters.

(b) No person other than members of the Committee, and such Congressional staff and other representatives as they may authorize, shall be present in any business session which has been closed to the public.

RULE 6—ALTERNATING CHAIRMANSHIP AND VICE CHAIRMANSHIP BY CONGRESSES

(a) The chairmanship and vice chairmanship of the Committee shall alternate between the House and the Senate by Congresses. The senior member of the minority party in the House of Congress opposite of that of the chairman shall be the ranking minority member of the Committee.

(b) In the event the House and Senate are under different party control, the chairman and vice chairman shall represent the majority party in their respective Houses. When the chairman and vice chairman represent different parties, the vice chairman shall also fulfill the responsibilities of the ranking minority member as prescribed by these rules.

RULE 7—PARLIAMENTARY QUESTIONS

Questions as to the order of business and the procedures of the Committee shall in the first instance be decided by the chairman, subject always to an appeal to the Committee.

RULE 8—HEARINGS: PUBLIC ANNOUNCEMENTS AND WITNESSES

(a) The chairman, in the case of hearings to be conducted by the Committee, shall make public announcement of the date, place and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the Committee determines that there is good cause to begin such hearing at an earlier date. In the latter event, the chairman shall make such public announcement at the earliest possible date. The staff director of the Committee shall promptly notify the Daily Digest of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, all witnesses appearing before the Committee shall file advance written statements of their proposed testimony at least 48 hours in advance of their appearance and their oral testimony shall be limited to brief summaries. Limited insertions or additional germane material will be received for the record, subject to the approval of the chairman.

RULE 9—OFFICIAL HEARING RECORD

(a) An accurate stenographic record shall be kept of all Committee proceedings and actions. Brief supplemental materials when required to clarify the transcript may be inserted in the record subject to the approval of the chairman.

(b) Each member of the Committee shall be provided with a copy of the hearings transcript for the purpose of correcting errors of transcription and grammar, and clarifying questions or remarks. If any other person is authorized by a Committee member to make his corrections, the staff director shall be so notified.

(c) Members who have received unanimous consent to submit written questions to witnesses shall be allowed two days within which to submit these to the staff director for transmission to the witnesses. The record may be held open for a period not to exceed two weeks awaiting the responses by witnesses.

(d) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee. Testimony received in closed hearings shall not be released or included in any report without the approval of the Committee.

RULE 10—WITNESSES FOR COMMITTEE HEARINGS

(a) Selection of witnesses for Committee hearings shall be made by the Committee staff under the direction of the Chairman. A list of proposed witnesses shall be submitted to the members of the Committee for review sufficiently in advance of the hearings to permit suggestions by the Committee members to receive appropriate consideration.

(b) The Chairman shall provide adequate time for questioning of witnesses by all members, including minority members, and the rule of germaneness shall be enforced in all hearings.

(c) Whenever a hearing is conducted by the Committee upon any measure or matter, the minority on the Committee shall be entitled, upon unanimous request to the Chairman before the completion of such hearings, to call witnesses selected by the minority to testify with respect to the measure or matter during at least one day of hearing thereon.

RULE 11—CONFIDENTIAL INFORMATION FURNISHED TO THE COMMITTEE

The information contained in any books, papers or documents furnished to the Committee by any individual, partnership, corporation or other legal entity shall, upon the request of the individual, partnership, corporation or entity furnishing the same, be maintained in strict confidence by the members and staff of the Committee, except that any such information may be released outside of executive session of the Committee if the release thereof is effected in a manner which will not reveal the identity of such individual, partnership, corporation or entity in connection with any pending hearing or as a part of a duly authorized report of the Committee if such release is deemed essential to the performance of the functions of the Committee and is in the public interest.

RULE 12—BROADCASTING OF COMMITTEE HEARINGS

The rule for broadcasting of Committee hearings shall be the same as Rule XI, clause 3, of the Rules of the House of Representatives.

RULE 13—COMMITTEE REPORTS

(a) No Committee report shall be made public or transmitted to the Congress without the approval of a majority of the Committee except when Congress has adjourned: *Provided*, That any member of the Committee may make a report supplementary to or dissenting from the majority report. Such supplementary or dissenting reports should be as brief as possible.

(b) Factual reports by the Committee staff may be printed for distribution to Committee members and the public only upon authorization of the chairman either with the approval of a majority of the Committee or with the consent of the ranking minority member.

RULE 14—CONFIDENTIALITY OF COMMITTEE REPORTS

No summary of a Committee report, prediction of the contents of a report, or statement of conclusions concerning any investigation shall be made by a member of the Committee or by any staff member of the Committee prior to the issuance of a report of the Committee.

RULE 15—COMMITTEE STAFF

(a) The Committee shall have a professional and clerical staff under the supervision of a staff director. Staff operating procedures shall be determined by the staff director, with the approval of the chairman of the Committee, and after notification to the ranking minority member with respect to basic revisions of existing procedures. The staff director, under the general supervision of the chairman, is authorized to deal directly with agencies of the Government and with non-Government groups and individuals on behalf of the Committee.

(b) The chairman and vice chairman, on behalf of their respective bodies of Congress, shall be entitled to designate two senior staff members each. During any Congress in which both Houses are under the control of the same party, the ranking minority member, on behalf of his party, shall be entitled to designate two senior staff members.

(c) All other staff members shall be selected on the basis of their training, experience and attainments, without regard to race, religion, sex, color, age, national origin or political affiliations, and shall serve all members of the Committee in an objective, non-partisan manner.

RULE 16—COMMITTEE CHAIRMAN

The chairman of the Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee. Specifically, the chairman is authorized, during the interim periods between meetings of the Committee, to act on all requests submitted by any executive department, independent agency, temporary or permanent commissions and committees of the Federal Government, the Government Printing Office and any other Federal entity, pursuant to the requirements of applicable Federal law and regulations.

REMARKS ON FLOOR ABOUT PUERTO RICO LANGUAGE LAW ARE CRITICIZED

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. FUSTER. Mr. Speaker, I rise again today in response to some unfortunate and harsh remarks made on the floor yesterday by my colleague from Pennsylvania [Mr. SCHULZE], who again criticized the new language law in Puerto Rico by linking it to section 936 of the Internal Revenue Code. That section of the Tax Code has over the years provided the major impetus for Puerto Rico's rapid economic development.

But the new language law, Mr. Speaker, is nothing more than a reaffirmation of the existing realities in which Spanish is the vernacular of Puerto Rico. As I explained to my colleagues here at some length on April 9, the new law signed into effect by Gov. Rafael Hernandez Colon on April 5 has been incorrectly portrayed by some in the Congress and in the national press as a potentially divisive one between the United States and Puerto Rico. But this new law does not prohibit the use of English in Puerto Rico. It is not an exclusionary law, nor does it purport to adopt impositions and restrictions similar to those favored by groups supporting English only legislation in the United States. We, in Puerto Rico, have made this point clear many times.

Thus, Mr. Speaker, for my colleague from Pennsylvania to say, as he did yesterday, that "While Puerto Rico gladly accepts all kinds of subsidies from the United States Government, it harshly criticizes American culture, customs, and language" is itself gratuitously harsh. My colleague followed that broadside by asserting:

> Given such demeaning treatment of American ways, should the United States continue to subsidize Puerto Rico? For example, section 836 of the Tax Code may provide jobs and growth in Puerto Rico, but it also costs American taxpayers about $2 billion a year. If Gov. Hernandez Colon and Puerto Rico do not want any part of American culture and language, then they certainly do not want any part of American handouts.

Mr. Speaker, I am appalled at such a grossly distorted picture of Puerto Rico and the 3.6 million United States citizens who live there, not to mention the 15,000 valiant men and women of the military from Puerto Rico who put their lives on the line in Operation Desert Storm in the Persian Gulf. Surely, I would not make similar denigrating comments about the residents of Pennsylvania, and I am sure my colleagues from across the land would rise up in unison were such a gratuitous attack was made.

That aside, Mr. Speaker, I once again want to assure my colleagues, as I did on April 10, 1991, that section 936 is not only working well in Puerto Rico but also throughout the Caribbean Basin, with the use of 936 funds. My colleague from Pennsylvania [Mr. SCHULZE], has introduced a bill which would phase out section 936. But the record clearly shows that it is in the best interests of both Puerto Rico and the United States for section 936 to continue. I went to great lengths on April 10 to explain why this is so. In short, Mr. Speaker, section 936, as is the case with other Federal assistance received by Puerto Rico, represents not so much the easy label of handouts as it represents efforts that also serve vital United States interests.

Thus, Mr. Speaker, I exhort my colleagues to examine the record anew about section 936. And I urge them to keep Puerto Rico's new language law in perspective. Your fellow American citizens in Puerto Rico deserve no less.

EXCERPT FROM ECONOMIC STRATEGY INSTITUTE REPORT ON UNITED STATES-MEXICO FREE-TRADE AGREEMENT

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. PEASE. Mr. Speaker, I would like to submit for the RECORD this illustrative excerpt from a report produced by the Economic Strategy Institute on the impact that the proposed United States-Mexico Free-Trade Agreement [FTA] will have on the United States trade balance and on American employment. This report concludes that if the FTA is negotiated according to the administration's current plan, American investment will move to Mexico and United States job losses will total between 400,000 and 900,000, 10 years after the implementation of the agreement.

FREE TRADE WITH MEXICO: THE POTENTIAL ECONOMIC IMPACT

BOTH COUNTRIES MUST BENEFIT

A new economic relationship between the United States and Mexico is of critical importance to both countries. This new relationship must put Mexico on a growth path that will foster rising income, democratization, and political stability.

But, in view of America's stubborn $100 billion trade deficit, relatively low investment levels, and loss of position in major industries and technologies, a deal must also enhance overall United States competitive capabilities and, at a minimum, not increase the U.S. trade deficit.

A LOOK AT THE NUMBERS

Analyses by the International Trade Commission and others indicate that removing all tariff and non-tariff barriers between the two nations would increase U.S. exports to Mexico by $2-9 billion while increasing Mexican exports to the United States by $2-3 billion. These studies estimate that the overall impact on the global U.S. trade deficit would range from −$5 billion to +$8 billion.

However, none of the various analyses have taken into account the long-run dynamic effects of substantially increased foreign investment in Mexico's leading export industries. Yet inducing such investment is the central purpose of the proposed FTA.

The good news: The right deal with Mexico would improve the U.S. trade balance and American competitiveness through a trade strategy aimed at encouraging Mexican exports to third countries and using Mexican exports to the United States to displace imports from "third countries," thus avoiding a structural trade deficit. Our analysis of this scenario indicates that: In 1999, a trade surplus with Mexico and a reduction in the overall U.S. trade deficit declines by $8-9 billion. In 1999 U.S. job gains range from 225,000-264,000.

The bad news: Analysis of the projected effects of export-oriented foreign investment in Mexico from 1992-1999 if the FTA fails to consider the potential for a structural trade deficit indicate the following possible scenarios. In 1999 the overall U.S. trade deficit rises by $15-31 billion. In 1999 job losses range from 400,000 to 900,000.

These figures are in line with the experience of other countries such as Korea, Taiwan, and Thailand in their rapid development phases, and are based on Mexico's current investment objectives.

A free trade arrangement with Mexico is imperative. But we must make the right deal!

THE FAST-TRACK STAKES

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. OXLEY. Mr. Speaker, I recommend the following editorial from today's Wall Street Journal for the Members' attention regarding the fast-track authority. It represents an enlightened view of the current debate on fast track.

The editorial follows:

THE FAST-TRACK STAKES

Today and perhaps tomorrow both Houses of Congress are scheduled to take the key vote on free-trade negotiations with Mexico.

There has been an extensive debate on the issue, but it has centered on the economic interests involved. It has never really clarified the enormous stakes involved for foreign policy and the North American destiny.

Technically, the House and Senate will be voting on the extension of the President's "fast-track" negotiating authority. Under this procedure the President can submit a trade pact for something close to an up-or-down congressional vote; he can promise his partners that he has the power to negotiate; Congress will be consulted as negotiations proceed, but individual points will not be subject to last-minute niggling at the Capitol. This procedure has been used in typical GATT negotiations and in the landmark free-trade agreement with Canada. Today's vote also applies to the Uruguay round of GATT, but anyone who's awake knows the big issue is Mexico. That is why some 75 Members of the House remain undeclared, and the issue remains in doubt.

So perhaps it's appropriate to state a few facts of simple geography: (1) We share a 2,000-mile border with Mexico. (2) Mexico is a nation of some 90 million people. (3) Mexico has vast resources, particularly of oil and gas. (4) The relationship between the U.S. and Mexico is a permanent one, for better or for worse.

In that relationship, we are at a moment of unparalleled opportunity. Mexico has abandoned its traditional economic policy of prickly autarky, and also its traditional anti-gringo political rhetoric. President Carlos Salinas stands solidly for a free-enterprise opening, and also for friendship and cooperation with the U.S. It is all the more impressive in terms of the old seesaw dynamics of Mexican politics, that in doing this he builds on a foundation laid by his predecessor, Miguel de la Madrid. Polls in Mexico show the prospect of free trade is overwhelmingly popular.

The Congress votes now on whether to reward this new attitude, or whether to slap our neighbor in the face. If the latter, Congress would increase the chances of a reversion in Mexican politics. The "dinosaurs," as they are called in Mexico, are quite happy with a system in which a proportionally small, protected elite benefits from privilege denied the majority. These include members of the bureaucracy, the protected business sector, the government-affiliated unions and, of course, traditionalists within the PRI. The membership and politics of this grouping go a long way toward explaining the nature of the U.S. coalitions opposing the agreement. Or why a Senator such as Chris Dodd was reportedly preparing yesterday to vote against.

Failure to pass would also lose the real opportunity of joint economic development. States in the American Southwest, such as Arizona, have already recognized the potential benefits of doing business with a large and serious developing nation. It would be acutely unsettling for the U.S.'s own prospects to discover that Congress cannot recognize the fundamental legitimacy of this globalizing process.

The organized opposition to the agreement in the U.S. is itself revealing on this point. From the outset it has consisted of unions, "consumer" groups and environmentalists. Anything that can attract the simultaneous opposition of the AFL-CIO, Ralph Nader's Public Citizen and Greenpeace is almost by definition an engine of progress. As in other areas of public policy, the word "reactionary" is being reclaimed by the American left, which is fully prepared to consign Mexicans to poverty rather than concede the wealth-creating potential of private markets for their goods and services. The coalition's position has been revealed as so economically and morally unattractive that it isn't surprising that it could find support only in certain corners of Washington.

A public issue does not often present itself with such clarity: It would be a calamity if the fast-track to these trade negotiations were rejected, but it would be an enormous opportunity if it is approved. There are a great many intelligent, hard-working people in the United States, Mexico and Canada who are prepared to take risks and make investments so that the peoples of their nations have the means to share with each other the benefits of economic progress through the next century. Rather than retard progress, the Members of Congress should show by their votes today that they too wish to contribute to the vitality of the American future.

THE 50TH ANNIVERSARY OF PARKVIEW PRESBYTERIAN CHURCH

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MATSUI. Mr. Speaker, I am honored to rise today to bring to my colleague's attention an important anniversary in the Sacramento Japanese community. Today marks the 50th year that the Parkview Presbyterian Church has been located at its current address.

Parkview is a small ethnic church which was established in 1912 by a small band of Japanese pioneers. The church, which was originally called the Japanese Mission with its minister, Rev. Yasukazu Koga, finished construction of the existing building in 1941. It was dedicated May 25 of that year. However, the happiness of the church members was put on hold later that year when President Roosevelt signed the fateful Executive Order 9066 which resulted in the uprooting and scattering of most of the Japanese citizens located on the west coast.

After World War II, the remaining evacuee families under the leadership of Rev. Isamu Nakamura returned to the church and began to rebuild the church and their lives with dignity and through their faith.

Since then, the church has done very well. With a current membership of 190, and a new minister since 1984 Rev. Kazuo Masuno, the church has become very active in the community. The members participate in charity events such as the "Walk for Hunger," and currently are involved in the Heifer Project International.

Mr. Speaker, I know that my colleagues join me now in congratulating the Parkview Presbyterian Church leadership and members on their tremendous accomplishment and wish them continued success in the future.

SAMUEL EISENBERG: A TRUE SERVANT OF HIS COMMUNITY

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mrs. LOWEY of New York. Mr. Speaker, I rise today to pay tribute to my good friend Samuel Eisenberg. His dedication to pursuing the ideal of community service is truly worthy of admiration and emulation.

Sam Eisenberg is a leading supporter of the important endeavors of the Westchester Jewish community. A partner in the law firm of Kurzman & Eisenberg, Sam served as city court judge of Mount Vernon for several years. He is the immediate past president and honorary president of the Westchester Jewish Conference, and has served as president of the Mount Vernon Jewish Community Council, president of the Emmanuel Jewish Center, chairman of the Mount Vernon Holocaust Committee and president and honorary president of Westchester Day School. He has also served on the board of directors of the Southern Westchester YM–YWCA and has been involved with UJA-Federation for more than two decades.

Sam's community involvement is not limited to the Jewish community. In addition to his position on the Mount Vernon City Court, he is vice chairman of the Mount Vernon High School Scholarship Fund and former chairman of the Mount Vernon Zoning Board of Appeals. His service as city judge has been exemplary, and his wise counsel has been invaluable to his community.

This week, Sam is being honored by the business division of the United Jewish Appeal. This is an award that is richly deserved, and one that has been earned through hard work in behalf of causes important to all of us. I am sure that all of my colleagues join me in giving Samuel Eisenberg our most heartfelt congratulations.

SOCIAL SECURITY EARNINGS LIMIT

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. PALLONE. Mr. Speaker, I rise today to speak about the Social Security earnings limit, an archaic regulation which not only discourages our Nation's seniors from being independent, but is economically disadvantageous for our country. This year, seniors age 65–69 will be able to earn only $9,720 before they are penalized for working. Above and beyond this amount, they will lose $1 in benefits for every $3 earned. How can a nation built upon the American dream of rags to riches, blatantly discourage diligence and hard work? How can we continue to tell the elderly that we no longer value their knowledge and productivity—their contributions to society?

In addition to the fact that the Social Security earnings limit is obviously unfair to seniors, it is also a detriment to the economy. As our seniors begin to leave the work force in large numbers, fewer and fewer workers are taking their place. By the end of the 1990's there will be 1.5 million fewer workers entering the work force between the ages of 16 and 24. Gone will be the experience, the expertise, the dependability of the older worker. The Government will pay out more in Social Security and as the size of the labor force dwindles, businesses will spend increasing amounts of money to train new and inexperienced employees. So you see, the Social Security earnings limit is a no win situation.

I would like to read you a letter from one of my constituents in New Jersey. It highlights some of my concerns and those of my colleagues:

* * * I am 66 years old, retired and on social security. I have just finished my 1990 tax return which included $9,360 of consulting income; the minimum allowed before losing part of my tax-free Social Security payment.

The fee was earned preparing a business plan for a small business as part of a loan application. Shortly after completing the project, I was approached by another small business to do the same. After calculating the additional State, Federal, self-employment Social Security taxes, and lost Social Security payment, I declined. I later learned that someone else prepared the plan at more than twice my fee. I also learned that this plan was not as complete as mine and the small business owner was unhappy.

The point of this is not an endorsement of my skills. Rather another example of how tax and social legislation inhibits others like myself from contributing to the business health of our country * * *

Older Americans deserve independence, dignity, and the opportunity to remain part of our work force. I support H.R. 967, Mr. HASTERT's bill to repeal the Social Security earnings test. Our Nation's seniors deserve it, and the economy demands it.

THE ICEMEN COMETH

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MICHEL. Mr. Speaker, the Peoria Rivermen hockey team has skated to victory, frozen opponents in their tracks, and iced the Fort Wayne Komets. In other words, the Peoria Rivermen hockey team are the champions of the International Hockey League and recipients of the esteemed Turner Cup.

And that's not all. The Rivermen tied an all-time league record of 58 regular season wins, a league point title, and the west division championship.

These feats were accomplished with skill, agility, talent, and a whole lot of hometown support. In fact, more than 300,000 fans cheered them on to victory, which, according to the Journal Star, made it the most-watched team in Peoria sports history.

My congratulations go out to all those on the team, Rivermen owner Bruce Saurs, Rivermen coach Bob Plager, and the many others who made this victory possible.

I count myself among the many Rivermen fans who look forward to breaking another record next season—the Peoria Rivermen as International Hockey League champions 2 years in a row.

Mr. Speaker, at this point in the RECORD, I wish to insert "Peoria Cheers IHL Champs," which appeared in the Journal Star on Wednesday, May 22, 1991.

PEORIA CHEERS IHL CHAMPS

(By Dave Eminian)

One of the greatest seasons in Peoria sports history came to a parade rest Tuesday on downtown Peoria streets packed with rank-and-file hockey fans.

The Peoria Rivermen, champions of the International Hockey League, said goodbye to a community that had come out to see it in record numbers during the season—more than 300,000 in 1991-92—making it the most-watched team in Peoria sports history.

"This is for you," said team captain Dave Thomlinson, lifting the Turner Cup high over his head in a tribute to a crowd that had overflowed into Main Street in front of the Peoria County Courthouse between Jefferson and Adams.

This had been a season of incredible deeds—an all-time league record-tying 58 regular-season wins, an all-time pro hockey record 18 consecutive victories, a West Division championship, a league point title and, finally, a postseason ride that finished with a Turner Cup celebration.

Despite a weather forecast that included thunderstorms, the only reign over this parade belonged to the Rivermen.

"I've decided to extend our stay," said Rivermen owner Bruce Saurs, talking about his club's lease with the Peoria Civic Center. "We're going into the final year of our deal, but I am going to exercise an option for three more years."

Saurs confessed that a local group pressured him to sell the team a month ago, but he turned the offer down.

Down on the street, the friendly mob called for Saurs to run for mayor.

"I'm not running for mayor—I have a hockey team to run," Saurs laughed. "I'm not selling. I'll never sell now. I'm 64, and this is the greatest thing that's ever happened to me.

"Hockey in Peoria is going to go way beyond my lifetime now."

Maybe forever?

Rivermen coach Bob Plager, a man who shaped this championship team in his own image, stepped to a podium in front of the courthouse and nearly began to cry when he saw a sign in the crowd that read: "Memories are forever."

"It was a team of destiny," Plager said. "I looked at that sign, and it just really got to me, the streak, all the things we've gone through this season."

The crowd chanted as local dignitaries made presentations.

"We're here to stay," City Councilman Leonard Unes said. "A lot of major-league teams would kill to have us as a market now."

Plager, traveling in a lead car with Saurs and Blues assistant coach Wayne Thomas, special assistant Paul MacLean and Rivermen general manager Denis Cyr, preceded the players' firetruck. Mark and Cindy Hunt of Henry had the traditional Carver Arena fog horn in tow as well.

Construction workers across the street had stopped to watch, too. High up, one of them shouted "Why don't you stay, Bob?"

Plager hasn't yet decided if he'll return next season as coach.

"I was only supposed to be in Peoria temporarily. I was gone," Plager said. "But then the streak happened, and well, this team just wouldn't let me leave. And now this."

"Just to be a part of this is humbling," Saurs said. "It gets to you."

CONGRATULATIONS KARI KOZUKI

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MATSUI. Mr. Speaker, it gives me great pleasure to rise to congratulate Kari Kozuki, who has been awarded the Matsuye Okada Memorial Scholarship offered by the Central California District Council of the Japanese American Citizens League Scholarship Program.

The Japanese-American Citizens League has long rendered vital and viable public services to its membership and constituencies and to the public and Nation at large. As you know, the JACL was a leading force in providing redress to Japanese-Americans interned during World War II and it continues to be a prominent player in the total and nonviolent victory over discrimination. It says a great deal about Kari Kozuki that the JACL should select her from among many deserving young people for this prestigious scholarship.

Kari is currently a senior at Reedley High School and plans to continue her studies in child psychology at the University of California next year. She has a strong interest in the special needs of our Nation's children and believes that, because of their position in society and their inability to seek help for themselves, children's needs are often overlooked. I have no doubt that Kari Kozuki will be as effective in addressing the problems facing our Nation's children as she has been in her efforts to date.

Mr. Speaker, I ask that my colleagues join me in saluting this truly exceptional individual on what I am sure will be just one out of a lifetime of achievements.

SAUL AND FRAN SINGER: PARTNERSHIP FOR THE COMMUNITY

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mrs. LOWEY of New York. Mr. Speaker, One of my goals as a Member of this House has been to promote partnerships that bring all sectors of our society together to promote the common good and to leave a better America for our children. We all have a very fundamental responsibility to the communities in which we live. That concept is well understood in Westchester County, where it is exemplified by the United Jewish Appeal's business leadership division and by the honorees at their annual luncheon, Saul and Fran Singer.

The Singers are business people whose definition of success includes service to their community and vigorous support for the values they cherish. Fran is the president of Robinson Oil Corp., but she also finds time to serve as president of the Greenburgh Hebrew Center Sisterhood, as well as vice chair of the Westchester Conference on Soviet Jewry. She is also an active and concerned member of Hadassah and of the Golda Meir B'nai B'rith chapter.

Saul's accomplishments in both business and community service, are impressive as well. He is the chief executive officer of the Singer Corp. and the president of Original Consumer Oil & Heating. In addition, he serves as co-chair of the UJA/Federation major gifts division and chairman of the Greenburgh Hebrew Center's renovation campaign. He is the president-elect of the Westchester Jewish Conference, and serves on the board of governors of Ben Gurion University. Previously, Saul has served as campaign chair for State of Israel bonds and as vice president of the greater New York Conference on Soviet Jewry.

Saul and Fran have also been successful partners in raising their family. The Singers' three sons—Michael, David, and Daniel—have all embarked on successful careers of their own. All three studied in Israel and share their parents' deep commitment to maintaining a strong and vital Jewish community. They will share the honor which their parents are receiving this week.

I offer the Singer family my warmest congratulations, and I offer them to this House as models of successful partnership.

SUMMARY OF ECONOMIC POLICY INSTITUTE REPORT ON UNITED STATES-MEXICO FREE-TRADE AGREEMENT

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. PEASE. Mr. Speaker, I would like to submit for the RECORD this statement by the economist Jeff Faux summarizing the conclusions reached by the Economic Policy Institute in its recent study on the United States-Mexico Free-Trade Agreement [FTA]. This report emphasizes the potential for job losses in the United States totaling 550,000 during the 10 years following implementation of the agreement.

The statement follows:

STATEMENT OF JEFF FAUX

1. The potential economic losses of the administration's proposed United States-Mexico trade agreement far outweigh the potential gains. Putting the agreement on fast-track risks a major economic policy blunder, possibly on the order of the savings and loan disaster, the risks are:

Substantial job loss for U.S. workers:

Vulnerability of U.S. financial institutions to a future economic crisis in Mexico that could well result in demands for a U.S. bail out of the Mexican economy.

2. The trade agreement proposed by the administration will result in a net loss of jobs and incomes for U.S. workers. This is because the capacity of the Mexican economy to produce products now made in the United States and export them back here is far greater than its capacity to import U.S. goods. The attraction of Mexico for U.S. business is not Mexico's small market, but its large labor force willing to work for low wages in unregulated and unsafe work sites.

3. The studies cited by President Bush in his May 1, 1991 response to the Congress do not support his statement that "economic studies show that a free trade agreement would create jobs and promote growth in the United States." The studies, which were produced by proponents of the FTA, show only insignificant gains under unrealistically optimistic assumptions. The most optimistic report shows a gain of 64,000 jobs over 10 years under the assumption that there will be no shift in investment from the United States to Mexico.

4. Making the more realistic, but still conservative, assumption of a slight shift in investment because of an FTA results in a projection of a loss of 550,000 U.S. jobs.

6. The administration's May 1 submission claims that U.S. exports to Mexico since 1986 prove that the FTA will substantially increase U.S. jobs. The administration's own study [ITC] reports that this is unlikely because trade has already been liberalized with the "U.S. will probably obtain most of these benefits without an FTA." (p. 2-3)

6. The overwhelming majority of U.S. workers who lose their jobs to import competition are re-employed at much lower wages—when they are re-employed at all.

7. It is misleading to compare the United States-Mexico Trade Agreement with the entrance of Spain and Portugal into the European Community, United States-Mexico wage gaps are much greater. Mexico has a larger population, and the European Community has retraining, safety net and subsidy programs unknown in the United States.

8. The statement of the May 1 response that "the administration is firmly committed to a worker adjustment program that is adequately funded" cannot be taken seriously. The Reagan-Bush administrations have cut trade adjustment assistance from $1.6 billion in 1980 to $270 million (budget authority) in 1991 and have consistently tried to eliminate it. Moreover, the administration has no intention of putting any increase outside the current budget agreement, which means that any expanded adjustment program will have to come at the expense of other hard-hit domestic programs.

9. The long-term impact of the U.S. economy will be to encourage U.S. producers to seek low-wage solutions to the problems of international competition, rather than to invest in productivity improvement and technological innovation.

10. Promises that Mexico will strengthen environmental and worker protection are unreliable, such protections are made effective by strong institutions—the judiciary, environmental, and labor groups—independent of Government. These do not exist in Mexico today.

11. Mexico's primary economic problem is not trade, but debt. The administration's proposal is an effort to have United States workers pay with their jobs and incomes for the bad loans made to Mexico by first world banks and international lenders.

12. Mexico's economic crisis will not be solved by the FTA. The country is vulnerable to small increases in interest rates and any decline in oil prices. An FTA will encourage United States financial institutions to buy up Mexican assets, making their balance sheets vulnerable to Mexican economic and political instability. Another crisis (E.G., a sharp devaluation of the peso) could raise demands for the U.S. Treasury (i.e., the taxpayer) to bail out the Mexican economy in order to prevent a banking collapse in the United States.

13. North American economic cooperation and integration is a worthy goal. But it needs a much broader and carefully thought through framework. This should include:

Debt relief for Mexico;

A plan to reverse capital flight from Mexico;

Harmonization of labor and environmental protection practices;

Political liberalization in Mexico;

Policies to assure the successful adjustment of U.S. workers, industries and communities.

14. A more comprehensive approach cannot be accomplished on a fast track because the administration is not interested in it. Therefore, only a rejection of fast track will convince both Washington and Mexico City to design an economic package that benefits both sides of the border.

15. Objections that the Mexican Government would refuse to negotiate without fast track are not credible, given the apparent political benefits to the Salinas administration.

INTRODUCTION OF AMERICA 2000, THE EXCELLENCE IN EDUCATION ACT OF 1991

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. GOODLING. Mr. Speaker, I am pleased to join several of my colleagues in introducing the President's education initiative, America 2000, today. I believe that the President has correctly identified education as one of the most pressing problems facing our country and shown great leadership with this legislation.

In 1990, the President and Governors adopted six very ambitious national education goals. After a great deal of discussion and scrutiny, I believe it is fair to say that America has accepted these goals as its own. The question is, "How do we get from here to there?" The Excellence in Education Act represents what the President and Secretary Alexander feel are important first steps on this long, difficult journey to achieve the goals.

Let me briefly mention some of the highlights of this legislation. It includes:

The creation of a new generation of schools that would break the current mold and allow communities to create schools that meet their students' needs;

Federal support to local school districts to expand and initiate schools of choice, where parents could select between public and private schools;

Governors' academies for teachers and administrators in each State that would provide training to improve the skills of current school professionals; and

Merit School Awards to schools that have shown substantial progress toward meeting the national goals.

These initiatives are in the best tradition of the Federal Government supporting research and development of new educational approaches.

Some of the provisions of America 2000 are sure to raise many questions and concerns. The Committee on Education and Labor will be moving promptly to hold hearings on this legislation and I expect a lively debate. I have spoken before about my concerns regarding school choice and the creation of national education standards and national examinations. However, it is my hope that we can form a consensus about components of this legislative package and move expeditiously to enact them into law.

There is no room for partisanship when it comes to education. The stakes are too high and the need for improvement too great. There is room, however, for differences of opinion and I look forward to a frank, open debate on the merits of these proposals and other ideas Members of the House might have that would complement America 2000.

I hope every Member will join me in this important dialog and become a cosponsor of the Excellence in Education Act. Thank you.

PROBLEMS FACED BY URBAN BLACK MEN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. STOKES. Mr. Speaker, I commend to my colleagues and to every corporate executive in the United States the forthright, eloquent testimony delivered by former Secretary of the Army and EEOC Chair Clifford L. Alexander before the Senate Banking Committee on the problems faced by urban black men.

Secretary Alexander's remarks are clear and direct. His admonitions and suggestions apply to every individual, institution, and industry responsible for the intolerable conditions faced by so many black men. Cleveland's black jobless rate is the highest of any big city so this testimony is particularly important to me and my constituents. Mr. Alexander's remarks offer both explanation and solutions to one of this Nation's most pressing problems. The May 21, 1991, testimony follows:

TESTIMONY BY CLIFFORD L. ALEXANDER

Your hearings earlier this year focused on the problems that black males face today in the United States of America. Since that time, a new urban institute report has underlined the magnitude of the problem. That report shows that equally qualified white and black young men had totally unequal experiences when they applied for jobs. In fact, the white men received three times as many offers as fully-qualified black men. This exposes the problems we must face today.

You asked that my testimony today focus on solutions. In order to find these solutions you and all Americans who are interested in constructive change should look at the reasons that these problems exist for black males in America in 1991.

First and foremost, this statement is about what you as white people think about us. White America continues to paint pictures of black America that determine our opportunities. You see us as less than you are. You think that we are not as smart, not as energetic, not as well-suited to supervise you as you are to supervise us, that we are looking for something extra—a government program that gives us something we do not deserve. You think that our sons and daughters are taking the places in colleges that if the world were only fair would go to your white children instead. And yes, if you see a black man, you think that you had better cross the street before something bad happens to you. These are the ways you perceive us, and your perceptions are negative. They are fed by motion pictures, ad agencies, newspeople, and television. If you want to show clean, brave, and reverent—color it white. If it is shiftless, crime ridden, and over-crowded—color that black. Creative white America has fed us those negative stereotypes since the days of the "Step'n Fetchit" movies, and Jesse Helm's political advertisements perpetuate these insults today.

This is about what you think about us. When you were young, the racial stereotypes projected by ad agencies, decades of movies and television told you—and they still tell your children today—that we are less than you. Because of the negative perceptions that you have accepted about black men, when you decide where to live or whom to hire, those black men become the people whom you most want to avoid.

White men and women can develop the solutions, therefore it is somewhat ironic that I am speaking about this issue today in the most prestigious segregated body in America—the United States Senate.

Black men can only nibble at the edges of power in America. Yes, we are better off than we were 30 years ago. But then so are you. The economic relationship between black and white is the same as it was in the early 1960's. A black family still earns only $57 to every white family's $100—about the same as they did in 1961. We can eat in most restaurants, play golf at some private clubs, and attend the best schools—albeit in small numbers. Yes, we are only nibbling at the edges—and you are the reason why.

During my lifetime no black person will join your exclusive Senate club, run a Fortune 500 company, be president of NBC, CBS, CNN, or ABC. No black person will become president of an Ivy League school, or be head of the Kennedy Center. You are determined to reserve those powerful positions for your own kind. Yes, we nibble at the edges while you enjoy hearty meals.

Now what can you as individuals or as a body do to make this country a place of true opportunity for black men—and women too?

First, you can set a good example. Whenever you are invited to a meeting, inquire whether the luncheon club or country club where it is to be held discriminates against Jews, Latinos, Asians, blacks or women. It if does discriminate, do not attend the meeting, and tell the person who issued the invitation why you have declined. If we are good enough to die for America in the Persian Gulf, you should be good enough to discourage the bigots who keep us out of those clubs where so many major decisions are made right here at home.

Continue to examine legislation that is intended to promote fairness in the workplace. The laws now rely far too much on the Federal courts and not nearly enough on speedy administrative remedies to correct acts of employment discrimination. Remember that the answers to these problems lie within white America. You are just as creative as we are. Don't always look to your black experts, but give the issues some thought yourselves. Then devise an action plan.

Remember, each of you has an excellent public forum here in America from which you can address the unfair negative perceptions about blacks. I know that you have given the so-called black speech at Urban League dinners. But your time would be far better spent giving a speech on equal employment opportunity to the Economic Club of Detroit or Dallas.

Each of you should also look at your own personal staff. Are all of those who now hold positions of authority white men who look, walk, and talk like you? Are you setting the proper example for the rest of America? Do you have minority men and women who work on a variety of issues ranging from agriculture to defense, or do they only plan your infrequent meetings with black leaders?

Encourage black businesses. When I was Secretary of the Army, minority business with the Department of the Army increased over 4 years from 98 million to $1 billion. The entire Government needs to make that kind of advancement. The Department of Defense, however, has ignored your own legislative mandate regarding minority businesses. Do you accept this failure because it concerns minority business? I certainly hope not.

You should remember that we all need to recognize the reasons that we have these problems before we can develop programmatic solutions. When I was Chairman of the Equal Employment Opportunity Commission more than 20 years ago, our studies determined that at least 75 percent of the time, plain old prejudice was the reasons that black men and women received lesser job opportunities and fewer promotions. Today's studies show the same thing. You must face your prejudices. White America must reeducate itself—and then move on from there. You should spend days, weeks, even months of your time addressing those prejudices and setting out ways to correct both misperceptions and inequalities. White America needs to turn sweet talk into fast action. It is up to you.

THE SOVIET THREAT TO ARMENIA'S DEMOCRATIC FUTURE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. LANTOS. Mr. Speaker, as the Republic of Armenia makes strides toward democracy, the Soviet Union places obstacles in its path. In recent weeks, Soviet tactics to hinder Armenia's democratic movement have turned ugly.

Since last August, when popular and democratic forces in the republic emerged victorious in a referendum on independence, Armenia has been making great headway in the direction of democracy. In that time, a multiparty political system has been introduced; privatization of industry and commerce is underway; universal standards of human and civil rights, and freedom of expression, religion, and political affiliation have been adopted.

Importantly, Armenia is the only Soviet republic whose drive for sovereignty proceeds within the framework for secession spelled out in the Soviet Constitution. It would seem, however, that these remarkable developments are too much for the Soviet hardliners to bear.

On April 29, the Soviet Army, adroitly manipulating the ethnic tension between Armenians and Azerbaijanis, began its violent military campaign against the Armenians. Armenian villages have been shelled and their inhabitants deported. Brutal tactics, like summary execution and torture, have been employed.

By resorting to military action, the Soviet Union has dealt a serious blow to Armenia's democratic movement. The stability of the entire region is threatened as well.

Mr. Speaker, an article by the President of the Republic of Armenia, Levon Ter-Petrosian, appears in today's Washington Post. It is an excellent chronicle of Armenia's democratic struggle and of the Soviet Union's deplorable response. I ask that it be entered into today's RECORD and I urge my colleagues to give it serious and thoughtful attention:

ARMENIA EMERGING

(By Levon Ter-Petrosian)

YEREVAN, ARMENIA.—On April 29 subdivisions of the Soviet army and Azerbaijani interior ministries began shelling Armenian villages in Azerbaijan and then gradually expanded their military operations to villages inside Armenia. These operations ended with the forced deportation of Armenians in Getashen and Martunashen, as well as villages adjacent to and in Nagorno-Karabakh. Since then there have been more than 50 deaths and thousands of people deported. Many villages have been evacuated.

Last January the world witnessed another Soviet exercise in the use of military power, when the people of Lithuania dared think of themselves as an independent nation. At that time I was sent to Vilnius on behalf of the U.S.S.R. Federation Council to ascertain the facts and find ways of ending the violence. Pointing out the illegality of the military operations and the reaction of the international community helped bring that carnage to an end.

Moscow avoided its mistake in Lithuania by acting under the cover of a July 1990 presidential order to disarm civilians and by designating Armenian militiamen as "armed bandits." The Soviet government has yet to present a convincing case for the use of its brutal force. Last August and September, the newly elected democratic government was able to disarm peacefully all self-proclaimed and unruly armed elements without the help of Moscow. It was able to confiscate six times more weapons than the full force of the Soviet army did recently.

Armenia has instituted self-defense units as part of the regular militia under the republic's legal authorities. Their size and importance have been exaggerated in Soviet and Azerbaijani reports. Yet some expansion of the militia was necessary to ensure the defense of the population in border areas and to see that local incidents do not produce large-scale confrontations.

Soviet policy decisions and large military operations could not have been implemented without the knowledge and approval of Mikhail Gorbachev himself.

Since the victory of popular and democratic forces last August, Armenia's parliament has introduced a multiparty political system, distributed land to the peasants, initiated privatization of commerce and industry, adopted international conventions on human, civil and political rights, and accepted universal standards of freedom of conscience and religion. We are developing legislation to introduce judicial reform.

In August the parliament adopted a Declaration of Independence as only the beginning of the long road toward total sovereignty. We view independence as a practical necessity for the establishment of democratic institutions. It is a means to extricate ourselves from an imperial context where neighbors are seen as enemies and Moscow is represented as the only guarantee of national survival.

With Azerbaijan, we have negotiated in good faith. We believe Armenian-Azerbaijani discussions could have led to some sort of understanding between the two republics, had other considerations not postponed what is inevitably the only road to peace and security.

Armenia is the only republic whose strategy for independence is based on the law on the secession of republics in the Soviet constitution. The Armenian parliament's decision on the republic's own referendum and the setting of the date for that referendum, on Sept. 21, were based on that constitution.

The government of Azerbaijan, still under the control of the Communist Party, has become an ally of anti-reformist forces in Moscow. The two share an interest in perpetuating authoritarianism and dependency. Their joint strategy penalizes Armenia for its decision to hold its own referendum on independence and democracy while rewarding Azerbaijan for supporting Moscow and facilitating the preservation of its empire.

The Soviet Union has tried to represent the conflict as a continuation of the antagonism between Armenia and Azerbaijan. Western governments and media have tended to accept that interpretation at face value. The two republics certainly face major difficulties. Yet the past few weeks are evidence of what I have always believed: The essence of the question is political rather than ethnic or national.

In the short run, the military operations against Armenia constituted an attempt to draw Armenia into a war against Azerbaijan and to turn Armenians into martyrs in a futile struggle against the Soviet army. Any of these reactions would have then been used to justify a formal military intervention in Armenia itself.

The levers the central authorities have in other republics—such as ethnic minorities, an ideologically oriented Communist Party, a government lacking legitimacy and popular support—are absent in Armenia. That is why violence has become necessary and convenient.

Armenia remains determined to institute a government of law and justice to give our nation a sense of normality. It has not ruled out one or more agreements with a union of Soviet republics, or bilateral agreements, as long as Armenia participates with a democratically elected government in negotiations as a sovereign state.

I hope the United States will consider carefully the implications of Soviet policies with regard to Armenia and other democratic republics. I am confident that the international community will ensure that the principles of collective security, peaceful conflict resolution and self-determination are respected within the U.S.S.R. as much as without.

ESTABLISHMENT OF THE THORNTON SISTERS FOUNDATION, INC.

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. PALLONE. Mr. Speaker, on June 1, 1991, I will have the honor and privilege of attending an event that I believe epitomizes what this country stands for—family, hard work, and the fervent hope of parents to create a better life for their children.

Next Saturday afternoon will mark the establishment of the Thornton Sisters Foundation, Inc., in a special ceremony at the Ocean Place Hilton in Long Branch, NJ. The foundation will annually issue a scholarship award to a female minority student from a New Jersey high school who is planning to enter a 4-year college. The scholarship will be offered to all high schools in the State of New Jersey during the 1991–92 academic year.

Mr. Speaker, I would like to share with the Members of this House an inspiring story about a remarkable family from my congressional district. In 1948, Donald Thornton and his wife Tass moved from New York City to my hometown of Long Branch, NJ. They did not have much money: Mr. Thornton held down three jobs, one during the day, another at night, and a third on weekends; Mrs. Thornton worked as a domestic. Mr. and Mrs. Thornton somehow managed to get enough money together to buy a building lot and Mr. Thornton eventually became the first black man to be granted a mortgage by an area bank. The couple raised six daughters, determined that they would all attain professional careers.

The young Thornton sisters eventually put together a musical ensemble—with instruments their father had bought them—and became a big audience favorite at amateur night at Harlem's Apollo Theatre. The band played engagements around New Jersey, with the money they earned going toward funding their college education. Meanwhile, all of the girls earned straight A's in high school and attended college.

Donald Thornton had a dream that all six of his daughters would become doctors. Although that did not precisely come to pass, the achievements of the Thornton sisters would make any parent proud: Yvonne and Jeannette became doctors, Linda became a dentist, Rita is chairman of the science department at a private school and is working toward her doctorate in child development, Betty is a geriatric nurse at a teaching hospital, and Donna, besides being a wife and mother, is a court reporter. The remarkable story of the Thornton family received national attention in an article in Reader's Digest in 1987.

Mr. Speaker, this story has personal significance for me. As I indicated earlier, the Thorntons lived in my hometown of Long Branch. Rita Thornton and I participated together in high school speech and debate programs. Even back then, it was clear that this was a family that was held together by a very strong work ethic.

Sadly, Donald and Tass Thornton are no longer with us to enjoy their daughters' success and happiness; Tass died in 1977 and her husband passed away in 1983. The six daughters all served as pall bearers at both of their parents' funerals. Now, the Thornton sisters have put together their energies to allow deserving young women who might not otherwise have the chance to attend college. I salute the Thornton sisters, not only for their own impressive accomplishments, but also for their generosity in giving other young people a chance.

ST. CATHERINE'S CHURCH 150 YEARS OF GROWTH AND SERVICE

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mrs. LOWEY of New York. Mr. Speaker, today, I would like to share with my colleagues the story of a remarkable church in New Rochelle, NY. For 150 years, St. Catherine African Methodist Episcopal Zion Church has grown in numbers and in service.

Named in honor of Catherine landers, one of the church's original members who gave generously to ensure that St. Catherine's began on a sound footing, the church has had many homes. From the original meetings in a small house on Harrison Street, it moved to its first church building on Anderson Street in 1890. Soon after, a new church was constructed on Lincoln Avenue. This church stood until the 1970's when its current home was constructed.

The church has had many missions as well. A small Christian mission that grew into a major center of its community, St. Catherine's is a home to community groups, a center for the life of its parishioners, a place for education and music, a partner in the war on poverty, a builder of affordable housing, and a caretaker of New Rochelle's elderly. St. Catherine's is all of these things and more.

Under the leadership of Rev. Vernon A. Shannon, who has pastored the church since 1972, the church and its service to the community have grown. Lincoln Towers, an important senior citizens' apartment building was constructed under church auspices. That building's 89 units make urgently needed housing available in the community. At the same time, St. Catherine's has retired its church mortgage and purchased a magnificent new pipe organ. Having removed the burden of its mortgage, St. Catherine's now has increased its ability to meet the needs of both members of its congregation and the community at large.

Reverend Shannon and the congregation of St. Catherine's have also been at the forefront of the important work of the Westchester Coalition for Mutual Respect. In that capacity, Revereend Shannon and his congregation have worked to bring harmony and build bridges between all the people of our community. As the church celebrates its 150th anniversary, Rev. Shannon is ready to lead it into the next phase of its growth and the next chapter of its remarkable history. There is no question that the next 150 years will be ones of continued dedication, caring, service, and commitment for this outstanding church.

I am proud to represent the good people of St. Chatherine A.M.E., Mr. Speaker, and I congratulate them and wish them well on this auspicious occasion.

THE FINDINGS OF THE SELECT COMMITTEE ON AGING, SUBCOMMITTEE ON HEALTH AND LONG-TERM CARE'S FIELD HEARING IN ST. PAUL ON APRIL 4, 1991

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. VENTO. Mr. Speaker, the cost of health care in the United States is spiraling out of control, having outpaced inflation for over a decade. We are all aware of this. But what effect does this have upon our Nation and its citizens? It is a well known fact that 37 million Americans lack health insurance, 17 million more have insufficient coverage and another 200 million remain unprotected against prolonged illnesses requiring long-term care. Yet, many people are unaware of the overall impact that our health care system has on the majority of Americans.

In order to assess the severity of these concerns and to examine the health care system in my home State of Minnesota, the Subcommittee on Health and Long-Term Care recently held a field hearing in St. Paul. During the hearing, "National Health Care: The Minnesota Perspective," the subcommittee heard from nine witnesses representing the views of labor, business, insurers, health care workers, and consumers. These individuals have experienced firsthand some of the problems with our current system of health care delivery and were able to provide some very valuable insights.

Although my State is known for having some of the best and most comprehensive health care programs in the Nation, Mr. Speaker, it was evident that even Minnesota is not immune to the serious problems that afflict the rest of the country. For instance, a recent study revealed that nearly 370,000 State residents lack basic health care over the course of a year. Even more outrageous, at least 11,000 Minnesotans were denied health care last year because of the fact they lacked insurance.

Mr. Speaker, the subcommittee hearing provided an excellent body of testimony which can lend considerable insight to the national debate on health care reform. Learning about the concerns and problems of individual States like Minnesota will enable Congress to tailor a better system capable of addressing the Nation's overall health care needs. Therefore, I am pleased to provide the following summary of the witnesses' statements from the first field hearing on national health care reform, along with my concluding remarks:

HIGHLIGHTS OF INDIVIDUAL STATEMENTS

MONTA CHILDERS

Mrs. Childers, who is 76 years old, lives in northern Minnesota. Her husband died in February. He had been recovering from the effects of a heart attack, which required a quadruple by-pass operation, and a stroke. On an annual income of $10,620, their medical bills totalled $16,300. Even belonging to an HMO/Medicare plan that covered 80% of this bill, the cost was too high and they could not afford supplemental insurance to cover all the gaps in their coverage. As a result, Mr. Childers had to forego many of the physical therapy treatments he needed to aid in his recovery.

The savings that she and her husband had accumulated for glasses, hearing aids, and getting teeth fixed were exhausted when their furnace, an essential item in Northern Minnesota, went out. In addition, her husband had to take 182 pills per week for his condition, none of which are covered by Medicare or their HMO. She still has a bill of $721 for his medication.

Since her husband's death, Mrs. Childers has been inundated with paperwork from the hospitals and insurance agents. She has received over 95 different slips of paper, many of which say "This is not a bill" and does not need to be paid. Others say they are bills and must be paid, and others still say that they are past due and have been turned over to collection agencies. On top of the loss of her husband, Mrs. Childers has had to endure harassing phone calls from the collection agencies.

DAVID GREEN

Mr. Green is 32 years old and works as a writer for the Minnesota State House of Representatives Democratic Caucus. He has a history of rheumatic heart disease and endocarditis which have left him with an enlarged heart and malfunctioning heart valves. Recently he was diagnosed as having congestive heart failure. While doctors have told him that he needs a heart transplant, his health insurance with Blue Cross Blue Shield (BCBS) will not cover such an operation. Therefore, Mr. Green has had to raise $65,000 on his own before he could even be placed on a transplant waiting list. He must now raise the rest of the money to pay for the total cost of a heart transplant operation, which will be between $75,000 and $125,000, more if there are complications.

Despite his situation, however, Mr. Green considers himself fortunate because he has friends who have been able to help him raise the money. As staff for the Minnesota House of Representatives, he is also in a position to get his questions answered and to fight decisions he feels are wrong. Mr. Green knows that this is not the case for most people.

Already Mr. Green is experiencing problems with reimbursement by BCBS. He has been told he must pay a $300 deductible and 30% co-payment on $10,000 worth of bills for care and testing he received when he first was rushed to the hospital for congestive heart failure. A BCBS representative told him that according to their records the two doctors that cared for him were not eligible providers. Apparently, Mr. Green was supposed to have been responsible for confirming whether his doctors were eligible or not sometime between his admittance at 9:30 p.m., when he was near death, and the next morning when he was transferred to undergo catherization. He believes this is unreasonable. In addition, the doctors who cared for him believe that they were eligible at the time; this point is now being contested.

According to Mr. Green, "equal access and standardization are needed to make the system more responsive" to consumers, whom he believes are very confused. Having had heart problems, he is willing to admit he was probably a poor consumer for not having checked whether his new policy covered transplants or not. However, Mr. Green had had no reason at the time he registered for his insurance plan to believe he would need a transplant. He also stated that it would be impossible for anyone to read all the pages of every book available for every plan that he had to choose from.

GENE ROSENBLUM

Mr. Rosenblum is president of a policy holders' rights group representing over 24,000 people in the state's pool for the uninsurable. The policyholders he represents are simply unable to find anyone that will agree to cover them or the coverage is so expensive as to be prohibitive. The Minnesota program, the nation's first and most comprehensive risk pool, provides a safety-net for people who are considered too high a risk to be able to obtain insurance through private companies.

Mr. Rosenblum believes that it should be a model for a national program. It would help millions of uninsured Americans without costing the Federal government any money. Minnesota and the 24 other states with similar programs have a problem, however. While they are able to fund the programs through premiums charged private insurance companies and HMOs, the funding is substantially impaired because of a Federal Employee Retirement Income Security Act of 1974 (ERISA) provision that prevents states from assessing self-insured plans. In Minnesota, companies with self-insured plans account for 40% of all employers. This exemption forces private insurers and HMOs to pay for a disproportionate share of the burden in a state risk pool. As a result, this translates into higher premiums and deductibles for the policy holders in the private plans, HMOs and the risk pool.

NATALIE EVERETT

Mrs. Everett, a Home Daycare provider, was unable to appear in person, but her statement highlights some significant issues.

Both Mrs. Everett and her husband are employed, yet they have never been able to afford health insurance. The cheapest policy they have been able to find to cover their family costs about $350 a month, or about what they pay in rent. When the second of their two children was born, the Everett's doctor determined that it was necessary to perform a C-section. This cost them $3,000. Without insurance they were forced to pay the entire bill out of their own pockets. It took over a year to pay the debt off, during which time they could not take themselves or their children to a doctor for anything else. They simply could not afford it.

Her husband has not been to a dentist in ten years, she has not been in five years. Neither of them can afford any basic preventive care measures for themselves. She can not even afford to get Pap smears done. Their general rule has had to be, if they get sick, "suffer it out—wait a week or two and see if it goes away." Unfortunately, this practice too frequently ends up costing them even more. Her husband, for instance, had a bladder infection for which he had to put off treatment. It got so bad, finally, that he missed work and had to take medication for five months; the pills cost them $85 every two weeks.

The Everetts live in fear every day that their two children (both of whom are young, active boys) will have a serious injury; Mrs. Everett and her husband know they could never afford treatment. Since Mrs. Everett runs a day care service in their home, however, a greater day-to-day concern is that one of her two boys will come down with one of the infections or viruses that they are exposed to by the other children.

The Everetts are upset. Although they would not begrudge quality health care to any of the children Mrs. Everett watches, it bothers them that state provides medical assistance for the parents on welfare when their own children must do without sufficient care. They both work and pay taxes, yet the Everetts can not get the assistance they need and deserve. Health care should be a right, Mrs. Everett added, not a privilege people can not afford.

DR. THERESE ZINK

Dr. Zink is the medical director of the Family Tree Clinic, one of 16 community based clinics within Minneapolis/St. Paul that serve the uninsured. From her vantage point, she has seen the consequences of unaffordable health care and she believes that Minnesota is paying an enormous price both in human suffering and dollars.

Dr. Zink explained how she had been seeing one woman for pre-cancer changes on her cervix. The woman had no insurance, but needed to be referred to a specialist. At that time the woman was able to obtain insurance through a new job. However, the pre-cancer condition would have been considered a pre-existing condition and excluded her from needed coverage. Dr. Zink told several other stories, as well, that highlighted some of the other difficulties people face under the current system. She stressed that these were by no means unusual cases. Millions of Americans fight these same battles every day. "We can buy people insurance, but what good does it do to cover only the catastrophic or the emergency events when we know that preventive visits save money and also human disability and suffering?"

She supports a single payer system because it is the only way to streamline quality and to guarantee continued cost control. She added that such a system does not have to be socialized medicine. A national program could work well without health care professionals and hospitals being owned or employed by the government.

Dr. Zink encouraged Congress to think into the future and to make comprehensive choices.

KIRBY ERICKSON

Mr. Erickson is the Executive Director of MedCenters, a Minneapolis based HMO. Managed care principles, he said, have been developed thoroughly in Minnesota. They are the heart of an HMO plan. The recent Health Care Access Commission Report, in fact, recognized the benefits of delivering care in a managed system and recommended that HMOs play a major role under the universal access plan developed by the Commission.

He stressed that Medicare and Medicaid already represent about 42% of the cost of care nationally. When you add in other programs, the Federal government finances almost 50% of all health care in this country. The role of the Federal government has changed from "Regulator" to "Purchaser". Yet the only thing the government has done so far to control costs is to target third party payors and providers. HMOs and other third party carriers, however, must be viewed as partners in financing and providing care. They should not continue to serve only as entities that the government can leverage coverage out of. It is important that the Federal government work with HMOs and private insurance carriers in framing any reform of the system.

Little has been done, for instance, to determine the "appropriateness of the pricing of technology by manufacturers". Mr. Erickson emphasized that we must develop a more rational approach to purchasing technology. "In Minnesota the growth of the number of CAT scanners, MRI machines and PET scanners exceeds the capability of the entire nation of Canada. Unfortunately, to meet the cost of attaining this new technology, utilization must justify the existence of those machines," whether the procedure is medically necessary or not.

Another significant problem is the great numbers of disparities that exist in reimbursement between urban and rural areas—disparities that do not accurately reflect the cost in the deliverying of care. There are also "profound inequities" in reimbursement between regions of the country. He highlighted the problems of inequity created when self-insured companies are allowed to ignore state mandates and laws because of the ERISA pre-emption, as well.

Finally, Mr. Erickson added that there has never been a better or more appropriate time for the Federal government to lay the foundation for improvements within the health care delivery system in this country.

DR. MARK BANKS

Dr. Banks is the Vice-President and Medical Director of Blue Plus, Blue Cross Blue Shield's HMO. Blue Cross Blue Shield (BCBS) is the largest writer of helath care coverage in Minnesota, serving about one quarter of the states population—over 1,100,000 Minnesotans.

BCBS believes that much of what has been referred to as the "sickness" of our health care system is mostly the result of insurers' difficulty in "offering programs suitable in both benefits and price for small employers." This condition is magnified by what is known as the "adverse selection spiral", whereby small groups migrate away from pools with some high risk enrollees towards less expensive plans. This, in turn, forces up the cost for the groups remaining in the pool with higher risk participants.

It is possible, however, to require carriers to insure all small groups as long as their is an adequate reinsurance mechanism to redistribute the cost of high risk individuals. BCBS has developed such a proposal that would increase small group participation by removing the barriers that these groups face. This includes such things as eliminating mandates which drive plan costs up significantly.

BCBS is also worried about the ERISA preemption, since the insurer administers the Minnesota Comprehensive Health Association (MCHA), the state's risk pool. BCBS is concerned because 50% of the health care market in Minnesota does not contribute to the losses of the MCHA program. The loss of this funding must be passed on to consumer groups that are already struggling to maintain policies. As more companies opt for self-insurance, the funding of the risk pool will continue to shrink. In addition, when companies operating self-insured plans declare bankruptcy, even more burden is placed on those providers and carriers who must operate under state laws since the newly unemployed workers must be provided for in some way. The ERISA preemption must be eliminated so that states can require all health care coverage to incorporate certain minimum standards.

Finally, the Federal government must define a "core" group of benefits available to every insured individual. While the availability of different types of coverage meets market demands, it also fragments the market and makes it almost impossible to apply the "law of large numbers and spreading of risk" within their participant groups.

BILL PETERSON

Bill Peterson is the Secretary and Treasurer of the Minnesota AFL-CIO and former chair of the union's state task force which was established to look at health care reform.

While trying to determine what the consumers' role should be in reshaping health care policy, it became clear to the task force that critical problems exist in our present health care delivery system. Problems that Mr. Peterson stressed include: health care is not "cost accountable"; it is not accessible; and there is no coordination—which produces waste and duplication—and too little attention is paid to preventive care.

While Minnesota had made progress in meeting its health care needs, and is far ahead of other states, there is a limit to what a single state can accomplish. Unfortunately, the ERISA provision mentioned by other witnesses is one of the barriers. Although, Mr. Peterson admitted he was uncertain whether removing the ERISA preemption would make a significant difference, it was clear that he believed its removal is important since the provision prevents states from mandating minimum benefits in self-insured plans.

Mr. Peterson also stressed that the Minnesota AFL-CIO supports a national health program through a single-source payor. He emphasized that this issue has been before Congress for twenty years and we can no longer afford to procrastinate.

JIM RING

Mr. Ring is the Vice-President for Corporate Resources at Control Data Corporation. He was also on the Executive Board of the Minnesota Health Care Access Commission.

Since 1980, health care costs have nearly doubled and have become one of the leading causes of personal and small business bankruptcy. Control Data's health care costs for its employees have also risen significantly, demanding a greater share of available compensation dollars. This has forced the company to pass on more and more of its costs to its employees and retirees. The company has not wanted to do this, but has had no choice. On our present course this situation will only become exacerbated. According to a recently released study by A. Foster Higgins, if present trends in health insurance are allowed to continue unchecked, we will see current employer contributions of $3,000 or so jump to roughly $22,000 by the year 2000. Clearly no one can sustain this kind of an increase in expenses.

Like other companies, Control Data has taken steps to contain costs. Yet all they can do is temporarily slow the upward spiral. Certain priorities have to be set at the national level in order to have a lasting effect. These priorities include: substantially greater use of managed care; greater emphasis on preventive care; closure of underused hospitals and control on the purchase of major capital equipment according to the needs of entire communities; and revision of underwriting practicies to establish community ratings and discount preexisting conditions and age ratings.

At present, there is simply no incentive in the fee-for-service system to find and use the cheapest, yet effective medical care available. This is a growing problem with the proliferation of technology. Currently there is no effective method which exists to evaluate the usefulness of new technology. Clearly, most patients are not in a position to make this determination for themselves.

JIM KOPPEL

Jim Koppel is the Executive Director of the Minnesota Health Care Access Commission. The Minnesota Health Care Access Commission was established by the state legislature to study Minnesota's present system of health care delivery and to shape a better one if necessary. The Commission decided that serious problems did exist and developed a plan for universal coverage of all state residents.

The Commission determined that while Minnesota has a health care system that is better than almost any other state's, it still suffers from rapidly escalating costs, benefit erosion and decreasing flexability in ratings and underwriting. In the most extensive survey conducted by any state to date, the Commission found that about 57% of Minnesota residents have health insurance coverage through their employers. However, 8.5% of Minnesotans have individual policies marred by high deductibles and copayments. Another 8.5% of Minnesotans, roughly 370,000 residents, lack any type of health insurance for all or part of a year.

Mr. Koppel stressed that high deductibles and copayments are a barrier to better health care. In many cases, the Commission's survey determined that people with high copayments and deductibles act like people without insurance, delaying treatment for everything from runny noses to chest pains and infections.

Mr. Koppel was also insistent that in the development of any national approach, care must be taken to avoid shifting costs between private and public health care coverage. The public can pay, but the private sector must be made accountable to the long-term needs of the public. In this country, we have always found ways to shift public costs to the private sector and vice-versa. That does not solve the problem. Any new program must not establish a two-tier system.

CONCLUDING STATEMENT

Systemic problems have brought home to consumers, to business and labor leaders, and to front-line health care professionals, the overwhelming need for reform. The problems the witnesses discussed were not just the distress individuals feel because of the avalanche of paperwork which must always be sorted and filled out, filed or paid. Nor the myriad problems faced by the millions of Americans whom we have all heard lack any health insurance at all.

What we are observing is millions of Americans who routinely put off needed examinations and treatments because they simply can not afford to visit a doctor everytime they feel ill. When adequate and timely medical assistance could mean the difference between early detection and simple treatment of an illness or more complex, costly treatment at a later point individuals forgo a trip to their physician.

The cost of health care under our current system has become the overriding concern for citizens. For too many Americans, even those with insurance coverage, health care has come to be viewed as a privilege they can not afford. It should be a basic right. Yet, deductibles and copayments are often too high for most working families and serve as a disincentive to seek proper care. In addition, underwriting standards are so stringent that individuals often fear that they may be dropped from an insurance plan if they make use of it too frequently. And some even worry that the doctor may discover a problem which is not covered by their health insurance. These are legitimate concerns.

Within our present system, individuals are penalized by insurance companies for conditions beyond their control. As started by Jim Koppel: What we have is not risk-sharing in private insurance; we have risk-aversion. Women pay more than men; young, newly married couples cannot find insurance that includes childbirth coverage; and seniors learn that growing older automatically means growing rates and premiums. Insurance companies are sometimes guilty of cutting out anything, or anyone, from policies which might one day result in a benefit payment. Individuals with a preexisting condition are frequently denied health insurance coverage for that condition, even if they have been medically determined free and clear of it for years.

These are not problems that affect only the homeless or low-income in America. These are problems that average working Americans face everyday. As their access to care declines—support for national health care increases. America needs a system where decisions regarding the use and cost of new technologies and techniques are justified by their effectiveness. Despite the inherent sense of this statement, there is considerable apprehension that this approach necessarily means a reduction in the quality of our health care. Instead, a pervasive sentiment exists in this country to allow the free market to work its magic. It is clear, however, that the private sector has proven less than effective in dealing with this crisis.

In fact, competition is not merely insufficient as a means of cost control—it is often the impetus behind spiraling health care costs. Kirby Erickson stated, for example, that "in Minnesota the growth of the number of CAT scanners, MRI machines and PET scanners exceeds the capability of the entire nation of Canada." This fact is often sited as good news concerning accessibility to quality health care in our county. While this is certainly true in that there is a greater capacity to treat individuals, the proliferation of this technology or equipment frequently outpaces justifiable community need. As Mr. Erickson added, presently "utilization must justify the existence of [new, technologically advanced] machines * * *," so they are often put to use whether or not their use is fully supported by medical necessity. This adds significantly to spiraling costs, which in turn diminish accessibility.

Perhaps the main factor preventing adequate cost-control provisions from being pursued, however, is the overriding policy that dominates our health care system. This is the policy of cost-shifting. The Government passes costs on by mandating benefits; providers and insurers pass on costs to individuals through higher premiums, deductibles, and copayments; the government, in turn, is forced to provide for the sickest and poorest by assessing the public higher taxes and requiring insurers to fund risk pools.

Another major method of cost-shifting that is often overlooked is the use of emergency rooms by the uninsured and underinsured. By financial necessity, people within these groups usually put off seeking health care until it is too late and then have to seek emergency medical attention. But it is well known that emergency care is absolutely the most expensive type of care—far more expensive than preventive care—and that the costs of operating in this manner are passed on to paying hospital patients and to taxpayers.

Finally, the issue of self-insured health plans established under ERISA must be addressed. Several of the witnesses stated that the current ERISA preemption is hindering States from being able to secure better health care for their residents. According to section 514 of the law, States cannot mandate that self-insured plans provide minimum benefits, nor can States assess premiums against these plans to help finance risk pools. Beyond the obvious financial advantages these exclusions provide to those companies with self-insured plans, there are additional inequities.

In Minnesota, for instance, almost two-thirds of the States's largest businesses have self-insured plans, representing a significant number of Minnesota residents who have health insurance. Yet, the self-insured plans do not contribute at all to help finance the cost of the State's 24,000-plus member risk pool for the uninsurable. Because the funding base for the risk pool is artificially low, private insurance companies and HMO's are forced to pay a higher, disproportionate share of the cost. Ultimately this higher cost is passed on to their policyholders, even though all residents, including those in self-insured plans, can benefit from the risk pool.

In conclusion, while the problem remains in need of better definition, it is clear that the current health care system is already in the midst of a major crisis—one which will not lend itself to quick fixes and patchwork approaches.

During the hearing of the subcommittee it was clear that a consensus has already begun to form in support of a national health care program. This is not because of anything we have done in Congress. Systemic problems have adversely affected so many individuals within our society that the groundwork has already been laid in support of reform. As one witness, David Green, testified: "A lot of people say the Federal Government can't organize anything efficiently, but I can't imagine anything organized less efficiently than the system we have now."

At present, we are overly concerned with who is paying and not what is being paid. As long as we continue to approach the issue from this perspective we will never control costs and we will have no trouble reaching the $22,000 per year health plans alluded to by Mr. King.

The costs of health care must be addressed. Individuals should not be penalized for conditions like gender or aging which are beyond their control. A way must be found to adequately share the risks of insuring pre-existing conditions. The shifting of costs back and forth between payors and providers must be stopped, since it ultimately does nothing to promote cost containment. The purchase of new medical machines must be determined according to community needs. The use of new technology and techniques has to have a solid medical justification. And until health care reform occurs at the national level, States should not be prevented from doing everything they can to provide better access and cost-sharing for their residents. The time has come to stop admiring the problem. The time has come to act.

WALTER McCLAIN: A GREAT LEADER LEAVES WESTCHESTER

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mrs. LOWEY of New York. Mr. Speaker, I rise today with a great deal of disappointment to pay tribute to an amazing man, Walter McClain. The occasion which prompts this statement is an unfortunate one for Westchester County. Walter McClain has chosen to leave his home in Port Chester, NY, to retire. Our community will suffer because of his decision, though of course we wish him well.

Walter was the first African-American to ever serve as a police officer in Port Chester, the town where he grew up. His early years on the force were difficult, but his perseverance and dedication won out, and his contributions to public safety and to mutual understanding in his community have been numerous in his years as a police officer. To support his seven children he had to work two, even three jobs at a time, but his commitment to improving his community have never dimmed. Even at the busiest and most hectic moments of his life, the people of southern Westchester could count on Walter McClain to speak out when he saw something that was wrong and to fight for justice and better future.

After retiring from the police force at age 63, Walter's community involvement shifted into high gear. He was elected president of the Port Chester-Rye branch of the NAACP, a position in which he served with distinction for three 2-year terms. In that capacity, he worked hard to make sure that a downtown redevelopment plan would benefit all of Port Chester's citizens.

His continuing crusade however, has been to encourage all of the people in his community to get involved. He boosted membership in his chapter of the NAACP from only 30 when he took office to over 250 at the end of his first term. He has continually prodded and challenged people to stand up for what was needed and to take the cause of their community into their own hands. This is a message to which we should all listen, because it is the heart of democracy and the key to advancement for all of us.

Walter McClain has retired from the leadership of the NAACP and he is now moving to Georgia for retirement. I wish that I could commend him for this, Mr. Speaker. But I am too deeply disappointed that my district will be losing one of its brightest lights and one of its wisest leaders. Our loss is truly Georgia's gain, for I am sure that Walter will continue to be a fighter for what he knows—what we all know—is right. I wish him a happy and healthy retirement, and urge him to return to Westchester often.

FREEDOM AS DEFINED BY 10-YEAR-OLD MILLORAD DEVIAK

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. CRANE. Mr. Speaker, In 1864, one of the greatest Presidents, Abraham Lincoln, stated, The world has never had a good definition of the word liberty. However, a 10-year-old emigrant from Yugoslavia has come pretty close to one. I hope my colleagues will take the time to read the following article which appeared in the April issue of Reader's Digest using two separate points of view. The first view being with a sense of thankfulness for the freedom bestowed upon parts of Eastern Europe; and the second with a sense of concern for the plight of the Baltics, Albania, Yugoslavia and all other nations oppressed by the sickle and hammer of Communism.

WHAT FREEDOM MEANS TO ME

(By Millorad Deviak)

The TV images will never leave me: thousands of Czechoslovak youths massed in Prague's Wenceslas Square chanting "*Svobada! Svobada!*" ("Freedom! Freedom!"); laughing and weeping Germans chipping away at the Berlin Wall; excited crowds clamoring for the overthrow of Romania's communist dictator.

Soon after I arrived in America in 1984, an émigré from Eastern Europe, I went to work for Voice of America radio, beaming freedom's message behind the Iron Curtain. What was in it that gave such hope and courage to the sad victims of communism? Scores of experts have offered sophisticated answers. But mine is far simpler. The truest message of freedom I know was given me many years ago—by a ten-year-old named Milan.

When the phone rang that afternoon in April 1955, I was surprised to hear the voice of my adopted son's teacher. "Mr. Deviak, it's about your boy."

"Milan didn't break another window, did he?"

"Oh, no. It's about homework. I've asked his class to write something on the theme 'What freedom means to me.' Given Milan's background, we thought he might have trouble with it. Could you give him a hand—you know, help him understand what freedom stands for?"

Miss Brown was right to call me, I thought. It wouldn't be fair to expect the boy to grasp such a concept. Milan's early years had been spent in communist Yugoslavia, the country I'd left a decade before. There he had grown up never knowing what he could say or whom to trust. In elementary school in Belgrade, he and his classmates were herded together for "self-criticism" sessions—tattling on friends who said anything "anti-communist." Those who spouted the party line received a red carnation. Milan never got one.

Far worse, when Milan was only two months old, the authorities had thrown his father into jail for protesting against the regime. As the boy grew up, children mocked him, calling him the son of an "enemy of the people." Milan's father was never heard from again.

When his mother remarried and moved away, Milan was left to live with his ill and impoverished grandmother. That was when my wife—Milan's aunt—and I managed to adopt the boy and bring him to our new home in the United States.

At first, Milan seldom spoke for fear of getting into trouble. Several times he woke up in the night shouting, "Help! Someone's trying to strangle me!"

Months passed before the fear began to dissolve, but once it did, Milan blossomed into a happy, enthusiastic child. He made friends at school and came to discover the things most American boys love: baseball, Disney cartoons, popcorn. Now, thanks to Miss Brown, I would have the chance to introduce him to the word Americans cherish most.

I wanted to make the concept of freedom as simple as possible for him. After all, how difficult could it be to explain something that is as natural to Americans as breathing? I would just tell him . . . well, what? That freedom is the basic ingredient of democracy? But since Milan had lived in a so-called "people's democracy," that might only confuse him.

Realizing I needed help, I marched off to the reference room of the New York Public Library. "Personal liberty," the encyclopedia told me, "exists as a recognition of the right of each individual, within limits, to do what he pleases and go where he pleases." Hold on. When you're dealing with a ten-year-old, that sort of phrasing makes you think twice. Forget the encyclopedia.

I looked up the thoughts of famous people. Seneca, the Roman philospher, wrote: "And what is freedom, you ask? It means not being a slave to any circumstance, to any constraint, to any chance; it means compelling Fortune to enter the lists on equal terms." Stirring, to be sure, but far too lyrical for a fifth-grader.

I looked up many others, from Socrates to Shakespeare to Emerson. But nowhere in that wealth of knowledge could I find a definition of freedom that I thought would make sense to Milan.

I was about to admit defeat when I picked up a book on Abraham Lincoln. And there it was. In a speech in Baltimore on April 18, 1864, our 16th President said, "The world has never had a good definition of the word liberty." If Lincoln could say that, why couldn't I?

It was nearly eight o'clock when I arrived home. Milan was up in his room, my wife told me. Climbing the stairs, I felt empty. Had I let him down? Somehow I managed to muster the self-assurance of a father as I opened his door. Milan was sitting on his bed, cleaning his baseball glove. "Hi, Milan!" I announced.

"Hi, Dad!" he said cheerfully.

"Did you get any special homework today?" I asked with careful nonchalance.

"Yeah, Dad, one assignment."

"Did you do it?"

"Sure."

"May I see it?"

I was incredibly curious.

"Here!" he said, passing it to me, as he continued cleaning his glove.

There on the top of the sheet, printed in his hand, was the title: "What freedom means to me." Below this, covering most of the page, Milan had meticulously drawn the Stars and Stripes, complete with flagpole. And underneath, in large letters, were two simple words: *My Home.*

"Like it?" he asked.

A lump grew in my throat as I wrapped my arms around him. In his own way, Milan had opened my eyes to a profound truth. Freedom is not some abstract principle. More than anything, it means simply coming home—home to a world where the human spirit can find liberty and peace. For us, and for so many others, that home is America.

"I love it, Milan," I managed to say at last. "It's wonderful. How did you think of this?"

"Easy," he said with a smile. "Miss Brown told us, 'Don't go fishing for big words. Just put down what you feel.'"

ITALIAN-AMERICAN HERITAGE AND CULTURE MONTH

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. ENGEL. Mr. Speaker, I rise today to introduce, for the third year in a row, a joint resolution requesting the President to designate October, 1991 as "Italian-American Heritage and Culture Month."

Throughout our Nation's history, men and women of Italian descent have made outstanding contributions in all aspects of life including art, science, civil service, military service, athletics, education, law, and politics. Virtually every aspect of our life as a nation has been enriched by their unique talents and hard work.

Some 20 million citizens make up the Italian-American community, representing one of the largest ethnic groups in the United States. There are thousands of Italian-American organizations and clubs throughout the United States who greatly contribute to the prosperity and progress of our Nation on a yearly basis.

Italian-American Heritage and Culture Month will focus attention on the great contributions and accomplishments that Italians and Italian-Americans have made in all aspects of life in the United States.

Following is the text of the resolution.

H.J. RES. 260

Whereas Italians and Italian-Americans have contributed to the United States in all aspects of life, including art, science, civil service, military service, athletics, education, law, and politics;

Whereas, in recognition of the accomplishments of Christopher Columbus, recognized as one of the greatest explorers in world history and the first to record the discovery of the Americas, a national observance day was established in October of every year;

Whereas the phrase in the Declaration of Independence "All men are created equal", was suggested by the Italian patriot and immigrant Philip Mazzei;

Whereas the people of the United States take great pride in the accomplishments of many outstanding men and women of Italian descent who have enriched our Nation's history such as Fiorello La Guardia, the beloved Mayor of New York City, and Enrico Fermi, who won the 1938 Nobel Prize in Physics;

Whereas Italy enjoys a rich cultural heritage and has given the world the great works of Dante, the breathtaking art of Giotti and Michelangelo, and the inspirational music of Antonio Vivaldi and Domenico Scarlatti;

Whereas the Americas were named after the Italian explorer Amerigo Vespucci;

Whereas Giuseppe Verdi, one of the world's most renowned opera composers, was born October 10, 1813;

Whereas William Paca, an Italian-American, was one of the signers of the Declaration of Independence; and

Whereas during October 1991 special attention will be directed at National, State, and local programs that promote Italian Heritage and Culture: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1991 is designated as "Italian-American Heritage and Culture Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

EESA WILL SAVE $40 BILLION IN ENERGY COSTS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. SCHEUER. Mr. Speaker, today I am proud to introduce, along with my fellow Energy and Commerce Colleagues, Mr. MARKEY, Mr. STUDDS, and Mr. BILIRAKIS, the Energy Efficiency Standards Act of 1991. This bill will save energy by promoting the use of more efficient products.

Last February the President released his National Energy Strategy with much to-do, but if the truth be told it was really nothing to cheer about. The strategy was totally deficient in the efficiency area.

The best way, not the only way, but the best way to solve our energy supply problems is to reduce energy demand. The President's plan, however, does not make use of the tax system to encourage efficiency and does not set even the most minimal efficiency standards.

Recent innovations in technology now give us the ability to achieve the same level of production and standard of living, while using less energy. Over the past 15 years the country has reduced its real energy consumption by over 20 percent. But there is so much more we can do. Estimates are that our present technology, not what is in the labs and in the minds of our scientists, but what exists today, can save us the equivalent of 1½ billion barrels of oil each year. This is what the administration's plan failed to realize.

Fortunately, others have stepped in to provide the leadership in the efficiency area that the NES lacks. States and utilities have made great strides in promoting efficiency and reducing energy consumption.

Now it's time for the Congress to step in. The Energy Efficiency Standards Act of 1991 will set new minimum efficiency standards for four separate crucial products: lighting, electric motors, commercial and industrial heating and air-conditioning equipment, and faucets and showerheads. Virtually every manufacturer already produces affordable products that easily comply with these standards. These standards are accepted by industry and do not require any new innovations in technology.

The energy-efficient products called for by this bill all have short payback periods. Their benefits far outweigh their costs. It seems odd that we should needlessly waste energy when there are more efficient products out there—

products that are accepted by the industry, affordable, and available to the general public.

Simply by setting standards on these four products we can save nearly $40 billion in energy costs by 2010, reducing energy consumption by almost 10 quads.

The bill also has tremendous environmental benefits. The standards set by this bill will reduce peak demand by as much as 30,000 megawatts. That is the equivalent of 60 500 megawatt coal plants.

EESA also directs the Secretary of Energy to conduct efficiency studies for several other items like transformers, luminaires, and office equipment. There are tremendous potential energy savings to be gained from increased efficiency in these products, however, there are not universally accepted standards and the energy efficient technology may not be ready for full market penetration. After studying these issues the DOE will be able to determine exactly what rules and regulations are appropriate.

The bill lists several exemptions for applications where energy efficient technology either does not exists or would not be appropriate, such as auto headlights, lights used by medical personnel, and mortors with less than one horsepower. The Secretary of Energy can also exempt certain types of lighting if he feels that the standards would not result in substantial energy savings.

One may ask why this legislation is needed? Why regulate? Why not just let the market take care of it? The answer is very simple. The market is not working. Energy efficient products have been available for several years yet people continue to buy the wasteful models. For instance, in the electric motor area, the market penetration of efficient motors has remained constant at 20 percent. It is absurd that only 20 percent of all motors sold are high efficiency models.

The fact remains that the people who have to pay for engery efficient equipment often do not have to pay for the power, and they can not pass the costs along. As such there really is not incentive to purchase more efficient products since somebody else gets the energy savings. The manufacturer has to pay for the electric motor, but the consumer gets the energy savings. The landlord buys the low flow showerhead, but the tenant gets the lower electric and water bills. This bill recognizes this and corrects this market imperfection.

The potential energy savings from this bill are enormous. The technology for more efficient lamps, motors, heating and cooling equipment, and faucets and showerheads is available, affordable, and on the shelf. By passing this bill the Congress can fill a major gap in the national energy strategy and really add some substance to the efficiency area.

While running for President, George Bush spoke eloquently of his hope for a thousand points of light. Well Mr. President, if you used more efficient bulbs you would be able to turn off some of those lights and save electricity.

THE BENEFITS OF ENERGY EFFICIENCY

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. Bilirakis. Mr. Speaker, it is plain that we as a nation must secure a greater degree of energy independence if we are to remain economically stable and competitive both at home and abroad.

This will take a comprehensive effort at all levels of our society: Individual citizens, governments, business and industry both small and large. Fortunately, we have it within our power to make a considerable contribution in this regard simply by making the most efficient use possible of our energy resources.

That is why I am proud to join my colleagues on the Energy and Commerce Committee, Mr. MARKEY, Mr. SCHEUER, and Mr. STUDDS, in introducing legislation that will help achieve this goal through the promotion of energy efficient products from lamps to showerheads.

I am particularly pleased with the conservation and energy provisions in this bill relating to the efficient use of water. In my home State of Florida, water conservation has come to be a way of life. Residents in many parts of the State, in what are known as water use caution areas, routinely experience drought conditions.

Water audits, state-of-the-art leak detection methods, lawn sprinkling bans and other measures are frequent reminders of the severity of the State's water crisis.

The Florida Water Conservation Act of 1983 required the implementation of water efficient fixtures, such as showerheads and faucet aerators that reduced water flow rates to a maximum of 3 gallons per minute. Yet, even these economies have begun to lag behind current technological capability. Accordingly, the Southwest Florida Water Management District now recommends water fixtures with a maximum flow rate of 2.5 gallons/minute. That is the standard in the legislation that we introduce today.

A 10-minute shower then would consume only 25 gallons of water, down significantly from the 80 gallons the same 10-minute shower would have wasted before 1983.

Hand-in-hand with such conservation measures goes energy efficiency because reduced flow rates mean that less energy is used to heat the water. Water heating accounts for nearly 17 percent of residential energy use and some 40 percent of residential hot water use flows through showerheads. Obviously, substantial energy savings could be made through this simple conservation method, and over a 15-year period it could save consumers approximately $8 billion.

However, the legislation that we introduce today is much more than a water conservation bill. It extends these energy savings through similar standards for lamps, electric motors, commercial and industrial heating, ventilation and air conditioning equipment. In most instances, these standards already are widely observed voluntarily by manufacturers and industry throughout the Nation. Making them a National benchmark will result in nearly $50 billion savings in energy costs and dramatically reduced energy consumption.

This is a goal all Americans should support, Mr. Speaker, one that is achievable, affordable, and, especially, effective. A more energy-efficient America will be a more energy-independent America, and this legislation is the first step toward that brighter future.

ALEC RESOLUTION ENDORSES REMOVAL OF MFJ RESTRICTIONS

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. HASTERT. Mr. Speaker, on May 18, 1991, the American Legislative Exchange Council [ALEC] Task Force on Telecommunications unanimously adopted a resolution relating to the lifting of manufacturing and intraLATA information services MFJ restrictions on the seven regional Bell telephone companies. As a member of ALEC during my years in the Illinois General Assembly, I commend this resolution for your consideration.

At this time, I would like to insert the resolution in the RECORD for your reading:

RESOLUTION RELATING TO THE LIFTING OF MANUFACTURING AND INTRALATA INFORMATION SERVICES MFJ RESTRICTIONS ON THE REGIONAL BELL OPERATING COMPANIES

Whereas advances in technology have brought our society into the information age; and

Whereas the national welfare will be greatly enhanced by bringing about the universal availability of the information age to the American people through the development and deployment of innovative technologies; and

Whereas the provision of IntraLATA information services, and the removal of judicially imposed restrictions on the development and availability of such services, will stimulate and encourage use of information age technology by the American people, and the extension of advanced network capability throughout the nation; and

Whereas it is the responsibility of Congress, rather than the courts, to determine communications public policy including its effect on economic competitiveness, national security, and foreign trade which are essential elements of a sound national telecommunications policy; and

Whereas the continued economic growth and international competitiveness of American industry are dependent upon permitting all American companies to provide IntraLATA information services, to conduct research and to design, develop, manufacture, and market software, firmware, telecommunications equipment and customer premises equipment for all American residential, business and governmental telecommunications users; and

Whereas it is imperative that American industry provide new and innovative telecommunications services and an efficient, reliable, state-of-the-art, and internationally competitive public telecommunications network to serve the growing needs of the people of the United States in both rural and urban communities; and

Whereas Congress should ensure that adequate accounting and structural safeguards exist to prevent cross subsidization and other anti-competitive behavior, including but not limited to:

Federal and state Open Network Architecture (ONA) requirements that will ensure information service providers equal access to local telephone networks;

Fully allocated cost accounting rules and a revised uniform system of accounts to prevent cross-subsidization by regulated carriers;

Implementation of price cap regulation at the federal level and other forms of incentive regulation in many states that eliminate or reduce incentives to cross subsidize and include extensive service quality and network investment monitoring; and,

Equal network access requirements that prevent the RBOCs from discriminating against MCI and other interexchange carriers in favor of AT&T.

Whereas the Federal Communications Commission is the appropriate federal agency, in conjunction with appropriate state regulatory agencies and the Courts, to ensure fair competition in the telecommunications industry, while protecting the interests of customers; and

Whereas the court order, referred to as the "Modification of Final Judgment" (MFJ) that broke up the former Bell system, prohibits the divested regional Bell companies from participating in certain telecommunications markets, namely, manufacturing and information services and interLATA long distance services; and

Whereas the MFJ has prevented some two-thirds of America's domestically owned telecommunications industry from competing with foreign telecommunications firms in the United States; and

Whereas, removal of MFJ restrictions on the provision of IntraLATA information services and on the manufacturing of telecommunications equipment and customer premises equipment, would foster American competitiveness because:

(a) Removal would facilitate competitiveness with foreign telecommunications companies which are free to compete in markets in the United States;

(b) Removal would help bring needed telecommunications technologies that are already in existence, but which the regional Bell companies are prohibited from providing by the MFJ, all consumers including hearing impaired persons, rural schools and hospitals and others who might benefit from improved and affordable telecommunications;

(c) Removal would help stimulate the invention of new innovative telecommunications technologies and facilitate access of said innovations to rural Americans and;

(d) Removal would encourage investment in research, development, design and manufacture of telecommunications and customer premises equipment: Now, therefore be it

Resolved, That the American Legislative Exchange Council calls upon the United States Congress to vigorously support legislation which would, with appropriate consumer and industry safeguards, allow all local telephone companies, including the Regional Bell Companies, to engage in the provision of IntraLATA information services and the research, design, development and manufacture of software and telecommunications equipment; and

Be it further resolved, That the staff of the American Legislative Exchange Council transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the President of the Senate and every member of the Congress of the United States.

TRIBUTE TO JAMES L. WHARRY

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. FAZIO. Mr. Speaker, I would like to take this opportunity to pay tribute to a man who has served his country with distinction and dedication. James L. Wharry, a journeyman machinist in the manufacturing branch of the technology and industrial support directorate at McClellan Air Force Base in Sacramento, CA, will retire this June after completing 50 years of Federal service.

Mr. Wharry was born on June 4, 1916, in Jefferson, OK. He grew up on a homestead farm during the great depression and during these difficult times graduated from high school and attended Northern Oklahoma Junior College in Tonkawa, OK.

Moving to Santa Monica, CA, in 1938, Mr. Wharry worked as a journeyman electrician for the Douglas Aircraft Co. In October 1941, he began a 22-year military career by joining the Army Air Corps. During his career he saw the transition from the Army Air Corps to the U.S. Air Corps to the present U.S. Air Force.

During Mr. Wharry's distinguished military career he was an aircraft mechanic and completed training at Chanute Field, IL and at the factory school at North America Corp., in Inglewood, CA. After working and supervising in aircraft maintenance, he completed cadet training in aviation obtaining a commission as a 2d lieutenant, flight engineer on B–29 aircraft. After a short break in service following World War II he returned to the service as a master sergeant working as a flight engineer on B–29 and B–50 aircraft in the Strategic Air Command [SAC].

From the enlisted ranks he was recalled to officer status and assigned to the B–36 program in SAC. He remained with this program until SAC began phasing out the B–36 in favor of the B–52. In September 1957 he graduated from navigation school at Ellington AFB, TX. His military career took him to Officer Supply School at Francis E. Warren AFB, Cheyenne, WY and later to Kadena AFB, Okinawa and Clark Field in the Philippine Islands. Later he was reassigned to Schilling AFB, Kansas, where in 1960 he became chief of aircraft support for the 310th Bomb Wing. He also served as supply squadron commander at Schilling. Mr. Wharry held these two positions until his retirement from military service in June 1962.

During his career, Mr. Wharry traveled throughout the world and served under Generals Hap Arnold, Curtis LeMay, and Powers. In 1961 Captain Wharry was honored with the Strategic Air Command's Educational Achievement Award.

In December 1962, Mr. Wharry entered the civil service at McClellan AFB in the aircraft machine shop where he has contributed his vast knowledge, skills, and experience, including the prototyping of many aircraft components. While at McClellan during the Vietnam war, he was selected to serve on the rapid air maintenance [RAM] team in the Far East. Mr. Wharry has often stated that working on aircraft in that area and seeing what the RAM team was able to accomplish under those conditions was one of his greatest experiences.

Approaching his retirement, James Wharry continues to take pride in his job which is so crucial to the performance and safety of others, commenting, "I have enjoyed my work and I can go out saying I gave it my all while working at McClellan knowing that the work I did was a quality job which I felt was safe for the flight crew flying the aircraft."

Mr. Speaker, we all appreciate and recognize the important contributions that James Wharry has made to our country and national security. His exemplary service should serve as a shining example to all of what has always been our Nation's greatest resource—the American people. I congratulate Mr. Wharry on his lifetime of achievement and know that all of my colleagues join me in wishing him well in his retirement.

INTRODUCTION OF A BILL TO PROVIDE FEDERAL JURISDICTION OVER CERTAIN MULTIPARTY, MULTIFORUM CIVIL ACTIONS

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. HUGHES. Mr. Speaker, today I am pleased to introduce legislation, for myself, and Mr. MOORHEAD, that will improve the fairness and efficiency with which the Federal judiciary resolves lawsuits arising out of accidents that involve numerous parties and multiple States. Often—far too often—we open the newspaper to learn that a plane has crashed at a Colorado airport, a hotel has burned in a Las Vegas fire, or two trains have collided in Maryland. Whenever tragedies such as these occur, tens, hundreds and sometimes thousands of suits may be filed by the victims or their families in a multitude of State and Federal courts, seeking compensation for their losses. Notwithstanding that these suits present identical issues of fact and law, there is often no way to consolidate them in a single forum for a single trial under our current system. Complete consolidation may not be possible in a single State court, because no one State may have constitutionally sufficient contact with all the parties to exercise personal jurisdiction over them. The result is duplicative litigation in multiple State and Federal courts. At the same time, complete consolidation may not be possible in a single Federal court, because the statute authorizing Federal jurisdiction over suits between citizens of different States, requires complete diversity of citizenship—meaning that no plaintiff can be a citizen of the same State as any defendant. Where, as in the average mass-accident case, the number of plaintiffs is high, it will often be the case that one or more of them will be from the same State as a defendant, thus destroying complete diversity of citizenship, and making separate, duplicative trials unavoidable.

The consequences of duplicative mass-accident litigation are several. For plaintiffs, duplicative litigation can result in some accident victims recovering fully while other victims in the same accident recover nothing, for no better reason than that the judges, juries and lawyers were different. For defendants, duplicative litigation can result in the imposition of multiple punitive damage awards, notwithstanding that it is no more appropriate to punish a civil defendant more than once for the same conduct, than it is to punish a criminal defendant more than once for the same crime. And for the courts, duplicative litigation results in the squandering of scarce judicial resources on multiple trials of the same case.

The bill that I am introducing today would provide a vehicle for consolidation of related mass-accident litigation in a single Federal forum. It would do so by creating a special Federal court jurisdiction over cases involving the injury or death of 25 or more people alleging damages of over $50,000 each, arising out of a single accident, which could be invoked by plaintiffs or defendants. In such cases, minimal diversity of citizenship jurisdiction would be sufficient to sustain an action—meaning that as long as any one plaintiff and any one defendant were citizens of different States, the requisite diversity would be established, notwithstanding that the complete diversity ordinarily required for Federal diversity jurisdiction might not be present. All mass-accident cases with significant multi-State implications could thus be filed in or removed to Federal court. Once in the Federal court system, the bill would authorize the multidistrict litigation panel to transfer all related litigation to a single Federal court, which in turn would be authorized to designate the source of applicable law pursuant to a 10-factor analysis, to try all liability issues, and to assess punitive damages when appropriate. If liability for compensatory damages is found, the transferee court would be directed—ordinarily—to return the cases to the courts where they were originally filed or removed, for separate compensatory damages assessments—the point being that such assessments are not usually duplicative, and that no real efficiencies would be gained through consolidated resolution.

Legislation nearly identical to the bill I am introducing today, has been introduced in the last two Congresses by my predecessor as chair of the Subcommittee on Intellectual Property and Judicial Administration, former Representative Bob Kastenmeier. Since that time, the proposal has garnered the support of the U.S. Department of Justice, the Judicial Conference of the United States, the Federal Courts Study Committee, representatives of the American Law Institute, Public Citizen, the American Insurance Association, Boeing Corp., and the American Bar Association's Mass-Tort Commission. It is not surprising, then, that the bill passed the House in the 100th and 101st Congresses under suspension of the rules by voice vote.

The problem that the bill has confronted in the past has been the press of other business, rather than opposition, in the Senate. In that regard, I am pleased to note that Senator HOWELL HEFLIN, whose subcommittee on Courts and Administrative Practice has jurisdiciton over the bill, has committed to holding hearings on it early in the 102d Congress.

The Multiparty, Multiforum Jurisdiction Act of 1991 represents a collaborative, Bipartisan effort that has included all three branches of Government, and is therefore in keeping with the finest traditions of court reform legislation. I urge you to give this bill the same support you have given it in the past.

Questions about the bill may be addressed to the Subcommittee on Intellectual Property and Judicial Administration, 207 Cannon House Office Building, Washington, DC, (202) 225-3926.

INTRODUCTION OF THE SMALL EMPLOYER HEALTH INSURANCE INCENTIVE ACT OF 1991

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. CHANDLER. Mr. Speaker, there is a growing consensus among the Members of Congress that the United States is in the midst of a crisis, that crisis being inadequate health coverage for American citizens. And as that consensus grows, the Members of Congress, as well as the American public, become increasingly familiar with the statistics associated with that crisis: 34 million Americans with no health insurance and health care costs which now exceed 11 percent of our gross national product [GNP].

Those statistics have appropriately generated much concern, to which Congress has responded with any number of proposals to cure the country's health care ills. Many of these proposals would dismantle our entire health care system and replace it with a national, single payor system.

Unfortunately, most of these proposals ignore the fact that our current system of employer-provided health insurance has been very effective. Their proponents would dismiss the fact that most Americans who have health insurance obtain it through their employers. I submit that instead of tossing aside a system with proven success, Congress should be taking steps to expand that system to those working Americans who are currently unable to gain access to it, most notably employees of smaller businesses.

Mr. Speaker, it is with that goal in mind that I am pleased to introduce today, along with a number of my colleagues, the Small Employer Health Insurance Act of 1991.

Under our current health insurance system, it is exceedingly difficult for smaller employers to obtain an adequate level of group health insurance at a reasonable cost. This fact is borne out in another of those telling statistics—of the 34 million Americans without health insurance, more than 18 million work in small businesses or are dependents of workers in small businesses. Due largely to economies of scale, small employers have limited access, if even that, to affordable group health products.

By contrast, large employers enjoy the economic means to self-insure under the Employee Retirement Income Security Act [ERISA] and, as such, are exempt from State regulation of health insurance. Those large employers who may elect not to self-insure still enjoy, by virtue of their size, the ability to negotiate aggressively on behalf of their employees to secure the lowest health insurance rates available.

The simple idea behind the Small Employer Health Insurance Incentive Act is to enable small employers, including the self-employed, to become part of a large employer group for the purpose of purchasing health insurance.

The model for the bill is the Council of Smaller Enterprises [COSE] in Cleveland, OH. COSE is an employer purchasing group that makes affordable health insurance available to its 10,000 member employers. This translates into health coverage for more than 120,000 workers and their dependents—120,000 Americans who, if not for the leverage provided by COSE's size, would have no health insurance of any kind.

To encourage the formation of employer purchasing groups, similar to that of the COSE group, the bill would eliminate various factors that contribute to the high cost of health insurance. Specifically, the bill would exempt these groups from State-mandated health benefits, State taxes on health insurance premiums, and State restrictions on managed care activities.

Each of the State-imposed mandates addressed by the bill have been shown to contribute to the high cost of health care, particularly for smaller employers. For instance, State governments across the country have mandated over 800 different health benefits. A study by the National Center for Policy Analysis estimates that as many as 25 percent of the uninsured lack health insurance because of State-mandated benefits.

Similarly, State insurance premium taxes can run as high as 4 percent of premiums. These costs are immediately passed on to employers in the form of higher premiums.

Finally, managed care activities, such as utilization review and selective contracting, have been shown to be an effective means of controlling health care costs. And yet, many States impose restrictions on these activities, greatly diminishing their effectiveness.

Our bill seeks to help small employers overcome some of the obstacles to obtaining affordable health insurance, but it does so in a prudent and responsible fashion. For instance, the bill establishes specific requirements that a group must meet in order to qualify as a purchasing group. Furthermore, employer purchasing groups must be certified by the Secretary of the Department of Health and Human Services before they can purchase health insurance; and such insurance must be purchased from a licensed insurance carrier.

Mr. Speaker, the Small Employer Health Insurance Incentive Act is not the answer to all of our health care problems. Clearly, much more needs to be done. But this bill represents another important step that Congress can take now to address those problems in a meaningful way and do so within the context of our current health care system.

I urge my colleagues to join me in this effort to address our country's health care crisis.

TO THE PROMISE OF ECONOMIC GROWTH: IN SUPPORT OF FAST TRACK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. ANDERSON. Mr. Speaker, I rise today in support of fast-track extension, a mechanism which this Congress must reauthorize if we are to move forward with the trade issues vital to this country's future. This issue may seem small, but the stakes are high; for we hold in our hands the future of both the North American Free-Trade Agreement [NAFTA] and the Uruguay round of the GATT talks. Let us be honest here; the issue of fast track intrinsically revolves around the proposed United States-Mexico Free-Trade Agreement. There are few if any complaints with the completion of the Uruguay round of the GATT talks.

As a Representative from the great State of California, upon which the consequences of any NAFTA agreement will fall heavily, I have given long and deep thought to my vote on fast track. Afer studying the evidence, I have concluded that to vote "no" on fast track would be wrong. Every qualitative study I have seen has shown the promise of job growth in California. Every study I have seen shows the tremendous export growth California has already experienced with Mexico, 106.9 percent in the last 4 years alone, reaching $4 billion in exports last year. With Mexican tariff levels at least as twice as high as United States levels, the only place export growth can go is up. Trade with Mexico has created a net gain of 264,000 jobs for Americans. I would also note that Mexico is California's second largest export market after Japan.

Despite these statistics I certainly heed the concerns of labor groups who warn of massive job losses and the worries of environmental groups who predict environmental damage on both sides of the border if NAFTA is concluded. Let me assure you that my support for fast track does not mean in any way that I will automatically support a United States-Mexico Free-Trade Agreement. That vote, yea or nay, will be decided when we actually have an agreement to vote on and after I have given that agreement careful thought. But to vote against fast track is simply obstructionist wtihout any redeeming feature. A "no" vote is based only on fear of what the future might hold instead of on a vision of what the future can bring.

The choice before us is clear: we can either vote for the promise of progress and economic opportunity or we can vote for the certain path of protectionism and economic stagnation. I will always stand in the camp of providing more jobs and a better standard of living for Americans. As the world economy booms, as we are faced with the competitive threats of Japan and a uniting Europe, we simply cannot afford to reject the opportunity of trade with our neighbors. The course of protectionism is the course of economic defeatism. As politicians, we loudly decry the loss of jobs to Pacific rim nations. Voting "yea" on fast track is a sign that we intend to do something to stop that loss. Yes, some workers will lose their jobs if we implement both the NAFTA and the Uruguay round agreement. But far more will be created.

Labor knows that it has no better friend that GLENN ANDERSON. And the same reasons why labor has supported me in the past hold on this issue. I stand for providing good, high-skill, well-paying jobs for today's working men and women and, as importantly, to our children as well. As a supporter of the working person, I cannot lend my name to an effort that on the basis of unfounded fears opposes the mere possibility of something that does not even yet exist. Opposing job creation is as wrong as allowing job destruction.

In one sense, what we debate here today is a very small issue. Fast track is a simple procedural mechanism that means a trade agreement negotiated by the executive branch with another nation or nations will receive a fair up or down vote in the Congress. Fast track ensures that a trade agreement will not be subjected to the process of amendment by either the House or the Senate, not an unusual process by any means in this chamber. Barring amendments, we ensure that any agreement will not be so loaded down with special interest exceptions that it will be unpassable or unworkable. Mexico, like the rest of our trading partners, has announced that it will not even sit down with us if the negotiations are not within the fast-track process. Yet this small issue today, as realized by those both for and against NAFTA, is the key to even the possibility of free trade negotiations with Mexico and the rest of the world's trading nations. So today, we vote on a procedural mechanism which, formally embodied in law in 1974, has been reauthorized twice, both in 1979 and 1988.

When the President first announced that he would seek fast-track extension, the leadership of the Democratic Party went to him with a number of environmental and labor concerns that it felt had to be addressed if the support of our party was to be forthcoming. As a result, the President has promised significant environmental and job-security provisions will accompany any trade pact with Mexico. The President has promised that there will be no weakening of American environmental laws whatsoever, that there will be substantial phase-in periods for threatened industries, and there will even be "snap-back" provisions for unduly affected areas.

Both labor and environmental groups will have oversight positions during negotiations. Assurances have been to such an extent that one of the most prestigious environmental groups in the country, the National Audubon Society, stated, "From our preliminary review of the action plan, it appears to cover Audubon's major concerns * * * If the details of the agreement and the administration's commitment confirm our initial review, then we would see no objections to 'fast tracking' this agreement." As with any trade negotiations, there will be plenty of congressional oversight. I would note that those Members of Congress immediately responsible for this issue, those on the Ways and Means Committee were confident enough to pass a resolution of support for fast track by 23 to 9.

Mr. Speaker, we stand at the cusp of a great opportunity. Let us not summarily dismiss this chance with little foresight and even less forethough. The reasons to support fast-track extension are overwhelming. Let us see it done.

SALUTE TO DAVID J. FERRUOLO

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is David J. Ferruolo of Troop 117 in Warwick, and he is honored this week for his noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, ony 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 Merit Badges, 11 of which are required from areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, safety, environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, David Ferruolo led a group of Scouts in renovating the Warwick Museum in the Apponaug section of Warwick.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout David Ferruolo. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has, through its 8 years, honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that David Ferruolo will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that David Ferruolo undertook his Scout activity in my representative district, and I join friends, colleagues, and family who this week salute him.

INTRODUCTION OF THE FORESTS AND FAMILIES PROTECTION ACT OF 1991

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. HUCKABY. Mr. Speaker, the management of our Nation's public lands, particularly our national forests, has been a matter of intense controversy recently. It has occupied considerable attention from Members from not only the West but other parts of the country as well. The inability to implement the planning required by the public land management statutes and the unnecessary focus on individual species inhabiting the public lands have been in the forefront of this controversy. The present conflict over the northern spotted owl is only the most visible of a series of controversies which seem to be emerging with increasing frequency.

This is a nationwide problem—not a problem limited to any region. In my State, we are currently seeing land management conflicts with the real or alleged needs of the red cockaded woodpecker and the Louisiana black bear. Both species are becoming as well known in my State as the northern spotted owl is in the Pacific Northwest.

In the face of this confict, it is time for Congress to intervene to bring some predictability back to the programs of our public land management agencies. We must act to assure that the needs of both endangered species and threatened communities dependent on our forestlands are met in a balanced fashion. Therefore, I am happy to introduce House Resolution 2463, the Forests and Families Protection Act of 1991.

This measure is the consequence of a historic compromise, unprecedented in the annals of public land or natural resources policy. The proposal is a joint product of a long and arduous negotiation between the labor unions representing workers in the forest products industry and management in that industry. This labor management proposal is the first of its kind and speaks well of Congress' attempt to encourage labor and management to work cooperatively together through programs instituted under the Taft-Hartley Act.

The cooperative nature behind this compromise also bears strong witness to serious concerns about the loss of Pacific Northwest jobs presently occurring as a consequence of these conflicts. Economists employed by both the public and private sector in the Pacific Northwest estimate as many as 100,000 people may ultimately lose their jobs if Congress does not intercede and resolve the conflict over public land management and endangered species conservation.

In addition to the unique participants in this compromise, the substance of the Forests and Families Protection Act also represents considerable compromise with environmental interests. In the proposal, both labor and management recognize the need for endangered species protection and the value of managing old-growth ecosystems as an integral part of the multiple use framework for our national forests and other public lands.

The Forest and Families Protection Act is the only measure presently before Congress which deals comprehensively with all four of the elements necessary to achieve a balanced and lasting solution to the present conflict over public land management in the Pacific Northwest and nationwide.

First, the bill provides an orderly mans for assuring the recovery of the northern spotted owl in a fashion consistent with present statutory requirements

Second, the proposal calls for the creation of an old-growth reserve on our public lands in the Pacific Northwest to assure the protection and management of old-growth ecosystems and values.

Third, the measure provides several mechanisms for returning predictability to the management of our public lands both in the Northwest and nationwide. This is particularly important to my State where the Kisatchic National Forest is presently encumbered by administrative appeals and controversies over wildlife habitat. It is also a principal reason for my cosponsorship of the measure.

Finally, the proposal provides for a program of economic assistance and worker retraining and adjustment to deal with those job losses that will be inevitable as a consequence of the need to devote greater attention to the protection of endangered species and old-growth values.

The bill's supporters include not only the unions active in the forest products industry—the United Brotherhood of Carpenters and Joiners, the Western Council of Industrial Workers, and the International Woodworkers of America—but also the national AFL–CIO. A recent letter from the AFL–CIO supporting the measure is included for the record.

In addition to this strong level of labor support, the measure is supported by the forest products industry and a variety of other groups nationwide. To date, 48 groups from 18 States have committed to us support of the measure.

I introduce this measure today in anticipation of upcoming hearings in the House Agriculture Committee on this and other measures. I believe that, as this measure becomes better known, it will attract several cosponsors from many regions inasmuch as it is the only measure that deals with public land conflicts nationwide. The Forests and Families Protection Act will clearly be an important step forward in bringing these conflicts to a solution.

Mr. Speaker, Congress has delayed too long in bringing some reconciliation to this conflict. Public confidence in the affected regions, and the morale of the employees of our resource management agencies are at an all time low. We must move forward from here in a positive fashion to restore confidence in the application of professional judgment in natural resources decisionmaking. The Forests and Families Act offers the best mechanism currently before Congress to achieve that end. I commend it strongly to my colleagues.

I would like to revise and extend my remarks by providing a section-by-section analysis of the proposal as well as the bill language.

SECTION-BY-SECTION SUMMARY AND ANALYSIS OF THE FORESTS AND FAMILIES PROTECTION ACT OF 1991

Sec. 2. Findings: This section contains 16 findings concerning Forest Service and Bureau of Land Management ("BLM") lands generally and specifically those two agencies' lands in Northern California, Oregon, and Washington that include areas of old growth forest and habitat for the northern spotted owl. The findings state the old growth forest and owl habitat lands contain both rare and irreplaceable ecological and species values warranting protection and extraordinary economic values sustaining employment, families and dependent communities in the region and contributing to housing construction and other sectors of the national economy. They also note that the intense, competing pressures to preserve or make economic use of those lands have severely disrupted the ability of the Forest Service and BLM to plan and manage them, that additional Congressional direction is requried to ensure protection of ecologically-significant old growth and old growth-associated species on those lands, and that an economic adjustment program is needed to minimize social and economic disruption from such old growth and species protection efforts. The findings conclude that additional Congressional guidance, missing from the agencies' planning statutes (National Forest Management Act ("NFMA") and Federal Land Policy and Management Act ("FLPMA")), is needed to ensure that the old growth and species protection efforts specifically, and Forest Service and BLM land management plans generally, are implemented.

Sec. 3. Definitions: This section contains 9 definitions. Three of those terms are used in this summary:

"National Forest and Public Lands" is defined to include the 17 named national forests and 8 BLM administrative districts in Oregon, Washington, and California which include northern spotted owl habitat and significant old growth.

"Secretary" is defined to mean the Secretary of Agriculture if Forest Service lands are concerned and the Secretary of the Interior if BLM lands are concerned.

"Congressional Committees" is defined to mean the Committee on Agriculture and Committee on Interior and Insular Affairs of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry and Committee on Energy and Natural Resources of the United States Senate.

TITLE I—ESTABLISHING LONG TERM PROGRAM

This title establishes the long term Forest Service and BLM program to protect old growth forest, the northern spotted owl, and old growth-associated species on National Forest and Public Lands by: (i) requiring identification and protection of areas of ecologically-significant old growth forest in an Old Growth Reserve ("Reserve") through revisions in the applicable Forest Service and BLM land management plans; (ii) by applying procedures and requirements of the Endangered Species Act ("ESA") to the plan revision process; and (iii) providing a measure of stability and predictability to commodity production from the National Forest and Public Lands once the old growth and species protection is accomplished and the plan revision process is completed.

Sec. 101. Purposes: This section sets forth the purposes of Title I, which are presented in the above description of this Title.

Sec. 102. Plan Revisions: This section requires that the long term program, in the form of revisions to the Forest Service and BLM land mangement plans applicable to the National Forest and Public Lands, be completed and effective by the end of 3 full fiscal years after enactment. It also has a technical provision discussed in the summary of section 207.

By establishing the Reserve through plan revisions (rather than permanent Congressional designations to a new system similar to the National Park and Wilderness Preservation Systems) and by providing 3 years to accomplish the task, the legislation will: (i) ensure that the long term program is not simply an overlay on existing land management plans and that, instead, existing plan decisions which may be superseded by the long term program's new protections are fully reconsidered; (ii) allow the opportunity to finish work required by the Endangered Species Act on critical habitat designation and the recovery plan for the northern spotted owl and have that work incorporated in the long term program's plan revisions; and (iii) permit periodic consideration in subsequent plan revisions (normally every 10 to 15 years) whether the ecosystem-based boundaries of the Reserve are still correct or should be altered due to fire, disease, or new information.

Sec. 103. Regulations; Establishment of the Old-Growth Reserve: This section requires the publication of Forest Service and BLM regulations to guide establishment of the old growth program. Of particular importance are uniform regulations: (i) defining "ecologically significant old growth forest" for purposes of identifying each area for the Reserve (and avoiding any confusion which might result from the various definitions presently used by the two agencies, knowledgeable academics, and concerned environmental organizations); (ii) officially establishing the Reserve; and (iii) providing procedures and criteria for identification and selection of the Reserve areas. The regulations must be promulgated within 15 months after enactment.

Sec. 104. Designation of Areas to the Old Growth Reserve: This section provides Congressional criteria which the Forest Service and BLM must apply, during the land mangement plan revision process, in selecting ecologically-significant old growth forest areas for inclusion in the Reserve. Not all ecologically-significant old growth forest must be placed in the Reserve. Instead, this section provides that the number, size and type of areas selected for the Reserve must be those necessary to meet the purposes of Title I set out in section 101.

This section provides a list of priorities and preferences for selecting Reserve areas. The list of priorities is based on management considerations; it ensures that the areas which already have a degree protection—by statute or by administrative discretion—are selected before areas which are managed for multiple-use and contain and contribute important commodity and non-commodity resources other than old growth forest and old growth-associated species. The list of preferences is based on scientific considerations; it ensures that those areas which are richest in mulitple ecosystem values and which do not duplicate other potential Reserve areas are selected over areas with fewer, lesser, or redundant values. The final two preferences are for areas that have the least impact on the historic balance and mix of uses of, and the communities economically dependent on, the National Forest and Public Lands.

Sec. 105. Protection of the Northern Spotted Owl and Other Species: The selection of the richest and best old growth areas for the Reserve improves the likelihood, but does not necessarily ensure, that the northern spotted owl and other old growth-associated species are adequately protected. Creation of the Reserve should not excuse the long term program from the procedures and requirements of the Endangered Species Act. This section requires that both the proper protection for those species is provided and compliance with the ESA occurs. First, it establishes a statutory requirement in this legislation for the protection of the northern spotted owl and old growth-associated species. Second, it requires the Forest Service and BLM planners to fully consider the northern spotted owl recovery plan now being prepared by the U.S. Fish and Wildlife Service as required by section 4(f) of the ESA and incorporate relevant parts of that plan in the long term program's land management plan revisions. Third, it requires the Forest Service and BLM to consider any other old growth-associated species which may need special protection and incorporate the necessary protective measures for those species in the plan revisions as well.

Sec. 106. Reviews of Administrative Set-Asides: The long term program will result in the elimination or reduction of timber harvesting from significant old growth areas of the National Forest and Public Lands. This section encourages the search for alternative sources of fiber elsewhere on those Lands. It requires that, in conducting the long term program's revisions of land management plans, the Forest Service and BLM must reconsider administrative constraints on resource uses imposed by previous planning decisions. The purpose of these reviews is to minimize the impact of establishment of the Reserve and other protections in the long term program on pre-existing uses and levels of use in each unit of the National Forest and Public Lands.

Sec. 107. Endangered Species Act Compliance: As noted in the discussion of section 105, establishment of the long term program and its protection of ecologically-significant old growth forest and old growth-associated species should not excuse the Forest Service or BLM from compliance with the Endangered Species Act. This section is intended to provide for such compliance. It requires that the two agencies submit their plan revisions for consultation with the Fish and Wildlife Service under section 7(a)(2) of the ESA and that the consultation cover each plan revision and all actions, including timber sales, which may be undertaken under and consistent with the plan revision. Once this consultation is completed, no further consultation would occur on the plan revision or actions pursuant to the revision unless and until the plan is revised again or is significantly amended. Consultation would proceed as required by the ESA with: the Fish and Wildlife Service issuing a "no jeopardy" biological opinion; or, the agency issuing a "jeopardy" opinion and offering a "reasonable and prudent alternative" to the revision with which the Forest Service or BLM concurs; or, if no concurrence is possible, the Forest Service or BLM seeking an exemption with "reasonable mitigation and enhancement measures" under section 7(e)–(l) of the ESA.

Sec. 108. Maps and Legal Descriptions: This section directs that, once the plan revisions are complete, the Forest Service and BLM prepare maps and legal descriptions of the areas of ecologically-significant old growth forest which the plan revisions have designated to the Reserve, and make those maps and descriptions available to the public.

Sec. 109. Release: This section borrows virtually verbatim the so-called "soft release" boiler-plate language included in virtually all wilderness bills enacted by Congress. It provides that the decisions on whether to include specific areas in the Reserve are made in the plan revisions and will not be reconsidered until the next round of plan revisions, which ordinarily occurs ten years later. Further, this section provides that areas not designated to the Reserve in the plan revisions are to be managed for multiple use and need not be managed to protect their suitability to be considered for designation to the Reserve in later plan revisions.

Sec. 110. Management of Old Growth Reserve: To a large extent the manner in which each area designated to the Reserve will be managed will be determined during the plan revision process and in the decision documents on the revision. This section constrains those decisions by establishing certain "bottom-line" uniform requirements of Congress for management of all Reserve areas. Subject to valid existing rights, further acquisition of mineral and mining rights in Reserve area is barred. Roads, structures, motorized and nonmotorized recreation and access, and hunting may be permitted in the Reserve areas.

Timber harvesting, too, may be allowed but only in two limited circumstances. First, it can occur if it is necessary to protect the Reserve area or adjacent lands from insects or disease or to protect life or property from imminent fire damage. Second, it can be permitted if it can be conducted to maintain or enhance the ecosystem values for which the particular Reserve area was designated and in accordance with standards and guidelines for New Forestry established by the two agencies' Old Growth Research Program established under section 308(b). In either case, harvesting will not occur in any Reserve area unless the applicable plan revision determines it to be appropriate and allows it in that area. Even then, the revision can set silvicultural and environmental conditions that are more stringent than the Research Program's standards and guidelines.

Sec. 111. Sufficiency: This section addresses the need for stability and predictability in implementing plan revisions. It provides that stability and predictability only after the ecologically-significant old growth forest, the northern spotted owl, and other old growth-associated species have been accorded protection in the plan revisions, and after those revisions have undergone, pursuant to section 107, all the procedures required by the ESA. Once the revisions are complete and the ESA requirements have been satisfied, this section discharges the agency (Forest Service or BLM) responsible for the land to which the revision applies and any person authorized by that agency to conduct activities on that land from any additional responsibilities for management or protection of the owl or other species under four specific statutes. Those statutes are the ESA, the Migratory Bird Treaty Act, the Forest and Rangeland Renewable Resources Planning Act of 1974 (as amended by the NFMA), and the FLPMA.

This declaration of sufficiency lasts only as long as the revision is good—that is, until the revised plan is significantly amended or revised again. Then that amendment or revision, and each amendment or revision thereafter, would have to proceed again through the ESA procedures as required in section 107 before this section's sufficiency declaration would apply again. The sufficiency provided by this section is only temporary because significant amendments could occur at any time and plan revisions normally occur every ten years, but earlier if the agency determines changed conditions warrant an earlier revision. Finally, to ensure prompt amendments or revisions can be obtained from a possibly recalcitrant agency, section 209 of this legislation creates a wholly new procedure (analogous to citizen suit provisions in several environmental laws) for individual citizens to petition the Secretary of Agriculture or the Interior at any time for a plan revision and, if the affected Secretary denies the petition, to challenge that decision in court.

Sec. 112. Additions to the Old Growth Reserve: With provisions similar to those in the Wild and Scenic Rivers Act, this section broadens the Reserve beyond National Forest and Public Lands to include other Federal and State lands. The Secretary of the Interior is directed to designate to the Reserve all ecologically-significant old growth forest areas in National Parks and National Wildlife Refuges in Oregon, Washington, and Northern California. Additionally, the Governors of those three States can nominate qualifying land areas to the Reserve.

Sec. 113. Access to Non-Federal Land: This section ensures that the granting, construction or maintenance of access across federal lands to non-federal lands will not subject either the granting agency or the grantee to the conservation and consultation requirements and "takings" prohibitions of sections 7 and 9 of the Endangered Species Act for any old growth-associated species.

TITLE II—ENSURING THE EFFECTIVENESS OF FEDERAL LAND PLANNING

The long term program of Title I promises protection for the Old Growth Reserve, the northern spotted owl, and other old growth-associated species in the revisions of the Forest Service and BLM land management plans. This can be achieved only if those plan revisions are implemented, which is far from guaranteed. Indeed, Forest Service and BLM land management plans outside of Oregon, Washington, and Northern California have suffered implementation problems for a variety of reasons, including lengthy appeals and litigation, failure to monitor plan implementation and amend plans as required, adoption of policies separate from and in conflict with plans, etc. Contributing to the failure of plan implementation is the absence of any Congressional guidance to the agencies on how to implement plans. Both planning statutes—NFMA and the FLMPA (as supplemented by contemporaneous and subsequent enactments, including the Coal Leasing Amendments Act of 1976, the Surface Mining Act of 1977, and Public Rangelands Improvement Act of 1978)—focus on the procedures for preparing, and the contents to be included in, the plans and are virtually silent on implementing, amending or revising them. This Title amends the two statutes to provide missing Congressional guidance.

Sec. 201. Purposes: This section states the purposes of Title II, including: (i) providing Congressional guidance on plan implementation, amendment, and revision to ensure that the long term program's revised plans and the protection they accord to the Reserve, the northern spotted owl, and other old growth-associated species are implemented effectively; (ii) achieving stability and predictability in the management of other Forest Service and BLM lands; and (iii) avoiding the environmental, social and economic injuries which result from unstable and uncertain federal land management.

Part A—Amending, Revision, and Monitoring Plans

The objects of Part A are to establish standards and procedures for amending and revising land management plans; assure timely, responsive, and balanced plan amendments and revision; and encourage better plan implementation by requiring regular monitoring and accountability.

Sec. 202. Economic Stability: This section directs the Forest Service and BLM to maintain to the maximum extent feasible the stability of communities and economic enterprises economically dependent upon Forest Service and BLM lands when developing land management plans, plan amendments, and plan revisions. It requires that the effects on employment, revenues, and public services in those communities and economic enterprises be considered by each agency in the various plan, amendment, or revision alternatives. Economically dependent communities and enterprises are to be defined by regulation by the Secretaries of Agriculture and the Interior, in consultation with the Secretaries of Commerce and Labor.

Sec. 203. Consideration of Commodity Resources: Similarly, this section directs the two agencies to consider in developing, amending, or revising plans the global demand for the commodity resources of their lands and the environmental impacts of obtaining such resources from other domestic or foreign sources (e.g., Canadian or Brazilian fiber) or using substitute resources (e.g., plastics).

Sec. 204. Plan Balance and Other Requirements: To avoid too narrowly focused plan amendments or revisions, this section directs the Forest Service and BLM in preparing any amendment or revision, to consider all changes in the plan beyond the specific change sought or intended which are needed to retain continued overall plan balance and meet other plan goals and outputs. This section also directs that any changes in land management that are required by court order, a species' listing or other action under the ESA, or new information, must be accomplished only through amendment or revision of the applicable plans. This is to ensure that all available alternatives to implement the requirements of the ESA or court order or to respond to the new information, and the environmental impacts associated with each alternative, are considered as required by the NFMA, FLPMA, and NEPA when plans are amended or revised. An exception to this plan amendment or revision requirement is provided when the Forest Service or BLM determines that the court order or statute requires immediate action.

Sec. 205. Fully Allocated Costs Analysis: To ensure that the costs of all activities on Forest Service lands are given due consideration in the preparation of plans, amendments or revisions, this section directs the Forest Service to analyze the full cost, expressed as user fees or cost-per-beneficiary, of all non-commodity outputs, as well as commodity outputs, in each plan alternative considered.

Sec. 206. Minimum Management Requirements: The Forest Service relies heavily on minimum management requirements ("MMRs")—established not only in land management plans but also in Regional Guides and other documents—to govern management activities. Yet, the agency has applied these MMRs only to non-commodity resources and not provided any assurance by regulation or otherwise of public participation, environmental analysis, and other prerequisites of a proper administrative record will be followed in adopting the MMRs. This section requires that, in preparing the documents which set MMRs, the Forest Service must provide public participation (notice and hearing) opportunities that are comparable to the opportunities already required by the NFMA and Forest Service regulations during preparation of plans, plan amendments, and plan revisions. It also mandates that an MMR similar to the MMRs established for other resources be set for timber sale levels in each Forest Service and BLM plan. Further, this section prohibits actions in particular land areas identified as contributing to the MMR for timber sales that would preclude achievement of the MMR for that area over ten years (the normal life span of a plan). Finally, this section requires that the full MMR for timber sales be offered on a decadal basis and, to ensure a relatively stable and predictable timber sale program and avoid a demonstrated tendency by the agencies to frequently postpone sales to the end of the ten year period, directs that at least 25% of the decadal MMR be awarded every three consecutive years.

Sec. 207. Phase-In of Output Changes: One of the cardinal principles of proper planning is that it should not impose swift, disruptive change. Yet that can happen whenever a new Forest Service or BLM land management plan is prepared or an existing plan is amended or revised if significantly different output levels are adopted and fully applied on the first day of the new plan, amendment or revision. This section strives to avoid the dislocation (particularly to communities economically dependent on resources of the Forest Service and BLM lands), resulting from abrupt changes in land management during the transition to a new plan, amendment, or revision. It provides for the phase-in over a 4-year period of any significant increase or decrease in annual outputs (10% over or under the average annual output for the previous 5 years) dictated by the plan, amendment, or revision. Section 102 has a special provision for phasing in output changes for the plan revisions required by the long term program. As output levels on lands subject to the long term program have dropped dramatically since the listing of the northern spotted owl under the ESA—to the point that there may be no meaningful timber sale program in fiscal year 1991—section 102 sets the 5-year base for determining the phase-in to straddle the listing date in order to average together pre- and post-listing sales volumes.

Sec. 208. Plan Monitoring and Maintenance: Plan monitoring may be the single most important action to ensure plan implementation, but only if it prompts corrective action. This section mandates regular monitoring of the Forest Service and BLM plans to ensure that each plan has not been constructively amended or rendered obsolete by a pattern of implementing actions or inaction that is inconsistent with the plan. If the monitoring discloses that the plan is no longer being followed, the agency is required either to take corrective implementing actions or to initiate plan amendments. This section also requires the Forest Service and BLM to certify in the decision on each action implementing a plan that the decision does not preclude achievement of the plan's goals and outputs.

Sec. 209. Citizen Petitions For Amendment or Revision: In the NFMA and FLPMA, the agencies are required to revise any land management plan if conditions on the lands to which the plan applies have changed significantly. Certainly, this same precept should hold for plan amendments. Yet, for whatever reason—cost in dollars and manpower, bureaucratic inertia, etc.—the agency officials seem reluctant to undertake either plan amendments or revisions. This section would remedy this problem by establishing a process for citizens to petition for plan amendments or revisions (analogous to the citizen suit provisions in several environmental laws).

This section authorizes any person to petition the Forest Service or BLM to amend or revise any plan or other document establishing MMRs on the basis of new information, laws, or regulations. To avoid repetitious challenges to plan implementing actions on the basis of new information, laws or regulations, anyone who wishes to challenge such an action on that basis must file a petition on the plan in lieu of an administrative appeal on the action. The agency must accept or deny the petition in 60 days (with the advise of the Fish and Wildlife Service if the petition concerns a species listed under the ESA). If the petition is denied, the petitioner may seek immediate judicial review.

Part B—Implementing Plans

The object of Part B is to ensure better implementation of Forest Service land management plans by expediting administrative and judicial review procedures.

Sec. 210. Administrative Appeals and Petitions: This section governs administrative appeals of Forest Service plans and plan implementing actions. It sets a standing requirement for appeal: the appellant must have participated, and raised the issue or issues to be appealed, during the preparation of the plan or action. This requirement is consonant with general case law under the Administrative Procedure Act and a recent federal court decision directly on point in the Idaho Panhandle Forests Plan litigation. It ensures that appellants cannot gain standing simply by submitting a non-substantive, cursory, *pro forma* letter or testimony during preparation of the plan or action, which gives the Forest Service no notice of, or opportunity to correct, the infirmity perceived by the appellant in a timely manner.

This section also requires that the appeal of any Forest Service plan, document setting MMRs, or plan implementing action that is based on new information developed since the preparation of the plan may not be taken until the prospective appellant has petitioned the Forest Service for a plan amendment or revision pursuant to section 209 and the agency had had an opportunity to accept or deny the petition. To prevent the Forest Service from sitting on administrative appeals or petitions, this section deems appeals and petitions denied if they are not decided by the regulatory deadline. The appellants can then proceed to court without delay. Finally, the section bars administrative stays beyond the deadlines for filing litigation provided in sections 211 through 213.

Sec. 211. Judicial Review of Plans

Sec. 212. Judicial Review of Minimum Management Requirements

Sec. 213. Judicial Review of Plan Implementing Actions: To ensure expeditious judicial review and avoid lengthy plan implementation paralysis during the course of litigation, these three sections establish the following deadlines for filing suit after a final Forest Service administrative appeal decision:

90 days for litigation over plans (including plan amendments or revisions) (§211);

60 days for litigation over documents which set MMRs (§212);

30 days for litigation over plans implementing actions. (§213);

Further, these sections:

Provide that judicial challenges to plans and documents establishing MMRs will be heard in the federal court of appeals for the circuit where the national forest to which the plan or document applies is located (§§211 and 212) and judicial challenges to plan implementing actions will be heard in the federal district court for the district in which the implementing action will occur (§213);

Limit the record on review to the Forest Service's administrative record, plus any additional written information the court permits;

Establish the same standing requirement for litigation contained in section 210 for administrative appeals and for the same reasons; and

Provide that the grounds for challenging an implementing action are inconsistency with the plan which the action is intended to implement or violation of a nondiscretionary provision of any law other than the NFMA (§213). This last requirement reflects a position taken by the Western Governors' Association (Resolution 86-021) in 1986 and again in 1989.

Sec. 214. Deadlines and Procedures: This section provides that lawsuits over Forest Service plans, documents establishing MMRs, and implementing actions are to be scheduled promptly and provided precedence over other docket matters, except criminal cases. Further, it establishes time-frames for the courts to render final decisions, and for the lifting of any preliminary injunctions, in lawsuits over plans (180 days), documents establishing MMRs (120 days), and implementing actions (60 days; 30 days for salvage sales or emergency actions), unless the time is extended in order to satisfy requirements of the Constitution.

Sec. 215. Status of Plans: This section provides that, in the event a Forest Service plan is enjoined, its predecessor plan automatically takes effect until the enjoined plan is reinstated.

Sec. 216. Tiering of Environmental Documentation: This section requires the Forest Service to tier documents under the National Environmental Policy Act so that each NEPA document on a plan implementing action references applicable analysis in the environmental impact statement ("EIS") prepared for the plan and focuses on issues not previously analyzed in that plan-level EIS. This requirement is fully consonant with guidance from the Council on Environmental Quality and judicial precedent. Congress has already directed the Forest Service in the NFMA to develop rules on how it will apply NEPA to the land management planning process. This section would provide further, more explicit Congressional direction to ensure timely decisionmaking without unnecessarily costly, time-consuming, and duplicative analysis.

Sec. 217. Budget Disclosures: This section requires that the President's budget submission include a statement of the funding totals necessary to achieve 100% of all outputs specified in, or otherwise implement fully, each Forest Service plan.

Sec. 218. Regulations: This section directs the Forest Service and BLM to promulgate regulations to implement Title II within one year of enactment.

TITLE III—PROVIDING AN INTERIM PROGRAM

This title establishes a 3-year interim program to protect ecologically-significant old growth forest and the northern spotted owl, and to ensure maintenance of a timber sale program, on National Forest and Public Lands while the long-term program provided by Title I is being prepared.

Sec. 301. Purposes: This section states the purposes of the interim program as expressed directly above, and also includes the establishment of an Old Growth Research Program to better understand old growth ecosystem processes and values and to permit active management to maintain and enhance those processes and values.

Sec. 302. Duration of the Interim Program: This section directs that the interim program will last for three full fiscal years after enactment, and thereafter in any particular area of the National Forest and Public Lands for which the plan revision required by the long-term program is either not completed or is being challenged in administrative appeal or litigation.

Sec. 303. Suspension of Certain Plan Elements: To ensure that the effectiveness of the Congressionally-mandated interim program is not compromised by existing Forest Service and BLM plans containing administrative decisions that were made potentially obsolete by the listing of the northern spotted owl under the ESA, this section suspends elements of the plans proscribing timber harvesting outside, and permitting timber harvesting, road construction, or mineral leasing, inside areas of old growth forest protected by section 305.

Sec. 304. Interim Timber Sales Program: This section directs the preparation and offering of annual timber sales programs by the Forest Service and BLM on National Forest and Public Lands not identified and protected by section 305. These annual timber sale programs would operate during the interim period and be subject only to the provisions of Title III. For now, the actual volumes of the two agencies' annual timber sales programs are not assigned so that the agencies can be consulted on realistic numbers to include in the legislation based on the amount of old growth forest accorded interim protection under section 305. The section provides for the allocation of the numbers ultimately assigned to the programs among the various national forests and BLM administrative districts. It also makes clear that the assigned numbers do not apply if an exemption is sought for a Forest Service or BLM annual interim timber sales program under section 7(e)-(l) of the ESA and section 306 of this legislation.

Sec. 305. Interim Old Growth Forest Protection: This section provides protection for ecologically-significant old growth forest for the life of the interim program. The protection includes a prohibition against timber sales, road construction, and mineral leasing. The lands to be protected include unfragmented areas of old growth forest of a certain size in habitat conservation areas identified by the Scientific Committee to Address the Conservation of the Owl (the "Thomas Committee") and lands within a certain radius of active northern spotted owl nest sites. The sizes of the unfragmented areas and nest site radii are left blank for the same reason the volumes of timber sales are left blank in section 304: the sizes should be set only after soliciting expert agencies' advice.

Sec. 306. Endangered Species Act and National Environmental Policy Act Compliance: This section ensures that the requirements of the ESA and NEPA are adhered to in the interim program and sets deadlines for preparation of environmental impact statements and conducting ESA consultation on each of the Forest Service and BLM annual interim timber sales programs. It ensures that the northern spotted owl will receive full protection through the ESA consultation process while the recovery plan and critical habitat designation processes unfold. This section provides that, if a jeopardy opinion is rendered in consultation on a particular program, the Fish and Wildlife Service suggests reasonable and prudent alternatives involving the sales volume assigned to that program in section 304. If, however, an exemption is sought for the program under the ESA, section 304 makes clear that the exemption may be considered and granted unencumbered by the assigned volume.

Sec. 307. Judicial Review: The interim program cannot provide as much certainty for the annual interim timber sales programs as it does for protection of old growth forest and the northern spotted owl unless it proscribes litigation challenges of those programs and of individual sales. No attempt is made, however, in this legislation to bar judicial access.

To the contrary, this section encourages expedited judicial review during the interim program. It provides that agency decisions on the annual interim timber sales programs and individual timber sales are final agency actions, not subject to further administrative review or administrative stays. This means opponents do not have to file administrative appeals, but, instead, can seek immediate judicial relief. To ensure that litigation is expedited, this section also provides that any lawsuit must be filed within 30 days of the challenged decision, that the U.S. Court of Appeals will hear the case, and that any preliminary injunction issued shall have a maximum term of 60 days.

Sec. 308. Old Growth Forest Research Program: This section requires the Secretaries of Agriculture and the Interior to establish a five-year Old Growth Research Program within six months of enactment. The Program is to include basic research on ecosystem values and processes and applied research on methods of timber harvesting to maintain or enhance those ecosystem values and processes. This section also requires that, within 2½ years of enactment, the two Secretaries study the work of the Research Program and prepare prescriptions and guidelines to govern timber harvesting in ecologically-significant old growth forest areas to be designated to the Reserve, if harvesting is authorized in the applicable plan revisions under the long term program. These prescriptions and guidelines, which may include techniques associated with New Forestry, are to ensure that any harvesting permitted in such areas will maintain or enhance the areas' ecosystem values.

TITLE IV—ECONOMIC ADJUSTMENT

The long term and interim programs and the old growth forest and species protection they provide will result in significant adverse economic and social effects among employees, families, and communities economically dependent on the National Forest and Public Lands. The objective of this Title is to develop a 6-year program to provide health, retraining, and other benefits payments to dislocated workers and grants to promote economic diversification and stability for dependent communities.

Sec. 401. Purposes: This section states the purposes of Title IV, which are discussed above in the description of the Title.

Sec. 402. Special Economic Adjustment Fund: This section provides for the funding of the economic adjustment program. It requires that, for the 6 full fiscal years after enactment, a certain percentage of the federal portions of all revenues received under various statutes from timber sales on Forest Service and BLM lands must be deposited into a special fund in the Treasury to be used to implement Title IV. The percentage is left blank and will be filled in at a later time in the legislative process when the effects of the long term and interim programs, and the attendant funding needs they will produce, can be determined.

Sec. 403. Timber Economic Adjustment Commission: This section provides the decisionmaking body for the economic adjustment program. To best respond to regional concerns—involving problems that are specific to rural areas in a discrete region involving portions of 3 states—this section establishes a 3-member Timber Economic Adjustment Commission that is also regionally based. The section requires that each governor in the 3 States—California, Oregon, and Washington—appoint a commissioner. The chair is to be elected annually by the 3 commissioners.

Sec. 404. Administrative Authority. This section provides certain administrative authority to the Commission concerning contracting for services, adoption of internal rules (including open meetings and meeting notices), and provision of federal agency technical assistance, equipment, and services.

Sec. 405. Timber Economic Adjustment Advisory Panel: To ensure that regional expertise is available, this section establishes a 9-member advisory panel—the Timber Economic Adjustment Advisory panel—to counsel the Commission. Each governor is directed to appoint 3 members to the Advisory Panel: one from the forest products industry, one from organized labor, and one from the general public.

Sec. 406. Compensation and Expenses: This section provides for salaries for Commissioners and travel expenses for both Commissioners and Advisory Panel members.

Sec. 407. Purpose of Economic Adjustment Grants and Benefit Payments: This section directs the Commission to make grants to communities which, and benefit payments to workers who, meet the eligibility requirements of section 408. It states the following purposes for the grants and benefit payments:

Assist eligible communities to achieve economic diversity and diminish dependency on forest products from old growth forest on National Forest Lands and Public Lands;

Provide short term and longer term retraining and adjustment assistance to eligible workers;

Supplement unemployment insurance benefits and extend income maintenance payments for eligible workers whose eligibility for unemployment insurance benefits is exhausted and who are enrolled in Commission-certified training or education programs;

Provide base level health care insurance coverage for the families of eligible workers who are enrolled in those training or education programs; and

Defray job search expenses and relocation expenses for eligible workers who have exhausted employment opportunities in their communities.

Sec. 408. Eligibility for Economic Adjustment Grants or Benefits Payments: This section provides the requirements for dependent communities and dislocated workers to be eligible for the economic adjustment grants and benefit payments. The community's eligibility is based on a percentage reduction in work force in an associated mill or other wood products facility, and the worker's eligibility is based on loss of employment for a minimum period and unlikely return to his or her former job.

Sec. 409. Notice of Secretaries: So as to give the Commission early warning, this section requires the Secretaries of the Interior and Agriculture to inform the Commission of the likely impacts on the local or regional economy of land management actions they intend to take on the National Forest and Public Lands.

Sec. 410. Termination of Commission and Panel; Commission Report: This section sunsets the economic adjustment program at the end of 6 full fiscal years from enactment and requires a report from the Commission on the economic conditions of communities and employment in the region that includes the National Forest and Public Lands.

TITLE V—MISCELLANEOUS

Sec. 501. O&C Lands: This section ensures that this legislation will not amend by implication the O&C Lands Act.

Sec. 502. Authorization of Appropriations: This section authorizes appropriations to implement this legislation.

DEATH OF GERALD ALBERT

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MONTGOMERY. Mr. Speaker, on Friday, May 10, 1991, Mr. Gerald Albert died after a long illness. Mr. Albert was VA's vocational rehabilitation and counseling officer in San Francisco and served in that capacity from 1964 until the fall of 1989. He was responsible for obtaining employment for disabled veterans. VR&C divisions throughout the country assist eligible veterans in overcoming service-connected disabilities through vocational training, independent living services, and other rehabilitation counseling, plus employment assistance.

Mr. Albert received VA's prestigious Olin Teague Award in 1986. The Teague Award, named for the late distinguished Congressman from Texas, recognizes a VA employee or group of employees whose achievements have been extraordinarily beneficial to the rehabilitation of war injured veterans. Mr. Albert obviously did his job very well.

Mr. Speaker, we have lost a fine gentleman and an outstanding leader. I know my colleagues and the disabled veterans he helped join me in mourning his loss.

NOT SO TAX SMART LOANS

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. GUARINI. Mr. Speaker, you may have heard or read recently advertisements on the radio or in the papers regarding "TaxSmart" auto loans. Here's what they say:

> Get a TaxSmart auto loan now and the Government could cover at least one of your payments this year.

The ads go on to say:

> Has the Government gone soft? The IRS trying to improve its image? Not exactly. The TaxSmart Auto Loan is something we came up with all by ourselves.

During the debate on the 1986 Tax Reform Act there was much discussion regarding the appropriateness of allowing deductions for personal interest. A decision was made to disallow deductions for personal interest. Among the most popular items affected were car loans.

Although personal interest is no longer deductible, interest on home equity indebtedness remains deductible. Home equity indebtedness is any loan other than one used to acquire a residence that is secured by a qualified residence, but only up to $100,000.

The code also permits deductions of home mortgage interest. To qualify, the debt on which the interest is paid must be secured by the taxpayer's principal or second residence at the time the interest is paid or accrued. Unsecured debt and debt secured by property other than the residence, even if used to acquire a personal residence, generates personal, that is, nondeductible, interest.

Most home equity loans are also exclusively secured by the borrower's residence. However, the marketers of the tax smart auto loan have found a loophole. These loans are secured primarily by the car, which is the true collateral. The home is tagged on as an afterthought. As one advertisement states, appraisals and title exams are not even required to qualify for the loan. This practice perverts the underlying purpose of home equity loans.

The legislation which I am introducing will close this loophole by excluding any indebtedness secured by property other than a qualified residence from the definition of "home equity indebtedness." The home equity loan market is a huge one, with about 100 billion dollars' worth of credit outstanding. About 12 percent of home equity loans are used to finance auto purchases. If Congress allows this abuse to continue, the drain on the Federal Treasury will be very substantial. And it is not just automobiles. Virtually any other type of purchase could be financed through this mechanism.

If Congress believes that the personal interest deduction should be restored, it should do so directly—not sanction such an obvious abuse of the home equity loan concept.

INTRODUCTION OF THE FEDERAL ENERGY SAVINGS INCENTIVES ACT OF 1991

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. SYNAR. Mr. Speaker, today I am pleased to join with my colleague, ED MARKEY, in introducing the Federal Energy Savings Incentives Act of 1991, which deals with a subject that should have been addressed forcefully in the national energy strategy but instead was treated timidly and incompletely.

The Federal Government is the Nation's largest energy user and unfortunately, the Nation's biggest energy waster. The reason for this is simple: Federal agencies and Federal employees have no incentives to save energy, since they don't get to keep the savings. Yet decreasing Federal energy use not only saves hundreds of millions of taxpayers dollars and reduces U.S. dependence on foreign oil, it also lessens air pollutants such as sulfur and nitrogen oxides and the gases which cause global warming.

Last summer the Environment, Energy, and Natural Resources Subcommittee, which I chair, and the Energy and Power Subcommittee, chaired by our distinguished friend and colleague, PHIL SHARP, held joint hearings on Federal energy efficiency efforts. Whether the witnesses were from GAO, private industry, or even Federal agencies, the story was the same. The Federal Government's system of procurement for both energy goods and services didn't provide ways for agencies to seek out energy efficiencies or to be rewarded when they installed them.

The Federal Energy Savings Incentives Act being introduced today corrects the flaws uncovered by our hearing and provides the incentives we agreed were necessary to achieve significant energy savings. It allows an agency to keep one-third of the savings generated by installation of energy-saving equipment and products and to use it for agency morale or welfare programs such as recreation, child-care, or continuing education. Another third would be reinvested in further energy conservation measures to generate further savings in energy and tax dollars, while the final third goes to the Treasury for deficit reduction. This system has already been tried at the Defense Department, the Federal Government's chief energy-using branch, where it was a big success.

The bill also deals with other problems uncovered at our hearing. The most important are obstacles to Federal participation in utility shared savings plans, under which utilities pay the initial cost of installing energy saving equipment in return for receiving a portion of the agency's fuel savings. The bill would streamline the procedures for agencies which take part in shared savings plans, making the programs more attractive to both the Federal Government and utility systems.

I urge my colleagues to cosponsor and support the Federal Energy Savings Incentives Act of 1991.

RETIREMENT TRIBUTE TO JAMES GALLAGHER

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. WELDON. Mr. Speaker, I rise today to pay tribute to Mr. James W. Gallagher of Newtown Square, PA. I would like to express my personal gratitude to Mr. Gallagher, a 20-year resident of Delaware County, for his service to the Nation and the local community.

After serving his tour of duty as a U.S. Marine in World War II, Jim returned to the United States and worked for Westinghouse Electric. During his private career, he remained dedicated to his country as an active member of the American Legion. Having served over 22 years in various leadership posts, Jim reached his current post as eastern vice commander of the Pennsylvania American Legion.

Ever loyal to the Marine Corps, Jim led a local "Toys for Tots" program for 24 years. He was commended by Westinghouse and received a citation from the Pennsylvania State Senate and House of Representatives for his outstanding efforts.

Jim is well-known and highly regarded by many people in our community for these charitable activities. But there are many more people who are more familiar with him as his alter ego. "George Washington." As trustee and vice president of the Washington Crossing Foundation, Jim portrays George Washington every Christmas in the reenactment of Gen. George Washington's historic journey during the Revolutionary War. Jim has visited many community organizations promoting the legacy of George Washington. Many Members of the U.S. House of Representatives remember Jim appearing in our Nation's Capitol in his George Washington costume, and have seen him in local parades.

We will always remember Jim for his outstanding characterizations of General Washington. But we should not forget the many other contributions he has made to the Nation and his community. I have been honored to work with Jim, and I am pleased to call him a friend. He deserves our recognition and support. I ask the Members of the House to join his family and friends in honoring this outstanding American.

TRIBUTE TO MRS. MARTHA EASTERLING ON THE OCCASION OF HER RETIREMENT FROM JEMISON HIGH SCHOOL

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. HARRIS. Mr. Speaker, I rise today to pay tribute to the outstanding efforts of Mrs. Martha Easterling in the field of education, demonstrated over the past 37 years as an English teacher at Jemison High School in Jemison, AL. Providing the motivation and encouragement for her students to finish high school, Mrs. Easterling has been a role model for the youths of Jemison High School. It is because of people like Mrs. Easterling, who are truly committed to the educational advancement of our Nation's youth, that students in the United States continue to excel on national scholastic examinations and become productive members of our American work force.

I consider Martha Easterling to be a true friend and a great patriot. In addition to involving herself to a great degree with her students, Martha has also worked with the local Music Appreciation Club, First United Methodist Church of Clanton, and has been very active with the Chilton County Democratic Party. Even now, as Mrs. Easterling is retiring, she will continue to make great contributions of her time to work with the Adult Basic Education Program of Chilton County.

Mr. Speaker, I salute Martha Easterling and her wonderful family today, recognizing all the contributions Martha has made to the public education system. For her undying service to the school, the community, and her State and country, we say thank you.

1991 CONGRESSIONAL CALL TO CONSCIENCE—ANATOLY AND ANN BRENNER

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. BEILENSON. Mr. Speaker, thank you for this opportunity to join my colleagues in supporting the 1991 Congressional Call to Conscience Vigil for Soviet Jews.

Today, I would like to direct my colleagues' attention to the plight of Anatoly and Ann Brenner and their son Leonid. Anatoly was employed as an electrical engineer at the Ministry of Energy until 1979, when the family first applied to emigrate. Since that date, the Brenners have been repeatedly denied exit permission on secrecy grounds despite the fact that Anatoly never dealt with security matters on his former job. The Brenners have become completely demoralized as more and more of their friends have been allowed to leave the Soviet Union, while Anatoly's former department head, the Minister of Energy, is still refusing to give his permission for the family to leave.

I would like to take this opportunity to urge the Soviet Union to honor its commitments as expressed in the Helsinki Final Act and allow the Brenners to be reunited with their family outside the Soviet Union. Such action would be a positive example of the continued viability of the glasnost campaign and would help to further amicable relations between our two great nations.

IN MEMORY OF RAPHAEL O. WHEATLEY

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. DE LUGO. Mr. Speaker, I rise to speak with sadness in my heart upon the passing yesterday of a great Virgin Islander and friend, Raphael O. Wheatley.

Raffie, as he was known to the many who loved and admired him, served his community as an educator for 35 years. He recognized clearly the importance of vocational education to our youngsters and to the Virgin Islands so that we could fill the need for technical and trade skills.

Raffie joined the Department of Education in 1941 in the maintenance department and soon began his career as an education instructor, eventually teaching hundreds of young people the skills that would serve them for a lifetime. By 1958, Raffie was promoted to the position of coordinator of vocational education for the entire territory.

In 1964 Raffie became deputy commissioner for vocational education programs and directed manpower development and training. By the time of his retirement in 1976, Raphael had become director of school plant facilities.

Raffie will always be remembered with affection by his friends and loved ones. And he will live on in the memories of the many, many students he touched during his venerable career. Those who participate in vocational education on St. Thomas in years to come will learn of him as they work in the skill center that bears his name.

We are saddened indeed by the passing of Raphael O. Wheatley, but we are proud to have known this great human being and we are grateful for all that he did for the Virgin Islands and her people.

Mr. Speaker, on behalf of a grateful people, I wish to extend sincerest condolences to his family in their time of grief.

SAFE BOATING WEEK

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. RAMSTAD. Mr. Speaker, I rise roday to commend the Minnetonka Power Squadron of Minnetonka, MN, in association with the National Safe Boating Council, for sponsoring "Safe Boating Week" during the week of June 2 through 10, 1991.

Boat safety through education has been the Minnetonka Power Squadron's motto for several decades. During this week, the Minnetonka Power Squadron will conduct many classes, activities, events, and public awareness activities to encourage and promote boating safety.

Minnesota is known for its thousands of lakes. These lakes are a boater's paradise.

But boating can also be dangerous. Each year, boat accidents cause many needless injuries and deaths. Each year, many boaters needlessly pay thousands of dollars in damages because someone has been careless or reckless.

As we begin the summer months of enjoying the outdoors and the lakes, it is appropriate to remind every one to know the rules of the lakes and to practice safe boating.

I encourage all boaters—in the entire United States, not just Minnesota—to participate in Safe Boating Week by exercising safe boating skills throughout the boating season.

TRIBUTE TO FRANK CREAMER

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MCEWEN. Mr. Speaker, it is with great respect and admiration that I stand to recognize Frank E. Creamer of Washington Courthouse, OH, who was inducted today into the Central Ohio Senior Citizens Hall of Fame.

Frank Creamer, a father of four and grandfather of nine, is a man who puts service above self. As a young man he answered the call and defended his country. He earned five battle stars and a Presidential citation with oak leaf for his service in World War II. He is lifetime member and commander of VFW Post 4964.

After the war, Frank Creamer became a teacher. For 36 years, he taught social studies and coached baseball, track and basketball at Miami Trace High School. His students and their parents appreciated Frank Creamer's dedication, and both the Christian Athletic Association and the Miami Trace Board of Education have awarded him plaques in honor of his excellent service to the youth of Miami.

As a 50 year member of the South Side Church of Christ, Frank Creamer has served as an elder, song leader, and a bible school teacher. He visits the sick and minsters to the elderly. He is member of the Christian Men's Evangelizing Association and has help build four new church buildings.

Frank is also an active member of the Senior Citizens of Fayette County, and is a member of the board of trustees of the Fayette County Commission on Aging.

Mr. Speaker, Frank Creamer is an example for us all. I congratulate him on being inducted into the Central Ohio Senior Citizens Hall of Fame, and I want to make it known that I am proud he is a resident of the Sixth District of Ohio.

GREAT SELECTION BY NASA OF GRAND VALLEY STATE UNIVERSITY

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. VANDER JAGT. Mr. Speaker, I am delighted today to recognize the announcement that Grand Valley State University at Allendale, MI, in the Ninth Congressional District is being honored by selection to participate in the Joint Venture [JOVE] institution program of the National Aeronautics and Space Administration. Grand Valley is one of only 16 institutions across the country being honored during this third year of NASA's JOVE pilot program.

The goal of the JOVE Program is to make the excitement, challenges and the research opportunities of NASA's planned space science missions available to a broader spectrum of colleges and universities while at the same time providing opportunities for outreach programs to grade schools and high schools in local communites.

A TRIBUTE TO THE MILITARY VETERANS OF FOWLER FOR THE DEDICATION OF THE SERVICEMEN'S MEMORIAL

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. CAMP. Mr. Speaker, it is with a deep sense of respect and pride that I rise before the U.S. House of Representatives to recognize the men and women of Fowler, MI, who so unselfishly have contributed to the defense of our Nation and its shining beacon of democracy to peoples throughout the world.

Over 600 men and women from the Fowler community have served this country in the

U.S. Armed Forces from the time of the Civil War to Operation Desert Storm. Their commitment and sacrifice in fighting for the freedoms we enjoy today must never be forgotten. From the battle of Bull Run to the liberation of Kuwait, the United States of America has depended upon these men and women's courage and sense of duty to protect our way of life.

It is only fitting that on this Memorial Day, May 27, 1991, a day when the Nation honors all of the veterans who have sacrificed their lives for their country, we dedicate the servicemen's memorial at the Most Holy Trinity Cemetery in the community of Fowler.

Mr. Speaker, I know that you and the Members of this body will join me in saluting these military veterans for their service and valor in preserving the ideals we hold so near and dear to our hearts. We will always remember them and their sacrifices.

ZOEY RAPPOPORT PLACES THIRD IN NATIONAL RIDING EVENT

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. STUMP. Mr. Speaker, I rise today to pay tribute to Miss Zoey Rappoport, who won a third place in the individual riding category at the U.S. Inter-Collegiate Equestrian Competition May 4 and 5 in Roanoke, VA. Miss Rappoport is a 1989 graduate of Saguaro High School in Scottsdale, AZ, and the daughter of Mike and Suzi Rappoport of Paradise Valley.

Miss Rappoport is an accomplished equestrian who began competing during grade school, and she has chosen dressage as her specialty. Dressage is one of the most elegant forms of riding in which the rider gracefully guides her mount through a series of complex maneuvers by subtle cues from the rider. The result is an elegant combination of horse and rider.

Miss Rappoport is a student at Tufts University in Boston where she is a member of the school's equestrian team. The competition in Roanoke drew entries from 180 colleges in the United States and Canada.

Mr. Speaker, I would again like to congratulate Miss Rappoport on her accomplishments. She has demonstrated through her commitment and perseverances that she not only can be a successful competitor in a sport that requires grace and skill, but also successfully meet the academic challenges of Tufts University. Zoey is a role model for all young women.

TRAGEDY STRIKES LANDON SCHOOL

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. RHODES. Mr. Speaker, when I was growing up here in the Washington area, I attended Landon School, in suburban Maryland. My son, Arthur, is now in the fifth grade at Landon. The school is well known in the area for excellence in all aspects of the education of young men.

Another well-known school, appreciated for its excellence, is St. Albans, in the District.

For more than 50 years a fierce but friendly rivalry between Landon and St. Albans has been a central feature of life at both schools. This rivalry is of Army-Navy proportions, and annual sporting events between the schools are highlights of the season, and victory marks the success or failure of the teams involved, regardless of sport, and regardless of record.

Last Friday, the Landon and St. Albans lacrosse teams were locked in titanic struggle, not just for bragging rights between the two schools, but also for the championship of the Interstate Athletic Conference. More than 1,000 people were in attendance, including several members of my Landon class of 1961, who now have sons enrolled at the school, and including many who do not have students currently enrolled, but for whom the draw of another Landon-St. Albans contest simply could not be ignored.

In the midst of festivities, tragedy struck—literally. A typical Washington summer thunderstorm suddenly came up, and officials called a halt to the game, and the field was cleared. The teams sought safety in their busses and the gym, and the spectators scattered. A small knot of students and parents huddled under one of the huge, old trees that fringe the edge of the St. Albans playing field, and it was at this tree that fate flung a huge bolt of lightning, and it was under this tree that Noah Eig, 15-year-old Landon freshman, died.

I didn't know Noah; I am acquainted with some of his family. His first cousin is in my son's class, and one of Arthur's best friends. One of my classmates who was there is a physician, and helped provide aid and assistance to the injured. His daughter, a senior at Landon's sister school, Holton Arms, and an intern in my office, arrived immediately after the lightning strike. Her younger sister was a close friend of Noah's.

The Landon family is large, and close. Graduation is not the end of the Landon experience, but just the beginning. This kind of tragedy touches every single one of us. I wonder how my son is dealing with this. It is his first experience with death. We have talked to him, and are talking to him, and he seems to respond to us, but how badly is he hurt? We know that the boys are talking among themselves, and Arthur has been sought out by his friend, Noah's cousin, and has spent a lot of time with him.

When a death occurs, it is natural to try to find some explanation, something that can help us to understand why a life has been taken from us. How can these young people understand what has happened to them? How can Noah's classmates and schoolmates explain to themselves why he is no longer with them? As a member of that large and loving Landon family, I am hurt by this loss, and I can only barely imagine the sense of loss of these young people, and I feel for them, very deeply.

To Noah's family, I can only express my deepest and most profound sympathies. I can think of nothing more tragic or heartbreaking than for a parent to have to bury a child. The Landon family can do nothing to make your burden any lighter or your sorrow any less deep, but we share it with you, and you have our love.

SUPPORT FOR FEDERAL ENERGY SAVINGS

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MACHTLEY. Mr. Speaker, today I join Congressman Markey in introducing legislation which will put a stop to the Federal energy boondoggle that is unnecessarily robbing taxpayers of as much as $864 million a year, according to the Alliance to Save Energy.

Our legislation, the Federal Energy Savings Incentives Act, will stamp into law the ambitious new 20 percent savings in Federal energy use recently proposed by the President. More importantly, our bill will put some kick behind the Federal Government's plan for saving energy by providing key incentives to make these conservation goals stick.

The Federal Government is the Nation's largest energy consumer, and biggest energy waster, spending almost $3.5 billion in 1989 to heat, cool and power its buildings. The money the Federal Government could save by simply making better use of energy is more than three-fourths of what the Federal Government spends on Head Start, and an equally large chunk of what is spent on helping low-income people to heat their homes. If the Federal Government didn't waste millions of dollars on unnecessary heating and cooling costs for its Federal buildings, the many millions of dollars now squandered on energy could instead be spent on education, health care, and other worthwhile Federal programs.

By improving the energy efficiency of the Federal Government we can not only cut federal costs, but also improve our Nation's environmental quality, limiting pollution and other wastes. Our legislation would require a 20 percent reduction in energy consumption per square foot—thus ensuring that the Federal energy used is cleaner and easier on the environment.

Mr. Speaker, the President is to be commended for his recent Executive order calling for profound reductions in Federal energy use by the year 2000. However, while a lack of leadership and Federal requirements on energy efficiency have been important obstacles to improving the Federal energy picture, we cannot simply mandate the Federal Government into compliance.

The primary causes of the Federal energy glut we have suffered during the past 5 years are both the failure to fund efficiency improvements and a lack of incentives for Federal agencies to conserve.

Our legislation addresses these root causes by taking important steps to ensure the necessary upfront funding for energy improvements. It then provides equally important follow through to make sure that Federal agencies that work the hardest to conserve energy and to achieve savings for the Government are rewarded for their efforts.

Keeping in mind that the money saved through conservation and energy efficiency is money that would otherwise have been wasted, the Federal Energy Savings Incentives Act rewards local agencies that achieve savings by allowing them to retain one-third of these funds, on site, for use in employee education, day care and childcare, athletic and recreational facilities, or other morale-boosters.

Of the remaining two-thirds of the funds saved, one-half is returned to the Treasury, and the other half is applied to additional conservation measures. Because a portion of the savings achieved go back into further conservation efforts, the program would ultimately be self-financing.

Mr. Speaker, the Federal Energy Savings Incentives Act provides the formula needed to make the Federal energy program a model for the Nation, as opposed to a national disgrace. I look forward to broad support for this measure.

QUIT PUNISHING SENIORS FOR REMAINING PRODUCTIVE

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. CAMPBELL of California. Mr. Speaker, senior citizens who want to remain productive workers in our society deserve our admiration and encouragement. Our Social Security system, however, gives them just the opposite. Current law actually punishes seniors who continue to work by sharply reducing their Social Security benefits.

For a beneficiary between the ages of 65 and 69, every dollar he or she earns above the annual allowable income limit—$9,720 in 1991—causes a 33⅓-percent reduction in Social Security benefits—effectively a 33⅓-percent tax on that income. For those under the age of 65, benefits are reduced 50 cents for every dollar earned above the limit, which in 1991 is $7,080—effectively a 50-percent tax on that income. Add that 50 percent to the income taxes—both Federal and State—and FICA taxes an individual must already pay, and a senior could easily receive a return of less than 30 cents for a dollar earned. What a tremendous disincentive for seniors who want to remain active and productive.

Mr. Speaker, the earnings limit effectively shoves seniors into forced retirement. It prevents thousands of older Americans from continuing to exercise one of their most fundamental rights—the right to work. Equally disheartening, it denies to our economy the productive participation of skilled, experienced workers.

An even more severe earnings limit confronts disabled people; once they reach a certain level of outside income, they lose all Social Security benefits. What a tremendous disincentive for a disabled person who has the capacity and the desire to be a productive worker. I've introduced a bill to correct this abuse for blind people, and I invite my colleagues to join me as cosponsors.

Mr. Speaker, one final point: At the same time that we give back to seniors and disabled persons their right to be productive, let's also strengthen the financial integrity of the entire Social Security system. A good way to do so would be to earmark to the Social Security trust fund the income tax collected on new income earned as a result of the elimination of the earnings limit. The Treasury would be no worse off; it was not collecting any of this income tax in the past because those individuals were not working, and these new funds will more than offset the additional payout necessary to restore Social Security benefits to seniors and disabled persons who choose to work.

Mr. Speaker, we live in a society in which the work force is growing older. This represents not a disadvantage, but a tremendous opportunity if we are wise enough to grasp it. We will increasingly rely on the skills and energy of older workers. The sooner we not only recognize this fact, but accommodate ourselves to it, the sooner we can all realize our full economic potential.

VERMILLION-NEWCASTLE BRIDGE PROJECT

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. JOHNSON of South Dakota. Mr. Speaker, today I am introducing legislation to authorize the U.S. Secretary of Transportation to carry out a highway bridge demonstration project in the Vermillion, SD-Newcastle, NE area to improve the flow of traffic between the States of South Dakota and Nebraska.

If such a study determines the need for this bridge, then the U.S. Secretary of Transportation is authorized to carry out a highway project to plan, engineer, and construct a bridge across the Missouri River, connecting a Federal-aid highway in the vicinity of Vermillion, SD with a Federal-aid highway in the vicinity of Newcastle, NE.

The strong local effort to make this bridge a reality stems from the hard work of many different private citizens, local governments and private organizations. A bridge in the Vermillion-Newcastle area would go a long way to improve the interstate flow of traffic, improving critical access to rural health care, needed access to higher education opportunities, and significant improvements of farm-to-market traffic for grain and livestock producers in both South Dakota and Nebraska.

The interest and need for the Vermillion-Newcastle Bridge has long been a priority for both South Dakota and Nebraska citizens. Providing a link between States at this location will seriously enhance quality of life and provide access to badly needed services for a considerable number of people. Communities have worked together for years to make this highway project a reality.

A TRIBUTE TO DR. HARRY PITT

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to Dr. Harry Pitt on the occasion of his retirement from the Montgomery County Public Schools, ending a career that has spanned more than 30 years. His tenure as superintendent of schools was characterized by new teacher induction, increased community involvement in administrative decisions, and improvement of African-American and Hispanic student achievement.

Harry Pitt ably served in a number of administrative positions with the county public school system, including area associate superintendent of area 3, associate superintendent for administration, and area associate superintendent for area 2. From 1979 to 1987, he worked to develop educational goals and priorities as the deputy superintendent of schools. He has served as superintendent since 1987.

Dr. Pitt's career was marked by initiation of the effective schools project, identification and dissemination of successful teaching practices, and an improved accountability program. He promoted early childhood programs with emphasis on parent education and outreach, and revised the elementary science curriculum to focus on hands-on activity.

Dr. Pitt will be honored at a gala banquet on May 30. I wish him the very best in all of his future endeavors, and I am sure that he will continue to be a vital and effective member of the Montgomery County community.

HONORING CYRIL A. McGUIRE

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. CARR. Mr. Speaker, I have the privilege today to rise and pay tribute to Mr. Cyril A. McGuire, my dear friend, who will retire after 23 years of service to the automotive industry. Cyril's dedication, success, and leadership to his union, his company, and the people of Michigan will be greatly missed.

Born and raised in Lansing, MI, Cyril has carved a path of accomplishment during his career. His mark of excellence will remain in the community for years. First elected as the education committee chair of Local 652 of the United Auto Workers, my friend's acceleration in the union's rank was inevitable. Positions held by Cyril in the UAW include district committee person; shop committee person; vice chair, shop committee; vice president of UAW Local 652; President of UAW Local 652; Region 1–C UAW international representative, Region 1–C UAW educational director and Region 1–C UAW community action programs coordinator.

Michigan labor and American labor, in general, have benefited from Cyril McGuire's efforts for nearly a quarter of a century. I personally have witnessed his thoughtfulness and gentle nature when presented with difficult problems. Always regarded as a man of wisdom, Cyril was a genuine mediator, one who could see a situation from all perspectives and come to the most equitable resolution.

In addition to a lifetime's work packed into 23 years as a member of the UAW, community service was a priority for Cyril. Activities outside of the workplace include such honorable posts as board president of the National Council on Alcoholism, regional board president of the Greater Lansing Democratic Business and Professional Association, Lansing precinct delegate, member of the Ingham County Democratic Party Executive Committee, member of the Michigan State University Labor Advisory Committee, and member of the Lansing Community College Blue Ribbon Committee.

Along with his professional accolades, Cyril has been a strong leader of the community. The list of awards and admirations include National Association of Negro Business and Professional Women's Distinguished Service Award, Lansing Safety Council special recognition, Big Brothers of Lansing Man of the Year, A. Philip Randolph Institute Greater Flint Chapter's Edward Taylor Memorial Lifetime Achievement Award.

Mr. Speaker, it gives me great pleasure and extreme pride to join with Cyril's wife, Mary Jane McGuire, and his family and friends to wish him the best of life and health in his retirement. I have benefited from Cyril's example of character in politics and in life. I will continue to respect and admire my good friend and seek his advice.

FEDERAL ENERGY SAVINGS INCENTIVES ACT OF 1991

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MARKEY. Mr. Speaker, today I am introducing the Federal Energy Savings Incentives Act of 1991. The Federal Government's commitment to energy conservation in its own facilities waned in the late 1980's, but if circumstances have ever pointed to a renewed effort, they do now. The budget deficit demands fiscal efficiency, environmental concerns dictate a sensitivity to energy excesses, and our military role in the Middle East underscores the importance of lessening our overreliance on imported oil. The Federal Energy Savings Incentives Act of 1991 will enable bold new Federal energy performance goals to be met by providing adequate funding and powerful, new incentives for their accomplishment.

The bill builds upon the Department of Defense [DOD] conservation program, created by an amendment to last year's DOD authorization bill. That amendment set in place an incentive program for energy managers, encouraged shared savings contracting, and authorized a financial investment in conservation and efficiency within the Department.

Between 1975 and 1985, Federal agencies were tremendously successful in saving energy, reducing energy use per square foot by nearly 17 percent. Conservation and efficiency were a priority from the top down, with Presidents Ford and Carter issuing a series of Executive orders on the subject. Over that decade, Congress appropriated significant funds for conservation, reaching a peak of over $256 million for 1985. For Federal employees and the public as a whole, the energy crisis of the early 1970's had served as a powerful impetus for energy prudence, and the result was leaner Federal energy bills and increased taxpayer savings.

Since 1985, however, the Federal commitment has all but evaporated, and the trend toward savings has been reversed. At times, it seems the Federal Government seems intent on living up to the public's expectations of a bureaucracy so rigid and unwieldy that it is unable to change its wasteful and spendthrift ways. From 1985 through 1989, the most recent year for which complete statistics are available, energy use per square foot actually rose for Federal facilities. After spending over $256 million on energy efficiency improvements in 1985, Federal spending for such advances dropped to below $45 million in 1989. This total is just 1.2 percent of the Federal Government's annual energy costs and means that the average Federal building, which costs nearly $7,000 a year to heat, cool, and power, receives just $90 in efficiency improvements each year. At this pace, the energy savings goals set in 1985 to be accomplished by 1995 would not in fact be met until the year 2030.

We cannot wait until the 121st Congress convenes for these modest 1995 goals to be met, and thankfully Congress and the administration have finally begun to work toward the accomplishment of truly significant energy savings. In a time of budgetary constraints, energy efficiency makes fiscal sense. And in a time of increased environmental concern, reducing our Nation's energy consumption reduces more than just the energy bill—energy savings contribute to lower pollution, decrease acid rain, and can help slow the impact of the greenhouse effect.

The first step toward a new era of accomplishment in energy savings was the amendment to last year's DOD Authorization Act. Based on legislation I introduced last Congress with my colleague from Rhode Island, Mr. MACHTLEY, who joins me today in introducing the Federal Energy Savings Incentives Act of 1991, the amendment authorized funding for a new conservation program in DOD and set in place strong incentives for the accomplishment of new departmental energy performance goals.

The program has begun at DOD, which last year set the ambitious new goal of a 20 percent reduction in energy used per square foot by the year 2000. Project applications have started to pour into the office of DOD's Director of Energy Policy, Jeffrey A. Jones, who last month reported that he had received applications of over $50 million for the $10 million actually appropriated for fiscal 1991.

As a part of his national energy strategy, and in response to DOD's new goals, President Bush last month became the first President in over a decade to issue an Executive Order on Federal energy management. Executive Order 12759, April 17, 1991, set a 20-percent reduction goal for all Federal agencies by the year 2000, as compared to 1985 levels. The President is to be commended for this important step, which if accomplished could save $800 million in annual energy costs by the turn of the century.

Yet new goals—however ambitious and worthy—remain only the opening shots of the war on energy waste. More difficult tasks remain: Crafting appropriate incentives that prompt the adoption of efficiency measures; finding the necessary funding to invest in conservation; and facilitating Federal agency participation in utility-sponsored rebate programs and shared savings contracts. These hurdles are not insignificant and, unfortunately, cannot be accomplished with the stroke of a pen on an Executive Order.

Two excellent reports on this subject have recently been completed, one by the Congressional Office of Technology Assessment, "Energy Efficiency in the Federal Government: Government by Good Example?" and one by the Alliance to Save Energy, "Energy Use in Federal Facilities: Squandering Taxpayer Dollars and Needlessly Polluting our Environment." I commend each to the attention of my colleagues for a thorough understanding of the problems associated with reducing Federal energy expenditures.

Although the reports approach Federal energy efficiency in different ways, their conclusions and recommendations are notably similar. Each calls for Executive leadership and new goals, revised and simplified procurement procedures, additional funding commitments, and incentives for the accomplishment of new savings. The President has accomplished the first of these needs through his Executive order; the Federal Energy Savings Incentives Act of 1991 completes the task.

This legislation is modeled on last year's amendment to the DOD authorization bill. Like that amendment, it prescribes an incentive system that allows an agency to retain a portion of accomplished energy savings as an incentive to conserve. For anyone interested in promoting energy efficiency in government, one of the most frustrating hurdles is that in the government—like the private sector—decisions about conservation and efficiency are made by many different people at all levels of an organization. Reaching the right decisionmaker is a vital part of a successful incentive program.

Under the bill, one-third of proven savings can be spent by the agency to lessen the cost of child care for its employees, to reduce the cost of employee participation in continuing education programs, to provide recreational facilities such as gyms or playgrounds, or for other morale or welfare programs. This puts obvious benefits of conservation closer to agencies' many managers, giving them a very real reason to pursue conservation. Another third of the saved expenditures is devoted to additional energy conservation within the agency, and the final third is returned to the Treasury for deficit reduction. The early indication from DOD is that this system has been extremely successful in stimulating interest in conservation, and it should be applied governmentwide.

The Federal Energy Savings Incentives Act also duplicates the simplified procurement procedures included in last year's amendment. The bill details a procedure that would streamline contracting for shared energy savings [SES] programs. Under such programs, a company pays for and installs conservation measures deemed cost-effective, and in return the agency repays the company through energy savings. This legislation calls for a system under which companies are eligible to be prequalified to provide SES contracts through a process of submitting financial and performance statements to the Department of Energy. This plan, which is endorsed explicitly in the Alliance to Save Energy's report, would facilitate the adoption of SES programs throughout the Government while maintaining integrity and accountability in such contracting.

Finally, the bill makes the necessary financial commitment to efficiency and conservation by authorizing a $100 million investment for these purposes. Although this amount seems large, it is well justified even in tight budgetary times. Federal expenditures on efficiency dropped by over $200 million per year from 1985 to 1989, and even by the Department of Energy's estimates, a comprehensive conservation program for the Federal Government would, in the end, save over $800 million each year. Investments in conservation and efficiency are just that—investments, which pay back the investor many times over.

I am pleased to introduce this legislation together with my colleagues Mr. MACHTLEY, with whom I cosponsored on last year's DOD amendment, Mr. SYNAR, the chairman of the Government Operations Subcommittee on Environment, Energy, and Natural Resources, whose own work on this issue has contributed greatly to improved Federal efficiency, and Mr. FAZIO, who has been a steadfast supporter of Federal energy management from his position on the Appropriations Committee.

I urge my colleagues to support fiscal responsibility and environmental accountability by cosponsoring the Federal Energy Savings Incentives Act of 1991.

Mr. Speaker, I insert the text of the bill in the RECORD following my remarks:

H.R. 2452

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Energy Savings Incentives Act of 1991".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The Federal Government is the Nation's largest energy consumer, spending $8,700,000,000 in 1989, of which almost $3,500,000,000 was spent to heat, cool, and power buildings.

(2) Energy use per square foot in Federal agencies increased from 1985 to 1989, after dropping by nearly 17 percent from 1975 through 1985.

(3) A primary cause of the Federal Government's failure to reduce energy use is a declining commitment to fund energy efficiency and conservation programs. By 1985, Federal agencies were investing over $250,000,000 per year in energy conservation improvements, however, by 1989, the Federal investment had dropped to less than $45,000,000. Although the average Federal building incurs over $7,000 per year in energy costs, an average of less than $90 per building was invested in energy efficiency improvements in 1989.

(4) The President has provided guidance and leadership on energy efficiency by directing Federal agencies, pursuant to Executive Order 12759 (56 Fed. Reg. 16257), to reduce overall energy consumption in Federal buildings and facilities by 20 percent by the year 2000 which would save an estimated $800,000,000 in annual energy expenditures and cut Federal energy consumption by the equivalent of 100,000 barrels of oil per day.

(5) Despite the ambitious new Federal goals outlined in Executive Order 12759, Federal agencies lack necessary funding for the accomplishment of these goals.

(6) Incentives for Federal agencies do not exist at the appropriate managerial levels to stimulate the application of energy efficiency improvements.

(b) PURPOSE.—The purposes of this Act are—

(1) to establish a program of energy efficiency and conservation in all Federal agencies; and

(2) to provide incentives for the accomplishment of energy use reduction goals.

SEC 3. GOALS AND IMPLEMENTATION PLANS FOR IMPROVED ENERGY EFFICIENCY.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following new subsection:

"(c) ADDITIONAL REQUIREMENTS.—(1) In addition to the requirements of subsection (a), the Secretary shall, after consultation with the head of each agency, designate an additional energy performance goal for each agency for the years 1996 through 2000 so that the energy consumption of Btu's per gross square foot of Federal buildings in use during fiscal year 2000 is at least 20 percent less than the energy consumption of Btu's per gross square foot of Federal buildings in use during fiscal year 1985.

"(2) To achieve the goal designated under paragraph (1), the head of each agency shall carry out the activities described in subsection (b), including an updating, by not later than 6 months after the date of enactment of this paragraph, of the implementation plan required by subsection (b)(1).

"(3) For the purpose of implementing any plan to carry out this subsection, the head of each agency shall provide that the selection of energy conservation measures under such plan shall be limited to those with a positive net present value over a period of 10 years or less.".

SEC. 4. INCENTIVES.

(a) ENERGY SAVINGS AT AGENCIES.—Section 546(c) of the National Energy Conservation Policy Act (42 U.S.C. 8256(c)) is amended to read as follows:

"(c) USE OF SAVINGS.—(1) The head of each agency (other than the Department of Defense) shall provide that two-thirds of the portion of the funds appropriated to such agency for a fiscal year that is equal to the amount of energy cost savings realized by such agency (including financial benefits resulting from shared energy saving contracts under title VIII and financial incentives described in subsection (d)(2)) for any fiscal year beginning after fiscal year 1991 shall remain available for obligation under paragraph (2) through the end of the fiscal year following the fiscal year for which the funds were appropriated, without additional authorization or appropriation.

"(2) The amount that remains available for obligation under paragraph (1) shall be utilized as follows:

"(A) One-half of the amount shall be used for the implementation of additional energy conservation measures by the agency as the head of such agency may designate in accordance with regulations prescribed by the Secretary.

"(B) One-half of the amount shall be used by the offices of the agency in the building at which the savings were realized, as determined by the head of such agency consistent with applicable law and regulations, for any or all of the following:

"(i) Employee education or training.

"(ii) Daycare or childcare services.

"(iii) Athletic or recreational facilities or programs.

"(iv) Other morale or welfare programs or services.

"(v) Additional energy conservation measures.".

(b) UTILITY INCENTIVE PROGRAMS.—Section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256(c)) is amended by adding at the end the following new subsection:

"(d) UTILITY INCENTIVE PROGRAMS.—(1) The Secretary shall permit each agency to participate in programs conducted by any gas or electric utility for the management of electricity demand or for energy conservation.

"(2) The Secretary may authorize any agency to accept any financial incentive, generally available from any such utility, to adopt technologies and practices that the Secretary determines are cost-effective for the Federal Government.".

SEC. 5. SHARED ENERGY SAVINGS CONTRACTING.

(a) IN GENERAL.—Title VIII of the National Energy Conservation Policy Act is amended—

(1) by redesignating section 804 as section 805; and

(2) by inserting after section 803 the following:

"SEC. 804. SPECIFIC REQUIREMENTS.

"(a) METHOD.—The Secretary shall develop a simplified method of contracting under this title, consistent with applicable procurement requirements, for shared energy savings contract services that will accelerate the application of the authority to use these contracts with respect to Federal agencies and will reduce the administrative effort and cost on the part of the Federal Government as well as the private sector.

"(b) IMPLEMENTATION.—(1) In carrying out subsection (a), the Secretary shall consider the advisability of—

"(A) requesting statements of qualifications (as prescribed by the Secretary), including financial and performance information, from firms engaged in providing shared energy savings contracting;

"(B) designating from the statements received, with an update at least annually, those firms that are presumptively qualified to provide shared energy savings services;

"(C) distributing a list of such firms to all Federal agencies.

"(2) In carrying out subsection (a), the Secretary shall also consider the advisability of providing for the direct negotiation of contracts with shared energy savings contractors that have been selected competitively and approved by any gas or electric utility serving the department, agency, or instrumentality concerned.".

(b) CLERICAL AMENDMENT.—The table of contents for title VIII of such Act is amended by striking out the item related to Definitions and inserting in lieu thereof the following:

"Sec. 804. Specific requirements.

"Sec. 805. Definitions.".

SEC. 6. FEDERAL ENERGY COST BUDGETING.

The President shall transmit to the Congress, at the same time as the budget is submitted to the Congress under section 1105 of title 31, United States Code, a statement of the amount of appropriations requested, if any, on an individual agency basis, for—

(1) electric and other utility fuel costs to be incurred in operating and maintaining agency facilities; and

(2) compliance with the provisions of part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.), the Energy Policy and Conservation Act (42 U.S.C. 6201 et. seq.), and all applicable Executive orders, including Executive Order 12003 (42 U.S.C. 6201 note) and Executive Order 12759 (56 Fed. Reg. 16257).

SEC. 7. AUTHORIZATION.

There are authorized to be appropriated to carry out this Act not more than $100,000,000.

INVESTIGATE THE NAVIGABILITY OF LAKE MONTAUK, NY

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. HOCHBRUECKNER. Mr. Speaker, today I am introducing legislation to call for an investigation of what may be a navigability problem meriting Federal attention at the Lake Montauk Harbor Inlet, in my district.

Constituents of mine have complained about a shoaling problem along the east jetty of the Montauk Inlet which requires boaters to confine their vessels to the west side going to and from Block Island Sound. The result is heavy boat traffic causing delays and navigation difficulties for both commercial and pleasure boats.

The legislation I am introducing today authorizes the Secretary of the Army to review previous reports on the Lake Montauk Harbor, East Hampton, NY, navigation project to determine the feasibility of modifying the project for further navigation improvements. The measure authorizes funding for this reconnaissance work at a level of $400,000. This study should also consider the feasibility of dredging Coonsfoot Cove.

Mr. Speaker, I urge my colleagues to support this legislation, which is important to the people and economy of eastern Long Island.

TRIBUTE TO ELMER AND ANNABELLE SNYDER

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. KOLTER. Mr. Speaker, I rise today before the U.S. House of Representatives to honor and pay very special tribute to two outstanding and virtuous members of their community in my Fourth Congressional District of Pennsylvania.

I rise to honor Elmer and Annabelle Snyder of Cowansville, Armstrong County, as they celebrate their 50th wedding anniversary June 8.

As this statement from their celebration announcement indicates, "Half a century ago these two vowed true love and now the journey of time's wheel has rolled, blessed 'long the way by heaven above, to this destination of wedding gold," this is a special occasion.

The parents of three sons: David, Mark, and Thomas; and the grandparents of 10 grandchildren; Mr. and Mrs. Snyder are lifelong residents of Armstrong County, where Elmer A. Snyder and his brother Charles began operating Snyder Associates 50 years ago as well, beginning in 1941, the year World War II began.

The business began with coal operations and later expanded to limestone, oil, sand and gravel, block, and motel operations. Mrs. Snyder, a graduate of Slippery Rock State College, taught junior high school for 10 years at Worthington West Franklin and is now active at the Union Presbyterian Church in Cowansville, and at the Armstrong County Memorial Hospital, where Mr. Snyder also contributes his time.

Snyder Associates now employs between 500 and 600 workers, including many family members and the golden anniversary couple's sons.

Mr. Snyder enjoys hunting and fishing, and the couple both enjoy golf.

Mr. Speaker, I rise today before the U.S. Congress to honor Mr. and Mrs. Elmer A. Snyder because they have unselfishly contributed to their family and to the community at large, and that is a 50th anniversary well worth celebrating and recognizing here today.

IN DEFENSE OF DAN

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. LIVINGSTON. Mr. Speaker, how quickly we forget: Conventional wisdom once labeled Harry Truman a Missouri mule driver, a failed haberdasher, and an Army artilleryman whose language would have embarrassed Atilla the Hun. It also joked that Dwight Eisenhower couldn't read when his lips were chapped.

And Ronald Reagan? He was the hopelessly naive, B-grade actor who starred alongside Bonzo.

After reaching the Oval Office, however, each of these men turned conventional wisdom on its head and conducted themselves with remarkable success. Such is the case with the elusive quality of leadership in our society. The irony of America's democracy is that we know exactly what we want from our leaders; however, we have no reliable yardstick to calibrate those qualities. Sometimes the most unlikely men—Lincoln, Teddy Roosevelt—become our heroes, while those with impeccable qualifications—Carter—flounder.

Which brings us to Vice President DAN QUAYLE. For 28 months, DAN QUAYLE has endured a barrage of talk show jokes and media critiques. Unfairly, but not surprisingly, public dissatisfaction with QUAYLE is greater than with any other postwar Vice President except Nelson Rockefeller.

In the wake of President Bush's recent medical troubles, the national spotlight again focused on QUAYLE. Newsweek put him on the cover with the caption, "The Quayle Handicap." Time portrayed QUAYLE with five other GOP heavy hitters and the not-so-subtle tag, "Five Who Could Be Vice President."

Underestimating politicians can be a dangerous game, as President Dukakis and Vice President BENTSEN, among others, have discovered. In DAN QUAYLE's case, this is particularly true, because there are so many negative, and wholly untrue, stereotypes around him.

Contrary to the image of someone who leapfrogged into prominence through family connections, DAN QUAYLE rose to power the traditional way. He was a political novice in 1976 when, 5 months before election day, he decided to challenge incumbent Congressman J. Edward Roush. In that short time, QUAYLE set up his own precinct organizations and upset Roush on election day.

Six years later, in the 1980 Reagan landslide, QUAYLE swept to a smashing Senate victory over Democrat Birch Bayh, an 18-year veteran. QUAYLE followed that with another victory 6 years later, winning his Senate race by the largest margin in Indiana history.

The job of Vice President does not lend itself to flashy displays. Still, QUAYLE has made several remarkable—and mostly unremarked upon—accomplishments during his tenure. While President Bush was at the Malta Summit in 1989, rebels in the Philippines launched a coup against America's ally, Corazon Aquino. In the President's absence, QUAYLE took charge and ordered U.S. planes to buzz rebel strongholds. He even ordered hourly press calls to CNN, ensuring that the U.S. response was well-known to those who might not be paying attention to formal diplomatic channels.

QUAYLE has also proved adept at handling key diplomatic missions. A case in point: A week after Saddam Hussein invaded Kuwait, President Bush dispatched QUAYLE to South America. In separate meetings, QUAYLE pressured the leaders of both Brazil and Argentina to cease selling ballistic missile technology to Hussein. After initial protests, the two leaders assented to the American request.

Could a less talented envoy have accomplished the same results? In all likelihood, yes. However, the fact that QUAYLE brought off such a sensitive mission with so clean a result is a telling indication of his capability.

Two other events over the past year highlight QUAYLE'S underestimated savvy. Last summer, as congressional Democrats were coaxing the White House into jettisoning the no new taxes pledge, QUAYLE was one of the few who saw the trap. He predicted, correctly, that going back on that pledge would pull the rug out from under GOP candidates. Sure enough, after the budget deal went through, GOP candidates in several close races promptly sank into defeat.

Even more important, QUAYLE, I am told, was one of the strongest administration supporters of putting before Congress a vote on the use of force against Iraq. At a time when other officials were dubious, QUAYLE argued that the resolution could indeed pass Congress. It did, albeit by only a two-vote margin in the Senate. In hindsight, though, the congressional vote clearly had the dual effect of strengthening the President's hand and forging unity within the country—both laudable and crucial national goals.

DAN QUAYLE may not yet have the full confidence of the American people. No doubt that stems in large part from his faltering performance in the 1988 campaign debate with LLOYD BENTSEN. But QUAYLE is slowly, carefully rebuilding his foundation. This is no surprise to those of us who worked with him in Congress, and still count him a good friend.

Mr. Speaker, come 1992, the Democrats will again try to make DAN QUAYLE a campaign issue. Likely, their success will equal that of 1988.

WORLD POPULATION AWARENESS WEEK

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. MOODY. Mr. Speaker, the number of people inhabiting our planet today is 5.4 billion, 95 million more than last year at this time. This is the largest population increase in the history of humankind. Though it took tens of thousands of years for our human numbers to reach 1 billion, at current growth rates the Earth's population should double to almost 11 billion in only 40 years.

Virtually all of this exponential population increase is taking place in the poorest nations of the developing world, those least able to cope with such burgeoning growth. Sixty-five developing countries which depend on subsistence farming may be unable to feed their populations by the close of this decade. To accommodate this demographic explosion, developing countries will have to produce 800 million new jobs in less than 10 years. We know already that these countries have accrued insurmountable debts in order to maintain an even pace with their swelling numbers. Yet, in order to pay only the interest on their debts, these countries have had to sell off natural resources, destroying millions of acres of tropical rain forest. Increasing human numbers and a shrinking supply of natural resources are exacerbating poverty and social unrest.

Right now we are seeing a dramatic example of the effects of rapid population growth in Bangladesh. This small nation which is only one sixty-fifth the size of the United States, has a population of about 115 million people, roughly half the U.S. population. Many of the problems this poor country faces today are directly related to its rapid population growth.

About 50 percent of the 10 million infant deaths and 25 percent of the 500,000 maternal deaths that occur each year could be prevented if voluntary means of child spacing and maternal health programs were expanded to meet minimal needs in developing countries. About 500 million women in developing nations want family planning but lack either the information or the means to obtain it. Increasing population assistance is inexpensive, it saves lives, it improves the quality of life, and it is essential for those countries struggling with social, economic, and environmental problems.

Last year, the House and the Senate passed World Population Awareness Week. The President and 38 State Governors issued proclamations declaring World Population Awareness Week as a time to reflect on rapid population growth and the consequences of it. Population related-events were held all across the country.

Today, Representative PORTER and I, along with 61 of our colleagues are again introducing this resolution which will designate October 20 through 26, 1991 as World Population Awareness Week. I urge my colleagues to join us in support of this resolution. Congress can show its commitment to bettering the quality of life for people worldwide by again passing this resolution.

SAVING ENERGY

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. STUDDS. Mr. Speaker, today I am pleased to join Representatives MARKEY, SCHEUER, and BILIRAKIS in introducing the Energy Efficiency Standards Act of 1991. This legislation—which is expected to save consumers $40 billion through the year 2010—represents an important step forward in improving the energy efficiency of a number of consumer and industrial products.

In 1987, the Congress enacted legislation requiring the Department of Energy to set energy efficiency standards for 13 home appliances. The following year, fluorescent lamp ballasts were added to the list.

The measure we are introducing today goes a step further by setting energy performance standards for light bulbs, showerheads, faucets, industrial motors, commercial heating, ventilating and air-conditioning [HVAC] equipment, and transformers. In addition, the Department of Energy is directed to prescribe testing and labeling requirements for certain office equipment.

The energy savings from this bill, Mr. Speaker, will be significant. Light bulbs—incandescent and fluorescent—and motors account for over 70 percent of national electricity consumption. According to the American Council for an Energy-Efficient Economy, implementation of the lighting standards set forth in the bill would save energy equivalent to over 10 billion barrels of oil through the year 2010. Requiring the manufacture of only highly efficient electric motors will save energy equal to over 365 million barrels of oil over the same time period.

Similarly impressive savings can be achieved by requiring the manufacturers of commercial heating, ventilating and air-conditioning equipment—which accounts for 60 percent of the total energy use in commercial buildings—to meet efficiency standards already required for Federal buildings. Highly efficient HVAC equipment consumes up to 50 percent less energy than standard equipment. Its use would result in energy savings equivalent to over 145 million barrels of oil through 2010.

Massachusetts has enacted lighting standards which are the basis of the standards set forth in this bill. Other States are interested in following Massachusetts' lead. By imposing Federal energy efficiency standards, and preempting States from enacting their own—perhaps different ones—this measure reduces the regulatory burden on industry by replacing an ever-changing patchwork of State standards with a single Federal standard.

Mr. Speaker, this bill fills a large gap in the administration's national energy strategy. By requiring the manufacture of only the most energy efficient equipment, we will be reducing energy demand, a critical factor in addressing our energy supply problems—particularly our overreliance on imported oil.

According to a Department of Energy study, over the last decade, most conservation gains have resulted from applications of energy efficient technologies. It was concluded, however, that much more could be done. This bill takes those next important steps. I urge my colleagues to lend it their support.

DEALING WITH UNFAIR TRADE PRACTICES

HON. FRED GRANDY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. GRANDY. Mr. Speaker, I along with my colleague Congressman BYRON DORGAN of North Dakota, am introducing legislation today to clarify section 301 of the Trade Act of 1974 as amended. Section 301 empowers the U.S. Trade Representatives [USTR] to investigate, negotiate, and, if necessary, retaliate against any unjustifiable, unreasonable, or discriminatory act, policy, or practice of a foreign government that unfairly burdens or restricts U.S. commerce.

Section 301 has been an effective means for American industry to seek aid from the U.S. Government when a foreign government subsidizes its industries or violates trade agreements. Unfortunately however, under the current section 301, it is unclear whether the USTR has the authority to bring an action on behalf of U.S. industry to address a practice or project that preliminary research has shown will injure U.S. commerce if it continues. It seems that the way our current law is written, U.S. businesses have to wait until their markets are flooded with subsidized foreign products and actually suffer often irreparable injury before any action is taken.

The legislation we are introducing today would attempt to remedy this situation. It clarifies that the USTR may take appropriate action under section 301 when an unfair trade act, policy, or practice of a foreign government threatens to burden or restrict U.S. commerce. When such a threat is reasonably foreseeable, USTR should respond in a timely manner. We are adding one more weapon to our trade law arsenal to insure that free trade remains fair trade, pure and simple.

Our other major trade laws—countervailing duty, antidumping, and sections 201 and 406—all contain the threat of injury language. The objective is to prevent the damage from occurring. Bringing section 301 in line with these other laws would give USTR more flexibility and leverage to resolve trade disputes before American companies, industries, or producers are injured.

An example of the type of activity that Representative DORGAN and I believe could be addressed under this revision of section 301 is the following which has been brought to our attention by both farmers and U.S. fertilizer producers from our States and throughout the country. The Canadian Provincial Government of Saskatchewan has recently approved plans to enter into a joint venture with a Canadian subsidiary of a private United States company to construct a world-scale nitrogen fertilizer plant in the Province. The Provincial Government is providing significant equity and is guaranteeing commercial debt that will account for most of the cost of the plant. U.S. nitrogen producers and analysts have concluded that the venture involves subsidization, it is not commercially viable, and it will cause serious injury to the U.S. market. Even a coalition of Canadian fertilizer producers has expressed its opposition of this project. Our current trade law, however, does not clearly provide a means by which the USTR could review the case at this point in time.

The fear is that with the aid of government subsidies, this one plant could drive down prices and drive U.S. producers out of the business. Once that occurs, it would be a virtual monopoly supplier and could then raise prices. Many U.S. fertilizer producers are farmer-owned cooperatives. Therefore, farmers could be hurt twice. First, they will lose as consumers in the long run by being forced to pay higher prices to a monopoly supplier. Second, they will lose as shareholders of cooperatively owned fertilizer production facilities that may be forced out of business and from which they currently receive patronage refunds.

Because of the severe impact that unfair trade has on producers as well as consumers, it is important for all U.S. trade policy channels to be available to resolve unfair trade disputes as early as possible. I am not saying for a fact that the Saskatchewan nitrogen plant project is an unfairly subsidized facility, what I and others are saying however, is that sufficient evidence exists to bring the project into question.

Due to the fact that section 301 does not currently make clear that USTR may pursue the investigation and negotiations actions under that statute against the alleged unfair Provincial subsidization before the market disruption occurs, this legislation is necessary. The writing on the wall could spell disaster for the U.S. industry, and we need to address it. The countervailing duty and antidumping laws are of little help because they require evidence of sales or irrevocable offers to sell in America. By then, in cases such as the Canadian fertilizer plant the damage is done. It is much easier and more economically beneficial for both sides to resolve the problem before subsidized products flood the U.S. market.

Congressman DORGAN and I, along with others, believe that the U.S. Government has the flexibility to deal with such a situation under current law, but to clarify the point and to insure that American producers can obtain help from our Government when they need it, we are introducing this legislation today. We are supported in this effort by the following organizations which are on record as supporting identical legislation introduced in the other body: National Association of Wheat Growers, National Council of Farmer Cooperatives, Independent Petroleum Association of America, National Cattlemen's Association, National Farmers Union, Rice Millers' Association, National Pork Producers Council, Ad Hoc Committee of Domestic Nitrogen Producers, and the American Mining Congress.

We urge the support and adoption of this legislation by our colleagues.

PROLIFERATION PROFITEERS: PART 17

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. STARK. Mr. Speaker, today I am placing into the CONGRESSIONAL RECORD the 17th in my series of case studies on foreign firms which have aided the nuclear weapons program of developing countries. These studies have been prepared by the Emerging Nuclear Suppliers and Non-Proliferation Project at the Monterey Institute for International Studies.

FIRM 5: TRANSNUKLEAR GMBH (GERMANY)

Until 1988, Transnuklear GmbH was Germany's foremost nuclear waste and nuclear materials handling firm, two-thirds owned by the German firm Nukem GmbH and one-third owned by the French firm Transnucleaire SA. Transnuklear maintained several overseas offices, including in the United States where the company held a 50 percent share of the U.S. firm Transnuclear Inc. Twenty percent of the U.S. subsidiary's export trade was conducted with its European parent firms. Transnuklear was the source of a major German nuclear industry scandal that surfaced later in 1987 and centered around the firm's fraudulent business practices involving international nuclear materials transport and disposal. These practices allegedly included deliberate mislabeling of radioactive substances, bribery, and embezzlement. Furthermore, through its association with the Belgian Nuclear Research Center at Mol, Transnuklear reportedly shipped weapons-grade materials, possibly through Luebeck, Germany, to Pakistan, Libya, or possibly Sudan. Charges were also made that the firm paid the Belgian subcontracting firm Smet-Jet DM 16 million to illegally dispose of German nuclear waste in the North Sea. These charges were never substantiated. Transnuklear had its license suspended and was dissolved in 1988 following the corporate reorganization of its parent company, Nukem, in the wake of the scandal. One of the company's chief executives committed suicide after being fired. At one point no less than 13 different commissions were investigating Transnuklear and its relationship to the research center at Mol.

Sources: DPA (Hamburg), 1/15/88. *Bulletin of the Atomic Scientists*, 4/89, pp. 21–27 by Dan Charles; *New York Times*, 2/7/88, p. 11 by Serge Schmemann; *Nuclear Engineering International*, 8/88, pp. 57–58, 60–61; *Nuclear Fuel*, 1/25/88, pp. 1, 7 by Mark Hibbs, 3/7/88, p. 11 by Eric Lindeman, 9/31/88, p. 4, 10/31/88, 4–5 by Mark Hibbs; *Nuclear News*, 4/88, pp. 73–74; *Nucleonics Week*, 2/18/88, pp. 1, 8–9 by Mark Hibbs & Ann MacLachlan; *Der Spiegel*, 1/18/88, pp. 18–30, 9/30/89, pp. 59–61; *Die Ziet* (Hamburg), 1/22/88, pp. 11–14 by Horst Bieber, et al.

NEW BALTIMORE TAX COLLECTOR EVELYN PAUL RETIRES AFTER YEARS OF SERVICE TO COMMUNITY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. SOLOMON. Mr. Speaker, today I'd like to tell you about a rather remarkable lady who, without a great deal of fame or fanfare has earned the love and respect of everyone who knows her. Mrs. Evelyn Paul is retiring this year after 12 years as tax collector for the town of New Baltimore, NY. She was always known for having open hours and for her willingness to help anyone with advice.

But that only begins to give us a picture of her contribution to her community.

She teaches Sunday school at New Baltimore Reformed Church and has been the organist there for 40 years. She also has served as deacon and elder on the Consistory. Children at the church would look forward to their birthdays, knowing they were sure to be treated to Evelyn Paul's homemade cakes.

Whenever there has been someone in need Mrs. Paul has been there to help. It could be a trip to a doctor's office, grocery shopping for a shut-in, or visiting the sick or elderly. Mrs. Paul has been a true friend and true Good Samaritan.

Francis and Evelyn Paul moved to New Baltimore with their two sons in the early forties. It was one of the best things that ever happened to the town because in her quiet, productive way she has made it a better place to live.

Please join me in paying our tribute to Mrs. Evelyn Paul of New Baltimore, NY, a great lady and a great American.

CONTRA COSTA COUNTY HEAD START PARENT POLICY COUNCIL CELEBRATES THE 25TH ANNIVERSARY OF HEAD START

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. DELLUMS. Mr. Speaker, it gives me great pleasure today to join with the Contra Costa County Parent Policy Council in paying tribute to Head Start on the occasion of its 25th anniversary.

Head Start is at the head of its class in the field of child development. The program's story of success is a direct result of a tremendous amount of hard work and dedication performed by its students, teachers, parents, and administrators. Year after year these people put all of their energy, time, and effort into ensuring that Head Start is the best it can be. These are the people who should receive the accolades and acclaim for Head Start's wonderful accomplishments.

Head Start is a vital program for all Americans. The young children who come out of this program are well equipped to succeed once they begin elementary school. Supplied with many of the necessary basic skills needed to achieve academic excellence, these young people go on to excel in secondary and post-secondary schools. By focusing young children in a positive direction, Head Start not only increases their chances of leading successful and productive lives, it enhances the general productivity of the American work force.

Each time a young man or woman enters the labor force with competitive and useful skills, America benefits. These young people enable our industries to effectively compete with those of other industrialized nations. Many of these nations spend far more on educating their children than we do. Head Start, therefore, helps to keep our businesses competitive and works to make up for the inadequacies that exist in our educational system.

Many people will attest to the above statements. However, it is not enough to praise Head Start for its wonderful work and tremendous effectiveness. We must continue to support beneficial programs with funding levels that will allow programs such as these, to serve all eligible children. Although Head Start reaches many of our Nation's poor and needy youths, it does not reach all who are eligible. I believe if we want to see Head Start reach all who could benefit, then the Congress must authorize adequate funds.

Over the past 25 years, Head Start has proven that early intervention is essential to improving conditions of children in poverty. By improving conditions for these children there is a greater chance that they will be able to break out of poverty. Leading these children out of this cycle benefits the country as a whole. Head Start is an investment; its costs are far exceeded by its benefits.

Head Start is a vital program for all Americans. It is among the best investments we can make in the future of our Nation. The young men and women that come out of this program are well equipped to succeed not only in their quest for a better education, but also in their quest for a better way of life.

I salute all of the men, women, and children who have made the past 25 years a success story for Head Start. Thank you for your commitment, perseverance and dedication. I remain committed to supporting your future endeavors.

AMAZON CRUDE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1991

Mr. TORRES. Mr. Speaker, I recently came across an article, written by the son of my old friend, the late Bobby Kennedy. It seems that young Robert F. Kennedy, Jr. has followed in his father's footsteps and has become a caring and thoughtful man.

The article is about the Amazon, and how American companies, out from under EPA scrutiny, are exporting disease and destruction.

I would like to enter this article from the spring 1991 Amicus Journal, in its entirety, into the CONGRESSIONAL RECORD and I would entreat my colleagues to take the time to read it.

AMAZON CRUDE

(By Robert F. Kennedy, Jr.)

Like most citizens, I like to believe that when U.S. companies go abroad, U.S. values go with them. This has not happened in Ecuador. Today, U.S.-owned companies are leaving an ugly legacy of poverty and contamination in one of the most important forests on earth.

In July 1990, I flew to Quito, Ecuador's capital, as part of a team of environmental experts to meet NRDC's Ecuadorian representative, Judy Kimerling, and survey damage caused by oil exploration in the Amazon. Because of my longstanding interest in tropical rain forests, I had made fifteen previous trips to Latin America and, during the past seven years, my work as an environmental lawyer had brought me to some of the worst toxic waste sites in New York. I did not expect to be surprised. However, nothing in my experience prepared me for what we were about to see. Most people know that the Amazon rain forest is endangered. But the role of U.S. oil companies in its destruction has largely gone unnoticed by the outside world. Because of the remoteness of the Amazon's oil fields, much of what we witnessed on that trip had never been recorded before.

The Ecuadorian Amazon is among the most biologically diverse forests on the globe. Some scientists believe that the Oriente, Ecuador's great rain forest, was one of the few regions of the Amazon basin that remained humid during the Pleistocene ice ages and that areas like this one would probably function as "safe houses" or speciation centers again, should major climactic shifts occur.

The Ecuadorian government regards the rich deposits of heavy grade crude oil 10,000 feet beneath the Oriente as its best hope of keeping pace with its $12-billion foreign debt obligations. For almost twenty years, American oil companies, led by Texaco, have pumped oil from the Ecuadorian jungle. They have created an infrastructure that includes over 400 drill sites, hundreds of miles of roads and pipelines, and a primary pipeline that stretches 280 miles across the Andes.

Ecuadorian officials estimate that ruptures to the major pipeline alone have discharged more than 16.8 million gallons of oil into the Amazon over the past eighteen years (compared to the 10.8-million-gallon *Exxon Valdez* spill). Discharges from secondary pipelines have never been estimated or recorded, however, the smaller tertiary flowlines discharge approximately 10,000 gallons per week of petroleum into the Amazon, and each day, production pits dump an astounding 4.3 million gallons of toxic production wastes and treatment chemicals into Amazonia's rivers, streams, and groundwater.

In 1972, Texaco signed a contract requiring it to relinquish all its operations to Ecuador's national oil company, Petroecuador by 1992. Today, Texaco is in the final stages of handing over its antiquated equipment, rusting pipelines, and uncounted toxic waste sites.

The industry's practice of burying highly toxic drilling muds virtually assures the destruction of the Oriente's groundwater aquifers, while the region's surface water is being destroyed by pipeline spills and production pit discharges. By far the most disturbing impacts are to the quarter-million forest people, including the members of eight indigenous tribes who rely on the natural resources of the Oriente for their survival. In Ecuador, says Jacob Scherr, director of NRDC's international program, "it's like a giant oil spill has been going on for twenty years and nobody knows about it. It's the *Exxon Valdez* times twenty."

Judy Kimerling's work has made this tragedy public for the first time. Kimerling is a Yale Law School graduate and a former assistant New York State attorney general who fought Occidental Petroleum over its hazardous waste sites at Love Canal and Niagara Falls. In February 1989 she went to Ecuador, where she studied the impacts of petroleum development with a particular interest in the involvement of American corporations. Over the next eighteen months, she gained the confidence of indigenous people and environmentalists impressed by her commitment and skills. Enduring arrest and other threats to her own health and safety, she repeatedly traveled to the jungle oil fields, visiting isolated communities and drill sites, in crowded buses and dugout canoes, and sleeping on floors in jungle huts.

When Kimerling arrived in Ecuador, common wisdom held that the only real threat from oil development came from speculators and colonists following oil company roads to occupy tribal lands. Judy Kimerling has exposed the greater threat of contamination.

DAY ONE: BOOM TOWNS AND NATIONAL PARKS

From Quito we took a $10 domestic flight northeast across the Andean cordillera, dropping into the Amazon basin at the oil boom town of Lago Agrio, twelve miles south of the Colombian border. There, the American oil company, Conoco, treated us to a 150-mile helicopter ride southeast across the Ecuadorian Amazon. We had asked to see Conoco's controversial concessions in the Yasuní National Park.

Although Texaco and its local partner, Petroecuador, have led oil development in the Ecuadorian Amazon, a number of other American and foreign oil companies continue to develop Amazon concessions. These include Conoco, Occidental Petroleum, and Clyde Petroleum, a British-owned outfit. The United States is the largest importer of Ecuadorian oil.

Yasuní—and Conoco's concession—overlap tribal lands of the Huaorani Indians. The Huaorani are traditionally antagonistic toward cowode (outsiders), and have killed several oil workers and at least two missionaries hired by the companies to make the territory hospitable to oil development.

Conoco has pledged to use state-of-the-art technology to keep the Yasuní and the Huaorani lands free of contamination. During our flight to Yasuní, we passed over the Cuyabeno Wildlife Reserve, which has already opened to oil concessions. "We will not do to Yasuní what Petroecuador and City Investing have done to the Cuyabeno," said Jorge Jiménez, Conoco's Ecuadorian director of environmental protection, as we approached the Cuyabeno Reserve.

Below us I was suprised to see an open production pit near a drilling platform within the reserve. The pit was unlined and otherwise exposed to the environment. Its brimming surface of gleaming crude oil reflected the orange glow of the gas flare, and an adjacent stream wore an evanescent petroleum sheen. I pointed to the open pit and shouted over the engine noise, "They'd go to jail for that in New York." "This isn't New York," Kimerling shouted back.

Oil is enormously toxic. A gallon of it will kill fish in a million gallons of water. It can harm aquatic life at concentrations as low as one part per hundred billion. Minute quantities of its constituents (benzene, toluene, xylene, and polyaromatic hydrocarbons) cause cancer in humans and animals. In the United States, a variety of federal and state civil and criminal statutes govern its production, use, storage, and disposal. In order to comply with federal laws, U.S. oil producers commonly reinject production wastes into the original formation or into nearby dry wells. Producers face substantial fines for even small accidental releases to the environment. In Ecuador, these same companies simply dump their wastes into local creeks or "production pits," which are unlined and unstable holes dug in the ground or on the side of the earthen drill platform.

In addition to large quantities of crude oil and petroleum in emulsion, production pits contain a witches brew of toxic chemicals: scalding hot formation water containing sulfates, bicarbonates, hydrogen sulfide, heavy metals such as arsenic, cadmium, cyanide, lead, and mercury, and lethal concentrations of chloride salt. They contain poisonous drilling muds and clay spoils, industrial solvents, strong acids, diesel and aviation fuels, biocides, fungicides, flocculants, corrosion inhibitors, foam retardants, and descalers.

In the Ecuadorian Amazon, all these wastes enter the environment. Each pit has an overflow pipe to a nearby body of water. The toxic soups also percolate through the soil into groundwater or flood into lakes or streams when the pits collapse. The only treatment occurs when the oil companies burn the pits to reduce their petroleum content.

As we flew above Cuyabeno, the jungle below was broken by landscapes reminiscent of war. Through the breaks everywhere in the canopy we saw spots like the tar pits of LaBrea, where discharges from production pits blackened the earth. The pits spewed poison through effluent pipes into the tributaries of the Rio Aguarico. Acres of red dirt, now blackened, surrounded an oil derrick and the hulking storage tanks of Petroecuador. Across the scarred and oil-drenched earth, corrugated tin workers' barracks stood incongruously against the palms, plantains, ficus, kapok, and strangler figs.

Past the petroleum camp, a large river, recently burned, still ran black, its banks charred and devoid of vegetation. Oil wastes streamed from the broken berm of a nearby production pit. On the horizon, dense plumes of inky smoke rose from burning production pits and gas flares linked by dirt roads stained with oil, sprayed to subdue the dust. Along these roads (still within the reserve), colonists' homes of cane and thatch stood amidst fields of coffee, plantains, and fallen trees. The older farms were barren deserts of unprotested red clay, leached of nutrients and pounded into concrete by the driving rains. The hillside farms were crisscrossed by the cappilleria and chasmic ventricles of erosion.

Then we flew over the flooded forest near Lake Cuyabeno. Indian villages perched on stilts on promontories jutting from the submerged forest floor. A giant striated heron, shining white in the sunlight, rose below us amidst brilliant flocks of blue and yellow macaws, scarlet macaws, and green Amazons. Flowering epiphytes spangled the canopy with purple, red, and orange. Below all of this, we could see the tarred underbrush and floating scum still remaining from an eight-month-old Petroecuador spill.

As we turned south, the Cuyabeno's aborted landscape receded and we found ourselves over the rolling hills and tight canopy of Yasuní. Here the primal rain forest was uninterrupted except for the curtains of rain spilling from distant clouds. Through a small chablis in the canopy, I saw the forest understory deep below and wondered about the Huaorani and their isolation, and how they find their way around that vastness with no sun or stars to guide them. As we banked north for our return to Lago Agrio, we passed over Conoco's proposed base camp on a clearcut hilltop, a barren island in a productive sea, waiting for the road that will inundate this land with civilization.

That night, in the community health center in Lago Agrio, we met with Dr. Adolfo Maldonado, the center's chief clinician, and with representatives of fourteen communities accounting for about 40,000 people from the Aguarico River basin. Each of them told the same story: Sick and deformed children, adults and children affected with skin rashes, headaches, dysentery and respiratory ailments, cattle dead with their stomachs rotted out, crops destroyed, animals gone from the forest, and fish from the rivers and streams.

"We have studies from a nearby area without oil and there is not a single case of malnutrition," said Dr. Maldonado." Today, we have 70 percent malnutrition in children six to twelve and 98 percent in the most contaminated areas. Because there are no animals left to hunt and no fish left in the streams, the major sources of protein have disappeared. The children have anemia. All during the dry season, they come in here with pus streaming from their eyes and rashes covering their bodies from bathing in the water. The parasitism rate for this area is now 98 percent."

A campesina woman from the Aguarico area spoke in a subdued voice. "When they burn their pits," she said, "smoke falls in pieces from the sky, then we have black rains and the particles drop on our crops and animals and into the lake where we get our water. In October of 1989, ash rained on all of us from Texaco's central facility in Lago Agrio and the children got skin problems. But usually they don't bother to burn and they just let the petroleum flow into the creeks. Everything here stinks of the chemicals that they put in their pits".

Manuel Silva, a colonist leader from Lago Agrio said, "We realize that we live in a very rich zone, but our people live in poverty and misery. Texaco will give us shirts with their emblem, but they won't spend a sucre to prevent contamination or to protect our health. Those petroleum companies poison our lands, kill our livestock and domestic fowl and contaminate our sources of water. Little by little they are leading us to a death that is certain!"

DAY TWO: THE CUYABENO RESERVE

We traveled to Cuyabeno the next day to see the results of the Petroecuador spill from ground level. A rusty, twelve-inch pipe draped with termite nests followed the dirt road from Lago Agrio to the Cuyabeno Reserve. We stopped in Pacayacu, a village where the central square is a drilling platform. Crude oil from the wellhead pooled around a plank shack upon which a tame green Amazon perched. A three-year-old child about the size of my daughter, chasing her brothers, fell face down in a puddle of petroleum and water, soiling her hair and clothing. Nearby, two black pits reflected the wild flames and dense smoke of a gas flare; the lower pit was once a wetland that fed a small stream.

A macabre carpet of dead insects—beautiful cicadas with leaf-like wings, three-inch stag beetles, and giant moths—encircled the vent stack's base. A small stream wended around the berm. Formerly the village bathing and fishing hole, it was now a toxic moat. Stirring the sediments with a stick, I sent up gobs of petroleum and a dazzling sheen that doused the surface from bank to bank. On the opposite side, a blackened plume drew our eyes to a slurry of toxic wastes flowing obscenely from the pit's effluent pipe.

Inside Cuyabeno we found a boom town; a two-story barrack for petroleum works anchored the settlement. Secondary pipelines and colonists' houses made of cane or rough-cut lumber with straw or corrugated roofs lined the dirt petroleum roads; each house was surrounded by felled trees and small cattle holdings or by fifty-hectare coffee plantations. "We asked the military to help us keep the colonists out but they didn't come," said Gonzalo Moza, one of the reserve's four wardens. He added without irony, "It's against the law for the settlers to come into the reserve, but now it's not really against the law anymore because it's already done."

As we drove, we saw a wetland stretching north along the road and west to the distant jungle. A six-month-old petroleum slick stained the surface with the colored confusion of a Jackson Pollock painting. Parakeets, yellow kiscadees, black anis, and a lone kingfisher perched in the leafless skeletons of rain forest giants. I wondered, though, where were the gallinules, the grebes, the bitterns, herons, and jacanas, the ducks, and the other wading and diving birds that should be dipping and fishing here?

Within the reserve, at the tiny village of Tarapoa, we bought a chicken and hired a motorized dugout for the two-and-a-half hour trip up the Cuyabeno River to the lakes. We ducked our heads to pass under the dangling prop roots and lianas and the fluted trunks of ancient hardwoods, cloaked in mosses and creepers and festooned with bromeliads and orchids.

Roberto, the Siona motorista slowed the dugout and removed his hat to snatch at an undulating blue morph bouncing jauntily around the canoe, keeping pace but always just beyond harm's way. When we finally stopped the engine at a small forested island, the bird sounds were nearly deafening. A dozen different species of macaw and parrot flew in flocks and pairs above us. Giant branches bent with the weight of a hundred birds. The colors are indescribable. This was the campsite of the biologists Eduardo Asanza. He and his wife, Anita Sosa, an ornithologist, live here with a group of Sionas and their cacique (chief) and shaman, Victoriano Criollo.

"These lakes are characterized by the highest diversity but low productivity," said Asanza, who has tagged over 1,000 caymans in Cuyabeno Lake over the past twelve years. In addition to four cayman species, the lake and its drainage support endangered Amazon manatees and freshwater dolphins, ten monkey species, eighteen species of parrots, macaws, and parakeets, 180 species of reptiles and amphibians, 460 fish species, 18,000 plant species, and over 100,000 insect species. Despite this diversity, there are only a few representatives of each species, making them extremely vulnerable to disturbance.

In November 1989, Petroecuador spilled an undisclosed amount of petroleum from a collapsed pit into the upper lakes, the sixth spill in these lakes since 1984. "We saw fish and kingfishers dead in the water and caymans covered with oil," said Asanza, "completely black and unable to open their eyes. Even today, the diatom diversity is lower, productivity is lower, aquatic grasses have been killed, and we have accumulation of oil in the sediments in certain areas."

DAY THREE: CUYABENO LAKES AND THE BLACK LAGOONS OF SHUARA

Following a night of tracking cayman, Asanza and Victoriano accompanied us in the dugout to the upper lakes. We traveled through a narrow break in the canopy of the flooded forest forty feet above the submerged stream bed of the Auca Quebrada, moving slowly in the close corridors, flanked by the crowns of spiny bactris palms and mimosa, some of them veiled by the giant webs of social spiders. Roberto, our motorista, laughed gleefully as a startled squirrel monkey leapt into our canoe, almost falling in the water. We saw wooly and spider monkeys. Above us oatzin birds with ruminant stomachs and a cowlike stench rebuked us as they slid past on graceless wings. Striated herons posed motionless in the upper branches of submerged trees. Impossible numbers of parrots and macaws filled the branches and sky.

As we moved northward a thin skin of oil coated the entire surface. Roberto pointed to the blackened leaves and tarred trunks of the understory. "Crudo!" he said. Without emotion Asanza added, "This type of vegetation will die."

We turned our canoe off the flooded trail into deep, pathless forest and broke into a clearing of braspolum grass at the edge of a large lake called the Auca Cocha. "This and the Coca-drillo Cocha were most affected by the spill," says Asanza. We pulled ashore at a small island where a palm frond lean-to shaded the cane sleeping platforms of the Siona Indians hired by Petroecuador to clean its spill. A few feet from the shoreline bloated plastic bags and thick crude oil filled an open pit. The pit was unlined, so I knew that the oil would eventually make its way back into the lake.

Victoriano's dark eyes stared into the pit. His large mouth and chiseled face were framed by graying hair, and a crown of hardwood legume. A traditional Siona cusma cloak covered his powerful build. He stood on the massive feet and spayed toes of a man who has not worn shoes in seventy-three years. He pointed to the pit and said quietly, "Once again they are making stupid things."

He gestured purposefully. "Before this was good region. We had peach and didn't know anything of petroleum or contamination. Now gringos are coming and taking the oil. They are destroying our forests, they burn it and it falls on us and into our rivers when it rains. In some places all the animals are dead and the people and children are sick. I have seen the small fishes and aningas and ducks dead in the water."

He pointed again at the pit. "The settlers won't do this work because it is too dirty," he said. "They pay us very little for the cleaning and make us buy our own machetes and mosquito nets. We get sick from this work on our hands and skin and with sickness of the stomach. But they won't give us gloves or any protection or pills to make us better when we are sick, but only gasoline to wash our hands. They think, 'who will know what we're doing?' Only the Indians."

Later that afternoon, we joined two Carmelite priests in the community of Shuara: Father Jesus Arroyo, the Church's tough, lanky human rights coordinator for the northern Oriente, and Father Pablo Gallejo, a tall, energetic Spaniard with a booming voice, handlebar mustache, and a blue baseball cap. Father Gallejo's diocese, the vast petroleum fields of the Aguarico River watershed, is too poor for a church, but he knows every colonist by name and manages to crowd a number of them into his land cruiser that serves as worship house and public transportation for the region.

At a well called Shuara-5, six men were mired in the gooey banks of a shimmering black lagoon, clothing and arms stained with oil. Some of them were shirtless and wore no gloves, their unprotected bodies tarred black. They cut the trunks of blackened trees and other vegetation, using shovels and their hands, scooped up oil and contaminated sediments for burial in a series of open pits ten to fifteen yards from the lagoon. Two nearly naked men stood neck deep in oil in the center of the black pit. Periodically they dove under the oil in an effort to attach a hemp rope to a submerged tree stump. Their eyes gleamed white against the black ooze that coated their skin and hair. At the end of the day, the company hosed them down with gasoline to remove the crude oil.

Petroecuador pays them 60,000 sucres a month—about $2 a day. "Too little," complained Jorge Miena as he emerged from the pit. He had held the job a little over a week. "When they are sick, the company fires them," Father Jesus explained.

Armando Naranjo, a sturdy, handsome campesino with an Omar Sharif smile, showed us his farm of yucca, plantains, and coffee near the well-site Shuara-1. After three years of work, he was expecting his first harvest of coffee beans when, he said, drunken engineers from Petroecuador cut a pipeline, discharging 300 barrels of petroleum onto his farm, killing all his crops. To drain the oil, they opened up a channel to a stream, killing his cattle when they drank from it.

"The stream was full of fish and the leaves were green," he said, "but they lit the stream on fire and burned everything. They refused me compensation because they say this is Indian land and I have no right here." After the spill, the Petroecuador engineers laid a pipeline to bring safe water to their own encampment from an uncontaminated source a mile away. Armando and other campesinos drink rainwater during the summer, but in the dry season have to drink from contaminated streams.

"All the streams are bad now," said Father Gallejo as we stood in the eerie light of a vent flame near the vast production pit at Tetete-9. "There are a few small streams where they can still get water during heavy rains. But when it is dry they must use the big streams, and all the big streams are contaminated. None of the water is good."

DAY FOUR: THE VOLLEYBALL DEAL

Fifty miles to the south, in Coca, we met with Quichua dirigentes (leaders). The dirigentes complained that the oil companies had promised to help community development in return for destroying tribal lands. The companies signed contracts obligating them to build a communal house, school, or volleyball court, or to donate a generator. The dirigentes said the companies had violated these agreements almost without exception.

The dirigentes listened carefully as Kimerling recited the Ecuadorian constitutional provisions guaranteeing "an environment free of contamination."

Contamination is a new concept here. There is no word for it in the Quichua language, but the Quichua are catching on. A young mechanic, Francisco Serdo, past president of the Quichua Federation, pointed out that many of the animals are gone from the forest in the Napo River basin. "Our people find them dead near the pits—deer, wild pigs, parrots, turkeys, and lizards. When we open them up, their stomachs and intestines are completely gone. This is because they come to eat the salt [from the production waters]. When the boas and alligators eat these sick animals, they also die."

Serdo and another dirigente offered to take us down the Napo River to the Quichua community of Limoncocha to see Occidental Petroleum's new exploration site. The Napo is a giant Amazon headwater. Nine of us crowded into a small dugout that sat low in the lively, brown water, which washed over one gunwale or the other. The motorista bailed continuously.

After several hours, we made the overland portage across mudflats and through jungle to the Rio Jivino. Serdo pointed up the river. "Before, when you threw a hook into the river," he said, "you would pull out a fish. Now you can fish many hours and maybe catch nothing." The bird sounds and our sense of isolation were suddenly drowned by the roar of heavy machinery and the stench of diesel. Miles from the nearest dirt road, a giant crane dredged the river bottom and shore. Work gangs with chain saws and planers stripped the jungle of lumber on both river banks. Earth-movers crashed and clanked as dumptrucks and bulldozers carried the drying sediment into the jungle to grade the new petroleum road.

Beneath the ancient rain forest we could see the carefully tended stands of cacao, yuca, coffee, and fruit, including pasu, lemon, orange, papaya, aguacate, and chunta duro nuts, and cedar and laurel for wood and palm for thatch. To the untrained eye, these rich farms seemed indistinguishable from the ordinary rain forest. But they were chakras, paradigms of sustainable agroforestry, each one the product of eons of tribal wisdom and decades of backbreaking work by Quichua women.

In sixteen days, Occidental Petroleum has cut nine kilometers of road and a five-acre drilling ramp from those farms with machinery shipped in on river barges. A Quichua woman, Alejondro Lanza, watched the machinery from the cleared river bank that was once her farm. Her teenage daughter stood beside her with a blank face and a tiny marmoset clinging to her dress. "They destroyed our *chakra* and our house and mined away the banks of the river which was ours," she said. "They paid us nothing."

The community has asked Occidental to build them a volleyball court in exchange for the damage. "Limoncocha thinks Occidental will keep its promise; I know they will not," says Serdo quietly. I asked him if the community couldn't have driven a better bargain. "They have fear of the army," he said. "When we ask for better things the army comes and calls us 'subversivos.' They say, 'Who has told you to say these things? Why don't you let this company drill?'"

We followed the new road through the broken remains of Quichua orchards. Before us in the twilight, a shiny geotextile skin stretched through the jungle atop the virgin road bed. The powerful material will help support the company's heavy machinery as it moves over the loamy soil. Beside the new road a giant canopy tree with a remarkable girth and spreading crown draped in epiphytes stood 150 feet in defiance among the crushed groves of yucca and plantains. As we passed we saw that its roots and buttresses were neatly cut. Thousands of trees cut to stabilize the road lay side by side for miles along its shiny skin. "They pay 300 sucres (thirty cents) for each tree cut," the man said.

A swarthy obrero (oil worker) from the Andes, sweating from his labor, paused to stare at us through hooded eyes. His stocky frame was half cloaked in a soiled T-shirt sporting a skull on a cactus and the sentiment in English, "Bury me in Redneck country." Stocky men from the Sierras labored beside tall, muscular blacks from the coastal refinery province of Esmeraldas, stacking or cutting lumber and pegging and stretching the skin, all in a pandemonium to stay ahead of the bulldozers and trucks that inter the roadway in river sediment. "They are strange," said one of the Quichua who lost his family farm. "They work until six or seven at night, sometimes without lunch."

As the stars rose, we reached the drill site. Moonlight reflected from five acres of geotextile spread over the jungle clearing. On the north side, Caterpillars with headlights pushed up earthen walls to an aboveground pit atop the stream where some Limoncocha families bathed and drew their water. The operation's supervisor, a grizzled Argentine named Billy Potoby, answered our questions in a thick Louisiana drawl: "In the United States, the pits are much smaller and they are lined. I'm not going to line this one; that's not what I'm being paid for." Wastes will be dumped into bathing streams and then into the Rio Jivino. I wondered if the Quichua know the price they are paying for their volleyball court.

A few hours later, we sat in a cane hut, lit by primitive lanterns, with a young Quichua, Tito Mamallacta, and his mother, Zoila Shiguango. Tito was clean-cut and handsome, with an open face. Educated, he is the schoolteacher in a nearby community. "We asked them to pay us rent for the land, but they said, 'We will do it if we find oil'" he said. Occidental paid the family a few sucres for a single year's crop of coffee.

His mother, five feet tall with a kind, round face, her hair pulled back in braids, stood up to speak in broken and heavily accented Spanish. "They didn't want to pay for the wood they cut down in my chakra or the food crops. The military came to us and asked why we were making trouble and why we wanted so much money, and who had been around here talking to us and who could have been teaching us such things." I thought of her years of backbreaking labor in the stifling heat. "Everything is lost now," she said. Tears rolled down her cheeks. "It was my chakra. I worked it by myself for many years."

We burned the lanterns late into the night. Francisco Serdo spoke earnestly to Tito in Quichua. Occasionally, we recognized a Spanish phrase, "el Banco Mundial" or "contaminacion." Francisco turned to us and asked in Spanish, "What part of the World Bank money comes from Americans? From the Japanese?"

As they continued, I considered how remarkable it was that here, in a cane hut in the middle of the Amazon rain forest and miles from the nearest road, we sat in near darkness and listened to two indigenous jungle people debating international financial policy in their native tongue. I reflected that the only way the Amazon will be saved is if the people who live there choose to save it, and then only if they can muster the political power to impose that choice. This will require a rapid growth in their level of political sophistication. That night in Limoncocha I hoped we were witnessing a beginning.

The next morning as we headed back to our canoe, Tito Mamallacta handed me an envelope and asked me to deliver it to Barber Conable, president of the World Bank. The bank was considering a loan to Petroecuador, which could be conditional on strong environmental reforms. The letter invited Conable to Limoncocha and asked him to demand that Occidental and other petroleum companies respect indigenous peoples and stop contaminating the rain forest. Reading the letter, I had a guarded sense of hope.

DAY FIVE: OUT OF THE JUNGLE

In Quito, we met with Carlos Luzuriaga, the under secretary of environmental affairs for the Ministry of Energy and Mines and with Carlos Esquetini, deputy secretary of energy. Luzuriaga told us that government involvement in the environmental affairs of the oil industry was very recent. "Nobody in this country ever told the petroleum companies how to operate," said Luzuriaga. He lamented that the legal system was inadequate to ensure compliance. "Five hundred dollars is the maximum fine we can impose under the National Hydrocarbon Law." His post was created only in March of 1990, with an annual budget of $10,000. "How can I accomplish anything with this?" he asked. He spent several months appealing to USAID for a grant to study the impacts of oil on the Oriente. USAID rejected the request.

"Texaco has been in this country for twenty years," said Carlos Esquetini. "We have to take that into consideration. Texaco was our professor. They taught us how to produce and pollute. They never taught us how to clean up the mess." Ecuador's justification for allowing companies like Occidental Petroleum to operate and to use the same discredited technologies that have contaminated the Oriente is the nation's need to pay its external debt. Yet these practices are creating an accelerating cycle of poverty and pollution. Ecuador's oil reserves are expected to last no more than twenty years. At the end of that period, the World Bank has predicted a massive migration back to the cities and Sierra region from the exhausted soils and resources in the Amazon.

I am reminded of a conversation with the biologist and Ecuadorian patriot Eduardo Asanza. "Ecuador is a poor country and we need the oil," he said, "but I have lived here for fifteen years and have seen this area grow poorer and poorer. Now when I go to Lago Agrio, I wonder, how can those people survive? We were all told that the oil would help the country, but sometimes we wonder, 'Who is being helped?'"

SENATE—*Friday, May 24, 1991*

(Legislative day of Thursday, April 25, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

The PRESIDING OFFICER. The Chaplain will deliver the invocation.

PRAYER

The Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Gracious God our Father, You have said in Your Word, "It is required of stewards that one be found faithful." Your servants in the Senate have worked hard this week. They have been faithful stewards of local, State, regional, and national welfare. As they complete their work this morning, grant them a profitable, productive, restful recess that they may return to their duties restored and ready for heavy demands ahead.

Faithful Father, we pray for their families, that recess may be a time for healing and reconciliation wherever needed. Guide them in their way and bring them back safely.

We pray for those whose labors continue, often more consuming than during the sessions.

The Lord bless thee, and keep thee: The Lord make his face to shine upon thee, and be gracious unto thee: The Lord lift up his countenance upon thee, and give thee peace.—Numbers 6:24–26.

Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 24, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

EXTENSION OF FAST-TRACK PROCEDURES

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of Senate Resolution 78, which the clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 78) to disapprove the request of the President for extension of the fast-track procedures under the Omnibus Trade and Competitiveness Act of 1988 and the Trade Act of 1974.

The Senate resumed consideration of the resolution.

The ACTING PRESIDENT pro tempore. Under the previous order, the time between 9 a.m. and 10 a.m. will be under the control of the Senator from South Carolina [Mr. HOLLINGS]. The Senator from South Carolina.

Mr. HOLLINGS. I yield 10 minutes to my distinguished colleague, the Senator from Alabama [Mr. HEFLIN].

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. HEFLIN. Mr. President, we have a rather unique lady in my State who is the chief executive officer of National Industries. National Industries makes gaskets and other electrical parts for automobiles, and they are shipped to Detroit, MI, and other places where they are put into automobiles.

June Collier for years fought the import problem. She went everywhere making speeches telling of the danger posed to American jobs and to American businesses by the low labor costs in certain Pacific rim and other foreign countries.

Finally, she said, "I cannot do anything about it. The President will not listen to me." And on occasion she was at the White House. "Nobody will listen to me, so what am I going to do? I am going to move my business to Mexico." And 1,500 jobs left Montgomery, AL, and went to Mexico. She publicly stated that the reason she was leaving was that she could pay the Mexicans $1 an hour, which was 41 cents above their minimum wage, whereas she paid $7 or $8 an hour in Montgomery, AL.

That is an incident which has already occurred and, in my judgment, it gives us an idea of what will occur if the Mexican Free-Trade Agreement is adopted.

We do not claim in my State of Alabama and other Southern States that we did not raid the New England States of their textile operations and their apparel business following the end of World War II. But a great number of our cotton mills closed in the South because of artificial fibers. So we looked to other places to attract mills. The New England States had them, and we convinced many of their mills to move to the South.

Consequently, places like Lowell, MA, a former textile capital, went into a depressed condition. Then, finally after about 25 years, there were predictions a few years ago that Lowell, MA, would be revived with high technology industries. They had gone through about 25 years of complete devastation in regards to depression. But now I understand that even the high technology, service-type industries are not working there and that they are still in a rough condition.

The South attracted those textile and apparel mills because of their lower labor costs, because of lower transportation costs in taking cotton to cotton mills, and because of their receptiveness to new technology. What I want to point out is this. The distance between Lowell, MA, and Montgomery, AL, is 1,183 miles. The distance from Montgomery, AL, to Juarez, Mexico, is 1,118 miles, 65 miles difference.

I think June Collier probably has done well for the Mexicans by paying them 41 cents above their minimum wage. Others will probably not pay them as well or be as good to them.

Others will be drawn to Mexico by other magnets: The absence of environmental law, the absence of child labor laws, the absence of OSHA safety regulations. None of these laws exist in Mexico, and they all act as magnets and as attractions for labor-intensified jobs to move to Mexico.

What is going to be the impact? We are in the midst of trying to pass civil rights laws to give equal opportunity in employment here in this country. But who will lose jobs in the South under proposed trade agreements? It will be primarily minorities and women. Already in the textile industry, 48 percent of the work force is women and 25 percent is minority, and the percentages are much higher in the Deep South.

To me, we are cutting off our nose to spite our face. We are saying we must rush into trade agreements because we have a favorable Mexican President. My goodness, Mexico has changed its

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

President so many times and there is no question they have had corrupt ones. A change can occur overnight and an entirely new atmosphere can be created.

I want to speak a little bit also about the GATT negotiations that are ongoing. In my State, we have a number of agricultural products that will be affected.

If the proposal of the Department of Agriculture and our Trade Representative, the American proposal, were to be adopted, it would have a devastating effect on all of agriculture, and particularly agriculture in the South. Two of our most important crops are cotton and peanuts. And who are our chief competitors in those fields? China and the Soviet Union. But, China and the Soviet Union do not belong to GATT. But here we want to give away certain protections and receive nothing in return from our competitors.

They say fast track has to move forward; it has to be adopted; this is the only way. But 89 multilateral treaties in the last 16 years have been ratified without fast track and they have involved other very complicated matters.

We talk about the Senate and preserving it. We talk about our right to free discussion and we have various other things that we talk about that we are so proud of in the Senate, because they are a part of the checks and balances. Yet here we are giving away the right to amend, which was one of the primary checks and balances that the American forefathers put into the Constitution. It seems to me we are making a terrible mistake, and I urge the Members of this body to vote against this fast track.

We may see changes occur in Mexico, a new President take over, and say, "All right, we will go back to those tariffs and other protections that we had."

And, yes, if we adopt the Mexican Free-Trade Agreement, America will regret it. We will see another form of Montezuma's revenge.

Mr. President, the proponents of this fast-track resolution would have us believe that rushing out and entering into trade agreements as fast as we can would cure our country of all that ails it. But they are wrong. Any trade agreement is not necessarily a good trade agreement.

For that reason, Congress should not agree to speed read any settlement which the administration can reach with our trading partners. Especially in our current economic situation, we should not pass up the opportunity to fully consider measures which will directly influence the economic well-being of our country and its citizens.

Even proponents of fast track acknowledge that the proposed agreement with Mexico will hurt workers in some sectors of the economy. They also acknowledge that the big losers will be those in labor-intensive industries, mostly manufacturing, who stand to lose their jobs if corporations relocate to Mexico to cut costs.

For Alabama, a State where approximately 23 percent of the jobs are in manufacturing, this does not bode well for the consideration of such an agreement under expedited procedures.

THE TEXTILE INDUSTRY

One of the most important manufacturing industries in Alabama, the textile and apparel industry, well illustrates the problems which fast-track authority poses for American manufacturing jobs. In Alabama today, the textile, apparel, and fiber industry has an annual payroll of $2.4 billion and employs approximately 95,000 people—almost one-third of the manufacturing work force in the State. On average, every Alabama county has in operation 2.7 textile plants and 6 apparel plants. Also on average each of its 67 counties employs 502 people in textile mill production and 914 in apparel manufacturing.

These numbers are large for our State and they reflect the historical importance of the textile and apparel industry to Alabama. Many of you may not know that the textile industry was Alabama's first industry, dating all the way back to 1809. That was some 60 or 70 years before the industry became firmly established and began to gain real strength in the South. Early on, it was concentrated in the North, where the first full operation mill—from cotton bale to finished cloth—opened in 1813 in Lowell, MA.

By the early 20th century, however, almost every Alabama community had a cotton mill and largely due to the success of our cotton crop, some of the textile industry began to gradually leave New England and move to the South.

With the introduction of nylon and other synthetic fibers in the 1940's, a number of southern cotton mills went out of operation. However, about this time, southern mills were more competitive largely because they were more receptive to new methods and machinery. Also, the cut and sew operations of the apparel industry were very labor intensive and labor costs were somewhat lower in the South.

By the 1960's, import problems began for the industry. They have, of course, continued up until today as our markets have been wide open for imports while the markets of other countries have been closed. Despite this problem, however, our industry has remained highly competitive. In fact, for the past decade, the industry has invested an average of $1.7 billion annually in new plants and equipment. Today, the U.S. textile industry is among the most modernized and competitive in the world. The apparel industry also remains very efficient but, because of the labor-intensive nature of the work, it is more difficult for it to compete against countries like Mexico and Taiwan where labor costs are a fraction of those in the United States.

MAQUILADORAS

Perhaps the most striking example of manufacturing jobs leaving our country solely because of lower wage rates is Mexico's maquiladora program. Located largely in border area towns like Juarez, Mexico, the maquiladora program allows the United States to export raw materials to Mexico duty-free for assembly in Mexico and then for Mexico to export the final product back to the United States with only a value-added duty applying.

Twenty years ago when the program first began, it employed about 19,000 people in 120 plants. Today, half a million Mexican workers are employed in 1,800 maquiladora operations. In the United States, tens of thousands of workers in companies like Electrolux, Tyco, Zenith, Westinghouse, GE, AT&T, GM, Ford, Chrysler—to name only a few—have seen their jobs disappear to these maquiladora facilities in Mexico.

In fact, National Industries, a manufacturer of automobile electrical systems based in Montgomery, AL, closed four of its eight facilities in my home State earlier this year. With those four facilities went the well-paying jobs of 1,500 people in Alabama. The jobs, of course, showed up in Mexico where the minimum wage is 59 cents per hour.

Naturally, our industry cannot compete with these types of wages, especially when they also bear the costs of United States health, safety, and environmental regulations for which there is no equivalent in Mexico.

Just as we saw textile jobs shift permanently from the North to the South, I fear that we will see them shift from the South to Mexico if care is not exercised in the negotiation of our trade agreements. After all, the distance from Lowell, MA, to Montgomery, AL, is 1,118 miles and the distance between Montgomery, AL, to Juarez, Mexico is 1,183 miles—a difference of only 65 miles. What worries me even more is that this time, the move will occur solely because of cheaper labor and avoidance of minimal social obligations, not because of any technological or agricultural advantage.

IMPACT ON MINORITIES

Mr. President, another issue of concern with regard to fast-track consideration of trade agreements is the effect of those agreements on women and minorities. In addition to threatening the overall number of jobs in various labor-intensive, manufacturing industries, the trade agreements in question pose a serious threat to the employment of a large number of women and minorities. In the textile and apparel industry, for example, 48 percent of the workers are women and 25 percent are minorities. For many of these people who are low skill workers, there is no alternative employment if they lose their jobs at the textile or apparel mill.

Yet we are asked to expedite consideration of their jobs—of their ability to support themselves—and of their lives. I believe they deserve better than that and I believe that, as their representatives, we owe them more than that.

AGRICULTURE

In addition to the threatened impact on manufacturing, these agreements also pose a tremendous adverse threat to agriculture. For example, under the Hellstrom proposal, the latest American GATT proposal, our farmers would be required to take a 30 percent reduction in price supports without any tangible foreseeable benefits.

Moreover, Alabama's two largest agricultural commodities are peanuts and cotton. In terms of peanuts, China is the largest peanut producing country in the world and in terms of cotton, China and the Soviet Union are our largest competitors. However, neither China nor the Soviet Union is party to the GATT and both have nonmarket economies. Yet the administration has failed to explain by what mechanism third party countries like China and the Soviet Union would be prevented from shipping their products to a GATT-participating country and then having these products shipped into the United States domestic market.

In addition, payments made to farmers under our own GATT proposal would have to be decoupled. That is, the farm payment which is currently tied or coupled to a producer's crop production history would be decoupled so that there would be no correlation between a farmer's output and the Government payment he receives. In other words, decoupling is nothing more than welfare. If in the future Congress wants to provide income supports to farmers, under our own Nation's proposal, we would be required to do so only in the form of a welfare payment. It is this type of proposal which begs for congressional oversight of our trade policies.

CONCLUSION

Given the very serious effects which the proposed Mexico Free-Trade Agreement and other future trade agreements will have on the State of Alabama and our country as a whole, I do not believe the Congress should operate under expedited procedures in its consideration. The argument that fast-track authority is necessary for reaching trade agreements is simply untrue. In the past 16 years, the United States has completed 89 multilateral agreements involving nearly every country on Earth—including complex tax, arms negotiation, environmental and trade agreements—without fast-track authority. We can work out these agreements without fast-track and the result, in my opinion, will be that the agreements are better.

Moreover, Congress ought not abdicate its responsibility under article I, section 8 of the Constitution to regulate commerce with foreign nations. To agree to anything less than a full debate of these important issues would be irresponsible and, I fear, damaging to the economy of the State of Alabama.

I thank the Chair.

Mr. HOLLINGS. Mr. President, I yield 10 minutes to the distinguished Senator from Michigan [Mr. LEVIN].

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I support Senator HOLLINGS' resolution to disapprove extension of fast-track authority. I commend him on the tenacious leadership he has shown.

I support his resolution not because I am against increasing trade between the United States and Mexico. To the contrary, I would like to see trade increased and would like to knock down discriminatory Mexican barriers to American exports.

I support the Hollings resolution because the potential harm from a North American Free-Trade Agreement for American workers and farmers and industry is so great that I believe Congress should not give up its authority to amend the statute enforcing a trade agreement.

After listening to the administration and reviewing its action plan, tremendous uncertainty still remains about what effect this unprecedented fast-track proposal will have on jobs and wages, on the environment, and our Nation's industrial and agricultural base. Never before has a government tried to wed two countries with such disparate economies.

The administration cites a number of economic impact studies to support its argument that a trade agreement would increase U.S. exports and jobs. However, even these studies project only statistically insignificant gains for our Nation and ignore factors which have the potential to make that agreement a disaster for our Nation.

Two of the three main studies cited by the administration do not even take into consideration changes in investment patterns, despite the fact that one of the administration's main objectives in an agreement is to increase United States investment in Mexico by negotiating the removal of current Mexican restrictions on foreign investment. The third study makes the naive assumption that new United States investment in Mexico would not displace any investment in the United States.

Independent studies that do take into consideration likely changes in investment predict we will be exporting more jobs than goods. These studies project hundreds of thousands of American jobs will be lost in key sectors of our economy. For instance, both the study conducted by the Economic Strategy Institute and another by the Economic Policy Institute predict over a half million American jobs may be lost in the next decade under the trade agreement envisioned by this administration. In the auto parts industry alone, the Economic Strategy Institute projects between 42,000 to 63,000 jobs will be lost.

The administration argues that increased foreign investment under a trade agreement will lead to a higher Mexican living standard, better working conditions, and increased demand for American products. But foreign investment in Mexico to date has not resulted in that. Mexican wages have not increased with productivity. While the Mexican workers in foreign-owned factories in Mexico are now almost as productive as workers in the United States, they still earn no more and sometimes less than workers in traditional Mexican factories and only a fraction of what workers in the United States make.

The administration admits that Mexican environmental laws are not fully enforced but argues that increased economic development will lead to their enforcement. In other words, the administration believes we can have development first and clean up later. That approach could spell disaster for both the environment and for American workers.

A recent study by the General Accounting Office documented a large decrease in employment in the Los Angeles furniture industry over the last 3 years as companies have moved to Mexico. Eighty-three percent of these companies cited lower wages in Mexico as a reason for the move and 78 percent cited weaker environmental laws in Mexico.

Unless Mexican labor and environmental laws are as strictly enforced as ours, Mexican wages and working conditions will stay low and American jobs will be exported instead of American products. The administration naively expects enforcement of these laws to automatically accompany increased investment and productivity when in fact such enforcement requires political reform.

Mr. President, to those who say the administration will consult with Congress to ensure that any agreement is in our national interest, I remind them of Japan.

The administration constantly consults with Congress on trade issues with Japan. But when it comes to actions, they ignore our outcry, and their actions have been feeble. The administration has been willing to tolerate discriminatory trade practices despite persistent trade deficits and the resulting loss of entire American industries and thousands of American jobs. Consultation with Congress has been to no avail. This administration, like the ones preceding it, has allowed discriminatory practices against American goods to result in a large number of lost jobs. The rhetoric drones on, and the lack of action is painfully obvious.

This is particularly true in the case of auto parts. Each year the administration has cited Japanese barriers to United States auto parts exports in its annual report on foreign trade barriers. Last year it said that these barriers had virtually locked us out of a $60 billion market. Yet when it came time to act, the administration declined to even name Japanese barriers to auto parts under section 301.

There was no shortage of consultation with the Congress. What was lacking was a strong action in defense of American jobs. And the only way to assure a strong trade policy is to give Congress a normal role in the legislative process, not just a "take it or leave it" role.

The question is not just whether American companies support the agreement but whether it is in our Nation's best interest.

We cannot and should not expect multinational companies' interests to be the same as our Nation's or our workers'. We cannot afford to continue to squeeze American working people.

Contrary to the administration's argument, United States real wages have declined as firms have moved their supposedly low-wage, low-skill work to Mexico. We need to provide incentives to improve our productivity here at home rather than incentives to increase profits by moving to low-wage countries where health, safety, labor, and environmental laws are not fully enforced.

Will the trade agreement level the playing field or leave it tilted in such a way that there will be a net loss of American jobs? We do not know for sure, but the history of our feeble trade policy for two decades is mighty discouraging.

Without the potential for normal congressional involvement, I cannot tell my constituents I am confident the field will be level and their interests protected.

Mr. President, I again commend and congratulate my friend from South Carolina for the great leadership he has shown in this matter.

Mr. HOLLINGS. I thank my distinguished colleague.

Mr. President, I yield 10 minutes to our distinguished colleague from Connecticut [Mr. DODD].

Mr. DODD. Mr. President, I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DODD. Mr. President, let me first of all commend my colleagues here, both those who are advocating the fast-track procedure and those who are opposed to it. I, on one level, certainly hope in time to be able to achieve a free-trade agreement not only with Mexico but throughout this hemisphere, as we enter the 21st century moving from a bipolar to a tripolar world.

The Pacific Rim challenge must be responded to economically by a third pole here in the Americas. This will only come about as a result of having some kind of free-trade agreement which will unleash the power of 700 million to 1 billion consumers in this hemisphere.

As I have listened to the debate, Mr. President, over the last number of hours, it seems clear that there is no real disagreement over that particular point. I think we all would very much like to see a free-trade agreement. The question is whether or not, under the present procedures, that is going to produce the kind of result, ultimately, we would all like to see.

I also commend my colleague from South Carolina for having taken the leadership role on this issue. He has raised some very important points that need to be discussed, not only in the context of this particular agreement but for future trade agreements as well. We will not only establish a precedent in terms of negotiating a bilateral or trilateral agreement with a developing country, but one must assume all future trade agreements with all nations will have to be conducted in exactly the same fashion. And any suggestion that we retreat from this process will probably be considered a significant insult against any nation that would not be treated on equal footing with countries with which we negotiated using fast-track procedures, such as Mexico, Israel, and Canada.

So we are not just taking a step in terms of this particular agreement; it would appear that we are now establishing, if this is approved in perpetuity, that fast-track procedures will be the standard by which we negotiate and enter into a trade agreement. That is worrisome to me, not because of the particular agreement before us but because of the precedent it sets for how we conduct our advice and consent role under the Constitution as Members of the U.S. Senate.

Mr. President, there is broad consensus that a North American Free-Trade Agreement between Mexico, Canada, and the United States is not only necessary, it is inevitable in light of the regional consolidation under way in Europe and Asia. I strongly believe that such an agreement would serve the long-term interests of both the United States and Mexico. Such an agreement would also serve as the model for a larger, hemisphere-wide trading arrangement that will some day extend from the Arctic to Patagonia.

As a good friend of Mexico, I want to acknowledge the enormous and positive transformation that has taken place there under the leadership of President Carlos Salinas de Gortari. As a good friend of Mexico I want to acknowledge that President Salinas has set in motion the kind of economic policies that have revolutionized our third largest trading partner. Mexico's doors have been thrown open to foreign competition. Tariff rates are down and vast segments of Mexico's economy are now open to foreign participation and foreign capital. As a result, United States exports to Mexico have nearly doubled in the last few years.

The logical result of this process of liberalization and this expansion in commerce between the United States and Mexico should be the establishment of a more formal free-trade arrangement.

Presidents Bush and Salinas had clearly come to that conclusion last June when they jointly announced their intention to pursue free-trade negotiations. I applaud Presidents Bush and Salinas for their vision. Their announcement represented an historic development in United States-Mexican relations.

But as is often the case, strong support for the effort does not necessarily translate into strong support for the means. A number of different points of view have been expressed here in the United States, as well as in Mexico, concerning the scope and timing of negotiations for a free-trade agreement. And many of these points should be considered during the negotiations. The unique conditions under which this agreement will be reached and the significance of such arrangement make it absolutely necessary that the final product be a good product—one that will stand the test of time.

I am concerned, however, that the administration is too preoccupied with the fast-track issue. It is distracting us from the more crucial matters at hand. The President argues that without fast track a North American Free-Trade Agreement is not possible. I disagree. He argues that without fast track Mexico will refuse to negotiate. I disagree. He has framed the fast-track debate in such a way that a vote against it appears to be a vote against free trade. I disagree.

When the Congress first made the decision to give the President fast-track authority, it stemmed from the complexity of the GATT negotiations—negotiations that included over 100 nations. Although fast-track authority was also used with Canada and Israel, I believe those agreements would have been reached with or without such authority. And I believe that a free-trade agreement with Mexico is possible without it.

I see no reason why the U.S. Congress should not be involved in a process of such great significance to the future of this Nation and the hemisphere. So, while I fully support the efforts of the Administration to negotiate a free-trade agreement with the Mexican Government, I will vote against giving the President fast-track authority.

I was elected, first and foremost, to represent the interests of my constituents in Connecticut. Approval of fast track will prevent me from doing just that. Connecticut has lost more jobs in the last 24 months—66,000 jobs—than it has lost in every previous recession since 1960. Today, 5.9 percent of Connecticut workers are unemployed; as many as 11 percent of workers are unemployed in towns once known for their strong industrial base. Part of the high unemployment rate reflects the downturn in the economy. The last decade, however, has seen thousands of workers displaced as companies have moved plants out of Connecticut and out of the country. At least half a dozen companies have closed Connecticut plants to move to Mexico

If fast-track authority is approved, my only option will be to vote for or against the free-trade agreement. This is certainly not standard operating procedure for most deliberations in this Chamber. And it puts those of us who would like to see a free-trade agreement in a terrible position.

Fast track would prevent us from assuring that the questions asked by working men and women in our States are answered. Questions about issues different than those articulated by Presidents Bush and Salinas last June. They are questions about jobs, questions about safety and health standards in the workplace, questions about child labor practices and questions about the environment. While these are not traditional trade issues, they are very relevant to the United States-Mexican talks.

The economies of the two nations are vastly different. Wages in the United States are 10 times what they are in Mexico. We used to believe that the capacity for higher productivity could make the United States industries competitive with developing countries. This is no longer the case, according to a report released by the Economic Policy Institute, authored by Walter Russell Mead. Advances in technology make it possible for workers in low-wage, developing nations to produce items at threatening competitive levels of productivity.

Tens of thousands of hard-working Americans have already lost their jobs as United States companies have moved their production to Mexico. Today there are over 1,800 United States plants employing close to 500,000 workers in Mexico. These are jobs no longer available to workers in the United States. Joblessness is a reality for millions of Americans, and we cannot afford to minimize the importance of the trade issues that can have a real impact on their employment opportunities.

Unfortunately, I am not convinced that the President values the significance of these issues. The President's report of May 1 identified the issues but proposed no solutions. The report emphasized long-term job creation but did not address the expected short-term job losses in U.S. manufacturing. The administration cited reports that forecast long-term job growth but did not tell us what kind of jobs those will be or how much will they pay?

Earlier this year, the administration recommended zero funding for the Trade Adjustment Assistance Program while tens of thousands of workers are losing their jobs to lower wage workers in developing countries. How then are we to believe the President when he promises to fund retraining and adjustment assistance programs for workers displaced as a result of a free-trade agreement with Mexico?

In his report, the President referred to the strong Mexican labor laws, but failed to mention that they only cover 3 percent of the Mexican work force and are also poorly enforced. Moreover, the memorandum of understanding which the administration hoped would allay some of our concerns about working conditions, wages, and the environment is merely an agreement by the two nations to communicate and share information.

The President talked about job creation as a result of an expanded export market in Mexico when only 10 percent of the Mexican population has the income sufficient to purchase goods manufactured in the United States. It will be many years before the benefits of free trade raise the income levels in Mexico high enough to afford United States goods. Until then, we need to be concerned about the men and women who will lose their jobs.

Mr. President, United States and Mexico negotiators are going to have to come to terms with these nontrade matters if they expect to produce an agreement that will have the support of the United States and Mexican Congresses. It seems to me that the easiest way to get that kind of agreement is to address these concerns at the very outset of the negotiations. We should roll up our sleeves and sit down at the negotiating table and hash out any and all issues associated with the agreement. If we do this, I predict that the result will be an agreement that will be far superior to any agreement ever negotiated.

Mr. President, I have already spoken at some length on the specific concerns raised by the extension of fast track for many of the men and women of my State of Connecticut. I have also made clear that my doubt about extending fast-track procedures should not be interpreted as blanket opposition to any North American Free-Trade Agreement.

In my view, given historical trends, a North American Free-Trade Agreement is inevitable over the longer term. And, the right kind of agreement would be generally supported by the people of both our countries—an agreement that can be clearly shown to be beneficial to the men and women of Connecticut, to the men and women of the United States, and to the men and women of Mexico.

I have concluded that under the current circumstances, the best way to achieve such an agreement is by dispensing with fast-track procedures.

Mr. President, it is not often that the mere prospect of commencing negotiations on an international agreement should engender such debate in this body. The reason for that debate is clear. It is a reflection of the concerns and fears expressed by constituents in my State of Connecticut and in states across the country. It is a bell weather of the economic vulnerability felt by people in this country. It is a vulnerability that has been engendered by the serious economic problems confronting this country today. The 6 percent of Connecticut citizens who are currently unemployed, the more than 66,000 jobs lost in my State over the last 24 months are merely the impersonal statistics that don't begin to capture the real hardships and suffering taking place in cities and towns throughout this country.

There have been extensive hearings held in the House and the Senate on the concerns raised with respect to a North American Free-Trade Agreement. The Subcommittee on Western Hemisphere Affairs, which I chair, held 3 days of lengthy hearings on the topic. We explored, in depth, the major issues that have been raised with respect to the negotiations—both trade and nontrade issues. The conclusions that I drew from those hearings are that the concerns about jobs, about the environment, about child labor, about wage disparities, and working conditions, are legitimate concerns—that they are concerns that must be addressed in conjunction with any North American Free-Trade Agreement presented to this Congress and to the American People.

President Bush has stated that he understands these concerns "that he is committed to achieving a balance that recognizes the need to preserve the environment, protect worker safety, and facilitate adjustment." I hope that he keeps that commitment in mind assuming that these negotiations do proceed.

The President has also stated that fast track in no way limits the ability of Congress to review any agreement negotiated and that if Congress is not satisfied, it retains the unqualified right to reject whatever is negotiated. I think that he and his advisers should keep that in mind as they make plans to proceed with these negotiations.

I believe that this debate has been a significant opportunity to clearly articulate the kind of free trade agreement that is likely to gain the acceptance of Congress and the American people. I believe that this debate leaves no doubt that an agreement which does not effectively address trade and nontrade matters which have been raised in connection with it will not be acceptable to this body or to the American people.

I hope that United States and Mexican negotiators have listened carefully throughout the course of this debate. I hope that they have taken to heart the concerns expressed and use their considerable talents and expertise to address them in the context of the negotiations. These concerns cannot be dismissed. The economic and foreign policy implications of the North American Free-Trade Agreement they conclude will be significant. Significant for the United States. Significant for Mexico. Significant for the future of our hemisphere.

Mr. President, I hope and pray, if in fact this fast-track proposal is adopted, that these concerns will be addressed properly. I know that those who are principally involved claim they will be addressed properly. But is ultimately important that the American people support this agreement, and we are able to move from this model to other regional or bilateral agreements in this hemisphere that will truly provide that third pole of the tripolar world of global competition in the 21st century. If this agreement fails because we do not put it together intelligently, it will be a major setback, in my view, for hemispheric trade agreements in this decade.

Mr. President, I think it is well known to most of my colleagues that I consider myself to be one of the closest friends Mexico has in the United States Congress. I take great pride in that. I take great pride in my personal relationship with the President of Mexico and many Members of the Mexican Senate and the Mexican Chamber of Deputies. But I think it is in a spirit of friendship that I caution that fast-track procedures could create for us far more problems than we think we are solving.

So if this fast-track procedure is adopted, then I caution those responsible for negotiating it—that they listen to the concerns being raised by Members of this body and the other body, who come from jurisdictions that have been so significantly and adversely impacted by economic decisions over the last several years. I caution that they will not support an agreement that jeopardizes American jobs and the environment of this hemisphere. So those cautions and those concerns must be kept in mind as this process moves forward.

Again I compliment my colleague from South Carolina. He has raised these points not just in the last 24 hours, but day after day, week after week, month after month; not because of some parochial concerns affecting a narrow interest in his State, but because of his deep and abiding concern for working men and women in this country.

We have watched 1,500 firms relocate in Mexico, employing a half million people there. Some 12 or 13 major firms in my State have left. One is in the process of leaving. We do not fear competition, but when there are such disparities and differences, they must be accommodated if the American people are to support this. And, ultimately, the American people must support this agreement. It is not that we support it, or that the other body does, or that the President does. Ultimately, we only speak for those whom we represent, and if the American people feel that this is not a fair deal, then they will reject it and consequently we will be required to accommodate their concerns.

So, Mr. President, I congratulate the Senator from South Carolina and my colleague from Texas, who have taken very noble, forthright and aggresive stands in moving this process forward. My hope is that ultimately it will succeed, and we will be able to have a free trade agreement that will truly benefit all people throughout this hemisphere.

Mr. **HOLLINGS**. Mr. President, I thank the distinguished Senator from Connecticut, who is most gracious, generous, and most meaningful. He is familiar with Latin American affairs and is on our Foreign Relations Committee.

Over in the House it is called Foreign Affairs, and here it is called Foreign Relations. They say we are too old over in the Senate to have any affairs.

Mr. President, I yield to our distinguished colleague from Michigan.

Mr. **RIEGLE**. Mr. President, we have been discussing through much of yesterday and into the early hours of this morning the important issues that are contained within this debate about the United States-Mexico Free-Trade Agreement.

To restate a couple of points that I think need to be put on the table in this morning's discussion, this United States-Mexican Free-Trade Agreement is really a jobs program for Mexico; a jobs program for Mexico. What is clear by any measure of our own economy, and our own financial situation, is that the United States needs a jobs program.

And so one of the compelling questions here is, why is it that our administration is expending such great effort to create jobs in Mexico when we desperately need jobs in this country, and there is no program by our administration to deal with that problem right here where our people live.

Today, if you look at the activities of our executive branch of Government, we have an economic strategy for every nation in the world. The President wants to help the Chinese, and so there is pressure now to have a most-favored-nation trading status with China.

We know of all the repression in China and all of the difficulties in that nation. This year, they will have a trade surplus with the United States of about $15 billion, which means that they are taking $15 billion of scarce capital out of this economy, and the jobs that attach to it are being taken out of this economy and being taken to China.

Yet, this administration has an economic program and a job strategy for China. And they have, also, an economic strategy to rebuild Kuwait. And they have economic strategies for just about every country in the world. We are sending money all around the world to these other countries, and American jobs as well. We are exporting jobs to help make these other countries stronger.

Now we are seeing that same thing in the case of Mexico, where in the manufacturing sector, we see that workers on average earn about 50 cents an hour, under miserable working conditions, and in the absence of any meaningful labor law standards, terrible abuses of child labor. And we know in a free-trade agreement with Mexico, that the jobs in the manufacturing base in this country, which are already leaving this country, will leave at a much faster rate, and in much larger numbers, to go south of the border to take advantage of that cheap labor in the absence of any kind of decent working conditions or environmental protections.

That is what is going on here. This is a job strategy and an investment strategy for Mexico. Yet, we desperately need one for the United States, and we do not have one. We have one for every other country but our own. And that is one of the reasons why this whole approach is so distasteful.

Yes, Mexico needs to come along, and in due course, in term of building its economy; but not at the expense of this economy and jobs in America. We do not have enough jobs in America today. We have some 10 million people who are either unemployed, standing in unemployment lines today, or substantially underemployed, who need to be working, need to be working where they can earn a decent income, provide for themselves, and strengthen this country.

But, no, we have this plan for Mexico. This administration spends virtually all of its time on foreign policy, and almost none of its time on domestic policy or American policy. They look the other way on the problems that are here where we all live.

One area is trade adjustment assistance. It has been recounted before. We know there are going to be tens of thousands, I think hundreds of thousands, and eventually millions, of American workers displaced by a United States-Mexican Free-Trade Agreement.

They say they will make available worker adjustment assistance. That is really a laugh, when you think about it, and a cynical laugh at that. We have workers today who have been identified as having lost their jobs in this country because of unfair trade by other countries. We have something called "trade adjustment assistance." There is an item in the budget for that, and the Bush administration has said: Let us not provide any money whatsoever in this budget for trade adjustment assistance for American workers who have already lost their jobs to all of our so-called friends from around the world.

So the notion that they are going to do anything for the workers who lose their jobs under a United States-Mexico Free-Trade Agreement is just hollow, and it is meaningless, and it is a fraud; it is a fraud, simply a fraud.

You cannot, in good conscience, come forward and say you are going to meet that problem when you have that very same problem today and you are doing nothing about it. There is an elitist view at the highest reaches of our Government with respect to workers in this country, and a lack of interest in the problems facing the workers of this country.

Yet, everything depends on work. The strength of America depends upon whether our jobs are out there, and whether our men and women have jobs to be able to earn incomes and to produce and to strengthen this country. We do not have any money to spend, whether it is privately or publicly, that we do not earn, and we earn our money by working.

We need a job strategy for America. That should be our first goal. And here we are, in here today, with a job strategy for Mexico which, in order to make it work means you have to take jobs from America and send them to Mexico.

We have a crisis in our banking system today. The bank insurance fund is essentially empty. We have just held 20 days of hearings in the Banking Committee to try to figure out what to do about it. The administration has said we are going to have to borrow several tens of billions of dollars to bail out the bank insurance fund. Why? Because this economy is so weak and because we have terrible strains in our economic system.

So why do we not set to work to make sure that we strengthen the American economy by putting our people back to work? We have highways to build, bridges that need to be built, airports that need to be expanded, new factories that need to be built, modern technology that needs to be designed. We have all kinds of things to do in this country, and we are not doing them because we are not focusing on our own problems. We are focusing on helping the Mexicans, focusing on helping the Kuwaitis, helping the Chinese, helping Bangladesh, everybody under the Sun except our own people and our own country, and our country is getting weaker and more endangered by these trendlines, and it is not right; it is just not right.

We need a government that is willing to do something for America. The rest of the world is not going to take care of America. The Japanese, in their trading relationship, are the most skilled predatory traders on this globe today. They have a massive trade surplus with us, taking scarce capital out of this country every single day, taking hundreds of thousands of jobs out of this country. Now the Chinese are following the example of the Japanese and the Mexicans want to do exactly the same thing. We need an administration and a government committed first and foremost to building the economic strength of this country, while we still have some time left to do it.

There is a meeting going on today in Washington over the last couple days of the 21st century Commission on Afro-American males in American society. We have a crisis going on among young black males in our society, and the main part of the crisis is there are not enough jobs to go around. Unless you can get up each day and know that you are important enough that there is a job out there that you can go to work and earn and provide for yourself, things start to get pretty hopeless. This is a great country if you have the money and income to afford to live decently, but if you do not have a job, and no prospect for a job, this is not a very great country to live in. We see terrible statistics in that area and rising hopelessness.

Is this a plan to do something about it? Is there a flicker of recognition that the unemployed workers in this country, whether black or white, are as important, if not more important, than an unemployed worker in Mexico? No sign of that whatsoever. No. Today this administration's view is the Mexican workers come first. They have a problem. They need to build their economy so let us ship some of our jobs down there so they can get stronger. Well, at the same time this country gets weaker.

It is an appalling policy, and we are not even getting a chance to vote on it directly because it has been handcuffed to this other trade agreement on the Uruguay round where you have over 100 nations involved. And that is not right either. It is a device to avoid a direct vote on the United States-Mexico trade issue.

National magazines and newspapers have written about the problem here. U.S. News & World Report, a respected business journal, in this article that is cited here on an enviromental issue entitled "Poisoning the Border; Many American-Owned Factories in Mexico are Fouling the Environment and Their Workers are not Prospering." It is just not right.

The same thing with the Wall Street Journal. Just a month ago, a front page story, lead story, "Underaged Laborers Fill Mexican Factories, Stir U.S. Trade Debate." It is a story about a young boy, 12-years-old, who quit school to go to work in a footwear plant because that is the only way his family can eat. There are widespread abuses of this kind. That is where the jobs are going to go in increasing numbers. And what do we say in States like Michigan? The unemployment rate in my State is 11 percent. In the State of Rhode Island it is 8.5 percent. Those people need jobs. They should not have to move to Mexico to get a job. They ought to be able to have a job right here in the United States, and they ought to have a President and administration that is fighting to see that there are enough jobs to go around.

This job base in America keeps shrinking, health coverage keeps evaporating, wages keep dropping for more and more workers in this country. There is a scramble among our own people for this shrinking number of jobs, and it creates great social tensions, who is going to get the job, who is going to be left out.

And now you can begin to see some politics being made in that area, some race-baiting politics. Is the black worker going to get the job and take it away from the white worker? Is the white worker going to get the job and take it away from the black worker? The fact is there are not enough jobs for black or white workers, and we need a plan for America to see that there are enough jobs for black and white workers. That is what builds a strong America. The rest of the world is not going to do that job for us.

We got into this Persian Gulf situation. We asked the rest of the world to help. They decided they did not want to go fight the war. Ninety percent of the combat forces that went into that war were American. Young American men and women were asked to fight that war. The Japanese did not want to fight it. The Germans did not want to fight it. Yes, we got a little help from the French and English, but virtually no one else. We said, all right, we will fight it, how about helping us pay for it, at least contribute and help pay for it? The Japanese made a modest offer, and they still have not paid that money. I say to the Senator from South Carolina we went around the world with a tin cup to try to collect some money, and the rest of the world by and large said, "You pay for it yourself."

It is time that we concentrate on building a stronger America. We need an economic program for this country. That is what we ought to be debating in here, not how we ship more jobs to Mexico. How do we create more jobs in America? Work is good. It builds a strong nation. It is what our people need. If we are going to have decent health care in hospitals and chances for our kids to go to college, people have to be able to go to work. That means there has to be enough work to go around, and it cannot be work at McDonald's at $4.50 an hour; it has to be work with enough high value added to the work effort itself that there is enough income for people to be able to have a chance to be part of the middle class in this country.

We are grinding down the middle class. And frankly, I do not see anybody in this administration from the middle class who knows the slightest thing about what life in the middle class is all about. I see an administration that is on the top tier in terms of their outlook and their financial circumstance, and they are disconnected with the basic, everyday realities of working people in this country, and yet that is what builds this country. I know sometimes people who own vast corporate resources, and so forth, feel they are the ones who build the country, and yes, they had a part in it. But the people that really build this country are the ones that get up each day and go to work and apply their hands and brains to the work they do, and they are the ones that build the country, not a handful of elite up at the top. The rank-and-file people build this country, and they deserve to have a job strategy. They are not less important than the Mexican people or the Kuwaiti people or the Chinese people even if our Government at the top seems to think so.

That is what this is all about. That is what this issue is all about. It will not be any surprise to see our companies in this country run south of the border to take advantage of the much lower labor costs and the lack of environmental standards down in this part of the world. They are going to be compelled to do it because we have not faced up to the trade invasion from other nations. Our companies are under great pressure to do anything they can to try to lower their manufacturing costs. They have already gone south of the border. There are hundreds of American plants down there. There will be thousands and then tens of thousands down there and that is where the jobs will be. They are not going to be very many jobs, by the way, in most of the rest of the United States.

I can see why—and maybe this is one of the reasons why this administration likes this so much—I can see why there might be some benefit to the State of Texas in this because it borders Mexico and they will get a tier of business along the border and so forth. We cannot decide national policy on that basis. We have to have a plan that is good for 50 States and not just good for one.

That is one of the reasons this agreement is handcuffed to this Uruguay round situation and why we cannot get a separate vote on it. But what this issue is really all about is the economic future of America and the job future of America.

Mr. President, I have a detailed statement that goes into great detail about the arguments that have been offered, the phony studies that have been done.

One study that was done by the administration says in over 10 years we gained a little tiny sliver of jobs. You get into the study and find that they assume no change in the investment pattern and they assume you have a full employment economy in the United States at the same time, which is total and utter nonsense.

So if you build a study like that, it does not mean a thing. If you do a study based on the realities that we are facing, you can see clearly where hundreds of thousands of our best jobs are going to go south of the border just as fast as they can get there.

I do not know how we get some representation around here that looks after working people in this country. We seem to have become disconnected from that reality.

You go out to talk to people in unemployment lines—and I am talking about people that have worked for 10, 20, and 30 years; I am talking about people with exceptional work records who are some of the best workers in this country, who are today standing in unemployment lines and who are desperate for work to feed their families and hold their lives together—they ask a question: Why can't our country do something for us?

Here we are sitting now with over $6 billion in the unemployment compensation fund, paid in by these very workers who are now unemployed. This administration refuses to allow one dime to go in extended unemployment benefits to those unemployed workers whose lives have been torn apart, even though that money has been collected for this purpose and paid by those very workers. Instead, that surplus is being used to hide the size of the Federal deficit, to make it look smaller than it is.

That is just part of the budget gimmick that is going on and the imagery that is going on. It is part of the "Don't worry, be happy" which is a continuation of "Morning in America." What we need are jobs in America. That is what we should be debating.

This administration has to quit its fixation with foreign policy and coming up with an economic and jobs program for every other nation under the sun and get to work on one for this country, because we are going broke. The Federal budget deficit shows it, the trade deficit shows it, the bank insurance fund shows it, the problems in real estate show it, and the unemployment lines show it. How much evidence do we need?

It seems like that evidence which is piling up all over the place cannot get up into that rarified atmosphere, that rarified policy atmosphere that seems to exist at the top of the executive branch of Government, where they spend a lot of time to think about a jobs plan for Mexico, and how to put those folks to work. They have forgotten our own people. They are giving away our economic future. And it is just not right. It is just not right.

Mr. President, when the Bush administration proposed a bilateral free-trade agreement with Mexico last year, I was very skeptical. United States wages are 8 to 10 times higher than Mexican wages. Mexico's health, safety, and environmental standards are well below ours. Not only is its legal system considerably different from ours; Mexico's judicial system is not fully independent of is executive branch of Government. Indeed, Mexico remains effectively a one-party state, as illustrated by the last, disputed presidential election.

Because of the large difference in the levels of economic and political development of the two countries, I was skeptical that we are ready for the type of economic integration with Mexico proposed by the President. This is not an academic issue for either Michigan or America. United States industrial strength, jobs, and the standard of living of many middle class Americans are directly at stake.

Several months later, I remain deeply skeptical and gravely concerned. Make no mistake. This is not simply a trade initiative. This is an investment in Mexico initiative. Until recently, Mexican President Salinas himself and his political party opposed free trade with the United States. What changed his mind and prompted him to seek on FTA was the realization that Mexico's No. 1 economic problem—its foreign debt—cannot be resolved without significantly higher levels of foreign capital investment. Secretary Brady's debt plan provided some relief for Mexico, but not enough to get the country out from underneath the crushing load of foreign debt that has been depressing economic growth and living standards in that country and much of the rest of Latin America for nearly a decade.

I believe that President Salinas concluded that only a formal free-trade agreement with the United States would generate the confidence necessary for foreign, particularly United States, businesses to invest in Mexico at rates likely to permit the economy to grow without further debt relief and the ruling party to hold on to power. For this reason, we should not be under any illusion that an FTA with Mexico is purely an exercise in swapping trade benefts. The FTA is a vehicle to secure higher foreign investment in Mexico and strengthen the position of its ruling party. At root, it is a foreign policy initiative, not a commercial initiative designed to meet the strategic economic interests of America. In other words, politics, not economics, is what is behind the rush for a Mexico FTA.

In this sense, the administration is playing politics with the U.S. economy. In its rush to score political points at home and abroad, it is painting a rosy, distorted picture of the economic issues at stake in a United States—Mexico FTA. It is using deeply flawed studies, making false analogies, and conveniently looking the other way on important issues. I will elaborate on each of these points in turn.

The administration is not shooting straight with the American public on the United States-Mexico Free-Trade Agreement. In the process, it is playing politics with the standard of living of our middle class, our industrial base, and our quality of life, all of which have taken a beating recently.

For this reason, we ought to think twice about providing fast track authority. When Congress provides fast track authority to the executive branch, it is delegating some of its constitutional power. It is placing its faith in the administration to look after the national economic interest.

But when an administration shows that it is motivated chiefly by something other than the national economic interest; when it demonstrates that it is willing to look the other way on key economic issues in order to expedite its foreign policy agenda; when it paints a rosy, misleading picture of the economic issues at stake, Senators should think twice about placing such a huge degree of faith in the administration. I believe that the administration's insensitivity to the economic stakes of this agreement shows that it does not deserve fast track authority.

I think Senators should be concerned about giving a blank check to an administration which is showing that it is willing to play fast and loose with the facts. Let me illustrate.

First, it has said that an agreement will create jobs and economic growth. But the administration's studies show job gains and growth that are statistically insignificant. The studies show 64,000 jobs will be gained over 10 years. This number is smaller than the standard statistical error in the month-to-month employment statistics—210,000 jobs. Similarly, additions to GDP are projected to be a mere 0.04 to 0.06 percent of GDP!

Equally misleading is the fact that even these statistically insignificant estimates are based on totally unrealistic assumptions: First, no shifts in investment from high wage United States, to low-wage Mexico; and second, full employment which assumes away all job losses.

Investment flows are what this agreement is all about. In Mexico, the Salinas administration is selling the idea of an FTA by saying that investment and trade law changes will trigger a large shift of investment into Mexico. This is the reason it is seeking an FTA. In the United States, the administration is selling the FTA by citing economic studies that assume no investment from the United States to Mexico. Both sides can not be right. You can't have it both ways. You can't say one thing to one audience and the opposite to another audience.

The administration is using badly flawed studies and drawing misleading conclusions from them. As one expert testified, if there is no movement of U.S. plants in response to an FTA, if there is no change in supply relationships with the maquiladora factories, and if displaced workers can change jobs in a free and instantaneous fashion, their results are good indicators of what to expect from an FTA. If any of these assumptions are incorrect, then these models are inaccurate.

I can tell you that these assumptions are incorrect. Any number of Senators can tell you that these assumptions are incorrect. Right now, I have 210 jobs that are being shifted from a plant in Utica, MI, to Mexico. The newspapers have been full of stories of United States plants moved to Mexico; the FTA will accelerate this trend.

The second misleading argument is that a United States FTA with Mexico is like the European Community's expansion to include Spain, Portugal and Greece. The argument goes: If they can do it, why can't we? This is a totally misleading comparison. Mexico's economy is relatively smaller, its population bigger and its wage rates much lower in relationship to the United States and Canada than similar comparisons between Greece, Spain and Portugal and rest of the EC. In particular, Greece, Spain, and Portugal's wages are 46 percent of the EC average. By contrast, Mexico's wages are 13 percent of ours and Canada's.

The more appropriate comparison is with Turkey and the EC. Turkey has asked to be included in the European Community. The EC has turned Turkey's request down thus far because it is at a fundamentally different level of economic development.

The second misleading argument used by the administration is that any job shifts will occur in low wage sectors of our economy. It is reassuring everyone by saying that the United States will keep the high wage jobs and lose only low wage jobs to Mexico.

This is a selective use of the facts at its own disposal. The administration itself has a study which makes the opposite conclusion: high-tech, high value-added jobs are likely to move to Mexico.

The Department of Labor commissioned a study by Prof. Harley Shaiken of the University of California at San Diego which examined five high value-added foreign plants in Mexico, three American and two Japanese. The five plants spanned three industries and all achieved productivity and quality levels comparable to or better than levels in U.S. factories.

The study found:

> A central factor in Mexico's economic problems, wage reductions, and employment stagnation alongside industrial diversification has been the country's foreign debt. This debt has meant that much of the foreign exchange earnings from high tech manufacturing and maquila operations goes overseas in the form of interest payments. To make technology transfer benefit Mexican society as a whole, then, significant relief on the debt issue is an essential prerequisite. In addition, an expanding Mexican domestic market and the translation of productivity gains into higher living standards are needed.
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> In summary, Mexico has significant technological potential in two areas: the growth of high technology production and the development of a broader supplier base. This potential is likely to unfold against a backdrop of closer economic integration between the United States and Mexico in the 1990s as underscored by recent public discussions of a Free Trade Agreement. While many argue that closer economic integration would benefit both Mexico and the United States, the issue is complex with much depending on the way that integration is carried out. Clearly, a strong and expanding Mexican economy would be in the interest of both countries, given the many ties between Mexico and the US, and economic growth is not a zero sum game. Under certain circumstances, however, the very developments that offer the most promise for the Mexican economy could pose problems for U.S. workers and the U.S. manufacturers base in key industries. One important issue would be where transnational firms choose to locate increasingly mobile high tech jobs and manufacturing for the U.S. market. In a period of economic growth in both countries, Mexico's industrial expansion might not be significantly felt in the U.S., particularly if part of it represents a shift from products currently sourced in the Far East. In a period of slower economic growth or recession, however, tensions could increase if U.S.-based production is shifted to Mexico. For both nations to ben-

efit from a new global division of labor, these broader social and economic issues must be addressed.

Another economist, well-known trade expert Peter Morici of the University of Maine, has concluded that "free trade poses real threats to American workers in industries such as apparel, steel, telecommunications equipment and automotive products. The potential disruption to U.S. labor markets, and in the lives of American workers, cannot be dismissed as merely the adjustment problems usually associated with trade liberalization."

How can the administration say that any job shifts will be in the low-wage sector of the economy when two largest categories of maquiladora investment are electronics, 40 percent, and automobiles, 20 percent? These are not low wage industries; they are providers of some of the best jobs we have.

Professor Morici entitled his study, "Trade Talks with Mexico: A Time For Realism." I think he hit the nail on the head. That is exactly the problem: the administration is not being realistic with the American people and the Congress on what is at stake in the FTA.

The third misleading argument used by the administration is that an FTA will boost U.S. exports. This assumes that Mexicans have the incomes with which to buy United States products. But Mexico is less than 4 percent of the size of the United States economy. The main attraction of Mexico for United States business is not Mexico's consumers. Two-thirds of Mexicans are poor, unable to afford automobiles, refrigerators, washing machines, and the like. 1987 per capita GDP was $1,725 compared to $18,436 for the United States and $16,162 for Canada. The chief attraction of Mexico for United States businesses is its labor force of 48 million working for wages that are one-tenth of ours on average and one-fourteenth of ours in the maquiladora plants.

Not only are their wages and income low, but as the chart shows: First, they have been declining dramatically in real terms; and second, they are lowest in the foreign plants, the maquiladoras, the very sector of the economy that an FTA is supposed to help. I ask that the chart be made part of the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MEXICAN TOTAL COMPENSATION AND MINIMUM WAGE DATA—1979–89

[In 1985 U.S. dollars]

	Total compensation		Minimum wage
	National manufacturing	Maquiladora manufacturing	
Year:			
1979	2.89	NA	1.10
1980	2.85	1.36	1.21
1981	2.98	1.34	1.23
1982	2.95	1.42	1.23
1983	2.26	1.11	.90
1984	2.12	1.09	.84
1985	2.09	1.07	.83
1986	1.92	1.02	.73
1987	1.95	1.00	.71
1988	1.90	.94	.62
1989	2.00	.99	.59

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Mr. RIEGLE. Mr. President, what is particularly disturbing are the wage rates in the maquiladoras. These are the newest, most productive plants run by companies that are very familiar with fair labor standards; however, they pay much less than the older, less productive, traditional Mexican-owned factories. Contrary to what the administration assumes, it appears that foreign investment is not doing much to raise living standards.

This is particularly disturbing when you realize that productivity in these macquiladora foreign plants is as high or almost as high as in United States and Japanese plants. Indeed, all five of the plants examined in the Department of Labor study had comparable or better productivity and quality than similar U.S. plants operated by the same parent company. Similarly, a National Bureau of Economic Research study found that productivity levels in Mexico's electronics, machinery, and metals sectors are 80 percent of United States levels. In most other sectors, Mexican productivity ranged from 51 percent to 68 percent of United States levels.

The combination of high productivity and low, even falling wages means three things:

First, exploitation of the work force;

Second, an unfair incentive for companies to shift production to Mexico which acts just like a subsidy; and

Third, little reason to assume more foreign investment will boost demand for U.S. exports.

If anything, the combination of high productivity and low wages means that an FTA will widen the income distribution gap in Mexico and divide the society further. This is bound to make Mexico less stable politically and make the transition to democracy harder. It also makes the FTA a less durable proposition, since we have to expect that Mexico will someday become more democratic and at that time it may seek to change or repeal an FTA that has not benefited the majority of its population.

The administration's models assume that the labor market in Mexico is like the labor market in the United States and the European Community. They assume that wages rise in line with productivity gains brought by foreign investment. As the charts show, this assumption is wrong and it is very misleading. American workers can expect investment to shift from the U.S. to Mexico, but they cannot necessarily expect that this will result in higher demand for United States exports and therefore more jobs in other United States industries.

By failing to deal with the reasons for the wage-productivity gap, the administration is offering a poor bargain to the American middle class. In effect, it is saying we will shift factories and good jobs to Mexico, but we will do nothing to ensure that Mexicans will have the income to increase their purchase of United States products. The administration is content to just assume that this will happen despite powerful evidence to the contrary.

I think that what this means for the middle class is: "Don't expect good jobs to arise in other American industries as a result of this investment in Mexico. Don't expect that job losses because of investment shifts will be offset by job gains from rising Mexican consumer purchases of our products."

Why is there this huge gap between productivity and wages? Why, as U.S. News & World Report reported, are Mexican workers in foreign plants not prospering?

One key reason for the wage and productivity gap is Mexico's foreign debt burden. Real wages fell by 50 percent in the 1980's as Mexico struggled to repay its debt to foreign banks. Living standards have fallen as Mexico has devoted a larger share of its national income to pay interest and principal to overseas creditors, leaving a smaller share of the national economic pie for wage earners.

In effect, American middle class wage earners are being asked to give up their good paying jobs and take a salary cut to help Mexico pay back the banks. Do not expect the foreign investment to promote the living standards of Mexicans. Do not expect them to boost Mexican consumer demand for United States exports. The reason our exports to Mexico have grown in recent years is we are shipping more components to Mexico for assembly and reexport back to the United States. The export figures cited by the administration never subtract out the exports that come right back to the United States in the form of finished products.

The other reason for the wage-productivity gap is the repression of independent unions in Mexico. The Government effectively controls Mexico's biggest official union, The CTM, and suppresses independent, democratic unions. Labor laws exist, but they are not enforced. The CTM acts to hold wages in line with Government policy. Workers are not free to bargain for their fair share of the prosperity that higher foreign investment is supposed to bring.

People knowledgeable about Mexico know that workers do not have genuine freedom to bargain collectively. But despite the overwhelming body of evidence, the administration chooses to look the other way. It has completely sidestepped this issue. In its predictions of export growth and job creation, it just assumes that Mexican workers will benefit by the foreign investment in Mexico. This does not square with reality. Again, the administration is misleading the public.

Let me cite some of the evidence on labor rights abuses.

First, from a study performed at the Yale Law School:

> Although the conciliation boards and minimum wage commissions must by constitutional mandate include representatives of workers as well as employers and the government, the PRI and the closely allied Confederation of Mexican Workers (CTM) informally direct the composition and proceedings of the labor courts and minimum wage boards and otherwise control wage levels through laws allowing government supervision of industry-wide collective bargaining. Lacking recognition from the Ministry of Labor, moreover, a disaffected union or its leaders may not enter arbitration hearings, negotiate labor contracts, nor hold seats on the government wage commissions. Coordination between government policymakers and "official" labor unions has meant that despite severe inflation and declines in real wages since the early 1980s. [w]age agreements are consistently negotiated at levels well below the rate of inflation. * * * Today it is generally recognized that union leaders often limit themselves to cosigning contracts with salaries fixed by the national commission without trying to supersede the levels already set.

Second, according to a 1990 study by the U.S. Department of Labor, "Worker Rights in Export Processing Zones"

> [t]he Mexican government has controlled the minimum wage, which acts as both a floor and a ceiling on most Maquiladora production worker wages, allowing some increases but hardly enough to keep up with the rapid rate of inflation.

Third, from a study entitled "Collective Bargaining in Mexico: Stifled by the Lack of Democracy in Trade Unions" in the 1990 issue of the Comparative Labor Law Journal:

> Through control of the state, the PRI reportedly distributes to the CTM and other "official" unions government posts at the federal and local levels, financial support with government moneys, and non-wage benefits such as health care and subsidized food, transport, clothing and housing.

Finally, from a study by The National State Workplace Institute:

> The most prevalent occupational and environmental health risks among the maquiladoras result from exposure to toxic substances, poor work station design and excessive work pace. Workers are known to be routinely exposed to dangerous levels of lead, methylene chloride, thinner, acetone, alchohol and flux. Many of these chemicals are used in the electronics assembly process, which is the dominant maquila industry. A study group examining maquiladoras owned by Fortune 500 companies reports that "in one plant we all experienced headaches and nausea from spending an hour on the assembly line" and that "we saw young girls working beside open vats of toxic waste, with no protective face covering." Despite these dangers, safety labels on toxic products are almost exclusively written in English."
>
> Further risks and mistreatment include: denial of information on chemicals used in the workplace; machinery that lacks safeguards to prevent severe injury; lack of protective clothing and equipment; inadequate training; and intimidation of those who complain with threats of job loss or wage cuts. Although the maquiladoras generally cite greater dexterity and quickness as their reasons for hiring young women, many independent observers believe that these employers are also seeking to take advantage of a Latino culture which discourages women, and especially young women, from challenging authority.

Mexican industry can in general be characterized as exposing workers in one workplace or another to all the risks enumerated in treatises dealing with occupational health—lead, mercury, arsenic, chromates, vinyl chloride, asbestos, silica, solvents, gases, et cetera; the list is too long to write down.

The Mexican Government's health authorities for all intents and purposes do not recognize the existence of occupational illness, much less do anything about it. Despite the presence of such known carcinogens as asbestos, vinyl chloride, chromates, and petroleum products, the Government says there are no cases of occupational cancer in Mexico. The problem of occupational cancer and other diseases related to exposure, however, is fully documented in the medical press and by the International Labor Organization.

What does the administration say about Mexico's debt and its repression of independent unions?

The response is: "Don't worry, things will take care of themselves."

The administration plans to do nothing further on the debt front, even though Mexico's debt obligations prevent foreign investment for benefiting workers on both sides of the border. It also plans to do nothing of substance about the weak enforcement of fair labor standards. This topic was covered in its May 1 action plan.

In general, the action plan was a set of vague intentions, not a list of specific and concrete solutions to the problems outlined by Senator BENTSEN and Representative ROSTENKOWSKI.

The administration's casual treatment of these issues in its so-called action plan demonstrates that it cannot be relied upon to resolve these problems. The action plan provided no basis for the leap of faith that fast track requires Congress to make. Let me be specific.

(1) LABOR STANDARDS ENFORCEMENT

The administration sidestepped this problem. It said only that an FTA will raise living standards which will tend to increase resources available for enforcement.

This is backwards. Labor standards must improve in order for living standards to improve. Workers must have freedom to bargain for their share of rising productivity created by foreign investment.

Studies have found that productivity in American-owned and Japanese-owned plants in Mexico is 80 or 90 percent of productivity in the United States and Japan. But wages are less than 10 percent. In fact, wages are no higher in these plants than in the rest of the Mexican economy.

The reason is that the major unions are controlled by ruling party. Workers don't have effective right to bargain for their share of rising prosperity. Independent unions are repressed.

If FTA does not address this, demand for U.S. exports is not likely to rise as the administration has advertised. Also, the United States will in effect be endorsing Mexico's exploitation of its work force for competitive advantage. This is an unfair trade practice under U.S. trade law.

(2) ENVIRONMENTAL STANDARDS

Here again, the real problem is enforcement. The administration says it will "seek a commitment to enhance enforcement." What does this mean?

Will we monitor Mexican enforcement? Will we provide funding for an adequate regulatory agency in Mexico? How will we ensure that a dispute is settled fairly when the Mexican businesses and the ruling party often intertwine? Will interested parties be able to petition the Government for enforcement?

The problem requires more than expressing willingness to talk with Mexicans; it requires a commitment as to what actions the USTR will seek.

(3) ADJUSTMENT ASSISTANCE

The administration stated only a general willingness to provide adjustment assistance. It made no specific commitments.

Given the Reagan-Bush administration's track record of repeatedly trying to kill the Trade Adjustment Assistance Program, Congress should not be asked to assume that these vague assurances will translate into support for sufficient program.

(4) RULE OF ORIGIN

The administration says it will work for a strict rule of origin. What does this mean? "Strict" can mean many things to many people.

Its track record in Canadian FTA, 50 percent, suggests the administration may have different definition than many Members of Congress.

(5) DISPUTE RESOLUTION

The administration has never indicated how it will deal with the fact that Mexico's judiciary is not fully independent of its ruling party.

What assurance do we have that disputes over contracts, labor regulations, and environmental regulations will be adjudicated fairly?

Action plan demonstrates the need for the Senate to reserve its right to offer amendments. The administration has made a lot of unjustified assumptions in the face of evidence to the contrary. Congress should not make the same mistake. It is clear from the administration's casual and misleading treatment of these issues that Congress should not assume that these problems will be taken care of. The administration has given us no basis to believe that these issues—so critical to deciding whether the FTA will be in the Nation's economic interest—will be resolved satisfactorily.

There has been a lot of misinformation about the nature of the fast-track process in Congress. The administration and some of our distinguished colleagues have been saying that fast track does not cut Congress out of the process. They say Congress writes the implementing bill with the administration in what is known as a mock markup and Senators have an opportunity to make changes at that time.

This is misleading. Senators should understand that this mock markup of the implementing bill is very different from a normal bill markup session.

First, under fast track, the administration, not Congress, makes the final decision as to what is included in the implementing bill that is submitted to Congress. The only changes that are made in the mock markup are those that the administration decides it will accept. Second, the administration always objects to a proposed amendment if it requires it to go back and renegotiate the agreement. In this way, the administration can have its cake and eat it too. It can sidestep an issue in the negotiations and then, in the mock markup with Congress, block any attempts to address the issue on the Hill. Senators should understand that fast track provides unusual leverage—the upper hand—to the administration in its consultation with Congress. For this reason, Congress has to have a high degree of confidence with the administration's negotiating agenda before providing fast track. After fast track is given, it is too late except in unusual circumstances to put a major item on the agenda.

I am not satisfied with the administration's agenda; I believe they are sidestepping key issues that will determine whether our economic integration with Mexico will:

First, benefit the working people of both nations;

Second, advance the U.S. national economic interest; and

Third, advance long-term political stability in Mexico.

Professor Morici, a noted international trade expert who has written extensively on United States-Canada Free-Trade Agreement and other trade issues has summed up the issues well:

> U.S., Canadian and Mexican negotiators will be beset by the complications of widely different, even if somewhat converging, legal and regulatory systems, greatly complicating the harmonization of government policies, practices and business regulations necessary to achieve an integrated North American market. If the United States, Canada and Mexico try to paper over these difficulties and do not harmonize their policy regimes, many of the long-term benefits of creating a single North American market will be lost.
>
> Herein lies a danger for the United States. It could respond to Mexican aspirations with a quick deal that helps shore up President Salinas' political situation in 1991 and 1992 but fails to provide the foundation for a longer-term, more-comprehensive agreement. By the end of the 1990s, the cumulative benefits accruing to both Mexico and the United States could be much smaller than ultimately may be attainable through a more deliberative approach.
>
> It behooves the United States, Canada and Mexico to recognize that modern free-trade agreements, such as the FTA, engage their participants in processes of parallel actions in which concessions are exchanged over many years. If out of enthusiasm for recent Mexican reforms or political haste, American officials get out in front of their Mexican counterparts in making concessions, Mexico could lose important incentives to address some of the most difficult issues—e.g., constitutional, statutory and institutional issues regarding services, investment, energy, intellectual property, import measures, and various business regulations. For the United States, the balance of benefits to costs could easily become negative, and the distributional consequences in labor markets could easily erode American political resolve to assist Mexico further down the road.

Because the administration is sidestepping these key issues, and because I think the strength of our economy is at stake, I urge my colleagues to vote for Senator HOLLINGS' resolution of disapproval. I compliment him for providing leadership on this subject. I will vote with him even though I support fast track for the Uruguay round.

At the same time, I want to place my colleagues on notice that if this resolution is defeated, I will be offering my resolution Senate Resolution 109 at a later date. The resolution modifies fast track authority for the Mexican agreement by allowing amendments in five specific areas: First, monitoring and enforcement of fair labor standards; second, monitoring and enforcement of environmental standards; third, rule of origin; fourth, dispute resolution; and fifth, adjustment assistance.

My resolution modifies fast track for the FTA; it does not eliminate it. The resolution would modify fast track for the Mexican agreement mainly by allowing amendments in five areas. None of these areas involves specific industries or sectors of the economy. In other words, the resolution would not allow Congress to turn the agreement into a Christmas tree of amendments providing special treatment for individual industries. The commercial part of the agreement—the tradeoff of tariff and quota cuts and market access commitments—would continue to be considered as a package.

However, by reserving for Senators the right to offer amendments in the key areas in which they have voiced generic concerns about the impact of an agreement, the resolution provides an insurance policy for their concerns. It creates a greater incentive for the administration to engage genuine, concrete consultation with Senators on their concerns as the negotiation unfolds. USTR would know that if it did not satisfactorily address these concerns, the agreement would be likely to face an amendment when it returned to Congress for approval. This is the only way to guarantee that Senators' concerns in these five areas will find their way into USTR's negotiating strategy.

Finally, the resolution increases the time permitted for floor debate on the resolution from 20 hours to 2 weeks. Twenty hours is too brief a period for amendments to be considered and an issue of such overarching national importance to be debated. At the same time, the resolution retains the requirement that a final vote on the agreement take place at a date certain. Accordingly, the essence of the agreement's privileged procedural status in the Senate is preserved: the commercial part of the deal will be considered as one package without amendment and a final vote is guaranteed. It cannot be said that the resolution would stop the administration from negotiating with Mexico.

The Constitution vests in Congress the authority to set trade policy. Fast track is a discretionary grant of much of that authority to the executive branch. Fast track is not sacred; it is merely the terms of the partnership between the two branches of Government which the Congress itself determines. Congress retains the right to modify the terms of that partnership to suit the national economic interest. My resolution exercises that right. It allows the negotiations to proceed but under tighter rein from Congress in view of large stakes involved and the administration's ideological predisposition not to deal with issues much of Congress views as vital.

In effect, my resolution provides Senators the opportunity to pursue greater economic integration with Mexico and at the same time adequately protect the American middle class, the environment and the United States industrial base.

I urge my colleagues to vote to support Senator HOLLINGS, as well as my resolution when I offer it.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, with respect to the control of time under the agreement until 10 o'clock, I will go beyond 10 o'clock, obviously, here in making my remarks. So it should be docked from my side's time in the last 2 hours. I think the last 2 hours is divided, an hour apiece.

Mr. President, I must express the same frustration in this entire debate, the same frustration climaxed in the comments by our colleague from Michigan.

He sees the devastation all around him in the State of Michigan. As Governor, I carpetbagged industries from Michigan, but little Jimmy Blanchard, the Governor of Michigan, awoke and he started putting in various incentives. He put in a $350 million research fund and, incidentally, he got a $500 million line of credit backed by the Japanese in the bond marketplace so Michigan could borrow, and they have started rebuilding Michigan. Yet even with that, they find that their industries are still going down, down, down.

We have competitiveness committees and commissions running all around this government like dogs chasing their tails. Do not ever sell the Yankee trader short, the American businessman short. All of this great country was built by American business, by industry acumen, and now it is being sacrificed to Latin and Pacific politics.

The Diet in Japan, Mr. President, is not a Parliament in our sense of the word. It is not a Congress. It is not an assembly. It is a bought and paid for conspiracy. It is a given fact that if you represent a certain geographical area in the Diet, you are sustained financially by 3 or 4 local corporations. You do not live on the modest stipend you receive as a member of the Diet. You live and prosper on the dole of the special interest you represent in cash.

We have heard how wonderful President Salinas is and how we must not insult Mexico. I am not here to insult anybody, I am talking sense. Down in Mexico it is not free trade, it is fee trade. Fee trade. The mordida, the bribe. It is the way they do business.

I had an outstanding industrialist in my office yesterday who operated in Mexico with a profit some years back, but when Mexico had an economic downturn his firm determined, businesswise, to pull out. Now, everything is heading for Mexico anew. With the impending free trade agreement and the bit-in-the-teeth policy in the Bush administration, the call is that we are going pell-mell down to Mexico, everybody is going in down there. But to get a license down in Mexico now, you pay the mordida and the other fixes that have to be taken care of to do business there. It is standing operating procedure, in spite of the fact that Salinas is doing better.

I understood that from the 1920's all up to 1986, Mexico had zero convictions for tax evasion. Now they have had 186 such convictions. Whoopee. That is fine. But they are still taking care of the one-party monopoly down there, the PRI. They are dividing up the communications companies and everything else among the party's clients.

Mexico has not changed overnight, and it is not going to change overnight. And what in essence you are doing is, you are not starting a North American free-trade association of the hemisphere; you are opening up Mexico for those with the wherewithal to exploit it, the Germans, Volkswagen with a billion; the Japanese, Nissan with a billion just announced, and all the rest of them; Korea, Hyundai, with millions, hundreds of millions, all going to Mexico. Then under the auspices of the so-called free-trade agreement, while our corporate America is on its financial back and cannot invest in Mexico, our rivals are moving in with their money, their wealth, and they are setting up interlocking business arrangements that in many instances the Foreign Corrupt Practices Act would land Americans in jail for imitating.

American businessmen are gunshy as all getout because of this Congress. They cannot play by the rules of world trade and particularly in Mexico. So do not give me all of this puffery about President Salinas and what a wonderful country Mexico is, which it is. I went down there with Senator Mansfield and Senator Aiken back in 1967 to an interparliamentary union; I subsequently kept in touch with the speaker and other Mexican legislators, and they are a wonderful, delightful people. But I also went down there and saw the Public Law 480 food donations sitting on the rail siding because the mordida had not been paid. The food was rotting. And you have to take care of bribes to keep things moving down there. So we are going to open up Mexico for those who know how to wheel and deal and bribe, and instead of free trade, it will be fee trade, and honest Americans will continue to lose.

And that is what really frustrates the Senator from South Carolina, because we cannot see these things and understand. As chairman of the Commerce Committee, it is quite obvious to me. The chairman of the Commerce Committee puts in a bill and the opposition takes over, takes it apart, and they allocate you a measley couple of hours, maybe, out of the 20 hours involved.

The fact of the matter is that, yes, the Commerce Committee confirms the Secretary of Commerce, but that is about it. When it comes to the reciprocal trade agreements, tariffs, taxes; when it comes to the Special Trade Representative, we have no jurisdiction. Congress created the USTR because the administration was not representing the United States of America economically, so the Finance Committee years back under John Pastore and Herman Talmadge created this Special Trade Representative to get the administration's attention, because the State Department was totally on the foreigner's side and remains so today.

When it comes to the Export-Import Bank, when it comes to Customs, it is the jurisdiction of Banking and Housing; when it comes to farm products, it is the Agriculture Committee. So here we are in the middle of a trade war now with the fall of the Berlin Wall in Europe, going from the cold war to the trade war, and we do not have an economic Pentagon to orchestrate America's counter attack. Instead, we have a bunch of Katzenjammer Kids, everybody jumping around, crowing, talking about the wrong issue; not even understanding what we are saying; having no idea or hope.

The politics are to just identify airly with an issue, but don't do anything substantive. If you are for free trade then you are deemed to be enlightened. If you are not for free trade, or you are trying to look out for the economic interests of your country, then you are labeled a protectionist and you are deemed parochial. And it is just that same way in opinion polls. If I asked, "do you understand trade, yes or no?" Who knows whether we would get an honest answer out of that one?

So it is with a tremendous frustration that we enter this debate, trying to stop the train on the fast track, all loaded with two-thirds of the Senate already committed, locked up since last November.

My distinguished senior North Carolina colleague, due to a personal loss in his family, Senator HELMS, could not be here. But the administration visited him back in November and December, all the way down in North Carolina, trying to change him. And they have been working it, working it, working it. And the best argument you can get on that side of the aisle, now, is: support the President, support the President.

We love to stage parades, but we are not doing anything for the troops back home. We are sending their jobs south of the border. Some welcome-home present. The workers of America, keeping up the economic backbone, the industrial strength of this country—there will not be a parade for them. We are going to support the President, support the President, and we are getting rolled.

It is very interesting, Mr. President. There has been a lot of last-minute interest now that I did not realize would finally surface. Senators are skeptical of the administration's free-trade promises. I tried to work the back halls myself, as is well known. I had 37 cosponsors, and then I had over 40-some Senators ready to vote last year. Some did not want their names listed because they did not want to hurt the feelings of the distinguished chairman of the Finance Committee.

One was my particular friend whom we all lost, who has been a vanguard Member, the late Senator John Heinz of Pennsylvania. He was a cosponsor last year. I went to him.

He said: "Fritz, I am trying to see what deal I can get out of Carla Hills, so I better leave my name off while I am trying to deal and take care of the steel industry."

The World Bank, you know, goes to the little fledgling nations. In order to get the loans, the tools of manufacture, the weapons of defense, they need to have a 2-percent steel production capability. We build them up over the years and they dump it, Brazilian steel, on our docks.

So, Senators like John Heinz said, do not worry, I will be with you. After the Easter holidays we will get together.

So I lost my leader who understood this thing and has been working on it for a long time.

But the fact of the matter is the third of the Members that we do have remaining are crying out because they feel, as do the Senator from Michigan and the Senator from Connecticut [Mr. DODD], the chairman—who is probably closer to Salinas down there than any other Senator on the floor of this Senate, who understands, knows, speaks the language fluently, and has worked with them on their particular problems, and he begins to see, economically—that we should not have a gun at our heads. We ought to be able to study and create an awareness of what is going on. In that light, Mr. President, let us get to the subject of consultations.

Because they claim that the distinguished Ambassador for Trade, Carla Hills, she consults. She consults. That is what I am complaining about. These consultations are killing us.

Why? Well, fortunately we have her word and testimony as of April 16, before our Appropriation's Subcommittee of State, Justice, Commerce. Ambassador Hills appeared. We could just tell, just as soon as she started off, it is almost an off-Broadway act.

I quote from her testimony:

> Our exports constitute one of the bright spots in our economy and they continue to be our engine of growth.

Anybody familiar with the economic situation of the United States of America had best understand that that claim is false. You do not have to listen to the Senator from South Carolina. You can listen to the Wall Street Journal. You can listen to Business Week. Exports, incidentally, account for only 7 percent of our GNP. Exports are only 7 percent of our GNP, and could not possibly, with that minimal effect overall be the determining factor in our economy. Yet, they run around and inflate the statistics and claim that 90 percent of job growth is in export industries. Of course we heard that same thing in the Tokyo Round and ended up nude.

And we hear now, in this particular advisory, there is going to be a $1 trillion increase in U.S. exports under the Uruguary Round provisions. But the Economic Institute comes along with their study and says that the impact on exports will be minus $14 billion instead of plus $1 trillion over 10 years.

At the same time, in the Wall Street Journal there is an article, which reports as follows:

> Exports will not pull the United States out of recession. Foreign demand proves inadequate to offset drop on domestic side.
>
> For all the well-deserved attention that U.S. exports are getting these days, they weren't enough to keep the United States from sliding into recession and they won't be enough to pull it out. Even in industries most successful at the export game, foreign demand is proving inadequate to offset the downturn in demand at home. In fact, production actually declined last year in 6 of the 10 most export-intensive manufacturing and mining industries, according to an analysis done for the Wall Street Journal by D.R.I., McGraw-Hill, Inc., of Lexington, Massachusetts, consulting company. "Why wasn't the recession worse? Exports, exports, exports," says DRI economist Vivian Singer, "but it wasn't enough to compensate. It does not matter if an industry is export-intensive or not, it depends largely how its domestic market is doing.

Now we are beginning to talk sense. We are beginning to understand, as Senators, the issue before us, not this sing-song pollster game, "I'm for exports, exports, exports." I have been part of that. The distinguished Senator from Delaware [Mr. ROTH] and I under the Carter administration 12 years or more ago, got tired of the Ambassador not representing the industry of America and so we took a page from agriculture. The agricultural attaché reports directly not to the Ambassador but to the Secretary of Agriculture.

We said, all right, Commerce attaché, you report directly to the Secretary of Commerce. But we found out that was like delivering lettuce by way of a rabbit. I can tell my colleagues that right now. That fellow the Secretary of Commerce, is jumping all around hollering exports, exports, exports. That poor gentleman does not know what he is talking about. They say, oh, but look at the increase.

Ah, Mr. President, if you study any of these economic documents, the increase has resulted from none of these things other than the Plaza accord of 1985. A banana republic, a Third World country the United States has become. That is how we spur exports. We devalue our dollar and, yes, that is when exports picked up. But that effect now is diminishing because in the first quarter we got only 6 percent growth in exports. Look at 1989; it was 18 percent growth—1990 it was 9 percent growth. Now the first quarter of 1991 is only 6-percent growth.

So it is on a declining scale. The devalued dollar now is beginning to strengthen again and we are losing out.

What does Business Week say? "Success overseas is not translating into job creation at home." Can you imagine that?

In recent years, we had to hear from the Senator from Rhode Island and others around here about how grand it would be if we can only move that Caterpillar industry down to Mexico; we are going to create a lot of jobs. Let us follow that logical conclusion: Let us rid of all our industry, and we will have full employment.

Where in the world are they coming from? "Success," says Business Week "overseas is not translating into job creation at home. In recent years, it has been harder to find jobs in the exporting sector than the rest of the economy. Boeing, the top exporter, cut its work force by 3,000 this year even though orders for commercial aircraft may exceed last year's record, and even before the recent round of layoffs, employment in the computer industry had dropped by 5 percent since 1986. Indeed, the exporting sector employs only one-eighth of the work force and its share is eroding."

Do not listen to politicians; listen to business people, their publications, the Wall Street Journal, Business Week, and the rest of them, and you begin to see that this little export sing-song is grossly inflated. I have seen the distinguished Ambassador for trade, Mrs. Hills, come up here with a big smile. It is a real cheerleading performance. You have to believe, you have to believe, and if you believe, we are going to work our way out of it. It's just like what they said about that blooming tax cut, Reaganomics, George Herbert Walker Bush called "voodoo." We are going to grow out of deficits. You've just got to believe and have faith.

Now I see this week that Democrats have taken up the same tack, we are going to grow out of deficits. We are going to have a tax cut for middle America. We say if they play the game and win, then we will play the game and win. This is a sordid game, let me tell you that.

Let me move on to Smoot-Hawley, because that is what Mrs. Hills brought up. I did not think she was getting the attention of the sucommittee on the matter of exports.

I quote again from Ambassador Hills consulting with us:

> We went through the era of Smoot-Hawley bill where every Congressman tried to protect a special constituent interest and it drove us into the Great Depression.

Absolutely false. Absolute nonsense. Absolute nonsense I can tell you that. We have no better authority again than our distinguished late colleague from Pennsylvania. He and I tackled this over 10 years ago, trying to make sense and get the attention of the

American people and particularly this body.

I ask unanimous consent, Mr. President, to print in the Record the Congressional Record of May 9, 1983, that section from Mr. Heinz of Pennsylvania, starting with S 6341 and the ensuing four pages.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Congressional Record, May 9, 1983]

The Myth of Smoot-Hawley

Mr. Heinz. Mr. President, every time someone in the administration or the Congress gives a speech about a more aggressive trade policy or the need to confront our trading partners with their subsidies, barriers to imports and other unfair practices, others, often in the academic community or in the Congress immediately react with speeches on the return of Smoot-Hawley and the dark days of blatant protectionism. "Smoot-Hawley," for those uninitiated in this arcane field, is the Tariff Act of 1930 (Public Law 71-361) which among other things imposed significant increases on a large number of items in the Tariff Schedules. The act has also been, for a number of years, the basis of our countervailing duty law and a number of other provisions relating to unfair trade practices, a fact that tends to be ignored when people talk about the evils of Smoot-Hawley.

A return to Smoot-Hawley, of course, is intended to mean a return to depression, unemployment, poverty, misery, and even war, all of which, apparently were directly caused by this awful piece of legislation. Smoot-Hawley has thus become a code word for protectionism, and in turn a code word for depression and major economic disaster. Those who sometimes wonder at the ability of Congress to change the country's direction through legislation must marvel at the sea change in our economy apparently wrought by this single bill in 1930.

Historians and economists, who usually view these things objectively, realize that the truth is a good deal more complicated, that the causes of the Depression were far deeper, and that the link between high tariffs and economic disaster is much more tenuous than is implied by this simplistic linkage. Now, however, someone has dared to explode this myth publicly through an economic analysis of the actual tariff increases in the act and their effects in the early years of the depression. The study points out that the increases in question affected only 231 million dollars' worth of products in the second half of 1930, significantly less than 1 percent of world trade; that in 1930-32 duty-free imports into the United States dropped at virtually the same percentage rate as dutiable imports; and that a 13.5 percent drop in GNP in 1930 can hardly be blamed on a single piece of legislation that was not even enacted until midyear.

This, of course, is not to suggest that high tariffs are good or that Smoot-Hawley was a wise piece of legislation. It was not. But it was also clearly not responsible for all the ills of the 1930's that are habitually blamed on it by those who fancy themselves defenders of free trade. While I believe this study does have some policy implications, which I may want to discuss at some future time, one of the most useful things it may do is help us all clean up our rhetoric and reflect a more sophisticated—and accurate—view of economic history.

Mr. President, I ask that the study, by Don Bedell of Bedell Associates, be printed in the Record.

The study follows:

Bedell Associates,
Palm Desert, Calif., April 1983.

Tariffs Miscast as Villain in Bearing Blame for Great Depression—Smoot/Hawley Exonerated

(By Donald W. Bedell)

SMOOT/HAWLEY, DEPRESSION AND WORLD REVOLUTION

It has recently become fashionable for media reporters, editorial writers here and abroad, economists, Members of Congress, members of foreign governments, UN organizations and a wide variety of scholars to express the conviction that the United States, by the single act of causing the Tariff Act of 1930 to become law (Public Law 361 of the 71st Congress) plunged the world into an eonomic depression, may well have prolonged it, led to Hitler and World War II.

Smoot/Hawley lifted import tariffs into the U.S. for a cross section of products beginning mid-year 1930, or more than 8 months following the 1929 financial collapse. Many observers are tempted simply to repeat "free trade" economic doctrine by claiming that this relatively insignificant statute contained an inherent trigger mechanism which upset a neatly functioning world trading system based squarely on the theory of comparative economics, and which propelled the world into a cataclysm of unmeasurable proportions.

We believe that sound policy development in international trade must be based solidly on facts as opposed to suspicions, political or national bias, or "off-the-cuff" impressions 50 to 60 years later of how certain events may have occurred.

When pertinent economic, statistical and trade data are carefully examined will they show, on the basis of preponderance of fact, that passsage of the Act did in fact trigger or prolong the Great Depression of the Thirties, that it had nothing to do with the Great Depression, or that it represented a minor response of a desperate nation to a giant world-wide economic collapse already underway?

It should be recalled that by the time Smoot/Hawley was passed 6 months had elapsed of 1930 and 8 months had gone by since the economic collapse in October, 1929. Manufacturing plants were already absorbing losses, agriculture surpluses began to accumulate, the spectre of homes being foreclosed appeared, and unemployment showed ominous signs of a precipitous rise.

The country was stunned, as was the rest of the world. All nations sought very elusive solutions. Even by 1932, and the Roosevelt election, improvisation and experiment described government response and the technique of the New Deal, in the words of Arthur Schlesinger, Jr. in a New York Times article on April 10, 1983. President Roosevelt himself is quoted in the article as saying in the 1932 campaign, "It is common sense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something."

The facts are that, rightly or wrongly, there were no major Roosevelt Administration initiatives regarding foreign trade until well into his Administration; thus clearly suggesting that initiatives in that sector were not thought to be any more important than the Hoover Administration thought them. However, when all the numbers are examined we believe neither President Hoover nor President Roosevelt can be faulted for placing international trade's role in world economy near the end of a long list of sectors of the economy that had caused chaos and suffering and therefore needed major corrective legislation.

How important was international trade to the U.S.? How important was U.S. trade to its partners in the Twenties and Thirties?

In 1919, 66 percent of U.S. imports were duty free, or $2.9 Billion of a total of $4.3 Billion. Exports amounted to $5.2 Billion in that year making a total trade number of $9.6 Billion or about 14 percent of the world's total. See Chart I below.

CHART I.—U.S. GROSS NATIONAL PRODUCT, 1929–33

[Dollar amounts in billions]

	1929	1930	1931	1932	1933
GNP	$103.4	$89.5	$76.3	$56.8	$55.4
U.S. international trade	$9.6	$6.8	$4.5	$2.9	$3.2
U.S. international trade percent of GNP	9.3	7.6	5.9	5.1	[1]5.6

[1] Series U., Department of Commerce of the United States, Bureau of Economic Analysis.

Using the numbers in that same Chart I it can be seen that U.S. imports amounted to $4.3 Billion or just slightly above 12 percent of total world trade. When account is taken of the fact that only 33 percent, or $1.5 Billion, of U.S. imports was in the Dutiable category, the entire impact of Smoot/Hawley has to be focused on the $1.5 Billion number which is barely 1.5 percent of U.S. GNP and 4 percent of world imports.

What was the impact? In dollars Dutiable imports fell by $462 Million, or from $1.5 Billion to $1.0 Billion, during 1930. It's difficult to determine how much of that small number occurred in the second half of 1930 but the probability is that it was less than 50 percent. In any case, the total impact of Smoot/Hawley in 1930 was limited to a "damage" number of $231 Million; spread over several hundred products and several hundred countries!

A further analysis of imports into the U.S. discloses that all European countries accounted for 30 percent or $1.3 Billion in 1929 divided as follows: U.K. at $330 Million or 7½ percent, France at $171 Million or 3.9 percent, Germany at $255 Million or 5.9 percent, and some 15 other nations accounting for $578 Million or 13.1 percent for an average of 1 percent.

These numbers suggest that U.S. imports were spread broadly over a great array of products and countries, so that any tariff action would by definition have only a quite modest impact in any given year or could be projected to have any important cumulative effect.

This same phenomenon is apparent for Asian countries which accounted for 29 percent of U.S. imports divided as follows: China at 3.8 percent, Japan at $432 Million and 9.8 percent, and with some 20 other countries sharing in 15 percent or less than 1 percent on average.

Australia's share was 1.3 percent and all African countries sold 2.5 percent of U.S. imports.

Western Hemisphere countries provided some 37 percent of U.S. imports with Canada at 11.4 percent, Cuba at 4.7 percent, Mexico at 2.7 percent, Brazil at 4.7 percent and all others accounting for 13.3 percent or about 1 percent each.

The conclusion appears inescapable on the basis of these numbers; a potential adverse impact of $231 Million spread over the great array of imported products which were Dutiable in 1929 could not realistically have had any measurable impact on America's trading partners.

Meanwhile, the Gross National Product (GNP) in the United States had dropped an unprecedented 13.5 percent in 1930 alone, from $103.4 Billion in 1929 to $89 Billion by the end of 1930. It is unrealistic to expect that a shift in U.S. international imports of just 0.2 percent of U.S. GNP in 1930 for example ($231 Million on $14.4 Billion) could be viewed as establishing a "precedent" for America's trading partners to follow, or represented a "model" to follow.

Even more to the point an impact of just 0.2 percent could not reasonably be expected to have any measurable effect on the economic health of America's trading partners.

Note should be taken of the claim by those who repeat the Smoot/Hawley "villain" theory that it set off a "chain" reaction around the world. While there is some evidence that certain of America's trading partners retaliated against the U.S. there can be no reliance placed on the assertion that those same trading partners retaliated against each other by way of showing anger and frustration with the U.S. Self-interest alone would dictate otherwise, common sense would intercede on the side of avoidance of "shooting oneself in the foot," and the facts disclose that world trade declined by 18 percent by the end of 1930 while U.S. trade declined by some 10 percent more or 28 percent. U.S. foreign trade continued to decline by 10 percent more through 1931, or 53 percent versus 43 percent for world-wide trade, but U.S. share of world trade declined by only 18 percent from 14 percent to 11.3 percent by the end of 1931.

Reference was made earlier to the Duty Free category of U.S. imports. What is especially significant about those import numbers is the fact that they dropped in dollars by an almost identical percentage as did Dutiable goods through 1931 and beyond: Duty Free imports declined by 29 percent in 1930 versus 27 percent for Dutiable goods, and by the end of 1931 the numbers were 52 percent versus 51 percent respectively.

The only rational explanation for this phenomenon is that Americans were buying less and prices were falling. No basis exists for any claim that Smoot/Hawley had a distinctively devastating effect on imports beyond and separate from the economic impact of the economic collapse in 1929.

Based on the numbers examined so far, Smoot/Hawley is clearly a mis-cast villain. Further, the numbers suggest the clear possibility that when compared to the enormity of the developing international economic crisis Smoot/Hawley had only a minimal impact and and international trade was a victim of the Great Depression.

This possibility will become clear when the course of the Gross National Product (GNP) during 1929–1933 is examined and when price behaviour world-wide is reviewed, and when particular Tariff Schedules of Manufacturers outline in the legislation are analyzed.

Before getting to that point another curious aspect of the "villian" theory is worthy of note. Without careful recollection it is tempting to view a period of our history some 50–60 years ago in terms of our present world. Such a superficial view not only makes no contribution to constructive policy-making. It overlooks several vital considerations which characterized the Twenties and Thirties:

1. The international trading system of the Twenties bears no relation to the interdependent world of the Eighties commercially, industrially and financially in size or complexity.

2. No effective international organization existed, similar to the General Agreement for Tariffs and Trade (GATT) for example for resolution of disputes. There were no trade "leaders" among the world's nations in part because most mercantile nations felt more comfortable without dispute settlement bodies.

3. Except for a few critical products foreign trade was not generally viewed in the "economy-critical" context as currently in the U.S. As indicated earlier neither President Hoover nor President Roosevelt viewed foreign trade as crucial to the economy in general or recovery in particular.

4. U.S. foreign trade was relatively an amorphous phenomenon quite unlike the highly structured system of the Eighties; characterized largely then by "caveat emptor" and a broadly laissez-faire philosophy generally unacceptable presently.

These characteristics, together with the fact that 66 percent of U.S. imports were Duty Free in 1929 and beyond, placed overall international trade for Americans in the Twenties and Thirties on a very low level of priority especially against the backdrop of world-wide depression. Americans in the Twenties and Thirties could no more visualize the world of the Eighties than we in the Eighties can legitimately hold them responsible for failure by viewing their world in other than the most pragmatic and realistic way given those circumstances.

For those Americans then, and for us now, the numbers remain the same. On the basis of sheer order of magnitude of the numbers illustrated so far, the "villian" theory often attributed to Smoot/Hawley is an incorrect reading of history and a mis-understanding of the basic and incontrovertible law of cause and effect.

It should also now be recalled that, despite heroic efforts by U.S. policy-makers its GNP continued to slump year-by-year and reached a total of just $55.4 billion in 1933 for a total decline from 1929 levels of 46 percent. The financial collapse of October, 1929 had indeed left its mark.

By 1933 the 1929 collapse had prompted formation in the U.S. of the Reconstruction Finance Corporation, Federal Home Loan Bank Board, brought in a Democrat President with a program to take control of banking, provide credit to property owners and corporations in financial difficulties, relief to farmers, regulation a stimulation of business, new labor laws and social security legislation.[2]

So concerned were American citizens about domestic economic affairs, including the Roosevelt Administration and the Congress, that scant attention was paid to the solitary figure of Secretary of State Cordell Hull. He, alone among the Cabinet, was conviced that international tade had material relevance to lifting the country back from depression. His efforts to liberalize trade in general and to find markets abroad for U.S. products in particular from among representatives of economically stricken Europe, Asia and Latin America were abruptly ended by the President and the 1933 London Economic Conference collapsed without result.

The Secretary did manage to make modest contributions to eventual trade recovery through the Most Favored Nation (MFN) concept. But it would be left for the United States at the end of World War II to undertake an economic and political role of leadership in the world; a role which in the Twenties and Thirties Americans in and out of government felt no need to assume, and did not assume. Evidence that conditions in the trade world would have been better, or even different, had the U.S. attempted some leadership role can not responsibly be assembled. Changing the course of past history has always been less fruitful than applying perceptively history's lessons.

The most frequently used members thrown out about Smoot/Hawley's impact by those who believe in the "villain" theory are those which clearly establish that U.S. dollar decline in foreign trade plummeted by 66 percent by the end of 1933 from 1929 levels, $9.6 billion to $3.2 billion annually.

Much is made of the coincidence that world-wide trade also sank about 66 percent for the period. Chart II summarizes the numbers.

CHART II.—UNITED STATES AND WORLD TRADE, 1929–33

[In billions of U.S. dollars]

	1929	1930	1931	1932	1933
United States:					
Exports	5.2	3.8	2.4	1.6	1.7
Imports	4.4	3.0	2.1	1.3	1.5
Worldwide:					
Exports	33.0	26.5	18.9	12.9	11.7
Imports	35.6	29.1	20.8	14.0	[3] 12.5

[3] Series U. Department of Commerce of the United States, League of Nations, and International Monetary Fund.

The inference is that since Smoot/Hawley was the first "protectionist" legislation of the Twenties, and the end of 1933 saw an equal drop in trade that Smoot/Hawley must have caused it. Even the data already presented suggest the relative irrelevance of the tariff-raising Act on a strictly trade numbers basis. When we examine the role of a world-wide price decline in the trade figures for almost every product made or commodity grown the "villain" Smoot/Hawley's impact will not be measurable.

It may be relevant to note here that the world's trading "system" paid as little attention to America's revival of foreign trade beginning in 1934 as it did to American trade policy in the early Thirties. [From 1934 through 1939 U.S. foreign trade rose in dollars by 80% compared to world-wide growth of 15%. Imports grew by 68% and exports climbed by a stunning 93%. U.S. GNP by 1939 had developed to $91 Billion, to within 88% of its 1929 level.]

Perhaps this suggests that America's trading partners were more vulnerable to an economic collapse and thus much less resilient than was the U.S. In any case the international trade decline beginning as a result of the 1929 economic collapse, and the subsequent return by the U.S. beginning in 1934 appear clearly to have been wholly unrelated to Smoot/Hawley.

As we begin to analyze certain specific Schedules appearing in the Tariff Act of 1930 it should be noted that sharp erosion of prices world-wide caused dollar volumes in trade statistics to drop rather more than unit volume thus emphasizing the decline value. In addition, it must be remembered that as the Great Depression wore on, people simply bought less of everything increasing further price pressure downward. All this wholly apart from Smoot/Hawley.

When considering specific Schedules, No. 5 which includes Sugar, Molasses, and Manufactures Of, maple sugar cane, sirups, adonite, dulcite, galactose, inulin, lactose and sugar candy. Between 1929 and 1933 import volume into the U.S. declined by about 40% in dollars. In price on a world basis producers suffered a stunning 60% drop. Volume of sugar imports declined by only 42% into the U.S. in tons. All these changes lend no credibility to the "villain" theory unless one assumes, erroneously, that the world price of sugar was so delicately balanced that a 28% drop in sugar imports by tons into the U.S. in 1930 destroyed the price structure and that the decline was caused by tariffs and not at least shared by decreased purchases by consumers in the U.S. and around the world.

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[2] Beard, Charles and Mary, New Basic History of the United States.

Schedule 4 describes Wood and Manufactures Of, timber hewn, maple, brier root, cedar from Spain, wood veneer, hubs for wheels, casks, boxes, reed and rattan, toothpicks, porch furniture, blinds and clothespins among a great variety of product categories. Dollar imports into the U.S. slipped by 52% from 1929 to 1933. By applying our own GNP as a reasonable index of prices both at home and overseas, unit volume decreased only 6% since GNP had dropped by 46% in 1933. The world-wide price decline did not help profitability of wood product makers, but to tie that modest decline in volume to a law affecting only 6½% of U.S. imports in 1929 puts great stress on credibility, in terms of harm done to any one country or group of countries.

Schedule 9, Cotton Manufactures, a decline of 54% in dollars is registered for the period, against a drop of 46% in price as reflected in the GNP number. On the assumption that U.S. GNP constituted a rough comparison to world prices, and the fact that U.S. imports of these products was infinitesimal. Smoot/Hawley was irrelevant. Further, the price of raw cotton in the world plunged 50% from 1929 to 1933. U.S. growers had to suffer the consequences of that low price but the price itself was set by world market prices, and was totally unaffected by any tariff action by the U.S.

Schedule 12 deals with Silk Manufactures, a category which decreased by some 60% in dollars. While the decrease amounted to 14% more than the GNP drop, volume of product remained nearly the same during the period. Assigning responsibility to Smoot/Hawley for this very large decrease in price beginning in 1930 stretches credibility beyond the breaking point.

Several additional examples of price behaviour are relevant.

One is Schedule 2 products which include brick and tile. Another is Schedule 3 iron and steel products. One outstanding casualty of the financial collapse in October, 1929 was the Gross Private Investment number. From $16.2 Billion annually in 1929 by 1933 it has fallen by 91% to just $1.4 Billion. No tariff policy, in all candor, could have so devastated an industry as did the economic collapse of 1929. For all intents and purposes construction came to a halt and markets for glass, brick and steel products with it.

Another example of price degradation world-wide completely unrelated to tariff policy is Petroleum products. By 1933 these products had decreased in world price by 82% but Smoot/Hawley had no Petroleum Schedule. The world market place set the price.

Another example of price erosion in world market is contained in the history of exported cotton goods from the United States. Between 1929 and 1933 the volume of exported goods actually increased by 13.5% while the dollar value dropped 48%. This result was wholly unrelated to the tariff policy of any country.

While these examples do not include all Schedules of Smoot/Hawley they clearly suggest that overwhelming economic and financial forces were at work affecting supply and demand and hence on prices of all products and commodities and that these forces simply obscured any measurable impact the Tariff Act of 1930 might possibly have had under conditions of several years earlier.

To assert otherwise puts on those proponents of the Smoot/Hawley "villian" theory a formidable challenge to explain the following questions:

1. What was the nature of the "trigger" mechanism in the Act that set off the alleged domino phenomenon in 1930 that began or prolonged the Great Depression when implementation of the Act did not begin until mid-year?

2. In what ways was the size and nature of U.S. foreign trade in 1929 so significant and critical to the world economy's health that a less than 4% swing in U.S. imports could be termed a crushing and devastating blow?

3. On the basis of what economic theory can the Act be said to have caused a GNP drop of an astounding drop of 13.5% in 1930 when the Act was only passed in mid-1930? Did the entire decline take place in the second half of 1930? Did world-wide trade begin its decline of some $13 Billion only in the second half of 1930?

3. Does the fact that duty free imports into the U.S. dropped in 1930 and 1931 and in 1932 at the same percentage rate as dutiable imports support the view that Smoot/Hawley was the cause of the decline in U.S. imports?

4. Is the fact that world-wide trade declined less rapidly than did U.S. foreign trade prove the assertion that American trading partners retaliated against each other as well as against the U.S. because and subsequently held the U.S. accountable for starting an international trade war?

5. Was the international trading system of the Twenties so delicately balanced that a single hastily drawn tariff increase bill affecting just $231 Million of dutiable products in the second half of 1930 began a chain reaction that scuttled the entire system? Percentage-wise $231 Million is but 0.65% of all of 1929 world-wide trade and just half that of world-wide imports:

The preponderance of history and facts of economic life in the international area make an affirmative response by the "villain" proponents an intolerable burden.

It must be said that the U.S. does offer a tempting target for Americans who incessantly cry "mea culpa" over all the world's problems, and for many among our trading partners to explain their problems in terms of perceived American inability to solve those problems.

In the world of the Eighties U.S. has indeed very serious and perhaps grave responsibility to assume leadership in international trade and finance, and in politics as well.

On the record, the United States has met that challenge beginning shortly after World War II.

The U.S. role in structuring the United Nations, the General Agreement on Tariffs and Trade (GATT), the International Monetary Fund, the Bretton Woods and Dumbarton Oaks Conferences on monetary policy, the World Bank and various Regional Development Banks, for example, is a record unparalleled in the history of mankind.

But in the Twenties and Thirties there was no acknowledged leader in international affairs. On the contrary, evidence abounds that most nations preferred the centuries-old patterns of international trade which emphasized pure competition free from interference by any effective international supervisory body such as GATT.

Even in the Eighties examples abound of trading nations succumbing to nationalistic tendencies and ignoring signed trade agreements. Yet the United States continues as the bulwark in trade liberalization proposals within the GATT. It does so not because it could not defend itself against any kind of retaliation in a worst case scenario but because no other nation is strong enough to support them successfully without the United States.

The basic rules of GATT are primarily for all those countries who can't protect themselves in the world of the Eighties and beyond without rule of conduct and discipline.

The attempt to assign responsibility to the U.S. in the Thirties for passing the Smoot/Hawley tariff act and thus set off a chain reaction of international depression and war is, on the basis of a preponderance of fact, a serious mis-reading of history, a repeal of the basic concept of cause and effect and a disregard for the principle of proportion of numbers.

It may constitute a fascinating theory for political mischief-making but it is a cruel hoax on all those responsible for developing new and imaginative measures designed to liberalize international trade.

Such constructive development and growth is severely impeded by perpetuating what is no more than a symbolic economic myth.

Nothing is less worthwhile than attempting to re-write history, not learning from it. Nothing is more worthwhile than making careful and perceptive and objective analysis in the hope that it may lead to an improved and liberalized international trading system.

Mr. HOLLINGS. Senator Heinz, of course, emphasized the fact that the Depression and the crash of the stock market occurred fully 8 months before Smoot-Hawley.

It was October 29 and we all went broke. We had the crash on Wall Street. But it was not until June 30 that we passed Smoot-Hawley, and then trade actually increased. Trade increased under Smoot-Hawley.

But the bottom-line reality is that Smoot-Hawley could not have had too much of an effect at the time because, as Senator Heinz said:

> The tariffs in question affected only $231 million worth of products in the second half of 1930, significantly less than 1 percent of world trade: in 1930 to 1932 duty-free imports into the United States dropped at virtually the same percentage rate as dutiable imports.

In other words, Smoot-Hawley only affected a fraction of the trade. The Crash and the Depression had already started. With Smoot-Hawley, we actually had an increase in trade.

> When account is taken of the fact that only 33 percent of the $1.5 billion of U.S. imports was in the dutiable category, the entire impact of Smoot-Hawley has to be focused on the $1.5 billion number, which was barely 1.5 percent of U.S. GNP.

Then Senator Heinz noted:

> 1934 through 1939 U.S. foreign trade rolls in dollars grew by 30 percent compared to the worldwide growth of 15 percent. Imports grew by 68 percent and exports climbed by a stunning 93 percent. U.S. GNP by 1939 had developed to $91 billion, to within 88 percent of its 1929 level.

Smoot-Hawley was called the father of reciprocal free trade. But that is a confusing word to the pollster and they will never ask about that. Instead, it is a simplistic, are you for free trade or protectionism? Instead, it is this monkey see, monkey do, and jump-like-monkeys-on-a-string kind of politics that we have going on around here. There is no understanding, no debate, and then when you want to have debate, everybody is in a rush—fast track, fast track, fast track.

The fast track passed 4 years ago. Incidentally, Vice President QUAYLE voted against fast track. I have finally found authority. I have been looking for one. Yes, yes, we have Vice President QUAYLE on our side. He said this 4 years ago that we should not fast track, fast track, and he helped us. A little vanguard with our eyes open was trying to stop the steamroller, and Vice President QUAYLE was with us.

Well, what did renowned professor Paul Krugman say about all this alleged protectionsim? The professor of economics at MIT said, "The claim that protectionism caused the Depression is nonsense."

I quote further: "The claim that future protectionism will lead to a repeat performance is equally nonsensical."

Yet we have the spectacle of Mrs. Hills, our lawyer, coming into court, crying exports, exports, Smoot-Hawley. And then when given the conflicting studies, she goes into her cheerleader mode, and that is when I gave up on this administration, I can tell you that.

I said we are in deep trouble now because Ambassador Hills said, and I quote:

> Today our manufacturing sector is stronger than at any time since World War II, and anyone who sells the United States short is making a very grave mistake.

You see, if you are talking facts, if you recognize the recession and almost depression, if you acknowledge that the country is broke, that industry is on its heels, then you are selling the United States short. We are all supposed to be cheerleaders here for free trade and against protection.

She says, "Today our manufacturing sector is stronger than at any time since World War II." Who in the Lord's world believes that?

There are 8.6 percent unemployed Americans—I do not know how many more you want to get—to prove the fallacy of that nonsense.

I am not being negative. We must live in the real world. You can see that in the last 10 years under this same "Morning in America" cheerleader section, we have lost 2 million manufacturing jobs. Thank you for free trade and this wonderful internationalism we have.

The fact is, in that 10 years, while the real wages in Germany went up some 14 percent, and 18 percent in Japan, United States wages went down to the 1973 level in the manufacturing sector in real terms. So we are headed pell-mell in the wrong direction, broke as we are.

The National Association of Purchasing Managers, they say that any time the index of industrial activity falls below 50 percent, you have a manufacturing recession. That index has been below 50 percent for 2 years. Yet we have a lawyer who is going to try our case with all of these nations, and she does not even understand we have a problem.

First quarter 1991 profits—let us come right up to the minute—are the worst in history for the automotive industry, which lost almost $5 billion; IMB, $1.7 billion loss; United Technologies, profits down 70 percent.

The manufacturing sector strong?

Look at how market share in the United States has been seized by foreigners. Import penetration figures of semiconductors, 40 percent. Apparel is now at 60 percent.

Our lawyer says, "It is morning in America. Do not sell America short. Speak up. Get positive."

Look at foreign producers' market share in the United States.

Telephone equipment, 76 percent foreign penetration. Automobiles at 30 percent. Lee Iacocca says if it goes to 40 percent, he is gone. Then we will have only two automobile manufacturers. Well, for 1990, including the Japanese transplants right here in this country, penetration is 37.5. Lee better get himself a good bankruptcy lawyer. He is not coming up to me again. He came to me for that loan before and I got disillusioned when he put in the Korean engines and assembly plants down in Mexico. He followed the 2,000 blue-chip firms already there. But they will be cut off at the pass by this free trade agreement because the Japanese will come in and clean their clock.

Motorcycles, 86 percent foreign penetration of the U.S. market; black-and-white TV's, 100 percent; consumer radios, 100 percent; ferroalloys, 67 percent; toys and games, 72 percent; cameras, 90 percent; watches, 99 percent; VCR's 100 percent. And our Trade Ambassador has the unmitigated gall to say that U.S. manufacturing is stronger than at any time since World War II.

I am outraged by this head-in-the-sand attitude. If you do not realize the dilemma we are in, you are in bad shape. Ambassador Carla Hills is in terrible shape.

For the last 10 years, we have been investing in vacant office buildings, hotels, travel and entertainment, domestic services, while the Germans and the Japanese have been investing and capturing markets in manufactured goods. And there we are, reduced to taking in each other's laundry.

There have been 7,896 corporations downgraded since the first of the year by Standard and Poor's.

Oh, I respect my labor friends, and they are worried about jobs and I am worried about jobs. But it is even worse than jobs, because it is not just the loss of a few jobs here and there; we are losing entire industries. And now, with the total influx of foreign capital into Mexico that is already started, as I have related, we will not be economically even in a position to play catchup ball.

When you raise these points to the administration, they react like an octopus and squirt the black ink about rules, rules, rules. I have talked to the Senators who rationalize by saying we are getting better rules, better trade rules.

I have heard that with respect to textiles. Ten years ago we had an import penetration or deficit in the balance of textile trade of $4.6 billion. The European Economic Community had a deficit of exactly $4.6 billion. In 10 years the European Economic Community, in a sober, measured fashion, enforced their rules and now it is less than a $500 million deficit in Europe's balance of textile trade.

In contrast, do you know where the United States is, Mr. President? We have a $26.5 billion deficit in the balance of textile trade alone. Over a quarter, 25 percent, of the U.S. deficit in trade is in one industry, textiles. And they dare to dismiss textiles as a special interest. I can tell you it is special to this Senator.

I go on Monday of this week to the research center in Spartanburg, SC, and I will recall all of these Senators talk about competition, competition, productivity, productivity, and I will look at a plant where last year they won the Baldrige Award for the most competitive and most productive corporation. You can see how upbeat they are.

But there is no chance to compete under this Congress. Like they told me years ago in the 1950's, when the brother of the distinguished colleague from Massachusetts and I were working on this issue—and I have his original letter—they said, "Senator, I can compete with any company in Japan. But I cannot compete with the country of Japan." And that is the competition we face, contrary to these children running around hollering "Free trade, free trade, free trade, free trade." There is your dilmma.

Rules, we have had rules. We have lost out on the rules. The administration does not enforce any rules. They tell us on the one hand we are protected, and we are supposed to be under the rules. Meanwhile foreign penetration in textile has gone from less than 10 percent in the 1950's, to over 60 percent today, and now it has reached the point where it does not pay to invest in ungrading, computerization, electronic controls, and so on.

So businesswise we are going to fulfill a morbid prediction of being unproductive, but textiles are productive now. So do not give me this cry of rules. There is no education in the second kick of a mule. I have heard this empty talk about rules for years.

Mr. President, do not tag me with a simplistic label of "protectionist." We are all for truly free trade and we all practice protectionism.

Throughout Western history, all the great civilizations have been propelled forward by aggressive foreign trade. From ancient Mesopotamia and Egypt, to Greece and Rome, right through to Japan, Germany, and the United States in the post-World War II era, the common denominator of success has been foreign trade—robust, self-confident, expanding trade relations with the world. No one disputes this fact. It is obvious that you can't build a great civilization on autarky and isolation.

In the modern world, all of us are in favor of expanding trade, reducing trade barriers, opening new markets, and so on. Again, there is no dispute on this point.

So it is unfortunate that today's political debate is distorted by a false, trumped-up dichotomy between so-called free trade and so-called protectionism. In truth, we are all for free trade, so long as the term is realistically defined. And we are all for protectionism when it comes to defending critical national economic assets. Certainly, every one of our major trading partners practices protectionism, whether they are protecting their rice farmers, their fledgling auto industries, their defense industries, you name it. And certainly, we practice protectionism: the Reagan and Bush administrations—despite all their inflated free trade rhetoric—have implemented buy-American weapons procurement policies, farm-price supports, commodity quotas, and a whole raft of voluntary restraints extracted from our trading partners. So let's get beyond these juvenile labels of "free trade" and "protectionism." We are all freetraders, and we are all protectionists. The real question is this: What is the optimum mix of free trade incentives and protectionist safeguards necessary in order to maximize America's economic success and security?

In the decades since World War II, the United States has had the luxury of not asking that question. To rebuild Europe and Japan after the war—and later to sustain the worldwide economic boom we simply opened the vast U.S. consumer market to commerical onslaughts from around the world. Even in the face of blatant protectionist and mercantilist policies on the part of our trading partners, we essentially kept our market wide open to all comers. We could afford this literally self-sacrificing policy right through the 1970's. But, today, in the face of monstrous trade deficits and with vital domestic U.S. industries on the ropes, we no longer have the luxury of continuing the promiscuous trade policies of the postwar past. Today, with the fall of the Wall and the collapse of the Soviet threat, we are obliged, at long last, to pose the critical question: what is the optimum mix of free trade incentives and protectionist safeguards necessary in order to maximize America's economic success and security?

But we have refused to pose this question in a realistic, hardnosed manner, because—alone among the great nations of the world—we have clung self-righteously and self-destructively to an ideology called free trade. As I pointed out, we hypocritically violate that free trade dogma time and again. Yet the persistence and resilience of our free trade orthodoxy has become a clear and present danger to America's economic security. It has become a fatal blind spot in our national political life—a blind spot which has prevented us from pursuing a mature trade policy that demands true, reciprocal free trade, and that dares to punish nations which refuse to play fairly.

Regrettably, our country has a long history of strategic blind spots. Time and again, we have been struck blind by old thinking or simply wrong thinking on issues vital to our national security.

Prior to the Second World War we suffered from multiple blind spots. In the 1930's, we pooh-poohed the rearmament of Germany, and the aggressive actions of Japan and Italy. We refused to see those dictatorships as a threat to the United States. Even when we broke the Japanese code and got advance word of the impending attack on Pearl Harbor, we refused to believe that Japan would attack us, and we took no defensive action.

More recently, in Operation Desert Shield leading up to the war against Iraq, we were deluded by huge and obvious blind spots. The whole premise of the massive troop buildup was that we could intimidate the Iraqis and back them down. We persuaded ourselves that we were smarter and stronger than Saddam Hussein. Now, after the fact, we recognize our blindness. We couldn't bluff or intimidate Saddam into abandoning Kuwait. And as to who is smarter and stronger—suffice it to say that, 3 months after the war, Saddam still sits entrenched in Baghdad, the Emir of Kuwait is reasserting his dictatorship, and the United States is struggling to extricate itself from the Persian Gulf quagmire.

I am tired of being blindsided by national blind spots. Just this once, let us open our eyes to the hard realities of the real world. The truth is that we are in the thick of a trade war—a no-holds-barred struggle among nations for market share, standard of living, and national security.

To date, we have grossly underestimated the ruthlessness and intensity of this trade war. Heretofore, we have tried to set an example of high-minded free trade openness, and we have gotten mugged. We have tried jawboning, and we have been ignored. If we would only remove the blinders, we'd see that our rivals will deal fairly only when we make it in their raw economic interest to do so.

Certainly, earlier generations of Americans had no blind spot with regard to trade and the national interest. Hamilton, WA, and Madison led the first Congress 202 years ago in erecting a palisade of tariffs—as high as 50 percent on some 30 commodities—so that American industries would not be strangled in their cradles by British exporters.

Similarly, it was FDR who made it his first order of business to protect and expand the American economy. To save the banks, he first closed the banks. To save the farmer, he first ordered the crops plowed under. To save the free market system, he reigned it in and disciplined it.

Today, on trade matters, it is time to take off the blinders and face facts. In the great American tradition of creative, activist government, our challenge in the international marketplace is to selectively raise barriers in order to remove barriers. In order to persuade the Asians and Europeans to remove their own trade obstacles, we must first erect our own, and then negotiate the removal of both ours and theirs in tandem.

I have spoken of our national blind spots and the damage they have caused over the last 50 years. Another word for "blind spot" is simply "conventional wisdom." Our poll-driven society is infested with conventional wisdoms—so much so that Newsweek magazine even has a weekly conventional wisdom watch column. Of course, conventional wisdom is nothing but highly distilled, highly condensed ignorance and nonsense.

According to the conventional wisdom, the civil rights bill is a quota bill. This assertion is made by people who haven't got the foggiest idea what's in the bill. But, that's alright. The conventional wisdom says it's a quota bill, and that's good enough. We Americans love conventional wisdoms because they tell us what to think, they eliminate the need for analysis or debate. Dissenting views are hushed up. The politician's rule is this: simply parrot the conventional wisdom and you're on safe ground.

Likewise, the conventional wisdom is that deficits don't matter, that we don't need new taxes, and that there is indeed, a free lunch. Entire presidencies have been premised on this single foolish conventional wisdom. And woe to any politician who dares to buck it by saying that deficits are crippling our Nation.

Of course, the conventional wisdom is too often simply the convenient wisdom, and it fits in nicely with our penchant for feel-good politics and our refusal to face up to unpleasant realities.

Call it conventional wisdom. Call it a national blind spot. The bottom line is that we need to open up our eyes to the realities of the international trading system. As Lincoln said about slavery, the great national blind spot of his own day: "Let us think anew, and act anew." It is time for America to take off the blinders and look at the world as it really is.

They are even talking now about putting in a sense of the Senate resolution. They are beginning to feel, that hot flame on their backs of common sense from the people out there who are realizing that they have been sold a bill of goods. So they want to give the President, the administration, this free-trade gun-at-your-head fast-track nonsense. And then they want to salve their conscience with a mitigating sense of the Senate resolution. That is Mr. GEPHARDT'S approach. He switched around; he is playing to the pollster nonsense now.

I hope they do not come forward with that sense of the Senate now, so we will do one thing and then say we did the other, and you cannot catch us. Good God, let us do something for the troops at home.

Heavens above. American first, we all believe in protectionism. We all believe in free trade. The fact of the matter is that we have been victimized by a national blind spot on this particular score.

That free trade notion started with Ricardo, who was not an economist, incidentally, in England, and Alexander Hamilton understood it well. Thomas Jefferson supported the first bill that passed the U.S. Congress on July 4, 1789, for protectionism, a 50-percent tariff on 30 articles, beginning with iron and going right on down the list.

What happened? The fact is that the cry of free trade is the cry from the developed country to the undeveloped—the developed with the industry looking for markets, to the undeveloped with only raw materials.

That is exactly what the British said to America 200-and-some years ago. They said: Now, you come in here with your fledgling United States of America. What you Americans need to understand is that we ought to have free trade. Under the doctrine of comparative advantage, you ship to us what you produce best. There will be no tariff barriers; we will have free trade. We will ship back to you what we produce best. There will be no tariffs; there will be no barrier.

Our friend, Hamilton, wrote a little book in reply. There is one copy left over in the Library of Congress. It is entitled, "Reports on Manufacturers." We will not take time to read the booklet here this morning, but in a nutshell, what Hamilton said was, "Bug off." He said, "We are not going to remain Britain's colony." That was the first bill passed in the National Congress, a tariff bill, protectionism.

Abraham Lincoln, with the transcontinental railroad. Some advised that he purchase the iron cheaply abroad. Lincoln said, no, we will build the iron plants here, and then we will have both the railroad and the iron-production capacity.

Roosevelt put protected quotas for agriculture; Eisenhower, for oil imports. We have built this economic giant, this industrial powerhouse, the United States of America, with protectionism. But the tables turned after World War II. We were developed, and the rest of the world was undeveloped.

So we went to Europe and the Pacific Rim with our Marshall plan. Industrial policy. Can you imagine that? The Marshall plan was not on fast track, Senator; not on fast track at all. It dealt with all the countries and all of those complex issues.

Well, the Marshall plan passed in this Senate when we had Vandenberg and other Senators talking sense, and not nonsense and pollster politics. So we passed the Marshall plan. And we favored free trade. That is the desirable. But the Japanese built back with MITI and the Keiretsu.

And incidentally, do not bash Japan. It works. If you were the Emperor in the next 10 minutes, you would do the same thing. It is working, is it not? They are taking over the world.

But there has to be some modicum of common sense about competition, some understanding of what opposition is. We sold Fords and Chevrolets in downtown Tokyo long before World War II. But after World War II, they licensed Toyota and Nissan. You cannot get the others licensed there today, after 45 years of the freedom that we gave them.

Economically, we built them, with the technology we gave them and through their own financial manipulation and protrust policies.

In America we have antitrust. We have the Federal Trade Commission. You cannot have price fixing. But Japan has it; protrust. That Toyota that sells for $16,300 in the District of Columbia sells for $23,000 in downtown Tokyo today. I can go down the list of goods, showing the disparity of the fixed price and the fixed profits used to target our markets while Japan's market is totally protected with their inspection and nontariff barriers.

And, of course, the world, is taking it on. If you think it is difficult getting a Ford inspected over there on the docks in Tokyo, about 4 months, you cannot buy a 1991 Toyota in downtown Paris, not until January 1, 1992. It takes the French a year to inspect it.

The truth is that the Europeans and '92 are not orchestrating for free trade. They are orchestrating for the trade battle, the trade war.

We have now a battle in this trade war, and we have a fifth column, that everybody understands, particularly the chairman of our Competitiveness Committee.

I am tired of this crowd over there hollering special interest. The Senator from Texas says that fast track is a victory over the general interest over the special interest. Prune juice. Look here. The multinationals went abroad and said this is terrific. There, they do not have any Congress, any OSHA, any Social Security, any environmental controls, any minimum wage. Congress invades the free market when we pass the minimum wage. We say the heck with market forces, a worker is worth so much an hour. I agee with that. Republicans and Democrats agree. But then we turn around and babble free trade. But there is no free trade or free market.

So the multinationals say, we can make out like gangbusters so long as we can keep open for dumping the largest, richest market in the world, the United States of America. The bankers who financed them, Chase Manhattan, Citicorp, organized ECAT, the Emergency Committee Against Tariff. The bankers said, this is terrific; you are going to make your payments to us, we will organize ECAT, and we will organize a trilateral commission and march these young fledgling politicians up and let them say grace and give their support for free trade, free trade, free trade.

And so they started spewing out the free-trade, special-interest editorials to all the newspapers. Why did the newspapers run the free-trade editorials? Because 80 percent of their revenue comes from retail advertising, and the retailers are for cheap imports. But you have heard our presentation on the textile bill. We have lady's blouses from Bloomingdale's, one made in New Jersey and one in Taiwan, same price, $32.50. We get a catcher's mitt from Herman's, one made in Michigan and one made in Korea, same price. Sometimes I have found imported articles even at a higher price than domestic. So the consumer is not getting a bargin with imported articles, but the retailers make a killing.

The retailers are stronger than my textile people, I can tell you. My distinguised senior Senator and I lost 400,000 jobs in the last 10 years in textiles. Under this particular advise and consent, we are going to lose, by the end of this decade, 1,450,000 jobs. That is why we are so desperate to move on this particular score.

In any event, the special interest multinationals, look at the list of exporters in the United States. I ask unanimous consent, Mr. President, to have printed in the RECORD a list of America's 50 biggest exporters.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICA'S 50 BIGGEST EXPORTERS

[Dollar amounts in millions]

Rank and company	Products	Export sales		Total sales		Exports as percent of sales	
		Amounts	Percent change 1989–90	Amounts	Fortune 500 Rank	Percent	Rank
1. Boeing Seattle	Commercial and military aircraft	$16,093.0	46.0	$27,595.0	13	58.3	1
2. General Motors Detroit	Motor vehicles and parts	10,315.9	1.3	126,017.0	1	8.2	40
4. General Electric Fairfield, CT	Jet engines, turbines, medical systems	7,128.0	(1.9)	58,414.0	6	12.2	27
3. Ford Motor Dearborn, MI	Motor vehicles and parts	7,098.0	14.0	98,274.7	3	7.2	41
5. Int'l Business Machines Armonk, NY	Computers and related equipment	6,195.0	13.1	69,018.0	4	9.0	37
7. Chrysler Highland Park, MI	Motor vehicles and parts	5,004.0	(7.1)	30,868.0	11	16.2	16
6. E.I. Du Pont De Nemours Wilmington, DE	Specialty chemicals	4,352.0	(10.2)	39,839.0	9	10.9	29
8. United Technologies Hartford	Jet engines, helicopters, cooling equipment	3,606.0	9.0	21,783.2	17	16.6	15
10. McDonnell Douglas St. Louis	Aerospace prod., missiles, electronic sys	3,538.0	22.2	16,351.0	24	21.6	10
9. Caterpillar Peoria, IL	Heavy machinery, engines, turbines	3,435.0	4.4	11,540.0	39	29.8	4
11. Eastman Kodak Rochester, NY	Imaging, information, and health products	2,957.0	2.9	19,075.0	20	15.5	18
15. Philip Morris New York	Tobacco, beverage, food products	2,928.0	28.0	44,323.0	7	6.6	45
12. Hewlett-Packard Palo Alto, CA	Computers, electronics	2,816.0	6.9	13,233.0	29	21.3	11
14. Motorola Schaumburg, IL	Communications equipment, semiconductors	2,801.0	20.8	10,885.0	42	25.7	6
13. Unisys Blue Bell, PA	Computers and related equipment	2,203.7	(8.2)	10,111.3	49	21.8	9
17. Occidental Petroleum Los Angeles	Agriculture products, coal	2,077.0	4.1	21,947.0	16	9.5	34
16. Digital Equipment Maynard, MA	Computers and related equipment	1,902.3	(8.7)	13,084.5	30	14.7	22
18. Allied-Signal Morristown, NJ	Aircraft and automotive parts, chemicals	1,838.0	8.6	12,396.0	36	14.8	20
21. General Dynamics St. Louis	Tanks, aircraft, missiles, gun systems	1,624.0	6.7	10,182.0	48	15.9	17
19. Weyerhaeuser Tacoma	Pulp, paper, logs, lumber	1,560.0	(0.9)	9,024.3	54	17.3	13
22. Raytheon Lexington, MA	Electronic systems, aircraft	1,435.0	7.1	9,362.3	52	15.3	19
25. Dow Chemical Midland, MI	Chemicals, plastics, consumer products	1,344.0	16.2	20,005.0	18	6.7	43
20. Union Carbide Danbury, CT	Chemicals, plastics	1,280.0	(18.0)	7,621.0	65	16.8	14
33. Intel Santa Clara, CA	Microcomputer components and systems	1,202.3	20.5	4,124.6	119	29.1	5
31. Minnesota Mining & Mfg. St. Paul	Industrial, electronic, and health products	1,199.0	17.7	13,021.0	31	9.2	36
26. Westinghouse Electric Pittsburgh	Electrical products and electronic systems	1,195.0	5.7	12,915.0	33	9.3	35
24. Archer-Daniels-Midland Decatur, IL	Protein meals, vegetable oils, flour	1,162.7	(3.79)	7,925.3	60	14.7	23
30. Merck Rahway, NJ	Health products, specialty chemicals	1,156.3	11.3	7,824.1	63	14.8	21
35. Compaq Computer Houston	Computers and related equipment	1,121.4	25.1	3,625.7	136	30.9	3
40. Sun Microsystems Mountain View, CA	Computers and related equipment	1,117.3	48.7	2,480.7	181	45.0	2
23. Textron Province	Aerospace and consumer products	1,103.0	(8.8)	7,917.6	61	13.9	25
32. Exxon Irving, TX	Petroleum, chemicals	1,101.0	8.0	105,885.0	2	1.0	50
27. International Paper Purchase, NY	Pulp, paperboard, wood products	1,100.0	0	12,960.0	32	8.5	39
29. Hoechst Celanese Bridgewater, NJ	Chemicals, plastics, fibers, pharmaceuticals	1,085.0	4.4	5,881.0	90	18.4	12
28. Monsanto St. Louis	Herbicides, chemicals, pharmaceuticals	1,079.0	.8	9,047.0	53	11.9	28
34. Aluminum Co. of America Pittsburgh	ALuminum products	926.0	(1.0)	10,865.1	43	8.5	38
37. Xerox Stamford, CT	Copiers, printers	900.0	16.9	18,382.0.	22	4.9	47
38. Bayer USA Pittsburgh	Chemicals, health and imaging products	865.0	13.9	5,903.7	89	14.7	24
48. FMC Chicago	Armored military vehicles, chemicals	848.0	18.4	3,754.8	131	22.6	8
36. Rockwell Int'l El Segundo, CA	Electronics, automotive parts	835.0	4.4	12,442.5	35	6.7	44
44. Abbott Laboratories Abbott Park, IL	Drugs, diagnostic equipment	814.5	18.9	6,210.3	82	13.1	26
41. Deere Moline, IL	Farm and industrial equipment	758.0	2.2	7,881.0	62	9.6	33
42. Honeywell Minneapolis	Building, industry, and aviation control sys	750.0	4.5	6,985.2	69	10.7	30
45. Amoco Chicago	Chemicals	743.0	11.2	28,277.0	12	2.6	49
47. Bristol-Myers Squibb NY	Drugs, medical devices, consumer products	741.0	16.1	10,509.0	46	7.1	42
46. Tenneco Houston	Farm, construction, and auto equipment	711.0	10.4	14,893.0	26	4.8	48
50. Cooper Industries Houston	Petroleum & indus. equipment; elec. products	662.7	16.0	6,222.2	81	10.7	31
• Reynolds Metals Richmond	Aluminum, plastic and paper products	639.0	13.5	6,075.7	88	10.5	32
49. Ethyl Richmond	Specialty and petroleum chemicals	592.7	0	2,513.8	178	23.6	7
39. Lockheed Calabasas, CA	Aerospace products, electronics, missile sys	588.0	(22.0)	9,977.0	50	5.9	46
Total		118,544.8		1,045,448.6			

Mr. HOLLINGS. They are all the mutinationals, 90 percent of them. We are going to identify the special interests around here, how we are recovering and doing fine with the special interests. What happens right here in Congress is that these special interests come along with the retailers, the banks, the newspapers, and then they retain hoards of Washington lawyers. If you want to talk about a fifth column, read Pat Choate's book, 100 law firms in Washington, DC were paid over $113 million by the Japanese, and they are chock full of former special trade representatives and top USTR staff. Suppose you picked up the paper this morning and the headline said, "Schwarzkopf now military adviser to Saddam Hussein"? Why, it shocks me to even think or say it. But in the trade war we have the "generals"—our special trade representatives—all getting fees and so forth from the Japanese. Look at the book, and you will see that they have gone over to the other side, and they have the audacity to come on the floor of this Senate with this garbage about special interest, that the general interest is going to prevail. The general interest is suffering here.

I ask unanimous consent to have printed this Wall Street Journal article entitled "U.S.-Mexico Trade Pact Is Pitting Vast Armies of Capitol Hill Lobbyists Against Each Other." Here is the Mexico Trade Lineup.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Apr. 25, 1991]

U.S.-Mexico Trade Pact Is Pitting Vast Armies of Capitol Hill Lobbyists Against Each Other

(By Jill Abramson)

WASHINGTON.—The war brewing in Congress over the U.S.-Mexico free trade agreement has spiced up life for this city's lobbyists.

"We've never had a trade issue that has been this hot," says Harry Freeman. "It's quite a donnybrook." Mr. Freeman, a former American Express Co. executive, has been lobbying furiously on behalf of a big business coalition that's pushing for the trade agreement and for congressional extension of the president's trade-negotiating authority.

The trade battle has snapped the Washington lobbying community out of the postwar doldrums and blues over a general downturn in legislative activity. But the burst of lobbying has some lawmakers complaining of overkill.

"They've reached the point of saturation." says democrat Marcy Kaptur of Ohio, who has criticized Mexico for its labor and environmental standards. and sides with a coalition of labor unions and environmental groups that oppose extension of President Bush's trade-negotiating authority.

MEXICO'S BIG GUNS

Mexico, which hadn't previously employed Washington lobbyists, has suddenly upstaged Japan as the foreign government with the most visible lobbying muscle. Beginning in January, the Mexican government began hiring an A-team of lobbyists and lawyers, including such GOP heavy-hitters as Charls Walker, and such politically connected Democrats as Joseph O'Neill, a former top aide to Senate Finance Committee Chairman Lloyd Bentsen, and Robert Keefe, a former strategist for the late Sen. Henry Jackson.

Virtually every major business organization in the U.S. is also combing Capitol Hill, from the Business Roundtable to the U.S. Chamber of Commerce to the National Association of Manufacturers. "It's a panbusiness effort," says Calman Cohen, a former government trade official with the Emergency Committee for American Trade. "I've never seen a larger grouping from the private sector." Mr. Cohen coordinates weekly strategy sessions of an ad hoc lobby called the Coalition for Trade Expansion, which includes more than 500 corporate chieftains, association heads and lobbyists.

The most intense lobbying activity now isn't even focused on the U.S.-Mexico treaty itself, which has yet to be negotiated or written, but on countering efforts by the labor-environmental alliance, which is lobbying Congress to block the administration's request for a two-year extension of its so-called fast-track authority.

The existing fast-track authority was approved by Congress in the Reagan administration and allows the president to negotiate international trade treaties and submit them to Congress for approval without amendments. A congressional refusal to extend fast-track authority could doom both the U.S.-Mexico agreement, which would effectively erase the trade borders between the two nations, as well as the Uruguay Round of trade talks. If Congress doesn't act before June 1, the fast-track authority will be automatically extended for two years.

Lobbyists have been working hardest on members of the Senate Finance and House Ways and Means committees, which have jurisdiction over the issue. Democrats are having the toughest time choosing sides. Although union officials deny making a litmus test out of the vote to disapprove fast-track authority, some lawmakers fear that unions will withdraw their support and contributions from Democrats who vote the wrong way.

LABOR STARTED ITS CAMPAIGN EARLY

Labor began its lobbying campaign against fast-track extension last fall and quickly gained congressional converts. The labor-environmental lobby put together a broad, coalition of organizations, from Ralph Nader's Public Citizen to farm groups. Last week, the AFL-CIO sent every member of Congress a video showing poverty-infested Mexican villages and ravines carrying raw sewage. Opponents argue that the U.S.-Mexico trade agreement will bring massive job losses as businesses head south in search of a cheaper work force and looser environmental laws.

Preoccupied by the war and other issues, U.S. corporations were slower to start their lobbying effort for fast-track extension and the trade agreement, which they say will be a boon to the U.S. economy. Last month, Rep. Dan Rostenkowski, chairman of the House Ways and Means Committee, helped jump-start big business's lobbying campaign when he bluntly warned a group of 20 business leaders that they could lose the fast-track fight. According to Mr. Freeman, who attended the meeting, the Illinois Democrat told the group, "If you want to win this thing, move your ass."

Heeding the chairman's words, corporate America assembled a virtual lobbying Who's Who, including corporate chiefs from American Express Co., Eastman Kodak Co., Procter & Gamble Co. and many other blue-chip concerns. The business forces have now regained strong footing and have set up a practically nonstop schedule of meetings with lawmakers. In a show of bipartisan might, a business delegation led by two former U.S. trade representatives, Democrat Robert Strauss and Republican William Brock, met with President Bush on the issue last week. The current U.S. trade representative, Carla Hills, who is herself strenuously lobbying members of Congress, huddled recently with a group of well-known lobbyists to talk over prospects for winning fast-track extension.

These off-the-record sessions between top government officials and business lobbyists irk labor. "There's no reason for a cloak-and-dagger operation," says Robert McGlotten, the AFL-CIO's legislative director. "There ought to be open debate."

Mrs. Hill's office responds that she has an "open door" policy and has met several times with labor representatives, too.

The Mexicans, meanwhile, are getting a crash course in lobbying U.S.-style. The Mexican embassy has been careful to cover both Democratic and GOP flanks with a fleet of lobbyists and lawyers who are regaling lawmakers with Mexico's efforts to modernize its working conditions. Mexican business interests, meanwhile, have formed their own version of the Business Roundtable and have the Washington law firm of Steptoe & Johnson "When in Rome do as the Romans do." says one Mexican government official "When in Washington, do as people inside the beltway do."

MEXICO TRADE LINEUP

THE MEXICAN TEAM

Burson-Marsteller.
Gold & Liebengood.
Robert Keefe.
Manchester Trade.
O'Melveny & Myers.
Joseph O'Neil.
Sherman & Sterling.
Steptoe & Johnson.
Charis Walker.

THE U.S. CORPORATE TEAM

The Coalition for Trade Expansion is a lobbying umbrella that includes more than 500 corporations and lobbyists from five key business trade associations:

The Business Roundtable.
U.S. Chamber of Commerce.
Emergency Committee for American Trade.
National Association of Manufacturers.
National Foreign Trade Council.

THE LABOR-ENVIRONMENTAL TEAM

Coalition covers more than 50 organizations, including.

AFL-CIO.
American Agriculture Movement.
Child Labor Coalition.
Consumer Federation of America.
Environmental Action.
Greenpeace.
Public Citizen.

Mr. HOLLINGS. The list includes the Mexican team. It has the U.S. corporate team and the labor and environmental team. It has them all. You will see who is the most powerful. No wonder they got the two-thirds vote. Nonetheless, you and I still have our foot in the door. We will not win this one, but I think we will oblige the Senate to stop, look, and listen, and the people of America will realize that what we have done has been victimized once again in our history to an inflicted blind spot.

We have inflicted on ourselves a blind spot with regard to the most important issue confronting the American people: Their economic sustenance, their economic security, and of course, the security of these United States. That is what is really at issue.

We are trying to wake America up and correct the record. We have previously passed all kinds of free trade agreements without fast track. We particularly wanted to make sure that we answered the argument to the effect that if you do not have fast track you could not negotiate. S. 636 was introduced the same time as Senate Resolution 78, back in March, to authorize the President to negotiate the Uruguay round, and to negotiate an agreement with the Governments of Canada and Mexico. We are not bullheaded or blind to the idea of expanding and trying to see if what worked with Canada can be extended to the rest of the hemisphere.

But we are opening our borders at a very, very precarious time, and no one is looking and no one is understanding. The Trade Ambassador, our lawyer, says today our manufacturing sector is stronger than at any time since World War II.

We need a new lawyer. We are in the hands of the Philistines and somebody, somewhere, sometime, has to wake this crowd up and make them understand.

We already have fast track on deficits. I do not know where the Grace Commission went, but I can tell you about the biggest waste, the biggest fraud, the biggest abuse, and that is increased spending for interest costs on the national debt.

In Times Square they have a little odometer that is spining around, clocking the rise of the national debt. They tell us in the President's talk that we are headed in the right direction, that we are going to really reduce deficits $500 billion, when the truth, if you look in part 2, page 294 of the President's budget, is that we are increasing the national debt from $3.1 trillion to $4.1 trillion by early 1993, after the election. So we are increasing the debt over a trillion bucks.

We Democrats say we need leadership. We have leadership, but it is headed in the wrong direction. I cannot compete with the bully pulpit of the White House. But we better get off this fast track of fanciful issues, get down to the nub and really get a trade policy that is simple and tough-minded.

Get a lawyer who understands the dilemma America finds itself in, and give the Congress of the United States a chance to perform its constitutional duty.

Back in the founding days, article 1, section 8 of the Constitution says the Congress shall regulate commerce. If you had mentioned fast track to the Founding Fathers, they would have choked. They would have said we have had enough of British kings and fast-track parliaments. We must have a people's government. That is what we need here and that is what this vote will be about. We will lose it, but I think we have made a wake-up call and we will come back to it again and again until people understand that we need a trade policy in this country. We don't need fast track. We need a new track, a new realism about the trade war that is raging while this Senate sleepwalks.

The PRESIDING OFFICER. Who yields time?

Under the previous order Senator PACKWOOD has 30 minutes at his disposal.

Mr. PACKWOOD. I believe Senator KENNEDY is going to speak next. I ask unanimous consent when he finishes, Senator GRASSLEY be recognized for 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Mr. President, I yield 10 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. Was there objection to the request of the Senator from Oregon. If not, it is so ordered.

The Senator from Massachusetts [Mr. KENNEDY] is recognized for 10 minutes.

Mr. KENNEDY. Mr. President, I intend to vote against the resolution of disapproval, because I believe the fast track procedure is warranted for the GATT negotiations.

Many of my colleagues, and many Americans across the Nation, have serious reservations about the administration's position in the Uruguay round. I too am troubled by some aspects of the current GATT negotiations, especially the impact it may have in exposing low-paid manufacturing workers to unfair foreign competition.

But it is difficult to envision a multilateral trade negotiation that would allow each nation to amend the treaty. And that is why the fast-track procedure should be approved.

But I want to express my deep concern over the administration's use of the fast-track authority to enter into trade negotiations with Mexico.

The need for fast track for GATT does not justify using it for negotiating with Mexico. I regret that the rules for this debate do not permit us to separate those two negotiations, and I intend to work with other Senators to ensure that our concerns are addressed.

A trade agreement must be designed to increase living standards in the United States as well as in Mexico. It must not become a pretext for big businesses to disinvest here at home, in order to raise corporate profits by exploiting low-wage labor in Mexico.

Yet that is the implication of the administration's unseemly haste to reach this business-driven agreement, while disregarding the legitimate concerns of America's workers.

A responsible agreement can do a great deal to advance our large goals for the hemisphere. When President Kennedy launched the Alliance for Progress and the Peace Corps in the 1960's, he initiated a new era of cooperation between the United States and Latin America.

Then, as now, an economically vital Mexico, with prosperity for all of its people, is in the best interests of the United States and the entire hemisphere.

I have met personally with President Salinas, and I have great respect and admiration for his efforts to improve the Mexican economy.

He has struggled with the crushing burden of debt that has driven Mexican living standards lower during the 1980's. He adopted this trade strategy in large part because the Reagan and Bush administrations have provided no meaningful leadership or assistance on the debt crisis or other issues that confront Mexico.

I am concerned, however, that the administration is seeking an agreement that would encourage displacement of American investment to Mexico. A trade agreement will cut tariffs. But most of the tariff barriers between our two nations have already been substantially reduced, and further progress can be made on tariffs without a new agreement.

So investment, not trade, is the heart of this agreement, but it has been virtually ignored in our debate.

With this wide range of unsettled and important issues, thorough debate is necessary now, not when presented with an all-or-nothing vote on a treaty that has become a fait accompli. But instead, the administration wants fast-track authority. In response to growing opposition in Congress, it has offered a token plan that purports to address some of these problems.

But the plan is vague in many places, and not binding in any. The administration promises a great deal, but under fast track, they are not required to make good on anything.

Too often, the administration has failed to follow through on promised support on other important issues.

They promised full funding for Head Start, but have not made the funds available. They say they don't want families to be divided by medical problems, and then they veto the Family Medical Leave Act. The President wants to be the Education President, but does not propose the expanded Federal help required to meet critical education needs.

This flawed record makes all of us skeptical about the administration's vague promises on key labor and environmental issues in a trade agreement with Mexico. Instead of concrete commitments, the administration's plan offers only promises and rhetoric.

Unfortunately, the administration's probusiness, antiworker record offers little confidence that any of these legitimate concerns will be met. As President Reagan liked to say, this is an area where we need to trust, but verify.

In sum, a United States-Mexico Free-Trade Agreement deserves much more serious consideration by Congress, the administration, and the peoples of both nations. It should not be rammed through Congress on the back of the GATT negotiations.

I deplore the restrictions that have been unwisely and unfairly imposed on this debate. Our concerns are vital for the future of our hemisphere. I urge the Senate leadership to arrange for us to address them in an effective way as soon as possible.

I yield back the remainder of my time, and I appreciate the courtesy of the Senator from Texas.

The PRESIDING OFFICER (Mr. ROBB). Under the order, the Senator from Iowa [Mr. GRASSLEY] is recognized.

Mr. GRASSLEY. Mr. President, I have been able to sit here and listen to the Senator from South Carolina a long time, and I feel that he paints a picture of the sun setting in his America. But I feel that the sun is rising in America and particularly in my State of Iowa. So I rise in support of fast-track.

Shakespeare wrote, "There is a tide in the affairs of men which, taken at the flood, leads on to fortune".

Along the same line President John Kennedy stated "A rising tide raises all boats".

Mr. President, we are riding such a tide today with both the possible success of the Uruguay round of GATT and the success of the North American Free-Trade Agreement. 1991 is a very important year for international trade, one that will test not only the cooperation of the United States and our trading partners, but also testing the cooperation of the legislative and executive branches here at home as we cooperate on the issue of free and fair trade.

The old cliche about the rest of the world getting pneumonia when the United States gets a cold is no longer an accurate description of the international economic system. In recent years, exports have contributed to over half of our growth.

Thus, when the rest of the world falters, we are no longer immune. Conversely, when they perform well, their demand for U.S. exports helps sustain domestic economic growth and helps maintain our standard of living.

Coming from a State like Iowa—where agricultural exports are so important—I know the potential that trade has to lift our economy out of a temporary downturn. I believe our best opportunities will come from a comprehensive GATT round and the successful negotiation of a North American Free-Trade Agreement.

Mr. President, a great deal of attention has been placed on the United States-Mexico Free-Trade Agreement, both in the congressional arena as well as in the media. In fact, we may have focused on this agreement to the extent that we have lost sight of the bigger picture of the Uruguay round.

One of the responsibilities that we, in Congress, have is to ensure that our citizens have the ability to export their products into foreign markets should they desire. Another responsibility we have is to make sure those markets are open to American producers when and if those decisions are made.

As recently as February of this year, GATT officials announced that all participants, including the European Community, agreed to tackle the problems of agricultural reform, a cornerstone to the entire round, and to achieve specific commitments in: Market access barriers; export subsidies; and internal support.

However, a significant element to this debate is a little-known provision which protects farmers from undue trade risks. And we had speech after speech last night from those who are pessimistic about the future for the world that ought to remember this provision. The provision states that certain agriculture spending reductions enacted in the fiscal year 1990 budget will be nullified if the Uruguay round agreement is not in effect by June 30, 1993. However, this safeguard will be revoked if Congress does not permit the extension of fast track. Specifically, the export enhancement program and marketing loans for wheat and feed grains may be increased, but not if fast track is denied. For my State of Iowa, this element of the agreement is very important and it is a situation that many of my colleagues from agricultural producing States should weigh heavily as well.

Mr. President, there are unquestionably many challenges and obstacles, such as the one I have mentioned, to a successful agreement at the Uruguay round of GATT or with the United States, Mexico, and Canada tripartite agreement to establish a North American free-trade area.

Nevertheless, not giving the President the authority to pursue the avenues of opportunity that may be available, in my opinion, can only result in our forfeiting any hope of resolving the current differences we have with our foreign trading partners.

It is like an ostrich, sticking our head in the sand. And I think we all ought to ask, what harm can come from talking? What harm can come from just plain negotiating, particularly when the Congress of the United States has the final authority to say yes or no? And none of us are going to say yes to an agreement that is not in the interest of our own constituencies or in the overall interest and good of the United States and the American people.

The stakes are enormous: Simply reducing the tariff and nontariff barriers worldwide by one-third could add more than $5 trillion to the global economy over the next decade. The U.S. share of that growth would exceed $1 trillion, as if we had written a check for $17,000 to every American family of four.

We are all aware that the world trading system today is vastly more complex than it was when the GATT was written in 1947. The negotiating agenda runs the gamut of U.S. interests, both in opening world markets and in establishing rules of fair play in areas vital to U.S. competitiveness. Yet, an open multilateral trading system is the best guarantee that United States export opportunities will continue to expand into the next century and the Uruguay round is one of the most important initiatives to expand these opportunities.

We are also about to take up trade negotiations with Mexico which could lead to a North American Free-Trade Agreement. In this process, we will be faced with unprecedented economic and political challenges which will have sweeping implications for the United States and the entire Western Hemisphere. Whatever the outcome of the debate on fast track, I believe a dramatic change will take place between the United States and the rest of the hemisphere, the effects of which we will experience well into the next decade.

Mr. President, it is important for us to create a North American free-trade area which will:

Bring together the energies and talents of three great nations and create the world's largest free-trade area with 360 million consumers and $6 trillion in annual output;

Enhance economic growth by expanding opportunities for our workers, our companies, and our exports; and

Set a standard of open markets for the world to emulate.

Steffen Schmidt, an Iowa State University professor of political science, in a recent article cited several reasons why international trade with Mexico is attractive. I would like to share his comments with my colleagues. He stated:

> A free-trade bloc comprised of Mexico, the United States, and Canada would create a market of 340 million people that is richer and less problem-ridden than the Soviet Union or Eastern Europe. The inclusion of the rest of Latin America would expand this market by 700 million to 800 million people.
>
> The $7 to $8 trillion manufacturing and consumer bloc would be equivalent to the United European Commonwealth and have a 25-percent larger output. The trilateral bloc would also surpass the Japanese East Asian (Pacific Rim) trading bloc.
>
> Mexico is the United States third-largest trading partner, after Canada and Japan, and trade between the United States and Mexico may swell to more than $80 billion in 1991.

With regard to my State of Iowa, he mentions that of the 900 Iowa companies currently exporting, two-thirds export to Canada, while one-fifth or about 185 firms export to Mexico. Mr. Schmidt concludes by saying that there is a lot of room for expanding Iowa-Mexico trade.

And, Mr. President, Mexico is a nation hard at work to improve its status in the economic arena. They have reduced tariffs by 80 percent since joining GATT in 1986. As a result, our exports to Mexico have more than doubled, to $28 billion.

Per person, Mexico now imports more from the United States than the far more affluent European Community imports from us. And, as I suggested at the beginning of my comments, when Mexico prospers, so do we: each $1 billion of additional exports creates 22,000 new United States jobs.

Although Mexico's trade barriers are still too high, there are opportunities for more United States exports and for more jobs, if we can move forward on a fast-track agreement to reduce barriers and open markets.

In conclusion, Mr. President, I would like to quote an editorial from the Des Moines Register which I believe is relevant to our debate today on fast-track authority. The editorial begins as follows:

> The United States remains the world's largest economy by far, and it has impressive gains in exports in recent years. Despite the current recession, there is no reason for gloom. But there is reason for shoring up U.S. economic foundations. Some basic maintenance was neglected for 40 years during which the United States diverted huge chunks of its wealth into fighting the cold war.
>
> Now, compared to its main economic rivals, the United States wastes the lives of far too many potentially productive people by leaving them in ignorance and poverty. It borrows too much money to finance consumption while not saving and investing enough for the future. It has fostered a corporate culture that cannot take the long view. It has done nothing to reduce vulnerability to oil shocks. It has neglected its infrastructure.
>
> If there is to be a New World Order, it will belong to those nations that have taken best care of their economies at home.

This editorial does an excellent job of reminding each of us of our responsibility of keeping this Nation strong, not only against a potential adversary outside of our borders, but also against the twin deficits of trade and Federal budget within our borders. Without a doubt, the United States has recently demonstrated its capacity to lead the world politically and militarily. The real question today is whether the United States can complement these achievements with domestic as well as international economic and trade leadership?

Let me leave you with one last thought: Every economic boom in our history has been led by a major market-opening initiative such as the creation of GATT in 1948. By contrast, every major downturn was preceded by a protectionist drive, like the infamous Smoot-Hawley tariffs in 1930.

Both cases provide the theory that great powers decline not because they spend too much to protect their wealth, but rather because they forget how to create wealth. We must heed these lessons, and work to open, markets and new opportunities around the globe. Moreover, we must work with the executive branch as a partner in trade negotiations as we have done since 1974 when fast track was created.

Mr. President, I truly believe the best is yet to come for our great Nation. For this reason and those I have mentioned previously, I intend to support the President's request for fast-track authority and vote against the resolution of disapproval.

Mr. President, I ask unanimous consent that an article from the Des Moines Register of May 22, 1991, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, May 22, 1991]

BUILD TIES WITH MEXICO: "FAST TRACK" FOR MORE TRADE

Let it be understood from the beginning: The United States is not ready to sign a free-trade agreement with Mexico. What's made the news recently is a request of the Bush administration to begin the process toward such an agreement with Mexico. Congress should grant it.

Specifically, the administration wants Congress to extend for two years the "fast-track" process, under which the White House would negotiate a deal that would be submitted to Congress for approval, with no amendments allowed. Without congressional action, present "fast track" authority expires June 1. Incredibly, members of Congress are balking even though there's no trade agreement on the table.

What are lawmakers afraid of? Most likely they've been spooked by the labor lobby. Despite White House assurances that it would support retraining and other assistance for displaced workers, the labor opposition to the free-trade idea has been so loud that many members of Congress will feel pressure to disapprove even a reasonable deal. So they are attempting to stop the process now, before it begins.

COMPETITION

That's a terribly shortsighted approach that will, if successful, have unfortunate consequences for the economies of both Mexico and the United States. Free trade may cause some worker dislocation for the short term, but in the long run creates jobs by opening markets for American companies and, in the case of those companies, making them more competitive with industries in Europe and Asia.

American firms have learned they cannot compete by paying skilled-worker wages for jobs done by unskilled hands. They've moved manufacturing plants, by the hundreds, to Mexico's border cities. Raw materials and parts are sent to those plants from the United States, turned into finished products or components, then returned to the United States for further finishing or sale.

In the short run, assembly jobs are lost. But in the long run, skilled and white-collar American jobs are saved as American companies are able to remain in business rather than fail in competition against companies operating in such countries as Taiwan, Hong Kong and Singapore. By providing jobs that boost the Mexican economy, the United States will further open a market that already is the third-largest consumer of U.S. products.

ENVIRONMENTAL CONCERNS

There've been numerous environmental concerns. The record of some of the border industries hasn't been good. But in 1988 Mexico adopted new and tougher environmental laws. A stronger Mexico economy will enhance the country's ability to enforce those laws. And the Bush administration has promised to include representatives of American environmental groups, in an advisory capacity, in the process of negotiations leading to a free-trade agreement.

The Bush administration argues that without authority to negotiate an accord that Congress must accept on a take-it-or-leave-it basis—as the "fast-track" process allows—there will be no negotiations.

Why should Mexico go through a process and conclude a deal, only to have parts of it nixed by Congress? If lawmarkers don't like the results they can reject them. But for them to deny now the administration's ability to enter good-faith negotiations is foolish.

North America soon will have to compete with newly created trading blocs in Europe and Asia. It can do that only if it incorporates the economies of the United States, Mexico and Canada (a U.S.-Canada free-trade accord was signed in 1988) into a common trading market that builds on the strengths of each country. The administration must have the authority to mold such a market, and it must have that authority now.

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the Senator from Texas [Mr. BENTSEN].

Mr. BENTSEN. I yield 3 minutes to the distinguished Senator from New Mexico.

Mr. BINGAMAN. I will vote against the resolution to deny fast-track authority in connection with the GATT negotiation and the Mexican Free-Trade Agreement, but I wish to express my frustration with the debate so far.

I am disturbed by the administration's ability to date to avoid stating any coherent set of strategies for dealing with our Nation's economic problems. It is this body's responsibility to ensure that discussion of the free-trade agreement is broadened to include these issues, and I want to put the administration on notice that, when the time comes, I will not support any agreement that fails to come to grips with those issues.

This discussion should be about how to retool our industrial base, about building regional prosperity, about creating a North American trading bloc that can compete with our European and Asian counterparts. Instead, what we have been asked to do is support the administration in its attempt to give the green light to American industry to build their next plant in Mexico. For the first time, this agreement would provide the broad political assurances that American industry has never had—guarantees that foreign investment in Mexico is a sure bet.

While invoking the sacred dogma of free trade, the administration is asking for our trust for what it will do at the negotiating table. But it asks for that trust without any visible strategy to improve our country's economic position, without a plan to reduce trade deficits, and without a coherent idea of how to increase domestic investment or to properly marry our two countries' trade activities. For the last decade, Mr. President, the administration and the previous one have mis-managed our trade relations. Over the last decade, we have tumbled from our position as the largest creditor nation to the biggest debtor. Our poor trade performance is evidenced by the erosion of our industrial base; by the lack of competitiveness of our goods; and most glaringly, by an annual trade deficit of over $100 billion.

I strongly support increased trade with Mexico and I firmly believe that a vibrant North American trading bloc is crucial if we are to compete effectively with our European and Asian counterparts. But embracing free trade as the primarly cure for our economic problems is shortsighted. What we must work toward is an economic agreement that will strengthen both the United States and Mexico and act as a catalyst for regional prosperity. But that requires some hard thinking and hard negotiating—not just blind faith in the dogma of free trade. Where, I ask, is the administration's consideration of the following issues.

First, the problem of investment capital leaving the United States. A free-trade agreement will draw United States plants, equipment, and facilities into Mexico. Should we be encouraging a diversion of United States manufacturing investment to Mexico at a time when our own manufacturing base is suffering from disinvestment? Between 1979 and 1989, the United States lost more than 2 million manufacturing jobs, mostly in durable goods such as automobiles and electronics. There are those in the administration that believe it doesn't matter what we produce here in the United States; potato chips or computer chips, it's all the same. But I assure you, it does matter—in fact, what we produce is the key to our standard of living. We should be assisting U.S. companies in retooling for a new economy, rather than providing additional incentives for them to relocate outside our borders. Is the administration proposing merely to empower United States firms to invest in Mexico, without any real concern about keeping manufacturing jobs here at home?

Second, we should be concerned about the impact of a free-trade agreement on Mexican and United States workers' wages. Proponents of a free-trade agreement argue that increased investment in Mexico will eventually raise workers' wages on both sides of the border. But how likely is that? Mexico's work force represents a tremendous pent-up demand for jobs. A large and increasing supply of workers will probably keep wages there from rising. In addition, Mexican workers will be competing with China, Thailand, and other low-wage countries that manufacture goods bound for United States markets. Because the average Chinese worker earns $2 per day, goods from China are so inexpensive that this year alone, United States imports from China will exceed United States exports to China by $15 billion. The ultimate irony is that, if free-trade proponents are right and Mexican wages do rise, United States firms that move operations to Mexico might find that their goods are not competitive with Pacific rim products in the United States market.

The administration tells us that a free-trade agreement will contain domestic content regulations that will prevent Japanese firms from using Mexico as a platform into the United States market. Let me assure you, United States tariffs on goods coming out of Mexico are already so low that they will certainly not be a deterrent to Japanese goods coming from Mexico. United States firms in Mexico should be given incentives to sell goods primarily to third countries and to Mexico itself. This is a win-win scenario: Mexico has access to capital and consumer goods, United States firms prosper, and our domestic industrial base is not further undermined.

What this is about, Mr. President, is defining an economic strategy that will improve our Nation's standard of living. If an abundant supply of workers keeps wages from rising in Mexico, we need to ask ourselves what the prospects are for improving wage rates in the United States. As it stands now, real wages in the United States have stagnated since 1973. Without public and private commitments to increasing American investment in upgrading our manufacturing base, I have real doubt that any new jobs created as a result of increased trade with Mexico will pay as well as the jobs that we lose. Worker adjustment programs alone will not address this issue, and it is well known that the administration has made repeated attempts to zero out the worker adjustment initiatives we currently have. The fact is, Mr. President, the administration's free-trade proposal has no component to deal with structural changes that have been occurring in our economy for the past 10 years—changes that require us to invest in our producers as well as in our workers.

We also need to be realistic about the impact of a free-trade agreement on immigration. Proponents of a free-trade agreement claim that free trade will bring the prosperity that Mexico needs to keep illegal immigrants from coming to the United States. Frankly, I find this to be a questionable proposition. Under a free-trade agreement, what will happen if our competitive advantage drives Mexico's inefficient farming co-ops into the ground? Hundreds of thousands of campesinos would be left without any source of livelihood and would be forced to leave the land. Some will go to Mexico City, as millions already have, but many may decide to head north.

Mr. President, I represent a border State. Increased trade with Mexico is key to the long-term prosperity of my State. As compared to Texas, with $10 billion, California with $3.4 billion, and Arizona, with $635 million, New Mexico's exports to Mexico are a very low $14 million. Clearly, with or without a free-trade agreement, we need to do a better job of trading with Mexico. But would a free-trade agreement, as envisioned by the administration, improve this picture?

We need to realize that the main requirement for building maquiladora plants inside Mexico is that those plants use United States components which are then assembled in Mexico. That is the reason why so many of the plants are located next to the U.S. border. Under a free-trade agreement, that requirement will be gone. Plants in Mexico will be able to obtain components from suppliers in Mexico or elsewhere. The idea of two plants, one on the Mexican side and one on the United States side, will be a thing of the past.

This brings me to the deep concern I have about our Nation's ability to retain manufacturing as a robust part of our economy. For several years the thinking has been that manufacturing was the economic hope for the Nation and my home State of New Mexico. The way we in New Mexico were planning to raise our per capita income from 46th in the Nation was to create more employment in manufacturing. But under a free-trade agreement, Albuquerque will compete directly with Chihuahua and Las Cruces will compete directly with Nuevas Casas Grandes for manufacturing plants. A company which locates in Chihuahua or Nuevas Casas Grandes will enjoy cheap labor. This means that on this side of the border we need to think long and hard about how to compete for those manufacturing jobs and still raise the wages of American workers.

These are some of the questions to which we need answers. I expect the administration to work hard at developing those answers. These are complex issues, and to make matters worse, the terms of the debate have been oversimplified by many of the stakeholders. This is a disservice to us all. We need to commit to investment in high skill, capital intensive manufacturing and to building enterprises that produce goods Mexico needs to import. Finally, we must aggressively market our exports and develop the infrastructure to deliver them to our neighbor. Today, the network of roads, bridges, sewers, and water systems between our two nations is woefully inadequate. In order to enjoy the full benefits of increased trade we must develop the means to move goods and people. Mr. President, a trade agreement presents both opportunities and challenges for the United States and Mexico. But we will fail to capture the opportunities, and will surely fall short of the challenges, if we allow ourselves to be seduced by simplistic promises.

My decision to vote in favor of going ahead with negotiations has been made easier, Mr. President, by recent developments that have demonstrated that our Government can negotiate with Mexico for the good of both countries. During the last 3 weeks, progress has been made toward developing two badly needed border crossings in my State. Presently, New Mexico has no operating port of entry near a major city in Mexico. Without such a port of entry, it is unlikely that any State can capture the potential benefits of increased trade.

On May 9 I sent a letter to Secretary Baker expressing my belief that building the border crossings in southern New Mexico would go a long way to resolving my concerns about our ability to successfully negotiate a trade agreement with Mexico that would benefit New Mexico. In response to my letter, over the last week the State Department and the Government of Mexico had intense discussions on this matter. I appreciate the State Department's hard work, and I am pleased to say that I was informed by the State Department yesterday that plans for the port of entry at Santa Teresa, NM, are moving ahead. In a separate initiative, my distinguished colleague from Arizona, Senator DECONCINI, and my distinguished fellow Senator from New Mexico, Sentor DOMENICI, and I have requested that the administraton program funds for feasibility studies for the second port of entry at Suland Park, NM. To benefit from the increased commerce that will result from a trade agreement with Mexico, we must have open ports of entry to support that activity.

Let me close by saying, Mr. President, that it is possible for us to conclude a trade agreement that will benefit both countries, and it is possible that the adverse trends in our economy could be partially reversed by the right kind of trade agreement. And that's why I'm voting against the resolution before us this morning. Frankly, given the record of this and the previous administration in mismanaging our trade relations, I am not optimistic. I hope this body will demand that a trade agreement with Mexico works for, not against, the people of this country as well as for the people of Mexico.

The PRESIDING OFFICER. The Senator from Oregon [Mr. PACKWOOD] is recognized.

Mr. PACKWOOD. I yield 4 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho [Mr. CRAIG] is recognized for 4 minutes.

Mr. CRAIG. Mr. President, today we will vote on legislation that will greatly affect the future of this Nation's economy. The legislation pending before us today is more than a disapproval of fast-track authority; it is a disapproval of our ability to move forward and level the playing field for U.S. products and exports.

Without fast track, the President cannot assure our negotiating partners that the deal they strike is the deal that will be voted on by Congress. That would significantly hinder our ability to negotiate a good agreement.

We have all been inundated with information on both the merits and evils of the Uruguay GATT round and the United States-Mexico Free-Trade Agreement. But, as every Senator knows, what many people have failed to realize is that fast track is not a trade agreement. Some have chosen to spread fear and misinformation regarding fast track, blatantly ignoring the reality of the statute enacting it.

Fast track is a process—a process, Mr. President, that directly involves both the Congress and the private sector. I met with the U.S. Trade Representative, Carla Hills, earlier this week to discuss issues important to my State like the impact of trade negotiations on sugar and other agriculture programs and we discussed the process of how she would keep Congress and the private sector informed and involved.

I was very pleased with her responses. She was very clear on the need for direct communications with both the Congress and the private sector—something that is also included in the fast-track provisions.

One of the complaints most commonly made by those opposed to this process, is that the Congress gives up its authority. This is just not the case. Fast track does not undercut Congress' role in the negotiation, approval, and implementation of trade agreements. The statute has extensive notification and consultation requirements. Not only do we have explicit language in the law, but we have precedents to rely on. For example, last year, Members of Congress served as advisers on the United States delegation in the Uruguay GATT round, working very closely with negotiators. Also, after significant sessions, negotiators met with Members and Senators to discuss steps that were taken and to obtain advice on how to continue as the negotiations developed.

Furthermore, Mr. President, in my experience, the Trade Representative's Office has been very accommodating and willing to respond in a timely and helpful manner to my concerns. It is not the process of fast track which would prevent the Congress or private industry from being involved in trade negotiations, but, rather, the choices made by individuals and Members of Congress.

It is the responsibility of the Congress to continue to be actively involved with this process once we defeat this legislation and move forward with fast track, and we will still have the authority to do so.

Ambassador Hills has sent me a letter outlining the working relationship between the administration and the Congress under fast track and how she has worked, and plans to continue to work, to keep the Congress and private interests informed, and to elicit their views and advice. Mr. President, I ask unanimous consent that the letter from Ambassador Hills follow my comments in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRAIG. One last comment, Mr. President, is that Congress holds the final card on whether or not the Uruguay GATT round agreement and the United States-Mexico Free-Trade Agreement are accepted. The U.S. Senate and the U.S. House of Representatives have the final vote to either accept or reject these agreements.

To vote for fast track is not to vote for either of the trade agreements. There is opportunity to improve our trading position through both agreements; therefore, they warrant putting forth the effort to try to achieve a good agreement. The process has worked in the past, and is necessary if we are to move forward with trade negotiations.

Mr. President, I support the extension of fast track, but that does not extend to automatic support of any final agreement. I remain concerned about the impact that both these agreements will have, especially on our agriculture industry. I will work very closely with the Trade Representative's Office to ensure that that the agreement will benefit both Idaho's and our Nation's economy. And, I will not approve any final agreement until I can evaluate the merits of that agreement.

In summary, Mr. President, I will vote in opposition to Senate Resolution 78 this morning and stand in favor of fast track.

I have been fascinated by the New Deal 1930's welfare state rhetoric of the last good many hours as we talk about how this Nation can or cannot create jobs and build a vital economy for the people of our country. We have always known our ability to produce is well beyond our ability to consume, and if we are to grow as an economy, we must grow by finding other markets than those that are domestic to us.

I come from an agricultural State. And now nearly $1 billion of our economy is tied up in world trade; some 35 to 38 percent of everything we grow and produce must be sold abroad if we are to maintain the kind of growth factors in that kind of economy we would expect.

Therefore, it is fundamental to this country that we begin to break down some of the barriers of Europe, of those countries that have engaged in protective types of economies for a good long while.

What we are debating here today, though, is not an agreement. It is not what will ultimately be an agreement. Because if any trade agreement damages the economy of this country, it is not the fault of the negotiator, it is the fault of those who would ultimately approve that agreement.

Today we are talking about process. We are talking about allowing this administration, and more importantly, that unique creation of our trade ambassador, which is really a relationship between the Congress and the administration, to allow a process to go forward that we have defined as fast track.

The letter I have asked be printed in the RECORD that came from Carla Hills is something I would ask all Senators to read and remind themselves, once again, that we are really engaged in a process, or in the ability to recognize one.

The letter breaks down and clarifies how our trade ambassador will begin to work in a continued Uruguay round. What I think is most important is to recognize that we have a direct relationship and a responsibility to participate with our negotiators as that process goes forward. That last December the U.S. delegation, there, included 7 Members of Congress and 55 staff members. Moreover, after significant negotiating sessions, U.S. negotiators routinely briefed Members—both Senators and Representatives and their staffs—and sought advice from them as that negotiating process went forward.

The letter works to break down all stages of the negotiations. And it very clearly shows how we will all become involved, that it really is not just the Finance or the Ways and Means Committee.

Carla Hills speaks of the importance of consultation with all committees of jurisdiction, as they walk, step by step, through what could ultimately be an agreement that they would work very closely with us, that this would be dozens of committees involved.

That is why we are debating a process this morning and not the final outcome.

EXHIBIT 1

U.S. TRADE REPRESENTATIVE,
EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, DC.

Hon. LARRY CRAIG,
U.S. Senate, Washington, DC.

DEAR SENATOR CRAIG: I enjoyed the opportunity to meet with you yesterday to discuss concerns you have regarding negotiations underway in the Uruguay Round and in the proposed North American Free Trade Agreement negotiations. I'd like to again assure you of the President's commitment to work with the Congress in the partnership envisioned by the fast track procedures as these negotiations move forward.

For the better part of this century, Congress and the Executive Branch have recognized that the negotiation and implementation of trade agreements require special cooperation. While assuring Congress meaningful participation throughout the negotiation process, fast track procedures reflect the understanding that trade agreements, in which results in one area are often linked to results in others, are particularly vulnerable to multiple amendments which, while possible small in themselves, could unravel entire agreements. Whether the balance of benefits contained in any trade agreement is in the overall interest of the United States can only be determined by looking at the whole package. Through the fast track, Congress gave the President the same bargaining power possessed by his counterparts: the ability to ensure the agreement reached internationally could be the agreement voted on at home.

Congress plays an enormous role under fast track procedures. At the outset, the President must notify the Congress of negotiations toward a bilateral trade agreement. During this pre-negotiation period, the Administration consults with all members with an interest, especially those on committees of jurisdiction over a subject matter being negotiated. In fact, if there are significant misgivings about negotiations, either the Senate Finance or the House Ways and Means Committee may vote to take away fast track for that negotiation during the 60 day period following notification.

Even before negotiations are off the ground, and throughout the negotiating process, we consult closely to ensure that our negotiating positions reflect congressional objectives and concerns. For example, in the Uruguay Round, Members of Congress have served as Advisers on the U.S. Delegation. Indeed, at the Brussels Ministerial meeting last December, the U.S. Delegation included seven members of Congress and fifty-five staff members. Moreover, after significant negotiating sessions, U.S. negotiators routinely brief Members and staff, whose advice on next steps is sought and reflected as negotiating positions evolve.

Congressional participation is not limited to the Finance and Ways and Means Committees. We consult each committee that would have jurisdiction over the various issues in a trade agreement. That included for example more than a dozen committees in the case of the U.S.-Canada FTA.

As the negotiations draw to a close, the President must notify the Congress 90 days before entering into an agreement, and must consult with *every* congressional committee with jurisdiction over legislation involving subject matters that would be affected by the trade agreement. In the U.S.-Canada FTA negotiations, consultations with Congress resulted in material modifications to the draft agreement during this 90 day period. Those modifications included, for example, deletion of maritime services from the agreement, clarification of some rules of origin, and improved tariff provisions (accelerated reductions for telecommunications equipment and furniture).

The close partnership between Congress and the Administration intensifies during the process of crafting legislation to implement a negotiated trade agreement. Congress and the Administration together prepare implementing legislation with full participation and markups in every committee of jurisdiction that seeks to assert it. In addition to reviewing the agreement and formulating any necessary implementing legislation, Congress and the Administration also work together on the Statement of Administrative Action which details how the agreement will be implemented through administrative action.

This process is not subject to time limitations and can go on as long as necessary. It is only *after* implementing legislation is actually introduced that the fast track clock begins, requiring a vote in both houses within 90 legislative days. This fast track clock does not dictate a rushed process. Ninety legislative days can be a very long time.

It should be noted that because the Administration has worked so closely with Congress during the negotiations and in the crafting of implementing legislation for previous agreements, the Congress has elected to vote its approval much earlier than required by the statute. The overwhelming majorities by which each of the three agreements submitted under fast track have been approved is convincing testimony to the success of the consultative process.

As the world's largest trader, the United States has an enormous stake in the future of the global trading system. Exports have become a vital source of strength to the U.S. economy. In 1990, the nearly 8.5 percent growth in U.S. exports accounted for 88 percent of U.S. economic growth. Idaho's exports in both the manufacturing and agriculture sectors have risen drastically in recent years. Manufacturing exports grew an estimated 78.1 percent between 1986 and 1990, and agricultural exports rose from $378 million in 1985 to $724.2 million in 1989—an increase of 92.1 percent. For every billion in exports, 22,000 jobs are created. In order to sustain the expansion of exports and consequent growth, we must continue our efforts to open world markets. We must maintain our active leadership role. Without an extension of fast track, those efforts are futile.

In order to turn those opportunities into realities, Congress and the Executive Branch must continue to work together in the manner envisioned by the fast track. I hope that you and your colleagues will travel to Geneva to observe our GATT negotiations and provide the advice and counsel which is crucial to successful negotiations. Again, I appreciate your support, and I look forward to working with you as these important negotiations move ahead.

Sincerely,

CARLA A. HILLS.

The PRESIDING OFFICER. The time allocated to the Senator from Iowa has expired.

The Chair recognizes the Senator from Oregon [Mr. PACKWOOD].

The PRESIDING OFFICER. The Senator from Indiana [Mr. COATS], is recognized for up to 2 minutes.

Mr. COATS. Mr. President, this year America is presented with a historic prospect. The opportunity to build a free market that stretches to every corner of a continent. The chance to find with neighbors North and South, the general benefits of shared growth. The prospect of becoming the heart of the largest economic market in the world.

If we can find responsible agreement with Canada and Mexico, together we will comprise an economic power containing 360 million consumers with a total of $6 trillion. The market that results will be 20 percent larger than the European Community. By demolishing the walls of protection with our first and third largest trading partners, we will add dramatically to a level of trade that already stood at $236 billion in 1990. Without the barriers that are currently in place it is difficult to see an upward limit.

This move to a continental market is rooted in both the clear merits of cooperation and the increasing urgency of competition. The economic union of the European Community, the emerging power of Pacific economies, the new competitiveness of Third World agriculture and steel; the world is a blurred image of swift change. We have no choice but to take steps ensuring our strength in the world economy and our access to markets close to home.

But while we have yet to start any negotiations with Mexico on a free-trade agreement, there are those in Congress and in important interest groups who hope to kill this process before it can begin. And the method they have chosen is to stop the fast track in its tracks.

The bill that is before us today—to extend the fast-track commitment that Congress has made to the President since the early 1970's—does not deny Congress the ability to reject an eventual trade agreement. It does not keep us isolated from the process while trade negotiations are underway. Before the President puts his signature on any agreement he must give Congress notice of 90 legislative days.

Fast track is simply a commitment to our current and future trade partners that an agreement signed by U.S. Trade Representatives will be the agreement that is ultimately voted on by the Congress—without countless changes. It is also a commitment that any new trade agreement will be considered in a reasonably brief period of time.

Without this pledge, I believe it will be difficult or impossible to convince foreign trade partners that it is worth their while to begin trade negotiations. In the absence of fast track, there is no guarantee other nations will not be faced with 535 trade negotiators rather than one designated ambassador. America would run the risk that trade agreements with our competitors will seem more attractive than with the United States.

There is nothing for Congress to fear in this careful process of negotiations. And I believe there is nothing for our Nation to fear from an outcome that favors free trade.

The criticisms of a North American Free-Trade Agreement are familiar. The Democratic National Committee asserts in a resolution that a free-trade agreement would be a disaster for workers in both countries and would destroy jobs in the United States while perpetuating exploitation of workers and inflicting widespread damage on the environment in Mexico.

Each of the charges is serious. But each of the charges promises precisely the opposite of what free markets can accomplish.

First, the environment. Mexico already has some tough environmental laws, sponsored by President Salinas and modeled on United States examples. And George Bush has promised that his negotiators will try to incorporate better environmental protection into an eventual trade agreement.

The problem is not in Mexican laws themselves, but in a chronic lack of resources to enforce them. There are only 12 Mexican environmental inspectors along the entire American border. Mexico spends just 48 cents per citizen on environmental protection while the United States spends $24.40. In order to fulfill the promise of its environmental laws, Mexico needs more resources and thus more trade. The industry of a nation in poverty is dirty. A wealthier nation can better afford the investment necessary to be responsible. In the words of a New Republic editorial, a more prosperous Mexico is better able to keep its environment clean.

That is clear enough. But the fear that jobs will be exported south of the border in a free-trade agreement is more deeply rooted and more widely argued. No trade agreement should be supported as an act of international philanthropy. American workers and American jobs must be a primary concern. But free markets have a way of working to everyone's benefit. And I am convinced American workers will profit when economic barriers are dismantled.

A trade agreement would begin a process that will bring growth to both sides of the border. First, it will increase American exports to Mexico by lowering that Nation's considerable trade barriers to desirable American products. Second, it will eventually increase Mexican incomes so they can better afford United States goods—building a hungry market close to home.

These increased wages earned by Mexico workers will bring them more in line with United States wage levels, decreasing the current incentive for American companies to relocate manufacturing to Mexico. A trade agreement which would strengthen the Mexican economy and increase Mexican wage rates would actually have the effect of decreasing the temptation for American companies to use workers who have a lower productivity rate than their American counterparts.

We've already had a taste of the future. Until Mexico joined the General Agreement on Tariffs and Trade or [GATT], nations in 1986, it had in place a nearly 100 percent tariff on imported goods from the United States. The situation today is improved, with barriers to U.S. imports now at 10 percent.

In those 4 years since Mexico opened its borders to American goods, United States exports have more than doubled from $12.4 to $28.6 billion in 1990. Manufacturing exports rose from $10 to $22.5 billion. Agriculture exports to Mexico—our fourth largest market—more than doubled to $2.5 billion. Our trade deficit with Mexico dropped from $4.9 to $1.8 billion.

This export expansion has produced in some estimates, 264,000 American jobs. The Department of Labor estimates that a free trade agreement continuing this progress would produce 44,000 to 64,000 new jobs for Americans over the next decade—a conservative estimate.

American workers are among the most productive in the world. Our output per worker is five to six times greater than that of Mexico and our manufacturing productivity grew more than twice as fast as Mexico's since 1980. Trade walls hurt American workers. They increase our trade deficit. Domestic markets alone cannot sustain our growing, productive manufacturing and industrial base. We search for foreign markets for our own good.

My home State of Indiana has a thriving manufacturing community that is increasingly dependent on export markets. Indiana's total exports for 1990 topped $6.5 billion. This figure represents a $1.1 billion increase in export business in 1 year alone—from 1989.

Some of our export products include transportation equipment, chemicals and allied products, industrial machinery and computer equipment, primary metal industries, electronic and electric equipment, fabricated metal products, instruments and related products, rubber and plastic products, and top quality agricultural products.

In 1990, Indiana exported some $160 million in goods—primarily machinery and metal products—to Mexico. This is an impressive amount but could be much higher. Indiana, confident in its products view free trade as an opportunity, not a risk.

A trade agreement would bring great benefits. But the absence of an agreement could do even greater harm. Without a trade pact there is nothing to prevent Mexico from restoring import barriers to our goods to 50 or even 100 percent. Mexico's President Carlos Salinas has proven himself an activist in the field of free trade and open markets. But this President, under the Mexican Constitution, will only hold office for one term. We have no indication of who his successor might be or what trade philosophies he might adopt. This is the time to put in writing a trade agreement with Mexico that will favor United States interests.

Whether or not we can successfully negotiate a trade agreement with Mexico that will benefit the United States remains to be seen. Yet I strongly believe that the potential gains from such an agreement make an excellent case for at least trying. And that will require us to support fast track.

As important as a North American Free-Trade Agreement will be to the future economic health of the United States, this is not the only trade area that would be adversely affected by a failure of Congress to approve fast track. The Uruguay round of multilateral trade negotiations continues and it is vital that we remain an active player in these talks.

The United States is the world's largest trader. In 1990 an 8.5 percent of growth in U.S. exports accounted for 88 percent of U.S. economic growth. While we still maintain a negative trade balance—magnified this past year by the Iraqi invasion of Kuwait and the subsequent jump in oil prices—our exports have continued to grow at a healthy pace. And I don't think anyone will deny that export growth means economic growth, higher employment, and greater investments in the manufacturing and other export sectors.

We can, as some advocate, try to address the trade imbalance with greater protectionism—as was done at various times during this century including the disastrous passage of the Smoot-Hawley Tariff Act of 1930. But it is clear what these policies actually accomplish. They slow our economy, increase the price of consumer goods for average Americans, and forfeit foreign markets to our international competitors.

Why not have enough faith and confidence in the quality of American goods and the productivity of the American worker to be an active player in international markets?

Why close the doors to working out some of our concerns over foreign labor policies or import barriers at the negotiation tables?

Why not put a little trust and faith in the President and his trade team. The last thing they want to do is negotiate a trade agreement with Mexico that is a bad deal for the United States economy and American workers. And I don't think the President will do that. But if he should, the Senate can still reject the deal.

Mr. President, I believe a recommitment to fast track is an essential element to keep the United States ahead of changes in the global economy. The results from our failure to approve this legislation would be inescapable. Congress will retain the ability to accept or reject trade agreements, but without fast track we won't have any agreements to debate. And America will be left with trade barriers at our borders—barriers that handicap our own growth.

The New Republic, in its editorial supporting a trade agreement, concluded that opponents "seem to believe that if poor countries get richer, Americans will get poorer. Happily, free markets don't work that way. Both sides can get richer." The Indianapolis News concluded,

> Overall when trade is freer, Americans and Mexicans will be better off because both countries will use their resources more efficiently. More will be produced, and the peoples on both sides of the border will have a higher standard of living.

From the Elkhart Truth:

> Some of the opponents of free trade with Mexico haven't yet grasped that economic development is a necessary companion of environmental protection; without it poor countries don't have resources to pay the costs. The effective way to keep from losing jobs through stagnation is to seek to expand U.S. markets. Combined with the United States and Canada [Mexico] would make North America the world's largest market. Rather than focus simply on preserving the status quo the United States will do better to help create this fertile source of new opportunities.

From the Evansville Courier:

> If the protectionists have their way, America will be no stronger, consumers will be deprived innumerable benefits, and poor Mexicans will lose a rare chance to lift themselves out of poverty and dependence.

America has no national interest in Mexican poverty. We cannot preserve our economic health by shutting off vast markets. A more prosperous Mexico is a larger consumer of American products. A more prosperous Mexico is a better defender of its environment. It is a fact: Both sides can get richer.

In summary, Mr. President, I do not believe it is possible to look at the world today, the sweeping economic changes and social changes that are taking place in this world, the challenges that are placed before our Nation in meeting those changes and staying competitive with the rest of the world, without giving the President the authority to negotiate an agreement that can—I stress the word can, I believe it will—be enormously significant to the U.S. economy, both today and in the future.

International trade is critical to the economic health of this country and it is critical to future economic growth. Whether we like it or not, that is a reality that we face. We cannot go back. The world's economy will not let us go back.

So I think it is extremely important that a good agreement be negotiated with Mexico, as we have with Canada; that we form an economic entity here in the North American continent that can compete worldwide. We can structure an agreement that can be good for everything. This is not a zero sum game. We do not have to take away from one to give to another. All can benefit. I think history shows that.

We can create more jobs, more opportunities for more Americans, if we can negotiate a good agreement. Let us have a little faith in the President and his negotiating team. If we do not like the final deal we can always reject it. But there is no way the President of the United States, his Trade Representative, and others can negotiate a deal knowing that 535 people are going to have an input into what is done. Let us give the President that authority.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. I yield 3 minutes to the distinguished Senator from Virginia. Mr. President, I extend that for 5 minutes.

The PRESIDING OFFICER (Mr. BAUCUS). The Senator from Virginia is recognized for 5 minutes.

Mr. ROBB. Mr. President, I rise today to express my support for the administration's request to extend fast-track authority for negotiating the North American Free-Trade Agreement and the Uruguay round of GATT.

After carefully considering the arguments on both sides, I have decided to vote against Senate Resolution 78 because I believe that, by disallowing fast-track authority, we will forfeit an important opportunity to explore the enormous possibilities that reducing or eliminating worldwide trade barriers holds, for this Nation's economic growth and prosperity.

Even those who oppose an extension of fast-track authority acknowledge that the United States stands to benefit in many ways from the opening of world markets to American goods and services.

Clearly, exports have increased in importance as a factor in U.S. economic growth in recent years, with nearly 40 percent of the growth in the gross national product since 1986 stemming directly from exports, and 88 percent of that growth in 1990.

It is a fundamental tenet of economic policy that economic growth creates jobs, and there is ample evidence that growth resulting from a removal of worldwide trade barriers will create significant numbers of new jobs in the United States.

Increased foreign trade and investment not only will boost the Nation's economic output in the near term, but will soften the negative impact of future economic downturns.

I am persuaded by all the available evidence that a disapproval of fast-track authority will scuttle any chance of a successful completion of the Uruguay round and will kill any prospect for the negotiation of a treaty of any sort with Mexico, regardless of the terms.

There is little doubt that the already fragile Uruguay round will collapse without the full cooperation and participation of the United States, and years of effort to achieve a real reduction in worldwide barriers to trade will have been wasted.

Further, Mexico and Canada have unequivocally stated that they will not even come to the table with the United States if our negotiators don't have a fast-track extension from Congress in hand.

I am also concerned about the consequences a disapproval would have on the role of the United States in any future international trade agreement negotiations, whether bilateral or multilateral.

Not many nations in the world would still be willing to invest the years of effort, or to negotiate in good faith, knowing full well that any final agreement would be subject to unlimited amendments on the Senate floor, any more than we would negotiate seriously with nations whose legislatures had similar authority.

Mr. President, like many Members of this body, I have some very real concerns about these negotiations and the agreements that could come out of them.

The President and his Special Trade Representative have pledged to address the major issues raised by opponents during the course of the negotiations, particularly those involving displaced workers and the environment.

If they are unsuccessful, this body will have the last word; and we can then exercise our best judgment as to whether the final agreements are in the best interests of the United States.

Without fast-track authority, however, there will not be any meaningful negotiations.

Mr. President, I believe it is important to give the administration the ability to finish what it has started in negotiating a new round of GATT and to allow it to sit down with the Mexican and Canadian Governments and negotiate the best possible agreement for all three nations.

I therefore urge my colleagues to vote against Senate Resolution 78.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. I yield 3 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 3 minutes.

Mr. HATCH. Mr. President, I hope all of our colleagues will consider supporting fast track because it is absolutely critical to our relationship with Mexico. A little less than a year ago, I visited Mexico and met with a number of their top leadership, including President Salinas de Gortari. I have to say I was shocked to find no Senators had visited the leadership of Mexico in more than a decade, and yet I know all of us have traveled all over the world, to the East bloc countries, Russia, South Africa, and everywhere else. Here we have our neighbors to the south, probably among the most important people in the world to us, and we are not even visiting them and showing that kind of concern.

Mr. President, this debate has not been about fast track but about the Mexican Free-Trade Agreement. Some have argued that United States industry cannot compete with Mexican industry, but the opposite is the case. Lower tariffs mean greater U.S. exports and more U.S. exports mean greater job growth in America.

Europe is integrating its economies, Japan is carving out a yen trading zone. If we fail to move forward with the North American Free-Trade Agreement, we will be left on the bench in the world trading game.

Mexico owes $95 billion in foreign debt. We can allow the Mexican people either to repay the debt through foreign trade or to pass the hat and collect the money through foreign aid.

Mexico is struggling to escape the quicksands of poverty and economic mismanagement. We should throw them a lifeline rather than stand on the sidelines. They are our third largest trading partner in the world.

We can create jobs in Mexico through free trade, or we will see the jobs of workers in America taken by illegal immigrants. We have a choice: We can enable Mexico to export goods or export workers.

I am most concerned about the double standard we have applied to Mexico. We passed a free-trade agreement with Canada. We passed a free-trade agreement with Israel. But we balk at passing a free-trade agreement with Mexico.

What was good for the United States before, the other side argues, is not good for the United States now. Those who pose as friends of the downtrodden and as advocates of foreign aid have jumped ship when they have a clear chance to help our Mexican neighbors to the south.

As the chairman of the Republican Hispanic Task Force, I have a special concern for this issue. I am tired of seeing certain Members of Congress pose as friends and supporters of the Hispanic people but turn their backs when they have an opportunity to do what is right, to do what is good. The vote today should be viewed as a litmus test for those who consider themselves to be friends of the Hispanic community.

The Mexican people are our neighbors. They are our friends. They are people who make a difference in all of our lives. The Mexican people do not want charity. They simply want to be treated as equal and valued partners. I suggest, Mr. President, they deserve no less, and they need a big vote today. They need to know we care. We do care, and I think this vote should demonstrate that.

The PRESIDING OFFICER (Mr. ROBB). The time has expired.

Mr. PACKWOOD. Mr. President, I yield 2 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. I thank the distinguished Senator from Oregon for these 2 minutes.

Mr. President, this has been a difficult decision for all of us. It seems like in this body we have attached fast track to legislation or trade agreements that we will be looking at on down the line. Basically, what we are talking about is just the ability to get to the table.

I fear for my own State, for agriculture in Montana, because I have a feeling we are a small constituency as far as people are concerned. We represent a large industry. Sometimes at the trading table, our chip is put on the table too quick, and it is picked up and dealt away, which has tremendous effects on our industry that I love.

I will tell my colleagues this. I will not support the resolution not to extend fast track. I will support fast-track legislation, and I will do it because we need a place at the table. But I also will tell the negotiators this: That as we make progress through it and we are left out of the process, or I see something coming down the road that happens that will impact my cattle business and my grain business and, yes, the biggest share of the industries I represent in Montana, it will be a big enough issue that I will lay down in front of the train to make sure it never comes to be a reality.

But I think we have to get to the table. So I will support the President because I know he has to have a free rein in order to negotiate.

I thank the Chair.

The PRESIDING OFFICER. The time allocated to the Senator has expired.

Mr. BURNS. I thank the Chair and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Mr. President, I yield 5 minutes to the distinguished senior Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for up to 5 minutes.

Mr. BAUCUS. Mr. President, like all Members of this body, I wear a number of hats.

I chair both the International Trade Subcommittee of the Senate Finance Committee and the Environmental Protection Subcommittee of the Environment and Public Works Committee.

I have a deep and abiding commitment both to a strong international trade policy and to a clean environment.

And from my chairmanship posts I have viewed with great interest the convergence of these two critical public policy goals.

Two factors have accelerated the convergence of trade and the environment:

First, there is a growing realization that trade agreements have environmental impacts.

Second, some of our trading partners have disguised trade barriers as environmental protection measures.

Not surprisingly, both of these issues are being discussed in the debate over extending the fast track.

THE NORTH AMERICAN FREE-TRADE AGREEMENT

The debate over free trade with Mexico brought the potential trade impacts of environmental protection into sharp focus.

I had been quite concerned that the combination of lax Mexican enforcement of environmental laws and a free-trade agreement could create serious environmental problems. The danger was that an incentive could be created for United States business to move to Mexico to avoid United States environmental regulations.

Such a migration could cost the United States jobs and spawn pollution.

I am happy to say that the administration's action plan for the NAFTA negotiations largely addresses this concern.

Five major commitments are made regarding environmental protection in the NAFTA negotiations:

First, the administration will appoint leading environmentalists to its trade policy advisory panels. This will build in environmental review of all key trade policy decisions.

Second, the administration ensured that all products imported into the United States meet our health and safety standards, and that the free-trade agreement will in no way undermine U.S. environmental protection laws. Each nation will retain the right to impose whatever scientifically sound environmental protection measures that it sees fit. In short, U.S. environmental protection laws will not be negotiated away.

Third, the administration will develop a joint plan to control all forms of pollution in the border area.

Fourth, the administration will conduct a complete binational review of environmental laws to be completed before the trade agreement.

Fifth, the administration committed to strengthening enforcement of environmental regulations in both the United States and Mexico. I should note in this regard, that Mexico's long dormant environmental enforcement program has sprung to life in recent months. Since 1989, the Salinas administration has ordered the temporary closing of more than 1,000 industrial facilities and the permanent closing of 82 facilities.

Taken as a whole, the environmental commitments in the action plan are a historic first step toward integrating trade and environmental concerns.

With the action plan in place, there can be little doubt that a NAFTA will improve environmental protection in Mexico. Conversely, pulling out of the negotiations at this point will set back environmental protection in Mexico.

It is no wonder that a number of America's leading environmental groups, including the National Audubon Society, the World Wildlife Fund, and the Natural Resources Defense Council, have responded very favorably to the action plan.

The one major weakness in the environmental Action Plan, however, is the lack of a specific enforcement plan. Before the NAFTA is approved by Congress, I will insist on a mechanism to monitor and enforce these environmental commitments.

THE GATT

The second major trade/environment issue is trade barriers that are disguised as environmental protection.

Unfortunately, some of our trading partners—particularly the EC—have cynically raised new trade barriers under the guise of environmental protection.

For instance, 2 years ago the EC banned importation of all meat that had been raised with growth hormones. The EC took this step even though the National Academy of Sciences and the World Health Organization both concluded that use of such hormones posed absolutely no human health risk.

In fact, there is no scientific evidence to support the EC's action.

Nonetheless, the EC imposed its ban on meat imports and American farmers and ranchers lost $100 million per year in exports.

Unfortunately, this is not an isolated incident.

Korea and Japan have interfered with the importation of American products under the pretext that they were contaminated with dangerous chemicals.

The Europeans also have imposed still other trade barriers against U.S. food exports under the pretext of environmental protection.

Certainly, every nation should retain the right to impose scientifically based environmental and health and safety restrictions.

But we must ensure that nations have a legitimate basis for environmental restrictions on imports. Otherwise, a whole new generation of disguised trade barriers will spring up around the world, and U.S. exports will suffer.

This is the essence of the current United States proposal in Uruguay round of GATT negotiations.

The United States is seeking to require that all environmental and health and safety restrictions on imports have a sound scientific basis and apply both to imports and domestic production. International dispute settlement panels are to be appointed to ensure that nations abide by these standards.

Some have raised concerns that this element of the Uruguay round could somehow lower United States environmental standards.

Nothing could be further from the truth.

The purpose is not to bring all environmental standards down to a lowest common denominator. It is merely to ensure that the standards are imposed for bona fide environmental and health and safety reasons and are not disguised trade barriers.

This is an objective that we can not only all live with, but should strongly endorse.

CONCLUSION

Other environmental issues have also been raised in the debate over the fast track.

In most cases, they are based on misunderstandings.

The administration has been forthcoming in addressing issues ranging from inspection of meat from Canada to United States asbestos standards.

Real progress has already been made. Environmentalists have for the first time been incorporated into our trade policy decisionmaking.

Further progress can be made. The vote on extension of the fast track is not our only chance to address these environmental concerns.

I and others will continue to monitor the trade negotiations to ensure that they promote both our environmental objectives and our trade objectives.

If an agreement is negotiated that threatens the environment, I will work to defeat it.

But I am confident we can negotiate agreements that open foreign markets and protect the environment.

Mr. President, farmers and ranchers have a huge stake in the debate over extending fast-track negotiating authority.

If authority is granted, the administration will use it to complete the Uruguay round of GATT negotiations and to begin negotiations on the North American Free-Trade Agreement.

Both of these trade negotiations—particularly the Uruguay round—are critical to American agriculture.

I strongly support extension of fast-track negotiating authority. Without such authority, others nations simply will not negotiate trade agreements with the United States—history makes that clear. And without trade negotiations, new markets will not be opened for American farmers.

I know that some of my colleagues have concerns about extending the fast track.

Let me assure them that no Senator is more concerned about the welfare of American farmers than I am. In my State of Montana, agriculture is far and away the No. 1 industry. Farmers and ranchers are the backbone of my state's economy.

And in my opinion, the interests of American farmers and ranchers—in Montana and elsewhere—are best served by extending fast-track negotiating authority.

EXPORTS ARE KEY TO AG GROWTH

I am convinced that the future health of American farmers is tied to international trade.

Demand for agricultural products within our borders is likely to remain relatively flat. Yet the productivity of our farmers continues to grow; farmers are able to produce more and more on the same amount of land.

Inevitably, the collision of these trends means we will lose farmers every year unless we find new markets for American agricultural products.

New markets abroad present the best hope for expanding opportunities for American farmers.

In most years, American farmers export 75 percent of their wheat crop and 40 percent of their soybean crop. They also export significant quantities of barley, rice, beef, corn, and many other commodities.

If all foreign barriers to U.S. agricultural products were eliminated, our exports could rise by $8 billion annually.

Already, our trade negotiators' efforts to dismantle foreign barriers to beef exports—in Japan, Korea, and elsewhere—have raised the price of an average steer by $75 to $100. Ranchers in Montana and the rest of the Nation are now enjoying the benefits of those trade negotiations.

FOREIGN TRADE BARRIERS

Unfortunately, barriers to America's agricultural exports remain widespread. The worst offender is the European Community.

In 1990, the EC spent $12 billion on export subsidies alone. The United States spent only $10.4 billion on its entire farm program. And EC export subsidies are only part of the web of European trade barriers.

The EC's barriers will not disappear by themselves. Negotiations in the Uruguay round represent our best hope for comprehensive reform.

IMPACT ON U.S. FARM PROGRAM

One fact sometimes is overlooked in the debate over the treatment of agriculture in the GATT: U.S. agriculture literally has nothing to lose.

As Ambassador Hills pointed out in recent testimony before the Senate Agriculture Committee, the current U.S.

proposal calls for all nations to cut domestic agricultural supports 75 percent from their 1986 level.

Once the 1990 farm bill is taken into account, the United States has already cut domestic supports by 75 percent for most major commodities. No further cuts would be required.

True, the United States may need to make some adjustments in other areas. But the bulk of the cuts in the U.S. farm program already have been made.

The question is not whether we will make those cuts in our farm program. We already have.

The question is will we force our trading partners to make similar cuts by completing the Uruguay round.

If we do not, if we let the EC go on subsidizing agriculture with impunity, our farmers will lose export markets and be worse off than they are today.

For these and other reasons, I am convinced that new trade agreements are in the overwhelming interest of American farmers.

THE BUDGET AGREEMENT

There is another issue in the fast-track debate that I believe has not received the attention it deserves—either here in Congress or in the farm community.

It concerns the agricultural provisions of last year's budget agreement. If the United States and its trade partners fail to reach a GATT accord on agriculture by June 30, 1992, the budget agreement requires the administration to increase spending on agricultural export programs by $1 billion and to extend marketing loans to all major commodities.

The administration also is directed to consider rescinding all farm cuts in the budget agreement.

This provision means that a vote for fast track puts farmers in win-win situation. Either the United States reaches a GATT agreement that expands export opportunities, or the Bush administration must reinstate well over $1 billion in U.S. agriculture supports.

There is only one losing scenario for farmers: a congressional rejection of fast track. The budget agreement provides that the increases in agricultural supports are not mandatory if Congress denies fast track.

Let me repeat: If the Congress disapproves extension of the fast-track, farmers, and ranchers lose at least $1 billion in farm supports.

The debate over fast track often seems hypothetical.

But last year's budget agreement creates one certainty that you don't need a doctorate in economics to understand: A vote against fast track wipes out $1 billion in agricultural supports that otherwise are mandatory. That is a certainty.

I think all Senators concerned about farmers should consider carefully this provision before they vote on the administration's request to extend fast track.

CONCLUSION

I have never been shy about criticizing the administration when I believe it is not aggressive enough in pursuing U.S. interests.

But I fail to see the danger in authorizing negotiations. After all, if we in Congress don't like the agreement that is negotiated, we can simply turn it down.

I believe the administration is making a good faith effort in addressing congressional concerns. Now it's our turn.

Agriculture is an export industry. Our best hope for future growth lies in opening new markets through international trade negotiations.

Those negotiations are only possible if fast-track negotiating authority is extended.

Mr. President, I ask unanimous consent that letters urging us to extend the fast-track from leading agricultural organizations be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FARMERS AND RANCHERS
FOR FAST TRACK,
May 8, 1991.

Honorable Member,
U.S. House of Representatives/U.S. Senate,
Washington, DC.

DEAR REPRESENTATIVE/SENATOR: You will soon be voting on whether to extend the President's "fast-track" authority to negotiate trade agreements.

The undersigned farmer and rancher organizations strongly urge you to support the fast-track extension and allow negotiations on foreign agricultural trade barriers to continue. The fast-track approval process allows Congress and the private sector to paticipate actively in the negotiating process and in the development of the implementing legislation before a final vote is taken. As you know, Congress will have the final say on all agreements reached under the fast-track process.

Without fast-track authority, trade negotiations cannot be pursued, and any hope of dealing with the hundreds of restrictions to U.S. farm exports will be lost.

We urge you to keep the trade negotiations alive and vote against the resolution to deny the fast-track extension.

Sincerely,

American Farm Bureau Federation.
American Oat Association.
American Rice, Inc.
American Seed Trade Association.
American Soybean Association.
Blue Diamond Growers, Inc.
California-Arizona Citrus League.
Farmers Rice Cooperative.
National Association of Wheat Growers.
National Barley Growers Association.
National Cattlemen's Association.
National Corn Growers Association.
National Forest Products Association.
National Grange.
National Pork Producers Council.
National Sunflower Association.
National Turkey Federation.
Rice Growers Association of California.
Southeastern Poultry & Egg Association.
Sun-Diamond Growers of California.
Sunkist Growers, Inc.
Tobacco Associates, Inc.
Tri Valley Growers.
United Fresh Fruit and Vegetable Association.

NATIONAL ASSOCIATION
OF WHEAT GROWERS,
Washington, DC, May 17, 1991.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, DC.

DEAR SENATOR BAUCUS: The purpose of this letter is to renew the strong support of the National Association of Wheat Growers for the President's request to extend fast track trade negotiating authority.

The Presidential intends to use the fast-track to complete negotiations under the auspices of the Uruguay round of GATT and to begin talks toward the achievement of a North American Free Trade Agreement. Success in both of these endeavors is critical to the continued health of the U.S. wheat industry.

Wheat is an export-dependent commodity. In an average year, we expect to export over two-thirds of our annual production. Unfortunately, international barriers to expand U.S. wheat trade are legion. American farmers are finding it increasingly difficult to compete against the unfair trading practices of the European Community and others. Farm trade reform is absolutely necessary. The current GATT round represents our only opportunity to achieve this goal. Extension of fast track will permit our negotiators to hammer out an agreement that is badly overdue.

With regard to the proposed negotiations for a North American Free-Trade Ageement, we also have objectives. Mexico represents a good export market for U.S. wheat. In the past, our trade with Mexico has been hampered by arbitrary import license requirements administered by the Mexican government and by the unfair trading practices of competing wheat exporters. It is our strong desire to see the complete elimination of both these barriers to trade.

Expanding on the latter point, brings us to another wheat grower objective in the NAFTA—we believe the negotiations should be used to reopen the U.S.-Canada Free Trade Agreement in order to settle disputes that were left outstanding. We are principally speaking about the issue of the Canadian Wheat Board's discriminatory pricing practices and Canadian subsidized rail freights.

In closing, passage of the Farm Bill and the Omnibus Budget Reconciliation Act of last year have made it clear to wheat producers that the federal government will no longer make available the level of income assistance provided in the past. We therefore need expanded trade opportunities and consistent access to markets in order to strengthen market prices received by farmers.

We respectfully urge you to consider our argument in support of fast-track extension and vote yes to free trade.

Sincerely,

RON RIVINIUS,
President.

MONTANA STOCKGROWERS
ASSOCIATION, INC.,
Helena, MT, May 13, 1991.

Hon. MAX BAUCUS,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BAUCUS: The Montana Stockgrowers Association urges your opposition of any resolution denying President Bush fast track negotiating authority. We believe that the ability of the U.S. to successfully compete negotiations of the Uruguay Round and begin talks with Mexico depends on whether the President has fast track authority. The Montana Stockgrowers Association and the National Cattlemen's Association support the extension of fast track authority.

The nation's cattlemen are just beginning to enjoy the benefits of a strong export trade. Beef exports have increase 600% in the last ten years. This will continue if the U.S. trade negotiations have fast track authority to reach tough bottom line agreements that reduce trade barriers.

We are confident the administration will work closely with Congress and industry organizations like the National Cattlemen's Association to insure equitable and meaningful trade agreements. We would urge, however, that you recommend that any trade agreement implemented insure that all imported beef be inspected and required to pass the same standards of inspection as beef produced domestically in the United States.

Thank you for your support.

Sincerely,

JIM COURTNEY,
President.

THE U.S. TRADE REPRESENTATIVE,
Washington, DC, May 23, 1991.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, DC.

DEAR SENATOR BAUCUS: During the hearings of May 8, you raised some questions about the Uruguay Round and the availability of deficiency payments for farmers. I would like to take this opportunity to clarify the U.S. GATT proposal and the U.S. negotiating position on this issue.

Neither the United States nor any other country has ever proposed elimination of support to producers. We have, however, agreed to a substantial reduction of internal support policies that are tied to production. Such policies would include deficiency payments.

The United States has proposed that trade-distorting internal support be reduced 75 percent over a 10-year period. If our proposal were accepted, at the end of the transition period, a maximum of 25 percent of base period support derived from trade-distorting policies would still remain available to producers.

It is unlikely that we will be able to persuade the European Community, among others, to accept our proposal in toto. You will recall that Ray MacSharry has talked in terms of a 30 percent reduction over 10 years. If his proposal were accepted, at the end of the 10 years, 70 percent of the base period support could still be tied to production, and thus include deficiency payments.

The United States has generally reduced its level of commodity subsidies in recent years. As a result, the United States would have fewer adjustments to make than would many other countries. For example, the U.S. wheat program was modified between 1986 and 1990 and again by the 1990 farm bill and budget legislation. As a result, a recent USDA analysis shows that the commitments proposed by the United States could be achieved with no additional policy adjustments on wheat through 1996. The same holds true for corn and grain sorghum.

Oilseeds have little support and protection in the United States. Reductions in U.S. soybean support based on the policies in effect prior to 1991 would have minimal effect. However, the 1990 farm bill authorized marketing loans for soybeans and minor oilseeds. Marketing loan outlays, if any, would be subject to the reduction commitment on internal support; however, the farm bill projections did not forecast marketing loan outlays through 1996.

It is important to recall that under the U.S. proposal the United States and other countries would have recourse to other types of programs to support producers in ways that do not distort trade. In general, such programs would be designed so that payments or other support to producers are not tied to current or future production; i.e., they would be "decoupled".

We expect to work closely with the Congress to determine exactly how the commitments resulting from the Uruguay Round might be implemented, and what types of "decoupled" programs might be appropriate.

I hope that this explanation is helpful to you.

Sincerely,

CARLA A. HILLS.

Mr. BAUCUS. Mr. President, the Senate will make a historic decision today.

When we vote on extension of fast-track negotiating authority, we will decide what economic path America will follow.

We will decide whether we will try to meet the world's economic challenges or hide from them.

We will decide whether we will go out and compete in the global marketplace or retreat behind protectionist trade barriers.

In many ways, this is the most important decision that we will make during this Congress.

Like many of my colleagues on the other side of this issue, I recognize the serious economic problems we face. But unlike them, I believe it is shortsighted and foolhardy to think we can bury our head in the sand and hide from those problems.

Instead of bemoaning the problems, we should be looking for solutions. And one of the best available solutions is to open foreign markets with trade agreements.

We have within our grasp a freer global marketplace that could create $1.1 trillion of growth in our economy over 10 years.

We can now almost see the outlines of a single North American market of 360-million consumers—the largest single market in the world.

But unless we approve fast track, those opportunities will slip away.

Mr. President, I strongly urge my colleagues to vote to extend fast track and make those opportunities into realities.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I yield 3 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming, [Mr. SIMPSON] is recognized for up to 3 minutes.

Mr. SIMPSON. Mr. President, let me particularly thank these people who have done such yeomen's work on this measure, and particularly Senator LLOYD BENTSEN of Texas. I have watched him. He has been absolutely superb—truly tireless in the cause. I believe the success which will soon be shown is largely attributed directly to him. I also commend my friend, the ranking member of the Finance Committee, Senator PACKWOOD. As usual, he has demonstrated in a remarkable way his skillful debating manner and his knowledge of the facts. There are others that deserve to be praised for their efforts: BILL BRADLEY; AL CRANSTON; DICK LUGAR; JACK DANFORTH; BOB DOLE, our fine leader on this side of the aisle; my colleague from Montana, who just spoke, MAX BAUCUS; JOHN CHAFEE; CHUCK ROBB; DENNIS DECONCINI; DAVE DURENBERGER and PHIL GRAMM. These people have worked in an extraordinarily effective bipartisan way.

This is big stuff. This is not the "kitty league." This is one of the most important things we will do in this Congress—this year—or any year.

I heartily commend Carla Hills. I have never heard anybody complain before that someone in the administration hung around the Chamber too much. It is usually that they are not here enough, or at least you hear that complaint. She has had the courage to do that and put in all the time that was necessary. With respect to the GATT negotiations, she has had the courage to walk away from the table when it was not in our Nation's best interests. And she will do it again if that is what is required. She is superb.

We will solve the problems of agriculture, but we cannot do it until we do this "double-track, fast track" and keep GATT here and keep the North American Free-Trade Agreement here—together.

We are all going to be players. Every one of us will be players before we come down the road with the final product. No one here will be left out. But just to think of having a trade agreement that is the ultimate of stability from the Yukon to the southernmost tip of Mexico, I think, is a most exciting prospect. I look forward to an agreement with Mexico that will be good for both of our countries.

Some of the things that have been said about Mexico were almost as if it was an undeveloped country. What a crude slap at our marvelous southern neighbor. They are a remarkable, burgeoning, highly developed country. They have a very fine President who chose to "go to the mat" on this one.

He is a man of real courage. We ought to protect him and support him in every aspect.

Before this is over, many tough issues will have to be addressed. We are going to tackle environmental problems, immigration problems, and a host of other issues that will come to the table.

I believe it would be highly detrimental to the future competitiveness of the United States to refuse the administration's request. If we pass up the opportunity to strengthen the economies of this hemisphere. We will be doing a real disservice to our country and our respective States.

A vote to extend fast track is a vote for future progress. It will help us to build global bridges between the United States and the rest of the world.

With fast-track authority the President can negotiate a free-trade agreement carefully and deliberately, with ensured consultations with those of us in the Congress, and with the guarantee that Congress can accept or reject the agreement as a package.

Without fast-track authority, the President will not have the credibility to negotiate free-trade agreements.

It is for these reasons that I believe we should ask ourselves: Is fast track in our national interest? Are the proposed North American Free-Trade Agreement and the GATT in our national interest?

I firmly believe in free-trade agreements and see them as important components in getting America back on its own track of prosperity. We will soon see the integration of the European countries into a potent single market. We have already seen the Pacific rim countries—Japan, Hong Kong, Taiwan, Korea, and Singapore successfully expand their market share in the world.

Global competition with these dynamic economies will require more cohesive trade alliances—which are so very much in the national interest.

The President's request to extend fast track included two very important trade agreements. First, fast track is needed to conclude the Uruguay round of GATT. We wisely walked away from reaching any accord last year when it became apparent that the Europeans and Japanese would not deal fairly on agricultural issues. Second, fast track is needed to commence negotiations of the proposed North American Free-Trade Agreement with Mexico and Canada.

Let's get rid of any confusion. We are not voting on a final free-trade agreement when we vote on the Hollings resolution. There has been no North American Free-Trade Agreement negotiated and the GATT negotiations have yet to be concluded.

The President took Congress' concerns to heart regarding the proposed agreement with Mexico and responded with great commitment to those issues in his May 1, 1991, action plan for future negotiations for the proposed North American Free-Trade Agreement. The action plan thoroughly outlined how the main concerns regarding the environment and labor would be addressed.

Under the NAFTA, jobs for American workers, increased trade, environmental improvements, and a stable prosperous neighbor are on the horizon.

The jobs issue is an important one—jobs and wages are the cause of the strident opposition of organized labor.

Dozens of studies on the different sectors of the job market are being conducted in Mexico and in the United States. The results of these studies will soon be released and can be taken into account as the negotiations proceed.

I empathize with the people of this country who are truly concerned with adjusting to increased competition from Mexico, and possible job displacement but many studies indicate that tariff adjustments will likely result in job and wage increases for the United States.

United States workers are well-positioned to adjust to increased competition from Mexico. We have wages that equate to the high productivity of our workers. Many labor opponents say that we should not enter a free-trade agreement with Mexico because of the wage disparity between our countries.

The fact is that if we restricted trade with countries which have low wages, we wouldn't have much trade in the world—most countries have lower wages than the United States.

If there is any net loss of jobs in the United States, we must have adequate adjustment assistance for those who are displaced.

The President will review our labor market adjustment programs as the negotiations proceed, and he will recommend whatever changes are needed in our unemployment insurance program, in the Job Training Partnership Act, and in trade adjustment assistance.

Labor Secretary Lynn Martin and her Mexican counterpart signed a memorandum of understanding last week outlining the shared concerns over labor standards, child labor laws, wages, and labor adjustment programs. The document was a commitment by our two countries to look for solutions.

Oliver Wendell Holmes once said, "I find the great thing in this world is not so much where we stand, as in what direction we are moving. We must sail sometimes with the wind and sometimes against it, but we must sail, and not drift, nor lie at anchor." There are great trade winds blowing in the world so we cannot afford to heave to while our competitors sail on.

As leaders in preserving the global environment, we have a great opportunity to assist Mexico in dealing with its environmental problems. To do this, we must assist Mexico on the road to greater prosperity.

Both countries will prepare environmental plans in conjunction with the NAFTA. These plans will be very comprehensive and they will be prioritized. Pure water will be at the top.

I strongly believe that a free-trade agreement will encourage and accelerate environmental improvements in all three countries—remember, after signing the free-trade agreement with Canada, we moved right into an acid rain agreement.

Mexico's resources—both human and material—and its political stability, combined with President Salinas' movement toward economic freedom can create an enormous market on our border.

For those who cannot clearly see the benefits of a politically and economically strong neighbor, I would call their attention to Canada.

Compare our border with Canada with other borders around the world—electrified fences between South Africa and Mozambique, European nations awaiting with great concern the outflow effects of the collapsing economic and political systems in the Soviet Union and its Eastern satellites, to mention just two.

Some members have raised the issue of the adequacy of the Mexican judiciary to handle disputes which may arise over provisions of the free-trade agreement.

This is an appropriate question, and the development of a dispute resolution device must be addressed in the negotiations between the administration and the Mexican Government in the consultations with the Congress.

I would assume the United States-Canada dispute resolution mechanism will be a model. That mechanism takes dispute resolution out of the Canadian and American judicial systems and puts it in an international arbitration panel. If that model is followed, there is no reason to question the adequacy of the Mexican judiciary.

Immigration is an issue in which I am particularly interested—over the short and long term.

The administration has said the immigration will not be on the table during negotiations, and I believe that may be a mistake. While we should not have free trade in labor between our countries, we should have much better cooperation from Mexico in the control of illegal immigration.

I believe immigration should be an agenda item during negotiations, and we should insist that Mexico work more cooperatively with us in controlling illegal traffic at the border.

A free-trade agreement by itself will not reduce illegal immigration—in fact, it may tend to increase it as improved conditions in Mexico result in more people having the money to make the trip to the United States. That is true in other countries of immigration outflow.

However, in the long run—20-30 years—basic improvement in the Mexican economy is the only humane way to solve the illegal immigration problem.

Regarding the Uruguay round of GATT—I foresee great progress on the horizon in reducing trade barriers and increasing trade in a variety of sectors of our economy—yet I remain concerned about the agricultural sector negotiations.

The long-term benefits of the present agricultural GATT proposal to reduce market access barriers, internal support subsidies, and export subsidies, has great merit, although my concerns for the U.S. sugar industry remain deep.

Sugar beet producers from my fine State of Wyoming approve of reducing international barriers to trade multilaterally, but not unilaterally. I believe that to ensure the competitiveness of the U.S. sugar industry, any reductions in tariffs must begin at the same starting point—that's what the President meant when he called for a global level playing field.

It will severely disadvantage the industry if we agree to reduce trade barriers without an equitable, reciprocal commitment from the Europeans.

I will continue to work closely with Ambassador Carla Hills and will urge the administration to work more closely with sugar producers to share information and move reasonably toward reducing world sugar supports.

I sincerely believe that without an extension of fast track we will be seen as consenting to the return to the days of protectionism. The entire world is watching us today to determine whether we still have that great American confidence that engenders global confidence.

Victor Hugo appropriately said, "there is one thing stronger than all the armies in the world and that is an idea whose time has come."

My fine colleagues, the time for reasonable free-trade agreements is now. I urge opposition to the resolution before us. The time has come.

I thank the Chair for the time.

The PRESIDING OFFICER. The time allocated to the Senator from Wyoming has expired. Who yields time?

Mr. BENTSEN. Mr. President, I yield to the distinguished Senator from Tennessee [Mr. GORE].

The PRESIDING OFFICER. The Senator from Tennessee [Mr. GORE] is recognized.

Mr. GORE. Mr. President, I want to thank my colleague from Texas for yielding time.

I want to pay my respects to the outstanding arguments made by my distinguished colleague from South Carolina, Senator HOLLINGS.

I would like to say that in the past few months, as we have moved closer to a vote on the extension of fast track, I have read and heard the views of quite a few people who share concerns very close to mine and who are opposed to this measure.

We want to see the interests of American workers upheld. We believe there should be a future for historic and still great American industries like textiles. We are dedicated in protecting the environment, and we are concerned about the economic interests of the State of Tennessee.

The argument that these opponents make, who as I have said share concerns about which I feel very strongly, is that if we in the Senate truly want to serve such causes, we should vote against fast-track authority.

But although I share so many of these same concerns and support these objectives, I find myself in disagreement with this proposed course of action, and I will vote in favor of the fast-track authority.

I do so in the clear knowledge and understanding, which I would like to reemphasize at this moment, that fast track is not a trade agreement. It is a procedure under which Congress agrees to expeditiously consider trade agreements which the President negotiates, and then to vote upon these agreements as a whole, rather than to amend them in piecemeal fashion.

Fast-track is not a way to make negotiations move along at super speed. Negotiations take as long as they need; sometimes many years. Fast track refers only to an assurance that Congress will consider a finished agreement in a predictable and reasonable period of time.

Trade agreements do not necessarily result because fast track is in place. It is no more than a means to an outcome but a very important means.

Since the depression, statesmen like Cordell Hull, from my hometown of Carthage, TN, have known that free trade, fair reciprocal free trade, is essential. And since its inception, fast track has been a powerful tool Presidents have used skillfully in trade negotiations.

Without it, other heads of government realize that although the President may negotiate and sign a trade agreement, Congress may debate that agreement for an eternity or change it beyond recognition. With fast track, other governments know where they stand. A bargain reached with the United States will be dealt with quickly by Congress, and either accepted or rejected.

Fast-track has become, therefore, an indispensable part of the process, allowing successive administrations to destroy trade barriers and promote the great surge in international trade so important to global prosperity and to our own prosperity here at home. Fast track may help to make agreements possible, but it should not be confused with the agreements themselves.

This vote today, if fast track is, indeed, approved, should not be interpreted by anyone as a signal that the Congress is prepared to just roll over and accept whatever agreement is negotiated. We have proven in times past that even under fast-track authority, Congress is willing to say to the executive branch, "Hold the show; we do not like the way this negotiation is going. You better fix some of these problems that are apparent to us."

Mr. President, we in the Congress must be prepared to take steps like those if these negotiations do not go well.

I also think that it is time to call for other measures to improve our Nation's competitive position in order to help make sure that we do gain the benefits which sensible agreements can provide to us.

Fast track does not mean that Congress steps out of the picture, giving the President and his negotiators free rein to wheel and deal with the economic future of our country. Congress has always been closely consulted along the way in trade negotiations, and the outcomes of those negotiations reflect efforts by administrations to obtain concessions they know have strong support in Congress, and to avoid making concessions that might jeopardize congressional approval of the final product. And, it must be stressed, in the end Congress gets to accept or reject trade agreements.

Any major trade agreement will always be a mix of compromises and trade offs. To reach agreement at all, everyone concerned has to give up some things in order to get others. Moreover, because negotiators will be almost literally trading off apples and oranges, there will never be a single standard against which to measure the impact and value of an agreement.

Ultimately, there are only two ways to judge whether such complex bargains are acceptable: You can look for individual flaws so bad they make the entire package not worth having, or you can try to obtain a sense of the balance and impact of the agreement as a whole—a judgment that comes only after taking time to examine the details.

These are the kinds of judgments Congress makes under fast-track procedures. In this way, Congress can exercise its constitutional authority to regulate commerce with foreign nations, without crippling the President's constitutional authority to negotiate the treaties and agreements essential for trade to flourish.

As I considered arguments presented against extending fast track, it became very clear to me that the real issue was not fast track itself, but fears about specific agreements that might be concluded while the extension lasts: Namely, a new multilateral trade pact under the Uruguay round, and, especially, the proposed United States-Mexico Free-Trade Agreement.

There is plenty of justification for economic fear in our country. Our economy has been mismanaged by the Reagan administration in ways the Bush administration seems determined to continue. The kind of economic destruction and withering that we have seen in this country did not have to occur because of some unchangeable economic law.

Our consumer electronics industry did not have to be short circuited. Our textile industry did not have to be pushed to the wall. Our steel industry did not have to look extinction in the eye. Other industries did not have to be decimated.

These things occurred as the result of disastrous mismanagement of national economic policy. It was the result of Reaganomics that for 6 long years, ultra-high real interest rates led to a U.S. dollar so over valued it just sucked foreign imports into this country, and killed off our exports at the same time. It was administration policy to ignore cries for help from industries that were being pushed to the brink by this competition. It was administration policy to block meaningful adjustment assistance. It was administration policy to smile at 10 years of financial fantasy, in which money went down the rathole of junk bonds and market deals, instead of into productive investment.

People are indeed afraid. But they are afraid because of events which were not the inevitable results of foreign competition, but rather, events that could have been avoided. They are afraid because they have tasted the fruits of this administration's inherent preference for what is in the corporate bottom line, rather than what is in the paychecks of working men and women.

On key environmental issues such as atmospheric warming and the greenhouse effect, the Reagan administration was simply beyond reach. On this issue, as on so many others, the Bush administration talks a better game, but at heart is reluctant to recognize the need to shake off complacency and to move forward. In this area, too, people have good reason to believe that this administration, like its predecessor, has only one real index of merit: the short term, shortsighted, well-being of the well-to-do.

But the world is moving whether we like it or not. There is no remedy for our problems and no way to dispel our fears by rejecting the process of negotiating trade agreements, which is what would happen if we reject fast track. Our country does not have the power to solve its biggest trade problems simply by relying on the threat of penalties and retaliations. What we want from other countries cannot be had if all we have to offer is a stick and no carrot.

The stakes are huge. We are losing many scores of billions of dollars a year in potential business because of trade barriers of one kind or another. We can get indignant about that fact, but we had better also understand the realities we have to deal with. Every one of those trade barriers is regarded as absolutely indispensible by some interest group or some block of voters in some other country. What is simple economic justice to us, is not likely to be seen in the same way by others. In this kind of situation, the only solution is to bargain toward compromise that will be politically sustainable on all sides of a negotiation.

Rejecting fast track will, without any doubt, disable this process. It will disable not only this President but his successors, because once the precedent is established that Congress will tie the Chief Executive's hands in this way, the implications will cast a long shadow into the future. Voting down fast track will expose the United States to the certainty of continued loss, but will deny us even the chance to balance those losses with other gains.

To me, it is manifestly clear that the United States must be able to negotiate on behalf of its trade interests. For this to be possible, the President must have Congress' commitment to fast track. If the President brings back to Congress agreements that do not fit our country's needs, it is up to Congress to recognize that and vote down these agreements.

If there is reason to believe that a Uruguay round agreement will destroy the American textile industry, then Congress must struggle with that when it is evaluating the actual agreement. If there is reason to believe that an Uruguay agreement pays insufficient attention to environmental concerns, or may even make them worse, then Congress needs to take that into account when it sees the text, and when it evaluates whether the next round of negotiations can make the necessary improvements.

In the same way, if there is reason to believe a Mexican Free-Trade Agreement will further undermine the living standards of American workers, by encouraging a flight of American industry toward cheap labor, then that needs to be debated as the negotiations proceed, and to be part of the judgment when Congress must vote on the final product.

If there is reason to believe that a Mexican Free-Trade Agreement will create an environmental Hell's Kitchen in Mexico, with effects spilling over into the United States, that too needs careful scrutiny and debate as the negotiations proceed, and as Congress evaluates such an agreement when the results are there to be studied, in concrete terms.

But Congress should not try to protect the American people by striking down the process by which agreements can be fashioned. That process has to go forward, unless we want to see our economic problems multiply until they are overwhelming. Congress must protect the American people by insisting along the way that certain protections either be present in the basic agreement or present in side agreements and in domestic legislation, and that these protections must be in hand, at the moment Congress must vote on trade agreements.

On May 1, the President sent all of us a letter outlining in some detail what he is prepared to do to work with the Congress on a Mexican Free-Trade Agreement. With permission, I will ask that a copy of the President's proposals be placed in the CONGRESSIONAL RECORD along with my remarks, in hopes that people who read one will also read the other. That letter wasn't perfect. But, frankly, it does put the ball back in Congress' court.

As a result we have a choice now, between voting to freeze trade negotiations in their tracks or to accept the President's proposals for a much more intensified collaboration between Congress and the executive branch. I have to say that if we reject the possibility for such collaboration, it seems to me that we will actually be voting no-confidence in ourselves.

You do not have to oppose the fast-track process to support American workers. You don't have to oppose the fast track to support strong environmental protections. Supporting the fast track does not mean you will support any agreement it will finally help to produce. It means only that you believe our trade negotiators must work from the strongest position possible.

It is from that position of strength that the concens of America's working men and women will be addressed, and our environment will be protected. If our negotiators fail—despite the flexibility and bargaining power offered by the fast-track process—and they bring back to Congress an agreement that falls short, then that agreement should be rejected.

Voting to extend fast track means only one clear thing about the future: That America will be in the game, able to protect its needs at the bargaining table. That is why, even though I understand why people are concerned about what trade agreements may bring, and even though I share those concerns deeply, I will vote to sustain fast track.

Mr. President, I ask unanimous consent that the executive summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Executive Summary—Response to Issues Raised in Connection With the Negotiation of a North American Free-Trade Agreement

In letters to the President from Chairman Bentsen and Rostenkowski, and from Majority Leader Gephardt, the Administration has been asked to address a variety of economic, labor and environmental concerns that have been raised about the proposed North American Free Trade Agreement (NAFTA). The Administration's response sets forth detailed action plans for addressing these concerns, as well as views on the economic impact of a NAFTA.

The Positive Economic Impact of a NAFTA

From 1986 to 1990, as Mexico reduced import barriers, our exports more than doubled from $12.4 billion to $28.4 billion, generating 264,000 additional U.S. jobs.

Under a NAFTA, we can do even better. Mexico still has higher trade barriers than the U.S. Mexico's average duty is 10% compared to 4% in the U.S. Significant nontariff barriers remain. We therefore have much to gain from the elimination of these barriers.

All three major economic analyses done to date corroborate that the U.S. will benefit from a NAFTA in exports, output and employment.

We will benefit from Mexican growth: for each dollar Mexico spends on imports, 70 cents is spent on U.S. goods; for each dollar of GNP growth, 15 cents is spent on U.S. goods.

Further, the resulting economic integration will strengthen the ability of the U.S. to compete with Japan and the EC.

Adjustment Provisions We Will Seek in the NAFTA

Transition Measures: In order to avoid dislocations to industries and workers producing goods that are import-sensitive, tariffs and non-tariff barriers on such products should be eliminated in small increments over a time period sufficient to ensure orderly adjustment.

In determining import sensitivity, we will rely heavily on advice of the International Trade Commission, the Congress, and the private sector.

We will be prepared to consider transition periods beyond those in the U.S.-Canada FTA.

Effective Safeguard Provisions: Even where reductions in tariffs and other trade barriers are staged over a lengthy period, there may be isolated cases in which injurious increases in imports could occur. To prevent injury from such increases, we will seek to include in the agreement a procedure allowing temporary reimposition of duties and other restrictions.

This mechanism should be designed to respond quickly, especially in cases of sudden import increases.

Special "snap-back" provisions should be included to address the unique problems faced by producers of perishable products.

Strict Rules of Origin: We will negotiate rules of origin to ensure that the benefits of a NAFTA do not flow to mere pass-through operations exporting third-country products to the U.S. with only minimal assembly in Mexico.

Rules of origin will impose clear, tough, and predictable standards to the benefit of North American products.

We will seek to strengthen the required North American content for assembled automotive products.

We will consult closely with the private sector and the Congress in designing these rules.

Domestic Worker Adjustment Program

Since trade barriers on sensitive products should be decreased over a long timeframe, we do not expect immediate or substantial job dislocations.

Nevertheless, beyond including adjustment provisions in the NAFTA itself, there is a need to assist dislocated workers who may have adjustment difficulties.

The Administration is committed to working with Congress to ensure a worker adjustment program that is adequately funded and that provides effective services to workers who may lose their jobs as a result of an agreement with Mexico.

Whether provided through the improvement or expansion of an existing program or through the creation of a new program, worker adjustment measures should be targeted to provide dislocated workers with comprehensive services in a timely fashion.

LABOR ISSUES

Labor Mobility

We have agreed with Mexico that labor mobility and our immigration laws are not on the table in NAFTA talks, with the possible exception of a narrow provision facilitating temporary entry of certain professionals and managers.

Worker Rights and Labor Standards

Protections afforded by Mexican labor law and practice are stronger than generally known.

Mexico's laws provide comprehensive rights and standards for workers in all sectors, including the maquiladoras.

Mexico has ratified 73 International Labor Organization conventions on worker rights, including those on occupational safety and health.

Mexico has a minimum working age of 14 and mandates special protections and shorter working hours for those between the ages of 14 and 16.

A substantially higher proportion of the Mexican workforce is unionized than is the U.S. workforce.

While enforcement problems have resulted largely from a lack of resources, a NAFTA would both raise living standards and create resources for enforcing existing laws.

Future United States-Mexico Cooperation on Labor Matters

Memorandum of Understanding: The Secretary of Labor and her counterpart from Mexico are prepared to sign a Memorandum of Understanding providing for cooperation and joint action on a number of labor issues which could be implemented in parallel with our FTA negotiations.

These include health and safety measures; work conditions, including labor standards and enforcement; labor conflicts; labor statistics; and other areas of concern to the United States and Mexico.

Specific Projects: U.S. and Mexican officials have agreed on joint projects to address specific concerns in the labor sector.

Initial projects include: occupational health and safety; child labor; and labor statistics.

ENVIRONMENTAL ISSUES

Mexico's Commitment to Environmental Protection

Mexico has no interest in becoming a pollution haven for U.S. companies.

Mexico's comprehensive environmental law of 1988, which is based on U.S. law and experience, is a solid foundation for tackling its environmental problems.

All new investments are being held to these higher legal standards and an environmental impact assessment is required to show how they will comply.

Enforcement has in the past been a key problem, but Mexico's record has been improving dramatically. Since 1989, Mexico has ordered more than 980 temporary and 82 permanent shutdowns of industrial facilities for environmental violations; the budget of SEDUE (Mexico's EPA) has increased almost eightfold.

Environmental Issues in the NAFTA

Protection of Health and Safety: We will ensure that our right to safeguard the environment is preserved in the NAFTA.

We will maintain the right to exclude any products that do not meet our health or safety requirements, and we will continue to enforce those requirements.

We will maintain our right to impose stringent pesticide, energy conservation, toxic waste, and health and safety standards.

We will maintain our rights, consistent with other international obligations, to limit trade in products controlled by international treaties (such as treaties on endangered species or protection of the ozone layer).

Enhancement and Enforcement of Standards: We will seek a commitment to work together with Mexico to enhance environmental, health, and safety standards regarding products, and to promote their enforcement.

We will provide for full public and scienific scrutiny of any changes to standards before they are implemented.

We will provide for consultations on enhancing enforcement capability, inspection training, monitoring, and verification.

Joint Environmental Initiatives

In parallel to the FTA negotiations, we intend to pursue an ambitious program of cooperation on a wide range of environmental matters.

We will design and implement an integrated border environmental plan to address air and water pollution, hazardous wastes, chemical spills, pesticides, and enforcement.

During the design phase of the border plan, there will be an opportunity for public comment and hearings; during implementation, there will be periodic comprehensive reviews.

We will consult on national environmental standards and regulations, and will provide an opportunity for the public to submit data on alleged non-compliance.

We will discuss expanded cooperative enforcement activities, such as coordinated targeting of environmental violators.

We will establish a program of technical cooperation and training, which will include facilitating sharing of technology for pollution abatement.

Informed Policy Making and Public Participation

We will broaden public participation in the formulation and implementation of trade policy to ensure that efforts to liberalize trade are consistent with sound environmental practices.

We will appoint individuals to selected trade policy advisory committees who can contribute both an environmental perspective and substantive expertise.

In consultation with interested members of the public, we will complete a review of U.S.-Mexico environmental issues, with particular emphasis on possible environmental effects of the NAFTA, to enable U.S. officials to consider the results during FTA negotiations and other bilateral efforts.

Mr. GORE. Mr. President, I think it has been a good debate on both sides. I think this is an extremely important matter. I think that it is important for this Congress to be on the right side of history on this issue. I believe that a North American free-trade zone, if it can be properly negotiated and implemented, can be a historic turning point for this country.

Similarly, I think that, with a little extra political courage on the part of European and Japanese leaders, we can see the Uruguay round come off dead center and get moving again. We either move forward or we move backward.

In this vote, the Congress has the opportunity to say: Not necessarily move on this agreement or that agreement, but we give you the authority to negotiate good agreements which give us an opportunity to move forward, but we reserve the right to scrutinize carefully the agreement which comes back from the negotiations as a result of the authority that we are extending to you with this vote today.

I will vote in favor of the authority for those reasons.

Mr. PACKWOOD. Mr. President, how much time do I have left?

The PRESIDING OFFICER. Four minutes, 48 seconds.

Mr. PACKWOOD. I yield to myself such time as I may need.

Mr. President, there is an ebb and flow in all nations in terms of their production. They start out as hunters and gatherers in the primitive stage. Then they domesticate animals, and they discover they can be more productive domesticating animals than hunting them. Gradually, they move to an agricultural stage, then a manufacturing stage.

What if I were to make the argument: Do you know one person in two 100 years ago was employed in agriculture in this country? And now look, one in 100. What a failure. This country has gone backward I might argue.

But Mr. President, we cite that figure with pride. We say it used to take half the population to feed all of the population and now one person in 100 can do it. And we are not worse off because of that. Those people left the farms in the twenties and thirties and went into the manufacturing sector because that was the next big sector that was growing.

Now the argument is made we are losing employees in textiles, in steel. We are not, however, losing in total manufacturing output as a percentage of our total gross national product. We are simply manufacturing more and better products with fewer people, just as we grow more and better food with fewer people. As we became more productive people began to move into the next era, which, by and large, was services, banking, electronics, and computers. And the same thing is happening in all manufacturing countries in terms of employment in their manufacturing sector.

That is going to happen whether or not we preserve fast-track. The key for the United States is to be on the cutting edge of the curve and to realize that nothing is static. If there is any constant in history it is change. We can compete. We can beat the world in agriculture. We do beat the world in agriculture. We are now competing successfully with the world in manufacturing, with fewer people turning out more goods, and we are beating them by and large in services.

So we have nothing to fear from competition, be it from an industrialized country like Germany or Japan, or a less industrialized country like Mexico. Our fear is not that they can beat us. Our fear ought to be that we might be afraid to compete. But if we do compete, we will win.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Mr. President, I yield such time as I may require.

Mr. President, let me first state my appreciation to the Senator from Wyoming for his kind comments about me; then to say to the distinguished Senator from Oregon, who is the ranking member of the Finance Committee on the Republican side, how much I appreciate his efforts and his partnership in this; and to say thank you to my friend, the Senator from Montana, who has been diligent in his service and help in this debate; and to my friend from New Jersey for his eloquent presentation; and to my friend from South Carolina, the author of the resolution, who has been articulate, and I hope not too persuasive, in his presentation of his resolution.

So we have had a good debate. The rules of fast track demand that. We have gone into labor issues, the environment, worker adjustment, and even into some of the details of the agreement itself. Now it is time to face our decision.

Mexico has been alluded to time and time again as though it really did not matter what happened down in Mexico. This is the only place in the world where you have a developing country sharing a border for some 2,000 miles with a major industrial power.

Go to the small towns of Mexico, and you will find them denuded of men aged 16 to 50. The wives are there, the children are there, the old people are there. But the others have gone to try to help their families. They have moved across into the United States, taking jobs, as illegal aliens. Fly along the Rio Grande. You will see paths going down to the river itself. Often those are not hoofprints; they are bare feet, they are sandals, they are zapatos headed north. Those who think they just stop in Texas and in the border States: Do not believe that. The number of people, from Mexico has increased four times in the New York City area over the last 2 or 3 years. So they spread out looking for jobs.

I think back to my own ancestry. I was back in Denmark, visiting the American Ambassador to Denmark, and he said, "I guess you are back here looking at all your ancestral castles." I said, "Let me tell you something Mr. Ambassador. If my family had had castles, they would have never left this place." They were having tough times in Denmark. So they were ready to pull up their roots, a country they loved, friends they understood, a language they could speak, to go to a new land. There are not many kings and queens in our genes, but there are sure a lot of risktakers.

That is what you have coming across from Mexico: People who have just as much love and concern for their families and are trying to see that they have bread in their stomachs, food to live on. So they come here.

Is it better for us to have a rich neighbor or poor neighbor? Do we sell more to a rich neighbor or a poor neighbor? We sell $350 per capita to the people in Mexico. We sell $3,000 per capita to the Canadians. And, yet, for the Mexicans, we are their supplier of choice. We provide them 70 percent of what they spend abroad. Trade with Mexico has doubled in the last 4 years, adding some 400,000 additional jobs in this country.

As we examine that trade, we find we are sending more manufactured products to Mexico than they are sending back to us. Their tariffs are about two and a half times as much as ours, and yet you have a President down there who is trying to make Mexico an international competitor and who is moving away from protectionism. We ought to take advantage of that to expand the products from this country that we sell there.

Thinking of farmers, thinking of dairymen, Mexico is the No. 1 milk importer in the world. People say we are going to have this great exodus of jobs. If I believed that, I would fight every step of the way against an agreement. But I do not believe that. Companies can move there now. The U.S. duty on automobiles in 2.5 percent. The average duty here is 4 percent. Over 50 percent of the products coming from Mexico come in here duty free. Mexico is a sovereign nation. It can take away all the duties if it wants. It can make investment as profitable as it wants. That is Mexico's decision.

Then I look at Europe and I hear all the pious talk about free trade, and I look at Edith Cresson moving in as Prime Minister in France.

I remember talking to Mrs. Thatcher about the lake country and I asked:

Are you going to ask for domestic content in cars built in that automobile plant? She said, yes, 60 percent.

Than I asked Prime Minister Rocard of France: Are you going to take the cars from the Nissan plant in the lake country in the north of England? He said, certainly not. I said, why not? He replied, the cars only have 60 percent domestic content and we demand 80 percent. And Miss Cresson is more of a protectionist than Rocard.

What do we do? Do we back away and not negotiate? Do we pull back into our shell in this country and say we just hope things will get better? Certainly not. That is not a path America has ever taken.

Since 1934, Congress has given the President authority to negotiate trade agreements on some form of a fast track. Franklin Roosevelt was the first to ask for it, and Congress has given it to every President since, in some form. If we vote today against fast track, we will turn our backs on more than a half century of bipartisan American policy, designed to make our trading partners come to the table and open up to American products.

We are not voting on an agreement today. We are voting on giving a President authority to negotiate agreements. The House has already spoken. Yesterday they voted to extend fast track by 231 to 192. Now it is our turn. Make no mistake about it, if we vote down fast track, the signal will be heard around the world. It will be heard in Europe where EC farmers want to keep their subsidies so they can dump their products below price on the world markets. It will be heard in Japan, where a failure here would give them an excuse not to buy United States rice. It will be heard in Mexico City.

Mr. President, I prefer to send a signal that says America wants to open up trade to American products abroad. I urge the defeat of the resolution.

The PRESIDING OFFICER. All time controlled by the Senator from Texas has expired.

Mr. PACKWOOD. Mr. President, I yield back the remainder of my time to the Republican leader.

The PRESIDING OFFICER. The Republican leader is recognized up to 1 minute 57 seconds.

Mr. DOLE. Mr. President, I still have leader time, do I not?

The PRESIDING OFFICER. Yes. There is a unanimous-consent agreement that will require a vote at 12 noon.

Mr. DOLE. I do not believe I will need much more than a minute.

Mr. HOLLINGS. I still have 6 minutes.

Mr. DOLE. I ask unanimous consent that I be permitted to use 2 minutes of the leader's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, there are certain issues that truly divide the Senate.

But, I think that one issue we are completely united on is—that when Americans are competing in a trading system free of subsidies or artificial barriers, we can outproduce and outsell anyone, anywhere in the world.

This is the theory behind fast track. We have an opportunity to express our views on the importance of open world markets.

Over the past few months, certain Members have expressed reservations over the fast-track process itself. Others are very concerned over the prospects of a free-trade agreement with Mexico.

FAST-TRACK PROCESS

In the case of the fast-track process, I believe these concerns are unfounded.

Approving fast track does not mean that Congress will be deprived of its constitutional responsibility.

In fact, the procedures within fast track ensure that Congress is involved every step of the way.

Fast track requires extensive notification and consultation.

The procedures preserve our role during the negotiation, approval, and implementation of any agreement.

Moreover, President Bush, in no uncertain terms, has committed to a coordinated effort. And we have witnessed that effort—I cannot remember a time when we have been so well briefed by the administration on any one issue.

And let us not forget—we have the last word. If an agreement is not acceptable, it can be rejected by a simple majority.

Any agreement, whether the Uruguay round or NAFTA, must stand or fall on its own merits.

I will lead the fight against any final agreement which I believe is not in the best interest of America.

NORTH AMERICAN FREE-TRADE AGREEMENT

And for my colleagues who oppose fast track over concerns of an agreement with Mexico, I believe their actions are premature.

At this time we are simply voting on whether or not to pursue opportunities.

The issues my colleagues raise are legitimate concerns—no doubt negotiations will involve difficult and controversial issues.

But, revoking fast track is not the solution.

The legitimate concerns of environmentalists, labor unions, and others can and will be addressed during the negotiation process.

Indeed, many are already being addressed. For the first time, we will have environmentalists on key trade policy advisory committees.

And, we have signed a memorandum of understanding with Mexico for cooperation and joint action on a number of labor issues including health and safety measures and work conditions.

So, what is a stake?

If we revoke fast track, we will lose the ability to negotiate with Mexico on the environment, worker rights, and labor standards.

And we will not lose that opportunity because we voted down fast track.

We will lose that opportunity because we often criticize Mexico's inability to deal with these problems—yet, we will have denied Mexico a chance at strengthening their economy. A stronger economy will enable them to deal with these problems.

And let us not forget that NAFTA is not a substitute for a worldwide multilateral trading system.

Fast track is also needed to complete the Uruguay round. These negotiations were stalled for a time—but they will be lost forever without fast track.

Failure to extend fast track would signal a serious change in our policy of international and economic cooperation. This would have detrimental consequences beyond trade—beyond borders.

A successful Uruguay round is in the best interest of the United States. The round needs our leadership.

In 1974, when we created fast track, we started down the path toward market freedom. Let us not give up now.

International trade is more important than ever. We should not hesitate in our efforts to open world markets and pursue economic growth and prosperity.

Mr. President, I know many Members need to vote and have other holiday weekend plans that are very important. I have listened to nearly all of the debate. It has been a good debate, as pointed out by the distinguished chairman of the committee. It has been bipartisan. It should be bipartisan.

I have been trying to figure out why this vote is so difficult. Maybe I am missing something. It seems to me it would be a very easy vote to extend the process. As pointed out by Senator BENTSEN, we are not voting on any agreement. If we are concerned about Mexico, and the environment, and labor, then we ought to have the fast-track process so we can discuss those concerns. We ought to strengthen their economy, and we ought to be doing what we are doing. I cannot find any valid reason for not wanting to extend the process.

The protest that started in 1974 started, I might add, with a Democratic Congress. It has always been bipartisan, and it still is. This vote will be bipartisan. I do not think anybody is in the process of changing their minds at this late point.

I must have missed something along the way. The process should be continued. We should give the President the authority to negotiate. And we ought to be able to vote up or down on the agreement. We may be against the agreement if it comes, any agreement. So I say to my colleagues, for all the reasons that have been stated on this floor on both sides of the aisle in support of the fast-track process, I hope we have a good strong vote in the Senate and send the right message around the world.

Mr. HOLLINGS. Mr. President, I want to amend the treaty. That is what is at issue here. The distinguished Senator from Kansas says what is the big issue? Let us discuss it when we get it. We do not even have it. He is right.

But when I get it, you can bet your boots I have an amendment to it.

I ask unanimous consent to have printed in the RECORD at this particular point, from the San Jose Mercury News, an article entitled "Mexico Seeks To Expand Cuba Ties, at Risk of Rocking U.S. Trading Boat."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEXICO SEEKS TO EXPAND CUBA TIES, AT RISK OF ROCKING U.S. TRADING BOAT

(By Katherine Ellison)

HAVANA.—Mexico is planning to boost business with Cuba, despite the risk of vexing the United States in the midst of U.S.-Mexico free-trade talks.

The United States forbids its own companies to trade with the communist nation. But in recent interviews, Mexican officials have conjured visions of expanded trade, including profit-sharing in Cuba's raw materials and growing tourist industry.

Late last month, Mexican finance officials met here with Cuban leader Fidel Castro for talks on paying off Cuba's nearly $800 million debt and increasing commerce in general.

A member of the mission, who declined to be identified, said formal agreements expected in February are likely to include a deal in which Cuba will refine Mexican oil.

Mexico also plans to buy Cuba's pharmaceutical products, as well as nickel and cement, and invest in hotels through some combination of foreign exchange and absolving debt, he said.

The new focus on Cuba comes as Mexico and the United States rush to work on a free-trade pact, touted on both sides as a means to raise living standards in Mexico.

U.S. officials have yet to protest. But, as though anticipating complaints, Marlo Moya Palencia, Mexico's ambassador to Cuba, told the national, semi-official newspaper Excelsior in January that "any tendency to blockade a nation is absurd" when trade barriers are falling throughout the world.

Mexico and Cuba have long had close ties, a bane to successive U.S. administrations. It was in Mexico City that the young Castro met his famous fellow rebel, Che Guevara, and planned the successful 1959 ouster of U.S.-backed dictator Fulgencio Batista.

When Latin nations, pressured by the United States, broke all ties with Cuba in 1962, Mexico alone kept up relations.

In the past few years, Cuba-Mexico trade has rarely exceeded $100,000 annually. But officials from both countries say that will change.

"Commerce could grow in all fields," said a second Mexican official close to the recent talks.

Mr. Castro has been aggressively courting new trade partners, from Latin America to China, with good reason. The Soviet Union, the source of 70% of Cuba's trade, has been wracked by its own economic problems and become an unreliable partner, Mexico's potential for free trade with the United States makes it even more attractive to Cuba, since that would mean greater, indirect access to U.S. goods and technology.

But U.S. officials already fear Cuban industrial spying. Some say the specter of more of the same could give ammunition to free-trade foes in the congressional debate expected this spring

"People are starting to look more carefully into what the Mexican government is up to, to see if we really want to get so closely involved," said a congressional aide watching the free-trade talks.

For that reason, Mexico's timing in trumpeting new ties with Cuba is striking. Some U.S. analysts say Mexican President Carlos Salinas de Gortari could be trying to appease critics of his otherwise pro-U.S. approach with a show of independence.

Either way, the trade show goes on.

Expanded trade with Cuba fits into Mexico's plans to increase regional commerce. In January, Mr. Salinas signed a pact for free trade in Central America. There, as in Cuba, huge Mexico plays the role of big brother, sometimes treating the less-developed nations rather as it is being treated by the United States.

"If Mexico is an assembly plant for the U.S., why can't Cuba be an assembly plant for Mexico?" one Mexican official asked.

Mr. HOLLINGS. Mr. President, the amendment I would like is that the free-trade agreement with Mexico, for example, will not violate the United States embargo on Cuba, the policy of John F. Kennedy, Ronald Reagan, George Herbert Walker Bush, and all the rest of them that we have had for over 30 years.

It has proved valid. They tell us now Castro is economically in trouble, particularly with his support eroding from the Soviets, where they are an economic basket case. And now, in the last minute, we are going to say you cannot even consider that foreign policy, and we are coming in with the Castro communism economic recovery program. Because what are they going to do? Mexico has just that—a free-trade agreement with Cuba. And they are talking about helping pay off their $300 billion debt, and Cuba will refine Mexican oil, and Mexico plans to buy Cuban pharmaceutical products and, particularly, their citrus from Texas, who furnishes me citrus. And I feel good about it.

I can tell you here and now they will take the citrus—they have more citrus fields in Cuba than in Florida—and ship them to Mexico, and the Mexicans will ship 100 percent of their product up here. We will put the Florida crowd out of business. I do not want the Senators from Florida coming running around hollering free trade.

I have an amendment. When you vote here in the next minutes, they are telling you that you can talk all you want, but you cannot do anything, son. The party is over. We are going to change the foreign policy of 30-some years.

We had introduced S. 636 so they could negotiate. They would not report that out of the Finance Committee, oh no. We asked them to continue to negotiate, so we could look at these things.

I will be looking for that clause in the trade agreement with Mexico, that we will not violate the embargo on Cuba, that they will not benefit from it, will not divert their crops, and that we will not start financing and subsidizing Castro's communism, which we are about to overcome. He is the last remaining dictator, and here at the last minute we are going to start an economic recovery program for Fidel Castro. Why? Because that arrogant crowd over there will not even let you amend it. I yield.

Mr. MITCHELL. Mr. President, one of the most serious questions we face as legislators is what effect our decisions will have on the livelihoods of the people we represent. Every Member of Congress feels a great obligation to consider issues that involve the jobs of U.S. workers with the utmost caution.

That is why Congress has always been very sensitive to issues involving international trade. Most of us believe it desirable to break down international trade barriers to promote greater economic activity. But we are also concerned about the effect those changes will have on American workers. And recent history has made many of us highly skeptical that administration trade negotiators will stand up for the interests of U.S. industry and its workers.

Too often in the recent past our trade negotiators have been motivated by different objectives. Following World War II, when we stood as the preeminent economic and military power in the world, we began to use trade as a foreign policy tool to promote economic growth and democracy in other nations. When the United States was so far ahead of other nations economically we were willing for our markets to be wide open to the goods of other nations even while they kept our goods out.

By the 1980's our economic position relative to other nations declined considerably. But the Reagan administration was populated by free-trade idealogues who unilaterally disarmed U.S. trade policy, refusing to defend U.S. interests in international trade even as the trade deficit skyrocketed out of control.

It was only after extreme pressure from Congress, and as a result of the Omnibus Trade Act of 1988, that the administration began to assume a more activist trade policy in defense of U.S. interests.

It should not be surprising then that many in Congress remain skeptical that our trade negotiators will protect

U.S. workers, whether it be in multilateral or bilateral trade discussions.

Our greatest concerns are with respect to a free-trade agreement with Mexico and whether the Bush administration will permit foreign policy objectives to cloud its negotiating judgment with respect to issues that are vital to United States workers.

That concern is even greater because this trade agreement with a nation on our border also has important implications for the environment, both with Mexico and along the United States border.

Like many Members of Congress, I have concerns about what will be included in a GATT agreement, but I am supportive of the process and the hoped-for trade liberalizations it will bring. While considerable progress has been made in the Uruguay round of trade negotiations, a number of major issues remain to be resolved. I hope they will be resolved on a basis that will permit Congress to support the agreement.

I want to make clear that I fully support, and am certain of the desirability of negotiating a closer economic relationship with Mexico. The Mexican Government under President Salinas has made tremendous progress liberalizing its domestic economy and fostering closer economic relations between our two nations. After years of failed economic policies that have kept Mexico largely closed to foreign competition, the government of President Salinas has shown great courage in instituting radical economic reforms.

Regardless of its disparate views on a free-trade agreement, I am certain Congress is united in the belief that the United States should respond favorably to those domestic changes and reach closer economic ties with Mexico.

But that does not mean that we ignore U.S. national interests with respect to the jobs of American workers and the environment. Mexico changed its economic policies to permit greater trade with the United States, not because it wanted to assist the United States but because those changes are in Mexico's national interest.

We should be guided by the same standard. Free-trade negotiations with Mexico should be based solely on our national interests.

Members of Congress have raised many concerns about the implications of a free-trade agreement with Mexico. We are concerned about the effect of reaching a free-trade agreement with a nation whose workers earn one-tenth the level of our workers and who are often denied basic worker protections. The Mexican economy is only 4 percent the size of the United States economy and has a limited potential to absorb increased imports from the United States. But it has one-third as many people and a much greater capacity to absorb United States jobs.

We are especially concerned about American jobs in industries that have been particularly sensitive to imports in the past. Many of these industries are today protected by relatively high tariff levels because they compete mainly with low-wage nations. Without question, a free-trade agreement with Mexico will have serious implications for workers in these industries. The administration has pledged to consider longer phase-in periods for these industries, but what that means is unclear.

We are concerned about the effect of reaching a free-trade agreement with a nation that suffers under some of the worst environmental conditions in the world. In the past, United States companies have closed down operations in this country and relocated in Mexico to take advantage of weaker environmental regulation. We are concerned that will take place in the future under a free-trade agreement.

The Bush administration has attempted to provide assurances in its May 1 action plan. I believe the administration took these concerns seriously and made a real effort to reassure Congress in order to secure an extension in fast-track authority.

But the action plan is mostly made up of vague promises and uncertain assurances of the administration's desire to address environmental and job concerns. It does not, and cannot, include strong commitments on these issues because negotiations must still occur with Mexico. The plan also emphasizes well-intentioned, but largely unenforced, Mexican laws and agreements designed to address these problems. We are told that enforcement has greatly improved in recent months, but of course no guarantees about the future can be given.

We often hear the argument that we are not voting on a Mexican Free-Trade Agreement now. We are simply giving the administration the authority to negotiate under procedures for fast-track approval. But I believe the difference is only minor. Once an agreement is fully negotiated, Congress will be under far more pressure than today to not take a vote that will kill the trade agreement. Expectations will have risen to such a level that that just will not happen.

We are also reassured that negotiators will consult with Congress every step of the way and we will be fully involved in the free-trade discussions. I don't doubt that the negotiators will make efforts to keep Members of Congress informed. Assurances will no doubt be given. But I have been through two free-trade negotiations and I know that is not the same thing as being in a position to change the agreement.

In spite of the many reservations I have about this process, I intend to vote today in opposition to the resolution of disapproval. At this time I will support giving the administration the authority to negotiate under a fast-track process.

But I remain concerned about the implications of this agreement and uneasy about the role of Congress under fast track. I may oppose the ultimate agreement that is negotiated with Mexico and I may support a later change in Senate procedures for considering bilateral trade agreements.

In the near future the Senate will have an opportunity to vote on a resolution proposed by Senator RIEGLE that will preserve the administration's fast-track negotiating authority while reserving the ability of the Senate to consider amendments in specific areas including: monitoring and enforcement of fair labor standards and environmental standards, establishment of rules of origin, arrangements for dispute resolution, and adjustment assistance for U.S. workers. Senator RIEGLE believes this resolution will preserve fast-track procedures for the basic thrust of the agreement, to remove tariff and nontariff barriers, while at the same time reserving for Congress the responsibility to thoroughly review important related issues.

I intend to give Senator RIEGLE an opportunity to debate that option and am seriously considering giving it my support.

Mr. MACK. Mr. President, I intend to vote against renewing the administration's fast-track authority to negotiate trade agreements.

This has been one of the most difficult decisions I have made since being elected to Congress. I fervently believe in the benefits of free trade. But I cannot subordinate the interests of Florida to the intangible advantages a trade agreement with Mexico may bestow on others.

I am well aware that this authority is an effective prerequisite for both continued negotiations toward a multilateral agreement under the Uruguay round of the GATT, and for the beginning of negotiations with Mexico. I am also well aware that the provision of fast-track authority does not eliminate congressional influence on the outcome of either set of negotiations.

Indeed, I salute the President for his forceful trade initiatives which fast-track is designed to facilitate. There is little doubt that these trade initiatives, including a free-trade agreement with Mexico, will ultimately benefit the United States to a significant degree and help spread prosperity to Mexico and the rest of Latin America.

But just as I am a U.S. Senator, I am Florida's Senator. And I am compelled to consider the needs, hopes and aspirations of Floridians above all others. A trade agreement with Mexico—as is currently being considered—will devastate a key Florida industry and therefore touch the lives of many Floridians.

In recent years, Mexico has increased the numbers of acres planted in oranges by one-third and has done so with tremendous government subsidies of land. Moreover, these plantings occurred prior to serious discussion of a trade agreement with the United States and will result in a doubling of production over the next 5 years. It is clear to me that Mexican growers made a decision to compete under the existing rules. They must now be overjoyed with the prospect of the rules changing in their favor. A huge competitive advantage—one that destroys Florida's crop—would be handed to them on a silver platter.

That is the basis of my objection to fast-track reauthorization. I cannot condone a process that moves the United States to an international agreement which will have catastrophic effects on the quality of life of many Floridians.

Breaking down trade barriers will ultimately provide net benefits to both the United States and Mexico. But there are severe transition costs which will be borne by sectors which suddenly find themselves at a competitive disadvantage. Florida agriculture is one of those sectors and will bear the brunt of those transition costs.

Florida's agricultural diversity extends from citrus to fresh fruits and vegetables to sugar and peanuts. Although of immense significance to Florida, its share of the total U.S. economy is tiny. In the callous world of international trade politics, this makes Florida agriculture a candidate for a bargaining chip.

Trade negotiations obviously involve compromise. Sacrifices are made on both sides. I have grave concerns that the sacrificial lamb offered by U.S. negotiators will be Florida agriculture.

There are powerful constituencies lined up behind most of America's protected industries. These constituencies have built massive coalitions which will no doubt be able to exert enough political muscle during the negotiations to stave off any harm to those industries.

But who will speak to the thousands of Floridians whose lives and livelihoods are linked to Florida's famous citrus groves? I will.

For some people, Florida conjures up images of sun-kissed, sandy beaches. For others, Florida means Disney World. But for most Americans, Florida is orange juice and fresh fruits.

The image of Florida is inseparably intertwined with the citrus industry. I will not support legislation that will usher in the decline of the industry which is the very essence of Florida. I am Florida's Senator.

Mr. NUNN. In the context of this debate on the extension of the fast-track procedures, I would like to ask the chairman a few questions about the GATT negotiations.

I have heard from several major industries in my State which have strong concerns about the agreement which may emerge from the Uruguay round. The peanut farmers in Georgia, for instance, oppose the administration's proposal to reduce internal support for and to increase imports on peanuts as a part of a multilateral agreement on agriculture. On several occasions, I have communicated the industry's and my views about this proposal to Ambassador Hills.

One issue which arose in a meeting in my office with the Deputy U.S. Trade Representative, Rufus Yerxa, is the question of equal treatment. I fear that the administration will seek to accomplish in the GATT agreement what it proposed for peanuts in the farm bill but failed to obtain from Congress—that is, the program's elimination.

Ambassador Hills has stated to me that the United States is seeking an agreement to achieve across-the-board cuts of a set percentage in all product sectors. I have asked and received reassurances from Ambassador Hills that our negotiators will not single out a commodity, such as peanuts, for disproportionate cuts. Moreover, it is my view that we should not, for instance, accept less than the agreed cuts in other countries' agricultural programs without applying the same treatment for peanuts.

In my views, this is a fundamental issue, not only to the debate on the fast-track extension but, perhaps more importantly, to the future consideration of a GATT agreement by Congress. Let me ask, does the chairman concur that this issue of equal treatment is important?

Mr. BENTSEN. The Senator from Georgia makes a good point. When the Uruguay round is completed and the Congress has an opportunity to consider this agreement, one critical test will be whether or not our negotiators can ensure that concessions granted by the United States are fully reciprocated by our trading partners. Our negotiators must aggressively pursue America's interests in these talks. And I believe that all commodities should be treated fairly in these negotiations.

Mr. NUNN. I thank the Senator. On another point, I have also had brought to my attention a concern about the impact of any Uruguay round on the United States textile industry. United States negotiators have tabled a proposal in the Uruguay round to phase out the Multifiber Arrangement, the international agreement governing trade in textiles and clothing. In the textile industry's view, this phaseout could result in a loss of a significant number of jobs.

One particular concern of the textile industry is the inclusion of a provision in the textile portion of the GATT agreement spelling out the rules on such practices as dumping and subsidy violations. In particular, textile manufacturers believe that quicker, more effective import relief against injury must be included in the agreement.

I have asked the U.S. Trade Representative to include and to enforce a provision as a component of the textile agreement whereby all participants agree to abide by GATT rules on unfair trade practices and agree to open their markets to textiles and apparel products. She has committed to me that this provision will be considered.

I would like to ask the chairman if he agrees that a component of the textile agreement should be that all participants agree to abide by GATT rules on unfair trade practices and agree to open their markets to textiles and apparel products?

Mr. BENTSEN. The Senator from Georgia has expressed a legitimate concern. The Punta Del Este mandate for the Uruguay round stated that the objective of any textile negotiations would be "the eventual integration of this sector into GATT on the basis of strengthened GATT rules and disciplines, thereby also contributing to the objective of further liberalization of trade." Should the Multifiber Arrangement be phased out, I share the textile industry's belief that this mandate must be met. To me, strengthened GATT rules and disciplines refers to both the ability of the United States to take action against unfair trade practices and the ability to enforce the market-opening commitments of other countries. I understand and support the desire of the industry to have that right explicitly stated in any textile agreement under the Uruguay round.

Mr. CRANSTON. Mr. President, I rise in opposition to the resolution denying fast-track consideration of trade agreements. I do so for a variety of practical and philosophical reasons.

At the outset, let me state that I have heard and weighed the views of those who would have me support this resolution. The issues raised are not frivolous and I respect the conviction with which they were propounded. My position as a Senator, however, demands that I make the best decision possible, as I see it, for the whole of my State and the Nation. Accordingly, I support both fast track and negotiations on the Uruguay round and the North American Free-Trade Agreement.

The reasons for my support for fast-track authority range from foreign policy factors to competitiveness and for many other reasons in between.

First, the North American Free-Trade Agreement is important to America's future, not only for economic reasons but also for security reasons.

Mexico's continued friendship, political stability, security, and prosperity should be encouraged. Mexico plays a vital role in the economic and political stability of the Western Hemisphere. Our neighbor is the gateway to Central and South America. Improving our relationship will undoubtedly lead to a better working relationship with the rest of the Americas. This is particularly true in terms of trade as the United States and our neighbors to the south find ourselves increasingly shut out of the same markets in Europe and Asia.

To turn a cold shoulder to Mexico by disallowing fast track and thus hindering negotiations on a free-trade agreement, could have negative repercussions that may last for years, possibly decades. It would be a mistake to be perceived as rejecting the hand of friendship offered to the United States by the Salinas administration, an administration that has effected very positive change for the Mexican people.

On a more pragmatic level, a successful North American Free-Trade Agreement will forge a strong bloc among Canada, Mexico, and the United States, three countries with obvious interdependencies.

All over the globe, Mr. President, we see trading blocs forming. To ignore the inherent efficiencies of these arrangements would be negligent indeed.

Second, we need to extend the fast-track authority in order to complete the Uruguay round of GATT. There are important reasons why these negotiations must be completed.

For example, intellectual property is not currently within the scope of GATT. This means that our Nation's finest written works, movies, software, inventions and know-how are too often unprotected once they enter the global marketplace. Ideas worth an estimated $60 billion annually are lost through counterfeiting and theft. A successful Uruguay round could end this theft of the United State's finest product—our ideas.

In supporting fast track, I expect President Bush to live up to the letter and spirit of his May 1, 1991, letter to Congress. The May 1 letter outlined the administration's agenda in negotiating a North American Free-Trade Agreement and made explicit commitments to the Congress.

I shared many of the concerns raised by Chairmen BENTSEN and ROSTENKOWSKI and was generally pleased with the administration's response. I would like to take this opportunity, however, to express my hopes, indeed expectations, in some specific areas.

On the question of the environment, I expect that the administration will consider the environmental implications of a North American Free-Trade Agreement, will work to guarantee the satisfactory enforcement of environmental standards and controls, and in any future trade agreements will be unyielding on the question of food safety and U.S. environmental standards.

With respect to labor, let me say that I understand the concerns and anxiety about a proposed trade agreement with Mexico. In the last decade we have seen a great movement of labor from the United States to lesser-developed nations. The reasons for this are manifold. Largely it is a matter of a changing world. A world described by Robert B. Reich in the Harvard Business Review that speaks of global managers whose eyes are fixed, not on any one nation, but on a multinationally-driven bottom line. Part of that equation is finding an inexpensive source of labor.

A trade agreement, against this backdrop, is understandably disconcerting to workers. But I believe that on balance a North American trading block and a successful GATT round may hold more answers for labor than threats. A good Uruguay round is expected to create manufacturing and service-related jobs while many economists predict that a good North American Free-Trade Agreement will create more than 50,000 jobs over 10 years.

The administration must work toward an agreement that will meet the goals of a free-trade agreement and yet not disadvantage U.S. labor.

As to worker dislocation, should it occur, I take consolation in the administration making an important commitment to providing necessary assistance to workers. This commitment, however, must be more than a general commitment. It has to be substantial, specific and backed by sufficient funding. I will do everything I can in the Congress to help the administration do what it acknowledges must be done.

A major problem for American working men and women stems from working men and women crossing the Mexican border without documents and competing in our country for jobs. They are exploited by unscrupulous employers because of this tenuous status in our country. Many of them work for substandard wages under intolerable working conditions.

Our inability to control our borders troubles many Americans beyond labor. I believe the only real solution is a more prosperous Mexico. Ambitious Mexicans who want to take care of themselves and their families would prefer to stay in their native land, but if they cannot make it there, they dare to come without documents to our country—with all the risks and hardship that entails—because they hope they can make it here.

We cannot build a Berlin wall around our Nation. No strengthening and enlargement of the border control can halt the flow.

But a prosperous Mexico would stem the flow by providing jobs at home for those who need them. The fast track is the way for us to help ourselves by helping Mexico achieve that status.

Finally, Mr. President, I do not want to give the impression that in voicing my support of fast track and negotiations on a trade that I am indifferent to Mexico's unfortunate record on democratization and human rights. There are too many credible reports of torture, disappearances, and murders to pretend that nothing untoward is happening in Mexico.

Likewise, one party rule, either blatant and open as in the past, or more discreet, can no longer be tolerated.

These issues must be made a part of the more general United States-Mexican agenda. Closer economic ties between our two nations can only cause United States interest in these areas to grow.

Mr. President, proponents of this resolution have said that fast track does not allow sufficient time or opportunity for the airing of concerns about a trade agreement. For the sake of clarity, I would like to submit for the record to appear at the end of my statement the relevant pages of the Overview and Compilation of U.S. Trade Statutes which outlines the process by which trade agreements are considered. I believe Congress is given ample opportunity in drafting the implementing legislation to play an integral role in the process of formulating a trade agreement.

For those who still fear that Congress relinquishes its powers once fast track is granted, the Tokyo round of GATT should be remembered. There, as my colleagues may recollect, Congress flexed its collective muscle and forced the administration back to the bargaining table. The will of the Congress ultimately carried.

In closing, Mr. President, it needs to be clearly understood that without fast-track authority, it is likely that these trade negotiations will not be completed. The fate of both the North American Free-Trade Agreement and the Uruguay round rests upon whether or not we will be able to guarantee swift and conclusive consideration of the trade agreements when they are presented to Congress for approval. The stakes are very high and if we are to move toward greater economic and political stability and growth with our neighbors and our trading partners this resolution must be defeated.

I want to pay tribute, before I close, to Senator LLOYD BENTSEN for his effective leadership on this issue, and to Trade Negotiator Carla Hills, a fellow Californian, for her skill in advancing this cause on a far-flung field ranging from distant nations to Capitol Hill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Excerpts]

OVERVIEW AND COMPILATION OF U.S. TRADE STATUTES

(March 25, 1991)

CONGRESSIONAL FAST TRACK IMPLEMENTING PROCEDURES

In contrast to traditional tariff proclamation authority, nontariff carrier agreements entered into under section 1102(b) and bilateral trade agreements entered into under section 1102(c) authority under the 1988 Act cannot enter into force for the United States and become binding as a matter of domestic law unless and until the President complies with specific requirements for consultation with the Congress and implementing legislation approving the agreement and any changes in U.S. law is enacted into law. Sections 1102(d) and 1103 of the 1988 Act and sections 151–154 of the 1974 Act prescribe the following procedures for Congressional approval:

1. Before entering into any trade agreement, the President must consult with the House Committee on Ways and Means, the Senate Committee on Finance, and with each other committee in the House and Senate with jurisdiction over legislation involving subject matter affected by the agreement. The consultation includes (a) the nature of the agreement; (b) how and to what extent the agreement will achieve applicable purposes, policies, and objectives; and (3) all matters relating to agreement implementation.

2. The President must give the Congress at least 90 calendar days advance notice of his intention to enter into a trade agreement, and promptly publish the intention in the Federal Register. The purpose of this notice period is to provide the Congressional committees of jurisdiction an opportunity to review the proposed agreement before it is signed, to determine the changes in U.S. laws that will be necessary or appropriate to implement the obligations under the agreement, and to meet with Administration officials to develop the text of an acceptable implementing bill.

3. After entering into the agreement, the President must submit a copy of the final legal text to the Congress, together with a draft implementing bill, a statement of any administrative action proposed to implement the agreement, and supporting information ((a) an explanation of how the bill and proposed administrative action will change or affect existing law; and (b) a statement asserting that the agreement makes progress in achieving applicable purposes, policies, and objectives; the reasons the agreement makes such progress and why and to what extent it does not achieve other purposes, policies, and objectives; how the agreement serves the interests of U.S. commerce; why the implementing bill and proposed administrative action are required or appropriate to carry out the agreement; efforts made by the President to obtain international exchange rate equilibrium and any effect the agreement may have regarding increased monetary stability; and the extent, if any, to which each foreign party to the agreement maintains non-commercial state trading enterprises that may adversely affect, nullify, or impair the benefits to the United Sates under the agreement and how the agreement applies to or affects purchases and sales by such enterprises).

There is no statutory time limit for submission of the agreement and draft bill after entry into the agreement. The timetable is worked out between the Congressional leadership and the Administration to accommodate the need for committees of jurisdiction to have adequate opportunity to develop an acceptable draft bill text while also ensuring expeditious formal action on the actual implementing legislation.

4. The implementing bill is introduced in both Houses of Congress on the same day it is submitted by the President and referred to the committee of jurisdiction. The committees have 45 legislative days in which to report the bill; they are discharged automatically from further consideration after that period.

5. Each House votes on the bill within 15 legislative days after the measure has been received from the committees. A motion in the House to proceed to consideration of the implementing bill is privileged and not debatable. Amendments are not in order.

No amendments to the implementing bill are in order in either the House or the Senate once the bill has been introduced; the committee and floor actions in the House and Senate consists of "up or down" votes on the bill as introduced. The total maximum period for Congressional consideration from date of introduction is 60 legislative days if the bill is not a revenue measure. Since the Senate must Act on a House-passed revenue bill, the maximum period for Congressional consideration of a revenue implementing bill from date of introduction is 90 legislative days (15 additional days for Senate committee action on the House-passed measure and 15 additional days for Senate floor action). After the legislation is signed by the President, the agreement goes into effect under the terms of the agreement and the implementing bill.

Special "fast track" procedures also apply to implementation of changes in existing trade agreements, including certain specified provisions in the U.S. bilateral trade agreements with Israel and Canada. Section 3(c) of the Trade Agreements Act of 1979 requires the President to submit a draft bill and statement of any administrative action to the Congress whenever he determines it is necessary or appropriate to amend, repeal, or enact a statute to implement any requirements, amendments, or recommendation concerning an agreement. Procedures and requirements similar to sections 1102(d) and 1103 of the 1988 Act and 151–154 of the 1974 Act apply, except the President is required to consult at least 30 days rather than 90 days, in advance with the House Committee on Ways and Means and the Senate Committee on Finance and any other committees of jurisdiction on the subject matter and implementation.

Although statutory, the legislative procedures were enacted as an exercise of the rule-making powers of each House of Congress, and are part of each House's rules. The procedures may be changed in the same manner as any other rules.

The purpose of the approval process is to preserve the constitutional role and fulfill the legislative responsibility of the Congress with respect to agreements which often involve substantial changes in domestic laws. The consultation and notification requirements prior to entry into an agreement and introduction of an implementing bill ensure that Congressional views and recommendations with respect to provisions of the proposed agreement and possible changes in U.S. law or administrative practice are fully taken into account and any problems resolved in advance of formal Congressional action. At the same time, the procedure ensures certain and expeditious action on the results of the negotiation and on the implementing bill with no amendments.

Section 1103(c) of the 1988 Act instituted a "reverse fast track" procedure that terminates the application of that special procedure for the approval of trade agreements if both the Committee on Ways and Means and the Committee on Rules in the House and the Committee on Finance in the Senate report, and both the House and Senate separately pass, resolutions of disapproval with any 60 legislative day period. The basis for the disapproval must be failure or refusal of the U.S. Trade Representative (USTR) to consult with the Congress on trade negotiations and trade agreements as set forth in the consultation requirements. The "fast track" procedure applies to floor consideration of the resolution, which is nonamendable.

Mr. LUGAR. Mr. President, this debate on trade policy and the President's request for an additional 2 years of negotiating authority has been going on for some months now. And, I expect, it will go on for much longer. The vote on the so-called fast-track process has not yet been taken and already there are resolutions prepared which would change the rules for fast track in terms of the scope of the agreement and the ability of Congress to offer amendments.

All of this debate should serve at least one purpose, Mr. President, and that is to dispel the notion that somehow Congress has dealt itself out of the process. Formal negotiations on a North American Free-Trade Agreement have yet to begin and already we are well into the issue. I myself have been through four Committee or Subcommittee hearings on the Mexico and Canada talks. I have several dozen reports and studies by the private sector and by the administration, letters from hundreds of constituents and one video tape.

And that is just on the North American Free-Trade Agreement, Mr. President. The volume of material on the Uruguay round is much larger.

But I think our debate here on the fast-track request, is really about two principles: Confidence and leadership. Do we have confidence in ourselves, in the administration, in the workers and producers of our home States and, if we do, do we have the leadership to meet other nations face to face in trade negotiations and do what is best for our country?

Other nations clearly do not have that confidence, Mr. President. They have built up complex trade barriers and systems of protection to gain an advantage which they know they cannot get through fair competition. Some nations may have the confidence but they cannot take the lead. Instead, they look to the United States, the world's largest economic power, for that leadership.

We have just gone through a time when others looked to us for confidence and leadership in the Persian Gulf and this country came through.

This time, Mr. President, I believe there are some who would just as soon see us step back, walk away from the challenge of trade negotiations and do nothing. I am sure there are some in the European Community where a lavish system of subsidies and market barriers has taken money from the pockets of American farmers for many years, who would rather not see a fast track renewal. They would be pleased to say: "Well, the American Congress clearly doesn't want trade negotiations and so we're free to go on as before. But it's not our fault," these Europeans would say, "blame the United States Congress."

And likewise, Mr. President, there are some in Japan who would be perfectly happy to be free of pressure by saying that they were committed to the multilateral trade negotiations but it was Congress that limited trade negotiating authority so obviously, their trade barriers will remain for a while longer.

And this would be a severe setback to the millions of American workers and producers who have made themselves more competitive, who have invested in training and technology and who have to compete every day here in their own country with imported products.

It is clear, Mr. President, that exports are the engine for American economic growth. As the distinguished Chairman of the Finance Committee, Senator BENTSEN, has written, 88 percent of the growth of the Gross National Product last year came from exports. Over the last 4 years, U.S. merchandise exports have expanded by about 75 percent accounting for more than 40 percent of the 4-year growth in the GNP.

As important as exports are to the American economy, nowhere are they more important than in agriculture. About one-third of our agricultural production is exported. About 25 to 30 percent of harvested crop acreage produces for export. One-fifth of our farmers cash receipts now come from exports. Exports have created about 1 million jobs in the farm and agribusiness sectors. Last year American agriculture sold $40 billion of its products overseas earning a net trade surplus in agriculture of more than $20 billion.

Beyond these statistics, Mr. President, lies a very simple but powerful fact. No other country can produce, process, and transport the volume, quality, and quantity of food and other farm products that the United States can. Our size, our geography, our abilities in agricultural science and the productivity of our farmers give us tremendous advantages.

But at the same time our agricultural exporters face a huge and complicated array of trade barriers and subsidies that often neutralizes those advantages. That is why we have a large and diversified coalition of farm organizations, agricultural producers, and food processors supporting the President's request for an extension of fast-track authority. They know that negotiations to reduce or eliminate those trade barriers and subsidies are their best hope for an even better share of the world market for their products.

In a North American Free-Trade Agreement, American farmers see a Mexican market which is already our fourth largest single country market becoming more important. Mexico's accession to GATT and the reforms of the Salinas administration have made much of this market accessible but there are still barriers in the form of licensing agreements, tariffs, and border measures. Mexico is a good consumer market, probably approaching 100 million people in this decade. The benefits of a North American Trade Agreement and internal free markets reforms will spur the domestic economy bringing more consumer demand, better diets, and the need for a larger volume and variety of imported products.

The Uruguay round offers even more potential for American farm products. The Department of Agriculture estimates that while the population of this country will increase by about 30 million in the next 20 years, the world population will grow by nearly 2 billion. Clearly, if we want to look for growth in agriculture we must look outward not inward.

The Uruguay round offers us the opportunity to reduce market barriers and export subsidies in the same 100 countries that are participants in that process. Central to this round is the European Community's system of huge agricultural export subsidies and strong market barriers which deprive farmers all over the world, including the United States, of a fair chance to compete in selling their products.

When the Uruguay round talks stalled in Brussels in December because of the intransigence of the EC, which was supported quietly by Japan, the United States clearly had the support of a majority of countries interested in agricultural reform. The EC's inability to commit to substantial, specific and timely changes in its programs tested the administration's commitment to refrain from any agreement that did not include agriculture. But the administration stood behind that commitment. It stood by American agriculture and it continues to press the EC, the Japanese and others for reforms.

The stakes here, Mr. President are huge. Consider the size of EC subsidies and you get an idea of the markets denied American and other farmers. According to the Department of Agriculture, the EC this year will spend about $40 billion for agricultural support, an increase of 31 percent over last year. EC consumers pay approximately $85 billion in artificially high prices for food. In export subsidies, the EC is spending about $12 billion annually to dump food in markets that should belong to American and other farmers.

Even modest progress in reforming these programs, Mr. President, will bring considerable benefits for our farmers and food exporters.

Nowhere is the need for continued trade negotiations realized more strongly than in my home State. The list of agricultural supporters of fast track authority covers almost all the farm sectors in Indiana—the American Farm Bureau Federation, the National Grange, the American Soybean Association, the National Oilseed Processors Association, the National Corn Growers Association, the National Pork Producers Council, the American Meat Institute, the National Grain and Feed Association, the American Hardwood Export Council and the National Forest Products Association to name just a few.

And within the last few days, the Indiana Farm Bureau, the Indiana Soybean Association and the Indiana Corn Growers Association have called my office to express support for fast track.

Mr. President, at this point I would like to ask that three letters to me from agricultural and agribusiness groups in support of fast track be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LUGAR. Mr. President, the opportunities which continued trade negotiations present to Indiana agriculture are repeated through other sectors of my State's business and industry. Bringing down market barriers, reducing tariffs and protecting intellectual property translates into solid business for our companies and more jobs for our workers. In a North American Free-Trade Agreement, we want to reduce tariffs and quotas on electronic products, auto parts, steel and textiles.

Small business, Mr. President, has a particularly important stake in trade negotiations. Market barriers such as local production requirements, complex import regulations and licensing often can be overcome by large corporations which have the money, manpower and resources to overcome these obstacles. But a small company often cannot afford to challenge these barriers. Their best hope is a free market and they rely on our trade negotiators to get the results.

The Indiana Chamber of Commerce recognized this in a letter to my office last week noting that the National Small Business United—an organization representing more than 60,000 small business owners throughout the United States—is very supportive of the fast-track extension. Referring to Indiana's exports to Mexico, the Chamber says: We believe a free trade agreement will help boost—those exports—creating an even stronger Hoosier economy.

As I have said many times, Indiana has an excellent combination of industry and agriculture supported by a talented and productive work force. We are already competitive in the global economy. The trade figures prove that. When trade conditions are fair, Indiana companies will succeed and we need trade negotiations to make sure those fair conditions exist.

That is what we are debating today, Mr. President, the authority to let the administration negotiate; not an agreement itself, but the authority to negotiate.

This resolution to disapprove fast track procedures would deny that authority. Deny the opportunity to construct trade conditions that would create more jobs in this country, boost our exports and improve our standard of living. All at a time, Mr. President, when the economy is more dependent than ever on trade. If this resolution were to pass, Mr. President, it would say to the Government of Mexico, of Canada and of the negotiating parties in the Uruguay round that we are not really serious about trade, that we do not have the confidence or the leadership to deal with the challenge before us. And if that is the case, Mr. President, we should not be surprised to see others step into our place and prosper at our expense.

Once again it is time to demonstrate American confidence and American leadership. Mr. President, I urge my colleagues to vote "no" on the resolution of disapproval.

EXHIBIT 1

U.S. AGRICULTURE
FOR TRADE NEGOTIATIONS,
March 14, 1991.

Honorable RICHARD G. LUGAR,
U.S. Senate, Washington, DC.

DEAR SENATOR LUGAR. the undersigned organizations support continued efforts to reduce remaining agricultural trade barriers in the current Uruguay Round of GATT trade negotiations. We therefore urge you not to co-sponosr or support resolutions disapproving the President's request for an extension of his "fast track" negotiating authority.

American farmers and other agricultural interests have long supported international efforts to achieve more open markets and fairer trading rules for agriculture through multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT). The progress made in opening markets for agricultural exports in previous GATT negotiations has been of tremendous importance to the U.S. agricultural sector and the national economy as a whole.

"Fast track" authority is essential to a successful and acceptable Uruguay Round trade agreement. Without an agreement, American agriculture will be faced with the very real threat of escalating and damaging trade conflicts in agriculture.

As you know, a vote on the "fast track" authority is not a vote for a GATT agreement, or for a North American Free Trade Agreement. A vote for "fast track" is a vote to enable the talks to proceed. Eventual support for either agreement brought back to Congress for approval would be conditioned upon the terms of that agreement. The "fast track" procedure also enables Congress and other interested parties to have their concerns fully considered throughout the negotiating process.

We believe that the opportunity for seeking trade agreements that provide net benefits for our national interests should not be foreclosed by denying "fast track" authority to our negotiators, and we strongly urge your support for its extension.

Sincerely,
American Farm Bureau Federation.
National Grange.
Ag Processing, Inc.
American Feed Industry Association.
American Hardwood Export Council.
American Meat Institute.
American Oat Association.
American Rice, Inc.
American Seed Trade Association.
American Soybean Association.
Biscuit and Cracker Manufacturers' Association
Blue Diamond Growers, Inc.
California-Arizona Citrus League.
Cargill, Inc.
Chocolate Manufacturers Association.
ConAgra, Inc.
Continental Grain Company.
Corn Refiners Association.
Farmers Rice Cooperative.
Farmland Industries, Inc.
International Apple Institute.
International Dairy Foods Association.
Millers' National Federation.
National Association of Wheat Growers.
National Barley Growers Association.
National Cattlemen's Association.
National Confectioners Association.
National Corn Growers Association.
National Food Processors Association.
National Forest Products Association.
National Grain and Feed Association.
National Grain Sorghum Producers Association.
National Grain Trade Council.
National Meat Canners Association.
National Oilseed Prcoessors Association.
National Pork Producers Council.
National Sunflower Association.
National Turkey Federation.
North American Export Grain Association, Inc.
Riceland Foods, Inc.
Rice Growers Association of California.
Rice Millers' Association.
R.J.R. Nabisco, Inc.
Southeastern Poultry & Egg Association.
Sun-Diamond Growers of California.
Sunkist Growers, Inc.
Sweetener Users Association.
Tobacco Associates, Inc.
Tri Valley Growers.
Union Equity Cooperative Exchange.
United Fresh Fruit and Vegetable Association.

FARMERS AND RANCHERS FOR
FAST TRACK,
May 8, 1991.

Hon. RICHARD G. LUGAR,
U.S. Senate, Washington, DC.

DEAR SENATOR LUGAR: You will soon be voting on whether to extend the President's "fast-track" authority to negotiate trade agreements.

The undersigned farmer and rancher organizations strongly urge you to support the fast-track extension and allow negotiations on foreign agricultural trade barriers to continue. The fast-track approval process allows Congress and the private sector to participate actively in the negotiating process and in the development of the implementing legislation before a final vote is taken. As you know, Congress will have the final say on all agreements reached under the fast-track process.

Without fast-track authority, trade negotiations cannot be pursued, and any hope of dealing with the hundreds of restrictions to U.S. farm exports will be lost.

We urge you to keep the trade negotiations alive and vote against the resolution to deny the fast-track extension.

Sincerely,
American Farm Bureau Federation.
American Oat Association.
American Rice, Inc.
American Seed Trade Association.
American Soybean Association.
Blue Diamond Growers, Inc.
California-Arizona Citrus League.
Farmers Rice Cooperative.
National Association of Wheat Growers.
National Barley Growers Association.
National Cattlemen's Association.
National Corn Growers Association.
National Forest Products Association.
National Grange.
National Pork Producers Council.
National Sunflower Association.
National Turkey Federation.
Rice Growers Association of California.
Southeastern Poultry & Egg Association.
Sun-Diamond Growers of California.
Sunkist Growers, Inc.
Tobacco Associates, Inc.
Tri Valley Growers.
United Fresh Fruit and Vegetable Association.

FOOD PROCESSORS, MANUFACTURERS,
WHOLESALERS AND RETAILERS FOR
EXTENDING FAST TRACK TRADE
NEGOTIATING AUTHORITY,
March 13, 1991.

DEAR SENATOR: We were pleased by the announcement last week that the deadlock over agricultural reform in the Uruguay round apparently has been broken and the negotiations can now resume. As representatives of a significant portion of the U.S. food processing, wholesaling and retailing industries, we believe a meaningful GATT agreement will be in the long-term best interests of the U.S. food industry and the United States.

We strongly support the effort that this Administration, and the Congress have made on behalf of U.S. agribusiness and the U.S. food industry during the current round of GATT trade talks.

An extension of "fast track" negotiating authority is both needed and desirable and we would encourage you to support the granting of such authority. We stand ready to work with you and other members of the Congress to adopt the extension and repel efforts to limit or to eliminate the "fast track" authority.

Thanks for your help and support.

Sincerely,

Paul C. Abenante, American Bakers Association; Steve C. Anderson, American Frozen Food Institute; Patrick Boyle, American Meat Institute; Frank Rooney, Biscuit and Cracker Manufacturers Association; Richard T. O'Connell, Chocolate Manufacturers Association, National Confectioners Association;

Harry Sullivan, Food Marketing Institute.

C. Manly Molpus, Grocery Manufacturers of America, Inc.; Robert N. Pyle, Independent Bakers Association; Robert M. Reeves, Institute of Shortening and Edible Oils, Inc., Derl I. Derr, International Apple Institute; E. Linwood Tipton, International Dairy Foods Association; John R. Block National-American Wholesale Grocers' Association; John R. Cady, National Food Processors Association; Stuart E. Proctor, Jr., National Turkey Federation; Thomas A. Hammer, Sweetener Users Association; George S. Dunlop, United Fresh Fruit and Vegetable Association.

Mr. KASTEN. Mr. President, I rise today in support of extending the President's fast-track negotiating authority.

I think we ought to give the President the ability to get the best trade agreements possible. Trade agreements based on free—and more importantly fair trade—hold much promise for the U.S. economy at large and Wisconsin in particular.

Fair access to foreign markets mean more export opportunities for Wisconsin businesses—and more jobs for Wisconsin workers.

My vote in favor of fast track does not mean I support any trade agreement. This is not a vote on a trade agreement; it is a vote on a trade procedure.

I think we ought to give the President a chance—because the benefits to our economy in terms of jobs and exports are enormous.

Extending fast track will not put Congress on the sidelines. It does not give the President a blank check. It simply gives the President the ability to negotiate.

Under fast track, both the Congress and the President would work together in shaping trade agreements.

The fast-track procedure requires the President to notify the Congress 90 days prior to signing an agreement. It is during this consultation period when Congress can influence the specifics of an agreement. In past trade talks under fast track, the President brought draft agreements back to the relevant congressional committees for review. The Committees actually held shadow markups on each and every provision of the draft. Where the Congress objected, the President went back to the bargaining table and pressed for changes.

The Washington Post has done an excellent job in explaining how fast track works and I ask unanimous consent to enter two editorials in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD.

[From the Washington Post, May 17, 1991]

THE NECESSITY FOR FAST TRACK

Prospects for fast track have suddenly improved, and fast track is essential to a strong and competent American foreign trade policy. It is the procedure for enacting trade legislation, and Congress will vote next week whether to extend it—in effect, whether to let the president negotiate a trade agreement with, for example, Mexico. Earlier this spring it seemed very possible that Congress would say no. But this week the two key committees on trade—Ways and Means in the House, Finance in the Senate—voted by large majorities in favor of fast track. A few days earlier the House majority leader, Richard A. Gephardt, who had been on the fence, said he would support it. He reserves the right, he said, to amend or reject a free trade agreement with Mexico if it falls short, but he won't vote to block the negotiations.

That's exactly the right point. As the Mexican negotiations get underway. Congress will have many opportunities to advise, criticize, oppose and amend. Opponents have been claiming that fast track robs Congress of all discretion, giving it only an up-or-down vote on the final product. The AFL-CIO argues that fast track will put Congress "on the sidelines." That's exactly wrong.

The reason for a fast-track procedaure is that trade agreements are difficult to handle under the American system of government. The president's negotiators, in an agreement, commit the United States to change its laws. But only Congress can enact those changes. No foreign government will negotiate with the United states if it knows that any deal is going to be reopened and changed by successive committees of Congress. The solution is the fast-track rule, which says that there will be no delays after the president submits a signed agreement and no changes in it as it goes to a final vote.

But a lot happens before the agreement is signed. No president wants to see an intentional agreement fail—least of all Mr. Bush, who is investing much political capital in the Mexican agreement. He is under great pressure to bring Congress deeply into the process. You can see that happening already. Last month the chairmen of the trade committees and, separately, Mr. Gephardt wrote to him setting out concerns that they wanted a Mexican agreement to address. Mr. Bush replied at length two weeks ago. The Ways and Means Committee has put the president's response into the form of a resolution on which the House will shortly vote.

Before the president signs anything, he has to give Congress 90 days' notice. In earlier trade talks the administraton brought the draft agreements back to Congress while they were still being negotiated and the two trade committees held shadow markups, actually voting clause by clause on the drafts. Where the committees objected, the American negotiators went back to the table for changes. There were caucuses of chairmen of the other interested committees. By the time these treaties were finally signed, they had been carefully reviewed and at many points revised by Congress.

That's the kind of congressional participation necessary to ensure passage of any trade agreement. Mr. Gephardt is correct. Extending the fast-track procedure only allows the president to negotiate. Congress will not only have the last word on the Mexican agreement, but in the meantime it will have enormous influence in molding it into its final form.

[From the Washington Post, May 22, 1991]

WHAT FAST TRACK MEANS

When Congress votes on fast track, as it will in the next few days, the real question will be whether the United States should enter into trade agreements. Fast track is nothing more than a procedure to get these agreements enacted, along with the implementing legislation that they require. Either house of Congress can abolish fast track. The effect would be to cut off President Bush's authority to negotiate any trade agreements that require legislation, as all the major ones do. The people fighting fast track are not simply against this or that provision of a possible agreement. Fearing losses of jobs, they are against any foreign trade agreements at all.

If fast track is extended, two separate negotiations will go forward. One of them, to develop a free trade agreement with Mexico, has not yet begun. The other, the enormously complex worldwide talks known as the Uruguay Round, is stuck in a quarrel over agriculture. The time to make up your mind on them is in the future, when and if the terms of these deals get clearer.

The accusations brought against fast track deserve answers. The most common complaint is that it shuts Congress out of the process of developing the agreements and gives it only an up-or-down vote on the finished product. That's wrong, and the proof is the actual experience with all three of the previous agreements passed under fast track. In each case the congressional committees were deeply and actively involved while the negotiations were still underway. The president signed them only after Congress had been through every line of them. It played as large and influential a role in these agreements as in any other major legislation.

Fast track threatens American environmental standards, some of the opponents charge. But they can never quite show how or why. In fact, there's nothing in this procedure that weakens existing environmental protection or makes it easier for foreign governments to attack.

The prospect of a Mexican trade agreement in particular spooks a lot of people in Congress. It would certainly encourage more American companies to open factories in Mexico. Would that damage this country?

Consider a historical example. In the 1950s low-wage industries like textiles were moving from New England to the South—over the bitter protests of the labor unions that are now fighting fast track. That southward migration certainly cost some New Englanders their jobs. But now, a generation later, New England is not only richer. It is richer in relation to the national average than it was 40 years ago, when the flight of the mills was beginning. Meanwhile southern prosperity has grown even faster. The disparities between the country's richest states and its poorest are significantly narrower than they were in 1950.

The process that has worked across state borders will will also work across national borders. The choice on fast track and trade is a choice about economic growth. Congress won't have a better opportunity this year to vote for growth and a rising standard of living here in the United States.

Mr. KASTEN. Under fast track, Congress has the power to influence trade negotiations. Congress enacts the laws necessary to implement any trade agreement. And Congress retains the ultimate authority to accept or reject any trade agreement.

I have expressed several concerns about the GATT round talks and U.S. dairy programs to Ambassador Carla Hills. And I have received assurances from the administration that our negotiators will not unilaterally modify our section 22 agricultural import quotas.

In a letter I received from Ambassador Hills, she writes that:

> I can assure you that dairy will not be used as a bargaining chip for concessions in other areas, for example grains or oilseeds. Furthermore, it is not our intention to make disproportionate cuts in certain sectors, such as dairy, in a manner which would single out those sectors for less favorable treatment.

I will work through the fast-track consultation process to make sure that our negotiators keep their promise. I have made it clear to the administration that I will actively oppose any GATT round agreement that is unfair to American dairy farmers.

I ask unanimous consent that my letter to Ambassador Hills and her letter to me be placed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, May 16, 1991.

Hon. CARLA A. HILLS,
Office of the U.S. Trade Representative, the White House, Washington, DC.

DEAR AMBASSADOR HILLS: I am writing to express my views regarding the extension of the President's "fast track" negotiating authority and the forthcoming trade talks on the U.S.-Mexico Free Trade Agreement (FTA), and the Uruguay Round of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT).

I believe that trade agreements based on the principles of free and fair trade hold much promise for the U.S. economy at large and Wisconsin in particular. From 1987 to 1990, Wisconsin exports abroad have increased 50 percent from $3.9 million to $6.0 million, creating thousands of local jobs in Wisconsin. Expanding U.S. export opportunities in world markets through the implementation of a North American Free Trade Agreement and a constructive GATT Round agreement would greatly benefit Wisconsin's export industries, particularly paper products, industrial machinery and technical instruments.

While I am inclined to support the Administration's request for extension of the "fast track" authority for the trade talks, I am concerned about the impact of a GATT Round agreement on U.S. dairy programs as well as the potential effect of a Mexican FTA on environmental standards and jobs in import-sensitive industries.

Over 40 percent of farmers in Wisconsin are dairy farmers. The prices that dairy farmers receive for their milk is the lowest it has been in 15 years. Current U.S. dairy policy is highly dependent upon import restrictions. Otherwise, imports from lower cost countries and from nations with export subsidies would undercut the U.S. dairy price support program. These import quotas are authorized under Section 22 of the Agricultural Marketing Agreement Act of 1937.

Section 22 in itself has never been an element of trade policy—and must not be during the GATT negotiations. It has been clear that the U.S. is the only Uruguay Round participant that is offering to make significant changes in its own dairy programs. Unless the other GATT participants make similar concessions, the American dairy industry will be severely hurt. The U.S. must not unilaterally disarm itself. I strongly urge you not to trade one commodity for another in the negotiations—dairy must not be used as a "bargaining chip."

Let me make one point perfectly clear: I will actively oppose a GATT round agreement which hurts the American dairy farmer. And I am confident that many of my Senate colleagues will join me in opposing a trade agreement that is unfair to our own farmers.

On the environment, the Administration has proposed an impressive action plan for the Mexican FTA which calls for an expanded program of environmental cooperation and protection with Mexico. I would add that the Mexican environmental movement agrees with the Bush Administration that the best way to protect against environmental degradation in Mexico is to promote economic growth through expanded trade. More growth means more capital available to clean up the environment and more resources for the Mexican government to enforce its environmental laws. I urge the Administration to put environmental issues at the top of the trade talk agenda. Furthermore, the Administration should provide to the Congress, at the earliest opportunity, a specific timetable as to the implementation of the proposed environmental action plan.

In the labor area, the Administration has proposed to phase-in the elimination of tariffs and non-tariff barriers on import-sensitive products, depending upon the determinations made by the International Trade Commission, Congress and the private sector. While the Administration's economic studies on the effect of the Mexican FTA have projected a net job gain for the U.S., they also show that certain industries may suffer negative effects. In particular, I would urge you to negotiate a transition period for the textile and footwear industries which have been hurt by imports in recent years.

Second, in terms of job loss and worker dislocation, I was pleased with the Administration's proposal to help dislocated workers through a job retraining and assistance program, based on the current Economic Dislocation and Worker Adjustment Program (EDWAA). However, the Administration has failed to specify what the size and shape of the worker adjustment program will be. I urge the Administration to put forth a more concrete plan, including a proposed dollar range to fund the program. I think we need to reassure America's workers that there will be an adequately funded job retraining program should any job displacement occur from a North American FTA and GATT agreement. I would note that the Administration did agree to such a worker dislocation program on the Clean Air legislation, signing off on a 5-year, $250 million program—before the Administration had any idea of what the job loss, if any, would be.

In summary, I will support trade agreements that provide for open but more reciprocal international trade. I will evaluate any final trade agreement on its merits and, most important of all, its impact on Wisconsin dairy farmers, workers and businesses. I urge the Administration to address the concerns I have raised—and I look forward to working closely with you during the "fast track" post-negotiation period in which Congress develops the legislation necessary to implement any trade agreements.

Sincerely,

ROBERT W. KASTEN, Jr.

U.S. TRADE REPRESENTATIVE,
EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, DC.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: Thank you for your letter of May 16 concerning the President's request for extension of fast track procedures, the U.S.-Mexico Free Trade Agreement and the Uruguay Round.

I was pleased to learn that you are inclined to support the President's request for fast track extension. We hold a shared view of the importance of trade to America's economic prosperity.

Wisconsin's experience mirrors that of the economy as a whole. Our economy has enjoyed six years of record expansion. The engine of this expansion has been U.S. exports. Over the past three years, exports of goods and services contributed more than 50 percent of the growth of GNP. While our economy has entered a temporary recession, the vitality of U.S. trade has not been interrupted. In 1990, the rate of growth of U.S. exports was twice as fast as the rise in imports. Exports generated 84 percent of our total economic growth last year.

You raised several concerns in your letter, and I would like to address them.

I want to reaffirm assurances I have given regarding the negotiations on agriculture in the Uruguay Round. First, we will not unilaterally modify our Section 22 import quotas. While we have put Section 22 quotas "on the table" in the GATT negotiations, we have stated repeatedly that we will not make any changes to Section 22 unless other countries make similar commitments on their non-tarriff import barriers.

I can assure you that dairy will not be used as a bargaining chip for concessions in other areas, for example grains or oilseeds. Furthermore, it is not our intention to make disproportionate cuts in certain sectors, such as dairy, in a manner which would single out those sectors for less favorable treatment.

Second, it is not our objective in the agricultural negotiations to reduce farmers' incomes. We have made it very clear in Geneva that governments should be permitted to provide income assistance and other programs to farmers so long as the programs are designed in a way that minimizes their trade-distorting effects on world markets. Instead, we want to reform the sources of trade distortions in world agricultural markets—export subsidies, market access barriers and trade-distorting domestic subsidies—so our farmers will have the opportunity to operate in an increasingly market-oriented trading environment.

Finally, we clearly recognize the importance of transition in moving from the current state of world agricultural markets to those that are more market-oriented. "Adjustment" is a key concept throughout our proposal. For example, GATT commitments will be implemented over an agreed period of time. We proposed a 10 year period. We also have proposed that a tariff snapback mechanism be permitted during the implementation period. Under our proposal, if either an import volume or an import price trigger is exceeded, a country would be allowed to automatically raise tariffs to prevent an unexpected increase in imports.

You also expressed concerns about the environment and labor adjustment with respect to the North American Free Trade Agreement (NAFTA) among the United States, Mexico and Canada.

I can assure you that both the United States and Mexico intend to work at full speed to address environmental concerns. There is full agreement between our two governments about the importance of enhancing environmental standards and enforcement.

The timing for these initiatives often depends on the particular action, which can range from coordinated targeting of potential environmental violators to implementing a border environment plan. For example, we already are actively involved in the search for environmental advisors for USTR's trade policy advisory committees, and we expect to name such individuals in the near future. The environmental review of U.S.-Mexico environmental issues will be completed in time for us to consider its findings during the NAFTA negotiations. The comprehensive border environmental plan will be prepared by the end of 1991, and its implementation would largely parallel and complement the NAFTA. With respect to the commitments not to weaken U.S. environmental and health and safety laws and regulations in the NAFTA, those are standing commitments that are in effect now.

You urged us to consider a transition period for the textile and footwear industries. I am well aware that these are seen as sensitive industries by many people, and we will be looking closely at the impact a NAFTA might have on them. I want to assure you that with respect to sensitive industries, nothing we negotiate will be implemented overnight. Instead, we will seek a gradual transition for such industries. As you know, for sensitive sectors the Administration is willing to consider transition periods beyond those contained in the U.S.-Canada FTA. That agreement provided for a transition period of up to 10 years.

On the subject of worker adjustment, the Administration is committed to working with the Congress to ensure a worker adjustment program that is adequately funded and provides effective services to workers who may lose their jobs as a result of an agreement with Mexico. Worker adjustment services, whether provided through the improvement or expansion of an existing program or through the creation of a new program, should be targeted to provide dislocated workers with appropriate services in a timely fashion.

At present, we could not forecast the size or shape of a new or existing worker adjustment program that would meet these criteria. That will depend on the sectoral coverage and phase-in schedule of the agreement, and the best available economic analysis of its effects on the U.S. economy. We will also want to consult closely with the Congress and interested private sector groups.

The Administration has made a commitment that any needed changes to U.S. law to implement such a program should be in place by the time an agreement enters into force and could appropriately be addressed in legislation implementing a NAFTA.

This arrangement will allow such an adjustment program to be tailored as necessary to fit the form of the completed or nearly-completed NAFTA agreement. As with any piece of domestic legislation Congress would play a significant role in the program's design.

Again, Senator Kasten, thank you for sharing your thoughts with me. I hope we can count on your support for the President's request for fast track extension, and I look forward to working with you in both the North American free trade negotiations and the Uruguay Round to craft agreements that are in our country's best interest.

Sincerely,

CARLA A. HILLS.

Mr. KASTEN. Extending fast track is a first step toward eliminating unfair trade barriers against U.S. products. It gives the President and the Congress a chance to expand foreign markets for American products—and create new jobs for American workers.

In summary, let me repeat that this is not a vote for or against any trade agreement—because no agreements have been reached. We will have the opportunity to evaluate any final trade agreements on the merits.

Mr. NUNN. Mr. President, I support the President's request for extension of fast-track procedures and will vote against the resolution of disapproval.

In making this decision, I have weighed several factors, in particular the overall benefit of the Uruguay round and the North American Free-Trade Agreement for Georgia and the potential effect of each agreement on a variety of industries within my State. All of us have to ask the question—is the Nation likely to gain overall as a result of a successful GATT round and expanded trade with Mexico?

I have concluded that both Georgia and our Nation will, on balance, enjoy significance and tangible economic benefits from the successful completion of sound and balanced trade agreements. Because most of our trading partners would be wary of signing an agreement which the Congress could later fully amend, the fast-track procedures are critical to the successful negotiations of both the GATT and North American Free-Trade agreements. This authority has been given to every President since the early 1970's and has become necessary for any meaningful negotiation to occur.

I will be looking carefully at the final agreement reached in the Uruguay round and the trade agreement with Mexico, and my vote for the fast-track in no way commits me to vote for final approval. I will closely follow the negotiations and carefully study the final agreements and their effect on Georgia before making these decisions. Georgia has various proponents and opponents of the fast-track procedure in both agriculture and manufacturing. For instance, the chemical, forest products, food products, grain and cattle industries support the extension while the textile, peanut, dairy, and cotton industries oppose it.

Certain industries, several of which have a significant presence in Georgia, may be harmed, particularly by the Uruguay round. I am speaking specifically of the peanut and textile industries. Both have clearly stated their concerns about the consequences of increased imports—and, in the case of peanuts, reduced price supports—on the future prosperity of their respective industries. I am also aware that the dairy, cotton, and sugar industries are opposed to a GATT agreement. I am also sensitive to concerns expressed by labor and environmental groups about the Mexico Free-Trade Agreement.

As for peanuts, this industry is a vital part of Georgia's agricultural economy. Ten thousand farmers in Georgia produce edible peanuts of the highest quality which represent almost half of the American peanut crop.

Because most of the peanut production in Georgia is concentrated in the southern region of the State, many counties are extremely dependent on the economic well-being of the peanut industry. These rural areas have low per capita incomes.

Given the importance of the peanut industry for my State, I naturally share the concern of Georgia peanut producers about the effects of the Uruguay round on their economic prospects. The U.S. proposal to reduce internal price supports and to increase import access for peanut is viewed by the industry as very damaging. The U.S. Department of Agriculture itself, in a study released just this month, acknowledges that, for peanut producers, "the gains from improved market conditions may not fully offset the reduction in their current * * * subsidies."

I have met on several occasions with the U.S. Trade Representative, Carla Hills, and her senior staff about this and other matters. In these meetings and in subsequent correspondence, I have expressed not only my concern about the specifics of the U.S. proposal but I have also asked for her commitment to protect the U.S. peanut industry's interests if our trading partners insist on higher internal support or lower market access for their products.

In response to my concerns and those articulated by the industry, Ambassador Hills stated to me that it is not our negotiators' intentions to make disproportionate cuts in certain sectors, such as peanuts, in a manner which would single out those sectors for less favorable treatment.

Ambassador Hills also made clear her understanding of the potential need for nontrade distorting payments to farmers who suffer losses as a result of the GATT agreement. I intend to work with the administration and my colleagues on the implementing legislation for the Uruguay round agreement to ensure that assistance is provided to producers to compensate for income disruptions caused by changes in the trading environment.

Most importantly, workers who are displaced as a result of a free-trade agreement with Mexico and Canada should receive training and adjustment assistance. Every effort should be made to ensure that those who lose their jobs have access to retraining and other programs to ease the transition to other lines of work.

I also have concerns about the United States position at the Uruguay round on textiles. In my State, approximately 150,000 individuals are employed by the textile and apparel industry. Like the peanut industry, textile and apparel manufacturers play an important role in the State's economy, particularly in many rural counties.

In the Uruguay round, the administration has proposed a 10-year phase out of the Multifiber Arrangement [MFA], the international agreement governing trade in textiles and clothing. In the industry's view, unless changed or adjusted, this phase-out could result in a loss of a large number of jobs in Georgia and in our Nation.

In a recent letter to Ambassador Hills, I asked that the U.S. negotiators ensure that the MFA phase-out includes several key provisions. First, I requested a provision whereby all participants agree in the textile agreement to abide by GATT rules on unfair trade practices such as dumping and subsides and to open their markets to textiles and apparel products. A second provision of the textile agreement should permit the United States to withhold further liberalization of its textile and apparel quotas and tariffs whenever other participants fall short of the fair trade and market openings commitments.

In her response, Ambassador Hills indicated a willingness to consider those suggestions. I will closely monitor the administration's efforts to provide the textile industry with appropriate protections from unfair trade practices and with speedy and effective remedies when other nations fail to live up to their market opening commitments.

Like many of my colleagues, I will be watching closely to see what kind of an agreement will result from the Uruguay round and whether the United States negotiators will stand firm in their commitment to advance the best interest of all affected United States parties. Naturally, my chief concern will be the equitable treatment of Georgia workers and industries as well as the inclusion of adequate safeguards and transition periods. Also, I intend to work with my Senate colleagues on the implementing legislation to fashion the best possible arrangement for domestic industries who will have to make significant adjustments.

Despite my strong concerns about the potential effect of the Uruguay round on several, key Georgia industries, I have decided that the net effect for Georgia and for the Nation of both a GATT agreement and a North American Free-Trade Agreement will be positive.

Georgia has actively participated, in, and benefited from, the growth in exports and is now the Nation's 15th largest exporting State. Since 1987, Georgia's merchandise exports have risen over 50 percent, from $4 billion in 1987 to approximately $7 billion in 1990. Almost 8 percent of Georgia's manufacturing employment in 1986 was generated by direct and indirect exports, which translates into 42,500 direct jobs, while Georgia farm exports rose over 54 percent between 1987 and 1990.

The potential benefits of increasing trade to Mexico under a North American Free-Trade Agreement also cannot be overlooked. Currently, Mexico is Georgia's third-largest export market, and Georgia's exports to Mexico are continuing to grow. Since 1987, Georgia's exports to Mexico have grown 303 percent, from $108 million to $435 million.

Continung this growth for Georgia depends upon successful completion of both agreements. The reduction of tariff and nontariff barriers and the elimination of special exemption rules under the Uruguay round and a United States-Mexico-Canada Free-Trade Agreement would benefit Georgia's manufactured and farm exports. Establishing intellectual property rights under GATT would increase the competitiveness of industries that play an important role in Georgia—specifically, the chemical and computer industries.

Another important sector of the Georgia economy, the forest products industry, predicts a rise in the export of its products if these agreements can be successfully concluded. The wood products and paper industries employ over 55,000 people in Georgia and Georgia ranks first among Southern States in its value of shipments of lumber and paper products. Over 1.2 million tons of paper are exported annually through the Port of Savannah, making it the largest port in the Nation for paper exports.

The industry believes that a GATT agreement would mean a substantial increase in the export of southern yellow pine and hardwood products from Georgia to foreign markets. Paper exports from mills in Georgia would also rise if tariffs are eliminated.

Several agricultural groups with a presence in Georgia have also indicated their support for the extension of fast-track procedures. The pork, poultry, cattle, grain and soybean industries view the pending trade agreements as providing important opportunities for increasing exports of their products. Beef exports, for instance, have increased by 600 percent in the last 10 years, and the industry believes this will continue if trade barriers can be reduced.

I have also attempted to discern the benefits of more open world and regional markets to the overall U.S. economy. Economic growth in this country over the last several years has been directly linked to increased exports. In fact, over the past 3 years, U.S. exports of goods and services contributed to more than 50 percent of the growth of GNP. In 1990, U.S. exports accounted for 88 percent of U.S. economic growth. Most economists believe that the current recession would have been much more severe without the concurrent growth in exports.

Successful completion of the Uruguay round could translate into a significant increase in U.S. output over the next 10 years, open new markets for U.S. business, and broaden market opportunities for international investment.

In addition, a North American Free-Trade Agreement could have positive economic and national security implications for the United States. According to the Department of Commerce, an open trade relationship among the United States, Canada, and Mexico will create a market of more than 360 million consumers, with a combined output of $6 trillion—20 percent larger than the European Community. Just considering our neighbors to the south, the potential economic boost for the United States is compelling: currently, for each dollar Mexico spends on imports, 70 cents is spent on United States goods. This trend will be enhanced under a free-trade agreement, and will put North America in a much better position vis-a-vis the European Community and the nations of the Pacific.

I also believe we must move toward a more open trade policy with Mexico for national security reasons. A nation on our border in economic and political turmoil is not in our best interest. If we are to stem the tide of illegal immigration, we must cooperate with the Mexican Government in creating a better economic environment for those seeking opportunity in that country. I am convinced that a North American Free-Trade Agreement could contribute to needed improvements in both the Mexican and the United States economy.

I recognize that there has been a great deal of concern expressed about the effect of a free-trade agreement with Mexico on United States jobs and on the environment along the United States-Mexican border. The administration's response to these concerns is an important first step, and our officials should continue to be vigilant, throughout negotiations on a trade agreement with Mexico, to protect American jobs to the extent possible, to provide retraining services to displaced workers, and to seek the Mexican Government's commitment to environmental protection.

On this question of job displacement, I believe Senator BENTSEN has made some important points. As he has stated:

> If you want to take advantage of lower Mexican labor costs and build automobiles down there—you can do it now, today, with-

out an agreement. The only barrier today is a 2.5-percent duty on imported cars—$250 on a $10,000 vehicle.

Some American companies will have incentives to relocate to Mexico regardless of a free-trade agreement.

Senator BENTSEN has further pointed out that the United States has more to gain under a free-trade agreement. As he has said:

> Mexico has made great progress, but its tariff rates are still twice as high as ours. Forty percent of the farm products we send them are still subject to import licenses—basically a quota restricting what we can sell them. * * * Simply put, eliminating all barriers would be a significant net gain for the United States, because Mexico has more to give up.

I will give my assent today to the extension of the fast-track procedures. I will cast this vote as one who believes that, without the fast-track process, our trading partners will leave the negotiating table. Why would the parties to the GATT or the country of Mexico sign a comprehensive trade agreement which could later be substantially altered? I do not believe this is an abdication of congressional prerogative—it simply gives our trading partners the same assurance the United States has given under every President since the mid-1970s.

As I have stated, I have based this difficult decision on a careful weighing of the potential losses and the potential benefits to Georgia and to the Nation of the Uruguay round and Mexico Free-Trade Agreements. At this critical juncture, I do not believe that we can turn our back on these two opportunities to improve our economic position.

We must only proceed, however, in a manner that is consistent with our national interest. I challenge our trade negotiators to be tough, to broker agreements with our worldwide and regional trading partners that are equitable in terms of our domestic industries and which advance the U.S. economic interest. My final vote on these agreements will depend on my assessment as to whether the Bush administration has met these challenges.

Mr. PELL. Mr. President, today I express my support for the extension of fast-track trading authority to the administration for the negotiation of international trade agreements. I do so because I believe that the United States has much to gain from the negotiation of a North American Free-Trade Agreement and I believe this process will facilitate the eventual conclusion of such an agreement.

This decision was not an easy one for me to make for although I strongly support free and expanded trade, serious and legitimate concerns have been raised about the disparities that exist between United States and Mexico. The chief concerns have centered on differences between our two countries' labor and environmental laws and standards and their enforcement. I have worked long and hard for the betterment of workers and the protection of the environment in this country and have also sought to include such concerns in the formation of foreign policy. For example, years ago I worked to see that the Agency for International Development took the environmental impact of a proposed project into account when considering foreign endeavors. In such instances, I believe that it is both appropriate and consistent to desire that the societal standards and goals that we set in this country are given heed when this country has dealings in the same areas abroad.

Thus, when the prospect of the formation of a liberalized trade agreement with Mexico came forward, I felt that assurances had to be given that concerns in numerous areas would be addressed during the negotiation process before I could support an extension of fast track.

In the intervening months since Presidents Bush and Salinas announced their intent to pursue a free-trade agreement last June, I believe that the administration has demonstrated sensitivity and open-mindedness to the environmental and labor concerns that have been raised. In particular, I point to the responsiveness exhibited as the officials within the administration worked with Members of the Senate and House to put together the action plan they delivered to Congress on May 1, a plan which detailed both the problems and potential solutions.

For the first time, the administration has made a commitment ahead of time to include a discussion of specific environmental objectives in the negotiating process of an international trade agreement. The administration is also involved in parallel talks regarding the strengthening of standards and enforcement of environmental laws between our two countries. This approach of increased cooperation on international environmental matters between the administration and Congress is refreshing and long overdue. I believe it reflects a good faith effort on behalf of the administration to address these important concerns.

With regards to the concerns raised by the labor community, again I feel that the administration has made a good faith effort to address the potential negative fallout of a United States-Mexican Free-Trade Agreement. In its action plan, the administration has promised to work with Congress to provide adjustment assistance and retraining for workers whose jobs may be affected. In addition, the administration has pledged to seek snap-back provisions to guard against import surges which unduly threaten specific industries, to include rules of origin in the agreement so that other countries will not funnel goods through Mexico to avoid United States tariffs, and to sign an agreement with the Mexican Government which will provide for cooperation in the areas of worker safety and child labor restrictions. These pledges are not insignificant and reflect a genuine commitment on the part of the administration to address these issues.

Given that these concerns are out in the open and that they have been addressed by the administration, I believe that we must move forward with the task of liberalizing North American trade. By the turn of the 21st century, I envision a world which will contain at least two major trading areas—a unified Europe under the control of the European Economic Community and the Pacific rim under the domination of Japan. I believe that we must proceed with the task of forming a third major trading bloc here in North America beginning with the linking of the United States, Canada, and Mexico in a cohesive trade area. Unless we do so, we are destined to lose the economic edge that we enjoy today and the United States will simply become a secondary player in an increasingly competitive world marketplace.

Of course, my vote here today and my desire to see the United States enter into a North American Free-Trade Agreement by no means indicates that I will support any agreement arrived at by the negotiators. If the agreement resulting from these negotiations does not reflect the pledges that the administration has made with regards to the environment, workers assistance, and labor and health standards, I will vote against its adoption. Indeed, once granted fast-track trading authority, the administration must be expected to act in good faith to address the very public and specific concerns that have been articulated in this debate and to which they have given very specific assurances. I reserve the right to see if they do.

In conclusion, I would like to state that I believe we are at the beginning of an historic opportunity. The elimination of trade barriers is ultimately beneficial to the dynamic and innovative American economy and I believe that a carefully considered North American Free-Trade Agreement will be beneficial for all. In particular, Mexico provides opportunity to expand our markets and to create a powerful trading bloc that will stand up to the intense competition of the future world marketplace. We have much to do and I believe the extension of fast-track will help us begin this important task.

Mr. PRESSLER. Mr. President, I submit for the RECORD a letter and list of major farm organizations supporting fast track. These groups represent nearly all of the commodities produced in South Dakota, including: Corn, wheat, soybeans, barley, oats, forest products, sunflowers, beef, pork, and turkeys. I cannot turn my back on these producers in South Dakota and oppose fast-track authority. I urge my colleagues to oppose Senate Resolution 78.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. AGRICULTURE
FOR TRADE NEGOTIATIONS,
March 14, 1991.

Hon. LARRY PRESSLER,
U.S. Senate, Washington, DC.

DEAR SENATOR PRESSLER: The undersigned organizations support continued efforts to reduce remaining agricultural trade barriers in the current Uruguay Round of GATT trade negotiations. We therefore urge you not to co-sponsor or support resolutions disapproving the President's request for an extension of his "fast track" negotiating authority.

American farmers and other agricultural interests have long supported international efforts to achieve more open markets and fairer trading rules for agriculture through multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT). The progress made in opening markets for agricultural exports in previous GATT negotiations has been of tremendous importance to the U.S. agricultural sector and the national economy as a whole.

"Fast track" authority is essential to a successful and acceptable Uruguay Round trade agreement. Without an agreement, American agriculture will be faced with the very real threat of escalating and damaging trade conflicts in agriculture.

As you know, a vote on the "fast track" authority is not a vote for a GATT agreement, or for a North American Free Trade Agreement. A vote for "fast track" is a vote to enable the talks to proceed. Eventual support for either agreement brought back to Congress for approval would be conditioned upon the terms of that agreement. The "fast track" procedure also enables Congress and other interested parties to have their concerns fully considered through the negotiating process.

We believe that the opportunity for seeking trade agreements that provide net benefits for our national interests should not be foreclosed by denying "fast track" authority to our negotiators, and we strongly urge your support for its extension.

Sincerely,

American Farm Bureau Federation.
National Grange.
Ag Processing, Inc.
American Feed Industry Association.
American Hardwood Export Council.
American Meat Institute.
American Oat Association.
American Rice, Inc.
American Seed Trade Association.
American Soybean Association.
Biscuit and Cracker Manufacturers' Association.
Blue Diamond Growers, Inc.
California-Arizona Citrus League.
Cargill, Inc.
Chocolate Manufacturers Association.
ConAgra, Inc.
Continental Grain Company.
Corn Refiners Association.
Farmers Rice Cooperative.
Farmland Industries, Inc.
International Apple Institute.
International Dairy Foods Association.
Millers' National Federation.
National Association of Wheat Growers.
National Barley Growers Association.
National Cattlemen's Association.
National Confectioners Association.
National Corn Growers Association.
National Food Processors Association.
National Forest Products Association.
National Grain and Feed Association.
National Grain Sorghum Producers Association.
National Grain Trade Council.
National Meat Canners Association.
National Oilseed Processors Association.
National Pork Producers Council.
National Sunflower Association.
National Turkey Federation.
North American Export Grain Association, Inc.
Riceland Foods, Inc.
Rice Growers Association of California.
Rice Millers' Association.
R.J.R. Nabisco, Inc.
Southeastern Poultry & Egg Association.
Sun-Diamond Growers of California.
Sunkist Growers, Inc.
Sweetener Users Association.
Tobacco Associates, Inc.
Tri Valley Growers.
Union Equity Cooperative Exchange.
United Fresh Fruit and Vegetable Association.

Mr. PRESSLER. Mr. President, because of the agricultural, business, and trade interests which are so important to my home State of South Dakota and to our Nation, I support fast-track negotiating authority.

Fast-track authority is essential to the reasonable conduct of international trade negotiations. Without it, U.S. credibility in pursuing market opening efforts and trade reform would be seriously undermined. Increasing agricultural exports is crucial to the successful future of my home State of South Dakota and to nearly all of the agribusiness community.

Without fast-track authority trade negotiations within the General Agreement on Tariffs and Trade [GATT] will probably not resume. Bilateral negotiations with Mexico on a free-trade agreement would probably not take place. Because Mexico is the third largest importer of United States agricultural products, failure to negotiate a free-trade agreement could be damaging to United States agriculture.

Congress must retain a major role with regard to the aims, progress, and conduct of any negotiations in the trade area. I recently met with President Bush and U.S. Trade Representative Carla Hills to remind them of the absolute necessity for congressional oversight of all trade negations as the treaties take shape. I also informed President Bush and USTR Hills that I would not support any trade agreement that is damaging to agriculture. For example, section 22 of the Agricultural Adjustment Act of 1937 simply cannot be weakened or eliminated in any trade agreement. Doing so would be disastrous to the U.S. dairy industry.

Mr. COHEN. Mr. President, I rise today to support the resolution offered by the distinguished Senator from South Carolina.

It was less than a year ago today that President Bush announced his hopes of establishing a free-trade agreement with Mexico, creating a North American Free-Trade Agreement [NAFTA] between the United States, Canada, and Mexico. Several months ago, the President requested authority to negotiate such an agreement. The Congress agreed to this request. Subsequently, the President requested authority to negotiate a NAFTA on the fast track under which Congress would not be permitted to amend the agreement. It is this issue that we debate today.

The fact that previous free-trade agreements with Canada and Israel were negotiated on the fast track ought not control whether such an agreement with Mexico should also be on the fast track. Mexico presents a whole host of difficult and problematic issues not present with respect to Canada or Israel.

Although I had serious problems with the Canadian FTA and ultimately opposed it because of its failure to address subsidies, Canada is at least on a par with the United States with respect to wages and environmental standards. Mexico, on the other hand, has wages and environmental standards well below those in the United States. A poorly drafted NAFTA would simply encourage more U.S. companies to move offshore to take advantage of lower wages and weaker environmental standards.

Each of us is well aware of the thousands of U.S. manufacturing jobs that have been lost over the past 20 years as these jobs have moved offshore. Many companies in the United States have simply been unable to compete with foreign producers whose labor costs are one-tenth of those in the United States. Since 1980, over 7,000 Maine shoe workers have lost their jobs and over 30 plants have been forced to shut their doors. Likewise, the dramatic increase in textile and apparel imports has caused intolerable market disruption, numerous plant closings, and thousands of job losses—despite significant upgrades in the plants.

I see no reason to worsen this unfortunate trend through fast-track procedures. I may be willing to support a NAFTA at a later date but only with assurances that U.S. manufacturers will not be further decimated by imports. Any NAFTA that may emerge must take into account the tremendous difference in wages and environmental standards between the United States and Mexico. Because the need for these assurances is so great, I cannot support fast-track consideration of a NAFTA.

Mrs. KASSEBAUM. Mr. President, I would like to join my colleagues who have expressed their support for extending fast-track procedures and for the North America Free-Trade Agreement negotiations with Mexico and Canada.

Since the end of World War II, the United States has been the world's leader in promoting economic growth through free trade. Our success is evident today in the dramatic events which are occurring worldwide. From the East bloc countries to the African continent, the growing commitment to democracy and freedom has also been accompanied by a growing commitment to free market economies and the principles of free and open trade.

It is my strongest hope that the result of today's debate will be a reaffirmation of the economic policies we hold dear and of the U.S. leadership role in promoting the goal of dismantling trade barriers which will spur economic growth worldwide.

In this regard, I would like to commend President Bush for the leadership he has demonstrated on these issues. The President's pursuit of free trade negotiations with Mexico, and his longer-term goal of establishing a free trade zone for all of the Americas, is a clear recognition of the economic challenges we will face in the 1990's and into the next century.

As the President has emphasized, the process of economic integration and trade liberalization is accelerating worldwide. This is most clearly evident in the European Community's commitment to form a single market by 1992. If we do not seize the opportunities for trade expansion in the next decade, we run the risk of being left behind.

I believe very strongly that a North America Free-Trade Agreement, which is carefully negotiated, is in our interest mainly because export expansion is a vital source of economic growth for the U.S. economy. Since 1986, export expansion has accounted for 40 percent of our gross national product. And, last year as our domestic economy slowed, exports accounted for almost 90 percent of our GNP growth. If we are going to be a competitor in the 21st century, our export expansion must continue. If we are going to maintain a leadership role economically, we must continue to lead in the effort to open markets.

The North America Free-Trade Agreement would create the largest market in the world: 360 million consumers with a total output of more than $6 trillion. This market would be larger than the European Community. The agreement would eliminate economic barriers with our first trading partner, Canada, and our third largest trading partner, Mexico. In 1990, our three-way trade amounted to $236 billion. Mexico is now the fastest growing market for United States exports—70 percent of Mexican imports today come from the United States.

One of the key reasons, I believe, we will gain from a free-trade agreement with Mexico is because our markets are already open. What a free-trade agreement will give us is more access to Mexican markets.

While the world's attention has been captured by the dramatic revolutions taking place in Eastern Europe, a very quiet, but no less dramatic revolution has been taking place just south of our border. Under the leadership of President Salinas, Mexico has undergone a radical economic transformation. Mexico has implemented a far-reaching program of deregulation and privatization, dramatically reduced its import barriers, and improved access to foreign investors. The positive impact of these reforms on our economy is clear in our trade figures. After experiencing no growth between 1980 and 1987, United States exports to Mexico have almost doubled in the last 3 years. It is clearly in our interests and Mexico's interests to lock those reforms in place and to go even further.

Several years ago, I served as a member of a 2-year commission on the future of United States-Mexico relations, sponsored by the Ford Foundation. While both the Mexican and American members of that commission agreed at the time that a free-trade arrangement would be beneficial to both the United States and Mexico, we feared that the political leadership on both sides of the border might not be ready. We are fortunate that that leadership exists today, and we must not let this opportunity go by.

There are important concerns which must be addressed in the free-trade negotiations, including the environment and human rights, as well as providing appropriate transition and adjustment provisions. But, I do not believe that approving the continuation of fast-track authority means that these concerns will not be addressed. I am confident that the President and the members of his administration are listening and will continue to consult closely as the negotiations proceed.

Since 1934, after our disastrous experience with the Smoot-Hawley bill, Congress has given the President broad authority to negotiate tariff reductions. As trade agreements became more complicated, involving the reduction of barriers other than tariffs, Congress authorized fast-tract authority in 1974, which provides for an up-or-down vote on trade agreements. This approach is very similar to our approach to base closings. It is simply a realistic approach that works. I would urge my colleagues to join with me today in supporting fast track. This authority is critical to the continuation and success of the free-trade negotiations—as well as Uruguay round—agreements, which if negotiated well, can be clearly in our economic interest.

SLOW DOWN THE NAFTA FAST TRACK

Mr. GLENN. Mr. President, while contentious trade issues are nothing new, what sets the current debate apart is that the sound and fury are not related to a dispute between the United States and one of our trading partners but between the administration and the Congress over extension of the so-called fast track. Let us be clear—we are not considering the substance of a GATT agreement, or a Mexican Free-Trade Agreement, but rather what international procedures will govern congressional consideration of the implementing legislation if and when such agreements are reached.

The Constitution, article 1 section 8 gives Congress the power "to regulate commerce with foreign nations", clearly trade agreements do just that. In giving fast track to the President, Congress cedes a substantial part of its constitutional authority to the executive branch. Congress commits itself to suspend normal legislative procedures and vote up or down on trade agreement implementing legislation within a specified period of time and with no amendments. So what is the justification for this unusual ceding of congressional authority to the President? The administration argues that foreign governments will not negotiate with the United States, will not make necesssary but often painful concessions, if they cannot be assured that the deal struck will not be changed when it reaches Congress.

This is a problem we face often in trade and other matters affecting our relations with other nations and is a function of our unique system of shared powers, checks and balances. When a Prime Minister strikes a deal, it is either approved by the legislature or the Prime Minister's government falls. Our Founding Fathers deliberately established a different system and I, for one, believe it has served us pretty well.

Taking our system of government into account is one of the realities of doing business with the United States. I have served 17 years in the Senate, 8 of those years on the Senate Foreign Relations Committee. In that time the Senate has considered dozens of treaties covering a host of important topics. None of those agreements was immune from amendment by the Senate, and our treaty partners were well aware of that fact. Yet not one has been amended in a fashion that required renegotiation.

While it would undoubtedly complicate the life of trade negotiators, I do not accept the contention that trade negotiations, particularly bilateral trade negotiations, cannot go forward in the absence of a prior congressional commitment to the fast track for implementing legislation. While Members can and do differ in their assessment of the adequacy of consultation during the course of trade negotiations, I believe we all can be assured of very close consultation if there is no prior fast-track commitment.

The foregoing remarks notwithstanding, I believe there are substantial reasons why fast track should be extended for the completion of the Uruguay round of the GATT. First, Congress committed to fast track at the beginning of this round and that commitment extended to the expected conclusion of the round. However, the negotiations could not be completed by the end of 1990 because of complications over agricultural trade. So the administration must seek a further fast-track extension to complete the round. It seems both logical and fair that the same ground rules agreed to at the start of the negotiations continue through the conclusion of the negotiations.

In addition, the GATT negotiations involve 107 nations. Undeniably, it would be difficult to go back and renegotiate with 107 nations if Congress chose to amend the agreement. While I will reserve judgment on any new GATT agreement until I have had the opportunity to examine its particulars and analyze its impact on Ohio, an excellent case can be made for a further extension of fast track for GATT.

The same case cannot be made, however, for the separate proposed negotiations on a free-trade agreement with Mexico. I have many questions about the impact of such an agreement and I am not prepared at this point to severely constrain Congress' role in the development of any agreement by extending the fast-track commitment to these bilateral or trilateral negotiations.

My colleagues are by now very familiar with the issues which have been raised in connection with this proposed agreement—economic, environmental, worker health and safety for example. I would like to comment briefly on only one—the potential economic impact of the agreement. The administration has argued that the agreement will be good for the United States and good for Mexico although, given the small size of Mexico's economy compared to ours, no one has argued that the impact will be dramatic.

The administration uses three studies to support its positive assessment: a February 1991 report by the International Trade Commission, a study by the Policy Economics Group of KPMG Peat Marwick for the United States Council of the Mexico-United States Business Committee, and a study by the Interindustry Economic Research Fund Inc., the University of Maryland for the United States Department of Labor.

Last month I asked the Congressional Research Service to examine these three studies with a particular emphasis on methodology and assumptions. I will ask that the full CRS memorandum be reprinted at the conclusion of my remarks and would like to take the time of the Senate only to call attention to a few key points. The CRS memorandum concludes that "the main problem, however, is that a North American free-trade agreement, even more than previous agreements, will likely include a wide variety of issues not included in the models. In particular, the implications of potential increases in foreign investment in Mexico are extremely important. The omission of investment from the ITC and UM models is an important limitation of these two studies".

With respect to the third study, CRS states that "the Peat Marwick study assumes that additional capital flows into Mexico" but notes that "foreign capital does not replace any physical plant and equipment that otherwise would have been located in the United States". In other words, the additional investment which a free-trade agreement attracts to Mexico does not come from the United States; where it comes from is not identified but not from the United States.

Subsequently I came across another study produced by the Economic Policy Institute located here in Washington which identified the same flaw in the studies done to date and took the analysis one step further by attempting to factor in the impact of modest investment flows from the United States to Mexico. Given that investment is what Mexico is seeking from an FTA and that many American firms want liberalized investment policies codified in Mexico, this appears to be a reasonable variable to examine.

I would like at this point to quote from the EPI's report on what they found when they factored in a modest shift of investment from the United States to Mexico.

> Accordingly, the Economic Policy Institute asked University of California at Berkeley economist Dr. Raul Hinojosa-Ojeda to modify the standard model of U.S.-Mexico relations he has developed with economist Dr. Robert McCleery to allow for a modest shift of capital between the U.S. and Mexico. The equation introduced into the model reduced the risk premia for U.S. investors investing in Mexico by 10 percent as a result of the FTA. Given that all economic analysts think the FTA will increase U.S. investor confidence in Mexico, this is a rather conservative assumption.
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> The Hinojosa-McCleery model is similar to that of the ITC and Peat Marwick in that it is a "Computable General Equilibrium" model. The Hinojosa-McCleery model is unique in that it encompasses the interaction of trade, migration, and capital flows between sectors in each country. But, like the other models, it too assumes full employment. In fact, run without the adjusted capital investment equation, it generates an even larger gain for the U.S. from an FTA than the studies cited by the Administration. (This is due to certain assumptions it makes about migration.) A complete description of the model is given in Raul Hinojosa-Ojeda and Robert K. McCleery, "U.S.-Mexico Interdependence, Social Pacts and Policy Alternatives: A Computable General Equilibrium Approach" [*Estudios Economicos*, Vol. 5 (Number 2, 1990 forthcoming)].
>
> Two scenarios were simulated by the model. The first, a "status quo" projection, assumed a continuation of the historic differential in the return on capital between the U.S. and Mexico. Interest rates are assumed to be stable, oil prices rise to reach their 1982 level by the year 2000, Mexico is able to receive $4.5 billion (nominal) in new lending per year to maintain its debt payments, the Immigration Reform and Control Act (IRCA) of 1986 is assumed to work—in that costs to migrants rise by twenty percent and wages for undocumented workers fall by ten percent.
>
> The second scenario has the same assumptions, except investors are allowed to be more confident in Mexico as a result of a free-trade agreement. Free trade is modelled as an elimination of tariffs between the two countries over 10 years beginning in 1992. The differential in returns to capital between the U.S. and Mexico is allowed to fall by two percent the first year of the agreement, and one percent each additional year until the year 2000, for a ten percent overall decline in the risk premia.
>
> This scenario results in a movement of $44 billion in capital from the U.S. to Mexico over the decade. As a consequence, the U.S. looses 550,000 jobs and the U.S. Gross Domestic Product falls by $36 billion. Because the model assumes full employment, these workers are reemployed, but with a 50 percent wage cut.
>
> The loss of jobs because of direct foreign investment shifts is not a unique finding of this model. For example, Norman Glickman, the director of urban policy research at Rutgers University and Douglas Woodward, professor of economics at the University of South Carolina in their book, *The New Competitors* (New York: Basic Book, 1989) found that between 1977 and 1986 U.S. companies' investments abroad stimulated the creation of 588,000 jobs, *but caused the loss of 3.3 million American jobs*. They calculated a net loss of 2.7 million jobs. So the finding of a loss of 550,000 jobs projected by the Hinojosa-McCleery model is certainly in line with our experience.

My purpose in speaking at some length about these various studies is not to vouch for the unquestioned validity of any of them. As CRS pointed out, "economic models yield important information which cannot be captured any other way. They are superior to anecdotal evidence in that they systematically analyze all the available data. All benefits and costs, however, are not captured in the model. Economic models can aid in decisionmaking, but given the limitations of most studies, should be interpreted with care." My purpose is to suggest that the proposed free-trade agreement with Mexico raises many profound questions about the potential economic impact which cannot be answered with certainty. Hence, I believe that prudence dictates that we proceed with caution in negotiating an FTA, and that means without prior commitment to the fast track.

For many reasons—vastly different levels of development and substantially different economic systems for example—the proposed free-trade agreement with Mexico is a leap into the unknown. We have only two other bilateral free-trade agreements and neither of them represents a true or very useful precedent for the proposed agreement with Mexico. I encouraged proceeding with negotiations with Mexico, but I believe we should proceed in a cautious and deliberate manner. And that means without a commitment in advance that Congress will limit its options to taking or leaving the entire complex, multifaceted agreement.

I had hoped that it would be possible to separate this question and vote separately on whether to grant fast track for GATT and for Mexico. As that does not appear possible, I will vote for the resolution of disapproval. Approving this resolution is the only way I see to get to where I want to be, and that is separate consideration of and votes on fast track for GATT and the Mexico FTA.

I want it to be clear to my colleagues and to those many constituents who have contacted me to express their support for GATT. I do not want to kill the GATT negotiations; I support extension of fast track for the completion of those negotiations. I believe that on the whole GATT has been good for the United States and for Ohio—a State very much dependent for its economic health on exports—and good for the Nation. However, as I see it, if the resolution of disapproval is defeated, the ball game is over. However, if it is approved we still have the option to consider reinstating fast track for GATT, and I would support such a move.

I ask unanimous consent that the CRS memorandum earlier referred to be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, April 26, 1991.

MEMORANDUM

To: Honorable John Glenn.

From: Arlene Wilson, Specialist in International Trade and Finance, Economics Division.

Subject: Critique of Studies on a Mexico-U.S. Free Trade Agreement by the International Trade Commission, Peat Marwick, and the University of Maryland.

Results of three studies on the effect of a Mexico-U.S. free trade agreement on U.S. income and employment have been presented at congressional hearings over the past few weeks. This memorandum responds to a number of congressional requests for a preliminary analysis of the three studies, which are:

The Likely Impact on the United States of a Free Trade Agreement with Mexico, by the United States International Trade Commission, February 1991. USITC Publication 2353.

The Effects of a Free Trade Agreement Between the U.S. and Mexico, Executive Summary, by the Policy Economics Group of KPMG Peat Marwick for the U.S. Council of the Mexico-U.S. Business Committee. February 27, 1991.[1]

Industrial Effects of a Free Trade Agreement Between Mexico and the USA, by the Interindustry Economic Research Fund, Inc., the University of Maryland (Principal Investigator Professor Clopper Almon) for the U.S. Department of Labor. Sept. 15, 1990.

ECONOMIC MODELS AND FREE TRADE AGREEMENTS

In general, models combine economic theory, statistical methods, and data to construct series of equations which reflect, as best as possible, relationships in the real world. These models make it possible to isolate the effect of a policy change, such as a reduction in tariffs, on, for example, GNP, trade flows, or employment, which is not possible any other way. Consequently, models can provide important information to policymakers.

Economic models, however, have limitations. The assumptions underlying the model have a large effect on the quantitative results. For example, assuming perfect competition (many buyers and sellers and homogeneous products) in a model will give different results than assuming imperfect competition. Generally, the imperfect competition assumption allows for economies of scale (lower average costs as output rises). Taking advantage of economies of scale in trade agreements usually results in larger gains from free trade than assuming perfect competition, where the gains are based only on reallocation of resources.

Elasticities (the responsiveness of the quantity demanded or supplied to price changes) used as parameters in the equations may reflect previously computed results (by other researchers), or best guesses of economists. But different elasticity estimates will have a large effect on the results.

Some models are "partial equilibrium" which deal only with specific economic relationships, and cannot capture the full effects of a policy change. More commonly, "general equilibrium" models, which include the interactions among and within trading partners, are used in modelling free trade agreements.

The level of industry aggregation in the equations can also make a difference. Usually, the greater the disaggregation (the more narrow the industry grouping), the larger the changes in trade resulting from tariff elimination.

Finally, models sometimes omit important elements, often because some aspects are not quantifiable, or because data are not available. This is particularly true in the case of free trade agreements, where agreements are increasingly comprehensive and include many nonquantifiable issues. For example, in the Canada-U.S. free trade agreement, provisions on dispute settlement, or on liberalizing investment and services in the future, may be important benefits of the agreement, but are not quantifiable and are not captured in the models.

One study compared the assumptions and results of five models of the Canada-U.S. free trade agreement.[2] Two of the models assumed perfect competition, while three did not. Three assumed removal of tariffs, while two assumed removal of tariffs and nontariff barriers (but none included the effect of a "better environment for trade"). Two included international capital mobility; three did not. Results of the studies varied from a small negative to a small positive effect on the U.S. economy. For Canada, the projections ranged from small negative to large positive effects. The author concluded:

Thus, quantitative estimates derived from models are simply some of the many pieces of information that are useful in the decision process and, in some cases, may not represent the most important pieces.

Quantitative trade models have improved substantially in recent years. Nevertheless, as this review points out, let the user beware.[3]

In summary, then, economic models yield important information which cannot be captured any other way. They are superior to anecdotal evidence in that they systematically analyze all the available data. All benefits and costs, however, are not captured in the model. Economic models can aid in decision making, but, given the limitations of most studies, should be interpreted with care.

COMPARISON OF THE THREE STUDIES

The International Trade Commission (ITC), Peat Marwick and University of Maryland (UM) studies all use models to project the effect of a U.S.-Mexico free trade agreement on the United States. Both aggregate and sectoral projections are made in all three studies. Although each study also makes other estimates, such as the effect on Mexico or the effect on trade balances, the discussion below focuses only on the effects on U.S. output, employment and wages, topics of most concern to the Congress. This comparison is also very broad, and does not examine assumptions or results of the models in detail.

The studies differ in a number of ways. The Peat Marwick and UM study are general equilibrium models, while the ITC study is a partial equilibrium model. Perfect competition is assumed in the UM model, and imperfect competition in the ITC model. The UM study does not disaggregate labor by skill, while the ITC study does. The Peat Marwick summary does not specify whether it assumes perfect or imperfect competition, or whether labor is disaggregated by skill. The UM study assumes that a free trade agreement does not cause the dollar-peso exchange rate or the U.S. money supply to change.

All three studies included the effect of elimination of tariffs plus selected nontariff barriers, which differ for each study. Only the UM model includes the effect of eliminating Mexican nontariff barriers on motor vehicles. More specifically, the ITC model included quotas and voluntary restraint agreements, but apparently not other nontariff barriers. The Peat Marwick model includes the effect of liberalizing import quotas (except in agriculture) and licenses, but not the effect of liberalization of Mexican import restrictions on motor vehicles. The UM model includes the effect of removing nontariff barriers on U.S. exports to Mexico in agriculture, motor vehicles and computers, and the effect on Mexican exports to the United States in apparel.

If some or all of Mexico's investment restrictions are eliminated in a free trade agreement, increases in foreign investment in Mexico are then possible. The potential for increased foreign investment in Mexico is an important congressional concern, but is difficult to model, since it depends on economic variables such as relative wages, after tax rates of return, productivity, exchange rates, and infrastructure. The ITC and UM studies omit possible foreign investment increases in their models, which is an important limitation.

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[1] This analysis is based on the Executive Summary, since the complete study had not been released when this memo was prepared.

[2] Coughlin, Cletus, C., *What Do Economic Models Tell Us About the Effects of the U.S.-Canada Free Trade Agreement?* Federal Reserve Bank of St. Louis review, v. 72, Sept./Oct. 1990, p. 40-58.

[3] Ibid., p. 58.

The Peat Marwick study assumes that additional capital flows into Mexico so as to reduce the real rate of return to its pre-free trade agreement level. According to the Peat Marwick summary, this is a "conservative" estimate. Moreover, this model assumes that "foreign capital does not replace any physical plant and equipment that otherwise would have been located in the United States."

The ITC and Peat Marwick models assume that total U.S. employment does not change. This appears to be a legitimate simplifying assumption when running the model. The total demand for labor is determined by the model and, in practice, some of the change in the demand for labor will be reflected in employment and some in wages. Holding employment constant means that the entire effect will be felt in wages. But the results have to be interpreted carefully. The studies do not "prove" that aggregate U.S. employment will not change.

All three studies find that, for the economy as a whole, U.S. aggregate output will increase as a result of an agreement, but usually by a small amount. Although the inclusion of investment in the Peat Marwick study increases the benefit to the United States, it still remains very small.

The results of the analyses by U.S. sector are also similar among the three studies. All three studies agree that sectoral shifts in output and employment will occur, although they predict that shifts will have only a negligible effect on the affected U.S. industries and workers.

Many sectors, of course, gain. Of those losing, the ITC study projects losses for fruits and vegetables, tuna and inexpensive household glassware. The Peat Marwick study estimates that, as a percentage of total output, sugar refining, electronic components, fruits and vegetables, apparel, household appliances, and computing equipment will be the most adversely affected sectors. Only in sugar refining, however, will output be affected by more than 1 percent. According to the UM study, construction, medicine and hotels would be adversely affected. Since potential employment losses in the U.S. economy and for individual sectors are important to the Congress, the following paragraphs summarize the main conclusions of the Peat Marwick and UM studies which make such estimates.

According to the Peat Marwick summary, "a significant effect of the free trade agreement will be on the reallocation of resources among industries in each country." Sugar refining will show the largest percentage decline in U.S. employment (2.38 percent of 1,700 jobs). By amount, the largest job losses will be in electronic components (4,700 jobs), apparel (4,400 jobs), hotels and restaurants (3,600 jobs), computing equipment (2,700 jobs), and fruits and vegetables (2,600). (As mentioned earlier, the Peat Marwick study assumes no employment changes for the U.S. economy as a whole.)

The UM study projects that total U.S. jobs increase by 44,500 after five years. The main U.S. sectors losing jobs are construction (12,800 jobs), medicine (6,000 jobs), apparel (5,900 jobs), and hotels (2,400 jobs).

The job losses in the above two paragraphs, however, need to be put in perspective. Since a free trade agreement will probably be phased in over a 10-year period, the job loss in any one sector in any one year would not exceed 500 in the Peat Marwick Study. In the UM study, where the projections refer to five years, the job loss would not exceed 2,560 in any one sector in any one year. By comparison, the United States economy as a whole gained 1.9 million new civilian jobs each year over the 1980-90 period.

CONCLUSION

Since all three studies focus mainly on the effect of elimination of tariffs and some nontariff barriers, it is not surprising that they all show relatively small, positive effects for the U.S. economy, and relatively few sectors hurt by an agreement.

The findings of the models are consistent with what might be expected based on the relative size of the U.S. and Mexican economies and the bilateral trading relationship. With GNP of $200 billion in 1989, the Mexican economy is quite small relative to that of the United States (GNP of $5,234 billion in 1989). And U.S. exports to Mexico, which totaled $25 billion in 1989, account for only 7 percent of all U.S. exports. Thus, the potential for an increase in U.S. exports to Mexico is quite limited in the short run.

The relatively low current U.S. and Mexican tariffs and the substantial proportion of U.S.-Mexican trade that already crosses the border tariff free also supports the models' results. The effective Mexican tariff is about 10 percent, while that of the United States is 4 percent. Mexico's maquiladora program and U.S. treatment of imports from maquiladoras eliminates duties on about one-fourth of all U.S.-Mexican trade. Moreover, about 10 percent of Mexican exports to the United States benefit from the Generalized System of Preferences, in which duty-free status is given to selected imports from developing countries. As a result, the benefits and costs to the United States from eliminating bilateral tariffs would be expected to be low.

The main problem, however, is that a North American free trade agreement, even more than previous agreements, will likely include a wide variety of issues not included in the models. In particular, the implications of potential increases in foreign investment in Mexico are extremely important. The omission of investment from the ITC and UM models is an important limitation of these two studies.

Similarly, only the UM study includes the effect of removing Mexican nontariff barriers on motor vehicles. The omission of these barriers in the other two studies is a serious shortcoming.

The models do not (and could not) take account of potential improvements in bilateral trade relations or a more stable business environment that might result from an agreement. Changes in intellectual property protection or in government procurement practices are also not included. Although difficult to quantify, such factors are often a major benefit of free trade agreements.

Finally, many noneconomic issues are being discussed. Such issues as differences in labor standards, Mexican enforcement of environmental regulations, and harmonization of food health and safety standards are mentioned by many as vital to an agreement. It is not possible for models to capture any benefits or costs from resolving these issues in negotiations.

Mr. KERREY. Mr. President, I rise in opposition to Senate Resolution 78, the resolution disapproving extension of the President's authority to conduct certain trade negotiations under fast-track procedures.

My support of the President's request for extension of fast-track authority is the direct result of my strong support for free trade. But the President hasn't earned this vote; he does not deserve it. If I viewed this vote as a referendum on administration economic and trade policies toward working Americans, I would vote "no" on fast track.

The President hasn't earned this vote because he has not earned the trust of working American families—wage earners and farmers whose standard of living has fallen over the past decade in large part because of administration policy. That policy has ranged from neglect to hostility. As a result, the President's promise today of a better life with free trade rings hollow to the working families who believe their economic plight is not felt by the administration.

Working Americans know who has the ear of the administration on this issue. They know the administration listens to the army of executives whose private jets arrive daily at National Airport and who have ready access to top administration officials. This privileged group did well in the 1980's. And why not? The rules were changed in their favor. They took their tax cuts, they took advantage of laissez faire government, and they leveraged the gap between haves and have-nots into a chasm, courtesy of the administration.

These are the same people who are also advising President Bush to oppose increases in the minimum wage, the extension of unpaid medical leave for employees, universal health care, and civil rights legislation. They appear to be oblivious to the resentment that middle-income Americans feel when they see these executives, whose salaries and perks seem to expand even as their company profits and work force shrink, smugly pontificate about the glory of these trade agreements.

I do not wish to fan the flames of class war, Mr. President. I do not want to level criticism at the business community in general, many of whose members are genuinely concerned about working individuals and understand that we must do more than sign trade agreements if we want to improve America's competitive position and produce our way to higher standards of living.

Neither do I wish to imply that all of America's business leaders cashed in on those leveraged buyouts that produced more debt and fewer jobs. The company that traded a steady return for a quick gain while begging for tax and regulatory relief here at home was the exception rather than the rule.

Mr. President, I believe free trade can benefit the American middle class, but only if we also put in place domestic economic policies whose aim is real productivity gains. Our economic policies must address the growing problems faced by American workers as they attempt to ensure quality in the goods they produce while struggling to maintain quality in the lives they lead.

As I said, Mr. President, if I did not believe so strongly in the benefits of lower trade barriers, I would oppose the President's request. As I considered this vote I finally concluded that the potential benefits of freer trade override the evidence of domestic neglect that is the record of the past 10 years.

It is true we will not stay competitive if we erect barriers around our borders; however, it is equally true we will not get the job done merely by lowering them. We will not get the job done unless America's political leaders—the President and the Congress—adopt a two-track strategy that focuses on what we are doing and what our competition is doing. I believe this administration and the one before it have neglected what America needs to do to stay competitive and failed to respond to the aggressive moves of our competition. Actions speak louder than words, Mr. President, and when it comes to action that prepares America for an increasingly competitive marketplace, President Bush and President Reagan before him have been mostly silent.

President Bush's response to such accusations is to mount the platform with a bag full of statistics proclaiming all the jobs we created in the 1980's. Yet, the President chooses to ignore the important fact that we created this economic expansion with debt rather than real increases in productivity. Of course, he takes the credit for the growth but he blames the borrowing on Congress.

He also fails to acknowledge the terrible consequences of economic activity that is financed by spiraling debt and accompanied by sluggish rates of productivity. For an increasing number of working Americans, their real standard of living is in decline. They fear a North American Free-Trade Agreement because they do not believe President Bush knows what is going on in their lives. Their lives include lower take home pay, higher health care costs, increased mortgage and property tax costs, college tuition that exceeds their reach, and schools that are not preparing their children for the higher demands of the work place.

Not surprisingly, then, when they hear President Bush describe the long-term benefits of freer trade, they are not buying. And why should they? They have seen the President oppose an improved minimum wage, parental leave, child care, and basic health care coverage—four benefits that many of our fiercest competitors provide as a right. The most that can be said about the President's education efforts is that he hired a good man to promote an education summit and another to produce a midterm agenda. An overwhelming need has been met with an underwhelming response.

Thus, more than most decisions we must make, Mr. President, this decision leaves me with a sense of uncertainty and unease. There simply is no way to feel entirely comfortable granting this administration fast-track authority and thereby ceding, in part, the right of Congress to amend legislation.

Mr. President, much of my discomfort voting to give the President this negotiating authority results from the fact that, on this issue, I find myself at odds with some of the working men and women of Nebraska with whom—when the debate turns to such matters as health care, farm programs, tax policy, or environmental protection—I am in agreement.

But I believe that extension of fast-track authority, particularly for the Uruguay round of the GATT negotiations, makes sense at this time. And I make this judgement despite my often expressed disagreements with the administration over the policies and strategies that have led to the Uruguay round position that the United States maintains today.

As we know, the Uruguay round is a complex set of negotiations involving over 100 countries and more than a dozen major trade areas. Few countries would seriously engage in these talks if they believed that the Congress of the United States, alone among the national legislatures of GATT members, was likely to amend any agreement that GATT negotiators may reach. If the United States rescinds its fast-track procedures, these other countries may be less inclined to offer their bottom-line negotiating position. Even worse, they may be prompted to withdraw from the negotiations altogether, causing the Uruguay round to collapse. Under those circumstances, responsibility for such a collapse would be assigned to the United States.

As I indicated, I have regularly expressed my opposition to the administration policies that have resulted in the bargaining position that the United States holds today. Agriculture, which everyone recognizes as the linchpin to the current GATT round, is a case in point.

Beginning with the 1985 farm bill, the United States embarked on a unilateral effort to scale back its system of farm price supports. These reductions have foolishly undercut our leverage at the GATT negotiations, leaving the United States in the position of hoping that the European Community [EC], Japan, and other countries offering hefty subsidies and protection to their farmers will now agree to follow the United States lead. Administrations of both parties have rejected such a strategy for arms control negotiations. Budget-driven proposals to reduce the military are regularly overridden by security considerations. I am not sure why agriculture has been treated any differently, but I strongly suspect it is because the cuts happened to be conveniently consistent with the farm policy objectives of both the Reagan and Bush administrations. Unfortunately, in view of the severe budget constraints that we currently face, the prospects for reversing these cuts are nil.

If I disagree with how the administration arrived at its current bargaining position, I believe that continuation of fast-track authority, because it keeps the Uruguay round alive, offers the best opportunity—due to the fiscal atrophy here at home—to improve prospects for our farmers and ranchers. The EC may be unlikely to accept the cuts that the United States has proposed, but it is clearly being forced by the escalating costs of its common agriculture policy [CAP] to consider reductions in farm support levels. A new GATT agreement may provide the EC with the political will it needs to make adjustments in CAP policy.

Had this vote occurred 2 weeks ago I was prepared to vote against the extension of fast-track authority. My opposition up to that point was due largely to the failure of the administration to explain with specificity exactly what elements of our current farm programs would be permissible should the current United States position at the Uruguay round be accepted, however improbable. I raised this issue because of the repeated contention by the United States Trade Representative that "Neither the United States nor any other country has proposed the elimination of all support to farmers. Countries will be able to provide assistance as long as it does not distort trade".

In the absence of information to the contrary, I have interpreted that statement as allowing only decoupled farm program payments under a new GATT agreement. Decoupling is anathema to me and, I am sure, to a majority of Nebraska producers. Why? Because decoupling—since it would no longer require farmers to comply with acreage reduction programs or conservation standards as a condition of payment eligibility—smacks of welfare. Nebraska farmers know that Congress would likely impose strict eligibility criteria on the cash transfer payments made under a decoupled program, including income or means tests that would deny payments even to Nebraska farmers whose standard of living would not generally be viewed as comfortable.

Despite numerous attempts to obtain a clear explanation on this point from administration officials, it was not until the Department of Agriculture in early May released a publication entitled "Economic Implications of the Uruguay round on U.S. Agriculture" that I became satisfied that the current structure of our farm programs could be maintained if the U.S. position were accepted, including such policy tools as target prices, commodity price support loans, and acreage reduction programs. Following my statement, Mr. President, I intend to insert for the RECORD a copy of the questions that I posed to Secretary Madigan and Ambassador Hills at a hearing that the Senate Committee on Agriculture, Nutrition, and Forestry held on the fast-track issue on May 8, 1991, along with the responses that I subsequently received from the administration.

One other positive factor that I weighed in deciding to support fast track is the relatively recent appointment of Ed Madigan to serve as Secretay of Agriculture. Quite simply, Mr. President, I believe this Secretary listens to the concerns of others, that he can be trusted, and that he will insist that U.S. producers not be sold out under any GATT agreement.

At this point I must emphasize, Mr. President, that my eventual support for any GATT agreement is very much in doubt. Regardless of what progress may be in other areas under the Uruguay round, I will view any GATT agreement that is unacceptable on agriculture as unacceptable in its entirety. Moreover, if they come back with an agreement, U.S. negotiators must show that the EC has committed to substantially reducing its pernicious export subsidies. Finally, I will expect the administration to pledge support for our rural economy that is comparable to whatever assistance the EC develops to help its agricultural sector make the adjustments required by a new GATT agreement. Although I cannot condone the methods that the EC has used to protect its farmers, I do admire, and at times envy, the EC's determined policy of preserving the full and diverse nature of its agriculture.

While a strong case can be made that the complexity of the GATT negotiations requires approval of the fast-track procedure, a much less compelling case can be made for the need to use fast track to conclude bilateral negotiations such as the proposed free-trade agreement with Mexico, otherwise known as the North American Free-Trade Agreement [NAFTA]. In my view, such bilateral talks constitute a much more manageable set of negotiations, and the legislature in each country should be free to make amendments to any agreement as they deem appropriate. Each country can then decide whether or not to accept any final agreement that includes the changes made by the legislative branch.

For this reason, Mr. President, I intend to support the resolution that will be offered in the near future by the Senator from Michigan. As Senator RIEGLE has explained, that resolution would modify fast-track authority with respect to NAFTA and allow amendments in five specific areas, including: First, monitoring and enforcement of fair labor standards; second, monitoring and enforcement of environmental standards; third, establishment of a fair "rule of origin"; fourth, clearly established arrangements for dispute settlement; and fifth, adjustment assistance for displaced U.S. workers.

I also wish to take this opportunity to make clear to the administration that, in my view, the rules by which the United States agrees to conduct trade do not in themselves constitute acceptable trade policy. New trading rules may help to level the playing field, but they do not ensure that the United States will field a team that is fully capable of competing in the world arena. In fact, if the current warning signs confronting this country with regard to educational attainment, employee skill levels, health care, capital formation, infrastructure investment, and so on, are any indication, then the United States is as likely to forfeit trade opportunities as it is to seize them.

Our current system of providing health care forces the issue: Are we prepared to compete? Is America's competitive edge sharpened when a skilled worker is forced to forego more productive employment because only his current employer provided health insurance policy will cover the preexisting condition that afflicts a family member? I don't believe it is, but one rarely hears health care mentioned in the course of a debate on trade competitiveness. Certainly this administration has not made that connection.

I have talked to numerous self-employed Nebraskans who each pay $6,000 or more in annual health insurance premiums for their families. Is the wheat grower in western Nebraska who must absorb such a cost competing on a level playing field with the Canadian farmer whose health care needs are guaranteed by his government? I can only hope that such questions prompt the administration to look beyond the potential costs of a revised health care system and take measure of its potential benefits as well, including its impact on our ability to compete.

Finally, Mr. President, I must convey to the administration the single, common theme that is raised by each individual who has urged me to oppose fast track. Their essential message is this: "After a decade of hostile government policies that have lowered living standards for farmers and laborers, we simply do not trust this administration to obtain an agreement that will benefit the average working American."

That is a deeply held sentiment, Mr. President. It is a visceral, understandable reaction expressed by patriotic Americans who are good citizens, who pay taxes, and who I believe want to support freer trade. But they also want some assurance from their Government that they will not be rendered raw material as the business community that is so fervently pushing the administration's fast-track button continues its global chase for cheaper and cheaper inputs.

So my support for fast track today, Mr. President, should not be taken as a sudden endorsement of administration policies that I have roundly opposed. Instead, I will support fast track because of my basic belief that free and fair trade, if wisely pursued, offers a genuine opportunity to improve the standard of living for average Americans.

There being no objection, the response was ordered to be printed in the RECORD, as follows:

RESPONSE FROM THE ADMINISTRATION TO THE QUESTIONS SUBMITTED BY SENATOR KERREY ON MAY 8, 1991

1. The Administration has maintained that, if the U.S. position prevails at the Uruguay Round, "Countries will be able to continue to provide assistance *as log as it is provided in way that does not distort trade.*" [Emphasis added.] That position seems to prohibit the U.S. from using traditional farm program tools such as acreage reduction programs, price support loans, or deficiency payments that are linked to specific crops. If accepted, would the U.S. position force the U.S. to embark on a decoupled farm program, and prohibit the use of acreage reduction programs, price support loan, or deficiency payments linked to specific crops?

Under the U.S. proposal, the most trade-distorting internal subsidies would be reduced, but even these would not have to be eliminated. These policies to be reduced include, among others, commodity market price support, direct payments tied to production, and input and investment subsidies. For example, the United States could maintain its target price and loan rate systems subject to whatever disciplines might be imposed on those systems. The United States could also continue to use acreage reduction programs. In addition, countries could also use permitted policies to support producers in ways that do not distort trade.

2. U.S. sugar and dairy producers have been assured that if they lose Section 22 protection under a new GATT agreement, they will still be allowed to receive direct income support payments from the Federal government. In theory that may be true, but where will this money come from? Will it come from other commodity price support programs, such as the corn and wheat programs, or will the Administration propose increased spending in order to provide income assistance to producers of "Section 22" commodities?

The terms of a GATT agreement as proposed by the United States would place no restrictions on support to producers that does not distort production and trade. Such support could be provided for producers who face lower returns as they adjust to a greater reliance on the market. Budget savings for commodity programs as a result of higher market process and policy adjustments are expected to exceed the reductions in returns expected for producers who are primarily supported by import restrictions. Therefore, these savings would provide ample funds for non-trade-distorting payments to producers of commodities primarily supported by import restrictions to offset possible lower returns, even as total commodity program outlays were reduced.

3. When the Uruguay Round began a few years ago, U.S. officials spoke of achieving a "level playing field" for our farmers. Now the objective seems to be simply to get everyone to reduce their support levels by 30-75 percent over some base period. Because support levels in the European Community are so much higher to begin with, a 30-75 percent reduction will not leave U.S. farmers to compete on a level field. At this point, is the U.S. objective under the Uruguay Round a "level playing field" or simply percentage reductions in support levels by the major subsidizing countries?

The U.S proposal is for 75% cuts in internal trade-distorting subsidies over 10 years from base period levels. The Hellstrom proposal called for 30% over 5 years, equivalent to 60% cuts over 10 years. These reductions would constitute significant progress toward a level playing field but would not achieve it over a 10-year period. Even so, the U.S. would gain substantial competitive advantage over the 10-year period.

Under the U.S. proposal, the countries with the highest levels of subsidies and protection would have to make the largest cuts in absolute terms. But even after these cuts, these countries would have higher levels of subsidies and protection than countries that began with lower rates. For example, suppose Country A and Country B each produce $1 billion of wheat in the base year. If Country A starts with support of $600 million for wheat and Country B with $100, and each reduces support by one-half, Country A ends up at $300 million and Country B at $50 million of support.

Some argue that this sort of adjustment is a disadvantage for Country B because it does not achieve equal levels of support in the two countries. This argument is false. Country A has to take a larger reduction in support relative to the base period revenues [30% vs. 5% for Country B]. This means that Country A has to make larger adjustments than Country B.

The point is even more obvious when one considers different commodities in the same country. For example, suppose that barley is supported at high level while support for wheat is insignificant. After a GATT agreement, barley would still be supported at a higher level. But it would be wrong to say that barley gains relative to wheat.

In addition, in the U.S. proposal we require countries to reduce the quantity of commodities that are exported with subsidy. This feature of the reduction will likely have the most beneficial import on creating greater market opportunity for U.S. commodities.

4. Do you still anticipate that a new GATT agreement will provide developing countries extra time to reform their agricultural policies? If so, how long is the grace period likely to be?

The United States believes that developing countries should be subject to all new and existing GATT rules. However, in recognition of the special needs of developing countries, we have proposed flexibility regarding the extent of reduction commitments and the timing of implementation. For example we suggested that developing countries not be required to reduce certain policies, such as investment subsidies, that have a minimal effect on trade and that do not act to maintain domestic prices higher than world prices.

Regarding import protection, we feel that developing countries, along with industrialized countries, should have to convert non-tariff barriers to tariffs. Our proposal states that the special needs of LDCs should be taken into account by providing for a faster rate of liberalization on access for products of interest to the developing world. We also feel that LDCs should be allowed to implement their access commitments in a way commensurate with their development needs. In other words, they will have to undergo tariffication, but subsequent tariff reduction will occur at a more moderate rate. A developing country will have to meet the same schedule of market access commitments as developed countries for all products for which it is a net exporter.

For relatively well-off developing countries, we proposed an additional 2 years for the reduction commitment. We proposed a 15 year reduction period only for the very poorest countries that have truly legitimate needs for special treatment. We recognize that for these countries, rapid liberalization, while economically beneficial in the longer term, may be politically unfeasible. We are, however, calling on these countries to liberalize nonetheless at a pace that they can manage.

Mr. KENNEDY. Mr. President, I intend to vote against the resolution of disapproval, because I believe the fast-track procedure is warranted for the GATT negotiations.

Many of my colleagues, and many Americans across the Nation, have serious reservations about the administration's position in the Uruguay round. I, too, am troubled by some aspects of the current GATT negotiations, especially the impact it may have in exposing low-paid manufacturing workers to unfair foreign competition.

But it is difficult to envision a multilateral trade negotiation that would allow each nation to amend the treaty. And that is why the fast-track procedure should be approved.

But I want to express my deep concern over the administration's use of the fast-track authority to enter into trade negotiations with Mexico.

The need for fast track for GATT does not justify using it for negotiating with Mexico. I regret that the rules for this debate do not permit us to separate those two negotiations, and I intend to work with other Senators to ensure that our concerns are addressed.

The issues relating to a possible trade agreement with Mexico are historically unique, and deserve separate consideration by the Senate. Senator RIEGLE has introduced a more satisfactory procedure for Senate consideration of a trade agreement with Mexico.

Under that proposal, we would retain the essential elements of the fast-track procedure while making sure that the Senate will have a chance for appropriate deliberation, and I hope that this proposal will be brought before the Senate as soon as possible.

I support closer economic links between Mexico and the United States. But we must devise a "win-win" agreement, where both nations benefit. The last thing we need is a "lose-lose" situation, where Mexico and the United States are both left worse off.

A trade agreement must be designed to increase living standards in the United States as well as in Mexico.

It must not become a pretext for big businesses to disinvest here at home, in order to raise corporate profits by exploiting low-wage labor in Mexico.

Yet that is the implication of the administration's unseemly haste to reach this business-driven agreement, while disregarding the legitimate concerns of America's workers.

One thing that our economy does not need is an era of vicious wage competition between American and Mexican workers, where everyone's standard of living declines. If we stay on this path, we will be in a "race to the bottom"—with lower wages, a lower standard of living, and greater dependence on imports.

A responsible agreement can do a great deal to advance our larger goals for the hemisphere. When President Kennedy launched the Alliance for Progress and the Peace Corps in the 1960's, he initiated a new era of cooperation between the United States and Latin America.

Then, as now, an economically vital Mexico, with prosperity for all of its people, is in the best interests of the United States and the entire hemisphere.

I have met personally with President Salinas, and I have great respect and admiration for his efforts to improve the Mexican economy.

He has struggled with the crushing burden of debt that has driven Mexican living standards lower during the 1980's.

He adopted this trade strategy in large part because the Reagan and Bush administrations have provided no meaningful leadership or assistance on the debt crisis or other issues that confront Mexico.

As a practical matter, this trade agreement has become his only available economic opening to the United States.

In these circumstances, it is all the more important for the Bush administration to negotiate a satisfactory trade agreement, one that is in the interest of Mexico's economy—and America's economy too.

I am concerned however, that the administration is seeking an agreement that would encourage displacement of American investment to Mexico.

A trade agreement will cut tariffs. But most of the tariff barriers between our two nations have already been substantially reduced, and further progress can be made on tariffs without a new agreement.

So investment, not trade, is the heart of this agreement, but it has been virtually ignored in our debate.

By emphasizing investment policies in the treaty, we may well be creating future problems in our relations with Mexico.

Unless these concerns are carefully addressed, the treaty would draw the United States into future controversies over Mexico's internal policies on investment and ownership. We have made genuine progress in recent decades in our relations with Mexico. There is no justification for a return to the unwise and insensitive policies that have created so much ill-will and friction in the past.

Here in the United States, many reports and analyses have stated that we risk losing hundreds of thousands of high-paying jobs as a result of the administration's proposed agreement, and that environmental standards here may suffer. Other studies have claimed employment and environmental benefits for the two nations.

Estimates by respected economists range from a gain of 64,000 jobs over 5 years, to losses of several hundred thousand jobs over 10 years. In this situation, we have a responsibility to do more than hope for the best while fearing the worst.

A free-trade agreement with Mexico would be an unprecedented step for two nations with such diverse economies and societies. Mexico and the United States are at very different points in their development, and there is no historical experience linking such disparate economies and societies.

These differences are reflected in many ways, including the laws, regulations, and enforcement procedures relating to basic labor standards and protections for the environment. President Salinas has taken impressive steps recently to improve environmental enforcement. But vast gaps remain between United States and Mexican laws and enforcement patterns.

With respect to labor standards, the United States and Mexico are at very different stages of development. Recent press reports have documented the widespread use of child labor in Mexican factories, under conditions that deny children an education and sometimes even a future.

While we cannot expect Mexico to have the same standards as the United States, we should be concerned if a trade agreement threatens to worsen the plight of Mexico's children.

A comprehensive agreement should also take up other questions, such as the crushing international debt that continues to burden Mexico, serious questions about energy policy in the hemisphere, and "rules of origin" to assure that other nations do not use Mexico to evade United States trade regulations.

Any trade agreement must also provide fair assistance for economic dislocation of American workers, including States and cities where jobs are lost to foreign competition.

Other nations have done it right. The European Community has worked carefully on free trade and economic integration for over 30 years.

They have sensible approaches to job training, industrial adjustment, and youth employment. And they are working to harmonize minimum wages and other labor policies. We should learn from their careful, comprehensive, and deliberate approach.

An agreement should also help our manufacturing companies increase their productivity, so that they can compete internationally. For too long, the United States has let its manufacturing base decline. American companies often have tried to compete solely by lowering wages. We must not encourage this economically dangerous tendency.

With this wide range of unsettled and important issues, thorough debate is necessary now, not when presented with an all-or-nothing vote on a treaty that has become a fait accompli.

But instead, the administration wants fast-track authority. In response to growing opposition in Congress, it has offered a token plan that purports to address some of these problems.

But the plan is vague in many places, and not binding in any. The administration promises a great deal, but under fast track, they are not required to make good on anything.

Too often, the administration has failed to follow through on promised support on other important issues.

They promised full funding for Head Start, but have not made the funds available. They say they don't want families to be divided by medical problems, and then they veto the Family Medical Leave Act.

The President wants to be the "Education President," but does not propose the expanded Federal help required to meet critical education needs.

This flawed record makes all of us skeptical about the administration's vague promises on key labor and environmental issues in a trade agreement with Mexico.

Instead of concrete commitments, the administration's plan offers only promises and rhetoric.

In my view, we need adequate assurances that a meaningful plan on the Mexico trade agreement will address the following points:

A serious commitment of funds for worker training and retraining, including assistance that could begin before employees lose their jobs;

Funding for programs to help small- and medium-sized American manufacturing companies to increase their productivity;

A direct link between tariff reductions and meeting specific goals on labor and environmental quality; and

An assessment process for achieving these goals, including representation of the public and Congress in a direct and continuing fashion.

These elements are not exhaustive, but they illustrate the point. Without concrete commitments, Congress is being asked to trust the administration to address these issues. Unfortunately, the administration's probusiness, antiworker record offers little confidence that any of these legitimate concerns will be met. As President Reagan liked to say, this is an area where we need to trust, but verify.

The debate over a trade agreement with Mexico also has been clouded by withheld information.

Earlier in the debate, the administration relied heavily on a study by the International Trade Commission, claiming economic benefits for the United States. But when critics asked for the underlying data and statistical assumptions for that study, the ITC forced them to file a Freedom of Information request. The ITC then denied the request, on the ground that these were trade secrets.

The question is, what is the administration hiding, and why are they hiding it?

In sum, a United States-Mexico Free-Trade Agreement deserves much more serious consideration by Congress, the administration, and the people of both nations. It should not be rammed through Congress on the back of the GATT negotiations.

I deplore the restrictions that have been unwisely and unfairly imposed on this debate. Our concerns are vital for the futures of our hemisphere. I urge the Senate leadership to arrange for us to address them in an effective way as soon as possible.

Mr. BIDEN. Mr. President, today the Senate approved the President's fast-track request. This extension may enable trade agreements eventually reached in the Uruguay round of the GATT, and in the proposed talks between the United States and Mexico to be considered by Congress in an up-or-down vote, without amendments.

Once again, I find myself in the position of not agreeing with either of the two schools of thought that dominated the debate:

The old school, the protectionists, cling to a hopelessly outdated view of the world. They refuse to accept that if America is to retain its position in the world it must be a willing participant in markets that are increasingly global and competitive. Followers of this school would prefer that we pretend these changes have not occurred, and instead erect higher and higher walls to separate ourselves from the realities of the global economy.

The second school, the pure free traders, believe in the advantages of moving toward freer markets, but choose to ignore the disadvantages. They have no sympathy with or understanding of the need to provide adjustment assistance to the many innocent people who'll be hurt in the process. They mock concerns about the environment. Followers of the second school would coldly ignore the real pain that can accompany free trade, and would simply "leave it to the market" to work these things out.

Neither of the twin extremes, protectionism or pure free trade, is an adequate answer to our trade and competitiveness problems. At this juncture, I think it is clear that we must maintain our economic connections with the rest of the world. If I were to join with the protectionists—against fast track—I would be aligning myself squarely with those who clearly do not have the answer.

Today's vote is not a vote in favor of free trade with Mexico, which I am not yet prepared to do. Serious concerns have been raised about such an agreement. Workers in some sectors fear their jobs will migrate to Mexico. Parents are concerned that their children will be exposed to pesticides. Environmentalists fear businesses will view Mexico as a safe haven from tougher United States environmental standards and enforcement. These concerns cannot be dismissed out of hand. Never before have two countries with such unequal levels of economic development contemplated a free-trade agreement.

Make no mistake, a Mexico agreement could also benefit the United States. Mexico is a major oil producer. A more open trade regime could help reduce America's dependence on Middle East oil. Mexico is also the United States' third largest export market. Over time, a growing Mexican economy would expand our export opportunities. But many of the gains would be long term, and small relative to the size of our economy. Simply because problems and disparities exist does not mean that we should not even consider free trade with Mexico. We should. But at this stage, the focus has understandably been on the risks, not the opportunities.

To gain approval for fast track, the President has promised to deal with these issues. In effect, he has promised that he is not a pure free trader. He promised to work with Congress to assist workers who may lose their jobs as a result of free trade with Mexico. He promised U.S. import barriers would fall gradually to blunt the impact on workers and communities. He promised real progress on environmental problems in Mexico and no dimunition of our standards.

This is definitely not the rhetoric of pure free trade. But I suspect the worst. I suspect that the President's deeds will not live up his promises. I suspect that in the end he'll prove to be an apostle of the pure free traders.

I have good reason to doubt. This administration's record cannot be swept away by the vague and ill-defined promises of the action plan. The President and his chief trade negotiators showed little or no sympathy to addressing worker adjustment or environmental issues in the context of free trade until their pollsters and political advisers told them they had no choice.

In spite of these doubts, I voted to extend fast track.

My vote to extend fast track does not mean that I have cast my lot with the pure free traders, for I have not. Should the President return to Congress 2 years from now with a free-trade agreement with Mexico in one hand, but no genuine commitments to worker adjustment assistance and to the environment in the other, I am prepared to vote "no" on that agreement.

Today's vote had implications beyond the question of a free-trade agreement with Mexico. The United States is involved in important multilateral trade negotiations that depend on fast track. The Uruguay round of the GATT involves 107 nations and contemplates the creation of new international norms for nearly one-third of the world's trade. A successful conclusion could cement the world's commitment to multilateral free trade.

Without fast track, this outcome is in doubt. Although the debate has focused almost entirely on the Mexico proposal, the most important reason to vote to extend fast track is to permit the Uruguay round to go forward. Had the Senate blocked fast track today, the Uruguay round would have been crippled, if not killed.

Fast track was designed with multilateral negotiations in mind. Congress understood that changes it made after the fact could easily unravel an entire agreement. But the case for fast track for a bilateral agreement with Mexico is less compelling. The United States has concluded arms control and many other kinds of bilateral agreements without the benefit of fast track. Had the question of fast track for Mexico been considered separately from that of the Uruguay round, I would have opposed fast track for Mexico.

Now that fast track will be extended for the Mexico agreement, the President may believe that this enables him to sidestep the concerns of the American people. He may believe Congress will be cowed by threats that to reject this agreement would shatter relations with Mexico and leave that country in political turmoil.

If he acts on these mistaken beliefs, the President will face a very rude awakening. If the President comes back with an agreement that does not bring economic benefits to the United States, that does not protect the environment, or that would cause massive job losses without accomodating those who'll be hurt in the process, this Senator is prepared to vote "no."

Mr. WOFFORD. Mr. President, I offer these additional reasons for supporting the resolution of the Senator from South Carolina [Mr. HOLLINGS] to reject extension of the fast-track process.

Many Senators are concerned about this process—and well they should be, as it removes significant authority from the Congress to participate in and help shape a trade agreement.

At the same time, I think all Senators understand that the real issue here today is not process but substance. There are two agreements soon to be on the table—the Uruguay round multilateral agreement and the North American Free-Trade Agreement including Canada and Mexico—and it is those prospective agreements that are in fact the subject of today's debate.

My particular concern, Mr. President, is an agreement with Mexico and the profound impact it will have on the United States economy and particularly the economy of Pennsylvania.

In that regard, I want to focus on two specific concerns at this time. I will deal with other areas at a later point. The first is the regulatory environment in Mexico generally and environmental regulation in particular. Mexico's laws may be impressive on their face, but the informed consensus is that their enforcement leaves much to be desired, to put it mildly. Environmentalists worry that a fast-track agreement will lead to further environmental degradation in Mexico, and economists believe that it will encourage American companies to relocate in Mexico to take advantage of what I can only charitably call a more relaxed regulatory environment. Obviously, other elements of an agreement, such as the elimination of tariffs, could likewise become an incentive for relocation.

It is this likelihood of plant shut down and relocation that is a vital concern for Pennsylvania. The industries most likely to be adversely affected by a trade agreement are labor intensive light industries that are easy to close and easy to move.

Tragically, these are the very industries where worker adjustment is most difficult. Industries like footwear and apparel, for example, employ large numbers of entry-level workers, often women and minorities, with limited education and limited opportunities for alternative employment.

When an apparel plant closes or moves to Mexico, Mr. President, the jobs may disappear but the people do not. They remain, in their small communities, often isolated, usually unemployed.

There are numerous companies in Pennsylvania, who, while they have not chosen to close their shops and move—yet—will no doubt feel considerable economic pressure to do precisely that if a free-trade agreement goes into effect. A company in Philadelphia, which employs 500 workers making children's clothing; a manufacturer in Scranton which makes men's slacks; a company in Millersburg making Calvin Klein jeans among other things. Such companies are inevitably going to find it difficult to remain in business in Pennsylvania in the face of a Mexican agreement. And these are only a small sample of one industry.

For some people, the answer to that problem would be an effective and aggressive trade adjustment assistance program for workers who lose their jobs as a result of this agreement. Unfortunately, this administration's record in this area is terrible. For ten years the Bush administration and its predecessors have regularly tried to kill the existing programs, despite their demonstrated record of success. The President's recent assurance to Senator BENTSEN that he would work with the Congress to fashion a new or expanded program is welcome, but it rings hollow in the fact of a long history of neglect.

I support continued economic development for Mexico. I would like everyone there to find a job. But those jobs should not come at the expense of American jobs, of Pennsylvania jobs. Real economic growth is growth that expands the pie not simply recarves it to give someone else a bigger slice. Trade adjustment assistance will not be an adequate answer to the problems of our poor under-educated and minority workers. It would be better to construct an agreement that helps them for the beginning, and it is clear that the only way to do that will be through congressional action, since the administration has shown itself to be uninterested in such action.

A second problem is whether this agreement will help Mexico become a genuine developed country or simply the kind of less developed country which is exploited by others for its cheap labor and lax regulatory requirements.

If the rules of origin developed in the agreement require too low a threshold of Mexican value added for products to be considered Mexican, then other countries will only set up the bare minimum screwdriver or assembly plant and will forego the transfer of technology and know-how that will raise both Mexican value-added and the Mexican standard of living. The rules of origin standard should not only be set at an appropriately high level, but it must be rigorously enforced with safeguards available to prejudiced U.S. commercial interests if it is not.

Such a standard, if enforced, will reassure American manufacturers and workers that they will not be forced out of business or required by economic necessity to relocate across the border simply because of cheaper wage rates. I am not yet convinced that the administration believes this issue—the standard, the counting rules to be used, the consistency of its application and enforcement by a one-party bureaucracy—is a problem worth anything but the most superficial consideration.

Mr. President, these are not the only problems with a United States-Mexico Fast-Track Agreement, but they are two of the most significant ones. It is my judgment that the best way to address them fully is for the Congress to retain for itself the full right to review any agreement that is submitted. Only if we keep that option—and indicate our determination to exercise it in the face of an inadequate agreement—will the administration be fully motivated to protect our vital interest. That is why today's vote is so important. The signal we send is not only about process, but about substance as well.

We should send that signal by supporting the resolution of the Senator from South Carolina [Mr. HOLLINGS] Senate Resolution 78.

Mr. KERRY. Mr. President, I rise today to express my support for extending fast track authority to the administration. I believe that rejecting fast-track would jeopardize negotiations on a trade agreement with Mexico and the Uruguay round of the GATT. These two trade agreements should not be threatened. Should they be negotiated properly, they will boost our exports and create jobs for Massachusetts and America.

With this vote, we face a stark choice. The choice is between a dynamic economy developing skills envied by the rest of the world and an economy collapsing into isolationism. The fast track represents the right choice, in fact, the only choice. For without it, we will lose the opportunity to pry open markets abroad and we will only protect our firms in the short run. In the long run, international competition will grow ever stronger: The flight of our firms to low cost locales can be slowed but not stopped.

The most disagreement is over a pact with Mexico. We must first decide whether it is in the United States, interests to negotiate a deal with Mexico. And, second, whether fast-track is the best way to negotiate such a deal.

Labor groups fear that a free-trade agreement [FTA] would result in massive job losses as companies pick up and move production to Mexico. Environmentalists worry that freer trade with Mexico would harm the already fragile environment and possibly compromise our health and environmental standards. Others complain that Congress should not give up the right to amend trade agreements negotiated by the administration. Given these concerns, the skeptics ask: Why should we rush into an agreement that would further dismantle trade barriers between the United States and Mexico?

I have come to the conclusion that Congress should vote yes on fast track and allow the President to begin negotiations with Mexico. There are a number of reasons compelling this choice. I have also concluded that while the fears expressed in opposition are legitimate, the best way to deal with each of them is through the trade agreement, not outside it.

Most importantly, an FTA with Mexico will mean jobs for Massachusetts. Massachusetts needs markets if it is to sell more of its products and services. An FTA will open the Mexican market wider to exports. It will also build Mexico into a larger buyer of goods and services from Massachusetts.

The Massachusetts economy is already highly dependent on exports. Massachusetts ranks third in the nation with 8 percent of our State's output devoted to exports. As of 1987, the most recent year for which there is reliable data, 109,800 jobs in Massachusetts were directly related to exports. As a result, any new export opportunity will have an immediate and substantial impact on our economy. This is the reason why I worked hard last year to pass legislation that would permit our companies to export high-technology products more freely.

Would an FTA with Mexico be such an opportunity? The answer is an emphatic yes. One has to look no further than recent experience: Between 1986 and 1990 when Mexico began to open its borders to more trade, the United States nonoil trade with Mexico swung from a deficit of $1.2 billion to a surplus of $2.1 billion. This translates into about 100,000 jobs created with 2,100 of them in Massachusetts.

An FTA would simply accelerate this trend by lowering Mexican tariffs and nontariff barriers, encouraging growth in Mexico which would drive Mexico to import more from the United States, and establishing a stable trading environment in which exporters and importers could plan with certainty.

The average Mexican tariff stands at 10 percent and nontariff barriers protect many industries, like financial institutions, health, and high-technology against which our firms compete. An FTA would phase out these barriers and give our exporters a better opportunity to sell to Mexico. This would result in more export sales, but it would also keep production in Massachusetts since companies would not have to relocate in Mexico to avoid high trade barriers.

The real impact of an FTA on job creation in Massachusetts would occur over the long term. An FTA will give Mexico much of the labor intensive production that would otherwise go to Taiwan, Korea, Hong Kong, or China. This benefits us because Mexico, unlike the Asian countries, imports 70 cents out of every dollar from the United States. This means that Mexico will import from the United States many of the supplies it needs and spend its earnings largely on United States goods and services.

Over the long run an FTA will mean even more opportunities for Massachusetts exporters. As the Mexican economy grows, it will require many goods and services to modernize its infrastructure. With an FTA, when Mexico looks for telecommunications products, medical instruments, consulting services, financial services, and environmental control equipment, it will look increasingly to Massachusetts.

Many worry that freer trade with Mexico will bring utter ruin to many workers in Massachusetts just at a time that we cannot afford it. I understand these concerns, but maintain that the trade will not bring disaster to Massachusetts. First of all, businesses are already moving to Mexico and opposing fast track will not change that. There is one-way track now, and it favors Mexico not the United States.

As a result of fast track, businesses will not suddenly relocate en masse in Mexico in search of lower wages because lower wages are not the critical factor in most industries. Most industries compete on the basis of technology, quality, transport costs, materials costs, capital availability, and marketing prowess in addition to labor costs. Industries that compete on the basis of labor costs alone have long ago left Massachusetts.

An FTA will actually not bring dramatic change. There is nothing to stop a company from moving to Mexico now. Businesses that want to relocate will continue to do so; businesses that want to export will continue to do so. What an FTA will do, however, is to institutionalize freer trade and allow businesses on both sides of the border to plan purchasing in an environment of certainty. It will also help the Mexican economy grow at a critical moment when its leadership is making market-based reforms. This will enlarge export opportunities for our companies.

Most of the analyses done on the subject of the economic consequences of a Mexican-United States Free-Trade Agreement agree with this assessment. In fact, all four studies conclude that the United States will gain jobs as a result of an FTA. The two studies that break out numbers for individual States show Massachusetts gaining several thousand jobs.

The vote on fast track should also be seen in the larger context of Mexican-United States relations. Like it or not, the United States and Mexico share a 2,000-mile border and all of the problems that go with it: Drugs, illegal immigrants, and environmental degradation. A trade agreement with Mexico represents the best way for us to begin to permanently solve these problems.

If fast track for Mexico is voted down, Mexico would be the only country in the world which did not receive this status. This would be an insult to President Salinas of Mexico who has staked much political capital on the possibility of a deal with the United States. It would close the window on a historic opportunity to improve our dialog with Mexico.

If fast track is passed, however, we can do more to improve our relationship with Mexico on a host of mutual problems. We could use our leverage in trade discussions to move the Mexicans toward solutions to these problems. For example, we could link environmental discussions with trade talks. In this way, we could force Mexico to cooperate with United States environmental agencies in policing the border region and compel Mexico to enforce its already tough environmental laws.

Finally, a trade agreement would allow Mexico to grow. And only a richer Mexico can clean up its environment, curb drug trafficking, and employ its citizens.

If the benefits of an FTA with Mexico outweigh the risks, what is the best way to negotiate? Fast track may not be the best way, but it is the only way. Mexico, and the rest of the world, simply will not negotiate with 535 Members of Congress. No foreign leader can be expected to expend huge political capital arriving at a deal only to have it changed by Congress. They simply won't negotiate under those circumstances, and how could we blame them? Trade agreements are so broad that they affect virtually every district of every state. Over this century, it has been demonstrated that only the President is capable of negotiating trade agreements that are in the Nation's best interest—a very different situation from bilateral arms control agreements which are dependent almost exclusively on Government, not private sector interests.

Giving the President the authority to negotiate does not mean giving up the power to ratify agreements. Congress will still have to approve any agreement. I can assure you that I will look very closely at an agreement to make certain that it benefits both Massachusetts and America. If, for example, an agreement were to come back in which the President reneged on his promise not to lower U.S. health and environmental standards, I would not hesitate to oppose the agreement.

Congress must not let this important opportunity slip away. Without fast track, an FTA with Mexico will never be negotiated. Without an FTA, America will lose a chance to move toward solutions to our problems with Mexico and most importantly Massachusetts will miss the opportunity to develop a large market for its goods and services and move into the realities of the new world marketplace.

Mr. BREAUX. Mr. President, as I stated in Finance Committee hearings on the fast-track procedure, if we cannot extend fast track, the problems we will face in trying to secure agreements on trade treaties will be nearly insurmountable. The history of congressional management of trade agreements supports my position, Mr. President. I will vote in favor of the fast-track process, which will allow the Congress and the President to work together to negotiate trade agreements. Is my vote in favor of fast track also a commitment to acquiesce to the administration's point of view on proposals for a North American Free-Trade or GATT Agreements? My answer is a resounding no. I certainly reserve the right to vote no on any proposal that is deemed to be not in the best interest of this country or the State of Louisiana.

Clearly, the Constitution gives the Congress the responsibility for the Federal Regulation of international trade: That express power is noted in article I, section 8, wherein Congress is given the authority "to lay and collect taxes, duties, imposts and excises * * * (and) to regulate commerce with foreign nations, and among the several States."

But what happens, Mr. President, in practice, when 535 Members of Congress try to agree on the terms of a trade treaty? Well, we tried it in the 1930's under the Smoot-Hawley regime, Mr. President, and we got unlimited and unending back scratching, log rolling, and horse trading to protect various Member interests. The Senate, over a 6-month period, amended the Smoot-Hawley legislation 1,253 times.

Mr. President, when the Congress managed trade we also got some of the stiffest duties ever, as Smoot-Hawley led to an average ad valorem rate on exports of 52.8 percent. This experience demanded change. Beginning in 1934 we began the gradual evolution of a process for delegating more authority to the President for negotiating trade agreements.

The fast-track process is not new. For nearly 20 years, since 1974, the President has had some form of fast-track authority. Three important agreements have been negotiated and implemented under it. We processed the Tokyo Round Multilateral Trade Agreement, the free trade agreement with Israel, and the free trade agreement with Canada under fast track procedures. As well, Mr. President, we have reextended the fast-track authority twice, in 1979, and in 1988.

I understand that a trade agreement between countries with such large disparities in economic development as those which exist between the United States and Mexico raises unique and difficult problems. The President is put on notice that there will be no agreement unless the Congress and the President can arrive at acceptable resolutions of such problems as job losses, environmental risks, rules of origin, improving U.S. energy products exports, and avoiding any overall increase in the U.S. trade deficit.

While the administration projects an overall increase in United States jobs by 64,000 as a result of freer trade with Mexico, other experts project possible job losses by the year 2000 in the range of 400,000 to 900,000, if we fail to strike an agreement which will protect against structural trade deficits. The administration admits that certain low-wage, low-technology jobs may be at risk, but I submit that some higher wage, middle-technology jobs may also be at risk. Mexican workers have proven, for example, that with training they can produce some of the finest autos in the world. The availability of trainable workers at about a tenth of the U.S. labor cost is bound to be an attraction for some U.S. employers.

And, Mr. President, neither can we have a situation where Mexico serves as no more than a convenient, barrier-free, passthrough for products made by our competitors in Germany, Japan, and other countries. As well, the Environmental threat cannot be dismissed. A witness before the Finance Committee, representing the Texas Center for Policy Studies, stated that "only 33 of approximately 600 maquiladoras in the Texas/Mexico border areas had filed the required notices for the return of their hazardous wastes from Mexican operations to the United States (as required under Mexican law)."

Regarding the energy issue, and you know Mr. President that Louisiana is an energy-rich State, I have forwarded a letter to the White House about my concerns that the manner in which energy issues are to be addressed is yet to be clarified. Currently, there is no proposal to establish a single negotiating team or working group to address energy issues. It goes without saying that energy is far too important for national security and for regional economic development to be subsumed within discussions on other sectors or negotiating topics. I have urged that a separate working group is necessary to provide the focus and expertise necessary to resolve the potentially difficult energy issues that will need to be addressed by the negotiators.

Mr. President, exports from the State of Louisiana to Mexico grew by 78 percent from 1987 to 1989. Ninety-six percent of that export were agricultural, chemical, petroleum, and lumber and wood products. Louisiana's state Government is telling me that a "prudently crafted North American Free-trade Agreement that provides for an orderly transition from our present trade mode to a free trade status and insures minimal, if any, dislocation to our industries and workers is in the best interest of Louisiana."

Under the fast-track trade agreement negotiations regime the President is required to consult with the Congress on the terms of any trade agreement. I do not accept the thesis that under the fast-track process this administration, Mr. President, can cram its version of trade agreements down the throats of this body. I believe that every member of this proud and distinguished body will take full advantage of the consultative process to ensure that U.S. interests are advanced in each agreement that may be negotiated under this fast-track extension.

So, Mr. President, I urge each of my colleagues to vote no on the disapproval resolution, and let's get down to the business of shaping trade agreements that will meet the needs of this great country.

The PRESIDING OFFICER. All time is yielded back. If there is no objection to the vote which was scheduled to occur at 12, a request to expedite the vote would be in order.

Mr. BENTSEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the question occurs on the adoption of Senate Resolution 78.

The yeas and nays are ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Georgia [Mr. FOWLER] is necessarily absent.

I also announce that the Senator from Arkansas [MR. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is absent due to a death in the family.

Mr. LOTT (after having voted in the negative). Mr. President, on this vote, I have a live pair with the Senator from North Carolina, Senator HELMS. If Senator HELMS were present and voting, he would vote "yea." I have voted "nay." Therefore, I withdraw my vote.

Mr. CRANSTON. Mr. President, on this vote I have a live pair with the Senator from Georgia, Mr. FOWLER. If Senator FOWLER were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

The PRESIDING OFFICER (Mr. GRAHAM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 36, nays 59, as follows:

[Rollcall Vote No. 86 Leg.]

YEAS—36

Adams
Akaka
Bumpers
Burdick
Byrd
Cohen
Conrad
Daschle
Dixon
Dodd
Exon
Ford
Glenn
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Leahy
Levin
Mack
Metzenbaum
Mikulski
Moynihan
Reid
Riegle
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Thurmond
Wellstone
Wofford

NAYS—59

Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Burns
Chafee
Coats
Cochran
Craig
D'Amato
Danforth
DeConcini
Dole
Domenici
Durenberger
Garn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Lieberman
Lugar
McCain
McConnell
Mitchell
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Robb
Rockefeller
Roth
Rudman
Seymour
Simpson
Smith
Stevens
Symms
Wallop
Warner
Wirth

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Lott, against

Cranston, against

NOT VOTING—3

Fowler
Helms
Pryor

So the resolution (S. Res. 78) was rejected.

Mr. BENTSEN. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Montana.

MORNING BUSINESS

Mr. BAUCUS. Mr. President, I ask unanimous consent the Senate proceed to morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ETHIOPIAN CIVIL WAR

Mrs. KASSEBAUM. Mr. President, the situation in Ethiopia has reached a precipice. On Tuesday, Ethiopia's long-standing dictator Mengistu Haile Mariam, fled the country for Zimbabwe. His departure, prior to the onset of complete chaos, has made it finally possible to resolve the Ethiopian civil war peacefully through political dialog. The opportunity exists to avoid the devastating bloodshed and tragedy that we have recently seen in Liberia and Somalia, if the rebel groups and the current government seize it.

The civil war in Ethiopia has exacted a very high toll on the people of that country. It is my hope that both the rebel groups and the new government will avoid any further conflict at this point. The United States, and in particular, Assistant Secretary of State Hank Cohen have been actively involved in trying to bring this conflict to an end peacefully and establish a democratic government. On Tuesday, Secretary Cohen will be serving as a mediator at talks for the main rebel groups and the new government. I join many members of the international community in urging all parties to attend the negotiations. And, it is my strongest hope that the rebels will stop their military advance on the capital and spare the Ethiopian people any further violence.

A window for peacefully resolving the Ethiopian crisis was opened with the departure of Mengistu. I commend the leadership our government has provided in trying to achieve an end to the civil strife and urge all parties in Ethiopia to join in this effort.

HAPPY BIRTHDAY, BOB DYLAN

Mr. LIEBERMAN. Mr. President, 25 or 30 years ago, I would have had a very difficult time imagining Bob Dylan, whose music was so much a part of my life at the time, being 50 years old, an age he attains today, his birthday. I would have had even greater difficulty imagining me taking note of his achievements in remarks in the Senate of the United States.

Back in 1963, it is hardly likely any Member of Congress would have been talking about Bob Dylan, at least not on the floor of either Chamber; at least not in favorable terms. After all, it was he who said of them, "Come Senators, Congressmen, please heed the call/ Don't stand in the doorway, don't block up the hall." So times have changed, though Dylan's sentiment still holds true when we consider how many problems we still have to heed. I am sure he sings those words with the same spirit and intensity today as he did 28 years ago.

For me and so many others of my generation, Bob Dylan—together with John F. Kennedy—signalled a great change in our world, hearalding a new frontier, while the old order is rapidly fadin'. President Kennedy's death may have cut short our advance to that frontier, but Dylan played on as society erupted in great social ferment, matching the power of words with the power of music.

There is a mystery to Bob Dylan, which is surprising, in a way, given how freely he has expressed himself through his music. But the mystery results, I think, from Dylan's refusal to play roles society might seek to assign him—roles like superstar, rock idol, prophet. "I tried my best to be just like I am/But everybody wants you to be just like them." He offers us nothing more—and nothing less—than his music. "I'll tell it and think it and speak it and breathe it," he sings. "And reflect it from the mountain so all souls can see it."

Not all souls have seen, or care to see, what Bob Dylan has reflected, but his work resounds for all who sit and wonder why, and asked "how does it feel?"

For my part, I still listen, and I am glad he is still playing. I am passing along my love for Bob Dylan's music to my daughter, Hana, who seems to enjoy it herself, but she's only three so I can not be sure.

What I am sure about is Bob Dylan's place in history. His work insists on such recognition. While this occasion of Dylan's birthday might have no particular meaning for him ("Let me forget about today until tomorrow," he would sing), it gives me a chance to say "thank you" for the words and song which have meant so much to this U.S. Senator.

Happy birthday, Bob Dylan.

THE PRESIDENT'S CRIME BILL

Mr. COCHRAN. Mr. President, in his address to Congress on March 6, President Bush asked the Congress to complete action on the comprehensive violent crime bill within 100 days. This seemed to me to be a reasonable request at the time. Yet it is now day 74, and we have yet to see this bill on the Senate floor.

This legislation should not be delayed any longer. According to statistics recently released by the Federal Bureau of Investigation, the violent crime level increased 10 percent last year. Every offense included in the violent crime category used by the FBI in making this determination increased during the year.

For example, murder and aggravated assault both rose 10 percent, forcible rape increased 9 percent, and robbery was up 11 percent.

One thing is clear: The American people deserve and expect some action from their Government. They deserve to be protected from violent criminals in their communities and they are right to expect the Congress to do everything within its power to help provide that protection.

We need to enact new laws which better enable our law enforcement officials and the courts to attack the problem by removing these criminals from our streets. We need a comprehensive approach to the menace of violent crime.

The President's proposal provides such an approach. It will strengthen the criminal justice system by getting violent criminals off the streets and into prisons where they belong.

More specifically, this bill provides a workable and constitutionally sound procedure for imposing the Federal death penalty. It proposes reforms to curb the abuses of habeas corpus by both Federal and State prisoners. It modifies the exclusionary rule in order to increase the likelihood that dangerous criminals will be convicted and punished for the crimes they commit. It provides increased penalties for serious acts of violence against witnesses, jurors, and court officers in Federal proceedings. It broadens prosecution of serious juvenile drug and firearm offenders. It provides a program to combat terrorism. It proposes a nationwide program of drug testing in the criminal justice process.

It enhances the prosecution of crimes involving sexual violence and child abuse, and it attempts to protect and help victims of violent crime.

Mr. President, I strongly support President Bush's crime bill. I believe it provides the courts and law enforcement officers with the tools they need to help drive crime from the streets. But one thing that cannot be disputed is that the time for action is now; the problem is here in the present.

The issues in the President's bill are not new. They do not need to be the subject of any more hearings. I have been told that nothing new has been revealed in the hearings held by the Senate Judiciary Committee this year. Senators have all the information they need, and most have already decided their positions on these issues.

Further delay is not justified. The President's proposal should be reported to the Senate so that we can act on it and send it to the White House within the 100 days, as he requested.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I would like to respond. I had no intention to speak this morning on this issue, but my good friend from Mississippi is one of the fairest and most charitable Members of the Senate, and I would like to respond to him with regard to the notion of 100 days.

We have completed hearings on the President's bill and on my bill as well, Mr. President. We fully expect to have within 100 days the bill before us.

But I would like to point out to the Senator from Mississippi, he pointed out that this was the highest murder rate in the history of America—I will be precise; 23,500 murders—which the Senator from Delaware predicted a year ago would happen if the President of the United States continued to resist putting more police officers on the street; if he continued to cut the number of FBI antidrug agents; if he continued not to help DEA with more funding; if he continued not to do something about guns.

We learned a number of things that are new, I might say to my friend from Mississippi, and he might like to hear some of them. We had hearings on guns, and we found out that the physicians—not politicians; physicians—the head of the trauma center at the Einstein Medical Trauma Center in Philadelphia, one of the busiest trauma centers in the United States of America, I suspect the busiest in the world, testified along with other medical personnel and said:

Mr. Chairman, I do not know anything about the President's crime bill, your crime bill, or anyone else, but I know one thing. It used to be there would be a gunshot wound come in here, somebody with a 22-caliber bullet lodged next to their heart or at the base of the brain, and we had a chance of saving them.

I say, Senator, now when they come in, they have 38-caliber weapons that blow their lung out of their body into another part of the city. They usually have multiple wounds, starting from the groin up to the neck. They are dying, Senator, because we cannot save them because you—

Pointing to me—

will do nothing about the weapons that you allow to be sold.

Senator, that is why the murder rate is so high: high-caliber weapons, rapid-fire weapons used at close range that have no utility. Street sweepers, Senator; I do not know anybody who goes hunting with a thing called a street sweeper.

So that is why the murder rate is so high, in part, I say to my friend from the State of Mississippi. I further state to my friend, we learned a couple of other things. We learned that over the last 2 years, the total number of police officers in the 10 major cities in America has increased just 1 percent.

We have learned that police officers keep people from being killed. We learned that police officers keep the peace, and we learned that if we do not pay to put police officers on the street, the crime rate goes up.

In a report a year ago, the distinguished Senator from Mississippi and other States and the less distinguished Senator from Delaware issued a report saying: Watch out; the murder rate will be the highest in history. The most dangerous Nation in the world will be the United States of America.

Mr. President, please help us; do not cut the number of FBI agents, like you are doing, Mr. President; do not cut Glynco Training Center training funds. Your President stood there a year ago, God bless him, with all the array of uniforms behind him, and heralded it as one of the finest training institutions in the world—and it is. And then he cut it by 10 percent.

So one of the reasons why we held these hearings is we learned a number of things new. We learned if we have the death penalty, which the bill of the Senator from Delaware calls for more death crimes than does the President's, we learned that if, in fact, it was passed, we might have had a total of 60 executions last year, because the President's death penalty bill calls for the death penalty only in the circumstance where the Federal Government has jurisdiction. Out of 23,500 murders last year, there may have been 60 executions.

We learned, with the President's exclusionary rule proposal, which would allow a police officer, not only in good faith, but in bad faith, to knock down the door of the Senator's home—in bad faith, not good faith—knock down the door of the Senator's home in search of a weapon.

We found out that in fewer than 1 percent of all the criminal cases that were litigated from the 5.7 million felonies committed last year—fewer than 1 percent of the cases, I say to my friend—did the exclusionary rule make a difference in the outcome of the case.

And then we also found out that when we talk about habeas corpus, and there are those who probably when they hear habeas corpus, they think it is the name of some criminal, because the President talks about it so much. Everybody who files a habeas corpus petition is in jail, behind bars. That is why he is filing a petition. He is not shooting anybody in the street. He is a bad guy or a bad woman. Maybe he should go to death; maybe he has no appeal; maybe it should change. But he is not killing anybody.

So the President advertises this, I say to my friend from Minnesota, who seems to be looking on me somewhat askance, and says: Wow; we are going to stop crime, and here is my proposal for America. We will come along and we will change the death penalty, like Biden changes the death penalty; like Thurmond changes the death penalty. Fine, I am all for it; 60 executions, maybe.

Then we will come along and change the exclusionary rule; let us take 1 percent of 5.7 million. Take 1 percent of all the crimes litigated. We have 1 percent of all the crimes in America now that we have impacted on. Good; I would like to do it.

Then he comes along and says habeas corpus. They are already in jail. He is not helping anybody. He is not saving anybody. He is not protecting anybody. He is not going to make it any safer for my mother in a parking lot while she is out there shopping, because the person he is talking about is already in jail.

Mr. DURENBERGER. Will my colleague from Delaware yield for a question?

Mr. BIDEN. I will

Mr. DURENBERGER. I thank him. I came to the floor believing that there was maybe a 5-minute limit.

Mr. BIDEN. The Senator is right. I trespassed too long. I will stop.

Let me just conclude in 1 minute by saying I can tell the drumbeat is going to start. The drumbeat is going to start on this 100-day malarkey. We are going to get a bill here in 100 days. I know my Republican friends and some of my Democratic friends are going to come back with the President's proposal.

It is mentioned the President is concerned about victims of crime. Yet, the President will not yield to the approach of the Senator from Delaware that says: Let us give the victims of crime more money. Let us lift the lid. The President has been silent. Under the President's bill victims of crime will not get money for the damage that was done to them.

That is what he says. If the Senator gets a chance, and I am not being facetious—he might take a look at the other bill, as well. The Victim of Crime Fund is a fund that the President says nothing about.

I think what the President proposes makes sense. I want to reform habeas corpus; I so propose. I want to reform the exclusionary rule; I so propose.

I want to increase the death penalty to help solve crime. I so propose. We can compromise on how that is done. But for Lord's sake, unless we put more police officers on the street, unless we help local law enforcement people with their effort, and the President—he said drug testing. He wants the States to pay for that. He says you States pay for that. We are going to mandate you States pay for it. He will not build any more prisons. BIDEN says build 10 new regional prisons. He says no. No. And yet in almost every State, the Senator's State and mine, there is a Federal court order that says prisons are overcrowded; let us get these guys back out on the street. So I think enough is enough. But I will be here to debate this issue as long as and whenever anybody wishes to because I am looking to this with a sense of relish.

I thank the chair.

The PRESIDING OFFICER. The Senator from Minnesota.

DRUG COMPANY PRICING PRACTICES

Mr. DURENBERGER. Mr. President, every American said a prayer of thanks when we learned that President Bush had recovered from a temporary heart fibrillation. His quick recovery is due in large measure to the advances of medical and pharmaceutical technology that many of us take for granted.

In the President's case, his heart fibrillation was successfully managed with drug therapy. His followup regimen includes an anticoagulant drug known as Coumadin. Few substitutes exist for Coumadin, and as a result the manufacturer, DuPont-Merck, controls over 90 percent of the market.

When President Bush entered Bethesda Naval Hospital, I do not remember a single reporter asking questions about the cost of the drugs prescribed by his doctors. Yet there are public hospitals and clinics throughout the country that routinely need to prescribe such drugs as Coumadin and who are now finding the cost of these drugs prohibitive.

In Minnesota, the purchaser of pharmaceuticals for our public hospitals and clinics has reported that the price of Coumadin went from $15.67 per thousand to $349.55 in a single day. That, Mr. President, is an overnight price increase of 2,130 percent.

And the price did not go up because of publicity surrounding the President's illness. In fact, staggering price increases for Coumadin and a host of other vital drugs went into effect on the first of this year, Prolixin, a Bristol Myers-Squibb drug used in treating schizophrenia went from $48.30 to $732, an increase of 1,415 percent! Other drug prices increased 400 percent, 875 percent and 960 percent.

Prices are rising for other buyers in my State—HMO's report increases of 20 to 30 percent acorss the board. And Minnesota is not unique. These astronomical price increases are occurring in all 50 States.

Why have drug prices, including prices for the poorest families in our country—Medicaid beneficiaries—risen so drastically? Some experts I have talked to say that these price increases are the expected reaction to legislation we adopted last year requiring pharmaceutical manufacturers to offer rebates and best price discounts to the Medicaid Program.

In effect, the Federal Government told the pharmaceutical industry that since the Federal/State Medicaid Program pays for 13 percent of all drug purchases, this program should be charged the lowest price that the companies offer some private purchasers. The Government did not ask for prices lower than what the market would bear; it only asked for the best price available to other high-volume purchasers.

Mr. President, it would be reasonable to assume that, as a result of the Medicaid drug amendments of 1990, some pharmaceutical companies would have raised their best prices to make up a part of the lower profits they would earn through Medicaid sales. But, Mr. President, overnight price increases of 2100 percent or 1400 percent are not reasonable in any sector of the economy.

Maybe our legislative solution was not perfect. Maybe we could have done better. But the actions of many companies are cynical and unacceptable. The burden is on the industry to justify its behavior.

Mr. President, we all know that health care costs are rising rapidly. Most providers of health care have begun to do their part in controlling costs, including physicians, hospitals, medical device producers, insurers. It is time that the drug industry began to do its share.

We recognize the important and lifesaving contributions that the pharmaceutical industry makes. We recognize that research and development for new drugs is expensive, time consuming, and risky. And, we recognize the virtues of productivity and profit-making.

But we also recognize that tax subsidies and patent protection do much to protect these investments. We recognize further that the lack of any nationwide price-setting apparatus plus medicalization of our society which induces customers to pay any price for each new invention without cost-benefit or values analysis is an economic protection provided this industry in no other nation on Earth.

Mr. President, the pharmaceutical industry is a vital component of our domestic economy. It is one of the fortunate industries that appears to be riding out this recession with little difficulty. In fact, profits are up across the board. First quarter profits in 1991 have increased significantly compared with first quarter earnings in 1990. Despite having to offer Medicaid rebates, these companies are making more money than last year, often by a large amount.

But drug products are different from most other products. Unlike a roll of carpet or a sheet of paper towels, pharmaceutical products can make the difference between life and death, between pain and comfort. These are products that in a very broad sense serve the common good. The appearance of single-minded pursuit of profit, especially in this case, overlooks other human, social and moral factors.

Mr. President, in closing, I would like to call attention to the words of Pope John Paul II. In his encyclical "Centesimus Annus," the Hundredth Year, that he issued early this month, the Pope cautioned:

> The purpose of the business firm is not simply to make a profit, but is to be found in its very existence as a community of persons who in various ways are endeavoring to satisfy their basic needs, and who form a particular group at the service of the whole society. Profit is a regulator of the life of a business, but it is not the only one; other human and moral factors must also be considered.

Where are the moral values of the pharmaceutical industry in this country? We deserve an answer.

Mr. President, part of the "answer" to this question is contained in an article published in today's New York Times entitled "Why Drugs Cost More in United States." I ask unanimous consent that this article be reprinted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 24, 1991]

WHY DRUGS COST MORE IN UNITED STATES

(By Gina Kolata)

Americans pay some of the world's highest prices for their prescription drugs. While other governments usually negotiate prices, the United States has traditionally let companies decide for themselves what to charge.

According to one study, Americans paid an average of 54 percent more than Europeans for 25 commonly prescribed drugs. Some essential drugs are especially costly in the United States. A month's supply of Eldepryl, a Parkinson's disease medication from Somerset Labs Inc., costs about $28 in Italy, $48 in Austria and $240 in the United States.

Aerosolized pentamidine, inhaled by people with AIDS to prevent a deadly form of pneumonia, costs $100 wholesale and about $150 retail in the United States, where it is made by the Fujisawa Pharmaceutical Company of Deer Park, Ill. In France, Germany and Britain, Rhône-Poulenc S.A.'s retail price for the identical vial is $26.

CHARGING FOR RESEARCH

These disparities have become central to a growing debate over how the United States can control its drug costs. Regulators and insurers who have been trying for years to limit hospital costs and doctors' fees are now trying to rein in drug expenses as well.

Drug costs are increasing even faster than other medical expenses. Economists say that drug companies—even foreign ones—are able to charge American patients a disproportionate share of their research costs. Most European governments bargain prices down to levels that cover companies' manufacturing and distribution costs, but much less of their research.

Some of the reasons that drug costs are so high in the United States also have to do with rising medical costs in general. The growing expense of medical technology, the absence of a national health plan and the payment of most medical bills by third parties have confounded most attempts to manage the nation's medical bills.

High drug prices afflict the elderly and chronically ill the most. Americans older than 65 use an average of five prescription drugs, said Ewe Rheinhardt, an economist at Princeton University. Old people are also more likely to have to pay for their prescription drugs themselves because Medicare does not cover drug costs except in hospitals, said Stephen Long, an economist at the Rand Corporation in Washington.

Many old people are devastated by the prices of their prescriptions. Of their $1,100 monthly income from Social Security, Joseph and Margaret Landin of Dallas spend more than $600 for 10 prescription drugs. Mr. Landin has ailments of the esophagus and prostate gland, and his wife has heart troubles, two slipped disks and arthritis.

"It's terrible," Mr. Landin said, reflecting on the sacrifices necessary to pay for their drugs. "We don't subscribe to the newspaper any more. We don't turn on our air-conditioning," despite summer temperatures that often top 100 degrees. "We used to go out twice a month to eat, but we don't do that any more."

Economists and Federal regulators are concerned that companies are agreeing to sell their drugs cheaply elsewhere, while piling research and development costs onto their prices in the United States. "Obviously, we subsidize the world," said Richard Zeckhauser, an economist at Harvard University.

The costs of producing and distributing most prescription drugs are low, yet the cost of research can be very high. Companies that develop new drugs can negotiate low prices for some buyers and still turn a profit, provided they can charge others enough to pay for their research.

"There is a lot of discretion in how you set prices," the Rand economist, Dr. Long, said. "If you had different markets willing to pay different amounts, then you can produce and sell very cheaply in some of them."

Executives of drug companies attribute the price differences to the workings of the American free market. They warn that attempts to control drug prices in the United States will backfire.

"The U.S. drug industry is one of the strongest in the world," said Gordon Binder, chief executive of Amgen Inc., a biotechnology company. "If the Government meddles with the free market, it could well destroy the industry."

But many large purchasers of drugs say that such high prices in the United States merely guarantee high profits. Lately, drug stocks have been soaring.

Who pays the most for pills

[An index of average drug prices in various countries, with the lowest average equal to 100]

Netherlands	299
United States	279
Germany	269
Denmark	230
Britain	217
Italy	131
France	127
Spain	105
Greece	100

Source: U.S. Senate Special Committee on Aging.

"The drug industry has been very successful," said Dr. Norrie Wilkins, president of Clinical Pharmacy Advantage, a Minneapolis company that buys drugs for health maintenance organizations and other cost-containment programs. "Its percent of profits are probably higher than in any other industry. We are in a recession now and a lot of business people and the Government are asking: 'Why has the recession not hit the drug industry? Do they have an unfair advantage?'"

A Federal law passed in December requires drug makers to cut their prices to the Medicaid program for the poor. Hospitals, insurers and other large purchasers are trying to keep the drug companies from shifting the costs to them.

EUROPEAN METHODS URGED

Some authorities say that to receive Europe's prices, the United States should adopt more of Europe's methods. "One of our options is to negotiate prices like they do in Europe, using big buying groups that include public and private purchasers," said David G. Schulke, chief of oversight for the Senate's special committee on aging.

A Federal study has found that state Medicaid agencies paid $474 million more for prescription drugs in 1989 than they would have if they had been bought at the prices negotiated in Canada.

Dr. Zeckhauser of Harvard said that some countries like Australia were particularly adept at negotiating low prices. In a recent study, he and one of his students, Mark Johnston, found that average American prices were more than double the average Australian prices for 80 widely prescribed drugs.

In some European countries, including the Netherlands, Denmark and Germany, drugs cost about as much as in the United States. Guido Adriaenssens, who surveys drug prices for the Belgian Consumers Association, said that none of these countries negotiated their prices. But the Netherlands and Denmark control the amounts of drugs that doctors can prescribe, limiting overall costs, he said. Germany is more like the United States, he said, with high prices and high consumption.

FRUSTRATING DRUGSTORE VISIT

Patients' frequent inability to postpone treatment and their dependence on doctors' recommendations contribute to the high costs of drugs. Dr. Reinhardt, the Princeton economist, said that when he recently stopped at a drugstore to pick up a prescription, he felt helpless. "I was madder than hell," he said. "It was my doctor who wrote my prescription. I was never given any option. And when I went to the pharmacy, some gum-chewing clerk threw a bag at me and said, '$40.'"

Drug companies are free to set their prices but consumers have little opportunity to comparison-shop, Dr. Rheinhardt said. "We are the world's last free market," he said. "It's not a perfect market, but it is free. A perfect market is one where the customer can really evaluate the product and where it is not an emergency situation." Buying a prescription drug, he said, "is not like buying a pair of socks."

MALPRACTICE SUITS FEARED

Doctors, assuming that their patients want the best and fearful of malpractice suits if they recommend anything less, may disregard prices when they prescribe drugs, Dr. Long said. Doctors sometimes prescribe an expensive drug when a cheaper one is better. Cardiologists continue to prescribe TPA, a drug that dissolves blood clots, for $2,000 a dose even though studies have shown that streptokinase, at $200 a dose, serves heart attack patients even better.

Industry representatives agree that Americans are paying a large share of their research costs, but add that the nation enjoys the benefits. Dr. Gerald Mossinghoff, president of the Pharmaceutical Manufacturers Association, said that France's stringent price controls has resulted in a drug industry that he described as "no longer world class," adding, "There really is a cause-and-effect relationship between economic pressure and the amount of research."

Dr. Mossinghoff accused some countries, like Portugal, Greece, and Spain, of negotiating "outrageously low" prices for drugs and failing to pay their fair share of research and development costs. "In that context, American consumers are paying for cheaper drugs elsewhere," Dr. Mossinghoff said.

But the association says that drug makers can still cover their costs and turn a profit in these other countries—as long as they do not have to extend the same low prices everywhere.

THE COST OF DRUGS, IN THE UNITED STATES AND ABROAD

[A sampling of average prices for common brand name drugs in the United States and other countries]

Brand/drug name and function	Manufacturer	Average U.S. price	Average price elsewhere
Septra/Sulfamethoxazole: Antibacteridal drug used to treat urinary tract infections.	Burroughs Wellcome	$10.90	$7.10
Vibramycin/Doxycycline: Antibiotic used to treat prostate infections.	Pfizer	23.30	15.20
Valium/Diazepam: Mild Tranquilizer.	Roche Products	9.70	3.60
Xanax/Alprazolam: Mild tranquilizer.	Upjohn	37.50	16.50
Dyazide/Hydrochlorathiazide: Used to treat high blood pressure.	Smithkline Beecham	11.30	8.40

Source: U.S. Senate Select Committee on Aging.

ESTABLISHING A SENATE SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. DURENBERGER. Mr. President, I rise today to announce my support and cosponsorship of Senate Resolution 82, a measure to establish a Senate Select Committee on POW/MIA Affairs. I have spoken with my colleagues Senator SMITH and Senator SPECTER, two of the original sponsors, and they have expressed to me their deep concern for these matters as well as their views on establishing a select committee.

I share these concerns, and hope that by setting up a select committee, the U.S. Senate will be able to contribute responsibly and meaningfully to the on-going U.S. effort to ensure the fullest possible accounting of POW/MIA cases still unresolved.

This is a matter of great concern to all Americans, and I strongly support the administration's defining the POW/MIA issue as the highest national priority.

The war in the gulf reminds us of the trauma and anguish experienced by families and friends of all U.S. POW's and MIA's. We owe it to the families and loved ones to pursue with all due vigor the remaining unresolved cases. And it is my strong hope that a Senate Select Committee on POW/MIA Affairs will significantly boost these efforts.

Thank you, Mr. President, I yield the floor.

EVENTS IN THE SOVIET UNION AND CAMBODIA

Mr. KERREY. Mr. President, as we prepare to leave Washington today for the Memorial Day weekend, most of us are going to take some time to reflect on the sacrifices that Americans have made on behalf of freedom. We will try our best to remember the bold disregard of personal safety which has characterized those great moments when liberty was advanced. We will remember, Mr. President, when friends, dear friends, conquered the fear of suffering and made a commitment to something larger than their own lives.

In the past 2 years, we have witnessed unimagined events when the long, lonely march of freedom ended with a bright hope-filled moment of liberation. Any remnant of skepticism about the value of America's willingness to resist tyranny must have certainly vanished in us all as we listened to the words of Lech Walesa, Vaclav Havel, and Nelson Mandela. They simply and movingly thanked America for her resolve, her values, and her vision.

Mr. President, this battle for freedom is not over. Our work is not done. The need for risk and sacrifice is still with us. Among many there are two opportunities that I believe stand out for us that we should seize, Mr. President, in order to strike a blow for freedom, and I hope and pray that America will seize these opportunities. The first is on behalf of the people of the Soviet Union, a nation which is still our nuclear adversary. The second, Mr. President, is on behalf of the people of Cambodia, a nation of little strategic value but great moral importance.

The opportunity I see with the Soviet Union is for America to lead a coalition of industrial, democratic nations to help the Soviet people achieve the objective of a liberal democracy and free enterprise. We need to do much more than just extend an offer of help.

Our decision is much more risky than whether we extend an invitation to Gorbachev to attend the July G–7 meeting in London.

As this nuclear superpower spins downward economically, we must not miss the opportunity of changing the nature of our relationship. I believe the opportunity is both historic and fragile.

We must not allow the events in the Soviet Union to become just another current issue to be discussed on weekly news shows. We must resist the temptation to answer the clinical questions of today's commentators: Will Gorbachev survive? Are the hardliners on the ascendancy? Should we provide loans for food purchases?

In the midst of these very relatively minor concerns we are not able to see or hear the struggle and the cries for freedom coming from within the Soviet Union. Now that the cold war is over, now that the concern for limited emigration has been replaced with a fear of unlimited emigration, now that the threat of the Soviet advance in Europe has disappeared, the cries for freedom seem to be falling on deaf ears.

If we listen to the Soviet leaders who are asking us to help them become free, I believe we will see that we have a fundamental decision to make. We will see that the decision which lies before us is whether we establish a new relationship with the Soviet Union based on partnership rather than nuclear rivalry.

Mr. President, I am proposing that we should, and that we do so in the cause of freedom as well as our own security. It will require sacrifice and risk on our part as well as the Soviet Union, but they are sacrifices and risks that we must take.

We will be forming this partnership for a purpose. Allow me to restate it: To assist the Soviet Union in their transition to free enterprise and democracy.

I envision three objectives for this partnership. The first is an immediate commitment to reduce the levels of nuclear weapons even further than the START agreement. The second is an economic strategy which assumes an immediate and radical transformation of the Soviet economy from communism to free enterprise. The third is to agree to help the Soviet Union accomplish an equally radical transformation of their political system so that it is a government of, by, and for the people.

The Soviet Union is the largest unexplored frontier for free enterprise and democracy. The people of the Soviet Union—who have suffered the terror and the tragedy of communism's failure—want freedom. They are understandably frightened by the prospect of great economic and social turmoil which will follow if their political leaders do the right thing.

In America, we were bequeathed a system where the fundamental arguments and battles over the nature of an accountable government have already been waged. In America, we no longer worry about the possibility of a violent revolution from the left or the right. We have mature institutions which allow us to resolve our conflicts peacefully.

In the Soviet Union there is no such security. The moment they enact the laws which provide for free enterprise and an accountable democracy, their short-term troubles will grow worse. The moment their leaders do what is right there will be cries of sell out and predictions of failure from hard liners.

All the speeches about the cold war being over which tell us we are beyond containment are misleading. They suggest the moment of peril has passed. They suggest Soviet threats to our security are gone. They suggest that the Soviet Union, still a formidable nuclear and conventional power, can merely be shrugged aside with half-hearted sighs of relief.

True genius in foreign policy does not show itself merely by responding decisively and forcefully to crises. It also shows itself by foreseeing and preventing them. More impressive than our military victory in the gulf would have been a policy that prevented Iraq from amassing the world's fourth largest military, or a policy that early on declared we would not tolerate Saddam Hussein's human rights abuses and threats against its neighbors.

The compounding pressures building within the Soviet Union will not stay within that empire's borders if they expand to the point of explosion. The potentially violent dissolution of a superpower is and must be a foreign policy concern of the first order, for our Nation and for all nations. We cannot afford to take comfort at the decline of the Soviet star when it could instantly become a super-nova that might scorch the Earth.

That is why an American decision to make a commitment to help the Soviet people achieve economic and political freedom by leading an international coalition of support is not just another foreign policy decision. It is the foreign policy decision of the latter half of this century.

In Cambodia the situation is much different though the opportunity to work for freedom is the same. Here is a people who represent no military threat. Their country has little strategic value. Here is a people whose cause we have intermittently carried, who may have suffered most when we turned our backs on Southeast Asia in 1975. They suffered the killing fields of the Khmer Rouge who murdered and starved to death at least 1 million Cambodians in 3 horrible years.

In Cambodia we are approaching a watershed moment: A June meeting of the four Cambodian factions where we hope to get all parties to agree to a United Nations peace agreement. Our objective in Cambodia is simple: A democratically elected government which has the strength to prevent the Khmer Rouge from returning to power.

My hope is the June meeting will be successful. However, if it is not, we should also be prepared to take bold action. We should not wait for something good to happen. We should make it happen by dropping our trade sanctions, by redirecting our aid to our non-Communist allies from a military insurgency to a political campaign, and by mobilizing an international effort to guarantee free elections.

The fear of getting involved again in Southeast Asia must be overcome. Our intervention will not lead to a quagmire, just as our intervention on behalf of the Kurdish refugees has not. Instead, it will lead to freedom and peace for a people who desperately want and genuinely deserve both.

Both of these proposals appear to require new thinking on the part of the United States. In a very limited way they do. In a more important and lasting way it is the same kind of thinking all of us will honor with our remembrances in just a few days.

GROUP OF SEVEN SHOULD INVITE PRESIDENT GORBACHEV TO LONDON SUMMIT

Mr. PELL. Mr. President, I would like to join Senator KERREY in urging the administration, along with its allies in the Group of Seven, to invite Soviet President Gorbachev to attend the G–7's annual meeting in London.

It appears that in recent weeks, President Gorbachev has refocused his attention on the need for radical economic reform in the Soviet Union. Reportedly, President Gorbachev has endorsed an effort by free-market oriented Soviet economists to present their reform program to the Group of Seven. I welcome this effort, and I believe that it signals President Gorbachev's recognition that if the Soviet economy hopes to survive, it must engage the West as a partner in the reform process. Like Senator KERREY, I believe that we must be responsive to Soviet requests to become more fully integrated into the international economic community.

Economic stability in the Soviet Union is a key factor in the Soviet Union's ability to move forward on political reform at the center and republic levels. International cooperation in the economic sphere can help promote that stability, which is crucial to success in other areas such as arms control and regional peace issues.

On a number of occasions, the administration has expressed its interest in finding ways to support economic and political reform in the Soviet Union. I believe that the London summit of the G-7 provides an appropriate forum for a constructive exchange of views among the seven industrialized nations and the Soviet Union on these issues. I therefore encourage the administration and its allies to seize this opportunity to work with the Soviet Union.

RUST VERSUS SULLIVAN

Mr. KERREY. Mr. President, I rise today to voice my strong opposition to yesterday's Supreme Court decision, Rust versus Sullivan.

In this decision a majority of the Justices upheld the Bush administration's rule that federally funded family planning clinics may be prohibited from giving any information about legal abortions. There are 3,900 such clinics in America serving nearly 5 million women. The Bush rule and the Court's decision mean that such counseling cannot occur even if the woman asks. It cannot occur even if the doctor believes abortion is medically necessary.

Mr. President, this is the kind of narrow conclusion which many strict constitutionalists have been denouncing for years. This decision is the consequence of Presidents Reagan and Bush selecting Supreme Court Justices on the basis of their ideological views on abortion. Believing that abortion should be illegal allows a judge to view Government action to restrict what is currently a legal medical procedure as reasonable and constitutional.

Chief Justice Rehnquist writing for the majority builds his case upon the precedent set in Maher versus Roe. Citing this decision the Court concludes that the Government's action restricting medical advice and speech (HHS rule 1008) is unquestionably constitutional.

I believe Chief Justice Rehnquist has allowed his ideological preference to compound the error of Maher. In Maher the Court allows Government to abridge a citizen's fifth amendment right to a legal medical procedure. In Rust the Court allows Government to abridge a citizen's first amendment right to free speech.

President Bush's Solicitor General, Mr. Kenneth Starr, speaking for the administration, compared these Government rules to rules which restrict smoking. He insists that the Federal Government is doing nothing more than making and enforcing a value judgement.

Mr. Starr's words carry special importance. Not only is he speaking for President Bush, but he is often mentioned as a likely Supreme Court nominee.

Mr. Starr's exact words after the decision where:

> The administration is pleased. The government as financier, as creator of government programs, should be able to make policy determinations and specifically here it should be able to say, "We do not want abortion to play a role in family planning programs that are federally subsidized."
>
> The government should be able to fund anti-smoking campaigns without being accused of a violation of the constitutional rights of those who would seek funds to promote the interests of smoking. The government is able to take sides; it is able to have viewpoints when it is funding. It can choose to fund Shakespeare and decline to fund Moliere.

If this administration is pleased, it should not be. The task of Government is to protect the rights and freedom of its citizens, not to decide arbitrarily and ideologically which rights it prefers. Mr. Starr's comparison to the right to smoke is appalling. His reference to artistic preferences is chilling.

Mr. President, the 1973 Supreme Court decision, Roe versus Wade, established the basis for a limited right to a legal abortion. Although a minority of Americans want this legal precedent overturned, a majority does not. It comes as close as is possible to expressing the will of the American people on an extremely difficult moral issue.

Our personal ideological and moral principles should guide us in making decisions according to the specific constraints of this legal ruling. Beyond the constraints of Roe versus Wade we should not use Government to coerce Americans' decisions, unless there is a compelling health and safety reason to do so.

Attempts to restrict the use of smoking are based upon a concern for the negative health consequences to others who do not choose to smoke. The doctrine of relative rights—which limits my freedom when it impinges upon the freedom of my neighbor—is a well-established principle of law.

The doctrine of relative rights guides us in setting rules concerning abortion. Roe versus Wade recognizes that after viability, a fetus becomes an unborn child and, as such, deserves the protection of the law.

President Bush has not been successful in his attempt to amend the Constitution so that a fetus would be protected as a human being from the moment of conception. Until he achieves this success, or until he persuades a majority of Americans to give him statutory authority, his rules have an aura of illegitimacy. Until he does, this court's decisions acquire the appearance of unbridled judicial activism.

President Bush's arbitrary rule must be reversed by the action of the people's representatives. Speaking for a majority of Americans, we should move as swiftly as possible to enact a law which will reverse the Rust versus Sullivan decision.

Mr. President, I should comment on the specific nature of Chief Justice Rehnquist's error. First of all, I believe the Maher decision is in error because it did not distinguish between a Government action taken to prevent a legal right and a Government action which intends merely to express a value preference. Government is entitled to do the latter, Mr. President; it does not have the right to do the former.

The manner in which the Chief Justice referenced the Maher versus Roe is relevant. He said the previous decision "held the Government may make a value judgment favoring childbirth over abortion and implement that judgment by the allocation of funds." The Judge should have added this key phrase: "So long as this implementation does not prevent citizens from doing what they are legally entitled to do."

The error of Maher is that the Government policy goes much further than making a value judgment about the rights of its citizens under the law. The U.S. Government under President Bush is acting in the following way: They observe a law they do not like, they conclude a majority will not support a change in the law, and then they take action to restrict a minority's rights under the law, betting that the majority will not object.

Specifically, Mr. President, President Bush's actions under the rules found legal by Maher denies 5 million low-income women their legal right to terminate a pregnancy under the legal terms of Roe versus Wade. His actions under the rules found legal by yesterday's decision deny the doctors in family planning clinics their legal right to tell these 5 million low-income women anything about abortion.

Again, if the President feels so strongly about this, I challenge him to introduce legislation which could carry out the intent of rule 1008. His law would be simple, and it would say this: American family planning clinics which receive title X funds to counsel low-income women will refer pregnant women to prenatal care providers who will promote the welfare of the mother and the unborn child. Patients who ask where they can obtain abortions are to be told that the project does not consider abortion an appropriate method of family planning.

I do not expect President Bush to accept this challenge, Mr. President. He knows his view is a minority opinion. He knows the introduction of such a law would be unpopular.

Mr. President, the potential negative impact of this decision on the first amendment rights of American citizens is great. Try as he might to minimize the damage, Chief Justice Rehnquist's logic is so tortured and bears so little resemblance to the world outside his chambers, he cannot avoid providing future courts with a bad precedent.

Again, the words of the Chief Justice provide a clue about what could happen. Explaining why freedom of speech has not been abridged with this decision, he says:

> The regulations do not significantly impinge upon the doctor-patient relationship because the doctor can simply tell patients the program does not provide advice about abortion. Women, knowing that the program does not provide post-conception medical care, will not be misled by a doctor's silence into thinking that the doctor does not consider abortion an appropriate option for her.

If ever there is a need to cite the Government expression of "Big Brother is watching you," this may be the best example. Let me repeat the Judge's metallic admonition:

> Women * * * will not be misled by a doctor's silence (which the Government has ordered) into thinking that the doctor does not consider abortion an appropriate option for her.

Change the words around a little and consider how we would all feel if the Judge said, "Americans," Mr. President, all of us, "will not be misled by a doctor's silence (which their Government has ordered) into thinking that the doctor does not consider surgery an appropriate option for them." Americans would be alarmed if their Government ordered their doctors to be silent about necessary medical procedures.

Later on in his opinion, Judge Rehnquist tries to do some damage control by making certain this decision will not restrict free speech in other ways. How does he do it? Again, it is Big Brother at work. The Judge tells us we can speak freely, Mr. President, according to Judge Rehnquist, if it is in an area that has "been traditionally open to the public for expressive activity" or the Judge says we can speak freely if it has been "expressly dedicated to speech activity." The Chief Justice has in mind universities or schools where "the sphere of free expression is so fundamental to the functioning of our society that the Government's ability to control speech within that sphere by means of conditions attached to the expenditure of Government funds is restricted by the vagueness and overbreadth doctrines of the first amendment."

Apparently taken with the arguments of President Bush's Solicitor General about smoking restrictions, the Chief Justice seems to be laying a foundation for similar action in regards speech. One can almost see the signs going up: This is a free speech area, or this is a nonfree speech area.

The first amendment respects each of us as individuals by providing a basis for the free exchange of information and thought. We are then able to direct and control our lives on the basis of knowledge, not ignorance. The Rust case is a frightening assault on personal dignity, because if prohibits the uninhibited flow of knowledge. I hope Congress moves quickly to enact laws which will reverse Rust versus Sullivan. By doing so, we will be expressing the will of the majority of Americans, and we will have advanced the cause of freedom here at home.

I thank the Chair and yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

The Senator from Colorado is recognized.

Mr. WIRTH. I thank the Chair.

(The remarks of Mr. WIRTH pertaining to the introduction of S. 1192 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

WE SHOULD NOT FORGET MONGOLIA

Mr. CRANSTON. Mr. President, today I would like to draw my colleagues' attention to the economic cataclysm facing Mongolia, a country working diligently to secure a peaceful transition to democracy and to implement free market and trade principles.

This past March, the Senate adopted unanimously a resolution congratulating the people of Mongolia on their free elections, commending Mongolia's leaders on their commitment to establishing democratic institutions and a free market, and welcoming Mongolians into the community of free nations.

Mongolia's political future is bright, but its economic forecast is less so. Mongolia's commitment to a market economy is complete, but successful transition to an open economy requires time, and help. We should consider carefully what help we can render, and the importance of rendering it.

Recently, Prof. Jeffrey Sachs of Harvard University, who has worked with truly remarkable success as a consultant to the Government of Poland, paid Mongolia an extended visit. He spent substantial time determining the facts about Mongolia's economy and analyzing their impact. He painted an extremely bleak picture of the immediate future.

The situation he saw was a classic example of a balance of payments problem with three roots: First, near total dependence on Soviet imports; second, near total dependence on Soviet markets; and third, susceptibility to the shock waves from the collapse of the Soviet economy next door.

In his view, Mongolia faces the threat of economic collapse, a dramatic fall in living standards, chaos, and severe long-term crisis. Comparing Mongolia in terms relevant to our own recent experience, Sachs said that the Mongolian crisis was the equivalent of six oil shocks.

A list of discouraging details loom ominously:

Industrial output declined in the first quarter of calendar 1991 by 7 percent;

Electricity production declined by 110M kWh's due to spare parts shortages;

Production of food staples declined by up to 30 percent; supplies of rice and flour are extremely low; meat supplies have now been rationed in the capital so that each citizen gets 6 pounds of meat a month, 36 pounds annually, whereas each Mongolian is used to consuming 200 pounds of meat or meat products annually;

Retail sales declined by 13 percent;

Budgeted revenues declined by 32 percent;

Export earnings declined by 58 percent; and imports by more than 65 percent.

The Soviet Union, once Mongolia's sole source of basic consumer goods, has ended foreign assistance to Mongolia, cutting off its main source of foreign aid. Although this was the expected result of Mongolia's formal disengagement from the Soviet bloc, the fact is that at least $100 million of Soviet assistance will not arrive this year, and it will be missed greatly.

What needs to be done? The foreign exchange reserves of Mongolia are depleted. They must be restored. The Soviets, for example, are demanding hard currency payment for oil, and at the same time continuing to take Mongolia's copper exports and applying the price as an offset against the country's existing debt to the Soviet Union.

An international rescue effort is needed to carry Mongolia through the relatively short privatization period during which—if Professor Sachs' recommendation to the Mongolian leaders is followed—the tugrik, the Mongolian currency, will be permitted to float and most Mongolian enterprises, including the valuable animal herds, will be turned over the private ownership, with the most successful enterprises made available for Western investment.

At present, the United States has not taken a leadership position in helping Mongolia out of its problems. Our own economic difficulties prevent us from being as generous as we would like to be. I do believe, however, that the $4 million in development assistance that the administration has requested, does not adequately reflect Mongolia's needs. To pose the full dimensions of the problem is to dramatize it. Imagine 2 million people in an area four times the size of California, located between two Communist giants, and asking for our help. Can we fail to respond?

As the only Member of the Congress ever to visit Mongolia, I can bear witness to the wonderful potential of this freedom-seeking nation. Senators should think about the possibility of seeing it for themselves. Its beauty and the friendliness of its people deserve our humane attention.

As the time comes for the Senate to consider foreign aid authorization, I urge my colleagues to take Mongolia's dire need into account, and support measures to increase foreign assistance to Mongolia.

SOVIET IMMIGRATION, GORBACHEV INVITATION

Mr. CRANSTON. Mr. President, I rise today to urge President Bush to grant most-favored-nation trading status to the Soviet Union and to encourage the administration to invite President Gorbachev to the London economic summit in July.

The Soviet legislature's passage of a free emigration bill is a momentous step in the history of the Soviet Union. The new law marks the first time, in either in Czarist Russia or in the Soviet Union, that people will be able to enjoy unfettered freedom of movement.

The Soviets have already shown their good faith by permitting 400,000 people to leave in 1990 alone. The high rate of Soviet emigration over the past 4 years should be recognized and encouraged.

Recent Soviet moves meet the requirements we have long demanded under the Jackson-Vanik trade legislation. Soviet action speaks louder than could any of the fine print that the State Department says it is waiting for its lawyers to read before recommending MFN for the Soviets.

Now is the time for reciprocal action—not for lawyerly arguments or petty quibbling.

Mr. President, I think that it is understandable that the Soviets find it necessary to phase in this new right in view of the lack of passports, experienced staff, and other technical means.

I never felt that a new Soviet emigration law was essential. What has always been important to my mind is whether people are actually free to emigrate rather than the technicalities of the law.

Moreover, Jackson-Vanik does not require that the Soviets codify their emigration reforms. The legislation conditioning MFN status on emigration practices states that it is enough for the President to receive assurances that the emigration practices of the country will improve. In the case of the Soviets, these improvements are well established.

But passage of an emigration law by the Soviets was a criterion President Bush insisted on for granting MFN. Now that the Soviets have passed such a law the President has no reason for inaction or delay.

He should act now, favorably and promptly.

Mr. President, I think it is a bitter irony that the Bush administration has been aggressively lobbying for MFN for China—an unrepentant gross violator of human rights.

Unlike China, the Soviet Union under President Gorbachev has come a long, long way from the repressive dark days of Joseph Stalin and his successors. President Gorbachev is trying to broaden freedom in the Soviet Union and extend the hand of Soviet cooperation to the United States and the West.

The 320 to 37 vote was an encouraging sign of stability in the Soviet Union and of Gorbachev's enduring power despite his critics.

We should react favorably and promptly.

I ask unanimous consent that a letter I have sent to President Bush urging MFN be granted to the Soviet Union appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, I also urge that President Gorbachev be invited to the summit meeting of the Group of Seven industrial nations in London in July so he can seek support for recently agreed-to economic reforms in the Soviet Union.

It is imperative that the new anticrisis plan being drafted by 13 of the nations' 15 republics be given active encouragement. The new accord reached between President Gorbachev and the republican leaders shows that a degree of order has finally descended upon the Soviet political scene.

Despite this, however, the prognosis on the Soviet Union's economic health remains guarded. It is clear that further agreements with the West are required—accords that will provide badly needed capital and credits and, perhaps more importantly, technical assistance.

The breakthrough accord between Gorbachev and his erstwhile republican foes, including Boris Yeltsin, may be the last best hope for change in the Soviet Union. At this vital juncture, the Gorbachev-Yeltsin plan for change should be given the widest possible airing in the West.

EXHIBIT 1

U.S. SENATE,
Washington, DC, May 23, 1991.

Hon. GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing today to urge you to take whatever steps are necessary to ensure that Soviet President Mikhail Gorbachev is invited to the summit meeting of the Group of Seven industrial nations in London in July.

Without doubt events today occurring within the Soviet Union represent the best, and perhaps last, hopes for a peaceful transition there to a market economy and full democracy.

Earlier this week the Soviet legislature passed a long awaited free emigration bill. And before that, President Gorbachev and the leaders of 13 of the Soviet Union's 15 republics came to terms on a whole host of issues, ranging from political decentralization to promotion of free enterprise.

Soviet spokesmen have used every opportunity to emphasize just how important they feel an invitation to the G-7 summit would be to strengthening this fragile coalition for change.

In a remarkable turn of events, top economic advisors to President Gorbachev and Russian Republic leader Boris Yeltsin are currently hammering out an emergency package designed to provide both change and stability to political and economic life in their country.

It is my belief, that at this vital juncture in the Soviet economy, the Gorbachev-Yeltsin plan for reform should be given the widest possbile airing in the West. The G-7 summit provides a unique forum for the hard questions to be asked by you and by our allies.

Such an exchange appears vital in order to weigh the real possibilities for Western assistance to the nation that still possesses more than 25,000 nuclear warheads and upon whose cooperation depends a whole range of issues, from stability in Eastern Europe to a winding down of Third World conflicts.

For these reasons, and more, I urge you to give President Gorbachev the forum he needs to present his country's case to those who can be of most help.

Sincerely,

ALAN CRANSTON.

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Janet Breslin:									
United States	Dollar				2,914.00				2,914.00
Switzerland	Franc	913.10	879.00					913.10	879.00
Germany	Deutschs mark	381.02	255.00					381.02	255.00
Poland	Zloty	4,674,000	492.00					4,674,000	492.00
Brent Baglien:									
United States	Dollar				2,579.50				2,579.50
Belgium	Franc	44,103	1,446.00					44,103	1,446.00
James Cubie:									
United States	Dollar				3,655.50				3,655.50
Belgium	Franc	14,701	482.00					14,701	482.00
England	Dollar		582.00						582.00
William Gillon:									
United States	Dollar				2,914.00				2,914.00
Switzerland	Franc	913.10	879.00					913.10	879.00
Germany	Deutschs mark	381.02	255.00					381.02	255.00
Poland	Zloty	4,674,000	492.00					4,674,000	492.00
Kent Hall:									
United States	Dollar				2,625.50				2,625.50
Belgium	Franc	36,752.50	1,250.00					36,752.50	1,250.00
Charles Riemenschneider:									
United States	Dollar				2,579.50				2,579.50
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
Lynnett Wagner:									
United States	Dollar				2,892.00				2,892.00
Switzerland	Franc	1,212.55	972.00					1,212.55	972.00
John Ziolkowski:									
United States	Dollar				2,892.00				2,892.00
Switzerland	Franc	1,492.21	1,159.00					1,492.21	1,159.00
United States	Dollar				2,559.50				2,559.50
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
Total			12,517.00		25,611.50				38,128.50

PATRICK LEAHY,
Chairman, Committee on Agriculture, Nutrition, and Forestry, Mar. 8, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Don Nickles:									
Israel	Dollar		558.00						558.00
United States	Dollar				6,189.00				6,189.00
Senator Robert W. Kasten, Jr.:									
Egypt	Dollar		440.00						440.00
United States	Dollar				5,766.00				5,766.00
James D. Bond:									
Egypt	Dollar		440.00						440.00
United States	Dollar				5,766.00				5,766.00
Senator Daniel K. Inouye:									
Saudi Arabia	Dollar		66.00						66.00
Bahrain	Dollar		125.00						125.00
Israel	Dollar		237.00						237.00
Senator Ted Stevens:									
Saudi Arabia	Dollar		66.00						66.00
Bahrain	Dollar		125.00						125.00
Israel	Dollar		237.00						237.00
Richard L. Collins									
Saudi Arabia	Dollar		66.00						66.00
Bahrain	Dollar		125.00						125.00
Israel	Dollar		237.00						237.00
J. Keith Kennedy:									
Saudi Arabia	Dollar		66.00						66.00
Bahrain	Dollar		125.00						125.00
Israel	Dollar		237.00						237.00
Total			3,150.00		17,721.00				20,871.00

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Apr. 10, 1991.

ADDENDUM TO CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Daniel K. Inouye:									
Philippines	Dollar		321.00						321.00
Singapore	Dollar		426.00						426.00
Bahrain	Dollar		152.00						152.00
Egypt	Dollar		220.00						220.00
Israel	Dollar		186.00						186.00
Senator Ted Stevens:									
Philippines	Dollar		321.00						321.00

ADDENDUM TO CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Singapore	Dollar		426.00						426.00
Bahrain	Dollar		152.00						152.00
Egypt	Dollar		220.00						220.00
Israel	Dollar		186.00						186.00
Richard L. Collins:									
Philippines	Dollar		321.00						321.00
Singapore	Dollar		426.00						426.00
Bahrain	Dollar		152.00						152.00
Egypt	Dollar		220.00						220.00
Israel	Dollar		186.00						186.00
J. Keith Kennedy:									
Philippines	Dollar		321.00						321.00
Singapore	Dollar		426.00						426.00
Bahrain	Dollar		152.00						152.00
Egypt	Dollar		220.00						220.00
Israel	Dollar		186.00						186.00
Total			5,20.00						5,20.00

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Apr. 10, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Steven J. Cortese:									
Germany	Dollar		690.00						690.00
United States	Dollar				2,740.40				2,740.40
Rocky L. Kuhn:									
United States	Dollar				3,055.00				3,055.00
Korea	Dollar		190.00						190.00
Taiwan	Dollar		596.00						596.00
China	Dollar		532.00						532.00
Hong Kong	Dollar		482.00						482.00
Total			2,490.00		5,795.40				8,285.40

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Mar. 6, 1991.

ADDENDUM TO CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Steven J. Cortese:									
Singapore	Dollar	1,045.27	582.00					1,045.27	582.00
Philippines	Peso	6,640.46	267.33					6,640.46	267.33
Philippines	Dollar		250.00						250.00
United States	Dollar				3,104.00				3,104.00
Rocky L. Kuhn:									
Soviet Union	Dollar		2,416.17						2,416.17
United States	Dollar				3,472.83				3,472.83
United States	Dollar						920.00		920.00
Total			3,515.50		6,576.83		920.00		11,012.33

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Mar. 6, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Douglas C. Olin:									
Russia	Dollar		550.00						550.00
Switzerland	Dollar		150.00						150.00
United States	Dollar				2,870.00				2,870.00
Total			700.00		2,870.00				3,570.00

JIM SASSER,
Chairman, Committee on the Budget, Mar. 15, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Augustine Symthe:									
Japan	Yen	23,977	151.62					23,977	151.62
United States	Dollar				3,201.96				3,201.96
Total			151.62		3,201.96				3,353.58

JIM SASSER,
Chairman, Committee on the Budget, Mar. 15, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jim Sasser:									
Hungary	Forint	32,577.50	522.00	47,072	252.14			79,649.50	774,14
Germany	Mark	1,343.92	856.00					1,343.92	856.00
Czechoslovakia	Dollar		392.00						392.00
	Crown			890	57.67			890	57.67
Poland	Zloty	1,275,750	135.00					1,275,750	135.00
	Dollar		645.00						645.00
United States	Dollar				4,130.00				4,130.00
Roy F. Phillips:									
France	Franc	1,230.24	233.00					1,230.24	233.00
Switzerland	Franc	292.73	225.00					292.73	225.00
Austria	Schilling	2,158	198.00					2,158	198.00
Italy	Lira	259,875	225.00					259,875	225.00
Great Britain	Pound	241.30	472.00					241.30	472.00
Total			3,903.00		4,439.81				8,342.81

JIM SASSER,
Committee on the Budget, Mar. 15, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John D. Rockefeller IV:									
United States	Dollar				5,577.00				5,577,00
Total					5,577.00				5,577.00

LLOYD BENTSEN,
Chairman, Committee on Finance, Apr. 27, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM OCT. 1, TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Max Baucus:									
Belgium	Franc	36,752	1,205.00					36,752	1,205.00
United States	Dollar				648.60				648.60
Senator Lloyd Bentsen:									
Mexico	Peso	892,250	304.00					892.250	304.00
Eric Biel:									
Mexico	Peso	892,250	304.00					892,250	304.00
Switzerland	Franc	1,473	1,158.00					1,473	1,158.00
United States	Dollar				660.00				660.00
Brad Figel:									
Switzerland	Franc	969.25	772.00					969.25	772.00
United States	Dollar				660.00				660.00
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
United States	Dollar				324.25				324.25
Robert Kyle:									
Mexico	Peso	892,250	304.00					892.250	304.00
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
United States	Dollar				648.50				648.50
Deborah Lamb:									
Switzerland	Franc	1,485.10	1,158.00					1,485.10	1,158.00
United States	Dollar				660.00				660.00
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
United States	Dollar				648.50				648.50
Rolf Lundberg:									
Switzerland	Franc	1,227.50	965.00					1,227.50	965.00
United States	Dollar				660.00				660.00
Belgium	Franc	36,752	1,205.00					36,752	1,205.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM OCT. 1, TO DEC. 31, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
United States	Dollar				648.50				648.50
Greg Mastel:									
Belgium	Franc	36,752	1,205.00					36,752	1,205.00
United States	Dollar				648.60				648.60
Marcia Miller:									
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
United States	Dollar				648.50				648.50
Switzerland	Franc	1,938.48	1,543.99					1,938.48	1,543.99
United States	Dollar				660.00				660.00
Total			16,871.99		7,515.45				24,387.44

LLOYD BENTSEN,
Chairman, Committee on Finance, Feb. 19, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY SEC. 22, P.L. 95–384–22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL NOV. 3–11, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Lloyd Bentsen:									
England	Pound	448.84	873.00					448.84	873.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
Senator John C. Danforth:									
England	Pound	344.40	669.86					344.40	669.86
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	204.16	163.00					204.16	163.00
France	Franc	3,675	735.00					3,675	735.00
Senator Thomas A. Daschle:									
England	Pound	149.61	291.00					149.61	291.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
United States	Dollar				3,148.00				3,148.00
Senator Robert Kyle:									
England	Pound	448.84	873.00					448.84	873.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
Gay Burton:									
England	Pound	448.84	873.00					448.84	873.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
Kevin Dempsey:									
England	Pound	448.84	873.00					448.84	873.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
Delegation:									
England							10,926.41		10,926.41
Belgium							2,709.46		2,709.46
Switzerland							4,519.43		4,519.43
France							10,157.40		10,157.40
Total			11,686.86		3,148.00		28,312.70		43,147.56

[1] Delegation expenses include direct payments and reimbursements to the State Department and to the Defense Department under authority of sec. 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977. The following individuals traveled with the delegation under authorization as noted: Senator Richard Bryan, Ms. Dee Bartley, Ms. Julia Hart—majority leader. Report of their expenditures appears in the report of the authorizing source.

LLOYD BENTSEN,
Chairman, Committee on Finance, Mar. 5, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Nancy H. Stetson:									
Egypt	Pound	3,228.96	1,120.00					3,228.96	1,120.00
Namibia	Rand	621.60	240.00					621.60	240.00
South Africa	Rand	222.74	86.00					222.74	86.00
Mozambique	Metacal	148.50	148.00					148.50	148.00
Italy	Lire	473,616	414.00					473,616	414.00
United States	Dollar				6,132.00				6,132.00
William Triplett:									
United Kingdom	Pound	123.91	241.00					123.91	241.00
France	Franc	1,933.56	369.00			1,493.40	285.00	3,426.96	654.00
Germany	Mark	1,207.69	784.21					1,207.69	784.21
United States	Dollar				919.00				919.00
Anne V. Smith:									
Sweden	Kroner	1,788	327.00		315.00				642.00
Russia	Dollar		700.00		299.00				999.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			4,429.21		7,665.00		285.00		12,379.21

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Mar. 20, 1991.

AMENDMENTS TO THIRD QUARTER 1989—CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1989

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Paul Simon:									
Poland	Zloty	719,000	75.00					719,000	75.00
France	Franc	1,038.27	159.00					1,038.27	159.00
United States	Dollar				1,512.00				1,512.00
Jonathan Stein:									
Poland	Zloty	719,000	75.00					719,000	75.00
France	Franc	1,038.27	159.00					1,038.27	159.00
United States	Dollar				1,512.00				1,512.00
John B. Ritch:									
Switzerland	Dollar		254.00						254.00
Poland	Dollar		300.00						300.00
Hungary	Dollar		348.00						348.00
Czechoslovakia	Dollar		282.00						282.00
United States	Dollar				4,279.00				4,279.00
Total			1,652.00		7,303.00				8,955.00

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Mar. 21, 1990.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b) COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Claiborne Pell:									
Czechoslovakia	Dollar		208.00						208.00
Senator Larry Pressler:									
Morocco	Dirham	2,622.40	330.00					2,622.40	330.00
Senator Frank H. Murkowski:									
Taiwan	Dollar	27,076	1,000.00			7,992	296.00	35068	1,296.00
Hong Kong	Dollar	1,524	196.00	117	15.00	3,198	410.00	4839	621.00
Japan	Yen	187,308	1,452.00	16,512	128.00	225,363	1,747.00	429183	3,327.00
Korea	Won	300,300	420.00	21,450	30.00	499,785	699.00	822535	1,149.00
Jennifer Brick:									
Taiwan	Dollar	27,076	1,000.00	756	28.00	7,425	275.00	35,257	1,303.00
Hong Kong	Dollar	1,526	196.00	506	65.00	2,762	355.00	4,794	616.00
Japan	Yen	187,308	1,452.00	18,705	145.00	200,853	1,557.00	406,866	3,154.00
South Korea	Won	300,300	420.00	36,465	51.00	434,000	607.00	820,765	1,078.00
United States	Dollar				3,697.00				3,697.00
Senator John F. Kerry:									
United Kingdom	Dollar				3,630				3,630.00
Geryld Christianson:									
Belgium	Franc	29,402	964.00	2,790	91.48			32,192	1,055.48
France	Franc	3,733.80	735.00	54	10.63			3,787.80	745.63
United States	Dollar				542.00				542.00
Jan Demers:									
Czechoslovakia	Dollar		228.00						228.00
Richard Kessler:									
Korea	Won	684,950	962.00	6,000	8.43			690,950	970.43
Japan	Yen	190,674	1,485.00	5,400	42.06			196,074	1,527.06
John Ritch:									
France	Franc	7350	1,470.00					7350	1,470.00
United Kingdom	Pound	1,066.7	2,100.00					1,066.7	2,100.00
United States	Dollar				3,674.00				3,674.00
Steven Polansky:									
Chile	Peso	358,380	1,086.00					358,380	1,086.00
United States	Dollar				1,842.00				1,842.00
Barry Sklar:									
Guatemala	Quetzal	798.25	155.00					798.25	155.00
Total			15,859.00		13,999.60		5,946.00		35,804.60

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Mar. 20, 1991.

AMENDMENTS TO FIRST QUARTER 1990: CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22 P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Nancy Stetson:									
Russia	Dollar		845.00						845.00
United States	Dollar				2,817.00				2,817.00
William Triplett:									
Japan	Yen	85,059	585.00					85,059	585.00
Korea	Won	306,000	450.00					306,000	450.00
United States	Dollar				2,583.00				2,583.00
Peter Galbraith:									
United States	Dollar				943.00				943.00
Senator Paul S. Sarbanes:									
Germany	Deutsche Mark	1,760.54	1,035.00					1,760.54	1,035.00
Total			2,915.00		6,343.00				9,258.00

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Mar. 20, 1991.

AMENDMENTS TO SECOND QUARTER 1990—CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384 22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Christopher J. Dodd:									
Poland	Zloty	208,000	23.00					208,000	23.00
	Dollar		290.00						290.00
Hungary	Forint	45,000	695.00					45,000	695.00
Romania	Dollar		371.00						371.00
Czechoslovakia	Dollar		205.00						205.00
United States	Dollar				4,537.00				4,537.00
Bulcsu Veress:									
Poland	Zloty	729,500	78.00					729,500	78.00
	Dollar		435.00						435.00
Hungary	Forint	45,000	695.00					45,000	695.00
Romania	Dollar		291.00						291.00
United States	Dollar				1,488.00				1,488.00
Total			3,083.00		6,025.00				9,108.00

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Nov. 30, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Todd Sterm:									
United States	Dollar				2,579.50				2,579.50
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
Total			1,687.00		2,579.50				4,266.50

JOSEPH R. BIDEN, JR.,
Committee on the Judiciary, Mar. 22, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1745(b), COMMITTEE ON LABOR AND HUMAN RESOURCES, FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator James M. Jeffords:									
Canada	Dollar	432.02	376.00		117.71				493.71
Peter Caldwell:									
Canada	Dollar	653.02	568.00		117.71				685.71
Victoria D. Galderia:									
Canada	Dollar	442.36	386.00		316.90				702.90
Total			1,330.00		552.32				1,882.32

EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, Mar. 14, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
John Elliff			641.80		2,774.00				3,415.80
L. Britt Snider			718.00		3,112.00				3,830.00
Don Mitchell			582.99		3,112.00				3,694.99
Marvin Ott			1,068.00		3,112.00				4,180.00
Keith Hall			394.00		4,783.00				5,177.00
James Martin			409.00		4,783.00				5,192.00
Regina Genton			413.00		4,784.00				5,197.00
Christopher Mellon			405.00		4,794.00				5,199.00
David Holliday			2,017.92		3,717.00				5,734.92
Christopher Straub			1,696.92		3,717.00				5,413.92
James Dykstra			1,863.00		3,081.00				4,944.00
Gary Sojka			2,368.00		3,178.00				5,546.00
Senator Frank Murkowski					3,760.00				3,760.00
Marvin Ott			338.00		3,667.00				4,005.00
Total			12,915.63		52,374.00				65,289.63

DAVID L. BOREN,
Chairman, Select Committee on Intelligence, Jan. 18, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE PRESIDENT PRO TEMPORE, AUG. 20–31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Robert C. Byrd:									
The Netherlands	Guilder	626.86	358.00					626.86	358.00
Turkey	Lira	2,537,903	947.00					2,537,903	947.00
Italy	Lira	273,700	238.00					273,700	238.00
Senator Thad Cochran:									
The Netherlands	Guilder	626.86	358.00					626.86	358.00
Turkey	Lira	3,352,605	1,251.00					3,352,605	1,251.00
Italy	Lira	273,700	238.00					273,700	238.00
Walter J. Stewart:									
The Netherlands	Guilder	626.86	358.00					626.86	358.00
Turkey	Lira	3,352,605	1,251.00					3,352,605	1,251.00
Italy	Lira	273,700	238.00					273,700	238.00
Marsha Berry:									
The Netherlands	Guilder	623.81	356.25					623.81	356.25
Turkey	Lira	3,352,605	1,251.00					3,352,605	1,251.00
Italy	Lira	273,700	238.00					273,700	238.00
C. Richard D'Amato:									
The Netherlands	Guilder	626.86	358.00					626.86	358.00
Turkey	Lira	3,352,605	1,251.00					3,352,605	1,251.00
Italy	Lira	273,700	238.00					273,700	238.00
Jeanine Drysdale Lowe:									
The Netherlands	Guilder	604.00	344.95					604	344.95
Turkey	Lira	2,548,622	951.00					2,548,622	951.00
Italy	Lira	182,850	159.00					182,850	159.00
James H. English:									
The Netherlands	Guilder	626.86	358.00					626.86	358.00
Turkey	Lira	1,211,333	452.00					1,211.333	452.00
United States	Dollar				786.00				786.00
Charlotte Holt:									
The Netherlands	Guilder	591.36	337.72					591.36	337.72
Turkey	Lira	3,352,605	1,251.00					3,352,605	1,251.00
Italy	Lira	273,700	238.00					273,700	238.00
Kathleen McNally:									
The Netherlands	Guilder	594.66	339.61					594.66	339.61
Turkey	Lira	2,698,699	1,007.00					2,698,699	1,007.00
Italy	Lira	273,700	238.00					273,700	238.00
Terrence E. Sauvain:									
The Netherlands	Guilder	626.86	358.00					626.86	358.00
Turkey	Lira	3,352,605	1,251.00					3,352,605	1,251.00
Italy	Lira	273,700	238.00					273,700	238.00
Sally Walsh:									
The Netherlands	Guilder	626.86	358.00					626.86	358.00
Turkey	Lira	3,352,605	1,251.00					3,352,605	1,251.00
Italy	Lira	273,700	238.00					273,700	238.00
Delegation Expenses:[1]									
The Netherlands							4,136.29		4,136.29
Turkey							10,992.50		10,992.50
Italy							5,094.10		5,094.10
Total			18,299.53		786.00		20,222,89		39,308.42

[1] Delegation expenses include direct payments and reimbursements to the State Department and to the Defense Department under authority of secton 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
President pro tempore, Mar. 7, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE PRESIDENT PRO TEMPORE, FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Walter J. Stewart:									
United States	Dollar				1,162.00				1,162.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE PRESIDENT PRO TEMPORE, FROM OCT. 1 TO DEC. 31, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total					1,162.00				1,162.00

ROBERT C. BYRD,
President pro tempore, Jan. 31, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE PRESIDENT PRO TEMPORE, FROM OCT. 1, TO DEC. 31, 1989

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Janet E. Heininger:									
Thailand	Baht	39,444	1,530.02					39,444	1,530.02
Total			1,530.02						1,530.02

ROBERT C. BYRD,
President pro tempore, Mar. 19, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY AND THE MINORITY LEADER, FROM AUG. 31 TO SEPT. 4, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Larry Pressler:									
Saudi Arabia	Dollar		37.50						37.50
Bahrain	Dollar		37.50						37.50
Egypt	Dollar		37.50						37.50
United Arab Emirates	Dollar		37.50						37.50
Senator Conrad Burns:									
Saudi Arabia	Dollar		37.50						37.50
Bahrain	Dollar		37.50						37.50
Egypt	Dollar		37.50						37.50
United Arab Emirates	Dollar		37.50						37.50
Geryld Christianson:									
Saudi Arabia	Dollar		17.50						17.50
Bahrain	Dollar		17.50						17.50
Egypt	Dollar		17.50						17.50
United Arab Emirates	Dollar		17.50						17.50
Peter Galbraith:									
Saudi Arabia	Dollar		37.50						37.50
Bahrain	Dollar		37.50						37.50
Egypt	Dollar		37.50						37.50
United Arab Emirates	Dollar		37.50						37.50
Frank Sieverts:									
Saudi Arabia	Dollar		37.50						37.50
Bahrain	Dollar		37.50						37.50
Egypt	Dollar		37.50						37.50
United Arab Emirates	Dollar		37.50						37.50
David Sullivan:									
Saudi Arabia	Dollar		37.50						37.50
Bahrain	Dollar		37.50						37.50
Egypt	Dollar		37.50						37.50
United Arab Emirates	Dollar		37.50						37.50
Tom Nichols:									
Saudi Arabia	Dollar		37.50						37.50
Bahrain	Dollar		37.50						37.50
Egypt	Dollar		37.50						37.50
United Arab Emirates	Dollar		37.50						37.50
Delegation Expenses:[1]									
Egupt		x						890.00	890.00
							56.25		56.25
							618.60		618.60
							248.40		248.40
United Arab Emirates					163.35		215.05		378.40
							213.38		213.38
United States							1,372.34		1,372.34
			970.00		163.35		3,614.02		4,747.37

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of sec. 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

GEORGE J. MITCHELL MAJORITY LEADER,
ROBERT J. DOLE, REPUBLICAN LEADER,

Mar. 23, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MINORITY LEADER, FOR TRAVEL FROM JAN. 1, TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William V. Roth, Jr.:									
Germany	Mark	1,831.67	1,255.00					1,831.67	1,255.00
United States	Dollar				3,112.90				3,112.90
Michael Converse:									
Israel	Dollar		558.00		299.00		880.43		1,737.43
United States	Dollar				6,189.00				6,189.00
Total			1,813.00		9,600.90		880.43		12,294.33

ROBERT J. DOLE,
Republican leader.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384–22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE REPUBLICAN LEADER, FOR TRAVEL FROM AUG. 25, TO SEPT. 5, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Robert J. Dole:									
Italy	Lira	282,240	245.00					282,240	245.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Egypt	Pound	165.46	61.00					165.46	61.00
Senator Jake Garn:									
Italy	Lira	282,240	245.00					282,240	245.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Egypt	Pound	273.65	101.00					273.65	101.00
Senator John Warner:									
Italy	Lira	253,440	220.00					253,440	220.00
Yugoslavia	Dinar	2,245.6	208.61					2,245.6	208.61
Bulgaria	Dollar		167.00						167.00
Czechoslovakia	Dollar		367.00						367.00
Soviet Union	Dollar		620.00						620.00
Egypt	Pound	205.2	76.00					205.2	76.00
Senator Steve Symms:									
Italy	Lira	282,240	245.00					282,240	245.00
Yugoslavia	Dinar	3,045.6	282.00					3,045.6	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Egypt	Pound	273.65	101.00					273.65	101.00
Soviet Union	Dollar		645.00						645.00
Senator Alfonse M. D'Amato:									
Italy	Lira	247,680	215.00					247,680	215.00
Yugoslavia	Dinar	1,634.60	151.35					1,634.60	151.35
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		342.00						342.00
Soviet Union	Dollar		595.00						595.00
Egypt	Pound	205.2	76.00					205.2	76.00
Senator Don Nickles:									
Italy	Lira	282,240	245.00					282,240	245.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Egypt	Pound	273.65	101.00					273.65	101.00
Senator Connie Mack:									
Italy	Lira	282,240	245.00					282,240	245.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Egypt	Pound	273.65	101.00					273.65	101.00
Senator Sam Nunn:									
Italy	Lira	188,502	163.63					188.502	163.63
Egypt	Pound	273.65	101.00					273.65	101.00
Judy Biviano:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	2,181.60	202.00					2,181.60	202.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Mira Baratta:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Michael Converse:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
John Diamantakiou:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Judy Freedman:									
Italy	Lira	565,215	490.00					565,215	490.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384–22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE REPUBLICAN LEADER, FOR TRAVEL FROM AUG. 25, TO SEPT. 5, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Alfred M. Lehn:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Joyce McCluney:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	2,181.60	202.00					2,181.60	202.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Zenia Mucha:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Jan Paulk:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Alan Porter:									
Italy	Lira	282,240	245.00					282,240	245.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Egypt	Pound	273.65	101.00					273.65	101.00
Richard Quinn:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Phil Reberger:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Walt Riker:									
Italy	Lira	282,240	245.00					282,240	245.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Egypt	Pound	273.65	101.00					273.65	101.00
David Schiappa:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Saul Singer:									
Italy	Lira	472,320	410.00					472,320	410.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.00	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		352.00						352.00
Soviet Union	Dollar		525.00						525.00
John Walsh:									
Italy	Lira	565,215	490.00					565,215	490.00
Yugoslavia	Dinar	3,045.60	282.00					3,045.60	282.00
Bulgaria	Dollar		177.00						177.00
Czechoslovakia	Dollar		392.00						392.00
Soviet Union	Dollar		645.00						645.00
Delegation Expenses:[1]									
Italy							6,992.95		6,992.95
Saudi Arabia							1,254.41		1,254.41
Egypt							1,330.41		1,330.41
Yugoslavia							5,946.68		5,946.68
Bulgaria							2,161.41		2,161.41
Romania							1,636.59		1,636.59
Czechoslovakia	Dollar						2,983.45		2,983.45
Soviet Union							2,648.34		2,648.34
Total			43,737.59				24,954.24		68,691.83

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of sec. 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT J. DOLE,
Republican leader, Feb. 21, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY AND THE MINORITY LEADER, MAR. 14–18, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Wendell H. Ford:									
Saudi Arabia		(1)	(1)						

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY AND THE MINORITY LEADER, MAR. 14–18, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John W. Warner:									
Saudi Arabia		(1)	(1)						
Senator Strom Thurmond:									
Saudi Arabia		(1)	(1)						
Senator John Glenn:									
Saudi Arabia		(1)	(1)						
Senator John H. Chafee:									
Saudi Arabia		(1)	(1)						
Senator Dennis DeConcini:									
Saudi Arabia		(1)	(1)						
Senator Malcolm Wallop:									
Saudi Arabia		(1)	(1)						
Senator Max Baucus:									
Saudi Arabia		(1)	(1)						
Senator Howell Heflin:									
Saudi Arabia		(1)	(1)						
Senator Don Nickles:									
Saudi Arabia		(1)	(1)						
Senator Frank R. Lautenberg:									
Saudi Arabia		(1)	(1)						
Senator John Kerry:									
Saudi Arabia		(1)	(1)						
Senator Mitch McConnell:									
Saudi Arabia		(1)	(1)						
Senator John McCain:									
Saudi Arabia		(1)	(1)						
Senator Dan Coats:									
Saudi Arabia		(1)	(1)						
Senator Joseph Lieberman:									
Saudi Arabia		(1)	(1)						
Senator Conrad Burns:									
Saudi Arabia		(1)	(1)						
Walter J. Stewart:									
Saudi Arabia		(1)	(1)						
Richard Arenberg:									
Saudi Arabia		(1)	(1)						
Les Brownlee:									
Saudi Arabia		(1)	(1)						
Scott Harris:									
Saudi Arabia		(1)	(1)						
Tom McMahan:									
Saudi Arabia		(1)	(1)						
R.J. Duke:									
Saudi Arabia		(1)	(1)						
Sally Walsh:									
Saudi Arabia		(1)	(1)						
Grayson Winterling:									
Saudi Arabia		(1)	(1)						
John Ziolkowski:									
Saudi Arabia		(1)	(1)						
Delegation expenses:[2]									
Saudi Arabia		(1)	(1)				6,717.71		6,717.71
Total							6,717.71		6,717.71

[1] No per diem issued.

[2] Delegation expenses include direct payments and reimbursements to the State Department and to the Defense Department under authority of sec. 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

GEORGE J. MITCHELL, Majority leader,
ROBERT J. DOLE, Republican leader,

Apr. 17, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER, DEC. 13–20, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator George J. Mitchell:									
Egypt	Pound	916.16	302.00					916.16	320.00
Israel	Dollar		149.00						149.00
Senator Paul Simon									
Egypt	Pound	754.00	263.37					754.00	263.37
Israel	Dollar		186.00						186.00
Senator Richard C. Shelby:									
Egypt	Pound	626.16	218.71					626.16	218.71
Israel	Dollar		128.00						128.00
Senator Bob Graham:									
Egypt	Pound	676.16	236.08					676.16	236.08
Israel	Dollar		133.00						133.00
Senator Richard H. Bryan:									
Egypt	Pound	916.16	320.00					916.16	320.00
Israel	Dollar		128.00						128.00
Senator Charles S. Robb:									
Egypt	Pound	746.10	260.61					746.10	260.61
Israel	Dollar		186.00						186.00
Senator Herbert Kohl:									
Egypt	Pound	916.16	320.00					916.16	320.00
Israel	Dollar		179.80						179.80
Walter J. Stewart:									
Egypt	Pound	916.16	320.00					916.16	320.00
Israel	Dollar		186.00						186.00
Richard Arenberg:									
Egypt	Pound	829.40	290.00					829.40	290.00
Israel	Dollar		136.00						136.00
Diane Dewhirst:									
Egypt	Pound	705.16	246.31					705.16	246.31

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER, DEC. 13–20, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Israel	Dollar		128.00						128.00
Scott Harris:									
Egypt	Pound	916.16	320.00					916.16	320.00
Israel	Dollar		136.00						136.00
Jan Paulk:									
Egypt	Pound	916.16	320.00					916.16	320.00
Israel	Dollar		186.00						186.00
Sarah Sewall:									
Egypt	Pound	553.36	193.28					553.36	193.28
Israel	Dollar		130.00						130.00
Delegation Expenses:[1]									
Saudi Arabia							1,700.37		1,700.37
Egypt	Dollar						2,954.17		2,954.17
Israel	Dollar						2,833.09		2,833.09
Total			5,620.16				7,487.63		13,107.79

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of sec. 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

GEORGE J. MITCHELL,
Majority Leader, Apr. 17, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER, FROM OCT. 1, TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Richard H. Bryan:									
England	Pound	299.22	582.00					299.22	582.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
United States	Dollar				544.00				544.00
Dee Bartley:									
England	Pound	448.84	873.00					448.84	873.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
Julia M. Hart:									
England	Pound	448.84	873.00					448.84	873.00
Belgium	Franc	7,461	241.00					7,461	241.00
Switzerland	Franc	304.36	243.00					304.36	243.00
France	Franc	3,675	735.00					3,675	735.00
Senator Wyche Fowler:									
Morocco	Dirham	2,622.40	330.00			3,425.88	430.92	6,048.28	760.92
Martha S. Pope:									
Morocco	Dirham	2,622.40	330.00			3,425.88	430.92	6,048.28	760.92
Total			6,645.00		544.00		861.84		8,050.84

GEORGE J. MITCHELL,
Majority Leader, Jan. 30, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER, NOV. 8–20, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Patrick J. Leahy:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00					419.98	166.00
Chile	Peso	138,444	417.00					138,444	417.00
Senator Albert Gore:									
United States	Dollar				1,935.00				1,935.00
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Senator Barbara Mikulski:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00	4,786.00	1,891.70			5,205.98	2,057.70
James Bond:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00					419.98	166.00
Chile	Peso	138,444	417.00					138,444	417.00
Leah Gluskoter:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	298.75	160.60					298.75	160.60

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER, NOV. 8–20, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
South Africa	Rand	419.98	166.00					419.98	166.00
Chile	Peso	105.244	317.00					105,244	317.00
Ellen McCulloch-Lovell:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00					419.98	166.00
Chile	Peso	138,444	417.00					138,444	417.00
Kevin McDonald:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00					419.98	166.00
Chile	Peso	88,644	267.00					88,644	267.00
Eric Newsom:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00					419.98	166.00
Chile	Peso	138,444	417.00					138,444	417.00
Timothy Rieser:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	394.68	156.00					394.68	156.00
Chile	Peso	88,644	267.00					88,644	267.00
Sally Walsh:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00					419.98	166.00
Chile	Peso	138,444	417.00					138,444	417.00
Ray Copson:									
Malta	Lira	81.760	276.00					81.760	276.00
Kenya	Shilling	10,591	462.00					10,591	462.00
Zimbabwe	Dollar	480	187.00					480	187.00
Botswana	Pula	319.92	172.00					319.92	172.00
South Africa	Rand	419.98	166.00					419.98	166.00
Chila	Peso	138,444	417.00					138,444	417.00
Delegation expenses:									
Malta							2,715.41		2,715.41
Kenya							3,425.63		3,425.63
Uganda							669.53		669.53
Zimbabwe							4,169.53		4,169.53
Botswana							5,904.97		5,904.97
Mozambique							4,393.63		4,393.63
South Africa							2,557.29		2,557.29
Chile							6,502.17		6,502.17
Total			16,699.60		3,826.70		30,338.16		50,864.46

Delegation expenses include direct payments and reimbursements to the State Department and to the Defense Department under authority of sec. 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

GEORGE MITCHELL,
Majority Leader, Apr. 15, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Scott Green:									
Panama	Dollar		186.45						186.45
Total			186.45						186.45

JOSEPH R. BIDEN, JR.,
Chairman, Senate Caucus on International Narcotics Control, Feb. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL FROM OCT. 1, TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Heather Hurlburt:									
United States	Dollar				912.00				912.00
Austria	Schilling	134,573.25	12,486.00					134,573.25	12,486.00
Ronald McNamara:									
United States	Dollar				801.00				801.00
Austria	Schilling	75,835.00	7,096.00					75,835.20	7,096.00
Austria	Schilling			1,104	105.15			1,104	105.15

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL FROM OCT. 1, TO DEC. 31, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Samuel G. Wise:									
United States	Dollar				2,700.05				2,700.95
Austria	Schilling	62,162.67	5,832.00					62,162.67	5,832.00
France	Franc	4,900	980.00					4,900	980.00
Michael Ochs:									
United States	Dollars		2,800.00		5,859.00				8,659.00
R. Spencer Oliver:									
United States	Dollar		1,585.00		3,108.34		33.49		4,726.83
Austria	Schilling	2,278.50	217.00					2,278.50	217.00
United Kingdom	Pound			65	126.58			65	126.58
Jeanne McNaughton:									
Spain	Dollar		5,035.00						5,035.00
Robert A. Hand:									
United States	Dollar				3,276.00				3,276.00
Yugoslavia	Dinar	28,700	2,759.61	13,037.40	1,253.59			41,737.40	4,013.20
David M. Evans:									
United States	Dollar				6,722.13		417.84		7,139.97
Yugoslavia	Dinar	39,353.60	3,784.00	17,232.80	1657.00			56,586.40	5,441.00
Total			42,574.61		26,521.74		451.33		69,547.68

DENNIS DeCONCINI,
Chairman, Commission on Security and Cooperation in Europe, Jan. 31, 1991.

THE 235TH COMMENCEMENT, UNIVERSITY OF PENNSYLVANIA

Mr. BIDEN. Mr. President, on Tuesday, May 21, I had the pleasure of attending the 235th commencement for the conferring of degrees of the University of Pennsylvania. It was a proud day for my family and me; my older son, Beau, was among the graduates of the College of Arts and Sciences, whom I had the privilege to address on a beautiful Philadelphia afternoon. It was a remarkably smooth program, considering not only that there were thousands of young scholars eager to celebrate graduation, but also that the city's primary election was in progress.

The great pleasure and meaning of the occasion were deepened for us, and for all the commencement guests, by two distinguished speakers at the combined ceremony for degree candidates from all of the university's colleges and programs. Sheldon Hackney, president of the University of Pennsylvania, and Ted Koppel, whose famous interview skills are well known to many in this body, both offered insightful and, I think, important observations to the graduates. They are insights of value not only to that audience, but to all of us concerned with the enduring values and future promise of this country.

President Hackney took on the increasingly vehement debate about so-called political correctness on college and university campuses. As his remarks reflected, the importance and implications of that issue quickly spill over campus boundaries, affecting—as our institutions of higher education themselves affect—the foundation and the future of our society. Whatever our individual perspectives on this question, I believe we can all benefit from President Hackney's thoughtful and perceptive contribution to the national debate.

Mr. Koppel spoke to an equally significant and hotly contested issue, in addressing the role of the media in our society. Conflicts between the priorities of the military and those of journalists covering the gulf war highlighted the persistent challenge of balancing freedom of the press with the pursuit of national policy objectives. It is a challenge that we cannot afford to ignore, and Mr. Koppel contributed to our common deliberations a balanced perspective—neither defensive nor apologetic—from an experienced and respected journalist. It is a perspective, I believe, more than worthy of our consideration.

There was an additional common feature between Mr. Koppel's address and that of President Hackney. I have come back several times in describing their remarks to the word "perspective," and beyond referring to each speaker's point of view, I find myself using that word again to express appreciation for their sense of proportion and sense of humor. From Ted Koppel's self-deprecating introduction to Sheldon Hackney's use of a cartoon and a Bob Hope joke to illustrate his point, these two speakers showed us the rewards of not taking ourselves too seriously, even when addressing very serious issues. It is a lesson, among the others found in their words, worth remembering.

Having been impressed by these two speeches both as instructive and as enjoyable, and confident that my colleagues and interested citizens will be equally impressed, I would like to place in the RECORD the full texts of the remarks of President Hackney and Mr. Koppel.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY PRESIDENT SHELDON HACKNEY

Chairman Shoemaker, Trustees, and colleagues; honored guests; parents, grandparents, siblings, spouses, partners, significant others, off-spring, and friends; last—but certainly not least—candidates for degrees: Welcome to the 235th Commencement of the University of Pennsylvania!

Allow me to make a public service announcement before I proceed: Philadelphia residents who have not yet voted are reminded that this is Primary Election Day, and there will still be ample time to vote after we have done with you here.

One of the classic forms of Commencement Address is the "passing the torch" speech in which some grizzled veteran of the world of affairs ceremoniously passes the torch of leadership and responsibility from one generation to the next, saying (usually at great length) "my generation has left the world in something of a huge mess, please devote your every waking hour to see what you can do to set things right." Then there is the Bob Hope variant: "As I look out at your bright and eager faces as you are about to go forth into the cold, cruel world, I have but one bit of advice: don't go."

Alas, the cold cruel world is no longer out there, it is in here. Let me explain.

For the past decade, a lively debate has been raging over the content and purposes of American education. Today, this debate continues, not only in the pages of scholarly journals and in the discussions of curriculum committees across the country, but in Time, Newsweek, and the Reader's Digest; on the editorial pages of the Wall Street Journal and television talk shows (some of them very late at night); and even in the White House.

The public manifestations of this debate are well-known. Beginning with the attacks of former Secretary of Education, William Bennett, universities have been increasingly portrayed in the media as elitist, unresponsive, greedy, and arrogant. Allan Bloom, with his book, "The Closing of the American Mind," precipitated a torrent of criticism of higher education as having lost its way educationally, as having prostituted the core of its soul by straying from a core curriculum rooted in the classics of western social and political thought, and adopting instead the latest fad of social activism. More recently, "Profscam," by Charles J. Sykes, has appealed to a public attuned to scandal by fulminating against a professorate that he portrays as "selfish, wayward, and corrupt"—themes which have now been picked-up by Congressman Dingell's sub-committee. The spate of recent press accounts—concerning misconduct in scientific research, alleged abuse of indirect cost recovery on Federal research grants, and attempts to restrict racist speech, attest to the fact that even private universities are no longer truly self-governing "Ivory Towers," isolated from the challenges and distortions of the political process. The university is no longer merely one of the side-shows warming up customers outside the Big Top of life, it has moved inside to become one of the star performers in the three-ring circus of public affairs. And like all stars, it attracts its share of intellectual "paparrazi" and scandal-mongers.

Indeed, universities are now the surrogate battlefields for contending social and political forces in a society riven with fundamental conflicts. Both Congress and state legislatures are beginning to regulate universities and intellectual life, much as they have transportation, securities markets, and waste disposal. Recent attempts to restrict the National Endowment for the Arts, and a new Pennsylvania law regulating the English fluency of faculty members are cases in point, as are rules requiring that we educate our students about drug and alcohol abuse.

The irony in this is that as the university has become much more important to society, it is losing the special place it once held in the scheme of things. Knowledge has become much more central to society and to the economy, yet universities are increasingly pictured as just another snout at the public trough, just another political football or price-fixing monopoly, just another combination in restraint of trade or likely source of tax revenues. Something is terribly wrong here.

Perhaps the most serious manifestation of these environmental changes is the current debate over "PC," which means "Political Correctness," not "Personal Computer." It is a term of derision, used to mock the sheeplike conformity of college communities to the latest orthodoxies handed down by advocates for minority groups, and by "progressive scholars" engaged in critical literary theory, critical legal studies, post-structuralism, deconstructionism, and cultural studies, in general.

A few weeks ago, in Ann Arbor, Michigan, President Bush himself summoned up visions of "thought police" and "political extremists" roaming the campuses, "abusing the privilege of free speech, setting citizens against one another on the basis of their class or race." The hottest things in print, after Kitty Kelly's "deconstruction" of Nancy Reagan, are the Atlantic Monthly article and the book, "Illiberal Education," by Dinesh D'Souza, that make it seem as if the storm troopers of the politically correct have captured university faculties and administrations. Happily, I am able to point out that such fears are greatly exaggerated.

There are basically three warring factions. The cultural dissidents generally support programs and policies that improve the status of previously oppressed groups; they wish to liberate the curriculum from the stultifying dominion of Dead White European Males (DWEM's) in favor of the history, culture, and literature of the third world and minority groups; they place greater value on the rights and expressed needs of minority groups than on unfettered speech; they sometimes assert that the only legitimate purpose of the university is to transform society from its current state of oppression by upper class, white, Euro-centric, heterosexual males to a state of unspecified social justice; their epistemology stresses that truth is in the eyes of the beholder, that every statement is a political statement so there are no objective standards to help us choose among the competing claims, and each claim must be evaluated relative to the race, class and gender of its author, and perhaps relative to its effect on the political agenda; they hold that language is so subjective that we can never be sure we know what other people intend to mean, as contemporary British novelist David Lodge has a character say in "Small World," his send-up of deconstructionism, "every decoding is an encoding." It is an endless loop of non-communication. [Doonesbury cartoon]

For their part, the traditionalists think not only that this is all nonsense, but that it is dangerous nonsense. For them, there was a golden age in the past when faculties had enough self-confidence to prescribe a curriculum that would provide each student with what every educated person should know; that curriculum was centered on the history and art and thought of Europe from ancient Greece and Rome to the present; that while discrimination on the basis of gender, race, religion, nationality, or sexual orientation is terrible, neither those groups nor any group should be privileged, because the university, above all, is a place where undifferentiated individuals should meet as equals and be judged by universalistic standards; that the value of free speech takes precedence over the desire for civility on campus or the desire to shield target groups from verbal terrorism; that the purpose of the university is to seek the truth, and it does not need to be justified by having a morally acceptable effect; indeed, it is a threat to the basic tenets of the university to judge knowledge by its effect rather than by its truth; that the tradition in Western universities of rationalism and empiricism provides tests for truth on which scholars and scientists can agree; that however imperfect our knowledge of it is, there is an objective reality that exists outside our minds and beyond its social and cultural construction.

The third faction, the broad middle ground of liberals and centrists, is battered from both sides, finding large grains of truth among the arguments of the cultural dissidents and the traditionalists. As the battle is being waged on three levels, with some overlapping and elisions, I can summarize the position of administrators and most faculty, at least at Penn.

On the most obvious level, the classroom is not a place for political indoctrination. There are long-standing principles of professional responsibility that bind teachers in that regard, and faculty violate those ethical precepts at their own peril. Though there is a danger of indoctrination, and perhaps even isolated instances of it, the real frequency of it is exceedingly low. The much greater worry is that an overwhelming campus consensus on some issue that has some emotional content will intimidate into silence those who disagree, thus depriving the university of the sort of debate that ensures its vitality. We must protect ourselves against that, and for that reason the traditionalists are a healthy recent phenomenon.

We must also be clear that the purpose of the university is not to transform society in any direct sense, but to enable individuals to transform themselves. The outcome of our research, whether it be scientific or humanistic, must not be tailored to fit a political agenda or someone's conception of social justice.

On a second level, the argument is about the primacy of Western Civilization in the contemporary curriculum. Though this is a very interesting and important discussion in its particulars, its solution is theoretically easy for all who do not think compromise is a dirty word. Clearly, we cannot lose sight of the great works and large themes of European history, but just as clearly we need to familiarize our students with the language, literature, history and culture of American minority groups and non-Western peoples. Race, class, and gender cannot be our only subjects, nor the only categories of analysis, but there is still much legitimate scholarship to do in those areas. Contrary to popular opinion, the curriculum has never stood still. It has always developed in response to new needs and new knowledge.

The third level, the epistemological level, is the most serious because the dissidents' insistence on a radical relativism might lead to a destructive nihilism. If every statement is political, and no communication can be trusted, then no knowledge is verifiable, and no university is possible.

Ironically, the critique of traditional values and concepts that is at the core of the PC onslaught against Euro-centrism is really the product of Western thought, a result of Western thought's emphasis upon intellectual freedom and self-criticism. Our commitment to the traditional values of freedom of inquiry requires tolerance of those who may seem to challenge or even reject those values. Thus, the search for truth requires openness to the possibility of many truths, the search for understanding requires openness to competing—and long unrepresented—understandings.

There is a terribly important point to be made here regarding the composition of the contemporary college faculty, climate and curriculum: Here at Penn, as elsewhere, both PC and anti-PC views are well represented on the faculty, in the curriculum, and amongst students and administrators. That is the kind of intellectual diversity that a great research university ought to contain. For it is in the classrooms, seminar rooms, journals, and books of academic discourse that the debate over fundamental values and ideas should go on. One suspects that some of the participants in the debate in the popular press are not seeking an open university, but a university captured by their particular political views.

The iconoclastic philosopher of science Paul Feyerabend—one of those who has criticized, almost gleefully, our traditional notions of scientific knowledge and method—has also pointed to a solution of this problem of closed systems at war with each other.

"A society [Feyerabend writes] that is based on a set of well-defined and restrictive rules so that being a man [or we would say "person"] becomes synonymous with obeying these rules, forces the dissenter into a no-man's land of no rules at all and thus robs him of his reason and his humanity. It is the paradox of modern irrationalism that its proponents silently identify rationalism with order and articulate speech and thus see themselves forced to promote stammering and absurdity. . . . Remove the principles, admit the possibility of many different forms of life, and such phenomena will disappear like a bad dream."

We tend to become like our enemies, or like the mirror image of them, but

Feyerabend seems to be pointing us to a way out of the trap created by the battle of closed systems for the heart and soul of the univeristy: The stark choice portrayed in the media between traditional Western values and intellectual anarchy is a false and impossible choice. Our task is to allow the competition between these opposing notions of truth and knowledge and value to continue—that is what universities are for—without requiring that only one truth prevail. Historically, no one truth has ever really triumphed, at least not for very long. In fact, imcompatible truths compete with and succeed one another all the time. That's an essential feature of the self-critical nature of universities and academic discourse.

Yes, there is political correctness on campus. But no, it is not dominant, and it does not go unchallenged. Indeed, the debate is the crucial sign that universities are still open to all views. For to fulfill its mission a university must not be captured by any orthodoxy, except a devotion to freedom of inquiry. Proponents of those differing ideas must be represented on campus: in the faculty, classrooms, student body, and curricula. I am happy to report to you that this is indeed the case at the University of Pennsylvania.

Remarks by Ted Koppel

Provost, I believe you left a month out in my life back in 1948.

We've come to that magic moment in the commencement program at which the last four years seemed to have vanished like a dream and the next half hour or so stretches endlessly before you.

One small business note, addressed to those of you with whom I had my picture taken during the ceremony as you all walked in: My agent will be selling 8x10 glossies at exit NG after commencement.

I love journalism.

I love the fact that, in this country at least, we are the great levelers: of others and of one another. Last February 8, my birthday, as coincidence would have it, the Daily Pennsylvanian took note of the fact that I was going to be the keynote speaker at this year's graduation. The story was on the front page, cheek by jowl, if you will, with a photograph of five of you streaking across campus, exposing all of your "assets". While I'm sure the juxtaposition was purely coincidental, the story let me know in no uncertain terms that my choice as commencement speaker was not exactly unanimous. While Jodi Krasilovsky described the selection as "terrific"—clearly a young woman of taste and discernment—Susan Garfinkel conceded that I was not her first choice. "My preference," said Ms. Garfinkel, "would be for someone who was a motivating force in society, either intellectually or politically." Duchess Harris was even less sparing of my ego. "Quite frankly," she said, "he was hardly in my too five." Ms. Harris did say that she regarded me as a better choice than Barbara Bush, but then added, "I don't know if that's saying much."

As you can imagine, this is not an unprecedented situation. In fact, a number of years back, the author James Michener received a telephone call from someone who said that their organization had selected Mr. Michener as the greatest living American author, and they asked if he could come to attend an awards ceremony. Mr. Michener asked just when that award ceremony was going to take place, and he was given a date, and he went to consult his calendar, and came back a few moments later and said he was terribly sorry, but he had a previous commitment that he absolutely could not break. There was a pause at the other end of the phone, and then the caller said, "Can you think of another greatest living American author?" And Michener said, "Well, have you through of Mailer or Vonnegut?" The caller said, "Yeah, we already tried them. They couldn't make it either."

So, whoever your first choice might have been, I am very grateful to be here with you this morning.

Somewhere between the star-spangled flag-waving Whitney Houston welcome-home television specials and the self-doubting, self-loathing caricature of a conspiratorial system run by defense contractors, Wall Street, special interest lobbyists, and corrupt politicians; somewhere between those two extremes lies the America that is waiting to absorb both your ambitions and your ideals. Few, if any, of our heroes are as flawless as the mythmakers would have us believe. Few, if any, of the motives which lead us to war are ever as unsullied as our leaders like to pretend. The challenge that confronts us is to recognize and identify the abuses without discarding the symmetry of the system. With that in mind, I want to talk about the war and the press—that famous or infamous, unelected, unappointed Fourth Estate.

The coalition forces led by the United States won two great victories in the Persian Gulf. The first, over the Iraqi armed forces of Saddam Hussein; the second, over the U.S. media. For much of the time and with few exceptions, the media looked silly, petulant, and whiny—all the more so in the face of a brilliantly executed campaign which made fools of most of the experts and analysts. Between August and February we variously predicted that Washington would never get the U.N. Security Council to authorize the use of force. We were wrong. That Congress would not authorize the use of force to implement all of the U.N. resolutions—wrong again. That the coalition wouldn't hold together—wrong. That the Israelis would be drawn into the war—wrong. That air power alone could never win a war. We were partly right, but mostly wrong on that one, too. That a ground war would result in thousands, possibly tens of thousands, of U.S. casualties. We were mercifully and almost totally wrong on that one. That the war would drag on for months—well, in one sense the jury is still out on that one. The Bush administration miscalculated Saddam's staying power and failed tragically to anticipate the consequences of encouraging the Kurds and the Shiites to try to bring about Saddam's ouster. Still, on balance, the administration appears to have been vindicated in keeping the press on a short leash during Operation Desert Shield and Desert Storm.

So it would seem.

Although I am going to try to convince you otherwise, it is likely, I grant you, to be an uphill struggle. How could anyone watch those daily briefings from Saudi Arabia and the Pentagon without marveling at the patience and confidence of the military briefers? How could anyone watch those same briefings without cringing at the nitpicking downright silliness of some reporters' questions? Indeed, The New York Times informed us earlier this month, there came a point during the war when the Administration was beginning to worry about its credibility, when it was toying with the idea of easing restrictions on what reporters could see and say; and then, as the Times put it, reassurance for the Administration came from an unlikely quarter. "Saturday Night Live" broadcast a skit lampooning the press, mocking the apparent stupidity and self-importance of many of the reporters attending those briefings. The moment of self-doubt that might have caused the Administration to lift some of its restrictions on the press evaporated. They were right. The public was behind them. Even "Saturday Night Live"—hardly a bastion of support for the Bush administration—was with them on that issue.

And yet. What you were watching at those press briefings was a process, not a product. German chancellor Otto von Bismark has been credited with the observation that if you like laws and sausage you should never watch either one being made. I would add journalism to that short list. The process in each case is somewhat messy and unappetizing. Indeed, it is far more difficult to become a sausage maker in this country than a journalist. Anyone can become a journalist, anyone at all. There is no test to be taken, no degree to be acquired, no license to be purchased, there is no supervisory board, no governmental agency to be consulted; if you have a pencil, and a piece of paper, and the means of duplicating your work product so that you can hand it out on the street corner, you are, by definition, a journalist. Since the qualifications in my own branch of the trade often have more to do with appearance than brainpower, literacy itself is sometimes only a partial requirement. The capacity to read is usually necessary; the ability to write is not always a prerequisite. Useful, perhaps, but not essential.

Indeed, it is difficult to think of a career, a profession, a job, an avocation, that demands a less rigorous set of qualifications than that of journalist. To cast a simple vote in this country requires that you be an American citizen, that you have attained your eighteenth birthday, that you be able to read the ballot. No such preconditions inhibit a journalist working in this country.

The First Amendment to the Constitution is gloriously, splendidly, one might almost say recklessly categorical on this subject. Nestled among the freedoms of religion, speech, assembly, and petition is this assurance: "Congress shall make no law abridging the freedom of the press." Why?

Winston Churchill once noted on the shortcomings and merits of democracy that it is the world's worst form of government—with the possible exception of every other kind. And much the same can be said of American journalism. Setting forth no restrictions produces a messy, sometimes painful product. It permits the publication of incompetent drivel and shameful untruths, which even our libel laws seem powerless to inhibit. It fills our supermarket checkout counters with tabloids that strain the definition of contempt. It provides the legal footings for the construction of pornographic empires. It has even brought its elastic standards to radio and television, which were once inhibited by the more strenuous standards imposed by our use of the public airwaves. Freedom is a dangerous and unpredictable commodity—unless you consider the alternatives.

Should our reporters and analysts be licensed—and if so, by whom? The government or some trade association, perhaps? And who would police those with the motives and with the power to license—or for that matter, with the power to revoke licenses? What kind of a press do we find under those systems that have the power to control their media? Or perhaps more relevantly: What kind of systems do we find where the press is under the control of the government? Our protection—your protection—lies in the very anarchy of the media, in the chaos of a process that often seems out of control.

The so-called establishment press in this country is, as its name implies, rather timid, lukewarm, predictable. But it provides stability. The fringe press on the left and the right, the journals of the arcane, even the slick soft-porn magazines, are often the only voices of the disenfranchised, the unpopular, and the obscure. It is the competition among all the disparate voices of the American media that moves us eventually, ultimatley, to the acquisition of something approaching the truth. To put that precious commodity—to put the distribution of that commodity, in the hands of government as a whole or any particular branch of government is to believe that those who make policy can be trusted to reveal their own incompetence, their own frailty, their own dishonesty. If the American press seems too negative, too obsessed with misdeeds rather than accomplishments, if we are too carping and critical, too prone to question the word of our leading citizens, understand that the establishment has voices of its own.

In Washington alone, the different branches and departments of government employ more than 10,000 public affairs officers, press secretaries, and spokespersons. Ten thousand. They speak to us daily in their news conferences and briefings, their press releases and background confidences, and almost always, with only the rarest of exceptions, they speak of the accomplishments, the progress, the positive achievements of the men and women they serve. There is a term for employees who reveal information on behalf of those who pay them. They're called public relations agents, not reporters. And we should regard every tidbit they feed us with a skepticism that borders on the cynical.

These people are doing their jobs properly. They're doing exactly what they're paid to do. If anything, they are performing their jobs too well. Our concern should be focused on the media, which is often too compliant, too trusting, too easily seduced. Skepticism is the lifeblood of democracy. If some of us cringe a little at the self-congratulatory outpouring of parades, at the fast food outlets and car dealerships wrapped in yellow ribbons, at the television specials that resonate to the hollow drumbeat of a facile partriotism, then it is not because we begrudge our service men and women either the thanks or the congratulations that are their due; but rather, that such events are too often used for profit or ratings or the political motives of those who stage them.

Flags, banners and parades can be convenient symbols of patriotism but they are no substitute for the real thing. Burn a flag and you desecrate a symbol. But deny the right to burn a flag and you undermine the freedom for which that symbol stands.

All countries, all systems of government lay claim to the same high sounding-principles. Everyone's country is basically the same. Everyone's country is someone's motherland or fatherland. All armies are made up of the brave young men, and increasingly brave young women, who stand ready to lay down their lives. The question is: For what?

Only last week a government spokesman said, "Freedoms of the press, association, publication, meeting and demonstration, and freedom of religion are practically guaranteed in our constitution, and it has been realized in reality." But that spokesman was not from our government. He was speaking in behalf of North Korea, defending his country against international charges of human rights abuses.

Genuine freedom is more than claim or a slogan. What distinguishes our system of government from most of those we find around the world is not what we say but what we do. It's not watching Charlton Heston reading the Bill of Rights with the Mormon Tabernacle Choir humming softly in the background that makes it meaningful; it's being allowed to exercise those rights every day of our lives. And what even extends, within limits, to times of war.

You should have been allowed to see the tens of thousands of Iraqi dead on the battlefield. You should have seen the caskets of the American war dead coming home to Dover Air Force Base. War, to paraphrase Robert E. Lee, should be seen in all its ugliness, else we would grow too fond of it.

You should have known during the war that the vast majority of bombs dropped on Iraq had no special homing devices and did not fall into the category of "smart" bombs. Despite what we were all shown during those briefings at the Pentagon and Saudi Arabia, seventy percent of our bombs missed their targets. That revelation came after the war, from the U.S. Air Force Chief of Staff.

There is, I would argue, a difference between giving away legitimately classified information: plans that could help our enemy prepare for battle, or real-time battlefield tactics, for example. There is a difference between conveying that kind of information and passing on to the American public what is already well known to the enemy. The Iraqis were all too familiar with the effectiveness and the location of our bomb strikes. The Iraqi military knew that their men in the field were dying by the tens of thousands. They even knew the number of American war dead; those were announced by the U.S. military itself on a daily basis. It was the visual impact of those realities that the administration sought to keep, and did keep, from the American public.

If as a people we are to make intelligent decisions through our elected representatives on issues of such transcendent importance as war, then we must know what is going on, good and bad, as long as it does not imperil our forces in the field. We don't have to broadcast from the battlefield live; in that respect, I agree with the Pentagon. The same satellite technology that enables a U.S. television network to broadcast a battle as it unfolds simultaneously conveys those pictures to our enemies. There must even be a reasonable capacity on the part of U.S. military commanders to censor information that could endanger plans, lives, and operations. But the control exercised by the Pentagon during Operations Desert Shield and Desert Storm went far beyond that. The Pentagon insisted on press pools, on the pretext that it couldn't handle the vast number of reporters and photographers who came to Saudi Arabia, but almost a thousand of the journalists there were selected from local newspapers and television stations around the country and flown to Saudi Arabia by the Pentagon, precisely because they could be counted on to report relatively benign "hometown angle" stories.

The Pentagon not only decided where our reporters would go and when, but held up the release of stories for days, sometimes weeks, long beyond and reasonable claim of battlefield security. Any government, any organization, is going to prefer to operate without critical observation, and the great media giants are no exception. But as you cherish freedom, don't permit that to happen.

We should recognize that the process of democracy is untidy and tedious, but we must prefer it to the punctuality and orderliness of dictatorship. We may sometimes yearn for an all-powerful, all-knowing, and incorruptible leader, but instinctively we know the odds against our finding such a man or woman. Nothing so marks a democracy as its respect for the rights of the individual. But nothing so becomes a democracy as its unwillingness to regard anyone as irreplaceable. We do not raise statues to the living in this country, because we have determined in our collective wisdom that the designation of permanent heroes is best left to history, after we and the objects of our adoration are dead.

Let the American media continue to be a thorn in the side, a pain in the butt to our most revered leaders and institutions. It is, when you consider the alternative, by far the safest course. I wish you all good luck in your chosen careers, and Godspeed for the rest of your lives.

TRIBUTE TO MORRIS TANENBAUM

Mr. LAUTENBERG. Mr. President, I rise to pay tribute to my good friend, Morris Tanenbaum who will be retiring as vice chairman of the board and chief financial officer of AT&T on June 30, 1991.

Mr. President, Morris Tanenbaum distinguished himself not only as an executive and a manager, but as a scientist and a researcher. That mixture of skills and experience has been part of what has made Morris Tanenbaum special. As we consider the competitive challenges facing American manufacturing and service business, there is a growing consensus that American business will need to rely increasingly on the special skills and insights of people who, like Morris Tanenbaum, bring to management an understanding of science and technology, and an understanding of how to make things work.

Morris Tanenbaum spent his life with AT&T and its various divisions. After earning a B.A. in chemistry in 1949 from Johns Hopkins and a Ph.D. in physical chemistry in 1952 from Princeton, he joined the technical staff of Bell Telephone Laboratories, our Nation's preeminent private research and development facility. He was soon promoted to head the research division in 1955, and then went on to become director of the Solid State Device Laboratory in 1962. He became director of research and development of Western Electric, then AT&T's manufacturing arm, where he ultimately became vice president of manufacturing. In 1975, he returned to Bell Labs as its executive vice president.

In the course of his career, Morris Tanenbaum secured seven patents. His scientific work broke new ground in the use of silicon in commercial semiconductors by demonstrating the structure of the basic silicon transistor. He also led the team that found the practical materials for superconducting magnets. He is vice president of the National Academy of Engineering, and a fellow of some of our Nation's top technical societies, including the Institute of Electrical & Electronics Engineers, the American Physical Society, the American Association for the Advancement of Science, and the American Academy of Arts and Sciences.

Having established an enviable record as a research scientist and director of research, he went on to establish himself as a top financial and corporate manager. He was president of New Jersey Bell Telephone Co. from 1978 to 1980. He then returned to be executive vice president for corporate affairs and planning.

When AT&T had to cope with the wrenching adjustments of divestiture under the modified final judgment, it chose Morris Tanenbaum to lead AT&T Communications. A year later, he became executive vice president. He was elected vice chairman of the board in 1986, and has served as chief financial officer since May 1988.

Mr. President, I got to know Morris Tanenbaum not only as a fellow member of the New Jersey corporate community, but as an active participant in civic and charitable affairs. Among his varied activities, he is a trustee of the Johns Hopkins University, MIT, the Philharmonic Society of New York, and serves on the board of the New Jersey Performing Arts Center Corp.

I join all of Morry's friends, colleagues, his wife Charlotte and the rest of his family, in wishing him well upon his retirement, and extend to him my warmest wishes for continued success and happiness in the future.

THE FUTURE OF LANDSAT

Mr. PRESSLER. Mr. President, I ask unanimous consent that the article I wrote for the May 20, 1991 issue of Roll Call be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FUTURE OF LANDSAT

(By Senator Larry Pressler)

The attempt to commercialize the Landsat program has failed. We have scrambled an omelette too expensive to eat, but too valuable to throw away. If we don't act soon to correct the policy, we could lose this priceless environmental research tool forever. In 1984, Congress passed the Land Remote-Sensing Commercialization Act, which was to have subsidized a private company to operate the Landsat system for a "transition" period, after which it was hoped the system would become commercially viable. This commercialization policy was founded on the belief that there was a large commercial market for Landsat data and that demand would support the development, launching, and operation of future Landsat satellites. That never happened.

During the debate on the '84 Act I said, "Commercialization at this time just does not make sense." (Testimony before the House Committee on Science, Space and Technology, June 28, 1983 pg. 162). One year later I argued, "We have invested billions of taxpayer dollars in this (Landsat) program. It should not end up in the hands of a government-subsidized monopoly that will cost us more than we spend today." (Congressional Record June 8, 1984 pg. 15576). Six years later the Administration, under the leadership of Vice President Quayle, agreed, saying commercialization had failed. But it wisely concluded on the need to continue the Landsat program.

It was clear to many of us back in the early '80's that commercialization would not work. But the only other political alternative was to terminate the program altogether. That would have been an even more tragic mistake. So I supported the '84 Act with some amendments even with the expectation and prediction that commercialization would fail. The overriding concern was to protect the technology. That has been preserved. We've seen it produce remarkable results in Kuwait recently, Chernobyl before that, and in global environmental studies, scientific research, city planning, wildlife resource management, and a host of other invaluable public service applications.

As those of us who urged alternatives to commercialization predicted, the '84 Act caused data prices to skyrocket, scientific applications to decline dramatically, and the program faltered.

Before commercialization there were three general categories of users: private business, defense and science. The latter has all but disappeared. Private sales have fallen drastically, as well. Defense simply pays the higher prices, adding to taxpayer cost. We have ended up paying more for Landsat by subsidizing a monopoly. We tax private business to fund Landsat, then turn around and charge them again to purchase data. The federal government subsidizes the monopoly and then pays again to use that data. In future Landsat policy, we need to restore the emphasis on availability to scientific researchers and other public interest users. Landsat is not a commercial program.

A NEW LANDSAT MISSION

To realize Landsat's full value, we must refocus the Landsat mission. To accomplish this, we need to include in the United States' global change effort the "inventory" of environmental data we have gained from spending over $1.5 billion for 19 years of Landsat operations. This means integrating Landsat into NASA's Mission to Planet Earth program and relying on the Department of Interior as a conduit to public users and the scientific community.

The goal of NASA's Mission to Planet Earth is to obtain a scientific understanding of the Earth on a global scale This fifteen-year program will enable NASA to develop global models of the interaction of the Earth's atmosphere, oceans, and land. Developing these models will require long-term, repeat measurements. By the time the first EOS platform is launched in 1998, integration of Landsat data could give global change researchers a 26-year head start in developing accurate global change models. Using the large inventory of Landsat data as a baseline could improve the predictive global change models to be developed from EOS.

A BLUEPRINT FOR ACTION

To fully integrate Landsat data into our global change program, we must take three important steps. First, we need to preserve and maintain the existing 1 million scenes of Landsat data we have collected and develop an efficient distribution system for them. Much of this data is stored in formats that are unreadable due to magnetic tape degradation or obsolete reading systems. With a small investment we could convent the past nineteen years of Landsat data to a more durable archive medium. This would provide scientists with assurance of Landsat data availability for long-term global change research.

Second, we need to ensure that Landsat data is available quickly and cheaply to global change researchers. Currently, a single scene of thematic mapper Landsat data costs between $4000 and $5000. Commercialization has brought high data prices and trade secret restrictions which prohibit most scientific use of the data. Since the federal government will not own the Landsat-6 data, government researchers must purchase data from the commercial operator at exorbitant prices. To ensure that Landsat data will be provided at reasonable prices to all users who need it, we must modify the commercialization aspects of the 1984 Act.

Third, we need to develop plans for the continuation of the Landsat program. With the Landsat 6 expected life span of five years, there will be a two-year gap before the launch of the first EOS platform. A Landsat 7 would bridge that data gap and continue to provide images with a level of detail that would complement the high- and low-resolution sensors scheduled to fly on EOS. Since the military and intelligence communities rely on Landsat data, some have suggested that the Department of Defense should help fund a Landsat-7 program. This may be a viable solution. For this plan to work, however, we must be certain that the system design is responsive to requirements of the civilian community, including global change scientists. We also need to ensure that data is openly available at affordable prices. This would require making a civilian agency such as the Department of Interior responsible for providing civilian access to the data.

I have proposed a Commerce Committee hearing to address this issue. We need action today to preserve this extraordinarily valuable 19-year investment. A firmly established Landsat program would complement NASA's "Mission to Planet Earth" while ensuring that the United States preserves its leadership in land remote sensing.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,260th day that Terry Anderson has been held captive in Lebanon.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I ask unanimous consent to speak for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO JUDGE EUGENE SPELLMAN

Mr. GRAHAM. Mr. President, I offer a tribute to a close personal friend and exemplary member of the Federal judiciary, U.S. District Judge Eugene P. Spellman, of the southern district of Florida.

Judge Spellman died of cancer on May 3 of this year in Miami at the age of 60, having served as a district court judge for 11 years. During those 11 years on the Federal bench, Judge Spellman presided over some of the most complicated cases of this century, involving issues of taxation, religious freedom, immigration law, and money laundering.

Amidst the diversity of his docket, the judge brought a consistency of compassion, fairness, intelligence, and humility to his court. Our time-honored system of justice grants considerable power to Federal judges. Judge Spellman never forgot the powerless—the handicapped, the impaired, the homeless, and the refugee.

Gene Spellman loved his profession. He loved his community. He loved his family. Those of us who were fortunate enough to call him a friend loved Gene Spellman. One of the judge's last accomplishments, and one of his proudest, was to deliver the commencement speech on the occasion of his son Michael's graduation from the Florida State University Law School in Tallahassee.

To the Spellman family, we extend our prayers as we share their grief. To future members of the judiciary, we offer the example of Judge Spellman's service as a model.

One of the ways that we, the Nation and this Congress, can honor the memory of this great jurist is to move expeditiously to fill his position on the court. As of today, there are 10 vacancies in the Federal district courts of Florida. Recent increases in law enforcement resources and tough new prosecutorial and sentencing measures have put increased pressure on our Federal judiciary. The men and women of the Federal bench, such as Judge Spellman, are working diligently to keep up with the huge increase in caseload.

Unfortunately, the length of time that it historically takes to fill a new seat or an existing vacancy on the Federal bench is inordinate and intolerable. Under the present administration, it has taken an average of 502 days from the time a seat becomes vacant for a new judge to be confirmed by the Senate.

With the passing of Judge Spellman, Florida's Federal courts now have 10 vacancies out of the 31 authorized positions. Obviously, the judiciary cannot operate with only two-thirds of its assigned capacity.

Yesterday, we were notified that the White House was prepared to submit a nomination for one of the four vacancies in the middle district of Florida. That is good news. However, three vacancies remain in the middle district: One in the northern district and four in the southern district.

The problem of an overburdened judiciary is not peculiar to Florida. A recent General Accounting Office report investigated the effect of adding additional resources to the front end of the criminal justice system; that is, the ability to investigate, to prosecute—what effect that has had on the courts and the prisons. These findings apply to the Federal system nationwide.

The General Accounting Office used a mathematical model that measures inputs and effects, to predict not only the current crushing caseload in the courts, but a worsening scenario for the future.

The GAO report concludes that:

> If the President's budget were enacted, the model's estimates suggest that the results would probably be to overload the courts.

GAO estimates that over 69,000 defendants would be pending in the courts at the end of the 1992 fiscal year, a 22 percent increase over the pending cases at the end of 1991, and a 40 percent increase over the number of cases pending disposition in 1990.

What is the reason for this logjam? Enacting the President's budget would mean, for instance, the Drug Enforcement Agency's budgets would have increased from fiscal year 1989 by about 40 percent; the FBI, by about 40 percent; the Organized Crime and Drug Enforcement Task Force budget by over 100 percent; and the U.S. Attorney's budget by about 90 percent.

More crime fighting resources means more investigations and arrests; more arrests means more prosecutions; more prosecutions means more trials.

Assuming, for just a minute, that the President's budget proposal is enacted, five persons would enter the adjudication stage for every 4 persons who exit. Despite an increase in the number of criminals arrested and referred for prosecution, a 14-percent increase, the number of persons who have moved downstream into the corrections stage increases by only half that amount, 7 percent, in FY 92.

Arresting and prosecuting more criminals, of course, is not wrong. That is one of the objectives of a strengthened anticrime program at the Federal level. But leaving the court system inadequately prepared to deal with an increased number of cases is wrong. This imbalance may lead to reduced public confidence in the criminal justice system, and ultimately in the judiciary.

We are seeing the effects of this in Florida. The middle district of Florida has altogether stopped scheduling civil trials in an effort to keep up with its criminal docket. In the southern district, prosecution guidelines have resulted in serious cases, particularly drug cases, being transferred to State courts due to overcrowding in Federal courts.

On April 24, I introduced the Judicial Nominations and Confirmation Reform Act. This act seeks to reduce the intolerable amount of time it currently takes to fill a judicial vacancy.

Despite the labors of individuals like Judge Eugene Spellman, efforts to improve apprehension, prosecution, and sentencing of criminals are being negated because the judiciary is ill-equipped to process those cases. All involved in the selection and approval of judicial nominees must cooperate to improve the pace with which nominees are considered.

There would be no greater or more sincere memorial to Judge Eugene Spellman than to see that those steps were taken to promptly fill the positions which he filled with such honor, and to provide the Federal courts the human resources of quality necessary to provide to the American people their expected quality of justice.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WIRTH). The clerk call the roll.

The legislative clerk proceeded to call the roll.

SENATE ELECTIONS ETHICS ACT

Mr. BOREN. Mr. President, the Senate yesterday took an historic step closer to reforming the way elections to the U.S. Senate are financed. We passed a solid bill to limit runaway campaign spending and close loopholes in current law that will return to the American voter the decision on who is qualified to hold a seat in this great institution.

Now that we have passed S. 3, the Senate Elections Ethics Act of 1991, we must work towards House passage of campaign finance reform legislation, and an eventual conference committee to put together a compromise, and hopefully bipartisan, reform package.

Today, following Senate passage I want to thank some of the organizations who have supported us in this long effort. Their grass roots efforts and continued diligence was crucial in seeing this legislation through. Mr. President, I ask unanimous consent that the list of organizations in the coalition in support for meaningful campaign finance reform be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS IN SUPPORT OF COMPREHENSIVE CAMPAIGN FINANCE REFORM

American Association of Retired Persons.
American Association of School Administrators.
American Association of University Women.
American Jewish Committee.
American Public Health Association.
American Public Power Association.
Americans for Indian Opportunity.
B'nai B'rith Women.
BPW/USA (National Federation of Business and Professional Women, Inc.).
Center for Science in the Public Interest.
Center for the Study of Commercialism.
Children's Defense Fund.

The Children's Foundation.
Church of the Brethren, Washington Office.
Church Women United.
Citizen Action.
Citizens Against PACs.
Clean Water Action.
Coalition to Stop Gun Violence.
Committee for Children.
Common Cause.
Community Nutrition Institute.
Consumer Federation of America.
Consumers Union of U.S., Inc.
Environmental Action.
The Episcopal Church, Public Ministries Cluster.
Friends Committee on National Legislation.
Friends of the Earth/Environmental Policy Institute.
Government Accountability Project.
Gray Panthers.
Greenpeace Action.
Hollywood Women's Political Committee.
Iowa League of Savings Institutions, Inc.
International Association of Chiefs of Police.
Jesuit Social Ministries, National Office.
League of Women Voters of the United States.
League of United Latin American Citizens.
Lobbyists and Lawyers for Campaign Finance Reform.
Mennonite Central Committee.
National Academy of Public Administration.
National Association for the Advancement of Colored People (N.A.A.C.P.).
National Association of Catholic School Teachers.
National Association of Community Action Agencies.
National Citizens' Coalition for Nursing Home Reform.
National Community Action Foundation.
National Council of Churches.
National Council of Jewish Women.
National Council of La Raza.
The National Council on the Aging, Inc.
National Farmers Organization.
National Farmers Union.
National Insurance Consumer Organization.
*National Jewish Community Relations Advisory Council (NJCRAC).
National Puerto Rican Coalition.
National Puerto Rican Forum.
National Urban League.
Natural Resources Defense Council, Inc.
NETWORK: A Catholic Social Justice Lobby.
Office for Church in Society, United Church of Christ.
People for the American Way.
Presbyterian Church (U.S.A.).
Public Citizen's Congress Watch.
Public Voice for Food and Health Policy.
Republican Mainstream.
Rural Coalition.
Southwest Voter Registration Education Project.
Union of American Hebrew Congregations.
Unitarian Universalist Association of Churches in North America, Washington Office.
United Methodist Church, General Board of Church and Society.
U.S. Public Interest Research Group.
U.S. Student Association.
Women's League for Conservative Judaism.

NJCRAC's constituent organizations are:
American Jewish Committee.
American Jewish Congress.
Anti-Defamation League of B'nai B'rith.
B'nai B'rith International.
Hadassah.
Jewish Labor Committee of the U.S.A.
Jewish War Veterans.
National Council of Jewish Women.
Union of American Hebrew Congregations.
Union of Orthodox Jewish Congregations.
United Synagogue of America.
Women's American ORT.
Women's League of Conservative Judaism.

Mr. BOREN. Mr. President, I also want to especially thank members of the Episcopal Church who recently strongly endorsed meaningful campaign reform. The support by the executive council of the Episcopal Church shows that the need to reform our democracy is not a Democratic or Republican issue, but an American problem that needs to be resolved. I ask unanimous consent that the resolution adopted by the executive council be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Resolved, That the Executive Council of the Episcopal Church strongly supports the provisions of comprehensive federal campaign finance reform being proposed in Congress and by the President, which would: (a) establish voluntary public funding; (b) dramatically reduce the role of contributions on the part of political action committees and major individual donors; and (c) protect federal campaign spending limits by preventing the political parties from channeling through their state affiliates money targeted for candidates seeking national office.

Resolved, That copies of this resolution be directed to the President, the leadership of the Senate and House of Representatives, and the principal sponsors of campaign finance reform legislation.

EXPLANATION

The campaign finance reform movement currently underway in the Executive and Legislative branches of the U.S. Government is aimed at addressing the distorting effect of contemporary political fund-raising on our system of representative government. The Church has viewed with increasing concern:

(a) the continuing decline in citizen participation in our political process stemming from the American public's growing distrust of elected officials and mounting frustration over diminished access to representatives preoccupied with fundraising activities;

(b) the climate of unethical behavior increasingly associated with elected officials as a result of their fundraising activities;

(c) the increasing difficulties facing elected officials in negotiating the ethical demands of office, i.e., maintaining adequately the distinction between their roles as candidates for office and as objective stewards of the public trust.

The Church affirms the moral principle underlying the U.S. Constitution which requires equal and just access for all citizens to their elected representatives in government. Episcopalians should join in the effort to reform the campaign finance system, thereby restoring ethics to the political process and renewing our commitment to full and equal participation for all citizens in shaping the decisions which shape our society.

Mr. BOREN. Again, Mr. President, I want to thank all of the people associated in this effort, and I want to challenge my colleagues to help us see this process through and actually enact meaningful, comprehensive reform before the end of the 102d Congress.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 367. A bill to amend the Job Training Partnership Act to encourage a broader range of training and job placement for women, and for other purposes (Rept. No. 102–65).

By Mr. INOUYE, from the Select Committee on Indian Affairs, without amendment:

S. 1193. A bill to make technical amendments to various Indian laws (Rept. No. 102–66).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS (for himself, Mr. COCHRAN, Mr. JOHNSTON, Mr. LOTT, and Mr. BREAUX):

S. 1180. A bill to amend the Agricultural Act of 1949 to provide for discretion in the shifting of crop acreage bases between farms in the case of a natural disaster; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BENTSEN:

S. 1181. A bill for the relief of Christy Carl Hallien of Arlington, Texas; to the Committee on the Judiciary.

By Mr. GARN (for himself and Mr. HATCH):

S. 1182. A bill to transfer jurisdiction of certain public lands in the State of Utah to the Forest Service, and for other purposes; to the Committee on Energy and Natural Resources.

S. 1183. A bill to reduce the restrictions on the lands conveyed by deed to the city of Kaysville, Utah, and for other purposes; to the Committee on Energy and Natural Resources.

S. 1184. A bill to direct the Secretary of the Interior to conduct a study to determine the nature and extent of the salt loss occurring at Bonneville Salt Flats, Utah, and how best to preserve the resources threatened by such salt loss; to the Committee on Energy and Natural Resources.

By Mr. GARN (for himself, Mr. WALLOP, Mr. BINGAMAN, Mr. GORTON, Mr. CRAIG, Mr. SEYMOUR, Mr. SIMPSON, Mr. HATCH, Mr. DOMENICI, Mr. MCCAIN, Mr. MURKOWSKI, and Mr. SYMMS):

S. 1185. A bill to disclaim or relinquish all right, title, and interest of the United States in and to certain lands conditionally relinquished to the United States under the Act of June 4, 1897 (30 Stat. 11, 36), and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHAFEE (for himself, Mr. HARKIN, Mr. DECONCINI, and Mr. CRANSTON):

S. 1186. A bill to amend the Public Health Service Act to establish a Substance Abuse Treatment Corps; to the Committee on Labor and Human Resources.

By Mr. BINGAMAN (for himself and Mr. WALLOP):

S. 1187. A bill to amend the Stock Raising Homestead Act to provide certain procedures for entry onto Stock Raising Homestead Act lands, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. RIEGLE (for himself and Mr. MOYNIHAN):

S. 1188. A bill to provide for an AIDS Disability Advisory Panel to assist the Congress and the Secretary of Health and Human Services in meeting the needs of disabled individuals who are infected with HIV and are entitled to benefits under title II or XVI of the Social Security Act, and to provide for interim disability standards applicable to such individuals; to the Committee on Finance.

By Mr. RIEGLE (for himself, Mr. DURENBERGER, Mr. ROCKEFELLER, and Mr. BRADLEY):

S. 1189. A bill to increase the authorization under title XX of the Social Security Act for block grants to States for social services; to the Committee on Finance.

By Mr. DASCHLE:

S. 1190. A bill to amend the Internal Revenue Code of 1986 to increase the standard mileage rate deduction for charitable use of passenger automobiles; to the Committee on Finance.

By Mr. BOREN:

S. 1191. A bill to expand funding for successful dropout prevention and reentry programs and to coordinate and improve Federal programs addressing the Nation's dropout program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WIRTH (for himself, Mr. BINGAMAN, Mr. ADAMS, Mr. KERREY, Mr. KERRY, Mr. CRANSTON, and Mr. BURDICK):

S. 1192. A bill to establish more effective policies and programs for the early stabilization of world population through the worldwide expansion of reproductive choice; to the Committee on Foreign Relations.

By Mr. INOUYE from the Select Committee on Indian Affairs:

S. 1193. A bill to make technical amendments to various Indian laws; placed on the calendar.

By Mr. CRANSTON (for himself, Mr. RIEGLE, and Mr. DIXON):

S. 1194. A bill to amend the Urban Mass Transportation Act of 1964, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DODD (for himself, Mr. MURKOWSKI, Mr. CRANSTON, Mr. BIDEN, Mr. SARBANES, Mr. KENNEDY, Mr. KERRY, and Mr. LEAHY):

S. 1195. A bill to authorize the establishment of a memorial on Federal land in the District of Columbia to honor individuals who have served as volunteers in the Peace Corps; to the Committee on Energy and Natural Resources.

By Mr. ADAMS (for himself and Mr. GRAHAM):

S. 1196. A bill to prohibit government-to-government and commercial arms sales to any country that is participating in or cooperating with the economic boycott of Israel; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS (for himself, Mr. COCHRAN, Mr. JOHNSTON, Mr. LOTT, and Mr. BREAUX):

S. 1180. A bill to amend the Agricultural Act of 1949 to provide for discretion in the shifting of crop acreage bases between farms in the case of a natural disaster; to the committee on Agriculture, Nutrition, and Forestry.

SHIFTING OF CROP ACREAGE BASES IN THE CASE OF A NATURAL DISASTER

• Mr. BUMPERS. Mr. President, today, rains are falling in Arkansas. In fact, rains are falling throughout the lower Mississippi Valley. Spring rains in that region are not uncommon, but the continuing rainfall and resulting high water this year have caused Arkansas and all Midsouth farmers unprecedented distress through their inability to plant crops that are vital to their livelihood and the economic viability of the rural communities they support.

For 2 of the last 3 years, we provided substantial Federal disaster programs to farmers who suffered from a combination of natural causes. Last year, farmers in Arkansas called my office continuously to plead for help from the losses they were suffering. Those appeals were especially loud in the areas devastated by the historic floods along the Red and Arkansas Rivers. Last year, we weren't able to provide the relief requested.

In spite of the deep appreciation voiced by farmers in 1988 and 1989 for the assistance they received and the requests for our attention to their needs last year, farmers across this country do not want to rely on the types of disaster assistance that we have previously provided. They would much rather be given the procedural tools to pull themselves out of their dilemma and to provide for themselves and their families on their own terms and in the manner they know best. They want to supply this Nation and the world with food and fiber and they, better than anyone else, know how to do that.

A few weeks ago, Senator COCHRAN and I spoke in this Chamber about the need for the Senate to pay close attention to the problems faced by our farmers this year. We did not put a hold on the Kurdish relief supplemental but did expect a full dialog at a later time on relief for our own people. Last night, the Senate approved the conference report for Kurdish relief and I am glad to note the final language included a requirement for Federal agencies to report within 10 days on expected costs for dealing with the various forms of natural disasters which have struck the United States this spring, including losses to the agricultural sector.

It is too soon to determine whether or not a farm disaster program similar to that provided in 1988 and 1989 and authorized for 1990 will be necessary again this year. I hope it will not.

I believe it is imperative that we do our part to pursue every possibility to eliminate the necessity for such a costly undertaking. Farmers do not want to rely on such a program; the Congress does not want to fund one; the Department of Agriculture does not want to administer one; and quite frankly, rural businesses may suffer irreparable damage without the economic activity that goes with making a crop.

Over the past several weeks, my office has been in contact with the Department of Agriculture in an effort to arrive at some administrative solutions to the problems facing our farmers. When Secretary Madigan appeared before the Senate Appropriations Subcommittee on Rural Development, Agriculture and Related Agencies, on which I serve, he was reminded of the need to deal with ongoing disasters. The Secretary was here again yesterday to continue this dialog.

The cruel facts are that the planting deadline for cotton in my State is this coming Saturday and the deadline for rice is a week from tomorrow. A Wall Street Journal article this week reported that in the 14 main cotton producing States, only 48 percent of all cotton acreage has been planted and farmers I have talked to in Arkansas indicate that the percentage of rice planted is far below that of cotton.

I am today introducing legislation to provide farmers with the ability to fight their way out of this pending disaster. The 1990 farm bill designed Federal farm programs to provide flexibility in planting decisions. What I propose is to tailor a set of farming options for farmers who can avoid economic disaster through commonsense decisions. It is my strong belief that these steps will not cost the Government one dime and will, in fact, save money that is otherwise certain to be paid. I further believe that any action we take today to reduce the likelihood that we will need to fund an omnibus disaster package later this year is our duty.

My proposals are simple. If farmers can find dry land on which to farm, they should be allowed to do so without penalties inherent in the structured ASCS programs that say a farmer must produce rice or cotton on one particular farm number. If this provision is not adopted, farmers will enroll in the 0-92 Program and be guaranteed a projected deficiency payment. The Federal Government will be obligated to make outlays even though there may be dry land down the road where the farmer could plant and, given the markets, not receive any deficiency payment and likely have to pay advance payments back to the Government.

The other provision I offer is to allow farmers to plant a nonprogram crop on acres where their only choice is 0-92. In such a case, the farmer will be prohibited from drawing Federal loan payments for any oilseed crops and will go very far in helping rural communities play a role in providing goods and services necessary to bring a crop to harvest. Those goods and services are not only necessary to the farmer, they also represent employment, tax revenues, and the economic lifeblood of rural America. Too many times, small rural business men and women are the silent victims of natural disasters. My bill will help them as much as the farmers themselves.

This is a disaster measure. It would not apply to any farmer outside a county, or one contiguous, that has been declared a natural disaster this year by the President or Secretary of Agriculture. It would also not apply to any farmer who was not prevented from planting a crop. Since this is a special program for disaster, it should not be seen as a wholesale attempt to reopen the farm bill or to compromise any philosophical position taken during the farm bill debate. It is simply a commonsense approach to allow farmers to provide for themselves without demanding a handout from the Government.

This proposal may be our last best hope to avoid the necessity for an all-out request for disaster assistance. I urge every Member of this body to join me in this responsible approach to solving a very real and pressing problem.•

By Mr. GARN (for himself and Mr. HATCH):

S. 1182. A bill to transfer jurisdiction of certain public lands in the State of Utah to the Forest Service, and for other purposes; to the Committee on Energy and Natural Resources.

FISHLAKE NATIONAL FOREST ENLARGEMENT ACT

• Mr. GARN. Mr. President, together with my colleague, Senator HATCH, I am pleased to place before the Senate legislation to improve the management efficiency of public lands in Sevier and Piute Counties. This is primarily an action to add additional lands to the Fishlake National Forest which are currently under the jurisdiction of the Bureau of Land Management [BLM].

These lands should no longer remain in the domain of the BLM because the newly constructed segment of Interstate 70 in central Utah bisects the land and makes it far more logical to place these lands under the jurisdiction of the U.S. Forest Service. Both agencies and all local officials support this proposed change. I urge the Senate to act forthrightly to correct this management problem.•

By Mr. GARN (for himself and Mr. HATCH):

S. 1183. A bill to reduce the restrictions on the lands conveyed by deed to the city of Kaysville, UT, and for other purposes; to the Committee on Energy and Natural Resources.

KAYSVILLE PEAK

• Mr. GARN. Mr. President, together with Senator HATCH, I am pleased to introduce a measure to authorize the lease of public lands in the city of Kaysville, Davis County, UT, for communication site purposes.

This legislation is necessary to remedy a situation where the city is in technical violation of a 1926 land patent. This patent was granted to Kaysville in order to provide watershed protection. The 1926 act prohibits the use of the property for any other purpose than watershed protection. Therefore communication stations which are now located on Kaysville Peak, and which have been for 13 years, are not legally permitted under the terms of the patent.

In June 1989, the Bureau of Land Management [BLM] indicated that no administrative remedy to the Kaysville Peak relay station was available.

The communication relay station on top of Kaysville Peak is operated by a private company and provides an important communications link for the daily operations of Davis County School District buses. Other than visual esthetics, I do not believe there is any environmental degradation of the watershed. In my view, the benefits of affordable school district communications justify asking the Congress to allow the communications relay station to remain on Kaysville Peak in a manner consistent with watershed protection. I urge such favorable consideration by my colleagues.•

By Mr. GARN (for himself and Mr. HATCH):

S. 1184. A bill to direct the Secretary of the Interior to conduct a study to determine the nature and extent of the salt loss occurring at Bonneville Salt Flats, UT, and how best to preserve the resources threatened by such salt loss; to the Committee on Energy and Natural Resources.

BONNEVILLE SALT FLATS STUDY

• Mr. GARN. Mr. President, Senator HATCH and I are pleased to join our three House colleagues from Utah, led by Representative JAMES HANSEN, in introducing a bill to authorize a study of one of the most fascinating areas of the Great Basin Desert. I'm referring to the well-known Bonneville Salt Flats which lies some 90 miles west of Salt Lake City on Bureau of Land Management [BLM] lands in Utah.

Since 1926, when surveyors first surveyed the area, the flats have shrunk from 96,000 acres to approximately 25,000 acres today. Geologists say the salt is disappearing at a rate of about 1 percent a year which means the salt flats could be gone within just a few decades. This situation is important to Utah environmentally, because the salt flats are so unusual. Economically, this is significant because the race-car events, for which the salt flats are well known, generate almost $3 million annually. So, Mr. President, we have an unusual alliance of environmentalists and race car enthusiasts joining ranks to try to save this important national asset.

The causes of this phenomenon, whether natural or man-made are not well understood. It is for this reason that the entire Utah delegation requests congressional support for the BLM to conduct a fair and thorough study to find out just what the causes of the shrinking of the Bonneville Salt Flats might be. I ask the Senate for favorable consideration of our request.•

By Mr. GARN (for himself, Mr. WALLOP, Mr. BINGAMAN, Mr. GORTON, Mr. CRAIG, Mr. SEYMOUR, Mr. SIMPSON, Mr. HATCH, Mr. DOMENICI, Mr. MCCAIN, Mr. MURKOWSKI, and Mr. SYMMS):

S. 1185. A bill to disclaim or relinquish all right, title, and interest of the United States in and to certain lands conditionally relinquished to the United States under the Act of June 4, 1897 (30 Stat. 11, 36), and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL FOREST IN-LIEU LEGISLATION

• Mr. GARN. Mr. President, today, I rise with my colleagues from the West to introduce legislation to correct a serious inequity which affects thousands of people in 55 counties in 10 Western States. This bill is only the latest in a series of measures responding to problems that arose from the so-called forest in-lieu selection section of an 1897 act that came to be called the Forest Management Act. That act itself arose from congressional reaction to the controversial actions of President Grover Cleveland in establishing forest reserves through issuance of proclamations that adopted recommendations of a committee of the National Academy of Sciences. These reserves became the foundation of the National Forest System.

Under the forest in-lieu selection part of the 1897 act, the owner of an unperfected bona fide claim or a tract of patented land within a national forest was authorized to relinquish or reconvey that land to the United States, and to select in lieu thereof an equal acreage of vacant public land open to settlement.

Because this right of exchange was not limited to actual settlers on the lands involved, but extended to owners generally, it had broad application that led to many controversial transactions. As described in the "History of Public Land Law Development" by Paul W. Gates, prepared in 1968 for the Public Land Law Review Commission:

> By permitting owners of near-worthless land within the forest reserves to exchange them for equal acreages of the very choicest timberlands outside, Congress was setting up a system that invited wholesale abuse and deprived the government of valuable resources. * * *
>
> The land grant railroads were the principal beneficiaries and next to them were speculators who acquired control of the state school lands within the forest reserves * * * Some 343,907 land exchanges, a considerable part of which was carried through by fraud * * * It is impossible to find in Federal legislation a more one-sided and unfair exchange provision which dealt private interests all the high cards.

In 1905, upon the recommendation of President Theodore Roosevelt, Congress repealed the in-lieu selection authorization, but protected contracts and selections previously made.

Three later acts also have a bearing on this subject. Under the 1897 act, some owners had relinquished their inholdings by providing a deed, but for one reason or another had not received any other lands. In 1922, Congress provided that these cases could be resolved either through transfer of lands to the parties involved or by allowing the parties to cut and remove national forest timber. In either case, the basis for resolution would not be equal acreage, but equal value; and, as an alternative, if such an exchange could not be agreed upon, reconveyance of the inholding back to the party involved was authorized. However, only persons filing within 5 years were eligible for any of these options, and evidently many did not meet that deadline.

In 1930, a further act that dealt with a wide variety of public-land situations, evidently reopened the possibility of reconveyance of the inholdings back to their original owners. This seems to have had little effect, however, until the 1950's, when it evidently began to be used as a means of obtaining reconveyance of lands that were within national forests and in some cases national parks that had been established on lands that had been national forest areas.

The result was public and congressional concern that led to enactment of Public Law 86-596, sometimes referred to as the "Sisk Act" after Representative Sisk of California, in 1960.

The Senate committee's report on the bill that became Public Law 85-596 explains that—

> At hearings held by the House Subcommittee on Public Lands in Fresno, California, and in Washington, it was learned that there is a considerable acreage of land, mostly within the national forests and parks, which as relinquished or conveyed to the United States under the 1897 act but with respect to which the lieu selections there authorized were never completed. Estimates of the land involved ranged from 25,000 to 100,000 acres. Some of the tracts were identified at the hearings as among the choicest in the Sierra and Sequoia National Forests and in the Sequoia and Kings Canyon National Parks.
>
> It also developed at the hearings that certain persons have, in recent years, been making a practice of acquiring, from the original landowner or from one or more of his heirs, quitclaims, assignments, or other forms of transfer of rights supposedly retained in the conveyed or relinquished land . . . with the assignment in hand and after various intermediate steps . . . demand is made upon the Interior Department for reconveyance of the land under the act of April 28, 1930.* * *
>
> The Department of the Interior has, after necessary investigations of the validity of the claims made upon it under the 1930 act, been reconveying the lands demanded. From March 1954 to August 1959 there were 71 such reconveyances, involving a total of nearly 14,500 acreas.
>
> The situation, particularly in California and other parts of the Southwest, has reached what the public press, conservation interests, and others regard as being virtually a "give-away" of public resources approaching a scandal. The committee concurs in this view * * *

In response Public Law 85-596 authorized those asserting that the United States had failed to provide "in lieu" lands or other compensation for inholdings previously relinquished to file a claim within 1 year after enactment—that is, by July 6, 1961—with the General Accounting Office; valid claims would be entitled to compensation rate of $1.25 per acre—the 1987 standard rate for public lands—plus 4 percent per annum interest since the relinquishment of the inholding. The right to receive this compensation was not assignable. And section 4 of the 1960 law provides that any lands for which such payments either are or might be made—

> shall (unless it has heretofore been disposed of by the United States) be a part of the national forest, national park, or other area . . . shall be administerd as a part thereof, and shall be subject to the laws, rules and regulations applicable to land set apart and reserved from the public domain in that national forest, national park, or other area.

Claims were not submitted within the deadline for all of the relinquished inholdings for which claims might have been made. The status of these lands is controlled by section 4 of Public Law 85-596. The Forest Service's view has been that at least so far as it affects land within national forest boundaries, that section has the effect of vesting title in the United States. The same analysis would seem to apply to lands within National Parks and other designated areas withdrawn or reserved from the public domain, but the Solicitor of the Interior has indicated that the situation is different when the lands are outside such areas.

Some of the lands for which claims might have been filed under the 1960 act were occupied by private parties prior to that act and some are so occupied now. In recent years, the Forest Service has determined that in those instances in which it would not be inconsistent with national forest purposes or other public policy, it would be desirable to be able to reconvey these lands to their occupants, thus giving the occupants clear title.

Last year, along with Representative LAGOMARSINO of California, I introduced legislation similar to this to try and remedy the situation. Because of the slightly complex nature of this situation, the measure which passed the House of Representatives, did not pass the Senate before the 101st Congress adjourned. Mr. President, it is my hope that the Congress will take a fresh look at this issue, and finally provide the remedy to the many deserving people in the Western United States.●

By Mr. CHAFEE (for himself, Mr. HARKIN, Mr. DECONCINI, and Mr. CRANSTON):

S. 1186. A bill to amend the Public Health Service Act to establish a Substance Abuse Treatment Corps; to the Committee on Labor and Human Resources.

SUBSTANCE ABUSE TREATMENT CORPS ACT

● Mr. CHAFEE. Mr. President, I am pleased to be joined by Senators HARKIN, DECONCINI, and CRANSTON in introducing the Substance Abuse Treatment Corps Act of 1991 [SATC]. This legislation would improve the availability of substance abuse treatment in underserved areas by providing financial incentives to people who wish to pursue careers in substance abuse treatment and counseling.

Effective substance abuse treatment is one of the most powerful weapons in our Nation's war against drugs. By helping people overcome their addictions, we can reduce the use of illegal drugs. In recent years, Congress has recognized the importance of effective substance abuse treatment, and funding for such programs has increased substantially. Although great progress has been made toward expanding the availability of substance abuse treatment, services remain severely limited in many areas of our country.

Estimates suggest that our Nation's substance abuse treatment system has the capacity to serve approximately 2 million people this year. Unfortunately, estimates also show that demand for services will far exceed this capacity. The lack of health care professionals qualified to provide substance abuse treatment and counseling is a primary reason that care remains unavailable for so many people. The fact that qualified people often are reluctant to provide treatment and counseling services in inner city and rural areas further limits access.

As we are well aware, the implications of limited treatment services are very serious. Young people often drop out of school because of substance abuse problems, and too many babies are being born addicted to drugs. The Substance Abuse Treatment Corps would help our Nation address these grave problems by expanding the availability of treatment services.

Under this proposal, health professionals would be recruited to provide substance abuse treatment and counseling in underserved areas through a scholarship program that assists people in financing their education and training, and a loan repayment program that would repay a portion of an individual's school loans.

For each year that an individual receives assistance, through either the scholarship or loan repayment program, the individual would be required to provide 1 year of alcohol or drug abuse treatment in an underserved area. This program would assist community health centers, rural health clinics, community mental health clinics, and other facilities struggling to meet the demand for substance abuse treatment services.

Members of the SATC would be distributed equitably between inner city and rural areas, and a corps member's qualifications would be matched to the treatment needs of individual communities. For example, although fewer people in rural areas suffer from cocaine addiction, rural areas often face the equally devastating problem of high rates of alcohol abuse. The SATC would help ensure that a corps member qualified to provide alcohol counseling is available to such a community.

The Substance Abuse Treatment Corps is modeled after the National Health Service Corps, which has been successful in recruiting health professionals to provide care in underserved areas. The legislation would provide for a $26 million annual authorization, which is the amount requested in President Bush's fiscal year 1992 budget for in-service substance abuse treatment training programs, fellowships, and grants.

The National Drug Control Strategy recognizes that the shortage of qualified staff has hindered efforts to expand the availability of treatment services. The Substance Abuse Treatment Corps would help us address this issue. I urge my colleagues to recognize the importance of improving access to substance abuse treatment services in underserved areas and to support the establishment of the Substance Abuse Treatment Corps.

Mr. President, I ask unanimous consent that the bill and accompanying letters of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1186

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Substance Abuse Treatment Corps Act".

SEC. 2. ESTABLISHMENT OF SUBSTANCE ABUSE TREATMENT CORPS.

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end the following new subpart:

"Subpart VI—Substance Abuse Treatment Corps

"SEC. 340A. ESTABLISHMENT OF TREATMENT CORPS.

"(a) ESTABLISHMENT.—There is established within the Service a unit to be known as the Substance Abuse Treatment Corps. The purpose of the Treatment Corps is to increase the availability of treatment for alcohol and drug abuse in geographic areas in which there is a significant incidence of such abuse and an inadequate availability of such services. The Secretary may carry out such purpose only through assigning, in accordance with this section, Treatment Corps members to provide such services for such areas.

"(b) COMPOSITION.—

"(1) IN GENERAL.—The Treatment Corps shall, subject to paragraph (2), consist of such officers of the Regular and Reserve Corps of the Service as the Secretary may designate, such civilian employees of the United States as the Secretary may appoint, and such other individuals who are not employees of the United States.

"(2) REQUIREMENT OF LICENSE OR CERTIFICATION FOR PROVISION OF TREATMENT.—The Treatment Corps will consist only of individuals who have been licensed or certified by a State as knowledgeable to provide treatment for the abuse of alcohol or drugs in the State in which tresatment is provided, or those who have been certified by a recognized medical certifying organization and who have also been certified by the Secretary as being qualified to provide such treatment services.

"(3) CRITERIA REGARDING OTHER LICENSES OR CERTIFICATIONS.—

"(A) If an individual has been licensed or certified for purposes of paragraph (1), the individual may, subject to subparagraph (B), serve in the Treatment Corps without regard to whether the individual has received education regarding the provision of health services other than treatment for the abuse of alcohol or drugs.

"(B) Of individuals who have been licensed or certified for purposes of paragraph (2) and who hold additional licenses or certifications in the health professions, mental health professions, or professions regarding social services, such an individual may serve in the Treatment Corps only if the individual is a physician, psychiatrist, clinical psychologist, physicians assistant, nurse, nurse practitioner, psychiatric nurse, marriage and family therapist, social worker, or a graduate of a school of public health.

"(c) DETERMINATION OF ELIGIBLE GEOGRAPHIC AREAS.—

"(1) CONSIDERATION OF CERTAIN FACTORS.—Not later than 6 months after the date of the enactment of the Substance Abuse Treatment Corps Act, the Secretary shall by regulation establish criteria for determining the geographic areas that are geographic areas described in subsection (a). In establishing such criteria, the Secretary—

"(A) shall first consider the ratio of available providers of treatment for alcohol and drug abuse to the number of individuals in the geographic area involved; and

"(B) shall in addition consider indicators of need, notwithstanding the supply of such providers, for treatment for alcohol and drug abuse in the geographic area, with special consideration to indicators of—

"(i) incidence of alcoholism and alcohol abuse;

"(ii) incidence among pregnant women of addiction to drugs;

"(iii) incidence among adolescents of the use of alcohol and drugs;

"(iv) access to treatment for alcohol and drug abuse; and

"(v) ability to pay for such treatment.

"(2) ADDITIONAL MINIMUM REQUIREMENTS.—The Secretary may not assign a Treatment Corps member to a geographic area described in subsection (a) unless the Secretary has conducted an evaluation regarding the area and has determined that—

"(A) there is a need and demand in the area for treatment for alcohol or drug abuse;

"(B) public and private entities in the area have made unsuccessful efforts to secure such treatment for the area; and

"(C) there is a community support for an assignment of a Treatment Corps member for the area.

"(d) ASSIGNMENT OF MEMBERS OF TREATMENT CORPS.—

"(1) IN GENERAL.—The Secretary may assign a Treatment Corps member only to a public or nonprofit private entity that—

"(A) provides health services or treatment for substance abuse to a geographic area described in subsection (a); and

"(B) enters into an agreement with the Secretary regarding—

"(i) the duration of the assignment to the entity of the Treatment Corps member; and

"(ii) the allocation between the Secretary and the entity of costs relating to the assignment.

"(2) LIMITATION REGARDING LICENSURE BY STATE INVOLVED.—

"(A) Except as provided in subparagraph (B), the Secretary may not assign a Treatment Corps member to an entity unless the State in which the entity is located has licensed or certified the member to provide treatment for alcohol or drug abuse.

"(B) In the case of a State that does not require that an individual be licensed or certified as a precondition to providing treatment for alcohol and drug abuse, the Secretary may assign a Treatment Corps member to an entity in the State only if the Secretary has certified the member as being qualified to provide such services. In providing such certifications, the Secretary shall consider relevant standards developed by nationally recognized medical speciality societies.

"(3) EQUITABLE ALLOCATION.—The Secretary shall ensure that the services of the Treatment Corps are equitably allocated among the principal geographic regions of the United States, and that not less than 50 percent of such services are equitably allocated among rural areas of the United States.

"(4) REQUIREMENT OF APPLICATION.—The Secretary may not make an assignment of a Treatment Corps member under paragraph (1) unless an application for the assignment is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(e) SCHOLARSHIP PROGRAM.—

"(1) IN GENERAL.—With respect to any student described in paragraph (2), the Secretary shall establish a program of entering into contracts with such students under which the students agree to serve in the Treatment Corps upon obtaining the educational degree involved in consideration of the Federal Government agreeing, for each school year for which the scholarship is provided—

"(A) to pay on behalf of the student for each such school year—

"(i) tuition for the student; and

"(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student for each such year; and

"(B) to pay to the student a stipend not in excess of $400 per month for each of the 12 consecutive months beginning with the first month of each such school year.

"(2) ELIGIBLE STUDENTS.—The student referred to in paragraph (1) is any full-time student enrolled (or accepted for enrollment) in an accredited educational institution in a course, study, or program leading to a degree regarding service as a provider of treatment regarding alcohol and drug abuse, leading to a degree regarding service as a physician, psychiatrist, clinical psychologist, physician's assistant, nurse, nurse practitioner, psychiatric nurse, marriage therapist, family therapist, or social worker, or leading to a degree from a school of public health.

"(3) APPLICABILITY OF CERTAIN PROVISIONS.—Except to the extent inconsistent with paragraph (1), the provisions of subpart III shall apply to the program established in paragraph (1) to the same extent and in the same manner as such provisions apply to the loan repayment program established in section 338A.

"(f) LOAN REPAYMENT PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish a program of entering into contracts with individuals described in paragraph (2) under which the individuals agree to serve in such Corps in consideration of the Federal Government agreeing to repay, for each year of service in the Corps, not more than $20,000 of the principal and interest of the educational loans of the individuals.

"(2) ELIGIBLE INDIVIDUALS.—An individual referred to in paragraph (1) is any individual who has been licensed or certified for purposes of subsection (b)(2), any individual who is a physician, psychiatrist, clinical psychologist, physician's assistant, nurse, nurse practitioner, psychiatric nurse, marriage therapist, family therapist, social worker, or a graduate of a school of public health, and any individual who is a full-time student enrolled (or accepted for enrollment) in an accredited educational institution in a course, study, or program leading to a degree regarding any of such professions.

"(3) APPLICABILITY OF CERTAIN PROVISIONS.—Except to the extent inconsistent with paragraph (1), the provisions of subpart III shall apply to the program established in paragraph (1) to the same extent and in the same manner as such provisions apply to the loan repayment program established in section 338B.

"(g) DEFINITIONS.—For purposes of this section:

"(1) The term 'rural area' has the meaning given such term in section 1886(d)(2)(D) of the Social Security Act.

"(2) The term 'Treatment Corps' means the National Substance Abuse Treatment Corps.

"(3) The term 'Treatment Corps member' means each of the individuals of which the Treatment Corps consist pursuant to subsection (b).

"(h) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $26,000,000 for fiscal year 1992.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1991, or upon the date of the enactment of this Act, whichever occurs later.

NATIONAL ASSOCIATION OF
COMMUNITY HEALTH CENTERS, INC.,
Washington, DC, May 23, 1991.
Hon. JOHN CHAFEE,
U.S. Senate, Washington, DC.

DEAR SENATOR CHAFEE: The National Association of Community Health Centers is pleased to support the Substance Abuse Treatment Corps Act of 1991, which we understand you will soon introduce. This bill responds directly to the need Community Health Centers have been experiencing for several years now—a lack of capacity for the treatment of substance abuse in the populations they serve.

Even the new targeted federal efforts of the past few years to address the needs of women and children in high-risk areas cannot expand capacity in existing treatment settings fast enough to meet the present crisis in the many families newly threatened by drugs.

While we are aware that facilities, as well as personnel, will be needed to truly augment capacity, we feel that your efforts give sorely needed leadership in addressing key health care system implications of new epidemics such as substance abuse, and provide a most timely model for general capacity development.

More federal resources are desperately needed to sustain the general National Health Service Corps (NHSC) to meet the pressing needs of Community and Migrant Health Centers. We are, however, heartened by your assurances as with prior versions of the bill that funding for the new Substance Abuse Treatment Corps will not come at the expense of the NHSC appropriations. Clearly, the needs are so great here that increased overall resources for these efforts are absolutely necessary.

Please let us know what more we can do to help to forward this important legislation.

Sincerely,

DANIEL R. HAWKINS, Jr.,
Director, Policy Analysis.

AMERICAN ACADEMY OF PEDIATRICS,
Washington, DC, May 23, 1991.
Hon. JOHN H. CHAFEE,
U.S. Senate, Washington, DC.

DEAR SENATOR CHAFEE: On behalf of the American Academy of Pediatrics, whose 41,000 members are dedicated to child and adolescent health, I want to convey to you formally our strong support of the new Substance Abuse Treatment Corps Act, which will be introduced presently. This important measure should go a long way toward providing more drug and alcohol abuse treatment personnel to our nation's areas of need, both urban and rural. It also promises to expand access to treatment and counseling for thousands of American children and youth whose needs are urgent and yet unmet.

You are to be commended for your continuing efforts to promote the health of infants, children and adolescents. The Academy looks forward to working with you again, as always, to that end.

Sincerely,

ANTOINELLE PARISI EATON, M.D.,
President.

AMERICAN ASSOCIATION OF
COLLEGES OF OSTEOPATHIC MEDICINE,
Washington, DC, May 22, 1991.
Hon. JOHN H. CHAFEE,
U.S. Senate, Washington, DC.

DEAR SENATOR CHAFEE: The American Association of Colleges of Osteopathic Medicine is pleased to support the Substance Abuse Treatment Corps Act of 1991. As you probably know, our colleges commit considerable resources, and educational and clinical exposure to the diagnosis and treatment of substance abuse. The osteopathic medical educational milieu, with its integral focus on health promotion, disease prevention, and comprehensive (w)holistic primary care, is fully committed to the need to respond to this growing problem.

You are to be commended for your vision in proposing to build on the success of the National Heath Service Corps (NHSC) concept. The newly reauthorized (and well-funded) NHSC program is a sound structure on which to build. Your bill proposes an effective mechanism to deliver cost effective health care to a most deserving population.

We would be pleased to work with you and your cosponsors for the enactment of your legislation. Please do not hesitate to contact me, or Roger C. Courtney, AACOM's Director of Government Relations for further information or follow up action.

Sincerely,

SHERRY R. ARNSTEIN,
Executive Director.

AMERICAN ASSOCIATION FOR
MARRIAGE AND FAMILY THERAPY,
Washington, DC, May 24, 1991.
Senator JOHN CHAFEE,
Dirksen Building, Washington, DC.

DEAR SENATOR CHAFEE: The American Association for Marriage and Family Therapy (AAMFT) is pleased to offer its support for legislation which you will introduce shortly to add a distinct Drug Abuse Treatment Corps component to the existing National Health Service Corps. We applaud your effort to address the demand side of the substance abuse problem that continues to plague individuals and families in both rural and urban America.

It is my understanding that the addition of a Drug Abuse Treatment Corps is intended to complement the heroic efforts of the National Health Service Corps program by recruiting new personnel to provide substance abuse treatment in both rural and urban communities designated as Health Manpower Shortage Areas. It is not intended to supplant or detract from current or future Corps activities.

On behalf of the 18,000 members of AAMFT, thank you for working to address our nation's critical need for enhanced substance abuse treatment. AAMFT looks forward to working with you to achieve enactment of this important proposal at the earliest possible date.

Sincerely,

MARK R. GINSBERG, Ph.D.,
Executive Director.●

By Mr. BINGAMAN (for himself and Mr. WALLOP):

S. 1187. A bill to amend the Stock Raising Homestead Act to provide certain procedures for entry onto Stock Raising Homestead Act lands, and for other purposes; to the Committee on Energy and Natural Resources.

STOCK RAISING HOMESTEAD ACT AMENDMENTS

Mr. BINGAMAN. Mr. President, last Congress I introduced legislation, S. 1908, to ensure that the rights of surface owners and miners are appropriately balanced on Stock Raising Homestead Act lands. Hearings were held and testimony received from interested parties suggesting what generally were constructive changes to the legislation. Maintaining the balance in the legislation has proved more difficult than anticipated, but I believe that the bill I am introducing today addresses the concerns expressed last year while keeping such a balance.

There are approximately 70 million acres of land that were patented under the Stock Raising Homestead Act. New Mexico has the second largest amount of lands with 15 million acres patented pursuant to the act, and approximately 1,500,000,000 mining claims are located on these lands. Under this act, lands considered suitable for livestock grazing were made available for patenting; however, the mineral estate expressly was reserved to the United States.

The policy objectives of the Stock Raising Act were laudable: Congress wanted to encourage the development of the Nation's livestock industry, while at the same time retain Federal title to the mineral estate so as to ensure the continued availability of important minerals.

Unfortunately, some inherent conflicts arise when the same land is used for raising livestock and for mineral exploration and production. Usually these conflicts are worked out between the surface owner and the miner in a reasonable fashion. However, there are still conflicts that arise from these split estates that need to be addressed through legislation.

The bill that I am introducing today with Senator WALLOP amends the Stock Raising Homestead Act to provide for additional procedures for gaining access to, and undertaking mining activities on, Stock Raising Homestead Act lands. Under the legislation, any person seeking to enter these lands to prospect or locate a mining claim must give notice to the Department of the Interior and the surface owner prior to entry. This notice gives the miner a certain period to exclusively prospect or locate a claim. Any person interested in conducting mineral exploration, development, or production may either obtain consent from the surface owner, or, absent such consent, submit a plan of operations to the Secretary of the Interior for approval, pay a surface use fee to the surface owner, and post a bond.

The legislation seeks to address concerns with last year's legislation relating to the authorized prospecting period, certain bond issues, plan of operations approval, and the level of damages. I believe the changes made from last year address the issues raised and significantly improve the legislation.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1187

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. MINERAL ENTRY UNDER STOCK RAISING HOMESTEAD ACT.

(a) MINERAL ENTRY UNDER THE STOCK RAISING HOMESTEAD ACT.—Section 9 of the Act of December 29, 1916 entitled 'An Act to provide for stock-raising homesteads, and for other purposes' (39 Stat. 862; 43 U.S.C. 299) is amended by adding the following at the end thereof:

"(b) PROSPECTING; NOTICE OF INTENTION TO LOCATE; EXPLORATION, DEVELOPMENT, AND PRODUCTION.—

"(1) PROSPECTING; LOCATION OF CLAIMS.—Notwithstanding subsection (a), no person other than the surface owner may enter lands subject to this Act to prospect for minerals or to locate a claim under the mining laws of the United States on such lands without:

"(A) filing a notice of intention to locate a claim pursuant to paragraph (2); and

"(B) providing notice to the surface owner pursuant to paragraph (3).

Any person who has complied with paragraphs (2) and (3) with respect to any such lands may, during the authorized prospecting period, enter such lands to prospect for minerals, with minimal surface disruption, and to locate a mining claim on such lands. During such period no such person may construct any road, use any explosives, or use any mechanical earth moving equipment on such lands. With respect to any lands for which a notice is filed under paragraph (2), the term 'authorized prospecting period' means the period beginning ten days after notice is provided under paragraph (3) with respect to such lands and ending with the expiration of the sixty-day period, or the extension of such period, pursuant to paragraph (2).

"(2) NOTICE OF INTENTION TO LOCATE A CLAIM.—

"(A) Any person seeking to prospect for minerals or to locate a mining claim on lands subject to this Act shall file with the Secretary of the Interior a notice of intention to locate a claim on the lands concerned. The notice shall be in such form as the Secretary of the Interior shall prescribe. The notice shall contain the name and mailing address of the person filing the notice and a legal description of the lands to which the notice applies. The legal description shall be based on the public land survey or on such other description as is sufficient to permit the Secretary to record the notice on the Secretary's land status records. Whenever any person has filed a notice under this paragraph with respect to any lands, during the sixty-day period following the date of such filing, or any extension thereof pursuant to this paragraph, no other person (including the surface owner) may—

"(A) file such a notice with respect to any portion of such lands;

"(B) prospect for minerals or locate a mining claim on any portion of such lands; or

"(C) file an application to acquire any interest in any portion of such lands pursuant to section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1719).

If, within such sixty-day period, the person who filed a notice under this paragraph files a plan of operations with the Secretary pursuant to subsection (c) of this section, such sixty-day period shall be extended until the approval or disapproval of the plan of operations by the Secretary pursuant to subsection (c) of this section.

"(B) The Secretary may establish such fees as may be necessary to cover the administrative costs of processing notices filed under this paragraph.

"(3) NOTICE TO SURFACE OWNER.—Any person who has filed a notice of intention to locate a claim under paragraph (2) for any lands subject to this Act shall provide written notice by registered or certified mail to the surface owner (as evidenced by local tax records) of the lands covered by the notice under paragraph (2). The notice shall be provided at least ten days before entering such lands and shall contain each of the following—

"(A) A brief description of the proposed prospecting activities.

"(B) A map and legal description of the lands to be subject to prospecting.

"(C) The name, address, and phone number of the person managing such activities.

"(D) A statement of the dates on which such activities will take place.

"(4) ACREAGE LIMITATIONS.—The total acreage covered at any time by notices of intention to locate a claim under paragraph (2) filed by any person and by affiliates of such person may not exceed six thousand four hundred acres of lands subject to this Act in any one State and one thousand two hundred and eighty acres of such lands for a single surface owner. For purposes of this paragraph, the term 'affiliate' means, with respect to any person, any other person which controls, is controlled by, or is under common control with, such person.

"(5) MINERALS COVERED.—This subsection applies only to minerals not subject to disposition under the Mineral Leasing Act (30 U.S.C. 181 and following), the Geothermal Steam Act of 1970 (30 U.S.C. 100 and following), or the Act of July 31, 1947, commonly known as the Materials Act of 1947 (30 U.S.C. 601 and following).

"(c) MINERAL EXPLORATION, DEVELOPMENT AND PRODUCTION.—

"(1) IN GENERAL.—Notwithstanding subsection (a) of this section, except for prospecting in accordance with subsection (b) of this section, no person may conduct any mineral exploration, development, or production activities on lands subject to this Act without the written consent of the surface owner thereof unless the Secretary has authorized the conduct of such activities under paragraph (2).

"(2) AUTHORIZED MINING OPERATIONS.—The Secretary shall authorize, if the conditions of this paragraph are met, a person to conduct mineral exploration, development, and production activities on lands subject to this Act without the consent of the surface owner thereof. Such conditions for authorization are—

"(A) BOND.—Before the Secretary may authorize any person to conduct mineral exploration, development, or production activities, the Secretary shall require such person to post a surety bond to be held by the United States, or to provide such other type of financial guarantee satisfactory to the Secretary to insure (i) reclamation of the surface, (ii) payment to the surface owner as compensation for any post-mining, permanent damages to crops and tangible improvements of the surface owner, and (iii) compensation for any post-mining, permanent loss of income by the surface owner due to loss or impairment of grazing, or other uses of the land by the surface owner, to the extent that reclamation required by the plan of operations would not permit such uses to continue at the level existing prior to the mineral exploration, development, and production activities. In determining the bond amount to cover permanent loss of income, the Secretary shall consider, where appropriate, the potential loss of value due to the estimated permanent reduction in utilization of the land as expressed in Animal Unit Months.

"(B) PLAN OF OPERATIONS.—Before the Secretary may authorize any person to conduct mineral exploration, development, or production activities, the Secretary shall require such person to submit a plan of operations satisfactory to the Secretary and which complies with this subparagraph. The plan shall contain such terms and conditions as the Secretary determines necessary. The conditions shall include, at a minimum, procedures for (i) reclamation of the surface, (ii) minimization of damages to crops and tangible improvements of the surface owner, and (iii) minimization of disruption to grazing or other uses of the land by the surface owner. The plan shall provide for payment of a fee for the use of the surface lands during exploration, development, production and reclamation activities. The fee shall be paid to the surface owner by the person submitting the plan of operations. The fee shall be paid in advance of any mineral exploration, development, or production activities or at such other time or times as may be agreed to by the surface owner and the person conducting such activities. The Secretary shall establish the surface use fee, taking into account the acreage involved and the degree of potential disruption to existing surface uses (including loss of income to the surface owner due to the loss or impairment of existing surface uses for the duration of the mineral exploration, development, and production activities), but the surface use fee shall not exceed the fair market value for the surface of the land. Upon receipt of the plan, the Secretary shall provide a copy of the plan to the surface owner. The surface owner may submit comments and recommend plan modifications to the Secretary within 30 days of the surface owner's receipt of the plan. The Secretary shall, within 60 days of receipt of the plan, determine if the plan complies with the requirements of this subsection and approve or disapprove the plan. The 60-day period may be extended: an additional 60 days if the Secretary determines such time is necessary to make the determination.

The Secretary shall suspend or revoke the authorization under this paragraph whenever the Secretary determines, on the Secretary's own motion or on a motion made by the surface owner, that the person conducting mineral exploration, development, or production activities is in substantial noncompliance with the terms and conditions of the plan and failed to remedy the violation after notice from the Secretary within the time required by the Secretary.

"(3) DAMAGES FOR FAILURE TO COMPLY.—Whenever the surface owner of any land subject to this Act has suffered any damages or loss referred to in paragraph (2)(A), if such damages or loss results.

"(A) from any mineral exploration, development, or production activities undertaken without the consent of the surface owner under paragraph (1) or an authorization by the Secretary under paragraph (2), or

"(B) from the failure of the person conducting mineral exploration, development, or production activities to remedy to the satisfaction of the Secretary any substantial noncompliance with the terms and conditions of a plan under paragraph (2)(B) pursuant to a notice from the Secretary under the last sentence of paragraph (2), the surface owner may bring an action against the person conducting mineral exploration, development, production or reclamation activities in the appropriate United States district court for, and the court may award, double damages plus costs for willful misconduct or gross negligence. Such damages shall be reduced by the amount of any compensation which the surface owner has received, or is eligible to receive, pursuant to the surety bond or other financial guarantee required under paragraph (2)(A). The surface owner of such lands may also bring an action in the appropriate United States district court for double damages plus costs for willful misconduct or gross negligence against any person undertaking any minerals prospecting activity on such lands in violation of any requirement of paragraph (1).

"(4) PAYMENT OF DAMAGES.—The surface owner of any land subject to this subsection may petition the Secretary for payment of all or any portion of a surety bond or other financial guarantee required under paragraph (2)(A) as compensation for damages and losses referred to in paragraph (2)(A). Pursuant to such a petition, the Secretary may use such bond or other guarantee to provide compensation to the surface owner for such damages and to insure reclamation as required by this subsection.

"(5) BOND RELEASE.—The Secretary shall release the surety bond or other financial guarantee required under paragraph (2)(A) upon the successful completion of all requirements pursuant to the plan approved under paragraph (2)(B) or at such earlier date as may be agreed to by the surface owner.

"(6) MINERALS COVERED.—This subsection applies only to minerals not subject to disposition under the Mineral Leasing Act (30 U.S.C. 181 and following), the Geothermal Steam Act of 1970 (30 U.S.C. 100 and following), or the Act of July 31, 1947, commonly known as the Materials Act of 1947 (30 U.S.C. 601 and following).".

(b) SIMPLIFICATION OF PROCEDURES.—Within 180 days after the enactment of this Act, the Secretary shall determine what actions may be necessary to simplify the procedures established pursuant to section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1719) for conveyance of the mineral interest in such land owned by the United States. If the Secretary determines that no action is necessary, the Secretary shall notify the Committee on Energy and Natural Resources of the United States Senate and the United States House of Representatives of such determination, along with the reasons for such determination.

(c) TECHNICAL CONFORMING AMENDMENT.—Section 9 of the Act of December 29, 1916 entitled 'An Act to provide for stock-raising homesteads, and for other purposes' (43 U.S.C. 299) is amended by inserting "(a) GENERAL PROVISIONS.—" before the words 'That all entries made'.

(d) REGULATIONS.—Within 1 year after the date of enactment of this Act, the Secretary of the Interior shall promulgate such regulations as may be necessary to implement this section.

By Mr. RIEGLE (for himself and Mr. MOYNIHAN):

S. 1188. A bill to provide for an AIDS Disability Advisory Panel to assist the Congress and the Secretary of Health and Human Services in meeting the needs of disabled individuals who are infected with HIV and are entitled to benefits under title II or XVI of the Social Security Act, and to provide for interim disability standards applicable to such individuals; to the Committee on Finance.

SOCIAL SECURITY AND SSI AIDS DISABILITY ACT

• Mr. RIEGLE. Mr. President, today I am introducing with Senator MOYNIHAN the Social Security and SSI AIDS Disability Act. This legislation will help women and children with AIDS receive necessary benefits and services.

Women and children make up the fastest growing population of individuals with the AIDS virus. Unfortunately, many do not receive proper medical care or disability benefits to which they are entitled. Too often the AIDS virus goes unidentified because they do not live long enough to be diagnosed with AIDS or they have inadequate health insurance which causes them to fall through the cracks. They may be diagnosed with an AIDS related disease such as pneumonia or influenza or gynecological ailments but not with AIDS.

The Social Security Administration has established disability criteria to determine eligibility for supplemental security income [SSI] and Social Security disability insurance [SSDI] benefits based primarily upon the symptoms and infections found in men. Under the disability guidelines, those who do not meet these criteria must go through SSA's lengthy appeal process. A significant number of these people die without ever being considered disabled.

This legislation would ensure that women and children with AIDS are not denied the SSI disability or medical benefits they so critically need.

Specifically, it would require the SSA to:

First, establish a panel to advise on current medical findings with regard to manifestations and treatment of HIV infection/AIDS in women, children, and intravenous drug users, as well as men.

Second, provide for an interim standard for determining cases until a more complete standard is properly issued. The interim standard would include medical conditions specific to women, children, and intravenous drug users, such as cervical dysplasia and cancer in women, lymphoid interstitial pneumonitis, and central nervous system disorders in children, and tuberculosis in IV-drug users.

Third, collect and maintain demographic information on the numbers, age, sex, race, and ethnic origin of all individuals who are HIV positive and who apply for SSI or SSDI benefits.

Mr. President, many national advocacy organizations have endorsed this proposal. I believe these steps are necessary to make sure that victims of the AIDS virus receive the medical attention and benefits they need. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1188

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security and SSI AIDS Disability Act of 1991".

SEC. 2. AIDS DISABILITY ADVISORY PANEL.

(a) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall establish and convene an advisory panel to be known as the AIDS Disability Advisory Panel.

(b) MEMBERSHIP AND ADMINISTRATION.—

(1) APPOINTMENT AND QUALIFICATIONS.—The Panel shall be composed of 9 members, appointed by the Secretary, and the Secretary shall select one member of the Panel to serve as chairman of the Panel. Not more than 4 of the members of the Panel shall be otherwise employees of the Federal Government or of States or political subdivisions thereof. The members of the Panel shall be chosen on the basis of their integrity and good judgment, and at least one member of the Panel shall be chosen from each of the following groups:

(A) physicians with expertise and regular involvement in the daily care and treatment of individuals with HIV infection;

(B) individuals who are epidemiologists or public health researchers and who are familiar with patterns of HIV infection in women, children, and intravenous drug users and the health problems and conditions that are peculiar to women, children and intravenous drug users with HIV infection;

(C) advocates from organizations which represent individuals with HIV infection; and

(D) child development specialists.

At least one member of the Panel shall be an individual with HIV infection. In making appointments pursuant to this paragraph, the Secretary shall ensure that the concerns that heretofore have not been addressed sufficiently and are prevalent in the case of individuals who are female, under 18 years of age, or intravenous drug users and are HIV positive are appropriately represented by the membership of the Panel.

(2) VACANCIES.—Vacancies in the membership of the Panel shall not affect the power of the remaining members to perform the duties of the Panel and shall be filled in the same manner in which the original appointment was made.

(3) COMPENSATION.—Each member of the Panel not otherwise in the employ of the United States Government shall receive the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day during which such member is actually engaged in the performance of the duties of the Panel. Each member of the Panel shall be allowed travel expenses in the same manner as any individual employed intermittently by the Federal Government is allowed travel expenses under section 5703 of title 5, United States Code.

(4) ADMINISTRATIVE MATTERS.—The Secretary shall provide the Panel, on a reimbursable basis, office space, clerical personnel, and such supplies and equipment as may be necessary for the Panel to carry out its duties under this section. Subject to such limitations as the Secretary may prescribe, the Panel may appoint such additional personnel as the Panel considers necessary and fix the compensation of such personnel as it considers appropriate at an annual rate which does not exceed the rate of basic pay then payable for GS-16 of the General Schedule under section 5332 of title 5, United States Code, and may procure by contract the temporary or intermittent services of clerical personnel and experts or consultants, or organizations thereof.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Panel, from amounts in the general fund of the Treasury not otherwise appropriated, such sums as are necessary to carry out the purposes of this section.

(c) DUTIES OF THE PANEL.—

(1) IN GENERAL.—The Panel shall—

(A) undertake, as soon as possible after the date of the enactment of this Act, a thorough study under which the Panel shall address, analyze, and report on additional criteria which are needed in the current evaluation under titles II and XVI of the Social Security Act of disability in individuals who are HIV positive;

(B) develop recommendations regarding the extent to which HIV infection in women and intravenous drug users and a test result of positive for HIV infection in children should be used to establish disability in determining eligibility for benefits under titles II and XVI of the Social Security Act;

(C) provide on an ongoing basis advice to the Secretary with respect to matters under study by the Panel.

(2) INITIAL REPORT.—The Panel shall submit to the Secretary and to each House of the Congress, not later than 180 days after the Panel is first convened, a report of the findings of the study conducted under subsection (c), together with any recommendations the Panel considers appropriate.

(3) SEMI-ANNUAL MEETINGS AND ADDITIONAL REPORTS.—Not later than 180 days after the date of the submission of the Panel's report pursuant to subsection (d), and not less than semi-annually thereafter, the Secretary shall reconvene the Panel for purposes of securing for the Secretary renewed expertise relating to the matters considered by the Panel. The Panel shall, each time it reconvenes, review and update its earlier recommendations as appropriate, and report such revised recommendations to the Secretary and each House of the Congress, taking into account recent developments or changes in opinion of the medical community regarding such matters.

(4) SPECIAL CONCERNS OF WOMEN, CHILDREN, AND INTRAVENOUS DRUG USERS.—In conducting studies and preparing advice pursuant to this subsection, the Panel shall ensure that the concerns that heretofore have not been addressed sufficiently and are prevalent in the case of individuals who are female, under 18 years of age, or intravenous drug users, and are HIV positive are appropriately addressed, including—

(A) the course of HIV infection in women and the symptomatic manifestation of HIV infection in women as it differs from men;

(B) the course of HIV infection in infants and children, including particularly the effect of perinatal transmission;

(C) disability determinations for newborns who test positive for HIV infection and for whom HIV infection cannot be confirmed until the child is older;

(D) the course of HIV infection in intravenous drug users; and

(E) the impairments addressed under section 3(b).

(5) PRESERVATION OF EXISTING STANDARDS.—The Panel shall ensure, in formulating recommendations with respect to appropriate criteria applicable in making determinations of disability (including presumptive disability) under titles II and XVI of the Social Security Act (and any revisions of such recommendations), that such recommendations (and revisions) would not, if implemented, result in any limitation on the criteria in effect immediately before the date of the enactment of this Act otherwise applicable in making such determinations.

(d) FEDERAL ADVISORY COMMITTEE ACT.—For purposes of the Federal Advisory Committee Act (5 U.S.C. App.), the Panel shall be treated as an advisory committee (as defined in section 3(2) of such Act) to which such Act applies.

(e) EXPIRATION.—The Panel and all authority granted in this section shall expire 5 years after the date of the submission of its initial report under subsection (c)(2).

SEC. 3. PROGRAMMATIC CHANGES IN RESPONSE TO PANEL RECOMMENDATIONS.

(a) REQUIRED ACTIONS.—As soon as practicable after the submission of the AIDS Disability Advisory Panel's initial report pursuant to section 2(c)(2) and each subsequent report submitted by the Panel pursuant to section 2(c)(3) (but not later than 180 days after the submission), the Secretary of Health and Human Services shall—

(1) submit to each House of the Congress such recommendations for legislation as the Secretary then determines necessary to carry out the recommendations of the Panel included in such reports, and

(2) with respect to measures which the Secretary determines do not require legislation, promulgate such regulations as are necessary to carry out such recommendations.

(b) INTERIM STANDARDS FOR LISTINGS OF IMPAIRMENTS.—

(1) IN GENERAL.—Until otherwise provided by regulations promulgated in accordance with subsection (a) in connection with the initial report of the Panel or otherwise provided by law enacted by the Congress after the date of the enactment of this Act, in making disability determinations under title II or title XVI of the Social Security Act (including presumptive disability) in the case of an individual who is found by the Secretary to be HIV positive, the Secretary shall include in the relevant listing of impairments upon which findings of disability may be based additional medical conditions consisting of at least the medical conditions described in paragraph (2). A manifestation of any of such additional medical conditions by any such individual shall be deemed by the Secretary to meet the requirements for a

listed impairment in any relevant listing of impairments upon which findings of disability may be based.

(2) ADDITIONAL MEDICAL CONDITIONS.—The additional medical conditions described in this paragraph are the following:

(A) cervical dysplasia and cancer;

(B) chronic vaginal candidiasis;

(C) pelvic inflammatory disease unresponsive to standard medical therapy;

(D) tuberculosis;

(E) syphilis unresponsive to standard medical therapy or with evidence of central nervous system invasion;

(F) chronic human papilloma virus infection which is unresponsive to standard medical therapy;

(G) recurrent urinary tract infections;

(H) recurrent bacterial pneumonias;

(I) endocarditis; and

(J) HIV-related conditions in individuals under 18 years of age consisting of—

(i) lymphoid insterstitial pneumonitis;

(ii) recurrent herpes (simplex and zoster);

(iii) encephalopathy;

(iv) cardiomyopathy;

(v) nephropathy;

(vi) liver disease;

(vii) development delay/loss of milestones; and

(viii) failure to thrive;

and

(I) any other medical conditions determined by the Secretary to be of particular concern to individuals who are female, under 18 years of age, or intravenous drug users and are HIV positive.

(3) PRESERVATION OF EXISTING BASES FOR DISABILITY DETERMINATION.—Paragraph (1) shall be deemed to provide additional bases for determinations of disability (including presumptive disability) under titles II and XVI of the Social Security Act. Nothing in paragraph (1) shall be deemed to limit any criteria in effect immediately before the date of the enactment of this Act otherwise applicable in determining disability (including presumptive disability) under such titles.

SEC. 4. STATISTICAL DATABASE OF AIDS-RELATED MEDICAL CONDITIONS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall, during the tenure of the AIDS Disability Advisory Panel, establish and maintain a database consisting of the following information:

(A) the numbers of individuals, categorized by age, gender, race, and ethnicity, who are HIV positive and apply for benefits based on their own disability under title II or XVI of the Social Security Act; and

(B) the symptoms and medical conditions suffered by individuals in each category determined under subparagraph (A).

Such database shall be in a form which is readily retrievable by the Panel and is updated in advance of each scheduled meeting of the Panel.

(b) CONFIDENTIALITY.—Information contained in such database shall be maintained in a statistical format which shall not contain the identities or social security account numbers of such individuals.

(c) ANNUAL REPORTS TO THE CONGRESS.—The Secretary shall submit to each House of the Congress an annual report containing the information then currently contained in the database maintained by the Secretary pursuant to subsection (a).•

By Mr. RIEGLE (for himself, Mr. DURENBERGER, Mr. ROCKEFELLER, and Mr. BRADLEY):

S. 1189. A bill to increase the authorization under title XX of the Social Security Act for block grants to States for social services; to the Committee on Finance.

SOCIAL SERVICES BLOCK GRANT RESTORATION ACT

• Mr. RIEGLE. Mr. President, I rise today with Senators DURENBERGER, ROCKEFELLER, and BRADLEY to introduce the Social Services Block Grant Restoration Act of 1991 which restores funding for the title XX social services block grant.

Title XX is the main source of Federal funding for wide range of increasingly needed social services such as day care and protection from abuse or neglect for children, sheltered employment and community-based residential programs for disabled individuals, and chore services and home delivered meals for seniors.

The program has a number of important goals which include: helping people achieve or maintain economic self-sufficiency; preventing, reducing, or eliminating dependency; preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests; and helping to preserve, rehabilitate, or reunite families.

Funding for title XX has been seriously eroded. The program was cut $600 million in the Omnibus Budget Reconciliation Act of 1981 [OBRA] and is currently funded at only $2.8 billion, nearly 45 percent less than the fiscal year 1977 value in real terms.

While the social programs title XX is designed to address have worsened in recent years, the severity of our budget deficit compels me to introduce a bill that is modest compared to the need. This bill raises the authorization for title XX to $3.3. billion by 1994, restoring $500 million over the next 3 years.

I believe that we have an obligation to help those in our society who have nowhere else to turn. The programs supported by title XX are cost-effective because they promote self-sufficiency and independence and they are important because they help those truly in need live in dignity. I urge my colleagues to join me in supporting this measure.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Services Block Grant Restoration Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that—

(1) since 1981, title XX of the Social Services Block Grant has been the major source of Federal funding for a wide range of social services;

(2) in all States, title XX block grants provide substantial support for vital human services programs that are indispensable in assisting millions of children, youth, adults, older adults, and people with disabilities;

(3) programs funded by title XX dollars are cost-effective since they are required by law to meet objectives of—

(A) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;

(B) achieving or maintaining self-sufficiency, including reduction or prevention of dependency;

(C) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests; or preserving, rehabilitating, or reuniting families;

(D) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and

(E) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions; and

(4) funding for title XX has seriously eroded.

The title XX program has never recovered after suffering a $600,000,000 cut in the Omnibus Budget Reconciliation Act of 1981 and is currently funded at $2,800,000,000, nearly 45 percent less than the fiscal year 1977 value in inflation adjusted dollars.

SEC. 3. INCREASE IN TITLE XX AUTHORIZATION FOR BLOCK GRANTS TO STATES FOR SOCIAL SERVICES.

Subsection (c) of section 2003 of the Social Security Act (42 U.S.C. 1397b) is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking "each fiscal year after fiscal year 1989." in paragraph (5) and inserting "the fiscal year 1989;"; and

(3) by adding at the end the following new paragraphs:

"(6) $3,000,000,000 for the fiscal year 1992;

"(7) $3,200,000,000 for the fiscal year 1993; and

"(8) $3,300,000,000 for the fiscal year 1994 and for each succeeding fiscal year thereafter."•

By Mr. DASCHLE:

S. 1190. A bill to amend the Internal Revenue Code of 1986 to increase the standard mileage rate deduction for charitable use of passenger automobiles; to the Committee on Finance.

INCREASE IN DEDUCTION FOR CHARITABLE USE OF PASSENGER AUTOMOBILES

• Mr. DASCHLE. Mr. President, I rise to introduce legislation that addresses a small, but important concern regarding the deduction of mileage expenses by individuals who volunteer their services to help carry out the activities of charitable organizations.

Many individuals who volunteer for charitable organizations incur out-of-pocket expenses that are not reimbursed by the charity. One such expense occurs where an individual uses his or her own car to carry out charitable purpose activities. Examples of this are when an individual provides transportation to a hospital for veterans, delivers meals to the homeless or elderly on behalf of a charity, or transports children to Scouting and other youth activities.

In 1984, Congress set a standard mileage expense deduction rate of 12 cents per mile for individuals who use their vehicles to carry out the tax exempt goals of charitable organizations. The express purpose of the deduction was to support the efforts of volunteers who do not receive any charitable deduction for the value of their contributed services, and to take into account the additional out-of-pocket costs of operation of a vehicle in doing so.

At the time that Congress codified the standard charitable mileage deduction at 12 cents per mile, the standard deduction for mileage expenses incurred in connection with one's trade or business was 20.5 cents for the first 15,000 miles and 11 cents per mile thereafter. Since that time, the U.S. Department of the Treasury, through the Internal Revenue Service, has increased the standard mileage rate for business travel expenses to 27.5 cents per mile for unlimited mileage.

Unfortunately, due to an anomaly in the Tax Code, the Secretary of the Treasury does not have the authority to make corresponding increases in the standard mileage rate for charitable use of one's vehicle. Thus, the standard charitable mileage rate remains at 12 cents per mile today.

The legislation I am introducing addresses this inconsistency in two ways: First, it would increase the standard charitable mileage expense deduction rate to 16 cents per mile. This would restore the ratio that existed in 1984 between the charitable mileage rate and the business mileage rate.

Second, the legislation would give the Secretary of the Treasury the authority to make subsequent increases in the charitable mileage rate without further permission from Congress, just as it currently does with the mileage rate for business use of a vehicle. The intent of this provision of the legislation is to insure that as increases are made in the future to the standard business mileage rate, the charitable mileage deduction will be increased as well, so as to maintain the ratio that existed between these two mileage rates in 1984.

Mr. President, many charitable organizations today are being forced to take a greater burden than ever before due to cut-backs in Federal programs for veterans, the elderly, and other groups in need. As a result, these organizations must increasingly rely on volunteer assistance to provide the services that are central to their tax exempt purposes. If we can do no more, at the very least we in Congress should ensure that helpful measures remaining in the law are not allowed to erode.

On behalf of volunteers of every stripe, I urge my colleagues to support this legislation.●

By Mr. BOREN:

S. 1191. A bill to expand funding for successful school dropout prevention and reentry programs and to coordinate and improve Federal programs addressing the Nation's dropout program, and for other purposes; to the Committee on Labor and Human Resources.

DROPOUT PROGRAMS IMPROVEMENT ACT

● Mr. BOREN. Mr. President, as the United States enters the 21st century, there are many opportunities before us to lead our Nation into a new decade of increased productivity and well-being for all Americans. As we reflect on the events of the past year, we are well aware of what we can do when we pull together as Americans.

Now we must apply the same "can do" spirit shown by our fighting forces and displayed by our technological superiority during the Persian Gulf crisis to deal with many serious domestic challenges as well. We must be willing to devote the same amount of ingenuity, determination, and resources to meeting these domestic crises as we devoted to the crisis in the Persian Gulf.

Mr. President, in order to meet these challenges we must first begin by recognizing the importance of education. As President Bush recently noted in an address on education, if we think about every problem and every challenge which we face in the 21st century, the solution to each starts with education. The speech given by the President before unveiling the new White House education proposal included many of the same concerns that I have voiced many times in the past on this floor about the importance that education plays in defining our future.

I have said time and time again that as the chairman of the Senate Intelligence Committee, I remain convinced that the single greatest threat to our national security is our failure to fully develop our human resources. In the new world before us, we must not be deceived by our Persian Gulf victory into thinking that military strength alone will secure our position as a world leader. In fact, economic and social strengths will be the primary determinants of power and influence.

To maintain and increase strength socially and economically, we must develop our most promising, our most essential resource: our children.

Just as our economic programs must adapt to the increasing challenge of foreign competition, young Americans must develop the resources that will make us leaders in the 21st century.

There are many opportunities for the administration and for Congress to lead the way in setting the education priorities for the Nation. But what we should not do at the Federal level is mandate programs to be adopted by our State and local governments without providing the resources and the leadership in helping them attain these goals. Too many speeches have been given by Federal officials on the importance of education while too few resources have been provided to help attain new standards for our Nation's schools.

In the President's budget this year, I was once again disappointed by the minimal increase in funding given to the Department of Education. For the past several years, the Department of Education's budget has been neglected, often receiving yearly increases in funding which don't even keep pace with inflation. The administration must recognize that national goals for education cannot be set if national resources for education are not expended.

The important economic principle which should be guiding our expenditures on education is the commonly known axiom that if you fail to spend money educating our children, you will end up spending a great deal more on these children as adults through welfare, job training, penal costs, and the many, many other Federal and social costs associated with lack of education funding.

Perhaps no other cost is higher than the cost to our Nation when a child drops out of school. Every year in this country, 1 million American youth drop out of school, most of whom are completely unequipped to enter the work force with the skills they possess. In 1985, 1 out of every 4 dropouts was unemployed. And for those who were able to find employment, they must still face the statistical realities that, on average, a dropout will earn $250,000 less during his or her lifetime than will a high school graduate—$250,000 less Mr. President for a single individual. And the costs are not merely isolated to the individual who drops out of school. The costs will be borne by our entire Nation.

For every $1 spent on education, it costs $9 to provide services to dropouts—such as welfare and job training but there are many other services they must be provided as well. Roughly 80 percent of all prison inmates are school drops. Each inmate costs the Nation about $28,000 a year. According to the Committee for Economic Development, each year's class of dropouts cost the Nation about $240 billion in crime, welfare, health care and services.

In 1988, Fortune magazine reported that of the more than 3 million 18 year-olds in our country that year, 700,000 students who should have been graduating had already dropped out of high school. An additional 700,000 students who were graduating had received such a poor education that they could not even read their high school diplomas.

There is no way in the world that we can continue to compete with the Japanese when their dropout rate is less than 2 percent while only 71 percent of our high school students graduate in 4 years, placing the American dropout rate 15 times greater than the Japanese. If we want to compete with the rest of the world, we must find ways to keep our students in school. It was a concern to me that the White House education proposal introduced last week did not adequately address the problem of dropouts. This problem cuts across all national concerns and yet we have failed to act boldly to find solutions. No investment we make in the quality of education for our children can be too great.

In Oklahoma, we are making tremendous progress toward equipping our students for a challenging future. An education foundation begun by 150 civic leaders across our State over 6 years ago, the Oklahoma Foundation for Excellence, is in the forefront of that movement. When we began the foundation, our mission was simple: promote excellence in education by giving our top public high school students the recognition they deserve.

While the goal of the Oklahoma Foundation for Excellence has remained the same, we've adapted and expanded our methods to meet the new challenges we've encountered in promoting education excellence. In recognition of the problem our Nation faces due to our dropout rate, we've added a major award for the public school which best combats its dropout problem.

This year the foundation selected the Muskogee Public Schools Drop-Out Prevention Program as the most outstanding dropout prevention program in the State of Oklahoma. Just as Congress has recognized through the programs we have created at the Federal level, the dropout phenomenon cannot be traced to a single source. A combination of problems and pressures influence students to leave school and a combination of approaches must be used to respond to these pressures. The Muskogee public school system recognizes that student dropout is a multifaceted problem and they have created a multifaceted strategy to combat it.

Muskogee identifies the leading causes of students abandoning an education, both inside and out of school—factors such as low household income, low academic achievement, teenage pregnancy, absenteeism, and suspensions—and attacks each of these components of their dropout rate. Their at-risk student program includes a day-care center for teenage mothers, an in-house suspension program, Saturday school and absentee deterrence.

I was honored to be invited to speak recently at the 1991 National Dropout Prevention Conference hosted in Tulsa, OK, with participants from around the country. At this conference, I saw for myself the level of commitment that our States and local communities are making to combat the dropout problem.

Dropout programs have been organized in communities around the country to respond to the need for action. Three years ago, Congress started the largest Federal dropout prevention program through the School Dropout Demonstration Assistance Act, which was reauthorized last year through fiscal year 1991. SDDAA has funded 89 dropout demonstration projects throughout the United States, including four in Oklahoma.

In addition to the SDDAA program, the Federal Government currently distributes funding for dropout prevention and reentry programs through 14 different Federal programs, 10 of which are through the Department of Education and 4 of which are operated through other departments and agencies.

We are beginning to see the results of these demonstration projects begun 3 years ago. Now it is time to move beyond the test stage and to commit the resources to solving this problem once and for all.

Today I am introducing the Dropout Programs Improvement Act for 1991, which commits additional resources to funding successful dropout prevention and reentry programs and coordinates and improves the many Federal programs which address the Nation's dropout problem.

To provide more long-term funding for our current demonstration projects funded through the School Dropout Demonstration Assistance Act, my bill seeks to extend SDDAA funding through 1992. In addition to the current authorization for $50,000,000 per year for SDDAA funding, my bill not only extends that funding but calls for an additional yearly authorization of $50,000,000 for the replication of the SDDAA demonstration projects which have proven the most effective. Funding will go to the establishment of new programs in all 50 States and the Commonwealth of Puerto Rico and the District of Columbia.

To determine which programs have been the most successful, my bill also increases the money currently authorized for the evaluation of SDDAA project. Currently no more than $1,500,000 may be spent on evaluating SDDAA demonstration projects. Under this act, at least $1,500,000 will be spent on evaluations of the projects currently funded but no more than $2,000,000 may be spent on the evaluation study.

The four programs that have been funded in Oklahoma through the School Dropout Demonstration Assistance Act are excellent examples of why we need to not only maintain this funding, but we need to expand the funding so that we can replicate the most successful dropout demonstration projects.

Three years ago there were 800 applications from schools across the Nation for the original SDDAA funding. Of the 89 sites selected, the proposal from the Tulsa County school system was selected by the Department of Education as one of five model projects cited in the original release announcing which projects were awarded grants.

Since that time, the Tulsa project has proven to be most successful. Known as the STAR—student training and re-entry—Center, the Tulsa project is a cooperative for 13 independent school districts within Tulsa County and serves students ages 14 to 21. In its 3 years of operation, it has served as a direct referral to or training center for over 1,000 students who have dropped out. The STAR Center works individually with each of these students to combine academic skill-building and school credit with other training opportunities such as vocational training. As a result, Tulsa County Superintendent Dr. Kara Gae Wilson reports that the number of dropouts was reduced by 21 percent last year alone.

A dramatic reduction in a county's dropout rate is a success story that should not only be maintained but should be duplicated throughout the Nation. Through the Dropout Programs Improvement Act of 1991, we make that goal a reality.

In addition to the expansion of funding for nationwide dropout programs at the local level, this bill seeks to better coordinate and improve the number of Federal programs which currently provide funding for dropout prevention and reentry programs. With 14 different programs scattered through the Department of Education, the Department of labor and elsewhere, we desperately need to provide an office which would oversee these various programs and better guide and coordinate them.

The bill which I am introducing today amends the Department of Education Organization Act to create an additional officer under the Secretary of Education responsible for the evaluation, coordination and dissemination of Federal dropout prevention and reentry programs. In addition to coordinating the various Federal programs, the new office will be able to better direct applicants to possible sources of Federal funding for grant money.

If these young people are allowed to slip through the cracks and be forgotten, their productivity and earning power will be limited for the rest of their lives. Statistics show they will suffer additionally from such problems as drug addiction, alcoholism, and an unhappy existence of welfare dependency. Our Nation is too compassionate to allow that to occur without acting to help these individuals. And we must not forget that our country suffers from their hardships as well.

Let us remember, all of us are diminished when a child drops out of a school, even if the child is one we have never met and from a neighborhood we have never visited. America cannot remain a great nation if we become two nations. One America, with two-thirds of the people prosperous and productive, and another America afflicted by increased school dropout rates, drug addicts, and welfare dependents draining the resources produced by the first group.

The future of our Nation depends on the education which all of our students receive today. We cannot continue to overlook those often left behind who become discouraged and drop out. It is my hope that the Dropout Programs Improvement Act of 1991 will be an important step in combating this problem.

We must commit ourselves to the task of providing the educational opportunities which we want for our own children to all of America's children.●

By Mr. WIRTH (for himself, Mr. BINGAMAN, Mr. ADAMS, Mr. KERREY, Mr. KERRY, Mr. CRANSTON, and Mr. BURDICK):

S. 1192. A bill to establish more effective policies and programs for the early stabilization of world population through the worldwide expansion of reproductive choice; to the Committee on Foreign Relations.

INTERNATIONAL POPULATION STABILIZATION AND REPRODUCTIVE CHOICE ACT

Mr. WIRTH. Mr. President, it is my pleasure today to introduce the International Population Stabilization and Reproductive Choice Act of 1991. I am proud to introduce this on behalf of myself, and other original cosponsors Mr. BINGAMAN, the distinguished occupant of the chair; the Senator from Nebraska, Mr. KERREY; the Senator from Massachusetts, Mr. KERRY; the Senator from California, Mr. CRANSTON; the Senator from North Dakota, Mr. BURDICK; and the Senator from Washington, Mr. ADAMS.

It is important to note that we are discussing this legislation today at a time in my opinion of significant sadness. You have just seen the Supreme Court yesterday make what I thought was an extraordinarily ill-founded, divisive, and wrong set of decisions related to the so-called gag rule which the distinguished Senator from Nebraska was speaking about earlier with such justified passion and just remarkable eloquence. It is time that we in this country became serious about organizing ourselves to look at the No. 1 problem facing the globe and that is population. It is time that we realize that the cold war is over. We are not at a time in which our basic problem and national security is defined by our relationship with the Soviet Union. That time has gone. We were concerned 5 years ago, 10 years ago, 20 years ago about whether we were going to blow ourselves off the face of the globe. We may still do that but that problem is declining and we are learning how to handle that problem. We are not learning how to handle the problem of population and in fact we are back-sliding significantly.

The United States used to be the world leader in terms of population planning and population programs and in fact one of the leaders of that effort was a young Congressman from Houston, TX, George Bush, who as a Congressman wrote, spoke, and worked very eloquently on the subject of population, population family planning around the world. Unfortunately, the President has since 1988 or 1980 really done a 180 and changed his position on population which I think is a terrible shame; it is a very, very short-term perspective. It is my hope as we send this legislation to him and this legislation to the rational people within the administration that they will view this and help to make the President to take another 180 and to come back to the enlightened policy that he once had related to population.

The legislation which I am introducing today on behalf of myself and the other cosponsors is supported by a broad array of women organizations, family planning, and international planned parenthood organizations all around the world. Let me list those here at home:

ORGANIZATIONS ENDORSING THE INTERNATIONAL POPULATION STABILIZATION AND REPRODUCTIVE CHOICE ACT OF 1991

Africare.
Alan Guttmacher Institute.
American Association of University Women.
American Civil Liberties Union.
American Public Health Association.
B'nai B'rith Women.
Catholics for Free Choice.
Center for Population Options.
Center for Women Policy Studies.
Columbia University School of Public Health.
Friends of the Earth.
Futures Group.
International Center for Research on Women.
International Planned Parenthood Federation.
International Projects Assistance Service.
International Science and Technology Institute.
Johns Hopkins University Center for Communication Programs.
Johns Hopkins University Institute for International Programs.
John Snow, Inc.
National Abortion Rights Action League.
National Council of Jewish Women.
National Family Planning and Reproductive Health Association.
National Organization for Women.
National Women's Law Center.
Natural Resources Defense Council.
Pathfinder Fund.
Planned Parenthood Federation of America.
Population Council.
Population Crisis Committee.
Population-Environment Balance.
Program for the Introduction and Adaptation of Contraceptive Technology.
Religious Coalition for Abortion Rights.
Sierra Club.
Trickle Up Program.
Unitarian Universalist Association of Congregations in North America.
United Church of Christ.
University of Michigan Center for Population Planning.
Western Consortium for Public Health.
Women's Legal Defense Fund.
World Education.
World Population Society.
Worldwatch Institute.
YWCA of the USA.

This is a catalog of distinguished and enlightened organizations coming together to focus on this enormous challenge.

Mr. President, of all the challenges facing us in this country and around the globe, none compares to that of rapid population growth. All of our efforts to promote national and international security, to protect the environment, to promote economic development around the world, all of these efforts are vexed by the staggering rate of growth in human numbers.

Two hundred and thirty five thousand people will be added to the world's population today; put another way, about 2,000 people will be added to our numbers during the time it takes for me to make this statement—170 people added every minute of every hour of every day, 7 days a week, 365 days a year.

Recent events have thrust before us the horrific face of poverty, starvation, and suffering. Even the immediate needs of the victims of the Kurdish, Bangladeshi, and Sudanese suffering seem immense. Coupled with the high rate of global population growth the task of providing even hope—let alone food and economic opportunity—seems overwhelming.

On the environmental front, population is a major, if not the dominant force for global ecological decline. From decertification to deforestation, the linkage is clear.

The triad of population growth, environmental degradation, and pervasive poverty threaten us and our planet as never before. For these reasons I am introducing the International Population Stabilization and Reproductive Choice Act of 1991. This is a very comprehensive effort to address the population issue, drafted with the intention of leading the international effort for population stabilization at or below 10 billion people.

In the past several weeks, a number of articles have appeared in the major media on the issue of global population growth. Two weeks ago, the distinguished writer for the Washington Post, Mr. Hobart Rowan, wrote an oped piece on the connections between rapid population growth and the terrible tragedy that has overwhelmed the nation of Bangladesh. And just last week, some encouraging news: The United Nations reported that birthrates are declining in all major regions of the world.

I am encouraged by both of these observations, Mr. President. One demonstrates the growing recognition of the population problem. The other demonstrates the growing recognition that we know what to do about it. We should not be lulled into complacency the latest U.N. projections. Global population continues to grow by almost 100 million people a year. The rate is down, but the growth is still accelerating in a dangerous and dramatic fashion. At current rates of growth the population of the globe will double and may triple to almost 15 billion people from today's 5.4 billion.

Despite encouraging progress on the population front, the hard work is ahead of us not behind. Currently, population is growing at the rate of 1.7 percent per year. The typical woman bears, on average, 3.4 children—well above the replacement level of 1.2 children. What is needed then, is an all out effort to make family planning services available to everyone who seeks them by the year 2000. We need to expand health care and educational opportunities for women, and make improving the status of women an urgent campaign. If we accomplish these goals, we can stabilize population at less than 10 billion, but it is going to take a major, concerted effort and it is going to take perhaps, above all, leadership from the United States of America, leadership from this Congress, and leadership from the White House.

Two years ago, 79 nations met at the International Forum on Population in the 21st Century and issued the so-called Amsterdam Declaration which outlined a plan to achieve population stabilization.

The Amsterdam Declaration called for global expenditures on population programs to increase to $10.5 billion by the year 2000, from today's level of $3.2 billion, an increase of about 3 times. In order to meet this goal and maintain our historic contribution to the international effort, U.S. spending must increase to more than $1 billion by 2000. This bill sets us on that path by authorizing significant but realistic increases for U.S. population programs.

What we have learned in the two decades since population was given a separate line item in the budget—is part of the work that George Bush, as a Congressman, encouraged—is that some family planning programs work very well—the expanded delivery of community-based family planning services; child mortality programs; education programs—particularly for young girls; the expansion of economic, social, and political opportunities for women all around the globe. These basic services are taken for granted in this country or should be, even though they certainly are not available to a growing segment of the poor part of our population. These are basic services that should be taken for granted in this wealthy country, but they are not widely available elsewhere, most significantly in those countries with the highest rates of population growth.

To help bridge the gap and fulfill the unmet need for family planning services, this bill comprehensively examines our population and foreign assistance policies and proposes a set of new directions for our programs.

First, the legislation calls for the provision of a variety of voluntary family planning programs by U.S. population experts. For too long, population programs have been tied up with terrible stories of coercive practices in other nations. This legislation makes it clear that the United States will not support any program that is not entirely voluntary.

The expansion of reproductive rights around the world is a second policy direction proposed in this bill. If we are going to be serious about population, we must ensure that individuals around the world have available a diverse set of family planning programs.

In addition, the bill gives special emphasis for reaching out to young adults approaching the childbearing age.

On the funding side, the bill proposes increases for our overall population effort to ensure that we contribute our share to the Amsterdam goals. It also restores funding for UNFPA and overturns the misguided "Mexico City" policy. Finally, priorities for funding are established to ensure that U.S. funds are going to support the most important and successful programs abroad.

Based on the experiences of the past two decades, it is now clear which programs are most effective at reducing fertility rates around the world. Therefore, the legislation redirects AID's programs toward the expansion of high quality, affordable and voluntary family planning services.

The legislation sets specific health and development objectives for women to complement our population programs and guide our development efforts. Specifically, we need to help achieve universal access to basic education around the world—with special emphasis on eliminating the gap between female and male literacy levels and school enrollment.

U.S. foreign policy should include an explicit aim to reduce the rate of infant mortality in all countries by one-third by the year 2000. One of the reasons fertility rates are so high in less developed nations is due to the fact that parents assume that some of their offspring will die. This is a terrible reality—we must reduce infant and child mortality rates to give parents confidence that their children will survive.

The legislation also proposes a safe motherhood initiative to reduce deaths associated with pregnancy, childbirth and unsafe abortions by 50 percent by 2000. This effort will have to include initiatives in prenatal care, supplemental food programs, infertility prevention and a variety of others.

Finally, our foreign policy should be geared toward ensuring that women are given equal opportunities in international development programs.

This is a very brief summary of this important, comprehensive, and broad-sweeping legislation, and I ask unanimous consent that the bill, the detailed summary, and additional material be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WIRTH. Global population growth is an urgent concern—perhaps the most pressing and perplexing challenge facing humanity. Fortunately, for perhaps the first time, we know not only that aggressive family planning programs are effective at reducing birth rates, but we know as well which family planning programs work. With the proper commitment to take on this issue, a redirection of our population and foreign assistance programs can stabilize the population of the globe at less than 10 billion people.

We are at 5.4 billion now. Current trends take us to 10 billion. We believe we can stabilize at that point. That is twice as many people, almost, as on the face of the Earth today. If we do nothing, we climb to 15 billion and beyond, and the whole legacy of hopelessness increases dramatically around the world with dire consequences for us, with enormous numbers of environmental and population refugees being created, and the ability to provide the kinds of opportunities, education, health care, housing and everything else we would like to see for individuals plummet dramatically.

Finally, I should point out Mr. President that the United States has traditionally been the world's leader in international family planning programs. We pushed for the creation of the United Nations Population Fund and established early on an aggressive and world-renowned population program. During the 1980's we abdicated our leadership and our population programs became embroiled in symbolic debates about abortion.

This bill is not about abortion. This bill is about population, family planning, and choices for women around the world. We do not have to get tied up in the abortion debate when we discuss family planning. And maybe our first responsibility Mr. President, is to make that separation.

Let those who want to get involved in the shrill debate about abortion—it is an important debate—let those who want to get involved and spend all of their time on that do that. But let us also remember there is a very, very important and much bigger set of issues related to population, and we have to separate those two and get on with our traditional leadership and our responsibilities in terms of family planning programs.

Unhappily, for now nearly 20 years, our law has prevented U.S. funds from being used to pay for abortions. But that is the law of the land.

On the other hand, we should not hold citizens of other nations to a standard different from our own—and that has been a major contradiction in our program for almost a decade. We have to move past these debates and establish aggressive, fair population programs that are measured not by an ideological litmus test, but rather by the ability of the program to meet the magnitude of the challenge we face.

These are the objectives of the legislation that I am introducing today, and I urge all of my colleagues to review this important piece of legislation, and I hope many more will support it.

I thank those original cosponsors who are on the bill now. This is an act of a certain amount of bravery, I believe, Mr. President, to take this issue on, to be honest about it. We cannot duck this issue any more than we can duck a number of the very pressing and important issues coming at us. I do not believe we were elected to duck. We were elected to take these on head on, and do the best we can.

This issue is so important and so enormous, we must work together to develop good legislation that can be passed in this Congress.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1192

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Population Stabilization and Reproductive Choice Act of 1991".

SEC. 2. DEFINITION.

For purposes of this Act, the term "United States population assistance" means assistance provided under section 104(b) of the Foreign Assistance Act of 1961.

TITLE I—UNITED STATES POPULATION ASSISTANCE

SEC. 101. CONGRESSIONAL FINDINGS.

(a) Importance of Reproductive Choice.—(1) Congress finds that throughout much of the world, the inability of women and particularly poor women to exercise choice over childbearing undermines women's struggle for self-determination, contributes to needless death and suffering among women and their children, puts mounting pressure on the land, forests and other natural resources on which many poor families depend for their survival, and in other ways vitiates the efforts of families to lift themselves out of the poverty in which over a billion of the world's more than five billion people live.

(2) Congress also finds that after more than a quarter century of experience and research the specific actions needed to bring about a rapid decline in birthrates are clear. They include, first and foremost, the expansion of reproductive choice through fertility control services which involve the community and are sensitive to the needs and values of those who use them. Over the longer term, they also include measures to reduce child mortality, expand basic education, especially for girls, and provide for fuller participation by women in the social, economic, and political lives of their community.

(b) Unmet Needs.—(1) Congress also finds that throughout much of the developing world women want desperately to take control of their reproductive lives. No more compelling evidence of such demand exists than the millions of women, most of them mothers, who are killed or injured each year as a result of unsafe abortions. The wider availability of safe and effective fertility control methods and services can contribute substantially to the prevention of these tragedies.

(2) Although a number of religious and cultural barriers to the spread of family planning remain, attitudes toward modern birth control have changed rapidly over the course of the last decade, and in almost all countries there now exists a large and growing unmet desire for fertility control among women and men who are too poor to pay the full cost of services. In 1990, the number of couples of childbearing age who wished to stop or postpone childbearing, but who lacked satisfactory services, exceeded 125 million. Meeting these expressed needs would alone reduce world birthrates by a third. Even in Africa, where the desire for large families has remained strongest, contraceptive use is increasing more rapidly, particularly in countries with effective family planning programs, than demographic experts considered possible a decade ago.

(3) More than any other single factor, these organized family planning efforts have contributed to a dramatic increase in worldwide family planning use, from less than one-third of married couples in 1965 to more than one-half of such couples in 1990. In developing countries or newly industrialized countries, such as Taiwan, South Korea, Costa Rica, Thailand, Chile, Brazil, Colombia, and Sri Lanka, levels of family planning use and family size are becoming comparable to those in developed countries.

(c) Foreign Government Policies.—(1) In the 25 years which have passed since the United States Congress first authorized assistance to population programs there has also been a remarkable change in the policies of most governments toward population growth. The overwhelming proportion of people in developing countries now live under governments which officially seek to curb population growth. Some governments now consider population growth their most important development problem. In 1965, only 21 governments provided public support for family planning information and services. In 1990, 130 governments subsidized such services for low-income families.

(2) Despite these positive trends, birthrates in many developing countries around the world are presently declining too slowly to prevent a cataclysmic near tripling of the world's population before stabilization can occur. Although birthrates in a number of countries have declined faster in recent years than anticipated, for much of the world progress in the 1980s was noticeably slower than in the 1970s. Despite birthrate declines, the total number of people added to the world's population has thus continued to climb.

(d) Findings Regarding United States Government Policy.—(1) One of the major obstacles to more rapid progress in the 1980s has been the ambivalence of United States Government policy with respect to world population stabilization and the preoccupation of United States population assistance policy with efforts to outlaw abortion. The Congress finds that current United States population assistance has no clear objective either with respect to international population stabilization or to the expansion of reproductive choice. This lack of clear objectives leads additionally to a lack of clear criteria for allocation of funds and for evaluating program success.

(2) During the decade of the 1980s, while the United States Government increasingly questioned the seriousness of population problems and the importance of organized family planning efforts in solving them, nearly 800 million people, a number more than three times the population of the United States, were added to the world's population, making the world community's task for the 1990s both more difficult and more critical.

(3) As the world enters the last decade of the 20th century, the impact of human population pressure, combined with continued widespread poverty, is becoming evident in the mounting stress on the world's natural life support systems, most particularly in the rapid pace of tropical deforestation, the erosion of arable land and watersheds and the spread of deserts, in the extinction of plant and animal species, in global climate change and in growing problems of waste management and air and water pollution. Rapid world population growth, including continuing population expansion in developed countries, combined with unsustainable patterns of natural resource consumption, has become an urgent economic, social, and environmental problem.

(4) Congress finds that the lack of reproductive choice throughout much of the world has tragic consequences not only for women and their families but also for the planet's natural life support systems. Between now and the end of this century, population stabilization must be pursued as an urgent global objective.

SEC. 102. DECLARATION OF POLICY.

Therefore, Congress declares that in order to reduce population growth and stabilize world population at the lowest level feasible and thereby protect the global environment, to provide greater self-determination for women and to improve the health and well-being of the world's families, it shall be a principal objective of the foreign policy of the United States in the decade of the 1990s to achieve universal availability of high quality fertility control services. Such services shall offer a wide choice of safe and effective means of birth control, including safe abortion where permitted by individual country policy, along with programs of public education and other health and development efforts in support of smaller families. Congress directs that the President and those whom he appoints to conduct the foreign affairs of the United States shall establish the United States Government in a position of leadership in global efforts to achieve universal reproductive freedom and informed choice over childbearing by the end of the century.

SEC. 103. POPULATION ASSISTANCE POLICIES.

(a) Findings.—The Congress recognizes that over time, although many social and economic factors affect desired family size, organized family planning programs have by far the most rapid and strongest single effect on birthrates, because they enable women and their families to achieve the same level of control over the timing and number of their children as is available only to wealthier couples in most countries. The Congress also recognizes that widespread voluntary adoption of modern family planning methods and their successful long-term use depends on the quality of reproductive health care services offered and their responsiveness to individual and community needs and values.

(b) Voluntary Participation and Informed Decisionmaking.—(1) All family planning activities receiving United States Government support under the Foreign Assistance Act of 1961 and related statutes shall, either directly or through referral, provide a broad range of fertility control methods, including abortion where permitted by individual country policy.

(2) To ensure that the decision to adopt any method is fully informed and entirely voluntary, none of the funds made available by the United States Government to foreign governments, international organizations, or nongovernmental organizations may be used to coerce any person to undergo contraceptive sterilization or involuntary abortion or to accept any other method of fertility control.

(c) Quality of Care.—(1) Family planning services and related reproductive health care services supported by United States foreign assistance shall maintain the highest medical standards possible under local conditions and shall ensure regular oversight of the quality of medical care and other services offered.

(2) United States population assistance programs shall supply only those contraceptive drugs and devices which have received approval for marketing in the United States by the United States Food and Drug Administration or which have been tested and judged safe and effective under research protocols comparable to those required by the United States Food and Drug Administration and have been judged safe by the World Health Organization or the relevant health authority in the country to which they are provided.

(3) United States population assistance shall in each recipient country support to the extent possible a broad choice of public and private family planning services, including networks for community based and subsidized commercial distribution of contraceptives.

(4) Family planning services supported by the United States shall be designed to take into account the needs of the family planning user, including the constraints on women's time, by involving community people in the design and ongoing evaluation of the services. The design of services shall stress easy accessibility, by locating services as close as possible to potential users, by keeping hours of service convenient, and by improving communications between users and providers through community outreach and involvement.

(d) Support for Reproductive Choice.—(1) The United States Government shall support, through policy dialogue and public discussion and funding for relevant research, the expansion of reproductive rights in countries receiving foreign assistance.

(2) Eligibility for foreign assistance from the United States Government shall not be denied to any foreign government, international organization, or nongovernmental organization, whether located in the United States or abroad, based on that government's or organization's provision of abortion-related information or services or conduct of advocacy efforts on behalf of reproductive choice.

(e) Adolescent Programs.—United States population assistance in the decade of the 1990s shall provide increased support for special programs to reach young adults before they begin childbearing. Such programs shall include educational programs which stress responsible parenthood and the various health risks of unprotected sexual intercourse, as well as service programs designed to meet the information and contraception needs of adolescents. United States assistance to adolescent fertility programs shall be provided in the context of prevailing norms and customs in the recipient country, except that, in setting guidelines for such programs, the Agency for International Development may encourage, but not require, family participation to the extent possible.

SEC. 104. ALLOCATIONS OF POPULATION ASSISTANCE.

(a) Priority Countries.—Notwithstanding other provisions of law, funds provided to the President for population assistance shall be allocated, directly or through intermediary organizations, to countries which meet one or more of the following criteria:

(1) Countries which account for a substantial proportion of the world's annual population increment.

(2) Countries which have significant unmet needs for fertility control and require foreign assistance to implement, expand, or sustain good quality family planning services for all their people.

(3) Countries which demonstrate a strong policy commitment to population stabilization through the expansion of reproductive choice. As part of its annual congressional presentation materials, the Administrator of the Agency for International Development shall transmit to the Congress a detailed description of prior year and proposed direct and indirect allocations of population assistance, by country, which indicates how each country allocation meets the criteria set down in this section.

(b) Participation in Multilateral Organizations.—(1) The Congress recognizes that the remarkable changes which have taken place in government policies toward population growth owe much to the efforts of the United Nations and its specialized agencies and organizations, most specifically, the United Nations Population Fund, which was established in 1969 at the urging of the United States and several other governments as a United Nations population assistance organization totally funded by voluntary contributions. Through its support of international forums for the discussion of population concerns and its support of thousands of population projects in and for the benefit of developing countries, the Fund has greatly helped to create the present international awareness and consensus on population growth as a development problem and on family planning as a basic human right. The Fund also provides assistance to a number of countries which receive little or no bilateral assistance from the United States.

(2) In recognition of the unique role which the United Nations Population Fund plays in promoting international cooperation in population activities and in addition to any other amounts made available for United States population assistance, the following amounts shall be available for the United Nations Population Fund for the following fiscal years:

(A) For fiscal year 1992, $65,000,000.

(B) For fiscal year 1993, $75,000,000.

(C) For fiscal year 1994, $85,000,000.

(3) In order to further international cooperation in the development and evaluation of fertility control technology, of the funds available under the Foreign Assistance Act of 1961, the President shall make available $4,000,000 to the Special Programme of Research, Development and Research Training in Human Reproduction managed by the World Health Organization for fiscal years 1992, 1993, and 1994.

(c) Support for Nongovernmental Organizations.—(1) Congress finds that in many developing country settings, private and voluntary organizations or other nongovernmental entities, including those in the private enterprise sector, are the most appropriate and effective providers of United States assistance to population and family planning activities.

(2) The Administrator of the Agency for International Development shall establish simplified procedures for the development and approval of programs to be carried out by such nongovernmental organizations as have demonstrated a capacity to undertake effective population and family planning activities and a commitment to quality reproductive health care for women, including but not limited to the International Planned Parenthood Federation and the Planned Parenthood Federation of America.

(3) At least 50 percent of the funds appropriated in any fiscal year for United States population assistance shall continue to be made available to the programs of United States and foreign nongovernmental organizations.

(4) The Agency for International Development shall encourage greater involvement in the delivery of family planning services by private health practitioners, by employer-based health services, by unions and by cooperative health organizations.

SEC. 105. INCREASED FINANCIAL RESOURCES.

(a) Findings.—The Congress takes note of the 1990 Amsterdam Declaration of the Forum on Population in the 21st Century and specifically of the worldwide goals set for expenditures on family planning and related programs in developing countries by the end of the century. The Congress establishes a target for global expenditures in developing countries from all domestic and international sources by the year 2000 of at least $10,500,000,000 for core population programs, as described in section 106 (a) and (b) of this Act, and establishes a goal for United States population assistance by the year 2000 of $1,200,000,000 in constant 1990 dollars.

(b) Authorizations of Appropriations.—In addition to any other amounts made available for such purposes, there are authorized to be appropriated to the President to carry out United States population assistance $510,000,000 for fiscal year 1992, $575,000,000 for fiscal year 1993, and $640,000,000 for fiscal year 1994.

SEC. 106. PROGRAMS DIRECTIONS IN CORE POPULATION ASSISTANCE PROGRAMS.

(a) Family Planning Services.—The Administrator of the Agency for International Development shall ensure that population assistance funds are used primarily to support the expansion of high quality, affordable, voluntary family planning services and closely related reproductive health care services, which emphasize informed choice among a variety of safe and effective fertility control methods. No individuals in programs assisted by the United States shall be denied family planning services because of an inability to pay all or part of the cost of such services. United States population assistance shall include support for adequate and regular supplies of high quality contraceptive commodities and shall include increased emphasis on the use of the mass media to improve public knowledge of fertility control methods and where they may be obtained and to promote the benefits to individuals, families and communities of family planning.

(b) Research and Evaluation.—In order to facilitate the expansion of good quality family planning and related reproductive health care services United States population assistance shall also include—

(1) support to United States and foreign research institutions and other appropriate entities for biomedical research to develop or evaluate improved methods of safe fertility control, including abortion and methods which may act post-coitally, and with particular emphasis on methods which might prove safer, easier to use, less expensive and easier to make available in developing country settings;

(2) support for field research on the characteristics of programs most likely to result in sustained effective family planning use with particular emphasis on the perspectives of family planning users, including support for relevant social and behavioral research focusing on factors, including the use, non-use, and ineffective use of various fertility control methods;

(3) support for research and research dissemination related to population policy development, including demographic surveys to assess population trends, to measure unmet needs, and to evaluate program impact and for policy-relevant research on the relationships between population trends, poverty, and environmental management, including implications for sustainable agriculture, agroforestry, biodiversity, water resources, energy use, and local and global climate change;

(4) support for research and public information on the health and welfare consequences of unsafe abortion and for equipment and training necessary for the medical treatment of the complications of unsafe abortions.

(c) Expanded Public Education and Outreach.—During the decade of the 1990s, the United States Government shall support a broad array of governmental and nongovernmental communications strategies to create public awareness within the United States and in foreign countries about reproductive health needs and the serious problems associated with continued world population growth, in order to generate a stronger consensus on the need for action. Such programs shall give special emphasis to the need to educate men and mobilize their support for enhancing reproductive choice and shall seek to make family planning an established community norm.

(d) Report to Congress.—The Administrator of the Agency for International Development shall prepare and submit to the Congress each year a report on world progress toward population stabilization and universal reproductive choice. The report shall include—

(1) estimates of expenditures, by national governments, donor agencies, and private sector entities on core population activities as described in subsections (a) and (b) of this section;

(2) an assessment of the availability and use of all methods of fertility control, including abortion whether or not legal, by country; and

(3) an analysis by country and region of the impact of population trends on important social, economic, political, and environment indicators.

TITLE II—POPULATION ASSISTANCE POLICY AND DEVELOPMENT

SEC. 201. THE IMPACT OF DEVELOPMENT.

(a) Findings.—The Congress finds that certain development activities and expanded reproductive choices for women have such strong mutually reinforcing effects that when family planning services and these development activities are pursued simultaneously, fertility decreases and development both progress more rapidly. Among the most important of these development activities are efforts which improve infant and child survival rates, which increase the availability of education especially for girls and women, and which strive to make women equal partners in development.

(b) General Policy.—The President, the Secretary of State, the Administrator of the Agency for International Development and others whom the President appoints to direct the foreign assistance programs of the United States shall in the decade of the 1990s provide strong political and financial leadership to the achievement of the specific goals set down in sections 202, 203, 204, and 205 of this Act to improve maternal and child survival, expand basic education and enhance women's self-determination and participation in development.

SEC. 202. SUPPORT FOR BASIC EDUCATION AND EQUAL EDUCATIONAL OPPORTUNITY.

(a) Findings.—The Congress recognizes that beyond the availability of safe and effective contraceptives and safe abortion one of the most powerful long-term influences on birthrates is education, especially educational attainment among women. The education of women also has a strong positive influence on other aspects of family welfare, including rates of infant and child survival. The Congress notes, however, that as a result of rapidly rising numbers of school-age children around the world and constraints on government resources for education, there are now more school-age children not in school around the world than ever before. Most of the children not in school are girls. Efforts to remedy this situation are important to the achievement of broad-based social, economic, and political development as well as to early world population stabilization.

(b) Policy.—It shall be an objective of United States foreign policy in the decade of the 1990s to achieve in all countries of the world universal access to basic education. In addition, specific objectives of United States foreign policy shall be to ensure the completion of primary school education by no less than 80 percent of primary school-age children worldwide and the reduction of world adult illiteracy by at least half of the 1990 level by the end of this decade. It shall also be an objective of United States foreign policy, to be pursued through policy dialogue with national governments and financial support of gender-specific educational initiatives, to eliminate by the end of this century the gap between male and female levels of literacy and between male and female levels of primary and secondary school enrollment.

(c) Authorization of Appropriations.—Of the aggregate amounts available for United States development and economic assistance programs for education activities, $135,000,000 for fiscal year 1992 and $175,000,000 for fiscal year 1993 shall be available only for programs in support of adult literacy and basic primary education, including necessary activities in support of basic primary education.

(d) Report.—No later than December 31, 1991, the Administrator of the Agency for International Development shall prepare and transmit to Congress a 10-year estimate of financial resources needed for the achievement of these goals, including the total financial resources required from the United States, from other donor nations or organizations and from national education budgets.

SEC. 203. SUPPORT FOR INFANT AND CHILD SURVIVAL.

(a) Findings.—The Congress notes that nearly 15,000,000 children under the age of 5 years die each year, most of them of readily preventable causes. This shameful waste of young life could be largely avoided through the wider availability of vaccines, simple treatments for diarrheal disease and respiratory infections and improved nutrition. The Congress also recognizes that efforts to reduce child death rates and to lower birthrates are mutually reinforcing, since unwanted pregnancy contributes in important ways to high child mortality and since parents who choose to limit the number of their children need assurance that their children will survive. Efforts to improve child health help secure the world's future by ensuring the vitality of future human resources and by reinforcing the trend toward smaller families.

(b) Policy.—It shall be an objective of United States foreign policy to reduce in all countries by the end of this century the infant mortality rate by one-third of its 1990 level or to 50 deaths per 1,000 live births, whichever is lower, and to reduce the mortality rate of children under 5 years of age by 30 percent or 70 deaths per 1,000 live births, whichever is lower. In addition, specific objectives of United States foreign policy during the decade of the 1990s shall be—

(1) to reduce by one-half malnutrition among children under 5 years of age, with an emphasis on female child nutrition;

(2) to maintain immunization against childhood diseases for at least 85 percent of infants in all countries; and

(3) to reduce by one-half deaths to children under 5 years of age due to diarrheal disease and acute respiratory infections.

(c) Authorization of Appropriations.—There are authorized to be appropriated not less than $150,000,000 for fiscal year 1992 and not less than $205,000,000 for fiscal year 1993 in the Child Survival Fund only for child survival activities, including the Children's Vaccine Initiative, the worldwide immunization effort and oral rehydration programs.

(d) Report.—No later than December 31, 1991, the Administrator of the Agency for International Development shall prepare and transmit to Congress a 10-year estimate of the financial resources needed for the achievement of these goals, including the total financial resources required from the United States, from other donor nations or organizations, and from national budgets for maternal and child health.

SEC. 204. SUPPORT FOR WOMEN'S HEALTH AND NUTRITION.

(a) Findings.—(1) The Congress notes that in many of the world's countries, the most important factors in high levels of mortality and morbidity among women of childbearing age relate to the inadequacy of reproductive health care services. Each year, at least 500,000 women worldwide die from problems related to pregnancy, childbirth, or the rising incidence of unsafe illegal abortion. For each woman who dies from such causes, as many as 20 additional women suffer long-term illness or permanent physical impairment.

(2) High levels of morbidity and mortality among women in their childbearing years have serious consequences for families and communities since women are both the principal family care givers and, in a growing number of families, are an important or the sole source of economic support for their children. The death of a mother substantially increases the risk of neglect, abandonment, or even death for her small children.

(3) In addition, malnutrition and anemia are widespread among poor women in their childbearing years. Maternal malnutrition during pregnancy and during breastfeeding of 12-months duration or longer contributes substantially to morbidity and mortality among women. Congress finds that despite the active worldwide campaign to encourage long breastfeeding there has been little focus on the nutritional needs of nursing mothers.

(4) During the decade of the 1990s, women, especially in Africa, will also face substantially increased risks of death or disability, including infertility, from sexually transmitted diseases. During the 1990s, more than 3 million women in Africa will die of AIDS, leaving more than 5 million AIDS orphans.

(b) Safe Motherhood Initiative.—It shall be an objective of United States foreign policy during the decade of the 1990s to reduce by one-half, deaths to women resulting from problems associated with pregnancy, childbirth, and unsafe abortions. In addition to fertility control services, expanded programs in reproductive health care shall emphasize—

(1) prenatal care and screening for high risk pregnancies and improved access to safe delivery services for women with high risk pregnancies;

(2) supplemental food programs for pregnant and nursing women;

(3) strategies to prevent and cost-effectively treat infertility;

(4) expanded programs to prevent, detect, and treat sexually transmitted diseases, including AIDS, and other chronic reproductive health problems;

(5) programs to eliminate traditional practices damaging to women's health, including female circumcision; and

(6) improvements in the practice of midwifery, including outreach to traditional birth attendants.

(c) Authorization of Appropriations.—There are authorized to be appropriated $62,000,000 for fiscal year 1992 and $72,000,000 for fiscal year 1993 for the AIDS Prevention and Control Fund.

(d) Report.—The Administrator of the Agency for International Development shall prepare and transmit to the Congress no later than December 31, 1992 a report outlining new and expanded initiatives to ensure safe motherhood worldwide. The report shall incorporate the findings of new AID-sponsored research on the major causes of mortality and morbidity among women of childbearing age in various regions of the world. The report shall identify the most important actions to be taken over the decade of the 1990s in order to reduce world maternal mortality by one-half and the financial resources needed to meet this goal from the United States, other donor nations or organizations and national budgets for health.

SEC. 205. SUPPORT FOR WOMEN'S FULL PARTICIPATION IN DEVELOPMENT.

(a) Findings.—Congress notes that throughout the world, women who are free and thus able to participate fully in the entire array of social, economic, and political affairs of their communities are most likely to want small families and to acquire the means to exercise their choices about childbearing. Women, moreover, represent one-half of the human resources available for development, and improvements in their status and productivity are essential for progress in most sectors. It is, therefore, a long-term objective of United States foreign policy to ensure that women everywhere have the opportunity to become equal partners with men in the development of their societies.

(b) Support for the Elimination of All Forms of Discrimination Against Women.—The Secretary of State shall include in each annual country human rights assessment, information on any patterns of discrimination against women in inheritance laws, property rights, family law, access to credit and technology, hiring practices, formal education, and vocational training. The assessment shall also make reference to all significant forms of violence against women, including female circumcision, the extent of involuntary marriage and childbearing, and the prevalence of marriage among women under the age of 18 years.

(c) Support for United Nations Forward Looking Strategies for the Advancement of Women.—(1) Congress directs that the United States representatives to the United Nations Commission on the Status of Women shall take all actions necessary to ensure the rapid implementation of the United Nations Forward Looking Strategies for the Advancement of Women, as adopted in 1985 at the United Nations Conference ending the Decade for Women.

(2) Not later than December 31, 1991, the Secretary of State shall submit the five-year review of the status of United States women, as called for at the conference, and shall submit such annual reports as are requested by the United Nations Commission on the Status of Women.

(d) Women's Productivity Initiative.—In addition to efforts to expand formal education for girls, Congress mandates that United States foreign assistance programs shall place greater emphasis on activities which increase women's productivity through improved access to appropriate labor saving technology, vocational training, extension services, access to credit, and child care facilities. New initiatives shall take into account rural women's heavy work burden and their important roles as managers of renewable natural resources such as fuelwood and water.

(e) Report.—No later than December 31, 1992, the Administrator of the Agency for International Development (AID) shall prepare and transmit to Congress an analysis, by country, of the most important legal, social, economic, and cultural barriers to women's self-determination and to improvements in the productivity of women's labor in both traditional and modern sectors. The analysis shall include a description of initiatives AID proposes to support in the development of appropriate technology for women, credit schemes for low-income women, expanded child care, and vocational training and extension services for women.

TITLE III—ORGANIZATIONAL PROVISIONS

SEC. 301. STRENGTHENING THE ORGANIZATION OF THE DEPARTMENT OF STATE.

(a) The Congress finds that the present organization of the Department of State inadequately reflects and provides insufficient focus for the increasing importance to United States interests in the post-Cold War era of the interrelated issues of global population growth, environmental degradation, and natural resources management. The Congress expects that between now and the end of this century, the United States Government will be a party to and in many cases provide leadership for greatly increased global cooperation on these critical issues.

(b) In addition to the positions provided under the first section of the Act of May 26, 1949, as amended (22 U.S.C. 2652), there shall be within the Department of State an Under Secretary of State for Global Population, Environment, and Natural Resources who shall be appointed by the President, by and with the advice and consent of the Senate and who shall have the responsibility to provide a focus within the Department of State for the bilateral and multilateral dialogue described in subsection (a), except that authority for the overall direction of United States population assistance policies and programs shall remain with the Agency for International Development.

SEC. 302. OVERSIGHT OF MULTILATERAL DEVELOPMENT BANKS.

(a) The Congress considers insufficient the role currently played in global population efforts by the International Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank and the African Development Bank. Although these multilateral development banks are singularly important sources of support for development activities, together they provided less than $200,000,000 in 1990 in assistance for core population programs. Nor have these institutions consistently used their considerable influence with national leaders to encourage appropriate population and reproductive health care policies.

(b)(1) The Congress believes that the multilateral development banks should together increase their support for core population activities to no less than $1,000,000,000 by the end of this century.

(2) In furtherance of this goal, the President shall require the United States Executive Directors of the International Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank and the African Development Bank to prepare and transmit to Congress by July 31 of each year a report on allocations by each of these institutions to core population activities and, if such allocations total less than $1,000,000,000, a discussion of any specific actions taken by the Executive Directors to encourage increases in such allocations and in policy level discussions with donor and developing country governments.

SEC. 303. PREPARATIONS FOR THE 1994 INTERNATIONAL POPULATION CONFERENCE.

(a) Not later than March 1, 1992, the President shall establish a National Bipartisan Commission on World Population Stabilization and Reproductive Health to oversee United States preparations for, and participation in, the 1994 International Population Meeting and for other purposes.

(b) The Commission shall be comprised of the Under Secretary of State for Global Population, Environment and National Resources, the Administrator of the Agency for International Development, the Chairman of the President's Council on Environmental Quality, the Deputy Assistant Secretary for Population Affairs of the Department of Health and Human Services, the Director of the Congressional Office of Technology Assessment, and three other individuals appointed by the President, by and with the advice and consent of the Senate, one of whom shall be designated as chairman.

(c) Not later than June 30, 1993 the Commission shall prepare and have published as a public document a report on national and international population trends and their probable impact on efforts to alleviate poverty and protect the environment. The report shall include specific recommendations for modifications in the World Population Plan of Action, and in the 88 recommendations for its further implementation approved at the 1984 International Conference on Population, for consideration at the 1994 International Population Meeting. Such recommendations shall emphasize, *inter alia*, policy changes and financial commitments by the governments of the world required to achieve universal reproductive choice and early population stabilization.

(d) The Commission shall hold public hearings on the published report in which relevant experts from within the United States as well as from other developed and developing countries shall be invited to review the findings and recommendations.

(e) In order to carry out this section, there are authorized to be appropriated $500,000 for fiscal year 1992 and $1,000,000 for fiscal years 1993 and 1994.

EXHIBIT 1

[From the Christian Science Monitor, May 10, 1991]

WORLD POPULATION—U.S. ADDRESSES FAMILY PLANNING

(By Brad Knickerbocker)

The connection between overpopulation and environmental degradation is becoming a prominent factor in efforts to increase family planning around the world.

This is happening at several levels: within international agencies like the United Nations, among environmental groups now making it a top priority, and on Capitol Hill.

The House Committee on Foreign Affairs was scheduled yesterday to mark up its foreign aid bill, which includes funds for international family planning legislation. [See related story].

While man's impact on nature has long been felt locally, the worldwide effect of steady growth in population and development is becoming increasingly evident in light of deforestation, species loss, and global warming.

For example, the clearing of forests for firewood in Nepal caused erosion and siltation that in turn created small islands where rivers emptied into the sea. Land-starved peasants in Bangladesh (where 110 million people live in an area the size of Wisconsin) crowded onto these islands, which put them in the direct path of cyclones.

Lester Brown, president of the Worldwatch Institute says "profoundly disturbing" population trends mean the per capita availability of key resources will shrink "at an unprecedented rate" during the 1990s: grain land by 15 percent, irrigated land by 11 percent, forest land by 19 percent, and grazing land by 18 percent. World grain output per capita already has dropped 4 percent since the mid-1980s.

Werner Fornos, president of the Population Institute, points out that 70 percent of all families in the developing world depend on wood for fuel. Many of the communities that rely on fuel-wood as a primary energy source are overcutting forest land, according to the UN Food and Agriculture Organization.

Nancy Wallace, director of the Sierra Club's international population program, points to the direct connection between deforestation, wood burning (both linked to overpopulation), and global warming. Wood burning for example, releases two of the four major "greenhouse" gases—carbon dioxide and methane—into the atmosphere. Forests left growing, on the other hand, absorb carbon dioxide.

"The quality of human life is inseparable from the quality of the environment," Nafis Sardik, director of the UN Population Fund, said in releasing the agency's 1990 report. "And we cannot solve the environmental crisis without solving the population crisis."

"The current percent increases [in population] may seem innocuous, but the added billions can bring disaster," warns Nathan Keyfitz, who heads the population program for the International Institute for Applied Systems Analysis in Austria. "The tree cutting and other demands on the environment are not related to [birthrate] but to the population, and the relation to population is not linear or proportional, but much more than proportional, once a resource has become scarce."

"The time in which the claim can be broken is limited," he writes in "Preserving the Global Environment." published this year by the American Assembly at Columbia University and the World Resources Institute.

The world population today is 5.3 billion people. The annual rate of increase slowed to 1.7 percent by the mid 1980s, but edged up again toward the end of the decade. Experts figure the population will stabilize at 9.3 billion by the end of the next century—but only if voluntary means of contraception are made widely available and birth rates drop to replacement levels (an average of 2.1 children per couple).

If not, the population could triple. There are 1.4 billion people under age 15 in Latin America, Africa, and Asia excluding Japan. The number of reproductive-age couples in such countries will go up about 18 million per year through the 1990s.

Today, only about half the women in developing countries have access to modern contraception; 30 percent not counting China. Meeting at a UN-sponsored conference in Amsterdam two years ago, 79 countries (including the US) drew up a blueprint for stabilizing population growth that would increase contraception availability to 75 percent. Fulfilling the "Amsterdam Declaration" would mean raising world spending on family planning assistance from $3.2 billion a year to $10.5 billion. This is equal to 4 percent of average foreign aid from developed countries (which only Norway now spends).

At present, the US dedicates 2.2 percent of its foreign aid to population programs. Under pressure from right-to-life groups, the Reagan administration in 1984 cut off US support for the UN Population Fund. It was alleged that the organization at least indirectly lent support to abortions in China. The Bush administration has kept that ban.

But the Bush White House also budgeted a 24 percent rise in other forms of international population assistance for 1992, which Nancy Wallace of the Sierra Club calls "a major increase given the current fiscal climate." This brings the total to $308 million, which is still only about half what the US would be spending under the Amsterdam Declaration.

Conservative groups—many of which oppose not just abortion but family planning in general—have attacked environmental groups that have joined the call for population control. The irony here is that failure to provide means of contraception leads to an increase in abortion in much of the world. Environmental group leaders shrug off this criticism and are hopeful that the current momentum in their direction continues.

"I feel quite confident that this will be dealt with," says Ms. Wallace. "The question is, will we do it soon enough to maintain a reasonable quality of life and a healthy ecosystem? Or will be lose the basis for our economic survival?"

[From the Washington Post]

U.N. SEES GLOBAL FERTILITY DROP, BIRTH CONTROL GAINS

(By William Booth)

Birthrates are declining in all major regions of the world and more than half of all couples in developing countries now use some kind of contraception, according to the United Nations' annual report on the state of the world population.

The percentage of couples in developing countries using birth control has gone from less than 10 percent in the 1960s to 45 percent in the 1980s and 51 percent today, said the report of the U.N. Population Fund, issued yesterday.

"It shows a real change in the real world is possible. It shows family planning does work," said Carl Haub, a demographer at the private Population Reference Bureau here. "The situation is not hopeless."

The world's current population is 5.4 billion. It is expected to increase by about 85 million people a year, or 850 million over the next decade, equivalent to adding the population of Mexico every year or the population of India every 10 years.

But there has been a change in attitude. In numerous surveys, women today say they want fewer children, and desired family size is declining. Birthrates, which demographers refer to as fertility, are decreasing in every major region of the world, sometimes dramatically.

In Latin America and Asia, where in the 1960s women gave birth to an average of six children, they are now having three or four. In countries such as Thailand, Indonesia and South Korea, fertility has fallen steeply; in some cases, the rate has fallen to that of Western Europe, which barely manages to replace the dying with the newly born.

In Africa, where fertility is highest and contraception use lowest, women on average had fewer babies in the 1980s, though the average number of births was still high at 6.2, down from 6.6 in the 1960s.

GLOBAL BIRTHRATES DECLINING AS FAMILY PLANNING INCREASES

"What people are realizing is that smaller family size helps them increase their opportunities," said Catherine Pierce, a demographer with the U.N. Population Fund, "They can see the advantages of smaller versus larger families."

Yet against these signs is the unrelenting mathematics of continued population growth at higher than the replacement rate, which many believe to be at the root of the environmental degradation and mass poverty that plagues some developing countries.

The drop in family size from six to four children, for example, still results in rapid growth. Adding to the calculus is increased life expectancy in many countries. The United Nations projected in the 1980s that world population would stabilize at about 10.2 billion by the year 2085. Despite the family planning advances reported yesterday, many demographers now expect that world population will not top out until it reaches 11 billion or 12 billion toward the end of the next century. World Bank demograhers recently put the ceiling at 12.5 billion.

Almost all of the increases will occur in the developing world. To slow growth, the

U.N. group advocates increasing birth control use in the developing countries from the current figure of 51 percent to 59 percent by the year 2000.

But contraceptive use is not evenly distributed around the world. In China, it is 72 percent; in West Africa, 4 percent. Use in the United States is almost 70 percent. U.N. demographers said that a stable world population will not be achieved until 75 percent of couples use contraception.

But officials say they are encouraged by the fact that most developing countries now appreciate the need for family planning. According to the report, only four countries actively restrict access to family planning services: Saudi Arabia, Iraq, Cambodia and Laos.

To increase birth control use, the U.N. Population Fund estimates that worldwide spending on family planning will have to double to $9 billion by the year 2000. While most of the money comes from developing countries, the U.N. group hopes to increase donations from developed countries, including the United States. The United States cut off support for the U.N. Population Fund because of its program in China, whose "one couple, one child" campaign was viewed as overly coercive.

FAMILY PLANNING, U.S. POLICY AND THE DEATHS IN BANGLADESH

(By Hobart Rowen)

The death toll has hit a shocking 125,000 in Bangladesh and may reach 200,000. But don't blame it all on the cyclone and floods. The disaster also has its roots in abject poverty, which is linked to environmental problems and excessive population growth.

Bangladesh is a disaster-prone tiny corner of Asia, suffering from degradation of the water-shed in the upper Himalayas that aggravates periodic flooding, creating vast numbers of landless poor. The per-capita income is a miserable $170 a year.

At the same time, Bangladeshi families produce an avreage of almost five children, an improvement over six in the early '80s, but still too high. About 115 million people—equal to about half the U.S. population—are jammed into an area 1/65th the size of the United States. The worst lies ahead: Bangladesh will nearly double to 199 million by the year 2025, according to the World Bank.

Misguided richer nations routinely pump multi-billions of loans into the Third World for economic "development" and then ignore the relative pennies that are needed for family planning or reforestation.

World Bank statistics show that despite money handouts, per-capita income in country after country in Asia and Latin America is declining. With too many mouths to feed, there's no mystery to the result.

Routinely, we hand out condoms in American classrooms these days. yet because of the power of the antiabortion lobby, ncrmally sensible politicians such as President Bush look the other way when poor mothers and fathers in the Third World beg for modern contraceptive devices and training.

The current crisis in Bangladesh gives added urgency to a report on global population problems sent this week to 300 members of Congress by the Population Crisis Committee, a Washington research agency.

A key recommendation is that Congress boost Agency for International Development funds for family planning from $322 million this year to $600 million next year and that AID scrap the "open hostility" evidenced at the very top of the agency and return to the much bolder population-control programs it guided until midway through the Reagan administration.

By promoting the availability and use of modern contraceptive techniques, AID helped slow the pace of population growth in the '60s and '70s. It was one of our real foreign aid success stories, notably in Thailand, Indonesia, Mexico—and Bangladesh.

But in 1984 President Reagan allowed then-State Department official James Buckley, as chief U.S. delegate to a population conference in Mexico City, to establish a new and circumscribed American policy. Buckley decided that no AID funds could be used to support any foreign population-control agency if that agency engaged in any abortion-related activities.

"The Mexico City policy says to groups overseas: 'If you use your own resources on abortion, you're ineligible for any grant from us for family planning,'" said the PCC's Joseph Speidel.

"AID programs are plagued by the ghost of the Reagan administration," and PCC Vice President Sharon Camp. "Reagan ideology claimed that population growth is a neutral factor in development—rather than a threat to economic progress, family health and the environment."

There is little doubt that Bush knows better. But he has willingly sublimated lifelong, on-the-record views on the desirability of strong American leadership on this issue to an effort to appease the GOP right wing.

This head-in-the-sand policy needs a new and urgent re-examination. The PCC estimates that 1 million women lose their lives annually in the Third World through illegal abortions. Good family planning could cut that figure in half. The PCC report notes that most demographers believe that the world's population will triple before it stops growing unless more couples adopt some form of birth control by the end of the 1990s.

Family planning advocates are not suggesting using American government money to finance abortions abroad. They want AID to finance what is legal in both the United States and in most Third World countries. That includes funding a comprehensive family planning program that will help couples obtain modern contraceptives and teach them how to use them effectively. They also want to educate Third World women on the dangers of illegal abortions and generate sex education for adolescents in Africa and Asia.

The United States should restore itself as a world leader in the field of family planning. This is an area where a Democratic leadership looking for issues has a real opening. Polls show that the vast majority of Americans support funding for family planning. Increasingly, environmental organizations that shied away from entanglements with population issues see the nexus between family planning and their own goals, as illustrated in Bangladesh.

Sen. Mitchell, Speaker Foley: What are you waiting for?

[From the New York Times, May 23, 1991]

SMALLER FAMILIES, BIGGER FUTURES

A Republican President of the United States once made stirring comments about the importance of birth control. "Governments must act and private citizens cooperate urgently through voluntary means to secure this right for all people," Dwight D. Eisenhower said. "Failure would limit the expectation of future generations to abject poverty and suffering and bring down upon us history's condemnation."

During the last 25 years many governments, and the United States Government in particular, have indeed acted to secure the right to birth control information and technology. The results, described in a new report from the United Nations, are remarkable.

Thirty years ago, fewer than 10 percent of couples in developing countries used some kind of birth control. Today more than half do. In Latin America and Asia, women are giving birth to three or four children where once they had six. And in Africa, where the fertility rate is highest and contraceptive use lowest, births are starting to decline.

Even so, the multiplication rate remains awesome, and so do its consequences: the impoverishment of the planet and many of its inhabitants. The 1990's represent America's chance to make an extraordinary impact on the future—by resuming the leadership of international family planning efforts it renounced during the Reagan years.

At the 1984 World Population Conference in Mexico City, the United States announced it would try to end financial aid to any agency that so much as mentioned abortion. The Agency for International Development then withdrew funding from the U.N. Fund for Population Activities and the International Planned Parenthood Federation.

Last week, the Population Crisis Committee, a Washington research and advocacy group, sent recommendations on global population control to Congress. They deserve serious consideration by legislators and by anyone concerned about world population, mass poverty and the environment—and, above all, by the current Republican tenant in the White House. The group seeks renewed support for the U.N. fund and the federation; a substantial budget for A.I.D.'s population programs, and more comprehensive approaches to family planning.

"A.I.D. programs are plagued by the ghost of the Reagan Administration," says Sharon Camp, a senior vice president of the population crisis group. It's well past time to shake off that ghost of the past, for the sake of the future.

By Mr. CRANSTON (for himself, Mr. RIEGLE, and Mr. DIXON):

S. 1194. A bill to amend the Urban Mass Transportation Act of 1964, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL MASS TRANSPORTATION ACT OF 1991

• Mr. CRANSTON. Mr. President, I am introducing today the Federal Mass Transportation Act of 1991, a bill that will improve public transportation across this country.

I am pleased to join in cosponsoring the bill with my distinguished colleagues, Senators DON RIEGLE and ALAN DIXON.

The bill is not, of course, a final product. The Senate Banking Committee will be working on a bipartisan basis to refine this legislation so that it can be added as the mass transportation title when the Surface Transportation Efficiency Act is considered on the Senate floor next month. We are introducing the bill today to make it easier for people across the country to have access to the text for review and comment.

The transportation bill now before Congress is the most important piece of transportation legislation in many years. The Environment and Public Works Committee is setting out a far-sighted framework for national transportation policy. And the bill we introduce today will reinforce other elements of the Surface Transportation Efficiency Act.

Public transit must be an important part of our transportation future. The unmet need for modern, efficient public transit is even greater today than it was 25 years ago, when Congress first acted to strengthen public transit. Fortunately, we have a great opportunity this year to begin closing that gap.

For the first time in 35 years, we are finally free to decide the future of Federal transportation policy without the cost burdens of completing the interstate highway system. The Nation now has that vital asset. It needs to be preserved, of course.

The interstate commitment was based on the Eisenhower era dream that we could achieve nationwide mobility by building bigger and better roads to accommodate more and faster motor vehicles.

My own State of California embraced the dream early on. No State threw itself into the task with more fervor. California's vast and sophisticated network of superhighways is second to none.

But now we also know that the dream of 35 years ago can carry us only so far—and then it creates severe problems. In our economic and population centers, more highways do not bring mobility—new highways tend to generate new congestion.

The costs of highway construction are far greater than the $129 billion in direct spending on the interstate system.

We pay that cost through increasingly intolerable traffic congestion in the Nation. In my State of California, some 6,000 miles of the main roads are choked to capacity in peak hours. California's work force spends 300,000 hours each day in traffic gridlock.

We pay the cost through rising and atrocious air pollution in America—8 of every 10 Californians now live in areas with polluted air, much of it transportation related.

Two recent studies by the University of Southern California made the shocking finding that "children raised in the South Coast Air Basin already had 10 to 15 percent less lung function by the time they were in the second grade than youngsters growing up in relatively smog-free Houston."

We pay the cost through over-reliance on foreign oil. And each additional commuter who has to use a car requires an extra 200 gallons of gasoline per year.

These problems can only worsen if we continue current transportation policies. California's freeway congetion is expected to rise by more than 400 percent during the next 20 years. Some States may not yet have the highway-related crisis that has already hit California. But many do, and the trends are ominous throughout the country.

Continuing with a narrow-viewed highway policy will lead us up a blind alley. The Senate must find a better path.

I am confident that a new transportation bill can move the country toward a more balanced, integrated and efficient transportation system. We can do a better job of linking highways, mass transit, ports, railroads, and airlines. We can move goods more efficiently within urban centers and to distant markets. We can help people move quickly to and from home, jobs, and other destinations.

I believe the Senate is stepping up to that challenge.

The Committee on Environment and Public Works and the Senate Banking Committee are working closely together to develop a comprehensive transportation bill.

The Banking Committee's Subcommittee on Housing and Urban Affairs, which I chair, is responsible for public transit legislation. Our process is well along. Several months ago, the subcommittee invited policy recommendations from transportation leaders across the country. We convened a national symposium on public transportation. We've held hearings in Washington and elsewhere.

Many responded with very thoughtful advice. And we have incorporated the best of those recommendations into this bill. I would like to mention key elements of our legislation.

First, the bill provides comparable funding increases for highways and public transit. Over the past decade, Federal aid to public transit was cut from $4.6 billion in fiscal 1981 to $3.2 billion today. After inflation, that is a cut of 50 percent. Now, the administration's bill would expand highway spending by 39 percent but proposes essentially flat funding for public transit. The President suggests a token increase way out in the last year of the proposal; but, after inflation, mass transit would continue to be cut for 5 more years.

Our bill provides for real growth in transit funding—equal to the increase provided for highways. Both the discretionary grant program and the formula grant programs will be funded partly out of the transit account of the highway trust fund and partly out of general funds.

The bill does not accept the President's scheme for exhausting the trust fund balance over a 5- or 6-year period and then throwing transit funding into a crisis. Our bill will provide transit with sources of funding that can be sustained on into the future.

Second, the bill opens up the highway trust fund so that highway and transit dollars can be used to improve mobility in the most efficient way—whether that is with roadways, or transit, or some multimodal solution.

In some areas, new roads may be the answer. But in other areas, mobility would be improved much more efficiently through improved mass transit—or perhaps through ramp-metering, HOV lanes, or car pool programs. Metropolitan areas should be able to choose the best use of scare funds.

I am aware that many are uneasy about funding flexibility because, historically, highway interests have had such dominant power in many States.

But I believe we can fashion a solution that provides funding flexibility where it really is needed—in those metropolitan areas that are struggleing with severe problems of congestion and air pollution. We should do it with adequate protections so that funds will not be drained form basic transit needs.

Fourth, the bill helps us get a bigger "bang" of transportation service for every transit buck that is made available.

One section of the bill improves full funding grant agreements to stretch available funding over more projects and enable transit operators to finance and manage long-term projects more efficiently. Another section of the bill permits operators to enter into long-term purchasing agreements for buses and rail cars to provide fleets of compatible vehicles that can be operated and maintained more efficiently. Yet another section of the bill provides new authority that is needed for "turnkey" procurement of high technology transit systems.

Fifth, the bill addresses the differing needs of mass transit systems across the country. Some cities have a great need to build new transit systems—for them, the bill would improve capital project management. Other cities have mature transit systems and need assistance in operating, modernizing and extenting their facilities—for them, rail modernization would be distributed on a more predictable formula. All cities need adequate bus service—for them, funding for bus procurement would be increased. The bill reflects the needs of smaller communities and rural areas—for them, funding for the section 18 program would be doubled.

Sixth, the bill gives priority to maintenance of our existing infrastructure. The Senate's highway title provides protection of the interstate investment and maintenance of our bridges. The public transportation title will also provide for adequate maintenance of our public transportation services.

Seventh, the bill gives metropolitan areas responsibility to develop comprehensive strategies for meeting their long term transportation needs. Our bill is carefully crafted so as not to require significant changes in practice for less densely populated States and areas. But it does provide for integrated transportation planning in areas with severe air pollution and traffic congestion where that is especially important.

That will work only if metropolitan areas are allocated a fair share of Federal transportation aid and are given authority to select projects for new or expanded capacity. Projects will be approved through a comprehensive local decision making process in which States and other interested parties participate.

This authority to approve capacity expansion projects need not be given to every metropolitan area, but our bill gives that authority to those areas that are trying to carry out a comprehensive strategy for reducing severe congestion and air pollution.

Eighth, the bill removes bias against the choice of the most efficient use of Federal transportation funds. Federal policy now stacks the deck heavily against public transit. Metropolitan areas will have a "level playing field" when they choose among transportation modes. Application procedures will be more standardized. Extra UMTA requirements for alternatives analysis and some other application steps would be waived if section 3 funds will be less than 30 percent of a project's cost—and Federal highway funds could be used to reduce funds required under section 3.

State and local match requirements will be more uniform across alternative transportation solutions. Our bill would apply the highway match requirements to public transit projects—that is a 75/25 match for new capacity; and 80/20 match for maintenance activities and more efficient use of existing systems.

And finally, the bill reinforces the Clean Air Act, the Americans With Disabilities Act and other important national objectives. The bill is drafted to prevent some provisions of the Clean Air Act from having the unintend effect of diverting Federal transportation assistance away from areas of the country that have the greatest congestion. And it is drafted to prevent some requirements of the Americans with Disabilities Act from having the unintended effect of weakening transit systems that are already financially strained.

Our bill reflects the suggestions of many transportation leaders across the country. It improves existing transit programs and breaks some new ground to provide for more effective mass transit.

The Senate is under tight time pressure for moving a transportation bill. Majority Leader George Mitchell has made clear that the Senate has to complete action on a transportation bill before the July recess. I intend to meet that timetable.

I urge my colleagues to review this legislation carefully and work with us to refine it and get it enacted promptly. Together we can produce a surface transportation act that will give this country the advanced, integrated transportation system we need—a system that will help conserve our fuel, cut our air pollution, and clear our roadway congestion for decades to come.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1194

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This title may be cited as the "Federal Mass Transportation Act of 1991".

(b) Table of Contents.—

Sec. 1. Short title; table of contents.
Sec. 2. Change of agency name.
Sec. 3. Findings and purposes.
Sec. 4. Discretionary capital grants; technical amendment to provide for early systems work contracts and full funding grant contracts.
Sec. 5. Section 3 program—Allocations and rail modernization formula.
Sec. 6. Discretionary capital grants—Innovative techniques and practices.
Sec. 7. Discretionary capital grants—Elderly and persons with disabilities.
Sec. 8. Criteria for new starts.
Sec. 9. Advance construction; technical amendment related to interest cost.
Sec. 10. Discretionary capital grants—Deleting of extraneous material.
Sec. 11. Comprehensive transportation strategies.
Sec. 12. Section 9 formula grant program—Discretionary transfer of apportionment.
Sec. 13. Section 9 program—Elimination of incentive tier.
Sec. 14. Section 9 program—Applicability of safety provisions.
Sec. 15. Section 9 program—Certifications.
Sec. 16. Section 9 program—Program of projects.
Sec. 17. Section 9 program—Delegation of environmental assessment responsibility.
Sec. 18. Section 9 program—Continued operating assistance for commuter rail in southern Florida.
Sec. 19. Section 11—University transportation centers.
Sec. 20. Section 12—Transfer of facilities and equipment.
Sec. 21. Special procurement.
Sec. 22. Section 16—Elderly and persons with disabilities.
Sec. 23. Section 18—Transfer of facilities and equipment.
Sec. 24. Human resources program support.
Sec. 25. Authorizations.
Sec. 26. Section 23—Project Management Oversight.
Sec. 27. Section 26—Planning and research.
Sec. 28. Technical accounting provisions.

SEC. 2. CHANGE OF AGENCY NAME.

(a) In General.—The Urban Mass Transportation Administration is hereby redesignated as the "Federal Transit Administration".

(b) Conforming Amendments.—Titles 5 and 49, United States Code, are amended by striking "Urban Mass Transportation Administration" wherever it appears and inserting "Federal Transit Administration".

(c) Other References.—Any reference in any other provision of law to the "Urban Mass Transportation Administration" shall be deemed to refer instead to the "Federal Transit Administration".

SEC. 3. FINDINGS AND PURPOSES.

(a) Findings.—Section 2(a) of the Urban Mass Transportation Act of 1964 (hereafter referred to in this Act as the "Act") (49 U.S.C. App. 1601(a)) is amended—

(1) in paragraph (2), by striking "and" after "basis";

(2) in paragraph (3), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) that significant improvements in public transportation are necessary to achieve national goals for improved air quality, energy conservation, and mobility for elderly persons, persons with disabilities, and economically disadvantaged persons in urban and rural areas of the country.".

(b) Purposes.—Section 2(b) of the Act is amended—

(1) in paragraph (2), by striking "and" after "private";

(2) in paragraph (3), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) to provide financial assistance to State and local governments and their instrumentalities to help implement national goals relating to mobility for elderly persons, persons with disabilities, and economically disadvantaged persons.".

SEC. 4. DISCRETIONARY CAPITAL GRANTS; TECHNICAL AMENDMENT TO PROVIDE FOR EARLY SYSTEMS WORK CONTRACTS AND FULL FUNDING GRANT CONTRACTS.

Section 3(a)(4) of the Act is amended—

(1) by inserting after "(4)" the designation "(A)";

(2) by adding in the fifth sentence, after "complete" the phrase "not less than";

(3) by adding after the fifth sentence the following new subparagraphs:

"(B) The Secretary is authorized to enter into a full funding contract with the applicant, which contract shall—

"(i) establish the terms and conditions of Federal financial participation in a project under this section;

"(ii) establish the limits of Federal financial obligation for such project; and

"(iii) facilitate timely and efficient management of such project in accordance with Federal law.

A contract under this subparagraph shall obligate an amount of available budget authority specified in law and may include a commitment, contingent upon the future availability of budget authority, to obligate an additional amount or additional amounts from future available budget authority specified in law. The total of amounts stipulated in a contract for a fixed guideway project shall be sufficient to complete not less than an operable segment. Any interest and other financing costs of carrying out the project or a portion thereof efficiently shall be considered as a cost of carrying out the project under a full funding contract, except that eligible costs shall not be greater than the costs of the most favorable financing terms reasonably available for the project at the time of borrowing.

"(C) The Secretary is authorized to enter into early systems work agreements with the applicant if a record of decision pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) has been issued on the project and the Secretary determines there is reason to believe—

"(i) a full funding contract will be entered into for the project; and

"(ii) the terms of the early systems work agreement will promote ultimate completion of the project more rapidly and at less cost.

The early systems work agreement shall obligate an amount of available budget authority specified in law and shall provide for reimbursement of preliminary costs of project implementation, including land acquisition, timely procurement of system elements for which specifications are determined, and other activities that the Secretary determines to be appropriate to facilitate efficient, long-term project management. The interest and other financing costs of carrying out the early systems work agreement efficiently shall be considered as a cost of carrying out the agreement, except that eligible costs shall not be greater than the costs of the most favorable financing terms reasonably available for the project at the time of borrowing. If an applicant fails to implement the project for reasons within the applicant's control, the applicant shall repay all costs under the early systems work agreement plus such interest and penalty charges as the Secretary may establish as reasonable in the agreement.";

(4) by inserting "(D)" before "The total estimated";

(5) in the sentence that begins "The total estimated"—

(A) by inserting "and contingent commitments to incur obligations," after "Federal obligations";

(B) by inserting "early systems work agreements and full funding grant contracts," after "all outstanding letters of intent,"; and

(C) by inserting "or the unobligated balance remaining in the transit account of the Highway Trust Fund, whichever is greater" after "section 3 of this Act"; and

(6) in the sentence that begins "The total amount covered", by inserting "or obligated by early systems work agreements and full funding grant contracts" after "by new letters issued,".

SEC. 5. SECTION 3 PROGRAM—ALLOCATIONS AND RAIL MODERNIZATION FORMULA.

Section 3(k) of the Urban Mass Transportation Act of 1964 is amended by adding at the end the following new paragraphs:

"(3) In general.—Of the amounts available for grants and loans under this section for fiscal years 1992, 1993, 1994, 1995, and 1996—

"(A) _____ percent shall be available for rail modernization;

"(B) _____ percent shall be available for construction of new fixed guideway systems and extensions to fixed guideway systems;

"(C) _____ percent shall be available for the replacement, rehabilitation and purchase of buses and related equipment and the construction of bus-related facilities; and

"(D) _____ percent shall be available for purposes of carrying out capital projects necessary to satisfy requirements of the Clean Air Act Amendments of 1990 and the Americans With Disabilities Act.

"(4) Rail Modernization Formula.—

"(A) Hold Harmless for Historic Rail Systems.—For fiscal years 1992, 1993, 1994, 1995 and 1996, the Secretary shall make available to historic rail systems any amounts approved in an appropriations Act to carry out paragraph (3)(A) ('the appropriated amounts') that are to equal or less than the amounts provided for rail modernization activities in the Department of Transportation Appropriations Act for fiscal year 1991. The Secretary shall allocate the appropriated amounts such that each historic system annually receives no less than its proportionate share of the appropriated amounts, as reflected by the average share that the system received of funding for rail modernization activities under this section for each of fiscal years _____.

"(B) Allocation of Additional Appropriations.—For the fiscal years identified in subparagraph (A), the Secretary shall make available to all eligible systems any amounts approved in an appropriations Act to carry out paragraph (3)(A) that exceed the amounts provided for rail modernization activities in the Department of Transportation Appropriations Act for fiscal year 1991. The Secretary shall allocate such amounts by the formula specified under section 9(b)(2).

"(C) Apportionment.—(i) On October 1 of each fiscal year, the Secretary shall apportion any amounts authorized to be appropriated for that fiscal year (and any fiscal years remaining in the authorization period identified under paragraph (3)) among all eligible systems in accordance with the provisions of this paragraph. The Secretary shall publish apportionments of such authorized amounts on the apportionment date established by the preceding sentence.

(ii) The Secretary shall apportion any amounts approved in an appropriations Act to carry out paragraph (3)(A) for any fiscal year in accordance with the provisions of this paragraph not later than the 10th day following the date on which such funds were appropriated or October 1 of such fiscal year, whichever is later. The Secretary shall publish apportionments of such appropriated amounts on the apportionment date established by the preceding sentence.

"(D) Definitions.—For purposes of this paragraph—

"(i) the term 'historic rail system' includes those rail systems that received funding for rail modernization under this section for at least two of the five fiscal years comprising the authorization period identified under paragraph (1).

"(ii) the term 'eligible systems' shall include, for a given fiscal year, all historic rail systems and all other fixed rail systems (including commuter rail) placed in revenue service within 10 years of such fiscal year. A fixed rail system (including commuter rail) shall be considered to be placed in revenue service for purposes of the preceding sentence if a minimum operable segment of such system was so placed.".

SEC. 6. DISCRETIONARY CAPITAL GRANTS—INNOVATIVE TECHNIQUES AND PRACTICES.

Section 3(a)(1) of the Act (49 U.S.C. App. 1602(a)(1)) is amended by striking in subparagraph (C) the semicolon and inserting ", including grants to States and local public bodies for projects for the deployment of innovative techniques and methods in the management and operation of public transportation services;".

SEC. 7. DISCRETIONARY CAPITAL GRANTS—ELDERLY AND PERSONS WITH DISABILITIES.

Section 3(a)(1) of the Act (49 U.S.C. App. 1602(a)(1)) is amended by striking subparagraph (E) and inserting the following:

"(E) mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly persons and persons with disabilities, with such grants and loans being subject to all of the terms, conditions, requirements and provisions applicable to grants and loans made under this section.".

SEC. 8. CRITERIA FOR NEW STARTS.

Section 3(i) of the Act (49 U.S.C. App. 1602(i)) is amended—

(1) by redesignating paragraphs (1), (2), and (3), as subparagraphs (A), (B), and (C);

(2) by inserting "(1)" before the first sentence;

(3) by inserting after subparagraph (C), as redesignated, the following:

"In determining cost-effectiveness, the Secretary shall provide appropriate adjustments for inflation over time and for regional differences in the costs of such factors as land and construction. The alternatives analyses shall take account of the direct and indirect costs of relevant alternatives that would provide comparable capacity expansion, including costs related to such factors as air pollution, noise pollution, congestion, energy conservation, and economic development.";

(4) by striking "may" the second time it appears and inserting "shall";

(5) by inserting after "the Secretary may also consider" the following: "the current state of land use in the community, the degree to which the project increases the mobility of the transit dependent population, and"; and

(6) by adding at the end of the subsection the following new paragraph:

"(2) Notwithstanding paragraph (1), if assistance provided under this section accounts for less than $25,000,000 or less than 30 percent of total project cost, the provisions of paragraph (1)(A) and the limitation on project development to one corridor at a time will be waived.".

SEC. 9. ADVANCE CONSTRUCTION; TECHNICAL AMENDMENT RELATED TO INTEREST COST.

Section 3(l)(2)(B) of the Act is amended by striking all after "greater than" and inserting the phrase "the most favorable interest terms reasonably available for the project at the time of borrowing.".

SEC. 10. DISCRETIONARY CAPITAL GRANTS—DELETING OF EXTRANEOUS MATERIAL.

Section 4 of the Act (49 U.S.C. App. 1603) is amended by striking subsections (b) through (g) and subsection (i) and redesignating subsection (h) as subsection (b).

SEC. 11. COMPREHENSIVE TRANSPORTATION STRATEGIES.

Section 8 of the Act (49 U.S.C. App. 1607) is amended to read as follows:

"SEC. 8. PLANNING.

"(a) Metropolitan Transportation Strategies.—

"(1) In general.—It is in the national interest to encourage and promote the development of transportation systems that integrate various modes of transportation and efficiently maximize mobility of people and goods within and through urbanized areas and minimize transportation-related fuel consumption and air pollution. The Secretary shall cooperate with State and local officials in metropolitan areas in the development of comprehensive transportation strategies for achieving this objective.

"(2) METROPOLITAN PLANNING ORGANIZATIONS.—

"(A) IN GENERAL.—A metropolitan planning organization shall be designated for each urbanized area of more than 50,000 in population by agreement among the Governor and units of general purpose local government representing at least 90 percent of the affected population. In those metropolitan areas eligible for designation as transportation management areas in accordance with subparagraph (D) of this section the metropolitan planning organization shall include local elected officials, officials of agencies that administer or operate major modes of transportation in the metropolitan area, and appropriate State officials. For purposes of this section, the term 'metropolitan area' shall mean an area for which one metropolitan planning organization is responsible.

"(B) CONTINUING DESIGNATION.—Designations of metropolitan planning organizations, whether made under this or earlier provisions of law, shall remain in effect until revoked by agreement among the Governor and the affected units of general purpose local government, provided that metropolitan planning organizations may be reorganized by agreement among the Governor and units of general purpose local government representing at least 90 percent of the affected population as appropriate to carry out the provisions of this Act. The Secretary shall establish practicable procedures and timetables that the Secretary determines to be appropriate for metropolitan planning organizations to meet the requirements of subparagraph (A).

"(C) RESPONSIBILITY OF THE GOVERNOR.—When a metropolitan planning organization is designated or reorganized, the Governor shall ensure that the metropolitan planning organization is structured to—

"(i) give balanced assessment to all modes of transportation, including roadway and public transit facilities;

"(ii) give full consideration to the need for mobility of people and goods into and through central cities within the metropolitan area; and

"(iii) otherwise carry out the metropolitan planning organization's responsibilities under Federal law. The Governor shall certify to the Secretary that the requirements of this subparagraph have been met.

"(D) TRANSPORTATION MANAGEMENT AREAS.—The Secretary shall publish and annually update a list of those metropolitan areas that—

"(i) have greater than 250,000 population; or

"(ii) are noncompliance areas under the Clean Air Act (42 U.S.C. 7401 et seq.).

The Secretary shall designate such areas to be transportation management areas. The Secretary may designate additional metropolitan areas to be transportation management areas upon the request of the Governor and the metropolitan planning organization. Such additional metropolitan areas may include ecologically fragile areas of national significance that are expected to be significantly affected by transportation decisions. The designation of a transportation management area shall remain in effect until revoked by the Secretary. The metropolitan planning organization in a transportation management area shall carry out a continuing, cooperative, and comprehensive transportation planning and programming process in cooperation with the State and transit operators and have such additional authorities and responsibilities as are specified in this Act.

"(E) TRANSITIONAL PROVISION.—The Secretary shall designate as transportation management areas—

"(i) not less than 15 percent of the metropolitan areas on the list in subparagraph (D) within 1 year after enactment of this Act;

"(ii) not less than 30 percent of such areas within 2 years after enactment;

"(iii) not less than 45 percent of such areas within 3 years after enactment;

"(iv) not less than 60 percent of such areas within 4 years after enactment; and

"(v) all such areas thereafter. To the extent the Secretary deems practicable after taking into account local circumstances, the Secretary shall exceed the percentages required in the previous sentence and give priority to designation of metropolitan areas that have the most severe problems of air quality and traffic congestion.

"(3) METROPOLITAN AREA BOUNDARIES.—

"(A) IN GENERAL.—For the purposes of this title, the boundaries of any metropolitan area shall be determined by agreement between the metropolitan planning organization and the Governor. Each metropolitan area shall include at least the existing urbanized area and the contiguous area that can reasonably be expected to be urbanized within the subsequent 20-year period.

"(B) TREATMENT OF LARGE URBAN AREAS.—More than one metropolitan planning organization may be designated within an urbanized area, if—

"(i) more than one metropolitan planning organization was designated within such area on January 1, 1991; and

"(ii) the Secretary determines that the size and complexity of the urbanized area make designation of more than one metropolitan planning organization appropriate. If more than one metropolitan planning organization has authority within an urban area, appropriate provision, as determined by the Secretary, shall be made to coordinate the metropolitan transportation strategies within such urban area.

"(C) INCLUSION OF CLEAN AIR NONATTAINMENT AREAS.—Any area that—

"(i) is found to be in nonattainment for any transportation-related pollutant under the Clean Air Act (42 U.S.C. 7401 et seq.); or

"(ii) is determined by the Governor and the metropolitan planning organization to be likely to be significantly affected by air pollution within the subsequent 20-year period, shall be included within the boundaries of the appropriate metropolitan area, as determined by the Governor and the metropolitan planning organization. If more than one metropolitan planning organization has authority within a nonattainment area, appropriate provision, as determined by the Secretary, shall be made to coordinate the metropolitan transportation strategies within such nonattainment area.

"(D) COORDINATION IN MULTI-STATE AREAS.—The Secretary shall establish such requirements as the Secretary deems appropriate to encourage Governors and metropolitan planning organizations with responsibility for a portion of a multi-State Metropolitan Statistical Area or Consolidated Metropolitan Statistical Area, as defined by the Bureau of the Census, to provide coordinated transportation planning for the entire Metropolitan Statistical Area or Consolidated Metropolitan Statistical Area.

"(4) DEVELOPMENT OF TRANSPORTATION STRATEGY.—

"(A) IN GENERAL.—Each metropolitan planning organization shall prepare and update periodically, according to a schedule that the Secretary determines to be appropriate, a metropolitan transportation strategy for its metropolitan area as provided in this section. In developing the strategy, the metropolitan planning organization shall consider the environmental, energy, land use, and other regional effects of all transportation projects to be undertaken within the metropolitan area, without regard to funding source.

"(B) PUBLICATION OF STRATEGIES.—A metropolitan transportation strategy shall be—

"(i) published or otherwise made readily available for public review; and

"(ii) submitted for information purposes to the Governor. The Secretary shall establish such dates and manner for the publication and submission of metropolitan transportation strategies as the Secretary determines to be appropriate to carry out the purposes of this section.

"(C) COORDINATION WITH CLEAN AIR ACT AGENCIES.—In nonattainment areas for transportation-related pollutants, the metropolitan planning organization shall coordinate the development of a metropolitan transportation strategy with the process for development of the transportation measures of the State Implementation Plan required by the Clean Air Act (42 U.S.C. 7401 et seq.).

"(D) PARTICIPATION BY INTERESTED PARTIES.—Prior to approving a metropolitan transportation strategy, each metropolitan planning organization shall provide citizens, affected public agencies, representatives of transportation agency employees, private providers of transportation and other interested parties with a reasonable opportunity to participate in the development of the strategy, in a manner that the Secretary deems appropriate.

"(E) CERTIFICATION OF COMPLIANCE.—The Secretary shall assure that each metropolitan planning organization is carrying out its responsibilities under applicable provisions of Federal law. The Secretary shall, not less frequently than every 3 years, provide certification to those metropolitan planning organizations that, in the opinion of the Secretary, are carrying out applicable requirements of Federal law. If the Secretary finds, after reasonable notice and opportunity for hearing, that a metropolitan planning organization is not carrying out its responsibilities under applicable provisions of Federal law, the Secretary shall deny certification and, until corrective action satisfactory to the Secretary is taken, may suspend or disapprove in whole or in part the expenditure within the metropolitan area of funds made available under the Federal-Aid Highway Act of 1991 or the Federal Public Transportation Act.

"(5) CONTENTS OF STRATEGY.—A metropolitan transportation strategy under this section shall be in a form that the Secretary determines to be appropriate and shall, at a minimum—

"(A) identify transportation facilities (including but not necessarily limited to major roadways, mass transit, and multimodal and intermodal facilities) that should function as an integrated metropolitan transportation system, giving emphasis to those facilities that serve important national and regional transportation functions, such as—

"(i) moving goods within the metropolitan area and among distant markets;

"(ii) enabling people to move quickly to and from home, jobs and other destinations; and

"(iii) connecting complementary modes of transportation (such as highways, transit systems, ports, railroads and airlines);

"(B) assess major demands on the metropolitan transportation system, projected over the subsequent 20 year period;

"(C) set forth a long-range strategy for meeting metropolitan area personal mobility and goods transportation needs, including State and local actions to manage travel demand, improve transportation operations and management, increase the efficiency and effectiveness of existing facilities, or provide new transportation capacity; and

"(D) explain how proposed transportation decisions will—

"(i) achieve compliance with applicable requirements of the Clean Air Act (42 U.S.C. 7401 et seq.), the Clean Water Act and other environmental and resource conservation laws;

"(ii) further applicable Federal, State and local energy conservation programs, goals and objectives; and

"(iii) affect other important social, economic and environmental objectives of the metropolitan area as reflected in publicly adopted plans, such as those concerning housing, community development, and historic preservation;

"(E) explain—

"(i) the extent to which State and local policies regarding land use and transportation will affect metropolitan-wide mobility; and

"(ii) how proposed transportation decisions will affect future travel demand, growth in vehicle use, mobile source emissions, and land use and development, taking into consideration the provisions of all applicable short-term and long-term land use and development plans;

"(F) include a financial plan that demonstrates how the metropolitan transportation strategy can be implemented, which plan shall indicate resources from all sources that are reasonably expected to be made available to carry out the strategy, and recommend any innovative financing techniques to finance needed projects and programs, including such techniques as value capture, tolls, and congestion pricing;

"(G) project capital investment and other measures necessary to—

"(i) ensure the preservation of the existing metropolitan transportation system, including requirements for operations, resurfacing, restoration and rehabilitation of existing and future major roadways, as well as operations, maintenance, modernization and rehabilitation of existing and future public transit facilities; and

"(ii) make the most efficient use of existing transportation facilities to relieve vehicular congestion and maximize the mobility of people and goods; and

"(H) indicate as appropriate proposed transportation enhancement activities.

For metropolitan areas not designated as Transportation Management Areas under paragraph (2)(D), the Secretary may provide for the development of abbreviated metropolitan transportation strategies that the Secretary determines to be appropriate to achieve the purposes of this section, taking into account the complexity of transportation problems, including transportation related air quality problems, in such areas. The State shall develop a state-wide transportation strategy, in a form acceptable to the Secretary, that shall take into account the transportation needs of areas for which no metropolitan planning organization has been designated.

"(b) TRANSPORTATION IMPROVEMENT PROGRAMS.—

"(1) DEVELOPMENT OF PROGRAMS.—The metropolitan planning organization, in cooperation with the State and relevant transit operators, shall develop a transportation improvement program for the subsequent period of not less than 3 years. The program shall include all projects within the metropolitan area proposed for funding pursuant to the Federal-Aid Highway Act of 1991 and the Federal Public Transportation Act. The program shall conform with the approved metropolitan transportation strategy and the State Implementation Plan required under the Clean Air Act, as amended. The program shall include a project, or an identified phase of a project, only if full funding for such project or project phase can reasonably be anticipated to be available within the period of time contemplated for completion of the project and, in the case of a major project to expand the transportation capacity, an appropriate range of alternatives has been analyzed pursuant to the National Environmental Policy Act (42 U.S.C. 4321 et seq.).

"(2) PERIODIC REVIEW AND REVISION.—The metropolitan planning organization shall update or reapprove the program not less frequently than annually, except that the Secretary may provide for a less frequent updating for areas that are not designated to be transportation management areas, as the Secretary determines to be appropriate. A metropolitan planning organization may amend the program at any time, provided that the amendment shall be consistent with the metropolitan transportation strategy.

"(3) PRIORITY PROJECTS.—The program shall identify priority projects reflecting projected funding and the objectives of the metropolitan transportation strategy that shall be carried out for each relevant programming period.

"(4) STATE PROGRAMS.—The Governor shall develop a transportation improvement program, in a form acceptable to the Secretary, for areas for which no metropolitan planning organization has been designated.

"(c) PROJECT SELECTION WITHIN TRANSPORTATION MANAGEMENT AREAS.—

"(1) APPROVAL OF PROJECTS.—For projects within a transportation management area, the metropolitan planning organization shall submit to the Governor and the Secretary a list of highway and transit projects and activities that the metropolitan planning organization has approved for funding in the ensuing period, which shall not exceed 2 years. Federal assistance required for the approved projects and activities shall not exceed Federal assistance made available for project selection by the metropolitan planning organization for that period under section 106 of the Federal-Aid Highway Act of 1991 and sections 3 and 9 of the Federal Mass Transportation Act. When submitting a list of projects and activities under this paragraph, the metropolitan planning organization shall certify to the Secretary that the list was developed in accordance with a continuing, cooperative, and comprehensive planning process that the Secretary has found satisfactory under subsection (a)(4)(E).

"(2) REQUIREMENT OF APPROVAL.—Notwithstanding any other provision of law, no project or activity to be carried out with Federal participation pursuant to the Federal-Aid Highway Act of 1991 or the Federal Public Transportation Act may be approved within a transportation management area unless it is included in the list of projects approved by the metropolitan planning organization under paragraph (1).

"(3) EXCEPTIONS.—Paragraph (2) shall not apply to projects or activities that—

"(A) do not significantly increase the vehicle carrying capacity of a transportation corridor;

"(B) are necessary to maintain and preserve existing transportation facilities or their carrying capacity;

"(C) are part of a program of investments required to comply with the Americans with Disabilities Act or other Federal law; or

"(D) are needed for management of ongoing operations.

"(4) RECAPTURE.—Amounts made available under the Federal-Aid Highway Act of 1991 or the Federal Public Transportation Act for project selection by a metropolitan planning organization in a transportation management area shall remain available for a period of 3 years following the close of the fiscal year for which such funds are made available to the metropolitan area. The Secretary shall recapture any funds not obligated during such period and reallocate the funds nationally as soon as practicable according to the formula for the program under which the funds were made available. For the purposes of this paragraph, funds shall be considered to be obligated if the funds are reserved to help finance a project for which an application is pending under section 3 of the Federal Public Transportation Act.

"(d) GRANTS.—

"(1) ELIGIBILITY.—The Secretary is authorized to contract for and make grants to States and local public bodies and agencies thereof, or enter into agreements with other Federal departments and agencies, for the planning, engineering, design, and evaluation of public transportation projects, and for other technical studies. Activities assisted under this section may include—

"(A) studies relating to management, operations, capital requirements, and economic feasibility;

"(B) evaluation of previously funded projects; and

"(C) other similar or related activities preliminary and in preparation for the construction, acquisition or improved operation of mass transportation facilities and equipment.

"(2) CRITERIA.—A grant, contract or working agreement under this section shall be made in accordance with criteria established by the Secretary.

"(e) PRIVATE ENTERPRISE.—The plans and programs required by this section shall encourage to the maximum extent feasible the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban areas, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area.

"(f) USE FOR COMPREHENSIVE PLANNING.—The Secretary shall ensure, to the extent practicable, that amounts made available under section 21(c)(1) for the purposes of this section are used to support balanced and comprehensive transportation planning that takes account of the relationships among land use and all transportation modes, without regard to the programmatic source of the planning funds.

"(1) FORMULA ALLOCATION TO ALL METROPOLITAN AREAS.—The Secretary shall apportion 80 percent of the amount made available under paragraph (1) to States in the ratio that the population in urbanized areas, in each State, bears to the total population in urbanized areas, in all the States as shown by the latest available decennial census, except that no State shall receive less than ½ of 1 percent of the amount apportioned under this paragraph. Such funds shall be allocated to metropolitan planning organizations designated under section 8(a)(2)(A) by formula, developed by the State in cooperation with metropolitan planning organizations and approved by the Secretary, that considers population in urbanized areas and provides an appropriate distribution for urbanized areas to carry out the cooperative processes described in section 8 of this Act. The State shall make such funds available promptly to eligible metropolitan planning organizations according to procedures approved by the Secretary.

"(2) SUPPLEMENTAL ALLOCATION TO TRANSPORTATION MANAGEMENT AREAS.—The Secretary shall apportion 20 percent of the amount made available under paragraph (1) to States to supplement allocations under subparagraph (B) for metropolitan planning organizations in transportation management areas. Such funds shall be allocated according to a formula that reflects the additional costs of carrying out planning, programming, and project selection responsibilities under this section in such areas.

"(3) HOLD HARMLESS.—The Secretary shall ensure, to the maximum extent practicable, that no metropolitan planning organization is allocated less than the amount it received by administrative formula under section 8 of this Act in fiscal year 1991. To comply with the previous sentence, the Secretary is authorized to make a pro rata reduction in other amounts made available to carry out section 21(c).

"(4) FEDERAL SHARE PAYABLE.—The Federal share payable for activities under this paragraph shall be 75 percent except where the Secretary determines that it is in the Federal interest not to require a State or local match.".

SEC. 12. SECTION 9 FORMULA GRANT PROGRAM—DISCRETIONARY TRANSFER OF APPORTIONMENT.

Section 9 of the Act (49 U.S.C. App. 1607a) is amended—

(1) in subsection (j)(1) by adding at the end of the first sentence the following new sentence: "In a transportation management area designated pursuant to section 8(a)(2)(D), grants for construction projects under this section also shall be available for highway projects; provided that—

"(A) such use is approved by the metropolitan planning organization in accordance with section 8(c); and

"(B) according to criteria established by the Secretary, adequate provision is made for sound operation of existing transit facilities, maintenance of such facilities and their carrying capacity, management of ongoing transit operations, and any program of investments required to comply with the Americans with Disabilities Act or other Federal law."; and

(2) by adding at the end of subsection (j) the following new paragraphs:

"(3) Grants for construction projects under this section may be available for highway projects only if funds used for the State or local share portion of such highway projects are eligible to fund either highway or transit projects, or, when in the determination of the Secretary there exists under State or local law a sufficient amount of funds from a dedicated source which is available to fund local transit projects.

"(4) Funds made available for a highway project under this Act shall be transferred to and administered by the Federal Highway Administration.".

SEC. 13. SECTION 9 PROGRAM—ELIMINATION OF INCENTIVE TIER.

Section 9 of the Act (49 U.S.C. App. 1607a) is amended—

(1) in subsection (b)(2) by striking "95.61 per centum of";

(2) in subsection (b) by striking paragraph (3);

(3) in subsection (c)(2) by striking "90.8 per centum of"; and

(4) by striking all of subsection (c)(3).

SEC. 14. SECTION 9 PROGRAM—APPLICABILITY OF SAFETY PROVISIONS.

Section 9(e)(1) of the Act (49 U.S.C. App. 1607a) is amended in the first sentence by striking "and 19", and inserting "19, and 22".

SEC. 15. SECTION 9 PROGRAM—CERTIFICATIONS.

(a) Section 9(e)(2) of the Act (49 U.S.C. App. 1607a(e)(2)) is amended by inserting after the first sentence the following: "Such certifications and any additional certifications required by law shall be consolidated into a single document to be submitted annually as part of the grant application under this section. The Secretary shall annually publish a list of all required certifications in conjunction with section 9(q).".

(b) Section 9(e)(3) of the Act (49 U.S.C. App. 1607a(e)(3)) is amended by adding the following new sentence at the end: "The Secretary shall establish streamlined administrative procedures to govern compliance with the certification requirement under subparagraph (B) with respect to track and signal equipment used in ongoing operations.".

SEC. 16. SECTION 9 PROGRAM—PROGRAM OF PROJECTS.

Section 9(f) of the Act (49 U.S.C. App. 1607a(f)) is amended—

(1) at the end of paragraph (3) by striking "and";

(2) at the end of paragraph (4) by striking the period and by inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) assure that the proposed program of projects provides for the maximum feasible coordination of public transportation services assisted under this section with transportation services assisted by other Federal sources.".

SEC. 17. SECTION 9 PROGRAM—DELEGATION OF ENVIRONMENTAL ASSESSMENT RESPONSIBILITY.

Section 9 of the Act (49 U.S.C. App. 1607a) is amended by adding at the end the following new subsection—

"(r) NATIONAL ENVIRONMENTAL POLICY ACT.—

"(1) DELEGATION.—The Secretary in lieu of the Federal environmental review procedures otherwise applicable under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) (hereafter referred to in this subsection as "NEPA") may, under regulations, provide for the approval of projects by recipients of assistance under this section who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to NEPA, and other provisions of law that would apply to the Secretary if the projects were undertaken as Federal projects. The Secretary shall issue regulations to carry out this paragraph only after consultation with the Council on Environmental Quality.

"(2) CERTIFICATION.—Such recipient shall submit an annual certification under the regulations authorized by subsection (d)(1). The certification shall—

"(A) be in a form acceptable to the Secretary;

"(B) be executed by the chief executive officer or other officer of the recipient of assistance under this section qualified under the regulations authorized in subsection (r)(1);

"(C) specify that the recipient of assistance under this section will carry out fully its responsibilities as described under the regulations authorized in subsection (r)(1);

"(D) specify that the certifying officer consents to assume the status of a responsible Federal official under the NEPA specified in regulations issued by the Secretary insofar as the provisions of NEPA apply under the regulations authorized under subsection (r)(1) and is authorized and consents on behalf of the recipient of assistance under this section and the certifying officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities, and

"(E) include an agreement that the Secretary's approval of any certification shall be deemed to satisfy the Secretary's responsibilities under the NEPA as the regulations of the Secretary specify insofar as those responsibilities relate to the approval of projects by recipients under this section.

"(3) COMPLIANCE.—If the Secretary determines that a recipient has failed to comply substantially with any provision of this subsection, the Secretary shall notify the recipient that, if it fails to take corrective action within 60 days from the receipt of the notification, the Secretary will withhold future payments under this section until the Secretary is satisfied that appropriate corrective action has been taken.".

SEC. 18. SECTION 9 PROGRAM—CONTINUED OPERATING ASSISTANCE FOR COMMUTER RAIL IN SOUTHERN FLORIDA.

Section 329 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 239) is amended—

(1) in the first sentence by striking all that follows after "year";

(2) in the first sentence by inserting a period after "year";

(3) in the second sentence by striking all that follows after "service"; and

(4) in the second sentence by inserting a period after "service".

SEC. 19. SECTION 11—UNIVERSITY TRANSPORTATION CENTERS.

Section 11(b) of the Act (49 U.S.C. App. 1607c) is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) RESPONSIBILITIES.—The responsibilities of each transportation center established under this subsection shall include, but not be limited to, the conduct of infrastructure research concerning transportation, research and training concerning transportation of passengers and property, and transportation safety and the interpretation, publication, and dissemination of the results of such research. The responsibilities of one of such centers may include research on the testing of new model buses. The responsibilities of the centers may include research involving any mode of transportation. The program of research at all research centers should cover more than one mode of transportation, and should take into consideration the proportion of funding for this subsection made available under this Act, title 23, United States Code, or other sources.";

(2) by striking paragraph (7) and inserting the following:

"(7) PROGRAM COORDINATION.—The Secretary shall provide for coordination of the research, education, training and technology transfer in the research centers, the dissemination of the results of the research, and a clearinghouse between the centers and the transportation industry. The Secretary shall review and evaluate the programs carried out by the grant recipients at least annually.";

(3) by striking paragraph (8) and inserting the following:

"(8) Administration.—Up to 1 per centum of the funds made available from any source to carry out this subsection shall be available to the Secretary for the administrative expenses in connection with the performance of such administrative responsibilities."; and

(4) by adding at the end the following new paragraph:

"(11) Notwithstanding any other provision of law, funds appropriated or otherwise made available to the Department of Transportation in any Act for the purpose of transportation research may, at the discretion of the Secretary, be made available to one or more of the transportation research centers for the conduct of research compatible with the research conducted in such centers pursuant to authorizations under this Act or from the Highway Trust Fund.".

SEC. 20. SECTION 12—TRANSFER OF FACILITIES AND EQUIPMENT.

Section 12 of the Act (49 U.S.C. App. 1608) is amended by adding at the end the following new subsection:

"(k) Transfer of Capital Asset.—

"(1) Authorization.—If a recipient determines that facilities and equipment acquired with assistance under this Act no longer are needed for their original purposes, the Secretary may authorize the transfer of such assets to any public body to be used for any public purpose, with no further obligation to the Federal Government, on condition that any such facilities (including land) remain in public use no less than 5 years after the date of the transfer.

"(2) Determination.—Before authorizing a transfer under paragraph (1) for any public purpose other than mass transportation, the Secretary shall first determine that—

"(A) there are no purposes eligible for assistance under this Act for which the asset should be used;

"(B) the overall benefit of allowing the transfer outweighs the Federal Government interest in liquidation and return of the Federal financial interest in the asset, after consideration of fair market value and other factors; and

"(C) in the case of facilities (including land), the Secretary determines through an appropriate screening or survey process that there is no interest in acquiring the asset for Federal use.

"(3) Documentation.— Where the Secretary finds that a transfer is warranted, the Secretary shall set forth in writing the rationale for the decision that the transfer is appropriate under the standards in paragraph (2).

"(4) Relation to other provisions.—The provisions of this section shall be in addition to and not in lieu of any other provision of law governing use and disposition of facilities and equipment under an assistance agreement.".

SEC. 21. SPECIAL PROCUREMENT.

Section 12 of the Act (49 U.S.C. App. 1608) is amended by adding at the end the following new subsection:

"(l) Special Procurement Initiatives.—

"(1) Turnkey system procurements.—

"(A) In general.—In order to advance new technologies and lower the cost of constructing new mass transportation systems, the Secretary may allow the solicitation for a turnkey system project to be funded under this Act to be conditionally awarded before Federal requirements have been met on the project so long as the award is made without prejudice to the implementation of those Federal requirements. Federal financial assistance under this Act may be made available for such a project when the recipient has complied with relevant Federal requirements.

"(B) Initial demonstration phase.—In order to develop regulations applying generally to turnkey system projects, the Secretary is authorized to approve not to exceed 4 projects for an initial demonstration phase. The results of such demonstration projects shall be taken into consideration in the development of the regulation implementing this subsection.

"(C) Turnkey system project defined.—As used in this subsection, the term 'turnkey system' means a vendor-specific project under which a recipient contracts with a vendor to build a transit system that meets specific performance criteria and which is operated by the vendor for a period of time.

"(2) Multiyear rolling stock procurements.—A recipient procuring rolling stock with Federal financial assistance under this Act may enter into a multiyear agreement for the purchase of such rolling stock and replacement parts pursuant to which the recipient may exercise an option to purchase additional rolling stock or replacement parts for a period not to exceed 5 years from the date of the original contract. A recipient may award to other than the low bidder in connection with a procurement under this subsection, but the recipient may receive Federal assistance under this Act for in an amount not to exceed the equivalent of the lowest bid for the project.

The Secretary shall permit two or more recipients to form a consortium (or otherwise act on a cooperative basis) for purposes of procuring rolling stock in accordance with this paragraph and other Federal procurement requirements.".

SEC. 22. SECTION 16—ELDERLY AND PERSONS WITH DISABILITIES.

Section 16(b)(2) of the Act (49 U.S.C. App. 1612(b)(2)) is amended—

(1) by inserting "to the Governor of each State for allocation" before "to private";

(2) by inserting at the end the following new subparagraphs:

"(A) Funds made available under this section may be used for transportation projects to assist in the provision of transportation services for elderly persons and persons with disabilities which are included in a State program of projects. Such programs shall be submitted annually to the Secretary for approval and shall contain an assurance that the program provides for maximum feasible coordination of transportation services assisted under this section with transportation services assisted by other Federal sources.

"(B) Nothing in this subsection shall be construed to prohibit the leasing of vehicles purchased in accordance with this subsection to local public bodies or agencies for the purpose of improving transportation services designed to meet the special needs of elderly persons and persons with disabilities.".

SEC. 23. SECTION 18—TRANSFER OF FACILITIES AND EQUIPMENT.

Section 18 of the Act (49 U.S.C. App. 1614) is amended—

(1) by striking subsection (g) and redesignating subsection (h) as subsection (g); and

(2) by adding at the end the following new subsection:

"(h) Transfer of Facilities and Equipment.—In addition to the transfer authority in section 12(k) of this Act, in administering this section the State may transfer facilities and equipment acquired with assistance under this section or section 16(b) to any recipient eligible to receive assistance under this Act so long as the equipment or facilities continue to be used in accordance with the requirements of this section or section 16(b).".

SEC. 24. HUMAN RESOURCES PROGRAM SUPPORT.

Section 20 of the Act (49 U.S.C. App. 1616) is amended—

(1) by inserting "(a) In General.—" before the first sentence; and

(2) by adding at the end the following:

"(b) Use of Funds.—The Secretary is authorized to retain any funds returned to the Secretary in connection with a grant or contract under subsection (a), and such funds may continue to be used for the purpose of subsection (a).".

SEC. 25. AUTHORIZATIONS.

Section 21 of the Act (49 U.S.C. App. 1617) is amended to read as follows:

"SEC. 21. AUTHORIZATIONS.

"(a) Formula Grant Programs.—

"(1) From the trust fund.—There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out sections 9, 11(b), 12(a), 16(b), 18, 23, and 26 of this Act, and substitute mass transportation projects under section 103(e)(4) of title 23, United States Code, $1,203,750,000 for the fiscal year 1992, $1,225,000,000 for the fiscal year 1993, $1,250,000,000 for the fiscal year 1994, $1,375,000,000 for the fiscal year 1995, and $1,500,000,000 for the fiscal year 1996, to remain available until expended.

"(2) From general funds.—In addition to the amounts specified in paragraph (1), there are hereby authorized to be appropriated to carry out sections 9, 11(b), 12(a), 16(b), 18, 23, and 26 of this Act, and substitute mass transportation projects under section 103(e)(4) of title 23, United States Code, $1,259,075,000 for the fiscal year 1992, $1,291,697,000 for the fiscal year 1993, $1,331,033,000 for the fiscal year 1994, $1,381,543,000 for the fiscal year 1995, and $1,443,988,000 for the fiscal year 1996. Any funds so appropriated shall remain available until expended.

"(b) Section 3 Discretionary and Formula Grants.—

"(1) From the trust fund.—There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out section 3 of this Act, $602,250,000 for the fiscal year 1992, $675,000,000 for the fiscal year 1993, $750,000,000 for the fiscal year 1994, $825,000,000 for the fiscal year 1995, and $900,000,000 for the fiscal year 1996, to remain available until expended.

"(2) From general funds.—In addition to the amounts specified in paragraph (1), there are hereby authorized to be appropriated to carry out section 3 of this Act, $755,455,000 for the fiscal year 1992, $775,018,000 for the fiscal year 1993, $798,620,000 for the fiscal year 1994, $828,926,000 for the fiscal year 1995, and $866,398,000 for the fiscal year 1996. Any funds so appropriated shall remain available until expended.

"(3) Contractual obligations.—Approval by the Secretary of a grant or contract with funds made available under this subsection shall be deemed a contractual obligation of the United States for payment of the Federal share of the cost of the project.

"(c) Set-Aside for Planning, Programming and Research.—Before apportionment in each fiscal year of the funds made available or appropriated under subsection (a), an amount equivalent to 3.0 percent of funds made available or appropriated under subsections (a) and (b), and appropriated under the National Capital Transportation Act of 1969, as amended, shall be made available until expended as follows:

"(1) 45 percent of such funds shall be made available for metropolitan planning activities under section 8(f);

"(2) 5 percent of such funds shall be made available to carry out section 18(h);

"(3) 20 percent of such funds shall be made available to carry out the State program under section 26(a); and

"(4) 30 percent of such funds shall be made available to carry out the national program under section 26(b).

"(d) Other Set-Asides.—Before apportionment in each fiscal year of the funds made available or appropriated under subsection (a), of the funds made available or appropriated under subsections (a) and (b) and appropriated under the National Capital Transportation Act of 1969, as amended—

"(1) not to exceed an amount equivalent to 20 percent shall be available for administrative expenses to carry out section 12(a) of this Act and shall be available until expended;

"(2) not to exceed an amount equivalent to 1.5 percent shall be available for elderly and handicapped transportation pursuant to the formula under section 16(b) of this Act, to be available until expended;

"(3) $5,000,000 shall be available for the purposes of section 11(b) for each of fiscal years 1992 through 1996.

"(e) Completion of Interstate Transfer Transit Projects.—Of the amounts remaining available each year under subsections (a) and (b), after allocation pursuant to subsections (c) and (d), for substitute mass transportation projects under section 103(e)(4) of title 23, United States Code, there shall be available $160,000,000 for fiscal year 1992 and $160,715,000 for fiscal year 1993.

"(f) Set-Aside for Rural Transportation.—An amount equivalent to 5 percent of the amounts remaining available each year under subsection (a), alter allocation pursuant to subsections (c), (d), and (e), shall be available pursuant to the formula under section 18, to be available until expended.

"(g) Section 9 Funding.—The funds remaining available each year under subsection (a), after allocation pursuant to subsections (c), (d), (e) and (f), shall be available under section 9.

SEC. 26. SECTION 23—PROJECT MANAGEMENT OVERSIGHT.

Section 23(a) of the Act (49 U.S.C. App. 1619) is amended—

(1) by striking paragraphs (1) through (5);

(2) by striking "½ of 1 percent of—" and inserting "¾ of 1 percent of the funds made available for any fiscal year to carry out sections 3, 9, or 18 of this Act, or interstate transfer transit projects under section 103(e)(4) of title 23, United States Code, in effect on September 30, 1991 or a project under the National Capital Transportation Act of 1969, as amended, to contract with any person to oversee the construction of any moor project under any such section.".

SEC. 27. SECTION 26—PLANNING AND RESEARCH.

The following new section is added to the Act immediately after section 25:

"SEC. 26. PLANNING AND RESEARCH PROGRAM.

"(a) State Program.—The funds made available under section 21(c)(3), shall be available for State programs as follows:

"(1) Transit cooperative research program.—50 percent of that amount shall be available for the transit cooperative research program to be administered as follows:

"(A) Independent governing board.—The Secretary shall establish an independent governing board for such program to recommend mass transportation research, development, and technology transfer activities as the Secretary deems appropriate; and

"(B) National academy of sciences.—The Secretary may make grants to, and enter into cooperative agreements with, the National Academy of Sciences to carry out such activities as the Secretary determines are appropriate.

"(2) State planning and research.—The remaining 50 percent of that amount shall be apportioned to the States for grants and contracts consistent with the purposes of sections 6, 8, 10, 11, and 20 of the Act.

"(A) Apportionment formula.—Amounts shall be apportioned to the States in the ratio which the population in urbanized areas in each State, bears to the total population in urbanized areas, in all the States as shown by the latest available decennial census, except that no State shall receive less than ½ of 1 percent of the amount apportioned under this section.

"(B) Allocation within a state.—A State may authorize a portion of its funds made available under this subsection to be used to supplement funds available under subsection (a)(1), as the State deems appropriate.

"(b) National Program.—

"(1) In general.—The funds made available under section 21(c)(4), shall be available to the Secretary for grants or contracts for the purposes of sections 6, 8, 10, 11, or 20 of this Act as the Secretary deems appropriate.

"(2) Fees.—Notwithstanding any other provision of law, the Secretary is authorized to charge and retain fees, tuition, or related amounts resulting from conferences, seminars, training sessions and the like funded under this subsection, and any such amounts may be used for the purposes of this subsection. The Secretary shall determine what constitutes a necessary expense for the conduct of activities under this subsection. The Secretary shall carry out activities under this subsection in coordination with, and to the extent practicable through contract with, national and regional organizations that have expertise in transportation.

"(3) Special initiatives.—Of the amounts available under subsection (1), an amount not to exceed 25 percent shall be available to the Secretary for special demonstration initiatives subject to such terms, conditions, requirements, and provisions as the Secretary deems consistent with the requirements of this Act, except that for nonrenewable grants that do not exceed $500,000, the Secretary may waive requirements for this Act to the extent the Secretary deems necessary to achieve the purposes of this paragraph.

"(4) Technology development.—

"(A) Program.—The Secretary is authorized to undertake a program of transit technology development in coordination with affected entities.

"(B) Industry technical panel.—The Secretary shall establish an Industry Technical Panel consisting of representatives of transportation suppliers and operators and others involved in technology development. A majority of the Panel members shall represent the supply industry. The Panel shall assist the Secretary in the identification of priority technology development areas and in establishing guidelines for project development, project cost sharing, and project execution.

"(C) Guidelines.—The Secretary shall develop guidelines for cost sharing in technology development projects funded under the section. Such guidelines shall be flexible in nature and reflect the extent of technical risk, market risk, and anticipated supplier benefits and pay back periods.

"(5) Supplementary funds.—The Secretary may use funds appropriated under this subsection to supplement funds available under subsection (a)(1), as the Secretary deems appropriate.

"(6) Federal share.—Where there would be a clear and direct financial benefit to an entity under a grant or contract funded under this subsection or subsection (a)(1), the Secretary shall establish a Federal share consistent with that benefit.".

SEC. 28. TECHNICAL ACCOUNTING PROVISIONS.

Notwithstanding any other provision of law, any funds appropriated before October 1, 1983, under sections 6, 10, 11, or 18 of the Urban Mass Transportation Act of 1964, or section 103(e)(4) of title 23, United States Code, in effect on September 30, 1991, that remain available for expenditure alter October 1, 1991, may be transferred to and administered under the most recent appropriation heading for any such section.

Section-by-Section Analysis of the Federal Mass Transportation Act of 1991

Sec. 1. Short Title. This title would be referred to as the "Federal Mass Transportation Act of 1991".

Sec. 2. The Agency Name. The name of the Urban Mass Transportation Administration would be changed to "Federal Transit Administration".

Sec. 3. Amendment to Findings and Purposes. This secton would amend Section 2(a) of the Urban Mass Transportation Act (UMT Act) to add a new finding that a significant improvement in public transportation achieve national goals for improved air quality, energy conservation and mobility for the elderly, persons with disabilities and the economically disadvantaged in urban and rural areas of the country.

This section would also amend Section 2(b) to state that an objective of the Act will be to provide State and local governments with the financial resources to help implement the national goals related to mobility for the elderly, persons with disabilities and economically disadvantaged persons.

Sec. 4. Discretionary Capital Grants—technical amendment to provide for early systems work contracts and full funding grant contracts. The bill amends Section 3 of the UMT Act to authorize the Secretary to enter into full funding contracts and early systems work agreements with applicants to provide for more efficient project management.

A full funding contract would be designed to (1) establish the terms and conditions of federal financial partiticpation in a project under this section, (2) establish the limits of federal financial obligation for the project, and (3) facilitate timely and efficient management of the project in accordance with federal law. Budget authority obligated by a full funding contract would be limited by the amount made available in the law. A contract could either obligate the full amount required for the project, or it could obligate a portion of that amount with a commitment, contingent upon the future availability of budget authority, to obligate or additional amounts from budget authority as it is made available in law. The total of amounts stipulated in a contract for a fixed guideway project would have to be sufficient to complete not less than an operable segment. Any interest and other financing costs of efficiently carrying out a project or a portion of a project shall be considered an eligible project cost under a full funding contract, provided that eligible financing costs could not exceed the costs of the most favorable financing terms reasonably available for the project at the time of borrowing.

An early systems work agreement would permit a grantee to proceed with procurement of land and long-lead-time system elements to avoid delays that would increase overall project costs. The Secretary could only enter into an early systems work agreement if a record of decision pursuant to the National Environmental Policy Act of 1969 has been issued on the project and the Secretary determines there is reason to believe (1) a full funding contract will be entered into for the project and (2) the terms of the early systems work agreement will promote ultimate completion of the project more rapidly and at less cost. An early systems work agreement would obligate an amount of available budget authority and would provide for reimbursement of preliminary costs of project implementation specified in the agreement, which could include land acquisition, timely procurement of system elements for which specifications are determined, and other activities that the Secretary determines to be appropriate to facilitate efficient, long-term project management. The interest and other financing costs of carrying out the early systems work agreement efficiently would be considered eligible project costs, except that eligible financing costs could not exceed costs of the most favorable financing terms reasonably available for the project at the time of borrowing. If an applicant failed to implement the project for reasons within the applicant's control, the applicant would be required to repay all costs under the early systems work agreement plus reasonable interest and penalty charges as specified in the agreement.

Limitation on obligations. The bill would limit the total value of letters of intent, full funding contracts, and early systems work agreements to the amount authorized or the unobligated balance remaining in the transit account, whichever is greater. The amount of budget authority obligated in such documents would be subject to limitations provided in law.

Sec. 5. Section 3 Program/Allocations-Rail Modernization Formula. This section would require the Secretary to allocate Section 3 grant funds in the following way: ___ percent for rail modernization; ___ percent for construction of new fixed guideway systems and extensions to fixed guideway systems; ___ percent for the replacement, rehabilitation and purchase of buses and related equipment and the construction of bus-related facilities; and ___ percent for purposes of carrying out capital projects necessary to satisfy requirements of the Clean Air Act Amendments of 1990 and the Americans with Disabilities Act.

This section would also make two fundamental amendments to the rail modernization program. First, the section would establish a statutory formula for the distribution of rail modernization funds; until a recent administrative change, the program was distributed on a discretionary basis.

Second, the section would expand the coverage of the program to include certain "new" as well as historic rail systems. Historic rail systems are presently the exclusive recipients of rail modernization monies. These systems—generally inherited by public authorities after years of private ownership and neglect—continue to have large capital needs and deserve to receive the bulk of federal rehabilitation dollars. Yet many "new" rail systems—built with large federal contributions—are approaching an age where major capital investments are also needed.

The new statutory formula would balance the competing needs and claims of historic and "new" rail systems. The formula would work as follows:

Hold Harmless. In a given fiscal year, the historic rail systems would receive all the funds up to an appropriation of $455 million, the amount appropriated in fiscal year 1991. Funds would be distributed on an historic share basis, recognizing the proportion that each historic system received under the program.

Additional Amounts. Any appropriations in excess of $455 million would be distributed to the historic rail systems and to those "new" rail systems experiencing larger capital needs (i.e. those systems in revenue service for at least ten years). These excess funds would be distributed by the factors contained under the Section 9 rail tier formula.

In a given fiscal year, the Secretary would be required to apportion rail modernization funds—based on both authorized and appropriations levels—within specified time periods. The Secretary would also be required to publish such apportionments for each program participant within the specified time periods.

Sec. 6. Discretionary Capital Grants—Innovative Techniques and Practices. The eligible activities under the section 3 discretionary program would be expanded to include projects that introduce innovative techniques and methods to public transportation. This change merely recodifies existing statute. It incorporates language from section 4(i) into section 3.

Sec. 7. Discretionary Capital Grants—Elderly and Persons with Disabilities. This section would amend Section 3 of the Act to allow public transit agencies to apply for capital funding under the Section 3 discretionary grant program for transportation projects that are specifically designed to meet the needs of elderly persons and persons with disabilities.

While current law provides for the rights of elderly and disabled persons to use mass transit, the recently enacted Americans with Disabilities Act of 1990 imposes requirements on transit providers that are more stringent than current law and as a consequence, more costly. This section would provide public transit agencies with a mechanism to help address the major capital costs associated with ADA compliance.

Sec. 8. Criteria for New Starts. This section would modify existing criteria for new starts. Cost-effectiveness measures used in ranking projects for selection would have to be adjusted for inflation and to reject regional differences in the costs of land and construction. The project evaluation process would be revised to ensure that the project's social, environmental and economic impacts are also given appropriate consideration.

The Section 3(i) new starts criteria and the limitation of development to one corridor at a time would be waived for projects that seek less than $25 million or 30% of the total project cost from Section 3 discretionary funds. Highway funds could be used to reduce a project's need for Section 3 funds.

Sec. 9. Advance Construction. Technical amendment related to interest cost. The bill would amend Section 3(l) to make the advance construction mechanism more workable by deleting language that requires grantees to bet on future inflation. The bill substitutes the requirement that operators obtain the most favorable interest terms reasonably available for the project at the time of borrowing.

Sec. 10. Discretionary Capital Grants—Deletion of Extraneous Material. This section would delete outdated authorizations language from previous UMT Acts. The provisions of 4(i) would be codified into section 3 (see above).

Sec. 11. Section 8—Comprehensive Transportation Strategies. This section amends Section 8 of the UMT Act to reform the current transportation planning process to give more attention to intermodal solutions and to give certain metropolitan planning organizations (MPO) in areas clearer responsibilities for approving projects.

Subsection (a) requires the development of comprehensive metropolitan transportation strategies by metropolitan planning organizations.

In general. The subsection declares it to be in the national interest to encourage and promote the development of transportation systems that integrate various modes of transportation and efficiently maximize mobility of people and goods within and through metropolitan areas and minimize transportation-related fuel consumption and air pollution. The Secretary is required to cooperate with state and local elected offcials in metropolitan areas in the development of comprehensive transportation strategies for achieving this objective.

Metropolitan Planning Organizations. The subsection requires that an MPO be designated for each urbanized area of more than 50,000 in population, as under existing law. The MPO structure would be determined by agreement among the Governor and units of general purpose local government representing at least 90 percent of the affected population. If an MPO is in a metropolitan area that (1) has population over 250,000, (2) is in non-compliance under the Clean Air Act, or (3) is otherwise eligible for designation as a "transportation management area" as noted below, the MPO will have to include local elected officials, officials of agencies that administer or operate major modes of transportation in the metropolitan area, and appropriate state officials. For purposes of this section, the term "metropolitan area" means an area for which one metropolitan planning organization is responsible.

Once an MPO is designated, whether under this or earlier provisions of law, the designation shall remain in effect until revoked by agreement among the Governor and the local governments. To accommodate the new responsibilities conferred under the bill, this subsection would permit MPO's to be reorganized and redesignated by agreement among the Governor and local governments representing at least 90 percent of the metropolitan area's population. The Secretary is required to establish appropriate procedures and timetables for MPOs to comply with membership requirements and other provisions in law.

When an MPO is designated or reorganized, each Governor is required to ensure that the MPO is structured to (1) give balanced assessment to all modes of transportation, including roadway and public transit facilities, (2) give full consideration to the need for mobility of people and goods into and through central cities within the metropolitan area, and (3) otherwise carry out the MPO's responsibilities under federal law. The Governor shall certify to the Secretary that the requirements of the previous sentence have been met.

Transportation Management Areas. Certain metropolitan areas will be designated to be "transportation management areas", which will include metropolitan areas that have greater than 250,000 population, or are non-compliance areas under the Clean Air Act, as amended. The Secretary is required to publish and annually update a list of metropolitan areas that meet those criteria. The Secretary may designate additional transportation management areas at the request of the Governor and MPO. Such additional metropolitan areas may include ecologically fragile areas of national significance that are expected to be significantly affected by transportation decisions. The designation of a transportation management area shall remain in effect until revoked by the Secretary. The MPO in a transportation management area is required to carry out a continuing, cooperative and comprehensive transportation planning and programming process in cooperation with the state and transit operators. The bill gives such MPOs additional authority and responsibility.

To provide for an orderly implementation of intermodal planning and programming in transportation management areas, the bill provides a transition period. The Secretary would be required to achieve the designation of not less than a minimum number of transportation management areas in each of the next 5 years: by the end of the first year after enactment, 15 percent of the eligible metropolitan areas would have to be designated; by the end of the second year, 30 percent; by the end of the third year, 45 percent; by the end of the fourth year, 60 percent; and all such areas would have to be designated in the fifth year. The bill makes it clear that the Secretary is responsible for exceeding the minimum percentages required for designation. Although the Secretary can make adjustments for compelling local circumstances, the Secretary is expected to begin with designation of metropolitan areas that have the most severe problems of air quality and traffic congestion.

Metropolitan Area Boundaries. The boundaries of a metropolitan area would be determined by agreement between the MPO and the Governor. To provide for comprehensive, long-range transportation planning, each metropolitan area would have to include at least the existing urbanized area and the contiguous area that can reasonably be expected to be urbanized within the subsequent twenty year period.

The bill makes provision for urbanized areas that are so large or complex that one MPO would be too unwieldy. The bill, however, would discourage the break up of MPOs that have already been formed. This subsection permits more than one MPO to be designated within an urbanized area, only if the area had more than one designated MPO on January 1, 1991 and the Secretary determines that more than one MPO is needed because of the size and complexity of the area. In such a case, the bill requires that appropriate provision be made to coordinate the metropolitan transportation strategies of all MPOs within the urbanized area.

The bill requires all areas that are in noncompliance under the Clean Air Act, as amended, to be included within the boundaries of the appropriate MPO's metropolitan area. An appropriate metropolitan area would also have to include any area that the Governor and MPO determine are likely to be significantly affected by air pollution within the subsequent twenty year period. If more than one MPO has authority within a non-attainment area, appropriate provision would have to be made to coordinate the metropolitan transportation strategies within the whole non-attainment area.

The bill would foster coordination of transportation strategies across multi-state areas. The Secretary would have to establish requirements to encourage Governors and MPOs with responsibility for a portion of a multi-state Metropolitan Statistical Area (MSA) or Consolidated Metropolitan Statistical Area (CMSA) to provide coordinated transportation planning for the entire MSA or CMSA.

Development of Transportation Strategy. The bill would require each MPO to prepare and update periodically a metropolitan transportation strategy for its metropolitan area. The Secretary would establish procedures according to which the strategy would be prepared. In developing the strategy, the MPO would be required to consider the environmental, energy, land use, and other regional effects of all transportation projects to be undertaken within the metropolitan area, without regard to funding source.

Each MPO would have to publish the strategy or otherwise make it readily available for public review. The MPO would also have to submit the strategy to the Governor for information purposes. The Secretary would have to establish dates and procedures for the publication and submission of strategies.

In Clean Air Act non-attainment areas for transportation-related pollutants, an MPO would be required to coordinate the development of a metropolitan transportation strategy with the development of transportation measures of the State Implementation Plan required by the Clean Air Act.

Each MPO would be required to provide citizens, affected public agencies, representatives of transportation agency employees, private providers of transportation and other interested parties with a reasonable opportunity to participate in the development of the strategy.

The Secretary would have to assure that each MPO is carrying out its responsibilities under applicable provisions of federal law. At least every three years, the Secretary would be required to provide certification to those MPOs that are complying with requirements of federal law. If the Secretary finds, after reasonable notice and opportunity for hearing, that an MPO is not carrying out its responsibilities under applicable provisions of federal law, the Secretary would have to deny certification. In that case, and until satisfactory corrective action is taken, the Secretary may suspend or disapprove in whole or in part the expenditure within the metropolitan area of funds made available under the Federal-Aid Highway Act of 1991 or the Federal Public Transportation Act.

Contents of Strategy. A metropolitan transportation strategy would be in a form that the Secretary deems appropriate. At a minimum, a strategy would:

(A) Identify transportation facilities (including major roadways, mass transit, and multimodal and intermodal facilities) that should function as an integrated metropolitan transportation system, giving emphasis to those facilities that serve important national and regional transportation functions, such as (i) moving goods within the metropolitan area and among distant markets, (ii) enabling people to move quickly to and from home, jobs and other destinations, and (iii) connecting complementary modes of transportation (such as highways, transit systems, ports, railroads and airlines);

(B) assess major demands on the metropolitan transportation system, projected over the subsequent 20 year period;

(C) set forth a long-range strategy for meeting metropolitan area personal mobility and goods transportation needs, including state and local actions to manage travel demand, improve transportation operations and management, increase the efficiency and effectiveness of existing facilities, or provide new transportation capacity;

(D) explain how proposed transportation decisions will (i) achieve compliance with applicable requirements of the Clean Air Act, as amended, the Clean Water Act and other environmental and resource conservation laws, (ii) further applicable federal, state and local energy conservation programs, goals and objectives and (iii) affect other important social, economic and environmental objectives of the metropolitan area as reflected in publicly adopted plans, such as those concerning housing, community development, and historic preservation;

(E) explain (i) the extent to which state and local policies regarding land use and transportation will affect metropolitan-wide mobility, and (ii) how proposed transportation decisions will affect future travel demand, growth in vehicle use, mobile source emissions, and land use and development, taking into consideration the provisions of all applicable short-term and long-term land use and development plans;

(F) include a financial plan showing demonstrates how the metropolitan transportation strategy can be implemented, which plan shall indicate resources from all sources that are reasonably expected to be made available to carry out the strategy, and recommend any innovative financing techniques to finance needed projects and programs, including such techniques as value capture, tolls, and congestion pricing;

(G) project capital investment and other measures necessary to (i) ensure the preservation of the existing metropolitan transportation system, including requirements for operations, resurfacing, restoration and rehabilitation of existing and future major roadways, as well as operations, maintenance, modernization and rehabilitation of existing and future public transit facilities and (ii) make the most efficient use of existing transportation facilities to relieve vehicular congestion and maximize the mobility of people and goods; and

(H) indicate any proposed transportation enhancement activities, as defined in the Clean Air Act.

For metropolitan areas that are not transportation management areas, the bill would permit the Secretary to provide for abbreviated strategies appropriate to achieve the purposes of this section, taking into account the complexity of transportation problems, including transportation related air quality problems, in such areas. The state would be required to develop a state-wide transportation strategy that takes into account the transportation needs of areas for which no MPO has been designated.

Subsection (b) of the bill establishes requirements for transportation improvement programs.

Development of programs. The MPO, in cooperation with the state and relevant transit operators, would be required to develop a transportation improvement program for the subsequent period of not less than three years. The program would have to include all projects within the metropolitan area that are proposed for funding pursuant to the Federal-Aid Highway Act of 1991 and the

Federal Public Transportation Act. The program would have to conform with the approved metropolitan transportation strategy and the State Implementation Plan required under the Clean Air Act, as amended. The program would have to include a project, or an identified phase of a project, only if full funding for such project or project phase can reasonably be anticipated to be available within the period of time contemplated for completion of the project. In the case of a major project to expand the transportation capacity, an appropriate range of alternatives would have to have been analyzed in accordance with the National Environmental Policy Act.

Periodic review and revision. The bill would require the MPO to update or reapprove the program annually, although the Secretary could permit less frequent updating for areas that are not designated to be transportation management areas. An MPO would be able to amend the program at any time, provided that the amendment is consistent with the metropolitan transportation strategy.

Priority Projects. The program would have to identify priority projects reflecting projected funding and the objectives of the metropolitan transportation strategy that shall be carried out for each relevant programming period.

State programs. The Governor shall develop a transportation improvement program, in a form acceptable to the Secretary, for areas for which no MPO has been designated.

Subsection (c) gives MPOs within transportation management areas the authority to approve funding of projects that expand the capacity of the transportation system.

Approval of projects. For projects within a transportation management area, the MPO would submit to the Governor and the Secretary a list of highway and transit projects and activities that the MPO has approved for funding in the ensuing period, which could not exceed two years. Federal assistance required for the approved projects and activities could not exceed the amount of federal assistance that is made available for capacity expansion within the metropolitan area for the period—either under section 106 of the Federal-Aid Highway Act of 1991 or sections 3 and 9 of the Federal Mass Transportation Act. When submitting a list of approved projects and activities, the MPO would have to certify to the Secretary that the list was developed in accordance with a continuing, cooperative and comprehensive planning process that the Secretary has found satisfactory under subsection (a)(4)(E).

Funds under the Federal-Aid Highway Act of 1991 or the Federal Public Transportation Act could not be used for any project or activity within a transportation management area unless it is included in the list of projects approved by the MPO.

The prohibition in the previous sentence would not apply to projects or activities that (A) do not significantly increase the vehicle carrying capacity of a transportation corridor, (B) are necessary to maintain and preserve existing transportation facilities or their carrying capacity, (C) are part of a program of investments required to comply with the Americans with Disabilities Act or other federal law, or (D) are needed for management of ongoing operations.

Recapture. The bill provides that federal highway and transit funds made available in a transportation management area for project selection by a MPO would remain available for a period of three years. If they are not obligated within that period, the Secretary would be required to recapture the funds and promptly reallocate them among other states according to the formula for the program under which the funds were made available. Funds would be considered to be obligated if they are reserved to help finance a project for which an application is pending under Section 3 of the Federal Mass Transportation Act.

Subsection (d) authorizes the Secretary, as under existing law, to contract for and make grants to states and local public bodies and their agencies for planning, engineering, designing, and evaluation of public transportation projects, and for other technical studies. Activities assisted under this section could include (1) studies relating to management, operations, capital requirements, and economic feasibility; (2) preparation of engineering and architectural surveys, plans, and specifications; (3) evaluation of previously funded projects; and (4) other similar or related activities preliminary and in preparation for the construction, acquisition, or improved operation of mass transporation systems, facilities and equipment. A grant of contract under this section would have to be made in accordance with criteria established by the Secretary.

Subsection (e), as does existing law, requires plans and programs under this section to encourage the participation of the private sector to the maximum extent feasible. If a program involves the acquisition of facilities and equipment that are already being used for mass transportation in urban areas, the program would have to provide that the facilities and equipment be so improved (such as through modernization, extension, or addition) that they will better serve the transportation needs of the area.

Subsection (f), would provide for the allocation of planning funds to MPOs. State planning funds would be provided as part of the new Section 26 State Program.

80 percent of the funds available to metropolitan planning organizations would be allocated to states in the ratio that the population in urbanized areas, in each state, bears to the total population in urbanized areas, in all the states as shown by the latest available decennial census. No state would receive less than ½ of 1 percent of the amount apportionated under this paragraph, however.

Funds would be allocated to MPOs within the state, by a formula—developed by the State in cooperation with metropolitan planning organizations and approved by the Secretary—that considers population in urbanized areas and provides an appropriate distribution for urbanized areas to carry out the cooperative processes described in section 8 of this Act.

Supplemental Formula for Transportation Management Areas. The remaining 20 percent would be allocated to supplement funds for metropolitan planning organizations in transportation management areas. Such funds would be allocated according to a formula that reflects the additional costs of carrying out planning, programming and project selection responsibilities under this section in such areas.

Hold Harmless. To ensure that MPOs would be "held harmless" at the amount they received by administrative formula under section 8 of this Act in fiscal year 1991, the Secretary could make a pro rata reduction in other amounts made available to carry out the state and national planning and research program.

Matching Share. The federal share for section 8 activities would be 75 percent except where the Secretary determines that it is in the federal interest not to require a state or local match.

Sec. 12. Section 9—Formula Grant Program—Discretionary Transfer of Apportionment. This section would amend Section 9 of the UMT Act to permit a transfer of transit funds to highway use under certain circumstances. This is comparable to amendments to the Federal-Aid Highway Act that would permit highway funds to be used for transit projects.

Subsection (a) would amend subsection (j)(1) of the UMT Act to provide that, in a transportation management area, formula grants for construction projects could also be used for highway projects; provided that (i) such use is approved by the metropolitan planning organization in accordance with section 8(c) and (ii) adequate provision is first made for sound operation of existing transit facilities, maintenance of such facilities and their carrying capacity, management of ongoing transit operations, and any program of investments required to comply with the Americans with Disabilities Act or other federal law.

Subsection (b) would add two new provisions to subsection (j) of the UMT Act. First, the bill would permit Section 9 construction funds to be used for a highway project only if (i) funds for the State or local government share of the project are eligible to fund either highway or transit projects, or (ii) the Secretary finds that State or local law provides a dedicated source of sufficient funding available to fund local transit projects.

Second, the bill makes it clear that Section 9 construction funds made available for a highway project would be transferred to and administered by the Federal Highway Administration.

Sec. 13. Section 9 Program/Elimination of Incentive Tier. This section would eliminate the "incentive tier" provisions of the section 9 bus and rail funding formulas. The "incentive tier" provisions—introduced in the Surface Transportation Assistance Act of 1982—now allocate a small portion of formula funds by factors purporting to weigh and reward the operating efficiency of bus and rail systems. The Administration has concluded that the time and cost associated with collecting and calculating the incentive factors far outweigh any benefits flowing from their application.

Sec. 14. Section 9 Program/Applicability of Safety Program. This section would apply Section 22 of the UMT Act, which gives the Secretary investigatory powers to ensure safety in mass transit systems, to the section 9 program. The provision is necessary because of the requirement in section 9(e)(1) that only specified sections of the UMT Act apply to section 9.

Sec. 15. Section 9 Program/Certifications. This section would make several amendments to simplify the section 9 grant application process—particularly the existing requirements that recipients self-certify their compliance with various statutory mandates.

Subsection (a) would mandate that all certifications required by law be incorporated into a single document to be submitted annually as part of the Section 9 application.

Subsection (a) would also require the Secretary to publish an annual list of all required certifications in conjunction with its annual publication—currently required by Section 9(q)—of information outlining the apportionment of Section 9 funds.

Subsection (b) would require the Secretary to establish streamlined procedures to govern a recipient's "continuing control" certification with respect to track and signal equipment. Under existing law, a section 9 recipient is required to certify that it has or will have "satisfactory continuing control" over the use of its facilities and equipment. UMTA's interpretation of this requirement with respect to track and signal equipment has been criticized for imposing undue administrative burdens on transit recipients.

Sec. 16. Section 9 Program/Program of Projects. This section would require a recipient, in developing its program of projects, to assure that the program provides for the maximum feasible coordination of public transportation services assisted under the section 9 program with transportation services assisted by other federal sources. A similar provision currently is in Section 18 of the Act.

Sec. 17. Section 9 Program/Delegation of Environmental Assessment Responsibility. This section would authorize the Secretary to issue regulations providing for recipient assumption of environmental review responsibilities applicable under the National Environmental Policy Act of 1969. Recipients would be required to submit an annual certification accepting NEPA responsibilities.

Sec. 18. Section 9 Program/Continued Operating Assistance for Consumer Rail in Southern Florida. This section would amend the 1987 Act to permit a commuter rail line (Tri-County Rail Authority) in south-eastern Florida to continue to receive federal operating assistance under section 9.

The TCRA commuter line was established as a temporary congestion relief measure during reconstruction of a major interstate in south-eastern Florida. To help meet the operating needs of this commuter line, section 329 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 permitted an increase in the Section 9 operating assistance cap for the urbanized areas of Fort Lauderdale and Miami, Florida. The increased operating assistance was specifically limited to commuter rail service "provided as a maintenance of traffic measure" during the reconstruction period.

The TCRA commuter line has proven to be successful and is expected to continue to operate beyond the completion of the interstate reconstruction. Recognizing the permanent status of the commuter line, this amendment would remove the limitations contained in Section 329 to enable TCRA to continue to receive federal operating assistance.

Sec. 19. Section 11—University Transportation Centers. Section 419(a) would revise the responsibilities of the University Transportation Centers to include transportation safety issues. Section 419(b) would delete the current National Advisory Council provision and replace it with a requirement that the results of studies conducted by the Centers be coordinated and disseminated by the Secretary.

In addition, Section 419(c) would amend section 11(b)(8) to permit up to 1% of the funds made available under this program by any agency of the Department to be available for the administrative expenses the Department incurs in administering the program. The Secretary intends to delegate the responsibility to administer the program to the Administrator of the Research and Special Programs Administration.

Section 419(d) would add a paragraph (11) to the end of section 11(b) of the Act providing that the Secretary could make available to the University Centers other funds appropriated for transportation research.

Sec. 20. Transfer of Facilities and Equipment. This section would amend the general provisions of Section 12 to allow the Secretary to authorize the transfer of facilities and equipment acquired with funds under the Act, to any public body for uses other than mass transportation. Under current law, the transfer of excess property for other public uses is difficult and cumbersome. This provision would simplify the process and allow, for example, the transfer of a surplus bus maintenance facility from the transit authority to a public school district.

The transferred facilities and equipment would have to remain in a public purpose use for a minimum of five years. In addition, prior to making any transfer, the Secretary would first have to make a written determination that there are no other mass transit purposes for which the asset should be used; that the benefit of the transfer outweighs liquidation of the asset and return of the Federal financial in the asset; and that there is no Federal use for the asset.

Sec. 21. Special Procurement Initiatives.—The bill will amend section 12 of the UMT Act by adding a new subsection that authorizes two new refinements to law affecting UMTA procurement procedures.

Turnkey System Procurements. This paragraph would promote the adoption of new transit technologies, such as automatically guided rail systems, and make possible lower cost construction of new mass transportation systems through the use of "turnkey" procurement. "Turnkey refers to a vendor-specific project under which a manufacturer contracts to (1) build a total system that meets specific performance criteria, (2) operate it for a period of time, and then (3) transfer operation to the transit system after reliable performance is assured. The paragraph would authorize the Secretary to allow the solicitation for a turnkey system project to be conditionally awarded before all Federal requirements have been met so long as the award is made without prejudice to the implementation of those Federal requirements. Federal financial assistance under the UMT Act could be made available when the recipient has complied with relevant Federal requirements. The Secretary is expected to develop appropriate regulations in a timely manner. In the meantime, and to assist in the development of those regulations, the Secretary is authorized to approve a maximum of 4 projects under this paragraph.

Multi-year rolling stock procurements. This paragraph would authorize a transit operator to enter into multi-year agreements for the purchase of rolling stock, such as busses and rail cars, and replacement parts. The purpose of this reform is to permit a reduction of overall procurement and maintenance costs through greater standardization and more orderly replacement of fleets. The agreements could provide for an option to purchase additional rolling stock or replacement parts for a period not to exceed 5 years from the date of the original contract. The operator could also award a contract to other than the low bidder so long as the recipient pays the extra cost with non-federal funds. Federal reimbursement would be made on the basis of the low bid.

The paragraph would also authorize two or more recipients to cooperate for the joint procurement of vehicles.

Sec. 22. Elderly and Persons with Disabilities. This section would clarify existing UMTA practice by specifying that funds provided under the Section 16(b)(2) program will be allocated to the States, who in turn will distribute funds to eligible private non-profit corporations and associations. States would submit a program of projects to the Secretary for approval as is current practice. The section also requires an assurance that the state's program of projects provides for the coordination of Section 16(b)(2) transportation services with transportation services assisted from other Federal sources. This provision is designed to encourage more effective coordination and to avoid duplication of service.

The section would also clarify that recipients of 16(b)(2) funds may lease their equipment to public transit entities.

Sec. 23. Nonurbanized Area Formula Program—Transfer of Capital Asset. This section would add a provision under the Section 18 program to allow States the flexibility to transfer facilities and equipment between the Section 18 and Section 16(b) programs. Current law does not allow equipment transfers from one program to the other. Under this provision a State could, for example, transfer vans purchased with Section 18 funds to the Section 16(b) program and vice versa. The original program use requirements of Section 18 and Section 16(b) would continue to apply to any transferred equipment.

Sec. 24. Section 20—Human Resources Program Support. Section 424 would amend current Section 20, which authorizes the Secretary to make grants or contracts for national or local programs that address human resource needs as they apply to public transportation activities. Section 424 would redesignate the current provision as subsection (a) and add a new subsection (b).

This new subsection would authorize the Secretary to retain any funds returned in connection with these human resource activities in a fund whereby these retained funds could in turn be made available for any human resource activities eligible to be funded under section 20.

Sec. 25. Authorizations. This section would provide authorization levels for the various programs in the bill. Under current law, section 9 and 18 formula programs are funded primarily from general revenue. The section 3 new starts, rail modernization, and bus discretionary programs, section 16(b)(2) elderly and handicapped transit and Section 8 planning—are funded from the mass transit account of the highway trust fund. In recent years, programs funded from general revenues have experienced larger cuts in the appropriations process than have programs funded from the trust fund. This proposal would restructure funding sources to provide greater equity between formula and discretionary programs. All formula and discretionary programs would receive a similar percentage of funds from both the trust fund and general revenues.

Funding for certain programs would be provided as a percentage set-aside of total funds available for formula and discretionary programs and the National Capital Transportation Act.

3.0% of total UMTA funds would be authorized for Planning, programming and research as follows:

45% would be available for MPOs under section 8(f);

5% would be available for RTAP under section 18(h);

20% would be available for state research and planning program under section 26(a); and

30% would be available for national planning and research program under section 26(b).

2.0% of total UMTA funds would be authorized for administrative expenses under section 12(a);

1.5% of total UMTA funds would be authorized for elderly and handicapped transportation under section 16(b);

$5,000,000 would be authorized for each of fiscal years 1992 through 1996 for University Transportation Centers under section 11(b);

$160,000,000 would be authorized for fiscal year 1992 and $160,715,000 for fiscal year 1993 for completion of the Interstate Transfer program transit projects;

5% of the remaining formula funds would be authorized for rural transportation under section 18;

the balance of formula funds would be available for section 9 formula grants.

Sec. 26. Section 23—Project Management Oversight. This section would increase the percentage of funds reserved for UMTA's project management oversight program. The current ½ percent takedown from of all funds available to carry out sections 3, 9, 18, interstate transfer projects, and the National Capital Transportation Act (authorizing legislation for D.C. metro) would be increased to ¾ percent. A technical restriction would be removed which currently limits the use of these "takedowns" from each eligible program to projects funded under that same particular section. Instead, UMTA could aggregate all of these funds for use on projects in any of the eligible programs.

Sec. 27. Section 26—Transportation Planning and Research. This section would clarify the research functions of the agency by adding a new Section 26 to the Act. Section 26(a) would provide for a state research and planning program.

Fifty percent of the funds authorized under section 21(c)(3) of this Act would be available under subsection 26(a)(1) for a transit cooperative research program to be administered by an independent governing board established by the Secretary. The majority of the board members would represent transit operating agencies. The mass transit projects the board recommends to be carried out would be done by means of grants or cooperative agreements from the Secretary of the National Academy of Sciences. The transit cooperative research program is intended to be an applied research program that focuses on identifying and evaluating solutions to everyday problems of transit operators.

The other 50 precent of funds would be available to the States on the basis of population for grants or contracts consistent with the purposes of section 6, 8, 10, 11, or 20 of the Act. No state would receive less than one-half of one percent of the amount apportioned in this section. States could also use a portion of their funds for activities in conjunction with the transit cooperative research program as well with local metropolitan planning organizations.

Section 26(b) would provide for a national research program to be administered by the Secretary. The secretary would be authorized to use the funds from 21(c)(4) for grants or contracts in accordance with sections 6, 8, 10, 11, or 20 of the Act.

Section (b)(2) would allow the Secretary to charge and retain and then use for the purposes of section 26(b)(1) tuition, fees, or other amounts realized by the various conferences, seminars, or other projects authorized under the section. The Secretary would be given authority to determine what constitutes a necessary expense to conduct activities under this subsection. The Secretary would have to coordinate these activities with private regional and national organizations with expertise in transportation and whenever possible contract out with these organizations.

Section 26(b)(3) would authorize the Secretary with up to 25% of the section 26(b)(1) funding for special initiatives. In connection with these initiatives, the Secretary could waive requirements the Secretary deems necessary in order to facilitate special projects as long as the projects are non-renewable grants that do not exceed $500,000.

Section 26(b)(4) would authorize the Secretary to undertake a program of transit technology development in coordination with affected entities. The Secretary would establish an Industry Technical Panel composed of representatives of transportation operators and suppliers. Representatives of the suppliers could comprise a majority. The panel would assist the Secretary in the identification of technology development areas and in developing guidelines for project development. The Secretary would also develop guidelines on cost sharing principles for technology development projects.

Section 26(b)(5) would permit the Secretary to use funds under this subsection to supplement funds under the transit cooperative research program, section 26(a)(1), in the state program.

Section 26(b)(6) would authorize the Secretary to impose an appropriate local share in connection with any grant or contract that would give a clear and direct financial benefit to an entity.

Sec. 28. Technical Accounting Provisions. This section would correct administrative difficulties resulting from current accounting practices. Funds appropriated prior to October 1, 1983, that remain available for expenditure after October 1, 1991, could be transferred to and administered under the most recent appropriation heading for the relevant section.●

By Mr. DODD (for himself, Mr. MURKOWSKI, Mr. CRANSTON, Mr. BIDEN, Mr. SARBANES, Mr. KENNEDY, Mr. KERRY, and Mr. LEAHY:

S. 1195. A bill to authorize the establishment of a memorial on Federal land in the District of Columbia to honor individuals who have served as volunteers in the Peace Corps; to the Committee on Energy and Natural Resources.

PEACE CORPS VOLUNTEER MEMORIAL

● Mr. DODD. Mr. President, I rise today to introduce a bill to establish a memorial for former volunteers of the Peace Corps. I am pleased to be joined by my colleague from Alaska, Senator MURKOWSKI, and five other cosponsors in this effort.

Mr. President, this bill would establish a nonpaid Commission to solicit private donations for the construction of this memorial. Though the actual design of the memorial would be up to the Commission, we envision a modest structure—perhaps even a living memorial—to be located within the District of Columbia.

Let me stress, Mr. President, that no Federal funds would be used in the construction of the memorial. Private donations would be solicited to cover all of the costs of construction and maintenance of the memorial.

Mr. President, in the 30 years since President John F. Kennedy and Sargent Shriver first set forth a volunteer program to promote world peace and friendship, the Peace Corps has grown into a thriving and successful program. Over 138,000 young American volunteers have had their lives enriched by the experiences of serving in a foreign land and sharing in a foreign culture. And citizens of over 100 countries throughout the world have benefited from American technology, from American ingenuity, and from the American tradition of giving.

For thousands of citizens the world over, Mr. President, their only experience of Americans is through the ones that one day came out to dig a ditch, to build a bridge, or to teach a child. And that is the special gift of the Peace Corps. It doesn't demand a high level of technical expertise. You don't need an advanced degree or a lengthy resume to participate. All you need are a sense of caring, a desire to share, and a willingness to do the little things that will make another life better.

Mr. President, the Peace Corps bills itself as the toughest job you will ever love. As a former Peace Corps volunteer myself, I can attest to the accuracy of that statement. I spent two of my toughest and finest years in the mountains near Moncion, in the Dominican Republic. The work was tough. But the experience that I gained from the Peace Corps is a reward that continues to pay dividends even to this very day.

As we stand here in May 1991, Mr. President, with the war in the Persian Gulf over and a renewed surge of democracy throughout the world, the Peace Corps enjoys a future that is very bright indeed. The collapse of communism has enabled the program to expand into 25 new countries within the past 2 years. And another six countries are scheduled to be added in 1992. That brings the number of countries that the Peace Corps will serve in 1992 to 94.

But as we celebrate the Peace Corps' success, it is also important to look back at the history of this program, and at the more than 138,000 volunteers that have contributed to it over the years. The people I worked with in Moncion, like Peace Corps volunteers throughout the world, are hardworking and devoted people. They care deeply about the principles that the Peace Corps represents. They are people, Mr. President, with passion and commitment.

These volunteers, and their contribution over the years, deserve to be recognized. The Peace Corps Memorial is a small but important step in recognizing that the success of the Peace Corps today would not be possible without the contributions of yesterday's volunteers. Because ultimately, Mr. President, it is people that make the difference for the Peace Corps. It is people who have made the Peace Corps the wonderful and vibrant program that it is. And it is people, Mr. President, that ultimately will ensure the continued success of the Peace Corps for many years to come.

Mr. President, I hope the rest of the Senate will join us in giving its swift approval to this bill.●

By Mr. ADAMS (for himself and Mr. GRAHAM):

S. 1196. A bill to prohibit government-to-government and commercial arms sales to any country that is participating in or cooperating with the economic boycott of Israel; to the Committee on Foreign Relations.

ENDING THE ECONOMIC BOYCOTT AGAINST ISRAEL

Mr. ADAMS. Mr. President, I rise today to introduce legislation to prohibit arms sales to nations that participate in or cooperate with the international economic boycott of Israel. Joining me in introducing this bill is the Senator from Florida [Mr. GRAHAM].

Earlier this year, the United States, along with more than 20 allied nations, united to force Iraqi forces out of Kuwait. Operation Desert Storm and its success caused President Bush to herald the advent of a new world order. For the Middle East, the new order would usher in an era of peace between the Arabs and Israelies, and regional reductions in nuclear, conventional and biological weapons.

Unfortunately, the high ideals of that new world order have not been translated to real accomplishments on the ground. In Kuwait, whose liberation the entire world enjoyed in the first days after the war with Iraq, democracy has been delayed and justice is still a vague promise. Despite its promises of regional arms control, the Bush administration has begun preparing to present to Congress requests for billions of dollars of sales of sophisticated weaponry to the Arab states.

The administration's quick dismissal of its promises on arms control is matched by the Arab States' dismissal of Isarel's role in the allied victory over Saddam Hussein. The Saudis and Kuwaitis cannot be allowed to forget the Israelis' restraint in the face of unprovoked Scud attacks, which killed their people and destroyed their homes. The Arab nations may have forgotten Israel's role, but the American people have not.

Now that the gulf war is over and the promises of a new world order have faded from the administration's pronouncements, the Arab nations have returned to the behavior of the Old World. The most glaring evidence of this is the Arab League's continued application of the economic boycott against Israel.

Under the boycott, which actually predates the existence of Israel, Arab States and companies are prohibited from buying or selling to Israel or Israelis. The boycott has been expanded to an exclusion of companies that do business with or in Israel—secondary—and a ban on companies doing business with companies that are themselves blacklisted for doing business with Israel—tertiary. The Arab boycott is aimed at the economic, as well as political isolation and strangulation of Israel. In short, it's the economic equivalent of war against the Jewish state.

In excusably, the leading enforcers of the boycott have been the major beneficiaries of America's victory over Hussein—Kuwait, Saudi Arabia, and the United Arab Emirates.

In the aftermath of the gulf war, the Arab League has actually tightened its enforcement of the boycott. In fact, since the allied victory over Hussein, the Arab League's Central Boycott office in Damascus has added 110 new companies to its blacklist because of their alleged business associations with Israel.

It's time that the United States do more than just talk about the new world order in the Middle East. It's time that our policies and our actions start matching our rhetorical support for bringing peace to the Middle East and controlling the spread of nuclear, chemical and conventional arms in the region.

More than 500,000 American troops helped liberate Kuwait from Iraqi aggression. It's time we use all our policy options, including the withholding of arms sales, to convince the Arab world that it must stop its aggression, both military and economic, against Israel.

Since the administration doesn't appear prepared to exert real pressure to compel the Arab States to lift their boycott of Israel, then the Congress must act. For this reason, I am introducing legislation to prohibit government-to-government and commercial arms sales to any nation participating in or cooperating with the Arab League's economic boycott of Israel.

If we are serious about promoting peace and reducing arms in the Middle East, the United States must be evenhanded in pressing both sides to demonstrate their seriousness about the peace process. The Israelis already acted when they refused to be drawn into the gulf war even after suffering countless Iraqi scud attacks. Now it's time for the Arab States to show their good faith by lifting their boycott and ending their economic war against Israel.

I urge my colleagues to join Senator GRAHAM and me as cosponsors of this important legislation. I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1196

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION ON ARMS SALES TO COUNTRIES PARTICIPATING IN OR COOPERATING WITH THE ECONOMIC BOYCOTT OF ISRAEL.

(a) GOVERNMENT-TO-GOVERNMENT SALES.—Sales may not be made under the Arms Export Control Act to any country described in subsection (c).

(b) COMMERCIAL EXPORT SALES.—License may not be issued under section 38 of the Arms Export Control Act with respect to a sale to any country described in subsection (c).

(c) COUNTRIES SUBJECT TO PROHIBITIONS.—This section applies with respect to any country that is listed pursuant to section 999(a)(3) of the Internal Revenue Code of 1986 as a country which requires or may require participation in or cooperation with the international boycott directed against Israel.

ADDITIONAL COSPONSORS

S. 190

At the request of Mr. GRAHAM, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 190, a bill to amend section 3104 of title 38, United States Code, to permit veterans who have a service-connected disability and who are retired members of the Armed Forces to receive compensation, without reduction, concurrently with retired pay reduced on the basis of the degree of the disability rating of such veteran.

S. 240

At the request of Mrs. KASSEBAUM, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 240, a bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans.

S. 267

At the request of Mr. REID, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 267, a bill to prohibit a State from imposing an income tax on the pension or retirement income of individuals who are not residents or domiciliaries of that State.

S. 290

At the request of Mr. MCCAIN, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 290, a bill to establish an Indian Substance Abuse Program, and for other purposes.

S. 323

At the request of Mr. CHAFEE, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 323, a bill to require the Secretary of Health and Human Services to ensure that pregnant women receiving assistance under title X of the Public Health Service Act are provided with information and counseling regarding their pregnancies, and for other purposes.

S. 327

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 327, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 466

At the request of Mr. GRASSLEY, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 466, a bill to amend the Internal Revenue Code of 1986 to provide for a renewable energy production credit, and for other purposes.

S. 527

At the request of Mr. BUMPERS, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 527, a bill to provide for the partial cancellation or repayment of Perkins and Stafford loans for student borrowers who perform a year or more of full-time, low-paid service as Peace Corps and VISTA volunteers, and comparable full-time, low-paid service with a tax-exempt community service organization in the private sector.

S. 544

At the request of Mr. HEFLIN, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 544, a bill to amend the Food, Agriculture, Conservation and Trade Act of 1990 to provide protection to animal research facilities from illegal acts, and for other purposes.

S. 596

At the request of Mr. MITCHELL, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 596, a bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements.

S. 621

At the request of Mr. CRANSTON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 621, a bill to establish the Manzanar National Historic Site in the State of California, and for other purposes.

S. 715

At the request of Mr. BURNS, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 715, a bill to permit States to waive application of the Commercial Motor Vehicle Safety Act of 1986 with respect to vehicles used to transport farm supplies from retail dealers to or from a farm, and to vehicles used for custom harvesting, whether or not such vehicles are controlled and operated by a farmer.

S. 722

At the request of Mr. ROTH, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 722, a bill to amend the Internal Revenue Code of 1986 with respect to the requirement that an S corporation have only 1 class of stock.

S. 843

At the request of Mr. BREAUX, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of S. 843, a bill to amend title 46, United Staes Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 859

At the request of Mr. GRASSLEY, the names of the Senator from Utah [Mr. HATCH], the Senator from Arizona [Mr. DECONCINI], the Senator from Alabama [Mr. SHELBY], the Senator from North Dakota [Mr. BURDICK], the Senator from Idaho [Mr. CRAIG], the Senator from Idaho [Mr. SYMMS], the Senator from New Hampshire [Mr. SMITH], the Senator from Colorado [Mr. BROWN], and the Senator from Utah [Mr. GARN] were added as cosponsors of S. 859, a bill to amend the Federal Aviation Act of 1958 to limit the age restrictions imposed upon aircraft pilots.

S. 879

At the request of Mr. DASCHLE, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 879, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment of certain amounts received by a cooperative telephone company indirectly from its members.

S. 882

At the request of Mr. SARBANES, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 882, a bill to amend subpart 4 of part A of title IV of the Higher Education Act of 1965 to mandate a 4-year grant cycle and to require adequate notice of the success or failure of grant applications.

S. 962

At the request of Mr. INOUYE, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 962, a bill to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians.

S. 1000

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 1000, a bill to ensure that the recommendations of the Commission on the Consolidation and Conversion of Defense Research and Development Laboratories are available for consideration before any action is taken to close or realign Department of Defense laboratories pursuant to the Defense Base Closure and Realignment Act of 1990.

S. 1013

At the request of Mr. GRASSLEY, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1013, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the earned income tax credit for individuals with young children.

S. 1014

At the request of Mr. GRASSLEY, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1014, a bill to amend the Internal Revenue Code of 1986 to increase the personal exemption amount.

S. 1110

At the request of Mr. KASTEN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1110, a bill to amend the Federal Food, Drug, and Cosmetic Act to require that standards of identity for milk include certain minimum standards regarding milk solids, and for other purposes.

S. 1111

At the request of Mr. MITCHELL, the names of the Senator from California [Mr. CRANSTON], the Senator from Delaware [Mr. BIDEN], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 1111, a bill to protect the Public from Health Risks from Radiation Exposure from Low-Level Radioactive Waste, and for other purposes.

S. 1156

At the request of Mr. PACKWOOD, the names of the Senator from Montana [Mr. BURNS] and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1156, a bill to provide for the protection and management of certain areas on public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in the States of California, Oregon, and Washington; to ensure proper conservation of the natural resources of such lands, including enhancement of habitat; to provide assistance to communities and individuals affected by management decisions on such lands; to facilitate the implementation of land management plans for such public domain lands and federal lands elsewhere; and for other purposes.

S. 1175

At the request of Mr. KERRY, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 1175, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes.

SENATE JOINT RESOLUTION 130

At the request of Mr. LAUTENBERG, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 130, a joint resolution to designate the second week in June as "National Scleroderma Awareness Week."

SENATE JOINT RESOLUTION 131

At the request of Mr. LUGAR, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of Senate Joint Resolution 131, a joint resolution designating October 1991 as "National Down Syndrome Awareness Month."

SENATE JOINT RESOLUTION 136

At the request of Mr. RIEGLE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 136, a joint resolution to authorize the display of the POW-MIA flag on flagstaffs at the national cemeteries of the United States, and for other purposes.

SENATE JOINT RESOLUTION 151

At the request of Mr. RIEGLE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Joint Resolution 151, a joint resolution to designate October 6, 1991, and October 6, 1992, as "German-American Day."

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. LAUTENBERG, the names of the Senator from Minnesota [Mr. DURENBERGER] and the Senator from Maine [Mr. COHEN] were added as cosponsors of Senate Concurrent Resolution 27, a concurrent resolution urging the Arab League to terminate its boycott against Israel, and for other purposes.

AMENDMENTS SUBMITTED

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

PRESSLER AMENDMENTS NOS. 277 THROUGH 279

(Ordered to lie on the table.)

Mr. PRESSLER submitted three amendments intended to be proposed by him to the bill (S. 173) to permit the Bell Telephone Cos. to conduct research on, design, and manufacture telecommunications equipment, and for other purposes, as follows:

AMENDMENT NO. 277

At the end of the bill, add the following:

SEC. 4. ADDITIONAL AMENDMENT TO THE COMMUNICATION ACT OF 1934.

Section 220(d) of the Communications Act of 1934 (47 U.S.C. 220(d) is amended by deleting "$6,000" and inserting in lieu thereof "$10,000".

AMENDMENT NO. 278

On page 12, between lines 2 and 3, insert the following:

"(k) No Bell Telephone Company or affiliate may purchase or use in the provision of any regulated service, any equipment which it or any affiliate manufactures.".

On page 12, line 3, strike out "(k)" and insert in lieu thereof "(l)".

AMENDMENT NO. 279

On page 12, between lines 2 and 3, insert the following:

"(k) Notwithstanding any other provision of this Act or any other law and before the commencement of any manufacturing activity by any Regional Bell Telephone Company or any Regional Bell Telephone Company affiliate, the Commission shall not later than 180 days after enactment of this subsection, promulgate rules and standards necessary to ensure that—

"(1) State regulatory commissions have adequate financial records systems in place to ensure detection of anti-competitive abuses by monopoly local telephone service exchanges where business crosses State lines; and

"(2) the various State regulatory commissions are authorized to enter into regulatory compacts with one another to detect regulatory abuses, and that such commissions are vested with subpoena authority for access to financial records of a Bell Telephone company or any affiliate

On page 12, line 3, strike out "(k)" and insert in lieu thereof "(l)".

Mr. PRESSLER. Mr. President, I rise today to file three amendments for possible consideration when we take up S. 173. I submit these amendments in an effort to encourage discussion from all sides on this issue, and I welcome comments or suggestions from any interested parties.

The first amendment would require the Federal Communications Commission to ensure that State regulators have adequate financial records systems in place to detect any anti-competitive activities of local telephone service exchanges where their business crosses State lines. In addition, it would ensure that State regulatory commissions are authorized to enter into regulatory compacts with other State regulatory commissions to assist in detecting any regulatory abuses. Finally, it would assure that State regulatory commissions are vested with subpoena authority to access the financial records of a Bell telephone company or any affiliate. These tools are intended to give State and Federal regulators the tools they need to protect the interests of ratepayers.

The second amendment would provide for an increase in the fine for a violation of the Communications Act by any telephone company that fails or refuses to keep accounts, records, and memoranda on the books in the manner prescribed by the Federal Communications Commission.

My third amendment prohibits a practice known as self-dealing. This occurs when a monopoly utility owns a manufacturing operation and buys exclusively for itself the product it needs in its networks. Ratepayers, both consumers and businesses, are deprived of competition that should exist for those product sales. Equipment competitions could be shut out of the Bell markets—sales worth billions of dollars a year. The history of the last 7½ years demonstrates that competition in telecommunications equipment produces more R&D, new and better products, and lower prices. This amendment would prohibit self-dealing and encourage continued competition in the telecommunications equipment markets.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will be holding a hearing on the "Circle of Poison: Impact on the Third World." The hearing will be on Wednesday, June 5, 1991, at 9:30 a.m., in SR-332. For further information please contact Carolyn Brickey or Jon Haber of the committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON PROJECTION FORCES AND REGIONAL DEFENSE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Projection Forces and Regional Defense of the Committee on Armed Services be authorized to meet on Friday, May 24, 1991, at 9:30 a.m., to receive testimony on current strategic lift capability and programs, in review of S. 1066, the National Defense Authorization Act for fiscal years 1992-93.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FINANCING FOR DEFENSE EXPORTS—S. 1173

• Mr. LIEBERMAN. Mr. President, yesterday I introduced legislation, S. 1173, that would establish a guarantee program for the defense exports of American manufacturers. This legislation is a revised version of a bill that I introduced last year.

Our defense manufacturers are a critical portion of our manufacturing base, crucial to a wide range of secondary suppliers. They produce products which are competitive worldwide. The problem confronting our defense manufacturers has nothing to do with the quality of their products, it has to do with the lack of an adequate financing program to help them compete against manufacturers from other nations. Without this financing, they are at a competitive disadvantage.

The United States is one of the few nations that does not support its deffense manufacturers with their export sales. The result of this lack of support is that domestic producers lose sales or shift production overseas through subsidiaries in countries which will provide export credits. At a time when our defense industry is downsizing as a result of inevitable cutbacks, we cannot afford to hurt our exporters further by refusing to support their export activities. We stand to lose too many jobs if we do not help. This is particularly important to my home State of Connecticut which relies heavily on its defense industry.

I introduced similar legislation last year, and I am also a cosponsor of my friend Senator DODD'S bill that would establish a defense export financing program in the Export-Import Bank. My new bill is intended to serve as an alternative to that bill only if it does not move forward. My bottom line is to ensure that some type of program is in place for our defense manufacturing sector.

S. 1173 would establish a Defense Export Financing Board, comprised of the Eximbank and Departments of State, Defense, Commerce, and Treasury with Treasury and Commerce as nonvoting members of the Board. The Board has the responsibility to determine whether or not a guarantee should be granted for each request. The Center for Defense Trade at the Department of State will handle the administrative functions of the program with the Eximbank providing credit analysis and other administrative functions. The guarantee program is to be the same as the Eximbank guarantee program, which has proven to be an effective tool for civilian exporters.

Each country must be determined to be creditworthy, friendly, and may not be in violation of section 502(b) of the Foreign Assistance Act, concerning human rights protections, in order to be considered eligible for the program. These provisions are intended to ensure that we will never supply potential enemies or developing nations that simply cannot and should not buy unnecessary arms.

In addition, the Defense Financing Board must submit notification to Congress of a sale. The notification procedure can run concurrently with present procedures in the Arms Export Control Act. The purpose of this procedure is to give Congress along with the executive branch an opportunity to determine whether or not it is in our national interest to permit a sale to go forward. This is a further safeguard.

I believe that my bill provides a framework for establishing a carefully controlled defense export financing program that addresses the financial and political concerns of both the administration and Congress. I am committed to seeing a workable program put in place so that our defense exporters will no longer be at a competitive disadvantage.

I ask that a copy of the bill be placed into the RECORD after my statement, along with some additional information on the export financing programs of other major defense exporting nations.

The material follows:

S. 1173

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Private Defense Export Financing Act of 1991".

SEC. 2. PRIVATE DEFENSE EXPORT FINANCING.

(a) AUTHORITY TO GUARANTEE PROJECTS.—The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended by inserting after chapter 7 the following new chapter:

"CHAPTER 8—PRIVATE DEFENSE EXPORT FINANCING

"SEC. 81. GUARANTY AUTHORITY.—(a) The Private Defense Export Financing Board may guarantee any eligible defense export loan in accordance with the provisions of this chapter.

"(b) A loan is a defense export loan eligible for a guaranty pursuant to this chapter if the loan is made—

"(1) by an individual, corporation, partnership, or other juridical entity doing business in the United States (other than a department or agency of the United States Government); and

"(2) for an export project that—

"(A) involves the acquisition of defense articles, defense services, or design and construction services (authorized for sale by section 29) by one or more friendly foreign countries or international organizations;

"(B) is financed entirely by one or more such indviduals, corporations, partnerships, or other juridical entities;

"(C) is creditworthy, as determined pursuant to section 84;

"(D) will not involve procurement outside the United States except to the extent that such procurement would be permitted under section 42(c) if funds made available by this Act were to be used for such procurement; and

"(E) satisfies such other conditions and criteria as the Board prescribes in regulations.

"(c) A guaranty issued pursuant to this chapter shall guarantee a lender against political and credit risks of non-payment, including nonpayment of interest, and shall be backed by the full faith and credit of the United States.

"SEC. 82. PRIVATE DEFENSE EXPORT FINANCING BOARD.—(a) the Private Defense Export Financing Board is a board within the executive branch.

"(b) The Board is composed of five members as follows:

"(1) The Secretary of State, who shall serve as Chairman of the Board.

"(2) The Secretary of Defense.

"(3) The Chairman of the Export-Import Bank of the United States.

"(4) The Secretary of Commerce.

"(5) The Secretary of the Treasury.

"(c) An official referred to in subsection (b) may designate an officer or employee of the United States to serve as a member of the Board in place of such official. Any such designee of the Secretary of State shall serve as Chairman of the Board.

"(d) The members referred to in paragraphs (4) and (5) of subsection (b) are nonvoting members of the Board.

"(e) Two of the members referred to in paragraphs (1), (2), and (3) of subsection (b) shall constitute a quorum.

"SEC. 83. CONGRESSIONAL NOTIFICATION.—A guaranty may be issued under this chapter only upon the expiration of 30 calendar days after the Private Defense Export Financing Board has transmitted to the Committees on Armed Services, Foreign Relations, and Appropriations of the Senate and the Committees on Armed Services, Foreign Affairs, and Appropriations of the House of Representatives a written notification of the proposed guaranty. The notification shall contain a detailed discussion of the proposed guaranty and the export project to which the guaranty relates.

"SEC. 84. RESPONSIBILITIES OF THE EXPORT-IMPORT BANK.—(a) The Export-Import Bank of the United States shall—

"(1) determine the creditworthiness of each export project for which a loan is proposed to be guaranteed pursuant to this chapter;

"(2) timely provide the Private Defense Export Financing Board with a risk analysis for such project; and

"(3) make such risk analysis available to the committees of Congress referred to in section 83.

"(b) Upon the request of the Board, the Bank may provide the Board with additional services relating to the Board's responsibilities.

"SEC. 85. ADMINISTRATIVE RESPONSIBILITY.—The Center for Defense Trade of the Department of State shall (1) administer the guaranties issued by the Board pursuant to this chapter, and (2) furnish the Board with such additional administrative services as the Board request to carry out its responsibilities under this chapter.

"SEC. 86. HUMAN RIGHTS PROTECTION.—A guaranty issued pursuant to this chapter is a guaranty of a loan within the meaning of section 502B(d)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(d)(2)).".

(b) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1992 to carry out the provisions of chapter 8 of the Arms Export Control Act (as added by subsection (a)), as follows:

(1) For providing guaranties for defense export loans, $65,000,000.

(2) For the Export-Import Bank of the United States, such sums as are necessary to carry out section 84 of such Act.

EXPORT FINANCING OF DEFENSE PRODUCTS BY OTHER COUNTRIES

All major exporters of defense products other than the U.S. provide some form of official financing guarantees to their private sector. Most also provide below market rate direct financing, both as security assistance, as in the case of the U.S., but also as a means to promote sales of their defense products. In most cases the countries use the same institution for both commercial and military sales credit programs.

FRANCE

France provides below market rate finance with long maturities through the Banque Francaise du Commerce Exterieur. It also provides guarantees through the Compagnie Francaise d'Assurance pour le Commerce Exterieur, known as COFACE. COFACE is a private joint stock company owned by nationalized insurance companies and banks, and covers both commercial and military products.

GERMANY

HERMES Kreditversicherungs AG, the German equivalent of Eximbank, provides export credit insurance to exporters and banks, and covers both commercial and military products.

UNITED KINGDOM

The Export Credits Guarantee Department (ECGD) provides insurance programs to cover a variety of political and commercial risks for exports from the U.K., including 100% guarantees for repayment to banks on credit terms of two years or more. It covers both military and commercial products.

CANADA

The Export Development Corporation (EDC) offers Canadian exporters a variety of insurance, financing and guarantee programs, for both commercial and military products. Loans are generally insured for up to 90% of the contract value.

BRAZIL

The Carteira de Comercio Exterior (CACEX), the foreign trade department of the Banco do Brasil, operates an export credit program known as FINEX. It provides political risk coverage and an interest rate equalization program to exporters of both commercial and military products.•

HAMPTON UNIVERSITY

• Mr. WARNER. Mr. President, not long ago, I had the pleasure of accompanying the President of the United States to Hampton University, where President Bush delivered the commencement address. I am always glad to accompany our President on such special occasions, and I was especially glad to be there as he addressed the graduates of this fine school. Hampton University has played an important role among the historically black colleges and universities of our Nation.

During the ceremony, I was impressed with the President's remarks, which were both thoughtful and motivating. The other speeches offered that day by university president, Dr. William R. Harvey and by senior class president, Carvel Lewis were equally impressive.

Aspects of all three speeches given that day are as timeless as they are timely. Because the words we use to mark such special occasions are often a barometer of the times, I respectfully request that the texts of the three speeches be entered into the permanent RECORD of the proceedings of this Congress as a resource for today and for posterity.

The speeches follow:

ADDRESS BY THE PRESIDENT AT HAMPTON UNIVERSITY COMMENCEMENT

The PRESIDENT: Thank you very much. President Harvey, Senator Warner, and Congressman Bateman, and members of the University administration, and especially the Class of 1991. [Applause.] May I thank the class president, Carvel Lewis, for his remarks; pay my respects to the faculty, and to Mr. Dillard and this magnificent choir.

My first exposure to music at Hampton was in the year either 1935 or 1936, when one of your predecessor singing groups came to Eastern schools. And this is a magnificent tradition of Hampton.

And let me say to those who graduated 50 years ago, you don't look so old to me. [Laughter.]

One of the pleasures of coming here is getting to know your university president better. You know, President Harvey is an avid tennis player. Really avid. When I shook his hand he corrected my grip. [Laughter.]

At any rate, it's a real pleasure to join with you today. I'm the ninth President to visit your campus—and I might say that eight of them have been Republicans. [Laughter.]

Hampton is an elite institution. It boasts the largest endowment of any historically black college or university in the United States. Its graduates contribute daily to our national progress and national well-being. Patricia Stevens-Funderburk, Hampton '71, whom you honor today, serves in our Department of Health and Human Services. Patricia, congratulations to you for this fine award. [Applause.]

As President Harvey said and Carvel said, you all will make your marks in the world. And today I'd like to talk about the new world that you will enter—a world no longer divided by superpower confrontation, but engaged in economic competition and international cooperation.

You in this magnificent Hampton Roads area understand this world better than most. More than 100 firms in this region conduct business beyond our borders. And when many of you leave this university, you'll look to distant shores, places where you hope to spread American ingenuity—your ingenuity.

You ought to be excited about your opportunities. I know that I am. We stand on the verge—if you look around the world you'll understand this—we stand on the verge of a new age of freedom. If we build upon our strengths, if we join hands as a people, we will build a nation and a future unlike any ever seen in human history.

Our first and greatest strength, of course, is our intelligence, and our greatest tool for developing that strength is our educational system. But we have to be honest with ourselves: Contrary to your tradition of excellence, our educational system as a whole has slipped in recent years. Test scores continue to fall. Dropout rates soar in many of our school systems. Businesses complain that some high school graduates don't have the basic reading, writing or math skills. And meanwhile, our elementary and high school students don't compare well to those in other industrial countries in math, science, and even in American geography.

We've got to do better. We ought to improve our schools the old-fashioned way—through commitment and competition. Our America 2000 strategy tries to make a quality education available to every child and every citizen who wants to learn. We have challenged Americans to reinvent the American school—not to improve it, but to reinvent it—not by turing the task over to experts in Washington, but by inviting a nationwide competition to create better schools.

The concept of choice—letting parents choose schools for their children—plays a role. Its time has come. Polls show that 62 percent of the American public favor choice, and 72 percent of minority Americans advocate choice in the schools.

This should surprise no one, because choice means hope. It lets children from poor neighborhoods enroll in the same schools as our children from wealthier ones. It gives parents the freedom to find good schools for their sons and daughters. It frees students from the tyranny of inadequate education.

We've encouraged communities and businesses to roll up their sleeves and help; communities, by taking on crime and hunger and other disturbances that make it almost impossible to learn; businesses, by contributing expertise to local schools and by developing education programs at the workplace. You've set a great example right here with Hampton Harbor. You've built a successful commercial residential area, and you're turning the profits into student scholarships.

We remain committed to such programs as Head Start, which help prepare young students for school. It works. As long as I'm President, it will be adequately funded and it will keep on working. [Applause.]

The business of education is the business of creating a better world. A good education lets you see possibilities you would never have imagined before, and reach them. But education is also a commitment of labor of love.

I recently got a letter from an Army sergeant serving in Saudi Arabia. He talked about his daughter. And he wrote, "I am very proud of her and would like for her to know this: I am thinking of her even as I sit in the Gulf, serving my country,"

Nilka Bacilio, who will receive a Bachelor of Science from the School of Education and Liberal Arts, with honors in Therapeutic Recreation—your dad says, "Hi." [Applause.]

Other parents here have written me, and I want to thank you all. Nothing is more natural, no feeling more fulfilling than having pride in your kids. And when I talk about educational choice or educational reform, I always remember a crucial truth: We can't go anywhere without the support of the people who love us, who believe in us. And if there is any advice I can give today, it is this: Cherish those who give you this kind of lift, and return the favor whenever you can. [Applause.]

Speaking of educational excellence, let me pause now to honor Dinee Riley, who has achieved the highest grade point average of anyone in this class. [Applause.] It is my privilege and honor to hand her her diploma—a biology major, 3.95. [Applause.] What a magnificent record. Dinee, you and your classmates should be proud of your accomplishments. and now comes the challenging part, making use of knowledge once you get out of school.

As a Nation, we must give everyone a chance to make full use of their imagination and intelligence. Our administration does this by trying to remove barriers to progress. We want to free people now trapped by self-doubt and despair.

We've put together an ambitious housing reform package. We call it HOPE, which extends the dignity of home ownership to people who live in public housing communities. The idea is simple: Give people assets; give them permanent wealth, not just consumable scraps of paper; offer people independence; don't hold them in the bondage of dependency. HOPE offers an ethic of encouragement. It encourages people to take an active part in building better lives for themselves, for us all.

We must free people who have been held back by barriers of discrimination. This administration will fight discrimination vigorously, because a kinder, gentler nation must not be gentle or kind to those who practice prejudice. [Applause.] We must free people bound by red tape and unnecessary regulation.

Last year, Americans devoted 5.3 billion hours to filling out regulatory paperwork—5.3 billion hours at a cost to the economy of $185 billion; and this can't continue.

We must free people from the specter of punitive taxation, which takes money that might otherwise buy a home, pay for a child's college education or establish a family nest egg. The controversial budget agreement that we signed last year restrains the growth of federal spending. It offers hope that workers in the future will be able to spend less time working for their tax collector and more time working for their families.

We must free people to create the next great invention. Our administration repeatedly has sought a cut in the capital gains, a tax on the wealth that you will create. That tax is a tax on ideas, on innovation, on the American dream.

But mainly, we must free ourselves from doubt. We must free ourselves from fear. We can't afford to hide from the rest of the world by erecting protectionist walls. If we want to learn, we have to compete. If we want to test ourselves, we have to compete. And if we want to take full advantage of all the world's diverse cultures, ideas and innovations, we have to compete. Our future lies in the world economy.

Last year, exports accounted for 84 percent of our economic growth. Between 1986 and 1990, our exports to the rest of the world increased 73 percent, and exports to our major competitors grew even more: to Germany, 80 percent; Japan, 82 percent; the European Community by 87 percent. We exported $673 billion in goods and services last year.

And our future depends on trade. We've asked Congress to extend the fast-track trade procedures that presidents have been able to use since 1974. Without fast track, we will have trouble moving forward with critical trade initiatives, including the Uruguay Round of the GATT talks, North American Free-Trade Agreement and the Enterprise for the Americas Initiative. Unfortunately, some of the opponents of free trade have resorted to slurs against our Mexican neighbors in the hopes of derailing fast track.

I can think of no more revealing contrast between a free-enterprise view of the human community and the protectionist view. Prejudice is usually nothing more than a breed of cowardice. People afraid to test themselves, or to risk challenging their assumptions hide behind restrictive laws and restrictive walls.

If we want to lead the post-Cold War world, we must not build walls of prejudice and doubt. We must involve ourselves in the world around us. We must build ties of mutual interests and affection everywhere. And the same sentiments ought to guide us at home. In the end, prosperity requires trust. You cannot build a business if you spend all your time worrying about being cheated or conned or attacked. True brotherhood represents the key to happiness and growth.

The programs that I've discussed today give every American, rich or poor or middle class, white or black or brown, a fair chance to pursue his or her destiny. And they try to harness the engine of ambition in service to the common good. They do not divide people along race or class lines; they give everyone a shared stake in everyone else's success.

We have a chance to rekindle the kind of optimism that characterized the civil rights movement of the '60s—one in which men and women of all races and backgrounds joined to pursue goals that we all hold dear: opportunity, prosperity, justice, freedom, tolerance.

So today, you assume responsibility for shaping an international commonwealth of freedom. Believe in yourselves. Trust in yourselves. Don't abandon your passion for ideas or causes. Work hard, but serve your community. Attend to the thousands of tiny deeds that constitute a good and decent life, treat yourself well and respect others. Be a point of light. Build a truly good society.

To you, and to the friends and especially the families who have supported you over the years, congratulations. Thank you for letting me share in your commencement exercises. And may God bless you and God bless the United States of America. [Applause.]

Conferring of Degree on President Bush, Honorary Doctor of Laws

President Bush, because of your long standing support of historically black colleges and universities, I am particularly pleased that the Hampton University Board of Trustees voted to award you an Honorary Doctor of Laws degree. As an early example of your commitment to enhancing black colleges and universities, during your college days, you founded the United Negro College Fund chapter at Yale University. More recently, you implemented the following initiatives:

Appointed, on September 20, 1990, a 23-member Presidential Advisory Board on Historically Black Colleges and Universities to advise you and the Secretary of Education on ways to strengthen the HBCUs. I am one of those members.

Directed the Office of Personnel Management, in conjunction with the Secretaries of Labor and Education, to develop a program to improve the recruitment of graduate and undergraduate HBCU students for part-time and summer federal positions.

Invited Hampton University to nominate a student to spend a semester at the White House as a White House intern.

Encouraged the development of the 15-member Historically Black College and University/Minority Institution Consortium, which was recently awarded $4.3 million. This academic partnership program is aimed at increasing the number of scientists, engineers, and other professionals, especially technicians, in the growing field of environmental restoration and waste management. Hampton University is a participant in this program.

Directed the White House Initiative Office to pair fourteen (14) of the nation's HBCUs with seven (7) mid-western research universities to improve the research capabilities of the HBCUs. This new coalition is known as the University Consortium for Research and Development. Hampton University is a participant in this program, and

Signed Executive Order 12677 which directed 27 agencies to increase opportunities for the participation of HBCUs in federal programs. Increases in total funding over fiscal year 1989 award levels were reported by most agencies. HBCUs received a total of $776 million in FY 1989 and $894 million in FY 1990, an increase of $199 million.

You supported historically black colleges and universities before it was fashionable, and you stayed with us after some thought us anachronisms.

These and other examples are clear testimony to your personal and professional commitment to black colleges and universities.

For that I thank you, and Hampton University is proud to award you the Doctor of Laws degree, Honoris rausa.

Charge to the Graduating Class of 1991, Ogre Phi Ogre VII

(By Dr. William R. Harvey)

Today, you are among many young men and women across the nation who have reached a significant milestone in their lives. You have toiled long and hard for this day. In the years ahead, you must be able to say that your efforts have not been in vain. From this point in your life, you must work even harder to achieve the goals you have set for your future.

During your tenure here, the administration, faculty and staff have attempted to demonstrate to you the need for a total education—wholeness of knowledge—the ability to know how to think rather than merely what to think.

Knowing how to think is a crucial skill for survival in these times and for the future. The world is full of diversities, and your success in life may well be predicated upon your ability to think and discern for yourselves what is best for you, rather than relying on what others may design for you.

Recalling W.E.B. Dubois' attempt to define why we need college, he stated that college develops "that fine adjustment between life and the growing knowledge of life, an adjustment which forms the secret of civilization." As you set out to achieve your future goals, remember that education is a never-ending process in which one strives to make a fine adjustment, or a refitting of a body of knowledge in a world where real life is forever changing.

Your stay at Hampton University has been preparation for the future which requires you to be a humanitarian, an intellectual, and a utilitarian. I challenge you to maintain honor, dignity, decency and concern for mankind, as you leave these hallowed halls and strive to live up to the demands of one who is educated.

It is my hope that here you have been inspired to participate in lifelong learning; to be concerned about shaping the future and not be dull and drab practitioners of what is or has been. I challenge you to be change agents and catalysts who will provide strong moral leadership and create a world of greater justice, beauty and goodwill. Fight bigotry and racism whenever and wherever it raises its ugly head. Remember that it comes in all shapes, forms and fashions * * * sometimes even disguised as a friend.

Promote economic development and economic independence. Develop the habits of saving and investing. Economic prosperity will take you farther than a political, social or other agenda.

Remember to always support your alma mater. Support the programs and people of the university, for these people provided you with the tools to be all that you can be.

As you leave our home by the sea, remember that you are responsible for sustaining the legacy of the Hampton Dynasty. So I now charge you, members of the class of 1991, to don your shield of power, strength and unity, and let your lives do the singing through the service that will reverberate for centuries to come.

Speech by Carvel Lewis, President of the Senior Class—Response to President Harvey's Challenge

Dr. Harvey, the graduating class of 1991 cheerfully and confidently accepts your challenge to achieve excellence in its highest forms. Hampton University, a standard of excellence, has prepared us to accept this great challenge.

We shall remain eternally grateful to the faculty, administration and staff for helping to prepare us for the opportunities and challenges that now beckon to us. We are also grateful to the employees of our buildings and grounds department for contributing to our comfort and security during our tenure here.

On this grand occasion and in this place, we gladly accept the full mantle of adulthood. Across America and around the world, we stand ready to continue to learn, to lead, and to serve. As artists, architects, engineers, educators, scientists, managers of businesses, and health care professionals, we seek the opportunities, challenges, and responsibilities that the world promises us.

As we leave this place of inspiration and learning, we will enter careers, eager to make positive contributions to the development of the peoples of the world. We now stand ready to educate the youth, to create great works of art, to advance the frontiers of science and technology, to promote ethics in business to preserve our natural environment, and to serve our government in peace and in war.

President Bush, you honor us with your presence at and your participation in our commencement. We shall remember this day—the occasion of our rite of passage—until we are "old and gray and full of sleep."

Mr. President, please consider us your "thousand points of light." The thousand members of this graduating class reaffirm our faith in "the land of the free and the home of the brave." Exercising our constitutional and civil rights as citizens of this great democracy, we shall always cherish and defend our rights of "life, liberty, and the pursuit of happiness."

We live in the world, and we shall make this world a better place to live.

Members of this dedicated and distinguished faculty, we shall always remember—we shall never forget—the great lessons we have learned about truth, goodness, and beauty. We shall continue to apply what we have learned as we depart for the hallowed halls of graduate and professional schools, in the science laboratories, in the executive offices of business and government, on the athletic and battle fields, in libraries and museums, in sacred places of meditation and worship—wherever we go and whatever we do, we shall continue to strive for excellence.

We will make Hampton University proud of us, and we shall always remain proud of "our home by the sea."

We deeply appreciate the support and love that our parents, relatives, and friends have given us through the years. Thank you for helping make our graduation possible.

We heartily accept the great challenge before us. Our time has come! This is the day the Lord has made. Let us rejoice and be glad in it!•

SCHEDULE FOR DISABILITY AND INDEMNITY COMPENSATION

• Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I have an announcement to make about reform of the Dependency and Indemnity Compensation [DIC] Program of the Department of Veterans Affairs. I have been working for several months to draft a bill to reform this survivors' benefits program. My proposal will address the present inequities in the system without reducing benefits for those already receiving DIC.

Mr. President, I had scheduled a hearing on DIC reform legislation for June 12 and a markup for June 26. However, I have not yet introduced a DIC reform bill because I feel that it would not be responsible to do that before I have a firm idea of the cost of the proposal. On April 2, Veterans' Affairs Committee staff, on my behalf, asked the Congressional Budget Office to provide a preliminary cost estimate for my draft bill. Unfortunately, data currently available from VA are not sufficient to allow CBO to make a reliable estimate, and VA advises that it could take months to collect sample data sufficient for this purpose.

Mr. President, I ask that there be printed in the RECORD at the conclusion of my remarks a letter I received from CBO about this problem.

Mr. President, for these reasons, I have decided to remove DIC reform from the agenda of our committee's June 12 hearing and June 26 markup. This will enable other legislation—most notably the COLA for service-connected compensation—to go forward in a timely manner.

I plan to schedule hearings on DIC reform proposals as soon as we receive the administration's bill and a cost estimate for my bill.

Mr. President, I want to assure my colleagues and all others with an interest in this legislation that I remain strongly committed to developing appropriate legislation in this area this year.

The letter follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 22, 1991.

Hon. ALAN CRANSTON,
Chairman, Committee on Veterans Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Your staff has asked the Congressional Budget Office to provide you with an update on the status of our efforts to estimate the cost of legislation to reform the Dependency and Indemnity Compensation (DIC) program. The request pertained to the Committee's draft proposal that we received on April 2, 1991.

As we discussed with your staff, there were no data available on which to base a reliable estimate of the impact of this legislation. Therefore, on April 10, 1991, CBO asked that the Department of Veterans Affairs (VA) provide us with data on a sample of 1,200 DIC cases. On May 9, 1991, CBO received from VA limited information on a much smaller sample of cases. After reviewing the data, we determined that it is insufficient for our purposes, and on May 13 we resubmitted the original request. At this time, VA expects to have the full sample available within a few months.

Nevertheless, CBO is now examining alternative ways of estimating the DIC proposal based on data currently available. We would like very much to provide the Committee with an indication of the magnitude of this proposal's effects on the DIC population and on the budget, but our ability to analyze the proposal effectively will be constrained by the inadequacy of the available data. As discussed with your staff, we hope to provide a preliminary estimate to the Committee shortly after the Memorial Day recess. Once we receive the full sample data from VA, we will review our preliminary estimate in the light of new information.

We will continue to keep your staff informed of the status of this estimate.

Sincerely,

ROBERT D. REISCHAUER,
Director.•

A SALUTE TO FALLEN HEROES

• Mr. MACK. Mr. President, I rise today with strongly mixed emotions, and in a moment I am sure you will understand why. I hold in my hand a paper which I was given a few weeks ago on the somber occasion of a memorial service for 14 brave Americans who lost their lives in the skies over Iraq, when their AC-130 gunship was shot down. These men were stationed at Hurlburt Field, near Fort Walton Beach, FL, and this is where their families and friends came together to say goodbye.

The names of the men we gathered to honor have appeared in the papers. Most of us probably glanced at them before moving on to read the details of their final, fated flight. But here again are those names. Each belonged to a real human being. Each died a hero:

Maj. Paul J. Weaver, Capt. William D. Grimm, Capt. Arthur Galvan, Capt. Dixon L. Walters, Jr., 1st Lt. Thomas C. Bland, Jr., Senior M. Sgt. Paul G. Buege, M. Sgt. James B. May II, T. Sgt. Robert K. Hodges, S. Sgt. John L. Oelschlager, S. Sgt. Timonthy R. Harrison, S. Sgt. Mark J. Schmauss, S. Sgt. John P. Blessinger, S. Sgt. Damon V. Kanuha, and Sgt. Barry M. Clark.

The day was bright and cold, and those of us assembled filled a hangar. We heard a little bit about each man. We sang hymns. We heard a 21-gun salute. We felt our emotions dampened as taps was played. After we filed outside to watch several C-130's fly slowly by in formation, I had the honor to meet with the families of those heroes. My heart was heavy, and I was filled with the realization that for as well as the conflict in the Middle East has gone, the true story of war, its ultimate horror, was written on the faces of the people around me.

It was just then that I was handed this paper. It was written by a member of the aircrew—S. Sgt. Mark Schmauss, and given to me by a buddy of his, Michael C. Allysen. Mr. President, I wish to read it now:

MY FLAG

When I look at blue skies up above, they remind me of the color of my flag. Each star represents a state, the white is for glory and integrity, the red is for the blood that we gave in order that we may have life, liberty and the pursuit of happiness. My flag is a symbol of freedom. Forever may she wave. I am proud to be an American and live in the U.S.A.

When Sergeant Schmauss wrote this, he probably never thought it would be read on the floor of the U.S. Senate. And had he not paid the ultimate price, it probably never would have been. But Mark Schmauss did give his life in the service of his nation, and we all stand to learn a little bit about why he was willing to do so from the words he wrote.

Mark Schmauss was a real American hero. May we always remember his courage, insight and strength.•

COMPETITIVENESS POLICY COUNCIL

• Mr. BINGAMAN. Mr. President, over 6 years ago, the President's Commission on Industrial Competitiveness issued its report "Global Competition: The New Reality." That Commission, ably chaired by John Young, CEO of Hewlett-Packard, stated "Americans must take on the challenge of competitiveness as the economic agenda for the next decade."

Sadly enough, this has not been the case. While the term "competitiveness" has entered the public policy lexicon, we have yet to confront the issue in a sustained and coherent manner.

One of the problems with the way this Nation has dealt with the question of our economic competitiveness has been the system's fragmentation. The current process is so splintered that there is no place where the broad issues of competitiveness can be effectively attacked. We have attacked the problem piecemeal. We talk of a trade policy, a technology policy, an education policy, a tax policy, a macroeconomic policy—but no coherent competitiveness policy to tie all the pieces together.

For this reason, I authored provisions in the 1988 trade bill to create the Competitiveness Policy Council [CPC]. The CPC is a high-level independent advisory committee to the President and the Congress on issues of competitiveness. It is essentially a follow on to the President's Commission on Industrial Competitiveness.

The CPC is intended to be a focal point for discussing the problems of economic competitiveness in the broad rather than narrow view. The council is a mechanism for solving those problems by bringing together leaders from business, labor, government, academia, and public interest activities. It is also designed to assure badly needed independent review of the competitiveness policies of the Federal Government.

As part of its functions, the CPC will recommend national strategies for improving U.S. productivity and international competitiveness. It may comment on private sector requests for Government assistance and evaluate the impact of Federal policy on the ability of U.S. business to compete internationally. The council will report annually to the Congress and the President on its findings. It has no executive powers: Its mission is only diagnosis, education, consensus building, and the development of policy options. Unlike some other advisory councils, the CPC will have the needed resource to conduct independent analysis of Government policy.

The heart of the council's task is the attempt to create a vision of what a competitive economy should look like and to build consensus around policies needed to move toward that vision.

The original appointments to the CPC were to have been made in the spring of 1989. Unfortunately, the then-new administration chose to ignore this important task. After 2 years of delay, we finally are at the position where all members have been appointed.

I have been impressed with the high caliber of the appointments to the CPC. The members are all superbly qualified for their posts and represent a good cross section of business, labor, and academia. I understand there has been some delay in scheduling the first meeting. I hope they will meet soon and begin their important task.

Sadly, the administration still does not understand the CPC and has zeroed its budget for fiscal year 1992. While the CPC has money left over from the past two fiscal year appropriations, this was meant as start-up money only. Now that the council is beginning its work, I hope the administration will not attempt to cut that work short. This lack of a budget request for the CPC is something I hope we will rectify during the appropriations process.

In summary, Mr. President, let me just state that I believe the work of the CPC is an important task which will help us focus attention both on the problem and on coherent solutions. I am pleased that the council is beginning its work and I hope that my colleagues would join with me in supporting the council.•

ARE HUMAN RIGHTS BEING RESPECTED IN KUWAIT?

• Mr. DECONCINI. Mr. President, I read with great concern an article in the Washington Post chronicling the trial in Kuwait of 12 individuals alleged to have collaborated with Iraqi soldiers during Iraq's illegal occupation of Kuwait. Now, I do not believe everything that I read in the Post or most any other paper. But this story, if true would give me great concern.

Here in Kuwait, a country which is a far cry from being viewed as a democracy, holding trials of citizens who may have worked with the Iraqis instead of focusing their attention on what this Senator believes to be some of the far greater problems it faces. If you read the story, you would have learned that one of those convicted was found guilty of wearing a T-shirt with a picture of Saddam Hussein on the front. He was sentenced to 15 years in prison—simply for wearing a T-shirt—so the story implied. If a person received a similar sentence from an Israeli court for wearing a T-shirt with Yasser Arafat's picture on it the United Nations would have passed yet another resolution condemning Israel. Instead, we are asked to forgive Kuwait because it is going through some difficult times.

Clearly, this is true. I went to Kuwait after the war and witnessed the devastation inflicted by the Iraqis. I could not recognize Kuwait City. It was not the same place I had visited less than 2 years earlier.

In the war, we were not fighting to defend "democracy"—Kuwait is not a democracy. But the United States mobilized its forces to liberate Kuwait—and lost over 370 American lives in the process—for the cause of standing up to aggression by a large nation against a small nation and for the cause of respect for the rule of international law. As a result, the United States has a right to expect certain things of those nations and people which we have rescued.

We have a right to exert our moral suasion and encourage Kuwait to respect the rule of law, the right of due process, the legitimate civil and political rights of its people. Thus far, we have only heard vague references to elections being held sometime next year. We have heard that Kuwait is "considering" expanding the franchise to women. But what about the issue of citizenship for the many people who have come to Kuwait to work, who have lived there for years, yet are denied the right to apply for citizenship?

I have spoken with our Ambassador to Kuwait, Skip Gnehm. He has expressed his hope that the Kuwaitis will be better stewards of their country since they almost lost their country forever. I hope he is right. He was here recently and spoke with some of my colleagues. He apparently assured them that more is happening in Kuwait than we are reading in the press.

Additionally I had the opportunity to discuss these issues at length in my office with the Kuwaiti Ambassador, Mr. Al-Sabah, on Wednesday. I raised my concerns about the specifics of the trials and about the need for Kuwait to more publicly move in the direction of democracy and respect for human rights. He clarified the trial for me.

He stated that 130 individuals were initially accused of various acts during the occupation of Kuwait. Of those individuals, evidence sufficient for going to trial was found for only 12. Each of those people had an attorney represent them—something which is rare in most Arab nations. Kuwaiti lawyers were even defending Iraqis. Some Kuwaiti attorneys refused to defend the Iraqis but all appeared to receive due process.

Seven of the defendants were acquitted. Only 5 of the original 130 were found guilty and convicted. The individual who wore the T-shirt had 17 other counts against him. The media appeared to take the one count regarding the T-shirt out of context.

I also raised this issue with Secretary of State Baker at yesterday's Foreign Operations hearing. He confirmed some of Ambassador Al-Sabah's comments and generally reiterated the Bush administration's expressions of concern about Kuwait's sluggish action on many of these issues. Secretary Baker also promised to provide the subcommittee with its report on these events. In the interim the State Department has provided me with transcripts from its press conferences on this issue from Monday and Tuesday. Also, at my request Ambassador Al-Sabah sent me a press release on the trials and the media comment. I ask that these statements be printed in the RECORD at the end of my statement.

I believe that it is important for balance and fairness that the complete record of these trials be made part of the public record. Amnesty International, Middle East Watch, the Red Cross, and even the American Bar Association were provided access to the trials. The public and the media were allowed to attend. I am certain that this access was provided at the urging of our Ambassador, Skip Gnehm. He is to be congratulated for pursuing this issue.

We have had problems with our friends in the Persian Gulf, just as we have had problems with Israel or with Great Britain. We must raise our concerns when they take actions of which we do not approve, but we must also defend them and clarify the facts if a distorted case is presented to the public as fact. Clearly, more needs to be done in Kuwait. The country is, after all, under martial law. But democracy must be allowed to blossom in the region if our actions in Operations Desert Shield and Desert Storm are not to have been in vain.

The statements follow:

KUWAIT (GEORGE BUSH STATEMENTS)

I haven't had a report on the trials themselves yet, and when I read about them, I tried to put myself in the place of the Kuwaiti citizens who were brutalized by Saddam Hussein. I tried to think back, and it wasn't hard, to the brutality and the terrible grief that the families that stayed in Kuwait had. And I can understand that there's a lot of bitterness from those Kuwaitis who saw their country raped and pillaged in an unconscionable way.

Having said that, I think it would be in Kuwait's interest to extend the fair trial to everybody and to be as compassionate as one can, given the outrages that they faced.

A: We are not going to comment on each specific case which comes to trial in Kuwait.

We are, however, concerned by allegations that due process may not have been fully observed.

Claims by defense attorneys that some defendants were not allowed access to counsel before the trial, or to see their accusers, cross-examine witnesses or know the charges against them in advance raise questions about the procedures under which these trials are being held.

The same is true about claims by some defendants that they were coerced into confessing to crimes that they did not commit.

Before the trials started, we stressed to the government of Kuwait the importance of respect for human rights, and principles of due process in addressing allegations of collaboration and abuses during the Iraqi occupation. This includes giving defendants effective right to counsel, and to present and have witnesses cross-examined.

KUWAITI TRIALS AND JUSTICE

These trials are being conducted under martial law.

There is one court. It has five members, made up of two military and three civilian judges.

Our ambassador has talked to the government in Kuwait about the whole question of trials and the steps needed to comply with international human rights standards.

The Kuwaits have a right to bring people to trial including those who violated Kuwaiti law. They need to do that in full compliance with basic human rights.

We urged open trials. They were open.

We urged that international monitors be permitted to attend. The press, the International Red Cross, U.S. and other embassy representatives attended.

It is our understanding that amnesty international plans to attend future trials.

We urged that defendants have a right to counsel. They did.

We will continue discussing these issues with the government of Kuwait.

The secretary discussed this issue when he was last in Kuwait.

Specifics?

Some people were acquitted in the trials yesterday. In addition, more than 130 cases have already been dismissed before trial according to the ministry of justice.

Of the twelve cases taken up yesterday, five were deferred, two defendants were acquitted, and five were given sentences ranging from three to fifteen years.

The sentences are subject to review by the amir and the crown prince.

As for the sentencing, we understand that in the one case widely reported there was more to the charges of collaboration than just the wearing of a Saddam Hussein T-shirt. I'm not going to get into each case—but it's a little steep.

We have been in close touch for more than one month with the group of Kuwaiti attorneys who organized to provide defense counsel.

We are seeing Kuwaiti lawyers standing up openly on behalf of defendants. We asked for all of this.

Kuwaitis themselves are demanding a fair system of justice.

Our own strong position remains that due process must be observed.

Our principles regarding due process of law are consistent all over the world.

The concerns we have expressed in the case of Kuwait are similar to those we have expressed in many other cases.

I would refer you to our human rights reports for examples.

Overview?

It has been 81 days since liberation. Power, water, the police force have been restored. 114 oil fires have been put out.

Of the two million people in Kuwait before the invasion, the population is now about 400,000—people are just now coming back.

Q: Were these trials more or less fair than usual in Kuwait?

A: Kuwait's preinvasion judicial system was independent and generally fair, in our opinion. I would invite you to review our 1990 human rights report on Kuwait for an assessment of that system.

These trials were held under martial law, which has different procedures.

Nonetheless, it has certainly been our opinion that the accused in any system should be accorded due process.

Q: Don't you think that Palestinians were unfairly treated in these trials?

A: Most of the defendants were Iraqis.

I understand that Palestinians were included among those acquitted and among those sentenced, as well as among those whose trials were deferred.

FURTHER ON KUWAIT TRAILS

Q: Do you have anything more to say on the trails in Kuwait?

A: Twenty or so individuals scheduled for trial this morning on charges of collaborating with Iraq by working with a Pro-Iraqi newspaper in Kuwait have had their trial postponed until June 1 in order to allow more time for the defense to go over the evidence.

This shows a willingness to respond to some of the concerns and allegations raised by defense lawyers in regard to Sunday trials.

As our statement indicated yesterday afternoon, we are concerned by the allegations being made by defense lawyers that due process is not being observed.

The defense lawyers in Kuwait have been outspoken about what they see as shortcomings in the system. That they can do this openly is a strength and should be encouraged. It is up to the government to respond.

President Bush said yesterday that it would be in Kuwaits interest to extend a fair trial to everybody, and to be as compassionate as they can.

That says it about as well as it can be said.

Q: Do you think that Kuwait's decision to postpone today's trial was in response to the criticism leveled at them yesterday from State and from the media?

A: You'd have to ask them what motivated them, but it was a step in the right direction.

Q: Why did the State Department change its tune and issue a stronger criticism of the trials in the afternoon?

A: I gave you an initial response to the first accounts of the trials yesterday morning. The afternoon statement reflected a judgment based on continued study of the information available.

You should understand that the trials will be going on for some time. Our assessment of them will be affected by how the process is carried on, including how the government there responds to any criticism that may arise.

EMBASSY OF THE STATE OF KUWAIT,
Washington, DC, May 22, 1991.

Pursuant to what has been reported in the Media regarding official and nonofficial reactions to the on-going trials in Kuwait for a number of people accused of collaborating with the Iraqi occupation forces, the Minister of State for Cabinet Affairs Mr. Dhari Al-Othman made the following statement:

1. The Government of Kuwait reiterates its commitment to the rule of law and its un-

equivocal belief in human rights regardless of race, citizenship, or belief. It follows, therefore, that all measures against the accused were taken with full consideration of the rights of the defendants as specified under the due process of law.

2. The principle to which Kuwait is committed and which is reaffirmed in the Constitution and the *Sharia* is that a defendant is presumed innocent until proven guilty. Kuwait's commitment to this rule of law in all matters of jurisprudence before the Iraqi occupation has won our country worldwide respect of agencies and organizations concerned with human rights.

3. The trials currently taking place are conducted publicly within the framework of the law and provide all the necessary and sufficient legal rights to the defendants, within the supreme independence of the Judiciary system.

4. Unfortunately, some members of the press have deliberately attempted to misrepresent and distort the truth by failing to mention the numerous acquittals handed down for some of the accused and failed to include in their reporting the other counts in the indictments. Instead, they chose to concentrate solely on the convictions and focus on specific charges, with the intention of spreading doubts on the justness of these trials.

5. The State of Kuwait was subjected to a brutal Iraqi occupation in which the occupier inflicted against the peaceful people of Kuwait unprecedented means of torture and total violations of human rights. Despite the bitterness the people of Kuwait feel towards that heinous occupation, they nevertheless did not forget or forsake the forgiving nature of their religion, principles, ideals, or laws, all of which insist that no one may be arraigned except under circumstances specified by the law. Furthermore, no man shall be judged for the crimes of others.

6. While the State of Kuwait reaffirms its stand, identical with those of its friends regarding the importance of making available the basic and necessary legal rights extended to those accused, it expresses its thanks and appreciation for their support and their recognition of its legitimate right to try anyone of the accused before the Kuwaiti Judicial system.

Finally, Kuwait, which has become a model of international cooperation in the defence of legitimacy, truth, and justice, will become once again a secure and peaceful home to anyone of any nationality who wishes to reside in its territory.

OPERATION SOLOMON

• Mr. CRANSTON. Mr. President, the White House has just announced that Operation Solomon, the airlift of Ethiopian Jews from Addis Ababa to Tel Aviv, is on its way. Ten planes with 3,000–4,000 Ethiopian Jews have arrived in Tel Aviv today and another 16,000 are being prepared for departure on Israeli and Ethiopian planes.

The situation in Ethiopia is very fluid right now. Peace talks are to begin in London on Monday. None of the rebel groups have said they will attempt to block this airlift which is to be completed in the next 36 hours. We continue to work so that all goes smoothly.

As the cochair of the Congressional Caucus for Ethiopian Jewry, I have been working behind the scenes for many years to keep this issue on the front burner to ensure that the Ethiopian Jewish community could be reunited finally. The diligent work of the members of the caucus—there are 44 Senators in the caucus—the administration, the Israeli Government and the American Association for Ethiopian Jewry and, now, the departure of Mengistu has made this modern-day miracle possible.

In March, when the flow of Ethiopian Jews was most recently interrupted, 27 of my Senate colleagues who are members of the caucus joined me in sending a confidential letter to Secretary Baker urging him to take an active role in planning this airlift. Earlier this month, a former cochair of the caucus, Rudy Boschwitz, traveled to Ethiopia to help lay the groundwork for Operation Solomon.

Mr. President, this is fantastic news. I celebrate with the Ethiopian Jews who have waited for so long to go home.

I ask that this letter from 28 Senators to Secretary Baker appear in the RECORD following my remarks.

The letter follows:

U.S. SENATE,
Washington, DC, March 15, 1991.

Hon. JAMES E. BAKER III,
Secretary of State of the United States, Department of State, Washington, DC.

DEAR SECRETARY BAKER: We are writing to you as members of the Congressional Caucus for Ethiopian Jewry. We support the priority you have placed on the improvement of the overall human rights situation in Ethiopia, and we commend the efforts you and the Administration have taken to ensure that the plight of Ethiopian Jewry has been raised at the highest levels.

Although we have witnessed a steady flow of Ethiopian Jews to Israel in the last months, and we are pleased to see that there are legal mechanisms for the orderly processing of those wishing to join their family members in Israel, we are deeply concerned about recent developments in Ethiopia.

There are more than 15,000 Ethiopian Jews who have left their villages in the Gondar province and who are now waiting in Addis Ababa for flights to Israel. Even if approximately 1,000 leave each month as was the case until recently, it will take at least another year for the Ethiopian Jews in Addis Ababa, many living in desperate conditions, to be reunited with their loved ones.

Unfortunately, time is of the essence. There is increasing concern about the fluid military situation created by the rebel offensive which began in February, and the Ethiopian government has temporarily suspended flights for Ethiopian Jews out of the country. We urge you to raise this matter with the Ethiopian government and seek assurances that flights will resume immediately.

Our government was active in facilitating the large-scale airlifts of the 1980s. If such an opportunity arises in the coming weeks, we hope you will take an active role in ensuring that such flights can begin again.

We look forward to continued cooperation on this matter.

Sincerely,

Alan Cranston, Bill Bradley, Dennis DeConcini, Christopher J. Dodd, J. James Exon, Bob Graham, Frank R. Lautenberg, Joseph R. Biden, Jr., Alfonse M. D'Amato, Alan J. Dixon, Dave Durenberger, Wyche Fowler, Jr., John F. Kerry, Carl Levin.

Joseph I. Lieberman, Connie Mack, Daniel Patrick Moynihan, Donald W. Riegle, Jr., John D. Rockefeller, Arlen Specter, Paul Simon, Richard G. Lugar, Howard M. Metzenbaum, Larry Pressler, Charles S. Robb, Paul S. Sarbanes, Timothy E. Wirth, William S. Cohen.•

EVENTS IN THE SOVIET UNION AND CAMBODIA MAY 24, 1991

• Mr. KERREY. Mr. President, as we prepare to leave Washington for the Memorial Day weekend, most of us will take some time to reflect on the sacrifices which Americans have made on behalf of freedom. We will try to quietly remember the bold disregard of personal safety which has characterized those great moments when liberty was advanced. We will remember when friends conquered the fear of suffering and made a commitment to something larger than their own lives.

In the past 2 years we have witnessed unimagined events where the dark, lonely march of freedom ended in the bright and hope-filled moment of liberation. Any remnant of skepticism about the value of America's willingness to resist tyranny must certainly have vanished in us all as we listened to the words of Lech Walesa, Vaclav Havel, and Nelson Mandela. They simply and movingly thanked America for her resolve, her values, and her vision.

This battle for freedom is not over. Our work is not done. The need for risk and sacrifice is still with us.

Among many there are two opportunities to stand and strike a blow for freedom which I hope and pray America will seize. The first is on behalf of the people of the Soviet Union—a nation which is still our nuclear adversary. The second is on behalf of the people of Cambodia—a nation of little strategic value but great moral importance.

The opportunity I see with the Soviet Union is for America to lead a coalition of industrial, democratic nations to help the Soviet people achieve the objective of liberal democracy and free enterprise. We need to do much more than extend an offer of help. Our decision is much more risky than whether we extend an invitation to Gorbachev to attend the July G–7 meeting in London.

As this nuclear superpower spins downward economically, we must not miss the opportunity of changing the nature of our relationship. I believe the opportunity is both historic and fragile.

We must not allow the events in the Soviet Union to become just another current issue to be discussed on weekly news shows. We must resist the temptation to answer the clinical questions of today's commentators: Will Gorbachev survive? Are the hardliners on the ascendancy? Should we provide loans for food purchases?

In the midst of these very relatively minor concerns we are not able to see or hear the struggle and the cries for freedom coming from within the Soviet Union. Now that the cold war is over, now that the concern for limited emigration has been replaced with a fear of unlimited emigration, now that the threat of the Soviet advance in Europe has disappeared, the cries for freedom seem to be falling on deaf ears.

If we listen to the Soviet leaders who are asking us to help them become free, I believe we will see that we have a fundamental decision to make. We will see that the decision which lies before us is whether we establish a new relationship with the Soviet Union based on partnership rather than nuclear rivalry.

Mr. President, I am proposing that we should, and that we do so in the cause of freedom as well as our own security. It will require sacrifice and risk on our part as well as the Soviet Union, but they are sacrifices and risks that we must take.

We will be forming this partnership for a purpose. Allow me to restate it: To assist the Soviet Union in their transition to free enterprise and democracy.

I envision three objectives for this partnership. The first is an immediate commitment to reduce the levels of nuclear weapons even further than the START Agreement. The second is an economic strategy which assumes an immediate and radical transformation of the Soviet economy from communism to free enterprise. The third is to agree to help the Soviet Union accomplish an equally radical transformation of their political system so that it is a Government of, by, and for the people.

The Soviet Union is the largest unexplored frontier for free enterprise and democracy. The people of the Soviet Union—who have suffered the terror and the tragedy of communism's failure—want freedom. They are understandably frightened by the prospect of great economic and social turmoil which will follow if their political leaders do the right thing.

In America we were bequeathed a system where the fundamental arguments and battles over the nature of an accountable Government have already been waged. In America we no longer worry about the possibility of a violent revolution from the left or the right. We have mature institutions which allow us to resolve our conflicts peacefully.

In the Soviet Union there is no such security. The moment they enact the laws which provide for free enterprise and an accountable democracy, their short-term troubles will grow worse. The moment their leaders do what is right there will be cries of sell out and predictions of failure from hard liners.

All the speeches about the cold war being over which tell us we are beyond containment are misleading. They suggest the moment of peril has passed. They suggest Soviet threats to our security are gone. They suggest that the Soviet Union, still a formidable nuclear and conventional power, can merely be shrugged aside with half-hearted sighs of relief.

True genius in foreign policy does not show itself merely by responding decisively and forcefully to crises. It also shows itself by foreseeing and preventing them. More impressive than our military victory in the gulf would have been a policy that prevented Iraq from amassing the world's fourth largest military, or a policy that early on declared we would not tolerate Saddam Hussein's human rights abuses and threats against its neighbors.

The compounding pressures building within the Soviet Union will not stay within the Empire's borders if they expand to the point of explosion. The potentially violent dissolution of a superpower is and must be foreign policy concern of the first order, for our Nation and for all nations. We cannot afford to take comfort at the decline of the Soviet star when it could instantly become a supernova that might scorch the earth.

That is why an American decision to make a commitment to help the Soviet people achieve economic and political freedom by leading an international coalition of support is not just another foreign policy decision. It is the foreign policy decision of the latter half of this centruy.

In Cambodia the situation is much different though the opportunity to work for freedom is the same. Here is a people who represent no military threat. Their country has little strategic value. Here is a people whose cause we have intermittently carried, who may have suffered most when we turned our backs on Southeast Asia in 1975. They suffered the killing fields of the Khmer Rouge who murdered and starved to death at least one million Cambodians in 3 horrible years.

In Cambodia we are approaching a watershed moment: A June meeting of the four Cambodian factions where we hope to get all parties to agree to a United Nations peace agreement. Our objective in Cambodia is simple: A democratically elected Government which has the strength to prevent the Khmer Rouge from returning to power.

My hope is that the June meeting will be successful. However, if it is not, we should also be prepared to take bold action. We should not wait for something good to happen. We should make it happen by dropping our trade sanctions, by redirecting our aid to our non-Communist allies from a military insurgency to a political campaign, and by mobilizing an international effort to guarantee free elections.

The fear of getting involved again in Southeast Asia must be overcome. Our intervention will not lead to a quagmire, just as our intervention on behalf of the Kurdish refugees has not. Instead it will lead to freedom and peace for a people who desperately want and genuinely deserve both.

Both of these proposals appear to require new thinking on the part of the United States. In a very limited way they do. In a more important and lasting way it is the same kind of thinking all of us will honor with our remembrances in just a few days.●

TRIBUTE TO GEORGE WALKER

● Mr. LAUTENBERG. Mr. President, I rise to pay tribute to George Walker, a composer and pianist of Montclair, NJ. On June 9, 1991, at the Newark Museum in Newark, NJ, Dr. Walker's works will be featured in the first major concert entirely devoted to his compositions.

Dr. Walker's musical career has spanned 50 years. After graduating from Oberlin College, he traveled to Europe to study music in France. He won a Fulbright fellowship. He was encouraged to pursue composition by his instructor Nadia Boulanger. He then toured throughout Europe, performing in Sweden, Denmark, Holland, Germany, and Italy.

Later, Dr. Walker settled in New Jersey, where he has served as a professor at Rutgers, the State university, for 21 years. Over a period of five decades, Dr. Walker has won numerous commissions and awards in recognition of his special talents. His works have been recorded by such renowned orchestras as the London Symphony, the Royal Philharmonic, the New York Philharmonic, the Boston Symphony, the Philadelphia Orchestra, and the New Jersey Symphony. The Eastman School of Music and the Kennedy Center for the Performing Arts, among others, have commissioned his works.

Mr. President, I join in recognizing this talented New Jerseyan, who has lived a life of accomplishment in music. I extend my warmest wishes to him on the occasion of this special concert, and wish him continued good health and success.●

SARIT BAR AM WINS AAA SCHOOL SAFETY PATROL LIFESAVING MEDAL

● Mr. LAUTENBERG. Mr. President, I rise today to commend a 10-year-old girl from New Jersey for her bravery and courage. Sarit Bar Am is a safety patrol guard at Tuscan Elementary in Maplewood. Last September, when Sarit was on duty, she saw two sisters step into the path of an oncoming van.

She quickly reacted by shouting to the girls and running after them to pull them to safety. Her decisive and speedy actions prevented a possible tragedy.

Sarit's selfless action has won her an American Automobile Association Lifesaving Medal. This award is given to crossing guards who have exhibited dedication to the safety of other schoolchildren. Safety patrol guards work to make the route to school safer for children.

I applaud Sarit for her quick thinking and commitment to her duties. It is most fitting that she is receiving this medal for her actions.●

UNANIMOUS-CONSENT REQUEST

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House on H.R. 991, the Defense Production Act.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Mr. President, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVENTION FOR THE PROTECTION OF THE NATURAL RESOURCES AND ENVIRONMENT OF THE SOUTH PACIFIC REGION—TREATY DOCUMENT NO. 101-21

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to consider the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, reported favorably by the Committee on Foreign Relations, that the treaty be considered as having been advanced through the various parliamentary stages up to and including the presentation of the resolution of ratification, that the two recommended understandings be considered as having been offered and agreed to, that no other amendments, understandings or reservations be in order, that any statements appear, as if read, in the RECORD, and that the Senate vote on the resolution of ratification without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, today the Senate has before it for its advice and consent the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region—commonly known as the SPREP Convention—and the Protocol for the Prevention of Pollution of the South Pacific Region by Dumping. I urge my colleagues to support these measures.

The SPREP Convention establishes general legal obligations to protect the marine environment in the convention area from pollution from various sources. Specific obligations regarding pollution or environmental management can be established in protocols to the convention as the parties deem necessary. The convention requires parties to take all appropriate measures to prevent, reduce, and control pollution in the convention area emanating from vessels, land-based sources, seabed activities, the atmosphere, waste disposal, toxic waste storage, and nuclear testing. It also requires parties to prevent, reduce, and control environmental damage in the convention area, in particular coastal erosion caused by coastal engineering, mining activities, sand removal, land reclamation, and dredging.

Parties are also required to protect and preserve rare or fragile ecosystems and depleted, threatened or endangered flora and fauna as well as their habitat. Moreover, parties are required to cooperate to deal with pollution emergencies, to exchange scientific and technical information and to provide assistance in field relating to pollution and sound environmental management.

Although the convention does not prohibit nuclear testing in the convention area, it does require parties to "prevent, reduce and control pollution in the convention area which might result from the testing of nuclear devices."

Further, the convention does not affect parties' claims regarding the nature and extent of their maritime jurisdiction, nor does it limit states' rights to exploit and develop their natural resources, so long as this is done in a manner consistent with the environmental obligations of the convention.

The convention and protocol apply to the 200 nautical mile zones of the countries and administrations of the region and the areas of the high seas enclosed by these zones.

The administration has requested that the convention be ratified with two understandings and these are incorporated in the resolution of ratification. The first understanding relates to the definition of nonradioactive substances in the convention. It clarifies that substance considered nonradioactive by the International Atomic Energy Agency shall be considered nonradioactive for the purposes of the convention. This understanding resonds to concerns that the treaty text was not clear on this point.

The second understanding makes explicit the United States understanding that the convention does not impinge on the sovereign immunity of vessels or aircraft operating in the convention area. This understanding merely makes explicit a point that is made only implicitly in the convention.

The Protocol for the Prevention of Pollution of the South Pacific Region by Dumping, and its four annexes regulate the deliberate disposal of wastes at sea in the convention area. The Protocol prohibits the dumping in the convention area of certain highly toxic substances, identified in annex I to the protocol. Annex II to the protocol lists those substances which may be dumped in the convention area so long as a special permit has been obtained.

Mr. President, there is some urgency in having the Senate act on the convention and protocol today. In July, the parties to the convention will meet to establish rules of procedures for their future meetings. If the United States is to participate in those meetings as a party, the treaty must be ratified by June 1. The administration wishes to demonstrate its commitment to environmental protection in the region and to ensure that U.S. interests at the meeting are protected. Accordingly, the administration attaches great importance to participation as a full party to the convention.

The convention and protocols were adopted in Noumea, New Caledonia, on November 24, 1986, and closed for signature in November 1987. The convention and its protocols entered into force on August 22, 1990—20 countries have signed the convention and 10 countries have ratified or acceded to the convention.

I would note here that the U.N. Environment Programme played a catalytic role in the development of this convention through its regional seas programme. I believe this highlights once again the value of UNEP in promoting environmental protection around the world.

As the committee's report notes, the committee has received several letters urging that the convention be ratified. The committee has received no expression of opposition to the convention or protocol. Further, on September 17 of last year, the House of Representatives passed House Resolution 398 urging that the United States ratify the convention as quickly as possible.

Mr. President, I urge my colleagues to support the convention and the protocol.

Mr. MITCHELL. Mr. President, does the understanding reported by the Foreign Relations Committee under SPREP regarding regulatory exemptions for low-level radioactive waste have any impact on domestic U.S. low-level waste deregulation, the "below regulatory concern" policies?

Mr. PELL. The terms of the understanding provide that low-level radioactive waste that is exempted is treated as nonradioactive for the purposes of the convention only and, therefore, would not affect domestic U.S. low-level waste deregulation policy.

Further, I ask unanimous consent that a letter from the chairman and ranking member of the Energy and Natural Resources Committee be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON ENERGY AND
NATURAL RESOURCES,
Washington, DC, May 16, 1991.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR SENATOR PELL: We are writing to urge your support for ratification of the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region (the so-called SPREP Convention). This convention is the South Pacific region's most significant environmental agreement; setting forth objectives for the prevention and control of pollution in the South Pacific, for sound management of the environment, and for responsible development of natural resources.

The Convention entered into force last year and a meeting of the Parties must be convened before August of 1991 to initiate implementation of the Convention and its protocols. We believe that it is essential that the United States act quickly to ratify the Convention, and thus avoid losing the opportunity to participate in this program; a failure that would undermine U.S. influence and interests in the region.

As Chairman and Ranking Republican Member of the Committee on Energy and Natural Resources we are particularly sensitive to the concerns of the governments of the U.S. affiliated islands of the Pacific: American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Palau, the Federated States of Micronesia, and the Republic of the Marshall Islands. Prompt ratification of this Convention will demonstrate our Nation's commitment to the Pacific Islands, particularly our commitment to the Pacific Island members of the U.S. political family. Ratification will also affirm our Nation's commitment to environmental protection and will assure the Nation of a role in Pacific environmental affairs.

We look forward to your consideration and support of the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region.

Sincerely,

J. BENNETT JOHNSTON,
Chairman.
MALCOLM WALLOP,
Ranking Republican Member.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

Mr. MITCHELL. Mr. President, I ask for consideration of the resolution before the Senate by a division vote.

The PRESIDING OFFICER. A division is requested. Senators in favor of the resolution of ratification will rise and stand until counted. (After a pause.) Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, with Annex, and the Protocol for the Prevention of Pollution of the South Pacific Region by Dumping, with Annexes, done at Noumea, New Caledonia, on November 24, 1986, subject to the following understandings:

(1) In ratifying the Convention, the United States understands that wastes and other matter which would be recommended for exemption from regulatory control as radioactive waste by the relevant recommendations, standards, and guidelines of the International Atomic Energy Agency shall be treated as non-radioactive for the purposes of the Convention; and

(2) It is the understanding of the United States that as the Convention does not apply to any warship, naval auxiliary, or other vessels or aircraft owned or operated by a state and used, for the time being, only on government non-commercial service and therefore entitled to sovereign immunity under international law, each state shall ensure, by the adoption of appropriate measures not impairing operations or operational capabilities of such vessels or aircraft owned or operated by it, that such vessels or aircraft act in a manner consistent, so far as is reasonable and practicable, with this Convention.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the motion to reconsider the vote be tabled and that the President be notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to consider the following nominations from the Executive Calendar:

Calendar 159. Linda Allison, to be a member of the National Council on Disability;

Calendar 160. John A. Gannon, to be a member of the National Council on Disability;

Calendar 161. Robert W. Naylor, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation;

Calendar 162. Kay W. Riddle, to be a member of the National Commission on Libraries and Information Science;

Calendar 166. Emilio M. Garza, to be U.S. circuit judge;

Calendar 167. Louis J. Freeh, to be U.S. circuit judge;

Calendar 168. Sharon L. Blackburn, to be U.S. circuit judge;

Calendar 169. Richard T. Haik, Sr., to be U.S. circuit judge;

Calendar 170. Ira H. Raphaelson, to be Special Counsel, Department of Justice;

Calendar 171. Edward G. Bryant, to be U.S. attorney;

Calendar 172. Donald R. Brookshier, to be U.S. Marshal;

Calendar 173. W. Bruce Beaty, to be U.S. Marshal;

Calendar 174. Lt. Gen. Bradley C. Hosmer, to be lieutenant general;

Calendar 175. Lt. Gen. Howard C. Graves, to be lieutenant general;

Calendar 176. Maj. Gen. Harold T. Fields, Jr., to be lieutenant general;

Calendar 177. Bruce S. Gelb, to be Ambassador of the United States to Belgium; and

All nominations placed on the Secretary's Desk in the Public Health Service.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

NATIONAL COUNCIL ON DISABILITY

Linda Allison, of Texas, to be a member of the National Council on Disability for a term expiring September 17, 1993.

John A. Gannon, of Ohio, to be a member of the National Council on Disability for a term expiring September 17, 1992. (Reappointment.)

JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

Robert W. Naylor, of California, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of 4 years.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Kay W. Riddle, of Colorado, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1995.

THE JUDICIARY

Emilio M. Garza, of Texas, to be U.S. circuit judge for the Fifth Circuit vice Thomas M. Reavley, retired.

Louis J. Freeh, of New York, to be U.S. district judge for the Southern District of New York vice Richard J. Daronco, deceased.

Sharon Lovelace Blackburn, of Alabama, to be U.S. district judge for the Northern District of Alabama vice a new position created by Public Law 101-650, approved December 1, 1990.

Richard T. Haik, Sr., of Louisiana, to be U.S. district judge for the Western District of Louisiana.

DEPARTMENT OF JUSTICE

Ira H. Raphaelson, of Illinois, to be Special Counsel, Financial Institutions Fraud Unit, Department of Justice. (New position.)

Edward G. Bryant, of Tennessee, to be U.S. attorney for the Western District of Tennessee for the term of 4 years vice William H. Ewing, Jr., term expired.

Donald R. Brookshier, of Illinois, to be U.S. Marshal for the Southern District of Illinois for the term of 4 years. (Reappointment.)

W. Bruce Beaty, of Texas, to be U.S. Marshal for the Northern District of Texas for the term of 4 years.

IN THE AIR FORCE

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Bradley C. Hosmere, [redacted] U.S. Air Force.

IN THE ARMY

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under Title 10, United States Code, section 601(a):

To be lieutenant general

Lt. Gen. Howard D. Graves [redacted] U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Harold T. Fields, Jr. [redacted] U.S. Army.

DEPARTMENT OF STATE

Bruce S. Gelb, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE PUBLIC HEALTH SERVICE

Public Health Service nominations beginning Alan H. Arbuckle, and ending Michael G. Wilcox, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 11, 1991.

Public Health Service nominations beginning James R. Allen, and ending Beverly A. Roth, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 11, 1991.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

DEFENSE PRODUCTION ACT AMENDMENTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House on H.R. 991, the Defense Production Act; that the Senate insist upon its amendments to the House bill, agree to the request for a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I am constrained to object to the request on behalf of a Member on this side. I object.

The PRESIDING OFFICER. Objection is heard.

MAGNA CARTA DAY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 150, designating June 15 as Magna Carta Day; that the Senate then proceed to its immediate consideration; that the joint resolution be deemed read a third time and passed; that the motion to reconsider be laid upon the table; and that the preamble be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 150), was deemed read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, read as follows:

S.J. RES. 150

Whereas June 15, 1991, marks the 776th anniversary of the signing of the Magna Carta at Runnymede by King John of England;

Whereas the Magna Carta was exceptional in its prolonged influence on legal and constitutional thought in England and among the English-speaking nations as a statement of fundamental law, enshrining principles of human freedom and liberty;

Whereas the Magna Carta subsequently provided historical precedent for the powerful stream of thought emphasizing the natural rights of the individual that is expressed in the United States Constitution;

Whereas in 1965 Secretary of State Dean Rusk traveled to Runnymede to receive an acre of its ground from Her Majesty the Queen as a gift to the American people in memory of John F. Kennedy; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 15, 1991, is designated as "Magna Carta Day" and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

ORDERS FOR MONDAY, JUNE 3, 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until 2 p.m. on Monday, June 3; that when the Senate reconvenes on Monday, June 3, the Journal of the proceedings be deemed to have been approved to date; the call of the calendar be waived; no motions or resolutions come over under the rule; and that the morning hours be deemed to have expired.

I further ask unanimous consent that following the time for the two leaders, there be a period for morning business not to extend beyond 3 p.m. on Monday June 3, with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, there will be no rollcall votes on Monday, June 3. The Senate will proceed to consideration of S. 173, the modified final judgment bill, pursuant to consent previously obtained. Senators should be prepared for votes beginning on the morning of Tuesday, June 4.

As is my practice, I have discussed with the distinguished Republican leader and other interested Senators the proposed schedule of legislation that may be considered by the Senate in June, following the Senate's return to session on Monday, June 3.

I now ask unanimous consent that there be printed in the RECORD a list of legislation which may be considered, along with any other legislation that the majority leader may propose for the Senate's consideration during that period, this being a nonexclusive listing.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LEGISLATION THAT MAY BE CONSIDERED BY THE SENATE IN JUNE

Surface Transportation Efficiency Act, S. 965.

Motor voter bill, S. 250.

Cable Television Consumer Protection Act, S. 12.

Federal Facilities Act, S. 596.

National Energy Security Act, S. 341.

Modified final judgment (Baby Bell) bill, S. 173.

Corporate average fuel economy improvement bill (C.A.F.E.), S. 279.

Crime bill, S. 618.

Education Improvement Act, S. 2.

Family and Medical Leave Act, S. 5.

Appropriations bills as well as any other legislation that the leader may propose for the Senate's consideration; this is a nonexclusive listing.

Mr. DOLE. Will the majority leader yield?

Mr. MITCHELL. Yes.

Mr. DOLE. Mr. President, I have reviewed the list. I have no problem with any of the matters on that list. It will take a lot of work to get that done in the 4-week period, but I notice one missing item that I have an interest in and I know the Secretary of Transportation, Secretary Skinner, has a deep interest in. That is the Montreal Protocals. Would there be a possibility of considering that legislation in the month of June before the July 4 recess?

Mr. MITCHELL. Mr. President, as always, it will be my pleasure to consider this request by the distinguished Republican leader. I will do so and will respond to him at an appropriate time in the near future.

I thank him for the request. I will, as I indicated, as always take it under consideration.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZING SENATOR CRANSTON TO TAKE CERTAIN ACTIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator CRANSTON be authorized to sign enrolled bills and joint resolutions during the adjournment of the Senate, prior to June 3.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 2 P.M., MONDAY, JUNE 3, 1991

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate adjourn, as provided for in House Concurrent Resolution 157, until 2 p.m. on Monday, June 3, 1991.

There being no objection, at 2:34 p.m., the Senate, under the provisions of House Concurrent Resolution 157, adjourned until Monday, June 3, 1991, at 2 p.m.

NOMINATIONS

Executive nominations received by the Senate May 24, 1991:

DEPARTMENT OF AGRICULTURE

ANN M. VENEMAN, OF CALIFORNIA, TO BE DEPUTY SECRETARY OF AGRICULTURE, VICE JACK CALLIHAN PARNELL, RESIGNED.

ANN M. VENEMAN, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION, VICE JACK CALLIHAN PARNELL, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24, 1991:

NATIONAL COUNCIL ON DISABILITY

LINDA ALLISON, OF TEXAS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1993.

JOHN A. GANNON, OF OHIO, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1992.

JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

ROBERT W. NAYLOR, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION FOR A TERM OF 4 YEARS.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

KAY W. RIDDLE, OF COLORADO, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 1995

DEPARTMENT OF JUSTICE

IRA H. RAPHAELSON, OF ILLINOIS, TO BE SPECIAL COUNSEL, FINANICAL INSTITUTIONS FRAUD UNIT, DEPARTMENT OF JUSTICE.

DEPARTMENT OF STATE

BRUCE S. GELB, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BELGIUM.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

EMILIO M. GARZA, OF TEXAS, TO BE U.S. CIRCUIT JUDGE FOR THE FIFTH CIRCUIT.

LOUIS J. FREEH, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK.

SHARON LOVELACE BLACKBURN, OF ALABAMA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ALABAMA.

RICHARD T. HAIK, SR., OF LOUISIANA, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF LOUISIANA.

DEPARTMENT OF JUSTICE

EDWARD G. BRYANT, OF TENNESSEE, TO BE U.S. ATTORNEY FOR THE WESTERN DISTRICT OF TENNESSEE FOR THE TERM OF 4 YEARS.

DONALD R. BROOKSHIER, OF ILLINOIS, TO BE U.S. MARSHAL FOR THE SOUTHERN DISTRICT OF ILLINOIS FOR THE TERM OF 4 YEARS.

W. BRUCE BEATY, OF TEXAS, TO BE U.S. MARSHAL FOR THE NORTHERN DISTRICT OF TEXAS FOR THE TERM OF 4 YEARS.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. BRADLEY C. HOSMER, [redacted] U.S. AIR FORCE.

ARMY

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. HOWARD D. GRAVES [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A)

To be lieutenant general

LT. GEN HAROLD T. FIELDS, JR. [redacted] U.S. ARMY.

IN THE PUBLIC HEALTH SERVICE

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING ALAN H. ARBUCKLE, AND ENDING MICHAEL G. WILCOX, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 11, 1991.

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING JAMES R. ALLEN, AND ENDING BEVERLY A. ROTH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 11, 1991.

HOUSE OF REPRESENTATIVES—*Wednesday, May 29, 1991*

The House met at 12 noon and was called to order by the Speaker pro tempore (Mr. GEPHARDT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, DC, May 29, 1991.

I hereby designate the Honorable RICHARD A. GEPHARDT to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

During these days of remembrance of Memorial Day we recall with gratitude the names of those who have given their lives. O almighty and merciful God, whose love surrounds us at all the moments of life, we pray that the memory of those who have fallen will inspire each person to honor their memory with a renewed dedication to doing the things that make for justice and peace in our world. May the thought of their sacrifice encourage the peacemakers of our time to be diligent in the work of reconciliation so Your will may be done on Earth as it is in Heaven. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania [Mr. COYNE] to lead Members in the Pledge of Allegiance.

Mr. COYNE led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC, May 28, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 11:50 a.m. on Tuesday, May 28, 1991 the following message from the Secretary of the Senate: That the Senate passed without amendment H.R. 831, H.R. 971, and passed S. 3, S.J. Res. 150, S. Con. Res. 26, and S. Con. Res. 41.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

TRIBUTE TO REAR ADM. THOMAS J. KELLY

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WHITTEN. Mr. Speaker, I rise today to pay tribute to Rear Adm. Thomas J. Kelly who passed away on April 27 at Georgetown University Hospital.

Admiral Kelly was a close personal friend and will be remembered by many in Congress for his distinguished military career that included service in World War II as commander of the cruiser *Springfield* in the Pacific.

After his retirement from distinguished service in the Navy, Admiral Kelly had a distinguished and very successful career as a private citizen. His contributions to this country are tremendous. He and his wife, Virginia, contributed so much to their country and to military service.

I include an article from the Washington Post to be printed in the RECORD.

THOMAS KELLY, NAVY ADMIRAL IN WWII, DIES

Thomas J. Kelly, 97, a retired Navy rear admiral who commanded the cruiser Springfield in the Pacific in World War II, died of pneumonia April 27 at Georgetown University Hospital.

Adm. Kelly, a resident of Washington, was born in Van Buren, Ark. He graduated from the U.S. Naval Academy at Annapolis in 1920. He also studied mechanical engineering at the Naval Postgraduate School, and received a master's degree in petroleum engineering from the University of Pittsburgh.

A gunnery officer, Adm. Kelly served at various naval stations in the United States and on various ships prior to World War II. He also taught petroleum engineering at the Naval Academy. In the war, he took part in landing operations in the Philippines.

His postwar assignments included duty in the Office of the Chief of Naval Operations and a period as head of the petroleum division of the National Security Resources Board. He also had a number of liaison missions to Turkey.

In 1948, Adm. Kelly retired from the Navy and settled in Washington. For the next 15 years he commuted to New York as assistant to the chairman of the Mobil Oil Corp. In the early 1960s, he became the Washington representative of Mercedes-Benz of North America. He retired 10 years later.

His personal military decorations included three awards of the Bronze Star with combat V.

Adm. Kelly was a member of the New York Yacht Club, the Metropolitan Club, the Cosmos Club, the Army & Navy Club, the 1925 F Street Club, and the King and Queen Rod and Gun Club.

Survivors include his wife, Virginia Weldon Kelly of Washington.

LET US WRAP UP THE IRAN-CONTRA INVESTIGATION

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute.)

Mr. BROOMFIELD. Mr. Speaker, yesterday the Supreme Court gave Lawrence Walsh a subtle message: Go home.

There is a time for everything under the Sun, and Walsh's time has come and gone. Iran-Contra is yesterday's news. Let us wrap it up, send all those lawyers back into productive jobs, and get this thing behind us.

We know nothing more about the affair than we did 4½ years ago, when the investigation started.

The biggest catch in this $25 million fishing expedition has been the American taxpayer. He has been hooked, filleted, and fried. We cannot let this happen again.

Last year I introduced a bill which would automatically put a 2-year sunset provision on the appointment of independent counsels, unless an extension is approved.

Let us do the taxpayer a favor and make this bill a law.

CIVIL RIGHTS FOR EVERYONE

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. FRANK of Massachusetts. Mr. Speaker, we will soon decide whether we were kidding the public when we passed the Americans With Disabilities Act, and when we passed legislation over past years to guarantee that women would be protected against discrimination, that members of racial and religious minorities would be also.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Elizabeth Dole, who held two Cabinet positions in the most recent set of administrations, argued very persuasively that women in this country face what she called the glass ceiling which prevents them from advancing if their talents would justify in their professions. We have legislation that will come to the floor that will give women, minorities, and the handicapped genuine protections in the form of the civil rights bill, and the administration is attempting a selling job. They are trying to tell people that legislation which says explicitly that quotas are banned will somehow become a quota bill.

How would that happen? Apparently because Supreme Court Justices the last two Presidents have appointed will take language which explicitly prohibits the quotas and transmogrify it into a license to have those quotas. The fact is that while we have made progress in getting rid of discrimination, more remains to be done. This bill will be the way to do it.

WELCOME TO THE PRESIDENT OF CYPRUS

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, it is a rare and distinct pleasure to join with my colleagues in welcoming the President of Cyprus, his excellency George Vassiliou and Mrs. Vassiliou to our Nation's Capital. President Vassiliou is an outstanding leader who was worked tirelessly to resolve the seemingly intractable problems of Cyprus.

Although President George Vassiliou is a Greek Cypriot, he believes that ending the partition on Cyprus will benefit all Cypriots, Greek as well as Turkish.

We support your efforts, President Vassiliou, to end the conflict on Cyprus and Turkey can do its part by removing its 35,000 troops from Cyprus. That would be a positive step in the right direction and one that has consistently been called for by the United Nations.

We thank you, Mr. President, for your statesmanship as well as for your strong support during the recent gulf war.

THE REAGAN/BUSH LEGACY: THE MIDDLE CLASS SCRAMBLE

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute.)

Mr. HOAGLAND. Mr. Speaker, over the years, Americans have worked hard to provide a better life for their children. A basic part of the American outlook is that if you work hard, you can improve your lot. I am sure every American believes, as they well should, that working hard brings a better life. After all, America is the land of opportunity. Americans want—and expect—a better life for our children.

It used to be that families could provide a good education and a better life with dad working 9 to 5 and mom staying home raising the kids. But today, both parents have to work to make ends meet. Since 1970, the number of working mothers with children under age 6 escalated by 27 percent. Today, more than 80 percent of women working are in their child-bearing years. Half the mothers with children under 1 year old work outside the home. And they work because they have to.

The last 10 years have taken a toll on American families. Average working Americans saw their income reduced 8.7 percent from 1979 to 1989, while the income of the wealthy jumped 12.3 percent. For young families starting out, income dropped by more than 13 percent. The income of the richest 1 percent of Americans grew by a whopping 113 percent while the income of America's poorest declined by more than 10 percent.

The tax picture is not much better. Since 1977, for moderate income families, Federal tax rates increased 2 percent, but for the top 1 percent of taxpayers, rates dropped 15 percent. In 1990, Federal, State, local, and Social Security taxes account for 25 percent of median family income; they were 14 percent in 1960.

Mr. Speaker, Reaganomics and supply-side economics have left us a legacy of a $300 billion budget deficit, a $2.6 trillion national debt, and $198 billion in interest payments out of the taxpayer's pocket annually. The Reagan revolution passed by the American middle class, leaving it with lower wages, higher taxes, and more economic problems.

It is unconscionable to ask American families to pay for the spending excesses of the 1980's as they scramble to balance their own family budgets. Americans were willing to go to war to right a wrong; they were willing to pay for the war. But they expect fairness in our tax policies and the proper priorities in our spending. I call on my colleagues to join today in the effort to bring tax fairness to the American middle class.

LIPSERVICE WASHINGTON STYLE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, we have all heard: "The check is in the mail," "I gave at the office." Now add to those, "The latest version is not a quota bill."

Unfortunately, the proponents of H.R. 1 continue to resort to political gimmickry to try to pass their bill.

As a small businessman let me tell you the most recent version of the civil rights bill will continue to force small employers to hire by quotas to avoid expensive court battles over hiring and promoting decisions. Quota hiring will remain their only sure defense. Under new language added, employers will be sued even if it appears they are hiring by quotas. Your small business constituents are now guilty if they hire by the numbers and guilty if they do not hire by the numbers.

This new version is, frankly, only a last minute attempt to resurrect legislation whose grassroots support continues to fade.

The House plans to begin debate on H.R. 1 on Thursday. Join me in opposing final passage. There must be a better way to guarantee civil rights for everyone.

□ 1210

MFN FOR CHINA SHOULD END

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, we face the baffling and dismaying prospect that the second anniversary of the Tiananmen Square massacre will be commemorated by the President's request that we forget what the Chinese Government has done and simply extend its most-favored-nation trade status for another year.

They may want to play us for patsies on trade, but do we have to be accomplices to our own manipulation and shame? Surely not.

And so I pray that Congress will appropriately and decisively dismiss the President's request. We must stand firmly on behalf of the ideals and the interests we share with the great people of China: economic and political freedom and reform.

It is really hard to fathom how we could seriously consider action on China trade that so glibly ignores that Government's human rights record and so casually forfeits the influence we can bring to bear for reform. Does anyone believe we gain leverage with this regime by being kinder and gentler? A regime that callously represses its own people with executions and prison?

Why should Americans care?

First, the last 2 years have demonstrated how important it is for us to make common cause with reform movements around the world that promise ever more success in transforming closed societies into open ones.

Second, we must act unequivocally to show the Chinese Government that we do not tolerate its cynical policy of destabilizing the Third World with its sales of advanced weapons.

And, finally, we are not going to play the fool by acquiescing in China's blatant violation of law—in exploiting prison labor to make export goods, or in pirating intellectual property covered by United States patents, trademarks, and copyrights. Resorting to tactics like that, it is no wonder they have built up a $15 billion trade surplus with us.

I do not know who the President thinks he is kidding. Not this House. Here, let us hope, we have the gumption to do what is right and necessary. Pass the Solomon resolution to end MFN for China. Or, at least, pass the Pelosi resolution to attach clear, principled conditions on MFN renewal. Stand up. Stand tall. Stand strong.

IN SUPPORT OF THE BENJAMIN FRANKLIN MEMORIAL FIRE SERVICE BILL OF RIGHTS

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, I rise today in support of legislation I introduced along with 93 of our colleagues on Friday, once again the Benjamin Franklin Memorial Fire Service Bill of Rights.

This legislation will again be one of the top priorities of the 3 million men and women who make up the emergency response network in this country and has the unequivocal support of every major fire and emergency service group in America. It provides one-shot funding for scholarships of deceased firefighters, for their children and their loved ones. It provides college level training for advanced training in emergency response. It provides money for burn research. It provides money for public education programs, and it does all of this at no cost to the taxpayers by minting a special coin in 1993 in honor of America's first firefighter, Benjamin Franklin.

Mr. Speaker, I ask all of my colleagues to join with me in cosponsoring this bill which has bipartisan support, passed the Senate in the last session of Congress, and we expect it to move very quickly in the House in this session.

IN SUPPORT OF CIVIL RIGHTS ACT OF 1991

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, tomorrow we will have the Civil Rights Act of 1991 on the floor. This Civil Rights Act focuses on the workplace, on job rights. It is a bill for job rights for all Americans, just as H.R. 5, the antiscab legislation we will consider later, just as the Family and Medical Leave Act which we will consider later this year, all workers' rights bills.

In capitalism, the owner is king. The manager rules the show, but the workers have rights. The workers have a right not to be discriminated against. Disabled workers have a right not to be discriminated against. Women have a right not to be discriminated against. Minorities have a right not to be discriminated against.

This bill covers all three. This bill says to the owner, "You are King, but the people have rights." People have a right to a job. They have a right to survival. They have a right to conditions of work with dignity. This bill reinforces those rights. It is a bill for all Americans. As all civil rights bills in the past have been for all Americans, this bill is a bill which reinforces workers' rights.

PRESIDENT WOULD PROVIDE SMALL BUSINESS A BIGGER SHARE OF THE INTERNATIONAL MARKET

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, America's 20 million small business owners generate some 60 percent of all new jobs in the United States. But far too few of them have ever tried to sell their products overseas.

In order to remain competitive in the world economy we must encourage small businesses to enter international markets.

There are over 30,000 U.S. small businesses with goods and services suitable for export who haven't even tried to market their products internationally. These missed opportunities are costly.

The Commerce Department is holding how-to-export seminars around the country specifically aimed at small and medium-sized firms.

These programs are so important that President Bush himself spoke at a conference in Boston last week.

Saying you are all for small business is easy. The President and the Department of Commerce are actually doing something to give our Nation's smaller firms a bigger share of the international market.

And that means more jobs for all Americans.

IN SUPPORT OF H.R. 1, THE CIVIL RIGHTS ACT

(Mr. ANDREWS of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS of New Jersey. Mr. Speaker, when he referred to our economy, the late President John F. Kennedy used to say, "A rising tide lifts all boats." Today we have an ebbing tide of unemployment, business failures, foreclosures, and some people do not even have their boats in the water.

Mr. Speaker, H.R. 1, the Civil Rights Act, gives everyone the right to have their boat in the water. It is not a quota bill. The language of the law specifically says that.

Mr. Speaker, I urge us to join together this week, pass H.R. 1, put everyone's boat in the water and then let us get to work creating jobs in America so there is a rising tide for everyone.

Please support H.R. 1.

WELCOMING PRESIDENT VASSILIOU OF CYPRUS

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I rise today to welcome to the United States the President of Cyprus, George Vassiliou.

President Vassiliou has worked tirelessly for years to bring the Cyprus issue to a successful resolution. Though Turkey continues its occupation of the island-nation, holding a third of its territory and forcibly separating the Greek-Cypriot and Turkish-Cypriot communities, positive signs are emerging.

I am encouraged to see that the Bush administration has stepped up its attempts to resolve this problem and I hope that today's meeting at the White House will continue this positive movement. I also hope that the U.S. Congress can and will be able to assist in this important work.

The wave of freedom that has swept through much of Eastern Europe waits to break over an occupied and divided Cyprus. Perhaps, Mr. Speaker, the tide is rising. Perhaps, even as the last stones of the Berlin Wall have been broken down and hauled away, the green line drawn across Cyprus soon will be washed away as well.

Again, I welcome President Vassiliou to Washington, wish him well at the White House today and applaud his great efforts on behalf of freedom to make whole again what has too long been divided.

INTRODUCTION OF BILL FOR CONDITIONAL RENEWAL OF MFN FOR CHINA

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, on Monday the President again announced his support for unconditional renewal of most-favored-nation status for China. Instead of conditioning most-favored-nation status, he said he would impose new restrictions on missile and computer technology exports to China.

What my colleagues should understand, Mr. Speaker, is that these restrictions are not new. They are not new. They are required by law and they are long overdue.

The administration's China policy has been a failure. The President's attitude toward China has not succeeded in stopping China from transferring nuclear technology.

China still continues to export goods made from prison labor, making American workers compete with not only cheap labor, but free labor in a centralized economy.

China continues to violate our copyright laws and our intellectual property laws.

This year the trade deficit with China is expected to grow to $15 billion because of the impediments to our products going into China.

It is time that we revisited this issue, Mr. Speaker. The tyrants in Beijing may think that it is inconceivable for the Chinese people to have freedom in their own country, but Mr. Speaker, it is inevitable.

Instead of aligning ourselves with the crumbling pillars of the past in China, we should associate ourselves with the future that we see in the eyes of the student demonstraters, many of them killed or imprisoned as a result of the Tiananmen Square massacre.

Mr. Speaker, I have introduced a bill for conditional renewal of MFN. I invite my colleagues to join me in cosponsoring it. I hope that they will be on board by June 1 when we observe the anniversary of the Tiananmen Square massacre.

EMPORIA, KS, HONORS VETERANS IN MEMORIAL CEREMONIES

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, I am proud to report to you today that patriotism is alive and well in America's heartland.

I just returned from a weekend in my Kansas district where I was privileged to participate, along with Senator DOLE, in the dedication of the All Veterans' Memorial in Emporia.

The memorial honors veterans of all seven wars fought by the United States since Emporia was founded in 1857.

It also gives special recognition to Sgt. Grant Timmerman from Emporia. His family was awarded a Medal of Honor on his behalf for his bravery in World War II.

On hand for the dedication were recently returned veterans of the Persian Gulf war, two Kansans who received the Medal of Honor for their bravery in the Vietnam war, and thousands of spectators there out of appreciation to our veterans and love for our country.

This is another example of how the people of Emporia, such as Ken Bradstreet and those who helped him, are banding together to make sure we never forget the sacrifices made to keep America free.

□ 1220

PITTSBURGH: HOME TO WORLD CHAMPIONS

(Mr. COYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COYNE. Mr. Speaker, the city of Pittsburgh became home to yet another world champion last Saturday when the Pittsburgh Penguins defeated the Minnesota North Stars 8 to 0 in game 6 of the Stanley Cup finals to capture their first Stanley Cup. The Penguins now join a long list of Pittsburgh sports champions. The Pittsburgh Pirates, being the second oldest franchise in baseball, have provided us with World Series championships and are currently the winningest team in baseball. The Pittsburgh Steelers' four Super Bowl wins is exceeded by no other team in professional football.

The Penguins' climb to the top was steady and relentless, and not without adversity. Several top stars, including Stanley Cup Most Valuable Player Mario Lemieux, were lost to the team for extensive periods of time during the season due to injury. The playoff series itself was a grueling test of 24 games played over a 52-day period against the strongest teams in the National Hockey League. The Penguins prevailed over the New Jersey Devils, the Washington Capitals, and the Boston Bruins before defeating the Minnesota North Stars in the Stanley Cup finals.

A Stanley Cup victory requires a total organizational effort. The Penguins were blessed with an ownership and a front office committed to winning, led by general manager Craig Patrick. A talented and experienced coaching staff led by Bob Johnson prepared the team for success. And, of course, a squad of 32 players, each of whom contributed in some way to the winning effort. Finally, a support staff of trainers and managers kept the team fit and healthy during a very demanding year that took in well over 100 games.

Yesterday, May 28, 80,000 Pittsburghers assembled at Point State Park in Pittsburgh for a noon rally to welcome their champions home. I add my congratulations to the entire Pittsburgh Penguin organization and the winning of the first of many Stanley Cups.

MEMBERS URGED TO VOTE AGAINST SSC FUNDING

(Mr. BOELHERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Speaker, if you voted for the SSC in the past, how can you vote against it now? Here are just a few of the things that have changed since last year's vote:

Last year, DOE promised that the SSC would not cost Federal taxpapers more than $5 billion. The Department now estimates total Federal spending on the SSC at $5.6 billion—and that on the basis of a questionable total cost estimate and unrealistic assumptions about foreign contributions.

Last year, the House bill assumed the total cost of the project would be $7.5 billion. Now, the official DOE estimate is $8.2 billion. DOE recently admitted that the truer total cost to get the SSC ready to operate is $9.1 billion. And an independent auditing group from inside DOE estimates the cost at $11.8 billion. This on a project that Secretary Watkins once promised would not be built if it cost "one penny more" than $5.9 billion—still above the original cost estimate.

Last year, DOE agreed that foreign contributions would cover 20 percent to 33 percent of the project's cost. To date, we have not a single penny from a foreign source, and we are paying Indian scientists to work in Texas.

Last year, DOE promised that the project would not hurt other science projects. This year, the SSC is already limiting funding for the other DOE-funded research, and DOE acknowledges that the SSC would eventually force the closing of at least two of the current accelerator facilities, which are Fermilab in Illinois, Brookhaven in New York, and SLAC in California.

HUMAN FACES: REAL PEOPLE WITH REAL PROBLEMS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, today I will begin once a week introducing you to people you know. These are West Virginians, but each has the same problem that millions of Americans have: They do not have adequate access to health care. The glaring numbers scream "health care crisis" with each new report, but I believe it is time that the Congress begin seeing the human faces in front of the black-and-white statistics.

I would like you to meet Gideon, one of the cutest 2-year-old boys you will ever see. Gideon is stricken with cerebral palsy, requiring ongoing treatment. His father's employer was forced last year to change health insurers. Unfortunately, the new health insurance does not cover preexisting illnesses. His parents simply cannot afford paying the out-of-pocket expenses for the occupational and physical therapy that Gideon needs.

Mr. Speaker, in the richest nation in the world, is it really possible that a working family cannot get the important therapy needed for their 2-year-old child?

Gideon and his parents would ask the President and the Congress to provide adequate access to health care. Until that happens, I will be introducing weekly the Gideons in our Nation who urge action.

MOST-FAVORED-NATION STATUS FOR CHINA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, China guns down thousands of their own students. The President gives China a most-favored-nation trade status. Now, if that is not enough to boil your wonton soup, let us check something out.

The average Chinese worker makes 17 cents an hour, if he is not in jail. Now, if he is in jail, he gets a bowl of rice. Now, tell me, Mr. Speaker, how can a Chinese worker at 17 cents an hour buy Fords and Chevys from America? And how many kindlier and gentler American companies will now move to China for 17 cents-an-hour laborers?

Ladies and gentlemen, if China will shoot their own citizens, they will continue to rip us off to the tune of billions in trade and the American workers will keep standing in unemployment lines and qualifying for food stamps.

Mr. Speaker, I say the American worker is telling us to "Beam us up, Scotty, there is no intelligent life left in Washington."

COTTAGE EDUCATION CORPORATION

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, President Bush has talked about the concept of "a thousand points of light," a concept which embodies the idea that individual Americans take the initiative and serve their community, becoming a beacon of hope to those less fortunate. I want to tell you, I've discovered some awfully bright beacons in my central Florida congressional district.

Recently, I toured an organization called Cottage Education Corp. in the small town of Mount Dora, FL. While there, I spoke at length with the director of Cottage Education, Mr. Fred Baki.

He informed me how Cottage Education revolves around the concept of offering free tutoring to individuals who lack the financial resources to obtain an education. Volunteers come in 7 days a week to help migrant workers learn English, to teach reading skills to both children and adults and to offer a better and brighter future to many of the citizens of central Florida.

What makes Cottage Education Corp. unique is that it is primarily funded by the private sector. It is through the support of private individuals and companies which allows Cottage Education Corp. to flourish.

For example, in only 5 months since its inception, people actively seeking aid from Cottage Education has risen from 50 people in January to more than 200 this month. This is encouraging.

Mr. Speaker, today I rise to congratulate the efforts of Fred Baki and Cottage Education Corp. for heeding the President's call to become one of those "thousand points of light."

It is organizations like Cottage Education Corp. which best illustrate how a partnership between a nonprofit organization and the private sector can work together to create a ray of hope in a world which sometimes seems dark and lonely.

WELCOMING PRESIDENT GEORGE VASSILIOU OF CYPRUS

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, during the past year, the United States and a broad coalition of nations joined together to successfully repel Iraq's invasion of Kuwait. It is bitterly ironic for Greek Cypriots to watch the international community act so quickly to remove Iraqi forces from Kuwait when so little has been done to remove the Turkish forces that have occupied and partitioned Cyprus for over 16 years.

It makes one wonder whether the New World Order is based upon principles of self-determination and national sovereignty, or is it based upon strategic importance or, perhaps other factors. The people of Cyprus deserve an answer, especially from this Congress which votes each year to supply Turkey with even more military aid.

We need to pay more attention to the tragic situation in Cyprus and actively assist in resolving the impasse.

Today we have the privilege of welcoming President George Vassiliou of Cyprus to Washington. I urge my colleagues to greet him warmly and at the same time seize this opportunity to learn more about the difficulties facing Cyprus and what we can do to reunite and return basic justice to the Cypriot people.

OPPOSE ABORTION LOBBY'S EFFORTS TO PROMOTE ABORTION AS A METHOD OF FAMILY PLANNING

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, the slick abortionists at Planned Parenthood have reason to be concerned about the landmark Supreme Court decision handed down last week.

Planned Parenthood operates a fleet of abortion mills. Since 1980, Planned Parenthood affiliates have slaughtered over 1 million unborn babies in their clinics with chemical poison, knives, and suction dismemberment. They have also referred to a million more kids for destruction at other abortion mills.

Ironically, in 1963, Planned Parenthood itself published a pamphlet itself in which it said, "Abortion kills the life of a baby after it has begun; but birth control merely postpones the beginning of life."

Sadly, Planned Parenthood now ignores that biological fact and promotes abortion as a method of family planning. The new regulations, upheld by the court, precludes that at title X clinics. Thankfully, the American public also finds that they are against abortion as a method of family planning.

□ 1230

Mr. Speaker, a March 1989 Boston Globe poll finds that 89 percent of the American public rejected abortion as a means of birth control, and a Gallup poll, organized in May 1990, found 88 percent disapproval.

The Supreme Court in essence has ruled that taxpayers are not required to subsidize abortion as a method of family planning.

A NEW CHANCE FOR ETHIOPIA

(Mr. HALL of Ohio asked and was given permission to address the House for 1 minute.)

Mr. HALL of Ohio. Mr. Speaker, Ethiopia has a new government today. For the time being at least, its 30-year civil war seems to be over.

The rebel group now in power in Addis Ababa say that they plan to turn the country over to a transition government in a month. They have said they will hold democratic elections in a year.

Democracy is long overdue in Ethiopia. But the absence of democracy hasn't been their only problem. More people have starved to death in Ethiopia than have been killed by the fighting. With the war over, Ethiopia may be able to break out of the cycle of drought and famine and death.

The first task of those in power will be to deal with the present famine that threatens the lives of 7 million people. The measurement of success for the government will be how well it deals with the crisis.

The select committee will be watching this situation closely. It would be a tragedy if a million Ethiopians starved before they get a chance to vote in next year's elections.

The shift in power in Ethiopia is only one of many significant changes that are taking place all over the developing world. This past weekend, I met with another new leader, President Aristide of Haiti. He said something about his own country, which I think applies to not only Ethiopia, but the entire Third World.

He said that Third World society is like a table. For many years a few people have been on top of the table, and most have been underneath. The goal of democracy is not revenge—it is not to put new people on top of the table. The goal of democracy is to put everyone around the table.

Ethiopia's moves toward democracy are good. But the new government should demonstrate its commitments to democracy by seating everyone at the table, and putting a stop to the politics of famine. There has been enough dying in Ethiopia. The Ethiopian people finally deserve a chance to live free from war, and free from want.

IRAN-CONTRA INVESTIGATION MAY END, HALT POLITICAL VENDETTA

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, the Supreme Court has decided to let sit a decision that will hopefully end the Iran-Contra carnival and free Oliver North and other patriotic victims of a political vendetta.

Lawrence Walsh, special prosecutor in the Iran-Contra investigation, has been spending money like a Rajah from days gone by. Housed in splendor, he and his staff have lacked none of the amenities that they and TV evangelists have become accustomed to. Walsh has spent an incredible $25 million in the past 54 months.

All of this time, effort, and incredible expense has been aimed at little more than extracting a pound of flesh from Ollie North and others whose crime was trying to stop Communist expansion in Central America.

This circus should be closed, the expensive clowns should take off their makeup and get out of town. Larry Walsh should not have wasted so much time and so much money.

WELCOMING PRESIDENT GEORGE VASSILIOU OF CYPRUS

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, it is a great pleasure for me to join my colleagues this afternoon in welcoming President George Vassiliou of Cyprus.

For those of us who follow events in the Eastern Mediterranean, President Vassiliou's visit to Washington comes at a very opportune moment. In the wake of the international coalition's victory over Iraq, the age-old conflicts in this region have become the subject of renewed diplomatic attention.

There is strong sense of optimism that the conditions are ripe for a breakthrough on Cyprus. We have long felt that the long-standing problems on Cyprus could yield to a solution if we can focus the attention and energy of the key players in the region.

In general terms, the end of the cold war and the reinvigoration of the United Nations that we saw during the gulf crisis are factors that help massage the overall atmosphere for peacemaking. In addition, we have strong indications from Secretary General Perez de Cuellar that he would like to see a solution to the Cyprus problem before he completes his term at the end of the year.

In Turkey, the leadership of President Ozal and his assistance during the gulf crisis has taken the United States and Turkey to a new level of bilateral cooperation. The same can be said of Greece and the efforts of Prime Minister Mitsotakis. Since coming to office, Prime Minister Mitsotakis has taken several steps to put United States-Greek relations on a steady course. The cooperation we received from both countries during the gulf crisis should lay to rest the fear that NATO's southeastern flank was coming unglued.

But today we have with us one person who—more than any other—has given us cause for optimism. President Vassiliou has dedicated himself to finding a solution that addresses the problems of all Cypriots—the Greeks and the Turks. Around the world, intractable regional conflicts remain intractable when leaders are unwilling or unable to take risks for peace. President Vassiliou has shown that he is willing and determined to take the steps necessary to reach out to the other side. He remains committed to a peaceful settlement that guarantees a unified, federal republic, with respect for the human rights of all the Cypriot people.

Mr. President, it is our pleasure to welcome you back to Washington. We wish you a successful visit and we offer our strong support for your ongoing effort to bring peace and justice to Cyprus.

THE NEXT GIANT STEP FOR MAN IS THE SPACE STATION FREEDOM

(Mr. BROWN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN. Mr. Speaker, one of the greatest triumphs of this century—indeed, of all human history—was the Apollo Program which brought American astronauts to the surface of the Moon. I would guess that every Member of this institution remembers precisely where they were when Neil Armstrong declared that he was taking a small step for man, but a giant step for mankind.

Today we are poised to take the next giant step for man in space. That step is represented by the space station Freedom. During the next 10 days, this body will make a fundamental decision on whether the United States and its international partners continue with—or cancel—the space station.

Some say the space station is too expensive. Others say it will come at the expense of other science and space programs. Indeed, some say it is unnecessary.

These same criticisms were levelled at Apollo, but the U.S. Congress had the wisdom to stay the course—to provide the necessary appropriations so that Apollo would go down as a pivotal landmark in human history.

When the time comes for us to cast our votes on the space station, I urge my colleagues to vote for making history—for continuing in the tradition of the Apollo Program. To do otherwise would be to withdraw from the greatness which technology and a robust space program will provide.

NATO MAKING DRAMATIC AND LONG OVERDUE CHANGES

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RAY. Mr. Speaker, I have just returned from Rotterdam where my colleagues and I visited a meeting of the North Atlantic Alliance—NATO's parliament.

NATO is in the midst of making dramatic changes. NATO defense ministers meeting in Brussels are crafting the final touches on sweeping military reforms intended to reflect the changes which have occurred in the post-cold-war era.

The thrust of the strategic changes being considered right now centers around a concept known as the rapid reaction force. The rapid reaction force will include a multinational corps of about 60,000-70,000 troops and an air contingent. It would be sufficiently mobile to react to crises anywhere in Europe. The current policy of deploying single-nation corps stretched north to south across Europe would be terminated. The multinational rapid reaction corps [RRC] would include a heavy British division and the corps commander would be British.

The ground units would be supplied by European nations. The United States would provide a significant portion of the air assets, and the Germans would occupy a prominent leadership role, possibly commanding the air contingent.

In the broader context, larger reinforcement forces would continue to be maintained in addition to the rapid reaction force, including a U.S. ground force consisting of a robust corps. Total U.S. deployments would be reduced from two corps and seven air wings to about one corps and three air wings.

The United States would maintain a naval commitment of one carrier battle group and a marine force in the Mediterranean.

Mr. Speaker, these changes are long ovrdue at NATO, and I am encouraged by this action. I look forward to watching these agreements go forward.

The Washington Post article follows:

[From the Washington Post, May 29, 1991]

NATO SETS NEW STANCE FOR NEW ERA

(By R. Jeffrey Smith)

BRUSSELS, May 28.—NATO defense ministers meeting here today approved a sweeping military restructuring of the Western alliance aimed at adapting it to the post-Cold War era, senior allied officials said.

The revision would enact what the officials have described as the broadest strategic and conceptual changes in the 42-year history of the North Atlantic Treaty Organization, while shifting its focus from the threat of a massive Soviet conventional offensive to potential attacks by lesser powers and future conflicts sparked by European regional or ethnic tensions.

The reorganization is intended to accommodate a new military balance in Europe, shaped partly by the expected cutback over the next three years of up to 350,000 U.S., British, German, Belgian and Dutch troops now deployed in NATO units, British Defense Minister Tom King told reporters here. He described this as about one-fifth of the number of troops these nations now commit to NATO.

Explaining what he characterized as NATO's diminished fear of Soviet attack, King said the ministers noted at their meeting that roughly a half-million East European troops are no longer under Soviet control and that another 500,000 Soviet troops were being withdrawn from East European territory. The new NATO concept, he said, is an "effective and sensible response to the new security situation" in Europe in that it provides for "smaller . . . highly capable" forces still capable of defending against any possible Soviet threat. NATO heads of state are expected to give final approval to the changes at a meeting tentatively scheduled for November.

Under the new system, NATO would establish for the first time several multinational, division-sized units of perhaps 10,000 to 15,000 troops, a long-contemplated action given impetus by the success of the joint operation against Iraq that involved a number of NATO members, officials said. But at the heart of NATO's new look is expansion of its existing crisis-reaction force from fewer than 5,000 troops to more than 50,000.

Officials said the rapid-deployment force, using light equipment and fast transport, is intended to form the initial wedge of any future NATO military intervention within the territory of member states, stretching from Norway to Turkey. The allies have been unable to agree on whether the force could intervene in disputes occurring outside NATO territory, officials said.

Although some alliance members earlier had espoused staffing the force solely with European troops, Secretary of Defense Richard B. Cheney told other ministers today that Washington wants to contribute both ground and air forces to it, a senior U.S. official said. He added that Cheney encountered no resistance to the suggestion.

Other officials said that under the new formula, the rapid-reaction force is to be supplemented by a "base force" of up to five slower-moving but more powerful mobilized corps amounting to as many as 500,000 additional troops. NATO now fields a total of eight corps largely dedicated to stopping a Soviet advance through German territory.

The United States has pledged to contribute one Army corps to this revamped NATO force instead of the two currently stationed in Europe, senior U.S. officials said. This move is expected to reduce the present U.S. troop deployment of 300,000 by a least 50 percent.

In the event of a major military threat or long-term security crisis, further support would eventually be provided by what NATO planners are calling an "augmentation" force probably composed solely of U.S. units. Under the new concept, first units of the rapid-reaction force might intervene within days, the base force within weeks and the augmentation force within months, a senior U.S. defense official said. However, neither he nor other officials here offered a concrete scenario for future NATO involvement in a conflict within the European territory of member states.

"The security in Europe has much improved, although risks and uncertainties remain," a group of 13 European defense ministers said in a statement on the principles that underlie NATO'S continuing post-Cold War strategy review. "The Soviet Union is undergoing a delicate process of internal reform, but it retains substantial residual forces. There is, moreover, the potential for crises in Central and Eastern Europe, which could jeopardize stability," the statement said.

The new rapid-response force is to be led by British officers, and the British Army of the Rhine now stationed in Germany is to provide two of the new command's four or five divisions, officials said. Several diplomats said the British government had pressed for NATO endorsement of the idea ahead of other revisions in the alliance in hopes of fending off domestic pressure to cut its force levels in Europe.

Officials cited as another justification the example of Iraq's invasion of Kuwait, which prompted the alliance to send 42 NATO warplanes hurriedly to Turkish military bases north of the Iraqi border.

The French government, which had proposed creating a rapid-response force under control of the 12-nation European Community, released a statement in Paris today saying that NATO's action "does not concern us," because French forces are not committed to the alliance's military command.

A French Foreign Ministry spokesman said also the government feels it is permature to discuss formation of a separate rapid-reaction force involving French troops that would be independent of NATO control. French officials have lobbied for the idea with other NATO members, and they raised it Monday during talks with Secretary of Defense Richard B. Cheney in Paris.

Cheney made clear that Washington opposes placing any NATO forces under separate control, and other alliance ministers said they agreed that the potentially divisive issue should not be pursued at this time.

TIME TO SAY NO TO FURTHER FUNDING FOR THE SUPERCONDUCTING SUPER COLLIDER

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, today I will be joining with my colleague, the gentleman from Ohio [Mr. ECKART], and the chairman of the Investigations and Oversight Subcommittee of the Committee on Science, Space, and Technology and the ranking minority member on that subcommittee in a bipartisan effort to terminate further funding for the superconducting super collider, and I urge my colleagues, as they make their decision on this very important financial question to consider one basic fact.

Mr. Speaker, if my colleagues will recall, in 1987 the cost of this project was estimated to be $5.6 billion. Earlier this year the Department of Energy estimated that the cost had risen to $8.25 billion, and several weeks ago the cost went up again to $9.1 billion.

Mr. Speaker, at a time when we have not even broken ground the cost has nearly doubled, and now is the time to say no, and I urge my colleagues to take a hard look at this project and support us this afternoon.

In addition to that, I would point out also that several years ago, when a number of us supported this project, we were projecting a deficit of less than $100 billion this year, and now the deficit is going to be about three times that much.

□ 1240

AMENDMENT WOULD DELETE FUNDING FOR SSC

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, today the House will debate the energy and water appropriations bill. I, together with my colleagues Mr. BOEHLERT, Mr. GLICKMAN and Mr. SHAYS, will be joining my Science Committee colleagues, Mr. SLATTERY and Mr. ECKART, in offering an amendment to delete funding for the superconducting super collider [SSC].

Should it be built, the SSC would be the largest and most expensive piece of scientific equipment ever assembled. Unfortunately, our budget situation does not provide us the luxury of undertaking such gigantic endeavors with continually escalating costs—particularly given the serious questions that have arisen with respect to the management of this project.

We have watched the costs of the SSC rise dramatically from $5 billion in 1983 to over $8 billion today. While supporters have expressed assurances that foreign contributions would pay at least 20 percent of the total cost, the Department of Energy has secured just one $50 million pledge from a foreign country.

Should these contributions fail to materialize, it will be the U.S. taxpayer who picks up the tab.

There are many who contend that SSC actually stands for "steadily skyrocketing costs" and the history of the project appears to support such a title.

Unfortunately, given our budget constraints, now is not the time to attempt a project of potentially astronomical costs. The time to terminate the SSC is now.

THE SSC, IS BIGGER BETTER?

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, last year summer's hit movie was Tom Hanks and it was entitled "Big." That is where a child made a wish at night and woke up in the morning with an adult body. Indeed, in some circumstances bigger is better. But there is another saying that goes like this: "The bigger they are, the harder they fall."

That is how we find ourselves with big government's latest effort at buying science, the super conducting supercollider. From $5.6 billion just 4 years ago to $9.1 billion 2 weeks, 2 weeks after the Subcommittee on Energy and Water Development of the Appropriations Committee marked up their bill, this project, like Tom Hanks, has grown up with a big adult body, but it has a small child's mind.

Big results do not always give you a big deal. Let us not be part of a big waste. SHERRY BOEHLERT, CHRIS SHAYS, HOWARD WOLPE, JIM SLATTERY, and myself will offer a bipartisan amendment to end this big waste of big government money.

Let us not make another big mistake. End the superconducting super collider before it bankrupts us in a really big way.

BRING HOME THE RESERVES AND NATIONAL GUARD

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, I call upon the President of the United States to bring home the Reserves and the National Guard and to do it now, not next week, not next month, but now. They were taken from their jobs and their families to do a job, and they did it exceedingly well. Now bring them home.

There is no rhyme or reason for them to continue to remain in the Persian Gulf. Their wives and their children need them more than do the Kuwaitis. There are families who are on public assistance, and if one does not think they are, come to Steubenville and I will show my colleagues some. These people are fraught with emotion, stress, and fear. They come into my office crying because they do not have their loved ones there and they have no way of financial and moral support.

The President can reward them by reconciling them with their families. They are needed at home, not in the Persian Gulf. Bring them back, Mr. President. Bring them back now.

WELCOME TO CYPRUS' PRESIDENT GEORGE VASSILIOU

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, today I join my colleagues in welcoming to the United States George Vassiliou, President of Cyprus. President Vassiliou is here to meet with President Bush and Congress to discuss the Cyprus issue and review bilateral relations. As my colleagues know, since his election in 1988, President Vassiliou has worked tirelessly to build international support for the reunification of Cyprus. During his fourth visit to the United States, I am hopeful President Vassiliou will receive the assurance of United States support for his plan to end the division of Cyprus.

Mr. Speaker, as my colleagues know, since Turkish troops illegally invaded Cyprus in July 1974. Since then this island has been the setting for one of the world's most intractable international conflicts. Today, 35,000 Turkish troops occupy northern Cyprus and 200,000 Greek Cypriots are refugees in their own land.

Mr. Speaker, during the last 2 years, we have witnessed great changes occur throughout the world. The cold war has ended, and international problems which once seemed intractable have been solved. Just this weekend, the Bush administration helped negotiate safe passage to Israel for thousands of Ethiopian Jews whose chances for freedom seemed dim just months ago.

Mr. Speaker, I therefore think President Vassiliou's visit presents President Bush with an exciting opportunity to build on this diplomatic success. The question of how the Cyprus issue should be resolved is complicated because both Greece and Turkey are NATO allies. The United States however, cannot ignore the situation in Cyprus because it is a sensitive one. Instead, we must use our strong relationship with both Greece and Turkey to help promote a lasting settlement of this conflict.

Mr. Speaker, President Vassiliou deserves commendation for his work to bring about a solution to the division of Cyprus. During his tenure as President, he has demonstrated his willingness to compromise with the United Nations Secretary General. However, to achieve a peace, both sides must come to the bargaining table. Unfortunately, Rauf Denktash, the leader of the Turkish population of Cyprus, and Turkish President Turgut Ozal have refused in any meaningful way to participate in the Secretary General's efforts toward peace. Talks can only resume if Turkey agrees to make some concessions to achieve a lasting peace.

Mr. Speaker, the time is right for the United States to express our interest in bringing about a solution to this crisis. I urge President Bush to use Mr. Vassiliou's visit to express his support for U.N. Secretary General de Cuellar's call for the removal of Turkey's 35,000 troops and 80,000 settlers from Cyprus.

LET US END FAILED CONSTRUCTIVE ENGAGEMENT POLICY TOWARD CHINA

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, I rise to express my strong opposition to the extension of most-favored-nation trade status for the People's Republic of China. If the Chinese are going to take a hard line on human rights and nuclear weapons, then the United States should take a hard line of China.

The President says that they were good to us in the United Nations during the Persian Gulf conflict. Well, if my colleagues consider being good taking a walk, abstaining time after time when a critical vote was coming up and, therefore, we have to reward them, then I think there is a misguided set of responsibilities and obligations which this administration has.

A policy of constructive engagement failed miserably when the Reagan administration applied it to South Africa during the 1980's. I think 2 years after the Tiananmen Square massacre, after years of disregarding the nuclear proliferation concern of the United States and the world, I think that what right now we have to do is recognize that the

Chinese have engaged in a morally destructive policy of disengagement.

MILITARY RULE IN CYPRUS TERMED ILLEGITIMATE

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, around the world military rule is being challenged and the prevailing winds of democracy are taking hold. But in Cyprus, 35,000 Turkish troops remain as the single obstacle to peace.

Whether in Northern Ireland or northern Cyprus, military rule is illegitimate rule. Anywhere it exists military occupation has only bred hatred and mistrust, instead of peace, prosperity, and security.

Today we are honored by the visit of President Vassiliou of Cyprus. His commitment to peace has significantly influenced events in Cyprus, and his dedication to his people serves as a model to us all.

The international community has attempted to facilitate a settlement, and President Vassiliou has walked a long way to extend the olive branch. But Mr. Denktash refuses to bridge the green line.

He has instead remained wedded to Turkish strong-arming instead of Cypriot democracy.

The Bush administration is in a position to leverage a settlement, but as we've seen time and time again, they have instead chosen political advantage over moral principle.

The United States has rewarded Turkish repression with annual increases in foreign aid, instead of conditioning the aid on withdrawal. It is the same old double standard consistently used for Turkey. It is time to reverse that trend and leverage Turkey's hand.

After all, it is a small price to pay for peace.

DENY MFN STATUS FOR CHINA

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, the new world order is strangely like the old world order. The United States and the President spoke this weekend about giving most-favored-nation status to China. We should have learned our lesson with Iraq. Ignoring Iraq's harboring of terrorist groups, ignoring their murdering of 5,000 Kurds, ignoring virtually every brutal and despicable act of Saddam Hussein, the administration, until August 2, refused to speak out against the outrages that Iraq perpetrated against its own people and peoples around the world.

We find the same inconsistency in the administration's attitude toward granting MFN to the butchers of Tiananmen Square. The administration refused to speak out strongly at the very beginning of the Chinese oppression of the Chinese students in Tiananmen Square, and to this date the administration has not taken any serious acts in response to that murder.

Mr. President, we need to send the Chinese a very clear signal, that MFN is not something granted for political expediency. When we think political expediency, we damage our own agenda, as we did in the Middle East in trying that expedient policy toward Saddam Hussein.

Let us stick to America's values. Let us not grant MFN to the Chinese.

□ 1250

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. NAGLE). The Chair will remind all persons in the gallery that they are here as guests of the House, and that any manifestations of approval or disapproval of proceedings is in violation of the rules of the House.

TRIBUTE TO SENATOR JAKE GARN OF UTAH

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, I had intended to speak a word of welcome to President Vassiliou of Cyprus. I will do so, but first I would like to express a word of tribute to my colleague, JAKE GARN of Utah, who just a few moments ago in Salt Lake City announced that he would not be a candidate for reelection next year.

Mr. Speaker, I suppose it is not often that a person whose congressional career was cut short by what was thought to be his political nemesis rises to his tribute. But JAKE GARN beat me 16 years ago in a contest for the Senate, and it took me 12 years to get back. I expected when I came back that the toughest job I would have was getting along with him, and it has turned out to be one of the most pleasant and most rewarding. We have become close personal friends, as well as coworkers, with genuine bipartisanship in the Congress on behalf of Utah.

JAKE GARN has been a national leader. As chairman of the Banking and Currency Committee, he did as much or more than almost anyone in the Congress to try to alert the country to the coming savings and loan crisis, and to try to be reparative of it. In the space effort he has been a national leader. His work on the Appropriations Committee has been immensely beneficial, in a very quiet way, for the State of Utah. Together we have put together, with the rest of the delegation, a genuinely monumental piece of legislation in the completion of the central Utah project.

JAKE GARN possesses absolute integrity. His word is his bond, and no one in Congress has worked harder to establish that reputation and is more deserving of that tribute.

Marlene and I have joined in sending affectionate best wishes to JAKE and Kathleen Garn as they prepare to leave the Senate, and join in tribute to him and to the competence and accomplishments that he has brought to the Congress.

WELCOME PRESIDENT VASSILIOU OF CYPRUS

Mr. OWENS of Utah. Mr. Speaker, I rise to join with many others in Congress and around the country to extend a warm welcome to President Vassiliou of Cyprus.

Since 1964, dozens of resolutions have been adopted by the U.S. Security Council condemning the continuing occupation of northern Cyprus by Turkish forces. To waver in our opposition to the division of the island and the presence of foreign troops, to placate Turkey at all costs, is to be selective in our adherence to international law. It is shortsighted. It is inconsistent. And it is wrong. Last week, the Foreign Affairs Committee upheld the longstanding 7 to 10 military aid ratio between Turkey and Greece as a signal that the solution to the problem of a divided Cyprus still lays in Ankara.

Turkey should be commended, Mr. Speaker, and helped, for its invaluable assistance in the gulf war. However, we must recognize the injustice of rewarding Turkey at all costs. Cyprus strongly supported all U.N. resolutions on Iraq. It served as a key communications and transfer center for the allies. Turkey did a lot more, that is true, but Turkish occupation of Cyprus is illegal and contrary to international law, and we must not lose our perspective on that.

WAIVING CERTAIN POINTS OF ORDER DURING CONSIDERATION OF H.R. 2427, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1992

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 160 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 160

Resolved, That during consideration of the bill (H.R. 2427) making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes, all points of order against the following provisions in the bill for failure to comply with clauses 2 and 6 of rule XXI are hereby waived: beginning on page 2, line 11, through page 16, line 19; beginning on page 17, lines 1 through 7; beginning on page 18, line 14, through page 21, line 21; beginning on page 22, line 9, through page 27, line 4; beginning on page 28, lines 14 through 25; beginning on page 33, line 5, through page 46, line 15; beginning on page 46, line 18 through page

47, line 11; beginning on page 48, line 1 through page 51, line 23; beginning on page 53, lines 11 through 24; and beginning on page 54, lines 5 through 18. It shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Yates of Illinois or his designee, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] is recognized for 1 hour

Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. MCEWEN], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 160 is the rule waiving certain points of order against certain provisions of the bill, H.R. 2427, the Energy and Water Development Appropriations Act for fiscal year 1992.

General appropriations bills are privileged in the House. General debate is customarily limited pursuant to a unanimous-consent agreement reached prior to floor consideration.

Mr. Speaker, House Resolution 160 waives clauses 2 and 6 of rule XXI against specified provisions of H.R. 2427. Clause 2 of rule XXI prohibits unauthorized appropriations and legislative provisions in general appropriations bills. Clause 6 of rule XXI prohibits reappropriations in general appropriations bills. The provisions receiving these waivers are designated in the rule by reference to page and line in the bill.

The resolution also makes in order an amendment offered by Representative YATES or his designee. The amendment is printed in the report accompanying the resolution. All points of order against the amendment for failure to comply with the provisions of clause 2 of rule XXI are waived.

H.R. 2427 provides appropriations for a number of activities, including those conducted by the Army Corps of Engineers, the Bureau of Reclamation, the Department of Energy, as well those conducted by several independent agencies, including the Tennessee Valley Authority, the Delaware River Basin Commission, and the Appalachian Regional Commission.

H.R. 2427 also provides $434 million for the superconducting super collider, which will be the world's most powerful particle accelerator and the largest scientific instrument ever built.

The SSC represents an unparalleled opportunity for the United States to lead the way in advancing mankind's knowledge of matter and energy at its most fundamental level. Our Nation has always been at the forefront of scientific discovery, and the SSC offers the prospect of continued leadership in this area.

Of course, while it's difficult to predict now where the SSC will lead us, we do know that past scientific and technological breakthroughs have had enormous impact on our daily lives. Major advances in medicine, agriculture, computers, and lasers have come about because of our Nation's commitment to basic scientific research. It's reasonable to believe that the SSC will also lead to now unforeseen discoveries that will profoundly affect the way we live.

The SSC also represents a golden opportunity to help ensure that America remains on the cutting edge of scientific research. It means that America will lead the way in discovering new technologies and developing innovative solutions to the problems confronting modern societies.

It promises to pay tremendous dividends in another way, by encouraging our Nation's youth to pursue educational opportunities in science and engineering.

Much has been said about how other countries, particularly the Japanese, are graduating many more scientists and engineers than we are, and about the serious implications this presents for our future economic growth and international competitiveness.

Clearly, the decline in enrollment in these programs must be reversed. The SSC is one way in which we can stimulate renewed interest in science and engineering programs.

Universities from over 30 States will be involved with the SSC. Significant amounts of SSC money will be devoted to research conducted by American universities at the SSC site and at their own campuses. This effort will strengthen the research capabilities at these and other institutions throughout the country.

We all recognize that we have to be more selective in how we spend our money, and make better use of the limited resources available to us. I submit, however, that the SSC is precisely the type of project which is most deserving of our support. It is a project with not only near-term benefits, but one that provides an opportunity to reap benefits for many years to come. This is an opportunity that we should not let pass us by.

Mr. Speaker, House Resolution 160 facilitates consideration of the SSC and the other programs funded by H.R. 2427. I urge my colleagues to support the rule so that we may begin consideration of this important bill.

Mr. MCEWEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of the proposed rule under which the House would consider H.R. 2427, making appropriations for energy and water development through fiscal year 1992. I do so with some reservations.

Many on this side of the aisle believe fervently in proceeding under the rules of the House in such a way as to maximize debate on behalf of Americans. Therefore we have justifiable concerns about the number of waivers grant for all kinds of bills to exempt them from House rules and points of order. That is, perhaps, especially true for appropriations bills.

And such is the case with this rule. It grants waivers for clauses 2 and 6 of House rule XXI—in order to allow certain unauthorized appropriations and legislative provisions on an appropriations bill, and to allow reappropriations.

While this side generally opposes such procedures, we must nonetheless recognize the overriding importance of this appropriations bill.

To prove that point, I submit, we should heed the words of the chairman of the Appropriations Committee chairman, Mr. WHITTEN of Mississippi, who made two especially salient points on these procedural matters in his letter to the Rules Committee:

First, with respect to the unauthorized appropriations in the bill, Chairman, WHITTEN indicates that the committees of jurisdiction have been contacted and voiced no objections; and

Second, the legislative provisions in the bill are necessary to permit timely action on, and efficient execution of, ongoing public works programs of both the Army Corps of Engineers and the Bureau of Reclamation.

All that said, I return to my earlier point. That, given the legislative and political circumstances under which the House operates, this rule represents the best available option. And the many vital programs to be funded under this appropriation—ranging from nuclear weapons programs to flood control—those programs should not be held hostage in hopes that the broken legislative machinery of the House will suddenly and miraculously be repaired. Rather, we should accept the rule, and accept the reality that our legislative process is not operating smoothly, that it needs attention, it needs reform, it needs streamlining. The process just does not work. We are forced to consider appropriations before authorizations out of concern for timely funding and efficiency. It should not, and need not, be like this. The majority has the responsibility to permit meaningful reforms to take place to fix this broken process.

So I support the rule, with reservations.

I should also hasten to add that I have no reservations whatsoever about the good and hard work done by the appropriations subcommittee on energy and water development. Chairman BEVILL of Alabama and the ranking member, Mr. MYERS of Indiana deserve special commendation for dealing with this challenging task. Working under the tight restrictions presented by last year's budget agreement, they have produced a bill that will appropriate $21.5 billion—about $115 million below the President's request. While many Members may have wished for greater funding in one program or another, we should commend the subcommittee for their hard work.

For instance, the subcommittee received testimony from more than 100 Members of Congress in the hearings that led to this final bill. And it is noteworthy that in terms of domestic discretionary programs in this bill there is no real dollar increase over fiscal year 1991. The American people should be so fortunate that every spending bill was equally disciplined.

Because of such constraints, the subcommittee made some very tough choices. That should be recognized and applauded by each and every Member of this House.

So I would close, Mr. Speaker, by thanking the chairman and ranking member of the subcommittee for their effort, express my support for the statement by the gentleman from Texas [Mr. FROST] in support of the rule, and encouraging my colleagues to adopt this rule.

Mr. Speaker, I reserve the balance of my time.

☐ 1300

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, the bill that is the subject of this rule appropriates $1.4 billion for general sciences and research activities. However, of this, over $434 million is earmarked for the superconducting super collider [SSC], a single project which is well on its way to becoming a gigantic financial black hole. In future years it will drain billions of dollars, threaten existing science projects and activities, eliminate any prospect for new science initiatives, and erode the financial base available for other deserving programs in the entire domestic budget area. There are many of us in this body who contend that SSC actually stands for "steadily skyrocketing costs", and the history of the cost projections for this project support such a title. Since the inception of this project in 1983, we have watched as DOE's own cost estimates have risen from $5 billion to $5.3 billion to $5.9 billion to $7.8 billion to a figure of $8.2 billion today. And an independent cost estimate completed by the Department's own independent cost estimating team predicts that the cost will be as high as $11.8 billion.

Every time the cost went up, the Department of Energy was here assuring us that it finally had the numbers right, and the latest estimate was the last, and accurate number. In fact, just last year the Department supported the authorizing legislation approved overwhelmingly by 309 Members of this body that set a $5 billion cap on Federal expenditures for this project. Today, less than a year after such assurances, the representatives of DOE tell us the department can no longer support such a cap.

Now, to hide the true cost of this project, the DOE insists that $2.6 billion of the $8.2 billion estimate will come from non-Federal sources. Therefore, according to the DOE, the Federal cost is a mere $5.649 billion—only slightly more than original cost estimates. As my colleagues and I will detail later, there are several inaccuracies in that type of wishful accounting. The Department left out of its estimate over $800 million in costs that it admits exist. For a variety of reasons, DOE has excluded them from the total project cost estimate. However, just because DOE does not define them as project costs does not mean the taxpayers will not pay them. Nor does it mean that the burden these costs will place on competing programs will be any less. Those expenses will come from the Federal treasury and will reduce the amount of funds available to other programs. Moreover, the Department's representation that $1.7 billion in costs will be offset by foreign contributions is both unrealistic and disingenuous. To date the Department has secured only one $50 million pledge, and it refuses to rule out asking Congress to make up the shortfall.

In other words, the $434 million we are being asked to approve this year only represents another installment toward a financial hemorrhage that will last until the end of the century, consuming a good portion of the funds available for general science and research, and likely threatening ongoing programs. It is more than coincidence that our esteemed colleague from Illinois will have to offer an amendment today to restore funding for improvement activities at Fermi Lab. However, if my friend is successful, and I hope that he will be, we will only be previewing an annual struggle that will continue and increase in intensity as long as the SSC is competing for funds. Fermi may get a reprieve this year, but what about next year when the SSC needs $638 million, and likely even more when foreign contributions don't materialize? The funds needed to keep alive existing accelerations labs like Fermi, Brookhaven and Stanford will simply not be available if we have to feed the voracious appetite of the SSC. The estimated operating costs for the SSC, in 1992 dollars, is $380 million. That represents 74 percent of the existing budget for all of the accelerator labs. Something will have to give, and it is unlikely to be the SSC if we have spent billions on its construction. Already, DOE has told us that some existing accelerators will be closed when the SSC opens.

Mr. Speaker, eliminating the funding for this program is not as difficult a choice as some may want us to believe. Cutting out $434 million this year saves $638 million DOE already plans to ask for in fiscal year 1993. And it only goes up from there. Between fiscal year 1994 and fiscal year 1999, the DOE's own funding plans call for appropriations of $3.9 billion. Along the way, it is very clear that we will also have to start making up for some or all of the $1.7 billion in foreign contributions that don't materialize.

To prevent this hemorrhaging, and to save funding for other deserving science activities, I strongly urge my colleagues to cut the funds for this project. Failure to do so will give the Department of Energy a blank check.

In conclusion, Mr. Speaker, I urge my colleagues, and will do so again during the debate on the bill, to support the bipartisan amendment that will be offered by Mr. SLATTERY to halt this project before any more money is wasted.

Mr. McEWEN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, regrettably, I must rise to oppose this rule. This rule, which appears innocuous enough, is actually a gag order, limiting debate on the superconducting super collider [SSC]. Yet it seems to me that the collider, merely the single most expensive scientific instrument in human history, is worthy of some extended debate.

We sought a wavier from the Rules Committee to enable the House to debate an amendment that would have limited the Federal cost of the collider to $5 billion. There's nothing new about that. The House passed such a spending cap last year, and the Department of Energy [DOE] promised to abide by it. Now, that appears to be just one more of the Department's broken promises. I should add that the cap was set, not by skeptics like me, but by the collider's most ardent proponents. What a difference a year makes.

But, you say, "You needed a waiver of the rules. How can you complain of unfair treatment?" The waiver we sought is precisely the same waiver the Appropriations Committee received to be able to bring this bill to the floor in the first place. The waiver we sought is precisely the same waiver Chairman YATES received to try to get more money for Fermilab. To limit funding for the SSC, we sought precisely the same waiver the Appropriation Committee received to permit spending on the SSC. And we sought that waiver after getting a green light from both the chairman and the ranking member of the authorizing committee of jurisdiction. I dare say there may never have been a stronger argument for a waiver.

But the supporters of the SSC do not desire open debate on this issue. They do not want the House to be able to impose a spending cap on a bill that the other body will actually have to consider. They don't want to have to explain how promises DOE made at this time last year have proved as ephemeral as a single quark.

Anyone who believes that an $8.2 billion project should be subject to more than cursory debate, anyone who believes that such a project should be subject to more direct attention than is provided simply by cutting the bottom line of a spending bill, anyone who believes a handful of Members of the House should not be able to squelch debate, anyone who believes the House should not be hamstrung by the unwillingness of the Senate to take up authorization bills—anyone who feels this way should vote to defeat the rule.

Scientists are always lecturing us about how they need to have free and open discussion to carry on their pursuit of truth. We need a similarly free and open discussion if we are to fund their work.

□ 1310

Mr. McEWEN. Mr. Speaker, I yield myself such time as I may consume so that I may insert the President's statement on this bill at this point in the RECORD. The statement of administration policy is as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, May 28, 1991.

STATEMENT OF ADMINISTRATION POLICY

(H.R. 2427—Energy and Water Development appropriations bill, FY 1992—Sponsors: Whitten, Mississippi; Bevill, Alabama)

This Statement of Administration Policy expresses the Administration's views on H.R. 2427, the Energy and Water Development Appropriations bill, as reported by the House Appropriations Committee. On the basis of CFO's preliminary scoring of the bill, the Committee recommendations are within the House 602(b) allocation. In aggregate, the House 602(b) allocations are consistent with the statutory spending limits enacted in the Budget Enforcement Act. However, the Committee's bill shifts domestic resources from critical research and development efforts to various water projects of less national significance.

The Administration's major funding objections are that the bill cuts $100 million from the President's request for the Superconducting super collider and $43.5 million from the new Fermilab Main Injector for high energy physican research. The reduction in funding for the Superconducting Super Collider would extend the ten-year design and construction schedule and increases total project costs. This action might also undermine prospects for obtaining international participation in the project. The President's budget assumes that such participation would offset one-third of the total project cost. Reduced funding for the Fermilab Injector would postpone acquisition of the new Main Injector ring for at least one year. Funding at requested levels for these crucial investments in the nation's science infrastructure is needed to ensure America's competitive position in research and development. The Administration strongly opposes an amendment to be offered by Representative Slattery that would eliminate all funding for the Superconducting Super Collider.

Instead of providing funding at the required levels for these crucial investments in research and development, the Committee has provided $115 million more than the President's request to the Army Corps of Engineers. In addition, the Committee has inflated savings and project slippage, and has substituted various low-priority water projects for the Administration's proposed high-priority new construction and major rehabilitation projects. Most of the projects substituted by the Committee are uneconomical, do not meet cost-sharing requirements, or are not Federal responsibilities. Similar objections apply to several Bureau of Reclamation projects.

The Administration strongly opposes section 502, which would bar the use of funds appropriated in the Energy and Water Development Appropriations bill for the implementation of Public Law 101-576, the Chief Financial Officers Act. This law addresses long-standing Congressional and Administration concerns about financial management deficiencies in the Federal Government. These are deficiencies that must be corrected.

In passing the Chief Financial Officers Act of 1990 (CFOs Act), the Congress found that "[b]illions of dollars . . . lost each year through fraud, waste, abuse, and mismanagement . . . . could be significantly decreased by improved management." As a remedy, the CFOs Act (passed by voice vote without dissent): (1) strengthens management capabilities; (2) provides for improved accounting systems, financial management, and internal controls to assure reliable information and deterrence of fraud, waste, and abuse; and, (3) provides for reliable financial information, useful to Congress and the Executive Branch in financing, managing, and evaluating Federal programs. Implementation of the CFOs Act is essential to good Government.

The Administration objects to the language of section 506, which would bar the use of appropriated funds to conduct certain studies of the pricing of hydroelectric power. In signing this FY 1991 Energy and Water Appropriations bill, the president objected to language identical to the language in section 506 on constitutional grounds. The Constitution grants the President the authority to recommend to the Congress any legislative measures considered "necessary and expedient." Any restrictions on studies would be interpreted so as not to limit the President's ability to carry out his constitutional responsibilities.

More detailed Administration comments on H.R. 2427 are contained in an Attachment.

ATTACHMENT

MAJOR PROVISIONS OPPOSED BY THE ADMINISTRATION

A. FUNDING LEVELS

Department of Defense—Civil: Army Corps of Engineers

The Administration objects to the net increase in funding for the FY 1992 Corps of Engineers program of $115 million over the President's request. In addition, the Committee provides funds for the initiation of 19 projects or project elements, restitution of funds for projects, and funds for operation and maintenance of seven additional projects not in the President's budget request. Most of these projects are uneconomical, do not meet cost-sharing requirements, or are not Federal responsibilities. Further, the Committee added over $40 million to initiate over 70 unregulated studies. These projects and studies are funded by a combination of new funds and elimination of the critical coastal America initiative (5-7 million), elimination of 10 of the President's 11 proposed high priority construction and major rehabilitation new start projects (−$43 million) as well as unjustified savings and slippage (−$43 million).

Department of the Interior: Bureau of Reclamation

The Administration objects to the Committee's failure to fund the proposed transfer of oversight responsibility for the Bureau of Indian Affairs (BIA) dam safety program to the Bureau of Reclamation. A report by the Department of the Interior Inspector General found that BIA had not effectively managed the program from either an engineering or financial standpoint. BIA has not adequately addressed the serious threats to life and property posed by unsafe dams since issuances of the report in 1989. The Administration proposes to use the technical and management expertise of the Bureau of Reclamation to acquire the timely correcton of serious safety deficiencies at a number of high-hazard BIA dams. Indian tribes would participate in implementing corrective actions on reservation dams, including provision for contracting with tribes.

The Administration objects to the addition of funds for several projects in the construction program that are a low priority, are not a Federal responsibility, or are inconsistent with cost-sharing requirements.

Department of Energy

The Committee disregarded the Administration's priorities within the Energy Supply Research and Development account. The Administration has requested $28 million for activities related to shutting down the Fast Flux Test Facility (FFTF) reactor in Hanford, Washington. This reactor has no programmatic purpose, and this is the second year that the Administration has proposed cleaning the reactor. Instead, the Committee cut three Space nuclear power programs (the SF-100 program, the thermal power supply program, and the new Space Exploration Initiative) in order to provide the $79 million to keep the FFTF reactor running for another year.

Other Independent Agencies

Tennessee Valley Authority. The Committee bill increases funding by 48 percent over the Administration's request. The increase would continue rural development activities that should be conducted by State or local governments. Further, this unwarranted substantial increase in funding would maintain funding for fertilizer activities that should be made self-supporting and increase natural resource activities that, in part, duplicate the responsibility of other Federal, State and local jurisdictions.

B. LANGUAGE PROVISIONS

Department of Defense—Civil: Army Corps of Engineers

Many of the low priority studies and construction projects contained in the Committee bill have specific funding levels and features prescribed in bill language, thereby reducing programmatic flexibility.

Section 103 attempts to prohibit non-Federal financing of preconstruction engineering and design costs of certain projects prior to commencement of construction. It is undesirable because joint financing of engineering and design for large complex projects ensures non-Federal sponsors' commitment to project implementation and the timely resolution of design issues.

Department of Energy

Power Marketing Administrations. Report language accompanying the Committee bill rejects the Administration's debt repayment reform proposal. The Administration asks the House to reconsider the debt repayment reform proposal. If implemented the proposal is estimated to provide the Federal government an additional $393 million in revenues.

Supporting Research and Technical Analysis. The bill directs $3 million to the Midwest Superconductivity Consortium. Neither the Consortium nor the grants given for research under the Consortium have undergone competitive review under Request for Proposals open to the entire university community.

University Research Support. The bill directs $4 million to the cooperative arrangement that exists among Lawrence Berkeley Laboratory, the Ann G. Mendez Educational Foundation, and Jackson State University. The activities of these institutions are not subject to the normal peer review process to establish the merit of the work performed.

Minority Participation in the Superconducting Super Collider. Section 304 of the bill would require that the Secretary of Energy ensure "to the fullest extent possible" that at least ten percent of the funds of the Superconducting Super Collider go to socially and economically disadvantaged individuals within the meaning of the Small Business Act and to universities and colleges with student bodies that are more than 20 percent Hispanic or Native American. This provision does not appear to constitute a rigid set-aside; however, it does direct the Secretary to make an effort to direct funds to specified individuals and groups.

The distribution of Federal funds based solely on the racial composition of an institution's student body is inconsistent with the equal protection component of the Fifth Amendment to the Constitution. Under existing case law, racial or ethnic characteristics justify disparate treatment only in extremely rare situations and such situations must be clearly identified and unquestionably legitimate. The Administration is not aware of any such justification to support this set-aside and therefore recommends its deletion.

General Provisions

Litigations on Studies Concerning Hydroelectric Power Rates. Section 506 of the bill would bar the use of appropriated funds to conduct certain studies concerning the pricing of hydroelectric power. The Administration objected to identical language in the FY 1991 appropriation, and the President included in his signing statement the following remarks on the subject:

Section 504 of the Act provides that none of the funds appropriated by [the Energy and Water Development Appropriations Act] or any other legislation may be used to conduct studies concerning "the possibility of changing from the currently required 'at cost' to a 'market rate' or any other noncost-based method for the pricing of hydroelectric power" by Federal power authorities. Article II, Section 3 of the Constitution grants the President authority to recommend to the Congress any legislative measures considered "necessary and expedient." Accordingly, in keeping with the well-settled obligation to construe ambiguous statutory provisions to avoid constitutional questions, I will interpret section 504 so as not to infringe on the Executive's authority to conduct studies that might assist in the evaluation and preparation of such measures.

If section 506 of the current bill is enacted in its current form, the Administration will interpret it in an identical fashion.

Mr. Speaker, I express again my appreciation and respect for the chairman and ranking member of the subcommittee.

I have no further requests for time, and I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the consideration of the bill (H.R. 2427) making appropriations for energy and water development for 1992, and that I be permitted to include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1992

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2427) making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Indiana [Mr. MYERS] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

□ 1310

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2427, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Alabama [Mr. BEVILL] will be recognized for 30 minutes and the gentleman from Indiana [Mr. MYERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we bring to you today for your favorable consideration the bill, H.R. 2427, making appropriations for energy and water development for the fiscal year 1992. I am joined in this effort by my colleagues on the Energy and Water Development Subcommittee who have worked long and hard to bring this legislation to the floor. Let me express my special appreciation to our ranking minority member, the gentleman from Indiana [Mr. MYERS]. As in years past, he and I have worked together with the subcommittee without any trace of partisanship to fashion a bill that meets the present and future needs of our entire country. I also want to express my appreciation and thanks to the members of the subcommittee, the gentleman from California [Mr. FAZIO], the gentleman from Georgia [Mr. THOMAS], the gentleman from Texas [Mr. CHAPMAN], the gentleman from Colorado [Mr. SKAGGS], the gentleman from New Jersey [Mr. DYER], the gentleman from Michigan [Mr. PURSELL], and the gentleman from New Jersey [Mr. GALLO]. I want to also thank Chairman WHITTEN, a member of the subcommittee, and Mr. MCDADE for their assistance. I would like to note that we have three new members on the subcommittee this year, Mr. SKAGGS, Mr. DWYER, and Mr. GALLO, and they have proven to be valuable additions to the subcommittee.

Mr. Chairman, at the outset, I want to point out to Members of the House that this bill is within the section 602(b) allocation for both new budget authority and outlays. I caution Members that any amendments offered to increase appropriations for any programs in this bill will put it over our allocation amount as it applies to budget authority because we are right at our ceiling.

The committee believes that this is the best bill that could be developed within the severe budget constraints that we faced. The bill includes no new major construction starts for the Corps of Engineers, Bureau of Reclamation, or Department of Energy. The fiscal year 1992 funding level is so tight that financing new programs or projects would severely impact ongoing programs. In addition, the budget summit agreement for domestic programs in fiscal year 1993 is even more restrictive. We expect to face a bigger problem next year so we chose not to initiate projects with outyear mortgages for which future funding may not be available.

Mr. Chairman, the bill before the Committee today would provide $21,529,999,000 to the Army Corps of Engineers, the Bureau of Reclamation, the Department of Energy, and eight independent agencies and commissions. The bill includes $11,780,000,000 for defense activities and $9,749,999,000 for domestic programs. The amount for defense is the same as the budget request, and the amount for domestic programs is $114,829,000 below the administration's request.

I would like to note that the total amount recommended in the bill is $21,494,999,000 in new budget authority. However, the Congressional Budget Office has scored the bill at a total amount of $21,529,999,000 due to an adjustment needed to compensate for $35 million of excess revenues received in the uranium enrichment account. The $21,529,999,000 is equal to the subcommittee's 602(b) allocation.

TITLES I AND II—WATER RESOURCE DEVELOPMENT

Mr. Chairman, the committee is committed to a policy of development of the vital water supply, navigation flood control, irrigation, and hydroelectric projects that are necessary to the well-being and economic growth of the entire Nation. No part of this country is immune from the problems of water—too little or too much—and all States of the Union must join together cooperatively to foster a truly national water policy which responds to the unique needs of each State and region.

Title I includes $3,609,849,000 for the Corps of Engineers which provides for 537 water resource projects in the planning or construction phases.

Title II includes $887,218,000 for the Bureau of Reclamation which provides for 106 water resources projects in the planning or construction phases.

Titles I and II also provide for studies and projects in the operation and maintenance category. Within the available funds, the subcommittee has attempted to accommodate the most critical needs, within budget constraints, identified through the extensive hearings conducted with administration witnesses, the public, State, and local officials and Members of Congress. It was unfortunate this year that the committee was unable to provide for new construction starts for the Corps of Engineers in this bill, but we did seek to maintain adequate funding for those projects which are ongoing.

TITLE III—DEPARTMENT OF ENERGY

In title III, for the Department of Energy, the recommendation provides a total of $16,656,297,000. In this title, we are recommending $11,768,500,000 for the national security programs and $4,887,797,000 for all other energy programs. The amount recommended for energy research programs maintains a balanced energy research program and a healthy scientific research effort. The recommendations include many changes in the request which are summarized in the report. I will mention a few.

In the energy programs of the Department of Energy, several changes are worth mentioning:

For solar and renewable energy programs, we are recommending $237,219,000 compared to the budget request of $202,094,000.

For environmental restoration and cleanup activities at Department of Energy defense and nondefense facilities, the committee recommendation is $4,351,395,000, an increase of $122,900,000 over the budget request.

For nuclear energy R&D, the recommendation is $314,658,000, a decrease of $84 million from the budget request. Due to severe budget constraints, the committee was unable to fund the proposed new space exploration initiative nor the requested increase in space reactor power systems.

For general science and research, the committee recommendation provides a total of $1,405,489,000, a decrease of $143,450,000 from the budget request. The recommendation includes $433,700,000 for the superconducting super collider, a decrease of $100 million from the budget request. In addition, the committee recommendation does not include the $43,450,000 requested to initiate the construction of the Fermi Lab main injector. The reductions were necessary due to the severe budget constraints the committee faced.

The recommendation for defense programs of $11,768,500,000 is $231,486,000 above the current appropriation and $500,000 more than the budget request. The recommended level includes increased funds for defense waste cleanup as I noted previously.

TITLE IV—INDEPENDENT AGENCIES

Title IV of the bill includes $341,635,000 for eight independent agencies. This is $287,713,000 below last year's level.

We have provided $170 million for the Appalachian Regional Commission; $135 million for the Tennessee Valley Authority; $11,500,000 for the Defense Nuclear Facilities Safety Board; $3,294,000 for the Nuclear Waste Technical Review Board, and $1,879,000 for three river basin commissions.

The committee recommendation provides $508,810,000 for the Nuclear Regulatory Commission, an increase of $47,490,000 from last year's level and the same as the budget request. The appropriation is offset by revenues of $488,848,000, resulting in a net appropriation of $19,962,000.

GENERAL PROVISIONS

The bill contains the customary general provisions carried in prior years to permit the agencies funded in this bill certain flexibility and to limit other activities.

COMMITTEE REPORT

The report accompanying the bill provides a good explanation of the recommendations reflected in the bill. I would encourage the Members to look through it.

This is a good bill. I recommend its adoption.

□ 1320

Mr. MYERS of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, and my colleagues in the House of Representatives, once again the appropriations process has started. This particular bill on the appropriations for energy and water once was called the all-American bill. Appropriately it would be called the all-American bill, because it touches everyone of us in some fashion, usually in more than one way. It touches every community. It touches every individual regardless of age and what section of the country he may live in.

After 2 months of hearings, listening and receiving testimony from more than 100 of our colleagues, a number of Governors, and thousands of individuals who sent in their testimony as well as appearing in person, the committee has come to the floor with an appropriations bill to provide for the energy needs for the immediate future, and future for our children and grandchildren. Besides that, we also have the water needs of our country included here.

Energy, the power that is now providing the light for this room, and thank goodness the air-conditioning also for this room in the Capitol and in most of our homes, as well as the other energy needs of our country, to provide for all the needs we take for granted. We also take water for granted. Yet we have some areas of our country today that have excess amounts of water and cannot accommodate all the water they do receive, while other sections do not have a sufficient amount to meet their municipal and industrial needs.

This committee has the responsibility of providing, hopefully, the research for the energy needs of our children and grandchildren, also for developing the resources of how to handle the water, as well as the ports and inland navigation. Funding for more than 25,000 miles of inland navigation are provided through the efforts of this committee.

So it truly is an all-American bill. However, this year is probably one of the most austere, one of the tightest years we have ever had. Through the years that the chairman and I have been on this committee, we have had some tight years, but none like this year. Many Members of the House of Representatives and the other body, the Senate, have requests for projects that simply could not be put in. We had requests from people throughout the country, Governors, State legislators, county commissioners, mayors, who have very dire needs for flood control or additional support for programs within their communities, that just were not possible this year.

In previous years we have had problems, but now this committee and every Appropriation Subcommittee that will be bringing bills to the floor in the next 30 days has had the same problems. We have always had problems with appropriations, trying to appropriate money up to a point as much as we have available with the authorizing committees. Usually you have to struggle to try to hold spending down with the authorizing committees, with the special interest groups throughout the country all wanting more money appropriated. We have always had that struggle, but more recently now we have problems with the budget process. We have our own Budget Committee here in the House and in the Senate who also inject a new figure.

We have something new now, the 602(b) allocations. It used to be a 302(b) allocation, from the cardinals of the Appropriations Committee who divide up the pie even further. So it makes it very difficult when we take into account all the considerations that an Appropriations Subcommittee has to come up with, trying to write an appropriation bill, and it is becoming increasingly more difficult for us to do this.

I support this recommendation wholeheartedly. Some of the items that the chairman has already identified, the priority and the hard work, I agree with. The biggest increase this year, the largest increase in this bill is in environmental improvement.

We have a great many facilities throughout the country that have been operating for a number of years, producing nuclear materials, which have been neglected and now need cleanup. We have provided additional funds this year for cleanup in the nuclear defense activities. There is an increase up to $3,749,000,000 for the defense cleanup.

We have $602 million for cleanup of non-defense-related activities, producing nuclear materials. That is the largest item, the environmental cleanup.

The second largest item in our budget is the general science and research account. Again, this funds projects looking into the future so that we can provide more energy and deliver energy more efficiently, more effectively and conduct research on alternate sources of energy. These are the areas where we also have the second largest increase in our bill.

This bill is above last year by $607 million. It is, as the chairman has said, $115 million below the President's request. It is five-tenths of 1 percent below the President's request; so it is a very austere appropriation this year. It is one in which there is no room for any increases.

☐ 1330

So if anyone here has a notion or an idea about increasing someplace along the line, you had better also have a notion about where it is going to come from because we just simply do not have any room to make any increases. Any further increases and we would not be able to bring the bill to a final vote on the floor for any increases unless there is a corresponding reduction.

It is a good bill. I realize there will be Members speaking this afternoon about projects they would like to put in. The committee had no prejudice. It was not something that we decided that we would chop this one off. It was just a matter of that we could not put any new money in for new starts, not only for this year but for future years down the road. Every time we have a new start, it obligates the future for additional funds.

This afternoon we are also going to hear about the Office of Management and Budget, which has not been happy with every item that this subcommittee chose to put into this bill. Nothing new about this.

Some of us have been around here for a number of years. Every administration, Democrat and Republican, has had its priorities. The President sends his request down in January. In the 25 years I have been here we have always taken it apart. We in the Congress who are closest to the people, closer to the projects—the committee has hearings, we go out and visit and look at the sites and look at the programs—have always had a difference in priorities. We are going to hear that we did not put in as much as the President requested or we put in more for some other program. The important thing is not the one item that the President requested. There were a number of items that President Bush requested that we were not able to put in. But that is not the question, whether or not we put in everything he wanted or whether we did not put in everything that he wanted. The question is the bottom line. And we have held under that. That is what we must look at, we must look to the future and that we do not overobligate this Congress or future Congresses. This bill does not do that. It is a very good bill.

I hope it is one that will receive the vote of everyone here. It is austere. But I join my chairman, the gentleman from Alabama, Chairman BEVILL, in thanking the members of the subcommittee and the full committee and especially our staff under the able leadership of Hunter Spillan, who once again spent hundreds of hours putting this bill together. It is a good bill, and I hope you all can support it.

Mr. Chairman, I reserve the balance of my time.

Mr. BEVILL. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. WHITTEN] chairman of the Committee on Appropriations.

MR. WHITTEN. I thank the gentleman for yielding.

Mr. Chairman, as chairman of the Committee on Appropriations, I am a member of the subcommittee and, believe me, in the history of our Nation we never faced greater problems from floods and other disasters over the Nation. On May 22, 1991, by a vote of 387 to 33, we called on the Office of Management and Budget to send up a request for funds for unfunded disasters and emergencies.

Since October 1990, the beginning of this fiscal year, there have been over 28 disasters certified by the President. We need to continue to take care of the country and respond to these needs.

May I say at this time to our good friends, the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] and to my other colleagues on the subcommittee, that they have done a great job. I would like to point out that one of the tragedies we have, is those persons who seem to think that if you spend money on your own country, it is porkbarrel. May I say that all we have behind our money is the country itself. We no longer have gold and silver behind it.

Mr. Chairman, these are investment expenditures. Everything we have is changing the environment to serve our needs and our purposes.

I want to say here that we are all indebted nationally to the members of this subcommittee and their counterparts on the other side of the Capitol because everything we have and everything we hope to be comes back to our own country.

I know we talk about trade. But the question is how you trade. Did you get beat, or did you look after your own country?

I want to say here, and I mean every word of it, except for the work that this committee has done with the support of the Congress, we would not be able to hold on to what we have.

Mr. Chairman, I join with my colleagues Chairman TOM BEVILL and ranking Republican JOHN MYERS, and with my other subcommittee colleagues in recommending this bill to you. As has been pointed out, this is the major bill for looking after the physical resources of our country itself—which is our real wealth. Along with the bill for agriculture, it is the foundation of our economy.

It is hard sometimes to look after your own country, but the problems we have today are not the result of what we spend on our own country. We must spend on our country if we are going to be economically strong enough to do all these other things.

Mr. Chairman, the overall content of this bill has been covered by Chairman BEVILL and JOHN MYERS.

I want to call attention to some of the national programs that are of special interest to my district, State, and section.

For the Foothills Joint Demonstration Erosion Control Program, funds are included for work on Batupan Bogue, Otoucalofa Creek, Hotophia Creek, Hickahala and Senatobia Creeks, Long Creek, Black Creek, Burney Branch, Town Creek-Charleston, Sherman Creek, Abiaca Creek, Toby Tubby Creek, Pelucia Creek, Cane-Mussacuna Creeks, Hurricane-Wolf Creeks, and the Coldwater River.

For other ongoing construction, funds are included for the Nonconnah Creek project, the Sardis Dam—dam safety assurance, the Tombigbee River and Tributaries project, the Tennessee-Tombigbee Waterway—purchase of mitigation lands, the Horn Lakes Creek and Tributaries project, and the Gulfport Harbor project. Funding is also included to continue the Jackson metro area study, and for the East Fork, Tombigbee River operation and maintenance. Language is also included in the bill providing that O&M funding for Yazoo Basin Lakes shall be available for maintenance of roads and trails.

For the Tennessee Valley Authority, rural development activities are maintained at the current level. Efforts are directed at helping to eliminate the economic hardships in the valley's rural areas.

For the Appalachian Regional Commission, highway program and area development activities are also maintained at current levels. This funding supports the continued construction of corridor V. Report language directing ARC to develop a plan for waste disposal in Northeast Mississippi has also been included.

Funding in this bill also continues a cooperative agreement between Jackson State University, Lawrence Berkely Laboratory, and Ana G. Mendez Educational Foundation, an ongoing program.

For the Yazoo Basin, funding is provided to continue construction on the Big Sunflower project, the demonstration erosion control projects, the tributaries project, the Upper Yazoo projects, and for backwater mitigation lands. The reformulation study—Yazoo Basin projects—is also funded as well as operation and maintenance for all completed Yazoo Basin Projects.

FIRST FISCAL YEAR 1992 APPROPRIATIONS BILL

Mr. Chairman, this is the first of our appropriations bills. Friday, we will take up the military construction bill and next week we expect to take up the VA, HUD, and independent agencies bill, the Department of Defense bill, and the legislative branch appropriations bill. They will be followed by bills for Labor-HHS, dealing with health and education and Social Security, Transportation, providing for highways, Treasury-Postal Service, Interior, including funds for the Natchez-Trace and forestry, and the others.

Mr. Chairman, I repeat again, the total of appropriations bills has been kept $180,800 million below the recommendations of the Presidents since 1945. The money in this bill is investment spending. It is not what we have spent on our own country which causes our financial problems.

Our Committee on Appropriations has done a fine job in this bill which provides funds to take care of our own country. We should all keep in mind that ours is a large country and this bill touches every State and area. Although the funds in this bill are large, it doesn't begin to do what could or should be done to protect and develop our country.

We must realize our only real material wealth is the Nation itself. This is all we have to back our money. That is what all our other commitments depend upon.

Mr. MYERS of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. GALLO], a new member of our subcommittee, and a very valuable and hardworking member.

Mr. GALLO. Mr. Chairman, I thank the gentleman from Indiana for yielding time to me.

Mr. Chairman, I rise today in support of H.R. 2427. As a new member of the subcommittee, I would like to thank Chairman BEVILL and ranking member JOHN MYERS for their leadership and direction. I would also like to thank the dedicated and capable staff of the subcommittee for their expertise and knowledge of these important issues.

I am proud of the fact that we have crafted a bill that will continue to move this country closer to a comprehensive energy policy. And, we have done so while staying within 602(b) budget allocations.

With this bill we have also made a significant long-term commitment to the development of new energy sources for our future needs.

The immediate goal of our national energy policy must be a balanced approach that deals with conservation and alternative fuel sources. We must not shortchange our research and development programs. If we fail to act now, we will be passing along to our next generation energy problems that could be solved if we invest in new technologies now.

Often times we find it very difficult to finance research projects to meet our future energy needs. However, we must make that commitment now. Without this investment in research today, we are dooming our future generations to a lower standard of living and less economic opportunity.

I believe this bill takes that necessary step. Within this bill we have funded programs that will make this country less dependent on foreign sources of energy. We have funded scientific research that will give us the edge and the capability to take this country into the 21st century.

This bill also provides funding for a number of critical flood control projects throughout the United States. These important projects will help to prevent hundreds of millions of dollars in property damage in areas with recognized flooding problems. It is even more important that these projects move forward in order to save the countless lives lost to devastating floods.

This bill provides the needed relief to those areas stricken each year by floods.

Preparing for our future needs is never easy, but H.R. 2427 provides the insight and programs that will make it a little easier.

Mr. Chairman, I ask my colleagues to support this bill.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. SMITH], chairman of the Subcommittee on Commerce, Justice, State, and the Judiciary.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the members of the subcommittee for the work that it does on this bill, especially the chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL], and the ranking member, the gentleman from Indiana [Mr. MYERS].

I happen to have an office a few feet down the hall from where they hold their hearings, and for several months at the beginning of this year I would look out of my office and see 50 or 60 people waiting out in the hall to testify before this subcommittee.

I see here, Mr. Chairman, a stack of printed hearings on the table, which indicates the amount of work that they do to prepare this bill.

There are so many items in this bill. I do not think very many people understand how many individual projects and items they have to go into to prepare this bill.

In addition to that, I do want to mention something about the Corps of Engineers. I think about half of this bill is defense-related. Some people think of the Corps of Engineers as flood control experts, doing things that help this country. But as a matter of fact, they are very crucial in time of war.

Mr. Chairman, I happened to have been in the Persian Gulf, in Saudi Arabia and Kuwait, both during the war in the Persian Gulf and afterward. The Corps of Engineers were absolutely crucial in that process.

But for the corps and their expertise on handling facilities and bridges and different things like that, the Army could not have been as mobile as they were. There is no way they could have been.

In addition to that, after the war was over the first thing the Kuwaitis wanted was advice from the Corps of Engineers, not money to do projects but just advice, because they know that that kind of advice is available nowhere else in the world. So I think we ought to think a lot about the Corps of Engineers.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 additional minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. I thank the gentleman from Indiana for yielding this additional time to me.

Mr. Chairman, we were in New Guinea also. They wanted advice on a road that was to go across New Guinea. That is what they needed more than anything else, not money to build the road, but advice. It is not available anywhere else like it is from the Corps of Engineers.

The Corps of Engineers needs to do these civil works projects in peacetime so that they will be prepared for the emergencies that come up, such as we had in the Persian Gulf. If they do these projects, they are helping people in this country during peacetime. I think the greatest foreign aid program we could have, would be to have the Corps of Engineers go to more places in the world to provide advice to other countries on their civil needs to fix up their countries.

I commend the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] for this bill.

□ 1340

Mr. MYERS of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I rise in support of the energy and water appropriation bill that is on the floor before us today. I realize the difficult decisions that the subcommittee and the full committee had to make in this era of tightened budgets, but I do think that the bill that they have reported is a good bill, worthy of support.

Mr. Chairman, I specifically want to rise in support of that section of the bill that deals with funding the superconducting super collider high energy particle accelerator, better known as the SSC. This is a basic research project. It is the highest science priority of the Bush administration. It is a project that we have spent approximately $480 million Federal dollars to date, and it is a project that the President asks that we spend an additional $534 million in the budget year that we are debating on the floor this afternoon.

The committee, because of the difficult decisions that they had to make for other projects, cut the President's request by $100 million, so instead of receiving $534 million, the SSC is only going to receive $434 million. So, the first point I would like to make with regard to the funding of the SSC is that we have already cut the President's request by $100 million.

Mr. Chairman, as we get into the debate later on this afternoon, there are going to be a series of amendments offered to kill funding for the SSC or to reduce funding for the SSC. I would respectfully urge my colleagues to vote against those amendments for several reasons.

First of all, Mr. Chairman, the project is being built on time, under budget, and we are making excellent technical progress on the project. The magnet testing program is going extremely well. As a matter of fact, the magnets are exceeding the standards of required performance. We are in negotiations with foreign partners to fund parts of the cost of the super collider, and we hope within the next year to get significant contributions from the Japanese.

If we begin to go down the path of delaying funding of the project, and please keep in mind that this year's request, $374 million, was for construction, of which $100 million has already been cut so we are down to $274 million in construction, we begin to delay the time it takes to build it. The final costs begin to go up, and we could get into a cycle of self-fulfilling prophecies where the proponents say the cost is going up, and, therefore, we should kill it. We can only keep it on schedule and under budget if we fund it as closely as possible to the President's request, which was $534 million.

Mr. Chairman, our future in this country is technology driven. We can only be competitive in the 21st century if we have the world's best scientists, the world's best engineers, and the world's best technology. The price to pay for world leadership in that arena is very expensive. The SSC is budgeted to cost $8.25 billion to construct, but the price we pay, if we do not play in that arena, is even greater, because one-third of our gross national product is derived today from basic research in past high energy particle accelerator projects. So, whether we like it or not, if we are going to be a world leader, we have got to pay the ante to get into the game, and the ante in this case is $534 million this year for the SSC, which as I pointed out earlier has already been cut by $100 million.

So, Mr. Chairman, I would urge my colleagues, when we get to the SSC killer amendments, to vote against them. Let us fund the committee's request for the SSC of $434 million.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to my good friend and colleague, the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I rise in support of H.R. 2427, the energy and water development appropriation bill for fiscal year 1992.

Mr. Chairman, this is the first of 13 annual appropriations bills, and I want to commend the chairman of the full committee, the gentleman from Mississippi [Mr. WHITTEN], as well as all of the chairmen, for the work they are doing in terms of meeting the requirements of the budget agreement. In particular, I want to pay tribute to the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] who have done an excellent job here in staying within the constrictions laid out within the budget resolution.

Mr. Chairman, this bill provides $21.5 billion in discretionary budget authority and $20.5 billion in discretionary outlays. I am pleased to note that the bill is at the level of discretionary budget authority and under the domestic discretionary outlays by $83 million as established by the 602 spending subdivision for this subcommittee.

The budget agreement obviously sets some very tough caps, as we all know, and it demands some very tough decisions below those caps, but it takes balance and care, and it also takes toughness, and I think that is what this subcommittee has done in meeting its requirements.

As chairman of the Budget Committee, I plan to inform the House of the status of all spending legislation, and will be issuing a "Dear Colleague" on how each appropriations measure compares to the 602(b) subdivisions.

I look forward to working with the Appropriations Committee on its other bills.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, May 28, 1991.

DEAR COLLEAGUE: Attached are fact sheets on H.R. 2427, the Energy and Water Development Appropriations Bill, and H.R. 2426, the Military Construction Appropriations Bill, for Fiscal Year 1992. These bills are scheduled to be considered on Wednesday, May 29, and Friday, May 31, respectively, subject to adoption of rules.

These are the first regular fiscal year 1992 appropriations bills to be considered and both bills are at or below the 602(b) subdivision.

I hope this information will be helpful to you.

Sincerely,
LEON E. PANETTA,
Chairman.

FACTSHEET ON H.R. 2427, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, FISCAL YEAR (H. REPT. 102–75)

The House Appropriations Committee reported the Energy and Water Development Appropriations bill for fiscal year 1992 on Wednesday, May 22, 1991. This bill is scheduled for floor action on Wednesday, May 29, subject to a rule being adopted.

COMPARISON TO THE 602(B) SUBDIVISION

COMPARISON TO DISCRETIONARY SPENDING SUBDIVISION

The bill, as reported, provides $21,530 million of discretionary budget authority totalling the defense and domestic budget authority in the bill. This is the same amount provided by the Appropriations budget authority 602(b) subdivision for this subcommittee. This bill provides $20,540 million of discretionary outlays (totalling defense and domestic outlays in this bill). This is under the discretionary outlay subdivision by $83 million.

Since the Budget Enforcement Act established defense, international affairs, and domestic discretionary caps, this table compares the bill's spending in those 3 categories with the equivalent breakout of the 602(b) spending subdivisions.

[In millions of dollars]

	Energy and water development appropriations bill		Appropriations committee 602(b) subdivision		Bill over (+)/under (−) 602(b) subdivision	
	BA	0	BA	0	BA	0
Defense Discretionary Spending Subdivision						
Discretionary	11,780	11,443	11,780	11,443		
Mandatory						
Total	11,780	11,443	11,780	11,443		
Domestic Discretionary Spending Subdivision						
Discretionary	9,750	9,097	9,750	9,180		−83
Mandatory						
Total	9,750	9,097	9,750	9,180		−83

BA = New Budget Authority
0 = Estimated Outlays

The House Appropriations Committee ordered reported the Committee's subdivision of budget authority and outlays on May 22, 1991. These subdivisions are consistent with the allocation of spending responsibility to House committees contained in House Report 102-69, the conference report to accompany H. Con. Res. 121, Concurrent Resolution on the Budget for Fiscal Year 1992, as adopted by the Congress on May 22, 1991.

PROGRAM HIGHLIGHTS

The following are the major program highlights for the Energy and Water Development Appropriations Bill for Fiscal Year 1992, as reported:

[In millions of dollars]

	Budget authority	New outlays
Atomic Energy Defense Programs[1]	11,769	7,463
Army Corps of Engineers	3,610	2,503
Bureau of Reclamation	882	726
DOE General Science	1,405	914
Energy Supply R&D	2,854	1,284
Uranium Enrichment (Gross)	1,338	1,070
Nuclear Waste Fund (Civilian)	305	153
Appalachian Regional Commission (ARC)	170	9
Tennessee Valley Authority (TVA)	135	33

[1] The Atomic Energy Defense program funds are part of Function 050, National Defense. The other accounts shown above are domestic discretionary programs.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, I would like to take this opportunity to speak about the Upper Mississippi River Environmental Management Program [EMP]. After persistent efforts in Congress since 1982, I am proud to finally see the EMP will likely be fully funded next year.

The EMP began as a concept for protecting the environment- and recreation-based economies along the upper Mississippi River against the effects of increased commercial river use. Now, more than 10 years after that concept was put on paper, and as the program is poised for full funding for the first time, it is appropriate to reassess our goals.

To do so, we should go back to the basic thrust of the program. First, what is the EMP?

EMP is the result of a hard-fought compromise between navigation and environmental interests. In 1981, I put together a group of river enthusiasts to form a river advisory committee. This group generated 10,000 letters to Congress in support of getting the plan written into law. In addition, the EMP was strongly supported by the Minnesota-Wisconsin Boundary Area Commission, the Upper Mississippi River Basin Association, and the Upper Mississippi River Conservation Committee. We first testified before Congress for the plan in 1982.

The program was authorized in 1986 as part of Water Resources Development Act (Public Law 99-662, section 1103). It is the first program of its kind to combine a joint effort between the Army Corps, the Fish and Wildlife Service, and five States. The program covers 1,280 miles of the upper Mississippi River system.

Since that time, the EMP has become a model for the Nation and the world. In testimony before Congress last year, February 26, 1990, the Army Corps described the EMP as "a model for future efforts around the Nation and we—the corps—are proud to be a part of this unique initiative."

EMP is recognized as a unique partnership that works. The Bureau of Reclamation, the Tennessee Valley Authority, and managers from many other river systems are very enthusiastic about the EMP and its application elsewhere. Additionally, Soviet scientists recently toured the EMP for the second time to learn more about the program.

In a nutshell, the EMP paved the way for achieving harmony between navigation and environmental interests. It has allowed us to progress beyond the lawsuits and confrontation of the 1970's and 1980's over construction of Lock and Dam 26. This relationship is built on the understanding that further progress in navigational and commercial use on the upper river is dependent upon greater attention to environmental concerns and recreational use.

Second, why is the EMP so important for the upper Mississippi River?

The upper Mississippi River system is the only river in the United States which has a dual congressional mandate, incorporating both a 9-foot commercial navigation channel, and over 300,000 acres designated as part of the National Wildlife and Fish Refuge System. The upper river is used by millions of people each year for recreation, swimming, boating, fishing, and hunting. And, the upper river alone has over 200 boat harbors and 445 recreation sites.

Over $1.5 billion is spent each year by recreationists along the upper river. Last year, over 32 million tons of cargo were transported by barges along the system. EMP helps balance the increasing commercial navigation use of the system by restoring, maintaining, and preventing habitat losses due to man's increasing use of the system.

Third, what is the Federal role in the EMP?

It is clear to residents of the upper Mississippi River that there is a renewed Federal commitment to our region generally, and to the EMP specifically. President Bush stated in his first budget proposal on Natural Resources and Environment funds that they should be used to "* * * redress the history of environmental neglect at federal facilities around the country; to expand understanding of environmental processes and possible response strategies."

This might well have been said of the EMP. President Bush must be commended in committing the resources necessary to "expanding the understanding of environmental processes" on the upper Mississippi, and for making "response strategies" available under the EMP.

Last year, I brought John Turner, Director of the U.S. Fish and Wildlife Service, Robert Page, then-Director of the Army Corps of Engineers, and Assistant Secretary of Interior Constance Harriman up to tour the EMP. I promised them that, once they saw the EMP first hand, they would be compelled to push for full funding for the funding for the program. They helped me keep my promise by lobbying to fully fund the EMP for the first time next year.

The administration submitted its budget request for fiscal year 1992, requesting $19.45 million for the EMP. I am grateful, and proud, that the House Appropriations Committee, members of which have also toured the EMP, shepherded that request to the House floor. The EMP continues to forge working relationships from groups of diverse interest.

Unfortunately, despite steady funding increases each year, the EMP has been underfunded since its first year. Prior to this appropriations bill, the EMP has been underfunded by $30 million, or 50 percent:

Year	Authorized	Appropriated
1988	16.72	5.168
1989	18.56	7.5
1990	19.95	14.86
1991	19.46	17.0
1992	19.46	19.46
Total so far	94.15	63.988
Underfunded by		30.16
1993	19.46	
1994	19.46	
1995	19.46	
1996	19.46	
1997	19.46	
Total	191.45	63.988

In an effort to recover some of those lost funds, I introduced legislation last year (H.R. 186) to extend the authorization of the EMP for 5 years. After lobbying for the extension for several years, I was especially pleased that Congress not only extended the authorization for 5 years, but also authorized $33 million in new funds for those 5 years. The bill was enacted as part of the 1990 Water Resources Development Act.

This action further represented the widespread support the EMP has enjoyed from both Congress and the administration. Last year, after appealing to the committee for more funds, the appropriators boosted funding by $2 million over the administration's request. Then, in response to my request, the Army Corps also redirected an additional $2 million to the EMP.

Finally, and to address the point I began with, it is time to ask, where do we go from here?

As a simple answer, we forge ahead, building on the progress we've made so far. For example, as a result of EMP monitoring of habitat projects, we should be able to better design new habitat projects which compensate even more effectively for navigation impacts on the river. And, the information we've gathered will help us design future navigation systems which are more compatible with the environment. The information will also assist us to properly plan and better manage hydropower, sedimenttion, and water pollution.

However, more thoughtful reflection on the successes we've enjoyed and the direction we want to go, requires us to take a hard review of the EMP. Midcourse correction, are now necessary to assure we are accomplishing the congressional mandates of EMP. To the degree we can continue the successes of the past, we must be diligent in maintaining the EMP as a unique program, separate from the mix of other projects administered on the upper River. I will continue to be very diligent in this regard. The EMP is a model for the country, and for world. Its mission should not, and cannot be watered down from the proper function laid out for it over 10 years ago—to balance the environmental and recreational aspects of the river with commercial navigation uses. Nor should its funds, so carefully procured, be siphoned off for any use other than to meet the mission of the EMP mandate.

While I will continue my close personal involvement with the EMP, I will also dedicate my efforts to expanding the program across the country. Using the EMP as a model, I intend to work with Director Turner of the Fish and Wildlife Service, and the Department of the Interior, to implement the EMP methodology on other rivers. Legislation I have drafted, "The National Interjurisdictional Rivers Act" will be ready soon to expand our successes with EMP to the Nation's other large rivers.

For now, I would like to take this opportunity to extend my appreciation to Chairman BEVILL and Vice Chairman MYERS for their interest in and support for the EMP program. They have been patient with my pleas for assistance, and have found a way, each year, to keep the EMP on track. Naturally, I would also like to express my gratitude to John Turner, Robert Page, and Constance Harriman, who know the importance of the EMP. I look forward to working closely with Director Turner on this and other creative programs for our Nation's river habitats.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to my good friend and colleague, the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I thank the gentleman from Alabama [Mr. BEVILL] for yielding.

Mr. Chairman, I rise to engage the chairman of the Energy and Water Development Appropriations Subcommittee in a colloquy.

As the gentleman is aware, the Army recently submitted to Congress a plan to reorganize the Army Corps of Engineers. Is it true that no funds appropriated by this bill are to be used for the reorganization, consolidation or elimination of any Army Corps of Engineers offices?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, yes, that is correct. My panel completed its consideration of the appropriation measure, H.R. 2427, prior to the submission of the corps reorganization proposal. That proposal certainly requires extensive and complete review by the committees with jurisdiction and the Appropriations Committee in the House and Senate.

Mr. VENTO. Therefore it is your intent and the committee's intent, that the Army Corps of Engineers does not use any of its fiscal year 1992 appropriations to relocate, merge, reduce or eliminate the St. Paul district office or any other office targeted under the Army Corps of Engineers reorganization plan? And, the approximately 815 employees working out of the St. Paul district office would not be forced to relocate or lose their jobs in fiscal year 1992?

Mr. BEVILL. Yes. The gentleman is correct. That is not the intent of the Appropriations Committee.

Mr. VENTO. I thank the gentleman for his reassurances as I have serious reservations about the Army Corps of Engineers reorganization plan. I appreciate your clarifying that the funds cannot be used to implement any reorganization plan. Your assistance today will help ensure that Congress has sufficient time to properly scrutinize this DOD/USACE plan.

□ 1350

Mr. MYERS of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Chairman, the Committee on Public Works and Transportation has received from the Department of the Army and from the Department of Defense proposed legislation dealing with the reorganization of the Corps of Engineers. It is the intention of the Committee on Public Works and Transportation, and I have discussed this matter with the chairman of the full committee, the gentleman from New Jersey [Mr. ROE] and with the gentleman from New York [Mr. NOWAK], chairman of the Subcommittee on Water Resources, and received their commitment to hold hearings on the legislative proposal and to devise a means within which the proposed reorganization of the corps can be moved forward, subjected to public scrutiny as to the wisdom of the plan, the costs, the benefits, and the effects upon the public who are users of those services provided by the corps and are subject to regulation by the corps.

Ten years ago there was a corps realignment plan that was subject to public scrutiny by the Committee on Public Works and Transportation, which plan was revised in its final iteration, and which did serve the public in a much better way than the original plan would have done. I share the gentleman's concern about the impact of the current corps plan upon Minnesota, the river district, and the lake district as well. It would have serious adverse effects on the public in our State and substantial adverse economic fallout for the city of St. Paul, and that plan needs to be subjected to scrutiny.

Mr. VENTO. Mr. Chairman, I thank the gentleman for his assistance and help.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. ALEXANDER], a member of the Committee on Appropriations.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of this bill to fund energy and water development activities which are essential to the Nation's future.

Every subcommittee of our Committee on Appropriations is struggling again this year with the problem of balancing national needs against severely limited resources.

While the bill before the House today provides a modest increase in funding for ongoing projects, it is still $114.8 million below the level proposed by the President. Leadership provided by the subcommittee chairman, Mr. BEVILL, and the ranking minority member, Mr. MYERS, and work by members of the Subcommittee on Energy and Water Development and the subcommittee staff has made this possible.

It is easy, shortsighted, and dangerously unwise to put a porkbarrel label, as some have done, on the endeavors supported by this bill.

Work funded under the bill ranges from water conservation, flood control, navigation, and economic development to energy research and production and national defense.

In my home State of Arkansas water resources are a strong thread in the fabric of our past economic development and will be in our future development.

Most Arkansans know from their earliest years that the civil works program of the U.S. Army Corps of Engineers is essential to success in our efforts to conserve, manage, and develop our resources. And, we know that achieving that goal is crucial for a sound economic future for Arkansas.

Corps of Engineers funding in this bill helps continue the Federal-local partnership in water resource management.

The Helena, Phillips County, AR, slackwater harbor construction project which receives $6.2 million under this bill is a sound example of Arkansans' commitment to wise water resource management and to the Federal-local partnership which characterizes corps civil works.

The people of Helena and Phillips County understand that inland waterways transportation is essential to efficient and economical movement of Arkansas and American products to domestic and international markets. Despite the grinding economic poverty and high unemployment afflicting their region, they have committed their scarce local resources to paying the non-Federal share of the cost of the new slackwater harbor.

The Nation's economy and inland waterways transportation system will benefit from the can do spirit of these Arkansans. It is estimated that over the long-term up to 30,000 private sector jobs will come to the region because of the improved river transport facilities.

This is just one example of the sound future a firm national commitment to civil works can produce.

Energy independence has been an issue that has simmered on the back burner and bubbled on the front burner of public awareness at various times during the past 20 years. In the last 9 months U.S. experiences in the Middle East with Desert Shield, Desert Storm, and Desert Saber have helped elevate public support for freeing this Nation from dependence on foreign energy sources.

Funding included in this bill supports nonpetroleum-based energy activities, such as those associated with hydroelectric and nuclear power. This can help cure America of its addiction to foreign oil. It can help move the Nation toward energy independence.

Given the budget constraints under which it was formulated, the bill before us is sound and responsible. I urge its adoption by the House.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, I rise to engage the gentleman in a colloquy regarding the provision in the energy and water development appropriations bill providing impact aid to the State of New Mexico for the Waste Isolation Pilot Plant.

As you know, the Department of Energy and the State of New Mexico have been engaged in negotiations on an agreement committing the Department to seek from Congress direct financial assistance for New Mexico to assess, monitor, and mitigate impacts resulting from WIPP. As a gesture of good faith, the Department requested funds for this purpose in its fiscal year 1992 budget. The House version of the Defense authorization bill, which passed on May 22, 1991, authorized these funds. The bill before us today would appropriate the $20 million contained in the Department's amended budget request.

While the Armed Services Committee supports this good-faith request by the Department, final agreement on the amount of impact aid that the State of New Mexico will receive for hosting the Waste Isolation Pilot Plant has not yet been reached. The State and the Department have not yet signed a formal agreement. More importantly, the Department would need to request and receive annual authorizations and appropriations for this agreement.

In an effort to avoid annual debates over this agreement, the administration's proposal for legislation to withdraw land for use of the WIPP, forwarded to Congress on April 11, 1991, contains language allowing the Secretary to provide payments to the State of New Mexico for the test, disposal, and decommissioning phases of the facility. If enacted, this would amount to direct appropriation, as well as authorization, of up to $605 million.

The final provisions of land withdrawal legislation are far from certain. Representatives of the committees with jurisdiction over the legislation, Armed Services, Interior, and Energy and Commerce, have begun to informally explore a compromise package. While it is too early to tell if the three committees can reach a consensus, the amount and timing of impact aid are among the major issues that must be resolved. Thus while I support the impact aid funding contained in the appropriations bill, I think it is appropriate to note that the ultimate amount to be paid and conditions for payment remain to be decided.

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, I agree with the gentleman that the ultimate amount and conditions for payment of future impact aid to the State of New Mexico for the WIPP project are still to be determined, and I thank the gentleman for his support.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Chairman, today we are being asked to vote on the funding for one of the most important scientific projects ever undertaken in this country and in the world. When it is built, the superconducting super collider will be the premiere scientific facility for high energy physics research in the world.

Why should we build this project, and how will the basic scientific research conducted at this facility impact our lives?

The SSC will help scientists answer the fundamental questions about our universe that have been asked since the beginning of civilization. What are we made of? What is matter? How did the universe begin? Will it ever end?

Answers to these questions have been sought by philosophers and scientists thoughout history. There probably are no greater fundamental questions than these.

Time magazine last year wrote a cover story on the SSC, and in that story it stated that the science generated by the SSC "should be nothing short of spectacular." It went on to say that the "SSC will clearly have the best chance of unlocking the deep secrets of the universe." Dr. T.D. Lee, Nobel laureate in physics, has been quoted as saying that the SSC "will be our contribution to the civilization of the next century."

Well, you may say, the SSC is a worthy project, but these are lean budgetary times and can we afford to build it? My answer to that question is that we cannot afford not to build the SSC. What if, for whatever reason, we had abandoned the research of particle physics at the early part of this century? The result would have been that progress in science-based technologies would have suffered immeasurably. We would be far behind in the development of semiconductors, transistors, quantum optics, lasers, supercomputers, biotechnology, space sciences, sychroton radiation, superconductivity, and so on.

When you think of the investment opportunity we have in the SSC, I think you will agree that the SSC is one of the best bargains ever offered to the American public.

But why should America make such a commitment? Because we are a great country. And great countries do great things. A strong and bold nation, one that aspires to be the world leader in science and technology, must not shrink from the challenge to build the SSC. The SSC is an investment for our children—it is something to leave the next generation.

□ 1400

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from Nevada [Mr. BILBRAY].

Mr. BILBRAY. Mr. Chairman, I rise in support of H.R. 2427. I especially appreciate the fact that the committee has doubled the request of the administration for money for the Bureau of Reclamation's desalting technology program.

Within the United States and throughout the world, the demand for fresh water continues to increase. We in the West know that demand very much.

You know what is happening in California, Arizona, and Nevada. We are running out of water, and running out of water very fast. Severe drought conditions, demands of industrial and agricultural societies all stress the existing supplies of usable water.

Desalinization is the technology by which salt or brackish water is processed to remove salt or biological impurities. Until recently the United States was active in the development of desalinization technology. Renewing the U.S. leadership in desalinization technology could yield significant benefits. Some type of desalinization technology has been used by 46 States and 105 countries worldwide, but the cost is very high, and we need to develop more inexpensive methods of doing it. The barrier to this program is cost.

Mr. Chairman, I thank the committee for their support in this farsighted program that we need to do.

At the same time as I came to praise Caesar, I would like to request that the committee, in reviewing title III, when they go to conference, and when the chairman and the conferees meet in conference, they look at the money that was allocated to the State of Nevada under this section, $3 million, for the study of the nuclear disposal facilities at Yucca Mountain, NV.

The State of Nevada was of the understanding that almost twice this amount of money would be appropriated for the State of Nevada and the people of the State to review what is going on by the Department of Energy in determining whether Yucca Mountain was available and was the site to be used.

I would ask the committee when they get to conference, to please work with the Senate. Hopefully the Senate will put more money into the program, and the committee chairman and the conferees will keep the consideration of the people of the State of Nevada in mind when they work in conference.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the chairman of the authorizing committee, the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Chairman, I thank the distinguished gentleman from Indiana for yielding.

Mr. Chairman, I came over here after listening to the debate to extend high compliments for this legislation to the chairman of the Subcommittee on Energy and Water Development of the Committee on Appropriations, the gentleman from Alabama [Mr. BEVILL], and the distinguished ranking member, the gentleman from Indiana [Mr. MYERS], and particularly for the excellent way that the subcommittee and the full committee have been working with the authorizing committee.

Mr. Chairman, I know on the floor I have come over on a number of occasions and had different things to say about where we did not agree. I think all involved have done a superb job, and all the Members ought to know of the extraordinary working conditions now that have prevailed between the authorizing committee and the Committee on Appropriations.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. LUKEN].

Mr. LUKEN. Mr. Chairman, I thank the chairman for yielding, and would I like to congratulate him on making some difficult choices in this legislation. Particularly I would like to congratulate the gentleman from Alabama [Mr. BEVILL] and other members of the Committee on Appropriations for making available the amount of money necessary to begin to clean up our nuclear weapons facilities around the United States.

Mr. Chairman, I have in my district the Fernald uranium processing plant. In my district, people living in the shadow of that processing plant live in fear every single day that their farms are going to be contaminated, that their drinking water is going to be polluted, that their livestock is going to be radioactively contaminated.

The Department of Energy has broken faith with those who live around these facilities for literally decades. But this legislation authorizes the amount of money necessary to begin the big task of cleaning up these facilities. Now it is up to the Department of Energy to make good on the promises they have made to these people for years and years.

Mr. Chairman, in supporting this legislation, I want to say that in making the difficult choices, the Committee on Appropriations has sent a loud and clear message to the Department of Energy: Get your act together. You have got the money, now get about the job of cleaning up these environmental nightmares that plague our Nation.

Mr. Chairman, I rise today in support of H.R. 2427. This appropriations bill makes the final payment of $50.9 million to the court-administered fund to conduct a long-term medical monitoring program for some 14,000 residents near the Fernald Feed Mill Production Center in the First District of Ohio. Fernald is an environmental nightmare established in 1951 by the DOE as part of its nuclear weapons complex.

Mr. Chairman, the settlement between the Department of Energy and the residents in the Fernald area totaled $78 million, and result from more than 30 years of mismanagement and neglect on the part of the DOE and its operating contractor NLO. This mismanagement and neglect has allowed for numerous incidents of radioactive contamination of water and land around the Fernald uranium treatment center the health implications of which are still being discovered. Widespread fear of cancer abounds.

While the funds we are providing for today do not address another issue, I want to mention that one of the most urgent problems facing the people of Fernald is the imminent contamination of the drinking water supply serving the Fernald area. Tests have shown that radioactive material is moving closer and closer to the water supply. A number of private wells and cisterns have already been found to be contaminated. It is imperative that DOE recognize its responsibility to bring safe drinking water to those effected by mismanagement of our Nation's nuclear weapons complex.

Mr. Chairman, I urge the swift passage of this legislation so that the court administered fund can be used to conduct the necessary health testing and monitoring of the Fernald-area residents.

Mr. MYERS of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to compliment the chairman of the subcommittee and the ranking member for producing an excellent bill. But my job is not to come to the well and talk about all the good that is in this bill, although there are plenty of good things in this bill for America. My job is to uncover that which does not pass the test of being worthy of our support.

Mr. Chairman, I have been sitting here listening to all the hype on the superconducting super collider. We are going to get into that extensively a little bit later.

Let me say in addressing all that hype, I am going to repeat something I said before: the superconducting super collider will not cure cancer. It will not solve the problem of male pattern baldness. It will not guarantee a World Series victory for the Chicago Cubs. Is it good science? Probably. Is it high priority science? Not now.

Mr. Chairman, I urge Members to pay attention as we get into the very serious debate on the Slattery amendment.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to my good friend, the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, I thank the distinguished chairman for yielding for a brief colloquy.

Thank you, Mr. Chairman, for your leadership and for working with me on a Corps of Engineers flood control project important to the city of Aberdeen in my district.

Our area has suffered severe flooding over a number of years and this project would help protect public safety and the economic viability of the area. Although the local share of the project received approval by a majority of the voters, the required super majority was not obtained, and consequently the corps stopped work on the project. Since then, the city has been working hard to put together a revised flood control funding package which would receive the needed voter approval percentage in November 1991.

Mr. Chairman, if the city's financial share of the project is approved in the November referendum, would you support the corps' reinstituting work with the remainder of unspent funds appropriated for the project in fiscal year 1991?

Mr. BEVILL. Yes, I would support this.

Mrs. UNSOELD. I thank the chairman for his assistance in keeping my constituents safe and dry. It's always a pleasure working with you and your very capable staff.

Mr. MYERS of Indiana. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Chairman, first of all I want to congratulate two great Members, the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS], as the two outstanding, long-term leaders on the Appropriations Subcommittee on Energy and Water Development.

Mr. Chairman, I want to take 2 minutes to bring up to date the young Members of Congress.

Mr. Chairman, I have spent 15 years working on an issue called inertial confinement fusion. It is somewhat technical, but in short, it is an alternate clean source of energy.

Years back we had a breakthrough by a small company called KMS, which is in my district, Ann Arbor, MI. Under the guidance of Kip Segal, who died of a heart attack before the Joint Atomic Energy Commission, I believe in 1973.

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The Russians had a world breakthrough in fusion under the leadership of a Nobel laureate named Nikolai Basov. This is an alternative kind of energy solution other than nuclear power. Some people are against nuclear power, as are some of the Members of Congress. They are also against coal research. They have moratoriums in three States in the Nation now on exploring oil. So we really have not, from a national policy standpoint, done a very good job of looking at alternative sources of energy.

This small, private company, funded with their own money, $30 million, had the first breakthrough in the world in inertial confinement fusion. Along comes Sandia, Los Alamos, and Livermore in the defense category saying OK, we are going to put all fusion under the lead laboratory concept and invite KMS to participate as an 8-percent partner, which means that the Defense Department, in all due respect, was designing the policy for defense applications to fusion which we need. That should be reclassified, and I repeat that, that should be classified.

But one of the energy policy options that we do not consider often enough is, to look to the free market for creative scientists and creative research. There are no dollars, relatively speaking, for civilian applications of fusion. There are no breakthroughs in fusion. There has not been a breakthrough in magnetic fusion I think in over 30 years; nor in inertial confinement fusion in many years. But we are not giving any funds to the civilian scientists of this Nation to support creative research in achieving a breakthrough in an alternative source of energy for America.

When we have another gas crisis out here and we are short of fuel, people are going to say let us go to nuclear power. I support that. But a lot of Members of Congress do not.

So we are short on alternative solutions for energy independence in America. We are still dependent on the Middle East. I suggest from a national policy standpoint that we ought to look at fusion as a clean source of alternative energy, that the civilian scientists and the universities in this country competitively pursue peer review contracts for fusion research for America.

Someday our policy has got to move beyond the defense establishment. We need to look at a partnership with our private sector and our universities to create and refine new research for an alternative source of energy; namely, inertial confinement fusion. It is a complicated issue. Over the years, I have worked with Dr. Robert Hofstadter, who was a Nobel laureate from Stanford University, and who has now passed on. But there were many scientists in this Nation today who would like to do research in fusion. But it is now locked in the chambers of the Defense Department under "classified information."

I think we need to do both, the military and the civilian research for this Nation.

Mr. SANTORUM. Mr. Chairman, will the gentleman yield?

Mr. PURSELL. I am happy to yield to the gentleman from Pennsylvania.

Mr. SANTORUM. Mr. Chairman, I rise in support of H.R. 2427.

Mr. Chairman, this past Friday, Secretary Dick Cheney released the Defense Department's proposed reorganization plan for the Army Corps of Engineers. The DOD proposal calls for the realignment of division and district offices and the consolidation of certain advisory and administrative functions. Specifically, the plan reduces the corps' nationwide divisions from 10 units to 6, reduces the corps' civil works districts from 35 to 22, and reduces those corps districts with military design and construction missions from 15 to 7.

In view of the release of DOD's corps reorganization plan and the far-reaching impact of the proposed realignment, I urge my colleagues to take a closer look at title I of the 1992 energy and water development appropriations legislation. The appropriations process annually funds the Corps of Engineers' study, planning, construction, operation, and maintenance of our Nation's water projects. Title I of the bill before us today appropriates $3.6 billion for civil works functions under the Department of Defense and the Army Corps of Engineers. Particularly, the bill funds over 210 individual corps investigations projects, over 160 corps construction projects, and over 630 corps operation and maintenance projects.

The ongoing appropriation of funds for developing and maintaining our rivers and harbors is of great importance to myself and the constituents of Pennsylvania's 18th Congressional District. The service of the 1,000 employees of the corps' Pittsburgh office has been invaluable to southwestern Pennsylvanians in providing high quality and cost effective public works engineering services to the Pittsburgh region and its communities. The Pittsburgh corps office oversees one of the largest inland waterway ports in the country, the continued development and navigation of the three major rivers in Pittsburgh, the maintenance of 14 percent of the Nation's locks and dams, 11 percent of lock and dam construction and the transport of 34 million tons of domestic cargo per year. While the DOD reorganization plan calls for its elimination, the projects currently being administered and those projects funded under the legislation today are testament to the significant role of the Pittsburgh corps office. In fact, DOD's own study testifies to the importance of the Pittsburgh office listing it 8th out of 36 on its national merit ranking with a score of 5.3 out of a best of 6.2.

The appropriations bill makes a further commitment of Federal dollars to programs and projects under the jurisdiction of the Pittsburgh office. The bill provides for investigative funding for rehabilitation of locks 2, 3, and 4 on the Monongahela River and provides for continued general construction funding for lock replacement on the Mon at Point Marion and Grays Landing. The continued development of Pittsburgh's inland waterways is essential to the sustenance and growth of the region, and I am very supportive and appreciative of the Appropriations Committees' commitment to this cause.

I urge my colleagues to take a closer look at the work of the Corps of Engineers and to analyze the DOD proposal. As evidenced with the Pittsburgh corps office, we must ensure that our civil works will continue to receive the attention based on the needs of our country, not unsubstantiated budget cuts.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to our friend and colleague, the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Mr. Chairman, I rise to express my support for H.R. 2427. I also rise to congratulate the subcommittee chairman, the gentleman from Alabama [Mr. BEVILL], and the ranking member, the gentleman from Indiana [Mr. MYERS], and their staffs for presenting to this body a balanced and thoroughly studied bill. From personal experience and now, as an elected official, I know the serious need for the programs under their jurisdiction.

Mr. Chairman, as I stand, recent rains and resulting floodwaters have inundated the Mississippi Delta. Over 2 million acres of land in the Mississippi Delta have flooded since February of this year. In the last 3 years, Mr. Chairman, my constituents have suffered through five floods with total damages in the hundreds of millions of dollars.

However, the perspective on this problem is not and cannot be just local or regional. The flooding problems in the Mississippi Delta are of national significance. Forty-one percent of the Nation's water drains down the Mississippi River basin, and in time, Mr. Chairman, this will have grave national consequences.

The flood control problems of my district are well known, and I am pleased to find that some of these problems are addressed in this appropriation bill.

The Upper Yazoo Basin projects, dating back to when Congress authorized the Flood Control Act of 1936, consist of 179 miles of channel enlargements of the Yazzo, Tallahatchie, and Coldwater Rivers, and 210 miles of levees and drainage structures. The project is designed to reduce headwater flooding in the Upper Yazoo Basin by providing associated levee protection and increased channel capacity. This appropriations bill provides $1,100,000 for the Big Sunflower project. This project includes the Upper Steele Bayou project and also initiates work on Black Bayou, a project critical to flood protection for the city of Greenville, the largest city in my district and the largest urban area in the northern half of Mississippi.

The committee has also provided $2,318,000 for the Tallahatchie River maintenance project, or Main Stem, and has encouraged the Corps of Engineers to expedite a maintenance contract for conclusion of this project. This will provide considerable relief of this region of the Mississippi Delta until the authorized channel enlargement project construction reaches this area.

Mr. Chairman, the committee also recognizes the significant problems posed by erosin and drainage problems across the United States, and has included $19 million for fiscal year 1992 to continue the Demonstration Erosion Control Program, a joint undertaking of the Corps of Engineers and the Soil Conservation Service, which is so absolutely important.

So in conclusion, Mr. Chairman, I congratulate the chairman of the committee for his good work and that of the staff and of the entire committee. It means more than just flood control or basic research. Ultimately, it allows for the full enjoyment of property and for the full development of our natural resources. I appreciate the opportunity to express my support of this energy and water development appropriation bill, and I urge its passage.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to our distinguished friend and colleague, the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, I rise in strong support of this bill H.R. 2427, and to extend my congratulations to Mr. TOM BEVILL and the rest of the appropriations subcommittee on energy and water development for a job well done.

Mr. BEVILL. Mr. Chairman, I yield my remaining 3½ minutes to our good friend and colleague, the gentleman from California [Mr. FAZIO], a very important Member of this panel.

Mr. FAZIO. Mr. Chairman, I appreciate the gentleman yielding me the time. I do not intend to use the balance of the time. I simply want to say as a member of the subcommittee how much I appreciate serving under the direction of Chairman BEVILL and ranking member MYERS who have worked so closely together for so long to put a very balanced, bipartisan bill before the Members again.

Our committee is always proud to be the first out onto the floor and usually the first signed. I think that is because we have always put this bill together with a great deal of sensitivity for the needs of people all across the Nation with all sorts of differing needs and concerns. For that I again want to compliment my chairman, the gentleman from Alabama [Mr. BEVILL], and the gentleman from Indiana [Mr. MYERS].

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to my friend, the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Chairman, I thank the gentleman for yielding.

It is not my privilege to serve on the subcommittee, but I would like to join in what the gentleman has said in thanking the chairman and ranking member who, with a very difficult situation, have always managed year after year to come up with a balanced bill which includes projects for flood control, navigation, and what have you. So I just want to join the gentleman for 30 seconds in saluting the gentleman from Alabama and the gentleman from Indiana on a job well done.

Mr. FAZIO. I appreciate the gentleman's comments. I know many Members could say the same thing. Most of us will be rather reserved in our description of this bill from our own particular point of view because we do not want to identify how successful we may have been in this legislation.

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But I do know that this leadership of the committee has long been recognized by their colleagues for their fairness and evenhandedness. I thank the gentleman for his comments.

Mr. Chairman, I rise in strong support of the bill, H.R. 2427, providing for energy and water development appropriations for fiscal year 1991. This is a good and balanced bill, and I urge my colleagues to support it.

Mr. Chairman, in particular I would like to point out to my colleagues that the bill provides a total of $174 million for research and development into the various solar energy technologies. This represents a 34-percent increase over the amount provided in fiscal year 1991 and $31 million more than the President's budget request.

While many of the members advocated even larger increases, the solar and renewable energy budget was the only major category of energy research that received an increase in the bill. All of the other energy technologies were either cut or held to the levels requested by the administration.

So this increase in funding for solar and renewable technologies is significant, and I think it clearly reflects the progress that these technologies have made over the years—even during a prolonged constriction in funding and near abandonment by the previous administration—and the growing consensus that these technologies will play a major role in our energy security in the decades ahead. They are generally environmentally benign and do not contribute to warming of the planet.

Mr. Chairman, I would also like to take this opportunity to commend the good work of the chairman of the Energy and Water Subcommittee, Mr. BEVILL; Mr. MYERS, the ranking minority member; and, the subcommittee's dedicated staff. They have done an outstanding job over the years in putting together a balanced bill, and this year was no different.

Mr. Chairman, I would especially like to thank Mr. BEVILL and Mr. MYERS for their assistance in many varied needs of California. The bill is very generous to a number of key energy and water projects throughout the State of California, including a number of important projects in my district.

For example, the bill continues to support the efforts of the Corps of Engineers to address the flood threat to Sacramento and parts of Yolo County. The bill includes funds to continue progress on deepening the Port of Sacramento deepwater ship channel and to complete work on a project providing essential flood protection to two communities in my district, Fairfield and Suisun City. In addition, the bill continues to support a strong role for the Corps of Engineers in wetlands restoration, particularly in the central valley of California, where we have seen 98 percent of the historical wetlands destroyed over the years.

The bill also ensures that the Department of Energy will continue in a leadership role in furthering our understanding of the problems of climate change and developing proposals to mitigate the warming of the planet by continuing DOE support for the National Institute for Global Environmental Change. And, the bill approves the President's request for the DOE participation in the Human Genome Program, a program that will unlock the secrets to more effective treatments of a whole host of genetic-based diseases.

The bill—through its support for the SSC, general science, and other nuclear and high energy physics research—will help maintain our Nation's position as a world leader in science and technology.

Again, Mr. Chairman, I thank Mr. BEVILL and Mr. MYERS for their cooperation and support, and their sensitivity to the many water development and energy-related problems facing the Nation and the State of California, in particular. I urge my colleagues to support the bill.

Mr. McDADE. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, the energy and water development bill gives us our first glimpse of how the Budget Enforcement Act of 1990 affects the annual appropriations process. It makes absolutely clear that the budget agreement has imposed considerable discipline on the process: Spending constraints are real; they are difficult; and they narrowly limit the scope of appropriators' discretion.

The energy and water bill is a laboratory of fiscal restraint. The bill contains no new construction starts for water projects of the Corps of Engineers or the Bureau of Reclamation. It includes no new construction projects for the Department of Energy. The bill total is $115 million less than the President's budget request.

Far more remarkable than what the bill does not do, however, is what the bill does accomplish, given the subcommittee's spartan allocation. The work of the subcommittee's chairman, my good friend, the Honorable TOM BEVILL, has been outstanding. He has not been able to accommodate all of the numerous requests of Members, the public, and the administration, but he has demonstrated the wisdom of Solomon in dividing a small pie among many banqueters. He has made cuts that are painful but fair, and I congratulate him on his exellent work.

Mr. Chairman, I am deeply indebted to the subcommittee's ranking Republican member, my dear friend and colleague, the Honorable JOHN MYERS. The gentleman has devoted countless hours to crafting a bill that is balanced and fair. He has vigorously protected the interests of all Members, and I thank him for his dedicated efforts.

Indeed, Mr. Chairman, the work of the entire subcommittee warrants praise. The subcommittee works as a team, and I am proud to associate myself with its effort.

Mr. Chairman, the administration has expressed some concerns about the bill as reported by the committee. I look forward to working with the administration and with Members on both sides of the aisle to address these concerns as the bill works its way through the process.

Mr. Chairman, the energy and water development bill for fiscal year 1992 is within its 602(b) allocation for both budget authority and outlays. It contains $3.6 billion for projects of the Army Corps of Engineers, $115 million more than requested by the President and $308 million above last year's level. The bill also includes $887 million for the Bureau of Reclamation—$4 million more than the President's request but $79 million less than the fiscal year 1991 level. In allocating these funds, the subcommittee has emphasized the continuance of works in progress rather than the initiation of new construction projects with high outyear costs.

The bill provides $16.7 billion for the programs of the U.S. Department of Energy, including $11.8 billion for the atomic energy defense activities of DOE.

The subcommittee has wisely chosen to invest in our future energy independence by appropriating $2.85 billion for the energy supply, research, and development activities of the Department. This represents an increase of $33 million over the President's budget request and $327 million over last year's level. It includes $337 million, the full amount of the budget request, for magnetic fusion research. It also boasts an increase of $31 million over the President's request for DOE's Solar and Renewable Energy Programs.

Also included in the energy and water bill is $4.4 billion to continue the enormous job of environmental restoration at DOE's nuclear production facilities and national laboratories. This vast undertaking will take many years and many billions of dollars to complete. It drains resources from more exciting and glamorous projects, but it is an absolutely essential job, and the subcommittee is committed to providing the resources necessary to accomplish it.

The bill provides $434 million for the continued development of the superconducting super collider. Although this is a reduction of $100 million from the President's request, it represents a healthy $186 million increase over last year's level.

Mr. Chairman, the committee has reported a balanced, fair, and disciplined bill. I urge my colleagues to vote "aye".

Mr. RAHALL. Mr. Chairman, I strongly support H.R. 2427, the energy and water development appropriations for fiscal year 1992.

This bill appropriates a total of $21.5 billion in fiscal year 1992 for the Energy Department's nuclear weapons programs, and for other Energy Department programs including supply, research, and development activities.

Importantly, this bill also provides for water projects carried out by the Army Corps of Engineers and the Interior Department's Bureau of Reclamation, and various independent agencies such as the Appalachian Regional Commission [ARC].

The $21.5 billion total funding level represents a $682 million increase over fiscal year 1991, but $115 million less than the President's request.

The bill provides for $4.5 billion in fiscal year 1992 for planning, construction, operation and maintenance and other activities relating to water projects, reflecting an increase of $119 million more than the amount requested by the administration, and $229 million more than last year's appropriation. The total includes $3.6 billion for the Corps of Engineers, and $887 million for the Interior Department's Bureau of Reclamation.

Regrettably, Mr. Chairman, the Subcommittee on Energy and Water Development, in order to stay within the spending caps set in last year's budget bill, was unable to provide for any new starts for the construction of water projects many of us need in our districts in the coming fiscal year. The bill does continue to fund ongoing corps' construction projects, some of which are located in West Virginia, my home State. Among the West Virginia programs to receive continuing funding next year are:

East Lynn Lake, WV (flood control)	$48,400,000
Gallipolis Locks and Dam, WV & OH (Nav.)	38,000,000
Levisa and Tug Forks and Upper Cumberland River, WV (flood control)	33,700,000
Winfield Lock and Dam, WV (Nav.)	15,000,000

For Corps of Engineers investigations and planning projects, the following will be continued in fiscal year 1992 at locations in West Virginia:

Cabin Creek LPP, WV (Planning grant)	$135,000
Island Creek at Logan, WV (Planning)	370,000
Kanawha River Navig. Study (Investig.)	995,000
Moorefield, WV (Planning)	950,000
Petersburg, WV (Planning)	550,000
WV Comp Study, WV (Ohio River MI40–317)	124,000

Mr. Chairman, I am pleased to note that the subcommittee has rejected the administration's proposal to phase out sections 14, 103, 107, 111, and 208 of the Corps of Engineers' Continuing Authorities Program. These programs have, and will continue to, be of great value and are particularly important in providing assistance to many small communities throughout the Nation. West Virginia, a State made up entirely of small communities, stands to benefit from these continuing authorities. For example, under section 14, with corps' authority to fund projects in the public interest in emergency-type circumstances, the streambank erosion and flooding damage that occurred to the Barboursville Sewage Lagoon, in Barboursville, WV, could be addressed. The Corps of Engineers, Huntington District, has determined after site visits that one more high water event and the sewage lagoon will be breached, endangering the sewage treatment facility. They have recommended that bank protection and reconstruction of the distressed segment of the sheet pile wall and failed embankment be provided, and have indicated that if section 14 continuing authority funding remains available, the Barboursville project may be addressed. This is critical to the health and well-being of the residents of Barboursville, WV, in my Fourth Congressional District.

That is why, Mr. Chairman, the subcommittee's rejection of the administration's proposal to phase out section 14's continuing authority is much appreciated by me, and I am confident by other Members with similar problems in their congressional districts.

Under "Operations and Maintenance," the fiscal year 1992 appropriations bill includes funding for Corps of Engineers operation and maintenance of certain programs, the following which are located in West Virginia:

Beech Fork Lake, WV	$839,000
Bluestone Lake, WV	1,529,000
Burnsville Lake, WV	1,171,000
East Lynn Lake, WV	1,132,000
Elk River Harbor, WV	1,000
Elkins, WV	5,000
Kanawah River locks and dams, WV	8,534,000
Ohio River locks and dams, Huntington, WV	14,333,000
Ohio River open channel work, Huntington, WV	1,764,000
R.D. Bailey Lake, WV	1,186,000
Stonewall Jackson Lake, WV	865,000
Summersville, Lake, WV	1,168,000
Sutton Lake, WV	1,602,000
Tygart Lake, WV	1,139,000

Mr. Chairman, one of the long-standing efforts of mine throughout my 15 years in the House of Representatives has been to support, protect, preserve, reauthorize, and seek funding for the Appalachian Regional Commission [ARC]. West Virginia is the only one out of 13 Appalachian States that lies totally within Appalachia. Appalachia is made up of 398 counties located in 13 States, and is known and well-documented as the poverty pocket of the richest Nation in the world.

In 1960, John F. Kennedy discovered Appalachia while campaigning in West Virginia for the Presidency. He never forgot. He created the Appalachian Regional Commission, and pledged to bring those 20 million Americans into the 20th century. If he had lived, it would have happened. As of now, Appalachia not only is still struggling to enter the 20th century, but without our continued strong support, will not be able to enter the 21st century, a scant 9 years away.

While filled with gratitude that the ARC is level funded this year at $170 million—the same as last year—I am regretful too. I am regretful because for 8 years under Reagan's administration, it took all of us working together to save the ARC from being terminated. Throughout his years in Washington, President Reagan zeroed out the ARC Program in each of his budgets.

President Bush asked for only $50 million last year, but Congress provided $170 million. This year, President Bush requested $100 million, still reflecting a dramatic cutback in ARC funding. Again, the House is rejecting that cut and funding ARC at last year's level. As I have said, I am grateful for level-funding, but regretful that it could not have been more.

As the subcommittee has found, economic and community development programs, such as ARC, in disadvantaged areas of the country are necessary. They have served their purpose in the past, meeting local needs. The continuation of the ARC serves the national interests. There is such a great remaining need in Appalachia—that the Federal/State cooperation is meaningless unless we give it meaningful funding. There are roads to be built, health care and educational facilities needed for the medically indigent and the educationally disadvantaged.

It has been 25 years and more since the ARC was conceived by President Kennedy, and carried forward by President Lyndon Johnson's Great Society programs in his war on poverty. From the beginning it was intended, as the subcommittee report states, to equalize the region with the rest of the country. Yet today, despite the efforts of many, Appalachia remains cut off from the rest of the world—few roads out—little access to the rest of the States in which 398 counties are located, and severely limited access to the rest of the United States.

I thank the chairman for his understanding and support of Appalachia's needs, and for the level funding of $170 million in these times of budgetary constraints. I thank him for turning elsewhere when he and his colleagues looked for ways in which to cut funding in order to stay within the spending caps set last year.

I take this opportunity to thank and commend Chairman TOM BEVILL for his commitment to bringing a bill to the floor that does, to the extent possible, and under extraordinary budgetary conditions, preserve and protect the programs that are so essential to the well-being of a nation. These programs, water resources and development, ARC, and reclamation projects, are critical to communities large and small. The funding contained in H.R. 2427 will bring all of us one step closer to economic parity by helping create and maintain viable tax bases, private sector support systems, and essential public services in our 435 congressional districts that make up the 50 States and territories.

I strongly support passage of H.R. 2427, and urge my colleagues to join me in voting for the bill to make appropriations available in fiscal year 1992 for energy and water development projects.

Mr. VENTO. Mr. Chairman, I am adamantly opposed to a proposal that the Department of Defense dropped on Congress on May 24 to reorganize the U.S. Army Corps of Engineers [USACE]. The reorganization plan is misguided, unfair, and based on inappropriate criteria. It appears to be an attempt by the Army to subvert and limit the civilian public works functions of the Army Corps of Engineers.

Glossing over Pentagon spending is nothing new and in the proposal advanced under the guise of reorganization and consolidation, the important civilian role of the Corps of Engineers is slashed in an effort to spare the military budget. In the process, vital public works and environmental protection responsibilities will be dumped in the lap of other Federal agencies that are already overloaded or State and local governments without any funding to help fulfill those roles.

USACE report boldly claims that people are the most important asset to the USACE, but they are treated as an afterthought in this process. The report recommends the elimination of 2,600 USACE employees. The most important resource rhetoric rings hollow for the professional corps employee who is left without a job. While the report estimates total costs of $266 million to implement the reorganization plan with an annual savings of $112 million after implementation, there is no independent verification available for either of these figures. It is worth noting that savings in and of itself may not be a wise idea where we are talking about the abandonment of environmental management and protection activities. Of course, the Corps of Engineers will save money if it simply dumps its responsibilities elsewhere with the layoff of 2,600 workers. We could save billions in defense spending if we abolished a branch of the Department of Defense, but that would certainly not be a wise or prudent course of action.

It is entirely inappropriate to evaluate the merits of the corps based on the national security criteria for military base closings. The base closing criteria were intended to respond to changing defense needs. The need to control floods, protect wetlands, and navigable waterways has little to do with the criteria designed to guide military base closings and realignments.

Mr. Chairman, on April 12, Secretary of Defense Cheney decided not to follow the recommendation of the Army to include the reorganization of the Corps of Engineers under the base realignment and closure process known as BRAC–91. Secretary Cheney recognized at that time that there is overlapping congressional jurisdiction between the Armed Services Committee and the Public Works Committee as well as the Appropriations Committee. The Secretary assured us that he would be working with these committees and the Congress on this matter. Instead, the Corps of Engineers reorganization plan was presented to Congress after the Energy and Water Appropriations Committee Report for fiscal year 1992 was already written and without hearings by the committee of jurisdiction prior to its being advanced as an official Department of Defense position.

I am very concerned that if Congress were to permit this reorganization process to go forward without the careful scrutiny which it demands that we will be going down a blind alley with unforeseen consequences for the environment as well as civil works projects. Military construction has decreased significantly in recent years while the proportion of civil works projects and environmental management activities have increased. As an example, well over 90 percent of the work of the St. Paul District Office of the Corps involves civil works and environmental management activities.

The management of inland waters, including wetlands, is vital in the Upper Midwest region. The St. Paul District Office has done an excellent job in fulfilling its responsibilities in this area. There is certainly no assurance that such performance would continue to occur if the USACE proceeds under this submitted reorganization plan.

The need to control floods, protect wetlands, and maintain navigable waterways are increasing in importance; not declining. This proposal does not face up to the realities of today. Environmental and transportation problems are on the rise while the need for a military buildup is on the decline. This reorganization plan would have us believe the opposite is true.

The Army is either totally out of touch with reality or more likely desperately trying to protect its military budget activities while sacrificing its civilian role. I plan to continue working closely with my colleague from Minnesota, Mr. OBERSTAR, and the chairman of the Public Works and Transportation Committee, Mr. ROBERT ROE, to ensure that Congress thoroughly scrutinizes this plan.

Mr. DOOLITTLE. Mr. Chairman, I rise in support of H.R. 2427. I would like to address, in particular, provisions for the Auburn Folsom South Unit of the Central Valley project in California. Although I am pleased to see that the Appropriations Committee has provided to the Bureau of Reclamation $900,000 for the second year of a 5-year, $4,700,000 cost-shared feasibility study of water and power development at a multipurpose Auburn Dam, I am somewhat disappointed that the original $1,500,000 was not appropriated to keep the study on course for its projected completion date.

I am fearful of a repeat of the 1986 flood which the Sacramento area experienced if the construction of the multipurpose Auburn Dam is not expedited. In 1986, the American River Basin experienced a serious flood which resulted in disaster for the area. The runoff was too great for the levy banks to contain the water, and parts of Sacramento and San Joaquin Counties were submerged. This included the major interstate which links the States of Washington, Oregon, and California, effectively cutting off group transportation through the area for many days.

With the rains of the March miracle, California's reservoirs have experienced some relief. In the fifth straight year of drought, however, the combination of arid soil and rains has accelerated the natural erosion process which occurs with the levy banks. Thus, the threat of flooding once again has increased significantly in certain areas.

Ironically, a solution to much of the area's recurring flood and drought problems was authorized by Congress in 1965: the Auburn Dam project. With the twin threats of drought and flood looming over my constituents, it is clear that the construction of the multipurpose Auburn Dam is a vital part of the solution to these dangers which threaten the citizens of northern California. The multipurpose Auburn Dam will provide the necessary flood control and water storage needed. I strongly support it. Had the 1986 flood waters been captured and stored in a multipurpose dam, the impact of the last 5 years of drought would have been greatly diminished.

Despite this need for more water, there are some, particularly in the Sacramento area, who favor a flood control-only project, a so-called dry dam. A dry dam—even an expandable one—would provide flood control benefits for Sacramento but would not store needed water for Placer, El Dorado, and Sacramento Counties. I oppose this alternative and continue to support a multipurpose Auburn Dam to provide for all of the many water, power, recreation, and fisheries needs for the area.

This past November on the general election ballot, the citizens of Sacramento County realized the necessity of the multipurpose Auburn Dam and decisively approved Measure "T" by 58.7 percent of the vote. Measure "T" requires the Sacramento County Board of Supervisors to actively pursue the multipurpose Auburn Dam.

For years, opponents of the multipurpose Auburn Dam have pointed to the lack of non-Federal cost sharing partners as evidence that the project was not economical. These opponents have argued that if we truly needed a multipurpose Auburn Dam somebody would step forward to help fund it. I am pleased to say that interested non-Federal parties have stepped forward. The American River Authority [ARA], a joint entity made up of officials from El Dorado and Placer Counties and local water districts, the Sacramento Metropolitan Water Authority and the San Joaquin County Board of Supervisors have all officially declared their intent to finance the water portions of the project and to purchase the water.

The actions of these prospective non-Federal cost-sharing partners are irrefutable evidence that this project is both sorely needed and economically viable. Their actions have served to expand the base of local support for the project and rejuvenate the enthusiasm of many longtime supporters. It has sparked renewed interest on the part of the Interior Department to negotiate a Federal/non-Federal partnership which is fiscally realistic in these days of tight Federal dollars.

I urge my colleagues in the House of Representatives and the Senate to support H.R. 2427, and the construction of the multipurpose Auburn Dam.

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of H.R. 2427, the Energy and Water Development appropriations bill for fiscal year 1992, and to commend and congratulate the chairman of the subcommittee, the gentleman from Alabama; the ranking member, the gentleman from Indiana; the gentleman from California [Mr. FAZIO]; and the members of the committee and their staffs, for their diligence in bringing this bill to the floor—once again, the first appropriations bill to reach the floor—and equally important, bringing it in under the budget.

Mr. Chairman, there are many demands upon the Federal budget, all of them important in their own right, and it is a difficult job to respond to those demands while keeping within the constraints of the budget resolution. As usual, the committee has done an outstanding job, and I want to express my personal thanks, as well as the thanks of the citizens of the 19th District of California, for the inclusion in this bill of funding for a number of vital, ongoing flood control and navigation projects in Ventura and Santa Barbara Counties.

All of us can rest easier knowing that these critical safety and infrastructure needs are being addressed, for they are the foundation for our economy and public safety, and we are grateful.

I urge an "aye" vote on the bill.

Mr. KYL. Mr. Chairman, I rise in strong support of the fiscal year 1992 Energy and Water Development appropriations bill.

And, I want to thank the members of the Appropriations Committee, particularly Chairman BEVILL and the ranking member, JOHN MYERS, for their continuing help and support with respect to the central Arizona project [CAP].

Their firm support over the years has finally transformed the CAP from the drawing boards to reality, delivering more than 1 million acre-feet of water this year. With the project finally nearing completion, the funding request is lower than in previous years and the focus is beginning to change from construction to effective management, water conservation and delivery. I am pleased that the funding level recommended in the fiscal year 1992 bill will keep this project—which will really deliver central and southern Arizona's life blood—ontrack toward early completion.

Mr. Chairman, I also want to thank Chairman BEVILL and Mr. MYERS for their consideration of another funding request, for environmental mitigation of the Arizona Canal Diversion Channel. Although they were not able to accommodate the request in this bill because of very severe budget constraints, I do want to touch upon it for a moment and ask that the committee still keep an open mind in the event that a solution can be identified in the Senate.

The Arizona Canal Diversion Channel is an Army Corps of Engineers' flood control project intended to help protect portions of the metropolitan Phoenix area from another disaster like that which occurred in 1972, when an estimated 2,600 homes, 15 apartment complexes, and numerous commercial properties were damaged by extensive flooding. It is a project that has been authorized and funded for some time.

The problem is, construction of the new flood control channel is finally about to begin in some very unique and scenic areas of Phoenix and Paradise Valley—areas that are also used extensively by residents for recreational purposes. Not only will those areas be compromised by the channel's construction, but the recreational uses will also be displaced. Moreover, most of the flood control benefits would not accrue to the neighborhoods bearing the brunt of construction, but to the neighborhoods south of the channel in the city of Phoenix.

In an effort to mitigate the adverse environmental impacts, I've been working with area residents, the local governments, and the corps to develop an alternative design, to be cost-shared by the city of Phoenix and the town of Paradise Valley, to cover certain portions of the channel. The alternative design would accommodate landscaping, as well as enough additional structural strength to support maintenance vehicles and pedestrian traffic.

Were the budget climate different this year, I think the alternative would have merited the committee's support. But, as I said, Mr. Chairman, the committee was unable to accommodate this request because of budgetary constraints. I believe the committee turned down virtually all requests for new funding.

I do want to tell the chairman, however, that I appreciate the serious consideration that was given, and, in the event that the issue can be addressed in the Senate, I would just ask that the committee keep an open mind.

I look forward to working with the committee on this and other issues. And, again, I rise in strong support of the bill.

Mr. DORGAN of North Dakota. Mr. Chairman, I feel compelled to make some observations about the inadequate funding for the Garrison diversion project contained in the energy and water appropriations bill. At the outset, may I observe that the Energy and Water Appropriations Subcommittee has always cooperated with me and the State of North Dakota regarding funding for Garrison diversion and other water projects. This time, however, the budget agreement simply took away the subcommittee's ability to transfer funds among various accounts.

THE FIRST STEP

As a result, the subcommittee used the budget request as the Garrison funding level. For the first time in several years, the administration did submit a budget with some significant funding for the Garrison project. That's an important first step in the right direction and it represents the fruit of an effort initiated by the North Dakota delegation to try to rebuild the consensus which produced the Garrison Reformulation Act.

However, the $25 million budget request, which prohibits money for irrigation activities, still does not respond adequately to the critical water needs of North Dakota nor does it fully keep the Federal commitment to our State.

A MEANINGFUL BUDGET

I would respectfully tell my colleagues that we should be supporting a Garrison budget similar to that which the Governor of North Dakota presented to the Appropriations Committee on behalf of our State. Let me briefly outline what a budget of about $45 million would do.

It would principally provide $26 million for State municipal, rural, and industrial [MR&I] water projects, including priority funding for the southwest pipeline which I will discuss momentarily. It would include $4.5 million to complete the critically needed MR&I projects on Indian reservations, which have some of the worst water supplies in the Nation. It would also allow for further progress on completing irrigation facilities on the Standing Rock Sioux Indian Reservation. It would further support a vigorous, $5 million wildlife enhancement program and a $2 million wetland trust fund, a pioneering effort which is unique in the entire Nation. Finally, a $45 million budget would permit modest progress on recreational features of the Garrison project.

PROBLEMS WITH THE BUDGET REQUEST

Accepting the budget request, as I suggested, would produce some serious problems for our State.

First, at a rate of $25 million annually, it will take 35 years—until the year 2025—to complete the Garrison project. But this time, most people who have suffered the impact of having prime farmland inundated by the Garrison Dam will have gone on to meet their maker. It's simply unacceptable for the people of North Dakota to wait more than 60 years—from when the dam was built—to see the promise of water development fulfilled.

Second, it would break faith with the people of North Dakota to eliminate irrigation from the project. The administration request assumes that no funding for fiscal year 1992—or any future funding—could be used to build irrigation features as part of the Garrison diversion project. This would severely limit the project and remove the main capability for water development on which the people of my State have been counting for over 25 years.

Third, the administration appears not to understand that this takes away the very buffer against drought which States all across the West are realizing that they need to assure the delivery of reliable water supplies. It also fails to realize that the same canals needed for irrigation are the ones which would deliver water for municipal uses in the Red River Valley and stabilize Devils Lake for recreational and wildlife purposes.

IMMEDIATE WATER NEEDS

Accepting the administration's request would also be wrong because it would fail to recognize North Dakota's immediate MR&I water requirements. Even if you conceded the administration's argument on irrigation—which I have already shown to be fundamentally flawed—$25 million does not begin to address the current nonirrigation needs in the State.

The Environmental Protection Agency has already declared that six southwestern communities in the State do not comply with safe drinking water standards. They have been notified that $25,000 per day fines will be imposed unless these towns can deliver safer water. But these communities cannot drill wells to tap a new water supply. There is no such resource. Their only hope is to link up with the Garrison-funded southwest pipeline, which must be put on a funding fast track of about $15 million for each of the next 2 years in order to deal with these EPA problems.

I am also concerned that Congress must continue to be an active partner in the process of completing the Garrison diversion project. I recently received a letter from the Department of Interior's Assistant Secretary for Water and Science. It confirmed the budget request and stated that certain Interior task force recommendations on Garrison were "* * * consistent with Presidential policy and direction." Unfortunately, that completely ignores the judgment of Congress in writing the Garrison Reformulation Act.

It also abrogates the pledge of President Reagan, who signed that act with his full support and wrote me:

> I am confident that this measure addresses the water needs of your state, while maintaining a fiscal integrity consistent with my administration's efforts to ensure that only cost-effective projects are constructed.

President Reagan told me that the Reformulation Act passed the test. He understood that the people of North Dakota made a great sacrifice in cutting the project in half. Now this administration seems to be backing away from that commitment.

If you find this puzzling and disturbing, so do I. I believe that Congress must stick with the right choice for Garrison, such as I outlined before.

In a word, I am concerned that the administration's request and the funding in this bill would close off the opportunities for irrigation in a semiarid State, retard wildlife enhancement, shortchange essential MR&I projects, and drag out water development for all of our people, including the Indian tribes. That's unacceptable and it's wrong.

Instead, I urge my colleagues to support a higher funding level for Garrison in conference, if the Senate acts to increase this account. I know that the Appropriations Committee has sought to do the best it can, but I ask that you make the right response and fund Garrison diversion at a level which keeps faith with North Dakota and which helps us to meet our present and future needs for water development.

Mr. SMITH of New Jersey. Mr. Chairman, I rise in support of H.R. 2427, the 1992 energy and water development appropriations bill. In particular, I am pleased that the committee's bill includes $300,000 that I had requested to begin a feasibility study of the Manasquan River in New Jersey.

In both 1987 and 1989, heavy rains forced the Manasquan River to overflow its banks and caused severe damages in Howell Township, Freehold Township, and other New Jersey communities. In June 1989, both Howell and Freehold declared states of emergency in order to clear streams of debris and sediment. These measures, while helpful in the short term, will not resolve the long-term flooding potential.

In March 1990, at a meeting with local officials and representatives of the corps, it was determined that a study needed to be conducted to identify the most comprehensive and effective way to prevent future flooding events. Subsequently, I introduced legislation, H.R. 4778, to authorize the Corps of Engineers to understake a study to determine the feasibility of implementing flood control measures on the Manasquan River to alleviate flooding in Howell, Freehold, and other affected municipalities in New Jersey. This legislation was included as part of the Water Resources Development Act of 1990, which became Public Law 101–640.

Mr. Chairman, last year I requested that $300,000 be included in the 1991 energy and water development appropriations bill to begin this feasibility study. The subcommittee accommodated my request and included the money in the House bill, H.R. 5019. Unfortunately, the Senate did not approve similar funding. This year, I testifed before the subcommittee on April 10 and renewed my request for these funds. Given the large number of requests for flood control projects that are made each year, I am pleased that the subcommittee agreed with me and included the money in the 1992 appropriations bill.

I would like to thank Mr. BEVILL and Mr. MYERS, the chairman and ranking minority member of the Energy and Water Development Appropriations Subcommittee, as well as

Mr. WHITTEN and Mr. MCDADE, the chairman and ranking minority member of the full Appropriations Committee, for their assistance in securing this funding. I also want to thank my colleague from New Jersey, Mr. GALLO, a member of the subcommittee, for his help in this matter.

Mr. SHAW. Mr. Chairman, as a supporter of H.R. 2427, the energy and water development appropriations bill for fiscal year 1992, I would like to bring to my colleagues' attention a project contained in the bill that is of great importance to the people of Broward County, FL.

The project to which I refer is the dredging of Hillsboro Inlet, located in my congressional district. The Energy and Water Development Appropriations Subcommittee included a $150,000 appropriation to begin the long overdue work on Hillsboro Inlet.

As my colleagues might recall, for fiscal year 1990 the House agreed to a $50,000 appropriation, but that sum was later dropped in conference committee. For fiscal year 1989, the House agreed to a $100,000 appropriation and bill language directing the Army Corps of Engineers to initiate and complete an economic reevaluation of the Hillsboro Inlet feature. Unfortunately, this appropriation was later deleted, also in conference committee. Because of a lack of funding, this project was deauthorized on December 31, 1989, under the provisions of section 1001 of Public Law 99-662. However, members of the Public Works and Transportation Committee, especially Chairman NOWAK, recognized the importance of this project and included it as part of the Water Resources Development Act of 1990. Hence, the authorization of this project continues.

This project was originally authorized as part of the Broward County Beach Erosion Control and Hillsboro Inlet Navigation Program, which was passed by Congress in 1965. The original project was extensive and costly. After examining all the options, local officials decided not to proceed with the program and instead the Hillsboro Inlet Improvement and Maintenance District purchased a dredge and has been keeping the inlet clear for the past 24 years. The Army Corps of Engineers therefore categorized the project as inactive and shelved further construction plans.

Unfortunately, the forces of nature and economic development have recently overtaken the abilities of the local community. A large sandbar has built up across the mouth of the inlet, beyond the range of the local dredge. This shoaling up of the inlet creates treacherous, often impossible, navigation hazards and prevents a proper flow of water through the inlet. Present conditions needlessly endanger recreational boaters who are not familiar with conditions around the mouth of the inlet, and discourages commercial use of the inlet by charter boats, long-line fishing vessels and other marine enterprises. Perhaps most importantly, the sandbar prevents the inlet from properly serving as a flush-out point and floodgate for the communities to the west of Hillsboro.

In December 1990, a member of my Washington office staff, with Frank Rysavy, chairman of the Hillsboro Inlet Commission, and George Strain, a member of the Army Corps from the Jacksonville district, toured the inlet. What my staff member reported back to me was distressing. During the hour they were there, they witnessed two near collisions, one involving a Coast Guard cutter. These reports confirmed my own fears that unless action is taken soon, a serious accident due to unsafe conditions in the inlet is waiting to happen.

The flood control properties of the inlet were not considered in the originally authorized project. At the time the area west of Hillsboro was sparsely populated and the periodic flooding which occurred caused little concern. Since that time, there was been explosive population growth in Broward County. Flooding in this area would not cause severe economic damage as well as endanger the lives and safety of the people in the area, many of whom are elderly and would not be able to evacuate quickly.

The dredge which the Hillsboro Authority owns and operates is not certified for operation in the open ocean and would be prone to capsize if the attempt were made to utilize it outside the sheltered waters of the inlet. Accordingly, the Hillsboro Inlet Authority contacted the corps to see what assistance might be available.

Obviously, this project is more crucial than ever. Because of the urgency to begin work now on Hillsboro Inlet is readily apparent, I will be working hard to ensure that this appropriation does not suffer the same fate its predecessors did in conference committee. I applaud Chairman BEVILL and Representative MYERS for their foresight and assistance in this matter, and hope this project will continue to enjoy their support in the conference committee.

While I am glad that the Appropriations Committee included Hillsboro Inlet as part of H.R. 2427, I am intensely disappointed, as I am sure most of the members of the Florida delegation are, that funding for construction of a melaleuca biocontrol quarantine facility was not included in the bill. I am aware that for only the second time in two decades, the committee did not include funding for new projects. Also, I am cognizant that H.R. 2427 appropriates a sum of $114.8 million below the President's request. I commend the Energy and Water Appropriations Subcommittee, under the able leadership of Representative TOM BEVILL, for reporting a bill that is fiscally prudent in these days of huge budget deficits. However, I am hopeful that perhaps the subcommittee will see fit to include the melaleuca biocontrol project in the fiscal year 1993. Every year we wait, we lose more precious acres of Florida Everglades to the insidious pest melaleuca.

Mr. SHARP. Mr. Chairman, I rise in support of H.R. 2427, the energy and water appropriations bill for fiscal year 1992. This bill provides much needed resources to programs that develop technologies vital for our energy security.

Earlier this year the administration recognized the importance of energy policy by calling for enactment of a national energy strategy. Despite this call to action, the administration's overall budget request would have actually lowered civilian energy programs for fiscal year 1992 by over 5 percent below the fiscal year 1991 level.

In reponse to the inadequate support for energy programs proposed by the administration, Congress recently passed a budget resolution setting forth ambitious funding targets with balanced priorities. Understanding the need to control the deficit, the budget resolution provided this funding while obeying the restrictions laid down by last year's bipartisan budget agreement.

This appropriations bill further responds to the challenge of forming a national energy policy by following the general blueprint contained in the budget resolution. The Appropriations Committee is to be strongly commended for exercising critical leadership in this area.

I am especially glad to note the increases provided in this bill for solar and other renewable technologies. Overall, these accounts would rise from $198 million in fiscal year 1991 to $230 million in fiscal year 1992. This increase would make a substantial downpayment toward expanding these programs.

Renewable sources of energy are vital to our Nation's future, offering opportunities to supply our energy needs in ways that are safe, affordable, clean and secure. Examples of some of the most promising technologies include photovoltaics systems, solar thermal engines, and advanced wind turbines, all of which have received greater support under this bill. A continued commitment will be required to ensure their commercialization.

In addition, I would like to stress the importance of completing our response to the call for a national energy strategy. Later this year, I hope that Congress will consider and pass authorizing legislation providing comprehensive direction for the future.

In the meanwhile, this bill points in the right direction for U.S. energy policy. Therefore, I give it my full support and urge my colleagues to join me.

Mr. ANDERSON. Mr. Chairman, I rise in support of H.R. 2427, the Energy and Water Development Appropriations Act for fiscal year 1992.

At the outset, I want to commend Appropriations Committee Chairman JAMIE WHITTEN, Subcommittee on Energy and Water Development Appropriations Chairman TOM BEVILL, and my friend and colleague from California, VIC FAZIO, and their respective staffs, for all their fine work on this important legislation.

Of particular interest to me are those provisions of the bill that impact my congressional district.

There continues to be an urgent need for navigation and related improvements at the Ports of Los Angeles and Long Beach. Cargo demands through these ports continues to grow beyond previous projections, and the need for new channels and additional terminals are immediate to accommodate this growth. Both ports are in the process of negotiating with clients for new terminals, and some time will be needed for constructing the necessary navigation improvements and for terminal development. It is essential to the Nation that these facilities be available to meet this demand. The Corps of Engineers' Los Angeles District Office has completed a draft feasibility report, which presents a plan for navigation improvements and creation of about 800 acres of landfill, generally consistent with that authorized in the 1986 Water Resources

Development Act. This legislation includes $42 million to initiate final design of the plan. I strongly support this provision.

The existing physical model at the Vicksburg, MS, Waterway Experiment Station, with the recently completed model enhancement program to upgrade the model to current state of the art, has been a valuable tool in the planning of navigation and terminal plans for the Ports of Los Angeles and Long Beach. This model will continue to be essential in the final design of Federal and port plans for navigation and related improvements. This legislation includes $841,000 to not only maintain the model, but also allow for the collection of additional wave data and water quality analysis. I strongly support this item.

Another major interest I have is with the Los Angeles County drainage area flood control review study. There are 22 cities affected by flood conditions in the drainage area that are very concerned with completing this study to protect existing property. These areas are also impacted by new FEMA maps on existing and new development. With this in mind, I also strongly support the $3 million earmark in the bill for the planning, engineering and design phase of this project.

Lastly, I want to thank the committee for including $200,000 in the bill to continue to study the Federal interest in shore protection measures as part of solving the landslide problem at Rancho Palos Verdes. Although this project is in DANA ROHRABACHER's district, I want to express my strong support for it and also urge the corps to quickly move into the cost-shared feasibility phase of the study to help solve a problem that has and continues to cause millions of dollars of damage to the shoreline.

Again, thank you Chairman, WHITTEN and Chairman BEVILL for all your help on these matters. I strongly urge my colleagues to vote yes on H.R. 2427.

Mr. HALL of Texas. Mr. Chairman, I rise today to express my strong support for superconducting super collider. It is conceivably one of the most ambitious physics projects to date and promises to open the door to unprecedented scientific discoveries. These discoveries will allow this country to develop better technological solutions to many of the problems we face today. It will lead to advances in the fields of medicine, electronics, and fiber-optics, just to name a few.

Another benefit of the super collider, and one that I think is especially important, is that it will inspire a new generation of scientists. The SSC is more than an atomsmasher, it is a great laboratory for high-energy physics. A project of this magnitude will certainly capture the interest and imagination of the young people in this country and around the world. I am convinced it will encourage many of them to become scientists in the future, much like the Apollo missions did for the last generation.

Mr. Chairman, the SSC is important not only for the scientific discoveries it will reveal, but it is also necessary for the health and vitality of the scientific profession. The SSC is an integral element in this Nation's commitment to technological, scientific, and educational leadership.

Mr. MEYERS of Indiana. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

The Clerk will read.

The Clerk read as follows:

H.R. 2427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1992, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $200,566,000, to remain available until expended: *Provided,* That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following items under General Investigations in fiscal year 1992 in the amounts specified:

Red River Waterway, Index, Arkansas, to Denison Dam, Texas, $500,000;

Casino Beach, Illinois, $375,000;

Chicago Shoreline, Illinois, $325,000;

Illinois Waterway Navigation Study, Illinois, $2,185,000;

McCook and Thornton Reservoirs, Illinois, $3,000,000;

Miami River Sediments, Florida, $200,000;

Lake George, Hobart, Indiana, $330,000;

Little Calumet River Basin (Cady Marsh Ditch), Indiana, $370,000;

St. Louis Harbor, Missouri and Illinois, $900,000;

Fort Fisher and Vicinity, North Carolina, $250,000;

Passaic River Mainstem, New Jersey, $7,150,000, of which $400,000 shall be used to initiate the General Design Memorandum for the Streambank Restoration Project, West Bank of the Passaic River, as authorized by section 101(a)(18)(B) of Public Law 101-640;

Buffalo Small Boat Harbor, New York, $70,000;

Red River Waterway, Shreveport, Louisiana, to Daingerfield, Texas, $3,200,000; and

La Conner, Washington, $60,000:

Provided further, That the Secretary of the Army is authorized, in partnership with the Department of Transportation, and in coordination with other Federal agencies, including the Department of Energy, to conduct research and development associated with an advanced high speed magnetic levitation transportation system: *Provided further,* That in carrying out the flood control study for Calleguas Creek, California, the Secretary of the Army, acting through the Chief of Engineers, is directed to consider the benefits resulting from a change in cropping patterns to more capital-intensive crops within the floodplain: *Provided further,* That using $425,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete a reconnaissance report and initiate a feasibility phase study of the bank stabilization problems at Norco Bluffs, California, as authorized by section 116(b) of the Water Resources Development Act of 1990: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete preconstruction engineering and design of the Miami River, Florida, sediments project, to include the full dredging of all polluted bottom sediments from the Seybold Canal and the Miami River between the mouth of the river and the salinity control structure at 36th Street, and the disposal of the polluted sediments in an environmentally sound manner, in compliance with Public Law 99-662, using funds appropriated for that purpose in this Act and the Energy and Water Development Appropriations Act, 1991, Public Law 101-514: *Provided further,* That using $200,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake the development of a comprehensive waterfront plan for the White River in central Indianapolis, Indiana: *Provided further,* That with $425,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete preconstruction engineering and design for the Olcott Harbor, New York, project, including all activities necessary to ready the project for construction as authorized by Public Law 99-662: *Provided further,* That with $700,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to create, in cooperation with the National Park Service and other agencies as appropriate, a comprehensive river corridor greenway plan for the Lackawanna River Basin, Pennsylvania: *Provided further,* That with $120,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake a study, in cooperation with the Port of Walla Walla, Washington, of the disposition of the current Walla Walla District headquarters: *Provided further,* That using $1,100,000 of the funds appropriated in the Energy and Water Development Appropriations Act, 1991, Public Law 101-514, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete the South Atlantic Cargo Traffic study authorized by section 116(a) of the Water Resources Development Act of 1990 at full Federal expense in accordance with existing law.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,191,310,000, of which such sums as are necessary pursuant to Public Law 99-662 shall be derived from the Inland Waterways Trust Fund, to remain available until expended: *Provided,* That with funds appropriated herein, the Secretary of the Army, acting through the

Chief of Engineers, is directed to undertake the following projects in fiscal year 1992 in the amounts specified:

Red River Emergency Bank Protection, Arkansas and Louisiana, $5,800,000;

O'Hare Reservoir, Illinois, $4,000,000;

Kissimmee River, Florida, $5,000,000;

Red River Below Denison Dam, Louisiana, Arkansas, and Texas, $2,300,000;

New York Harbor Collection and Removal of Drift, New York and New Jersey, $2,500,000; and

Red River Basin Chloride Control, Texas and Oklahoma, $3,000,000:

Provided further, That with $20,500,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the work for the levees/floodwalls and to undertake other structural and nonstructural work associated with the Barbourville, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367 and to continue the work for the river diversion tunnels and to undertake other structural and nonstructural work associated with the Harlan, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That no fully allocated funding policy shall apply to construction of the Barbourville, Kentucky, and Harlan, Kentucky, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project: *Provided further*, That using $44,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue to prosecute the planning, engineering, design and construction of projects under the sections 14, 103, 107, 111, 205 and 208 Continuing Authorities Programs: *Provided further*, That using $600,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue construction of the Salyersville cut-through as authorized by Public Law 99-662, section 401(e)(1), in accordance with the Special Project Report for Salyersville, Kentucky, concurred in by the Ohio River Division Engineer on or about July 26, 1989: *Provided further*, That with $750,000 of the funds appropriated herein, or funds hereafter provided in subsequent annual appropriations Acts, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 100-202 for the Des Moines Recreational River and Greenbelt project in Iowa: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall expend $300,000 of the funds appropriated herein in fiscal year 1992 on plans and specifications, environmental documentation and hydraulic modeling to advance to the maximum extent practicable the project to restore the riverbed gradient at Mile 206 of the Sacramento River in California: *Provided further*, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the project for shoreline protection at Emeryville Point Park Marina, California, under the authority of section 103 of the River and Harbor Act of 1962, as amended, at a total estimated first cost of $1,396,000 with an estimated first Federal cost of $907,000 and an estimated first non-Federal cost of $489,000, in accordance with the plan recommended by the Division Commander in the report entitled Detailed Project Report, section 103, Shoreline Protection Project, Emeryville Point Park Marina dated November 1988. The cost sharing for this project shall be in accordance with the provisions of title I, section 103, of Public Law 99-662 for hurricane and storm damage reduction: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the San Timoteo feature of the Santa Ana River Mainstem flood control project by scheduling design and construction. The Secretary is further directed to initiate and complete design and to fund and award all construction contracts necessary for completion of the San Timoteo feature. Furthermore, the Corps of Engineers is directed to use $2,000,000 of the funds appropriated herein to initiate the design: *Provided further*, That using $1,252,000 previously appropriated for the Hansen Dam, California, project, the Secretary of the Army, acting through the Chief of Engineers, is directed to plan, design and construct a swim lake and associated recreational facilities at Hansen Dam as described in the February 1991 Hansen Dam Master Plan prepared by the United States Army Corps of Engineers Los Angeles District: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to pursue the completion of the Ouachita-Black Rivers Navigation Project in Louisiana and Arkansas, including construction of the required cutoffs and bendway widenings in Louisiana. The Federal Government is authorized to advance rights-of-way acquisition for the cutoffs and bendway widenings at Federal expense, and the State of Louisiana shall have 10 years after construction begins to repay its portion of the costs: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall include as project costs in accordance with the Post Authorization Change Report, dated April 1989, as revised in January 1990, the costs for aesthetics for the Brush Creek, Kansas City, Missouri, project, which shall be shared with non-Federal interests under the provisions of section 103(a) of Public Law 99-662: *Provided further*, That with funds heretofore, herein or hereafter appropriated, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 101-101 for the O'Hare Reservoir, Illinois, and Wallisville Lake, Texas, projects: *Provided further*, That with funds appropriated herein and hereafter for the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection project, the Secretary of the Army is authorized and directed to provide parallel hurricane protection along the entire lengths of the Orleans Avenue and London Avenue Outfall Canals by raising levees and improving flood protection works along and parallel to the entire lengths of the outfall canals and other pertinent work necessary to complete an entire parallel protection system, to be cost shared as an authorized project feature, the Federal cost participation in which shall be 70 percent of the total cost of the entire parallel protection system, and the local cost participation in which shall be 30 percent of the total cost of such entire parallel protection system: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct project modifications for improvement of the environment, as part of the Anacostia River Flood Control and Navigation project, District of Columbia and Maryland, within Prince Georges County, Maryland, using $700,000 of the funds appropriated herein, under the authority of section 1135 of Public Law 99-662, as amended; and, in addition, $73,681,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), $353,437,000, to remain available until expended: *Provided*, That not less than $250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer and the State Conservationist: *Provided further*, That the funds provided herein for operation and maintenance of Yazoo Basin Lakes shall be available for the maintenance of road and trail surfaces, alignments, widths, and drainage features: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $420,000 of the funds appropriated herein to continue preconstruction engineering and design studies on the Eastern Arkansas Region Comprehensive Study, Arkansas.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,547,855,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that fund, and of which $15,000,000 shall be for construction, operation, and maintenance of outdoor recreation facilities, to be derived from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601): *Provided*, That not to exceed $8,000,000 shall be available for obligation for national emergency preparedness programs: *Provided further*, That $2,000,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the development of recreation facilities at Sepulveda Dam, California: *Provided further*, That using $400,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to plan and design a fifteen-acre swim lake and related recreational facilities at Hansen Dam, California: *Provided further*, That using $300,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to dredge approximately 1,000 feet of the Ohio River along the Ashland, Kentucky, riverfront: *Provided further*, That using $1,800,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake the one-time repair and rehabilitation of the Flint, Michigan, project in order to restore the project to original project dimensions: *Provided further*, That $40,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the project for removal of silt and aquatic growth at Sauk Lake, Minnesota: *Provided further*, That $150,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, for the development of Gateway Park at the Lower Granite Lock and Dam project: *Provided further*, That with $8,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed on a one-time basis, to maintain access to existing State recognized port facilities on the Columbia and Snake Rivers between Bonneville Dam and Lewiston, Idaho, at a depth commensurate with the main navigation channel: *Provided further*, That using $3,500,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to construct and maintain bank stabilization measures along the north bank of the Mississippi River Gulf Outlet from mile 49.9 through mile 56.1: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $1,500,000 of the funds appropriated herein to undertake measures needed to alleviate bank erosion and related problems associated with reservoir releases along the Missouri River below Fort Peck Dam as authorized by section 33 of the Water Resources Development Act of 1988: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to allocate resources and take other steps necessary to complete an environmental impact statement and related documents by June of 1992 on a plan to reoperate Folsom Dam to provide greater flood control, using funds appropriated for that purpose in fiscal year 1991. This plan shall require a cost sharing agreement between local sponsors and the Secretary of the Interior based on the requirements of section 103 of the Water Resources Development Act of 1986, with the costs for foregone water and power sales to be computed on the basis of actual reductions in supply attributable to greater operations for flood control in that year.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, $86,000,000, to remain available until expended.

REVOLVING FUND

None of the funds from the revolving fund established by the Act of July 27, 1953, chapter 245 (33 U.S.C. 576), may be used to reimburse other Department of Defense appropriations used to acquire Standard Army Automated Contracting System equipment for Corps of Engineers activities.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act, approved August 18, 1941, as amended, $15,000,000, to remain available until expended.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors, the Coastal Engineering Research Board, the Engineer Automation Support Activity, the Humphreys Engineer Center Support Activity and the Water Resources Support Center, $142,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for expenses of attendance by military personnel at meetings in the manner authorized by section 4110 of title 5, United States Code, uniforms, and allowances therefor, as authorized by law (5 U.S.C. 5901–5902), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; not to exceed $5,000 for official reception and representation expenses; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 150 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

SEC. 101. Notwithstanding section 1001(b)(1) of the Water Resources Development Act of 1986, the project for navigation, Coosa River, Gadsden, Alabama, to Rome, Georgia, authorized by the River and Harbor Act of 1945, shall remain authorized to be carried out by the Secretary. The project described above shall not be authorized for construction after the last day of the 5-year period that begins on the date of enactment of this Act unless, during this period, funds have been obligated for construction (including planning and design) of the project.

SEC. 102. Public Law 99–88, 99 Stat. 293, 316, as modified by Public Law 99–349, 100 Stat. 710, 724, is amended by striking the last two sentences in the paragraph that authorizes acquisition of new buildings and appurtenant facilities for the U.S. Army Engineer District, Walla Walla, Washington.

SEC. 103. The non-Federal share of the costs of preconstruction engineering and design of any water resources project constructed by the Secretary shall not be required to be paid prior to commencement of physical construction of the project.

SEC. 104. Title III of Public Law 98–396 (98 Stat. 1369) is amended by inserting after section 303a the following new section:

"SEC. 303b. (1) The Secretary of the Army is authorized to convey to the Port of Camas-Washougal two parcels of land containing a total of approximately 45 acres and being a portion of an 82 acre tract of land acquired under the provisions of section 303a above and which is under the jurisdiction of the Department of the Army.

"(2) The conveyance authorized above shall be made in consideration of the fair market value of the land conveyed and shall be for any lawful purpose, including, without limitation, industrial, recreational and natural area development and the grantee may sell or otherwise dispose of such property without limitation.

"(3) The exact acreage and legal description of the property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary of the Army and the cost of such survey shall be borne by the Port of Camas-Washougal. The Secretary shall bear the costs of environmental review and appraisal.

"(4) The Secretary of the Army may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

"(5) The Secretary is also authorized to transfer, without monetary consideration, approximately 37 acres of predominantly wetlands comprising the remainder of the above mentioned 82 acre tract to the Department of the Interior, United States Fish and Wildlife Service, for inclusion in the Steigerwald Lake National Wildlife Refuge.".

SEC. 105. The project for flood control, Guadalupe River, California, authorized by section 401(b) of the Water Resources Development Act of 1986 (Public Law 99–662), and the Energy and Water Development Appropriations Act of 1990 (Public Law 101–101), is modified to direct the Secretary of the Army to construct the project in accordance with the General Design Memorandum, dated January 1991 of the Sacramento District Engineer, and in accordance with the percentages specified in section 103 of the Water Resources Development Act of 1986, at a total cost of $134,300,000, with a first Federal cost of $67,300,000 and a first non-Federal cost of $67,000,000, further, if, after enactment of this Act and prior to award of the first construction contract by the Corps of Engineers, non-Federal interests initiate construction of the plan recommended herein, the Secretary shall credit such work toward the non-Federal share of the cost of the project.

SEC. 106. The present value of the capital costs to be prepaid by the city of Aberdeen, Washington, under the Wynoochee Lake project contract shall be $4,952,158.

SEC. 107. The experimental water delivery program established under section 1302 of Public Law 98–181 is authorized to continue until the modifications to the Central and Southern Florida project authorized under section 104 of Public Law 101–229 are completed and implemented.

Mr. MYERS of Indiana (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Are there any points of order against title I?

If not, are there any amendments to title I?

AMENDMENT OFFERED BY MR. SWIFT

Mr. SWIFT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SWIFT: Page 4, strike line 1 and all that follows through "transportation system:" on line 6.

Mr. SWIFT. Mr. Chairman, I believe we have reached an accommodation with the distinguished chairman of the subcomittee, Mr. BEVILL, and the ranking member, Mr. MYERS, under which my amendment will be accepted. I would like to express my appreciation and that of Mr. DINGELL for the cooperation we have received from the subcommittee.

My amendment strikes from the bill language at the top of page 4 authorizing the Army Corps of Engineers to conduct research and development associated with an advanced high-speed magnetic levitation transportation system. This legislation in an appropriations bill is problematic because it contravenes an explicit compromise reached last year in the water resources reauthorization among two Senate committees and three House committees, including the Committee on Energy and Commerce.

The water resources bill expressly provided that "no funds are authorized to be appropriated" for these purposes "for any fiscal year beginning after September 30, 1991." The inclusion of this prohibition was agreed to in the context of an understanding that in the 102d Congress we would work together with all authorizing committees interested in mag-lev to find a comprehensive, long-term, sensible approach to this issue.

I want to assure the chairman of the subcommittee, as well as the members, that we have every intention of accomplishing that goal with legislation this year. The committees are working together toward that end. In light of the corps' involvement in the mag-lev program to this point, it may well be that further long-term participation by the corps will be authorized in such legislation.

To date, a significant number of steps have been taken in this direction. In 1988, Congress amended the Federal Railroad Safety Act of 1970 to effectively enable the Federal Railroad Administration to start safety research on high-speed systems.

Shortly thereafter, the national mag-lev initiative [NMI] was undertaken. This is a coordinated effort to conduct research on mag-lev technology development and commercial feasibility. The Departments of Transportation and Energy, as well as the Army Corps of Engineers, are all working together on this initiative toward the common goal of defining and facilitating a role for mag-lev in the United States.

In addition, I introduced legislation earlier this year with Representative DON RITTER of Pennsylvania, H.R. 1087, to enable the Federal Railroad Administration to continue its valuable work on NMI. As part of the Committee on Energy and Commerce consideration of this bill, our staff has organized an all-day symposium on high-speed ground transportation development on June 10. Some of the issues to be covered during this event include: short-term/long-term costs; the leapfrog approach versus off-the-shelf purchase of existing technology; the role of high speed ground transportation in our national energy and transportation policies; and options for financing high-speed projects. Majority and minority staff from all interested authorizing committees in both the House and the other body will participate.

Last, I would just like to add that my subcommittee plans to hold hearings on this issue later this year. We hope to address the overall issue of HSR in as comprehensive a manner as possible.

With that in mind, my amendment leaves in place the $8 million earmarked in the committee report for mag-lev R&D by the corps. Our understanding is that these funds will be made available upon the enactment of an appropriate authorization. However, inclusion of the authorizing language in the appropriations bill itself would interfere with the process of enacting such an authorization.

I want to express my thanks and appreciation to the distinguished chairman of the subcommittee, Mr. BEVILL, and the ranking minority member, Mr. MYERS, for working with us to achieve a mutually acceptable solution to this problem.

Mr. BEVILL. Mr. Chairman, we have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. SWIFT].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, to remain available until expended, $13,789,000: *Provided*, That, of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended.

CONSTRUCTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, to remain available until expended, $553,209,000, of which $85,093,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and $117,266,000 shall be available for transfer to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and such amounts as may be necessary shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended: *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation under this heading: *Provided further*, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such funds shall remain available until expended: *Provided further*, That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters: *Provided further*, That no part of the funds herein approved shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any national monument: *Provided further*, That the funds contained in this Act for the Garrison Diversion Unit, North Dakota, shall be expended only in accordance with the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 99-294): *Provided further*, That all costs of the safety of dams modification work at Coolidge Dam, San Carlos Irrigation Project, Arizona, performed under the authority of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 506), as amended, are in addition to the amount authorized in section 5 of said Act: *Provided further*, That none of the funds appropriated in this Act shall be used to study or construct the Cliff Dam feature of the Central Arizona Project: *Provided further*, That Plan 6 features of the Central Arizona Project other than Cliff Dam, including (1) water rights and associated lands within the State of Arizona acquired by the Secretary of the Interior through purchase, lease, or exchange, for municipal and industrial purposes, not to exceed 30,000 acre feet; and, (2) such increments of flood control that may be found to be feasible by the Secretary of the Interior at Horseshoe and Bartlett Dams, in consultation and cooperation with the Secretary of the Army and using Corps of Engineers evaluation criteria, developed in conjunction with dam safety modifications and consistent with applicable environmental law, are hereby deemed to constitute a suitable alternative to Orme Dam within the meaning of the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501 et seq.): *Provided further*, That of the funds appropriated herein, $900,000 shall be available to the Secretary of the Interior to complete the final design of the Shasta Dam, California, water release facilities for the purpose of selectively withdrawing water from Shasta Lake to control the temperature, turbidity, and dissolved oxygen content of water released from Shasta Dam.

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, to remain available until expended, $258,685,000: *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund, and the amount for program activities which can be derived from the special fee account established pursuant to the Act of December 22, 1987 (16 U.S.C. 4601-6a, as amended), may be derived from that fund: *Provided further*, That of the total appropriated, such amounts as may be required for replacement work on the Boulder Canyon Project which would require readvances to the Colorado River Dam Fund shall be readvanced to the Colorado River Dam Fund pursuant to section 5 of the Boulder Canyon Project Adjustment Act of July 19, 1940 (43 U.S.C. 618d), and such readvances since October 1, 1984, and in the future shall bear interest at the rate determined pursuant to section 104(a)(5) of Public Law 98-381: *Provided further*, That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same purpose and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: *Provided further*, That revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project, the costs of which shall be nonreimbursable.

LOAN PROGRAM

For administrative expenses related to loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as amended (43 U.S.C. 421a-421d), and August 6, 1956, as amended (43 U.S.C. 422a-4221), $890,000: *Provided*, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from that fund.

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, $53,745,000, of which $800,000 shall remain available until expended, the total amount to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

EMERGENCY FUND

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), as amended, to remain available until expended for the purposes specified in said Act, $1,000,000, to be derived from the reclamation fund.

WORKING CAPITAL FUND

For capital equipment and facilities, $5,900,000, to remain available until expended, as authorized by the Act of November 1, 1985, (43 U.S.C. 1472).

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or special fee account are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) or the Act of December 22, 1987 (16 U.S.C. 4601-6a, as amended), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the head "General Administrative Expenses" shall revert and be credited to the reclamation fund.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 16 passenger motor vehicles for replacement only; payment of claims for damages to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expenses of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiations and administration of interstate compacts without reimbursement or return under the reclamation laws; services as authorized by 5 U.S.C. 3109, in total not to exceed $500,000; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriations Act 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Acts of August 21, 1935 (16 U.S.C. 461-467) and June 27, 1960 (16 U.S.C. 469): *Provided*, That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43 U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses", amounts provided for plan formulation investigations under the head "General Investigations", and amounts provided for science and technology under the head "Construction Program".

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided*, That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of 31 U.S.C. 1341.

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefits of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or (c) of any individual when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

None of the funds made available by this or any other Act shall be used by the Bureau of Reclamation for contracts for surveying and mapping services unless such contracts for which a solicitation is issued after the date of this Act are awarded in accordance with title IX of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 541 et seq.).

GENERAL PROVISIONS

DEPARTMENT OF THE INTERIOR

SEC. 201. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities or other facilities or equipment damaged, rendered inoperable, or destroyed by fire, flood, storm, drought, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specificially made available to the Department of the Interior for emergencies shall have been exhausted.

SEC. 202. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

SEC. 203. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency, or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 1535 and 1536): *Provided*, That reimbursements for costs of supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 204. Appropriations in this title shall be available for hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchases of reprints; payment for telephone services in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Mr. BEVILL (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. Are there points of order against the title?

If not, are there amendments to title II?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III

DEPARTMENT OF ENERGY

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for energy supply, research and development activities, and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 35, of which 23 are for replacement only), $2,854,053,000, to remain available until expended: *Provided*, That the $7,500,000 provided in the Energy and Water Development Appropriations Act, Fiscal Year 1991, (Public Law 101-514) available only for the modification and operation of the Power Burst Facility at the Idaho National Engineering Laboratory, shall be available for the Boron Neutron Capture Therapy Research Program.

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses incidental thereto necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of electricity to provide enrichment services; purchase of passenger motor vehicles (not to exceed 28, of which 25 are for replacement only), $1,337,600,000, to remain available until expended: *Provided*, That revenues received by the Department for the enrichment of uranium and estimated to total $1,547,000,000, in fiscal year 1992 shall be retained and used for the specific purpose of offsetting costs incurred by the Department in providing uranium enrichment service activities as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302(b) of title 31, United States Code: *Provided further*, That the sum herein appropriated shall be reduced as uranium enrichment revenues are received during fiscal year 1992 so as to result in a final fiscal year 1992 appropriation estimated at not more than $0.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 7 for replacement only) $1,405,489,000, to remain available until expended.

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. YATES: On page 35, line 12, after "expended,", insert ", of which $10,000,000 is for the design of project 92-G-302, Fermi Lab main injector"

Mr. YATES. Mr. Chairman, this amendment is an important one for Fermi Laboratory. It will keep the Fermi Laboratory injector on schedule. It provides $10 million for design for that injector. It is not a new start.

This amendment differs from the one I offered in committee. In the committee I offered an amendment in the amount of $43,500,000 which was to be taken from the SSC funding. The committee did not agree with my amendment because it was described as a new start. This amendment does not do that.

I have since talked to the chairman of this subcommittee, and to the Republican member, the gentleman from Indiana [Mr. MYERS]. This amendment, I understand, has their approval.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, we accept the amendment and we agree with the gentleman, who is our friend and colleague, that the amendment should be accepted.

Mr. YATES. Mr. Chairman, I thank the chairman.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, I thank my colleague, the gentleman from Illinois [Mr. YATES], from Chicago, for yielding.

The subcommittee has always supported the efforts and the fine work done at Fermi lab.

As has been previously stated here, we just simply ran out of money this year. Without prejudice, we still continue to support it.

We appreciate the efforts of the gentleman from Illinois [Mr. YATES] and what he has done to bring this compromise. I thank the gentleman for being willing to compromise.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I, of course, do support the amendment that the gentleman from Illinois is offering at this point.

I rise really to, however, in hopes that what the gentleman is doing will be noted by the delegations from Illinois, New York, and California, because what the gentleman is facing right now with respect to the effort at protecting funds for Fermi will be just the beginning of an ongoing struggle.

The operating costs of the superconducting super collider will represent some 74 percent of the operating costs of all the other accelerators combined within the high-energy-physics budget.

It is simple arithmetic that something is going to have to give. So the effort that the gentleman from Illinois is being forced to make this year he will have to, I submit, be having to make year in and year out if we are going to be protecting Fermi, Brookhaven, and Stanford linear accelerator in California, New York, and Illinois, and I would submit that the time is now to kill the superconducting super collider.

This is not just an issue of what States are going to be benefited or which will lose. The real issue is the conflict between big science and small science.

□ 1430

An awful lot of members of the scientific community have serious reservations about the investment we are about to make in the super collider. This is one dimension of the concern.

Mr. YATES. The gentleman raises a very good point. Certainly the future of our country depends on the continued advances of science. Unfortunately, we were not able to get the money that I think was necessary to advance the Fermi injector as quickly as the schedule calls for it to move ahead.

Nevertheless, this amendment will permit that work to continue to go forward. I am grateful to the gentleman from Alabama [Mr. BEVILL] and I am grateful to the gentleman from Indiana [Mr. MYERS] for their cooperation.

Mr. WOLPE. If the gentleman will continue to yield, I appreciate what the gentleman is saying.

The point I am trying to make here is that it is the crowding out of funding for Fermi and many other projects that will be the direct consequence of the decision to go ahead.

Mr. YATES. I would hope that the present scale-up of costs of the SSC does not continue at the same rate that it has shown in the past. We supported the SSC when it was presented. It is a long-needed advance for high energy physics.

There is just no money in the budget this year for all the things that we should be doing. This is one of them that ought to be capped.

This amendment reduces my original amendment from $43 million to $10 million. It does not transfer funds from the SSC as my original amendment does. It takes funds from the entire appropriation for energy programs in the Department of Energy.

The funds will be used for completing the design of the new Fermi injector, a high energy physics research program, second only to the SSC in its importance for basic research. It is only one-fourth of the amount approved in the President's budget. The full $43 million has been approved by OMB. But I know how tight this budget is and that the full $43 million is not available even if budgeted.

It is most important that progress be made in the Fermi injector, progress this year. That is why I offer this change from my original amendment.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. BOEHLERT. The gentleman makes a good point about the future of Fermi Lab, one of our premier scientific facilities in the country.

I am deeply disturbed when I read the testimony of the former director of the Fermi Lab, Leon Letterman, who testified before the Senate in April of this year that it is likely that two facilities would have to be closed to make room for the SSC budget.

Now, this is a serious problem we are facing, and I know the gentleman who is so familiar with the outstanding facility in Illinois at Fermi Lab shares that concern. Those Members from New York, who are concerned about a future facility like Brookhaven also have a concern, as do the people from Colorado who are so concerned about the Stanford linear accelerator. The way things are going I am concerned that we will eat up all the funding for all the other vital projects.

Mr. MICHEL. Mr. Chairman, I move to strike the last word in support of the amendment.

Mr. Chairman, I want to commend the chairman and the ranking member for their willingness to go along with the $10 million to get the Fermi Lab project under way.

Obviously, we would have preferred the full $43 million as we were arguing for earlier in the year. However, I recognize the constraints under which the committee is operating. I do hope that our action today indicates an acceptance of the scientific needs for the new Fermi Lab injector ring and a commitment to move ahead with that project.

The tevatron accelerator at Fermi Lab was always intended as a complement to the SSC project because it would be quite a number of years until that would really come on line with the SSC. Its purpose is, in part, as I indicated, to bridge the gap between now and the time when SSC is up and running. I do not think we can, as a nation, afford to sit still for the next 10 years until SSC is ready. That may be a long time out.

There has been a concern expressed here about the ever-increasing cost, and that may very well tend to delay it all the more, which justifies, in my judgment, all the more, the Fermi Lab bridging that gap. We need to continue our study of advances, and that is what the upgrade of Fermi Lab accelerator will enable us to do.

Initially when the SSC project was awarded, commitments were made that support for Fermi Lab would continue. I was and continue to be a supporter of SSC. We would like to have had it in Illinois. We lost it. However, we still, as a matter of scientific advancement, support the effort. Of course, in part, the expectation that Fermi Lab then would continue to play an integral role with the SSC to advance our high physics scientific knowledge.

I just want to make it clear that in appreciation for the fact that we do have an accommodation here, and an agreement, that I would oppose all amendments today that would cut the funding for SSC as an expression of our good faith that we will concurrently move ahead with both the SSC and Fermi Lab.

Mr. BARTON of Texas. Will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. BARTON of Texas. Mr. Chairman, I would like to compliment the gentleman from Illinois [Mr. MICHEL] on his leadership in this effort.

I, too, would like to rise in support of the Yates amendment. I think it is a very straightforward amendment. I think there is no question that the success of the super collider project depends to a large degree on the success of the Fermi Lab project in Illinois.

I would like to point out that we are spending $30 million of SSC funds at the Fermi Lab this year, but also I would like to point out that in this budget that is before Members, the Fermi Lab will receive $240 million in operating funds and $17 million in construction funds, plus the $10 million.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois

Mr. YATES. Mr. Chairman, I want to associate myself with the remarks of the gentleman and emphasize the importance of the position that the Fermi Lab does occupy in the scientific advances of our country.

I think that much more money will be required for the Fermi Lab injector. The money that the Yates amendment makes available will go to complete the design. After that, we have to look to construction of the ring itself.

Mr. MICHEL. The comments of the gentleman are very well taken.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Speaker, I want to thank the leader for yielding.

As so often is the case I agree with most of what the gentleman says. Fermi Lab is a premier research facility in America. I am most anxious, as I know the gentleman in the well, to see Fermi Lab continue to do its outstanding work.

The problem is that the SSC is going to eat up all the money available, not only for Fermi Lab, but for Stanford and Brookhaven in the future in this year's budget. DOE requested a total of $516 million for Fermi Lab, Brookhaven, and Stanford, and yet we are told that the SSC's annual operating cost at today's dollars will be $380 million. Of course, the SSC is not up and operating yet, and it is unlikely that it will be for many years to come. But the fact of the matter is I want the gentleman to understand fully the implications for the future of Fermi Lab, for Brookhaven, for Stanford, for all the other facilities, the implications of funding this one single project of questionable value.

I thank my leader for the leadership he has shown.

Mr. MICHEL. The gentleman makes a valuable contribution in the whole scientific field in the committee on which he serves. I am mindful of the problem that he has outlined for Members.

I guess it comes down to the bottom line: we just have to move ahead. Obviously, some of these projects are going to be extended because of our incapacity, frankly, to ante up all the kinds of money that they are requiring.

I thank my distinguished chairman and the chairman of the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The amendment was agreed to.

Mr. SKAGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to take a moment to congratulate the chairman and ranking member of the Energy and Water Development Subcommittee for their excellent leadership in putting this bill together.

Given the tight limits set by last year's budget agreement, this was no easy feat, and it was accomplished only by proscribing any new construction starts, new buildings or new facilities. While we may "blame" the limits imposed by the 1990 budget agreement, we should also credit our committee's discipline. By going this route, however, the subcommittee was able to fund important science, defense, and water projects, while appropriating $115 million less than the amount requested by the President.

So, I would advise my colleagues that this is a well-crafted bill, a tightly budgeted bill, and one that is worthy of support.

I'd like to point out several items of particular merit.

First, the subcommittee did an excellent job in funding energy research, particularly in the area of solar and renewable energy. The bill provides $236 million for solar and renewables, a $39 million increase over this year's funding, and $35 million more than the President requested.

That's all the more remarkable because, due to budget constraints, this was the only energy research area funded above the President's request. The reason solar and renewables received this increase was that the chairman and the subcommittee recognized that it deserved an especially high priority. I want to thank and congratulate the chairman for his leadership in proposing this wise funding decision.

After all, solar and other renewable energy sources and energy conservation offer the best opportunities to reduce our dependence on foreign oil. The President's national energy strategy largely ignores solar and conservation, and would leave us even more dependent on foreign oil in the year 2000 than we are today.

Solar and renewable energy resources, on the other hand, are providing the country with clean energy today, at increasingly competitive costs. These energy sources hold the greatest potential on the "supply side" for reducing our foreign-oil dependence and doing it in the most environmentally sound manner.

The bill also does an excellent job in funding environmental, biological, and general science and research conducted by the Department of Energy. Some of the work DOE is funding includes a fundamental study of the human genetic structure, research into global climate change, research support for the further development of advanced supercomputers, and fusion research. The bill also funds the Department's educational efforts aimed at drawing more of our best young minds into scientific studies and careers.

On the defense side, the bill provides $4.4 billion for environmental cleanup and waste management at DOE sites across the Nation, $44 million more than the President requested and $867 million higher than 1991 funding; $157 million of this amount is targeted for cleanup and waste work at Rocky Flats next year. While these increases are needed and important, this program has been growing at an extraordinary rate, and it warrants particularly careful oversight by the Department and Congress to assure the efficient and effective use of the moneys appropriated.

In addition, the bill funds $10 million to carry out the second year of projects by the cities of Broomfield, Thornton, Westminster, Northglenn, and Federal Heights to protect the water quality in Great Western Reservoir and Standley Lake, water sources for nearly a quarter of a million people near Rocky Flats.

Finally, the committee report contains language directing the Secretary of Energy to establish an expert panel to evaluate the need to resume plutonium recovery and reprocessing operations at the Rocky Flats plant. Funds for resuming those operations could not be spent until the evaluation is completed and the Secretary determines that there is no practical alternative to resuming those operations at Rocky Flats.

The subcommittee included this language at my request because of reports and studies conducted by the Energy Department, the National Academy of Sciences, the Congressional Research Service, and others indicating that there may be sufficient plutonium recovery and reprocessing capacity at sites other than Rocky Flats to meet national security needs. If this is so, or to the extent that it is so, the subcommittee agreed that it might be less expensive and more efficient to perform those operations at these other, newer departmental facilities, rather than to spend tens of millions of dollars to upgrade the older facilities at Rocky Flats. This is all the more sensible given that DOE plans to relocate these operations away from Rocky Flats in the not-distant future.

Again, I thank the chairman for his leadership in drawing this bill together, and I urge my colleagues to support the bill.

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Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from Illinois [Mr. YATES].

Mr. MILLER of California. Mr. Chairman, first of all, I rise to commend the committee for the work they have done on this legislation and the bill they have put together, given the competing requests that they must contend with for the financial resources to fund all the programs within their jurisdiction, and I want to commend the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] for the leadership they have shown on these issues, and especially with respect to those issues for the funding of the Bureau of Reclamation and the projects for the 17 Western States that are so important to our economy and to much of the environmental improvement that we are trying to get the Bureau to do that this committee have been so helpful for.

I would also like to comment on the language found on page 39 of the bill dealing with the Waste Isolation Pilot Plant in New Mexico. This section of the bill earmarks $20 million to the local communities in the plant area as economic compensation.

As some Members may know, the Armed Services, Energy and Commerce, and Interior Committees are currently in the midst of negotiations on legislation to authorize the use of the WIPP facility.

In the midst of these negotiations, we learned that this bill provided $20 million in economic compensation to the State of New Mexico and local counties.

I would point out that this Member, and others involved in the negotiations, were not consulted on this matter. In my view, this $20 million seriously prejudices these negotiations.

As a result, I have concluded that this $20 million plus $40 million previously made available, more than adequately compensates New Mexico for any impacts from the WIPP test phase. Any further compensation to the State of New Mexico, or the counties involved, is unwarranted and unjustified.

Sixty million dollars is more than adequate compensation by the taxpayers. Let me point out to my colleagues that this is a considerable amount of money in light of the amount of waste that will go into WIPP during the test phase. Less than one-half of 1 percent of the repository will be used during the test phase. A total of $60 million in economic compensation funds from the Federal Treasury certainly seems adequate.

Mr. Chairman, I will not offer a motion to strike the language in this bill at this time. However, it is my current intent to oppose any further economic compensation for the test phase as we consider the negotiations on the authorizing bill.

Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. KOSTMAYER], the chairman of the Subcommittee on Water, Power and Offshore Energy Resources of the Interior and Insular Affairs Committee.

Mr. KOSTMAYER. Mr. Chairman, I appreciate the gentleman yielding to me, and join in congratulating the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] on the enormously difficult task of putting this together.

I rise also in concern for this WIPP issue.

Mr. Chairman, my subcommittee visited the WIPP site on March 25. We held a hearing on April 16 and we are going to mark up the bill on June 11; but there is 20 million bucks in this for WIPP, even though they have not started operations. They have already gotten $40 million. That is a total of $60 million and this facility has not yet begun to operate.

Now, it may be that they deserve the $60 million down the road. It seems to me there ought to be some coordination during the authorizing process and the appropriating process. I would hope that either the chairman of the full Committee on Energy and Commerce, the gentleman from Michigan [Mr. DINGELL], or the chairman of the Interior and Insular Affair Committee, the gentleman from California [Mr. MILLER], or the appropriate subcommittee, in this case the gentleman from South Carolina [Mr. SPRATT], the gentleman from Indiana [Mr. SHARP], and myself might have been consulted.

Nevertheless, I will not object, but I want to strongly associate myself with the remarks of my chairman, the gentleman from California [Mr. MILLER], and say that this is it. Sixty million bucks is enough. We are going to pay the people of Nevada for Yucca Mountain. There has to be a limit as to what the Congress is willing to spend in this form.

This is not good public policy. It is good politics; but it is not good public policy and I want to associate myself with the remarks of the gentleman from California [Mr. MILLER] in his strong objection.

Mr. MILLER of California. Mr. Chairman, if I can just reclaim my time, I would just say that the taxpayers have spent close to a billion dollars on this facility. We think it is important that we make every effort to get this facility open, to get the test phase underway. The Appropriations Committee has struggled with this for over a decade, but we also want to make sure that we do not set up the same dynamics that we just witnessed with the super collider where the testing of the waste facility starts to draw away from the interest of every other Member of the Congress.

It is in the national interest, I believe, to find out whether or not we can safely store this level of radioactive waste and whether we can do it in a competent fashion; but if we set up the dynamics for that test and it in and of itself starts to drain resources away from the other concerns of Members of Congress, then I do not think that test will necessarily be able to go forward.

Clearly, the State of New Mexico must be compensated. They have been saddled with the disposal of this waste and the impact, but we have got to make sure there are some equities in this process and that the Appropriations Committee does not get caught in the same jam as we just witnessed previously with the super collider.

The CHAIRMAN pro tempore. (Mr. PEASE). The time of the gentleman from California has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, I thank the gentleman for yielding to me.

I just want to simply say that I agree with the gentleman completely on this issue. It comes as somewhat of a surprise to find this $20 million in additional compensation to New Mexico when we have not even been able to open the facility for the very limited purpose of testing it.

As the gentleman has pointed out, there is going to be a flurry of activity there for 2 or 3 months, 5 or 6 or something, and then it is going to sit idle fundamentally for 5 years while we wait to see if it works.

The money has been appropriated to compensate New Mexico for the infrastructure that they have had to construct. That is appropriate. We should have done that. We have done it, but I agree with the gentleman that this is sufficient compensation for the 5-year test period. What we do in compensation after we actually get it open we will deal with at another time.

Mr. Chairman, I associate myself with the gentleman's remarks and again thank him for yielding to me.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman.

Hopefully, this money will provide a little incentive to get on with the process of getting the test under way.

AMENDMENT OFFERED BY MR. SLATTERY

Mr. SLATTERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SLATTERY: Page 35, line 11, strike $1,405,489,000 and insert $1,015,239,000.

Mr. SLATTERY. Mr. Chairman, this amendment, which is cosponsored by my colleagues, the gentleman from Ohio [Mr. ECKART], the gentleman from Michigan [Mr. WOLPE], the gentleman from New York [Mr. BOEHLERT], and the gentleman from Kansas [Mr. GLICKMAN] would reduce the amount of funding in title III $390,250,000.

This is intended to cut all funding for the superconducting super collider and leave enough money for an orderly shutdown of the project.

Mr. Chairman, "Man does not serve science. Science must serve man." These are the words of a physics professor who wrote me opposing funding for the superconducting super collider.

Science has served our Nation well. It has helped make us the economic leader we are today. As we continue to support scientific inquiry, it is crucial that we carefully plan how we will spend our limited resources. It is for this reason that I strongly support increased funding for this Nation's broadly based scientific research programs.

I oppose the SSC funding for the same reason. Put simply, the costs of the SSC are too high and the benefits are too uncertain for the SSC to be a responsible recipient of America's limited research dollars at a time when our Nation is facing $350 billion deficits.

The American Physical Society, which represents more than 41,000 scientists nationwide, officially gives limited support for the SSC, provided that the funding required, and I quote, "Not be at the expense of the broadly based scientific research program of the United States."

Unfortunately, this is exactly what continued funding of the SSC will do, take funds from other important research projects for the super collider.

For proof, we need to look no further than this bill, that contains cuts in the Fermi lab and we have already heard that the Appropriations Committee plans to terminate funding for the space station.

The SSC will concentrate research dollars in an area that accounts for less than 1 percent of all science education.

Furthermore, the SSC proponents exaggerate the potential for technical spinoffs from this project. According to the Congressional Budget Office, technological spinoffs are more likely if we fund a broad base of research programs, rather than a few large projects.

Questions about the potential uses and inevitable obsolescence of the SSC become more important when we consider how much this program costs.

□ 1450

Earlier this year DOE officially estimated that this project would cost $8.25 billion. This estimate fails to include, the cost of detectors, spare magnets, operating costs during construction or adequate funding for contingencies like site geology problems.

On May 10 of this year DOE admitted that the SSC cost would be $9.1 billion if the magnet and operating costs were included.

With all of these costs included, DOE's own independent cost estimators put the tab at $11.8 billion.

Keep in mind that this cost was estimated in 1987 to be $5.6 billion. So far, DOE has a firm commitment for $1 billion from Texas and India. That means the U.S. taxpayers could be forced to pick up the tab for the remaining $10.8 billion.

GAO has already concluded that the SSC's magnet testing and construction schedule is too tight and this will result in delays and increased costs. Its magnets have not yet been built or tested. Preliminary testing of prototype magnets is not even scheduled until October 1992.

We will not know whether the actual magnets will work until 1994. As happened with the Isabelle accelerator, the magnets might not work, and we will have to abandon the SSC after wasting billions of dollars.

Finally, we need to examine the impact the SSC program will have on already underfunded basic research programs across the country. Please consider the basic fact: $434 million this year for the SSC is enough money to give two research universities in each State $4.34 million for basic research. Think about it.

In future years we will need to spend about $1 billion a year to construct and operate the SSC by 1999. That is enough money to give two research universities in each State $10 million a year.

The CHAIRMAN pro tempore (Mr. MAZZOLI). The time of the gentleman from Kansas [Mr. SLATTERY] has expired.

(On request of Mr. WOLPE and by unanimous consent, Mr. SLATTERY was allowed to proceed for 2 additional minutes.)

Mr. SLATTERY. As I said, Mr. Chairman, that is enough money to give two research universities in each State $10 million a year for graduate fellowships and basic research.

Some might say, "Well, are we going to get anything out of the SSC?" The answer to that is, "Yes, we are going to get something out of the SSC." I hope we do, if we spend $11 billion or $10 billion or even $5 billion. We need to get something out of the SSC.

But in the final analysis, my friends, we must ask a basic question: Will our country be better off 10 years, 20 years from now if we pour all of this money into the SSC? Or will we be better off if we take part of this money and put it into the desperately needed basic research in our universities all across this country? I have concluded, Mr. Chairman, that we will be much better off by supporting small science and not this big project that is certain to drain enormous sums of money from desperately underfunded basic research. I believe, Mr. Chairman, that if we are really truly interested in the scientific future of this country and our economic competitiveness, we cannot continue to ignore basic research.

With the adoption and with the support of the super collider, we are going to choke off basic research in this country. There is no other way to look at it. We have already seen evidence of it here today, Mr. Chairman.

Without any further ado, I would urge my colleagues to carefully listen to the debate here today and support terminating further funding of the super collider.

Mr. BOEHLERT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of this amendment. I followed the superconducting super collider for a long time, and until today I have always voted for it with strings attached. But I voted for it. But my patience has been tested to the limit.

I have become convinced that this body has repeatedly been misled by the Department of Energy and it has been misled for a very simple reason, the usual reason: The truth would never be enough to get this body or the American taxpayers to shell out the money for this project.

The way developments are occurring, the SSC will make the infamous $600 toilet seat look like a bargain.

Let us look at just a few of the ways we have been sold a bill of goods. First, price, not an insignificant concern in these deficit-ridden days. The SSC was first presented to cost $5 billion. Then it was submitted to Congress at $5.3 billion, then $5.9 billion, then $8.2 billion. Where is the end?

After each escalation, we were told the cost was set. But there is, frankly, reason to adjust the current cost estimate. The department admitted in congressional testimony that to make the SSC ready to use as opposed, I guess, to just pretty to look at, the real current cost estimate is $9.1 billion. But many experts question even that enormous sum. DOE's own independent cost-estimating panel thinks the cost will turn out to be $12 billion, approximately.

Mr. Chairman, we are in a high-stakes poker game, make no mistake about it. Today we have just put in the ante money. Our hand will be called many, many times, and in each instance we are going to have to put a lot more of our precious dollars into the pot.

We have also been misled about the Federal share of that cost. Last year, DOE told us that the project would not cost the taxpayers more than $5 billion. Indeed, as I have mentioned already today, the House passed such a spending cap by a substantial margin. Now the department's Federal cost estimate is up another $600 million. That is assuming the $8.2 billion total is correct. The $5.6 billion figure also assumes that foreign contributions will cover a portion of the project's cost. The total received from foreign governments to date: zip, nothing, zilch. In fact, so far the foreign investment has consisted of us, the United States, paying for a team of Indian scientists to spend time in Texas. DOE must be confusing foreign contributions with foreign aid.

Science funding as a whole is not exactly in a flush period, despite recent increases. Take a look at grant figures for the National Institutes of Health, for example. In 1975, NIH was able to award funds to 60 percent of the proposals it found worthy of funding. Today, that rate is down to 25 percent. And remember, that is 25 percent of only those proposals that have been found to merit funding.

Figures for the National Science Foundation tell a similar story.

SSC supporters are always telling us that their project must go forward to attract young people to science. What a noble objective. But their project is going to freeze young people out of science. Young scientists all recite approval rates at NSF and NIH as leading factors in determining whether they will stay in the research arena. Just think how many grants to young researchers could be funded with $8.2 billion, and the staggering array of projects that would be conducted.

The relative handful of researchers working at the SSC in the narrow area of high-energy physics can hardly compare to that.

What about industry? A survey of the top corporate researchers—these are people from the private sector, at leading American firms—found that they rank the SSC as the least viable, get that, the least viable of five big science projects; lower than the human genome project, the national aerospace plane, the space station, more even than star wars.

So whose priority is the SSC anyway? Not the Nation's struggling young scientists who are starving for individual investigative grants across a wide variety of fields; not the Nation's scientific societies who support the SSC only to the extent other needs are met first; not the Nation's leading corporations, who see the SSC as having fewer industrial spinoffs than any other big science project; not the House of Representatives, which voted last year to discontinue the project if it was going to cost the Federal Government more than $5 billion.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. BOEHLERT] has expired.

(By unanimous consent, Mr. BOEHLERT was allowed to proceed for 2 additional minutes.)

Mr. BOEHLERT. The SSC is a priority for only three groups; for Texas officials, and we can all understand that, who obtained a giant public works project for their State; for DOE officials who would rather continually break promises made to Congress than cancel the project; and for a relatively small group of researchers in an esoteric field who, understandably, think their research is more important than anyone else's.

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Mr. Chairman, are these the groups that should be setting the priorities of the U.S. Congress?

Vote for this amendment so that next year we can set the priorities for science spending in this country. Vote against the SSC now, or pay more later.

In addition, Mr. Chairman, let me close by reminding my colleagues that I am on the committee of jurisdiction for a project, which incidentally has never been authorized by the Congress. I have previously supported the SSC as good science. But, measured against all the other good science out there, I do not give it the priority that my colleagues from Texas understandably do.

This project should not go forward for all the right reasons. We have to be concerned with establishing priorities in this Congress. We have limited resources. Let us use them wisely.

The CHAIRMAN. The time of the gentleman from New York [Mr. BOEHLERT] has expired.

(On request of Mr. SLATTERY and by unanimous consent, Mr. BOEHLERT was allowed to proceed for 1 additional minute.)

Mr. BOEHLERT. Mr. Chairman, let me further point out that this is a bipartisan effort on both sides of the aisle. It is an effort that the gentleman from Michigan [Mr. WOLPE], my chairman of the Subcommittee on Investigations and Oversight, and I launched earlier in the year with extensive hearings. We talked to everybody. It looked like a Texas reunion in our subcommittee when we had our meetings because all the Texas delegation showed up. So would every one of my colleagues show up to protect this multimillion dollar project with a job potential if it was in their district.

Mr. Chairman, I understand that, but we have to be concerned with America.

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, I just want to commend the gentleman from New York [Mr. BOEHLERT], the ranking minority member of the Investigations and Oversight Subcommittee of the Committee on Science, Space, and Technology. He has worked tirelessly on this project. I deeply appreciate the effort he has made. His knowledge is very apparent here today, and I hope that our colleagues will listen.

Mr. Chairman, I say to the gentleman, "I really appreciate your effort and thank you very much."

Mr. WOLPE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to urge support for this amendment that the gentleman from Kansas [Mr. SLATTERY], the gentleman from Ohio [Mr. ECKART], and I, along with my Committee on Science, Space, and Technology colleagues, the gentleman from New York [Mr. BOEHLERT], the gentleman from Kansas [Mr. GLICKMAN], and the gentleman from Connecticut [Mr. SHAYS] will offer to eliminate the funding for the SSC.

Mr. Chairman, since the inception of this project in 1983, we have seen DOE's own cost estimates rise from $5 billion to $5.3 billion to $5.9 billion to $7.8 billion to a figure of $8.2 billion. Yet, today the Department of Energy comes before Congress and says "Forget everything we have told you in the past. Judge us by our new cost and schedule baseline. We are adhering to that." Well, there are two major flaws in that approach. First, the Department's new baseline was issued in January 1991—after more than $500 million had been appropriated by Congress on the basis of cost estimates and timeframes that the Department now so cavalierly asks us to forget. DOE can't adopt a clean slate approach to the cost and baseline of this project every time something goes astray. It is a disingenuous, irresponsible approach to the expenditure of taxpayer dollars.

Second, the Investigations and Oversight Subcommittee of the Committee on Science, Space, and Technology, which I chair, recently held a hearing to review the status of the SSC. At that hearing, we saw many ominous signs that the Department will not be able to build the project according to the new cost and schedule baseline that has been established, and may not be able to deliver all of the science that is promised.

First, the Department has not laid out the full costs of this project. It is already very clear—using DOE's own numbers—that the total cost will be higher than the $8.249 billion projected by the Department.

The Department admits there are associated costs not included in its $8.2 billion estimate—$507 million is scheduled to be spent between fiscal year 1993 and fiscal year 1999, during the construction phase of the project, in establishing the SSC lab. DOE did not include these funds in its project cost estimate. Yet, in fiscal year 1990 and fiscal year 1991, the Department actually drained funds from activities that were included in the project cost estimate to support these operations.

Another estimated $110 million will be spent on post-commissioning operational spare parts for the SSC. Contrary to normal Departmental policy, these costs are not included in the project cost estimate.

Yet, DOE concedes that both of these additional cost items are essential to the completion of the project. In a February 1991 letter the SSC lab's general manager wrote, "The associated laboratory costs * * * and costs for operational spares are required to accomplish this project."

In summary, there are $600 million in costs that never seem to get reported when talking about the cost of the project. But regardless of how DOE defines them, they are being expended, the project cannot be completed without them, and they are costs associated with the project that the taxpayer must bear.

In addition, the Department's estimate lacks $219 million in foreign contingency moneys. In calculating the amount of contingency funds that should be included in the cost estimate, DOE subtracted $219 million from the contingency total to reflect the amount of contingency associated with an expected $1.7 billion in foreign in-kind contributions. However, this sum should not have been excluded from the cost estimate. First, no prior cost estimate has ever been adjusted in this way. Second, the Department's own position now seems to be that foreign contributions will largely come in the form of cash near the end of the project rather than in-kind. This means that contingency costs that are usually absorbed when contributions are in-kind will not automatically be covered by foreign contributions. Finally, foreign contributions to date are so small that it is unlikely that cash contributions will even cover the expected $1.7 billion allotment, much less another $219 million in contingency costs.

These three items alone—lab operations, spares, and foreign contingency—in combination with the Department's cost estimate, push the program costs over $9 billion.

Second, DOE's own internal analysis casts doubt on the likelihood that the project will attract $1.7 billion in foreign contributions. Throughout the project, the administration has assured the public that one-third of the project's cost will be paid through non-Federal contributions. One-third of DOE's project cost estimate currently amounts to $2.6 billion. Since Texas has pledged $875 million to offset project costs, DOE must attract $1.7 billion in foreign contributions to fulfill the one-third pledge. To be blunt, that will never happen again. DOE's own project milestones call for foreign cost sharing agreements to be presented to Congress for approval in June of this year. Not one such agreement has been or will be delivered by that milestone. In fact, DOE has only been able to secure one pledge of $50 million. If we need further proof that the $1.7 billion in foreign contributions is an unrealistic figure, we need only refer to the assessment contained in an October 1990 DOE status report prepared for the White House. It stated the following:

> * * * We believe that we are unlikely to meet the administration's goal for non-Federal participation (one-third of the total project cost) in the foreseeable future.

DOE's analysis of the foreign contribution situation suggests that much of the anticipated foreign support will come late in the project, if at all. However, DOE's funding schedule for the SSC calls for receiving a total of $660 million in foreign contributions between fiscal year 1992 and fiscal year 1995. If DOE's analysis of the foreign situation is accurate and these scheduled contributions do not come in on time, the Department will either have to ask Congress for additional appropriations to make up the difference or accept schedule slippages that add more than $1 million a day to the project.

This bleak outlook has become even bleaker. An article in yesterday's New York Times reported that Japan has told the United States it will be very reluctant to contribute to future United States science projects because of funding uncertainties surrounding the space station. DOE has been counting on Japan to provide $1 billion to the SSC.

In the face of these problems, the Department has been backing away from the one-third pledge. In testimony and in written communications to my subcommittee, it is now referring to the one-third non-Federal contribution as a goal. It is very clear DOE will not recommend that Congress abandon the project if the foreign contributions do not materialize. Thus, it is very clear that the taxpayers will likely be called upon to fund another $1.6 billion in costs associated with this project. Unfortunately, it will only be after billions have been sunk into the project that the Department will admit that these additional costs will have to be borne by the taxayer.

As a result of these factors, the current taxpayer exposure is much higher than the $5.649 billion that DOE claims. I have prepared a chart which provides a more realistic assessment of what Congress can expect to be the bill to the taxpayers. To summarize, DOE's cost estimate leaves out significant associated costs and is overly optimistic about the true prospects of receiving $1.7 billion in foreign contributions. Taking the associated project costs of $816 million that I outlined earlier, and adding that to DOE's estimate of $8.249 billion, and adjusting this total for the $50 million pledged by India and the $875 pledged by Texas, we see that the true current project cost is $9.1 billion and the current liability faced by the taxpayers is $8.15 billion. This is $2.5 billion higher than the Department's reported Federal share of the project cost estimate.

In light of this, it is ironic that just last year the Department supported the authorizing legislation approved overwhelmingly by 309 Members of this body that set a $5 billion cap on Federal expenditures for this project. Even the Department's own numbers no longer comply with that cap. The true numbers certainly don't. Not surprisingly, DOE's representatives now tell us that the Department no longer supports such a cap. Will this House stand by the cap it voted overwhelmingly to establish only last year? That is what this amendment is all about.

Doubts about the project go beyond cost and contribution projections. DOE has established what it terms a success oriented approach and schedule for this project. This means that it has set a very short timeframe for the accomplishment of some very complicated tasks and the resolution of highly complex technical questions. The problem with such an approach is that everything is so tightly wound together that a failure in any one area will lead to delays and increased costs in other areas. One dangerous result of this nose-to-tail scheduling is the constant temptation to cut corners or ignore technical problems in an effort to stay on schedule.

Congress must insist on knowing the full, true cost of a project, and that means the cost of doing it right and building it to perform up to expectations. If a schedule is designed in a way that threatens those goals, then Congress has not received an accurate cost estimate, and the cost will either rise to reflect unavoidable schedule delays or else the country may end up with a multibillion-dollar project built to cost but unable to work as intended. There are already some troubling signs about the DOE's approach.

The project has already missed important milestones, including development of the project management plan, the request for proposals for main ring dipole magnets, the request for proposals for main ring quadrupole magnets, agreements on foreign participation, and the record of decision on the supplemental environmental impact statement. While no great problems have emerged as a result, the fact that even these relatively easy, but important, milestones have already slipped raises questions about what will happen to the milestones for the more difficult, technically complicated tasks.

In fact, there have already been unanticipated problems in the magnet development program. Quality control problems at Fermi Lab were serious enough to compel the SSC lab management to establish a second line of industrial fabrication of SSC dipole magnets at Brookhaven. This second track, which will have Westinghouse working with one design at Brookhaven National Lab while General Dynamics works with a different design at Fermi Lab, is costing an additional $6.5 million in fiscal year 1991 that was not in the budget. The money is being drawn from management reserves and DOE contingency funds.

There has also been a significant setback in the detector program. just recently one of the two detector collaborations, that associated with the L* detector group, has fallen apart. As a consequence former L* participants are reluctant to engage in further cooperation with the SSC lab or DOE, and because of the length of time it takes to establish a consortia and settle on a detector design, it seems likely that there will be only one large detector on line when the SSC accelerator is commissioned in 1999. This raises serious questions about whether the SSC will be able to deliver the full range of science that has been promised to Congress and American taxpayers.

Finally, after the SSC is commissioned, its operating costs will swamp the high energy physics budget. The entire budget request for all other high energy physics accelerator facilities is approximately $516 million in fiscal year 1992. The projected annual cost of operating the SSC after it is commissioned is $380 million in fiscal year 1992 dollars. That is 74 percent of the entire budget for all of the accelerator labs. DOE concedes that some existing facilities will have to be closed in order to manage this budget drain. If the costs of a second large detector, which could cost up to a billion dollars, roll over into the operating years, the annual operating cost will increase even more.

In conclusion, this project is already showing traits similar to those of many white elephants of the past. Costs grow. Timeframes stretch out. Every baseline estimate that goes awry is replaced by a new and improved version, which we are assured is the final and correct one. Until, that is, it too goes awry and is replaced by another new and improved estimate. The project is designed so that there are only two stages: Too soon to tell and too late to stop. The objective of DOE is to get Congress to sink so much money into the project that it is compelled to continue funding even when it is clear the costs will be much higher than originally projected, and the project may not deliver what was originally promised. The Department's theme seems to be: "Promise them anything, just don't let them find out the true cost."

History is full of failed projects and boondoggles that have moved through this body with the same game plan. The Synthetic Fuels Corporation, the Clinch River Breeder Reactor, the Isabelle Particle Accelerator, and Westway just to name a few. Eventually, they were killed but generally only after hundreds of millions of dollars were wasted, and deserving programs were left to die on the vine due to lack of available resources.

How many more times must we fall for the same kind of wallet-on-a-string-trick? Must this body always allow billions of dollars to be squandered on a project before we can stand up and say "No more"? This amendment affords us an opportunity to be honest with the taxpayers and honest with ourselves before billions of dollars are wasted.

I urge a "yes" vote on this amendment to terminate the SSC.

□ 1510

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLPE] has expired.

(On request of Mr. GLICKMAN, and by unanimous consent, Mr. WOLPE was allowed to proceed for 1 additional minute.)

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. Mr. Chairman, I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I rise in support of the amendment primarily because the House went on record last year as supporting a cap for this project. I see that cap slipping away from us. The $5 billion Federal commitment seems to be going down the drain, and in this era of very limited Federal dollars, science, and otherwise, I think that this amendment offers us an opportunity to say that the super collider will only have a certain amount of Federal commitment and no more, and that the rest of the moneys have to be obtained from other sources. I think that this is a fiscally responsible amendment.

I applaud the statement of the gentleman from Michigan [Mr. WOLPE] as well as the authors of the amendment.

Mr. Chairman, I rise in support of efforts to withhold funding of the superconducting super collider given the uncertainties of this project balanced with our current Federal deficit.

Like a little boy in a candystore, there are many things we would like to buy with our Federal dollars. But while so much looks appealing to the child, he realizes he has limited pennies in his pocket to spend on all the candy he wants. He learns a lesson that will serve him well in his life. He must make choices based on the limits on his resources.

Like the little boy, this Congress must make a spending priority choice based on our limited available Federal funds. The SSC is simply a very expensive treat in the candystore of Federal projects that need funding.

The little boy may choose not to buy the one big expensive candy bar if it means he can, instead, purchase dozens of little penny candies. Funding the SSC will drain Federal financial support from thousands of smaller, but equally important, scientific efforts.

Perhaps the boy may decide not to purchase certain candies that he would like to have because they are not worth the price he must pay. Because of the continued escalating cost of this project and questions about whether the technology can even work, this Congress must realize that even if the SSC has some merit it is not worth the $9 billion, and rising, pricetag. We must stop pouring money into the big black hole that has become the SSC.

Last Congress, during consideration of the superconducting super collider project authorization over 300 Members of this House supported language that capped the Federal contribution to the SSC at $5 billion. Unfortunately, the Senate never considered the SSC authorization and the will of the House was ignored.

It's time to reexpress our will and our resolute to hold down wasteful spending. Just 3 weeks ago, the Department of Energy conceded that, once again, the total cost of this project was higher than previously acknowledged, now costing at a minimum $9.1 billion. This is almost a $1 billion more than the estimate DOE provided in January of this year and almost $4 billion above the original price tag for this program.

We should be skeptical when the cost increases $1 billion in 6 months and $4 billion since the first authorization just 4 years ago, and not one shovel of dirt has been turned. Further, DOE's own Independent Cost Estimating staff has determined the price may actually cost at least $11.8 billion and GAO believes future costs may continue to increase.

Will the cost ever stop skyrocketing in time for Congress to make a decision on whether to continue funding this? Apparently not, and given the unproven and questionable technology that many scientists say may not even work I think the time has come to stop funding altogether this project.

Imagine buying a house and agreeing on a price. Then each year the cost rises and you are required to pay the new price, rather than the original price, if you eventually want to own the house. You cannot stop making payments because you will forfeit your entire investment and lose the house. So you must continue to make payments on the property. This is what may happen if we don't stop funding the SSC project before construction starts.

As we sink billions of dollars into building the super collider, the cost is certain to continue to rise. Then what do we do? Stop funding it and lose the investment we have already committed or do we allow the taxpayers to be held hostage to a game of blackmail in which we must pay whatever cost is needed to finish the project.

Virtually every year I have sat in Science Committee hearings and listened to DOE officials cite increased cost figures above the previous year's estimate. Each year they claim the new numbers are more realistic than in the previous year and are unlikely to increase. Yet every year the price tag does increase. Dare we start this project only to find out halfway through that the costs have continued to escalate and we cannot finish the project unless Congress kicks in more money?

In this era of budget constraints, such a choice is no choice at all. Let's learn a lesson from the little boy buying the candy. Let's choose not to buy the superconducting super collider.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. Mr. Chairman, I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I am glad our colleague, the gentleman from Kansas [Mr. GLICKMAN], brought out that basic fact. Many people are saying, "Why should I vote against it this year when last year I voted for it?" The answer is very basic.

There is a big difference between what happened last year when we imposed a $5 billion cap and this year when the DOE's own cost estimates indicate it is going to cost $5.7 billion just for the Federal share.

Last year we talked about a 20-percent floor for foreign participation. This year we find ourselves, 12 months after the vote of last May 2, with zero foreign participation, zilch, not a penny.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLPE] has again expired.

(By unanimous consent, Mr. WOLPE was allowed to proceed for 2 additional minutes.)

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, there is another very important reason why Members are justified in changing their position on this issue at this time. In 1987, when this issue was first brought before the body, the federal budget deficit was projected by the administration at that time to be nearly zero for fiscal year 1992–93.

Right now, as we all know, the deficit, if we are honest, is going to be somewhere between $300 billion and $400 billion. And when the economic conditions and the fiscal conditions of the country change as dramatically as they have changed, then we are required, my colleagues, to make different decisions about spending priorities.

That, Mr. Chairman, is in and of itself sufficient reason for us to revisit this question and make a decision to not spend this money that we do not have.

Mr. WOLPE. Mr. Chairman, I thank the gentleman from Kansas [Mr. SLATTERY] for his observation.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

First of all, before I comment specifically on the amendment, I want to apologize to my good friend, the gentleman from Alabama [Mr. BEVILL], chairman of the subcommittee, because he is an excellent chairman. His committee does a superb job meeting the needs of the country. I know how difficult it is being a subcommittee chairman of the Committee on Appropriations myself. I know how difficult it is to deal with the incredible range of requests that come before one.

Let me simply say that my support for the Slattery amendment does not come because I have any problem at all with the committee. I have a basic problem with the administration because I have concluded that on this subject we simply cannot trust the word and we cannot trust the numbers of this administration.

This project has become an incredible dollar gobbler which will squeeze out not only taxpayers' dollars but will squeeze out an awful lot of good science all around the country, unless we make a tough-minded decision to close it down now.

I happen to think that in theory the super collider is a pretty good project. I happen to think that there is considerable information about basic physics that we can gain from it. And I have not really wanted to see this program totally shut down, but I have been forced to reach this conclusion because basically the Department of Energy has not dealt directly or honestly with the Congress since the day this project was first started.

They are playing the traditional game that agencies always play with the Congress. They lowball the program. They get it sneaked under the tent by telling us it is just going to cost a smidgen and then, by golly, like topsy it just growed and it growed and it growed. And then all of a sudden, it is out of control.

That is exactly where we are with this project. We were told originally by the number wizards down at DOE that the cost could be $5.3 billion. Now we are told, if we believe their estimates, that the cost will be $8.25 billion. And they reached that conclusion by conveniently setting aside and ignoring in their calculations a number of other items that total up to well over $1 billion.

I do not trust the Wolpe numbers that were presented here. I do not trust anybody's numbers any more, because I do not think anybody really knows what they are talking about. I think that is a very good reason to stop, because if we do not know what we are talking about, how can we go to the taxpayers and continue to say, "OK, boys, just a little bit more than last year, just a little bit more than the year before that."

We are making some excruciatingly difficult decisions in this budget. When the HEW appropriations bill comes to the floor, we are going to see that bill is shorted by about $1,700,000,000. We are going to have to vote for cuts in health care, cuts in worker programs, cuts that we never dreamed we would support, because of the limitations placed on us by the budget.

It seems to me when we are faced with those kinds of choices that we need to exercise the same kind of discipline represented by the elmination of the space station funding in the HUD bill. Unless we are willing to take on these big dollar items and shut them down until the agency has honesty enough and discipline enough to give us honest numbers and tied-together numbers, unless we are willing to do that, we really are not meeting our obligations to the middle class taxpayers of this country who sweat day in and day out to pay the country's bills.

☐ 1520

The other point I would like to make is the problem we have with foreign contributions. I swear to God, when I listen to the promises, I think we are watching a movie, waiting for Shoeless Joe Jackson. "Just build the project, and they will come." That is what they are telling us.

Yet the fact is that so far, out of all of those vaunted foreign contributions, we have only $50 million promised, not delivered, promised, from the Indian Government.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I would point out that the $50 million in question allegedly will come from the Indian Government. But they have not sent the first penny yet. What they have sent is a team of Indian scientists to Texas on our tab. So we are not collecting any money from foreign sources. We are actually paying money to foreign sources to look the project over.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

(At the request of Mr. SLATTERY and by unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, I do not want to impose on the time of the House any more. I simply again want to apologize to the gentleman from Alabama [Mr. BEVILL] for taking the floor on something that is really not any of my business. It is only my business because I represent my taxpayers, just like the gentleman does and every other Member does here. I feel that after years of having been strung along by DOE, I simply do not have any choice. In conscience, I have no choice if I am going to represent what I consider honestly to be the best interests of the country, and that is why I have taken the well for these remarks today.

Mr. SLATTERY. Mr. Chairman, if the gentleman will yield further, I want to commend the gentleman from Wisconsin [Mr. OBEY] for a brilliant statement here today. We know the gentleman in the well as being a thoughtful Member of this body, and I just deeply appreciate his remarks and thank him for them.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am somewhat befuddled by the debate that has gone on with regard to the Slattery amendment. I have been in Congress since 1985 and have been working on the SSC project since that year. When the decision was made to locate the project in my district in Ellis County, TX, in 1988, the following year we began to have this kind of debate about the project.

The first year we had this debate, quite honestly, I felt some of the cost concerns and technology concerns were valid and needed to be checked out. The second year we had basically the same debate. I thought perhaps some Members had not been listening from the year before.

This year we are having basically the same debate, and I have decided that obviously those of us who support the project have an inability to communicate, because the issues are the same, the arguments that are made against the project are the same, and the facts are the same. Yet we are not able to get the facts through to some of my honorable opponents.

Mr. Chairman, let us go through those facts. First of all, let us take the argument that was raised that the SSC funding is squeezing out other science projects.

I have a sheet from the budget of the U.S. Government, fiscal year 1992, the Office of Management and Budget. In 1991, the budget year we are in right now, we are spending $11.296 billion on basic civilian research. We are spending $15.031 billion on applied research. We are spending $3.082 billion on research and development facilities. That is a total of $29.409 billion.

How much are we spending of that on the SSC? $243 million. Eight-tenths of 1 percent.

Let us go to the proposed budget for 1992. The President proposed $12.278 billion in basic research, $16.5 billion in applied research, and $3.5 billion in research and development facilities, for a total of $32.375 billion.

How much of that is for the SSC? $534 million, of which we have already cut $100 million. That would be 1.6 percent.

Mr. Chairman, let us talk about small science, let us talk about the National Science Foundation. Their budget has doubled in the last 3 years, and we are hoping to double it again in the next 3 years. So the squeeze-out argument does not hold up when you look at the facts.

Let us talk about the magnets. There is a lot of concern that the magnets just will not work.

I have in front of me a cross-section of one of the magnets that has actually been tested and proven to work.

Let us look at the magnet test results. I have a copy of those test results in my hand. You cannot see the chart, but it shows six different test magnets. The dotted line is the performance standard, approximately 6.5 million amps. Every one of the test magnets is performing above the standard by an average of 15 percent. The test magnets are working, they are going to continue to work, and there is no question that the production magnets are not going to work.

Mr. Chairman, let us talk about the cost factor. Opponents have talked about the escalating cost estimates. In point of fact, the SSC is the most audited, reviewed, science project in the history of the Federal Government. In the last year there have been four independent cost estimates of it. The Department of Energy reviewed every one of those estimates. They decided that the $8.25 billion estimate is the most valid estimate.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I am happy to yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I want to return just for a moment to the point about the magnets that the gentleman from Texas [Mr. BARTON] was making. I think the gentleman was suggesting that the magnets have in fact been fully tested and are performing, exceeding the standards. Is it not the case that the magnets that are being tested are much smaller than the magnets that need to be built? Indeed the only testing in process is on a model that is much smaller than the real size, and the scientists are just beginning now to custom build the first full-size magnets.

Mr. BARTON of Texas. Mr. Chairman, reclaiming my time, I thank the gentleman from Michigan [Mr. WOLPE] for raising that question. In point of fact, of the 4-centimeter diameter magnet, several dozen full-scale magnets, the 50-foot long magnets were built. Those tested out above expectations. Scientists now are testing the 5-centimeter magnet. Five centimeters refer to the cross-section of the beam tube. These 5-centimeter magnets are short test magnets, approximately 12 feet long. These test magnets are being tested now, and are exceeding expectations, that is, they are exceeding the expected performance standard. There is absolutely no problem when you extend the test magnet from approximately 12 feet to 50 feet. The production magnets will work.

Mr. WOLPE. Mr. Chairman, if the gentleman will yield further, I think the gentleman from Texas [Mr. BARTON] will find that the testing that is now in process is on model magnets, not on the scale of those that will be required.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTON] has expired.

(At the request of Mr. WOLPE and by unanimous consent, Mr. BARTON of Texas was allowed to proceed for 2 additional minutes.)

Mr. BARTON of Texas. Mr. Chairman, those are not 50-foot long magnets, that is correct.

Mr. WOLPE. Indeed, they will be tested only in the string test next summer.

Mr. BARTON of Texas. Mr. Chairman, if I could reclaim my time, the point there is there is no technological challenge in going from a shorter magnet to a longer magnet. There is no new science, there is no risk factor. They are simply testing the smaller magnets first to make sure they get the basic technology down.

Mr. WOLPE. Mr. Chairman, if the gentleman will yield further, the real issue here is the mass production that will be required of the 8600 dipole magnets. The only example we have of anything mass produced of this approximate dimension was in Germany, where they mass produced some 450 magnets.

The issue is not only the technical ability to construct the size magnet required, but to mass produce these in a manner that will meet the costs and schedule that has been outlined by the proponents of the SSC. It is a very, very different magnitude of problem.

Mr. BARTON of Texas. Mr. Chairman, reclaiming my time, I am glad the gentleman from Michigan [Mr. WOLPE] raised that point. Let me point out that the SSC laboratory has recently signed contracts with both Westinghouse and General Dynamics, fixed price contracts, under budget, to produce in quantity these magnets.

If the gentleman would care to look at this particular magnet, he will see that the actual design of the magnet is such that it can be mass produced. They actually have dies where they stamp out the parts and then assemble the parts in jigs that are very tightly controlled for exact quality tolerances.

There is not going to be any problem in building these magnets in quantity. It is designed to be built in quantity with existing technology.

Mr. WOLPE. Mr. Chairman, will the gentleman yield further?

Mr. BARTON of Texas. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, if this project is to go forward, I hope the prophecy offered by the gentleman from Texas [Mr. BARTON] will prove accurate. The point that needs to be underscored is we are a long way from the production of full-sized magnets. We are even a much longer way from being able to mass produce these on time and under cost.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTON] has again expired.

(By unanimous consent, Mr. BARTON of Texas was allowed to proceed for 3 additional minutes.)

Mr. BARTON of Texas. Mr. Chairman, I thank the gentleman from Michigan [Mr. WOLPE]. I was talking about the cost argument. I was trying to point out there have been numerous cost estimates. The Department of Energy has reviewed those extensively. They feel very confident they can build this project for the $8.25 billion estimate. That is a construction estimate, not an operational estimate. Some of the concerns that the opponents have raised deal with counting operational costs as construction costs.

I would like also to point out that within the $8.25 billion cost estimate there is a contingency of $843 million. In order to use that contingency the scientists and engineers that want to spend more money have to go to a work change committee. They have to present the case for increasing the expense of the project. That has already been done several times. The work change committee has yet to approve a cost increase of what is actually being done.

So if Members actually look at what is being done, not what might be done in the future, they will see that the SSC is being built according to the cost estimate that we have today.

I would also like to point out that there is a very unique management system in place for the SSC. There is a project manager who reports directly to the Secretary of Energy, and on site has full responsibility for all aspects of the project.

They have split the science and the engineering part of the project in two. They have a very competent construction manager who has built large-scale projects in the past. He has total control over the cost of the project in terms of the nuts and bolts of it.

So if we look at the facts, the cost argument simply does not hold up.

Finally, let us talk about foreign contributions. There has been quite a bit of concern that none of these foreign contributions are coming in. I would refer my colleagues to the front page of the New York Times yesterday. The Japanese, who have committed $2.5 billion I believe to the construction of the space station are now saying that obviously if we do not build the space station, that money is wasted, and because they cannot depend on America's commitments, signed agreements in terms of the space station, they may pull away from the SSC. We are hopeful that we may get as much as $1 billion from the Japanese in foreign participation. If we do not make the statement on the floor of the House today, and on the floor of the Senate in the next month, that we are serious about building it, our foreign partners are going to back away.

We have to stay steady. That is why it is so important that we not accept the Slattery amendment, the killer amendment. Let us defeat it like we have previous amendments in the past 3 years, and go ahead and build the project.

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. If I have time, I yield to the gentleman from Kansas.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTON] has expired.

(On request of Mr. SLATTERY and by unanimous consent Mr. BARTON of Texas was allowed to proceed for 1 additional minute.)

Mr. BARTON of Texas. I yield to my friend, the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, I thank the gentleman for yielding. One thing I would just observe is that when the gentleman talks about foreign commitments, whether it is Japan or any other country in the world, there is absolutely nothing that would prevent them from stepping forward right now and making their promises that if we built this at a certain cost that they are going to have X dollars, or yen, or marks, or francs on the barrelhead. And the fact is that has not been done. That is one of the concerns that a lot of Members have, that we are going to commerce construction of this project, get 40 miles of the 53-mile trench dug, and suddenly the foreigners we were waiting on say we have an emergency at home and are not going to provide the money we have promised. That is just one concern I have.

I would like to respond to the gentleman when he suggests that somehow this is on schedule from a cost and budget standpoint. The only reason that it is on schedule right now is, because the schedule has been changed by DOE. In January of this year they upped the cost of a couple billion dollars and said that is the budget.

It is easy to stay on schedule and budget if you continually amend the schedule and budget.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTON] has again expired.

(On request of Mr. SLATTERY and by unanimous consent Mr. BARTON of Texas was allowed to proceed for 1 additional minute.)

Mr. BARTON of Texas. Mr. Chairman, I am tempted to refuse the time, but due to my respect for the gentleman from Kansas, I will accept an additional minute and yield half of that time to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, oftentimes around here we use the word "gentleman" in a rather flippant way. But in this case when I say "the gentleman," I sincerely mean it. He is truly a gentleman.

Mr. BARTON of Texas. Your time is counting.

Mr. SLATTERY. Yes; that is right.

The point I was going to make to the gentleman is that the schedule was changed earlier this year. They are on that schedule, at least they were until several weeks ago when the $8.25 billion price tag was revised to the $9.1 billion price tag. So it is continuing to change, and I do not know how the gentleman can make the argument that this project is anywhere near being done on schedule and on budget.

Mr. BARTON of Texas. If I can reclaim the last 10 seconds of my time, I make that argument because it is the truth.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTON] has again expired.

(On request of Mr. ECKART and by unanimous consent Mr. BARTON of Texas was allowed to proceed for 2 additional minutes.)

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. Mr. Chairman, again, I accept the time with reservation. I am reminded of Abraham Lincoln's argument about the man about to be hung and how much he appreciated being the center of attention, but because of the situation at hand he would rather not be the center of attention. I feel like that. I am allowing myself to be put in that similar position. But I will accept the final 2 minutes so that my worthy opponents can have a little bit more time to attack me.

Mr. Chairman, I yield to the gentleman from Ohio.

Mr. ECKART. Mr. Chairman, it is not the kill; sometimes it is the hunt that we enjoy.

To my colleague from Texas I would ask if he would identify for me the numbers that he gave us at the beginning of his remarks about the increase in the research budgets in the Federal Government. I tried to take note of them but could not.

Mr. BARTON of Texas. I am happy to Xerox this and give it to the gentleman.

Mr. ECKART. Do those increases in research and development reflect all of the agencies of the Federal Government, or just research that the gentleman focused on some agencies?

Mr. BARTON of Texas. If the gentleman will yield, the numbers I read reflect only the civilian research budget of the various agencies. There is a section for defense research that I did not read.

Mr. ECKART. The gentleman did not include DOD numbers in that?

Mr. BARTON of Texas. I did not.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, first I want to compliment the gentleman as a worthy adversary. Quite frankly, I fully believe were a lesser person advocating this project, it would not stand a chance, but the gentleman has done an outstanding job.

I want to point out on the question of foreign participants pulling away, they have never come to the table. We do not have any foreign participation.

Second, when the gentleman observes that there is no problem from his perspective, I must confess that is a Texas point of view, on magnet production, I would point out that the science adviser to the President, Dr. Bromley, has expressed serious reservations about the ability to mass produce magnets, and we are going to need 10,000 of these magnets.

Mr. BARTON of Texas. If I can just respond to that point, those concerns by Dr. Bromley were in the past. I think as a consequence of some changes that have been made in the management of the magnet program he would not have those same concerns today.

Mr. BOEHLERT. Will the gentleman yield further?

Mr. BARTON of Texas. I yield to the gentleman from New York.

Mr. BOEHLERT. I just would like to point out that next year's proposal, and this does not factor in the $100 million cut this year, so next year's proposal is for $638 million. We assume they are going to try to make up the $100 million, and the following year $710 million, then $728 million, and $733 million, and it keeps going up.

I thank the gentleman for yielding.

Mr. BROWN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a very important debate, and I hope very much that all of the Members will seriously consider the exchanges that have been taking place here.

I am in a rather peculiar position in that two of the most valued Members of the committee which I chair are leading the effort to secure passage of this amendment, the chairman of our Oversight Subcommittee Mr. WOLPE of Michigan and the ranking Republican member of that subcommittee Mr. BOEHLERT of New York. If any Members had any doubts that our committee was going to do a vigorous oversight job, I think that those doubts would be dispelled by the vigor with which the gentleman from Michigan [Mr. WOLPE] and the gentleman from New York [Mr. BOEHLERT] have taken on this project. They have done so with a great deal of background information. They have held hearings. They have reviewed numerous reports, and I would commend their comments and their criticism to all of the Members of the House.

I have to say that having reviewed their work, and admired it, as a matter of fact, I do not come to the same conclusion which they have reached with regard to eliminating the superconducting super collider. I have to tell Members first of all that there is no doubt in the scientific community of the value of this project. There is some division within the scientific community as to the apportionment of funds between large science projects such as this and smaller projects which are in the province of individual investigators or small teams.

It is my opinion in the case of the superconducting super collider that this division within the scientific community is not all that meritorious, since the management of this project has made a very real effort to make sure that there was the widest possible involvement of scientists throughout the country in the development of this project.

□ 1540

There are other important factors that need to be considered here. There is some real doubt as to whether this country is going to have the stamina and the determination to carry out any large-scale research and development projects, and I think that this is something that we need to consider very, very carefully.

The figures given by the gentleman from Texas [Mr. BARTON] with regard to our investments in research and development are accurate, and he cited them in order to put in perspective the amount that we are spending on the superconducting super collider.

What he did not say, and which I am going to say here, and I am going to say it many, many times in the future, is that our investment in civilian research and development measured as a percentage of our gross national product is two-thirds of what the Japanese are investing and about the same fraction of what the Germans are investing. We cannot continue to be world leaders in science, in technology, in the development and commercialization of advanced technology as long as we continue to underinvest in the fundamental research and development that is central to the development of all advanced technologies.

I think you all know that. I think you know that the reason that we have lost our leadership in global trade and high technology is that we have underinvested in the basic underlying knowledge on which these technologies are created.

Now, what this amendment proposes to do is to make another serious cut in that investment, and it is not the only cut which we will consider as additional appropriations bills are brought before us.

I applaud the chairman of the Appropriations Subcommittee on Energy and Water, the gentleman from Alabama, for attempting to maintain this project, even though not at full funding, and to carry it forward.

The Committee on Appropriations is faced with some very, very tough choices, and other subcommittees in making those tough choices have chosen to eliminate major programs such as the space station. I regret that, and I will do my best to obtain reconsideration of that action on the floor.

But the fact is that, under the pressure that we see facing us because of the budget, we are cutting at the heart of our investments in fundamental research, and we are doing this to the danger of our future as a leader in the world.

I think it would be erroneous to say that the superconducting super collider will not have problems. I do not know of any major project that does not have problems. I could point to the many such projects in the Defense Department which have had similar problems.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN was allowed to proceed for 5 additional minutes.)

Mr. BROWN. Mr. Chairman, at the appropriate times, we discussed these failures on the part of big defense programs to come in on schedule and under budget, and it is regrettable when these things happen, but they do.

We do not quite so often hear about the problems in some of the social programs. Last month, for example, it was indicated that the cost of the Medicaid Program is going to be $10 billion more than what we expected last year. Now, this is not a big research program. We ought to be able to compute what it is going to cost us, but we do not. We make mistakes.

This project will not come in precisely at the level that we expect. That is why it has a 10-percent contingency fund in it as has been indicated, and we hope it will come in within that 10-percent contingency, but we cannot be sure. I do not think that that is critical.

When we voted to start this project several years ago, we knew what the problems in big science were, and we presumably agreed to accept those when we voted to go ahead.

I had hoped that this project would be built in California, and, of course, that would have made it a much better project, but it was not. It was built in Texas. But I am convinced that if we cannot maintain our commitment to support these high-priority, advanced-science, state-of-the-art, world-class projects, that it strikes a blow at our leadership in the world in the future.

I am not going to renege on that kind of a commitment. We are, of course, in a very bad deficit position. We are undoubtedly going to be over $300 billion in debt.

Does that mean that we have to cut out primarily the advanced basic research programs? No, it does not. You know as well as I do that we waste hundreds of billions of dollars.

Again, I cite a recent report on the paperwork cost of Medicare, $100 billion per year. You could finance an awful lot of science programs to the benefit of this Nation by the savings you could make in the paperwork cost of Medicare.

The question is: Where are our priorities? I can tell you that unless we reverse our priorities in the areas of research and development, this Nation will continue to decline as a world leader. I think we may already have started that process of decline, regrettably. We do not make the proper priority choices. You do not make proper priority choices when you weigh a space station against the cost of veterans' care, for example. That is a very tough choice to make, and I sympathize very much with the subcommittee decision to sacrifice the space station. It was the wrong decision, but I understand how they could have come to it.

What I am telling the Members is we have got to get our priorities straight. We have got to support the things that are important to the future of this country, to our children and our grandchildren. An investment in basic research is one of those things.

What is likely to do more damage to the prospects of the superconducting super collider than anything else has already been referred to, the fact that our international prospective partners will not be partners unless they feel we are dependable partners, and they do not feel that at the present time. They do not feel we have a commitment to carry out these large-scale science projects, and the space station is going to be the perfect illustration of that. You will not get Japanese participation, you will not get European participation if you fail to fund the programs that we have already asked them to share in and they have agreed to share. If we cancel them, we will not get them to share in the superconducting super collider. That is the biggest threat that faces us, and I lay it out for you.

This is not simple. It is complex. The whole process of making choices is going to be difficult. One decision will have a ripple effect on another decision.

We have to think through where we want to go as a country. If we do not do that, we are in serious trouble.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. BROWN. I am happy to yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I want to commend my chairman and say how proud I am to serve on the committee under his leadership.

I could not agree more with the gentleman's eloquent comments about the need to invest more in science, because investments in science are investments in America's future.

But you are so right, Mr. Chairman, when you say that we have to prioritize, and I look at what we are proposing for the superconducting super collider, and I analyze it.

Is this a high-priority item? My conclusion is, no, and I point out that, for example, what we are asking for the superconducting super collider would fund the National Institutes for Standards and Technology for a quarter of a century, 25 years. It would fund the National Science Foundation for 5 years. It would fund all of those researchers who are standing in line at the National Institutes of Health.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has again expired.

(At the request of Mr. BOEHLERT and by unanimous consent, Mr. BROWN was allowed to proceed for 5 additional minutes.)

Mr. BROWN. Mr. Chairman, I would ask the gentleman not to take all of this 5 minutes.

Mr. BOEHLERT. If the gentleman will yield further, I will tell the chairman that I will not.

I could not agree with the gentleman more on the need to assign priorities. We have gone through a painstaking process in our Subcommittee on Investigation and Oversight, and we have come to conclusions, not by the seat of our pants, but after very thoughful deliberation, and our conclusion is, while this may be good science, it is not high-priority science, "and you ain't seen nothing yet in terms of the cost."

Mr. BROWN. As I said earlier, I have a great deal of respect for my distinguished colleague, and he is quite right in almost everything he said with the minor exception of his conclusion.

For one thing, in setting the priorities among science projects, I would be much more swayed by the gentleman's argument if any of this money that is saved would go to other science projects. None of it does. None of it. It will go into something else. It does not help our science posture as a result of that.

Mr. BOEHLERT. That is exactly what we tried to do. We were operating under a gag rule. We went with the gentleman's blessing to the Committee on Rules, but we were turned down summarily. We could not get the waiver that everyone else got.

Mr. BROWN. I understand. And this is a part of the other problem I referred to. We handcuff ourselves by our own procedures in the Congress in making the proper kind of priority decisions.

I am going to call this to the attention of my good friends on the Committee on Appropriations many times over.

□ 1550

We are not allowed to make the proper priority choices as the result of the procedures that we are under.

I want to humbly ask the Committee on Appropriations to allow a little participation—not very much, but a little—on the part of the authorizing committee to try to achieve the more rational priority choices we have to make in the future.

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Speaker, I want to point out to the chairman that this gentleman certainly shares your commitment to the need for scientific research in this country. I understand how important that is to the future economic competitiveness of our country.

I would point out to the gentleman, the question is, do we gain most from spending our money in this project called the superconducting super collider; or can we take that money, $4.34 million, and give it to 100 different projects, a hundred different universities perhaps around the country, and in 10 or 15 years from now we are going to be better off with the super collider, or with the money spent on the smaller science projects?

History has taught citizens very clearly that small science nets the United States greater yield over a period of time. That is where the gentleman is coming from.

We are not arguing over whether we should invest more in scientific research. I support that. What we are discussing is, where and how it can best be invested for the benefit of our country over the long term.

Mr. BROWN. Mr. Chairman, I appreciate the gentleman's support, and I know we can count on it in the future. However, as I pointed out earlier, the gentleman will not necessarily get this money that is being cut out of superconducting super collider going into small science projects. If just disappears.

I have come to the conclusion, and it is not an easy conclusion, that on balance we need to keep our commitments, we need to support a balanced program with small science and large science. This is part of such a balanced program, and that we need to be firm and constant in our support of our research and development investments.

Therefore, I ask Members to join me in opposing this amendment.

Mr. RITTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Slattery amendment.

Mr. Chairman, I know it is difficult to deal with an issue like this for many Members of Congress. There is a great deal of politics being played over the superconducting super collider, and that is the way the system works.

However, for those Members who are considering switching their vote on the superconducting super collider, let me give those Members perhaps a few reasons that they might want to consider it. One, we are in a recession right now, and at the same time we are in a race for our economic lives. The global battleground is technology. Really, the battlefield that we need to focus on is the transfer of technology for our companies, our small, our medium-sized, and our large companies. That is where we are losing out as a nation.

Now, the Federal research and development economy is about $70 billion big. Over the years, it has been driven by agencies of missions that exist to this day. That may need to change a little bit, but they are tough to change. They have been driven by the idea that science, if we invest in it, through this great big funnel, eventually comes out into technology, which eventually gets applied in the marketplace, which means jobs and economic growth.

I submit to Members that the whole model of the Federal R&D economy, $70 billion strong, does not reflect the demand, the need of our industry, of our workers, of our jobs, in this global economic battleground.

Mr. Chairman, in the period of decline of the British Empire, they were winning Nobel Prizes left and right, but that is not winning market share. We are investing in the very basic of basic, basic science when it comes to the superconducting super collider. Who knows what happens 20, 30, 40 years from now. Maybe the next smallest particle after the quark will do something for our autoworkers or for our electronic industry, but no person can really connnect the two.

This is the wrong investment for America. It is coming at the wrong time. We are in a deficit in the Federal budget. We are in a deficit in our competitiveness. Here we are investing in a great wonderful, and I do not deny the scientific high energy physics merits of this project, they are all there. However, do we really have a problem in high energy physics in America? Is that what is keeping our workers from competing in Cleveland or Bethlehem? No. The investments that we need to make are much, much closer to reality. That reality is getting the technology out there, at the cutting edge, underpinning our companies and their workers in the global competitive battle. It is transferring technology to our small- and medium-sized business and manufacturers in a way that the Federal Government accelerates, getting on-the-shelf technology off the shelf, and into our companies, and supporting our workers now.

These are the kind of things that we need to do a lot more of. Do we need a superconducting super collider at this point in our history? I listened to the arguments for 3 to 4 years. No Member has come up with an assessment of our needs that fits this superconducting super collider.

(By unanimous consent, Mr. RITTER was allowed to proceed for 3 additional minutes.)

Mr. RITTER. Initially, when in the Subcommittee on Science that first authorized the superconducting super collider, we had a debate over whether this thing was going to be helpful for America and what it was going to do for America.

I have to tell Members that in a survey of American industry, the Industrial Research Institute, which represents about 1.5 trillion dollars' worth of production of goods and services to go all over the world, there was no support for a superconducting super collider. There was not any support in the industry. Oh, yes, the Members will say that there are companies that support it. However, they are contractors. They stand to benefit directly.

It is almost impossible to get an American company to come out front, saying that they think this is a priority for America, when they are faced with a competitive challenge that each day gives them heartburn, and if we ask them whether they, their workers, or their communities are going to benefit in any way, shape, or form by a superconducting super collider, they will laugh.

We know how the system works around here. We get there the fastest with the mostest political support, and we can make just about anything happen. We can almost make hell freeze over.

However, let Members stand back. The gentleman from Kansas has offered Members an opportunity to re-think priorities. We have a chance to do something about it.

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from Texas, who has done such yeoman service on behalf of the superconducting super collider.

Mr. BARTON of Texas. Mr. Chairman, I just want to make a comment that the gentleman's comment about the many industries and companies not being supportive of the SSC.

I have a letter dated May 24 that has about 60 companies listed on it, and one of the companies is called Air Products & Chemicals. Is the gentleman in the well familiar with that company?

☐ 1600

Mr. RITTER. Is the gentleman asking if I am familiar with the company in my own district? Of course, I am familiar with it.

Mr. BARTON of Texas. Mr. Chairman, if the gentleman will yield further, I just wanted to ask if the gentleman had heard of that company. They are supportive of the project.

Mr. RITTER. Well, Mr. Chairman, the bottom line is that there are a lot of companies who are contractors, but if you go beyond the contractors, if you go beyond the universities that will benefit, if you go beyond the great spread of projects all over America, there is no support.

We are doing this here because the I and G Physics Committee——

The CHAIRMAN pro tempore (Mr. PEASE). The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 30 additional seconds.)

Mr. RITTER. We are doing this, Mr. Chairman, because a great coalition has been formed. It is a very powerful coalition. Just look at the votes that have been mobilized over the past several Congresses.

But I ask those Members who may think that our country does have a problem with competing overseas, think about priorities. The chairman talked about priorities. Think about priorities and think whether this is a priority for America at this time.

Mr. CHAPMAN. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Chairman, I rise in opposition to any amendments to the energy and water appropriations for fiscal year 1992 that would cut funding for the superconducting super collider below levels established in the committee's bill.

The debate on these amendments is about whether we should be spending Government funds on high-technology research and development. And the debate is about whether the SSC is a useful and cost-effective way to spend scarce R&D resources.

I strongly believe that the SSC will prove to be a cost-effective use of our dollars. Is there risk? Yes, there is. But it is risk we must be willing to take if we expect to stake a claim to international economic competitiveness in the 21st century.

Already more that 90 universities and research facilities are conducting SSC research. We already have magnetic resonance imaging for medical diagnosis as a result of this research. This will save lives and produce commercial sales at home and abroad.

I urge my colleagues to think about this: There are precious few areas of the Federal budget where we have the discretion to decide between spending for our own present consumption and spending as an investment in our future. Looking at our budgets as a whole, an objective observer in the 21st century will wonder why we selfishly spent today with so little regard for tomorrow.

The committee has wrestled long and hard with these issues and has already cut $100 million from the President's budget request for SSC. These ill-advised amendments would circumvent the committee's careful prioritizing. I urge my colleagues to vote "no" on the amendments.

Mr. CHAPMAN. Mr. Chairman, I yield to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Chairman, in order to be an effective Member of this body you must have a vision of the future. There are those whose vision of this project is that it is very expensive, that it costs too much; but there are many pluses to this project. Just think 30 years ago of the arguments that this body had on their vision of putting a man on the Moon. Many people thought it was too expensive, but look at what we have benefited from that investment.

I do not look at the super collider as a cost factor, but an investment, an investment in the future.

Imagine what it could do by compressing energy. Our kids will be able to see a battery about this size that will have enough energy to operate an automobile. One a little larger will provide enough energy to heat and cool our homes.

Look what it could do to the medical industry where you could stand in front of an x-ray machine that can find any tumors or cancers in your body without ever using a knife.

The Japanese have developed a Dick Tracy watch, a watch that has a telephone in it, but they cannot put it on the market because they do not have a battery small enough to develop that watch.

We would be able to develop many, many industries, many opportunities in the future by compressing energy.

So I encourage the Members not to vote for this amendment, to look at it not as a cost factor, but as investment in our children.

Mr. CHAPMAN. Mr. Chairman, let me if I may just take a minute and then let some other Members discuss some of the aspects of this project; but from the standpoint of the benefits of the super collider and some of the questions that have been asked today, good questions, questions that need to be debated on the floor of this body, but I would like to just draw the attention of my colleagues to the medical aspects, the potential medical technology that can and will come from the development of the SSC by looking to particle accelerators in the past and what they mean today in the area of diagnostic medicine, particle accelerators that were once used for basic research just as the SSC will be used for basic research today treats cancer, study the origin of headaches and let doctors look inside the human body for diagnosis and PET scans and CAT scans. All this technology is the direct result of particle physics and particle physics research.

At the Fermi Lab, the University of Illinois Medical School uses a particle beam line for their neutrino cancer therapy facility.

SQUIDS is a new technology utilizing superconducting magnets, those magnets that are being developed in this project which doctors are using to detect electrical waves in the brain to determine the cause of headaches and other neurological disorders. Accelerators are being used to generate thin x-rays which are beamed at the AIDS virus to study its structure and determine its characteristics.

In just the R&D stage of the SSC, industry has been able to improve the current-carrying capability of the superconducting cable, which is a key component of the magnets, then take that technology and that advanced cable to lead to improved medical diagnostic magnets and magnetic resonance imaging, technologies and spinoffs that occurred just this year, which will allow doctors to get a detailed picture of the inner workings of the human body without surgery.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(By unanimous consent, Mr. CHAPMAN was allowed to proceed for 1 additional minute.)

Mr. CHAPMAN. Mr. Chairman, let me just simply say that when we look to the future and our vision of America and the vision of education, science, and technology, when we look at the kinds of jobs we want to create, the kinds of medical diagnosis we want to have, there is nothing that we could be doing better than spending our resources on this kind of research and development.

The world's most powerful accelerator, the SSC, promises to continue this dynamic technology.

The CHAIRMAN pro tempore. The time of the gentleman from Texas has again expired.

(At the request of Mr. SLATTERY, and by unanimous consent, Mr. CHAPMAN was allowed to proceed for 1 additional minute.)

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. CHAPMAN. I am happy to yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, I thank the gentleman for yielding to me.

I listened carefully to the gentleman's comments about the advantages that could be derived from this for medical purposes. I would just point out to the gentleman that the scientists from Bell Labs have had the opportunity over the Senate to respond to this point, and they have made it very clear that the advantages and the discoveries dealing with MRI and some of the things the gentleman referred to have, in fact, resulted from research in the physical sciences, no question about it, but not from this kind of research that will be done in accelerators.

I think it is very important for the body to understand that. That is coming from the people at the Bell Laboratory.

Mr. CHAPMAN. Mr. Chairman, I thank the gentleman for his comments, but let me just say that the new advances this year in magnetic resonance imaging were the direct result of the SSC R&D. I am not familiar with what someone from Bell Labs has said. I am familiar with the spinoffs and the research so far on SSC and what it is going to mean to diagnostic medicine in the future of this country.

□ 1610

Mr. SLATTERY. Mr. Chairman, I point out a lot of this research is going to continue with or without the SSC, and I suggest it continue without the SSC.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman and my colleagues, I do not pretend to be a scientist or an expert in this kind of technology, but perhaps I can share with you a story that personalizes the potential of this kind of research to average Americans.

Fundamentally, the same kind of research was done at the Fermi Lab where a superconducting super collider process was used. A cancer treatment program was developed there, making the point of the importance of this kind of fundamental research. In my own district in California at Loma Linda University, a building has been completed which itself, becomes a superconducting super collider on a very small scale.

Apparently, in these experiments this is what some of these experts learned they could do: The hydrogen atom, when spun around the superconducting super collider at very rapid speeds, crashes together and the proton comes off. Apparently, the hydrogen proton is able to receive very high concentrations of radiation.

Currently, when one is being treated for cancer by way of radiation, often the greatest difficulty is that tissue is treated directly and, following that tissue's treatment, there is a flash point of heat that kills other tissue or organs, and people die from that radiation rather than purely from cancer.

This proton concentration process allows one to treat people in a different fashion. You take a particle with high concentrations of high radiation and rifle it at the same kind of tissue. There is no flash point on the other side, therefore additional organs are not killed, people do not die.

They believe they will be able to save as many as 90 percent of those who currently die from such cancer treatment. I do not pretend to be an expert about the way this technology works, but I do know this: A young woman in my district recently was advised in several circumstances that in order to save her life they had to remove her eye. She went through this treatment, and it appears that her eye will be saved. Indeed, technology can be very esoteric and still have very practical results. For that reason, Mr. Chairman, I rise to suggest to the House and say that the House and the Congress can well afford to continue expanding this type of research and development.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first let me salute the chairman of the subcommittee, Mr. BEVILL. He has a heavy burden to carry with this appropriation. We are proud of the work that he and Mr. MYERS have done. I hope that this debate, this spirited debate on an important issue, will not detract from the fine work which they have done in putting together a very, very difficult appropriation bill.

I also at this point want to commend the gentleman from Waxahachie, whom fate has dealt the awesome responsibility to serve this House as defender of the SSC. It is a heavy burden.

Mr. BARTON of Texas. If I may interrupt, it is pronounced Waxahachie.

Mr. DURBIN. I thank the gentleman. I never can quite get the Texas pronunciation.

Let me mention a few things: Before crushing its first proton, the super collider will crush our Federal science budget. Look at what we said last year in passing the authorization bill with 309 votes. We said to the super collider and all their supporters, "We are going to give you $5 billion in Federal money and nothing more. If you can't do it with $5 billion, stop the project."

That language passed this House overwhelmingly. It is a sensible instruction to people who have the responsibility of managing this awesome project.

Unfortunately, the Senate did not take up that authorization bill. Our will was worked, but it did not become law. It does not govern the project. For the people supporting the super collider today, it is probably a good thing it does not, because of the estimates coming in on the cost of the super collider. As you have heard during the course of this debate we have gone from $4.4 billion to $8 billion to $11 billion to where we don't know. It is an open-ended commitment. I think that is what brings the gentleman from Kansas to the floor today with this amendment, and that is why we think it is important that it be debated.

What does it mean if we press on with the super collider regardless of cost? Well, let us quote the associate director from the office of the super collider, a gentleman by the name of Gary Gibbs, who in testimony on May 9 of this year, and I quote:

> While some growth in high-energy physics program funding from present levels will be necessary to support a productive and balanced U.S. high-energy physics program which includes the SSC, it is likely that priority choices will have to be made and the operation of some existing facilities will have to be reduced or phased out.

What he is saying, ladies and gentlemen, and what has been verified by Nobel laureate Leon Lederman, is that if we are going to put our eggs in the super collider basket, that we will necessarily have to close down other science projects.

Now, I have heard my friend from California [Mr. LEWIS] and my friend from Texas [Mr. CHAPMAN] come to sing the praises of the research that has emanated from the Fermi Lab in Chicago. I have a soft spot in my heart for Fermi Lab not only because it is in my home State but also because as a college student I worked in Illinois to secure the funding so that we could move forward with the Fermi Lab.

But keep in mind, with all the praise you are hearing on the Fermi Lab, that the chairman of this subcommittee was faced with the prospect of closing down new-start construction at this Fermi Lab this year because the super collider would consume so many Federal dollars. If we are to press forward at the Fermi Lab with even more advances, we have got to step back and assess whether we can afford to put the massive investment necessary to complete the super collider.

This year, the chairman of the subcommittee was faced with the prospect of eliminating all new starts because of the voracious appetite of the super collider, this gourmand of Federal dollars; in fact, even cutting back on projects in his own home State, I am sure near and dear to his constituents.

But that is what it would cost this year. And if we press forward without a price tag on this project, what will it cost next year? I fear that it will go beyond new starts, new construction; that next year we will be cutting the operating budgets of the Federal laboratories across the United States. The second point I would like to make is that this Texas gila monster with a 54-mile tail snaps up every Federal dollar in sight. If we hang onto the super collider with an unknown price tag, we are going to see in each successive year for the next 10 years the majority of new Federal dollars heading toward Texas, heading toward this one project.

Let me give an example this year, an early year in the project: This subcommittee got $480 million, new dollars, for Federal scientific research. When it was all over, $198 million of it went to the super collider, over 40 percent.

If we continue that pace, it will necessarily take away from science projects of great merit across the Nation.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DURBIN] has expired.

(By unanimous consent, Mr. DURBIN was allowed to proceed for 1 additional minute.)

Mr. DURBIN. This has been a long debate, and I do not want to take any longer than 1 additional minute.

Before we sink the first shovel in that Waxahachie hole, let us stop and hold the President and this administration to a standard of fiscal accountability.

Mr. Chairman, I will vote to support the amendment of the gentleman from Kansas [Mr. SLATTERY].

Mr. BARTON of Texas. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Texas.

Mr. BARTON of Texas. I thank the gentleman for yielding.

Mr. Chairman, my recollection is that back in 1987 and 1988 there was an ad hoc working group of Members from California, Illinois, Texas, Colorado, and New Mexico that used to meet every Thursday morning or once a month on Thursday mornings to try to help advocate the project. Now, my recollection is that Congresswoman Lynn Martin, now Secretary of Labor, was a part of that group, and I seem to recall the gentleman in the well was part of that group. Is that true or not true? If it is true, what has changed the gentleman's mind about supporting the project?

Mr. DURBIN. Two things changed my mind: First, the cost of it has gone out of control. Second, the anticipated foreign contributions have not materialized.

Mr. BARTON of Texas. But it is true that you were in support of the project?

Mr. DURBIN. I certainly did support the concept. But, frankly, I am sure the gentleman would not say that he would be for this concept at any cost. That is what we are faced with now.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am a somewhat reluctant supporter of SSC, I will admit to that. I was not sure at the outset that it was the right thing to do. I was not sure it was the right place in which to commit vast amounts of Federal dollars needed for research in this country. But the fact is whether that view was right or not, it was not the view that prevailed. The view that prevailed by fairly overwhelming numbers in this Congress was that this is a project that we should do and that we should move forward with it. We have already invested several hundred million dollars in it, and we will invest much more in it in the future, there is no doubt about that.

But the question we have to begin to ask ourselves on some of these projects is: How often are we going to start down the road only to pull back and lose everything?

□ 1620

We are doing that regularly in this body, and it seems to be focusing on science, technology, and on science research. It seems that consistently now, whether it be in defense areas or in civilian areas, this Congress starts down the road, invests billions of dollars, in some cases, in projects, only to say after we get well into them, "Sorry, guys, that's it. We don't want to spend any more money."

As a result, Mr. Chairman, we lose all of the money that was spent on the project up until that point, and then we lose the final results.

Mr. Chairman, the fact is on projects like SSC we are taking substantial risks. The gentlemen who have raised questions about the project here today are exactly right. This is a risky project.

However, Mr. Chairman, I say, "You can't get good science results unless you take high risks. The risks have to be enormous in order to get enormous results, and sometimes you don't get the results you want. In fact, you fail, and that's one reason why the Government is doing these big science projects, not private enterprise, because you're doing highly risky things."

But the fact of the matter is that once we commit to some of these, we ought to follow through, and in this particular case that is what this committee is talking about. They are talking about following through.

Now I would have preferred, I say to my colleagues, the opportunity to come to the floor and endorse what the authorizing committee did last year. The authorizing committee was absolutely right last year. There is a point at which the Government should invest no more money in this project, and what the authorizing committee felt after the deliberations was at that point it was $5 billion, and we ought to invest $5 billion in the project, and that is it. Other than that, the Energy Department ought to go out and find foreign partners. We ought to find the money for additional investment there.

It is my understanding that the authors of this amendment sought to come to the floor to do exactly that. It was to cap it where the authorizers said we would be last year. That was turned down. I think that is a real shame.

Mr. Chairman, I think the processes in the House that do not permit us to make rational judgments that have been made through a hearing process in the authorizing framework just makes no sense at all, and it would be very, very useful today to be able to be on the floor, capping this project at a reasonable level and assuring for the future that the work that is being done is being done within a very, very appropriate framework. That is what we should be doing here today. I would support that.

But I also would say to all of the folks who have decided that the only option open to them, not having gotten that amendment, to kill the project completely does not make sense either because the science research budgets of this country are extremely important to the future of this country. I have heard cited the fact that we have had these massive hundreds of billions of dollars of deficits. I think I have a strong enough record that maybe I can come to the floor and talk in terms of addressing deficits. I will do it on all areas that are appropriate. But let me tell my colleagues something.

Mr. Chairman, I say to my colleagues, "The thing is that somwhere along the line, when you're spending deficit money, it ought to be invested somewhere. If you're going to spend these deficits, and we're going to do it, some of that money ought to get invested somewhere so that the people who are in the end paying interest payments on the debt that we're racking up in fact benefit from it."

Now where we are going to benefit is on some of the science research we are doing. They are the people who will really take the benefits from this, and when we are investing it in food stamps and social welfare, the fact is we are eating up all that money, and those future generations see nothing from that, and we spend all that money, and we spend it in hundreds and billions of dollar globs, but, when it comes to a few billion for science research, then all of a sudden that is where we want to pull back, and consistently this Congress is finding the places they want to cut are in science, and I think that is a shame.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(On request of Mr. RITTER and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, first of all I want to commend the gentleman from Pennsylvania [Mr. WALKER] for his leadership on the Committee on Science, Space, and Technology, and I do sympathize with his point about starting up something, and then curtailing it, and starting up something else, and curtailing it, and often this happens in the science area, and we are just witnessing right now what is going on with the space station.

The gentleman made a very important point. He said that this project, this SSC project, was extremely risky. He is right. But the superconducting super collider project was never intended to be a high-risk research project. It was supposed to be a construction project.

In other words, Mr. Chairman, when it was sold to the Congress at $4.4 billion, it was sold as follows:

> You had to dig a great big hole, and you had to provide 53 miles in circumference of magnets.

Nobody really questioned whether we could mass produce the magnets, and now, all of a sudden, we are wondering whether or not we will be able to mass produce 53 miles in circumference in magnets. Each one is 54 feet long, 17 feet in diameter, has to operate at superconducting temperatures of liquid helium.

Mr. Chairman, the gentleman from Pennsylvania [Mr. WALKER] is absolutely correct. It is a high-risk project. It is a research project, not a construction project.

So, the whole idea of caps and somehow coming up with a projected number or figure at this stage of the game does not fit with the experience of a science project.

Mr. WALKER. Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. RITTER] for pointing that out, but I would still say to the gentleman that there is, I think, a reasonable level of expectation that the Federal Government, investing $5 billion in this project, would have made the right level of investment and that others who want to share in the research and some one could come in with the additional moneys, and it might well cost well more than that, but the point is what we would be doing is seeking international cooperation.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. WALKER. Mr. Chairman, all I am saying to the gentleman is that I do not think that anybody ever kidded me about the nature of the project. Sure, it was a construction project, but we are doing things that nobody has ever done before, and that is exactly what we ought to be investing in if we are investing in real basic science research.

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, let me just point out to the gentleman from Pennsylvania [Mr. WALKER] that, if we were talking about $5 billion here today in terms of Federal exposure, I think the debate would be entirely different, but the fact is by the most conservative, optimistic estimates of cost we are up to $5.6 billion right now, and that assumes that we are going to get $1.7 billion from foreign sources. It assumes $1 billion from Texas, and the Texans have been good to their word. They put the billion dollars up in effect, but we do not have anywhere near the $1.7 billion from foreign sources. All we have is about $40 million.

Mr. WALKER. No, I agree with the gentleman on that.

Mr. SLATTERY. Mr. Chairman, if the gentleman would further yield, I would just point out that again, if we were talking about a $5 billion cap, which the gentleman suggested that he would support, and this gentleman tried to convince the Committee on Rules——

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(On request of Mr. SLATTERY and by unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. SLATTERY. Mr. Chairman, I would just point out that this gentleman and others tried to convince the Committee on Rules to allow us to put the $5 billion cap in place. I, for one, believe that would in effect be a killer amendment. We were denied that primarily because the supporters of the project opposed giving us that opportunity.

Mr. WALKER. Mr. Chairman, I realize that, and I say to the gentleman from Kansas, "The one reason though why the foreign competitors or foreign allies have not come forward for the money is they believe that Uncle Sugar is going to pay for the whole thing and they're going to get the benefits from it without having invested any money. If in fact what you did was put a cap on it and force the Energy Department to go out and aggressively come up with some foreign money, I think that it would be more likely to be brought into the works."

Mr. SLATTERY. Mr. Chairman, would the gentleman further yield?

Mr. WALKER. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, there is absolutely nothing now that would prevent the Department of Energy and this administration from going to all the foreign sources that might be possible donors to this project and securing commitments from them contingent upon this Congress stepping forward and doing what it agreed to do last year, and that is put up $5 billion.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, I just want to finish up the point.

The gentleman from Kansas [Mr. SLATTERY] is absolutely correct.

Mr. SLATTERY. I thank the gentleman.

Mr. WALKER. But the reason for that is because the Department of Energy also believes we are going to come up with the money. The Department of Energy has had no real encouragement to go out and aggressively try to find foreign money. They believe also that this project can be done fully, and, let me tell my colleagues that there are people in the Congress who have encouraged them to believe that because there are people in the Congress who have suggested to them, for instance, that we can go out and talk to the foreigners, but we cannot talk to them at all about magnet technology because we want to reserve that exclusively for ourselves.

Mr. Chairman, that puts a fairly big hindrance in negotiating with foreign partners. The big thing that we are going to learn from this project is magnets, and if in fact we are going to keep all that to ourselves, there is not much incentive for foreigners to come in. If in fact we made a real commitment to having international cooperation on this and international financing, then it would be a joint project in which everybody would share but where we would receive a good bit of money in return.

□ 1630

We have not done any of that, and I would say to the gentleman from Kansas [Mr. SLATTERY] that in my view, if we put a $5 billion cap on it, that we would end up doing the right kind of things and we would end up with both the project and with the knowledge base that grew out of the project. So I think the cap would work very well.

I am sorry that we did not get to debate the cap. I do not think it is a killer amendment at all; I think it is a very, very legitimate way of proceeding with a very high-risk technology project.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr Chairman, I thank the gentleman for yielding. The fact is, we do not have a cap. We do not have a cap. This project is open-ended.

Mr. WALKER. Mr. Chairman, the gentleman is correct. Because we do not have a cap is not the reason to kill it either. It seems to me that what we want to do is find a process by which we cap the cost but we also keep the project alive. This amendment does not take the middle ground on that. It simply says, "Kill the project completely."

I think that is the wrong approach.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(On request of Mr. RITTER, and by unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. RITTER. Mr. Chairman, if the gentleman will continue to yield, the gentleman is one of the leaders on this whole issue of the cap. We have not been successful in achieving a cap because everbody knows a cap will not work. And if we put a cap on it, we are dead. Then we will really be in a hole, having spent a lot of money and not able to go any further. The foreign countries have not committed a dime. There are some in-kind commitments for researchers from India. There is no multibillion dollar interest out there in this project because they do not see it as a priority.

Even Japan, which is floating in American dollars, which could do this at any point in time, does not see it as an investment. They would rather invest in superconductivity itself. They would rather invest in ceramics and biotechnology.

Mr. WALKER. Mr. Chairman, let me say to the gentleman from Pennsylvania [Mr. RITTER], not everybody believes that a cap will not work. I think a cap would work. I think that it is a viable way of proceeding with this project. It is too bad we did not have a chance to deal with it here on the floor today.

Mr. SWETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the opportunity to speak. I cannot fulfill this debate nearly so eloquently as my good colleague from Pennsylvania, but I do want to take a few minutes to offer my insights. Before I do, I would like to pay tribute to the chairman of my committee, the Committee on Science, Space, and Technology, who brought up a very important issue which is leadership in the science community. I also would like to thank and commend the committee for all their hard work on this bill. They have crafted a superior piece of legislation in this time of tight budgetary constraint.

Mr. Chairman, I rise today in support of the amendment offered by my colleagues Mr. SLATTERY, Mr. ECKART, and Mr. WOLPE. I generally support basic scientific research, and I believe that this country can be a leader in this area. With everything else that we do, we must receive a reasonable return on our investment.

Before I came to Congress, I worked as an architect and a builder. And builders in the private sector typically try to control change orders so that construction cost overruns do not exceed 3 percent on any given project.

It is outrageous that this program's total cost estimates already have increased by more than 80 percent. In other words, in 5 years the cost has risen by $4.1 billion, with an escalation of $850 million in just the last 4 months. Who knows how much higher the costs could go? The most important part of this project is the magnets. We do not even know if they will work and how much they will cost, and so we might be faced with even greater increases. We need to look at responsible management in this country, especially in the scientific community.

Leadership lies not only in the vision but in the clarity of that vision. We need to establishment management and setting priorities as a way of clarifying our vision in the science community.

Mr. Chairman, it is not unreasonable for the American people to expect that their tax dollars be used effectively and efficiently. And with the superconducting super collider, unfortunately this is not the case. How high will the costs for the SSC go?

A program with cost overruns like this would be cut in the private sector, and that is exactly what Congress should do. I urge my colleagues to support this amendment.

Mr. PENNY. Mr. Chairman, will the gentleman yield?

Mr. SWETT. Mr. Chairman, I yield to the gentleman from Minnesota.

Mr. PENNY. Mr. Chairman, I thank the gentleman for yielding. I rise in support of the amendment offered by Mr. SLATTERY and Mr. ECKART and Mr. WOLPE to eliminate funding for this superconducting super collider. The savings, totaling $390 million, will reduce the deficit. But in addition to that, the elimination of funding for SSC will save the American taxpayers billions of dollars in future spending.

As has been mentioned here, the growth in spending on this item has been monumental in just the past number of years and months.

Mr. Chairman, beyond the need to prioritize spending, questions remain about the SSC. Just recently the GAO called on the Congress to withhold funding for construction until management problems are corrected, and if we fail to proceed with this kind of management oversight, the SSC will literally be a worthless $10 billion 54-mile tunnel. At some point arguments will be made that it is too late to stop, too much has already been expended.

Let us take a page from the B-2 bomber and other boondoggles and turn this funding spigot off before the trickle of money turns into a torrent that overwhelms our ability to stop it.

Today is the time to stop funding before we dig a tunnel of debt.

If I might shift gears, I want to make it clear that the gentleman from Michigan [Mr. UPTON] and myself and others have formed a bipartisan group to analyze appropriation measures as they come before the floor. We are not offering a separate amendment today because we felt it important to join in support of the Slattery-Eckart-Wolpe amendment.

The budget agreement last fall did not include provision that abdicates congressional responsibility to root out wasteful spending. The amendment before us eliminating SSC funding is a perfect example of what needs to be done to stop wasteful spending. This is an unauthorized project and it fits the definition of those types of spending items that Mr. UPTON and I will try to root out as appropriation bills are brought before this body in the future.

I urge adoption of the Slattery-Eckart-Wolpe amendment.

Mr. CHAPMAN. Mr. Chairman, will the gentleman yield?

Mr. SWETT. Mr. Chairman, I yield to the gentleman from Texas.

Mr. CHAPMAN. Mr. Chairman, I would like to ask the gentleman to draw on his experiences as an architect concerning these cost estimates and relate this, if he would, to this project.

I would like to ask the gentleman, as an architect, if I came to you and asked you to build a project or to design a project and the first thing I told you is it had never been built before and that it would have technologies that did not exist at the time I asked you to design it, and I cannot even tell you where it is going to be, would it surprise you if there were some change orders that came along the way during the process of the design, of the construction of that project under those circumstances? Because as the gentleman has asked about the last 5 years, that has been precisely the situation.

The CHAIRMAN. The time of the gentleman from New Hampshire [Mr. SWETT] has expired.

(On request of Mr. BARTON of Texas, and by unanimous consent, Mr. SWETT was allowed to proceed for 5 additional minutes.)

Mr. CHAPMAN. Mr. Chairman, If the gentleman will yield further, in other words, to condemn the Department of Energy for a cost estimate that was 5 years ago when they did not know where it was going to be built at the time; Texas did not win the site competition until November of 1988. This project, this collider has never been built. There is not one like it anywhere in the world and it involves technology that did not exist at the time it was conceived.

So I would just ask the gentleman, as an architect, if I had given him a building project with those same parameters, would he be surprised to see in the development of the final design and the location and the technology that there would be some cost changes?

Mr. SWETT. Mr. Chairman, the gentleman raises a very pertinent question. The experience that I have in the professional world is that when posed with a project such as this major, we break the expense into two separate compartments. One is the design cost and the second is the construction cost. And the two are negotiated separately.

Essentially, when we go into construction, we are looking at a complete set of documents with a location and the prerequisite permits for the construction of that facility. In this case, we were operating with the two processes combined, which is my understanding. And I think that is where the project fell into the deep, dark hole that it now finds itself in. I believe that we ought to revisit the design portion of this and there ought to be caps, as the gentleman from Pennsylvania referred to earlier, and that they ought to be specifically addressing the design portion of this.

If we are going to get into construction, that is a separate matter that ought to be put under a construction cap. There is a fixed bid, and we ought to stay under those cost contraints.

Mr. CHAPMAN. Mr. Chairman, if I may say, I think the gentleman makes my point from the standpoint that it has just been recently that the final cost estimates have been arrived at and the contracts let since that time, according to the best information we have, have both been on or under budget. The project is on schedule, both from the design and the construction part of it.

Mr. SWETT. Mr. Chairman, I would like to just point out that that budget and those schedules have been altered, and what has not changed is the basic design of the project. Typically in a construction designed and built project, your budget alters when the design of the project incorporates new and additional information, expanded scope, changes in that nature.

□ 1640

At this point in time we are looking at the same project we started out with, and yet we are moving schedule, we are moving budget, and I find that to be irresponsible management. That is one reason why I have no confidence that the appropriations we are seeking today are the cap, and that we are probably going to end up with a project double what we are asking for at this point in time.

Mr. CHAPMAN. Mr. Chairman, if the gentleman would yield further, I appreciate his comments. I think, though, that the record would reflect that the actual design of the SSC technically and to some extent is still evolving, but the actual design, the size of the tunnel, for example, has changed just within the last year, so the evolution of the design, there has been an evolution of the design since 1985 or 1986. I am simply saying that because since the design has been approved, since DOE has done the independent cost estimates, the project is on schedule and under budget. I would just like to point that out.

Mr. SWETT. Mr. Chairman, reclaiming my time, if the gentleman from Texas [Mr. CHAPMAN] will also let me reiterate, when one designs a project and when one builds a project, we are looking at two different phases. We have mish-mashed this whole thing together and put ourselves in a position where I believe there is no responsibility toward the construction budget, because no one has any real idea of what the design of this is actually going to end up being.

With that irresponsible approach, I believe we are looking at a budget that is going to continue to grow, and the design will continue to move around, until we end up doubling, not to the $9 billion we are looking at today, but we will be closer to $18 billion. That, in my mind, is the greatest fear that I have for the taxpayers of this good country.

Mr. SHAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. BLILEY. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from Virginia.

Mr. BLILEY. Mr. Chairman, I thank the gentleman for yielding. I rise in opposition to the amendment and in support of the bill.

Mr. Chairman, I rise in support of the energy and water development appropriations bill. Included in this important measure are two items that are of great concern to the people of the Third District.

Of course, this bill continues the strong support of the Richmond Floodwall Program. I am pleased to announce that this body's confidence in the city of Richmond and the Norfolk Division of the U.S. Army Corps of Engineers has been well placed. The construction of this project is on cost and is ahead of schedule.

Also included in this year's bill is the funds necessary to begin the planning and construction of a 3 year, $15 million Richmond filtration plant flood protection project. Originally authorized as part of the ongoing Richmond floodwall project, the filtration project was deferred in 1978. The Subcommittee on Energy and Water, under the able leadership of its Chairman, TOM BEVILL, has seen the folly of protecting the city's real estate while not protecting the people's drinking water by appropriating the seed money to get this important project planned.

I want to express my appreciation again to the chairman, Mr. BEVILL; to the subcommittee's ranking member, Mr. PURSELL; and to my good friend Mr. THOMAS of Georgia for their particular attention to these projects.

Mr. SHAYS. Mr. Chairman, reclaiming my time, I find it amazing that we would fund such an expensive project when we have not even gone through the authorization process. I have been listening to this debate, and find it helpful. I know Members want to do the right thing. But I find it amazing that all we have to do is add the word "science," and somehow we think it is a project worth funding.

Mr. Chairman, obviously there are some good science projects, and some that are not so good. I consider the superconducting super collider in the latter area.

The United States is a science creating machine without parallel. No one does scientific research better than the United States. But a country like Japan is a science consuming machine without parallel. They take what we learn and put it to practical use.

Mr. Chairman, I support the Slattery amendment. I oppose the construction of the superconducting super collider because, in my judgment, the SSC is a colossal public works project, not a science research project. We will pass the bill and spend billions of dollars while other nations will take what we learn and put it to practical application.

At one time we were looking for less than $4 billion to build the SSC. Now we are saying it is going to cost $5.8 billion. Last year this House, by a vote of 309 to 106, I believe, said we should cap it at $5 billion. This year, a group of us went to the Committee on Rules and requested that it allow us to offer an amendment to again cap it in this appropriations bill. But the Committee on Rules, in its wisdom, decided not to allow this amendment. Why?

The fact is, this project is going to cost far more than $5 billion. Because of the budget agreement last fall we are locked into spending caps for the next 4 years.

As a member of the Budget Committee, I look at opportunity costs. I know we are going to take from needed projects and we are going to put it down a hole, the big hole called the superconducting super collider.

Mr. Chairman, I urge this House to act responsibly by denying funding for this colossal project. It is a public works project, not a science project. It will cost billions of dollars more than we have appropriated, and the end result is it is going to take from science programs that are truly needed.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I want to thank the gentleman for yielding, and thank him for his excellent statement. I want to take advantage of this opportunity to respond to a very poignant story told earlier by the gentleman from California [Mr. LEWIS]. The significant point that has to be emphasized is that that cancer research the gentleman told about was done at Fermi Lab, which is in jeopardy as a result of moving forward with the SSC.

Scientists do not need the energy levels of the SSC to get hydrogen protons. They need those levels only to find smaller atomic particles and to understand the nature of matter. It is misleading in the extreme to sell this as a medical tool. You would be better off giving those dollars to individual researchers at the National Institutes of Health. We know that the approval rate for applications has gone from 60 percent to 25 percent.

Mr. HALL of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise, of course, in opposition to the amendment offered by my friend, the gentleman from Kansas [Mr. SLATTERY]. To hold back funding at this very critical stage of the SSC would I think only serve to delay the project, and in doing so, increase the initial cost that everyone objects to.

I think in fairness to the DOE and others who are negotiating for us with foreign nations, these debates, though they spawn healthy expressions and some television exposure for many Members, in fairness to the DOE, they do violence and damage to this country's efforts to get aid or any financial assistance from other nations.

Mr. Chairman, I would be remiss also if I did not thank the gentleman from California [Mr. BROWN], the new chairman of the Committee on Science, Space, and Technology, not a Texan, one who vied for the spot, who spoke in favor.

I think it is also significant that the gentleman from New Jersey [Mr. ROE], the immediate past chairman of the Committee on Science, Space, and Technology, spoke in favor.

Mr. Chairman, I think it is important to note that this Congress has spoken in favor of this project. I think it is high time that we do go forward.

Mr. Chairman, Leon Lederman's name was mentioned by the gentleman from Illinois [Mr. DURBIN], and I would be proud to quote Leon Lederman, and will quote him here. He has made an expression in the last 30 days when he testified before the Subcommittee on Energy and Natural Resources. He is a former director of the Fermilab, and a Nobel Prize winning physicist. I will just read part of what he said.

> In the period of 1983 to 1989, while director of the Fermi Lab, I was a prominent advocate of the super collider even after the site decision which located the facility in Waxahachee, TX, instead of my own State of Illinois.

That is in the very first paragraph.

In the last paragraph he says,

> In spite of all the stresses on the federal budget, the long-term investments in research and in education are crucial to the well-being of the Nation. And in any rational program which permits science a reasonable growth, the SSC should be an important factor.

Mr. Chairman, I include for the RECORD the entire statement by Dr. Lederman.

TESTIMONY OF DR. LEON M. LEDERMAN

Mr. Chairman, it is a pleasure to testify before this committee again. The issue is the Supercollider. I have a long history of association with this concept. I may have been the first to initiate the discussions in 1982 which eventually lead the particle physics community to endorse the SSC as its first priority. In the period of 1983 to 1989, while Director of the Fermi Lab, I was a prominent advocate of the Supercollider even after the site decision which located the facility in Waxahachee, Texas, instead of in my own state of Illinois.

Since then, I have been a member of the Laboratory Science Policy Committee and of the URA Board of Trustees.

In my comments, I would like to stress four points which are relevant to today's hearing.

These are: (1) the scientific drive for the SSC, (2) alternatives to the SSC, (3) the present cost estimates, schedule and technical difficulties, (4) the question of foreign participation, (5) the importance of the SSC in the context of the health of scientific research in the U.S., including the contentious issue of big science vs small science.

I. THE SCIENTIFIC MOTIVATION FOR THE SSC, REVISITED IN 1991

Discussions of a next step beyond Fermi Lab's Tevatron have been going on since 1978. These achieved a renewed fervor since 1982, stimulated by the CERN success with colliding beams of protons and antiprotons and Fermi Lab's successful mastery of superconducting magnet technology. These encouragements fortified the scientific drive for exploring a new energy frontier, twenty times higher than Fermi Lab, which is the world leader today.

In my forty years of experience, I have witnessed the birth of some four generations of new frontiers in the energy domain. Some have been strongly motivated by scientific puzzles which demanded more incisive measurements at higher energies and some had more diffuse motivations on the general thesis that higher energy usually leads to new discoveries and new insights. When President Eisenhower (of Columbia University) cut the ribbon on the 400 million volt Nevis Cyclotron, initiating the highest energy particle accelerator of 1950, he opened the door to a new domain of subnuclear research involving the properties of mesons, strong nuclear forces and the entire field of broken symmetries which have continued to prevent us from realizing the complete and, hopefully, beautiful overarching theory of how the physical universe works. (As an input to my later remarks I will point out that in this period there were about 20 particle accelerators on college campuses around the nation.)

The next generation in the billion volt range taught us about antimatter and about a complex and astonishing zoo of new particles produced in the nuclear collisions. So many were found that we were in danger of depleting the greek alphabet, our usual source of names for new particles. In this period there was a world wide entry into the field with machines in unheard of villages near Tokyo, Moscow, Geneva, Hamburg, New York and San Francisco. In the next phase, tens of billions of volts, we began to see what we now believe are the primordial building blocks of the Universe, the quarks and leptons. New accelerator technologies and new detector technologies helped to advance our understanding of matter and the forces that control the coalescence of particles to that which we can see and touch. The present generation of machines, exploring the TeV domain have revealed the full shopping list of ingredients which make a universe.

We believe we have the entire lepton picture and the quark set is missing only one of its six members, the top quark. There is a fair expectation that the top quark will be found at Fermi Lab within the next two to five years. We have now seen all the force-carrying particles, the W's, Z's, gluons and photons. We have learned how to unify and we have succeeded in unifying the weak and electromagnetic forces. Our appetites for unification and simplification have been thoroughly whetted. In an exciting new development, data from the astronomical studies of the birth of the universe (a cosmic accelerator with an unconstrained budget!) have made use of the emerging picture of particles and forces and have in turn contributed early universe data to the so-called standard model of particle physics.

It turns out that collisions in particle accelerators like the SSC are an infinitesimal replica of the normal behavior of all matter shortly after creation of the universe in the Big Bang. It should be encouraging to the Congress that, whereas the SSC may not be the very last accelerator ever wished for by scientists, it does help to close a gap in our ability to study the microworld, the gap between terrestrial machines and the Great-Accelerator-in-the-Sky.

As early as the late 70's it became clear that the Tevatron Generation (including the LEP machine at CERN, the SLC machine at Stanford, the DESY collider in Hamburg and the UNK machine in Serpuhkov) would be exceedingly unlikely to address the one enigma that confronted all our efforts. Our aspirations are for a Grand Unified Theory which would account for the six quarks and six leptons and would explain how and why we appear to have four forces. Our efforts to unify and to synthesize the deeper order which must be there is teased and frustrated by our ignorance of new phenomena that must take place at the next energy frontier—the tens of TeV frontier. In fact, the parameters of the SSC are established by a particular prediction, the possible existence of a mysterious "Higgs" phenomenon. Our theories tell us that something new must happen if we can observe with precision in the domain which SSC is designed to illuminate. In the simplest scenario, we will discover the Higgs Boson (which the Mayor of Waxahachee, Texas, has assured us we must do as a leader of nations). Higgs bosons seem to be nature's way of hiding the beauty and simplicity of its laws. Higgs fields give a variety of masses to the quarks, leptons and force carrying W's and Z's. SSC is designed to confront the Higgs theory. In more general scenarios, we will uncover the data we need to unify the forces, we will have created the scientific tool to probe more deeply into the inner space, equivalent to observing the rim of the universe in outer space. In fact, both sciences, particle physics and cosmology are essentially dependent on instruments like the SSC and the hopefully soon to be repaired Space Telescope.

By the time SSC comes on the air, the youngest of our accelerator inventory will be over 12 or 15 years old. The interval between gleam-in-the-eye and beam-in-the-Lab will have been about 20 years. In the past decade of SSC activity the motivation for exploring this domain has only become stronger. As data from CERN's LEP machine and the TEVATRON come in, the possibilities for discovery in the SSC domain only become more dramatic. I neglected to mention that Congress played a vital role in this brief history—the famed Joint Committee on Atomic Energy questioned, argued, but inevitably supported this adventure which has brought us so close to a complete synthesis. Although science has made enormous strides in all fields from Anthropology to Zoology, it would have been unthinkable not to have pursued this quest for a comprehension of the world in which we find ourselves. And since this is a Senate Committee and you are beholden to your constituents, let me assure you that this quest has pretty much paid for itself. In story after story we can tell of how the study of quarks has generated invention and technology, has generated economic activity and enhanced the well-being of our citizens. We do not propose the SSC because of its societal benefits but if it fails to deliver on this, it will be the first time in history. I have, Mr. Chairman, deleted the many attributes of SSC that are outside of the scientific drive since these have been stated here many times.

II. ALTERNATIVES FOR THE SSC

The drive to explore the "SSC-domain" is of course shared by physicists the world over. Our colleagues at CERN, the European consortium have proposed to build a "17 TeV" proton-proton collider, using the existing LEP tunnel of 17 mile circumference (LHC). It has been argued that the U.S. could save a huge sum by collaborating with CERN. As best as we can tell the cost of the two machines, when proper accounting is done, is pretty much in the ratio of the energies. The tunnel savings are more than used up in the higher field magnet technology they must master in order to partially overcome the constraints of the tunnel. My real problem with the CERN approach is that it will still require a huge investment in manyears of creative scientists and engineers as well as resources but with a much reduced guarantee of confronting the crucial scientific issues that motivate both machines.

A careful reexamination of the energy parameters by HEPAP a year ago lead to the conclusion that:

"* * * any substantial reduction in the energy of the SSC would compromise our ability to elucidate the nature of electroweak symmetry (i.e. Higgs) a truly fundamental problem at the core of the Standard Model."

Since the SSC will be the U.S. machine through the first decades of the 21st century, a constrained collaboration with the Europeans on a much weaker proposal would seem not to serve the needs of science or of the U.S. particle physics community.

III. COST ESTIMATES TECHNICAL PROBLEMS

Here I can only offer a visceral reaction to the present cost estimate. I believe there is ample contingency in the estimate to cover a host of as yet unforeseen difficulties. This is not a simple machine and the basic culture of machine designers is to devise improvements which will enhance the reliability and performance characteristics. The one concern I have has to do with the performance of industry in the fabrication of superconducting magnets. I believe we have a workable magnet design. There is now a solid core of experience at the collaborating national laboratories in the assembly of these very intricate devices. This knowledge will be transferred to industry at Fermi Lab and Brookhaven in a plan that seems to have anticipated most contingencies. Still, the record of U.S. industry in carrying out advance technological manufacture on budget and schedule is not great. I suspect this will require continuous vigilance.

I would like to stress that the cost increases have been greatly exaggerated in the press. The estimated cost of the accelerator has indeed been increased by about 30-40 percent since the early CDG estimates in 1984. However, the numbers now used are responsive to the Congressional insistence that it know the total project cost. This includes inflation, contingency (almost $1 billion), experimental equipment and pre-operating costs. Thus the current estimate of $8.3 billion should not be compared with earlier estimates of $4 billion which applied to the machine alone.

To summarize, I believe that able management can result in a machine which meets the specifications and which can be built in nine or ten years within the budget requested. It is by no means an easy machine and it will require very close monitoring by DOE, by the URA contractors and by the scientific community (HEPAP) to insure that this able management is in place and functioning well.

IV. INTERNATIONAL COLLABORATION

Here I confess to some mystification as to why progress has been so slow. I personally know of intense discussions at the scientist-to-scientist level with colleagues in Japan, Korea, Brazil, India, Italy, Taiwan, Canada, Soviet Union, Mexico. I was instrumental in obtaining a pledge from then Prime Minister Rajiv Gandhi through his Science Advisor for a $50M contribution of in-kind components for the accelerator. Such a contribution would reduce the costs of US taxpayers by 4 or 5 times that much because of low labor costs in India. Indian engineers are now in residence at SSCL so that it isn't a lost cause.

Enthusiasm for participation and recognition of mutual benefits have come from scientists and science policy officials in all the countries I mentioned. Why we haven't signed these up yet is an enigma unless it is due to the mixed signals that DOE gets from the Congress. In so far as detectors are concerned, the detectors that SSCL is encouraging have strong collaborations from Japan, Soviet Union, UK, France, Italy, Israel, Beijing, Bulgaria, Canada, Rumania, and Czechoslovakia. (Of course if I'm counting, it is not clear how we count the Soviet Union.)

My point is clear. LHC will clearly cut into the support which Europe will give to the machine construction. However, given a vigorous drive by high enough officials, I still believe that we can tie down substantial foreign contributions. Of course, there is a kind of price. The foreign nations in general want to share in the technology development by contributing interesting components. These will then not be made in the U.S.

V. THE IMPACT ON OTHER SCIENCES: BIG VS. SMALL

Mr. Chairman, during the years 1984-1989, when I was "on the road" selling SSC to anyone who would listen, I had a disclaimer: "Of course, SSC must be constructed with new appropriations. It would not be acceptable if SSC funds came out of a fixed science budget." This point was accepted by Presidents Reagan and Bush and reiterated by two Secretaries of Energy. Since that time, I have been made keenly aware of the strains in the academic science community, strains which surely exist in spite of very substantial increases in the Federal funding of science.

These strains naturally tend to make the individual investigator sensitive to what he or she would perceive as a diversion of funding to large facilities. This thereby exacerbates the conflict between those scientists that require centrally shared, expensive facilities and the traditional professors who, with a few postdocs and graduate students, do their work on campus.

It seems clear to me that the nation must find a reasonable balance between such shared facilities as telescopes, space observatories, oceanographic vessels, genome biologists, synchrotron light source materials scientists and those individual investigators who are fortunate and clever enough to do their research on a table top in the University. It is also clear to me that in general the nation is, in 1991, underinvesting in science, a statement that echoes such distinguished people as Erich Bloch, Allen Bromley, Frank Press, Congressman George Brown and Senator Al Gore, just to name a few. There are other balances that must be managed here: that between basic research and applied research, that between university research and national laboratory research and it is probably important that the health of industrial research is also of concern to the Congress. In spite of all the stresses on the Federal budget, the long term investments in research and in education are crucial to the well-being of the nation. And in any rational program which permits science a reasonable growth, the SSC should be an important factor.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. HALL of Texas. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I would also like to point out that the person being quoted, Dr. Lederman, for whom we have great respect, testified before the Senate in April that it is likely if we proceed with the SSC, we are going to have to close two other labs to make room for the funding, which means that Fermi Lab might go, or Stanford, or Brookhaven, and that is a cause of great concern.

Mr. HALL of Texas. Mr. Chairman, reclaiming my time, to the mention of shutting down two or three existing labs, I have submitted the entire speech of Dr. Lederman here. I just quoted the beginning and the ending, so Members can see his lead-in and how his finale was. Read the entire speech, and the gentleman will find he does not say what the gentleman is saying he is saying.

Mr. BOEHLERT. If the gentleman will yield further, I am like that famous newscaster who wants to tell the rest of the story.

Mr. HALL of Texas. Mr. Chairman, reclaiming my time, let me finish with the rest of the story, and I will go further. There is talk of risk. Of course, there is risk. There is risk in any worthwhile undertaking.

They have argued that there are technical risks associated with the development of the superconducting magnet. I would only ask Members to remember a similar situation as we listened to the beep-beep of the sputnik, before some of you were born. I might ask there, would they have told President Kennedy, do not go ahead with that, because there is risk, it is dangerous? It is going to be expensive?

□ 1650

Would those same people tell medical researchers today that the risks are too high, it is too expensive to look for that cure for cancer, perhaps in space?

I would suggest to Members that it is a lot of money. I also suggest that it is very important that this country regain its position as a leader in the world of technology, a position that we had in the late 1940's and early 1950's when we had a position of financial strength, respect in the eyes of the world, we were strong geopolitically, and that is what we are reaching for. It will be expensive. It has been expensive and it will be expensive.

I would only hope and suggest that we urge our colleagues, and that each of us talk to our colleagues to keep the faith, to continue the vote that they have cast heretofore on this. Perhaps some of them are opposed because their State or their site was not selected. I understand that. I did not really like it when they did not select a site in my district. I am parochial about my district. I expect other Members to be parochial about their districts.

But I ask you as Members of this Congress and as Americans who care about the future of this country, be parochial about your Nation and let us build this facility, and build it as this Congress wants us to build it.

Mr. JAMES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment to nearly eliminate a funding for the supercollider project.

Like everyone, I am all in favor of education, and good science makes for good education. But I am also all in favor of cutting the deficit, because if we don't, education—along with everything else in this country—will suffer.

This amendment would reduce the deficit. By stopping a project, the costs of which are rising with each new estimate, it would let the American people know we are ready, willing, and able to cut well-intentioned but less-than-essential spending. It will show them we can put the national financial interest above local or regional special interests.

Speaking of which, I saw in this week's C.Q. that one of our colleagues described the SSC as "one of the hungriest hogs at the Federal trough." This hog is too hungry for me.

You know what happens when a hog crosses the hog line: It is slaughtered.

Mr. Chairman. I urge my colleagues to vote in favor of this amendment.

Mr. GEREN of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the pending amendment and urge my colleagues to vote no.

Mr. Chairman, today we are asking Congress to do something that we do not do a very good job of, and that is make an investment in the future. We are pretty good at spending; not very good at investing.

The SSC must remain a national priority if we are to maintain our economic competitiveness and leadership position in basic science and technology. Building the SSC will offer important benefits to the American people and there are applications of the technology related to the SSC that are already impacting many areas of science, both big and small in universities and laboratories throughout the country. Benefits are accruing in many fields of computers, materials, sciences, medical treatment and equipment, and other high-technology areas important to the future of this country.

Critics have raised questions about the costs and scheduling of the SSC.

The message that the SSC is on time and on budget is a message that needs to be delivered over and over.

Under the leadership of the Secretary of Energy, we have a strong management team in place, a team that has successfully built technologically comparable projects and possesses world renowned technological capabilities.

The supercollider site in Ellis County, TX, has proven to be an excellent choice. A sound and comprehenisve geotechnical program is in place.

The superconducting magnet program which has been criticized today is, contrary to criticism, moving forward in a measured and thoughtful manner. This program is carefully structured to effect the transer of the magnet technology from the laboratory to industry.

The State of Texas has put its money where its mouth is—to the tune of nearly $100 million in land and $1 billion in other contributions. We must send a strong message to our partners in the project that the Congress is committed to and will continue to support and fund the project.

The SSC is a living, growing laboratory that has already brought us advances in cancer treatment and plastics technology. The SSC is expected to bring this country advances in not only cancer and other medical research, but in electronics, transportation, fiberoptics, data processing, and energy.

High-energy physics in this country has been instrumental in the last 60 years in advancing technology in this country and improving the quality of life. Because of high-energy physics, this country has made critical advancements in the treatment of cancer and other medical disorders, the invention of the television, the development of computers, and important advances in railways, shipbuilding, and automobile design and propulsion. High-energy physics has led to one success story after another.

The SSC is an integral element in this Nation's commitment to educational, scientific, and technological leadership in the next century. Our country cannot afford to do without it.

This project is on time and is under budget. There has been no indication otherwise. The SSC is the most reviewed and researched science project in the history of this country. It has come through its scrutiny with flying colors.

I urge my colleagues to vote against this amendment so that we can move forward to investing in the future of America. Vote no and invest in our children's future.

Mr. FROST. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to make a brief statement in opposition to the amendment.

Let me remind my colleagues what the SSC is all about. It is about future economic growth and technological leadership gained from advances in science and engineering. Those advocating SSC cuts tend to forget just how important the SSC will be to our Nation in terms of its potential scientific and engineering contributions.

The SSC will be one of the Nation's best scientific and engineering training grounds. A project the size and complexity of the SSC involves an incredible number of engineers, computer scientists, technicians, and physicists to complete. Only a central facility like the SSC can provide universities, scientists, and engineers an opportunity to advance many fields of research and technology at the same time.

Make no mistake about it. It is fundamental research like that contemplated with the SSC that makes technological advances possible. These advances and breakthroughs in science and technology are crucial to our future economic growth and standard of living. As a Nation, we would be foolish to turn our backs on the opportunity represented by the SSC to strengthen our future economic prospects.

We cannot accept today's proposals to, in effect, terminate the SSC. I urge my colleagues to cast a vote for the future—against this amendment and for the SSC.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. FROST. I am happy to yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I would just like to make an observation. I have been watching intently the debate in the last half hour or so. We have had opponents of the SSC from Michigan, from Illinois, from New York, from Florida, from Pennsylvania, and from Ohio, and we have heard from the proponents of the SSC from Texas, and Texas, and Texas, and Texas. I understand that. Quite frankly, if I were from Texas, I would probably be in the well with the gentleman.

But the fact of the matter is I cannot stand idly by and have this project claim to be one of the best, most important, all-encompassing projects in the history of man, when the very people who are asked to evaluate the project, the Industrial Research Institute, the private sector corporate VP's rated this at the bottom of the list of projects, big science megabucks projects that offer the most promise for the future of America. That is what I fail to understand, why the gentlemen can claim other than through parochial ties that this is such an exciting endeavor.

Mr. FROST. I will be glad to respond to my friend from New York. I guess I have the disadvantage of historical memory.

I have been in the House for 13 years now, and I do recall the early days when this project was contemplated, and I do recall the support at that time of Members from Ohio, and Michigan, and Illinois, and California, and Tennessee, and the various States that were under consideration for this project. And I do recall their very enthusiastic support, and their regular meeting, as indicated by my colleague on your side of the aisle from Texas earlier in this debate. So this project, in fact, had great support at the time that all of the other States were under consideration.

□ 1700

This project has continued to have great support as indicated by the overwhelming votes year after year in favor of this project.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. FROST. I am happy to yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I would like to point out to my colleague that I was a supporter of the SSC on May 2, 1990, when this House voted 309 to 106 to authorize the project.

Incidentally, the Senate never followed through, so this project has never, this whole endeavor, been authorized.

My diminished enthusiasm for the project is not because New York did not get it. I mean, I supported it after New York was out of the competition, but my diminished enthusiasm for this project is because of the escalating costs, the total lack of foreign participation, and just the lukewarm reception we are getting in the international community for the endeavor.

Mr. FROST. Further responding to the gentleman, I think Texans are an enthusiastic lot, as indicated by the fact that Texas has already put up most of the money that we pledged for the project. We are proud of the project, and all of us are pleased to be able to stand in support of it.

Mr. ECKART. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I intend to close the debate on behalf of the gentleman from Kansas [Mr. SLATTERY] and myself in support of our amendment.

One of my colleagues said just a moment ago that Congress spoke in favor of the SSC, just last year. My colleague from New York mentioned his support just a year ago in May.

Let us make it very clear what the Congress supported just about a year ago. We supported a spending cap of $5 billion by the Federal Government. That now has grown to somewhere between $6 billion and $8 billion. We supported a 20-percent participation by foreign governments. That has not even yielded 1 percent of the total cost. We supported creating technical milestones so that when this project is constructed, it will be constructed under the terms of appropriate engineering and science. We supported total cost assumptions which has gone past $2 billion.

We appropriated and requested that the appropriations be contingent on Texas paying $1 billion, plus land. They have paid $875 million, and hopefully will pay the balance, I have every reason to believe.

But the fact of the matter is, that like the lady entertainer on "Saturday Night Live," we are now facing the unenviable situation of having read the news, and she now says, "Never mind."

The fact of the matter is, that this House did speak in support of the superconducting super collider 1 year ago, and we did it, placing meaningful restraints—scientific, technological, engineering, and fiscal. Every single one of those constraints has been rejected.

This committee was not allowed to consider placing those restraints of support upon this appropriation and fined the nature of this bill.

What are we now asked to do here? We are asked to simultaneously research, test, design, and build the single biggest, complicated scientific project in the history of this Nation, making no comparisons with the space program at all.

We proceeded one step at a time, each of us will remember, culminating with that final great leap to the Moon when it was all done. We have had much experience with researching, testing, building, and designing all at the same time, and most of that experience rests with the Pentagon, and we know what has happened with many of those weapons systems.

We know that much of the medicine that has been talked about, the advances that have come have come from the lab of the gentleman from Illinois, which came dangerously close to closing. We have heard the proponents tell us that the superconducting super collider will cure everything except the heartbreak of psoriasis. The fact of the matter is, that the superconducting super collider will not make one person well in this country.

Mapping the human gene will; creating diamond films or conductivity of polymers, artificial intelligence, biotechnology—will make people well.

Near-term benefits and near-term costs, that is what this is all about. The fact of the matter is, that we are great at investing in this country. What we are bad at is paying, and the superconducting super collider will not pay this Nation anywhere near before it is obsolete, because the fact of the matter is, that the research that will come from this within 10 years, will no longer be of scientific value.

If you don't take my word for it, 3,500 scientists were recently polled by Gallup, and an assessment of what it is they thought this Nation should invest in, in terms of science and research for this country, and less than 3 percent of them, thought the expenditures for the superconducting super collider were worth anything at all.

Oversight, that is what the Congress is supposed to do, and that is what we are charged with. The GAO told us most eloquently, "Do not build it until you test the magnets. Do not let the tunnel construction go forward until the engineering is verified. Do not compress the time schedule. The Pentagon learned that lesson." And yet, the magnets remain a significant risk for the successful development of the SSC.

Yes, many of us have changed our positions on this matter. The Slattery-Eckart-Boehlert-Wolpe-Shays amendment reflects the change, because the fact of the matter is, that when the Congress of the United States first embarked upon acceptance of this project, the budget was supposed to be balanced in the year 1991, and if you do not believe me, just ask Ronald Reagan if that was not his plan.

But the fact of the matter is, that the best laid plans of all of us, often get thrown askew in the course of real life. The simple fact of the matter is, once again, that big science is going to step on small science in a real big way.

Everyone has commended the committee and the difficult circumstances they find themselves in, and I do not think that the sponsors of this amendment delude themselves in any way that we believe we are going to prevail.

But if we do not make this fight, if we do not ask the questions, if we do not drive home the point that it will be virtually impossible for this Nation to compete without the ability to pay for what it is that we want to compete with, we will be bankrupt—both economically and scientifically.

Indeed, George Bush was right, when he stood out on the steps of this Capitol just a few short years ago and spoke with these words, "This Nation has more will than we have wallet."

The fact of the matter is, that the superconducting super collider will crowd out everything else from our wallet. We are asked to buy before we fly. We are told it is, indeed, a blank check, but there is only one problem: This Government's signature is already on the bottom of that check.

I ask my colleagues to join my colleague, the gentleman from Kansas [Mr. SLATTERY] and the gentleman from New York [Mr. BOEHLERT] and others, in support of this amendment and make it very clear for those of us who believe that the true future of America's growth lies in improving the quality of life, which we can gain from significant improvement in real science that affects real people's lives. Not a handful of physicists operating in a deep, dark tunnel in one small part of this country.

We will vote to end the superconducting super collider and return real science to real people.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I happen to be a Member from Ohio, and I could recall the process whereby everybody was bidding. Each State was bidding to attract the super collider.

The State of Ohio was willing to put up a ton of money to attract the project to our State. Our State officials told me, as a member of the Committee on Science, Space, and Technology, it would be the greatest technology improvement the State of Ohio could ever have such a major part in if we were to land it. One of our sites was one of the final sites.

If Ohio had been fortunate enough to be chosen, Members from Ohio would be on the floor today fighting for the superconducting super collider. Members from Michigan would be fighting for the project if it were a Michigan site that was picked. Members from Kentucky would be fighting for it; Kansas would be fighting for it.

There is more political gas today colliding than any item that would collide in the great project.

Ohio did not get it. I wish we did. Things are bad.

But a State in America got it: Texas. We have had tremendous advantages from America's pursuit of the space program. The trickle down to everything else has helped every State in the Union.

So now we have come to a decision, and the winner was Texas. So what do we have here today? Now all of a sudden it is about money. Now it is about unworthiness. Today it is about political hypocrisy, because if you would have gotten the project, you would not be opening up your mouth.

I stand today for America, and I am going to tell you something, this money, like everything else, will end up overseas. It is not going to Mexico. It is not going to Korea. It is going to Texas. It is going to America. It will help America become competitive.

It was good enough through the process when we were all bidding for it and Illinois was opening up the bank for this project using every political tool and method they had, just like everybody else was. I do not know how Members are going to vote on this thing, but today, as a Member of Congress, after our country has, through a formal process, made a decision and has selected Texas, I am here today supporting the super collider, supporting America's technology gains in the future and, damn it, I am supporting Texas.

□ 1710

I would like every Member in the Congress to remember this. If this project was scheduled for your State or your district, those Members would be standing here today fighting and extolling its virtues. If the project was good enough when we bid on it, the project is damned good enough when we provided some funds for it.

I urge the Members to reject the amendment, to support the chairman of the Committee on Science, Space, and Technology and all the chairmen and leaders who have, in fact, discussed this project from day one through its process of coming up with the money.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, my colleague, as he so often does, has put his finger right on a very important point. The majority of Members of Congress that are involved with the superconducting super collider because they got calls from the Governor or the industrial development commissioner back home and said that this is a significant public works jobs program.

I have been a consistent supporter of public works jobs programs, but now we are talking about how we are prioritizing a limited science budget, and I would suggest to my colleague in the well that this does not get a high enough priority to warrant its inclusion in the budget, when we have NIH, the National Institutes of Health, researchers with worthy projects, going begging for dollars, when we do not have enough money for science and math education, to make the United States as competitive as we want to be in the future. It is a matter of priority.

I thank the gentleman for bringing that up.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, it is a matter of priority when we are talking about the super collider. I do not hear the same arguments when we are talking about $160 billion for NATO, about $20 some billion in foreign aid.

Let me submit to the Members of Congress, I do not know what the stand is of the National Institutes of Health. They are not getting enough money, then they are not doing a damn good enough job in the Congress because everybody is getting a hell of a lot of money who should not. I am talking about the project itself. It is good for our country, our country will grow, and ladies and gentleman, let me say one thing.

(By unanimous consent, Mr. TRAFICANT was allowed to proceed for 2 additional minutes.)

Mr. TRAFICANT. If America is going to be able to compete with nations that could hire people for 17 cents an hour, America is going to have to do it better. America is going to have to be smarter. America is going to have to protect our patents, our discoveries, and a greater ability through our technology to prevail, just like we did in Desert Storm.

If we are going to do that, we are going to have to make an investment, and the investment is not in Ohio. That really does frost me. I am saying to the Members of Congress that when Ohio drives up with a worthwhile project, we expect Members to pay attention to us.

However, if this project was worthwhile when the Members from Kansas were bidding on it, and your Governors were extolling its virtues, and Members were trying to highlight it and get their testimony on the RECORD, if it was good enough for the Governor from Ohio to call me, and the only time he ever called me is when he had a damn political problem. If it was good enough for the Governor, then it was good enough for the Governors of Kansas, Illinois, and Michigan, it is good enough for Texas. It is good for our country, and I ask the Members to vote for it, even though the gentleman from New York [Mr. BOEHLERT] makes such a strong, strong, argument.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. Always.

Mr. BOEHLERT. My colleague is aware of the international dimensions for this project, and the whole funding mechanism?

Mr. TRAFICANT. Reclaiming my time, I am more concerned today with America rather than international problems.

Once again, I think the domestic ramifications for America's high-technology future depend on this type of bold initiative. It will cost some money, folks, and the money will be spent in Texas. Thank God it is not overseas.

Mr. MYERS of Indiana. Mr. Chairman, I reluctantly rise in opposition to the amendment.

Mr. Chairman, I reluctantly take the floor now to speak against the amendment. I think enough has been said, probably more than enough, of what most people want to learn about the SSC. This is the most expensive research equipment this country has ever purchased. It certainly is the largest, most sophisticated, most expensive particle accelerator any nation has ever built.

There have been statements made that President Bush and/or DOE has not been honest with Congress. That they have been trying to get their foot in the door by giving estimates that were not proper, and knowing they were not proper. However, our committee does not find that to be the fact, unless a Member has some evidence that we did not have. There have been some changes that have happened since the early estimates were made on a conceptual design. The $5.3 billion was a conceptual design that was developed from a concept more than 5 years ago.

Since that time, we now have a definite site. We have a design now which has been nailed down, contrary again to what people are saying. The design is final. There will probably be some fine tuning and engineering in the final design, but the changes have already been made.

As an example, the aperture that Members see on this table, that is the tube, the size of the beam that will circulate around the circumference has been increased from 4 centimeters to 5 centimeters to make the machine more efficient, to do better work. The circumference, the distance around the tunnel, has been increased from 52 miles originally, to 54. The fact that we have had inflation since that period of time, all of these have added to the additional expense.

In addition, there is a 20-percent contingency cost to the machine, nearly $1 billion, which has helped drive up the cost.

However, we were fully apprised as a committee as these changes were being made and suggested. We have gone along with them.

The energy level, the amount of kick, the boost that will push that particle around 250,000 times a second around the tube and crash into each other has doubled in power, from 1 trillion electronic volts to 2 trillion electronic volts. All of these have cost more money, a lot more.

Now, there has been criticism about what this machine may or may not do. I do not think, really, that anyone knows for sure the capability of this machine. We have built lots of accelerators. We have them in many universities, as has been suggested today.

Look at some of the accomplishments that high-energy physics has given everyone. The supercomputers, the chips that we have been able to develop. The biotechnology. What a wide-open area we have here. It has been suggested here today about some of the accomplishments in biotech.

In the medical diagnostic work, the PET scan and the CAT scan as an example, the magnetic resonance imagery now able to examine bodies and parts of our bodies, and tell without surgery what is inside, what the problem may be. All of these have been developed because of the science that we have developed. The laser has been developed because of this. With laser surgery, we do not need to use a knife in surgery. Inoperative cancer now can be treated either by laser or by the proton beam and other accelerator beams. Cancers that would have been fatal now can be treated because we have had research.

Now, it has also been suggested because of this huge expenditure, we will probably have to cut some medical research. I do not know what medical research we are going to cut. We may not expand some of them, but the mere fact that we have the medical research, most of it came from the fact that we have done research in the past, we have built smaller machines in the past, to do this type of work.

It has been criticized that we do not know how to build the magnets. The fact is that we now have built and tested a 40-millimeter magnet. Now the magnets that will be used in this machine will be 50 millimeters. These are presently being designed. They have not been built yet, but the machines have been built at Fermi and Brookhaven and are 40 centimeters. We will increase them, the ring around them that holds the beam in 10 centimeters. We do know how to do it and it has been successfully tested. The fact is true that we have not built the 50 millimeter at this time.

Now, the criticism of the foreign involvement. Just a few weeks ago, President Bush met with the Prime Minister of Japan, and I have been told that in that discussion about Japan's involvement with the superconducting super collider, the question came up from the Prime Minister, "Is the United States going to build it?"

□ 1720

Do you think the rest of the world is not watching this debate? Would there be any reason that you would doubt whether the United States is firm in its commitment after hearing this debate today? Would you want to stick a lot of money, or even make a commitment until we know for sure the United States is going to do it?

I am surprised that as many nations have expressed interest as they have.

Yes, India has pledged $50 million. Yes, we have some scientists here that we are paying some money for their work in this country.

The CHAIRMAN pro tempore (Mr. PEASE). The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. MYERS of Indiana was allowed to proceed for 1 additional minute.)

Mr. MYERS of Indiana. Mr. Chairman, I apologize for taking this additional minute, but we are paying these people, some foreigners, and particularly the Indians, some living expenses, but this is all through the area of research.

We have some scientists living in other countries that those countries pay them; but yes, other countries will make a commitment. We do not have the absolute dollars from every country, but I do not blame them. I would not want to do it, either.

Well, Mr. Chairman, in closing, it has been suggested that now is the time when we all know how tough times are now, we do not have a lot of money; but I have often made the statement that as a nation if we only had $1 million to invest someplace, do you know of anyplace that would be better to invest that $1 million if that is all the United States had to invest than in research for the future, to be competitive with the rest of the world to solve the serious problems of health and the advancing of technology to make American industry more competitive? Is there any better place?

If I may use a personal experience, my family used to be in the theater business. One day television came in. Times were tough. Dad said, "We'll cut out advertising. We'll buy cheaper film." The rest of the family prevailed and we increased our advertising and bought better film to be competitive.

This is true today. This would not be the place to make the cut.

Again in closing, this piece of equipment, this superconducting super collider is the type of research, the high-energy physics that cannot be done at any 1 of the 100 or all the 100 so-called colliders at universities. It is a different type of research on a different level entirely. It cannot be done at Fermi or anyplace else. This is research that can only be done by this super collider. It is going to cost a lot of money, but I think it is an investment in our future that we cannot afford to pass up today.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have had a long discussion and I think a very good discussion. I think some good points have been brought out. This project has been one of the points that has concerned many because it is an expensive project. No one can deny that; but I might also point out, that in the international scientific world, it has created more excitement than any project that we have had before.

As you know, this is not a new project. This is something we have been funding and working on. We have been working on the magnets, for example, for 7 years. As you hear, they have been perfected. They are moving along. The magnets go beyond any expectations.

We talk about the cost. We come up with all these figures. Yes, the figures bounce back and forth and we all are frustrated for awhile. But back in the spring the U.S. Department of Energy made it clear that this was the total cost estimate and I think it is the best figure that we could possibly humanly get. Four panels of scientists made a review, separate reviews, the Superconducting Super Collider Laboratory, the Energy Review Committee, the High Energy Physics Review Panel, and the Independent Cost Estimate Panel.

Although it has not been mentioned, actually they presented some four different figures, each one of the panels presenting a different figure. The only thing we have heard so far today with all this talk going on here for hours, is that it is going to cost some $11 billion. Really only one panel estimated a higher cost than the estimate of $8.25 billion. The other three all hit right around that figure.

So let us get this clear once and for all about the cost estimates. These are estimates that the scientists made and they were made after many, many weeks and months of study and debate, determining exactly how much it was going to cost and considering all the changes that have been made. So that is where we are, with the $8.2 billion figure.

The State of Texas has, of course, committed $1 billion and they have already put $149 million of that into this project.

We have spent some $748 million so far on the superconducting super collider; $448 million of that $748 million was operations and $300 million is for construction. If there is a question whether or not it was under construction, there is a display over in the Cannon Building and you can see pictures showing that the project has been started for some time.

We get misinformation sometimes, I have noticed.

Secretary Henson Moore of the U.S. Department of Energy, has traveled around the world and he is very optimistic about the countries that are going to participate. But as the gentleman from Indiana [Mr. MYERS] has pointed out, these countries are looking at us. They are wanting to be sure that the United States is going along with it.

We have just pulled the rug out from under the space station in which Japan was participating. Now just one more blow, Mr. Chairman, and I think we will have had it as far as our international scientific world is concerned.

You know, actually at the rate we are going over the last few years, just as Chairman BROWN of the Science and Technology Committee pointed out, this country is slipping when it comes to scientific work.

We cannot be assured of just exactly what is going to happen in the future but I can tell you what has happened so far, and this is official. The development of the superconducting super collider components certainly are going to improve the capabilities and the expertise in U.S. industries.

We have 100 universities who are participating in this project here in the United States.

Actually, the superconducting super collider research and development has already yielded improved superconducting wire and the development of radiation resistant plastics, both having significant medical applications.

I am sorry that somebody was misinformed that this is not going to mean anything to medical care, because it has already done that. We are just getting under way. I think this is an exciting project.

The CHAIRMAN pro tempore. The time of the gentleman from Alabama has expired.

(By unanimous consent, Mr. BEVILL was allowed to proceed for 2 additional minutes.)

Mr. BEVILL. So actually, Mr. Chairman, we have talked all day about the costs. I just want to make a few remarks about that.

The $8.2 billion is what it is going to cost, counting the research that has been done, up to the time the project is complete.

There was one of the four panels added some other factors that were in error. That is why they did not come close to the other three panels that agreed that $8.25 billion is the total cost of this project. Certainly with $1.25 billion from Japan and other countries such as India, Germany, and Italy and all the other countries that have an interest in this. I might just add in closing that the Fermi lab has over $200 million in this bill.

Now, the Fermi lab, and I am not talking about my friends and colleagues in the Illinois delegation, I admire every one of them; but I am talking about the Fermi lab. After getting over $200 million in the bill, they wanted to start a new project. As I mentioned at the beginning, this is a new project that they are talking about. For that reason, we turned them down, but we had turned everybody down on every new project that has been proposed, and so this is where the difference has come in.

This is a good project. The panel that sits there and listens to days and days of testimony from the scientists, some of the best scientists in the world, are unanimous in support of this project.

The Appropriations Committee itself supports the project, the Appropriations Committee as a whole, 55 Members voted something like 3 to 1 in support of the SSC.

We have cut $100 million out and we say that that is enough and this project ought to proceed. We should be encouraging the bright young people in this Nation to get into science and to work at these labs, but so far in the last few years we have been discouraging them. If we do not turn that around, we are going to be a Third World in the scientific world.

□ 1730

Mr. Chairman, I urge a vote against this amendment and let us pass this bill.

Mr. ROSTENKOWSKI. Mr. Chairman, last year I voted against the authorization for the superconducting super collider. For that reason I rise in support of the Slattery amendment to terminate the SSC.

Not only can we not afford the SSC in terms of its projected cost, we can not afford the consequences that continuing the SSC will have on research as it relates to physics in general: Both high-energy and solid state physics research.

Recall if you will, Mr. Chairman, the opposition to the SSC project at the outset on the part of the solid state physicists who though favoring the project in principal, pointed out that given the then high cost projections for the SSC, conveyed their concerns that the SSC would adversely affect the funding for solid state research.

Mr. Chairman, we have not only seen that fear become a reality, we have gone beyond the point that the solid state physicists feared and are now confronted with the fact that the SSC is absorbing the funds committed to high energy research at facilities such as Fermi Laboratory.

But, Mr. Chairman, to compound the irony, we are about to virtually shut down high-energy research all together for a period of years in order that all available funds be provided to the SSC.

As I understand the rational for the SSC, Mr. Chairman, its basic premise is to find the answer to the most elemental question confronting physics: Why does matter has mass? The resolution to this question is premised on finding the elusive particle called the quark, a subnuclear particle.

Interestingly, Mr. Chairman, the rationale for the expansion of the Fermi lab and for the creation of the SSC is the same—the quest for the quark.

Indeed, Mr. Chairman, there is a consensus in the scientific community that it is at Fermi that we are most likely to find the quark, sooner and at a fraction of the projected cost of the SSC. As the New York Times science columnists, Malcolm W. Browne, wrote on May 19, 1991.

> There is a consensus among physicists that Fermi lab now offers the best prospect for finding the elusive quark, provided that the new upgraded injector is built for the Tevatron accelerator.

The total projected cost of the Fermi III project is $177.8 million with completion scheduled for 1996. Contrast this with the presently projected cost for the SSC of $11.8 billion as recently forecast by the General Accounting Office and with a completion date expected in the year 2005.

Mr. Chairman, I can not support the SSC when the consequence is that high-energy physics research will be stopped dead in its tracks until, optimistically, the year 2005 when the SSC is to be operable.

If we are truly concerned with maintaining a position of leadership in high energy physics research we have no alternative but to provide the necessary funds to Fermi and dispense with the unacceptably high cost and risk that the superconducting super collider entails. I support the Slattery amendment.

Mr. HOAGLAND. Mr. Chairman, I oppose funding for the superconducting super collider because I don't believe the country can afford such a questionable project at this time. The superconducting super collider would use superconducting magnets to accelerate atomic particles beams to high speeds and collide them, in order to examine the interactions of subatomic particles in the resulting reaction. I question whether we should be working to solve the mysteries of subatomic particles with this price tag, and neglect the problems faced every day by millions of working American families. I must disagree with spending billions to discover what is holding atoms together, when our full attention should be focused on what we need to do to hold our society together.

I question the SSC in terms of the Nation's scientific priorities. I believe we should focus the Nation's resources more on what is called small science, more practical consumer products. Supporters of the collider will tell you that it will help keep American technology foremost in the world. Our international competitors devote much more of their research to consumer technologies, like high definition television and semiconductors. Shouldn't we, for example, be exploring a more powerful, longer lasting battery that can be used in electric cars, or increased use of ethanol fuels? Our trade deficit is not the result of falling behind in particle accelerator technology.

Some argue that the collider technologies will spin off to produce collateral benefits. But one of the most important and most expensive components of the project, the superconducting magnets which provide the impetus to accelerate the particles, is not taking advantage of the recent advances in superconducting research. That research—an example of small science—has discovered ceramic compounds which act as superconductors at dramatically higher temperatures than the metallic alloys being proposed for the magnets for this collider. Wouldn't it be more constructive, and do more to advance America's standing in the field of superconductivity, to go slower and try to use these revolutionary changes in the super collider?

In fact, the schedule for construction of the collider dipole magnets is already so compressed that development phases overlap. Thus, when problems are encountered in a current phase, the next phase will already be underway, and incorporating changes in design will mean reengineering and wasted time. The current plans for the SSC include beginning construction on the magnets before they can be string tested, which means testing the magnets together with their support components such as the power supply and cooling systems. In 1983, the Department of Energy terminated the Issabelle collider because the superconducting magnets did not work as intended. At the time, about 75 percent of the construction had been completed. We should learn from this mistake. We should not allow ourselves to get 75 percent through this project, which would amount to nearly $7 billion, and then discover that it won't work as expected.

I am concerned that this project is a pig in a poke. We are apparently once again faced with unknown cost overruns. In 1989, Secretary of Energy James Watkins stated that the SSC would not be built if "it went a penny above $5.9 billion" in total costs. Today, the Department of Energy is telling us that the cost will be $9.1 billion, an increase of 50 percent already. That assumes that the string-testing of the dipole magnets is successful. If we have a repeat of the Issabelle mistakes, we will be looking at several billion dollars more to bail out the SSC. We will hear that familiar argument, that we have already committed too much to back out. We should not stand for these ever-escalating numbers, or assume the cost will not continue to rise.

Proponents of the collider argue that it will give us insight into the structure of atomic particles. But I would like to see more attention on the structure of our society. We must devote our energies to making health care available, educating our children, making taxes fair, and making life better for working families. No matter which way you look at it, this is too much money, too soon, for a project of highly questionable merit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. SLATTERY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SLATTERY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 165, noes 251, not voting 15, as follows:

[Roll No. 117]

AYES—165

Andrews (ME)
Atkins
Beilenson
Bennett
Bereuter
Bilbray
Bilirakis
Boehlert
Boxer
Broomfield
Bunning
Burton
Camp
Campbell (CA)
Campbell (CO)
Clement
Coble
Collins (IL)
Collins (MI)
Conyers
Coughlin
Cox (IL)
Davis
DeFazio
Derrick
Dickinson
Dingell
Donnelly
Dooley
Dorgan (ND)
Duncan
Durbin
Early
Eckart
Espy
Evans
Feighan
Fish
Flake
Ford (MI)
Frank (MA)
Gejdenson
Gillmor
Gilman
Glickman
Goodling
Gordon
Gradison
Grandy
Hall (OH)
Hamilton
Hancock
Hayes (IL)
Hefley
Henry
Herger
Hertel
Hoagland
Horn
Jacobs
James
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jontz
Kanjorski
Kleczka
Kolbe
Kostmayer
LaFalce
Lancaster
Lantos
Leach
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Machtley
Markey
Martin
McCurdy
McDermott
Meyers
Mfume
Miller (CA)
Moody
Moorhead
Moran
Morella
Murphy
Neal (MA)
Neal (NC)
Nowak
Oberstar
Obey
Owens (NY)
Pallone
Parker
Patterson
Paxon
Payne (NJ)
Penny
Peterson (FL)
Peterson (MN)
Petri
Porter
Poshard
Ravenel
Reed
Regula
Ridge
Ritter
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Russo
Sabo
Sanders
Sangmeister
Santorum
Sawyer
Schaefer
Scheuer
Schroeder
Schulze
Sensenbrenner
Sharp
Shays
Shuster
Sikorski
Sisisky
Slattery
Slaughter (NY)
Snowe
Solarz
Solomon
Spratt
Stark
Studds
Sundquist
Swett
Swift
Synar
Tallon
Thomas (WY)
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Waters
Weiss
Weldon
Williams
Wise
Wolpe
Wyden
Zeliff
Zimmer

NOES—251

Abercrombie
Alexander
Allard
Anderson
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Berman
Bevill
Bliley
Boehner
Borski
Boucher
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Callahan
Cardin
Carper
Carr
Chapman
Clay
Clinger
Coleman (MO)
Coleman (TX)
Combest
Condit
Cooper
Costello
Cox (CA)
Coyne
Cramer
Cunningham
Dannemeyer
Darden
DeLauro
DeLay
Dellums
Dicks
Dixon
Doolittle
Dornan (CA)
Downey
Dreier
Dwyer
Dymally
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Fascell
Fawell
Fazio
Fields
Foglietta
Ford (TN)
Franks (CT)
Frost
Gallegly
Gallo

Gaydos
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gingrich
Gonzalez
Goss
Gray
Green
Guarini
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefner
Hobson
Hochbrueckner
Holloway
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jefferson
Jenkins
Johnson (TX)
Jones (NC)
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Klug
Kolter
Kopetski
Kyl
Lagomarsino
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Luken
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Michel
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Morrison
Murtha
Myers
Nagle
Natcher
Nichols
Nussle
Oakar
Olin
Ortiz
Orton
Owens (UT)
Oxley
Packard
Panetta
Payne (VA)
Pease
Pelosi
Perkins
Pickett
Pickle
Price
Pursell
Quillen
Rahall
Rangel
Ray
Rhodes
Richardson
Riggs
Rinaldo
Roberts
Roe
Roemer
Rogers
Rose
Rowland
Roybal
Sarpalius
Savage
Saxton
Schiff
Schumer
Serrano
Shaw
Skaggs
Skeen
Skelton
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Spence
Stallings
Stearns
Stenholm
Stokes
Stump
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Volkmer
Vucanovich
Walker
Walsh
Washington
Waxman
Weber
Wheat
Whitten
Wilson
Wolf
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—15

Ackerman
Aspin
AuCoin
Bacchus
Bonior
Chandler
Crane
de la Garza
Engel
Hopkins
Horton
Marlenee
Mrazek
Ramstad
Staggers

☐ 1754

The Clerk announced the following pair:

On this vote:

Mr. Ramstad for, with Mr. Chandler against.

Messrs. HOUGHTON, FOGLIETTA, JEFFERSON, and SCHUMER changed their vote from "aye" to "no."

Messrs. GOODLING, GILMAN, and PARKER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $305,071,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) of said Act to issue obligations to the Secretary of the Treasury: *Provided*, That of the amount herein appropriated, within available funds, not to exceed $3,000,000 may be provided to the State of Nevada, for the conduct of its oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97–425, as amended, of which $100,000 shall be available for the State Legislature's oversight activities: *Provided further*, That of the amount herein appropriated, not more than $4,000,000 may be provided to affected local governments, as defined in the Act, to conduct appropriate activities pursuant to the Act: *Provided further*, That the distribution of the funding herein provided between the affected units of local government shall be determined by the Department of Energy (DOE) and made available to the State and affected units of local government by direct payment: *Provided further*, That within 90 days of the completion of each Federal fiscal year, each entity shall provide certification to the DOE, that all funds expended from such direct payment moneys have been expended for activities as defined in Public Law 97–425, as amended. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: *Provided further*, That none of the funds herein appropriated may be used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in 18 U.S.C. 1913: *Provided further*, That none of the funds herein appropriated may be used for litigation expenses: *Provided further*, That of the amount appropriated herein, up to $3,000,000 shall be available for infrastructure studies and other research and development work to be carried out by the University of Nevada, Las Vegas (UNLV) and the University of Nevada, Reno. Funding to the universities will be administered by the DOE through a cooperative agreement.

Mr. WILLIAMS. Mr. Chairman, I rise today to thank the Energy and Water Development Appropriations Subcommittee for the fine work they have done with the fiscal year 1992 appropriations bill.

I commend Chairman BEVILL for including two appropriations that I requested which are critical for erosion control and water supply in my home State of Montana.

Montana gave up many acres of fertile valley under the Fort Peck Reservoir and now is losing the remaining area to erosion. The mode of operation results in a wide variation in daily and seasonal stream flows. Erosion has been shown in the Corps of Engineers studies to be directly correlated to stream flows. The $1.5 million the committee included for the corp to construct stream bank stabilization structures on this reach of the Missouri River will have a payback many times over. Including control structures that protect agricultural land, provide suitable areas for fish spawning and would ensure a reliable high quality municipal water supply and make construction of permanent recreation structures possible.

The committee also included $2 million for the final design of the rehabilitation project of the Tongue River Dam located just north of the Montana-Wyoming border. The successful rehab program will allow for the resolution of the Northern Cheyenne Tribe reserved water right claims, correct a serious dam safety problem, and enhance the wildlife and fishery resources of the area.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am concerned about a couple of areas in which the committee has prioritized items in ways which I think run counter to either the administration's legitimate concerns or to directions that the authorizers have felt were necessary in our energy accounts.

For example, H.R. 2427 reduces the President's space program, the Department of Energy by about 42 percent. At the same time, the overall energy supply R&D account, from which the space programs are funded, increases by $327 million, over 13 percent.

☐ 1800

So you have a substantial increase in the account, and yet the committee felt necessary to cut back substantially on the President's efforts to involve primarily our national laboratories in a rather fascinating new major objective of supporting our space program.

Second, the committee has also seen fit once again this year to ignore the authorizing committee's efforts to have a line item for the hydrogen research. In fact, this year the committee has gone even further. Not only have they not done what the authorizing committee had specified and had a line item for hydrogen research, but they have cut below the funding levels of both the authorization and the President's budget, and, in fact, current levels of spending in hydrogen.

Now, that to me is a major concern, because hydrogen research is one of those alternative energy programs that we ought to be pursuing very vigorously. It is the one unlimited source of energy. What you have here, Mr. Chairman, is a situation where hydrogen research, an alternative energy that is both unlimited and totally clean burning, has been cut by this committee substantially.

Mr. Chairman, I understand what the committee was telling us earlier in the debate today about the fact they could not afford any new start programs. In this particular case what they have done is taken a program we have been doing for some years and producing valuable results, and cut it below current funding. I find that to be somewhat strange, given the nature of what we are attempting to achieve for the energy future of this country.

The reason why this was done is unclear to me. In the thermal and chemical storage line under the energy storage system, which includes hydrogen, first of all, as I said, there was no separate line included. But then the bill earmarks money, more than the President requested, in seasonal thermal energy storage, and that results in about a $300,000 cut to the hydrogen component.

Mr. Chairman, that is a very strange set of priorities. I am disturbed by it. I wish the committee would be a little more sensitive to what some of the authorizers do feel is in the best interest of the country. In this particular instance, I think that they have ill-served the future energy needs of the country.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I appreciate the gentleman yielding. The gentleman is making a very important point about priorities. Because of the issue which we have just discussed, massive amounts, hundreds of millions of dollars for the superconducting super collider, we are overall in our committee constrained. I know that they are in different lines, but it all comes out in the same wash. If we are going to engage on a 10-year, $10 billion effort, these smaller efforts, which are environmentally sound, appropriate uses of America's cutting edge technology, are going to suffer.

Mr. Chairman, I just wanted to mention that for the RECORD. The hydrogen program is an excellent program. Yet, we are short at the edges. We are spending hundreds of millions of dollars for these mega projects, and the small initiatives that take advantage of our technology go underfunded.

Mr. WALKER. Mr. Chairman, reclaiming my time, I thank the gentleman from Pennsylvania [Mr. RITTER] for making a good point. The point here is that some of this money is actually committed to particular line items, and, yet, it comes out of the hydrogen energy program. That is disturbing.

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words to enter into a colloquy with the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, as my friend from New Jersey knows, I am seeking a declaration of non-navigability for pier A on the Hudson River, so that the city of New York can proceed with plans for the renovation of the pier. The pier is an old marine firehouse on the Hudson River in my district and will be vacated this fall. The effect of the declaration would be to waive the Federal Government's right to require removal of the pier without compensating the owners.

In assisting the city of New York with this project, it is my intention that the declaration of non-navigability still bind the project to the standard environmental and public interest review processes that are required by the Army Corps of Engineers.

I understand that the Committee on Public Works intends to hold a hearing on the declaration of non-navigability for pier A in the near future to examine the renovations planned for pier A and the effects of the declaration of non-navigability. I would like to ask the distinguished chairman if my understanding of the committee's intentions with respect to pier A is correct?

Mr. ROE. The gentleman is correct.

Mr. WEISS. I would like to submit for the RECORD a copy of a letter the Army Corps of Engineers sent to me about the project:

DEPARTMENT OF THE ARMY,
CORPS OF ENGINEERS,
New York, NY.

Hon. TED WEISS,
Representative in Congress,
252 Seventh Avenue, New York, NY.

DEAR MR. WEISS. This responds to your March 24, 1991 and April 29, 1991 letters addressed to Mr. James Haggerty, Chief of the Eastern Permits Section, and follows up on our discussion at the close of the recent meeting on Prison Barge issues, regarding the proposed Pier A project and non-navigability declarations in the Hudson River near Battery Park in Lower Manhattan.

The Pier A project is presently in a pre-application stage. The proposal would involve conversion of the marine fire-fighting facility at Battary Park into a restaurant facility and would entail extensions of an existing deck over the Hudson River. On June 17, 1990, my Regulatory Branch staff met with representatives of the applicant and the New York City Public Development Corporation (NYCPDC) to discuss the project. Recently, representatives of NYCPDC have been in contact with my Regulatory Branch staff regarding their proposal to have the section of the Hudson River in the vicinity of Pier A declared non-navigable so that navigational servitude provisions, in case of a national emergency, would not apply to this pier. It is our understanding that the declaration of non-navigability is being sought to assist the project developers in obtaining financing for the project.

The Corps of Engineers generally discourages the declaration of areas within major waterbodies such as the Hudson River as non-navigable, as it restricts our abilities to ensure certain types of projects are not causing adverse navigational or environmental impacts. For these reasons, if such a declaration were to be authorized, we believe that language should be included in the legislation that the Department of the Army regulatory review process would still apply to projects in the area under the provisions of section 10 of the Rivers & Harbors Act of 1899, and all other applicable Federal regulations. In so doing, the concerns expressed by the New York City Clean Air Campaign will be allayed. Through issuance of a public notice describing the Pier A project or any other project proposed for the area, and conducting a public hearing if necessary, the public would have full opportunity to present their views and opinions.

We have reviewed the draft legislation enclosed with your April 29th letter and find it to be generally consistent with similar recent non-navigability declarations, including one for Lake Erie which protects the waterway from development that would be inconsistent with Federal laws enacted to protect navigational interests and the environment. The exact boundaries of the area of the Hudson River in question would need to be included in the legislation. We would request, however, that the legislation delete references requiring us to make the public interest determination within a specific time frame from the date of submission of appropriate plans for the project. Such a time restriction would likely hinder our ability to collect all available information regarding the project and perform a thorough public interest review.

While I trust this response provides the background information you need, a representative of this office is available to attend a meeting on this subject, if necessary. If you have any questions or need any additional information, please contact me or Mr. Joseph Seebode, Chief of the Regulatory Branch at (212) 264-3996.

Sincerely,

R.M. DANIELSON,
COLONEL, CORPS OF ENGINEERS,
District Engineer.

I want to thank Chairman ROE for taking the time to discuss this matter, and I look forward to cooperating with the chairman and his staff in providing any further information needed.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise for the purpose of engaging the chairman in a colloquy.

Last year, the House passed an amendment that I offered, and the chairman supported, to save the Reduced Enrichment for Research and Test Reactor Program. This program aims at eliminating the export of highly enriched bomb-grade uranium, uranium that can be diverted and used to build a nuclear bomb by terrorists or states aggressively pursuing a nuclear weapons program, states such as Iraq, which have a long history of state sponsored terrorism.

Even now, the United Nations is trying to wrest from Saddam the bomb-grade uranium it possessd for so called peaceful purposes, enough uranium to build two nuclear bombs.

I would ask the chairman if he still thinks that an effort to minimize the amount of bomb-grade uranium in circulation is a worthy cause?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, yes, I do. The committee has included $.8 million in its bill for the RERTR Program to be administered by the DOE's International Affairs Division.

Mr. SCHEUER. Mr. Chairman, reclaiming my time, would the chairman agree then that it is the express intent of Congress that the Department of Energy use these funds to continue the RERTR Program?

Mr. BEVILL. I would.

Mr. SCHEUER. Will the chairman join me in urging that in the future consideration should be given to reviving the alternative fuel development program under which all U.S. export of bomb-grade uranium would be terminated?

Mr. BEVILL. I would. Termination of all bomb-grade uranium exports could go a long way toward protecting against nuclear terrorism.

The CHAIRMAN. Are there further amendments to this paragraph?

If not, the Clerk will read.

The Clerk read as follows:

In paying the amounts determined to be appropriate as a result of the decision in Consolidated Edison Company of New York v. Department of Energy 870 F.2d 694 (D.C. Cir. 1989), the Department of Energy shall pay interest at a rate to be determined by the Secretary of the Treasury and calculated from the date the amounts were deposited into the Nuclear Waste Fund. Such payments may be made by credits to future utility payments into the fund.

ISOTOPE PRODUCTION AND DISTRIBUTION PROGRAM FUND

Revenues received hereafter from the disposition of isotopes and related services shall be credited to this account, to be available for carrying out the purposes of the isotope production and distribution program without further appropriation: *Provided*, That such revenues and all funds provided under this head in Public Law 101-101 shall remain available until expended: *Provided further*, That if at any time the amounts available to the fund are insufficient to enable the Department of Energy to discharge its responsibilities with respect to isotope production and distribution, the Secretary may borrow from amounts available in the Treasury, such sums as are necessary up to a maximum of $8,500,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

For expenses of the Department of Energy activities, including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 236 for replacement only including 13 police-type vehicles, and purchase of 4 rotary-wing aircraft, for replacement only), $11,768,500,000, to remain available until expended, of which $100,000,000 shall be for design of new production reactor capacity, to become available for obligation 60 days after issuance of the Record of Decision on the Environmental Impact Statement on New Production Reactor Capacity; and of which $20,000,000 shall be made available to the State of New Mexico to assist the State and its affected units of local government in mitigating the environmental, social, economic, and other impacts resulting from the Waste Isolation Pilot Plant: *Provided*, That a portion of the $20,000,000 received by the State of New Mexico may be provided directly to the affected units of local government in the vicinity of, and along the transportation routes to, the Waste Isolation Pilot Plant based on a State assessment of needs, conducted in consultation with its affected units of local government, and the demonstration of impacts: *Provided further*, That the $20,000,000 shall be provided upon initiation of the performance assessment phase at the Waste Isolation Pilot Plant site.

☐ 1810

AMENDMENT OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SANDERS: On page 38, strike line 9 and all that follows through page 39, line 15.

Mr. SANDERS. Mr. Chairman, according to the information that I have seen and that all of us have seen, more than half of the funds in this bill, about 55 percent or $11.8 billion will be devoted to nuclear weapons programs.

Mr. Chairman, let us be very clear that despite the title of this bill, energy and water development appropriations, this bill is much more than just an appropriation for energy and water. It is a major appropriation for nuclear weapons.

As I understand this bill, approximately $4.4 billion will go for weapons activities, including $1.8 billion for research, development and testing; $2.5 billion for production and surveillance; and $164 million for program direction.

Frankly, Mr. Chairman, I do not know exactly how much of this $11.8 billion is going for the development and production of new nuclear weapons as opposed to nuclear waste cleanup and other environmentally sound projects. I do not know that. But this I do know, I know that today there are over 5 million children in this country who are hungry. And I know that the WIC programs in Vermont and throughout this country are being grossly underfunded. I know that there are over 2 million people in this country who are sleeping out on the streets of America because the Federal Government over the last 12 years has drastically cut back on Federal aid for housing. I know that cities and towns and States all over this country are facing huge deficits because Federal aid to cities and States has been drastically cut.

I know that the President and the Congress last year authorized a $43 billion cutback on Medicare over a 5-year period for the elderly, despite the fact that many of our elderly citizens are finding a very hard time in paying for their health care needs.

Mr. Chairman, there are obviously many valuable and positive aspects of this bill, money which goes for needed water projects, funding for the development of alternative energy sources, projects which would clean up nuclear waste dumps and defense facilities as well as many other valuable and needed projects.

Mr. Chairman, I want to support those projects. But I do not want to vote one penny more for the development, the production, or the testing of nuclear weapons. Mr. Chairman, the cold war is over and we do not need more nuclear weapons. The war we must concentrate on now is the war at home, the war against poverty, inadequate health care, the lack of educational opportunity, the lack of decent jobs and decent housing. That is the war we should be concentrating on, not preparing for a nuclear war.

Mr. Chairman, I would urge support for my amendment which in essence asks the Appropriations Committee to bring us a new bill which separates the funding for nuclear weapons from the other components of this bill, many of which are quite laudable. If my amendment fails, I would urge a no vote on the entire bill.

Money for our children, yes. Money for our senior citizens, yes. Money for desperately needed domestic programs, yes. Money for nuclear weapons, no.

I yield back the balance of my time.

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment and urge that we have a no vote on this amendment.

This impacts the national security of our Nation, and if this amendment passes, it would unilaterally destroy the security of this country. So I urge a no vote.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

The committee is well aware of many areas that are in need of money. However, the Budget Act of 1990 provides that we cannot take money from defense functions of our Government and put them over into domestic program as the author of this amendment suggests. The Budget Act of 1990 just positively prohibits that, so it will not do what the gentleman wishes it to do.

So we urge a no vote on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000) $414,976,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided* *further*, That moneys received by the Department for miscellaneous revenues estimated to total $284,352,000 in fiscal year 1992 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302 of title 31, United States Code: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1992 so as to result in a final fiscal year 1992 appropriation estimated at not more than $130,624,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $31,431,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $3,218,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for the purchase, maintenance and operation of two rotary-wing aircraft for replacement only; and for official reception and representation expenses in an amount not to exceed $3,000.

During fiscal year 1992, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $23,869,000, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $28,464,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $8,820,000 in reimbursements, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (Public Law 95-91), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, $306,478,000, to remain available until expended, of which $278,173,000 shall be derived from the Department of the Interior Reclamation fund; in addition, the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $5,465,000, to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (Public Law 95-91), including services as authorized by 5 U.S.C. 3109, including the hire of passenger motor vehicles; official reception and representation expenses (not to exceed $3,000); $141,071,000, to remain available until expended: *Provided*, That hereafter and notwithstanding any other provision of law, not to exceed $141,071,000 of revenues from fees and annual charges, and other services and collections in fiscal year 1992, shall be retained and used for necessary expenses in this account, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1992, so as to result in a final fiscal year 1992 appropriation estimated at not more than $0.

GENERAL PROVISIONS—DEPARTMENT OF ENERGY

SEC. 301. Appropriations for the Department of Energy under this title for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance and operation of aircraft; purchase, repair and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services. From these appropriations, transfers of sums may be made to other agencies of the United States Government for the performance of work for which this appropriation is made. None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriation Act. The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign.

(TRANSFER OF FUNDS)

SEC. 302. Not to exceed 5 per centum of any appropriation made available for the current fiscal year for Department of Energy activities funded in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any such proposed transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 303. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

MINORITY PARTICIPATION IN THE SUPERCONDUCTING SUPER COLLIDER

SEC. 304. (a) FEDERAL FUNDING.—The Secretary of Energy shall, to the fullest extent possible, ensure that at least 10 per centum of Federal funding for the development, construction, and operation of the Superconducting Super Collider be made available to business concerns or other organizations owned or controlled by socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act (15 U.S.C. 637(a) (5) and (6))), including historically black colleges and universities and colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans or Native Americans. For purposes of this section, economically and socially disadvantaged individuals shall be deemed to include women.

(b) OTHER PARTICIPATION.—The Secretary of Energy shall, to the fullest extent possible, ensure significant participation, in addition to that described in subsection (a), in the development, construction, and operation of the Superconducting Super Collider by socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act (15 U.S.C. 637(a) (5) and (6))) and economically disadvantaged women.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and for necessary expenses for the Federal Cochairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, to remain available until expended, $170,000,000.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100-456, section 1441, $11,500,000, to remain available until expended.

DELAWARE RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $300,000.

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), $475,000.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the

Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91-407), $510,000, of which $210,000 shall be available for the local sponsor's share of the cost of the United States Army Corps of Engineers Anacostia River and Tributaries study in Maryland and the District of Columbia or other activities associated with the restoration of the Anacostia River.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by section 3109 of title 5, United States Code; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms, official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $508,810,000, to remain available until expended, of which $19,962,000 shall be derived from the Nuclear Waste Fund: *Provided*, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act of 1954, as amended, may be retained and used for salaries and expenses associated with those activities, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That revenues from licensing fees, inspection services, and other services and collections estimated at $488,848,000 in fiscal year 1992 shall be retained and used for necessary salaries and expenses in this account, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1992 from licensing fees, inspection services, and other services and collections, excluding those moneys received for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year 1992 appropriation estimated at not more than $19,962,000.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including services authorized by section 3109 of title 5, United States Code, $3,690,000, to remain available until expended; and in addition, an amount not to exceed 5 percent of this sum may be transferred from Salaries and Expenses, Nuclear Regulatory Commission: *Provided*, That notice of such transfers shall be given to the Committees on Appropriations of the House and Senate: *Provided further*, That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That revenues from licensing fees, inspection services, and other services and collections shall be retained and used for necessary salaries and expenses in this account, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1992 from licensing fees, inspection services, and other services and collections, so as to result in a final fiscal year 1992 appropriation estimated at not more than $0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100-203, section 5051, $3,294,000, to be transferred from the Nuclear Waste Fund and to remain available until expended.

SUSQUEHANNA RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), $284,000.

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), $310,000.

TENNESSEE VALLEY AUTHORITY

TENNESSEE VALLEY AUTHORITY FUND

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including purchase, hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, and for entering into contracts and making payments under section 11 of the National Trails System Act, as amended, $135,000,000, to remain available until expended: *Provided*, That this appropriation and other moneys available to the Tennessee Valley Authority may be used hereafter for payment of the allowances authorized by section 5948 of title 5, United States Code.

TITLE V—GENERAL PROVISIONS

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 503. None of the programs, projects or activities as defined in the report accompanying this Act, may be eliminated or disproportionately reduced due to the application of "Savings and Slippage", "general reduction", or the provision of Public Law 99-177 or Public Law 100-119 unless such report expressly provides otherwise.

SEC. 504. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 505. None of the funds appropriated in this Act shall be used to implement a program of retention contracts for senior employees of the Tennessee Valley Authority.

SEC. 506. Notwithstanding any other provision of this Act or any other provision of law, none of the funds made available under this Act or any other law shall be used for the purposes of conducting any studies relating or leading to the possibility of changing from the currently required "at cost" to a "market rate" or any other noncost-based method for the pricing of hydroelectric power by the six Federal public power authorities, or other agencies or authorities of the Federal Government, except as may be specifically authorized by Act of Congress hereafter enacted.

SEC. 507. Such sums as may be necessary for fiscal year 1992 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 508. None of the funds provided herein shall be used to implement the provisions of Public Law 101-576.

Mr. BEVILL (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 54, line 21, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of the bill?

Are there any amendments to the remainder of the bill?

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 54, insert after line 21 the following new section:

SEC. 509. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is reduced by 0.50 percent.

Mr. DANNEMEYER. Mr. Chairman, I would like to ask the Members here a question. The question I would like to ask the Members of the House that are in the Chamber is a simple one.

How many of my colleagues have gone to their districts and appeared at a town hall forum, and in response to a question from somebody there said that they supported a balanced budget for the U.S. Government? Members do not have to show their hands, but I suspect that many in the Chamber would have been alert to say to their constituents that, "Why, I support a balanced budget amendment for the U.S. Government."

This amendment gives Members that chance to give life to that statement they have given to their constituents low these many years that they have made statements in town hall forums, because the reality is that over this 102d Congress every authorization bill or appropriation bill is going to have an amendment offered to it to limit growth. Please hear me, I did not say cut anything. I said limit growth, 1992 over 1991, 1993 over 1992, to no more than 2.4 percent.

This bill in the form that it is before us has growth, 1992 over 1991 by 2.9 percent, so the effect of this amendment, if adopted, would be to reduce the growth by a half a percentage point to 2.4, 1992 over 1991. This would still let spending increase 1992 over 1991 by $499 million. It still tolerates that much growth. But it does reduce that growth by some $107 million.

That is what this amendment is all about.

Back in February of 1989, a little over 2 years ago, this Member took the well of the House and advised the Members we were going to have a rollcall vote, up or down, on something that would come before the House on the issue of the pay increase. Do my colleagues recall? I advised my colleagues that whether there was a motion to adjourn, or whether there was a ruling of nongermaneness and an appealing of the ruling of the Chair, or whatever, there would be a rollcall vote. And the effort on the part of the House to finesse and avoid that vote was the motion to adjourn, and we defined that issue across this country as the definitive rollcall vote on the pay raise. And because it was defined that way, the pay raise, at least in February of 1989, was defeated.

So I am suggesting that every Member should understand that across this country this vote today will be the defining vote on whether or not Members want to vote for a balanced budget.

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Because the reality is that if we limit growth to 2.4 percent year over year, in 5 years with that modest level of discipline, we will have a balanced budget, and we will get there not by raising taxes, not by taking a meat ax and cutting anything out, just modestly slowing down the rate of growth of Federal spending. That is what this amendment does.

I ask for an aye vote.

Mr. UPTON. Mr. Chairman, I rise in support of the amendment.

I do rise in support of the Dannemeyer amendment, and I have been keeping a close watch on both the budget and appropriation processes this year.

I see some very positive signs and some that are not so good. I am pleased we have so far at least stayed within the constraints of last fall's budget agreement. The appropriations subcommittees seem to be making tradeoffs staying within their allocations and, in fact, maintaining their budget caps. This year the job of the appropriations committees has not been easy. They are to be commended for their hard work including members of this committee reporting today's bill.

That does not mean everything is rosy. I still remain very concerned about our inexcusable deficit and the possibility of new taxes.

Mr. Chairman, I am going to vote for today's energy and water bill because it stays within the budget caps and increases spending at less than the rate of inflation, but there are aspects of the bill that I do find upsetting.

The bill contains $209 million net surplus in the uranium enrichment fund created by reducing the President's proposed spending levels. I understand this surplus remains in the uranium fund, and that is an important fact, because in adding up this spending in this bill, the surplus is used to offset $200 million of increased spending in other accounts. In reality, this $200 million of increased spending will not be offset by a surplus in the uranium fund. It will eventually come from taxes or the deficit.

Rather than spending $100 million less than the President, this bill may actually spend $100 million more.

In another place, the bill assumes over $230 million of what is called savings in slippage in Army Corps projects. While this is a reasonable way to account for spending that falls behind schedule, the bill's estimate is $42 million more than the administration's estimate.

I found little information in the committee report to evaluate which, if either, estimate is legitimate. Because savings in slippage effectively reduces the overall cost of the bill, it is a tempting way to hide spending.

Neither of these two examples looks like honest accounting.

Finally this, and apparently other appropriation bills, would prevent the executive branch from spending any money on implementing the Chief Financial Officer Act. Congress clearly wanted to improve the Federal Government's financial management when it passed this act last year. We should not now be using this backdoor method to thwart our own goal.

Mr. Chairman, I commend the Committee on Appropriations for their hard work this year. I urge my fellow Members to support today's and any future efforts to reduce the budget deficit.

While I support the overall bill, I rise in support of this amendment, because there are several projects in the bill that would be exempt from cost sharing. These projects will take resources that could otherwise be used to reduce the deficit or provide the Federal share for other projects.

Mr. Chairman, I realize, under limited circumstances, some projects should be exempt from cost sharing; communities hit particularly hard by natural disasters or other major blows deserve our unconditional support, but some of the exempted projects in this bill do not appear to meet this level of need, especially when the value of the exemption may reach almost $400 million.

Cost sharing is a sound concept and should be used for all but especially needy projects.

I support this amendment to reduce spending within the bill with the express hope that it comes from those projects taking more than their fair share.

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I urge the Members to vote "no." This is another one of those typical meat-ax approaches.

This bill is under the President's budget. We are under the budget summit agreement. We are under the 602(b) allocation. We are under every kind of limitation that has been placed on this bill. It was not easy to do that.

We would appreciate a no vote on this.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I just wanted to ask the distinguished chairman, the gentleman from Alabama [Mr. BEVILL]: How much are we scheduled to increase the national debt by this year?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, in this bill, we have no increase in the national debt.

Mr. DANNEMEYER. No; no.

Mr. BEVILL. We are under all our allocations.

Mr. DANNEMEYER. What is the projected increase in the national debt this year?

Mr. BEVILL. The gentleman and I can talk about that sometime when it is appropriate, because actually this bill is under all limitations that there are, the President's budget, Congress' budget, 602(b), and everything you can think of; we are under it.

Mr. DANNEMEYER. Four-tenths of a trillion dollars is the amount we are increase the national debt by, and all I am suggesting is that if we modestly limit the growth over 5 years, we can get to a balanced budget which I am sure the gentleman supports.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his point. That is the point here, I would say to my colleagues. This is the balanced-budget amendment.

The gentleman from Alabama is absolutely correct. They are under the President's budget. They are under the House budget. They are under everything that we have in terms of a standard around here. They have done fine.

The problem is in even meeting those standards we do not get anywhere close to a balanced budget.

Last year when we discussed the balanced-budget amendment and the Constitution, there were a number of Members who came to the floor and suggested that what we had to have was the courage to cast the tough votes.

I do not think it is particularly tough to vote for something that suggests we are going to increase spending over last year by 2.4 percent. This is what the gentleman from California has recommended to the House, that we simply increase spending by a more modest amount than what the committee is going to increase spending, and in so doing put ourselves on a track toward a balanced budget. That is what balancing budgets is all about.

Some Members do not really care about balanced budgets. They are more interested in spending the money, making certain that their project gets funded, and so on, and they do not probably want to vote for the Dannemeyer amendment. A lot are probably going to vote differently.

If, in fact, you have been talking about balanced budgets, and if that is the high priority for you, and it is the high priority with me, I suggest you want to support the Dannemeyer amendment and other balanced-budget amendments that will come to the floor, because I think it is high time to begin testing the House on the issue of whether or not when it comes to balanced budgets whether you are really willing to vote that way day after day and week after week.

I thank the gentleman for his amendment. I intend to support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 92, noes 320, not voting 19, as follows:

[Roll No. 118]

AYES—92

Archer
Armey
Ballenger
Barrett
Bennett
Bentley
Bilirakis
Boehlert
Broomfield
Bruce
Bunning
Burton
Camp
Campbell (CA)
Coble
Condit
Cooper
Cox (CA)
Dannemeyer
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Fawell
Gekas
Gilchrest
Gingrich
Glickman
Gradison
Hamilton
Hammerschmidt
Hancock
Hefley
Henry
Hobson
Holloway
Hunter
Hutto
Inhofe
Ireland
Jacobs
Johnson (TX)
Johnston
Jontz
Kasich
Kyl
Lewis (FL)
Martin
McCollum
McEwen
Meyers
Miller (OH)
Miller (WA)
Moorhead
Murphy
Nichols
Nussle
Packard
Patterson
Paxon
Penny
Petri
Ravenel
Ridge
Riggs
Ritter
Roberts
Roemer
Rohrabacher
Roth
Santorum
Schulze
Sensenbrenner
Sharp
Shays
Shuster
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Tallon
Taylor (NC)
Thomas (CA)
Upton
Vander Jagt
Walker
Walsh
Weldon
Zeliff

NOES—320

Abercrombie
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Atkins
Baker
Barnard
Barton
Bateman
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bryant
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Conyers
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hertel
Hoagland
Hochbrueckner
Horn
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hyde
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Jones (GA)
Jones (NC)
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCrery
McCurdy
McDade
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Mfume
Michel
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ray
Reed
Regula
Rhodes
Richardson
Rinaldo
Roe
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schumer
Serrano
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Solarz
Spratt
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Washington
Waxman
Weber
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zimmer

NOT VOTING—19

Ackerman
Aspin
AuCoin
Bacchus
Chandler
Crane
de la Garza
Engel
Hopkins
Horton
Lehman (FL)
Marlenee
Mrazek
Ramstad
Rangel
Scheuer
Skelton
Staggers
Waters

☐ 1845

The Clerk announced the following pairs:

On this vote:

Mr. Chandler for, with Mr. Engel against.

Mr. Ramstad for, with Mr. Rangel against.

Mr. CUNNINGHAM changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. GINGRICH was allowed to proceed out of order.)

LEGISLATIVE PROGRAM

Mr. GINGRICH. Mr. Chairman, I have asked to speak out of order to receive word on the schedule from the distinguished majority leader.

Mr. Chairman, I yield to my friend the distinguished majority leader.

Mr. GEPHARDT. Mr. Chairman, I simply want Members to know there is a change in the schedule in that we will be meeting tomorrow on the military construction appropriation bill. We will be proceeding, we hope, to the Rules Committee tomorrow on the civil rights matter, but there will not be votes on Friday.

Mr. GINGRICH. If I might, will there be votes on Monday, does the gentleman know at this stage?

Mr. GEPHARDT. Mr. Chairman, if the gentleman will yield, there will be votes toward the end of the day on Monday.

Mr. GINGRICH. Do we know at the present time, will those be on suspensions or on appropriations?

Mr. GEPHARDT. They will be on suspensions.

Mr. GINGRICH. Let me also if I might just ask the distinguished majority leader two questions.

There is some interest in our side on scheduling work on a crime bill. As the gentleman knows, that is one of the President's top priorities. I understand there is some talk on the gentleman's side that we are beginning to look toward maybe a day certain or some such possibility.

Could the gentleman advise the House at all on that particular opportunity?

Mr. GEPHARDT. As the gentleman may know, the committee is meeting and working on the bill and various parts of the bill. We will be advising all the Members as soon as we can come toward specific dates for consideration of parts or the entire bill.

Mr. GINGRICH. The last thing I want to say on the civil rights bill, as the gentleman knows, the President has said several times he very much wants to sign a civil rights bill and on our side we very much want to work with you to be able to pass a bill which is signable.

I guess I would just like to take this opportunity to put into the RECORD a very deep concern on our side of the aisle that we get a rule which is fair and which allows the Republican side to offer a clean and untainted alternative as that is developed. I would hope as we go to the Rules Committee tomorrow that we could work with you to develop a rule which we could support and which would offer that kind of a fair alternative built around the President's bill that he sent up.

☐ 1850

Mr. GEPHARDT. I understand the gentleman's statement, and we will try to work with the leadership on the other side to fashion a rule.

Mr. GINGRICH. I thank the gentleman.

The CHAIRMAN. Are there further amendments to the bill? If not, the Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Energy and Water Development Appropriations Act, 1992".

Mr. BEVILL. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PANETTA) having assumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2427) making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendatiion that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 392, noes 24, not voting 15, as follows:

[Roll No. 119]

AYES—392

Abercrombie
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Armey
Atkins
Baker
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Dannemeyer
Darden
Davis
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Houghton
Hoyer
Hubbard
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Serrano
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Spence
Spratt
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—24

Archer
Ballenger
Burton
Campbell (CA)
Coble
Dreier
Duncan
Hancock
Hefley
Henry
Huckaby
Jacobs
Johnston
Nussle
Petri

Ritter
Roth
Sanders
Sensenbrenner
Shays
Slattery
Solomon
Stump
Walker

NOT VOTING—15

Ackerman
Aspin
AuCoin
Bacchus
Chandler
Crane
de la Garza
Engel
Hopkins
Horton
Lehman (FL)
Marlenee
Mrazek
Ramstad
Staggers

□ 1908

The Clerk announced the following pairs:

On this vote:

Mr. Chandler for, with Mr. Ramstad against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RAMSTAD. Mr. Speaker, yesterday I fulfilled a 4-year-old commitment by attending the graduation ceremony of the class of 1991, U.S. Air Force Academy.

This commitment, made in 1987 to motivate a struggling first-year-cadet and close family friend, who had been abandoned by his own father at an early age, caused me to miss three votes on H.R. 2427, energy and water development appropriations for fiscal year 1991.

Had I been present, I would have voted "yes" on the Slattery amendment regarding the superconducting super collider; "yes" on the Dannemeyer amendment to cut spending across the board; and "no" on final passage of the bill.

Mr. Speaker, I'm extremely proud of all five young men from Minnesota's Third Congressional District who are part of the Air Force Academy's 33d graduating class: Anthony Baade, Jeffrey Landreth, Kent Landreth, Mike Parent, and Diego Wendt. As I watched President Bush confer degrees upon all 968 graduates and spent time visiting with many of these new Air Force second lieutenants, I was reassured that the future of our military and our great country is very bright with these outstanding young leaders.

PERSONAL EXPLANATION

Mr. LEHMAN of Florida. Mr. Speaker, I was unable to cast my votes on rollcall numbers 118 and 119. Had I been present I would have voted "no" on the Dannemeyer amendment to H.R. 2427 and "yes" on final passage of the bill.

PERSONAL EXPLANATION

Mr. BACCHUS. Mr. Speaker, I missed the vote on rollcall No. 119 because I was in my district with my wife, Rebecca, and my daughter, Jamey Rebecca, who was born at 8:17 p.m. on Monday, May 27, 1991. Had I been present, I would have voted "aye" on rollcall No. 119.

NATIONAL PEARL HARBOR REMEMBRANCE DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 72) to designate December 7, 1991, as "National Pearl Harbor Remembrance Day," and ask for its immediate consideration.

□ 1910

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. SERRANO). Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Illinois [Mr. HASTERT], who is the chief sponsor of this joint resolution.

Mr. HASTERT. Mr. Speaker, I rise today to express my staunch support for House Joint Resolution 72, "National Pearl Harbor Remembrance Day."

As we approach the 50th anniversary of this sad episode in American history, I believe it is incumbent upon all Americans to take a moment and remember the sacrifices our fighting soldiers made for our country.

The lessons of Pearl Harbor must be clear, so that our Nation is never again taken by surprise. We must always be prepared. Our defenses must always be strong. And we must teach future generations the lessons of history.

Before I entered public service, I taught high school history for 16 years. One of the principles I always tried to drive home to my students was the importance of learning from the past.

Indeed, as the philosopher George Santayana once said, "Those who cannot remember the past are condemned to repeat it." We owe it to our Nation's veterans, to the families of those who perished at Pearl Harbor and to our children to remember December 7, 1941, as the day President Roosevelt said "would live in infamy."

We owe it to all of our nation's veterans, including the brave men and women who fought in Desert Storm, to commemorate their sacrifice and valor and thank them for the work they did for our country.

I want to thank the gentleman from Mississippi, Mr. MONTGOMERY, the distinguished chairman of the Veterans Affairs Committee, for his support on this issue. And I also want to thank Mr. SAWYER of Ohio and Mr. RIDGE of Pennsylvania for their support in the Subcommittee on Census and Population.

Mr. RIDGE. Mr. Speaker, continuing my reservation of objection, I yield to my friend and colleague, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise today in support of a joint resolution designating December 7, 1991, as "National Pearl Harbor Remembrance Day," and I commend the gentleman from Illinois [Mr. HASTERT], the sponsor of this resolution.

Every generation has a day forever emblazoned in its consciousness. For my parents, it was the 11th hour of the 11th day of the 11th month in 1918, when the guns fell silent on the western front of Europe. For another generation, it was an autumn afternoon when the crack of gunfire snuffed out the life of our young, vibrant President Kennedy in a Dallas motorcade.

But for my generation, the day we will never forget was 50 years ago, when a quiet Sunday was interrupted by the shocking news that the Japanese Empire had launched an unexpected, unprovoked air attack upon our naval base at Pearl Harbor, Hawaii.

Anyone who was around on December 7, can tell you exactly where they were and what they were doing when those deadly bombs fell. Other images of that day are vivid in all of our minds: the thousands of American soldiers, sailors, and airmen performing personal acts of heroism in the midst of that sudden vicious attack, and a Nation suddenly united with a common purpose.

There is another lingering thought about Pearl Harbor. The knowledge that we must never again allow the oceans along our shorelines to lull us into a sense of complacency—that never again should we allow our national defense to be so ill-prepared for any hostile action. From December 7, 1941 on, we Americans knew that we would have to strengthen our defenses and bear the mantle of world leadership, recognizing that events anywhere in the world would henceforth affect us here at home.

Mr. Speaker, I feel that December 7, 1991, is an appropriate time for our Nation to take a moment and remember the important and unforgettable lesson that Pearl Harbor Day taught us—that never again can we allow ourselves to be unprepared.

Mr. MONTGOMERY. Mr. Speaker, I rise in strong support of this resolution that commemorates the 50th anniversary of the bombing of Pearl Harbor. As a World War II veteran and chairman of the Veterans' Affairs Committee, I am proud to be an original cosponsor and I want to thank the gentleman from Ohio [Mr. SAWYER] and the gentleman from Pennsylvania [Mr. RIDGE] for bringing it to the floor today.

I also want to especially thank the gentleman from Illinois [Mr. HASTERT] for his efforts in introducing the resolution and working to get it to the House floor.

Plans are already underway to properly commemorate the December 7, 1941, bombing of Pearl Harbor. It is one of the most important dates in our country's history and certainly is deserving of this designation.

By passing this resolution, we will be honoring the more than 2,000 U.S. citizens killed in the attack and the more than 1,000 who were wounded. And because this bombing marked the entry of the United States into World War II, we will also be honoring the bravery and the sacrifice of all the veterans of the World War II era.

I think we need this resolution to help bring attention once again to the Pearl Harbor bombing for the millions of Americans who were not yet born at the time of the attack. It is important that younger Americans are made aware of what happened on that early Sunday morning in 1941 and how those events helped change the course of history.

Once again, I want to voice my support for this resolution and I urge its passage.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 72

Whereas, on December 7, 1941, the Imperial Japanese Navy and Air Force attacked units of the United States Armed Forces stationed at Pearl Harbor, Hawaii;

Whereas more than 2000 citizens of the United States were killed, and more than 1000 citizens of the United States were wounded, in the attack on Pearl Harbor;

Whereas the attack on Pearl Harbor marked the entry of the United States into World War II;

Whereas December 7, 1991, is the 50th anniversary of the attack on Pearl Harbor;

Whereas the veterans of World War II and all other people of the United States will commemorate December 7, 1991, in remembrance of the attack on Pearl Harbor; and

Whereas commemoration of the attack on Pearl Harbor will instill in all people of the United States a greater understanding and appreciation of the selfless sacrifice of the individuals who served in the United States Armed Forces during World War II: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That December 7, 1991, is designated as "National Pearl Harbor Remembrance Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LYME DISEASE AWARENESS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 138) designating the week beginning July 21, 1991, as "Lyme Disease Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the gentleman from New York [Mr. HOCHBRUECKNER], who is the chief sponsor of House Joint Resolution 138.

Mr. HOCHBRUECKNER. Mr. Speaker, as the Member of Congress representing the area with the most reported cases of Lyme disease in the country, I am delighted that the House is considering legislation today designating the week of July 23 through July 30 as "Lyme Disease Awareness Week." I want to thank the more than 230 cosponsors of this bill for the support that enabled the bill to be brought to the floor today.

Senator JOSEPH LIEBERMAN of Connecticut has for the third year introduced the companion bill to this legislation and expects that the Senate will consider this measure shortly. I appreciate this opportunity to provide my colleagues with some background on this disease and why the designation of this week is so important.

While most people have heard of Rocky Mountain Spotted Fever, a disease transmitted by a tick that affects about 700 people a year, there is a far more common tick-borne disease that has only recently received the attention that it demands—Lyme disease. Lyme disease is a bacterial infection that is spread by a tick the size of a comma in newsprint. Although Lyme disease was first officially reported just 16 years ago in Lyme, CT, it has fast become the most common tick-borne disease and one of the fastest spreading new infectious diseases in the United States.

Since 1982, over 30,500 cases have been reported to the Centers for Disease Control [CDC]. From 1986 to 1989, nationally reported cases of Lyme disease doubled or nearly doubled each year. The CDC recently announced that there were just under 8,000 cases of Lyme disease reported in 1990. While this number is approximately 550 cases—or 6.5 percent—less than the final number reported for 1989, it is expected that, as has occurred in previous years, over 500 late reports will be received after the publication of the first provisional number. The number of cases for 1990 is more than triple the number reported in 1987, and more than 15 times the number reported in 1982, the year that CDC began keeping statistics on this disease.

My own State, New York, has reported more than 3,200 cases per year in 1989 and 1990, which represents over 40 percent of the Nation's total cases of Lyme disease. According to the CDC, New York's incidence rate for this disease of 18 cases/100,000 people is second only to Connecticut with an incident rate of 21 per 100,000. Although the Northeast remains the heaviest hit area for this disease, Lyme disease is no longer thought to be just a regional problem. Lyme disease cases have been reported from 47 States, including Alaska and Hawaii. However, because diagnosis is difficult and public awareness about the disease is still limited, the CDC estimates that thousands of cases have gone undiagnosed, unreported, and worse yet, untreated.

Lyme disease is sometimes called the Great Impostor because it can mimic the symptoms of other ailments such as ringworm, influenza, arthritis, or heart disease. Symptoms of Lyme disease in its early stages include a characteristic rash at the site of the tick bite, headaches, fever, pains in joints, and swollen glands. Left untreated, Lyme disease can cause partial facial paralysis—Bell's palsy—meningitis, encephalitis, an abnormal slowing of the heartbeat, severe headaches and depression, destructive arthritis, memory loss, chronic fatigue, and numbness or shooting pains in the arms and legs.

Many people never even know that they have been bitten by this tick because it is so small. The parasite can attach itself, feed, detach itself to lay its eggs, all without host's knowledge. Moreover, a person might not develop the telltale rash at the site of the tick bite, leaving the person without a clue as to the cause of the ailment. Moreover, standard blood tests often do not reveal the presence of the spirochete. Because Lyme disease was only first recognized in the United States in 1975, physicians who do not see many cases of the disease may have difficulty in diagnosing or treating it. However, with proper diagnosis and early treatment Lyme disease can be cured with antibiotic therapy.

As early treatment of Lyme disease is the key to warding off its worst effects, and as there is currently no vaccine for Lyme disease, the best defense against it is prevention. That is why education is vital if we are to minimize the effects of this painful disease. The American public must know what to look for if they are to take precaution against this disease.

Mr. Speaker, the prevention of Lyme disease depends upon public awareness. The designation of the week July 23 through the 30 as "Lyme Disease Awareness Week" will help us to alert the general public and health care professionals to Lyme disease and its symptoms.

□ 1920

Again, I thank Members for signing on to this very worthy resolution. Hopefully we will continue the education process that has gone on for the past 4 years, and in the future, we will take the appropriate measures, financially, also as a Nation, to see to the resolution and the cure for Lyme disease, the second fastest growing infectious disease in the Nation, second only to AIDS.

Mr. RIDGE. Mr. Speaker, continuing my reservation, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise today in support of a joint resolution designating the week beginning July 21, 1991, as "Lyme Disease Awareness Week."

Mr. Speaker, I want to commend the gentleman from New York [Mr. HOCHBRUECKNER], for his continual sponsorship and diligent efforts to reduce Lyme disease and to better educate the public with regard to the dangers of this disease.

I want to commend the distinguished chairman of our subcommittee and ranking minority member for bringing the measure to the floor in this timely manner.

Lyme disease, as you may know, is transmitted by a small, little-known tick species which have become abundant in a large part of my district. In 1982, there were 60 reported cases of Lyme disease in my 22d Congressional District of New York, by 1989, there were 1,731 cases and the actual number may be several times higher. Over the past few years the number of reported cases have increased not decreased.

Although Lyme disease was first officially reported just 14 years ago in Lyme, CT, it has fast become the most common tick-borne disease and one of the fastest spreading infectious diseases in the United States. If treated early, the disease can be cured by antibiotic therapy; however, early diagnosis is often thwarted by the disease's resemblance to the flu and other less dangerous ailments. Indeed, without early treatment, a victim of Lyme disease can expect severe arthritis, heart disease, or neurologic complications. Later effects, often occurring months or years after the initial onset of the disease, include destructive arthritis and chronic neurological disease. If it were not for AIDS, Lyme disease would be the No. 1 infectious disease facing us today.

I believe the primary effective way to control Lyme disease is by educating the public on how to take precautions against tick bites and by being aware of symptoms associated with the disease.

Mr. Speaker, I want to take this opportunity to commend the New York Medical College in Valhalla, NY, for their extensive, significant Lyme disease research.

I feel July 21, 1991, is an appropriate time to inform the public of Lyme disease and its dangers. As a representative of the people in my district, I believe it is in their best interest to educate them of the dangers and prevention of Lyme disease.

Mr. RIDGE. Mr. Speaker, continuing my reservation, I yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, I, too, would like to join the gentlemen from New York [Mr. HOCHBRUECKNER and Mr. GILMAN] in supporting Lyme Disease Awareness Week.

Westchester County accounts for nearly one-quarter of the Nation's reported Lyme disease cases. A recent study of several communities in Westchester revealed that 80 percent of the residential properties in the community were infested with deer ticks. In fact, in the first 4 months of 1991, there has been an 83-percent increase in Lyme disease cases over last year.

Mr. Speaker, I urge all Americans to take time during Lyme Disease Awareness Week to know the symptoms and know the early warning signs of the rapidly spreading disease, because this is the second most rapidly spreading health problem in the United States. It is absolutely essential that we recognize this and that we commit resources to ending this threat.

Mr. Speaker, the disease's symptoms can resemble the flu, arthritis, and ringworm. As it progresses, it may cause severe arthritis, heart disease, and neurological disorders. In untreated cases, the disease can lead to blindness and even death. The fear of complications is exacerbated by the fact that many people do not even know when they have Lyme disease, because it is so difficult to diagnose.

Mr. Speaker, I have visited support groups in my district where people meet just to help each other understand the problems with this disease. There are youngsters that are continually going to school with injections which help ease the pain. There are youngsters that have pain which is similar to arthritis.

The deer tick which carries the Lyme spirochete is so small that many people do not even know that they are bitten. There are those that are being accused of having some imaginary disease, when they are truly suffering real pain.

Mr. Speaker, we all know that preventive measures can help save money in the long run and improve the quality of life. One of the most logical ways to prevent Lyme disease is to curb the growth of infected tick populations. Research has shown that the current epidemic of Lyme disease reflects dramatic increases in deer tick populations which continue to spread at dangerously high rates.

Mr. Speaker, if we are really serious about fighting Lyme disease, we must take steps to curb the growth of the infected deer tick population. The New York Medical College is deeply involved in promising work in the field of population encology of deer ticks. Their goal is to find new ways of controlling the spread of Lyme disease by curbing the spread of infected ticks. Their medical entomology lab is world renowned for its expertise in tick reproduction and for its work on finding ecological factors to reduce infected tick populations. Researchers at the college are currently conducting studies not being done anywhere else. Certainly they have a laboratory surrounding them.

Mr. Speaker, I look forward to the day when Lyme disease no longer causes suffering for so many. I am very proud to join Members in supporting Lyme Disease Awareness Week.

Mr. RIDGE. Mr. Speaker, I want to thank and commend these Members for bringing this matter before the Chamber. This is a disease that has grown almost exponentially over the past couple of years. It is enormously painful. It is very difficult to detect. It strikes the most vulnerable among us, our youth, our children. Early detection still means a rather painful session of treatment. Much later detection can involve very, very prolonged therapy, and a myriad of different kinds of treatment, because it affects so much of your anatomy.

If public awareness is the best means of prevention, then certainly these Members deserve our gratitude and support for making this effort to make the public more aware of the disease, its complications, its potential for great pain and suffering, and a knowledgeable public hopefuly can prevent this disease from affecting so many of our children.

☐ 1930

So I commend our colleagues.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. SERRANO). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 138

Whereas Lyme disease (borreliosis) is spread primarily by the bite of four types of ticks infected with the bacteria Borrelia burgdorferi;

Whereas Lyme disease-carrying ticks can be found across the country—in woods, mountains, beaches, even in our yards, and no effective tick control measures currently exist;

Whereas infected ticks can be carried by animals such as cats, dogs, horses, cows, goats, birds, and transferred to humans;

Whereas our pets and livestock can be infected with Lyme disease by ticks;

Whereas Lyme disease was first discovered in Europe in 1883 and scientists have recently proven its presence on Long Island as early as the 1940's;

Whereas Lyme disease was first found in Wisconsin in 1969, and derives its name from the diagnosis of a cluster of cases in the mid-1970's in Lyme, Connecticut;

Whereas forty-six States reported twenty-two thousand five hundred and thirty-eight cases of Lyme disease from 1982 through 1989;

Whereas Lyme disease knows no season—the peak west coast and southern season is November to June, the peak east coast and northern season is April to October, and victims suffer all year round.

Whereas Lyme disease, easily treated soon after the bite with oral antibiotics, can be difficult to treat (by painful intravenous injections) if not discovered in time, and for some may be incurable;

Whereas Lyme disease is difficult to diagnose because there is no reliable test that can directly detect when the infection is present;

Whereas the early symptoms of Lyme disease may include rashes, severe headaches, fever, fatigue, and swollen glands;

Whereas if left untreated Lyme disease can affect every body system causing severe damage to the heart, brain, eyes, joints, lungs, liver, spleen, blood vessels, and kidneys;

Whereas the bacteria can cross the placenta and affect fetal development;

Whereas our children are the most vulnerable and most widely affected group;

Whereas the best cure for Lyme disease is prevention;

Whereas prevention of Lyme disease depends upon public awareness;

Whereas education is essential to making the general public, health care professionals, employers, and insurers more knowledgeable about Lyme disease and its debilitating side effects: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning July 21, 1991 is designated as "Lyme Disease Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 72 and House Joint Resolution 138, the joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE NEW KILLING FIELDS IN BURMA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii [Mr. ABERCROMBIE] is recognized for 5 minutes.

Mr. ABERCROMBIE. Mr. Speaker, on May 27, a year would have passed since the people of Burma went to the polls to vote for the first time in more than 30 years. To the surprise of Burma's military regime, the National League for Democracy [NLD] won 392 of the 485 seats contested in the election. Sadly, the NLD's election victory proved to be short lived. The SLORC—the State Law and Order Restoration Council—an ominous name, in other words, Burma's military junta annulled the elections and declared itself as possessing all legislative, judicial, and administrative powers. The National League for Democracy [NLD], is now described as being virtually a corpse with its leaders under arrest, including Aung San Suu Kyi—40 percent of elected members, its national legislature, have been jailed, two tortured to death and many in exile. Aung San Suu Kyi has been held incommunicado since July 1990. The whereabouts of her children are unknown. Her husband is here in the United States. It is apparent that the regime will not accept the results of a democratic election and transfer power in any form to a freely elected government.

The military regime continues to detain political opponents and have failed to answer serious persistent allegations of torture and mistreatment of prisoners. Thousands of people have been arrested, executed and disappeared since the revolution and subsequent crackdown of September 1988—when millions of Burmese demanded an end to the 26-year-old military dictatorship of Ne Win. Young Burmese males live in fear of being taken away as porters where they are used as human mine sweepers or forced to assist the military regime to carry army supplies until they die of exhaustion.

A new "Killing Fields" is underway in Burma.

In January, the State Department in its annual country report on Human Rights Practices, stated that torture, disappearances, arbitrary arrests, and detentions, unfair trials and compulsory labor, among other violations still persists. On the whole, "treatment of the population remained capricious and apparently unrestrained by legal, institutional or moral considerations".

Meanwhile, an estimated 50,000 Burmese and at least 4,000 Burmese students have fled to the Thai-Burma border since September 1988. Reports have cited forced repatriation of Burmese asylum seekers by Thai authorities to Burma. This type of planned deportation and border closure contravenes the principle of nonrefoulment. No government should send an individual to a country where they would be at risk of serious human rights violations, or reject the entry of someone facing such risks. As recent as last week, Thai military authorities reportedly announced plans to repatriate almost 20,000 illegal immigrants, asylum seekers, and refugees in Tak Province to Burma by the end of May. These refugees undoubtedly face death, torture or imprisonmment if they return home. I ask you, Mr. Speaker, to think only of the publicity that is now being given to Kurds as they face up to the reality of killing with Saddam Hussein and realize that people of the Burma-Thai border face exact the same kind of horrendous consequences. Although Thai authorities have allowed temporary safe haven to thousands of Burmese refugees, including the students, it refuses to permit comprehensive U.N. protection and assistance for these people in Thailand.

The constant threat of repatriation of Burmese refugees by Thai authorities is an issue of tremendous concern to the United States which must be expressed to the Government of Thailand.

Last October, Congress passed a law imposing sanctions on Burma if it did not release all political prisoners; transfer political power to the elected representatives of the People's assembly; take significant steps in eradicating the drug trade in Burma's portion of the Golden Triangle and embark on basic improvements in its human rights record.

Burma has yet to comply with any of these requirements, and the President has not made a decision to impose economic sanctions.

The Senate recently passed Senate Concurrent Resolution 19 which expresses the concern of the Senate for the ongoing human rights abuses in Burma.

□ 1940

This resolution has been referred to the House Foreign Affairs Subcommittee on Asian and Pacific Affairs, and I urge you, Mr. Speaker, and all my colleagues, and particularly those on the Asian and Pacific Affairs Subcommittee, to investigate and expose the appalling human-rights record of the military regime in Burma.

Mr. Speaker, I urge the President to carry out the will of the Congress and speak out against the atrocities that are being committed by the Burmese military regime. The United States needs to demonstrate its stand for democracy and human rights for all the people of the world including the Burmese people. A word of solidarity from the President broadcast on the Voice of America into Burma will give hope to the victims of human rights violations and their families, and I hope they can hear us speaking as free people in this free country today.

I hope they hear us in Burma. We are with them.

The President's failure to speak out means that the United States is forgoing an opportunity to strengthen pressure on the ruling military regime. Being silent will send the wrong message to the Burmese people, to the regime now in power, and to the international community.

The Australian Government over the weekend has announced that Australia would seek support for an arms embargo against Burma from China and Singapore, two countries named in a secret intelligence report as suspected military backers of the Burmese regime, still another reason to take into account the most-favored-nation status on trade for China.

The United States is a major player in the United Nations and needs to take a leading role in encouraging other countries to implement economic and trade sanctions against Burma.

The administration should open resettlement opportunities for Burmese students who are without safe and reasonable alternatives to enter the United States. We need a call for hearings to investigate and publicize the plight of Burmese refugees. The continuing danger of massive repatriation, the forced prostitution of young Burmese women and girls as the Burmese economy worsens; we need, finally, before any concrete form of relations in terms of aid or other kinds of assistance, to call for the release of Aung San Suu Kyi, the duly elected leader in Burma, and the release of all political prisoners. This is imperative.

The military regime in Burma must respect international standards of human rights.

Mr. Speaker, may I conclude by saying that Suu Kyi has been nominated for the 1991 Nobel Peace Prize by Czech President Vaclav Havel. This illustrates the international support in recognition of the plight of the Burmese people.

We cannot turn our backs, Mr. Speaker, on the Burmese people or on the cause of freedom anywhere.

COMMUNICATIONS FROM CHAIRMAN OF COMMITTEE ON BUDGET REGARDING REVISED FISCAL YEAR 1991 BUDGET AGGREGATES AND ALLOCATIONS, PURSUANT TO SECTION 12 OF HOUSE CONCURRENT RESOLUTION 121

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, section 12 of the conference report on the fiscal year 1992 budget resolution, House Concurrent Resolution 121, sets forth a procedure for revising the aggregate levels and committee allocations for fiscal year 1991 to make them consistent with discretionary caps and pay-as-you-go provisions of the Budget Enforcement Act of 1990. This section is applicable only to the House of Representatives; the Senate has already revised the fiscal year 1991 figures under a similar procedure, applicable only to the Senate, established in section 13112(f) of the Budget Enforcement Act of 1990.

The major purpose of the fiscal year 1991 revision is to effectuate the new pay-as-you-go requirement. Under pay-as-you-go, the baseline at the start of this session of Congress is the starting point against which all direct spending and revenue legislation is measured. The pay-as-you-go requirement is enforced by sequestration. But the Budget Enforcement Act amended both the Balanced Budget and Emergency Deficit Control Act of 1985—Gramm-Rudman-Hollings—and the Congressional Budget Act, so that the pay-as-you-go concept would be enforced through both sequestration and congressional procedures. Therefore, budget resolutions should set targets for revenues and direct spending equal to the baseline, although increases and decreases netting to zero are permissible.

Current committee direct spending and revenue targets were set in last fall's budget resolution, before the final legislation for the session was completed. Therefore, there is not a perfect match for each committee; some committees are above the baseline, some are below. The new aggregates and allocations that I am filing today correct the mismatches, setting all direct spending and revenues exactly at the current baseline—using CBO estimates. It should be noted that, while CBO estimates that the current fiscal year 1991 baseline is above the start-of-year baseline by $6 million, OMB estimates no fiscal year 1991 overage; therefore, there would be no need for any fiscal year 1991 pay-as-you-go offsets if OMB estimates had been used.

For discretionary appropriations, the new allocation exactly equals the sum of the existing discretionary caps.

Adding the discretionary caps to the baseline level of direct spending and revenues produces an on-budget deficit exactly equal to CBO's estimate of the fiscal year 1991 GRH deficit target, or maximum deficit amount.

Since fiscal year 1991 is already two-thirds completed, committees are likely to report very few additional bills affecting this fiscal year. Therefore, the requirement to subdivide the fiscal year 1991 allocations is set aside and section 12 of House Concurrent Resolution 121 further provides that Budget Act enforcement related to allocations—section 302(f) points of order and section 401(b)(2) referrals—will be based on the total fiscal year 1991 spending and credit allocations for each committee, as set forth in this submission.

In order to facilitate enforcement under sections 302 and 311 of the Congressional Budget Act, I will shortly submit to the House a revised current level report for fiscal year 1991, reflecting the changes in budget aggregates and allocations set forth in this submission.

The revised budget aggregates and allocations for fiscal year 1991 authorized by section 12 of House Concurrent Resolution 121 follow:

Fiscal year 1991 Budget aggregates

[On-budget amounts in millions of dollars]

New budget authority	1,187,800
Outlays	1,155,800
Revenues	793,000
Deficit	362,800

FISCAL YEAR 1991 302(a) ALLOCATIONS TO COMMITTEES, INCLUDING DETAIL RELATING TO DEFENSE, INTERNATIONAL, AND DOMESTIC DISCRETIONARY PROGRAMS

[On-budget amounts in millions of dollars]

House committee	BA	Out	NEA	DL	LG
Appropriations:					
Discretionary:					
Defense	289,918	298,848			
International	20,100	19,392			
Domestic	182,891	200,321			
Subtotal	492,909	518,561		6,129	72,593
Mandatory	203,417	197,736		0	0
Total	696,326	716,297	0	6,129	72,593
Agriculture:					
Discretionary action	0	0	0	0	0
Current level	12,637	13,812		8,160	8,213
Armed Services:					
Discretionary action	0	0	0	0	0
Current level	47,852	34,105		0	0
Banking, Finance, and Urban Affairs:					
Discretionary action	0	0	0	0	0
Current level	93,805	98,502		2,830	141
District of Columbia:					
Discretionary action	0	0	0	0	0
Current level	18	18		0	0
Education and Labor:					
Discretionary action	0	0	0	0	0
Current level	127	120		0	12,487
Energy and Commerce:					
Discretionary action	0	0	0	0	0
Current level	14,476	12,720		0	260
Foreign Affairs:					
Discretionary action	0	0	0	0	0
Current level	12,343	10,649		0	0
Government Operations:					
Discretionary action	0	0	0	0	0
Current level	20	18		0	0

FISCAL YEAR 1991 302(a) ALLOCATIONS TO COMMITTEES, INCLUDING DETAIL RELATING TO DEFENSE, INTERNATIONAL, AND DOMESTIC DISCRETIONARY PROGRAMS—Continued

[On-budget amounts in millions of dollars]

House committee	BA	Out	NEA	DL	LG
House Administration:					
Discretionary action	0	0	0	0	0
Current level	44	34		0	0
Interior and Insular Affairs:					
Discretionary action	0	0	0	0	0
Current level	1,766	1,115		0	0
Judiciary:					
Discretionary action	0	0	0	0	0
Current level	1,998	2,604		0	0
Merchant Marine and Fisheries:					
Discretionary action	0	0	0	0	0
Current level	527	486		0	104
Post Office and Civil Service:					
Discretionary action	0	0	0	0	0
Current level	69,081	45,245		0	0
Public Works and Transportation:					
Discretionary action	0	0	0	0	0
Current level	18,260	631		340	0
Science, Space, and Technology:					
Discretionary action	0	0	0	0	0
Current level	143	149		0	0
Veterans Affairs:					
Discretionary action	0	0	0	0	0
Current level	1,691	1,571		894	15,969
Ways and Means:					
Discretionary action	0	0	0	0	0
Current level	447,378	443,377		2	0
Unassigned:					
Discretionary action	0	0	0	0	
Current level	−230,692	−225,599		0	0
Grand total	1,187,800	1,155,800	0	18,355	109,767

Note.—Figures may not add due to rounding.

Abbreviations: BA=new budget authority; Out=outlays; NEA=new entitlement authority; DL=new direct loan obligations; and LG=new loan guarantee commitments.

GROUND TRANSPORTATION CONSUMER PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Florida. Mr. Speaker, Memorial Day weekend traditionally marks the beginning of summer. For many Americans, summer vacation means travel to tourist meccas all across the country. Today is the perfect opportunity to discuss a problem that will affect many tourist families when they arrive at unfamiliar airports and seek to rent a car for their vacation.

A growing number of airports charge access fees to off-airport service providers, such as car rental firms and other concessionaires. Fees that are assessed on the basis of gross receipts rather than airport use place a burden on consumers and pose a threat to competition. The Consumer Federation of America estimated that the indirect impact of these fees could be as great as $500 million annually and noted that the most direct burden falls on those least able to afford the fee—tourists.

That is why I am reintroducing the Ground Transportation Consumer Protection Act, that I introduced with our former colleague from California, Mr. Bosco last year.

Airports should be permitted to assess reasonable fees to help defray the operating costs and exert reasonable control over traffic and commerce on airport grounds. However, some airports are engaging in arbitrary and discriminatory practices. Gross revenue fees of up to 10 percent imposed simply for driving on airport roads to pick up and discharge prereserved customers bear no relationship to either actual costs incurred by the airports or the benefits received by the service providers. Yet, airports continue to attempt to use their power to force off-airport services to either pay the fees or else refuse them the right to drive on the airport roads.

The Ground Transportation Consumer Protection Act will allow airports to charge access fees that are fair and reasonable. But, the bill also would prohibit access fees that would lessen competition or tend to create a monopoly. In addition, the bill would require airports to provide information on the location of airport ground transportation services and protect the consumer's right of access to all courtesy vehicles.

This bill will bring fairness into the airport service fee system. It will also help ensure a competitive business environment, thereby benefiting the consumer. Unreasonable access fees that give on-airport businesses an unfair advantage reduce competition and hurt the businessperson and vacationer. This bill will help protect these travelers.

Perhaps the most interesting letter of support came last year from Mr. Gary L. Paxton, senior vice president Operations & Properties, Dollar Rent A Car in Los Angeles. Even though Dollar is onsite in over 120 airports, Dollar opposed gross receipts fees "because they threaten the free market competitive atmosphere that has enabled [his] company to flourish."

Mr. Paxton noted that on-airport companies enjoy the advantage of greater access to the traveling public, counters, and close-in vehicle access. By contrast, the off-airport companies use the airport public roadway system. Under these circumstances, he wrote:

> It is not fair, and it would stifle competition, for the airports, under pressure from companies like Hertz, to continue to limit the number of companies which can operate on-airport while at the same time imposing fees on off-airport companies substantially equivalent to the fees imposed on the on-airport companies.

Mr. Paxton then gets to the crux of the issue:

> The antitrust-immune airports should not be permitted to do for Hertz, what Hertz was forbidden from doing with Avis and National 14 years ago: namely, create a monopoly.

Finally, he states that—

> [t]he Federal government has the responsibility to build and maintain the best air traffic system in the world and to promote and protect an environment where competition flourishes and the interests of the traveling public are protected.

An Alabama franchisee made several interesting points in his letter.

> This concept of the Airport Authority having the right to impose taxes in an unreasonable and unfair manner on the customers who happen to be coming to the community through the airport terminal is a dangerous concept. This illogic, if extended, could require hotels to pay 10% of every room charge on customers they pick up at the airport; or an attorney to pay 10% of the fee of a client he picks up at the airport; or an engineering firm to pay 10% of the engineering charges to a client he picks up at the airport. . . .
>
> It is very important to impress on the Airport Authority that the customers coming through the airport terminal are not coming to see the terminal. The[y] are coming for all the business, cultural, and recreational attractions of the community. The Airport Authority does not own them and should not be permitted to impose these unreasonable and unfair fees on the traveling public.

It is worth noting that all of the businessmen who wrote to me expressed support for fair and reasonable fees for running courtesy vehicles on airport roads. That is exactly what my legislation permits. The bill is procompetition and proconsumer. It deserves the support of the House.

Finally, Mr. Speaker, I want to direct my colleagues' attention to Jonathan Rauch's article in the New Republic of April 22, on this very subject. For the benefit of my colleagues, the article follows:

[From the New Republic, Apr. 22, 1991]

TAKING DRIVERS FOR A RIDE. STOP IT HERTZ

(By Jonathan Rauch)

The next time you go to the airport, you'll notice that there are four or five rent-a-car concessions right there in the lobby. Want a car? Just walk up to the counter, sign the papers, and drive away. Of course, the convenience will cost you. Typically the rent-a-car company pays the airport 10 percent of its gross receipts. That cost—a dime of every dollar you pay—is passed along to you. Fair is fair. That's the American way.

The American way, that is, of the late nineteenth century, when the great cartels and company towns still flourished. For a case study in modern American feudalism, look a little further.

Suppose you're on a budget. You're willing to sacrifice convenience, so you rent a car from a company with offices outside the airport. "Off-airport," they're called in the business, and in the 1980s, they sprang up by the dozen. They pick you up at the curb and shuttle you to the rental lot some distance away. A hassle, but you save money. Meanwhile, the guys in the airport lobby lose a customer—and the airport loses its 10 percent commission.

So what have many airports—which are public monopolies, and thus exempt from antitrust actions—begun doing in the last few years? They have imposed a fee on off-airport companies for the privilege (as they call it) of driving vans in front of the airport to pick up customers. This required commission typically runs to something like 8 percent of gross receipts.

Yes, you've got it. Ten percent (and often a rent payment, but consumer advocates say the charge is usually well below market rates) buys a company a concession right there in the airport. Eight percent buys the privilege of meeting your customers with a van.

Airport managers defend the policies on the grounds that companies that depend on the airport for business should "pay their fair share" to support it. Airports, after all, are expensive to run. Walter Burg, the general manager of Tucson's airport, says, "People who make their living off the airport ought to pay for it."

By this logic presumably, luggage companies, which also make their living off the airport, should be required to pay a percentage of their gross in exchange for the privilege of access to airport baggage stands. Airports don't go that far. But some of them do take their commission even for off-airports rental-car customers who never use the van. These airports charge the access fee against any customer who rents his car within, say forty-eight hours of arriving at the airport. Don't like it? Off-airport companies who don't agree to this arrangement can kindly keep their shuttle buses off airport property.

If you think an 8 percent fee makes no difference, ask Jim Cantwell. He owned a Thrifty rental franchise in Tucson—indeed, had invested most of his savings in it. Since he was off-airport, he ran a five-passenger limo to meet each flight. Two years ago the airport switched from charging him about $1,400 a year for that privilege to charging him 7.5 percent of his gross receipts—about $40,000 a year, he says. The reason was that rental companies with offices in the lobby were saying they'd have to take a hike if something wasn't done about their off-airport competitors. Whether Cantwell could make money in Arizona's slow economy was iffy to begin with; the fee, he says, made survival impossible. He left the rental-car business and narrowly averted personal bankruptcy.

Everyone agrees that off-airport rental companies should pay *some* portion of what it costs to run airports. The question is how much. In justifying their pricing policies, the airports offer at least a dozen rationales, most of them unimpressive. The main reason, however, is not hard to find in testimony from Senate hearings last year: "If airports are prohibited from or restricted in charging fees to off-airport car rental companies, on-airport car rental companies will have a tremendous incentive to move off airport and, in the process, take with them the substantial revenues they generate."

So at last we reach the center of this thicket. Long ago, when rental car companies were few and they all had counters in air terminals, airports set a more or less arbitrary 10 percent gross-receipts fee. All companies were equally affected so none objected. Markets then did what they always do to cozy arrangements, which was to create alternatives. Off-airport companies sprang up. The airports now had only two choices. They could lower their own charge, from 10 percent to whatever the market would bear. Or they could force the competition's prices up. A private company in a competitive market would have had to do the former. Airports, being monopolies, could do the latter. And so they did.

Not surprisingly, the enraged competitors have come to Washington for a solution—one that is little better than the problem. They want to bring the airports' pricing policies under the jurisdiction of the courts or the regulators. (Right now these policies are off-limits to both.) The airports and rent-a-car giants that oppose the legislation, and that have prevailed so far, argue that it's unwise to get Congress and the courts mired in the business of setting rental-car concession fees. And they're right. What do judges and politicians know about how much rental-car concessions should cost? You'd have to pass a bill or go to court or petition a bureaucracy every time you wanted to change a price.

A better solution would be for airports to recognize market realities and put the whole supply of rental-car counters and pickup-van permits out for bid. If they still needed revenues, they could assess charges based on passengers' and companies' actual use of airport property.

But it would be best of all to avoid this kind of problem in the first place: in other words, to look for alternatives to public monopolies. What this whole snakebitten mess illustrates is that public monopolies—whether they're running airports, delivering the mail, teaching inner-city schoolchildren, or signing welfare checks—can be just as high-handed and backward as private ones. This is a fact that some Democrats are starting to catch on to. It's high time for more liberals to listen to Jim Cantwell's complaint and fall out of love with public monopolies.

IT IS TIME TO SETTLE A MATTER OF HIGHEST NATIONAL PRIORITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. MCCLOSKEY] is recognized for 60 minutes.

Mr. MCCLOSKEY. Mr. Speaker, we probably will not take the full 60 minutes tonight, but for some few minutes, several of us would like to talk about recent developments and hopes in the area of the ongoing POW/MIA problems and controversies.

Mr. Speaker, as many of us know from very recent press reports, yet another key player in the official effort to resolve POW/MIA issues had leveled allegations that the bureaucracy has "a mindset to debunk" and is not serious about resolving this "highest national priority."

Army Col. Millard Peck resigned in protest from his position as Director of the Defense Intelligence Agency's (DIA) special office for POW's and MIA's. In leaving a scathing memo he echoed some of the concerns first raised in 1986 by retired Air Force Lt. Gen. Eugene Tighe, DIA Director from 1974 to 1981.

This latest incident in the attempt to resolve longstanding questions about those unaccounted for in Indochina is a too familiar tragedy of official inaction. I would not assert a grand conspiracy theory or worse. But I am more concerned that this matter of "highest national priority" be handled competently and energetically.

Colonel Peck accused the administration of using his DIA Office as "a toxic waste dump to bury the whole 'mess' out of sight and mind."

His resignation statement said:

> That national leaders continue to address the prisoner of war and missing in action issue as the "highest national priority" is a travesty. From my vantage point, I observed that the principle Government players were interested in conducting a "damage limitation exercise," and appeared to knowingly and deliberately generate an endless succession of manufactured crises and "busy work." Progress consisted in frenetic activity, with little substance and no real results.

He further said:

> The mindset to "debunk" is alive and well. It is held at all levels, and continues to pervade the POW/MIA Office, which is not necessarily the fault of DIA. Practically all analysis is directed to finding fault with the source. Rarely has there been any effective, active follow through on any of the sightings, nor is there a responsive "action arm" to routinely and aggressively pursue leads.

Tomorrow, Colonel Peck will be appearing before a House Foreign Affairs Subcommittee. I am hopeful his resignation and the allegations which he courageously raised in his memo will be fully examined in months to come.

Colonel Peck's memo carried references to the "mindset to debunk" which first became public in a summary released by retired Air Force Lt. Gen. Eugene Tighe, DIA Director from 1974 to 1981. While Lieutenent General Tighe and subsequent congressional and DOD investigations found no evidence of a coverup at DIA, the first response at the DIA to new live sighting reports is to presume the report is fabricated or to attack the source.

Some significant progress has occurred on POW/MIA issues in Indochina and Korea. I accompanied Chairman SONNY MONTGOMERY on a congressional mission last year to receive seven sets of American remains from the North Koreans. These were the first sets of remains returned in decades.

At that time we proposed to the North Korean Government the establishment of a regular cooperative system to investigate POW/MIA matters from the Korean war and to repatriate remains of American servicemen there.

Although the North Koreans, for reasons known only to themselves, have now become less cooperative, an important precedent for cooperation of the issue has been established.

In Indochina, the work of Gen. John W. Vessey, Jr., U.S. Army (retired), former Chairman of the Joint Chiefs of Staff and special U.S. Presidential envoy to Vietnam for POW/MIA matters, has been invaluable. On April 19 and 20, 1991, the United States and the Socialist Republic of Vietnam agreed in principle to establish a United States temporary technical liaison office in Hanoi to assist in United States-Vietnamese joint searches for the possible remains of Americans.

Subsequent to that announcement, the United States is offering a modest amount of humanitarian aid, for the first time since the end of the Vietnam war 16 years ago, in the form of prosthetics for Vietnamese citizens.

It would appear that the winds of glasnost have truly swept much of the Communist world, affecting even hard line states like Vietnam and North Korea, and making substantive work on resolution of POW/MIA issues a real possibility. There are dramatic opportunities for the United States to seek international cooperation to resolve lingering questions about POW/MIA's.

It is time too put aside business as usual attitudes and for the Administration and the Pentagon to aggressively and substantively pursue all live sighting reports.

Mr. Speaker, I yield to the gentleman from California [Mr. DREIER], my good friend.

Mr. DREIER of California. Mr. Speaker, I thank my friend, the gentleman from Indiana, for taking out this special order and for yielding to me at this time.

Mr. Speaker, clearly the issue of the plight of those who over the past 15-plus years have been classified as missing in action/prisoners of war in Southeast Asia has been an extraordinarily frustrating one, most frustrating for the families, of course, and, of course, those courageous men who have been in that part of the world and are unaccounted for. But it also has been a very difficult time here in the Congress.

I think back on a number of our colleagues. We are here with the distinguished gentleman from New York [Mr. GILMAN], who has worked diligently for years on this issue.

My friend, the gentleman from Indiana [Mr. McCLOSKEY], and I have traveled together, along with the gentleman from New York [Mr. GILMAN], to Southeast Asia trying to bring about a full accounting of those classified as missing in action. I remember our former colleague, Bill Hendon, who to this day tries diligently to pursue this, and our colleague now serving in the other body, BOB SMITH, has worked hard on it, the gentleman from California [Mr. LAGOMARSINO], the gentleman from California [Mr. DORNAN], the gentleman from New York [Mr. SOLARZ], who is, as the gentleman from Indiana just said, holding a hearing tomorrow to discuss this, and the gentleman from Mississippi [Mr. MONTGOMERY], and I could go through names of nearly every Member of this House.

We all have a great deal of concern, but it has been frustrating, because we have more often than not come up with very little evidence in the past several years, which has simply fueled the frustration.

I have to admit to being frustrated on this. I first got involved in this issue when a young woman, Sherry Masterson, whose father, Col. Bat Masterson, was shot down over Laos in 1968, looked to me and said, "Please, tell me that my father is dead."

□ 1950

The reason she said that, of course, is that she is living daily with the uncertainty as to whether or not her father is dead or alive. We continue to have reports of live sightings, and there have been several developments that have taken place within the last several weeks and months.

Of course, in February, the memorandum to which my friend from Indiana referred that came from Millard Peck upon his resignation, charging a lot, making many, many charges, which are very disconcerting.

I hope we are able, tomorrow, in the Foreign Affairs Subcommittee hearing to get some good answers to this tough question that has been posed.

Mr. McCLOSKEY. Reclaiming my time, would the gentleman say that it is important that the attitude in that subcommittee, though, be one of openness for discussion, rather than anyone going in with any preconceptions?

I am sure the gentleman is aware of what I am alluding to.

Mr. DREIER of California. If my friend would continue to yield, the gentleman from Indiana said to me just about 45 minutes ago, that he is concerned that there might not be a great deal of openness in that subcommittee. I hope very much that there is openness and that there is a great interest, and I am not a member.

The gentleman from Indiana is a member of the Committee on Foreign Affairs. He will be there. I am looking forward to visiting as a guest of the subcommittee tomorrow. I do believe that there will be an openness and willingness to listen to a report that Colonel Peck would be providing about his findings. Colonel Peck served for a long period of time as the head of the investigative wing of the Defense Intelligence Agency charged with bringing about a resolution of the POW/MIA crisis.

There have been some other developments, of course, there that have taken place within the past few weeks on this issue. The Senate Foreign Relations Committee has come out with a letter in which they said that, despite public pronouncements to the contrary, the real internal policy of the U.S. Government was to act upon the presumption that all MIA's were dead. That was something that we have again discussed many times.

We want to assume that there possibly are people that are still alive, rather than going at this issue with the presumption that they are dead. We have many, many very difficult challenges ahead, but I believe that the United States of America has to continue its resolve, because as of last week, 2,273 people are still classified as missing in action in Southeast Asia. What kind of signal does this send if we do not pursue this question?

This is Memorial Day week. I am sure by friend from Indiana, my friend from New York, and my friend from San Diego and other colleagues here spent time on Monday speaking. I spoke to three different memorial servies held in Ponoma, Glendora, and Whittier, CA. At every one of those meetings, the issue of the plight of those missing in action was discussed. I think that it, once again, underscores the necessity for Members to redouble our efforts to ensure that we bring about a full accounting of those who are missing in action.

I thank my colleagues for taking out this special order. I know we have many brave new courageous people who have been prisoners of war, including a gentleman from Texas [Mr. JOHNSON] who just joined this body, and was as stated by the gentleman from Texas [Mr. ARCHER] who introduced him, held for 4 years in solitary confinement, longer than any other person.

I think this is an issue that will be continued to be debated here in Congress. I congratulate my friend from Indiana for the leadership he has offered in this.

Mr. McCLOSKEY. Mr. Speaker, I thank the gentleman for all his dedication, all his efforts, and particularly for appearing tonight to state his concerns.

I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank our colleague, the gentleman from Indiana [Mr. McCLOSKEY] for reserving this time to discuss this important topic.

As a member of the House Select Committee on our POW's and MIA's back in the mid-1970's, chaired by SONNY MONTGOMERY, as an original member of the subsequent House task force on this issue, and as former—1983–85—chairman and current vice chairman on the House task force, I welcome any opportunity to air the complexities of the POW/MIA issue. It is important that we in Congress maintain our leadership in and pursuit of our POW/MIA problem, and that we continue to give a full accounting and to educate the American people regarding the fates of the nearly 2,300 Americans still unaccounted for. Most important, it is essential that we never let the Communist governments in Hanoi, Cambodia, and Laos forget that we Americans are united on our desire for a full accounting, and that we will not rest until it is obtained.

Mr. Speaker, our friends in Hanoi may wish to sweep our POW's and MIA's under the rug, but we will never allow this to happen.

Along with many of my colleagues I was gravely disturbed by the recent press reports of Col. Millard A. Peck's sudden resignation as head of the Defense Intelligence Agency [DIA] Special Office for Prisoners of War and Missing in Action after only 8 months on the job. I was concerned about the allegations Colonel Peck made at the time of his departure in his memo marked "no distribution" but which in fact most of us in this Chamber—if not most of official Washington—has seen, if not in its original form, certainly in the synopses made widely available to the press.

I believe the allegations made by Colonel Peck should certainly be looked into. I applaud the announcement by Defense Secretary Richard B. Cheney that he is authorizing an internal Department of Defense investigation into Colonel Peck's allegations.

However, we in the Congress cannot ignore Colonel Peck's behavior in not coming before the appropriate bodies in Congress—namely, our House Task Force on POW's and MIA's—with his allegations before making them public and before his melodramatic departure from DIA.

Many of us in the Congress question Colonel Peck's attack on every branch of Government involved with the POW/MIA issue, including Vietnam veterans, without presenting substantiating evidence. His accusations question the integrity of those who have dedicated their lives to an accounting of 2,276 missing American heroes.

Mr. McCLOSKEY. Mr. Speaker, if I may reclaim my time for a question to the gentleman from New York [Mr. GILMAN], I am not sure if I did get the full version of Colonel Peck's statement, but in all candor, just for the basic integrity of our discussion, I am not aware that he impugned the integrity of thousands of people working on that issue, particularly.

I think he was especially thankful and solicitous of the concerns and the efforts and the ongoing dedication of his coworkers at the DIA. He did express concerns as to the motivations of others. However, in all candor, I do not think he gave a blanket indictment of everyone working or of Vietnam veterans.

Mr. GILMAN. If the gentleman will continue to yield, in response to the gentleman, while he did say he was thankful for the coworkers' attempt at resolving the issue, he impugned that there had been a coverup and that there had been neglect and negligence.

Mr. McCLOSKEY. I think that is true.

Mr. GILMAN. If the gentleman will continue to yield, without pinpointing where that came from, and that left a color of laxity and color of not fulfilling the responsibility in this office.

As vice chairman of the House Task Force on POW's and MIA's, I joined with our chairman, the gentleman from California [Mr. LAGOMARSINO] in inviting Colonel Peck to come before our panel to present the evidence substantiating his allegations which led to his decision to abandon his post.

Although it has been stated by many who are active on this issue that seven previous independent investigations have been conducted into conspiracy charges, each concluding that no coverup on the POW/MIA issue exists, I see no reason why an eighth investigation should not take place.

□ 2000

If Colonel Peck has additional information which has not been considered in the past, by all means we owe it to the American people and to our missing Americans to give it a full and fair hearing.

Mr. Speaker, permit me to note the statement issued on May 20 by the National League of Families of American Prisoners and Missing in Southeast Asia, the leading organization representing the families of those who are still missing:

> We know that the POW/MIA issue is complex, demanding and emotional; however, Col. Peck's expressions of frustration, after only eight months, are misdirected—he should have focused on those who hold the answers, primarily in Hanoi. Knowing this reality, the League will continue to focus on Hanoi, while advocating and expecting intensified, professional and thorough efforts by all agencies of the U.S. Government.

Mr. Speaker, those of us who have been immersed in the POW/MIA issue for many years are well aware of the reversal of the apathetic policy administrations prior to the early 1980's. We are fully aware that President Ronald Reagan, followed by President George Bush, have both placed the highest priority on this concern.

Rather than fighting among ourselves, arguing that too little is being done too late, we should be gratified that our Government is indeed pursuing the issue on every avenue available.

As we consider this frustrating, complex issue, let us focus on recent progress made on the issue, especially on the opening of a temporary United States office in Hanoi to investigate live-sighting reports, gaining access to historical information on individual cases from the Socalist Republic of Vietnam archives, to plan joint United States-Socialist Republic of Vietnam operations, and to facilitate forensic review and prompt repatriation of remains.

We are also gratified that we are beginning to make some progress with the government of Laos in excavating crash sites.

Mr. Speaker, let us give a full hearing to what Colonel Peck has to say and to learn what his views are regarding the handling of this important issue. At the same time, let us bear in mind that our administration is certainly seeking a full and final accounting of our missing-in-action and that the Bush administration has been devoting its time, energy, and resources to fully resolving this issue.

Mr. Speaker, I thank the gentleman for yielding to me and I thank him for arranging this time tonight.

Mr. McCLOSKEY. Mr. Speaker, I thank the gentleman from New York [Mr. GILMAN]. I really do appreciate the gentleman appearing here tonight and participating in this part of the discussion.

Mr. Speaker, I yield to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I appreciate my friend, the gentleman from Indiana, yielding to me and the time that the gentleman from New York [Mr. GILMAN] has taken, as well as the gentleman from California [Mr. DREIER].

Mr. Speaker, I have not just been involved with the POW/MIA issue, but I have been immersed in it. I have worn a POW/MIA bracelet since 1969. I have had what you might call extreme emotion, anger, and frustration over the events that have taken place since the 1960's and the lack of attention that has taken place up to this date.

I was shot down myself on the 10th of May, 1972. I just celebrated the anniversary of that date.

We have two POW's that were listed as MIA's at one time on the House floor, one on the other side of the aisle, the gentleman from Florida, Mr. PETE PETERSON, who is a close friend, and the gentleman from Texas, Mr. SAM JOHNSON, who is our newest Representative from Texas.

I want to tell you, whether the MIA's had survived or not is immaterial. The same day that I was shot down on the 10th of May over Hanoi, I had a good friend, Commander Blackburn from VF92 who was shot down. Steve Rudlof, his back seater, came back with the rest of the POW's in 1973–74.

Commander Blackburn's son works in Poway, not my district, but it is in the area. His son used to call me about once every 6 weeks, once every couple months and say, "Duke, can I talk about my Dad?"

The same questions, Mr. Speaker, the same answers.

About a year-and-a-half ago, they brought Commander Blackburn's remains back. It was like a thousand-pound weight had been lifted off that boy's back. He did not want to see his father come back like that, but that resolve we owe. We owe that to the members of the families, the sons and the daughters.

It is not just the frustration, and whatever the hearings show up, no matter how many hearings we have had in the past, if there is one shred of evidence, one straw, and I do not care if it is a Democrat administration or a Republican administration or what it is, if there is some negligence, then I think extreme penalties should be in place, because this is an issue that affects the American public, the American people, the families and the members themselves.

I would hope that we do have some servicemen alive. I am looking forward to the answers.

I do not know what Colonel Peck's motivations were, but I am anxious to find out, as I am sure my colleague from Indiana is. I laud the gentleman for calling this special order, but again I would listen to the debate and the meetings with open mind; but if they give us the same rhetoric as they have since the 1960's, that is the time when we should put our foot down and knock down a few doors to demand that the answers and the results of those answers be carried out.

Mr. McCLOSKEY. Mr. Speaker, I thank the gentleman very much for his contribution.

Again, I want to thank the gentleman from New York [Mr. GILMAN]. I think no one will say, not everyone is going in with an open mind tomorrow, I say to the gentleman from New York [Mr. GILMAN]. I hope we all do truly go with an open mind.

I regret that I have not had the opportunity to get to know Colonel Peck better. We just spent about half an hour together 6 or 8 months ago one day talking about various matters; but I respect his bearing, his sense of commitment. I understand he is a decorated combat veteran of Vietnam. I think he is a person we have to assume to be of the highest integrity. I think people can often make mistakes or have differences of opinion or judgment without being misdirected.

I will say quite candidly that over the years, in the 6 or 8 years that I have been working on this, I have seen people, and I do not want to get into names, but I could in the particular POW National Security apparatus leadership committee that he is talking about actively try in effect to slander and undermine the sincere efforts of various Members of the Congress of both parties who were working on this issue. I think that is unfortunate, because my feeling is that all of us have approached this with sincerity, integrity and good will.

I think we would be kidding each other if we did not recognize that it can get pretty vicious and pretty hostile out there, depending whether you agree or disagree with A or B in the administration on the POW/MIA issue. We have all seen this and we have worked together, I say to the gentleman from New York [Mr. GILMAN], and we have talked about this before. I can name names on that and bring back the telex's, the telegrams, and the phone messages that were undermining the various efforts that we were making in Southeast Asia at the time, in all sincerity.

Again, the gentleman from New York [Mr. GILMAN] has been a leader on this. I know the gentleman's integrity and his commitment and I know the gentleman is going in there tomorrow with an open mind and will continue to work on this with an open mind.

I also think it is true that we all have enough experience in this to know that the process has not been perfect. There are real problems. It is true that going over those various live siting reports, there are problems and various things that have not been done that any basically analytic intelligent person, not necessarily having any expertise, would have followed up on that were not followed up on. We have seen that.

Again, we have Colonel Peck with his statements and General Thai who ran the DIA, and who I guess after he left the DIA, and that is one of the problems in all this, points not to a conspiracy, not to anyone's lack of integrity or a desire to undermine or not adhere to the highest patriotic and compassionate ideals; but General Thai was the first to utter that ringing phrase which has really struck home in my mentality, and that is the mind-set to debunk. It seems that everyone who raises this issue, who thinks there may be something out there, automatically has to be immediately impugned, quite frankly, I say to the gentleman from California [Mr. CUNNINGHAM] at the highest levels of the DIA.

So I would say in some ways it ought to settle down. We ought to have an open mind and continue to work on this.

But I for one do not think it will be a problem, but I want to hear Colonel Peck out tomorrow and assume he has done the best he can. I just know that given his experience and his dedication, he is going to give us some information on all this that will be helpful.

Mr. CUNNINGHAM. Mr. Speaker, will my friend yield further?

Mr. McCLOSKEY. I am happy to yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, I think the point being that if there is some evidence that there was neglect, willful neglect on any Member, not only in the House but any branch of the Government, Presidential or all the way down to the lowest level, there should be no reason why if we know of the existence of MIA's that we should not go in and try to get them.

□ 2010

There is no politics high enough to stop that endeavor. And if that was the case, then I think we should seriously look into that, not that we go out with blind allegations, but if there is proof of that neglect, then I for one would be one who would go for the throat.

Mr. McCLOSKEY. I thank the gentleman for his comments.

Again, I thank the gentleman from New York, [Mr. GILMAN].

WHY CONSERVATIVES DON'T TALK ABOUT AMERICA'S HEALTH SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 60 minutes.

Mr. WISE. Mr. Speaker, tonight I want to talk about health care, and I do this having the privilege of chairing the Democratic Study Group, which on Friday issued this report: "Why Conservatives Don't Talk About America's Health System. Laissez-Faire Medicine is Leading American Families and the Nation's Economy to Ruin."

Mr. Speaker, I think there is a compilation of data here that is very, very important because what it does is lay out some of the implications of not dealing with the health care crisis in this country.

Quite candidly, I am not going to make this appeal based upon the normal appeal that we should be making, compassion, charity for others, feeling that there is in my mind a constitutional right to adequate health care. I am not going to make my appeal on those grounds. I am going to make it on the basis of the necessity for this country to do something about health care or we will find that in every other area of its economy it is infected with a deep, deep illness that it is going to have a harder and harder time to shake.

I do that, incidentally, having started this morning during the 1-minute portion, started what will become a weekly tradition in which I am going to introduce to this Congress every week a person, a West Virginian, a constituent who is having problems getting adequate access to health care. Many of these people you are going to find having among them a common attribute which is they work or a member of their family works, but that the problem of inadequate access to health care is growing rapidly in our society. So much so that the numbers of uninsured or underinsured is rapidly growing.

My purpose for doing this is I happen to think there are far too many statistics floating around out there that make the case, but somehow we have been numbed by them. We have been numbed by the 37 million uninsured. We have heard that figure so much now that people figure, well, 37 million, that is so big that it boggles the mind, "I can't deal with it."

Or perhaps we have been numbed by the 60 million to 70 million that are underinsured. Yes, they have insurance, but it is not adequate for their needs.

Or we have been numbed by many of the other statistics.

So, in order to get it beyond the black-and-white statistics such as are in this report, I will be introducing once a week to the Congress somebody who is not a statistic but is a real tragedy, and the problems they are having.

But tonight let us deal with statistics because I think that also helps to make the case.

First of all, I think it is important to note where the problem begins. The problem begins on the Reagan administration watch because the problem starts there. Yes, there has been a health care problem in this country for a number of years. You can trace it back to the 1940's, following World War II, when there began to be rising increases in health care. But if you look from 1950 to 1980, you will see the rise in health care costs has been incremental, somewhat over regular inflation, about 1.2 percent over per year on the average, but still within the capacity of America's working families to deal with; hard at times, but to deal with.

That is up until 1980. In 1980, they just take off through the roof. In 1980 to 1990, health care costs doubled in their rate of increase until they are almost double the rate of regular inflation.

So, today you can see part of the result in per capita health spending on this chart. That comes from the OECD health data bank in which the United States, the pink line the per capita health spending is $2,354. the next largest amount per capita expenditure is $1,683, Canada. Sweden, $1,361. United Kingdom that we hear so much about in an adverse way so often about their health care system, $836.

So the United States per capita spends far more than any other country. I might add we also spend more as a percentage of our gross national product.

Last year we spent roughly 12 percent of our gross national product in health care, and it is rising, it is the fastest growing part of our economy, health care; paying more and getting less, fastest growing part of our economy.

The next leading nation is Canada or perhaps Sweden at roughly 8.6 percent of their gross national product. So you can see that rapidly rising health care costs affect per capita and also our GNP, and they affect what portion of our resources are going to health care.

But make no mistake about it, this occurred during the last decade.

There are other statistics, I think, that bear that out. If you look at what the American working family spends, how long they have to work in order to pay their health care bill, you will see that it remains roughly constant from 1965 to 1980. These are the green lines, 1965, 1970, 1975, 1980, it is roughly 3.3 weeks of their gross earnings went to pay for health care during that 15-year period. That is 3.3 weeks of their gross earnings.

Now look what happens starting in the decade beginning with the 1980's. Up to over 4 weeks from 1980 to 1985; from 1985 to 1989, 4.8 weeks, and going up, up, up, for failure to address the problem.

People talk about hidden taxes; here is a hidden tax given to you courtesy of those who do not think that the Government ought to be doing anything about health care. That is a fact that more and more of the working families' income goes to pay for health care. And that is their gross earnings, I might add.

Now, what happens to health care costs in the same period? Let us go back: Here you see the earnings per worker, that is the purple line, earnings per worker at the average wage. What is happening, and you do not need to tell working families this, what is happening is that their wages in inflation-adjusted dollars are going down. From 1980 to 1990, average wage in this country, the average hourly wage went from something like $10.56 an hour to roughly $10.03, a few pennies here or there. But the point is it was on a downward track. And that is an inflation-adjusted dollar over that decade period.

That is reflected in this line; workers' wages going down. Look what is happening to workers' health care costs; going up. This period starts in 1970 over on this side of the chart, here is 1975, 1980; now you begin to see the projections as it starts up for what it is going to be until if you project this on out, if the trends continue, which is working families; wages in inflation-adjusted dollars going down and health care costs going up at the same rate, what happens, incredibly, is somewhere around the year 2025 the American worker is paying 100 percent of their earnings for health care. Indeed, it goes over after that.

You tell me there is not a hidden tax for inaction, failure to act, failure to do something? If you went to a physician with these kinds of vital signs and the doctor did not take any action, you would sue for malpractice.

So that is one of the main reasons that the Congress, the administration must act. Yet, we have Dr. Sullivan, for whom I have a lot of respect in many areas, but yet is carrying out the policy of this administration, saying that this administration does not intend to offer any kind of significant health care legislation that guarantees adequate access to health care for everyone.

All of this is in this report, "Why Conservatives Don't Talk About America's Health System." Because what you see, quickly, is a system that is out of control and now is infecting far more than its own areas, far more than just health care costs.

Now let us look at another graph, the graph that I think is important, showing what is happening not only to American working families but to their ability to compete and to American industries; ability to compete; because let us make no mistake about it, American industry, business, is paying a very, very large share of health care costs and they are seeing their portion go up. In fact, a recent study suggests that American industry, American business is seeing their costs go up annually somewhere between 9 and 15 percent.

□ 2020

Take the low average, 9 percent, 9 percent a year increase in health care costs. For many of our businesses, particularly our small business, that is the faster growing part of their business costs, not wages, not training, not other areas. Health care costs. Small wonder then that it is within the small business community that one finds over 50 percent of the uninsured workers.

Why? Because the employers have no choice. The employers are faced with a draconian decision of whether to be able to continue operating in business, or cutting health care benefits or eliminating benefits, but what this report shows us, the Democratic Study Group report, is I think an incredible trend, which is that health care costs are now dragging down the rest of our economy and particularly our ability to compete, not only amongst ourselves, but abroad.

Mr. Speaker, what is happening is that health care costs are making U.S. goods more expensive so that the rising health care costs are wiping out the gains that we are making in other areas.

Let me give my colleagues some examples. Take productivity. I say, "You make all the productivity gains you want, and that's one of the things that we fight and strive for in this country; that, as we recognize that there are lower wage bases and lower wage scales in other nations, the only way we can gain is through equality and through improving productivity. It is the only way we can compete. If you make productivity gains of 3 percent, if you have a 9 percent increase in health care costs, then all those productivity gains are wiped out."

Mr. Speaker, what this report suggests is that this Congress, this Government, can greatly revamp its educational system and improve it, can improve worker training, can make ourselves more competitive in so many ways, can increase productivity beyond what its average is, can make all of these great gains and strides, and we are still going to be running behind.

Mr. Speaker, that is what this chart illustrates here. I say, "If you take two workers in 1990, an American and a European, and both are making—we will start them at $12 an hour, a little over $12 an hour, and you figure that the American's health care costs—we'll give the benefit of the doubt—are going up on the low side, the 9 percent figure that I mentioned, not the 15 percent, the 9 percent figure, the European on the average health care costs will go up 4 percent. Let's assume the productivity is constant for both of them and increase roughly 2 percent a year in the manufacturing sector. What will happen in 1990 and 1991? The American worker is going to be able to produce the same product at slightly lower cost than the European worker."

Mr. Speaker, that is in 1990, but look what happens. That is reflected in the green line at the very end of the chart. That is the European worker in comparison to the American. But now look what happens as we go each year and we see the increase in health care costs being 9 percent to the American employer and 4 percent to the European employer and productivity gain roughly the same, at 2 percent, and what we will soon see happen is that the European worker becomes much more competitive in relation, and the cost of making the European product is much more competitive in relation to the American product, so much so that by the end of the decade, the year 2000 right in here, the American worker is going to have to make a tough decision, whether to give back $1.30 in wages to reflect the difference in health care costs or to sell the product at a much cheaper cost, but in that case I ask, "How do you recover your costs? How do you stay in business? Or do you shut the plant?" That is the decision.

What happens is the cost of the American-made product, because of health care costs, goes up here while the cost to the European producer goes down here, and look at the widening gap. This is carried out to the year 2005, but even in the next decade look at the widening gap. So, whereas they started equal, and the American worker was actually slightly more productive when they made the same gains, and they worked the same job and made the same product, the one factor that was different was health care costs. The American worker fell behind, the American business fell behind, and so the message once again is quite clear. The message is that the failure to address the health care crisis in this country is not just a health care problem. It is an economic problem that infects our entire economic system.

Mr. Speaker, I represent a State that had 10 rural hospitals closed in the last 5 years. Talk about limiting access to care. It has had five primary care clinics in a small State closed in the last 5 years because of failure of cash-flow, and so we know first hand the problems in the health care system.

Mr. Speaker, this is a nation that has 37 million roughly. Some say 32. It is going to be up to 37 shortly the way things are going. A million uninsured, another 60 million underinsured. So, failure to address this means a failure to take on the basic problems affecting our economy.

There is another reason that people ought to be concerned. This is a tax increase. I do not care what it is called. People say, "How are you going to pay for any kind of health care changes? You know, it will be more expensive."

Well, my colleagues, I would say to the American worker, working family, that they know they are paying an increase now, and they are getting nothing for it. They are getting nothing for it; 3.3 weeks, 15 years ago, gross earnings to pay for your health care costs, up to 4.8 weeks, rising sharply, and today less people are covered in this country. They get less coverage, and the people that are paying pay more.

Now that is a heck of a deal. That is a hidden tax increase, and what is worse is that they are not even getting anything for it.

Some people would argue the proposal suggested, whether it is the Pepper Commission, whatever it is, that they have a built-in cost increase. Well, this report also says that there are some areas we can look at. We can look at, for instance, administrative costs. We can look at trying to unify the way that insurance companies require reporting. We can look at a lot of areas.

For instance, the United States has administrative costs as 24 percent of their health care. Canada is less than half of that in a recent study in the New England Journal of Medicine, and so there are other areas we can look at for cutting, but I am going to make a prediction here. I am going to make a prediction that, if we fail to do anything, if this administration fails to come forward with a significant health care proposal which reassures everybody, says, "Listen, we didn't raise your taxes. You haven't seen a tax increase from us to pay for health care," let me tell my colleagues what is going to happen.

This tells us what is going to happen. Our costs are going up anyway. I say, "If you're a small business person or any employer, you're going to see your costs go up 9 percent next year."

Is that not an increase? Maybe not a tax increase to the Federal Government, but I say to my colleagues, "You're going to be paying more, and I'm going to make a prediction. You're not only going to pay more, but, if you're an employer, you're going to have to weigh very carefully whether or not you're going to cut benefits. You're going to have to make a decision about whether to require higher co-payment from your employees, a higher deductible, less utilization, more co-payment of the premium."

So, Mr. Speaker, lot of tough decisions.

So, somebody comes by and says, "Well, we haven't charged you any more." They are charging 9 percent more a year.

I know that in the insurance policy that my wife and I have, we have seen that premium go up 10 percent a year. Somebody going to tell me there has not been an increase?

The irony to the Pepper Commission report, which they agreed basically on the technique, but not on the funding mechanism, is that it predicted over a 5-year period to cover both long-term health care, as well as medical care, that it would be a $66 billion annual increase after a 5-year period, and people said, "Whoa, not us. Sixty-six billion dollars; who's going to pay for that?"

We paid last year in this country $690 billion. It is, as I mentioned, 12 percent of our gross national product. The Pepper Commission's recommendations were 10 percent of what our total health care bill last year was.

So, anybody in this Chamber or anywhere think that their bills are not going up, their health care bills are not going up by 10 percent next year? Of course my colleagues know that it is going up that much, and so in the year since that recommendation was made, in which the Congress could have acted, in the year since that was made health care costs have already gone up that amount and will go up that amount next year, and the situation is even worse.

□ 2030

Mr. Speaker, those are some of the compelling reasons I feel for the need for Congress and the administration to address this. Other competitive costs, for instance, the health care cost today conservatively costs every American car manufacturer $700 per vehicle. If one is trying to be competitive, increasing productivity, doing all one can but it costs $700 more to make a car because of health care costs when the next greatest competitor, the nation of Japan, is $246 per car, France is $375 and Germany is $337, when the main competitor, which is the Japanese, are spending $246 per vehicle and we are spending $700 per vehicle, then we have got something like a $450 edge to make up. That is a pretty tough ground to cover, to make up.

Let us say you are a taxpayer and you say, "What is happening to me there?" In 1980, for instance, health programs in this country consumed 17 percent of our federal domestic budget. Seventeen percent. Today they consume 22 percent, and in another five years it is estimated that they will consume 31 percent of our domestic budget, simply trying to meet the unaddressed health needs.

The growing number of uninsured, we all know that that is rising quickly because we all see personal instances of that. Who are these families that are uninsured? Are they working or are they just malingerers out there? We should not take care of them.

No connection to employment, the study, and this comes from other data from the Pepper Commission, no connection to employment, about 25 percent; part-time workers and their dependents comprise 13 percent; full-time workers and their dependents comprise 62 percent. They are the men and women working in the fast food stores. They are the men and woman working behind the counters in your retail establishments. They are the men and women often holding down two, sometimes three jobs, trying to make it.

They are doing what our society demands they do, work. And their reward for this? They cannot afford basic health care for themselves or their children.

You might say, how do we compare then with other nations? That is also a section of this report. Let us go back again to a chart.

The first figure I think is significant, once again, it is what this Nation spends per capita which is $2,354 in 1989, compared to the next largest nation, Canada. Of course health care costs, as I mentioned, are a much larger part of our gross national product. This report punctures some myths, because there are some myths about Americans and their utilization of the health care system dealt with in the Democratic Study Group report.

For instance, there are many who would say the reason that health care costs are this high for Americans is that Americans visit the doctor a lot more. I have heard that one several times. Unfortunately it is wrong.

Americans actually do not visit the doctor or are underutilizers compared to other nations. Japan, for instance, averages 12, almost 13 visits per capita during a year's time. West Germany, 1.5. The United States of America is 5.3.

Some would argue that the average length of stay in the hospital is longer for Americans. Not so, according to the Democratic Study Group report, which derives its figures here from OECD health data. Not so in Sweden, where the average patient days per admission in a Swedish hospital is almost 21 days. In West Germany it is 17.5. The United States is far down the list at 9.8.

Do Americans use the hospital more? Do we tend to be admitted? We had more people going to the hospitals as a percent of our population, some would argue. Once again, they would be arguing false statistics because France leads at 21 percent of their population visiting the hospital in any given year. We are somewhere almost 15 percent.

So there are some myths punctured in this report that I think are very, very significant. There is a lot more in this report. It will not all be covered tonight. I do intend to take more time, and I would invite others to join me in the future in discussing this report because I think what it does is to put out a lot of data that can be the basis for policy decisions as well as a lot of healthy debate. I certainly hope that that debate will be taking place.

Some might say, okay, we have had health care systems and we are spending more than other nations, considerably more. It is a larger percentage of our gross national product, but at least, thank goodness, we lead the world in quality of health care and in many of the vital statistics.

Well, I hate to puncture that myth, too, but unfortunately we are paying more and getting less.

For instance, to those who might suggest that the United States leads the world, regrettably that is not the case. With the male life expectancy in the United States being 71.5 years, we trail Australia, Austria, Canada, by about two years, France, West Germany, Iceland, it pays to live in Iceland, that is 75 years, Japan. Remember, they spend a lot less per vehicle making cars for health care and yet live longer.

There is a lesson there on that, too, Sweden and Switzerland, all of those nations. Incidentally, the overall average of those nations coming from the World Health Organization, the overall average for male life expectancy is 72.7 years. The United States is below that average, 71.5 years.

The same figures are borne out in infant mortality, where the average infant deaths per 1,000 live births for the same listed nations that I just read is 7.5 years. I need to correct myself, it is 7.5 infant deaths per 1,000 live births in the nations I just read. Regrettably, the United States has an average of 10.1 infant deaths per 1,000 live births.

Once again, we cannot even point to better health care and better results as a justification for the amount that is being spent. I am not here pointing fingers tonight. My observation, particularly in the last few years, is that everyone is suffering from this. Nobody is happy with this system any more. Physicians know that they in many areas are not able to deliver care for what the government would reimburse them. They know the restraints placed upon them. Hospitals are facing an incredible cash flow. Employers know that this system, large and small employers know that this system is not working for them. Consumers, taxpayers, government, the health care providers, you name it, the system is broken.

Perhaps in another forum, we can discuss what should be done. I call your attention, Mr. Speaker, to this report, the Democratic Study Group special report on why conservatives do not talk about America's health system. What the report does not say, but it screams from every page, as you draw conclusions, is this Nation must do something. President Bush and the administration do not have the luxury of hiding back in the White House on Pennsylvania Avenue saying, "Do not worry, stay the course, no tax increase, status quo." The status quo is a prescription for sheer folly. It is a prescription for economic illness that far exceeds the problem simply in the health care industry. I liken it to a hospital.

We will say that this is the hospital where the United States of America brings all of its problems. You bring education. You got a reward for education, you are going to work on it. The physicians have a prescription. You have a treatment plan. You bring competitiveness. You bring in the need to increase productivity.

You bring the drug problem. You bring the Federal budget and all of its problems. And so you want to work on each of those. You try to address them, perhaps specifically, and in isolation from the others.

Then one day in through the emergency room finally you wheel in health care, and I mean this is a comatose patient. You figure, well, OK, health care well we will try to deal with in isolation also. It is taken up to the ICU, the intensive care unit. We have a problem.

As soon as health care rolls in, we have now infected the whole hospital with an illness far worse than what any of the individual components had before. If we do not cure health care, we do not cure the rest, because health care is now the major contributing illness to all of the other problems that you brought in.

The economy cannot overcome that drag that health care and health care crisis is putting on it. We cannot overcome it. We cannot make any gains until we deal with health care.

So as I started this session, I said, I talked about saying, we will not deal with the question of compassion tonight. Whether or not this country should continue to be one of only two major industrial nations that does not provide some sort of adequate access to health care strategy for all of its citizens, the other nation, incidentally, is South Africa, and not a nation I enjoy keeping a lot of company with.

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But we agreed to skip that question. Instead we are going to deal with the economics, the per capita health spending, what it is doing to American working families, what it is doing to America's businesses, what the health care crisis is doing to America's ability to compete at home and abroad, what it is doing to our overall economic structure, and, finally, what it is doing to our families in terms of a hidden tax increase.

I keep stressing that, because the next time somebody tells you, "Oh, no, I am against the Government being involved in health care," or actually trying to even formulate a national health care strategy in which you put everything on the table, you put the administrative costs, you put cost controls, you put malpractice reform, you put access to health care, you put the need for more primary care, you put the need for preventive medicine as opposed to dealing with a traumatic situation when it is developed into a full-blown crisis, you put all of that on the table.

The next time somebody looks you in the eye and says, "But don't you worry, I am not going to consider a Government strategy because you are going to be paying more," they have an answer to who pays it, look them back in the eye and say, "Hey, buddy, I am paying more now." If I am fortunate enough to still have health insurance, a declining number, I know what is happening to my premium. If I am a senior citizen on Medicare, you are not fooling me, because Congress just cut my benefits last year in order to keep the system solvent, but I know I have seen my level of benefits steadily cut to provide the health care, that minimal level of health care, necessary.

If I am working at a job that pays minimum wage or slightly above, I cannot afford health care anyhow, and I know what happens if I have to take my child to the physician. I know how expensive that is, and I know I am having to make basic decisions based upon that. Also I know, according to the chart that was in the Democratic Study Group Report, that it is going to take almost 5 weeks of gross earnings to pay for what just 10 years ago was 3.3 weeks of gross earnings.

So, if you are a taxpayer, you say I am seeing more and more of my tax dollar go to health care costs, not buying me more education, it does not buy me any more roads, it does not buy me any more defense. All it does is restrict the options available.

You cannot do much deficit cutting if the health care costs are going up, and Medicare and Medicaid and other health care programs combined total somewhere around $180 billion last year. Do not tell me you are doing something for me by saying you are against embracing some sort of national health care strategy that guarantees adequate access to all. It is not even a case of you pay now or you pay later. We are paying now.

The failure to act, the failure to get off the dime, is I think one of the great fallacies that this Congress, and particularly the administration, embraces, that they are somehow doing people a favor, they are saving them from a hidden cost.

The cost is there. You and I know that our costs are going up 10 percent at least next year. If you could tell me that, first of all, you are going to make an effort to reduce administration costs, a significant amount, and I think you can definitely cut into that, they estimate some $60 billion of administrative costs, if you could cut that by one-fourth, you would save $15 billion, that would pay for an acute care program for all Americans. If you told me that you made efforts to reduce administrative costs, that you made efforts to look at other areas of cost, and you are telling me it is still going to go up, but it is going to be less than what my increase is going to be anyhow, that I am not going to be continuing to see my wages, my gross earnings, the amount necessary to pay for health care, that I am going to be able to take home a little bit more, if you are telling me you are going to have a rational health system in which people are covered and that all of us are covered, then I would say, bring it on and stop being timid about it.

Incidentally, Mr. Speaker, I have sent a copy of the Democratic Study Group Report to Secretary Sullivan, who is a physician, the Secretary of Health and Human Services. He can read vital signs, I think, with the best of them.

What this says is that the patient's vital signs are bad for the patient. What the patient is doing is worsening our economic vital signs to the point it is a crisis situation requiring definite acute and long-term care.

Finally, let me say it is essential to deal with this problem. Failure to deal with the rising health care cost issue is a prescription for Americans paying more and more to cover fewer people, to give less coverage, and, at the same time, to continue to undercut our economy and to drag it down in such a way that it will never be able to achieve its full potential.

So we are going to talk in other evening sessions about why there ought to be adequate access to health care for a myriad of reasons. But tonight, I do, Mr. Speaker, urge every Member to look at this report, to read it carefully, to look at the statistics and the data and some of the conclusions that can be drawn. Some of these conclusions have not been drawn before, but it does not take much to see it. And then we will discuss it much more. You will come to the conclusion that I do, which is that the health care crisis in this country is no longer just a health care crisis. It is an economic crisis which requires immediate attention.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. GEPHARDT) for today and the balance of the week on account of official business.

Mr. ENGEL (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. HORTON (at the request of Mr. MICHEL) for today and the balance of the week on account of official business.

Mr. RAMSTAD (at the request of Mr. MICHEL) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DREIER of California) to revise and extend their remarks and include extraneous material:)

Mr. WELDON, for 5 minutes, on May 30 and 31.

Mrs. MORELLA, for 60 minutes, on May 30.

Mr. DREIER of California, for 60 minutes, on June 4, 5, and 6.

(The following Members (at the request of Mr. HOCHBRUECKNER) to revise and extend their remarks and include extraneous material:)

Mr. ANDREWS of New Jersey, for 5 minutes, today.

Mr. ABERCROMBIE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. SMITH of Florida, for 5 minutes, today.

Mr. WISE, for 60 minutes, today.

Mrs. MINK, for 30 minutes, today.

Mrs. KENNELLY, for 5 minutes, on May 30.

Ms. PELOSI, for 60 minutes, on June 4.

Mr. LIPINSKI, for 5 minutes each day, on June 4, 11, 18, and 25.

Mr. LIPINSKI, for 60 minutes each day, on June 5, 12, 19, and 26.

Mr. GONZALEZ, for 60 minutes each day, on June 3, 4, 6, 7, 10, 11, 13, 14, 17, 18, 20, and 21.

Mr. OWENS of New York, for 60 minutes each day, on June 3, 4, 5, 6, 7, 10, 11, 12, 13, and 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WILLIAMS, immediately preceding Mr. WALKER, in title III of H.R. 2427 in the Committee of the Whole today.

(The following Members (at the request of Mr. DREIER of California) and to include extraneous matter:)

Mr. GILMAN in two instances.
Mr. LENT.
Mr. BROOMFIELD.
Mr. PORTER.
Mr. RINALDO.
Ms. SNOWE.
Mr. WELDON.
Mr. ROGERS.
Mr. BILIRAKIS.
Ms. ROS-LEHTINEN.
Mr. SUNDQUIST.
Mr. GREEN of New York.

(The following Members (at the request of Mr. HOCHBRUECKNER) and to include extraneous matter:)

Mr. YATRON in two instances.
Ms. DELAURO.
Mr. HOYER.
Mr. SCHEUER.
Mr. CLAY.
Mr. CARDIN.
Mr. RAHALL.
Mr. SOLARZ.
Mr. MORAN.
Mr. APPLEGATE.
Mr. KOLTER.
Mr. SWETT in two instances.
Mr. LANTOS.
Mr. MILLER of California.
Mr. FASCELL in two instances.
Mr. NEAL of Massachusetts.
Mr. HOYER.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. HAMILTON.
Mr. MATSUI.
Mr. BUSTAMANTE.
Mr. ROE in two instances.
Mr. LEHMAN of Florida in two instances.
Mr. VENTO.
Mr. BEILENSON.
Mr. RANGEL.
Mr. MAZZOLI.
Mr. EDWARDS of California.
Mr. DYMALLY.
Mr. REED.
Mr. TOWNS.
Mr. KOSTMAYER.
Mr. HARRIS.

SENATE JOINT RESOLUTION AND CONCURRENT RESOLUTION REFERRED

A joint resolution and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 150. Joint resolution to designate June 15, 1991, as "Magna Carta Day"; to the Committee on Post Office and Civil Service.

S. Con. Res. 41. Concurrent resolution to express the sense of the Congress that Tibet, including those areas incorporated into the Chinese provinces of Sichuan, Yunnan, Gansu, and Quinghai that have historically been a part of Tibet, is an occupied country under established principles of international law whose true representatives are the Dalai Lama and the Tibetan Government in exile as recognized by the Tibetan people; to the Committee on Foreign Affairs.

ADJOURNMENT

Mr. WISE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 46 minutes p.m.) the House adjourned until tomorrow, Thursday, May 30, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1363. A letter from the Assistant Secretary of Defense, transmitting a report entitled "Department of the Army Report on Cleanup of the Rocky Mountain Arsenal"; to the Committee on Armed Services.

1364. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend section 6958(c) of title 10, United States Code, to eliminate the requirement that an enlisted nominee to the Naval Academy must have served at least 1 year as an enlisted member on the date of entrance to the Naval Academy; to the Committee on Armed Services.

1365. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-26, "Advisory Neighborhood Commission Election Temporary Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1366. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-27, "Uniform Law on Notarial Acts Temporary Amendment Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1367. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-28, "Persian Gulf Housing Assistance Temporary Amendment Act of 1991", pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1368. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-29, "District of Columbia Depository Act of 1977 Temporary Amendment Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1369. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-30, "District of Columbia Government Comprehensive Merit Personnel Act of 1978 Operation Desert Shield and Desert Storm Active Duty Pay Differential Amendment Act of 1991" and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1370. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-31, "Board of Trustees of the University of the District of Columbia Compensation Amendment Act of 1991" and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1371. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-33, "Youth Rehabilitation Amendment Act of 1985 Amendment Act of 1991" and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1372. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-32, "Assault Weapon Manufacturing Strict Liability Act of 1990 Repealer Act of 1991" and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1373. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-34, "Ban on Automated Telephone Dialing Systems for Commercial Solicitation Act of 1991" and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1374. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Review of the D.C. One Fund Procedures and Guidelines," pursuant to D.C. Code, section 47-117(d); to the Committee on the District of Columbia.

1375. A letter from the Secretary of Labor, transmitting the Department's annual report on the administration of the Longshoremen's and Harbor Workers' Compensation Act for the period October 1, 1989 through September 30, 1990, pursuant to 33 U.S.C. 942; to the Committee on Education and Labor.

1376. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the School Dropout Demonstration Assistance Act of 1988, and for other purposes; to the Committee on Education and Labor.

1377. A letter from the Secretary of Education, transmitting a draft of proposed legislation to reauthorize the program for infants and toddlers with disabilities under part H of the Individual with Disabilities Education Act, and for other purposes; to the Committee on Education and Labor.

1378. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, to establish the Youth Opportunities Unlimited Program, and for other purposes; to the Committee on Education and Labor.

1379. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to the Coordination Council for North American Affairs for defense articles and services (Transmittal No. 91-25), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1380. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to the Coordination Council of North American Affairs for defense articles and services (Transmittal No. 91-26), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1381. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to the North Atlantic Treaty Organization (Transmittal No. 8-91), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

1382. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting the 23d 90-day report on the investigation into the death of Enrique Camarena, the investigations of the disappearance of U.S. citizens in the State of Jalisco, Mexico, and the general safety of U.S. tourists in Mexico, pursuant to Public Law 99-93, section 134(c) (99 Stat. 421); to the Committee on Foreign Affairs.

1383. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1384. A letter from the Administrator, Agency for International Development, transmitting the 1990 report on the Human Immuno-deficiency Virus/Acquired Immunodeficiency Syndrome [HIV/AIDS] Program; to the Committee on Foreign Affairs.

1385. A letter from the Secretary of Agriculture, transmitting the semiannual report of the Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1386. A letter from the Secretary of Energy, transmitting the semiannual report of the Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2515, 2526); to the Committee on Government Operations.

1387. A letter from the Chairman, National Labor Relations Board, transmitting the semiannual report of the Office of the Inspector General, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2525); to the Committee on Government Operations.

1388. A letter from the Chairman, National Science Board, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b), (102 Stat. 2526); to the Committee on Government Operations.

1389. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1390. A letter from the Secretary of the Interior, transmitting a copy of the annual report for fiscal year 1990 covering the Outer Continental Shelf [OCS] Natural Gas and Oil Leasing and Production Program, pursuant to 43 U.S.C. 1343; to the Committee on Interior and Insular Affairs.

1391. A letter from the Secretary of the Interior, transmitting notice of a proposed water reclamation project for the Eastern Municipal Water District, California Small Reclamation Projects Act Program, pursuant to 43 U.S.C. 422d; to the Committee on Interior and Insular Affairs.

1392. A letter from the U.S. District Court, District Judge of Maryland, transmitting his view that hearings should be held on the amendments to the sentencing guidelines submitted by the Sentencing Commission to the Congress on May 1, 1991, pursuant to 28 U.S.C. 994(p); to the Committee on the Judiciary.

1393. A communication from the President of the United States, transmitting notification of his determination that a continuation of a waiver currently in effect for the People's Republic of China will substantially promote the objectives of section 402, of the Trade Act of 1974, pursuant to 19 U.S.C. 2432(c), (d) (Doc. No. 102-92); to the Committee on Ways and Means and ordered to be printed.

1394. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting certification that the Socialist Federal Republic of Yugoslavia is making significant strides toward complying with the obligations of the Helsinki accords; jointly, to the Committees on Appropriations and Foreign Affairs.

1395. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a Memorandum of Justification for Presidential determination regarding drawdown of defense articles and services in Bangladesh, pursuant to 22 U.S.C. 2601(c)(3); jointly, to the Committees on Foreign Affairs and Appropriations.

1396. A letter from the Assistant Attorney General, transmitting a draft of proposed legislation entitled the "Money Laundering Improvements Act of 1991"; jointly, to the Committees on the Judiciary and Banking, Finance and Urban Affairs.

1397. A letter from the Secretaries of Commerce and State, transmitting the annual Foreign Allocation Report for 1989, pursuant to 16 U.S.C. 1821(f); jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee on Appropriations. Report on the subdivision of budget totals for fiscal year 1992 (Rept. 102-81). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL (for himself, Mr. BROOMFIELD, Mr. BERMAN, Mr. ACKERMAN, Mr. FALEOMAVAEGA, Mr. SAWYER, Mr. FOGLIETTA, Mr. HYDE, Ms. SNOWE, Mr. GALLEGLY, and Mr. GOSS):

H.R. 2474. A bill to amend the Arms Control and Disarmament Act to authorize appropriations for fiscal years 1992 and 1993, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ANDREWS of New Jersey:

H.R. 2475. A bill to designate the U.S. courthouse being constructed at 400 Cooper Street in Camden, NJ, as the "Mitchell H. Cohen U.S. Courthouse"; to the Committee on Public Works and Transportation.

By Mr. BEILENSON:

H.R. 2476. A bill to amend the Federal Election Campaign Act of 1971 and related laws to provide for public financing of House of Representatives elections, and for other purposes; jointly, to the Committees on House Administration, Energy and Commerce, and Post Office and Civil Service.

By Mr. ESPY (for himself, Mr. HUCKABY, Mr. WHITTEN, Mr. MONTGOMERY, Mr. ALEXANDER, and Mr. PARKER):

H.R. 2477. A bill to amend the Agricultural Act of 1949 to provide for discretion in the shifting of crop acreage bases between farms in the case of a natural disaster; to the Committee on Agriculture.

By Mr. GILLMOR:

H.R. 2478. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for contributions to individual retirement accounts as it existed before the Tax Reform Act of 1986 and to allow penalty-free withdrawals from such accounts for catastrophic expenses for personal, custodial, and medical care of individuals requiring such care by reasons of illness; to the Committee on Ways and Means.

H.R. 2479. A bill to amend the Internal Revenue Code of 1986 to provide for the indexing of certain assets; to the Committee on Ways and Means.

By Mr. HALL of Texas:

H.R. 2480. A bill relating to the valuation of stock received by certain employees in connection with the performance of services as employees; to the Committee on Ways and Means.

By Mr. HUBBARD:

H.R. 2481. A bill to establish the National Workplace Safety Commission, and for other purposes; to the Committee on Education and Labor.

By Ms. NORTON:

H.R. 2482. A bill to provide for the admission of the State of New Columbia into the Union; to the Committee on the District of Columbia.

By Mr. ROBERTS:

H.R. 2483. A bill to amend title VII of the Public Health Service Act to improve certain health professions training programs, and for other purposes; to the Committee on Energy and Commerce.

H.R. 2484. A bill to amend the Social Security Act to increase payments for direct graduate medical education costs of primary care residents in initial residing period, and for other purposes; to the Committee on Ways and Means.

By Mr. SLATTERY (for himself, Mr. ECKART Mr. GLICKMAN, Mr. BOEHLERT, Mr. PENNY, Mr. FRANK of Massachusetts, Mr. BEREUTER, Mr. RITTER, Mr. SANDERS, Mr. VENTO, Mrs. LOWEY of New York, Mr. JONTZ, Mr. JOHNSTON of Florida, Mr. STUDDS, Mr. DONNELLY, Mr. COUGHLIN, Mr. CARPER, Mrs. COLLINS of Illinois, Mr. HEFLEY, and Mr. WOLPE):

H.R. 2485. A bill to terminate the obligation of funds by the United States for the superconducting super collider project; to the Committee on Science, Space, and Technology.

By Mr. SMITH of Florida (for himself and Mr. HENRY):

H.R. 2486. A bill to provide air transportation passengers access to and information concerning ground transportation services, to amend the Clayton Act to prohibit certain activities by local governments that operate airports, to prohibit airports from charging unreasonable and unjustly discriminatory access fees, and for other purposes; jointly, to the Committees on Public Works and Transportation and the Judiciary.

By Ms. SNOWE:

H.R. 2487. A bill to amend the Internal Revenue Code of 1986 to repeal the luxury tax on boats and to offset the revenue loss from that repeal by repealing recent changes in certain percentage depletion provisions; to the Committee on Ways and Means.

By Mr. SOLARZ:

H.R. 2488. A bill to provide for the establishment of a National Repository of International Physician Credentials, and for other purposes; to the Committee on Energy and Commerce.

By Mr. TOWNS (for himself, Mr. KOSTMAYER, Mr. BOUCHER, Mr. BORSKI, Mrs. BOXER, Mr. CLAY, Mr. COLEMAN of Texas, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. DIXON, Mr. DELLUMS, Mr. DURBIN, Mr. ENGEL, Mr. ENGLISH, Mr. EVANS, Mr. FOGLIETTA, Mr. FRANK of Massachusetts, Mr. HERTEL, Mr. HORTON, Mr. JEFFERSON, Mr. JONTZ, Ms. KAPTUR, Mr. KILDEE, Mr. LANCASTER, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MCCLOSKEY, Mr. MCDERMOTT, Mr. MCNULTY, Mr. MFUME, Mr. MRAZEK, Mr. OWENS of New York, Mr. OWENS of Utah, Mrs. SCHROEDER, Mr. SCHEUER, Mr. SERRANO, Mr. STARK, and Mr. WYDEN):

H.R. 2489. A bill to amend title XIX of the Social Security Act to permit coverage of alcoholism and drug dependency residential treatment services for pregnant women and certain family members under the Medicaid Program; to the Committee on Energy and Commerce.

By Mr. FRANK of Massachusetts (for himself, Mr. SOLOMON, Mr. DERRICK, Mr. STOKES, Ms. PELOSI, Mr. JENKINS, and Mr. MARKEY):

H.J. Res. 262. Joint resolution disapproving the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China; to the Committee on Ways and Means.

By Mrs. BOXER (for himself, Mr. MOODY, Mr. EDWARDS of California, Mr. UNSOELD, and Mr. HAYES of Illinois):

H. Con. Res. 160. Concurrent resolution expressing the sense of the Congress regarding the restriction of the free speech rights of Federal employees and Federal grantees under the first amendment of the Constitution; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

148. The SPEAKER presented a memorial of the Legislature of the State of Colorado, relative to American service personnel missing in action; to the Committee on Government Operations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARMEY:

H.R. 2490. A bill for the relief of Christy Carl Hallien of Arlington, TX; to the Committee on the Judiciary

By Mr. GILCHREST:

H.R. 2491. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 43: Mr. FISH.

H.R. 77: Mr. ROEMER.

H.R. 207: Mr. SOLOMON.

H.R. 242: Mr. FRANKS of Connecticut, Mr. JONTZ, and Ms. NORTON.

H.R. 252: Mr. CARDIN and Mr. DIXON.

H.R. 261: Mr. PALLONE, Mr. GALLO, Mr. TRAFICANT, Mr. MAVROULES, Mr. DONNELLY, Mr. WOLPE, Mr. RAHALL, Mr. SMITH of Florida, Mr. PRICE, Mr. DIXON, Ms. SLAUGHTER of New York, and Mr. BURTON of Indiana.

H.R. 330: Mr. DYMALLY and Mr. FOGLIETTA.

H.R. 328: Mr. ORTON.

H.R. 352: Mr. CLINGER.

H.R. 392: Mr. HOYER, Mr. MFUME, Mr. DIXON, Mr. FASCELL, Mr. LEHMAN of California, Mr. PALLONE, Mr. RANGEL, Ms. NORTON, Mr. AUCOIN, Mr. MCHUGH, Mr. WHEAT, Mr. FROST, Mr. PURSELL, Mr. ANDERSON, Mr. YATES, and Mr. MORAN.

H.R. 441: Mr. ESPY, Mrs. BOXER, and Mr. GILMAN.

H.R. 446: Mr. DONNELLY, Ms. NORTON, Mr. DEFAZIO, Mr. LEVINE of California, Mr. LEWIS of Georgia, Mr. SANDERS, Mr. LANTOS, Mr. ANDREWS of New Jersey, and Mr. COLEMAN of Texas.

H.R. 447: Mr. JONTZ, Mr. MAVROULES, MR. SMITH of Florida, Mr. PEASE, Mr. KENNEDY, and Mr. PRICE.

H.R. 543: Mr. FISH.

H.R. 642: Mr. FASCELL and Mr. JONES of North Carolina.

H.R. 784: Mr. BATEMAN, Mr. HERGER, Mr. CARPER, Mr. MURTHA, and Mr. HENRY.

H.R. 786: Mr. FRANK of Massachusetts and Mr. JOHNSON of South Dakota.

H.R. 799: Mr. FAZIO.

H.R. 801: Mr. FAZIO.

H.R. 802: Mr. FAZIO.

H.R. 803: Mr. FAZIO.

H.R. 845: Mr. GORDON and Mrs. LLOYD.

H.R. 924: Mr. FISH and Mr. NAGLE.

H.R. 944: Mr. LANCASTER, Mr. GREEN of New York, and Mr. ECKART.

H.R. 961: Mr. MARTINEZ.

H.R. 978: Mr. PAYNE of New Jersey.

H.R. 989: Mr. RIGGS.

H.R. 1003: Mr. SANTORUM.

H.R. 1048: Mr. SMITH of Oregon.

H.R. 1081: Mr. JEFFERSON.

H.R. 1124: Mr. HOCHBRUECKNER, MR. KOPETSKI, Mr. MFUME, and Mr. THOMAS of Georgia.

H.R. 1130: Mr. ENGLISH and Mr. COX of Illinois.

H.R. 1300: Mr. MCNULTY.

H.R. 1310: Mr. ACKERMAN, Mr. BEILENSON, Mrs. BOXER, Mr. ECKART, Mr. EVANS, Mr. FUSTER, Mr. GUARINI, Mr. HANSEN, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Ms. MOLINARI, Mr. OWENS of Utah, Ms. PELOSI, Mr. PETERSON of Florida, Mr. WOLF, and Mr. YATES.

H.R. 1311: Mr. ACKERMAN, Mr. BEILENSON, Mr. EVANS, Mr. GUARINI, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. MACHTLEY, Mr. MILLER of Ohio, Ms. MOLINARI, Mr. MRAZEK, Mr. OWENS of Utah, Mr. PETERSON of Florida, Mr. SMITH of New Jersey, Mr. TOWNS, Mr. WOLF, and Mr. YATES.

H.R. 1312: Mr. ACKERMAN, Mr. BEILENSON, Mr. COMBEST, Mr. ECKART, Mr. EVANS, Mr. GUARINI, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. MACHTLEY, Mr. MILLER of Ohio, Ms. MOLINARI, Mr. MRAZEK, Mr. OWENS of Utah, Mr. PETERSON of Florida, Mr. SHAYS, Mr. SMITH of New Jersey, Mr. TOWNS, Mr. WOLF, and Mr. YATES.

H.R. 1330: Mr. TAYLOR of North Carolina, Mr. APPLEGATE, Mr. SARPALIUS, Mr. ROBERTS, Mr. MCCANDLESS, Mr. PACKARD, Mr. KOLBE, Mr. RAMSTAD, Mr. NICHOLS, Mr. GINGRICH, Mr. ZELIFF, Mr. HOBSON, Mr. RIGGS, and Mr. COX of California.

H.R. 1346: Mr. VALENTINE, Mr. KILDEE, and Mr. WEISS.

H.R. 1422: Mr. ROYBAL.

H.R. 1425: Mrs. MEYERS of Kansas.

H.R. 1454: Mr. LANTOS, Mr. LANCASTER, Mr. NEAL of North Carolina, Mr. HOUGHTON, Mr. KLUG, and Mr. FUSTER.

H.R. 1468: Mr. LIVINGSTON.

H.R. 1472: Mr. JONES of North Carolina, Mr. MARTINEZ, Mr. IRELAND, Mr. ZELIFF, Mr. NUSSLE, Mr. YATRON, Mr. HASTERT, Mr. FEIGHAN, Mr. BEREUTER, Mr. UPTON, Mr. CHAPMAN, Mr. ESPY, Mr. TALLON, Mr. HUNTER, and Mrs. UNSOELD.

H.R. 1473: Mr. MOODY, Mr. CALLAHAN, and Mr. MARLENEE.

H.R. 1504: Mr. KANJORSKI, and Mr. ENGLISH.

H.R. 1554: Mr. HUGHES, Mr. LANCASTER, and Mr. VENTO.

H.R. 1599: Mr. MCEWEN, Mr. RIGGS, Mr. WILSON, Mr. MONTGOMERY, Mr. CAMP, Mr. HENRY, Mr. FORD of Michigan, Mr. PURSELL, Mr. TRAXLER, and Mr. CARR.

H.R. 1601: Mr. DARDEN, Mr. MARKEY, Mr. MARTINEZ, and Mr. VALENTINE.

H.R. 1608: Mr. DICKS, Mr. JACOBS, Mrs. MORELLA, Mr. OWENS of Utah, Mr. MCDERMOTT, and Mr. HORTON.

H.R. 1635: Mr. DWYER of New Jersey.

H.R. 1691: Mr. ENGEL, Mr. DELLUMS, Mr. RANGEL, Mr. HERGER, Mr. YATES, Mr. APPLEGATE, Mr. MCNULTY, Mr. ECKART, Mr. MARTINEZ, Ms. LOWEY of New York, Mr. STARK, Mr. GALLO, Mr. BILIRAKIS, and Mr. PAYNE of New Jersey.

H.R. 1703: Mr. YATES, Ms. PELOSI, Mr. KOPETSKI, Mr. SERRANO, Mr. ESPY, and Mrs. JOHNSON of Connecticut.

H.R. 1718: Mr. HAYES of Louisiana, Mr. HANCOCK, Mr. RAHALL, Mr. MOLLOHAN, and Mr. DAVIS.

H.R. 1733: Mr. HENRY.

H.R. 1751: Mrs. JOHNSON of Connecticut, Mr. JEFFERSON, and Mrs. MEYERS of Kansas.

H.R. 1753: Mr. MILLER of Ohio and Mr. PAYNE of New Jersey.

H.R. 1779: Mr. CONYERS, Mr. PAYNE of New Jersey, Mrs. COLLINS of Illinois, Mrs. COLLINS of Michigan, Mr. DYMALLY, Mr. HORTON, Mr. LIPINSKI, Mr. WASHINGTON, Mr. DE LUGO, and Mr. RANGEL.

H.R. 1794: Mr. FORD of Tennessee.

H.R. 1860: Mr. LEWIS of Georgia, Mr. RAVENEL, Mr. COSTELLO. Mr. JACOBS, Mr. FISH, Mr. DERRICK, Mr. BOEHLERT, Mr. LAUGHLIN, and Mr. AUCOIN.

H.R. 2008: Mr. COSTELLO, Mr. LANCASTER, Mr. JEFFERSON, and Mr. WELDON.

H.R. 2029: Mr. TORRES, Mr. BONIOR, Mr. HOCHBRUECKNER, Mr. LANCASTER, Mr. RAVENEL, and Mr. MAVROULES.

H.R. 2049: Mr. JAMES, Mr. WALSH, and Mr. INHOFE.

H.R. 2065: Mr. MATSUI.

H.R. 2083: Mr. BRYANT, Mrs. LOWEY of New York, and Mr. COOPER.

H.R. 2084: Mr. HORTON, Mr. ECKART, and Mr. DELLUMS.

H.R. 2095: Mr. BERMAN, Mr. CARPER, Mr. COOPER, Mr. DWYER of New Jersey, Mr. FOG-

LIETTA, Mr. JEFFERSON, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KENNEDY, Mr. KLUG, Mr. MINETA, Mr. PERKINS, Mr. ROYBAL, Mr. SIKORSKI, Mr. SYNAR, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRES, Mr. WEISS, and Mr. WHEAT.

H.R. 2143: Mr. MARTINEZ.

H.R. 2145: Mr. MARTINEZ.

H.R. 2152: Mr. ROYBAL, Mr. ANDERSON, Mr. MANTON, Mr. ECKART, Mr. FOGLIETTA, Mrs. MORELLA, Mr. BLAZ, Mrs. MEYERS of Kansas, and Mr. GILMAN.

H.R. 2170: Mr. RANGEL.

H.R. 2222: Mr. LANCASTER and Mr. CONDIT.

H.R. 2234: Mr. HALL of Texas, Mr. PAYNE of Virginia, Mr. MORRISON, Mr. HARRIS, Mr. SARPALIUS, Mr. RAHALL, Mr. GILCHREST, Mr. LAUGHLIN, and Mr. JONTZ.

H.R. 2235: Mr. GILCHREST and Mr. ROSE.

H.R. 2241: Mr. DOOLITTLE.

H.R. 2258: Mr. HERTEL, Mr. JONTZ, Mr. LANCASTER, Mr. MAVROULES, Mr. MFUME, Mr. MINETA, Mr. PERKINS, and Mr. SWETT.

H.R. 2337: Mr. SLATTERY.

H.R. 2358: Mr. COX of Illinois.

H.R. 2361: Mr. HOAGLAND.

H.R. 2389: Ms. MORELLA.

H.J. Res. 72: Mr. LEVIN of Michigan and Mr. DREIER of California.

H.J. Res. 91: Mr. MCMILLEN of Maryland, Mr. MURTHA, Mr. RAMSTAD, Mr. STUDDS, Mr. VALENTINE, Mr. KASICH, Mr. STAGGERS, Mr. CLAY, Mr. SAWYER, Mrs. JOHNSON of Connecticut, Mr. BILIRAKIS, Mr. CARDIN, Mr. FORD of Michigan, and Mr. GILMAN.

H.J. Res. 140. Mr. LAFALCE, Mr. KENNELLY, Mr. THOMAS of Georgia, Mr. LEVIN of Michigan, Mr. BUSTAMANTE, Mr. WYLIE, Mr. BROWDER, Mr. HALL of Ohio, Mr. DE LA GARZA, Mr. BARNARD, Mr. PURSELL, Mr. SLATTERY, Mr. CARDIN, Mr. BROOMFIELD, Mr. TANNER, Mr. MATSUI, and Mr. MCCRERY.

H.J. Res. 181. Mr. BARNARD, Mr. BERMAN, Mr. BORSKI, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CARDIN, Mr. CARPER, Mr. CARR, Mr. CONDIT, Mr. COSTELLO, Mr. DARDEN, Mr. DORNAN of California, Mr. ESPY, Mr. GRANDY, Mr. GREEN of New York, Mr. HALL of Texas, Mr. HALL of Ohio, Mr. HOCHBRUECKNER, Mr. HUTTO, Mr. IRELAND, Mr. JONES of North Carolina, Mr. LEWIS of Florida, Mr. MFUME, Mr. MURTHA, Mr. MCDADE, Mr. SAVAGE, Mr. SCHEUER, Mr. SHAW, Mr. SLATTERY, Mr. SPENCE, Mr. STAGGERS, Mr. STOKES, Mr. TRAXLER, and Mr. WEISS.

H.J. Res. 183. Mr. SPENCE, Mr. SYNAR, Mr. ASPIN, Mrs. BENTLEY, Mr. CARPER, Mr. HALL of Ohio, Mr. WAXMAN, Mr. ATKINS, Mr. SAVAGE, Mr. DIXON, Mrs. KENNELLY, Mr. CHANDLER, Mr. EARLY, Mr. MORAN, Mr. DEFAZIO, Mr. STUDDS, Mr. FORD of Tennessee, Mr. GEPHARDT, Mr. BONIOR, and Mr. DAVIS.

H.J. Res. 188. Mr. BROWN, Mr. KOPETSKI, Mr. MCHUGH, Mr. MURPHY, Mr. HUTTO, Mr. DE LA GARZA, Mr. JONES of North Carolina, Mr. KLECZKA, Mr. MOODY, Mr. OWENS of Utah, Mr. PALLONE, Mr. BACCHUS, Mr. MCCLOSKEY, Mr. BONIOR, Mr. SAWYER, Mr. ROYBAL, Mr. BUSTAMANTE, Mr. MCNULTY, and Mr. CRAMER.

H.J. Res. 211. Mr. BROWN, Mr. ENGEL, Ms. NORTON, Mr. ANDERSON, Mr. KLUG, Mrs. UNSOELD, Mr. BEVIL, Mr. STUMP, Mr. RUSSO, Mr. KLECZKA, Mrs. PATTERSON, Mr. BILBRAY, Mr. SLATTERY, Mr. HOCHBRUECKNER, Mr. SARPALIUS, Mr. TALLON, Mr. MORRISON, Mr. BUSTAMANTE, Mr. CONYERS, Mr. DE LUGO, Mr. DELLUMS, Mr. WHITTEN, Mr. DARDEN, Mr. FISH, Mr. GEPHARDT, Mr. KOLTER, Mr. RAHALL, Mr. EMERSON, and Mr. DE FAZIO.

H.J. Res. 215: Mr. MOODY, Mr. NAGLE, Mr. MINETA, Mr. CAMP, Mr. DURBIN, and Mr. MFUME.

H.J. Res. 217: Mr. RAVENEL, Mr. MARTIN, Mr. HANSEN, Mr. HAMMERSCHMIDT, Mr. MCDERMOTT, Mr. MOORHEAD, Mrs. BYRON, Mr. DARDEN, Mr. PRICE, Mr. HORTON, Mr. TORRES, and Mr. INHOFE.

H.J. Res. 219: Mr. WOLF, Mr. BUSTAMANTE, Mr. HAYES of Illinois, Mr. DELLUMS, Mr. JENKINS, Mr. HYDE, Mr. FOGLIETTA, Mr. CHAPMAN, Mr. GAYDOS, Mr. RAY, Mr. KANJORSKI, Mr. APPLEGATE, Mr. GEREN of Texas, Mr. ROYBAL, Mr. PANETTA, Mr. SAVAGE, Mr. STAGGERS, Mr. DAVIS, Mr. BROOMFIELD, Ms. WATERS, Mr. KENNEDY, Mr. SHAYS, Mr. SANDERS, Mr. SPRATT, and Mr. PICKLE.

H.J. Res. 245: Mr. HANSEN, Mr. RITTER, and Mr. PACKARD.

H. Con. Res. 43: Mr. RUSSO, Mr. MILLER of California, and Mr. BONIOR.

H. Con. Res. 65: Mr. SMITH of Florida, Mr. OWENS of New York, and Mr. CONDIT.

H. Con. Res. 119: Mr. FRANK of Massachusetts, and Mr. BACCHUS, and Mr. CAMPBELL of Colorado.

H. Con. Res. 131: Mrs. LOWEY of New York.

H. Con. Res. 143: Mr. RANGEL.

H. Con. Res. 146: Mr. ROSE and Mr. GILCHREST.

H. Res. 96: Mr. HOAGLAND, Mr. JONTZ, and Ms. NORTON.

H. Res. 134: Mrs. MEYERS of Kansas.

EXTENSIONS OF REMARKS

BUSH SUPPORTS CONGRESSIONAL ARMS CONTROL INITIATIVE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. FASCELL. Mr. Speaker, the "jump start" action—to replace the arms race with arms restraint in the Middle East taken by the House Foreign Affairs Committee on May 23—has worked.

We now have the driver, that is, the President, back in the driver's seat.

We, in Congress, will support him and expect the same from other parts of the U.S. Government.

Just as the President has successfully led the United States and the international community in war against Iraq, Congress is urging him to lead the United States and the international community to bring lasting peace in the Middle East.

Congress has already acted to: control nuclear proliferation; strengthen the missile technology control regime; implement chemical weapons sanctions; and stop business as usual in the Middle East conventional arms race by legislating last week in committee a conventional arms restraint policy which would put in place an indefinite moratorium challenging other supplier nations to join us in a multilateral arms restraint regime.

I am including for the RECORD a fact sheet on President Bush's Middle East Arms Control Initiative and a May 23, 1991, release by the Committee on Foreign Affairs describing its action on a conventional arms restraint policy for the Middle East:

WHITE HOUSE FACT SHEET ON MIDDLE EAST ARMS CONTROL INITIATIVE

Fulfilling the pledge he made in his March 6 address to a joint session of Congress, the President announced today a series of proposals intended to curb the spread of nuclear, chemical and biological weapons in the Middle East, as well as the missiles that can deliver them. The proposals also seek to restrain destabilizing conventional arms build-ups in the region.

The proposals would apply to the entire Middle East, including Iraq, Iran, Libya, Syria, Egypt, Lebanon, Israel, Jordan, Saudi Arabia, and other states of the Maghreb and the Gulf Cooperation Council. They reflect our consultations with allies, governments in the region, and key suppliers of arms and technology.

The support of both arms exporters and importers will be essential to the success of the initiative. Since proliferation is a global problem, it must find a global solution. At the same time, the current situation in the Middle East poses unique dangers and opportunities. Thus, the President's proposal will concentrate on the Middle East as its starting point, while complementing other initiatives such as those taken by Prime Ministers John Major and Brian Mulroney. It includes the following elements.

SUPPLIER RESTRAINT

The initiative calls on the five major suppliers of conventional arms to meet at senior levels in the near future to discuss the establishment of guidelines for restraints on destabilizing transfers of conventional arms, as well as weapons of mass destruction and associated technology. France has agreed to host the initial meeting. (The United Kingdom, France, the Soviet Union, China, and the United States have supplied the vast majority of the conventional arms exported to the Middle East in the last decade.) At the same time, these guidelines will permit states in the region to acquire the conventional capabilities they legitimately need to deter and defend against military aggression.

These discussions will be expanded to include other suppliers in order to obtain the broadest possible cooperation. The London Summit of the G-7, to be hosted by the British in July, will provide an early opportunity to begin to engage other governments.

To implement this regime, the suppliers would commit

To observe a general code of responsible arms transfers;

To avoid destabilizing transfers; and

To establish effective domestic export controls on the end-use of arms or other items to be transferred.

The guidelines will include a mechanism for consultations among suppliers, who would

Notify one another in advance of certain arms sales;

Meet regularly to consult on arms transfers;

Consult on an ad hoc basis if a supplier believed guidelines were not being observed; and

Provide one another with an annual report on transfers.

MISSILES

The initiative proposes a freeze on the acquisition, production, and testing of surface-to-surface missiles by states in the region with a view to the ultimate elimination of such missiles from their arsenals.

Suppliers would also step up efforts to coordinate export licensing for equipment, technology and services that could be used to manufacture surface-to-surface missiles. Export licenses would be provided only for peaceful end uses.

NUCLEAR WEAPONS

The initiative builds on existing institutions and focuses on activities directly related to nuclear weapons capability. The initiative would

Call on regional states to implement a verifiable ban on the production and acquisition of weapons-usable nuclear material (enriched uranium or separated plutonium);

Reiterate our call on all states in the region that have not already done so to accede to the Non-Proliferation Treaty;

Reiterate our call to place all nuclear facilities in the region under International Atomic Energy Agency safeguards; and

Continue to support the eventual creation of a regional nuclear weapon-free zone.

CHEMICAL WEAPONS

The proposal will build on the President's recent initiative to achieve early completion of the global Chemical Weapons Convention.

The initiative calls for all states in the region to commit to becoming original parties to the Convention.

Given the history of possession and use of chemical weapons in the region, the initiative also calls for regional states to institute confidence-building measures now by engaging in presignature implementation of appropriate Chemical Weapons Convention provisions.

BIOLOGICAL WEAPONS

As with the approach of chemical weapon controls, the proposals build on an existing global approach. The initiative would

Call for strengthening the 1972 Biological Weapons Convention (BWC) through full implementation of existing BWC provisions and an improved mechanism for information exchange. These measures will be pursued at the five-year Review Conference of the BWC this September.

Urge regional states to adopt biological weapons confidence-building measures.

This initiative complements our continuing support for the continuation of the UN Security Council embargo against arms transfers to Iraq, as well as the efforts of the UN Special Commission to eliminate Iraq's remaining capabilities to use or produce nuclear, chemical, and biological weapons and the missiles to deliver them.

COMMITTEE ACTS TO REPLACE ARMS RACE WITH ARMS RESTRAINT IN THE MIDDLE EAST

Under the leadership of its Chairman, Rep. Dante B. Fascell (D-FL), the Committee on Foreign Affairs favorably adopted an amendment today to the Foreign Assistance Authorization legislation for Fiscal Year 1992. The Fascell-sponsored amendment provides for an indefinite moratorium on major U.S. arms sales to the Middle East until another arms supplier nation breaks the U.S. moratorium or until it is replaced with a multilateral arms control restraint regime.

In his statement in support of this arms control effort initiated on April 25, 1991 by his Subcommittee on Arms Control, International Security and Science, Chairman Fascell said: "In our efforts to not repeat past 'business as usual' arms sales practices in the Middle East, the Committee has just adopted an important arms control initiative."

The Chairman added: "Our action today is intended to jump-start the process—to challenge ourselves and the international community. Just as U.S. initiative and leadership followed by international cooperation was decisive in our success against Iraq, it is needed again to create lasting peace in the Middle East."

The Chairman concluded: "Let us renew those efforts which restored stability and created peace opportunities in the Middle East as opposed to repeating old practices that led to war and impeded peace efforts in the Middle East."

The full text of Chairman Fascell's statement follows:

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"The committee now has before it an amendment dealing with many of our efforts to develop a realistic arms transfer restraint policy for the Middle East and the Persian Gulf regions. The amendment reflects a consensus of the several members of the committee including Mr. Hamilton, Mr. Solarz, Mr. Berman, Mr. Gejdenson, Mr. Levine, and members from the other side of the aisle, as well as that of the chair. This amendment was recommended to the committee by the Subcommittee on Arms Control, International Security and Science pursuant to its meeting on April 25, 1991.

"At that time, the subcommittee members engaged in a lengthy discussion on what was then referred to as recommendation seventeen. While the subcommittee members expressed general agreement on the desirability and necessity of this concept, there was also a consensus of opinion that recommendation seventeen needed additional fine tuning so as to make it as acceptable as possible to as many members of the committee as was possible.

"To achieve this end, the committee staff have been working in conjunction with the personal staff of members, as well as in informal consultations with representatives of the administration, and with members of the private sector in an effort to bring recommendation seventeen to fruition. In this regard, the amendment that we now have before us serves just that purpose, and reflects the concerns that many of us have on this important issue.

"The members will recall that the original May 6th discussion draft included language establishing, upon enactment, a temporary 120 day moratorium on new arms transfers to the Middle East and the Persian Gulf regions. Pursuant to that draft, our esteemed colleague—Mr. Berman—offered a proposal that required the President to submit a plan and a feasibility study on a prospective multilateral arms restraint regime. Mr. Berman's proposal also specified that after the 61st day of enactment, an indefinite moratorium on arms transfers would be imposed worldwide—except for NATO—until the President reports that he has undertaken 'good faith efforts' to establish a multilateral restraint regime.

"In an effort to perserve comity, the chair instructed committee staff to attempt to marry the May 6th discussion draft with that of Mr. Berman's proposal. That draft specified that upon the date of enactment, a temporary 120 moratorium on new arms transfers to the Middle East and Persian Gulf regions would be implemented, and that the President must report on his 'good faith efforts' to develop a multilateral restraint regime.

"That particular approach raised the concerns of several members of the committee, most notably respect to the unilateral imposition of the 120 temporary moratorium on new arms transfers to the Middle East and the Persian Gulf. As a result, we have before us an amendment that preserves the concept of an indefinite moratorium that envisions the construct of a multilateral control regime on new arms transfers to the Middle East and the Persian Gulf regions.

"Nevertheless, the amendment also provides the President with the necessary authority to provide for the replacement of major military equipment on a one-for-one basis of comparable capability after such equipment has become inoperable. The amendment further provides the President with the flexibility to lift the moratorium at anytime after which the President reports that a major arms supplier nation has reached agreement to transfer any major military equipment to any nation in the Middle East and the Persian Gulf, and upon satisfying the reporting requirements on the President's 'good faith efforts' in setting forth a U.S. plan in leading a multilateral control regime and on the feasibility of such a control regime.

"At the same time, the amendment commits the United States to a policy of restraint on arms transfers to the Middle East and the Persian Gulf through the policy language contained in subsection (b) of the amendment. The amendment also commits the United States to multilateral negotiations among the five permanent members of the United Nations Security Council and other principal suppliers in an effort to establish a multilateral arms transfer and control regime toward the Middle East and the Persian Gulf.

"It should also be noted that the amendment encourages direct negotiations among nations in both the Middle East and the Persian Gulf regions that are aimed at resolving the conflicts within those regions. Finally, the amendment in no way affects the status of the title of pre-positioned U.S. stocks in the Middle East and the Persian Gulf region, nor does it affect the status of any drawdown agreements that have been reached on U.S stocks that have been made prior to May 21, 1991. In this way, the amendment preserves past U.S. commitments and pre-positioning agreements.

"As I have stated before, the amendment is aimed at jump starting an arms control process in the Middle East and the Persian Gulf through our flexible commitment to a multilateral moratorium on new arms transfers and our call for negotiations on a multilateral arms transfer and control regime. At the same time the amendment is realistic in its approach by allowing the President to report to Congress any new transfer of major military equipment, and in reporting to Congress on 'good faith' U.S. efforts in establishing such a regime. Under these circumstances, the President could submit such reports and proceed in conducting United States arms transfers to the Middle East and the Persian Gulf consistent with current law.

"While some may argue that current law has its flaws, the chair would only point out that United States law on the conduct of arms transfers sets rigorous standards. The committee rewrite maintains those standards, and improves upon Congressional oversight of those standards. In this regard, the amendment enhances and strengthens those standards as they apply to the process of arms transfers to the Middle East and the Persian Gulf. In this way, the amendment reaffirms Congressional leadership, commitment, and dedication to improving the prospects of arms control beyond that of just arms control among the superpowers.

"We all know that this Congressional commitment and dedication to cause of arms control is often times ahead of the curve. And, we all know that Congressional leadership on the issue of arms control often times brings a reluctant executive branch along to the point where it is willing to explore Congressionally mandated arms control ideas. And, we know that this process takes time.

"Nevertheless, the past is replete with examples of success in such endeavors. We all know that it was the Congress that was and remains wary of the potential of an arms race in space that would be caused by United States testing of Anti-Satellite weapons (ASAT's). To this end, Congress mandated a suspension of the U.S. testing program—a unilateral moratorium if you will—that has resulted in a mutual, U.S.-Soviet commitment to refrain from such testing. As a result, we have avoided a costly and destabilizing arms race in space.

"We all know that it was Congress that set the tone on present improvement of the status of the U.S.-Soviet posture on nuclear testing. In this regard, it was the Congress that passed an amendment in the Senate, and a Joint Resolution in the House that called upon the President to submit the Threshold Test Ban (TTB) and Peaceful Nuclear Explosions (PNE) Treaties to the Senate for ratification, as well as to call upon the President to seek negotiations on the conclusion of a Comprehensive Test Ban Treaty (CTBT). This effort was opposed by many in the executive branch but the fact remains today that the TTB and PNE Treaties have been ratified, and that the United States and the Soviet Union are exploring step-by-step process toward a CTB, including a partial test ban amendment conference that took place in January of this year.

"Finally, we all know that it was Congress that opposed United States production of binary chemical munitions and urged the complete destruction of all U.S. chemical munition stockpiles. Those initiatives were also questioned by many in the executive, including the President himself, when as Vice President on two occasions he cast his vote in order to break a tie in the Senate vote to allow binary production. Nevertheless, it is the President last week, who has exerted great leadership and statesmanship in taking unilateral steps which have resulted in bilateral agreement to destroy all U.S. and Soviet chemical weapons, thereby enhancing the prospects for multilateral commitment and agreement on the production, use, stockpiling, possesion and transfer of chemical weapons.

"Thus, it is the hope of this amendment to bring greater United States reason, vision and leadership through Congressional dedication and commitment to furthering the cause of arms control in the Middle East and the Persian Gulf. This jump start is yet another example of our taking a small step in the right direction. It is a step in which we hope others will follow. It is a step that will, hopefully lead to the furtherance of the peace process in one of the most, if not the most, troubling areas of the world."

TRIBUTE TO VERNE LIND

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to an outstanding citizen of Carmichael, CA, who deserves to be recognized for his dedication and service to the public. On Tuesday, May 28, 1991, the Carmichael Chamber of Commerce will meet and honor Mr. Verne Lind by naming him its 1991 Business Person of the Year.

For well over two decades, Mr. Lind has been an important member of our community. He is the past president of the Carmichael Kiwanis Club, and a member of the Elks Lodge and the Carmichael Chamber of Commerce. He has served on the American River Hospital Board of Directors and as a member of the Hospice Care of Sacramento. Through these charitable organizations, Verne has worked on numerous projects which have directly benefited our community.

Verne Lind has also made important contributions to the business sector. Small businesses are an essential part of our community and we depend on businessmen like Mr. Lind to keep our economy healthy. Verne has been in the funeral business for 42 years and his professional affiliations include the International Associated Funeral Directors Service, National Funeral Directors Association, California Funeral Directors Association, and the Sacramento Area Funeral Directors Association.

Mr. Speaker, Verne Lind has served as an exemplary citizen and I commend him for his many contributions to our local area and to the State of California. I ask that my colleagues join me in saluting this outstanding individual and extending to him our best wishes in all his endeavors.

TRIBUTE TO REV. MSGR. BRENDAN P. MADDEN ON THE 40TH ANNIVERSARY OF HIS ORDINATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. ROE. Mr. Speaker, on Sunday, June 2, 1991, residents of my Eighth Congressional District and the State of New Jersey will join the friends of St. Clare's Church and the parish community in Clifton, NJ, and Rev. Msgr. Brendan P. Madden in celebration of the 40th anniversary of his consecration into the sacrament of holy orders.

Mr. Speaker, we are so proud to have Reverend Monsignor Madden with us in Clifton, NJ. He was ordained on June 3, 1951, by the Most Reverend Thomas Keogh, Bishop of Kildare and Leighlin in Ireland. A native of Cork City, Ireland, he studied at Irish National Schools and the Christian Brothers Schools as a grammar school student, and on to high school at St. Finbarr's Minor Seminary and college in St. Patrick's Major Seminary College in Carlow, Ireland.

Monsignor Madden set sail from the Cobh of Cork on August 24, 1951, for the fair city of New York. He arrived 6 days later and reported to the Bishiop of Paterson, the late Thomas A. Boland. His first assignment was with the parish of St. Nicholas in Passaic. I am told one of the comments made by the Bishop while granting Monsignor Madden his assignment, was "Don't lose your brogue," from that day forward, Monsignor Madden carried out the request faithfully, returning to Ireland every year since, to brush up on the brogue.

His second assignment was to St. Anthony's parish in Hawthorne, NJ where he spent 6 years, then on to the parish of Our Lady of the Lake in Mount Arlington where in the summertime, there was a schedule of 16 Masses on Sundays with 3 mission churches in the area. Being appointed as pastor of Our Lady of the Lake, he was soon transferred as pastor of St. Mary's Parish in Denville, NJ. He later served a short time in St. Monica's Parish in Sussex County and then in 1985, he was assigned to St. Clare's Church in Clifton, NJ.

During his years in the Paterson Diocese, Monsignor Madden served as religion instructor at Morris Catholic High School in Denville. He was cochairman of Communications for the Sussex County Council of Churches, had a monthly radio half-hour program on the Newton Station WNNJ. He was a member of the Wallkill Valley Rotary Club, represented the Sussex County Priests Vicariate on the Diocesan Pastoral Council, and a member of the Priest's Senate. He organized one of the first board of education councils in Catholic Grammar School, and has continued his strong interest in Catholic School eduation.

Monsignor Madden regularly enjoys golf, traveling, gardening, and looking for ways to beautify the church with floral decorations. He is quite lucky to have several of his Irish school buddies, Msgr. Eugene McQuaid from Holy Spirit in Pequannock and Fr. Martin Connolly, pastor-emeritus of Sacred Heart in Dover, at his side to enjoy this glorious occasion.

Mr. Speaker, as Msgr. Brendan P. Madden celebrates the 40th annivesary of his ordination to the priesthood, I know that you and all our colleagues here in the Congress will want to join me in extending our warmest greetings and felicitations for the excellence of his service to his church, our Nation, and all mankind. We do indeed salute an esteemed pastor, exemplary clergyman, and great American—Rev. Msgr. Brendan P. Madden, of Clifton, NJ.

REMEMBRANCE OF ERIN TINSMAN

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. LEHMAN of Florida. Mr. Speaker, Erin Tinsman was a remarkable young woman.

Despite her 10-year battle with leukemia, she never let that disease dominate her spirit. She developed a toughness in the face of adversity that enabled her to endure long hospital stays and intensive chemotherapy over several years and yet graduate from high school as a homebound student. She set a standard of dignity and courage that was an inspiration and example to everyone whose life she touched.

Erin was keenly aware of the impact of her illness on her family and friends. During such difficult times, there is a special bond that develops between even the closest of people who love each other—a mutually shared sensitivity and caring that is both comfort and support. One of the ways Erin sought to sustain her loved ones was through her poems, and I would like to share one of these with my colleagues:

When all is dark and all is gloom,
  When you feel useless and feel the doom,
Look toward the light and the brightest star.

Look toward the rainbow, that's the key.
  Look toward the sky. Don't you see
That the biggest cloud is me?

I'll watch over you day and night.
  See what I am? I'm the bright light—
The Brightest of them all.
The one that'll be there when you call.

—*Erin Leigh Tinsman.*

My deepest sympathy goes out to Erin's parents, Phyllis and Robert Lee Tinsman, her grandmother, Dorothy Erbel, and her grandparents, Jerry and Ruth Tinsman.

FORTY YEARS OF CHINESE DOMINATION OF TIBET

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. SWETT. Mr. Speaker, May 23 marks the anniversary of one of the most tragic events in history. Forty years ago, Chinese Communist troops entered Tibet. Forty years ago, the Chinese began the systematic repression of the Tibetan people. Forty years ago, the Chinese began their effort to eradicate the proud, ancient culture of the Tibetan people. Forty years ago, the Chinese began their struggle to eliminate Tibetan Buddhism and remove His Holiness, the Dalai Lama, as the spiritual leader of the Tibetans.

At the same time, however, we note the courage, the tenacity and the resilience of the Tibetan people. Despite 40 years of brutal repression and foreign dominance, the Tibetan people have persevered. Their culture remains and the Dalai Lama has become a revered figure, not only among Tibetans but for the entire world. He stands as a beacon of nonviolence in the face of outrageous and brutal provocation; as a champion of individual human rights against a brutal, repressive regime.

Mr. Speaker, I ask my colleagues to join me in supporting the brave and one-sided struggle of the Tibetan people—those repressed in their homeland as well as those living in lonely exile in foreign lands. Forty years is a long time in the life of an individual but only an instant in the history of this indomitable people. They will prevail, as right and truth and justice ultimately will prevail over the forces of tyranny and oppression. The Tibetan people should know that we—and free people around the world—are with them and join them in this struggle.

SPECIAL TRIBUTE TO MARY IURATO, LEADER OF THE TOTOWA DEMOCRATIC CLUB

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. ROE. Mr. Speaker, it is with the greatest pride that I rise today to pay special tribute to a special lady and a dynamic leader for the Democratic Party in the city of Totowa and the county of Passaic in my Eighth Congressional District. For 20 years Mary Iurato has served as leader of the Totowa Democratic Club and has helped elect public servants to every level of government.

It is only fitting that such an activist for the democratic process be honored by her peers at a special surprise brunch. This gala event will be held Sunday, June 2 at the Fairmont in South Little Falls, NJ. Mary has been a resident of my district all of her life. Born and raised in Paterson, she moved to Totowa Boro some 40 years ago when she married Mr. Frank Iurato, who passed away in 1980.

Mr. Speaker, Mary Iurato has been active in the Democratic Party for over 30 years, serving as a municipal leader for 20 years, as well as on the county committee, the Democratic Executive Committee, and a judge on the board of elections. Mary also worked as an aide to Assemblyman Bill Bate and was the Totowa Boro campaign coordinator for Senator FRANK LAUTENBERG. In addition, to her political activities, she also served on the Passaic County Park Commission from 1981 to 1986 and was president of that body for two terms.

Mr. Speaker, this exceptional woman has worked constantly for her party and the values of a democratic process. Politicians and advocates in both parties deeply respect her special talents and abilities. For over 30 years Mary Iurato has been a force to be reckoned with in the city of Totowa and in Passaic County. When so many of our voters have fallen into apathy it is refreshing to see there are still people who are determined to be active in their communities and exercise their privilege as voters. Mary has been a quiet but supremely effective part of the political process.

Mr. Speaker, I am sure Mary's two children, her daughter Mrs. Connie Lira and her son Mr. Frank Iurato, Jr., and her three wonderful grandchildren, Frank Iurato III, Jonathan, and Cassandra are extremely proud of her many accomplishments and her unwavering commitment to involvement in the community. Whatever your political affiliation may be, we can all admire and appreciate the dedication and unselfish efforts of an individual who believes in participation.

Mr. Speaker, I invite you and all my colleagues to join me in paying a special tribute to a tireless worker for the democratic process and a very extraordinary lady, Mary Iurato.

SALUTE TO BRET SEALEY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. MATSUI. Mr. Speaker, this Saturday, Bret Sealey, an outstanding young man from my congressional district, will be presented his Eagle Award at a Court of Honor. Bret's dedication to his troop, his family, his school, and his community have helped him achieve the rank of Eagle Scout, the highest rank possible in scouting. I rise today to ask that you join with me in recognizing this truly remarkable individual.

It is important that we take a moment to recognize the true significance of Bret's accomplishment. In recent years, discussions of American youth have tended to focus on their involvement in the problems facing the United States; drug and alcohol abuse, violent crime, and a declining commitment to education and career. Bret is an example of what the youth in America are capable of and an example of the kind of leadership this country will need if we are to effectively address the problems that face the Nation and the world.

Bret not only has completed a list of required tasks to achieve this honor, he has enriched the lives of those who have had the pleasure of knowing him. It is reassuring to know that there continue to exist indivdiuals like Bret who place value in service to others. While the rank of Eagle Scout is the ultimate in Scouting, I trust it is only the beginning of Bret's achievements.

Mr. Speaker, I ask that my colleagues join me in saluting this inspirational young man.

AMNESTY INTERNATIONAL CELEBRATES ITS 30TH ANNIVERSARY

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. SWETT. Mr. Speaker, May 28 marks the 30th anniversary of Amnesty International. I rise to congratulate them on their outstanding work over the last three decades as they have fought at the forefront of the struggle for human rights.

Observance of human rights has been the historical mission of the United States. Our country was settled by people escaping persecution. We fought a revolution to free ourselves from the yoke of tyranny. We suffered through a long and bloody civil war to end slavery. We engaged in two world wars to protect human rights. In the aftermath of World War II, it was American leadership, spearheaded by Eleanor Roosevelt during the first session of the United Nations, that produced the landmark document for human rights—the Universal Declaration of Human Rights. We share the goals Amnesty International seeks—to protect human rights throughout the world, and to help make the world safe for democracy.

Mr. Speaker, amid the recent talk of a new world order, there has been a conspicuous absence of specific language about safeguarding human rights. It is time we asserted our leadership to ensure that respect for the rights of all people around the world is returned to the top of our foreign policy agenda where it belongs.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Amnesty International and their work over the past 30 years. As citizens of the most free and powerful Nation on Earth, let us work together to restore the issue of human rights to its preeminent place in our policies and our hearts.

SPEECH OF DR. VLADIMIR ZBORILEK BEFORE THE AMERICAN CZECHOSLOVAK SOCIAL CLUB OF NORTH MIAMI, FL.

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. LEHMAN of Florida. Mr. Speaker, it was my privilege to attend the annual birthday celebration of the late T.G. Masaryk, first President-Liberator of the Republic of Czechoslovakia, which was held on March 10 at the American Czechoslovak Social Club in North Miami. This happy event featured traditional Czechoslovak music, dances and foods, which are truly wonderful.

One of the highlights of the celebration was a speech by University of Miami Prof. Vladimir Zborilek about the ideas and significance of President Tomas G. Masaryk, which I would like to share with my colleagues.

The speech follows:

T.G. MASARYK SPEAKS TO US

To speak about Tomas Masaryk before this audience is both a great pleasure and a great challenge to me: it is a pleasure, because I feel that you share my love and admiration for this great man, and challenge, because it is a real task to say—without being superficial—just a few words about this statesman and diplomat, philosopher, sociologist, historian, writer and expert on other aspects of human endeavor. It is why now I would like to limit myself to Masaryk's significance only, particularly for today's Czechoslovakia where the recently gained freedom needs not only a financial and moral support from outside, but also a great deal of self-searching on the part of its citizens. Masaryk is precisely the man who—with his ideas and ideals—may serve as an example to the struggling Czechs and Slovaks weakened economically, spiritually, morally and physically by the 40 years of the Communist oppression.

In what way would a man born in 1850 and living under the conditions so different from the present ones serve as a model and a source of encouragement for younger generations? It is not so much because of the volume of this achievements—as respectable as they may be—but rather because of their quality and their moral foundation. To give you an example of what I mean, let me refer to the poetic words of Svatopluk Cech, one of the prominent Czech poets of the end of the 19th and the beginning of the 20th centuries. In his short poem entitled "There Are Enough of Us" (in Czech "Dosti nas") he says:

"We are weak, small.—Enough of such talks!
Only he who dispairs this way is weak and small.
Had Hellas and Rome been bigger
Before they touched stars with their immortal brows?"

And the poet concludes:

"Weak is only the one who has lost faith in himself
And small the one who has only a small goal."

In Czech the poem sounds:

"Jsme slabi, mali.—Dosti techto reci!
Jen kdo tak zoufa slab a maly jest.
Oc byla Helas, byla Roma vetsi,
nez skrani nesmrtnou se dotkla hvezd."

And the end:

"Slab jenom ten, kdo ztraztil v sebe viru, a maly ten, kdo zna jen maly cil."

Masaryk might have known this poem by Svatopluk Cech. He might have agreed with its patriotic contents, even with its central part which I have left out, but which implies that in a struggle for a cause the greatness and justice of this cause are more important in obtaining a victory than is the number of enemies. Masaryk expressed a similar idea this way:

"* * * a number does not decide everything. We have enough examples showing that small states successfully defeated big ones. In literature and art—and generally in the entire field of culture—quality does not depend on the numerical strength.[1]

Whether knowingly or unknowingly, Masaryk shared the poet's idea that a small size does not have to be detrimental to a nation. Historically, philosophically and religiously he was deeply rooted in the period of Husitism, in the 15th century which represents for the Czech nation both the highest point of its military history, as well as the moral superiority of the cause for which it fought.

However, he warned that people "should not lose themselves in memories of their nation's glorious present, * * * they should hold to reality."[2] Reality, however, was for Masaryk a broad concept comprising spirituality, soul, love, moral order, God and eternity. Only by understanding and practicing reality this way may we live a full life of an individual or the life of a nation. Only such a life is, according to Masaryk, without internal conflicts, ony such a life has a true and clear sense, only such a life is happy.[3]

For Masaryk the greatness of the goal, even when the cause is just, was not enough. Every activity, even the fighting, must be carried on with honest means. We know that Masaryk considered honesty and truth among the central virtues of man's life. Men should be good, should love each other, should be tolerant of each other, since without tolerance there can be no love and no true honesty. Tolerance should not be understood in terms of comfortableness and indifference, but rather as a mortal duty, a respect for each other, a true humanity.

Tolerance, of course, did not mean to Masaryk any condoning of wrongs and iniquities, neither was it related to the philosophical concept of non-resistance to evil in the Tolstoyan sense. He makes it quite clear in his description of his third visit to Tolstoy in Yasnaya Polyana in 1910, in the year of Tolstoy's death. Masaryk related that during his visit they had mostly argued about Tolstoy's theory on nonresistance to evil. In Masaryk's view, Tolstoy "did not understand that the question was not only about a violent resistance, but about a fight against evil in general. He did not see the difference between the offensive and the defensive . . ."[4] And Masaryk concluded:

"My thesis was: If someone attacks me with the intent of killing me, I will defend myself, and if there is no other possibility, I will kill the attacker. If one of the two of us should be killed, let it be the one who has a bad intention."[5]

Just from these few glimpses of Masaryk's ideological life we may conclude that his spiritual, philosophical and moral thoughts did not exist only as theoretical concepts, but they deeply penetrated into his practical life. On the other hand, as one observer has pointed out, "in his life politics never was pure politics. It always had a strong ingredient of philosophy. In other words, politics was associated with vision."[6]

What was this vision? It was a vision of a free, democratic Czechoslovakia whose citizens would prove by their life that they are worthy of their freedom. This state, in conjunction with other independent states formed as a consequence of the disintegration of the Austro-Hungarian Empire would be the first step for a future European federation. Masaryk's first vision became real in 1918 when the Czechoslovak Republic went into being. His second vision, the vision of a federated Europe, is still in the process of ripening.

This is the goal, particularly for the younger generations, to work for. However, they should first turn their attention to their own country making it prosperous and respectable again. Masaryk certainly would give them such advice. Further, they should make his philosophy and practical wisdoms a source of the nation's moral, social and political regeneration which should proceed, hand in hand, with an economic revival. They should listen to such comments of Masaryk, as the following one which evaluates the situation in the young Republic after 1918:

* * * everything we have done until now is nothing in comparison with what awaits us. We have won, but the work, the real work for which we will need the most courage and strength—and about the difficulties of which hardly anyone has any idea—this real work is beginning only now."[7]

The young generations should listen and act accordingly.

VLADIMIR ZBORILEK (Ph.D.),
University of Miami.

CORAL GABLES, *March 7–10, 1991.*

THE ILLUSIONS OF SCHOOL CHOICE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. CLAY. Mr. Speaker, on April 18, 1991, President Bush announced his plan for education.

Included in his plan is a program for providing and promoting school choice. The President believes that educational choice for parents and students is critical to improving our schools. Although the President indicates that the administration will be sending to Congress a more detailed plan soon, one provision in his initial plan is for a $200 million Education Certificate Program support fund which will provide incentive grants to local school districts with qualified education certificate programs that enhance parental choice. In addition, he is asking for a national school choice demonstration project which will be supported through a $30 million initiative.

The fundamental premise of all of this is that a higher quality of education can be made available if parents have the opportunity to shop around for the best schools. There is no evidence showing that there has been any measurable improvement in the academic performance of students where choice was utilized. The primary objective of public education is to provide the highest level of education available to all 40 million pupils enrolled in our Nation's public schools. School choice is a limited response that may or may not work for a few. We must be concerned with all children; particularly, those who are left behind in schools that are seen as less attractive. Our national focus should be directed toward spending monetary resources to improve all of our schools as opposed to a selected few.

Mr. Speaker, in connection with the issue of school choice I would like to call to the attention of my colleagues the editorial listed below which was included in the New York Times last month:

[From the New York Times, Apr. 28, 1991]

SCHOOL CHOICE, WITHOUT HARM

President Bush wholeheartedly supports "parental choice" as a way to improve America's public schools. In announcing his new education plan, he said that giving parents more flexibility to choose schools "will create the competitive climate that stimulates excellence in our private and parochial schools as well."

This is revolutionary change form the tradition of assigning pupils to public schools based on where they live. But thus far Mr. Bush has been remarkably vague about how he envisions such "choice" plans in practice. The idea is outlined sketchily in three sentences in a strategy document, amplified by five sentences in a fact sheet.

There one learns that the President would provide $230 million for demonstrations and incentive grants and would incorporate choice into the largest Federal school aid program—the $6 billion Chapter 1 program providing desperately needed remedial education to disadvantaged children.

The choice approach has some attractions. It would provide a way out for bright or ambitious students currently trapped in inferior neighborhood schools, who might well blossom if allowed to choose a better school. And, if applied successfully, it might force weak schools to improve lest they lose their students to better schools.

But the Administration ought not embark on such radical change unless it can insure that the neediest students won't be left even worse off than before, in disintegrating schools that have been stripped of their best and brightest.

Since 1965, Washington has tried to provide equal opportunity for students who are economically and educationally at risk through the Chapter 1 program. Money is given to schools that serve a high proportion of poor students. It is generally spent on the lowest achievers, who receive remedial help in subjects like reading and math.

Recently, Federal rules have allowed any school where poor children constitute 75 percent of enrollment to use Chapter 1 funds for schoolwide services, like lowering class sizes in all grades, hiring reading teachers or guidance counselors. Thus, many schools, particularly in low-income urban areas, now rely on Chapter 1 funds to improve instruction for all students.

Mr. Bush now proposes to convert Chapter 1, allowing eligible students to choose any school they wish to attend, whether public, private or parochial, and their pro-rated share of the program's funds would follow.

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[1] K. Capek, "Hovory s T.G.M." Fr. Borovy, Cin. Praha, 1937, p. 308.

[2] *Ibid.*, p. 315.

[3] See *ibid.*

[4] *Ibid.*, p. 102.

[5] *Ibid.*

[6] G.J. Kovtun, "Masaryk's New Europe," in Czechoslovak and Central European Journal, Vol. 8, No. 1/2, 1989.

[7] Quoted in C5s. Tydenik, February 28, 1991.

Giving bright, highly motivated low-income students more educational options is not only desirable, but imperative. Too many of these students are trapped in public schools that continue to operate despite poor performance.

But what about the less motivated, most troubled students, who are ill equipped to exercise choice and might be rejected if they did? Washington's emphasis ought to be on improving the weak public schools for them, or on attaching enough money to each student so that better schools would want to compete for even the dullest and most poorly behaved. Unless the Administration is willing to promote quality education for all students, its plan will be little more than a publicly funded scholarship program for the bright and restless.

CONSTITUENT OPINIONS ON NATIONAL HEALTH CARE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. VENTO. Mr. Speaker, the need for health care reform is one of the most pressing issues that Congress will have to address in the near future. We know it. And our constituents know it. As we begin to take up this issue in earnest, the letters of concern and support regarding reform are beginning to flood in. In reading the letters from my own constituents I have found many of their comments to be very interesting. Many of them express a sense of urgency that I do not believe has hit Washington yet, but I guarantee you that it will. Therefore, I would like to request that the following excerpts from letters I have received be included in the RECORD. It is essential that we understand what our constituents are thinking on this important issue.

A woman from St. Paul, MN:

"The present system of market based health care coverage is both costly and discriminatory to individuals and the business community . . . The current health care system insures fewer people and costs a higher percentage of our nation's GNP than industrialized countries which have national health insurance. Although I strongly believe that employers should pay part of the cost any national health insurance plan created, since they benefit from having healthy workers, it no longer makes sense to tie health insurance to individual jobs or employers.

"Health care access should not be a function of having the right job or being fortunate enough to not develop a health problem. I urge Congress to develop a national health care plan which will allow all Americans access to affordable care."

A retired health care worker:

"I strongly support a system of national health care for everyone. I don't care what it costs! I pay taxes and would be willing to pay more to be certain that every American has access to appropriate care and treatment. When Congress puts a plan in place we will all be surprised by the past inefficiencies and inequities inherent in our present systems."

Several members of the Board of Directors at HealthEast:

"There is an appropriate role for government in addressing these issues. But, that role is not necessarily as 'Big Brother' who solves the problems for us. Rather, government, employers, organized labor, senior and other advocacy groups, physicians, hospitals and other health care providers must work together in partnership to systematically identify and discuss the problems we face and forge solutions that are in the best interests of all parties. Too often, past efforts to solve these problems have been undertaken with disregard for the very people who are providing the service."

A retired State Highway Patrol Officer from Roseville, MN:

"While we do not object to 'paying our share,' it is apparent to me that medical expenses and the many, varied taxes will soon consume 50 percent of our limited retirement pay."

An uninsured home health care aid and certified nursing assistant:

Said that she delays her own medical treatment due to lack of finances. Even so, her primary health care concern was for the elderly people she cares for in their homes. "I am writing basically for them as I hear concern and worry from them that with cutbacks from government, they could be cut off from their home health care. To these people, and I'm sure to many other people, it means the difference between staying in their homes or going to a nursing home."

A nursing student:

"I am in support of a National Health Care policy that would cover every citizen of the United States. I am in favor of this due to my concern that human beings are being turned away from health care because they lack insurance or are underinsured. This affects me due to the fact I [will soon be a nurse, and pledged] to give care to every person, regardless of their ability to pay. It burdens my heart that money is the criteria to acquire medical care."

A man from Mounds View, MN:

"I think that a socialized system will only result in an increase in corruption and increased costs. I agree we have a problem but there must be a free market solution."

A man from Roseville, MN:

"To me the greatest problem with the medical industry is that there is no buyer/seller relationship. This can also be thought of as a blank check system. There is no discussion of prices or values etc. When everything is done you are given a bill and told to pay it . . . I do not have the solution to these problems however, I wish you luck and encouragement in working on them."

A doctor:

"It is time to make the business of health care responsive to the needs of the people. Doctor-bashing involves understandable but misplaced frustration in regards to health care costs. I would make the following suggestions:

"Health insurance companies should be regulated to ensure that a certain basic portion of each premium dollar is spent on health care;

"Advertising and policies for HMO enrollees should be presented in "plain English" laying out restrictions, co-pays, and conflicts of interest;

"Insurance companies ability to select-out certain risk groups should be restricted to spread the risk and the expenses across larger populations.

"I hope you can help with this issue. Consumers and their doctors are being short-changed by corporations which are taking the buck and passing on the responsibility."

A businessman from St. Paul, MN:

"I am in favor of National Health Insurance to make health care available to all citizens of the United States. Other countries have National Health Insurance and spend less on health care as a result."

A woman who worked in the health insurance industry:

"I agree the present health care system has access problems and cost problems. However, our current health care delivery system is the best in the world. Therefore, we should try fixing the present system before abandoning it. As we strive to find a solution, we need to remember health care access and affordability of health care are very complex issues that do not have easy solutions."

A woman from White Bear Lake, MN:

"Health organizations should be in business to provide a service and not for profit at all costs!

"Sooner or later everyone will have medical problems—it is a joke and a bad joke, that health providers can deny a person coverage on a preexisting condition because they changed jobs or have cancer strike a second time."

A chiropractor from Shoreview, MN:

"You are doing all Minnesotans and the nation a great service by discussing this issue at the hearing. As you stated in your newsletter, Minnesota has one of the best health care systems in the nation. I agree with you wholeheartedly. However, I am concerned about the welfare of the many thousands of Minnesotans who depend upon chiropractic care for their health, and of those Minnesotans who might want chiropractic care. . . I sincerely hope that chiropractic care is included in the improvements that are discussed. ."

A man from St. Paul, MN:

"The National Policy on health care should be that those who can afford it should receive it. Health insurance is a privilege not a right, and I would like to have somebody prove it any differently."

A Medical Technologist from St. Paul, MN:

"I believe we need a National Health Care program that is equal access to all people. We need one program—one that includes veterans, Senior Citizens, babies and those in between. We need limits placed on care given and lifestyles definitely have to be considered. Health care costs at all levels are rising. A national program will hopefully limit increases in cost of drugs, hospitalization and other related costs."

Another man from St. Paul, MN:

"I am in favor of a national health plan of some sort. . . , that covers every individual without favor to the wealthy; a 'socialized' system of sorts after the Canadian model (in which health costs are a smaller percentage of their GNP than here (here approximately 12%.)) Health care should be as guaranteed/basis as FICA responsibilities, without profit abuses by providers."

A businessman from St. Paul:

"As the president of a company that factors freight bills with 80 employees I support free market forces over government control of resources. In my limited experience, government intervention can add substantially to cost when the quality of an quantity of the product or service decline. The deregulation of the trucking industry has resulted in a 50% reduction of shipping costs."

A woman from Little Canada, MN:

"I and my husband are older citizens concerned for all those who do not have the means for health insurance. Could we possible set up a national plan so everyone would have some help, other than Medicare. Little children on the streets, the unemployed, elderly without enough income . . . there's got to be some way we can solve these problems."

A BILL TO REFORM THE FINANCING OF CONGRESSIONAL CAMPAIGNS

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. BEILENSON. Mr. Speaker, I am introducing a bill today to curb the influence of special interests in the legislative process by providing direct public funding for candidates for the House of Representatives. This bill establishes a voluntary system of public financing for candidates who agree to abide by spending limits, with partial funding provided for primary elections, and full funding for general elections. It also provides restrictions on soft money, independent expenditures, and bundling.

This bill is similar to, though more comprehensive, than bills I have sponsored in each of the last three Congresses to establish a campaign finance system for the House of Representatives based on the successful system that has been in effect for the last four Presidential elections. It would provide an effective response to the four criticisms most frequently leveled at our campaign practices: Candidates' reliance on special-interest money for a large portion of their funds; the rising cost of running for office; the huge amount of time and effort candidates spend on fundraising; and the enormous advantage to incumbents that has resulted from the existing system.

In primary elections, candidates who agree to participate would be subject to a $200,000 spending limit, and could only accept small, individual contributions—$250 or less. Funds raised from in-State individual contributors would be matched 2 to 1 by the Treasury, in $10,000 increments. Out-of-State contributions would not be matched, and contributions from PAC's would not be permitted. As a further incentive for participating, candidates would be eligible for mail and broadcast discounts.

In general elections, participating candidates would also be subject to a $200,000 spending limit in the general elections, and would receive a grant from the Treasury in that amount upon receiving their party's nomination. Candidates would be eligible for mail and broadcast discounts during the general election as well.

Nonparticipating candidates could raise and spend an unlimited amount of money, but they could not receive more than $250 from any individual or $1,000 from any PAC during either the primary or the general election, and they would be ineligible for mail and broadcast discounts. If the nonparticipating candidate raised or spent over $200,000 in the primary, his or her publicly funded opponent would no longer be subject to the spending limit. If the nonparticipating candidate spent over $200,000 in the general election, the Treasury would give his or her opponent $1 dollar for every dollar he raised or spent over $200,000. Thus, there would be little incentive for not participating.

The bill would also curb soft money abuses by prohibiting State and Federal political parties from using donations not regulated under Federal law on activities to influence a Federal election, and prohibiting candidates for Federal office from soliciting such contributions. It would also limit Federal and State party spending on activities which aid Federal candidates. Federal candidates would be prohibited from raising money for nonprofit, voter-registration organizations.

Additionally, this bill would curb independent expenditures by providing that publicly funded candidates who are targeted by an independent expenditure campaign be given $10,000 from the Treasury for every $10,000 spent against them, and offered the opportunity for a media response immediately following the one paid for through the independent expenditure.

Finally, this bill would stop the practice of bundling by making individual contributions that are packaged together count as a contribution from one single individual.

This legislation would provide the fundamental change in our campaign finance system that is needed to remove the influence of money in the legislative process. No longer would House candidates need to give their time and attention to PAC's and wealthy individuals to raise the money they need to run for office. Members of Congress would be free to work on solving the serious problems this country faces without worrying about how particular contributors or potential contributors view their actions.

Furthermore, this new system of financing would make House elections more competitive because it would give challengers the same financial resources that incumbents have.

Figures from the 1990 election show how strongly the existing system works in favor of incumbents. PAC's, which provided the majority of funds for more than half of the successful House candidates in the 1990 House elections, gave nearly 13 times as much money to incumbents as to challengers. Clearly, PAC money has to be curbed if we are going to have competitive elections. However, candidates need a viable source of funding, and the only such source, realistically, is public funding.

The existing system is also fueling the term limitation movement. If we do not change it to encourage more competitive elections, frustration over the unfairness of the election process is going to lead an increasing number of voters to support limiting the number of years any person can serve in the House.

To function effectively, our system of government depends on public confidence and trust. Nothing would do more to restore that trust, in my opinion, than to establish a campaign finance system that assures voters that the U.S. Representative they elect will be more responsive to them than to campaign contributors. This bill would establish such a system.

Below is a summary of the bill:

KEY FEATURES OF THE HOUSE OF REPRESENTATIVES ELECTION CAMPAIGN ACT OF 1991

PRIMARY ELECTIONS—PARTIAL PUBLIC FINANCING

For participating major-party candidates:

Spending limit of $200,000.

Treasury provides $2 for every $1 raised from in-State source, in $10,000 increments (after first $10,000 is raised).

No contributions from PACs permitted.

Individual contribution limit of $250.

Out-of-state contributions are permitted, but are not matched.

Mail and broadcast discounts provided.

For non-participating major-party candidates:

Individual contribution limit of $250.

PAC contribution limit of $1,000.

If candidate spends more than $200,000, spending limits are removed for publicly funded opponent, who may continue to receive matching funds.

For both types of candidates:

Personal contribution limit of $250.

Party contribution limit of $5,000 (which does not count toward the $10,000 threshold for receiving public matching funds).

No contributions may be received earlier than 6 months before the primary.

Unused funds revert to Treasury.

GENERAL ELECTIONS—FULL PUBLIC FINANCING

For participating major-party candidates:

Spending limit of $200,000.

Candidate receives $200,000 in Federal funds upon receiving party's nomination.

Mail and broadcast discounts provided.

For non-participating major-party candidates:

Individual contribution limit of $250.

PAC contribution limit of $1,000.

Personal contribution limit of $250.

Party contribution limit of $5,000.

For every $1 candidate raises or spends over $200,000, his publicly funded opponent receives $1 in Federal funds.

For both types of candidates:

Unused funds in excess of $10,000 revert to Treasury.

MINOR-PARTY CANDIDATES

Minor party defined as party whose candidate received between 5 and 25 percent of total votes in last three elections.

Candidates eligible for matching funds in primary under same formula as major-party candidates.

Candidates receive funding for general election according to same formula used for Presidential system.

New party candidates who receive more than 5 percent of vote are eligible for funds for reimbursement after general election.

MAIL AND BROADCAST DISCOUNTS

First class mail would be available at one quarter the regular rate for candidate mailings; third-class rates would be 2 cents lower than first class.

Broadcasters would be required to charge participating candidates a maximum of 50 percent of the lowest unit charged for the same amount of time for the same time of the day and day of the week.

SOFT MONEY

Prohibits state and federal political parties from using donations not regulated under federal law on activities to influence a federal election, and prohibits candidates for federal office from soliciting such donations.

Limits state and federal party spending on activities which aid federal candidates to 30 cents per voter; state party spending on Presidential elections to 4 cents per voter.

Prohibits federal candidates from soliciting donations for nonprofit voter-registration organizations.

INDEPENDENT EXPENDITURES

Independent expenditures are counted as expenditures for the candidate on whose behalf the expenditure was made.

Publicly funded candidate who is target of independent expenditure may receive additional $10,000 of public funds for every $10,000 spent against him.

Allows candidate who is target of independent expenditure to buy broadcast time immediately following broadcast time paid for by independent expenditure.

BUNDLING

Requires that any contributions made through an intermediary be treated as if they were made by the intermediary.

SOURCE OF PUBLIC FUNDING

Funds made available through appropriations.

NEW WORLD ORDER REQUIRES NEW UNITED NATIONS

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Ms. DELAURO. Mr. Speaker, the phrase "new world order" has gained wide currency since President Bush began to use it last fall. But what does the phrase mean? What kind of new world order will serve America's needs and the needs of all nations?

These are the major questions examined in an insightful article that appeared earlier this year in the Philadelphia Inquirer, "U.N. Should Lead the 'New Order'", written by Dr. John Logue, Director of the Common Heritage Institute. They are questions each of us will be hearing more about in the coming months, and I believe that Dr. Logue's ideas are worthy of wider recognition and consideration.

U.N. SHOULD LEAD THE 'NEW ORDER'

(By John Logue)

Congress and the country seem to be intrigued by three words, "new world order," which President Bush brought into public discourse in September and reiterated in his Wednesday night television speech shortly after the Persian Gulf war began. Fascination with the phrase was evident in last week's great debate in Congress on whether to authorize military action against Iraq. It will surely continue as the war continues and, it is hoped, when it is over.

Members of Congress sensed that something is basically wrong with the existing world order. So does the peace community. Both would welcome a "new world order" that doesn't require the world to go to war to enforce world law. But what kind of "new world order"? And how do we get it?

President Bush has told us that his "new world order" will be beneficial to all, but he hasn't told us what it will look like. One suspects that he is telling us by his actions that it means American hegemony. That implies that American troops and American funding will be made available for purposes that the United States deems worthy.

It implies that a compliant U.N. Security Council will be asked to give its blessing to U.S. initiatives but not to recruit significant troop support or funding for them. Bush's dynamic American hegemony is to replace the phlegmatic U.S.-Soviet hegemony that, in spite of its faults and mistakes, managed to keep world peace—though not regional peace—for more than 40 years.

The naive might have supposed that the peace community would rejoice that the U.N. system of "collective security" was finally working in the gulf war.

Proper procedures were followed. Military action was authorized by the Security Council and by Congress. But did the peace community applaud when Congress gave the President a green light to use force? Understandably, it did not. Indeed the apprehension of those who supported the President was almost as great as that of those who opposed him.

Congress and the country sensed that they were faced with an unfair choice: Let the war-maker, Saddam Hussein, keep Kuwait, or authorize a war—of unknown length, ferocity and results—to free Kuwait. Critics pointed out that only a handful of U.N. members were putting up their share of troops or financing. But that is how collective security works, if it works.

Fifty years ago Walter Lippmann, the most influential columnist of his time, spoke of the fatal flaw in collective security, which is the U.S. system of enforcement. That flaw did in the League of Nations. He said that "when the issue is less than the survival of the great nations, the method of collective security will not be used because it is just as terrifying to the policeman as it is to the lawbreaker." Lippman rejoiced in the veto because it meant that the dangerous system of collective security would seldom, if ever, be used. He put his faith in bipolar hegemony.

The world can't, won't and shouldn't go back to bipolar hegemony. If American hegemony stalls, the world will probably return to the anarchy of the years before and after World War I. But that anarchy will be much more dangerous because of developments in military technology and the increasing interdependence of nations.

Wars, covert action and an increase in the qualitative arms race seem inevitable unless responsible people have the wisdom to discover what a desirable and effective world order requires and the courage and skill to rouse popular demand for it.

What does it require?

A just, effective and stable "new world order" will require a reformed and restructured United Nations with the power, authority and funding to carry out its basic purposes, including keeping the peace and promoting economic and social justice, human rights and protection of the global environment. It must be able to enforce U.N. law on individuals, whether hijackers, drug traffickers, tax dodgers, invading generals or their political superiors, e.g., Saddam Hussein.

It will have to have its own sources of revenue, not be dependent on national governments. It will require the elimination of the great power veto in the Security Council and a change in the one nation-one vote rule in the General Assembly. It probably will require a new U.N. Charter since the veto probably will not permit radical change in the existing United Nations.

Restructuring and empowerment of the United Nations must be combined with settlement of certain urgent problems such as the Israeli-Palestinian dispute. But most of those problems will be much easier to settle, to mutual satisfaction, if the United Nations is radically strengthened.

A "new world order" based on a new United Nations could work. But George Bush's "new world order" can't work for very long. Neither can anarchy. The sad fact is that, with minor exceptions, neither Congress nor the peace community nor academia is working to radically restructure and empower the United Nations. Surely they must share some of the blame for the fact that the United Nations, with less power and funding than the state of Connecticut, cannot do the job that cries out to be done.

JEAN BOOKER: AFRICAN-AMERICAN MOTHER OF THE YEAR 1990

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. RANGEL. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues an article about Mrs. Jean Booker. Mrs. Booker was recently honored by the New York Carib News with their Front Page Award. Lady Booker is a dedicated mother, scholar, and civic activist who is evidence of the perseverance and dedication to excellence that often goes unrecognized in the African-American community.

The article, which appeared in the New York Carib News on May 14, 1991, follows:

JEAN BOOKER HONORED WITH CARIB NEWS "FRONT PAGE AWARD"

(By Melinda Etheridge)

Mother of all mothers, Mrs. Jean Booker, was honored recently by the New York Carib News with the weekly publication's Front Page Award.

To describe the Honorable Jean Booker, one would have to write a book. Lady Booker has done so very much in her lifetime and the many lives she's touched in this lifetime she's turned to gold.

This whirlwind individual's educational achievement includes graduate studies at the New School For Social Research, the Henry George Institute and the Columbia University School of Journalism.

A year ago, in May of 1990, Mrs. Booker was named African-American Mother of the Year. At that time she said that "the most rewarding thing to happen, for me, was giving birth to Rev. James E. Booker Jr., who preaches the Gospel."

Today, states Mrs. Booker, "On a scale of all joys that I've known, first is giving birth to my son, Rev. James E. Booker, second is being saved, third is getting a magnificent daughter-in-law Crystal who is like my own child, fourth is becoming a grandmother to Elizabeth Ashley, fifth is learning about sex, and sixth is getting the Front Page Award."

Although her joyous experiences have grown, her idea of rewarding parenting has not changed. "Parents are the first role models that children see, therefore parents set examples that their children follow," Mrs. Booker was quoted at the time she was named African-American Mother of the Year 1990.

The Carib News reporter, who interviewed Mrs. Booker on that day recalls his first encounter with the "famous humanitarian". "I remember now, it was a chilly morning in Harlem and we had gathered to see a famous humanitarian present a couple tons of food to benefit the needy of Harlem . . . That event took place on the compound of the Salvation and Deliverance Church . . . She radiated a certain warmth . . . The cold weather was no match for the undaunting spirits of Jean Booker," wrote Michael Roberts.

According to the Harlemite, who is vice-president and Religious Account Executive of the Booker Group, "It (the award) was special because of the people who gave it to me . . . To be given by people (mothers), who have similar experiences made it more worthwhile and most beautiful."

Mrs. Booker jointly accepted the Front Page Award on Sunday with her son, while her daughter-in-law Crystal and precious baby Elizabeth Ashley the very special people in her life, watched.

Mrs. Booker was presented a trip for two to Jamaica compliments of Air Jamaica and Ciboney Resorts, in Ocho Rios, various corporate gifts, specially prepared Bahamas cuisine by 1985 Caribbean-American Mother of the Year Oggie Green, and a special presentation of long stemmed roses from long-time friend Cathy Connors.

"Jean and I have been special friends for many years . . . I have learned a lot from her and she has learned a lot from me . . . She is very supportive and caring . . . We both believe that mothers and fathers play the first roles in a child's life especially during the first year, what they learn will sustain a child all of its life," stated Connors.

Mrs. Booker, who is a well known community and civic activist said of the Sixth Annual Mothers of the Year celebration, "It was a wonderful family day . . . The tone was set by friendliness and the concern that people had for others . . . .

FREE TRADE WITH MEXICO

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 29, 1991 into the CONGRESSIONAL RECORD:

FREE TRADE WITH MEXICO

Last June President Bush and President Salinas of Mexico committed themselves to achieving a free trade agreement between our two countries. Such a commitment would have been unthinkable for Mexico just a few years ago, but there have been dramatic changes in Mexico's economic policy. If negotiations succeed, a U.S.-Mexico free trade agreement will mark a watershed in breaking down historical barriers which have for too long consigned relations with our most populous neighbor to bitterness and distrust.

CHANGING MEXICAN PERSPECTIVE

Government policy and popular opinion in Mexico have traditionally reflected a fear of U.S. domination of their economy. Although Mexico's population of 88 million is about one third the U.S. population, its economy is less than 1/25th the size of ours. To prevent foreign and particularly U.S. domination, Mexico tightly restricted trade and investment until the mid-1980s with high tariffs, licenses for virtually all imports, and export requirements for foreign investors. Mexicans have come to view this system as harming their economy, which has been in a slump for the last decade. Encouraging Mexicans to adopt a more outward-looking economic policy have been the rapid growth of their export sector and the recognition that the only way to obtain high-tech investment is to loosen trade and investment rules.

"Fast Track": Trade negotiations with Mexico have been on hold until Congress decides whether to give "fast track" treatment to the results of the negotiations. Fast track is a special procedure that requires an up-or-down vote, with no amendments, by both houses of Congress within 90 days after the President submits a trade agreement. U.S. and Mexican trade negotiators have said that they would be unable to reach an agreement if Congress is later able to amend the package.

The fast track procedure was devised in the early 1970s as a compromise between the President and Congress. Trade agreements are difficult to handle under our system of government. The President's negotiators commit the U.S. in an agreement to change its laws, but only Congress can enact those changes. U.S. negotiators had found foreign governments reluctant to negotiate because the possibility of congressional amendments gave the U.S. a second chance to obtain concessions. And Congress had found Presidents increasingly trying to circumvent its role in the process. The fast track procedure has been used successfully for several recent trade agreements.

The vote in Congress last week to extend fast track authority for two more years means that the U.S.-Mexico negotiations can now go forward. The President is required to consult with Congress regularly during the negotiations.

Political Benefits: In my view the main benefits of a U.S.-Mexico free trade agreement would be political. Our relations with Mexico have frequently been strained, as Mexico has consistently felt slighted, if not oppressed, in our bi-lateral dealings. A relationship of increased inter-dependence has been in the making since domestic factors forced Mexico to open its economy in the mid-1980s. A free trade arrangement would reward that progress and encourage the continuation of current trends.

The U.S. has a significant interest in a stable, healthy Mexican economy. Our recent frictions with Mexico—immigration, environmental hazards, and illegal drugs—are closely tied to Mexico's poverty. Moreover, success with Mexico could lead to market-opening arrangements with other Latin American countries. These countries have undertaken difficult reforms to become more market-oriented and democratic. A U.S.-Mexico agreement would bolster these efforts.

Concerns: The debate over fast track for a Mexican trade agreement has raised a number of serious concerns, including worker health and safety, wage rates, increased immigration, and environmental conditions. In a recent letter to Congress, President Bush promised to work to address these concerns, either in the free trade talks or in parallel efforts with the Mexican government. As the talks proceed, Congress will be monitoring these issues and will have the opportunity to reject the entire agreement should they not be satisfactorily addressed.

Probably the biggest worry about free trade with Mexico is that it may lead to a loss of jobs or drop in wages for American workers. Much depends upon the response of multinational companies on both sides of the border, which is difficult to predict. Some studies have concluded that the U.S. would gain jobs overall because Mexican trade barriers are currently higher than U.S. barriers. Proponents of an agreement also point out that it is preferable for low-paying jobs to shift to Mexico than to Asia, because production next door means that U.S. companies have a better chance of supplying machinery and components.

Since Mexico's economy is less than 4% the size of ours and its products account for only 6% of our imports, the economic threats and opportunities from a free trade agreement can easily be overstated. Previous dire warnings about major U.S. job losses overall from lower trade barriers under the Caribbean Basin Initiative and the Canadian Free Trade Agreement turned out to be wrong. Moreover, in the mid-1980s many trade barriers between the U.S. and Mexico were reduced, and the impact on U.S. exports has been encouraging. While our imports from Mexico have risen from $20 billion in 1987 to $30 billion in 1990, our exports to Mexico have doubled, reaching a total of $28 billion in 1990.

I am concerned about the impact on U.S. jobs of a free trade agreement, and I favor steps to help soften the blow. I support assistance and training for workers displaced by free trade with Mexico, and favor a 10-year phase-out of the tariffs to provide time for adequate adjustment. I also believe that it may be necessary to retain some forms of protection in trade with Mexico. Our free trade agreement with Canada contains a variety of special provisions covering products ranging from cars to beer.

As the negotiations with Mexico proceed over the next year, Congress will closely monitor their progress. As we have made clear in previous major trade negotiations, we seek a good agreement and believe that no agreement is preferable to a bad one.

PASS THE OLDER AMERICANS FREEDOM TO WORK ACT, NOW

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. RAHALL. Mr. Speaker, I am proud to join with well over 200 of my colleagues in cosponsoring the Older Americans Freedom to Work Act.

The Social Security earnings limit is an outrageous attack on the financial well-being of this Nation's senior citizens. Older Americans deserve the right to be financially independent. Penalizing an individual by linking Social Security benefits to earned income is both unfair and wrong. It amounts to a massive income tax on beneficiaries who wish to continue to be active in the work force.

Social Security benefits are not a privilege; they are a "right," earned during the course of a worker's career. To tell a person that because of age they must either quit working or lose their prescribed rights is an injustice. As the population of America continues to age with the maturation of the baby boomers, our seniors are going to become an important national resource, if we will encourage them to remain active in the daily business of our country. H.R. 967 takes a crucial step in that direction by repealing the earnings limit placed on Social Security beneficiaries.

Last Congress this legislation collected 265 cosponsors from across the political spectrum. So far in the early months of the 102d Congress, H.R. 967 has collected a bipartisan list of 235 Members of the House of Representatives. With this kind of broad support it is time for the Congress to act on this important issue.

American's elderly citizens deserve the right to continue in the work force without facing the loss of their important Social Security benefits.

SUBSTANCE ABUSE TREATMENT SERVICES

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. TOWNS. Mr. Speaker, I rise today to invite my colleagues to join me in supporting legislation which will expand the availability of substance abuse treatment services to pregnant women. Today I am introducing, along with PETER KOSTMAYER of Pennsylvania and 45 other colleagues, a bill to give States the option to provide substance abuse treatment services to pregnant women and their children under Medicaid.

With this measure, we hope to extend the opportunity for recovery from substance abuse to those who have been effectively shut out of the existing network of substance abuse treatment services. Existing treatment programs serve only about 11 percent of pregnant women in need of substance abuse treatment. A 1987 study conducted in New York City has shown that many substance abuse treatment providers refuse to treat Medicaid-eligible pregnant women. An even greater number of providers studied did not accept Medicaid-eligible pregnant women who were addicted to crack cocaine.

Meanwhile, as many as 375,000 babies are born each year who have experienced prenatal exposure to drugs. Thousands more are born with fetal alcohol syndrome, and prenatal alcohol abuse ranks as the leading cause of preventable mental retardation. Drug-exposed infants have placed an incredible burden on our foster care system, with the General Accounting Office confirming that nearly 30 percent of these infants are being placed in foster care. And a 1990 study of five major cities by the National Black Child Develpment Institute found that 36 percent of the foster care placements were related to drug abuse.

The measure I am introducing would attack these problems by giving Medicaid-eligible women access to comprehensive residential substance abuse treatment. The bill would permit Medicaid coverage of residential drug and alcohol treatment to pregnant women, allowing women to remain with their children while receiving treatment. The bill sets standards for quality care; affords pregnant women a drug-free environment in which to seek treatment; and would provide counseling for sexual and domestic abuse, which are often contributing factors to the substance abuse problem.

One of the biggest problems faced by pregnant drug and alcohol abusers is the fragmentation of needed services. Limits on the provision of substance abuse treatment services under Medicaid make them largely inaccessible to pregnant women. Current Medicaid law covers inpatient detoxification and some types of outpatient addiction treatment services, but stops there. Medicaid-eligible pregnant women must seek prenatal care and family support services elsewhere within the system of Federal, State, or local programs.

In light of current limits on Medicaid coverage, perhaps the most important aspect of this legislation is that pregnant women would receive these services in a residential setting. In its June 1990 White Paper on drug treatment, the Office of National Drug Control Policy indicated that the structured residential treatment—or "therapeutic community"—modality is the most effective for addicted pregnant women. A 1990 House Ways and Means Committee report noted that while the best drug treatment programs for pregnant women and women with children involve the entire family, few offer comprehensive treatment that coordinates services among agencies or provides intensive crisis intervention services to families.

Last year, the bill received the endorsement of a wide range of groups concerned about substance abuse among pregnant women, including the National Association of Alcoholism and Drug Abuse Counselors, the American College of Nurse-Midwives, the Southern Regional Project on Infant Mortality, and the National District Attorney's Association. This spring, a chief item on the agenda of the Urban Summit, a coalition of mayors from across the Nation, called for the expansion of Medicaid to cover comprehensive residential substance abuse treatment services for pregnant and postpartum women and their children. In a 1991 study entitled "Treating Drug Problems," the Institute of Medicine endorsed changes in Federal Medicaid legislation to address drug treatment needs.

While several States are resorting to punitive measures against pregnant women and mothers who abuse drugs or alcohol, these measures are not an effective deterrent to substance abuse among women. On the contrary, the threat of incarceration or loss of custody can be a significant deterrent to women who would otherwise seek treatment for their substance abuse problem. The National Women's Law Center has pointed out that residential treatment programs cost about the same as incarceration, but provide additional health benefits for the mother and child. Widely available comprehensive substance abuse treatment, rather than punitive measures, must be implemented if the Nation is to see any positive impact on the problem of substance abuse among women, particularly among those who are pregnant or who have children.

In a time of tight budgets and hard choices, the Medicaid Family Care Act is by far the best approach to a complex and far-reaching problem, because of its potential for preventing the breakup of addiction-affected families and the resulting social costs. I urge my colleagues to cosponsor this bill, and to actively support this and other long-term solutions to the problem of substance abuse in families.

THE PITTSBURGH PENGUINS

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. KOLTER. Mr. Speaker, I rise today to congratulate the Pittsburgh Penguins for winning the 1990–91 National Hockey League Stanley Cup Championship. The Penguins captured the title Saturday night with a smashing 8 to 0 rout of the Minnesota North Stars to win the series 4 games to 2.

Yesterday at this time, 80,000 western Pennsylvanians attended an official Stanley Cup victory party for the Penguins at Pittsburgh's Point State Park. Unofficially, an estimated 50,000 fans welcomed the team home at 3:30 a.m. Sunday morning at the Greater Pittsburgh International Airport.

Mr. Speaker, a new era has begun for the Pittsburgh Penguins and their fans. With their mediocre past years behind them, the Penguins, led by Coach Bob Johnson and superstar center and team captain, Mario Lemieux, are embarking on a new era in Pittsburgh Penguin hockey. After finishing this season in grand style, I'm sure the Penguins and their faithful fans can look forward to prosperous performances next year and in many years to come.

Championship teams are nothing new to Pittsburgh, "The City of Champions." Together, the Pittsburgh Pirates and Steelers have made my people proud with their great accomplishments. Pittsburgh now joins the elite club of New York and Chicago as host cities which have won a World Series, a Superbowl, and a Stanley Cup.

I ask my colleagues to join with me in saying "hat's off" to the Pittsburgh Penguins for winning this year's Stanley Cup.

TRIBUTE TO VICTORIA C. T. READ

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. APPLEGATE. Mr. Speaker, Sunday, June 2, 1991, will be a very special day in the community fo Flushing, OH, located in my 18th Congressional District of Eastern Ohio, but it will be even more significant for a former resident of Flushing, Mrs. Victoria C.T. Read, who is being honored in nearly day long ceremonies for her numerous past accomplishments.

Spearheaded by the Flushing Masonic Lodge No. 298, the celebration will center on the awarding of the Community Builder's Award to Mrs. Read which is the highest award that can be bestowed on a non-Mason. In addition, Mrs. Read will also receive awards and commendations from nearly all community, business, and civic associations including keys to the city from the mayor and having June 2 proclaimed as Victoria C.T. Read Day. It is only appropriate, therefore, that I make you and my colleagues here in the U.S. House of Representatives aware of the significant contributions that Mrs. Read has made to Flushing and the surrounding area in Belmont County, OH.

Born in Flushing in 1916, Mrs. Read attended the University of Akron and transferred to St. Thomas School of Nursing in Akron, OH from which she graduated as a registered nurse and where she later taught for a number of years. Her husband, Dr. Gerald H. Read, Ph.D. was a professor at Kent State University and distinguished himself in the field of international education. For over a quarter of a century, Dr. and Mrs. Read oversaw a program of providing education in 40 different countries. Despite her exposure to the world and recognition for education everywhere, Mrs. Read never lost sight of her lifelong dream of a modern library facility in Flushing.

Understanding the great benefits that a properly furnished library can provide to a community and its people, Mrs. Read took it upon herself to provide such a facility to Flushing. Using her entire inheritance from her parents as seed money, she began a fundraising campaign in 1978 for a new library that would ultimately cost $336,000. By 1983, the Flushing-Belmont County Library Foundation was established and with the money that was raised by the foundation, along with a grant provided by the State of Ohio Library Association, the official ground breaking took place on June 16, 1984, and the new facility was dedicated 9 months later and was debt free.

The paramount role that Mrs. Read played in the establishment of the library in Flushing is well known to all in the area. There is no question about the importance of her financial contributions, but just as important are her personal contributions in the way of her clear and compelling vision of what a public library can do for any community. This having been learned by the village of Flushing and the community is very appreciative of everthing Mrs. Read has done for them.

Mr. Speaker, it is a rare occurrence today that we find those individuals with the kind of commitment and perserverence demonstrated by Mrs. Victoria Read. She serves as an inspiration to all of us to dedicate ourselves to those causes that truly make a difference in the lives of others.

On behalf of the U.S. House of Representatives, I want to join with the entire Flushing community and express my gratitude and appreciation to Mrs. Victoria Read for all that she has done for the village and its past, current, and future residents.

THE MITCHELL H. COHEN UNITED STATES COURTHOUSE

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. ANDREWS of New Jersey. Mr. Speaker, I rise today to introduce legislation that would designated the U.S. courthouse being constructed at 400 Cooper Street in Camden, NJ, as the "Mitchell H. Cohen United States Courthouse."

A dedicated public servant for over 50 years, Judge Mitchell Cohen has distinguished himself in the Camden community again and again. A graduate of the Dickinson School of Law, Mitchell Cohen quickly became involved in the Republican Party, eventually serving as the Republican leader of Camden City. The long list of public posts Mitch held begins with solicitor for Camden City Welfare Board and includes Camden City Prosecutor, Camden County Freeholder, municipal court judge, special deputy attorney general for New Jersey, judge of Camden County Court, and superior court judge. In August 1962, President Kennedy appointed Mitchell Cohen, judge of the U.S. district court for the district of New Jersey, becoming chief judge in 1973, and finally serving as senior judge of the U.S. district court. Mitch was also temporarily assigned to the U.S. Court of Appeals for the Third Circuit in Philadelphia.

Outside of public office Mitch Cohen continued to serve the Camden area through his efforts in numerous civic and charitable organizations. His love of music and theater led Mitch to organize the Summer Park Tent Theater in the Round in the Camden County Park in Cherry Hill. He also traveled extensively in Italy, where in 1972, he was knighted by King Umberto II, and named a commendatore of the Crown of Italy. Wherever Mitch went, people recognized his enthusiasm and dedication to the life and livelihood of his community.

Therefore, it is no surprise that Mitchell Cohen has been honored with numerous awards from both his colleagues and countless other organizations. However, I believe the most fitting tribute to such a tireless servant of the Camden Community will be the naming of our new courthouse in his honor, where the work he dedicated his career to will continue to flourish for years to come.

EXCEPTIONAL SERVICE NOTED

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. SUNDQUIST. Mr. Speaker, I, like many of my colleagues, have taken the floor of this House from time to time to commend the work of those who serve in the National Guard. I rise today to call attention to the extracurricular service performed by T. Sgt. John Key II of the Tennessee Air National Guard in behalf of a group of students from Richview Middle School in Clarksville, TN.

I think perhaps the best tribute is this letter, sent to me by a teacher at the school, Ann Long. I insert it in the CONGRESSIONAL RECORD as fitting tribute to the generous spirit of Technical Sergeant Key:

RICHVIEW MIDDLE SCHOOL,
Clarksville, TN, May 7, 1991.

Hon. DON SUNDQUIST,
House of Representatives, Washington, DC.

HONORABLE SIR: I am a teacher at Richview Middle School in Clarksville, Tennessee. The purpose of my letter is to commend John Key, II, a parent of one of our sixth grade students.

Each year we take the entire sixth grade class on a week long trip to Golden Pond, Kentucky, Youth Station in the TVA Land Between the Lakes nature area. We ask parents to go as chaperones. This year TSGT Key offered his expertise as a parent volunteer. He conducted eight two hour training sessions. Mr. Key taught outdoor camping and rope skills. All of the teachers and volunteers were most impressed by Mr. Key's planning and execution of his class. Most of all the students gained useful information and enjoyed learning.

TSGT Key's Tennessee Air National Guard uniform prompted many questions about the guard. His answers to these questions may have sparked an interest in this branch of the service.

Mr. Key continued to be a big help with our night visuals. He pointed out nocturnal creatures such as deer, fox, bobcat, opossum, mink, skunk, beaver, raccoon, muskrat, and numerous other animals.

The last night in camp with the aid of his family TSGT Key planned and orchestrated a night hike through the woods. Using previously constructed burlap and tallow torches as light sources, he moved 130 people through the woods to the predetermined site. The bonfire program was most impressive.

Never have we seen anyone more dedicated to the job at hand! Mr. Key's presence at our outdoor educational trip and his devotion to motivating our students was exceptional. Our trip would have been lacking greatly if Mr. Key had not lent himself so wholeheartedly to our cause.

We wish to express our appreciation for Mr. Key. He is a great asset to our community and I am sure, to the Tennessee Air National Guard.

Again, thank you for allowing him to join us for the week.

Sincerely,

ANN LONG,
Outdoor Education Coordinator,
Richview Middle School.

WELCOMING CYPRIOT PRESIDENT GEORGE VASSILIOU

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. PORTER. Mr. Speaker, it is a great honor to welcome the President of the Republic of Cyprus to Washington and to the House Chamber this morning.

President Vassiliou took office during a difficult time for Cyprus. The occupation of the island by a foreign force was its 14th year and negotiations, while never totally dead, were at a near standstill. But President Vassiliou has brought renewed energy to the process of negotiating a settlement to the Cypriot situation and a settlement is again being actively pursued in the halls of government in Washington, Nicosia, Ankara, and at the United Nations.

President Vassiliou is largely responsible for the change in attitude toward the Cyprus dilemma. He is a natural conciliator. He brought together Cypriots from all parts of the political spectrum when he won the Presidency of Cyprus in 1988 without being affiliated to any political party. He won because the people of Cyprus believe in him and his message of reunification, of bringing all the people of Cyprus together.

We welcome President Vassiliou and wish him Godspeed in his work to reunify his homeland.

RUST VERSUS SULLIVAN

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. EDWARDS of California. Last week's Supreme Court ruling upholding the title X gag rule leaves no doubt as to where the Court is heading. The gag rule prevents health professionals from giving their patients full information about their medical options. It restricts a doctor's right to free speech and a client's right to information about legal medical procedures. Women need to know all their options in order to make a fully informed choice, and they should not be penalized for using a publicly funded facility.

The agencies affected by this ruling do not use Federal money to provide abortions. Their title X funds support family planning programs—precisely the services that help prevent abortions. It would be an unfortunate mistake to force agencies to lose title X money and hence cut family planning services, resulting in increased pregnancy and abortion rates.

I call my colleagues' attention to the following article published in the May 29, 1991, Washington Post. Judy Mann details the devastating effect this ruling will have on low-income women who depend on title X clinics for full and accurate information, and she describes the need for congressional action to protect against further erosion of the right to choose. She specifically points to the Freedom of Choice Act, H.R. 25, which would codify Roe versus Wade and protect a woman's right to choose. As the Supreme Court becomes increasingly out of step with the views of the American public, Congress must step in and protect these rights.

[From the Washington Post, May 29, 1991]

GAGGING WOMEN'S CLINICS

(By Judy Mann)

The U.S. Supreme Court's ruling fobidding federally funded family planning clinics to give any advice about abortion underscores the foolishness with which this country is managing its reproductive policies, and should galvanize thoughtful men and women into political action.

The National Research Council issued a report this year that found that the United States, at one time a world leader in contraceptive research, had fallen two decades behind Europe. One of the results of that is that the United States has the highest teenage pregnancy rate in the world, one of the highest rates of unintended pregnancies and—predictably—one of the highest rates of abortion.

Abortion opponents, led by the Catholic Church and fundamentalists, two bastions of patriarchy, have cowed Congress and two successive Republican administrations into restricting access to abortions for poor women, women in the military service or Peace Corps as well as dependents of military and Peace Corps personnel, and women who are covered under federal government insurance programs. Women in prisons cannot get federally funded abortions, nor can Native American women whose health care is provided by the Bureau of Indian Affairs.

Women who continue to have relatively easy access to abortions are educated, middle-class white women who have private health insurance—and who are traditionally among the most reliable users of birth control. Women who are the least reliable users of birth control, and who are the least capable of taking care of their children economically, are among the groups whose access to abortion has systematically been eroded during the Reagan-Bush years.

These administrations have promoted births in some of the very groups most likely to end up on welfare: minorities, women who are not wed and teenage dropouts whose pregnancies are likely to lead to a lifetime of marginal jobs and public dependency. They, along with rural women, are typical of the 5 million women who go to the 4,000 federally funded family planning clinics each year. Not to allow providers to tell these women that abortion is an option for an unwanted pregnancy is the kind of reverse social engineering one associates with the Ceaucescu policies in Romania—but that is indeed what the Supreme Court, in last week's decision, has done.

And, in ruling that the government can control the content of any program getting federal funding, which is the net effect of the ruling, the court has given the government an unprecedented reach into the lives of everyone who comes into contact with a federal dollar. This, from a conservative court, molded by a Republican Party that campaigned against judicial activism?

If Congress can bar doctors from giving information about abortions to patients at clinics, surely it also can control the content of art that is funded by government grants, and surely it also can control the conversations that take place between legal aid lawyers and their clients. And it follows that it can control the content of university programs that receive federal funds. One of the more extraordinary passages of the ruling, written by Chief Justice William H. Rehnquist, seemed designed to forestall this transgression. He wrote: "The university is a traditional sphere of free expression so fundamental to the functioning of our society that the government's ability to control speech," would be restricted by the First Amendment.

It was significant that Justice Sandra Day O'Connor dissented from the 5 to 4 decision. Only men who have never been pregnant could have come up with the lunatic belief that a school's right to free expression is more sacred than a woman's right to complete medical information.

Reps. Ron Wyden (D-Ore.) and John Porter (R-Ill.) are sponsoring legislation that would allow providers in federally funded clinics to counsel women on all of their options, and to give referrals. It is expected to be voted on before the 30 days in which the gag order goes into effect.

Rep. Don Edwards (D-Calif.) is sponsoring the Freedom of Choice Act, which forbids states to enact laws that abridge a woman's right to abortion. This act codifies the 1973 Supreme Court ruling of *Roe v. Wade* that legalized abortion, and which abortion backers believe is the next target of the Supreme Court.

In the long run, men and women who want abortion to remain legal will have to look to Congress to pass this act, and to the White House for a president who will not veto it. There are an estimated 17 million women in this country who have had legal, safe abortions since 1973. Now is the time for them to speak out and to let Congress and the White House know that reproductive rights are every bit as sacred to them as freedom of speech is to a university.

TRIBUTE TO CHRISTINE RAY RICHARD

HON. BUD CRAMER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. CRAMER. Mr. Speaker, it is with great pleasure that I rise today to give tribute to a resident of my district and a dear friend, Christine Ray Richard.

Mrs. Richard has compiled an incredible 199 volunteer service years in various Huntsville organizations. She is greatly loved and respected throughout the community and will be honored on May 29 by the local chapter of the Arthritis Foundation with their Humanitarian Award.

A native Mississippian, Mrs. Richard is married to Ludie G. Richard. They have one daughter, Diana Richard Jackson. Diana and her husband are the parents of a son, Will, age one.

Mrs. Richard and her husband moved to Huntsville in 1951. Shortly thereafter she began the years of volunteer service that have been the lifeblood of so many organizations.

For the past 31 years, Mrs. Richard has worked with the Girl Scouts. As a mother, she was a leader in Brownie, Junior, and Cadette levels. She originated and chaired the steering committee of the major Bicentennial project "Madison County Women's Scroll of Honor" and for 4 years was chairman of the Scroll of Honor Committee for the three awards presented biennially. She was selected as one of the National Bicentennial Girl Scouts' "Hidden Heroines" and was so honored in Washington, DC, in the Girl Scout Hall of Heroines. Mrs. Richard continues this involvement as a board member and most recently was the recipient of the "Thanks" badge, the highest award given an adult Scout member for service beyond the call of duty.

For 10 years Mrs. Richard taught Kindergarten Sunday School at the First United Methodist Church. She has served on the administrative board and as the joint chairman, along with Laura Hamilton, of the first CASA [Care Assurance System for the Aging] team at the church. Referrals were received by Christine, who secured volunteers to fill the need. So outstanding were her CASA contributions that she is now an honorary member of their board.

Mrs. Richard has made major contributions to the Huntsville branch of the American Association of University Women in the area of educational foundation programs. She was honored with an International Named Graduate Fellowship designated as the Christine Ray Richard Fellowship Award. She was the first person to receive the "Eve Award" twice for the greatest contribution to AAUW by a non-board member.

Mrs. Richard began her dedication to Randolph School 31 years ago when her daughter became one of the first students to enroll. Mrs. Richard originated more than $250,000. She served as chairman for the dedication of the Sharon Barbour Rhett Fine Arts Center. She personally assumed the general chairmanship of the school's first nine annual giving programs as a member of the Board of Trustees. During that period over $1,000,000 were raised, of which more than 90 percent was directed to the teachers' salaries and instructional materials. Also during her tenure an endowment program was established, now totaling over $300,000. A capital giving drive for which she as Division Chairman was completed and raised over $1,250,000. When Mrs. Richard reached her goal and continued to raise money for this effort, she, for signficant service and leadership, was honored when the Junior High Building was dedicated. To further honor her, the Board of Trustees named her, along with M. Louis Salmon, lifetime members.

The health and well-being of others have always been of paramount importance to Mrs. Richard. As an active member of the Mental Health Association and its board, Mrs. Richard was presented all three of its award certificates, including the highest, the Distinguished Service Award. Mrs. Richard was a founding member of the Hunstville Group Home for Girls, serving on its board of directors for 9 years. Although no longer in existence, it met a critical community need at the time. For 2 years Mrs. Richard has also been a dedicated member of the Huntsville Hospital Foundation Board.

Mrs. Richard is a longtime member of the board of the Community Ballet Association, serving as chairman of the Sixth Antebellum Garden Party which surpassed any previous fundraising total. She originated and helped establish the "Ballet Laureate Award" which recognizes individuals making outstanding contributions to the art of ballet. In 1984 Mrs. Richard was presented this award. She also serves on the advisory board of the Huntsville Art League.

In 1971 Mrs. Richard became a member of the Women's Guild of the Huntsville Museum of Art. Since that time she has logged over 6,000 volunteer hours. Her major contributions include joint chairman of the First Museum Birthday Party, joint chairman of the Second Decorators Showhouse (which tripled the profits of the first), newsletter editor, and joint chairman of "Scenes of the Holidays." She wrote the original job description for the museum employees for accreditation application. In 1989 Mrs. Richard was honored with the coveted Doris Darling Award.

Mrs. Richard has been active in the Huntsville Symphony Orchestra Guild since 1971. Through the years she has contributed thousands of dollars toward the orchestra's budget through solicitation of ticket sales and donations. She served as concert season membership chairman for three seasons. Her first year as chairman there was a complete sell-out for the opening of the Von Braun Civic Center. For 5 years she was top ticket seller for season memberships and received the first "Hall of Fame" award for her efforts. She was the first "Quarter Notes" newsletter editor. In 1974, Mrs. Richard helped organize the first Crescen-Dough Auction and served as its Acquisition position through 1977. She became joint chairman in 1979 and has served in many other capacities since that year. To this date, the auction has raised $800,000.

Mrs. Richard was joint chairman of the first Dog Ball, organized to raise money for the Greater Huntsville Humane Society. Since its inception 2 years ago, the event has already realized $25,000.

Mrs. Richard received the Virginia Hamill Simms Memorial Award in 1984. That same year she received the Governor's Arts Award.

Through all of her efforts, Mrs. Richard's husband, Ludie, has been unwavering in his support and deserves individual recognition for his generosity. Christine Ray Richard has devoted over 40 years to improving the quality of life in the Huntsville community. Her extraordinary ability to raise tremendous sums of money, her continuous volunteer endeavors, and her benevolence and compassion make her a very special lady. I am most fortunate to have Mrs. Richard as a citizen of the Fifth District and am honored to call her a friend.

ETHIOPIAN JEWS RESCUED BY AIRLIFT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. GILMAN. Mr. Speaker, the airlift of Ethiopia's Jewish community last Friday to Israel, on the heels of a rebel takeover of Addis Ababa, is both historic and gratifying. "Operation Solomon" succeeded in bringing nearly 15,000 of Ethiopian Jews—Beta Israel—to Israel during a 36-hour period in a massive shuttle of Israeli aircraft flying directly between those two nations. As cochairman of the Congressional Ad Hoc Caucus for Ethiopian Jews, I want to commend all those involved in this rescue for a job well done.

In 1984 and 1985, Operations Moses and Joshua evacuated thousands of Ethiopian Jews from refugee camps in the Sudan, although disclosure of the flights brought about their suspension. In the 6 years which followed, the Beta Israel endured a great deal. Deprivation and discrimination, disease and despair were all too commonplace. Most distressing though, families were split, with children separated from parents, and couples separated from each other. Our goal was to try to reunite the Ethiopian Jewish community in Israel; something the community had long prayed for.

Operation Solomon succeeded in airlifting the many thousands of Beta Israel who made the trek from the Ethiopian Gondar region to the Ethiopian capital of Addis Ababa last summer. Although several thousand remain stranded in the Gondar region at this time, their swift emigration is also one of our highest priorities, and will hopefully be completed quickly.

As one of the cochairmen of the Congressional Caucus for Ethiopian Jews, I can assure my colleagues that this historic redemption is due to the dedication and devotion to the highest principles of human rights on the part of many individuals. Under President Bush's leadership, the State Department, well represented by Assistant Secretary of State for African Affairs Hank Cohen, made great inroads in convincing the Mengistu regime of the need to allow the Beta Israel to emigrate. This position was enhanced and strengthened by the intervention of former Senator Rudy Boschwitz, one of our caucus' Senate cochairs and as President Bush's personal envoy, who made the crumbling Ethiopian government realize the high priority the United States placed on the emigration of the Beta Israel.

The Government of Israel is indeed to be commended for its heroic efforts and pinpoint logistical implementation of the airlift of this proud remnant of Ethiopian Jewry. Following the resumption of diplomatic relations between Ethiopia and Israel in the fall of 1989, discussions focused on increasing the number of Beta Israel allowed to reunify with family members in Israel. Bureaucratic requirements, delays, and excuses limited the number of emigrees to several hundred per month.

Last summer, flights were discontinued for no concrete reason, and again this past February. Although flights started up once more following strong criticism from the United States, and which were authorized to transport approximately 1,000 Beta Israel to Israel per month, the forward progress made by rebel groups and the threat to the security of the Beta Israel caused the Congressional Caucus for Ethiopian Jews to make an emergency appeal to Secretary of State Baker urging support for a massive airlift. Subsequently there was a positive response and negotiations intensified. A plan of action was implemented quickly after a letter sent by President Bush was delivered to the Ethiopian Government on the day of Mengistu's resignation and flight to Zimbabwe.

Mr. Speaker, the significant contribution of the American Association for Ethiopian Jews also needs to be noted. Their tireless efforts in promoting rescue and relief on a shoestring budget, as well as alerting others that thousands remained in Ethiopia following Operations Moses and Joshua, assisted the Congressional Caucus for Ethiopian Jews in increasing awareness among Members of Congress, thereby expanding caucus membership and allowing us to advocate on behalf of this threatened Jewish community. No stone was left unturned by the caucus in its effort to bring about this momentous occasion.

Mr. Speaker, perhaps most gratifying of all is the miracle of the birth of 10 babies during this rescue. Their life in Israel will be far more enriching than the Diaspora their parents knew. Though Israel's capacity to provide absorption assistance has been strained beyond measure in recent months, the Beta Israel will receive all the love and attention that the country can bestow. Accordingly, with God's help, their dream of reaching Jerusalem has finally been fulfilled. For this we are all indeed thankful.

TRAINING AMERICA'S FUTURE WORKERS

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. WYDEN. Mr. Speaker, for years now our colleague Bill Ford of Michigan has told the Members of this body that our country must make education and training an urgent priority. Chairman Ford has made the case that the jobs of the future are going to be dramatically different than yesterday's jobs—or even today's.

It's going to take an all-out effort to ensure that America's future workers get the skills and the training to compete in the global markets of the future. David Broder in the article I submit for today's Record, makes clear that because of Bill Ford's efforts, America is beginning to understand its greatest challenge.

Most issues that come before this body will be molded by the ability of our work force to compete. Education and training are the new lifeline for America—and we are fortunate that Chairman FORD's message is finally starting to sink in.

BLUE-COLLAR JOBS, BLUE-CHIP SKILLS

(By David S. Broder)

As chairman of the House Education and Labor Committee, Rep. William D. Ford, D-Mich., presides over a committee of 34 members, a staff three times that size and an agenda that reaches into every school, college, factory and business office in the nation.

But back in Ypsilanti, he remarked the other day, when he stops in his favorite tavern to swap talk, "It's not 'Mr. Chairman,' it's 'Hey, Billy, what the hell ya gonna do about' whatever's on their mind."

What is mostly on their minds these days is where the jobs have gone—and how the jobs have changed.

"In the old days," the 63-year-old Ford recalled, "all a kid had to do was stay out of jail until he was 18, and then he'd hear at the pool hall or wherever one day. "They're hiring by Chrysler'—that's how they said it. And he'd get a job on the line at Chrysler or GM or Ford, and in two years he'd be making enough to get married and buy a house. That's how it worked, and it's how my district was built up. Now, to be an entry-level steelworker, you've got to pass an exam in math and general science. The simple jobs are gone."

More than any other single question, the challenge of educating and training the work force for the new economy will determine what kind of future America has—or whether it really has a future.

With Senate education matters in the hands of the patrician Claiborne Pell, D-R.I., and the born-to-wealth Edward M. Kennedy, D-Mass., it is well that somebody with the blue-collar, assembly-line, bleachers-and-beer perspective of a Billy Ford also has a large voice in these policy decisions. If there really is to be reform of education in this country, it will more likely be driven by the demands of business and the needs of workers than any other force.

What Ford has seen firsthand is captured in broader terms in two recent reports. One is the publication called "America and the New Economy," prepared by Anthony P. Carnevale, chief economist of the American Society for Training and Development, on contract to the Department of Labor. The other is the cover story on the June 3 issue of Fortune magazine, titled "Brainpower: How Intellectual Capital Is Becoming America's Most Valuable Asset."

The lesson in both articles is that from now on, America, like any other advanced nation, will increasingly have to think its way to prosperity. Thomas A. Stewart, the author of the Fortune article, quotes Dr. P. Roy Vagelos, head of Merck & Co., the pharmaceutical firm: "A low-value product can be made by anyone anywhere. When you have knowledge no one else has access to—that's dynamite."

It's easy to see that lesson demonstrated in the chemistry laboratory or a lawyer's office or in the showroom of a fashion designer. But Carnevale's report backs up Ford's contention that even the most basic blue-collar jobs are changing.

"The challenge to manufacturing skill in the new economy," Carnevale writes, "is not so much to make the widget, but to make it with quality and variety, to tailor it for the consumer, to deliver state-of-the-art versions of the widget fast and conveniently in a complex global economy, and to win the race up the learning curve to improve the widget. The labor and skill involved in these processes have less and less to do with hands-on production."

By way of illustration, Ford talks of a new "slotting and shearing" plant in his district where 300,000 tons of steel are shaped into automotive fenders each year by 38 employees. "Nobody touches the steel," he said. "All they do is handle computers."

As repetitive physical labor with materials is reduced, the new work requires people who can deal with abstractions (often symbolically presented on computer screens) and who can, at the same time, work effectively with suppliers, customers and others in the same firm. It takes people who are comfortable dealing with unexpected changes in routine and who have the skill and self-confidence to change their own work patterns.

Employers have been quicker than teachers, principals, school boards or even young people to recognize the changing nature of work and to raise their hiring standards accordingly. "The biggest difficulty," Ford remarked, "is getting young people to understand that jobs require more than a high school education."

That is where the issue of social equity enters. Carnevale puts it in stark terms. "The United States excels at educating white-collar and technical elites," he writes, "while the non-college-bound receive second-rate educations, no applied learning and relatively little responsibility or opportunity to develop on the job.

"About one in every five college graduates gets some training from an employer, but only one in 13 employees without college gets training." The inevitable effect of this pattern is that those who start ahead of the pack, in educational terms, move further ahead, while those with lesser educational backgrounds fall further behind. What is true of the population as a whole is especially true for minorities—adding a racial gulf to the growing class barriers.

All this poses the greatest challenge, not just to Bill Ford, but to America.

WE NEED TO REPEAL UNFAIR 10-PERCENT FEDERAL EXCISE TAX ON BOATS

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Ms. SNOWE. Mr. Speaker, today, I am introducing legislation to repeal the new Federal excise tax on certain boats. I do so because rather than raise significant amounts of Federal revenues, as originally intended, this tax is putting ordinary workers out of their jobs.

As part of last year's budget agreement, the 101st Congress adopted a deficit reduction package that created a 10-percent excise tax on boats that cost more than $100,000. The goal of this tax was to ensure that wealthy taxpayers contribute their fair share of taxes. However, while that may have been the hope, the practical reality of the new excise tax on boats has turned out far differently and for Maine workers far more harshly.

Instead of raising revenues from the rich, this tax is putting low-income and middle-income, highly skilled workers out of jobs because the boat manufacturing industry in Maine is simply not selling any boats. Consequently, the Federal Government is not getting any revenues and instead is facing the prospect of higher spending levels due to the increased unemployment resulting from this tax.

At a recent town meeting I held in Ellsworth during the Easter recess I met with more than 50 people who are employed by boat building companies. They expressed to me their very serious concerns about this new 10-percent excise tax is devastating their industry.

For example, 1 Maine recreational boat manufacturer has just laid-off 15 employees and the company's remaining 135 employees have agreed to a 10-percent pay cut. This same company has received only one request to build a boat in 1991 but this was only after the company agreed to pay the 10-percent excise itself. Another boat manufacturer in Maine has recently filed for chapter 11 bankruptcy protection.

Many of the workers at my town meeting explained that the domestic boat manufacturing has been enduring a recession of its own for the past 2 years. According to the National Marine Manufacturers Association [NMMA] for example, nationwide sales of recreational boats have declined more than 40 percent over the past 2 years and employment in the industry has declined from roughly 600,000 to approximately 400,000.

As most people already know the overall economy in Maine and New England has itself been in a recession. So on top of all that, this new excise tax is clearly making a difficult situation even worse.

In Maine, many boat manufacturers are small, family-owned businesses that have been in operation for generations. In coastal towns building boats is a way of life, not simply a 9-to-5 job.

According to the Joint Committee on Taxation's estimates the 10 percent boat tax is expected to raise only $3 million in revenues during fiscal year 1991. Given that such a small amount of Federal taxes are expected to be raised by this tax, is the loss of the domestic boat manufacturing industry and the consequent increased unemployment requiring higher Federal spending and lower Federal revenues worth keeping this new tax on the books? I don't believe it is and as a result, I am sponsoring this bill today to repeal this tax.

In order to ensure that the passage and enactment of such a measure is deficit-neutral, my bill also repeals provisions included in last year's budget agreement that expanded the depletion allowance for oil and gas producers.

With the 10-percent Federal tax on some boats putting everyday workers out of jobs it doesn't seem fair that the Congress should be in the business of expanding tax shelters and loopholes for the oil and gas industry, which has traditionally enjoyed lenient treatment by the Federal Tax Code.

Mr. Speaker, I strongly urge all of my colleagues in the House to join with me in supporting efforts to repeal the 10-percent tax on boats.

PERSONAL EXPLANATION

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. ROGERS. Mr. Speaker, on May 20 and 21, I was unavoidably absent during regular House business. Had I been present, I would have voted "aye" on the following rollcall votes:

Rollcall No. 96.

Rollcall No. 102.

Had I been present, I would have voted "nay" on the following rollcall votes:

Rollcall No. 97.

Rollcall No. 98.

Rollcall No. 100.

Rollcall No. 101.

Rollcall No. 103.

MRS. FANNY JACKSON CELEBRATES 110TH BIRTHDAY

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. HARRIS. Mr. Speaker, to say that Fanny Jackson, of Greene County, AL has lived a full life is undoubtedly an understatement. Growing up in rural Alabama, Mrs. Jackson has seen the changing of the South of the old to one of social integration and economic prosperity.

Celebrating her 110th year Mrs. Jackson is still able to recall her difficult childhood of working in the cotton fields, which kept her out of school. Despite this, Mrs. Jackson shows no signs of anger toward society. On the contrary, she chooses to show only love toward others as "Jesus taught us," she says. Although doctors have urged her to slow down her activities, she refuses to let that keep her out of church and church-related functions which have meant so much to her throughout her life.

When asked to list what she believes has given her such a long life, she says, "The Good Lord, good conditioning, hard work, and obedience." If this is so they may be things for us all to live by.

Happy birthday, Mrs. Jackson.

SOUTH FLORIDA CELEBRATES NATIONAL SAFE BOATING WEEK

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to recognize BASE [Boaters Action for a Safe Environment], south Florida, and the U.S. Coast Guard Auxilliary for playing a leading role in promoting National Safe Boating Week, June 2 through June 8 this year in south Florida.

One of the leading events of this important week will be the National Safe Boating Festival. Over 40,000 visitors are expected to visit the festival in Miami's Bayside Marketplace, Marina, and Miami Bayfront Park. The festival will promote community awareness about safe boating and the environment through many exhibits including fire and rescue demonstrations and a manatee touching pool.

National Safe Boating Week is the annual national media event that launches the recreational boating season. It not only starts the traditional boating season but introduces a year-long media campaign to provide boaters more information about their sport.

This week is of special significance to south Florida which has one of the largest recreational boating populations in the world serving both the local community as well as many visitors. South Florida's boating industry also produces a wide variety of products ranging from canoes and personal watercraft to speed boats and yachts. South Florida's growing marine traffic has further emphasized the need for boating safety not only to protect human life but also to protect our marine life.

I would like to take this opportunity to thank BASE, south Florida, the U.S. Coast Guard Auxiliary, and the Dade County National Safe Boating Council for their work in promoting boating safety and environmental awareness.

Among the many Miami area residents who should be recognized for their help in promoting National Safe Boating Week are Dade County Commissioner Harvey Ruvin, C.J. Ortiz de Valderrama, Joseph Tenhagen, Peter Concepcion, Marion Liley, Joel Aberbach, Jonas Lappert, Shirley Sandberg, Alfonso Valdez, Miami City Commissioner J.L. Plummer, Jr., U.S. Coast Guard Ensign Andrea Palermo, Mario Artecona, James Burke, Roger Carlton, Marcia Fernandez, Mauricio Figueras, Mary Finian, William Franco, Captain John Gonzales, William P. Harrington, Martha A. Hoskins, Barry Kutun, Florida Marine Patrol Captain Mike Lamphear, Bob Levy, Dr. Susan Markley, Jackie Menendez, John Pezzulla, Frank Simokaitis, Donald Slesnick, Meredith Stark, M. Berman Stein, and Nicholas P. Valeriani.

EMERGENCY AIRLIFT OF ETHIOPIAN JEWS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. GREEN of New York. Mr. Speaker, it is with great pleasure that I rise to comment on the successful conclusion of the emergency airlift of 14,500 Ethiopian Jews to Israel over this past weekend. I have long been aware of the special plight of the Ethiopian Jews and as a member of the Congressional Caucus on Ethiopian Jewry, I have strongly supported efforts to secure their right to emigrate from Ethiopia to Israel. I am extremely heartened to see this goal realized.

Fortunately today the Appropriations Foreign Operations Subcommittee of which I am a member, approved $80 million to assist Israel in resettling refugees, an increase of $35 million from last year. For those of us in Congress who have worked to free Jewry around the globe these developments are deeply rewarding.

The struggle to complete the safe evacuation of Ethiopian Jews to Israel has been a long and arduous one. It was in 1973 that the Israeli government traced the history of the Ethiopian Jews to biblical times and sanctioned their right to immigrate to Israel. In 1984 Israel completed a secret airlift of 16,000 Ethiopian Jews and approximately 8,000 others were brought to Israel during the past 2 years. When the Ethiopian government barred any further departures for political reasons, thousands remained.

Fortunately, this past weekend the Ethiopian government allowed those who remained to emigrate to Israel. The subsequent evacuation was a remarkable logistical achievement. Approximately 35 civilian and military airplanes airlifted 14,500 Ethiopians over 1,500 miles in just under 36 hours. I should like to congratulate the Israeli government on this accomplishment. I also wish to take this opportunity to commend President Bush for his personal intervention in securing the right of Ethiopian Jews to emigrate to Israel. I know the President has long been concerned with this issue and his last minute communications to the government of Ethiopia proved invaluable in achieving the necessary conditions for the emergency airlift to occur.

In closing, for those Ethiopian Jews who have newly arrived in Israel I commend them for their perseverance and I wish them a successful and complete life in their new homeland. I should also like to take this opportunity to express my deep and sincere desire for peace to reach all the citizens of Ethiopia who have for so long suffered repression and hardship. The international community must now make every effort to bring peace and security to that nation's citizens.

THE IONA PREPARATORY SCHOOL: 75 YEARS OF EXCELLENCE

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mrs. LOWEY of New York. Mr. Speaker, I rise today to call to the attention of my colleagues a noteworthy occasion. Friday marks the beginning of the Iona Preparatory School's 75th Jubilee, a time for both reflection and celebration.

Since 1916, Iona Prep has provided excellent educational opportunities to boys throughout Westchester County. The school has continually grown and prospered, and its students have excelled. In recent years, Iona Prep students have been earning test scores that are well above State and National averages, and they are being accepted into some of the best colleges and universities in the Nation. A remarkable number have been National Merit Scholarship finalists and commended students, and a great many have earned New York State Regents Scholarships. At every level, it is clear that Iona Prep students receive a top-notch education.

Iona Prep strives to provide its students with a well-rounded education that goes beyond traditional academics. There are a wide range of clubs and activities available to the students, and their athletic teams have excelled against tough competition in many sports. The school also works to ensure that its students have career experience through a very well designed internship program. Most importantly, the Christian Brothers who run Iona Prep work diligently to instill in their students the values and character traits that will make them successful in all aspects of their lives.

I am proud to represent Iona Prep. It is a school with a tradition of excellence and an inspiring record of achievement. I am sure that all of my colleagues join me in wishing the students, faculty, administraton, alumni, and friends of this exceptional school our most sincere congratulations at this momentous time. I am confident that they will move forward to a future that builds on its superb tradition. Iona Prep will continue to produce for our community and the Nation exemplary students and fine citizens.

IN CELEBRATION OF THE 100TH ANNIVERSARY OF EAST SIDE HOUSE SETTLEMENT

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. SERRANO. Mr. Speaker, I rise today to share with you and my distinguished colleagues the celebration of 100 years of public and community service of a venerable organization in New York, the East Side House Settlement.

Mr. Speaker, in 1890 Everett P. Wheeler observed the plight of the impoverished immigrants living in the Upper East Side of New York City, and he reminded his fellow members of the Church Club of the Episcopal Church of New York that the church's mission was to help the poor and the disadvantaged. He proposed to them that the church establish and underwrite what became the first early settlement houses where social workers, privileged by opportunity and education, "settled" among those they wished to help, believing that by living and working together with the residents, they could build a better community. East Side House was incorporated in 1891, and the early board of managers included figures such as J.P. Morgan and Cornelius Vanderbilt.

Through 2 world wars, the Great Depression, and financial problems, the settlement persevered and continues today to fulfill its original mission of community and public service to the poor and uneducated. In 1961, the house's board of managers moved the settlement from Manhattan's Yorkville community to my district, the South Bronx, often referred to as one of the poorest districts in the Nation.

Mr. Speaker, today, East Side House is a vital community institution which continues to promote ideals of courage, determination, imagination, and belief in the strength of the human spirit. East Side House has flourished and reached out to thousands of poor and homeless because its programs respond to specific community concerns and needs, and encourage community residents to break the poverty cycle. East Side House is dedicated to providing a variety of comprehensive services for community members of all ages. These programs focus on motivating young people to confront the challenges of life in the South Bronx, and to take responsibility for the future of the community.

Mr. Speaker, I want to describe to you and my colleagues some of the successful programs which East Side House offers. The afterschool program provides 400 children with daily educational, recreational, and cultural programs that empower them with the extra support and preparation they need to succeed in school. East Side House was selected by the United Way as one of three demonstration sites for the Community Based Drug Prevention Initiative. This program will mobilize the entire community with the specific goal of keeping adolescents away from drugs. The Educational Services Program is a young adult literacy program for high school dropouts. In the past 12 months, 41 young adults have earned their GED, 28 have enrolled in a vocational training program, 28 have obtained full-time employment, and 12 have enrolled in college.

And when the Congressional Award Foundation chose my district for its first inner city chapter last year, East Side House, with its outstanding record, was the natural choice for the foundation's chapter headquarters.

Mr. Speaker, please join me in congratulating East Side House on 100 years of helping residents help themselves build a better life. The problems confronting all of New York City and many of the larger cities in our Nation—crime, drugs, AIDS, homelessness, and illiteracy are intensified in the South Bronx by extreme poverty and deprivation. East Side House continues to effectively address these problems with innovative and successful programs. It is with great pride that I share this tribute with you on this centennial celebration of the East Side House Settlement.

CONGRESSMAN KILDEE HONORS GRADUATES OF ARMED FORCES ACADEMIES

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. KILDEE. Mr. Speaker, I rise today before my colleagues in the U.S. House of Representatives to pay tribute to eight outstanding young men and women from my district in Michigan. These outstanding young people are graduating from the U.S. Military Academy, the Naval Academy, and the Air Force Academy. The graduates are as follows:

Ms. Dawn Dishner is graduating from the Air Force Academy and will receive her commission as a second lieutenant. Second Lieutenant Dishner graduated from Carman-Ainsworth High School in June 1987, and entered the Air Force Academy in the summer of 1987. I am certain that Second Lieutenant Dishner will excel at all she attempts and will serve her country well.

Mr. Thomas Jahn is also graduating from the Air Force Academy and will receive his commission as a second lieutenant. Second Lieutenant Jahn graduated from Luke M. Powers Catholic High School in June 1987, and entered the Air Force Academy in the summer of 1987. He has excelled while attending the Air Force Academy and has been held in the highest esteem by his classmates and instructors.

Mr. Bradley Kinslow is graduating from the U.S. Naval Academy at Annapolis and will receive his commission as either an ensign in the U.S. Navy or a second lieutenant in the U.S. Marine Corps. Bradley attended Grand Blanc High School, graduating in June 1987, and entered the Naval Academy in the summer of 1987. Bradley comes from a strong military background in his family and I am sure he will continue the superb service to his country.

Ms. Sherre Maclin is graduating from the U.S. Air Force Academy and will receive her commission as a second lieutenant. Second Lieutenant Maclin graduated from Luke M. Powers Catholic High School in 1987, and entered the Air Force Preparatory School in the summer of 1987. Second Lieutenant Maclin was then appointed to the Air Force Academy.

Mr. John Maxwell is graduating from the U.S. Naval Academy at Annapolis and will receive his commission as either an ensign in the U.S. Navy or a second lieutenant in the U.S. Marine Corps. John attended Brandon High School, graduating in June 1987, and entered the Naval Academy in the summer of 1987. John has distinguished himself through his academic achievements while attending the Naval Academy.

Mr. John Miner is graduating from the U.S. Air Force Academy and will receive his commission as a second lieutenant. John graduated from Luke M. Powers Catholic High School in 1987, and entered the Air Force Academy in the summer of 1987. Second Lieutenant Miner was named to the commandant's list for academic achievement. This signifies academic excellence at the Air Force Academy and placed Second Lieutenant Miner in a most select group of cadets.

Mr. Kevin Williams is graduating from the U.S. Military Academy and will receive his commission as a second lieutenant in the U.S. Army. Second Lieutenant Williams graduated from Davison High School in 1987, and entered the Military Academy in the summer of 1987. Second Lieutenant Williams has distinguished himself during his career at the Military Academy and will continue to excel and serve his country well.

Mr. Daniel Morley is also graduating from the U.S. Military Academy and will receive his commission as a second lieutenant in the U.S. Army. Second Lieutenant Morley graduated from Luke M. Powers Catholic High School in 1986, and entered the Military Academy in the summer of 1987. Second Lieutenant Morley has continued the tradition of excellence and will serve his country well.

Mr. Speaker, it is indeed an honor and a pleasure for me to rise today to pay tribute to these future leaders of our great Nation. I am proud of the accomplishments of each of these graduates and it gives me a feeling of security and confidence that they will lead our Nation into the next century.

CREIGHTON BLUEJAYS MAKE THE NCAA COLLEGE WORLD SERIES

HON. PETER HOAGLAND

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. HOAGLAND. Mr. Speaker, I would like to pay tribute to the Creighton University Bluejays Baseball team and to congratulate the Bluejays for making the eight-team field of the NCAA College World Series held annually in Omaha. My wife, Barbara, a Creighton Law graduate, joins me in this tribute. For the past 42 years, Creighton has served as host school for the NCAA College World Series, but the Bluejays have never played in the national championship. This marks only the third time that Creighton has qualified for the NCAA tournament. This will be the first time that Omaha has had the opportunity to root for the home team. Even more special for the community is the fact that 7 players on the Creighton baseball team are natives of Omaha.

I also want to commend Head Coach and Assistant Athletic Director Jim Hendry, who is in his seventh year as head coach. Coach Hendry was hired as the youngest college head baseball coach in the country. He has built a fine program, starting from scratch, achieving national prominence in only a few short years.

Creighton swept the West I Regional at Los Angeles by defeating Hawaii 15–8 in the championship game. Third baseman Scott Stahoviak was named the regional's most outstanding player. Adding to the excitement, Creighton led the Nation in batting with a .360 team average this season. The Bluejays also set a team record for victories in a season with a 49-to-20 record.

The Creighton campus is only 4 miles from Rosenblatt Stadium, site of the college world series.

The entire Omaha community is very proud of the Bluejays. We will all be following the series closely. My colleagues here in the House of Representatives join me in congratulating the Creighton team and wishing them much success in the national championship tournament.

IN TRIBUTE TO REPRESENTATIVE MORRIS K. UDALL

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. WOLF. Mr. Speaker, I want to join my many colleagues who have addressed the House over the past few weeks to honor and pay tribute to Representative Mo Udall, who resigned from the House for health reasons on May 4.

Syndicated columnist Mark Shields may have summed it up best in describing Mo: "[He] has been a gentle giant with laughter in his soul and integrity in his bones."

Indeed, Mo Udall was a giant among us. As chairman of the House Interior and Insular Affairs Committee, he pushed through major legislation affecting the national park system, nuclear waste, and wilderness preservation. He was responsible for far-reaching campaign finance regulation in 1974, and as a loyal advocate for the miners and ranchers of his Arizona constituency, he guided such undertakings as the central Arizona project and the Phoenix outer loop.

But Mo does not shine simply because of his legislative accomplishments; he shines because of the optimism and strength of spirit which he brought to this House. His rare combination of humor and humility serves as an example to all of us, for his dynamic, lighthearted personality never detracted from his honesty and dedication to public service.

Even while struggling against his illness, Mo has never lost the fiery wit and perseverance for which he is so admired. Overcoming the challenge of his own personal battle, Mo continued to serve his district and his country for many years. Now, though he must take a rest from the work to which he is so devoted, his integrity and his love of life remain with us. His contribution is ongoing.

We thank Mo Udall for his leadership and honesty, for his humor and inspiration. We pray for his health and happiness during his retirement years. He will be greatly missed.

NATIONAL PEACE OFFICERS' MEMORIAL DAY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. MAZZOLI. Mr. Speaker, each May, the law enforcement community of the Nation comes together in Washington to honor and commemorate the police officers who lost their lives in the preceding year while upholding public safety. May 15, 1991, marked the 10th anniversary of National Peace Officers' Memorial Day.

Over the past 10 years, ceremonies have been held at various spots on the Mall—between the U.S. Capitol Building and the Washington Monument. However, next year's ceremony will likely take place at the new Law Enforcement Officers Memorial which is nearing completion at Judiciary Square. Over 12,000 names of slain law enforcement officers will be enshrined at the new national memorial.

I would be remiss, Mr. Speaker, if I did not recognize the special work of the National Fraternal Order of Police [FOP]—the sponsor of the National Peace Officers' Memorial Service—whose headquarters are based in the district I am privileged to serve, Louisville and Jefferson County, KY.

I commend the work of national FOP president, Dewey Stokes, Kentucky FOP president, Ralph Orms, and Sharon Frank, the editor of the Kentucky FOP's publication, Knight Beat. Their professionalism and care in planning the peace officers' memorial service are appreciated by all who attend.

Mr. Speaker, we must never forget members of the law enforcement community who have lost their lives while protecting ours. This is why National Peace Officers' Memorial Day is such an important occasion in Washington.

TRIBUTE TO A "RED HELMET"

HON. PETE GEREN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. GEREN of Texas. Mr. Speaker, the Fort Worth Fire Department's "Red Helmets" are people who spend their days and nights providing canteen service and food to the city's heroic firefighters. The members of the "Red Helmets" exemplify commitment, dedication, humble voluntarism, and giving without asking. These are also the qualities that make up Walter E. Hamilton, a retired member of the "Red Helmets" and a life-long educator of fire-safety.

As a General Services Administation fire inspector, Walter Hamilton has dedicated his life to protecting others from the ravages of fire. But he has done much more. He has taught others to protect themselves.

Through his program, "The Magic of Fire." Walter Hamilton has unselfishly given his free time to bring life-saving fire safety information to the people of Fort Worth. We will never know how many children will grow to be adults because of the work he did or how many fathers and mothers will be around to love their children because of something they learned from Walter Hamilton. But if his work has given the gift of life to just one, then there is no greater gift he could have given to the people of Fort Worth.

He is retired from the "Red Helmets" now, but he continues to give his free time to aid Fort Worth firefighters, never asking for anything in return. We can all learn a little something from Walter Hamilton, if not about fire-safety, then about the true meaning of public service.

Walter Hamilton can now do something that few of us can. He can look back on his life and know that he will always live on as a symbol of the spirit of the "Red Helmets."

A TRIBUTE TO MARLA GIBBS AND TOYOTA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. DYMALLY. Mr. Speaker, when most of us think of actress Marla Gibbs, we think about her portrayal of Mary Jenkins in the hit television series "227." In her role as Mary, Miss Gibbs brought extreme joy to all who were lucky enough to view the program.

Mr. Speaker, the professional accomplishments of Marla Gibbs are quite numerous. They include Emmy Awards from 1981 through 1985 for best supporting actress, seven-time recipient of the NAACP Image Award as best actress in a comedy series and special awards of merit from the Black Women in Theatre-West and Southern California Motion Picture Council.

Aside from being a force in the world of drama, Marla is a giant when it comes to helping others improve their quality of life. Because of this commitment, Ms. Gibbs was the recipient of the "Hearts at Work" Award given by the volunteer centers of Los Angeles and South Bay-Harbor Long Beach.

The volunteer centers of Los Angeles and South Bay-Harbor Long Beach combine every year to recognize corporate and employee volunteer efforts. Joining Marla Gibbs as a recipient of the "Hearts at Work" Award is Toyota Motor Sales U.S.A. I hope that Marla and Toyota will continue to provide outstanding service to the community and Nation.

Marla Gibbs and Toyota deserve the "Hearts at Work" Award. Let us hope that their hearts continue to pump positive rebuilding energy into the collective body that we call community.

TRIBUTE TO RICHARD A. ZAWISLAK

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is Richard A. Zawislak of Troop 6 in Cranston, and he is honored this week for his noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 Merit Badges, 11 of which are required from areas such as Citizenship in the Community, Citizenship in the Nation, Citizenship in the World, Safety, Environmental Science, and First Aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, Richard Zawislak led a group of Scouts in providing holiday season entertainment to clients at the Cedar Crest Nursing Home in Cranston.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Richard Zawislak. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has through its eighty years honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that Richard Zawislak will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that Richard Zawislak undertook his Scout activity in my Representative District, and I join friends, colleagues, and family who this week salute him.

THE MEDICAID FAMILY CARE ACT

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. KOSTMAYER. Not too long ago, I visited a hospital in Pennsylvania where I saw infants who had been born addicted to crack cocaine. This hospital has established an innovative program to reduce the number of drug-addicted babies by providing support programs for at-risk mothers. I was told, however, that one of the biggest obstacles to the success of this program is the lack of residential drug treatment centers for pregnant women with children. As many as 80 percent of the substance abuse treatment programs in this country refuse to treat crack-addicted pregnant women. Even a higher proportion of residential drug treatment programs refuse to accept pregnant women with their other dependent children.

Each year an estimated 375,000 infants are born exposed to drugs. We now know that fetal drug exposure can lead to severe learning disabilities and socialization problems. Even in the hospital, these drug-exposed infants demonstrated an inability to bond. By depriving drug treatment to pregnant women, we destroy not only their life but that of their unborn child.

The State of Pennsylvania has begun a statewide project to provide residential drug treatment programs for pregnant women and their children. This project, however, will only provide service to a small number of the women desperately in need of its assistance.

For these reasons, with my colleague from New York [Mr. TOWNS] I am introducing the Medicaid Family Care Act. This program will allow States the option of receiving Medicaid reimbursement for drug treatment programs for pregnant women and their children. This will allow the program in Pennsylvania to serve more women and for other States to begin programs of their own. For the future of this Nation, drug treatment programs must be available to pregnant women with their children.

LEUKEMIA BENEFIT TO HONOR CAROL CICHOWSKI

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. NEAL of Massachusetts. Mr. Speaker, today I pay tribute to an individual whose efforts, strength, and dedication are being honored by the Leukemia Society. Carol Cichowski is being honored because she exemplifies a life of service to others, a life centered on unbridled determination and a capacity to take on many tasks and succeed in doing so.

In 1974 Carol began her work with the Leukemia Society, and exhibited her adeptness when she held the successful Cut-a-thon to collect funds for patient-aid and research to help combat Leukemia. Her talents have also been demonstrated in her role as chairman of many Celebrity Waiter nights held in Worcester County, consequently, the most productive one was held in Webster's Colonial Restaurant.

Carol Cichowski has been a driving force in the community. In addition to her work for the Leukemia Society she sits on the board of the Hubbard Regional Hospital Guild, is a member of the Auxiliary for Polish American Veterans, does fundraising for the Advancement of Retarded Children, and has devoted time for fundraising events in the political arena. All of this she has done in addition to running her own business, Carol's Beauty Salon. She and her husband Joe, have also raised four daughters and are now the proud grandparents to Christopher and Jesse.

It is with great pride and respect that I honor Carol Cichowski today. Her courage and resilience is admirable. I am sure that like us all, Carol's life has been marked by great joy as well as by great sorrow, however Carol has not dwelled on the sorrow, rather she has put her energies and her talents into the many causes she believes in. I am proud that Carol Cichowiski hails from my district and I want to personally thank Carol for all her efforts to help others in the area.

SALUTE TO THE FREE CLINIC OF SIMI VALLEY

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. GALLEGLY. Mr. Speaker, I rise today to salute an institution in my hometown of Simi Valley, CA—the Free Clinic.

Now celebrating its 20th year of providing medical, counseling and legal services to needy area residents, the volunteer staff at the Free Clinic has served more than 18,000 people.

The physicians, nurses, attorneys, counselors and just plain volunteers who have given so freely of their time have made a positive difference in the lives of many people—including their own. The Free Clinic is truly a bright point of light in the firmament of American voluntarism and our traditional concern for our neighbors.

Mr. Speaker, on June 1, the Free Clinic will celebrate 20 years of benefiting its community. I ask my colleagues to join me in saluting the Free Clinic's accomplishments, and in wishing it well for many more years of service.

ST. PAUL FLOOD CONTROL PROJECT

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. VENTO. Mr. Speaker, I want to commend the chairman of the Appropriations Subcommittee on Energy and Water Development, Mr. BEVILL, for his leadership and for his subcommittee's work on this year's energy and water appropriations bill.

I am particularly pleased that once again, the subcommittee has appreciated the significance of the St. Paul flood control project in St. Paul, MN. The Appropriations Committee has approved $3 million for continuing construction on this important project, which is the cornerstone of the revitalization of the Mississippi River in downtown St. Paul.

These funds, along with the local match which was approved earlier this year by the St. Paul City Council and signed by Mayor Jim Scheibel, will be used to provide greater flood protection, the upgrading of the Harriet Island Small Boat Harbor, and the rejuvenation of low-lying land on the west side of the river. The work will be done by the U.S. Army Corps of Engineers.

Over the past 5 years, Chairman BEVILL has been instrumental in the approval of approximately $1.8 million for the St. Paul flood control project. I know that the people of St. Paul sincerely appreciate Chairman BEVILL's support for this project which is vital to the economic revitalization of the St. Paul riverfront.

TRIBUTE TO COL. GEORGE M. BROOKE, USMC

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. LENT. Mr. Speaker, I rise to extend my deepest thanks to Col. George M. Brooke III, of the U.S. Marine Corps. Colonel Brooke is the outgoing commanding officer of the 1st Marine Corps District, Garden City, NY, and will be honored at a change-of-command ceremony on May 31, 1991.

Colonel Brooke was born in Augusta, GA, on February 12, 1945. He graduated from the Virginia Military Institute in June 1967, and was commissioned a second lieutenant in the Marine Corps Reserve. Following additional specialized training at Quantico, VA, and Fort Sill, OK, George Brooke was transferred to the Republic of Vietnam where he served as an artillery forward observer with the 3d Battalion, 7th Marines; a fire direction officer with the 3d Battalion, 11th Marines; and platoon executive officer with the 3d 8-inch Howitzer Battery. His service in Southeast Asia was from May 1968 to June 1969, during which time he augmented into the regular Marine Corps.

Colonel Brooke has honorably and ably served his country at a variety of posts around the world since his return from Vietnam. He is a graduate of the Marine Corps Command and Staff College as well as the National War College. His personal decorations include the Purple Heart Medal, the Meritorious Service Medal, the Navy Commendation Medal with Combat "V," and one gold star, the Navy Achievement Medal, and the Combat Action Ribbon.

Colonel Brooke first came to my attention in June 1986, when he was transferred to the 1st Marine Corps District which is based in Garden City, a community adjacent to my district. He was initially assigned for duty as the assistant director for personnel procurement and was reassigned as the deputy director in September 1987. Colonel Brooke was promoted to his present grade and assumed his current assignment in January 1989.

Mr. Speaker, we have seen the men and women of the Armed Forces of the United States win back the confidence, respect, and admiration of the American people. The dramatic and overdue change in our national attitude has been a direct result of the dedication, determination, professionalism, and ability of men like Col. George M. Brooke III. On behalf of the grateful people of the Fourth Congressional District, I extend a heartfelt thank you to Colonel Brooke for his faithful service and wish him, his wife, Jane, their daughter, Catherine, and their son, Mercer, all the best in the years ahead.

THE RETIREMENT OF ROBERT L. FUNSETH, A DISTINGHISHED PUBLIC SERVANT

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. SOLARZ. Mr. Speaker, later this week, Robert L. Funseth, who has served since 1982 as Senior Deputy Assistant Secretary of State for Refugee Programs, will retire from Government service after 39 years. When he does retire, Bob Funseth will be leaving an extraordinary record of humanitarianism that will not soon be forgotten.

Bob Funseth, who has served as a U.S. foreign service officer in six continents around the world, has in recent years been in the forefront of U.S. efforts to assist the world's refugees, who now number more than 15 million.

Bob Funseth understands very well that a country of immigrants such as the United States has an essential role to play in promoting a substantial and significant international commitment to protection of first asylum and provision of durable solutions for refugees. And he has been tireless in his effort to ensure that refugee issues have remained a high priority for U.S. foreign policymakers.

As chairman of the House Subcommittee on Asian and Pacific Affairs, I have come to know Bob well in his role as principal United States negotiator with the Vietnamese Government on a range of humanitarian issues. Bob was relentless in his effort to encourage the Vietnamese authorities to release tens of thousands of political prisoners who were held in so-called reeducation camps after 1975, including former South Vietnamese civilian and military officials, writers, and religious figures. He also negotiated an agreement with the Vietnamese providing for the emigration and resettlement of former reeducation camp detainees and their families, who may number 100,000 or more.

I should also mention Bob's special commitment to Vietnamese Amerasians—that is, the children of United States servicemen and Vietnamese women—who have been treated so shabbily in Vietnam. Through Bob's diligent negotiating efforts, thousands of Amerasians have been resettled in the United States, and it is expected that all of the Amerasians who wish to resettle in the United States will have done so by 1993.

Bob can be proud of the numerous awards and decorations he has received for his humanitarian work on behalf of the world's refugees, including the Distinguished Honor Award that was conferred upon him by Secretary of State James Baker in 1989. But I expect that the most gratifying reward for Bob is the satisfaction of knowing that as the direct result of his efforts, tens of thousands of persons fleeing persecution have been offered protection in countries of first asylum, and new lives in countries of resettlement, where they are free to exercise their human rights.

I wish Bob and his wife Marilyn the very best in the years to come, and hope that, even in retirement, he will continue to offer us his valuable advice on refugee issues.

ANTI-SEMITISM ON THE RISE IN ARGENTINA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. LANTOS. Mr. Speaker, as Argentina prepares for its midterm election, incidents of anti-Semitism continue to shock the nation's Jewish community, the largest in Latin America. Indicative of this troubling trend, the Nazi party of Argentina will field candidates in the upcoming elections.

The Nationalist Workers Party, an openly anti-Semitic political organization which has just adopted the swastika as its official party symbol, has been working the slums on the outskirts of Buenos Aires to generate support for Nazi candidates. Alejandro Biondini, the Nazi party leader, claims a membership of 25,000 and predicts, "If we keep growing as we expect, I'll be running for president in 1995."

Meanwhile, a rash of anti-Semitic vandalism has rocked the Jewish community. Earlier this month, a bomb exploded at a Jewish community center in Buenos Aires. A synagogue in the north of Argentina was severely vandalized. Last week, two men were arrested and charged with destroying 110 tombstones in a Jewish cemetery. Two days after the arrests, the cemetery walls were covered with ominous slurs: "Lets fill this place," read one piece of graffiti.

Argentina and anti-Semitism are no strangers. The Nationalist Workers Party, founded by Biondini in 1990, is merely a new vehicle through which expressions of hatred and malice against Jews are voiced in Argentina. In fact, anti-Semitism has a long history in that South American country. Paralleling anti-Semitic activities in European countries prior to the Second World War, so called patriotic leagues in Argentina warned of the Jewish "conspiracy" to dominate world trade and finance. Moreover, it is no secret that Argentina was a refuge for Nazi war criminals after the fall of the Third Reich.

Mr. Speaker, if we learned anything from the tragedy of the Holocaust, it is that we must focus our attention on hatemongers like Biondini and his cowardly ilk early in their budding careers. The virulent rhetoric and anti-Semitic violence emanating from Argentina is serious cause for concern. I urge my colleagues to keep a vigilant eye on the disturbing developments in Argentina.

ETHNIC VIOLENCE IN ROMANIA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. HOYER. Mr. Speaker, as Chairman of the Helsinki Commission, I have had the opportunity to see tremendous change in Eastern Europe over the last few years. Happily, some of the greatest changes have come in the area of freedom of expression. Unfortunately, in some cases this freedom has let loose ethnic intolerance long repressed and long ignored. Now, that intolerance must be recognized and remedied.

This week in Romania, thousands of people attacked and burned the homes of Gypsies—who call themselves Roma—in two villages near Bucharest. As in similar incidents which occurred earlier this year in Romania, it is not known exactly what sparked this conflagration. What is known is that this is part of a growing wave of village assaults on Roma communities.

From the Inquisition to the Holocaust, Roma have suffered humanity's worst abuses. They have been enslaved and targeted for genocide during the Holocaust. They have been alternately subjected to forced assimilation and to virtual apartheid. They have been compelled to submit to involuntary sterilization and have had their children seized from them. And yet they have survived.

It would be a tragedy if the Roma people, who have endured so much, were made to suffer even longer in a time that otherwise holds so much hope for so many. We must ensure that these people, their culture, and their heritage are not destroyed by hatred and violence.

I understand that the Romanian Interior Minister has promised to investigate these events. I urge his government to do so with all deliberate speed and to ensure that those responsible are held accountable in accordance with the CSCE standards for the rule of law and the protection of minorities to which the Romanian government has committed itself. This is an urgent matter, Mr. Speaker. Political prisoners can be set free and banned books published, but lost lives can never be restored.

TRIBUTE TO DR. MARVIN KIVITZ

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. WELDON. Mr. Speaker, I rise today to pay tribute to Dr. Marvin Kivitz, Ph.D., president of Elwyn Inc., located in Delaware County. Dr. Kivitz plans to retire June 30, 1991, after serving as president of Elwyn since 1979.

Elwyn is the Nation's oldest and largest private provider of rehabilitation services for people with mental and physical disabilities. Dr. Kivitz was instrumental in the transformation of Elwyn from a residential institution to one of the Nation's leading special education and rehabilitation centers for the mentally handicapped.

Dr. Kivitz holds a masters degree in vocatinal counseling from Columbia University and a doctorate of clinical psychology from the University of Pennsylvania. In 1961, Dr. Kivitz began at Elwyn as a psychologist. He went on to become director of vocational training; director of education, training and rehabilitation; vice president for programs; executive director; and ultimately, president for the last 11 years.

Dr. Kivitz received the Individual Distinguished Service Career Award and the W.F. Faulkes Award of the National Rehabilitation Association for his unswerving commitment and contributions to the lives of the mentally retarded persons. In 1979, Dr. Kivitz was the recipient of the Mid-Atlantic Region National Rehabilitation Award for outstanding achievement in rehabilitation. The DELARC award for outstanding achievement for the handicapped was another of the many awards that Dr. Kivitz has received in his career.

Dr. Kivitz has also coauthored many professional articles and coedited several textbooks including "A History of Mental Retardation, Collected Papers and Habilitation of the Handicapped." He is also a consulting editor for the American Journal of Mental Retardation.

Mr. Speaker, Dr. Kivitz has dedicated a lifetime to improving the lives of mentally retarded persons. I can only hope that others will follow Dr. Kivitz's tireless efforts to help mankind. I wish the best of luck to him in all future endeavors.

WHEATON COLLEGE PRESIDENT, ALICE EMERSON, RESIGNS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. FRANK of Massachusetts. Mr. Speaker, I read of the announced resignation of Alice Emerson as president of Wheaton College with the traditional mixed emotions. I am happy for Tish who has certainly earned the right to a little bit more time to think and write, and I am happy that she will have an opportunity at the Mellon Foundation to study a series of issues that are important to liberal arts colleges. But as a Member of Congress in which Wheaton College is situated, I am saddened by our loss for the district. Tish Emerson is an extraordinarily able, dedicated, and thoughtful educator. Wheaton College, the town of Norton, and Massachusetts have been the beneficiaries of her talent and concern. The opportunity to get to know her and become one of her friends was one of the nice side benefits of this job for me, and she has been during my congressional service an important source of counsel on a wide range of issues.

Typical of her concern for the community is the extent to which she has made the facilities of Wheaton College available to the people of my congressional district for forums and meetings when that was appropriate. Situated as it is in the middle of my current congressional district, Wheaton College offers an ideal setting for the kind of meetings that are an important part of our congressional service. On every occasion that we have had need for assistance, Tish Emerson and her staff at Wheaton have tendered it cheerfully and with a very impressive efficiency.

I look forward to continuing to learn from Tish Emerson as she now devotes her significant talents to the study of important educational issues.

A CELEBRATION OF JUNETEENTH

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. MILLER of California. Mr. Speaker, I invite my colleagues to join with me and the City of Richmond, California, in celebrating the spirit of freedom and dignity as embodied in Juneteenth. Commemorating the abolition of slavery, Juneteenth has grown to be a celebration of the rich history of achievement and pride in our Nation's black community, and a recognition of the valuable contribution of African-Americans to the fabric of our society.

In August 1963, 100 years after President Lincoln issued the Emancipation Proclamation, Dr. Martin Luther King, Jr., stood on the steps of the memorial to that great President, and shared with the world a dream. A dream in which children would "not be judged by the color of their skin but by the content of their character." In many parts of this Nation, however, Dr. King's dream is not yet a reality.

Congress has before it today an opportunity to bring us closer to this reality in the form of a measure which would strengthen employment protections for women and minorities. The Civil Rights Act of 1991, of which I am a cosponsor, would reverse several Supreme Court decisions that narrowed equal employment laws, and would provide remedies for workplace discrimination. The United States has passed many milestones on the road to racial equality in the last several decades—the Voting Rights Act and Brown v. Board of Education are two such landmarks. I feel confident that Congress will rise to the occasion and that the Civil Rights Act of 1991 will soon be another milestone.

In recognition of this Juneteenth celebration, I reaffirm my personal commitment to the realization of Dr. King's dream and invite my colleagues to do the same.

TRIBUTE IN HONOR OF ROSE TABBERT

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. BUSTAMANTE. Mr. Speaker, it is with great appreciation that I am bringing to the attention of my colleagues the dedicated teaching of Rose Tabbert at Holy Name Elementary School in San Antonio, TX. Not only is Rose a remarkable educator in the State of Texas, but this year Rose celebrated her 25th anniversary of educating at the Holy Name School. I would like to join along with Holy Name School's faculty, students, parents, alumni, and friends in honoring Rose's strong dedication to education.

Rose has dedicated her entire teaching career to the Holy Name School, and her devotion to her pupils is a marvelous inspiration for her fellow educators. One of the most rewarding aspects of Rose's career is the chance she has had to teach new generations of students. Some of these students have even been children of Rose's former students. Rose has also instilled a love of learning among her students that has been a consistent attribute of Holy Name School.

Not only is she an outstanding role model for her students, but she has a sense of pride in the San Antonio community. The regard Rose has shown in so many positive ways for San Antonio and especially the youth in the community is an excellent expression of generosity.

This Friday is Teacher Appreciation Day at the Holy Name School; therefore, I would like to congratulate Rose Tabbert for 25 years of outstanding service to Holy Name School.

All of us from San Antonio appreciate Rose's accomplishments, and we offer her our best wishes for many more years of wonderful service.

A TRIBUTE TO ANNABELLE GLASSER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. SCHEUER. Mr. Speaker, I rise today to pay special tribute to a community leader who has pledged her life's work to my home borough of Queens, NY.

Annabelle Glasser moved to Queens in 1966, and immediately began her service to that community. She joined the Queens Ethical Society as a volunteer executive secretary, and later became its president. While continuing in this capacity, she has also served as the district manager of Community Board 8 in Queens since 1981.

As district manager, Ms. Glasser has worked to improve the delivery of city services to the people of Community Board 8. She has acted as their representative at New York's monthly borough cabinet meetings, and its biweekly district managers meeting. Her tireless work on the behalf of all New Yorkers has earned my deepest respect.

Unfortunately, Annabelle Glasser is retiring as acting district manager. Community Board 8 will lose a talented manager, and Queens will lose an effective spokesperson. However, Ms. Glasser will continue to fight for her ideals: the improvement of the quality of life in New York City. As a life-long resident of New York City, I thank her for her efforts.

A WARM WELCOME TO PRESIDENT VASSILIOU OF THE REPUBLIC OF CYPRUS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. BROOMFIELD. Mr. Speaker, I join my colleagues in welcoming to Washington the President of the Republic of Cyprus, George Vassiliou, who met with our committee today and shared his views with us on the future of Cyprus.

I salute President Vassiliou for his determined efforts to find a solution to the longstanding Cyprus problem. He has shown patience and flexibility in the U.N.-sponsored intercommunal talks concerning that divided island nation. He has gained international respect for his deep commitment to finding a peaceful solution to the Cyprus dilemma.

Since 1974, Cyprus has been tragically divided. Over 30,000 Turkish troops occupy the northern part of the island, and over 200,000 Greek Cypriots became refugees in their own land after the Turkish invasion. Instead of encouraging the Turkish Cypriot leader, Rauf Denktash, to seriously engage in the intercommunal talks, the Turkish Government rewarded Mr. Denktash for his intrasigence at the peace talks.

Ankara sent 60,000 Turkish settlers to Cyprus, recognized the so-called Turkish Cypriot entity in the north of the island, and provided significant financial assistance to Mr. Denktash's breakaway state. Turkey has also refused to withdraw its well-armed soldiers from the island and, in so doing, has turned its back on what would be a prudent confidence building gesture. I am convinced that the key to peace on Cyprus is in Ankara. We must encourage the United Nations to do even more in the peace process and also urge Turkey to become truly involved in bringing peace to that island.

While the administration deserves our praise for its masterful efforts in mobilizing international support at the United Nations during the recent gulf crisis. I would like to see similar efforts undertaken by President Bush to bring peace to Cyprus. As we build the new world order, Cyprus remains an unsolved problem that has defied international peace initiatives for 17 years. Now there is a window of opportunity and we must seize the moment. While we all know that President Bush and Secretary of State Baker are committed to solving the Cyprus problem, I strongly encourage the administration to do more about that unresolved dispute and exert pressure on President Ozal of Turkey, if that will bring peace to Cyprus.

A solution to the Cyprus dispute would bring international praise to the Bush administration and would serve to reduce tensions between Greece and Turkey two of our key NATO allies. Justice would be realized on that divided island and the family of man would see the resolution of a problem through diplomacy, not the barrel of a gun.

Let us hope that the promises of the new world order will bring a resolution of the Cyprus problem. Again, a warm welcome to the President of Cyprus.

A TRIBUTE TO FRED SCHWENGEL

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. CARDIN. Mr. Speaker, today I rise to pay tribute to Fred Schwengel, president of the U.S. Capitol Historical Society as he celebrates his 85th birthday. The life and work of Fred Schwengel have changed and enhanced the Capitol of the United States for decades.

Born in rural Franklin County, IA, to German immigrants, Fred's father praised the freedom and opportunity of his new country, but education was not a priority. Young Fred completed the eighth grade education offered by his school, but was determined to get an advanced degree.

His athletic ability won him a scholarship to Northeast Missouri Teachers College where he was named a small-college all-American in his senior year, and received the education he longed for.

After graduation, Schwengel got involved in local legislative affairs. As a result, he was elected president of the Young Republicans and State president of Iowa's junior chamber of commerce. In 1944 Fred ran for the Iowa Legislature, and won by a scant 34 votes.

While in the Iowa State Legislature, he was embroiled in one of the biggest controversies to face the State. He rallied behind a bill that required State aid to education. The passage of this bill left a lasting legacy in Iowa education. Prior to his efforts, the State provided no financial assistance, and consequently the school system was not meeting the needs of its student body.

Elected to Congress in 1954, Schwengel made many contributions. Of his 16 years in the House of Representatives, he will always be remembered as taking the lead to develop the Interstate Highway System, and convincing President Eisenhower to support the gas tax, which went into the trust fund, rather than taxing future generations with highway bonds.

Upon leaving the House, Fred brought the two great passions of his life—education and the U.S. Congress—together. Always trying to learn more about the Capitol in which he served, he organized the U.S. Capitol Historical Society, which became his lifework. With his vision, the Capitol Society has become the leading authority on the Nation's Capitol. The funds collected by the society through contributions and the sale of books, slides, postcards, and other mementos, has been given back to the Capitol Building itself through the funding of art, restoration of old art, and research. The Capitol Society's most notable accomplishment has been the murals exhibited on the House side of the Capitol.

STATEMENT OF CONGRATULATIONS TO ELIZABETH CLEMENT

HON. JAMES P. MORAN, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. MORAN. Mr. Speaker, last Wednesday, one of my constituents, and the daughter of one of our most distinguished colleagues, won her first race for political office.

Elizabeth Clement, the daughter of Tennessee's Fifth District Representative Bob Clement, was elected vice president of the student body of Waynewood Elementary School in Alexandria, VA.

I congratulate Elizabeth. She showed great determination and political acumen in winning the race. But the results were no surprise to those who know her father. She, thus continues the long Clement tradition of public service. She also continues the Clement tradition of winning every elective office sought.

The future bodes well for Elizabeth and her classmates. She will most assuredly serve the Waynewood student body with great distinction.

FORTY YEARS AT THE COMPANY STORE

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. PICKLE. Mr. Speaker, Art Schiltz is retiring from the Procter & Gamble Co., July 1 after 40 years of loyal, dedicated, and productive service both at home and abroad. He is respected by his family and peers, admired by his coworkers, appreciated by his church and community, and loved by his family and friends, who are legion.

Born November 3, 1929, to Peter Joseph and Claudia Antoinette Schiltz of Chicago, IL, Art Schiltz began his professional accomplishments with Procter & Gamble following his graduation from Northwestern University in 1951. With a wife, 1-year-old daughter, Cathy, and 10-day-old son, David, in tow, Art reported to P&G's buying department May 21, 1951.

During his first 7 years with the company, he served as a buying trace clerk, FS&E adjustor, equipment expediter, packaging buyer, and chemical buyer before being placed on special assignment. In 1959, Art Schiltz became a section manager, a position he maintained until being transferred to the overseas division for eventual assignment in Manila, Republic of the Philippines for 8 years.

Upon his return to the United States in 1969, Art was named manager of the packaged products distribution division, the associate director and later manager of the traffic division. In 1983 he was returned to special assignment, this time in the corporate purchases department. He subsequently was made division manager of the current expense division of that department and later director. He currently holds, and will retire with, the title director, product-supply purchases.

During this time, Art has been active in his church, serving as a deacon and elder of the Kennedy Heights Presbyterian Church, active in and with the YMCA, and a host of other civic and community organizations and charities, a member of the Northwestern University College of Business alumni governing board, and a member of the Republican Party's "Who's Who."

I am honored and delighted to join Art's wife, Evelyn Stewart Schiltz, his children, and family members Cathy Lancaster and David Schiltz of Austin, TX, Connie Fryman, Barbara Read, Kathy Heinz and Tom Stewart of Cincinnati, OH, and Bonnie Brantley of Danville, KY, his seven grandchildren, Joe and Dan Lancaster, Alexis Read, Ethan and Tyson Heinz, and Christopher and Elizabeth Brantley, his sons-in-law David Lancaster, Roddy Read, and J.P. Brantley, the entire Procter & Gamble family of officers, directors, employees, and shareholders, and the host of other friends that this generous, energetic, productive man has earned along life's way as he has given of himself professionally and personally, in marking the occasion of his retirement celebration May 31, 1991.

Mr. Speaker, Mr. Schiltz is the father-in-law of one of my nephews, so I know first hand of his many accomplishments. I salute his service.

TRIBUTE TO MR. GEORGE R. CLARK

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1991

Mr. RINALDO. Mr. Speaker, I rise today to pay tribute to Mr. George R. Clark of Union, NJ, who was honored as the 1991 Citizen of the Year by the Michael A. Kelly Post 2433, Veterans of Foreign Wars of Union. Mr. Clark was honored on May 5, 1991. This prestigious award was given to Mr. Clark for his many years of service and dedication to the Township of Union and its people. At the award ceremony, he was also given a key to the city which was presented to him by Mayor Anthony Russo.

George Clark in his work and in his life might well be the finest example of model citizenry. In retrospect, his life's work demonstrates time and time again his commitment to this fellow citizens.

He served in the U.S. Navy for 5 years. He was stationed in the Pacific theatre during WWII on the U.S.S. *Frazier* which saw heavy combat action against Japanese submarines. He was later transferred to *Bon Homme Richard*, an attack carrier and finally to the 19th Fleet. In 1947, he was discharged after 5 years of honorable service. He returned to Union upon his discharged where as a civilian he continued to serve in an exemplary way.

In 1951, George Clark joined the Union Fire Department. After only 5 years of service, he was promoted to Captain. Ten years later he earned his second promotion to deputy chief, a title which he held until he was elevated to acting chief in 1980. He retired from the Union Fire Department in 1985.

He remains very active in a number of youth organizations. His many years of volunteer work with PAL, an area boy's and girl's club reflects his concern for the physical and mental development of young people. He has also served as president and chairman of PAL. He is still a member of the board of directors. He was also cubmaster and webelo leader to the scouts of Cub Scout Pack 169 of St. Michael's Church and scoutmaster for Troop 69, also of St. Michael's. He received the Bronze Pelican Medallion from Archbishop Theodore McCarrick for his work with the scouts.

George Clark has spent his life working with people on all levels, from serving his country in the Navy to serving his community as a firefighter and humanitarian. George Clark represents what one person can bring to a community and that is a feeling of pride and accomplishment.

I am pleased to commend my friend. George Clark, for his work in the community and with the young people of Union, and I sincerely hope that there will be others who will follow his model example.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, May 30, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 4

10:00 a.m.

Governmental Affairs

To hold hearings on the nomination of Wendell P. Gardner, Jr., to be an Associate Judge of the Superior Court of the District of Columbia.

SD-342

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for foreign assistance programs, focusing on Africa.
SD-138

JUNE 5

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine the impact of certain pesticides manufactured in the United States and exported to Third World countries.
SR-332

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for activities of the Secretary of the Interior, and Members of Congress.
S-128, Capitol

Select on Indian Affairs
To hold hearings on S. 667, to provide support for and assist the development of tribal judicial systems.
SR-485

10:00 a.m.
Armed Services
Readiness, Sustainability and Support Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on the Defense Environmental Restoration Account and the service environmental compliance funds accounts.
SR-222

Foreign Relations
International Economic Policy, Trade, Oceans and Environment Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1992 for foreign assistance.
SD-419

11:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings to examine recycling programs of the Resource Conservation and Recovery Act.
SD-406

2:00 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the Department of Housing and Urban Development.
SD-138

Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To resume hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on ICBM modernization.
SR-222

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 106, to revise the Federal Power Act to prohibit the granting of a Federal license for a hydroelectric project unless the applicant complies with all substantive and procedural requirements of the affected State in which the project is located with respect to water acquisition and use.
SD-366

Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
Closed briefing on Moscow Embassy construction plans.
S-116, Capitol

JUNE 6

9:30 a.m.
Energy and Natural Resources
To hold hearings on the nominations of John Schrote, of Ohio, to be Assistant Secretary of the Interior for Program, Budget and Administration, and Mike Hayden, of Kansas, to be Assistant Secretary of the Interior for Fish and Wildlife.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
To continue hearings to examine recycling programs of the Resource Conservation and Recovery Program.
SD-406

Finance
To resume hearings to examine the causes and effects of rising health care costs and the status of access to health insurance, focusing on efforts by insurers to restrain rising health care costs and ways to improve access to affordable health insurance coverage for employees of small businesses and their dependents.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on enforcement and administration of the Foreign Agents Registration Act (FARA).
SD-342

Veterans' Affairs
Business meeting, to mark up pending legislation.
SR-418

10:00 a.m.
Foreign Relations
International Economic Policy, Trade, Oceans and Environment Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1992 for foreign assistance.
SD-419

2:00 p.m.
Foreign Relations
European Affairs Subcommittee
To hold hearings to examine the future of the Soviet military.
SD-419

Judiciary
Courts and Administrative Practice Subcommittee
To resume hearings on overview of the Bankruptcy Code, focusing on cramdowns of residential real estate mortgages in Chapter 13 bankruptcies.
SD-226

JUNE 11

2:00 p.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on S. 433, to provide for the disposition of certain minerals on Federal lands, and S. 785, to establish a Commission to study existing laws and procedures relating to mining.
SD-366

JUNE 12

9:00 a.m.
Select on Indian Affairs
To hold hearings on S. 962, and S. 963, bills to confirm the jurisdictional authority of tribal governments in Indian country.
SR-485

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Veterans' Affairs
To hold hearings on S. 775 and S. 23, to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain disabled veterans, sections 111 through 113 of S. 127, and related proposals with regard to radiation compensation, and proposed legislation providing for VA hospice-care.
SR-418

10:00 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax bills, including S. 90, S. 150, S. 267, S. 284, S. 649, and S. 913.
SD-215

JUNE 13

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings of enforcement of anti-dumping and countervailing duties.
SD-342

10:30 a.m.
Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings to examine national tourism policy.
SR-253

2:00 p.m.
Foreign Relations
To hold hearings on the Agreement between the United States and the Union of Soviet Socialist Republics on the Maritime Boundary, with Annex, signed at Washington, June 1, 1990 (Treaty Doc. 101-22).
SD-419

JUNE 18

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

10:00 a.m.
Judiciary
To resume hearings on legislative proposals to strengthen crime control.
SD-226

JUNE 19

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the National Native American Advisory Commission.
SR-485

10:00 a.m.

Foreign Relations

European Affairs Subcommittee

To hold hearings to examine the future of the Soviet economy.

SD-419

2:00 p.m.

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold hearings on S. 933, to provide fair funds to consumers of natural gas who are found to have been overcharged.

SD-366

JUNE 26

9:30 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.

SD-342

Veterans' Affairs

Business meeting, to mark up pending calendar business.

SR-418

2:00 p.m.

Select on Indian Affairs

To hold hearings on S. 362, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.

SR-485

JULY 16

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on proposed legislation authorizing funds for rail safety programs.

SR-253

CANCELLATIONS

JUNE 20

9:00 a.m.

Select on Indian Affairs

To hold oversight hearings on the Navajo-Hopi relocation program.

SR-485

HOUSE OF REPRESENTATIVES—*Thursday, May 30, 1991*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray using the words of St. Francis of Assisi:

Lord, make us instruments of your peace. Where there is hatred, let us sow love; where there is injury, pardon; where there is discord, union; where there is doubt, faith; where there is darkness, light; where there is sadness, joy.

Grant that we may not so much seek to be consoled as to console; to be understood as to understand; to be loved as to love; for it is in giving that we are pardoned; and it is in dying that we are born to eternal life. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New York [Mr. Walsh] please come forward and lead the House in the Pledge of Allegiance.

Mr. WALSH led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT AS MEMBER OF NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

The SPEAKER laid before the House the following communication from the Honorable Robert H. Michel, Republican leader:

House of Representatives,
Washington, DC, May 24, 1991.

Hon. Thomas S. Foley,
Speaker of the House, House of Representatives, Washington, DC.

Dear Mr. Speaker: Pursuant to Sec. 203, Public Law 99-660, as amended by Title IV of Public Law 100-436, I hereby appoint the gentleman from Pennsylvania, Mr. Goodling, to serve as a member of the National Commission to Prevent Infant Mortality.

Sincerely,

Bob Michel,
Republican Leader.

APPOINTMENT AS MEMBER OF BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The SPEAKER. Pursuant to the provisions of 20 U.S.C. 42 and 43, the Chair appoints on the part of the House to the Board of Regents of the Smithsonian Institution to fill the existing vacancy thereon the gentleman from Pennsylvania [Mr. McDade].

APPOINTMENT AS MEMBERS OF THE MARTIN LUTHER KING, JR., FEDERAL HOLIDAY COMMISSION

The SPEAKER. Pursuant to the provisions of section 4(a) of Public Law 98-399, the Chair appoints as members of the Martin Luther King, Jr., Federal Holiday Commission the following Members of the House:

Mr. Wheat of Missouri;
Mr. Sawyer of Ohio;
Mr. Regula of Ohio; and
Mr. Franks of Connecticut.

APPOINTMENT AS MEMBERS OF HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER. Pursuant to the provisions of section 5(b) of Public Law 93-191, the Chair appoints as members of the House Commission on Congressional Mailing Standards the following Members of the House:

Mr. Clay of Missouri, chairman;
Mr. Solarz of New York;
Mr. Ford of Michigan;
Mr. Horton of New York;
Mr. Young of Alaska; and
Mr. Roberts of Kansas.

WAIVING CERTAIN POINTS OF ORDER DURING CONSIDERATION OF H.R. 2426, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1992

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 159 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 159

Resolved, That during consideration of the bill (H.R. 2426) making appropriations for military construction for the fiscal year ending September 30, 1992, and for other purposes, all points of order against the following provisions in the bill for failure to comply with clause 2 of rule XXI are waived; beginning on page 2, line 3, through page 11, line 2.

The SPEAKER. The gentleman from Ohio [Mr. Hall] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. McEwen], pending which I yield myself such time as I may consume. During consideration of the resolution all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 159 is the rule waiving points of order against certain provisions of the bill, H.R. 2426, the military construction appropriations for fiscal year 1992.

Since general appropriations bills are privileged under the Rules of the House, the rule does not provide for any special guidelines for the consideration of the bill. Provisions related to time for general debate are not included in the rule. Customarily, Mr. Speaker, general debate time is limited by a unanimous-consent request by the chairman of the Appropriations Subcommittee prior to the consideration of the bill.

The rule waives clause 2 of rule XXI against specified provisions of H.R. 2426. Clause 2 of rule XXI prohibits unauthorized appropriations and legislative provisions in general appropriations bills. The provisions receiving this waiver are designated in the rule by reference to page and line in the bill.

Mr. Speaker, H.R. 2426 appropriates approximately $8.48 billion for fiscal year 1992 military construction and family housing for the various branches of the Department of Defense. It is consistent with the budget resolution for fiscal year 1992 which recently passed the House and the Senate.

The bill appropriates $39.3 million in funding for projects at Wright-Patterson Air Force Base, which is partially located in my congressional district. Included in that figure is $20 million in funding for a building to house the acquisition work force at the Aeronautical Systems Division [ASD]. This facility will help consolidate engineers, scientists, and program managers who work on new weapons systems for the Air Force. It is viewed as the cornerstone of an effort to modernize ASD's facilities for the next century. The bill also appropriates funds for an Avionics Research Laboratory and a needed taxiway at Wright-Patterson, as well as a new fire and security station at the Defense Electronics Supply Center [DESC].

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

These projects are important to our country's national security and to the community of Dayton, OH, which has been a world leader in aviation since the days of the Wright brothers. I commend my colleagues for including them in the reported bill.

Mr. Speaker, under the normal rules of the House, any amendment which does not violate any House rules could be offered to H.R. 2426. The rule received unanimous support in the House Rules Committee, and I urge my colleagues to adopt it.

Mr. MCEWEN. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I would thank my good friend and colleague, the gentleman from Ohio [Mr. HALL] who has fully explained the provisions of this rather simple rule.

The waivers are necessary because the authorization bill was passed by the House only last week and, obviously, has not worked its way completely through the legislative process.

I commend the chairman and the ranking Republican member of the Military Construction Subcommittee, the gentleman from North Carolina [Mr. HEFNER] as well as the gentleman from California [Mr. LOWERY] for their diligent work in putting this legislation together. They have brought forth a bill to the floor in a timely manner that falls within the 602(b) allocation. They have worked to balance the changes in our Armed Forces and also provide for the facilities and family housing needs for our servicemembers and their families.

My friend and colleague from Ohio mentioned the bill provides $8.5 billion in new appropriations, which is $120.8 million above the fiscal year 1991 level, although it is $80 million below the President's request. These are funds appropriated for a most worthy purpose: improving the quality of life for those who serve our country protecting American freedom and interests. Although I support the committees efforts, the bill raises some serious concerns.

Mr. Speaker, I would like to note that the administration's policy statement, which I would ask to be inserted in the RECORD following my remarks, points out that the committee bill would significantly change the administration priorities. Administration requests are reduced $677 million, while programs unrequested by the President are provided $597 million.

Now, one provision that is particularly concerning is the substantial reduction in NATO infrastructure obligations. The bill provides $158.8 million for NATO infrastructure projects. This is a reduction of $33.9 million from last year, and $200 million below the President's expression of needs. This 55-percent reduction in funding for NATO infrastructure obligations continues an unfortunate trend in this House to ignore the benefits to America in our national security infrastructure around the globe. NATO infrastructure improvements are not simply overseas construction projects. The Secretary of Defense and the President did not request $358.8 million because they support pork barrel projects in Western Europe. The President and the Secretary of Defense are committed to the goal that we share, improving the quality of life for our service men and women and maintaining the most effective force structure and facility possible to protect our Nation. Modern bases for NATO projects protect American interests in that vital region.

Although the United States is certain to reduce the level of forces stationed in Western Europe in the coming years, the United States must remain a vital member of the strong NATO alliance. While the administration is involved in these very delicate negotiations with our allies to develop a comprehensive and coherent NATO force structure for the 1990's and beyond, it is simply dangerous and unwise to unilaterally and drastically reduce our NATO obligation. This step will not only have serious repercussions for the whole alliance, but at this spending level the United States cannot meet its obligations and commitments for contracts that are already under way.

□ 1010

I support the administration's commitment to full participation in NATO in the future. A strong NATO does not simply provide security for the democracies of Western Europe, it protects us as well. A strong NATO protects the United States of America. Although I applaud the committee's efforts, I have concerns with the general trend toward drastic and unilateral reductions in American forces and defense infrastructure outside of the United States.

In contrast with the reduction in the treatment of NATO infrastructure projects, the committee funds National Guard and Reserve military construction projects at a level of $470.5 million, $219.6 million above last year's level alone, and nearly $20 million above the President's request.

Once again, I would like to express my support for the comprehensive proposal of the Secretary of Defense to conduct a build down of our armed services that maintains a capable national security force. A force that can do in the year 2000 what our fine soldiers, sailors, and airmen did in the Persian Gulf in 1991.

The balance between full-time active duty forces and the National Guard and Reserve is an important aspect of this build-down program. The National Guard and Reserve are a vital part of the total force policy for the future. They proved their value recently. This country depends on them. We are proud of them.

As the total defense budget continues to decline in real terms, I certainly hope that in assuring the ability of the Guard and Reserve to carry out their mission that the House does not distort funding in a way that reduces the effectiveness of the total force's capability.

Finally, the bill contains two language provisions which the administration finds objectionable. The first, section 113, would require notification to congressional committees prior to conducting military exercises involving construction costs anticipated to exceed $100,000. The second, section 117, would require a report to congressional committees on details of efforts to encourage NATO nations and Japan to assume a greater share of the common defense burden. The administration urges that the House delete these sections which it finds objectionable based on the President's constitutional powers of Commander of our Armed Forces and the right to conduct foreign affairs.

Mr. Speaker, under this rule reported by the Rules Committee these changes can be made. I support the rule so that the House can get down to business and complete its action promptly on the military construction appropriations bill for the fiscal year 1992.

Mr. Speaker, I especially applaud the statements by the gentleman from Ohio concerning the Wright-Patterson Air Force Base, a significant cog in our national security alliance that has been protected by the gentleman from Ohio very ably, not only in this bill, but throughout his term in the Congress. I wish the gentleman the best.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, May 29, 1991.

STATEMENT OF ADMINISTRATION POLICY

(H.R. 2426—Military Construction Appropriations Bill, FY 1992—Sponsors: Whitten, Mississippi; Hefner, North Carolina)

This Statement of Administration Policy expresses the Administration's views on H.R. 2426, the Military Construction Appropriations Bill, as reported by the House Appropriations Committee. On the basis of OMB's preliminary scoring of the bill, the Committee recommendations are within the House 602(b) allocation for Military Construction activities. In aggregate, the House 602(b) allocations are consistent with the statutory spending limits enacted in the Budget Enforcement Act.

Although the Committee bill, in total, is only $80 million below the President's request, it would significantly change Administration priorities. The Committee has recommended $677 million in reductions to the President's requests, including a $200 million reduction in NATO Infrastructure funding. The bill would provide an additional $597 million for programs unrequested by the Administration. The Administration urges the House to restore funding to requested levels and to delete unrequested projects and provisions.

The $200 million reduction in NATO Infrastructure funding (from $359 million to $159 million) is particularly troublesome. This would prevent the United States from meeting commitments to NATO by forcing termination or stretch-out of projects supporting Conventional Forces in Europe (CFE) Treaty compliance.

The bill also contains objectionable language provisions. Section 113 would require notification of Congressional committees prior to conducting military exercises involving construction costs anticipated to exceed $100,000. Section 117 would require a report to Congressional committees on details of efforts to encourage NATO nations and Japan to assume a greater share of the common defense burden. The Administration urges the deletion of these sections, which raise concerns regarding the President's constitutional powers as Commander-in-Chief and in the conduct of foreign affairs.

MILITARY CONSTRUCTION APPROPRIATIONS BILL, FY 1992

[In millions of dollars]

Major programs	Fiscal year 1991 enacted		Fiscal year 1992 President's budget		House Committee action		House difference from: Enacted		House difference from: Request	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Defense (OSO)										
Military Construction:										
Defense agencies	533	481	726	576	746	578	213	97	20	2
NATO infrastructure	193	366	359	368	159	318	−34	−48	−200	−50
Navy	1,126	1,140	879	1,123	792	1,109	−334	−31	−87	−14
Army	677	813	870	794	839	788	161	−25	−32	−6
Air Force	898	1,063	1,108	1,044	1,035	1,036	137	−28	−73	−9
National Guard/Reserves	690	534	281	599	471	615	−220	81	189	16
Subtotal, Military Construction	4,117	4,397	4,224	4,504	4,041	4,442	−76	46	−183	−62
Base realignment & closure account	998	207	734	500	759	563	−240	357	25	3
Family Housing:										
Army	1,525	1,570	1,534	1,506	1,579	1,521	54	−49	46	16
Navy & Marine Corps	855	838	880	857	908	877	53	39	28	10
Air Force	888	908	1,082	1,011	1,086	1,020	198	111	4	9
All other Family Housing	28	19	110	34	110	35	84	16		1
Subtotal, Family Housing	3,296	3,338	3,608	3,418	3,684	3,453	389	117	78	35
Total, Military Construction	8,410	7,939	8,563	8,422	8,483	8,458	73	519	−80	−23

Mr. McEWEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 390, nays 4, not voting 37, as follows:

[Roll No. 120]

YEAS—390

Abercrombie
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
Baker
Ballenger
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Goss
Gradison
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Obey
Olin
Ortiz
Orton
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—4

Crane
Dannemeyer
Hancock
Upton

NOT VOTING—37

Ackerman
Aspin
AuCoin
Bacchus
Barnard
Bilirakis
Brooks
Chandler
Coughlin
Davis
Dickinson
Dooley
Dymally
Edwards (OK)
Engel
Fields
Flake
Goodling
Hopkins
Horton
Houghton
James
Jefferson
Kasich
Levine (CA)
Marlenee
McCrery
Michel
Mrazek
Oberstar
Owens (UT)
Riggs
Sanders
Tallon
Waters
Weber
Wilson

☐ 1034

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RIGGS. Mr. Speaker, earlier today I was en route to a meeting at the White House, and I missed rollcall No. 120 on the rule for military construction appropriations. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Mr. DAVIS. Mr. Speaker, as many of my colleagues know, the Defense Base Closure and Realignment Commission has been holding regional hearings on the 43 bases the Pentagon has proposed to close. One of these installations, Wurtsmith Air Force Base, is located in my congressional district in Michigan. Unfortunately, I am unable to be present in the House for today's votes because the regional hearing for Wurtsmith is also being held today in Indianapolis. Although I regret not being present for today's votes, it is imperative that I participate in today's hearing.

PERMISSION FOR SUBCOMMITTEE ON CONSUMER AFFAIRS AND COINAGE OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT TODAY DURING 5-MINUTE RULE

Mr. TORRES. Mr. Speaker, I ask unanimous consent that the Subcommittee on Consumer Affairs and Coinage of the Committee on Banking, Finance and Urban Affairs be permitted to sit on today, Thursday, May 30, 1991, during the 5-minute rule in the House.

The SPEAKER pro tempore. (Mr. McNULTY). Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON INTERNATIONAL DEVELOPMENT, FINANCE, TRADE AND MONETARY POLICY OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT TODAY DURING 5-MINUTE RULE

Mr. TORRES. Mr. Speaker, I ask unanimous consent that the Subcommittee on International Development, Finance, Trade and Monetary Policy of the Committee on Banking, Finance and Urban Affairs be permitted to sit on today, Thursday, May 30, 1991, during the 5-minute rule in the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON LEGISLATIVE BRANCH APPROPRIATIONS BILL, 1992

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for the legislative branch for the fiscal year ending September 30, 1992, and for other purposes.

Mr. LOWERY of California reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. HEFNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill, H.R. 2426.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

MILITARY CONSTRUCTION APPROPRIATIONS ACT 1992

Mr. HEFNER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2426) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from California [Mr. LOWERY] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. HEFNER].

The motion was agreed to.

☐ 1039

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2426, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from North Carolina [Mr. HEFNER] will be recognized for 30 minutes and the gentleman from California [Mr. LOWERY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is my pleasure to present to you H.R. 2426, the fiscal year 1992 military construction and family housing appropriations bill.

The bill we are recommending amounts to $8.5 billion in net budget authority, which is under the section 602 allocation for both budget authority and outlays. For 8 years, military construction has been at about the same funding level with no growth. In fact, since fiscal year 1985, the military construction program has experienced 30 percent real negative growth. While this bill does not meet all the needs of the military, it is a fiscally responsible bill.

Regarding base realignments and closures, this is the third year of funding for base closures. This year's amount of $759 million brings the total funding for base closure to $2.3 billion. I have been saying all along that it is not going to be cheap to close bases. You need considerable up-front costs to effect realignments and closures.

Members should also be aware that the base closure account in this bill not only funds military construction requirements but over 30 percent of the funds go to finance transfer costs and environmental cleanup costs which otherwise would be funded in the Defense bill.

The committee believes that more emphasis should be placed on environmental cleanup at closed bases in order to facilitate expedited reutilization of land and facilities and, thus, has earmarked at least $201 million for cleanup work.

For overseas programs, we are recommending a reduction from the President's request of about $240 million. This includes reductions to the NATO infrastructure account as well as reductions in Germany and Korea.

We are recommending rescinding almost $200 million in prior year funds for projects that are no longer needed.

The committee has recommended deferring without prejudice approximately $60 million for projects requested by the Department but impacted by the recent base closure recommendations.

The committee has recommended funding of about $270 million for hospitals and medical facilities.

For the Guard and Reserve programs, the committee added $189 million to the President's request. However, the recommendation is $220 million under last year's level, which represents a 32-percent reduction.

One of the top quality of life programs in the military is family housing. The backlog of adequate housing is significant and is critical in the high cost areas of the country. Therefore, the committee has added $78 million to the President's request for the combination of new housing units and maintenance of existing units.

Members should also be aware that the family housing operation and maintenance portion of the bill represents one-third of the entire military construction bill. This includes items such as maintenance, leasing, utilities, services and so forth, all of which are mandatory type items required to operate and maintain existing units.

The committee has recommended $132 million as requested for construction of chemical demilitarization facilities at four different installations in the United States.

Funding of $22 million is recommended for the strategic homeport site at Everett Naval Station, WA. No further funding for other strategic homeport sites is required as a part of the homeport's initial operating capabilities.

The committee has reduced the President's request for facility construction at Whiteman Air Force Base to support the B-2 beddown. In addition, the committee has recommended $61 million for relocation of the F-117A Tactical Fighter Wing—Stealth—from Tonopah Test Research Site, NV, to Holloman AFB, NM.

At this point, I would just like to express my appreciation to all the members of the Military Construction Subcommittee. I would like to particularly thank our ranking minority member, BILL LOWERY, for his diligence and cooperation in making this a bipartisan effort.

□ 1040

Mr. Chairman, I reserve the balance of my time.

Mr. LOWERY of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the military construction appropriation bill for fiscal year 1992.

I would like to thank the chairman of the Military Construction Subcommittee, the gentleman from North Carolina, for his kind remarks and commend him for his diligence in bringing this bill to the House floor.

As the gentleman said, our committee functions in a most bipartisan way, and we have a tremendous staff that has been very helpful in getting this work done.

Mr. Chairman, H.R. 2426 provides $7.9 billion for military construction and family housing, $658.6 million for base closure I, and $100 million for base closure II. Also included in the bill is a rescission of $189.8 million. When combined, the net appropriation provided is $8.5 billion. This is under the President's request by $80 million and within the subcommittee's section 602(b) allocation.

We have worked hard to bring this bill to the House floor. After over a year of Defense Department building moratoria and a changing defense posture, this bill represents a good balance between the needs of our service men and women and the constraints confronting us. We can, and have, cut military construction, but it cannot be axed. As we continue to consolidate, close bases, and reduce manpower, the remaining bases and equipment must be maintained in top working order and personnel must be highly trained and properly housed.

The chairman of the subcommittee has outlined the major provisions of this bill. I think it is important to note that this is the third year we are providing funds for the 1988 Base Realignment and Closure Commission's recommendations. The administration requested $633.6 million for the continued implementation and the committee has increased this amount by $25 million for a total of $658.6 million. Including the appropriation in this bill we have provided over $2.2 billion the past 3 years to implement the Commission's recommendations.

We now have under review by the 1991 Base Realignment and Closure Commission Secretary Cheney's April recommendations. The Department has requested $100 million to begin implementation of the Commission's proposals. The committee has provided this funding with the proviso that none of the funds may be obligated until a program with adequate justification is provided to the committee. In addition, we have deferred without prejudice funding of projects at proposed closure sites.

Mr. Chairman, the remainder of this bill is for the support or our service men and women. This bill does not have the constituency expensive weapon systems have—it is the soldiers, sailors, airmen, marines and their families. We provide for their working environment, their housing, their hospitals and clinics, and their child care centers.

Mr. Chairman, we have the best volunteer forces in the world. They deserve the highest quality of life we can afford to give them. This bill does not provide all that I would have liked; however, we have provided the best we can within our means. It deserves the support of our colleagues.

Mr. Chairman, I reserve the balance of my time.

Mr. HEFNER. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. WHITTEN], chairman of the Committee on Appropriations, who also serves as a member of the Subcommittee on Military Construction.

Mr. WHITTEN. Mr. Chairman, as the chairman of the House Committee on Appropriations, I take pride in pointing out that we have held the total of appropriations $180.8 billion below the President's recommendations since 1945. This year the committee again has done its usual good job in meeting present demand and yet holding down expenditures.

Mr. Chairman, it is a pleasure to serve on this subcommittee with Chairman BILL HEFNER and my other colleagues. I have been a member of the subcommittee for many years. I was a member when we established the Meridian Naval Air Station, the Air Force base at Columbus, and provided for shipbuilding at Pascagoula, all in my State of Mississippi. These bases along with Keesler Air Force Base at Biloxi are and have been a major part of our regular facilities for defense, in peacetime and in war.

I have supported these facilities and the important function they serve in many different ways over the years. It was my motion which amended the Public Works appropriations bill that President Eisenhower had vetoed years ago in order to provide dredging funds so that two submarines built at Pascagoula could be launched and get out to sea.

I want to call attention to some of the national programs that are of special interest to my district, State, and section.

Included in this bill is funding for expansion of the fire station at the Meridian Naval Air Station and for construction of a fire training facility. At Columbus Air Force Base, funds are provided to alter the specialized undergraduate pilot training squadron operations facility, and at Keesler Air Force Base, to construct a squadron training development facility. For the Air National Guard at Key Field in Meridian funding is provided for a fuel cell and corrosion control dock and for aircraft pavement upgrades.

Mr. Chairman, this is the 13th year that I have been chairman of the Committee on Appropriations. I am a member of this subcommittee as well as that on Defense. We face serious problems in cutting back military spending while making sure we are protecting real defense. Adoption of this bill means we will strengthen our National Guard and Reserves, where its members can contribute to the economy during the week and train on the weekend.

Mr. HEFNER. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I wish to merely state my admiration for the chairman of the subcommittee, the gentleman from North Carolina [Mr. HEFNER], and the committee, especially the ranking member of the committee, the gentleman from California [Mr. LOWERY].

This is a difficult task. As the defense budget declines, as it has, and this work product reflects that, they will find their job all the more difficult in the days ahead, not just for Missouri, where I find that the appropriations in this bill are fair and evenhanded.

I particularly wish to point out the fact that we are doing something for the young soldiers, sailors, and marines, when we take care of the family housing as we have. I compliment them on that, because if we do not continue to take care of the young people and their families, they are not going to stay in the military. And this is a major step forward. I compliment them for it. I compliment them for the difficult job they have done, but they have done well.

Mr. HEFNER. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS of Texas. Mr. Chairman, I thank the gentleman for yielding time to me.

I rise in strong support of H.R. 2426, the military construction appropriations bill for fiscal year 1992. This measure contains many important provisions relating to enhancing the quality of life for our military personnel.

Mr. Chairman, Congress may declare war, wars may be planned by generals, but the Persian Gulf war was won by the American GI, the young men and women who were willing to put their lives on the line for the principles of this country.

If we are going to maintain the strong national defense that is necessary to take us into the 21st century, if we are going to continue to be ready to face the Saddam Husseins of this world, it is absolutely essential that we have the kind of quality young people in our armed services that can defend America's interests.

To do that we must see that they and their families are well-housed. We must see that they have the quality of life that they so richly deserve for putting their lives on the line for each and every one of us.

I want to commend Chairman WHITTEN and Chairman HEFNER for putting together that type of bill. In light of the constraints of our budget, they have crafted a measure that will provide a strong national defense and strong support for our military families.

Mr. Chairman, I am especially proud of the fact that I have the honor of representing Fort Hood in central Texas. Fort Hood was recently described by Secretary Cheney as the finest fighting Army installation in the United States. I am very proud of that.

I would like to say that in addition to the bravery and the quality of training of those soldiers at Fort Hood, had it not been for the support of leaders such as Chairman HEFNER, that would not have been possible. I am also very appreciative of the fact that in this bill $46.7 million are earmarked for construction at Fort Hood.

□ 1050

Mr. Chairman, this is not an extravagant budget. In regard to Fort Hood, it is going to allow that facility to facilitate the bringing in of 13,000 new troops from Fort Polk, so the military base closing recommendations go through. It is my hope, with continued support of this fine facility in my district and the kind of quality people I have seen there at Fort Hood, the young men and women of our Army, we can march into the 21st century, ready for any contingency that this country may face.

Mr. Chairman, I want to commend the gentleman from North Carolina [Mr. HEFNER] and the gentleman from Mississippi [Mr. WHITTEN] for their leadership in putting together this bill, and thank them for their support of a quality infrastructure at Fort Hood.

Mr. LOWERY of California. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. LIGHTFOOT], a member of the committee.

Mr. LIGHTFOOT. Mr. Chairman, I rise today in support of H.R. 2426, the military construction appropriations bill for fiscal year 1992.

I would first like to thank the chairman of the subcommittee, Mr. HEFNER, and my ranking member, Mr. LOWERY, for welcoming me to the subcommittee and for their courtesy to me and my staff in getting settled.

Mr. Chairman, H.R. 2426 is a good bill. We are below our 602(b) allocation and $85 million below the administration request.

As we saw yesterday and will continue to see throughout the consideration of this year's appropriation bills, tough choices have to be made. I believe the bill addresses the most urgent military construction needs, but as our report states, a significant backlog of military construction requirements still exist for a physical plant that averages over 50 years in age.

I know that the administration is concerned that we reduced the NATO infrastructure budget by $34 million below the fiscal year 1991 level and $200 million below the Department of Defense budget request. Yet how can we face our colleagues, who are losing bases at home which have a significant economic impact on their local communities, and ask them to vote for a bill which would use American tax dollars to expand NATO facilities? NATO, I would remind my colleagues, is still searching for a role to play in light of the new strategic situation in Europe.

On Monday, NATO Defense Ministers approved a plan to reduce and restructure NATO forces. This reorganization plan must be ratified by the heads of state this summer. Perhaps in fiscal year 1993, after the NATO reorganization is approved, we can take another look at NATO infrastructure, but not before a rational role for NATO is agreed to.

If our budgetary constraints continue into the next fiscal year, I would urge my colleagues to give serious thought to relaxing Davis-Bacon requirements for military housing. As the gentleman from Texas [Mr. DELAY] has pointed out, our service men and women deserve the best. By relaxing Davis-Bacon we can increase military housing expenditures without raising our overall spending.

Finally, I would like to thank the subcommittee for including report language directing the Army Reserve to render a decision concerning renovation or construction for the Army Reserve facility in Fort Dodge, IA. I am looking forward to the Army Reserve's report at next year's hearings.

Mr. HEFNER and Mr. LOWERY are to be commended for crafting a fine bill under difficult fiscal circumstances. I urge my colleagues to support the bill.

Mr. LOWERY of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would respond to the gentleman from Iowa [Mr. LIGHTFOOT] that the Department of Defense intends to close several facilities in Europe, a number of which are major. As we reduce our commitments, particularly in Europe, we are closing facilities as well, and will continue to do so, at an accelerated pace.

Mr. HEFNER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I rise in support of H.R. 2426, military construction appropriations bill for fiscal year 1992. This is the second of the 13 annual appropriations bills.

I vote to commend the Chairman, Mr. HEFNER, and the ranking member, Mr. LOWERY, for their leadership in adhering to the budget agreement and the budget resolution.

The bill provides $8.483 billion in discretionary budget authority and $8.458 billion in discretionary outlays. I am pleased to note that the bill is $81 million below the level of defense discretionary budget authority and $24 million below the defense discretionary outlays as set by the 602(b) spending subdivision for this subcommittee.

Earlier this week I sent Members a Dear Colleague which described how the energy and water and the military construction appropriation bills compared to the 602(b) allocations, and I plan to send out similar Dear Colleagues for each appropriation bill considered by the House in the coming weeks.

FACT SHEET ON H.R. 2426, MILITARY CONSTRUCTION APPROPRIATIONS BILL, FISCAL YEAR, 1992 (H. REPT. 102-74)

The House Appropriations Committee reported the Military Construction Appropriations Bill for Fiscal Year 1992 on Wednesday, May 22, 1991. Floor consideration of this bill is scheduled for Friday, May 31, subject to a rule being granted.

COMPARISON TO THE 602(b) SUBDIVISION

COMPARISON TO DEFENSE DISCRETIONARY SPENDING ALLOCATION

The bill, as reported, provides $8.483 million of discretionary budget authority $81 million less than the Appropriations budget authority 602(b) subdivision for this subcommittee. The bill is $24 million under the subdivision total for estimated discretionary outlays. A comparison of the bill with the funding subdivisions follows:

[In millions of dollars]

	Military construction appropriations bill		Appropriations committee 602(b) subdivision		Bill over (+)/under (–) committee 602(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	8,483	8,458	8,564	8,482	–81	–24
Mandatory						
Total	8,483	8,458	8,564	8,482	–81	–2

BA = New Budget Authority.
O = Estimated Outlays.

PROGRAM HIGHLIGHTS

[In millions of dollars]

	Budget authority	New outlays
Military construction:		
Army	839	168
Navy	792	131
Air Force	1,035	135
Defense Agencies	746	90
NATO Infrastructure	159	40
Family housing:		
Army	1,579	1,082
Navy and Marine Corps	908	461
Air Force	1,086	687
Base closure account	759	91

The House Appropriations Committee ordered reported the Committee's subdivision of budget authority and outlays on May 22, 1991. These subdivisions are consistent with the allocation of spending responsibility to House committees contained in House Report 102-69, the conference report to accompany H. Con. Res. 121, Concurrent Resolution on the Budget for Fiscal Year 1992, as adopted by the Congress on May 22, 1991.

Mr. HEFNER. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Chairman, I rise to commend Chairman HEFNER and the members of the Military Construction Appropriations Subcommittee. The bill they have presented is fiscally responsible and falls significantly below current year spending levels. Unauthorized spending has been held to a minimum, the committee bill is below it's 602(b) allocation, and $80 million below the President's request.

Clearly, the committee has made some tough choices, including a prohibition on outlays for military installations slated for closing, and a nearly $190 million rescission for prior-year projects no longer needed. The subcommittee also eliminated about $240 million in overseas programs requested by the administration.

Again, Mr. HEFNER and the other members of the committee are to be congratulated for their fine effort.

I urge the adoption of H.R. 2426.

Mr. HEFNER. Mr. Chairman, I yield 3 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I simply want to extend, as others have, my congratulations to the gentleman from North Carolina [Mr. HEFNER] and the gentleman from California [Mr. LOWERY] and the members of the subcommittee for the bill that has been brought before us today.

Mr. Chairman, as others have said, this legislation is fiscally responsible. This bill is also responsive to the changing military needs of our country and a world that is changing more quickly than we might have ever imagined.

Mr. Chairman, this legislation is further responsible to the changing needs of American families, particularly to the American military families.

During the recent Desert Shield/Desert Storm operations, the Dover Air Force Base personnel, men and women there, flight crews, ground support personnel, and civilians, were tested as they perhaps have never been tested before.

In a matter of weeks, the air cargo level doubled, tripled, quadrupled, and then doubled again. During the course of the conflict, more than 25 percent of the air cargo that moved from the United States to the Persian Gulf, moved through the Dover Air Force Base.

Mr. Chairman, each of us have seen in our own districts how military families have been tested as well. Families of active duty personnel, the families of those who serve in the Reserves, those who served in the Guard, and in some cases families with one parent, in some cases families with two parents, both serving in the military.

Mr. Chairman, it is not just civilian families in our day and age that need child care. Military families, perhaps more than ever, as we have seen in the last several months, need child care as well for their children. In the past year, scores of Delaware families, Dover Air Force Base families, military and civilian, have not been able to get the needs of their children properly met. Thanks to the legislation that is before us today, those scores of families will find the needs of their children will indeed be met.

□ 1100

Today we have an all volunteer military, all volunteer. We want the best and brightest in our country to remain in the military. We want them to join this military of ours and we want them to remain in this military of ours.

It is not just enough to have the brick and the mortar and the airplanes and the ships and so forth for them to fly and to operate, but we also need to make sure that the needs of the families of our personnel are met. The legislation the committee has brought before us today does just that, and again I commend them and thank them on behalf of all of the families at Dover Air Force Base.

Mr. HEFNER. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in support of H.R. 2426, the 1992 military construction appropriations bill. I want to commend the gentleman from North Carolina as well as the gentleman from California, the subcommittee and the full committee for this bill and for the fairness in the funding for the military construction for National Guard and Reserve forces.

The budget called for $281 million in funding for military construction for the Reserves, and this subcommittee has raised that to $470 million, which is an increase of $189 million. Mr. Chairman, this is needed. There has been a shortfall in military construction for Reserve forces. We know they came through for us in the Persian Gulf war. They do need a proper place to train and to house.

So I certainly commend the committee for raising the military construction for the Reserves and I rise in total support of this legislation.

Mr. HEFNER. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, the Military Construction Subcommittee has had difficult challenges this year. It has handled them very well. The subcommittee has appropriated sufficient funds for closing military bases, where there are serious disagreement over which bases should be closed. And it has been able to arrange for housing units at least for the B-2 bomber until that issue is settled.

The subcommittee has made certain corrections in the NATO structure which is terribly important for us. At the same time, it has added extra appropriatioins for the National Guard and Reserve.

At a time when we are having to make a 25-percent reduction in military expenditures over the next 5 years, this committee has still made appropriations in the construction field generally that provides excellent facilities for our Guard and Reserve units, which performed so well in the Gulf. As I understand it, there is no amendment pending to this measure, which is a compliment to the committee, to the gentleman from North Carolina [Mr. HEFNER], and certainly to the gentleman from California [Mr. LOWERY].

So I think the committee has handled these decisions evenly and fairly and I think the House is indebted to them for this legislation and I compliment them.

Mr. HEFNER. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I rise in support of H.R. 2426 and want to join my colleagues in extending my appreciation to Chairman HEFNER and the committee from both the majority and minority side for doing an outstanding job with this bill.

For several decades a small military camp, Camp Merrill in my district, has turned out some of the most outstanding leaders in the military. It is commonly known as the ranger camp located in the mountains of north Georgia.

One of the difficulties through the years has been the total absence of family housing for the permanent staff located there. I want to express my appreciation to the committee for providing some funding for housing at Camp Merrill. This will be a great benefit to the military personnel stationed there, and I express my appreciation to the committee for taking this under consideration and acting favorably on it.

Mr. LOWERY of California. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. DELAY], a member of the committee.

Mr. DELAY. Mr. Chairman, I thank the ranking member for yielding time to me.

Mr. Chairman, I just want to take a minute or two to bring up a problem that we will probably visit next year. First, I want to say that I support this bill. I think that it is a very good bill, and I congratulate our chairman, Mr. HEFNER and our vice chairman, Mr. LOWERY, for putting it together under very difficult circumstances. I rise today because I want to add my complaints to the fact that military construction does not get a big enough piece of the appropriation pie.

Almost 40 percent of this bill is for military housing for families of our dedicated service men and women. The quality of life of our military personnel in relation to military housing and recreational facilities is nowhere near what it ought to be, especially overseas. We are not providing quality housing for our families in the military, and we rob Peter to pay Paul every day and every time that we try to write this bill. It is really unfortunate.

I hope that as we build down our forces we will be able to free up some military construction money in order to provide better housing for our military families.

But let me just speak to one provision that I am interested in and not to the overall construction issue. Davis-Bacon construction requirements in this country, a labor protective device, that, in my opinion, fattens the pocketbooks of union construction bosses to the detriment of military families. It is outdated requirement for today. The subcommittee has had DOD do conservative estimates of what Davis-Bacon costs us in military housing in this country, and they have found that the Davis-Bacon requirements tack on an additional 5 percent of the total construction costs. Some $164 million is being spent just because of these requirements and we are getting no more housing. It is being spent because of labor practices in this country under Davis-Bacon.

What do Members think we could be doing for the quality of military families in this country if we could competitively build new construction, repairs, and remodeling that needs to be done in order to increase the quality of life to our military families? What do Members think we could do with $164 million? It is mindboggling.

It is really unfortunate that we apply military construction, especially family housing military construction under the Davis-Bacon requirements of this country. Again, I am just arguing for family housing military construction. We can argue for all construction later. In this particular case, we ought to have a waiver of Davis-Bacon requirements because it has been demonstrated time and time again that we are feathering the pockets of union bosses to the detriment of military families. We in Congress are making a distinction through the labor laws of Davis-Bacon, and thus we are picking winners and losers.

In my opinion, the military family comes first, and we ought to pick there. Union construction trades ought to compete with the real world so that we can have quality construction at the best price, not protect their pay scale at an artificial rate.

I just warn the House that I am going to aggressively pursue the relaxation of Davis-Bacon next year as it applies to military construction and family housing military construction.

Mr. FAZIO. Mr. Chaiman, I rise today in strong support of H.R. 2426, the fiscal year 1992 military construction appropriations bill. First, I would like to express my deep appreciation to the chairman of the Subcommittee on Military Construction, Mr. HEFNER, and the ranking minority member, Mr. LOWERY, for the time and energy they each put into crafting this bipartisan bill. As a member of the subcommittee, I can attest to the pragmatic and cooperative spirit with which this legislation was prepared. In additon, the subcommittee staff is to be commended highly for the long hours they put into the subcommittee's hearings and for their work in putting this year's bill together.

Mr. Chairman, H.R. 2426 has been drafted to reflect the changes that are taking place in the world around us. The bill recommends a total of nearly $8.7 billion in fiscal year 1992 for military construction and family housing. This represents a reduction of $80 million below President Bush's budget request. Aside from making its contributions to our deficit reduction efforts, I am also pleased to report that H.R. 2426 takes an important and needed step toward ensuring that environmental cleanup at military bases is completed.

The bill includes a total of $300.8 million for environmental restoration activities at bases scheduled for closure or realignment. A fundamental tenet of the Base Closure and Realignment Act was to enable affected communities to convert these installations to civilian use in an expeditious manner. However, the enormity of environmental restoration work needed at these sites is already presenting significant barriers to this process. With this in mind, the committee has stated its strong belief that more emphasis needs to be placed on the environmental cleanup activities in order to facilitate the expedited reutilization of land and facilities impacted by the closure and realignment decisions.

Finally, Mr. Chairman, I would like to point out a number of projects in H.R. 2426 that affect bases in my region of California. Specifically, the bill includes additional funding for several key projects at Travis Air Force Base in Fairfield and Mare Island Naval Shipyard in Vallejo. Each of these projects is critical for the continued successful operation of Travis and Mare Island.

For Travis AFB, the bill includes an additional $5.5 million to continue the renovation of dormitories, as part of a 7-year program the base has been undertaking to take care of poor lighting, inadequate insulation, obsolete electrical and mechanical systems, and lack of privacy problems.

An additional $3.35 million is also included in the measure to expand Travis' Child Development Center, which had originally been scheduled for funding in 1993. In a recent visit to the base, I learned that many military and civilian families desperately need child care. More than 200 children are now on a waiting list for the child care services at Travis. For this reason, the committee approved the acceleration of this important project.

The third project at Travis which is included in the bill is the alteration and upgrading of the Consolidated Support Center. After a formal economic analysis in March, it was determined that $9 million is needed to complete the renovation project. Some of the necessary work includes: seismic upgrades to meet building code requirements; special wiring and cabling for communications and computer systems; new windows for improved energy efficiency; and the addition of parking facilities.

For Mare Island, the bill includes $9.1 million to construct a computer operations center.

Current computer operations are now packed into a 72-year-old warehouse. The new computer operations center is needed to enable Mare Island to improve efficiency, expand capacity, improve overall working conditions, and prevent the continued degradation of data processing operations. The bill also includes $3.57 million for a road realignment project at Mare Island.

Mr. Chairman, investing in the infrastructure of U.S. military installations will only translate into improved morale, efficiency, and productivity. H.R. 2426 is a fair and well-balanced bill, and reflects the need to maintain modern military facilities. I am pleased to have had the opportunity to work with Chairman HEFNER, Mr. LOWERY, and the other subcommittee members to craft this legislation, and I strongly urge my colleagues to support the bill.

Mr. McDADE. I rise in support of the bill.

Mr. Chairman, the military construction bill is the second of 13 appropriation bills to be brought before the House this year. The subcommittee has worked in a bipartisan manner to bring this bill to the House floor. The chairman, the Honorable BILL HEFNER, has done an outstanding job. He has worked hard to accommodate the concerns of the Members of this body and the administration. Mr. Chairman, I also commend the ranking Republican member, my friend, the Honorable BILL LOWERY. He has worked diligently to help craft this bill and I thank him for his efforts. Together, they have brought before this house a fair and balanced bill.

This bill is within its 602(b) allocation for both budget authority and outlays. It contains a net appropriation of $4 billion of military construction and $3.7 billion for family housing. Also included is a total of $758.6 million for the implementation of base closure I and base closure II. The total net appropriation of $8.5 billion represents a reduction from the President's request of $80 million.

Mr. Chairman, the administration has expressed some concerns about the bill as reported by the committee. I look forward to working with the administration and with Members on both sides of the aisle to address such issues as the $200 million reduction in NATO infrastructure funding. For this not only would prevent the United States from meeting it's commitments to our allies, but also send the wrong signal at the wrong time.

Nevertheless, this is a fair and balanced bill, which more than anything else is about the men and women of our Armed Forces. When visiting military installations around the world you will see tangible results—results that make a difference in morale and in turn, improve the quality of our Armed Forces.

This is a good bill and deserves your support.

Mr. GLICKMAN. Mr. Chairman, I rise in support of the military construction appropriation bill for fiscal year 1992 and want to highlight the inclusion of support for McConnell Air Force Base in Wichita, KS.

The facilities and equipment at McConnell provide an integral component to our strategic defense system. McConnell is base to almost one-fifth of this Nation's fleet of B-1B bombers, an entire wing of KC-135 refueling tankers, as well as a significant number of Kansas National Guard aircraft.

In particular, I want to thank Chairman BILL HEFNER and the ranking member on that subcommittee, Congressman BILL LOWERY, for including $3.3 million to build a consolidated education center at McConnell. This facility will greatly improve the quality of life on this base for the men, women, and their dependents stationed at McConnell interested in furthering their education.

The Air Force Off-Duty Education Program was established to offer college level courses on base to personnel working toward undergraduate and graduate degrees. McConnell has one of the best programs in the Air Force, drawing professors from several local schools. Currently, courses offered to airmen and other base personnel are conducted in two Korean war vintage semipermanent wooden buildings that were originally dormitories. These buildings are poorly insulated, structurally deteriorating, and increasingly require higher levels of maintenance and repair.

Other education functions, including the library, education programs in race relations, drug and alcohol abuse, literacy, and management, are scattered in available spaces across the base, making it very difficult to coordinate these programs. No other facility exists on the base that could house these education functions, and I appreciate the Military Construction Subcommittee recognizing the importance of this project and providing the funds necessary to construct this education center for the men and women serving our Nation.

In addition, I am grateful for the quick response by this subcommittee to consider reprogramming funds to address the extensive tornado damage incurred at McConnell on April 26, 1991. This deadly twister, which went directly through the heart of the base, destroyed the hospital, gymnasium, noncommissioned officer's club, recreation center, and base credit union while damaging several other buildings, including base housing, the child care center, and the elementary school for dependents of military personnel.

The Air Force's preliminary cost estimate on the damage at McConnell is $85 million. This Nation is fortunate the tornado did not damage any of the military hardware based at McConnell which could have resulted in, literally, billions of dollars of damage. However, all the facilities it did heavily damage or destroy directly support the quality of life of base personnel. Significant funds will be needed to clean up and eventually rebuild the facilities affected by these killer storms.

Such repair will be necessary to return this important military installation to its highest state of readiness and to provide the military personnel and their families stationed at McConnell the necessary support facilities to assure a high quality standard of living. Again, my thanks to the subcommittee for their assistance.

Mr. ALEXANDER. Mr. Chairman, I rise in support of this military construction appropriations bill. It complies with the budget resolution, and the net new budget authority is $80 million below the President's request.

The leadership of our subcommittee chairman, Mr. HEFNER, and ranking Republican member, Mr. LOWERY, and the hard work of the subcommittee staff have been major factors in achieving the bill. I very much appreciate the contributions that they have made.

This is a good bill. It provides a positive response to the most urgent military construction needs. The bill takes into account the budget discipline which last year's budget resolution put into place. And, it supplies a flexible approach with regard to the stressful base closure and realignment exercise now underway by recognizing the potential need for adjustments at the conference stage.

I am pleased that the bill continues our efforts of previous years in the area of defense burden sharing. The recent experience of the United States in connection with the conflict in the Middle East underlines this need.

The nations of Western Europe and Japan and South Korea whose economies have grown strong under the protective shield of American military might must pick up a far greater share of the cost of defending themselves and the common security interests of the free world.

It is important to American national security that the United States participate in a free world alliance to share the cost of collective defense of common interests.

However, the United States cannot afford and should not be expected to continue to pay the lion's share of those costs when the Defense Department is pushing hard for closure of military facilities inside the United States.

American taxpayers won't stand for it. The budget deficit should not be held high to finance it.

The bill the House is considering today acknowledges those facts. It is a sound bill and should receive the full support of this House.

Mr. LOWERY of California. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. HEFNER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

H.R. 2426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1992, for military construction functions administered by the Department of Defense, and for other purposes, namely:

Mr. HEFNER (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 17, line 25, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk will read.

The Clerk read as follows:

MILITARY CONSTRUCTION, ARMY

(INCLUDING RESCISSION)

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, including personnel in the Army Corps of Engineers and other personal services necessary for the purposes of this appropriation, and for construction and operation of facilities in support of the functions of the Commander in Chief, $877,585,000, to remain available until September 30, 1996: *Provided*, That of this amount, not to exceed $118,915,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds appropriated for "Military Construction, Army" under Public Law 101–148, $39,000,000 is hereby rescinded.

Military Construction, Navy

(INCLUDING RESCISSIONS)

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy as currently authorized by law, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, $848,429,000, to remain available until September 30, 1996: *Provided*, That of this amount, not to exceed $79,700,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds appropriated for "Military Construction, Navy" under Public Law 100–447, $10,972,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Military Construction, Navy" under Public Law 101–519, $45,420,000 is hereby rescinded.

Military Construction, Air Force

(INCLUDING RESCISSIONS)

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, $1,129,420,000, to remain available until September 30, 1996: *Provided*, That of this amount, not to exceed $74,300,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds appropriated for "Military Construction, Air Force" under Public Law 100–447, $16,900,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Military Construction, Air Force" under Public Law 101–148, $63,900,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Military Construction, Air Force" under Public Law 101–519, $13,600,000 is hereby rescinded.

Military Construction, Defense Agencies

(INCLUDING TRANSFER OF FUNDS)

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, $745,990,000, to remain available until September 30, 1996: *Provided*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided further*, That of the amount appropriated, not to exceed $85,489,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

North Atlantic Treaty Organization Infrastructure

For the United States share of the cost of North Atlantic Treaty Organization Infrastructure programs for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the North Atlantic Treaty Area as authorized in military construction Acts and section 2806 of title 10, United States Code, $158,800,000 to remain available until expended.

Military Construction, Army National Guard

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, $161,281,000, to remain available until September 30, 1996.

Military Construction, Air National Guard

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, $172,690,000, to remain available until September 30, 1996.

Military Construction, Army Reserve

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, $94,860,000, to remain available until September 30, 1996.

Military Construction, Naval Reserve

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, $20,900,000, to remain available until September 30, 1996.

Military Construction, Air Force Reserve

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, $20,800,000, to remain available until September 30, 1996.

Family Housing, Army

For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $167,220,000; for Operation and maintenance, and for debt payment, $1,412,025,000; in all $1,579,245,000: *Provided*, That the amount provided for construction shall remain available until September 30, 1996.

Family Housing, Navy and Marine Corps

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $182,440,000; for Operation and maintenance, and for debt payment, $725,700,000; in all $908,140,000: *Provided*, That the amount provided for construction shall remain available until September 30, 1996.

Family Housing, Air Force

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $161,583,000; for Operation and maintenance, and for debt payment, $924,400,000; in all $1,085,983,000: *Provided*, That the amount provided for construction shall remain available until September 30, 1996.

Family Housing, Defense Agencies

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Construction, $200,000; for Operation and maintenance, $26,000,000; in all $26,200,000: *Provided*, That the amount provided for construction shall remain available until September 30, 1996.

Homeowners Assistance Fund, Defense

For use in the Homeowners Assistance Fund established pursuant to section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (Public Law 89–754, as amended), $84,000,000, to remain available until expended.

Base Realignment and Closure Account, Part I

For deposit into the Department of Defense Base Closure Account established by section 207(a)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526), $658,600,000, to remain available for obligation until September 30, 1995: *Provided*, That none of these funds may be obligated for base realignment and closure activities under Public Law 100–526 which would cause the Department's $1,800,000,000 cost estimate for military construction and family housing related to the Base Realignment and Closure Program to be exceeded: *Provided further*, That not less than $200,800,000 of the funds appropriated herein shall be available solely for environmental restoration.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II

For deposit into the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991 (Public Law 101-510), $100,000,000, to remain available until expended: *Provided*, That of the funds appropriated herein such sums as may be required shall be available for environmental restoration.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this Act shall be expended for payments under a cost-plus-a-fixed-fee contract for work, where cost estimates exceed $25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

SEC. 102. Funds herein appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

SEC. 103. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

SEC. 104. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. No part of the funds provided in this Act shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Corps of Engineers or the Naval Facilities Engineering Command, except (a) where there is a determination of value by a Federal court, or (b) purchases negotiated by the Attorney General or his designee, or (c) where the estimated value is less than $25,000, or (d) as otherwise determined by the Secretary of Defense to be in the public interest.

SEC. 106. None of the funds appropriated in this Act shall be used to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been made available in annual military construction appropriation Acts.

SEC. 107. None of the funds appropriated in this Act for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.

SEC. 108. No part of the funds appropriated in this Act may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.

SEC. 109. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation.

SEC. 110. None of the funds appropriated in this Act may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

SEC. 111. None of the funds appropriated in this Act may be obligated for architect and engineer contracts estimated by the Government to exceed $500,000 for projects to be accomplished in Japan or in any NATO member country, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.

SEC. 112. None of the funds appropriated in this Act for military construction in the United States territories and possessions in the Pacific and on Kwajalein Island may be used to award any contract estimated by the Government to exceed $1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible bid of a foreign contractor by greater than 20 per centum.

SEC. 113. The Secretary of Defense is to inform the Committees on Appropriations and the Committees on Armed Services of the plans and scope of any proposed military exercise involving United States personnel thirty days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed $100,000.

(TRANSFER OF FUNDS)

SEC. 114. Unexpended balances in the Military Family Housing Management Account established pursuant to section 2831 of title 10, United States Code, as well as any additional amounts which would otherwise be transferred to the Military Family Housing Management Account during fiscal year 1992, shall be transferred to the appropriations for Family Housing provided in this Act, as determined by the Secretary of Defense, based on the sources from which the funds were derived, and shall be available for the same purposes, and for the same time period, as the appropriation to which they have been transferred.

SEC. 115. Not more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year.

(TRANSFER OF FUNDS)

SEC. 116. Funds appropriated to the Department of Defense for construction in prior years are hereby made available for construction authorized for each such military department by the authorizations enacted into law during the first session of the One Hundred Second Congress.

SEC. 117. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with a report by February 15, 1992, containing details of the specific actions proposed to be taken by the Department of Defense during fiscal year 1992 to encourage other member nations of the North Atlantic Treaty Organization and Japan to assume a greater share of the common defense burden of such nations and the United States.

SEC. 118. For military construction or family housing projects that are being completed with funds otherwise expired or lapsed for obligation, expired or lapsed funds may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims, if any.

SEC. 119. Notwithstanding any other provision of law, any funds appropriated to a military department or defense agency for the construction of military projects may be obligated for a military construction project or contract, or for any portion of such a project or contract, at any time before the end of the fourth fiscal year after the fiscal year for which funds for such project were appropriated if the funds obligated for such project (1) are obligated from funds available for military construction projects, and (2) do not exceed the amount appropriated for such project, plus any amount by which the cost of such project is increased pursuant to law.

SEC. 120. Of the funds appropriated in this Act for Operations and maintenance of Family Housing, no more than $15,000,000 may be obligated for contract cleaning of family housing units.

SEC. 121. None of the funds appropriated in this Act may be used for the design, construction, operation or maintenance of new family housing units in the Republic of Korea in connection with any increase in accompanied tours after June 6, 1988.

(TRANSFER OF FUNDS)

SEC. 122. During the five year period after appropriations available to the Department of Defense for military construction and family housing operation and maintenance and construction have expired for obligation, upon a determination that such appropriations will not be necessary for the liquidation of obligations or for making authorized adjustments to such appropriations for obligations incurred during the period of availability of such appropriations, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Construction, Defense" to be merged with and to be available for the same time period and for the same purposes as the appropriation to which transferred: *Provided*, That the next to the last proviso of section 121 of the Military Construction Appropriations Act, 1987, (Public Law 99-500; 100 Stat. 1783-294 and Public Law 99-591; 100 Stat. 3341-294) is hereby repealed.

SEC. 123. None of the funds appropriated in this Act for planning and design activities may be used to initiate design of the Pentagon Annex.

SEC. 124. None of the funds appropriated in this Act, except those necessary to exercise construction management provisions under section 2807 of title 10, United States Code, may be used for study, planning, design, or architect and engineer services related to the relocation of Yongsan Garrison, Korea.

SEC. 125. Such sums as may be necessary for fiscal year 1992 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 126. Section 402 of Public Law 102-27 (105 Stat. 155) is amended by inserting "(a)" preceding "In", by inserting "effective November 5, 1990" after "repealed", and by adding at the end thereof the following new subsection:

"(b) Effective November 5, 1990, chapter 113A of title 18, United States Code, is amended to read as if section 132 of Public Law 101-519 had not been enacted.".

The CHAIRMAN. Are there any points of order on the bill?

If not, are there any amendments to the bill?

The Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Military Construction Appropriations Act, 1992".

Mr. COLEMAN of Missouri. Mr. Chairman, today the House is considering H.R. 2426, the Military Construction Appropriations bill for fiscal year 1992. I rise in support of this legislation.

Overall, the bill will provide funds to build military facilities and family housing in the coming fiscal year. I am particularly pleased that the Appropriations Committee has fully funded the President's request for $1.6 million in military construction funds for the Air National Guard at Rosecrans Memorial Airport in St. Joseph, MO.

The debate and vote on this legislation could not have come at a more appropriate time. Today, after 5 months service in the Persian Gulf in support of Operation Desert Storm, the 139th Tactical Airlift Group is returning home to St. Joseph. The inclusion of this funding in the bill is a recognition of their efforts during the war, and an affirmation of the important, and continuing, role of Rosecrans Field in Air National Guard operations.

Mr. Chairman, I urge my colleagues to join me in welcoming home the men and women of the 139th TAG by voting in support of this bill.

Mr. HEFNER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

☐ 1110

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. BENNETT] having assumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2426) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes, had directed him to report the bill back to the House, with the recommendation that the bill do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 392, nays 18, not voting 21, as follows:

[Roll No. 121]

YEAS—392

Abercrombie
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
Bacchus
Baker
Ballenger
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Byron
Callahan
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Dannemeyer
Darden
de la Garza
DeFazio
DeLauro
DeLay
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Doolittle
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Obey
Olin
Ortiz
Orton
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waxman
Weber
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—18

Campbell (CA)
Crane
Dornan (CA)
Dreier
Duncan
Fawell
Goss
Hancock
Hayes (IL)
Henry
Moorhead
Nussle
Petri
Savage
Sensenbrenner
Stearns
Stump
Waters

NOT VOTING—21

Ackerman
Aspin
AuCoin
Barnard
Bustamante
Chandler
Davis
Dellums
Dooley
Engel
Hopkins
Horton
Houghton
Jefferson
Levine (CA)
Livingston
Marlenee
Oberstar
Owens (UT)
Weiss
Wilson

☐ 1135

Ms. WATERS and Mr. HAYES of Illinois changed their vote from "yea" to "nay."

Mr. ROGERS changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. LIVINGSTON. Mr. Speaker, during the last vote I was unavoidably detained on the other side of the Capitol on official business and could not be here in time to cast that vote.

Had I been here, I would have voted "aye," and I would like to set the RECORD straight.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 20

Mr. CLAY. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Alabama, Mr. WILLIAM L. DICKINSON, be removed as a cosponsor of the bill, H.R. 20.

The SPEAKER pro tempore (Mr. ANDREWS of Maine). Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mrs. VUCANOVICH. Mr. Speaker, on rollcall 115 I was not recorded as having voted. I was in the Chamber, I inserted my vote card and intended to record my vote. Somehow my vote was not recorded. Had it been recorded, I would have voted "no."

I ask unanimous consent that this explanation appear immediately following that rollcall in the Permanent RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nevada?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have taken this time for the purpose of inquiring of the distinguished majority leader as to the program for next week.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the majority leader, the gentleman from Missouri [Mr. GEPHARDT]

Mr. GEPHARDT. I thank the gentleman for yielding.

Mr. Speaker, the votes today are concluded. There will not be votes tomorrow, as I announced yesterday.

Mr. Speaker, on Monday, June 3, the House will meet at noon, consider nine bills under suspension. Recorded votes on the suspensions will be postponed until after debate on all suspensions. I would suspect that there would not be any votes, if there are any, until 4 o'clock or later.

H.R. 2042, Federal Fire Prevention and Control Act authorization.

S. 483, Taconic Mountains Protection Act of 1991.

H.R. 2312, to amend the Follow Through Act and the Head Start Transition Project Act.

H.R. 2313, School Dropout Demonstration Assistance Act of 1988 authorization.

H.R. 476, Michigan Scenic Rivers Act of 1991.

H.R. 990, Monocacy National Battlefield Land acquisition.

H.R. 1642, Palo Alto Battlefield National Historic Site Act of 1991.

H.R. 1323, to designate certain segments of the Allegheny River in Pennsylvania as a component of the National Wild and Scenic Rivers System.

S. 292, to expand the boundaries of the Saguaro National Monument

On Tuesday, June 4, the House meets at noon on H.R. 1, the Civil Rights Act of 1991, subject to a rule. On Wednesday, June 5, the House meets at 10 a.m. to consider the legislative branch appropriations for fiscal year 1992. On Thursday, the House will meet at 10 to take up VA-HUD appropriations, fiscal year 1992. And on Friday, June 7, the House will meet at 10 a.m. to take up the Department of Defense appropriations for fiscal year 1992, all subject to a rule.

Conference reports can be brought up at any time. Any further program will be announced later.

Mr. MICHEL. I thank the distinguished majority leader.

Mr. Speaker, should we assume that they are getting together on a rule with respect to civil rights? Is there some progress being made in that area?

□ 1140

Mr. GEPHARDT. Mr. Speaker, that will be worked on today, and the minority leader will obviously be consulted.

Mr. MICHEL. Mr. Speaker, I thank the distinguished gentleman from Missouri. [Mr. GEPHARDT].

ADJOURNMENT TO MONDAY, JUNE 3, 1991

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. (Mr. ANDREWS of Maine). Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

UNIVERSITY OF TEXAS SWIM TEAMS NCAA CHAMPIONS

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, it gives me great pleasure to recognize the University of Texas men's and women's swim teams, which last month won the 1991 NCAA championships. This was the seventh NCAA championship title in 8 years for the women's swim team, and the fourth consecutive title for the men's swim team. Truly, this is an outstanding record—never achieved before by any university swim team in the country, so far as I know.

Under the direction of coach Mark Schubert, who came to the University of Texas 3 years ago, the women's team captured its second consecutive NCAA win this year. Previously, the women held five straight titles. The men's team, led by coach Eddie Reese, became only the fourth team in NCAA history to win four consecutive championships. Additionally, Mr. Schubert and Mr. Reese were recently selected to coach the U.S. Olympic swim teams when they compete in the 1992 summer Olympic games in Barcelona.

As a former member of the University of Texas swim team—way back there—I'm extremely proud of these exceptional young athletes. I commend the men's and women's swim team members for their hard work and dedication to excellence, and salute them on winning the 1991 NCAA championships.

Mr. Speaker, I submit the names of these University of Texas swim team members who participated in the NCAA meet in March:

Members of the women's swim team include Katy Arris, Beth Barr, Barbara "B.J." Bedford, Kristi Busico, Andrea Ciro, Julie Cooper, Dana Dutcher, Leigh Ann Fetter, Andrea Fisher, Shannon Halverstadt, Erika Hansen, Kelly Jenkins, Lydia Morrow, Terri Seipel, Amy Shaw, Julie Sommer, Kristina Stinson, Dorsey Tierney, and Jodi Wilson.

Members of the men's swim team are Javier Careaga, Josh Davis, Doug Dickinson, Chris Dreyfuss, Jason Fink, Brandon Gardner, Shaun Jordan, Ethan Saulnier, Trent Staats, Matt Stahlman, Brett Stone, Jeff Thibault, Adam Werth, Kevin Williams, and Alex Wittig.

THE COMPREHENSIVE VIOLENT CRIME CONTROL ACT OF 1991

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, not a day goes by that we are not sickened by reports of violent crime occurring on our streets, in our neighborhoods, and even in our homes. The American people are tired of being inundated by this wave of crime and tragedy.

In his address to the Nation, March 6, President Bush challenged Congress to pass comprehensive crime control legislation within 100 days. The challenge is due to expire on June 14 and there is little evidence to suggest we are seriously working on a comprehensive crime bill.

H.R. 1400, the Comprehensive Violent Crime Control Act of 1991, is a good place to start. Its provisions include death penalty procedures, habeas corpus reform, and a modified exclusionary rule to help protect the innocent and punish the guilty. It also contains an equal justice section codifying current case law to prevent discrimination in individual cases. There are provisions to strengthen Federal firearms laws and crack down on terrorism, sexual violence, and child abuse.

The bill is not a panacea, but it is a start, and it will help focus the debate on increasing individual accountability and strenthening the hands of our law enforcement community. If the primary purpose of government is to protect citizens and their property, we've failed to do our best thus far. We have work to do. Let us get on with it.

WAITING FOR NRA'S ANSWER

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the majority leader of the Senate has stated his support for the Brady bill with several additions, and those additions strengthen the bill even further. Beefing up records, requiring police to check on data which is available, is an improvement I and other supporters of rational gun policy in this country welcome, and there is no question that the majority leader's focus on the bill and his improvements will help the chances for the bill in the Senate. Senator MITCHELL is stepping out front in a practical and yet courageous way, and he deserves to be praised by all of us.

But now I today challenge the NRA to support the Mitchell proposal. All along the NRA, and the Staggers amendment, and others said an automatic check should be mandated. The Mitchell proposal, while retaining the 7-day waiting period, does indeed mandate a background check, and, in addition, it gives money, badly needed money, to the States to update criminal records.

So, Mr. Speaker, the NRA should finally put its money where its mouth is. There is now a bill that not only deals with the needs that the Brady bill addressed, but deals with the needs that the Staggers bill addressed as well.

Will the NRA do what it had said it will do all along and support this proposal? I say to the ladies and gentlemen of the NRA, "The ball is in your court. We're awaiting your answer."

PEACE COMES TO ANGOLA

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, tomorrow is a great day for the nation of Angola. After enduring 16 years of bloody civil war, the road to peace is finally being taken in this war torn nation. Tomorrow, representatives of the Government of the People's Republic of Angola and the National Union for the Total Independence of Angola, known as UNITA, will sign a cease-fire agreement ending a state of war.

A transition period will begin forming one national army and yes, there will be free and fair multiparty elections in the fall of 1992. Democracy will be brought to another nation. Mr. Speaker, during the past several years, we have watched in amazement as one Communist nation after another crumbled and turned to freedom and democracy.

Less than a year ago in this very Chamber, the liberals tried to kill all aid to the UNITA rebels which we have supported for so long. There was quite a battle, but fortunately a majority of the Members supported the UNITA struggle for freedom. We knew that peace was possible if we continued our support. Just a few months later, that dream of peace has come true.

The war may have come to an end, but the struggle for freedom will continue. The United States must ensure, along with the United Nations and the Soviet Union, that the transition goes smoothly and that the elections are held and are indeed fair. Freedom will not be a reality until the people have voted.

Mr. Speaker, the coming months will be critical during this time of change. We must continue to support the people of Angola and help guide them on the road to true freedom.

MULTIETHNIC HAWAII'S PERSPECTIVE ON H.R. 1

(Mr. ABERCROMBIE asked and was given permission to address the House for 1 minute.)

Mr. ABERCROMBIE. Mr. Speaker, representing Hawaii, with its unique multiethnic island heritage, where no group constitutes a majority of the population, I hold a special appreciation for the sentiments and philosophy embodied in H.R. 1, the civil rights and women's equity bill. The people of Hawaii were held for decades in oligarchial thrall by a colonial elite. Only by transcending stereotype attitudes were our people able to unite and forge what is perhaps this Nation's most racially integrated society.

It is from this perspective, Mr. Speaker, the perspective of my home State, Hawaii, that I can see the cardinal virtues of the civil rights bill. Quotas, which are specifically eschewed in this bill, are not the issue, nor is any specific provision of this bill the issue. The issue, Mr. Speaker, is one of perspective, one of attitude, one of approach. With the passage of this civil rights bill, we in this House can help set the tone for the Nation. We seek to set a tone which affirms racial and ethnic equality.

Mr. Speaker, if we falter in that task, we will send an entirely different message. So, one way or another, Mr. Speaker, we will be sending a message to the country and to the world, and so I urge my colleagues, I urge every Member of this House, to let that message be the right one: Pass the civil rights and women's equity bill of 1991.

MODIFICATIONS ON QUOTA BILL DO NOT SOLVE PROBLEMS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, there has been substantial discussion on so-called modifications made by the leadership of this House to obtain enough votes to pass the quota bill, H.R. 1, and to override a promised Presidential veto.

The modifications are, frankly, best described as transparent and empty. They don't resolve the quota issue and still promise that exorbitant damages will be leveled at main street businesses who are sued under this legislation.

Mr. Speaker, let me be clear for my colleagues. The quota bill remains a quota bill. A so-called cap on punitive damages will not reduce litigation costs and will result in the creation of a lawyer's bonanza. The cap is really a floor. Members will now be asked to vote for punitive damages on their small-business constituents to the tune of at least $150,000.

I hope this House will oppose the quota bill. It is contrary to the spirit of this Nation.

□ 1150

NO MFN FOR CHINA WITHOUT CONDITIONS

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PANETTA. Mr. Speaker, the credibility of this Nation in the world community rests on our moral leadership. We have fought wars against tyrannies. We have opposed the policies of apartheid and discrimination. We have provided food aid to the persecuted refugees of other nations. We have served as a beacon of freedom and democracy to the world—a beacon that signals the strength of commitment to democratic ideals.

These ideals are not for sale to any nation—regardless of the price. To grant most-favored-nation trading status to the People's Republic of China without important human rights conditions would be to place our moral leadership in the world on the trading block. The President has announced his intention to authorize a 1-year extension of MFN status for China without restrictions. He does not dispute the fact that China's rulers have not learned to respect the human rights of their people.

These are the facts: Nearly 300 prodemocracy protesters remain in detention without trial. Reliable sources report that prisoners of conscience are forced to produce goods for export to the United States, and China has clearly violated its pledge not to aid the development of nuclear weapons and ballistic missiles by other nations. In the 2 years since the Tiananmen Square massacre, China's MFN status clearly has not brought about any improvement in its human rights situation.

The United States of America must not write yet another blank check to subsidize a ruthless leadership that refuses to implement human rights reforms. While the President understandably believes that a trade relationship can help influence the direction of policy in China, that influence will not happen without conditions. We the Congress have successfully attached conditions on aid to a number of nations. Our sanctions against South Africa are beginning to bear fruit; the lure of MFN status has brought forth a reform of the Soviet Union's emigration law; and an aid package tied directly to progress in National settlement negotiations has contributed to the hoped-for resolution of a decade-long civil war in El Salvador. For these reasons, I am firmly convinced that the addition of restrictions on MFN status for China would provide a constructive and positive formula for our future relationship with China.

More importantly, the United States would be adhering to the standard of moral leadership that is our bond to a New World. We have a responsibilty to press China to improve its human rights policies even as we improve our trade relationship. Our first loyalty must be not to the leaders of China but to the people of China—and to the principles that are the basis of a strong relationship with all nations.

THE 1991 CIVIL RIGHTS ACT PRODUCES QUOTAS

(Mr. FAWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAWELL. Mr. Speaker, the most recent version of the 1991 Civil Rights Act is as arcane as ever and will produce as many quotas as ever. There are many reasons for this, but I will mention two.

First, in disparate impact; that is, where employment practices unintentionally produce statistical disproportions on the basis of race, religion, sex, or national origin. The new business necessity defenses employers have to meet are so difficult that in effect employers cannot even presume that academic achievements are valid hiring criteria. Nor can employers even use subjective evidence in court to prove subjective hiring criteria, such as rating employees on interviews or on the basis of such commonsense criteria as an applicant's leadership potential, trustworthiness, ambition, and a host of other subjective but common sense hiring criteria which Members of Congress use in hiring applicants in their office.

Mr. Speaker, if an employer should jump through all the hoops so as to prove that his or her employment practices, which may unintentionally have contributed to a disparate impact, meet the business necessity test and are lawful employment practices still, such lawful employment practices become automatically unlawful employment practices, if only the complaining party shows that there are other employment practices he could have used that produce less disparate impact.

Combine all of this with the fact that the same statistical imbalances in the work force will form the basis of a count two allegation of intentional discrimination with unlimited compensatory damages, plus punitive damages, one can hardly blame an employer from overtly opting for employment quotas, all of this in a place of employment labor statute. Are we now to insert these types of damages and all these clauses in the National Labor Relations Act, the Fair Labor Standards Act, and a host of other labor statutes? This is not a good piece of legislation. It has not been reasoned. It is the greatest oversell that I have seen in my 7 years here in Congress.

PELL GRANTS AND THE MIDDLE CLASS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, this week the administration will submit to Congress a plan to eliminate Pell grants for about 400,000 students from middle income families.

This is just one more slap in the face to millions of hard-working Americans. For many of these families, the grant program is the only way they can afford to give their kids a decent education without going broke.

Now is the time, while American families are struggling with a deep recession, to cut aid to families that are forced to forgo essentials like health care in order to pay for college. Something is very wrong when Americans must choose between paying the doctors' bills or sending their children to college.

Over the last 10 years, the cost of a college education has skyrocketed 135 percent. While income has stagnated for middle income families. This is not the time to eliminate another opportunity for the middle class. We should be strengthening their ability to make ends meet by providing tax relief and affordable health care and education.

Time and time again middle-class Americans hear that they are not eligible. Well, 1 year into this recession, the struggling middle class cannot afford to hear one more time and with increasing volume that they are not eligible.

Mr. Speaker, I come from a hard-working middle-class family, and without this kind of assistance, I would never have been able to get a college education.

Mr. Speaker, this is just one more example of an administration totally unsympathetic to the plight of America's middle class. It is sending a message that says, in effect, middle-class Americans are not a priority. Well, that is the wrong message. It is time to tell these hard-working Americans, "We hear you."

H.R. 1 TAKES A STRONG-ARM APPROACH

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, the proponents of H.R. 1 would have us believe that the only way to stand up for civil rights is to vote for the Democrat package when it comes to the floor of this House. They are asking us to abandon the very real concerns of small business men and women across this country, concerns that are being raised not about the concept of civil rights but about the strong-arm approach that H.R. 1 takes to assuring those rights and assuring that those rights are protected.

Mr. Speaker, there is a better way. We can vote to protect the workers and would-be workers in our districts from being judged by the color of their skin, from being judged by the country of their birth, or whether they are male or female, instead of how well they can perform a job. At the same time we are doing that, we can vote to protect the small employers in our district, employers who would be trapped by the Democrat proposal, trapped between illegal quotas and costly damage awards that could force them to close their doors.

How can we do this? The answer, my colleagues, is simple. We can vote for the Michel substitute, which will not be vetoed by the President.

My colleagues, saying that one is for small business is an easy thing to do. It is how one votes that really counts.

DECISION IN RUST VERSUS SULLIVAN GAGS AMERICA

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, if somebody told us that America, the land of the brave and the home of the free, gagged its people from telling the truth, we simply would not believe it. But our Supreme Court, in the Rust versus Sullivan case, has done just that. The Court upheld the right of this administration to stop health professionals from telling a woman her legal choices when she seeks health care.

They are gagging health professionals from mentioning the word abortion, even if the patient's life might be in danger.

This is a fight for freedom, freedom to make a private, personal decision and freedom of speech.

I hope my colleagues will join me, as a cosponsor of the Wyden-Porter bill to overturn the Rust case and the Federal Government Freedom of Speech Restoration Act, so that we can end the gagging of our people. This is America.

HEROES COME IN ALL SIZES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, I rise today to salute a brave little girl and the heroic act she performed last Saturday night. Today's Baltimore Sun relates the story of 5-year-old Nicole Ferandes, a resident of Forest Hill in my district who was brought face to face with a situation that many of us envision in our worst nightmares. Her father, a diabetic, had gone into insulin shock and was unconscious. There was precious little time to waste. Every second meant the difference between life and death.

In a moment when many of us might have panicked, little Nicole, following on the instruction she had received from her parents for just such a crisis, picked up the phone and dialed 911. Thanks to the 5-year-old child's action and prompt emergency services as the other end of 911, Mr. Ferandes, who otherwise surely, might have died, can hold his little daughter in his arms.

Everyone can learn lessons from experiences like this one. One of the most important is the need for parents to communicate to their children the importance of understanding how to contact the emergency services in their communities. When the unthinkable becomes reality the value of this family responsibility becomes immeasurable.

□ 1200

A RESPONSIBLE CHINA POLICY

(Mr. PRICE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE. Mr. Speaker, it has been almost 2 years since the world witnessed the terrible massacre at Tiananmen Square. We all watched in horror as TV cameras showed hundreds of Chinese students gunned down in cold blood as they demonstrated for democracy. More than 1,000 students were murdered in all; thousands of others were brutally beaten by government troops.

Since then, the Chinese Government has arrested almost 10,000 students and workers in Beijing alone. Twice as many have been detained elsewhere. At least 300 have been executed, including the student who made the evening news as he stood alone in the path of government tanks. Human rights groups say many more have been secretly detained and executed.

What's the response of our administration? Our President granted China unconditional preferential trading status last year and promises to do so again this year. Our President, who was so quick to document and condemn the human rights abuses of the Iraqi invaders of Kuwait—and rightly so—seems to regard the outcry about such abuses in China as an unwelcome distraction from his preferred China policy.

This is an outrage. We cannot right all the world's wrongs, but this is an instance where we have the means and must muster the will to do so. I urge my colleagues to join me in cosponsoring Representative NANCY PELOSI's bill to set strict conditions on the renewal of most-favored-nation status for China. Her bill blocks MFN status unless China accounts for each and every citizen jailed in connection with Tiananmen Square, unless it allows human rights monitoring groups access to prisoners, trials and places of detention, and unless it makes progress in ending religious persecution in Tibet and China.

A vote against unconditional MFN trading status is a clear message from Congress. It's a message to Beijing's leaders that they cannot massacre their students or round up thousands more for secret detentions and executions and still conduct business as usual with the free community of nations. We refuse to perpetuate the illusion that by appeasing this government we can somehow bring them around to less repressive forms of behavior.

We recognize the importance of improved relations with China and strengthened economic ties. But these cannot be purchased at the price of continuing repression and violence in that country while we look the other way. China needs these benefits as much or more than we do, so we have leverage to influence Chinese behavior and power to shape the terms on which China enters the civilized community of nations.

We should never suppose, Mr. Speaker, that we are all-powerful, but it is equally irresponsible not to use the power we have to advance the cause of democracy and human rights in our international dealings. The Pelosi bill strikes the right balance, setting out tough, but achievable, conditions for extending this coveted trade status to China. If our country cannot do this much for freedom and democracy, what do we stand for? To paraphrase the Rabbi Hillel: "If not our country, who? And if not now, when?"

THE STEALTH QUOTA BILL

(Ms. MOLINARI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MOLINARI. Mr. Speaker, did you hear it? Did you see it? No, it is the stealth quota bill, designed to evade detection by the American public. Now the son of H.R. 1 outlaws quotas.

The same bill which now outlaws quotas still provides this hiring practice. Mr. Speaker, you may not be able to see the stealth quota bill, or hear it coming, but you will sure know it when it hits you.

You see, once an employer is dragged into court, he or she will still be put into a posiiton to defend a statistical imbalance in the company. As a business owner, you can risk court, you can risk being labeled discriminatory, or, you can just avoid the whole problem by hiring according to a quota. What would you do?

Mr. Speaker, I am sure that my Democratic colleagues are very well intended, but they are still headed, I believe, in a very wrong direction with regard to achieving civil and human rights for all. Apparently I am not alone in this thought either. That is why it has taken Congress so long to decide on this bill, and why there are so many versions of the Democrats' civil rights bill right now.

But, Mr. Speaker, the American public's radar detection is up this year, and they are not going to let this stealth fly.

I urge Members to vote the President's civil rights bill, a bill that is good for all Americans.

END GAG RULE ON FAMILY PLANNING CLINICS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, one of the great symbols of this country that everyone wants is the symbol of justice, the beautiful woman holding the scales, with a flowing gown and blindfold. Well, last week the Supreme Court let the blindfold slip right to the end of the mouth. Therefore, we have now gagged anyone who works in a family planning clinic, and they are not longer allowed to tell people about their health options if they are pregnant.

Mr. Speaker, that to me is positively amazing. I do not know how any clinic can possibly stay open and remain safe from malpractice suits if they cannot tell women about the full range of options.

Mr. Speaker, this is an incredible number of women. One out of four women in America use publicly funded health care clinics, which now are gagged. I hope all Members work very hard to turn this gag rule around and get the blindfold back up where it belongs, where we treat everybody equally, and do not look out to see who they are.

Mr. Speaker, we must get the blindfold out of the mouth, stop the gag rule, and support the Wyden bill, which will be coming, I hope, to the floor very quickly.

PUERTO RICO ACCEPTS AMERICAN DOLLARS BUT REJECTS ENGLISH LANGUAGE

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, Puerto Rico recently passed a law eliminating English as one of its two official languages.

This law not only rejects the English language, but is also a direct affront to American ways and American taxpayers.

Ironically, American taxpayers are subsidizing numerous welfare programs for Puerto Ricans. In fact, even though Puerto Ricans do not pay Federal income taxes, they are still entitled to receive an incrediable assortment of Federal handouts—food assistance, jobs programs, unemployment compensation, welfare, and Medicaid.

These subsidies, combined with section 936 tax breaks, cost American taxpayers billions and billions of dollars each year.

To show their gratitude, Governor Hernandez-Colon and his government passed a law to tell America that Puerto Rico is sick and tired of American influences. If the Governor truly wants no part of the United States, then he should reject the billions of dollars Americans give him as well.

DON'T CAP MONETARY AWARD IN CIVIL RIGHTS CASES

(Mrs. MINK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MINK. Mr. Speaker, I understand that in about an hour the Committee on Rules will be meeting to determine the nature and format of the debate that is to occur next week on the civil rights bill, H.R. 1. There has been extensive negotiations outside of the Congress, starting from last fall with the business community and the civil rights leadership, on the problems that have been propagandized as the quota bill, quota provisions in the bill.

Mr. Speaker, I happen to serve on the Committee on Education and Labor, and we distinctly wrote into the bill that there was no part of it that had anything to do with quotas. A substitute now has been written, not only to make that perfectly clear, but, in a sense, to prohibit quotas. I believe in many ways, the language goes too far.

Mr. Speaker, what I am standing here in the well to protest is the fact that the compromise bill retains a language which puts a cap on damages that people can obtain from a court of law in front of a judge and jury, coming in and alleging discrimination on the job, winning a verdict that says it is intentional discrimination, and, today, without this bill, being able to get very modest kinds of damages, such as reinstatement or back wages.

Mr. Speaker, H.R. 1, as reported by my committee, would have allowed women in particular the first opportunity to have unlimited damages, whatever the court determined was fair and just. This bill that is coming up for consideration as a substitute on both sides of the aisle contains a cap of $150,000.

Mr. Speaker, how can that be fair and equitable? The bill is called the Women's Equity in America Employment Act, and yet it says women are not to be treated the same, that there are to be two levels, a dual justice system in America. Can we not trust our courts and juries to be fair if there is a women plaintiff coming in and having been found to have been intentionally discriminated against?

Mr. Speaker, I hope that the Committee on Rules that will be meeting shortly will allow this question to be debated by itself on the floor by the Congress, and have a fair vote.

TRIBUTE TO BOB HOPE

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I rise today to pay tribute to a great American. He was born in England, Mr. Leslie Towns. We all know him by a different name. This body and the other Chamber have already awarded him the Congressional Medal of Freedom. I do not know what else we can say about him, except to reflect on how he has extended all of our lives.

Mr. Speaker, we have laying in tribute in the rotunda one of only two Congressmen to ever be afforded that honor, a great Congressman here, died with his legislative boots on in his 88th year, the beloved Claude Pepper.

Ronald Reagan celebrated his 80th birthday on February 6. He became our Adenauer, our Churchill, showing us all how many productive years were ahead of us.

Mr. Speaker, I missed getting up yesterday, but today is the second day of the 89th year of Leslie Towns, known to all of us as Bob Hope.

Bob Hope, over in the gulf entertaining our fighting men and women. What an incredible American. To think he is going to hit 90 soon. This is his 89th year, and he is still doing benefits, raising charity money, and even doing commercials, showing us that life truly does not begin at 40, it begins somewhere around 70 or 75.

Bob, you truly are an inspiration to all of us. God bless you. We will strike a new medal for you on your 100th birthday.

CIVIL RIGHTS

(Mr. ZELIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZELIFF. Mr. Speaker, I rise today in strong support of H.R. 1375, the President's civil rights bill. As the only honest, balanced, and equitable proposal on the floor, this bill is clearly committed to the ultimate goal of civil rights legislation—equality of opportunity.

The differences between the President's bill and H.R. 1 are so fundamental that the proposal which is ultimately adopted will define the direction of civil rights for at least the next decade. The key issue and turning point of this debate concerns the extent to which this body believes in the ability and drive of the American people—especially members of minority groups. If we have faith in the American individual, then we will work to provide a more equitable distribution of opportunity; if, on the other hand, we choose to treat the individual as incapable and disinterested in standing on his or her own merits, then we will vote to implement divisive restrictions that mandate an unfair system of quotas.

The President's proposal confirms our faith in the individual; it envisions a system of competition, one in which hard work, creativity, and imagination rather than skin color, ethnic origin, or gender define the standards by which we succeed. The President's civil rights package provides individuals who are victims of institutional discrimination the tools to remedy such abuse, without attaching the insulting stigma associated with quotas. H.R. 1, however, would clearly result in quota hiring to avoid the expense and public scrutiny of unreasonable litigation.

Mr. Speaker, I urge my colleagues to look carefully at both bills and decide for themselves. I firmly believe that, for those who are motivated by a sincere commitment toward equality of opportunity, the choice will be clear.

RETROACTIVITY IS NOT FAIR

(Mr. STEARNS asked and was given permission to address the House for 1 minute.)

Mr. STEARNS. Mr. Speaker, is it fair to pass a law in 1991 creating new employment standards and then say that employers who had never heard of those standards until 1991 are guilty of employment discrimination because their employment practices of 10, 15, or 20 years ago did not comport with these newly created standards. It may not be fair, and it may not be constitutional, but that's what H.R. 1 does. Employers today must look ahead 20 years, to the year 2011, guess what Congress might do, and govern themselves accordingly.

And the so-called compromise does not fix the problem. The so-called compromise even says that final judgments may be vacated and the case reopened if justice requires. You may be certain that every plaintiffs lawyer is salivating at the prospect of arguing that justice, in the form of H.R. 1, requires that closed cases be reopened and relitigated.

CALL FOR AN OPEN RULE ON CIVIL RIGHTS LEGISLATION

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, as one Republican who leans toward supporting a compromise civil rights bill, I have a message to the Rules Committee which convenes to continue its deliberations on the rule governing the upcoming debate on that legislation here very shortly, upstairs. That is, give us an open rule which permits or makes in order all amendments offered by either the Republican or Democratic side.

It simply is inconceivable to me, given the importance and historic significance of this legislation, that we might be considering restrictive rules. Since 1957, the House has passed 15 major civil rights bills and 9 of these bills were considered under open rules. That includes the three most important ones, the Civil Rights Act of 1964, the Voting Rights Act of 1965, and the Fair Housing Act of 1968.

Let me tell the proponents of this legislation that it is pure sophistry on their part to suggest that those of us who are not members of the committees which did the markup on this bill, and who were not party to the behind-the-scenes negotiations for a compromise are unable to comprehend the complex legal issues swirling around this legislation. As we consider this legislation which deals with due process, equality, and openness for all Americans, particularly those underrepresented in our work force, let us have the same openness, the same due process here on the floor of the House as we take up this debate.

REQUEST FOR PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO HAVE UNTIL MIDNIGHT FRIDAY, MAY 31, 1991, TO FILE SUNDRY REPORTS

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until midnight Friday, June 1, 1991, to file its reports on H.R. 1792, to authorize appropriations for international cooperation programs for fiscal years 1992 and 1993 and for other purposes; and on H.R. 2474, the Arms Control and Disarmament Amendments Act of 1991.

The SPEAKER pro tempore (Mr. CHAPMAN). Is there objection to the request of the gentleman from Indiana?

Mr. RIGGS. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Indiana would withdraw his request.

DESERT STORM HOMECOMING

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, As you know, President Bush has designated June 8 as National Desert Storm Homecoming Day. For those troops who served so bravely in the Middle East during the Persian Gulf crisis, the administration has created the Desert Storm Homecoming Foundation and organized a $3 million parade down Constitution Avenue.

This parade will consist of over 10,000 servicemen representing each of the branches of the armed service and over 100 fly-overs by the Air Force, Navy and Army planes and helicopters. On the Smithsonian mall, there will be an exposition of the material used in the Persian Gulf war, and on the ellipse, there will be an all-American picnic for the troops. Throughout the day, there will be an entertainment gala hosted by the USO, and finally, at sundown, the day of celebration will be capped with a fireworks display at the Washington Monument.

Mr. Speaker, this celebration will be the grandest and most spectacular homecoming we have seen since the ticker-tape parades following World War II. But for all of this abundance and extravagance, this homecoming is incomplete because it does not include veterans of the Vietnam war.

Mr. Speaker, the veterans of the Persian Gulf war served proudly and should be received with open arms, but their service was no more honorable and their actions no more courageous than those who served a generation earlier in the Vietnam war.

Mr. Speaker, the Persian Gulf war lasted 100 days. The Vietnam war lasted 9 years. In the Persian Gulf war we lost 234 of our Nation's finest sons and daughters. In the Vietnam conflict, we lost 45,619 and suffered 302,393 wounded; 45,619 of our Nation's finest men and women who never returned to their familes and their loved ones. Most importantly, there are more than 8,744,000 veterans who served in the Vietnam conflict and were never welcomed home to receive the gratitude of a thankful Nation.

In Iraq, we fought a well-equipped, yet poorly trained army of conscripts taken from their homes and families for a cause in which they did not believe. In Vietnam we fought for 9 years against a foe which we could not see for a cause in which we could not believe. We had no patriot missiles and no smart bombs. And our soldiers in Vietnam did not have the support of the home front and never experienced even 1 day of parades or celebration.

Mr. Speaker, we turned our backs on the Vietnam veterans in 1973. I urge my colleagues to join me to correct this injustice and request the Desert Storm Homecoming Foundation to prominently honor Vietnam veterans in the celebrations on June 8.

□ 1220

THANK YOU FOR A JOB WELL DONE

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, this past weekend I was participating in a parliamentary conference in Jerusalem, Israel, when, in an incredible stroke of luck, I was privileged to witness the State of Israel fulfilling once again its historic function of welcoming strangers, welcoming Jews from around the world. In this case, it was the airlifting of 14,500 Jews from Ethiopia, Mr. Speaker, people who were fleeing drought, famine, persecution, anti-Semitism, and desperately hoping and striving to reach the State of Israel, which they did as I was there.

In the course of a very exciting experience, a heart-warming experience, of talking to these refugees, talking to the beautiful kids, we had the opportunity to meet with the President of Israel, Chaim Herzog, with the Prime Minister of Israel, Mr. Shamir, numerous cabinet officers, the Minister of Defense, Foreign Affairs Minister.

Mr. Speaker, the one thing about which they were unanimous was the wonderful, thoughtful, professional, unstinting help that was given in planning this enterprise and in prying loose a consent from the chiefs of state, first the Mengistu regime, and then the rebel regime, that was the result of American efforts, American initiative, the initiative of the President picking up the phone, I am told, and in calling Mr. Mengistu and asking him personally to "let my people go."

I cannot give enough praise to President Bush and Secretary Baker and the many professionals in the State Department who helped make this massive magic-carpet ride to freedom a reality. I think that without their intervention, it probably never would have happened. I am tipping my hat to President Bush, Secretary Baker, the large group of State Department professionals who were involved in this operation and saying, "Thank you. Job well done."

THE CIVIL RIGHTS ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 60 minutes.

Mr. GUNDERSON. Mr. Speaker, it is no surprise to most people who watch the special order process that I am not one who usually takes the time to participate in special orders, but I think today is a unique experience that demands some clarification, some attention.

It is now 12:20 in the afternoon. Congress has completed its work not only for the day but for the week, and you all might be a bit surprised at why that is the case. That is a legitimate question.

We ought to be in session this afternoon, we ought to be in session tomorrow, and we ought to be in session doing what was originally on the calendar for this week, which was the Civil Rights Act of 1991.

I deeply regret that partisan politics has prevailed over a bipartisan commitment to passing and having signed into law civil rights legislation. So the real question that this Congress is going to have to decide if not this week, next week, if not next week, in the weeks and months to come, is whether we are committed to civil rights or are we committed to lawyers' rights.

Because that, for all practical purposes, is the major hangup between the President's position on civil rights and that which is being advocated by the leadership here in the House of Representatives.

I had a unique experience a few weeks back of speaking to the Madison, WI, NAACP, and since then have spoken to a number of other groups, minority groups, who have invited me to come to speak to them on behalf of the President's position on civil rights. It is an invitation that, if I can work it into the schedule, I try to accept, because I think probably the best kept secret in this town and the best kept secret in this country is the President's commitment to civil rights and the merits of the legislation which he has advocated.

I come to this table personally as one who apologizes to no one for my position on civil rights. I have voted to override President Reagan's veto on the Grove City case, voted to override President Reagan's veto on South African sanctions, was very active in the writing of the bipartisan compromise in the last session on the Americans With Disabilities Act, have advocated for the fair housing amendments, have voted for the Voting Rights Act, a number of those different civil rights pieces of legislation which have passed this Congress on a bipartisan basis.

Yet, that is not the issue here today and for the rest of this session. It is the civil rights bill of 1991, and let me tell the Members why this bill is here.

The bill is here because the Supreme Court on a number of cases over recent years has overturned a number of Federal statutes and, interestingly enough, both the President and the Democrats in the Congress of the United States support overturning many of those cases.

There are probably four to five areas where these bills are very similar, and I think everyone ought to understand what the President wants to do in terms of civil rights.

When you talk about the major case, the Wards Cove case, which deals with disparate impact, and disparate impact, ladies and gentlemen, is if your work force is not representative of the numerical breakdown by race, color, et cetera, of your community, there is the potential for filing a discrimination case against you.

Let me give you an example. I come from western Wisconsin. The biggest, or one of the biggest, cities in my district, La Crosse, WI, happens to have, I believe, a 5-percent Hmong population. What that would mean is that every employer in La Crosse, WI, must have a 5-percent Hmong population not only in the work force but at every level of their work force. Otherwise, they run the risk of being subject to what is known as a disparate impact case.

The President supports using disparate impact as a basis for judging whether or not discrimination occurs. Where the difference occurs, however, is that the President defines business necessity the way it was defined before the Supreme Court overturned Federal statutes known as the Griggs case. The President simply restores the Griggs language.

The debate here in the House of Representatives is whether you are going to restore the Griggs language or you are going to try to redefine the Griggs language as the Democrats do in their particular bill.

In terms of defining business necessity, the President overturns the present Supreme Court rulings. In terms of shifting the burden of proof from the employee to the employer, the President overturns the Supreme Court. In terms of grouping of practices, the President overturns the Supreme Court and requires that you must indicate the practices within that business which are the basis for their discrimination.

□ 1230

Is it the interview process? Is it the notice of potential employment? Is it the testing process? What is it in that regard?

Frankly, both bills also defined the per se violation of title VII by indicating, if indeed an alternative measure is offered and the business refuses to implement that alternative employment practices as a means of eliminating discrimination, then that is, in essence, a per se violation of title VII, and that business can be held accountable.

Second, both the President's bill and the Democratic bill overturn the Supreme Court ruling on Lorance which deals with seniority systems. Third, the President and the Democratic bill, H.R. 1, both overturn the Supreme Court regarding Patterson. That is discrimination in all aspects. Both the President's bill and the Democratic bill allow the recovery of expert witness fees.

So there are five different areas, Wards Cove, Lorance, Patterson, damages for sexual harassment, and expert witness fees where the President's bill takes big, big steps in the areas of civil rights and overturning present Supreme Court cases.

Now, if there is that much similarity, we have to ask the question then, why the fight? Why the dispute that is existing today? We need to get on with that because we need to make sure that all persons in America understand the issue at hand. That issue at hand is, do we want civil rights or do we want attorney's rights, because the difference that the President's bill maintains the basis for resolving civil rights disputes that have been in effect since title VII was enacted in 1964, the whole concept of reconciliation and make whole.

The alternative, in H.R. 1, suggests that rather than conciliation we must have confrontation, and rather than making whole, by restoring a person to their proper position and providing the back pay they should have received, that what we are going to do, we are going to have jury trials, punitive and compensatory damages. I do not have to tell any person in this country what that means. However, I ask the question, if people believe that present process for resolving civil rights disputes is not adequate, what makes citizens believe that going to litigation in a court of law will somehow expedite that process? The fact is, the very major case under which the whole civil rights dispute is being debated today, H.R. 1, Wards Cove, that case was filed 16 years ago.

I ask, are any of those victims given proper injustice, still awaiting the litigation of their particular case in the courts? Something very interesting happened this past week which I think really puts this in perspective, and puts it in perspective on a bipartisan basis. I would like to insert for your consideration the statement by Gov. Lawton Chiles, former Democratic Senator from the State of Florida, now a Governor, on the veto last week of Senate bill 174, passed by the Florida Legislature. Here is his public statement:

> My decision to veto Senate bill 174 is based upon reality, not perception. The reality is that this is a bad bill. It is vague. It is imprecise. The perception is that this bill will reduce discrimination and improve civil rights in Florida. Again, I underscore the reality is that this bill will not improve the system to stop unlawful discrimination. After hours of review, after reading and hearing the people's valid concerns in the bill, I have decided I will leave the margin in the next session in a law that will genuinely protect those in our States that are wrongfully discriminated against, that this bill would only give lawyers pleading discrimination cases, and further clog an already stifled justice system. I want a system that provides timely and effective remedies for those Floridians who have experienced and suffered injustices.

Let me go on and read from his official statement to the Secretary of the Senate where he says, and again I quote:

> The greatest threat to the civil rights reform movement are laws that mislead the public by raising their expectations only to discover that the greatest beneficiaries are the lawyers who are involved in the process.

He goes on:

> It seems to me that before we set in motion numerous lawsuits and jury trials with unlimited exposure and punitive damages and attorney fees, we should know exactly which statutes give rise to such a claim, and in what impact the bill will have on deterring unlawful discrimination.

Ladies and gentlemen, I have said many times and in many places that H.R. 1 does not mandate quotas. But it does result in quotas because no business in this country will consider anything but quotas as a means of balancing their work force at all levels to accurately and totally reflect the breakdown of their community, ethnically, racially, genderwise, et cetera, as a definitive measure.

The President's bill puts the burden of proof on the business—not the employee, but the business—to prove business necessity. What the President's bill does not do, however, is say that a business must prove in every case business necessity, or the failure to do that will result in a jury trial, jury award for pain and suffering.

I doubt there is a person listening, that if they were on a jury and a case of discrimination were filed, that they were able to hear as a member of that jury in 1991, that they would not improperly, would not be automatically sympathetic to the victim. We are all for that. We are all for eliminating discrimination in our society. What we are trying to do is to find a way to eliminate discrimination without opening up a whole new series of litigation.

If we look at the history of litigation in this area for punitive and compensatory damages in the State of California, we will find that the number of cases filed has increased substantially, and we will find that the punitive and compensatory damages run usually someplace between $3 and $600,000.

Now, put yourself in the perspective of any small business in America because title VII of the civil rights law affects anyone with over 15 employees. So if a business owner has 20 employees in their business in small-town America, they now under this legislation would have to literally consider the breakdown ethnically, racially, and genderwise in their community and construct a work force to reflect that, or they would be liable for discrimination in punitive and compensatory damages.

To show that this is a lawyers' rights rather than a civil rights bill, I want to bring to everyone's attention what I believe is the most onerous part of H.R. 1 and the substitute that is now being circulated. In the substitute known as section 107 which is what it says, and I will read it:

> (2) No waiver of all or substantially all of an attorney's fee shall be compelled as a condition of a settlement of a claim under this title except that nothing in this section shall be construed to limit the right to negotiate a settlement in which an attorney's fee is voluntarily waived in whole or in part.

Think of that for just a second. There are those who legitimately, honorably contend today that present resolution of civil rights courts, civil rights discrimination, is not adequate, and that we need to expand the remedies in order to achieve full and adequate enforcement. I do not totally agree with that, but that is a legitimate case to make. The problem is that this section says it is not the victim who even has the power to determine their own course, but it becomes the plaintiff's attorney, because once that case is filed and the employee and the employer go into negotiations, resolve that case out of court, and want to enter into a consent decree to resolve that particular element of litigation, they cannot do it under this section unless a lawyer voluntarily agrees. Is that what we want in America in 1991, in the name of civil rights?

□ 1240

This will turn all civil rights law and all civil rights enforcement over to trial lawyers who will then make the determination of what cases will be filed and when and if that case will ever be resolved in or out of court.

Now, most of you who are aware of trials under this section are also well aware that the way it happens is not because some victim has the money to go out and hire a good lawyer on a fee basis. What they do is they hire them on a contingency fee basis, which says, "I will hire you and you will receive 40 percent of the award, whatever the award is by the jury."

What this language says is that the victim cannot resolve the case. If that attorney says, "Oh, no, I got you now. I want to take this case all the way to trial and all the way to the jury and I want to get the largest monetary damage I can."

Why? To provide proper payment and award to the victim? No; so that they can raise the amount of money they receive because it is under a contingency fee basis.

So, Mr. Speaker, I regret that Congress is not in session this afternoon. I regret that we are not passing a bipartisan civil rights bill. I have spoken to the Democratic majority leader indicating the interest on our side to negotiate a bipartisan civil rights bill the same way we negotiated a bipartisan Americans With Disabilities Act in the last session. I have spoken and I know the Republican whip has spoken to the Democratic majority leader indicating that he, too, would like bipartisan negotiations, and I believe the Republican leader has also voiced that message.

Therefore, it is essential that if this Congress wants to sign into law civil rights legislation, we need to stop, take a deep breath, set aside the partisan polizarization that has occurred unfortunately on both sides of this aisle and recognize it is time that we give up civil rights as an issue and start pushing civil rights as a law, sit down and negotiate a bipartisan bill that helps the victim, that overturns the Supreme Court cases and make sure that the Civil Rights Act of 1991 is indeed a civil rights act, not a lawyer's rights act.

IN RECOGNITION OF THE 50TH ANNIVERSARY OF THE 756TH TANK BATTALION, WORLD WAR II

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 60 minutes.

Mrs. MORELLA. Mr. Speaker, I rise today in recognition of the 50th anniversary of the 756th Tank Battalion which was activated on June 1, 1941, at Ft. Lewis, WA.

The 756th was mobilized with only 5 Regular Army officers and approximately 50 Regular Army enlisted men. The remainder of the battalion—whose authorized strength was 800—included approximately 35 Reserve officers and 730 enlisted men who were volunteers and draftees from 43 States. The average age of these men, when they were sent overseas for the invasion of North Africa, was 22.

The battalion was engaged in combat almost continuously for 26 of the 32 months that it was overseas—from October 1942 until the end of World War II in May 1945. The 756th fought in North Africa, Italy, France, Germany, and Austria, amassing six campaign streamers to their colors. It was attached to one of the finest divisions in the U.S. Army—the U.S. 3d Infantry Division—for most of their operations. The other attachments for combat operations included the 36th, 45th, 85th, 88th, and 103d United States Division and the French 2d Armored Division.

The 756th's mission was to engage and destroy the enemy and to liberate occupied territory. The battalion accounted for thousands of enemy casualties and itself suffered 640 casualties. Of these, 111 were killed, the remainder were wounded, missing in action, or became prisoners of war. The authorized officer strength was 40; of these officers, 14 were killed, 17 were wounded, 3 were missing in action, and 2 became prisoners of war. Seventeen noncommissioned officers were promoted to second lieutenants on the battlefield.

The 34th Division and this battalion hammered on Cassino, the gate to the Lira Valley, for more than 30 days. The 756th was awarded the United States Presidential Citation and the French Croix de Guerre. Many members of the battalion were decorated, including two who received the Congressional Medals of Honor.

The battalion was the first wave to hit the beaches of southern France, using DD tanks that floated in water. From D-day in southern France on August 15, 1944, until the end of the war on May 8, 1945, the battalion was continuously in combat action except for one 10-day period after the devastating Colmar Pocket battle. After Colmar, the battalion, attached to the 3d Infantry Division, participated in the successful siege of the Sigfried Line and the capture of Nuremberg, Munich, and Berchtesgaden. It was stationed in Salzburg, Austria, at the end of World War II. The battalion traveled approximately 5,000 miles—from Casablanca to Salzburg.

In the opinion of knowledgeable military officers, the 756th was one of, if not the outstanding separate tank battalion in the U.S. Army during World War II.

The 765th tank monument will be put in the Fort Knox Museum on September 21 this year. I congratulate all the brave men who were part of the 765th and recognize the great sacrifices which they and their families have made over the decades.

RULES OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT FOR THE 92D CONGRESS

(Mr. STOKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STOKES. Mr. Speaker, I submit the Rules of the Committee on Standards of Official Conduct, which were adopted by the committee on May 22, 1991, for printing in the RECORD, as follows:

RULES OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT, HOUSE OF REPRESENTATIVES, 102D CONGRESS

FOREWORD

The Committee on Standards of Official Conduct is unique in the House of Representatives. Consistent with the duty to carry out its advisory and enforcement responsibilities in an impartial manner, the Committee is the only standing committee of the House of Representatives the membership of which is divided evenly by party. These rules are intended to provide a fair procedural framework for the conduct of the Committee's activities and to help insure that the Committee serves well the people of the United States, the House of Representatives, and the Members, officers, and employees of the House of Representatives.

PART I—GENERAL COMMITTEE RULES

Rule 1. General provisions

(a) So far as applicable, these rules and the Rules of the House of Representatives shall be the rules of the Committee and any subcommittee. The Committee adopts these rules under the authority of clause 2(a) of Rule XI of the Rules of the House of Representatives, 102d Congress.

(b) The rules of the Committee may be modified, amended, or repealed by a vote of a majority of the Committee.

(c) When the interests of justice so require, the Committee, by a majority vote of its members, may adopt any special procedures, not inconsistent with these rules, deemed necessary to resolve a particular matter before it. Copies of such special procedures shall be furnished to all parties in the matter.

Rule 2. Definitions

(a) "Adjudicatory Subcommittee" means a subcommittee of the Committee, comprised of those Committee members not on the investigative subcommittee, that holds a disciplinary hearing and determines whether the counts in a Statement of Alleged Violation are proved by clear and convincing evidence.

(b) "Committee" means the Committee on Standards of Official Conduct.

(c) "Complaint" means a written allegation of improper conduct against a Member, officer, or employee of the House of Representatives filed with the Committee with the intent to initiate a Preliminary Inquiry.

(d) "Disciplinary Hearing" means an adjudicatory subcommittee hearing held for the purposes of receiving evidence regarding conduct alleged in a Statement of Alleged Violation and determining whether the counts in the Statement of Alleged Violation have been proved by clear and convincing evidence.

(e) "Investigative Subcommittee" means a subcommittee designated pursuant to Rule 6 to conduct a Preliminary Inquiry to determine if a Statement of Alleged Violation should be issued.

(f) "Office of Advice and Education" refers to the Office established by section 803(i) of the Ethics Reform Act of 1989. The Office shall handle inquiries; prepare written opinions in response to specific requests; develop general guidance; and organize seminars, workshops, and briefings for the benefit of the House of Representatives.

(g) "Preliminary Inquiry" means an investigation by an investigative subcommittee into allegations against a Member, officer, or employee of the House of Representatives.

(h) "Respondent" means a Member, officer, or employee of the House of Representatives who is the subject of a complaint filed with the Committee or who is the subject of a Preliminary Inquiry or a Statement of Alleged Violation.

(i) "Sanction Hearing" means a Committee hearing to determine what sanction, if any, to recommend to the House of Representatives.

(j) "Statement of Alleged Violation" means a formal charging document filed by an investigative subcommittee with the Committee containing specific allegations of a violation of the Code of Official Conduct, or of a law, rule, regulation, or other standard of conduct by Members, officers, or employees of the House of Representatives applicable to the performance of their duties or the discharge of their responsibilities.

Rule 3. Advisory opinions and waivers

(a) There is established within the Committee an Office of Advice and Education. The Office shall handle inquiries; prepare written opinions providing specific advice; develop general guidance; and organize seminars, workshops, and briefings for the benefit of the House of Representatives.

(b) Any Member, officer, or employee of the House of Representatives, or any other person specifically authorized by law, may request a written opinion with respect to the propriety of any current or proposed conduct of such Member, officer, employee, or person.

(c) The Office of Advice and Education may provide information and guidance regarding laws, rules, regulations, and other standards of conduct applicable to Members, officers, and employees in the performance of their duties or the discharge of their responsibilities.

(d) In general, the Committee shall provide a written opinion to an individual only in response to a written request.

(e) Unless specifically authorized by law or resolution of the House of Representatives, written opinions may be provided only to Members, officers, and employees of the House of Representatives. Other individuals may be provided with general information regarding rules or laws, such as citations to relevant texts of publicly available documents.

(f) A written request for an opinion shall be addressed to the Chairman of the Committee and shall include a complete and accurate statement of the relevant facts. A request shall be signed by the requester or the requester's authorized representative or employing authority. A representative shall disclose to the Committee the identity of the principal on whose behalf advice is being sought.

(g) A written opinion shall address the conduct only of the inquiring individual, or of persons for whom the inquiring individual is responsible as employing authority.

(h) The Office of Advice and Education shall prepare for the Committee a response to each written request for an opinion. Each response shall discuss all applicable laws, rules, regulations, or other standards.

(i) Where a request is unclear or incomplete, the Office of Advice and Education may seek additional information from the requester.

(j) The Chairman and Ranking Minority Member are authorized to take action on behalf of the Committee on any proposed written opinion that they determine does not require consideration by the Committee.

(k) The Committee shall keep confidential any request for advice, as well as any response thereto.

(l) The Committee may take no adverse action in regard to any conduct which has been undertaken in reliance on a written opinion if the conduct conforms to the specific facts addressed in the opinion.

(m) Information provided to the Committee by a Member, officer, or employee seeking advice regarding prospective conduct may not be used as the basis for initiating an investigation under clause 4(e)(1)(B) of Rule X of the Rules of the House of Representatives, if such Member, officer, or employee acts in good faith in accordance with the written advice of the Committee.

(n) A written request for a waiver of House Rule XLIII, clause 4 (the House gift rule), or for any other waiver or approval, shall be treated in all respects like any other request for a written opinion.

(o) A written request for a waiver of House Rule XLIII, clause 4 (the House gift rule), shall specify the nature of the waiver being sought and the specific circumstances justifying the waiver.

(p) An employee seeking a waiver of time limits applicable to fact-finding or substantial participation travel shall include with the request evidence that the employing authority is aware of the request. In any other instance where proposed employee conduct may reflect on the performance of official duties, the Committee may require that the requester submit evidence that the employing authority knows of the conduct.

Rule 4. Financial disclosure

(a) In matters relating to Title I of the Ethics in Government Act of 1978, the Committee shall coordinate with the Clerk of the House of Representatives, Office of Records and Registration, to assure that appropriate individuals are notified of their obligation to file Financial Disclosure Statements and that such individuals are provided in a timely fashion with filing instructions and forms developed by the Committee.

(b) The Committee shall coordinate with the Office of Records and Registration to assure that information that the Ethics in Government Act requires to be placed on the public record is made public.

(c) The Chairman and Ranking Minority Member are authorized to grant on behalf of the Committee requests for reasonable extensions of time for the filing of Financial Disclosure Statements. Any such request must be received by the Committee no later than the date on which the statement in question is due. Such extensions for one individual in a calendar year shall not exceed a total of ninety (90) days. No extension shall be granted authorizing a nonincumbent candidate to file a statement later than 30 days prior to a primary or general election in which the candidate is participating.

(d) An individual who takes legally sufficient action to withdraw as a candidate before the date on which that individual's Financial Disclosure Statement is due under the Ethics in Government Act shall not be required to file a Statement. An individual shall not be excused from filing a Financial Disclosure Statement when withdrawal as a candidate occurs after the date on which such Statement was due.

(e) Any individual who files a report required to be filed under title I of the Ethics in Government Act more than 30 days after the later of—

(1) the date such report is required to be filed; or

(2) if a filing extension is granted to such individual, the last day of the filing extension period,

is required by such Act to pay a late filing fee of $200. The Chairman and Ranking Minority Member are authorized to approve requests that the fee be waived based on extraordinary circumstances.

(f) Any late report that is submitted without a required filing fee shall be deemed procedurally deficient and not properly filed.

(g) The Chairman and Ranking Minority Member are authorized to approve requests for waivers of the aggregation and reporting of gifts as provided by section 102(a)(2)(D) of the Ethics in Government Act. If such a request is approved, both the incoming request and the Committee response shall be forwarded to the Office of Records and Registration for placement on the public record.

(h) The Chairman and Ranking Minority Member are authorized to approve blind trusts as qualifying under section 102(f)(3) of the Ethics in Government Act. The correspondence relating to formal approval of a blind trust, the trust document, the list of assets transferred to the trust, and any other documents required by law to be made public, shall be forwarded to the Office of Records and Registration for such purpose.

(i) The Committee shall designate staff counsel who shall review Financial Disclosure Statements and, based upon information contained therein, indicate in a form and manner prescribed by the Committee whether the Statement appears substantially accurate and complete and the filer appears to be in compliance with applicable laws and rules.

(j) Each Financial Disclosure Statement shall be reviewed within sixty (60) days after the date of filing.

(k) If the reviewing counsel believes that additional information is required because (1) the Statement appears not substantially accurate or complete or (2) the filer may not be in compliance with applicable laws or rules, then the reviewing individual shall notify the Chairman and Ranking Minority Member. If the Chairman and Ranking Minority Member concur with the reviewer's opinion, then the reporting individual shall be notified in writing of the additional information believed to be required, or of the law or rule with which the reporting individual does not appear to be in compliance. Such notice shall also state the time within which a response is to be submitted. Any such notice shall remain confidential.

(l) Within the time specified, including any extension granted in accordance with clause (c), a reporting individual who concurs with the Committee's notification that the Statement is not complete, or that other action is required, shall submit the necessary information or take appropriate action. Any amendment may be in the form of a revised Financial Disclosure Statement or an explanatory letter addressed to the Clerk of the House of Representatives.

(m) Any amendment shall be placed on the public record in the same manner as other Statements. The individual designated by the Committee to review the original Statement shall review any amendment thereto.

(n) Within the time specified, including any extension granted in accordance with clause (c), a reporting individual who does not agree with the Committee that the Statement is deficient or that other action is required, shall be provided an opportunity to respond, orally or in writing. If the explanation is accepted, a copy of the response, if written, or a note summarizing an oral response, shall be retained in Committee files with the original report.

(o) The Committee shall be the final arbiter of whether any Statement needs clarification or amendment.

(p) If the Committee determines, by vote of a majority of its members, that there is reason to believe that an individual has willfully failed to file a Statement or has willfully falsified or willfully failed to file information required to be reported, then the Committee shall refer the name of the individual, together with the evidence supporting its finding, to the Attorney General pursuant to section 104(b) of the Ethics in Government Act. Such referral shall not preclude the Committee from initiating such other action as may be authorized by other provisions of law or the Rules of the House of Representatives.

Rule 5. Meetings

(a) The regular meeting day of the Committee shall be the second Wednesday of each month, except when the House of Representatives is not meeting on that day. When the Committee Chairman determines that there is sufficient reason, a meeting may be called on additional days. A regularly scheduled meeting need not be held when the Chairman determines there is not business to be considered.

(b) A subcommittee shall meet at the discretion of its chairman.

(c) Insofar as practicable, notice for any Committee or subcommittee meeting shall be provided at least seven days in advance of the meeting. The Chairman of the Committee or subcommittee may waive such time period for good cause.

Rule 6. Subcommittees—General policy and structure

(a) If the Committee determines by majority vote of its members that allegations of improper conduct (brought to its attention by a complaint or otherwise) by a Member, officer, or employee merit further inquiry, the Chairman and Ranking Minority Member of the Committee shall designate four or six members (with equal representation from the majority and minority parties) to serve as an investigative subcommittee to undertake a Preliminary Inquiry. The senior majority and minority members of an investigative subcommittee shall serve as the chairman and ranking minority member of the subcommittee. The Chairman and Ranking Minority Member of the Committee may serve only as nonvoting, ex officio members of any investigative subcommittee.

(b) If an investigative subcommittee, by a majority vote of its members, adopts a Statement of Alleged Violation, the remaining members of the Committee shall comprise an adjudicatory subcommittee to hold a Disciplinary Hearing under Committee Rule 19 on the violations alleged in the Statement.

(c) The Committee may establish other non-investigative and non-adjudicatory subcommittees and may assign to them such functions as it may deem appropriate. The membership of each subcommittee shall provide equal representation for the majority and minority parties.

(d) The Chairman may refer any bill, resolution, or other matter before the Committee to an appropriate subcommittee for consideration. Any such bill, resolution, or other matter may be discharged from the subcommittee to which it was referred by a majority vote of the Committee.

(e) Any member of the Committee may sit with any noninvestigative or nonadjudicatory subcommittee, but only regular members of such subcommittee may vote on any matter before that subcommittee.

Rule 7. Quorums and member disqualification

(a) The quorum for an investigative subcommittee to take testimony and to receive evidence shall be two members, unless otherwise authorized by the House of Representatives.

(b) The quorum for an adjudicatory subcommittee to take testimony, receive evidence, and conduct business shall consist of a majority plus one of the members of the adjudicatory subcommittee.

(c) Except as stated in clauses (a) and (b) of this rule, a quorum for the purpose of conducting business consists of a majority of the members of the Committee or subcommittee.

(d) A member of the Committee shall be ineligible to participate in any Committee or subcommittee proceeding that relates to the member's own conduct.

(f) A member of the Committee may disqualify himself or herself from participating in any investigation of the conduct of a Member, officer, or employee of the House of Representatives upon the submission in writing and under oath of an affidavit of disqualification stating that the member cannot render an impartial and unbiased decision. If the Committee approves and accepts such affidavit of disqualification, or if a member is disqualified pursuant to Rule 15(h) or Rule 19(a), the Chairman shall so notify the Speaker and request the Speaker to designate a Member of the House of Representatives from the same political party as the disqualifying member of the Committee to act as a member of the Committee in any Committee proceeding relating to such investigation.

Rule 8. Vote requirements

(a) The following actions shall be taken only upon affirmative vote of a majority of the members of the Committee or subcommittee, as appropriate:

(1) Adoption of a resolution to conduct a Preliminary Inquiry;

(2) Adoption of a Statement of Alleged Violation;

(3) Finding that a count in a Statement of Alleged Violation has been proved by clear and convincing evidence;

(4) Sending of a letter of reproval;

(5) Adoption of a recommendation to the House of Representatives that a sanction be imposed:

(6) Adoption of a report relating to the conduct of a Member, officer, or employee;

(7) Issuance of an advisory opinion of general applicability establishing new policy.

(b) Except as stated in clause (a), action may be taken by the Committee or any subcommittee thereof by a simple majority, a quorum being present.

Rule 9. Communications by committee members and staff

Committee members and staff shall not disclose any evidence relating to an investigation to any person or organization outside the Committee unless authorized by the Committee, nor shall any evidence in the possession of an investigative subcommittee be disclosed to Committee members who are not members of the subcommittee prior to the filing of a Statement of Alleged Violation with the Committee.

Rule 10. Committee records

(a) The Committee may establish procedures necessary to prevent the unauthorized disclosure of any testimony or other information received by the Committee or its staff.

(b) Members and staff of the Committee shall not disclose to any person or organization outside the Committee, unless authorized by the Committee, any information regarding the Committee's or a subcommittee's investigative, adjudicatory or other proceedings, including, but not limited to: (i) the fact of or nature of any complaints; (ii) executive session proceedings; (iii) information pertaining to or copies of any Committee or subcommittee report, study, or other document which purports to express the views, findings, conclusions, or recommendations of the Committee or subcommittee in connection with any of its activities or proceedings; or (iv) any other information or allegation respecting the conduct of a Member, officer, or employee.

(c) The Committee shall not disclose to any person or organization outside the Committee any information concerning the conduct of a Member, officer, or employee of the House of Representatives until it has transmitted a Statement of Alleged Violation under Rule 17 of the Committee rules, to such Member, officer, or employee and the Member, officer, or employee has been given full opportunity to respond pursuant to Rule 18. The Statement of Alleged Violation and any written response thereto shall be made public at the first meeting or hearing on the matter that is open to the public after such opportunity has been provided. Any other materials in the possession of the Committee regarding such statement may be made public as authorized by the Committee to the extent consistent with the Rules of the House of Representatives.

(d) If no public hearing or meeting is held on the matter, the Statement and any written response thereto shall be included in the Committee's final report to the House of Representatives.

(e) All communications and all pleadings pursuant to these rules shall be filed with the Committee at the Committee's office or such other place as designated by the Committee.

(f) All records of the Committee which have been delivered to the Archivist of the United States shall be made available to the public in accordance with Rule XXXVI of the Rules of the House of Representatives.

Rule 11. Broadcasts of committee and subcommittee proceedings

Whenever any hearing or meeting by the Committee or a subcommittee is open to the public, the Committee or subcommittee may, by a majority vote, permit coverage, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any such methods of coverage, under the following rules:

(a) If television or radio presents live coverage of the hearing or meeting to the public, it shall be without commercial sponsorship.

(b) No witness shall be required against his or her will to be photographed or otherwise to have a graphic reproduction of his or her image made at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any witness all media microphones shall be turned off, all television and camera lenses shall be covered, and the making of a graphic reproduction at the hearing shall not be permitted. This paragraph supplements clause 2 (k)(5) of Rule XI of the Rules of the House of Representatives relating to the protection of the rights of witnesses.

(c) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The Committee may allocate the positions of permitted television cameras among the television media in consultation with the Executive Committee of the Radio and Television Correspondents' Galleries.

(d) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee or the visibility of that witness and that member to each other.

(e) Television cameras shall not be placed in positions that unnecessarily obstruct the coverage of the hearing or meeting by the other media.

PART II—INVESTIGATIVE AUTHORITY

Rule 12. House resolution

Whenever the House of Representatives, by resolution, authorizes the Committee to undertake an inquiry or investigation, the provisions of the resolution, in conjunction with these Rules, shall govern. To the extent the provisions of the resolution differ from these Rules, the resolution shall control.

Rule 13. Committee authority to investigate—General policy

Pursuant to clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives, the Committee may exercise its investigative authority when—

(a) a complaint by a Member of the House of Representatives is transmitted directly to the Committee;

(b) a complaint by an individual not a Member of the House of Representatives is transmitted through a Member who agrees, in writing, to submit it for the purpose of requesting an investigation;

(c) a complaint by an individual not a Member of the House of Representatives is submitted to the Committee after three Members of the House of Representatives have refused, in writing, to transmit the complaint to the Committee for the purpose of requesting an investigation;

(d) the Committee, on its own initiative, determines that a matter warrants inquiry;

(e) a Member, officer, or employee is convicted in a Federal, State, or local court of a criminal offense for which a sentence of one or more years' imprisonment may be imposed; or

(f) the House of Representatives, by resolution, authorizes the Committee to undertake an investigation.

Rule 14. Complaints

(a) A complaint submitted to the Committee shall be in writing, under oath and dated, setting forth in simple, concise, and direct statements—

(1) the name and legal address of the party filing the complaint (hereafter referred to as the "complainant");

(2) the name and position or title of the respondent;

(3) the nature of the alleged violation of the Code of Official Conduct or of other law, rule, regulation, or other standard of conduct applicable to the performance of duties or discharge of responsibilities; and

(4) the facts alleged to give rise to the violation. The complaint shall not contain innuendo, speculative assertions, or conclusory statements.

(b) Any documents in the possession of the complainant that relate to the allegations may be submitted with the complaint.

(c) A complaint by a Member of the House of Representatives may be transmitted directly to the Committee.

(d) A complaint by an individual not a Member of the House of Representatives may be transmitted through a Member who states, in writing, that it is submitted for the purpose of initiating a Preliminary Inquiry. A copy of the exact complaint submitted to and transmitted by the Member must be attached to the Member's letter to the Committee.

(e) If a complaint by an individual who is not a Member of the House of Representatives is submitted to three Members of the House of Representatives who refuse, in writing, to transmit the complaint to the Committee for the purpose of requesting an investigation, the complainant may transmit the complaint to the Committee. Legible copies of each refusal letter must accompany the complaint. Each letter must clearly state the Member's refusal to transmit the complaint and contain the Member's acknowledgment that such refusal may cause the Committee to consider initiating a Preliminary Inquiry. A legible copy of the exact complaint submitted to and considered by the Member must be attached to that Member's refusal letter.

(f) A complaint must be accompanied by a certification that the complainant has provided an exact copy of the filed complaint and all attachments to the respondent.

(g) The Committee may defer action on a complaint against a Member, officer, or employee of the House of Representatives when the Committee has reason to believe such conduct is being reviewed by appropriate law enforcement of regulatory authorities.

(h) A complaint may not be amended without leave of the Committee. Otherwise, any new allegations of improper conduct must be submitted in a new complaint that independently meets the procedural requirements of the Rules of the House of Representatives and the Committee's Rules.

(i) The Committee shall not accept, and shall return to the complainant, any complaint submitted within the 60 days prior to an election in which the subject of the complaint is a candidate.

(j) The Committee shall not consider a complaint, nor shall any investigation be undertaken by the Committee, of any alleged violation which occurred before the third previous Congress unless the Committee determines that the alleged violation is directly related to an alleged violation which occurred in a more recent Congress.

Rule 15. Processing of complaints

(a) Upon receipt of a complaint, the Committee shall determine if it complies with clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives and Rule 14 of the Committee rules.

(b) If the complaint does not comply with such House and Committee Rules, it shall be returned to the complainant with a copy of such Rules and a statement specifying why the complaint is not in compliance. The respondent shall be notified when a complaint is returned and provided the reasons therefor.

(c) If a complaint is in compliance with House and Committee Rules, a copy of the complaint and the Committee Rules shall be forwarded to the respondent with notice that the complaint conforms to the applicable rules and will be placed on the Committee's agenda.

(d) The respondent may provide to the Committee any information relevant to a complaint filed with the Committee. The Committee staff may request information from the respondent prior to the consideration of a Resolution of Preliminary Inquiry only when so directed by the Chairman and Ranking Minority Member.

(e) At the first meeting of the Committee following the procedures or actions specified in clauses (c) and (d), the Committee shall consider the complaint.

(f) If the Committee, by a majority vote, determines that the complaint is within the Committee's jurisdiction and merits further inquiry, it shall adopt a Resolution of Preliminary Inquiry. After such resolution is adopted, the Chairman and Ranking Minority Member shall designate four or six members to serve as an investigative subcommittee to conduct a Preliminary Inquiry in accordance with Rule 17.

(g) The respondent shall be notified, in writing, regarding the Committee's decision either to dismiss the complaint or to initiate a Preliminary Inquiry.

(h) Respondent shall be notified of the membership of the investigative subcommittee and shall have ten days after such notice is transmitted to object to the participation of any subcommittee member. Such objection shall be in writing and shall be on the grounds that the member cannot render an impartial and unbiased decision. The member against whom the objection is made shall be the sole judge of his or her disqualification.

Rule 16. Committee initiated preliminary inquiry

(a) Notwithstanding the absence of a filed complaint, the Committee may consider any information in its possession indicating that a Member, officer, or employee may have committed a violation of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to the performance of his or her duties or in the discharge of his or her responsibilities.

(b) If the Committee determines that the information merits further inquiry, the Committee shall proceed in accordance with Rule 17.

(c) Any written request by a Member, officer, or employee of the House of Representatives that the Committee conduct an inquiry into such person's own conduct shall be processed in accordance with subsection (a) of this Rule.

(d) An investigative or disciplinary hearing shall not be undertaken regarding any alleged violation that occurred before the third previous Congress unless a majority of the Committee determines that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress.

(e) Conviction of a Member, officer, or employee of the House of Representatives in a Federal, state, or local court of a criminal offense for which a sentence of one or more year's imprisonment may be imposed shall be a matter which merits further inquiry pursuant to Rule 15 and, after sentencing, a preliminary inquiry shall be undertaken. Notwithstanding this provision, the Committee may exercise its investigative authority at any time prior to conviction or sentencing.

Rule 17. Preliminary inquiry

(a) In a Preliminary Inquiry undertaken by an investigative subcommittee—

(1) All proceedings, including the taking of testimony, shall be conducted in Executive Session and all testimony taken by deposition or things produced pursuant to subpoena or otherwise shall be deemed to have been taken or produced, in Executive Session.

(2) The chairman of the investigative subcommittee shall ask respondent and all witnesses whether they intend to be represented by counsel. If so, the respondent or witness or their legal representative shall provide written designation of counsel. A respondent or witness who is represented by counsel shall not be questioned in the absence of counsel unless an explicit waiver is obtained.

(3) The subcommittee shall provide the respondent an opportunity to present, orally or in writing, a statement, which must be under oath or affirmation, regarding the allegations and any other relevant questions arising out of the Preliminary Inquiry.

(4) The staff may interview witnesses, examine documents and other evidence, and request that submitted statements be under oath or affirmation and that documents be certified as to their authenticity and accuracy.

(5) The subcommittee, by a majority vote of its members, may require, by subpoena or otherwise, the attendance and testimony of witnesses and the production of such books, records, correspondence, memoranda, papers, documents, and other items as it deems necessary to the conduct of the inquiry. Unless the Committee otherwise provides, the subpoena power shall rest in the Chairman and Ranking Minority Member of the Committee and a subpoena shall be issued upon the request of the chairman and ranking minority member of the investigative subcommittee. A motion to quash a subpoena shall be decided by the Chairman of the Committee.

(6) The subcommittee shall require that testimony be given under oath or affirmation. The form of the oath or affirmation shall be: "Do you solemnly swear (or affirm) that the testimony you will give before this subcommittee in the matter now under consideration will be the truth, the whole truth, and nothing but the truth (so help you God)?" The oath or affirmation shall be administered by the chairman or subcommittee member designated by him to administer oaths.

(b) During the Preliminary Inquiry, the procedure respecting the admissibility of evidence and rulings shall be as follows:

(1) Any relevant evidence shall be admissible unless the evidence is privileged under the precedents of the House of Representatives.

(2) The chairman of the subcommittee or other presiding member at any investigative subcommittee proceeding shall rule upon any question of admissibility or pertinency of evidence, motion, procedure or any other matter, and may direct any witness to answer any question under penalty of contempt. A witness, witness's counsel, or a member of the subcommittee may appeal any evidentiary rulings to the members present at that proceeding. The majority vote of the members present at such proceeding on such an appeal shall govern the question of admissibility, and no appeal shall lie to the Committee.

(3) Whenever a person is deemed by a chairman or presiding member to be in contempt of the subcommittee, the matter may be referred to the Committee to determine whether to refer the matter to the House of Representatives for consideration.

(4) Committee counsel may, subject to subcommittee approval, enter into stipulations with respondent and/or respondent's counsel as to facts that are not in dispute.

(c) Upon completion of the investigation, the staff shall draft a report for the investigative subcommittee that shall contain a comprehensive summary of the information received and may include any recommendations for action by the subcommittee regarding the alleged violations.

(d) Upon completion of the Preliminary Inquiry an investigative subcommittee, by majority vote of its members, may adopt a Statement of Alleged Violation if it determines that there is reason to believe that a violation has occurred. If more than one count is alleged, such Statement shall be divided into counts and each count shall relate to a separate violation and shall contain a plain and concise statement of the alleged facts of such violation and include a reference to the provision of the Code of Official Conduct or law, rule, regulation, or other appropriate standard of conduct governing the performance of duties or discharge of responsibilities alleged to have been violated. A Statement of Alleged Violation may include offenses beyond those referenced in the Resolution of Preliminary Inquiry. A copy of such Statement shall be transmitted to the respondent and respondent's counsel.

(e) If the investigative subcommittee does not adopt a Statement of Alleged Violation, it shall transmit to the Committee a report containing a summary of the information received in the inquiry, its conclusions and reasons therefor, and any appropriate recommendations. The Committee shall transmit such report to the House of Representatives.

Rule 18. Respondent's answer

(a)(1) Within 30 days from the date of transmittal of a Statement of Alleged Violation, the respondent shall file with the investigative subcommittee an answer, in writing and under oath, signed by respondent and respondent's counsel. Failure to file an answer within the time prescribed shall be considered by the Committee as a denial of each count.

(2) The answer shall contain an admission to or denial of each count set forth in the Statement of Alleged Violation and may include negative, affirmative, or alternative defenses and any supportive evidence or other relevant information.

(b) The respondent may file a Motion for a Bill of Particulars within 15 days of the date of transmittal of the Statement of Alleged Violation. If a Motion for a Bill of Particulars is filed, the respondent shall not be required to file an answer until 15 days after the subcommittee has replied to such motion.

(c)(1) The respondent may file a Motion to Dismiss within 15 days of the date of transmittal of the Statement of Alleged Violation or, if a Motion for a Bill of Particulars has been filed, within 15 days of the date of the subcommittee's reply to the Motion for a Bill of Particulars. If a Motion to Dismiss is filed, the respondent shall not be required to file an answer until 15 days after the subcommittee has replied to the Motion to Dismiss.

(2) A Motion to Dismiss may be made on the grounds that the Statement of Alleged Violation fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct, or on the grounds that the Committee lacks jurisdiction to consider the allegations contained in the Statement.

(d) Any motion filed with the subcommittee pursuant to this rule shall be accompanied by a Memorandum of Points and Authorities.

(e)(1) The chairman of the investigative subcommittee, for good cause shown, may permit the respondent to file an answer or motion after the day prescribed above.

(2) If the ability of the respondent to present an adequate defense is not adversely affected and special circumstances so require, the chairman of the investigative subcommittee may direct the respondent to file an answer or motion prior to the day prescribed above.

(f) If the day on which any answer, motion, reply, or other pleading must be filed falls on a Saturday, Sunday or holiday, such filing shall be made on the first business day thereafter.

(g) As soon as practicable after an answer has been filed or the time for such filing has expired, the Statement of Alleged Violation and any answer, motion, reply or other pleading connected therewith shall be transmitted by the chairman of the investigative subcommittee to the Chairman and Ranking Minority Member of the Committee.

Rule 19. Disciplinary hearings

(a) If a Statement of Alleged Violation is transmitted to the Chairman and Ranking Minority Member pursuant to Rule 18, and no waiver pursuant to Rule 23(b) has occurred, the Chairman shall designate the members of the Committee who did not serve on the investigative subcommittee to serve on an adjudicatory subcommittee. The Chairman and Ranking Minority Member of the Committee shall be the chairman and ranking minority member of the adjudicatory subcommittee. The respondent shall be notified of the designation of the adjudicatory subcommittee and shall have ten days after such notice is transmitted to object to the participation of any subcommittee member. Such objection shall be in writing and shall be on the grounds that the member cannot render an impartial and unbiased decision. The member against whom the objection is made shall be the sole judge of his or her disqualification.

(b) A majority of the adjudicatory subcommittee membership plus one must be present at all times for the conduct of any business pursuant to this Rule.

(c) The adjudicatory subcommittee shall hold a Disciplinary Hearing to determine whether any counts in the Statement of Alleged Violation have been proved by clear and convincing evidence and shall make findings of fact, except where such violations have been admitted by respondent.

(d) At a Disciplinary Hearing the adjudicatory subcommittee may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, and other items as it deems necessary. Depositions, interrogatories, and sworn statements taken under any investigative subcommittee direction may be accepted into the hearing record.

(e) The procedures set forth in clause 2(k) of Rule XI of the Rules of the House of Representatives shall apply to Disciplinary Hearings. All such hearings shall be open to the public unless the adjudicatory subcommittee, pursuant to such clause, determines that the hearings or any part thereof should be closed.

(f)(1) The adjudicatory subcommittee shall, in writing, notify the respondent that respondent and his or her counsel have the right to inspect, review, copy, or photograph books, papers, documents, photographs, or other tangible objects that the adjudicatory subcommittee counsel intends to use as evidence against the respondent in a Disciplinary Hearing. Respondent shall be given access to such evidence, and shall be provided the names of witnesses the subcommittee counsel intends to call, and a summary of their expected testimony, no less than 15 calendar days prior to any such hearing. Except in extraordinary circumstances, no evidence may be introduced or witness called in a Disciplinary Hearing unless respondent has been afforded a prior opportunity to review such evidence or has been provided the names of the witnesses.

(2) After a witness called by subcommittee counsel has testified on direct examination at a Disciplinary Hearing, the Committee, at the request of the respondent, shall make available to the respondent any statement of the witness in the possession of the Committee which relates to the subject matter as to which the witness has testified.

(3) Any other testimony, statement, or documentary evidence in the possession of the Committee which is material to the respondent's defense shall, upon request, be made available to the respondent.

(g) No less than five days prior to the Disciplinary Hearing, respondent or counsel shall provide the adjudicatory subcommittee with the names of witnesses expected to be called, summaries of their expected testimony, and copies of any documents or other evidence proposed to be introduced.

(h) The respondent or counsel may apply to the subcommittee for the issuance of subpoenas for the appearance of witnesses or the production of evidence. The application shall be granted upon a showing by the respondent that the proposed testimony or evidence is relevant and not otherwise available to respondent. The application may be denied if not made at a reasonable time or if the testimony or evidence would be merely cumulative.

(i) During the Disciplinary Hearing, the procedures regarding the admissibility of evidence and rulings shall be as follows:

(1) Any relevant evidence shall be admissible unless the evidence is privileged under the precedents of the House of Representatives.

(2) The chairman of the subcommittee or other presiding member at an adjudicatory subcommittee hearing shall rule upon any question of admissibility or pertinency of evidence, motion, procedure, or any other matter, and may direct any witness to answer any question under penalty of contempt. A witness, witness's counsel, or a member of the subcommittee may appeal any evidentiary ruling to the members present at that proceeding. The majority vote of the members present at such proceeding on such an appeal shall govern the question of admissibility and no appeal shall lie to the Committee.

(3) Whenever a witness is deemed by a chairman or other presiding member to be in contempt of the subcommittee, the matter may be referred to the Committee to determine whether to refer the matter to the House of Representatives for consideration.

(4) Committee counsel may, subject to subcommittee approval, enter into stipulations with respondent and/or respondent's counsel as to facts that are not in dispute.

(j) Unless otherwise provided, the order of a Disciplinary Hearing shall be as follows:

(1) The chairman of the subcommittee shall open the hearing by stating the adjudicatory subcommittee's authority to conduct the hearing and the purpose of the hearing.

(2) The chairman shall then recognize Committee counsel and respondent's counsel, in turn, for the purpose of giving opening statements.

(3) Testimony from witnesses and other pertinent evidence shall be received in the following order whenever possible:

(i) witnesses (deposition transcripts and affidavits obtained during the Preliminary Inquiry may be used in lieu of live witnesses) and other evidence offered by the Committee counsel,

(ii) witnesses and other evidence offered by the respondent, and

(iii) rebuttal witnesses, as permitted by the chairman.

(4) Witnesses at a hearing shall be examined first by counsel calling such witness. The opposing counsel may then cross-examine the witness. Redirect examination and recross examination may be permitted at the chairman's discretion. Subcommittee members may then question witnesses. Unless otherwise directed by the chairman, such questions shall be conducted under the five-minute rule.

(k) A subpoena to a witness to appear at a hearing shall be served sufficiently in advance of that witnesses' scheduled appearance to allow the witness a reasonable period of time, as determined by the chairman of the adjudicatory subcommittee, to prepare for the hearing and to employ counsel.

(l) Each witness appearing before the subcommittee shall be furnished a printed copy of the Committee rules, the pertinent provisions of the Rules of the House of Representatives applicable to the rights of witnesses, and a copy of the Statement of Alleged Violation.

(m) Testimony of all witnesses shall be taken under oath or affirmation. The form of the oath or affirmation shall be: "Do you solemnly swear (or affirm) that the testimony you will give before this subcommittee in the matter now under consideration will be the truth, the whole truth, and nothing but the truth (so help you God)?" The oath or affirmation shall be administered by the Chairman or Committee member designated by the Chairman to administer oaths.

(n) At a Disciplinary Hearing the burden of proof rests on Committee counsel to establish the facts alleged in the Statement of Alleged Violation by clear and convincing evidence. However, Committee counsel need not present any evidence regarding any count that is admitted by the respondent or any fact stipulated.

(o) As soon as practicable after all testimony and evidence have been presented, the subcommittee shall consider each count contained in the Statement of Alleged Violation and shall determine by majority vote of its members whether each count has been proved. If a majority of the subcommittee does not vote that the count has been proved, a motion to reconsider that vote may be made only by a member who voted that the count was not proved. A count that is not proved shall be considered as dismissed by the subcommittee.

(p) The findings of the adjudicatory subcommittee shall be reported to the Committee.

Rule 20. Sanction hearing and consideration of sanctions or other recommendations

(a) If no count in a statement of Alleged Violation is proved, the Committee shall prepare a report to the House of Representatives, based upon the report of the adjudicatory subcommittee.

(b) If an adjudicatory subcommittee completes a Disciplinary Hearing pursuant to Rule 19 and reports that any count of the Statement of Alleged Violation has been proved, a hearing before the Committee shall be held to receive oral and/or written submissions by counsel for the Committee and counsel for the respondent as to the sanction the Committee should recommend to the House of Representatives with respect to such violations. Testimony by witnesses shall not be heard except by written request and vote of a majority of the Committee.

(c) Upon completion of any proceeding held pursuant to clause (b), the Committee shall consider and vote on a motion to recommend to the House of Representatives that the House take disciplinary action. If a majority of the Committee does not vote in favor of the recommendation that the House of Representatives take action, a motion to reconsider that vote may be made only by a member who voted against the recommendation. The Committee may also, by majority vote, adopt a motion to issue a Letter of Reproval or take other appropriate Committee action.

(d) If the Committee determines a Letter of Reproval constitutes sufficient action, the Committee shall include any such letter as a part of its report to the House of Representatives.

(e) With respect to any proved counts against a Member of the House of Representatives, the Committee may recommend to the House one or more of the following sanctions:

(1) Expulsion from the House of Representatives.

(2) Censure.

(3) Reprimand.

(4) Fine.

(5) Denial or limitation of any right, power, privilege, or immunity of the Member if under the Constitution the House of Representatives may impose such denial or limitation.

(6) Any other sanction determined by the Committee to be appropriate.

(f) With respect to any proved counts against an officer or employee of the House of Representatives, the Committee may recommend to the House one or more of the following sanctions:

(1) Dismissal from employment.

(2) Reprimand.

(3) Fine.

(4) Any other sanction determined by the Committee to be appropriate.

(g) With respect to the sanctions that the Committee may recommend, reprimand is appropriate for serious violations, censure is appropriate for more serious violations, and expulsion of a Member or dismissal of an officer or employee is appropriate for the most serious violations. A recommendation of a fine is appropriate in a case in which it is likely that the violation was committed to secure a personal financial benefit; and a recommendation of a denial or limitation of a right, power, privilege, or immunity of a Member is appropriate when the violation bears upon the exercise or holding of such right, power, privilege, or immunity. This clause sets forth general guidelines and does not limit the authority of the Committee to recommend other sanctions.

(h) The Committee report shall contain an appropriate statement of the evidence supporting the Committee's findings and a statement of the Committee's reasons for the recommended sanction.

Rule 21. Disclosure of exculpatory information to respondent

If the Committee, or any investigative or adjudicatory subcommittee at any time receives any exculpatory information respecting a Complaint or Statement of Alleged Violation concerning a Member, officer, or employee of the House of Representatives, it shall make such information immediately known and available to the Member, officer, or employee.

Rule 22. Rights of respondents and witnesses

(a) A respondent shall be informed of the right to be represented by counsel, to be provided at his own expense.

(b) A respondent may seek to waive any procedural rights or steps in the disciplinary process. A request for waiver must be in writing, signed by the respondent, and must detail what procedural steps respondent seeks to waive. Any such request shall be subject to the acceptance of the Committee or subcommittee, as appropriate.

(c) Witnesses shall be afforded a reasonable period of time, as determined by the Committee or subcommittee, to prepare for the hearing and to obtain counsel.

(d) Except as otherwise specifically authorized by the Committee, no Committee member or staff member shall disclose to any person outside the Committee the name of any witness subpoenaed to testify or to produce evidence.

(e) Prior to their testimony, witnesses shall be furnished a printed copy of the Committee's Rules of Procedure and the provisions of the Rules of the House of Representatives applicable to the rights of witnesses.

(f) Witnesses may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights. The Chairman may punish breaches of order and decorum, and of professional responsibility on the part of counsel, by censure and exclusion from the hearings; and the Committee may cite the offender to the House of Representatives for contempt.

(g) Each witness subpoenaed to provide testimony or other evidence shall be provided such travel expenses as the Chairman considers appropriate. No compensation shall be authorized for attorney's fees or for a witness' lost earnings.

(h) In the course of a Committee proceeding, a witness may be provided a copy of his or her deposition or other testimony if a written request is made, and if the witness and counsel (if retained) agree in writing to maintain confidentiality respecting the content of any executive session proceedings covered by such transcript.

Adopted May 22, 1991.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ENGEL (at the request of Mr. GEPHARDT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WHEAT) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BROWN, for 60 minutes, on June 3.

Mrs. COLLINS of Illinois, for 60 minutes each day on June 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 17, 18, 19, 20, 21, 24, 25, 26, 27, and 28.

(The following Members (at the request of Mr. GUNDERSON) to revise and extend their remarks and include extraneous material:)

Mr. WASHINGTON, for 60 minutes, on June 3.

Mr. TOWNS, for 60 minutes, on June 3.

Mr. MFUME, for 60 minutes, on June 3.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. COLEMAN of Missouri, in the House today immediately prior to vote on H.R. 2426.

(The following Members (at the request of Mr. RIGGS) and to include extraneous matter:)

Mr. SOLOMON.
Mr. GINGRICH.
Mr. BALLENGER.
Mr. GALLEGLY.
Mr. RINALDO.
Mr. DAVIS.
Mr. BROOMFIELD.
Mr. CAMP.
Mr. GILLMOR.
Mr. GOODLING in two instances.

(The following Members (at the request of Mr. WHEAT) and to include extraneous matter:)

Mr. WOLPE.
Mr. MATSUI.
Mr. YATRON in two instances.
Mrs. COLLINS of Illinois.
Mr. MAZZOLI in two instances.
Mr. STARK.
Mr. APPLEGATE.
Mr. RICHARDSON.
Mr. MAVROULES.

ENROLLED BILLS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 232. An act to amend title 38, United States Code, with respect to veterans programs for housing and memorial affairs, and for other purposes;

H.R. 831. An act to designate the Owens Finance Station of the U.S. Postal Service in Cleveland, OH, as the "Jesse Owens Building of the United States Postal Service";

H.R. 2127. An act to amend the Rehabilitation Act of 1973 to extend the programs of such act, and for other purposes; and

H.R. 2251. An act making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes.

ADJOURNMENT

Mr. GUNDERSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 45 minutes p.m.), under its previous order, the House adjourned until Monday, June 3, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1398. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of establishing standards and specifications for agricultural products; to the Committee on Agriculture.

1399. A letter from the Director, Environmental Restoration and Management, Department of Energy, transmitting a design report on a formal priority system for environmental restoration; to the Committee on Appropriations.

1400. A letter from the Chief, Legislative Liaison, Department of the Army, transmitting notification of the decision not to convert to contractor performance and to retain the in-house operation of the logistics services function at the Sacramento District, USACE, pursuant to Public Law 100-463, section 8061 (102 Stat. 2270-27); to the Committee on Armed Services.

1401. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 37, United States Code, to permit members of the uniformed services and their dependents to defer travel authorized in conjunction with a consecutive overseas tour for up to 1 year; to the Committee on Armed Services.

1402. A letter from the Secretary of the Navy, transmitting notification of the Navy's intention to construct a research and development underwater explosion test facility at Aberdeen Proving Grounds; to the Committee on Armed Services.

1403. A letter from the Secretary of Housing and Urban Development, transmitting the Department's eighth annual report on the Congregate Housing Services Program covering fiscal year 1989, pursuant to 42 U.S.C. 8007(b); to the Committee on Banking, Finance and Urban Affairs.

1404. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Venezuela, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

1405. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Venezuela, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

1406. A letter from the Secretary of Housing and Urban Development, transmitting a study of housing developed under section 202 of the Housing Act of 1959 and a statistically significant sample of housing assisted under section 8 of the U.S. Housing Act of 1937 to determine existing funds contained in residual receipt accounts; to the Committee on Banking, Finance and Urban Affairs.

1407. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the activities of the U.S. Travel and Tourism Administration for fiscal year 1992; to the Committee on Energy and Commerce.

1408. A letter from the Secretary of State, transmitting a report regarding the continuing human rights violations by the Republic of Serbia; to the Committee on Foreign Affairs.

1409. A letter from the Secretary, Department of the Interior, transmitting the semiannual report of the Department's Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1410. A letter from the Inspector General, Corporation for Public Broadcasting, transmitting the semiannual report of activities of the Inspector General covering the period October 1, 1990 to March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1411. A letter from the Chairman, National Credit Union Administration, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1412. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1413. A letter from the Comptroller General, General Accounting Office, transmitting a report and recommendation concerning the claim of Ms. Olufunmilayo O. Omokaye, who performed services for the National Labor Relations Board, pursuant to 31 U.S.C. 3702(d); to the Committee on the Judiciary.

1414. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the 1990 annual report of the Director of the Administrative Office of the U.S. Courts together with the March and September proceedings of the Judicial Conference of the United States held during 1990, pursuant to 28 U.S.C. 604 (a)(4), (h)(2), 2412(d)(5); 28 U.S.C. 331; to the Committee on the Judiciary.

1415. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the Secretary of Transportation to deny or revoke an endorsement on a document issued under chapter 121 of title 46, United States Code, to a vessel whose owner has not paid an assessment of a civil penalty after final agency action, and for other purposes; to the Committee on Merchant Marine and Fisheries.

1416. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend rules 1 and 8 in the Inland Navigational Rules Act of 1980 (33 U.S.C. chapter 2001 et seq.) in order to conform them to the International Regulations for Preventing Collisions at Sea, 1972; to the Committee on Merchant Marine and Fisheries.

1417. A letter from the Chairman, Interstate Commerce Commission, transmitting a draft of proposed legislation to amend title 49, United States Code, to impose a 1-year moratorium on rate tariff filing requirement for motor common carriers of property, and for other purposes; to the Committee on Public Works and Transportation.

1418. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to improve the housing loan program for veterans by reducing administrative regulation, enhancing the financial solvency of such program, and for other purposes; to the Committee on Veterans' Affairs.

1419. A letter from the Acting Chairman, U.S. International Trade Commission, transmitting its annual report for fiscal year 1990, pursuant to 19 U.S.C. 1332(g); to the Committee on Ways and Means.

1420. A letter from the Administrator, Agency for International Development, transmitting a report in compliance with section 513 providing its wind-up plan for its economic assistance activities as they apply to Thailand, as a result of the military coup there in February 1991; jointly, to the Committees on Appropriations and Foreign Affairs.

1421. A letter from the Secretary of Defense, transmitting a draft of proposed legislation to streamline the facilities infrastructure of the U.S. Army Corps of Engineers, and for other purposes; jointly, to the Committees on Armed Services and Public Works and Transportation.

1422. A letter from the Secretary, Department of Veterans Affairs, transmitting the fourth annual report on the administration of the Montgomery G.I. Bill Educational Assistance Program, pursuant to 38 U.S.C. 1436; jointly, to the Committees on Veterans' Affairs and Armed Services.

1423. A letter from the Director, Congressional Budget Office, transmitting a report on government-sponsored enterprises, pursuant to Public Law 101-508, section 13501(c)(1) (104 Stat. 1388-629); jointly to the Committees on Agriculture, Banking, Finance and Urban Affairs, and Education and Labor.

1424. A letter from the Acting Secretary of Treasury, transmitting draft of proposed legislation for three bills; jointly, to the Committees on Banking, Finance and Urban Affairs, Education and Labor, Agriculture, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FAZIO. Committee on Appropriations. H.R. 2506. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102-82). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. APPLEGATE (for himself, Mr. STOKES, Mr. MOLLOHAN, Mr. DARDEN, Mr. KOLTER, Mr. ROE, Mr. MCEWEN, Mr. HYDE, Mr. BOEHLERT, Mr. MURTHA, Mr. MURPHY, and Mr. GAYDOS):

H.R. 2492. A bill to amend the Internal Revenue Code of 1986 to repeal the provison which includes unemployment compensation in income subject to tax; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 2493. A bill to amend the Internal Revenue Code of 1986 to extend the principal campaign committee of any candidate for elective public office the same graduated tax rates which apply to the principal campaign committee of a candidate for Congress; to the Committee on Ways and Means.

By Mr. ESPY:

H.R. 2494. A bill to provide disaster assistance for agricultural producers who suffer losses to 1991 crops as a result of damaging weather or other related condition; to the Committee on Agriculture.

By Mr. GOODLING:

H.R. 2495. A bill to expand and strengthen Federal programs by providing incentives to encourage individuals to enter the teaching profession, and for other purposes; to the Committee on Education and Labor.

By Mr. GOODLING (for himself, Mr. GUNDERSON, Ms. MOLINARI, and Mr. HENRY):

H.R. 2496. A bill to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, to establish the Youth Opportunities Unlimited Program, and for other purposes; to the Committee on Education and Labor.

By Ms. KAPTUR:

H.R. 2497. A bill to require that certain information relating to nursing home aides and home health care aides be collected by the National Center for Health Statistics and the Bureau of Labor Statistics, and for other purposes; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. KOSTMAYER:

H.R. 2498. A bill to prohibit certain arms transactions with countries that maintain or participate in the maintenance of any boycott related list of U.S. persons in violation of U.S. law; to the Committee on Foreign Affairs.

By Mr. MATSUI (for himself and Mr. VANDER JAGT):

H.R. 2499. A bill to amend the Internal Revenue Code of 1986 to clarify that section 457 does not apply to nonelective deferred compensation; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 2500. A bill to amend title XVIII of the Social Security Act to provide for coverage of certain prescription drugs under part B of the Medicare program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. JONTZ (for himself and Mr. RAVENEL):

H.R. 2501. A bill to provide for the full recovery of the Federal Government's costs of selling timber on national forest lands, to require site-specific identification of national forest lands that are not economically suitable for timber harvesting, to remove that land from the suitable timber base and make associated adjustments in the allowable sale quantity, to assist in the economic transition of timber dependent communities, and for other purposes; to the Committee on Agriculture.

By Mr. RICHARDSON:

H.R. 2502. A bill to establish the Jemez National Recreation Area in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WALSH:

H.R. 2503. A bill to amend the Federal Election Campaign Act of 1971 to impose a $200 cap on contributions from a single source in a House of Representatives election, and for other purposes; jointly, to the Committees on House Administration, Ways and Means, and Rules.

By Mr. WOLPE (for himself, Mr. WILLIAMS, and Mr. RANGEL):

H.R. 2504. A bill entitled the "Educational Exchanges Enhancement Act of 1991"; to the Committee on Foreign Affairs.

By Mr. ZIMMER (for himself, Mr. ANDREWS of New Jersey, Mr. DWYER of New Jersey, Mr. GALLO, Mr. GUARINI, Mrs. ROUKEMA, Mr. SAXTON, and Mr. SMITH of New Jersey):

H.R. 2505. A bill to impose a 10-year moratorium on oil and gas leasing in certain areas off the coast of New Jersey; to the Committee on Interior and Insular Affairs.

By Mr. SOLOMON (for himself, Mr. MARKEY, Mr. ROSE, Mr. SCHULZE, Mr. JENKINS, Mr. DONNELLY, Mr. HUNTER, Mr. FRANK of Massachusetts, Mr. RAVENEL, Mr. KASICH, Mr. BURTON of Indiana, Mr. HOPKINS, Mr. WALSH, Mr. APPLEGATE, Mr. ROHRABACHER, Mr. KOLTER, and Ms. PELOSI):

H.J. Res. 263. Joint resolution disapproving the extension of nondiscriminatory treatment, (most-favored-nation treatment) to the products of the People's Republic of China; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

149. By the SPEAKER: Memorial of the Legislature of the State of Florida, relative to developing alcohol fuels for motor vehicles; to the Committee on Energy and Commerce.

150. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to financial support to Bangladesh; to the Committee on Foreign Affairs.

151. Also, memorial of the Legislature of the State of Florida, relative to information on POW/MIA's; to the Committee on Government Operations.

152. Also, memorial of the Senate of the State of Indiana, relative to the desecration of the U.S. flag; to the Committee on the Judiciary.

153. Also, memorial of the House of Representatives of the State of Hawaii, relative to revoking driver's licenses of drug offenders; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 317: Mr. DWYER of New Jersey.

H.R. 500: Mr. BEREUTER.

H.R. 552: Mr. MARKEY.

H.R. 583: Mr. OWENS of Utah.

H.R. 696: Mr. NEAL of Massachusetts and Mr. SANTORUM.

H.R. 709: Mr. BACCHUS, Mr. JEFFERSON, Mr. ROGERS, and Ms. MOLINARI.

H.R. 736: Mr. LENT.

H.R. 786: Mr. MORAN and Mr. STUDDS.

H.R. 830: Mr. OWENS of Utah.

H.R. 939: Mr. HARRIS and Mr. DICKINSON.

H.R. 1080: Mr. BLILEY, Mr. GALLEGLY, Mr. CRANE, Mr. LENT, Mr. ROGERS, Mr. BLAZ, Mr. MOORHEAD, Ms. ROS-LEHTINEN, Mr. MCEWEN, Mr. WELDON, and Mr. TRAFICANT.

H.R. 1184: Mr. BAKER, Mr. VALENTINE, and Mr. KYL.

H.R. 1197: Mr. KILDEE, Mr. MOLLOHAN, Mr. PETERSON of Florida, Mr. STAGGERS, and Mr. WILLIAMS.

H.R. 1288: Mr. FORD of Tennessee, Mr. LANCASTER, Mr. DIXON, Mr. MCMILLEN of Maryland, and Mr. JEFFERSON.

H.R. 1345: Mr. COMBEST, Mr. VALENTINE, and Mr. HYDE.

H.R. 1360: Mr. SKAGGS and Mr. VENTO.

H.R. 1361: Mr. GORDON and Mr. PARKER.

H.R. 1400: Mr. WALKER, Mr. STUMP, Mr. TAYLOR of North Carolina, Mr. GRADISON, and Mr. RITTER.

H.R. 1414: Mrs. MINK.

H.R. 1454: Ms. PELOSI, Mr. SISISKY, Mr. MAZZOLI, Mr. STALLINGS, Mr. MACHTLEY, and Mr. ROYBAL.

H.R. 1502: Mr. Dixon, Mr. Wheat, Mr. Wilson, Mr. Payne of New Jersey, Mr. Ackerman, Mr. Ramstad, Mr. Swett, and Ms. DeLauro.

H.R. 1516: Mr. Hoagland, Mr. Nagle, and Mr. Tauzin.

H.R. 1568: Mr. Martinez.

H.R. 1598: Mr. Bereuter, Mr. Schiff, Mr. Sensenbrenner, Mr. Jones of North Carolina, Mr. Saxton, Mrs. Unsoeld, and Mr. Burton of Indiana.

H.R. 1662: Mr. Mfume, Mr. Ackerman, Mr. Roybal, Mr. Gordon, and Mr. LaFalce.

H.R. 1755: Mr. Nichols.

H.R. 1914: Mr. Faleomavaega, Mr. Rangel, Mr. Hayes of Illinois, Mr. Berman, and Mr. Serrano.

H.R. 1970: Mr. Fish.

H.R. 2027: Mr. Lagomarsino, Mr. Scheuer, and Mr. Inhofe.

H.R. 2063: Mr. Jefferson.

H.R. 2201: Mr. Hertel, Mr. Lancaster, and Mr. Fish.

H.R. 2233: Mr. Jontz and Mr. Rose.

H.R. 2240: Mr. Bereuter, Mr. Evans, Mr. Johnson of South Dakota, Mr. Montgomery, Mr. Rahall, Mr. Smith of Texas, Mr. Wilson, Mr. Rose, and Mrs. Mink.

H.R. 2274: Mrs. Meyers of Kansas.

H.R. 2354: Mr. Berman, Ms. Ros-Lehtinen, Mr. Smith of Florida, Mr. Bonior, Mr. Stark, Mr. Martinez, Mr. Frost, Mr. Synar, Ms. Pelosi, Mr. Ackerman, and Mr. Klug.

H.R. 2386: Mr. Chapman, Mr. Smith of Florida, Mr. Henry, and Mr. DeFazio.

H.R. 2448: Mr. Applegate, Mr. Baker, Mr. Bateman, Mrs. Bentley, Mr. Bilirakis, Mr. Condit, Mr. Coughlin, Mr. Coyne, Mr. Davis, Mr. Dornan of California, Mr. Edwards of Oklahoma, Mr. Franks of Connecticut, Mr. Gaydos, Mr. Geren of Texas, Mr. Gingrich, Mr. Goss, Mr. Holloway, Mr. Hunter, Mr. Hyde, Mr. Ireland, Mrs. Johnson of Connecticut, Mr. Kolbe, Mr. Kostmayer, Mr. Lightfoot, Mr. Machtley, Mr. McCloskey, Mr. McCrery, Mr. McGrath, Mrs. Meyers of Kansas, Mr. Montgomery, Mr. Murphy, Mr. Parker, Mr. Pursell, Mr. Riggs, Ms. Ros-Lehtinen, Mrs. Roukema, Mr. Russo, Mr. Schulze, Mr. Shays, Mr. Shuster, Mr. Skeen, Mr. Solomon, Mr. Smith of New Jersey, Mr. Spence, Mr. Spratt, Mr. Stenholm, Mr. Taylor of Mississippi, Mr. Traficant, Mr. Wise, Mr. Kolter, Mr. Campbell of Colorado, Mr. Dannemeyer, Mr. Vander Jagt, Mr. Slattery, Mr. McEwen, Mr. Zimmer, Mrs. Byron, Mrs. Collins of Illinois, Mr. Fawell, Mr. Gunderson, Mr. Mfume, Mr. Rohrabacher, Mr. Scheuer, Mr. Stearns, Mr. Torricelli, and Mr. Wolf.

H.R. 2460: Mr. Lowery of California and Mr. McEwen.

H.J. Res. 219: Mr. Smith of Oregon, Mr. Mineta, Mr. Hammerschmidt, Mr. Cardin, Mr. Jones of North Carolina, Mr. Costello, Mr. Scheuer, and Mr. Jones of Georgia.

H.J. Res. 243: Mr. Ritter, Mr. Fuster, Mr. Clement, Mr. Guarini, Mr. Callahan, Mr. Emerson, Mr. Jones of Georgia, Mr. DeFazio, Mr. Lipinski, Mr. McNulty, Mr. Fazio, Mr. Jontz, Mr. Rangel, Mr. Dellums, Mr. Owens of Utah, Mr. Espy, Mr. Bonior, Mr. Waxman, Mr. Moorhead, Mr. Mineta, Mr. Lancaster, Mr. Shays, Mr. Bennett, Mr. Walsh, Ms. Slaughter of New York, Mr. Faleomavaega, Mrs. Lowey of New York, and Mr. Hayes of Louisiana.

H. Con. Res. 30: Mr. Solomon.

H. Con. Res. 91: Mr. Sikorski and Mr. Beilenson.

H. Con. Res. 113: Mr. Eckart, Mr. Jontz, Mr. Thomas of Georgia, Mr. Mfume, and Mr. AuCoin.

H. Con. Res. 118: Mr. Faleomavaega and Mr. Emerson.

H. Con. Res. 130: Mr. Hertel.

H. Con. Res. 160: Mr. Abercrombie, Mr. McCloskey, Mr. DeFazio, Mr. Kopetski, Mrs. Lowey of New York, Ms. Waters, Mr. Evans, Mr. Andrews of New Jersey, Mr. Serrano, Ms. Slaughter of New York, and Mr. Lewis of Georgia.

H. Res. 40: Ms. Norton.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 20: Mr. Dickinson.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

84. The SPEAKER presented a petition of the Town Council, Coupeville, WA, relative to the base closure at Whidbey Island Naval Air Station; which was referred to the Committee on Armed Services.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE TEACHER LEADERSHIP ACT OF 1991

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. GOODLING. Mr. Speaker, today I introduced the Teacher Leadership Act of 1991 which is designed to recognize teachers in the classroom as the men and women who must be at the forefront of leading our schools into the 21st century. This bill will promote activities that will expand the diversity and skills of our teaching force and that will provide opportunities for professional development and training for both perspective and practicing teachers.

There has been much debate about whether this Nation is facing, or will face, a shortage of qualified teachers that will cripple our schools. While a consensus seems to have developed that there will not be an overall shortage of teachers, it is clear that there will be a lack of special categories of teachers, most acutely minority teachers. The demographic data indicates that while 30 percent of our student population is minority, minority teachers make up only 10 percent of our teaching force. This disparity is expected to grow as we enter the next century. I strongly believe that the lack of minority role models and the lack of a minority presence in the classroom limits the educational experience of all children.

The Teacher Leadership Act responds to this problem with two programs, University Partnerships for Classroom Leadership and Community Partnerships for Classroom Leadership—the national mini corps—which are designed both to bring minority college students into local classrooms to act as mentors and role models and to encourage those students to enter the teaching profession. The act also contains a national job bank study and demonstration which will match schools that are seeking to expand the diversity of their teaching ranks with teachers who are looking for new opportunities.

The Teacher Leadership Act also recognizes the need for practicing teachers to expand the range of expertise that they can offer to their students and the availability of new skills and expertise among professionals who are not currently practicing teachers. Thus, the act contains a model program called Business Partnerships for Classroom Leadership that encourages schools to work with their local business community to bring new ideas and expertise into the classroom and to provide opportunities for teachers to develop new skills. The act also recognizes that a State's requirements for certification and licensure can be a tool both for elevating the teaching profession and for promoting the development of new expertise among the teaching force. The act will provide Federal support and technical assistance to States to review their procedures for certification and licensure and to determine if they need to be redesigned or if alternative routes to certification and licensure need to be developed.

Finally, the Teacher Leadership Act of 1991 recognizes that the business of education is always evolving and the needs of, and the demands on, classroom teachers are always changing. The act provides for the establishment of a CLASS Academy in each State which would work with local education agencies and institutions of higher education to develop and implement preservice training programs for prospective teachers and inservice training programs and professional development activities for practicing teachers which focus both on the study of subject matter and methodology. The act would also support research, evaluation and dissemination of alternative teaching strategies and innovative programs for teacher education.

Mr. Speaker, teachers in the classroom are the leaders on the frontline of the educational reform movement that aims to transform our Nation's schools. The Teacher Leadership Act of 1991 recognizes the integral role that classroom teachers must play and provides them with some of the tools and strategies that will enable them to perform their leadership role in this century and beyond. A detailed summary of the act will follow my statement and I hope you will all join me in supporting our Nation's teachers.

TEACHER LEADERSHIP ACT OF 1991

TITLE I. TEACHER RECRUITMENT

Part A—University Parterships for Classroom Leadership

This part would provide grants to historically black colleges and universities and Title III institutions (institutions with large enrollments of minority or disadvantaged students) to set up partnerships with local education agencies both to establish a presence of minority role models in the classroom and to encourage minority students to enter the field of teaching. Grants will be awarded to qualifying institutions on a competitive basis and the amount awarded to an institution will be based on the number of Chapter 1 students to be served in the LEA and the number of graduates at the institution in the preceding school year. Applications will contain a written partnership agreement between the university or college and the LEA, detail the extent to which students and classroom teachers are involved in the development of the program, describe the program or activities to be undertaken by the partnership, and describe the recruitment and training of participants.

Part B—Community Partnerships for Classroom Leadership

This part would provide grants to institutions of higher education to establish partnerships with the migrant community by carrying out the national mini corps program. This program would involve migrant students in instructional and recreational activities in the migrant community and would encourage migrant students to enter the field of teaching. Grants would be awarded on a competitive basis with the amount dependent on the number of children participating in the corps' activities who participate in the migrant program under the Elementary and Secondary Education Act and on the number of migrant students enrolled in the IHE. IHE's would be required to submit an application which provides a description of the programs and activities to be undertaken by the corps, a written agreement with the state or local education agency in which migrant children with special needs have been identified, and a description of the strategies that will be employed to engage the migrant community.

Part C—National Job Bank for Teacher Recruitment Study and Demonstration

This part would provide for a study of the feasibility of establishing a clearinghouse to operate a national teacher job bank and for the establishment of several regional teacher job bank clearinghouses as a demonstration program. Priority for funding will be given to clearinghouses which involve the cooperation of several State educational agencies and institutions of higher education or which demonstrate an ability to address shortages of teachers (e.g. minority, special education, bilingual or math/science teachers).

TITLE II. EXPANDING THE DIVERSITY OF SKILLS AND EXPERTISE OF TEACHERS

Part A—Business Partnerships for Classroom Leadership

This part would provide funding to local education agencies to establish partnerships with the business community both to allow representatives of local businesses and firms to work with classroom teachers to provide instruction in subject area where the expertise of the teacher could be supplemented (e.g. computer programming, law, business management) and to provide opportunities for classroom teachers to work in local businesses or firms to gain practical experience or to develop new skills or expertise. This would be set up as a model program to provide Federal support for such partnerships with the intention that they will eventually be entirely privately financed. Priority will be given to partnerships that focus on the development of the mathematics or science expertise of classroom teachers, particularly those at the elementary grades.

Part B—Teacher Certification and Licensure

This part would provide Federal financial support and technical assistance to State educational agenices to review their requirements for teacher certification and licensure and to determine whether new standards for certification and licensure or alternative routes to certification and licensure need to be developed. Each State would be eligible for a one-time allotment based on the State's share of the total population of children ages 5 through 17 in all the States. LEA's would be required to submit an application describing the review process that will be undertaken, consultation with appropriate parties, procedures for ongoing review, and the process for developing new requirements.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TITLE III. INNOVATIONS IN THE PRACTICE OF TEACHING

Part A—CLASS Academies (Classroom Leaders Assisting Students to Succeed)

This part would provide Federal seed money to establish teacher academies in each State to operate in conjunction with the LEAD centers which currently operate in each State. The CLASS academies would be required to make their services available to all classroom teachers within the State, to work with IHE's and LEA's to develop and implement preservice training programs for prospective teachers and in-service training programs and professional development activities for practicing teachers, and to provide technical assistance to schools within the State developing on-site training programs. The CLASS academies woud be required to coordinate their activities with the LEAD centers so teachers and administrators are involved in a joint effort to improve our nations' schools, to evaluate the program and activities conducted by the academies, and to make information concerning programs, activities or research conducted by the academy available through the National Diffusion Network.

Part B—Research, Evaluation and Dissemination

This part would authorize the Secretary to make grants to, or enter into contracts or cooperative agreements with, IHE's or public or private agencies and organizations for research and evaluation of alternative teaching strategies, including strategies designed to reach disadvantaged students, students with disabilities or students with limited English proficiency, and innovative programs for teacher education and training. It would also authorize the Secretary to provide for dissemination of these ideas through the National Diffusion Network to IHE's and the CLASS Academies.

PROLIFERATION PROFITEERS: PART 18

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. STARK. Mr. Speaker, today I am placing into the CONGRESSIONAL RECORD the 18th in my series of case studies on foreign firms which have aided the nuclear weapons program of developing countries. These studies have been prepared by the Emerging Nuclear Suppliers and Nonproliferation project at the Monterey Institute for International Studies.

Today's case study concerns a German national who, as a middle man, helped aid the nuclear weapons programs of such countries as India, Pakistan, Argentina, and South Africa. For years we complained to the German Government to do something, and for years they did nothing.

I have introduced legislation that would hit these proliferation profiteers directly. Under my bill, (H.R. 830) any foreign firm which exports nuclear equipment, materials, or technology or dual-use nuclear items without the proper safeguards will have its goods barred from entering the United States. We can take away the world's largest and richest market from these nuclear wheelers and dealers.

TWELVE FOREIGN FIRMS REPORTEDLY ENGAGED IN INTERNATIONAL NUCLEAR WEAPONS-RELATED TRADE[1]

FIRM 6: ALFRED HEMPEL GMBH (GERMANY)

Alfred Hempel GmbH was the chief concern, until his death in 1989, of former Nazi officer Alfred Hempel. Through his company, and a network of subsidiaries, namely Rohstoff Einfuhr GmbH of Germany and Orda AG of Switzerland, Hempel conducted a lucrative import/export trade in nuclear materials. According to numerous sources, the firm often operated at or beyond the fringe of legality. Other Hempel German subsidiaries included Fundus GmbH, Inter-Nuclear Service Society for Waste Disposal (implicated in the Nukem-Transnuklear scandal), Isotron, IRE Diagnostic, GB Chemicals, and Kapp Chemicals. Hempel's foreign subsidiaries also included Pomera AG and Inter-Nuclear Service AG (both of Switzerland) as well as two mining firms in Namibia. Outside Germany and Switzerland, Hempel maintained offices in Argentina, the People's Republic of China, the Soviet Union, and the United States.

Hempel activities included the purchase of heavy water from countries such as Norway, the PRC, and the Soviet Union for export to countries such as Argentina, India, and Pakistan. Heavy water is used as a coolant in some nuclear reactors that produce plutonium as a byproduct—one of two possible nuclear weapons core ingredients. In one case, Hempel allegedly arranged the transfer of 100 tons of heavy water from the PRC to India. The company is also believed to have brokered the $90 million sale and shipment of between four and six tons of Chinese enriched uranium to South Africa for use in its nuclear facilities while Western suppliers were boycotting the country. U.S. officials protested Hempel's transactions to the German government on several occasions, as did Norway and Switzerland, but to no avail.

Sources: *Christian Science Monitor*, 7/8/88, pp. 1, 14 by E.A. Wayne; *Nuclear Fuel*, 7/25/88, pp. 7–8 by Mark Hibbs; *Der Spiegel*, 1/18/88, pp. 18–30, 10/17/88, pp. 22–26; *Die Tageszeitung*, 10/7/89, pp. 14–15 by Thomas Scheuer; *Wall Street Journal*, 1/3/88, pp. 1, 6, 6/21/88, p. 34 by John J. Fialka; *Die Zeit*, 10/21/88 by Wolfang Hoffman.

TRIBUTE TO REV. JOSEPH D. FORGOTCH

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. YATRON. Mr. Speaker, I rise today to honor Rev. Joseph D. Forgotch who will celebrate the 50th anniversary of his ordination to the priesthood on June 8, 1991. I am proud to be able to come here before the House and tell you about this outstanding citizen.

Ordained to the priesthood on June 7, 1941, Father Forgotch celebrated his first Mass on June 8, 1941, in St. Mary's Church in Mahanoy City, PA. His first appointment was at a Harrisburg Diocese which was followed by a year of service to St. Mary's Church in Shamokin, PA. He was subsequently transferred to be assistant pastor at St. Joseph's Church Frackville. While at St. Joseph's among other things, he was responsible for the organization and presentation of minstrel shows which were presented annually. In 1956, he was appointed curate at St. Barnabas Church in Philadelphia, and in February 1958, was made pastor of St. Mary's Church, Ringtown. During his tenure at St. Mary's Ringtown, Father Forgotch was instrumental in developing a very successful CYO basketball program. In March 1966, Father Forgotch was appointed to become a member of the Dioceasan Liturgical Committee. During Father Forgotch's 50 years with the church, he has been a member of many congregations in various cities and towns. Throughout this half-century of service Father Forgotch has had a tremendous impact on all of the lives he touched.

Mr. Speaker, it is a great honor to recognize the Reverend Joseph D. Forgotch before you and my colleagues here in the House of Representatives. As Father Forgotch celebrates 50 years of outstanding service to the church and the community, I would like to thank him for all he has done and wish him the best of luck in the future.

TRIBUTE TO REID BROWN

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. DARDEN. Mr. Speaker, President Lyndon B. Johnson in 1965 in a special message to Congress expressed the importance of education and its relevancy to the continued prosperity of our Nation this way:

> Every child must be encouraged to get as much education as he has the ability to take. We want this not only for his sake—but for the Nation's sake. Nothing matters more to the future of our country; not military preparedness—for armed might is worthless if we lack the brain power to build a world of peace; not our productive economy—for we cannot sustain growth without trained manpower; not our democratic system of government—for freedom is fragile if citizens are ignorant.

When I read these words, the efforts of one of Georgia's most dedicated and respected educators come to mind—those on behalf of Reid Brown. Principal at West Side School since 1969 and Marietta city schools teacher and administrator for the past 35 years, Mr. Brown has devoted his life to education in hopes that, as a result, greater opportunities will be offered to the young people of this State. And in return, these youngsters will be able to give back to the world through what they have earned and learned. It is with regret, yet pride, that we watch Mr. Brown retire this year.

Born in Gainesville, GA, Mr. Brown lived in Dewey Rose, Elbert and Newnan, GA before moving to Marietta where he attended first grade at Waterman Street School. He was graduated from Osborne High School which at that time consisted of only 11 grades.

While attending the University of Georgia and Carson Newman College, Mr. Brown learned more than anything else he wanted to make a difference in the lives of others. He chose to pursue this goal through teaching. After earning a degree in education, Mr. Brown joined Marietta city schools in 1956. During his career, he served as an 8th grade math teacher at Marietta High School and at Park Street Elementary, principal at Waterman Street School, and principal for 22 years at West Side. In 1985, West Side was selected as a school of excellence, the first Marietta City School to be so chosen.

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[1] These case studies were compiled by Cameron Binkley from articles held in the Emerging Nuclear Suppliers and Nonproliferation Project database. The validity of information contained within each case study is based solely upon its original sources.

Mr. Brown has been a teacher, a leader, a mentor, but most of all a friend—to young and old—during his years in the Marietta schools system. Whether dressed up as "The Cat in the Hat" for Storybook Characters Dress Up Day with the children or working with other teachers and school administrators for improving the delivery of education in our State, Mr. Brown will long be remembered for his personal and professional contributions. We wish him well in his retirement. The lives of many of us, especially his students, have been enriched because he reached out to touch us.

THOMAS JEFFERSON MIDDLE SCHOOL AND THE BILL OF RIGHTS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. MAZZOLI. Mr. Speaker, for 4 years, students at Thomas Jefferson Middle School in my hometown of Louisville, KY, have been working on "Project Liberty" to celebrate the bicentennial of the Bill of Rights to the Constitution, which will occur on December 15, 1991.

These outstanding students—led by Angel Burke, Melissa Durbin, Amanda Milstead, and Rhonda Wells—have succeeded in having legislation passed by the Kentucky General Assembly requiring the Bill of Rights to be displayed in every classroom in our Commonwealth.

Also at the behest of the students, the Kentucky General Assembly passed a resolution encouraging other States to join the Commonwealth in posting the Bill of Rights in classrooms.

I commend and congratulate these Thomas Jefferson Middle School students, their teachers, faculty advisers, and parents on their efforts to honor and celebrate the bicentennial of the Bill of Rights, the first 10 amendments to the Constitution which ensure basic human and civil rights and freedom and liberty for all U.S. citizens.

I encourage my colleagues in the House to support similar programs in their districts.

DEPARTMENT OF LABOR JTPA AMENDMENTS OF 1991

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. GOODLING. Mr. Speaker, I am pleased to be introducing today, along with my Republican colleagues on the Employment Opportunities Subcommittee, the Job Training Partnership Act Amendments of 1991. These amendments have been transmitted to us by the Secretary of Labor, and provide key language to fine tune a program that has proven to be successful in placing disadvantaged workers into unsubsidized employment.

These amendments improve the targeting of JTPA Programs to those with the most serious barriers to employment, enhance the quality of services, promote coordination of human resource programs serving the disadvantaged, and strengthen fiscal and program accountability. These amendments are designed to promote job placement, retention, and long-term employability.

Many of the provisions in this bill are similar to those which were submitted by the Department in 1989, and included in a bill that the House passed by a substantial margin during the last Congress. However, several of the provisions that caused concern in the previous bill have been modified to reflect greater consensus and incorporate compromises that had been forged during the closing days of the last Congress.

This bill does not disrupt the public-private partnership structure of the current law. It retains the outcome orientation through improvement of the performance standards, and it continues the strong emphasis on training. One area of particular concern that has been addressed substantially in these amendments is fiscal accountability. These amendments require the Governors to establish and implement procurement standards, closely monitor compliance, and take corrective action where problems arise.

Despite my belief that I believe these amendments are an improvement over the previous proposal, I am still not in total agreement with every provision that this bill contains. By introducing these amendments we are assuring that the Department's position on how JTPA can be strengthened will be part of the negotiations when we work with the majority to develop a bill that we can consider in committee and bring to the House floor. As the title of the current law connotes, we all must be partners in this effort.

I look forward to working with the administration and my colleagues on both sides of the aisle, to develop a strong bipartisan proposal that will address the core issues that need to be modified in order to improve the current law. JTPA does not need a major overhaul. Nor should we focus on items that are extraneous to our major purpose—to make JTPA even more effective by improving the opportunities that our most disadvantaged workers have to gain skills and become a part of the work force. These amendments move us a long way toward that goal. I am confident that working together we will be able to send to the President a bill that he can sign. One which achieves our goal of a more skilled and productive work force.

FREE SPEECH UNDERMINED: THE RUST VERSUS SULLIVAN DECISION

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. ANDERSON. Mr. Speaker, last week the Supreme Court issued its much anticipated opinion in Rust versus Sullivan. In a 5-to-4 decision, the Court upheld President Reagan's gag rule prohibiting the discussion of abortion in federally subsidized family planning clinics, thereby deeming the suppression of free speech on the basis of public funding constitutionally acceptable. For those opponents of abortion, let me assure you that Rust versus Sullivan does not revolve around the issue of abortion. Instead its impact falls squarely upon the first amendment and its guarantee of free speech. Those who are committed to ending the practice of abortion should reexamine their enthusiastic acceptance of this opinion. For what has been restricted is not abortion, but a patient's and a doctor's constitutional right to free speech, no matter the presence of a Federal subsidy. Mr. Speaker, this is an opinion which seeks not to uphold the Constitution, but instead undermines that great document. Our first amendment right to freedom of speech is not only our most vital, but the most easily infringed. I fear the Court may have taken the first step on a slippery slope which will serve to steadily undermine the sanctity of the first amendment.

In an action that I feel historians will surely criticize, President Reagan imposed a gag rule on Government-subsidized family planning clinics which forbid medical personnel at these clinics from mentioning the existence of abortion or even answering questions about the procedure if asked by their patients. Since federally funded family planning clinics are already forbidden to perform abortions, this case did not touch upon that contentious subject. Instead, the issue at hand was what a doctor may or may not say to his patient in the context of a federally subsidized service. Nor was this a case about the limits on the ability to advocate abortion. This gag rule forbids doctors from even mentioning or answering questions about abortion.

Consistent with an ever creeping progression to overturn Roe versus Wade, the Court has declared the Reagan gag rule constitutional. Chief Judge William Rehnquist, writing for the majority, explained the logic of his decision as, "The government has no constitutional duty to subsidize an activity merely because the activity is constitutionally protected." Certainly that sounds reasonable. We have found flag burning to be protected as free speech, but we obviously do not want to subsidize those who put our Nation's symbol to the torch. But let us examine the reverse formulation of Mr. Rehnquist's statement. Does the Government have the right to undermine the Constitution simply because the constitutional activity is publicly subsidized? Clearly not.

Rust versus Sullivan is not a case about using public funds for abortion, or abortion promotion or abortion counseling. It is a case about imposed Government limits on free speech. Suppression of speech cannot be tolerated, no matter the origin of financing. Yet the opinion handed down in Rust versus Sullivan represents a case where five men have found it convenient to do just that on the basis of their own moral convictions.

Rust versus Sullivan begs the question, what is next? Certainly this is a harbinger of what will happen to Roe versus Wade when it is visited by the Court in the next year. But that is a secondary consideration compared to this case's clear and devastating impact on the first amendment. Justice Blackmun writes,

> The majority professes to leave undisturbed the free speech protections * * * but one must wonder what force the First Amendment retains if it is read to counterance the deliberate manipulation by the government of the dialogue between a woman and her physician.

Where does it stop? Justice Blackmun notes, "for if a right is found to be unenforceable, even against flagrant attempts by government to circumvent it, then it ceases to be a right." Will we next declare that teachers cannot discuss certain subjects in schools, which are certainly federally and State funded, because certain groups find the subject which might be discussed repugnant? If we uphold the dissemination of one-sided, partial information, coupled with the deliberate suppression of conflicting viewpoints—otherwise known as propaganda—in family planning clinics, will we also uphold it in schools?

Mr. Speaker, this House differs greatly on the matter of abortion, but that justifiable difference must not allow a decision which some will find temporarily comforting from deterring us from our duty to protect the Constitution. My colleagues must understand that there is no middle ground here. Freedom of speech is a right sacrosanct to democracy. Indeed, it is a democracy's foundation. The Court's decision in Rust versus Sullivan forces, in the words of Harvard Professor Kathleen Sullivan, "he who takes the king's shilling to become the king's mouthpiece." In an age when government is an active player in most facets of our society, can we allow this? Will we consent to allow our democratic Government to undermine the very guarantees upon which that same Government rests? I think we cannot. As a result of Rust versus Sullivan, 4 million women now have had their free speech right undermined. This must not remain unchallenged. I urge my colleagues to add their names to the "Title X Pregnancy Counseling Act," which would overturn this decision. We may stand divided on abortion, but we must not stand divided on preservation of the first amendment.

REMARKS BY EDWARD I. KOCH IN DEFENSE OF ISRAEL

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. GREEN of New York. Mr. Speaker, I should like to share with my colleagues an article written by my friend, our former colleague and the former mayor of New York City, Edward I. Koch. I believe you will find Mr. Koch's statement to be of interest.

[From the New York Post, May 17, 1991]

ISRAEL'S BACKERS DISTURBED BY BAKER

(By Ed Koch)

What if Saddam Hussein had marched through Jordan to attack Israel instead of invading Kuwait? Would the United States have marshaled 550,000 American troops on Israel's soil to defend it? Some Bush administration officials have told me yes. We will never know.

But based on recent indications by Secretary of State James Baker, supporters of Israel have cause for uneasiness. Baker should be commended for his recent trips to the Middle East wherein he pressed Israel and the Arab states to agree to a peace conference.

However, Baker should be criticized for giving the impression—direct/indirect, stated/unstated—that only Israel, and not the various Arab states, is intransigent. The Arab states go without rebuke from the secretary. Indeed, he praised them for their conciliatory stance. The way they have demonstrated a desire for conciliation is a mystery. This one-sided criticism on Baker's part gives pause to supporters of Israel.

Israel's supporters are also troubled by Baker's easy acceptance of Saudi Arabia's refusal to participate in direct peace negotiations. The Saudis use the lame excuse that they have no common border with Israel. What about the Red Sea?

And haven't the Saudis financed every war against Israel since Israel's inception? Now they say they will come to a peace conference only as "observers." And Syria refuses to have face-to-face talks of any kind with Israel. Isn't their refusal to negotiate an obstacle to peace? Why is Israel always the target of public criticism while the Arabs remain unscathed?

Baker errs if he believes that Israel will take unilateral measures which will undermine its ability to defend itself. The Israelis will not do that just to please their critics.

The position of Israeli strategies like Gen. Areil Sharon, now a member of the Israeli Cabinet, is that Israel should retain the West Bank not for religious reasons or for the covenant with God as referred to in the Bible, but for its strategic military importance. In order to protect itself from invasion, Israel needs to control the road from Tel Aviv to the Jordan River, with Israeli settlements on the high ground on both sides of that road providing security. From a military point of view, it is difficult to dispute Sharon's analysis.

Israel can only give up the occupied parts of the West Bank if it can be assured that the Arabs have renounced the option of war. Otherwise, it would be madness to forfeit the security of the West Bank, which acts as a 70-mile buffer zone for Israel.

Just as the United States would never have agreed to unilateral disarmament vis-a-vis the Soviet Union, Israel should not embrace such an approach with regard to the Arab states.

Instead the United States should propose a quid pro quo arrangement between the Arabs and the Israelis: If a specific confidence-building measure for peace is taken by one side, there would have to be a simultaneous and comparable action by the other side.

It would be a useful start to the process if the secretary of state would publicly announce that the United States favors the following: that Israel give up creating new settlements on the West Bank because, while they are not illegal, they constitute an obstacle to peace; and simultaneously, the Arab states should end their boycott of companies doing business with Israel—preferably the total boycott, but at the very least, the secondary boycott. It, too, is an obstacle to peace.

The Arab League recently demonstrated its true feelings about peace with Israel by adding 110 companies to the boycott list. To his credit, Baker had asked the Arab states to end the boycott as a confidence-building gesture on their parts. But how did Baker respond to this expansion of the boycott list—which flew in the face of his request? The silence on the Potomac was deafening.

The United States has enormous IOUs due it from Saudi Arabia, Kuwait, Egypt and Syria. Why won't we cash them in? As the King of Siam said in "The King And I:" "T'is a puzzlement."

CATHOLIC CITIZEN OF THE YEAR AWARD FOR THE MOST REVEREND ANTHONY M. PILLA, D.D., BISHOP OF CLEVELAND

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Ms. OAKAR. Mr. Speaker, I am honored today to recognize the Most Reverend Anthony M. Pilla, Bishop of Cleveland, who has been named Catholic Citizen of the Year by the greater Cleveland chapter of the Knights of Columbus. The award will be presented on June 4, 1991, in Cleveland, OH.

Despite declining church revenues, despite increased unemployment, during his first decade of his episcopacy, Bishop Pilla ignored warnings to retrench and each year, from 1980 to 1990, increased his annual Catholic Charities Campaign to the ever-growing needs and care of his flock. After World War I, the original goal of the Diocesan Charities Corp. was to look after widows and orphans. Today, there are hundreds more medical agencies to be supplied, and thousands more calls for assistance for the mentally ill, the aged, the homeless, the disabled, and the chronically sick of the diocese.

Bishop Pilla is a native son of Cleveland. He was born November 12, 1932, the son of George Pilla, deceased, and Libera Nista Pilla. He has an older brother, Joseph. He was educated in Ohio and has a bachelor of arts in philosophy and a master of arts in history from John Carroll University. His formal education also includes Borromeo College Seminary in Wickliffe, OH, and St. Mary Seminary in Cleveland. Bishop Pilla was ordained to the priesthood at St. John Cathedral in Cleveland on May 23, 1959. Pope John Paul II named him ninth Bishop of Cleveland on November 18, 1980, and was installed on January 6, 1981.

Bishop Pilla is extremely active in community affairs. In addition to his church work, he served on the board of directors of the Catholic Communications Foundation, the board of trustees of the Greater Cleveland Roundtable and its race relations committee. He also served as a member of the board of the Greater Cleveland Literacy Coalition, Shoes for Kids board of trustees, the Cleveland Restoration Society Advisory Committee, and on the advisory committee of the Jewish Big Brother/Big Sister Association.

Bishop Anthony Michael Pilla has devoted his life to the Christian concept of helping and caring for others. No one is more qualified than Bishop Pilla to be recognized as the Catholic Citizen of the Year by the greater Cleveland chapter of the Knights of Columbus.

A TRIBUTE TO GEORGE AWKWARD

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. GINGRICH. Mr. Speaker, today is the 50th birthday of a valued employee and friend, George Awkward. I would like to take a few minutes to recognize and thank George for his outstanding contributions, not only to the U.S. House of Representatives, but also to his community, friends, and family.

For over 20 years, George served as an officer of the Metropolitan Police Force in the District of Columbia. His 11 years of service with the Capitol Hill Police has earned George the respect of both his colleagues, friends, and all of us who have been fortunate to work with him. The loyalty and friendships that he has established during his tenure on the Hill best illustrate the respect and loyalty George has so deservedly earned.

My good friend Senator—and former Republican whip—TRENT LOTT took me aside the day I was elected Republican whip to brief me on my new-found duties. TRENT informed me that no matter what else I decided to do differently as whip, I couldn't do any of it effectively or efficiently without the help of George Awkward. At the time, I didn't understand just how important the advice was; 2 years later, I can honestly say I know precisely what TRENT LOTT meant.

My most recent predecessor as whip, Secretary of Defense Dick Cheney, often stops by the Capitol to see how things are going. I discovered the magnitude of George's influence when the Secretary of Defense asks me not how things are going on the floor, but instead asks how George is doing. Incidents like these cause me to worry that if George ever leaves, my former colleagues might stop calling and visiting.

I feel very fortunate to have had the opportunity to work beside George Awkward. On this special day, I thank him for his hard work and dedication, and Marianne and I wish him a very blessed and happy birthday with our best wishes for many, many more.

A JOB WELL DONE

HON. ELIZABETH J. PATTERSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mrs. PATTERSON. Mr. Speaker, tomorrow morning, Clifdale Elementary School in Spartanburg, SC, will be awarded first place in the Concerned Businessmen's Association of America "Set a Good Example" contest.

Clifdale Elementary was chosen first nationally from among 824 schools in a competition for the best antidrug project designed and run by the students. The competition called for the students to design a project around the theme "Set a Good Example—Don't Use Drugs." The Clifdale students called their work Project S.A.F.E.

S.A.F.E. is an acronym for study hard, achieve as much as you can, feel good about yourself, and encourage others to be safe. Their program exemplifies 21 traditional values contained in the book "The Way to Happiness," which can help these young people succeed. Their belief is that by becoming productive, self-confident, successful human beings, they will learn that the key to happiness lies in becoming—and staying—drug free.

The lessons taught and learned by the students of Clifdale Elementary School are echoed in the school alma mater, which reads:

When days are golden,
We will remember with
Hearts full of love and pride,
A school that gave us hope
And Wisdom
Which through our lives
Will be our guide.
Oh Clifdale, Clifdale, home of
Our colors yellow and blue.
Clifdale, Clifdale
We sing our praise to you.

Mr. Speaker, I hope you will join me in extending thanks to the Concerned Businessmen's Association of America and the local sponsor of the competition, Dr. William Bledsoe, for their work in organizing this learning experience. Once again, congratulations to the students, parents, and teachers of Clifdale Elementary School for a job well done.

TRIBUTE TO REV. FRANCIS N. McDEVITT

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. YATRON. Mr. Speaker, I rise today to honor Rev. Francis N. McDevitt who will celebrate the 50th anniversary of his ordination on June 7, 1991. I am proud to be able to come here before the House and tell you about this outstanding citizen.

After studying for the priesthood at Saint Charles Seminary, Father McDevitt was ordained at the Cathedral of Saints Peter and Paul in Philadelphia on June 7, 1941. He celebrated his first mass at Saint Joseph's in Reading where he again will be joined this year for his 50th anniversary. Father McDevitt has played an integral part in the community's activities, and his patience and caring both in and outside of the church have been clearly evident over the years. Father McDevitt's 50 years with the church represents half of a century of dedication and love rarely seen in the hurried times of the present decade. It is for this, that the community and I express our deepest gratitude to Father McDevitt.

Mr. Speaker, it is a great honor to recognize Rev. Francis N. McDevitt before you and my colleagues here in the House of Representatives. Upon celebrating 50 years of outstanding service to the church and the community, I would like to thank Father McDevitt for all he has done and wish him best of luck in the future.

INTRODUCTION OF THE MEDICARE PRESCRIPTION DRUG ACT OF 1991

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. STARK. Mr. Speaker, I rise today to introduce H.R. 2500, the Medicare Prescription Drug Act of 1991. This bill would provide enormous assistance to millions of Medicare beneficiaries. This bill would restore what many considered the single most important benefit included in the Medicare Catastrophic Coverage Act of 1988: Medicare prescription drug coverage.

Unlike most other health care expenses, prescription drug expenditures are neither covered by Medicare nor by most private Medicare supplemental insurance—Medigap—policies.

Many senior citizens require multiple prescriptions each year in order to manage chronic conditions and to treat numerous acute health problems. Without public coverage or private insurance, seniors are forced to pay substantial sums out-of-pocket to buy the medications they need to survive. In some cases, they take a chance and do without their prescribed medication, because they simply cannot afford the expense.

A Medicare prescription drug benefit was one of the first program modifications considered after enactment of the Medicare Program more than 25 years ago. A 1969 report issued by the then Department of Health, Education and Welfare led the Senate to pass a prescription drug benefit in 1972. Unfortunately, the benefit was never enacted.

After years of experience with public coverage of prescription drugs through the Medicaid system and the Veterans' Administration system, Congress enacted a new Catastrophic Coverage Act. Unfortunately, this crucial new benefit was revoked only 1 year later with the repeal of the 1988 act.

The need for improved prescription drug coverage has become increasingly evident over the past few years. According to most recent projections for 1992:

One-third of seniors will spend over $650 per year for their prescription drugs; and

One in five seniors will spend over $1,000 per year for their prescription drugs.

While the data indicate that average out-of-pocket expense is high, particularly for seniors with modest means, these figures do not begin to illuminate the exorbitant prescription drug expenses incurred disproportionately by seniors with functional impairments, disabled persons, seniors in poor health, and seniors who are near poor.

According to a report to Congress issued by the Department of Health and Human Services, "Expenses Incurred by Medicare Beneficiaries for Prescription Drugs" in May 1989, Medicare beneficiaries purchased on average 15.3 prescription drugs per year. However, individuals with functional impairments—measured by two or more ADL impairments—used 26.2 prescriptions per year, and individuals in poor health used over 31 prescription drugs per year.

Among low-income severely disabled elderly, the financial burden of prescription drug coverage is particularly alarming. According to a report issued by the Urban Institute, "Severely Disabled Elderly Persons With Financially Catastrophic Health Care Expenses," based upon data from the national long-term care channeling demonstration project, prescription costs account for over 56 percent of out-of-pocket expenses for severely disabled senior citizens.

Severely disabled individuals below the poverty level with prescription drug expenses, spent on aveage 66 percent of their income out-of-pocket for their medical care. This compares to 40 percent spent by severely disabled individuals above the Federal poverty level. Even the poorest of seniors, those living below the Federal poverty line, may not be covered by State Medicaid plans for their prescription drug expenses.

The Medicare prescription drug bill of 1991 would provide substantial relief to senior citizens. In general, the provisions of this bill are similar to the components of the prescription drug benefit enacted in the Medicare Catastrophic Coverage Act of 1988. The principal differences between this proposal and the repealed benefit is that coverage for outpatient prescription drugs would be a regular part B benefit. Like other part B benefits, beneficiary premiums would fund 25 percent of the cost of drug benefit. The remaining 75 percent of costs would be funded through general revenues.

With this proposal:

Persons enrolling in part B would automatically be covered by the drug benefit, effective January 1, 1993;

After meeting a special $650 deductible, Medicare coverage for outpatient prescription drugs would begin. The deductible would automatically increase by $50 each year;

Beneficiaries would contribute a 20-percent coinsurance payment as is now required for other part B benefits;

Approximately 35 percent of Medicare enrollees would benefit from this prescription drug coverage in 1993;

Unlike the prescription drug benefit enacted in the Medicare Catastrophic Coverage Act of 1988, this bill does not include coverage for home intravenous [IV] drug therapy. The costs and appropriateness of this therapy is being studied by the Office of Technology Assessment, and a report is expected out in the near future.

Based on preliminary estimates, the cost of the benefits under this bill would increase the part B premium by about $6 in 1993, rising to $8.50 in 1996.

The bill has been drafted without the financing necessary to cover its costs. I fully anticipate that these benefits, if adopted by the Committee on Ways and Means, will be fully financed on the required pay-as-you-go basis.

The absence of an outpatient prescription drug benefit has created a black hole in the Medicare Program. Prescription drugs are as vital to the health of seniors as physician visits, lab tests, and other services readily covered under the program. This void makes no sense—particularly at a time when seniors rely increasingly on costly and life-sustaining medications.

I urge my colleagues to join this effort to modify the Medicare Program to include coverage for outpatient prescription drugs.

A section-by-section description of the bill follows this statement.

THE MEDICARE PRESCRIPTION DRUG ACT OF 1991

SECTION-BY-SECTION DESCRIPTION

Section 101: Title.

Section 201(a): Coverage of expenses for prescription drugs and insulin.

Would add "covered outpatient drugs" to services covered under Part B, effective January 1, 1993. A covered outpatient drug is defined as one that: (1) is dispensed only based on a prescription (2) is approved for safety and effectiveness under the Federal Food, Drug, and Cosmetic Act; (3) in the case of biological products, is licensed under the Public Health Service Act; (4) insulin; (5) drugs that are identical, or similar, to drugs used or sold prior to the drug Amendments of 1962; and (6) so-called "DESI" drugs for which the Secretary has not issued a notice for a hearing.

Drugs provided as part of, or incident to hospital, nursing home, hospice and physician services, dialysis supplies, vaccinations, and certain other services, would not be covered under this Act. They are, generally, already covered under other provisions of the Medicare program.

Drugs that are intravenously provided in the home would not be covered.

Section 201(b): Deductible and Payment Amounts.

Provides that no payment would be made until the enrollee has met the annual drug benefit deductible, except that the deductible would not apply to immunosuppressive drugs provided in the first year following a transplant operation. These immunosuppressives are already covered under Part B.

The deductible would be set at $650 in calendar 1993 and would be increased by $50 each year.

Program payments would be at 80 percent of the lesser of the actual charge for the drug and a payment limit. The payment limit would vary depending upon whether the drug is a single or multiple source drug.

The payment limit for single source drugs, and for multiple source drugs with restrictive prescriptions, would be the lesser of: (1) the 90th percentile of actual charges for the drug within a geographic area, and (2) the sum of an administrative allowance plus the average wholesale price. The administrative allowance would be $5 per prescription if the drug is provided by a participating pharmacy, and $3 if provided by a non-participating pharmacy.

In the case of a multiple source drug without a restrictive prescription, the payment limit would be the administrative allowance plus the median of the average wholesale prices for the drug.

The Secretary would conduct certain surveys to determine the average wholesale prices of both single and multiple source drugs.

The administrative allowance would be updated annually by the implicit price deflator for the gross national product. The Secretary would be permitted to reduce the administrative allowance for drugs dispensed through a mail service pharmacy.

The Secretary would establish a program to assure appropriate prescribing and dispensing practices. This program would identify: inappropriate prescribing and dispensing practices; substandard care; and potential adverse reactions.

Certain technical and conforming changes would be made, including changes in the treatment of drug benefits, or the cost of drugs, provided in health maintenance organizations.

The Secretary would publish a list of comparative wholesale prices of commonly prescribed outpatient drugs, and distribute the list to hospitals, physicians, Social Security offices, senior citizen centers and other appropriate places.

Section 201(c): Participating pharmacies; civil monetary penalties.

Provides for the establishment of a participating pharmacy program. Pharmacies would enter into annual agreements with the Secretary to be participating pharmacies. Such pharmacies would agree to accept assignment on all Medicare claims for covered outpatient drugs, keep appropriate records, to provide Medicare beneficiaries on with information on drugs, and to advise beneficiaries on the availability of therapeutically equivalent covered outpatient drugs.

The Secretary would establish, by not later than January 1, 1993, a point-of-sale electronic system for use by carriers and participating pharmacies to use to submit claims for covered outpatient drugs.

The Secretary would provide each participating pharmacy with a distinctive emblem, and, on request, such electronic equipment and technical assistance as the Secretary determines may be necessary for the pharmacy to submit claims electronically.

The Act establishes civil monetary penalties for pharmacies who violate participating agreements, who charge Medicare patients more than they charge the general public, or who fail to provide information to the Secretary through the surveys used to determine wholesale prices of covered drugs.

Section 201(d): Limitation on length of prescription.

Payments for covered outpatient drugs when the drug is dispensed in a quantity exceeding a 30 supply would be prohibited. The Secretary may, in exceptional cases, authorize payments for a quantity of up to a 90 day supply.

Section 201(e): Use of carriers, fiscal intermediaries, and other entities in administration.

The use of contracts with entities other than carriers and fiscal intermediaries to process claims for covered outpatient drugs would be authorized. The functions of carriers would be amended such that they would provide information to pharmacies as to whether an individual has met the annual deductible. Provides for the use of an electronic claims system. Such contract would provide that claims would be processed and paid on a monthly basis. If claims are not paid within five days of when the payment is required to be made under the contract with the Secretary, interest would be paid on the same basis as interest is paid for other Medicare claims not paid within their applicable periods.

Section 201(f): Modification of HMO/CMP Contracts.

Provides for certain technical amendments to coordinate the covered outpatient drug benefit with contracts with health maintenance organizations.

Section 201(g): Conforming amendments.

Provides for certain conforming amendments.

Section 201(h): Prescription Drug Payment Review Commission.

Provides for the establishment of an 11 member Prescription Drug Payment Review Commission. The Commission would submit an annual report to Congress regarding increases in drug prices, use of covered drugs, and administrative costs relating to covered drugs.

Section 201(i): Additional Studies.

Provides that the Secretary and the GAO would conduct a variety of studies relating to the coverage, use and costs of outpatient prescription drugs.

Section 201(j): Development of Standard Medicare Claim Form.

The Secretary would be required to develop, and distribute, a standardized claim form and electronic claims format by October 1992.

Section 201(k): Premiums.

Provides for a special add-on to the Part B premium to finance 25 percent of the cost of the program. Based on preliminary estimates, the bill would increase the Part B premium from $36.60 to $42.40 in 1993, from $41.10 to $47.70 in 1994, and from $46.10 to $53.60 in 1995. After 1995, the Part B premium would, as provided under current law, be set at 25 percent of program costs, including the costs of the drug benefit program.

The premium amounts collected would be transferred into the Supplementary Medical Insurance (SMI) trust fund. Payments for benefits would be administered through the SMI trust fund.

Section 201(l): Effective dates.

Benefits under the outpatient prescription drug benefit program would first be provided during calendar year 1993.

TRIBUTE TO GEORGIA SUPREME COURT JUSTICE CHARLES WELTNER

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. DARDEN. Mr. Speaker, one man's mark of courage 25 years ago is being justly recognized again this year. On May 30, Georgia Supreme Court Justice Charles Weltner was presented the second annual Profiles in Courage Award, bestowed by the John F. Kennedy Library and Museum Foundation, for his refusal to "compromise with hate." Judge Weltner will be presented this award by Caroline Kennedy Schlossberg and John F. Kennedy, Jr. on the 74th anniversary of President Kennedy's birth.

Judge Weltner served as a Democrat in the House of Representatives during the 88th and 89th Congresses. But rather than support a candidate running on a platform supporting racial segregation, he chose not to run for reelection to the 90th Congress.

Judge Weltner had agreed to support the Democratic ticket before Lester Maddox was nominated to run for Governor of the State of Georgia. Nevertheless, he found Mr. Maddox's principles to be "the personification of the worst of the southern tradition of segregation." And as Judge Weltner had founded his career on trying to make a difference from such a tradition, it would have been impossible for him to vote for Mr. Maddox, he has said.

Although many admired Judge Weltner for this noble act of political courage, still more shunned him. Many of his friends felt he had betrayed them—that they no longer had a friend in Congress. He suffered a staggering defeat when he ran for Congress 2 years later.

After abandoning politics, Judge Weltner then practiced law for 10 years. In 1976, he was appointed to Georgia's Superior Court, and in 1986 he was appointed to the State's highest court.

In giving up his political career, Judge Weltner gained the respect and admiration of a nation. I commend the Kennedy Library Foundation on making an excellent selection for the recipient of this year's award.

RECOGNITION OF SEBASTIAN J. LUPICA, GREATER CLEVELAND CHAPTER OF KNIGHTS OF COLUMBUS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mrs. OAKAR. Mr. Speaker, I am pleased today to call attention to the June 4, 1991, Greater Cleveland Chapter of the Knights of Columbus luncheon honoring my good friend Sebastian J. Lupica, retired executive secretary of the Cleveland AFL–CIO Federation of Labor.

Sebastian Lupica presently serves as the treasurer of the Cleveland AFL–CIO. He rose through the ranks of organized labor and was elected to the position of executive secretary of the 130,000-member Federation in 1962. He served in that capacity for over 27 years until his semiretirement in 1989 and his election as treasurer.

Serving "the best interests of our members and the community" has been Sebastian Lupica's concept of the duty of a labor leader. During his tenure as executive secretary of the federation, the Cleveland AFL–CIO increased its participation in community affairs. Sebastian Lupica has a reputation as a shrewd and skilled labor negotiator; yet, officers of the federation, including Lupica, became directors of the Greater Cleveland Growth Board, taking the position that organized labor should cooperate with management in attracting new job-making industries to the area.

During his 57 years in the labor movement, Sebastian Lupica has campaigned for improvement of all levels of education, from grade schools to universities. He has been a vocal champion for fair treatment of minority groups. He was one of the principal labor spokesmen in the Cleveland area in the long fight for adoption of the national Medicare Program.

Sebastian Lupica has won several awards during his career as a labor leader and outstanding citizen in the community. His awards include: City of Hope, Danny Thomas' St. Jude Foundation, Cleveland Council of Histadrut, Union Counsellor Association, United Labor Agency, Inc., Cleveland Council Knights of Columbus.

Sebastian Lupica and his wife, Sadie, recently celebrated their 62d wedding anniversary. They have two children, John Lupica and Angela Starp, five grandchildren, and three great-grandchildren.

Mr. Speaker, I am pleased to ask my colleagues to join with me in recognizing this native son of Cleveland at the honors luncheon by the Greater Cleveland Chapter of the Knights of Columbus.

NORTH METRO CROSSTOWN COALITION GAINS SUPPORT

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. SIKORSKI. Mr. Speaker, we often hear from our constituents about their views on many issues. In my home State of Minnesota as well as other areas around the country, I have seen a rising level of activism and community concern from individuals and organizations alike. I commend their participation in our policy process.

At the forefront of such civic activities is the North Metro Crosstown Coalition, a group made up of 18 mayors in the North Metro area including Minneapolis. The mayors of the coalition represent over 850,000 people who are working hard to see a highway 610 demonstration project included in the reauthorization of the Surface Transportation Assistance Act.

I am pleased to support their effort and would like to submit for the RECORD a recent coalition resolution advocating the Federal initiative. I would also like to submit for the RECORD a letter signed by all 26 legislators in the coalition's area of concern. I believe this bipartisan accomplishment in itself is very impressive and underscores the broad State and local support for the critically needed highway 610 project. When elected officials backed by their constituents get together for a common purpose, their voices are heard.

RESOLUTION

Whereas, the North Metro Crossing Coalition is an organization comprised of representatives from the T.H. 610 Crosstown corridor and surrounding communities of the North Metro area of the Twin Cities metropolitan region, and

Whereas, the communities of the North Metro area are home to some 860,000 people who need an additional east-west access to link current transportation systems, promote economic development and job creation opportunities, and

Whereas, the North Metro Crossing Coalition has identified T.H. 610 Crosstown as the highest transportation project for the North Metro area, and

Whereas, the North Metro Crossing Coalition is committed to find sufficient federal and state resources to construct T.H. 610 Crosstown connecting I–94 and I–35W, and

Whereas, the North Metro Crossing Coalition supports the Omnibus Transportation Bill currently being considered by the Minnesota State Legislature, yet does not support the use of toll financing for construction of the T.H. 610 Crosstown project, and

Whereas, the North Metro Crossing Coalition has adopted the justification document entitled "Request For Federal Highway Funds for Highway 610 Demonstration Project" as the basis for the T.H. 610 Crosstown project.

Now therefore, the North Metro Crossing Coalition hereby requests that Secretary of Transportation carry out the second phase of T.H. 610 Crosstown project consisting of approximately 5 miles in the form of a multilane limited access road between State Highway 252 and U.S. Highway 169. Funds requested for the second phase of T.H. 610 Crosstown are as follows; namely:

	Millions
Fiscal year 1992	$2.75
Fiscal year 1993	5.00
Fiscal year 1994	35.00
Total	42.75

This request is made with the understanding that such funds would be granted beyond the highway entitlement available to the State of Minnesota in the Federal Surface Transportation Bill.

MAY 16, 1991.

Re Trunk Highway 610 Crosstown inclusion in the 1990 Federal highway authorization bill.

Hon. DAVID DURENBERGER,
Hon. GERRY SIKORSKI,
Hon. MARTIN SABO,
Hon. JAMES OBERSTAR,
Washington, DC 20510

DEAR CONGRESSIONAL DELEGATION: We, the undersigned Minnesota State Legislators, support the construction of the second phase of the TH 610 Crosstown. We are writing asking for your support.

The corridor communities and neighboring cities are asking that a second phase of this project be funded as a demonstration project from the Federal Surface Transportation Act of 1991.

The reasons that we support this project are:

1. It provides a critical link connecting I-94 and I-35W for the 860,000 people who live in the communities of the North Metro area.

2. The roadway has been identified as a "significant metropolitan facility."

3. The Metropolitan Council supports this project and in fact identified the second bridge over the Mississippi River as the highest priority in the Twin City metropolitan area.

4. The roadway will take advantage of existing highways to complete a crosstown link.

5. The corridor communities have identified this transportation project as their highest priority.

We request your support in securing funding in the amount of $42.75 million for the second phase of this project in the 1991 Federal Highway Authorization Bill.

Thank you for your assistance.

Sincerely yours,

Bill Schreiber, 48A; Dee Long, 59A; Dick Pellow, 52B; Linda Runbeck, 52A; Teresa Lynch, 50A; Charlie Weaver, 49A; Wayne Simoneau, 51B; Phil Carruthers, 47B; Linda Scheid, 47A; Ann H. Rest, 46A; Joel Jacobs, 49B; Warren E. Limmer, 48A; Alice M. Johnson, 51A; Phil Heir, 50B; Lyndon R. Carlson, 46B.

Senator William P. Luther, Senator Lawrence J. Pogemiller, Senator Carl W. Kroening, Senator Steven G. Novak, Senator Don Frank, Senator Carol Flynn, Senator Betty A. Adkins, Senator Ember D. Reichgott, Senator Gregory L. Dahl, Senator Gene Merriam, Senator Patrick D. McGowan,

Minnesota legislators.

EDUCATIONAL EXCHANGES ENHANCEMENT ACT

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. WOLPE. Mr. Speaker, the communications revolution of the last two decades has brought the peoples of the world together as never before. And because of this, we are forced to confront challenges of a complexity never before encountered: overcrowding and starvation threaten the majority of the Earth's population; terrorism ranges over six continents; regional strife never ceases; and the Earth, itself, is threatened by the human life it sustains. So intertwined are all the nations, that the invasion and liberation of tiny Kuwait drew the attention of the entire world.

In Eastern Europe fragile democracies reign, but without entrepreneurial skills they are doomed. Economies in much of Latin America have collapsed, leaving the drug cartels in control of many markets. The nations of Africa cry out for food, but no long-term solutions of Africa's economic predicament are in place. And the United States has become the largest debtor nation in the world, more dependent than ever on the international market.

Our economic problems are further reflected by a rapidly expanding European Common Market, a post-World War II 65-percent world market share that has declined to 18 percent, and a banking system that once included 8 of the 10 largest banks in the world, but is no longer represented among the top 20.

Solutions must be forthcoming. We must find ways to develop an understanding between ourselves and others that will simultaneously benefit emerging democracies, Third World nations, and the people of the United States. Through such understandings human suffering can be alleviated, global pollution can be reduced, economic stability can be attained, and the threat of terrorism can be checked.

But solutions and understandings are not possible without a fundamental knowledge of the cultures and languages of the global community. Unfortunately, few Americans can locate our foreign neighbors on a map, much less identify their cultural characteristics. In a 10-nation survey young American adults ranked last in geographic knowledge. One in seven of all American adults cannot even locate the United States on a map. In language we fare no better. While every Japanese high school student must be proficient in English upon graduation, only 1 in 4 American students even attempt a foreign language—and less than 3 of every 1,000 students study Japanese. In Europe the Economic Community has established a goal of fluency in two foreign languages for every student.

The most recent complete data on foreign exchanges indicate that we are wrapping ourselves in a cocoon of cultural ignorance. While the world sent more than 356,000 students to the United States to study, less than one-sixth as many of our citizens studied abroad. My home State, Michigan, fared slightly better than the national average: While we received more than 12,000 students, slightly less than 4,000 Michigan students studied abroad.

Although the Educational Exchanges Enhancement Act cannot correct all these problems, it can facilitate the development of solutions through understanding of language and culture. This act will make possible the exchange of students from countries not usually represented in our universities and colleges: The Third World nations, the emerging democracies, and nations in search of democracy. It is not surprising that a number of the students who pleaded for democracy in Tiananmen Square attended schools in the United States.

American students studying in these nations will promote a realistic view of our culture while studying the culture of the host country. They will return to the United States with a broader understanding of the world in which we live, and with greater insight and sensitivity. Their cross-cultural perspectives will both serve American interests and help in the fashioning of a more prosperous and stable world order.

One specific benefit of this exchange will be the development of new, international markets. For every billion dollars of goods we export, 25,000 jobs are created. At this time the Third World buys 35 percent of our exports. New markets here and abroad will work to the advantage of both the United States and our Third World trading partners.

The students who participate in this educational exchange will provide a foundation for a more stable world. The friendships they forge, here and abroad, will provide a basis for cooperation. Their understanding of language and culture will produce realistic goals and solutions to difficult problems. And future leaders will share a common knowledge and experience. These are the benefits of the exchange. Through these benefits we take one more step toward a more peaceful world.

JEMEZ NATIONAL RECREATION AREA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. RICHARDSON. Mr. Speaker, I rise to introduce legislation that would establish a national recreation area in the Jemez Mountains of New Mexico. The volcanically formed Jemez Mountains in the Santa Fe National Forest consist of approximately 900,000 acres and are among the most prized public lands in New Mexico. Easy access and scenic surroundings make the Jemez a highly popular public recreational area.

During the 101st Congress, I sponsored legislation that designated the East Fork of the Jemez River as wild and scenic and prohibited the patent of any mining claims along the wild and scenic area. While the wild and scenic legislation protects the East Fork, there is significant mining activity throughout the area threatening the prestigious Jemez Mountains. In fact, the Jemez area is threatened by the pumice-mining operations of a single individual who has filed for patent on approximately 1,520 acres in the Jemez. As a result, there is overwhelming public sentiment to establish a comprehensive management policy for the Jemez Mountains to protect it from mining.

The bill I am introducing today would designate approximately 70,000 acres of the Jemez Mountains as a national recreation area, withdraw the area from any future mining claims, and prohibit the patent of any mining claims as of May 30, 1991. The bill would also require that the land be returned to its original state after any mining activity. The bill also includes provisions that respect and preserve the rights of native Americans in the area, protects wildlife and cultural resources, and provides for the enhancement of recreational facilities, including the establishment of a visitors center. Finally, the bill allows for traditional multiple use to continue such as logging, grazing, hunting, and fishing. I urge my colleagues to support this legislation. I have included a section-by-section summary of the legislation.

JEMEZ NATIONAL RECREATION AREA

1. *Establishment and Purpose*—To conserve, preserve, and restore the recreational, ecological, cultural, religious, and wildlife resources of the Jemez Mountains.

2. *Area Included*—Approximately 70,000 acres.

3. *Mining*—

A. Withdrawal—Withdraws lands within the recreation area from future mining.

B. Limitation on Patent Issuance—No patents shall be issued after May 30, 1991, for any location or claim made in the recreation area under the U.S. mining laws. Any party claiming to have been deprived of any property right may file in the U.S. Claims Court a claim against the U.S. within 1 year after enactment seeking compensation for such property right.

C. Reclamation—Prevents any adverse effects on the resources or values of the area and assures complete reclamation of all disturbed lands to a condition visually and hydrologically indistinguishable from their premining condition.

D. Mining Claim Validity Review—The Secretary shall undertake an expedited program to determine the validity of all unpatented mining claims within the area. Such a determination shall be made within 2 years after enactment. If a claim is determined invalid, the Secretary shall declare the claim null and void.

4. *Cultural Resources*—Provides protection for cultural resources in accordance with the Archaeological Resources Protection Act and the National Historic Preservation Act;

5. *Native Americans*

a) Provides non-exclusive access rights to the recreation area for Indian people for traditional cultural and religious purposes;

b) Directs the Secretary to request recommendations from appropriate Indian Tribes on methods to assure access to religious and cultural sites, enhancing the privacy of traditional cultural and religious activities in the recreation area, and protecting traditional cultural and religious sites in the recreation area (same as El Malpias Bill).

5. *Wildlife Resources*—The Secretary shall give particular emphasis to the preservation and protection of wildlife resources within the recreation area and comply with applicable Federal and State laws relating to wildlife, Forest Service listed Sensitive Species, and the Endangered Species Act.

6. *Hunting*—Hunting will be permitted in accordance with applicable Federal and State law.

7. *Grazing*—Grazing will be permitted within the recreation area in accordance with current regulations. Riparian areas will be managed in such a manner as to protect the important resource values.

8. *Transportation Plan*—Transportation plan emphasizes efficient use of existing roads and trails that provide for dispersed recreation while avoiding significant archaeological sites.

9. *Recreational Facilities*—Emphasis on maintaining and expanding existing facilities with minimal impact on scenic beauty and primeval character of the recreation area.

10. *Visitors Facilities*—Directs Secretary to establish a visitors center and interpretive facilities on or near the recreation area.

11. *Power Transmission Lines*—In accordance with Federal and State laws and regulations, the Secretary may permit transmission lines if the Secretary determines that: 1) no feasible alternative; 2) damage to the recreational and scenic quality of the area will not be significant and; 3) it is in the public interest.

12. *Acquisition of Land*—The Secretary may acquire lands within the recreation area by donation, purchase, or exchange. The Secretary may not acquire mineral interests separate from surface (no mining). Lands acquired by the Secretary are withdrawn from location, entry and patent.

13. *State Lands*—State lands may be acquired only by donation or exchange (Federal Govt. does not prefer purchase of state land).

14. *Offers to Sell*—The Secretary shall give prompt consideration to any offer made by private landowners within the recreation area to sell.

15. *Adjoining Lands*—The Secretary may from time to time evaluate lands adjoining the recreation area for possible inclusion in the recreation area.

16. *Authorization of Appropriations*—Authorized to be appropriated such sums as may be necessary.

THE U.S. SUPREME COURT'S RULING ON THE GAG RULE

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mrs. COLLINS of Illinois. Mr. Speaker, I rise to speak today in shock, sadness, and dismay at the decision of the U.S. Supreme Court to uphold the so-called gag rule at federally funded family planning clinics. This decision sustains a policy that threatens women's lives, curbs the judgment of doctors and other medical professionals, and unfairly penalizes poor women.

It is a sad fact that the far majority of women who seek medical attention at clinics that receive Federal moneys, do so because they cannot afford other, private medical services. These family planning clinics serve a vital health care need for many hundreds of thousands of poor women who go to these health centers to receive a variety of screening and diagnostic services including routine blood pressure checks, Pap smears. VD and other sexually transmitted disease cultures, genetic testing, and blood tests that can detect anemia and diabetes. The clinics provide many other services that run the gamut from HIV counseling, to dispensing of contraceptive devices, to treatment for a variety of reproductive system diseases and illnesses. Now, these and other necessary health care activities will be jeopardized because the medical staff will no longer be free to offer their best and most complete medical diagnosis and treatment protocol or risk losing Federal funds and seeing the clinics disappear altogether.

Just how many women do these clinics reach and how many will be affected? One year ago, Planned Parenthood opened a new clinic in my district. That clinic today serves three times the number of women the director thought it would likely serve. For many of these women, and others, family planning clinics are their only source of primary health care. Clearly, there is a need for comprehensive family planning clinics.

The federally funded family planning clinics of which I speak are not abortion mills. We all know that the use of Federal funds for abortion services has been prohibited since 1976. It is ironic that the existence of family planning clinics—both federally and privately funded—have served to reduce the number of unwanted pregnancies and have consequently reduced the number of abortions performed each year. So why are those who most vociferiously oppose a woman's right to make informed decisions about her reproductive health, hailing the Supreme Court's decision on the gag rule? What will happen if these clinics are forced to close?

Finally, Mr. Speaker, in a nation that has a second-class housing system and a second-class education system for its poor, low income, and minority citizens, the Supreme Court has just laid another brick in the foundation of a second-class health care system for poor women.

THE GOVERNMENT DOESN'T HAVE UNLIMITED JURISDICTION

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. DUNCAN. Mr. Speaker, it is a tragedy that so many people have come to expect the Federal Government to take care of every little problem they experience in life.

I wish that we could afford this, but we simply cannot. Our Government is badly broke and deeply in debt.

Additionally, the Federal Government was established by the Founding Fathers in the Constitution to be limited in its areas of jurisdiction. When we create more and more Government agencies, we really are giving up our liberties.

Mr. Speaker, the civil government cannot and should not be all-encompassing and paternalistic. Government should be limited in its scope. That is the best way to preserve individual liberty.

Syndicated columnist Mike Royko recently wrote about this in one of his columns. I commend this column to my colleagues and ask that it be reprinted in the RECORD.

A SHEDDING PROBLEM: DEMOCRATS MUST MOVE AWAY FROM CONTROL BY GROUPS EXPECTING FEDERAL FIXES

(By Mike Royko)

I don't remember the exact date. But I should have made a note of it because it was personally significant—the day I underwent a change in my political and social views.

It began with a simple phone conversation, much like dozens I get every day.

The woman said: "I have a problem that I wonder if you can help me with."

I asked her what the problem was.

Her voice rose in anger as she said: "I bought a mink coat about 2½ years ago from (store name) on Michigan Avenue. And now the coat is starting to shed. I've complained to the store, but they aren't doing anything about it. So I thought you might want to write about this."

I told her that I was sorry, but I wouldn't write about her shedding fur coat.

"Why not?" she asked.

I explained that it was likely that many readers have problems more serious than a shedding mink coat and they might think it a strange subject for a column.

She accepted that. But then she asked: "What agency should I call?"

Agency?

"Yes. Who handles problems like this?"

You mean a government agency?

"Yes."

I told her that if a government agency existed for the purpose of investigating complaints about shedding mink coats, I wasn't aware of it.

"Well, is there an agency that would know?"

You mean a government agency that could recommend another government agency that deals with the problem of a mink coat that sheds?

"Yes."

I told her I didn't know about that, either.

"Then what should I do?" she asked.

You might talk to a lawyer.

"I don't see why I have to pay a lawyer for something like this. Isn't there anyone else on your paper who handles things like this?"

I'm afraid not.

"Well thanks a lot," she said, and hung up.

That's when I became convinced that politicians, especially Democrats, had done too good a job of persuading many Americans that if they have a problem, just about any kind of problem, a social agency should be there to solve it. And if no agency exists, a law should be passed creating one.

Why else would that woman have assumed that the great social safety net provides a soft landing for someone whose mink coat is shedding?

Every day we hear about schools and how they are failing to do the job. The administrators get most of the heat, and they deserve some of it. The teachers take their knocks, and some need it.

But you almost never hear about the fundamental reason so many kids drop out of school or muddle through without learning anything. Go to their homes and see how many books or other forms of reading material you'll find. Ah, but the TV set will be going full blast. Ask the parent or parents if they ever check to see if the kid is doing homework. Of if they even check to see that he's home at night.

A teacher in a city school has a room full of kids about six hours a day, nine months a year. Minus weekends, holidays and summer vacation. And they're supposed to make up for what the parents fail to do the other 18 hours a day, plus weekends, plus holidays, plus summer vacation.

Then there is Armando. He lives in the Washington neighborhood where the riots took place this week. Armando says he is angry at society. He has not found life in this country good enough.

Armando, 29, has been here nine months. He has a regular job as a waiter. He has a place to live. He is not suffering from malnutrition. Nine months, a regular job, shelter and a full tummy, and he's already complaining. I wonder if he's thought about giving Bangladesh a try?

Or maybe he will stick around long enough to complain that his wife's mink coat is shedding and demand that an agency resolve the problem.

Anyway, this is why I'm glad to see that there has emerged in the Democratic Party a faction called the Democratic Leadership Council.

It's made up of Democrats who have decided that the party can no longer try to appeal to every special interest group that believes government must solve their problems; that for every lack of individual responsibility, there is a government program; that for everybody who sticks out a hand and says "Where's mine?" there's an automatic handout.

These radical ideas have upset the Democrats who have been running the party for the last few decades, giving us the political conventions that sent forth Dukakis, Mondale, McGovern and other giants. They say these less weepy Democrats are abandoning the party's traditions of compassion for the downtrodden.

I don't agree. I think that what they're saying is that they want to show the downtrodden how to get up so he doesn't get trod on anymore.

And I wish them success. If they don't make it, we might wind up with the Department of Shedding Mink Coats Investigations.

H.R. 1

HON. CRAIG THOMAS

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. THOMAS of Wyoming. Mr. Speaker, as the Congress prepares to consider H.R. 1—the so-called civil rights bill—I rise to again call for common sense in our deliberations and actions.

Few things are more important than civil rights. Each and every citizen's right to work, play, earn, and learn hinges on our Nation's civil rights laws. But in an effort to be politically appealing, the majority's bill winds up totally forgetting common sense, and results in quotas for hiring.

My friends, the whole concept of civil rights abhors the notion of quotas. And any kind of common sense rejects placing employers in a catch-22 situation where they must choose between genuine job qualifications and statistical quotas.

Now the majority party, in a desperate attempt to gather votes for this bill, is offering compromise after compromise. They're claiming this bill won't result in quotas, and are trying to distance themselves from the effects their bill will have.

Yet, in a recent Washington Post article, a Democratic Member of the House said H.R. 1 would result in quotas, and Democratic political professionals admit quotas are a political liability they're trying to avoid. My friends, civil rights in America are too important for partisan politics.

Let's prove to our constituents—workers and employers, male and female, of every race and religion—that we're committed to civil rights, not statistical quotas. Let's prove we can enact legislation with common sense and fairness. Let's reject H.R. 1 for what it is—a quota bill, plain and simple—and instead work for real civil rights legislation.

EDS SETTLES CASE OVER SECRET USE OF CREDIT REPORTS

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. LEHMAN of California. Mr. Speaker, I am submitting the following article for inclusion in the CONGRESSIONAL RECORD for the information of my colleagues and the American public. The article, "EDS Settles Case Over Secret Use of Credit Reports," was reported in the Washington Post on May 29, 1991.

EDS SETTLES CASE OVER SECRET USE OF CREDIT REPORTS

(By Albert B. Crenshaw)

For the past few years, Electronic Data Systems Corp., the big electronics arm of General Motors Corp., has been screening job applicants by checking out their credit histories.

The problem is that EDS neglected to tell the unsuccessful applicants that information about them supplied by credit reporting agencies had played a role in their rejection, according to the Federal Trade Commission.

That oversight violated federal law, the FTC charged, and yesterday EDS—without admitting it did anything wrong—agreed to overhaul its procedures and tell affected applicants what happened as part of a deal with the FTC to settle the charges.

The EDS case is part of a broader look at the credit checks by the FTC. It is a sensitive issue because using credit reports to check on new hires is gaining favor among employers. The practice is legal and, at the same time that other screening devices such as lie-detectors have been restricted, it has become increasingly popular among corporations.

Indeed, the credit reporting industry, which is concentrated in the hands of three large, highly automated companies, has begun marketing reports specially tailored for use by employers in screening job applicants. The companies are Equifax Inc., Trans Union Corp. and TRW Inc.

However, critics contend that credit reports commonly contain errors that could improperly knock an applicant out of the running for a job. Currently, the main protection a job-seeker has is the Fair Credit Reporting Act, which requires that the applicant be notified if a credit report is a factor in their rejection.

EDS, according to the Federal Trade Commission, had been running credit checks on job applicants and had in some cases denied employment or rescinded a job offer based on the reports' contents. EDS failed to notify these people as required by the credit reporting law that the report had been used, and it failed to give them the name and address of the credit reporting company that supplied the report.

EDS agreed to sent letters to everyone rejected for EDS employment based on a credit report. The letters give the reason for the rejection and will identify the company that supplied the credit report. The company also agreed to obey the Fair Credit Reporting Act in the future and will keep documents for the next five years to demonstrate its compliance.

The settlement applies to job applicants rejected since Jan. 1, 1989.

An EDS spokesman said that about 150 people will get the letters and that violations had been technical. EDS employs about 60,000 people, he said.

Credit reports have grown increasingly important in recent years as sophisticated computer technology has allowed credit bureaus to collect, collate and transmit data on millions of individuals. Crucial decisions ranging from employment to the ability to obtain, say, a car loan often turn on their contents.

The industry insists that its reports are highly reliable and that only a tiny fraction of the approximately 450 million reports supplied each year involve errors.

Critics, though, say the level remains too high, given the importance of the decisions involved.

In the case of EDS and other cases that the FTC expects to announce soon, "we're talking about a system of credit reports where questions of reliability have been raised, and we are talking about people who could be denied a job on the basis of information in the credit reports," sayd Barry J. Butler, director of the FTC's Bureau of Consumer Protection.

He said the case involving EDS arose as "part of a broader sweep to see who is using these . . . reports and how." He praised EDS's cooperation, adding that he hopes it will have an educational effect on other employers.

"The goal is not to punish people; the goal is to get voluntary compliance," Cutler said. "There are many large companies that still have to learn how to comply with this law."

Congress also has been looking into issues surrounding credit reports. Several bills have been introduced that would further restrict uses of the reports. The law now allows anyone with "legitimate business need" to have access to these files. Consumer activists are pressing amendments to give consumers power to control distribution of their files.

The House Banking Committee's consumer affairs subcommittee is planning a hearing on the subject next week.

SECTION 457 REFORM AND SIMPLIFICATION ACT OF 1991

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. MATSUI. Mr. Speaker, I am today introducing, along with Representative VANDER JAGT, the section 457 Reform and Simplification Act of 1991. This legislation is intended to provide equitable and uniform treatment of nonelective deferred compensation under section 457. Specifically, the bill provides that nonelective deferred compensation is not taxable until paid or constructively received. Under current law, employees of many tax-exempt organizations and State and local governments are taxed on nonelective deferred compensation before they are entitled to receive it. Taxing such amounts prior to the time they are received is inappropriate because it results in current taxation of amounts which—

First, the taxpayer has not received;

Second, the taxpayer never had the right to receive; and

Third, which the taxpayer may not actually receive.

Congress has already recognized the unfairness of the general rule of current law, and has specifically exempted from this unfair treatment many classes of taxpayers as follows:

First, employees and independent contractors performing services for taxable employers are not taxed on either elective or nonelective deferred compensation until paid.

Second, independent contractors performing services for tax-exempt employers are generally not taxed on nonelective deferred compensation until paid.

Third, employees of tax-exempt employers performing services pursuant to a collective bargaining agreement in existence on December 31, 1987, are not taxed on nonelective deferred compensation until paid. The rule applies even if the employee is hired in the future. In some cases, this represents a permanent exception because certain collective bargaining agreements are permanently considered to be in effect even though subject to amendment.

Fourth, employees covered by a plan maintained by a church for church employees are not taxed on nonelective deferred compensation until paid.

Fifth, State judges are not taxed on nonelective deferred compensation until paid.

Sixth, employees covered by a deferred compensation plan of a nonprofit corporation organized under the laws of the State of Alabama with respect to which the Internal Revenue Service issued a ruling dated March 17, 1976, are not taxed on nonelective deferred compensation until paid even if they are employed after March 17, 1976.

Seventh, employees covered by a deferred compensation plan with respect to which a letter dated November 6, 1975, was used to submit the original plan to the Internal Revenue Service, an amendment was submitted on November 19, 1975, and the Internal Revenue Service responded with a letter dated December 24, 1975, are not taxed on nonelective deferred compensation until paid even if they are employed in the future.

Employees of tax-exempt employers not within the various classes set forth above are currently taxed on nonelective deferred compensation. This obvious discriminatory and unfair treatment would be ended by the Section 547 Reform and Simplification Act of 1991 by providing a uniform and equitable rule under which all employees and independent contractors of tax-exempt employers would not be taxed on nonelective deferred compensation until paid or constructively received.

Mr. VANDER JAGT and I have been working to address the problems created by the IRS's interpretation of section 457 since 1987. We have been pleased to enjoy the support of many of our colleagues in this effort, including 22 other members of the Ways and Means Committee who cosponsored and supported our legislation in 1987. The House version of the Technical and Miscellaneous Revenue Act of 1988 would have completely addressed the problem but unfortunately only one-half of the solution was accepted in conference. The Committee on Ways and Means heard testimony from the section 457 task force, a coalition of tax-exempt employers and organizations which represents tax-exempt employers, on March 5, 1990, detailing the need to complete the reform and simplification of section 457. My bill would accomplish this much needed reform and simplification.

EXPLANATION OF THE BILL

The bill exempts nonelective deferred compensation from the scope of section 457. Thus, nonelective deferred compensation is disregarded in determining whether a plan is an eligible deferred compensation plan. Such benefits also are not subject to the rule which includes such benefits in income when they no longer are subject to a substantial risk of forfeiture if such benefits are not provided under an eligible deferred compensation plan. Instead, nonelective deferred compensation is taxed when received or, if applicable, earlier under the general principles of constructive receipt.

The Secretary is to provide a definition of deferred compensation intended to provide fair rules while preventing abusive situations. For purposes of this definition, it is intended that the Secretary create a "safe harbor" definition that makes it clear that any nonqualified deferred compensation plan or arrangement that meets the following criteria be treated as nonelective:

Benefits are provided pursuant to the terms of a written plan or agreement either (a) approved by the employer's board of directors or other governing body (or by a committee of such board or body), (b) authorized by State or local statute, ordinance or regulations, or (c) provided under the terms of a collective bargaining agreement (or other similar agreement generally governing the terms of employees' employment with employers);

The individual (or individuals) receiving benefits under the plan or arrangement does not (or do not) vote (except in the case of benefits provided pursuant to collectively bargained agreements) in connection with the decision of the board of directors or other governing body (or by a committee of such board or body) approving such plan or agreement;

The written plan or agreement does not grant the individual (or individuals) accruing benefits under the plan or arrangement an option to receive increased current compensation in lieu of plan participation or benefits; and either—

(1) the compensation of individuals accruing benefits under the plan or arrangement is not reduced as the result of the establishment or maintenance of the plan arrangement, or

(2) the plan applies to 100 percent of the employees above a compensation level or officer status specified by the employer that does not change frequently over time.

If deferred compensation is provided pursuant to the terms of an individual employment contract entered into by an executive or a managerial employee with his or her employer (as opposed to a written plan or arrangement under which more than one employee participates), the criteria described above will be deemed to be satisfied if deferred compensation provided under the contract is subject to substantial performance conditions (for example, the performance of a minimum of 3 years of service before benefits will be vested). The 3-year service requirement also will be deemed to be satisfied if the employee in question is being provided with deferred compensation income under a contract entered into within the 3-year period preceding his or her termination of service which is in recognition of a period of substantial service to his or her employer.

FAIR TRADE WITH SOUTH KOREA

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. RINALDO. Mr. Speaker, the place of Japan in the world's economy is well recognized. Japan has become an economic giant, and its products—particularly electronics—are challenging American goods all over the world. But Japan is not the only Asian country with global business aspirations. The burgeoning growth of South Korea has made that country a force to be reckoned with, and soon South Korean products will be as fiercely competitive with American goods as those made in Japan.

This is why South Korea's ambitious plan to expand its semiconductor industry in the next 5 years is of special concern. According to recent, published reports, the South Korean Government is embarking on a $40 billion, 5-year plan for the research and development of new semiconductor technology.

The South Korean plan could add significantly to the competition for U.S. manufacturers of semiconductors, also known as microchips or computer chips. Microchips are used in computers, television, communications, and other forms of high-technology electronics, including Department of Defense weapons systems.

South Korea's push in this strategic and vital industry could pose a serious threat to United States jobs and to our national security unless a new semiconductor trade agreement is reached between our two countries, similar to that which now exists between the United States and Japan.

The current semiconductor agreement with Japan expires in July, and I have urged United States Trade Representative Carla Hills to seek a new pact. I also want United States negotiators to seek guarantees of fair trade from South Korea.

In my view, the United States cannot abandon the manufacture of these vital component to foreign firms. Industry analysts have said that American firms have been hurt by internal barriers that have closed off the Japanese semiconductor market to United States products. Japanese firms have also been accused of dumping cheap semiconductors in the United States in order to drive United States firms out of business.

Even with the current agreement with Japan, that country's semiconductor market has remained largely closed to United States companies.

A new United States-Japanese Semiconductor Trade Agreement could open the Japanese market to American chip manufacturers and could include provisions for much quicker resolution of complaints of "chip dumping" on the world market. It could set the stage for a similar agreement with South Korea.

Judging by past performance, I believe we can do a much better job of protecting our Nation's economic interests overseas, and I favor a tougher stance in our trade talks with foreign countries. There are piles of studies documenting Japan's failure to remove many of its traditional trade barriers. We need more implementation and good faith efforts, not more studies.

Japan still accounts for 41 percent of the United States trade deficit. Also, while United States exports to Japan have increased by 30 percent between 1988 and 1990, recent trends indicate exports to Japan have slowed down.

Unless we resolve our major trade disputes with Japan in the coming year, we will have a hard time convincing Korea and other Pacific rim countries to bring down their barriers. Japan is the trend setter in Asia.

Currently, United States manufactured semiconductor chips and pharmaceuticals are not protected under South Korea's weak patent laws. Industry analysts have accused Korean firms of pirating United States patents and the copyrights of films, videos, and recordings made in the United States.

United States exports to Korea were $14.4 billion in 1990, compared to $18.5 billion in imports from Korea. During the same year, United States exports to Japan were worth $48.6 billion, while imports from Japan totaled $89.7 billion, according to the Office of the U.S. Trade Representative.

Meanwhile, Korean customs and laws continue to block United States goods in South Korean markets. The Korean bias against foreign made products is taught in school. Korean school children are given illustrated books that suggest that foreign food is poisonous and purchases of imports jeopardize the livelihood of Korean farmers.

These are the kinds of obstacles to American products that must be dismantled. Our goal should be fair trade and fair play for American products and business overseas.

WELCOMING PRESIDENT GEORGE VASSILIOU OF CYPRUS

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. MAVROULES. Mr. Speaker, I am pleased to welcome President George Vassiliou to the United States. His visit with President Bush will offer an historic opportunity for our nations to proceed with bilateral relations. Three months have passed since the conclusion of the gulf crisis, yet the precedent of successful United Nations actions remains significant to the future of Cyprus. As President Vassiliou of Cyprus commences his meetings with U.N. Secretary General Javier Perez de Cuellar, I hope that the rejuvenated U.N. role in solving regional conflicts will be more effective and valuable.

Furthermore, I am hopeful that because President Turgut Ozal of Turkey demonstrated enormous cooperation with the United States during the gulf crisis, he will show the same level of cooperation when working toward a solution to his own nation's position in Cyprus. My colleagues, there no longer exists an option as to whether stability arrives for the Cypriot people. It remains the right of every country to be free and secure. Therefore, I cannot stress enough the urgency of Cyprus' request to be allowed to develop its own Federal sovereignty. Moreover, I commend the efforts of the European Community and the Soviet Union who have displayed great willingness in offering support to Cyprus.

Most importantly, I would like to stress the significance of the United States relationship with Cyprus and to emphasize the enormous motivating role of our friendship in this country's search for Cypriot peace. My support for President Vassiliou and his nation's sovereignty will not wane until an acceptable solution is achieved.

FAIR TRIALS IN KUWAIT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. MAZZOLI. Mr. Speaker, I commend to the attention of our colleagues a letter, dated May 22, 1991, I sent to Secretary of State James Baker expressing my concerns about the lack of fairness in the conduct of the trials charging collaboration now underway in Kuwait.

Also of interest are news articles and editorials from recent newspapers.

Mr. Speaker, I intend to follow the progress of the Kuwaiti war crimes trials closely over the next several months. As I wrote in my letter to Secretary Baker, the United States should exert all possible pressure, and we have a lot we can exert, on Kuwait to recognize the basic human, civil and legal rights of its citizens.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 22, 1991.

Hon. JAMES BAKER,
Secretary of State, U.S. Department of State, Washington, DC.

DEAR MR. SECRETARY: I have grave concerns about the fairness and evenhandedness of the war crimes trials underway in Kuwait.

It appears from news releases that a kind of Kangaroo Court or Star Chamber brand of justice is being meted out to the defendants who are being hauled before these tribunals. They are not being accorded basic and human civil rights much less the normal legal protections which are part of the legal system of any civilized nation.

An irony here is that those who stayed behind in Kuwait and endured deprivation and danger during its occupation by Iraq are being tried as collaborators by a government whose leaders fled the country and spent the duration of the war in the discos of Cairo and relaxing around the pools and in the air-conditioned comfort of hotels in Saudi Arabia.

The United States and our allies sacrificed much to expel Saddam Hussein and the Iraqi Army from Kuwait. Accordingly, the United States and its allies have the right—indeed the obligation—to exert maximum pressure on Kuwait to recognize the basic human, civil and legal rights of those now being tried and of all citizens and residents of Kuwait.

I would appreciate your comments. All the best.

Sincerely,

ROMANO L. MAZZOLI,
Member of Congress.

[From the New York Times, May 21, 1991]

LIBERATED IN KUWAIT: ARROGANCE

Does wearing a T-shirt with Saddam Hussein's portrait warrant conviction as an Iraqi collaborator in liberated Kuwait? Evidently so. A martial law court sent the youth in the shirt to prison for 15 years, followed by deportation. What a deplorable beginning for an old regime reinstated in the name of world law.

Obviously flustered, Marlin Fitzwater, the White House spokesman, tried yesterday to put a better face on this caricature of justice. The White House does have "concerns" about Kuwait's legal system, he said, and Washington has been urging reforms, but Kuwait is an independent country with its own justice system. On the matter of the T-shirt, there are other factors that he couldn't go into that "make us reserve judgment."

Then why didn't the presiding judge specify the real offenses of the young man and of others given comparably harsh sentences? Reporters in Kuwait asked the same question; a spokesman for the emirate lamely replied, "I don't understand, either." Kuwaiti lawyers say the failure to detail charges or provide defense counsel offends Kuwait's own legal traditions.

What makes the case so repugnant is that it seems to personify arrogant indifference by rulers reinstalled after the Persian Gulf war. Full allowance can be made for the difficulty of restoring normal life in a ravaged country where 500 oilfield fires still scorch the sky. But the Kuwaitis themselves are the severest critics of the ruling Sabah family, which sat out the war in exile.

The people victimized by the Iraqi invaders hoped for elections and a more responsive political system. This has been met by a vague promise from their Emir about electing a parliament sometime next year—"God willing." Meanwhile, his Government seems unable to clear mines, extinguish fires or uphold the rudiments of law and order.

If there is a policy, it is to return to paternalism and indulgence. This very much suits Saudi Arabia, whose feudal rulers show no enthusiasm for any changes that might call their own legitimacy into question. But there's no reason the allies should passively acquiesce as hopes for reform are smothered. On the contrary: they have earned an enduring right to speak out. Only yesterday, Kuwait appealed to the U.N. to allocate Iraqi oil earnings for reparations—a request that requires the world's good opinion. And Washington has just agreed to send an armored brigade to help protect Kuwait at least until September.

Kuwait needs that U.S. presence, just as it needed allied liberation, and its rulers would be wise to take urgent notice of American opinion. President Bush may not yet be willing to express more than "concern." That leaves it up to Congress and the country to speak out in behalf of a people abused first by aggressors and now by their old rulers, still locked in the past.

[From the New York Times, May 21, 1991]

KUWAITIS DEFEND TREATMENT OF CONVICTED COLLABORATORS

(By Edward A. Gargan)

KUWAIT CITY, May 20.—Kuwaiti officials today sought to justify the stern sentences meted out Sunday to people accused of collaborating with the Iraq occupiers, including a 15-year term to a man who wore a T-shirt with President Saddam Hussein's picture.

A lawyer present at the trials said today that his life had been threatened by people opposed to his efforts to defend the suspects.

"I've received lots of calls today which threaten me," said Najeeb al-Wuqyan, a prominent lawyer here who spoke out against the lack of evidence presented at the trials.

The 12 people brought before the five-member martial law tribunal on Sunday were the first of hundreds expected to be put on trial on charges of collaboration. The court convicted and sentenced to harsh terms five people while acquitting four, continued the cases of three others and opened the trials of eight people in absentia. Several of those convicted had no lawyers and at no point was any evidence of their guilt introduced into the proceedings.

Western diplomatic observers seemed stunned by the trials, which bore little relation to juridical procedures common in Europe and the United States.

An American Embassy official declared that the defendants had been "railroaded." The official, who spoke on condition that he not be identified, said, he was not surprised by the conduct of the trials. "There is a mood of vengeance here," he said.

Later in the day, however, another American official said that United States policy would be "to wait and see how things go."

"There're obviously a lot of questions about the standards of justice in trials like this," he said. "People seemed to think they had quite a dossier on them. The problem the Kuwaitis are having is one of communication."

Throughout the day, officials of Kuwait's Ministry of Information buttonholed foreign journalists to explain that the charges against the accused were in fact far more serious than stated during the trial. The officials, young men who appear fervent in their expressions of hope for a just and democratic Kuwait, were despairing as they sought put a good face on the trials.

"These guys did lots of bad things," one said. "They informed on people." When it was pointed out that none of this was mentioned in court and that no evidence had been produced, the official shook his head. "I know," he said. "I don't understand either."

Kuwait's judicial system is not based on common law justice, as it is in Britain and the United States. Rather, it comes from the French Napoleonic system as filtered through the Egyptian experience. Under this system, the judge has broad powers to determine charges, the admission of evidence, the need for witnesses and guilt or innocence. In many cases, arguments by the prosecution and defense are not made in open court but through written briefs, which are put in the case files and reviewed by the presiding judge.

In the current trials, however, the defendants are being tried before martial law courts composed of three civilian and two military judges. Apparently, even the limited adversarial procedures of normal criminal law have been abbreviated under the martial law courts.

At Sunday's trials, a young man named Adnan Abed Ali was sentenced to 15 years in prison, with the term to be followed by deportation. The only act of supposed collaboration cited by the chief judge as the trial was Mr. Ali's wearing of a T-shirt bearing the likeness of the Iraqi leader.

Also convicted were two brothers who had fashioned key chains with fobs made of bullets. With this as the only publicly disclosed offense, the brothers were sentenced to 12 years in prison, after which they are to be deported.

Late last night, a spokesman for the Justice Ministry, Ahmed al-Sarawi, said that the man who wore the Hussein T-shirt had actually worked for the Iraqi intelligence and that he had been convicted and sentenced for this.

"He was pointing out Kuwaitis,"he said. "He was sneaking around looking for resistance fighters, whoever had guns. The T-shirt was only for welcoming the Iraqis." When asked who none of this was mentioned in open court, Mr. Sawari said, "These mistakes happen."

LAWYERS EXPRESS DISMAY

Several of Kuwait's most prominent lawyers continued to express dismay at Sunday's proceedings.

"We said we wanted to see the evidence," said Amad al-Saif, a lawyer present at the trials. "We said the evidence is not very clear. We want you to cancel all that happened. The judge was laughing and we thought for a moment he would consider it. But he didn't."

Mr. Saif said that much of the evidence against the defendants was contained in thick folders carried by the chief judge but that it was not made available to the lawyers in the courtroom.

[From The New York Times, May 21, 1991]

BUSH URGES KUWAIT TO HOLD FAIR TRIALS FOR THE SUSPECTS

(By Patrick E. Tyler)

WASHINGTON, May 20—President Bush said today that Kuwait should extend fair-trial protections to people accused of collaboration with the Iraqi occupation who are being put on trial this week, many of whom have complained of torture and lack of access to defense lawyers.

Mr. Bush, speaking at the White House with Chancellor Helmut Kohl of Germany, declined to criticize Kuwait justice officials after five men were sentenced to prison terms on Sunday before a martial-law court. The 12 defendants who appeared before the tribunal were denied cross-examination privileges or a detailed listing of the charges against them.

The most severe sentence, 15 years, was imposed on a man whose only publicly disclosed offense was wearing a T-shirt with President Saddam Hussein's picture on it. Two men received 12 years each for possessing bullets they said were key chain decorations. Two other men also received prison terms, while four defendants were acquitted and the cases of three others were continued. The trials of eight others opened with the defendants in absentia.

The mild rebuke implicit in White House and State Department statements today reflected the Bush Administration's continuing effort to improve the human rights records of its principal Arab allies in the Persian Gulf as it pursues a commitment to democratization. The statements also reflect genuine embarrassment in Washington over how Kuwait's rulers are handling national reconciliation in the oil skeikdom that was overrun by Iraq last August and rescued by allied armies this year.

AN APEAL FOR COMPASSION

"I can understand that there's a lot of bitterness from those Kuwait's who saw their country raped and pillaged in an unconscionable way," Mr. Bush said, and then added, "having said that, I think it would be in Kuwait's interest to extend the fair trial to everybody, and to be as compassionate as one can, given the outrages that they faced."

Earlier today, Marlin Fitzwater, the White House spokesman, said there were shortcomings in the way Kuwait justice officials were conducting postwar trials against supposed collaborators with Iraq.

Maryam Elahi, a spokeswoman for Anmesty International in Washington, said the organization, which is monitoring the trials, has documented cases of prisoners' being tortured. She also questioned whether any prisoners had access to lawyers in advance of the court proceedings. In addition, she said, "the length of the sentences raised serious questions on the fairness of the trials," which she said were clearly conducted without due process.

Stories of brutal recrimination against reputed Iraqi collaborators, Palestinians and other expatriate workers have dogged the Government of Skeik Jaber al-Ahmed al-Shabah. In addition, the opulent life style of the Emir and his ruling family, as thousands of Kuwaits and workers have stood in long lines for food, has stirred sentiment against the royal family.

[From the Washington Post, May 21, 1991]

SAME OLD KUWAIT

(By Richard Cohen)

From time to time, the public relations firm known as Kuwait places and ad in an American newspaper, thanking us for liberating the country from Saddam Hussein. A recent one, placed in The Post, contained a map of the Middle East and acknowledged the existence of Israel. Yea, verily, yea, will miracles never cease?

But just in case you thought that Kuwait was entering the 20th century, it held a trial the other day of 11 men and one woman accused of collaborating with Iraq during the occupation. None of the accused could see a lawyer before the trial. Some of the accused said they had been tortured or (merely) beaten. None of them faced an accuser. Five were convicted on the spot, one of nothing more than wearing a Sddam Hussein T-shirt—a shirt the accused said be bought before the war and used only as a nightshirt. He was sentenced to 15 years in jail.

Shortly before the gulf war started, I visited both Jordan and Iraq. In both places, people were dismayed that the United States and its allies would come to the aid of Kuwait. It was loathed, considered both arrogant and undemocratic. It would not extend citizenship to non-Kuwaitis and relied on foreigners to run the country; Kuwaitis themselves were said to be loath to work.

You may, of course, credit some of this to Iraqi propaganda and credit the Iraqis, in particular, with epic gall. (Where do they get off being critical of Kuwait?) Some of the stories told about Kuwaitis were lifted from news accounts, including a notorious episode in which a rich Kuwaiti family had locked up a servant while visiting London. Nevertheless, in both Amman and Baghdad on one wept for Kuwait.

Rich nations—and Kuwait was one—engender envy and enmity, and certainly in a Middle Eastern context Kuwait is no more an oppressive state than some of its neighbors. But the United States did not spill blood to liberate Syria or, as it turns out, even Iraq—to name two countries where torture is commonplace. We did, however, come to the aid of Kuwait, and while the war was something of a cakewalk, Americans did die—Americans and countless others as well.

Those of us who supported the war had no illusions about some of America's allies. Syria is ruled by a thug, Hafez Assad. Saudi Arabia is a monarchy where women have few civil rights, not even the right to drive a car, and torture is not unknown. (Some Americans are attempting to sue the Saudi government, claiming they were tortured while working in that country.) Egypt is the most progressive of our wartime allies, but even it is a far cry from Switzerland. Only Israel in that vast region is a true democracy—but not, of course, for West Bank or Gaza Strip Arabs. As the Israelis say over and over again, the Middle East plays by "Hama rules"—Hama being the city that Assad leveled to put down an insurrection.

You play the cards you're dealt, the expression goes. And in August, the cards the United States held were Syria, Kuwait, Saudi Arabia and some other Arab states. But Saddam Hussein had to be stopped, and his invasion of Kuwait, no matter what the character of its government, was wrong. During the Cold War, the United States aided or made alliances with some pretty awful leaders and governments, operating on the rather simple principle that its enemy's enemy was its friend. The Soviet Union was our enemy, and to battle it we even recruited former Nazis.

Still, one hoped that the rulers of Kuwait would have pondered why their country was so hated in the Arab world. One would have hoped that after the war, Kuwait would have democratized and been a bit more punctilious about human rights. One would have hoped that torture would have been abandoned, that a modicum of justice be injected into the legal system. Instead, what we get is a kangaroo court, held not in secret (even a little shame would have been welcome) but before the world's press. It was a disgusting, medieval spectacle.

And so the next time Kuwait cramks up its public relations apparatus for a full-page ad or something similar, think of Adnan Abed Hassan Ali, who was sentenced to 15 years for wearing a Saddam Hussein T-shirt-an imprudent, maybe tasteless act, but a long way from collaboration with the enemy. "I wore it while sleeping," he told the court. "And I wore it outside only once. One or two persons saw me. I had the shirt before the occupation."

Kuwait has the best public relations firms money can buy. But no amount of PR can rectify what the Kuwaiti government itself has done. It's turned the battle cry of "Free Kuwait" into a contradiction in terms.

TRIBUTE TO FRANK WOLF

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. BORSKI. Mr. Speaker, I rise today in recognition of Mr. Frank Wolf on his retirement as athletic director of Nazareth Academy.

Mr. Wolf's contributions to our youth are numerous and enduring. His leadership ability with young people has been recognized with many community and civic awards.

Throughout his years at Nazareth, Mr. Wolf instilled in his students a true and honest appreciation of sports. He helped to revitalize the school sports programs for boys and girls of all ages. Under his guidance, games are well coached and given their proper priority in life. Students are taught to play for the joy of competition.

In addition, as the supervisor of the Police Athletic League [PAL], Mr. Wolf was instrumental in developing programs to help keep our children off the streets. He helped to create many amateur boxers who went on to become National Golden Gloves or Diamond Belt Champions.

Indeed, Mr. Wolf is now and has been for years more than just a coach to the youth of Philadelphia. The lessons the youth have learned from him will benefit them throughout life, on and off the playing field.

Not only has Mr. Wolf served our youth, but he also should be recognized for his service to our country. Mr. Wolf is a 28-year veteran of the Philadelphia Police Department and also is a veteran of the U.S. Army.

Mr. Speaker, I join my three daughters, Nazareth Academy and the people of Philadelphia in thanking and commending you for many years of outstanding service.

TRIBUTE TO WALTER SCHWARZ

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize a truly outstanding individual in this country, Mr. Walter Schwarz of Clare, MI. Mr. Schwarz has been the superintendent of the Clare Public Schools for the past 13 years. His contributions to the community of Clare deserve praise and appreciation.

Mr. Schwarz was born in Benton Township, MI, and his family includes his wife, Stacy, his children, Lauri, Terry, Scott, and Julie, all of whom are proud of him.

Mr. Schwarz has devoted the last 36 years of his life to education. He started out as a teacher at Yale High School. From teaching he went into counseling, then to administrative assistant, to principal, and finally became a superintendent.

Mr. Schwarz has been involved in many community projects including serving on the board of directors of the Clare Kiwanis Club, Worshipful Master of the Masonic John Q. Look Lodge, and on the board of directors of the Clare Chamber of Commerce. His participation in these activities shows his eagerness to involve himself in groups associated with the educational process. If it is true that the superintendent reflects the community, then Mr. Schwarz truly represents Clare.

Mr. Schwarz believes the classroom teacher and the classroom environment are the most important elements of success in education. He encourages the involvement of the community in education. He believes the process of education is best served when all participants have an active role. It was through Mr. Schwarz's leadership that the Clare High School and primary school were recognized by the Michigan Department of Education as exemplary in 1985 and 1986. Another of Mr. Schwarz's successes was the construction of Brookwood athletic and park facilities, which was constructed with donated money and labor.

Mr. Speaker, I know that you will join me in thanking and commending this truly exceptional man for all of his years of service to the people of Clare. We all wish Mr. Schwarz well, and hope for his continued success in all future endeavors.

ORGAN DONATIONS, A GIFT OF LIFE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Ms. ROS-LEHTINEN . Mr. Speaker, approximately every 30 minutes, someone in the United States needs an organ transplant. Each year the number of people waiting for transplants increases dramatically. As of April 1, 1991, over 22,000 people were in need of some sort of transplant. Too often, we hear about people dying because they did not receive an organ they needed. This should not happen. If everyone were to carry an organ donor card, this cause of death could be eliminated.

In 1990, south Florida ranked in the top 10 percent of the Nation's metropolitan areas for donations. But this was achieved with only 101 donors. This totaled 346 organs for the year: 181 kidneys, 66 pancreas, 23 hearts, 30 heart valves, and 46 livers. Still, the number of organs available falls short of the need for transplants. About 25 percent of those waiting for a heart transplant die before a donor is located. This is a tragedy. Every day people are dying who can help others live.

The death of a loved one is difficult for families, yet by being organ donors or giving permission for a loved one's organs to be donated is one way to ease the pain. A life can be saved as a result of someone's death.

The organ-sharing system started in 1969 with only eight transplant centers which made up the network. Soon after the foundation was established, a computer system was developed to link the eight centers. By 1975, the system had grown to include 18 transplant centers and the system was set up as a nonprofit organization. In 1984, UNOS was incorporated, the United Network for Organ Sharing. And in 1986, UNOS was awarded a Federal contract by the U.S. Department of Health and Human Services to administer the National Organ Procurement and Transplantation Network [OPTN]. Today, there are 261 transplant centers and 51 organ procurement organizations.

Transplant centers, tissue typing laboratories, and organ procurement organizations all have an integral role in the exchange from donor to recipient. For example, reported in Reader's Digest was the story of Robert Delker, a 55-year-old man who died of a heart attack. He was also a donor. Minutes after his family was notified of his death, an 800 hot line was dialed to UNOS. After the blood was screened for HIV, the AIDS virus, hepatitis, and other diseases, the tissue recovery specialist began working. Meanwhile, UNOS provided a list of potential recipients based on match and need, also taking into account medical urgency, genetic compatibility, and logistics. Thirty-four people benefited from the Delker family's generosity.

Another example of how this network helped save a life happened in south Florida just a few weeks ago on April 27, 1991. Father Gerald T. La Cerra, the pastor of St. Mary's Cathedral and chancellor of the Archdiocese of south Florida, is presently recovering from a heart transplant. He was fortunate to have a heart, compatible with his bloodtype, donated after being on the national waiting list for 10 weeks.

Reported in Spectra, is the story of 32-year-old Andrea Kessler of Miami. Six months after receiving a combined pancreas-kidney transplant, she no longer requires insulin and is off dialysis—with no diet restrictions. This is just the beginning of transplantation successes in the medical field.

Donations and the efficient work of the organ center either saves people's lives or helps others live a more pleasant one. Transplantation owes its success to people who realize that they can help save another person's life, simply by signing an organ donor card.

PROPOSES 10-YEAR MORATORIUM ON OFFSHORE DRILLING ALONG NEW JERSEY COAST

HON. DICK ZIMMER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. ZIMMER. Mr. Speaker, I rise today to introduce legislation that is crucially important to the environmental and economic health of my home State of New Jersey. The bill would impose a 10-year moratorium on off-shore oil and gas drilling along the New Jersey coast.

New Jersey's beaches belong to everyone. Regardless of whether we live on a sand bar or 3 hours from the nearest beach, New Jerseyans deeply believe that ocean and beach protection is essential.

The Department of the Interior proposal to allow drilling off our shores threatens our economy and our beaches and deemphasizes the importance of energy conservation.

The potential for disaster looms large for both our fishing and tourism industries. Many contend that accidents on oil and gas rigs are becoming more rare. But it doesn't take more than one oilspill or gas explosion to jeopardize both our fishing industry and our tourism industry.

As we learned from the oilspills in the Arthur Kill and in the Kill Van Kull in New Jersey, it doesn't take much oil to destroy sensitive ecological habitats. As we learned from the *Valdez* disaster in Alaska, a single accident can do tremendous harm to our beaches.

Too frequently, New Jerseyans have sat and watched helplessly as beaches were closed because they had been fouled by some foreign substance like coliform bacteria, medical waste, or tar balls. When beaches close, it doesn't only mean that kids can't swim, it means that tourism declines and small businesses suffer. It only takes one bad summer, one summer of closed beaches, to drive shopkeepers out of business, harming both the local and State economies.

I do not believe that leasing sensitive ecological areas to drill for oil and gas exploration will be a boon to New Jersey's economy. New Jersey would be far better off if the Nation had a meaningful conservation policy in place.

Substituting new oil and gas development for sensible conservation policies is shortsighted and endangers New Jersey's environmental and economic well-being

I urge my colleagues to join me in supporting this bill.

DEPARTMENT OF DEFENSE AUTHORIZATION

HON. STEVEN SCHIFF

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. SCHIFF. Mr. Speaker, I supported the administration's defense budget during consideration of the authorization bill because it provided the funding necessary to continue the strategic defense initiative antimissile program and the B–2 Stealth Bomber Program, which are vitally necessary for our future national defense.

However, to my great concern, the Cheney-administration defense budget also contained provisions to continue the reduction of the National Guard and Reserves—by 107,526 personnel—in this year's installment of the cuts necessary to achieve a 25-percent total reduction by 1996. I do not support this provision.

We must realize that the rapidly changing international environment, coupled with a need to contain U.S. defense spending, will dictate an entirely different defense force structure in the future. Our defense force structure will have to be versatile, deployable, and lethal in an era when the precise time, location, and nature of the threat will remain uncertain.

The exact composition of the military needed to overcome any specific threat will best be determined on a case-by-case basis. A smaller active duty force, relying on an ability to rapidly expand again should circumstances require it, may well be the most cost-effective means to maintain our national security. A rapid expansion must rely on Reserve and Guard forces.

To proceed with the Guard and Reserve cuts without reevaluating the current world threat and the lessons learned in the Persian Gulf war is inappropriate and could well undermine a vital and integral component of our national defense system.

Although I voted for the overall Cheney-administration package, I disagree with its deep reductions in the Guard and Reserve, and, had it passed, I would have sought a separate vote on that issue alone.

RIGHT PLACE AND RIGHT TIME FOR BUSH ARMS CONTROL PROPOSAL

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. BROOMFIELD. Mr. Speaker, the President's arms control proposal is like his intervention in the gulf last August: It is big, well thought out, and doable.

He was wise to start with the Middle East. Now is the time to seize some of the opportunities presented by our leadership in the coalition against Iraq.

America has regained its preeminent position of leadership in the Middle East, and we should not be afraid to expend some of this political capital to argue for the tough steps that will be needed to achieve lasting peace in the region.

The Middle East is the logical area to launch a major arms control initiative for another reason: The region has many of the world's weapons, and the passions to set them off. If we can control arms in the Middle East, we can control them anywhere.

The President was right to focus his initial efforts on bringing together the world's five biggest arms suppliers.

Some in Congress have proposed a unilateral U.S. decision to stop the flow of American arms to the region. That might make some in this country feel good, but it would have little impact on proliferation in the Middle East.

Those countries familiar with the workings of the international arms bazaar would simply do their shopping at the next tent. The best way to shut down the arms flow is to put a squeeze on those who supply the weapons.

Getting countries like China to abide by restraints on the transfers of arms to the Middle East will no doubt take considerable diplomatic skills on the part of the President. But the President's skillful diplomacy was precisely the reason that America was able to put together a coalition to face down Saddam Hussein.

With the support of Congress and the American people, the President has the best chance I have seen in years to bring off a meaningful arms control agreement in the Middle East

The President's proposal is a giant first step toward international arms control. It gives some hope that the great scientific discoveries of this era can be redirected toward peaceful uses, so that we can take the world and build it up, not blow it up.

STUDENTS TRACK WEATHER

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. WELDON. Mr. Speaker, I rise today to commend the efforts made by Chester County's Unionville High School for their efforts in weather satellite tracking stations. The students of Unionville High School have developed an educational program that provides easy access to hands-on experience with space technology.

Weather satellites serve as an excellent opportunity for students to learn about technological advancements in the scientific field which currently are not provided in textbooks. Educational weather satellite programs have proven valuable in increasing students' knowledge of government, financing, and international relations, which are needed for the operation and improvement of weather satellite tracking stations.

Weather satellites have also given high school students a chance to serve the community by relating their knowledge of the upcoming weather conditions to the public. The program provides students with a knowledge of weather satellites that can help them understand weather patterns. This is critical in saving lives from both natural and man-made disasters. The United Nations has also recently designated weather satellites as "the best use of space age technology for peaceful purposes."

The example set by the Unionville High School students is encouraging. In a time when the education system is criticized more than it is praised, it is exciting to learn of efforts made by these students. I feel strongly that their efforts should be recognized and supported as an important tool in the educational field.

SALUTE TO THE MARILYN MAGARAM CENTER AT CAL STATE NORTHRIDGE

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. GALLEGLY. Mr. Speaker, I rise today to mark the dedication of the Marilyn Magaram Center for Food Science, Nutrition, and Dietetics at California State University, Northridge, which will be held on June 15.

Although part of the home economics department at CSUN, the self-funded center will reach beyond the confines of the university to serve the community as a resource, conduct research, and offer educational programs that address questions dealing with food and nutrition.

The Magaram Center has already attracted international attention in the area of product development and vitamin research, and will offer programs addressing special interests such as sports nutrition, nutrition in relation to metabolic and other diseases, and feeding problems associated with stages of the life cycle.

Named in honor of Marilyn Magaram, an instructor at CSUN as well as a consultant to the food industry and community activist until her untimely death in 1989, the center promises to be a major asset in its field and to the university.

Mr. Speaker, I ask my colleagues to join me in honoring the memory of Marilyn Magaram, and in saluting the dedication of the Magaram Center.

A TRIBUTE TO RUTHERFORD B. HAYES PRESIDENTIAL CENTER

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to take this opportunity to pay tribute to the Rutherford B. Hayes Presidential Center, which is celebrating its 75th anniversary today.

The Hayes Center, located in Fremont, OH, is a unique archive of Presidential history. It is one of only two Presidential centers receiving no Federal funding, and is the only one dedicated to a 19th century President. From my own visits to the Hayes Center, I know that it is led and staffed by people with an unbending dedication to preserving the artifacts and lessons of American democracy.

President Hayes once said that he serves his party best who serves the country best. That eloquent commitment to the well-being of the United States offers a timeless message. Supporters of the Hayes Center should know that they have made an invaluable contribution to assuring the preservation of Hayes' message and mark on history so that we might benefit from them today and tomorrow.

PLEBISCITE FOR KASHMIR

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. BALLENGER. Mr. Speaker, I rise today to support a plebiscite for the people of Kashmir.

In 1948 and again in 1949, the United Nations Commission for India and Pakistan [UNCIP] adopted resolutions calling on the Governments of India and Pakistan to hold a plebiscite to enable the people of Kashmir an opportunity to decide how they should be governed. Although the framework was laid for conducting a free and fair plebiscite, for the past 40 years, they have been denied this opportunity.

Since early 1990, there has been a ground swell of support for Kashmiri self-determination. During this time, we have been reading reports of escalating violence in Kashmir where innocent people are being killed and injured. As the independence movement in Kashmir intensifies, Indian security forces are reportedly engaging in abuses ranging from arbitrary arrests to rape and torture. The region is a hotbed of violence as even militant separatists are reported to have committed atrocities against government officials and unarmed civilians.

A number of human rights groups have conducted investigations there, although not every international human rights organization is granted access to the region. There is still some concern regarding the extent of the abuses occurring in India.

I support the "Freedom for Kashmir Resolution" (H. Res. 87) that expresses the sense of the House that the future status of Jammu and Kashmir be decided through the democratic process of a free and impartial plebiscite as called for in United Nations' [UN] resolutions adopted in 1948 and 1949.

Tremendous tension exists between Pakistan and India, having already fought three wars along the border of Kashmir since 1947. A resolution of the Kashmir situation would be in the best interests of all parties. I hope the people of Kashmir will be given the long-awaited opportunity to determine how they might be governed.

BANTAM RIDGE ELEMENTARY STUDENTS ARE WORLD CHAMPIONS

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. APPLEGATE. Mr. Speaker, I would like to take this opportunity to bestow special recognition on the Odyssey of the Mind team of Bantam Ridge Elementary School in Wintersville, OH, upon their outstanding victory in competitions held recently in Knoxville, TN.

Every parent, relative, teacher, and student who is associated with Bantam Ridge Elementary should be immensely proud and pleased with the special distinction that this team has brought to the town of Wintersville and to their school. The Odyssey of the Mind team achieved the top prize in the Classics Pompeii Division One last weekend, part of a competition involving students from more than 10,000 schools worldwide. Their victory represents an outstanding achievement and a true reflection of the team's unlimited talents, skills, and intelligence—attributes shared by so many of America's outstanding young people today.

I would like to recognize team members Julie Ellsworth, Rachel Burns, Ashley Babaryk, Jeremy Stacy, Nicholas Dondzilla, Justin Gosney, and Justin Pratt. I would also like to commend coaches Toni Jean Dondzilla and Bob Burns for their tremendous leadership and guidance.

Mr. Speaker, the members of the Odyssey of the Mind team wrote their own scripts, build their own props, and designed and created their own costumes leading to a performance in Knoxville that truly deserves the very highest accolades of every citizen and every student, not only in Wintersville and at Bantam Ridge, but throughout the land. We're all very proud of the Odyssey of the Mind team and the students and parents who put so much into achieving the notable distinction as World Champions.

Congratulations.

BEWARE OF KITTY KELLEY COMMISSIONS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. SOLOMON. Mr. Speaker, I'm struck by the types of resolutions coming before the Congress which are reacting to every sort of rumor and innuendo which hits the tabloids.

Take, for instance, a recent resolution which seeks to set up a commission to investigate whether or not the rumors are true that the Reagan-Bush campaign made a deal with the Ayatollah Khomeini in order to favorably affect Reagan's chances of winning the 1980 Presidential election.

Supporters of this type of resolution assert, without hard evidence, that the time has definitely come to invest millions of taxpayer dollars to determine if these tenuous rumors are valid. The American public should start wondering about their Representatives in Congress when they engage in sponsoring tabloid legislation.

Is the request for an investigation based on a legal inquiry? It appears to me that, on the contrary, the real reason for the establishment of this type of Kitty Kelley Commission is to establish meaningless inquisitions whose only goal is to discredit and damage the reputations of political opponents, in this case President Bush and former President Reagan.

Let's take these commission proposals for what they are—rubbish. Be careful. The taxpayers want us to spend their money more wisely on substantive matters. But, this is not one of those matters. Colleagues, beware of the boondoggle Kitty Kelley Commission.

CHUCK STONE, A LITERARY GIANT IN THE FIELD OF JOURNALISM AND COMMUNICATIONS

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. FOGLIETTA. Mr. Speaker, I come before you today to pay tribute to the illustrious, journalistic career of Charles Stone, Jr. In Philadelphia, we know him as Chuck. For three decades, he has graced this country with sound leadership and literary genius. In the early 1970's when the Philadelphia Daily News needed a columnist, Chuck answered their call. Today, he stands as their senior editor and syndicated columnist, as well as an English professor at the University of Delaware.

After service in World War II as an Air Force navigator, Chuck received his A.B. degrees in political science and economics, and his M.A. degree in sociology. He went on to become an overseas representative for CARE in Egypt, Gaza, and India before launching his writing career with several African-American newspapers in the early 1960's. Chuck served a 4-year stint on Capitol Hill, 2 years as special assistant to Representative Adam Clayton Powell. Years later, he became the director of minority affairs at the Educational Testing Service in Princeton, NJ.

Chuck Stone is famous in the Philadelphia area at the Daily News. He has earned a reputation for sharp language and long words. Chuck also lent his talents to WWDB Radio as well as local televison stations as a talk show host and guest. Among his many credits, Chuck was known in Philadelphia as a lifesaver and crisis mediator. Seventy-two criminal suspects surrendered because of Chuck. His in-depth writings, as well as his reputation for integrity and trust touched these individuals. They felt they were better guaranteed fair treatment with the assistance of Chuck Stone. Chuck was also instrumental in helping to end the revolt in Graterford Prison in 1981.

Chuck is leaving the Philadelphia area for the Walter Spearman professorship of journalism at the University of North Carolina. During this time, he will complete two books on which he is currently working. This move also affords him the opportunity to pursue his theological studies at Duke University.

Philadelphia has benefited from Chuck Stone's passion for 19 years. Now it is time for Chuck to spread his wealth of knowledge and energy to others. Chuck, my friend, you will be sorely missed. Good luck.

TRIBUTE TO MAS YONEMURA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1991

Mr. MINETA. Mr. Speaker, I rise today to pay tribute to Mas Yonemura, who will be honored on June 6, 1991, in Chicago by the American Immigration Law Foundation. I know of no finer individual to receive this honor.

Over the years, Mr. Yonemura has contributed generously to his friends, his colleagues, and to the community in the area of immigration and nationality law. Graduating with highest honors, he received his bachelor of arts degree in economics from UCLA and went on to the University of California at Berkeley, Boalt Hall for his law degree. He was admitted to the California State bar in 1947, and has specialized in immigration and nationality law almost continuously since that time.

Mas Yonemura is widely known for his pro bono assistance in restoring the U.S. citizenship of those Americans of Japanese ancestry who lost their citizenship while interned by the

U.S. Government during the Second World War. His contributions were critical in the effort to restore the U.S. citizenship of Americans of Japanese ancestry stranded in Japan at the outbreak of that war.

A modest, private person, Mas Yonemura is known to be generous and giving of his time and his knowledge. His colleagues are often amazed at this scholar who gives so freely of himself, especially to young attorneys at the beginning of their careers. He is known as a tenacious advocate for his clients, but his unfailing civility has earned the respect and admiration of his opponents.

Mas Yonemura is guided by a firm sense of how our justice system should operate and is tireless in his efforts to achieve his goals. These qualities have established him as a national leader of the Asian and Pacific Islander American communities.

For his outstanding contributions to immigration law, he was honored by the National Center for Immigrants' Rights in Los Angeles in 1989. In 1987, he was decorated by the Emperor of Japan for his efforts to improve United States-Japan relations by building a greater understanding of our two legal systems.

Mr. Speaker, again I say that the American Immigration Law Foundation could make no better choice than Mas Yonemura to honor for his distinguished career and his work in the field of immigration law. On a personal level, I would like to thank Mas for everything he has done as a teacher, a colleague, an advocate, a citizen, and as a friend.

Mr. Speaker, I would ask that you and my colleagues join me in celebrating the many contributions and achievements of this great American.

SENATE—*Monday, June 3, 1991*

The Senate met at 2 p.m., and was called to order by the Honorable WENDELL H. FORD, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Richard C. Halverston, D.D., offered the following prayer:

Let us pray:

* * * *my people have committed two evils; they have forsaken me the fountain of living waters, and hewed them out cisterns, broken cisterns, that can hold no water.*—Jeremiah 2:13.

Gracious God, perfect in love and grace and mercy, the prophet Jeremiah reminds us that we are incurably religious. We must worship, even if it is no god. He reminds us that we become like the God we worship—worship pleasure, we become giddy, superficial; worship wealth, we become selfish, greedy, materialistic; worship power, we become arrogant and proud. Worshipping hollow gods we become hollow souls.

Eternal Father, help us to find our way back to the God of our fathers, the God we profess we trust on our coins. Forgive us for fattening the flesh while we starve the spirit. Help us to remember we are a nation "under God," that our freedoms, our values, our greatness are derived from the God of our fathers. Forgive our indifference and awaken us as a people to the incalculable possibilities when God is the fountain at which we drink, rather than broken cisterns.

In His name who is Light and Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 3, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. FORD thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader's time is reserved. The time for the Republican leader is reserved.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The distinguished Republican leader not only has that time but he has his leader time.

MEASURES PLACED ON THE CALENDAR

H.R. 7

The ACTING PRESIDENT pro tempore. The clerk will read the bills on the calendar for the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 7) to amend title 18, United States Code, to require a waiting period before the purchase of a handgun.

Mr. DOLE. Mr. President, I object to further reading.

The ACTING PRESIDENT pro tempore. The bill will be placed on the calendar.

S. 1151

The ACTING PRESIDENT pro tempore. The clerk will read the second bill on the calendar.

The assistant legislative clerk read as follows:

A bill (S. 1151) to restore an enforceable Federal death penalty, and so forth, and for other purposes.

Mr. DOLE. Mr. President, I object.

The ACTING PRESIDENT pro tempore. The bill will be placed on the calendar.

H.R. 1: STILL A QUOTA BILL

Mr. DOLE. Mr. President, tomorrow, perhaps later, but sometime this week, the House of Representatives will conduct a vote on H.R. 1, which is virtually identical to the quota bill vetoed by President Bush last year.

It is not that my colleagues on the other side of the aisle have failed to propose any changes to H.R. 1.

Earlier this year, for example, they attempted to shift the focus of the quota debate by giving H.R. 1 a fancy new name: The Civil Rights and Women's Equality in Employment Act of 1991.

Fortunately, the American people were not fooled: They took a quick look at H.R. 1 and saw the same design, same bill, same quotas.

Now, fearing a nosedive in public credibility, my House colleagues have resorted to two more Madison Avenue PR gimmicks by proposing a so-called cap on punitive damages and by trumpetting a phony antiquota amendment.

Mr. President, once again—on both counts—my colleagues on the other side of the aisle have flunked the truth-in-advertising test.

The cap on punitive damages is a lidless cap, at best.

Despite some of the best intentions, a few convenient word changes simply will not strip the quotas out of a quota bill.

THE "LIDLESS" CAP ON PUNITIVE DAMAGES

Mr. President, H.R. 1's cap on punitive damages is identical to the one in last year's vetoed bill—"$150,000 or an amount equal to the compensatory damages awarded, whichever is greater."

Under this standard, if $1 million in compensatory damages are awarded, then a jury could award $1 million in punitive damages as well, which is obviously a frightening prospect for most employers, large and small, but particularly the small- and middle-sized employers in America.

THE PHONY ANTIQUOTA AMENDMENT

The proposed antiquota amendment to H.R. 1 is equally as cynical, and perhaps equally as frightening.

First of all, the amendment does absolutely nothing to change the other provisions in H.R. 1 that will force employers to hire by the numbers.

As a result, it puts employers in a lose-lose situation: Adopt quotas, and get sued; do not adopt quotas and get sued again.

More importantly, the definition of "quota" in the antiquota amendment has so many loopholes that the loopholes become the rule.

For example, the amendment specifically allows quotas so long as jobs are filled by individuals who have the necessary qualifications to perform the job. As a result, the so-called antiquota amendment would still allow employers to adopt quotas with less qualified persons of a particular race, sex, or religion, so long as these persons were marginally qualified.

In addition, the amendment specifically authorizes all quotas that were adopted in accordance with existing employment discrimination law.

Any past judicial decision or consent decree permitting quotas would, therefore, be a complete defense to the quota-ban proposed by my colleagues on the other side of the aisle.

DEMOCRATS ARE PLAYING RACIAL POLITICS

So, Mr. President, it is pretty clear who has been playing politics—raw, cynical politics—on civil rights.

It is not President Bush, who, last year, walked the extra mile in an effort to reach a compromise with the Democrats in Congress and who, this year, has proposed his own fair and responsible civil rights package.

The real cynics in this debate are my colleagues on the other side of the aisle who have resorted to ad hominem attacks on the President as a way to divert attention from the real issue at stake—quotas in hiring, quotas in promotions, quotas throughout the American work force.

Those are the issues. It is not somebody getting on a talk show or somebody making a statement on the floor attacking George Bush and accusing George Bush of racial politics.

My colleagues on the other side of the aisle have been playing class warfare with the budget. Judging by some of the rhetoric these past few days, they are also playing racial politics with the civil rights of all the American people.

COMPROMISE IS POSSIBLE

Mr. President, as I have said on a number of occasions, Senate Democrats and Republicans could fashion a responsible civil rights bill in a single day.

I hope that my colleagues on the other side of the aisle will stop negotiating with themselves and maybe start negotiating with Members on this side and with others who have an interest in civil rights legislation, particularly small- and middle-sized business men and women. It is not the Business Roundtable that is going to be affected by what happens. They probably are already doing what they want to do. It is the thousands and thousands of small business people in my State and States across the country that are going to be affected if this legislation passes.

If there is good faith on both sides, and if the self-annointed civil rights experts who have dominated the debate so far are kept out of the negotiating room, we can have a civil rights bill—and we can get this divisive issue behind us, once and for all.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MFN FOR CHINA

Mr. PRESSLER. Mr. President, I rise to support President Bush's policies toward China. I know that the decision concerning a further extension of most-favored-nation status for China is a very difficult question. I am very concerned about the Chinese human rights situation, and have long been a strong supporter of human rights. We must continue to pressure Chinese leaders to respect basic human rights.

It is my judgment that President Bush is in a unique position to understand China. He was our first Ambassador to China after resumption of diplomatic relations with that country. He has had many years of experience dealing with China and Chinese officials. He has good judgment regarding China.

It is my feeling that denial of most-favored-nation [MFN] status to China would be a mistake because United States opportunities to send Americans to China would diminish. This would lessen our influence inside that country.

I think it is very important to have our businessmen present and working in China. Sometimes we forget how important our businessmen are in spreading the ideals of American free enterprise and democracy. They are at the cutting edge in telling the story of America abroad.

Too often we are rather critical of our businessmen who work to sell products abroad. But I think, as the President has pointed out, having United States businessmen, students, and others present in China is a very, very important way to exert positive influences on that society. If we cut off most-favored-nation status for China, we would also lose the opportunity to encourage prodemocracy forces and greater respect for human rights. China would take its business elsewhere, including major purchases of agriculture commodities. According to a recent Congressional Research Service issue brief by Vladimir N. Pregelj, depending on how China would retaliate against the loss of MFN, "* * * the annual loss of United States exports to China could be in the range of $2 billion to $3 billion * * * most likely affecting United States exports of grain, power generating machinery, aircraft, and fertilizer products."

I could perhaps sound like I am beating the drums of my own State, and indeed I am, but a recent United States Government study says that not granting most-favored-nation status to China could result in the United States losing $155 million in wheat sales. China would take its business to Australia and to other countries, and they would become China's grain suppliers. We would lose markets that have been built up very carefully.

We also have many manufacturing and merchandising concerns in my State and elsewhere in the Nation that do a lot of business with China. You do not just turn trade on and off like a faucet. Once these business relationships are lost, they can be lost permanently. Other suppliers take over the market. Japan and European countries automatically grant MFN to China. They simply would take over that portion of the Chinese market we would forsake by denying MFN status to China.

I will speak later on this subject when the Senate arrives at debate on this issue. I know that the House of Representatives will deal with this most-favored-nation case first. But it is my strongest feeling that we should support President Bush at this time because of his experience with China, because of his good judgment in foreign policy, generally, and especially with China; and because of the overall negative impact of a denial of MFN status. I do not think we would achieve our objectives in human rights by denying MFN status to China. As Senator DOLE so aptly noted on this floor last week when he defended President Bush's decision on MFN status for China, "I think we will be able to show that this is a case of feel good versus do good." He is correct.

Mr. President, I ask unanimous consent to have a Heritage Foundation background paper written by Andrew Brick printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CASE FOR RENEWING CHINA'S TRADE STATUS

(Updating Asian Studies Center Backgrounder No. 104, "Washington's Agonizing Decision: To Extend or Revoke China's Most-Favored-Nation Status," May 8, 1990.)

The Washington-Beijing relationship is beset by problems. The People's Republic of China's 1990 trade surplus with the United States was $10.4 billion, up $4.2 billion from 1989, and could leap to $15 billion by the end of this year. This would make the U.S. deficit with China greater than with any country except Japan. The trouble with the mushrooming trade deficit with China is that there is a growing feeling that it is caused in part by Beijing's refusal to open China's markets fully to American goods. To make matters worse, the Chinese refuse to protect U.S. patents and copyrights, and apparently use prison labor to lower the price of their exports. Then there is significant evidence that the Chinese are peddling missiles and nuclear technology to Algeria, Pakistan and other Third World customers in defiance of multilateral efforts to ban such sales. And Beijing has yet to make a full accounting of what has happened to the pro-democracy demonstrators arrested after the 1989 Tiananmen Square massacre.

It is in this environment that George Bush will be challenged to decide by June 3 whether to renew China's most-favored-nation (MFN) trading status. Such status, granted to China in 1980 and approved annually since then, gives Chinese goods exported to the U.S. the same tariff treatment as that received by the some 180 other nations to which Washington accords MFN status, including Iraq and Syria and a host of other unpleasant regimes.

EQUAL TREATMENT

Although the expression "most-favored-nation" suggests that a country is accorded special trading privileges, the term actually means something quite different. Specifically, a country that receives MFN status merely is entitled to those trade benefits and concessions granted to any other MFN country. MFN thus confers no special trading status; it simply treats all MFN recipients equally.

Generally, MFN is a permanent status. The only exceptions are communist countries which, under the Trade Act of 1974, either annually or semi-annually must seek renewal. Specifically, Title 4 of the Act, known as the Jackson-Vanik Amendment, named after the late Senator Henry M. Jackson of Washington and former Representative Charles A. Vanik of Ohio, both Democrats, states that MFN status can be given to "non-market economies" if their countries permit substantially free emigration of their citizens. The law works like this: If the President wants to extend MFN status he must either certify to Congress that the country under consideration is not in violation of the Amendment's human rights criteria or waive the criteria for the country involved on an annual basis because such a move would "substantially promote the objectives" of Jackson-Vanik. Once George Bush certifies that China over the past year has allowed free emigration, Congress effectively has ninety days to approve or disapprove China's MFN status. Their vote is then subject to presidential veto.

America's problems with China thus fall into two categories—the economic and the political. Washington should deal with them accordingly: economic problems should be addressed with economic mechanisms; political problems with political ones.

TRADE RETALIATION

If Beijing refuses to assure copyright, patent and trademark protection to American business, for instance, then China should be identified under the 1988 Omnibus Trade and Competitiveness Act as a so-called "priority" country that has established "systematic" barriers to U.S. exports. This law sets procedures for dealing with unfair "priority" foreign trade practices through trade retaliation. The Bush Administration, in fact, on April 26 cited China as a "priority" nation for pirating U.S. copyrights and patents.

Conversely, the current political problems in the Sino-American relationship should be addressed through political mechanisms. China's continuing human rights abuses in Tibet, its likely use of some prison labor to manufacture goods for export and its sales of advanced weapons to dangerous nations should elicit vigorous condemnation from the highest levels of the U.S. government. Under Secretary Robert Kimmitt, the State Department's third-ranking official, traveled to China this week to convey U.S. dismay over Beijing's trade practices and human rights violations. Even tougher American political and diplomatic actions against China may be warranted by Beijing's transgressions.

What is not warranted is mixing the economic and political issues. China no more should be punished economically for its unacceptable political actions than Japan should be exempted for political reasons from economic punishment for its unacceptable economic actions against American products.

If Beijing violates the Jackson-Vanik amendment's "freedom-of-emigration" provision, then China's MFN status should be revoked. Otherwise, the issue should be subject to the same considerations by which Washington has deemed it proper to extend MFN to 180 other nations.

Other factors also argue against ending China's MFN status. To do so would:

Dramatically raise duties on Chinese exports to America and thus hike the prices that working class and other Americans pay for these goods. Products from China now account for one-third of the American toy market, 10 percent of the American footwear market and 15 percent of the imported American apparel market.

Cost of export industries of South China up to two million jobs. It is this area in which the free market and pro-democratic forces are strongest. Ending MFN thus would penalize those Chinese whom American policy ostensibly seeks to help.

Reduce China's access to hard currency, further squeezing Beijing's ability to service its $45.8 billion international debt.

Close Chinese markets to American exporters. Last year, U.S. exports to China totaled $4.8 billion. Among the biggest American losers would be wheat growers, whose 1990 sales approached $1 billion; commercial aircraft manufacturers, for whom China has become a dependable $500 million a year market; and phosphate fertilizer manufacturers, who consistently sell one-sixth of their entire annual output to China.

Create enormous new problems for Hong Kong at a time when the colony can least afford anything that undermines confidence in its future. Some 70 percent of American imports from China are shipped through Hong Kong. As Hong Kong's largest foreign market and one of its principal investors, U.S. interests lie in a politically assured and economically healthy Hong Kong. Uncertain about their future, 60,000 Hong Kong citizens leave the territory each year. Denying China MFN status may well speed the exodus.

Increase Beijing's dependence on arms sales for cash. Cutting off American markets to Chinese goods could force Beijing to rely even more on the international weapons market for hard currency.

Threaten to abandon the China market to the Japanese, the Europeans and others who automatically give China MNF status.

Almost two years after the violence in Beijing, Washington policy makers confront a recalcitrant, unapologetic and defiant China. A long and potent list of U.S. grievances daily increases. In such light, it is emotionally easy to make a case for punishing Beijing. If so, then appropriate punishment should be sought, and inflicted. Yet ending China's MFN status is not appropriate. If it is, then Washington must review the domestic political behavior of scores of other countries and prepare to revoke their U.S. MNF status. To end MFN for mainland China, moreover, barely will pinch Beijing's aging leaders who are the authors of the repression. Instead, it will hurt reformers in China, consumers in America and deal a heavy blow to Hong Kong.

Washington should recognize this. It should separate the economic and political issues at stake. And then it should conclude that there are no grounds for revoking U.S. MFN trade status for China.

Mr. PRESSLER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MOUNT RUSHMORE POSTAGE STAMP

Mr. PRESSLER. Mr. President, nestled in the beautiful Black Hills of South Dakota, the four granite faces carved on Mount Rushmore symbolize the freedom for which past and present generations of Americans have fought so courageously to protect. Indeed, in this time of revived patriotism, our shrine of democracy stands as a beacon of hope throughout the world. The monument, and the principles it embodies, prove that a country based on freedom and democracy can, and will, stand fast against the forces of tyranny and oppression.

Unfortunately, when this majestic monument was completed in 1941, it did not receive a formal dedication. The death of its sculptor, Gutzon Borglum, and the United States entry into World War II precluded a proper tribute to the monument. On the Fourth of July of this summer, however, Mount Rushmore will be recognized with a 50th anniversary celebration it so well deserves.

Mr. President, I am pleased to note that Mount Rushmore recently was commemorated on an official U.S. postage stamp. This marked only the third time our shrine of democracy has been featured on a U.S. postage stamp.

The new stamp, which features an American flag flying over the monument was formally dedicated at Mount Rushmore earlier this year. It honors the principles of our Nation by spreading the likeness of Mount Rushmore's famous faces on letters and packages throughout the United States.

Mr. President, I first made the proposal for a Mount Rushmore stamp to the U.S. Postal Service and the Citizens Stamp Advisory Committee back in 1984.

After earlier rejections, I resubmitted the proposal and later led a petition drive to support the proposal for a Mount Rushmore stamp, eventually submitting over 15,000 signatures backing the proposal. I was pleased when the Postal Service finally issued a stamp to commemorate Mount Rushmore earlier this year.

Mount Rushmore has inspired millions of visitors during its first half century. I am pleased that it now is receiving the national recognition it deserves.

Mr. President, I ask unanimous consent that an article from the South Dakota magazine chronicling the history of the Mount Rushmore stamp be printed in the RECORD immediately following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the South Dakota magazine, May–June, 1991]

MOUNT RUSHMORE AS SEEN ON STAMPS

(By Michael Samp)

For the third time in its 50-year history, Mount Rushmore has been featured on a U.S. postage stamp. On both occasions, it took some political muscle to get the presses rolling with likenesses of the four presidents.

In 1952, the front cover of the Senate Highway Map featured a colorful photograph of the Shrine to Democracy, set against a blue sky and dark green pines. In the foreground of the photo, a young mother and her son gazed at the huge sculpture from a park bench.

The photo, which soon became the inspiration of the first Rushmore stamp, was taken by a young University of South Dakota law student, Robert Frankenfeld, while he was employed as part-time publicity director for the S.D. State School of Mines. The models were his wife, Phyllis, and their small son, Donald.

A.H. "Pank" Pankow, then director of publicity for the State Highway Commission, conceived of the idea for a stamp to honor the 25th anniversary of the August 10, 1927 ceremony at which President Calvin Coolidge handed Gutzon Borglum the tools to start the mountain carving. Pankow, with help from U.S. Rep. E.Y. Berry and Senator Francis Case, formed a committee to gain postal approval for a stamp.

Nila Lee Berry, daughter of the congressman, used Frankenfeld's photograph as a model to create an illustration for a stamp. The politicos added "Black Hills South Dakota" for publicity's sake.

Case and Berry persuaded the Bureau of Engraving and postal authorities to print the design on a three-cent stamp, which was the first class letter stamp of the era. The initial printing was 110 million, which prompted Senator Case to remark, "That's a sizeable quantity of stickers to put into circulation advertising South Dakota. There will also be at least a quarter of a million special Rushmore envelopes printed. The cost of this publicity to South Dakota will be zero."

The '52 stamp's background was bright green. The illustration was a darker green.

Case said the vertical shape of the stamp conveyed "the great height and grandeur that rightfully goes with Gutzon Borglum's historic figures. A mother and her son looking at the mountain suggests the inspirational character of the memorial. Pine trees reflect the natural setting and avoid the cliff-like appearance given by the rocks alone."

Robert Frankenfeld, the photographer, went on to complete his law degree. He is now retired from his law practice and lives in Rapid City with Phyllis. Their son, Don, the child on the stamp, is a Rapid City forensic economist. He is a former state senator and was an unsuccessful GOP candidate for U.S. Congress in 1990.

South Dakota's four presidents appeared on a postage stamp again in 1974, but the stamp was a 26-cent airmail stamp and it didn't garner the attention of a regular first-class stamp.

Now, for the third time in 39 years, the U.S. Postal Service has printed a Mount Rushmore commemorative stamp. The 1991 stamp, a first class 29-center, marks the 50th anniversary of the completion of the mountain carving by Borglum.

U.S. Senator Larry Pressler proposed the stamp as a means of commemorating the anniversary but postal officials initially rejected his proposal. However, when Pressler embarked on a petition drive and collected 15,000 signatures from South Dakotans who wanted the stamp, the Postal Service succumbed.

Called "Flag Over Mount Rushmore," the stamp was designed by Clarence Holbert of Washington, D.C. It features the faces of the presidents with an American flag flying overhead. Colors are red, blue and maroon and, while the total press run is not yet known, the Postal Service is making the stamps available singly and in coils of 100, 500 and 3,000—which will generate increased business use and, consequently, more exposure for the South Dakota mountain carving.

It was introduced at a ceremony March 29 at Keystone. Among the dignitaries present were Governor George Mickelson, Susan Alvardo of the Postal Service's Board of Governors, and James Ridenour, director of the National Park Service.

(Michael M. Samp is an Augustana College student who works for Creative Services of Sioux Falls on special projects promoting the Rushmore anniversary.)

WORLD WAR II NATIONAL OBSERVANCE

Mr. DOLE. Mr. President, this morning I had the privilege of participating in the ceremonies which opened the "week for the National Observance of the 50th Anniversary of World War II."

This commemoration was designated last year by a joint resolution passed by this body and our colleagues in the House of Representatives.

The National Archives, under the leadership of our outstanding Archivist, Dr. Don Wilson, has done a superb job in organizing this week's activities, as well as 4½ years of programs across the country.

I thought my colleagues might be interested in reading the remarks I delivered on behalf of Congress as honorary cochairman of the commemoration, as well as those delivered by Gen. Robert McDermott, chairman and CEO of the U.S. Automobile Association.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR BOB DOLE, WW II NATIONAL OBSERVANCE

Whatever else you say about old soldiers, they never forget. Today, we assemble at this shrine of democracy to insure that they are never forgotten.

We recall an earlier war, even as we commemorate the quick and successful completion of another conflict halfway around the world. Later this week, Washington will welcome home the men and women of Desert Storm. It's hard to believe, but some people question this outpouring of national pride. Maybe they are embarrassed by the cheering and the chants—the flagwaving and the unabashed love of country that inspired America's Volunteer Army and that sustained it in the bleak deserts of Arabia.

Surely no one can mistake this week's observances as a glorification of war—least of all the soldier, who must suffer the scars and terrors of battle.

No: What we celebrate this week are the human qualities that lend nobility to the battlefield. The courage and selflessness. The sacrifice and the professionalism. Qualities exhibited by American fighting men and women on the road to Kuwait and on the sands of Iwo Jima.

Chiseled into the front of this building is the phrase, "What is past is prologue." If the Smithsonian is America's attic, then the National Archives is America's strongbox. Here are enshrined the charters of our nationhood. The declaration that made us independent. The Constitution that made us whole. And the Bill of Rights, which after two centuries remains a guidepost in humanity's age old struggle to be free.

There is not a way of putting a value on such documents—or on the national character they define. Wars shape character. They also express it. Fifty years ago, Americans from every walk of life stopped what they were doing on a Sunday afternoon in December. I was in college at the time, waiting tables in a University of Kansas frat house. Truth is, I didn't take the world very seriously before December 7, 1941.

Nor was I alone. For most of us, the events in Europe existed dimly in radio broadcasts or newspaper stories. The news from half a world away served to remind Americans of why we had abandoned the old world 300 years earlier. After all, why should we worry about a continent that seemed bent on self-destruction? Weren't we protected from harm's way by two oceans, gigantic moats behind which even the largest country could take shelter?

All that changed on December 7, 1941, when American isolation was blasted along with the Navy outpost at Pearl Harbor. In a single afternoon, the term "national security" was redefined to read "International obliations." Soon, ten million of us went off to fight a total war against dictators from whom a declaration, a constitution, or a bill of rights would be anathema.

Many never came home. They rest on foreign soil: In the chalkfields of Northern France, the jungles of Asia, or on the floor of the deep Pacific. Some came home physically or psychologically scarred for life. To this day, they wear their injuries as proudly as their medals, because both were earned in a noble cause. Still others returned to a very different land from the one they left to avenge the boys of Battan and Pearl Harbor. For if the war changed those who fought it, it changed America even more.

This, too, is part of the 50th anniversary observance that begins this week. A war that shattered artificial barriers of race and sex. A war that took American women out of the home and ushered them into the workforce. A war that paved the way for the modern women's movements, a quiet revolution that insists, "we, the people" who wrote a Constitution, must live up to the promises of equal treatment that it contains.

World War II was an equal opportunity conflict. The enemy shot equally at white, black, or brown targets. On a battlefield, the blood of black soldiers and white all flows together, in a crimson stream of mutual valor.

Fortunately, the young G.I.'s who returned home to America in 1945 could not reconcile the fight against Hitler with acceptance of Jim Crow. So in defeating the scourge of Nazi racism, we also declared war on bigotry—beginning in our own backyard.

During the next four and a half years, millions of war stories will be told. Some of the most moving will form the heart of a major traveling exhibit opening December 7 in San Antonio. For making it possible for today's Americans to experience an earlier generation's rendezvous with destiny, we are all indebted to the United States Automobile Association, and to the exhibit planners of the national archives.

Between now and 1995, we will examine what has been called "the last good war." At special exhibits, conferences, reunions, film festivals, educational workshops, and a host of other events, we will remember the war and those who fought it. Not only giants like Eisenhower, Patton, MacArthur, and Bradley—but the nameless heroes who went to their deaths known only to God.

We will recall places like Casablanca, Anzio, Normandy, and Midway. We will marvel over a Nation united in defense of all that we hold most sacred. But we will not forget the abuses that occurred when wartime emotions ran amuck and some of our own people were punished for the simple fact of their national ancestry.

Hopefully, we will draw lessons from the war before the war—from the intense battle of words waged between those who thought it was possible in the 1930's to isolate America from global mainstream and those who accepted the responsibilities that accompany international leadership.

Great nations measure their greatness in the obligations they honor and in the ideals they uphold. America is no exception.

Fifty years later, for example, we all wish that nations would leave their neighbors undisturbed. We wish the world might build fewer tanks so it could spend more fighting poverty and disease. We wish that no young American would ever again be forced to leave his loved ones and take up arms in some far off killing field.

Yet if these past fifty years have taught us anything, it is the danger of wishful thinking. In the modern world, wishes are no substitute for will. That is something we learned at terrible cost in fighting what Winston Churchill called the most unnecessary of all wars.

And because we learned it, we were willing and able to respond quickly when an Iraqi dictator tried to swallow a tiny neighbor. Like the warriors of my day, the troops of Desert Storm fought, not for territory but for justice, not for plunder, but for righteousness. The ideals for which they fought have yet to be implemented in every American home. But then, that's what sets us apart. Thanks to the documents displayed in this building's rotunda, we are a Nation that has never become, but it is always becoming.

The people of the National Archives know that where you come from says a lot about where you're going. So if you want another reason to remember the war that began fifty years ago, consider this: By recalling a world at war, we might hasten a world where children recall only peace.

That could be the greatest of all legacies from the citizen soldiers who rescued civilization itself from a long, starless, night of the soul.

REMARKS OF GEN. ROBERT F. MCDERMOTT

What do Richard Bong, James Rudder and Chester Nimitz have in common?

One thing they have in common is that few Americans have every heard of them; another is that they were all American heroes in World War II.

As some of you present today may know:

Major Richard Bong shot down 40 aircraft and was America's top air ace.

Colonel James Rudder led the 2nd Ranger Battalion to scale the cliffs and capture Pointe du Hoc that commanded the Normandy beaches.

And five-star Admiral Chester Nimitz was the architect of our victory in the Pacific.

While it is sad enough that most Americans do not recognize the names Bong, Rudder and Nimitz, it is that tens of thousands of Americans don't know what World War II was that is amazing to me.

As an afterthought, I wonder if General Schwartzkopf, who will be marching down this avenue on Saturday, is aware that the shelf life of most military heroes in America is very short indeed.

As a service academy dean, I think we should revisit our wars to learn about our accomplishments and yes, even our mistakes.

Unfortunately, many Americans do not understand World War II because they did not live it. Over 70 percent of Americans alive today were not even born when the war ended.

It is hard for them to imagine a war where one of every 10 Americans was in the service. For men only, obviously the percentage was much higher.

Today, over 9 million World War II veterans and their families still live and do remember.

They remember World War II casualty rates. The odds of being killed or wounded were one in 16, more then double the rates experienced in Korea and Vietnam.

They remember the more than 120,000 American POWs and thousands more who still remain unaccounted for. That 120,000 figure is more than 12 times the number of POWs in the Korean War and more than 120 times the number of POWs in the Vietnam War.

We want everyone to remember the World War II generation and their sacrifices.

The concept of commemorating World War II fits in perfectly with the beliefs of USAA's 2 million officer-members and their families.

So, when Don Wilson offered USAA the chance to work with the Archives on this national exhibition, we wanted to be a part of it.

We were especially excited about the educational thrust of the exhibition—the chance to tell our youth what World War II meant and still means to America.

First, we will honor all those who served overseas and at home, those who lived, and those who died serving their nation.

Second, we want to remind ourselves and to tell our youth as well, about the courage, character and values that bound us together.

The faces and scenes of Norman Rockwell's World War II paintings underline the innocence and values that have somehow slipped away from us.

We hope the exhibition will rekindle some of this that we have lost.

Third, we want to show how Americans pulled together on the battlefield and off—how men and women, people of all colors, religions and ethnic backgrounds, served with a common purpose. Every group contributed:

Rosie the Riveter symbolized the contribution of women to the work force and to the war effort.

Indians, speaking Navajo over battlefield radios, passed information that remained unbroken by enemy experts.

Japanese-American units established enviable fighting records in Italy.

Black Tuskegee airmen proved their abilities in the skies over Europe.

Four chaplains of different denominations gave their lives to save fellow shipmates. Their actions symbolized that all religious groups worked and died together.

The youth of America fought and died for all of us.

We hope that all Americans will join in the commemoration and that the remembering will bond us together again.

Our experience in San Antonio in getting ready for the December 7, 1991 opening shows that the entire community is working together to set a model for the rest of the nation. The enthusiasm and cooperation have exceeded our expectations. During the period from December 7, 1991 to March 29, 1992:

Every San Antonio museum will have World War II displays.

All the schools will have special World War II programs.

Our five military bases are planning commemorative activities.

Theater groups, bands, and even the San Antonio Symphony have special entertainment planned.

Libraries and universities will have special displays, programs and speakers.

San Antonio newspapers, public TV and other news media are in full support.

If you want to learn about World War II, what it meant to the people of that time who lived through it, and what it means to the world today, I hope that you will visit the exhibitions at one of its stops around the country over the next four years.

And, of course, we would be delighed to welcome you to San Antonio for the grand opening. I'm sure it will be an unforgettable experience.

ORIGINS AND MEANINGS CONTAINED IN U.N. RESOLUTIONS

Mr. MOYNIHAN. Mr. President, I have received a most thoughtful letter written by Ira Wolfe and Liane White to the editor of the New York Times. The letter discusses the significance of specific terms and phrases in U.N. resolutions relevant to the Arab-Israeli dispute. As we approach this complex and difficult situation, it is important to keep the origins and precise meanings of these resolutions in mind. All too often extravagant claims are made concerning these resolutions. I commend this letter to my colleagues and I ask unanimous consent that it be printed in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, NY,
April 22, 1991.

SOMA GOLDEN,
National News Desk, The New York Times, New York, N.Y.

DEAR MS. GOLDEN: Clifford Krauss, in his April 16 article concerning Secretary of

State James Baker's trip to the Middle East, incorrectly states that "United Nations Resolutions 242 and 338 . . . call on Israel to return Jordanian and Syrian lands it has occupied since the 1967 Arab-Israeli war."

Despite Mr. Krauss' characterization to the contrary, these resolutions do not specify withdrawal from Syrian or Jordanian territory. Resolution 242, adopted on November 22, 1967, calls for the "(w)ithdrawal of Israeli armed forces from territories occupied in the recent conflict" and the right of every state in the area to live "within secure and recognized boundaries free from threats or acts of force." Resolution 338, adopted on October 22, 1973 following the unprovoked Syrian and Egyptian attack on Israel during the Jewish holiday of Yom Kippur, calls upon all parties to immediately implement resolution 242.

Although Mr. Krauss implicitly assumes that the resolutions require Israeli withdrawal from apparently all territories occupied in 1967, the resolutions significantly do not specify withdrawal from "the territories" or "all territories." As Lord Caradon, the British ambassador to the United Nations who drafted resolution 242, told the House of Commons on December 9, 1969, "the omission of the word 'all' before the word 'territories' is deliberate. Arthur Goldberg, the U.S. ambassador to the United Nations when 242 was adopted, explained on May 8, 1973: "The notable omissions—which were not accidental—in regard to the withdrawal are the words 'the' or 'all' . . . the resolution speaks of withdrawal from occupied territories without defining the extent of withdrawal." Ambassador Goldberg has also noted that the phrase in the resolution calling for the right of every state in the region to "live in peace within secure and recognized boundaries" was specifically included because the parties were expected to make "territorial adjustment in their peace settlement encompassing less than a complete withdrawal of Israeli forces from the occupied territories, inasmuch as Israel's prior frontiers had proved to be notably insecure."

Arguably, Israel has already complied with 242 and 338 by withdrawing—as part of its peace treaty with Egypt—from over 90% of the land it captured. Any Israeli decision to return additional territory to Jordan or Syria must be based on those countries' unconditional and unequivocal recognition of Israel's right to exist, direct negotiations between the parties and detailed security arrangements. To assume that Israel is *a priori* obligated by 242 and 338 to return the territory it still occupies is not only incorrect; it would establish the dangerous precedent that nations could wage genocidal war—as the Arabs attempted in 1967—without fear of penalty. On May 18, two weeks before the six day war, Cairo Radio proclaimed, "the sole method we shall apply against Israel is a total war which will result in the extermination of the Zionist existence." On May 31, 1967 President Aref of Iraq declared, "The existence of Israel is an error which must be rectified . . . Our goal is clear—to wipe Israel off the map." The Golan Heights and West Bank provide crucial strategic depth, allowing Israel to absorb an Arab attack—as in 1973—regroup and counter-attack while mobilizing reserves. After centuries of Arab oppression, the extermination of European Jewry and wars in 1948, 1967 and 1973 aimed at the destruction of Jewish sovereignty, it is understandable if Israel hesitates to return areas of immense strategic importance to a Syrian despot who claims Israel as part of "southern Syria" or a Jordanian monarch recently allied with the "Butcher of Bagdad."

Mr. Krauss also errs in referring to the West Bank as "Jordanian land." Jordan invaded and brutally annexed the West Bank following its attempt to destroy the newly proclaimed State of Israel in 1948. Neither the United States nor any other country in the world (except Britain and Pakistan) has ever recognized this illegal occupation. It is absurd for The New York Times to refer repeatedly in its articles to the "Israeli-occupied" West Bank while describing the same territory as "Jordanian land" rather than land "seized by Jordan in the 1948 war" or "occupied by Jordan prior to 1967."

Efforts by New York Times correspondents to explain the importance of U.N. resolutions 242 and 338 and to provide historical context in articles on the Middle East are laudable. However, when these resolutions are mischaracterized and language describing the region subtly distorted, the result is a disservice to your readers—and the truth.

Sincerely,

IRA B. WOLFF.

LIANE R. WHITE.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,270th day that Terry Anderson has been held captive in Lebanon.

PROPOSED AMENDMENT TO THE TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

Mr. PRESSLER. Mr. President, when we undertake consideration of S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991, I shall propose an amendment on behalf of myself, Senators GRASSLEY, SASSER, BAUCUS, BURDICK, CONRAD, and others. I shall explain what that amendment is now and again when I offer the amendment. But I wanted to let my colleagues know of this amendment.

A number of small and rural telephone companies have expressed concerns to us about enacting S. 173 without adequate safeguards to ensure that rural areas continue to be served by a first-rate public telecommunications infrastructure. In 1988, I wrote an article in the UCLA Federal Communications Law Journal concerning universal telephone service which emphasized the need for a coordinated telecommunications policy between urban and rural and small city areas of this country.

Without universal service as a fundamental premise of our national telecommunications policy, we in rural parts of the country will be left far behind in the advancing information age. Of course, a manufacturing bill alone will not do the whole job. But, the universal service premise is at the heart of this amendment.

The manufacturing restriction relaxation envisioned in S. 173 should be accompanied by clear, explicit and enforceable statutory safeguards which would guarantee small and rural local exchange carriers nondiscriminatory access to the equipment and software they need.

This amendment would do the following:

First of all, it would require the Bell companies to make software and telecommunications equipment available to other local exchange carriers without discrimination or self-preference. S. 173 currently does not contain language requiring the Bell companies to sell software, which is the heart of modern telecommunications equipment, to other local exchange carriers. It would make any reciprocal requirements for other local exchange carriers that manufacture telecommunications equipment truly reciprocal.

S. 173 requires Bell company affiliates to make equipment available only to other local telephone companies and only for use with the public telecommunications network; other local telephone companies must make available any telecommunications equipment they or any of their affiliates manufacture to any Bell company that sells them equipment and to any of its affiliates, for any use.

Second, our amendment would require Bell companies that manufacture equipment to continue making available telecommunications equipment, including software, to other local telephone companies so long as reasonable demand for it exists. S. 173 contains no requirement to maintain availability to satisfy the reasonable continuing demand of other local telephone companies.

Small and rural companies are concerned that if the Bell companies are allowed into manufacturing, they would be much more likely to buy existing manufacturing operations than to start new ones. This is particularly true for switch manufacturing, which is very capital intensive. If the Bell companies refuse to supply software to independents, they can prevent the independents from providing new services. Then the Bell companies could market such services to the small company's large customers, emphasizing that the small company was unable to offer the service.

The concern we have is that the Bell companies could divert the traffic of selected large customers to their own facilities. This would leave behind costs that remaining residential customers would have to absorb through higher rates. A Bell company also could use this leverage if it wanted to acquire a neighboring small independent in a growing area. It could further its acquisition objective by depriving the target company of technology, thus stimulating consumer complaints to regulators.

Small and rural companies are also worried that a Bell company could acquire an existing manufacturer, change the product line to meet Bell plans and needs, and cease to support equipment and software installed by small companies. If new software is not made available, a rural company might have to choose between installing a new switch or depriving its subscribers of new services.

Third, our amendment would require the Bell companies to engage in joint network planning, design and operations.

S. 173 undercuts joint planning and widespread infrastructure availability because it only requires the Bell companies to: First, Inform other local telephone companies about their deployment of equipment; and second, report changes to protocols and requirements. The bill's requirements are too little too late. They will not lead to a nationwide, information-rich telecommunications infrastructure.

Small companies need a voice in the process to assure that the network is designed, implemented and operated jointly by all local telephone companies to meet the goal of nationwide access to information age resources.

Finally, our amendment calls for strong district court enforcement procedures, including damages. S. 173 provides only for FCC common carrier authority, which proved inadequate to remedy past refusals to provide equipment to small local telephone companies. If independents do not have the ability to go to district court with their complaints, they cannot reasonably have any confidence that the essential safeguards will be effective.

We are currently discussing this amendment with the authors of the bill and we hope we can include this as part of the package we bring to the floor. I urge my colleagues to support this amendment to ensure that rural companies have reasonable, enforceable and continuing access to the equipment and joint network planning they need so that all Americans, urban and rural alike, can share in a nationwide, information-rich telecommunications network.

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

The PRESIDING OFFICER (Mr. REID). Under a previous order, the hour of 3 p.m. having arrived, the Senate will now proceed to the consideration of S. 173, which the clerk will now report.

The legislative clerk read as follows:

A bill (S. 173) to permit the Bell Telephone Companies to conduct research on, design, and manufacture telecommunications equipment, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 173

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telecommunications Equipment Research and Manufacturing Competition Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that the continued economic growth and the international competitiveness of American industry would be assisted by permitting the Bell Telephone Companies, through their affiliates, to manufacture (including design, development, and fabrication) telecommunications equipment and customer premises equipment, and to engage in research with respect to such equipment.

SEC. 3. AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934.

Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"REGULATION OF MANUFACTURING BY BELL TELEPHONE COMPANIES

"SEC. 227. (a) Subject to the requirements of this section and the regulations prescribed thereunder, a Bell Telephone Company, through an affiliate of that Company, notwithstanding any restriction or obligation imposed before the date of enactment of this section pursuant to the Modification of Final Judgment on the lines of business in which a Bell Telephone Company may engage, may manufacture and provide telecommunications equipment and manufacture customer premises equipment, except that neither a Bell Telephone Company nor any of its affiliates may engage in such manufacturing in conjunction with a Bell Telephone Company not so affiliated or any of its affiliates.

"(b) Any manufacturing or provision authorized under subsection (a) shall be conducted only through an affiliate (hereafter in this section referred to as a 'manufacturing affiliate') that is separate from any Bell Telephone Company.

"(c) The Commission shall prescribe regulations to ensure that—

"(1) such manufacturing affiliate shall maintain books, records, and accounts separate from its affiliated Bell Telephone Company which identify all transactions between the manufacturing affiliate and its affiliated Bell Telephone Company and, even if such manufacturing affiliate is not a publicly held corporation, prepare financial statements which are in compliance with Federal financial reporting requirements for publicly held corporations, file such statements with the Commission, and make such statements available for public inspection;

"(2) consistent with the provisions of this section, neither a Bell Telephone Company nor any of its nonmanufacturing affiliates shall perform sales, advertising, installation, production, or maintenance operations for a manufacturing affiliate; except that institutional advertising, of a type not related to specific telecommunications equipment, carried out by the Bell Telephone Company or its affiliates shall be permitted if each party pays its pro rata share;

"(3)(A) such manufacturing affiliate shall conduct all of its manufacturing within the United States and, except as otherwise provided in this paragraph, all component parts of customer premises equipment manufactured by such affiliate, and all component parts of telecommunications equipment manufactured by such affiliate, shall have been manufactured within the United States;

"(B) such affiliate may use component parts manufactured outside the United States if—

"(i) such affiliate first makes a good faith effort to obtain equivalent component parts manufactured within the United States at reasonable prices, terms, and conditions; and

"(ii) for the aggregate of telecommunications equipment and customer premises equipment manufactured and sold in the United States by such affiliate in any calendar year, the cost of the components manufactured outside the United States contained in the equipment does not exceed 40 percent of the sales revenue derived from such equipment;

"(C) any such affiliate that uses component parts manufactured outside the United States in the manufacture of telecommunications equipment and customer premises equipment within the United States shall—

"(i) certify to the Commission that a good faith effort was made to obtain equivalent parts manufactured within the United States at reasonable prices, terms, and conditions, which certification shall be filed on a quarterly basis with the Commission and list component parts, by type, manufactured outside the United States; and

"(ii) certify to the Commission on an annual basis that for the aggregate of telecommunications equipment and customer premises equipment manufactured and sold in the United States by such affiliate in the previous calendar year, the cost of the components manufactured outside the United States contained in such equipment did not exceed the percentage specified in subparagraph (B)(ii) or adjusted in accordance with subparagraph (G);

"(D)(i) if the Commission determines, after reviewing the certification required in subparagraph (C)(i), that such affiliate failed to make the good faith effort required in subparagraph (B)(i) or, after reviewing the certification required in subparagraph (C)(ii), that such affiliate has exceeded the percentage specified in subparagraph (B)(ii), the Commission may impose penalties or forfeitures as provided for in title V of this Act;

"(ii) any supplier claiming to be damaged because a manufacturing affiliate failed to make the good faith effort required in subparagraph (B)(i) may make complaint to the Commission as provided for in section 208 of this Act, or may bring suit for the recovery of actual damages for which such supplier claims such affiliate may be liable under the provisions of this Act in any district court of the United States of competent jurisdiction;

"(E) the Commission, in consultation with the Secretary of Commerce, shall, on an annual basis, determine the cost of component parts manufactured outside the United States contained in all telecommunications equipment and customer premises equipment sold in the United States as a percentage of the revenues from sales of such equipment in the previous calendar year;

"(F) a manufacturing affiliate may use intellectual property created outside the United States in the manufacture of telecommunications equipment and customer premises equipment in the United States;

"(G) the Commission may not waive or alter the requirements of this subsection, except that the Commission, on an annual basis, shall adjust the percentage specified in subparagraph (B)(ii) to the percentage determined by the Commission, in consultation with the Secretary of Commerce, as directed in subparagraph (E);

"(4) no more than 90 [per centum] *percent* of the equity of such manufacturing affiliate shall be owned by its affiliated Bell Telephone Company and any affiliates of that Bell Telephone Company;

"(5) any debt incurred by such manufacturing affiliate may not be issued by its affiliates, and such manufacturing affiliate shall be prohibited from incurring debt in a manner that would permit a creditor, on default, to have recourse to the assets of its affiliated Bell Telephone Company's telecommunications services business;

"(6) such manufacturing affiliate shall not be required to operate separately from the other affiliates of its affiliated Bell Telephone Company;

"(7) if an affiliate of a Bell Telephone Company becomes affiliated with a manufacturing entity, such affiliate shall be treated as a manufacturing affiliate of that Bell Telephone Company within the meaning of subsection (b) and shall comply with the requirements of this section; and

"(8) such manufacturing affiliate shall make available, without discrimination or self-preference as to price, delivery, terms, or conditions, to all local telephone exchange carriers, for use with the public telecommunications network, any telecommunications equipment manufactured by such affiliate so long as each such purchasing carrier—

"(A) does not either manufacture telecommunications equipment, or have a manufacturing affiliate which manufactures telecommunications equipment, or

"(B) agrees to make available, to the Bell Telephone Company affiliated with such manufacturing affiliate or any of the other affiliates of such [company,] *Company*, any telecommunications equipment manufactured by such purchasing carrier or by any entity or organization with which such carrier is affiliated.

"(d)(1) The Commission shall prescribe regulations to require that each Bell Telephone Company shall maintain and file with the Commission full and complete information with respect to the protocols and technical requirements for connection with and use of its telephone exchange service facilities. Such regulations shall require each such [company] *Company* to report promptly to the Commission any material changes or planned changes to such protocols and requirements, and the schedule for implementation of such changes or planned changes.

"(2) A Bell Telephone Company shall not disclose to any of its affiliates any information required to be filed under paragraph (1) unless that information is immediately so filed.

"(3) When two or more carriers are providing regulated telephone exchange service in the same area of interest, each such carrier shall provide to other such carriers timely information on the deployment of telecommunications equipment.

"(4) The Commission may prescribe such additional regulations under this subsection as may be necessary to ensure that manufacturers in competition with a Bell Telephone Company's manufacturing affiliate have ready and equal access to the information required for such competition that such [company] *Company* makes available to its manufacturing affiliate.

"(e) The Commission shall prescribe regulations requiring that any Bell Telephone Company which has an affiliate that engages in any manufacturing authorized by subsection (a) shall—

"(1) provide, to other manufacturers of telecommunications equipment and customer premises equipment, opportunities to sell such equipment to such Bell Telephone Company which are comparable to the opportunities which such Company provides to its affiliates;

"(2) not subsidize its manufacturing affiliate with revenues from its regulated telecommunications services; and

"(3) only purchase equipment from its manufacturing affiliate at the open market price.

"(f) A Bell Telephone Company and its affiliates may engage in close collaboration with any manufacturer of customer premises equipment or telecommunications equipment during the design and development of hardware, software, or combinations thereof relating to such equipment.

"(g) The Commission may prescribe such additional rules and regulations as the Commission determines necessary to carry out the provisions of this section.

"(h) For the purposes of administering and enforcing the provisions of this section and the regulations prescribed thereunder, the Commission shall have the same authority, power, and functions with respect to any Bell Telephone Company as the Commission has in administering and enforcing the provisions of this title with respect to any common carrier subject to this Act.

"(i) The authority of the Commission to prescribe regulations to carry out this section is effective on the date of enactment of this section. The Commission shall prescribe such regulations within one hundred and eighty days after such date of enactment, and the authority to engage in the manufacturing authorized in subsection (a) shall not take effect until regulations prescribed by the Commission under subsections (c), (d), and (e) are in effect.

"(j) Nothing in this section shall prohibit any Bell Telephone Company from engaging, directly or through any affiliate, in any manufacturing activity in which any Company or affiliate was authorized to engage on the date of enactment of this section.

"(k) As used in this section:

"(1) The term 'affiliate' means any organization or entity that, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership with a Bell Telephone Company. Such term includes any organization or entity (A) in which a Bell Telephone Company and any of its affiliates have an equity interest of greater than 10 percent, or a management interest of greater than 10 percent, or (B) in which a Bell Telephone Company and any of its affiliates have any other significant financial interest.

"(2) The term 'Bell Telephone Company' means those companies listed in appendix A of the Modification of Final Judgment, and includes any successor or assign of any such company, but does not include any affiliate of any such company.

"(3) The term 'customer premises equipment' means equipment employed on the premises of a person (other than a carrier) to originate, route, or terminate telecommunications.

"(4) The term 'manufacturing' has the same meaning as such term has in the Modification of Final Judgment as interpreted in United States v. Western Electric, Civil Action No. 82-0192 (United States District Court, District of Columbia) (filed December 3, 1987).

"(5) The term 'Modification of Final Judgment' means the decree entered August 24, 1982, in United States v. Western Electric, Civil Action No. 82-0192 (United States District Court, District of Columbia).

"(6) The term 'telecommunications' means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received, by means of an electromagnetic transmission medium, including all instrumentalities, facilities, apparatus, and services (including the collection, storage, forwarding, switching, and delivery of such information) essential to such transmission.

"(7) The term 'telecommunications equipment' means equipment, other than customer premises equipment, used by a carrier to provide telecommunications services.

"(8) The term 'telecommunications service' means the offering for hire of telecommunications facilities, or of telecommunications by means of such facilities.".

The PRESIDING OFFICER. Does the Senator from South Dakota seek recognition?

Mr. PRESSLER. Mr. President, I would like to speak briefly on this bill, if I could?

The PRESIDING OFFICER. The manager of the bill.

Mr. FORD. Mr. President, I do not mind. It is a little bit out of order to speak on an amendment before the bill has even been brought up, but I will be glad to yield to the Senator from South Dakota, if he wishes to proceed.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, as I mentioned earlier, I am certainly not going out of order in a way. Since the Chamber is empty, I thought I might use this opportunity to further speak on the amendment I shall be offering, which is of great importance to small, independent telephone companies and to rural cooperative companies.

A number of these small and rural telephone companies have contacted me to express their concerns about being shut out of the process. The purpose of the amendment to be offered by myself and other Senators is to do three things, which we feel would help to correct this problem.

Our goal is universal service, and without universal service as a fundamental premise of our national telecommunications policy, we in rural and small city parts of the country feel we may be left behind in the advancing information age.

It has occurred to me that both our inner cities and our small cities have something in common. They are frequently left out of the telecommunications advances. For example, only recently was Washington, DC, wired for cable TV. The same problem has been true of rural areas and small cities and towns.

The companies that provide these services want to provide them to the very affluent suburbs, the heavily populated suburbs, and everybody forgets about the more difficult to serve areas. In 1934 we passed the Communication Act which established the concept of universal service. To be consistent with this concept, companies would take some very rich routes, but they would also take some very poor routes. That is how we built our national communications system.

So universal telephone service is something that we are very, very concerned about. This includes not only telephone service but also service that fiber optic cable will bring in the future; also service to small-town hospitals, to small-town libraries, to farms and ranches so that they can participate in the information.

The manufacturing restriction relaxation envisaged in S. 173 should be accompanied by some very clear language protecting these smaller cities and rural telephone providers.

As I have said, our amendment would require the Bell company to make software and telecommunications equipment available to other local exchange carriers without discrimination or self-preference. For example, a small, independent company or a rural telephone co-op might be sold a switch or some other piece of telecommunications equipment but then not be able to buy the software necessary to upgrade that equipment. They would be at the complete mercy of the regional Bell operating companies. That should not be the case.

The bill, S. 173, requires Bell company affiliates to make equipment available only to other local telephone companies and only for use with the public telecommunications network. Other local telephone companies must make available any telecommunications equipment they or any of their affiliates manufacture, to any Bell company that sells them equipment and to any of their affiliates for any use.

Second, our amendment, as I have mentioned, would require the Bell companies that manufacture equipment to continue making telecommunications equipment available, including software, to other local telephone companies so long as reasonable demand for it exists. I emphasize this is a reasonable demand. S. 173 contains no requirement to maintain availability to satisfy the reasonable continuing demand of other local telephone companies.

Small and rural companies are concerned that if the Bell companies are allowed into manufacturing, they would be more likely to buy existing manufacturing operations than start new ones. This is particularly true for switch manufacturing.

The third area, and perhaps the most important one, deals with joint network planning, design, and operations. I might say, before going into that, that the small and rural companies are also worried that a Bell company could acquire an existing manufacturer to change its product line to meet Bell plans and needs and cease to support equipment and software installed by small companies. If that software is not made available, a rural company might have to choose between installing a costly new switch or depriving its subscribers of new services.

Fourth, our amendment would require the Bell companies, to engage, as I mentioned, in joint network planning and design. This may be controversial to some, but the small, independent telephone companies and the telephone cooperatives should be a part of the planning process.

Some might ask, Why do we need this provision? So that we do not have the regional telephone companies just dictating policy. I think our small companies and co-ops, however, should be at the table. Their voices need to be heard. Otherwise, they will be forced to do exactly what they are told, and that is not in the public interest.

Small companies need a voice in the process to assure that the network is designed, implemented, and operated jointly by all. I have emphasized this before. We have been in consultation with many of the smaller telephone companies and co-ops in preparing these amendments.

So at the appropriate time I shall offer these amendments, and I look forward very much to the debate on this bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, today the Senate is considering S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991. This is an important bill which I hope my colleagues will join me in supporting. This bill removes the manufacturing restriction on the regional Bell operating companies imposed by the modification of final judgment. Let me note at the onset that this bill does not address the other restrictions imposed on the Bell companies regarding information services or long distance services.

Senator HOLLINGS, chairman of the Commerce Committee introduced S. 173 on January 14, 1991, and it now has 25 cosponsors. A hearing was held on the bill on February 28 of this year. S. 173 was approved overwhelmingly by the Commerce Committee on March 19, 1991, by a vote of 18 to 1. During last Congress, a similar version of this bill, S. 1981, was also introduced in May 1990 by Senator HOLLINGS and two hearings were held on the bill by the Commerce Committee. S. 1981 was approved by the Commerce Committee on a voice vote.

Before I describe this legislation in more detail, I want to thank Senator HOLLINGS for this important legislation. The Senator from South Carolina has worked very hard on this legislation over the last 2 years. It is only through his initiative and leadership that the bill has reached the floor of the Senate. Ths work also has resulted in the inclusion of language to address the concerns of this country's communications workers—to promote the manufacturing of telecommunications equipment in the United States. I believe that this bill will be good for the U.S. workers while at the same time enhancing this country's international competitive standing in the communications equipment market.

S. 173 permits the regional Bell operating companies to manufacture and provide communications equipment. At the same time, S. 173 recognizes that the Bell companies continue to occupy a dominant position in the local telephone service. The bill thus includes a variety of strong safeguards to protect against cross-subsidization and self-dealing. In conducting their manufacturing activities the Bell companies must comply with several safeguards, including the following:

NO JOINT MANUFACTURING

To prevent collusion, the Bell companies cannot manufacture in conjunction with one another. The bill requires that the Bell companies create seven independent manufacturing entities that will compete with each other as well as with existing manufacturers.

SEPARATE AFFILIATES

The Bell companies must conduct all their manufacturing activities from separate affiliates. The affiliate must keep books of account for its manufacturing activities separate from the telephone company and must file this information publicly.

NO SELF-DEALING

First, the Bell company may not perform sales, advertising, installation, production, or maintenance operations for its affiliate; second, the Bell company must provide other manufacturers an opportunity to sell to the telephone company comparable to that which it provides to its own affiliate; and third, a Bell company may only purchase equipment from its affiliate at the open market price.

NO CROSS-SUBSIDIZATION

The Bell company is prohibited from subsidizing its manufacturing operations with revenues from its telephone services.

DISCLOSURE OF NETWORK INFORMATION

The Bell company must file with the Federal Communications Commission [FCC] full and complete information concerning the telephone network immediately upon revealing any such information to its manufacturing affiliate.

In addition, Mr. President, S. 173 includes a compromise agreement between the Bell companies and the Communications Workers of America [CWA] regarding the domestic manufacturing provision. This compromise provision requires: First, that the Bell companies conduct all their manufacturing in the United States; and second, that a certain percentage of the components they use be manufactured in the United States. Both the Bell companies and CWA support this provision and support S. 173.

Passage of this legislation is critical for a number of reasons: One of the most important is international competitiveness. The U.S. position in high-technology industries is in decline on a number of fronts. U.S. research and development expenditures as a percentage of GNP lag behind Japan and West Germany, for instance. The Bell companies spend far less of their revenues on R&D than the average high technology firm.

The regional Bell operating companies have tremendous assets and experience that could benefit the U.S. international competitive position significantly, if they are allowed to manufacture. The Bell companies earn over $80 billion in annual revenues, control over one-half the Nation's entire communications assets, and provide 80 percent of the Nation's local telephone service. Lifting the manufacturing restrictions would give the Bell companies increased incentives to conduct research and development. If their researchers develop a new or cheaper product, they can profit from that research by bringing it to market. The Bell companies also are likely to provide seed money to many small entrepreneurs who otherwise would seek capital from foreign sources.

In closing, Mr. President, I again thank Senator HOLLINGS and all of the members of the Commerce Committee for their work on this legislation. Today we have before us legislation that will help the United States regain its lead as a manufacturer of advanced telecommunications equipment. I urge all of my colleagues to support this legislation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is ordered.

Mr. METZENBAUM. Mr. President, I rise in open opposition to S. 173. I will be making an extensive statement on this bill tomorrow, but today I want to very briefly outline my position on the bill.

S. 173 eliminates the manufacturing restriction contained in the AT&T consent decree. In itself, that is an extraordinary step. The Congressional Research Service has indicated that the Senate has rarely, if ever, passed a piece of legislation that overrides an ongoing judicial consent decree.

The purpose of this legislation is to allow the Baby Bells to manufacture the switches and transmission equipment which are the backbone of their local telephone monopolies. In my view, the effect of this bill will be to hurt consumers and reduce competition.

Many people think this bill is just a battle between AT&T and the Baby Bells over market share in the equipment market. If that were the case, I would not be standing here on the floor and I would not be standing on the floor tomorrow. AT&T and the Baby Bells are all big companies. They can take care of themselves. But the fact is that this issue is of critical importance to anyone who pays a telephone bill every month.

Make no bones about it, this is a consumer issue. History has demonstrated that consumers get hurt whenever the local phone monopolies can make the equipment which is used in their telephone networks. That is why AT&T was broken up in the first place. The Bell operating companies simply bought equipment from their manufacturing affiliates, paid inflated prices and shifted excess costs on to consumers, and the regulators were powerless to prevent such abuses. If we pass this bill we will be inviting history to repeat itself.

The Bells' incentive and ability to use monoploy power in an anticonsumer and anticompetitive manner has not changed and the regulators' ability to prevent such abuses has not improved. That is why the antitrust courts have continued to uphold the manufacturing restriction, even as they have loosened other parts of the consent degree.

So this bill is all risk for consumers and no benefit. The Bell monopolies are the only parties that are sure to benefit from this bill. There is nothing in S. 173 for the consumers. That is why every major consumer group in the country, all the State utility consumer advocates, and the AARP oppose this legislation.

The reason our Halls around here have been filled with Baby Bell lobbyists is they know they can make more money if they can go into this related activity of manufacturing. Today there is a restriction. When and if this legislation becomes law, there will be no such restriction. There will be some limitations but they will not be sufficient to protect the consumer. And the Baby Bells will again be in the position that AT&T was in some years ago before the matter was in the courts.

There are claimed safeguards in S. 173 which the proponents claim will prevent anticonsumer and anticompetitive abuses. I say to my colleagues in the Senate, they simply will not be effective. Have no question about it, the suggested protections that are in the bill will not protect the consumers and will not keep the Baby Bells from being able to go forward and manufacture and pass on those costs to the consumers.

I am frank to say I have drafted a number of amendments designed to reduce the harm that would be caused by this legislation. If those amendments are not adopted, or to least a substantial portion of them, then this Senate will have passed a piece of legislation that I believe would be very anticonsumer; that would cause telephone rates to increase in the years ahead of us.

I hope when those amendments come before the Senate the managers of the bill will look at them, see whether they are fair, see whether there is equity, see whether it is just; accept some of those amendments. I do not think we can make a bad bill into a good bill, but we certainly can make this bill into a much better bill than it is by accepting some or all of the amendments I will be proposing.

My colleagues should judge this bill according to a simple standard. Based upon our understanding of history, monopoly behavior, and the effectiveness of regulatory oversight in the telephone industry, will this bill be of benefit to both consumers and competition? I believe the answer to that question is no. And I urge my colleagues to oppose the bill and support the amendments I will submit.

I believe otherwise the American consumer will once again bear the burden, and the Bell operating companies will find themselves in the position that AT&T was formerly in, and they will able to raise prices to the American consumer. Certainly, economic times at present are not such that that is warranted.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICI. Mr. President, the United States is witnessing the beginning of a new era in telecommunications. Innovative technologies are breaking into the market in a wide range of areas from fiber optics to consumer products. Yet, while the U.S. communications industry is spending more on research and development than ever before, we lag behind other leading nations in percentage terms. Large European and Japanese firms increased their research and development spending by 25 percent last year, while the United States' leading communications manufacturer has increased its spending by less than 6 percent.

For the long-term best interest of this Nation, it is critical that we loosen the chains that currently bind regional Bell operating companies [RBOC's] from investing in research and development. Currently there is little market incentive for RBOC's to compete in the research and design of new telecommunications technologies although they control more than half of the industry resources. S. 173 is a significant vehicle for directing valuable telecommunications resources into promoting U.S. competitiveness and trade.

I would be remiss, however, if I failed to comment on my opposition to a particular provision of S. 173 that I believe is inconsistent with the intent of the legislation as a whole. The domestic manufacturing and content provision, while admirable in concept, is anticompetitive in practice. As the consent decree that restricts the RBOC's from manufacturing communications equipment illustrates, often-times, unnecessary protections become inefficient barriers.

By requiring the RBOC's to manufacture only in the United States, and to use only component parts manufactured here—subject to certain limited exceptions—this provision of S. 173 seriously undermines our Nation's fundamental goal of achieving free and open trade in telecommunications equipment markets both here and abroad.

Additionally, enactment of the domestic content requirements gives our foreign trading partners a handy excuse for closing the door on U.S. manufactured goods, just when it has finally been opened. These provisions will set a poor precedent for other nations that look to the United States for guidance on trade policy matters.

S. 173 offers a unique opportunity to create new jobs, stimulate technological development, sharpen the U.S. competitive edge, increase the liquidity of financial resources for use by small communications manufacturers, and enhance efficiency. S. 173 accomplishes these feats without Federal funding, but rather by utilizing a tool which is at the heart of the American democracy, the market system.

Mr. HATCH. Mr. President, I support enactment of S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991.

I believe it is time for Congress to assert its role in setting telecommunications policy for this Nation. In doing so, Congress should acknowledge the impressive advances of the telecommunications industry in the last 10 years and assure that such technological advances continue. The best way I know how to achieve this goal is through competition.

The benefits of the AT&T divestiture have included, for example, the ability of consumers to choose from among several providers of long distance service. The divestiture has, however, resulted in some problems. One of these problems is that a significant portion of the American telecommunications industry is effectively banned from contributing to the advance of technology. This ban is inhibiting the development of new services by telephone companies.

Mr. President, to an important extent, the seven regional Bell operating companies have been forbidden from competing in a number of markets. Whatever case may have existed 10 years ago for these lines of business restrictions, it seems to me the competitive nature of the industry today has convincingly undermined the case for some, if not all, of the restrictions. Still, the restrictions remain. In this, I share the frustration of the Bush administration, which also supports removal of the ban on the regional Bell companies' ability to engage in manufacturing.

As a result of this ban:

American telecommunications research and development has been slowed;

Innovation has been retarded, and American businesses interested in working with the regional Bell companies—businesses now able to work with and receive funding from foreign companies—are severely hamstrung in their ability to do so.

S. 173 will inject more competition into the marketplace by permitting the regional Bell companies to enter the manufacturing field. This bill cleared the Commerce Committee with overwhelming bipartisan support, 18 to 1. I commend Senators HOLLINGS and DANFORTH, chairman and ranking Republican, for their leadership in this matter.

THE NEED FOR S. 173—CHANGED CIRCUMSTANCES

AT&T was broken up by the 1982 consent decree entered in the Department of Justice's antitrust case initiated in 1974. The Department of Justice obtained provisions in the consent decree banning the divested regional Bell companies from manufacturing or providing telecommunications equipment and from manufacturing customer premises equipment. The Justice Department apparently feared that if the regional Bell companies were allowed to enter the manufacturing field, they would discriminate against other equipment manufacturers by providing them poorer access to their network and denying them information about network changes. Moreover, there was concern that the regional Bell companies would underprice their manufacturer competitors by overcharging ratepayers buying local telephone services from their regulated monopolies, and by using that revenue to cross subsidize their manufacturing activities.

Whatever the merits of this barrier to market entry may have been in 1982—and the merits were doubtful even then—changed circumstances clearly call for its removal today.

MARKETPLACE CHANGES

In 1982, one company made the vast bulk of decisions on purchasing telecommunications equipment. Now, seven regional Bell companies and private buyers and carriers not delivering local exchange service also buy large amounts of telecommunications equipment.

Moreover, there are many other suppliers of telecommunications equipment to these regional Bell companies and the other buyers of such equipment. No one regional Bell company's purchases are likely to be anticompetitive. We have vigorous competition in equipment markets, including large companies that have the advantage of economies of scale and scope. Why keep these seven regional Bell companies out of the market?

As Assistant Attorney General for Antitrust, James Rill said in a May 21, 1991, written statement to the Senate Judiciary Committee:

> Removal of the manufacturing restriction in all probablity will have significant procompetitive benefits. It is critical that the nation's telephone companies be able to take advantage of and participate in the rapid technological changes that affect this industry. It is well-recognized that the [regional Bell companies] would be formidable competitors in the telecommunications equipment market, and they would be expected to apply their considerable expertise and efficiency in the development of innovative products to the benefit of American consumers. Removal of the manufacturing restriction would permit the [regional Bell companies] to design or work more closely with independent manufacturers to design equipment to best meet their own needs and those of other carriers and customers. This in turn would facilitate the efficient development and implementation of new services—especially exchange services to support the developing information service markets.
>
> Removal of the manufacturing restriction also would permit elimination of the current waiver process under the AT&T decree for such activities. That process currently delays, deters or frustrates outright the provision by the [regional Bell companies] of new products and imposes unnecessary burdens on the industry, the Department, the courts and the American public.
>
> In light of the potential for significant competitive benefits if the [regional Bell companies] are permitted to enter telecommunications equipment and customer premises equipment markets and the absence of significant risk of anticompetitive

abuses, the administration believes that the manufacturing restrictions should be eliminated as soon as possible.

CURRENT BAN'S ADVERSE IMPACT ON R&D; AMERICAN COMPANIES

Mr. President, this bill has been described by some opponents as anticonsumer. I believe more competition in the telecommunications manufacturing field is proconsumer. I draw my colleagues' attention to the testimony of the Department of Commerce before the Commerce Committee in support of the removal of the manufacturing restrictions. There, the Department of Commerce stated:

> Elimination of the manufacturing restriction will help promote increased telecommunications R&D in this country, and it should also have an impact on related infrastructure development. A 1989 National Telecommunications and Information Administration study found this restriction hampers R&D, not only for the Bell companies themselves, but also for other entities desiring to work with the Bell companies to manufacture telecommunications equipment. The restriction has impaired both the pace at which innovations are being brought to the market and the overall cost of that process.

Mr. President, this impairment of research and development activity hurts consumers by slowing down innovation and increasing the cost of new products and services when they are developed. It also harms America's global competitiveness. As the Commerce Department testified:

> U.S. competitiveness could be fostered by permitting the Bell companies to serve as a source of "seed" capital for smaller U.S. manufacturing companies, and also to enter joint manufacturing ventures themselves. In some cases, entrepreneurial U.S. companies have had to turn to foreign firms as a source of funding or expertise.

The testimony of Mark C. Smith, president and CEO of Adtran, Inc., before the Senate Judiciary Committee, is instructive in this regard and gives life to the points made by the administration. Mr. Smith's company has over 200 employees in Huntsville, AL. Adtran designs and manufactures digital loop transmission equipment for telephone companies.

Mr. Smith testified that the manufacturing ban imposed on the regional Bell companies, "as currently interpreted, weakens both my [regional Bell company] customer base as well as their ability to communicate their needs. The ban reduces competition by removing the normal free flow of information between the small entrepreneur looking for the unfulfilled needs of his customers." The regional Bell companies really cannot contribute to Adtran's research and development efforts, a problem other American entrepreneurs also face. Adtran's 50 product design engineers are not able to communicate freely with the regional Bell companies in order to design equipment to meet their needs. Yet, Adtran is able to work with its other customers, including foreign customers, and receive research and development funds from them, in order to meet their equipment needs. Mr. Smith noted that the regional Bell companies, his biggest group of customers, "are having difficulty in ensuring the timely introduction of new technology in digital services for business applications."

S. 173 WILL FOSTER INNOVATION FOR PERSONS WITH DISABILITIES

In addition, Mr. President, with respect to fostering innovation, let me note that the Americans With Disabilities Act is a broad mandate for access for persons with disabilities. In the telephone context, however, it only does so in a minimum way. ADA mandates the use of intrastate and interstate dual-party relay systems utilizing operators to translate text from telecommunication devices for the deaf, TDD's, to voice and vice versa to allow a TDD user to converse with a user of a standard telephone. Unleashing the regional Bells would spur innovation generally, including the design and development of services for persons with disabilities. What form might these innovations take? The best way to find out is by letting the regional Bell companies into the manufacturing market. Let me cite, however, the May 21, 1991, statement of Deborah Kaplan, director of the Technology Policy Division of the World Institute on Disability:

> There is no technical reason that the networks of the future cannot be designed with "electronic curb cuts," features that permit use by everyone including persons with disabilities. These design features would allow voice output or voice synthesis for people who cannot read enlargeable text, both visual and auditory prompts, multiple modes of input to accommodate people with limited or no dexterity, variable speed command and control systems, and variable sound output to accommodate people with hearing impairments.
>
> Implementation of these features as standard user options will result in many unforseen benefits and applications for the public at large, just as with the original [sidewalk] curb cuts. Just as curb cuts made life easier for far more than the wheelchair riders who pressed for them, this kind of network flexibility will produce all kinds of benefits for the public at large.

It is no surprise that Ms. Kaplan endorsed S. 173 because increasing competition will foster innovation and further the interests of the large market consisting of Americans with disabilties.

FEAR OF CROSS-SUBSIDIZATION AND DISCRIMINATION MISPLACED

Finally, Mr. President, I believe the fears that the regional Bell companies will abuse their entry into the manufacturing field are misplaced. I have already mentioned the competitive nature of that market.

Let me also note that the antitrust laws will still apply to the regional Bells in their manufacturing capacities—with both private scrutiny by competitors and Government scrutiny as well.

Let me respond to the concern that the regional Bell companies will use rates paid by users of their local telephone monopolies in their manufacturing activities. While Federal and State oversight is never 100 percent perfect, I respectfully submit that such concern is much overstated. It is the mission of regulatory agencies to keep telephone rates low. They closely scrutinize rate increase requests and efforts to attribute costs from unregulated activities to the rates paid by local telephone users. Moreover, as Federal Communications Commission Chairman Alfred Sikes and Assistant Attorney General Rill have testified, the FCC has improved rules pertaining to cost accounting and allocation that should check the regional Bell companies if they seek to undertake anticompetitive cross subsidies of their unregulated manufacturing activities with local telephone ratepayer fees.

Similarly, I respectfully submit that the concern that a regional Bell company may buy inferior equipment or pay inflated costs to its manufacturing affiliates is unlikely to be realized. Current FCC regulations, for example, govern such affiliate transactions. Federal and State regulators can deny excessive equipment costs.

The concern that a regional Bell company might impede competition by keeping information about local network exchanges from competitor manufacturers is met by FCC rules requiring timely disclosure of network design information. Further, current manufacturers of telecommunications equipment are already key actors in the design of regional Bell networks. They will likely be aware of planned changes in any event. Of course, a regional Bell company is likely to purchase at least some of its own manufacturing products. Such partial vertical integration occurs in many industries and generally fosters competition.

The bill contains even more safeguards. For example, the bill precludes one regional Bell company from engaging in manufacturing with another regional Bell company. Further, a regional Bell company must perform any manufacturing through a separate affiliate and may not engage in any sales, specific advertising, installation, and similar functions for the manufacturing affiliate. Indeed, the Bush administration feels the bill's safeguards go too far.

CONCLUSION

I urge my colleagues to open the door to further competition by supporting S. 173 and removing the manufacturing ban imposed on the seven regional Bell companies. Let's help American companies innovate and compete in world markets.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

WAIVER OF CERTAIN SECTIONS OF THE TRADE ACT—MESSAGE FROM THE PRESIDENT—PM 53

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

I hereby transmit the documents referred to in subsection 402(d)(1) of the Trade Act of 1974, as amended (19 U.S.C. 2432(d)(1)) ("the Act"), with respect to a further extension of the authority to waive subsections (a) and (b) of section 402 of the Act. These documents continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402. The attached documents also include my reasons for recommending the extension of the waiver authority, and for my determination that continuation of the waivers currently in effect for the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402. My determination with respect to the waiver applicable to the People's Republic of China and the reasons therefor is transmitted separately.

I note that the extension of the waiver applicable to the Soviet Union will apply to Estonia, Latvia, and Lithuania. This in no way affects the longstanding U.S. policy of not recognizing the forcible incorporation of Estonia, Latvia, and Lithuania into the Soviet Union or our support for the right of the Baltic States to reclaim their independence.

GEORGE BUSH.

THE WHITE HOUSE, *June 3, 1991*.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on May 24, 1991, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 2127. An act to amend the Rehabilitation Act of 1975 to extend the programs of such act, and for other purposes.

Under the authority of the order of the Senate of January 3, 1991, the bill was signed on May 24, 1991, during the adjournment of the Senate, by the President pro tempore [Mr. BYRD].

ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on May 30, 1991, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

H.R. 232. An act to amend title 38, United States Code, with respect to veterans programs for housing and memorial affairs, and for other purposes;

H.R. 831. An act to designate the Owens Finance Station of the United States Postal Service in Cleveland, Ohio, as the "Jesse Owens Building of the United States Postal Service"; and

H.R. 2251. An act making dire emergency supplemental appropriations from contributions of foreign government and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes.

The enrolled bills were subsequently signed on today, June 3, 1991, by the Acting President pro tempore [Mr. FORD].

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

H.R. 7. An act to amend title 18, United States Code, to require a waiting period before the purchase of a handgun; and

S. 1151. A bill to restore an enforceable Federal death penalty, to curb the abuse of habeas corpus, to reform the exclusionary rule, to combat criminal violence involving firearms, to protect witnesses and other participants in the criminal justice system from violence and intimidation, to address the problem of gangs and serious juvenile offenders, to combat terrorism, to combat sexual violence and child abuse, to provide for drug testing of offenders in the criminal justice process, to secure the right of victims and defendents to equal justice without regard to race or color, to enhance the rights of crime victims, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1277. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for two years; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1278. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide for the collection of certain fees by the U.S. Environmental Protection Agency; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1279. A communication from the Assistant Secretary of Agriculture (Science and Education), transmitting pursuant to law, the 1989 annual report on the Food and Agricultural Sciences; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1280. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's third special impoundment message for fiscal year 1991; pursuant to the order of January 30, 1975, as modified on April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Armed Services, and the Committee on Foreign Relations.

EC-1281. A communication from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend titles 10, 14, and 37, United States Code, relating to the promotion, separation, and mandatory retirement of warrant officers of the armed forces, to establish the grade chief warrant officer, W-5, and for other purposes; to the Committee on Armed Services.

EC-1282. A communication from the First Vice President and Vice Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report with respect to a transaction involving United States exports to the Republic of Indonesia; to the Committee on Banking, Housing, and Urban Affairs.

EC-1283. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the annual report on the Congregate Housing Services Program for calendar year 1989; to the Committee on Banking, Housing, and Urban Affairs.

EC-1284. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, certain legislative proposals adopted by the Commission for submission to the Congress; to the Committee on Commerce, Science, and Transportation.

EC-1285. A Communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Natural Gas Pipeline Safety Act of 1968, as amended, and the Hazardous Liquid Pipeline Safety Act of 1979, as amended, to authorize appropriations for fiscal years 1992 and 1993, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1286. A Communication from the Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1990; to the Committee on Energy and Natural Resources.

EC-1287. A Communication from the Federal Inspector of the Alaska Natural Gas Transportation System, transmitting, pursuant to law, the quarterly report on the status of the Alaska Natural Gas Transportation System since October 1990; to the Committee on Energy and Natural Resources.

EC-1288. A Communication from the Chairman of the Pennsylvania Avenue Development Corporation, transmitting, pursuant to law, the annual report of the Corporation for 1990; to the Committee on Energy and Natural Resources.

EC-1289. A Communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1290. A Communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1291. A Communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, National Credit Union Administration, for the period October 1, 1990 through March 31, 1991; to the Committee on Governmental Affairs.

EC-1292. A Communication from the Under Secretary of Energy, transmitting, pursuant to law, notice of a delay in the submission of a report; to the Committee on Environment and Public Works.

EC-1293. A Communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the first annual report on technical assistance to State radon programs; to the Committee on Environment and Public Works.

EC-1294. A Communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Endangered Species Protection Program as it Relates to Pesticide Regulatory Activities"; to the Committee on Environment and Public Works.

EC-1295. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-1296. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-27 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1297. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-28 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1298. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-29 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1299. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-30 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1300. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-31 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1301. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-32 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1302. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-33 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1303. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-34 adopted by the Council on May 7, 1991; to the Committee on Governmental Affairs.

EC-1304. A communication from the Attorney General of the United States, transmitting, pursuant to law, a report on applications for orders or extensions of orders approving electronic surveillance for calendar year 1990; to the Committee on the Judiciary.

EC-1305. A communication from the Chairman of the Equal Employment Opportunity Commission, transmitting a draft of proposed legislation to establish a Technical Assistance Revolving Fund for the Equal Opportunity Employment Commission in fiscal year 1992; to the Committee on Labor and Human Resources.

EC-1306. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Assistance for Local Educational Agencies in Areas Affected by Federal Activities and Arrangements for Education of Children Where Local Educational Agencies Cannot Provide Suitable Free Public Education; to the Committee on Labor and Human Resources.

EC-1307. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for Research in Education of Individuals with Disabilities Program; to the Committee on Labor and Human Resources.

EC-1308. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on expenditures of amounts appropriated for fiscal year 1990 with respect to acquired immune deficiency syndrome; to the Committee on Labor and Human Resources.

EC-1309. A communication from the President of the United States, transmitting, pursuant to law, notice of the communication of a waiver of application of certain sections of the Trade Act with respect to the People's Republic of China; to the Committee on Finance.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-74. A resolution adopted by the General Assembly of the State of New Jersey; to the Committee on Agriculture, Nutrition, and Forestry.

"ASSEMBLY RESOLUTION NO. 211

"Whereas Sterling Forest, a privately owned tract of open space approximately 20,000 acres in size located in southern New York and northern New Jersey, is one of the last major undeveloped areas in the New York City metropolitan area; and

"Whereas two important northern New Jersey drinking water sources, the Monksville Reservoir and the Wanaque Reservoir, are fed by streams with headwaters in Sterling Forest, and these reservoirs supply drinking water to almost two million people; and

"Whereas Sterling Forest is imminently threatened with development, and such development is likely to have severe environmental consequences, threaten water supplies such as the Monksville and Wanaque reservoirs, and aggravate flooding in the Passaic River Basin in New Jersey; and

"Whereas open space in the New York City metropolitan area, including southern New York and northern New Jersey, is rapidly diminishing due to the pressures of urban sprawl and development; and

"Whereas recently enacted federal legislation requires the United States Secretary of Agriculture to conduct a study concerning forest resources open space recreation, land use, and alternative conservation strategies for the area known as the New York-New Jersey Highlands, including Sterling Forest, in the States of New Jersey, New York, and Pennsylvania: Now, therefore, be it

"*Resolved in the General Assembly of the State of New Jersey:*

"1. The Congress of the United States is respectfully memorialized to take immediate action to prevent development of Sterling Forest in the states of New York and New Jersey.

"2. Duly authenticated copies of this resolution, signed by the Speaker and attested by the Clerk, shall be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the majority and minority leaders of the United States Senate and the United States House of Representatives, every member of Congress elected from this State and the State of New York, the Governor of the State of New York, the Secretary of the United States Department of Agriculture, the Chief of the United States Forest Service, the Commissioner of the New Jersey Department of Environmental Protection, the Commissioner of the New York Department of Environmental Conservation, and the Commissioner of the New York Office of Parks, Recreation and Historic Preservation.

"NATURAL RESOURCES

"Memorializes Congress to prevent development of Sterling Forest."

POM-75. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Appropriations:

"ASSEMBLY JOINT RESOLUTION NO. 3

"Whereas many water systems that are required to meet the standards set forth in the federal Safe Drinking Water Act lack the financial ability to make the necessary changes to their systems; and

"Whereas Congress is considering or has considered the following legislation which would assist municipalities and states in financing investments in water systems:

"1. The Environmental Infrastructure Bond Act, which assures tax-exempt status for bonds which finance sewage treatment facilities, drinking water and any other environmental control facilities, regardless of the amount of private participation in the project;

"2. The Rural Water Supply Assistance Act of 1989, which allows federal capitalization grants to states for revolving loan funds to construct rural water systems and improvements for existing systems which serve less than 3,300 persons;

"3. The Rural Partnership Act of 1989, which establishes grants and revolving federal loans for rural areas to secure adequate water supplies and meet federal drinking water standards; and

"4. An amendment to the Tax Reform Act of 1986, which restores the tax-exempt status of bond financing for privately financed facilities if 95 percent of the bond proceeds are dedicated to eligible projects and the facility serves the general public; and

"Whereas there are existing federal programs, such as Community Development Block Grants and section 501 of the Disaster Assistance Act of 1989, which can provide additional support for small water systems; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly*, That the Legislature of Nevada urges the Congress and President of the United States to adopt legislation which provides additional financial support for water systems; and be it further

"*Resolved*, That Congress and the President are urged to provide additional funding through existing programs such as the Community Development Block Grants and section 501 of the Disaster Assistance Act of 1989, and be it further

Resolved, That a copy of this resolution be transmitted by the Chief Clerk of the Assembly to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation."

POM-76. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Armed Services:

"SENATE JOINT MEMORIAL 8006

"Whereas the Nation of Kuwait has been since August of 1990, subject to the military oppression of an invading force, the military machine of the president of Iraq, Saddam Hussein; and

"Whereas economic sanctions, coupled with a deadline resolution of the United Nations, failed to convince Saddam Hussein to leave Kuwait; and

"Whereas the President of the United States, resolved to act against Saddam Hussein and through the efforts of the United Nations, a coalition of nearly thirty nations joined together to present a unified front to protest this invasion of one country by another; and

"Whereas the war inevitably involved half a million men and women from across the nation, with eight thousand individuals coming from Washington state; and

"Whereas those men and women are our neighbors, their children play with our children, and they serve our communities through times of peace as well as in this time of war; and

"Whereas the people of the state of Washington are united in their support for the men and women who serve in our armed forces and we wholeheartedly support their efforts on our behalf and on behalf of the world; and

"Whereas we pray for the successful accomplishment of their mission and for their safe return: Now, therefore

"Your Memorialists respectfully pray that the Department of Defense and the Joint Chiefs of Staff extend our appreciation to all our troops, especially those personnel representing the state of Washington in this serious time of crisis and courage: Be it

"*Resolved*, That copies of this Memorial be immediately transmitted to the Honorable Richard Cheney, Secretary of Defense, and to General Colin Powell, Chair of the Joint Chiefs of Staff, and to Honorable Dan Quayle, President of the Senate, and to Honorable Tom Foley, Speaker of the House of Representatives."

POM-77. A concurrent resolution adopted by the Legislature of the State of South Carolina; to the Committee on Commerce, Science, and Transportation:

"CONCURRENT RESOLUTION

"Whereas due to recent action taken by the United States Congress, beginning this year owners of boats sixteen feet in length and longer will be required to pay an annual recreational boating 'user fee'. The fee depends on the length of the boat; and

"Whereas according to disgruntled boat owners affected by the tax, the government will get approximately one hundred thirty million dollars from the 'user fee' and not one cent is earmarked for boating improvements or boating safety; and

"Whereas there is a substantial penalty if boat owners do not comply with this unjust legislation: Now, therefore, be it

"*Resolved by the House of Representatives, the Senate concurring*, That the members of the General Assembly memorialize the United States Congress to repeal a recreational boating 'user fee' which recently was adopted: Be it further

"*Resolved*, That a copy of this resolution be forwarded to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each member of the South Carolina Congressional delegation."

POM-78. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Finance:

"HOUSE JOINT MEMORIAL 4020

"Whereas changes in federal Forest Service management policies are leading to the loss of twenty thousand jobs in Washington state due to a decline in the federal timber supply; and

"Whereas most of these timber-related jobs are located in rural areas of the state which have few economic alternatives. While the economy of our state's urban areas may be vibrant, our rural communities are suffering from impacts of the decline in timber supply. These rural, timber-dependent communities often do not have the economic diversity of the urban areas. Workers who lose their jobs are frequently far away from jobs in other sectors of the economy and far away from training centers; and

"Whereas if the people of the United States feel that they need to make the decision to cut back on the federal timber supply they should be willing to pay the economic costs of that decision rather than attempt to shift the entire cost to the hardworking timber families in our State's rural communities; and

"Whereas Congress has provided other workers who have been impacted by federal decisions with adequate benefits to make the transition to other jobs. Coal miners impacted by the Clean Air Act and defense workers impacted by defense cuts received special benefits during the last Congressional session. No such benefits were provided for timber workers hurt by federal decisions; and

"Whereas currently available job retraining programs fall short of the mark. They do not provide adequate funds for the long-term training which is needed for a transition to family wage jobs. They do not provide resources to allow workers to maintain their families while they are in training. They are severely lacking in the ability to meet emergency needs. As family emergencies happen, we often see workers drop out of their retraining programs and thus they are considered failures: Now, therefore,

"Your Memorialists respectfully pray that Congress pass a Timber Workers Fairness Act which will provide adequate benefits to timber workers impacted by federal decisions. The benefits should be similar to those provided to workers impacted by federal trade policies under the Trade Adjustment Act, and federal environmental policies under the Clean Air Act. The legislation should have the following components:

"(1) A training program of adequate duration to provide a transition to family wage jobs;

"(2) Training allowances to help families survive through the retraining program. The allowances should be available to self-employed individuals as well as people who have not worked enough hours to be eligible for Unemployment. Families eligible for unemployment insurance should be eligible for an extension of up to fifty-two weeks if they are participating in training;

"(3) Provision of support services to provide for needs such as child care, transportation, and emergency medical services: Be it

"*Resolved*, That copies of this Memorial be immediately transmitted to the Honorable George Bush, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

POM-79. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Energy and Natural Resources:

"SENATE JOINT MEMORIAL 8009

"Whereas chemicals and materials that may pose a threat to the environment and public health and safety are an everyday and indispensable part of our lives; and

"Whereas fire fighters, law enforcement officers, and emergency response personnel are potentially exposed to hazardous materials on a daily basis; and

"Whereas new federal requirements under the Occupational Safety and Health Administration require hazardous materials emergency response training for several occupational groups; and

"Whereas these occupational groups include law enforcement agencies, fire departments, emergency medical organizations, emergency management personnel, United States Department of Energy (USDOE) Patrol, USDOE fire departments, USDOE emergency medical personnel, USDOE emergency management; and

"Whereas in addition to the groups for which training is required, the need exists for other emergency response groups to obtain comprehensive training related to hazardous materials response; and

"Whereas currently there is not a facility with the resources to provide adequate training required by federal and state law, especially as training relates to a realistic simulation of credible hazardous material accidents; and

"Whereas the Hanford site would be an ideal site for a Hazardous Materials Management and Emergency Response (HAMMER) training center; and

"Whereas the Hanford site contains an ample amount of federally owned isolated land with a mild climate; and

"Whereas the Hanford site provides the advantage of a base of extensive technical expertise and training expertise as well as the existence of strong local and political support for enhancing hazardous materials response; and

"Whereas a hammer training facility is consistent with the current site mission and could serve as the perfect program as Hanford becomes the USDOE flagship for site cleanup and environmental restoration activities; and

"Whereas a hammer facility would produce a plethora of benefits to the Hanford site, the local USDOE response agencies, local emergency response entities, and hazardous materials response units throughout the state of Washington; and

"Whereas a hammer facility could serve as a national resource for hazardous materials response training combining realistic field training with thorough and consistent classroom training: Now, therefore

"Your Memorialists respectfully pray that the United States Congress support and fund legislation that would create a Hazardous Materials Management and Emergency Response training center at the Hanford reservation: Be it

"*Resolved*, That copies of this Memorial be immediately transmitted to the Honorable George Bush, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

POM–80. A concurrent resolution adopted by the Legislature of the State of North Dakota; to the Committee on Energy and Natural Resources:

"HOUSE CONCURRENT RESOLUTION NO. 3029

"Whereas oil embargoes instituted by the Organization of Petroleum Exporting Countries cartel during the mid 1970s held the entire industrialized world hostage to outrageous and predatory oil pricing; and

"Whereas the recent invasion of Kuwait by Iraq has resulted in the distruption of world oil supplies, and the political instability of the Middle East has caused extreme volatility in world oil markets; and

"Whereas the Food, Agriculture, Conservation, and Trade Act of 1990 falls far short of providing cost of production to the nation's agricultural producers; and

"Whereas the market price for most major farm commodities is substantially below the cost of producing those commodities: Now, therefore, be it

"*Resolved by the House of Representatives of North Dakota, the Senate concurring therein*, That the Fifty-second Legislative Assembly urges the President and the Congress of the United States to develop expeditiously a sound and comprehensive national energy policy utilizing renewable agricultural commodities, such as ethanol, in the production of energy and lubrication products; and be it further

"*Resolved*, That the Fifty-second Legislative Assembly urges that the President request and that the Congress of the United States appropriate funds within the budgets of the Department of Defense and the Department of Agriculture to establish this sound and comprehensive energy program; and be it further

"*Resolved*, That copies of this resolution be forwarded by the Secretary of State to the President of the United States, the Secretary of Energy, the Secretary of Defense, the Secretary of Agriculture, the Speaker and the majority and minority leaders of the United States House of Representatives, the President and the majority and minority leaders of the United States Senate, and each member of the North Dakota Congressional Delegation."

POM–81. A concurrent resolution adopted by the Legislature of the State of North Dakota; to the Committee on Energy and Natural Resources:

"SENATE CONCURRENT RESOLUTION NO. 4060

"Whereas the Glenharold coal mine in west central North Dakota has produced coal from surface mining operations for over 20 years in compliance with applicable state and federal laws, including a progressive program of land reclamation; and

"Whereas the Glenharold mine was originally projected to produce coal until 1995 but, due a decision of the United States Department of the Interior's Bureau of Land Management, the mine will now have to cease production in 1993; and

"Whereas closure of the mine will leave over five million tons of coal in the ground that could be mined and which will probably never be recovered, resulting in a regrettable waste of a precious resource; and

"Whereas failure to mine five million tons of available coal would result in coal severance tax revenue losses of $2,437,500 to the state of North Dakota, $525,000 to Mercer County, $393,750 to cities in Mercer County, $393,750 to school districts in Mercer County, and $100,000 to the North Dakota Lignite Research Fund; and

"Whereas closure of the Glenharold mine would end the employment of the mine's 105 employees, for whom the annual payroll is $4,600,000, and because each dollar of lignite industry payroll generates an additional three dollars to North Dakota's economy, the state's economy would be negatively impacted in the approximate amount of $18,400,000 per year by early closure of the mine; and

"Whereas an agreement by the Bureau of Land Management to accept an eight percent royalty on the remaining coal at the Glenharold mine, rather than the standard 12.5 percent royalty, would allow the recovery of over five million tons of coal that will otherwise be unused; and

"Whereas when the Bureau of Land Management could obtain an eight percent royalty on over five million tons of coal as compared to receiving no royalty and when our nation's precious resources would be more efficiently used by allowing the mining of the available coal before completion of reclamation of the land, it seems very short-sighted that the Bureau of Land Management has denied the request of the mine operator for a reduced royalty; and

"Whereas if the Bureau of Land Management does not reverse this decision, the North Dakota Congressional Delegation should seek congressional resolution of this issue to allow mining of the available coal to avoid loss of federal, state, and political subdivision revenue and waste of a valuable natural resource: Now, therefore, be it

"*Resolved by the Senate of North Dakota, the House of Representatives concurring therein*, That the Fifty-second Legislative Assembly of North Dakota urges the United States Department of the Interior's Bureau of Land Management to reconsider its action denying a royalty rate reduction for operation of the Glenharold mine in North Dakota and urges the North Dakota Congressional Delegation to do whatever is necessary to resolve this matter successfully or to introduce legislation in Congress to allow mining of the available coal at the Glenharold mine before the mine is closed and the land is reclaimed; and be it further

"*Resolved*, That the Secretary of State send copies of this resolution to the President and Vice President of the United States, the Speaker of the United States House of Representatives, the majority and minority leaders of the United States House of Representatives and Senate, the Secretary of the United States Department of the Interior, the Washington, D.C. office and the Montana state office of the Bureau of Land Management, and each member of the North Dakota Congressional Delegation."

POM–82. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Environment and Public Works:

"ENGROSSED HOUSE JOINT MEMORIAL 4011

"Whereas the current Federal Surface Transportation Assistance Act expires September 20, 1991, and the United States Congress must draft a new law to continue Federal-Aid highway programs and the Highway Trust Fund; and

"Whereas the Washington State Legislature and its members endorse the principles develped by the Highway Users Federation and those of the Washington Transportation Policy Institute: Now, therefore,

"Your Memorialists respectfully pray that Congress act without delay to adopt the new Federal Surface Transportation Assistance Act by October 1, 1991, and include elements of the Federation's plan in Federal Highway legislation: Be it

"*Resolved*, That copies of this Memorial be immediately sent to the Honorable George Bush, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

POM–83. A resolution adopted by the Senate of the State of Hawaii; to the Committee on Finance:

"SENATE RESOLUTION NO. 48

"Whereas during the decade of the 1970s, concern over the world's dwindling energy reserves prompted Congress and the federal administration to develop numerous innovative approaches toward reducing the country's dependence on imported sources of petroleum; and

"Whereas included in the nation's comprehensive strategy of promoting energy independence was a temporary federal income tax credit on the installation of solar energy conservation systems; and

"Whereas because of the effectiveness of the federal income tax credit in promoting the installation of solar energy devices throughout the nation, many states, including Hawaii, established state tax incentives to further assist in the establishment and development of the solar energy industry in their localities; and

"Whereas although the country's policy toward the exploration, encouragement, and development of alternate energy technologies was weakened considerably during the decade of the 1980s, the present conflict in the Persian Gulf underscores the importance of reestablishing the country's commitment toward the exploration and use of alternatives that rely on nonpetroleum sources to generate energy; and

"Whereas without the added incentive of a federal income tax credit to assist the country in converting its energy infrastructure to a system that is less dependent on foreign oil, consumers may once again adopt the belief that the price of oil will once again fall to the level that it occupied in the days prior to the outbreak of the conflict in the Middle East; and

"Whereas the reinstatement of the federal income tax credit for the installation of a solar energy conservation system by Congress will deliver a clear signal to the country that the government is one again committed to achieving the goal of energy independence; and

"Whereas, heat pump water heaters are now available throughout the United States, they reduce water heating energy requirements by 50 percent to 80 percent and they enable renters as well as homeowners to sharply reduce their water heating energy requirement: Now, therefore, be it

"*Resolved by the Senate of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991*, That the United States Congress is requested to reinstate the federal income tax credit previously allowed for the installation of solar energy conservation measures and also to extend the coverage of these federal tax credits to include heat pump water heaters: Be it further

"*Resolved*, That certified copies of this Resolution be transmitted to the Speaker of the United States House of Representatives and the President of the United States Senate."

POM–84. A resolution adopted by the House of Representatives of the State of Missouri; to the Committee on Finance:

"RESOLUTION

"Whereas the federal government is currently taking extensive measures to bail out the national savings and loan system because of heavy financial losses accrued through the mismanagement of funds, a scandal which is estimated to cost every man, woman, and child in America $2,000 to $5,000 each; and

"Whereas because of this enormous federal expenditure, President George Bush has finally admitted he will consider raising taxes if Congress agrees to cut back on "entitlement" programs such as Social Security and Medicare; and

"Whereas if this course of action were taken, senior citizens who depend on Social Security for their livelihood may have to pay for this outrageous savings and loan scandal in two different ways: one, with decreases in Social Security and Medicare benefits, and two, with some sort of tax increase; and

"Whereas to penalize senior citizens who have alreasdy suffered as a result of the savings and loan scandal would be adding insult to injury; and

"Whereas a substantial portion of the population in the State of Missouri is comprised of senior citizens who depend on federal entitlement programs for a variety of important needs: Now, therefore, be it

"*Resolved*, That we, the members of the Missouri House of Representatives, Eighty-sixth General Assembly, hereby strongly oppose any plan to obtain funds for the national savings and loan bailout through cutbacks in senior citizen entitlement program, and further call upon the President and the Congress to use any and all means necessary to maintain current funding levels for Social Secuity, Medicare, and other entitlement for senior citizens; and be it further

"*Resolved*, that the Chief Clerk of the Missouri House of Representatives be instructed to prepare properly inscribed copies of this resolution for the President of the United States, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and for each member of the Missouri Congressional delegation."

POM–85. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Foreign Relations:

"ENGROSSED HOUSE JOINT MEMORIAL 4008

"Whereas the continued use of high seas driftnets by Japanese, Taiwanese, and Korean fishing fleets in the North and South Pacific is killing vast numbers of sea mammals and sea birds each year; and

"Whereas these thirty mile-long driftnets are intercepting salmon species that originate in waters of the western United States and Canada further decreasing the important salmon resource of both countries; and

"Whereas Japanese, Taiwanese, and Korean squid fishing fleets of roughly 1200 vessels operate about 30,000 miles of driftnet per fishing day; and

"Whereas squid driftnet fisheries are suspected of incidentally taking large numbers of salmon, seabirds and living mammals as evidenced by over 40,000 metric tons of illegally harvested salmon recovered through various enforcement actions; and

"Whereas these fleets are having a significant impact on the living marine resources of the North Pacific; and

"Whereas in 1987, the United States Congress passed the Driftnet Monitoring and Control Act which required that agreements be reached with nations operating high seas driftnet fleets to allow monitoring of their operation and provide enforcement; and

"Whereas under the 1987 Driftnet Monitoring and Control Act, trade sanctions can be imposed against fish products imported from nations failing to successfully reach an agreement with the United States; and

"Whereas many of these same vessels fish for tuna in the South Pacific where a significant conservation problem exists with albacore tuna; and

"Whereas sixteen South Pacific Island nations have issued the Tarawa Declaration calling for an international ban on driftnet fishing in the South Pacific; and

"Whereas steps taken so far to minimize the impact of these driftnet fisheries on living marine resources have somewhat improved monitoring, enforcement and research; however, they are only early steps and will not halt the imminent threat to the conservation and protection of these resources; and

"Whereas the states of Washington, Oregon, Alaska, Idaho, California, and Hawaii, and the province of British Columbia have signed a proclamation proposing some immediate steps that will work toward the long-term goal of securing an international ban on driftnet fishing on the high seas: Now, therefore,

"Your Memorialists respectfully pray that the United States Congress and President George Bush seek through all legal efforts in all available international forums an international ban on driftnet fishing on the high seas: Be it

"*Resolved*, That copies of this Memorial be immediately transmitted to the Honorable George Bush, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

POM–86. A resolution adopted by the City Council of Sweetwater, Florida favoring a uniform reduction in foreign aid and the utilization of those funds in domestic programs; to the Committee on Foreign Relations.

POM–87. A resolution adopted by the Senate of the State of Iowa; to the Committee on Governmental Affairs.

"SENATE RESOLUTION NO. 15

"Whereas 2,285 Americans, including 38 Iowans, remain missing as a result of the conflict in Southeast Asia as of January 17, 1991; and

"Whereas as of January 3, 1991, 1,447 firsthand live sighting reports of Americans have been received since 1975 according to Defense Intelligence Agency statistics; and

"Whereas of the 119 live sightings which have remained unresolved and under investigation, 59 deal with reported Americans seen in prisoner situations and 60 in nonprisoner situations; and

"Whereas official United States government policy has insisted, since April 12, 1973, that it has no evidence of living POWs in all of Indochina; and

"Whereas there is substantial evidence obtained through congressional hearings, interviews with prisoners of war, declarations of a high ranking Defense Intelligence Agency official, foreign government and diplomatic officials, and investigative reporting that there are live American prisoners held in Vietnam and Laos; and

"Whereas there is substantial evidence that, through abuse of official secrecy and bureaucratic inertia, efforts to follow up on reports of live sightings are thwarted by officials who concentrate on discrediting live sighting sources while exaggerating the capabilities of forensic science and making identification of human remains based on dubious presumptions and illogical deductions rather than actual physical identification; and

"Whereas after a one-year investigation, the minority staff of the United States Senate Foreign Relations Committee issued an interim report presenting several preliminary conclusions including that the staff review of Defense Intelligence Agency live sight report files shows a disturbing pattern of arbitrary rejection of evidence that connected a sighting to a specific POW/MIA, that the arbitrary rejection resulted in a declaration of presumptive finding of death in each individual case except one, and that the internal United States government policy that all POW/MIAs are presumed dead results in an emphasis on finding and identifying remains of dead persons rather than searching for living POW/MIAs; and

"Whereas the POW/MIA Accountability Bill, H.R. 3603, introduced by Congressman Denny Smith, directs the heads of federal departments and agencies to disclose information concerning United States armed forces personnel classified as prisoners of war or missing in action from World War II, the Korean Conflict, and the Vietnam Conflict; and

"Whereas the executive branch of the United States government has failed to address adequately the concerns of the family members of the POW/MIAs, and has profoundly mishandled the POW/MIA problem: Now, therefore, be it

"Resolved by the Senate, That the Iowa Senate insists that the President of the United States renew and recommit the full diplomatic and intelligence resources of the United States Department of State and the United States Department of Defense to provide the fullest possible accounting for the Americans who are prisoners, missing, or unaccounted for as a result of the conflict in Southeast Asia and the conflict in the Persian Gulf: be it further

"*Resolved*, That the Iowa Senate urges the United States Congress to pass, and the President of the United States to support, H.R. 3603 requiring federal departments and agencies to disclose information concerning United States armed forces personnel classified as prisoners of war or missing in action from World War II, the Korean Conflict, and the Vietnam Conflict to enable them to be brought home: be it further

"*Resolved*, That the Secretary of the Senate place a POW/MIA flag in the Senate chamber, placement to be at the discretion of the President of the Senate, until all of the Americans missing as a result of the conflicts in Southeast Asia and the Persian Gulf (Operation Desert Shield and Operation Desert Storm) are returned to the United States or are fully accounted for: be it further

"*Resolved*, That the Secretary of the Senate send a copy of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Iowa congressional delegation."

POM-88. A resolution adopted by the Senate of the State of Hawaii; to the Committee on the Judiciary.

"SENATE RESOLUTION NO. 120

"Whereas the people of the State of Hawaii come from diverse ethnic and national backgrounds and live in harmony because of mutual respect and the Aloha spirit; and

"Whereas the history of our State shows that the road to harmony requires elimination of practices which foster discrimination in all areas of life; and

"Whereas the 1988 Legislature, in creating the Hawaii Civil Rights Commission, declared that "the practice of discrimination because of race, color, religion, age, sex, marital status, national origin, ancestry, or handicapped status in employment, housing, or public accommodations is against public policy"; and

"Whereas Congress is presently considering H.R. 1, the Civil Rights Act of 1991, which is intended to restore civil rights protections which were dramatically limited by recent Supreme Court decisions and to strengthen existing protections and remedies available under federal civil rights laws in order to provide more effective deterrence and adequate compensation for victims of discrimination; and

"Whereas persons suffering from employment discrimination need the protection of strong laws at both the state and federal levels in order to ensure that factors unrelated to job performance are not considered in employment decisions; and

"Whereas enforcement of strong state laws against discrimination may be impeded by federal cases which changed the burden of proof from that established in earlier precedents and created procedural roadblocks which may allow discriminatory practices to continue; and

"Whereas the promise of equality embodied in our Constitution and the Declaration of Independence needs to be clearly stated in our laws guaranteeing civil rights protection to all persons: Now, therefore, be it

"*Resolved by the Senate of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991*, That the Senate expresses its strongest support for the passage of the Civil Rights Act of 1991; and be it further

"*Resolved*, That certified copies of this Resolution be transmitted to the President of the United States; the President of the United States Senate; the Speaker of the United States House of Representatives; the Chairman of the Senate Committees on Judiciary and Labor and Human Resources; the Chairmen of the House Committees on Judiciary, Education, and Labor; the Chairman of the Congressional Black Caucus; the Chairman of the Congressional Hispanic Caucus; and each member of Hawaii's Congressional Delegation."

POM-89. A joint resolution adopted by the Legislature of the State of Illinois; to the Committee on Labor and Human Resources:

"HOUSE JOINT RESOLUTION NO. 37

"Whereas the national railroad labor organizations participated in the national effort to resolve a three-year negotiations deadlock; and

"Whereas Illinois rail transportation was disrupted from April 17 to April 18, 1991, as a consequence of a national work stoppage; and

"Whereas it is in the interest of the Illinois economy and in the interest of positive public policy generally that all citizens of the State enjoy uninterrupted commuter services; and

"Whereas the railroad union membership demonstrated concern for the continued safe transportation of commuters by voluntarily continuing to provide service, and the METRA Commuter Rail System also played a leading role in maintaining uninterrupted passenger transportation: Therefore, be it

"*Resolved by the House of Representatives of the Eighty-Seventh General Assembly of the State of Illinois, the Senate concurring herein*, That the organized rail transportation workers of our State, and the METRA Commuter Rail System, be commended for their unwavering good faith with their fellow citizens by ensuring the continuation of safe and dependable commuter service through the work stoppage; and be it further

"*Resolved*, That suitable copies of this resolution be transmitted to the leadership of the rail labor organizations, the chief executive officers of all rail corporations providing commuter service within the State of Illinois, the Illinois Congressional delegation, the Secretary of the United States Department of Transportation and the Secretary of the Illinois Department of Transportation."

POM-90. A resolution adopted by the American Bar Association calling for rules to require the disclosure of certain information on legislation that affects only one or a few taxpayers, projects, or transactions; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of May 17, 1991, the following reports of committees were submitted on May 30, 1991:

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. 596. A bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements (Rept. No. 102–67).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 5. A bill to grant employees family and temporary medical leave under certain circumstances, and for other purposes (Rept. No. 102–68).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 426. A bill for the relief of Abby Cooke (Rept. No. 102–69).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 591. A bill to require airbags for certain newly manufactured vehicles (Rept. No. 102–70).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KENNEDY (for himself, Mr. CHAFEE, Mr. ADAMS, Mr. PACKWOOD, Mr. MITCHELL, Mr. PELL, Mr. SARBANES, Mr. JEFFORDS, Mr. AKAKA, Mr. KERRY, Mr. CRANSTON, Mr. SIMON, Mr. DODD, Mr. KERREY, Mr. COHEN, Mr. GLENN, Mr. GORE, Mr. BURDICK, Mr. WIRTH, Mr. BINGAMAN, Mr. KOHL, Mr. METZENBAUM, Ms. MIKULSKI, Mr. HARKIN, Mr. BRADLEY, Mr. LEVIN, Mr. INOUYE, Mr. MOYNIHAN, Mr. ROBB, Mr. SANFORD, Mr. HOLLINGS, Mr. RIEGLE, Mr. WELLSTONE, Mr. BAUCUS, Mr. FOWLER, Mr. LEAHY, Mr. SEYMOUR, Mr. DASCHLE, Mr. LIEBERMAN, Mr. LAUTENBERG, Mr. BENTSEN, Mr. ROCKEFELLER, and Mr. BIDEN):

S. 1197. A bill to amend the Public Health Service Act concerning family planning and to provide for the availability of information and counseling regarding pregnancies, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. REID:

S.J. Res. 152. Joint resolution to designate the week beginning June 9, 1991, as "Animal Rights Awareness Week"; to the Committee on the Judiciary.

By Mr. FORD (for Mr. CRANSTON):

S.J. Res. 153. Joint resolution disapproving the recommendation of the President to extend nondiscriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. JEFFORDS (for himself, Mr. AKAKA, Mr. BENTSEN, Mr. BRADLEY, Mr. BRYAN, Mr. BURDICK, Mr. BURNS, Mr. CHAFEE, Mr. COCHRAN, Mr. CRANSTON, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. DOLE, Mr. GORE, Mr. GRAHAM, Mr. GRASSLEY, Mr. HATCH, Mr. HEFLIN, Mr. INOUYE, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. METZENBAUM, Mr. PELL, Mr. PRYOR, Mr. ROBB, Mr. SHELBY, Mr. SIMON, Mr. SPECTER, Mr. STEVENS, Mr. THURMOND, Mr. WARNER, and Mr. WELLSTONE):

S. Con. Res. 44. A concurrent resolution expressing the sense of Congress that the American public should observe the 100th anniversary of moviemaking and recognize the contributions of the American Film Institute in advocating and preserving the art of film; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY (for himself, Mr. CHAFEE, Mr. ADAMS, Mr. PACKWOOD, Mr. MITCHELL, Mr. PELL, Mr. SARBANES, Mr. JEFFORDS, Mr. AKAKA, Mr. KERRY, Mr. CRANSTON, Mr. SIMON, Mr. DODD, Mr. KERREY, Mr. COHEN, Mr. GLENN, Mr. GORE, Mr. BURDICK, Mr. WIRTH, Mr. BINGAMAN, Mr. KOHL, Mr. METZENBAUM, Ms. MIKULSKI, Mr. HARKIN, Mr. BRADLEY, Mr. LEVIN, Mr. INOUYE, Mr. MOYNIHAN, Mr. ROBB, Mr. SANFORD, Mr. HOLLINGS, Mr. RIEGLE, Mr. WELLSTONE, Mr. BAUCUS, Mr. FOWLER, Mr. LEAHY, Mr. SEYMOUR, Mr. DASCHLE, Mr. LIEBERMAN, Mr. LAUTENBERG, Mr. BENTSEN, Mr. ROCKEFELLER, and Mr. BIDEN):

S. 1197. A bill to amend the Public Health Service Act concerning family planning and to provide for the availability of information and counseling regarding pregnancies, and for other purposes; to the Committee on Labor and Human Resources.

FAMILY PLANNING AMENDMENTS

Mr. KENNEDY. Mr. President, today I am introducing along with Senators CHAFEE, ADAMS, PACKWOOD, and 38 other Senators, the Family Planning Amendments of 1991.

The title X Family Planning Program has an outstanding record of 20 years of service to the American people. It provides high quality reproductive health care services to over 5 million low-income women and men each year. In addition to comprehensive family planning services, title X funded clinics also provide essential primary and preventive care such as screening for breast cancer, cervical cancer, and sexually transmitted diseases.

Family planning programs also serve as the entry point into the health care system for many patients in need of other important services, ranging from prenatal care to AIDS counseling and testing.

Over the past 10 years, our ability to provide these services to families in need has been unconscionably cut back. Funding has been slashed 42 percent in real terms. One thousand clinics have been forced to close. Outreach and followup services have been squeezed out. Today, more than 31 million women are at risk of unintended pregnancy in the United States. Yet title X is serving fewer people than it was serving in 1981. That is unacceptable.

We know that family planning services are cost-effective. Every dollar used to provide family planning services saves an average of $4.40 in funds that otherwise would have to be spent to provide medical care, welfare, and other social services to women who, by law, will be eligible for such services if they become pregnant. In fact, teenage pregnancy costs the United States an estimated $22 billion a year in welfare and associated costs alone.

Family planning and prevention of unintended pregnancy are also the most effective means of reducing the spread of the AIDS virus to newborn infants. It is an essential component of our overall strategy to reduce the incidence of low birth weight, and bring down the shocking rate of infant mortality that is a continuing indictment of our health care system.

Title X is a key part of our effort to prevent adolescent pregnancy. More than 1 million teenagers become pregnant every year, and their pregnancies pose significant health risks for these mothers and their infants. If we are serious about addressing this problem, then it is time for us to get serious about title X.

The legislation that I am introducing today will reauthorize the Family Planning Program, which has been unauthorized since 1985, and provide for modest increases over the next 5 years.

To enable family planning providers to meet the demand for services, the bill will include authorization levels of $180 million for fiscal year 1992, $189 million for fiscal year 1993, $198.5 million for fiscal year 1994, $208.5 million for fiscal year 1995, and $219 million for fiscal year 1996.

The legislation makes several improvements in the current program. First, it establishes a separate authorization for contraceptive research. Many couples are dissatisfied with the contraceptive alternatives available to them, and research has revealed that failures from current methods are higher than had been previously known. A modest increase in research spending represents a wise investment.

The legislation also establishes a new program of community-based information. Stronger methods of outreach and education are essential for those who need but are not using these important services.

We have also included a provision to overturn the recent Supreme Court decision in Rust versus Sullivan, which upheld the gag rule that bars title X grantees from providing abortion counseling or referrals. The language in this bill clarifies that when a pregnant woman seeks family planning information, she will be told, in a nondirective manner, of all the options available to her. The Supreme Court decision struck a blow against the constitutional rights of women and seriously infringes upon the doctor-patient relationship. Many family planning providers have stated that they will refuse the title X money rather than accept these restrictions. The result will be to deny family planning services to low-income women across the country. Separate legislation sponsored by Senator CHAFEE to repeal the gag rule is already pending in the Labor Committee.

I urge my colleagues to support this title X bill. Low-income Americans deserve access to comprehensive and high quality family planning services, and this legislation is an important step toward achieving that goal.

Mr. CHAFEE. Mr. President, I am pleased to join Senator KENNEDY today in introducing legislation to reauthorize title X of the Public Health Service Act. This critical program provides family planning services for nearly 5 million low-income people each year, including 1½ million adolescents. While the core services of the title X program are family planning and contraception, title X funded clinics are often the patient's point of entry into the overall health care system.

Title X was enacted in 1970. While it has been funded continuously for the past 20 years, it has not been formally reauthorized since 1985. As a result, the program's funding has diminished substantially over the years. In 1981 the appropriation for projects and grants under title X was $162 million. In 1985, appropriations for the program totaled $142.5 million, and last year Congress appropriated only $141 million for title X. So, you can see we have a long way to go before we can even return to the level of funding set 10 years ago. The only way we will be able to adequately fund the program is to reauthorize it formally.

The title X program has been instrumental in reaching out to low-income women and providing them with critical family planning and health care services. Regretfully, a recent decision by the Supreme Court could compromise seriously the credibility and the quality of this program. The Court's decision in Rust versus Sullivan upholds HHS regulations which bar title X-funded clinics from providing pregnant women with nondirective information on all of their legal and medical options, including abortion. I have long been opposed to these regulations as I believe they are bad health policy and discriminate unfairly against poor women. I have introduced separate legislation to overturn these regulations, and am pleased that my measure is included in this bill as well.

Mr. President, I am hopeful that this year we will be able to reauthorize the title X program. I look forward to working with Senator KENNEDY toward this goal and am hopeful that my colleagues will support us in this effort.

By Mr. FORD (for Mr. CRANSTON):

S.J. Res. 153. Joint resolution disapproving the recommendation of the President to extend nondiscriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China; to the Committee on Finance.

DISAPPROVAL OF MOST-FAVORED-NATION STATUS FOR THE PEOPLE'S REPUBLIC OF CHINA

• Mr. CRANSTON. Mr. President, on May 29, President Bush officially announced his decision to renew most-favored-nation [MFN] trade status for the People's Republic of China. I now rise to introduce a joint resolution disapproving the extension of the authority to grant this renewal.

With the President's announcement, it is now the responsibility of Congress to decide not to renew MFN. We must send a strong signal to the Chinese Government that their behavior cannot be tolerated in the community of nations.

The denial of MFN for China would send a clear message: the Chinese leadership cannot have a free ride as a member of the world community. It cannot scorn the international standards and agreements that guide the nations of the world and then continue to reap the fruits of international relations.

MFN is a benefit, not a right. There is clear evidence that the Chinese Government is undeserving of preferential tariff treatment. China's rulers continue to violate international standards of human rights, trade, and weapons proliferation.

Human rights have deteriorated in China. Chinese leaders continue to detain members of the pro-democracy movement, without trials, while sentencing more. The peaceful advocacy of democracy can lead to a 13-year prison term these days in Beijing.

The People's Liberation Army continues to occupy and terrorize the Tibetan people. About 1.2 million Tibetans have perished and more than 6,000 monasteries and temples have been destroyed. In Tibet, people are persecuted for advocating democracy and practicing their religious beliefs.

There is no question that goods produced by slave labor in Chinese prisons are now being imported into the United States in contravention of American law. Reports by Asia Watch, the Congressional Research Service, and the General Accounting Office widely document this.

The United States Trade Representative identifies China as a country which is one of the "most onerous and egregious and who are not negotiating in good faith or making progress in negotiations." Last year, American exports to China declined partly because the Chinese decided to restrict imports. Every year at this time, when the Chinese want MFN, they announce special trade missions and announce grain purchases. Every year, after they have gotten what they want, the trade missions end, the purchases stop. Only the trade deficit becomes greater. The trade deficit tripled to $10.4 billion in 1990, and some are projecting a deficit of at least $15 billion this year.

Finally, China's boldest display of defiance of international agreements has been in weapons proliferation, a key area of American concern. This year reports show that China may not only intend to sell long-range M-9 and shorter range M-11 missiles to Syria and Pakistan, but they have secretly been assisting Algeria to build a nuclear powerplant which they now cleverly claim is for "peaceful" purposes. China also continues military assistance to the genocidal Khmer Rouge, thwarting efforts to achieve an international peace settlement in Cambodia.

Mr. President, I realize that many of my colleagues find China's behavior as repugnant as I do. I understand that the decision to renew MFN is difficult. This resolution, however, provides the Congress an opportunity to correct United States foreign policy toward China. I urge my colleagues to seize this crucial moment, and to show the Chinese leadership that they have much to lose by ignoring our concerns.•

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. BIDEN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 15, a bill to combat violence and crimes against women on the streets and in homes.

S. 98

At the request of Mr. PRESSLER, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Alaska [Mr. MURKOSKI], and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 98, a bill to amend the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989.

S. 140

At the request of Mr. WIRTH, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 173

At the request of Mr. DOMENICI, his name was added as a cosponsor of S. 173, a bill to permit the Bell Telephone Companies to conduct reserch on, design, and manufacture telecommunications equipment, and for other purposes.

S. 239

At the request of Mr. SARBANES, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 239, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 316

At the request of Mr. CRAIG, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 323

At the request of Mr. CHAFEE, the names of the Senator from New Hampshire [Mr. RUDMAN], the Senator from Montana [Mr. BAUCUS], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of S. 323, a bill to require the Secretary of Health and Human Services to ensure that pregnant women receiving assistance under title X of the Public Health Service Act are provided with information and counseling regarding their pregnancies, and for other purposes.

S. 327

At the request of Mr. BOREN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 327, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 446

At the request of Mr. BAUCUS, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 446, a bill to amend the Federal Unemployment Tax Act with respect to employment performed by certain employees of educational institutions.

S. 474

At the request of Mr. DECONCINI, the names of the Senator from Hawaii [Mr. AKAKA] and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of S. 474, a bill to prohibit sports gambling under State law.

S. 499

At the request of Mr. LUGAR, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 499, a bill to amend the National School Lunch Act to remove the requirement that schools participating in the School Lunch Program offer students specific types of fluid milk, and for other purposes.

S. 588

At the request of Mr. MITCHELL, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 588, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of certain cooperative service organizations of private and community foundations.

S. 596

At the request of Mr. MITCHELL, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of S. 596, a bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements.

S. 649

At the request of Mr. BREAUX, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Florida [Mr. GRAHAM], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 649, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury tax on boats.

S. 651

At the request of Mr. GARN, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 651, a bill to improve the administration of the Federal Deposit Insurance Corporation, and to make technical amendments to the Federal Deposit Insurance Act, the Federal Home Loan Bank Act, and the National Bank Act.

S. 722

At the request of Mr. ROTH, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 722, a bill to amend the Internal Revenue Code of 1986 with respect to the requirement that an S corporation have only 1 class of stock.

S. 827

At the request of Mr. SHELBY, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Alabama [Mr. HEFLIN], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 827, a bill to credit time spent in the Cadet Nurse Corps during World War II as creditable for Federal civil service retirement purposes for certain annuitants and certain other individuals not covered under Public Law 99-638.

S. 838

At the request of Mr. DODD, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 838, a bill to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such act, and for other purposes.

S. 843

At the request of Mr. BREAUX, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 844

At the request of Mr. DOMENICI, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 844, a bill to provide for the minting and circulation of one dollar coins.

S. 866

At the request of Mr. BREAUX, the names of the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 866, a bill to amend the Internal Revenue Code of 1986 to clarify that certain activities of a charitable organization in operating an amateur athletic event do not constitute unrelated trade or business activities.

S. 878

At the request of Mr. DODD, the names of the Senator from Rhode Island [Mr. PELL], and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 878, a bill to assist in implementing the plan of action adopted by the World Summit for Children, and for other purposes.

S. 988

At the request of Mr. LAUTENBERG, the name of Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 988, a bill to authorize the promulgation of a model building code to enhance recycling and for other purposes.

S. 1072

At the request of Mr. LAUTENBERG, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1072, a bill to amend title 23, United States Code, with respect to gross vehicle weights on the National System of Interstate and Defense Highways, and for other purposes.

S. 1099

At the request of Mr. SARBANES, the names of the Senator from Massachusetts [Mr. KERRY], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 1099, a bill to amend section 201(b)(2) of the Higher Education Act of 1965 to reauthorize funding for library training, research, and development.

S. 1102

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1102, a bill to amend title XVIII of the Social Security Act to provide coverage of qualified mental health professionals services furnished in community mental health centers.

S. 1107

At the request of Mr. SHELBY, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1107, a bill to amend title 38, United States Code, to provide for the payment, on an interim basis, of compensation, dependency, and indemnity compensation, and pension to veterans and their survivors and dependents if their claims for those benefits are not decided by the Department of Veterans Affairs within specified time limits.

S. 1111

At the request of Mr. MITCHELL, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 111, a bill to protect the public from health risks from radiation exposure from low-level radioactive waste, and for other purposes.

S. 1125

At the request of Mr. PACKWOOD, the names of the Senator from Wyoming [Mr. WALLOP], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Nebraska [Mr. EXON] were aded as cosponsors of S. 1125, a bill to provide incentives to health care providers serving rural areas, to provide grants to county health departments providing preventative health services within rural areas, to establish State health service corps demonstration projects, and for other pruposes.

S. 1133

At the request of Mr. KENNEDY, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1133, a bill to establish a demonstration grant program to provide coordinated and comprehensive education, training, health and social services to at-risk children and youth and their families, and for other purposes.

S. 1134

At the request of Mr. KENNEDY, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1134, a bill to provide disadvantaged students with early intervention programs and scholarships to encourage such students to finish high school and to obtain a college education, and to upgrade the course of study undertaken by our Nation's secondary school students.

S. 1135

At the request of Mr. KENNEDY, the names of the Senator from Illinois [Mr. DIXON] and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of S. 1135, a bill to provide financial assistance to eligible local educational agencies to improve urban and rural education, and for other purposes.

S. 1136

At the request of Mr. KENNEDY, the names of the Senator from Connecticut [Mr. DODD], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KERRY], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1136, a bill to provide to States and local educational agencies to enable such agencies to develop programs that provide opportunities to parents, particularly parents of educationally deprived children, to select the public schools attended by their children, and for other purposes.

S. 1137

At the request of Mr. KENNEDY, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1137, a bill to amend title IV of the Higher Education Act of 1965 to simplify the needs analysis.

S. 1156

At the request of Mr. PACKWOOD, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1156, a bill to provide for the protection and management of certain areas on public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in the States of California, Oregon, and Washington; to ensure proper conservation of the national resources of such lands, including enhancement of habitat; to provide assistance to communities and individuals affected by management decisions on such lands; to facilitate the implementation of land management plans for such public domain lands and federal lands elsewhere; and for other purposes.

SENATE JOINT RESOLUTION 36

At the request of Mr. PRESSLER, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Joint Resolution 36, a joint resolution to designate the months on November 1991, and November 1992, as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 115

At the request of Mr. MOYNIHAN, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Joint Resolution 115, a joint resolution to designate the week of June 10, 1991, through June 16, 1991, as "Pediatric AIDS Awareness Week."

SENATE JOINT RESOLUTION 124

At the request of Mr. BRADLEY, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Nebraska [Mr. EXON], the Senator from Florida [Mr. MACK], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 124, a joint resolution to designate "National Visiting Nurse Associations Week" for 1992.

SENATE JOINT RESOLUTION 126

At the request of Mr. HATFIELD, the names of the Senator from Colorado [Mr. BROWN], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of Senate Joint Resolution 126, a joint resolution to designate the second Sunday in October 1991 as "National Children's Day."

SENATE JOINT RESOLUTION 132

At the request of Mr. LAUTENBERG, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Joint Resolution 132, a joint resolution to designate the week of October 13, 1991, through October 19, 1991, as "National Radon Action Week."

SENATE RESOLUTION 82

At the request of Mr. SMITH, the names of the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Resolution 82, a resolution to establish a Select Committee on POW/MIA Affairs.

SENATE RESOLUTION 116

At the request of Mr. ROTH, the names of the Senator from California [Mr. CRANSTON], and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of Senate Resolution 116, a resolution to express the sense of the Senate in support of Taiwan's membership in the General Agreement on Tariffs and Trade.

SENATE CONCURRENT RESOLUTION 44—RELATIVE TO OBSERVANCE OF THE 100TH ANNIVERSARY OF MOVIE MAKING

Mr. JEFFORDS (for himself, Mr. AKAKA, Mr. BENTSEN, Mr. BRADLEY, Mr. BRYAN, Mr. BURDICK, Mr. BURNS, Mr. CHAFEE, Mr. COCHRAN, Mr. CRANSTON, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. DOLE, Mr. GORE, Mr. GRASSLEY, Mr. GRAHAM, Mr. HATCH, Mr. HEFLIN, Mr. INOUYE, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. METZENBAUM, Mr. PELL, Mr. PRYOR, Mr. ROBB, Mr. SHELBY, Mr. SIMON, Mr. SPECTER, Mr. STEVENS, Mr. THURMOND, Mr. WARNER, and Mr. WELLSTONE) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary.

S. CON. RES. 44

Whereas in the late 19th century, inventors around the world focused on discovering a means of artificially reproducing movement so that it appeared to the viewer as though he or she were seeing it happen;

Whereas that discovery led to the emergence of the art and science of motion pictures through many creators in the United States and other nations around the world;

Whereas during this period, the technology necessary to create motion pictures was perfected in a series of exciting American inventions, which included the development of the kinetograph and kinetoscope by Thomas Edison and W.K.L. Dickson, and the perfection of strip film by George Eastman;

Whereas the cycle of invention, innovation, and improvement continued without pause during the 1890's with the construction of Thomas Edison's first film studio, dubbed the "Black Maria";

Whereas a series of technological innovations made in 1893 marked a turning point in the development of the motion picture;

Whereas the first commercial presentation of Edison's kinetoscope by the Holland Brothers in New York City demonstrated the public's fascination with motion pictures;

Whereas the demand for kinetoscope films grew and Edison's invention was marketed internationally;

Whereas the motion picture has the power to touch our hearts, souls, and imaginations, and to shape our hopes, dreams, and even our national consciousness;

Whereas the motion picture serves as America's ambassador to the world, conveying American values, beliefs, styles, and attitudes, transforming world culture with its potent images, and making the global village a reality;

Whereas motion picture production is not only an art, but one of America's most successful creative enterprises;

Whereas the motion picture has enriched our cultural heritage with unforgettable characters who have become American icons, from Harold Lloyd, Charlie Chaplin, and the Marx Brothers to the immortal Greta Garbo and the eternal Lillian Gish, from Bogie and Bacall, John Wayne, Sidney Poitier and Cicely Tyson, to Indiana Jones and E.T., and the thousands of other larger-than-life men and women who commanded the silver screen;

Whereas from these motion picture legends came precious film moments that are forever etched in our memories and imaginations;

Whereas in 1965, President Lyndon Johnson signed legislation leading to the foundation of the American Film Institute, and proclaimed that the institute's mandate would be to recognize the moving image as an art form, to preserve the heritage of film and television, and to identify and train the next creative generation;

Whereas on September 26, 1989, President George Bush reaffirmed the American Film Institute's role as the national organization devoted to the film and video arts, and President and Mrs. Bush honored the American Film Institute at a ceremony which celebrated the art form of the 20th century and the role of the American Film Institute in advocating, nurturing, and preserving the art of film and video;

Whereas the American Film Institute is a national leader in film and video arts and is devoted to advocacy for and preservation of the art of film, television and video; and

Whereas the American Film Institute is poised to spearhead the nationwide celebration of film's centennial: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) all Americans should have the opportunity to celebrate the 100th anniversary of film during the year 1993 with exhibitions, festivals, educational programs and other forms of observance; and

(2) the American Film Institute should be recognized as having a leadership role in implementing and coordinating the national centennial celebrations and in joining with

regional entities and other interested parties in organizing other events relating to the 100th anniversary of this great American art form.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on June 5, 1991, beginning at 9:30 a.m., in 485 Russell Senate Office Building on S. 667, Tribal Judicial Enhancement Act.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224–2251.

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on June 12, 1991, beginning at 9 a.m., in 485 Russell Senate Office Building on S. 962 and S. 963, legislation to reaffirm the inherent authority of tribal governments to exercise criminal jurisdiction over all Indian people on reservation lands.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224–2251.

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding an oversight hearing on June 19, 1991, beginning at 9 a.m., in 485 Russell Senate Office Building on the National Native American Advisory Commission.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224–2251.

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on June 26, 1991, beginning at 2 p.m., in 485 Russell Senate Office Building on S. 362, Mowa Band of Choctaw Indians Recognition Act.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224–2251.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on Enforcement and Administration of the Foreign Agents Registration Act [FARA] on Thursday, June 6, 1991, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on the General Accounting Office's study of the Small Business Administration's 7(a) guaranteed loan program collateral. The hearing will take place on Tuesday, June 4, 1991, at 9:30 a.m., in room 428A of the Russell Senate Office Building. For further information, please call John Ball, staff director of the Small Business Committee, or Patricia Forbes, counsel to the committee at 224–5175.

ADDITIONAL STATEMENTS

EASTERN MARKET CELEBRATES A CENTURY

• Mr. LEVIN. Mr. President, I rise to commemorate the 100th anniversary of Eastern Market in Detroit. The market has a long and colorful history and now, each week, some 70,000 tons of produce and other food, livestock, flowers, and plants are trucked in to be sold to wholesale and retail customers.

This 43-acre market is primarily a supplier to the wholesale trade, but thousands of retail customers also use the market. Each Saturday, some 30,000 shoppers from the Detroit metropolitan area show up to purchase farm produce and shop at the stores. An estimated 100,000 people will visit on each of the two flower days held this year.

What is remarkable about this bustling site is not just its use as a market, but its history. In the years of American slavery, it was used as a stop along the Underground Railroad. In a warehouse beneath what is now the Roma Restaurant, escaped slaves were housed awaiting passage through a tunnel into Canada and freedom.

Mr. President, I offer my best wishes for a successful celebration, which began in April and continues through the Oktoberfest celebration.•

U.S. ARMY ROTC 75TH ANNIVERSARY

• Mr. McCONNELL. Mr. President, today, the U.S. Army Reserve Officers' Training Corps [ROTC] celebrates its 75th anniversary. Formally established in 1916, the origins of ROTC trace to the early 1800's and the founding of the American Literacy, Scientific, and Military Academy by Capt. Alden Partridge.

According to an article in the June edition of the Armed Forces Journal International, "of the Army's 10,504 second lieutenants commissioned in fiscal year 1990, 7,878, 75 percent, were ROTC commissionees * * *." Since 1920, over one-half million officers in the Army have earned their commissions through ROTC.

I would like to take a moment to thank all who are involved in this worthwhile program. It is their hardwork and dedication to excellence that seeks out, evaluates, and trains the future officer leadership of the Army.

I think it is only fitting to give special recognition to the only basic training camp for ROTC cadets: Camp Challenge, Fort Knox. For 6 weeks, cadets are exposed to the Army and learn basic soldiering skills. At Camp Challenge, ROTC students receive the necessary training to become effective military leaders of tomorrow.

I urge my colleagues on this important day to keep in mind all our young men and women who seek to be commissioned in the U.S. Army through ROTC.•

FINANCING OF POSTSECONDARY EDUCATION IN THE UNITED STATES

• Mr. AKAKA. Mr. President, the Higher Education Act, which provides nearly 95 percent of the Federal assistance for higher education and funds virtually all of our federally supported student financial aid programs, will expire this year. A recent Washington Post editorial suggests—correctly, I believe—that the reauthorization of the Higher Education Act is probably the single most important piece of social legislation the Senate will consider in this session of the 102d Congress.

Of primary concern to me is title IV of the act, which in fiscal year 1991, provided about $18 billion in student aid to help financially needy students attend postsecondary colleges, universities, and trade and technical schools.

Over the past several weeks, Congress has been conducting hearings on various aspects of the student financial aid issue. Two questions receiving significant attention are how to meet the needs of low-income and middle-income families and how to find an appropriate balance between grant and loan assistance.

The administration's fiscal year 1992 education budget would significantly reduce Federal student financial assistance for most middle-class families. In fact, Mr. President, over the past 10 years of Republican administrations, the typical student Federal aid package has shifted from three quarters grants and one quarter loans to a point where it is almost the reverse. Moreover, Federal grant programs have failed to keep up with the soaring costs of college. In 1979, the maximum Pell grant covered 46 percent of average college costs. By 1989, it covered only 21 percent. The difference was made up by loans.

These figures do not tell the whole story, however, since many students from low-income families lowered their educational sights and simply gave up the hope of obtaining a college education. As a result, according to information contained in a recent American Council on Education report, the 41 percent in access gains made by low-income students into colleges between 1966 and 1977 were lost by 1987. Since 1981, the proportion of freshmen from low-income families enrolled in universities dropped by nearly half, from 18.5 percent to 9.7 percent.

To put this in perspective, we must remember that over 95 percent of all Federal higher education dollars go to student aid. When Congress reauthorizes the Higher Education Act, we should strengthen, rather than diminish, the historical commitment it has made to the young people of our country in providing such assistance. I also believe the heavy reliance on loans to finance postsecondary education has put many students and their families deeply in debt. As a consequence, I fear young people are being driven away from public service occupations such as teaching, nursing, and other social service jobs in order to repay their student loans.

A review of the higher education financing landscape indicates that when it comes to paying for the costs of attending college, the wealthy and a small but select number of low-income students have things pretty well in hand. Wealthier students, by virtue of their family's economic circumstances, generally pay these costs out of existing assets. High ability low-income students, on the other hand, without either assets or resources, have available to them an array of government and private sector grants and scholarships. Regrettably, Mr. President, most low-income and all moderate-income families have pretty much been left to fend for themselves. More often than not, middle-income parents have found no alternative but to assume massive loans to enable their children to attend college. In the case of low-income families, these students simply abandon their college aspirations altogether because grants are not available to meet their college costs.

The administration's fiscal year 1992 education budget proposals, if enacted, would only add to the misery and apprehension of middle-income families who hope to send a son or daughter to college next fall.

For example, under the administration's budget, a student whose income is $20,000, and who attends a 4 year State college, would receive 40 percent less in fiscal year 1992 under the Pell Grant Program. This would be $628 less than he receives this year. Even worse, a community college student with a family income $20,000 would see 73-percent reduction in his or her grant award under the Bush plan.

The administration's retargeting of Pell Grant aid would generally take funds away from families who have a limited amount of income to send a son or daughter to college. Even with the financial aid benefits provided under current law, these families are already struggling to meet college costs.

The President's education budget also calls for altering the eligibility formula for Federal financial student aid. Eligibility requirements would be tightened, and funding would be reduced, for supplemental educational opportunity grants and college work study. Estimates show that about 750,000 middle-income students no longer would be eligible for aid under the Bush proposal.

Needless to say I do not believe the White House budget adequately addresses the pressing needs of these American families who are having a difficult time sending their children to college or other post secondary training programs. What we are finding is that without some type of Federal relief, an increasing number of middle-income families will be without the necessary resources to meet the rising costs of a college education for their children.

In view of these disturbing circumstances, Mr. President, and with an eye toward addressing the student financial aid needs of middle-class American families, I believe Congress should give serious consideration to revamping our Federal student financial aid programs.

Mr. President, there is one proposal in particular that has come to my attention which I believe warrants renewed examination. The concept, an income contingent loan program, is not new. But the proposal to make it universal in its application and availability is new. Although I do not endorse an income contingent loan program proposal at this time, I do believe it may provide an alternative means of financing tuition, room and board costs based on a loan repayment schedule which takes into account a key factor in loan servicing—an individual's ability to repay.

Under an income contingent loan program repayment plan, each borrower would be obligated to pay back at a predetermined and unchanging fixed percentage of current income. The fixed rate would remain constant over the typical 25-year life of a loan. If a borrower becomes unemployed, or takes a maternity leave, or becomes disabled, he or she pays nothing for the period of time that the individual is out of the work force. When employed however, a fixed percentage of an individual's pay would be automatically withheld by his or her employer and forwarded to the Federal Government as a partial loan repayment.

Such a proposal, if enacted, might well provide educational security and student financial aid relief for low- and middle-income families.

In this regard, Mr. President, I would like to bring to my colleagues attention a thoughtful, comprehensive and well documented income contingent loan program proposed by the Economic Policy Institute [EPI].

EPI is a small but respected public policy think tank located in the Nation's Capital. The authors of the paper are Barry Bluestone, Alan Clayton-Matthews, John Havens, and Howard Young.

While I am neither endorsing the adoption of the universal income contingent loan concept in general, nor the specific EPI proposals—particularly as it relates to the use of the Social Security trust fund—I do believe that Dr. Bluestone and his colleagues have written an intriguing document that merits our consideration.

I also believe the EPI paper frames the issue with precision and provides considerable information concerning the nature of the problem we are facing. In addition, it provides us with an initial conceptual model for the further discussion as we cope with the task of finding long-term solutions to problems in financing postsecondary education.

My only regret is that EPI has proposed that Social Security trust fund surpluses be used to provide initial funding for the establishment of the income contingent loan program. My own view is that should we decide to go forward with such a loan program, it would be necessary to fund this program independently of the Social Security trust fund.

Mr. President, I request the accompanying Economic Policy Institute briefing paper, "Financing Opportunity for Post-Secondary Education in the U.S.: The Equity Investment in America Program," be printed in the RECORD following my remarks.

The material follows:

[From the Economic Policy Institute]

FINANCING OPPORTUNITY FOR POST-SECONDARY EDUCATION IN THE U.S.: THE EQUITY INVESTMENT IN AMERICA PROGRAM

(By Barry Bluestone, University of Massachusetts; Alan Clayton-Matthews, Boston College; John Havens, Boston College; Howard Young, University of Michigan)

INTRODUCTION

The key domestic issues facing America in the 1990s will center on questions of "equity"—in both senses of the term. Equity means "fairness," but it also refers to investment such as corporate stock that pays dividends based on the "profitability" of an asset. Equity stands in contrast to debt which requires fixed repayment no matter how profitable the firm.

The Equity Investment in America (EIA) program introduced here applies this dual meaning of equity to provide an entirely new way for students and workers to finance their own postsecondary education, training, or retraining. It is designed to mitigate the financial barriers to college and university schooling and vocational training for *all* students—regardless of income, age, or social background—by providing each U.S. citizen with a lifetime line of credit which can be used to pursue virtually any form of accredited or licensed schooling. Moreover, unlike conventional education "loans," EIA will not subject students to high fixed debt obligations immediately upon leaving school.

In combination with a proposed expansion in the federally-sponsored Pell and Supplemental Educational Opportunity Grants (SEOG), as well as College Work-Study subsidies, EIA will benefit those who in the past have been financially hampered from entering or completing a postsecondary education. But the program will equally benefit those in the middle class who are struggling to cope with the spiraling costs of education, but are presently barred from federal loan programs because they fail so-called "needs-tests."

What is more, EIA uses a unique funding source to provide the funds that students borrow. A portion of the growing surplus in the Social Security system would be lent to the EIA which in turn would make "equity award" loans to students who choose to participate in the program. The beauty of this mechanism lies in the demographics. According to computer simulations of the EIA program, repayments from students will be more than sufficient to fully compensate Social Security in the next century when there will be a larger number of retirees. Indeed, under a modest repayment schedule, EIA would actually be able to make financial contributions to the Social Security Trust Fund before the middle of the next century when the retirement system is expected to need additional funding.

Thus, the Equity Investment in America program can help solve not one, but two of America's most pressing problems: how to provide younger generations with the wherewithal to pursue the full education they and the country need, and how to provide older generations with adequate pension benefits at affordable payroll tax rates.

While differing in some significant respects from the extraordinarily successful "GI bill" that provided postsecondary education for millions of returning servicemen at the end of World War II, the Equity Investment in America plan borrows some critical components from that post-war legislation: EIA is universal, not income or "needs-tested"; it applies to training and retraining as well as to college and university education; and it swaps a single comprehensive and expanded financing system for the current patchwork quilt of federal loans and grants for higher education.[1]

THE ECONOMIC RATIONALE FOR EIA

Few deny the proposition that to ensure its ability to compete effectively, the United States must reinvigorate its primary and secondary schools, increase its training and retraining efforts, and maintain its preeminence in college and university education. In a global economy where capital and technology are becoming infinitely mobile, the one factor that provides a nation with a competitive advantage is the caliber of its labor force. The nation's productivity, the quality and array of its products and services, and our standard of living will continue to suffer if we fail to invest in all levels of schooling.

This is particularly true of professional and technical training. Staying ahead in international competition in a technological age requires having sufficient teachers, engineers, scientists, and health providers. Colleges and universities are well positioned to meet these needs. It is also, however, necessary to develop a commitment to "lifelong" learning so that workers have the skills to move from one occupation or profession to another as economic conditions change. This requires a substantial expansion in vocational training and retraining, and the development of new "apprenticeship" programs in a whole range of fields. Simply put, a high school education in the 1990s is no longer a sufficient condition to successfully compete in the home market or abroad.[2]

One quantitative measure of the value of education beyond the high school diploma is the enhanced earnings that educational investments produce for those who pursue college and university training. We calculate that, in 1990 dollars, the present discounted value of completing some college beyond the high school degree over the lifetime of the average worker is approximately $140,000. The present discounted value of four or more years of college is nearly $500,000.[3]

While education has large payoffs for those who pursue it, those with too little of it are now heavily penalized. Access to postsecondary schooling is increasingly responsible for separating society's "haves" from its "have-nots." The ratio of annual earnings of college graduates to high school graduates has increased from 1.5 to 1 in 1963 to over 1.8 to 1 in 1987—an increase of 20 percent. The widening gap is especially pronounced in the service sector where virtually all of the new jobs are found (Bluestone, 1990).

Whether one pursues school beyond the 12th grade is a function of many factors, but the financial barrier to postsecondary schooling is particularly important given the findings in a recent *USA Today* survey of high school graduates. One-third of those interviewed had delayed or indefinitely put off college because of the expense (Semerad, 1988, p. 154). Family income also plays a role in whether students remain in school. According to the U.S. Department of Education, only three percent of students with family incomes over $38,000 drop out in their first year of college. The dropout rate for students from low income families is closer to 15 percent (Kuttner, 1987, p. 20).

Moreover, for the most disadvantaged students—those from low and moderate income minority families—college enrollment rates have actually declined. The American Council on Education reports that college enrollment rates among blacks began to slide in the mid-1970s. For black men, the enrollment rate fell by 7.2 percentage points between 1976 and 1986. Intense college recruiting during the past four years has arrested the downward trend, but still black male enrollment has increased only slightly—from 436,000 to 443,000 students between 1986 and 1988 (American Council on Education, 1988, p. 8).

The cost of postsecondary schooling is indeed steep and rising. Estimates by the American Council on Education of average student charges for the academic year 1988–89 are in Table 1. But these figures understate the actual cost for most students because they represent the costs for full-time and part-time students combined. Based on figures for the 1986–87 school year, the costs for full-time students are, on average, 17 percent higher than the figures in the table.[4] Moreover, in many of the elite private universities, annual tuition plus room and board fees now exceed $20,000 for undergraduates who attend full-time. Schools such as Yale and Harvard have announced annual tuition and fee increases for 1990–91 that will bring the total to almost $21,000.

TABLE 1.—AVERAGE STUDENT CHARGES, BY TYPE AND CONTROL OF INSTITUTION, 1988–89

[Full-time and part-time combined]

	Total	Tuitions and fees	Room and board	Miscellaneous expenses
4–year public institutions (in-State)	$5,823	$1,566	$2,879	$1,378
4–year public institutions (out-of-State)	8,224	3,967	2,879	1,378
4–year independent institutions (private)	12,256	7,693	3,637	1,196
2–year public institutions (commuter students)	4,111	767	1,313	2,031

Source: The College Board, 1988; and College Entrance Examination Board as reported in American Council of Education, 1989.

Unfortunately, as the cost of schooling has escalated, the federal government has moved to disenfranchise middle class students from federal assistance by restricting eligibility for grants. In 1979, the government set a $32,500 ceiling on family income for a student to be eligible for grant support. Today, despite inflation, a family must have an income no higher than $28,000 to be eligible for aid. Even then, if a student is still eligible for a grant, the amount provided has not kept up with increases in college costs. The largest of the federal loan programs, the Stafford Student Loan, provides a maximum of $2,625 per academic year for the first two years of undergraduate study and $4,000 for each subsequent year, up to a five year maximum of $17,250. Hence, a student who takes out the maximum amount of Stafford loans over four years still must come up with another $9,750 on average to attend a public university and at least $26,750 to go private.

The financial gap between the high cost of postsecondary schooling and the economic position of students and their families is surely not the only barrier that must be overcome to increase the number going on to college, university, or advanced vocational training. But, it is one of the major barriers, and one that can be well addressed with the EIA program as we shall try to demonstrate.

THE BASIC NATURE OF THE EQUITY INVESTMENT IN AMERICA (EIA) PROGRAM

To be sure, financing the EIA program will initially require substantial sums. "Equity awards" under the program are expected to amount to over $40 billion per year. Nonetheless, underwriting the program through current and projected Social Security surpluses is a prudent way to obtain the resources. Administering the program can also be accomplished in an efficient manner. Here is how it would work:

EIA will use a portion of the mushrooming Social Security surplus to capitalize a new U.S. Department of Education agency, the EIA Fiduciary Trust. The Trust is responsible for raising the capital for the program, making EIA awards to students, and overseeing repayment to the program. Unique to the plan is an *income-contingent repayment system* that permits students to take up to 25 years (but not beyond age 65) to repay their EIA loans and allows their annual repayments to vary with the level of their own annual earnings.[5] In this way, EIA is a "pay as you earn" plan with a built-in insurance policy. If one's earnings decline or if one becomes unable to work, the amount of annual repayment automatically adjusts. The actual EIA repayment rate for each participant in the program is based on the amount of EIA funds borrowed, the year in which the funds are borrowed, and the student's age.[6]

The EIA Fiduciary Trust is empowered to set the repayment rates so that *on average* across all EIA participants the total principal awarded plus accrued interest is returned to the EIA Fiduciary Trust and thence to Social Security. In this way, the integrity of the public pension system can be virtually assured. Indeed, well before the middle of the next century, modest repayment rates will allow the EIA program to actually contribute to Social Security after having fully discharged its debts to that system. In addition, the higher incomes associated with larger numbers of postsecondary-trained workers could even permit payroll tax rates to be lower in the future than would otherwise be the case.

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[1] Footnotes at end of article.

EIA would begin by phasing out the two largest federal higher education loan programs—the Stafford and Perkins loans.[7] In their place, the EIA Fiduciary Trust would create an "equity"-based system of student credit with the following provisions:

Eligibility Requirements

To be eligible an applicant must be:

A citizen or permanent resident of the United States.

No older than 55 years of age.[8]

Maximum Investment Award

Maximum award of $10,000 per year; $40,000 lifetime (in 1990 school expense adjusted dollars).

Actual award is not permitted to exceed the cost of tuition and fees plus estimated room and board plus a stipulated amount for miscellaneous education-related expenses.

Use of Investment Award

Awards can be used at any state accredited or licensed postsecondary institution including vocational schools and new "apprenticeship" programs.[9]

Awards are "portable," transferable to other accredited schools.

Repayment Rates and Provisions

Repayment is income-contingent.

Repayment rates are based on amount of award, age of recipient, and year of award.

Repayment applies only to the first $50,000 of earnings, adjusted over time for average earnings growth.[10]

A buyout provision with a prepayment premium permits participants to complete EIA obligations at any time.[11]

Maximum repayment period is 25 years.

No repayments beyond age 65.

Participants repay their obligations through regular payroll withholding to the IRS.

Notification of Employers

Recipients are notified of award by EIA Fiduciary Trust.

Recipients are obligated to notify employers of EIA repayment rate.

Employers are responsible for withholding.

Self-employed recipients must file quarterly with IRS.

The EIA Fiduciary Trust would administer the entire program. Its key responsibilities include:

Processing Applications

Applications are made directly to the EIA Agency. The agency verifies eligibility, grants investment awards, and notifies recipients of their EIA rate and the terms of their payment obligations. Funds are not released directly to the recipient but to the institution or training program in which the recipient is enrolled. These institutions and programs provide local administration of the investment award for a modest fee.

Managing the EIA Fund

The agency obtains funds from the Social Security (OASDI) Trust Fund by issuing non-marketable special issue obligations to Social Security and by issuing marketable bonds to cover extraordinary demand for funds if the need arises. The Trust also makes repayments to the bondholders (i.e., the Social Security Trust Fund).

Establishing EIA Repayment Rates

The agency will determine the EIA rates in accord with prevalent economic conditions and projections. The rate schedules for future awards are periodically reviewed and adjusted in order to maintain the integrity of the fund.

Coordinating Repayments from Participants via IRS

The agency will cross-check its records with Social Security payroll taxes (FICA) to assure repayment obligations are being met.

Covering Agency Expenses and Recapitalization

To cover administrative expenses associated with the program and to recapitalize the program so that it is out of debt to Social Security before the middle of the next century, the repayment schedule has a built-in 1.75 percent premium over the U.S. Treasury bond rate—.25 percent for administrative expenses; 1.50 percent for recapitalization. Under these terms, in 1991 the implicit interest rate in the program is expected to be 9.95 percent.

Congress could begin to implement EIA through a major revision in the Higher Education Reauthorization legislation. As EIA covers more and more students and as previous federal loans are paid off, the Stafford and Perkins programs can be phased out of existence.

THE BASIC STRUCTURE OF THE EIA PROGRAM

The organizational structure of the EIA program is diagrammed in Figure 1. (Figure 1 not reproducible in the RECORD.) The arrows represent the flow of funds. Funds flow into the EIA Fiduciary Trust Fund from three sources: (1) the Social Security Trust Fund (2) repayments from EIA fund recipients, and as needed (3) federally-guaranteed bonds, as a "safety-valve" source of revenue.[12] The EIA Fiduciary Trust, in turn, awards these funds to qualifying applicants via education and training institutions which provide local administration. As repayments are made to the EIA Fund (via the Internal Revenue Service) from students who participated in the program, the EIA fund repays the Social Security Trust Fund. Essentially, the Trust Fund loans part of its surplus to the EIA Fund in the years when the Social Security Trust Fund balance is growing and in future years is repaid when the balance is scheduled to shrink.[13]

THE PRACTICAL BENEFITS OF THE EIA PROGRAM

Restructuring postsecondary education finance along the lines of the EIA program deals directly with a number of problems inherent in current methods of supporting students in their quest for schooling.

(1) EIA eliminates much of the morass of current federal loan programs in favor of one universal, comprehensive plan available to all postsecondary students.

(2) EIA provides a substantially greater amount of funds under superior terms to most current programs, thus allowing students to better meet the rising cost of postsecondary education.[14]

(3) EIA is available to all students in accredited postsecondary schools regardless of family income. There is no "needs test." It is a middle class program every bit as much as one aimed at the low and moderate income student.[15]

(4) Since repayment is based on actual earnings, there is effective deferral of principal and interest as long as the student is pursuing full-time studies and has little wage and salary income.

(5) As a result of income contingency and IRS collection, defaults are virtually eliminated—something that now costs the U.S. Treasury in excess of $1.5 billion a year.[16] Moreover, stricter licensing of trade schools, with state oversight boards partially funded by a portion of the EIA administrative fees would provide effective sanctions against schools that are supplying inadequate or inappropriate training to students. This would reduce the number of students whose incomes were not enhanced by their schooling.

(6) The EIA program applies equally to all forms of postsecondary schooling from apprenticeships and proprietary trade institutions to graduate and professional schools. It does not discriminate between the student who pursues, for instance, an undergraduate degree in political science and one who seeks retraining as a welder or office machine repairer.

(7) Racial and gender discrimination in the labor market is not automatically ratified as is the current practice under fixed obligation loans. The income contingent feature of the EIA program requires students to repay based on actual earnings and therefore takes full account of differences in earnings which arise for any reason.

(8) Because the EIA program is income contingent, students will be more likely to enroll in programs that conform to their academic strengths and career goals than in programs which simply hold out the promise of spectacularly high earnings that can be used to repay fixed short-term loans. This may mean slightly fewer students opting for law careers and MBAs and slightly more students preparing for careers in elementary and secondary school teaching, nursing, and other fields where the monetary rewards are smaller but the contribution to society is arguably no less and very likely greater.

(9) Under the EIA program, students pay for their own education as the benefits from that education become manifest. In most cases, this will remove a major financial burden from parents and place it on their children who benefit directly from the educational investment.

(10) Finally, the EIA program, by eliminating the need for the Stafford and Perkins loan programs, frees up $5.1 billion of federal education spending per year. These dollars—or at least a portion of them—could be used to expand the Pell and SEOG grant programs for the most financially disadvantaged students.

There are likely to be other benefits as well; simplified and cheaper administration of education loans is surely one of them.

FINANCING THE EIA PROGRAM ON SOCIAL SECURITY DOLLARS

The potential benefits of EIA are clear, but why use Social Security funds to pay for EIA? The reason is that such a unique mechanism provides for a level of intergenerational equity not available through any other device and furnishes the Social Security Trust Fund with an investment opportunity second to none.

The rationale for using the Social Security surplus for EIA is summarized best in a recent lead editorial in *The New York Times*. Responding to the Moynihan proposal to cut the Social Security payroll tax, *The New York Times* reiterated a basic truth concerning virtually any public pension system: future benefits do not flow from retirement account surpluses but are ultimately paid for by future taxpayers (*The New York Times*, 1990).[17] The Social Security system, no matter how many trillions of dollars it might have in surplus on the books, is essentially financed on the nation's future productivity and earnings. The *Times* goes on to make a crucially important point:

How much pain that causes [future taxpayers] depends on how much the economy grows between now and then. Future taxpayers won't mind the tax burden if they feel well off. *The best way to guarantee that is for the nation to invest in education and capital equipment.* (Emphasis added.)

The editorial's argument is sound. From a purely financial perspective, the question about future Social Security benefits boils down to what possible investments can be made today that will virtually guarantee a stream of income for pension benefits 30 to 40 years from now. One would not think of stock in Merrill Lynch nor even General Motors as a secure enough vessel for this purpose. Public investment in the skills of the nation's workforce is, as the *Times* suggests, clearly another matter. If we can boost future taxpayers' income, then those taxpayers should willingly contribute to the pensions of the generation that comes just before them. Indeed, it is possible to pay some portion of future Social Security benefits out of the extra earnings generated by a better educated, higher skilled, and better paid workforce. It is precisely this reasoning that provides the foundation for the EIA plan.

A SIMULATION OF THE EIA PROGRAM IN ACTION

There is, of course, at least one remaining issue. Is the EIA program as outlined here economically feasible? Put simply, "will it work?" We can analyze this question from two perspectives:

(1) *The individual who may be a recipient of investment awards.* How large will the repayments have to be for given EIA awards?

(2) *The funding agencies involved in capitalizing the program.* What would the unified EIA accounts look like over time? Would there be a time when the EIA fund (or the Social Security fund) is in danger of bankruptcy?

To address these questions the EIA program was simulated using a uniform set of assumptions and a computer simulation model developed for this analysis.[18] Combining estimates from a variety of sources and drawing assumptions from a number of government agencies, the model was first used to simulate conditions for typical program participants. The model demonstrates their repayment schedules under various assumptions about the size of EIA awards, the participant's age, and likely earnings streams. The model was then used to project a set of accounts for the program through the year 2070.

A full detailed set of simulation results can be found in a special appendix, available from the Economic Policy Institute upon request.

CASE STUDIES

To demonstrate what the EIA program would mean to individual participants in terms of their repayment schedules, four hypothetical case studies have been simulated.[19]

Case 1: Traditional College Undergraduates

Bob and Mary both enter college in 1991 and in each of four years of undergraduate study take the equivalent of $5,000 (in 1990 dollars) in EIA awards. Under the assumptions of the model, both will pay a repayment rate equal to 6.53 percent of annual pre-tax earnings (for earnings below the $50,000 cap adjusted for average earnings growth) for the next 25 years in order to repay the EIA Fiduciary Trust.

A portion of Bob's repayment schedule (in 1990 dollars) looks like this:

Age	Expected pre-tax earnings	EIA payment	Percent of earnings
25	$33,840	$2,221	6.53
30	46,364	3,029	6.53
40	[20] 63,911	4,180	6.53

Mary's repayment schedule reflects a lower earnings stream. (This might be due to occupational or wage discrimination.)

Age	Expected pre-tax earnings	EIA payment	Percent of earnings
25	$26,849	$1,754	6.53
30	17,500	1,143	6.53
40	40,350	2,636	6.53

Both Bob and Mary complete their obligations to EIA when they reach age 45 in the year 2018. Note that while Bob and Mary both pay 6.53 percent of their earnings in EIA repayments at age 25, Bob pays 27 percent more than Mary because of his higher income. Moreover, in this example, Mary pays only $1,143 when she is 30 for in that year she worked half time immediately after the birth of her first child.

Case 2: Advanced University Degree

Alex and George make the same EIA investment of $20,000 in their undergraduate careers and then add three years of graduate training for an additional $20,000 in EIA awards. The calculated EIA rate on this sizable total award is 11.60 percent of earnings up to the earnings cap of $50,000.

Alex's dollar repayments rise as his income increases (and as the earnings cap rises with the average wage in the labor market). However, because both Alex and George reach the cap soon after their 30th birthdays and their earnings continue to grow faster than the increase in the cap, their repayment rates as a percent of income declines. At age 40, Alex wins a promotion within his firm along with a large raise. However, since he is already at the earnings cap, his annual payment increases by less than $500 between ages 35 and 40:

Age	Expected pre-tax earnings	EIA payment	Percent of earnings
30	$55,294	$6,413	11.60
35	66,657	7,245	10.87
40	92,000	7,710	8.38

George's repayment rate declines, but more slowly than Alex's. By age 40 he is paying the maximum like Alex, but because of his lower annual wage, he pays a slightly higher proportion of his income:

Age	Expected pre-tax earnings	EIA payment	Percent of earnings
30	$48,216	$5,592	11.60
35	65,323	7,245	11.09
40	78,964	7,710	9.76

The EIA program works just as well for the "non-traditional" student, as Case 3 demonstrates.

Case 3: Non-traditional Part-Time Undergraduate

At age 30, Barbara decides to earn her BA degree on a part-time basis while continuing to work.[21] Beginning in 1991, Barbara takes out an EIA award of $2,500. Over the six years it takes her to graduate, she obtains $15,000 worth of EIA awards. At age 36, Barbara has just graduated and she is earning $25,070 (in 1990 dollars). Her EIA payment is $1.087 or 4.34 percent of earnings. Had Barbara not gone to college, she would have earned at age 36, according to our simulation, $3,187 less. As a result, her EIA repayment that year was equal to about 34 percent of her additional earnings. Later in her career at age 52, Barbara is earning $40,460. Her EIA payment is now $1,755, still 4.34 percent of earnings. If for some reason Barbara did not work at all when she was 52, her EIA payment would be zero.

Case 4: Vocational Training

Michael decides to enroll in a vocational retraining program at age 45 after losing his job at an auto parts manufacturing firm. Michael takes and EIA investment award of $2,500 in 1991 to invest in his training. After completing a training program in computer programming, he gets a full-time job that pays $28,371. That year he repays $324 to the EIA Trust Fund or 1.14 percent of his total earnings. Ten years later at age 56, Michael is still working as a programmer and making $36,898. His payment to EIA is $421. Relative to what he would have made without the training, we calculate that Michael is paying only about 6 percent of his additional earnings in EIA payments.

These are but four of literally thousands of "cases" that could be simulated. The basic point is the same. By using an extended repayment period and by protecting participants against high costs when they are unemployed or their incomes lag, the EIA program provides students with an affordable and equitable method for financing their own educations with built-in insurance against what financial experts call "downside risk."

SIMULATED ACCOUNTS FOR THE EIA FIDUCIARY TRUST AND THE SOCIAL SECURITY TRUST FUND

Given the size of the potential market for EIA awards, it will take hundreds of billions of dollars over the first decade to fund the program. Will there be sufficient funds to cover its cost? Will the EIA Fiduciary Trust be in a position to repay the money it borrows from the Social Security surplus? By the middle of the next century will the EIA fund or Social Security be in jeopardy of bankruptcy?

To answer these questions, a computer simulation of the overall EIA program was conducted. The simulation was based on the same economic assumptions as in the individual EIA participant cases. Additional assumptions about potential college enrollments were obtained from the U.S Department of Education and Social Security Trust Fund projections were taken from the 1990 Social Security Annual Report.

As it turns out, the demographics are definitely in our favor. Population projections indicate that the traditional college age population will not grow significantly during the rest of this century or, for that matter, into the 21st. Even with a possible ten percent increase in college and university enrollments induced by the incentive of the EIA program, a 50 percent program participation rate, and meeting a goal of three percent of the labor force using EIA assistance for training and retraining each year, the total number of annual EIA awards is expected to increase by no more than 400,000 between 1991 and the year 2010. After that, enrollments are projected to slowly decline. As a result, it is unlikely that there will be an unanticipated explosion in the size of the EIA program.

We project that EIA will assist about 9 million students each year—between 7 and 7.5 million college and university students and about 1.7 million in vocational programs. We assume an average annual award that rises from approximately $4,400 in 1991 to over $8,500 in 1990 education cost adjusted dollars by the middle of next century. This takes into account prorating of the annual limits on awards for public and private education and two and four-year programs.

Even with participation of this magnitude, the program fits well within the size of projected Social Security surpluses. According to the simulation, the Fiduciary Trust's debt to Social Security will grow over the next 30 years, reaching a peak of about $1.6 trillion in current dollars ($494 billion in 1990 dollars). Thereafter, repayments into the EIA fund will finance new advances to students and reduce the net outstanding balance owed Social Security. By the year 2032, EIA will no longer need to borrow from Social Security and will begin to accumulate assets. By the year 2039, the loans from Social Security could be fully repaid. After that, the EIA fund could provide a substantial return to Social Security. In this way, Social Security could eventually receive a return over and above the interest on the loans it made to EIA (see Table 2).

Basic Assumptions: Dividend payments are made for a maximum of 25 years; College enrollment increases by 10 percent over current U.S. government projections because of EIA incentive; 3 percent of the labor force enrolls in training programs each year; 50 percent of students participate in EIA at an average award of 60 percent of the maximum; EIA repayment rates set to yield 1.75 percent above Treasury rate; Real tuition rises by 2 percent per year through 2000, 1 percent thereafter; and EIA borrowing from Social Security requires periodic interest payments and repayment of principles after fifteen years.

TABLE 2.—EIA FIDUCIARY TRUST ACCOUNT BASIC SCENARIO

[All dollar figures are in 1990 dollars]

Year	Number of participants (millions)	Average EIA awards	EIA New borrowing (billions)	EIA student repayments (billions)	Net EIA fund balance (billions)
1991	8.951	$4,438	$38,638	$1.193	−$38.638
1995	8.975	4,765	46.782	8.344	−199.724
2000	9.112	5,264	49.440	23.242	−390.988
2005	9.280	5,566	43.719	41.706	−536.136
2010	9.272	5,850	54.502	62.905	[1] −602.913
2015	9.128	6,109	33.113	85.940	−564.731
2020	8.984	6,379	23.952	88.501	−474.348
2025	8.954	6,701	22.628	92.641	−367.826
2030	8.923	7,040	2.873	96.510	−244.597
2035	8.896	7,393		100.145	−105.537
2040	8.873	7,764		104.141	+−50.771
2045	8.787	8,130		108.808	+230.319
2050	8.698	8,510		113.735	+439.190

[1] In current dollars, the net EIA negative balance reaches a peak of $1.56 trillion in the year 2019. The earlier date in the real dollar basis reflects the impact of converting current dollars into real dollars.

Source: Alan Clayton-Matthews, EIA Simulation Model.

Moreover in the short run, EIA will not jeopardize the Social Security bank before large scale student repayments begin to materialize. The 1990 Social Security Annual Report forecasts that the Social Security Fund surplus will increase from $297 billion in 1991 to nearly $9.2 trillion by 2025 before declining back toward zero (see Figure 2). (Figure 2 not reproducible in the RECORD.) As a result, total comulated EIA borrowing from Social Security—under the liberal assumptions used in this simulation—never amounts to more than 42 percent of the Social Security surplus and the percentage falls rapidly after the turn of the Social Security surplus and the percentage falls rapidly after the turn of the century (see Figure 3). (Figure 3 not reproducible in the RECORD.) EIA fits well within the current projected levels of Social Security surpluses. The "negative" balances in the two figures indicate a positive surplus that ultimately could be transferred to Social Security.

QUESTIONS AND ANSWERS ABOUT THE EIA PROGRAM

Any new financing program for education as far-reaching as EIA will inevitably raise a number of serious questions. We try to deal with some of the most pressing ones here.

Q. Won't the implementation of such a large scale program as EIA run the risk of adding too much to what we already spend on postsecondary education?

A. No, for three reasons. First, EIA will not dramatically increase the overall amount of money being spent on college and university education by those *already* planning to attend college or university. For them, EIA will simply substitute a better financing mechanism for an inferior array of current funding programs. Second, a reasonable increase in the number attending higher education is now warranted by the superior rates of return that college and university graduates now obtain. We are no longer, if we ever were, "overeducated" as was the belief during the 1970s when returns to higher education temporarily waned. And third, EIA will most expand school resources in vocational training and retraining where the U.S. clearly lags behind the competition.

Q. Won't the EIA program jeopardize *public* higher education by encouraging students to enroll in more expensive private schools?

A. No. While the repayment rates are reasonable, students will still pay a significant amount of their earnings over their lifetimes in EIA repayments. As a result, students will not automatically abandon public higher education for higher priced private schools. Likewise, the $40,000 lifetime limit on awards forces students to be price conscious in making their investment decisions. Moreover, it is not unreasonable to expect that the overwhelming majority of individuals who decide to pursue higher education precisely *because* of EIA will choose lower priced public colleges and universities, boosting the overall numbers going into the public sector.

Q. Won't EIA lead to enormous increases in the level of tuition and fees?

A. No. Continued competition between schools for a relatively stable number of college and university students will ultimately require high priced private schools to limit increases in their tuition and fee schedules. This is likely to occur with or without the EIA program. In any case, if tuition does continue to skyrocket at private schools, the correct remedy is one that is now being implemented, at least tentatively: antitrust action. Ultimately, the EIA Fiduciary Trust could be a powerful ally against college cost inflation by refusing to permit students to use EIA funds at schools that persist in raising tuition and fees to unacceptable levels. And since lifetime EIA borrowing is limited to $40,000, this will limit tuition and fees increases.

Public colleges and universities may be another case. They may use the EIA program to reduce the size of state government subsidies. On some grounds, particularly given the interstate mobility of students after graduation and the subsidy of middle class students on funds raised by regressive state taxes, increases in in-state tuition may be justified. In an era of restrictive state budgets, EIA would relieve states of some of the tuition burden. Yet, in order to maintain a "good business climate," one can expect state legislatures to maintain relatively low college and university tuition and fee rates in order to provide strong incentives for their citizens to pursue what is presumably productivity enhancing higher education.

Q. What keeps unscrupulous operators from setting up "sham" training schools to take advantage of EIA-funded students?

A. EIA requires that all institutions eligible for EIA-funded students must be fully accredited and licensed by the states within which they operate. The EIA could be given oversight authority over state accreditation and licensing. To keep tuition and fees in line, the cost of education could be made one criterion for EIA accreditation.

Q. What about post-secondary school dropouts? How would the EIA program affect them?

A. EIA payments are determined by income levels. A borrower pays the same *percentage* of income (up to the income cap) whether he or she finishes school or drops out. If someone drops out and goes to work, and his or her income rises, then EIA payments also rise. When the borrower re-enters school and income falls, payments also fall. Dropouts who never return to school still have a 25 year obligation to the EIA program. They pay the same percentage of income as if they had completed school. But if income is reduced because the borrower did not finish, the amount of the EIA payments is also reduced.

Q. Won't EIA use of the Social Security surplus reduce the funds available for current deficit reduction?

A. Absolutely. But, like Senator Moynihan, we believe that the Social Security Trust Fund surplus should not be "raided" to cover current government expenses. The federal government could continue to cut defense spending, using part of the "peace dividend" to cover the diversion of Social Security surpluses from deficit reduction. Alternatively, the federal government could raise taxes to cover current spending needs. Strengthening the progressive income tax by boosting the top rate for the highest income families back to 33 or even 38 percent would be a step in the right direction.

Q. Why should the Social Security surplus be used to fund EIA when there are so many other unmet needs in America that require funds?

A. To be sure, there are other unmet needs—including some that might even be more "urgent" than postsecondary education. Funds for pre-school programs, for primary and secondary schools, for medical research, for environmental protection, or housing for the homeless are all essential. However, postsecondary education with an EIA repayment mechanism involving the direct beneficiaries of the program is perhaps the only one that virtually assures the integrity of the Social Security Trust Fund. For other social programs, the Social Security Trust Fund is simply the wrong instrument.

Q. Isn't the payroll tax that funds Social Security terribly regressive? Why should we finance an education program on such a regressive tax?

A. Yes, the payroll tax is regressive and probably should be reformed so as to make it less so. This could be done by raising the earnings cap on FICA taxes and lowering the rate or even substituting an expanded income tax for part of the payroll tax. Neither of these changes would negate the positive benefit of using the Social Security surplus to capitalize an ability-to-pay education finance scheme like EIA.

Q. How will the EIA program likely affect low-income students?

A. EIA will make additional resources available to low-income students. First, the program permits students to borrow more funds with reasonable repayment schedules. Second, Pell and SEOG grants, which have been especially helpful to low-income students, will be continued. Third, as mentioned above, Congress should take a portion of the $5.1 billion saved by eliminating the Stafford and Perkins loan programs and transfer it into the Pell and SEOG programs.

Q. Will the EIA program make state college prepayment programs like that in Michigan obsolete?

A. No. States which wish to set up college prepayment programs can do so under EIA. Parents who wish to make substantial contributions to their children's education can do so using this mechanism.

Q. Won't EIA have a negative effect on philanthropic contributions to institutions of higher education?

A. No. Most corporate and individual giving to higher education is for capital expansion, not current expenses. One suspects that corporations and individuals will continue to contribute to college and university endowments for such purposes.

SUMMARY AND CONCLUSION

It is the rare government program that simultaneously satisfies a number of disparate public policy goals and at the same time has the potential for garnering broad bipartisan support. The Equity Investment in America program has the potential for being one of these. By providing an increase in the level of funding available for postsecondary education, by appealing to the needs of the middle class student as well as the student from a low-income family, by providing a prudent investment opportunity for the Social Security Trust Fund, and by expanding postsecondary funding to training and retraining progams as well as colleges and universities, the EIA program meets both the fairness and investment definitions of "equity."

The specifies of the program can be debated and revised, but the basic structure provides a sound basis for promoting the national discussion on how America can renew its commitment to education and to equal opportunity. Going back to the principles of the GI Bill could provide part of the blueprint for the future.

APPENDIX A—CURRENT FUNDING OF POSTSECONDAY EDUCATION IN THE U.S.

Student financing of post-secondary education has become a complex matter involving dozens of grant and loan programs for federal, state, and private sector sources. In 1989, current-fund expenditures of all public and private institutions of higher education within the U.S. reached nearly $121 billion, of which $79 billion was spent by public institutions with the remaining $42 billion spent by the privates (Gerald, Horn, and Hussar, 1989, Table 38, p. 95). This translates into current spending (including room and board) per full-time equivalent student of $14,661 in public four-year universities and colleges; $19,340 in private four-year institutions; and $5,571 in two-year community and junior colleges.

Students, of course, do not shoulder the entire burden of these costs. In public colleges and universities, the state government is responsible for a portion of total higher education finance and in all sectors of higher education, grants, contracts, and contributions from alumni, foundations, and corporations comprise a significant part of institutional finance.

To meet the accelerating costs of postsecondary education, students—particularly from low middle income families—have had an array of loan and grant programs to which they can turn for assistance. According to the American Council on Education 1989–90 Fact Book on Higher Education, total student aid in 1986–87 is estimated to have been $20.5 billion. Of this total, three-fourths came from federal sources, nearly one-fifth came from the institutions themselves, and about one-tenth came from state grant programs. Just over half of the full-time, full-year undergraduates at public colleges and universities received financial aid from some source with 35 percent receiving federal aid. In the private sector, nearly three-fourths of the full-time, full-year undergraduates receive some form of assistance to meet the costs of tuition, room and board, and other school-related expenses.

Among the programs available today are Stafford Student Loans (formerly Guaranteed Students Loans—GSLs), Perkins Loans (formerly National Direct Student Loans—NDSLs), two major grant programs—the Pell and Supplemental Education Opportunity Grants—and the College Work-Study Program.[22]

Stafford Student Loans subsidize and guarantee educational loans that private banks make to students who meet specific family income needs tests. Today, it is the primary federal student loan program. More than 80 percent of all federal student loan dollars are provided under its aegis. In 1986–87, some 3.6 million students (20.5 percent of all undergraduates) received assistance through this program which provided a total of nearly $8.6 billion in loans. The average amount of the loan was just under $2,300. While a student is enrolled in school, the loan need not be repaid. Generally, students are given between five and ten years to repay their loans after completing school but are charged an annual interest rate of ten percent.

Perkins Loans are paid directly through the student's educational institution and are awarded on the basis of need. In 1986–87, about six percent of all undergraduates received Perkins Loans. On average, they borrowed only about $1,000 a year under the program. In theory, the needs test is more strigent under this program, but the interest rate on repayment is much lower—five percent. Repayment schedules are similar to those found in Stafford Loans.

Parent Loan for Undergraduate Students (PLUS) and *Supplemental Loans for Students* (SLS) provide shallow subsidies for education loans that private banks make to parents and to independent undergraduate and graduate students. Unlike Stafford and Perkins Loans, there is no financial needs test. However, interest rates on these loans are significantly higher and repayments of at least interest on these loans must begin within two months of the issuance of the loans.

Pell Grants awards, averaging $1,300, went to 18 percent of all undergraduates in 1986–87. These grants are strictly for low-income students and are awarded directly to the student. The largest of the nation's grant programs, the Pell Grant program awarded $3.5 billion in 1986. As the name implies, these are grants and, unlike loans, are not repaid.

Supplemental Educational Opportunity Grants (SEOG) provide funds to postsecondary institutions that in turn make awards to needy students. The average award to the five percent of undergraduates who received one in 1986–87 was $700.

College Work-Study assisted more than 750,000 students in 1986–87 with total awards of $662 million. To receive work-study, students must be financially needy and they must work in jobs approved for payment under this program.

APPENDIX B—INCOME CONTINGENT PROPOSALS FOR FINANCING HIGHER EDUCATION: A COMPARISON OF EIA WITH OTHER INCOME CONTINGENT PLANS

The concept of income contingent loans for education is by no means new or novel.[23] In fact, as early as 1945 Milton Friedman proposed such a plan and it is discussed in his 1962 book, *Capitalism and Freedom*. According to the Friedman plan: "A governmental body could offer to finance or help finance the training of any individual who could meet minimum quality standards. It would make available a limited sum per year for a specified number of years, provided the funds were spent on securing training at a recognized institution. The individual in return would agree to pay to the government in each future year a specified percentage of his earnings in excess of a specified sum for each $1,000 that he received from the government. This payment could easily be combined with payment of income tax and so involve a minimum of additional administrative expense" (Friedman, 1962, pp. 105–106).

More recently, the Reagan Administration proposed legislation to transform the National Direct Student Loan Program into an income contingent scheme.[24] Under this plan, the annual and lifetime loan limits would be signficantly increased, the repayment period would be extended without apparent limit, and repayments would be based on "modified adjusted gross income" of the borrower and his or her spouse (jointly). The interest rate for this program would be sharply increased (from five percent to the 91-day Treasury Bill rate plus three percent). Unlike the Friedman plan, only students demonstrating financial need would be eligible to receive loans.

To our knowledge, the most comprehensive program devised to date is one by Robert D. Reischauer, now Director of the Congressional Budget Office (1989). Under Reischauer's Higher Education Loan Program (HELP), student loans would take the form of an entitlement drawn from a dedicated trust fund. All of those who benefited from this entitlement would be required to make small, continuing contributions to support the trust fund. The size of the contributions would vary with the participant's earnings and with the size of the benefit that the participant received. The trust fund would be self-supporting and it would not require subsidies from non-participants. Students would repay their loans through the existing FICA payroll tax system. The original funds for the trust fund could come from private capital markets as well as from Social Security trust funds.

The HELP program (and Friedman's early formulation) provides a good place to begin the development of a fully-detailed education finance plan such as the Equity Investment in America Plan. Its major components: universality, income contingent repayment, and the possible use of the Social Security Trust Fund surplus are all important. However, EIA goes beyond the HELP plan in a number of critical areas.

(1) The HELP plan is constructed primarily for the "traditional" student—the high school graduate going directly to college and the undergraduate going directly to graduate or professional school. The EIA program provides funds for non-traditional students as well—those who are beginning their postsecondary schooling later in life or returning to school. This affects the repayment rates for an income contingent program.

(2) The HELP plan is targeted to colleges and universities specifically. The EIA plan extends the same educational funding opportunities to students pursuing training, retraining, and apprenticeship programs outside of the college/university setting. This provides for much greater universality in its application.

(3) Like the HELP plan, but unlike other income contingent plans, EIA explicitly ties its financing to the Social Security Trust Fund and permits the EIA Fiduciary Trust to float additional Treasury bonds if necessary. In this way, the program can guarantee the lowest possible interest rate and assure that there are sufficient funds to permit any and all qualified students to participate fully in the program.

(4) The HELP program suggests that total lending in the first year might be as much as $10 billion. According to various simulations of the EIA program, the first year EIA awards could amount to as much as $39 billion and rise to $55 billion (in 1990 dollars) by the middle of the next decade. Hence, the EIA program is a much more ambitious program, providing America with a source of human capital investment funds for a much broader section of the population.

APPENDIX C—BASIC ASSUMPTIONS OF THE EIA PROGRAM SIMULATION

(1) The future economy and future population: The rate of annual wage growth, the inflation rate, and the average rate of interest for trust fund debt obligations, and the projected annual surplus in the Social Security Trust Fund are taken from the II–B estimates published by the Board of Trustees of the Social Security Trust Fund ("Communication from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds." 1989). The most important of the II–B assumptions are presented in Appendix Table C1.

APPENDIX TABLE C1.—SELECTED ECONOMIC ASSUMPTIONS FOR EIA PROGRAM SIMULATIONS

Year	Average annual percentage increase in—				
	Real GNP	Average annual wage	CPI	Real wage	Interest rate
1991	2.4	5.5	4.5	1.0	8.2
1992	2.4	5.5	4.5	1.0	7.9
1993	2.1	5.4	4.3	1.1	7.6
1994	2.2	5.5	4.2	1.4	7.3
1995	2.3	5.4	4.0	1.4	6.9
1996	2.3	5.4	4.0	1.4	6.5
1997	2.3	5.5	4.0	1.5	6.4
1998	2.3	5.4	4.0	1.4	6.3
1999	2.3	5.4	4.0	1.4	6.1
2000	1.8	5.4	4.0	1.3	6.0
2010 and later	1.8	5.3	4.0	1.3	6.0

Source: 1990 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, "Selected Economic Assumptions by Alternative, Calendar Years 1960–2065," Table 10. The assumptions used here are from the Alternative II–B scenario.

Population projections are from the Bureau of the Census (Spencer, 1989, Table F (Middle Series)). Mortality rates for the population are also from the U.S. Bureau of the Census. Labor force projections are taken from special runs on the March 1988 *Current Population Survey*.[25]

(2) The level of postsecondary school enrollment: College and university enrollment rates by age and attendance status are derived from forecasts made by the U.S. Department of Education (Gerald, Horn, and Hussar, 1989, Table 45 (Middle alternative projection)). These rates were applied to the U.S. Bureau of Census population projections. Annual enrollment in non-college training, retraining, and apprenticeship programs was assumed to be equal to three percent of the labor force.

(3) College enrollments are ten percent higher than U.S. Department of Education projections as a result of the availability of EIA funds.

(4) 50 percent of all students participate in the EIA program.[26]

(5) The average annual EIA award among participants is 60 percent of the maximum allowed and varies according to projected full or part-time enrollment status.[27]

(6) Growth in costs of postsecondary education or training: The expected real rate of growth for postsecondary education costs through the year 2000 was calculated as the average annual rate of growth in real current-fund expenditures per enrollee in public and private institutions of higher education.[28] After the year 2000, the real rate of educational costs was assumed to rise at one percent a year (i.e., one percentage point above the Consumer Price Index).

(7) The effect of postsecondary education and/or training on an individual's future earnings: Age-earnings profiles by level of education were estimated from the March 1988 *Current Population Survey*. The profiles were inflated to future years by the Social Security II–B wage rate projections.

(8) EIA program parameters: The key program parameters for the simulations presented here include:

Repayments are made for a maximum of 25 years or through age 65, whichever occurs first.

The maximum award limit is $10,000 per year and $40,000 lifetime for full-time students. These figures are adjusted each year for expected increases in average educational costs. The limits for part-time students are pro-rated.

The EIA repayment rates are set to yield the U.S. Treasury Bond rate plus a premium of 1.75 percentage points.

Repayment is subject to an annual $50,000 earnings cap (adjusted yearly for increases in the average annual wage).

FOOTNOTES

[1] The Servicemens' Readjustment Act, or as it was popularly known, the GI Bill of Rights, still stands out as perhaps the most successful education investment program ever initiated by the federal government. Following the end of World War II, the federal government provided $14 billion in education and job training benefits for 7.8 million veterans (Congressional Research Service, 1986, pp. 10, 24). The 7.8 million who took advantage of the GI Bill from June 1944 to the end of the program in the early 1960s represents just over half (50.5 percent) of the eligible veteran population. Approximately half of the total budget for the program was spent on the 2.2 million GIs who used the funds to attend college or graduate school. According to the Library of Congress, 2.2 million or 28.5 percent of the 7.8 million attended college under the bill; 3.5 million or 44.6 percent attended other schools including proprietary training schools; 1.4 million or 18 percent received on-the-job training under the bill; and the remaining 690,000 or nine percent were farm trainees. See Appendix A for a review of the current methods used to fund postsecondary education in the United States.

[2] Ultimately, it is the goal of EIA to provide funding so that every year three percent or more of the labor force would be able to avail themselves of vocational training or retraining. This would be part of a new "active labor market policy" for the nation aimed at constantly upgrading and improving the technical skills of the workforce.

[3] These figures were calculated from the March 1988 *Current Population Survey* and reflect the difference in present discounted values between high school graduates and those with less than four years of college and those with an undergraduate degree or more. Expected earnings were calculated through age 65 based on actual March 1988 earnings by age. Earnings were projected to future years and discounted by expected future interest rates using data on wage rate growth and interest rates from the Social Security Administration. For the wage rate growth and projected interest rate assumptions, see "Communication from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds," 1990.

[4] According to the U.S. Department of Education, in the 1986–87 school year, the average full-time, full year undergraduate had total estimated expenses (including tuition and fees, food and housing, and other expenses) of $8,187. This figure ranged from $4,588 in two-year public institutions to $12,757 in four-year doctoral granting private not-for-profit universities and colleges. For part-time or part-year undergraduates, the figures are $4,957, $3,464, and $7,680 respectively (see National Center for Education Statistics, 1988).

[5] Such a plan involving no subsidy to program participants and hence no burden on taxpayers is referred to as a "mutualized plan"—one in which all costs are covered by borrower repayments. Losses due to borrower low income, death, or disability, are covered by repayments above cost by higher income borrowers (see Riddle, 1982, p. 5).

[6] Appendix B provides a brief overview of earlier income contingent college funding programs.

[7] While eliminating these two federal loan programs, EIA would maintain the Pell and Supplemental Educational Opportunity Grants (SEOG) grant programs as well as College Work-Study. These programs are needed for those students who come from the most financially disadvantaged families. They provide a direct subsidy to these students in order to furnish an incentive to pursue postsecondary education. In 1986–87, 40 percent of black undergraduates, 29 percent of American Indian undergraduates, and 26 percent of Hispanic undergraduates received Pell grants (see National Center for Education Statistics, 1988, p. 55).

[8] Beyond this age, the EIA program would provide no major advantage over short-term bank loans, as the dividend repayment period would be less than ten years and thus the EIA dividend repayment rate would have to be quite high to be actuarially sound.

[9] Some of these new training programs would presumably be in the form of "apprenticeships" in a range of white-collar and blue-collar fields, something akin to apprenticeship training in a number of European nations. These new apprenticeships would have to be licensed by state government education agencies in order to permit students to use EIA funds to pay for them.

[10] The earnings cap is built into EIA in order to avoid what economists call "adverse selection"—the tendency among those who expect to have high salaries to opt out of the program. If large numbers of those who expected high incomes were to avoid the program so as to escape fixed repayment rates on very high incomes, the repayment rates on all participants would have to be much higher. Setting an earnings cap reduces the redistribution effect of the EIA marginally, but enhances the overall financial viability of the program.

[11] Under the buyout provision, an individual can at any time foreclose any further obligation to the EIA program by paying a lump sum equal to 1.9 times the outstanding present discounted value of the average expected stream of repayments for that individual's EIA cohort. The prepayment "premium" of 190 percent is set to be actuarially equivalent to the $50,000 earnings cap. Hence, disregarding the "insurance" benefit of having repayments income-contingent, an individual with earnings above $50,000 would be indifferent between repaying EIA over the full 25 year repayment period and "buying out" his or her EIA obligation once and for all.

[12] This option would be exercised in the event that student demand for awards was so great that the EIA Trust Fund would require more than 50 percent of the outstanding Social Security surplus. Under the simulated conditions discussed later in this proposal, this option would not have to be utilized. This is true despite a significant simulated expansion in the demand for postsecondary schooling and liberal use of EIA awards.

[13] In practice, EIA borrows from the Social Security Trust Fund by issuing non-marketable government guaranteed 15-year bonds. If EIA were implemented in 1991, the first of these bonds would mature in 2006.

[14] Current federal loan programs provide only a fraction of the funds needed by most students. As noted in the text, the largest of these, the Stafford Student Loan program (formerly the Guaranteed Student Loan (GSL) provides a maximum of $2,625 per academic year for the first two years of undergraduate study and $4,000 for each subsequent year up to a total of $17,250. Supplemental Loans for Students (SLS) has a maximum annual loan amount of $4,000 and a total of $20,000. Perkins loans (formerly the National Direct Student Loan program) has the highest maximum: $4,500 per year for the first two years of undergraduate study, $9,000 for the third and fourth years, and $18,000 for graduate study.

[15] The Stafford and Perkins loans are only available to students who have a demonstrated economic need. Students above the standard of need are not eligible and must find alternative means of funding their schooling. These alternative sources are often quite expensive. One example is the Education Resources Institute TERI loan. With a TERI loan, a student can borrow up to $20,000 a year with no income limit or "needs test." However, the present rate on TERI loans is normally the prime rate plus two percent. With a deferment on interest and principal while in school, a typical TERI loan with a five-year term carries an annual percentage rate (APR) of 15.3 percent at regular commercial banks. Professional Education Plan (PEP) loans for graduate study can be even more expensive if the student does not have a co-applicant. The APR on a five-year loan with a two-year deferral of principal and interest is currently in the range of 18 percent.

[16] Presently, the default rate on education loans is 18 percent for those who go to two-year public colleges. 14 percent for those who attend two-year private colleges, seven percent for those who go to either private or public four-year schools, and a whopping 33 percent for those who use their loans to attend trade schools (see Gupta, 1990, p. B2).

[17] The original Moynihan proposal is contained in Moynihan, 1989.

[18] The model was developed by Alan Clayton-Matthews at the Social Welfare Research Institute at Boston College. He also performed the simulations and projections presented in this report. The assumptions used in the simulation are found in Appendix C.

[19] In terms of the financial burden to the individual, the simulation analysis estimates the costs in terms of an EIA percentage factor per thousand dollars of investment. The factors vary with the age of the recipient at the time of the investment award in order to take into account the different earnings streams of individuals of different ages and to account for the foreshortened repayment period for those over age 40. The repayment factor also varies with the year in which the award is made in order to account for the growth in average earnings over time. The schedule of repayment factors is available in a special appendix to this report available from the Economic Policy Institute.

[20] The earnings cap in the year 2013—when Bob is age 40—is $66,500 taking into account the average expected growth in earnings.

[21] Contrary to popular perception, postsecondary school students represent a broad cross-section of the nation's citizens by age as well as by gender and race. Of all students, about 54 percent are female. See Gerald Horn, and Hussar, 1989, p. 17. In 1986 there were 2.2 million minority students, about half of whom were black and 625,000 Hispanic (American Council on Education, 1989, p. 67). The percentage of "non-traditional" students—those over age 25—has been growing. In 1988, over 10 percent were age 30–34 while another 16 percent were 35 years of age or older. Hence, more than one-fourth of current higher education enrollments are comprised of individuals who are "thirtysomething" or better. See Gerald, Horn, and Hussar, 1989, p. 23.

[22] Detail on these educational loan and grant programs is taken from Reischauer, 1989; American Council on Education, 1989; and National Center for Education Statistics, 1988.

[23] For more information on income contingent plans, see Riddle, 1982.

[24] For details on the Reagan Administration program, see Riddle, 1986.

[25] Labor force participation rates by age from the March 1988 CPS were applied to the U.S. Bureau of Census population projections to project future labor force levels. Separate projections were made for men and women, and for whites and people of color.

[26] This rate is significantly higher than current federal loan participation rates and reflects the more favorable terms of the EIA program as well as the elimination of "needs based" eligibility. In 1986, 46 percent of all undergraduates received some form of financial aid—loan, grant, or both. Federal loans went to 24 percent of all undergraduates and 26 percent of all graduate and professional students. See National Center for Education Statistics, 1988, p. ix; and National Center for Education Statistics, 1989. p. ix.

[27] The average award in 1991 is estimated to be $4,638 (in current dollars) taking into account the current ratio of full-time to part-time students and factoring in the number of students electing training and retraining programs. This compares with an average undergraduate federal loan amount of $2,456 in 1986. See National Center for Education Statistics, 1988, p. ix.

[28] Calculated from Gerald, Horn and Hussar, 1989, Tables 3 and 38 (Middle alternative projections).

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IN TRIBUTE TO ORVILLE VOGEL

● Mr. GORTON. Mr. President, it is with great honor that I rise today to pay tribute to Dr. Orville Alvin Vogel of Lacey, WA, who is considered to be the father of modern agriculture in the Pacific Northwest. Vogel was known internationally for his agricultural research and invention of scientific research equipment.

While stationed at Washington State University, Vogel worked for the U.S. Department of Agriculture for 42 years. He led the team that developed the first commercially successful semidwarf variety of wheat. This research was responsible for adding $50 million a year to the State's economy through increased yields.

Vogel's continued successes have provided scientists around the world with the ability to gain higher yielding varieties of wheat and other grains through his invention of miniature equipment that automates planting and harvesting.

In addition, Vogel's research helped provide the foundation for the Green Revolution, which boosted grain yields in Third World countries, enabling many to become increasingly self-sufficient for the first time.

In 1975, then President Gerald Ford presented Vogel with the National Medal of Science. In 1987, Vogel was inducted into the Agricultural Research Service's Science Hall of Fame. Vogel also was distinguished as the recipient of the 1990 John Scott Award. This honor has been given to such prominent scientists as Thomas Edison, Madame Curie, and the Wright brothers.

Upon retirement, Vogel set forth into several philanthropic ventures. He offered to match donations from the wheat industry in order to develop a special fund at Washington State University for wheat research. His personal contribution totaled $26,000.

Mr. President, I commend Dr. Orville Alvin Vogel's dedication to the improvement of agriculture. His ingenuity and continued efforts have proven immeasurable to the agricultural research industry and all that benefit from it.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. HEFLIN. Mr. President, it is required by paragraph 4 of Rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Ivan A. Schlager, a member of the staff of Senator HOLLINGS, to participate in a program in Korea, sponsored by the USIA and the Korea Economic Institute of America, from May 25–June 1, 1991.

The committee has determined that participation by Mr. Schlagerin the program in Korea, at the expense of the Government of Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Bryce Dustman, a member of the staff of Senator BURNS, to participate in a program in Germany, sponsored by Haus Rissen International Institute for Politics and Economics, from August 13–21, 1991.

The committee has determined that participation by Mr. Dustman in the program in Germany, at the expense of Haus Rissen, a foreign privately funded organization, is in the interest of the Senate and the United States.•

ORDER FOR STAR PRINT—S. 1139

Mr. FORD. Mr. President, I ask unanimous consent that S. 1139 be star printed to reflect the changes I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Tuesday, June 4; that following the prayer, the Journal of proceedings be deemed approved to date and that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 11 a.m., with Senators permitted to speak therein; that Senator LEVIN be recognized for up to 20 minutes; with time from 10 a.m. to 11 a.m. under the control of the majority leader or his designee; further, that on Tuesday, the Senate stand in recess from 12:30 to 2:15 in order to accommodate the respective party conferences.

Mr. President, I might add for the record the proceedings in closing tonight have been cleared with the Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. FORD. Mr. President, for the information of Senators, on tomorrow, at 11 a.m., the Senate will resume consideration of S. 173 with the likely possibility that amendments will be offered prior to the Senate recessing at 12:30.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. FORD. Mr. President, if there be no further business to come before the Senate today, I ask unanimous consent that the Senate stand in recess, as under the previous order, until 9:30 a.m., Tuesday, June 4.

There being no objection, at 4:22 p.m., the Senate recessed until Tuesday, June 4, 1991, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 3, 1991:

DEPARTMENT OF STATE

LUIS GUINOT, JR., OF PUERTO RICO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COSTA RICA.

LYNN MARVIN HANSEN, OF COLORADO, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS U.S. REPRESENTATIVE ON THE CONVENTIONAL ARMED FORCES IN EUROPE (CFE) JOINT CONSULTATIVE GROUP AND TO THE NEGOTIATIONS ON CONVENTIONAL ARMED FORCES IN EUROPE (CFE).

FEDERAL COMMUNICATIONS COMMISSION

JAMES H. QUELLO, OF VIRGINIA, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR A TERM OF FIVE YEARS FROM JULY 1, 1991. (REAPPOINTMENT)

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. RICHARD E. HAWLEY, [redacted] U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS VICE CHIEF OF STAFF OF THE ARMY AND APPOINTMENT TO THE GRADE OF GENERAL WHILE SERVING IN THAT POSITION UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 601 AND 3034:

To be vice chief of staff of the Army

To be general

LT. GEN. DENNIS J. REIMER [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JAMES E. THOMPSON [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY BY THE PRESIDENT UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), AND TO BE APPOINTED AS SENIOR ARMY MEMBER OF THE MILITARY STAFF COMMITTEE OF THE UNITED NATIONS UNDER PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 711:

To be lieutenant general

To be senior Army member of the Military Staff Committee to the United Nations

MAJ. GEN. J.H. BINFORD PEAY, III [redacted] U.S. ARMY.

IN THE NAVY

THE FOLLOWING-NAMED REAR ADMIRAL (LOWER HALF) IN THE STAFF CORPS OF THE UNITED STATES NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

DENTAL CORPS

To be rear admiral

REAR ADM. (LH) RONALD P. MORSE [redacted] U.S. NAVY.

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) IN THE LINE OF THE UNITED STATES NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

To be rear admiral

REAR ADM. (LH) PHILIP S. ANSELMO, [redacted] U.S. NAVY.
REAR ADM. (LH) JON M. BARR, [redacted] U.S. NAVY.
REAR ADM. (LH) BRUCE B. BREMNER, [redacted] U.S. NAVY.
REAR ADM. (LH) JAMES R. FITZGERALD, [redacted] U.S. NAVY.
REAR ADM. (LH) WILLIAM J. FLANAGAN, JR [redacted] U.S. NAVY.
REAR ADM. (LH) DAVID E. FROST, [redacted] U.S. NAVY.
REAR ADM. (LH) THOMAS F. HALL, [redacted] U.S. NAVY.
REAR ADM. (LH) JOHN T. HOOD, [redacted] U.S. NAVY.
REAR ADM. (LH) WILLIAM P. HOULEY, [redacted] U.S. NAVY.
REAR ADM. (LH) JOHN B. LAPLANTE, [redacted] U.S. NAVY.
REAR ADM. (LH) CONRAD C. LAUTENBACHER, JR, 202–32–2275, U.S. NAVY.
REAR ADM. (LH) PHILLIP R. OLSON, [redacted] U.S. NAVY.
REAR ADM. (LH) PAUL W. PARCELLS, [redacted] U.S. NAVY.
REAR ADM. (LH) PHILIP M. QUAST, [redacted] U.S. NAVY.
REAR ADM. (LH) JOHN S. REDD, [redacted] U.S. NAVY.
REAR ADM. (LH) THOMAS D. RYAN, [redacted] U.S. NAVY.
REAR ADM. (LH) LUTHER F. SCHRIEFER, [redacted] U.S. NAVY.
REAR ADM. (LH) RALPH L. TINDAL, [redacted] U.S. NAVY.
REAR ADM. (LH) TIMOTHY W. WRIGHT, [redacted] U.S. NAVY.

REAR ADM. (LH) RONALD J. ZLATOPER [redacted] U.S. NAVY.

ENGINEERING DUTY OFFICER

To be rear admiral

REAR ADM. (LH) MILLARD S. FIREBAUGH [redacted] U.S. NAVY.

SPECIAL DUTY OFFICER (CRYPTOLOGY)

To be rear admiral

REAR ADM. (LH) ISAIAH C. COLE [redacted] U.S. NAVY.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS IDENTIFIED WITH A SINGLE ASTERISK ARE NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE. THE OFFICER IDENTIFIED WITH TWO ASTERISKS WAS SELECTED FOR PROMOTION BY THE ARMY BOARD FOR CORRECTION OF MILITARY RECORDS.

JUDGE ADVOCATE GENERAL CORPS

To be colonel

LARRY S. MERCK [redacted]

ARMY

To be lieutenant colonel

JOSEPH D. CERONE [redacted]
MARK G. SPITLER [redacted]
**ROBERT W. VENCI [redacted]

JUDGE ADVOCATE GENERAL CORPS

To be lieutenant colonel

JOSEPH A. GOETZKE [redacted]

ARMY

To be major

*KENNETH W. HOLDERFIELD [redacted]
*JESSE J. LOTT [redacted]
DONALD K. REEVES [redacted]
JAMES J. MCGROARY [redacted]
*MICHAEL L. WALTERS [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICER INDICATED BY AN ASTERISK IS ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

ARMY

To be Colonel

ABBENANTE, THOMAS L. [redacted]
ADAMS, KERRY G. [redacted]
ADAMS, LONNIE B. [redacted]
AHEARN, DAVID L., [redacted]
ALRIDGE, GEORGE W. [redacted]
ALLEN, ROBERT C. [redacted]
ALLENBAUGH, RICHARD [redacted]
ALLEY, RICHARD F. [redacted]
ALLRED, KENNETH L. [redacted]
ANDERSON, RICHARD T. [redacted]
ANDERSON, ROBERT J. [redacted]
ANDREWS, JOHN H. [redacted]
ANTHONY, DAVID J. [redacted]
ARGERSINGER, STEVEN [redacted]
ARMSTRONG, RICHARD [redacted]
ATWELL, ROBERT C. [redacted]
AUGER, JOHN D. [redacted]
AYLOR, CORTEZ C. [redacted]
BAILEY, CLAUD, JR. [redacted]
BAILEY, EDWARD L. [redacted]
BAILEY, LINWOOD P. [redacted]
BAILEY, PALMER K. [redacted]
BAINE, WILLIAM E. [redacted]
BAKER, SIDNEY F. [redacted]
BALDWIN, ROBERT L. [redacted]
BANDEL, RAYMOND L. [redacted]
BANKS, JIMMY C. [redacted]
BAREFIELD, ROBERT L. [redacted]
BARFIELD, ANN L. [redacted]
BARR, GEORGE H. [redacted]
BARRETT, GERARD P. [redacted]
BASILOTTO, JOHN P. [redacted]
BEASLEY, CHARLES A. [redacted]
BENNETT, PATRICK J. [redacted]
BERGANTZ, JOSEPH L. [redacted]
BERGMAN, MICHAEL R. [redacted]
BESSENT, ELMO V. [redacted]
BETTS, DONALD W., [redacted]
BISHOP, EUGENE H. [redacted]
BLACKBURN, LINWOOD [redacted]
BLAKE, JAMES T. [redacted]
BOCCOLUCCI, DANIEL [redacted]
BOLGER, JOHN T [redacted]
BOND, WILLIAM L. [redacted]
BORES, DAVID R. [redacted]
BORRESEN, DAVID F. [redacted]
BOWEN, LESTER R. [redacted]
BOWERS, WILLIAM T. [redacted]
BOWRA, KENNETH R., [redacted]
BRANHAN, TERRY W., [redacted]
BRIDGES, GARY J. [redacted]
BRIDGES, HUBERT, JR. [redacted]
BRIGHT, GEORGE E. [redacted]
BRITTAIN, FRANK W. [redacted]
BROOME, RICHARD E. [redacted]
BROWN, BRYAN D. [redacted]
BROWN, DAVID A. [redacted]
BROWN, JOHN M. [redacted]
BROWN, TERRY E. [redacted]
BROWN, THOMAS C. [redacted]
BROWN, THOMAS E. [redacted]
BROWN, WALTER B. [redacted]
BROWN, WALTER T. [redacted]
BROWNE, ROBERT W., [redacted]
BRUNNER, DONALD J. [redacted]
BRUNS, DONALD J. [redacted]
BRYAN, LARRY E. [redacted]
BUBB, ERNEST E. [redacted]
BULLINGTON, TERRY W. [redacted]
BUSK, ARLAN N. [redacted]
*BUTCHER, DAVID G. [redacted]
CABABA, ROBIN R. [redacted]
CAJIGAL, GEORGE L. [redacted]
CALL, GORDON H. [redacted]
CALLEN, JAN E. [redacted]
CAMPBELL, JAMES L. [redacted]
CAMPBELL, ROBERT D. [redacted]
CAPKA, JOSEPH R. [redacted]
CARDWELL, BARRY E. [redacted]
CARLSON, ADOLF [redacted]
CARR, JOHN J. [redacted]
CARSON, ROBERT G. [redacted]
CARTER, RICHARD A. [redacted]
CARTER, ROLAND W. [redacted]
CASEY, JOHN T. [redacted]
CASSIDY, RICHARD P. [redacted]
CAVIGGIA, JOHN D. [redacted]
CHANDLER, RICHARD V. [redacted]
CHAPPELL, SAMUEL L. [redacted]
CHENEY, SUSAN P. [redacted]
CHRISTOPHER, PAUL E. [redacted]
CICCARELLO, NICHOLA [redacted]
CICCOLELLA, ROBERT [redacted]
CLEARY, DANIEL J. [redacted]
CLOYD, WALTER L. I [redacted]
COAN, GEORGE P. [redacted]
COCHRANE, WILLIAM M., [redacted]
COLLIER, JAMES E. [redacted]
COLLINS, OLIVER J. [redacted]
CONWAY, RICHARD G., [redacted]
COOK, CHARLES B. [redacted]
COOK, DONALD C., [redacted]
COON, ROBERT C., [redacted]
COOPER, BILLY R. [redacted]
CORBELL, MICHAEL K. [redacted]
COUGHENOUR, KAVIN L. [redacted]
COUGHLIN, ROBERT J. [redacted]
COWELL, RICHARD A. [redacted]
COWLEY, DAVID E. [redacted]
COX, DANIEL J. [redacted]
CRABBE, JAMES D. [redacted]
CRAIG, RICHARD W. [redacted]
CRAIG, WALTER M. [redacted]
CRAYTON, JUAN V., [redacted]
CREWS, THOMAS M. [redacted]
CROCKERT, JAMES, [redacted]
CRONIN, ROBERT M. [redacted]
CULLING, THOMAS E. [redacted]
CUMBIE, DONOVAN R. [redacted]
CUNNINGHAM, JAMES E. [redacted]
CUNNINGHAM, WALTER [redacted]
DALE, RONALD P. [redacted]
DALE, THOMAS D. [redacted]
DANA, THOMAS N. [redacted]
DARNLEY, JAMES H. [redacted]
DAVIDSON, DONALD G. [redacted]
DAVIS, THOMAS H. [redacted]
DAY, LOWELL L. [redacted]
DAYTON, KEITH W. [redacted]
DEAN, DONALD G. [redacted]
DEES, ROBERT F. [redacted]
DEIBLER, SCOTT [redacted]
DEWALD, LEE S. [redacted]
DIALS, THOMAS A. [redacted]
DICKINSON, DON P. [redacted]
DICKSON, DWIGHT B. [redacted]
DIMERCURIO, PETER N. [redacted]
DIVER, MICHAEL J. [redacted]
DODGE, RICHARD L. [redacted]
DOESBURG, JOHN C. [redacted]
DOLTON, HENRY J. [redacted]
DOOLEY, JOSEPH C. [redacted]
DOUGHERTY, JOSEPH M. [redacted]
DRUGLEY, GARY P. [redacted]
DUNN, RICHARD J. [redacted]
DUNN, THOMAS A. [redacted]
EBERTOWSKI, JAMES S. [redacted]
EDNEY, KERMIT JR. [redacted]
EDWARDS, JOHN R. [redacted]
ELDER, DONALD N. [redacted]
ELIAS, THOMAS E. [redacted]
ELLERTSON, JACK W. [redacted]
ELLZEY, THOMAS F. [redacted]
EMERSON, JAMES O. [redacted]
ENGEL, RICHARD A. [redacted]
ENGELBERGER, CHARLE [redacted]
ENGSTROM, CHARLES L. [redacted]
EPKINS, STEVEN A. [redacted]
ETHERIDGE, JAMES H. [redacted]
EVANS, RICHARD E. [redacted]
FARMER, JAMES Z. [redacted]
FARMER, ROBERT [redacted]
FERGUSON, WARNER T. [redacted]
FERNANDEZ, ROBERT M. [redacted]
FESS, KENNETH E. [redacted]
FEYEREISEN, PAUL S. [redacted]
FIELDS, JOSEPH A. [redacted]
FISCHER, ERNEST W. [redacted]
FLANIGAN, WILLIAM E. [redacted]
FLETCHER, JOHN E. [redacted]
FOLEY, DAVID W., [redacted]
FONTANA, DENNIS J. [redacted]
FONTENOT, GREGORY [redacted]
FORD, TERRANCE M. [redacted]
FOSTER, WILLIAM G. [redacted]
FOULK, TOM B. III [redacted]
FOUNTAIN, DAVID C. [redacted]
FOWLER, DAVID J. [redacted]
FOWLER, RUFORD W. [redacted]
FOX, FREDERICK G. [redacted]
FREEMAN, CARL H. [redacted]
FREEMAN, TERENCE M. [redacted]
FREY, KAREN L. [redacted]
FREY, KURT M. [redacted]
GANNON, TERRY C. [redacted]
GATANAS, HARRY D. [redacted]
GATES, JOHN M. [redacted]
GAVITT, JAMES S. [redacted]
GEIER, RICHARD P. [redacted]
GEIS, JOHN P. [redacted]
GELOSO, PETER J. [redacted]
GENTEMANN, MICHOR M. [redacted]
GEORGE, DEWEY P. [redacted]
GERMAIN, ALLEN L. [redacted]
GIBSON, ELIZABETH L. [redacted]
GIBSON, JAMES F. [redacted]
GILMORE, RICHARD B. [redacted]
GLACEL, ROBERT A. [redacted]
GNAGE, JAMES C., [redacted]
GOFF, DONALD G. [redacted]
GONSER, KENT R. [redacted]
GORETH, GARY P. [redacted]
GORING, RICHARD H. [redacted]
GOTTARDI, LARRY D. [redacted]
GRAHAM, WILLIAM G. [redacted]
GREER, CHARLES W. [redacted]
GREER, JASON H. [redacted]
GRIBBLE, G D. [redacted]
GRIFFIN, BENJAMIN S. [redacted]
GRIFFIN, RILEY T. [redacted]
GROENING, WILLIAM H. [redacted]
GROGAN, JACK H. [redacted]
GUSTAFSON, GREGORY [redacted]
HAGEWOOD, EUGENE G. [redacted]
HAISLIP, WILLIAM A. [redacted]
HALL, DENNIS R. [redacted]
HALL, THOMAS M. [redacted]
HALLER, THOMAS L. [redacted]
HAMILTON, JEANNE G. [redacted]
HANING, JOE M. [redacted]
HARBACK, HERBERT F. [redacted]
HARDIE, RICKY E. [redacted]
HARDING, ROBERT A. [redacted]
HASTY, JAMES E. [redacted]
HATLEY, VERNON W. [redacted]
HATTON, SAM E. [redacted]
HAWKINS, DAVID C. [redacted]
HAYDEN, DOUGLAS C. [redacted]
HAYES, THOMAS M. [redacted]
HEALY, DENNIS W. [redacted]
HEATH, FREDERICK W. [redacted]
HENDON, WOODY M., [redacted]
HENNING, CHARLES A. [redacted]
HESS, MONTIE T. [redacted]
HILDEBRANDT, SIEGFR [redacted]
HILTON, CORSON L. [redacted]
HINDS, RANDY C. [redacted]
HITCHCOCK, RAYMOND [redacted]
HODGE, HENRY E. [redacted]
HOLMES, RICHARD F. [redacted]
HOMZA, ELI A. [redacted]
HOPPES, ROBERT J. [redacted]
HORTON, THOMAS A. [redacted]
HUFF, WILLIAM K. [redacted]
HULIN, TERRY M. [redacted]
HUNT, HENRY B. [redacted]
HUNTER, STEPHANIE S. [redacted]
HURD, FRANK K. [redacted]
HURT, CHARLES S. [redacted]
HUSTON, MICHAEL L. [redacted]
HUTCHINSON, DENNIS [redacted]
IRELAND, JAMES W. [redacted]
ISLER, RODERICK J. [redacted]
JACKSON, DENNIS K. [redacted]
JACKSON, JAMES H. [redacted]
JACKSON, JAMES T. [redacted]
JARMAN, KENNETH L. [redacted]
JEFFREY, JEWELL W. [redacted]
JENSEN, JOHN L. [redacted]
JOHNSON, DONALD R. [redacted]
JOHNSON, JAMES M. [redacted]
JOHNSON, JEFFRY M., [redacted]
JOHNSON, OLIVER R. [redacted]
JOHNSON, RICHARD G. [redacted]
JOINER, THOMAS G. [redacted]
JONAS, CLYDE L. [redacted]
JONES, ANTHONY R. [redacted]
JONES, DAVID L. [redacted]
JONES, JEFFREY B. [redacted]
JONES, RUDOLPH M. [redacted]
JONES, ULYSSES S. [redacted]
JONES, WILLIAM L. [redacted]

JUDGE, DAVID J. [redacted]
JUST, EDWARD A. [redacted]
KABAT, WAYNE C. [redacted]
KAY, JAMES S. [redacted]
KEATING, ARTHUR J. [redacted]
KELLY, EDWARD M. [redacted]
KELLY, JAMES C. [redacted]
KENNEDY, AUSTIN J. [redacted]
KENNEDY, DENNIS J. [redacted]
KENNEDY, WILLIAM H. [redacted]
KENSINGER, PHILIP R. [redacted]
KERLEY, CHARLES G. [redacted]
KERR, DONALD L. [redacted]
KIEFER, DAVID S. [redacted]
KING, JAMES R. [redacted]
KLEAGER, JERALD E. [redacted]
KLINCK, EARL F. [redacted]
KLUEVER, EMIL K. [redacted]
KNIGHT, JAMES F. [redacted]
KNOX, RICHARD L. [redacted]
KOLB, RICKEY A. [redacted]
KREGER, THOMAS D. [redacted]
KULBACKI, JAMES W. [redacted]
KYLE, WILLIAM III [redacted]
LACOSTE, GENE M. [redacted]
LACY, WARREN S. [redacted]
LAMAR, PATRICK [redacted]
LAMB, DONALD W. [redacted]
LAMB, IVAN F. [redacted]
LAMB, MICHAEL K. [redacted]
LANDRUM, JAMES M. [redacted]
LANGFORD, WILLIAM D. [redacted]
LARSON, JAMES A. [redacted]
LARSON, LARS E. [redacted]
LASCHE, GEORGE P. [redacted]
LAWSON, HARLAN A. [redacted]
LAYTON, DANIEL H. [redacted]
LEADBETTER, WYLAND [redacted]
LEE, RONALD N. [redacted]
LEISTER, ALBERT F. [redacted]
LENNOX, WILLIAM J. [redacted]
LENTZ, JON L. [redacted]
LEONARD, HENRY A. [redacted]
LEONARD, HUGH R. [redacted]
LEWIS, MARK R. [redacted]
LITTLEJOHN, EDWARD. [redacted]
LOPRESTI, THOMAS T. [redacted]
LORENZ, GRANT G. [redacted]
LOVELACE, DOUGLAS C. [redacted]
LOVELACE, JAMES J. [redacted]
LOVELACE, ROBERT L. [redacted]
LOWMAN, RAYMOND P. [redacted]
LUCAS, RONALD J. [redacted]
LUCAS, THOMAS W. [redacted]
LUMHO, BOBBY T. [redacted]
LUSEY, RODNEY S. [redacted]
LYNCH, FRANK J. [redacted]
LYON, DAVID M. [redacted]
MACDONALD, PETER E. [redacted]
MACEL, JOHN A. [redacted]
MACKEY, RICHARD H. [redacted]
MACKINLAY, WILLIAM [redacted]
MACPHERSON, WILLIAM [redacted]
MADDEN, EVERETT I. [redacted]
MAGROSKY, JOHN J. [redacted]
MANSKY, HENRY P. [redacted]
MAPLE, DONALD P. [redacted]
MARABLE, RENARD H. [redacted]
MARCUM, PHILIP C. [redacted]
MARKS, FLOYD B. I [redacted]
MARTIN, JAMES D. [redacted]
MARTIN, MICHAEL C. [redacted]
MARTIN, ROBERT N. [redacted]
MATTHIES, MICHAEL T. [redacted]
MAYER, EDWARD W. [redacted]
MAYERKIELMANN, MICH [redacted]
MCADOO, RONALD D. [redacted]
MCCORMICK, ARLEY H. [redacted]
MCCULLOUGH, JAMES L. [redacted]
MCDOUGLE, JOHN B. [redacted]
MCELWEE, JERRY W. [redacted]
MCGILL, DENNIS R. [redacted]
MCHENRY, MICHAEL C. [redacted]
MCKEAN, MICHAEL J. [redacted]
MCKENNON, LARRY W. [redacted]
MCKENZIE, EUGENE A. [redacted]
MCLAULIN, THOMAS M. [redacted]
MCLEOD, HUGH S. [redacted]
MCMANUS, WADE H. [redacted]
MCNUTT, WILLIAM A. [redacted]
MEADOWS, WILLIAM T. [redacted]
MEHAFFEY, MICHAEL K. [redacted]
MELCHIOR, ROBERT J. [redacted]
MENSCH, EUGENE M. [redacted]
MERANDA, MARK E. [redacted]
METZ, THOMAS F. [redacted]
MEYERS, JOHN J. [redacted]
MICHALIGA, MICHAEL [redacted]
MILLER, LARRY L. [redacted]
MILLER, RODNEY P. [redacted]
MILLER, WILLIAM J. [redacted]
MILLS, WARREN E. [redacted]
MIMS, SAMUEL E. [redacted]
MINER, BARRY D. [redacted]
MITCHELL, JAMES L. [redacted]
MITCHELL, ROBERT V. [redacted]
MITCHELL, VICTOR G. [redacted]
MOBERG, HARLEY [redacted]
MONEYHON, DARWIN J. [redacted]
MOORE, ISIAH JR. [redacted]
MOORE, JAMES A. [redacted]
MOORE, LYNN D. [redacted]
MORELOCK, JERRY D. [redacted]
MORLEY, THOMAS V. [redacted]
MORREALE, DENNIS L. [redacted]
MORRIS, CHARLES A. [redacted]
MORRIS, JOHN L. [redacted]
MUIRRAGUI, RICHARD. [redacted]
MULLEN, JAMES D. [redacted]
NANCE, WILLIE B. JR. [redacted]
NAREL., JAMES L. [redacted]
NATHO, JAMES E. [redacted]
NEDELA, DAVID W. [redacted]
NEITZKE, WALTER C. [redacted]
NELSON, JOHN D. [redacted]
NELSON, PAUL R. [redacted]
NICKISCH, WARD B. [redacted]
NIEDRINGHAUS, LARRY [redacted]
NIENHOUSE, TERRY L. [redacted]
NOEL, RICHARD L. [redacted]
NORTON, STEPHEN R. [redacted]
NYBERG, JAMES E. [redacted]
NYGREN, KIP P. [redacted]
OATES, PHILLIP E. [redacted]
OBRIEN, JAMES D. [redacted]
OBRIEN, MICHAEL D. [redacted]
OCONNOR, PETER R. [redacted]
ODAWE, NICHOLAS P. [redacted]
OGRADY, MICHAEL J. [redacted]
OKABAYASHI, RODNEY. [redacted]
OKEEFE, DENNIS M. [redacted]
OLSEN, LOREN M. [redacted]
ORISTIAN, JOHN E. [redacted]
ORR, BILLY J. [redacted]
ORR, ROBERT JR. [redacted]
OSBORNE, ROBERT G. [redacted]
PAOLUCCI, JOHN N. [redacted]
PARKER, PATRICK D. [redacted]
PARR, VINCENT H. [redacted]
PASQUARETT, MICHAEL. [redacted]
PATTERSON, ALBERT L. [redacted]
PAVLIK, DONALD C. [redacted]
PEARCE, MICHAEL J. [redacted]
PERKINS, ELLIS C. [redacted]
PERSYN, CHARLES E. [redacted]
PETERSON, BLAIR A. [redacted]
PETERSON, RONALD J. [redacted]
PETRUCCI, MICHAEL J. [redacted]
PHERNAMBUCQ, STANLE [redacted]
PHILLIPS, DAVID K. [redacted]
PHILLIPS, RONALD D. [redacted]
PLUMER, DAVID B. [redacted]
POLIN, RICHARD B. [redacted]
PORTER, DAVID L. [redacted]
PORTER, DONALD L. [redacted]
PORTER, LANNING M. [redacted]
POSTON, DANIEL A. [redacted]
POWERS, DAVID R. [redacted]
PUTNAM, MICHAEL B. [redacted]
QUIGLEY, THOMAS J. [redacted]
QUIRK, RICHARD J. [redacted]
RAINS, ROGER A. [redacted]
RANKIN, RICHARD K. [redacted]
RAUSCH, STEVEN F. [redacted]
RAY, PAUL L. [redacted]
RAYMOND, BRIAN L. [redacted]
REDDY, ROBERT P. [redacted]
REED, ARDEN M. [redacted]
REHM, DONALD A. [redacted]
RESNICK, ALLAN M. [redacted]
RHOADES, GEORGE H. [redacted]
RICE, JAMES H. I. [redacted]
RICE, TERRY L. [redacted]
RICE, WILLIAM J. [redacted]
ROBERTS, HAYWARD B. [redacted]
ROBERTSON, CHARLES. [redacted]
ROBERTSON, JOHN K. [redacted]
ROBINETTE, STEPHEN. [redacted]
ROBYN, ERIC W. [redacted]
ROE, CARL G. [redacted]
ROGERS, ERNEST R. [redacted]
ROSNER, THOMAS V. [redacted]
ROSS, DANIEL E. [redacted]
ROSS, ROBERT J. [redacted]
ROSZKOWSKI, JOSEPH [redacted]
ROTH, BRIAN K. [redacted]
ROUQUIE, GABRIEL JR. [redacted]
ROWAN, JAMES H. [redacted]
ROWLETT, RICKY M. [redacted]
RUIZ, DANIEL JR. [redacted]
RUSCIOLELLI, PHILIP [redacted]
RUSS, WILLIAM H. [redacted]
RYAN, SYLVESTER A. [redacted]
SAFFOLD, DONNELL F. [redacted]
SALLABERRY, GEORGE. [redacted]
SANDERS, CHARLES W. [redacted]
SAUNDERS, WILLIAM A. [redacted]
SAVAGE, DENNIS M. [redacted]
SVITSKE, GEORGE J. [redacted]
SCALES, ROY T. [redacted]
SCHMITT, JOHN K. [redacted]
SCHNEIDER, KENT R. [redacted]
SCHORNICK, JOHN N. [redacted]
SCHOTTEL, DAVID K. [redacted]
SCHWARTZMAN, CHARLE. [redacted]
SCOTT, BRUCE K. [redacted]
SCOTT, JAMES G. [redacted]
SCOTT, TERRY L. [redacted]
SCOTT, THOMAS D. [redacted]
SEIBERLING, WALTER. [redacted]
SELAND, CHARLES A. [redacted]
SELDEN, GEORGE H. [redacted]
SEMENEC, MICHAEL JR. [redacted]
SEVERANCE, PAUL M. [redacted]
SHADBURN, ROBERT P. [redacted]
SHANAHAN, MICHAEL K. [redacted]
SHELVERTON, CLAUDE [redacted]
SHERIDAN, JOSEPH, C. [redacted]
SHERWOOD, RICHARD W. [redacted]
SHINE, PATRICK T. [redacted]
SHIRAH, HENRY C. [redacted]
SHORT, AUGDEN W. [redacted]
SILLS, RICHARD E. [redacted]
SILVERMAN, MICHAEL [redacted]
SIMMONS, CLYDE R. [redacted]
SKELTON, JOHN D. [redacted]
SKRODZKI, THOMAS E. [redacted]
SLADE, JIMMIE L. [redacted]
SLOAN, LARRY R. [redacted]
SMITH, DAVID O. [redacted]
SMITH, JOHN R. [redacted]
SMITH, RICHARD W. [redacted]
SMITH, STEPHEN R. [redacted]
SNOW, STEPHEN J. [redacted]
SODERLUND, PAUL R. [redacted]
SOMMERS, LAWRENCE E. [redacted]
SPEARS, JOHN A. [redacted]
SPEER, GRAY D. [redacted]
SPICELAND, EVANS C. [redacted]
SPRING, JAMES L. [redacted]
SPRINGER, CARL D. [redacted]
STANSFIELD, JERRY T. [redacted]
STECK, EARL N. [redacted]
STEIGER, WILLIAM A. [redacted]
STEIN, FREDERICK P. [redacted]
STEVENS, HALBERT F. [redacted]
STOBBS, EMMETT E. [redacted]
STONGE, ROBERT J. [redacted]
STOVALL, AUSTIN A. [redacted]
STRAUSS, THOMAS J. [redacted]
STREET, BERNARD H. [redacted]
STRICKLIN, TONEY. [redacted]
STROM, STEPHEN H. [redacted]
STUART, RONALD F. [redacted]
STULL, LYNN B. [redacted]
SUDNIK, MICHAEL P. [redacted]
SUESS, ROBERT K. [redacted]
SULLIVAN, DANIEL J. [redacted]
SULLIVAN, JOHN K. [redacted]
SULLIVAN, MICHAEL L. [redacted]
SUMMERLIN, RONALD G. [redacted]
SWAHN, JOHN F. [redacted]
SWARTZLANDER, DAVID [redacted]
SWEENEY, JOHN J. [redacted]
TANKSLEY, DAVID M. [redacted]
TARTELLA, JOHN [redacted]
TESDAHL, ROBERT M. [redacted]
TETERS, RICHARD L. [redacted]
THEIMER, DAVID B. [redacted]
THIEME, THOMAS N. [redacted]
THOM, BRIAN L. [redacted]
THOMAS, MICHAEL E. [redacted]
THOMAS, RONALD D. [redacted]
THOMAS, WILLIAM G. [redacted]
THOMPSON, JERALD L. [redacted]
THOMPSON, WALTER H. [redacted]
TIGHE, DENNIS W. [redacted]
TIMMERMAN, JESSE R. [redacted]
TOMASIK, DONALD M. [redacted]
TOMMERVIK, DAVID R. [redacted]
TOWNSEND, JAMES W. [redacted]
UYESUGI, DANIEL F. [redacted]
VALENZUELA, ALFRED [redacted]
VALERSKY, JOHN A. [redacted]
VANAIRSDALE, MICHAE [redacted]
VANANTWERP, ROBERT [redacted]
VARIS, PETER H. [redacted]
VARNADO, TALMADGE R. [redacted]
VASSAUR, TOMMY W. [redacted]
VAUGHN, RAYFORD B. [redacted]
WAGSTAFF, LARRY J. [redacted]
WALKER, JOHN S. [redacted]
WALKER, STANLEY L. [redacted]
WALLACE, JOHN R. [redacted]
WALLS, OSBORNE K. [redacted]
WALSH, EDWARD O. [redacted]
WALTERS, RICHARD E. [redacted]
WARD, WILLIAM E. [redacted]
WATSON, FLOYD E. [redacted]
WATSON, JEROME A. [redacted]
WATSON, RODNEY L. [redacted]
WEBB, PATRICK F. [redacted]
WEILDBRENNER, JAMES [redacted]
WELLS, KENNETH B. [redacted]
WEMLINGER, JOHN V. [redacted]
WHARTON, WILLIAM D. [redacted]
WHITE, LANCE M. [redacted]
WILHELM, FREDERICK [redacted]
WILLIAMS, JAMES H. [redacted]
WILLIAMS, OTIS [redacted]
WILLIAMS, ROBERT D. [redacted]
WILLIAMS, STEPHEN D. [redacted]
WILLIAMS, THOMAS D. [redacted]
WILLIS, CLIFFORD G. [redacted]
WILSON, RICHARD A. [redacted]
WINTERS, STEPHEN C. [redacted]
WINTRICH, FREDERICK [redacted]
WISTNER, RICHARD F. [redacted]
WITHYCOMBE, HOWARD. [redacted]
WOLOSKI, JOHN C. [redacted]
WOODBURY, GEORGE A. [redacted]
WRENTMORE, ROBERT J. [redacted]
WRIGHT, JEFFREY W. [redacted]
YEISLEY, JOHN C. [redacted]
YORK, THOMAS A. [redacted]
YOUNG, ROBERT F. [redacted]

YOUNG, ROBERT M. [redacted]
ZAIS, MITCHELL M. [redacted]
ZAKRZEWSKI, STEPHEN [redacted]
ZIMMERMAN, RYAN M. [redacted]
380X
364X

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10 UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10 UNITED STATES CODE:

ARMY

To be major

ABAHAZY, DANIEL F. [redacted]
* ABBOTT, CHRISTIAN A. [redacted]
* ABEJON, ALVIN A. [redacted]
ABERNATHY, DALE M. [redacted]
* ABERNATHY, MARK H. [redacted]
* ABRON, JAMES A. JR. [redacted]
ACENBRAK, STEVEN D. [redacted]
* ACKER, EDWIN S. [redacted]
* ADAIR, THOMAS E. [redacted]
ADAMS, CECILIA C. [redacted]
ADAMS, DOUGLASS S. [redacted]
* ADAMS, KAREN S. [redacted]
* ADAMS, ROBERT R. [redacted]
AGOGLIA, JOHN F. [redacted]
AGOSTA, KENNETH B., [redacted]
AKIN, MARK W. [redacted]
AKINS, GEORGE JR. [redacted]
ALANIZ, DAVID H. [redacted]
ALBERS, PATRICIA L. [redacted]
* ALBINO, JOSE R. [redacted]
ALBRECHT, RICHARD A. [redacted]
ALEMANY, WALTER A. [redacted]
ALFORD, ELI T. [redacted]
ALGERMISSEN, ROBERT M. [redacted]
ALLEN, KERRY C. [redacted]
* ALLEN, PHILLIP J. [redacted]
* ALLEN, RICARDO V. [redacted]
* ALLEN, SUSAN M. [redacted]
ALLYN, DANIEL B. [redacted]
* ALSTON, DARRELL W. [redacted]
AMSTEIN, PATRICK W. [redacted]
ANDERSEN, ERIC C. [redacted]
ANDERSON, BRADLEY G. [redacted]
ANDERSON, DAVID S. [redacted]
* ANDERSON, DEBRA L. [redacted]
ANDERSON, JOEL D. [redacted]
ANDERSON, JOSEPH [redacted]
* ANDERSON, MARK C. [redacted]
* ANDERSON, STEVEN J. [redacted]
ANDREWS, JEFFREY R. [redacted]
* ANGLE, JAMES L. [redacted]
* ANSON, HAROLD E. II [redacted]
ARATA, JOHN L. [redacted]
* ARDNER, MARGUERITE A. [redacted]
ARIELLY, THOMAS, M. [redacted]
ARMSTRONG, KEITH A. [redacted]
ARNZEN, ROGER A. [redacted]
ARRIOLA, JAMES T. [redacted]
ARSENAULT, JAMES E. [redacted]
* ARTHUR, STEVEN L. [redacted]
ASH, PETER J. [redacted]
* ASTILLERO, ALFREDO R. [redacted]
AUSTIN, THOMAS R. [redacted]
AVERY, MARK W. [redacted]
AVERY, PAUL H. JR. [redacted]
* AVILES, CELESTE L. [redacted]
* AYDLETTE, MITCHELL A. [redacted]
* AYERS, MICHAEL A. [redacted]
* BAARDSON, BRUCE A. [redacted]
BACHINSKI, STEPHEN W. [redacted]
* BACK, JOE T. JR. [redacted]
BAEHRE, MARK D. [redacted]
BAEHRE, MICHAEL D. [redacted]
* BAGGOTT, CAREEN P. [redacted]
BAGWELL, JAMES D. [redacted]
BAILEY, DON W., [redacted]
* BAKER, CHARLES L. [redacted]
BAKER, DAVID B. [redacted]
* BAKER, HOBERT A. [redacted]
BAKER, JOHN P. II [redacted]
* BAKER, JOHNNY L. JR. [redacted]
BAKER, THOMAS M. [redacted]
BALDERAS, ELIAS, V. [redacted]
* BANKS, ALLEN V. [redacted]
BANKSTON, DANIEL L. [redacted]
BARBER, GARY A. [redacted]
BARBOSA, CARLOS E. [redacted]
* BARCLAY, JERRY S. [redacted]
BARFIELD, WALTER R. JR. [redacted]
* BARGE, CHARLES E. [redacted]
BARGERON, ROBERT D. [redacted]
BARKALOW, CAROL A. [redacted]
* BARNER, HONNEY L. [redacted]
BARNES, PETER R. [redacted]
BARNES, THOMAS E. [redacted]
BARNETT, MICHAEL A. [redacted]
BAROWSKI, MARK A. [redacted]
BARR, FREDERICK N. [redacted]
BARRASS, JOHN J. [redacted]
BARRENTINE, HAROLD R. [redacted]
* BARRERAS, KEVIN R. [redacted]
BARRETT, GERALD G. [redacted]
BARRON, MICHAEL J. [redacted]

BARRY, ROBERT F. II [redacted]
BARRY, RONALD F., SR. [redacted]
BARTH, FRANK L. [redacted]
BARTHOLOMEW, DONALD A. [redacted]
BARTO, MICHAEL T. [redacted]
* BASILOTTA, JEFFREY L. [redacted]
* BASS, CHARLES A., JR. [redacted]
BAUMAN, SCOTT T. [redacted]
* BAUTISTA, JUANA P. [redacted]
* BAYLOR, ROXANA., [redacted]
* BAZEMORE, DEBBIE V. [redacted]
BEACH, GREGORY E. [redacted]
BEAL, STEVEN F. [redacted]
BEALS, DAVID W. [redacted]
BEANS, MICHAEL K., [redacted]
* BEARDEN, ROBERT W. JR. [redacted]
BEATTY, YVONNE A. [redacted]
* BEATY, REGINALD B. [redacted]
BECK, GREGORY T. [redacted]
BECKINGER, ROBERT C. [redacted]
* BEECHER, MICHAEL J. [redacted]
* BEGLEY, IRA J. II. [redacted]
* BEHRINGER, ROGER A. [redacted]
BELL, ANTHONY B. [redacted]
* BELL, DAVID K. [redacted]
BELL, LAWRENCE J. [redacted]
BENDER, DAVID J. [redacted]
BENECKE, GLENN J. [redacted]
BENNER, WILLIAM E. JR. [redacted]
* BENNETT, KATHLEEN R. [redacted]
* BEOUGHER, GUY C. [redacted]
BERG, JAMES L. JR. [redacted]
BERLIN, JON K. [redacted]
* BERNADEL, JOSEPH M. [redacted]
* BERNARD, DAN C. [redacted]
BERRY, JANICE M. [redacted]
BEST, CAROLE N. [redacted]
* BEST, MICHAEL B. [redacted]
BESTER, CHERYL A. [redacted]
* BETHEL, DARNELL, J. [redacted]
* BEVILLE, JODY L. [redacted]
* BICE, BRYAN N. [redacted]
* BICKFORD, LEON A. [redacted]
* BINGER, ROY C. [redacted]
BIRD, VICTOR M. [redacted]
BISHOP, THOMAS E. [redacted]
BIZER, MICHAEL J. [redacted]
BLACHER, MAURICE P. [redacted]
* BLACK, GARY L. [redacted]
* BLACK, JERZELL L. [redacted]
* BLACK, JIM H. JR. [redacted]
* BLACK, ROBERT J. [redacted]
* BLAIR, WENDELL W. [redacted]
BLAKELY, FREDDIE N. [redacted]
BLAKLEY, JAMES C. [redacted]
* BLANCHARD, ALAN W. [redacted]
* BLASSER, JOHN D. [redacted]
* BLAYLOCK, VINCENT R. [redacted]
BLISS, GARY L. [redacted]
BLISS, JAMES A. [redacted]
BLOWE, KEITH C. [redacted]
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COOPER, BRUCE J. [redacted]
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* CRANE, PAUL E. JR. [redacted]
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CRAWFORD, JESSIE JR [redacted]
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CREAMER, DAVID F. [redacted]
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* CSRNKO, DIANE E. [redacted]
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* CULL, KENNETH J. [redacted]
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RUSSELL, REX A. [redacted]
*RUSSO, JOHN T. JR. [redacted]
RUSSO, MARTIN G. [redacted]
RUST, STEPHEN L. [redacted]
*RUTLEDGE, KENNETH L. [redacted]
RUTTEN, DAVID J. [redacted]
RYAN, MICHAEL A. [redacted]
*RYAN, MICHAEL C. [redacted]
RYAN, MICHAEL D. [redacted]
SACKS, DANIEL [redacted]
SADLER, DAVID G. [redacted]
*SAJEVIC, JOHN K. [redacted]
SAJO, JAMES R. [redacted]
SALAZAR, VICTOR M. [redacted]
SALES, MILLARD V. JR. [redacted]
SALO, DONALD G. JR. [redacted]
*SANCHEZCARRASQUILLO, R. [redacted]
SANDERS, J.W. [redacted]
*SANFORD, BETH A. [redacted]

SANGER, ALAN C. [redacted]
*SANTALA, RUSSEL D. [redacted]
*SANTIAGOTORRES, FELIX L. [redacted]
SANTOS, BENJAMIN B. [redacted]
SARGEANT, MARK T. [redacted]
SARNECKY, JOHN [redacted]
*SARVAY, WILLIAM R. [redacted]
SATTERWHITE, JOHN H. [redacted]
SAWYER, SHEPARD A. JR. [redacted]
SAYLES, CALVIN R. [redacted]
SCARBALIS, DAVID A. [redacted]
*SCERCY, STEVEN H. [redacted]
SCHENCK, RICHARD G. [redacted]
SCHIEFER, CHRISTOPHER M. [redacted]
SCHILLER, MARK E. [redacted]
SCHLEYER, GREGORY J. [redacted]
SCHMALZEL, JOSEPH R. [redacted]
*SCHMIDT, EDWARD J. JR. [redacted]
SCHMIDT, TERRY A. [redacted]
SCHNEIDER, MICHAEL W. [redacted]
SCHOFFSTALL, JOHN B. [redacted]
*SCHOLLE, SIEGLINDE [redacted]
SCHOWALTER, STEVEN J. [redacted]
SCHULTHEIS, JAMES L. [redacted]
SCHULTZ, WARREN R. [redacted]
SCHUSTER, CHRISTOPHER E. [redacted]
*SCHWANENBERG, PAUL L. [redacted]
*SCHWENDEMAN, KENNETH D. [redacted]
*SCOTT, BRYAN D. [redacted]
SCOTT, JERRY D. [redacted]
SCOTT, MICHAEL R. [redacted]
SCOTT, REGINALD D. [redacted]
*SCOURSI, JANET M. [redacted]
SCRUGGS, ROBERT F. [redacted]
SCRUGGS, SAMUEL [redacted]
SCRUGGS, VICKI L. [redacted]
SEASTROM, MARK R. [redacted]
SEIFARTH, ERIC D. [redacted]
*SEITHFAGAN, KATHLEEN L. [redacted]
SEKERAK, EDWARD M. [redacted]
SENNEWALD, JULIA K. [redacted]
SERINO, ROBERT M. [redacted]
* SERRANO, JAY D. [redacted]
* SETTLES, JAMES E. [redacted]
SEWARD, JOHN E. [redacted]
* SHACHNOWGILLETTE, SHEREEN [redacted]
SHADRACH, DARDEN D. [redacted]
SHAFER, MELVIN E. JR. [redacted]
SHANAHAN, EDWARD P. IV [redacted]
* SHAUGHNESSY, ROBERT E. [redacted]
SHAW, KENT R. [redacted]
* SHAW, ROBERT T. JR. [redacted]
SHAW, VAN J. [redacted]
SHEA, MICHAEL E. [redacted]
SHEA, TIMOTHY C. [redacted]
* SHEARER, LEONARD B. [redacted]
SHELTON, THOMAS R. [redacted]
* SHERLOCK, RICHARD J. JR. [redacted]
SHERMAN, RODNEY D. [redacted]
* SHIELDS, MIRIAM D. [redacted]
SHIFFLETT, GUY A. JR. [redacted]
* SHIMABUKURO, RONALD S. [redacted]
* SHIPLEY, EMMETT L. [redacted]
SHOOP, BARRY L. [redacted]
* SHRANK, RICHARD C. [redacted]
* SHRIEVES, GEORGE E. [redacted]
SHUFELT, JAMES W. JR. [redacted]
* SHUMARD, RICHARD C. [redacted]
* SHURTZ, WILLIAM F. [redacted]
SIEGEL, P. J. [redacted]
SIENKIEWICZ, FRANCIS [redacted]
* SILVA, ROBERT A. [redacted]
* SILVARODRIGUEZ, JOSE I. [redacted]
* SIMCHICK, JACQUELINE A. [redacted]
SIMIS, RICHARD L. [redacted]
* SIMKIN, HOWARD R. [redacted]
* SIMMONS, BRENDA J. [redacted]
* SIMMONS, WARREN O. [redacted]
SIMMS, MARK P. [redacted]
* SIMON, PATRICK V. [redacted]
* SIMON, PETER O. [redacted]
* SIMONDS, LAWRENCE G. [redacted]
* SIMPSON, MARK D. [redacted]
SINGLETON, DAVID R. [redacted]
* SIRNEY, RICHARD P. JR. [redacted]
* SISSON, WILLIAM L. JR. [redacted]
SITO, CINDY L. [redacted]
SKELTON, JAMES R. [redacted]
* SKINNER, STEPHEN C. [redacted]
SLEDGE, WILLIAM T. JR. [redacted]
* SLICKER, JAMES S. [redacted]
SMART, ANTOINETTE G. [redacted]
SMART, JON P. [redacted]
* SMART, RICHARD A. [redacted]
* SMITH, ANDRE L. [redacted]
SMITH, BILLY R. [redacted]
* SMITH, CARL [redacted]
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* SMITH, GEORGE K. [redacted]
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* SMITH, MICHAEL R. [redacted]

SMITH, NATHANIEL [redacted]
* SMITH, OLIVER W. [redacted]
SMITH, PAUL D. [redacted]
* SMITH, REGINALD E. [redacted]
* SMITH, ROBERT H. JR. [redacted]
SMITH, THOMAS J. [redacted]
* SMITH, VERNASSA B. [redacted]
SMITH, WILLIAM H. [redacted]
* SNEAD, EDWARD W. [redacted]
SNEAD, WILLIAM A. [redacted]
SNODGRASS, AUDY R. [redacted]
SNYDER, CHARLES R. [redacted]
* SOBERS, ARTHUR A. [redacted]
* SOKOL, JOSEPH A. [redacted]
SOLE, THOMAS R. [redacted]
SOLOMON, MICHAEL, T. [redacted]
SOSLAND, STEVEN R. [redacted]
SOUDER, MICHAEL E. [redacted]
SOVINE, JOHN W. JR. [redacted]
SPEARMAN, RICHARD D. [redacted]
* SPENCER, PATRICIA M. [redacted]
SPENCER, WILLIAM J. [redacted]
SPENCER, WILLIE E. [redacted]
SPIGHT, MICHAEL G. [redacted]
* SPOLETI, CHRISTOPHER E. [redacted]
* SQUIRES, CHARLES D. [redacted]
STALEY, CYNTHIA E. [redacted]
* STANTON, THOMAS H. [redacted]
STAPLETON, BRIAN P. [redacted]
STARCK, DONALD S. [redacted]
*STARK, DANNY K. [redacted]
*STARK, TIMOTHY L. [redacted]
STARSHAK, JAMES J. [redacted]
*STAUFFER, JAMES A. [redacted]
STEED, TERENCE L. [redacted]
*STEEL, ALEXANDER P. [redacted]
STEELE, MARY D. [redacted]
STEENBERG, MARK A. [redacted]
STEGALL, JAMES W. [redacted]
STENKAMP, BARNEY J. [redacted]
STEPHENS, EDDIE A. [redacted]
STEPHENSON, BRIAN P. [redacted]
STEPHENSON, EDWARD R. [redacted]
STEPHENSON, MARK W. [redacted]
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STEVENS, MARY R. [redacted]
*STEVENS, RANDALL R. [redacted]
*STEVENSON, CARLTON D. [redacted]
STEWART, CAROLYN A. [redacted]
STEWART, TAMARA S. [redacted]
*STIEHM, CLARENCE A., II [redacted]
STINSON, MICHELLE K. [redacted]
STIPE, BEVERLY M. [redacted]
STIVASON, KENNETH E. [redacted]
*STOCKMAN, STEPHEN C. [redacted]
STOINOFF, CHRIS F. [redacted]
*STONE, CHARLES L. [redacted]
STONE, GEORGE F. III [redacted]
STONE, JAMES A. [redacted]
STONE, JESSE M. [redacted]
STORY, KURT S. [redacted]
STOVALL, JANN E. [redacted]
STRAMARA, KEVIN P. [redacted]
*STRANG, STEVEN P. [redacted]
STRANGE, ARTHUR A. III [redacted]
STRATIS, JOHN C. [redacted]
STRATMAN, CORTNEY J. [redacted]
*STRICKER, MARK R. [redacted]
*STRINGFIELD, JEFFERY W. [redacted]
STROSNIDER, WILLIAM R. [redacted]
*STRYFFELER, HARRY B. [redacted]
STUBAN, STEVEN M. [redacted]
*SUBLETT, CARL L. [redacted]
SWAN, WAYNE L. [redacted]
SWAREN, THOMAS L. [redacted]
SWEENEY, JOHN P. III [redacted]
SWEETSER, WILMER A. JR. [redacted]
SWISHER, JOEL V. [redacted]
SYDENHAM, STANLEY R. JR. [redacted]
SZARENSKI, CAROL J. [redacted]
*TAIMANGLO, REYNALDO N. [redacted]
TAIT, WILLIAM J. JR. [redacted]
TALBOTT, MICHAEL C. [redacted]
*TANNER, DEAN P. [redacted]
TATA, ANTHONY J. [redacted]
TAYLOR, BARRY P. [redacted]
TAYLOR, DEBRA O. [redacted]
TAYLOR, JEFFREY A. [redacted]
TAYLOR, LEE F. [redacted]
*TAYLOR, SAMMIE L. [redacted]
*TAYLOR, WENDELL L. [redacted]
*TEAGUE, BRYAN E. [redacted]
*TEAGUE, JAMES G. [redacted]
TEDFORD, PETER J. [redacted]
TEEPLES, DAVID A. [redacted]
TELANDER, PHILLIP D. [redacted]
*TEMPLIN, JAMES R. JR. [redacted]
*TERRENOIRE, REBECCA S. [redacted]
*TERRY, MARK W. [redacted]
*THOMAS, BOBBY D. [redacted]
THOMAS, DWAYNE L. [redacted]
*THOMAS, ELIJAH JR. [redacted]
*THOMAS, HERMAN [redacted]
*THOMAS, JERRY K. [redacted]
THOMAS, KELLY J. [redacted]
THOMAS, PAUL C. [redacted]
THOMAS, RAYMOND A. [redacted]
THOMAS, SCOTT G. [redacted]
THOMAS, WALTER W. [redacted]
*THOMASON, JERRY D. [redacted]
*THOMPSON, CECIL D. JR. [redacted]
THOMPSON, DENNIS H. [redacted]

THOMPSON, THOMAS A. [redacted]
THORNAL, MASON W. [redacted]
*THORSON, STEVEN J. [redacted]
*THURLOW, DAVID S. [redacted]
TIERNEY, JEFFREY J. [redacted]
*TILSON, MICHAEL D. [redacted]
*TIMMONS, TIMOTHY S. [redacted]
TINDALL, JOHN W. [redacted]
*TISSON, JOHN M. [redacted]
TODD, FRANK P. [redacted]
TODD, MAURICE L. [redacted]
TODD, WILLIAM E. [redacted]
*TODOROWSKI, DANIEL [redacted]
TOGUCHI, ROBERT M. [redacted]
*TOLLISON, HUBERT E. JR. [redacted]
TOOMEY, CHARLES J. JR. [redacted]
TOOMEY, CHRISTOPHER J. [redacted]
TOOMEY, MICHAEL R. [redacted]
*TOPPING, ROBERT E. JR. [redacted]
*TORO, ANDRES A. [redacted]
TORRANCE, STEVEN M. [redacted]
*TORRES, NELSON. [redacted]
TORRES, RENE P. [redacted]
*TORRESCHAMORRO, PEDRO J. [redacted]
TORREZ, KARLA C. [redacted]
TOUSLEY, SCOTT W. [redacted]
*TOUZINSKY, TIMOTHY C. [redacted]
*TOWERS, JOHN W. [redacted]
*TOWNS, WINFRED D. [redacted]
*TOWNSEL, LINDELL B. JR. [redacted]
TRAUTMAN, KONRAD J. [redacted]
TRAYLOR, JIMMIE L. [redacted]
*TREAT, HOWARD D. [redacted]
TREHARNE, BARBARA L. [redacted]
TRIPLETT, CLIFTON N. [redacted]
*TROUTMAN, ERBIN L. [redacted]
*TRUITT, GERY B. [redacted]
*TUNSTALL, STANLEY Q. [redacted]
*TURGEON, ALBERT J. [redacted]
TURNER, HENRY C. JR. [redacted]
TURNER, JOHN H. [redacted]
*TURNER, RODERICK G. III [redacted]
*TWITTY, ROBERT A. [redacted]
*TYSON, CLARENCE L. JR. [redacted]
UPTON, ROBERT C. III [redacted]
URBAN, MICHAEL G. [redacted]
UZELAC, PETER J. [redacted]
VALENT, OSCAR B. [redacted]
*VALLANCEWHITACRE, JOAN R. [redacted]
*VANDERGURG, NEVILLE S. [redacted]
VANFOSSON, MARION H. [redacted]
*VANPELT, ELMAN D. [redacted]
*VANUS, MARK D. [redacted]
VASSE, ROBERT H. [redacted]
*VAZQUEZ, RICARDO C. [redacted]
VELASQUEZ, DAVID S. [redacted]
*VERDEJO, JESUS JR. [redacted]
VERNON, RICHARD A. [redacted]
*VILLIVA, MARY D. [redacted]
*VININK, KENNETH A. JR. [redacted]
*VISBECK, MARK W. [redacted]
*VISSOTZKY, DAVID A. [redacted]
*VOLKMAN, STEVEN D. [redacted]
VONBOKERN, KARL H. [redacted]
*VONJACOBI, CHRISTIAN J. [redacted]
VONROSENBERG, RANDALL A. [redacted]
WACKERMAN, DAMIAN C. [redacted]
*WADDELL, JEFFREY D. [redacted]
WAGNER, CHRISTOPHER G. [redacted]
WAGNER, KENNETH S. [redacted]
WAGNER, ROBERT J. [redacted]
*WALCZAK, PAUL S. [redacted]
*WALDEN, GREGORY A. [redacted]
WALDIER, MICHAEL J. [redacted]
WALDRON, JOSEPH A. [redacted]
WALKER, CAREY W. [redacted]
*WALKER, MICHAEL R. [redacted]
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*WALLACE, JOHN [redacted]
WALLER, HENRY H. III [redacted]
*WALSH, GUY J. [redacted]
*WALSH, KEVIN B. [redacted]
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*WALTER, KEITH R. [redacted]
WALTERS, RICHARD K. [redacted]
WALTERS, WALLY Z. JR. [redacted]
WALTON, DONALD B. [redacted]
*WARD, BRAD M. [redacted]
WARD, JOHN R. [redacted]
WARD, MARION M. [redacted]
WARD, RICHARD W. [redacted]
WARD, RONALD E. [redacted]
WARD, WILLIAM F. [redacted]
WARDLAW, DAVID E. [redacted]
WARDYNSKI, EUGENE C. [redacted]
*WARK, THOMAS K. [redacted]
WARNKE, JOHN C. [redacted]
WARRICK, VINCENT E. [redacted]
*WARTHON, KEVIN W. [redacted]
*WASHINGTON, BETTE R. [redacted]
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*WASHINGTON, RACHEL M. [redacted]
*WASHINGTON, VON C. [redacted]
*WATERS, BRIAN F. [redacted]
*WATKINS, GAIL M. [redacted]
*WATRAS, KENNETY A. [redacted]
*WATSON, ALAN G. [redacted]
*WATSON, CHARLOTTE L. [redacted]
WAWRZYNIAK, MICHAEL J. [redacted]
WEART, JEFFREY M. [redacted]
WEATHERFORD. JOHN W. [redacted]
*WEATHERWAX, JODY H. [redacted]
*WEBB, CHARLES M. [redacted]
WEBB, LESLIE E. [redacted]
*WEILER, DALE S. [redacted]
WEINBERG, EDWARD L. [redacted]
WEINER, IDA O. [redacted]
WELCH, DIANNE E. [redacted]
*WELCH, IVAN B. II [redacted]
WELKS, STEVEN N. [redacted]
WENTZ, PAUL L. [redacted]
*WEST, BERLYN G. JR. [redacted]
*WEST, RONALD C. [redacted]
WEST, TERRY A. [redacted]
WESTBERG, DENNIS A. [redacted]
WESTBROOK, JOHN P. III. [redacted]
WESTGATE, MOLLY J. [redacted]
WESTPHAL, STEVEN D. [redacted]
WHARTON, JOHN F. [redacted]
*WHATLEY, WILLIAM A. JR. [redacted]
WHEELER, FRANK E. [redacted]
*WHITE, BRENDA Y. [redacted]
WHITECOTTON, DON M. [redacted]
WHITEHEAD, KATHLEEN L. [redacted]
WHITEHEAD, RAY A. [redacted]
WHITEHEAD, STUART A. [redacted]
WHITEHILL, CRAIG M. [redacted]
WHITFIELD, STUART A. [redacted]
WHITLEY, MARY G. [redacted]
*WHITLOCK, ALVIE D. [redacted]
WHITMAN, BRYAN G. [redacted]
*WHITTEMORE, BRUCE G. [redacted]
WIANT, TERRY L. [redacted]
WICK, GREGORY J. [redacted]
WIDMAN, SUSAN M. [redacted]
*WIGGINS, CHARLES E. [redacted]
WILCOX, MARK R. [redacted]
*WILCOX, ROBERT M. [redacted]
WILES, RICHARD I. JR. [redacted]
WILHELM, THOMAS P. [redacted]
*WILKERSON, JIMMY L. [redacted]
WILKERSON, KEVIN V. [redacted]
*WILKERSON, SCOTT F. [redacted]
*WILKINS, MARK S. [redacted]
*WILKINS, RAYMOND C. [redacted]
WILKINS, STEPHEN M. [redacted]
WILLARD, DOUGLAS W. [redacted]
*WILLEY, JEFFREY D. [redacted]
WILLIAMS, AARON J. [redacted]
*WILLIAMS, CHRISTOPHER E. [redacted]
*WILLIAMS, EDDIE B. [redacted]
WILLIAMS, GARLAND H. [redacted]
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WILLIAMS, MICHAEL S. [redacted]
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*WILLIAMSON, CHAUNCER L. [redacted]
*WILLIAMSON, JENNIE M. [redacted]
WILLINGHAM, FRANK P. [redacted]
*WILLIS, CARLTON P. [redacted]
WILLIS, PAUL A. [redacted]
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WILSON, GREGORY E. [redacted]
WILSON, RAYMOND C. [redacted]
*WILSON, ROBERT B. [redacted]
WILSON, WILLIAM D. [redacted]
*WINSTON, CLAYTON R. [redacted]
WINTELS, JUAN J. [redacted]
*WINTER, STEPHEN R. [redacted]
WINTERS, JAYME. [redacted]
WISNIOSKI, DOUGLAS R. [redacted]
WITHERS, WILLIAM G. [redacted]
WOLF, JOHN L. [redacted]
WOLFE, ROBERT H. [redacted]
WOLFF, ROBERT A. JR. [redacted]
WONG, LEONARD, [redacted]
WOODARD, BENNY E. [redacted]
WOODLIFF, LEE R. [redacted]
WOODS, ANDRE G. [redacted]
WOODS, EDWIN P. [redacted]
WOODS, GEORGE J. III. [redacted]
WOODS, WILLIS A. [redacted]
*WOOLFREY, ARTHUR W. JR. [redacted]
*WORKMAN, JAMES C. [redacted]
WORKMAN, ROBERT B. III. [redacted]
*WORTHY, THERESA D. [redacted]
WRIGHT, BRIAN A. [redacted]
*WRIGHT, JOHN V. [redacted]
*WRIGHT, MICHAEL A. [redacted]
WRIGHT, PAUL E. JR. [redacted]
*WRISLEY, KENNETH L. JR. [redacted]
*WYATT, LISBETH V. [redacted]
*WYRICK, JIMMY R. [redacted]
YANNELLO, RAYMOND A. [redacted]
YARBROUGH, LOWELL S. [redacted]
YATES, LEON N. [redacted]
YESHNIK, MARK A. [redacted]
YOCHIM, FREDERICK A. [redacted]
*YONG, PETER H. [redacted]
YOUNG, CHET C. [redacted]
YOUNG, JIMMY D. [redacted]
YOUNG, LAVERM JR. [redacted]
*YOUNG, RICHARD A. JR. [redacted]
*YOUNG, RICHARD C. [redacted]
YOUNG, SAMUEL R. JR. [redacted]
*YOUNG, TIMOTHY R. [redacted]
*YOUNGMAN, WAYNE M. [redacted]
YUENGERT, LOUIS G. [redacted]
*ZAAT. STEPHEN V. [redacted]
ZAJAC, DANIEL L. [redacted]
ZAMPELLA, WALTER C. [redacted]
ZANDY, THOMAS S. [redacted]
ZAPPALLA, STEPHEN JR. [redacted]
ZAYAS, JERRY D. [redacted]
*ZEIGLER, JACK C. JR. [redacted]
*ZEIGLER, ROBERT E. [redacted]
*ZIEGLER, CHARLES G. [redacted]
ZIMMERMAN, CHRISTOPHER P. [redacted]
ZIMMERMANN, RALF W. [redacted]
ZIOBRO, MARTIN T. JR. [redacted]
ZOCCOLA, JOHN T. [redacted]
ZOLP, WILLIAM C. [redacted]
[redacted]

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR PROMOTION TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE, UNDER THE PROVISIONS OF SECTION 307, TITLE 32, UNITED STATES CODE, AND SECTIONS 8363 AND 593, TITLE 10, UNITED STATES CODE.

LINE OF THE AIR FORCE

To be colonel

RICHARD M. ANDERS, [redacted]
BRIAN E. BARENTS, [redacted]
JOHN H. BOH, JR. [redacted]
JAMES T. BRIDGES, [redacted]
JOHN M. BRYAN, [redacted]
PHILIP R. BUNCH, [redacted]
MICHAEL D. BURKHALTER, [redacted]
JOSEPH L. I. CANADY, II, [redacted]
SAMUEL P. CARTER, JR. [redacted]
EUGENE F. CONSIGLIO, [redacted]
JOHN D. DEATON, [redacted]
THOMAS R. EBNER, [redacted]
JAMES A. EVANS, [redacted]
MICHAEL J. FISHER, [redacted]
BRIAN J. FREEMAN, [redacted]
RONNIE H. GILL, [redacted]
WILLIAM P. GRALOW, [redacted]
GEORGE D. GRAVES, [redacted]
KEITH E. HALLMARK, [redacted]
DENNIS P. HARRINGTON, [redacted]
WILLIAM A. HENDERSON, [redacted]
CLARENCE E. HESTER, [redacted]
JAMES W. HIGGINS, [redacted]
CULLEN A. HOLLISTER, [redacted]
MARVIN E. HORNER, [redacted]
WILLIAM L. HOWLAND, [redacted]
ROBERT C. JOHNSON, [redacted]
KENNETH U. JORDAN, [redacted]
DAVID W. JURENKA, [redacted]
RAYMOND A. LEDBETTER, [redacted]
CHRISTOPHER J. LUNA, [redacted]
GEORGE M. MANN, JR. [redacted]
ROBERT S. MCNAMARA, [redacted]
RONALD W. MIELKE, [redacted]
ROBERT L. MYER, [redacted]
HENRY S. PARKER, [redacted]
JOHN E. PEREZ, [redacted]
LARRY E. PETERS, [redacted]
KENNNETH S. PETERSON, [redacted]
WILLIAM H. PHILLIPS, [redacted]
RICHARD A. POLK, [redacted]
WILLIAM T. RAISON, [redacted]
LAWRENCE A. SITTIG, [redacted]
GERALD R. SKOLL, [redacted]
RICHARD L. TESTA, [redacted]
JAMES E. THOMEY, [redacted]
RICHARD D. TREBESCH, [redacted]
BENJAMIN R. WHITLAW, [redacted]

DENTAL CORPS

THOMAS L. WINANS, [redacted]

JUDGE ADVOCATE

JOHN T. KRALL, [redacted]
HAROLD R. SMETHILLS, [redacted]

MEDICAL CORPS

RAUL L. DIOKNO, [redacted]
PAUL V. EDELEN, [redacted]
EDWARD C. KRECKER, [redacted]
ROBERT R. MORRISON, [redacted]
RICHARD A. STEMM, [redacted]
RONALD J. STEPHENS, [redacted]

NURSE CORPS

SHIRLEY C. CLARK, [redacted]

IN THE NAVY

THE FOLLOWING NAMED LIEUTENANT COMMANDERS OF THE RESERVE OF THE U. S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF COMMANDER IN THE LINE, IN THE COMPETITIVE CATEGORY AS INDICATED, PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE OFFICERS

To be commander

EDWARD L. ABNER
NICHOLAS JOSEPH ABRAHAM
JOHN ARTHUR ACHENBACH
THOMAS RANDALL ADRIAN
SCOTT EDWARD ALBRECHT
THOMAS DEANE ALDERN
ALPHONSE ALVIN ALLEN
JOHN WILLIAM ALLING
BRIAN S. ANDERSON
MARK EVAN ANDERSON
DEAN CAMERON ANDES
EDWARD D. ARMBRUSTER
MICHAEL WELLS ARNOLD
MARK CONRAD ASBURY
CALVIN L. BAGBY
DAVID W. BAIR
STEPHEN HOWARD BAKER

JEROME ANTHONY BALIUKAS
CHARLES MELVIN BARNES
DANIEL ANDREW BEARY
MICHAEL K. BEEBE
MELVIN NMN BELL
DENNIS DEAN BENSON
GUSTAVE LOUIS BERG, III
JEFFREY FELIX BERG
FRANKLIN HUGH BERNARD
CHRISTOPHER JOHN WHIT BERRY
RICHARD DAVID BINNS
DAVID WESLEY BINTZ
JOHN EDWARD BISHOP
DAVID N. BIZE, III
ROBERT LESLIE BLACK
GLEN MARTIN BLINDE, JR
WOLFHUBERTUS NMN BOCK
WILLIAM GREGORY BODDY
CHARLES S. BOWERS, III
JAMES P. BRACY
CARL PHILLIP BRAUN
OSCAR JAMES BRAYNON
VERNON L. BROMLEY
ROBERT CORLISS BROWN
TERENCE HENRY BROWN
BRIAN LEE BRUNNER
JEFFREY DAVID BUEHRLE
JEFFREY ALLAN BUKER
MARK KENNETH BUNKER
CHRISTOPHER SCOTT BURNS
CHRISTOPHER THANE BUTLER
MARK CHARLES BUZEK
WILLIAM R. CADY
JOHN HENRY CAHILL, III
LAWRENCE EDWARD CAHILL
GEORGE K. CARNES, JR
CONSTANCE J. CARTE
JOHN MICHAEL CARTER
JOHN ROGER CASEY
PETER M. CAULK
EDWARD VINCENT CHIMAHUSKY
FRANK PETER CHRZANOWSKI
VINCENT CIARLANTE
RANDALL CHARLES CIESLAK
DANIEL EDWIN CLARKE
MARK S. CLAY
DONALD VAUGHN CLEMONS, JR
LAWRENCE E. CLIFFORD, JR
KARL EDWARD CLOUGH, JR
THOMAS LEE COCHENOUR
DENNIS LOUIS COE
JOE MILTON COLLINS
ROBERT OWEN COLLYER
TERRY LYNN CONNER
JAMES EDWARD CONNORS, JR
WADE THOMAS COOPER, JR
DANIEL M. CORPMAN
HARRY T. COWELL
JOHN BRACKLIN CRIBBS, II
STEVEN K. CROWE
DAVID MACLEOD CUNEO
JOHN MICHAEL CUNNINGHAM
JAMES MAYALL DAIGNEAU
CAROLE LEIGH DANIS
DOUGLAS STEPHAN DAUGHTRY
JOHN KING DAURORA
ROBERT M. DAWSON
JOSEPH A. DAY
DIRK J. DEBBINK
MICHAEL ANTHONY DEGIGLIO
JAMES WILLIAM DEGOEY
RICHARD SANCHEZ DELACRUZ
BRIAN S. DEVITT
CHRISTOPHER WAYNE DILLER
THOMAS P. DONNELLY
PATRICK EDWARD DOWNER
BRIAN WYNNE DOWSLEY
PATRICK G. DRISCOLL
JOHN DUFF, III
MICHAEL DUGAN
JON ANTHONY DUNCAN
HENRY DUNNENBERGER, III
JAYMIE ALAN DURNAN
RICHARD MICHAEL DWYER
DAVID S. ELLIOTT
THOMAS LOUIS ELMORE
WILLIAM ARTHUR EMSLIE
PETER W. ENGEL
BYRON RANDOLPH ENGH
CRAIG R. ENOS
HEIDI MUELLER ERNST
STEVEN CRAIG ESTES
MICHAEL STEPHEN ETHERIDGE
JOHN DAVID FAULDERS
ROBERT JOSEPH FAY
DONALD STEVEN FELDMAN
DAN EDWARD FENN
WILLIAM HENRY FENNECKEN
DOUGLAS H. FERGUSON
ROGER GLENN FLEISCHER
DAVID STEPHEN FLOYD
SCOTT A. FONTAINE
GREGORY A. FOSTER
STEPHEN CRUZ FOX
DAVID ROBERT FRANCHELLA
DENNIS MARK FRANICH
GREGORY DOUGLAS FRISK
ROGER L. FRITZLER
DAN RICHARD FUNK
DAVID WAYNE GALATIOTO
CARON JEAN GALVIN
JOHN S. GARDNER
STANLEY A. GARMER
JAMES C. GASSAWAY
JOHN E. GAULT
PATRICK HOWARD GAVIN
DANIEL GEARING
OLIVER FORD GIBSON, III
ROBERT EDWIN GLEASON
SAMUEL PEARSON GODDARD, III
DOUGLAS GOOLSBY
JEFFREY A. GORMAN
THOMAS M. GORMAN
PAUL A. GOTTSCHALK
ELEANOR LEE GOWARD
JOHN C. GRACE
WALTER FORD GRADY
ERIC GREGORY GRAFF
CHRISTINE GRANT
MARK DOUGLAS GRAY
PETER D. GREEN
RUSTY M. GREER
MICHAEL DAVID GRIFFES
MICHAEL F. GROMEK
JOHN CHARLES HALL
WILLIAM ALLAN HALL
RICKY THOMAS HAMMONDS
DOUGLAS E. HANNUM
RAYMOND NEIL HANSEN
JUNE T. HARDY
KATHLEEN LYN HARGER
GILBERT RAY HARLAN
JOSEPH H. HARRINGTON, JR
JACK F. HARRIS
RODNEY ALAN HARRIS
MARC ALAN HARRISON
WILLIAM CHARLES HARTMAN
LARRY WAYNE HAUTH
JOHN EDWARD HAWKINS, JR
RICHARD D. HAYES, III
STUART A. HAYES
DOUGLAS J. HESS
JOHN ERIC C. HIGGS, III
DONALD C. HILL, JR
KENNETH RAYMON HINDERSINN
FRANCIS C. HINDS, III
BRUCE E. HINKLEY
JOHN DOUGLAS HOBDAY
LAWRENCE EUGENE HODEL
JAMES D. HOFFMAN, JR
PAUL E. HONEYCUTT
DONNA LEIGH HOPKINS
STEPHEN HORBIAK
ARTHUR WILLIAM HORN, JR
STEPHEN S. HORTON
CHRISTOPHER MARK HOZA
DAVID J. HUDACEK
RICHARD HUGO HUEBNER
FREDERICK PAUL HUGHES
ROBERT EDWARD HUMMEL, JR
ROBERT GRAY HUNTER, JR
THOMAS HARVEY HUTCHINSON
JAMES CHEAIRS IKARD
LAWRENCE JAMES INDIVIGLIA
SCOTT DAVID INGLIS
WILLIAM HERBERT ITTNER
WILLIAM MARSHALL IVORY
ALICE G. JACKSONWRIGHT
JOHN ROBERT JACOBSON
THEODORE JAMES JACOBSON
THOMAS ERIC JACOBSON
ANDRE A. JALBERT
BRUCE CLYDE JAMES
GREGORY SCOTT JARRELL
GREGORY JENKINS
ROBERT P. JENKS
JAY ROBERT JENNINGS, II
DANIEL JAMES JERABEK
JOHN MICHAEL JOERGER
SIGURD ARTHUR JOHANSEN, JR
ARVIN W. JOHNSEN
DIANNE HENSLEE JOHNSON
GEORGE ROBERT JOHNSON
STEVE ALLEN JOHNSON
RICHARD MERWIN JOHNSTON
HENRY B. JONES, III
CARL W. JORDAN
CARROLL MICHAEL JUDICE
RANDAL MILTON JUSTUS
RONALD LEE KAHLENBECK
RICHARD P. KELLY
STEVEN JOSEPH KEOUGH
KEITH W. KINANE
FREDERIC KINKIN
KEVIN J. KINPORTS
STEVEN ROBERT KIRCHMANN
RICHARD KIRSTEN
KENAN JAMES KNIERIEM
PETER M. KNOETGEN
FRED DAVY KNOX, JR
DEAN WILLIAM KOEHLER
CLIFFORD W. KRCHA
THOMAS DUANE KUHLMANN
T. J. LAGERSTROM
EDDY WILLIAM LAI
CLARENCE L. LAMAR
CHARLES RICHARD LASKO
ROBERT FRANCIS LAVARNWAY
JAMES HARLAN LAWRENCE
CHARLES HAROLD LEACH, III
PATRICK LEBLANC
ROBERT L. LENCE
PETER ARTHUR LENZEN
HELEN VANESSA LEONG
WILLIAM J. LESTER
JEFFERY WILLARD LEVI
BENNY F. LEWIS
MICHAEL RAWLS LILEK
STEPHEN ODELL LILLIE
JAMES K. LIMING
BRADLEY JAY LITTLE
FREDERICK LITTY
JEFFREY HULFORD LONG
WILLIAM LEVI LONGSHORE, III
CHAM WAH LOUIE
MARVIN LEE MACKIN
JAMES HOWARD MADDEN
MICHAEL PAUL MAGNOTTI
EUGENE JOSEPH MALONE, JR
JOHN MICHAEL MASON
EDWARD NMN MASSO
MICHAEL JUDE MAYNARD
JOHN RILEY MCCARRAHER
EDWARD LEON MCCUTCHEN, JR
JAMES CAREY MCDONALD
ROBERT S. MCEWEN
JOHN P. MCGINN, JR
MICHAEL EUGENE MCKENNY
PATRICK PETER MCKERNAN
WILLIAM E. MCMINN
MORGAN MCQUISTON
JAMES M. MCTERNAN
MICHAEL K. MCVAY
R. D. MCWHORTER
RICHARD W. MEANOR
DENNIS PAUL MESSENGER
MICHAEL ARTHUR METSKAS
DAVID ROBIN MICKLE
WILLIAM EDWARD MILES
ROBERT LEE MITCHELL
ROGER ALLEN MITISKA
JOHN DUNCAN MONACO
PRISCILLA ANNETTE MONDIEK
RONALD MELVIN MONROE
MICHAEL JEROME MOON
RANDALL KEITH MOON, JR
PETER ALLEN MOORE
WILLIAM RICHARD MOORE
SARAH JEAN MOYE
ROBERT W. MULLOY
BRIAN EDWARD MULVANEY
GERARD ANTHONY MUMFREY, II
STEPHEN RICHARD MUNROE
KEVIN P. MURPHY
JOSEPH KAROL NAWROCKI
COLLEEN NMN NEVIUS
WILLIAM RAND NEWHOUSE
STUART THEODORE NEWMAN
CYNTHIA LOUISE NOWELL
DONALD J. NOWICKI
DONALD WILLIAM OAKES
KARLA S. OGDEN
JOHN JOSEPH OKEEFE, III
DENNIS LEE OLIVER
WILLIAM MICHAEL ORR
JAMES T. OSTRICH
STEPHEN KEITH PAGE
STEVEN LEONARD PALS
MICHAEL ROBERT PAPENTHIEN
CHARLES PARAMORE
WILLIAM NICHOLAS PARHAM, JR
ROY O. PARKER, JR
REMY JOHN PATTYN
STEVEN KENNETH PETROSKI
GEORGE G. PLATZ
LOREN R. PLISCO
OSCAR JULIO PORRAS
GEORGE WALLACE POSTELL, III
KEVIN LEON POWELL
JAMES PROPHETER
RAYMOND PETER RAGUSKY
BARRY EVANS RAINEY
THOMAS S. RAU
DAVID L. RAUNIG
JOHN FRANCIS RAVOLD
SCOTT DENTON REAGAN
FRED EVAN REHRIG
THOMAS MICHAEL REIDY
ROBERT PAUL REILLY, JR
WILLIAM BENJAMIN RHUE
ANDREA ELLEN RICE
WILLIS LEE RIEF
DANIEL CHARLES RIGTERINK
EDDIE ROY RILEY
STEPHEN HENRY ROACH
WILLIAM M. ROBBERSON
STEVEN WAYNE ROBERTS
ROBERT CLYDE ROBERTSON, III
DAVID ROBINSON, IV
JOHN ELTON ROCKEY, JR
TOMI ELLIOTT ROESKE
OTTO ERNEST ROSSNER, III
STEVEN L. RUSSELL
MARK STEVEN SADEL
ALAN D. SARGEANT
MARTIN BLAINE SATTISON
GREGORY D. SAUL
DOUGLAS ERIC SCHAEFER
MICHAEL HENRY SCHMALTZ
ERIC ERNEST SCHONEBERGER
RONALD H. SCHWARTZ
SUSAN KAROL SCHWARTZ
DONALD B. SCOTT
ROBBIE DALE SCRUGGS
RANDALL LESTER SEGERT
JORGE PIZARRO SEIDEL
JAMES DANIEL SENCINDIVER
MICHAEL P. SEPELYAK
ROBERT SHEPPARD
PAUL S. SHERBO
WILLIAM RONALD SHERROD
WOODROW RALPH SHIELDS
DANIEL MAURICE SHIPLEY
DAVID JOHN SHORT
ERIC RUD SHUTLER
DANIEL LEWIS SIMPSON
WILLIAM MALCOLM SIMS, JR
KEVIN RUSSELL SKJEI
LEE T. SLAUGHTER
RONALD JOSEPH SMELTZER
ROBERT EDWARD SMITH
WAYNE CAMERON SMITH
DAVID PATRICK SMOUSE
JOHN W. SPENCER
DANIEL JOHN SPOONER
FELIX JOHN STANKIEWICZ, JR
DANIEL JENSON STEELE
ALAN RICHARD STEICHEN
CHARLES JAMES STEINBAUGH
MICHAEL NEWTON STOLLINGS
JOHN LEWIS STRIDE, JR
WILLIAM K. STULB
THOMAS SULLIVAN
THOMAS HILLMAN SULLIVAN, JR
PAUL MARTIN SUMMERVILLE
WILLIAM JAY SUMNER
KARIN DARLENE SUTTON
STEPHEN PAUL SWIERCZEK
CHARLES WATERSON SWINTON
RUSSELL WARREN TALBOT
JOHN J. TARTAGLIONE
PAUL JOHN TELTHORST
MARGARET ELIZABETH THOMAS
DOUGLAS ALAN THOMPSON
DAVID JOHN THORN
OWEN G. THORP
THOMAS JAMES TINSLEY
GARY FREDERICK TRITT
ROBERT ARTHUR TYLICKI
JAMES ROBERT UNDERWOOD
LAWRENCE DEL URBAN
DAVID J. VANPETTEN
RICHARD ROBERT VANTHOF
JOHN FRED VARNEY
ROBERT E. VASSAR
GARY WAYNE VERNON
MICHAEL J. VIETEN
ROBERT RALPH VOGEL
DAVID C. WAGNER
KENNETH ALAN WAGNER
DALE WILLIAM WAINWRIGHT
RICHARD JAMES WALLACE
JAMES LAWRENCE WALSH
DANIEL A. WARDROP
WILLIAM HENLEY WATSON, JR
STEVEN DOUGLAS WATT
ROBIN M. WATTERS
FREDRICK WILLIAM WEBER
EDWARD MICHAEL WEIKAL
JEFFREY W. WELCH
LEE O. WELCH
PATRICIA ANN WELLING
JEFFREY W. WENDEL
DANIEL EDWARD WERNLI
GERALD ALAN WHITE
JOSEPH WILLIAM WHITE
KENT D. WHITE
DANIEL WHITSETT
DENNIS KEITH WILCOX
HARVEY E. WILKINSON, JR
BETH GERMAINE WILLIAMS
ALBERT LEE WILSON, JR
ROBERT HOWELL WILSON
TERRY GYEN WINGO
STUART ORIAN WITT
ROBERT NATHANIEL WOFFORD
GREGORY J. WOLFE
MILTON LEGRAND WOOD, IV
DAVID ALLEN WOODCOCK
DAVID BRUCE WRIGHT
GARLAND P. WRIGHT
WILLIAM EDWARD YEAGER
EDWARD P. YETSKO
GREGORY JOSEPH YODER
NEIL M. YOUNG
STEPHEN A. YOUNG
DAVID M. ZATH
CAROL JEAN ZINK
EDWARD HOWARD ZUMSTEIN
VICTOR ARTHUR ZWIERLEIN

UNRESTRICTED LINE OFFICERS (TAR)

To be commander

ANTHONY JOSEPH ABBRUZZI
BENEDICT JAMES ARCARIO
DAVID E. BANKS
PAUL HENRY BASZNER
DANIEL BEECHER BELL
ALAN JEFFREY BLACKBURN
RICHARD ARTHUR BLOW
ROBERT MAURICE BRESNAHAN, JR
DAVID W. BULLARD
WILLIAM GRADY CARNAHAN
DON GORDON COOPER
MARK OWEN COULTHARD
LEO DENNIS CULLEN
WILLIAM AIME DEMERS
DAVID LAWRENCE DOWNING
WILLIAM JOSEPH FERENCZY
JOHN HOMER FISHER
MARK ALAN FRIESZ
DAVID G. GEOFFRION
ANTHONY WAYNE GILES
PAUL E. GONZALES
GILES GIRARD GOULDSMITH
ROBERT EARL HAYES, JR
PAUL J. HERON
ROBERT FRANCIS HOLMAN
MARK A. JOHNSON
MARTIN P. KAUCHAK
WILLIAM STEPHEN KELLY
ROBERT E. LOWE
JAMES VINCENT MARTONE
PAUL JAMES MAZICH
JOHN JEFFERY MCGARRY
REED ERIC MCGUIRE
WILLIAM EARL MCKINNON
STEPHEN PATRICK MCMULLIN
KENNETH LYNN MCWILLIAMS
CHARLES LOUIS MORIN
JONATHAN PATRICK MUIR
GUS N. OROLOGAS
THOMAS A. OSSECK
JAMES W. PANDZIK
JAMES FRANK PEREIRA
JEFFREY S. RAMPONE
MARY ANN F. ROWE
ALBERT JESSE SCHUETTE
FREDERICK WILLIAM SIEGERT
ROBERT ANGELO SINIBALDI, JR
HAROLD EDWARD SPEARS, JR
ROBERT ALLEN SPENCER, JR
TIMOTHY LEE STOCKWELL
PAUL JOSEPH SWAGLER
FORREST L. TOUCHBERRY
DANA LYNN UPTON
BARRY N. WILBUR
IRVIN GONZALES WILLIAMS, III
ERIC ALAN WISEMAN
MARK D. WORRILOW

ENGINEERING DUTY OFFICERS

To be commander

BENJAMIN PATAYAN ALBA
STEPHEN LEE BERRY
DALE ROBERT CURTISS
WILLIAM MATTHEW DEAN
MARK PAUL DOEHNERT
STEVEN ZACHARY ELBINGER
EUGENE M. GOLDA
DARRELL CHARLES HAGEN
GARY LYNN HICKS
NELSON ROLF KING
THOMAS LAWRENCE LAGUARDIA
ALLEN LYNN MATHENY
DAVID TERRY MCDANIEL
STEPHEN CHARLES NELSON
ISABELLA JENNIFER OLEARY
GARY ADAM ORSKI
MICHAEL L. SCOTT
WILLIAM DAVID SCOTT
JOHN ERVIN THORP
ROBINSON D. WONG
ERIC R. ZUMWALT

AEROSPACE ENGINEERING DUTY OFFICERS (ENGINEERING)

To be commander

DENNIS ARTHUR BEHM
ERIC DONALD BRIES
REGINALD ARTHUR DAVIS
WILLIAM ROCK DAZE
MARC LEWIS GOLDSCHMITT
ROBERT NOROBERT JUAREZ, JR
RONALD WALTER MORRISON
RALPH AVERILL PALMER, III
HARRY FLOYD SHAFFER
CHARLES RAYMOND SHARRATT
RODNEY DAVID VAUGHT

AEROSPACE ENGINEERING DUTY OFFICERS (MAINTENANCE)

To be commander

JOSEPH ROBERT BADICK
MATTHEW CLEMENT BOENKER
MICHAEL RAY CLEMENTS
DANIEL FRANK PARRILLO

AEROSPACE ENGINEERING DUTY OFFICERS (MAINTENANCE) (TAR)

To be commander

MORGAN BLAINE PEARSALL

SPECIAL DUTY OFFICERS (MERCHANT MARINE)

To be commander

JOHN WALSH BRENNAN, JR
JAMES WRIGHT BYERS
MICHAEL HENRY DILLON
JOHN MILTON GANDY, III
RICHARD BRUCE GRAHAM
LOUIS FRANCIS HANNIGAN
RODNEY GRAFTON MCFADDEN

SPECIAL DUTY OFFICERS (CRYPTOLOGY)

To be commander

DANIEL A. ACTON
DAVID L. BURRILL
LARRY DERYL BYRD
ROBIN NMN FELIX
EDWARD JOHN GENNINGER
RAY ALLEN GOODSON
CARL JOHN GUS, JR
MICHAEL ROBERT KNAPKE
PAUL RAYMOND LANG
MELINDA ANN LAWTON
JOSEPH FRANCIS LEES
GARY EDWARD MITCHELL
GERALD WAYNE PEETERS
MICHAEL JOSEPH PITTARD
DANIEL ARTHUR POHTO
JOHN SHERROD ROBERTSON
ROGER PERNO SNEDEN, II
KENT BRUCE ZIMMERMAN

SPECIAL DUTY OFFICERS (INTELLIGENCE)

To be commander

RICHARD JOHN ALEXANDER
WILLIAM POLK ALEXANDER, III
ROBERT FULTON BAARSON
MOLLY RAHE BAUMGARDNER
DAVID PAUL BIEGA
JEROME DANIEL BISH
JOHN W. BURNS
THOMAS DWIGHT CHEEK
CHARLES EDWIN CHENEY
PETER EUGENE COVELL
DOUGLAS E. CUPO
GEORGE WILLIAM DEBOER
MICHAEL DONAHUE
JOHN CHARLES DOSTA
RICHARD WILLIAM DUTSON
CRAIG R. FAJNOR
WILSON NORFLEET FELDER, II
LEO LAWRENCE FLYNN, JR
STEPHEN CRAIG FOREE
BRADLEY CHARLES FUSSELL
MICHAEL PETER GOLDEN
JNEANNE MARY GREGOIRETHEUS
JUAN GARCIA GUEVARA, JR
JOSEPH GREGORY HAYS, III
JOHN HENRY HODGKINSON
JEFFREY CRAIG HOY
ROBERT EARL HUMPHRIES
BRADLEY M. INMAN
PAUL DAVID JESS
HOWARD T. KAUDERER
KENYON HYATT KENNEDY
NORMAN ALAN KENT
BRUCE JOSEPH LAPOINTE
MARK ALAN LUETKEMEYER
MARJORIE MARIKO HIGA MANUIA
LYNN E. MARSHALL
LARRY K. MARSKE
BENJAMIN BARGER MORGAN
KENYON LYNN MOSS
MELVIN CLAY MURPH
DENISE ELLEN MURPHY
LANE EDWARD NAPOLI
RICHARD STEPHEN OLSON
DONALD JEFFREY PAINTER
KENNETH FRANCIS PATTERSON
ALAN E. PEASE
MARK M. PETZINGER
JAMES WALTER PICKERING
PHILLIP LINCOLN POIRIER, JR
JAMES BOST ROBERTS, III
LARRY W. ROGERS
MARYBETH KIMBERLY RUPERT
RUSSELL CHARLES SCHLOTE, JR
DON CHARLES SCHOMER
ALFRED JOHN SEUFERT, JR
GLENN RAY SIVILLS
FREDERICK DEAN STEIN
ALAN ROBERT THEILE
EDGAR DALE THOMPSON
LARRY JAMES TODD
DEBORAH TERESSA PAINTE WARD
MARGARET MARY WATRY

SPECIAL DUTY OFFICERS (INTELLIGENCE) (TAR)

To be commander

WILLIAM ANDREW CIRA
STEPHEN MICHAEL SAIA

SPECIAL DUTY OFFICERS (PUBLIC AFFAIRS)

To be commander

WILLIAM GEORGE ARMSTRONG, JR
GLENN EDDIE T. FLOOD
WILLIAM HOWARD HICKMAN
STEPHEN HOWARD HORWITZ
MARK STANLEY JOHNSON
NATHAN EDWIN JONES
JAMES ANTHONY KENDRICK
ANNE CYNTHIA LEON
GARY HUGH MACDONALD
STEVIE PRESSLEY
PETER JAMES REYNIERSE
JEAN ELLEN ROBERTS
MICHAEL PATRICK SMITH

SPECIAL DUTY OFFICERS (OCEANOGRAPHY)

To be commander

ROBERT MARK AUNE
SCOTT FARLEY BUCK
WILSON CHUN SIM FONG
GREGORY FRANK NEUSCHAFER
LEE SMITH, III

IN THE NAVY

THE FOLLOWING-NAMED LIEUTENANT COMMANDERS IN THE STAFF CORPS OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADE OF COMMANDER, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

MEDICAL CORPS OFFICERS

To be commander

RICHARD JOHN ACKERMANN
JOHN FRANCIS ALBURGER
BRYAN STANLEY APPLE
RICHARD WAYNE ASHBURN
CHARLES ROBERT AUKER
MARK WAYNE AUSTIN
GLENN SHERWOOD BACON
RICHARD SHELDO BAKALAR
BRUCE PAUL BARGER
DUNCAN STEWART BARLOW
DAVID JOHN BARNETTE, JR
LYNN SLOANE BEMILLER
TIMOTHY ALLEN BEMILLER
KEVIN GELZER BERRY
PHILIP BLISS BESHANY
CRAIG ERNEST BISCHOFF
LAURIE BETH BLAKLEY
BILL NELSON BOSWELL
WILLIAM A. BOWLER
CHARLES ELDON BRADY, JR
JOHN THOMAS BRAUN
TERESA M. BRENNAN
JOE PAUL BRYAN
CHARLES L. BRYNER, JR
STEVEN LANCE BUCKLEY
PATRICIA L. BUSS
MARK WILLIAM COBB
WILLIAM L. CODY
MARGARET LYNN COHEN
LAURENCE DAVID CONLEY
WILLIAM R. CORSE
MICHAEL DOYLE COURTNEY
LANCE EVAN CROPP
CHRISTOPHER CUNNINGHAM
CRAIG LEE CUPP
TERESA ANN DARCY
JAMES ROY DEVOLL
ROBERT JOHN DHAEM
ERNESTO ALBE DIAZORDAZ
JAMES PAUL DORMAN
ROBERT P. DRISCOLL
MARK EDWARDS
RICARDO BROWNL EUSEBIO
WILLIAM BRUCE FERRARA
WILLIAM JARVIS FORTE
EDWARD GASTALDO
H. JOHN GERHARD
THOMAS F. GIESECKE
IGOR M. GLADSTONE, JR
DANIEL LEONARD GRIFFEN
JAMES ALLAN GRIGGS
LARRY K. GRUBB
KELLY D. GUBLER
DANIEL W. HANSEN
DAVID MARSHALL HARLAN
JOHN RANDALL HEIL
MICHAEL ROSS HENRY
JAMES M. JOHNSTON
EDGAR THOMAS JONES
ELAINE MELISSA KAIME
DAVID ALAN KALLMAN
GERARD D. KENNEDY
EDWARD M. KILBANE
EUGENE S. KILLEAVY
PATRICK J. LANIGAN
RAYMOND BRUCE LEIDICH
DAVID LEIVERS
RICKY LOCKHART
SEAN RAYMOND LOGAN
JOSEPH O. LOPREIATO
HUGH P. MADDEN
EVERETT FRANCIS MAGANN
MICHAEL PETE MALANOSKI
STEPHEN V. MAWN
BRIAN ROBERT MCDONALD
WILLIAM ANTHO MCDONALD
CAMERON C. MCKEE
KEVIN W. MCNEELY
JOHN KURT MEHL
PAULA JOYCE MELONE
HARRY F. MEYERS
JACKIE ROBINSON MILLER
KEITH D. MUNSON
JOHN E. MURNANE
MATHEW NATHAN
JONATHAN C. NESBITT
DALE C. NEWTON
MICHAEL RICHAR NOWACKI
JEFFREY MICH OGORZALEK
FRED G. PANICO
IVAN YOPP PEACOCK
MARSHA GAIL PIERDINOCK
CHRISTOPHER RAMOS
RALPH WILLIAM RENKEN
MICHAEL T. RICCIARDI
KIRBY G. RIDGWAY
DOUGLAS CHARLES RIEHLE
KENNETH JEROME RILEY
GEORGE ED RODELSPERGER
GABRIEL ANGE RODRIGUEZ
ELLESTON CRAIG RUCKER
ANGUS HARRISON RUPERT
JEANNE MARIE RUSHIN
ELISABETH JANE RUSHING
DAVID MICHAEL SACK
LOUIS J. SAPORITO
BARBARA ANN SCHIBLY
FRANK VERNON SCHRAML
SAUL SAMUEL SCHWARZ
DAVID GRAYSON SCOTT
RANDALL VAN SELLERS
DAVID J. SMITH
DAVID GRAH SOUTHERLAND
MICHAEL RAYMON SPIEKER
MARK S. SPITZER
TIMOTHY LAMO STERNBERG
THOMAS J. STILLWELL
RICHARD ALAN SUMMA
JEFFREY M. SWALCHICK
WILLIAM TAYLOR
MICHAEL A. TURNER
JOHN H. VARGA
WILLIAM A. WALKER
PETER JOH WEIMERSKIRCH
WALTER RALPH WEISS
BRUCE MAC WENIG
THOMAS G. WESTBROOK
LAURA WILLIAMS
ROGERS LEE WORTHAM
GARY ARTHUR HUSTON
JOHN SHELTON HYATT, JR
LOUIS G. KALMAR
MICHAEL ROBERT KAPSCH
JOHN JOSEPH KASO
DIANE CHRISTINE KELLY
CHRISTOPHER T. KIBLER
KIM FREDERICK KLINE
KENNETH R. KMIEC
MARK LEONARD KONETSKI
WILLIAM ARNOLD KOWBA
CHRIS ANDREW LAMONT
WILLIAM RONALD LAVENDER
FRANK COOPER LAWTON, III
JOSEPH W. LEMIRE, JR
JAMES MICHAEL LEVALLEY
CARL FRAZIER LOGAN
MICHAEL ALLEN LOVEJOY
ANDREW GOODWIN MACKEL
JOHN DANIEL MARTIN
DONALD WILLIAM MARTYNY
PAUL JOHN MASTERS
JAMES ALBERT MAUS
DONALD TELFORD MCBURNEY
WILLIAM DAVID MCCARTHY
MARC MCCONAHY
CHRISTOPHER M. MCGRATH
THOMAS PAUL MCILRAVY
CHRIS R. MCKELVEY
MICHAEL JOSEPH METTS
JOHN EDWARD MOONEY
ROBERT L. MOSES
JAMES WALKER MULLALLY
DAVID BRYAN NEWBERRY
STEPHEN COURTNEY OBER
RONALD L. OLSEN
RICHARD ALLEN PARKER
PAUL JOSEPH PETRILL
ROGER ELLSWORTH PETTY
DAVID LEE PORTER
GEORGE CURTIS POST
RICHARD GAVIN POSTON
WILLIAM ARTHUR POTTER
JEFFREY L. POTTINGER
ANTHONY F. PRESTO
STEPHEN ANTHONY PRINCE
JACK NMN PRPICH
PHILIP LEE PUCKETT
MICHAEL F. QUERY
PETER RAY RAYMOND
KENNETH JOHN RECLA
DALE CHARLES RIECK, JR
BERNARD LAFAYETTE ROPER
EDWARD J. ROURKE
PEGGY JO ROY
DAVID C. RUFF
JOHN CHARLES RUNYAN
DANIEL F. RYAN
TIMOTHY GARY SAWYER
RALPH OTTO SCHERINI
WILLIAM D. SCHILL
PATRICK M. SELLERS
DANNY ANDREW SHOCKLEY
WILLIAM B. SHORT
JOHN NMN SIEMBIEDA
LYNN PATRICIA SIMON
MARY LYNN SLOUGH
DAVID VAN SMITH
DONALD WILSON SMITH
JANE RENO SMITH
DANIEL REID SMOAK
RICHARD JAMES STAHEL
THOMAS E. STEFFEN
STEVEN CRAIG STERRETT
RUSSELL TENNENT STROTHER
CHARLES TOBIAS SWITZER
RODNEY M. THOMPSON
JAY R. TROWBRIDGE
MICHAEL PATRICK TRYON
CURTIS HEIGH TUCKER
RODNEY WILLIAM TURK
JERROLD LEON TWIGG
MYLES GARRETT VANSTON
ROBERT B. VASSIAN
FREDERICK RALPH VOELLM
KENNETH F. WALTER
JENNIFER GATLIFF WATSON
WALTER FREDERICK WATSON
MARVIN CARL WENBERG, II
GARY WAYNE WESTFALL
PETER LLOYD WHIPPLE
KEVIN LAWRENCE WHITE
VIVIAN THOMAS WHITLOCK
ROBERT LEON WILLIAMS
DAVID ALAN ZUCKER

SUPPLY CORPS OFFICERS

To be commander

KEITH THOMAS ADAMS
REBECCA JEAN ADAMS
ROBERT B. ALDERMAN
DOUGLAS J. ALLEN
CLIFFORD JAMES ALLIGOOD
MICHAEL ALAN ANDERSON
MICHAEL AUGUSTINE
JAMES M. BAKER
MARK HAROLD BARBER
JOSEPH CLIFFORD BASTIAN
GEORGE E. BENNETT
JERAN BINNING
KARL WILLIAM BOGOTT
JOSEPH RALPH BONOMO
BARRY BLANE BOYD
MARTIN JOSEPH BROWN
SARAH ELLIOTT BROWN
RICHARD ALEXANDER BRYANT
WINSTON HAMLETT BUCKLEY
ROBERT J. BUMP
LADEAN WILLIAM BUNKERS
ROBERT JOE BUTHERUS
HOWARD CARTWRIGHT, JR
JOE D. CLEMENTS
HAROLD CLARK COLE, JR
RICHARD STANLEY COLTON
RAYMOND H. COOK
GARY W. CORDERMAN
JAMES STEVEN COWART
GREGORY A. CRISMON
MATTHEW D. CULBERTSON
EDWARD ARTHUR DAHL
MICHAEL MEADOWS DARBY
JAMES JOHN DARGAN, JR
DELBERT ERNEST DAVIS
JAMES WALTON DAY, JR
DOUGLAS MICHAEL DEETS
JAMES LAWRENCE DIETZ
JOHN S. DITTMEIER
WILLIAM DOUGLAS DOLAN
DAVID S. DOUGLAS
RICHARD D. DOWLING
CHRISTOPHER BARSTOW DRAKE
JAMES FRANCIS DUFFY
RONALD DAVID ELKINS
WILLIAM F. FEAY
RICHARD HARVEY FEIERABEND
SCOTT WARD FISHER
DONALD EUGENE FRANKLIN
MICHAEL WAYNE FREE
ANTHONY PETER FRONTIERO
STUART DOUGLAS FUNK
MICHAEL FUZY, III
WILLIAM JOSEPH GAULT
HOWARD E. GLASSMAN
JAMES NICHOLAS HAGARTY
ROGER ELLIOT HAMMER, JR
MARK DAVID HARNITCHEK
MICHAEL WELDON HEDGES
EDWARD N. HERING
LARRY RAY HEYEN
MICHAEL W. HICKINBOTHAM
JOHN S. HICKY
JOHN LAWRENCE HIGGINS
DENNIS JOSEPH HOFFMAN
DONALD BERNARD HOFFMANN
RENE RAYMOND HOOPER

CHAPLAIN CORPS OFFICERS

To be commander

DONALD WEBSTER AVEN
DAVID MERYL BELT, JR
ROBERT PAUL BELTRAM
CHRISTOPHER P. BENNETT
CHARLES JOSEPH BURT, JR
SANTINO ANTHONY KE CASIMANO
ROBERT PERRY COOPER
ROBERT NELSON EDWARDS
RICHARD CARTER FLETCHER
GILBERT DARRYL GIBSON
JAMES MONROE HIGHTOWER
ALBERT L. HILL
LAWRENCE BALL KEITH
JAMES RODNEY KELLEY
JOHN STEVEN LINEBACK
JAMES BEATTIE MAGNESS
STANLEY HOWARD MCCREARY
WALTER ROBERTS MCIVOR
JOHN WESLEY MORRISON
ROY PALOMA PANES
GARY JOSEPH PARKER
JAMES FRANKLIN POE, JR
JAMES HOWARD POPE
ROBERT ALEX PRICE
LARRY ALDEN ROTH
ENOCH ARNOLD SIEGEL
RALPH HOWARD SODANO
PHILIP SIDNEY SPAIN
ROBERT EDWARD STONE
GEORGE LEWIS TUMLIN, JR
WAYNE THOMAS WEINLADER
MICHAEL LEONARD WILLIAMS
BERNARD RALPH WILSON

CIVIL ENGINEER CORPS OFFICERS

To be commander

JAMES MORGAN BARRETT, III
FRED HANS BECKMANN
DONEL SCOTT BIANCHI
DENNIS NMN BIDDICK
WILLIAM FRANK BOUDRA
DANIEL SHELLING BRANIGAN
ROBERT PETER BUCHHOLZ
GLENN CLARK CYPHERS
PHILIP HAYS DALBY
WALTER DONALD DEKIN
CHUCK L. DOHERTY
MARK EDWARD DONALDSON
MICHAEL DUNCALF DONNELLY
WILLIAM A. DOSSANTOS
THOMAS F. DREYER
TIMOTHY KEITH EQUELS
RONNIE DEAN GROVER
JOSEPH BANCROFT HALL, JR
THOMAS JOHN HILFERTY
JAMES W. HOLLRITH
RICHARD BEGG HUNTER, JR
MARK DAVID HUNTZINGER
ALISON HARDY INGRAM
DAVID ALAN JONES
DESMOND EDWARD KELLY
MARK IRVING KIMBALL
THOMAS MARKERT LOWRY
LOUIS V. MARCHETTE
ROLAND STEPHEN MOREAU
THOMAS WILLIAM NIELSEN
ROGER LEE ORNDORFF
TERRENCE LEE RAYBACK
JOHN E. SURASH
HAROLD D. TAUNTON, JR
MICHAEL DALE THORNTON
JEFFREY TUBELLO
DENNIS E. WRIGHT

JUDGE ADVOCATE GENERAL'S CORPS OFFICERS

To be commander

TERRY GLENWOOD BAKER
GARY DEAN BAXTER
JOSEPH P. CALLAHAN
PHILIP DOUGLAS CAVE
STEPHEN J. COYLE
DAVID L. GRIMORD
EUGENE ESKER IRVIN
NELS H. KELSTROM
MICHAEL WILLIAM LORD
WILLIAM KENT LUEKER

DAVID H. MYERS
GINGER CLARE PAAD
DAVID PAUL PRICE
ELDON DONALD RISHER, II
MARK E. ROSEN
FRANCIS VINCENT RUSSO
DAVID SUNDERL SHEPHERD
RICHARD ALLEN STEVENS
ROBERT BOYCE THOMAS, JR
MARK STEPHEN UTECHT
JANICE LYNNE WALLI
ROBERT WARREN WEDAN, JR
DAVID M. WHITE
RICHARD GENE WILLIAMS
PATRICIA ZENGEL

DENTAL CORPS OFFICERS

To be commander

TERRENCE LYNN ALLEMANG
RONALD G. ALLUSHUSKI
JOSEPH D. BARNETT
KEVIN WARD BARNHART
RICHARD T. BEX
JAY ALLAN BLACK
BRUCE N. BLANDY
LELAND SPEICLE BLOUGH
ROBERT EUGENE BLUNDELL
DAVID MARK CHRISTENSON
DAVID P. COTE
MARC SCOTT CUNNINGHAM
JOHN PATRICK DEPNER
ROBERT F. DEVIN
CHRISTOPHER RO ERBLAND
HOWARD HENRY J. FISCHER
JOHN THOMAS FRENCH
ROBERT FRANKLIN FRISBY
MARK DAVID GILBERTS
WILLIAM GLEN GOLDEN
DAVID L. GROCHMAL
STEPHEN BECKLEY HAAS
BRADLEY ALAN HALVERSON
GREGORY JAMES HEISE
SCOTT WILLIAM IMRAY
JOHN FRANKLIN JOHNSON
JOHN ROBERT KELLY
LOUIS J. KITSLAAR
STEPHEN BLISS KNOFF
RICHARD J. LEUPOLD
MICHAEL D. MAIXNER
ALFRED J. MASKERONI
MICHAEL PICKAR MCCLAIN
LLOYD P. MCDONALD
BRADLEY GEORG MCKEEVER
KENNETH ALEXANDE MERTZ
ALLEN RAY MIKULENCAK
JAN K. MITCHELL
DAVID SCOTT MORESI
RAND HINTZE NELSON
EDWARD ANTHONY NEUPERT
BRIAN KEITH NICOLL
WILLIAM G. REYNOLDS
KURT CONRAD ROLF
MARIAN ANN ROYER
ANDRE CHARLES SANTOS
MICHAEL LEE SCHOLTZ
PETER SLEPSKY
THOMAS B. SMITH
GREGORY L. STOYER
MICHAEL GEOR TENENBAUM
JAMES STEVEN VACEK
JOHN ARTHU VANDERCREEK
TOMMY BERNARD WHITE
GERALD K. WONG

MEDICAL SERVICE CORPS OFFICERS

To be commander

HARVEY JOHN ADKINS
MARK ALEXANDER
JAMES RUSSELL BEDDARD
DENISE C. BERRY
PAUL KINGSLEY BLAKE
FRANCIS CHRISTOP BROWN
RICHARD L. BURDESS
JAMES ROBERT CAMPBELL
RONALD JAY CARROLL
JOHN THOMAS COYNE
JOEL DAVID CROXTON
IRA NAPOLEON BON DAVIS
PATRICIA MARIE DENZER
DUANE MICHAEL DIAN
OSCAR WAYNE DICKEY
CYNTHIA A. DILORENZO
WILLIAM PETER FRANK
RUFUS EUGENE GODWIN
PETER C. K. GRAHAMMIST
CHARLES LESLIE HALL, JR
JOHN WILSON HALL
JESSE DONALD HARRAHILL
ELLIS EUGENE HODGES
DAVID HOWAR HOFFLINGER
EDWARD EWALD KARELIN
DAVID LAWRENCE KENNEDY
HERBERT DONALD KENNEDY
GEORGE D. KRAMER
NATHAN LACY
FRANK EDWARD LOIACONO
DAVID L. MALONEY
DENNIS KESSLER MCBRIDE
WILLIAM L. MCCULLOUGH
HERBERT KENNE MEREDITH
ROBERT JAMES MILLER, JR
MICHAEL HOWA MITTELMAN
WILLIAM SANFOR QUILLEN
SIDNEY DANA RODGERS
RICHARD R. ROSANDER
K. ADELE ROSSIMARSH
PAUL RALPH SANDOVAL
CHRISTOPHER L. SCHUYLER
DANIEL JAMES SNYDER
DAVID L. SPAULDING, JR
HUGH CORNELIO SULLIVAN
DAVID KIM TAYLOR
EDWARD ALAN TRAUTMAN
JERALD LEONARD ULMER
STEPHEN EDWARD WALZ
JOSEPH LLOYD WHITE
LARRY LEROY YOUNGER
GARY WAYNE ZUCKERMAN

NURSE CORPS OFFICERS

To be commander

MARGARET MARIE ALLARD
STEVEN EUGENE ANDERSON
CATHERINE MARY F. BAKER
KATHLEEN A. BAKER
BRIGITTE BALOG
DEBORAH JEAN BARKER
MARGARET ANN BARTON
DAVID JOHN BECKER
MARIANNE MIRALDI BENTZ
SANDRA COLETTE BIBB
PATRICIA M. BINNS
GERALD ANTHON BOECHLER
CAROL S. R. BOHN
MARY MASON BOSSICK
ROBERT EUGENE BOUTWELL
SUSAN COREDON BOWLES
JEAN NEWTON BRAKEBILL
SHARYN ANN BURKE
MARGARET LAURA BURNS
ROBERT EARL BUTZOW
SUZANNE MARIE PR BYRUM
KATHRYN ANNE CADWELL
GAYLAND JOHN CHAPMAN
KATHLEEN GRAC CHARTERS
JO ANNE CLANTON
JOANNE SUE CLARK
MARY EMALYNN COBB
DANIEL FRED COLVIN
MIRIAM NOWAK CORDELL
RITA A. COX
DONALD THOMAS CYR
JOANNE WHITNEY DAVIS
JOLINE IRENE WAT DEVOS
MARSHA HECKLER DEWEESE
JOHN ADAM DIXON
DIANE LYNN DREES
JANE KATHRYN EBERLEIN
GARY PAUL ELLIOTT
CHARLES BRUCE EMMERTON
JEAN MARIE ENSOR
CARL NELSON FARMER
SUSAN CLAIR FAUROT
LEAH STUART FEYH
RODNEY LEE FIEREK
JAMES VERLE FINCH
RICHARD PAUL FINK
DIANA LEE FLORIN
RONALD EDWARD FRALEY
BARBARA ANN FRITZ
ADELE DRAKE GABB
VANCE GLENN GAINER, JR
SUSAN LEARY GEORGE
LORA LYNN GIBSON
CANDACE M. GORTNEY
DEBORAH BUTTS GRAY
SUSAN LYNNE GRIFFIN
EDWIN HOWARD GULLISON
CYNTHIA ANN HAGSTROM
MARY M. HARDING
JANET MARIE HELLECKSON
LYNNE MARIE LU HINGSON
JOHN THADDEUS JACOBS
JAMES ALAN JONES
ADDIE LOUISE JORDAN
NANCY J. KALITOWSKI
DIANE JOYCE TH KIMBALL
MAJOR LEROY KING, II
LINDA GAY KLAMMER
TONIETTA LOUIS KUEHNLE
DIANE BEVERLY KUHNLY
HELEN ANTO LEBELEDMONS
BENNETT CERF LESHNOVER
CARL NORDWALL LEWIS
LARRY DEAN LINDERMAN
NANCY O. LINDSTROM
JEANNETTE A. LIVELY
JEANETTE LOUISE LONG
CYNTHIA POMINV LONGWAY
WENDY LYNN LUM
JEANETTE FRAHM LYNCH
PATRICIA ANN LYONS
ALVERINE JESSIE MACK
REBECCA ELLEN MAKDAD
DAVID CARL MANGLER
BEVERLY A. MATTHEWS
MAUREEN FRANCES MCAVOY
CHRISTINE MCKNIGHT
BARBARA STARR MCLEAN
NUTE CARL MEEKER, JR
LYLE DOUGLAS MELTON
SHELAGH THOMAS MEUSER
MARY MARGARET MEYER
CASHMERE FAYE MONROE
JANIE LINDEMANN MORGAN
ELLEN LOUISE MURPHY
JUDITH MAY NAKASHIMA
FRANCINE ANN NELSON
PATRICIA HURLEY NETZER
KAREN MARIE NOTO
TIMOTHY TRACY OBRIEN
SANDRA RODR OKATANROSA
LAURA PACE OMER
MARY ELLEN OROURKE
MARVIN PERRY
DEBORAH ANN PINTSCH
SHIRLI LYNN POLLARD
JAMES RALPH PUGH, JR
NANCY ANN PUKSTA
RICHARD SPENCE PURDHAM
JEAN EV QUINDAGRAFFELS
MARY ELLEN QUISENBERRY
LINDA M. REINERTSEN
KATHERINE ANN RIEF
KAREN S. ROPER
VERONICA WALSH RUBIN
ESSIE MAE RUCKER
SHARON FIGG RUSHING
DIANE LYNN RUSNAK
RUTH ANN RYAN
KAREN SUE SCHALLER
ELAINE MARIE SCHERER
GEORGE MCALISTER SCOTT
ALBERT JOSEPH SHIMKUS
THOMAS RAY SHIRK
SUSAN MARIE SMALLING
PATRICIA JOAN STEINING
EVELYN PARTRIDG STRODE
LAURENCE ANT TARNOWSKI
FRANK C. THOMANN
EDWARD ULDRICH, III
DORIS ANN VAIANA
DEBORAH VANLANDINGHAM
LINDA MARTIN VIDRINE
DEBORAH LYNN WAGGONER
KAREN NATALIE WALLACE
JULIE IMBER WAREHAM
JOYCE CAMPANY WENDT
RUTH ELAINE WHEELER
SUSAN AGNES WIDHALM
CAROL IRENE WILSON
PATRICIA ANN WORKMAN
PATRICIA KAY YARBROUGH

LIMITED DUTY OFFICERS (STAFF)

To be commander

RONALD J. LAUSTER
RICHARD ARNOLD NELSON

HOUSE OF REPRESENTATIVES—*Monday, June 3, 1991*

The House met at 12 noon and was called to order by the Speaker pro tempore (Mr. MONTGOMERY).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 3, 1991.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We earnestly pray, O gracious God, that You will continue to bless each person with Your grace and mercy. On this day we particularly remember in prayer the children of our families and of our communities, whom we name in our hearts before You, that they will be nurtured and sustained and loved as they grow in years. May their knowledge of Your bountiful creation and the daily presence of Your spirit increase and multiply in their lives so they will experience the wonder of life and the wisdom of all time. Bless all families, O God, that their love for each other will be a witness to Your love for each one of us. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentleman from California [Mr. LANTOS] will please lead the House in the Pledge of Allegiance.

Mr. LANTOS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1, CIVIL RIGHTS ACT OF 1991

Ms. SLAUGHTER of New York, from the Committee on Rules, submitted a privileged report (Rept. No. 102–83) on the resolution (H. Res. 162) providing for the consideration of the bill (H.R. 1) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes, which was referred to the House Calendar and ordered to be printed.

KING HUSSEIN OF JORDAN RAISES HOPE FOR MIDDLE EAST TALKS

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, we may—just may—be on the threshold of a significant step in the peaceful and diplomatic resolution of the Middle East conflict. King Hussein of Jordan, in an interview with a French newspaper, called for direct face-to-face negotiations with Israel.

Israeli Government officials immediately and enthusiastically responded by inviting King Hussein to direct face-to-face discussions in Jerusalem or Amman, Jordan. The ball is now in the King's court. He should accept without delay.

The King's apparent willingness to hold direct face-to-face talks should be an example for our erstwhile allies in the recent Persian Gulf war, who have thus far refused to participate in any of the discussions which Secretary Baker has so patiently attempted to set up. King Hussein's willingness to meet also puts the ball squarely in the court of Saudi Arabia, Syria, Kuwait, and the other Arab States.

ARIZONA SERVICE MEN AND WOMEN WHO DIED IN THE GULF WAR

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, during this 2 weeks between our celebration of Memorial Day and the national Desert Storm Homecoming Victory Parade on Saturday, June 8, 1991, we recognize the American heroes who served in the Persian Gulf war and who have and will return home to welcoming ceremonies across this land.

We must not, however, forget the 387 service men and women who died with honor in service to their country. Among them are five from Arizona who died during Operations Desert Shield and Desert Storm.

They will not hear the chorus of welcoming cheers; they will not see the flurry of colorful flags; they will not feel the comforting embrace of family and friends.

We honor:

Army Pvt. Dorothy Fails, 25, of Taylor, AZ. Dorothy was killed March 19, 1991, in a military traffic accident in Saudi Arabia. She served with the Arizona National Guard's 1404th Transportation Company.

Marine Pfc. Michael Noline, 20, of Peridot, AZ. Michael died January 26, 1991, in the collision of two armored vehicles near the Kuwaiti border;

Marine LCpl. Eliseo Felix, 19, of Avondale, AZ. Eliseo was killed February 2, 1991, when his convoy was hit by friendly fire cluster bombs near the Saudi-Kuwaiti border;

Marine LCpl. James Cunningham, 22, of Glendale, AZ. James was killed as he slept on November 9, 1990, when a fellow marine's rifle discharged accidently.

Marine Sgt. Aaron Peck, 22, of Phoenix, AZ. Aaron, a radar-operations repairman, was killed by enemy fire on February 23, 1991, as United States forces swept into Kuwait from Saudi Arabia.

These five young soldiers died in service to America. As President Lincoln said, they gave "the last full measure of devotion."

We remember them. We honor them. And we pray for them and their families.

WE NEED A TOUGHER NUCLEAR NONPROLIFERATION POLICY

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, the French Government has announced today that France is joining the Nuclear Non-Proliferation Treaty.

That welcome and long overdue announcement from Paris leaves the People's Republic of China as the last major power remaining outside the international nuclear nonproliferation regime.

China's reckless nuclear proliferation policies and practices have barred it from receiving any nuclear cooperation

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

with the United States, because China has proved unwilling to meet the conditions established for such cooperation under United States law. China has been unable to provide the United States with clear and unequivocal assurances required under the Markey-Solomon amendment that it is not assisting and will not assist any nonnuclear weapons state, either directly or indirectly, in acquiring nuclear explosive materials and components for such devices.

China's political leaders follow Mao Tse-tung's precept that political power grows out of the barrel of a gun. They will not change their ways until they find themselves staring down the barrel of America's economic gun.

It is time for the United States to stand up to ensure that we do not send the wrong signal to the Chinese, so to the rest of the world we know that these technologies are moving through China into Pakistan, into the Middle East. If we we are to have credibly fought the war over in the Persian Gulf, it has to have been over a strong nuclear nonproliferation policy, if nothing else, and let the United States now stand and send a strong signal to China and to all other countries in the world that we will not tolerate that activity. We will not give most-favored-nation status to the Chinese.

UNITED STATES STANDS FIRM FOR FREEDOM

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, there is good news from Angola. It appears that that country's civil war is at long last over. In Ethiopia, the statue of Lenin and the statues to other Communist dictators are falling. In South Africa we see a greater chance for democracy than at any time in our lifetime.

We should be reminded of the Reagan doctrine which, during the last decade, had the United States supporting the Afghan freedom fighers, and now the Soviets have marched out of Afghanistan. Yes, we supported in Angola, Jonas Savimbi, and in Nicargua we supported the Contras. Now today in Nicaragua, as these other countries, they have a democracy or a greater chance for democracy than ever before.

We stood firm and we supported those who were struggling for freedom. That is why we have been successful, because we had the courage to take on the right policies and stand besides those who were indeed fighting for freedom.

□ 1210

Today we hear that the Soviets are asking for billions of dollars worth of aid. Well, this aid, if we give it, which is a major question, should not go to prop up the last remnants of Communist power in the Soviet Union. If we do give aid, it should be channeled to those people within the Soviet empire and to those people in Yugoslavia who are struggling for freedom.

I would suggest that my colleagues join with me in supporting the Dole-Rohrabacher bill which would channel any aid to the Soviet Union to democratic republics, rather than Communist central governments.

LET'S NOT FORGET CAMPAIGN FINANCE REFORM

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, we will have a very important piece of legislation on the floor tomorrow, the civil rights bill, H.R. 1, which I certainly hope will pass, and I hope eventually will be signed into law by the President.

But, even as we are speaking about that important issue, we cannot forget other important issues which are pending, one of which I will speak to briefly, and that is the question of campaign finance reform.

We in Kentucky have just gone through a major primary election for our gubernatorial candidates and for the Lieutenant Governor and other statewide candidates. One thing stands out, and that is the low voter participation. It was below 40 percent. One party had a turnout of below 30 percent.

I think what that suggests, Mr. Speaker, is that the people of Kentucky, and by extension the people of the United States, are voting with their feet. They are staying away from the polls because they really do not think that politics is representative anymore.

I think that one of the several bills on campaign reform which are pending ought to pass, and I believe that will do many things. That will improve the ability people have of running for office and that will make the people of America vote in higher proportions.

CIVIL RIGHTS

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, shortly this body will take up H.R. 1, the Civil Rights Act of 1991. I am confident that this House will pass this critically needed legislation by an overwhelming bipartisan majority.

I rise at this point not to discuss the substance of the bill that we will debate tomorrow, but rather to make a simple appeal to the President.

I appeal to the President to abandon the effort to manipulate our racial fears and prejudices for self-serving political ends. Let there be no mistake: The only conceivable purpose of the White House characterization of the pending civil rights legislation as a "quota" bill is to raise the spectre of racial minorities seeking to gain an unfair economic advantage. In effect, the quota charge is the legislative equivalent of the Willie Horton campaign commercial—and just as irresponsible.

Mr. Speaker, the President is playing with fire. Racial and ethnic tensions have intensified in cities throughout America. Our society is increasingly polarized along racial, ethnic, and economic lines. And we are beginning to see the riots and violence that are the inevitable byproduct of continued injustice. Surely if there were ever a need for our national leaders to speak honestly and forthrightly to the issue of civil rights—and to the continuing racial and gender inequities born of past discrimination—it is now.

The President knows that nothing, absolutely nothing in H.R. 1, is about quotas. Quotas are illegal. They would remain illegal under H.R. 1. The harsh but unmistakable truth is that the issue of quotas is wholly contrived and is being used as a smoke screen.

Mr. Speaker, the President should be reminding all of us not of our differences, but of what we Americans hold in common. He should be rejecting the counsel of those who would seek to manipulate racial fears and prejudices for self-serving political purposes and he should, instead, be joining with the Congress in affirming the paramount importance of the effective enforcement of our civil rights laws.

THE NEW SOVIET LOBBY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, talking about danger, the Soviet Union is hiring a Washington lobby. They are going to pay the lobby $250,000 a month, $3 million a year, because the Soviet Union says, "If everybody else can do it, so can we."

Mr. Speaker, the Soviet Union wants 250 billion dollars' worth of American aid.

Now, if that is not enough to scorch your glasnost, some White House spokesman said, "Wow, that's really a lot of money."

Yes, some real Dick Tracy over there; but the President said, "I like what I heard at the meeting."

Tell me, Mr. Speaker, was a Soviet band playing the Stars and Stripes when the Soviet Union asked for 250 billion dollars' worth of aid? We have 37 million people without health insurance, 23,000 murders. We already spend $160 billion to protect Japan and Europe from an invasion by the Soviet Union.

Mr. Speaker, this is not foreign affairs. This is stupidity.

PRESIDENT ONCE AGAIN SHOWS HIS TRUE COLORS, THREATENS CIVIL RIGHTS VETO

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, once again, this President has shown his true colors. As a candidate for the U.S. Senate, George Bush opposed the 1964 Civil Rights Act, and now, as President, he wants to veto the Civil Rights Act of 1991.

Last Saturday, his speech at West Point was the most divisive and demogogic one that any President has made on civil rights in modern times.

The President should be ashamed of himself. His speech has done more to divide and polarize the American people along the lines of sex, race, and religion than any other speech given by any President in the last 30 years.

Quota has become a code word. Along with Mr. Bush at West Point, we had Clayton Yeutter, Chairman of the Republican Party, speaking in Wisconsin, telling the American people that this bill is a quota bill, that women and minorities do not need it, and that white people do not want it. If this speech is not a reminder of the days of George Wallace and Bull Connor, what is?

A SOVIET ORWELLIAN LIE

(Mr. COX of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX of California. Mr. Speaker, George Orwell in one of his famous works said that, "love is hate, war is peace and ignorance is truth."

The chief Soviet prosecutor today issued a report which has done George Orwell proud. He has said that the Lithuanian massacre last January, Bloody Sunday, as it has become known, was not the doing of the Soviet troops. It was the doing of the Lithuanian peaceful demonstrators themselves.

Twice in the last year I have gone to Lithuania. I have spoken with the people there. I have seen the Soviet troops, tanks, and personnel carriers, that still surround that radio and TV tower.

Like many Americans, I have seen the photos, the gruesome carnage caused by those Soviet troops, including that picture of the Soviet tank running over a young Lithuanian girl.

This Soviet coverup of the Lithuanian Bloody Sunday is a bald-faced Orwellian lie. Ironically, it comes in the very week that Gorbachev is traveling to Oslo to deliver his Nobel Peace Prize lecture.

Mr. Speaker, I say to Mr. Gorbachev that when he is in Oslo to take up his Nobel Peace Prize, there are two honorable things that he can do: condemn this Orwellian coverup of the Lithuanian Bloody Sunday, or give his Nobel Peace Prize back.

1991 CIVIL RIGHTS/ECONOMIC RIGHTS

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, much has been written and said concerning the Civil Rights Restoration Act of 1991, a law frankly that should have been enacted in 1990.

This civil rights measure really goes to the very core of what our society is about. I know that many citizens wonder how does this proposal affect them.

The Civil Rights Restoration Act holds up the basic proposition of equal economic opportunity for all in our Nation the fair access to employment, the basic economic opportunity that people need to attain and maintain economic well-being in our society.

We know from history, we know from statistics and from past practices that that economic opportunity for employment has not been extended in a fair or on an unbiased basis. Historically, if you are black, if you are a minority, if you are a woman, if you had disabilities, you often were subject to discriminatory practices in seeking employment. The record is replete with examples of denial of economic opportunity for such individuals in our society. The Civil Rights Restoration Act is a means of re-enacting into law the court interpretations that embrace the appropriate meaning of our civil rights laws which are the hopes and promises of our Constitution. Such statements ought to exist in practice beyond just the written words of promise in our Constitution and of course they did prior to a series of six court cases that badly undercut the meaning of important laws such as the 1964 civil rights law.

I implore my colleagues as we look at the subject this week and debate in the House to vote and overturn all six of these court cases not just the two cases that the Justice Department argued against but also those that the Reagan/Bush Justice Department argued in favor of. We need to restore our Nation's civil rights policy to the path of progress, to move forward into the 1990's, the next century, with a strong opportunity for everyone to have access to employment and economic well-being. A true economic stake in a just society.

Mr. Speaker, I urge my colleagues to vote for the strong civil rights restoration measure that I've cosponsored, H.R. 1, that recognizes the strong tie between civil rights and economic rights for all Americans.

□ 1220

LUKE EASTER POST OFFICE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 971) to designate the facility of the U.S. Postal Service located at 630 East 105th Street, Cleveland, OH, as the "Luke Easter Post Office" with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Page 2, after line 5, insert:

SEC. 3. LEAVE BANK FOR JUDICIAL BRANCH EMPLOYEES OF THE FEDERAL GOVERNMENT IN RESERVES WHO WERE ACTIVATED DURING PERSIAN GULF WAR.

(a) JUDICIAL BRANCH EMPLOYEES.—The Director of the Administrative Office of the United States Courts shall establish a leave bank program under which—

(1) an employee of the Judicial Branch may (during a period specified by the Director of the Administrative Office) donate any unused annual leave from the employee's annual leave account to a leave bank established by the Director.

(2) the total amount of annual leave that has been donated under paragraph (1) shall be divided equally among the annual leave account of all employees who have been members of the Armed Forces serving on active duty during the Persian Gulf conflict pursuant to an order issued under section 672(a), 672(g), 673, 673b, 674, 675, or 688 of title 10, United States Code, and who return to employment with the Judicial Branch; and

(3) such Persian Gulf conflict participants who have returned to Judicial Branch employment may use such annual leave, after it is credited to their leave accounts, in the same manner as any other annual leave to their credit.

(b) DEFINITIONS.—For purposes of subsection (a), the term "employee" means an employee as defined in section 6301(2) of title 5, United States Code.

(c) DEADLINE FOR REGULATIONS.—Within 30 days after the date of the enactment of this Act, the Director of the Administration Office shall prescribe regulations necessary for the administration of subsection (a).

Mr. McCLOSKEY (during the reading). Mr. Speaker, I ask unanimous consent the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. McCLOSKEY. Mr. Speaker, the Senate amendment requires the Director of the Administrative Office of the U.S. Courts to establish a leave bank program under which employees of the judicial branch may donate any of their unused annual leave for use by Persian Gulf participants who have returned to employment with the judicial branch. This Leave Bank Program is similar to that established earlier this year for employees of the executive branch by section 361 of Public Law 102-25.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Indiana?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill, H.R. 971, and the Senate amendments thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4, rule XV.

Such rollcall votes, if postponed, will be taken after the debate has concluded on all motions to suspend the rules.

FOLLOW THROUGH ACT AND THE HEAD START TRANSITION PROJECT ACT AMENDMENTS

Mr. KILDEE. Mr. Speaker, I move to suspend the rule and pass the bill (H.R. 2312) to make certain technical and conforming amendments to the Follow Through Act and the Head Start Transition Project Act, as amended.

The Clerk read as follows:

H.R. 2312

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TECHNICAL AMENDMENTS TO THE FOLLOW THROUGH ACT.

(a) CONSIDERATION OF APPLICATIONS.—Paragraph (5) of section 663(b) of the Follow Through Act (42 U.S.C. 9862(b)) is amended by inserting after "technical assistance" the following: "(in the case of any applicant eligible for such assistance)".

(b) PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES.—Subsection (b) of section 669A of the Follow Through Act (42 U.S.C. 9869) is amended to read as follows:

"(b) The Secretary shall—

"(1) consult with the Secretary of Health and Human Services in the coordination of the program established under this Act with the programs established under the Head Start Transition Project Act;

"(2) provide, to the extent practicable, for the coordinated review of applications for funds submitted under each such program; and

"(3) coordinate, to the extent practicable, the issuance of regulations governing such programs.".

SEC. 2. CONFORMING AMENDMENT TO THE HEAD START TRANSITION PROJECT ACT.

Section 139 of the Head Start Transition Project Act (42 U.S.C. 9855g) is amended—

(1) by striking "to enable" and all that follows through "both such programs,", and

(2) by inserting after "practicable," the following:

"provide for coordinated review of applications submitted for funds available under this subtitle and applications submitted for funds available under such Act, and".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan [Mr. KILDEE] will be recognized for 20 minutes, and the gentleman from California [Mr. COX] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2312 makes two technical amendments to the Follow Through Act, as well as a conforming amendment to the Head Start Transition Act.

The first Follow Through amendment clarifies congressional intent in the reauthoirzaion of that act last year.

The Department of Education has interpreted new application requirements in a manner which would restrict the number of years that an otherwise eligible school district can receive follow through grants.

This amendment makes a minor change in the law to clarify that the Follow Through Act only limits the time that a school district can receive technical assistance—not the amount of time that it can receive follow through grants.

The second follow through amendment makes a minor correction in the law related to the joint review of applications for Follow Through and Head Start transition project funds.

Last year, the House agreed in conference to a Senate provision which directed the Departments of Education and Health and Human Services to coordinate their grant review processes so that a school district can simultaneously apply for Follow Through and Head Start transition funds.

Thus far, the two departments have been unsuccessful in implementing this requirement because they have very different grant review processes and may review grants at different times of the year.

This second amendment softens the requirement directing the two departments to jointly review applications by providing that it should be done "to the extent practicable."

The third amendment makes the identical change to the joint application provisions of the Head Start Transition Project Act.

Mr. Speaker, H.R. 2312 clarifies and improves the provisions of law authorizing two important programs and I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. COX of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am here to present the views of the minority with respect to H.R. 2312. The minority members on the committee are not opposing passage of H.R. 2312 but would like to express concerns about this legislation and the Follow Through Program.

Mr. Speaker, the concern with the enactment of this legislation is that it would, in effect, continue to provide grants to programs which have been operational far beyond what could be considered a normal demonstration grant period.

As you know, Mr. Speaker, the Follow Through Program, until 1986, even had the word demonstration included in its title. However, at least 32 of the current 63 grantees have received funding for more than 20 years. The program needs new blood.

New grantees would benefit the program by broadening its support and diminishing the criticism that the program only benefits a select few. If Follow Through is a successful program, then the time has come to change the program to allow the broadest number of schools to participate and benefit. On the other hand, if it is not a successful program, then we should not continue to authorize it.

Mr. Speaker, proponents of the program will tell you that the Follow Through Program is now a competitive grant program. This is true. However, because current grantees have had a great deal of experience in the preparation of applications, they have a distinct advantage over new applicants and generally continue to receive grant awards.

Whether or not H.R. 2312 is enacted, the Follow Through Program will continue to operate. Without this amendment, there would be a greater chance that new grantees could receive funding.

Enactment of H.R. 2312 will allow Follow Through dollars to continue to go to the same grantees. It is time for a change.

Mr. Speaker, I yield back the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the fact that the minority are not opposing this bill, and the question which has been raised by the minority member will be under discussion by myself and the gentleman from Pennsylvania [Mr.

GOODLING] before the reauthorization of this bill the next time.

Mr. FORD of Michigan. I rise in support of H.R. 2312, a bill which makes technical amendments to the Follow Through Act and the Head Start Transition Project Act.

Last year we extended the Follow Through Program through 1994. A number of program improvements were made at that time to define more clearly the activities to be funded. For example, the legislation provided that 70 percent of the funds would be used for direct services, a portion would be reserved for training and technical assistance, and some funds would be used for a national clearinghouse. To enhance program effectiveness, applicants were also required to include a training and technical assistance component in their applications. A limitation placed on the number of years for which a project could receive such technical support has apparently caused some confusion concerning overall limits on program participation.

The amendments before us today clarify that the limitation on training and technical assistance in no way limits the number of years that a project may receive funds to administer a Follow Through Program. In addition, the amendments remove the cumbersome requirement that the Department of Health and Human Services coordinate with the Department of Education in the review of grant applications for the Follow Through Program and the Head Start Transition Project. While the coordination measure seemed to be a good idea in theory, in reality it burdened the agencies involved and could delay the selection and funding of grantees needlessly.

I would like to compliment my colleague, Chairman KILDEE, for taking swift action on this measure. Representative KILDEE has been one of the most vigilant and forceful Members over the years on behalf of Follow Through. Despite the administration's repeated recommendations to discontinue Follow Through, Mr. KILDEE successfully guided legislation through the Congress last year, extending the program for another 4 years.

The Follow Through Program began in 1967, 2 years after Project Head Start. It was designed to capitalize on the gains made through Head Start by helping young poor children make a successful transition into school. Like Head Start, the Follow Through Program provides comprehensive services, including both instructional and social service components, to young children. Almost 25 years old, Follow Through embodies a common sense approach to educating our children and has achieved remarkable successes.

I urge my colleagues to approve passage of H.R. 2312 without delay.

Mr. KILDEE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. KILDEE] that the House suspend the rules and pass the bill, H.R. 2312, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SCHOOL DROPOUT DEMONSTRATION ASSISTANCE ACT OF 1988, AUTHORIZATION

Mr. KILDEE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2313) to amend the School Dropout Demonstration Assistance Act of 1988 to extend authorization of appropriations through fiscal year 1993 and for other purposes, as amended.

The Clerk read as follows:

H.R. 2313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.

Section 6003(a) of the School Dropout Demonstration Assistance Act of 1988 (20 U.S.C. 3243(a)) is amended to read as follows:

"(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated for the purposes of this part $50,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993.".

SEC. 2. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) AMENDMENTS.—Section 6004 of the School Dropout Demonstration.

Assistance Act of 1988 (20 U.S.C. 3244) is amended:

(1) in subsection (a) by striking "$1,500,000" and inserting "$2,000,000";

(2) in subsection (c) by inserting after "value as a demonstration." the following: "Any local educational agency, educational partnership, or community-based organization that has received a grant under this Act shall be eligible for additional funds subject to the requirements under this Act.";

(3) in subparagraph (B) of subsection (f)(1) by striking "for the second such year" and inserting "in each succeeding fiscal year".

(b) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1992.

SEC. 3. AUTHORIZED ACTIVITIES.

Section 6006(b) of the School Dropout Demonstration Assistance Act of 1988 (20 U.S.C. 3246(b)) is amended:

(1) in paragraph (8) by striking "and";

(2) by striking paragraph (9) and inserting the following new paragraphs:

"(9) mentoring programs; and

"(10) any other activity described in subsection (a).".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan [Mr. KILDEE] will be recognized for 20 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am truly pleased to be able to bring H.R. 2313 to the House floor.

H.R. 2313 represents a bipartisan effort to address our country's overwhelming dropout crisis.

Mr. Speaker, H.R. 2313 extends the School Dropout Demonstration Assistance Act through 1993 at authorization levels consistent with current law, and makes minor changes to the program.

There are four minor amendments to the program which are included in the bill.

The first amendment is in response to a request from the Department of Education. It raises the amount of funds reserved to conduct evaluations from $1.5 to $2 million.

The second amendment, included at the request of Mr. GOODLING, adds mentoring programs to the list of allowable educational activities for which funds may be used.

The third amendment simply clarifies that existing grantees are eligible to apply for additional grants.

The fourth amendment clarifies that the current second year match requirement of 25 percent applies to all succeeding years, not only the second year.

It is estimated that each class of dropouts earns $240 billion less than high school graduates. This translates into a loss in tax revenues of over $70 billion and does not include the human costs.

The extension of this program, will ensure a continued Federal effort to address the formidable national problem of school dropouts. It is estimated that between 600,000 and 700,000 young adults between the ages of 14 and 24 drop out of school each year. At the present time 4.3 million people between the ages of 16 and 24 are neither enrolled in high school, nor have a high school diploma or its equivalent.

Additionally, the national education goals established by the Nation's Governors lists improving on the number of students that graduate as one of its six goals. The Dropout Demonstration Assistance Act has been one of Congress' strongest tools to achieve this goal.

The Dropout Demonstration Assistance Act was authorized as part of the Hawkins-Stafford Act in 1988. The program has been reauthorized once since that time, Mr. Speaker, the current authorization expires at the end of fiscal year 1991.

The subcommittee has worked with the administration to develop this legislation and I know of no objection to it.

I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2313, which would continue School Dropout Demonstration Assistance Act through fiscal year 1993.

This program is vitally important if our country is to continue to compete in the world marketplace. Not only do we need to provide our nation's students with the best possible education, we need to keep them in school to insure they develop the skills they will need to obtain jobs.

Students dropping out of school 20 to 30 years ago, could obtain jobs which would allow them to provide well for themselves and their families. This is no longer true. In our highly technological society, higher levels of education and training are required for students to obtain and keep jobs.

The legislation before us today would continue the current Student Dropout Demonstration Act until the reauthorization of the Augustus F. Hawkins-Robert T. Stafford Elementary and secondary school improvement amendments in the 103d Congress.

When this act was originally authorized, it was to be a 1-year demonstration program and the School Dropout Prevention and Basic Skills Improvement Act was to take its place. However, funds have never been appropriated for the latter act and it is important that we have some type of program in place which addresses the school dropout problem.

As you know, Mr. Speaker, one of the national education goals is that the high school graduation rate will increase to at least 90 percent by the year 2000. If we are to achieve this goal we must find out what school dropout prevention programs work. It is our hope that this demonstration grant program will provide us with information on successful models.

I do want to point out that we have included several amendments requested by the administration. The first would increase the amount of funding available for evaluation of the dropout program from $1.5 to $2 million. The second amendment clarifies that the 25-percent matching requirement applies to the third year and any succeeding year for which a grantee receives funding. Current law only spells out the 25-percent matching requirement for the second year of funding received by a grantee and we need to clarify that funding received after the second year will also be subject to the 25-percent matching requirement.

Mr. Speaker, the School Dropout Demonstration Assistance Act is an important program. I urge my colleagues to support is reauthorization.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield 4 miutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise today to express my support for H.R. 2313, legislation which reauthorizes the School Dropout Demonstration Assistance Act of 1988. As the original author of this legislation, the issue of school dropouts has long been of great concern to me. As you know, in my district the dropout rate looms somewhere near 50 percent for public school children. I am certain that other urban and rural centers suffer comparably. It has been reported that 4,000 young people drop out of American schools every day. This means that for every four students who start shoool, one will drop out. In urban centers, the rate is as high as 6 out of 10. Also, according to the children's defense fund, at least one in three Latino youths is out of school without a diploma, and only half have even completed the ninth grade. These figures are unacceptable to me and should not be tolerated.

We know that young adults without college degrees, and especially those without high school degrees, find it hard to earn a decent living. Often we find these children later in life caught in the cycle of poverty, stuck in low-paying jobs with little if any chance of advancing. For dropouts, as well as for society, the cost of not completing school is high. For every $1 spent on dropout prevention, $12 can be saved in lower benefits and higher tax revenue later down the line.

Let me take this brief moment to recommend to my colleagues the series, which just began yesterday, in the Washington Post concerning the issue of dropouts. I think that we must really begin to take a closer look at what impact this desperate problem will have on our Nation if it is not seriously addressed by this Congress.

Nonetheless, the School Dropout Demonstration Assistance Act attempts to address these issues by funding programs which seek to reduce the number of children who drop out of elementary and secondary education. The program serves fewer than 100 schools nationwide and really barely touches the tip of the iceberg in terms of the real needs on the dropout frontline. So, approving the legislation before us today is crucially important because, at this time, this program is the only Federal program exclusively addressing the dropout problem.

In closing, I want to thank my Chairmen, Mr. KILDEE and Mr. FORD, for bringing this legislation to the floor in such a timely manner. I have had great support in my efforts on dropout prevention, and I am grateful. I certainly look forward to again working with my colleagues as, I hope, we look to expand and broaden this much needed program in the next reauthorization cycle.

Mr. KILDEE. Mr. Speaker, I have no further requests for time.

□ 1230

Mr. COLEMAN of Missouri. Mr. Speaker, I just might point out that the administration supports this bill, and it is a bipartisan effort.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. KILDEE. Mr. Speaker, I would concur in that. The administration worked very closely with us on this.

Mr. FORD of Michigan. I rise today in support of H.R. 2313, the School Dropout Demonstration Assistance Act of 1988. This bill addresses a problem of great significance, not only in the area of education, but also for society at large.

Statistics show that more than 550,000 students in grades 8 through 12 drop out each year. Also of concern to the committee is that there are over 4 million young adults, ages 16 to 24, without a diploma or certificate and are not in school.

The Washington Post yesterday, in a series of two articles, points out the many problems in determining accurate dropout rates. I certainly recognize, through the years, the problems in attempting to arrive at accurate dropout rates within school districts. In this connection, the Department of Education reports one of its dropout rates—that is, the cohort rate which measures what happens to a single group of students over a period of time—to be approximately 17 percent nationwide; some Members cite the dropout rates in their school districts to be as high as 50 percent. Whatever the exact percentage may be, this is a national problem which we need to resolve.

The program which is being extended today was included in the last major reauthorization of elementary and secondary education programs in 1988. The program was included as a national demonstration program for 2 years. At that time, the committee had hoped that in 2 years there would be sufficient money available so that each State could receive funding in order to improve upon its own dropout rate. This hope was never realized because the States' program was never funded.

The national school dropout demonstration program as enacted includes four types of projects: Dropout prevention, reentry programs for students who previously dropped out, early intervention programs, and model systems for collecting and reporting information about dropouts.

In terms of a historical development of this program, the Congress extended this program in 1989 for 2 years. During deliberation on that extension, three amendments were added to: First, require that at least 25 percent and no more than 50 percent of the funds be granted to partnerships; second, authorize the Secretary of Education to use no more than $1.5 million for evaluating the program; and third, require that the report on the evaluation conducted be submitted within 6 months after the end of the grant period.

The legislation we are considering today also includes several amendments: (a) Increased funds for evaluation purposes from $1.5 to $2 million; (b) clarification of eligibility criteria to make current grantees eligible for additional grants; (c) clarification that "mentoring programs" are allowable activities, and (d) clarification that the current 25 percent match is not only through the second year but for the duration of the grant.

While the consequences of dropping out cannot easily be separated from the effects of other problems, it is clear that dropouts often face many disadvantages in life. Among the many consequences is that adults without diplomas are less likely to be employed or to have good jobs. They earn less income and are more likely to be poor. Not only do school dropouts fail to reach their full potential, but society as a whole suffers.

Congress should have some sound evaluations of these national demonstration programs prior to the next reauthorization in 1993, and the committee will thoroughly review this program.

I urge my colleagues to support this extension.

Mr. GOODLING. Mr. Speaker, I am pleased to support the reauthorization of the School Dropout Demonstration Assistance Program.

As you know, goal 2 of the national education goals is to increase the high school graduation rate to 90 percent by the year 2000.

If we are to accomplish this goal, we need dropout prevention programs which work.

Evaluation of the most recent cycle of grants funded under the School Dropout Demonstration Assistance Program will begin later this year. Once the evaluation has been completed, we should have important information on successful dropout prevention programs which can then be forwarded to schools throughout the United States.

Mr. Speaker, I am particularly pleased that we have added mentoring programs to the list of eligible activities for educational partnerships.

This provision was added at my request. It is my intent that grantees under this section of the law will provide students with job experiences as well as necessary tutoring. From their exposure to the work environment, potential dropouts would see firsthand the skills they will need to obtain a job—hopefully keeping them in school until they graduate. It is also my intent that mentors will participate in activities with at-risk students outside of the workplace, providing them with experiences and support they may not receive from other sources.

I have firsthand knowledge that these programs can be successful. My office has been the mentor of two students from D.C. public schools and has found the experience to be very rewarding.

As a result of my personal experience, I have forwarded to all the businesses in my congressional district a pamphlet produced by the Department of Labor which promotes business and community involvement in one-to-one mentoring of students. I am hopeful a large number of businesses in my district will implement mentoring programs.

I want to commend my chairman, Congressman KILDEE for his work in the reauthorization of this important program. I support the legislation.

Mr. KILDEE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Michigan [Mr. KILDEE] that the House suspend the rules and pass the bill, H.R. 2313, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2313, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MICHIGAN SCENIC RIVERS ACT OF 1991

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 476) to designate certain rivers in the State of Michigan as components of the National Wild and Scenic Rivers System, and for other purposes, as amended.

The Clerk read as follows:

H.R. 476

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Michigan Scenic Rivers Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that—

(1) The State of Michigan possesses many outstanding free-flowing rivers which with their adjacent lands have resource values of national significance, such as outstanding wildlife and fisheries, ecological and recreational values, and historic and prehistoric sites;

(2) many of these rivers have been found to be eligible for inclusion in the national wild and scenic rivers system by the United States Forest Service while others possess outstanding values that make them eligible for wild and scenic river designation; and

(3) the conservation of these river areas and their outstanding natural, cultural, and recreational values is important to the heritage of Michigan and to its tourism and outdoor recreation industry and long-term economic development.

SEC. 3. WILD, SCENIC, AND RECREATIONAL RIVER DESIGNATION.

(a) Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraphs at the end thereof:

"( ) BEAR CREEK, MICHIGAN.—The 6.5-mile segment from Coates Highway to the Manistee River, to be administered by the Secretary of Agriculture as a scenic river.

"( ) BLACK, MICHIGAN.—The 14-mile segment from the Ottawa National Forest boundary to Lake Superior, to be administered by the Secretary of Agriculture as a scenic river.

"( ) CARP, MICHIGAN.—The 27.8-mile segment from the west section line of section 30, township 43 north, range 5 west, to Lake Huron, to be adminstered by the Secretary of Agriculture in the following classes:

"(A) The 2.3-mile segment from the west section line of section 30, township 43 north, range 5 west, to Forest Development Road 3458 in section 32, township 43 north, range 5 west, as a scenic river.

"(B) The 6.5-mile segment from the Forest Development Road 3458 in section 32, township 43 north, range 5 west, to Michigan State Highway 123, as a scenic river.

"(C) The 7.5-mile segment from Michigan State Highway 123 to one quarter of a mile upstream from Forest Development Road 3119, as a wild river.

"(D) The 0.5-mile segment from one quarter of a mile upstream of Forest Development Road 3119 to one quarter mile downstream of Forest Development Road 3119, as a scenic river.

"(E) The 4.9-mile segment from one quarter of a mile downstream of Forest Development Road 3119 to McDonald Rapids, as a wild river.

"(F) The 6.1-mile segment from McDonald Rapids to Lake Huron, as a recreational river.

"( ) INDIAN, MICHIGAN.—The 51-mile segment from Hovey Lake to Indian Lake to be administered by the Secretary of Agriculture in the following classes:

"(A) The 12-mile segment from Hovey Lake to Fish Lake, as a scenic river.

"(B) The 39-mile segment from Fish Lake to Indian Lake, as a recreational river.

"( ) MANISTEE, MICHIGAN.—The 26-mile segment from the Michigan DNR boat ramp below Tippy Dam to the Michigan State Highway 55 bridge, to be administered by the Secretary of Agriculture as a recreational river.

"( ) ONTONAGON, MICHIGAN.—Segments of certain tributaries, totaling 157.4 miles, to be administered by the Secretary of Agriculture as follows:

"(A) the 46-mile segment of the East Branch Ontonagon from its origin at Spring Lake to the Ottawa National Forest boundary in the following classes:

"(i) The 20.5-mile segment from its origin at Spring Lake to its confluence with an unnamed stream in section 30, township 48 north, range 37 west, as a recreational river.

"(ii) The 25.5-mile segment from its confluence with an unnamed stream in section 30, township 48 north, range 37 west, to the Ottawa National Forest boundary, as a wild river.

"(B) The 59.4-mile segment of the Middle Branch Ontonagon, from its origin at Crooked Lake to the northern boundary of the Ottawa National Forest in the following classes:

"(i) The 20-mile segment from its origin at Crooked Lake to Burned Dam, as a recreational river.

"(ii) The 8-mile segment from Burned Dam to Bond Falls Flowage, as a scenic river.

"(iii) The 8-mile segment from Bond Falls to Agate Falls, as a recreational river.

"(iv) The 6-mile segment from Agate Falls to Trout Creek, as a scenic river.

"(v) The 17.4-mile segment from Trout Creek to the northern boundary of the Ottawa National Forest, as a wild river.

"(C) The 37-mile segment of the Cisco Branch Ontonagon from its origin at Cisco Lake Dam to its confluence with Ten-Mile Creek south of Ewen in the following classes:

"(i) The 10-mile segment from the origin of Cisco Branch Ontonagon at Cisco Lake Dam to the County Road 527 crossing, as a recreational river.

"(ii) The 27-mile segment from the Forest Development Road 527 crossing to the confluence of the Cisco Branch and Ten-Mile Creek, as a scenic river.

"(D) The 15-mile segment of the West Branch Ontonagon from its confluence with Cascade Falls to Victoria Reservoir, in the following classes:

"(i) The 10.5-mile segment from its confluence with Cascade Falls to its confluence with the South Branch Ontonagon, as a recreational river.

"(ii) The 4.5-mile segment from its confluence with the South Branch Ontonagon to Victoria Reservior, as a recreational river.

Notwithstanding any limitation contained in this Act, the Secretary is authorized to acquire lands and interests in land which, as of August 1, 1990, were owned by Upper Peninsula Energy Corporation, and notwithstanding any such limitation, such lands shall be retained and managed by the Secretary as part of the Ottawa National Forest, and those lands so acquired which are within the boundaries of any segment designated under this paragraph shall be retained and managed pursuant to this Act.

"( ) Paint, Michigan.—Segments of the mainstream and certain tributaries, totaling 51 miles, to be administered by the Secretary of Agriculture as follows:

"(A) The 6-mile segment of the main stem from the confluence of the North and South Branches Paint to the Ottawa National Forest boundary, as a recreational river.

"(B) The 17-mile segment of the North Branch Paint from its origin at Mallard Lake to its confluence with the South Branch Paint, as a recreational river.

"(C) The 28-mile segment of the South Branch Paint from its origin at Paint River Springs to its confluence with the North Branch Paint, as a recreational river.

"( ) Pine, Michigan.—The 25-mile segment from Lincoln Bridge to the east 1/16th line of section 16, township 21 north, range 13 west, to be administered by the Secretary of Agriculture as a scenic river.

"( ) Presque Isle, Michigan.—Segments of the mainstream and certain tributaries, totaling 57 miles, to be administered by the Secretary of Agriculture as follows:

"(A) The 23-mile segment of the mainstream, from the confluence of the East and West Branches of Presque Isle to Minnewawa Falls, to be classified as follows:

"(i) The 17-mile segment from the confluence of the East and West Branches Presque Isle to Michigan State Highway 28, as a recreational river.

"(ii) The 6-mile segment from Michigan State Highway 28, to Minnewawa Falls, as a scenic river.

"(B) The 14-mile segment of the East Branch Presque Isle within the Ottawa National Forest, as a recreational river.

"(C) The 7-mile segment of the South Branch Presque Isle within the Ottawa National Forest, as a recreational river.

"(D) The 13-mile segment of the West Branch Presque Isle within the Ottawa National Forest, as a scenic river.

"( ) Sturgeon, Hiawatha National Forest, Michigan.—The 43.9-mile segment from the north line of section 26, township 43 north, range 9 west, to Lake Michigan, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 21.7-mile segment from the north line of section 26, township 43 north, range 19 west, to Forest Highway 13 as a scenic river.

"(B) The 22.2-mile segment from Forest Highway 13 to Lake Michigan as a recreational river.

"( ) Sturgeon, Ottawa National Forest, Michigan.—The 25-mile segment from its entry into the Ottawa National Forest to the northern boundary of the Ottawa National Forest, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 16.5-mile segment from its entry into the Ottawa National Forest to Prickett Lake, as a wild river.

"(B) The 8.5-mile segment from the outlet of Prickett Lake Dam to the northern boundary of the Ottawa National Forest, as a scenic river.

"( ) East Branch of the Tahquamenon, Michigan.—The 13.2-mile segment from its origin in section 8, township 45 north, range 5 west, to the Hiawatha National Forest boundary, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 10-mile segment from its origin in section 8, township 45 north, range 5 west, to the center of section 20, township 46 north, range 6 west, as a recreational river.

"(B) The 3.2-mile segment from the center of section 20, township 46 north, range 6 west, to the boundary of the Hiawatha National Forest, as a wild river.

"( ) Whitefish, Michigan.—Segments of the mainstream and certain tributaries, totaling 33.6 miles, to be administered by the Secretary of Agriculture as follows:

"(A) The 11.1-mile segment of the mainstream from its confluence with the East and West Branches of the Whitefish to Lake Michigan in the following classes:

"(i) The 9-mile segment from its confluence with the East and West Branches of the Whitefish to the center of section 16, township 41 north, range 21 west, as a scenic river.

"(ii) The 2.1-mile segment from the center of section 16, township 41 north, range 21 west, to Lake Michigan, as a recreational river.

"(B) The 15-mile segment of the East Branch Whitefish from the crossing of County Road 003 in section 6, township 44 north, range 20 west, to its confluence with the West Branch Whitefish, as a scenic river.

"(C) The 7.5-mile segment of the West Branch Whitefish from County Road 444 to its confluence with the East Branch Whitefish, as a scenic river.

"( ) Yellow Dog, Michigan.—The 4-mile segment from its origin at the outlet of Bulldog Lake Dam to the boundary of the Ottawa National Forest, to be administered by the Secretary of Agriculture as a wild river.

"( ) Brule, Michigan and Wisconsin.—The 33-mile segment from the Brule Lake in the northwest quarter of section 15, township 41 north, range 13 east, to the National Forest boundary at the southeast quarter of section 31, township 41 north, range 17 east, to be administered by the Secretary of Agriculture as a recreational river.".

SEC. 4. WILD AND SCENIC RIVER STUDIES.

(a) Study Rivers.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding the following new paragraphs at the end thereof:

"( ) Carp, Michigan.—The 7.6 mile segment from its origin at the confluence of the outlets of Frenchman Lake and Carp Lake in section 26, township 44 north, range 6 west, to the west section line of section 30, township 43 north, range 5 west.

"( ) Little Manistee, Michigan.—The 42-mile segment within the Huron-Manistee National Forest.

"( ) White, Michigan.—The 75.4-mile segment within the Huron-Manistee National Forest as follows:

"(A) The 30.8-mile segment of the main stem from U.S. 31 to the Huron-Manistee National Forest boundary at the north line of section 2, township 13 north, range 15 west, 1.5 miles southwest of Hesperia.

"(B) The 18.9-mile segment of the South Branch White from the Huron-Manistee National Forest boundary east of Hesperia at the west line of section 22, township 14 north, range 14 west, to Echo Drive, section 6, township 13 north, range 12 west.

"(C) The 25.7-mile segment of the North Branch White from its confluence with the South Branch White in section 25, township 13 north, range 16 west, to McLaren Lake in section 11, township 14 north, range 15 west.

( ) Ontonagon, Michigan.—The 32-mile segment of the Ontonagon as follows:

"(A) The 12-mile segment of the West Branch from the Michigan State Highway 28 crossing to Cascade Falls.

"(B) The 20-mile segment of the South Branch from the confluence of the Cisco Branch and Tenmile Creek to the confluence with the West Branch Ontonagon.

( ) Paint, Michigan.—The 70-mile segment as follows:

"(A) 34 miles of the maintstream beginning at the eastern boundary of the Ottawa National Forest in section 1, township 44 north, range 35 west, to the city of Crystal Falls.

"(B) 15 miles of the mainstream of the Net River from its confluence with the east and west branches to its confluence with the mainstream of the Paint River.

"(C) 15 miles of the east branch of the Net River from its source in section 8, township 47 north, range 32 west, to its confluence with the mainstream of the Net River in section 24, township 46 north, range 34 west.

"(D) 14 miles of the west branch of the Net River from its source in section 35, township 48 north, range 34 west, to its confluence with the mainstream of the Net River in section 24, township 46 north, range 34 west.

"( ) Presque Isle, Michigan.—The 13-mile segment of the mainstream from Minnewawa Falls to Lake Superior.

"( ) Sturgeon, Ottawa National Forest, Michigan.—The 36-mile segment of the mainstream from the source at Wagner Lake in section 13, township 49 north, range 31 west, to the eastern boundary of the Ottawa National Forest in section 12, township 48 north, range 35 west.

"( ) Sturgeon, Hiawatha National Forest, Michigan.—The 18.1-mile segment from Sixteen Mile Lake to the north line of section 26, township 43 north, range 19 west.

"( ) Tahquamenon, Michigan.—The 103.5-mile segment as follows—

"(A) the 90-mile segment of the mainstream beginning at the source in section 21, township 47 north, range 12 west, to the mouth at Whitefish Bay; and

"(B) the 13.5-mile segment of the east branch from the western boundary of the Hiawatha National Forest in section 19, township 46 north, range 6 west, to its confluence with the mainstream.

"( ) Whitefish, Michigan.—The 26-mile segment of the West Branch Whitefish from its source in section 26, township 46 north, range 23 west, to County Road 444.".

(b) Study Provisions.—Section 5(b) of such Act (16 U.S.C. 1276(b)) is amended by adding at the end thereof the following new paragraph:

"(11) The study of segments of the Carp, Little Manistee, White, Paint, Presque Isle, Ontonagon, Sturgeon (Hiawatha), Sturgeon (Ottawa), Whitefish, and Tahquamenon Rivers in Michigan under subsection (a) shall be completed by the Secretary of Agriculture and the report submitted thereon not later than at the end of the third fiscal year beginning after the date of enactment of this paragraph. For purposes of such river studies, the Secretary shall consult with each River Study Committee authorized under section 5 of the Michigan Scenic Rivers Act of 1990, and shall encourage public participation and involvement through hearings, workshops, and such other means as are necessary to be effective.".

SEC. 5. RIVER STUDY COMMITTEES.

(a) Establishment and Membership.—At the earliest practicable date following the date of the enactment of this Act, the Secretary of Agriculture (hereinafter in this section referred to as the "Secretary"), in consultation with the Michigan Department of Natural Resources, shall establish for each river identified in section 4 a River Study Committee (hereinafter in this section referred to as "Committee"). Membership on each Committee shall consist of members appointed as follows:

(1) Two members appointed by the appropriate Secretary.

(2) Two members appointed by the Secretary from recommendations made by the Govenor of the State of Michigan from the Department of Natural Resources.

(3) Two members appointed by the Secretary from among representatives of local or State conservation and environmental groups.

(4) One member appointed by the Secretary from among representatives of each of the towns included in the study area.

(5) Two members appointed by the Secretary from commercial timber interests in the State of Michigan.

(6) One nonvoting member who shall be an employee of the Forest Service.

(b) ADMINISTRATIVE PROVISIONS.—(1) A vacancy in a Committee shall be filled in the manner in which the original appointment was made.

(2) The Chair of a Committee shall be elected by the members of the Committee.

(3) The members of the Committee who are not full-time offices or employees of the United States shall serve without compensation.

(c) TECHNICAL ASSISTANCE FROM THE SECRETARY.—The Secretary shall provide such technical and financial assistance to each such committee as the Secretary deems necessary.

(d) STATE AND LOCAL SERVICES.—Each such committee may accept services and other assistance from State and local governments.

(e) STUDY PROCESS.—Each river study committee shall advise the Secretary in the preparation of the report to Congress required by section 4 of the Wild and Scenic Rivers Act (16 U.S.C. 1275(a)) for the rivers specified in section 4 of this Act.

(f) TERMINATION.—Each such committee shall terminate upon submission of the report to Congress referred to in subsection (e) for the river concerned.

SEC. 6. MISCELLANEOUS.

(a) HUNTING, FISHING, AND TRAPPING.—Consistent with section 13(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271–1287), nothing in this Act shall be construed to enlarge, diminish, or modify the jurisdiction or responsibilities of the State of Michigan with respect to fish and wildlife, including hunting, fishing, and trapping on any lands administered by the Secretary of Agriculture pursuant to this Act.

(b) SEA LAMPREY CONTROL.—Notwithstanding any other provision of law, the installation and operation of facilities or other activities within or outside the boundaries of those river segments designated by this Act for the control of the lamprey eel shall be permitted subject to such restrictions and conditions as the Secretary of Agriculture may prescribe for the protection of water quality and other values of the river, including the wild and scenic characteristics of the river: *Provided*, That the Secretary shall determine in the river management plan for each such designated river that such facilities or activities are necessary for control of the lamprey eel.

(c) ACCESS.—The Secretary shall maintain traditional public access to the river segments designated by this Act, except that the Secretary, in consultation with the Director of the Michigan Department of Natural Resources, shall provide in the river management plan for each designated river segment for maintenance, closure, relocation, stabilization, improvements, or other appropriate adjustments as may be necessary for the management of such river segments.

(d) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed as enlarging, diminishing, or modifying the limitations on the acquisition of lands within a designated river segment contained in section 6(b) of the Wild and Scenic Rivers Act (16 U.S.C. 1271(b)).

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out the purposes of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE], the principal sponsor of this legislation.

Mr. KILDEE. Mr. Speaker, the Michigan Scenic Rivers Act will designate 15 rivers, covering 554 miles, as part of the National Wild and Scenic Rivers System.

This bill will double the number of rivers in the National Wild and Scenic Rivers System east of the Mississippi River.

The bill also calls for the study of nine rivers for possible inclusion into the system.

All of the rivers in this bill are within the boundaries of Michigan's three national forests.

The Forest Service has studied all of these rivers and have found them all to be eligible for inclusion in the National Wild and Scenic Rivers System.

That is why the Forest Service supports this bill, with a few minor changes.

Mr. Speaker, I want to quickly address two issues that have been raised about this bill.

First, several people have expressed deep concerns over the ability to build a bridge across the Brule River which straddles the Michigan and Wisconsin borders.

At my request, the subcommittee has added report language that states that such a bridge would be permissable under the National Wild and Scenic Act, particularly since the Brule River is classified as a recreational river, which means it qualifies for such construction projects.

Second, I have been working with the U.S. Forest Service, the State of Michigan, and several national fishing groups to draft report language concerning the construction of structural and nonstructural fish habitat projects, and the ability to repair riverbanks that have suffered ecological degradation due to past human activity.

I am pleased that we were able to reach an agreement on this most important issue.

Mr. Speaker, I have always believed that the Great Lakes are the economic ace in the hole for the Midwest region.

With 95 percent of our Nation's fresh water located in the Great Lakes, it is vitally important that we protect these truly remarkable resources.

It is equally important that we protect the rivers and tributaries that feed into the Great Lakes, rivers that enhance the fish habitat and water quality of the lakes.

That is why this legislation is so important.

Most of the rivers in the Michigan Scenic Rivers Act do indeed flow into the Great Lakes.

This legislation will ensure that no dams or other water diversion projects will adversely impact the free-flowing nature of the rivers.

This bill also ensures that water quality will be maintained, it ensures that a sound management plan will be developed to protect the river corridor, and most importantly, this bill ensures these rivers will be around for the enjoyment of future generations.

Mr. Speaker, that is why this bill enjoys the support of the majority of the Michigan congressional delegation, the Michigan Department of Natural Resources, as well as many national and State conservation groups.

We must be careful custodians of our Nation's natural resources.

And with the Michigan Scenic Rivers Act, we provide a framework for Federal and local officials, to work with public groups and private landowners, to develop a management plan to maintain these rivers.

I urge my colleagues to join me, and a majority of the Michigan congressional delegation, in supporting this important piece of legislation.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am concerned that the House Interior Committee is once again bringing to the floor a wild and scenic rivers bill that is strongly opposed by the Members whose district is principally affected.

If memory serves me right, we had a very similar situation before us several weeks ago with the Niobrara River where the gentleman from Nebraska [Mr. BARRETT] was the victim. Needless to say, I believe our committee system must make a better attempt at reaching a consensus rather than bring bills like these to the floor prematurely.

I would like to correct some fundamental misconceptions about H.R. 476. Although proponents claim this bill is needed to prevent imminent development of these rivers, this is not the case. At the Subcommittee on National Parks and Public Lands' hearing on this bill, the Forest Service witnesses were not able to identify any threats to these rivers. This should not be surprising since the Upper Peninsula of Michigan has consistently lost population since the Second World War. It is an economically depressed area that is hundreds of miles away from major metropolitan areas.

Another common assertion by supporters of H.R. 476 is that most of these rivers are on Federal land so that impacts for private landowers are minimal. According to Forest Service statistics, 30 percent of the lands in the proposed river corridors—or 45,000 acres—are private property. Even though most of these rivers have over 50-percent public ownership, thereby preventing condemnation through fee acquisition, the Federal Government still has unlimited authority to condemn through scenic easements. In fact, the mere threat of condemnation through scenic easement effectively results in Federal land use planning of private property along every river corridor in this bill.

Finally, we are told that since the rivers included in this bill are already managed in as wild and scenic under existing forest plans, there is little or no reason for concern among local citizens. We should remember that the Ottawa Forest plan was appealed partially because of its inclusion of the Ontonagon River as an area to be managed as a wild and scenic river. This appeal was supported by the boards of commissioners of all four counties surrounding the Ottawa National Forest and ultimately was decided in Washington, DC. This controversial river is included in H.R. 476.

Mr. Speaker, the three witnesses from local government that testified against this bill in April had an alternative to Federal designation. They told the subcommittee about the formation of the Great Lakes Resource Watch—a coalition of sportsmen, local government, private landowners, and organized labor—which is currently developing a river protection plan on the local level that will prevent the need for costly and controversial legislation at the Federal level. All these folks requested from the committee was a 1-year delay in passing H.R. 476 so they could have an opportunity to complete their plan and report back to the Michigan congressional delegation and the committee. Unfortunately, our action today will go a long way toward making their grassroots solution impossible.

□ 1240

Mr. Speaker, I am inserting in the RECORD resolutions from the Marquette County Labor Council and the Upper Peninsular Building & Construction Trades Council endorsing a local solution to this issue, as follows:

RESOLUTION OF THE MARQUETTE COUNTY LABOR COUNCIL AFL–CIO

LOCAL RESOURCE MANAGEMENT AND PLANNING

Whereas the Federal Legislation known as the Michigan Wild and Scenic Rivers Act of 1991 has been opposed by many U.P. County Commissions and has created controversy and discontent with the federal process; and,

Whereas an association of county commissions and boards, township governments, and a broad spectrum of outdoor recreation, tourism, organized labor, and business interests are in the process of proposing a local initiative to plan and manage Upper Peninsula of Michigan rivers, lands and streams; and,

Whereas this local initiative process has been tried, tested and proven effective in other locations of the country, and been given support by federal, state, and local parties as a successful alternative which preserves local input and local prerogatives; and,

Whereas the Marquette County Labor Council, AFL–CIO, on behalf of itself and its six thousand (6,000) affiliated membership in Marquette County, believes that interlocal leadership, such as that proposed for river planning and management, is preferable to that of federal or state alternatives; now, therefore be it

Resolved, that the Marquette County Labor Council, AFL–CIO, fully supports the local alternative for river and land use planning and management, and will actively participate in this process; and,

Be it Further Resolved, that this labor council calls on the Marquette County Board of Commissioners to also endorse and support by resolution those efforts to bring about a process for local river and land use planning and management.

Approved on February 21, 1991.

RESOLUTION OF THE UPPER PENINSULA BUILDING AND CONSTRUCTION TRADES COUNCIL

LOCAL RESOURCE MANAGEMENT AND PLANNING

Whereas the Federal Legislation known as the Michigan Wild and Scenic Rivers Act of 1991 has been opposed by many U.P. County Commissions and has created controversy and discontent with the federal process; and,

Whereas an association of county commissions and boards, township governments, and a broad spectrum of outdoor recreation, tourism, organized labor, and business interests are in the process of proposing a local initiative to plan and manage Upper Peninsula of Michigan rivers, lands and streams; and,

Whereas this local initiative process has been tried, tested and proven effective in other locations of the country, and been given support by federal, state, and local parties as a successful alternative which preserves local input and local prerogatives; and,

Whereas the Upper Peninsula Building and Construction Trades Council, AFL–CIO, on behalf of itself and its four thousand (4,000) affiliated membership in Marquette County, believes that interlocal leadership, such as that proposed for river planning and management, is preferable to that of federal or state alternatives; now, therefore be it

Resolved, that the U.P. Building and Construction Trades Council, AFL–CIO, fully supports the local alternative for river and land use planning and management, and will actively participate in this process; and,

Be it Further Resolved, that this council calls on the Upper Peninsula County Boards of Commissioners to also endorse and support by resolution those efforts to bring about a process for local river and land use planning and management.

Approved on March 6, 1991.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this measure was introduced by our colleague, the gentleman from Michigan [Mr. KILDEE], and it is cosponsored by the majority of the members of the Michigan delegation. It is a good bill.

The bill, as amended, designates 15 rivers totaling 568 miles in the State of Michigan as components of the National Wild and Scenic Rivers System and provides for a study of 10 other river segments totaling 432 miles as potential additions. So the fact is that it affects almost 1,000 miles of river in Michigan.

The State of Michigan possesses, of course, a large and significant network of rivers and streams. Many of these rivers are located within national forests in the State. As part of the national forest planning process, these rivers were reviewed over the past decade to determine their eligibility for wild and scenic river status. And as a result of this review process, a significant number of rivers were found eligible and suitable for wild and scenic designation. It was on this basis that the measure before us was developed and introduced.

H.R. 476, as introduced, is identical to the bill which passed the House by voice vote last September. The Committee on Interior and Insular Affairs expended considerable time and effort in providing for public input in this legislation and its predecessor in the last Congress. The committee has held a total of three hearings on the legislation in the past year, including the field hearing in Marquette, MI, that the gentleman from Michigan [Mr. KILDEE] alluded to. There is also a long public record on these rivers. We received testimony from numerous groups, individuals and organizations on the preservation and use of the nationally significant resource values found in these rivers.

The legislation is supported by the Bush administration, the National Forest Service, the State of Michigan, and the major sports and conservation groups in the State, and they are significant in size and diversity. As a result of a long and extensive review process, the bill before the House today is, I believe, responsive to the resource needs of these rivers and to the legitimate interests of the upper peninsula region of the State of Michigan.

Mr. Speaker, I would note that the Forest Service is currently managing these rivers for wild and scenic values, so that designation would not substantially change current management practices. It will, though, give legislative standing to those practices and thus enhance the preservation and use of these nationally significant rivers on a more lasting basis.

Mr. Speaker, I believe that this measure, as amended, will contribute to a sound public policy for rivers located within the national forests in upper Michigan. I support its adoption, and I recommend passage of the bill.

Mr. DAVIS. Mr. Speaker, 12 of the 15 rivers slated for immediate designation in this bill are in my congressional district and I do not support this legislation. From my constituents—from the people who live and work on or near these rivers—this bill has very little support. Their opposition has been overwhelming to say the least.

While the bill is highly unpopular in my district, the people of northern Michigan realize that it is very popular in Congress. They understand that passage is inevitable. They also understand the intent of the legislation and they, too, believe that these beautiful, pristine rivers should not be destroyed or drastically altered.

This bill will affect my constituents more severely than any other segment of the population. My opposition to this bill is rooted in the lack of consideration my constituents have been given since this bill's conception. Their input was not requested until the bill was ready for introduction. And although some changes have been made, northern Michigan residents would like a chance to outline for Congress their ideas for managing the rivers.

Northern Michigan residents believe they can manage the rivers properly while being sensitive to the needs of the community—a combination essential in my economically troubled district. These people have lived and worked in the Upper Peninsula for generations. They too love the land and the rivers. They understand the need to keep the community alive and the importance of a balance between preservation and community progress.

My constituents have asked for a 2-year hold on this bill so that they can put together a management plan for these rivers. After 2 years of planning, they would present their local option to Congress. Congress would then decide whether the local plan is acceptable, or whether Congress should go ahead with legislation.

The requests of my constituents went barely noticed. They were told that the legislation has been under consideration for some time now and that Congress is looking to move forward on it. They were told that Congress does not want to wait a year or two to implement this legislation.

My constituents are not asking for anything unreasonable. They are asking for a chance to present their ideas to Congress. And we don't have time for that? Since when do we keep participation in this democracy to the barest minimum. I cannot tell you the frustration my constituents feel with the legislative process at this point.

I ask, as I have before, what is the hurry with this bill? There is no mad rush to dam or build condos on those rivers now. My constituents have obviously been good stewards of those rivers for hundreds of years. Had they not, there would be no Michigan scenic rivers bill.

The residents of northern Michigan and I realize that this bill is slated for easy passage today. I am not alone in my frustration with this body's failure to accept the best solution because we are in a hurry or because it is easier to just push forward with what we began. Politics is the art of compromise—my constituents have offered a workable, reasonable compromise. By not accepting it, we have passed up the perfect solution to this controversial bill. When this bill goes to the Senate, it is essential that changes are made to reflect the needs of northern Michigan. Those changes then must be supported by the House.

Mr. BONIOR. Mr. Speaker, I offer my support to the passage of the Michigan Scenic Rivers Act. This legislation is a tribute to the beauty of Michigan's rivers and to the commitment among the Michigan Congressional delegation that we need to act now to preserve some of our most precious resources. This bill establishes a strong Federal role in the custodianship and protection of Michigan's rivers.

The Michigan Scenic Rivers Act is critical for Michigan. Many of Michigan's cherished national forests and scenic areas are feeling the strain of increased development. This bill will permanently set aside fifteen Michigan rivers from environmentally unsound development and exploitation. These fourteen rivers, covering 634 miles, are all within the boundaries of the Huron-Manistee, the Hiawatha, and the Ottawa National Forests.

In Michigan, our rivers play a vital role in our environment. Our great forests and our abundant fish and wildlife rely on Michigan's rivers for their survival. The people of Michigan and tourists from all over the country use these rivers for their recreation and their enjoyment. This legislation will ensure that these rivers will be used in an ecologically responsible manner for many generations to come

The Michigan Scenic Rivers Act is the right answer to dealing with the increased strain on our natural resources. Including these fifteen rivers in the National Wild and Scenic Rivers System will require the Forest Service to develop long-term plans for the sound management of their watersheds. In accordance with these long-term plans, this legislation will also prevent the damming or diversion of these rivers.

My colleague from Michigan, Mr. KILDEE, deserves a great deal of credit for drafting this landmark legislation and for again working for its passage in the 102d Congress. In addition to having an exemplary record on protecting our environment and natural resources, Mr. KILDEE also knows these rivers well—he has canoed almost all of them and has long recognized their beauty and the need to preserve them in their current unspoileld state.

I appreciate the opportunity to speak on behalf of the Michigan Scenic Rivers Act and I look forward to its swift passage by the House of Representatives. The passage of this legislation will make great strides toward setting aside and managing Michigan's most vital wilderness areas for the enjoyment of future generations.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 476, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MONOCACY NATIONAL BATTLEFIELD LAND ACQUISITION

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 990) to authorize additional appropriations for land acquisition at Monocacy National Battlefield, MD, as amended.

The Clerk read as follows:

H.R. 990

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL LAND ACQUISITION.

There are authorized to be appropriated up to $20,000,000 for acquisition of lands and interests in lands for purposes of the Monocacy National Battlefield, Maryland; such sums shall be in addition to other funds available for such purposes.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 990, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at Monocacy Junction two major roads, as well as the Baltimore & Ohio Railroad, came together. On July 9, 1864, the Union and Confederate Armies met at the Battle of

Monocacy. While the Confederates defeated the Union, the Union forces succeeded in delaying the Confederate advance on Washington, DC, for a single day—sufficient time for reinforcements to arrive to protect the Nation's Capital. After the Battle of Monocacy, the Confederates proceeded toward Washington, DC, arriving there the next day at Fort Stevens. Reinforced Union forces drove the Confederates back to Virginia. The Capital City was not again so threatened by the Confederacy.

H.R. 990, introduced by our colleague, Congresswoman BEVERLY BYRON, will protect a key part of the Battle of Monocacy by increasing the authorized land acquisition ceiling at Monocacy National Battlefield. Doing so will allow the National Park Service to purchase the Trail-Mathias Farm, a historic farm located inside the park's boundary. The farm, located next to an industrial park, is threatened with development if it is not made part of the park in the near future.

In testimony before the Committee on Interior and Insular Affairs the administration and public witnesses testified in favor of the legislation. Mr. Speaker, I also endorse this legislation and look forward to its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of actions on behalf of this body to support the acquisition of key tracts of land at Monocacy National Battlefield. There is little doubt that acquisition of the two large farms, where most of the fighting in this battle to prevent the Confederates from capturing the Capital took place, is key to interpretation and protection of the battlefield.

As the National Park Service testified at our hearing on this measure, these tracts of land are far more historically significant than the recent additions to Manassas Battlefield, which may cost the American taxpayer in excess of $150 million for about 550 acres. However, since the National Park Service considers the annual appropriations act to be self-authorizing, it is not clear that passage of this measure is a necessary prerequisite to securing the funding needed to carry out this important acquisition.

I would like to commend the gentlewoman from Maryland [Mrs. BYRON] for her efforts to secure not only the necessary funding to buy these critical parcels, but also for her efforts to secure operational funding in order to make this park available to the public for the first time in its almost 60-year history. With the location of this battlefield so close to Washington, DC, it is clear this area offers important opportunities for many persons to better appreciate the Civil War.

I encourage my colleagues to support funding sought to purchase these historically significant lands at Monocacy.

Mr. VENTO. Mr. Speaker, I have no further requests for time, I commend this bill to the House, and I yield back the balance of my time.

Mr. RHODES. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 990, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill as amended, was passed.

A motion to reconsider was laid on the table.

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PALO ALTO BATTLEFIELD NATIONAL HISTORIC SITE ACT OF 1991

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1642) to establish in the State of Texas the Palo Alto Battlefield National Historic Site, and for other purposes; as amended.

The Clerk read as follows:

H.R. 1642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Palo Alto Battlefield National Historic Site Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that:

(1) The study conducted by the National Park Service under section 506(b) of Public Law 95–625 has resulted in a precise identification of the location of the Battle of Palo Alto and the area requiring protection.

(2) Palo Alto is the only unit of the National Park System directed to the preservation and interpretation of resources related to the Mexican-American War.

SEC. 3. PALO ALTO BATTLEFIELD NATIONAL HISTORIC SITE.

(a) ESTABLISHMENT.—In order to preserve for the education, benefit, and inspiration of present and future generations the nationally significant site of the first battle of the Mexican-American War, and to provide for its interpretation in such manner as to portray the battle and the Mexican-American War and its related political, diplomatic, military and social causes and consequences, there is hereby established the Palo Alto Battlefield National Historic Site in the State of Texas (hereafter in this Act referred to as the "historic site").

(b) BOUNDARY.—(1) The historic site shall consist of approximately 3,400 acres as generally depicted on the map entitled "Palo Alto Battlefield National Historic Site", numbered 469–80,002, and dated March 1991. The map shall be on file and available for public inspection in the offices of the Director of the National Park Service, Department of the Interior.

(2) Within 6 months after the date of enactment of this Act, the Secretary of the Interior (hereafter in this Act referred to as the "Secretary") shall file a legal description of the historic site with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Such legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographic errors in such legal description and in the map referred to in paragraph (1). The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The Secretary may, from time to time, make minor revisions in the boundary of the historic site.

SEC. 4. ADMINISTRATION.

The Secretary, acting through the Director of the National Park Service, shall manage the historic site in accordance with this Act and the provisions of law generally applicable to the National Park System, including the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), and the Act of August 21, 1935 (49 Stat. 666). The Secretary shall protect, manage, and administer the historic site for the purposes of preserving and interpreting the cultural and natural resources of the historic site and providing for the public understanding and appreciation of the historic site in such a manner as to perpetuate these qualities and values for future generations.

SEC. 5. LAND ACQUISITION.

Within the historic site, the Secretary is authorized to acquire lands and interest in lands by donation, purchase with donated or appropriated funds, or exchange. Lands or interests in lands owned by the State of Texas or political subdivisions thereof may be acquired only by donation.

SEC. 6. COOPERATIVE AGREEMENTS.

In furtherance of the purposes of this Act, the Secretary is authorized to enter into cooperative agreements with the United States of Mexico, in accordance with existing international agreements, and with other owners of Mexican-American War properties within the United States of America for the purposes of conducting joint research and interpretive planning for the historic site and related Mexican-American War sites. Interpretive information and programs shall reflect historical data and perspectives of both countries and the series of historical events associated with the Mexican-American War.

SEC. 7. MANAGEMENT PLAN.

Within 3 years after the enactment of this Act, the Secretary shall develop and transmit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the Senate, a general management plan for the historical site. The plan shall be consistent with section 12 of the Act of August 18, 1970 (16 U.S.C. 1a–7) and with the purposes of this Act and shall include (but not be limited to) each of the following:

(1) A resource protection program including land acquisition needs.

(2) A general visitor use and interpretive program.

(3) A general development plan including such roads, trails, markers, structures, and other improvements and facilities as may be necessary for the accommodation of visitor use in accordance with the purposes of this Act and the need to preserve the integrity of the historic site.

(4) A research plan.

(5) Identification of appropriate cooperative agreements as identified in section 6.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $6,000,000 for acquisition of lands and interests in lands for purposes of the Palo Alto Battlefield National Historic site.

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 1642.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota.

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Palo Alto Battlefield National Historic Site, which was authorized by Public Law 95-625 in 1978 is the only unit in the National Park System that preserves and interprets the history of the Mexican-American War. The battle of Palo Alto, fought on May 8, 1846, was the first battle in the Mexican-American War. That war shaped this country significantly. The lands acquired under the treaty of Guadalupe-Hidalgo that ended the war included all or parts of Colorado, New Mexico, Arizona, Utah, Nevada, and California. The war has also profoundly shaped our relationship with Mexico.

H.R. 1642, introduced by Congressman SOLOMON ORTIZ increases significantly the authorized acreage at the Mexican-American Palo Alto Battlefield National Historic Site in Texas. The Committee on Interior and Insular Affairs adopted an amendment in the nature of a substitute that follows the administration's suggestion concerning the cooperative agreements with the United States of Mexico and the United States of America. The legislation, as amended, authorizes instead of directs the Secretary of the Interior to enter into such cooperative agreements. The special resource study on the Battle of Palmito Hill is deleted from this bill because it will be studied in the larger Civil War study authorized in the last Congress. The authorization of appropriations for land acquisition is set at $6 million. In addition, several minor technical changes were made, such as correcting the map reference.

Mr. Speaker, I know of no controversy with H.R. 1642, as amended. I look forward to passage of this legislation and the establishment of Palo Alto Battlefield National Historic Site as a full-fledged unit of the National Park System.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1642, a bill which provides for expansion of the existing Palo Alto battlefield. As has already been explained by subcommittee Chairman VENTO, Congress recognized at the time of initial authorization of this unit in 1978, that further park expansion would be likely upon completion of needed research documenting the actual battle location.

In 1982, the National Park Service completed the necessary research. The agency has recently worked with the subcommittee and bill's sponsor, Mr. ORTIZ, to ensure that a reasonable park boundary proposal was developed. While the administration has supported a slightly smaller boundary, I am convinced that the 3400-acre boundary provided under Mr. ORTIZ' legislation will prove more manageable. Other concerns raised in the testimony of the administration have been adequately addressed in this bill as revised.

While some could question whether setting aside a 3400-acre battlefield is the best way to commemorate and remember the Mexican-American War; if Congress makes such a determination, this bill at least represents a reasonable and feasible unit of the National Park System. It is time to begin implementation of legislation which authorized this park 13 years ago.

I commend this bill to my colleagues.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the sponsor of this legislation, the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Speaker, I rise in strong support of H.R. 1642, a bill I introduced that would expand the boundaries of the Palo Alto Battlefield National Historic Site. I would like to express my appreciation to Chairman VENTO and Chairman MILLER for their efforts in expeditiously approving this bill.

I would also like to thank the many individuals from my congressional district who traveled all the way from Brownsville, TX, to participate in the hearing before Chairman VENTO's Subcommittee on National Parks and Public Lands. I congratulate their support and enthusiasm for this legislation.

The Palo Alto battlefield is the site of one of the two most important battles of the Mexican-American war fought on American soil in 1846. The historical significance of this war was great, as it led to the signing of the Treaty of Guadalupe-Hidalgo in 1848, granting the United States the land from the Gulf of Mexico to the Pacific Ocean. This caused the retreat of Mexican sovereignty from the territories they occupied in the west, and encouraged the expansion of United States settlement in that direction.

The commemoration and interpretation of the Battle of Palo Alto and the Mexican-American War is strongly supported by individuals and groups within the Brownsville, TX, area and within Mexico.

I would like to especially recognize the vision and leadership shown by Albert Alfonso Champion, without whose historical research and documentation the actual battlefield may have been forever lost to future generations.

It is fitting to commemorate the bravery of all who fought there by preserving this landmark in the spirit of international amity with the United States of Mexico. The battle fought on this field represents the rupture of relations between the United States and Mexico, which are still in the process of healing today, and reminds us that we must strive for brotherhood, unity and peace with our neighbors to the south.

Two future presidents served in this campaign: General Zachary Taylor was in charge at the time of this battle and Lieutenant Ulysses S. Grant gained valuable experience during this war that he would later use to lead the Union Forces in the American Civil War.

This war served as a test-case for the first West Point-trained soldiers, and the U.S. Army's success assured the academy's continued funding.

It was during this battle that the U.S. Army explored the use of light and heavy artillery rather than large calvary and infantry maneuvers, and explosive shells against the Mexican Army's solid shot; these new battle techniques contributed to the development of American warfare.

The Mexican-American war was the first to be reported by telegraph. Also, this was the first war in which railroads and steamboats were used to transport troops and war supplies. U.S. Army surgeons introduced ether as an anesthetic for the wounded, and combat photography made its debut. Samuel Colt's new revolver was introduced into the fight, resulting in a major contract for his company with the War Department. The occupation of Matamoros, Mexico, during the war led to the development of nearby Brownsville as an important military/economic center.

There has been a great desire on the part of Mexico to preserve this area in order to commemorate the site in honor of those Mexicans who perished in the Battle of Palo Alto. It is probable that both Mexican and American remains are buried on this site. Anthropological exploration of the area indicates that many artifacts dating from the battle still remain undiscovered. As a benefit for historic research purposes, the landscape, setting, and ground cover remain largely undisturbed, and alteration of the terrain has been minimal. It would be desirable to protect this historic area in light of the archaeological evidence that in all probability lies below the battle site.

Presently, there is an upright cannon that memorializes the site, set up in 1914 by General James Parker of the FIrst Calvary Brigade at Ft. Sam Houston. In 1893, a local Brownsville patriotic group erected a marble marker which later disappeared. It was reported that two Mexican survivors of the battle were in attendance at the ceremonies.

It is my hope that necessary funding will soon be provided to implement proposed activities at the site which will enhance visitorship.

I urge my colleagues to support this legislation by suspending the rules and unanimously approving this legislation.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to congratulate the gentleman from Texas [Mr. Ortiz] on his work. This is a noncontroversial measure, one that I think deserves the support of all Members, and, as such, I hope it receives it.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. Vento] that the House suspend the rules and pass the bill, H.R. 1642, as amended.

The question was taken.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

SAGUARO NATIONAL MONUMENT EXPANSION ACT OF 1991

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 292) to expand the boundaries of the Saguaro National Monument.

The Clerk read as follows:

S. 292

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Saguaro National Monument Expansion Act of 1991".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—The Congress finds that the area generally to the south of the Rincon unit of the Saguaro National Monument contains—

(1) prime Sonoran desert habitat including an exceptionally rich area of Saguaro cactus and palo verde uplands;

(2) an outstanding riparian corridor of large Arizona sycamores and cottonwoods;

(3) important archaeological and cultural sites; and

(4) important habitat for the desert tortoise, gila monster, javelina, and other species of reptiles, mammals, and birds.

(b) Purpose.—The purpose of this Act is to authorize the addition of approximately 3,540 acres to the Rincon unit of the Saguaro National Monument in order to protect, preserve, and interpret the monument's resources, and to provide for the education and benefit of the public.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(1) "expansion area" means the approximately 3,540 acres to be added to the monument pursuant to this Act;

(2) "monument" means the Saguaro National Monument; and

(3) "Secretary" means the Secretary of the Interior.

SEC. 4. EXPANSION OF MONUMENT BOUNDARIES.

(a)(1) In General.—The monument boundaries are hereby revised to include the approximately 3,540 acres of lands and interests in land as generally depicted on the map entitled "Saguaro National Monument Enhanced Boundary", numbered 151/91,001–D, and dated September 1990.

(2) The map referred to in paragraph (1) shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

(b) Acquisition of Lands.—The Secretary is authorized to acquire lands and interests in lands within the monument boundary by donation, purchase with donated or appropriated funds, exchange, or transfer from another Federal agency, except that lands or interests therein owned by the State of Arizona or any political subdivision thereof may be acquired only by donation or exchange.

(c) Administration.—Lands and interests in lands acquired pursuant to this Act shall be administered as part of the monument and shall be subject to all laws applicable to the monument.

(d) Amendment to General Management Plan.—Within one year after the date of enactment of this Act, the Secretary is directed to amend the monument's general management plan with respect to the use and management of the expansion area.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. Rhodes] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on S. 292.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 292 authorizes the expansion of the boundaries of the Saguaro National Monument in Arizona. Similar legislation was passed by the House of Representatives late in the 101st Congress but was not acted on by the Senate prior to adjournment. This session, the Senate has already passed S. 292, introduced by Senator McCain. Similar legislation (H.R. 664) was introduced on the House side by Representative Kolbe and cosponsored by the former Interior Committee Chairman Representative Morris Udall and the other members of the Arizona delegation.

Saguaro National Monument is comprised of 2 unconnected units located in the fast-growing Tucson area. Because of the monument's urban location, development has steadily expanded around its boundaries. What was, only a few decades ago, open space is now dotted with commercial and residential development. While these changes have altered large sections of land south of the east unit's boundary, significant Saguaro stands still exist in this area, along with important desert wildlife habitat and undeveloped riparian corridors that are uncommon in this desert environment.

S. 292 presents us with a rather unusual situation. Its genesis arises from negotiations between the major affected landowners, the local units of government, and a broad range of local and national groups concerned about the nationally significant resources located in this area. It is obvious that if these lands immediately south of the monument boundary are not protected, at least in part, by inclusion in the monument, they will be developed and the resource values which have a direct relationship to the monument will be lost. We cannot address all the development that will occur adjacent to the monument nor should this bill be construed in any way, shape, or form as endorsing such a procedure but nor do we endorse development, rather in this instance where we have the opportunity to preserve important resource habitat and ecological values, we cannot afford to pass up the opportunity and risk the consequences of further damage to the monument.

Mr. Speaker, I would note that this legislation has the endorsement of the Pima County Board of Supervisors and the Tucson City Council. If the Federal Government is to make this effort to preserve significant resource values in the area, I believe it is incumbent upon the local governments to do their part to address development around the monument boundary in a manner that recognizes the significant resource values found within the Saguaro National Monument. With the high public recognition and interest in these resources, we have the opportunity here to address resource issues on a cooperative basis before damages occur and confrontations arise. I believe S. 292 can be a positive part of this process and I recommend its adoption by the House.

□ 1300

Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 292, a bill to add approximately 3,500 acres to the existing Saguaro National Monument on the outskirts of Tucson, AZ. The measure we are considering today is similar to legislation passed by this body last year.

As stated by the subcommittee chairman, rapid urban expansion in the Tucson area has brought development to the doorstep of Saguaro National Monument. This development has resulted in a permanent loss of natural resource values from much of the land in the Tucson basin. The parcel added to Saguaro National Monument under my colleague, Mr. KOLBE's bill, would preserve an area immediately adjacent to the monument. This is an area which still retains such outstanding natural values as high quality saguaro stands and important riparian corridors, as well as habitat for the desert tortoise, gila monster, and javelina.

The administration opposes this bill due to the lack of a formal boundary study. However, I note that the National Park Service has, within the last 2 years, completed a general management plan for the park. Had the National Park Service complied with existing law and completed a boundary study for that park at the time they were completing their management plan, they would be prepared to respond to this legislation. It is hard to understand why the National Park Service would complete a management plan for Saguaro National Monument and not address boundary questions.

I also want to recognize the efforts of the Rocking K Corp. which is pursuing a development in the vicinity of the proposed park addition. Urbanization is a major issue facing many of our national park system areas today. In order to address the issue of potential impacts on adjacent park resources, this company has proposed to: protect sensitive riparian corridors considered essential for wildlife movement, create a nonprofit corporation focusing on environmental preservation issues, provide public access to the park, and retain almost 70 percent of their total land holding in open space. This is a model which could go a long way on a national basis toward resolving urban encroachment problems at National Park Service areas.

Mr. Speaker, this is a bill which enjoys broad support from groups in the Tucson area. This bill deserves the support of the House and I commend it to my colleagues.

Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from Arizona [Mr. KOLBE], the prime sponsor in the House of this legislation.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today in strong support of S. 292, the Saguaro National Monument boundary expansion bill. This bill, sponsored by Senator JOHN MCCAIN, is identical to H.R. 664, introduced on January 28 and sponsored by me and the other Members of the Arizona House delegation. It is a special honor to have as an original cosponsor of this bill my former colleague and friend, Mo Udall. It is fitting that Mo Udall's final bill be one that seeks to protect a national ecological treasure.

The Saguaro National Monument truly is one of the gems in the Nation's string of national parks. It is located at the northern edge of the Sonoran desert and is home to a diverse and spectacular array of plant and animal life. Most notable, of course, are the thick stands of towering, majestic saguaro plants for which the monument is named and which have come to symbolize the southwest desert.

The monument, however, is confronted with increasing urban encroachment and development, the outgrowth of significant population increases in the Tucson metropolitan area that could hardly have been imagined at the time of the monument's creation in 1933. As a result, a coalition of environmental organizations contacted land owners in the area and other interested parties to explore possible additions to the monument. The group reached a consensus and then approached the Arizona delegation with the boundary expansion proposal embodied in H.R. 664 and S. 292—the bill that is before us today.

The additional land will include prime habitat for the desert tortoise, gila monster, javelina, and other reptiles, birds and mammals. One of the highest quality saguaro cactus stands in the region will be added as well. This is especially important because of the significant decline, estimated at more than 50 percent in the monument's saguaro population.

The bill is drafted to give maximum flexibility in the acquisition of the land. In these times of fiscal restraint, however, it is probable that if the land is to be brought under Federal ownership soon, it would have to be acquired through an exchange, thus eliminating the need for taxpayer expenditures. It should be noted that the proposed expansion area has been part of a major study by some of the foremost experts on the Saguaro National Monument-Rincon area, making unnecessary further taxpayer dollars for a Federal boundary study.

Last year, Chairman UDALL and I introduced legislation identical to this year's bill. The merits of this proposal were then recognized by this body. Despite being introduced late in the session, the bill passed the subcommittee, full committee and the full House in quick order. Unfortunately, time ran out on this legislation in the Senate last October. But the Senate did not miss the opportunity in 1991: S. 292, was adopted by the Senate on voice vote on April 25.

The House began consideration of the boundary expansion bill on May 7, in the National Parks and Public Lands Subcommittee. On May 14, the subcommittee considered the bill and forwarded it to the full committee.

The House Committee on the Interior and Insular Affairs considered the bill on May 22 and ordered it favorably reported.

The success of this bill would not have been possible without the help of a number of my colleagues. I would like to especially thank Chairman VENTO and Congressman JAY RHODES for their assistance, as well as Chairman MILLER, ranking minority member on the Interior Committee, Mr. YOUNG, and on the subcommittee, Mr. MARLENEE.

Mr. Speaker, this bill is a must for all those concerned with preserving and enhancing a national treasure. The proof can be seen in the wide-spread support for the bill, including a host of environmental groups, affected landowners, the city of Tucson and Pima county. S. 292 deserves the same enthusiastic endorsement it received last year from this body. I urge your support.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, just briefly, I yield myself a minute.

I just want to congratulate the gentleman from Arizona [Mr. KOLBE] and the Arizona delegation. They have a remarkable record of working on land use policy, conservation, environmental issues, in the past years that I have chaired the subcommittee. Obviously part of it is due to the leadership of former Chairman Mo Udall, but a lot of it is also the fact that they have done their homework and themselves are strong supporters of the measures before us, such as Senator MCCAIN is. And when he worked in the House, that was evident from his work in the Committee on Interior and Insular Affairs, as well as that of the gentleman from Arizona, Mr. JAY RHODES, and the gentleman from Arizona, Mr. JIM KOLBE, both of whom I have worked with on a number of different measures.

This is a good measure. It adds nearly 3,500 acres to an existing monument, which is a substantial addition. It does it in such a way, a cooperative manner, with the local community and the county.

I wish, obviously, that these problems had been solved yesterday, but they were not, so we have to deal with them today. I hope that we continue to address the threat to our national parks in terms of the boundaries, trying to provide some rational administrative boundaries, and to include in significant resources such as this riparian resource, which does have a large number of specimens.

Nobody has said so this afternoon, but the saguaro cactus have had a very tough time in recent years. We do not know quite what the cause of it is. It is important that we continue to pay attention to the existing national monuments and parks such as saguaro, which have been established for a long time. We should not take them for granted. This action obviously does not take it for granted.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 292.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ANDREWS of Texas. Mr. Speaker, during the following rollcall vote, I was unavoidably detained in Texas. I would submit this statement to be included in the RECORD after the votes.

On rollcall No. 122, H.R. 1642, had I been present, I would have voted "yea."

□ 1310

DESIGNATING CERTAIN SEGMENTS OF ALLEGHENY RIVER IN PENNSYLVANIA AS COMPONENT OF NATIONAL WILD AND SCENIC RIVERS SYSTEM

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1323) to amend the Wild and Scenic Rivers Act by designating certain segments of the Allegheny River in the Commonwealth of Pennsylvania as a component of the National Wild and Scenic Rivers System, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF ALLEGHENY RIVER.

In order to preserve and protect for present and future generations the outstanding scenic, natural, recreational, scientific, historic, and ecological values of the Allegheny River in the Commonwealth of Pennsylvania, and to assist in the protection, preservation, and enhancement of the fisheries resources associated with such river, section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph at the end:

"( ) ALLEGHENY, PENNSYLVANIA.—The segment from Kinzua Dam downstream approximately 7 miles to the United States Route 6 Bridge, and the segment from Buckaloons Recreation Area at Irvine, Pennsylvania, downstream approximately 47 miles to the southern end of Alcorn Island at Oil City, to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement with the Commonwealth of Pennsylvania and the counties of Warren, Forest, and Venango, as provided under section 10(e) of this Act; and the segment from the sewage treatment plant at Franklin downstream approximately 31 miles to the refinery at Emlenton, Pennsylvania, to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement with the Commonwealth of Pennsylvania and Venango County, as provided under section 10(e) of this Act.".

SEC. 2. ADVISORY COUNCILS FOR THE ALLEGHENY NATIONAL RECREATIONAL RIVER.

(a) ESTABLISHMENT.—The Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") shall establish within 120 days after the date of enactment of this Act 2 advisory councils to advise him on the establishment of final boundaries and the management of the river segments designated by section 1 of this Act (hereinafter referred to as the "Allegheny National Wild and Scenic River"), as follows:

(1) The Northern Advisory Council, to provide advice for the management of the segments of the Allegheny National Wild and Scenic River between Kinzua Dam and Alcorn Island; and

(2) The Southern Advisory Council, to provide advice for the management of the segment of the Allegheny National Wild and Scenic River between Franklin and Emlenton.

(b) NORTHERN ADVISORY COUNCIL.—The Northern Advisory Council shall be composed of 9 members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his designee, who shall service as chair of the Council and be a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the Commonwealth of Pennsylvania, or his designee.

(C) 6 members, 2 from each county from recommendations submitted by the County Commissioners of Warren, Forest, and Venango Counties, of which no fewer than 2 such members shall be riparian property owners along the Allegheny National Wild and Scenic River.

(D) One member from a nonprofit conservation organization concerned with the protection of natural resources from recommendations submitted by the Governor of the Commonwealth of Pennsylvania.

(2) Members appointed under subparagraphs (C) and (D) of paragraph (1) shall be appointed for terms of 3 years. A vacancy in the Council shall be filled in the manner in which the original appointment was made.

(3) Members of the Northern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Northern Advisory Council shall cease to exist 10 years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

(c) SOUTHERN ADVISORY COUNCIL.—(1) The Southern Advisory Council shall be composed of 7 members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his designee, who shall serve as a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the Commonwealth of Pennsylvania, or his designee, who shall serve as chairman.

(C) 4 members from recommendations submitted by the County Commissioners of Venango County, of which at least one shall be a riparian property owner along the Allegheny National Wild and Scenic River.

(D) One member from a nonprofit conservation organization concerned with the protection of national resources, from recommendations submitted by the Governor of the Commonwealth of Pennsylvania.

(2) Members appointed under subparagraphs (C) and (D) of paragraph (1) shall be appointed for terms of 3 years. A vacancy of the county representatives on the Council shall be filled in the manner in which the original appointment was made.

(3) Members of the Southern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Southern Advisory Council shall cease to exist 10 years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

SEC. 3. ADMINISTRATION OF ALLEGHENY NATIONAL WILD AND SCENIC RIVER.

(a) BOUNDARIES.—After consultation with the Commonwealth of Pennsylvania, advisory councils, local governments, and the public, and within 18 months after the enactment of this Act, the Secretary shall take such action with respect to the segments of the Allegheny River designated under section 1 of this Act as is required under section 3(b) of the Wild and Scenic Rivers Act.

(b) INTERIM MEASURES.—As soon as practicable after enactment of this Act, the Secretary, shall issue guidelines specifying standards for local zoning ordinances, pursuant to section 6(c) of the Wild and Scenic Rivers Act, with the objective of protecting the outstandingly remarkable values of the Allegheny Wild and Scenic River, as defined by the Secretary. Once issued, such guidelines shall have the force and effect provided in section 6(c) of the Wild and Scenic Rivers Act.

(c) ADMINISTRATION OF CERTAIN SEGMENTS.—(1) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Wild and Scenic River segments located between Kinzua Dam and Alcorn Island shall be added to and become part of the Allegheny National Forest.

(2) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Wild and Scenic River segment located between Franklin and

Emlenton may be managed under a cooperative agreement with the Commonwealth of Pennsylvania.

SEC. 5 STUDY RIVERS.

(a) STUDY.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271-1287) is amended by adding the following new paragraph at the end thereof:

"( ) CLARION, PENNSYLVANIA.—The segment of the main stem of the river from Ridgway to its confluence with the Allegheny River. The Secretary of Agriculture shall conduct the study of such segment.

"( ) MILL CREEK, JEFFERSON AND CLARION COUNTIES, PENNSYLVANIA.—The segment of the main stem of the creek from its headwaters near Gumbert Hill in Jefferson County, downstream to the confluence with the Clarion River.".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

The SPEAKER pro tempore. (Mr. MAZZOLI). Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1323, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1323 is a bipartisan measure introduced by the gentleman from Pennsylvania, Mr. CLINGER, and our Interior Committee colleague from Pennsylvania, Mr. KOSTMAYER.

The bill would designate some 85 miles of the Allegheny River, in northwestern Pennsylvania, for inclusion in the National Wild and Scenic River System. It is similar to a bill that was approved by our committee and passed by the House late in the last Congress on which action was not completed. The major difference in the legislation introduced this year is the addition of provisions for study of two tributary streams.

The bill is not controversial, so far as I am aware. There is agreement by all concerned, including the administration, that the segments of the river that would be designated by the bill are deserving of management consistent with the Wild and Scenic Rivers Act. Similarly, the proposal to study the additional areas was supported when the bill was being considered by the Subcommittee on National Parks and Public Lands.

The Interior Committee did adopt some amendments, primarily of a technical nature, including one that would revise section 3(b) of the bill, related to interim measures, in accordance with a suggestion made by the Forest Service at our hearing on the bill.

The revised language would direct the Secretary to use existing authority, under section 6(c) of the Wild and Scenic Rivers Act, to issue guidelines for local actions to protect the values of the designated segments of the Allegheny River.

Mr. Speaker, this is a good bill and basically the same as one that was approved by the House in the last Congress. I urge its approval again, and I hope that the Senate will be able to complete action on it reasonably soon.

Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1323, a bill to designate 85 miles of the Allegheny River in northwestern Pennsylvania as a unit of the Wild and Scenic Rivers System. This is an important measure which will protect certain "outstandingly remarkable" river values that were first recognized 13 years ago.

The Forest Service has studied and fully evaluated the resources of this river. The provisions of this bill regarding specific river segments to be designated are consistent with the results of their studies. The administration has testified in support of non-Federal management for those river segments entirely outside the forest boundary. Such a position is reasonable in terms of Federal fiscal limitations, as well as recognition of the outstanding river protection program implemented by the Commonwealth of Pennsylvania. I am pleased to see that while Federal management for the entire 85 miles has been retained, the revised language in this bill does set the proper parameters for limiting Federal control over local land use measures.

This is a bipartisan effort, representing the close cooperation between Mr. CLINGER and Mr. KOSTMAYER. I commend them for working together and bringing forward a bill which builds upon the thorough planning conducted by the Forest Service.

I urge my colleauges to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a good bill. As has been indicated, it covers 85 miles of the Allegheny River which qualify for management as wild and scenic river under the law, has been studied by the Forest Service, and has been through all the procedures that I think are necessary.

We set in motion some additional analysis to be done on some tributaries.

As has been indicated, it is a measure that the gentleman from Pennsylvania [Mr. CLINGER] and the gentleman from Pennsylvania [Mr. KOSTMAYER], who serves on the committee, had worked on. It passed in the last session.

I think that there is no controversy that I am aware of with regard to the Members, and so I just commend it to you. It deserves to be enacted today—passed by the House today.

Mr. CLINGER. Mr. Speaker, I rise today in support of H.R. 1323, which will designate 85 miles of Allegheny River in northwestern Pennsylvania as recreational under the Federal Wild and Scenic Rivers System.

Last October, the House passed this legislation, but unfortunately, the other body could not act before the 101st Congress adjourned.

Many people deserve thanks for bringing this legislation to the floor today in a bipartisan manner. I would especially like to thank my colleague, Congressman PETER KOSTMAYER. His help and hard work have proved invaluable in moving this legislation forward. Also, I'm pleased that we have had the support of the entire Pennsylvania delegation in designating the Allegheny River as a valuable recreational resource for the Commonwealth of Pennsylvania.

The Allegheny River flows through some of the most beautiful forests in America. Its soft, rolling hills and majestic trees make a trip along the river truly inspirational and bring to mind the grandeur that makes up so much of America's wilderness. A brief excerpt from Frederick Way's 1942 book, "The Allegheny," sums it up nicely:

> . . . Strange and untamed and little explored. Curious that such a place should exist so close to civilization and still be untouched. Miles and miles of pioneer river. . . . The Allegheny River is a breed of its own, and it should remain so!

This bill will formalize and continue the long tradition of recreation on the Allegheny River. For generations, people have used this waterway for fishing, canoeing, camping, and other recreational activities. This designation would ensure that that tradition continues.

Of the 85 miles that would be designated, 30 percent cuts through the Allegheny National Forest, with the rest flowing through States and private lands. The national recreational river designation will also add additional protection to the many islands of the Allegheny River, including those designated as wilderness in the 1984 Pennsylvania Wilderness Act.

Because some of the lands are private, this bill sets up two citizen advisory councils to ensure a high level of input from private citizens and local governments. In fact, the local residents will have a major voice in drafting the management plan that will be the U.S. Forest Service. This plan will determine final boundaries and allow local citizens a large role in managing the river in the future.

Besides protecting the Allegheny, this legislation will also study the Clarion River from Ridgway to its confluence with the Allegheny to see if it too can be protected. A stream in Jefferson and Clarion Counties, the Millcreek, would also be studied.

The Allegheny River is a beautiful natural resource and this legislation will ensure that it receives protection as soon as possible.

I strongly urge all of my House colleagues to join the Pennsylvania delegation in supporting this important environmental legislation. We've crafted a good bill and it deserves to be enacted into law.

Additionally, I am very hopeful that the companion legislation the late Senator Heinz introduced, which is now being moved by Senator ARLEN SPECTER, will pass soon in the other body.

Mr. KOSTMAYER. Mr. Speaker, today the House of Representatives takes another step in helping to protect the beauty of western Pennsylvania, by considering H.R. 1323, a bill that would designate 85 miles of the Allegheny River as a component of the Federal Wild and Scenic Rivers System, and study the Clarion River for potential addition to the Wild and Scenic Rivers System.

I would like to thank both Chairman VENTO for moving so rapidly on H.R. 1323, and Congressman BILL CLINGER for all of his work and support, and for introducing the bill that he and I have been working on for several years to protect the beauty and scenery of the Allegheny River.

The Interior Subcommittee on Oversight and Investigations, which I chaired, held a hearing in 1989 in Pittsburgh to review operations and policies in the Allegheny National Forest [ANF]. One of the major focal points was the draft Forest Service report on recommending protection strategies for the Allegheny River. Congressman CLINGER and I became convinced that indeed the river was worthy of Federal protection and that there was substantial public support for such a proposal. Representative CLINGER, who represents that region of Pennsylvania, and I developed a piece of legislation that would bring 85 miles of the Allegheny River under the protection of the U.S. Forest Service, and yet it would be done so in cooperation with local communities and landowners. This bill enjoys the support of the entire Pennsylvania delegation.

H.R. 1323 calls for Forest Service management both inside and outside the proclamation boundary of the ANF. But this should present no problem. The U.S. Forest Service can and should provide leadership in protecting resources in and near national forests. Additionally, the Forest Service plays a vital role in advising private landowners and communities how to protect important forests, watersheds, and open space through the State and Private Forestry Program.

Mr. Speaker, this would be only the second wild and scenic river designation in the Commonwealth of Pennsylvania, and I look forward to working with Congressman CLINGER and the rest of the Pennsylvania delegation to bring this kind of protection to many other rivers in our beautiful State. In fact, I hope to bring to the floor sometime this summer my bill to designate portions of the Delaware River as wild and scenic, and will be working with the Pennsylvania delegation on an omnibus river protection bill for the Commonwealth of Pennsylvania.

Again, I appreciate the House acting on this bill at such a busy time and I look forward to enacting this bipartisan effort this year.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1323, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

Mr. BOUCHER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2042) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, and for other purposes.

The Clerk read as follows:

H.R. 2042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 17(g)(1) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(g)(1)) is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by striking the period the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(D) $25,550,000 for the fiscal year ending September 30, 1992;

"(E) $26,521,000 for the fiscal year ending September 30, 1993; and

"(F) $27,529,000 for the fiscal year ending September 30, 1994.".

SEC. 2. PRIORITY ACTIVITIES OF THE UNITED STATES FIRE ADMINISTRATION.

(a) PRIORITY ACTIVITIES.—In expending funds appropriated pursuant to the amendments made by section 1 of this Act, the United States Fire Administration shall give priority to—

(1) reducing the incidence of residential fires, especially in residences of the very old or very young in urban and rural areas, through the development and dissemination of public education and awareness programs, through arson research and technical assistance programs, and through research and development on new technologies;

(2) working with State Fire Marshals and other State level fire safety offices to identify fire problems that are national in scope;

(3) disseminating information about the activities and programs of the United States Fire Administration to State and local fire services;

(4) enhancing the residential sprinkler program, including research, demonstration activities, and technical assistance to the public and private sectors;

(5) enhancing research into sprinkler programs in areas or structures with limited or no domestic water supply;

(6) through the National Fire Academy, enhancing the residential and field program in support of State level training programs, particularly those that support the volunteer fire service; and

(7) strengthening programs that help protect the lives and safety of fire and emergency medical services personnel, including research into causes of death and injuries, research and development on new technologies to mitigate and prevent injuries, dissemination of information, and technical assistance to State and local fire departments.

(b) REPORT TO CONGRESS.—The United States Fire Administration shall, within one year after the date of enactment of this Act, submit a report to Congress on the activities taken pursuant to subsection (a)(1).

SEC. 3. REPORT ON PUBLIC LAW 101-391, THE HOTEL AND MOTEL FIRE SAFETY ACT OF 1990.

The United States Fire Administration shall, by October 15, 1991, report to the Committee on Science, Space, and Technology of the House of Representatives and the Committtee on Commerce, Science, and Transportation of the Senate on its progress in implementing the Hotel and Motel Fire Safety Act of 1990. Such report shall specify the nature of expenditures made to that date, as well as including an estimate of the costs and a specific schedule for implementation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia [Mr. BOUCHER] will be recognized for 20 minutes, and the gentleman from California [Mr. PACKARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Virginia [Mr. BOUCHER].

Mr. BOUCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2042, the reauthorization of appropriations under the Federal Fire Prevention and Control Act of 1974.

The current authorization of appropriations under the Federal Fire Prevention and Control Act of 1974.

Fire is the third leading cause of accidental death, resulting in more than 6,000 deaths each year. At least 80 percent of all fire fatalities occur in homes. Due to the serious nature of the residential fire problem, H.R. 2042 directs the Fire Administration to submit a report to the Congress within 1 year on activities taken to give priority to reducing residential fires.

In human terms, far too many people die needlessly by fire each year. Senior citizens over 65 and children under 5 are disproportionately represented in fire deaths. Blacks and native Americans have extremely high fire death rates. People living in large cities and rural areas have a much higher risk of death from fire than those in suburban areas and small towns. In economic terms, the total cost of fire to the American public is about $30 billion annually.

The U.S. Fire Administration is striving to reduce the incidence of accidental fires. Its programs include smoke detector research, fire prevention, arson research, management and firefighter health and safety research, data collection and analysis to enhance our knowledge of the scope and magnitude of fire problems, public fire education campaigns, and specialized training and management programs for the fire services.

H.R. 2042, authorizes appropriations of $25,550,000 for fiscal year 1992, with inflationary increases for fiscal year 1993 and fiscal year 1994. The authorization level for fiscal year 1992 is consistent with the administration's budget request.

The bill directs the Fire Administration to give priority to seven activities, including the reduction of residential fires, among the groups most vulnerable to fire and in geographical areas hardest hit by fire. It requires research into the development of sprinkler programs for areas or structures with limited or no domestic water supply.

And the bill requires the Fire Administration to report on its progress in implementing the Hotel and Motel Fire Safety Act of 1990.

I want to acknowledge the contributions of the gentleman from California, Mr. PACKARD ranking Republican member of the Subcommittee on Science, particularly with regard to the need to improve fire fighting capabilities in areas with limited water supplies.

I urge support for H.R. 2042.

☐ 1320

Mr. PACKARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2042, which reauthorizes appropriations for fiscal years 1992 through 1994.

The U.S. Fire Administration was created by the Federal Fire Prevention and Control Act of 1974 as the Federal agency with responsibility for fire reduction efforts at the national level. This country loses almost 6,000 people each year to fires. Out of this tragic number, the most vulnerable groups are the very young and the very old.

A statistic which is truly alarming to me is that the vast majority of fire deaths occur in the home. That is why H.R. 2042 requires the U.S. Fire Administration to report to the Congress, within 1 year, on the activities taken by the Fire Administration to reduce the number of residential fires.

The bill directs the Fire Administration to give priority to seven activities—including an area which is of great importance to me—enhancing research into sprinkler programs in areas or structures where there is little or no domestic water supply. This provision has applicability to mobile homes and rural areas, and of particular significance to me is its applicability to drought-striken California.

California has been devastated by the ongoing drought conditions. Conservation of the precious water supply is absolutely essential, especially now since 1991 ranks as the driest of the 5 years of drought. It is reported that so far, California has reduced its normal deliveries of water to municipal and industrial users, including the metropolitan water district of southern California, by 80 percent. Deliveries to agricultural users have been eliminated and are not expected to be resumed this year.

I am hopeful that the provision on sprinkler systems for limited water supplies will have a positive impact on the drought-striken Southwest which literally has no water to spare.

In conclusion, I want to state that I support this bill because it provides funding for essential fire prevention efforts and it accomplishes this at the level of the President's request for fiscal year 1992. I want to thank the gentleman from Virginia, Mr. BOUCHER, chairman of the Subcommittee on Science, for his efforts to work cooperatively on this bill and for his efforts to move this bill to the floor in such an expeditious manner.

I urge all members to support this legislation.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER], the ranking member of the full committee.

Mr. WALKER. Mr. Speaker, as a cosponsor of this bill, I am pleased to add my support to this legislation. The authorization level represents the President's request for fiscal years 1992, 1993, and 1994.

The success of the U.S. Fire Administration and the National Fire Academy are obvious in the dramatic decrease in fire-related deaths over the past 15 years. These organizations are responsible for the dissemination of up-to-date fire prevention information to fire companies across the country, and it is this network that has enhanced fire service training and reduced fire loss.

Although all firefighters benefit from the training efforts of the U.S. Fire Administration and the National Fire Academy, the thousands of small volunteer fire companies across the country are perhaps the most dependent on these programs. The fire programs have provided invaluable assistance to individual communities, and have resulted in real savings of human life and property.

I urge all Members to support this legislation.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 2041, a bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, as a Member who has seen the tragedy of fire strike in my own congressional district.

On March 29, 1991, in Port Jervis, New York, a tragic fire killed three children and their grandfather during the early morning hours. The family died from smoke inhalation after being overcome by smoke even before the flames raced through their wood-frame home. Fire investigators have found no evidence of smoke detector devices.

Following this tragedy, I learned that the family received section 8 rental assistance and that HUD does not require smoke detectors in section 8 subsidized housing rented to low-income and/or elderly individuals. In addition, I have been apprised that the Nation's taxpayers will spend $11.6 billion this year on federally subsidized section 8 housing programs. However, the 2.6 million families receiving section 8 across America do not have the protection needed by smoke alarms.

Accordingly, along with Senator D'AMATO, I have introduced H.R. 2099, the Fire Safety Enhancement Act, requiring the installation and maintenance of smoke detectors in all households financed with HUD programs—the only chance that this Port Jervis family had for survival.

Mr. Speaker, while it is too late to help the family in Port Jervis, with the support of my colleagues, we may be able to save other families throughout our Nation. Similarly with the support of the House today, the Federal Fire Prevention and Control Act authorization can strengthen our Nation's ability to protect its citizens against the horrors and tragedy of fire.

Mr. WELDON. Mr. Speaker, I rise today in strong support for this legislation. As the chairman of the congressional fire services caucus, I am pleased that Congress is again renewing the Federal commitment to reducing fire injuries and deaths.

As we are all too well aware, more than 6,000 people lose their lives to fire each year. The U.S. record of fire losses is among the worst of any industrialized nation. Fire kills, and its victims are often those least able to escape its clutches: The very young, the very old, and the sick.

The key to reducing the record of fire deaths is prevention. For that reason, I am extremely pleased that this committee made fire prevention in residential areas the No. 1 priority for the U.S. Fire Administration. Fully three-quarters of the deaths and two-thirds of the injuries caused by fire occur in the home. Renewed emphasis by the USFA on this problem will help reverse these terrible statistics.

I am also pleased to see that the bill directs the USFA to expand its efforts to promote the use of residential sprinklers. The majority of residential fires in 1987 occurred in homes without smoke detectors. In an alarming 41 percent of such fires where smoke detectors were present, the units either failed to operate or activated too late to save the residents. Expanded use of sprinklers will save hundreds and hundreds of lives in the years to come. I would also mention the importance of considering other fire safety technologies, including building design and materials, which can have a significant impact on fire safety.

I would like to take a moment to express my appreciation to the President of the United States. For years, this committee and other concerned Members of Congress had to fight to keep these programs alive. Each year, the Office of Management and Budget recommended elimination of the Federal fire programs, and each year, this committee restored them. Fortunately, the current resident of the White House understands the nature of the fire problem in America and included an increase in funds for the U.S. Fire Administration in his fiscal year 1992 budget. The President's cooperation and concern for America's domestic defender has been truly outstanding.

I would like to commend the chairman of the committee, Mr. BROWN, and the ranking minority member, Mr. WALKER, for bringing this important legislation to the floor. Subcommittee Chairman RICK BOUCHER and the ranking member RON PACKARD also deserve a great deal of credit for their work in crafting this bill. It is this committee which stood against previous efforts to eliminate the Federal fire programs, and it is clear that their efforts are being recognized by those of us inside the beltway. I know that the American Fire Service is glad to have strong allies on the House Science, Space, and Technology Committee.

Mr. Speaker, H.R. 2042 is a good bill, one that will help save lives and property. I urge my colleagues to join me in supporting it.

Mr. BROWN. Mr. Speaker, in 1974, Congress passed the Federal Fire Prevention and Control Act, which established the U.S. Fire Administration. The Fire Act created new national authorities and a Federal focus to reduce the devastating fire losses that occur annually in this Nation. Each year, fire kills more Americans than all other national emergencies combined, including floods, hurricanes, tornadoes, and earthquakes.

Many of the programs of the U.S. Fire Administration have been responsible for cutting fire fatalities in half over the past 20 years from roughly 12,000 in the early 1970's to about 6,000 now. However, in spite of the progress that has been made in reducing fire deaths, the United States still has one of the highest fire-death rates per capita in the industrialized world. The total cost of fire which includes losses plus the cost of protection, fire departments, and insurance overhead is $30 billion per year.

H.R. 2042, directs the U.S. Fire Administration to give priority to several areas which include: First, reducing the residential fire problem; second, working with State level fire safety offices to identify fire problems that are national in scope; third, disseminating information about the activities of the U.S. Fire Administration to State and local fire services; fourth, enhancing research into the establishment of sprinkler programs in areas or structures with limited or no domestic water supply; fifth, enhancing the residential sprinkler program; sixth, enhancing fire fighter training programs at the National Fire Academy, particularly those that support the volunteer fire services; and seventh, strengthening programs that help protect the lives and safety of fire and emergency medical personnel.

The funding level in the bill for fiscal year 1992 is consistent with the administration's request and for fiscal years 1993 and 1994 the funding levels reflect increases for inflation.

I want to thank my distinguished colleagues on the Subcommittee on Science, RICK BOUCHER, chairman, and RON PACKARD, ranking Republican member, and my distinguished colleague, ROBERT WALKER, ranking Republican member of the committee, for the expeditious manner in which this bill has been brought to the floor.

By one's and two's, fire claims an average of 16 victims each day and continues to be a serious burden on the national economy. I urge my colleagues to support the passage of H.R. 2042, the authorization of the Federal Fire Prevention and Control Act for fiscal year 1992–94, to provide programs that mitigate the enormous fire threat in this Nation.

Mr. PACKARD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BOUCHER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

GENERAL LEAVE

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2042, the bill now under consideration.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia [Mr. BOUCHER] that the House suspend the rules and pass the bill, H.R. 2042.

The question was taken.

Mr. PACKARD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, I was unexpectedly detained on my return from an Education and Labor field hearing in the 19th District of Pennsylvania, and was unable to participate in activities on the floor of the House. Had I been present, however, I would have voted "yea" on H.R. 2042, "yea" on S. 483, and "yea" on H.R. 1642.

PERSONAL EXPLANATION

Mr. FIELDS. Mr. Speaker, a prior commitment in my district prevented me from being present on the House floor when recorded votes were ordered on several suspensions. Had I been present at the time of the votes, I would have voted "aye" on H.R. 2042, H.R. 1642, and S. 483.

PERSONAL EXPLANATION

Mr. SANDERS. Mr. Speaker, due to previously scheduled hearings on health care and on Lake Champlain, I was unable to be present for the three recorded votes taken. Had I been here, I would have voted "aye" on H.R. 1642, the Palo Alto Battlefield National Historic Site Act of 1991; "aye" on H.R. 2042, the Federal Fire Prevention and Control Act Authorization, and "aye" on S. 483, the Taconic Mountains Protection Act of 1991.

PERSONAL EXPLANATION

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall votes No. 122, 123, and 124. Had I been present on the House floor I would have cast my vote as follows:

Roll No. 122: "Yea" on passage of H.R. 1642, establishing in the State of Texas the Palo Alto Battlefield National Historic Site.

Roll No. 123: "Yea" on passage of H.R. 2042, authorizing appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

Roll No. 124: "Yea" on passage of S. 483, the Taconic Mountains Protection Act of 1991.

MANAGING OF SPECIAL ORDER

Mr. BROWN. Mr. Speaker, I have a unanimous-consent request involving a special order coming up directly after the conduct of business by the gentleman from Texas [Mr. DE LA GARZA]. I ask unanimous consent that the gentleman from Virginia [Mr. BOUCHER] be designated as the manager of my special order in my absence. I expect to be gone for just a few minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TACONIC MOUNTAINS PROTECTION ACT OF 1991

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 483) entitled the Taconic Mountains Protection Act of 1991.

The Clerk read as follows:

S. 483

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSES.

(a) Congress finds that—

(1) large tracts of undeveloped forest land in Vermont's Taconic Mountain Range are threatened by conversion to nonforest uses;

(2) lands included in the Green Mountain National Forest are forever open to all Americans;

(3) the Green Mountain National Forest permanently protects forest for their environmental and economic benefits through the management of range, recreation, timber, water, wilderness, and fish and wildlife resources;

(4) the Bennington County Regional Commission supports expanding the Green Mountain National Forest boundary to include the Taconic Mountain Range; and

(5) the Vermont General Assembly has enacted legislation consenting to the acquisition by the Federal Government of lands throughout the Taconic Mountain Range within Bennington County for inclusion in the Green Mountain National Forest.

(b) It is the purpose of this Act to expand the boundaries of the Green Mountain National Forest to include the Taconic Mountain Range within Bennington County.

SEC. 2. GREEN MOUNTAIN NATIONAL FOREST EXPANSION.

The boundaries of the Green Mountain National Forest are hereby modified to include all lands depicted on a map entitled "Taconic Mountain Range Expansion" dated March 1, 1991, which shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Washington, District of Columbia. Within the area delineated on such map, the Secretary shall utilize his authorities under the Act of March 1, 1911 (chapter 186, 36 Stat. 961 as amended), to acquire lands, waters, and interests therein. Lands so acquired shall be managed under such Act for National Forest purposes.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from California [Mr. HERGER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 483—the Taconic Mountains Protection Act of 1991—authorizes the expansion of the Green Mountain National Forest to include the 185,000 acres of the Taconic Mountain Range within Bennington County, VT.

This proposed expansion of the Green Mountain National Forest has the support of the people of Bennington County, VT, and the State's congressional delegation.

S. 483 will protect and guarantee public access to an important natural resource that is now threatened with conversion to nonforest uses, particularly residential development. Most of the lands within the proposed expansion area are rugged, undeveloped forest and meadow areas, and it also includes the headwaters of two highly rated trout streams. The U.S. Forest Service has stated its intention to acquire these privately owned lands on a willing-seller basis.

Mr. Speaker, the Taconic Mountain Range is a logical addition to the Green Mountain National Forest and I urge the House to support this legislation.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of S. 483. It passed our committee on a voice vote. I urge its adoption.

S. 483 will protect and guarantee public access to an important natural resource that is now threatened with conversion to nonforest use, particularly residential development. Most of the lands within the proposed expansion area are rugged, undeveloped forest and meadow areas, and it also includes the headwaters of two highly rated trout streams. The U.S. Forest Service has stated its intention to acquire these privately owned lands on a willing-seller basis.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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Mr. DE LA GARZA. Mr. Speaker, I appreciate the support of our colleagues on this legislation, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the Senate bill, S. 483.

The question was taken.

Mr. HERGER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will put the question on each motion on which further proceedings were postponed in the order in which the motion was entertained later today following the recognition of Members for special order speeches.

ORDER OF BUSINESS

Mr. WALKER. Mr. Speaker, I ask unanimous consent that my special order today may be called at a later time so we may allow the gentleman from Virginia [Mr. BOUCHER] to proceed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

BASIC RESEARCH IS THE WELLSPRING OF KNOWLEDGE FROM WHICH ALL TECHNOLOGICAL INNOVATION IS DERIVED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BOUCHER] is recognized for 60 minutes.

Mr. BOUCHER. Mr. Speaker, I thank the gentleman from Pennsylvania for allowing me to proceed at this time.

Today, members of the Committee on Science, Space, and Technology, are engaging in special orders for the purpose of underscoring the value of federally funded research. I will initially deliver a set of remarks concerning that subject and then yield to other members of the full committee who are scheduled to deliver remarks as well.

Mr. Speaker, high technology innovation—the innovation that drives our economy forward and contributes most directly to increasing our standard of living—can only occur if new knowledge is constantly generated through basic research. But it has been estimated that there is, on average, a 7- to 20-year lag between the time that an innovative concept is discovered by a basic researcher, and the time that this innovation can be commercialized by the private sector. Furthermore, there can be no way to control the direction or predict the results of basic research in order to guarantee a particular type of innovation in a particular amount of time.

For example, the great British scientist Ernest Rutherford studied the structure of atoms, and early in this century determined that the heat produced by radioactive elements was caused by changes in their atomic makeup. When asked about the practical applications of his discovery, Rutherford said: "Anyone who expects a source of power from the transformation of these atoms is talking moonshine." Yet the radioactive decay which he investigated is the very process that allows us to generate electricity from nuclear reactors.

The most important high technology innovation of the past 50 years—the transistor—could not have been developed without fundamental discoveries in the basic science of quantum physics. The implications of these discoveries could not have been predicted by anyone. Walter H. Brattain, one of the original discoverers of the transistor effect, stated:

> The transistor came about because fundamental knowledge had developed to a stage where human minds could understand phenomena that had been observed for a long time. It is noteworthy that a breakthrough came from work dedicated to understanding fundamental physics, rather than from the cut-and-try method of producing a useful device.

Furthermore, it was more than twenty years between the invention of the transsitor, in 1947, and the emergence of a mature industry based on integrated circuit technology in the 1970's. It was almost 50 years between Rutherford's discovery of radioactive decay and the development of the controlled fission reactor. These types of time lags are typical.

In other words, the investment that we make in basic scientific and engineering research today will be the source of knowledge for our high technology industries in the first decades of the 21st century. If we chose to reduce our R&D budget now, we cannot know the specific consequences of our action, we cannot know what we will not discover. We do know, however, that the other industrialized nations of the world are choosing this time to increase their R&D investments, and that the discoveries we fail to make at home today may well be made by scientists abroad tomorrow.

The slow and unpredictable nature of scientific and technological innovation prevents private industry from funding a significant portion of our nation's basic research. Yet a continued flow of basic scientific discoveries is absolutely critical to maintaining our high technology competitiveness and economic vitality. For these reasons, the Federal Government has always been—and must continue to be—the primary sponsor of basic research.

The rationale for federal sponsorship of basic research was perhaps best expressed by Dr. Vannevar Bush, in his 1945 work "Science, the Endless Frontier." He wrote:

> Without scientific progress the national health would deteriorate; without scientific progress we could not hope for improvement in our standard of living or for an inceased number of jobs for our citizens; and without scientific progress we could not have maintained our liberties against tyranny.

Mr. Speaker, I think those words speak eloquently to the need for a sustained Federal commitment to basic research. I know now that other of my colleagues on the Science, Space, and Technology Committee will underscore those very points.

First, Mr. Speaker, I yield to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, space station Freedom represents a major element of the U.S. presence in space. It will contribute to the continuing U.S. space leadership far into the 21st century.

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This leadership will be evident not only in space technology and operations but also in education, economic competitiveness, space science and commercial applications. Undoubtedly, the area where elimination of the U.S. presence on the space station will have the most profound impact is in the area of international cooperation. The Europeans, the Japanese, and the Canadians are relying on the United States to honor the commitment we made when we first entered into the international agreement to work together to build space station Freedom.

The concept of space station Freedom was actually initiated by the United States when, in 1984, then-President Reagan invited friends and allies of the United States to participate in its development.

The intergovernmental agreement was signed in September 1988. Shortly after the action taken by the Subcommittee on Appropriations, the director general of the European Space Agency, Jean-Marie Luton, wrote to Vice President DAN QUAYLE expressing ESA's grave concern over the apparently imminent cancellation of the space station. He stated that the threat to the station does great damage to the credibility in U.S.-international cooperative agreements.

The Minister for Foreign Affairs for Japan, Taro Nakayama, has written Secretary of State James Baker to express that country's concern. He states that elimination of the U.S. commitment to the space station would result in nullification of agreements for major joint efforts among the international partners and inevitable damage to U.S. credibility as a partner in any major and big science project.

The president of the Canadian Space Agency, Larkin Kerwin, in his letter to Admiral Truly, has stated,

> I fear that withdrawal of the U.S. from this program after all of the international partners have invested so much in good faith will have far-reaching implications for the future of international cooperation in space.

These are, to me, extremely ominous and foreboding messages that should seriously be considered in the debate over the station. Backing out of this crucial international commitment could have devastating and longlasting ramifications for the United States' ability to enter into other international cooperatives in the future.

I might mention that on the Subcommittee on Space and on the full Committee on Science, Space, and Technology, we are planning international cooperation on other major big science projects, the superconducting super collider being one of them.

So we are not just talking about the space station or space-related initiatives.

Mr. BROWN. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, the gentleman makes a very important point with regard to the superconducting super collider. This Nation is attempting to embark on a number of major items that will influence basic science research for some time to come. The space station is one of those, the superconducting super collider is another. If in fact we were to back out of the space station, the chances of getting any international partners willing to come in on a superconducting super collider are almost impossible. They are going to see that the investments they have made on the space station went down the tubes, and they are not going to put billions of dollars into a project that we may not be able or may not be willing to follow through on.

It is my understanding that the Japanese have already indicated that if the space station falls through, there is no way that they are going to come in on the superconducting super collider. Why is that important? Well, because the Japanese are expected to come up with maybe as much as a billion dollars of money for the superconducting super collider, a billion dollars of money that the American taxpayers would not have to put into that project. That kind of international cooperation will be essential to making certain the superconducting super collider goes forward. And if the space station fails, then the SSC will fail and this Nation will be left with a dearth of big science projects.

Now, of course, there are some people who say, "Well, we do not need these big science projects." Well, the fact is we ought to be very careful about what we commit to. But in the case of the space station, we now have a 6- to 7-year commitment that we have regularly followed through on, only to have it knocked out as we get into the fundamentals of it by the Appropriations Committee. It is that kind of unreliability that will make it impossible not only to do big science projects but also to do small science projects with our international partners. So, the gentleman makes an absolutely essential point in all of this, that we will have no international cooperation on science at all if we continue this pattern of backing out at the last moment after international partners have made commitments to cooperative scientific efforts.

Mr. PACKARD. I think the gentleman from Pennsylvania is right on target. I think the most intriguing part of this whole debate and question is that this is at the very moment when the United States is trying to encourage international cooperation in space. We are even looking to the Soviet Union, which we have never done before, for cooperative efforts and to eliminate duplication in space. I think all countries involved in space recognize it has got to be a global effort because of the costs and because of the experimentation and the development that could take place there. Certainly we are looking to enhance our cooperative efforts with foreign countries, and this would come at the very moment that when we want their help, when we will be seeking their help on other programs even in space, and it would be ludicrous for us to send the messge that this will send that in fact we do not want to cooperate, we are not reliable partners. And on most of these big science projects we know we cannot do them alone. I think most Members of Congress, certainly many members of the committee, realize that the superconducting super collider project is dead if we cannot get international cooperation. We simply cannot afford that kind of a project with our budget as it is today, its limited budget.

Mr. WALKER. I would like to underscore the point: These international partners of ours, this is not a minor matter for them because in several cases they have already invested hundreds of millions, if not billions, of dollars into the space station. The Japanese are developing a module for the space station. They have gone ahead and done the work on that module and have literally hundreds of millions of dollars of investment that have been put forward already. They are out that money. If there is no space station for them to put that module on, that is going to be lost money for them. They are going to be very unhappy, and rightfully should be. The Europeans the same way. There is an ESA module to go on that station. If we back out, the Europeans will have put hundreds of millions of dollars into that particular project, only to find that the United States is not going to fly the station for which it was designed.

Those kinds of problems have long-term ramifications to them. That will not be forgotten soon, and it will certainly undermine our efforts to get additional cooperation. As the gentleman pointed out, we are seeking other cooperation with nations like the Soviet Union. They will certainly look upon what has happened here with a great deal of suspicion.

Mr. PACKARD. I thank the gentleman for that very timely statement.

Perhaps even more pressing than the damage to our international credibility is the fact that America will lose its dominant leadership in space. We have led the world in space up till this point. We will be at risk of losing that dominant leadership role.

Let us all realize that the space agencies will quickly—foreign space agencies—will quickly fill this void. Japan is aggressively increasing its space commitment. The European Space Agency has evolved into a diversified and efficient organization with programs in fundamental research, Earth observations and telecommunications. It has become a dominant player in both space research and commercial space activities.

They will quickly fill the void if the United States loses or even falters in its leadership in space. It is clear that if America abdicates its leadership role, these other countries will take over the leadership role and America would have no hope of playing a role, a permanent role, as a permanent manned infrastructure in space developed.

And then, in addition to that, and the gentleman from Pennsylvania eloquently pointed out that these other countries, our foreign partners in the space station, have spent millions and in some cases billions of dollars to this point because of these international agreements and commitments and now they will lose that. That says nothing for the billions that the American people have paid into the space station program to this point. And if we scuttle it now, we will lose, we will have lost those billions of dollars of investment. So it is very short-sighted for us to lose the billions that the American taxpayers have paid into the space station to this point. We are essentially on schedule. We have revised the program to where it is doable, and it would be a tragic mistake for us to now pull the economic and budget rug out from under the space station and then throw down the tube the billions of dollars that the American taxpayers have put into our portion, not to say anything of the, as the gentleman from Pennsylvania already pointed out, the foreign investments in their modules.

We have spent billions on the space station, and that would be money wasted. That would be a tragic replay of what this Government does, and this Congress often also all too often does, and that is we start a major program, we put billions of dollars of taxpayers' money into it only to pull the rug out at the most inopportune time and lose that investment. Here we are talking about a major investment into America's future, into the space future, and into the education of this country.

We would lose one of the significant inducements and exciting opportunities for young science students as they begin to start a science career, if we pulled out of the space station.

Mr. WALKER. The gentleman makes another, I think, essential point in this debate, and that is that the U.S. Government has invested, as the gentleman pointed out, billions of dollars already into the space station.

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Just as important as that investment though is what it has accomplished. With that investment teams of industries have been put together in this country, and they have hired on people who are devoted to work for the space station, supposedly over a long period of time. Now if we pull out now, all of those teams will have to be disbanded so that we will lose all the scientific talent that was brought together in order to move ahead with the space station, so the unreliability of the U.S. Government will not only be an issue with our foreign partners, it will be an issue with American aerospace industries that are geared up to do this work. Those industries are going to become very suspicious of putting their own money up front on some of these projects if in fact it appears as though the American Government can never get its act together well enough, and the blame is here, in the Congress, and I think Congress has to accept the blame for this because the fact is each administration, including the Bush administration, has wanted to proceed forward on the space station, and the frustration we have run into now is on Capitol Hill.

Mr. Speaker, Congress has its role to play in all this, if we understand that, but somewhere along the line, once full commitments are made, we do have to have the will, and in some cases the courage, to follow through on the projects that involve, not only commitments of the U.S. Government, but involve commitments of private enterprise, involve commitments of international partners and a whole series of other people.

So, the gentleman makes an important point, that to back out now is going to be very costly in terms of taxpayer dollars, but also in terms of our ability to at some point in the future be able to continue doing the kinds of work that the Federal Government has always done in basic research.

Mr. PACKARD. Mr. Speaker, I would like to conclude my statement with one other comment, and that is to me a very, very significant part of this whole issue, whether we ought to continue this space station or not. Up to this point, and I believe for the foreseeable future, the space station is the centerpiece, it is the linchpin, of our space program for as far as I can foresee in the future. We take that very, very important component out of our space planning and our space future, and we may jeopardize exploration of other planets because we needed and we will need a platform from which to launch our exploration into outer space, and, if we do not have the space station, which is part of that plan, we will end up jeopardizing other major components of our space planning and space future, and thus, being the centerpiece and, to me, the linchpin of this entire, our entire, space future, it would be very short sighted to throw that out at this point in time.

I think also that the gentleman from Pennsylvania [Mr. WALKER] is very much aware of the efforts that are being made. He has been a very important part of that effort, as I have been, of trying to encourage more and more privatization of our space program, and we foresee that the space station is one of the major portions of the space program that we will encourage and be able to involve private enterprise in research, in development, and in activities with the space station.

But in order for that to take place, we must have a Government commitment to the space station. The private sector will not be able to manage to come up with the funds, nor the ingenuity, to put a space station up from the private sector. But there is no question that the private sector will use that space station and will establish laboratory facilities and development facilities in the future, and so we will be losing the credibility of the private sector, and our efforts to move our space program more and more into the private sector will be significantly jeopardized if we pull the space station rug out from underneath this effort to move more and more to the private sector.

So, my colleagues, I truly hope and pray that the Congress will be wise enough to recognize the value of the space station, will reinstate it into the budget, and it will allow us to move forward with the space station as planned and thus retain the credibility of our foreign partners, retain the credibility of the science community of this country, and retain the credibility of the private sector, as they have made their plans to be involved in this space station.

Mr. BROWN. Mr. Speaker, I thank the gentleman from California [Mr. PACKARD] for his extremely important statement, and I want to associate myself with his remarks. I will probably repeat some of them as a matter of fact, but repetition in this case is intended to provide emphasis, and the points that the gentleman has made require a great deal of emphasis.

Mr. Speaker, I yield to the gentleman from Alabama [Mr. CRAMER].

Mr. CRAMER. Mr. Speaker, 30 years ago President John F. Kennedy challenged our Nation to put a man on the Moon before that decade was over and America charged into the space race with this mission. We accomplished in those 8 years something that has not been repeated since the Apollo Program was completed.

Today we face no less a challenge. There are scientific and technological difficulties that exist now that are equally pressing. We face the possibility of the loss of our global economic competitiveness in high-technology fields. Space station Freedom will be a vital part of helping maintain America's preeminence as a technology-based society. For the past three decades we have been the leader in space exploration, both manned and unmanned. The achievement of permanent manned capability of the space station will insure that our leadership will continue into the 21st century.

We funded the Apollo Program during the 1960's at a yearly funding level that was six times greater than the baselined yearly funding level for the space station. The Apollo Program was designed for the specific purpose of putting an American on the Moon, not to carry out specific scientific capabilities. Yet a tremendous amount of scientific and technological benefit resulted from those early programs. Space station Freedom on the other hand is specifically designed to carry out scientific research among its other capabilities. It has also been designed to be expanded in scope in the future if we so desire. Funding for the space station Freedom program is an excellent investment.

A strong manned-space program has always been a part of our civil space objectives. We began with the success of the Mercury Program. The names of these early pioneers invoke a sense of national pride and accomplishment. The undaunted American spirit throughout this program and through the Gemini, Apollo, and space shuttle successes led to achievements unparalleled in the history of mankind. These successful years have stimulated overall NASA program growth. This has resulted in increased support for all of NASA's programs particularly space science. The space station project will insure the continued success of not only our manned space program, but of all of our space efforts.

Space station Freedom is the centerpiece, an important part of the U.S. civil space program. We have established the goal of returning to the Moon and proceeding with the manned exploration of Mars. If these worthwhile goals are to be achieved, we must be able to study and experience the effects of long-term manned existence in space. Space station Freedom is crucial to this effort. It is the only credible laboratory within which to study the effects on humans of the space environment, an environment in which we must learn to live safely and productively if we are to accomplish our space exploration goals. As the Augustine committee on the future of the space program has concluded,

> The committee holds the strong conviction that if the U.S. is to have any significant long-term manned space program, a space station is the next logical and essential element of that endeavor.

I wholeheartedly agree.

The National Academy of Sciences, in its 1988 report to the incoming Bush administration, stated that "some form of space station is essential to establish the feasibility of extended human space flight." The Academy's space studies board, in its recent report that was critical of some aspects of NASA's restructure of the space station, stated, "The space studies board strongly endorses the position that a space-based laboratory is required to study the physiological consequences of long-term space flight." The space station is the ideal means to meet this requirement. The necessity for a space station as a link to our future manned-space projects is clear.

Space station Freedom will provide a world-class life-science and microgravity space-based research laboratory that is unparalleled. The potential for scientific breakthroughs in the medical, biological, metallurgical, materials science, and other fields is extraordinary. Numerous technologies are already being developed and will be advanced by space station Freedom. These include power generation and control, closed loop environmental control, structures and materials robotics, and crew health care. The scientific potential of the station together with the other benefits to be derived from it provides overwhelming justification for its funding.

Japan, the Soviet Union, Canada, and the European Space Agency are committed to long-term manned-space programs. If the United States gives up its position as the acknowledged leader in manned-space efforts, these other nations will be ready to move in to fill this vacuum. Do we really want to give up this major high-technology field that is without equal? I think not. Continued manned exploration of space, with America as the unquestioned leader, is important to our future and that of our children. We need to complete space station Freedom to keep us in the forefront of the exploration of space.

Space station Freedom is truly an international project. It is a cooperative effort among the United States, Japan, Canada, and the European Space Agency and is the world's largest cooperative science and technology project ever undertaken. There will be considerable cost sharing on this program with our partners. We and our partners have invested significant sums in the development of the station as of this date and are committed to this project. How the United States handles the continued development of space station Freedom will be a gauge to our partners of our ability to be a reliable partner in significant, large-scale science and technology initiatives such as the supercollider and the global-change program. It is important for us to live up to the international agreements we enter into in the science and technology fields.

Our Nation is currently facing a crisis with the scientific literacy of our young people. Science, mathematics, and engineering excellence have emerged as a central goal of education. This trend must continue. A viable, energetic space program extends a challenge to our young people by its very existence. The surge in scientific and technological advancement following our early successes in space is proof of the cause and effect relationship. Space station Freedom will provide a focal point to motivate more young people to study science and engineering. The space station provides the vision and inspiration for future generations of Americans to pursue excellence in education and the expansion of knowledge.

Last year Congress mandated that the space station be restructured to meet certain congressionally imposed requirements. NASA reacted to this mandate swiftly and appropriately. The cost of the station has been reduced, adequate power has been made available for users, the requirements for maintenance and extravehicular activities have been reduced, there is a less ambitious shuttle schedule, and the station will be made available for science research as soon as possible. This restructure was accomplished in cooperation with our international partners and consistent with the recommendations of the Augustine Report. We, in Congress, should not now tell NASA and the Nation that we do not want space station Freedom. I cannot agree with the Appropriations Subcommittee recommendation that space station Freedom be terminated.

This Congress has continuously supported the space station over the last 7 years. Through our legislative process in both Houses of Congress, we have provided the funds to make the dream of a permanently manned presence in outer space a reality. I see no good reason to withdraw any of our support now or in the future.

This issue of deleting funding for the space station is not merely one of changing our space priorities. It is a complete shift away from any space program and the technological investment associated with it. We are talking about abandoning this vital field to the competition. Make no mistake, we are talking about the beginning of the end for the U.S. manned-space program. I will not accept that ending.

The continuation of the manned-space program is consistent with our national goals. As President Kennedy expressed with vision in 1962:

> The exploration of space will go ahead, whether we join it or not. And it is one of the great adventures of all time, and no nation which expects to be the leader of other nations can expect to stay behind in this race for space.

NASA has met the challenge and now we must look to the future. Let us continue to move forward.

☐ 1400

Mr. BROWN. Mr. Speaker, I appreciate very much the contribution of the gentleman from Alabama [Mr. CRAMER]. He is a very valuable member of the committee. Even though he is in his first term in Congress, he has mastered the arcane details of the space program in an exceptional way. I thank the gentleman for his remarks and commend him for his contribution.

Mrs. MORELLA. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentlewoman from Maryland.

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding, and I appreciate very much his establishing this special order on a topic that is so important not only to us in Congress as we direct the policies of the country but to all the American people.

In saying this, we may well be repeating, but I think in repetition we indicate the stress and we indicate the importance and the emphasis that is needed. I concur also with what the gentleman from Alabama [Mr. CRAMER] said so very eloquently with regard to the need for continuing the funding for the space station.

Again I wish to comment on the statement made by the late President, John F. Kennedy, in 1961. He stood in this House Chamber before a special joint session of Congress, and he firmly seized upon the challenge of this Nation to send a man to the Moon and return him safely to Earth. He told us that "we do these things not because they are easy but because they are hard."

Mr. BROWN. Mr. Speaker, let me interrupt the gentlewoman from Maryland at this point.

Mrs. MORELLA. Yes indeed.

Mr. BROWN. Mr. Speaker, I would take this opportunity to indicate one of the visual displays which I think well illustrates the hard choice that President Kennedy made 30 years ago. What we see on that display to my right is a chart of the funding for the Apollo Program as compared to the space station in real dollars. At that point, in 1961, President Kennedy decided to commit this country to the Apollo Program, no matter what the cost, and it cost roughly four times the amount which the space station Freedom is going to cost. We hear about unbalanced space programs from people who are saying today that space station Freedom takes up too much of the budget. We made a commitment in the committee that the space station will never take up more than 20 percent of the NASA budget, and it does not.

☐ 1410

Apollo took up something like three-quarters, possibly 80 percent of the NASA budget, at that point. In fact, Apollo was the NASA budget.

At the peak, the expenditure represented roughly 0.8 of 1 percent of the gross national product. The space station will never come even close to that, because the gross national product has increased extremely, so that even using constant dollars, you do not get the right perspective.

The total NASA budget, as recommended by the Augustine Report, was intended to level out at 0.4 of 1 percent, half of what it was at the peak of the Apollo years. I make these points just to illustrate the comment of the gentlewoman from Maryland [Mrs. MORELLA] about the difficulty of a decision to commit this share of our Nation's resources to something which, if you want to talk scientific justification, it did not have a scientific justification.

The Soviets learned as much as we did by sending an unmanned rocket to the Moon and bringing back soil samples. Essentially that is all we ever did, was bring back soil samples. But we landed human beings, and we excited the imagination of the entire Earth global population. That is the sort of thing we have at stake today.

Mrs. MORELLA. Mr. Speaker, that is exactly what we hope we will be able to continue. I think it is very appropriate that the gentleman pointed out these visual aids, along with his commentary, that indicate we are not putting that much into it, and it is imperative that it continue.

Today, 30 years later, as we seek to move forward to implement long-range programs for human exploration of the Moon and the planets, we are once again faced with hard choices. The NASA Appropriations Subcommittee recently defunded much of the Science Committee's request for the space station Freedom.

I am very concerned that the defunding of the space station will cause, in its totality, a severe impact. The Augustine Committee stated that "If the United States is to have any significant long-term manned space program, a space station is the next logical and essential element." NASA's loss of such a long-term goal for the manned space program will be deeply felt.

The cancellation of the space station program also endangers our international cooperative agreements with our space partners. Each of our partners has indicated that cancellation would make future cooperation on any large-scale international science and technology venture highly unlikely for a considerable period of time.

That was articulated earlier by one of the Members who pointed out, as did the gentleman from Alabama, time and time again we begin to lose our credibility in terms of international cooperation and agreement. Our agreements do not mean much.

The Japanese have already put approximately $300 million into their part of the space station, and they have indicated that they may well remove their desire to engage in other major scientific projects with the United States if we do not mean what we say.

The European Space Agency has called the space station the cornerstone of the European Space Agency's long-term space effort. The Canadian Space Agency, of course, has also contacted us, urging that we continue funding.

These are just part of the international agreements and cooperation that we have already engaged in, and we will, if this is not funded, be removing ourselves with incredible impact from so many other projects with these countries.

In addition, and perhaps most importantly, the defunding of the space station will have a severe rippling effect upon our Nation's economy. The space station program has a procurement constituency of over 2,000 businesses in 40 States, employing over 50,000 workers. I am proud to represent a great number of those workers' some of whom have committed their careers to developing a space station.

Mr. Speaker, due to the appropriations procedure, NASA is in the unenviable task of competing with some very important social programs. Consequently, we, in Congress, are faced with the hard choices of funding investments in the future or addressing current needs. When the time comes for us to cast our votes on the space station, I urge all of my colleagues to give every consideration for allowing

NASA to continue the rich tradition of our space program.

Mr. BROWN. Mr. Speaker, let me thank the gentlewoman from Maryland [Mrs. MORELLA] for her contribution. It is extremely helpful. As she indicated, we will need to raise those points over and over again.

Mr. Speaker, this is sort of a dress rehearsal for our debate on Thursday. I hope the gentlewoman from Maryland [Mrs. MORELLA] will be equally eloquent when that time comes.

Mr. Speaker, I wish to yield to the gentleman from California [Mr. MINETA], a very active member of the committee, and one who is thoroughly familiar with the nuts and bolts of the space program, including the space station.

Mr. MINETA. Mr. Speaker, I would like to thank our fine colleagues, Mr. BROWN, chairman of the Science, Space, and Technology Committee, and Mr. WALKER, the ranking Republican, for reserving this time to discuss the future of the American Space Program.

Part of that future, Mr. Speaker, must be an American space station.

It is no coincidence that the creation and growth of America's Information Age, fueled by our high-technology industries, have paralleled the years of NASA's greatest activity and accomplishment.

Space exploration has been one of our best public policy vehicles for boosting our economy, enhancing our international competitiveness, improving our national security, and improving our quality of life.

But just as it was more than 30 years ago, when Newsweek editor Kermit Lansner warned of the brain drain born of delays and ignorance, today the United States risks the loss of all that we have achieved in our space program if we delay the construction of space station Freedom any further.

Mr. Speaker, as a senior member of the Science, Space, and Technology Committee, it has been my privilege for many years to work with NASA and help shape our Nation's space program.

I have attended countless hearings and listened to countless hours of testimony on space station Freedom.

During these hearings, I have become convinced that space station Freedom is a necessity, not a luxury.

The space station is a building block to a true new world order that will include continued exploration of space and eventually, a permanent human presence in space.

I have voted, along with a majority of the members of the Science, Space, and Technology Committee, to authorize funding for the space station.

I have voted, along with a majority of Members of the House of Representatives, to authorize funding for the space station Freedom.

But now, Mr. Speaker, funding for space station Freedom has been vetoed.

It has not been vetoed by the House.

It has not been vetoed by the Senate.

It has not been vetoed by the President.

It has been vetoed by an appropriations subcommittee that had only a few hours to consider what had been years in the making.

Mr. Speaker, legislating on an appropriations bill is an age-old debate here in the House. The subcommittee technically has not done that with their cleverly drawn provisions.

But the actions by the Appropriations subcommittee demonstrate clearly the dangers of that practice are now out of control.

Mr. Speaker, housing is important.

Education and veteran's programs and health care are all important.

So, too, is the exploration of space.

I believe there is no substitute for making choices about our space program and then moving ahead to make those choices work in our national interest.

This is what the Science, Space, and Technology Committee did.

This is what this House did when it voted for the space station.

Mr. Speaker, an entire generation has now matured since Neil Armstrong took his first historic steps on the Moon.

An entire generation has never known a day when it was beyond the ability of this Nation to send men and women into space and return them safely to the Earth.

That, ironically, seems to be part of the problem today.

Space exploration is mistakenly viewed by too many Americans either as routine or as a past glory. It is neither.

In the days of the Apollo program, the drive to explore space and reach the Moon was partly a result of the space race between the United States and the Soviet Union.

Today, the space race is one of economic and scientific competition—and less and less one with geopolitical or even military overtones.

The lesson and legacy throughout American history is that much of our prosperity has come about through hard-won technological advances.

But our space program is not about hardware, it is about where this Nation will go and what it will do with the resource of outer space.

I believe that we cannot be content to abandon the centerpiece of our future space program and watch other nations overtake us in space exploration.

In its report to Congress several months ago, the well-respected Advisory Committee on the Future of the U.S. Space Program, the so-called Augustine Committee, agreed.

The Augustine Committee also concluded that the most significant feature of the space station involves research to determine how human physiology functions in space.

Space station Freedom will be an international laboratory and serve as a stepping stone toward further exploration of this planet and our solar system.

Mr. Speaker, if we are to live in space, biotechnology and life sciences must be developed far beyond their present capabilities. This is the most critical contribution to be made by the space station: Life sciences experimentation.

Continued space exploration necessitates strong life sciences research to ensure the health of crew members.

Humans must be able to adapt to the microgravity, radiation, and isolation of, say, a permanent settlement on the Moon, or a manned mission to Mars.

Mr. Speaker, no matter where our space efforts are focused—toward Earth, toward our solar system, or toward the universe beyond—the ultimate goals of the space program will always remain to improve the human condition.

Perhaps it is this point which best justifies space station Freedom.

How can we even consider shortchanging future generations of Americans by ignoring the vast opportunities of space exploration?

The answer is, I don't believe we can, and why we must restore the funding for space station Freedom.

Mr. BROWN. Mr. Speaker, to illustrate the point of the distinguished gentleman from California [Mr. MINETA] in the chart to the left, we have a comparison of the R&D investments or expenditures as a percentage of GNP by country, showing the great lead that Japan and West Germany hold for investments in R&D as a total. That includes defense R&D.

Looking only at civilian or nondefense R&D, the chart on the right is even more striking, because it shows that not only is the United States below Japan and West Germany, but, if I am not incorrect, below France, and possibly even the United Kingdom, as a result of the fact that more than half of our R&D expenditures are military.

□ 1420

Mr. MINETA. I thank the chairman, the gentleman from California [Mr. BROWN], for this time and the gentleman from Pennsylvania [Mr. WALKER], for taking this time.

Mr. BROWN. Mr. Speaker, I thank the gentleman very much for his important contribution. As I said earlier to the gentlewoman from Maryland [Mrs. MORELLA], I trust that this is just a warmup for when we get into our debate on Thursday and that the gentleman from California [Mr. MINETA] will have more extensive remarks at that time in which we can explore this further.

Mr. Speaker, I am trying to alternate the parties here. I yield to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Speaker, I thank the gentleman from California [Mr. BROWN] for yielding time to me. I was struck during the comments by the gentleman from Alabama of something we need to remind ourselves of every now and then. A program as complicated as the space station may provoke some disagreement among Members of this body. The particular point that the gentleman made with which I do not agree is that the reconstructed, reconstituted space station Freedom has adequate sources of energy, of power. I happen to know that this is something that concerns the gentleman from California [Mr. BROWN] and the gentleman from Pennsylvania [Mr. WALKER] and concerns me and that we have expressed our interest in this subject to NASA and have suggested strongly to them that they should be looking to alternative sources of electrical generation, such as solar dynamic power.

To date, NASA has chosen to reject our nontechnical but nonetheless brilliant expertise, and we will continue to discuss this with them. This by no means indicates that we are not committed to the continuation of manned exploration of space and to the space station.

I think that word "commitment" is what we are probably talking about here today. I have the very definite feeling that over the course of the past 10 months or so, culminating in the conflict in the Persian Gulf, that the American people rediscovered the concept of commitment, rediscovered the fact that we are a technologically superior Nation, that we can establish goals and we can go out and we can meet them and that we can overcome challenges and obstacles.

I think that they expect us to reflect that new found spirit of commitment that our constituents, the people of this country, believe and feel. I honestly think that the country itself, as a whole, is committed, is committed to the space station, is committed to the continued manned exploration of space. I think they also agree that when the United States makes a commitment to another country, that we should live up to it. And I am disappointed a little bit at the reaction of some of our colleagues to the expressions of concern by Canada and Japan and our European partners about our apparent wavering in our commitment to work with them to produce space station Freedom.

I have heard reactions that indicate that some of our colleagues feel that these nations are threatening us in some way. They are not threatening us; they are reminding us that we made agreements with them, that we made commitments to them that we would be a partner in this grand venture to establish a manned platform for the exploration of space.

☐ 1430

We should not look askance at countries that call to our attention our commitments, because we do that constantly right here in the well of this House in terms far more bellicose than the language that was used by our partners in expressing their concern about our wavering commitment to the space station.

I for one do not believe that our commitment is wavering. I for one do not believe that the people of this country are wavering in their commitment to the continued excellence of the United States in technology and in space exploration, and I believe that when we have the appropriate opportunity, the people of this House of Representatives will accurately reflect the deep desire of the people of this country to maintain our leadership in space.

I look forward to that opportunity, and I hope it comes sooner, not later, because our partners in the rest of the world need to have demonstrated to them forcefully and immediately that this country is committed and we are a good partner and we are going forward with manned exploration.

I thank the gentleman very much for yielding to me.

Mr. BROWN. Mr. Speaker, let me thank the gentleman for his very important contribution. We need to explore this issue of the impact of the space station on our relationships with our allies in much greater detail than we may have time to do, and it is very appropriate that we should bring it up here.

I think the gentleman would agree with me that not only does it endanger our relationships with regard to the space station but we are constantly hearing a chorus of voices that all big science ought to be international and cooperative and that if we cannot establish a basis on the space station, then we will not have a basis on the superconducting super collider or the human genome project or the Earth exploration-observation program, all of which are programs based upon international cooperation, and if we felt that we needed that in order to be able to finance them, how precarious is our position when we do not have the partners that we would need to carry out these very important global programs in the future.

I thank the gentleman for his contribution on that.

Mr. Speaker, I yield to the gentleman from Washington [Mr. SWIFT], not a member of the committee and, therefore, we doubly appreciate his contribution at this point, and we hope to involve many more noncommittee members in this debate on Thursday when the issue comes up.

Mr. SWIFT. Mr. Speaker, I thank the gentleman very much for yielding me time.

Mr. Speaker, I came here for the purpose of correcting the record and became fascinated in the discussion.

As the gentleman pointed out, I am not a member of this committee, but I have often thought about the topic that is being discussed here this afternoon and would like to make some remarks beginning with a paraphrase of some wise man of years past who said that it is each generation's responsibility not only to chart the new frontiers left it by its forefathers and not only do discover its own frontiers, but it is also the responsibility of every generation to lead its children to the edge of the unknown wood and say, "Now, press you on." It sounds both stirring and quaint. It sounds a little old-fashioned, because as everyone knows, we do not have any frontiers anymore.

Perhaps when John Kennedy said we will go to the Moon and when we achieved that is the last time that the imagination of all of mankind was captured by exploration. Oh, some say we have frontiers in the sea and some say we have frontiers in social programs and some say we have frontiers in art and so forth and so on, and all of that is true. But the term "frontier" is not used precisely in the same way, and I would suggest perhaps does not have the same compelling force to mankind that a real, honest-to-goodness frontier that needs to be discovered and explored can provide.

Other nations in centuries past have been nations of explorers, Scandinavia, England, Spain, and France, and many, many others. Ours, too, although I think we tend to think of ours more as a nation of pioneers, both exploring and settling.

But I have often wondered how important the concept of a frontier, of new worlds, of places where no man has been, how important that concept is to our perception of the role of mankind in this universe, to mankind's concept of himself, of mankind's concepts of the role and purpose here and toward our very own future. That sounds a little flaky perhaps, but let me give an example of how something that we all take for granted can have an enormous impact on concepts.

I was meeting with some young people, and young people, by that I mean people in their late twenties and early thirties, a hard group, I think the gentleman from California [Mr. BROWN] would agree, to get together with. They do not tend to join the Kiwanis Club like older people used to and so forth, and they were there with what they called the rug rats, the children that were crawling around as we held our meeting. We began to discuss things, and I discovered something that I had never before realized, a concept between my generation and theirs.

My wife and I, when we were married, knew we could buy a home whenever we wanted to. It was a matter of getting the downpayment together. And these young people believe that if they had not bought a home already they would never have the opportunity to do so.

My purpose now is not here to argue whether or not they were correct in that belief, although clearly it has become much more difficult in these days for young people to purchase a home than it used to be. My point is, rather, that if you remove that concept from the mind of young people, you also change a whole lot about their attitudes toward the world they live in, their attitudes toward what limits they may face as they move in the world, limits on what they can provide for their children, the simple idea that, as so many of us in our middle age took for granted, home ownership is not one that many of our young people have, and it changes their attitude toward their options. If that simple concept has any validity, then is it not worth considering at this juncture with this issue of the space station not only the arguments we have heard about our commitments to other nations and not only the costs and not only the scientific gains that can be lost, but also is it not worthy of some consideration what this program does?

Mr. WOLF. Mr. Speaker, today I rise to express my support for the space station Freedom program as requested in the President's fiscal year 1992 budget submission. The space station is of vital importance to maintaining the United States' role as a world leader in advanced technology, research and manned space exploration. Although I understand the budget constraints that faced members of the VA, HUD and Independent Agencies subcommittee, I believe it would be a mistake to terminate funding for the space station. We should all be aware of the many benefits we as a nation will receive as a direct result of continued support for the space station.

Space station Freedom is a vital initiative which is fundamental to the United States' goal of expanding the exploration of the final frontier. As President Kennedy stressed in his address to Congress in 1961 following the launch of sputnik by the Soviets, there was a clear need for a firm commitment by the Nation to new courses in the manned United States space program. To remain competitive in this arena required dedication and discipline in research and development. By focusing our momentum and commitment, we were able to regain technical and scientific superiority and land a man on the Moon. We must take the same approach today. We must push foward to develop and deploy a manned, orbiting research facility so that the United States will lead the world in space exploration.

But there is much more than national pride at stake. As the flagship of the U.S. civilian space program, space station Freedom is a critical element in strengthening our nation's global competitiveness and technology base. In addition to providing critical microgravity and life sciences research capability that will benefit health care on Earth, the station will contribute to advances in new technologies such as robotics, high speed computers, lightweight alloys, high-accuracy navigation, and rocket propulsion, among many others. By establishing intensive research and development programs, Space station Freedom will allow the United States to dramatically push back the high technology frontiers of science and engineering and significantly improve the existence of mankind well into the next century. This is a crucial step in finding a world where all people can flourish.

Beyond the technical benefits derived from the program, the space station will also serve as a source of inspiration to American youth to achieve excellence in education. If the United States hopes to remain at the forefront of high technology research and manufacturing, we must encourage our students to expand their knowledge in the areas of math, science and engineering. The United States currently faces a crisis in these areas as the number of bachelor of science and Ph.D. science degrees earned has declined since 1986. The number of doctoral degrees awarded to Americans has fallen from 2,400 per year in the early 1970's to 1,300 per year recently. Overall, projected shortfalls in Ph.D. and bachelor of science degrees are expected to number 78,000 and 675,000 respectively by the year 2006. Between 1982 and 1987, the percentage of college freshmen who planned to pursue engineering degrees dropped from 22 to 17 percent for men and from 4 to 3 percent for women. Overall interest in pursuing degrees in computer science majors declined from 4 percent in 1982 to 2 percent in 1987. What message would we send to these young people if we kill the space station? The space station Freedom program should serve as a focal point to motivate young Americans to pursue degrees in science and engineering, and will serve as a symbol of our country's commitment to achieving excellence in education.

I support continued funding of the space station Freedom program because it will assure U.S. leadership in space. It is important for us as a nation to rise to the challenges before us now as we did some 30 years ago. There were, and will continue to be, many domestic concerns that must be addressed. But we must retain our vision for the future because it is that ambitious pursuit of leadership and excellence that will provide the momentum for us as a nation to meet the challenges of today and tomorrow. Space station Freedom will serve as a symbol of American dedication and competitive spirit. Leadership in space exploration means world leadership in education, competitiveness, and high technology. We simply cannot afford to compromise our Nation's leading role in these vital areas. Space station Freedom is a critical element of America's future as we look toward the 21st century, and I urge my colleagues to support continued funding for the space station Freedom program.

The SPEAKER pro tempore. (Mr. MAZZOLI). The Chair would advise the gentleman that the time of the gentleman from California [Mr. BROWN] has expired.

THE IMPORTANCE OF THE SPACE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, the gentleman from Washington is making a very important statement and one that I think is very worthwhile for us to have completed, so I will yield to the gentleman from Washington.

Mr. SWIFT. Mr. Speaker, I thank the gentleman very much for yielding the time, and I am almost completed.

The point I was making was that if the concept of whether or not you are able to own a home can have a very substantial impact on your psychology, on how you look at the world, then should we not, in considering this issue, also consider what this program, this space station, does in terms of that attitude of discovering new frontiers for ourselves and our children to chart, and what this program does in the way of offering an opportunity for us to lead our children to the edge of the unknown wood where we can say, "Now, press you on?"

Mr. Speaker, I thank the gentleman for yielding.

Mr. WALKER. Mr. Speaker, I thank the gentleman for his statement. It is an excellent statement. Because much of what we are talking about when we are talking about the space station or the space program is the risks of the unknown and what we benefit from moving out to unknown frontiers and taking the risks necessary in order to pursue our options there.

I think the gentleman has made a very important statement, because history tells us that some of the nations who came up to those frontiers and refused to move on to them were also nations that ended up failing. In fact, it was the British statesman Disraeli to whom the quote is attributed when he said that men move from bondage to faith, from faith to courage, from courage to freedom, from freedom to abundance, from abundance to complacency, from complacency to dependency, and from dependency back to bondage.

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Nations continued to move in that direction, too. In my mind, when we talk about the space program, we are talking about courage. We are talking about that element of our Nation where we have been fortunate. Our faith has led the United States to freedom. Our freedom has led the United States to a great deal of courage. That is producing an abundance like none that the world has ever seen, but if we do not have the courage to continue at the frontiers, if we do not pursue those options we will, in fact, become complacent, dependent, and ultimately see our people move back toward bondage. That is what this is all about.

I think the gentleman helped put it into a lot of perspective. I thank the gentleman for his statement.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I'm happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, I want to join with the distinguished chairman of the committee and the distinguished minority leader of the committee in speaking out concerning the merits of the space station which is under, as we all know, jeopardy.

I do not think it is something that cannot be worked out. I hope that the individuals who have some control are not sealed in cement.

I wanted to speak extemporaneously a little bit about the program in general, because I think perhaps we do not realize what the space program in general, and the space station specifically, has meant and will mean to the future of our country and, indeed, the world.

In the late 1950's, I recall being in a chemistry class and hearing the news that the Soviet Union had developed sputnik. I remember President Eisenhower indicating that we could not afford not to compete in civilian space programs with the Soviet Union, and thus the harmony and the pursuit of the space technology in full gear got under way, as I recall it anyway.

Americans have always been known for their spirit of adventure. We are the frontierspeople in many ways in varieties of technology. Through the years we have seen so many advances. I think they are advances that the American people and indeed perhaps some people in Congress are not aware of. They are not aware of what space exploration has meant to our country and to the world. There is not one area, I do not think, that we live in, one type of area that relates to our quality of life that does not relate to some spinoff from the space program, from the clothes that we wear, the insulation of our homes. Think of the people in this country who are homebound, who cannot get out, and who need to count on the preservation of food. That is technology. Simple things that were developed as result of this space program.

Think of your loved ones who may have had ambulatory cataract surgery. Years ago a person would have to spend weeks in a hospital if they wanted to have cataract surgery. Today, so many older Americans and others go in, have the surgery performed, and come back out the same day. The success of that type of operation, which was developed through the wonderful heart and soul of the space program, is something that so many Americans, I know, are grateful for. Laser surgery, which is the technology that is being developed and has been developed; nuclear medicine; the purification of medicines and pharmaceuticals in space. These are things that we would not purify on Earth for a variety of reasons. There is satellite television. The satellite programs that were developed with respect to the weather monitoring that we are so aware of. These are all byproducts. The list goes on and on.

Mr. WALKER. If the gentlewoman will allow me to reclaim my time, I want to emphasize the point that the gentlewoman is making with a quote that I think bears on the point about how well our aged have benefited from the space program.

Back when John F. Kennedy made his famous speech in which he committed this Nation to going to the Moon within the next decade, it was about this time of year. It was May 25, 1961, just about 30 years ago as we speak, that he made that speech. There was reaction to the speech. Some of our colleagues at that time reacted in ways which indicated this might not be such a good idea. They thought there were other things that we ought to be doing. I have a quote from a Congressman from Minnesota who said, "It is important, of course"—meaning the race to the Moon—"but it has to be kept in perspective. There are lots of things to do like taking care of the aged." He was absolutely right, but I wonder if he had any idea what that race to the Moon was going to mean for the aged? That, in fact, his statement was a proposal related to the amount of money we are going to spend in a variety of government programs, but he had absolutely no idea what the end result would be, as the gentlewoman has pointed out.

The gentlewoman did not mention things like heart pacemakers, and monitoring equipment. We now have people able to live quality lives in their homes because of monitoring equipment that can be kept there with them, and they do not have to be institutionalized. All of that comes out of the space program, and has improved the quality of life of older people enormously as the result of what we did in the space program.

Had we not made the investment, had we said that this was something we cannot afford to do right now, if we said that 30 years ago, then we would not have the benefits today, and we would not have had to press the frontiers in order to get those products developed.

So the gentlewoman is absolutely right on target in what she is saying, that across the whole spectrum of American life we have been the beneficiaries of the commitment we made to the Apollo program. We will continue to be the beneficiaries as far as we are willing to make further commitments such as the space program.

Mr. BROWN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. BROWN. Mr. Speaker, at this point I will ask the page to put up two additional charts. These two additional charts show the decline relative to our opposition of our investments in research and development.

Now, the next two charts dramatize a couple of the effects of this reduction. Let me explain just briefly what they are.

On the left is a chart that shows our decline in balance of trade to the first in the non-high-technology areas, and then beginning in about 1984 or 1985 in the high technologies areas, which went negative for the first time in 1986. On the other chart we have a chart that shows the relative number of scientists and engineers engaged in R&D for 10,000 of our labor force, and here where the United States has always led, and this chart ends in 1986, it shows the Japanese as passing the United States in 1986. If we carry that out for 3 or 4 more years up to the present, the charts are even more impressive because it shows not only is Japan passing the United States, but West Germany is passing the United States.

It is the evidence that our drop in investments is affecting our trade balance and the number of people working in these areas that is threatening the continued advance in these various areas that the gentlewoman has pointed out. The NASA Program, which would be mortally struck by the ending of the space station accounts for more than half of our Government investments in civilian R&D. That is why it is so important that we keep in mind what this will do to our posture in the world in terms of trade balance and the number of trained people doing scientific and technological work.

Mr. WALKER. Mr. Speaker, reclaiming my time, the gentleman from California is absolutely right. Of course, there have been two studies that have shown what the Apollo Program paid back. One study was done immediately after the Apollo Program ended in 1972, and another one done in the early 1980's, to look at the space program from that period of time on. Both studies show that the payback was 9 to 1 to our gross national product.

So if we look at it in pure economic terms, we have, as a result of the development of new projects, gotten a major payback to our gross national product.

As the gentleman from California points out, also it has improved our trade balance. It has done remarkable things in terms of improving our R&D posture in the world. All of that has been a major benefit growing directly out of the space program which, as the gentleman points out, we will lose, perhaps irrevocably, if the space station is not pursued, and we do not take the next step in space.

Mr. Speaker, I am happy to yield to the gentleman.

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Mr. BROWN. Mr. Speaker, I thank the gentleman for yielding further to me.

First, let me express my delight at the gentleman's eloquence and erudition. It is truly outstanding, and then I want to point out that these charts were not concocted in my office. These are merely duplicates of the science indicator chart prepared by the National Science Foundation.

Mr. WALKER. Mr. Speaker, I thank the gentleman. Now I yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I think this is very interesting. You know, we always learn from each other, do we not?

I think the point of the chairman about the number of scientists and engineers, and we are always saying we want our young people to go into the math, science, and computer technology areas; as a matter of fact, as the gentleman knows, in the Northeast-Midwest region, the Lewis Research Center is located in Cleveland, which is a wonderful research center devoted to NASA. It has been in existence, it is celebrating its 50th anniversary. One of the wonderful things about it is that 9 Ohio institutions of higher learning, along with 17 corporations, are now forming this consortium so that young people can literally take their classes right at Lewis and learn the sciences and computer technology and engineering hand in hand with our dedicated civil servants and those who are on contracts in the private sector, and to think this may be jeopardized for our region, to me I think is so sad.

Mr. WALKER. The gentlewoman also knows that around the country we are developing what is known as Challenger Centers, based on the Space Shuttle *Challenger*, which met such a tragic end; but the Challenger Centers are aimed at doing the same thing, bringing young people into a place where they see the space program and have a real hands-on ability to work with it, and they are working with shuttles, working with space station mockups, and it is something where young people become extremely excited about the future that is available to them.

In fact, there is a story told about the Challenger Center out here at Alexandria that the President's wife visited the other day. Mrs. Bush was out there and she was introduced to a young lady who was working at a console. They thought the young lady would be thrilled to meet the President's wife, and the young lady turned around and she said, "Oh, Mrs. Bush, it's very nice to meet you, but I'm sorry, I have to continue to work here. I have a crew that is in trouble out in space."

Mrs. Bush when they left said, "Well, that is one of the most dedicated young people I have ever seen."

The point being this was somebody who was absolutely enthralled with what they were doing. We are able to produce that level of excitement because young people intuitively understand that the space frontier is their future. They operate on a level that we sometimes do not wholly understand, because they are projecting out many years ahead of where we will be.

If we lose the space station, we will lose the ability to tell those young people that we have committed to their future in a way that assures them of the ability to live and work in space.

I think it will be tragic for what the Challenger Centers are trying to accomplish, what the Lewis Space Center and others of our Space Centers are trying to accomplish and what education as a whole is trying to portray to young people as being the real excitement that exists for them on the space frontier.

Mr. Speaker, I am glad to yield further to the gentlewoman.

Ms. OAKAR. Mr. Speaker, I thank the leader for that addition, because it is true that there are all these other centers. I know in Alabama they have a fabulous center for young people to take these classes at their institute. One of the heartening things was to see individual young people who are in the eighth and ninth grades, mostly minorities, take advantage of these seminars and institutes that they have for youngsters in elementary and high school areas as well.

Just finally, I would like to direct my attention just for a minute or two on what to me this space station means. It is a laboratory in space. I think sometimes we call it by the wrong name. It is going to be a lab in space.

For anyone who is an environmentalist, for example, and really cares about the layers and layers of products surrounding our Earth that produce what some scientists call the greenhouse effect, for any individual who is interested in the ozone depletion that is facing our planet, I do not see how you can be opposed to the space station when the scientists will be able to really focus in on those environmental problems.

I feel confident they are going to find solutions by taking a look from that laboratory at Earth and figure out ways in which we can address this enormous problem, not only in our country, but certainly throughout the world.

For anyone who is interested in finding an end to world hunger, how can we not want to know and be able to predict agricultural production throughout the world which people who are manning that space laboratory will be able to view from that lab and take a look at where the pockets of world hunger are and what we can do agriculturally in fulfilling the needs of the global community.

For anyone like myself who is interested in finding a cure for diseases, is interested in medical research like finding a cure for cancer or diabetes or various forms of heart disease, and the list goes on and on, how can you be opposed to a laboratory in space where scientists have told us that one of the areas where we can truly study immunology and purified pharmaceuticals is in that type of atmosphere.

I think the practicality of this station, let alone the fact that our sense of competitiveness and our sense of wanting to have an economic and technological base for our country's future makes it just imperative that we save this program.

Let me tell you, I know for those of you on the Science and Technology Committee, led by these two gentlemen who have done such outstanding work in this area over the years, I know that many of us do not realize that gutting the space station guts the core of the NASA Program. It is the next step in the program. To take it away is to take away, in my judgment, the program itself.

I feel strongly that while we have engaged in international scientific research experiments with other countries, and we have commitments with other countries, the fact is that the United States of America is the leader in space exploration.

The Japanese, the French and others, are frankly waiting in the wings to become the leader in that technology. I know we are cooperating with them now and so on, but we are the leader and they are the followers.

I think it is just terrible, it would be tragic and terrible for the future of our country's high technology and industrial base if we gave up what has been one of our greatest claims to fame.

So for the sake of the quality of life of our own people, let alone the global community, I hope that Congress in its wisdom will reject what has taken place in one of the subcommittees, one little subcommittee zeroing out a whole program that relates to the future of our country.

I want to compliment these two gentlemen for having this special order and I urge all Americans who feel this is important to call their Members of Congress and to tell them they do not want an end to this wonderful program that has meant so much to the quality of life of the American people.

Mr. WALKER. Mr. Speaker, I thank the gentlewoman for her statement. Just to build on a couple things the gentlewoman has said a moment ago, which I think is important for the American people to understand, that a lot of this goes well beyond even what our imaginations allow us to dream.

I had some scientists in my office awhile back. When you talk about what can be done in medicine aboard spacecraft; what they are looking at doing is growing new nerve tissue in space. The reason that is important, when you grow nerve tissue on Earth, gravity distorts it. The reason why they were looking at growing this in space was they felt what they could ultimately do was grow new optic nerves in a space laboratory.

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And that they would be able thereby to cure blindness. They were able to dream even beyond that to say that if we can grow optic nerves, we think maybe at some point we can grow spinal columns and cure some forms of paraplegia.

And now imagine what the world looks like if you begin to understand that some of those opportunities are available to us. The gentlelady is absolutely right, this is a laboratory. Beyond that, though, it is something else; it is a permanent presence in lower orbit.

No frontier is conquered until you establish a permanent presence on that frontier. Other than that, you have just visited.

Now you may have learned something important by visiting it, but in the Apollo Program we visited the Moon; we never established a permanent presence there. So, therefore, our learning curve ended when we came back from the Moon and did not go back.

One of the things that is absolutely essential to the space program is to establish a permanent presence in low Earth orbit, which allows us to learn things that we do not expect to learn, that we do not have any reason to learn. Some of the things the gentlewoman mentioned about the environment and so on, some of our critics will claim that we can do all of those things robotically. Well, the problem with robots is robots can only do those things that we already know should be done. We can program for the things that we expect them to see. What you cannot do is you cannot program robots to find the unexpected.

The fact is that much of what we may want to learn about the Earth from orbit are things that only man, with his ability to evaluate, will be able to understand.

By establishing a permanent presence in space for men and women to monitor the Earth, we may in fact learn much more than our robots ever were able to tell us.

So, the gentlewoman is right on target. There are so many aspects of this program that it is difficult to understand why anyone would be shortsighted enough to believe that a mere cancellation of this program somehow gets you better science in the future, as some of them have claimed.

It just does not add up when you understand the total nature of the program.

Mr. Speaker, I yield to the gentleman from California [Mr. BROWN].

Mr. BROWN. Before the gentlewoman leaves, would she be kind enough to listen to a few compliments?

Ms. OAKAR. I would love to.

Mr. BROWN. I think her remarks are extremely important in focusing on the research capabilities of the space station because this has become a major issue. The criticism from some people in the scientific community is that the research facilities, which are basically life science and materials research, in neither area are as good as they should be and they do not justify the investment in the space station. I cannot argue with that.

They are not perfect, and they probably do not justify it, and we should not seek to have it justified on the basis of the research. But let me tell you what will happen. Both the Japanese and the Germans are partners and intend to provide for the space station these laboratory facilities a materials laboratory and, of course, I think all of them expect to benefit from the life sciences research with regard to man in space.

I will tell you what will happen if we cancel: They will go ahead on their own. And those rapidly growing German and Japanese pharmaceutical and other scientific enterprises that are already seeking to get ahead of us will move ahead with their own space modules launched in their own spacecraft, and they will not share the results with us as they would if they were partners with us in this space station. And those curves that you see there showing our decline in high technology and in the number of people involved in science and engineering will continue to plunge dramatically.

So it is very important that we focus on the point the gentlewoman has made.

Mr. WALKER. If the gentleman from California would allow me to reclaim my time for just a moment, you know those folks who talk about the fact that better science can be done elsewhere and that we ought not invest the money this way, they have been with us for a long time. I have a quote here from a New York Times article right after the Kennedy speech was made to which I was referring before. The New York Times at that point reported, and I quote:

> Many influential scientists, including some on the President's Science Advisory Committee, have argued that the cost of a manned trip, estimated to run as high as $40 billion over ten years, could be more profitably spent in other areas of research and education on Earth.

I wonder if those same scientists, if we went back and interviewed them today, would be willing to say those things. You might find a few, but the fact is that most of them would have to acknowledge at this point that the learning curve from the manned mission more than made up for the $40 billion in expenditure. In fact, it was leveraged into hundreds of billions of dollars worth of science and new economic growth for this country. But there were skeptics at the time that we were proceeding forward just as we have skeptics today.

Mr. Speaker, I yield to the gentleman from Florida.

Mr. BACCHUS. I thank the gentleman for yielding.

Mr. Speaker, I rise today in strong support of building space station Freedom. As my colleagues from both sides of the aisle have said and as my constituents in central Florida know, there is much more at stake here than merely the funding of one scientific project. At stake is the fundamental character of our Nation. Throughout our history, we Americans have been foremost among the world's pioneers, even resolved to expand the frontiers of geography and knowledge. Our decision about whether to build the space station offers us a clear choice: Do we continue pioneering or do we abdicate that role because we lack the will to confront our budget deficits and the challenges they have created? Will we push on to the next frontier or will be throw our hands up, turn away from the future, and say that we simply can't afford to be explorers anymore?

I say we must continue to pioneer. We must continue to seek the next frontier. We must continue to be explorers. We must seize the future.

Mr. Speaker, space station Freedom is the next vital stepping stone for our space program, one just as important as Explorer, Mercury, Gemini, Apollo, and the space shuttle. Without Freedom, we may no longer have a manned space program. Without Freedom, we might have to forget our dreams of building a permanent base on the Moon and landing a human being on Mars. We know of no other way to conduct the life sciences research that will tell us what long-term exposure to the harsh environment of space does to the human body.

Some question whether we need a manned space program at all. They say we can get more for our money scientifically by spending it on unmanned platforms and observational satellites. But how do you put a price on the return from the human experience of exploring space? How do you put a price on the character of a country that is willing and able to lead the world toward tomorrow. As Mr. WALKER said, "How do we explore the unknown if we rely solely on machines that know only what we know?"

I can do no better than the late writer Henry Fairlie in comparing exploration by instruments and exploration by humans. He asked:

> Do we think of a machine called a telescope gazing at the stars, or do we think of Galileo gazing at them and dreaming of a brighter future? Do we think more of the three small ships that crossed the Atlantic in 1492, or do we think more of Columbus, almost driven to madness by his quest for new worlds? Do we think of the *Spirit of St. Louis*, or do we think of Lindbergh sitting in the cockpit, daring to do what no one thought possible?

It is not enough just to have the machines and the platforms and the satellites. We need the Galileos, the Columbuses, and the Lindberghs of tomorrow. We need the vision and the courage to build space station Freedom, and create a greater destiny for all mankind.

For those who demand practical economic benefits here on Earth, I am confident that space station Freedom will produce them—in abundance. Nine dollars have been returned to our gross national product for every $1 we have invested in space. This figure cannot be cited too often. Space exploration has given us weather satellites, communications satellites programmable pacemakers, programmable implants for diabetics, and other wondrous technology. Space exploration has given us better insulations and new materials for better homes, buildings, and aircraft. Space exploration has inspired countless children to study and become scientists, engineers, and doctors. More than ever, our children need that inspiration today.

Mr. Speaker, I had the privilege of serving this country as a trade negotiator some years ago. I understand the components of our trade balance and, as members of the Committee on Science, Space, and Technology fully understand, one of the few areas in which we continue to lead the world is space and aerospace. We have a $26 billion trade surplus in aerospace. Do we really want to throw that away?

There is at least one certainty, if we do not build a space station, someone else will. The Japanese and the Germans are willing to follow our lead and contribute to our space station, but if we do not build Freedom, they will build their own space station. They will enjoy the benefits of all that spinoff technology and international competitiveness while we might be permitted to rent some space from them from time to time. Is that the future we want for America in space? Mr. Speaker, I recognize we have many pressing needs on Earth, from cleaning up the environment to building veterans hositals to providing affordable housing. But it is simply a false choice to say we have no choice between meeting those needs any paying for the space station. What we need is the leadership and commitment to make the real choices, choices that will enable us to invest in the raw materials of our future.

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As my colleague, the gentleman from Pennsylvania [Mr. WALKER], pointed out so eloquently in the Chamber last week, the challenges we face today are no greater than years ago when President Kennedy challenged the Nation to send a man to the Moon by the end of the decade. We had a budget deficit then. We faced a budget deficit then, we faced a grave threat from the Soviet Union, we were in the initial stages of a long conflict in Vietnam. The civil rights movement challenged us to end the shameful history of discrimination. Mr. Speaker, we faced those and many other challenges then, and we went to the Moon anyway.

Mr. Speaker, I do not see why today we cannot face our domestic challenges and build a space station as well. Do we have the courage? Do we have the will? What would Galileo do? What would Columbus do? What would Lindbergh do? What would Jack Kennedy do? Most important and most urgent, what will we do? Will we seize the future? Will we shape the future, or will we be shaped by the future in ways we may not like?

Mr. WALKER. Mr. Speaker, I thank the gentleman from Florida [Mr. BACCHUS] for his statement, and it is an eloquent statement, and it is interesting. He makes the point that we have always been a Nation of pioneers, and we sometimes think back, that our forefathers did all this pioneering, and there was no real criticism of what they were doing, that they just kind of proceeded on, and we are the beneficiaries of that. The fact is that much of that pioneering and of that exploration on the frontier was criticized along he way.

The former Librarian of Congress, the eminent historian, Daniel Boorstin, wrote some years ago in a book called "The Americans: the National Experience," about the Louisiana Purchase, and it may seem rather ludicrous to us at the present time, but the Louisiana Purchase was indeed controversial. It was, and in fact some of the language used against the Louisiana Purchase at the time was language much like the people who are talking here in the Congress against the space station.

Let me just quote for my colleagues from Boorstin here at one point. He says:

> When the Treaty was brought to the United States, the response was "less exuberance than fear. . . . Some eastern businessmen had already begun to fear the westward drain of their capital resources. A quarter century later their fears were still alive, when Secretary of the Treasury Richard Rush warned, 'The manner in which the remote lands of the United States are selling and settling, whilst it may tend to increase more the population of the country, . . . does not increase capital in the same proportion. . . . the creation of capital is retarded, rather than accelerated, by the diffusion of a thin population over a great surface of soil. Anything that may serve to hold back this tendency * * * can scarcely prove otherwise than salutary."

Well, in other words, I mean, as my colleagues know, hold it back, do not let people go west and so on because it is draining our capital resources. How ridiculous. What we now understand 150 years later is it did not drain the capital resources, it created new capital resources. It created new wealth, and that wealth helped the growth of this country beyond all understanding.

The fact is that space is exactly the same way. Space is even more likely to produce great wealth because it is absolutely boundless, and so we are bound to learn far more out there, and the fact is that capital is not finite. It is endlessly expanding, and our ability to do the great social work that we want to do as a nation depends upon our ability to be able to expand capital, to expand opportunity and create the wealth that will allow us to serve the poor, and that is why pioneering has always been so important to us. But it has always been controversial as well, and some people have to stand back and say, "The critics are wrong. In the case of the space station the critics are wrong. They don't recognize that this is an investment in the future, and they instead want to do it only on the dollar calculation in today's terms."

Mr. Speaker, that makes no sense.

Mr. BACCHUS. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield.

Mr. BACCHUS. Mr. Speaker, I say to the gentleman, "Thank you." You are absolutely right, and you have chosen an excellent example to add further to that reflection in the Louisiana Purchase. I think it is significant that the President who made that decision was Thomas Jefferson, and Thomas Jefferson was always someone who believed that it was likely that democracy would best be able to succeed only in a small geographical terrain, so he took a great risk in believing that in doubling the domain of democracy he could double the potential of democracy.

I just finished reading the book: "Thomas Jefferson, Scientist," about Thomas Jefferson and his scientific avocations, which were many, and I believe he was willing to take that risk in doubling the size of this country and exploring the unknown because he did have the understanding of this basic importance of science and exploring to all human endeavors. He knew that the future could be boundless if we allowed it to be so, and so he was willing to take a chance that the future of democracy could be boundless as well.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Florida [Mr. BACCHUS]. He is absolutely right, and that is what we are engaged in here, taking chances. It does take courage, but the Bible says that, and I am paraphrasing, that the nation without vision is lost. We are, in fact, in that kind of time period if we in fact do not have the vision and the courage to go forward.

Mr. BROWN. May I add briefly an additional example to the one given by the gentleman? I am sure he is familiar with it. That is the acquisition of Alaska, which in many ways people thought resembled the Moon in terms of its barrenness and its lack of resources, and in that great debate, which I well remember, it was referred to as Seward's Folly, and many people objected strongly to our expanding the United States to this barren northern terrain which has now become one of the sources of resources for this Nation and one which is indispensable to our future.

So, that typical attitude that resists exploring new frontiers could be exhibited in numerous other ways, Mr. Speaker.

Mr. WALKER. Mr. Speaker, the point of the gentleman from California [Mr. BROWN] is an excellent one.

I yield to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. WALKER] for yielding.

Mr. Speaker, I am certainly very supportive of our space station program, and I hope that my colleagues will recognize the value of our research and development investment in the space station.

Mr. Speaker, I guess I am going to approach this from a different perspective because I have been a staunch supporter of technology transfer from our Federal laboratories throughout my career in Congress so that we do see the tremendous benefit, the value, of our technology transfer which we will derive from our research and development space station, and my argument stems from a very basic rationale. The application of federally funded research and development benefits all Americans: the taxpayers who invested in the research and the American economy in terms of the marketplace and the revenues.

My crusade to support technology transfer is certainly no accident. I represent the Third District of Tennessee, which is home to the internationally renowned Oak Ridge National Laboratory. I have seen firsthand the benefits of technology transfer, even through very difficult regulatory situations.

During the 1940's, the 1950's and the 1960's, much of the research and development was conducted by or through the Department of Defense, yet, even though the original project was defense-oriented, our civilian, our peacetime and our commercial applications evolved from these research efforts. We saw breakthroughs in jet propulsion, antibiotics, synthetic rubber and microwave radar emerge from these studies to create the high-growth industries of the 1960's and 1970's, such as global jet transport, pharmaceuticals, synthetic materials, electronic computers, and many others.

Contributing to the defense contributions, starting about 1960, was the space program. The Federal space program ignited the imagination of all Americans. The space program has contributed achievements making possible today accurate weather satellites, global marine communications, a communication network that unites every continent in the world. The space program has also initiated additional fledgling industries in remote sensing, direct broadcast and navigation that appear likely to become our future growth industries, and with the heightened environmental awareness we see today, we are also fortunate to have the advantages that the space program brought us which enable us to monitor the Earth from afar to note changes in the ozone layer, deforestation, acid rain and myriad other planetary environmental concerns. These advancements stem from a variety of different projects within the space program.

The space station project is the cornerstone of our space program today.

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We expended significant efforts, as our chairman and ranking minority member stated, to attract international participation in this major scientific project, only to say to our partners that we have changed our minds. Congress continues to encourage agencies to attract investments and technical partners for our large science projects. If we terminate the space station, we cannot possibly hope to be successful again with our international partners. Once we display our lack of commitment to a project to which we have induced others to contribute, our credibility will be lost to future partnerships.

I also caution this body to bear in mind that the space station is not the only program where this is happening and these same partners are experiencing this lack of foresight in several other program areas.

I do not believe that it is in our Nation's best interests to eliminate programs which hold so much promise for future technological advancement. The redesigned space program will stimulate many fields of science and technology, including those that will be so critical to the economic growth of the Nation in the coming new century.

Let me cite some of these examples again: Artificial intelligence, robotics, process automation, low-cost global and orbital transport, optical communication, ultra-high strength and high-temperature materials, supercomputers, and pollution-free vehicles. These are just a few of the technologies that hold great potential for commercial application. We cannot compete in the world marketplace if we simply turn off the means to new products and technologies.

Mr. Speaker, the Committee on Science, Space, and Technology which authorizes the space program has given very careful review to this program, and as our authorization bill states, we envision a much different space program than is proposed by the Committee on Appropriations.

Mr. Speaker, I thank the gentleman from Pennsylvania for yielding.

Mr. WALKER. Mr. Speaker, I thank the gentlewoman from Tennessee [Mrs. LLOYD] for her remarks. I think she makes some excellent points.

I was listening as the gentlewoman read down through the list of technological advances, and most of what she mentioned has taken place since I graduated from high school in 1960. All of those things she mentioned are things our society now benefits from and are things that did not exist when I was graduating from high school in the year 1960. Yet at that time there was no one who understood that we would be the beneficiaries of those programs.

Mrs. LLOYD. Mr. Speaker, if the gentleman will yield further, it is a spinoff from the research and development that holds such a great potential. But I must again remind my colleague that if we back down on this commitment with our partners, then we can forget looking for any more international cooperation.

Mr. WALKER. Yes. One wonders what the world would be like if the people in 1961 would have listened to the advice of the critics then. I have a point to make here from an editorial from the Chicago Daily Tribune, an editorial that I imagine they wish they could take back, if they could. This is what they said about President Kennedy's plan to go to the moon, and I quote:

> So far as we can discover, the only technically competent people who believe it is worth what it is expected to cost are those who have been dreaming of a moon shot for years. Many other scientists whose opinions are entitled to consideration think the stunt, even if it succeeds, is only a stunt and that the Nation will not be rewarded adequately for the enormous outlay * * * There are other and better ways of demonstrating that this is a great nation than by sending an expedition to the moon at staggering costs.

They could not have been more wrong. The fact is that if it had any characteristics at all of a stunt, who cares? The bottom line is that we ended up with enormous benefits out of having made the effort. The benefits are all across our society, and the gentlewoman from Tennessee has just given us a list of them, and it makes the person who wrote that editorial look like an idiot because he obviously had no idea what would be accomplished as a result of making that outreach into space. Again, that person was certainly within the context of his times a competent person who was simply writing based upon the criticism that was then welling up from America. But thank goodness, Congress did not listen to the Chicago Daily Tribune or to critics within this body at that time. They went ahead and did the mission. That is what we have to do in the case of space station, too. We have to muster the courage to go ahead and do the mission, and the Nation will be rewarded enormously for having made the effort.

Mrs. LLOYD. Mr. Speaker, the gentleman is certainly correct. These are tough times, and these are tough decisions we have to make this year, but at the same time we have an opportuntiy on the Committee on Science, Space, and Technology to look ahead to the future. There are so many of these programs that we focus in on and authorize that are for development in our future, and we cannot afford to be shortsighted at this time.

Mr. Speaker, I thank the gentleman for the time he has given me.

Mr. WALKER. Mr. Speaker, I thank the gentlewoman from Tennessee [Mrs. LLOYD].

Mr. Speaker, let me yield to the gentleman from California [Mr. LEWIS], a member of the Committee on Appropriations who did not participate in the dirty deed done on that committee. Nevertheless, he is here on the floor, and we are very grateful to have his participation in this special order. I yield to my colleague, the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I appreciate my colleague's yielding to me, and I commend him for his work in this very important field. I compliment as well my colleague from southern California, the gentleman from California [Mr. BROWN], for his leadership and for stressing the role that the United States should play and must play in the field of science.

I must say that I have come to this session late today because I have spent the last couple of hours in the full Committee on Appropriations, where they were considering the bill that came out of the subcommittee where the space station was zeroed.

The full committee did not vote directly on the station today, but discussed the issue rather thoroughly. It was indicated that we will likely have some kind of an amendment on the floor that will allow the debate to continue when the full House meets regarding the up or down vote on this bill.

I think it is very, very important that the public understand that there is broad-based support in both parties for not only a manned space station, but also for more effort in space research and technology.

Some years ago on the floor we had a vote—almost a prefunctory vote—to cut the budget of the Committee on Science and Technology by 15 percent, and Members were in the mood on that particular day to be cutting bills across the board. That had a big impact upon the space station and NASA's efforts. A few weeks after that there was a similar vote on the House floor to cut 15 percent from that program. Once it was debated clearly by Members of the House, we absolutely reversed the reflection of support for space.

There is no doubt that people across the country know that America has a responsibility and must play a role in space. What happens in this subcommittee, though, is very important. Currently the budget lids place great restrictions upon categories of spending. The bill that is coming to us contains the largest amount of discretionary spending on behalf of the appropriations process, some $60 billion-plus of discretionary spending. Nonetheless, much of that spending goes for popular social programs—veterans' medical care, and housing are examples. In this context some would argue that if you are for the station, you are really against veterans' programs. Nothing could be further from the truth.

The work of the Committee on Science, Space, and Technology provides a clear demonstration of bipartisan support for America's commitment to science. Specifically, they have affirmed the role of the United States in this regard; that is, to provide leadership in space research and exploration. The authorizing committee has thus expressed the will of the House.

□ 1530

But, unfortunately, that piece of the committee's important work ended up in an extremely difficult and competitive environment.

So the committee members bringing this subcommittee report to the full committee feel very uncomfortable. What we need to establish is, first, the broad base of bipartisan support this year by way of debate on the floor. From there, we can take this issue from the House to a conference with the Senate, and thereby make sense out of this conflict of priorities.

Mr. BROWN. Mr. Speaker, I would like to thank the gentleman from California [Mr. LEWIS] for this contribution. No one has yet brought this up in connection with our previous hour and one-half or so of debate. I want to make it clear from my own standpoint that I would be very unhappy if any of the debate were to focus on criticism of the chairman of the subcommittee or the members of the Committee on Appropriations for bashing the space program. They are not bashers of the space program. They are supporters of the space program. They had a very, very difficult job to do, and they sought to do it in a fashion which they thought on balance would produce the maximum amount of good.

Mr. Speaker, I happen to disagree with that, but I think the gentleman has indicated what the appropriate strategy is here, and that is to try to save the space station and the space program in general, perhaps at reduced levels, and then hope that in the Senate, under slightly different rules and allocations of funding, we can come up with a sufficiently strong improvement that we can proceed with the program which I know we all support.

Mr. LEWIS of California. Mr. Speaker, I might add to the point that both the gentleman from California [Mr. BROWN] and I are attempting to make here by saying that many of us think certain allocations to the various subcommittees reflect almost a malapportionment of available dollars. A slightly different allocation would have made enough money available, whereby a station could very well have ended up being funded in my subcommittee.

Thus, there is a need for debate on the floor that reflects not only the support of the House for our efforts in space, but also the significant contributions America has to make to science.

Just the other day we had a debate on the floor regarding the superconducting super collider. There, one more time, various elements of the scientific community were concerned about the budgetary competition.

There were those who a few short years ago were actively supporting the superconducting super collider, and now urge that we defend it in order to make money available for another scientific program.

Mr. Speaker, I think one cannot overemphasize this point, and that is that we have several very important experimental, cutting-edge, scientific programs, where America has a commitment, not only to our leadership here at home, but also to our leadership in the world and our partnership commitment to other countries.

The superconducting super collider very much involves that kind of obligation. With the space station, we have commitments to other nations who have their own desires to be involved in space. To walk away from those commitments, and not be willing to make dollar commitments this year that maintain our leadership, would cause much of the rest of the world to choose in the future to question America's commitment in almost any project.

The work that the Committee on Science, Space, and Technology has accomplished in connection with the manned space station, the role of

NASA, and our future in space is to be commended. Beyond that, it is very important that America know that there is bipartisan support for this effort, an effort that will play a key role in defining American leadership in research, technology, and in space.

Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. WALKER] for taking this time.

Mr. WALKER. Mr. Speaker, I thank the gentleman from California [Mr. LEWIS] very much. He has made a great contribution here. He has pointed out that part of the problem arose within the budget process when we did not get the kind of priority for space and science that we should have.

I think the gentleman has also helped us understand that this is a matter of making appropriate adjustments in priorities to assure that those priorities that represent an investment in the future are highlighted more than they are in what the Committee on Appropriations has done thus far.

From my own point of view, I do not see how we can possibly take care of the future needs of veterans if we do not have a growing economy. I do not see how we can possibly provide for housing for all of our citizens if we do not have a growing economy. I do not see how we can possibly provide the social welfare that is necessary to help the poorest of the poor if we do not have a growing economy.

Mr. Speaker, what we do understand about the future is the only way to have a growing economy is to make an investment in that future through research and development. One of the places where we are sure if you invest in research and development that you get tremendous returns, is through the space program. There you have to push the very limits of man's knowledge. When you do that, you get all kinds of ancillary benefits no one would have ever imagined.

The fact that we do not exactly create the products as a part of the space program, but we create a theory or a kind of technology that ultimately results in new technologies that have consumer potential, that is what a growing economy is all about. That is the reason why the investment in the future really takes place.

Mr. Speaker, to sum up here, I think our concerns, from our committee and others who have been on the floor, revolve around the fact that if in fact the space station is killed as a part of the appropriations process in the House, it goes way beyond space station. We are really at that point talking about whether or not we will maintain our commitment to the manned space effort that has characterized this Nation's space program for the past 30 years.

I think the American people continue to support that manned space effort. I do not think that they understand that it is in jeopardy as a result of the action on space station.

Mr. Speaker, let me spend a moment or two and tell you why I think it is in jeopardy because of the action on space station.

The shuttle program has little to do for the future if there is no space station. The word "shuttle," the space shuttle, meant that it was to shuttle between Earth and a space station. That is the reason why it was created.

It was not called a space plane. It was called a shuttle, with a very, very important reason, to go between Earth and a space station. If the space station does not exist, one of the principal purposes for shuttle being created in the first place will cease to exist.

I can imagine the same people who are today critical of space station coming to the floor a year from now or a couple years from now telling us, look, we do not really have a lot in the way of missions for the shuttle. We ought to preserve that asset for the next century when it is really needed. It is time to begin grounding the shuttle flights, time to begin to place that asset on the ground, in hopes that we will retain it for the future. Sometime in the next century, when we have a more robust space program, in fact we can then bring the shuttle back to life and utilize them for those purposes then.

Mr. Speaker, what a tragedy that would be. Then you would not only lose your space station, you would ultimately lose all American manned participation in space. That would put us way behind the technology curve. Certainly at that point, other nations would look toward developing space programs of their own.

The Japanese are not involved in the space station purely out of an interest to participate with the Americans. In fact, the reason why they are there is a result of some negotiations, where the Japanese were going to go ahead and develop their own platforms and their own space program. We convinced them that they would be better off using our launch system and participating with us on the space station. It would get as much out of it, and the international cooperation would create the kind of atmosphere in which everyone would benefit. We talked them into doing this.

If in fact we back out of the space station, the Japanese will not back out of their commitment, long term, to do something on a space program. They will simply begin to go it on their own. The information that they obtain as a result of their own space program may or may not be shared with the United States, and we will end up once more having led the way into something, only to have our allies and our economic adversaries utilize our learning curve to their benefit.

What a tremendous difficulty that would be. We can avoid it by simply moving ahead with the space station.

CHRISTOPHER COLUMBUS, SPACE STATION FREEDOM, AND THE QUEST FOR NEW KNOWLEDGE

(Mr. BROWN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BROWN. Mr. Speaker, I would like to thank the gentleman from pennsylvania [Mr. WALKER] for his eloquent contribution. I was struck by both his eloquence and his erudition. I look forward to reading to the text of his contribution at a later date.

Mr. Speaker, a little more than 500 years ago, Christopher Columbus theorized that if he sailed west across the Atlantic Ocean from Europe, he could find a shorter path to the Orient. His greatest problem was not theoretical, because scientists had demonstrated that the world was round. Neither was his greatest problem technological, because he was a fine navigator, and he trusted the shipbuilders of Portugal to supply him with reliable craft.

The greatest problem that Columbus had was funding. He couldn't find a government that had the vision to support his voyage of discovery across the western horizon. In 1484, Columbus applied to the Portuguese Government for support. He was turned down, his request for funds denied by the Crown. They refused to back a project that demanded a leap into the unknown; they preferred to invest in the exploration of a safer path—to seek the Orient by hugging the coast of Africa, by never venturing far from the sight of land.

Next, Columbus went to England, and was again rebuffed. The English viewed themselves as the outermost bastion of civilization. The idea of sailing west into the savage Atlantic seemed like sheer folly.

As we all know, Columbus found his patrons in Spain, where King Ferdinand and Queen Isabella were convinced that his voyage into the unknown carried the promise of unknown reward. They accomodated the costs of his voyages in their hard-pressed budget, and the history of the world was changed.

Because of this parallel with the voyage of Columbus, space station Freedom was originally selected by NASA and the Congress as our unique commemoration of the beginning of the Age of Exploration and Discovery in 1492. It is indeed ironic that we are this week to debate the question of whether to abdicate our role of leadership in the next great age of exploration—the exploration of the universe beyond Earth.

Now we are faced with a decision of similar proportions. We routinely put human beings in space and bring them home safely, we have walked on the

Moon, we have kept astronauts in orbit for months at a time. Over the past 7 years, in the face of a budget deficit that handicaps our flexibility, we have chosen, year in and year out, to fund the space station Freedom, because it represents the next giant step for mankind in pursuit of new frontiers and new knowledge. We do not know where this step will take us, and that is part of the reason why we must take it.

Now, we have been presented with what looks, on the surface, like a logical choice. Do we continue our manned exploration of space, or do we provide important increases in funding levels for programs that address the everyday needs of many of our citizens. In fact, this choice is illogical—irrational—in the extreme. It is like giving a farmer the choice of having enough drinking water for his immediate needs, or enough irrigation water for next year's crop. The choice is unacceptable. We must satisfy basic human needs today and we must also strive to advance the frontiers of knowledge as we move into the 21st century.

In his conclusion to his great work, "The Ascent of Man", Jacob Bronowski said: "We are a scientific civilization: that means, a civilization in which knowledge and its integrity are crucial. Science is only a Latin word for knowledge." And how do we best pursue knowledge? Albert Einstein said it best, and with the greatest simplicity: "All knowledge of reality starts from experience and ends in it." The manned space program is the embodiment of the search for knowledge through experience. And knowledge is the true seed from which our Nation grows.

This afternoon, we will discuss both the importance of science and technology to the prosperity of our society, and the importance of our space program in general—and the space station Freedom in specific—to our system of science and technology. The arguments are clear, rooted in economics, and engineering, and history. But ultimately, the decision that we make about the future of space station Freedom will reflect our own vision of ourselves: do we want to continue our quest for knowledge—for experience—or do we want, like the King of Portugal in the days of Columbus, to hug the shore, take the safe route, and sacrifice both the promise and the dangers of the distant and unseen horizon.

□ 1540

In addition, Mr. Speaker, I include for the RECORD a letter from the Associate Administrator for Space Flight, Mr. William B. Lenoir, to me as of this date, bearing upon the subject.

The letter referred to follows:

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, DC, June 3, 1991.

Hon. GEORGE E. BROWN, Jr.,
House of Representatives, Washington, DC.

DEAR MR. BROWN: If effected, the recent recommendation by the House Appropriations Committee to terminate the Space Station Freedom would put the United States on a downhill slide out of manned space operations. Our manned spaceflight strategy for the next two decades revolves around the Space Station. Without a Space Station, our program is unbalanced and visionless. I would like to describe how the Space Station is woven into the U.S. manned space program and is, in fact, the equivalent of the manned space program.

The goals and objectives of our spaceflight program for the coming decade are:

Support Customer Space Transportation Requirements.

Develop Permanently Manned Space Station Capability.

Maintain and Enhance Shuttle Capabilities.

Increase Efficiency of Major Operational Space Flight Programs.

Develop New Heavy Lift Launch Capabilities.

Develop and Maintain World Class Resources.

How does Space Station Freedom support the achievement of these goals and objectives?

SUPPORT CUSTOMER SPACE TRANSPORTATION REQUIREMENTS

In the late 1990's the Space Station becomes the primary "customer" for the Space Shuttle, requiring about 70% of Shuttle capability. Without that demand, the Space Shuttle, the only remaining element of the manned space program, will wither and atrophy, taking with it U.S. preeminence in manned space flight.

MAINTAIN AND ENHANCE CAPABILITIES

Most of the planned Shuttle enhancements are being made specifically to provide increased capability and opportunity for the Space Station. Improvements such as the Advanced Solid Rocket Motor, Extended Duration Orbiter, and various subsystem upgrades become questionable if their driving element is removed.

INCREASE EFFICIENCY OF MAJOR OPERATIONAL SPACE FLIGHT PROGRAMS

Our two major operational spaceflight programs are the Space Shuttle and the Space Station. Plans to effect operational efficiencies are built on the synergism between the two. Removing one causes a loss of focus within the other, resulting in less efficient operations.

DEVELOP NEW HEAVY LIFT LAUNCH CAPABILITIES

The primary NASA requirement for a new heavy lift launch vehicle is for increased capability to support Space Station Freedom. Space Exploration is too far downstream to be an effective focus for a new launch vehicle in the near term. However, Freedom can benefit significantly from such a new vehicle. Following initiation of permanent manning of the Station, larger, less expensive expansions can be planned—more power, more living space, more laboratory space, new capabilities. Logistics resupply could be performed more efficiently with a new, larger vehicle. Whereas a Space Station makes sense before a New Launch System is built, it is not at all obvious that the converse is true.

DEVELOP AND MAINTAIN WORLD CLASS RESOURCES

This primarily means our work force—our highly skilled civil service work force and our contractor teams. Without the draw of a near-term, challenging new program like the Space Station, we will simply not be competitive for the highest caliber, cream-of-the-crop talent that has enabled us to pioneer the United States to the forefront in space. NASA will no longer be the NASA we know today. We must have the exciting attraction of a near-term, challenging, horizon-expanding program if we are to continue to attract our youth to careers in science and technology, and a draw a subset of these youth to NASA, thereby maintaining the quality of the work force propelling us onward.

As you can see, the spaceflight programs that would survive a Space Station termination would be terribly unbalanced. The need and desirability of the Advanced Solid Rocket Motor would require reexamination, as would the beginning steps of the New Launch System. Initial space-based investigations for future space exploration would not be appropriate, and our entire Advanced Programs thrust would be wrong. In short, the focus and implementation of the remaining aspects of our manned space program would require significant reassessment and revision.

The manned spaceflight program remaining without Space Station Freedom would be reminiscent of the post-Apollo era, when the United States essentially took a decade off. NASA's spaceflight effort shank and, with it, almost ¾ of a million jobs were lost in the U.S. economy over the decade following the peak of the Apollo program. It has been a long, slow climb back, but we have rearrived as a nation. We cannot allow ourselves to abdicate, once again, world leadership in manned spaceflight operations and technology.

Make no mistake—the issue as framed by the House Appropriations Committee is not the mere reordering of space priorities. We are talking neither about a shift of emphases within the space program, nor about a shift from one technological investment to another. We are talking about abandoning the field. We are talking about a major step backward. And we are talking about the beginning of the end of the U.S. manned space program.

We need your help and support to avoid this national tragedy.

Sincerely,

WILLIAM B. LENOIR,
Associate Administrator
for Space Flight.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS TODAY

Mr. BROWN. Mr. Speaker, I ask unanimous consent that the Speaker may be authorized to declare a recess until 4:15 p.m. today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to the previous order of the House of today, the House will be in recess until approximately 4:15 p.m. Bells will be rung 15 minutes prior to reconvening.

Accordingly (at 3 o'clock and 41 minutes p.m.), the House stood in recess until approximately 4:14 p.m.

☐ 1610

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. MAZZOLI) at 4 o'clock and 16 minutes p.m.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE REPORTS ON H.R. 2508, FOREIGN ASSISTANCE AUTHORIZATION, 1992 AND 1993, AND H.R. 2474, ARMS CONTROL AND DISARMAMENTS AMENDMENTS ACT OF 1991

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file reports on H.R. 2508, authorizing foreign assistance programs for fiscal years 1992 and 1993 and on H.R. 2474, the Arms Control and Disarmaments Amendments Act of 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 1642, by the yeas and nays; H.R. 2042, by the yeas and nays; and S. 483, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

PALTO BATTLEFIELD NATIONAL HISTORIC SITE ACT OF 1991

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1642, as amended.

The Clerk read the title of the bill.

The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1642, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 323, nays 8, not voting 100, as follows:

[Roll No. 122]

YEAS—323

Abercrombie
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Anthony
Applegate
Archer
Atkins
AuCoin
Bacchus
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Cardin
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dornan (CA)
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Evans
Fascell
Fawell
Fazio
Fish
Flake
Ford (MI)
Frank (MA)
Franks (CT)
Gallo
Gaydos
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goss
Grandy
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
Lagomarsino
Lantos
LaRocco
Laughlin
Leach
Lent
Levin (MI)
Lewis (CA)
Lewis (GA)
Lightfoot
Lloyd
Long
Lowery (CA)
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Packard
Pallone
Parker
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Porter
Pursell
Rahall
Ramstad
Rangel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sarpalius
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sharp
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solarz
Solomon
Spence
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torricelli
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Vucanovich
Walker
Walsh
Waters
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—8

Coble
Crane
Dannemeyer
Duncan
Hancock
Rohrabacher
Sensenbrenner
Stump

NOT VOTING—100

Ackerman
Alexander
Andrews (TX)
Armey
Aspin
Baker
Ballenger
Boehlert
Boehner
Boxer
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Clay
Dickinson
Dicks
Dorgan (ND)
Downey
Espy
Feighan
Fields
Foglietta
Ford (TN)
Frost
Gallegly
Gejdenson
Gephardt
Gingrich
Goodling
Gordon
Gradison
Gray
Green
Hatcher
Hefley
Hochbrueckner
Holloway
Hutto
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnston
Jones (GA)
Kennedy
LaFalce
Lancaster
Lehman (CA)
Lehman (FL)
Levine (CA)
Lewis (FL)
Lipinski
Livingston
Lowey (NY)
Luken
Marlenee
Martin
McCandless
McCrery
McDermott
McHugh
McMillan (NC)
Moody
Mrazek
Neal (MA)
Nussle
Orton
Owens (NY)
Oxley
Panetta
Patterson
Pickle
Poshard
Price
Quillen
Ravenel
Ray
Sanders
Sangmeister
Santorum
Savage
Scheuer
Serrano
Sikorski
Snowe
Spratt
Stenholm
Swett
Thornton
Torres
Towns
Volkmer
Washington
Waxman
Williams
Wise

☐ 1643

Messrs. DANNEMEYER, STUMP, COBLE, HANCOCK, DUNCAN, and SENSENBRENNER changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2042.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia [Mr. BOUCHER] that the House suspend the rules and pass the bill, H.R. 2042, on which the yeas and nays are ordered.

The Chair reminds Members this will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 326, nays 5, not voting 100, as follows:

[Roll No. 123]

YEAS—326

Abercrombie
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Anthony
Applegate
Archer
Atkins
AuCoin
Bacchus
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Cardin
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dornan (CA)
Dreier
Durbin
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Evans
Fascell
Fawell
Fazio
Fish
Flake
Ford (MI)
Frank (MA)
Franks (CT)
Gallo
Gaydos
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goss
Grandy
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
Lagomarsino
Lantos
LaRocco
Laughlin
Leach
Lent
Levin (MI)
Lewis (CA)
Lewis (GA)
Lightfoot
Lloyd
Long
Lowery (CA)
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Packard
Pallone
Parker
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Porter
Pursell
Rahall
Ramstad
Rangel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sarpalius
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solarz
Solomon
Spence
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torricelli
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Vucanovich
Walker
Walsh
Waters
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—5

Crane
Dannemeyer
Duncan
Hancock
Stump

NOT VOTING—100

Ackerman
Alexander
Andrews (TX)
Armey
Aspin
Baker
Ballenger
Boehlert
Boehner
Boxer
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Clay
Dickinson
Dicks
Dorgan (ND)
Downey
Dwyer
Espy
Feighan
Fields
Foglietta
Ford (TN)
Frost
Gallegly
Gejdenson
Gephardt
Gingrich
Goodling
Gordon
Gradison
Gray
Green
Hatcher
Hefley
Hochbrueckner
Holloway
Hutto
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnston
Jones (GA)
Kennedy
LaFalce
Lancaster
Lehman (CA)
Lehman (FL)
Levine (CA)
Lewis (FL)
Lipinski
Livingston
Lowey (NY)
Luken
Marlenee
Martin
McCandless
McCrery
McDermott
McHugh
McMillan (NC)
Moody
Mrazek
Neal (MA)
Nussle
Orton
Owens (NY)
Oxley
Panetta
Patterson
Pickle
Poshard
Price
Quillen
Ravenel
Ray
Sanders
Sangmeister
Santorum
Savage
Scheuer
Serrano
Snowe
Spratt
Stenholm
Swett
Thornton
Torres
Towns
Volkmer
Washington
Waxman
Williams
Wise

□ 1651

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

TACONIC MOUNTAINS PROTECTION ACT OF 1991

The SPEAKER pro tempore (Mr. MAZZOLI). The pending business is the question of suspending the rules and passing the Senate bill, S. 483.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the Senate bill, S. 483, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 316, nays 15, not voting 100, as follows:

[Roll No. 124]

YEAS—316

Abercrombie
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Anthony
Applegate
Archer
Atkins
AuCoin
Bacchus
Barnard
Barrett
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Cardin
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dingell
Dixon
Donnelly
Dooley
Dreier
Duncan
Durbin
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Evans
Fascell
Fawell
Fazio
Fish
Flake
Ford (MI)
Frank (MA)
Franks (CT)
Gallo
Gaydos
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goss
Grandy
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harris
Hastert
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
Lagomarsino
Lantos
LaRocco
Laughlin
Leach
Lent
Levin (MI)
Lewis (CA)
Lewis (GA)
Lightfoot
Lloyd
Long
Lowery (CA)
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Packard
Pallone

Parker
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Porter
Pursell
Rahall
Ramstad
Rangel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sarpalius
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solarz
Solomon
Spence
Staggers
Stallings
Stark
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torricelli
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Vucanovich
Walsh
Waters
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—15

Barton
Coble
Crane
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Hammerschmidt
Hancock
Rohrabacher
Sensenbrenner
Stearns
Stump
Taylor (NC)
Walker

NOT VOTING—100

Ackerman
Alexander
Andrews (TX)
Armey
Aspin
Baker
Ballenger
Boehlert
Boehner
Boxer
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Clay
Dickinson
Dicks
Dorgan (ND)
Downey
Dwyer
Espy
Feighan
Fields
Foglietta
Ford (TN)
Frost
Gallegly
Gejdenson
Gephardt
Gingrich
Goodling
Gordon
Gradison
Gray
Green
Hatcher
Hefley
Hochbrueckner
Holloway
Hutto
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnston
Jones (GA)
Kennedy
LaFalce
Lancaster
Lehman (CA)
Lehman (FL)
Levine (CA)
Lewis (FL)
Lipinski
Livingston
Lowey (NY)
Luken
Marlenee
Martin
McCandless
McCrery
McDermott
McHugh
McMillan (NC)
Moody
Mrazek
Neal (MA)
Nussle
Orton
Owens (NY)
Oxley
Panetta
Patterson
Pickle
Poshard
Price
Quillen
Ravenel
Ray
Sanders
Sangmeister
Santorum
Savage
Scheuer
Serrano
Snowe
Spratt
Stenholm
Swett
Thornton
Torres
Towns
Volkmer
Washington
Waxman
Williams
Wise

☐ 1701

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GEJDENSON. Mr. Speaker, during the following rollcall votes today, June 3, 1991, I was unavoidably detained in my congressional district in Connecticut. I would submit this statement to be included in the RECORD after the votes.

On rollcall No. 122, had I been present I would have voted "yea".

On rollcall No. 123, had I been present I would have voted "yea".

On rollcall No. 124, had I been present I would have voted "yea".

PERSONAL EXPLANATION

Mr. LEWIS of Florida. Mr. Speaker, due to official commitments in my 12th Congressional District, I was unable to record my position on rollcall votes 122, 123, and 124, Had I been present, I would have voted as follows:

Rollcall No. 122: "Yea" H.R. 1642, Palo Alto Battlefield Historic Site; rollcall No. 123: "Yea" H.R. 2042, Federal Fire Prevention and Control; and rollcall No. 124: "Yea" S. 483, Taconic Mountains Protection.

PERSONAL EXPLANATION

Mr. BALLENGER. Mr. Speaker, I was attending meetings with North Carolina officials. Unfortunately, I missed rollcall votes 122, 123, and 124. I support each measure and would like to be recorded as voting "aye."

PERSONAL EXPLANATION

Mr. SANTORUM. Mr. Speaker, I held the first meeting of my Veterans' Advisory Board back in my Pittsburgh congressinal district and was not present to cast my vote on the three bills considered under suspension of which the yeas and nays were requested. Had I been present, Mr. Speaker, I would have voted "aye" on Rollcall 122, Rollcall 123, and Rollcall 124 and ask unanimous consent that this explanation appear in the permanent RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERSONAL EXPLANATION

Mr. GALLEGLY. Mr. Speaker, due to unavoidable scheduling commitments in my district, I was unable to participate in the three recorded votes. Had I been present, I would have voted for H.R. 1642, the Palo Alto Battefield National Historic Site Act of 1991; H.R. 2042, the Federal Fire Prevention and Control Act authorization; and S. 483, the Taconic Mountains Protection Act of 1991.

PERSONAL EXPLANATION

Mr. CAMP. Mr. Speaker, because I was in the 10th district today holding town hall meetings, I was unable to return to Washington in time for the rollcall votes. I would like the RECORD to show that had I been present, I would have voted "yea" on H.R. 1642—the Palo Alto Battlefield National Historic Site Act of 1991, H.R. 2042—the Federal Fire Prevention and Control Act Authorization, and S. 483—the Taconic Mountains Protection Act of 1991. I should also add that my vote would not have changed the outcome of this legislation.

EXTENSION OF WAIVER AUTHORITY ON PORTIONS OF THE TRADE ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–94)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

(For messages, see proceedings of the Senate of today, Monday, June 3, 1991.)

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON VETERANS AFFAIRS, HOUSING AND URBAN DEVELOPMENT, SUNDRY INDEPENDENT AGENCIES, COMMISSIONS, CORPORATIONS, AND OFFICES APPROPRIATIONS BILL, FISCAL YEAR 1992

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes.

Mr. COUGHLIN reserved all points of order on the bill.

The SPEAKER pro tempore (Mr. SKAGGS). Is there objection to the request of the gentleman from Michigan?

There was no objection.

ORDER OF BUSINESS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that when we return to the special orders, I be allowed to reclaim my 5 minutes under the special orders.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ORDER OF BUSINESS

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that my special order be considered right after the 5-minute special order of the gentleman from West Virginia [Mr. STAGGERS].

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

"THANK YOU" BY BOBBY NICHOLAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] will be recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, I rise today to enter into the CONGRESSIONAL RECORD a song written by one of my constitutents, Mr. Bobby Nicholas, of Morgantown, WV. The song is titled "Thank You," and it is written in honor of our troops who served during the crisis in the gulf and as a way for one American to speak for many Americans in saying "Thank you for a job well done."

Because I believe that this is a good song that speaks to our values, I have requested that Mr. Nicholas be allowed to perform the song during our "Welcome Home the Troops" celebration on June 8. For anyone at the administration who may be listening, I will add that I have not yet received a response to my request.

Mr. Speaker, I believe that my colleagues will enjoy this song, especially when they consider that Mr. Nicholas' son had just entered the Army Reserves when the crisis in the gulf erupted. All of us who are parents, especially those whose children served, will appreciate the depth of emotion that this song elicits.

If Members do enjoy this song as much as I believe they will, Mr. Speaker, they may feel free to call the administration and tell them that they would like to hear Mr. Nicholas perform it, too.

Mr. Nicholas wrote the song at 5 o'clock in the morning. He could not sleep. The inspiration hit him and he wrote the song.

Mr. Speaker, there have already been several fitting tributes paid to those who served in the Persian Gulf. In West Virginia, communities large and small have sponsored parades and welcome-home celebrations. Yesterday I joined with residents of my own home town of Keyser in a welcome-home celebration. The victory parades and welcome-home ceremonies are fitting tributes for those who served. However, the true measure of the Nation's gratitude will be found in our VA hospitals and vet centers. It will be reflected in the quality of services and benefits we provide veterans and their families.

This Saturday, as we celebrate the victory, I hope that those Americans who are still serving in the Persian Gulf will not be forgotten. The West Virginians, including members of the 351st Ordnance Company out of Romney, continue to serve and their families and friends anxiously await their return. I have met with Pentagon officials and they have assured me that members of the 351st will be home by August. They are preparing a shipment for some billion dollars' worth of ammunition and materials back to the United States. The 351st will miss the parade Saturday but I am sure there will be a fitting welcome.

There were some old lessons reaffirmed with the war in the Persian Gulf. Though the victory was swift and decisive in the Persian Gulf, we know that no war is fought without the loss of human lives. Loss of lives in the Persian Gulf includes Joseph Kime III of Charlestown, WV; Joseph Bongiomi III of Morgantown, WV; and Ruben G. Kirk III of Dunlow, WV.

We know that no war is fought without sacrifice and that sacrifice includes the families and friends of those who serve in the Armed Forces. No war is fought without cost and that cost must include what has been termed the "continuing cost of war," the cost of fulfilling the promises made to those who served in the Armed Forces. Those promises include health care, educational benefits and home loans.

Parades and homecoming celebrations are fitting tributes to those who served in the Persian Gulf, but the lasting tribute will be what we do here in the Congress to honor those who served to defend America and the freedoms and liberties we cherish.

Mr. Speaker, Mr. Nicholas' song "Thank You" is as follows:

THANK YOU

(By Bobby Nicholas)

It's such an inspiration, to see a Nation sing America the Beautiful, just let our freedom ring
To see little girls and little boys
waving the flag instead of toys
To see moms and dads joining hands
in celebration of common man.

Chorus:

We just want to say thank you
for all that you have done
You made us proud to be an American
We as people stand as one
and we must all remember so we don't forget
the price we pay for freedom isn't over yet.

We just want to say thank you
for now you let us see
that we can live together, in peace and harmony
From Fort Bragg to Chicago
From sea to shining sea
We did it all together, my brother, you and me.

We just want to say thank you
for the sacrifice you made
We know it wasn't easy
far away from home each day
From Spokane down to Galveston
From Boston to L.A.
You pulled it all together
to brighten up this day.

I can only wonder, what old Abe would say today
to see the north and south, fighting together
From Gettysburg to Atlanta, GA.
To see men and women, black and white
standing side by side for freedom's right
Oh, if he were here today, I'm sure this is what he'd say.

To be spoken: That this Nation under God shall have a new birth of freedom and that government, of the people by the people, and for the people shall not perish from this earth.

We just want to say thank you
for we can hold our heads up high
Yes you have brought us all together
under one big sky
We thank you Norm and Colin
You showed our Nation's pride
That we will all remember, until the day we die
So let us sing . . . God Bless America.

The song Thank You was originally to be an open letter to the men and women who served in the Persian Gulf. I thought that it would be a wonderful way to say thank you for a job well done. At the time my son had just entered the Army Reserves, and then I knew what every mother or father, brother or sister, husband or wife in any conflict, from Korea to the Persian Gulf must have felt. The sense of helplessness and worry, of just wanting to do something and not being able to, praying that they would all return home safely. There is a phrase in the song that says that we must all remember so we don't forget that the price we pay for freedom isn't over yet. Those words never were more true than now. Looking at my eight-year-old I could only wonder if some day he also would be called to serve his country. We can only hope that this will be the last time that we have to fight for what we know is right. I guess there is a lesson to be learned in all of this. That is when the time came to stand together as a nation, we did it, without reservation. Side by side, north and south, black and white. So lets all keep the spirit of unity alive to make this nation what we all know it can be. A place where all people can live in Peace and Harmony. I will take the liberty of speaking for all the people of this great country in giving you a well deserved THANK YOU.

Sincerely yours,
We the People of the U.S.A.

CELEBRATION OF ITALIAN CONSTITUTION DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, I rise to join Italian-Americans and Italians around the world who celebrated the 45th anniversary of Italian Constitution Day on June 2. This joyous occasion is the principal national holiday in Italy, and it commemorates the referendum of June 2, 1946, which abolished the monarch and made Italy a democratic republic under President Luigi Einaudi.

The formation of the Italian Republic is testament to the resiliency, spirit, and patriotism of the Italian people, who emerged from World War II intent upon creating a democratic nation with universal adult suffrage. Italy's search for democracy is embodied in its national anthem, "Inno di mameli"—Hymn of Mameli—which was written by the Italian patriot Goffredo Mameli and adopted on June 2, 1946. Italy's devotion to constitutional democracy is also reflected in its national flag. The green, white, and red of the Italian flag are symbolic of independence, democracy, and unity, respectively.

Like our own constitution the Italian Constitution reflects the moral fabric of the Italian people. The Constitution expresses love of liberty, respect for human rights, religion, open expression and equality for all. It has withstood economic hard times, the superpower friction of the cold war, and internal political instability.

Following passage of a referendum on June 2, 1946, the Republic of Italy was established by a margin of 2 million votes. As a result, the monarchy was abolished, and King Umberto II was forced into exile. With the republic official, the newly elected constituent assembly was entrusted with the duty of creating a new constitution. The constituent assembly succeeded in establishing the modern Italian Constitution, which went into force in January 1948, and which has stood the test of time as a symbol of the triumph of democracy over totalitarianism, and despotism.

Today, Italy stands free, united, and proud of its 45 years of democracy. Mr. Speaker, I urge my colleagues to join me in celebrating this landmark in the evolution of democracy not only in Italy, but around the world.

□ 1710

SUPPORT SPACE STATION FREEDOM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. KOPETSKI] is recognized for 5 minutes.

Mr. KOPETSKI. Mr. Speaker, I would like also to talk about the space station today.

I am a member of the Science and Space Committee, and I really thank the chairman of the committee, the gentleman from California [Mr. BROWN], for organizing today's special orders and providing the leadership and support for space station Freedom.

I rise in support of the space station. I do not have a significant space interest economically in my district out in Oregon, and so I speak as one who cannot be accused of being tainted, if you will, or having an economic interest at heart that directly affects the employment base of my district. In fact, if anything, one could argue that I should be supporting the Appropriations Committee's subcommittee's action, and because of the needs of so many people in this country, that perhaps we should not fund the space station but, rather, I am not taking that course this week in the Congress.

Mr. Speaker, I am taking this action because I believe that the space station is the right action for this Congress and this Nation to take. The history of our great Nation is the history of reaching to new frontiers.

For the past 30 years, space has been the new frontier for our country. Space has captivated and united our country and even the world. It is both the peaceful means of bringing people together and a catalyst for new ideas and the sharing of technologies with our friendly partners.

Certainly we all realize the budget dilemma that confronts this Nation and the limited dollars that we do have that was a crucial aspect to the decision by the appropriations subcommittee to terminate space station funding.

The space station is expensive. There is no doubt about it. But I believe strongly that we must push on.

Congress has cut back on space station funding in recent years, and the Congress should continue to monitor the project closely to ensure that our limited funds are spent appropriately.

President Kennedy, in a joint address to the Congress on May 25, 1961, talked about a lunar mission and the United States role in space, and he stated,

> First, I believe that this Nation should commit itself to achieving the goal before this decade is out, of landing a man on the Moon and returning him safely to the Earth. I believe we should go to the Moon, but there is no sense in agreeing or desiring that the United States take an affirmative position in outer space unless we are prepared to do the work and bear the burdens to make it successful.

Who can forget the incredible first picture of Neil Armstrong taking America's first steps on the Moon? All of America was overcome with pride as Armstrong said, "That's one step for man, one giant leap for mankind." We will never forget those who have perished in the pursuit of the stars, most recently in 1987 when the shuttle *Challenger* exploded. These are but two examples of the work and the burdens we have shouldered in exploring space.

I submit that we have a responsibility to continue to do this work, to continue to shoulder the burdens of space exploration. I also believe that the American people support our leadership role in space and the space station.

Clearly we may not be able to fund it at the level that would move us to our end on the perfect timetable. We may have to cut back a little bit. We may have to accommodate the fact that we do have pressing domestic needs here at home in America.

But today space station Freedom is an example also of international cooperation, an example that sets the stage for future cooperation among nations.

If we cancel the space station, it will be an example of the United States failing to meet its commitments to other nations, and this will affect future cooperative ventures as well. These ventures may be in science with projects like the superconducting super collider, or they may be in agriculture or manufacturing, as well. The United States invited Canada, invited Japan; we invited them to participate in the space station Freedom program. Any changes in the program must be done with the knowledge that the United States is no longer the sole interested party here.

President Kennedy later in 1962 stated, "Many years ago the great British explorer George Mallory, who was to die on Mount Everest, was asked why did he want to climb it. He said, 'Because it is there.' Well, space is there, and we are going to climb it, and the Moon and the planets are there," and new hopes for knowledge come, and peace, and peace and cooperation, I believe, come with this.

Mr. Speaker, I believe we must pursue these new hopes for knowledge. Who knows what discoveries await space station Freedom?

We cannot afford not to build the space station; to give up now is to disappoint all of those who have gone before, and to give up now ends America's quest for new frontiers.

I am not willing to say no to that great American tradition.

WHAT IS AT STAKE IN UNITED STATES-MEXICO TRADE NEGOTIATIONS?

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, last week this House had a very important debate concerning the United States-Mexico trade negotiations and on a vote of 192 to 231, this House gave the Bush administration the authority to proceed on these historic negotiations.

These particular negotiations are especially important to districts like mine which have heavy manufacturing bases. Our State of Ohio has already lost over 120,000 jobs to Mexico. When the border is completely opened, it is no secret that we will lose thousands and thousands more.

Today I would like to read a letter that I just received. I think it is important to put on the record what is really at stake and important in these negotiations, and I hope that President Bush and his staff listen to this letter, because I know I will receive others like it.

> DEAR MARCY: I work at Dura Mechanical Components Inc. in Toledo, Ohio. We have been working without a contract since February 1, 1991. We did not strike because the company would probably move out or replace us. Recently, on May 10, 1991, we had a meeting set-up with the company lawyers thinking they were going to netotiate a contract with us. When the lawyers came into the meeting all they said was that they had bad news. The company had made a decision to close Dura.
>
> I see the stress that is affecting all the people. It is hard to understand how a company is allowed under the laws to do this to employees. But the plant that they have in Mexico will receive half of our work; its Tennessee plant will receive the rest.
>
> Sunday morning, May 12, 1991, one of the tool room employees took a hunting rifle and shot himself in the head dying instantly.

The laws in this country should help protect us. The free trade agreement with Mexico will only cause more jobs to be moved. At Dura we make an average of $10.65 per hour plus fringes. The Dura Mexican plant only pays around 60 cents per hour plus fringes. How can we compete with them? Our government was formed to protect and help the people not work against us.

One of the problems we face when we are laid-off is the high cost of insurance. My wife has had three back operations and carpal tunnel. She's not able to get a job with insurance. It is hard to pay her doctor bills. How are we expected to pay with no insurance? We need national health insurance so that we don't have this to worry about.

I have worked at Dura for 47 years. My pension here would be $581.25. Most people here will receive less than half this amount. When I lose my job, insurance cost will amount to $310.00 per month. Take that from the pension I would receive and it comes to $271.25 a month for 47 years work at Dura. Most employees after paying their insurance would have nothing left. But it is better than moving to Mexico. I am 63 years old.

Sincerely,

□ 1720

Mr. President, I would hope that when your trade negotiators sit down at the table with the negotiators from Mexico, they will be thinking about people like this gentleman and hundreds of others like him in my district who have now lost their jobs to Mexican companies. What is at stake here is their lives, our community, and our standard of living.

CHALLENGING BASE CLOSURE RECOMMENDATIONS

The SPEAKER pro tempore. (Mr. SKAGGS). Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 15 minutes.

Mrs. MORELLA. Mr. Speaker, I rise today to challenge the Department of Defense's recommendations for closures and realignments, in particular, to critique the Department of the Navy recommendation to realign White Oak Laboratory, Silver Spring, MD, which is in my congressional district. As you know, I testified before the Base Closure and Realignment Commission on May 22, 1991. I have felt strongly throughout the process that the proposal impacting on the defense laboratories needs to be weighed carefully and in concert with congressional intent. Today, I want to enlist the support of my colleagues in challenging this proposal as there is still time to influence the process.

The Honorable Jim Courter, a former colleague of ours, chairs the Base Closure and Realignment Commission. He has said that he will not rubber stamp the DOD proposed list. In fact, on Friday, May 31, 1991, the Courter Commission added 27 bases to the list for consideration, giving a strong sign that he is listening to alternative recommendations. In addition, during the May 21–22, 1991 hearing at which I testified, and again at the Philadelphia regional hearing on May 24, 1991, Mr. Courter, along with other members of the Commission, indicated that they would be making a decision soon about whether or not it would consider defense laboratories as part of its overall recommendations. We expect public deliberation on that decision Thursday, June 6, 1991.

In addition to wanting to reach a wider audience with my commentary, I also want to emphasize a key point regarding the Defense Department's move to include Department of Defense laboratories on the April 15, 1991 list with the hope that I can enlist support in my challenge to the laboratory recommendations. As you may already know, the list includes proposals to close or realign many research and development laboratories across the services. The Navy, in using this vehicle, proposes to alter 90 percent of the framework of its current laboratory structure. Unfortunately, the Navy plan has been hastily conceived, ill-documented, and haphazardly analyzed for cost—the GAO has confirmed this assessment of their approach. The plan contains many inconsistencies and threatens to erode a significant portion of its scientific and technical professional work force. At White Oak Laboratory alone, the move would bring about a 70 percent brain-drain.

All of this would be enough to compel the Commission to have the Navy go back to the drawing board or remove the recommendations entirely. But, what is realy at stake here is the policy process. In the 1991 DOD Authorization Act, Congress mandated that the DOD set up a separate Commission to study the conversion and consolidation of defense laboratories. This was done in recognition of the complexity and special nature of defense laboratories, as well as in recognition of their contribution to the defense technology base and the difficulty in reconstituting the laboratory structure and work force once altered or cut altogether. This was also done in recognition that the labs' successes depend largely on the body of highly skilled scientists and engineers who staff the labs and who perform missions that have long-term impact on the technical capabilities of the Armed Forces. No one can dispute that we won the Persian Gulf war on the basis of a technology investment, nor that this investment saved lives. Much of the technology deployed in the Persian Gulf war was begun in the 1970's. To be ready for the next contingency, we can ill afford to hack away at our defense laboratories without first having a Commission with special expertise examining the appropriate future of these labs, both collectively, and individually.

That is why I am encouraged by recent indicators that the Courter Commission may be persuaded by my testimony, and the testimony of at least 60 of my fellow colleagues who have all endeavored to remove laboratories from this list and have them considered by the separate commission for which they were intended. The Commission has included Navy homeports among the 27 bases it has added to the list for alternative consideration. This is extremely encouraging because the GAO said the Navy had excess berthing space and could have either closed additional bases or ceased work on new, uncompleted homeports to save money. Instead, the Navy chose to achieve its cuts through a massive overhaul of its laboratory structure, without providing any reasonable explanation. In fact, Mr. Speaker, I have concluded that the Navy decision regarding White Oak Laboratory is a decision in search of a rationale, one that defies explanation, and one that will result in a net loss to the Navy, the DOD, and the American taxpayer, not in a net savings as the Navy claims, but never demonstrates.

It is my hope that the Courter Commission will not rubberstamp this intolerable decision and will defer a decision to the commission Congress intended for laboratory review. Short of this goal, I have asked the Commission on Base Closures and Realignment to consider some additional recommendations, including, setting aside Navy bases and labs, in particular, until the Navy has explained and documented fairly its decision-making process.

Mr. Speaker, let me now summarize the testimony I made before the Base Closure and Realignment Commission on May 22, 1991. I also want to submit my written testimony for the RECORD.

Mr. Speaker, as I have already noted, the future of the White Oak Laboratory is at stake. It is an essential detachment of the Naval Surface Warfare Center and is replete with historical advanced technology contributions to Naval wartime and peacetime successes. White Oak Laboratory has been slated for substantial reduction and realignment in Secretary Cheney's April 15, 1991 Base Closure and Realignment Report. The Navy proposal would result in the loss of 1,250 positions, down from 1,800 civilian personnel currently employed at White Oak, leaving 550 people, including research and technology personnel, as well as personnel to operate unique facilities, but no support personnel.

Mr. Speaker, I believe that the Courter Commission needs to make a thorough and objective examination of the decisions and rationale made to support this recommendation. When it does, the Commission will find, as I did, that the Navy's decisionmaking process is very difficult to track. What can be tracked is inadequately documented and riddled with inconsistencies. These findings are substantiated by the GAO's May 15, 1991 report that evaluated the base closure and realignment selection process.

The Navy plan is short on explanation. Its plan for realigning certain of White Oak's critical missions is incompatible with the Navy's intended goals of mission purification, elimination of duplication, and cost savings. It ignores substantial costs that would render the plan cost ineffective. And although an official White Oak recruiting brochure states. "The single most critical determinant of the success of the Naval Surface Warfare Center is the appropriate selection, development, and retention of highly trained scientists and engineers," the plan virtually assures a massive hemmorhage of critical scientific and technical personnel.

At least 80 percent of the missions performed at White Oak are listed on DOD's and the Office of Science and Technology Policy's critical technology lists. In their 1991 reports to Congress, the Secretary of Defense and the Secretary of the Navy each stressed the importance of R&D and high technology to this Nation's future national security. The Navy's criteria for laboratory restructuring, by preserving all missions currently performed at White Oak as essential leadership areas, indicate that the recommended cuts are driven primarily by a requirement to cut acquisition costs by 20 percent over 5 years and only secondarily by a desire to purify missions to achieve critical mass at four central locations. In short, Mr. Speaker, the Navy plan constitutes a shell game.

The expertise and ingenuity found at White Oak will be vital to the future of our fleet and of our technology base, which we must preserve. Critical research and development requires long lead times and is not easily reconstituted.

In the absence of hard data and a clear explanation by the Navy, I have to conclude, as I said earlier, that the cutback is a decision in search of a rationale. It is clear to me that mission requirements and technical considerations are not driving this proposal. Rather the major consideration seems to be a 20-percent reduction in acquisition force. Yet, Naval industrial funded activities, such as White Oak, are exempt from end-strength considerations. In addition, this plan will not achieve substantial savings. In fact, my cost analysis indicates a net loss to the taxpayer.

The Navy claims that the realignment will have a one-time cost of $89 million, with projected savings of $11 million, over 12 years. But, by my own conservative calculations, I arrived at a one-time cost of $146 million, a 61-percent increase. As you know, the GAO applied a sensitivity cost analysis to all of the costs provided by the services, and most of the figures were unaffected by the GAO's sensitivity analysis. But, in the case of White Oak, when a 50-percent and 100-percent increase in the one-time costs were made, a 100-year payback period was rendered in each case.

In any case, Mr. Speaker, I am not persuaded that improved synergy at Dahlgren, the gaining facility, and 11 million dollars' worth of savings 5 years from now, compare favorably with the expected costs, losses in our national scientific and engineering capability, and unwarranted disruption to people, missions, and the economy. Moreover, Dahlgren is not able to receive the additional personnel and equipment without additional facilities, nor is the surrounding community able to house the influx of personnel and their families. Military construction and other costs required to accommodate this realignment are approximately $100 million. There are also environmental impact costs which add to these costs.

The Navy's anticipated loss of highly-trained scientific and technical personnel from this proposal is great. Past experience indicates a 70-percent nontransfer rate is likely, and a survey of 420 White Oak employees—or 25 percent—indicates an 80-percent nontransfer rate. This projected flight of scientific and technical personnel will have long-term, devastating repercussions to the Navy and the technology base. The direct and indirect costs will be disastrous and intolerable.

In closing, Mr. Speaker, I want to emphasize that such a major realignment in DOD R&D should not occur until the Laboratory Closure and Consolidation Commission can make its review. Moreover, such a shift should not occur until the Navy can adequately document and explain its rationale for doing so to the Commission. Should a downsizing of White Oak be found necessary, I believe that necessary personnel reductions can and should be met by attrition. If the Commission finds that the Navy R&D restructuring plan is appropriate and some realignment should take place on the basis of technical merit and cost-efficiencies, then I would recommend that, at a minimum, the missions of mine warfare and surface ship ASW, along with needed support personnel, remain at White Oak Laboratory. This is imperative in the interest of cost savings, personnel retention, existing synergies at White Oak, and the assurance of preserving these missions for the future of Navy defense needs.

Mr. Speaker, I respectively thank you for the opportunity to discuss this vital topic. I ask for support in defeating the laboratory proposal as it currently exists so that the intent of Congress and the needs of our national security may be met. And, finally, I hope for success in challenging the proposal for White Oak Laboratory, a move that is clearly not in the best interests of the Navy, the DOD, the employees of White Oak Laboratory, and the American taxpayers.

TESTIMONY OF THE HONORABLE CONSTANCE A. MORELLA BEFORE THE BASE CLOSURE AND REALIGNMENT COMMISSION, MAY 22, 1991

Mr. Chairman, I am here today to discuss the future of White Oak Laboratory, an essential detachment of the Naval Surface Warfare Center (NSWC). As you know, White Oak Laboratory, which is located in my Congressional District in Silver Spring, Maryland, has been slated for substantial reduction and realignment in Secretary Cheney's April 15, 1991 Base Closure and Realignment Report.

I want to discuss in some detail my view of the merits and logic of the Navy proposal, which would reduce the number of White Oak Laboratory employees by 20 percent over five years (368 total) and realign 50 percent of the remaining positions (890) to Dahlgren, Virginia. In terms of numbers, the recommendation would result in the loss of 1250 positions, down from 1800 civilian personnel currently employed at White Oak, leaving 550 people, including research and technology personnel, as well as personnel to operate unique facilities.

However, the Navy's recommendation to realign some of White Oak's critical disciplines to Dahlgren is incompatible with the Navy's intended goals of "mission purification," elimination of duplication, and cost savings. Also, the Navy proposal would retain *no* support personnel for the reduced White Oak staff. Depending on what the Navy plans to do with the impending vacant facilities at White Oak, the shifts may or may not make sense, but most certainly the costs of the proposal would increase. However, no one in the Navy could, or would, tell me what those plans are, although several options are rumored.

The Navy plan is short on explanation. It ignores substantial costs that would render the plan cost-ineffective. And, the plan virtually assures a massive hemorrhage of critical scientific and technical personnel from the Navy, approximately 735 (1050−70 percent=735) personnel are expected to leave due to cuts or unwillingness to transfer, many with an average service length at White Oak of 19 years. In short, the Navy plan for White Oak constitutes a shell game.

I would like the Commission to know that the proposal we are discussing today is revised from a March 19, 1991 Navy document supporting its Base Closure and Realignment Report, Detailed Analysis, that would have cut 1700 positions from White Oak, retaining only 100 personnel as caretakers for White Oak's unique facilities. I am informed that in early April 1991, the Navy shifted to the current proposal after examining the costs of the first proposal, particularly those associated with unique facilities. Thus was born the numerically-driven ceiling of 550 personnel at White Oak Laboratory. Although the Navy states it has been developing the lab plan for more than a year, this plan clearly appears to have been hastily conceived. I also note that the altered plan is reflected in the DOD Base Closure and Realignment report in which Appendix G contains the earlier figures and page 81 contains the final figures.

First, my assessment of the plan's rationale looks at procedural issues, namely:

(1) Why are labs on this list when Congress clearly intended for a separate commission to consider lab closures and consolidations

and the GAO has found the Navy selection process flawed?

(2) Why is the Navy restructuring 90 percent of its R&D structure via this list, when there is excess berthing space at bases to cut according to the GAO? and,

(3) Should R&D be cut proportionate to the rest of the force structure, when most experts agree that in times of shrinking defense dollars it is important to preserve the technology base?

Second, my assessment looks at the stated criteria, namely:

(1) Where is the force structure, top-down, mission analysis that supports the proposed changes to Navy's R&D structure, in general, and for White Oak in particular?

(2) Have the military value, costs, and technical criteria been assessed reasonably? and,

(3) Have personnel, community, and environmental impacts been fairly and accurately assessed?

I offer my alternative analysis for the benefit of our national defense requirements, our defense R&D structure, the employees of White Oak Laboratory, and the greater White Oak community, which falls in my district.

Mr. Chairman and members of the Commission, I believe that, in making a thorough and objective examination of the decisions and rationale made to support this recommendation, you will find that the Navy's decision process is very difficult to track. You will also find the Navy's decision-making process to be inadequately documented and riddled with inconsistencies. These findings are substantiated by the May 15, 1991 GAO report that evaluated the base closure and realignment selection process. As you will recall, the GAO concluded:

(1) "First, due to lack of supporting documentation, we could not determine the basis for the Committee's military value ratings for Navy installations."

(2) "Second, we identified apparent inconsistencies within the Committee's internal rating process."

(3) "Lastly, although required by OSD policy guidance to develop and implement an internal control plan for its base structure reviews, the Navy did not assign responsibility for developing and implementing such a plan."

Some of my colleagues will argue that the GAO findings invalidate the entire Navy process. There are certainly a range of alternative recommendations which I will outline later.

I acknowledge that the goals of the overall Navy R&D proposal are conceptually valid; that is, the Navy's intention to create four warfare centers (of which NSWC is one) so as to eliminate duplication and to achieve critical mass is worthy. However, the criteria established to justify the plan do not withstand scrutiny, either from a technical or cost standpoint, and the implementation plan contains many flaws. I want to point out that, since 1974, the two sites, White Oak and Dahlgren have been working together as a corporate center and proximity has not been a factor in either overall center or individual laboratory accomplishments. I base my conclusion on a visit to White Oak, a staff visit to Dahlgren, numerous discussions with management at both White Oak and Dahlgren, overwhelming technical and personal input from employees and constituents, and an in-depth review of data from the DOD, the Navy, the NSWC, the GAO, concerned citizens, and various public sources.

I have a few general comments I want to make for the record as I offer my analysis of the White Oak Laboratory realignment proposal and my own corresponding recommendations. I will also be submitting supporting documentation for the record.

First, after visiting White Oak, with all of its unique facilities and talented personnel, I cannot help but think that to change this in any way or to make cuts in the vital defense work performed there would be a tragedy to our national security, the Navy, the employees of White Oak, and the Montgomery County community.

I am extremely impressed with the quality and number of high-tech and unique facilities at White Oak. Many are unmatched anywhere in either federal and commercial R&D or the free world. According to an official White Oak publication, the replacement and business base value alone for the seven unique facilities is $259 million. For four additional facilities deemed important to NSWC leadership areas, the value is $37 million. The combined total is $296 million. To its credit, the Navy recognized the value of these facilities and the necessity to retain these capabilities due to their uniqueness and substantial investment.

More importantly, I am struck by the enthusiasm, dedication, and substantive scientific and technical skills of the employees at White Oak Laboratory. An official White Oak recruiting brochure states, "The single most critical determinant of the success of the Naval Surface Warfare Center is the appropriate selection, development, and retention of highly trained scientists and engineers."

According to official White Oak briefing material, of the 1800 civilian employees, 1050 (or 58 percent) are scientists and engineers by discipline. Of these, 400 (or 38 percent) have advanced degrees, many of which were funded by White Oak. In fiscal year 1991, White Oak has budgeted about $5 million for training, most of which is pursued at eight local area higher education institutes.

It is clear that White Oak is solving problems critical to our nation's defense, as was witnessed in the Persian Gulf War. Some examples are: Mine warefare, Seal weapons and ordnance, conventional ordnance, reduced signature and electromagnetic vulnerabilities, explosives, applied materials, and inputs to the Tomahawk cruise missile. In addition, White Oak, in a joint effort with Dahlgren, was able to design, produce, and deploy to the battlefield a means of distinguishing friendly vehicles from enemy vehicles. This clearly illustrates that the two sister laboratories work well together in times of crisis as they do in times of peace. Finally, at least, eighty percent of the missions performed at White Oak are listed on DOD's and the Office of Science and Technology Policy's critical technology lists.

In their 1991 Reports to Congress, the Secretary of Defense and the Secretary of the Navy each stressed the importance of R&D and high technology to this nation's future national security. The Navy's criteria for laboratory restructuring reflect this emphasis by preserving all missions currently performed at White Oak, calling them "essential leadership areas." I believe that the Commission should conclude from this that recommended cuts are driven primarily by a requirement to cut acquisition costs by 20 percent over five years and only secondarily by a desire to "purify missions" to achieve "critical mass" at four central locations.

The expertise and ingenuity found at White Oak will be vital to the future of our technology base and the fleet. If we fail to preserve our technology base, which largely depends on the talents of the people in the R&D structure, we may find ourselves even more dependent on foreign sources in the future (currently 17 major weapon systems have critical foreign dependencies) than we are now. Meanwhile, industrial R&D, which already lags behind DOD R&D, is shrinking due to defense cutbacks, making the specter of foreign dependencies more worrisome.

For all of these reasons, I am greatly dismayed and concerned by the recommendation to shift to Dahlgren 50 percent of White Oak staff and resources after making a 20 percent personnel reduction. Such a major shift in DOD R&D should not occur until such time as the Laboratory Closure and Consolidation Commission can make its review. I have co-sponsored a bill to this effect. Moreover, such a shift should not occur until the Navy can adequately document and explain its rationale for doing so to the Commission.

In sum, in the absence of hard data and a clear explanation by the Navy, I have to conclude that the cutback is a decision in search of a rationale. It is clear to me that:

(1) Mission requirements and technical considerations are not driving this proposal. Rather, the major consideration seems to be a 20 percent reduction in acquisition force. Yet, in the same DOD Authorization Act, NIF-funded activities, such as White Oak, are exempt from end-strength considerations.

(2) No savings will be achieved. In fact, my cost analysis indicates that the proposal would actually result in a net loss to the taxpayer.

Without submitting proof, the Navy claims, the White Oak realignment will have a one-time cost of $89 million, with a projected savings of $11.2 million. The stated payback period is 12 years. I have been made aware that these numbers were "crunched" many times in order that the result did not render a payback period that would exceed 20 years since a 20-year or more payback period would have rendered the proposed realignment cost-ineffective.

When I performed my own conservative calculations, which I will submit for the record, I came up with a one-time cost of $146 million (a 61 percent increase). This figure does not include relocation services costs, lost capabilities and skills, costs to recruit and train replacement hires, nor does it include the cost of a new occupant in the vacant space at White Oak, and the cost of maintaining and supporting operating White Oak with reduced personnel ($11.6 million, a recurring cost that exceeds the Navy's projected recurring savings of $11.2 million).

The GAO applied a sensitivity cost analysis to all of the costs provided by the services, because some one-time costs were found to have been miscalculated in the 1988 round of closures, thus altering the wisdom of those selections. While most of the figures were unaffected by the GAO's sensitivity analysis, in the case of White Oak, when a 50 percent and 100 percent increase in the one-time costs were made, a 100-year payback period was rendered in each case.

Whether we use my analysis or the GAO analysis, it is clear that when using the higher conservative figures, no savings would be achieved. In any case, I am not persuaded that additional "synergy" gained at Dahlgren and $11.2 million worth of savings five years from now out of a total of $1.2 billion in DOD projects to be gained from lab closings and consolidations is worth the price in terms of expected costs, national scientific and engineering losses, and unwarranted disruption to people, missions, and the economy.

(3) Dahlgren, the gaining facility, is not able to receive the additional personnel and equipment without additional facilities, nor is the surrounding King George community able to house the influx of personnel and their families. Conservative estimates of necessary military construction space at Dahlgren to accommodate the realignment is 300,000 square feet. This would cost roughly $52 million. I am informed that the Navy reduced these space requirements so that military construction costs would stay within a 20-year payback period ceiling. In any case, trailers will need to be leased immediately in order to accommodate the first transferees, at a cost of $3 million. A new sewage treatment facility will also be needed within the next year, at a cost of $33 million. There are also environmental impact costs according to the Navy Base Closure and Realignment Recommendations, Detailed Analysis. And, most importantly, from a standpoint of morale and welfare, there is currently not enough affordable housing for enlisted Aegis personnel assigned to the base, let alone for transferees, and the nearest communities with housing and schools are 45 minutes away (i.e., Fredericksburg, VA and Waldorf, MD).

(4) The first-rate, well-funded, Navy Industrially Funded (NIF) White Oak work, where the demand for services is outpacing supply, will not be improved as a result of this proposed realignment. In addition, many customers and contractors may move their business elsewhere because of probable programmatic disruptions and the loss of 70 percent of the personnel at White Oak.

The potential disruption to fleet deliverables could be enormous. The Navy's anticipated loss of highly-trained scientific and technical personnel is great. Past experience indicates a 70 percent non-transfer rate is likely, and a survey of 420 White Oak employees (or 25 percent) indicates an 80 percent non-transfer rate. This projected flight of scientific and technical personnel to other endeavors as a result of a strong desire not to move or commute to rural Dahlgren (a 75-mile commute from White Oak), will have long-term, devastating repercussions to the Navy and the technology base. The direct and indirect costs would be disastrous and intolerable. I am in favor of a reduced defense budget and structure, but as defense dollars decline, we must be certain that a competitive technology base will be there to preserve our national security for future generations.

Critical research and development requires long lead-times and is not easily reconstituted. It takes an average of three to five years to recruit and train new scientists and engineers, not to mention the 10-plus years it takes to perform at world class levels as do so many of the personnel at White Oak. And, it takes an average of 15 to 20 years to field an advanced weapon system. In times of shrinking defense budgets, research and development dollars should go up or at least hold steady to assure the deployment of superior technology to compensate for fewer systems purchased. This strategy worked amazingly well in the Persian Gulf War and it saved lives. I need not remind this audience that the R&D for many of the "smart" weapons as well as the mainstay weapons used in that war was begun in the 1970s. Given the unique and critical nature of the technology research and development work performed at White Oak Laboratory, it is imperative that this proposed realignment be reconsidered.

ALTERNATIVE RECOMMENDATIONS

First, I recommend that no Department of Defense laboratory be closed or realigned pursuant to the Defense Base Closure and Realignment Act of 1990, as a result of recommendations made by the Defense Base Closure and Realignment Commission during 1991, until the report of the Commission on the Consolidation and Conversion of Defense Research and Development Laboratories has been submitted to Congress pursuant to section 246 of the National Defense Authorization Act for Fiscal Year 1991.

Second, in conjunction with my first recommendation, I recommend that no action be taken by the Defense Base Closure and Realignment Commission with respect to White Oak Laboratory until such time as the Commission on the Consolidation and Conversion of Defense Research and Development Laboratories has had an opportunity to review the White Oak proposal.

Third, also in conjunction with the above, I recommend that no action be taken with respect to White Oak Laboratory until the Department of the Navy develops a plan that meets the GAO standards for nominating facilities for closure or realignment.

Fourth, should a proper and authorized decision be made that it is appropriate to make reductions at White Oak as a result of the Department of the Navy contention that a 20 percent reduction in R&D workforce is necessary pursuant to the Defense Authorization Act of Fiscal Year 1991 to cut the acquisition workforce by 20 percent over a five year period, and hence the R&D workforce by 20 percent, then, I recommend that the cuts be made through attrition where feasible and that no realignment to Dahlgren take place.

Fifth, should a proper and authorized decision be made that the Navy R&D restructuring plan is appropriate and that some realignment should take place on the basis of technical merit and cost-efficiencies, then the missions of mine warfare and surface ship ASW should be added to those already selected to remain at White Oak along with some additional support personnel remain at White Oak Laboratory in the interest of cost savings, personnel retention, existing synergies at White Oak Laboratory, and the assurance of preserving these missions for the future of Navy defense needs.

White Oak Laboratory realignment cost analysis

	Millions
Military construction (based on 1994 funds):	
RDT&E space	$52
Sewage treatment plant	33
Total	85
Other facility costs (based on 1994 funds):	
Equipment moving expenses	12
Leased trailers to accommodate immediate realignment of personnel and equipment	3
Total	15

BASE OPERATING COSTS (FISCAL YEAR 1990 EXPENSES)

[Dollar amounts in millions]

	White Oak	Dahlgren
Maintenance	$4.9	$9.0
Support	33.6	64.5
Total	38.5	73.5

NOTE.—Base operating costs constitute recurring costs. While support costs are to be eliminated through the realignment of all support functions to Dahlgren, some support for the remaining 550 personnel and operation of unique facilities is anticipated. Though undetermined, this cost will be contracted either from the incoming host to White Oak or from the community. Because 30% of White Oak is being retained, it is assumed that both support and maintenance will cost approximately 30% of the current cost. Thus, $38.5M minus 70% equals $11.6M total cost.

PERSONNEL COSTS

Realigned Personnel (Cost: $30,000 per person).

Assume 30% will move of 890 proposed equals 267 times $30K equals $8,010,000.

Severed Personnel (Cost: $21,000 per person).

Assume 70% will be severed of 890 proposed equals 623 times $21K equals $13,083,000.

Assume 100 personnel above normal attrition in conjunction with 20% across-the-board cut (a total of 268—20% of 1800 equals 368—to be cut through either attrition or cuts) will be severed due to 20% across-the-board cut taken before any realignment occurs equals 100 times $21K equals $2,100,000.

New Hires (Cost: $20,000 per person).

Assume 623 needed to make up shortfall (890 minus 267 equals 623) equals 623 times $20K equals $12,460,000.

Total: $8,010,000 plus $13,083,000 plus $2,100,000 plus $12,460,000 equals $35,653,000.

NOTE.—Does not include relocation services costs, does not take into account lost capability and skills, nor the costs associated to recruit and train new hires.

ADDITIONAL COSTS ASSOCIATED WITH REALIGNED ACTIVITIES

Surface Ship ASW is slated to be moved to Dahlgren. This facility was brought on line in the February-March 1991 timeframe at an overall cost of $10 million for special construction, equipment, air conditioning and power system.

TOTAL ONE-TIME COSTS

$100 million plus $36 million plus $10 million equals $146 million.

NOTE.—The Navy estimated that the total one-time costs would be $89M. The basis for this figure is not explained. Total one-time costs in this analysis exceed Navy projected one-time costs by 61%. A 61% increase in one-time would render a payback period of 100 years.

TOTAL RECURRING COSTS

$11.6 million.

NOTE.—Recurring costs exceed Navy projected recurring savings of $11.2M if the plan is implemented as proposed. The basis for this figure is not explained. According to this cost analysis, irrespective of one-time costs, because the recurring costs exceed the recurring savings, the Navy plan will never reap a savings.

WHITE OAK WORKFORCE AND REALIGNMENT PLAN

Currently 1800 civilians; 8 military.

1050 (or 58%) are scientists and engineers, 400 with advanced degrees (or 38%).

Workforce is mainly concentrated in two departments: Research and Technology and Underwater Systems. The remainder are in engineering functions, support, or operators for unique facilities.

Research and Technology consists of: explosives, materials, information sciences, directed energy, and warheads.

Underwater Systems consists of: SQQ-89, MK 116 ASWCS, Beartrap, mines (exclusive to White Oak), warheads, and seal weapons.

Current plans are to retain the following disciplines only: explosives, underwater warheads, materials, and sensors and radiation (399 − 20%=319); reentry systems and operators for the wind tunnel (80 − 20%=64); H department which includes unique facilities (75 − 20%=60); warheads (140 − 20%=112).

Total Workforce Retained: 319+64+60+112=550.

By this plan, no support personnel are retained.

By this plan, mines are not retained (136 personnel which are exclusive to White Oak), nor is surface ship ASW (135 personnel and a new $10 million facility specially designed and recently put on line (February-March 1991). Surface ship ASW is being realigned to Dahlgren to integrate with other anti-warfare disciplines. Both mines and surface ship ASW will most assuredly lose 70% of their personnel based on past experience, informal surveys, and letters received. This would result in a loss (271 − 70%=81 personnel would most likely transfer to Dahlgren and 190 personnel would leave the NSWC). In addition, this would result in the lost investment cost in building space and non-transferable equipment.

What is most alarming about the loss associated with these two disciplines is that they are essential mission areas and are difficult specialties to recruit and train. In the case of mines, it was one of only two Navy deficiencies cited in the Persian Gulf war and a technology area cited as critical to future Navy defense needs. While synergy would be achieved in the case of surface ship ASW by the move to Dahlgren, at the expense of the lost costs and moving and military construction costs, there is no synergy to be gained with the movement of mines to Dahlgren. Mines is a discipline unique to White Oak and is a matrix organization in which synergy is achieved at White Oak via interaction with the research department and the underwater systems department.

☐ 1730

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. BORSKI] is recognized for 60 minutes.

Mr. BORSKI. Mr. Speaker, today I introduced legislation to prohibit the expansion of longer combination vehicles [LCV's] on America's highways. H.R. 2515 would ban double- and triple-combination trucks in States that do not currently allow them.

If you wonder what it's like to share the interstate with one of these giant trucks, imagine a 10-story building laid on its side and you've got a good picture of the length of some LCV's.

Statistics show that public safety is compromised by LCV's. According to the Transportation Research Board, combination trucks have twice the rate of fatal accident involvement as passengers cars. And, while larger trucks make up only 3.2 percent of traffic, they are responsible for 12 percent of highway deaths.

It's no wonder most Americans don't want these huge rigs lumbering down the same highways on which they travel with their loved ones. Riding next to a truck 120 feet long is an intimidating experience. That's why over three-quarters of the American people oppose more LCV's on our highways.

Furthermore, without a ban on the expansion of LCV's, States that do not currently permit them will be forced—out of economic necessity—to join neighboring States in allowing them on their roads.

In 1956, Congress enacted legislation limiting the size of trucks on the Interstate System. It granted exemptions to a few States which were already permitting larger trucks. But the number of exemptions has multiplied to the point where there is a legal loophole large enough to drive a truck through.

Today, 15 States permit triple 28-food trailers, 17 States permit twin 48-foot trailers, and 20 states allow "Rocky Mountain doubles," which consist of one 48-foot trailer and one 28-foot trailer.

Mr. Speaker, I believe that we must safeguard American motorists and their passengers as well as the public investment in our highways. Until we know more about the safety of LCV's, we should err on the side of protecting the public. H.R. 2515 will do just that. I hope you will join me in this effort.

ORDER OF BUSINESS

Mrs. COLLINS of Illinois. Mr. Speaker, I ask unanimous consent that the 60 minutes I had reserved for a special order previously be reinstated.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

IN SUPPORT OF H.R. 1, THE CIVIL RIGHTS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 60 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, it is sad and dismaying that 27 years after the passage of the Civil Rights Act of 1964, we are still trying to secure equal rights for all of our citizens. You would think that we would have moved beyond this now to solve other problems. Yet, instead of building on the solid foundation of the original Civil Rights Act, we have retreated from the letter and intent of that law.

We need not rehash our Nation's history of racial discrimination in employment that gave rise to Federal statutes such as section 1981, passed in 1888, over a hundred years ago, and title VII of the Civil Rights Act of 1964. It is clear though, that they were passed because of the undeniable pervasiveness of job-related discrimination. Unfortunately, these laws were not able to single-handedly eliminate employment discrimination. The continued occurrence of these problems is well-known and well documented. Race, as well as gender, religion, and national origin, continue to figure into management decisionmaking regarding hiring, promotions, layoffs, firings, and day to day concerns.

It is interesting that a few weeks ago the Urban Institute released the results of an extensive study of hiring bias. The results of the study were disturbing to say the least: Blacks were three times as likely as whites to face discrimination in the hiring process. But the reaction—or lack thereof—has been even more unsettling. After a flurry of articles, that was it. That was all there was to it.

No discussion, no debate, no laments, and most unfortunate of all, the study's results provided no impetus for passage of the civil rights bill. As if the race-baiting hysteria over the bill were not enough, this is further proof that for far too many people, equal rights for minorities and women is just not an item high on the agenda.

It was certainly not on the Supreme Court's agenda when it engaged in unprecedented judicial activism and curtailed well-established rights and remedies under section 1981 and title VII. Previous Court decisions were overruled and new interpretations were artfully crafted. The net result is that the Court disregarded both the letter and the spirit of Congress' efforts, thus doing damage to the legitimate rights of millions of Americans.

Well I am here to tell you that all forms of racial and sexual discrimination are intolerable, as are the Supreme Court's decisions turning back the clock on progress and justice.

☐ 1740

Just what is equality worth if it only applies in theory? What are employment protections worth if they are unenforceable? What are judicial remedies worth if the path to justice is obstructed with insurmountable barriers? Absolutely nothing, but to give hope of fairness where there really is none and to engage in a charade of democratic practices where they do not actually exist.

This weekend, the Nation's Capital will host a grand homecoming victory celebration for our troops from Operation Desert Storm. Parades, giveaways, awards, parties and special deals have taken place all across the country for the past 3 months. Let me note that a survey conducted by the Chicago Reporter found that 80 percent of all military recruits in the Chicago area are minorities. They fought for the freedom and liberation of the Kuwaiti people and achieved stunning success. Based on the results of the Urban Institute study, and what we already knew to be true, we can conclude that they may very likely not have the same success in their daily struggle for economic freedom and equal justice at home. As long as we shut out these young men and women from the very opportunities and freedoms for which they have so recently fought, we, as a nation dishonor them and their sacrifice.

The Civil Rights Act of 1991 overturns five major Supreme Court decisions: Wards Cove versus Atonio, Price

Waterhouse versus Hopkins, Martin versus Wilks, Lorance versus AT&T, and Patterson versus McLean Credit Union.

With discrimination complaints of all kinds nationwide on the rise, now is not the time to retreat. With the Supreme Court departing further and further from established principles of equality, now is not the time to be reticent. As the Congress of the United States, we must take the lead in upholding the basic, essential rights of all Americans. We must pass the Civil Rights Act of 1991.

Mr. Speaker, I yield to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentlewoman for yielding.

Mr. Speaker, I want to congratulate the gentlewoman from Illinois [Mrs. COLLINS] for taking this time to point out how very basic this civil rights bill is. I think it is ludicrous for even having a debate on this in 1991. This is really a houskeeping amendment. It is just correcting from Supreme Court decisions that went way off track, and putting the law back on track the way it was in the 1970's and early 1980's.

To see all the brouhaha made about it is amazing. It says to me they do not want civil rights, they want an issue, they want a political issue.

I think polarizing this Nation at this time is unbelievable. I also think that the first bill we have is the fairest. It looks most like the one we started with, dealing with the five different cases and restoring the law, plain and simple, period.

It does not put caps on people, which I find shocking. I find it shocking that they want to put caps on people and start saying that some kind of discrimination is worse than other kinds of discrimination.

To me, that goes right to the heart of what civil rights is about. But I think basically what you are seeing is the President of the United States really almost egging on civil unrest. I would much rather have civil rights then civil unrest. All of these decisions go to jobs, jobs are where you get your dignity in America. It is a country where we do not say, "Who are you?" We say, "What do you do?" If you say, "Nothing," it means nothing.

It is also a day where the children's defense fund came out with some very important statistics, and I think those statistics show why the civil rights bill is very important to families.

They point out that the average American thinks that the average person on welfare is a young black living in the urban core with a mother who is on welfare who had him in her teens. Well, guess what; among the poor children in America, that is only 1 in 56, 1 in 56.

So the image we have does not fit poor children at all. Most of them have a parent struggling to work, struggling to get ahead.

We know that women have been discriminated against in the workplace. The gentlewoman from Illinois has worked on that forever, whether it is pay equity, sex discrimination, sexual harassment, all across the board.

Many of these women are mothers who have kids that are impoverished. We know that men have been discriminated against in the workplace. What we have done to black males in this country has been unbelievable. Many of those are fathers, and they are trying to make it.

We know there are Hispanics, we know there are many others who have been discriminated against.

I wish the President of the United States would use his position to pull us all together and then go out and fight this economy and get it back on its feet so that everybody has a job and everybody has the dignity that goes with a job.

Nobody wants to be on welfare.

As I say, I keep reminding people only 1 in 56 fits the majority stereotype of the poor child.

All the rest of the parents are struggling and trying to do something to get out of poverty and to make their lives better. But if you look at the eighties, what happened to families is that every family in America, if the head of the family was 35 years old or younger, is worse off unless they were in the top 5 percent of the income range, they are worse off than they were at the beginning of the eighties.

So this is about jobs, and this is about their ability to get into decent jobs, and this is about their ability to progress once they get into decent jobs so there are not ceilings for people of different backgrounds. It is about not allowing businesses to duck all the responsibilities by saying, "Well, we would like to promote women," or, "We would like to promote African Americans," or "Hispanics or Asian Americans," but, "business necessity."

If they can hide behind business necessity and not have to prove what they mean by it, then there will not be another civil rights case ever won in the history of this country. That is what that is all about.

So the gentlewoman from Illinois is making such a good point, and I really hope that tomorrow poeple will back the purest civil rights bill and send a real message to the White House that we have had it, we have had it with their playing political games with this. We want the country pulled together, not pulled apart, and we want this being dealt with at the high level that Abraham Lincoln would want us to.

If he is sitting down there in his chair in his monument right now, I am sure he is smiling if he hears this debate. I do not know what he is going to be doing tomorrow when he hears the other one.

To think that this many years after the Civil War and think that we are still having this kind of debate over the very basic dignity of being able to have a job and being treated fairly in the workplace is just amazing to me.

So I support totally what the gentlewoman is saying. I thank her for taking this special order.

Mr. Speaker, I will be on the floor tomorrow supporting civil rights fully, and I hope others do too, and I hope we get a wake-up call to America saying, "If you were as horrified as I was by what happened in India as you watched it all, polarizing groups, going against each other," or, "If you are as horrified as I am after seeing what is happening in some of the Eastern-bloc nations with all sorts of antieverything, raising its ugly head again, and groups starting to fight and countries starting to come unraveled, then let us not do that here."

The one thing we have right now that the world wants is we have learned how to really bring diversity out and make it a positive.

There are two areas in our economy where we have really allowed everybody to participate, and in those two areas we are second to none.

Area No. 1 is entertainment. There is no other country in the world that provides the entertainment that we do. When you look at the wide range of shows, where else could you go and have a Sylvester Stallone and a Bill Cosby and a Gloria Esteban, and you could go on, and Madonna, those are unique, and that is everybody out there, and it has made a global impact. All over the globe they turn to us for entertainment, our music, our sitcoms, our movies, Everybody is there. All you have to have there is talent.

And sports: We let everybody play in sports, and we have some doggone good teams that can take on the world.

We have also made more progress in the military than we have in the private sector. It is easier to get an advancement in the military than in the private sector. Now, that is crazy.

This bill is about finally opening up the private sector so as we move into a global economy and a globe that is clearly diverse, you would think the private sector would really want to flourish with this diversity as we have in other areas and understand the way that we broke into those markets and the way we really do things a lot of other countries have trouble doing is to use the people that came from those different places to help us make those bridges in trade, finance, and all the things that we need to get on with, instead of fighting to the bitter end to make sure that everybody in the world looks like Peter Preppie or they cannot play.

So, thank you. I will be here. We will vote. I appreciate your pointing this out, and I appreciate your very hard work in all of this.

Mrs. COLLINS of Illinois. Mr. Speaker. I would like to thank the gentlewoman for her kind remarks because she has certainly been one who has been very interested in seeing that this legislation is passed.

Mr. Speaker, I now yield to the gentleman from Ohio [Mr. STOKES].

□ 1750

Mr. STOKES. Mr. Speaker, I thank the distinguished gentlewoman from Illinois [Mrs. COLLINS] for yielding to me. I want to join with the distinguished gentlewoman from Colorado [Mrs. SCHROEDER] in the accommodation she has given the gentlewoman in the well for taking this special order to provide each of us an opportunity to speak out in support of the Towns-Schroeder substitute to H.R. 1, the Civil Rights Act of 1991.

Mr. Speaker, the Towns-Schroeder substitute is a pure, civil rights bill, without the compromises included in the Brooks-Fish substitute. In other words, the Towns-Schroeder substitute is essentially the same as H.R. 4000, last year's civil rights bill, as reported out of the Education and Labor Committee in May 1990. There are, however, two additional provisions:

First, it adds a provision to prohibit discrimination against women in the making and enforcing of contracts; and

Second, it extends the coverage of title VII of the civil rights act of 1964 to American workers employed by American-owned companies abroad.

A key feature of the Towns-Schroeder substitute is that it authorizes compensatory and punitive damages in title VII cases, without the cap on punitive damages included in the Brooks-Fish substitute. There is no legitimate reason to deny women, religious minorities, and the disabled the same, effective remedies as racial minorities are now provided. The Towns-Schroeder substitute ensures equal treatment for all victims of intentional employment discrimination. Furthermore, by strengthening the remedies available to all victims of discrimination, this provision provides more effective deterrence.

Since punitive damages are only available in cases of egregious intentional discrimination, this provision would not lead to multimillion-dollar lawsuits. Moreover, the complaining party must show either malice or callous disregard by an employer in order to obtain punitive damages. Thus, this provision would not lead to more litigation.

While the Towns-Schroeder substitute does not mandate quotas in any fashion, it does not contain explicit language prohibiting the use of quotas. Last year, to no avail, there were over 37 painstaking efforts to placate the administration by adding specific, compromise amendments addressing the quota argument. President Bush still vetoed the civil rights bill.

In view of the administration's interference in April, when the Business Roundtable was very close to agreement with civil right groups on a compromise bill, it is hard to avoid the conclusion that the quota argument is still nothing but a smoke screen. In fact, there was no resort to quotas as the law existed for 18 years under Griggs and prior to the Supreme Court decisions of 1989 which changed the Griggs standard. Not one individual has offered evidence to support the assertion that quotas would result because of the technical changes in the law. To state that the civil rights bill produces quotas, when it does not, is nothing more than Willie Horton-style, racial politics, which was the bedrock for George Bush's ascendency into the Presidency.

Mr. Speaker, the Towns-Schroeder substitute simply states what ought to be obvious—under no circumstances will discrimination in the workplace be tolerated in our society. I urge my colleagues to join me in supporting the Towns-Schroeder substitute for H.R. 1, the Civil Rights Act of 1991.

Mrs. COLLINS of Illinois. Mr. Speaker, I thank the gentleman from Ohio [Mr. STOKES] and now yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I want to thank the gentlewoman from Illinois [Mrs. COLLINS], and I will be brief because I know she has other speakers, for taking out this special order on the Towns-Schroeder substitute and on the Civil Rights Act period.

Mr. Speaker, I was very startled to hear some of the President's comments over the weekend, and frankly it may not have been malicious, but I was offended when the President used the analogy of comparing our bill to a pig compared to a horse. To me I do not think we talk in terms of the civil rights of American people in those terms. I think, when one considers the fact that some of the laws that the Supreme Court usurped go back to 1866, some of those laws that in the five decisions of 1989 that the Supreme Court made relative to discrimination and job discrimination, and that some of the laws also go back to the Civil Rights Act, title 7, 1964, we are talking about people's lives.

The majority of people in the work force frankly happen to be women, and disabled Americans, and black Americans, and other individuals of religious minorities, and they would like something very obvious: their full rights under the law protected, and that is something that the Reagan and Bush Supreme Court decided was not quite right, and that is why Congress is a separate, but equal, branch of Government and has a responsibility, I believe, to correct what, once again, the Supreme Court did. We had to do this I believe 3 or so years ago when we passed the Civil Rights Restoration Act. That was an act to restore title 9 of the Civil Rights Act, an act that had passed almost a generation ago. I think we are going backward, not forward, and we are trying, some of us are trying, to achieve the status quo, and that is to restore some of these laws that the Supreme Court decisions have, I believe, misinterpreted.

So, I want to thank my colleague from Chicago, the gentlewoman from Illinois [Mrs. COLLINS], for all of her wonderful work, and, hopefully, when the bills do come before the floor, we will pass the Towns-Schroeder bill which in my judgment is the fairest of the options we have to restore the civil rights of every American, irrespective of who that individual is, so that the morale, and the productivity and the access to employment can be equal for all Americans, and I thank the gentlewoman.

Mrs. COLLINS of Illinois. Mr. Speaker, I thank the gentlewoman from Ohio [Ms. OAKAR] very much, and she is certainly absolutely right. As the gentlewoman knows, we did have to go through the Civil Rights Restoration Act a decade ago. We found ourselves having to go over to pass a civil rights bill after emancipation was passed in 1863. I just wonder how long is our country going to take a step forward and four steps backward. Hopefully this act will show everybody who is interested in knowing that we really are very serious about it, our civil rights, and I certainly thank the gentlewoman from Ohio [Ms. OAKAR] for all of the work that she has done in this regard.

Ms. OAKAR. Would the gentlewoman from Illinois yield for just one more second?

Mrs. COLLINS of Illinois. I yield to the gentlewoman from Ohio.

Ms. OAKAR. One of the reasons I support the Towns-Schroeder bill is that there is no cap on the punitive damages for women, disabled individuals, and religious minorities. Forty-five percent of the work force are apt to be female, and 37 million Americans are disabled, et cetera, and it seems to me that it sends the wrong signal to cap certain areas, if you happen to be female, or disabled, or a religious minority, and I am so delighted that so many individuals who feel that way happen to be minorities who would not be affected by that cap, and I think that shows the magnitude of all of our beliefs, that we really believe in civil rights for everyone, and that is the whole spirit of what the law is about, and let us hope that the Schroeder-Towns vote gets a very, very strong vote tomorrow.

Mrs. COLLINS of Illinois. Mr. Speaker, I yield to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, I thank the gentlewoman from Illinois [Mrs. COLLINS], my dear colleague.

Mr. Speaker, I rise in ardent support of the Towns-Schroeder substitute for the Civil Rights Act of 1991. Legislation very similar to the Towns-Schroeder substitute received the support of 273 votes last year when it was introduced as H.R. 4000, the Civil Rights Restoration Act of 1990. This substitute amendment codifies the Civil Rights Act of 1964 and restores what was lost by the recent Supreme Court decisions overturning substantive measures that protected the employment rights of African-Americans.

The Towns-Schroeder substitute dispels among other things, the misconception of quotas and removes the unfair practice of placing caps on damages for women, religious minorities, and disabled persons. This amendment also preserves the discriminatory impact test advised by the Wards Cove decision. It places the burden of proof on the employer to demonstrate the business necessity of the practice that has a disparate impact on the basis of race, ethic origin, religious affiliation, or gender.

The Congressional Black Caucus has brought a substitute amendment to the floor that is all about fairness, equality, and basic common sense. If the truth be told, African-Americans have not, nor have they ever been treated equally in this country. That is a sad testament for a people who have plowed America's fields, expanded the profit margin of America's industries through productivity, and broadened the focus of science, medicine, history, art, and music. Let's not also forget that African-Americans are by far, one of the largest group of consumers in the Nation.

African-Americans have earned the right to be treated as equal citizens in every venue of prosperity this country has to offer. We are not asking for preferential treatment from anyone or anything. We do however, expect and demand equal treatment under the laws of our Constitution. Equal employment and fair employment practices are an integral part of that package.

Section 5 of the Town-Schroeder substitute addresses the fairness issue for all employees by providing a provision that prohibits intentional discriminations with a provision that specifically states that an employer is liable under title II. This is effective if the employee demonstrates that race, religion, ethic origin, or gender was the motivating factor in him or her receiving unsatisfactory treatment or termination of services from his or her employer. This common-sense approach to fair employment practices that has set the Bush administration and its racially motivated rhetoric on civil rights issues on its ear.

In the battle of civil rights, President Bush has been speaking to our Nation's college graduates about civil rights laws that address the issue of "equal morality." He speaks of less Government interference and stronger responsibilities of moral values promoted in the workplace by the employer. Unfortunately, African-Americans have always known that there is no equal morality or equal opportunity when it comes to employment in the American work force.

Mr. Bush's confusion about the economic plight of African-Americans and their inability to compete fairly in the labor market is a direct result of his lack of understanding of the disparity of the American work force. If I were to make a comparison of the difference between President Bush and myself, I would surmise that President Bush and those like him lack understanding of the need to restore civil rights law because they grew up in America being equal. I and those like me, understand the need for passing this vital legislation because we grew up in America being black.

The Department of Labor's 1990 unemployment rate between African-American men and white men indicates that the unemployment rate of African-American men was 10.1 percent, over twice as high as compared to the 4.2 percent unemployment rate for white men. In the last month the April 1991 unemployment rates for African-American men stands at 12 percent compared to that of 5.5 percent of white men. Things are definitely not improving.

It is therefore understood that from the President's perspective, equality is in effect asking for a quality of life he already has. From the African-American's perspective, the Towns-Schroeder substitute is the vehicle needed to replace the steps lost in the climb to equal employment opportunity and gives us a chance at the same quality of life as white Americans.

Opponents of the civil rights legislation talk about the need to cap civil damages against the practitioners of racial and gender segregation. Caps are a red-herring issue that is both unnecessary and discriminatory to women, those of different religious affiliation, and the disabled. A 1991 study conducted by the law firm of White & Case for the National Women's Law Center concluded that over a 10-year period, from 1981 to 1991, 576 race related cases of discrimination were reported to the courts. Of the 576 cases reported, 93 cases were awarded damages. Of these, 62 cases received compensatory and punitive damages combined, of less than $50 thousand. Only four cases during the entire 10-year period received damages over $200,000.

Finally, on the question of quotas. This is not a quota bill. Plain and simple. The Towns-Schroeder substitute amendment very clearly states that it does not affect or change any law governing affirmative action. The amendment in no way mandates a quota system. So, if President Bush is successful in duping the American public by consistently repeating the blatant falsehood that the democrats are supporting quotas, he only reinforces the concept that a lie told often enough, with enough media attention, will be acknowledged as the truth. Even when the truth is obvious for all to see.

Let's face the facts. A national economic recession, increased racial tension, enhanced by recent Supreme Court decisions and a President insensitive to the needs of a hugh population of voters, have set the civil rights movement and equal opportunity for all Americans back some 20 years.

If we do not restore what was lost in those Supreme Court decisions, this Nation runs the risk of social, economic, and political deterioration. One look at the rebellion and revolutionary activities of other nations whose people suffer from economic and political oppression will tell you that ignoring the obvious injustice will be allowing history to repeat itself in our own backyard.

Congress must right the wrongs of the Supreme Court and dispel the President's myth that America has obtained equality for all of its citizens. This substitute amendment is our chance to do so. The time to address equal employment concerns is overdue and we must act now.

☐ 1800

Mr. Speaker, I urge the Members to consider their vote, to talk about it, to discuss it, and to act on the Towns-Schroeder substitute. It is extremely important that we do that, and I urge the Members to cast their vote for the substitute. It is extremely important that we do that, and I thank the gentlewoman from Illinois [Mrs. COLLINS] for allowing us to use this time to further provide a platform for the discussion of this most important issue.

Mrs. COLLINS of Illinois. Mr. Speaker, I certainly thank the gentlewoman from California [Ms. WATERS] for her remarks because she is right on target as usual, and we are delighted that she has had the opportunity to be with us on this piece of legislation. We are delighted that she knows it so well and has been so exceedingly proficient at giving us her views on this issue because they are helpful to us all.

Mr. Speaker, I now yield to the gentleman from New Jersey [Mr. PAYNE].

☐ 1810

Mr. PAYNE of New Jersey. Mr. Speaker, we should provide the same remedies of all people who are the victims of intentional job discrimination.

It is simply un-American that women, religious minorities, disabled persons or those of different national origins, are subject to a cap on the amount of punitive and compensatory damages they may receive, while racial minorities, who are similarly situated, are not subject to a cap.

Currently, back pay is the exclusive monetary remedy available under title VII and it has not served as an effective deterrent for employers.

Making employers liable for all losses—economic and otherwise—as a result of prohibited discrimination, proven at trial, will serve a deterrent to future acts of discrimination for both those held liable for the damages, as well as the entire employer community as a whole.

Many of the opponents of the expansion of title VII's remedial scheme argue that by doing so, we would "open the floodgates" to many frivolous lawsuits, produce multimillion dollar lawsuits and discourage voluntary settlement of cases.

All of these statements are simply not true.

Filing a lawsuit against an employer is a tremendous undertaking with many personal and professional ramifications, and it is not a process that is entered into lightly.

If we use section 1981, which provides compensatory and punitive damages to victims of intentional racial discrimination, as an example, we will find some statistics that will directly speak to the question of potential frivolous lawsuits.

There have been very few cases where damages have been awarded under section 1981. In only 69 cases nationwide, over the last 10 years, were compensatory or punitive damages awarded.

In 42 of those cases where it was possible to determine the exact amount of the damages award, the combined compensatory and punitive award per case was $50,000 or less. In 4 cases, plaintiffs received less than $500.

Moreover, only in 3 cases was a plaintiff ultimately awarded more than $200,000 combined compensatory and punitive damages.

By looking at these statistics, it is clear that people have not won large lawsuits and that by providing a chance for women, the disabled, religious minorities and those of different national origins, to receive damages free from any caps, we will not produce a "lawyer's bonanza"; it will simply put them on the same footing as victims of international racial discrimination.

For too many years, the contributions that American women made to our Nation were undervalued and even ignored.

It is unfortunate that in 1991, at a time women have made dramatic advances and important contributions in all fields, we are still debating whether or not to give them their full rights as citizens.

In recent years, more and more women have laid their lives on the line for the betterment of our country. A great source of inspiration to us all was Christine McAuliffe, the young school teacher who lost her life trying to carry out a space shuttle mission to provide us with more knowledge about our universe.

When President Bush made the decision that the United States would go to war in order to end the Iraqi occupation of Kuwait, women in military service answered the call of duty. Over 30,000 women served in Operation Desert Shield and Desert Storm. Many left husbands, children and comfortable homes behind, yet we did not hear them complain as they headed for the rigors of a desert halfway around the world.

Sadly, some of our American women—including one from my home State of New Jersey—did not return. They made the ultimate sacrifice. Another young woman was held against her will as a prisoner of war.

Are we now going to tell these women—even as we plan elaborate homecoming parades for them—that they have not earned the right to receive full protection under our American laws? Is this how we reward them for their patriotism?

Mr. Speaker, I don't think this unequal treatment for women is the right thing for us to do. It is not the direction we should be taking in 1991, when so many women are contributing so much to the betterment of our society.

Mr. Speaker, this is simply an issue of equity and fairness.

The Towns/Schroeder substitute is the only bill that will treat all victims of intentional job discrimination equally and equality is what America is all about.

I urge all Members to support the Towns/Schroeder substitute.

Mrs. COLLINS of Illinois. Mr. Speaker, I thank the gentleman from New Jersey [Mr. PAYNE] for pointing out the tremendous job that women in Desert Storm and Desert Shield did. I also thank the gentleman for the job he has done in trying to help fashion this legislation and giving it his support.

Mr. Speaker, I yield to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Speaker, I appreciate very much the leadership that has been shown by the gentlewoman in the well in organizing this special order so that we may take time to emphasize those points that we treasure with regard to the debate that is to ensue tomorrow on the Civil Rights Act.

I would like to associate myself with the remarks of the gentleman from New Jersey [Mr. PAYNE], with whom I feel privileged to serve. He has certainly pointed out all the salient reasons why any suggested tack on to any bill which would limit the rights of women is not only unfair, but is simply not a part of the concept of equal justice under the law, nor should it even be considered as part of the civil rights bill.

Mr. Speaker, I am really very sad and chagrined to know that tomorrow we will be debating two substitutes that will in fact put caps on the rights of women to go before a court of law and feel totally entitled, based upon an analysis of their own individual case, for the courts and juries to determine what their just damages ought to be.

Instead, the Congress, under these two other substitutes, will be putting limitations on as to what the courts can find. Therefore, Members of the House and people who are watching this program, there is really only one bill that to my estimation measures up to what American justice is all about, and that is H.R. 4000, which is going to be the first substitute that will come up for a vote tomorrow. It will basically be the bill that was reported out of committee last year, and, pretty much like the bill that we fashioned in the Committee on Education and Labor and in the Committee on Judiciary this year.

Mr. Speaker, this is the basic concept of trying to restore in place the decisions that came down by the Supreme Court in 1989 that reversed the traditions of the past, and, in addition, raises the question about equity in terms of title VII damages.

Up until now, and a result of provisions and limitations as have been interpreted under title VII, women, religious minorities, and, recently added to title VII, the disabled of America, would not be, except for the provisions of the civil rights law, entitled to the full range of damages that any other plaintiff coming before the courts alleging discrimination at the workplace would be, and being able then to have the courts decide what sort of damages they are entitled to receive.

Under title VII, the remedies were what they described to be equitable only, which meant back wages or reinstatement. There was no possibility of compensatory damages and no possibility of punitive damages.

Under H.R. 1, out of all of the committees, and in H.R. 4000, for the first time, we have this ability of women finally going to the courts and being able to carry their litigation on discrimination, having the courts find intentional discrimination, and being able to recover not only back wages and reinstatement, but their full justice of compensatory damages, and, in the case of egregious, overt, deliberate kinds of discrimination, to be able to have the courts decide on punitive damages.

What the other two substitutes do, which is a tremendous blow really to the concept of equity, is to put a limit on the amount of damages that these plaintiffs can receive. In the case of the Brooks-Fish substitute, it would put a limit of $150,000 on punitive damages.

A lot of people say well, that should be enough. Besides, it is not $150,000, because it could be higher if the compensatory damages should be higher.

□ 1820

That is to say that there is no trust and confidence in a court of law to make a reasonable decision after looking at individual cases. And that is what is so egregious about the notion of putting a cap because it says everybody is alike insofar as their suffering and insofar as how the employer has treated them. We know for a fact that is not true. Therefore, this whole concept of limitation I find is so difficult to accept.

On the Michel substitute, which is the one that the minority is coming forth with, it does not recognize the whole area of discrimination at the workplace because it says in their bill that only sex harassment cases can come to court for damages and then not quite damages because they do away with the jury system and they call it an extension of equitable remedy. And so their case is woefully inadequate; their bill is woefully inadequate and does not really deserve any consideration if you are truly looking at this concept of equity.

I feel so strongly that any bill that is called a civil rights act, should be within it consistent, and carry forth the notion that people in America should be treated alike. I think what has swept over us in our anxiety to correct the wrongs that were put upon the law by the Supreme Court, is to want to make sure that we have enough votes in this body to override the veto of the President. And in so doing, we have tried to make this concession, that concession, hoping that along the way we would gather enough votes in order to overcome the President.

The thing that we have to remember is that it is the President that is making this terrible mistake in going to the American people and saying this bill is not worthy of consideration or support, threatening a veto, not looking at the particular aspects of the legislation. This President is the first President to veto any civil rights bill. He did that last year. We added this cap in order to try to make it possible for him to sign it into law, and he did not.

We are now faced with that same dilemma, and I am here to ask this House, this body, to consider the basics of what we want to have fashioned into our civil rights legislation. What is it that is so elemental as to express the philosophy and the commitment of this country? I see no other legislation before us that truly conforms to that ideal. So I hope that as we debate the alternatives tomorrow, that all of the eyes of the Congress, people who are interested truly in civil rights in America, as well as the American people will look to H.R. 4000, give it full support, and the measure of support that we get for H.R. 4000 will be extremely important as the bill goes over to the Senate.

So I hope that the Members of the House will listen to the debate, understand the importance of the differences between the substitutes and come down strong for equity in America, equal opportunity for everyone, and more importantly, the concept of equal justice which is really the cornerstone of liberty and freedom in this country.

Mr. Speaker, I thank the gentlewoman from Illinois for yielding.

Mrs. COLLINS of Illinois. Mr. Speaker, I thank the gentlewoman from Hawaii.

Mr. Speaker, I yield back the balance of my time.

CIVIL RIGHTS ACT OF 1991

The SPEAKER pro tempore (Mr. SKAGGS). Under a previous order of the House, the gentleman from Texas [Mr. WASHINGTON] will be recognized for 60 minutes.

Mr. WASHINGTON. Mr. Speaker, this portion of the proceedings of the U.S. House of Representatives is what is known as special orders. I, like most Members, think that it should be rarely used for special purposes, and I have not been here long enough to know why it is called special orders, but I would like to think that at least for the time that Members and I are spending here talking about the civil rights bill this evening, it is a special time.

I do not have prepared remarks, and I would give notice at this time that I would like to share the opportunity with other Members who wish to come over, whether they are for or against the civil rights bill, or for or against one version or another, because I truly do believe that the more excellent way to get the people in this country to understand the many bright people who are here is for us to take time every once in a while to talk to each other, rather than at each other.

The people who elected us and the people out in the country are not stupid, and they know that most of the time when they see us engaged in debate, it fits the definition of debate in only the loosest sense of that word, that we never take the opportunity to engage each other intellectually to discuss the merits of matters. We give what our version is. We do not attempt to convince other people.

So if there are a few Members of the Republican persuasion, or perhaps some Democrats, who plan to vote against the civil rights bill, who have any questions in their mind about what the bill contains, who think that it is a quota bill and they are going to go back and tell their constituents they voted for it because it was a quota bill or because it did not contain this or did not contain that, we are going to take the rug off this evening. All they need to do is come over here to this floor for the next hour and they can engage at least one person and perhaps, I think, others who genuinely know what this bill is, who make no claim about its shortcomings or its benefits, but who are willing to discuss with any Member from Congressman HYDE on down, if he is watching television, I would ask him to come over. Those who intend to hide behind the use of the word "quota," if there is any intellectual honesty about the position that they take, then now is the time to come over and make their point.

For the next hour I will be here, along with the gentlewoman from the District of Columbia, ELEANOR HOLMES NORTON, and the gentleman from Oregon, Mr. KOPETSKI, and the gentlewoman from Hawaii, Mrs. MINK, and the gentlewoman from Illinois, Mrs. COLLINS, and others who will be coming by, because I think that the people in their districts deserve an honest answer to something as fundamental as this.

They allow us to play politics with a lot of things, but this is not a subject about which politics ought to be played. It should not matter who is President of the United States or who is going to win the next election. There are people out in this country who are suffering because we have laws that have been interpreted so negatively as to be so restrictive as to not give them the fundamental right that everybody in this country believes that people are entitled to.

Let us set the backdrop then for our discussion. I have brought along lots of material here, and I would be happy to engage anyone on the question of race norming, any other issue that they legitimately think is of a topical concern. I invite them to come out of their offices and come on over to the floor of the House of Representatives and let us engage in a little friendly debate, because I honestly do believe in the bottom of my heart of hearts that I am right about this bill. And I honestly do believe that those who claim to support a bill are wrong, but if they are right, now is the time to be man enough and woman enough to come over here in the clear light of day while the television is on, while their constituents are looking, and not make one of those cockamamie speeches where you are talking up there to the camera, but talk to a real live person who will yield some time and give them an opportunity to engage in colloquy, because the people of this country want to know what is right and what is wrong with the civil rights bill. I hope that we will be able to spend a little time this evening discussing why we think this bill ought to pass.

Let us go back and remember who we are and where we are and how we got here. This country was founded 215 years ago by a rag-tag group of individuals, malcontent and the like, who came here from all parts of the world. They conceived of the notion that this country would be founded upon the principle that all persons are created equal and that they are endowed, not by the government, but by their Creator with certain rights that no one can take away. An inalienable right means one that cannot be alienated by many but only by God. These colonies then had the unmitigated gall to declare themselves a rebellion in fact, free and independent of the wishes and dictates of the King of England. It was a latter-day resurrection.

□ 1830

They formed a compact. They called it the Declaration of Independence. They set out in that document which amounted to an indictment of the conditions with which they had found themselves, largely due to economic circumstances, largely having to do with where they had come from, principally from Europe, but with one common idea, that is, that regardless of one's previous condition or circumstance, regardless of what one's heritage was, that all people in the eyes of God and in the eyes of the law of this country were equal.

They then formed a Constitution after they fought a war with England. They formed a Constitution that set themselves apart, the second of which is still in existence after the Articles of Confederation, and it has been amended a few times, but not that often.

I think that most people would agree that it is a rather pliable document, but there are certain fundamental things that are set out in that document. That document guarantees certain rights to the individual to be protected from the Government. They guarantee the intercourse or interaction between individuals so that all persons will be treated equal under the law. Most of us remember that as part of the debate on whether the Constitution should be adopted by these new-formed colonies that formed this Union that was called the United States of America, that there was great discussion about the interplay between the role of government having been visited upon a strong centralized form of government in the personage of England. These new colonies that formed the United States of America certainly did not want to find themselves in the same situation by creating a Presidency that was in effect a monarchy, so that there were limitations put on the Federal Government, and all rights not given to the Federal Government by the Constitution were reserved to those several States which were 13 in number at the time, or to the people.

The most important part of the equation from the founding of this country for the last 215 years has been the people, and when any part of the people in this country suffer, it is in contemplation of fact, and at least in theory, that all people in this country suffer. All people in this country suffered when citizens in this country of Asian-American extraction were rounded up and put in prison camps after the beginning of World War II. It was not just something that was visited upon them. It was visited upon the heart and the soul of this country.

All people in this country suffered from the time that the Supreme Court of the United States misinterpreted the 13th, 14th, and 15th amendments in the reconstruction act passed after the end of slavery, after the war that was fought that we called the Civil War.

The Congress set out to follow the mandates of the great reconstitution, if you will, of what the Constitution actually meant. It made it clear from that point forward, it could be argued from the beginning until the Civil War, that there were two standards of conduct allowable under our Constitution, because that was, in fact, what the Supreme Court had determined, that blacks were three-fifths of a person and the like.

But the reason for visiting these points in history is not to resurrect those memories but to set the course for the discussion that we find it necessary to have here this evening. The Supreme Court, in the trilogy of cases called the slaughterhouse cases, the civil rights cases and, most notably, Plessy versus Ferguson, set back democracy as we know it from 1896 until 1945 when the Supreme Court finally decided that separate but equal was not and could not be constitutional under our Constitution.

I speak not in behalf of black people. I speak in behalf of all people, because if we are one country, then we have to be one people, and we cannot be one people when we allow either through politics or race or religion or any other circumstance to divide ourselves one from another. If we are going to be one country, and we are not, then we need to move ahead in the matter of civil rights and not behind.

Since 1989 we have been in a holding pattern with respect to civil rights, and it usually befalls us that most black Members find it necessary to come to the well and speak on behalf of civil rights. I am happy to see my good friend, the gentleman from Oregon here, because he understands that none of us are free until and unless all of us are free. This is not a black-white issue. This is not a gender issue. This is an American issue.

This is one of the few days that I decided to wear a flag on my lapel. I do not like to wear my patriotism on my lapel, but there is nothing more American under our Constitution, under the Declaration of Independence and all the laws that we profess to hold so dearly, there is nothing more American than the concept that no matter who you are, or where you come from, or what color you are, or what religion you are, or what your sexual preference or your gender, or any reason that we use to divide people into narrow little categories, no matter what those things happen to be, in America you are just like everybody else.

The poorest child in the ghetto under our law is entitled to the same accords under our law as is the President of the United States. If he is any better than anybody else, then those people 215 years ago were wrong. They did not intend to have a monarchy, and we do not have a monarchy, and we will never have a monarchy in this country.

The President of the United States has done us a disservice. He did America a disservice. He allowed someone to do him a disservice, because I know George Bush, and in his heart of hearts I know George Bush wants to do what is right. But he got bad advice from Boyden Gray and from John Sununu, and he vetoed a perfectly good, watered-down, halfway, do-nothing civil rights bill last year. It was not the bill that it ought to have been. It was not the bill it could have been. And it was not the bill that the founders of this Constitution would have been proud of.

We are talking about words that were written 215 years ago that are just as pertinent, just as viable, just as important as what is written tomorrow in the CONGRESSIONAL RECORD. We are talking about the concept of ordered liberty, and in this country, black, white, brown, everybody is the same except sometimes when you find that the business interests, or some of the business interests who are most often misguided, because most of what is in title VII in the civil rights bill does not apply to small businesses anyway, because most small businesses, at least in my neck of the woods, have fewer than 15 employees, and people with fewer than 15 employees are not covered yet under the civil rights bill. That was one of the compromises that was made back in 1964.

My legal expert is here, and if I am wrong about the year, she will correct me. The original compromise was a higher number. I think it was 50 or more employees. She is nodding yes, so that Congress in its wisdom, or for the lack of it, compromised away a lot of people, the people who do most of the discriminating, the little mom-and-pop grocery stores and the small businesses. They were not covered then, and they are not covered now.

I will not spend any more time talking about what they do not do or what they do do, but I will talk about the procedure for getting into court to begin with. I will talk about the concept of equality for our people. I will talk about what is in the civil rights bill, what ought to be in the civil rights bill, and what ought not be in the civil rights bill.

Now, the problem is that we watch television too much, and I realize that most of the people who are watching me are watching television right now, or otherwise they would not be seeing me, but we have allowed ourselves by these politicians to be—brainwashed is too strong a word; conditioned to the point that we make decisions about mayor and county commissioner and President and Congresspersons and elected officials principally based upon a 30-second sound bite. Someone can go and buy 30 seconds of television time, and they send a subliminal message with that. The people at the White House know that. Boyden Gray knew that last year. John Sununu knew that last year.

This is where the word "quotas" came from. That word was excised from a concurring opinion in Wards Cove versus Atonio. The word "quotas" first came up when the Supreme Court decided Wards Cove versus Atonio. It was a fallacious argument hypothetically made, and it was put in the middle of the concurring opinion by Justice White. That then has been extracted to become the watchword, because they want the people in the country to think that they are protecting them from these people who want to take away their rights.

The rights of all people are the same. I sure wish some of those who believe that this is a quota bill would come on over here, goodness to life, and give us an opportunity to discuss it.

□ 1840

If Members do not come today, when we stand up to talk about it tomorrow I will be here. If those Members will yield to me tomorrow, we will talk about it. I hope we will talk about it in an intelligent fashion because I believe that honesty and truth is the way that we talk about things in the Congress of the United States.

I would not stand here and call it just a quota bill unless I were able to back it up with an example. However, as everyone sees in the 30-second sound bite, Mr. Speaker, when it goes on the 6 o'clock news, they do not have to answer to that. All they have to do is call it a pig, and no matter what it looks or sounds like or purports to do, a lot of people will say, "Well, the President calls it a pig, so it must be a pig." Well, the President bought a pig in a poke this time because he cannot make a silk purse out of a sow's ear, and he cannot dress up what is a fundamental re-creation of rights that people have.

We are talking about Patterson versus McLean Credit Union, a case in which the Supreme Court so niggardly interpreted the law as to say the same law that the Congress passed in 1866, which by the way was enacted into law over the veto of the only other President in the history who vetoed a civil rights bill, was Andrew Johnson. Now, I know that President Bush does not want to go down in history with his name in the Guinness Book of World Records next to Andrew Johnson. In fact, he will be ahead of him this time because if he vetoes this civil rights bill, he will be the only President in the history of this country that ever vetoed two civil rights bills. Whichever version we send over, I am comfortable that the Congress will do its duty and pass a civil rights bill. It is a question of whether we want to pass an oatmeal civil rights bill or a lukewarm civil rights bill, or a civil rights bill that we can be proud of.

The substitute that is offered tomorrow by the gentleman from New York [Mr. TOWNS] and the gentlewoman from Colorado [Mrs. SCHROEDER] in my judgment, is the more excellent way of the Congress forthrightly and honestly addressing the issue. Members of Congress can go home and look their constituents in the eye and say, "I was for civil rights, and I voted for civil rights." We do not have the right to go home and make a bunch of promises, and go to a bunch of chicken dinners, and smile at people, and pat them on the back and never look them in the eye like so many elected officials do. They expect something more from Members than that.

I did not come to Congress to stay forever. I came just to stay a little while.

Ms. NORTON. Mr. Speaker, will the gentleman yield?

Mr. WASHINGTON. I yield to the gentlewoman from the District of Columbia.

Ms. NORTON. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Texas, and I want to associate myself with the remarks of those who have spoken before me today.

I want to commend the gentleman from Texas for the role he has played in trying to produce a bill that would be credible, with a broad range of Members of this House.

I rise with the experience of having enforced the act under amendment at the height of its strength. It was my great privilege to enforce it at a time when it had bipartisan support, and I dare to believe it can attain that support once again.

This is an act that has literally transformed this country. At the time it was passed, both the people of color and women, literally, were confined to a narrow band of occupations. Black men could be three or four things. White women could be five or six things. They were all compartmentalized by race and sex.

I am, therefore, offended that this great act would be amended in such a way as to drain its strength. It cannot possibly continue to do the work it has done for a quarter of a century if it no longer has the force and the power that characterized it for almost a quarter of a century, until the Supreme Court saw fit to tear up the bill and rewrite it. This Court, a conservative Court, presumably committed to the proposition that courts should let legislators write legislation.

First let me say a word about capping damages, a practice that is virtually unknown in this body and that should be stopped in its tracks. The notion of capping punitive damages, in particular, is a wasteful exercise. Anyone who reads the law or studies the law knows that punitive damages are rare in the law. A person can act with great negligence and disregard and still not qualify for punitive damages. I intend to insert in the RECORD tomorrow the sparse record of punitive damages under the job discrimination laws thus far.

The Republican substitute should not be dignified with the record caps however. It crushes damages. It not only caps them, it eliminates damages for all except one cause of action, sexual harassment, and that without regard to the fact that a person may not be fully compensated by $150,000, especially since its actor presumably will live for some years, and $150,000 in our economy gets to be less and less.

Let me say, Mr. Speaker, that the issue of quotas I had thought was put to rest in about 1978. It was raised during the time that I chaired the Equal Employment Opportunity Compensation Board and President Carter unequivocally came forward to make clear that quotas were no part of the way he understood any of the laws, and certainly not title VII of the 1964 Civil Rights Act.

We have here to undo, Mr. Speaker, three kinds of mischief: Mischief by the Supreme Court, mischief by the business community for the role it has played in this exercise, and finally, mischief by the President of the United States.

If I could ask the gentleman from Texas to let me just outline these three categories of mischief, I would be completed. First is the Supreme Court mischief, the outrage of a conservative Court rewriting a statute as the Court did in this case, taking the Griggs decision which it had originally interpreted so as to require the employer that his qualifications were job-related, to take that burden of more than 25 years and remove it from the employer, the only actor who knows the facts was nothing more and nothing less than rewriting the statute and rewriting its own decisions, overturning, if you will, silently sub rosa the Griggs decision.

I heard my friend, the gentleman from Illinois [Mr. HYDE] say that he wanted to carry Members back to the Griggs decision. He wants to carry Members back to the Griggs decision, then of course he will do as we do and use the words of that decision: Manifest, substantial, significant, making the employers' burden related to the tasks that are done on the job.

We in this House seek to undo the Supreme Court's mischief, and I must say that this body is to be commended for reaching out to those against whom the act would be enforced. While we were not all pleased with the way in which this exercise was performed, the fact is that the business community sought out of this experience to save this bill by proposing some compromises.

I condemn the business community for its temerity in backing off from the exercise apparently after threats from the highest quarters in our country, agents of the President himself. It seems to me that the very reasons that the business community proceeded upon this exercise in the first place is understanding that minorities and women were the only supply of new workers, that white males were a diminishing supply, would be about 15 percent of the work force by the year 2000. Those reasons remain in force. Some of the proposals of the business community have found their way into one of the substitutes, in any case. However, I condemn the business community for disowning its own compromises. It has said it now wants the President's bill passed, disowning its own recommendations. That is temerity. That is cowardice. They should be called to account for it, and they should know that we know what they have done.

Finally, there is the greatest mischief of all, Mr. Speaker, and that is the mischief of the President of the United States himself. This President has, over the past several weeks, used his high office to divide and separate citizens on the basis of race.

☐ 1850

The irony is, Mr. Speaker, that to the extent that he is concerned that numbers track an employer's compliance, it is not those who are of color who have benefited most. The largest supply of those who have experienced discrimination, of course, is white women. They are the mothers, the aunts, the daughters of Members of this body, and they have benefited mightily from this bill. Were it not for this bill, the standard of living of the American people would have plummeted, because at about the time the bill was passed the standard of living of the United States family began to go down in no small part because our economy became less competitive. Women, therefore, flooded into the workplace. Had they not found jobs open to them through affirmative action and through this act, they would have been crowded into the five or six jobs that had always been women's jobs for the most part.

This bill then has rescued the American standard of living by opening job opportunities across the board, and yet the President has left the clear impression with the American people that this is a race bill. Whether he means to or not, the fact is that the President of the United States is being read as race baiting in this debate, and he owes the American people an apology. I invite him to cease and desist. I invite him even at this late hour to find a way to bring himself and his party to the hallmark of Lincoln, for which I would rather his party be remembered than for the President's own acts these last few days.

The bills that are before us are in some respects not greatly different, but the rhetoric behind these bills has been greatly different.

As one who enforced this bill, saw it enforced without quotas, knows that whenever there was a cause of action by one such as a white man, that that person got redress under the act equally with people of color and women, understanding that this act has been enforced in such a way as to benefit all Americans, I call upon the President of the United States and his agents to join us finally in seeking a resolution that will give not only a bill that brings us together, but a bill that is worth having, a bill that strongly protects the right against job discrimination.

Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

Mr. WASHINGTON. Mr. Speaker, I really appreciate the gentlewoman from the District of Columbia providing us with these very eloquent remarks.

I hope that her dream can come true; however, the sad fact is that someone who would use the likes of a Willie Horton commercial to gain the Presidency of the United States is not likely to look with disfavor on what happened in South Carolina.

There was no mistake about it when that black hand came out and when the white hand got the pink slip, that is nothing but race. If this country is about which race votes for which person for President, we have not come very far at all. We are not that kind of people in this country.

One day the people of this country, black, white, Hispanic, Asian, Indian people, who are not divided from each other are going to wake up and rise up. They are going to straighten out Democrats and Republicans who use the worst form, the basest form of politics, to divide us one from another.

The office of the President is not worth having, it seems to me, it debases and defiles the office of the President to use the likes of turning one race against another in order to achieve that goal.

What do you accomplish? What do you win when you win the Presidency and you divide the people among themselves so that they hate each other, they fear each other, they dislike each other, they think that the reason I did not get the job is some mythical black person out there who is less qualified who did not pass a test, who is dumb, who is ignorant, who has gotten the benefit of some sort of race norm on some exam, those are the kinds of notions they put out there.

It is like throwing a skunk into a picnic. It does not matter whether it gets on anybody or not, but it sure does turn the party out.

Mr. Speaker, I am happy to yield to my friend, the gentleman from the great State of Oregon.

Mr. KOPETSKI. Mr. Speaker, I thank the gentleman from Texas for yielding to me. It is an honor to engage in this debate before the House this week. Certainly as a member of the Judiciary Committee and a member of the Subcommittee on Civil Rights on which I have served with the distinguished gentleman from Texas, I want the folks in the gentleman's district to know what a great teacher he has been to this new Member from Oregon. It is truly one of my honors in my first term to serve with the gentleman and to learn firsthand from such a knowledgeable individual as the gentleman from Texas.

Mr. WASHINGTON. Mr. Speaker, the gentleman honors me very much by his remarks.

Mr. KOPETSKI. You know, Mr. Speaker, we in Oregon have a strong tradition in this century of supporting civil rights laws, both Republican and Democratic Members in the House and in the Senate. One of the great champions of civil rights was the late Senator Wayne Morse from our State who helped in 1964 to pass that Civil Rights Act.

It has been a debate that I have listened to because I was not an original cosponsor of H.R. 1. I heard all these stories that, oh, it is a quota bill, and oh, we better be very careful with this kind of legislation. So I thought that I would go slow, that I would listen to the debate in the Civil Rights Subcommittee. I would read the testimony. I would examine the witnesses from both sides and think about it and reflect. It was only until after the bill went out of our subcommittee that I finally signed on as a cosponsor, because I was convinced at that point that we had a good product that we could take to the people of the United States and say this is a good product to move us forward as a nation and that it is not a quota bill.

I was really amazed at the public relations gimmickry that has gone on around this bill, this whole notion that if you keep saying on the barnyard wall that this is a quota bill, this is a quota bill, the average Mr. and Mrs. America are going to think well, it must be a quota bill, because all these very important people are running around saying, well, we have got a quota bill and you better watch out. It is going to take your job away.

It is not a quota bill, but we are getting down to the real issue of what the folks are afraid of in this Chamber. I think it has everything to do with the sexual harrassment provisions in title VII, that whether this Nation is going to put some teeth in enforcement language in title VII.

Mr. WASHINGTON. Yes.

Mr. KOPETSKI. That is the issue. They want to create this whole diversion and this whole smokescreen over here, talk about quotas, and appeal to the baser instincts of Americans to hide what is really going on, what we are really trying to achieve, and that is for a mechanism for the women of this country to finally have their day in court. I want to talk about that in a few minutes.

I want to talk first about the lawyers in our society, because I think tomorrow is going to be a field day in the sense of people coming up here and saying some not so very nice things about the legal profession, because one of the arguments Mr. and Mrs. America will hear against this is, "Oh, you're opening the courtroom door. The already flooded courts are going to be just deluged with all kinds of legislation as a result of this language."

□ 1900

Well, I thought it would be important to ask the witnesses of the subcommittee exactly what is going on out there beyond the beltway; not what we think is going on inside the beltway but what is going on inside the States.

I asked the attorneys on both sides, from a business perspective, those who practice and litigate in that area, as well as the civil rights attorneys who gave their time to come and address the congressional committee.

Well, what I found was an incredibly profesisonal group of individuals who believe in their profession, who believe that almost all lawyers in this country are honest, that they are hard working; that clients come in and when a client comes in, they get the facts as any good lawyer does and he assesses whether there is a good case. They are not afraid to tell their clients, maybe in gentle language and maybe not, that they do not have a case, that, "You are wasting your time," being in their office.

"You may feel like you are being wronged, but legally you were not wronged and there is nothing you can do about it, at least in a court of law." Or they say, "Yes, you have a legitimate case, and this is what we are going to have to do to prove it, and this is how much time it is going to take and how much it is going to cost you." Other times they will go a step further and say, "Even if we can do this, you have to ask yourself, 'Is it worth it?' Is it worth it to you, to your family to go through all of this expense, time and stress, or do you want to move on in your life?"

All the attorneys who came before us say this happens in America, not just in these cases, but generally in all cases.

We can always know of the exceptions, we can always know of the bad attorneys out there.

I should say by way of disclaimer that, yes, I do have a law degree and I am proud of it, but I am not a member of any bar in the United States; I have never practiced law, I am not a lawyer, I do not consider myself a lawyer, but I do believe that lawyering and the legal profession is a very honorable profession. Also, we are pleased, we are pleased that we have a dedicated bar in this country and each of the States because we are a government of law. We are not a government of men or women or children, we are a government of law.

Sometimes the law gets very technical. So we ask the technician, we ask the mechanics of the law, the lawyers, to come help us out.

If you are ill, if you have a malady, you do not go to your real estate agent, you go to a doctor. If you have a legal problem, you do not go to your real estate agent, you go to your lawyer. That is the way it should be in this country.

So we should recognize it as a profession. Now, I went a step further and sometimes as a new Member you never know if you are crossing the line or not, but I asked one of these lawyers who came before us, who practiced civil rights law, I asked two further questions. I said, "Are you a millionaire?" I did. I asked them that. I did not ask how much money. I just wanted to know, "Are you a millionaire?" They all said "No." I said, "Are you going to become a millionaire if we pass H.R. 1?" Every one of them laughed and said, "No, we are not going to become millionaires if you pass H.R. 1." And I also asked "How many lawyers are there out there in your State that practice this kind of law?" And I was surprised at the answer. In the State of Texas, four or five attorneys practice civil rights law. That is it, four or five in a huge State like Texas. You would think there would be hundreds, but just four or five.

In the State of Virginia, not a large State by our standards, just three or four. My own State, one or two on any kind of a regular basis practices civil rights law.

So I hope my colleagues tomorrow do not get into the lawyer-bashing, do not make statements that this is going to be a full employment act for the attorneys, because the testimony in committees, the facts, say that it is not.

Well, I think I want to spend a little time also, Mr. Speaker, if I may, to talk about the victims, the victims of sexual harassment in this country, because I also took the time to ask and to explore the witnesses as they came before the committee, and ask them who are the people? It was surprising, surprising because I had expected the answer that it is going to be the new employee, the 18-, 20-, 22-year-old ladies, young ladies just entering the work force in this country. Not the case.

Usually, the profile is 40-, 45-year-old, 30-, 35-, 40-, 45-year-old lady, usually married, is highly embarrassed to walk into a law firm and say "I am being sexually harassed in the work force, and I need to do something about it." A very stressful situation, very distraught.

So they sat down, and I was surprised about that, that it goes on so much and that it is such a stressful aspect of an individual's life and it had been going on for a number of years. It was not something that started up last week or last month or in the last few months but had been going on, and the woman was afraid to talk to her husband about it, to talk to a family member about it.

And finally it got so bad that she did, and took a giant step. Under current law, and this is the problem that I want to talk about for just a moment, Mr. Speaker, under current law what the lawyer will say is, "Well, if you are successful, guess what we are going to do. We are going to make sure that you get your job back." You see, that is the relief, that is the damage award. When you win, you get to go back to that employment situation.

Now, if you think about it, the employment situation, the contract, if you will, before the employer and employee in this situation is destroyed. I am certain this woman and her family no longer respected that working atmosphere, that working environment. So what kind of relief is that? I say that it is not—it may be equitable in the lingo of the law, but for that person, for that family, that is not equity, that is not justice. That is not justice in our society.

So we are in a capitalism—a capitalistic atmosphere, which is great. So what is the reward of capitalism? It is money, it is money in our business society.

So that is what we are talking about, moving to this kind of system of justice, of getting payment for this stress, getting payment for this intolerable and outrageous situation. And, yes, if it is so bad and we want as a society to insure that it does not happen in other communities or in that community in other places, we are going to say, "You can get punitive damages."

Mr. Speaker, I would want to just read the standard for punitive damages. It is: Punitive damages are available only where there is an egregious violation, where there is malice or with reckless or callous indifference to the federally protected rights of others.

That is the standard we are talking about, where it is so onerous and outrageous that you say we cannot tolerate this and we want the society to know that we are not going to tolerate this whatsoever in our society. And the jury, the jury, a community of peers, is going to say, "Punitive damages."

You see, it is a very fundamental concept of a democracy, the jury system, which has worked for 200 years in the United States. It is a system that brings together, whether it is 6 in some States or up to 12 individuals for civil cases, although it can be 6, a representative sampling of the community and let them decide; not the Federal Congress, not the Federal Congress decide the value of a case or the upper limit of a case.

The $150,000, that is what they are talking about tomorrow in terms of a limit, $150,000, which does not exist for anybody else. But we may impose it for women. Or we are going to give you a new privilege: "Yes, you can get some monetary damages when you are wronged in the work force, but, you know, we are afraid, we are afraid of what is out there. So we are going to cap the damages, cap your award at $150,000."

Well, I am very conservative in this respect. I believe that juries can come up with the right dollar amount for that particular situation.

As my distinguished new Member from the District of Columbia is going to enter into the RECORD, some statistics on those kinds of damages tomorrow.

Well, Mr. Speaker, if I may, I want to talk just a moment about why you are seeing that I am one of the great supporters of Towns-Schroeder's substitute motion and although we see the bipartisan substitute that is going to be offered by Mr. BROOKS and Mr. FISH is not a bad piece of legislation, we are just saying that Towns-Schroeder is much better. It is a purer piece of legislation and clearly the Republican substitute is a step backward.

□ 1910

It is a step backward. It is going to require women to jump through some new procedural hoops just to get to the equitable relief that they already have under current law, under current law. So, there will be some new barriers imposed.

Mr. Speaker, when we open our proceedings here in the Congress, we begin with the Pledge of Allegiance, and the words say, "and to the Republic for which it stands," and what does the Republic stand for? It begs the question and then immediately answers it. It says, "one Nation," one Nation, simple, but so profound; so profound because it does not have any exceptions. It does not say, "except for women," "only up to $150,000 for damage awards." It says, "one Nation, under God." One Nation.

Mr. Speaker, my wife and I had a tremendous opportunity in our life to visit other nations in the fall of 1989. We were on our own, decided to go to Eastern Europe. We were in Budapest 2 days after Hungary became a Republic. We were in Poland after they found their freedom, fought for it, and we were in Czechoslovakia when it was still under Communist rule. Mr. Speaker, we were there when this tide of freedom was rolling through those countries and ultimately brought down the Berlin Wall itself.

We crossed into Czechoslovakia, and this border guard wanted to talk to us on his own. He was taking a risk. We probably were not so much. The worst they could probably do was throw us out of the country. But he put his job on the line probably at that time, and he picked us up in one town and took us to his home in another town, and we had a very nice evening with this gentleman. Essentially what he wanted to do was practice his English with some Americans and talk about America a little bit because, see, America still sets the standard in this world whether one is from Czechoslovakia, or from the Middle East, or from Africa, any country. When one talks about freedom, it is still the United States that sets the standard.

Mr. Speaker, we asked these countries to be free. We helped them out. There is a little bit of foreign aid. Maybe we even send in the CIA once in a while to help them out so that they can become free.

And we ask them to provide civil rights, civil rights to their own citizens, and we, we set that standard in the world.

And it gets more difficult. There is no doubt about it. As we get more and more people congested into these big cities back here, and in Los Angeles and in all these places, no doubt about it, putting all those people together, it gets more difficult. There is no frontier to which we can move.

As my colleagues know, before, if it got crowded in the East, then one moved to Iowa. Then it got clogged up in Iowa, and one would move out to Oregon or down to Los Angeles.

There are no more frontiers. We all have to live together, and we have to make it work, and we should want to improve, improve the standard by which we live today. That is what I ask.

Mr. Speaker, the purest, best way tomorrow this Congress can set that new standard is to support the Towns-Schroeder substitute language.

Mr. WASHINGTON. Mr. Speaker, I thank my colleague, the gentleman from Oregon [Mr. KOPETSKI], for those very wonderful remarks and for engaging in the dialog. I say to the gentleman, "You really put some nice thoughts together. The people out in your neck-of-the-woods, I'm sure, benefitted much from all of the wisdom and intelligence that you bring. But I would have loved to have seen you in the courtroom. I bet you would have been all right."

I would be happy to yield to the gentleman from New Jersey [Mr. ANDREWS] at this time.

Mr. ANDREWS of New Jersey. Mr. Speaker, I thank the gentleman from Texas [Mr. WASHINGTON] for yielding.

Mr. Speaker, I want to just for a moment commend my new freshman colleague, the gentleman from Oregon [Mr. KOPETSKI]. I am also a lawyer, and I am a very proud one, after hearing such a spirited and principled defense of our profession and an impassioned plea for what we ought to do tomorrow.

Mr. Speaker, I also would note the ironic tragedy that the eloquence of our distinguished colleague, the gentlewoman from the District of Columbia [Ms. NORTON], pointed out. It is about when we put our voting cards in the machine tomorrow; that our colleague from the District of Columbia can stand in this well, as we all stand in this well, as she did with such power and intensity this evening, but, when it comes time for us to decide which of these pieces of legislation, if any, will receive our support, she will not participate in that process. That is another issue for another day, but perhaps some of the underlying undercurrent that is holding us back or trying to hold us back from what we are going to achieve tomorrow speaks to that issue as well.

Finally, Mr. Speaker, I would thank and commend my distinguished colleague from Texas [Mr. WASHINGTON] for opening up this forum, and I would note for the record that at the onset of his participation in this forum he invited those from any point of view who would raise any question about the Civil Rights Act of 1991 to come forward. It speaks volumes about the critics of the Civil Rights Act of 1991, that they are groundless allegations, that this is a quota bill which got made in the shrillness and in the glare of political debate, but in these unfortunate rare moments, when we can gather in this Chamber, and talk to each other, and engage in colloquy, and parse the facts and analyze the law, there is a rather deafening silence from those to whom that challenge has been made.

Mr. Speaker, I just want to commend the gentleman from Texas [Mr. WASHINGTON] from another angle for what he has done today because I believe he is laying bare the real strategy of this debate from those who would try to stop the Civil Rights Act of 1991 from becoming law. Their participation in this debate is really less about what they are saying about this question, and it is more about the questions they do not want us to get into, and I thought about that today, Mr. Speaker, and over the weekend as I was back in my district in New Jersey.

Mr. Speaker, I came across two of my constituents who talked to me about things that at first glance would seem unrelated to this debate. On Friday morning I spoke on the phone to a constituent who is a small businessman, a contractor, who goes about the business of remodeling homes, and remodeling small commercial facilities and building small commercial facilities, and I asked him, as I do many people, "How's business," and he said, "Business is lousy. It's worse than lousy." He said, "I've never been more frightened today than I have at any time in my life. I'm more frightened today than I've ever been in my life. I haven't had any work for 3½ months. My creditors are calling me and chasing me around. I am going to make a car payment this morning so my car won't be repossessed later in the day. I'm afraid I'm going to lose my house. I'm afraid I'm going to have to explain to my children why I can't give them what I've been able to give them in the past."

Mr. Speaker, this person is not someone who managed his money imprudently.

□ 1920

This is not someone who spent recklessly or ran his business into the ground. This is a solid, honest, hardworking American small businessman who is scared to death that for reasons that are beyond his control and beyond his comprehension he is going to lose everything he has. And he said to me, "What are they doing about it, and what are they saying about my problem in Washington, DC?"

I had to answer him, Mr. Speaker, "We're not really doing anything about your problem in Washington, DC."

This morning I had the opportunity, Mr. Speaker, to tour an electronics assembly plant in Camden, NJ, in my district, and as we do, I walked along the line and shook hands with people and said, "Good morning" and introduced myself. There was one woman I encountered who wanted nothing to do with me or with any politician. Mr. Speaker, she said some words that I will not repeat here, acknowledging the decorum of this institution. She wanted nothing to do with any politician because, she said, "Most of the people that used to work in this place are gone now. I'm still here only because there are a few of us left and I have some seniority. You're about 5 years too late, because most of the work that used to be done in places like Camden, NJ, is now done by people in the Philippines or done by people in Mexico, and I'm probably not going to have my job in a couple of weeks. So I don't really want to shake your hand and say, 'Good morning,' because I don't think any of you are addressing the kinds of things that ought to be addressed."

And I thought, Mr. Speaker, as we often do in that situation, what can I say to this woman? How can I convince her that I am trying to solve her problems and not just simply perpetuate them? What piece of legislation, what initiative could I point to and say, "We're trying to address your situation"? But I came up empty.

We understand why the debate in the national media in the last few weeks and the last few months has been dominated by the red herring of quotas. We understand that, Mr. Speaker. We understand that when you do not want to talk about why the pie is not getting bigger, you blame somebody else for taking your piece of the pie, and you explain to that small businessman in New Jersey or that woman working on that assembly line in New Jersey that the reason things are not very good for them right now and the reason they are justifiably fearful and angry that they may not get better is because some mythical member of a minority group that my friend, the gentleman from Texas, made reference to earlier, some mythicial evil person is taking bread off your table.

So they say, "Don't blame the economic policymakers of this country who have exported our capital and given away our jobs and looked the other way as the industrial base of the country has crumbled. Don't blame the people who manage our Nation's fiscal resources with almost utter and reckless disregard to reinvesting in this country and making it grow again. Blame that person who is going to file a lawsuit and file a civil rights claim. Blame that person who is trying to force a quota down your throat. It's their fault."

Our colleague from the District of Columbia used the word apology. It was a good word to use. The deepest apology that ought to be made here is that at a time when there are fundamental economic questions that ought to be asked about where this country is going and fundamental economic questions that ought to be asked about why people have to work twice as hard just to stay in the same place, the powers that be in this country do not want to come to grips with that question. So now they have the perfect opportunity not to, the perfect diversion, the perfect little bread-and-circus scenario to take people's minds off the issue. "It's that woman's fault, it's that minority's fault that this has happened."

I am not interested in fault, Mr. Speaker. I know that my distinguished colleague, the gentleman from Texas [Mr. WASHINGTON] and my distinguised colleague, the gentleman from Oregon [Mr. KOPETSKI], and all the others who participated in this colloquy are not interested in fault. We are interested in growth. We are interested in healing the wounds that have plagued this country for generations, putting them aside and saying to everyone that the door is really and truly open to them regardless of gender, regardless of race, regardless of religion or national origin. We understand the door really is open to them, and now that we are healed, let us talk about how we can grow.

The administration not only fails to have an answer to that question, it does not want to come to grips with the question because it has no idea of when we should go.

I will make a prediction, Mr. Speaker: Regardless of the outcome of this legislation—and it is my fervent hope and my commitment to those who join me in support of this that I am going to work for the amendment offered by the gentleman from New York [Mr. TOWNS] and the gentlewoman from Colorado [Mrs. SCHROEDER], and, if necessary, for the bipartisan substitute; I am going to work for that—but regardless of the outcome of that, there will be another red herring. There will be another reason to focus on some external cause of our national problems so we do not have to look within.

Mr. Speaker, our distinguished colleague, the gentleman from Texas, is not going to let us do that any more, and for that I commend him and all those who participated in this special order today.

The SPEAKER pro tempore (Mr. SKAGGS). The time of the gentleman from Texas [Mr. WASHINGTON] has expired.

CIVIL RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. MFUME] is recognized for 60 minutes.

Mr. MFUME. Mr. Speaker, I would at this particular time like to yield to the distinguished gentleman from Texas [Mr. WASHINGTON], who has so eloquently preceded me in this Chamber this evening, to talk on the subject of civil rights. I yield to the gentleman from Texas.

Mr. WASHINGTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would just like to consume a few minutes of the gentleman's time, and then I will sit and listen to him. If we run out of things to say, let us think about it and talk about it a bit. I renew my collective request for any Members who are thinking about voting against the civil rights bill, who really want a civil rights bill, to come over this evening. We have another hour. We have a gentleman from Oregon, a gentleman from Maryland, a gentleman from New Jersey, and myself, who will be happy right here in front of God and everybody to answer whatever questions Members have about civil rights.

Again, thanking the gentleman from Maryland for yielding to me, I would like to discuss very briefly the remarks made by the gentleman from New Jersey [Mr. ANDREWS]. I used to practice criminal law when I was out there in the other world making a living. The gentleman touched on something that is just the old shell game. It used to be called the pigeon drop.

You take three half walnut shells and put them down and take the end off your eraser and put it under one, move them around, and you get the guy who is stupid enough to go for it to guess which one it is under. You bet a dollar, and if he does not guess which one it is under, he gives you a dollar, and then he does it again. But the point is that while he is moving them around, you take these two fingers right here and you take the eraser out from under there so it is not under any of them. That is the shell game we are talking about, and I think it is despicable.

We are not talking about right versus wrong, because everybody prefaces any remarks they make by saying, "I'm for civil rights, but I want it this way," or "I want it that way," or "I want it this other way."

This is not about who is right or who is wrong. I think the gentleman from Oregon [Mr. KOPETSKI] hit the nail on the head in his remarks. Principally, we have one idea that we put out here, and that is the lightning rod that draws all the lighting; that is the notion of quotas. Both the gentleman from Oregon and the gentleman from New Jersey talked about that. But lurking in the background is the fact that we are dynamically undergoing changes in our work force, and in the not too distant future, hopefully in the lifetime of all of us here, in not too distant future the dynamics of our work force is going to dramatically change so that the majority of the people in the work force will be women, and they will go into the work force, as the gentleman from Oregon said, without some change in the law, and with scarce little protection, with probably less protection or actually less protection than black people had before the civil rights bill of 1964 was passed, because they had the 1966 act which provided for damages under certain circumstances.

The business community understands all of this because they pay people who are experts in demographics. They know what the work force is going to look like in 2020, in 2010, in 2009, in 2008 and all those years, and they know exactly what colleges they are going to be going to and what elementary schools they are in now and what neighborhoods they are going to come from. So it seems to me they have a vested interest in ensuring that one of two things happens: That we level the playing field, to use a trite, overworked expression, or that we fool people into thinking that what is going on is not an attempt to level the playing field.

There is a whole lot more in the civil rights bill for women than there is for blacks and Hispanics or any other people who have been victimized. But that is not a reason for us who do not happen to be women to set ourselves apart from it. That is an opportunity for people like the gentleman from Oregon and the gentleman from New Jersey, who love liberty, not just because we are lawyers but because we love liberty and we believe in the Constitution, we believe all people are equal, and we believe that women should have had the right to vote long before they passed the 16th amendment.

□ 1930

We believe in the 19th amendment. We believe in that. We know it was wrong, it was incomprehensible to think you could set up a society in which you did not allow women the right to vote and participate fully. But we have endured these things as a Nation, and it has made us stronger.

Benjamin Franklin said those who would surrender their freedom for temporary liberty deserved neither liberty nor freedom. They deserve neither liberty nor freedom.

Freedom is too precious to give away based upon whether someone is going to be President of the United States. It is too precious to give away based upon whether we like each other or not. Now is the time for the people who love this country to stand up and demand that we get our country back.

We were moving in the right direction years ago, and we hit a snag in the road. I am not talking about politics. We gave up on each other.

We got afraid because we got big cities and we see gangs of hoodlums running up and down the streets, that all of us despise. Where are their parents? Who is looking after them? Why were they not raised in the way we were raised? I am not talking about old-fashioned values, I am talking about new-fashioned values.

There is something about people that cuts across every line that is there. The people that believe in this country want to move this country in the right direction. They do not want black communities and white communities.

You remember we had some testimony before the committee, a gentleman got up there and said that there are groups of people who want to be set apart. There is not a Member of Congress who ought to agree with that, even if they want to be set apart.

The difference between being a leader and being a politican is a leader knows what is right and does it, and a politican decides what the people think that they want, and tap dances on that.

I would rather be in Congress for 1 day and stand up and do what is right than be here for a lifetime and stand up for nothing. It is time for those who really believe in civil rights to stand up and say so. Not because of me. I have gotten all the civil rights I an going to have. You have gotten all the civil rights. We have all our civil rights, because God has given us an opportunity to do some things different in life, to represent other people. So will our children, and most of the people that we know and love.

We are not here in the well fighting for us. You are not fighting for the members of your family. You are fighting for people you have never met nor seen, because if they live in this country and stand on this soil, then they are entitled to the same thing when they go down to apply for a job. When the day comes that every other person walks through the door has an equal opportunity to get a job, then we will not need any more civil rights laws.

If you think we are there, then let us test it. If you know we have fallen short of our goal, then, as long as we need to pass civil rights bills, for Asians or for white males, for whomever, I am not in favor of giving anybody an unfair advantage, I am in favor of giving everybody an equal opportunity.

It seems to me that incorporating the remarks made by my friends, both from New Jersey and Oregon, and the distinguished gentlewoman who will not be allowed to vote—you know, they fought a war about that. It was called taxation without representation. The people who threw the tea in the Boston Harbor were angry.

All that King of England had to do was give them some members in the Parliament, and this would still be a part of Great Britain, just like Canada, or just like Canada used to be.

Just think about that. These people live right here and they work for us, they work with us, they work around us, and they do not have the right to elect representatives to the Parliament. I am not suggesting that they have a Boston Tea Party. I am just thinking in passing.

But one day, the problem is, and I am going to sit down, the problem is unfortunately as human beings, some people need to think that they are better than somebody else. Some people need that. Some people think that they need to feel that they are better than somebody else. They compare themselves. They say, I am younger than he is, I am better looking than he is, I am this race or that race.

We do not know what God looks like. God might be a black woman. If so, there are a whole lot of people that are going to be in a whole lot of trouble.

It does not matter, though. We are all God's children. As my friend from Oregon said, all these people around the world are looking at us.

We just got through fighting a war so that more people would look at us. We hold ourselves out and stand on the pedestal as exemplifying what freedom and equality really means.

I wonder how many times the Members come up here and just read the words that are etched into the base of the platform. One says "Union," one says "Justice," and one says "Tolerance." I do not know what the one over there on the Republican side says. I do not go over there too much.

But you think those words are just written there to be hollow, or do they really mean something? Is this our prayer?

Why do we have to pass a watered down civil rights bill, if civil rights is fair, if it is what this country was founded upon? How are we going to tell the people in Czechoslovakia, yes, we have freedom over here, but everybody is not free. Women are free to do certain things, but they are not free from discrimination in the workplace. People can make unwanted sexual advances toward women, regardless of their race, and we have a chance to do something about it. We knew it existed, and we had a chance to do something about it, and we did not do anything.

But we are the last of the law. This is the end of the line. I came from a State legislature where I could always put off problems on either the city council or the Congress. This is the end of the line, the buck stops here. If we do not do something about it, nobody is going to do anything about it.

The people out there want freedom. They do not want black people to have an unfair advantage, they do not want Hispanics or anybody else to have an unfair advantage. But you look at the polls. They want everybody to have the same opportunity. They need to know that right now this bill provides that a woman, in order to have a remedy, she has to quit her job or be fired, or put up with sexual harassment in America, in 1991, and that ain't right.

I thank the gentleman from Maryland [Mr. MFUME] for yielding. If the occasion arises, I am going to sit here and listen to his eloquent statement, but, if there is enough time left, I would like to share some more thoughts with you.

Mr. MFUME. I want to thank the gentleman from Texas [Mr. WASHINGTON] again for his eloquence on this very special issue.

Mr. Speaker, I have listened to quite a bit of the debate and discussion tonight, more discussion than debate, on the subject of civil rights. I would reiterate the call of the gentleman from Texas [Mr. WASHINGTON] for those Members of Congress who have a differing opinion on this issue, to please come and join us now in this discussion, so that we might in fact have genuine and real and enlightened debate. It will not mean very much to many people tomorrow when those who seek to come and demogogue this issue run into this well for 30 seconds and quote all sorts of superlatives, and then run back to their seat and vote no on civil rights.

So for those Members of Congress who are in fact watching and listening tonight, we will be here, and we offer you the opportunity to come and debate the merits of this legislation.

Mr. Speaker, one of the real tragedies that calls our attention to this debate is the fact that there are so many people in this society who, through no fault of their own, find themselves deprived of basic civil rights.

□ 1940

I met a woman in Baltimore the other day who had just come back from the Persian Gulf. She is 21 years of age, left a daughter to go there, was there for almost 6 months, fought to defend the Government of Kuwait, watched some of her friends get wounded in the process, lost what little job she had back home that she did part time when she was not in the Reserves, lost 6 months of her daughter's life to serve her Nation and to answer the charge of the Commander in Chief to go and bear arms to defend the Government of Kuwait.

She asked in her own way, rather humble and yet defiant, she said, "Can you tell me, Congressman, how it is that I have gone and spent this time serving my country, halfway around the globe, to live on sand and to eat out of cans for 6 months, to go without any form or sense of entertainment, to work from can't see in the morning till can't see at night, to do my duty as a citizen and as a member of these Armed Forces, can you tell me why is it that I have to come back now to my daughter, who perhaps one day will have a daugther of her own, and to come back to my city of Baltimore and my country, the United States of America, and find now in 1991 that, after having gone and defended the civil rights and the civil liberties and to protect the Kuwaitis and their government, that I come back now without many civil rights of my own, with one to sound the clarion call for me, with no one prepared to bear arms to defend and to protect my rights as a citizen of this country?"

She said, "How is it that fate would be so cruel?"

I had no reply.

That is the real irony in this debate and this discussion that has gone on too long. I served with the gentleman from Texas last year on the Committee on Education and Labor and was appointed, as he was, by the Speaker to serve as a conferee on the civil rights bill of 1990. We went into that conference hoping and really believing that this was going to be unlike other political meanderings around here, that this subject was so sacred to the fundamental rights of the Nation and of the Nation's conscience that there would not be any game playing on civil rights.

But as time began to go by and the first day turned into the second and the second turned into the third, there were clear indications that the White House and all who were a part of that house had no real intentions on moving a civil rights bill. And those who were in the President's most sacred and inner circle began to suggest to him that whatever the Congress came up with, he ought to veto because it in some way was meant to construe or to suggest the implementation of quotas.

Day 3 turned into day 4, and the White House, understanding that it had no intentions of signing that bill, began to play with those of us who were part of the conference. And they would send a messenger up here to Capitol Hill and say, "The President would like to sign the bill, but we think you ought to change this provision."

And because we all wanted to be responsible and play evenhandedly with the President and the White House, after having gone through a rather hand-wrenching and heart-wrenching experience in committee and in conference, we agreed and we worked with the White House to the extent that we met them on the road with that compromise and we made it a part of the conference report.

And day 5 turned into day 6 and into day 7, and the White House called again and said, "Well, you know, the President really would like to sign a civil rights bill, but we would appreciate it if you would change this provision because he doesn't like it and we don't think it is right."

And there was more resistance building in the conference committee because we had gone out and we had met him on the road once, and we were waiting, quite frankly, for the President to meet us. But after hours of debate and discussions and all sorts of considerations, we moved again to seek to compromise to meet the President halfway. And day 8 turned into day 9.

Finally, with this talk of quotas, there came another call from the White House that said, "Well, you know, we think this is a quota bill and we cannot support it, but the President would love to sign the civil rights bill if you would just change the language."

And so the conferees got together and put in the preamble of the bill the fact that it was not to be construed as a quota bill, that there were not requirements to make it a quota bill. It was not my language. It was not the language of the gentleman from Texas. It was the language of the White House verbatim. And we put that into the bill. We met the President again on the road halfway for the third time.

And 1 week turned into 2 weeks, and we came before this body, under the leadership of GUS HAWKINS and through a rather long and interesting debate, this House finally had a chance to work its will. And there was legitimate dispute on both sides of the issue, and there were amendments to the bill. And people wanted to amend the conference report, but the House worked its will and Representatives from all over this Nation, who represent every nook and cranny, every hamlet, every town, and every city had a chance at long last to vote on a civil rights bill.

So we on the third week sent that bill down to the White House. We had compromised. We had been responsible, we thought. And we were in great anticipation that the President would, in fact, do what he said he would do when he sent compromise after compromise to Capitol Hill.

Well, what the President did was to carve himself a rather infamous place in the history of this Nation by becoming only the second President in this century to veto a civil rights bill. The President's decision was ill-conceived and the President was ill-advised. And that day of infamy is in many respects the worst day of his Presidency.

The Senate, where the bill originated, the other body convened to work its will and to seek to override. And on October 24, 1990, with David Dukes, former Grand Wizard of the Ku Klux Klan in the Gallery of the Senate, the other body failed by one vote, one vote to override the veto of this President. They voted to sustain it. And for the other body, that was the darkest day of the 101st Congress.

So we got to this point not by accident. We do not come here this evening for forum or fashion. We recognize that there is an evil and a sinister wind blowing down on Pennsylvania Avenue.

I said on the evening of October 24 that I gave President Bush the benefit of the doubt, that I believed in my heart and in the innermost parts of my being that he really wanted to do the right thing. I conceded to him the benefit of the doubt.

□ 1950

Mr. Speaker, I believed that the President, on his second chance, would, in fact, do the right thing. So the sadness in my heart this evening, for all of you around this country watching this discussion, is not because there are persons advising the President who may be sinister as it relates to civil rights, it is not because there is a body of misinformation and disinformation that is swelling all across this Nation in newspaper headlines and on the TV channels, because none of that really matters. The sadness is the fact that this President, who knows better, continues to argue, erroneously so, that this is a quota bill. Shame on you, Mr. President. You know better. And I know you know better.

I defy anyone in the White House to come to this body and to prove beyond a shadow of a doubt that the bill we have before us is, in fact, a quota bill. I defy you. And I know you are watching this debate, all of you who have advised the President, all of you who, in your own way, recognize not the virtue of the merits of the bill but who recognize the political capital if you can continue to confuse and divide and separate the public by having them believe that women and persons of African and Hispanic ancestry are going to somehow benefit at the detriment of others. Shame on you. You know better, I know you know better.

And so we are back in many respects to the shell game that the gentleman from Texas spoke about earlier. It is also a media game. It is the old confusion about who is on first. We have to come to this point in our time as a nation visiting this very serious issue, because we have not learned the lesson of Lincoln, who reminded us that a house divided against itself cannot stand, because we have not learned the lesson of Martin Luther King, who reminded us that we are confronted with the fierce urgency of now, and that in this unfolding conundrum of life and history that there really is such a thing as being too late, and that procrastination is still the great thief of time.

We are here because too often philosophically and ideologically we are stifled and stymied and stultified by those in our number who pontificate but do not produce, by those who confuse the issues but will not clarify, by those who seek but will not serve, and by those who harm and ruin the preservation of our rich history and culture as a nation by refusing to hang onto the basic lessons of it, yet we must be the ones, those here and all of you who are at home who close the gap between what we really say and between what we really do, we must not only lecture by example, we must set examples.

We must be prepared to reject the nonsense, the propaganda that has surrounded this issue by cutting through it in a clear and concise way with what the facts are. Civil rights.

You know, in 1848 in a speech delivered in Edwardsville, IL, Abraham Lincoln addressed these words to his countrymen, and he said, "When you have succeeded in dehumanizing the Negro, when you have put him down and made it but for him to be but as a beast of the field, when you have extinguished his soul in this world and placed him where the ray of hope is blown out as in the darkness of the damned, are you quite sure that the demons you have roused will not turn and rend you? What constitutes," he asks, "the bulwark of our freedom and of our independence? It is not our crown embattlements. It is not our bristling seacoast, or armies or our navies. They are not our reliance against tyranny," said Lincoln. "For all of those may be turned against us without having made us weaker for the struggle. Our reliance," he said, "is in the spirit of freedom which prides itself as the heritage of all men in all lands everywhere. Destroy that spirit," he admonished, "and you have planted the seed of despotism at your own doorstep. Ignore," he said, "the chains of bondage and you prepare your own limbs to wear them; accustom to trample on the rights of others, and yuou have lost, my fellow countrymen, the creative genius of your own independence, and as such become the fit subjects for the first cunning tyrant who rises among you."

Lincoln's words, uttered over 143 years ago, have gone unheeded. Poverty, despair, hunger, homelessness, degradation, deprivation, denial and disprivilege are still a part of the American fabric in the greatest nation on Earth.

You know, someone came to me and said, "Congressman, you did not answer that woman's question. She said that she had left her daughter and her own family and her part-time job and had gone over to silently sit in the sands of Saudi Arabia and that she was there for 6 months and that in that period of time she had to real recreation, she worked from 'Can't see in the morning to can't see at night,' and she was prepared to defend and to protect the sovereignty and the civil rights and the human rights of Kuwaitis, and you did not answer her question, Congressman. She wanted to know why is it that she would come back here 6 months later in the greatest nation on Earth after having protected the civil rights of Kuwaitis, with no civil rights of her own or for her daughter or her daughter's daughter. You did not answer her question."

I do not know, quite frankly, what else African-ancestry or Hispanic-ancestry Americans must do to exhibit their faith in the American dream or in the American possibility. Our fathers and brothers have answered every call to bear arms, to defend liberties that we never really had. The bodies of black and Hispanic men are buried around the globe in the soil of every nation as witness and testimony to preserving a democracy that they never fully enjoyed.

Our parents have begged on bended knees to be accorded the most elementary of human rights. We have peacefully assembled and petitioned for the redress of our grievances. We sat in, stood in, slept in, studied in, and prayed in. We have waged our struggle as Martin Luther King taught, nonviolently. We have appealed to the Nation's morality and to the Nation's conscience.

The result, too often, has been bloodied heads and broken limbs, bombed churches and burned homes, assassinated leaders and murdered followers, broken spirits and crippled hopes.

And so when I say we did not come here accidentally tonight to arrive at this point, understand that we did not, and when we challenge, as we do, those Members of this House who will argue that the civil rights bill is no more than a quota bill, to come here tonight and to defend that twisted position, we do not do it out of some twisted desire to have competition. We believe that a spirited debate, an intellectual debate on the real issues and substance of this bill will yield unto all of the American people who are watching the debate the understanding that the civil rights bill is as American as apple pie.

□ 2000

That the protections afforded to women and minorities are basic protections. They were not guaranteed with the Civil Rights Act of 1964. They were guaranteed when the Founding Fathers got together and wrote the Preamble to the Constitution and the Declaration of Independence and all the other pronouncements that they issued, to justify their revolution against tyranny. That is why we are here, and that is why we challenge those who will dispute the necessity of this great bill, the need of this bill, and the protection of all those women and all those minorities in this country, not to have something special.

We are not seeking an edge up. We do not want any guarantees. We do not want any person to give anything to women or to minorities. We just want an even playing field, because we believe it is the American thing to do.

Tomorrow, many citizens all across this Nation, and some citizens across this world will watch almost 8 hours of debate on the bill and on amendments to the bill. The citizens will see during that debate a number of our colleagues come and argue that this bill is now somehow bad. Remember to challenge them when they come back to your hometown. Remember to challenge them. Have those Members prove it. Dare to defy the authority that they represent. Make them understand that voting against this bill does not move this Nation forward. It moves this Nation back.

Mr. Speaker, I am going to yield once again to my friend and colleague from the State of Texas [Mr. WASHINGTON] as we prepare to wrap up discussion on the Civil Rights Act of 1991.

Mr. WASHINGTON. Mr. Speaker, I thank the gentleman for yielding.

When I was a lawyer I learned a couple of things. One of them, do not ever ask one question too many; and I think with that, do not make one statement too many. There is nothing I can probably say that could improve upon the statement that the gentleman has made on behalf of and in defense of civil rights, on this occasion. However, I would like to engage in a brief colloquy before we shut down.

Does the gentleman think that the people who care about this issue, if they are watching tonight, or if they are watching their television sets tomorrow, does the gentleman in the well think they would be interested in something like the truth?

Mr. MFUME. I think they would be very interested in the truth. The tragedy of it all is that many have been given lies dressed up as the truth in such a way that it is hard to discern which way is up and which way is down, which way is in and which way is out in this bill, and that those who have made the decision to watch this debate this evening in their homes probably thirst for the truth. That is why they are watching.

The other tragedy is that they have not had the opportunity to hear the other side of the debate. We have issued a challenge. The challenge has gone unheard. I think and I believe in my heart that people across this Nation, Americans, are held together by a common bond and a common thread. That is the understanding that we are only as good as our neighbors. We can only rise as high as our friends. We are only as trustworthy as our families, and that we who have this awesome privilege to serve in this House, that we owe them the truth, if we owe them nothing else.

Mr. WASHINGTON. Does the gentleman think that someone who would be interested in the position, say, one who would say that this a quota bill, should, then, before the American public, because I think that fundamentally probably 80 to 90 percent of the people in this country would be happy if we had a system that was completely fair. They do not want one group to have an advantage over another. We have gone through civil rights in the 1950's and the 1960's, but by 1991 I dare say if we took a referendum on it in the country, probably 85 to 90 percent of the people on the straight-up question, do you think we should have laws that guarantee an equal opportunity to every person in the workplace, would probably agree with that, and they are troubled by this notion about quotas, as the gentleman has so eloquently talked about.

If I were a citizen at home, and I were watching my Congressman or Congresswoman up tomorrow during debate, and they kept using the word "quota," there are some people who think they can brainwash people by saying something over and over again, long enough, putting it in all your speeches, and they get up and talk about the sky being pink, and suddenly it will have a certain shade of pink. It is the power of suggestion which is powerful, especially when people look to Members, because we have been elected to public office.

This podium can be used for good or evil. Sometimes people use it, in my judgment, improperly. However, suppose that they see their Members of Congress up here saying that it is a quota bill, but not saying why. Does the gentleman think of those people, because really the explanation is for them. The explanation the gentleman in the well is giving now, for why he will vote for the bill, is for his constituents. It is to explain it to the larger world what is right and what is wrong as the gentleman sees it. It seems to me that if they call area code 202, 224-3124, which is the Capitol switchboard—I cannot give out Members' offices anymore. I did that last year and I got in trouble. However, I think it is still legal under the rules to advise the people on whose behalf we are here that they have a way of addressing their thoughts.

The SPEAKER pro tempore (Mr. SKAGGS). The Chair would remind all Members that it is not in order to direct remarks in debate primarily to a television viewing audience.

The gentleman may proceed.

Mr. WASHINGTON. I thank the Speaker. My question was a question perhaps the Speaker misunderstood.

I will ask the gentleman, if a constituent were to call area code 202, 224–3121, they would get the Capitol switchboard, would they not?

Mr. MFUME. That is correct.

Mr. WASHINGTON. If the citizens live in Congressman WASHINGTON'S district, they could ask the switchboard to connect them with my office?

Mr. MFUME. That is correct.

Mr. WASHINGTON. So, if I got up here and I said that this bill did thus and so and I never attempt to prove how it did thus and so and they arrive at the conclusion I was giving a political answer, in other words, not telling them the truth, they could contact my office in that way, and perhaps persuade me if enough of them called, if they could talk to me personally, they may be able to change my vote on this bill tomorrow?

Mr. MFUME. The gentleman is correct, and I would go a step farther to argue that in asking that of their particular Representative, it would also be good to ask them to prove that it is a quota bill.

Mr. WASHINGTON. Just giving an example, they started out saying it was a quota bill, and said it was really not a quota bill, but will lead to quotas. Any person who is elected to public office ought to be intelligent enough to make a hypothetical question to bear that out. In my judgment, any person who is intelligent enough to be elected to the United States House of Representatives, ought to be able to say here is a hypothetical situation, XYZ Employment Co., John Jones comes to apply for a job. He takes the test, he does this. The problem is, they cannot do that. It is impossible. They have not done it since they branded the bill in 1990 a "quota" bill. From that day to this John Sununu or any of the rest of them have not been able to articulate in a clear, hypothetical example, even this is how this will yield quotas. Quotas mean *x* number of jobs go to white people, *x* number of jobs go to black people. If we had to vote on whether we were going to integrate the schools, they would say that was quotas because that means instead of having all black kids in one school and all white kids in another school, they put the schools together, so that would be a quota to them, would it not?

Mr. MFUME. I believe the gentleman is correct, and interestingly enough, the three substitutes that we will have an opportunity to vote on tomorrow, H.R. 1 as substituted by Towns and Schroeder state, "That nothing in the bill shall be construed to require or to encourage an employer to adopt hiring or promotional quotas."

□ 2010

The other substitute, the Brooks-Fish substitute, explicitly prohibits the use of quotas by employers, stipulating that the use of quotas is an unlawful employment practice; but interestingly enough, this bill I have here from the White House, this same White House that makes this quota argument, has absolutely no language and no provisions relating to quotas.

Mr. WASHINGTON. What?

Mr. MFUME. The quota bill is the White House bill, and I challenge them to come here to prove me wrong. There is nothing in their bill that prohibits quotas.

Mr. WASHINGTON. Surely the gentleman has misread the bill. Somewhere down in there must be a first-degree felony. I mean, if you want to prohibit quotas, make it a crime. Surely the White House version says a person who hires based upon racial quotas shall go to the penitentiary for life. It is in there somewhere. It has got to be.

Mr. MFUME. The gentleman is incorrect. The White House civil rights bill makes no provisions to outlaw or make unlawful quotas.

Mr. WASHINGTON. Well, will the gentleman explain to me then if the White House bill does not prohibit quotas, if we were to pass the White House bill and the bill last year was going to result in quotas, would not the White House bill result in quotas?

Mr. MFUME. The White House bill would result in quotas even quicker.

Mr. WASHINGTON. Because there is no prohibition against quotas, so really it encourages quotas.

Mr. MFUME. The gentleman is correct.

Mr. WASHINGTON. Is that what you call speaking with a forked tongue?

Mr. MFUME. Either that or the old shell game.

Mr. WASHINGTON. Either one of which means that the people lose again.

Mr. MFUME. The gentleman is correct, and that is why it is so very important for individuals across this Nation who are watching this discussion to really look at what we are dealing with and to read for themselves or to challenge their Member of Congress to make this information available.

The gentleman from Texas and I were going back in a rather friendly way to talk about the absolute omission of quota language in the White House bill.

Mr. Speaker, that is the truth. It does not exist in the bill that the White House has called its "civil rights alternative," but it does exist. Not only does it prohibit it, it makes it unlawful in the civil rights bill that this body will have a chance to vote on tomorrow.

Mr. WASHINGTON. Let me ask the gentleman from Maryland a question, if he will yield further.

In today's New York Times on page A-14 there was an objective evenhanded analysis of everything that touches every Member, and the people out there in the world will not have an opportunity to read what the gentleman from Maryland has in his hand, but they can read the newspapers. I dare say in every major newspaper there is an outline of the three major proposals that the Congress will have to vote on tomorrow. So it seems to me this is an opportunity for the people to have a chance to have their voices heard. If they think that the quota substitute is best, then call their Member of Congress and tell them so. If they think that the White House version, which will produce quotas, is the best way, then they ought to tell their Congressman and tell them that; but in the newspaper, the New York Times, page A-14, today's paper, there is an excellent side-by-side, if you will, comparison that addresses it as far as impact, it addresses quotas, it addresses discrimination and harassment, the reopening of old discrimination cases and adjustment of employment tests.

Does the gentleman think this would be good reading for the people out there before they call their Member of Congress?

Mr. MFUME. I think the gentleman makes a point that is worth repeating. It would make excellent reading, particularly given the importance historically and otherwise of this legislation.

Mr. WASHINGTON. May I ask the gentleman one final thing. Will the gentleman be here tomorrow for the purpose of guarding and protecting the people's rights with that Diogenes lamp that the gentleman so often carries around? Will the gentleman be here to ensure that the truth comes out when people get up on this side of the aisle or on that side of the aisle and use the word "quotas," will the gentleman be here to ask them to yield so that they will tell the truth for the American people one time on one day? And if they do not yield, what does that say?

If I get up here and say that I have a watermelon in my pocket and I will not yield to you to ask me any questions about it and my pockets are not fat, the people can figure that out for themselves, can they not?

Mr. MFUME. The gentleman is correct.

Mr. WASHINGTON. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. MFUME. Mr. Speaker, I thank the gentleman for the colloquy.

Let me just say that we have been here for several hours this evening to try to argue the merits of the Civil Rights Act of 1991. Quite frankly, I am a bit disappointed that the critics of that bill have not chosen to come and to be a part of this discussion.

Mr. WASHINGTON. They never showed up?

Mr. MFUME. They never showed. However, be that as it may, those all across this Nation who understand and feel in their hearts why this is important and perhaps those all across this Nation who wonder what in the world should I be interested in this bill about, please understand that what we are dealing with is not just a piece of legislation. We are getting ready to write for all intents and purposes the direction of our great Nation on the issue of civil rights for a very, very long time to come.

I have not given up on the American ideal or on the American possibility, and I ask all of you not to give up also.

I am convinced that this Nation still stands before the world as perhaps the last expression of a possibility of man devising a social order where justice is the supreme ruler and law is but its instrument, where freedom is the dominant creed and order, but it is principle, where equity is the common practice and fraternity the common human condition.

It is also my conviction that we might be the last generation of Americans that has the real opportunity to help our Nation fulfill its promise and to realize its possibility.

Our generation may be the last generation to be afforded another chance, another chance to balance the scales of justice and make them equal, another chance to confront the doors of opportunity and make them open, another chance to seize the chains of bondage and set and break them free.

So if we have not done anything else tonight, we have come to you as only we know how in this humble and sincere way to say, understand the magnitude of what will occur here tomorrow.

Oh, few will remember what we say tomorrow, but all will remember what we do, and that is why it is so vital, so extremely urgent and necessary that we move for passage of the Civil Rights Act of 1991 and that this President, who is our President, understands that to be the President of all the people you must understand that the protection of the rights of all the people is in fact paramount and that fairness ought to be the measure by which we go about dissecting and analyzing this legislation.

Mr. DELLUMS. Mr. Speaker, 215 years ago the Founding Fathers of this Nation made an initial commitment to the concept of equality in the words of the Declaration of Independence. This hallowed document affirmed that "all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty and the pursuit of happiness."

For almost a century following, the fulfillment of that concept of equality was restricted, with few exceptions, only to white males who were not Catholics or Jews. However, with the advent of Jacksonian democracy and new generations of immigrants, people of conscience began to question the oppression, intolerance, bigotry, and economic elitism that precluded inclusion of all America's inhabitants in the promise of American life—the right to be free citizens with equal opportunity for all—regardless of race, creed, gender, national origin, or political preference.

One hundred thirty years ago this Nation entered into one of the bloodiest civil wars in any nation's history—for the ultimate goals of ending the obscenity of slavery and expanding the frontiers of freedom for all of America's minorities. The passage of the 13th, 14th, and 15th amendments to the Constitution and the Civil Rights Act of 1866, 1870, and 1875 guaranteed political freedom and economic equality not only for blacks—but also for Jews, Catholics, Hispanics, Asians, Eastern Europeans—and ultimately, for all women, because these laws also made possible the subsequent passage of the 19th amendment, which guaranteed the electoral franchise for all women.

However, a century later, the minorities and women of this country were still striving to obtain their rightful place at the table of equal opportunity. Thousands had been murdered and millions deprived of their fundamental rights in the collective crusade for social and economic justice. As Dr. Martin Luther King, Jr., pleaded on their behalf in his famous speech at the Lincoln Memorial on 28 August 1963:

> We have come here today to dramatize a shameful condition. In a sense we have come to our nation's capital to cash a check. When the architects of our republic wrote the magnificant words of the Constitution and the Declaration of Independence, they were signing a promissory note to which every American was to fall heir. This note was the promise that all men, yes, Black men as well as white men, would be guaranteed the unalienable rights of life, liberty, and the pursuit of happiness.

Dr. King went on to say:

> It is obvious today that America has defaulted on this promissory note insofar as her citizens of color are concerned. Instead of honoring this sacred obligation, America has given the Negro people a bad check; a check which has come back marked "insufficient funds."

But Dr. King then went on to espouse our most cherished desire, saying:

> I have a dream that my four little children [including two girls] will one day live in a nation where they will not be judged by the color of their skin but by the content of their character.

The subsequent passage of the Civil Rights Act of 1964, the Voting Rights Act of 1965, and the Fair Housing Act of 1968 were landmark laws in the struggle for equal justice and opportunity. One can only conjecture how much grief this Nation—and this Congress—would have been spared if all the laws cited above had been fully and fairly implemented—with justice for all.

Mr. Speaker, the tragic, harsh reality is that we are here today because those laws have not been fully and fairly implemented during the past decade.

The bill before us tomorrow is a legislative effort to undo the injustices inflicted upon American justice brought on by the U.S. Supreme Court decision in 1989. It is an effort to return this Congress and the Federal courts to the integrity and intent of the legislation that was enacted in 1964—legislation that deliberately designed to ensure equality of opportunity in the workplace for women, minorities, and the physically disadvantaged throughout this land.

Mr. Speaker, it is a national shame that, in the year 1991 A.D. we even need to be here in this hall again attempting to undo this injustice.

Five months ago the leadership of this House made a priority commitment to the cause of gender and racial justice by designating this legislation as H.R. 1. I applaud the focus and efforts of the leadership. However, in the months since, I have become increasingly dismayed as I have watched the effects of the negotiations which were perceived to be necessary in order to allay the fears of those who felt that H.R. 1 is a quota bill. I am also saddened by such compromises as making the monetary compensatory damages for women and religious minorities less than for the minorities who succeed in winning discrimination suits in the courts.

Mr. Speaker, I strongly support the Towns-Schroeder substitute to H.R. 1. It is not an attempt to break new ground, but rather to restore the even playing field that has been deliberately tilted against minorities and women in recent years. It is an effort to force this Congress and the country at large to live up to the professed ideals that still make America the land of promise for so many who strive for true freedom and equality of opportunity in this society.

The time to end the politicization of this issue is way overdue. Those who look to the thirty-second campaign ads as the ultimate goal of their civil rights agenda must rise above the distortions and the rhetoric to a new plane: A civil rights bill that recognizes we are all created equal—we must all be given the tools to fairly pursue life, liberty, and happiness.

GENERAL LEAVE

Mr. MFUME. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. SNOWE (at the request of Mr. MICHEL) for today, on account of her accompanying members of the Base Closure Commission to a site visit at Loring Air Force Base in Maine.

Mr. CAMP (at the request of Mr. MICHEL) for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WALKER) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, today.

Mrs. MORELLA, for 15 minutes, today.

(The following Members (at the request of Mr. BOUCHER) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. STAGGERS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WOLPE, for 60 minutes, today.

Mr. STUDDS, for 60 minutes, on June 4.

Mr. WOLPE, for 60 minutes, on June 4.

Mr. SKELTON, for 60 minutes, on June 11.

Mr. RUSSO, for 60 minutes each day, on June 5 and 6.

(The following Members (at the request of Mr. STAGGERS) to revise and extend their remarks and include extraneous material:)

Mr. KLECZKA, for 5 minutes, today.

Mr. KOPETSKI, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today

Mr. ANDREWS of New Jersey, for 5 minutes, on June 6.

Mr. BORSKI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. DICKINSON.
Mr. MACHTLEY.
Mr. BROOMFIELD.
Mr. LENT.
Mr. RHODES.
Mr. GINGRICH.
Mr. FAWELL.
Mr. HUNTER.
Mr. PURSELL
Ms. ROS-LEHTINEN.
Mr. DUNCAN.
Mr. WOLF.
Mr. SOLOMON.
Mr. LAGOMARSINO.

(The following Members (at the request of Mr. BOUCHER) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN in 10 instances.
Mr. ANNUNZIO in six instances.
Mrs. LLOYD in five instances.
Mr. HAMILTON in 10 instances.
Mr. DE LA GARZA in 10 instances.
Mr. DORGAN of North Dakota.
Mr. ASPIN.
Mr. FASCELL in two instances.
Mr. PENNY.
Mr. SWETT.
Mr. MATSUI.
Mr. KOSTMAYER.

BILL PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On May 31, 1991:

H.R. 2127. A bill to amend the Rehabilitation Act of 1973 to extend the programs of such act, and for other purposes.

ADJOURNMENT

Mr. WASHINGTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 4, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1425. A letter from the Architect of the Capitol, transmitting the report of expenditures of appropriations during the period October 1, 1990 through March 31, 1991, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

1426. A letter from the Director, Defense Research and Engineering, Department of Defense, transmitting a report on the effects of the fiscal year 1991-97 Navy shipbuilding and repair programs on U.S. private shipyards and the supporting industrial base for fiscal year 1989, pursuant to 10 U.S.C. 2350a(g); to the Committee on Armed Services.

1427. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notification of a proposed manufacturing license agreement for the SD-8A and SD-8B Dragon antitank missile warheads, pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

1428. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed hardware license and technical assistance agreement for support of the ASTRA 1C and 1D Commercial Communications Satellite Program, which is between Hughes Communications International Inc., and the Societe Europeene des Satellites of Luxembourg (Transmittal No. 36-91), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1429. A communication from the President of the United States, transmitting a report on developments since his last report of November 29, 1990, concerning the national emergency with respect to Iran, pursuant to 50 U.S.C. 1641(c) (H. Doc. No. 102-98); to the Committee on Foreign Affairs and ordered to be printed.

1430. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting an invitation from the Supreme Soviet of the Soviet Republic of Moldova to attend a June conference in the Soviet Union; to the Committee on Foreign Affairs.

1431. A letter from the Director, U.S. Information Agency, transmitting a public report made to the President entitled "Public Diplomacy in a New Europe"; to the Committee on Foreign Affairs.

1432. A letter from the Secretary, American Battle Monuments Commission, transmitting the annual report of activities under the Freedom of Information Act for calendar year 1990, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1433. A letter from the Director, ACTION, transmitting the two semiannual reports covering the 6-month period ending March 31, 1991, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2525); to the Committee on Government Operations.

1434. A letter from the Chairman, Oversight Board of the Resolution Trust Corporation, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1435. A letter from the Federal Intermediate Credit bank of Jackson, transmitting the annual pension plan report for the plan year ending December 31, 1990, for the Production Credit Associations Retirement Plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1436. A letter from the Chairman, Federal Trade Commission, transmitting the semiannual report for the period October 1, 1990 to March 31, 1991, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2526); to the Committee on Government Operations.

1437. A letter from the Acting Chairman, International Trade Commission, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2525); to the Committee on Government Operations.

1438. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1990, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1439. A letter from the Chairman, Panama Canal Commission, transmitting the semiannual report for the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2525); to the Committee on Government Operations.

1440. A letter from the Public Printer, transmitting the semiannual report of the Inspector General, pursuant to 44 U.S.C. 3903 (102 Stat. 2531); to the Committee on Government Operations.

1441. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Vessel Bridge-to-Bridge Radiotelephone Act (33 U.S.C. 1203); to the Committee on Merchant Marine and Fisheries.

1442. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize the Secretary of Defense and the Secretary of Transportation to establish conditions for personnel with specialized skills to be deployed overseas without completing a 12-week training period; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

1443. A letter from the Director, Congressional Budget Office, transmitting a report on the budgetary treatment of deposit insurance, pursuant to Public Law 101-73, section 1003(b) (103 Stat. 509); jointly, to the Committees on Banking, Finance and Urban Affairs and Government Operations.

1444. A letter from the Acting Assistant Administrator for Policy, Planning and Evaluation, Environmental Protection Agency, transmitting the second of two reports on global climate change entitled "Policy Options for Stabilizing Global Climate"; jointly, to the Committees on Energy and Commerce and Science, Space, and Technology.

1445. A letter from the Comptroller General, General Accounting Office, transmitting a report on government-sponsored enterprises (GAO/GGO-91-90, May 1991), pursuant to Public Law 101-73, section 1004(e) (103 Stat. 510); jointly, to the Committees on Government Operations, Banking, Finance and Urban Affairs, Education and Labor, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 5. A bill to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes; with an amendment (Rept. 102–57, Pt. 2) Ordered to be printed.

Mr. WHEAT: Committee on Rules. House Resolution 162. Resolution providing for the consideration of H.R. 1, a bill to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes (Rept. 102–83). Referred to the House Calendar.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 476. A bill to designate certain rivers in the State of Michigan as components of the National Wild and Scenic Rivers System, and for other purposes; with an amendment (Rept. 102–84). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 990. A bill to authorize additional appropriations for land acquisition at Monocacy National Battlefield, MD; with an amendment (Rept. 102–85). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 1642. A bill to establish in the State of Texas the Palo Alto Battlefield National Historic Site, and for other purposes; with an amendment (Rept. 102–86). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 1323. A bill to amend the Wild and Scenic Rivers Act by designating certain segments of the Allegheny River in the Commonwealth of Pennsylvania as a component of the National Wild and Scenic Rivers System, and for other purposes; with amendments (Rept. 102–87). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. S. 292. An act to expand the boundaries of the Saguaro National Monument (Rept. 102–88). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 1514. A bill to disclaim or relinquish all right, title, and interest of the United States in and to certain lands conditionally relinquished to the United States under the Act of June 4, 1897 (30 Stat. 11, 36), and for other purposes; with amendments (Rept. 102–89, Pt. 1). Ordered to be printed.

Mr. DE LA GARZA: Committee on Agriculture. S. 483. An act entitled the "Taconic Mountains Protection Act of 1991" (Rept. 102–90). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELLUMS: Committee on the District of Columbia. H.R. 1720. A bill to amend the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act to permit the Secretary of Health and Human Services to enter into an agreement with the Mayor of the District of Columbia with respect to capital improvements necessary for the delivery of mental health services in the District, and for other purposes (Rept. 102–91). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELLUMS: Committee on the District of Columbia. H.R. 2123. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to establish a predictable and equitable method for determining the amount of the annual Federal payment to the District of Columbia (Rept. 102–92). Referred to the Committee of the Whole House on the State of the Union.

Mr. TRAXLER: Committee on Appropriations. H.R. 2519. A bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102–94). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. FASCELL: Committee on Foreign Affairs. H.R. 2474. A bill to amend the Arms Control and Disarmament Act to authorize appropriations for fiscal years 1992 and 1993, and for other purposes; referred to the Committee on Armed Services for a period ending not later than June 5, 1991, for consideration of such provisions of the bill as fall within the jurisdiction of that committee pursuant to clause 1(c), Rule X (Rept. 102–93, Pt. 1). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X:

H.R. 2038. Referral to the Committee on Armed Services extended for a period ending not later than June 5, 1991.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WAXMAN:

H.R. 2507. A bill to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FASCELL (for himself, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. WOLPE, Mr. GEJDENSON, Mr. LANTOS, Mr. TORRICELLI, Mr. BERMAN, Mr. LEVINE of California, Mr. FEIGHAN, Mr. ACKERMAN, Mr. FUSTER, Mr. OWENS of Utah, Mr. JOHNSTON of Florida, Mr. FALEOMAVAEGA, Mr. KOSTMAYER, Mr. FOGLIETTA, Mr. SAWYER, and Mr. PAYNE of New Jersey):

H.R. 2508. A bill to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DANNEMEYER:

H.R. 2509. A bill to provide for a resumption of the gold standard; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HERGER (for himself, Mr. DREIER of California, Mr. ASPIN, Mr. MCCOLLUM, Mr. PANETTA, Mr. HUNTER, Mr. SERRANO, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. DANNEMEYER, Mr. MATSUI, Mr. BLAZ, Mr. CRANE, and Mr. FAWELL):

H.R. 2510. A bill to deny nondiscriminatory (most-favored-nation) trade treatment to the products of India; to the Committee on Ways and Means.

By Mr. KANJORSKI (for himself, Mr. ANNUNZIO, Mr. KLECZKA, Mr. VENTO, Mr. FRANK of Massachusetts, Mr. MFUME, Mr. NUSSLE, Mrs. PATTERSON, and Mr. SANDERS):

H.R. 2511. A bill to prohibit the Federal Deposit Insurance Corporation, the Federal Reserve, and other Government agencies from providing any form of direct or indirect assistance to cover foreign deposits; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PEASE (for himself and Mr. CRANE):

H.R. 2512. A bill to encourage informed compliance, implement the National Customs Automation Program, and otherwise improve the administration of the customs laws; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mr. MANTON, and Mr. RICHARDSON):

H.R. 2513. A bill to direct the Secretary of Health and Human Services to establish a demonstration project under which Medicare beneficiaries may enter into agreements with suppliers of certain items of durable medical equipment to obtain items other than the standard version of the items for which payment may be made under part B of title XVIII of the Social Security Act; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. WYLIE (for himself and Mr. AUCOIN):

H.R. 2514. A bill to amend the Housing Act of 1949 to extend the requirement for reciprocity in the approval of housing subdivisions; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BORSKI (for himself, Mr. BOEHLERT, Ms. HORN, Mr. LIPINSKI, Mr. ACKERMAN, Mr. PALLONE, Mr. VALENTINE, and Mr. OBERSTAR):

H.R. 2515. A bill to amend title 23, United States Code, with respect to gross vehicle weights on the National System of Interstate and Defense Highways, and title 49, United States Code with respect to commercial motor vehicle combination lengths, on the National System of Interstate and Defense Highways and other highways, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MORRISON:

H.R. 2516. A bill to authorize the transfer of certain facilities in the Wenatchee National Forest, WA; to the Committee on Interior and Insular Affairs.

By Mr. MARKEY (for himself and Mr. FIELDS):

H.R. 2517. A bill to amend the Public Health Service Act to establish an interagency program for trauma research; to the Committee on Energy and Commerce.

By Mr. STARK (for himself, Mrs. KENNELLY, Mr. ANDREWS of Texas, and Mr. JENKINS):

H.R. 2518. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for the purchase of 1994 and later model year passenger vehicles that are equipped with air bags, and to impose an excise tax on such vehicles that are not equipped with air bags; to the Committee on Ways and Means.

By Mr. WEISS (for himself, Mr. Abercrombie, Mr. Ackerman, Mr. Annunzio, Mr. Applegate, Mr. Atkins, Mr. Bacchus, Mr. Beilenson, Mr. Bennett, Mrs. Bentley, Mr. Berman, Mr. Bevill, Mr. Bilbray, Mr. Bonior, Mr. Boehlert, Mrs. Boxer, Mr. Brewster, Mr. Brown, Mr. Bustamante, Mr. Carr, Mr. Clement, Mr. Clinger, Mr. Coble, Mr. Coleman of Texas, Mrs. Collins of Illinois, Mr. Cooper, Mr. de la Garza, Mr. de Lugo, Mr. DeFazio, Mr. Derrick, Mr. Dickinson, Mr. Dingell, Mr. Dixon, Mr. Downey, Mr. Emerson, Mr. Engel, Mr. Erdreich, Mr. Faleomavaega, Mr. Fascell, Mr. Fazio, Mr. Fish, Mr. Foglietta, Mr. Frost, Mr. Fuster, Mr. Gallegly, Mr. Gilchrest, Mr. Gordon, Mr. Green of New York, Mr. Guarini, Mr. Hammerschmidt, Mr. Hall of Ohio, Mr. Harris, Mr. Hayes of Louisiana, Mr. Hertel, Mr. Hochbrueckner, Mr. Horton, Mr. Hoyer, Mr. Hughes, Mr. Jefferson, Mr. Jenkins, Mr. Johnston of Florida, Mr. Jones of Georgia, Mr. Jones of North Carolina, Mr. Kildee, Mr. LaFalce, Mr. Leach, Mr. Lehman of California, Mr. Lehman of Florida, Mr. Levin of Michigan, Mr. Levine of California, Ms. Long, Mr. Luken, Mr. McCloskey, Mr. McCollum, Mr. McDade, Mr. McDermott, Mr. McMillen of Maryland, Mr. McNulty, Mr. Machtley, Mr. Markey, Mr. Martinez, Mr. Matsui, Mr. Mfume, Mr. Miller of Ohio, Mr. Miller of California, Mr. Moody, Mr. Moorhead, Mrs. Morella, Mr. Mrazek, Mr. Murphy, Mr. Neal of Massachusetts, Mr. Owens of New York, Mr. Owens of Utah, Mr. Panetta, Mr. Payne of New Jersey, Ms. Pelosi, Mr. Penny, Mr. Pickett, Mr. Rahall, Mr. Ramstad, Mr. Rangel, Mr. Riggs, Mr. Rinaldo, Mr. Russo, Mr. Sangmeister, Mr. Sawyer, Mr. Saxton, Mr. Scheuer, Mr. Schumer, Mr. Serrano, Mr. Sharp, Mr. Slattery, Ms. Slaughter of New York, Mr. Smith of Florida, Mr. Stallings, Mr. Stenholm, Mr. Studds, Mr. Torricelli, Mr. Towns, Mr. Traxler, Mrs. Unsoeld, Mr. Valentine, Mr. Volkmer, Ms. Waters, and Mr. Waxman):

H. Con. Res. 161. Concurrent resolution expressing the sense of the Congress that the American public should observe the 100th anniversary of moviemaking and recognize the contributions of the American Film Institute in advocating and preserving the art of film; to the Committee on Education and Labor.

By Mr. OWENS of Utah (for himself, Mr. Bonior, Mr. Broomfield, Mr. Gilman, Mr. Lehman of California, Mr. Feighan, Mr. Dymally, Mr. Moakley, Mr. Annunzio, Mr. Atkins, Mr. Bliley, Mr. Condit, Mr. Dornan of California, Mr. Dooley, Mr. Dreier of California, Mr. Ford of Michigan, Mrs. Johnson of Connecticut, Mr. Kennedy, Mrs. Meyers of Kansas, Mr. Moorhead, Mrs. Morella, Mr. Pallone, Mr. Serrano, Mr. Smith of New Jersey, Mr. Torres, and Mr. Wolf):

H. Res. 163. Resolution condemning violence in Armenia; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

154. By the SPEAKER: Memorial of the Legislature of the State of Minnesota, relative to support for the Baltic Republics; to the Committee on Foreign Affairs.

155. Also, memorial of the Legislature of the State of Minnesota, relative to the POW/MIA special investigation conducted by the Senate Foreign Relations Committee; to the Committee on Government Operations.

156. Also, memorial of the Legislature of the State of Minnesota, relative to the POW/MIA truth bill; to the Committee on Government Operations.

157. Also, memorial of the Legislature of the State of Colorado, relative to American service personnel missing in action; to the Committee on Government Operations.

158. Also, memorial of the Legislature of the State of Nevada, relative to Social Security funds; to the Committee on Ways and Means.

159. Also, memorial of the Legislature of the State of Minnesota, relative to the low-income home energy assistance program; jointly, to the Committees on Education and Labor and Energy and Commerce.

160. Also, memorial of the Legislature of the State of Minnesota, relative to the new Canadian permit regulations; jointly, to the Committees on the Judiciary and Foreign Affairs.

161. Also, memorial of the Legislature of the State of Minnesota, relative to the U.S. Armed Forces in Iraq; jointly, to the Committees on Armed Services, Foreign Affairs, and the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 5: Mr. Gordon.

H.R. 20: Mr. Barnard, Mr. Cardin, Mr. Williams, Mr. Kennedy, and Mr. Staggers.

H.R. 25: Mr. Cox of Illinois, Mr. Franks of Connecticut, Ms. Horn, Ms. Molinari, and Mr. Reed.

H.R. 44: Mrs. Boxer.

H.R. 66: Mr. Martinez, Mr. Waxman, Mr. Evans, Mr. Fish, Mr. Nowak, Mr. Duncan, and Mr. Owens of Utah.

H.R. 147: Mr. Barnard.

H.R. 187: Mr. Jontz.

H.R. 317: Mr. Huckaby and Mr. Martin.

H.R. 330: Mr. Torricelli.

H.R. 392: Mr. Sikorski, Mr. Savage, Mr. Bacchus, Mr. Pease, Mr. Alexander, Mr. Pickle, Mr. McMillen of Maryland, Mr. Cox of Illinois, and Mrs. Roukema.

H.R. 413: Mr. Hansen, Mr. Ridge, Mr. Costello, Mr. Feighan, Mr. Thomas of Wyoming, and Mr. Lehman of Florida.

H.R. 416: Mr. Jontz.

H.R. 430: Mr. Henry.

H.R. 565: Mr. Sawyer, Mr. Frank of Massachusetts, Ms. Ros-Lehtinen, Mr. Bryant, Mr. Yatron, Mr. Frost, Mr. Leach, Mr. Fascell, Mr. Flake, and Mr. Mineta.

H.R. 644: Mr. Swett.

H.R. 661: Mr. Inhofe, Mr. Bereuter, Mr. Shays, and Mr. Herger.

H.R. 670: Mr. Glickman and Mr. Fish.

H.R. 676: Mr. Spence, Mr. Eckart, and Mr. Traxler.

H.R. 714: Mr. Payne of New Jersey.

H.R. 722: Mr. Engel and Mr. Wolpe.

H.R. 723: Mr. Engel and Mr. Wolpe.

H.R. 780: Mr. Fish.

H.R. 905: Mr. Taylor of North Carolina and Mr. Rhodes.

H.R. 911: Mr. Ireland, Mr. Mazzoli, Mr. Bevill, Mr. Bereuter, Mr. Ravenel, Mr. Henry, Mr. Thomas of California, Mr. Slaughter of Virginia, Mr. Leach, Mr. Panetta, Mr. Stump, Mr. McNulty, Mr. Guarini, Mr. Lent, Mr. Natcher, Mr. Young of Alaska, Mr. Myers of Indiana, Mr. Petri, Mr. Dannemeyer, Mr. Bilbray, Mr. Marlenee, Mr. Evans, Mr. Wilson, Mr. Harris, Mr. Pickett, Mr. Gilman, Mr. Hochbrueckner, and Mr. Pease.

H.R. 967: Mr. Torricelli.

H.R. 1110: Mr. Torres, Mr. Stokes, Mr. Swett, and Mr. Fazio.

H.R. 1126: Mr. Hubbard, Mr. Lipinski, Mr. Hochbrueckner, Mr. Reed, Mr. Manton, Mr. Bateman, Mr. Young of Alaska, Mr. Clement, Mr. Borski, and Mr. de Lugo.

H.R. 1130: Mr. Ramstad and Mrs. Unsoeld.

H.R. 1132: Mr. Clay and Mr. Owens of Utah.

H.R. 1133: Mr. Eckart, Mr. Shuster, and Mr. Walker.

H.R. 1134: Mr. Fish.

H.R. 1147: Mr. Panetta, Mr. Pallone, Mr. Schulze, Mr. Peterson of Minnesota, Mr. DeFazio, Mr. Hastert, Mr. Dannemeyer, Mr. Rohrabacher, Mr. McMillen of Maryland, Mr. Smith of Oregon, Mr. Fish, Mr. Sikorski, and Mr. Chapman.

H.R. 1218: Mr. Ray, Mr. Fish, Mr. Visclosky, Mr. Fuster, and Mr. Wolpe.

H.R. 1226: Mr. Fish and Mr. Andrews of New Jersey.

H.R. 1241: Mr. Campbell of California, Mr. Feighan, Mr. machtley, Mr. Porter and Mr. Rowland.

H.R. 1242: Mr. Herger.

H.R. 1245: Mr. Lipinski, Mr. Lancaster, Mr. Tallon, Mr. Paxon, Mr. Rhodes, Mr. Fish, Mr. Borski, Mr. de Lugo, Mr. Kildee, Mr. Weber, Mr. Gilman, Mr. Hunter, Mr. McCrery, Mr. Durbin, Mr. McMillen of Maryland, and Mr. Weldon.

H.R. 1293: Mr. Dwyer of New Jersey.

H.R. 1304: Mr. Vento, Mr. Wheat, Mr. Moorhead, Mr. Perkins, Mrs. Patterson, Mr. Regula, and Mr. Skaggs.

H.R. 1305: Mrs. Meyers of Kansas and Mr. Schumer.

H.R. 1335: Mr. de Lugo, Mr. Ray, Ms. Pelosi, Mr. Feighan, Mr. Schiff, Mr. Serrano, and Ms. Ros-Lehtinen.

H.R. 1343: Mr. Nagle and Mr. Condit.

H.R. 1364: Mr. Dymally, Mr. Jefferson, Mr. Vento, Mr. Moody, Mr. Clay, and Mrs. Boxer.

H.R. 1365: Mr. Matsui, Mr. Moody, Mr. Clay, Mr. Condit, and Mrs. Boxer.

H.R. 1367: Mr. Sabo and Mr. Chapman.

H.R. 1380: Mr. Hancock.

H.R. 1385: Mr. Williams, Mr. Traficant, Mr. Ravenel, and Mr. Hefner.

H.R. 1392: Mr. Frost, Mr. Neal of Massachusetts, Mr. Kennedy, Mr. Gonzalez, Mrs. Lowey of New York, and Mr. Espy.

H.R. 1411: Mr. Riggs, Mr. DeFazio, Mr. Gejdenson, Mr. Franks of Connecticut, Mr. Roe, Mr. Chandler, Mr. Holloway, Mr. Volkmer, Mr. Payne of New Jersey, Mr. Fish, Mr. Payne of Virginia, Mr. Ramstad, and Mr. Coble.

H.R. 1433: Mr. Solomon.

H.R. 1445: Mr. Camp and Mr. Inhofe.

H.R. 1456: Mr. HYDE, Mr. ANDREWS of New Jersey, Mr. BEREUTER, Mr. STUDDS, Mr. HARRIS, Mr. SLAUGHTER of Virginia, Mr. NEAL of Massachusetts, Mr. RAY, Mr. GILCHREST, Mr. EDWARDS of Oklahoma, and Mr. LOWERY of California.

H.R. 1472: Mr. FRANKS of Connecticut, Mr. OWENS of Utah, and Mr. ERDREICH.

H.R. 1481: Mr. RITTER, Mr. SENSENBRENNER, Mr. LAGOMARSINO, and Mr. MCCANDLESS.

H.R. 1495: Mr. DERRICK, Mr. WYDEN, Mr. BEVILL, Mr. MARTIN, Mr. LAGOMARSINO, Mr. SWIFT, Mr. ROGERS, Mr. KYL, Mr. KOPETSKI, Mr. RIGGS, Mr. SCHIFF, Mr. SIKORSKI, Mr. MORRISON, Mrs. LLOYD, Mr. BREWSTER, Mr. HUNTER, Mr. DEFAZIO, Mr. ALLARD, and Mr. KOLTER.

H.R. 1497: Mr. CONDIT, Mr. THOMAS of Georgia, and Mr. COX of California.

H.R. 1506: Mr. FALEOMAVAEGA.

H.R. 1509: Mr. PRICE, Mr. WILSON, Mr. BATEMAN, Mr. FISH, Mr. ENGEL, Mr. TOWNS, Mr. HANCOCK, Mr. SLATTERY, Mr. FAWELL, Ms. ROS-LEHTINEN, Mr. STALLINGS, Mr. HANSEN, Mr. WHITTEN, Mr. SUNDQUIST, Mr. KOLBE, Mr. BUNNING, Mr. DARDEN, Mr. RAHALL, Mr. YATRON, Mr. JONTZ, and Mr. APPLEGATE.

H.R. 1554: Mr. EVANS.

H.R. 1557: Mr. RAMSTAD, Mr. BILBRAY, Mr. ATKINS, Mr. BATEMAN, Mr. RANGEL, Mr. JONTZ, Mr. STUMP, Mr. BEREUTER, Mr. LEHMAN of Florida, Mr. PICKLE, and Mr. PORTER.

H.R. 1559: Mr. BROWN.

H.R. 1603: Mr. BLILEY, Mrs. BOXER, Mr. MCNULTY, Mr. MARTINEZ, and Mr. SABO.

H.R. 1696: Mr. JOHNSON of South Dakota, Mr. CAMPBELL of California, Mr. PERKINS, and Mr. MACHTLEY.

H.R. 1703: Mr. WYDEN, Mr. JOHNSTON of Florida, and Mr. RANGEL.

H.R. 1711: Mrs. BRYON.

H.R. 1724: Mr. ENGEL.

H.R. 1752: Mrs. MORELLA, Mr. MCNULTY, Mr. GORDON, and Mr. BEREUTER.

H.R. 1816: Mr. TOWNS, Mr. FISH, Mr. KOSTMAYER, Mr. RAVENEL, Mr. HUNTER, Mrs. MEYERS of Kansas, Ms. KAPTUR, Mr. MFUME, Mrs. MORELLA, and Mr. BRUCE.

H.R. 1879: Mr. FROST.

H.R. 1883: Mr. LUKEN and Mr. APPLEGATE.

H.R. 1916: Mr. VOLKMER, Mr. WHEAT, Mr. ABERCROMBIE, Ms. MOLINARI, Mr. HUTTO, Mr. CONDIT, Mr. JEFFERSON, and Mr. TAUZIN.

H.R. 1936: Mr. SMITH of Florida.

H.R. 1967: Mr. STUDDS, Mr. COSTELLO, Mrs. LOWEY of New York, and Mrs. MEYERS of Kansas.

H.R. 1992: Mr. QUILLEN, Mr. MARLENEE, Mr. GINGRICH, Mr. INHOFE, Mr. VOLKMER, Mr. ACKERMAN, and Mr. BUSTAMANTE.

H.R. 2001: Mr. TAYLOR of North Carolina, Mr. KOLTER, and Mr. HOCHBRUECKNER.

H.R. 2008: Ms. MOLINARI, Mr. CUNNINGHAM, Mr. STENHOLM.

H.R. 2031: Mr. HALL of Texas.

H.R. 2056: Mr. GOODLING, Mr. PETERSON of Florida, Mr. MOODY, Mr. FISH, and Mr. KOLTER.

H.R. 2081: Mr. SKEEN and Mr. ROGERS.

H.R. 2089: Mr. MFUME and Mr. VENTO.

H.R. 2099: Mr. MCDERMOTT, Mr. FISH, Mr. DWYER of New Jersey, Mr. ROGERS, Mr. MCNULTY, Mr. EVANS, and Mr. TRAFICANT.

H.R. 2115: Mr. VOLKMER, Mr. SISISKY, Mr. NAGLE, Mr. SCHAEFER, Mr. SAXTON, and Mr. MACHTLEY.

H.R. 2123: Mr. DERRICK, Mr. SANDERS, Mr. GREEN of New York, Mrs. UNSOELD, Mr. SAVAGE, Mr. ROYBAL, Mr. KOPETSKI, Mr. BERMAN, Mr. MINETA, Mr. SABO, Mrs. SCHROEDER, Mr. ABERCROMBIE, Ms. PELOSI, Mr. SERRANO, Mr. DIXON, Mr. EDWARDS of California, Mr. FRANK of Massachusetts, Mr. DE LUGO, Mr. FAZIO, Ms. OAKAR, Mr. FORD of Tennessee, Mr. FLAKE, and Mr. GILMAN.

H.R. 2126: Ms. KAPTUR.

H.R. 2194: Mr. GIBBONS, Mr. WISE, Mr. LEHMAN of California, Mr. STARK, Mr. PENNY, and Mr. MCMILLEN of Maryland.

H.R. 2235: Mr. GILLMOR.

H.R. 2242: Mr. DONNELLY, Mr. RANGEL, Mr. GIBBONS, Mr. JACOBS, Ms. PELOSI, Mr. MARKEY, Mr. WAXMAN, Mr. ABERCROMBIE, Mr. SANDERS, Mr. FRANK of Massachusetts, Mr. LAFALCE, Mr. YATES, Mr. EDWARDS of California, Mr. JONES of Georgia, Mr. ESPY, Mr. GORDON, Mr. POSHARD, Mr. EVANS, Mr. ECKART, Mr. FAZIO, Mr. ROYBAL, Mr. PENNY, Mr. STAGGERS, Mr. STUDDS, Mr. FEIGHAN, Mr. BERMAN, Mr. SERRANO, Mr. GEJDENSON, Ms. DELAURO, Mrs. UNSOELD, and Mr. RAHALL.

H.R. 2248: Mr. BILIRAKIS and Mr. MACHTLEY.

H.R. 2257: Mr. COMBEST, Mr. KYL, Mr. ROHRABACHER, and Mr. INHOFE.

H.R. 2258: Mr. BONIOR, Mr. MARTINEZ, and Mr. VENTO.

H.R. 2280: Mr. SOLOMON, Mr. PICKETT, Mr. GEREN of Texas, Mr. EDWARDS of California, Mr. APPLEGATE, Mr. EVANS, Mr. PENNY, Mr. STAGGERS, Mr. WYLIE, Ms. WATERS, Mr. SPENCE, Mr. PAXON, Mr. JENKINS, Mr. HEFNER, Mr. RICHARDSON, Mr. STENHOLM, Mr. PAYNE of Virginia, and Mr. PARKER.

H.R. 2291: Mrs. MEYERS of Kansas, Mr. RAVENEL, and Mr. FISH.

H.R. 2294: Mr. SISISKY, Mr. MAVROULES, Mr. TORRES, Mr. BILBRAY, Mr. BURTON of Indiana, and Mr. LIVINGSTON.

H.R. 2327: Mr. PARKER, Mr. BACCHUS, Mrs. BYRON, Mr. MACHTLEY, Mr. HALL of Ohio, Mr. DAVIS, Mr. FISH, Mr. INHOFE, and Mr. ENGEL.

H.R. 2330: Mr. SKAGGS.

H.R. 2336: Mr. BONIOR, Mr. IRELAND, Mr. EMERSON, Mr. ROE, Mr. GINGRICH, and Mr. KOPETSKI.

H.R. 2389: Mrs. BOXER and Mr. ROE.

H.R. 2397: Mr. PETRI, Mr. INHOFE, Mr. GUNDERSON, and Mr. HUCKABY.

H.R. 2405: Mr. ROWLAND, Mr. VALENTINE, Mr. JONTZ, Mr. NICHOLS, Mr. GILCHREST, Mr. LEACH, Mr. ROSE, Mr. GILLMOR, Mr. VOLKMER, Mr. LANCASTER, Mr. WEBER, and Mr. COOPER.

H.R. 2406: Mr. JONTZ, Mr. GILCHREST, Mr. ROSE, Mr. WEBER, and Mr. LANCASTER.

H.R. 2448: Mr. BLILEY, Mr. BOUCHER, Mr. BUNNING, Mr. BRUCE, Mr. CHAPMAN, Mr. DELLUMS, Mr. FISH, Mr. GEJDENSON, Mr. GEKAS, Mr. HERTEL, Mr. HOBSON, Mr. HOPKINS, Mr. HUBBARD, Mr. KANJORSKI, Mr. LAUGHLIN, Mr. MANTON, Mr. MARTIN, Mr. MARTINEZ, Mr. MAVROULES, Mr. NAGLE, Mr. NEAL of Massachusetts, Mr. ROE, Mr. SAWYER, Mr. SISISKY, Mr. SKELTON, Mr. SMITH of Texas, Mr. SMITH of Oregon, Mr. STUDDS, Mr. STUMP, Mr. TALLON, Mrs. UNSOELD, Mrs. VUCANOVICH, Mr. WILSON, Mr. WYDEN, and Mr. YATRON.

H.R. 2454: Mr. MCMILLEN of Maryland.

H.R. 2456: Mr. YATES and Mr. LEHMAN of Florida.

H.J. Res. 61: Mr. RHODES, Mr. GEKAS, Mr. KOLTER, and Mr. ARMEY.

H.J. Res. 66: Ms. SNOWE and Mr. WISE.

H.J. Res. 80: Mr. SANTORUM, Ms. WATERS, and Mr. BATEMAN.

H.J. Res. 91: Mr. BONIOR, Mrs. COLLINS of Illinois, Mr. WOLPE, Mr. FASCELL, Mr. WHEAT, Mr. TORRICELLI, Mr. GEJDENSON, Mr. LANTOS, Mr. ROEMER, Mr. DORNAN of California, Mr. REED, Mr. GRANDY, Mr. BRYANT, Mr. KOPETSKI, Ms. SLAUGHTER of New York, Mr. RINALDO, Mr. LOWERY of California, and Mr. LEWIS of Florida.

H.J. Res. 95: Mr. BUSTAMANTE, Mr. CONYERS, Mr. DARDEN, Mr. DELLUMS, Mr. FALEOMAVAEGA, Mr. FORD of Tennessee, Mr. GEKAS, Mr. GUNDERSON, Mr. HYDE, Mr. KASICH, Mr. LEWIS of Florida, Mr. LOWERY of California, and Mr. MCCLOSKEY.

H.J. Res. 156: Mr. JOHNSTON of Florida.

H.J. Res. 177: Mr. KASICH, Mr. MCDADE, Mr. MOORHEAD, Mr. FISH, and Mr. MCGRATH.

H.J. Res. 219: Mr. DORGAN of North Dakota, Mr. CHANDLER, Mr. KLUG, Mr. MOODY, Mr. TORRICELLI, Mr. WISE, Mr. LEHMAN of Florida, Mrs. BYRON, Mr. HERTEL, Mr. HUNTER, Mr. BILIRAKIS, Ms. ROS-LEHTINEN, Mr. PETRI, Mr. MCCLOSKEY, Mr. GREEN of New York, Mr. OBERSTAR, Mr. GEJDENSON, Mr. PORTER, Mr. ASPIN, Mr. MCEWEN, Mr. WASHINGTON, Mr. MCMILLEN of Maryland, Mr. GUNDERSON, Mr. MCDADE, Mr. MCHUGH, Mr. YATES, Mr. TANNER, Mr. LIGHTFOOT, Ms. SLAUGHTER of New York, Mr. DORNAN of California, Mr. DARDEN, Mr. TAUZIN, Mr. HANSEN, Mr. NEAL of North Carolina, Mr. MARKEY, Mr. MICHEL, Mr. SISISKY, Mr. SUNDQUIST, Mr. CALLAHAN, Ms. LONG, Mr. DYMALLY, Mr. KLECZKA, Mr. PRICE, and Mr. BARNARD.

H.J. Res. 233: Mrs. JOHNSON of Connecticut, Mr. JEFFERSON, Mrs. ROUKEMA, Mr. VOLKMER, Mr. OBERSTAR, Mr. PAXON, Mr. TAYLOR of Mississippi, Mr. BILIRAKIS, Mr. RAMSTAD, Mr. SWETT, and Mr. FISH.

H.J. Res. 262: Mrs. LLOYD, Mr. TRAFICANT, and Mr. SKAGGS.

H. Con. Res. 12: Mrs. VUCANOVICH.

H. Con. Res. 14: Mr. GILLMOR and Mr. ROTH.

H. Con. Res. 93: Mr. MORAN.

H. Con. Res. 103: Mr. EMERSON.

H. Con. Res. 136: Mr. EMERSON, Mr. HOLLOWAY, Mr. NAGLE, Mr. HAMMERSCHMIDT, Mr. HAYES of Louisiana, and Mr. HUBBARD.

H. Con. Res. 145: Mr. HERTEL, Mr. WAXMAN, Mr. KENNEDY, Mr. FEIGHAN, Mr. BARRETT, Mr. LEVIN of Michigan, Mr. VENTO, Mr. JACOBS, Mr. ENGEL, Mr. ACKERMAN, Mr. FISH, and Mr. BONIOR.

H. Con. Res. 152: Mr. HORTON, Mr. ANDREWS of New Jersey, Mr. VALENTINE, Mr. FROST, Mr. WALSH, Mr. SCHUMER, Mr. JOHNSTON of Florida, Mr. MCNULTY, Mr. ENGEL, Mr. ACKERMAN, and Mr. FISH.

H. Res. 115: Mr. MARTINEZ, Mrs. MEYERS of Kansas, Ms. SLAUGHTER of New York, and Mr. KOSTMAYER.

H. Res. 121: Mr. SCHEUER.

H. Res. 134: Mr. FISH.

H. Res. 141: Mrs. MEYERS of Kansas.

H. Res. 152: Mr. RAMSTAD, Mr. UPTON, Mr. HOLLOWAY, Mr. HANSEN, and Mr. RIGGS.

H. Res. 155: Mr. KOSTMAYER, Mr. PAYNE of New Jersey, and Mr. BONIOR.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

85. By the SPEAKER: Petition of Federal Parliament of the Czech and Slovak Federal Republic, relative to changes in Central and Eastern Europe; to the Committee on Foreign Affairs.

86. Also, petition of the Pinellas County Metropolitan Planning Organization, Clearwater, FL, relative to the Federal gas tax revenue for nontransportation purposes; jointly, to the Committees on Public Works and Transportation and Ways and Means.

EXTENSIONS OF REMARKS

LET'S CLOSE DOWN THE WALSH INVESTIGATION

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. BROOMFIELD. Mr. Speaker, some of my colleagues who were fortunate to have read Charles Dickens when they were growing up may remember a novel called "Bleak House."

It concerned a case he called Jarndyce versus Jarndyce, which went through the courts for generations, ruined lives, destroyed reputations, drove people literally insane, enriched lawyers, and after all that, never got resolved.

The modern day sequel to that case is being prosecuted by Independent Counsel Lawrence Walsh. The cases against the so-called Iran Contra defendants have now dragged on for the better part of 5 years—longer than the American Civil War, have cost the taxpayer as much as $35 million, and in the end will have done little but enrich a bunch of lawyers.

Four years ago, when the congressional investigation of the Iran Contra affair was winding down, I said that the investigation went on too long and yielded too few results. Nothing that's happened since then has changed my judgment.

Last Monday the Supreme Court made a ruling which one might have hoped would put an end to this legal farce. Yet it appears that even in the face of hopeless odds, Mr. Walsh will hunker down and drag the defendants through the mud as long as he can.

Last July 24, I wrote Attorney General Richard Thornburgh to begin actions to terminate the office of Independent Counsel in this case.

I pointed out in the letter that the "Iran Contra affair has been thoroughly investigated; we've paid for two congressional committees, a Presidential Commission, and an independent counsel; and scores of lawyers, accountants and investigators have pored over the documents, interviewed hundreds of witnesses, and issued report after report."

Last Thursday, I sent a new letter to the Attorney General urging him once again to begin actions to terminate Mr. Walsh. This time I believe the message will carry additional gravity because it is cosigned by some of the most senior Members in the House of Representatives.

The cosigners were my colleagues, Congressmen ROBERT H. MICHEL, NEWT GINGRICH, GERALD SOLOMON, JERRY LEWIS, GUY VANDER JAGT, BILL DANNEMEYER, HENRY HYDE, ROBERT DORNAN, TOM BLILEY, BILL MCCOLLUM, MIKE OXLEY, MICKEY EDWARDS, DUNCAN HUNTER, and VIN WEBER.

If ever there were a right moment to fire Mr. Walsh, this is it. In light of last Monday's Supreme Court ruling I suspect Mr. Walsh might even privately welcome such an outcome.

With his termination papers in hand, he could argue for years to come that if only he had a few more months or years to pursue the cases, if only the Supreme Court hadn't raised all those constitutional hurdles, if only * * *.

The fate of these cases was decided from the very beginning. In the wake of the Iran Contra revelations, there were two alternatives. The allegations could have been pursued through the courts and those convicted, if any, thrown in jail, thereby sending a message to other public servants that they are just as liable to be prosecuted for crimes as anyone else in America.

The second alternative was to publicize the entire affair through televised congressional hearings.

I believe that just about anyone associated with this case knew full well from the beginning that you could do either, but you could not do both.

Mr. Walsh's case was poisoned from the very outset by the congressional hearings. The fact that he has elected to pursue this case for almost 5 years, with the promise of little more in the way of results than ruined reputations and personal bankruptcies for the defendants, is I believe one of the greatest injustices ever perpetrated by the American legal system. What started as a prosecution has turned into a persecution.

There's a time for everything under the Sun, and Mr. Walsh's time has come and gone. Let's wrap this case up, send all those lawyers back into productive jobs, and get this thing behind us.

I believe it is also incumbent on the Congress to ensure that such a legal injustice not happen again. Last year I introduced legislation that would create a 2-year sunset provision for the appointment of an independent counsel, unless an extension is approved.

The bill will make sure that future special prosecutors are not able to conduct endless fishing expeditions.

Among the 19 cosponsors of the bill were all 4 Republican Members serving at that time in Congress who had also served with me on the Iran Contra Committee. They were Congressmen HENRY HYDE, BILL MCCOLLUM, JAMES COURTER, and MICHAEL DEWINE.

I hope that my colleagues on both sides of the aisle will become cosponsors of this important legislation. Only by enacting such a law can we be confident that future special prosecutors will be encouraged to pursue unbiased and thorough investigations of criminal activities against senior Government officials in a prompt, responsible, and cost-effective manner.

IN RECOGNITION OF THE DADE COMMUNITY FOUNDATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Juan P. Loumiet and the Dade Community Foundation. Mr. Loumiet is the first Cuban-American to be elected chairman of the foundation since it was formed 24 years ago. Featured in Miami Today was an interview with Juan Loumiet discussing his role as the chairman of the Dade Community Foundation.

Q: What's the role of the Dade Community Foundation and how is it evolving under your chairmanship?

A: The purpose is to service the community's endowment. It permits individuals and organizations to establish trust funds for specific and general purposes and to leave a memorial for charitable and social purposes to benefit Dade County and its citizens. These can range from artistic to medical, social and educational purposes.

The great thing about a community foundation is that it's very flexible in its ability to deal with the desires of a donor and to assure that his or her or its wishes will be complied with—really in perpetuity, or as long as Dade County is here.

And it allows individuals of limited wealth to establish philanthropic funds without having to be multi-millionaires or those funds having to be that large. It also permits individuals and corporations to add to existing funds already established by other citizens or organizations for specific purposes.

We have many types of funds that are administered and out of which grants are made. the significant thing about a community foundation is its flexibility and the continuity that it provides.

You also have the ability for organizations to establish advised funds, which may permit organizations—such as our law firm—to gather charitable funds from a number of its members, pool them and then make grants with the advice of the community foundation for worthwhile endeavors. These may range from the University of Miami to the Historical Museum, or any other organization.

Q: Your law firm has such a fund?

A: We have a significant philanthropic fund at the foundation to which all of our partners contribute every year. We pool those funds and, during the following year or years, make commitments with those funds collectively.

Q: Are there any limits on where Dade Community Foundation funds would be channeled?

A: No. We have a general purpose. It's not limited to a social purpose in the sense of something like Camillus House.

The foundation is holding funds right now under the Wolfson Initiative. It held funds at one point that were used to make significant grants from a private developer in Dade

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• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

County to community development corporations. So long as the purpose is generally for the benefit of the community in its broadest sense, it complies with our charter. And because we are a public foundation, there are certain tax benefits.

Q: Is the transfer to the community foundation a result of the financial institution which was named trustee itself disappearing?

A: No. The institution we're talking about initially is not disappearing, nor is it unwilling to serve. It's just a realization that after many years perhaps in a particular trust the amount of it makes it very expensive to administer, cutting into the funds that are available for distribution to meet the charitable purposes of the person who selected that financial institution to begin with.

It's really a way to more efficiently and effectively perpetuate the wishes of the individual who created the trust or the fund.

Q: Are there other innovations or a shift in emphasis in the community foundation's activities under your chairmanship?

A: I don't know that I'd say I have a different emphasis. I think the emphasis is to be as multi-cultural and multi-ethnic as possible, because of the nature of our community.

There are certain areas that we're getting more heavily involved in, in which I'm particularly active—non-profit housing being one. That's consuming a great of our time and our effort through a collaborative effort we're engaged in with other organizations in Dade County, the county itself and the Ford Foundation in a consortium for community economic development. It's a much more active role in the non-profit housing and economic development field than the foundation had historically.

That's been prompted in part by a collaborative effort with the Ford Foundation, which has encouraged us and other community foundations around the country to take a more active role and has provided us funds to do so. That's an area in which we find ourselves becoming more and more active and we feel is extremely important in Dade County, as it is in other communities. I serve as the foundation's voting representative on that consortium.

Q: Is that a growing area because of curtailment of government funding for housing?

A: Dade County is a member of the consortium, a very valued member. Obviously there's a movement to curtail funding for these efforts. Part of it is an attempt to create a consortium that will be able to draw on other resources within the community.

There are already very strong, active players in this field—Local Initiatives Support Corp., in this field—Greater Miami Neighborhoods, Homes for South Florida and other organizations. We're trying through that consortium and in other ways to keep the effort going in Dade County, which by the way has a national reputation for effectiveness in the field of non-profit housing that sometimes we don't recognize.

Q: Why do you have a particular interest in housing?

A: I'm a real estate lawyer, but I'm not sure that it's attributable to that, as I don't do it professionally but as a community effort. I believe that you have to build neighborhoods in order to have a viable metropolitan area. I believe the process of building neighborhoods is a continuous one. Both housing and business development are equally important.

But I think that there's a particular benefit when you can afford your citizens, through private efforts or collaborative efforts between private organizations and the government, the opportunity to become homeowners or renters of decent housing. That has an impact on people who live in those neighborhoods that's impossible to measure. So I think it's a very important part of the improvement of the social fabric in this community, as it is in other communities.

Q: How do you feel about having become the first Hispanic to be elected chairman of the foundation?

A: We have some very strong Hispanic—and I use the term because it's a commonly used term, not because it's one that I'm particularly fond of—members on the board, so perhaps it just fell to me first.

I'm proud of it from the standpoint that I have a great deal of pride in the foundation and certainly in its board. To be honored by being asked by the other members to be chairman is a great honor. Considering who the other Hispanic members are, to be asked in lieu of one of them is an even greater honor.

I think it's significant because Dade County is seen in the foundation movement around the country, in which I'm involved to a certain extent, as very much a leader in the process of inclusiveness—inclusiveness not just in the receipt of grants but in the making of grants.

There's a movement across the country to bring members of different ethnic and cultural groups into decision-making in foundations. The Dade Community Foundation has been among the leaders in this. My election as chairman is just a reflection of that.

I am proud to have Mr. Juan Loumiet living in Miami. I am confident that as chairman of the Dade Community Foundation, Mr. Loumiet will be a strong influence in the fulfillment of the foundation's purpose.

HONORING THE BETH JACOB-BETH MIRIAM SCHOOL

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. ENGEL. Mr. Speaker, the recent changes in the Soviet Union have provided new opportunities to thousands of people on both sides of the Atlantic Ocean. Foremost among them are the Soviet Jewish refugees who have waited many years to enjoy the religious and political freedom for which they have yearned.

Today, I pay tribute to an organization in my district, the Beth Jacob-Beth Miriam School, which has been granted a new cause as a result of glasnost and has used the opportunity to instill new life into its educational mission. For 49 years, the Beth Jacob-Beth Miriam School has nurtured the spiritual and educational qualities of young Jewish men and women. Among its graduates are many prominent educators and community leaders who have perpetuated the values of the Torah ideals. Today, under the guidance of Rabbi Israel Greenberg, the school continues to grow and prosper in the community.

The influx of Soviet Jewish immigrants into the Bronx has challenged the school to maintain its high standards in a new and exciting way. Beth Jacob-Beth Miriam now features courses in English as a second language and vocational training. The Russian students division, under the leadership of Russian-born program director Rabbi Aharon Sirota, has instituted many successful outreach projects. The result has been a successful integration of newly arriving immigrants and a heightened awareness of the local community.

With the help of its many friends in the community, I know the Beth Jacob-Beth Miriam School will continue on its unique task of educating yet another generation of sons and daughters of Israel.

A TRIBUTE TO DEAN SCHABER

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to an outstanding individual in my congressional district, Mr. Dean Schaber.

A man of tremendous intellect and influence, Dean Schaber is perhaps best known for his contributions to the McGeorge School of Law. In 1957, he became at age 29 the youngest law school dean in the country. In that capacity he has played a major role in the tremendous growth of McGeorge. He oversaw the transplanting of the campus from a two-room school in downtown Sacramento to its present 20-acre site in Oak Park as well as its merger with the University of the Pacific. He developed programs which taught law students the importance of community service, emphasizing the applicability of a legal education to solving societal problems. Under Dean Schaber's leadership, the McGeorge School of Law has risen from an unaccredited night school to an outstanding university whose students' bar examination rates are ranked near the top in California.

On July 1, Dean Schaber will step down as dean of this fine school to which he has devoted so much of his life. According to the American Bar Association, Dean Schaber is the longest serving dean of an accredited American law school. He holds the title of distinguished professor of law and intends to continue his work with both McGeorge and its Stockton-based parent school the University of the Pacific.

Mr. Speaker, Dean Schaber has served as an exemplary citizen and I commend him for his many contributions to our local area and to the State of California. I ask that my colleagues join me in saluting this outstanding individual and extending to him our best wishes in all his endeavors.

HUMAN RIGHTS IN KOREA TODAY

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. KOSTMAYER. Mr. Speaker, today I want to call attention to a subject that seems to have slipped from our view, the subject of human rights in the Republic of Korea.

There was a great deal of hope among Members of this body when Chun Doo Hwan ended his Presidency in 1987. Roh Tae Woo was elected in the first direct election in 16 years. Our hopes were buoyed during President Roh's inaugural address when he proclaimed "The day when freedoms and human rights could be slighted in the name of economic growth and national security has ended. The day when repressive force and torture in secret chambers were tolerated is over."

There was progress through 1988, in part due to the publicity surrounding the preparation for the September 1988 Seoul Olympics. After that, things went downhill. According to Asia Watch, since 1989, thousands of people have been arrested and prosecuted for expressing views contrary to those of the government on reunification between North and South Korea or for unauthorized travel to North Korea.

Mr. Speaker, I would like to submit for the RECORD the text of a speech by Cho Seung Hyung before the Congressional Human Rights Foundation. Mr. Cho is a member of the Korean National Assembly and a member of that body's Ethics Committee, charged with investigating human rights abuses on the part of the government. Additionally, Mr. Cho chaired a special parliamentary subcommittee investigating human rights abuses committed during the regime of President Chun Doo Hwan. He is a dedicated fighter for the cause of human rights, and I commend his words to you.

HUMAN RIGHTS AND POLITICAL REALITY IN KOREA TODAY

(Speech by Cho Seung Hyung)

Honorable Representative Lantos, Honorable Representative Porter, distinguished guests, my friends, ladies and gentlemen, thank you for offering me this forum. I would first like to convey a message from my people that we deeply appreciate your continued support for democracy and human rights in Korea.

I am sad to open my remarks today with the troubling message that the human rights situation in South Korea has not improved from the days of Park Chung Hee and Chun Doo Hwan. In fact, it is steadily deteriorating.

DETERIORATING HUMAN RIGHTS CONDITION

As you may have already heard from news media, one of college students protesting the arrest of a student leader was beaten to death in the street by specially trained combat police on April 26, the day before I left Korea. Don't confuse the recent police brutality in Los Angeles with this tragic death, because the death epitomizes the repressive and dark Korean political situation.

Under the rule of President Roh Tae Woo, political oppression and physical torture persists. There are 1,400 political prisoners behind bars in South Korea today—three times the peak number during Chun Doo Hwan's repressive regime.

Neither dissidents nor government critics can speak freely about the reunification of South and North Korea, or study related issues without risking punishment under the oppressive National Security Law. Dissidents who visited North Korea without government permission have been arrested upon returning home and given heavy prison terms. And worse. Recently three dissident leaders traveled to Berlin, where they met with North Koreans and expatriate Koreans from Europe and the U.S. to talk about reunification. Upon their return to Seoul, they were arrested and put on trial although they had prior permission to travel. Labor rights are severely limited. Independent labor unions are repressed. The government prohibits more than one union to exist in one work place. Labor unions cannot receive professional or legal assistance, or cooperation from umbrellas labor organizations or sister unions. They cannot endorse political parties or nominate their own candidates for national or local elections.

Farmers' organizations are treated likewise. Movements of urban poor and street venders are, for all practical purposes, banned.

Most political prisoners currently jailed are charged with praising or defending North Korea, or with committing violent acts during anti-government demonstrations. Those accused of praising North Korea are, in fact, imprisoned for their ideas, for engaging in media of art activities critical of the government, or for supporting the labor movement.

Freedom of assembly and demonstration is guaranteed by Korean law, requiring organizers to notify authorities in advance. But the government always bans gatherings that it does not want under the excuse that they may turn violent. When such demonstrations take place anyway, police often break them up with force and arrest demonstrators for violent acts.

Although President Roh declared that North is not our enemy any longer, under the undemocratic National Security law, any government critics or dissidents may be selectively arrested and accused of anti-state activities, namely aiding and abetting North Korea. Visiting North Korea is a punishable act, and therefore there cannot be any exchange or cooperation.

An opposition National Assemblyman visited North Korea without government permission and met with North Korean leader Kim II Sung. When he revealed his visit, he was promptly arrested, tortured, and imprisoned by the Roh government. The government didn't stop there. It tried to use the occasion to dismantle the main opposition party. And it indicted the party's president, Mr. Kim Dae Jung, on charges that he knew of the visit but failed to inform authorities. Mr. Kim's indictment is still pending, although no trial has been scheduled after two years. Yet another victim of the infamous National Security Law is Mr. Kim Keun Tae, the winner of the 1987 Robert F. Kennedy Human Rights Award, who is in prison now.

The main opposition New Democratic Union, which merged with the Party for Peace and Democracy, PPD, in April, has been working hard to repeal the National Security Law. The court has found this law partially unconstitutional. But the government and ruling party are dead set against rewriting or repealing it. Furthermore, the Agency for National Security Planning, known in the past as the KCIA, keeps abusing the law to keep the people under surveillance and rule the nation with terror.

However, unlike the days of Park Chung Hee's and Chun Doo Hwan's regimes, the worsening human rights condition is drawing little or no domestic and international attention. We are concerned.

Students and workers share at least some of the blame. When Presidnet Roh was inaugurated in early 1988 and granted a little political freedom, some students and workers abused it. Their behavior invited suspicion of radicalism and procommunism. As they continued to throw firebombs, the people turned away from them.

Today's lack of international attention on the Korean human rights situation, I believe, is the result of a misunderstanding: that Mr. Roh's regime is fully democratized. Some even have praised Mr. Roh for his democratic achievements. Some maintain there is no human rights problem in Korea today. This is false. This is wrong. The U.S. State Department, Asia Watch, and Amnesty International support that human rights abuses are growing worse.

The international and domestic indifference to the serious human rights situation in Korea is hardening the position of students, workers, and farmers, deepening their grievance. They feel abandoned. More students and workers may fall the victim to the government brutality like last Friday. The whole situation is growing ever more ominous.

There are other serious problems.

The government has generally sided with big business against labor. Worker's active resistance against the government and management invites violent reaction. Thus, workers vent their frustration and dissatisfaction by work slowdown, noncooperation and passive resistance. Productivity falls. Economic difficulty grows.

Successive military regimes have sacrificed the agricultural sector to promote industrialization. The Uruguay round and American pressure on farm markets have added more worries and woes to Korean farmers. They feel they are out on a limb.

Students and intelligentsia have lost all faith in the government's reunification policy. They believe that the regime is neither sincere nor credible about its desire for normalization with North Korea.

We are concerned that the mounting discontent among workers, farmers, students and intellectuals is destabilizing our society. Continued noncooperation by workers and despair by farmers will shake the foundation of our country and threaten our national security.

POLITICAL DEVELOPMENT

Now I would like to speak less as a lawyer and draw your attention to the political situation in Korea today.

The outcome of the April 1988 general elections was totally unexpected and truly revolutionary. The people gave the opposition the control of the National Assembly for the first time in our parliamentary history. That outcome was misinterpreted by the international community as proof that Korea had become truly democratic.

The opposition control of the National Assembly lasted for only two years. A number of democratic reforms were enacted during that time, and Koreans became hopeful of a true democracy.

But Mr. Roh could not tolerate opposition control of the National Assembly any longer. So he secretly conspired to merge his ruling party with two opposition parties headed by misters Kim Young Sam and Kim Jong Pil, and then announced it as a surprise move. This merger gave the new ruling party a two-thirds majority, which is necessary to change the constitution. The people felt betrayed, particularly by Mr. Kim Young Sam. Mr. Kim Young Sam had for years cried foul against Mr. Roh and his predecessors. One day he was denouncing them, the next day joining forces with them.

If the merger hurt the image of the ruling party, it also damaged the opposition's credibility. It made people cynical toward politicians. Many Koreans felt that if a trusted opposition leader like Mr. Kim Young Sam could turn coat like that, then no politician could be trusted. Some media started ridiculing the ruling party as well as the opposition party. This negative campaign against the political establishment has been very effective in inviting public distrust of all politicians and indifference to political development.

Despite the political setback caused by the three-party merger, 1990 was a year of most significant political advancement.

Mr. Roh and his ruling party had plotted last year to amend the constitution in a way that would allow them to replace the direct and popular presidential election system with a parliamentary cabinet form of government. Under this new constitution, Mr. Roh could and would handpick his successor who will succeed him as the head of state.

But the opposition PPD mustered the public support and staged an all out opposition against the planned constitution change. Mr. Roh and his clique were forced to retreat. They may come back. Nevertheless, it is the first time since 1961 that the ruling elite could not attempt to change the political system by resorting to such brute force as military coup or martial law. The retreat is doubly significant, because it was not the struggle in the street but the political struggle of the opposition and public pressure that made the ruling faction withdraw from its plot.

The opposition made another important achievement. It is the establishment of autonomous local governments. Public and political pressure finally made Mr. Roh implement the long-awaited local autonomy this spring, albeit reluctantly.

These two accomplishments—the shelving of the plot to change the constitution, and the implementation of local autonomy—did not come easily. Opposition lawmakers resigned from the National Assembly last July. Opposition leader Kim Dae Jung undertook a hunger strike in October. And three million Korean citizens joined a petition organized by the opposition PPD. Mr. Roh and his ruling group finally capitulated.

The people no longer want struggle in the street nor heavy-handed arbitrary rule by the ruling elite. A new opposition New Democratic Union Party is born of the former Party for Peace and Democracy and the New Democratic Union, and is gathering opposition forces together as it broadens its support base and constituency.

Parliamentary elections will take place in about a year. The presidential election is slated for late next year. With autonomous local governments in place, massive election fraud by the ruling party, as in the past, will be difficult or impossible. Peaceful change of political power is possible and even likely.

There is an obvious contradiction in Korea today. On one hand, there is an undeniable progress in political development and maturation of the Korean public. On the other hand, human rights abuses continue unabated, and in fact are increasing. Thus Korea is at another critical crossroads. Would it backslide to the repressive and dictatorial system of the past or move forward to a true democracy?

I have an ultimate faith in my people. My people will seize control of our own future away from the hands of our political tormenters. But we need the moral support of the international community, which will force the Roh regime to abide by its promise of democratic reforms. That brings me to the issue of Korean-American relations.

KOREA-U.S. RELATIONS

Early in Mr. Roh's rule, an anti-American mood gained steam. Even the government seemed at times promoting the anti-American sentiment. It was sort of a fad. Riding this mood, many students and dissidents tried to draw the public to their side but failed. Mr. Kim Dae Jung, president of the NDU, played a critical role in arresting the spread of anti-Americanism. Amid heavy criticism, he opposed violence, procommunism, and anti-Americanism. The people ultimately agreed that anti-Americanism was detrimental to the national interest.

Korean people, however, are still critical of the U.S., mainly for two reasons. One is the general belief that the U.S. government has supported successive military regimes, and that the U.S. could have stopped the 1980 Kwangju massacre by the military led by Chun Doo Hwan. The other reason is the trade conflict. The South Korean people resent the sudden and heavy U.S. pressure to liberalize our markets, particularly farm produces. There is a strong feeling that South Korea's farmers are shouldering an unfair burden of trade pressure.

Radical anti-Americanism has now diminished in South Korea. But it has a potential to return with greater force. We must stop it from returning, rejuvenate the sagging friendship between our two nations, and develop a mature relationship.

The prerequisite is for the Roh regime to keep the promise of democratization: releasing political prisoners; guaranteeing basic democratic freedom of the press, expression, assembly, and association; and restoring respect of human rights. The government must maintain neutrality in labor disputes, and when arbitrating, it must be fair. The government must stop its monopolistic contact with North Korea and allow its citizens to freely exchange with the North. Then the potential for serious anti-Americanism will disappear.

At the same time, we ask the U.S. to show more active concern about the human rights situation in Korea. Although the 1990 human rights report of the U.S. State Department has reflected human rights problems to a fair degree, many Koreans still believe the U.S. overlooks the repressive rule of President Roh, supports, and even praises Mr. Roh. Intelligentsia in Korea are very critical of the U.S. attitude. Radicals view the U.S. as their enemy. I want to see this change.

Thus this forum today is very important. It is a sign that the U.S. Congress is listening to and taking active interest in Korean human rights problems—a step in the right direction. I am hoping to see as many human rights leaders and policy makers as possible during this visit. But I believe your role is most critical in shaping the U.S. human rights policy toward Korea.

GODOY SPEAKS OUT FOR A NEW NICARAGUA

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. HUNTER. Mr. Speaker, last week the Vice President of the Republic of Nicaragua, Dr. Virgilio Godoy, was on Capitol Hill on a very important assignment. The Vice President's visit to Washington was sponsored by the American Security Council, and along with Congressmen CHARLES WILSON and CASS BALLENGER, I served as one of his cohosts. Also, Congressmen DANA ROHRABACHER and BILL RICHARDSON stood with the Vice President by introducing a resolution expressing concern about Nicaragua's continued poor human rights record and lack of full democracy.

Dr. Godoy's visit was particularly timely because he discussed several serious problems regarding the future of his country. He came to office with President Violeta Chamorro in an election that shocked the ruling Sandinistas and most of the world. Last week he discussed the economic situation in his country, the continuing role of the Sandinistas in the Nicaraguan government, and the need for continued aid to help resettle the former Resistance fighters who laid down their arms to give democracy a chance.

Today the Nicaraguan legal system, the Supreme Court and all but two of the judges, the National Police, the army and the secret police, as well as extralegal armed mobs, are still under the control of the Sandinistas. Because of this it is very difficult to have a real legal process. Even if a court decision were to go against the Sandinistas, it is very apparent that the police have no intention of enforcing any legal mandate against their comrades.

In a recent statement, Antonio Lacayo, Mrs. Chamorro's son-in-law and her Minister of the Presidency, claimed that dozens of agricultural growers have returned to invest in Nicaragua. I hope this is true, but it is also recognized that thousands of illegally confiscated farms and cattle ranches have not been returned to their rightful owners. In fact, 41 percent of the agriculture labor force is still unable to recover its property.

These farms were confiscated by Sandinista officials, who under the new government are untouched by the legal system, the police, or the army. The business community is experiencing almost identical difficulties in reactivating the economy. Simply put, who will open a bank or business in a country where only the Sandinistas have the right to private property?

In July 1990, the Sandinistas under the protection of the police, and with the help of government employees using official vehicles, paralyzed the nation with violent rallies. Buses were vandalized, an opposition radio station burned, and the streets were barricaded in order to inhibit the passage of vehicles.

The February 16 assassination of former Resistance leader Enrique Bermudez is still unsolved, and no one has been arrested in the murder of a young student from the American High School in Managua by General Humberto Ortega's own body guards. Although it is clear to the Nicaraguan people who committed these crimes, the government claims that both of these cases are still unsolved and mysterious. The Nicaraguan Government refuses to pursue leads which indicate Sandinista complicity, including a phony autopsy report on Bermudez issued by the Lenin Fonseca Hospital.

Additionally, U.S. aid earmarked to resettle some 20,000 former resistance fighters and their families, administered through a body of the Organization of American States [OAS], runs out in July. These brave fighters who turned in their weapons in exchange for promises to be reintegrated into society have been betrayed by the government they helped elect. Many in desperation are heading back to the hills to fight.

Concerned about this, Vice President Godoy held a meeting with OAS Secretary General Joao Baena Soares, who said he would welcome additional U.S. funds to administer resettlement assistance to the former contras for another year. Dr. Godoy relayed this to a number of Representatives and to a bipartisan group of Senators led by BOB DOLE. He recommended that resettlement aid be appropriated for 1992 at their 1990 levels.

I believe that the current cogovernment between the democratically elected President and the Sandinistas, which is ridden with nepotism and is tolerant of systematic and flagrant financial, political and human rights abuses by General Ortega and his political loyalists, will only destroy any hope for meaningful peace in Nicaragua because its policies benefit the few at the expense of the many.

Future economic aid to Nicaragua must be conditioned on provisions that the Chamorro government implement additional democratic and free market reforms. As one of my colleagues, Mr. ROHRABACHER observed, how can there be justice in a country where ruling elites have in stolen houses? Unconditional aid will only benefit the well-established businesses in Nacaragua which are owned almost exclusively by the Sandinistas and their friends. In excess of 2,000 Nicaraguan companies are owned or operated by the Sandinista party, and the legitimate business community desperately needs a fair chance to succeed.

Meanwhile, the Nicaraguan people suffer from disease, malnutrition, and shattered hopes. American aid must be conditioned so that the workers, farmers, and small businessmen—and not General Ortega and his friends—receive relief so that Nicaragua can be reconstructed as an egalitarian society.

STATE SENATOR GWEN MARGOLIS HONORED BY MIAMI-DADE COMMUNITY COLLEGE FOUNDATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize Miami State Senator Gwen Margolis, who will be honored by the Miami-Dade Community College Foundation at a gala at the Omni International Hotel on June 7.

State Senator Gwen Margolis is presently serving as the first woman elected as president of the Florida Senate. Senator Margolis is a longtime resident of the North Dade area, representing the area since 1974 in both the Florida House of Representatives and the Florida State Senate. She is also one of the most accomplished alumnus of Miami-Dade Community College.

The Miami Herald recently rated Senator Margolis as the most effective lawmaker during the recently completed 1991 legislative session. The Herald reported that Senator Margolis "Provided the session's most touching moment. She sobbed on the senate floor as she read a letter from her 8-year-old grandson pleading for more money for education."

Her career in the Florida Senate began in 1980, where she tackled fiscal issues as chair of the finance, tax and claims committee; the economic, consumer and community affairs committee; and most recently, the appropriations committee. Her outstanding work in the field of education has also brought recognition from her colleagues and numerous professional educational organizations.

The Miami-Dade College Foundation gala will be a major fundraiser to help Miami-Dade Community College keep its open-door policy for all incoming students. Miami-Dade Community College is nationally recognized as the best and one of the largest community colleges in the Nation. Since its beginning in 1959, Miami-Dade has awarded over 123,000 associate degrees. Its present enrollment exceeds 120,000 students in its 5 area campuses and numerous outreach centers.

I wish to thank State Senator Gwen Margolis, Miami-Dade Community College Foundation Board Chairman Louis Wolfson III, Miami-Dade Alumni Development Vice President Hank Adorno and the many other individuals who will help make this gala a successful fundraiser for a worthwhile cause.

HONORING EMIL EISDORFER

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. ENGEL. Mr. Speaker, I rise today to pay tribute to Emil Eisdorfer, who is being honored this week by the Beth Jacob-Beth Miriam School in the Bronx.

As a longtime friend of Emil Eisdorfer, I can attest to the fact that his commitment and dedication to the community is unsurpassed. Since emigrating to the United States from the Soviet Union 17 years ago, Emil has worked tirelessly on behalf of his neighbors, especially the local Jewish community.

It took the Eisdorfer family 9 years from when they first applied for an exit visa from the Ukraine in 1964 to finally be granted permission to come to the United States. Since reaching our shores, Emil and his wife, Elena, and their two children have been active and involved members of the Bronx community. The recent changes in the Soviet Union have allowed Emil to use his talents to assist newly arriving Soviet Jews. For instance, as a member of the Metropolitan New York Coordinating Council on Jewish Poverty, he has placed 40 Soviet refugees into jobs throughout Bronx County.

In addition, Emil serves in numerous other community positions, such as vice-chairman of Community Board No. 11, the chairman of the board of the Jewish Community Council of Pelham Parkway, and vice-president of the Pelham Parkway Citizens' Council. In all his endeavors, Emil has remained true to his religious heritage and mindful of his duty to assist his neighbors. That is why it is appropriate that he is being honored. I join the Beth Jacob-Beth Miriam School in acknowledging his outstanding accomplishments.

TRIBUTE TO SACRAMENTO CHAPTER OF THE JAPANESE-AMERICAN CITIZENS LEAGUE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. MATSUI. Mr. Speaker, I am honored to rise today to bring to my colleague's attention the work of a distinguished public service organization, the Sacramento Chapter of the Japanese-American Citizens League.

Over the years, the league has dedicated itself to improving the quality of life for all members of the Sacramento community. Through their commitment, the league has assisted many young students in furthering their education by offering scholarships to distinguished college-bound students.

The Japanese-American Citizens League is most deserving of our thanks and our praise for their efforts and compassion. There are few causes more worthwhile than encouraging our young people in their efforts to enhance their education and contribute in a meaningful way to society. Given the unprecedented challenges arising from the vast and significant changes which are taking place in our society, the importance of an advanced education is greater now than ever before.

I wish to commend the league on this act of public service, and extend my personal congratulations to each of these students for their academic excellence. Being honored with scholarships are: Scott Hoshida of C.K. McClatchey High School, Kenji Ogawa of C.K. McClatchey High School, Jun Okada of Mesa Verde High School. Erika Takada of Sacramento High School, Frances Hirai of J.F. Kennedy High School, Cynthia Tanaka of J.F. Kennedy High School, Jeffrey Yoshimura of J.F. Kennedy High School, Brian Honbo of Davis High School, Jill Yoshikawa of C.K. McClatchey High School, Jenny Asahara of J.F. Kennedy High School, Douglas Tanaka of El Camino High School, Alison Onga of C.K. McClatchey High School, Traci Fujita of J.F. Kennedy High School, Kimberly Ishihara of Rio Americano High School, Alison Mitsuhashi of Del Campo High School, Mark Shimomura of Woodland High School, Vanessa Kojima of J.F. Kennedy High School, Sonia Tokuyoshi of Rio Vista High School, Aric Koshiyama of Rio Americano High School and Farah Endow of J.F. Kennedy High School.

Mr. Speaker, I know my colleagues join me in wishing these students continued success in their academic endeavors.

AIRLIFT OF ETHIOPIAN JEWS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. LEVINE of California. Mr. Speaker, just over a week ago, nearly 15,000 Ethiopian Jews—nearly the entire Jewish population left in Ethiopia—were miraculously airlifted in just under 36 hours from the crossfire of civil war to safety in Israel. After 2,500 years in the diaspora, "Operation Solomon" succeeded in bringing these people home. As each one of these new immigrants walked down the ramp to begin a new life free from persecution and deprivation, Israelis welcomed the newcomers with joyous celebration and marveled at the success of this modern-day miracle.

Since the disclosure of the first major effort to evacuate the Ethiopian Jews—Operations Moses and Joshua—in 1984, flights were suspended and thousands of Ethiopian families were tragically separated. Children were without mothers, sisters without brothers and wives without husbands. Now, thousands of Ethiopian Jews will be reunited with their families in Israel after many painful years apart. The humanitarian struggle for the right of Ethiopian Jews to emigrate freely to Israel has nearly come to an end.

The thousands of Ethiopian Jews who have endured numerous hardships over the years are not the only heroes in this story. The efforts and dedication of many parties—the Israeli Government, the American Government, the American Jewish community, among others—ensured the success of this tremendous humanitarian operation.

The Israeli Government has earned the respect and admiration of the entire international community for its success in transporting so many people over 1,500 miles, in 40 flights night and day, in so little time. The Israelis had been planning the complex logistics for the airlift for weeks. Israel's ability to accomplish this great task truly deserves to be commended.

The United States also played a critical role in this operation. As a Member of the Congressional Caucus for Ethiopian Jews, I joined my colleagues in making an emergency appeal to Secretary of State Baker urging support for a massive airlift when the threat to the security of the Ethiopian Jews became urgent as the rebel groups approached the capital.

Shortly after this plea, President Bush sent a letter to Acting President Lieut. Gen. Tesfaye Gebre-Kidan stating that the United States would help mediate a peace settlement between the Ethiopian rebels and the government in exchange for the immediate evacuation of all Jews. This letter triggered the release of the Ethiopian Jews after months of intense negotiations between American, Israeli and Ethiopian officials.

Finally, the continuous efforts by the American Jewish community to assist in the release of the Ethiopian Jews cannot be forgotten. The hard work of the American Association for Ethiopian Jews over the years paved the way for this historic rescue of the remaining Jewish community in that country.

I have great confidence that the American Jewish community will demonstrate the same unity and devotion to the absorption of these new immigrants as they have so successfully done with the hundreds of thousands of new Soviet immigrants who have arrived in Israel and the United States.

These new Ethiopian immigrants have been greeted with open arms and open hearts by every Israeli citizen. The defining purpose of the Jewish State as home for imperilled Jews throughout the world has been poignantly reaffirmed. We can all be thankful for that.

ONE HUNDRED BLACK MEN OF LOS ANGELES, INC. CELEBRATE 10TH YEAR OF SERVICE

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. DIXON. Mr. Speaker, I rise today to salute the 100 Black Men of Los Angeles, Inc. as they celebrate 10 years of service in Los Angeles and the larger southern California community.

On June 8, the 100 Black Men organization will be holding its annual young black scholars dinner entitled "Pillars of the Future."

In 1985, the 100 Black Men of Los Angeles, through its educational wing, established the Young Black Scholars Program [YBS]. This program focuses on minority high school students in Los Angeles County who are high academic achievers. A broad-based and privately funded community effort, YBS provides mentorship and tutorial activities and college scholarships to its participants. To date, over 2,000 students have participated in this worthwhile program.

At the annual dinner, 100 Black Men will honor outstanding members of our community. Receiving this year's Founder's Awards are: Mrs. Lucille Boswell of the Coca-Cola Co.; Dr. Herb Carter, executive vice chancellor of the California State University system; Ms. Jasmine Guy, entertainer and star of "A Different World"; Mr. Earvin "Magic" Johnson, entrepreneur and professional athlete with the Los Angeles Lakers; Retired Brig. Gen. Celes King III of King Bail Bonds; the Milken Family Foundation and Mr. Norboru Watanabe, owner of the Riviera Country Club.

The recipient of the prestigious President's Award is Mr. Robert Wycoff, president and chief operating officer of ARCO.

Mr. Speaker, I congratulate the 100 Black Men of Los Angeles, Inc. for years of dedicated service, and I join them in saluting this year's eight awardees for their unselfish involvement in and contributions to the southern California community.

MIAMI DADE CHAMBER OF COMMERCE ANNUAL AWARDS BANQUET

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize the Miami Dade Chamber of Commerce which recently held their annual awards banquet at Studio-One 83 in Miami.

The awards banquet gives recognition to those who have contributed to the development of the communities served by the Miami Dade Chamber of Commerce. The chamber's main service area has been Miami's Liberty City, but it has recently opened branch offices in West Perrine/Richmond Heights in South Dade, and Opa-Locka/Carol City in North Dade.

The chamber lists as its main objectives being a focal point of contact for black businesses, promoting minority networking and encouraging the development of business and economic enterprises. Among the activities the chamber participated in during the past year included an awards luncheon for Miami Edison High School students, two international receptions for Caribbean and Latin American delegates, a monthly radio talk show on WMBM, a television show for 3 months on WLRN and technical assistance to countless businesses and individuals.

This year over 1,000 persons turned out to participate in the annual awards banquet whose theme was "moving forward". The evening included cocktails, dinner, and entertainment from Roy Ayers and the Ensemble. A veteran of over 30 years in the music industry, Ayers performed selections from his new album "Wake Up"—of which the title track is a plea to young people to avoid the destruction of drugs.

Among those winning awards this year were: Jacque Thermilus of Urban Constructors, Inc. as Small Business of the Year; Randall Holts of Barnett Bank as Corporate Business of the Year; Ulysess Banks of Banks Amoco Mini-Mart No. 4 as Franchise of the Year; and Brenda Rivers of the Airport Ice Cream Shoppe as Board Member of the Year. Lobby Similien was awarded a $1,000 scholarship by the chamber.

I extend my sincere hope for the chamber's continued success, and special thanks to its president, Dorothy Baker. I would also like to take this opportunity to thank all those individuals who contributed so much to the success of the chamber's annual awards banquet including Leifert Hobley, Dwight Stephenson, Jarvis Williams, Dr. Marnie Pinkston, and Caesar Phillips.

ROMANIA'S SECURITATE: OVERCOMING THE LEGACY OF THE PAST

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. HOYER. Mr. Speaker, over the past year we have followed events in East-central Europe with particular interest and awe. The transition from communism and centralized planning to democracy and a market economy has proven a formidable task, more so than we ever imagined.

All of the East-central European countries have made progress in these areas, and the United States is strongly supportive of such efforts. We recognize how great the challenge is. We honor the perseverance and the courage of the citizens who have endured hardship for so long.

Like my colleagues, I would like to see progress toward democracy continue. And as Chairman of the Commission on Security and Cooperation in Europe, I have a particular interest in human rights.

Romania, as we all know, is one of the countries that suffered the most under Communist rule. Former President Nicolae

Ceausescu was among the most ruthless and rash of dictators, a tyrant who sacrificed the dreams of generations for the sake of his own greedy aims. Ceausescu enforced his repressive policies with the help of his dreaded secret police, the Securitate, whose surveillance, intimidation, and persecution of even the most timid voices of opposition effectively annihilated civil society in Romania.

I believe that clarifying the present status of the Securitate will be necessary before the Romanian people can feel confidence in their new governmental institutions. I raised this point with Romanian Prime Minister Petre Roman when he visited Washington in March, and I felt he was vague in his response.

My concerns have been reinforced by the recent unearthing of what may be as much as 7 tons of Securitate files—including lists of dissidents, transcripts of Radio Free Europe broadcasts, and information on opposition figures—that had apparently been buried shortly after the miners' rampage through Bucharest last June. The excavated documents suggest that surveillance of the opposition in Romania continued even after the Securitate was officially disbanded—and indeed, many opposition figures contend to this day that their phones are tapped, their mail is opened, or they are victims of anonymous harassment and intimidation.

Over a year ago, the Romanian Minister of Defense asserted that "no citizen, political party, institution, or enterprise is the target of any kind of surveillance * * * The minister is anxious to assure public opinion that bugging will not be used either now or in the future." Clearly, this statement was premature.

Romania's new Intelligence Service, largely staffed by members of the former Securitate, has acknowledged that some of its officers were responsible for the burial. State prosecutors have begun an investigation, and the chief of the Romanian Intelligence Service has claimed that all those responsible will be immediately relieved of their posts. I would urge the Government of Romania to undergo this investigation with all due speed and sincerity, and to eliminate once and for all the shadow of suspicion still haunting Romanian society.

MEDICAL CARE IS OVERREGULATED

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. DUNCAN. Mr. Speaker, health care continues to be a major concern of mine and of many others in this country.

I happen to believe that the greatest cause of the huge increases in health care costs is due to too much Government intervention, not too little.

I wish we would move toward a free market solution to the health care crisis because I believe this is the only way we can ever bring health care costs down, or even hold the line. However, I am convinced we are going to get even more Government control over this field until the people see how bad it will be.

We need especially to listen to the physicians in private practice, the men and women actually on the firing line every day, in order to hopefully come up with a system that will work.

One of the medical doctors whom I respect most highly is Dr. Sarkis J. Chobanian. Before moving to my district, Dr. Chobanian was one of President Reagan's physicians.

Dr. Chobanian sent me a paper regarding Medicare physician reimbursement. I would like to share it with my colleagues by having it reprinted in the RECORD.

MEDICARE PHYSICIAN REIMBURSEMENT

(By Sarkis J. Chobanian)

In November, 1989, the Congress approved an entirely new program to handle the reimbursement of physicians who treat Medicare patients. When we passed this reform as part of the Budget Reconciliation Act of 1989, we thought we had solved a problem. We thought we were going to establish a new, fairer system that would also save the federal government money.

Already, I am beginning to think we may have contributed to the problem instead of to the solution. We gave the Department of Health and Human Services and the Health Care Financing Administration a little over two years to implement this program. We are still seven months away from the implementation date, but already troubles are appearing.

The first thing we asked HHS to do was to prepare and publish a first draft of a national fee schedule by September 1, 1990. Constituents have brought this document to my attention, and upon reviewing it, I believe that it raises more questons than it answers. For what was published bears little resemblance to a fee schedule. I would challenge any non-bureaucrat to read this document and be able to figure out how much a single office visit is going to cost the government, not alone some complex coronary procedure. It provides some information on about ⅕ of the medical services; nothing substantive on about 5,600 services.

The basic game plan was to reimburse physicians better for office visits and other "cognitive" patient encounters, with funds derived from cuts to more expensive surgical procedures. However, in its penchant for budget-cutting, within the past fifteen months, Congress has already enacted advance cuts for the procedural services, so that many informed sources, including the American Medical Association, fear that there will be no "new" cuts as of January 1, 1992, and therefore, no funds to keep our promise of higher reimbursements for office visits and direct patient encounters by primary care providers. So much for our objectives of fairness and cost savings.

One subspecialty group, the American College of Gastroenterology, has made some compelling arguments in comments it submitted to HCFA on the Model Fee Schedule proposal. These physicians note that HHS has already triggered major cuts of up to 25% to some of the new, fiberoptic technologies, such as endoscopy and colonscopy. The effect of these technologies has been to shorten or avoid hospital stays, avoid major surgeries with their related costs in time off work and medical fees, and perhaps most importantly to save lives in dramatically increasing our capacity for early detection and treatment of our #2 cancer killer, colorectal cancer. The gastroenterologists' analysis was equally persuasive in opposing HHS' effort to impose a global fee approach—previously reserved only for surgeries—to these new technologies. In this entirely separate proposed rule issued in January, HCFA appears to have inferred a Congressional mandate to standardize global surgical fees, and then in the name of cost-cutting, tried to enlarge upon that already questionable mandate so as to apply a global fee to a number of non-surgical services which have not generally been reimbursed in this manner previously.

What this global fee means is that providers will be reimbursed only for the procedure they've done and they'll not be reimbursed for any visits up to 30 days later. Well, that's fine if doctors had been under this type of reimbursement scheme all along and had set their fees accordingly. But, it's a little bit late to be coming along now and changing the rules on these fellows while we're also cutting procedural reimbursements. This whole episode is like going to the grocery store, paying for a steak, and expecting the salad fixings, baking potato, dinner rolls, and coffee to be thrown in for free—as part of the "global fee" for the steak. Your grocer wouldn't stand for it and it's not right that we expect doctors or Medicare beneficiaries to accept it either.

It's a good example of how the confusion by HHS in implementing the new law has the potential to increase, not cut, long-term Medicare spending. For there are some medical services—colonoscopy, and more recently laparoscopic cholecystectomy, i.e. the non-surgical removal of the gallbladder—which ultimately promise to save us federal dollars. Each patient who has a precancerous polyp removed as an outpatient or a patient with a diseased gallbladder removed with a single day's hospital stay is one who will not eventually require payment for a long hospital stay for surgery and follow-up care, not to mention decreased suffering and improved prospects for the patient. If our real objective is to preserve quality patient care while cutting total government costs, we ought to be encouraging these new cost-saving technologies, not discouraging them.

As much as I hate to admit it, it doesn't look like the problem of Medicare reimbursement has been solved. I may be wrong, perhaps HHS will take some of these criticisms seriously. But I doubt it. I hope that the Congressional committees with oversight responsibility in these areas will take an early look at just how HHS is going about implementing the new Medicare forms, before we end up with more unfairness, and larger government price tags than we started with.

SOVIET VISIT ENLIGHTENING

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. PENNY. Mr. Speaker, I traveled to the Soviet Union in January 1991 legislative exchange program. The program was sponsored by the Columbia Institute of Political Research and the International Center for Developmental Policy, both Washington-based groups, and the Institute of Social Sciences in Moscow.

I have written three columns dealing with trade, political reform, and notes from my trip.

MINNESOTA TRADE WITH THE SOVIET UNION

One of the reasons I was interested in traveling to the Soviet Union was the possibility of promoting trade and commercial contacts between Minnesota businesses and the appropriate Soviet groups. Unfortunately, I was somewhat thwarted in that effort as my trip was cut short by the debate in the House of Representatives on the resolutions authorizing the use of force in the Persian Gulf.

For nearly a decade now the Soviet Union has been one of the top U.S. markets for wheat, corn, and soybeans, and much of Minnesota's production has been sold to the Soviets on a commercial basis.

I became closely involved with promoting agricultural trade with the Soviets in 1989 when I helped to arrange a sale of 50,000 metric tons of Commodity Credit Corporation [CCC] surplus butter to the Soviet Union. Representatives Steve Gunderson (R-WI), Charles Stenholm (D-TX) and I had seen the stockpiles of surplus salted butter grow to 335 million pounds, up from 185 million pounds the previous year. The U.S. market for salted butter is limited, but since European butter stocks were low at that time, the Soviets had expressed an interest in the U.S. stocks.

We contacted Richard Crowder, USDA's Deputy Secretary for International Affairs and Commodity Programs, as well as Agriculture Secretary Yeutter to urge the sale. We also met with Cooper Evans, a former congressman who was serving as Special Agriculture Adviser to President Bush, and with numerous Soviet trade and business representatives to discuss their needs. The Soviets are still facing shortages of both butter and vegetable oils, and this area is an excellent opportunity to expand the market for our agricultural products.

The Soviets, in spite of record or near-record harvests of numerous agricultural commodities, face daunting limitations in transportation, storage, processing, and marketing of their farm and food products. In turn, they indeed have short-term shortages of foodstuffs, much loss due to spoilage, and long lines at government markets. In contrast, there is often an abundance of foods at certain "unofficial" markets, but often at exorbitant prices. In spite of the shortages and inconveniences, my Soviet hosts assured me that nobody will starve in the Soviet Union.

There are tremendous opportunities for Minnesota's farmers, agri-businesses, and other agricultural support industries in the Soviet Union. The Soviets have an immediate need to develop food processing, storage, production, and transportation industries. The potential for business and exchange may take some time to be realized, however, because of political and financial constraints in the Soviet Union. The recent crackdown in the Baltics, and the lack of rouble convertibility may be the two biggest constraints to increasing our cooperation with the Soviets.

While in Minnesota recently I met with members of a Soviet trade delegation being hosted by the Communicating for Agriculture group. The Soviets visited many Minnesota businesses and were especially interested in the J.B. Foote tanning factory and Central Research Labs in Red Wing.

In spite of the uncertainty in the Soviet Union right now, I will continue my efforts to promote Minnesota trade with the Soviet Union. I am hopeful that Minnesota will sustain and strengthen its agricultural ties with that country as well.

POLITICAL REFORMS IN THE SOVIET UNION

During my recent trip to the Soviet Union, I had the chance to see first hand the effects of the historic political reforms initiated by Mikhail Gorbachev. These reforms were first launched by Gorbachev at the 19th Communist Party Conference in June 1988. He announced that he wanted to make the Soviet Union a "rule-of-law" state where the "soviets" (Russian word for councils) would be the supreme decision-making bodies in the country. Gorbachev probably also hoped that the new political system would break the stranglehold that the Party and the bureaucracy had on his economic reforms. The Soviets were originally ad hoc groups formed by workers, soldiers, and other opponents of Tsarist rule prior to 1917. From Lenin's time to Gorbachev's, power has been in the hands of the Communist Party and the ruling Politburo. The old Supreme Soviet (Parliament) traditionally met for two one-week sessions each year to unanimously approve all measures brought forward by the Party.

Gorbachev's reforms centered on his plan to hold national elections for a new Congress of People's Deputies (CPD). On March 26, 1989, the Soviet Union held its first competitive national elections since 1917. More than 5,000 candidates sought election to the 2,500-seat CPD. More than 80 percent of the Soviet electorate turned out to vote in the elections (turnout for the recent U.S. elections was under 35 percent). One-third of the deputies were elected by public organizations (interest groups) such as the Communist Party and scientific organizations. The other two-thirds were elected in separate elections held throughout the country. In the United States, interest groups have a lot of influence, but they are kept on the outside of our government. The provision in the Soviet Constitution which guaranteed these "special interest" seats was eliminated in October 1989.

The first session of the CPD was held in May 1989. Nearly 88 percent of the deputies were members of the Communist Party although many of these were considered reformers. The CPD has two regular sessions per year, each lasting two weeks. Its major responsibility is to elect from its membership the 542-member Supreme Soviet (Parliament) and to set basic guidelines for domestic and foreign policy. In addition, the CPD can overrule the decisions of the Supreme Soviet and can amend the Constitution.

The Supreme Soviet is divided into a Council of Nationalities (similar to U.S. Senate) and a Council of the Union (similar to the U.S. House of Representatives), and holds two four-month sessions annually. Like the U.S. Congress, legislation must pass by a majority vote in both chambers in order to become law. The President of the Soviet Union, who will be directly elected by the population starting in 1995, does have the power to veto legislation. However, a two-thirds majority may override a presidential veto. The Soviet Constitution also guarantees the Supreme Soviet the power to declare war, although the President does have certain emergency powers.

Clearly, Gorbachev's political reforms have had a major impact in the Soviet Union. The new Supreme Soviet has already passed a law which guarantees the freedom of the press and the rights of journalists. In addition, the CPD deleted Article 6, which guaranteed the Communist Party's monopoly of power, from the Soviet Constitution. This change has resulted in the birth of dozens of political parties and organizations from all sectors of society. Soviet Vice-President Gennady Yanayev stated at a conference which I attended that because the new political parties are in a period of "infancy", their "vocal cords" are well-developed, but their "limbs" are not. It may take years for a stable political system to develop, but I believe that the Soviet Union is on an irreversible path of change. I say this in spite of recent setbacks, particularly the use of force in the Baltics.

Each of the Soviet Union's fifteen republics has established new legislative bodies at the republic and local levels. Almost all of the republics, including Lithuania and Armenia, have declared their sovereignty over laws passed by the central government. Each level of government is competing for authority that the Federal government won't release. As such, there will continue to the problems of this nature until they are sorted out in negotiations between the republics and the central government.

While in Moscow, I sat in on a session of the 465-seat city Soviet (city council). Although the council, which is controlled by the reformers, was debating free enterprise, they lack the power to implement their decisions. The money for their budget and approval for their decisions come from a higher legislative body. The mayor, Gavril Popov, told my group that local governments, which currently lack authority, largely serve the function of absorbing criticism that would otherwise be directed at the Federal government.

The impact that these reforms have had on the people of the Soviet Union may seem minimal on the surface, and there is some concern that their previous gains could be taken away by hard-liners. But according to Nina Belyayeva, a Moscow lawyer, the Soviet people have "learned something about democracy and that is something they can't take away from us."

NOTES ON THE SOVIET UNION,

MOSCOW, *January 5, 1991.*

I was surprised to see a Christmas tree at the airport and another one in the lobby of the center where we're staying. Although this is the first year that Christmas can be openly celebrated, the trees are called New Year's trees.

The homes and countryside are stark and bare. Most buildings are institutional looking and are old and rundown. Soldiers are everywhere and most appear to have little to do. Citizens look listless. There are many pedestrians and the buses are crowded. Snow is not shoveled from the sidewalks.

We are staying at the Institute for Social Studies which used to be the training school for Third World Communists. With the advent of democratic reforms, they are looking for a new mission and Georgii Shahknozarov suggested the establishment of a Center for Constitutional Democracy which led to this exchange program.

Several individuals quite close to Gorbachev are main players and the new Soviet VP is giving the kick off speech for this conference. Congresswoman Nancy Johnson (R-CT) and I have also been invited to talk about the legislative process during the opening session.

JANUARY 6, 1991.

The Institute is only a few years old but the building looks like something out of the 1930s or perhaps 1950s. It is not well built or maintained and has old-fashioned elevators, ordinary woodwork, and cold stone floors.

We visited the Armory Museum (at the Kremlin) in the center of the city. The architecture was more interesting and varied in this region and major thoroughfares run like spokes to the hub of the city. Even in the heart of the city, the buildings are drab and many look vacant although occupied.

The artifacts at the museum were more than 800 years old. Most were from the reigns of royal rulers and many artifacts were religious items (i.e. Alter Bible) and icons. Many of them showed marvelous craftsmanship with gold, silver with jewel inlays.

Our group met with U.S. Ambassador Jack Matlock at Sposa House, the American Embassy, and received an excellent update on the economic and political situation in the Soviet Union. Even though there is free press in the USSR, it is terribly difficult to get news and information.

During the reception following the conference I talked with three Soviets about the transition to a market economy. I told them of American reluctance to invest in the USSR—no buyers because there are no profits. They talked about the need for technology and suggested joint ventures, including American companies building assembly plants in the USSR as they do in Mexico.

I proposed to the conference organizers the idea of a Center for Market Economy to educate US business about Soviet opportunities and to enlighten Soviets about the need and the process of converting to free markets, free enterprise. Congresswoman Johnson and I also agreed to speak to a group of Deputies about the U.S. Congress.

A young Soviet asked me to describe myself and my personal views. In the course of conversation, I mentioned I was a Christian. He responded that he was, too. Knowing of the recent move to religious freedom, I immediately asked if he attended church. He told me no and then pointed to his heart and said, "It is in me." I told him he had it right.

JANUARY 7, 1991.

We attended a Moscow Soviet (city council) meeting where I met Sergie Stanhevich, vice-mayor and member of the city council, and a member of the Supreme Soviet. He is also an expert on governmental systems. When I told him I was from Minnesota he became excited and mentioned Walter Mondale whom he had met last year during Mondale's Moscow visit.

The Moscow Circus was fantastic. It was less glamorous and showy than the version which toured the U.S. but far more physical. The people attending were neatly dressed but not fashionably dressed. Some children bought ice cream or other snacks during intermission and others ate bag lunches from home. I gave quite a few children small candy bars and gum and wished them Marry Christmas. They were quite pleased and their parents also expressed genuine appreciation. The children were very well-behaved and a warmth within families was evident.

JANUARY 8, 1991.

We visited the Supreme Soviet of the USSR where members were debating—at this late date—the budget for 1991. Members had never before waited this long to finalize a budget but we told them they'd get used to it.

Later we attended a reception at the U.S. Embassy with several Embassy staffers and a few from our Soviet group. An interesting note: Our translator told me that the U.S. should not send food aid. She said it would not do any good because it will not reach the people because the system is bad. She said people here aren't hungry but they can't always get what they want or must pay too much. However, another Soviet told me that sending food aid would show outside support for reform and would help stabilize the situation in the USSR and allow the Gorbachev government to remain in power and continue its reforms.

JANUARY 9, 1991.

On our last day in Moscow I participated in a visit with Deputy Bourlatsky at his newspaper office. He is clearly identified with the reformers and did not close the door on the possibility of a new political party. He is also quite positive about the conference and exchange program. He expressed patience with Gorbachev and feels that Gorbachev has to placate the right wing a little in order to keep things together.

Upon our return to the Institute, we were briefed by U.S. Embassy officials on developments in the Baltic States. Gorbachev sent in troops and the situation is tense.

Congresswoman Johnson and I persuaded our hosts to take us to the Bolshoi ballet. We arrived just in time to see the close of the first act of the ballet, Swan Lake. The performance was awesome. The stage simply draws you in and the theatre is exquisite. We left at the break but heard later from our colleagues that this Swan Lake had a happy ending.

Two Soviet Deputies (Valentin Kasorov and Victor Shevkevosky) took us to the apartment building which houses Deputies during the legislative session. The apartment was quite nice but very small: just three plain rooms. I can't believe the number of box like apartment buildings in Moscow—there are clusters of them as far as the eye can see.

Our dinner was a delight. The deputies' wives—Sveta and Luda—were very pleasant. Victor and Sveta have two boys—a 16 year old we did not meet and a younger boy (about 6) who was quite cute and well behaved. Valentin and Luda had two teenage girls—again very polite. They had gifts for my children and in return I gave them candy bars and gum.

Our two hosts got into a heated discussion regarding the Persian Gulf situation and it was very interesting to listen to their debate.

A translator helped us spend an enjoyable evening. We spoke of life and family issues with much laughter and good feeling. We all proposed toasts and mine was that our children never know that our two nations were once confrontational.

Spending time with these Soviet families was one of the highlights of my trip, and we left with promises to stay in touch.

1991 BLACK WOMEN OF ACHIEVEMENT

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. LEVINE of California. Mr. Speaker, it is with great pleasure that I rise today to bring congressional attention upon an important event which will take place in Los Angeles on June 5, 1991. On that day, the Eighth Annual NAACP Legal Defense and Educational Fund Black Women of Achievement Awards luncheon will be held at the Biltmore Hotel.

The Black Women of Achievement Awards luncheon is a program which honors those women whose commitment to equal rights and humanitarian concerns are matched only by their success in important professional occupations. The program also serves as a major fundraiser for the Legal Defense Fund's Western Regional Office. While the LDF shares the NAACP commitment to equal rights for all, it is distinct from its founding organization and has a separate board of directors, program, staff, office and budget.

At this year's event, one of the achievement key honorees will be our own colleague, Congresswoman MAXINE WATERS. Sharing the award with MAXINE will be the dynamic recording artist Dionne Warwick. This year's AT&T Entrepreneur of the Year will be Maxine Ranson Von Phul and the 15 Black Women of Achievement for 1991 are: Charlotte Arrick, Phoebe Beasley, Margo Bouchet, Harriet Broadus Cavette, Beverly T. Davis, Ornetta Barber Dickerson, Ava A. Evegan, Lois Ford, Dr. Willye Butcher Powell, Phyllis M. Queen, Rosie M. Thompson, Pat Tobin, Patricia A. Wallace, Patricia Watts and Dr. Betty Smith Williams.

Mr. Speaker, these highly successful women represent a tremendous cross section of business, law, medicine, finance and higher education. Their selfless devotion to work and community sets a fine example for our young people. I know that the entire Congress shares my high expectations for the many important contributions these women will make to our country in the years to come. For all of these reasons I strongly urge my colleagues in the U.S. House of Representatives to join me in honoring the 1991 Black Women of Achievement.

MIAMI AIRPORT TOWER CELEBRATES 50 YEARS OF AVIATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Miami International Air Craft Control Tower which recently celebrated 50 years of aviation history.

Fifty years ago, on May 1, 1941, the city of Miami Aviation Department established the Miami area's first control tower at the Miami Municipal Airport. The tower began operations with only three air traffic controllers, an auto-battery powered "light gun," and an altimeter loaned from Pan American Airways.

The next year, the Civil Aeronautics Administration [CAA] took over operation of the tower which was moved to a new facility on the west side of the airport, known as master field. World War II brought additional changes with the U.S. Navy assuming control of both the municipal airport and master field for transport and pilot training.

Miami's civilian air traffic moved to the 36th Street Airport. This airport had recently been expanded with Federal assistance through the War Emergency Airport Act. Pan American Airways had a control tower at the facility which came under CAA regulation in August 1942. The U.S. Corps of Engineers built a wooden control tower on the west side of the airport in 1943 to control all these runways as one airport.

The Dade County Port Authority built a new steel control tower next to the wooden tower in 1947. Airport expansion forced the relocation of this tower in 1952, which stayed in operation until 1957 when operations were moved to the top of the new terminal building. The new tower was commissioned with radar in 1959.

The airport control tower continued to advance as Miami's airport became the gateway to Latin America, and then Europe. In 1985, operations were relocated to a new state-of-the-art tower now located at the far west side of the airport.

I would like to take this opportunity to salute the Miami Airport Tower and the many individuals who have contributed to Miami's aviation history. Among those individuals, who were present at the ceremony celebrating this important anniversary, were Miami Tower Manager Jimmy Mills; Dade County Aviation Department Director Frederick A. Elder III, A.A.E.; Miami Airport Facilities Sector Manager George Priest; Miami Airway Facilities Sector Manager Bobby R. Morris; former Miami Air Traffic Control Manager Thomas R. Jones; former Miami Air Traffic Controller Kenneth I. Schwinger and Senior Air Traffic Control Specialist Ralph N. Palmer, Jr.

TRIBUTE TO CURTIS ERICKSON

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. ROBERTS. Mr. Speaker, as chairman of the Rural Health Care Coalition, I spend a great deal of time explaining the need to preserve adequate and afforadable health care in our Nation's rural communities. Without question, those rural communities cannot survive the next decade without doctors and hospitals and all the other facilities and professionals that today's high technology medicine requires.

Today I rise to pay tribute to an outstanding individual who has been a leader in advancing health care in the Midwest. He is Curtis Erickson of Phillipsburg, KS, outgoing president and chief executive officer of Great Plains Health Alliance. Curt dedicated his life to health care and especially to preserving rural health care for our Kansas communities. He served on many national and local boards including the Kansas Hospital Association, the American Hospital Association, the Small or Rural Hospital Governing Council, and the Federal Prospective Payment Assessment Commission.

Recently, he retired from the Great Plains Health Alliance where he served as executive director since 1959. For over 30 years he led this hospital alliance with great insight and a clear vision for the future. As one of his colleagues said, "I've been in this field for 40 years and worked in six different States and I have not known a person who knew more about rural health care or worked harder for it or did a better job than Curt Erickson."

Mr. Speaker, we are indeed fortunate to have health care professionals like Curt Erickson. I ask my colleagues to join in wishing him and his family the best in retirement. His talent and expertise will be called upon frequently in the months and years ahead as we work to forge health care policy fair to all areas of the country.

VETO THE QUOTA BILL

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. GINGRICH. Mr. Speaker, I urge all of my colleagues to read the following editorial which appeared in the Atlanta Journal on May 30. As we consider the civil rights bill on the floor this week, my colleagues should remember that quotas are not popular in our congressional districts.

DESPITE STRUGGLE TO SAVE IT, RIGHTS BILL DESERVES A VETO

The members of Congress trying desperately to save this year's version of a flawed civil rights bill are tossing out ideas by the bushel.

They must hold the supporters of the 1990 Civil Rights Act and increase their margins this year to be able to overturn an expected veto by President Bush.

But their efforts to avoid the measure being labeled a "quota bill" ring hollow. One headline said it all: Jobs Bill Would Allow Numbers Yet Ban Quotas.

Those few words sum up two years of complicated debate and weeks of frantic maneuvering by Democrats and the Leadership Conference on Civil Rights. They would add language to the bill expressly banning "quotas," but they would allow numbers to be used against employers. Finding a difference requires the skills of Sherlock Holmes and Columbo.

President Bush's continued objections remain valid. A quota is a number, a measurement of people or things. Under the language proposed for the bill, employers could use percentages and raw numbers for categories of employees by race and sex, but not if the numbers meant favorable treatment for the unqualified.

Few employers, we think, are anxious to grant preferences to the unqualified.

The bill produced by House Democratic leaders is a masterpiece of confusion. It would ban the odious practice of "race-norming"—judging test scores on separate standards for separate groups—but it would cast doubt on just about any tests used for job qualifications. They must be proven to "validly and fairly" predict abilities.

Consistent with past versions of the civil rights bill, the burden of proof of a test's validity would be on the employer. In testing and in hiring practice, the employer would be guilty until proven innocent.

By limiting the damage awards available to women, the House Democrats may have collapsed their own efforts. But even if supporters of equal treatment for women decide the bill is worthwhile, President Bush has every reason for yet another veto.

Let those voting for the misnamed civil rights bill explain how a quota is not a number.

A SALUTE TO THE CLEVELAND MUSEUM OF ART

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. STOKES. Mr. Speaker, I am proud to rise today to salute the Cleveland Museum of Art. This year marks the 75th anniversary of the founding of this institution. The anniversary celebration will commence the weekend of June 7, 1991, exactly 75 years after the doors of the museum were opened to the public. The Cleveland Museum of Art is highly revered among the museum community and has served the people of northeast Ohio since 1916 by providing a myriad of exhibitions, a broad range of innovative educational opportunities, and superlative research resources. I would like to share with my colleagues some valuable information regarding the museum.

The Cleveland Museum of Art is generally credited with owning one of the finest encyclopedic collections of art in the world. The museum also boasts a well-balanced permanent collection which includes 50,000 objects of Ancient, Asian, and Western medieval art, celebrated paintings from Europe and the United States, noted works of modern art and rare pieces from African, Islamic, pre-Columbian, Indian, Southeast Asian, and North American Indian cultures. Approximately two-thirds of this collection is on view at any given time among the museum's 72 galleries.

With such a noted collection, the Cleveland Museum of Art serves as a major international arts resources of loans to the most distinguished exhibitions throughout the world. Any major exhibition of Japanese and Chinese art must inevitably require loans from the Cleveland collection.

Mr. Speaker, in addition to its varied collections of art, the Cleveland Museum of Art has been a pioneer in providing musical attractions to the citizens of northeast Ohio. Over 40 orchestra, chamber, solo, or performing arts presentations are organized each year and presented free of charge. This free admission policy is a unique feature of the Cleveland Museum of Art. This institution is among the last private museums in America to provide such accessibility.

The Cleveland Museum of Art has also established a unique working relationship with the educational community of Greater Cleveland. The museum's teacher resource center communicates with over 4,000 teachers and provides assorted workshops, teaching aids, and advice on the presentation of art and art history to students. The annual number of students visiting the museum from Cleveland public schools is well over 50,000 and reflects the museum's commitment to educational excellence.

Mr. Speaker, the Cleveland Museum of Art is directed by Dr. Evan H. Turner. Through the efforts of Dr. Turner and his dedicated staff, the museum continues to enjoy great success. I hope my colleagues will join me in saluting the Cleveland Museum of Art on the celebration of its 75th anniversary.

TRIBUTE TO THE LATE MORT R. LEWIS

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. DIXON. Mr. Speaker, I rise today to pay tribute to Mr. Mort R. Lewis—writer, health advocate, dedicated husband and friend. A resident of Marina del Rey, in the 28th District of California, Mr. Lewis passed away on May 21, 1991, at the age of 82.

With an unselfish commitment to helping others, Mr. Lewis was active in his community both as a member of the entertainment industry and as a strong advocate of cardiopulmonary resuscitation [CPR] education. In fact, he advocated and taught CPR to numerous members of the movie industry.

Mr. Lewis was a veteran writer for radio, television, and film—writing radio comedy for performers like George Burns, Jimmy Durante, and Jackie Gleason. In the area of television, Mr. Lewis contributed to series such as "Bewitched," "Truth or Consequences," and "This is Your Life." The Writers Guild of America, West describes Mr. Lewis as a producer, historian, and winner of awards for groundbreaking volunteer activity in the field of public health.

As a health advocate, Mr. Lewis was instrumental in establishing one of Los Angeles' first blood banks. He was the recipient of many honors from various organizations for his humanitarian efforts in the field of health including the American Heart Association's Award for Exceptional Services, the Los Angeles County Board of Supervisors' Humanitarian Award, and the Writer's Guild of America Valentine Davies Award.

He worked tirelessly to see that CPR be given the attention that it deserves. He initiated National CPR Awareness Week and Los Angeles CPR Awareness Week with the help of my colleague from southern California HENRY WAXMAN and Mayor Tom Bradley. Mr. Lewis also spearheaded a campaign to commemorate CPR on a U.S. postage stamp. It is unfortunate that he did not live to see the issuance of such a stamp.

A deep interest in the Civil War led to his involvement in organizations such as the advisory council of the United States Civil War Centennial Commission, the Civil War Round Table of Southern California and the Lincoln Sesquicentennial Association of California.

I ask my colleagues in the House to join me in expressing my sincerest condolences to his wife, the former Isabelle Bruckner, and his family, and a whole host of Mr. Lewis' friends.

CURE AIDS NOW: SOUTH FLORIDA CHARITY CONTINUES ITS SUPPORT OF AIDS VICTIMS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, Cure AIDS Now, of south Florida is holding its first Spanish Dinner Against AIDS on June 3. The event will be a fundraiser for the important work of the Cure AIDS Now [CAN] charity. The theme for the evening, "United With Love," embodies the spirit by which CAN serves the nutrition needs of AIDS victims across the Metro-Dade area.

Cure AIDS Now is a nonprofit, community-based agency which works to directly serve the immediate physical needs of area AIDS victims. Its efforts to reduce stress and provide treatment for the malnourished AIDS patient have proven to be a feasible alternative to costly hospitalization. In the middle of the crisis of AIDS, CAN provides professional counseling assistance with Social Security benefits, housing, and Food Stamps. The centerpiece of the CAN effort is the provision of Meals-On-Wheels. Since 1987, CAN has delivered over 500,000 meals to over 1,533 people living with AIDS.

Mr. Speaker, Cure AIDS Now offers AIDS victims more than just physical support. They give hope, compassion, and love which is often the will to go on. I commend the leadership of the Cure AIDS Now executive director, Robert Kunst and its board of directors: Marlene Arribas, Rosa Bautista-Santos, Jack Campbell, Raul Cossio, Thelma Edwards, Manuel Estrada, Doug Feldman, Barbara Gottlieb, Robert Ingram, Rosa Kasse, Aleida Leal, Dominick Magarelli, Lionel Resnick, and Harry Sutton. I also offer encouragement to the staff and volunteers of CAN to continue their good work in making the day-to-day operation of this service possible.

ELIZABETH ROSENBLATT OF PLEASANT VALLEY, NY, WINS VFW SCRIPTWRITING COMPETITION

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. SOLOMON. Mr. Speaker, I can hardly tell you how proud I am of a student in our 24th District who I think is typical of this patriotic generation of young Americans, like those in our Armed Forces.

Elizabeth L. Rosenblatt is a 17-year-old senior at Arlington High School in LaGrangeville, NY, and the daughter of Judge and Mrs. Albert M. Rosenblatt of Pleasant Valley. And she is the winner of the 1991 Veterans of Foreign Wars "Voice of Democracy" Scholarship Program. She will be the recipient of the $18,000 T.C. Selman Memorial Scholarship Award. Miss Rosenblatt is planning a career in either music education or law and diplomacy. No doubt she will excel in any field she chooses to enter.

The program is now in its 44th year and requires entrants to write and record a script on a patriotic theme. This year the theme was "Democracy—The Vanguard of Freedom." As many as 14 scholarships totaling $62,500 a year are awarded, but the total monetary value of scholarships, bonds, and awards provided by the VFW, its auxiliaries, districts, councils and departments was more than $1.4 million last year.

Mr. Speaker, Miss Rosenblatt's excellence is no surprise to those who know her. She is an outstanding student, active in school publications and music activities as well as being a semifinalist in the National Merit Scholarship competition.

Her future is bright, and so is America's future with young people like her now preparing for future leadership roles.

Mr. Speaker, it is my privilege to place in today's RECORD her winning script, and I urge all Members to read it.

DEMOCRACY—THE VANGUARD OF FREEDOM

(By Elizabeth L. Rosenblatt, New York winner, 1990/91 VFW Voice of Democracy Scholarship Program)

Webster's defines democracy as a system of government in which the people rule themselves. But for Americans, a dictionary can only begin to explain the meaning of democracy. As Americans, we are free. We can say what we want and make our own choices. The government cannot destroy our creativity because we are the government. This makes freedom and democracy inseparably connected.

On paper, democracy seems to be elementary, easy to understand. It is a technical drawing of government; a blueprint. But freedom is much more. Freedom, as I see it, is a state of mind which infuses our lives and affects everything we do. We expect to be given our liberties and to be treated equally and if we're not, we know it is our duty to fix things. We can engage in political debate and worship as we wish. And we can respect our government because it allows us our freedom. One has to see and live the American way of life to fully grasp the subtleties of American freedom.

Recently, I returned from a student exchange to the Soviet Union, where I had lived and attended Moscow Public School for a month. There are many subtle differences between our countries, but the most obvious of them lies in the way we do ordinary things . . . like walking and talking. One boy in my Moscow school told me that I must come from a free country because I "walk free, and proud, and stand straight." He saw it as different from the Soviets.

The most dramatic demonstration of the freedom we possess was granted to me some time after I returned from my visit. I had my diary published in a Moscow youth newspaper, along with my address, and received many letters, asking for a penpal. One letter was different. It was from a grown man, Alexander, who had appreciated my observations and wanted to comment on them. His English was broken, but inspiring. He wrote: "I think only one from a free country can have such view of point ... you are living in a free country and have a free way of thinking ... I'm delighted with girl which sings a national anthem of her country and in spite of her age brings the ideas of a free society. Thank you, Miss ... If you could know what means you country for people which dream to get a freedom."

For Alexander, America meant freedom. The democracy we have was his answer to the lack of freedom he saw all around him. "I know we have not an ideal society in the world and America is not paradise," he continued, "but I am sure that one can attain all in your country if one is clever and workful."

The dream of democracy and freedom led many to America, and our Founding Fathers had freedom in their minds when they created our democratic Constitution. Webster's says that a democratic society governs itself. It follows logically that the citizens of a democratic society are free. There is nothing to hold them back, no one to tell them what they must believe or how they must behave. The ideas behind American government have served as a ray of hope for those who wish to be free and those who wish to remain free—those who know that there is more to democracy than a dictionary's definition.

Americans have died for democracy, to keep our freedom alive. And with our political system in the lead, I am sure we can maintain a system in which freedom and democracy walk hand in hand.

PROLIFERATION PROFITEERS: PART 19

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. STARK. Mr. Speaker, today's case study on proliferation-profiteering, the 19th in my series, highlights the problem of foreign companies which receive nuclear dual-use items from the United States and then retransfer them to other countries without our permission. Under my Nuclear Non-Proliferation Enforcement Act (H.R. 830), such a firm would be prohibited from selling its goods to the United States—a powerful deterrent indeed.

FIRM 7: DEGUSSA GMBH (GERMANY)

Degussa GmbH is a major German metal and chemical company that maintains considerable trade relations with the United States. Until July 1990, it was attempting to purchase the worldwide gold and silver businesses of the U.S. firm Engelhard Corporation. Degussa has numerous subsidiaries, several of whom, like Leybold-Heraeus GmbH have been implicated in illicit nuclear trade deals. In 1988, executives of Degussa replaced the top executives of Nukem GmbH, which was plagued by one of Germany's worst nuclear industry scandals. Degussa once held a 35 percent share in the firm, but divested most of its interest to Rheinisch-Westfaelisches Elektrizitaetwerk AG in 1990.

In January 1989, information surfaced that Degussa has shipped 95 kilograms of beryllium to India in 1984. Beryllium is used to decrease the amount of plutonium needed to manufacture a nuclear bomb. The amount sold by Degussa roughly represented enough useable material for 20 such devices. In violation of U.S. export laws and regulations, Degussa obtained the beryllium from the United States and transferred it to India without acquiring U.S. consent. In March 1990, Degussa agreed to pay $800,000 in fines to the U.S. Commerce Department for the company's illegal export activity.

Sources: DPA (Hamburg), 1/28/89; New York Times, 2/1/89, p. A2 by Stephen Engelberg; Nuclear Fuel, 4/2/90, p.1; Nuclear News, 3/88, pp. 88–92; Der Spiegel, 1/30/89, pp. 22–23; Wall Street Journal, 1/19/88, p. 24, 2/1/89, p. All by Thomas F. O'Boyle, 6/22/90, p. A5, 1/4/91, p. A4; Washington Post, 2/1/89, p. A19 by Don Oberdorfer.

REBALANCING THE ATLANTIC ALLIANCE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. FASCELL. Mr. Speaker, This past week, from May 24–27, the North Atlantic Assembly held its spring session in Rotterdam, The Netherlands. The assembly met in committee meetings all day Friday and Saturday. On Sunday, a 4-hour debate was held on the subject Rebalancing the Alliance.

Colleagues, this subject could not have come at a more opportune time. Speakers from every country in NATO presented their ideas on the future of NATO. Of special note was the participation of delegates from Eastern Europe and the Soviet Union. I want to say very frankly that it was one the most thoughtful and valuable debates on NATO that I have heard in a long time.

Of special interest to us in this body is the fact that one of our own colleagues, CHARLIE ROSE, gave his first address as President of the Assembly. It was a thoughtful, pointed presentation which was well received by every delegate. Mr. Speaker, I include President Rose's address and those of our East European colleagues in the RECORD at this point:

REBALANCING THE ATLANTIC ALLIANCE

(Address by Congressman Charlie Rose, president of the North Atlantic Assembly)

Mr. Prime Minister, distinguished colleagues, ladies and gentlemen, it is a great privilege for me to preside for the first time over a plenary session of our Assembly. And to do so in this great city and port of Rotterdam.

You, Prime Minister cogently described the agenda before us when, at the historic CSCE Summit Conference in Paris, you said that: "The last few years have witnessed immense progress in the fields of democracy, the rule of law, human rights and fundamental freedoms. The challenge now facing us is how to consolidate the progress achieved."

The North Atlantic Assembly certainly intends to play an active part in that consolidation. The flags displayed in this hall leave no doubt as to where we stand. We meet here as 22 partners determined to work together in the construction of a new Europe.

As I announced during the recent meeting of our Standing Committee in Key West, during my time as President I intend to encourage this Assembly to focus its resources on helping our colleagues in Eastern Europe during this difficult period of transition. Those of my colleagues who have had the opportunity to visit these countries can have no illusions as to the magnitude of the problems they face.

That is why, together with Senator Bill Roth, I have prepared an initiative which will allow the Assembly to play an active role in the development of parliamentary democracy in the countries of Eastern Europe.

Let me dwell for one moment on this question.

The principle of democratic government, with all the rights and freedoms that it implies, is at the heart of everything we do. We know from bitter experience that without it there can be no lasting peace, no real stability or security. We frequently overlook this crucial element of our security. Any contribution we can make towards strengthening the democratic process in Eastern Europe must be a constructive use of our resources and a matter of priority.

We must of course be realistic about what we, as an Assembly, can offer. We cannot, for example, play a direct role in improving economic conditions. Rather we must focus our efforts. We must concentrate on areas where this Assembly as a multilateral framework is uniquely placed to make a contribution. Clearly, with the range of political views and the depth of political experience represented here we have much to share with our colleagues in Eastern Europe.

In the larger picture of what needs to be done, our efforts will be relatively small steps. But no one should be in any doubt that they will be worthwhile. We should never underestimate the political and psycological importance of creating a Community of interest and involvement at the parliamentary level.

I was particularly gratified to see that the activities of this Assembly were recognized in the declaration made recently by Secretary of State Baker and Foreign Minister Genscher which recognized the contribution made by "greater contacts between Soviet and East European parliaments and the NAA."

Colleagues, we will shortly begin the plenary debate on the theme of "Rebalancing the Atlantic Alliance." It is a debate that is increasingly urgent because by the end of this year it is foreseen that our governments will produce some answers, both in the Alliance and the European Council frameworks, to questions as old as this Alliance itself.

What, then, are the responsibilities that we will need to address collectively in the new environment.

There are, in my view, three important security functions that we will need to provide.

First, the classic function of maintaining sufficient capabilities for the defence of our territory. Despite the dramatic changes in Europe, this basic function will remain an imperative for us all. It will continue to provide the main reason for our collective defense planning.

But defence capabilities and expenditure will occupy a lower order of priority and a lower visibility. There will be fewer forces and they will be organized and configured differently—hopefully in a way that will contribute to the motion of cooperation and partnership.

The second function will be the increasingly urgent requirement to maintain security and stability in the whole of Europe. The key sources in security in Europe are no longer military in nature, even though they may have military consequences. There are new range of possible risks and dangers to which our Alliance must respond.

The third function was highlighted by the Gulf War—the question of threats to our common security that emanate from outside the traditional boundaries. To what degree and within which institutional framework can we plan for such contingencies?

These three functions enbrace a broad range of diverse risks. By their very nature many are difficult to define. Many are simply unpredictable.

The question for us today is how and where should they be handled.

Does the new security environment allow a re-allocation of existing roles and tasks, a new division of labour. To quote our own theme, can we achieve a "rebalancing" of Alliance responsibilities? This question must be addressed in reference not only to the traditional transatlantic relationship between Europe and North America, but also to the balance of responsibility between the various institutional frameworks at our disposal.

The short answer, of course, is yes. The new security environment will not just allow, it will necessitate a redefinition and a rebalancing of responsibilities.

The central issue in this process and the current debate is the emergence of what is known as the European Defence Identity.

It is clear to us all that as the United States presence in Europe, but not I stress the American commitment to Europe, diminishes, Europeans will as a natural consequence take a greater share of the collective defence.

It is also clear that this situation, and the effect of the Gulf War, has stimulated a real dynamic towards the development of a more visible European role in defence.

The main question is not whether a European defence identity should be developed. Rather it is how it will be developed and with what final objective? These are the central preoccupations of the day.

Put simply, there are two alternative courses of action. The first sees a more coordinated European approach to defence developed within the strengthening the Atlantic Alliance. The other approach sees a European defence role developed within the European Community, parallel to and perhaps even surpassing NATO. In both options, and for reasons that are well-known, the Western European Union has emerged as the appropriate basis on which to construct, at least initially, this European defence identity.

I will not dwell in any greater detail on the complex issues surrounding these institutional questions. I would simply like to point to some of the questions that they inevitably raise, and which I hope my colleagues will refer to during our debate this afternoon.

In what way will European security interests be different from those of the United States?

Are separate and distinct "Euro-capabilities" realistic or desirable?

Would the development of a separate European Defence identity help or hinder the gradual integration of the countries of Eastern Europe into the Western community?

Would its development within NATO weaken rather than strengthen the Alliance?

I will not myself attempt to answer these questions. Let me rather make two comments which are relevant to any solution:

First, we must assess the implications and weigh carefully the advantages and disadvantages of each course of action.

Second, we must avoid unnecessary and wasteful duplication of our efforts and our assets.

And finally, we must be clear about our final objective. A European defence identity must not be an end in itself—it must be a means to an end and to achieving a better situation—in other words it must be an instrument for achieving stability and security in Europe.

Properly handled, the emergence of a more coherent Europe defence identity could allow a balancing of responsibilities and a more effective division of labour.

Given our current security requirements and priorities, a very simple division of labour suggests itself. The primary responsibility for security—as this applies to collective defense arrangements—should rest, as now, with NATO, with its well established and will proven institutional planning arrangements.

That would permit the European Community to concentrate on the more urgent priority, and one which it is naturally suited to fulfill, of providing much needed economic help to the countries of Eastern Europe.

Where, on the security side, the Europeans are able, and feel it necessary, to make a separate effort in defence, within or outside Europe and through the WEU, this would be welcome. But we must not create additional structures and capabilities that lead to an unnecessary and wasteful duplication of time, money and effort.

It goes without saying that at a time of rapid change, we must not rule out any options or foreclose any course of action.

Our institutions must work together, each has a role to play. The challenge is to ensure that each is making its most effective and appropriate contribution.

As we look at these contributions, I would emphasize the following:

NATO must remain the principal venue for consultation and the forum for agreement on all policies bearing on security and defense commitments of its members;

That NATO must maintain an effective, integrated military structure to provide for collective defense; and

That we should support the European allies in their efforts to improve Europe's ability to protect vital interests and uphold the rule of law beyond Europe itself.

Thus far I have neglected to mention the institution in which so such optimism has been placed—the CSCE. Rebalancing the Alliance must also take into account the potential and limits of the CSCE. I hope that in Berlin the 34 foreign ministers can advance the discussion about peaceful settlement of disputes, looking toward a mandatory third-party role in conciliation and arbitration on security and political issues.

I hope the ministers can also agree on establishing a mechanism for emergency meetings, perhaps invoked on the basis of a majority of the participating states, and examing whether the Conflict Prevention Center is really, as it now stands, worthy of its name.

But the issue is not, as some would have us believe, a choice between NATO and CSCE. Again, it is a question of how the two can reinforce and complement each other. NATO will serve to underpin the security of the new democracies, whom I would also caution against placing undue hopes in the capability of the CSCE to act as an effective guarantee of their security. That day has not yet arrived.

Colleagues, I would hope that today all of the 22 parliaments represented here will have a reasonable opportunity to be heard on these difficult but nevertheless pressing issues. And in so doing, let us get on with real debate and concise argumentation, in the best traditions of this Assembly.

Speech by Mr. Miklos Vasarhelyi, National Assembly of the Republic of Hungary

Mr. Chairman, ladies and gentlemen, distinguished colleagues. Let me please speak briefly of our position concerning stability and security on the continent.

We are a small country, so it is evident that our security depends on the stability of the new European order which granted us the possibility to establish a free, independent, and democratic Hungary. So it is understandable that we try to use every means to reinforce our new status in Europe. We are striving for a working and creative partnership in the EC, the Council of Europe, the European Parliament, in the Conference on Security and Cooperation, in the WEU, and last but not least in the Assembly of the North Atlantic Treaty Organization.

We hope that the cooperation and the harmonization between these very important international organizations will develop in the future for the benefit of Europe and the world. However, we Hungarians will never forget that NATO and its main pillar, the United States, played a major role in preserving peace on the continent in these last decades, and made a contribution to the historical changes of 1989. The Atlantic dimension of any European collaboration is for us of basic importance. We definitely consider the presence of the United States and Canada in Europe as a guarantee for peace and stability of the continent, and consequently as a factor of the vital interest of Hungary and other Central and East European countries.

The lessons of the Gulf war have reiterated our conviction, according to which the very existence of NATO is of crucial importance from the point of view of stability. As it was stated on many occasions here in this conference, in the Soviet Union a gigantic struggle is going on between the supporters of perestroika, the promoters of democratic changes, and the old guard, the conservatives. We hope and we heartily wish that this struggle will result in the final victory of the progressive forces. But we know that the outcome of such a battle cannot be foreseen and the result taken for granted. That is why we think that in any case, NATO remains a determining factor in the balance of Europe. Therefore, we very much welcome NATO's endeavor to adapt to the requirements and circumstances of the new European constellation which also includes the reassessment of NATO's role in enhancing the security in Europe.

Since the democratic renewal taking place in Central and Eastern Europe provides the national parliaments with an increasing role also in shaping foreign and security policy, the role of the parliamentary bodies of European and Western integration are also witnessing an increase in the role they have to play. Therefore, in our endeavors to join Europe and European integration, we attribute an ever increasing importance to our relations with bodies such as the North Atlantic Assembly, the European Parliament, and others. Among all these bodies, it is with the North Atlantic Assembly maybe the most dynamic development of relations already prior to the status of associate delegation, which we are very happy to enjoy now. We will make efforts to perform in this Assembly a working and creative role.

Finally, please, let me express our satisfaction for the future assistance the chairman emphasized in his inaugural address before this Assembly. Thank you.

Speech by Mr. Bogdam Atanassev, Grand National Assembly, Republic of Bulgaria

Mr. Chairman, dear colleagues. I will repeat a very old joke that the speaker in trying to exhaust the subject indeed exhausted his audience. Unfortunately, the president will be here to cut me short, so I will get down to what I want to tell you.

In 1945, by the courtesy of certain countries, the East European nations were allowed the privilege of participating in what I call the GHMEEE, a beautiful acronym which you haven't heard, and which stands for the Great Historical Marxist Experiment Extended into Eastern Europe. It yielded nothing. It produced only suffering, hardship, tyranny, strife, inefficiency and a self perpetuating one party bureaucracy. One of its children was the so-called Cold War, a misnomer really because it was red-hot, and flames were bursting out all over the world, out of its coldness, obviously.

The Warsaw Pact countries built a Berlin Wall with barbed wire extensions, but they were cut away by the Hungarians not long ago, and the wall was knocked down by the people of the so-called GDR. We know another very well known wall, the Great Wall of China, and there is an anecdote I'll relate of an American journalist being taken down to see that great structure and, admiring it, he turned to his Chinese hosts and asked, "did it work?". They looked at each other inquisitively and said, "Well, no, it didn't because the attack came from another quarter." We can draw an analogy here. The collapse of the Eastern economies behind the borders bristling with military technology also came from a different and unexpected direction. From the middle, from the economy.

Walls don't really work very well for those who wall themselves in. Those who are outside have the whole world to live in and to work in, in freedom, and they are not a very good idea. Indeed, I see three types of postwar devastation. Unfortunately, Rotterdam is one of those cities which has memories of that; so does Dresden, so do many cities in the Soviet Union and some in our own country. The first type I would say is the atom bomb attack, where you have total devastation, you can't see where the streets were, and where the built-up area was. Then you have the neutron bomb, which keeps the buildings standing but there is no living creature about. But the worst is the MARX bomb, that's the marxist economic bomb, that leaves the people walking about, but the economy is in a shambles.

We have no quarrel, I wish to note, with the peoples of the Soviet Union, none at all. We wish them well, and we want to have very good relations with every one of them and the Soviet Union as it stands today and as it will stand in the future, whatever the changes those peoples decide to make. Indeed, we wish to have links with the democratic forces in the Soviet Union, and we would like to collaborate with them too. Their ideas are our ideas; we share them. We wish to do business also with all nations in the world that wish to do business with us. However, there is one thing that I would like to mention. Goethe, on government, in his letters to Eckermann. "I hate bungling like sin", he says, "but most of all bungling in the affairs of State, which produce nothing but misery for thousands and millions." This is exactly what we have been doing, and we want to put a stop to such bungling. Now, in building the new defensive identity in the alliance, this should come as a result of creating a Pax Atlantica, as I see it. May I suggest that the best way of rebalancing your alliance is by the addition of a third pillar. Three is a very nice number; "alle gute dinge sind drei", say the Germans. By which I mean of course the inclusion of the East European countries, for the simple reason that political and military vacuums are dangerous. Implosion is just as dangerous as explosion. Indeed, the East Europeans must be allowed, more and more, to join the European and Atlantic structures in the short term, rather than the long term. And so, I would like to end with "Fiat Pax Atlantica". Thank you.

SPEECH BY MR. ION RATIU, ASSEMBLY OF DEPUTIES, ROMANIA

Mr. Chairman, ladies and gentlemen, the collapse of Moscow, the will there to rule over our part of the world permitted the countries of Eastern Europe to free themselves. They aspire to Western values, profess belief in democracy and, above all, want prosperity. The West recognizes this, wants to help, and does so. We all have heard of gradualism and of the "critical mass" reform approaches. But the results so far have been far worse than the most pessimistic estimates. Production is down, production capacity remains unused, unemployment is rising, inflation the same, standards of living have plunged, and people vote with their feet. We are witnessing what can easily become a massive exodus from East to West. In Romania itself, since the revolution, over one and a half million people have left up to the end of February this year, and we don't know exactly how many since.

Clearly, what is being done is inadequate. When thinking about rebalancing the Atlantic alliance, what we must aim at in my view is to make these people stay there; to make it interesting and exciting for them to stay there; make it interesting for the over 10 million exiles from these countries who now live in the West to go back there, use their acquired skills and resources. At the end of the last war, the West had the power to set the whole of Europe free. Alas, that power was misunderstood, misused or rather not used, and left us with a legacy of the trials and tribulations of the suffering of the last 45 years. In the aftermath of the Gulf war, the West again has the power to do what is necessary. Will it misuse it or will it not use it again? Must we go through an inevitably long period of yet unfathomed difficulties here in the West, as Germany—the richest of Western countries—is now coping with in Eastern Germany?

And, in the East, must a whole generation again be sacrificed? Some of you may have noticed that a year ago I tried to run for the Presidency of Romania. I advocated then and I do now a bold, radical reform surgically removing all the cancerous growth of Communism. In industry, plant, equipment unfit to compete freely in the open world market. I urge, then, the development of these lines that can produce wealth, and can be adequate for the people there. What we lack in Eastern Europe is an initial push conceived on a grand scale. What I suggest is no visionary leap in the dark. Today, most everybody agrees that the Marshall Plan, that most generous, unprecedented action, saved Western Europe, and it also brought great prosperity and helped the United States as well.

Today, Eastern Europe is in the most fertile ground for democracy and for potential prosperity. It is the critical area of what is now known as rebalancing the Atlantic alliance. We must not forget that Communism, like fascism and nazism, was a revolt within the body politic of Western civilization. Our civilization is well and healthy, with its twin roots firmly planted on the two sides of the Atlantic, it is at the dawn of stupendous, undreamt of achievement for the benefit of mankind. But for this, it should bring within its fold the lands abandoned half a century ago. A bold, massive approach will remove the risk of recession, and bring near full employment in the West. It will prime the pump in Eastern Europe. It will build the infrastructure, the roads and railways and the benefit of the electronic revolution. It will develop the tertiary industries virtually absent there. This is not a pipe dream, ladies and gentlemen, it is sound economic sense. The new effective demand thus created by these bold measures, coupled with wholesale training here in the West of the young East Europeans would create the instruments through which this new bold plan would be made a reality. The West has today the means, all the necessary means, to achieve this. The West has the historical opportunity to do it. In my humble view, there is nothing, but absolutely nothing that stands in the way. If there is a will, this will be done. Thank you very much.

SPEECH BY MR. JACEK SZYMANDERSKI, SEJM, REPUBLIC OF POLAND

I think that now we Europeans have got to come to an understanding that the only way out of the circumstances which have plunged Europe into two wars is the denationalization of defense and security. We will have order of the peace as long as powers of cohesion in Europe are stronger than powers of disintegration. Any European country left out of this internationalized security system might be a potential danger against peaceful Europe. Poland and the rest of the East European countries strive to get to this internationalized security because we don't want to be exposed to the danger of becoming the stabilizing element in Europe.

To allow Poland into Europe should not be viewed as a privilege. Poland in Europe would visibly contribute to common European security and would help strengthen European integration. If Poland is integrated into Europe, then none of Poland's side countries would try to run their own politics toward Poland which might be dangerous to European integration, and might wake up the specter of the Cold War. We understand that any quick steps would bring us and Europe into political risk. But from the other side, we Europeans have to be aware that now initiatives have to be taken by the West. We cannot any longer comfort ourselves with not provoking the Soviet Union; we have to support actively democratic forces in the East. We have to support them both economically and politically.

We Poles expect that soon NATO would issue the declaration that sovereign democratic Poland is vital for the peaceful development of Europe. Thank you.

GOOD ADVICE

HON. DAVE McCURDY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. MCCURDY. Mr. Speaker, even though John Silber appeared to be afflicted with "foot in the mouth" disease during his unsuccessful campaign for Governor of Massachusetts, nonetheless he recently offered some very thoughtful and reasonable advice to Democrats in the following article. I submit that is worth the reading and suggest it to my colleagues.

A NEW TRADITIONALISM FOR DEMOCRATS

(By John Silber)

The Democrats can win the White House in 1992. But to do so, we must assess our party's situation with painful honesty.

Having lost five of the past six presidential elections, the Democrats can count on only the District of Columbia, claiming at best that as the District goes, so goes either Massachusetts or Minnesota. The Democratic hold on Congress is little consolation, for the direction of the nation is charted in the White House.

Nineteen months from now a Democrat can win—but only if, first, the party recalls and reaffirms its guiding principle that government can make a positive difference for the working men and women of America. Republican presidents are fond of invoking the name of John F. Kennedy, but nearly 11 years of Reagan-Bush have revealed this as a ploy. Republicans do not share President Kennedy's central conviction that government cannot sit on the sidelines but can and must confront the domestic problems of this nation.

Second, our party must recognize the failures in its nominating process that have distanced it from its constituents. Democrats must once again become the party of inclusion—not just in caucuses and conventions, but at the polls as well.

Once the party of farmers, working men and women (union and nonunion alike), teachers and other professionals, racial and ethnic minorities, Protestants, Catholics and Jews, Democrats appealed—victoriously—to Americans as Americans. But in 1972 the party abandoned FDR's grand alliance and began to appeal to voters as members of special interest groups. As these groups became increasingly important in the nominating process, the party became increasingly ideological and hostile to compromise.

Now traditional Democrats have come to feel abandoned or ignored, and they have wondered what has happened to their party. In great numbers they voted for Ronald Reagan and George Bush—not because they had become Republicans but because they saw traditional Democratic values best represented in these candidates.

THE REPUBLICAN EXAMPLE

Third, Democrats must re-establish bipartisanship on national security and foreign policy. In 1947, Sen. Arthur S. Vandenberg of Michigan, who with many Republican leaders had been a firm isolationist before the war, reversed his position to support Harry Truman on the Marshall Plan and NATO. By turning his party away from its discredited isolationist past, he gave it new life. We should profit by the Republican example. It is folly to disagree with the opposing party when it is right. If Republicans say two plus two is four. Democrats are not obligated to argue that it is five.

Democrats need to reassert their belief in a positive role for government. They do not believe that the best government is almost no government at all, nor that deregulation is the remedy for all problems. Americans have seen the havoc wrought by hands-off government: ineffective regulation of the S&Ls, deterioration of the banking system, conversion of the stock market into a computer-driven casino, the loss of competitiveness in American business with the consequent loss of jobs, the failure of the war on drugs, increased crime and violence, the decline in personal security, in our basic infrastructure, and in the quality of our schools.

Democrats need to develop the knowledge, common sense, vision and courage to address our greatest responsibility—our children. The Department of Education should serve as a National Bureau of Educational Standards to provide tests to measure student competence and the competence of teachers; persuade states to deny certification to high schools in which less than 80% of the graduating class passes the 12th grade test, and colleges to deny academic credit to students until they pass that exam; encourage choice by urging school boards to contract with private companies to achieve schools of higher quality; and offer day-care programs for all children from three to six years of age every working day of the year so that working and single teen-age mothers who need to work or go to school can escape permanent entrapment in welfare.

In this way we can ensure for the first time in our nation's history that all children have the ability to enter the first grade prepared to succeed, to experience school as a place of fulfillment and delight, prepare to stay in school and to avoid the use of drugs, alcohol, and practice of irresponsible sex. And if we succeed in this, we can begin to reduce the destruction and loss wrought by random crime and violence, drug and alcohol addiction, and adolescent pregnancy.

If we do not give all children a vision of themselves as competent, responsible individuals able to support themselves and their families, and a vision of the consequences of moral irresponsibility, we will never restore civil order or reduce the need for jails, welfare and increased police protection. Unless young people can earn an honest living and look ahead to a good life without crime or drugs, they will make a dishonest living and take their pleasures, however short-lived and destructive, where they find them.

Democrats should acknowledge that the War on Poverty, despite good intentions and some successes, has increased poverty and dependency. Incentives are needed to help those on welfare regain control of their lives and liberate themselves from entrapment in an underclass. Americans are disgusted with filthy cities and decaying infrastructure, while able-bodied, mentally sound people are unemployed. They are ready for a revival of the WPA and programs that require work for remuneration: programs that rebuild our infrastructure, provide thousands of jobs, and rehabilitate those addicted to drugs or alcohol.

Americans want an end to welfare fraud by the rich who use Medicaid trusts to defraud taxpayers. They want common sense used in the allocation of health dollars where major savings can be made through preventive medicine, including inoculations for children. It has been estimated that 40% of our children lack one or more essential inoculations. The lack of these ounces of prevention will inflict great human suffering and millions of dollars in expenses for avoidable cures. They want an end to mandated heroic treatment of patients for whom it is futile, cruel and expensive. They want an end to the ambulance-chasing that has driven malpractice insurance costs so high that many communities are without obstetricians or adequate medical care.

As crime and violence increasingly dominate our streets Democrats can offer more than the "hands off" Republican prescription. They can stand up to the gun lobby on automatic weapons. They can state the plain truth that these guns have one purpose, to kill people, and that they are no more sporting weapons than the Patriot missile. They can convince Americans that in the long run the use of abandoned military bases as sites for prison-schools to transfer ill-educated young offenders into responsible citizens will be far less costly than endlessly building more prison warehouses, or putting hardened criminals back on the streets.

THE MOST IMPORTANT RESOURCE

Democrats, while supporting free trade, should, unlike the Republicans, act to protect sound companies from corporate raiders and encourage basic research and its translation into products made by American workers to be sold competitively on world markets. Under the Republicans we lost immense parts of the microchip industry and run the risk of losing high-definition television to Japan. The Democrats can ensure that American industry will have the level playing field that will prevent more such disasters.

America is still a young, powerful nation rich in natural resources, including the most important—the intelligence and imagination of its people. When we develop our human capital and restore the banks and stock markets to provide financial capital, we will again have an America where life is good, where families and children flourish, where all are safe not only in their homes but on the streets, an America in which working men and women can enjoy in peace and security the fruits of their labor and anticipate a future unclouded by random violence.

The great years of America lie not behind us but before us. We are too young and strong to step back or step down. We are ready for leadership that will use government positively to harness the strengths, the talents and the virtues of our people. If the Democrats offer new hope and hard work, they can win.

TRIBUTE TO BRUCE FRIEDMAN, RECIPIENT OF NEW HAMPSHIRE VOICE FOR CHILDREN AWARD

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. SWETT. Mr. Speaker, I would like to congratulate this year's recipient of the New Hampshire Voice for Children Award, attorney Bruce E. Friedman of Contoocook. This award was presented last week as part of the 141st Annual Meeting of Child and Family Services of New Hampshire. Child and Family Services is a nonprofit organization whose mission is advocacy and protection for the interests of troubled and at-risk youth throughout the Granite State. It is the leading agency in New Hampshire serving the needs of low-income families through counseling and crisis intervention.

It is fitting that Child and Family Services has decided to honor Bruce Friedman. He is well-known to many in my State as a champion of the disadvantaged. For over a decade he has been professor of law and legal director of the Civil Practice Clinic at Franklin Pierce Law Center in Concord. He has been a leader in the movement to make legal services available to low-income persons. His work at the civil practice clinic has always been directed to the needs of the most vulnerable in our society; victims of abuse, foster children and troubled youth. This award demonstrates the respect that he has among his peers.

Bruce Friedman's work on behalf of disadvantaged children extends beyond the courtroom, into the halls of the New Hampshire Legislature. He has fought for years to make State government accountable in its responsibility to protect the interests of at-risk children. As a member of the board of directors of the New Hampshire Alliance for Children and Youth, he has worked with service provider and advocates to force those of us in government to recognize the barriers which impede healthy development and growth.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Bruce Friedman on a record of accomplishment serving New Hampshire. Mr. Friedman's success and commitment to the most vulnerable in our society is an example to all of us.

INTRODUCTION OF THE TRAUMA RESEARCH ACT OF 1991

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. MARKEY. Mr. Speaker, today, my colleague JACK FIELDS and I are introducing legislation which would create a comprehensive trauma care research program within the National Institutes of Health [NIH].

Traumatic injury is the leading cause of death during the first four decades of life and trauma is never lower than fourth as a cause of all deaths. An estimated 140,000 Americans die from trauma each year or about 400 people a day. This comprises a greater economic toll than heart disease and cancer combined and the economic losses amount to over $1 billion annually. In spite of this epidemic, according to a preliminary position paper presented to the Third National Injury Control Conference held in Denver in April 1991, the annual Federal research expenditures related to trauma care are approximately only 5 percent of those for cancer, heart disease, or AIDS. Increased focus in the area of trauma research is desperately needed.

The Trauma Research Act of 1991 would create an Interagency Trauma Care Research Program under the Director's office at NIH. This program would coordinate current piecemeal trauma research done at all of the institutes within NIH into a comprehensive program that will fill in the gaps that currently exist in trauma research. Specific institutes and agencies would be responsible for crucial issues such as the effectiveness of particular treatments conducted under particular time constraints, the biomechanics of trauma, infection control, wound healing, nutritional support and care, surgical interventions, neurotrauma, pediatric trauma, and geriatric trauma. An inter-institute advisory committee would be established to advise the Director on program initiatives and necessary budgets for this program. Within this program, the appropriate institutes would collaboratively focus on trauma issues in a comprehensive way, while addressing the need for specific attention to pediatric, geriatric, and neurotrauma. The bill would also allow NIH to give grants to trauma research centers to conduct additional biomedical research.

The Centers for Disease Control [CDC] is currently doing exemplary applied research in the area of injury control. CDC focuses on prevention and public education and is groundbreaking in these areas. Applied research is crucial and must be complimented by additional biomedical research specifically focused on acute and rehabilitation trauma care. The Trauma Research Act of 1991 creates a program for this critical component of trauma research.

Traumatic injury is currently at epidemic proportions. For every person in a serious car crash, every victim of gun shot wounds, and every child who is critically injured, the doctors and nurses knowledge of, and access to, the most effective treatment is a matter of life and death. The research that comes out of the legislation will enable health care providers to utilize the most effective trauma care procedures and limit the cost in terms of human life, human suffering, and health care dollars.

This legislation has been endorsed by the American College of Surgeons, American Trauma Society, American Academy of Pediatrics, American College of Emergency Physicians, American Academy of Physical Medicine and Rehabilitation, American Congress of Rehabilitation and Medicine, and American Academy of Orthopedic Surgeons.

Mr. Speaker, the Trauma Research Act of 1991 will promote a cohesive strategy for state-of-the-art trauma care. I urge the support of my colleagues.

AMERICAN COLLEGE OF SURGEONS,
Chicago, IL, June 3, 1991.

Hon. ED MARKEY,
U.S. House of Representatives,
Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE MARKEY: The American College of Surgeons commends you for the commitment you have demonstrated toward increasing access to quality trauma care services. In particular, we are pleased to support your most recent effort to improve and coordinate government-sponsored basic and clinical research into the treatment of severe injury.

While trauma is the leading cause of death for Americans under age 44, the National Academy of Sciences has estimated that severe injury receives less than two cents of every health research dollar spent by the federal government. In addition, most of these scarce resources are directed toward the epidemiology of this devastating disease. Better planning and coordination of the government's inquiry into the care of trauma patients, as intended by your draft legislation, would be a significant step toward addressing this serious deficiency in our nation's trauma research agenda.

Once again, the College wishes to express its deep appreciation for your continued commitment to reducing unnecessary death and disability due to trauma.

Sincerely,

PAUL A. EBERT, MD, FACS.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trauma Research Act of 1991".

SEC. 2. ESTABLISHMENT OF INTERAGENCY PROGRAM FOR TRAUMA RESEARCH.

Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended by adding at the end the following new section:

"INTERAGENCY PROGRAM FOR TRAUMA RESEARCH

"SEC. 409. (a) IN GENERAL.—The Director of NIH shall establish a comprehensive program of conducting basic and clinical research on trauma (hereafter in this section referred to as the 'Program'). The Program shall include research regarding the diagnosis, treatment, rehabilitation, and general management of trauma.

"(b) PLAN FOR PROGRAM.—

"(1) IN GENERAL.—The Director of NIH, in consultation with the Trauma Research Interagency Coordinating Committee established under subsection (g), shall establish and implement a plan for carrying out the activities of the Program. All such activities shall be carried out in accordance with the plan. The plan shall be periodically reviewed, and revised as appropriate.

"(2) SUBMISSION TO CONGRESS.—The Director of NIH shall submit to the Congress the plan required in paragraph (1) not later than April 1, 1992, together with an estimate of the funds needed for each of the fiscal years 1993 through 1995 to implement the plan.

"(c) PARTICIPATING AGENCIES; COORDINATION AND COLLABORATION.—

"(1) IN GENERAL.—The Director of NIH—

"(A) shall provide for the conduct of activities under the Program by the heads of each of the agencies specified in paragraph (2);

"(B) shall ensure that the activities of the Program are coordinated among such agencies; and

"(C) shall, as appropriate, provide for collaboration among such agencies in carrying out such activities.

"(2) RELEVANT AGENCIES.—The agencies referred to in paragraph (1) are—

"(A) the National Institute on Aging;

"(B) the National Institute of Arthritis and Musculoskeletal and Skin Diseases;

"(C) the National Institute of Child Health and Human Development;

"(D) the National Institute of General Medical Sciences;

"(E) the National Institute on Heart, Lung and Blood Disease;

"(F) the National Institute of Neurological Disorders and Stroke;

"(G) the National Center for Medical Rehabilitation Research; and

"(H) such other agencies as the Director of NIH determines to be appropriate.

"(d) CERTAIN ACTIVITIES OF PROGRAM.—The Program shall include—

"(1) studies with respect to all phases of trauma care, including prehospital, resuscitation, surgical intervention, critical care, infection control, wound healing, nutritional care and support, and medical rehabilitation care;

"(2) basic and clinical research regarding the response of the body to trauma and the acute treatment and medical rehabilitation of individuals who are the victims of trauma; and

"(3) basic and clinical research regarding trauma care for pediatric and geriatric patients.

"(e) MECHANISMS OF SUPPORT.—In carrying out the Program, the Director of NIH may make grants to public and nonprofit private entities, including designated trauma centers.

"(f) RESOURCES.—The Director of NIH shall assure the availability of appropriate resources to carry out the Program.

"(g) COORDINATING COMMITTEE.—

"(1) IN GENERAL.—There shall be established a Trauma Research Interagency Coordinating Committee (hereafter in this section referred to as the 'Coordinating Committee').

"(2) DUTIES.—The Coordinating Committee shall make recommendations regarding—

"(A) the activities of the Program to be carried out by each of the agencies represented on the Committee and the amount of funds needed by each of the agencies for such activities; and

"(B) effective collaboration among the agencies in carrying out the activities.

"(3) COMPOSITION.—The Coordinating Committee shall be composed of—

"(A) the heads of each of the agencies that, under subsection (c), have responsibilities under the Program; and

"(h) DEFINITIONS.—For purposes of this section:

"(1) The term 'designated trauma center' has the meaning given such term in section 1231(1).

"(2) The term 'trauma' means any serious injury that could result in loss of life or in significant disability and that would meet pre-hospital triage criteria for transport to a designated trauma center.".

TRIBUTE TO LONG ISLAND'S GOD SQUAD

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. LENT. Mr. Speaker, I rise to commend and pay tribute to two outstanding Long Islanders who have formed a partnership to raise the spiritual awareness of people in my district and across America. These men, Msgr. Thomas Hartman and Rabbi Marc Gellman, are known as the God Squad.

While of different faiths, Monsignor Hartman and Rabbi Gellman have found considerable common ground between Judaism and Catholicism. Their double teaming approach to religion is a recognition of the importance of God and the need that all people have for Him everyday. As cohosts of a cable television show, carried on Long Island by TELICARE—Channel 25—and LI News 12, they are bringing a wonderful message of brotherhood, understanding, and love into living rooms from coast to coast.

Monsignor Hartman and Rabbi Gellman have worked tirelessly to raise both the quality and depth of interreligious dialog. In doing so, they have inspired a renewed interest in God and a deeper appreciation of the belief of others.

The latest collaborative effort of the God Squad is a book entitled, "Where Does God Live? It is a basic guide for parents to teach their children about religion and introduce them to God. It presents 17 questions frequently asked about God by young people of all faiths. The answers are in story form and draw from the bedrock values that are common to all religions.

Mr. Speaker, because our Nation's greatness will be measured less by our wealth than by our willingness to help others, I am pleased that we have men like Msgr. Tom Hartman and Rabbi Marc Gellman. These two bright, articulate, and innovate men have made the world a friendlier, more enriched, and more understanding place for those in search of God. I commend them both for their truly inspired work.

DISAPPROVING THE EXTENSION OF FAST-TRACK PROCEDURES TO BILLS TO IMPLEMENT TRADE AGREEMENTS ENTERED INTO AFTER MAY 31, 1991

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. WAXMAN. Mr. Speaker, two letters should have followed my remarks in the May 23 CONGRESSIONAL RECORD in support of House Resolution 101, disapproval of the fast-track procedure. Unfortunately, these letters were not included, and I request that they appear in today's CONGRESSIONAL RECORD and be made part of the permanent May 23 RECORD. The first is a letter I sent with Representatives GEPHARDT, WYDEN, SIKORSKI, and MATSUI to U.S. Trade Representative Carla Hills requesting assurance that the sovereignty of U.S. health and environmental laws would be protected in GATT and NAFTA trade talks. The second is the Trade Representative's response to us.

JUNE IS NATIONAL FRESH FRUIT AND VEGETABLE MONTH

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. DE LA GARZA. Mr. Speaker, a recent cover story in Newsweek magazine pointed out that when it comes to Americans' dietary habits what's missing from our plates is just as important as what's on them.

The disturbing news is that nutritionists have found nearly half of all Americans eat no fruit on a given day, and nearly a quarter eat no vegetables. Worse still is the fact that 11 percent eat neither.

Our eating habits stand in bold and unhealthful contrast to the Federal Government's dietary guidelines which recommend that a person consume five or more servings of fruits and vegetables each day.

The United Fresh Fruit and Vegetable Association, a national trade association representing the U.S. produce industry, is trying to change these Americans' attitudes about fruits and vegetables. To help do so, it has declared June—National Fresh Fruit and Vegetable Month.

During the month of June, the association will conduct a nationwide media and educational campaign to encourage Americans to eat more fruits and vegetables. The association's goal is to re-introduce these Americans to the healthful, delicious-tasting bounty of fresh fruits and vegetables available here in the United States.

Both children and adults are being targeted. For children, the United Fresh Fruit and Vegetable Association hopes to increase their awareness of the healthy virtues of eating fresh produce. The message for them is simple: Eating fresh fruits and vegetables is good for your body.

For adults, the produce industry wants to get across the message that it's never too late to change your eating habits. Just because you disliked broccoli as a child, as did President Bush, does not mean it will not appeal to you as an adult.

Hundreds of people—from produce growers to retail operators—are working with the United Fresh Fruit and Vegetable Association to get the word out about National Fresh Fruit and Vegetable Month and the importance of these foods in our diet.

Nutritionists point out that if Americans consume more produce and couple this dietary change with exercise, we decrease the risk of contracting various forms of cancer. New evidence suggests that a diet with plenty of fruits and vegetables may also protect against heart disease.

Mr. Speaker, fresh fruits and vegetables are not only an important part of a healthy diet, they also make a significant contribution to a healthy U.S. economy.

A recent Congressional Research Service report noted that fruits and vegetables earned U.S. farmers about $19 billion in 1990, more than 10 percent of all farm cash receipts. When imports are included, fruits and vegetables and their end products generate annual sales of as much as $125 billion, representing 20 to 25 percent of all U.S. food spending.

I commend the members of the United Fresh Fruit and Vegetable Association for taking the initiative to declare June as National Fresh Fruit and Vegetable Month. More importantly, I urge all Americans to explore the delightful tastes of the hundreds of varieties of healthful and wholesome fruits and vegetables we have available in our country.

SALUTING DR. ROBERT L. HESS OF THE UNIVERSITY OF MICHIGAN

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. PURSELL. Mr. Speaker, I rise today to recognize the 25th anniversary of the University of Michigan Transportation Research Institute [UMTRI] and the contributions of the institute's founding director, Dr. Robert L. Hess.

Established as the Highway Safety Research Institute in 1966, the institute undertook the challenge of bringing together researchers to address the issue of safety on the Nation's highways.

Dr. Hess, who joined the university faculty in 1953, was asked to chair a university program advisory committee to analyze the complex system of people, automotive vehicles, and the roadway to develop practical and effective solutions to the urgent problem of highway safety.

Professor Hess assembled a research staff to conduct rigorous research study and program evaluation aimed at reducing vehicle crashes and the resulting injury and death—and thus was born the institute.

The institute has been recognized over the years for its contributions to the improvement of the Nation's highways. The institute has made major contributions in the areas of occupant protection, vehicle size, weight and handling, optimum roadway signing and vehicle lighting, and the analysis of public policy as it relates to the driving environment.

Dr. Hess' own research involved the study of impact tolerance of the head and thorax, and the creation of computer applications to reconstruct vehicle crashes.

Mr. Speaker, in June of this year Dr. Hess will become professor emeritus. I ask my colleagues to join me in congratulating Dr. Hess on his outstanding work at the University of Michigan Transportation Research Institute.

THE RETIREMENT OF ANN MONDELLO

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. ASPIN. Mr. Speaker, I would like to call the attention of my colleagues to the impending retirement of one of the stalwarts of the Armed Services Committee staff, Ann Mondello. Ann has just completed her 25th markup with the Armed Services Committee, which certainly has to be some kind of record.

Ann joined the committee staff in 1967. Since that time she's worked for four different chairmen and five different staff directors. In fact, only two members of the committee—CHARLIE BENNETT and BILL DICKINSON—can claim the longevity with the committee that Ann has enjoyed.

Needless to say, the past 25 years have brought major changes to our Nation and the military, and the committee has been fortunate to have had Ann helping us adapt to those changes. She began working here with the Research and Development Subcommittee, but soon shifted her sights to the Personnel Subcommittee. There she played a key role in legislation bringing about the All Volunteer Force, the total force policy, the Defense Officer Personnel Management Act, Selective Service, and the list goes on and on.

In early 1984 she became the executive assistant to the staff director, a position she has held with distinction to this day.

It's difficult to summarize in a few words the importance of Ann's quarter of a century of dedicated service to the committee and the Congress. But let me try to put it this way: Ann has always put the interests of the committee and its members first; she's always been willing to go the extra distance to make sure things got done right and got done on time; she's been a mentor to new staff members, giving freely of her time and knowledge; and she's been a good friend to all of us.

Kim Wincup, our former staff director and now Assistant Army Secretary, said that Ann was his "good right arm" during his entire tenure here. To all of us, Ann has been a pillar of dedication and determination.

Mr. Speaker, all of us on the Armed Services Committee wish Ann every blessing in her new life and the best of everything for she and her husband Tony. We hope she'll come back to visit; she will truly be missed.

IN HONOR OF ANN MONDELLO ON THE OCCASION OF HER RETIREMENT

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. DICKINSON. Mr. Speaker, today I would like to honor Ann Mondello, who is retiring after serving with the House Armed Services Committee since her appointment by Chairman Mendel Rivers in 1967. As I think back on the long list of members and staff who have worked on this committee during the past 24 years, Ann's tenure is matched only by my own and Charlie Bennett's.

Over this time, Ann has lent her talents to the HASC and has played a variety of critical roles. She retires as the executive assistant to the staff director, a position she has held since 1984, outlasting one staff director and in the process of "breaking-in" another. Ann has brought a wealth of experience to this post, experience that she accumulated during her years as a full committee staff member, as well as a member of the Research and Development and Personnel Subcommittees. Her contribution to our committee is impossible to measure and will be with us all long after she has left.

Ann's list of accomplishments is lengthy and the amount of time she has spent with the committee, remarkable. However, it will not be the number of years of service for which I will remember Ann so fondly, but instead for her high standards of professionalism, her political instincts, her personal touch, her kind, gentle manner, and above all, her friendship.

Ann retires today in order to spend more time with her husband Tony and her family, including two grandchildren and to perfect a tennis game that I hear is already in pretty good shape. Ann takes with her, my friendship, best wishes, and highest esteem. I will miss her.

100TH ANNIVERSARY OF MOVIEMAKING AND AMERICAN FILM

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. WEISS. Mr. Speaker, in 1993 moviemaking will celebrate its 100th anniversary. To mark this occasion, I have introduced a resolution today to honor this treasured American art form and distinctively American innovation.

The art and science of moving pictures was developed through the work of numerous creators in the United States—including Thomas Edison—and was perfected through many American inventions. But while America has contributed to the technology involved in moviemaking, it has left its indelible mark on the moving picture art and has indeed transformed this art form.

Films have reached every one of us—each of us has favorite pictures and beloved stars. America is home to unforgettable icons, from Charlie Chaplin and the Marx Brothers to Bogie and Bacall, John Wayne, and the thousands of larger-than-life men and women both of past years and in the present who command the silver screen both home and abroad.

Movies are more than an entertaining art form; they are also a successful creative enterprise. Moreover, they are America's ambassador to the world, conveying American values and beliefs, styles and attitudes. Their images and messages help convey the goals and aspirations of not only Americans but of people in every corner of the globe.

This resolution recognizes this wonderful American art form and calls for a nationwide celebration of the motion picture centennial through exhibitions, festivals, educational programs, and other activities. The resolution recognizes the American Film Institute [AFI]—whose founding legislative mandate is to help preserve the heritage of American film—and its role in helping to coordinate these activities. It also calls upon the AFI to join with regional entities and other interested groups throughout the country in related activities.

Hopefully, this resolution will assist in helping all Americans to celebrate an art form which has touched generations of Americans, which continues not only to entertain but also to inspire, and which has written a living history of our Nation's cultural heritage.

TRIBUTE TO SAMUEL E. COURTNEY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. DYMALLY. Mr. Speaker, I rise to pay a special tribute to a man that many consider as a Washington institution. For decades, Samuel E. Courtney, affectionately known as "Courtney," was a fixture at events all over the Washington area with his ever-present cameras and a true sense of concern.

Samuel E. Courtney was born on March 20, 1919, in Washington, DC. He was introduced to photography by Lee Dunlap in the early thirties. Mr. Dunlap showed Courtney and his friends how to make a pin hole camera as well as crystal radios. From 1938 to 1945 Courtney served in the U.S. Army in the 19th Cavalry Machine Gun Troop which was stationed at Fort Myer, VA. After his discharge from the Army, he held a number of jobs including service as a waiter on Capitol Hill. In 1958, Courtney began his career as a freelance photographer for Jet magazine, a past he still holds. Courtney currently serves as the Washington bureau chief of the Daytona Times. Among the outlets that use his photographys are: The Washington Afro-American, National Chronicle, Washington Informer, Capitol Spotlight, Washington Observer, and the National Newspaper Publisher's Association.

In the African-American community, it is an established fact that if Courtney was at an event, the photographs taken would be seen in a number of publications.

Mr. Speaker, Courtney is a true long distance runner in the race for social equality and justice.

Courtney was on the frontline when African-American journalists had difficulty gaining access to press conferences and other news events. When we look at the growing number of African-American journalists, we owe a special debt of gratitude to Courtney and others who blazed the trail.

Mr. Speaker, sometimes great contributors aren't recognized until after their work is done. In the case of Courtney, I want to register my unequivocal commendation right here and now.

Courtney, you are a pillar of strength. I appreciate your efforts. I honor your work and I am glad you are there to keep politicians and others in line.

Thanks Courtney and keep on recording our history.

TRIBUTE TO REAR ADM. DANIEL W. McKINNON

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. SKELTON. Mr. Speaker, it has come to my attention that Rear Adm. Daniel W. McKinnon, Supply Corps, U.S. Navy, is retiring on July 1, 1991, after completing 35 years of faithful service to the Navy and his country. I take this opportunity to recognize and commend him. Culminating a distinguished naval career, Dan is currently serving as the commander, Naval Supply Systems Command and chief of Supply Corps.

Mr. Speaker, I would like to outline his career accomplishments, however, I must make note of the fact that he and I attended Missouri University together in the 1950's. Hailing from St. Joseph, MO, Dan received his bachelor of science degree in business administration in June of 1956 from the University of Missouri through a NROTC scholarship. Following his graduation, he was commissioned an ensign in the Supply Corps, U.S. Navy. Additional educational accomplishments include receiving his master's degree in business administration with distinction from the University of Michigan and graduating with distinction from the Industrial College of the Armed Forces. In addition, he was a 1986 Capstone Fellow of the National Defense University.

His tours at sea include assistant supply officer on the U.S.S. *Boxer* [CVS 21] and Supply Officer on the U.S.S. *Princeton* [LPH 5] where he saw service with Marine Corps units in Vietnam. Shore duty tours include stock control officer, U.S. Naval Air Station, Lakehurst, NJ; contracting officer of the naval support activity, Naples, Italy; United States Navy liaison officer to the U.N. Forces in the Middle East; contracting officer at the Navy Aviation Supply Office, Philadelphia, PA; purchasing superintendent, Charleston Naval Shipyard, and director, contracts department, Naval Supply Center, Charleston SC. From 1970 to 1974, he was assigned to the Naval Supply Systems Command where he first served as director of the Sea and Overseas Assignment Branch in the office of the director of supply corps personnel and subsequently as the executive assistant to the commander, Naval Supply Systems Command/Chief of Supply Corps.

He was promoted to Captain in 1977 while serving on the staff of Commander-in-Chief, Pacific Fleet, where he was responsible for Pacific area supply management policy ashore and afloat. In 1978, he joined the Naval Sea Systems Command in Washington, DC as director of the Shipbuilding Contracts Division where he led a Navy effort to change its methods of contracting for ship overhauls, as well as director of the Contract Administration and Claims Settlement Division. In May 1980, Dan assumed command of the United States Naval Supply Depot, Subic Bay, Republic of Philippines, responsible for logistic support of both U.S. Marine Corps and Seventh Fleet units during the crises in Iran and Afghanistan. In July 1982, he was assigned as director of supply corps personnel and was selected for promotion to flag rank the following year. At that time, he was assigned as assistant commander for inventory and systems integrity, Naval Supply Systems Command, where he was responsible for ADP acquisition and modernization programs. In March 1984, he assumed duties as vice commander of the Naval Supply System Command. In August 1986, he became deputy director, Acquisition Management of the Defense Logistics Agency. His responsibilities included contract administration of over $270 billion in Department of Defense contracts as well as management of a multibillion dollar purchasing system that included everything from spare parts to food and fuel used by ships and aircraft around the world. In July 1988, he became commander, Naval Supply Systems Command and the 36th Chief of Supply Corps.

In his current assignment, through superb leadership, Dan established a vision of and definition for the Navy integrated supply system and supply corps for the year 2000 and beyond. By employing comprehensive strategic and business planning methods, his command and the supply system performed brilliantly in its fleet support mission, culminating in the exceptional Navy logistics success achieved during Operation Desert Storm. His pursuit of logistics integration brought supply and maintenance activities together as a synergistic team. Inventory control points and supply centers, embracing total quality leadership, work in tandem with their industrial partners in shipyards and aircraft rework facilities. This process allowed him to leverage resources and maximize effectiveness through system automation and process improvement. His leadership toward a best value contracting philosophy and his comprehensive plan for a streamlined, highly service-oriented Navy resale system are further examples of his superior service. By his inspirational leadership, unrelenting perseverance, and tenacious dedication to duty, he rendered valuable and distinguished service and contributed greatly to the success of supply and logistics operations worldwide.

His career decorations include the Defense Distinguished Service Medal, the Distinguished Service Medal, the Legion of Merit with goal star in lieu of second award, the Meritorious Service Medal with two gold stars and the Navy Achievement Medal [Combat v] with one gold star.

In 1987, President Reagan appointed him as a member of the President's Committee for Purchase from the Blind and Other Severly Handicapped. In private life, he is on the boards of the Navy Federal Credit Union, Navy Mutual Aid Association and the Navy Relief Society; and is a member of the board of advisors of the National Contract Management Association.

In the last several years, Dan has shared his unique knowledge and great expertise concerning defense acquisition by personally participating in numerous congressionally sponsored procurement seminars. In this capacity he has been of great assistance to me, many of my colleagues and thousands of our constitutents.

A man of Rear Adm. Dan McKinnon's talent and integrity is rare indeed. Although his honorable service will be genuinely missed, it gives me great pleasure today to recognize him before this body and to wish him fair winds and following seas as he brings to a close his long and distinguished career in the U.S. Naval Service.

TRIBUTE TO MISS ILLINOIS FOR 1991 JULIE KEMMERLING

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. FAWELL. Mr. Speaker, I rise today to pay tribute to Julie Kemmerling, who has been named Miss Illinois for 1991. She graduated from Hinsdale Central High School, attended Drake University in Des Moines, IA, for 2 years, and is now attending Columbia College, in Chicago, IL, where she is pursuing a B.S. degree in broadcast journalism. She is an honor roll student and a member of Delta Gamma Sorority. Julie is also a former Miss Iowa for the 1988 Miss USA Pageant.

Julie participates in many charitable organizations and activities. She visits weekly at the Hinsdale Hospital pediatrics ward and at the Wellness Community of Hinsdale. She was also involved in the Multiple Sclerosis Walk-a-Thon, and was one of the many Chicago celebrities who took part in the nationally televised 20th Annual Easter Seal Telethon on Sunday, March 3, 1991.

Mr. Speaker, I am honored to recognize and to pay tribute to such a talented and giving young lady. It makes me proud to have Julie Kemmerling as a member of the 13th Congressional District of Illinois, and I encourage her to continue to use her talents so that others may benefit. I wish the best of luck to Miss Illinois of 1991 in all of her pursuits; she certainly deserves it.

A TRIBUTE TO SHELDON S. SOLLOSY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Sheldon S. Sollosy, this year's recipient of the Providence Rotary Club's Rhode Island Distinguished Citizen Award. Every year this award is presented to the person who best represents the Rhode Island business community professionally, civically, and charitably.

Sheldon S. Sollosy certainly meets this criteria. He has been president of Manpower, Inc., of Providence since 1954, and serves as vice chairman for government relations for the Greater Providence Chamber of Commerce. Mr. Sollosy holds numerous other positions in the community. He is the vice president of the Providence Public Library, and president of Vaad Hakashruth of Rhode Island. In addition, he is director of the Jewish Federation of Rhode Island, Leadership Rhode Island, Turks Head Club, Jewish Home for the Aged, and the Genesis School. Sheldon Sollosy is a member of the Workers Compensation Advisory Council, Board of Public Education Fund, Small Business Council, U.S. Chamber of Commerce, Governor's Small Business Council, and the Private Industry Council for the city of Providence as well.

Sheldon S. Sollosy has proven himself to be a key element of the Rhode Island community. It is with great pleasure that I congratulate Sheldon S. Sollosy on his many achievements. I wish him equal success in all his future endeavors.

HONORING MONSIGNOR SCLAFANI: A HALF CENTURY OF SERVICE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. SOLARZ. Mr. Speaker, I rise today with great pride and humbleness to pay tribute to a man who has served his city, his country, and his church for as many years as I am old, 50 years.

Msgr. Dominic A. Sclafani will celebrate his golden anniversary of ordination on Sunday, June 9, with a concelebrated Mass of thanksgiving at Our Lady of Grace Church in Brooklyn where he served as pastor for 12 of those distinguished years.

I would like to point out to my colleagues, that Monsignor Sclafani has been a priest through the terms of 10 American Presidents, from Franklin Roosevelt to George Bush. He has counseled and consoled adults and young people through a half-century of American history.

Monsignor Sclafani, who I am proud to count as a personal friend, was born in the Little Italy section of Manhattan. He attended PS–21, DeWitt Clinton High School, and Cathedral College, all in Manhattan, and Our Lady of Angels Seminary in Niagara.

He served as an assistant at St. Rosalia-Regina Pacis in Bensonhurst from 1941–1944; Our Lady of Mt. Carmel in Patchogue, Long Island from 1944–1945; was chaplin at Camp Upton in Westhampton, Long Island from 1945–1946; and was assistant at St. Michael-St. Edwards in Fort Greene in Brooklyn from 1946–1950.

In 1950, Monsignor Sclafani was assigned to St. John Evangelist in Brooklyn and became pastor there in 1966. He was named pastor of Our Lady of Grace Church in the Gravesend section of Brooklyn in 1970 and served in that capacity until retirement in 1982. He was named monsignor in 1981.

I have been blessed with the good fortune to honor many distinguished Brooklynites over my years in Congress. None has been more dedicated, more loyal, more tireless in his work than this remarkable man, Msgr. Dominic Sclafani.

TRIBUTE TO DR. EDWARD RHODE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to Dr. Edward Rhode who will be leaving his position as Dean of the School of Veterinary Medicine at the University of California, Davis, to return to teaching. Dr. Rhode has served as Dean for almost a decade and is now stepping down to devote his time to instructing our Nation's future veterinarians.

Dr. Rhode was born and raised in Amsterdam, NY. In 1943, he graduated from high school with honors. After attending Union College in Schenectady, NY for 1 year, he entered the Doctor of Veterinary Medicine program at Cornell University.

Upon completing his education, Dr. Rhode entered private practice for a year. He then received a position as instructor in the Department of Medical Surgery and Clinics, School of Veterinary Medicine, Kansas State College.

In 1951, Dr. Rhode became an assistant professor of Veterinary Medicine at U.C.D. Since then, he has received several promotions and much critical acclaim. In 1967, he became the head of the Division of Medicine, Department of Clinical Sciences. The following year, he was promoted to chairman of the Department of Clinical Science, School of Veterinary Medicine, at Davis. Dr. Rhode was again promoted, in 1971, to Associate Dean of the School of Veterinary Medicine, and he became the Dean in 1982. For almost a decade, he oversaw one of the most respected veterinary schools in the country.

Dr. Rhode is not only an exceptional administrator, he is also an accomplished researcher and distinguished teacher. In 1959 and 1966, he received several research fellowships, and, since coming to Davis, he has written an impressive number of scientific articles. In addition, he was past president of the American Association of Veterinary Medicine Colleges and has been involved in a great number of prestigious committees, including participation in various university committees covering almost every aspect of campus life. To his credit as a teacher, Dr. Rhode was listed among the 1972 Outstanding Educators of America.

In today's world, when we frequently hear about teachers leaving the field of education for lucrative jobs in the private sector, it is heartwarming to know that someone as experienced and respected as Dr. Rhode will return to teaching. Such dedication to education is a fine example not only to his students but to all of us.

Mr. Speaker, I am sure that my colleagues today will join me in saluting Dr. Edward Rhode, a distinguished administrator, researcher, scholar, and teacher. I would like to send my personal best wishes to Dr. Rhode in his current endeavors and in the years to come.

A TRIBUTE TO FLINT JOURNAL EDITOR ED BACKUS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. KILDEE. Mr. Speaker, I very much appreciate this opportunity to honor Ed Backus, a veteran Michigan journalist who formally retired last week, at the end of May, after more than 40 years in the media.

Politicians and journalists sometimes have adversarial roles, even if they personally get along together. So it's not too often that you see a tribute from one to the other in the pages of the CONGRESSIONAL RECORD.

But Ed Backus has been a contributing factor in journalism in my hometown of Flint, MI, for about as long as I've been in public service, and his clear eye and quick wit will be both missed and long appreciated.

As a journalist, Ed had his hand in almost all elements of journalism in at least two States that I know of—Illinois and Michigan. In Flint, he was involved with television before joining the Flint Journal newspaper in 1968. Ten years later, he joined the staff of the newspaper's opinion page, where he has served as associate editor.

Ed's colleague on the editorial pages, Editor David Fenech, recently quipped that Ed had finally decided to trade in the pencil for the golf course, where he undoubtedly would be as expansive in his opinions as ever.

If that's true, I sincerely hope that other golfers listen when Ed speaks, because his opining on the editorial pages of the Flint Journal has been well worth the reading.

Mr. Speaker, I sincerely hope that Ed Backus enjoys a grand and rewarding retirement, for he certainly deserves it. But I would like it known for this RECORD that I personally am a better person for Ed's wisdom, and all of us in the Flint community will be the poorer for his journalistic absence.

FARMINGTON REALTOR HONORED

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. RICHARDSON. Mr. Speaker, it gives me great pleasure to advise my colleagues that a constituent of mine has been honored for her real estate sales expertise.

Claudine Riddle of Claudine's Real Estate in Farmington, NM, has been selected as an honored member in Steven's Who's Who in Real Estate.

Ms. Riddle has been helping New Mexicans find their perfect homes for 20 years. Selling homes is a tough, highly competitive business with a high turnover rate among realtors. Having been in business for two decades, it is obvious Ms. Riddle has what it takes to do the job and do it right.

Ms. Riddle is also the education director for the San Juan County Board of Realtors and past president of the Women's Council of Realtors. She has served as legislative chairman of the San Juan County Board of Realtors. She was appointed by Governor Bruce King to the New Mexico State Housing Authority Commission and was reappointed by Governor Toney Anaya.

In addition to her distinguished real estate career, Ms. Riddle has been an outstanding member of the community and a great asset to our State. I urge my colleagues to join me in congratulating Ms. Riddle for a job well done.

BUSINESS LOBBY TARGETS DEMOCRATS IN UNFAIR, RACE-BAITING ADS ON ALLEGED "QUOTAS" IN CIVIL RIGHTS BILL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. CONYERS. Mr. Speaker, opponents of H.R. 1, the Civil Rights Act of 1991, notably the so-called fair employment coalition, have sunk to new lows in their spurious campaign to label this a "quota" bill. The latest tactic used by this group is to run race-baiting advertisements and radio commercials in targeted districts of democratic Members of Congress. See attached article in the New York Times.

This group's conduct is to be contrasted with the admirable effort of the Business Round-Table—a high-powered business lobby led by the head of ATT—which was able to reach agreement with civil rights groups on a bill they were satisfied did not force employers to adopt hiring quotas. As Members know, this agreement was scuttled by the White House but the negotiations revealed that responsible business groups and the Leadership Conference on Civil Rights were able to craft a civil rights bill that put to rest the bogeyman of "quotas."

You may ask, "Which group represents the business viewpoint?" I believe that the so-called fair employment coalition represents the views of conservative ideologues in the Republican Party and White House, not the views of legitimate businesses who have demonstrated they do not fear H.R. 1 will force them to adopt quotas.

This latest tactic of using race-baiting ads against democratic Members who support civil rights should be roundly condemned. In particular, the businesses in whose name the fair employment coalition speaks should be made aware that the FEC is engaging in scurrilous ads that foster racial divisions. The following list of the FEC's members was distributed to Members of Congress last year. The FEC did not respond to a request from my staff to identify the businesses who do not support its ad campaign.

EXAMPLE OF ADVERTISEMENTS IN SELECTED DISTRICTS

(Federal Election Committee "Say no to employment quotas," 60 Radio, May 10, 1991)

Female voice: Have you heard what Congress is doing?

Male voice: What now?

Female voice: They're at it again, trying to pass a bill that would force employers to hire and promote by quotas.

Male voice: Quotas? Again? You've got to be kidding.

Female voice: I wish I was. But under H.R. 1, main street businesses across the country would have to hire and promote by quotas.

Male voice: But I thought the law was supposed to guarantee equal opportunity, not special preferences.

Female voice: Me, Too. But now some Congressmen want to throw skill, ability, and experience out the window. They want to force businesses to hire by quota or face big ticket law suits.

Male voice: You mean a business could be sued just because they didn't hire by some quota formula?

Female voice: They sure could. They could be sued and lose big bucks.

Male voice: What can I do?

Female voice: Pick up the phone and contact Representative ——. Call at 202-225-3121 today, and ask him to oppose H.R. 1. Tell him you want equal treatment for everyone, not special preferences for a few.

Male voice tag: This advertisement paid for by the Fair Employment coalition. Not authorized by any candidate or candidate's committee.

THE FAIR EMPLOYMENT COALITION

Aerospace Industries Association.
Aluminum Company of America.
American Bus Association.
American Crystal Sugar Company.
American Cyanamid Company.
American Electronics Association.
American Furniture Manufacturers Association.
American Hotel and Motel Association.
American Iron and Steel Institute.
The American Mining Congress.
American Paper Institute.
American Telephone & Telegraph, Inc.
American Road 7 Transportation Builder's Assoc.
American Standard, Inc.
American Subcontractors Association.
American Textile Manufacturers Institute.
Ameritech.
Ashland Oil, Inc.
Associated Builders and Contractors.
Associated Employers of Illinois.
Associated General Contractors of America.
Associated Specialty Contractors Association.
Association of American Railroads.
Autoclave Engineers, Inc.
Ball Corporation.
Bank of America NT&SA.
Bell Atlantic.
BellSouth.
Bethlehem Steel Corporation.
The Boeing Company.
Boise Cascade Corporation.
Bommer Industries Incorporated.
Brown 7 Root, Inc.
Building Owners & Managers Assoc, International.
The Business Roundtable.
Carter Hawley Hale Stores, Inc.
Caterpillar, Inc.
CBI Industries, Inc.
Central States Can Company.
Central Illinois Employers Association.
Chamber of Commerce of the United States.
Chevron Corporation.
CIBA-GEIGY Corporation.
Construction Industry Manufacturers Association.
Detroit Tooling Association.
Diebold, Inc.
R.R. Donnelley & Sons.
The Dow Chemical Company.
Eastman Kodak Company.
Electronic Industries Association.
Emerson Electric Company.
Ethyl Corporation.
Exxon Company, U.S.A.
FHP, Inc.
FMC Corporation.
Food Marketing Institute.
Food Service and Lodging Institute.
General Dynamics Corporation.
OLENFED, Inc.
GenRed, Inc.
The Goodyear Tire & Rubber Company.
Halliburton Company.
Hallmark Cards, Inc.
Harahey Foods Corporation.
Honeywell, Inc.
Household International.
IMA Management Association, Clifton, NJ.
International Paper.
Jessup Steel Company.
The K-Mart Corporation.
Kiva Container Corporation.
Libbey-Owens-Ford Company.
3 M Company.
The Management Association of Illinois.
The Manufacturers Association, Warren, OH.
Mechanical Contractors Association of America, Inc.
The Mead Corporation.
Monsanto Company.
Motorola, Inc.
National Aggregates Association.
National Asphalt Pavement Association.
National Association of Manufacturers.
National Association of Plumbing-Heating-Cooling Contractors.
National Association of Stevedore.
National Association of Theater Owners.
National Association of Wholesaler-Distributors.
National Electrical Contractors Association.
National Federation of Independent Business.
National Ready-Mixed Concrete Association.
National Restaurant Association.
National Retail Federation.
National Roofing Contractors Association.
National Stone Association.
Pacific Telesis Group.
Painting and Decorating Contractors of America.
NYNEX Corporation.
Pakhoed Corporation.
Pfzar, Inc.
Plumley Corporation, Inc.
Portland Cement Association.
Power Tool Institute, Inc.
Ralston Purina Company.
Rockwell International.
Sandmeyer Steel Company.
Scott Paper Company.
Sears, Roebuck & Co.
Sheet Metal & Air Conditioning Contractors National Association.
Snap-On Tools.
Society for Human Resource Management.
Southwestern Bell Corporation.
Standard Register Company.
Sundstrand Corporation.

Superior Technical Ceramics Corporation.
Texaco, Inc.
Textile Rental Service Association of America.
TRW, Inc.
The Western Connecticut Industrial Council.
The Will-Burt Company.
Union Camp Corporation.
United Technologies.
UNOCAL Corporation.
USG Corporation.
USX Corporation.
Volvo North America Corporation.
Wells Fargo Bank.
Weyerhauser Company.
York International Corporation.

[From the New York Times, May 25, 1991]

CORPORATIONS ARE DESERTING GROUP BATTLING RIGHTS BILL

(By Steven A. Holmes)

WASHINGTON, May 24—Concerned about the economic impact of publicly opposing a civil rights measure, at least 21 major companies and an organization representing 200 big corporations have pulled away from a group formed last year to lobby against a broad civil rights bill.

Some of these companies, many of them large retailers, have declined to renew their membership in the group, the Fair Employment Coalition. Others have kept their membership, but are trying to distance themselves from the group.

Among those companies that have declined to be publicly identified with the coalition or that say they are no longer members are A.T.&T., Bank of America NT&SA, Bellsouth, Eastman Kodak, Hallmark Cards, Goodyear Tire and Rubber, Southwestern Bell, Hershey Foods, Nynex, the Pacific Telesis Group, Scott Paper, Sears, Roebuck & Company, and TRW Inc.

In addition, the Business Roundtable, made up of the chief executive officers of the nation's largest corporations, has withdrawn from the coalition.

Another corporation, the Exxon Company, U.S.A., was a member of the coalition last year, but a spokesman said the company would not comment on whether it was still a member.

Some of the companies that have dropped their membership say they still attend the group's meetings, participate in its discussions and back the coalition's goals. But they have declined to sign the group's "mission statement," which is a declaration of the organization's objectives.

"We feel we can represent our position effectively and with the appropriate amount of visibility without signing that statement," said Betsy Ricci, a spokeswoman for Nynex, which has opposed the civil rights bill.

A spokeswoman for a telephone company that has declined to sign this year's mission statement said the divisiveness of the debate over the civil rights bill had caused her company to rethink its membership in the coalition.

"The issue that the F.E.C. was formed around—civil rights—is such a hot potato right now that we've chosen to distance ourselves officially from the coalition," said the spokeswoman, who asked that neither she nor her company be identified.

But several major companies have retained their membership, including Boeing, Chevron U.S.A., Dow Chemical, United Technologies, Caterpillar and 3-M.

BUSH'S VETO THREAT

The legislation, now nearing a vote in the House, is intended to reverse six Supreme Court decisions that civil rights groups say have weakened Federal laws against discrimination in employment. The measure would also increase the amounts that courts can assess against employers who intentionally discriminate against women, religious minorities and the disabled. Last year, President Bush vetoed a similar civil rights bill, contending that it would force employers to adopt hiring and promotion quotas to avoid lawsuits. The Senate failed to override the President's veto.

On Thursday, Mr. Bush repeated a threat to veto this year's version of the bill, even though Democrats have eased some of the provisions in an attempt to make the bill more acceptable to the President. Mr. Bush called those changes "strictly cosmetic."

Peter Lunnie, the coalition's executive director, acknowledged that his organization was having a difficult time getting corporations to sign the mission statement this year.

"We're trying to get as many as we can just to provide cover for everybody," Mr. Lunnie said. "The associations are not a problem, but the companies are, because of not very veiled threats of boycotts."

ISSUE OF QUOTAS

The mission statement says that members of the Fair Employment Coalition "share a deep and common commitment to equality of employment," but that the group is united "in its opposition to legislation that would rewrite employment law in a manner which would encourage costly, unnecessary litigation at the expense of prompt, equitable resolution of disputes and induce employers to use quotas."

Wade Henderson, director of the Washington office of the National Association for the Advancement of Colored People, said the withdrawal of companies from the group "confirms our belief that these companies were unaware of the cynical campaign undertaken by the coalition's Washington representatives.

"Many of these companies have a long record of support for civil rights efforts," Mr. Henderson said. "They should be commended for their recent actions."

NO SURPRISE IN DEFECTIONS

The defection of A.T.&T. and the Business Roundtable from the coalition is hardly surprising. The giant telecommunications company recently prodded the roundtable into taking part in protracted, but ultimately unsuccessful, negotiations with supporters of the civil rights bill in an attempt to draft compromise legislation. Recent published reports have credited the coalition, which has worked closely with the White House, with scuttling the talks.

Throughout the debate on the civil rights bill, the coalition has declined to make public the names of its members. But a list of members was obtained elsewhere.

Some supporters of the bill say the coalition is merely an arm of the National Association of Manufacturers, a trade organization that has opposed the civil rights bill.

Mr. Lunnie, the executive director, denies that his group is an arm of the association, asserting that the manufacturers' organization is simply the coalition's leader.

Mr. Lunnie is, however, an official with the manufacturers' association, and the coalition's meetings are held at the association's offices. The coalition is not registered as a lobbyist. Instead it is listed on the lobbying report of the manufacturers' association.

Mr. Lunnie also said he knew of only two companies that had withdrawn from the coalition.

CAMPAIGN TO SWAY VOTES

The coalition recently began an advertising campaign in the districts of 13 House members it considers swing votes on the civil rights bill, asking voters in those districts to urge their representatives to vote against the bill.

Copies of the print advertisements and transcripts of the radio commercials were circulated to all House members by Representative Tom DeLay, a Texas Republican who opposes the measure.

"It was just an F.Y.I.," said Roger Morse, an aide to Mr. DeLay. "Only the other side has really been applying the pressure. Mr. DeLay just wanted to let members know that there is another side that is applying pressure out there, and this is what is going to happen."

A SALUTE TO ROGER MARIS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, 1991 marks the 30th anniversary of one of sport's most memorable and enduring achievements, Roger Maris' conquest of baseball's home run record.

While his 61 home runs marked 1961 as a year to remember for sports fans and admirers everywhere of heroic achievements, Roger Maris is remembered each summer in his hometown of Fargo, ND. To raise funds for the Roger Maris Cancer Center, the Hospice of the Red River Valley, and his alma mater, Shanley High School, the community sponsors a wonderful weekend that includes a banquet, auction of sports memorabilia, and a celebrity golf tournament.

Teammates of Roger's, Hollywood stars, some of the biggest names in the sports world today, and fans from around the country converge on Fargo to enjoy each other's company and to pay tribute to the extraordinary man who was Roger Maris. This year the event is June 30 and July 1.

The world knows that Roger still holds the home run record and baseball fans know Roger was twice the American League's most valuable player, played in seven World Series, and was, in addition to his famed batting exploits, one of the finest fielders to play the game. But there's another Roger Maris—one that his family, friends, and community know. That's the Roger Maris who was a loving father and husband, a loyal and dedicated friend, a modest and hardworking man who never forgot his roots.

I congratulate the people of Fargo who pour their energy and enthusiasm into a summer weekend to honor the memory of this uncommon man.

TRIBUTE TO NOAH EIG

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1991

Mr. RHODES. Mr. Speaker, when I was growing up here in the Washington area, I attended Landon School, in suburban Maryland. My son, Arthur, is now in the fifth grade at Landon. The school is well known in the area for excellence in all aspects of the education of young men.

Another well-known school, appreciated for its excellence, is St. Albans, in the district.

For more than 50 years a fierce but friendly rivalry between Landon and St. Albans has been a central feature of life at both schools. This rivalry is of Army-Navy proportions, and annual sporting events between the schools are highlights of the season, and victory marks the success or failure of the teams involved, regardless of sport, and regardless of record.

On May 17, 1991, the Landon and St. Albans lacrosse teams were locked in titanic struggle, not just for bragging rights between the two schools, but also for the championship of the Interstate Athletic Conference. More than 1,000 people were in attendance, including several members of my Landon class of 1961, who now have sons enrolled at the school, and including many who do not have students currently enrolled, but for whom the draw of another Landon-St. Albans contest could not be ignored.

In the midst of festivities, tragedy struck—literally. A typical Washington summer thunderstorm suddenly came up, the officials called a halt to the game, and the field was cleared. The teams sought safety in their buses and the gym, and the spectators scattered. A small knot of students and parents huddled under one of the huge, old trees that fringe the edge of the St. Albans playing field, and it was at this tree that fate flung a huge bolt of lightning, and it was under this tree that Noah Eig, 15-year-old Landon freshman died.

I didn't know Noah; I am acquainted with some of his family. His first cousin is in my son's class, and one of Arthur's best friends. One of my classmates who was there is a physician, and helped provide aid and assistance to the injured. His daughter, a senior at Landon's sister school, Holtyon Arms, and an intern in my office, arrived immediately after the lightning strike. Her younger sister was a close friend of Noah's.

The Landon family is large, and close. Graduation is not the end of the Landon experience, but just the beginning. This kind of tragedy touches every single one of us. I wonder how my son is dealing with this. It is his first experience with death. We have talked to him, and are talking to him, and he seems to respond to us, but how badly is he hurt? We know that the boys are talking among themselves, and Arthur has been sought out by his friend, Noah's cousin, and has spent a lot of time with him.

When a death occurs, it is natural to try to find some explanation, something that can help us to understand why a life has been taken from us. How can these young people understand what has happened to them? How can Noah's classmates and schoolmates explain to themselves why he is no longer with them? As a member of that large and loving Landon family, I am hurt by this loss, and I can only barely imagine the sense of loss of these young people, and I feel for them, very deeply.

To Noah's family, I can only express my deepest and most profound sympathies. I can think of nothing more tragic or heartbreaking than for a parent to have to bury a child. The Landon family can do nothing to make your burden any lighter or your sorrow any less deep, but we share it with you, and you have our love.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, June 4, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 5

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine the impact of certain pesticides manufactured in the United States and exported to Third World countries.
SR-332

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for activities of the Secretary of the Interior, and Members of Congress.
S-128, Capitol

Armed Services
Manpower and Personnel Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on the total force policy report, and manpower and force structure plans.
SD-628

Governmental Affairs
Federal Services, Post Office, and Civil Service Subcommittee
To hold hearings to examine postal enforcement of the Agricultural Quarantine Enforcement Act.
SD-342

Select on Indian Affairs
To hold hearings on S. 667, to provide support for and assist the development of tribal judicial systems.
SR-485

10:00 a.m.
Foreign Relations
International Economic Policy, Trade, Oceans and Environment Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1992 for foreign assistance.
SD-419

11:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings to examine recycling programs of the Resource Conservation and Recovery Act.
SD-406

2:00 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the Department of Housing and Urban Development.
SD-138

Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To resume hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on ICBM modernization.
SR-222

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 106, to revise the Federal Power Act to prohibit the granting of a Federal license for a hydroelectric project unless the applicant complies with all substantive and procedural requirements of the affected State in which the project is located with respect to water acquisition and use.
SD-366

Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
Closed briefing on Moscow Embassy construction plans.
S-116, Capitol

2:30 p.m.
Judiciary
To hold hearings on the nominations of Saundra Brown Armstrong, to be United States District Judge for the Northern District of California, Timothy K. Lewis, to be United States District Judge for the Western District of Pennsylvania, and William L. Osteen, Sr., to be United States District Judge for the Middle District of North Carolina.
SD-226

JUNE 6

9:00 a.m.
Armed Services
To hold hearings on the nomination of Nancy Patricia Dorn, of Texas, to be an Assistant Secretary of the Army (Civil Works).
SR-222

Labor and Human Resources
Business meeting, to mark up S. 323, to require the Secretary of Health and Human Services to ensure that pregnant women receiving assistance under title X of the Public Health Service Act are provided with information and counseling regarding their pregnancies.
SD-430

9:30 a.m.
Energy and Natural Resources
To hold hearings on the nominations of John Schrote, of Ohio, to be Assistant Secretary of the Interior for Program, Budget and Administration, and Mike Hayden, of Kansas, to be Assistant Secretary of the Interior for Fish and Wildlife.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
To continue hearings to examine recycling programs of the Resource Conservation and Recovery Program.
SD-406

Finance
To resume hearings to examine the causes and effects of rising health care costs and the status of access to health insurance, focusing on efforts by insurers to restrain rising health care costs and ways to improve access to affordable health insurance coverage for employees of small businesses and their dependents.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on enforcement and administration of the Foreign Agents Registration Act (FARA).
SD-342

Veterans' Affairs
Business meeting, to mark up pending legislation.
SR-418

10:00 a.m.
Foreign Relations
International Economic Policy, Trade, Oceans and Environment Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1992 for foreign assistance.
SD-419

10:30 a.m.
Banking, Housing, and Urban Affairs
Business meeting, to mark up S. 1194, to improve public transportation throughout the U.S.
SD-538

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-216

2:00 p.m.
Foreign Relations
European Affairs Subcommittee
To hold hearings to examine the future of the Soviet military.
SD-419

Judiciary
Courts and Administrative Practice Subcommittee
To resume hearings on overview of the bankruptcy code, focusing on cramdowns of residential real estate mortgages in Chapter 13 bankruptcies.
SD-226

JUNE 7

9:30 a.m.
Armed Services
Projection Forces and Regional Defense Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on antisubmarine warfare programs, including attack submarine programs.
SR-222

Governmental Affairs
To hold hearings on the nomination of Preston Moore, of Texas, to be Chief Financial Officer, Department of Commerce.
SD-342

Joint Economic
To hold hearings to review the employment-unemployment situation for May.
SD-562

JUNE 11

2:00 p.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on S. 433, to provide for the disposition of certain minerals on Federal lands, and S. 785, to establish a Commission to study existing laws and procedures relating to mining.
SD-366

JUNE 12

9:00 a.m.
Armed Services
To hold a briefing on the Persian Gulf War.
SH-216

Select on Indian Affairs
To hold hearings on S. 962, and S. 963, bills to confirm the jurisdictional authority of tribal governments in Indian country.
SR-485

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Veterans' Affairs
To hold hearings on S. 775 and S. 23, to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain disabled veterans, sections 111 through 113 of S. 127, and related proposals with regard to radiation compensation, and proposed legislation providing for VA hospice-care.
SR-418

10:00 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax bills, including S. 90, S. 150, S. 267, S. 284, S. 649, and S. 913.
SD-215

JUNE 13

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Carolyn R. Bacon, of Texas, Martha Buchanan, of Texas, and Sheila Tate, of Virginia, each to be a Member of the Board of Directors of the Corporation for Public Broadcasting.
SR-253

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings to review revenues from additional radio spectrum allocations.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on proposed legislation on municipal pollution control, including S. 1081, authorizing funds for water pollution prevention and control programs of the Clean Water Act.
SD-406

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings of enforcement of anti-dumping and countervailing duties.
SD-342

10:30 a.m.
Armed Services
To hold hearings on the nominations of Gen. Gordon R. Sullivan, USA, to be Chief of Staff of the Army, and Lt. Gen. Carl E. Mundy, Jr., USMC, to be Commandant of the Marine Corps.
SR-222

Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings to examine national tourism policy.
SR-385

2:00 p.m.
Foreign Relations
To hold hearings on the Agreement between the United States and the Union of Soviet Socialist Republics on the Maritime Boundary, with Annex, signed at Washington, June 1, 1990 (Treaty Doc. 101-22).
SD-419

JUNE 18

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

10:00 a.m.
Judiciary
To resume hearings on legislative proposals to strengthen crime control.
SD-226

JUNE 19

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the National Native American Advisory Commission.
SR-485

10:00 a.m.
Foreign Relations
European Affairs Subcommittee
To hold hearings to examine the future of the Soviet economy.
SD-419

2:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for the Corporation for Public Broadcasting.
SR-253

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 933, to provide fair funds to consumers of natural gas who are found to have been overcharged.
SD-366

JUNE 20

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings to review broadcasters' public interest obligations.
SR-253

JUNE 26

9:30 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.

SD-342

Veterans' Affairs

Business meeting, to mark up pending calendar business.

SR-418

2:00 p.m.

Select on Indian Affairs

To hold hearings on S. 362, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.

SR-485

JULY 16

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on proposed legislation authorizing funds for rail safety programs.

SR-253

CANCELLATIONS

JUNE 5

10:00 a.m.

Armed Services

Readiness, Sustainability and Support Subcommittee

To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on the Defense Environmental Restoration Account and the service environmental compliance funds accounts.

SR-222

JUNE 20

9:00 a.m.

Select on Indian Affairs

To hold oversight hearings on the Navajo-Hopi relocation program.

SR-485

SENATE—*Tuesday, June 4, 1991*

(Legislative day of Monday, June 3, 1991)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Behold how good and how pleasant it is for brethren to dwell together in unity!—Psalm 133:1.

Eternal God of peace and love, we celebrate our unity as a Nation—E Pluribus Unum— but we also celebrate our diversity. We thank Thee for unity which prevents diversity from becoming anarchy and for diversity which prevents unity from becoming uniformity.

Mighty God, here are 100 of the most powerful people in the world. Grant that the power each Senator holds be united with the power of the other 99 so that, like a great symphony, they will make beautiful music which will bless the world. Help us never forget, "United we stand, divided we fall." Forbid, Lord, that differences be so divisive that the Senate be polarized and paralyzed, and the whole become less than the sum of its parts.

In these desperately critical days, economically, socially, and internationally, may we never allow division to emasculate the greatness and power of our Nation and forfeit the leadership which has so clearly identified us in the world.

We ask this in the name of Him whose leadership was servanthood. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC., June 4, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

WELCOME BACK REVEREND HALVERSON

Mr. MITCHELL. Mr. President, I know all Senators join me in welcoming back to the Senate our beloved Chaplain, Reverend Halverson. We are pleased that he has recovered, and we look forward to continuing to work with him and to benefit from his guidance in prayer.

SCHEDULE

Mr. MITCHELL. Mr. President, there will be a period for morning business today not to extend beyond 11 a.m., with Senators permitted to speak therein. The time between 10 a.m. and 11 a.m. will be under the control of the majority leader or his designee.

At 11 a.m. this morning the Senate will resume consideration of S. 173, the modified final judgment bill.

From 12:30 p.m. until 2:15 p.m. today, the Senate will stand in recess in order to accommodate the respective party conferences.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Michigan is recognized.

Mr. LEVIN. I thank the Chair.

(The remarks of Mr. LEVIN pertaining to the introduction of S. 1198 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. LEVIN. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

TRADE RELATIONS WITH THE PEOPLE'S REPUBLIC OF CHINA

Mr. MOYNIHAN. Mr. President, this morning the distinguished majority leader and others will be speaking about the question of our trade relations with the People's Republic of China. Specifically to note that China now enjoys most-favored-nation treatment, in contradistinction to countries such as the Soviet Union. I have joined the majority leader and other Senators in legislation that would condition most-favored-nation treatment upon the President's certifying that certain minimum standards of international legality and human rights are maintained by the Government of the People's Republic.

I will take just a moment of the Senate's time to mention the question of Tibet, which is as far away as a land could be, and which has somehow disappeared from time to time, at least from the memory of the international community. Tibet was an independent nation that was invaded and conquered and is now occupied by the People's Republic of China. The invasion took place when our own concerns were very much distracted by the invasion of South Korea by North Korea, later joined by the People's Republic. But since 1950, that has been the reality. The world has not accepted it but has never sufficiently protested it.

There is no question that Tibet was an independent nation prior to that event. It had been recognized by the countries around it, by Bhutan, a Buddhist country to the south; by Nepal; by Mongolia to the north. Great Britain, through the British Government in India, recognized Tibet and czarist Russia did. The United States sent emissaries there in 1942 at a time when we were allied with China in the war against Japan, and they were specifically received by Foreign Office officials—like our State Department officials—as representatives of a legal entity. Tibet was a country that could have joined the United Nations, a country that ought to have done, and per-

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• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

haps His Holiness the Dalai Lama has had occasion to comment on that.

Of note here is the fact that the one great violation of international standards in the world today with respect to the occupation by one sovereign nation of another is China's occupation of Tibet. It is the largest occupation in land area, and most grotesque and savage in terms of its genocide of the Tibetan people, their replacement by Han Chinese and the exile of the Government of Tibet to India. Yet, the People's Republic denies the existence of the issue. It seems to me appropriate that the United States Senate should insist that, if the Chinese Government chooses to deny its occupation of a soverign nation, we choose to affirm and deplore it.

Mr. President, I thank the Chair and I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. WIRTH. I thank the Chair.

(The remarks of Mr. WIRTH pertaining to the introduction of S. 1199 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Under the previous order the remaining time between now and 11 a.m. is under the control of the majority leader.

The Chair recognizes the majority leader, Senator MITCHELL.

ANNIVERSARY OF TIANANMEN SQUARE MASSACRE

Mr. MITCHELL. Mr. President, 2 years ago today, hundreds of unarmed Chinese students and workers, men and women, were brutally massacred on the orders of their own Government, because their peaceful demonstration of dissent threatened the power and privileges of an aged Communist elite.

The Western World watched transfixed as the students raised the statue of the Goddess of Liberty in Tiananmen Square to symbolize their hope for personal freedom and a better life.

The world watched in disbelief that turned to horror as army troops, tanks, and armed soldiers moved against a defenseless people, as it became clear that the ruling regime of China would not be deterred from suppression.

A month after the massacre, after vowing to the American people that the Chinese Government would pay a price for its repression, President Bush sent a secret high-level delegation to deal with that Communist regime.

Half a year later, President Bush vetoed a bill to protect the Chinese students in this country against forced repatriation. He said he would issue an Executive order which would have the same effect. But he did not.

Only under the pressure of public opinion did he finally agree to give these innocent people the political refuge to which their cause entitled them from the beginning.

And Christmas 1989, the season of peace, the year of the massacre itself, saw the President, high-level appointees toasting the authors of the Tiananmen Square massacre, on behalf of our Government.

Meanwhile, then and ever since then, the Communist regime in China was hunting down, imprisoning, torturing, and executing people whose only crime was that they want democracy.

The American people do not favor support of the current regime in China. The Congress is on record as voting overwhelmingly against that regime's repression. The world community condemns the renewal of political indoctrination in China, the new limits on overseas study, the increased surveillance of people and the renewed danger to dissenters.

The whole civilized world recoiled at the horror the Chinese regime unleashed.

A year ago today, Chinese students risked death or imprisonment to honor the martyrs of the prodemocracy movement by laying wreaths and trying to assemble at the site. This year, the cordon of troops around the square has prevented even those signs, those modest signs of respect for the dead and wounded of the protest movement.

Last year, scarcely a week before the anniversary of the massacre, President Bush requested renewal of most-favored-nation trade status for China.

Last year, the President said renewal of that trade status for China was the best way to bring about a transformation of Chinese Government policy and practice; the best way to support the goals for which young men and women gave their lives on the pavement of Tiananmen Square.

Now another year has gone by.

The martyrs of Tiananmen are as dead today as they were a year ago. And dead along with them is the hope of transformation in China.

Nothing has changed. The regime remains intransigent. The protesters still at large are still subject to imprisonment, torture, inhuman terms of confinement and deprivation of all rights by what can only be called kangaroo courts.

Any Chinese man or woman, regardless of age, suspected of sympathy for the dissenters is subject to arbitrary arrest, detainment, trial and imprisonment, not for things actually done, but for things the person believes others had the right to do.

The year-long renewal of most-favored-nation trade status for China has brought the world precisely nothing in the way of reform of the Chinese regime. It has brought the United States precisely nothing in the way of an improved world climate for peace. It has brought the people of Hong Kong precisely nothing in the way of assurance about their future under Chinese rule.

The policy of encouraging China's Government to take the minimal steps that are the responsibility of every government has failed in each and every particular of its goals.

It has not encouraged the Chinese regime to respect the human rights of any Chinese citizen;

It has not persuaded the Chinese Government to become a responsible party in the world effort to control the transfer of arms and arms technology;

It has not emboldened the Chinese Government to broaden its experiments with a market economy beyond one province;

It has not changed the Chinese Government's genocidal treatment of the people of Tibet;

It has not made the Chinese Government respect the elemental rules of fair trade even in its trade relationship with the United States.

When a policy designed to effect change in all these ways fails to effect change in even one of them, the adherents of that policy must join all others in realizing that it is a failed policy.

Yet once again today, on the second anniversary of the Tiananmen massacre, with hundreds if not thousands of political prisoners in China, with repression across that society the order of the day, with violence against the people of Tibet unabated, with arms sales proliferating undeterred and with trade policies that are a slap in the face to American companies seeking to do business abroad honestly—with all these indisputable and documented facts in place, President Bush is again proposing to extend favored trade status to China, without conditions.

Not since the worst days of the Soviet gulag has this Nation faced as clear a moral choice in foreign policy. It is a choice clear on the grounds of national economic interest. It is a choice clear on the grounds of national moral interest.

Yet the President suggests that American policy—not the motives or actions of the Chinese Communists themselves—but it is American policy and American policymakers who want to isolate China.

I reject, as all Americans reject, the idea that it is the policy of our Government which has ever forced any government anywhere in the world to turn guns on its own citizens.

I reject the idea that our Government's adherence to standards of decency in international affairs offers any kind of excuse to any tyrant, any dictator anywhere, east or west, to massacre unarmed dissidents.

I reject the idea that it is American values that have to be sacrificed to the whims of the authors of the Tiananmen Square massacre.

I reject the idea that our Nation, the standard-bearer of democracy and human rights in the world today, must suspend our standards and deny our ideals for the sake of accommodating a group of Communist tyrants who have outlived their own ideology but do not wish to give up power and the privileges that go with it.

The Chinese Government's consistent complicity in the pirating of American software has caused enormous financial losses for America's business community. The Chinese Government's policy of barring access to Chinese markets while exploiting its own access to American markets has given the Chinese regime a $10 billion trade surplus at our expense.

President Bush does not talk about cultural genocide in Tibet. He does not talk about Chinese arming of the genocidal Khmer Rouge in Cambodia. He does not talk about repression in China.

Instead, he talks about the morality of not isolating China, as though something we had done were the cause of China's isolation, rather than what the Chinese Government has done.

The President speaks as though upholding the status quo in China is the only moral thing to do.

With all due respect, he is mistaken. There is nothing moral in upholding power that is misused.

There is nothing moral in abandoning those who look to us for help.

The world has changed in the past 5 years in ways that are upsetting established governments all over the globe. Governments which have neglected the interests of their own people have fallen in Africa, in Eastern Europe, in Central America.

Our Nation, our Government, our America should be in the forefront of those welcoming the emergence of democratic movements, a shift toward accountability by all governments, everywhere. The United States does well where freedom does well. America succeeds where democracy succeeds.

It is time to treat China as we treat all other nations.

I believe we in the Congress can best serve democracy and the best interests of the United States by refusing to forget what happened at Tiananmen Square and by insisting that the President change his failed policy toward the Communist tyrants of China.

Mr. President, I understand from the Chair the control of the time is from the majority leader.

The PRESIDING OFFICER. The majority leader is correct.

Mr. MITCHELL. I yield such time as the Senator from Massachusetts may require, and then the Senator from Illinois, 5 minutes, and then the Senator from Arizona such time as he may require.

Does the Senator from Illinois wish to be provided as much time as he requires?

Mr. DIXON. I think 5 minutes will be adequate, but I will ask for a minute or 2 if necessary.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

ANNIVERSARY OF THE TIANANMEN CRACKDOWN

Mr. KENNEDY. Mr. President, I want to commend our majority leader for, really, an excellent statement and a principled stand. This has been his position since the time of that terrible tragedy in Tiananmen Square some 2 years ago. I think this morning in the Senate he has, as on other occasions on our national television, I think, made the strongest possible case for insisting that any most-favored-nation provisions would be conditioned upon important progress in addressing these needs.

I just ask the majority leader if he is familiar with the statement of the Prime Minister, Premier Lee Pung, who only at the time of the anniversary, just recently, insisted that the military crackdown had been an appropriate response to the peaceful student protest, and the Chinese Government would do it again if they were faced with a similar demonstration? I think he has made the case so well in covering a wide variety of areas. But the attitude of the current Chinese Government regime would certainly appear they would be prepared to do it again today if he is not troubled by that attitude as well.

Mr. President, as has been pointed out, 2 years ago today the Government of the People's Republic of China initiated a brutal crackdown on the courageous prodemocracy students demonstrating in Tiananmen Square. By the end of the week, hundreds of peaceful demonstrators had been ruthlessly slaughtered and thousands more had been detained by government authorities.

Now, President Bush has formally announced his intention to renew most-favored-nation trading status with China. His decision, he claims, is the right thing to do with respect to China.

Unfortunately, the facts indicate otherwise. Since the Tiananmen Square massacre, the Chinese Government has intensified its repression of prodemocracy forces.

As this year's anniversary of the Tiananmen massacre approached, the Premier of China, Lee Pung, commented upon that great tragedy. He harshly insisted that the military crackdown had been an appropriate response to the peaceful student protest and that the Chinese Government would do it again if similar demonstrations were attempted in the future.

Today, Tiananmen Square is lined with armed guards to repress even the smallest demonstration of sympathy for the memory of those who died there 2 years ago.

To renew China's MFN status in the face of this brutality would make a mockery of the lives lost at Tiananmen Square and undermine whatever forces of democracy are still struggling for a new China.

President Bush's policy toward China makes no sense. Immediately following the Tiananmen crackdown, he promised to suspend all political-level exchanges with China. Yet within a month, he dispatched National Security Adviser Brent Scowcroft to Beijing—a trip that was kept secret from the Congress and the American people and was only acknowledged after it was reported by the press in December.

When Congress sought to extend the visas of Chinese students living in the United States, President Bush vetoed the legislation and said he would extend the visas by Executive order.

The White House subsequently denied that this promise had been made before finally capitulating and extending the visas.

The President also waived sanctions suspending the export of satellites, the sale of aircraft, and the delay of international loans to China.

In response to these gestures, the Chinese Government detained up to 30,000 prodemocracy dissidents, executed an undisclosed number of these brave individuals, sentenced more than 800 to prison, and brought new charges against individuals who supported the democracy movement.

President Bush then sent Brent Scowcroft on another secret visit to Beijing. He vetoed congressional sanctions regarding OPIC, trade assistance, and nuclear cooperation.

In response, the Chinese Government extended its crackdown on prodemocracy advocates, purged moderate elements from the Government, tightened restrictions on the foreign press, and harassed business entities and students living abroad who supported the democracy movement.

Now, the President wants to renew China's MFN status—thereby relinquishing our Government's best weapon in the struggle to encourage the Chinese leadership to change its policies. In light of Beijing's prior responses to his overtures, the President's unconditional renewal of MFN would only signify our country's acquiescence to further repression.

China is totally undeserving of MFN status on a score of issues, ranging from human rights to trade practices to nuclear proliferation.

If America is to champion the forces of freedom, it must take a stand against China's repressive regime.

By granting China MFN status the White House would only reinforce what the State Department itself calls an authoritarian one-party state ruled by the Chinese Communist Party.

It is time for the United States to take a more active role in supporting the prodemocracy forces in China and the long-suffering Chinese people.

The most important step we can take in this direction is to condition the renewal of China's MFN status, as has been proposed by Senator MITCHELL, upon several important criteria, including a determination by the President that China is honoring internationally recognized standards of human rights.

President Bush claims that he must renew MFN with no strings attached in order to reward China for its role in the United Nations with respect to the Persian Gulf resolutions and the liberation of Kuwait. But how can we support freedom in Kuwait while ignoring it in China?

Another argument the administration has advanced during the past 2 years is that trade between the United States and China will liberalize Chinese society. But since 1989, the United States and China have had close trading ties, and each year, the Chinese Government has become increasingly repressive.

During the past year, Chinese authorities made it clear that they would tolerate no activities even remotely critical of the Government or the party. The Government has used intimidation and a network of informants to crush all dissent.

More than 50 prodemocracy advocates have been sentenced to death for their participation in the Tiananmen demonstration. Most have already been executed.

Thousands of democratic activists have been sentenced to prison or sent off to labor in reeducation camps. Harsh sentences, often exceeding 10 years, have been given out to prodemocracy leaders.

Two recent college graduates from Beijing were sentenced to 11 and 15 years, respectively, for printing one issue of a prodemocracy journal. No allegations of engaging in violent activity were brought against the two. But the court found their crimes to be "serious, their nature sinister, and the offense grave."

Hundreds of democracy advocates are still being detained without trial. The human rights organization Asia Watch has chronicled more than 1,100 cases of arbitrary arrest and imprisonment, denial of due process, repression of political dissidents, and the imposition of harsh prison sentences.

Those who have been sentenced are often sent off to forced labor camps. The Chinese prison camp system holds nearly 20 million people and operates as a vast industrial empire.

Contrary to claims by the Chinese Embassy that the Government "does not permit any export of products produced by convict labor," China is increasing its use of prisoners for slave labor in order to lower the price of exports. Asia Watch recently uncovered official Chinese documents that call for intensified labor camp production, targeted especially at United States, German, and Japanese markets.

Prisoners work up to 15 hours a day and are tortured—often with cattle prods—for disobedience and failure to work fast enough.

The State Department confirmed more than 300 cases of torture in 1990 alone.

Even those detainees who have been released from prison are struggling to survive. Many have been fired from their jobs, expelled from the party, and banished from their villages.

American trade policies must not be used to support these repressive policies of the Chinese Government. Extending China's MFN status without qualification can only be interpreted by democratic forces within China—and around the world—as American complicity in the inhumane practices of the Chinese leadership.

Conditioning MFN status upon improved human rights conditions would show respect for the peaceful protesters who lost their lives at Tiananmen Square. It would provide hope for the prodemocracy forces still at work within China. And it would underscore America's commitment to democracy and fundamental human rights worldwide.

If America forgets the students at Tiananmen Square, who will remember them? If we fail to stand up for peace, freedom, and democracy in China, who will do so? Americans by the millions stood with these brave men and women in 1989. Congress should stand with them today, and America should stand with them in the years to come.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois [Mr. DIXON] is recognized for up to 5 minutes.

Mr. DIXON. Mr. President, I feel confident I can make these remarks in 5 minutes. If I need more time, may I ask unanimous consent to proceed without interruption.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SECOND ANNIVERSARY OF THE TIANANMEN SQUARE MASSACRE

Mr. DIXON. Mr. President, I recall vividly the series of events in Tiananmen Square. In fact, I know that all of us recall with horror, the sounds and sights of a massacre seen and heard from halfway around the world, brought directly and dramatically into our living rooms, live and in color. I, for one, will never forget it.

The images we all saw, Mr. President! The images of the lone man standing in front of the tank convoy; the fall of the goddess of democracy; the scenes of police brutality against unarmed civilians—such images are indelible because they are so terrible.

The Chinese people chose, with their lives in too many instances, freedom and democracy. The Government, committed to maintaining its outmoded policies, and its obsolete economic structure, chose force over freedom. It is fitting, therefore, that we in the United States, to whom the Chinese people looked for support and assistance, should commemorate this day as a memorial to those who lost their livelihoods and their lives for the cause of democracy. In this way, we recommit ourselves to their valiant struggle for freedom.

Since that day in June 2 years ago, we in the Congress have focused considerable time and effort on China. In spite of the imprisonments of prodemocracy student leaders on flimsy charges, the harassment of Chinese students in this country, the abuse of religious leaders, the prison labor, the nuclear technology sales, the administration has chosen to continue to do business with the Chinese Government. Why?

I believe in doing business with China, but I do not believe one should reward a country with most-favored-nation status after it has consistently flouted the basic tenets of international law. Indeed, my colleagues will recall we revoked most-favored-nation status for Romania when dealings with the Ceaucescu regime got to be too dirty an enterprise. Can anyone convince the American people that China is a substantially fairer, more humane place today than Romania was when MFN was revoked? This Senator is not convinced.

The opponents of the majority leader's reasonable legislation to place conditions on the renewal of MFN to China will say that the Chinese leaders don't care what we do. They will do whatever they want, no matter what we do. I would suggest that the Chinese care a great deal about their trade relationship with the United States.

The release of some political prisoners, the recent accounting of prisoners incarcerated for their involvement in the prodemocracy movement, were all timed to coincide with the debate here in Congress. The Chinese believe by taking some minor steps, they can avoid the wrath of Congress. They are surely not concerned about incurring the wrath of the administration.

Even if it were true that the Chinese will not change their ways, no matter what we enact in Congress, then why is it unreasonable to suggest that conditions we specify are unwarranted? Does not the United States have basic standards of conduct?

How many students and workers need to be imprisoned on trumped-up charges, how many reports of slave labor must there be, how many Tibetans have to die, or how many countries need to purchase Chinese nuclear technology, before human rights become an important enough foreign policy consideration to establish a standard by which other nations must abide in order to receive generous trade benefits?

I said in a recent floor statement that the administration was spinning its wheels in the mud of its China policy. In an attempt to extricate itself from the perception in this country that we are rewarding thugs, the administration has tried to invoke morality as the reason for extending most-favored-nation status, no questions asked. I would suggest, Mr. President, that on this anniversary of Tiananmen Square, it is right, and moral to question the Chinese Government about its prison system, its treatment of dissidents, its policies of intolerance and oppression. The fallen heroes of Tiananmen demand no less.

They are not here to ask the questions. We are. We must.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the majority leader has yielded such time as he may require to the Senator from Arizona.

The Senator from Arizona is recognized.

REMEMBER THE TRAGEDY; HONOR THE HEROES

Mr. DECONCINI. Mr. President, I thank the Chair and compliment my friend and colleague from Illinois for his statement this morning.

I remember that day so well, too. It is so vivid in our minds. I think the Senator has brought it back to us in very clear language and depicted it as one of the horrors of the modern age—to be able to witness that; and then have our Nation literally ignore it.

I thank the majority leader as well for his leadership in this area. I am very pleased the majority leader has provided the opportunity today for the Senate to remember the tragedy, and to honor the heroes of that tragedy.

Two years ago today peaceful prodemocracy demonstrators were ruthlessly gunned down in Tiananmen Square as China's aging leadership made a desperate last-gasp attempt to reassert its steel grip over its people.

Indeed, it did just that. Instead of "letting a thousand flowers bloom," the senile, Communist Chinese Government crushed those flowers and their promise of economic and democratic reform just as it tried to crush the students under the metal tank treads.

The past 2 years have seen China plunge into a new dark age. The cynical protestations of President Bush notwithstanding, China has rejected every overture to join the community of civilized nations. The President—claiming that he knows better than the American people what is good for China and for the United States—has extended to China preferential trade treatment, known as most-favored-nation trade status. As President Bush said in his speech at Yale last week,

> MFN is a means to bring the influence of the outside world to bear on China. Critics who attack MFN today act as if the point is to punish China—as if hurting China's economy will somehow help the cause of privatization and human rights. * * * But the most compelling reason to renew MFN and remain engaged in China is not economic; it's not strategic but moral.

Indeed, is it moral that we should even be considering continuing MFN status for China? Where is the morality of this country, if we are going to ignore the human rights abuses by the Chinese? It is no fun criticizing another country. It is not something that I enjoy, but it is a principle that the United States has stood by for year after year, one administration after another administration. Look at the success that our human rights policy has brought about by continuing, persisting its focus on immigration rights compliance with the Helsinki accords of 1975, with the European nations and the Soviet Union. It does work. It is something the United States can be proud of.

What has the civilized world received from China in the past 2 years in return for extending MFN status? Moral leadership? You cannot say or point to one area of moral leadership, and certainly the abuses are substantial.

It has witnessed the execution of more than 273 prisoners of conscience in the wake of the 1989 prodemocracy protests. As amnesty international has reported, the world has witnessed the detention of close to 10,000 Chinese citizens in Beijing alone for their participation in the Tiananmen demonstrations. We have seen reports of Chinese doctors being jailed for removing Government-mandated intrauterine devices from women who wanted more than one child under China's obviously abhorrent birth control policies. Indeed, these are moral issues.

United States businesses have suffered under China's protectionist trade practices while China has achieved record trade surpluses on over 90 items including chemicals, pesticides and pharmaceuticals with the United States. According to the Commerce Department, our trade deficit with China for 1990 exceeded $1.8 billion.

It increased by nearly $500 million in March of this year alone. China has also illegally pirated American copyrights, trademarks and computer software. Even the Bush administration's assistant United States Trade Representative, Joseph Massey, described China's software piracy as "enormous" when China was cited for these illegal practices less than 2 months ago.

The enormous piracy of our intellectual properties. Is that a moral issue that we should discuss? Is there a moral reason to justify us granting MFN status to China? I think the President is wrong.

What else have we received from coddling the Chinese for the past 2 years? We did not get China's support for our actions at isolating Iraq and authorizing the use of force against Saddam. Instead, we were only assured that China would not object to these actions by exercising its veto in the U.N. Security Council. Is that moral support? Hardly. At the same time, we also witnessed China's reckless escalation of its nuclear and missile proliferation policy to dangerous and unstable parts of the world. For instance, we have learned that China was secretly selling Pakistan the M–11 missile—a missile capable of carrying a nuclear warhead approximately 185 miles, thereby threatening neighbors throughout the region. According to the May 12 Washington Post, M–11 launchers have been sighted in Pakistan.

I do not believe there has been a denial there. Additionally, China exported nuclear weapons and assorted weapons technology to countries such as South Africa, Saudi Arabia, Iran, Algeria, and, yes, even Iraq. Currently, North Korean Scud missiles developed with Chinese technical assistance are being sold to Syria. In a word, we have received nothing from China in the last 2 years to justify continuing the policy of senselessly extending preferential treatment toward this nation, or for continuing the policy; it is senseless to do so.

China's actions prove it is a rogue elephant which refuses to acknowledge its responsibilities in the community of nations.

President Bush sent his representative Robert Kimmit to China to try and reason with the Chinese leadership not long ago. After his visit, Chinese Foreign Ministry spokesman, Wu Jianmin, stated, "The Chinese will never accept the attachment of various conditions to the extension of the [MFN] treatment." Clearly, reaching out to China does not work. But, do we have to accept the Chinese dictates? It has not worked, and I doubt that it will ever work. The record speaks loudly and clearly on this point. We have found that this policy does not work, and it does not bring despot nations to their senses. This is a moral principle.

Perhaps rejecting MFN for China will work. It would certainly send a very strong and clear message to the Chinese Government that business as usual cannot continue with the United States.

I urge my colleagues to cosponsor S. 1167, legislation I introduced to immediately terminate China's MFN status. At the very least, the well crafted legislation sponsored by the distinguished majority leader must be the vehicle by which the Senate informs the Chinese—and its apologist, President Bush—that until it is ready to enter the 20th century and take steps to recognize the legitimate rights of its people and its responsibilities to the outside world, we will not do business with China's current gang of thugs.

Mr. President, let me end by saying that there are many outstanding Chinese people throughout the world. Some of us have had an opportunity to visit that country and to talk to and to get a feel for what the people really believe. By opposing MFN, we are not trying to attack the Chinese people.

And I know, from my experience there and from Chinese people whom I have met throughout this country and those who have relatives and contacts still there, that there is still a hope within the people of China for democracy and that they are literally physically and emotionally crushed by this military government which ignores their human and civil rights. A moral issue, indeed, is before us today.

I hope that we can rally support here to withstand the continued extension of preferential treatment to the Chinese Government by our own Government.

I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona is recognized.

Mr. DECONCINI. I thank the Chair.

(The remarks of Mr. DECONCINI pertaining to the introduction of S. 1201 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. President, the Chair will remind the Senator from Pennsylvania that the time until 11 a.m. is under the control of the majority leader.

Mr. SPECTER. Mr. President, in the absence of any other Senator on the floor, I ask unanimous consent that I might be permitted to proceed for 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection it is so ordered. The Senator is recognized as if in morning business.

FAIR STEEL TRADE

Mr. SPECTER. Mr. President, I have sought the floor to make available to my collegues a document published by the Cold Finished Steel Bar Institute, setting forth important considerations about the need for a U.S. policy to aid in the steel industry's quest for fair trade, entitled "Life After VRA's" or voluntary restraint agreements.

Mr. President, there continues to be an urgent need for reciprocity and fairness in the international steel market. This is a subject that I have addressed on this floor on many occasions in the 10½ years that I have been in the Senate. I am immediately reminded of the battles that I have fought in collaboration with our late colleague, Senator John Heinz, who was a leader for the steel industry. He and I worked shoulder to shoulder to protect the interests of the Pennsylvania steel industry.

The voluntary restraint agreements, Mr. President, were formulated by President Reagan. As a candidate for Vice President, President Bush agreed to the proposals at a very interesting meeting which Senator Heinz and I had with him at a campaign stop in 1980 in Chester, PA, not too far from a major steel installation.

The voluntary restraint agreements were significant in giving the American steel industry a fair opportunity in the world market. They are to expire in March 1992. It may be that the VRA's will be extended. That will certainly be an option and might be a very good option. It may be that the VRA's will be supplemented by multilateral steel agreements. But, Mr. President, we do need to be sure the American steel industry gets a fair shake in the world market. The United States must work to maintain a steel industry which can respond to the defense of this country in times of national emergency.

It is an unthinkable proposition for the United States to allow its steel industry to flounder while at the same time allowing Japan, Taiwan, China, Brazil or other countries to take over world markets with subsidized products.

I remember well, Mr. President, the incident of 1984 when the International Trade Commission made a finding in favor of the American steel industry and the President had the option of overruling that ITC finding. Senator Heinz and I visited all of the Cabinet members at that time who had any relationship, directly or indirectly, with the steel issue. We received strong support from then Secretary of Commerce Mac Baldrige, and Trade Representative Bill Brock and others. However, when we had our talks with then Secretary of Defense Caspar Weinberger, and then Secretary of State George Shultz, we found a strong inclination to sacrifice the American steel industry for defense and foreign policy reasons. That should simply not be repeated.

So at this time, I ask unanimous consent that the full text of this document published by the Cold Finished Steel Bar Institute be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. Mr. President, in the moment that I have left, I would add a word about the legislation which I have pursued for most of the 10½ years I have been in the Senate. This legislation would provide for a private right of action enabling injured parties to sue for damages and injunctive relief to stop subsidized steel from coming into the United States, stop dumped steel from coming into the United States, and to stop steel from coming into the United States which violates our customs law. The bills which I have introduced are broader than coverage of steel, but would cover any American products which are disadvantaged by foreign subsidies, foreign dumping, or violation of our customs laws.

These trade issues are very important, Mr. President, as we continue to pursue the GATT Uruguay round talks and as we look forward to negotiations on the Mexican trade agreement. Certainly there ought to be fairness for steel and really for all U.S. products. I believe that this document, which will appear at the conclusion of my remarks, will set fourth in some detail a strong case for fairness for the steel industry and, as it says, for life after the voluntary restraint agreements.

I thank the Chair and yield the floor.

EXHIBIT 1

[From the Cold Finished Steel Bar Institute, June 1991]

LIFE AFTER THE VRA'S: STEEL'S QUEST FOR FAIR TRADE

The United States will soon mark an important milestone: barring a last minute change, the steel voluntary restraint agreements ("VRAs"), which were begun in 1984 and extended in 1989, will expire on March 31, 1992.

The Cold Finished Steel Bar Institute and its member companies support efforts to replace the VRAs with strong and enforceable rules against government subsidies, dumping, protected markets and excess production capacity. Despite their many successes, the VRAs were not a panacea. By design, they protected U.S. producers from many of the harmful effects of dumped and subsidized steel but did nothing to eliminate those unfair trade practices. World trade in steel is still characterized by massive government subsidies, market access barriers, widespread dumping and excess capacity.

Thus far, U.S. efforts to find more lasting solutions have met with resistance. In the Uruguay Round of GATT trade talks, for example, attempts to strengthen the Antidumping and Subsidy Codes with tighter controls on diversion, circumvention and repeat offenders, have not been accepted. Many of the participants want to significantly weaken U.S. antidumping and countervailing duty laws. In the Multilateral Steel Agreement ("MSA") talks, where the United States is seeking tighter controls on government subsidies and market barriers, other countries have tried to loosen existing controls on those practices.

In spite of these problems, America's cold finished steel bar ("CFSB") producers continue to believe that free and fair trade in steel can become a reality. We also believe initiatives such as the Uruguay Round, MSA and the proposed North American Free Trade Agreement ("NAFTA") with Mexico and Canada, provide the best opportunity for achieving that goal.

THE TURBULENT YEARS: 1980–1989

As U.S. policymakers struggle to find permanent solutions to steel's troubles, one thing is certain, the price of failure will be high. Analysts need only look back a few years to see the economic and human consequences of a national steel policy that relies solely on unfair trade laws.

In the four years before the VRAs took effect, over 50 percent of America's CFSB workers were unemployed and more than 60 percent of all production capacity lay idle. For the steel industry as a whole, the period between 1982 and 1986 saw over 25 producers, including LTV and Wheeling-Pittsburgh, go bankrupt and operating losses total a staggering $12 billion.

Of all the factors that contributed to this crisis, one was paramount—imports. Between 1983 and 1985, for example, imports of CFSB from the European Community almost tripled from 3.2 to 9.0 percent of domestic consumption. During the same period, total CFSB imports almost doubled from 12.7 to 20.3 percent. Today, the United States is the only major western steel producing nation that is a net importer of steel and lacks the capacity to meet its own needs.

Between 1982 and 1985, many of the integrated mills fought back by filing a multitude of trade relief actions against the major steel producing countries. Not surprisingly, these cases produced numerous findings of illegal dumping and subsidization, often at substantial levels. However, in most cases, these findings did not result in the imposition of additional duties, but a political decision to terminate the cases in favor of VRAs.

In retrospect, the VRAs were the right thing at the right time. In 1984, the industry was in chaos. Neither antidumping nor countervailing duties could be counted on to stem the flood of imports, and limited restraints on imports were the only way to guarantee the survival of the industry. The VRA program provided the industry with the breathing room it needed to rationalize production, rearrange workforce levels and invest in capital improvements.

THE CHALLENGES THAT LIE AHEAD

The impending termination of the VRAs comes at a critical point in the history of the U.S. steel industry—demand is weak, profits are down, foreign unfair trade practices continue, and U.S. trade laws are under attack. If we are to avoid a return to the chaotic market conditions of 1982–1984, when hundreds of trade cases disrupted steel producers, distributors and consumers alike, U.S. policymakers must obtain specific commitments from the other steel-producing nations to eliminate their trade distortive practices without sacrificing U.S. unfair trade laws.

1. VRAs and the Multilateral Steel Agreement

The centerpiece of the President's effort to find a permanent solution to steel's trade problems is the MSA. Still in draft form, the MSA portends new disciplines on government subsidies and market access barriers (both tariff and non-tariff) that would supplement those found in U.S. trade laws. From the beginning, the Cold Finished Steel Bar Institute has supported this "trade laws, plus" approach. Indeed, we have worked closely with the U.S. Trade Representative to craft a balanced and effective agreement.

Despite this support, certain developments cause us to question the willingness of other steel producing countries to break with the past and, to begin a new era of free and fair trade in steel:

Several trading partners want to permit government subsidies for R&D, worker adjustment, plant closings and environmental programs. They also want to "green light" these subsidies under U.S. countervailing duty laws.

Some countries are attempting to restrict the use of U.S. antidumping laws.

2. GATT Uruguay Round talks

The Uruguay Round was scheduled to be completed last March, but the talks stalled over agriculture. At this point, the United States intends to redouble its negotiating efforts, hoping to reach an agreement by the end of the year. These efforts are desirable, but they continue a danger to the manufacturing sector (including CFSB) that GATT rules against unfair trade practices may be traded off to achieve U.S. goals in agriculture or other areas.

CFSB producers, along with most other manufacturers, have vigorously opposed weakening the trade laws. With the VRAs set to expire on March 31, 1992, it is imperative that these laws be maintained and, indeed, improved. Of particular concern to the Institute's member companies is:

Many of the newly industralized countries seek to restrict U.S. antidumping and countervailing duty procedures and methodology (e.g., more difficult injury test and automatic sunset requirement).

Many of these countries oppose tighter controls on diversion, circumvention and repeat offenders.

3. North American Free Trade Agreement

In recent years, Mexico has made significant progress to expand its economy and reduce its barriers to imports and foreign investment. As a result U.S. exports to Mexico soared from $12.4 billion in 1986 to almost $29 billion in 1990. We believe a free trade agreement with Mexico will not only further that trend, but it will encourage reforms and progress in Mexico across a wide range of social, political, economic and environmental issues.

As America's cold finished steel bar producers follow the NAFTA negotiations, several issues will be important.

Whether current U.S. trade laws will continue to be available to combat unfair imports from Mexico.

Whether country of origin standards will prevent backdoor attempts by third country producers to enter the U.S. market.

Whether tariff reduction schedules will meet the special needs of import sensitive industries.

PROPOSALS

The Cold Finished Steel Bar Institute and its member companies are prepared to compete in the period following the VRAs. We welcome the opportunities and challenges presented by the GATT Uruguay Round. MSA and NAFTA. However, in order for America's steel producers to realize the full benefits presented by these initiatives, the United States must pursue the following course of action:

1. VRAs and the Multilateral Steel Agreement

It is unfair to expect our private, non-subsidized, steel producers to compete with government-sponsored imports. The trade distorting practices of foreign suppliers must be abolished and effective disciplines under the MSA should be established, preferably this year, but certainly before March 31, 1992.

If the steel-producing countries of the world are truly serious about making fundamental reforms in how steel is traded, then the MSA can be a "trade laws, plus" arrangement. The MSA should not restrict the rights of injured domestic producers to seek relief from unfairly traded imports.

If the American steel industry is to rely on our trade laws, rather than VRAs, then the strength and integrity of those laws must be maintained.

2. GATT Uruguay round talks

With the VRAs set to expire in March, 1992, this is no time to weaken our trade laws. Once the export ceilings are gone, and should the MSA fail, these laws will be the only protection America's steel producers have against a return to the crisis-days of the 1980s.

Under no circumstances should provisions that were considered and rejected by the Congress in 1984 and 1988 become part of the final Uruguay Round agreement. Instead, this is the time to strengthen the GATT rules by adding effective provisions dealing with diversion, circumvention and repeat offenders.

3. North American Free Trade Agreement

No trade-offs should be accepted that would weaken U.S. antidumping or countervailing duty laws.

The free trade benefits of the NAFTA must be limited to Mexican goods and services and not the products of third countries that use Mexican labor to assemble previously manufactured items.

Given the huge disparties between the U.S. and Mexican economies, longer tariff reduction schedules than those provided for under the free trade agreement with Canada will be required in many instances.

4. Competitiveness for American manufacturers

Domestic policy on all fronts must take into account the multiple demands now placed on American industry and adjust those demands to increase our country's competitiveness.

MEMBERS OF THE COLD FINISHED STEEL BAR INSTITUTE

*American Steel & Wire Company, Joliet, IL
*Atlantic Steel Company, Atlanta, GA
Atlas Specialty Steels Division, Welland, Ontario
Baron Drawn Steel Corporation, Toledo, OH
*Bethlehem Steel Corporation, Bethlehem, PA; Johnstown, PA
Bliss & Laughlin Steel Company, Harvey, IL; Medina, OH; Batavia, IL
*Chaparral Steel, Midlothian, TX
Charter Wire, Milwaukee, WI
Cincinnati Cold Drawn, Inc., Hamilton, OH
Corey Steel Company, Cicero, IL
Cuyahoga Steel & Wire, Solon, OH
Daley Services, Inc., Newbury, OH
Fort Howard Steel, Inc., Green Bay, WI
*Inland Bar & Structural Co., East Chicago, IN
*Kentucky Electric Steel, Ashland, KY
La Salle Steel Company, Subsidiary of Ouanex Corp., Hammond, IN
Laurel Steel Products Ltd., Burlington, Ontario
LMP Steel & Wire Company, Maryville, MO
Moltrup Steel Products Company, Beaver Falls, PA
Nortec Specialty Steels, Lubbock, TX
*North Star Steel Company, Monroe, MI
Precision-Kidd Steel Company, Aliquippa, PA
Sauk Steel Company, Inc., S. Chicago Heights, IL
*Sheffield Steel Corporation, Joliet, IL
Taubensee Steel & Wire Company, Wheeling, IL
*USS/Kobe Steel, a division of USX Corporation, Pittsburgh, PA; Lorain, OH
Western Steel Group, Inc., Elyria, OH; Gary, IN; Harford, CT

A PATTERN OF DEFENSE BASE CLOSURES

Mr. KERRY. Mr. President, for nearly 20 years now, the New England area has been subject to a pattern of defense base closures which together have had an enormous impact on our communities. From the closing of the Boston Naval Shipyard to the Boston Army Base, the Chelsea Hospital, Westover Air Force Base, to turning Hanscom and Otis into nonactive air bases, to closing Pease, New England has been disproportionately hit by base closings.

There is a significant impact on our region from these closures. But what I want to focus on is the impact that these closings cumulatively have had and will have on the veterans of our region who served their nation so well.

There are some 93,000 veterans who live and are served by Fort Devens today. By Fort Devens' Hospital, by its pharmacies, by its PX commissary, by its administrative support. They have relied on Devens for these services as part of their nation's commitment to them for their services to it.

Following the closing of so many other bases, Fort Devens has come to represent the last military site within a reasonable distance for these service men and women. To close it, after closing Pease, after closing Westover, after putting the Weymouth base on the closing list, after eliminating Otis and Hanscom as active bases, is to break faith with these veterans.

I have spoken of this closing as treachery, because under the base closing legislation, Devens was selected to remain open as the site for military information systems. That was the plan that was agreed to. That was the plan that was submitted to the Congress. We viewed that plan to be a continued commitment to our region by the Army, and to our veterans. It made sense, and we believe that the only reason that decision was changed was politics.

The decisions made under the original Base Realignment and Closure Act would actually have increased Fort Devens' role in the U.S. Army. That added mission has basically been stolen away from the base now.

Today, many of these men and women who gave their nation so much—risking life and limb to fight for their country and what we believe in—are being abandoned by this decision. Already, medical benefits for veterans are being cut all across this country. Testimony before the Veterans' Committee by VA officials has demonstrated that money shortages have degraded the quality of VA medical care, forcing the VA to curtail staff and eliminate hospital beds year after year. Chronic shortages of essential supplies like gauze pads, urinals, thermometers, toothpaste, and even soap, prevent VA nurses to provide veterans with even basic care.

The hospital at Fort Devens represented an important part of the health care opportunities for veterans in Massachusetts. Its closure will consign more of them to the conditions of the remaining instructions run by the VA.

Veterans from our region literally will have nowhere to turn if you agree to let this politicized decision go forward. That would be an affront to the American spirit, and a breach of the contract we made with those veterans.

I urge that the decision by the Army to close Fort Devens be reversed and that Fort Devens be maintained as recommended by the original nonpartisan base realignment and closure panel.

ONE HUNDRED DOLLAR DREAMS THAT WORK—AND COME TRUE

Mr. HELMS. Mr. President, how long will it be before the U.S. Congress finally learns from its mistakes? The U.S. taxpayers are tired of billions of their tax dollars being wasted on a multitude of big-ticket foreign aid programs.

The pattern is always the same: Congress creates lavish grants and then creates commissions to find out why these programs have not worked. Then the commissions recommend more of the same.

Mr. President, there is a better way, a wiser way, a less expensive way, a more effective way. The answer, not surprisingly, lies in the private sector. The May issue of Reader's Digest contains an article describing how one American couple truly make a difference by using private money to help the truly needy people around the world.

It is the story of Glen and Mildred Leets, two innovative philanthropists in New York with distinguished careers in international development, who have provided modest $100 grants to more than 130,000 desperately poor people in more than 90 countries.

How did Glen and Mildred Leets do it? They helped people to help themselves by encouraging them to start small businesses.

After witnessing development plan failures operated by corrupt officials and inefficient bureaucracies, the Leets came up with a better idea: Offer small startup grants for cottage industries and let the dollars trickle up. Moreover, the Leets' program has built-in incentives and training in business practices.

Mr. President, about a month ago, the Senate debated the Central America Economic Recovery Act introduced by a well meaning Senator who stated that he was eager to help development in those countries. In reality, his proposal was scarcely more than a first step toward another massive foreign aid giveaway program.

The legislation would do nothing to help free enterprise, not even on a small scale. It is clear that Latin America is suffering from an economic crisis resulting from inefficient socialist programs, widespread corruption, and Government regulation of the private sector, despite the fact that the U.S. taxpayers have donated more than $7 billion for economic development in Latin America during the last 10 years.

The Senate obviously has much to learn from practical self-help programs such as the Leets' project. There are lessons we can learn from Glen and Mildred Leets. Their program is simple, yet effective. It focuses on needy people who really need help. It provides incentives. And because it is limited, it does not foster dependency on the donor.

Mr. President, all of us should learn from successful alternatives—like the Trickle Up Program—before we rush into yet another $15 billion foreign aid program that is doomed for failure.

Mr. President, I ask unanimous consent that the article, "$100 Dreams," from the May Reader's Digest be printed in the RECORD at the conclusion of my remarks. I hope Senators and others will take the time to read it.

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*Indicates an Associate Member.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Reader's Digest, May 1991]

$100 DREAMS

(By Carolyn Males)

Three and a half years ago Pancha Maya, her husband and five children lived in a ramshackle flat in southern Nepal. Every morning the parents walked the dirt roads, seeking work in the rice fields. After the harvest, the family went begging for food.

Today the Mayas own a small paper-bag-making company. Their work space is the front yard of the new bamboo house they own. With the money they've earned, the Mayas have purchased a small plot on which they grow vegetables and raise goats for additional income. In fact, the family has saved 1700 rupees ($68), remarkable in a country with a per-capita income of $160.

Grace Mbakwa, her husband and eight children once lived hand-to-mouth in the cattle town of Tugi, Cameroon. Today the Mbakwas run a clothing-manufacturing business and own a home. They are able to send their children to school—at a costly annual sum of $2800.

The idea of starting her own business seemed impossible to Pilar Moya, a poor woman from Atahualpa, high in Ecuador's Andes Mountains. Today, however, she is one of the proud owners of a bakery specializing in sweet cakes.

These businesses are part of an economic revolution sweeping the developing world. The catalyst is the Trickle Up Program (TUP), an ingenious nonprofit organization founded by New Yorkers Glen and Mildred Leet, that offers people like the Mayas, the Mbakwas and the Moyas modest $100 grants. Since 1979 the program has helped over 130,000 of the world's neediest people in 90 countries win small, life-saving victories over poverty. And it has turned conventional thinking about foreign aid on its head.

POOR PLANNING

During distinguished careers in international development, the Leets had seen that billions of dollars pouring into Third World welfare programs were not reaching those who needed help. Corrupt officials took their cut, then bureaucracies devoured the rest. What money the poor did get only made them more dependent.

Even well-intentioned projects were often poorly planned and executed. The Leets once visited a Caribbean-island place-mat factory, expecting to see the much-touted modern machinery purchased with foreign aid. Instead they found ten workers huddled in a vast room, stitching the coconut fiber by hand. Dozens of new sewing machines nearby lay idle, covered with dust.

"Why aren't you using your machines?" Glen asked the women. "We have electricity only one day a week," they replied. Planners hadn't considered the cost of gasoline to power the generators. So the plant's output remained the same.

The Leets concluded that there must be a better way. Wouldn't it make more sense to offer small grants to start cottage industries and services and let the dollars "trickle up"? Then, step aside as individuals use their own skills and initiative to pull themselves out of poverty. That would cut out the fat-cat middlemen as well as the complicated grant applications and regulations that drain resources, energy and enthusiasm. Skeptics jeered. Fight global poverty with $100 grants? Ridiculous! It was like aiming with a pea shooter at a giant.

HEADS UP

Undaunted, the Leets put their theory to the test on the Caribbean island of Dominica. They outlined TUP's requirements to a group of locals:

Get five or more people together, decide what kind of a business you want, and draw up a marketing plan with a TUP coordinator's assistance. TUP will send a $50 start-up check. Within three months, put 1000 hours of work into your company, keeping records of sales. Reinvest 20 percent of the profits and fill out a one-page business-report form. TUP will mail a second $50. After that, you're on your own. No more money. No exceptions.

"Some listeners looked incredulous," Millie recalls. "But there were two or three whose eyes lit up." At the port town of Marigot, the Leets met with five poor women who were eager to start their own business. Marigot, one woman explained, had a big plant where South American bananas, bound for Europe, were crated. "If one banana is spoiled," she said, "they throw out the entire bunch."

"Is there anything you can make with the bananas?" the Leets asked.

"We thought we might make dried banana chips to sell in grocery stores," another replied Strangely, even as the conversation grew more animated, the women kept their heads down.

"How much is your work worth per hour?" Glen asked. The group seemed baffled by the question. "It's not worth anything," murmured Myld Riviere. Millie persisted. "Okay, if someone paid you for this work, how much would it be? About one dollar, Myld estimated. "Well, if you put in a thousand hours in your business, that's $1000," Glen pointed out. Suddenly the women's eyes lifted. A thousand dollars? Their time had value!

Soon the Leets, who still take no salary, moved on to Jamaica, Montserrat, St. Kitts and Barbados. They set up office in their New York apartment, filling file cabinets with TUP business plans and reports. By 1981, TUP was incorporated. Fired by the couple's successes, government and social-development agencies, corporations, philanthropic foundations and friends began sending contributions. With the money came volunteers—nearly 3000 since the program began.

Once a project is deemed doable, the coordinator forwards the business plan to the Trickle Up offices in New York, and the Leets send the aspiring partners their first check. Along with encouragement, coordinators coach the new entrepreneurs in setting up business procedures, bookkeeping systems, or in developing a new skill.

But advice is given sparingly. "We've found that too much handholding results in dependency," Millie explains. "We want the new entrepreneurs to fly free and learn from their own mistakes."

RIPPLE EFFECT

Has TUP made a difference? Simply put, Trickle Up, the new kid on the foreign-aid block, runs rings around other programs. It generally costs $20,000 to create one formal job using the traditional foreign-aid methods. For the same money, Trickle Up can create 1000 grass-roots jobs.

The program makes wide ripples in local economies as well. Entrepreneurs and their families eat more nutritious food and live in better housing. They can now pay for their children's schooling and medical care. And they can also afford to buy goods and services from neighborhood bakers, butchers, potters and carpenters.

As one person sees another climb out of poverty, he, too, dares to dream. In Ubate, Colombia, Drigelio Perdomo began a family-operated hair-roller factory. Impressed by his accomplishments, neighbors started five other enterprises—three wool-knitting businesses, a pants-manufacturing factory and a hydroponic vegetable farm.

By requiring a 20-percent reinvestment of earnings, the Leets encourage people to save. Apparently, the entrepreneurs have taken the money-management lessons to heart, for they plow an average 52 percent of their profits back into their businesses.

Success is measured not just in money, but in the new self-confidence on the faces of TUP's beneficiaries. It's dressmaker Grace Mbakwa from Cameroon pointing with pride to her Paid Business License on the wall of her shop. It's 50 women from a squatter settlement near Nairobi, Kenya, marching en masse to open savings accounts. It's Pancha Maya, who once wore rags, standing tall in her lovely red sari among neighbors in Nepal. Even the names many TUP grantees choose for their businesses—The New Hope, Marching Together, The Progressive Five—reflect their new-found strength.

In 1989, when Millie returned to Dominica, she found the banana-chip company company still in business, although much had changed after almost ten years. It was now housed in a two-room factory. When Millie knocked, Myld Riviere opened the door, a broad smile on her face. Boldly extending her hand and looking Millie in the eye, she was no longer the shy, unskilled woman who valued her labor at nothing.

REPORT CARD

The Leets estimate that more than two-thirds of businesses begun with TUP funds are still thriving. But even if a business folds, much is gained, for entrepreneurs take the talents they've developed to start new ventures.

Over the past 12 years this learn-by-doing attitude has earned TUP a good report card and a cornucopia of awards. One of the most memorable awards was presented to the Leets on a warm night in a small wooden church outside Nairobi.

The building was packed with 150 TUP entrepreneurs from a squatter settlement. After TUP coordinator Rev. Humphrey Sikuku ushered Glen and Millie through the crowd, many of the 40 group leaders stood to explain how TUP had changed their lives. They no longer had to worry about survival, they told the couple. Now they could focus on their future. Proudly, the group handed over a packet of money that they had collected. "This is to help people in other countries as we have been helped," they said. Millie counted out 500 shillings (then about $31)—the equivalent of 500 days' work.

Clearly, Trickle Up has helped the destitute dare to dream. One of the destitute dare to dream. One of the best illustrations of this occurred in the Philippines when Millie visited a sausage-making company headed by Carlota Yambot. Just before leaving, she asked Carlota's children what they wanted to be. "A lawyer," said the 17-year-old daughter. "A pharmacist," said the 15-year-old son. "A foreign-service worker," said the 13-year-old. Clutching Millie's arm, Carlota smiled and said, "We all have dreams, but now because of Trickle Up, we have hope."

THANK YOU

Mr. ROCKEFELLER. Mr. President, I rise before the Senate today to recognize a unique contribution that has been made for all of us who have struggled to find a way to appropriately express our enormous gratitude to the young men and women who served their country so valiantly in the Persian Gulf. I had the opportunity recently to hear a song written in tribute to our troops which, in my judgment, provides a fitting tribute and expresses a depth of emotion worthy of the sacrifice made by so many of our soldiers and their families.

This song was written by Bobby Nicholas, who lives in Morgantown, WV. Like most Americans, Bobby and his wife, Doris, watched the television reports of the opening shots in Operation Desert Storm erupt on January 16.

And, like more than 500,000 American families, they were thinking of their own son, Robert Jr., who had recently finished basic training at Fort Gordon, GA, and was a prime candidate for the Persian Gulf. This son, Robbie, so much on their minds, is the second of five children, ages 8 to 24.

On that first day, Bobby's thoughts were mixed. He supported the initiative to liberate Kuwait and the attempt to oust Saddam Hussein—as did most of his friends. But he dreaded the thought that his own son might be one of the young persons called upon to risk life and limb.

Bobby watched the news of the Persian Gulf crisis each day with pride in the ongoing success of the American and coalition forces, yet ever mindful of the dangers facing America's youth.

He continued to watch as the events shifted to the stage when most experts were saying that the use of ground troops would be necessary. The ferocious reputation of the Republican Guard had become familiar to Americans. The apparent possibility of a prolonged ground war made Bobby even more fearful that his son would see action and perhaps harm.

Then, as if a miracle had occurred, the war was over, and Bobby thought about the many anxious wives, husbands, mothers, fathers, children, and other relatives—across West Virginia and the country—who had gasped at every report of lost aircraft and ground warfare.

The news filled with pictures of happy children and jubilant adults, all now anticipating the homecoming.

And, unlike the day the conflict started, when he had called his employer at a Morgantown night club and said he just did not feel like singing that night, Bobby felt like singing and singing out.

Bobby Nicholas felt greatful to those who had been there and to the families who had waited and worried and prayed. He remembered his frantic drive to Fort Gordon in late January to visit the son he feared he may never see again. He remembered seeing there the faces of soldiers, young men and women, some of whom would go to the gulf and risk their lives. He remembered those who had suffered and those who had died.

And he reflected on the near-universal support and unification of the American people and their commitment to the cause of freedom in a distant land.

Those images and his wish to make a statement, to cry out with relief and gratitude, haunted him until the words started to come. And come they did. This man who had sung in church choirs since childhood and who had been a professional singer for all of his adult life put his words on paper and then quietly sang the tune. He had written the song, "Thank you," in one afternoon. And, though a singer of immense talent, Bobby Nicholas had never before written a song.

I cannot predict with certainty that "Thank you" will become the enduring anthem of our Nation's gratitude to those who sacrificed to defend international order and decency. But, when another individual wrote the words to the Star Spangled Banner one morning in 1814, to express his joy that the country still existed and its flag was still flying, that now legendary figure, Francis Scott Key, a lawyer, had never written a song either. He could not have known then that his words would become the symbol of the celebration of our great nation.

And when Julia Ward Howe wrote the words to "The Battle Hymn of the Republic" that day in 1861 as McDowell's troops crossed the Potomac to fight the Confederates in the first battle of Bull Run, she could not have known that her words would become a song representing the righteousness of the unity of the United States and the cause of freedom. She, too, is not known to have ever before written a song.

Bobby's song, "Thank you," came as an inspired surge of emotion that, in its own way and in its own time, is as heartfelt and as appropriate as the works of Francis Scott Key and Julia Ward Howe in their own anxious times of national crisis.

Listen to Bobby's own description of how he came to write "Thank you":

> The song was meant to be an open letter to the men and women who served in the Persian Gulf. I thought of it as my way to say thank you for a job well done. My son was in the Army Reserve, and I knew what every mother or father, brother or sister, husband or wife in any conflict must have felt.
>
> The sense of helplessness and worry, of just wanting to do something and not being able to, became prayers that they would all return home safely. I strongly believe that "we must all remember so we don't forget that the price we pay for freedom isn't over yet".
>
> Looking at my eight year old, I could only wonder if someday he, too, would be called to serve his country. But we have to hope that this will be the last time that we have to fight for what we know is right. I guess that the lesson to be learned is that when the time came to stand together as a nation, we did it, without reservation. Side by side, North and South, black and white, we showed a new spirit of unity to make this nation what we know it can be. This is just my way of saying, thank you to all the people of this great country.
>
> BOBBY NICHOLAS.

It is with great pride that I can report that this humble citizen from Morgantown, WV, has been invited to sing his song at the Desert Storm celebration for our troops and their families here in Washington, DC, on June 8. On behalf of his fellow West Virginians, I salute Bobby Nicholas for his patriotism and compassion.

Mr. President, I ask unanimous consent that the lyrics of that song that so eloquently expresses the feelings all of us hold in our hearts be printed in the RECORD.

There being no objection, the lyrics were ordered to be printed in the RECORD, as follows:

THANK YOU

(By Bobby Nicholas)

It's such an inspiration, to see a nation sing
America the Beautiful, just let our freedom ring
To see little girls and little boys
Waving the flag instead of toys
To see moms and dads joining hands
In celebration of common man

Chorus:
We just want to say thank you
For all that you have done
You made us proud to be an American
We as people stand as one
And we must all remember so we don't forget
The price we pay for freedom isn't over yet

We just want to say thank you
For now you let us see
That we can live together, in peace and harmony
From Fort Bragg to Chicago
From sea to shining sea
We did it all together, my brother, you and me

We just want to say thank you
For the sacrifice you made
We know it wasn't easy
Far away from home each day
From Spokane down to Galveston
From Boston to L.A.
You pulled it all together
To brighten up this day

I can only wonder, what old Abe would say today
To see the north and south, fighting together
From Gettysburg to Atlanta GA
To see men and women, black and white
Standing side by side for freedoms right
Oh, if he were here today, I'm sure this is what he'd say

To be spoken—
That this nation under God
Shall have a new birth of freedom
And that govenment, of the people
By the people, and for the people
Shall not perish from the earth

We just want to say thank you
For we can hold our heads up high
Yes you have brought us all together

Under one big sky
We thank you Norm and Colin
You showed our nations pride
That we will all remember, until the day we die
So let sing . . . God Bless America

A COMMUNICATION TO THE PRESIDENT OF NICARAGUA

Mr. McCAIN. Mr. President, today Senators DOLE, KASTEN, MACK, CRAIG, DURENBERGER, SMITH, SYMMS, HATCH, and I sent a letter to the President of Nicaragua, Dona Violeta Barrios de Chamorro. We wrote to inform President Chamorro of our concern over her government's recently concluded contractual arrangement with Reichler and Soble, attorneys at law.

I ask unanimous consent that the letter be made a part of the RECORD following the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, May 24, 1991.

Her Excellency DONA VIOLETA BARRIOS DE CHAMORRO,
President, Republic of Nicaragua.

DEAR MADAME PRESIDENT: We have recently been informed that the Nicaraguan Ministry for the Presidency has concluded a contract with Reichler and Soble, Attorneys at Law for the expressed purpose of representing Nicaragua's position on the civil war in El Salvador to members of the United States Congress. As members of Congress, we wish to make clear how disturbed we are that the freely elected government of Nicaragua would seek the services of Mr. Paul Reichler, principal partner of Reichler and Soble, and formerly the de facto spokesman of the Sandinista National Liberation Front.

We are among the most faithful supporters of Nicaraguan democracy. For many years, in a variety of public fora, our support of Nicaraguan democrats, as well as our personal support for you, required us to endure Mr. Reichler's unswerving defense of the Sandinistas' brutal repression of the cause for which you have dedicated your life. We are gravely disappointed that your government would now engage Mr. Reichler to represent to us your position on the question of El Salvador.

Of all the issues of mutual interest to the United States and Nicaragua, we cannot think of one where Mr. Reichler would be a less credible spokesman. We understand that Mr. Reichler has the right to represent your government, and that your government has the right to employ Mr. Reichler. We do not wish to interfere in the sovereign affairs of your country.

However, as your supporters, we feel obliged to advise you that, at a time when you are seeking additional economic assistance from the United States, Mr. Reichler's representation of your government will harm rather than enhance your government's image with members of the United States Congress.

Sincerely,
John McCain, Robert Kasten, Larry Craig, Robert Smith, Orrin Hatch, Robert Dole, Connie Mack, David Durenberger, Steven Symms.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. LIEBERMAN). Under the previous order, the hour of 11 a.m. having arrived, morning business is now closed.

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 173) to permit the Bell Telephone Co. to conduct research on, design, and manufacture telephone communications equipment, and for other purposes.

The Senate resumed consideration of the bill.

Mr. HOLLINGS. Mr. President, let me first thank my distinguished colleague, the senior Senator from Kentucky, Senator FORD, a very able member of our committee who took the floor in presenting this measure on yesterday. We appreciate his strong statement and understanding of the issue at hand and his tremendous help on yesterday in presenting it to the Senate.

I rise today to speak in favor of S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act. This legislation is essential to the future competitiveness and economic security of the United States.

Mr. President, that is not a light statement. We have tried this approach of restrictions and often it is that we in the U.S. Congress think that when we get the domestic crowd controlled and restricted that we have control. We are not in control at all. And it becomes more and more dramatically demonstrated each day that passes.

I want to emphasize this to bring into focus the particular issue at hand because we are not running pell mell for a monopoly. In essence, we are going to be really struggling with the various amendments of a monopoly; namely, AT&T, which has been the principal opponent. They have a good deal going. They have long distance, almost exclusively.

What they do is, they manufacture and they deal with themselves, and all these amendments about self-dealing, all these amendments about content and various other things do not apply to them at all. And all the concerns of my consumer friends about the adverse effect if this bill passes on consumers has not occurred, of course, with AT&T and long distance rates which are regulated both at the Federal and State level, obviously regulated at the State level in the main and at the Federal level for the regional Bell operating companies.

But more than that, there is a tremendous dynamic competition, if you watch these Bell Cos. compete against each other. If I could, I would have changed the name of the Bell Cos.' to the Different Other Cos.' Let one be Bell and another one be Horn, and every instrument in the band, and call one the Drum Co. and one the Saxophone Co., to get the mentality of the U.S. Congress changed to the particular issue at hand.

We have tremendous competition going on. So much so, that with all $80 billion in the revenues of the seven operating companies, they go pell mell overseas, investing like gang busters, buying up New Zealand, buying up Mexico, buying up Argentina. They are putting in optic fiber from Moscow to Tokyo, and cellular phones in downtown Hungary.

And we are sitting back here in the U.S. Senate, saying, We are in charge, we know what we are doing and we have control of the market. No, market forces operate.

I had that debate here only last week with respect to fast track. And it was very difficult to get that idea through everybody's mind. As long as they understand that the Government is the most important element in that market force in international competition. Domestic content, for example. There will be many, many amendments made about domestic content. And we are forced, under the circumstances, on the one hand to meet that kind of competition.

They have domestic content in the home countries of all these foreign entities doing business in the United States. They have the domestic content provisions there. On fast track most people, as a result of the diligent work by the White House over a 7- to 8-month period, came with mind sets to this floor and they did not understand that what we had, in essence, was not a debate about free trade but fee trade. The fees are being paid as I am talking about free Mexico. And the foreign entities are moving in and paying the fees. It is an accepted procedure.

We have a Foreign Corrupt Practices Act. But that is the rule of the game. If you are a member of the Diet, you not only get your stipend, you have three or four companies that pay you on the side. That is not a Congress. Americans think everybody is just like us. You have to pay the mordida, in downtown Mexico now. And they are all doing it and they are all locating there. We are not losing jobs, we are losing entire industries. It was not free trade, it was fee trade. And all the reports said the little South Carolina Senator was worried about his textiles.

That worry is practically gone. We have passed the textile bill four or five times and it has been vetoed each time. And we still struggle along.

Learning from that experience, I think it is very important, in this particular measure, to bring right into sharp focus what the situation is. The situation is, due to a consent decree back in 1984, the divestiture of American Telephone & Telegraph, we had eight companies, seven Bells and AT&T, and all were separated out under a modified final judgment, the MFJ.

It is very interesting to note, that AT&T at that particular time said they did not want to have any restrictions on any of the companies. I quote the AT&T general counsel. I also have a statement of Charlie Brown, the chairman of AT&T at the time:

> I am against restrictions. I will be happy if nobody is restricted on anything. After this divestiture occurs, let the regional Bell Operating Cos. do what they want.

Well, the Justice Department did not agree with that. They had misgivings on antitrust, and they forbade the seven operating companies to get into information services, into long distance, and into manufacturing. This bill, S. 173, has no concern with information services and long distance. Long distance is out there and being operated and there is no petition or desire to get into that. Information services would be too complex and I do not think we would advance very far in all reality. But in manufacture, this Senator, and many of our other colleagues in the body, are very much concerned about the ineffectiveness, in fact, the reverse effect of this legislation on our economy, our investment, our research, our development—our remaining on the cutting edge of communications technology.

If you cannot make money out of it, then why invest in it and why not go to New Zealand, and go down to Argentina, and go down to Mexico, and go anywhere else? After all, you have stockholders and they are looking for returns. You want to be a forward-looking executive, a corporate head, and you want to make sure you get the best returns. And it is mandatory you do so in order to keep your rates down. So that is what we are doing.

Here is an entity; namely the U.S. Senate, with a Budget Committee and Finance Committee doing this, while everybody else is looking around for investment dollars. I have described the competition down in Mexico on fee trade already, investing $1 billion, Nissan announced; $1.5 billion for Volkswagen, $400 million from Hyundai—you can go right on down the list. Corporate America is on its financial heels. They are not investing. They are overextended at this particular moment.

Here we have some of the strongest corporate entities, financially strong, with money to invest, that are being forbidden to do so by a rather fanciful restriction that has not proved out. It cannot be restricted because others are coming in here and taking over the market, buying up the companies, advancing in the technology because they can do the research—we cannot do the research and development—and literally taking the remaining thing we have left with respect to our technology.

At least the Senators can concentrate on one. They cannot seem to get the broad picture of international trade. Let us hope they can get at least a picture with respect to communications technology, communications trade, communications manufacture, research and development, and keeping America strong; and, yes, keeping the consumers properly serviced with the advanced technology.

This bill is not against the consumers, as they are going to try to charge in some of these amendments. This is a proconsumer bill if there ever was one, if we want to really satisfy the consumers as they watch these other developments in France and everywhere else tie these things in and wonder why.

It is like our late friend, Senator Robert Kennedy said, "Some men see things as they are and wonder why, I see things that never were, and ask why not."

Here we are going out of business because of this restriction enforced by the Justice Department, in the original instance now, has gone by the board. The foreign entities have gone around the end. And it is not a small advance. I want the colleagues to understand. Here are the companies with home markets which have domestic content provisions, with financing and all.

We know the cartel provisions in Japan and the government-supports in all these other countries. They do not have a Glass-Steagall Act in Germany. The bank can be part of the business. The business is part of the bank. And we are losing construction contracts the world around.

Similarly, the aircraft industry is learning what France and the rest of them do over there, and the Europeans. EEC 1992, incidentally, is not orchestrating and organizing for free trade, they are organizing for the trade battle. As we are sitting back here, fat and happy, and dumb to boot, here is exactly what is going on.

I will take a little time of the Senate because this is the alarm that sounded to me when I realized how pervasive the invasion and takeover of our communications industry in America is, almost like fleas on a dog: Hitachi, Japan, manufacturing computers and telecommunications equipment in numerous facilities around the country. In April 1990, Hitachi announced their intention to acquire the U.S. computer peripheral maker, data products, for $160 million.

Matsushita operates eight plants in the United States. It expects to add more. It opened a seventh research laboratory in September of 1990 to develop airline passenger information and communications equipment. The ruling of Judge Greene, who has been administering this modified final judgment, has been interpreted on numerous petitions that we have made before the judge, to forbid, in reality, any research work.

Because if you do it, you can combine with some entity outside, but then you cannot test it, and whoever is doing the research work you cannot tell them why it did not test good, it was faulty, and they have to guess again and come back again. Of course, industry and business are too dynamic to put up with that nonsense, and they just do not have research.

So the research moneys are coming right in here from the foreign entities who are taking over. Fujitsu has a commitment and they capture a share of the U.S. digital central office switch terminal equipment market. They have developed a switch and advanced broad band capabilities. They want a 10-year, $17 million contract with the Telecommunications System of California, in Fresno. They have six research and development centers as well as manufacturing facilities in the United States. They have an $80 million telecommunications plant in Richardson, TX. Fujitsu North American Communications Manufacturing Operations will employ up to 4,500 by the year 2000, and they want to increase the product demand in the United States from 20 percent to 50 percent.

I ask unanimous consent, Mr. President, to print this summary of foreign investment and control in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Foreign Companies Are Doing What American Companies Cannot

Examples of foreign activity in U.S. markets closed to the Bell Holding Companies by the MFJ restrictions:

Hatachi (Japan), is implementing strategy designed to significantly increase its information systems manufacturing base in the U.S. Is manufacturing computers and telecommunications equipment in several facilities around the country, and has plans to begin extensive research and development activity by 1990s. In April 1990, announced intention to acquire U.S. computer peripheral maker Dataproducts for $160 million.

Matsushita (Japan), operates eight plants in the U.S. and expects to add more. Since 1983, has developed/acquired U.S. facilities to produce cellular mobile telephones, pagers, and computer systems components. Opened seventh U.S. research laboratory in September 1990 to develop airline passenger information and communications equipment. Other facilities are conducting research in areas such as speech recognition and synthesis, digital image processing and high density data recording, communications systems, advanced computers and high definition television.

Fujitsu (Japan), has recently made commitment to capture share of U.S. digital central office switch and ISDN terminal equipment market. Has been running U.S. trials on terminal equipment since 1986 and purchased U.S. computer peripheral maker Intelligent Storage in 1988. A Fujitsu digital switching system is currently undergoing beta testing for U.S. market compatibility. Aiming for Bell operating company business in the ISDN and post-ISDN marketplace, Fujitsu has developed switch with advanced broadband capabilities. Fujitsu recently won a 10-year, $17 million contract to build integrated telecommunication system for California State University at Fresno.

Fujitsu has six research and development centers as well as communications equipment manufacturing facilities in the U.S. Began construction in Fall 1989 of $80 million telecommunications plant in Richardson, Texas scheduled for completion in 1992. New plant will be base for all Fujitsu North America's communications equipment manufacturing operations; will employ up to 4,500 by year 2000. Fujitsu wants to increase its product demand in U.S. from 20 percent to 50 percent by 1992. Company is also considering entering U.S. market for UNIX-based software applications; tentatively plans to open software development center in U.S. by mid-1991. Fujitsu is reportedly among several companies negotiating with AT&T to acquire minority stake in Unix Systems Laboratories, AT&T subsidiary that develops Unix computer operating systems and software.

Nippon Telegraph & Telephone (Japan), Japan's domestic telephone company, announced its entrance into rapidly growing $40 billion U.S. data communications services market in February 1990. Subsidiary, NTT Data Communications Systems Corporation, has opened offices in Jersey City, NJ; initial target will be Japanese companies doing business in U.S.; future targets are likely to be U.S. companies. NTT Data will manage, data transmission facilities, office phone systems, and develop private data network software for customers. Project is NTT's largest investment in U.S.; will initially be about $100 million. NTT Data employs 7,000 worldwide and had 1989 revenues of $2.7 billion. NTT also owns over 50 percent of NTT International which established Dynamic Loop Corporation in Delaware to invest in communications projects in U.S.

NTT is also the major investor in Alcoa Fujikura, a Spartanburg, SC joint venture that produces fiber-optic hardware for assembling communications networks.

NEC (Japan), has about 8 percent of North American office telephone switch/equipment market. It is dedicated to worldwide development of products and services that integrate computer and communications technologies. Operates four manufacturing plants in U.S. and in 1988 increased the capability of its specialized semiconductor design centers and added new facilities for developing communications systems software and home information systems technology. Opened new research facility in Irving, Texas in November 1989, the Advanced Switching Laboratory, that will develop broadband hardware and software for central office and customer premises equipment. ASL employed about 50 doctorate level engineers by mid-1990 and plan is to double that number. Lab is intended to become key source of software that drives NEC's advanced communications equipment; was based in U.S. because NEC believes U.S. still has superior software technology and wants to take advantage of it. NEC is reportedly among several companies negotiating with AT&T to acquire minority stake in Unix Systems Laboratories, AT&T subsidiary that develops Unix computer systems and software.

In May 1990, NEC opened a $25 million research facility in Princeton, NJ, where mostly American scientists will concentrate on basic research in physics and computer science, areas that are the foundation of advanced communications technologies. Facility is expected to employ about 100 persons, about half of whom will be researchers; several scientists already hired were previously with AT&T's Bell Labs.

Kokusai Denshin Denwa (Japan), established first U.S. subsidiary to market telecommunications products and services to American firms in Fall 1989. In addition to seeking new business, KDD America will coordinate operations of Telehouse International, New York-based firm of which KDD is largest shareholder with 25 percent. Telehouse is leading provider of super-secure, disaster-proof computer, communications, and data processing centers to the financial industry. It recently opened second facility, a $35 million center on Staten Island. (Except for 12 percent interest purchased by AT&T in May 1989 the rest of Telehouse is held by other Japanese firms.) KDD is also part owner of Infonet, California-based packet switch network company that provides value-added network products and services to global data communications market.

Nintendo (Japan), is developing interactive videogame and information service network for introduction into U.S. market by 1991. Network would link already popular Nintendo Entertainment System (NES) videogames for long distance game playing and access to other information services. Users would access main computer and software from anywhere in U.S. AT&T is expected to be partner in venture.

Ricoh (Japan), has aggressive plans to expand its U.S. business to point where 25 percent of its revenues are from this country. Company, which makes copiers, facsimile machines and other automated office and communications equipment, now does 15 percent of its business in U.S. Ricoh opened $2.5 million plant outside Atlanta, GA in October 1990 and plans to increase its manufacturing presence in U.S. over next few years.

Recruit Company (Japan), provides information management and telecommunications services in New York City area through subsidiary Recruit USA. Operates super-secure, disaster-proof data service centers in Newport, NJ and Staten Island serving customers primarily in the financial and banking industries. Dedicated fiber-optic network links centers to Manhattan.

Toshiba (Japan), began manufacturing telecommunications equipment for U.S. market in Irvine, CA in October 1989. Decision to move manufacturing from Japan is largely effort to avoid imposition of import duties if company is named in anti-dumping suit. Toshiba added 103,000 square feet to its plant in Irvine, CA to accommodate manufacture of PBXs and key systems. Irvine plant is also Toshiba's major U.S. personal computer assembly facility. In October 1990 Toshiba announced goal to assemble all computers it sells in U.S. in Irvine by 1993 and to increase local content from 25 percent to 40 percent. In effort to strengthen software development, particularly for its lap-top computers, Toshiba also plans to more than double number of software technicians in Irvine to 160 by 1993. Toshiba is reportedly among several companies negotiating with AT&T to acquire minority stake in Unix Systems Laboratories, AT&T subsidiary that develops Unix computer operating systems and software.

In April 1990, Toshiba America Consumer Products Inc. announced plans to open research center in New Jersey to develop high-definition television technology.

Mitsubishi (Japan), manufactures mobile telephones in U.S. through its subsidiary Mitsubishi Consumer Electronics, Inc. In November 1990, announced plans to double annual output at its Georgia plant to 40,000 mobile phones by March 1992.

Siemens AG (W. Germany), has launched concerted effort to increase its presence in U.S. by acquiring over 30 U.S. companies. Is concentrating on five high-growth areas: factory automation, office automation, telecommunications, semiconductor technology and diagnostic medical equipment. Major communications deals: purchased 80 percent interest in GTE's Communication Systems' Transmission Product Division (1986); acquired, for $165 million, full control of Tel Plus Communications, the largest U.S. independent interconnect company (1987); paid almost $1 billion for ROLM, IBM's telephone equipment manufacturing arm (1988). Purchase of ROLM increased Siemens' share of North American office-telephone equipment market from about 4 percent to over 20 percent; almost doubled its share of world market. Efforts to increase share of U.S. digital central office switch market are backed by 500-engineer research facility devoted to specialized software development.

In November 1990, Siemens and U.K.'s GPT Ltd. announced intention to merge the two companies; public telecommunications operations in the U.S. Joint venture between Siemens Communications Systems, Inc. of Boca Raton, FL, and Stromberg-Carlson Corp. of Lake Mary, FL, will be known as Siemens Stromberg-Carlson and will be North America's third largest public network supplier. Venture, which will have about 4,000 employees based largely in Florida, will design, develop, produce and market computerized public telephone switches, packet switching and transmission systems.

Deutsche Bundespost Telekom (Germany), will open U.S. office to spearhead effort to transfer its already successful German videotext and value added network services to U.S. market. Is part owner of Infonet, California packet switch network company that provides value-added network products and services to global data communications market.

France Telecom (France), provides long distance data communications through Minitel Services Company (MSC is joint venture between Minitel USA and Infonet); MSC's "videotext network" is slated to eventually serve 150 cities in U.S. and Canada. Through U.S. subsidiary Minitelnet, France Telecom is offering over 10,000 videotext information services to U.S. including electronic directory services it publishes.

Alcatel NV (France), is launching strategy to develop and market intelligent network products worldwide. Gaining ground in American market is Alcatel's top priority; plans to reenter U.S. public switching market with broadband ISDN technology in mid-1990s. Recent acquisition of U.S. fiber and cable business makes Alcatel third largest supplier in U.S. In 1987, Alcatel NV began manufacturing key systems and PBXs in Corinth, MS.

Groupe Bull (France), agreed to purchase Zenith Data Systems for up to $635 million. Zenith Electronic's successful computer unit, Zenith Data Systems had 1988 sales of $1.4 billion; is largest seller of battery operated laptop computers in U.S. Acquisition will make Bull largest European computer company; it will gain market share in U.S. and Europe and be positioned to compete on global scale.

British Telecom (U.K.), wants to become leading information services company in U.S. by providing videotext and other information services through BT-Tymnet, company formed by consolidation of BT's Dialcom unit and recently purchased Tymnet, Dialcom, Rockville, MD-based operation with marketing arms in U.K. and continental Europe, was purchased from ITT in 1986 and ranked as third largest e-mail provider in U.S. in 1987. BT has invested over $40 million to add new databases and advanced 2-mail services to Dialcom service. It has enhanced service offerings by linking its U.S. and U.K. data centers via long distance communications; arrangement allows BT to offer all services to all users (whether in U.K. or U.S.) without incurring cost of duplicating software or databases. Dialcom counts among its customers the U.S. Congressional Correspondence System which provides electronic mail service to the Hill.

In July 1989, BT reached agreement with McDonnell Douglas to purchase Tymnet, the second largest U.S. provider of value-added network services with annual revenues of about $250 million. Purchase price was reportedly $335 million. The acquisition of Tymnet gave BT a vast U.S.-based network linking over 750 U.S. cities and more than 30 countries. In addition to the network, sale also included McDonnell Douglas' e-mail and electronic data interchange systems, which substantially strengthened BT's already formidable position in the U.S. electronic services market.

BT is also aiming to penetrate North American computer/communications systems integration market. It plans to develop, manufacture and market broad range of data communications equipment through Herndon, VA based subsidiary BT Datacom. (Formerly Mitel Datacom, unit of Mitel, Canadian company in which BT has 51 percent interest). Products will include fiber optic LANs, computer integrated telephony products, PCs and terminals. BT is backing entry into U.S. data communications market with over $20 million research and development effort.

BT's purchase of 22 percent stake in McCaw Cellular Communications Inc. gave it access to 30 percent of U.S. mobile communications markets, including cellular radio, paging and digital cordless communications. Through this venture BT can offer statewide automatic cellular services, a service Bell company cellular operations cannot provide, at considerable competitive disadvantage, due to MFJ interLATA restrictions. BT also purchased 80 percent of Metrocast paging from Metromedia Telecommunications and plans to spend over $21 million in system expansion, operations and marketing plans.

Cable & Wireless (U.K.), provides long distance telephone service throughout U.S. through owned and leased facilities. By almost doubling capacity of U.S. portion of its "Global Digital Highway," Cable & Wireless has coast-to-coast network that is more than 90 percent fiber optic and has access to 80 percent of U.S. business population with equivalent of 27 million miles of high quality circuit capacity. Long distance traffic over this network increased by 21 percent to over 630 million minutes. In December 1989, C&W began 100 percent digital end-to-end private line service in California for in-state data transmission. Company has been targeting services primarily to business customers, but plans to begin marketing more aggressively to residential customers.

In November 1990, Cable & Wireless reached an agreement to acquire Washington, D.C.-based Alba Data Technology, also known as DataAmerica. Acquisition of DataAmerica network will enable C&W to offer services such as electronic mail and electronic data interchange. C&W also purchased long distance portion of GTE Telemessengers voice messaging business in January 1991. Together, acquisition move C&W closer to goal of offering end-to-end enhanced data networking services in U.S. and globally.

Hawley (U.K.), paid $715 million for American District Telegraph (ADT), leader in U.S. security products and services (including remote electronic security information services).

L. M. Ericsson (Sweden), has assets in U.S. of only about $320 million but has about 5 percent of U.S. PBX equipment and multiplexer market and is aiming for 10 percent. Ericsson is becoming player in integrated communications systems business. In Spring 1989 was awarded $3 million contract to install integrated voice and data transport network for State University of New York health center; other installed systems include California State University and University of Massachusetts.

Ericsson is very active of U.S. market for cellular system infrastructure equipment, primarily switching. In 1989, formed joint venture with GE to produce cellular phones, mobile radio products and Mobitex mobile data communications systems. Venture, known as Ericsson GE Mobile Communications, Inc., is 60 percent owned by Ericsson, 40 percent by GE. In late 1989, Ericsson established new company, Ericsson Mobile Data, Paramus, NJ, to supply, install and maintain Mobitex system. Ericsson is partner in American Mobile Data Communications venture to build and operate first nationwide 2-way all-digital Mobitex mobile radio network, linking top 50 U.S. specialized mobile radio systems.

October 1990 announcement of major order received from McCaw Cellular and Lin Broadcasting made Ericsson leading supplier of cellular equipment in U.S., surpassing Motorola and AT&T. With new order, to replace Motorola equipment in New York-New Jersey area, Ericsson will have cellular systems in nine of America's 13 largest cellular markets; approximately 2.3 million U.S. cellular subscribers will be served by Ericsson equipment.

Ericsson GE Mobile Communications opened research and development center in Research Triangle Park, NC in late 1990. R&D center will develop and commercialize digital cellular telephones and base stations for the North American market. Initially employing about 50 American and Swedish engineers, center is expected to grow over next several years.

Elsevier (Netherlands), owns several traditional and electronic publishers in U.S. Holdings include Congressional Information Service, which specializes in U.S. government and congressional information publications and databases, and real estate data companies Real Estate Data and Damar. Growth of U.S. operations (32 percent increase in American publishing revenues between 1987 and 1988) prompted formation of two new business groups: Elsevier Information Systems and Elsevier Business Press.

VNU BV (Netherlands), owns Disclosure, one of largest and most widely available U.S. business information database publishers.

N.V. Philips (Netherlands), generates 20 to 30 percent of total revenues through U.S. sales, mostly of consumer electronics. Plans to aggressively increase its stake in U.S. to about 50 percent by concentrating on improving its standing in information technologies markets; will increase already significant U.S. manufacturing base accordingly. Philips is largest European manufacturer of semiconductors and has healthy stance in U.S. market via acquisition of Signetics.

Thyssen-Bornemisza Inc. (Monaco), owns Predicast, one of largest and most comprehensive U.S. business and defense information database publishers.

International Thomson Organization Ltd (Canada), established presence in U.S business information services market through acquisition of U.S. service and software firms. In 1986, acquired Business Research Corp. developer of IvestText and First Call (leading on-line financial database and equity research network) and Technical Data Corp., publisher of financial information and developer of software for institutional investment community. Companies are grouped with other holdings under "International Financial Networks Group" known as "Infinet."

EXAMPLES OF FOREIGN COMPANY ACTIVITY IN U.S. MARKETS CLOSED TO THE BELL HOLDING COMPANIES

Company, country, U.S. business activities

Hitachi, Japan, manufacturing computers and telecommunications equipment.

Matsushita, Japan, manufacturing electronic and communications equipment; research and development of computer & communications technologies.

Fujitsu, Japan, research and development of digital central office switch technolog; manufacturing communications equipment; software development.

NTT, Japan, data communications services; fiber optic hardware.

NEC, Japan, manufacturing computers, semiconductors; communications equipment, and integrated systems; research and development of communications systems software and home information systems technology

KDD, Japan, telecommunications products and services; secure computer, communications, data centers; packet switch network, value-added network services.

Nintendo, Japan, interactive information service network.

Recruit, Japan, information management and telecommunications services.

Toshiba, Japan, manufacturing telecommunications equipment sofware development.

Ricoh, Japan, manufacturing office & communications equipment.

Mitsubishi, Japan, manufacturing telecommunications equipment.

Siemens AG, Germany, manufacturing of wide range of telecommunications/automation equipment; communications research and development.

Deutsche Bundespost, Germany, marketing videotext packet switch network, value-added services.

France Telecom, France, long distance data communications; videotext information and directory services; packet switch network, value-added network services.

Groupe Bull, France, manufacturing computer equipment.

Alcatel NV, France, manufacturing telecommunications equipment.

British Telecom, U.K., electronic database/information services; nationwide value-added network; computer/communications systems integration and equipment manufacturing; interLATA automatic cellular services.

Cable & Wireless, U.K., long distance telephone service throughout U.S.; enhanced data network services.

Hawley Group, U.K., remote electronic security services.

L.M. Ericsson, Sweden, manufacturing of communications equipment; integrated communications network systems; digital public mobile data network; digital cellular research and development.

Elsevier, Netherlands, electronic and traditional publishing; U.S. government/congressional information online databases.

VNU BV, Netherlands, electronic and traditional publishing; U.S. business and; financial databases.

N.V. Philips, Netherlands, manufacturing of electronic/microelectronic equipment and components.

Thyssen-Bornemisza, Monaco, electronic publishing/information services; U.S. business and defense information database.

Int'l Thomson Org., Canada, electronic and traditional publishing; on-line financial database and equity research network; software development for institutional investment community.

Mr. HOLLINGS. I thank the distinguished Chair, and I will continue to highlight.

Fujitsu is among several companies negotiating with AT&T to acquire minority stake in Unix Systems Laboratory, an AT&T subsidiary. I emphasize that because AT&T is wheeling and dealing free as the evening breeze with market forces. They are the ones coming in and saying, oh, boy, you have to watch those Bell Cos. They are the ones who testified, do not control them, let the market forces operate.

Now they have a so-called monopoly. In essence, because of their very size, financial worth, they want to continue it and deal with themselves. Whereby, this particular bill has provisions against self-dealing, auditing, and everything else of that kind. But they do not want that for themselves. They just want that for the Bell Operating Cos.

NT&T, that is Nippon Telephone & Telegraph, employ 7,000 worldwide. They had $2.7 billion in revenues in 1989. They own 50 percent of NT&T International which established the Dynamic Loop Corp. in Delaware. We have to search these things out and find out where they have their communications projects. But they are heavy in here. They are a major investor with Alcoa Fujikura, in my back- yard, Spartanburg, making fiber optic hardware for assembling communications network.

NEC Japan has 8 percent already of the North American office telephone switch equipment market. NEC operates four manufacturing plants in the United States. Not long ago, they increased their capability of specialized semiconductor design centers. They opened up a research facility in Irving, TX. In November 1989, the Advanced Switch Laboratory developed broad band hardware and software for the central office and customer premises equipment. Of course, they also are working with AT&T for a stake in the Unix Systems Laboratory.

In May 1990, they opened a $25 million research facility in Princeton, NJ, and they have already employed 100 persons there. Half will be researchers, several scientists already hired from AT&T's Bell Labs. You will hear Senators from time to time say we still have Bell Labs. It is being denuded; it is being taken away; it is being hijacked by the foreign investors coming into this country and NEC is one of them. They are starting it right next door and giving the scientists better conditions, I take it, better pay, what have you. They will be running it right here under our noses. But we are in charge; we have antitrust provisions; we do not want any predatory practices, and we do not want any price fixing. The dummy Congress is sitting around losing the industrial backbone of the United States of America while we think we are in charge, and we are not.

Kokusai Denshin Denwa from Japan, has 25 percent of the New York-based firm of Telehouse International. Telehouse is the leading provider of super secure disaster-proof computer, communications, and data processing centers for the financial industry. They have a $35 million center on Staten Island. I will leave the rest of the summary.

Ricoh, of course, from Japan, has opened a $28.5 million plant outside of Atlanta, GA last fall, and they plan to increase their manufacturing presence.

The Recruit Co. are also in New York City. Toshiba of Japan began manufacturing telephone and telecommunications equipment for the United States market in Irvine, CA. They just moved their manufacturing from Japan in an effort to avoid imposition of the import duties and the antidumping suit that had been brought. They added 103,000 square feet to their plant in Irvine to accommodate the manufacture of PBX's and they are the major U.S. personal computer assembly facility. So they are working with AT&T on the UNIX Systems Laboratories. They are also into high definition television, as we all know, and this arrangement was made in April 1990 under the name of Toshiba American Consumer Products, Inc.

Mitsubishi Japan, a subsidiary of Mitsubishi Consumer Electronics, that particular subsidiary manufactures mobile telephones. They have a plant in Georgia and the output is expected to be around 40,000 mobile telephones by March 1992.

Siemens, Germany has launched a concerted effort to increase its presence in the United States by acquiring over 30 United States companies. They took over 80-percent interest in GTE's Communications Systems Transmission Product Division. They acquired for $165 million full control of TelPlus Communications, the largest U.S. independent interconnect company back in 1987. Then they paid $1 billion for ROLM, IBM's telephone equipment manufacturing arm in 1988. Siemens Communications, Inc., of Boca Raton got into a joint venture with Stromberg-Carlson, that has gone British, and they will have 4,000 employees down there. They will develop, produce, and market computerized public telephone switches, packet switching, and transmission systems.

Mind you me, Mr. President, none of this separate subsidiary, none of this provision of you have to have domestic content manufactured all here unless you can prove it is unavailable, nothing like that. They can do as they will, finance as they will, buy from each other as they will. We have a highly restrictive measure in S. 173 on seven very, very competitive entities.

These that I list have none of that. They are into the open market and have taken us over and are sending us to the cleaners. Deutsche Bundespost Telekom in Germany; France Telecom. They provide long distance data communications. Minitel Services is a joint venture with Minitel MSC and Infonet.

Alcatel of France—their recent acquisition of the United States fiber and cable business. It makes Alcatel of France the third largest supplier in the United States. It began manufacturing key systems in PBX in Mississippi and a memo here outlines its particular endeavor.

Groupe Bull of France—they purchased Zenith Data Systems for 635 million bucks.

You can go down and see how they are gaining U.S. market share.

British Telecom—Dialcom of Rockville, MD, providing even services to the United States congressional correspondence system, is into the market correspondence.

British Telecom reached agreement with McDonnell Douglas to purchase Tymnet, the second largest provider of value-added network services with revenues of $250 million. They say they purchased it for $355 million. They have plans to develop and market and manufacture a broad range of data communications equipment.

BT is backing its entry into the U.S. data communications market with also a $20 million research and development effort.

I keep mentioning research and development. You will find in my formal statement that the average investment in R&D is somewhere around 8 or 9 percent. And the Bell Cos., since it does not pay 1.3 percent, our competition is doing it because they can profit by it. They can explore, they can get those particular advanced services. They can serve themselves with it and everything else.

But we are stultifying, putting a wet blanket, if you please, on research in America with this continued practice of the modified final judgment of forbidding manufacture. It is as simple as that. That is why all these large entities that are coming in are also setting up their research facilities to get into that particular market and be downfield of the competitive curve so they can maintain in that market.

Of course, BT purchased a 22-percent stake in McCaw Cellular Communications and they have 30 percent of the U.S. mobile communications market including cellular radio, paging, and digital cordless communications.

We have L.M. Ericsson from Sweden. They have assets in the United States of about $320 million, and have about 5 percent of the U.S. PBX equipment market, and are aiming at 10 percent. They are becoming a major player here in integrated communications systems business. In the spring of 1989 they were awarded a $3 million contract to install integrated voice and data network with the State University of New York, California State, and University of Massachusetts. The venture known as Ericsson GE Mobile Communications, Inc., is owned 40 percent by GE, 60 percent by Ericsson. And they are buddy enough, trying to replace Motorola.

I can tell you here and now, as long as we can continue it, we ought to call the modified final judgment, a foreign takeover entity act, to put the United States out of business.

It is not complicated at all, but the colleagues have not noticed this. We are letting it pass by, all in the name of not having any antitrust practices or self-dealing or predatory prices.

The FCC now does have computers. They have a system that the telephone companies have to comply with. They can easily, with their computers and their new systems now for auditing—which we could not get heretofore before the 1980's—because I worked in this field for the last 24 now going on 25 years as a member of the Communications Subcommittee of Commerce—we could not get anything out of AT&T. Now we have the rules, the systems, the regulations, the computers. They can have the audits. They are audited. The States can audit and should audit, and everything should be aboveboard and could be seen and observed, audited and complied with.

But while we have all of that going on, trying to get our own companies in the manufacture under those particular restrictions, very severe restrictions, foreign entities continue on like gangbusters.

They also, Ericsson GE, opened a research and development center in the research triangle in North Carolina last year. They will develop and commercialize digital cellular telephone base stations in the North American market. They employed initially about 50 American and Swedish engineers and, of course, it will go and grow as you can see.

So, Mr. President, you have Hitachi in manufacture, Matsushita, Fujitsu, NTT, NEC, KDD, Toshiba, Ricoh, Mitsubishi, Silmens, Groupe Pull, Alcatel, Cable & Wireless, L.M. Ericsson, M.V. Philips from the Netherlands manufacturing electronic and microelectronic equipment. The list is replete.

When we understand this, Mr. President, we begin then to take the cloud from our eyes and the bit from our teeth, bent going down the road to antitrust, antitrust, antitrust, like we are regulating business for consumers, and begin to sober up and understand that we are the ones denying the consumers the advanced technology because we are denying the American entities a chance to do research, develop, and manufacture. They are the ones that have been built up by the American consumers, by the American taxpayers and otherwise and by this blinded policy, forced to go overseas and develop Hungary and Moscow and New Zealand and Argentina, and all the other countries.

Yes, we had a good debate last week, and we are going to continue with that debate because we do not have a trade policy in the United States. More than that, we do not have a research and development policy in the United States because there is a mindset over the administration about industrial policy.

When I come here and the President signs a minimum wage bill, he no longer is pure. He went along with industrial policy. What he said was, I do not care what your capability, capacity or talent is; in America you are worth so much per hour. We invaded the market with our tax provisions. We invaded the free market with the Export-Import Bank and so forth that we set up. We invaded in various other ways.

So we are not invading the market. What we are trying to do is meet market forces and let us unleash their dynamic capability both financially and talent-wise to manufacture.

AT&T our opposition—we might as well identify it in the first instance, because we can tell it. You see this bill was reported out last year, again this year by our committee, after all the hearings, on a vote of 18 to 1.

My understanding in coming to the floor now is that perhaps Members would have a stretch-out kind of policy of amendment after amendment after amendment to try to bog it down so nobody would be for the bill with all kind of nit-picking things like looking for rural amendments. Everybody wants to do something for rural areas. We have looked out for the rural telephone operatives in this country. This particular Senator has. You want to look out for the matter of audits. Let the States audit.

If we want to go further about the cross-subsidization, let us look at it and see that it is iron clad.

No one else is forbidden from buying for themselves. We put restrictions in here that you should have it open and aboveboard, offer in any purchase you make, all other manufacturers to come in, and buy and sell on the same basis that you sell to any other competitor and so forth.

So all of those have been worked out in the committee, but they will try to revisit them like they have thought of a new idea. Their new idea is to kill the bill. We know that. We understand it. We will be as tactful as we can and as deliberate as we can. But I do not think we ought to be taking up the time of the Senate revisting time and time again a measure we have worked on now for many years and reported out not only last year but again this year.

I would like to emphasize at this particular point, Mr. President, the various restrictions we have here on safeguards in S. 173. My colleagues will not think we have a bill and we are going to ram the bill through, and we are not looking out for consumers and the rates might go up, and all of those particular arguments be made.

We have in here "no joint manufacturing." In other words, RBOC's cannot manufacture in conjunction with one another. All of these entities I have listed can and do and continue to do so. I have listed those coming in with AT&T, who is opposing this bill. They are coming in time and again, wheeling and dealing, buying out each other, and everything else like that.

We say that these Bell Operating Companies cannot manufacture in conjunction with one another. They must create seven independent manufacturing entities and compete with each other, as they are doing right now in world market business the world around.

They must have separate affiliates. The Bell Operating Cos. must conduct all of their manufacturing activities from separate affiliates. The affiliates must keep books of account for its manufacturing activities separate from the telephone company, and must file this information publicly. How are you going to beat that?

We debated that out in the committee. We want to make sure they were not going to play games and cut corners. Nippon Electric financed, subsidized, and protected. Try to get in over there and compete with any of these entities. They are competing.

No, this is not going to really forestall entirely foreign investment in the United States of America. They will still come, because they will still have many advantages; because we will have these kinds of safeguards. I would like to clean them all out and let it all go.

Yes, we do have common carrier requirements of these Bell Operating Cos. Each Senator—and this Senator—wants to make certain that we are not paying the bill for manufacture, venture, and subsidizing particular entities through increased telephone rates.

We have another provision in here against self-dealing. No self-dealing. Bell Operating Cos. may not perform sales advertising, installation, production, or maintenance operations for its affiliate. They cannot advertise, they cannot install, they cannot produce or maintain for its affiliate.

They must provide opportunities to other manufacturers to sell to that telephone company that are comparable to the opportunities that it provides to its affiliates. RBOC may openly purchase equipment from its affiliate at the open market price.

And we have one thing in here and, of course, under the law, on a private cause of action, it ought to be mentioned at this point that all of our laws say go to the particular administrative body. You go and apply, if there is a violation, and exhaust your administrative procedure at the Federal Communications Commission, in this particular discipline, to make certain that we do not turn the courts into an administrative body. That would apply, ordinarily, to all of these.

We went one step further with the manufacturer, if they thought they were being discriminated against and not being applied to, the manufacturer—not an individual fellow who is mad with his telephone rates, because we would clutter up the courts and get nothing done—can proceed with a private cause of action.

That was the one exception we made. We are not making the exception, of course, for the individual private right of action.

It sounds petty, but if you think on it, after a while, you will understand that the orderly procedure is to make your complaint, and the FCC follows it up, and you have the expertise paid for by the taxpayers, and the investigation and the proceeding itself taken care of by the public. You do not say: I am a little individual citizen and do not have money enough for a lawyer. The procedure is there in every instance.

We have even gone further here with respect to manufacturers. No cross-subsidization. Bell Operating Cos. are prohibited from subsidizing its manufacturing operations with revenues from its telephone service. Those records are kept, and they are public and subject to audit.

Domestic manufacturing requirement. The Bell Operating Cos. must do all of this manufacturing within the United States.

Remember the thrust; remember the intent of this particular measure: To come home to America. We are now opening up the market and giving you a level playing field as best we can. We still have it somewhat tilted in favor of the consumers and in favor of antitrust concerns, and those things. We do not totally level it.

But they must do all of their manufacturing here, because we are trying to create that manufacturing capability in the United States. There is no question about that. That is the way it is.

As old Walter says: The world around, everybody else is doing it. Everybody else is taking these national entities, from Siemen's, from Ericsson, and all of these other particular companies who are all taken care of by their country, and say at least we want to get the manufacturing done here in the United States. We do not want to take all of this and let them setup over in Singapore.

This Senator is particularly sensitive. I competed, as Governor, on Western Electric, in making the telephones, with my distinguished former colleague, Gov. Luther Hodges of North Carolina. We competed on two of them: Western Electric and Eastman Kodak. I won out on Eastman Kodak and got it in South Carolina, and he won out on Western Electric.

I am the ultimate winner, because I saw Western Electric in downtown Singapore when I visited over there. That is where they are making all of this hand telephone equipment. So the idea here is not to further subsidize manufacture out of the United States, but rather to reverse that particular trend.

Limitation on equity ownership. The Bell Operating Co. fought like a tiger, and I guess they might still fight. They would like to own all of the company, and they do not like to have anybody have outside investors, or anything else of that kind. But we say that they may own only 90 percent of the equity of its affiliate. That is, 10 percent must be made available to outside investors.

Of course, I cannot do that, as a member of the Commerce and Communications Subcommittee. I would like to have part of that 10 percent. I know how these people operate. They are the best of corporate citizens. I know my opposition here will start to point to a couple of infringements that came out in the news in the last 2 years. All America, when they get competitive, get competitive. That is, all we politicians singsong. They overstep, from time to time, the bounds. But there is no question that these seven companies are about the seven finest operating companies you are going to find in all of the United States. If you get them setting up a separate subsidiary, they know that they can move forward in the development of the technology and in the advancing of those particular services through technology to the consumers.

We have to complete the loop and change the mentality of the senatorial mind here that this is something against consumers; this is for consumers. We are lagging behind in many services in this country of ours, because it does not pay to get into them. That is all it is.

Even though you have common carriers, the common carrier requirement does not say, now you put in advancements, and so forth. You can sit there and get your rate and continue to sit there and get your rate, and nobody else is going to come in because it does not pay for them to come in.

Limitation on debt. The affiliate only may secure debt from the financial markets separate from the Bell Operating Co. No creditor shall have recourse to the assets of the telephone company.

We consider the telephone company as common carriers and books and financial worth and everything else separate from that affiliate and its manufacturer. If it goes broke and everything else, it does not reflect on my telephone rates and my telephone company.

Protections for the small telephone companies. The Bell Operating Cos.' manufacturing affiliate must make its equipment available to other telephone companies without discrimination or self-preference as to price, delivery, terms, or conditions.

And then, disclosure of network information. The Bell Operating Cos. must file publicly all technical information concerning that telephone network.

You cannot get any more open than that. Someone may want to come and say you could not buy at all from an affiliate. I hope it is not the AT&T crowd coming around here that buys from itself regularly. The majority of its equipment is bought from itself, and it has not affected the long distance rates, and so forth. So we can watch those; they are set.

But what we require here is, as stated, that the Bell Operating Cos. must file publicly all the technical information concerning their telephone network. And those are the particular safeguards that we have included in there.

Mr. President, I see a distinguished colleague perhaps want to take the floor.

Mr. GRASSLEY. No.

Mr. HOLLINGS. Mr. President, I do not want to start a quorum call. There are a lot of other things we can explain. Let us see, Mr. President, while we are putting our colleagues on notice. Let me discuss practices in other countries; the requirements of other countries. Under a new EC directive, the European Community origin preference excludes bids with less than 50-

percent European Community content in telecommunications.

These are the foreign trade barriers. This is your competition. Do not come around here acting like you are running the little U.S. market and it is all insulated and you have control. The foreigners have control, I tell you that right now. They have their own FCC they call MITI and all those other entities that you will find in Europe, and now we will call it the EC. The European Community talks about free trade with Europe. Try to get in over there. They have 50-percent European Community content in telecommunications. We would not dare countenance that kind of thing for all of our telecom market, but that is what they have and that is our competition.

The Canada procurement policy, is the preferred supplier relationship between Bell Canada and Northern Telcom. We have Northern Telcom. It has plants here. On the increased export market, the diminution in the balance of trade that is down to a $700 million deficit in the balance of communication trade. We should hail it. We should understand it. And the reason we hail it is because we do not understand it. If we understand it, that is what happened with all these foreign entities coming in.

For agencies not covered by the free-trade agreement, Canada maintains a 10-percent price preference for Canadian content in telecommunications. Members ought to understand that. This is a very dynamic, very competitive, very subsidized, very controlled international market with the Government on the side of the communications industry in that country. We have a very controlled communications market in the United States of America with the Government against the telecommunications companies in this country.

We are trying our best to get the Government on the side of manufacture, on the side of industry, yes, on the side of jobs, yes, on the side of economic security, and prevailing in the economic war. We have gone, with the fall the year before last of the Wall in Europe, from the cold war to the economic war, the trade war, the industry war, the production war, not just a little bit here jobs, a little bit there jobs; they are basic industries. Let me start with textiles.

I started with this in the fifties when 10 percent of the clothing in this Chamber would have been represented by imports. Now more than 60 percent is represented by imports. It gets to the point where it does not pay to invest and be competitive. You know, we smart politicians running around beating on peoples' heads, got to be competitive and more productive, we continue to appoint 10 more committees; we are about the most unproductive, uncompetitive entity you are going to find, falling over each other around here. Eighty-two percent of the shoes on the floor here are imported.

We are going out of business also in communications, and I am trying to stop it. I am trying to get us competitive here, and I am looking at my competition. The provincial quasi-government corporations follow a "buy Canada" policy. Unfortunatley we do, too. We have a "buy Canada" policy with Northern Telcom, a very fine company, very fine executives, very friendly people. I would be friendly people if I was making out like Gangbusters like they are, I tell you that right now. They do not have anything to gripe about.

But with a measure of this kind and the sobering up of Government in Washington, DC—what is not producing and not competing is not the hinterland. I can give you example after example of the highest technology; I know it, I see it, I have been visiting with it, and yet we still continue to go out of business on account of us right here in Washington. I visited week before last T.M. Brass in magnetic resonance in my own backyard. They export 50 percent of what they make.

I can go right on down the list. They talk about how the Japanese work harder, they have a work ethic. You cannot beat the American production worker; I do not care what they say. I have watched them; I have seen them. I have seen the Japanese come, Japanese and West Germans, for automotive electronic engineering, study 22 countries, and, bam, come to South Carolina, not to Japan, not to Germany, because of the productivity and the skills we have in my own backyard. And in this past year now we have taken over from Toshiba the magnetic resonance indicators, the MRI, the health equipment, where we have now a GE plant in Florence, SC, and we export over 50 percent of it. We are going to take over the Japanese market—until they get into the health market like they are getting into the communications market. Where the Government has not gotten into it yet, we are still surviving and beating them. But bit by bit, step by step, takeover by takeover, they are moving very quietly, very effectively into my backyard, into your backyard, and we are inviting them in. Any Governor of any State in America worth his salt has an office in downtown Tokyo. It is delightful to visit, on the one hand, you are out there trying to get the investments. We have many fine Japanese industries, and I emphasize we are not bashing Japan or Germany or the Swedes. We are not bashing anybody foreign; we are bashing Washington, DC, trying to wake them up, give them a wake-up call.

The United States is under siege by a host of Japanese, European, and other multinational firms who are exploiting the openness of the United States market to our great disadvantage. These foreign companies recognized some time ago what the United States has not—the market for communications equipment is now a global one, and we are not in it. In this high-stakes battle over world market share, the United States has only one major participant—AT&T.

At the same time, the United States bars seven of its largest and most productive companies from designing, developing, or manufacturing any form of communications equipment. These companies have tremendous assets, experience, and expertise that could bring enormous benefits to U.S. workers and consumers if they were allowed to manufacture. To continue this restriction is simply contrary to America's best interests. It is time for the U.S. Congress to take control of our economic destiny and lift the manufacturing restriction on the Bell Operating Cos.

This legislation has tremendous bipartisan support. S. 173 now has 25 cosponsors, including Members from both sides of the aisle. The Commerce Committee reported this bill to the full Senate by a vote of 18 to 1. Last year, the committee also voted a similar bill to the Senate by voice vote. It is clear that an overwhelming majority of the Senate is prepared to take up and pass this legislation.

Further, almost every sector of the American public believes this restriction should be lifted. The Communications Workers of America support the bill and believe that this legislation will provide thousands of jobs for Americans. Organizations representing the deaf community, the disabled community, and older Americans support the bill because it will lead to greater innovation and better products to suit their communications needs. Over 40 small manufacturers believe that allowing the Bell Cos. to provide funding to start up manufacturing companies will promote economic development and small business opportunities. A number of policymakers and scholars support lifting this restriction, including Henry Geller, the former General Counsel of the FCC, and Alfred Kahn. The consumers who have written to my office in support of this bill outnumber those who oppose it by 10 to 1. Clearly, the public is demanding that Congress lift this restriction.

Mr. President, the current manufacturing restriction on the Bell Cos. is an old-fashioned policy that has outlived its usefulness. The manufacturing restriction originates from an antitrust case that was filed against AT&T 17 years ago. In that case, the Department of Justice alleged that AT&T had used its monopoly over telephone service to discriminate against competing equipment manufacturers. While the case was being tried, the Department of Justice and AT&T reached an out-of-court settlement under which AT&T agreed to relinquish control over the 22 Bell Operating Cos. This settlement agreement, which became known as the Modification of Final Judgment, or MFJ, also banned the 22 Bell Cos. from manufacturing communications equipment. The district court accepted the agreement and has continued to enforce it.

THE MANUFACTURING RESTRICTION IS UNFAIR

There are several problems with continuing this manufacturing restriction in place, but one of the most obvious is its unfairness. Indeed, one must question why the manufacturing restriction was allowed to stand in the first place. The Bell Cos. were barred from manufacturing even though the district court never ruled that AT&T had, in fact, committed any violation of the antitrust laws. Further, the Bell Cos., which had not yet been created, had no opportunity to comment on the proposal to ban them from manufacturing before the agreement became effective. AT&T, a major manufacturer and one of the two parties responsible for imposing the restriction, had a clear self-interest in keeping the Bell Cos. from competing with it in the manufacturing market. Meanwhile, the Department of Justice has changed its position and now supports lifting the restriction.

Furthermore, no other telephone service provider in the world is similarly barred from manufacturing. AT&T, the dominant provider of long distance service in the United States, is one of the largest manufacturers in the world and buys almost all its own equipment from itself. There are 1,400 other telephone companies in the United States; not one of them is barred from manufacturing. In fact, no other country bars its local telephone companies from manufacturing communications equipment.

THE COURTS, NOT THE CONGRESS, ARE IN CONTROL

The enforcement of this manufacturing ban is inconsistent with the traditions of American Government. Because of the peculiar history of the MFJ, a single Federal court judge is now responsible for setting U.S. communications policy. Congress is not in control, and neither is the President. A single Federal court judge, with a few law clerks and a large case load, dictates the use made of over one-half of the communications assets in this country. At the same time, foreign companies, backed by their governments, are buying American companies and taking an increasing percentage of our market share.

THE MANUFACTURING RESTRICTION IS UNREASONABLE AND ARBITRARY

Furthermore, the manufacturing restriction imposes unreasonable and arbitrary limits on the Bell Cos.' ability to manufacture. These restrictions prevent the Bell Cos. from taking advantage of the efficiencies between providing telephone service and manufacturing telephone equipment. As a result, the Bell Cos. cannot bring new and better products to the market that will benefit all Americans.

The practical effects of the manufacturing restrictions are almost ludicrous. For example:

First, under current law, the Bell Cos. can manufacture telephone equipment in foreign countries for sale overseas. But the law bars them from performing any manufacturing in the United States for domestic customers. This forces the Bell Cos. to invest their capital overseas, as they have done in Europe, Mexico, New Zealand, and elsewhere.

Second, current policy allows these companies to engage in the design and development of the telephone network, yet they cannot design and develop equipment to be used in that network. This removes any possible efficiencies of operating in these two markets.

Third, the success of most high-technology industries is founded on strong research and development activities that usually comprise between 6 and 10 percent of revenues. Under current law, the Bell Cos. can perform research but they cannot engage in development. The uncertainty of the line between research and development and the fear of sanctions discourages the Bell Cos. from performing any research at all. As a result, the Bell Cos. spend only about 1.3 percent of their revenues on research.

If there was any justification for banning the Bell Cos. from manufacturing 10 years ago, they have long since disappeared. The manufacturing restriction makes absolutely no sense in today's world. Let me outline briefly some of the benefits of allowing the Bell Cos. into manufacturing:

1. AMERICAN COMPETITIVENESS

The U.S. competitive position in high-technology markets is severely at risk. This decline is apparent in almost every sphere of the market. In research and development, patents, trade, and world market shares, Japanese, West German, and other foreign companies are outcompeting the United States in the international market. The United States faces a challenge to its world leadership position as never before.

Some basic facts bear out this point. Seven years ago, there were 15 major switch manufacturers in the world market, 3 of them American. Today there are only eight—three from Japan, three from Europe, one from Canada, and only one from the United States, AT&T. From a $1 billion surplus in 1981, the U.S. trade balance in communications equipment has now dropped to a $700 million deficit.

Total U.S. spending on research and development lags far behind other developed nations. According to the National Science Foundation, the United States spent 1.8 percent of its GNP on nondefense R&D last year, while West Germany spent 2.6 percent and Japan spend 2.8 percent. In communications, the largest European and Japanese firms have increased their research and development spending by 18-20 percent per year. AT&T has increased its spending by about 6 percent per year.

While the U.S. standing has declined, our foreign rivals have prospered. Annual foreign investment in U.S. high-technology industries has increased from $214 million in 1985 to $3.3 billion in 1988. In the 6 years since the divestiture of AT&T, 66 different U.S.-based computer and telecommunications equipment companies have been bought by or have merged with foreign firms.

This decline in the U.S. leadership position has tremendous consequences for all Americans. The erosion of critical U.S. industries means fewer jobs for American workers. Increasing investment in the United States by foreign companies means that profits from American activities flow overseas. The lack of an industrial and high-technology base within the United States threatens our military capabilities and our national defense. The economic, social, and political ramifications of the continued deterioration of U.S. strength in these crucial industries could be devastating.

Lifting the manufacturing restriction on the Bell Operating Cos. will help to reverse this decline. The Bell Cos. are among the top 50 corporations in America. Together, they earn about $80 billion in annual revenues, employ almost 2 percent of the American work force, provide telephone service to 80 percent of the Nation's population, and control over one-half of the United States telecommunications assets. They have the knowledge, the resources, the experience, and, perhaps most important, the desire, to be strong players in the world manufacturing market. How could the United States allow its world leadership in high technologies to run aground while 7 of its largest and most capable companies are kept out of the game?

2. JOBS

Since the divestiture, AT&T has closed down or reduced its work force at 33 manufacturing plants, resulting in a loss of 60,000 manufacturing-related jobs. At the same time, AT&T has signed 18 joint venture agreements with foreign manufacturers and has opened 7 new manufacturing facilities overseas. This drain of American jobs not only harms the American worker, it also harms our industrial competitiveness. Trained and skilled workers are essential if the United States is to continue its role as the world's technological leader.

The Communications Workers of America firmly believes that lifting the manufacturing restriction on the

Bell Cos. will promote thousands of new job opportunities in the United States. The domestic manufacturing provision requires the Bell Cos. to conduct all their manufacturing here in the United States. Whether the Bell Cos. begin to manufacture on their own, whether they provide seed capital to small entrepreneurial businesses, or whether their manufacturing activities increase the demand for domestically made components, lifting the manufacturing restriction is certain to result in significant numbers of new jobs.

3. RESEARCH AND DEVELOPMENT

The manufacturing restriction places a significant constraint on the Bell Cos.' willingness and ability to engage in research and development. As interpreted by the courts, the manufacturing restriction allows the Bell Cos. to engage in research but not design or development. The line between research and development is so arbitrary and unclear that the Bell Cos. are afraid to engage in any research at all for fear of crossing that line.

Further, because the Bell Cos. cannot turn the fruits of their research into a marketable product, they cannot earn a profit from that research. Thus, the Bell Cos. have little incentive to conduct any research at all. As a result the Bell Cos. spend only 1.3 percent of their revenues on research, while most foreign manufacturers spend between 6 and 20 percent of their revenues on research.

Lifting the manufacturing restriction will give the Bell Cos. incentives to conduct research, since they will be able to turn that research into profitable products. Lifting the restriction will also eliminate the arbitrary, unclear, and unnecessary boundaries between research and design and development.

4. INCREASED INVESTMENT IN THE UNITED STATES

Foreign firms have dramatically increased their purchase of U.S. high-technology firms. Since the divestiture, foreign firms have purchased or merged with 66 different high-technology U.S. firms. In just the last 2 years, the percentage of U.S. manufacturing employees working in foreign-owned companies grew from 8 percent of the U.S. population to 11 percent.

Many of these companies could have been purchased by the Bell Cos. if not for the manufacturing restriction. The manufacturing restriction bars the Bell Cos. from owning any equity interest in a manufacturing concern. Further, it is unclear whether a Bell Co. can loan capital or have any financial relationship with a manufacturer. As one manufacturer testified at the hearing before the Commerce Committee, the manufacturing restriction implicitly restricts the business activities of every telecommunications manufacturer in America.

As a result of the manufacturing limitations, small, entrepreneurial companies must often turn to foreign-based companies for necessary capital. Most of these small manufacturers would rather work together with American-based Bell Cos. if they were allowed to do so. For this reason, over 40 small manufacturers of communications equipment have expressed support for this legislation. Lifting the manufacturing restrictions would free up the Bell Cos.' capital sources and encourage greater U.S. investment by U.S. companies.

5. INCREASED SHARE OF THE INTERNATIONAL EQUIPMENT MARKET

The U.S. share of the international equipment market is in severe decline. Even the opponents of this legislation acknowledge that the U.S. market share has declined in almost every sphere of communications equipment. The U.S. manufactures no fax machines and controls less than 20 percent of the world market for central office switches, and these figures include equipment manufactured in the United States by foreign-based companies.

The Bell Cos.' entry into manufacturing should have a positive impact on the total market share controlled by U.S. firms. The BOC's have an intimate knowledge of the U.S. market, telephone standards, and business economics. Further, there are substantial efficiencies between the operation of the telephone network and the design of equipment to be used in that network. Such efficiencies include the sharing of joint costs, the knowledge of the networks and the needs of customers. The entry of the Bell Cos. will undoubtedly stimulate greater innovation and customer demand for communications products in a way that will advantage all equipment manufacturers.

THE DOMESTIC MANUFACTURING PROVISION

Some may ask how we can be sure that this bill will benefit the United States? How do we know that the Bell Cos. will not go overseas to conduct their manufacturing? The answer is that this bill includes a strict domestic manufacturing provision. If they manufacture, the Bell Cos. must conduct all their manufacturing activities within the United States. Further, the Bell Cos. cannot use more than a certain percentage of foreign-manufactured components in the products they manufacture. This provision was negotiated by the Bell Cos. and the Communications Workers of America and has the complete support of both groups. I believe that a domestic content provision such as this is essential to ensuring that the Bell Cos.' potential manufacturing activities benefit the U.S. worker and economy. I applaud the representatives of both organizations for reaching this agreement and have included their agreement in this bill.

INCREASED SAFEGUARDS HAVE REDUCED THE THREAT OF ABUSE

Let there be no mistake, however, about the premise on which this bill is based. I fully understand that these Bell Cos. continue to exercise a substantial degree of market power over local telephone services. Many persons are concernd that the Bell Cos.' dominance of these markets could give them incentives to engage in unlawful cross-subsidization and self-dealing.

For these reasons, I have included in my bill a host of safeguards designed to prevent any kind of unlawful and anticompetitive activity. In conducting their manufacturing activities, the BOC's must comply with the following safeguards:

NO JOINT MANUFACTURING

To prevent collusion, the BOC's cannot manufacture in conjunction with one another. The bill requires that, if the RBOC's decide to manufacture, they will create at least seven independent manufacturing entities that will compete with each other as well as with existing manufacturers.

SEPARATE AFFILIATES

The BOC's must conduct all their manufacturing activities from separate affiliates. The affiliate must keep books of account for its manufacturing activities separate from the telephone company and must file this information publicly.

NO SELF-DEALING

First, the BOC may not perform sales advertising, installation, production, or maintenance operations for its affiliate; second, the BOC must provide opportunities to other manufacturers to sell to the telephone company that are comparable to the opportunities it provides to its affiliate; and third, a BOC may only purchase equipment from its affiliate at the open market price.

NO CROSS-SUBSIDIZATION

The BOC is prohibited from subsidizing its manufacturing operations with revenues from its telephone services.

LIMITATION ON EQUITY OWNERSHIP

A BOC may own no more than 90 percent of the equity of its affiliate. The remaining 10 percent must be made available to outside investors.

LIMITATION ON DEBT

The affiliate only may secure debt from the financial markets separate from the BOC. No creditor shall have recourse to the assets of the telephone company.

DISCLOSURE OF NETWORK INFORMATION

The BOC must file with the FCC full and complete information concerning the telephone network immediately upon revealing any such information to its manufacturing affiliate.

I believe these safeguards are important and necessary, and I fully intend to oversee the FCC's efforts to enforce these safeguards fully.

THE DEPARTMENT OF JUSTICE, THE FCC, AND THE STATES CAN PROTECT AGAINST ABUSE

The combined resources of the Department of Justice, the FCC, and the state regulatory agencies are certain to prevent cross-subsidization. The Chief of the Antitrust Division, for instance, testified before the Communications Subcommittee that antitrust abuse was unlikely to occur if the manufacturing restriction were lifted.

Some persons assert that the BOC's will subsidize their manufacturing operations by recovering their manufacturing costs through higher telephone rates. These people ignore the testimony of the Chairman of the FCC, Al Sikes, who testified that "claims that the FCC's safeguards are ineffective are badly outdated." He also stated that "I believe the [Communications] Subcommittee can be confident that any risks associated with Bell Co. manufacturing are both manageable and small." The FCC is the expert agency handling communications matters and is most directly responsible for protecting the public interest. If the Chairman of the FCC is convinced that this legislation will promote the public interest, the Congress can be confident that this legislation is wise.

The FCC Chairman can make this claim because of the enormous improvements that have occurred in regulation. For instance, the FCC, for the first time ever, has implemented a detailed cost-accounting system that bars the Bell Cos. from engaging in cross-subsidization. These part X accounting rules require the Bell Cos. to file with the FCC detailed cost allocation manuals, along with certification from an outside auditor that the information in the manuals is accurate. These manuals break down costs between regulated and unregulated activities. The Bell Cos. have filed these manuals for the past 3 years. This history gives the FCC and the auditors a history with which to compare future cost allocations to ensure that costs are allocated properly between regulated telephone service and unregulated activities.

Further, these cost data are now submitted in computer format that gives the FCC greater ability to monitor and evaluate changes. The Automated Reporting and Management Information System [ARMIS] computer system installed by the FCC a few years ago significantly increases the FCC's ability to oversee the telephone companies' activities.

Moreover, the FCC has expanded its own auditing capabilities. The Commission conducted 21 full-scale audits over the past year, double the number conducted in 1987. This does not include an additional 12 attestation audits of Bell Co. cost allocation manuals. In addition, the FCC has nearly tripled its budget for conducting field audits since 1987, increasing its travel budget from $35,000 to $105,000 in 1991.

In addition to these regulatory changes made by the FCC are the substantial changes made by the States. The FCC has worked hard to develop strong relationships with the State regulatory commissions that have oversight authority over the Bell Cos.' intrastate activities. Further, the Communications Subcommittee of the National Association of Regulatory Utility Commissioners supports lifting the manufacturing restriction by a vote of 13–5. These Commissioners are the State officials most directly responsible for the welfare of the telephone consumer.

CONCLUSION

In my view, lifting this manufacturing restriction is vitally important. This bill is critical to the future of the Nation's telecommunication industry and this Nation's economic future. I urge my colleagues to support this measure.

So there you are. We have the various issues covered. We will be glad to entertain the amendments as they come to the floor, and perhaps, Mr. President, if I hush a moment, we will attract some folks. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KERRY). Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, I want to compliment my chairman, Senator HOLLINGS, for doing what has been a long time coming and that is bringing to the floor of the Senate a bill to at least partially lift the court order with respect to the telephone companies.

Many people have commented for quite a period of time that the idea of a Federal judge operating a major sector of our economy from his courtroom is crazy and that we should do something about it. And yet, because of the size of the interests involved and the importance of the issue, it has become very, very difficult to legislate.

Senator HOLLINGS has done the seemingly undoable in bringing this legislation to the floor, and I want to compliment him for his contribution.

National communications policy should not be set by one Federal judge. The judicial process involves delay and leaves uncertainty in the communications industry. Detailed regulation of this industry should be the responsibility of the FCC, not a court construing an antitrust decree.

The time is right to lift the manufacturing restriction imposed on the Bell Operating Cos.

Lifting the manufacturing restriction will improve the ability of the United States to compete internationally in the telecommunications equipment market. The seven Bell Cos. represent one-half of the U.S. telecommunications industry's human and financial resources. The Bell Operating Cos. employ between 1 and 2 percent of the entire U.S. work force. They average $11 billion each in annual revenues. S. 173 will allow the Bell Operating Cos. to use their vast resources to enter into equipment manufacturing. I share the view of the Department of Commerce that the Bell Operating Cos. "can make a difference, and they ought to be offered the freedom to do so."

Moreover, the need for the manufacturing restriction no longer exists. The restriction was intended to address three specific forms of anticompetitive behavior associated with the Bell System's predivestiture manufacturing practices. S. 173 incorporates safeguards to protect againt each of these three potential abuses.

The first is the alleged effort to impede competition by giving the manufacturing subsidiary an advantage through privileged access to the technical specifications of the Bell network. S. 173 prevents this activity by requiring each Bell Operating Co. to file such technical information with the FCC anytime such information is given to its manufacturing affiliate.

The second problem is the possibility of cross-subsidizing manufacturing efforts with funds derived from the local telephone monopoly. Such cross-subsidies could create an unfair price advantage while passing on losses to the Bell Co. local customers. S. 173 requires the Federal Communications Commission [FCC] to promulgate regulations to prohibit cross-subsidies. The FCC has already implemented new accounting and affiliate transaction rules which eliminate or significantly reduce the likelihood of cross-subsidization. S. 173 requires the manufacturing affiliate to secure debt from financial markets separate from the Bell Operating Co. and prohibits any creditor of the manufacturing affiliate from having recourse, upon default, to the assets of the Bell Operating Cos. telephone company.

The third potential abuse is the possibility that a Bell Operating Co. would buy its affiliate's products instead of cheaper, better products manufactured by its competitors. S. 173 requires each Bell Operating Co. with a manufacturing affiliate to provide sales opportunities to manufacturing competitors comparable to those afforded to the affiliate. When a Bell Operating Co. purchases equipment from its affiliate, it must pay the open market price.

S. 173 does not stop here. The bill provides additional protection for manufacturers, for small telephone companies, and for ratepayers. The Bell Operating Cos. cannot manufacture in conjunction with one another and must conduct all their manufacturing from separate affiliates with separate books of account. The Bell Operating Co. may not perform sales, advertising, installation, production or maintenance for its affiliate. At least 10 percent of the equity ownership of the affiliate must be made available to outside investors. The Bell Operating Co. manufacturing affiliate must make its equipment available to other telephone companies without discrimination or self-preference as to price, delivery, terms, or conditions.

The telecommunications industry, both in the United States and worldwide, has undergone tremendous growth since the divestiture. S. 173 will allow seven of our greatest companies to use their vast resources to compete, while ensuring that no harm is done to competitors or to consumers. I support S. 173 and urge my colleagues to vote for this important legislation.

Mr. HOLLINGS. Mr. President, let me thank my distinguished colleague from Missouri, Senator DANFORTH. He has been a leader in telecommunications, both as a ranking member on our Commerce Committee and particularly as a senior member of our Finance Committee. It was because of his concern about this advanced technology and losing our leadership position in this regard that he took over and was the leader in our institution on Sematech, which was a move, as a stopgap, to try to maintain this technology. We particularly appreciated his leadership on this measure.

Once again, we emphasize this bill's balanced nature. Looking it over and studying it, I guess, yes, there has been a difference between the colleague from Missouri and this particular Senator from South Carolina, whereby I have not been enthused about what they call free trade, whereas my colleague from Missouri has been a leader for free trade. Yet we both studied this bill from every angle and made sure it had balance.

Yes, we open up the role of manufacturer to the several Bell Operating Cos. but we have strong safeguards. In essence, both the FCC—we will get it in the RECORD and refer our colleague to that—both the counsel at FCC and at the Justice Department said that the safeguards were too restrictive. But I went along in order to ensure a balanced approach.

Incidentally in 1984, the Justice Department advocated the imposition of this restriction prohibiting manufacturing by the Bell Operating Cos.—now the Justice Department supports manufacturing by the Bell Cos. In fact the Justice Department believes that this bill is going too far the other way by imposing too many restrictions. But said, no, the Congress is concerned and feels there is a need for safeguards. We are looking out for consumers.

We also look out for antitrust issues and concerns. The wisdom of all the antitrust law is not necessarily vested in the Judiciary Committee. This particular Senator is chairman of the Appropriations Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies, and the Commerce Committee. We have tried to beef up and update the Antitrust Division over at the Justice Department.

I am dismayed that there are cases that sit in the Antitrust Division for 13, 14, 15 years expending huge amounts of money, and still not reach a conclusion. We have tried to be more effective and more responsive to the concerns about antitrust issues. So I do not yield to other colleagues on antitrust concerns. I too, have not only that concern, I have that responsibility.

Because we are approaching the hour when both sides of the aisle will recess for their caucus'. I want to take time to address my trade concerns. The U.S. spending on research and development is actually in decline.

The United States spends only 1.8 percent of its GNP on nondefense R&D, and Japan and Germany spend between 2.6 and 2.8 percent in communications. The budgets for research of the Bell Operating Cos. and AT&T combined grow at a rate of 9 percent but their competition in Europe is growing at 19 percent, and Japan's R&D budget is growing at 23 percent over the same period. We just combined the research budgets of AT&T and the Bell Cos. so the opponents would not say, oh, no, you have looked at the Bell Cos. but you have forgotten AT&T. We take them both together and you can see the trend concerning actual research and development compared to our foreign competitors and how we lag behind.

Most telecommunications firms spend between 6 and 10 percent of their revenues on R&D, and some spend up to 12 percent. As I pointed out earlier, and I emphasize again, our Bell Operating Cos. are only spending 1.3 percent of their revenues on R&D because if they did get into research they could not profit from it. They cannot sell their results to anyone. They cannot manufacture. They cannot profit from it, so why go down that particular road, even though you are in that particular discipline?

You would like to always do a better job but as a result of this particular national policy we guarantee that our telephone companies, as we know them, are not going to do a better job. There is no financial attraction to do a better job.

The modified final judgment prevents the Bell companies from having any incentive to engage in research and development. Under the MFJ, as they call it, the term "manufacturing" includes design and development. Thus, the Bell Cos. may currently engage in research but as a practical matter cannot engage in design or development of equipment.

This line creates a number of problems. We have the problem of uncertainty. The line between research which is permitted and development which is prohibited is an unclear line.

They fear sanctions. Researchers are afraid to get anywhere close to the line. They do not want to get into that research and find out something they worked on for a year or two or more is, all of a sudden, legally forbidden.

There is a matter of inefficiency. The Bell Co. researchers must stop their work whenever they get close to a design stage because they must turn over their work to an unaffiliated entity. This creates tremendous inefficiencies and new researchers will not have the experience and know-how on the research that has already been done.

Arbitrariness is really a concern. The MFJ permits the Bell Cos. to develop generic product standards but bars them from developing products to meet those standards. They design the company telephone network but they cannot design or develop the equipment to be used in the network.

The fear of sanctions is strong. The line between research and development is so unclear, inefficient, and arbitrary, that the Bell Cos. are afraid to do any research at all and as a practical matter, cut back and do not engage in it. The penalty for violating it can be very, very severe.

Of course, research is unprofitable. If the Bell Cos. researchers come up with a new idea, as I stated, they cannot produce a product for sale to the public. There is little potential, in other words, to recover your costs of doing research.

Industry experts believe that the path to competitiveness is toward a dynamic production mode that involves increased sharing of knowledge between researchers, manufacturers, and marketers. We in the Congress are constantly repeating that, yes, we do well, we win the Nobel prizes; but they win the profits. Supercomputers and the other things, superconductors down in Texas and the other examples that we can point out—the fact of the matter is the Nobel prize we might win here in 1990 or 1991 was for research work done back in 1978–80, 10 years ago. You are going to find by the end of the century we are not winning any Nobel prizes, they are all going to be won by our foreign competition.

Robert Reich said:

> This quiet path back to competitiveness depends less on ambitious Government R&D projects than on improving the process by which technological insights are transformed into high quality products.
>
> U.S. companies must link their own R&D efforts more closely to commercial production. Compared with Japanese firms, most

> American firms draw a sharper distinction between research and development on the one side and production and marketing on the other. This division prolongs product development times, causing marketing opportunities to be lost.

Again, in Business Week, and I quote:

> A decade ago Japanese companies stunned their U.S. rivals by spewing out products of ever higher quality at ever lower and lower prices. This stemmed largely from the fact Japanese, emulating the way American companies operated prior to World War II, don't have separate design and manufacturing functions. Their product engineers are equally adept to both. Using concurrent engineering to harness the ingenuity of America's small manufacturers could spark an industrial renaissance.

That is the article in Business Week entitled, "A Smarter Way To Manufacture," in April 30 of last year, at pages 110 to 117.

Mr. President, I referred earlier to the testimony of Antitrust Division Chief James Rill. He said in his testimony:

> We are concerned that statutory provisions mandating structural separation and requiring comparable opportunities in the Bell operating purchasing decisions may not be necessary to achieve this objective and could foreclose many of the pro-competitive benefits the bill seeks to provide.

He is right. That could occur. That bothered this particular Senator. But this bill was not arbitrarily drawn. This bill was drawn with balance in mind, to allow the best of the best to come into research, the best of the best to come into development, the best of the best to come into manufacture and commercialize and thereby bring the best of technology and the best of technologically advanced services to the consumer. Yet, we put in some of these statutory provisions to make sure that we would not be charged with a disregard for antitrust.

Chairman Sikes, the Chairman of the Federal Communications Commission, stated:

> Adding new statutory requirements could frustrate the basic goal of this bill, which is more U.S. manufacturing. We would welcome the chance, Mr. Chairman, to work with the subcommittee and its staff to ensure that legislative rules and our rules are in harmony and that we do not unintentionally create a regulatory morass.

We have it. It has not been easy. Justice and the FCC now go along, saying this is a good bill, excepting of course the administration. And that should be pointed out. The administration does not go along with the domestic content provision. But that is the responsibility of Carla Hills. We dealt with her all last week.

We really have the tail wagging the dog around here. The Europeans all sit there in the EEC—and I pointed it out—and emphasize just exactly what the content provisions are for all of the European Economic Community. And then the administration comes up and says, look, we better not put in a domestic content provision. That will ruin one of our arguments in our trade negotiations.

It should not be an argument. The best way to remove a barrier is to raise a barrier and remove them both. Market forces, that I believe in; market forces operate. Unless and until you can bow and scrape to the Japanese with all of this special relationship nonsense you are not going to get anywhere. But unless and until you can make it in the economic interest of the Japanese, they are not going to deal, and I would not if I were them.

Business is business. As a result, we have to meet this particular competition to try to level out the field and if there comes a time then in negotiating where both sides can remove, let us say, the agricultural benefits, have them in both sides, not just remove them for the one. Similarly, if both sides can remove them with respect to telecommunications and domestic content, we can do so.

Let me read what Henry Geller stated on this.

> It is simply wrong to suppress the competition of over one-half of the United States telecommunications industry in this important sector. Further, without manufacturing facilities, the divested regional companies cannot reasonably be expected to engage fully and effectively in the R&D that is vital to this dynamic area. There is simply no need to protect AT&T and the foreign manufacturers from the competition of the Regional Bell Operating Cos.

That is really what you have. He is a former general counsel of our Federal Commission and head of NTIA, and Geller knows this field better than any, in my opinion. What the opponents of this bill are really insisting on with amendments that will be presented here is let us protect NTT and the foreign manufacturers, all under the auspices of looking out for the consumers and for antitrust law. All of a sudden we have all become Justice Department lawyers.

The Justice Department endorses this bill with that regard, not with respect to domestic content. The administration opposes it. But otherwise they are the ones that said, look, we required the manufacturing restriction 7 years ago, and now we know definitely it has not worked. It is a bad provision, and we support its removal.

Janice Obuchowski, Administrator of the National Telecommunications Information Administration on behalf of the administration stated this:

> In continuing to bar the Bell Cos. from manufacturing, we are, in effect, handicapping the ability of the United States to meet aggressively the competitive challenge presented by foreign commercial interests. The administration believes that lifting the manufacturing restrictions will have a significant positive impact on the operation of the U.S. telecommunications industry. This important growth industry will better be positioned to thrive and to serve the American public as the United States strives to maintain its competitive edge globally.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

Mr. BAUCUS. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF FAST TRACK NEGOTIATING AUTHORITY

Mr. BAUCUS. Mr. President, just before the Memorial Day recess, this body cast one of the most important votes of the year.

The Senate voted 59 to 36 to extend fast track negotiating authority for 2 more years.

Coupled with a similar House vote, this vote will allow the administration to conclude two critical international trade negotiations: the Uruguay round of GATT negotiations and the free-trade negotiations with Mexico and Canada.

I have spoken at length on the benefits of both of these negotiations, but I will briefly recap.

The Uruguay round alone has the potential to create more sustained economic growth than any proposal that will come before the Congress in the foreseeable future. The North American Free-Trade Agreement could create a secure market for U.S. business of 360 million consumers—the largest in the world.

These are the kinds of opportunities that the United States must grasp if we are to remain an economic superpower and a great Nation.

THE RIEGLE RESOLUTION

Unfortunately, despite an overwhelming vote for the fast track, some wish to once again bring this issue before the Senate.

Apparently, opponents of the fast track have decided that if they cannot kill the fast track outright, perhaps they can cripple it with a flank attack.

The most recent proposal would undo the fast track for the North American

Free-Trade Agreement by allowing amendments relating to Mexico and requiring another extension vote next year.

I strongly oppose this effort. After months of debate, the Senate has spoken on the fast track—and spoken strongly.

I see no reason for more of the Senate's valuable time to be spent considering the fast track.

Let us stop debating procedural issues and allow our negotiators to get down to business.

THE ADMINISTRATION'S BURDEN

That said, I must confess to some serious doubts about the outcome of both the Uruguay round and the NAFTA talks.

The negotiations will be tough.

The United States must set high goals in the talks; U.S. economic security is at stake.

In the Uruguay round, our negotiators must negotiate pragmatically.

Our major objectives—liberalizing agricultural and services trade and protecting intellectual property—are sound; indeed, they are imperative.

But the U.S. negotiators also must work for progress in other areas. For example, they must work harder to eliminate or lower tariffs in sectors where the United States has export opportunities.

In the agriculture sector, U.S. interests would be best served by focusing on the biggest problem—export subsidies—rather than promoting the abstract principle of free trade.

If it is to win congressional approval, the Uruguay round must include provisions, like these, that are of concrete benefit to United States exporters.

The administration has an even more difficult job in the NAFTA negotiations. Negotiating a free-trade agreement with a developing country, like Mexico, is an extraordinarily complex task.

Numerous economic studies confirm that a free-trade agreement between the United States and Mexico could be a boon to the United States economy. But if the agreement is negotiated poorly or ignores critical issues, it could cause severe dislocations in our economy.

Unfortunately, I still fear that some in the administration are inclined to negotiate an agreement that is disguised foreign aid for Mexico, not a sound trade agreement.

Let me be absolutely clear. I would strongly oppose an agreement with Mexico that did not provide significant economic benefits to the United States. I believe such an agreement should and would be turned down by the Senate.

Further, because of the wide disparity in development between Mexico and the United States, a trade agreement with Mexico must address issues not covered in past trade agreements.

For example, a trade agreement with Mexico must ensure that economic growth in Mexico does not occur at the cost of the environment. Unless sound and enforceable provisions to address the environment are included in the trade agreement or in a parallel agreement, I will work to defeat it.

It is possible to conclude an agreement between the United States and Mexico that creates jobs in both countries and protects the environment. For this reason, I supported granting fast track negotiating authority for the North America Free-Trade Agreement negotiations.

But unless the final North America Free-Trade Agreement meets both of these objectives, I will oppose it.

CONCLUSION

During the debate on extending the fast track, many—including myself—spoke of the partnership between the administration and Congress on trade policy.

The administration's toughest work is ahead of it in both major trade negotiations.

I can only hope that the rhetoric on partnership is a reality during those negotiations.

Otherwise, the trade agreements that are negotiated will not win congressional approval.

Mr. President, I yield the floor.

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, momentarily, we are awaiting to check the unanimous-consent agreement to adopt the committee amendments en bloc. They are simple amendments—capitalization of various words—and if we check it on the other side, which I am sure will be all right, we will ask for these amendments to be adopted.

Mr. President, I see we have that consent now.

I ask unanimous consent that the committee amendments be agreed to en bloc and considered as original text for the purpose of further amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to en bloc.

Mr. HOLLINGS. Now, Mr. President, I think perhaps the Senator from South Dakota, our colleague on the committee, Senator PRESSLER, may have an amendment. I think he is checking now on whether to call it up.

I would just like to take one moment with respect to the statement by our distinguished colleague, Senator BAUCUS of Montana, relative to the flank attack, that we have seen concerning the fast-track bill. We had several months of fixing the jury. The White House worked about 8 months with all the lawyers. Our distinguished colleague from North Carolina could not be present due to a personal loss in the family. They were working on him last Thanksgiving down in North Carolina.

It was not a question that they could move forward. Let us get this thing in perspective. We had a measure still in the Finance Committee that they continued to negotiate, concerning both the Uruguay round and the Mexico-Canadian Free-Trade Agreement or North America Free-Trade Agreement as they describe it. We are not against negotiations. We just want to look at what they negotiate. I like the attitude they have in Missouri, show me. Let us see any trade agreement first before we agree to it. But what the White House wanted to do is to move a trade agreement pellmell with no amendments, up and down, and move it through committee. The administration will call it up on the floor at a propitious time when then they can swap off the Members and their votes, and then the industrial backbone of America will further erode.

I yield to my distinguished colleague from North Carolina.

Mr. HELMS. I do not ask the Senator to yield. I commend him for what he said.

I would ask if he agrees with me that we hear all the time around this place about the authority and the rights of the legislative branch being usurped by the executive branch. And we handed this to them on a silver platter.

Mr. HOLLINGS. Exactly.

Mr. HELMS. Took away from ourselves and at a cost to the Senator's State, my State, practically all States in terms of unemployment and other disadvantages.

I appreciate what the Senator from South Carolina has done on this matter, and I have been proud to stand with him. I am just sorry the sadness of my family prevented my being here for the vote and for the debate. But I think everybody knows where I stand. But I cannot imagine anybody who wants to defend the prerogatives of the legislative branch voting to giveaway this absolute built-in right of the legislative branch.

What are we here for if we are not here to examine every treaty? And we gave it away on this. I think that the taxpayers and all other citizens will feel the brunt of this in the years to come.

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. HOLLINGS. Mr. President, I commend the distinguished Senator from North Carolina. He is right on target. We all knew where he stood with regard to our responsibility under article I, section 8 of the Constitution, which reads "the Congress shall regulate foreign commerce"—not the executive branch, not the courts but the Congress shall.

Within that responsibility, it is quite apparent you are going to have to have a negotiator, and the administration negotiates these particular agreements and treaties. But that is not to say that you should put a gun at your head when you do not know what they are going to negotiate long before they negotiate it and say that the administration has the complete authority. That is a total sham. That is not the way they do it any other countries.

The other countries stated they would be delighted to continue to negotiate. Certainly, Mexico would. Mexico does not have a concern about whether to negotiate a Canadian-Mexican, North American-United States Free-Trade Agreement. We allow fast-track authority for multinational treaties, such as the Intermediate Nuclear Force Treaty, ABM treaties, and everything else. Many countries join in, and since we passed that fast track in 1974 there have been 90 agreements overall and only 1 of the 90 under fast track was a bilateral treaty and that was the Tokyo round. That treaty came out exactly the opposite of what was represented. It resulted in about a million dollars more in markets for the Japanese and, actually, the deficit balance of trade zoomed up to over $100 billion. There is no education in the second kick of the mule.

Mr. HELMS. The Senator is correct.

Mr. HOLLINGS. We learned from the Tokyo round and, having learned, we ought to be stepping very carefully and cautiously. Yet the administration is again asking, if you please, to continue to allow it to negotiate. They did not want it that way at all. The sham of it all was the headlines and reporters covering it inaccurately as if President Bush finally got authority away from the special interests so that we could go ahead. You think the AFL-CIO is a special interest? When they represent the working people all over America. You think textiles is a special interest? They are in 44 of the 50 States.

The special interests were the multinationals and the banks, the retailers, and the newspapers and they all collaborated together to get that free-trade authority.

The Senator from North Carolina was not here, but we had to finally get down to the real bottom line, free trade, because while we are up here palavering, the Japanese are already down there with the mordido, you call it, the payoffs, and everything else. They are operating willy-nilly down there taking over all the industries. They got several from Nissan, West Germany's Volkswagen, Korea's Hyundai, and all the rest, but they are there. We are not. We are losing jobs, too. We are losing the entire thing while they are getting set up.

As soon as that agreement is signed they will use their money, their organization, to take over the entire American economy. What we have done is get a free-trade agreement with Japanese financing and European financing and we are going to be a second- or third-rate nation.

It is a sad thing to watch this thing happen and say they have overcome the special interests when the special interests are those Washington lawyers downtown; they have been operating this thing fixing the vote for the last 8 months. When they finally get it fixed, they declare themselves innocent and they have had a victory over the special interests, and the Senator and I are running around here for the poor garment workers and a basic industry that takes all of the U.S. organized labor looking out for a general interest all over the United States and trying to hold on to some productive capacity. We are designated to be the special interest.

Mr. President, let me just yield now and say we have been on this bill since 3 o'clock yesterday, we have yet to have an amendment presented. We are going to deliberate procedure. We are not trying to rush anything, but then at the same time you cannot just stay away from the floor and run this thing into the night and into tomorrow night, and come around in the summer and wonder why we have not done our work. We have to move to third reading. We have to move to third reading, and I want to put everybody on notice we cannot get Senators to come and present their amendments. We want to hear their amendments. We want to debate their amendments. There is no time limitation on anything else, other than common sense. These things should not continue. We have 24 hours on this bill, and we have not had a single amendment proposed.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Parliamentary inquiry, Mr. President. Was leadership time reserved?

The PRESIDING OFFICER. Yes. The minority leader is recognized.

Mr. DOLE. Mr. President, I will take 2 minutes not on the pending business. I appreciate the Senator from South Carolina letting me speak at this time.

MFN FOR CHINA

Mr. DOLE. Mr. President, a number of Senators met this morning with President Bush, to discuss the issue of most-favored-nation status for China. I know that, at the same time, a number of Senators from the other side of the aisle, including the distinguished majority leader, took to the floor to criticize the President's decision.

So, our debate on this very important issue has begun.

It is a tough call. It was a tough call for the President, and it will be a tough call for the Senate.

But I believe the President has made the right call, and I am hopeful that—when all is said and done, and all the votes are cast—the President's decision, and probably the President's veto, will be sustained by the Senate.

Let us be clear about one thing. This is not a dispute about the goals of our policy toward the People's Republic of China.

How many Senators were disgusted and sickened by the images of Tiananmen? One-hundred Senators—every single one of us—reacted that way.

How many Senators believe our policy toward China should aim to encourage that Government to end such disgusting human rights abuses, and resume a march toward greater democracy? One-hundred Senators believe that.

How many Senators believe our policy should be crafted to encourage China toward free market reform, respect for international economic norms such as copyrights and patents, and an end to the hideous practice of slave labor? One-hundred Senators believe that!

How many Senators believe we need to push Beijing, as hard as we can, to implement more responsible arms proliferation policies, particularly in regard to advance weapons such as missiles? One-hundred Senators believe that.

There is "no"—repeat "no"—dispute about what our policy toward China should try to accomplish. We all agree on the goals.

But there is a big, big disagreement about how we best achieve those goals we all agree upon.

The distinguished majority leader, and some of this Democratic colleagues, have said how they believe we can best accomplish our goals. With all due respect for their conviction and admiration for the energy with which they have stated their views, I believe they are dead wrong.

They are wrong for three basic reasons:

First, what they propose will not work. it will not achieve what we all want to achieve.

It might feel good. But it will not do any good.

Terminating MFN, or attaching conditions we know the Chinese will not meet in the timeframe they are allotted, will not free one political prisoner; will not put China back on the road to democracy and a free market economy;

will not end China's irresponsible arms sales policies.

If our long relationshipship with China—including those decades when we pretended we could get along without any relationship with China—if those long years yield any lesson, it is this: China's reaction to blatant and public pressure from any foreign power will not be concession, or compromise, but a new crackdown at home, and a return to the cocoon of self-imposed isolation internationally.

Second, terminating MFN will punish the very Chinese we do not want to punish: The young, looking for educational and job opportunities; the reformers, starving for more—not less—contact with the democratic world; the entrepreneurial class, the real engine of long-term economic and political reform; those living in southern China, where both the reform movement and the economic ties with the United States are the best established; and the people of Hong Kong, the democratic and free market enclave that China will swallow up later this decade.

The decaying party leadership, the aging military leaders, the oldest generations still clinging to a dying system—they will hardly feel the sting.

And let us not forget: Among those punished, too, will be thousands of American workers—and millions of American consumers—who rely on goods and material from China.

Third, terminating MFN will almost certainly spark a downward spiral of action and reaction in United States-Chinese relations, at the end of which we will face a new Bamboo Curtain around China; a curtain aimed at keeping China quarantined from all of the terrible germs which our presence—our diplomacy, our commerce, our tourism—spreads so effectively: The germs of freedom of thinking, and freedom of speaking, and freedom of acting. Those germs, which have proven terminal to the Communist regimes of Eastern Europe; those germs, which have Soviet communism on its death bed; those germs, which the sick old men in Beijing fear so much, and for such good reason.

Yes, Mr. President, ending MFN may feel good for a while. But, no matter how much emotional anesthesia that kind of act would produce, sooner or latter shooting yourself in the foot starts to hurt.

In this case, it would hurt everyone and everything we do not want to hurt.

In conclusion, I ask unanimous consent to have printed in the RECORD an op-ed from today's Washington Post entitled, "Favored Trade With China? Yes. Use It as Leverage." The op-ed is notable not only because of its uncommon common sense on this emotionally charged issue; but also because its author got his credibility the old-fashioned way: He earned it—by 6 months in a Chinese Communist jail. I hope all Senators will read this persuasive article, and will seriously consider the arguments it makes to support the President's decision.

I ask unanimous consent that article be printed after my statement.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Washington Post, June 4, 1991]

FAVORED TRADE WITH CHINA?—YES; USE IT AS LEVERAGE

(By Gao Xin)

As one of the last hunger strikers on Tiananmen Square in 1989, I can understand the anger that many Americans feel toward China's hard-line rulers. I share that anger, but not the conclusion that the United States should cut off China's most favored nation trading status.

Canceling MFN would help the hard-liners in what they have been unable to achieve on their own—a reassertion of control over the non-state and more progressive sectors of China's society and economy.

In the two years since the Beijing massacre, the central authorities have been unable to regain control over reformist strongholds such as Guangdong province on China's southern coast. Chen Yuan, deputy director of the People's Bank of China and son of conservative leader Chen Yun, has publicly admitted this. If MFN is withdrawn, it will be areas such as these that will be most adversely affected.

It is clear that pressure from the outside world since June 4, 1989, has forced the Chinese government to soften its repressive tactics and ease up on its attempts to strangle certain economic reforms. Despite their hard-line rhetoric, the Beijing leaders have made compromises. They granted permission to astrophysicist Fang Lizhi and his wife to leave the country and have released a number of political prisoners, including "black hand" activists such as Liu Xiaobo. This is perhaps the first time in history that the Chinese Communist Party has responded to such pressures.

Had MFN been revoked last year, it seems to me inconceivable that any of this would have occurred. These concessions were due in no small part to pressure from the United States over the past two years.

Now China has reached a stalemate. The market economy has not yet developed to the point where the reformists can win over the conservatives. But if MFN is restored, it will boost the developing market economy in those areas of the country that are most open to the West. On the other hand, a withdrawal of MFN would give credibility to the hard-line propagandists who proclaim that only socialism and self-reliance can save China.

He Xin, de facto mouthpiece for the conservatives in the government since the crackdown, has virtually admitted that the hard-liners do not want to see any improvement in Sino-American relations. He has written that relations have been characterized by misperceptions on both sides. The Americans mistakenly assumed that China was turning capitalist, and the Chinese were fooled into thinking that the Americans wanted to help China modernize. From the point of view of some conservatives, MFN is part of an American plot to convert China to capitalism.

Of course, U.S. policy makers must address a number of tough issues. The selling of Chinese nuclear and missile technology cannot be condoned, and pressure should be brought not only on the Chinese foreign ministry but also on key military officers to limit such sales and bring China into international discussions to control nuclear and missile proliferation.

While the trade deficit with China is a growing problem, the Chinese have responded to this issue with a willingness to compromise and recently sent a high-level purchasing delegation to the United States.

The Chinese are also likely to compromise on the issue of prison laborers producing goods for export. From my own prison experience, I know that items produced in many prison factories are of such inferior quality that they are noncompetitive, even in the Chinese domestic market. The Chinese leadership will not risk losing MFN over products that represent only a small part of the country's exports.

Since the June 1989 massacre, Chinese intellectuals have placed great trust in the United States and appreciate the pressures placed on the Chinese government. The Chinese people on the whole probably feel more friendly toward Americans than at any time since the founding of the People's Republic more than four decades ago.

During my six months in prison, a sympathetic Chinese police guard assured me that the Chinese government would have to soften its treatment of prisoners because of the worldwide pressures on China. When I heard this, I was deeply moved. If not for such help from America and other democratic countries, I don't think that I, and hundreds like me, would have been released so quickly. And certainly without this outside pressure, I would not have been allowed to accept an invitation from Harvard University to come to America and thus have the chance to express my opinions freely.

There are, of course, limits to the effectiveness of international pressure and limits to how much the conservatives can, or will, back down. Wang Juntao and Chen Ziming were sentenced to 13 years in prison for their attempts to bring peaceful change to China. Many others are still imprisoned under harsh conditions. But in April of this year, two prominent leaders of the workers movement were freed. More recently, the government has permitted the wives of five "counterrevolutionaries" who escaped to the West to leave the country and join their husbands.

In the long run, as the reformers' positions are strengthened and a market economy is established, the system of ownership in China can be changed. Political liberalization will only come gradually and only after economic liberalization. Every step forward will depend on support from the world community. In this respect, American support is crucial.

The MFN debate constitutes a long-term means of continuing to pressure the Chinese leadership to improve its human rights record. If MFN is withdrawn, the United States will lose the critical leverage needed to help the Chinese people.

Mr. DOLE. I again thank the Senator from South Carolina and I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

WHY WE REMEMBER: THE SECOND ANNIVERSARY OF TIANANMEN SQUARE

Mr. PELL. Mr. President, I rise today to join my colleagues in marking the second anniversary of the massacre of democracy's advocates in Tiananmen Square.

This day is more than a commemoration of an event which we all deplore. It also marks the beginning of a serious policy debate about whether or not to grant China an extension of special trading privileges.

Soon the Congress will be doing more than making speeches about China's behavior. Soon the Congress will be voting whether or not to grant most-favored-nation status to China. Yesterday, Senator CRANSTON introduced a resolution of disapproval—Senate Joint Resolution 153.

The arguments will be made on both sides of this issue. And a vote will be called as was not done at the first anniversary of the Tiananmen Square massacre.

One would have expected that 2 years after an event tempers would have cooled some, that the prospect of a defeat for the President is less likely now than 1 year ago.

But such is not so if I am accurately judging the temper of our colleagues. Concern over China is even greater today than yesterday.

Why is this? Why is China a "less-favored-nation" today?

I think two answers can be found: The first lies in China's behavior and the second lies in our own.

The hypocrisy of China's behavior has drawn it critics. China's policy has become "watch what we say, not what we do."

In human rights they continue to arrest and imprison those whose only crime is belief in democracy, whose only desire is political freedom, whose only hope is American support.

In an age in which there is a dangerous proliferation of weapons of mass destruction, in a time and in a place when we have just gone to war to destroy one nation's capability to develop and use such weapons, China has been caught red-faced selling missiles to the Middle East, aiding Libya in the development of chemical weapons, and aiding Algeria in the development of a secret nuclear reactor.

In trade, the very basis of this debate, China has quietly restricted imports from the United States, violated copyrights of American goods, and used slave and child labor to produce goods for exports.

Finally, China continues to provide military and financial support to the genocidal Khmer Rouge as they attempt to regain power in Cambodia.

The second reason for our concern over granting China special trading privileges, ones denied now to the Soviet Union, to Vietnam, and to Cambodia, I think lies in the Persian Gulf crisis when the world community joined to enforce the rule of international law.

China continues to be as guilty as Iraq was by its illegal occupation of Tibet. For decades now China has oppressed the Tibetan people, massacred almost 2 million, according to the Dalai Lama, and systematically tried to eradicate any vestige of Tibetan culture.

Our Ambassador to China, James Lilley, recently acknowledged that "Tibet is under occupation by China." This charge against China is being newly recognized again as a crime not just against the Tibetans but against humanity.

There needs to be a moral consistency in American foreign policy which is now apparently lacking in regard to China.

I could accept the President's objective if I thought our policy was fundamentally consistant. But why then do we insist on isolating Vietnam and Cambodia whose people hunger too for political and economic change? Why not lift our trade and aid embargo on those countries?

Why then do we not press China to end its illegal occupation of Tibet?

Our President, I am certain, has his reasons. We shall have ours when we vote whether or not to grant China a special status not granted to all nations.

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I join my colleagues who have spoken in support of S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991.

I have been a long-time supporter of freeing the Bell Cos. from the manufacturing restriction dating back to my tenure of service in the House of Representatives. In both the 99th and 100th Congresses my fellow colleagues in the Republican leadership and I introduced trade and competitiveness legislation which included provisions to enable the Bell Cos. to manufacture telecommunications equipment in the United States.

Briefly, I would like to take this opportunity to outline several of the points that have been made by opponents of S. 173, with which I disagree.

First of all, opponents say over and over again that their concerns about the Bell Cos.' manufacturing "just can't be regulated." This, despite the fact that the Bell Cos. are some of the most heavily regulated companies in America. There are extensive State and Federal rules to prevent abuses—it is important to point this out, because it has been lost in the comments of the opponents.

Opponents also say the Bell Cos. will cross subsidize their manufacturing operations by shifting those costs to the backs of ratepayers. Any Senator who takes time to look at this will understand that in the current price cap regulatory environment where the incentive is to reduce, not increase, costs—any company that would attempt to cross subsidize or inflate its cost structure would be bent on self-destruction.

The most duplicitous argument by the opponents of S. 173 is the allegation of Bell Co. self-dealing, a practice of buying only from its manufacturing affiliates. The Bell Cos. have established supplier-contract relationships with, and purchase billions of dollars of equipment and products annually, from hundreds of different manufacturers.

The Bell Cos. also multisource each of their separate product lines—as a competitive procurement practice—to avoid dependency and ensure alternative sources of supply.

The telecommunications equipment market today is extremely diverse and characterized by niche suppliers, each of whom fills a particular need. Rapidly changing technology has created numerous supplier opportunities that were nonexistent in the predivestiture environment.

It is unsound, in my view, to think that the Bell Cos. would attempt to replicate what is now supplied to them by hundreds of different manufacturers with unique talents and proven expertise.

It is far more rational to view the Bell Cos. as having a strong business interest in seeing the U.S. equipment market remain competitive, and innovative—and therefore, capable of meeting the changing, increasingly sophisticated needs of their customers.

Some have suggested placing a restriction on Bell Co. manufacturing which would prevent the Bell Cos. from self-dealing. The problem with this approach, in addition to the unfairness of applying such a restriction to just these seven companies, is that it would deprive many of the Bell Co. customers—small businesses and residential consumers—from the benefits of Bell Co. manufacturing efforts.

If the Bell Cos. can produce something of value why should they not be allowed to sell it to their own customers and why should their customers not be allowed to buy it?

The administration is concerned that the domestic content language is contradictory to our established trade policy as expressed in our GATT talks and other trade negotiations.

I think it is important to realize that S. 173 in its current form improves our trade negotiating position because it brings more leverage to the table. Enactment of S. 173 will enable the Bell Cos. to enter trade markets and develop an export capability for the first time.

The Bell Cos. will then be in a stronger position to assist U.S. efforts and obtain reciprocal opportunities to trade and invest overseas through private negotiations and contract agreements. Also, S. 173 sends the right signal to our trading partners that the United States walks like it talks in opening up our market and enabling a full complement of players to compete on equal terms and conditions.

The existing policy includes one set of rules for the Bell Cos. and a different set of rules for the rest of the industry. S. 173 would make everyone play by the same set of rules, and would also tend to ensure that new jobs created will be created in the United States, not overseas.

The current ban on manufacturing impedes the development of the U.S. telecommunications network. I feel very strongly that continued development is essential to continued economic growth and international competitiveness.

Entry by the Bell Cos. will give telecommunications equipment manufacturing in the United States a shot in the arm, and help to enable our domestic industry to remain healthy and vibrant.

This legislation is a jobs bill, domestically. It is a bill that is long overdue. The Commerce Committee has considered this legislation very carefully over the past, at least 4 years. We have worked on it. We have reported this legislation out, and I think it is very well crafted.

I hope my colleagues will not try to pick it apart piece by piece. We still have to go through the Senate, through the House, and go into conference. There may be some problems that can be worked out in the conference. To have it delayed by an inordinate number of amendments or stopped in the Senate by killer amendments I think would be a big mistake.

I say to my colleagues in the Senate, for too long the telecommunications systems in America have been run by the courts, specifically by one judge. It is time we begin to reverse that. Why in the world would we prohibit American companies from being able to compete domestically and in foreign markets? We do not allow the baby Bells to get in there and produce good quality equipment.

I am convinced American companies could produce better equipment at a better price.

This bill is long overdue from the standpoint of letting the courts run the telephone companies in America; it is long overdue from the standpoint of being able to have better equipment; and it is long overdue in terms of jobs in America and every region of the country.

I think that the domestic content part of the bill is one of its strengths. We say that foreign components cannot exceed 40 percent, but if there is an exceptional set of circumstances, you can go to the FCC and have even that waived. What do we want to do, guarantee that this equipment is made in some other country? Let us give Americans a chance. This should not be a killer amendment and if we knock that minimal domestic content language out of this bill, it is going to substantially reduce the likelihood that we would get a bill at all.

So I urge my colleagues to support this legislation. It is time we have a little more "made in America" in our telephone equipment. It is also time that we take this whole issue back away from the courts.

This is a classic case of where the system was not broke, and we fixed it anyway. It is about time we tried to level out the playing field and allow everybody to have a chance to compete in this very important area.

I want to commend the chairman of our committee, the distinguished Senator from South Carolina, and our ranking member, the Senator from, Missouri, for crafting this legislation and bringing it to the floor of the Senate. They have done a good job. Let us go ahead and have the votes we have to, and then let us report out favorably this very important legislation. I yield the floor.

Mr. HOLLINGS. Mr. President, let me thank the distinguished Senator from Mississippi and a fellow committee member who has worked hard on this particular measure. He really focused on the point. This bill is intended to change the full employment for foreign manufacturers policy.

At the present time, there is no question about where RBOC's are investing their resources. Every one of these so-called very financially strong RBOC's [Regional Bell Operating Cos.], are investing overseas. We are losing it all. That is why we put the domestic content measure in to bring back jobs, bring back the industry, and bring back technology to the United States. If we can get them into the research and development, then we can start developing the technology, build up our technological strength in America, which has always been our advantage.

Our standard of living is too high to compete with Singapore and other places of that kind. Knowing that, we have to have the advanced technology which Singapore does not have. If we are going to do that, we have to change this foreign-employment and full-employment policy for foreigners policy at the present time. That is exactly what we have with this bar on the RBOC's ability to manufacture.

I might say, while we are trying to work out the so-called rural amendment by our colleague from South Dakota, no one has been more concerned about rural America than this particular Senator. We are more rural than metropolitan or urban from whence I come. This bill does not discriminate against rule telephone companies at all.

What they really, in essence, have asked for is that the RBOC's and the small telephone companies shall jointly operate. When you say shall jointly operate your separate wholly owned subsidiary with the rural telephone companies, then the rural telephone companies have a veto over any plans of the RBOC they disagree with.

That is not required in business or industry anywhere. It is not required now. It would not be required of Northern Telecom, Fujitsu, Nippon Electric Cos., Siemens—just go down the list of all of these foreigners. We are not requiring it now. We are not requiring it of the 1,400 telephone companies. All of a sudden they want to come in and say if and when you get that independent, wholly owned subsidiary, we want another restriction that you shall operate with us, namely, giving us a veto, and that you shall deliver on demand the equipment. If you have software or hardware that separate subsidiary produces, if the software or hardware becomes archaic, extinct, inefficient, you have to still produce it.

For the Congress of the United States to pass a law that says a company has to produce and continue to manufacture archaic equipment and sell it at a loss—this crowd has gone loco long enough on a lot of policies, but heavens above, that does not make sense. Yes, one provision of the amendment would require RBOC's to manufacture and sell equipment, as long as small telephone companies want it, even if it means selling it at a loss.

I want my colleagues to read this amendment. I am going to try to look at it and be as reasonable as possible. But, we are not going to pass a provision that has the National Government telling a company to sell at a loss. The whole idea is to advance technology, not to establish one particular technology as of 1991 and continue to sell it so long as an REA or rural telephone company demand it.

The South Carolina rural telephone people would be the first to sort of smile and laugh at me as I talk because they know I am their best friend. I have supported all their measures, but we cannot support this amendment in its current form. It goes against the grain of common sense and business practices. The rural telephone co-ops, they have remained competitive. That is why they exist today. They are economically strong. I just have come from meeting with one company and heard their financial report. It is wonderful to hear through the ears of a U.S. Senator that something is in the black; that they are operating within budget. I have not heard that since 1968 or 1969 up here. I commend them. I support the rural telephone co-ops.

I see others want to speak. I hope we can move along and get a compromise amendment addressing the rural telephone companies concerns.

I do not want any misunderstanding about the domestic content which the Senator from Mississippi has emphasized on the one hand. It is an excellent provision. If we were going to join EEC '92, we would have to do it. We are just emulating our competition. I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DANFORTH pertaining to the introduction of S. 1207, S. 1208, and S. 1209 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legisative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I ask unanimous consent to proceed as in morning business.

The PRESIDING OFFICER. (Mr. KERREY). Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 1211, S. 1212, and S. 1213 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HATFIELD. Mr. President, I ask unanimous consent that I may proceed, with the permission of the manager of the bill, for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oregon is recognized.

CIVIL RIGHTS LEGISLATION

Mr. HATFIELD. Mr. President, this morning I was privileged to join with eight of my colleagues on this side of the aisle in introducing a comprehensive civil rights bill.

Mr. President, we have chosen to put this bill into three parts as has been described by our colleague from Missouri, Senator DANFORTH. I shall not at this moment attempt to go into the detail of each of these three parts.

In effect, what we are trying to do is introduce in parts what were the fundamental components of last year's civil rights bill with modifications. I say with modifications on the basis that we are looking at the possibility of building on last year's experience. As you know, Mr. President, I, along with others, were original cosponsors of last year's civil rights bill and I voted to override the President's veto, the President of my party, or as a fellow Republican.

There were some 11th hour attempts to put together a compromise. The President of the United States called two or three Senators into the White House a number of times to try to help work out those hangups, those difficulties, that proved to be impossible at the last moment. But the good faith and the good effort of President Bush, I think is very evident.

Those of us who have known President Bush for many years—and I count it a privilege to be one of his classmates in the 90th Congress when he came to the House from a district of Texas and I came to the Senate from Oregon—know that he has had a long commitment in the field of civil rights. And there is no exception to that long record of commitment and action in this particular day.

Mr. President, those who have raised great concerns and fears, as if this were a crowbar approach, ought to go back to the fact that in the States of the Union we have proven the case. A moment ago, when Senator GRAHAM of Florida was here on the floor, it was very interesting to note that all the Members of the floor, including the Chair, were former Governors. The Chair, as Governor of Nebraska; Senator CHAFEE was here from Rhode Island; Senator HOLLINGS, of course, the senior member of the Governors here at that moment, from South Carolina; and myself from the State of Oregon.

Mr. President, over 30 years ago, the two pioneer States that put together comprehensive legislation dealing with civil rights in the workplace was the State of New York and the State of Oregon. When you go back to that record, it is not something that is innovative in the sense of a brand new idea that is coming upon us that somehow is threatening the tradition or the establishment of whatever it may be, be it on the side of business or unions or whatever it may be. This is a proven concept that has been tested in the workplace in a number of States leading up to the first Civil Rights Act of 1964.

Now since 1964, like other comprehensive legislation of a pioneering character, there has to be fine tuning over a period of time of use. The court, in five cases, to many of us has not carried out—and no disparagement on the court—has not carried out what could be called legislative intent. And therefore the subsequent legislation that occurred since the act of 1964 we feel will be more in tune with the original intent of abolishing discrimination in the workplace by the 1991 bill.

You know, Mr. President, civil rights legislation has been a long time before 1964, but never could be enacted. We do not have to go back and recite the history. We know the history of why it failed. But the day came when the majority leader was joined by the minority leader. Senator Johnson from Texas finally achieved the kind of legislation that Senator Dirksen of Illinois, the minority leader, could support. And together they worked out the civil rights bill of 1964.

I do not believe the situation is that much different today in the sense that we have to have a bipartisan bill that will ultimately find support at the White House. That is the simple reason why we have come forth as what may be categorized as moderate Republicans or radical Republicans or leper Republicans or whatever you want to give us as a title or label to try to start this kind of bipartisan process as against a situation that is happening in the House legitimately.

And I am not being critical at all of what is called the Democratic bill of the House that will be coming over here. We joined the Democrats last year in making that effort of bipartisanship. And so we are trying to find a bill that will pass and be signed into law.

It may not please all of the people on either side but, nevertheless, let us take action where we can find the ability to take action and the agreements necessary to get a further step toward the elimination of discrimination in the marketplace.

I think, also, we have to understand that some of these things are very hard to define, whether in legal terms or other terms. One commentator said: Discrimination is like a hair across your face. You cannot see it. You cannot find it with your fingers. But your keep brushing at it because the feel of it is irritating.

We are in this status as far as discrimination. We hope to include women and minorities as well as the traditional focus on the blacks in our society.

So, Mr. President, as I may, I am delighted to be a part of this effort. We are very open to working with our colleagues on the Democratic side. We recognize we seven or nine Republicans, or however many will end up supporting and cosponsoring our bill, are only a fraction of what we have to have to pass a civil rights bill. But we also realize that rhetoric has reached a level where with serious negotiations and people who are committed to the proposition, let us pass a bill, the best we can get, the strongest we can get, the most effective one we can get, rather than standing back and saying, well, we can put it to a vote and divide the sheep from the goats and see how it will play out in the 1992 elections. That is not helping the people we are trying to help. Nor is it righting the ills of our society.

I want to speak, again, to the fact that this is a tried and tested program, both in our Federal legislation and the State legislation that preceded it for many years. I am proud my State has been in the forefront of civil rights legislation. I consider it one of the great battles of my political career which I hope will be a legacy to the people of my State. We pioneered in migrant worker legislation, when people said it would wreck the agricultural community in my State, that the economy would be devastated. We passed it, and it did not wreck the agricultural economy in my State. And we are far from the goals, where we should be, in migrant worker legislation.

We have passed the point where civil rights should be a buzzword but let us look at human beings who are discriminated against, some by design, others unintentionally, and let us eliminate all discrimination in our society. This is part of the long-term effort, and I am proud to be part of it. I thank the Senator from South Carolina for yielding.

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITON ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I rise in support of the bill pending before the Senate, and will make a few comments if those are in order.

I start by commending the chairman of our full Senate Commerce Committee for the effort he is making to put the Congress back in the position of making telecommunications policy in this country. Some would agree that that is almost a novel idea, in light of how communications policy in this country has been made, at least since 1984. It has been made, not by the House of Representatives, not by the Senate, nor by the administration.

Communications policy in this country, since the breakup and divestiture of the AT&T company, has essentially been made by one judge sitting in one court here in the District of Columbia. I refer to Judge Greene, who, because of a stituation regarding the legal suits that were filed, is in charge of following that decision and ensuring that the 1984 decision is continually being followed.

The result of all that, to anyone who is listening, is that the policy determining the future of telecommunications development in this country is not being made in open debate. It is not being made by a duly elected representative of the people of this country. But the policy is essentially being made by one judge sitting in one court, who just happens to be the person who is in charge of carrying out the dictates of a lawsuit, a decision which was rendered back in 1984.

It is clear, and I think everyone here will agree, Congress should make the policy; the courts should interpret that policy and should render decisions based on the policy set by the Congress. This legislation for the first time, really, since 1984, puts the Congress back into the decision on how our policy is to be made regarding an industry very important to the United States of America, the telecommunications industry.

This legislation essentially allows the Bell Operating Co. located throughout the United States for the first time since that decision was rendered to become involved in the manufacturing and the research and development of communications equipment in this country.

This is a tremendous industry for the United States of America. But we are losing it. We are losing it to foreign countries. We are selling them our technology and they, in turn, are selling it back to us in little boxes that they ship back to the United States of America. If we allow this to continue unchecked, this great, thriving industry that is now still an American industry will be an American industry no longer.

Some of the companies, AT&T in particular, say we oppose any changes; we do not want to make any changes in the current situtation.

I guess not, because they control it completely. But I suggest to them when they say if we pass this bill it will cost American jobs, that that loss pales in comparison to the American jobs that they are now exporting to countries all over the world.

Since the divestiture of AT&T, we have seen the elimination of over 60,000 manufacturing jobs nationwide, the startup of 10 major joint foreign production ventures, and the institution of four wholly owned offshore production operations in Europe and Asia alone by AT&T. We are talking about losing American jobs? They are exporting American jobs faster than any other company in the United States.

AT&T has steadily downsized their domestic manufacturing operations and have reduced their work force by a net 68,500 jobs through yearend 1988, not taking into account the years since 1988.

In January of 1989, AT&T announced an additional 16,000 jobs will be eliminated from its work force.

AT&T has closed five production plants: In Baltimore, MD; in Cicero, IL; in Indianapolis, IN; in Kearny, NJ; and Winston-Salem, NC.

In addition, the substitution of their domestic production and employment with offshore manufacturing has cost us jobs as in the case of our own city of Shreveport in Louisiana, where an entire equipment line was relocated in Singapore, because they feel they can do the work over there more cheaply.

I suggest to anyone who argues that this bill somehow will cost American jobs, I say just the opposite is true. By allowing American companies to engage in manufacturing that is now prohibited by an arbitrary decision by one single judge, to allow these new companies to engage in manufacturing which must be done in the United States, using component parts made in the United States, if such are available, is a move in the right direction to unchain these artificial shackles that are binding America's leaders of technology from doing what they can do best. It is high time that the Congress relieve them of those burdens and allow them to perform in a way that we think they will be able to perform, and in America, not in Singapore, not in Thailand, not in China, but in this country producing products for this market.

Some will say it is unfair to let these companies, which are monopolies, engage in manufacturing because they will just sell it to themselves and allow no one else to sell it to them. Or they will use their revenues from their telephone service to subsidize the manufacturing so that people who use the telephone will somehow be paying for the costs of manufacturing this equipment.

I congratulate our committee, and congratulate our chairman in particular, and others who support this legislation because of the built-in safeguards that this bill has which prevents that from happening, such as the requirement that the Bell Operating Cos., one, must conduct all of their manufacturing out of a separate affiliate; a totally separately instituted affiliate which cannot be run or operated or controlled by the Bell Co. In addition, they must provide to unaffiliated manufacturers comparable opportunities to sell their equipment to the telephone companies that they provide to themselves.

In addition, cross-subsidization—this use of revenues from the phone business to cross-subsidize the manufacturing expenses—is specifically and expressly outlawed, and penalties are provided for any violation of those prohibitions.

In addition, the Bell Operating Cos., through their affiliate, must make their equipment available to other telephone companies under the same prices, terms, and conditions.

I say to the Members, this, indeed, is a very important protection, to ensure that a manufacturing company under this bill must sell not only to themselves but must offer to other competitors at the same price, terms, and conditions those products. I think this is a built-in protection to make sure they somehow are not giving themselves some sort of a sweetheart deal, because this legislation requires that whatever they offer the Bell Co. for that equipment, they must offer it to all of the other telephone companies to ensure that everybody has an opportunity to benefit from this new technology and these new manufacturing techniques that the new companies will be able to bring to this business.

Mr. President, my own State of Louisiana has lost up to 7,500 jobs as a result of Judge Greene's decision in the manufacturing industry alone because of exports of American jobs to Singapore and other parts around the world. This is a jobs bill, that is correct, but it is an American jobs bill. It is also going to provide the technology so America can continue to be a leader in the free world in the telecommunications industry.

I wholeheartedly recommend my colleagues' affirmative attention to this legislation.

On a final note, it was interesting that I was handed a copy of a letter from a judge in the district, the judge I referred to, Judge Harold Greene, U.S. district judge from the U.S. District Court for the District of Columbia, which is about 10 pages of comments essentially on the legislation, essentially saying he does not like it. I appreciate the fact he does not like it because it is contrary to the decision they reached back in 1984.

But I also point out that the Congress makes the policy; courts interpret that policy. The Department of Justice enforces that policy if, in fact, there are violations of that policy with criminal intent.

I think it is highly unusual, and I think it is probably improper, in this Senator's opinion, to have the views of a judge on legislation that is pending before the Congress of the United States that affects decisions that he has rendered in the past. I think his role is a proper one in carrying out the intent of the Congress as expressed by the Congress and signed into law by the President of the United States. But certainly to provide the Members of Congress a very detailed explanation, it almost looks like, I say to the chairman, a witness' testimony before our committee when they come before our committee to testify and give their views on legislation that is pending. We now have the fact that Judge Greene does not like the legislation.

I submit it is the Congress who should determine the policy of the United States when it comes to telecommunications industries in this country, and it is the judge's appropriate and proper role to interpret that policy after we pass it, not during the process.

So I urge my colleagues to support the chairman's bill. I enthusiastically serve as a cosponsor to that legislation and hope it will be adopted.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from South Carolina.

Mr. HOLLINGS. Madam President, I want to thank our colleague from Louisiana. Senator BREAUX has been a leader in trying to develop a balanced approach to make this country competitive again and to regain our technical leadership in the communications field. We have a wonderful opportunity so long as we do not sit here blindly, thinking we are in control by forbidding the best of the best the seven Bell companies that we have built up over the years, companies that are now competing with each other. The competition is there. This is not the monolithic AT&T that existed in 1984.

Senator BREAUX has helped lead the way, and I think he has properly commented on the letter. I have just received a copy of this letter from Judge Greene. It seems our distinguished colleague from Illinois, Senator SIMON, had written Judge Greene for his opinion on this bill. Judge Greene responded in the first few lines by stating he would not express an opinion on the bill but I will write on for the next six pages giving a legal brief and argument against S. 173. It is totally uncalled for and inappropriate.

I want my colleagues to understand that we are not floating. I have been trying to be deliberate. We heard from Members on health, we heard from Members on China and civil rights and everything else while we have been trying to negotiate with our friend, the Senator from South Dakota.

One way or another, we are going to vote on that particular amendment. The distinguished Senator from Illinois is also working on a matter of an audit amendment. We do not need to include an audit provision in this bill because the States already have the authority to audit. We also provide in this bill under sections H and I on page 11 of the bill that the Commission shall promulgate the rules and regulations relative to the authority, power, and functions with respect to the Bell Telephone Cos. and their subsidiaries and prescribe the regulations for the audit to make sure that they do not cross-subsidize.

We are not playing games. If they want to try to specify even further, we will have to look at it.

But we do have concerns about language that could result in 50 States auditing 1 manufactory affiliate and the Bell Cos. having to pay for it.

With respect to the Commission itself, we have to depend on the Commission. They have attested to the fact that they can dutifully audit. They have the authorities now. Heretofore, when we had the monolithic, they had to visit the several States, go to the company, get its records, everything else. Now it is computerized. It is zipped out to their computers and reports are made and the audit is had. I do not see anything else is required.

I want to hasten colleagues to come on down with their amendments or, again, if we cannot get them and get a vote, we will have to go to third reading.

I appreciate the indulgence of the Senator from Rhode Island. He has been on the floor, and I yield to him.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Madam President, I want to thank the distinguished floor manager, the senior Senator from South Carolina, for giving me a few minutes.

Mr. HOLLINGS. The senior junior Senator from South Carolina.

Mr. CHAFEE. That is right, he has been here a long time but he is still the junior Senator.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. I thank the Chair.

(The remarks of Mr. CHAFEE pertaining to the introduction of S. 1207, S. 1208 and S. 1209 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The senior Senator from Alabama.

Mr. HEFLIN. Madam President, the role of telecommunications in our daily lives seems to have few limits. Not long ago, we knew little of facsimile machines, voice mailboxes, call waiting services, or the ability to conduct banking transactions by phone. Yet today, these technologies are routine parts of our lives to which we have become quickly accustomed and on which we have become rapidly dependent.

The future undoubtedly holds increased innovation in telecommunications technology and increased reliance on these technologies in both our professional and personal lives. In light of these realities, I believe it is incumbent upon Congress to eliminate any unnecessary restrictions on our telecommunications industry so that we may compete in the global marketplace. In that regard, I want to commend my colleague, Senator HOLLINGS, for his efforts with regard to S. 173, the bill before us today.

Under this bill, the manufacturing restrictions placed on the Bell Operating Cos. by the Modified Final Judgment would be lifted while putting into place a variety of important safeguards to prevent anticonsumer and anticompetitive abuses.

Among these safeguards are: First, a prohibition on the Regional Bell Cos. from manufacturing in conjunction with one another; second, a requirement that the Bell Cos. manufacture only through affiliates that are separate from the telephone company; third, a requirement that manufacturing affiliates make their products available to other local telephone companies on a nonpreferential basis; and fourth, a prohibition against cross-subsidization between a Bell Co. and its manufacturing affiliate.

Another important feature of this legislation is a domestic content provision designed to protect the American worker. This provision requires that the Bell Cos. conduct all of their manufacturing in the United States—to me that is a very important provision—and that the cost of foreign components used in Bell equipment not exceed 40 percent of the sales revenue from that equipment during the first year, to be adjusted annually thereafter by the FCC. I believe that these requirements will help protect the American marketplace from unfair competition and from foreign competition for American jobs.

For several years now, Congress has followed the operations of the Bell Cos. in the wake of the AT&T breakup. Last year, this legislation was passed by the Commerce Committee by a voice vote, and this year, the bill was voted out of the committee on a 17-to-1 vote. The issues involved in this legislation are extremely complex and have developed over time. It is my belief that this carefully crafted bill both encourages competition and provides safeguards for the American public. For these reasons, after carefully reviewing the evidence, I believe that the time for this legislation has arrived.

I urge my colleagues to join Senator HOLLINGS and the other cosponsors, of which I was one of the original, in support of this much needed legislation.

Mr. GORTON. Madam President, as a member of the Telecommunications Subcommittee, of the Commerce, Science, and Transportation Committee, I have had the opportunity to talk with a number of people in the telecommunications business regarding S. 173.

As the chairman of the committee well knows, last year, when we considered a similar measure in the Commerce Committee, I initially had reservations about the chairman's proposal. I was concerned that allowing the Regional Bell Operating Cos. to manufacture equipment could pose a threat to an already competitive, vibrant sector of the telecommunications industry.

Therefore, over the course of the last year, I sought the advice and opinions of manufacturers of telecommunications equipment from Washington State. Contrary to my initial fears, the vast majority of the telecommunications businesses in my State favor the passage of S. 173.

I would like to briefly mention some of the comments in the letters I have received.

From Advanced Electronic Applications of Lynnwood, "The proposed legislation would liberate companies such as AEA, to participate in business partnerships with the Bell companies in the design and development of telecommunications equipment."

From Eldec Corp. also of Lynnwood, "Competitiveness cannot and should not be legislated. Our best customer, Boeing, has virtually all of the capabilities—including fabrication—of its vendor-base and could easily be our most serious competitor but the potential vendors to the telecommunications industry do not require or desire protection."

From Applied Voice Technology of Kirkland, "We believe the Regional Bell Operating Cos. to be an excellent source for outside capital financing and strategic partnering." From ICOM of Bellevue, "S. 173 would enable us to capitalize on the financial strength and the network and customer know how of Bell Cos. like US West. Those assets, combined with our manufacturing capability, would enable us to grow our businesses and add new jobs to the Washington economy."

Madam President, I believe in listening to my constituents. As their comments indicate, the small manufacturers from Washington State clearly support enactment of this bill.

I am, therefore, happy to join with the chairman, the distinguished Senator from South Carolina, in supporting the bill. I am also delighted that he has considered very thoughtfully some amendments around the edges of the bill like that proposed by the Senator from South Dakota, and I know I will give great weight to the recommendations of the Senator from South Carolina in that connection.

I suspect there will be other amendments. Some may be contested; some may not be. I will look at them but I will judge them from the point of view of considering that this bill moves us in the proper direction.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The manager of the bill.

Mr. HOLLINGS. Madam president, I think the Senator from South Dakota is momentarily coming to the floor with a compromise amendment relative to the rural local telephone exchange carriers, and the offering of equipment to those carriers, so long as there is a reasonable demand for that equipment, and that they do not, of course, require that that affiliate produce it on a nonprofitable basis.

The marginal cost standard would be implemented by the FCC itself. And I do not want to mislead, as I understand there is no agreement by the Bell Operating Cos., to that part of this particular amendment. Parts of this have been worked on for the past 3 weeks. The Bell Operating Cos., still have not agreed to that.

This Senator is studying it closely to see exactly what the Senator from South Dakota presents. And also with respect to planning and design, the amendment would require joint network planning of telephone companies operating in the same area of interest. You could not take 1,400 different little companies and require the Bell Telephone Cos., to come along and start negotiating with every little company. They would have to build mammoth office facilities to have the planning rooms and so forth at one time. So it would be restricted to those companies operating in the same area of interest.

We also remove the matter of requiring joint operations. Under the joint operations requirement as it appeared in the original amendment filed by Senator PRESSLER, that amendment would have required one telephone company to operate the phone system of the other company. Further, the joint planning provision originally would have provided one phone company with a right to veto the planning decisions of another company. As I explained earlier on the floor, we could not accept that. I think that has been clarified now where the operation is not to be included in the amendment of the Senator from South Dakota.

No participant in such planning should delay the introduction of new technology or the deployment of facilities to provide telecommunications services. They should not, in other words, have to require an agreement as a prerequisite for the introduction or deployment of new equipment.

We are trying to be considerate of the concerns that rural telephone opperatives have, that the distinguished Senator from South Dakota has, and we are still trying to be sensible about it. There is not a veto in it, and they could not veto the introduction of improved telecommunications technology. That is the whole idea. This thing changes overnight, and as we all know, that is competition, to come out with again the more improved telecommunications equipment and software.

I see that the distinguished Senator from South Dakota has reached the floor. I yield the floor.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The senior Senator from South Dakota.

Mr. PRESSLER. I thank the Chair.

Madam President, I rise today on behalf of Senators GRASSLEY, SASSER, BAUCUS, BURDICK, CONRAD, DOLE, WELLSTONE, SIMPSON, BURNS, and myself to propose an amendment to S. 173, the Telecommunications Equipment Research and Manufacturing Act of 1991.

Madam President, this amendment had been expected to go to a rollcall vote, and we had expected a very close vote. But I and other Senators along with our staffs and the staffs of the rural telephone community have been meeting this afternoon, and we believe we have reached a compromise.

Our goal is uniform telephone service for all Americans. In 1988, I wrote an article in the UCLA Federal Communications Law Journal concerning this concept of universal service, which emphasized the need for a coordinated telecommunications policy for the Nation.

Without universal service as a fundamental premise of this national telecommunications policy, we in smaller cities and rural parts of our country would be left far behind in the advancing age. The legislation I now propose ensures that rural areas will be full participants in the information age.

The amendment would do the following: First, my amendment would require the Bell Cos. to make software and telecommunications equipment available to other local exchange carriers, without discrimination or self-preference.

Second, the amendment would require the Bell Cos. that manufacture equipment to continue making available the communications equipment, including software, to other local telephone companies, so long as the FCC certifies that manufacturing such equipment is profitable. Smaller independents and rural phone companies are concerned that if the Bell Cos. are allowed into manufacturing, they would be much more likely to buy existing manufacturing equipment than to start new ones. This is particularly true for switch manufacturing, which is capital intensive. If the Bell Cos. refuse to supply software, they could prevent the independents from providing new services. Then the Bell Cos. could market such services to the company's large customers, emphasizing that the independent company was unable to offer the service.

A Bell Co. also could use this leverage, if it wanted to acquire a neighboring small independent in a growing area. It could further its acquisition objective by depriving the target company of technology, stimulating the consumer complaints to regulators.

Small and rural companies are worried that a Bell Co. could acquire an existing manufacturer, change the product line to meet Bell plans and needs and cease to support equipment and software installed by small companies. If new software is not made available, a rural company might have to choose between installing a new switch or depriving its subscribers of new services.

Third, our amendment would require the Bell Cos. to engage in joint network planning and design. The legislation will lead to a nationwide information-rich telecommunication infrastructure that will include not exclude rural communities. To accomplish this goal, we offer this legislation to ensure that small and rural phone companies have a voice in the joint design of the telecommunications network to meet the goal of nationwide access to information age resources.

Finally, our amendment calls for strong district court enforcement procedures, including damages. This provision gives rural phone companies the confidence that the essential safeguards will be effective.

I thank my colleagues for joining me to ensure that rural companies and smaller companies have enforceable and continuing access to the equipment and joint network planning they need, so that all Americans, urban and rural alike, can share in a nationwide information-rich telecommunications network.

AMENDMENT NO. 280

(Purpose: To modify certain provisions of the bill).

Mr. PRESSLER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. PRESSLER] for himself, Mr. GRASSLEY, Mr. SASSER, Mr. BAUCUS, Mr. BURDICK, Mr. CONRAD, Mr. DOLE, Mr. WELLSTONE, Mr. SIMPSON, and Mr. BURNS, proposes an amendment numbered 280.

Mr. PRESSLER. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 12, strike "and".

On page 8, line 15, insert "regulated" immediately after "all".

On page 8, line 18, immediately after "equipment", insert a comma and "including software integral to such telecommunications equipment including upgrades,".

On page 9, line 1, strike "other" and insert in lieu thereof "regulated local exchange telephone carrier".

On page 9, line 3, immediately after "equipment", insert a comma and "including software integral to such telecommunications equipment, including upgrades".

On page 9, line 3, immediately after "manufactured", insert "for use with the public telecommunications network".

On page 9, line 5, insert "purchasing" immediately before "carrier", and strike the period and insert in lieu thereof a semicolon.

On page 9, between lines 5 and 6, insert the following:

"(9)(A) such manufacturing affiliate shall not discontinue or restrict sales to other regulated local telephone exchange carriers of any telecommunications equipment, including software integral to such telecommunications equipment, including upgrades, that such affiliate manufactures for sale as long as there is reasonable demand for the equipment by such carriers; except that such sales may be discontinued or restricted if such manufacturing affiliate demonstrates to the Commission that it is not making a profit, under a marginal cost study implemented by the Commission, on the sale of such equipment;

"(B) in reaching a determination as to the existence of reasonable demand as referred to in subparagraph (A), the Commission shall within sixty days consider—

"(i) whether the continued manufacture of the equipment will be profitable;

"(ii) whether the equipment is functionally or technologically obsolete;

"(iii) whether the components necessary to manufacture the equipment continue to be available;

"(iv) whether alternatives to the equipment are available in the market; and

"(v) such other factors as the Commission deems necessary and proper;

"(10) Bell Telephone Companies shall, consistent with the antitrust laws, engage in joint network planning and design with other regulated local telephone exchange carriers operating in the same area of interest; except that no participant in such planning shall delay the introduction of new technology or the deployment of facilities to provide telecommunications services, and agreement with such other carriers shall not be required as a prerequisite for such introduction or deployment; and

"(11) Bell Telephone Companies shall provide, to other regulated local telephone exchange carriers operating in the same area of interest, timely information on the planned deployment of telecommunications equipment, including software integral to such telecommunications equipment, including upgrade;

On page 9, strike all on lines 20 through 24.

On page 10, line 1, strike "(4)" and insert in lieu thereof "(3)".

On page 11, line 7, insert "(1)" immediately after "(h)".

On page 11, between lines 13 and 14, insert the following:

"(2) Any regulated local telephone exchange carrier injured by an act or omission of a Bell Telephone Company or its manufacturing affiliate which violates the requirements of paragraph (8) or (9) of subsection (c), or the Commission's regulations implementing such paragraphs, may initiate an action in a district court of the United States to recover the full amount of damages sustained in consequence of any such violation and obtain such orders from the court as are necessary to terminate existing violations and to prevent future violations; or such regulated local telephone exchange carrier may seek relief from the Commission pursuant to sections 206 through 209.

Mr. PRESSLER. Madam President, I have given the arguments on the amendment. I know that I am told that some of my cosponsors wish to be able to come to the floor to speak or to place a statement in the RECORD regarding this.

Mr. BURDICK. Madam President, I am proud to cosponsor this amendment to add rural safeguards to S. 173, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991. These safeguards address

Act of 1991. These safeguards address many of the concerns about S. 173 that I have heard from rural telephone cooperatives and other small telephone companies. This amendment would ensure that these small companies have nondiscriminatory access to the telecommunications equipment and software they need to provide first-rate service.

As a lawyer during the depression, I helped write incorporation papers for several rural telephone cooperatives in my State. I remember what a difference telephone service, even partyline service, made to rural communities. Today, telecommunications services are vital to rural life, as well as to rural development. Without access to the latest telephone equipment and software, rural telephone cooperatives and the consumers they serve would be left out of the communications revolution.

One of the primary reasons for this legislation is to give regional telephone operating companies more incentive to develop exciting new products. Many young people in isolated rural areas now benefit from interactive learning, and this amendment is designed to ensure that rural residents not be cutoff from future innovations in telecommunications. Without rural safeguards, allowing the Regional Bell Operating Cos. to manufacture telephone equipment could cause the Nation to be split into the "information haves" and the "information have nots."

America's rural telephone cooperatives want Bell Cos. entering manufacturing to make telecommunications equipment and application software available to other local exchange carriers without discrimination or self-preference as long as reasonable demand exists. They want the Bell Cos. to work with other local telephone systems in network planning, design, and operations. And they want district court enforcement to ensure that these requirements are met. These rural safeguards seem extremely reasonable, and I urge my colleagues to support this amendment.

Mr. HOLLINGS. Madam President, our distinguished colleague, the member of our committee, the Senator from Washington is momentarily prepared to make a statement relative to the bill.

I hope that my colleagues are reading that amendment right through. I was looking at the early part and from what I understood, the amendment is properly reported as a compromise with the distinguished Senator from South Dakota.

My point here for the moment is, it is my understanding that there are those who would wish we would not compromise, that we would try to table this amendment. But I think in the spirit of trying to move this bill, and in the spirit of the concern that all of us have relative to rural America and the smaller telephone companies, we have agreed to that amendment with the following changes: With respect to the first parts on page 8, line 15, insert "regulated" immediately after "all." That next section on page 8, line 18, other early sections on page 9, are either technical or agreed to.

The Bell Cos. have been looking at the amendment of the Senator from South Dakota for quite some time during the past several weeks.

The objection, as I stated a moment ago, on page 9, lines 5 and 6 is where we would not discontinue or restrict sales as long as there was a reasonable demand. What we included in there "except that such sales may be discontinued or restricted if such manufacturing affiliate demonstrates to the Commission that it is not making a profit under a marginal cost standard on the sale of the equipment."

That one would be in dispute, but the Senator from South Carolina, on behalf of our committee, would be ready to accept it. We have checked with the ranking member, Senator DANFORTH.

Specifically, the final section there, "Bell Telephone Companies shall, consistent with the antitrust laws, engage in joint network planning and design with other regulated local telephone exchange carriers operating in the same area of interest," we restricted it "in the same area of interest" so that the Bell Telephone Co. are not empowered by the measure here to engage with all local telephone exchange carriers over the United States. And in saying "that no participant in such planning shall delay the introduction * * *" of new technology we wanted to emphasize affirmatively that what we are trying to do is spawn, nurture, develop, and install new technology in the deployment of facilities and new telecommunications services. The agreement with such carriers shall not be required as a prerequisite of such introduction or deployment.

The original amendment implied a veto and we have eliminated that veto.

Then, the next section says that Bell Telephone Cos. shall provide to other regulated local telephone exchange carriers operating in the same area of interest timely information on the planned deployment of telecommunication equipment, including software. Then there is a provision with respect to these provisions of a company's right of action, not the individual right of action.

Those are the main points of compromise, and I sort of spelled them out in detail here. Obviously, I have bragged on and on about the character and capability of our Bell Operating Cos., but I do not represent them. I did not put in this bill for them. I put in this bill for the United States of America for the consumers, for the telecommunications industry, for trying to maintain the United States position on the cutting edge of telecommunications technology. So, at times there are things that I am convinced perhaps that the companies themselves, as worthy as they are, would differ with the Senator from South Carolina and if they think another Senator thinks I am totally mistaken I want them to have time to come to the floor and air that and make what motions they want to make before we join in, which I would love to do, with our distinguished colleague from South Dakota.

I yield the floor.

(The remarks of Mr. GORTON pertaining to the introduction of S. 1215 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GORTON. Madam President, I thank both the chairman of the committee and my dear good friend, the distinguished Senator from Montana, who was here ahead of me and could have taken the floor ahead of me, for their courtesy to me in this regard.

Mr. BURNS. Madam President, I do not want to stop the flow of conversation on the amendment of the Senator from South Dakota and would speak generally on this bill, S. 173, if that would meet with the approval of the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Madam President, I wish to commend the distinguished chairman of the Senate Commerce Committee, Mr HOLLINGS, for the expeditious manner in which he has moved to build upon his efforts begun in the last Congress to provide relief from the manufacturing prohibition in the modification of final judgment [MFJ]. I applaud the chairman's leadership, foresight, and steadfastness in moving this important communications legislation to the floor of the Senate. I would hope this momentum will continue with speedy action by the Senate, and the House action will follow in timely fashion.

I do not know of anything we have talked about more in the Commerce Committee than communications.

Madam President, in my somewhat brief tenure in this body, I have been concerned that we have generally abdicated our responsibility over communications policy. Congress adopted the Communications Act in 1934, and then pretty much left it to courts and regulatory commissions to make policy within that framework.

When you stop and consider that the transistor did not exist in 1934, nor did fiber or digital switches, some might argue that we've been a little remiss in exercising our policy mandate. With S. 173, we have the opportunity to take a first step in correcting that.

I am an original cosponsor of S. 173 and of S. 1981, its predecessor in the last Congress. From my perspective, this legislation is absolutly critical if we are to maintain our place as world leader in communications. And this legislation is absolutely critical if we are to rebuild our telecommunications infrastructure so that we can compete with the French, British, Japanese, and other countries in the European Community and Pacific rim in the information age and global economy of the 21st century.

While those countries have adopted the necessary policies to insure they're at the forefront of technological innovation, the United States, through a unique mix of action and inaction, has chosen to idle more than 50 percent of the telecommunications assets of this country. While Japan is on a path of fiber to the home by the year 2015, while France has gone from having a second-rate telecommunications system to being the world leader in video text, while the United Kingdom has recognized that telephone and cable television are converging technologies, the United States has been content to let a Federal judge decide the rules of the game, including who may play and who may not.

This is not a prescription for world leadership. On the contrary, if we want to fall behind—some would argue, stay behind—the French, British, Japanese, and others, we ought to stay the course, leave telecommunications policy to the courts, and keep valued assets on the sidelines.

That is obviously not what I am recommending. Indeed, I am pleased that at least on the manufacturing issue, the Senate stands ready to exercise its policymaking responsibility. It is only a first step, but a very crucial first step. I hope it serves as a precursor for debate on the telecommunications infrastructure.

By lifting the manufacturing provision with the adequate safeguards the bill provides, S. 173 recognizes the principle that Government should not decide what activities within an industry particular companies may perform. Simply put, the Government has no way to determine who the most qualified or most advanced potential competitor might be. We do know, however, that increased competition produces additional benefits, many of which cannot even be foreseen.

By removing the manufacturing curbs on the Regional Bell Holding Co., S. 173 will put more Americans to work, and put American capital to work in the USA. And I want to emphasize that. We need our capital working here in our own country. It is a sad paradox that a country which leads the world into one of the most dynamic technological fields of the 20th century should hamstring one group with the potential to help us maintain that leadership into the 21st century.

In the hearings on S. 173 and S. 1981 in the last Congress, concern was expressed that the telephone companies might try to hide some of the costs of their competitive manufacturing activities within the regulated local exchange sector, thereby transferring the costs to the local ratepayers. Or that they might also exploit their knowledge of the technical details of the local network, or design the configuration of the network to favor their product offerings in the telecommunications equipment.

These concerns are real and born of experience. But times have changed, and the ability to monitor regulated companies competing in unregulated markets has increased enormously. So much so, that the Government—the Department of Justice as well as the FCC and NTIA—testified that S. 173 had more than adequate safeguards against these and other abuses.

The alternative to S. 173 is to continue banning the Bell Cos. from participating in manufacturing without even attempting to make competition work. I believe such a "can't do" attitude is contrary to the spirit that has made our great country the leader it is.

I must temper my enthusiasm and support for S. 173, however, with the observation that the foresight and initiative which the Senate is showing has yet to be extended to another aspect of the telecommunications infrastructure. We continue to be reluctant to take the one step necessary to ensure the timely development of an advanced, interactive, broadband communications network.

The telephone companies are in the process of constructing such a network, but the economic pump primer needed to accelerate the process is the ability to provide cable service in competition with existing cable systems. The potential benefits to the American public and our economy are tremendous.

The Commerce Committee knows from its extensive hearings on cable that competition is sorely needed if consumers are to receive adequate service at reasonable prices. We also know that realistically the telephone companies are the only entities with the resources and expertise to compete with cable in the foreseeable future.

The same kind of legal and regulatory safeguards which the committee finds adequate with respect to the Bell Cos. entering the equipment manufacturing business, are obviously also adequate to prevent cross-subsidy and competitive abuses if telcos enter the cable business.

A little earlier I mentioned that history tells us AT&T did abuse its monopoly position with regard to equipment manufacturing. But as the Department of Justice has said, there was no evidence that AT&T did so with respect to information services.

Based on what the Department of Justice, the FCC, and NTIA have said about the adequacy of existing legal and regulatory safeguards and experience, I do not believe the distinction between our willingness to recommend S. 173 and our reluctance to support telco entry into cable is supported by logic or sound public policy considerations. If we retard the rapid development of our telecommunications infrastructure, the harm to our economy and the American people will, in my view, even exceed that which will occur if we fail to enact S. 173.

As a result, on Wednesday, June 5, Senator GORE and I will introduce the Communications Competitiveness and Infrastructure Modernization Act of 1991 which will advance the national interest by promoting and encouraging the more rapid development and deployment of nationwide, advanced broadband communications networks by the year 2015. My bill is designed to complement Senator HOLLINGS' efforts on S. 173 and to move America forward into the information age of the 21st century.

Again, Mr. President, I commend the extraordinary effort of Senator HOLLINGS and his staff. The chairman deserves credit for bringing to the Senate legislation which will move America forward in the information age of the 21st century. I strongly urge my colleagues to support this measure.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Who seeks recognition? The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I think we have arrived at a critical moment in the formation of our Nation's telecommunications policy. We will now have, for the first time, a requirement that there be planning in the formation of our telecommunications infrastructure that will involve Bell Telephone Co., small companies, and rural telephone cooperatives. It will be nationwide planning, not only for rural and small-town America, but for all America.

Indeed, we do need a nationwide infrastructure capable to bring advanced medical services to rural America. This infrastructure will allow smaller universities and small businesses, to access new supercomputer technology. This network planning will also speed fiber optic deployment throughout the Nation. This infrastructure will usher us into an era when people in small towns can video teleconference to their jobs in large cities.

Since 1978, I have served on the Communications Subcommittee. We have never had network planning until this legislation.

I think this amendment is an historic amendment in that sense. Many times in the Commerce Committee I have pointed out it is not just rural America but also inner-city urban America that is left out.

The same thing is true of transportation in our country. I feel, since we have deregulated the airlines, and I was one who voted against this deregulation, we have had some very severe problems. We have some very great challenges to meet to preserve our airline passenger service in this country in a positive way.

That subject may seem separate and far afield, but the fact of the matter is, all companies want to serve the very rich areas and not serve upstate New York or the smaller towns of California.

The same thing is true of communications. My wife and I just recently had cable TV installed in our home here in Washington, DC. In our home in South Dakota we have also just recently had it installed, and this is 1991.

The point is, in rural areas and inner-city urban areas the companies are not so eager to provide the service. The very centers of our cities, and rural and small city areas are left out.

With passage of the Communications Act of 1934 we established that there would be a common carrier responsibility. That is, if you have some very rich routes, you also have to take some very poor routes. It was not a system of government subsidies, but a government system of assigning routes. If a company took some very lucrative routes they would also accept responsibility to expand their communication service to all areas of their franchise. That is how we built up our national system of communications.

Today we are in a situation that, if you live in a wealthy, densely populated suburb, you can get all information services. Fiber optic cable allows the suburban hospital to be connected with the Mayo Clinic and elsewhere. But that is not true if you live in a smaller city or rural area.

What we are doing here is very historic, because we are once again returning to the concept that there will be nationwide planning, that all the players will be at the table—and that is very important. I have long fought that fight in the Senate not only for communications but also for transportation.

I do not mean to say "I told you so" on airline deregulation, but I do not think that deregulation has resulted in everything positive. I think there have been many parts of our country that have suffered. I think now we are going to have to readdress it.

I make these points to pay tribute to Senator HOLLINGS for his concern about rural America. He has done a great job in leading our committee and in leading us on these issues.

I also pay tribute to my colleagues and cosponsors, Senator GRASSLEY, Senator SASSER, Senator BAUCUS, Senator BURDICK, Senator CONRAD, Senator DOLE, Senator WELLSTONE, Senator SIMPSON, and Senator BURNS.

I would like to thank Kevin Schieffer and Dan Nelson of my staff who worked very hard on this legislation. I also thank John Windhausen, of Senator HOLLINGS' staff along with Mary McManus and Mary Pat Bierle of Senator DANFORTH's staff. I also would like to commend the work of Sue Sadtler, Margot Humphrey, Shirley Bloomfield, Dave Cossen, Lisa Zaina, and other members of the Rural Telephone Coalition.

Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I thank our distinguished colleague from South Dakota. He has put his finger right on the pulse. We ought not work with total disregard to the small. The Office of Technology Assessment has reported that we could develop much better rural telephone services if there was better coordination.

The Senator from South Dakota has taken that charge and included provisions in here that the Bell Cos. would not necessarily support; namely, that the manufacturing affiliates shall not discontinue or restrict sales. They did not want provisions relative to the discontinuance or the restriction of sales. Once it was agreed to that it not only included the software integral to it, which was suggested by the Bell Cos. but we put in there that such sales may be discontinued if it is not profitable. That language is better than the original amendment.

Again, at the suggestion of the Bell companies, they wanted to move promptly with respect toward the termination. So we said the Commission shall, within 60 days, consider various facets; namely, that at the Bell Cos.' suggestion, whether the components necessary to manufacture the equipment continue to be available. We are trying to be reasonable, trying to act with common sense.

Otherwise, the Bell Telephone Cos. did not like a requirement that they engage in joint planning and design with the local telephone exchange carriers. We eliminated the idea of engaging in the same operations so there would not be any veto. We also specified that they be operating in the same area of interest. Wherein they operate in that same area of interest, the Senator from South Dakota had provided just that; that they do have joint network planning and design.

We have eliminated a particular objection of the joint operations provision that the Bell Cos. opposed, and also put in at their suggestion, that agreement with such other carriers should not be required as a prerequisite for the introduction or deployment of the new equipment.

Then we made a change at the suggestion of the Bell Cos. that any regulated local telephone exchange carrier, rather than any person could go to court. We did not want anybody who had a bad telephone bill run down and get a lawyer and just clutter the courts. If there is an objection, under the law, we are supposed to exhaust our administrative remedy; not from the courts, but; namely, the Federal Communications Commission. You exhaust your administrative remedy, and this puts the regulated local telephone exchange carrier in the stream court if it wants to challenge a manufacturing affiliate which violates that requirement.

That was included at the Bell Cos.' suggestion. And also the final phrase "or such regulated local telephone exchange carrier may seek relief from the Commission pursuant to sections 206 and 209." It is not totally what the companies want, by any manner and means.

I commend the Senator from South Dakota and join with him in urging the adoption of the amendment unless another member wishes to be heard on the amendment. The Senator from Iowa would like to speak on the amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I want to take the floor because I think it is necessary for us who are cosponsors of this amendment to express special gratitude and appreciation to Senator HOLLINGS and Senator DANFORTH for their cooperation with Senator PRESSLER, myself and other cosponsors of the rural telephone protection amendment.

I also want to commend the representatives of the Rural Telephone Coalition who have forcefully and effectively advocated the passage of these additional safeguards which are crucial to hundreds of rural independent telephone companies and their customers throughout the Nation. The coalition—consisting of the National Telephone Cooperative Association, the National Rural Telecom Association, and the Organization for the Protection and Advancement of Small Telephone Companies—did an admirable job and service to rural Americans.

Mr. President, the rural telephone protection amendment will provide America's rural telephone companies and their customers crucial safeguards against any anticompetitive activities which might result from the passage of S. 173.

This amendment assures that the benefits of the new manufacturing endeavors anticipated under this bill will be shared by independent telephone companies. They are guaranteed availability of telecommunications and equipment, including software. They will be assured coordination and joint planning with the Regional Bell Telephone Co.

These protections are important and should help prevent any return to some of the unfair, discriminatory practices against independent telephone companies which occurred prior to the antitrust breakup of the AT&T Bell System a few years ago, which an administrative law judge found to be, and I quote, "adversely impacted the quality and cost of independent service."

Two weeks ago, the Office of Technology and Assessment released a study requested by myself and others which is entitled "Rural America at the Crossroads: Networking for the Future." The OTA made numerous findings that will help policymakers assure that rural economic development is encouraged, not discouraged, by advances in telecommunications. It was concluded that we need to recognize and accommodate the special needs of rural areas. It was also determined that we must have better coordination among telecommunication interests, businesses, and local, State, and Federal officials.

I believe that our amendment takes a major step in the direction recommended by this study.

On behalf of Iowa's 150 telephone companies, I want to again thank my colleagues for their support of this very important amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. PRESSLER. Mr. President, I ask unanimous consent to add as cosponsors Senator DOLE, Senator CONRAD, and Senator BURNS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. I urge the adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 280) was agreed to.

Mr. PRESSLER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent at this time to make a short statement to introduce legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska is recognized.

Mr. STEVENS. I thank the Chair.

(The remarks of Mr. STEVENS pertaining to the introduction of Senate Joint Resolution 155 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Mr. President, I rise to support amendment No. 280 and to strongly support the underlying bill, S. 173, because I believe it is time to reconsider some of the arbitrary limits placed on the regional Bell Cos. and their abilities to compete in an increasingly complex and competitive world marketplace.

The chairman of the Senate Commerce Committee, our distinguished colleague from South Carolina, has built a truly impressive record of bringing this legislation to the floor. His leadership has enabled this body to address a relevant concern at a time when America's ability to compete in the world is really being challenged in an unprecedented way. There were serious concerns about the original bill, and the Senator from South Carolina has been diligent in addressing all of those concerns, both with substantive changes and with full consideration in committee hearings.

Manufacturers who fear competition from the Bell Cos. are justifiably concerned that potential self-dealing between the regional telephone companies and their affiliates could stifle competitors' ability to sell their biggest customers, the regional telephone companies.

In particular, I understand the independent and rural telephone co-ops fear that their marketplace for major equipment might be adversely affected by Bell Co. involvement in manufacturing. The bill goes a long way toward alleviating this concern. I am pleased that this amendment resolves all of the remaining problems, and again I compliment the sponsor of the bill for going to great lengths to ensure that the legislation contains adequate safeguards against any anticompetitive behavior by the Bell Cos.

I was especially pleased to learn during the committee markup that the National Federation of Independent Business has endorsed S. 173, expressing its satisfaction with the safeguards in the bill. Moreover, I want to report to my colleagues on the floor that I have personally heard from many business leaders across my own State of Tennessee that important new business and consumer services are now being held hostage to the current rules being administered by the Court under the consent decree. It is time for the elected representatives of the American people to set the ground rules and the framework within which competition can proceed.

Mr. President, it is significant that the organization representing the majority of our country's communications workers has enthusiastically endorsed this legislation noting its positive impact on U.S. jobs in an industry that has seen tens of thousands of jobs move overseas since the break up of AT&T.

Some opponents of this legislation have suggested that if Congress opens the door to the regional Bell Cos. to engage in manufacturing, then surely the barriers to electronic publishing and other information services will be certain to fall.

Mr. President, this bill, of course, in no way affects the MFJ restrictions on information services. Many of our colleagues who support S. 173 are equally concerned that we go slower in opening up information services to competition from the Bell Cos.

So again in closing, Mr. President, I congratulate the chairman of the Commerce Committee for his leadership on this important issue, and I urge all of our colleagues in the strongest possible terms to stand behind the leadership of the Senator from South Carolina to support this legislation and make the very needed changes embodied in it.

I yield the floor.

Mr. INOUYE. Mr. President, it is with deep regret that I rise today in opposition to S. 173. I have worked on countless measures with the chairman of the Commerce Committee over some 25 years, and there are only a few times that we have disagreed on a communications matter. I have great respect for the chairman and his in-depth knowledge of communications issues. However, after careful and painstaking consideration of this matter, I continue to feel strongly that this legislation will not achieve its objective of increasing American competitiveness in the international communications market. In fact, I believe it may do just the opposite.

The chairman of the Commerce Committee believes that the time has come to lift the communications manufacturing restrictions and institute a new series of administrative safeguards against anticompetitive behavior.

I believe that the modified final judgment is of great benefit to our telecommunications market, its businesses and users. Thousands of new manufacturers have entered the market since the AT&T divestiture. As a result, consumers have benefited from cheaper and more innovative equipment and many new services. The trade deficit in communications equipment has been reduced from $2.6 billion in 1988 to $0.8 billion in 1990 according to the Department of Commerce. In the area of research and development, spending by U.S. companies, including the BOC's, has increased, not decreased, since divestiture.

During the past 25 years, the U.S. Government has brought four antitrust actions against AT&T. In three of these actions, results in divestiture. In four of these actions, AT&T was prohibited from engaging in certain activities. The issues raised in S. 173 are not novel.

At the heart of the last two antitrust actions was the matter of AT&T improperly favoring its own manufacturing operations. The Government produced extensive evidence that AT&T purchased virtually all of its equipment from itself, regardless of cost or quality, and that the FCC and other regulators were unable to prevent AT&T from using its local telephone bottleneck to act anticompetitively. As a result, the 1984 modified final judgment prohibited those with the bottleneck facilities, the Bell Operating Cos. from manufacturing telecommunications equipment.

From an objective standpoint, the manufacturing remedy in the modified final judgment has worked. The BOC's are no longer captive of one supplier. They now purchase only about one-half of their equipment from their old relative, AT&T Technologies—the new Western Electric. The number of domestic manufacturers has grown tremendously. In addition, prices are down, and the rate of innovation is up. The BOC's are able to purchase the best equipment in the world at the lowest prices. In addition, on the matter of trade, the United States continues to have a trade surplus in the most important sector of the telecommunications equipment market, the higher value products.

Further, we simply cannot ignore the Regional Bell Operating Cos.' incentives and capabilities to engage in anticompetitive acts stemming from their control of the bottleneck over local telephone equipment. The recent violations by Nynex and US West are only the latest examples of the Bell Cos.' potential to cross-subsidize and engage in discriminatory practices.

Virtually all of the largest phone companies which have been audited by regulatory bodies have engaged in some cross-subsidization or unlawful behavior. For example, a 1986 NARUC audit of Ameritech found Ameritech was cross-subsidizing its regulated business through its procurement process; a 1986 audit of Pacific Telesis by the California PUC found that the company was cross-subsidizing by assigning personnel from the regulated company to the unregulated company, to the tune of $3 million; and a 1985 NARUC audit of Bellsouth found that the regulated business cross-subsidized new, competitive Bellsouth businesses. Finally, in a pending proceeding the FCC has proposed fining a GTE/Contel subsidiary for cross-subsidizing through a purchasing subsidiary. I could go on for quite a while like this, but I think I have made my point.

The primary issue before us is whether there are other safeguards adequate to prevent anticompetitive conduct. I am concerned about the FCC's ability to monitor these potentially anticompetitive acts. The Commission's accounting standard for monitoring cross-subsidization applies only to the plant used for interstate service, only about one-quarter of the total telephone plant. This means that the State regulators are key to ensuring against cross-subsidies, and they have not adopted standards similar to the FCC's. There are even some States which have deregulated all or part of the provision of telephone service, thus ensuring no oversight or cross-subsidies.

Equally troubling is the well-recognized fact that the Commission does not have the resources to conduct frequent audits. In 1987, a General Accounting Office study looking at ways to control cross-subsidies between regulated and unregulated telephone services found that the FCC only has the resources to audit one telephone company once every 16 years.

Three of the FCC's present Commissioners, including the Chairman, have expressed reservations about the ability of regulators to regulate telephone companies. Chairman Sikes has stated that he does not believe that:

> Career Government people or for that matter non-Government people can find out what the true cost of [telephone] service should be.

Similarly, in 1990, FCC Commissioner Duggan, speaking about the possibility of letting the telephone companies provide cable service, said that he has a "nightmare" about a:

> Sixty story building * * * filled with FCC accountants that would be needed to monitor [telephone company] cross-subsidies if they were in the cable television business.

State regulators also have limited resources and have not adopted standards similar to the FCC's. FCC Commissioner Barrett, a former State regulator, stated in 1990 that:

> In my years of rate regulation, I've only seen maybe two States that could recognize a cross-subsidy if it was staring them in the face.

As for the matter of discrimination or self-dealing, it is not clear that the FCC has the experience or resources to monitor such practices. There is no practical way for the Commission to monitor the many thousands, possibly millions, of transactions, to determine if the price, terms, and conditions are nondiscriminatory. The only way to address this problem it simply prohibit the Bell Co. from selling the equipment to themselves. They could still sell to other BOCs, other telephone companies, even companies overseas, just not to themselves. If you were to look at the total international market for telephone equipment, this would mean that they could sell to 95 percent of all purchasers.

While the alleged safeguards in S. 173 will do little to prevent anticompetitive acts, there are those who argue that the entry of the BOC's will do so much to improve our Nation's competitiveness that they still should be freed from the prohibition on manufacturing. Since the BOC's have little manufacturing experience, they are most likely to enter the market through the purchase of another firm. This would merely substitute another player for existing manufacturers. The only potential benefit of allowing a telephone company to purchase existing manufacturers would be if there were significant economies in being both a network service provider and a manufacturer. Again, the hearings produced no evidence to prove such large economies exist. In fact, almost every nation around the world separates its network provider from equipment manufacturers.

I am also concerned that this legislation does not prevent the BOC's from entering into joint ventures with foreign manufacturers, particularly foreign manufacturers from countries which are closed to U.S. companies. This bill would prevent a regulated monopoly to buy equipment from countries which do not permit other unregulated companies from competing in their countries.

I share the aim of S. 173. I believe that we must make the United States a strong and competitive force in the international markets. I do believe that this legislation takes the right approach. The remedies are founded more on faith than fact. Moreover, if we are wrong, it will do great harm to our Nation's and the world's top telecommunications equipment manufacturer as well as to other domestic firms. That price is too high to bear, especially in comparison to the speculative benefits. Thus, I must stand in opposition to this bill.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, I really appreciate the statement of the distinguished Senator from Hawaii. He is the chairman of our Communications Subcommittee, and he has done the lion's share of the work on all of our communications issues. As was stated earlier by several of the committee's Senators, we have spent, I guess, 80 percent of our time on communications. On one particular measure mentioned by the distinguished Senator from Montana, I know we have had at least 12 hearings and the Senator from Hawaii has conducted each of those 12 hearings.

This Senator regrets that the committee does not have his support. But I have the full understanding of the position of the Senator from Hawaii. I appreciate his candor and the way he has presented it.

I am asking my colleagues to come forward with their amendments now. We did save, I am convinced, a good amount of time working out the rural amendment that I had been hearing about for over 3 weeks. The Senator from South Dakota is really to be commended for taking the lead on this particular matter.

However, now we hear suggestions of other amendments, but we are ready to move to third reading. Let us come forward with the amendments, let us move on and get some votes this evening so we will be clear tomorrow. I know the majority and minority leaders have a backup of matters to be considered. We want to hear from other Senators. I do not know of anything else to do. We have been on this bill since 3 o'clock yesterday afternoon.

As the distinguished Presiding Officer knows, many Senators have made their statements either in support of or, as our distinguished chairman of the subcommittee, against this legislation.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Thank you very much, Mr. President.

I rise in support of the legislation pending before the U.S. Senate on telecommunications. I would like to congratulate the manager of the bill on crafting legislation that once more restores the opportunity for jobs in the American marketplace.

Ever since I have been a Member of the U.S. Congress, and that goes back to my time in the House, I have been frustrated with the direction that our telecommunications policy has been going. I have been frustrated over the fact that telecommunications policy has essentially been drafted, directed, and implemented by the courts, particularly Judge Greene and his so-called divestiture legislation, and the consent agreement.

Way back when I was a Member of the House of Representatives and sat on the Energy and Commerce Committee, I opposed divestiture. I opposed divestiture because it meant the break up of AT&T. I happened to have liked AT&T the way it was.

Why? Because we had the Bell Laboratories that had a number of people working on it, some of whom were of Nobel Prize quality, and working, developing cutting-edge technologies in communications.

We had as part of AT&T something called the Western Electric Corp. that then took the ideas in a laboratory and converted them into telecommunications products. In the old days, they were simply called telephones. Now the array of products is wide ranging. I might add that the Bell Laboratories were not a government agency—absolutely private sector.

So we had the private sector doing the research, then we had Western Electric developing, manufacturing the products, and then those products were sold by little Bells, or local operating companies.

We have heard all kinds of language in this bill, Baby Bells, local operating companies. Back predivestiture they were simply called the telephone company.

Along came divestiture and we broke up the AT&T framework. And in breaking it up, we essentially have eliminated the job manufacturing part.

Yes, we still have Bell Laboratories. Yes, we still have the local telephone companies. But do you know what we do not have? We do not have the Western Electrics anymore. What is more, in my State Senator SARBANES and I, when we were both Members of Congress, each at various times representing the Third Congressional District, represented Western Electric in a corridor of employment called Bruening Highway. General Motors was there. Western Electric was there. Dundalk Terminal was there. And it was a beltway to Bethlehem Steel.

In that whole corridor, you had good people making good wages, making things, making products, and, overall, employing somewhere over 35,000 people.

Well, that is gone, Mr. President. Bethlehem Steel is down to 12,000. General Motors that once employed six is down to four. We are hoping they do not move out of town.

Guess what is gone completely? Western Electric, 4,000 jobs that employed men and women. I might add, a substantial number of women, long before there were equal opportunity provisions for women. Those jobs are gone.

What do we have now? Well, we were promised a cornucopia of competition; that only if we had competition, we would have cornucopia for the consumer. Well, this is one little consumer that never found that cornucopia. I found confusion in the marketplace. I have never received a break on my telephone bill. All these cheap, long-distance rates I was supposed to have, never, ever happened. I was deluged by Sprint, MCI, and all kinds of companies. But I only found high prices.

And then, to this day, I still get several different kinds of bills, one from AT&T and one from a local telephone company. It is now 5 years later, and I still do not know who to call if something goes wrong.

I think, if you do not get a dial tone, you call the telephone company. If you cannot trace it—what time do I have to trace? You have to go out and see if something is wrong with the pole. If something is wrong with this pole, it becomes AT&T.

So cornucopia competition has not meant anything for me. I will tell you what it has meant to me as a Senator: 4,000 men and women who worked at Western Electric Co. are gone; 4,000 people who got up every day and went to work, earned a living, earned livings at AT&T levels, working class people, and had the opportunity to even have a pension and stock options, and to this day there are people in my community that are on retirement from their Social Security, their Western Electric pension, and some of the dividends coming out of that stock.

So where are we now, and what does that mean? I have been carrying this frustration around for 5 years, ever since we lost the divestiture fight. This legislation is the first opportunity to give Americans a break to get back into the manufacturing business.

We have something in here called "domestic content." What does that mean? It means the content has to be from this wonderful country called the United States of America. People are objecting to domestic content. Domestic content means products made in America, and American hands-on putting it together.

I happen to like domestic content. I like domestic content more than foreign content, because domestic content means jobs in my State and in other States.

There are those who say, well, this is going to violate the antitrust provisions.

Mr. President, I am not a lawyer, so I do not know a lot about antitrust, but I do know one thing: The antitrust clause comes from a 19th-century economy when we had to regulate a different kind of economy. Twenty-first-century economics says that maybe instead of trying to comply with out-of-date antitrust laws, we ought to change the antitrust laws. The old arrangement of laboratory manufacturing to customer service is exactly the kind of model the Japanese have and on which they are now beating the zingos out of us in telecommunications.

So I am for this bill because it provides jobs. I am for this bill, because it takes the best ideas that the United States of America does and turns them into products. I am very frustrated that we win the Nobel Prizes with our research, and other countries develop them.

I am glad that the local Bell Cos.—if this bill passes—will get back into making products.

So when my name is called, I am going to vote for this legislation. I am going to vote for it enthusiastically, knowing that it is going to produce jobs and produce telephone products that will be reliable, have American quality control, and be compatible.

So that is why when this legislation comes to final passage, I want everybody to remember Western Electric and remember those 4,000 people who right now—I do not know quite where they are, but I know they are not earning the same kind of living as when Ma Bell provided jobs.

I yield the floor.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from Maryland. She has really stated the case with respect to domestic content, as well as the bill itself.

I am an enthusiastic supporter of the domestic content proceeding, because it is going to make America competitive again, particularly in the field of technology and, thereby provide for the consumers advanced technology services and the improvements that are so much in demand, set out in the Office of Technology Assessment report.

With respect to the domestic content provision, it is intentional. The European Economic Community, as set forth in this letter from the President of the United States, has its own requirements.

I quote from that letter dated March 9, 1990, from the President of the Senate majority and Republican leaders. On page 3, I quote:

> The directive mandates nondiscriminatory and transparent tendering to all producers whose products are at least 50 percent EC origin. It also places a 3 percent price preference on community offers.

This has to do with the European Economic Community in a report and findings that substantial progress has been made and the telecommunications trade talk conducted under section 1375 of the act with the European Community and Korea, and it contains the reasons why an extension of the negotiating period with the European Economic Community and Korea is necessary.

So when they are talking about a veto maybe, or disapproval of this measure on account of domestic content, we live in the real world. Would it not been grand if the Europeans and other countries had no tariffs or barriers or governmental action? But the market is full of it all. Antitrust is one provision that, in a sense, has outlived, to some extent, its usefulness. We used to look upon size as a no-no. In order to survive here in the international competition, you are going to have to have substantial size if you are going to survive.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection, it is so ordered.

Mr. GORTON. Mr. President, is the Senate in morning business?

The PRESIDING OFFICER. No, it is not.

Mr. GORTON. Mr. President, I ask unanimous consent that I be allowed to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington is recognized.

Mr. GORTON. I thank the Chair.

(The remarks of Mr. GORTON pertaining to the introduction of S. 1216 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KOHL). Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I have inquired of the manager of the bill, my good friend from South Carolina, and I ask unanimous consent to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CIVIL RIGHTS BILL

Mr. SIMPSON. Mr. President, just two brief items before I get back to the matter at hand. I will be glad to yield at any point, but I shall just be a few minutes.

I wanted to discuss the latest compromise civil rights bill being offered by the proponents of H.R. 1, the Civil Rights Act of 1991, and that debate, of course, is taking place this day.

I feel that the proponents of that bill are simply trying to mislead the American public into thinking that that bill does not cause quotas. I have introduced a bill for the consideration of the Senate. Our good friend from Missouri has done that; others; Senator DOLE. There are many proposals presented.

We all realize, I think without any question, that the only way you get an appropriate civil rights bill is with a bipartisan approach. And I think the effort with H.R. 1 in the House is a deception that will not prevail. The substance of H.R. 1 would leave U.S. employers with no alternative but to hire by quota, pure and simple. However, the proponents of H.R. 1 have, I think, a clever little shell game going on there. They tell us that their bill is not a quota bill and then point to specific language in H.R. 1 which reads thusly:

> Nothing in the amendments made by this act shall be construed . . . to require, encourage, or permit an employer to adopt a hiring or promotion quota on the basis of race, color, religion, sex, or national origin.

Mr. President, that language appears in section 111 of H.R. 1. However, it does absolutely nothing to change or overrule the rest of H.R. 1. The quota-inducing language is in section 102 and nowhere does H.R. 1 specifically overrule section 102.

In effect, then, section 102 of H.R. 1 essentially holds a loaded gun to the head of most employers—the loaded gun of expensive litigation—and it tells them this: "If you are smart and you want to avoid costly lawsuits, you'll use quotas." So what does H.R. 1's "antiquota" language mean? I think it means absolutely nothing. Zip. Nothing.

The new antiquota language reminds us of that old and jaded story of the emperor's new clothes, how the Emperor wandered among his subjects—in what he said were his fine new clothes—but what, in reality, was "no clothes" at all, until a young man pointed that out.

Well, if the emperor's advisers were the proponents of H.R. 1, they would tell him, "Why don't you hang a little sign around your neck, Emperor," and the sign might say:

> Nothing in the emperor's wardrobe shall be construed to require, encourage, or permit one of the emperor's subjects to believe that the emperor is really stark naked.

Mr. President, that is just how absurd this claim is that H.R. 1 is not a quota bill.

So I think it is at least time for all of the good subjects in the great kingdom of "Inside the Beltway" to come out and have the courage of the young boy to speak out on the plain and very obvious truth that "the emperor is still naked and H.R. 1 is still a quota bill"—"is now, and ever shall be, world without end, amen," as we say in my particular faith.

Enough of that.

HOW TO FEED IMMIGRATION WILDINGS

Mr. SIMPSON. Mr. President, just briefly if I may make a comment with regard to a recent Wall Street Journal editorial. I have always had a great deal of difficulty with the editorial staff of the Wall Street Journal. I have accused them of various lapses in brainpower and skill and journalistic expertise. But, it does not drip down into their reportorial crew. I think they have a fine reporting staff. I have known many of them: Al Hunt and Jim Perry and many others, for whom I have the highest respect and regard. But I noted recently the Wall Street Journal had written another rather puerile and bone-headed editorial on immigration, which they do with great gusto every now and then, blaming the recent disturbance in the Mount Pleasant neighborhood of Washington—a very vexatious thing to all of us—on the original immigration legislation which was originally sponsored by my dear friend, Congressman ROMANO MAZZOLI, and myself.

In calling the recent violence a "Simpson-Mazzoli riot," the Journal once again, I think, reveals what its base wishes really are, and they are, No. 1, open borders. That is their feeling: Open borders in order that more and more illegal immigrants may enter the United States and work; Under what conditions it is not important, just so they do their good-old work. No. 2, large-scale employment of illegal aliens, so millions of these aliens may be kept in a form of slave labor by U.S. employers, in order to meet the Journal's own peculiar and long-held version of "free market capitalism.".

I, too, consider myself to be a "free market capitalist," but I surely do not favor giving employers such a crude and cruel leverage over illegal aliens that these people will be afraid to ask for decent wages or working conditions or else they risk sure and certain and swift deportation. And I believe most Americans might agree with me that the open border situation which the Journal advocates is certainly not in "the national interest."

So I would, if I may, Mr. President, have printed in the RECORD a column by Richard Estrada, a highly respected columnist for the Dallas Morning News, who has written a most interesting column concerning the Journal's comments about the Mount Pleasant riots and the Simpson-Rodino-Mazzoli legislation. Mr. Estrada argues that the Journal itself should be the entity to "take credit" for the adverse social conditions in Mount Pleasant that led to the violence on May 5, 1991. And Mr. Estrada says:

> The Nation should pause and give credit where credit is due. First, there's the Wall Street Journal, which has consistently opposed any meaningful measure to control illegal immigration, successfully backed huge increases in legal immigration, and now seeks repeal of employer sanctions.

I commend Mr. Estrada's column to my colleagues and to Americans concerned with our immigration problems, and I ask unanimous consent his May 17, 1991 editorial, "How To Feed Immigration Wildings" be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SIMPSON. Mr. President, the Wall Street Journal makes it a rather religious habit of not printing my letters to the editors, even though they are written all by myself. I find that to be rather unfair, but I assure you that bias is not unusual at all for them. I believe this inherent editorial bias and unfairness imbues and colors their entire perspective on all immigration issues.

Their credo is, "Let's do whatever we think is good for good old American business, no matter how unfair or repugnant it is to illegal aliens and to other Americans."

Fortunately, most Americans are smart enough to know better than to swallow that old line of pure guff.

I now yield the floor.

EXHIBIT 1

[From the Dallas Morning News, May 17, 1991]

HOW TO FEED IMMIGRATION WILDINGS

(By Richard Estrada)

Several months ago, two young Mexicans stopped me in a Dallas parking lot and asked me for money. They had crossed the border illegally, and now found themselves down on their luck. Nobody would hire them. In the sing-song Spanish of Mexico City, one of them explained: "It's that Simpson-Rodino law."

The 1986 law to control illegal immigration made the newspapers again recently after Hispanic aliens in the Mount Pleasant neighborhood of Washington, D.C., set off two days of riots. By most accounts, street violence began on May 5 after a female police officer shot a drunken, knife-wielding Salvadoran immigrant who had lunged at her.

Enter the Wall Street Journal. A Journal editorial of May 10 said the riot "was sparked by an alleged abuse of force by a police officer against an immigrant" and let it go at that. The piece went on to term the disorders the "Simpson-Mazzoli" riots—which was to say that because the employer sanctions law that fines employers for hiring illegal aliens is allegedly causing discrimination against Hispanics legally authorized to work, they rioted not that rioting is right, mind you.

However, in addition to getting the name of the law wrong (that's Simpson-Rodino) the *Journal* provided no specific link between discrimination and the rioting. As it turns out, the rioters were complaining not so much about the lack of work, but about not being given more attractive jobs. They also wanted the right to drink beer on the street and in the parks; free restaurant service; and the right to park their cars anywhere they wanted. The *Journal* also failed to note that by no means all of the rioters were aliens; perhaps half were U.S. citizens of African descent, and a few whites joined in.

The inner cities of the nation are seriously over crowded. Ironically, nothing is worsening the competition for jobs, social services and affordable housing more than immigration. Economist George Borjas notes that a 10 percent increase in national immigration results in the doubling of the immigrant population in that handful of U.S. cities in which they settle.

While it's true that the General Accounting Office has alleged discriminary impact stemming from employer sanctions, the Journal failed to mention that the GAO's conclusions have come under fire because the agency had no baseline study to show the degree of anti-Hispanic discrimination before employer sanctions. The GAO may have caved in to political pressure on this one.

Item: Nearly every poll ever taken of Hispanic public opinion has found that Hispanics desire greater immigration controls, up to and including fines against employers who hire illegal aliens. Illegal labor market competition appears to be what's bothering most Hispanics.

Immigrant workers are real, live people, with dreams, frustrations and families. But that is a fact to be appreciated before making the decision to import them, not afterward.

The nation should pause and give credit where credit is due. First, there's the *Wall Street Journal*, which has consistently opposed any meaningful measure to control illegal immigration, successfully backed huge increases in legal immigration and now seeks repeal of employer sanctions. Then, there's Sen. Dennis DeConcini, D-Ariz., and Rep. Joseph Moakley, D-Mass., who last year wrangled yet another immigration amnesty, this one for Salvadoran illegal aliens.

And let's not forget the Mexican American Legal Defense and Educational Fund (MALDEF), the National Council of La Raza ("The Race"), the League of United Latin American Citizens (LULAC, one of whose officials was recently charged with bilking illegal aliens out of thousands of dollars) and the archbishop of Los Angeles, Roger Mahony, who a little more than three months ago officiated at the funeral of 34-year-old Tina Kerbrat.

Tina Who? Tina Kerbrat—she's the Los Angeles police officer who died on Feb. 11, after having been shot in the face by another drunken Salvadoran illegal alien across the continent from Mount Pleasant, in the mother of all illegal immigration sanctuaries, Los Angeles.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Jersey.

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

The Senate continued with the consideration of the bill.

Mr. BRADLEY. Mr. President, I rise today in opposition to the bill introduced by my distinguished colleague from South Carolina, Senator HOLLINGS. My opposition is somewhat reluctant. First, because I share the goal of strengthening America's telecommunications industry, and second because the bill pits the Regional Bell Operating Cos. against AT&T. Both of them—both in this case New Jersey Bell and AT&T—are great contributors to economic growth in the Nation and especially in the State of New Jersey.

I cannot support the bill as it exists, however, because of my great concerns that the mechanisms that this legislation uses to stimulate American competitiveness will be at best ineffective and at worst counterproductive. Furthermore, I am concerned that we have not learned the lesson that markets are more efficient regulators than regulators themselves. It is difficult for markets to be competitive when manufacturers sell to themselves.

The antitrust action which broke up AT&T was based on the premise that because AT&T controlled the bottleneck monopoly at the consumer level it was in a position to engage in anticompetitive behavior in its relations with its suppliers. That is the basic case. AT&T, the Government case argued, and the courts agreed, had taken advantage of its bottleneck monopoly by providing Western Electric, its manufacturing subsidiary, with more timely, accurate, and complete information about technical needs than the information provided to any competitors.

Furthermore, since AT&T's profits were determined by a regulatory formula which was based on AT&T's costs, there was an incentive to shift costs into the rate base. AT&T did this by shifting the cost of research, design, development, and manufacturing into the basic telephone network. In other words, onto the bills of consumers.

As a result, competition was stifled by the control that AT&T exercised and the ability of Western Electric to sell its products at below the cost of even making them. Consumers absorbed the direct cost of this subsidy in their telephone bills, as I have just stated, and, in essence, AT&T was self-dealing and the consumers were hurt, which is exactly what would happen if S. 173 were to become law, self-dealing and the consumers hurt.

Where were the regulators in all of this? Well, the FCC tried to conduct investigations. The States tried to exercise their authority to examine local telephone subsidiaries of AT&T. But none had jurisdiction over the manufacturing affiliates and no one could document the subsidies that were pervasive in this monopolized system. A significant step in what ultimately broke up the telephone monopoly was the court's rejection, in 1976, of AT&T's claim that the FCC had extensive and effective oversight over their activities and that it was impossible for them to engage in the alleged competitive abuse.

AT&T urged the courts to continue to rely on the regulators. In other words, regulators could solve the problem. But when the monopoly was broken up, the continued existence of the bottleneck monopolies was recognized as a continuing problem. In other words, the regulators could not solve the problem and the court decided, and the parties to the agreement, that AT&T would be broken up.

Central to ensuring that the problem of anticompetitive behavior and rate base abuse did not recur was the imposition of restrictions on the companies that would not control the bottleneck monopolies, the seven Regional Bell Operating Cos. or the RBOC's, as they are called. They were prohibited from providing long distance service, information services, or engaging in manufacturing.

The restriction, however, does not preclude the RBOC's from engaging in a number of activities related to design and manufacturing such as market research, providing generic specifications, selecting an exclusive manufacturer, funding product development, or selling consumer premises equipment. None of those are excluded by the court agreement.

Some of these allowed areas of activity have, indeed, thrived. Bellcore Labs of New Jersey, for example, is a testament to this policy. I was struck by the statement of the vice president of technology systems for Bellcore, cited in the minority views of Mr. INOUYE contained in the report on S. 173.

He describes the post-divestiture environment as marked by—his words, vice president of Bellcore—a major progress towards the opening of the telecommunications marketplace through the free flow of information on architectures, requirements, and interfaces. The response has been an outpouring of products that Bellcore's clients—that is the RBOC's—are using to grow and to evolve their networks, to provide existing services more economically than heretofore and to provide new services.

He goes on to cite that the supplier database, the telecommunications supplier database, has grown from 2,000 companies in 1984 to 9,000 companies in 1989.

How could Bellcore be affected by S. 173? Proponents have argued that since the RBOC's would be manufacturers, they would invest more in Bellcore.

However, if each RBOC had a competing manufacturing affiliate, what incentive would these competitors have to contribute to a common R&D pool? On the contrary, individual RBOC's would focus their R&D resources on their own projects, not on research that would be shared with their competitors.

Furthermore, this argument forgets that Bellcore is a special institution, exempted from antitrust laws specifically because its clients, the RBOC's, are precluded from engaging in manufacturing. If the regional companies had manufacturing affiliates, then antitrust laws would prohibit the sharing of R&D costs by competing manufacturers. S. 173 might put Bellcore out of business, not bring more in R&D.

The expanding telecommunications market and network of suppliers from 2,000 to 8,000 in about 5 years is the direct result of the free and open competition to supply the needs of the regional operating companies. Since they do not have an in-house supplier to whom they have every incentive to rely on, the RBOC's have used their size, resources, and technical expertise to essentially be investive money machines for one of America's fastest growing and most important industries.

S. 173 threatens that success. Instead of a thriving industry, we could very well end up with a self-dealing, cross-subsidy, and anticompetitive behavior.

Proponents of this bill present a dark vision of America's role in the international telecommunications market. In fact, the international market for high-end telecommunications is rapidly expanding and American firms are the No. 1 benefactors of its growth.

Our trade surplus—underlined surplus—in switches, network needs, and other sophisticated technology has grown from $115 million in 1988 to $710 million in 1990, a 500-percent increase. The deficit in telecommunications is in consumer products equipment. But even if we include consumer premises equipment—the telephones and fax machines—the U.S. trade deficit has declined from $2.6 billion in 1988 to $800 million in 1990.

How will S. 173 change the situation? Proponents hope that the RBOC's intimate knowledge of the telecommunications network and their tremendous capital and human resources will make them strong players in the international telecommunications market.

Frankly, I am concerned that S. 173 may have the opposite effect. The two qualities that RBOC undeniably possess—their intimate knowledge and tremendous resources—are exactly the reasons that AT&T was able to engage in anticompetitive behavior and abuse of the rate base.

The regional operating companies will get a share of the telecommunications market but that may come at the expense of other manufacturers and not increase the overall total. Even if each regional operating company only captures 10 percent of the market, that is 70 percent of the total that will be foreclosed to competitors by the unfair advantage that the regional operating companies have by virtue of their regulated bottleneck monopolies.

So it could very well have the opposite effect as the proponents of this bill contend.

S. 173 will clearly change distribution within the pie, but it will not make the pie any bigger.

Another way that S. 173 hopes to improve the structure of the telecommunications market is through a domestic content provision. That provision has many loopholes that are provided by the bill and those loopholes probably make a bad situation worse. The regional operating companies may use parts manufactured abroad but must certify to the FCC that it has made a good-faith effort to obtain equivalent parts in the United States and that the cost of these parts is less than 40 percent of the sales revenue derived from that equipment.

Each year, the FCC and the Secretary of Commerce shall determine what percentage of the revenues come from each RBOC. The FCC can impose penalties if it deems a firm is in violation, and any supplier claiming that the supplier did not make "a good faith effort" to buy the components in the United States can file a complaint with the FCC or can sue the affiliate for damages caused by the manufacturing affiliate's actions.

If I understand this correctly, if I am an American firm that makes a part that a telecommunications manufacturer can use, and that telecommunications manufacturer decides a better and cheaper part is made by a competitor of mine that happens to be owned or based overseas, then I can sue the manufacturer for choosing a better and cheaper part than mine.

The only American industry that I see being made more competitive by this provision is the legal industry, not telecommunications.

Just as this bill would be a boon to lawyers, it would be a bust to all consumers of telephone services. It has been argued here that S. 173 contains more than adequate safeguards against abuse of the rate base through cross-subsidization. That has been the argument made countless times. It has been said that we should rely on the regulators to prevent the regional operating companies from taking advantage of their bottleneck monopoly.

It has a strange ring of familiarity to it. It sounds just like the arguments that AT&T made when the Government began to press its case. Let the regulators take care of it.

If there is any lesson that we should have learned in the past decade, it is that the markets are much better regulators than the regulators themselves. Even if the FCC can track direct subsidies, which is a major question, how will the regulators monitor the indirect subsidies provided through cost allocation and the shifting risks from competitive to monopoly ventures? For example, how will the FCC allocate the cost of training and the salary of regional operating employees who are working, laying out the generic specifications for the product and regional operating affiliate develops?

How will the FCC determine what percent of the increase in a regional operating company's cost of capital is due to the perception that it is affiliated, is engaged in financially risky activities?

All of these are enormously complicated questions. They are now answered by this bill. And the answer is they will not be regulated.

To be quite frank, the honest answer is—I should say the most honest answer is that no matter how sophisticated their tracking and reporting techniques, the regulators will never establish solid answers to these questions.

Ironically, proponents of eliminating the manufacturing restrictions point to the FCC's success in auditing the manufacturing arm of NYNEX.

The rate base abuse and cross subsidization that was taking place at material enterprises, however, was not revealed by sophisiticated financial analysis technique. It was not revealed by an audit team sleuthing for the regulator and discovering the abuse. No. It came to light only because an employee leaked the story to the Boston Globe. And even then the FCC was not able to act until 5 years after the violations occurred. And we are going to depend on regulators in this matter? It just will not be successful.

If we have learned the lesson that markets are more efficient regulators than regulators, if we ask whether this would increase the size of the telecommunications market or just shift business to the regional operating company, if we are concerned about the impact of cross-subsidization on the telephone consumer, then the right decision would be to retain the manufacturing restrictions on the regional operating companies.

Unfortunately, that is not what this bill does, and that is why I will oppose the legislation.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRISIS IN YUGOSLAVIA

Mr. MOYNIHAN. Mr. President, recently the esteemed Flora Lewis wrote of the ongoing crisis in Yugoslavia. She noted that this extreme example of ethnic conflict may well be a harbinger of things to come, that success or failure in this case may establish a pattern for other similar disputes which are bound to arise. She closed her article with this warning: "It is a test of whether the new Europe can keep its own order, with implications far beyond Yugoslavia."

I commend this cogent article to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 31, 1991]

HOW TO STOP A CIVIL WAR

(By Flora Lewis)

ZAGREB, YUGOSLAVIA.—The shouting match among Yugoslavia's ethnic rivals is becoming a shooting match.

Some Croatian leaders say the warning that civil war looms is only "Serbian propaganda" and that the country can and should peaceably break up into independent states. In vowing yesterday to secede from Yugoslavia by June 30 unless the turmoil dividing the country is solved, Croatia confidently asserted to the world that it can prosper on its own.

Tensions and tempers are high. There are minorities in too many places and interests are too intertwined to solve the dispute by redrawing maps. The U.S. and the European Community have made clear they will not support the breakup of Yugoslavia, as the President of the European Community Commission, Jacques Delors, repeated yesterday.

But the nationalists aren't listening. They shout past one other with such intensity that nobody knows what the arguments come down to any more. They are choking themselves with history, and as always when history becomes the tool of polemics it exacerbates conflict. Like statistics, history can be made to prove any point. It is true that the creation of Yugoslavia after World War I was an artifice to deal with the dissolution of the Austro-Hungarian empire, a rich stew of peoples that never became a melting pot.

Now, the Serbs want either to maintain firm central powers or to achieve the old dream of a Greater Serbia at the expense of their ethnic rivals. Croatia and Slovenia want independence, in an alliance of soverign states, or on their own. Others take sides, according to their hopes for benefit.

This month the U.S. dabbled with cutting off aid to Yugoslavia in an attempt to shock people to their senses, specifically citing Serbian human rights abuses against Albanians in the province of Kosovo. But Prime Minister Ante Markovic, whose economic reform program has been blocked by feuding republics, pointed out that sanctions would only accelerate a collapse. Slovenia and Croatia took it as all the more reason to break with Serbia, since it had provoked the punishment. Washington called off its aid suspension last week.

Yet, there is little chance of the Yugoslavs coming to terms among themeslves. The tide has to be turned from outside, a delicate matter.

This is an urgent case for the new peacekeeping machinery set up last November by the Conference on Security and Cooperation in Europe. The C.S.C.E. has no power, and ostensibly its concern is international disputes, not conflict within states.

But Europe has to be concerned with a crisis that is likely to spill over to neighboring countries. The C.S.C.E. should set up a commission to listen to all sides, identifying issues and reporting the points of contention. It could be a safety valve and provide a cooling-off period.

Rather than government representatives, it should be a group of eminent people experienced in state-craft. It's an idea that provokes interest here. Some names that have come up include Lord Carrington, Eduard Shevardnadze, Helmut Schmidt and Valery Giscard d'Estaing.

It is possible that with encouragement, the Yugoslav Government or one or more of the republics will invite such an initiative from the Conference on Security and Cooperation in Europe. If not, the organization should propose it.

A basic C.S.C.E. principle is that borders cannot be changed by force. If this could be made to apply to the republics' borders, it would go far toward satisfying Croatia and Slovenia. Serbia would object at first, but it might be persuaded in return for assuring the integrity of the Yugoslav state.

It is a test of whether the new Europe can keep its own order, with implications far beyond Yugoslavia.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,271st day that Terry Anderson has been held captive in Lebanon.

As we debate the merits of granting most-favored-nation status to the People's Republic of China on this anniversary of the massacre at Tiananmen Square, our thoughts turn to the rights of man and the the rule of law. The question is not whether there are human rights abuses in China, rather the question is whether to condition China's trade status on compliance with international standards. A most important debate, indeed.

I raise my voice at this point, however, to remind my colleagues of other abuses of rights and law. Of the innocent people held against their will in Lebanon and around the world. Hostage taking is not only immoral, it is categorically forbidden under international law. And I call on all parties holding hostages to release them.

VIOLENCE IN LITHUANIA

Mr. DIXON. Mr. President, a most curious report came out of the Soviet Union today. The Soviet Prosecutor General, Nikolai Trubin, reported that the investigation into the violence and mayhem in Vilnius, Lithuania, last January that became known as Bloody Sunday was not caused by Soviet military troops. I underline not.

He claims that it was not caused by Soviet military troops. In fact, Mr. President, according to the report in this morning's New York Times "The victims had not been crushed by tanks or shot by (Soviet) troops * * * but they were shot and killed by 'Lithuanian militants.'"

The report, Mr. President, is remarkable in its insistence on a bald-faced lie. Mr. President, I have here a videotape. I hope every Senator that may be watching television in his or her office will look at this. I have here a videotape, Mr. President, taken of the murder and the violence inflicted against unarmed Lithuanians by armed Soviet military black beret troops. This videotape, Mr. President, reveals it all.

There is no question as to who were the aggressors, and who the unarmed individuals are. I have seen this video, Mr. President. It is brutal, a brutal video.

My staff showed it some time ago to anyone who wished to view it. I want to say to every Senator, and every Senator who wants a staffer to look at this, here is the videotape you ought to see.

The images of the Soviet troops using rifle butts and nightsticks, of tanks rolling over women and men, who did not even have sticks with which to defend themselves, of the injured and overburdened Vilnius hospitals, recalled the brutality I spoke about in Tiananmen Square that we commemorated earlier today.

Should any of my colleagues or their staffs wish to view this video Mr. President, I will be happy to share it with them. The camera does not lie. The Soviet Prosecutor General lies. It must be noted that this report is timed to blunt any criticism that may greet Soviet President Gorbachev in Oslo as he delivers his delayed Nobel Peace Prize lecture. What a laugh—this despite the increase in Soviet interior ministry troop violence against Baltic border posts and the deployment of troops around Vilnius last night.

Mr. President, I am struck by the issuance of a report so far from the truth it reaffirms the concerns and fears of Americans around the country who believe that our inching toward an embrace of the Soviet Union is terribly premature. If the Soviets can so blithely dimiss the bloody reality of January 13, 1991, can we then take any assurance from Moscow about democratization, about reform, about immigration policy? I think not.

I urge the administration to condemn this outrageous report. I remind the Soviets that any improvement of relations with the Soviet Union is predicated on our insistence that they abide by international standards of human rights and stop the military intimidation and oppression of the Baltics.

Mr. President, I just want to say this to my colleagues in conclusion. A couple of weeks ago I had the honor and privilege of going to the University of Illinois, Chicago campus. Many thousands of Lithuanian-Americans were there playing music, singing songs, marching with their children in that auditorium, thousands of them pledging allegiance to our country and its flag, and remembering their own country.

And it does violence, Mr. President, to our way of life for us to permit and to condone this kind of conduct against innocent people. That annexation of those three Baltic States over half a century ago has never been recognized by our country. It never will be recognized. And the time has come to give recognition to those States.

Those countries, and those millions of people who want to be free, who love the democratic institutions we love, are being brutalized. And we stand here silent. It is an outrage, Mr. President.

I thank the distinguished manager for letting me make that record. I say to every staff person of every Senator representing the interests of our great Nation, who loves this great Nation of ours, every one of them ought to look at this, look at the brutality involved in it, against innocent people in Lithuania by the Soviets. This outrageous lie ought to be condemned by the U.S. Senate.

I yield the floor.

TECHNICAL AMENDMENTS TO VARIOUS INDIAN LAWS ACT

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 98, S. 1193, regarding technical amendments to various Indian laws.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1193) to make technical amendments to various Indian laws.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 282

(Purpose: To delete provision amending Hoopa Yurok Settlement Act)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk in behalf of Mr. INOUYE, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. INOUYE, proposes an amendment numbered 282.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike lines 8 through 21.

On page 3, line 22, delete "4" and insert "3".

On page 4, line 15, delete "5" and insert "4".

On page 4, line 6, delete the word "shall" and insert in lieu thereof the word "may".

On page 2, strike lines 18 through 24 and insert in lieu thereof the following:

"(F) If, during the one-year period described in subparagraph (B) there is a final judicial determination that the gaming described in subparagraph (E) is not legal as a matter of State law, then such gaming on such Indian land shall cease to operate on the date next following the date of such judicial decision."

The PRESIDING OFFICER. Is there debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Hawaii.

The amendment (No. 282) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1193

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Technical Amendments to Various Indian Laws Act of 1991".

SEC. 2. AMENDMENTS TO THE INDIAN GAMING REGULATORY ACT.

(a) EXTENSION OF TIME FOR OPERATION OF CERTAIN GAMING ACTIVITIES.—Section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703) is amended by adding at the end of paragraph (7) the following new subparagraphs:

"(E) Notwithstanding any other provision of this paragraph, the term 'class II gaming' includes, during the 1-year period beginning on the date of enactment of this subparagraph, any gaming described in subparagraph (B)(ii) that was legally operated on Indian lands in the State of Wisconsin or Montana on or before May 1, 1988, if the Indian tribe having jurisdiction over the lands on which such gaming was operated requested the State, by no later than November 16, 1988, to negotiate a Tribal-State compact under section 11(d)(3) of the Indian Gaming Regulatory Act (25 U.S.C. 2710(d)(3)).

"(F) If, during the 1-year period described in subparagraph (E), there is a final judicial determination that the gaming described in subparagraph (E) is not legal as a matter of State law, then such gaming on such Indian land shall cease to operate on the date next following the date of such judicial decision.".

(b) REAUTHORIZATION OF APPROPRIATIONS FOR THE NATIONAL INDIAN GAMING COMMISSION.—Section 19(b) of the Indian Gaming Regulatory Act (25 U.S.C. 2718(b)) is amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of section 18, there is authorized to be appropriated such sums as may be necessary to fund the operation of the Commission for each of the fiscal years beginning October 1, 1991, and October 1, 1992.".

SEC. 3. AMENDMENTS TO THE INDIAN LAND CONSOLIDATION ACT.

Section 204 of the Indian Land Consolidation Act (25 U.S.C. 2203) is amended—

(1) by deleting "(1) the sale price" and inserting in lieu thereof "(1) except as provided by subsection (c), the sale price"; and

(2) by adding immediately after subsection (b) the following new subsection:

"(c) The Secretary may execute instruments of conveyance for less than fair market value to effectuate the transfer of lands used as homesites held, on the date of the enactment of this subsection, by the United States in trust for the Cherokee Nation of Oklahoma. Only the lands used as homesites, and described in the land consolidation plan of the Cherokee Nation of Oklahoma approved by the Secretary on February 6, 1987, shall be subject to this subsection.".

SEC. 4. AMENDMENT TO THE ACT ENTITLED "AN ACT TO PROVIDE FOR THE ALLOTMENT OF LANDS OF THE CROW TRIBE, FOR THE DISTIBUTION OF TRIBAL FUNDS, AND FOR OTHER PURPOSES".

Section 1 of the Act entitled "An Act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes", approved June 4, 1920 (41 Stat. 751) is amended by inserting immediately after "*Provided*, That any Crow Indian classified as competent shall have the full responsibility of obtaining compliance with the terms of any lease made", a comma and the following: "except for those terms that pertain to conservation and land use measures on the land, and the Superintendent shall ensure that the leases contain proper conservation and land use provisions and shall also enforce such provisions".

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the bill was passed, and I move that the motion be laid on the table.

The motion to lay on the table was agreed to.

SENATE RESOLUTION 135 AND SENATE RESOLUTION 136

Mr. HOLLINGS. Mr. President, I send two resolutions to the desk, and I ask unanimous consent that they be considered and agreed to en bloc, that the motions to reconsider be tabled en bloc, and that their consideration be shown separately in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution considered and agreed to en bloc are as follows:

S. RES. 135

Resolved, That paragraph 2 of Rule XXV of the Standing Rules of the Senate is amended as follows:

Strike "16" after "Environment and Public Works" and insert in lieu thereof "17".

Strike "18" after "Foreign Relations" and insert in lieu thereof "19".

Strike "14" after "Governmental Affairs" and insert in lieu thereof "13".

That paragraph 3(a) of rule XXV of the Standing Rules of the Senate is amended for the One Hundred Second Congress as follows:

Strike "18" after "Small Business" and insert in lieu thereof "19".

S. RES. 136

Resolved, That the Senator from Pennsylvania (Mr. WOFFORD) is hereby appointed to serve as a member on the Committee on Environment and Public Works, the Committee on Foreign Relations, and the Committee on Small Business.

TO MAKE A MINORITY PARTY APPOINTMENT TO THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HOLLINGS. Mr. President, on behalf of the distinguished minority leader, the distinguished Senator from Kansas [Mr. DOLE] I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 137) to make a minority party appointment to the Committee on Banking, Housing and Urban Affairs.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Is there further debate on the resolution? If not, the question is on agreeing to the resolution.

The resolution (S. Res. 137) was agreed to.

The resolution is as follows:

S. RES. 137

Resolved, That the following Senator (Mr. CHAFEE) shall be added to the minority party's membership on the Senate Committee on Banking, Housing and Urban Affairs for the One Hundred Second Congress until November 6, 1991.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the resolution was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPORT ON THE NATION'S ACHIEVEMENTS IN AERONAUTICS AND SPACE—MESSAGE FROM THE PRESIDENT—PM 54

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

It is with great pleasure that I transmit this report on the Nation's achievements in aeronautics and space during 1989 and 1990, as required under section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Not only do aeronautics and space activities involve 14 contributing departments and agencies of the Federal Government, as represented in this report, but the results of this ongoing research and development affect the Nation as a whole.

In 1989 and 1990 we successfully conducted eight space shuttle flights, deploying the Magellan Venus probe, the Galileo Jupiter probe, the Syncom IV Navy communications satellite, and the Hubble Space Telescope and retrieving the Long Duration Exposure Facility. The successful launch of 28 expendable launch vehicles put into orbit a wide variety of spacecraft including the Cosmic Background Explorer and the Roentgen satellite. In addition, many ongoing activities contributed to the period's achievements. The Voyager 2 encounter with Neptune capped off the highly successful 12-year Voyager program; the Tracking and Data Relay Satellite System became fully operational; the Defense Advanced Research Projects Agency sponsored a commercially developed first launch of the Pegasus Air-Launched Space Booster; the Department of Commerce continued studies on ozone, cloud occurrence, and snow cover—factors critical to our study of climate change; the Federal Aviation Administration strengthened aviation security by deploying the advanced Thermal Neutron Analysis system for detecting explosives in baggage; the Smithsonian Institution contributed greatly to the public's understanding of space research and conducted programs to improve pre-college science instruction; and we helped Soviet Armenians in need of medical assistance by establishing the Telemedicine Space Bridge between U.S. doctors and hospitals in earthquake-struck Armenia. These are just a few of the many accomplishments produced by our 1989 and 1990 budgets for space ($28.4 billion and $31.8 billion, respectively) and aeronautics ($10.6 billion and $11.4 billion, respectively).

The years 1989 and 1990 were successful ones for the U.S. aeronautics and space programs. Not only did these lead to significant accomplishments in scientific knowledge, but also to improvements in the quality of life on Earth through benefits to the economy, to the environment, and in the defense of freedom. Our mission must be to provide stability in aeronautics and space leadership in an ever-changing international environment.

GEORGE BUSH.

THE WHITE HOUSE, *June 4, 1991*.

MESSAGES FROM THE HOUSE

At 3:23 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, each without amendment:

S. 292. An act to expand the boundaries of the Saguaro National Monument; and

S. 483. An act entitled the "Taconic Mountains Protection Act of 1991".

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 971) to designate the facility of the U.S. Postal Service located at 630 East 105th Street, Cleveland, OH, as the "Luke Easter Post Office".

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 2042. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, and for other purposes;

H.R. 2100. An act to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

H.R. 2426. An act making appropriations for military contruction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 2427. An act making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes;

H.J. Res. 72. Joint resolution to designate December 7, 1991, as "National Pearl Harbor Remembrance Day"; and

H.J. Res. 138. Joint resolution designating the week beginning July 21, 1991, as "Lyme Disease Awareness Week."

The message also announced that pursuant to the provisions of section 4(a) of Public Law 98-399, the Speaker appoints as members of the Martin Luther King, Jr., Federal Holiday Commission the following Members on the part of the House: Mr. WHEAT, Mr. SAWYER, Mr. REGULA, and Mr. FRANKS of Connecticut.

The message further announced that pursuant to the provisions of 20 U.S.C. 42 and 43, the Speaker appoints Mr. MCDADE to the Board of Regents of the Smithsonian Institution on the part of the House, to fill the existing vacancy thereon.

The message also announced that pursuant to the provisions of section 203 of Public Law 99-660, as amended by title IV of Public Law 100-436, the minority leader appoints Mr. GOODLING to serve as a member on the part of the House of the National Commission to Prevent Infant Mortality.

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2042. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 2100. An act to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 2426. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes; to the Committee on Appropriations.

H.R. 2427. An act making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes; to the Committee on Appropriations.

H.J. Res. 72. Joint resolution to designate December 7, 1991, as "National Pearl Harbor Remembrance Day"; to the Committee on the Judiciary.

H.J. Res. 138. Joint resolution designating the week beginning July 21, 1991, as "Lyme Disease Awareness Week"; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1310. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 5584 of title 5, section 2774 of title 10, and section 716 of title 32, United States Code, to increase from $500 to $2,500 the maximum aggregage amount of a claim that may be waived by the head of an agency under those sections; to the Committee on Armed Services.

EC-1311. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, the annual report on the operations of the Bank for fiscal year 1990; to the Committee on Banking, Housing, and Urban Affairs.

EC-1312. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a survey of section 202 and section 8 projects under the National Affordable Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

EC-1313. A communication from the Administrator of the Federal Railroad Administration, transmitting, pursuant to law, a report regarding the advisability and feasibility of requiring automatic train control systems on each rail corridor on which passengers or hazardous materials are carried; to the Committee on Commerce, Science, and Transportation.

EC-1314. A communication from the Assistant Secretary of the Interior (Land and Minerals Management), transmitting, pursuant to law, notice of leasing systems for the Beaufort Sea, Sale 124, scheduled to be held in June 1991; to the Committee on Energy and Natural Resources.

EC-1315. A communication from the Independent Counsel, Office of the Independent Counsel, transmitting, pursuant to law, a report on status of appropriated funds for fiscal year 1991; to the Committee on Governmental Affairs.

EC-1316. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the annual report on civil monetary penalty assessments and collections for fiscal year 1990; to the Committee on Governmental Affairs.

EC-1317. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the semiannual report of the Office of Inspector General of the Board for the period October 1, 1990 through March 31, 1991; to the Committee on Governmental Affairs.

EC-1318. A communication from the Assistant Attorney General (Legislative Affairs), transmitting a draft of proposed legislation entitled the "Money Laundering Improvements Act"; to the Committee on the Judiciary.

EC-1319. A communication from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, to establish the Youth Opportunities Unlimited Program, and for other purposes; to the Committee on Labor and Human Resources.

EC-1320. A communication from the Secretary of Education, transmitting, pursuant to law, the report of the National Center on Educational Statistics entitled "The Condition of Education, 1991"; to the Committee on Labor and Human Resources.

EC-1321. A communication from the Secretary of Education, transmitting a draft of proposed legislation to reauthorize the program for infants and toddlers with disabilities under part H of the Individuals with Disabilities Education Act, and for other purposes; to the Committee on Labor and Human Resources.

EC-1322. A communication from the Secretary of Education, transmitting a draft of proposed legislation to amend the School Dropout Demonstration Assistance Act of 1988, and for other purposes; to the Committee on Labor and Human Resources.

EC-1323. A communication from the Secretary of Education, transmitting, pursuant to law, the annual report of the Helen Keller

National Center for the Deaf-Blind Youths and Adults for the 1990 program year; to the Committee on Labor and Human Resources.

EC-1324. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to authorize the Secretary of Veterans Affairs to accept gifts for the benefit of all Departmental programs; to the Committee on veterans' Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-91. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Armed Services.

HOUSE RESOLUTION NO. 554

"Whereas the Defense Department has begun a program with a code name of Operation Quick Silver to reduce the size of its force structure; and

"Whereas the Illinois Army National Guard as presently constituted stands ready to assist the people of this State in many ways, such as providing medical emergency response capabilities during a major disaster; and

"Whereas plans currently call for the elimination of some 6,800 part-time positions and some 400 full-time jobs in Illinois alone, representing $55 million in lost salaries; and

"Whereas Defense Department cuts made in Operation Quick Silver could place in jeopardy up to 28 Guard armories in this State; and

"Whereas the State of Illinois could lose $2.3 million in State tax revenue if Operation Quick Silver proceeds as planned; and

"Whereas the 2,330 State scholarships received by Illinois Guardsmen in fiscal year 1991 would be lost if troop cuts take place; and

"Whereas the Illinois National Guard maintains a long and proud tradition of service to the people of this State; therefore be it

"*Resolved, by the House of Representatives of the Eighty-Seventh General Assembly of the State of Illinois,* That we urge it made known to the Department of Defense our objection to the full implementation of Operation Quick Silver, particularly as it affects units of the Illinois Guard; and be it further

"*Resolved,* That suitable copies of this preamble and resolution be presented to each member of the Illinois Congressional Delegation.

"Adopted by the House of Representatives on May 21, 1991."

POM-92. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Armed Services:

SENATE CONCURRENT RESOLUTION NO. 58

"Whereas England Air Force Base and the 23rd Tactical Fighter Wing played a vital role in the recent Operation Desert Storm to liberate Kuwait; and

"Whereas the Flying Tigers destroyed a full Iraqi armored division of tanks, hundreds of trucks, armored personnel carriers, and heavy artillery pieces; and

"Whereas England Air Force Base employs three thousand active military personnel, one thousand civilians, with four thousand dependents and eight thousand military retirees use the base facilities; and

"Whereas England Air Force Base houses seventy-two military aircraft of the 23d Tactical Fighter Wing; and

"Whereas Louisiana had a large percentage of National Guard personnel, who proudly served in the Persian Gulf, more than any other state in the Union; and

"Whereas the closing of England Air Force Base would have an extremely negative economic impact on central Louisiana's economy to the extent of one hundred forty nine million dollars annually; and

"Whereas the closing of England Air Force Base would be an undeserved reward for the tremendous military effort put forth by the people of Louisiana in Operation Desert Storm; and

"Whereas the people of Louisiana and our military personnel deserve the highest consideration from the Congress of the United States for their service and patriotism: Therefore, be it

"*Resolved,* That the Legislative of Louisiana memorializes the Congress of the United States to show its gratitude to the patriotic men and women of the military and the people of Louisiana who support their effort by keeping England Air Force Base open and vital to the economy of Louisiana; Be it further

"*Resolved,* That a copy of this Resolution shall be transmitted to the Secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-93. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Commerce, Science, and Transportation:

SENATE JOINT MEMORIAL 91-4

"Whereas in the waning moments of the 1990 legislative session, the Congress of the United States created a new tax in the form of a fee or charge upon recreational vessels; and

"Whereas this new federal tax on recreational vessels is in addition to increased taxes on gasoline and boat registration fees currently paid by boaters in all states; and

"Whereas additional taxes have a negative impact on state economics; and

"Whereas the estimated seven hundred eighteen million dollars to be collected over a five-year period from boaters as a result of the new federal tax on recreational vessels are not pledged for uses which benefit boaters or the United States' Coast Guard but may be used for any purpose; and

"Whereas the United States House of Representatives voted 287-110 against boat 'use fees' in 1987: Now, therefore, be it

"*Resolved by the Senate of the fifty-eighth general assembly of the State of Colorado, the House of Representatives concurring herein,* That the members of the Congress of the United States are hereby memorialized to adopt House Resolution 534 designed to repeal the new federal tax on recreational vessels before it is implemented: "Be it further

"*Resolved,* That copies of this Memorial be sent to the President of the Senate and the Speaker of the House of Representatives of Congress and the members of the congressional delegation representing the state of Colorado in Congress."

POM-94. A resolution adopted by the Senate of the State of Michigan; to the Committee on Commerce, Science, and Transportation:

SENATE RESOLUTION NO. 92

"Whereas the automotive industry continues to make steady, continuous improvements in the fuel economy of the fleet it offers for sale to the public; and

"Whereas efforts have been made recently in Congress to impose drastic, government-mandated increases in the Corporation Average Fuel Economy (CAFE) standards on the automotive industry for cars and light trucks, calling for a forty percent increase to be achieved by 2001; and

"Whereas a major increase in the CAFE standards would sharply limit consumer's choices of vehicles, limiting them to choose from minicompact, subcompact, and compact cars; and

"Whereas unrealistic standards would seriously reduce the availability of full-size and mid-size vans and pickup trucks—the workhorses of many small businesses and farms; and

"Whereas it has been estimated that significantly higher CAFE standards could cost as many as 300,000 jobs in the United States in the next decade; and

"Whereas higher CAFE standards would do little to enhance our nation's security, as it would reduce oil imports by only one to two percent by the year 2005; and

"Whereas many national safety experts have expressed the opinion that a drastic increase in the standards would increase the risk of fatalities and injuries because of smaller and lighter automobiles, creating a vast difference in vehicle sizes operating on the roads and highways: Now, therefore, be it

"*Resolved by the Senate,* That the members of this legislative body hereby memorialize the Congress of the United States to reject any effort to impose unrealistic government-mandated standards on the automotive industry, thus preserving the freedom of the public to exercise its choice of vehicle to meet its needs; and be it further

"*Resolved,* That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation."

POM-95. A resolution adopted by the Assembly of the State of New Jersey; to the Committee on Environment and Public Works:

"ASSEMBLY RESOLUTION NO. 224

"Whereas the beaches and shores of the Northeastern States, and especially the 127 miles of Atlantic coastline within the jurisdiction of New Jersey, not only constitute a recreational, economic, and social asset of the individual states, but also a precious and irreplaceable natural resource of the nation; and

"Whereas in recent years, the beaches and shores of New Jersey have suffered from increased pollution and erosion, and the response of State, local and federal authorities has been reactive and piecemeal rather than comprehensive, indicating a need to develop long-term, cost-effective solutions to these problems, as well as a need for education and information-sharing among engineers and planners, both governmental and private; and

"Whereas the effectiveness of regulatory and enforcement efforts of the State of New Jersey, diligent as they may be, is necessarily limited by the fact that the State's jurisdiction extends only three miles from its boundary, and that, accordingly, the United States Environmental Protection Agency retains enforcement authority with respect to the overwhelming percentage of violations giving rise to the pollution problem; and

"Whereas environmental pollution is now generally acknowledged to be a national and interstate phenomenon and, that, therefore, it is vital that Congress take a role in providing funding for the research being conducted to prevent coastal pollution and alleviate beach erosion; and

"Whereas the Alliance for Coastal Engineering has been formed by the Davidson Laboratory, an internationally recognized engineering facility at Stevens Institute of Technology in Hoboken, New Jersey, to conduct research to improve the control of beach erosion and coastal pollution, and to provide educational offerings to engineers and planners employed by private firms and local and State government: Now, therefore, be it

"*Resolved by the Assembly of the State of New Jersey:*

"1. The Congress of the United States is memorialized to provide funding for the Alliance for Coastal Engineering which has been formed by the Davidson Laboratory at Stevens Institute of Technology in Hoboken, New Jersey, to conduct research to improve the control of beach erosion and coastal pollution, and to provide educational offerings to engineers and planners employed by private firms and local and State government.

"2. Copies of this resolution, signed by the Speaker and attested by the Clerk, shall be forwarded to the Vice-President of the United States, to the Speaker of the House of Representatives, to each member of Congress elected from this State, to the Administrators of the United States Environmental Protection Agency and to the Region II component thereof, and to the Commissioner of the New Jersey Department of Environmental Protection.

"STATEMENT

"The purpose of this resolution is to memorialize the Congress of the United States to provide funding to the Alliance for Coastal Engineering at Stevens Institute of Technology in Hoboken, New Jersey to improve the control of beach erosion and coastal pollution.

"HIGHER EDUCATION

"Memorializes Congress to provide funding to the Alliance for Coastal Engineering at Stevens Institute of Technology for research on controlling coastal pollution and beach erosion."

POM-96. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION NO. 103

"Whereas the authority of the president of the United States to negotiate trade agreements under "fast track" authority expires on June 19, 1991; and

"Whereas this "fast track" authority is simply a mechanism which allows the president to speed the approval of trade agreements as the Congress is restricted to an up-or-down vote, without amendments, on any agreement negotiated under this authority; and

"Whereas the Congress initially included the current version of the "fast track" authority for approval of trade agreements in the 1974 Trade Act and reenacted this authority in the 1988 trade legislation; and

"Whereas absent a resolution passed by the Congress to disapprove the "fast track" authority, the authority will be automatically extended for another two years until May 31 1993; and

"Whereas "fast track" authority is essential for the good faith negotiation of a trade agreement with Mexico, and for a possible negotiation of a North American Free Trade Agreement between Mexico, Canada, and the United States; Therefore, be it

"*Resolved*, That the Legislature of Louisiana memorializes the Congress of the United States to vote against any resolution which has been proposed to disapprove of the "fast track" authority: Be it further

"*Resolved*, That the Legislature of Louisiana supports the negotiation of a free trade agreement with Mexico, which would be sensitive to environmental issues, labor markets and conditions, competing industries, and regulatory issues: Be it further

"*Resolved*, That the Legislature of Louisiana believes that a North American Free Trade Agreement between Mexico, Canada, and the United States would be in the best interest of all parties and therefore strongly urges that a dialogue be established to examine the potential for a trilatral negotiation to take place: Be it further

"*Resolved*, That a duly attested copy of this Resolution be immediately transmitted to the President of the United States, to the secretary of the United States Senate, to the clerk of the United States House of Representatives, to each member of the Louisiana delegation to the Congress of the United States, and to the presiding officer of each house of each state legislature in the United States."

POM-97. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION 41

"Whereas liquefied petroleum gas (LPG) for automotive use is a non-toxic, non-corrosive, lead-free, hydrocarbon fuel that is capable of delivering consistent vehicle performance with clean, smooth combustion under all driving conditions; and

"Whereas the technology exists to affordably convert engines from gasoline to "dual fuel" or "LPG-only" systems, with data from Australia indicating that LPG conversion is a sound proposition for motorists who drive more than 19,000 miles a year or who retain their vehicles for four or five years; and

"Whereas data from Australia also indicate that the initial cost of standard installation for an LPG system can be recouped in less than fifteen months with approximately 19,000 miles of driving a year, and that LPG-powered vehicles are equally safe, if not safer overall, than vehicles with gasoline systems; and

"Whereas although LPG operation involves some loss of power as compared to gasoline operation, the difference between the two is minimal and barely noticeable except under extreme engine load, and because LPG vaporizes completely before it enters the engine, its use results in a smoother application of power across the range of engine operating conditions; and

"Whereas although LPG produces less energy output than gasoline on a gallon for gallon basis and requires up to twenty per cent more fuel by volume to travel a given distance, data from Australia indicate that for every six dollars worth of LPG used, a person must use ten dollars worth of gasoline to travel the same distance; and

"Whereas with growing concerns about the long-term environmental and health effects of air pollution, the ongoing war in the Persian Gulf and the destruction of that region's oil producing capacity, and the ever present danger of catastrophic oil spills, the conversion of automobiles from gasoline to "dual-fuel" or "LPG only" systems should be encouraged; now, therefore, be it

Resolved by the Senate of the sixteenth legislature of the State of Hawaii, regular session of 1991, the House of Representatives concurring, That the Congress of the United States is respectfully requested to provide tax credits to motorists to encourage the conversion of automobiles from gasoline to liquefied petroleum gas; and be it further

Resolved, That certified copies of this Concurrent Resolution be transmitted to the President of the United States Senate and the Speaker of the United States House of Representatives, and the members of Hawaii's delegation to the Congress of the United States."

POM-98. A resolution adopted by the Pinellas County Florida Metropolitan Planning Organization expressing concern over the use of Federal gas tax revenue for nontransportation purposes; to the Committee on Finance.

POM-99. A concurrent resolution adopted by the Legislature of the State of Oklahoma; to the Committee on Governmental Affairs.

"HOUSE CONCURRENT RESOLUTION NO. 1013

"Whereas there are more than 88,000 American service personnel missing in action from World War II, Korea, and Vietnam; and

"Whereas recent information has been released regarding American service personnel held against their will after World War II, the Korean War, and the Vietnam Conflict; and

"Whereas the United States Senate Foreign Relations Committee released an interim report in October 1990 that concluded that American service personnel were held in Southeast Asia after the end of the Vietnam Conflict and that information available to the United States government does not rule out the probability that American service personnel are still being held in Southeast Asia; and

"Whereas on April 12, 1973, the United States Department of Defense publicly stated that there was "no evidence" of live American POWs in Southeast Asia; and

"Whereas the public statement was given nine days after Pathet Lao leaders declared on April 3, 1973, that Laotian communist forces did, in fact, have live American prisoners of war in their control; and

"Whereas no POWs held by the Laotian government and military forces were ever released; and

"Whereas there have been more than 11,700 live sighting reports received by the Department of Defense since 1973 and, after detailed analysis, the Department of Defense admits there are a number of "unresolved" and "discrepancy" cases; and

"Whereas in October 1990, the United States Senate Foreign Relations Committee released an "Interim Report on the Southeast Asian POW/MIA Issue" that concluded that United States military and civilian personnel were held against their will in Southeast Asia, despite earlier public statements by the Department of Defense that there was "no evidence" of live POWs, and that information available to the United States government does not rule out the probability that United States citizens are still held in Southeast Asia; and

"Whereas the Senate Interim Report states that congressional inquiries into the POW/MIA issue have been hampered by information that was conceiled from committee members, or were "misinterpreted or manipulated" in government files; and

"Whereas the POW/MIA truth bill would direct the heads of the federal government agencies and departments to disclose information concerning the United States service personnel classified as prisoners of war or missing in action from World War II, the Korean War, and the Vietnam Conflict; and

"Whereas this bill would censor the sources and methods used to collect the live sighting reports, thus protecting national security; and

"Whereas the families of these missing service personnel need and deserve the opportunity to have access to the information concerning the status of their loved ones after these many years, now, Therefore, be it,

"*Resolved by the House of Representatives of the 1st Session of the 43rd Oklahoma Legislature, the Senate concurring therein;* That the Congress of the United States is urged to appoint a select committee to assist the United States Senate Foreign Relations Committee in obtaining information in government files.

"That the Congress of the United States is urged to begin immediate committee hearings to consider enacting the POW/MIA truth bill.

"That the Congress of the United States is requested to continue funding of this investigation that is vital to resolving the POW/MIA issue in Southeast Asia.

"That a copy of this resolution be distributed to the Secretary of State, the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and each member of the Oklahoma Congressional Delegation."

POM-100. A resolution adopted by the City Council of Seattle, Washington favoring the passage of H.R. 7, the "Brady Bill"; to the Committee on the Judiciary.

POM-101. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Rules and Administration.

"SENATE JOINT MEMORIAL 91-3.

"Whereas legislation has been introduced in Congress which would strengthen the "Federal Election Campaign Act of 1971"; and

"Whereas such strengthening of federal campaign laws would enhance citizens' confidence in our representative government; and

"Whereas specific reforms are necessary to curb excessive special interest influence on elections, to reduce campaign costs, and to halt contributions and expenditures by multicandidate political committees controlled by foreign-owned corporations; and

"Whereas franking privileges of incumbents should be restricted to increase competition in Congressional elections; and

"Whereas reapportionment should produce the fairest and most competitive voting districts that are possible; and

"Whereas contributions which are solicited or received from prohibited sources or which are not subject to record-keeping, reporting, or disclosure requirements should be deemed unlawful; and

"Whereas contributions made through intermediaries or conduits should be prohibited or restricted, and such contributions should be properly disclosed and reported; and

"Whereas the Federal Election Commission should have the authority to pursue violations of election laws aggressively, thereby promoting better compliance with such laws; and

"Whereas the Federal Election Commission should act as a clearinghouse of political activities; and

"Whereas all available methods should be utilized to establish a political climate which is viewed by the electorate as fair, competitive, and responsive; Now, therefore, be it

"*Resolved by the Senate of the fifty-eight general assembly of the State of Colorado, the House of Representatives concurring herein:* That the Colorado general assembly hereby urges the Congress of the United States to adopt legislation strengthening the "Federal Election Campaign Act of 1971"; be it further

"*Resolved,* That copies of this memorial be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Colorado Congressional delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. 1204. An original bill to amend title 23, United States Code, and for other purposes (Rept. No. 102-71).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LEVIN:

S. 1198. A bill to provide that the compensation paid to certain corporate officers shall be treated as a proper subject for action by security holders, to require certain disclosures regarding such compensation, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WIRTH:

S. 1199. A bill to amend the Department of Energy Organization Act to require the Secretary of Energy to establish an Area Office in Grand Junction, Colorado, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BURNS (for himself, Mr. GORE, and Mr. DOLE):

S. 1200. A bill to advance the national interest by promoting and encouraging the more rapid development and deployment of a nationwide, advanced, interactive, interoperable, broadband communications infrastructure on or before 2015 and by ensuring the greater availability of, access to, investment in, and use of emerging communications technologies, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DECONCINI:

S. 1201. A bill to require the Secretary of Veterans Affairs to increase by 60 the number of nursing home beds operated and maintained at the Department of Veterans Affairs Medical Center Nursing Home Care Unit, Prescott, Arizona; to the Committee on Veterans Affairs.

By Mr. HELMS:

S. 1202. A bill to amend the Internal Revenue Code of 1986 to allow the one-time exclusion on gain from sale of principal residence to be taken before age 55 if the taxpayer or a family member suffers a catastrophic illness; to the Committee on Finance.

S. 1203. A bill to amend the Internal Revenue Code of 1986 to provide that the one-time exclusion from sale of a principal residence shall not be precluded because the taxpayer's spouse, before becoming married to the taxpayer, elected the exclusion; to the Committee on Finance.

By Mr. BURDICK from the Committee on Environment and Public Works:

S. 1204. An original bill to amend title 23, United States Code, and for other purposes; placed on the calendar.

By Mr. WELLSTONE:

S. 1205. A bill for the relief of Alicia Lasin Brummitt, and Bobby Lasin Brummitt; to the Committee on the Judiciary.

By Mr. PELL (by request):

S. 1206. A bill to amend the International Security and Development Cooperation Act of 1985 to authorize appropriations for fiscal years 1992 and 1993 for the United States Commission for the Preservation of America's Heritage Abroad for carrying out that Act; to the Committee on Foreign Relations.

By Mr. DANFORTH (for himself, Mr. JEFFORDS, Mr. SPECTER, Mr. RUDMAN, Mr. CHAFEE, Mr. COHEN, Mr. DURENBERGER, Mr. HATFIELD, and Mr. DOMENICI):

S. 1207. A bill to strengthen and improve Federal civil rights laws, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DANFORTH (for himself, Mr. JEFFORDS, Mr. SPECTER, Mr. RUDMAN, Mr. CHAFEE, Mr. COHEN, Mr. DURENBERGER, Mr. HATFIELD, and Mr. DOMENICI):

S. 1208. A bill to amend the Civil Rights Act of 1964 to clarify provisions regarding disparate impact actions, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DANFORTH (for himself, Mr. JEFFORDS, Mr. SPECTER, Mr. RUDMAN, Mr. CHAFEE, Mr. COEHEN, Mr. DURENBERGER, Mr. HATFIELD, and Mr. DOMENICI):

S. 1209. A bill to provide for damages in cases of intentional employment discrimination, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. PELL.

S. 1210. A bill to amend the Immigration and Nationality Act to provide for the deportation of aliens who are convicted of felony drunk driving; to the Committee on the Judiciary.

By Mr. GRAHAM:

S. 1211. A bill to amend title XIX of the Social Security Act to permit States the option of providing medical assistance to individuals with a family income not exceeding 300 percent of the income official poverty line with appropriate costsharing, and for other purposes; to the Committee on Finance.

S. 1212. A bill to amend title XVIII of the Social Security Act to provide coverage for certain preventive care items and services under part B and to provide a discount in premiums under such part for certain individuals certified as maintaining a healthy lifestyle; to the Committee on Finance.

S. 1213. A bill to amend title IX of the Public Health Service Act to require the Director of the Centers for Disease Control to acquire and evaluate data concerning preventative health and health promotion, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SPECTER:

S. 1214. A bill to direct the Secretary of Health and Human Services to treat physicians services furnished in Lancaster County, Pennsylvania, as services furnished in number II locality for purposes of determining the amount of payment for such services under part B of the Medicare program; to the Committee on Finance.

By Mr. GORTON (for himself, Mr. NUNN, Mr. MCCAIN, Mr. INOUYE, Mr. COHCRAN, Mr. DECONCINI and Mr. CRAIG):

S. 1215. A bill to amend the Public Health Service Act to establish a program to fund maternity home expenses and improve programs for the collection and disclosure of adoption information, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GORTON (for himself, Mr. KENNEDY, Mr. KOHL, Mr. DIXON, Mr. COHEN, Mr. GORE and Mr. D'AMATO):

S. 1216. A bill to provide for the deferral of enforced departure and the granting of lawful temporary resident status in the United States to certain classes of nonimmigrant aliens of the People's Republic of China; to the Committee on the Judiciary.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1217. A bill to establish a field office of the Federal Emergency Management Agency in the State of Hawaii; to the Committee on Governmental Affairs.

By Mr. BAUCUS (for himself and Mr. CHAFEE):

S. 1218. A bill to enhance the conservation of exotic wild birds; to the Committee on Environment and Public Works.

By Mr. BAUCUS (for himself and Mr. CHAFEE):

S. 1219. A bill to enhance the conservation of exotic wild birds; to the Committee on Environment and Public Works.

By Mr. DECONCINI (for himself, Mr. GRASSLEY, Mr. PELL, Mr. STEVENS, Mr. WALLOP, Mr. LUGAR, Mr. PRESSLER, Mr. BRADLEY, Mr. CRAIG, Mr. D'AMATO, Mr. GLENN, Mr. SASSER, Mr. KERRY, Mr. SIMON, Mr. DIXON, Mr. KENNEDY, Mr. MITCHELL, Mr. COHEN, Mr. ROBB, Mr. MOYNIHAN, Mr. JEFFORDS, Mr. RIEGLE, Mr. LAUTENBERG, Mr. KOHL, Mr. BROWN, Mr. CHAFEE, Mr. METZENBAUM, Mr. ROCKEFELLER, Mr. CONRAD, Mr. COCHRAN, Mr. SARBANES, Mr. BRYAN, Mr. BIDEN, Mr. DODD, Ms. MIKULSKI, Mr. JOHNSTON, Mr. WARNER, Mr. THURMOND, Mr. NUNN, Mr. PACKWOOD, Mr. DOLE, Mr. HATCH, Mr. BREAUX, Mr. LIEBERMAN, Mr. ADAMS, Mr. MURKOWSKI, Mr. SPECTER, Mr. REID, Mr. HOLLINGS, Mr. SHELBY, Mr. DOMENICI, Mr. HATFIELD, Mr. GORE, and Mr. CRANSTON):

S.J. Res. 154. Joint resolution to designate August 1, 1991, as "Helsinki Human rights Day"; to the Committee on the Judiciary.

By Mr. STEVENS (for himself and Mr. MURKOWSKI):

S.J. Res. 155. Joint resolution commemorating the 250th Anniversary of the arrival of Vitrus Bering in America; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HOLLINGS (for Mr. MITCHELL):

S. Res. 135. A resolution to amend paragraphs 2 and 3 of Rule XXV; considered and agreed to.

S. Res. 136. A resolution to make appointments to the Committee on Environment and Public Works, the Committee on Foreign Relations and the Committee on Small Business; considered and agreed to.

By Mr. HOLLINGS (for Mr. DOLE):

S. Res. 137. A resolution to make a minority party appointment to the Committee on Banking, Housing, and Urban Affairs; considered and agreed to.

By Mr. DECONCINI:

S. Con. Res. 45. A concurrent resolution to express the sense of the Congress that the President should consider certain factors in 1992 before recommending extension of the waiver authority under section 402(c) of the Trade Act of 1974 with respect to the Union of Soviet Socialist Republics; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEVIN:

S. 1198. A bill to provide that the compensation paid to certain corporate officers shall be treated as a proper subject for action by security holders, to require certain disclosures regarding such compensation, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

CORPORATE PAY RESPONSIBILITY ACT

Mr. LEVIN. Mr. President, today I am introducing a bill to give stockholders a voice in the way executive pay is set by their corporations. It's hard to believe that in a country where the economic system is based on capitalism, that a law to achieve this is necessary. But it is.

Recent stories have carried alarming examples of executive pay out of control. Business Week says the pay numbers are "mind-numbing." Time magazine's headline for its article on executive pay reads: "CEO's: No Pain, Just Gain." The cover of Forbes magazine states in red letters that the current pay system "doesn't make sense."

I think most of us would agree with Forbes. Something is out of whack when the average pay for a CEO in our largest corporations is over 100 times the average pay of the average worker. To put that figure in perspective, J.P. Morgan, in his heydey, said no executive should make more than 20 times the pay of the average worker. While as recently as 10 years ago our pay ratios were close to that target, that is no longer the case. Other countries of the world are much closer to the mark. In Japan, for example, CEO's make about 17 times what average workers do; in Germany the figure is about 23 times. But here in America, our pay gap is now 100 times.

Mr. President, it is one thing to have spectacular pay for spectacular performance. It is another to have spectacular pay for dismal or even mediocre performance. Yet, we are witnessing huge pay for poor performance all over corporate America.

Let me give you just one example. A few weeks ago, the newspapers reported that although Eagle-Picher Industries filed for bankruptcy in January of this year, last year it gave its five top executives pay increases of more than 30 percent; 1990 was a tough year for business. But as corporate management was asking average American workers to tighten their belts, in too many corporate boardrooms, they were buying themselves whole new wardrobes—without the stockholders having any say in the matter.

Mr. President, the facts are that CEO pay in America vastly exceeds CEO pay in other countries; that increases in CEO pay in America vastly exceed the increases in the pay of our other workers; and that CEO pay in America has continued to rise in the face of falling company profits. These three charts lay out the story.

In the first chart, we see that pay for American's chief executive officers far exceeds that of CEO's in any other country. Looking at companies with $250 million or more in assets, our CEO pay exceeds that of Australia and Sweden by almost three times, and it is more than double that of Japan.

In the second chart, we can see that in the 1980's, the pay increases for our CEO's shot way above the pay increases for other workers. In the 1960's and 1970's, the pay of our schoolteachers, engineers, factory workers, and corporate CEO's was increasing at about the same rate. Then the 1980's came along, and CEO pay abruptly, rapidly, and disproportionately shot upward.

As far as I know, in the history of our country, there has never been such a wide pay gap between our CEO's and average workers.

The third chart shows that the dramatic pay increases and widening pay gap of the 1980's were not linked to increased profitability at American companies. Just the opposite: Executive pay rose at the same time corporate profits stagnated or dropped. The chart shows that the 1980's saw CEO pay shoot up past the inflation rate, while the hourly wages of other employees did not even keep up with inflation, and company profits dropped well below inflation. And the trend appears to be continuing: in 1990, we are told that CEO pay rose another 7 percent while corporate profits fell by the same amount.

In short, CEO pay increases are outpacing inflation, the pay of other American workers, the pay of CEO's in other countries, and company profits in America. More than one compensation expert has characterized CEO pay as spiraling out of control.

A similar story applies to the people in the boardrooms who are charged with setting the CEO's pay. Those people, the directors of the corporation, have also seen their pay skyrocket, to an average of $45,000 for the equivalent of about 2½ weeks of work. Some receive as much as $94,000. And that cash payment is on top of such benefits as insurance, travel expenses, and pensions. The fact is that, in boardrooms of the largest corporations across America, the directors and the CEO's are getting rich together, even when their companies are losing money.

The cozy relationship that exists today between U.S. CEO's and directors was described by one of the witnesses at a hearing held a few weeks ago by the Governmental Affairs Oversight Subcommittee, which I chair. That witness said:

> [T]he board members are dependent upon and thus beholden to just one person, the CEO, for their positions, pay and perks. So it doesn't surprise me a bit that there is not a lot of argument when it comes to the day where the board approves the CEO's pay. It is a you-scratch-my-back, I'll-scratch-yours system of corporate governance. Under the system, the executives are doing exactly what we would expect. They are increasing their pay year after year regardless of performance.

Now here comes a really interesting part—the Federal Government is actually hindering stockholder efforts to put the brakes on runaway executive pay.

The key Federal barrier is a ruling by the Securities and Exchange Commission which allows corporations to ignore stockholder proposals on pay and prevent those proposals from being put to a shareholder vote.

The relevant SEC regulation is called the Shareholder Proposal Rule. In essence, this rule states that any shareholder who has held $1,000 worth of stock for at least a year is eligible to submit a shareholder proposal to a corporation. The corporation then has to circulate the proposal in its proxy statement and put it to a shareholder vote, unless the proposal falls into one of the SEC's exceptions. The problem is that the SEC considers proposals on pay to be an exception. So corporations, with the knowledge and consent of the SEC, can simply ignore stockholder proposals on executive and director compensation.

The end result is this: If a stockholder who otherwise meets SEC requirements for circulating a proposal, wants to address executive pay, the SEC will back up any corporation's refusal to put that proposal to a shareholder vote.

That's what happened to all 15 shareholder proposals on pay which were presented to the SEC in 1990 for consideration. In all 15 cases in which publicly held corporations asked the SEC whether they had to circulate a shareholder proposal on compensation for a vote at the annual meeting, the SEC said "No."

This SEC practice is the largest stumbling block in the way of shareholders who want to do something about runaway executive pay.

Another key SEC regulation controls the disclosure of compensation information. Despite SEC efforts to require clear disclosure, all too often, even knowledgeable investors are at a loss to figure out complex pay packages spread over multiple pages in annual proxy statements. Nowhere is there just one table that adds it all up and gives the bottom line in pay for each executive and director. Nor is there any easy way to compare current pay to past years or to project the future costs of the very intricate pay packages that are common today.

Finally, there are no Federal provisions allowing shareholders to nominate directors and include them in the corporation's proxy statement and ballot. As a witness at the subcommittee hearing testified:

> We know the theory of the corporation. The shareholder elects the board to represent their interests, and then the board's job is to choose the management and set the compensation package. But, in reality, this theory is turned completely upside down, because the way the process works, the management appoints the board. * * * And whether the shareholders vote for the management's slate, against the slate, or whether they vote at all, they get the management slate. There is no competition for board seats. Worse yet, there is no mechanism for the shareholder to nominate an alternative board member.

As long as shareholders are barred from the nomination process, too many directors will have only a weak sense of loyalty and accountability to stockholders. And directors simply will not have the incentive to confront the CEO or each other about their runaway pay.

The subcommittee hearing I've referred to took place on May 15 and focused on the SEC and the issue of runaway executive pay. The shareholder groups who testified let us know loud and clear that they are angry about excessive pay and angry about SEC practices which block shareholder attempts to do something about it. One witness testified that skyrocketing CEO pay, unrelated to corporate performance, is the "smoking gun that proves the lack of meaningful accountability of managements of large American corporations today."

The witnesses also testified that these practices threaten American competitiveness. They explained that executives who receive huge pay increases when the company is doing poorly not only lose their incentive to improve corporate performance, but also damage the morale of workers far down the pay scale and damage investor interest in buying American stock.

That is why I am introducing today the Corporate Pay Responsibility Act. Congressman JOHN BRYANT is introducing the same bill in the House of Representatives. The purpose of our legislation is to get the Federal Government out of the way of stockholders who want to hold their corporations accountable for runaway pay.

The bill would reduce the Federal barriers to effective stockholder action on excessive executive pay. First, it would allow stockholders to vote on proposals addressing how a corporation should set executive and director pay.

Second, it would require corporations to provide clearer and simpler disclosure of executive and director pay packages.

Third, the bill would allow stockholders with not less than $1 million or 3 percent of a corporation's stock to nominate directors and include their nominees in the proxy statement and ballot.

Finally, the bill would provide for confidential voting of proxies and require the SEC to support stockholder access to a corporation's stockholders when this access is otherwise authorized by law.

Mr. President, the owners of the corporations—the stockholders—ought to have the right to question executive pay which is excessive when they go to their annual stockholder meetings. They ought to have the right to propose changes in their corporation's compensation policies, criteria and methods for setting CEO and director pay. After all, it is their money.

By increasing stockholder participation in compensation policies and practices, the Corporate Pay Responsibility Act could provide some "CPR" to revive American competitiveness. I hope that my colleagues will join me in removing the Federal Government's stumbling blocks to stockholders who want to increase corporate performance and stop runaway executive pay.

I ask unanimous consent that a summary of the bill's provisions and the text of the bill itself be printed in the RECORD immediately after my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1198

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Corporate Pay Responsibility Act".

SEC. 2. CORPORATE OFFICER COMPENSATION.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following new subsection:

"(h) CORPORATE OFFICER COMPENSATION.—

"(1) SECURITY HOLDER PROPOSALS.—For purposes of this Act and the rules and regulations issued by the Commission under this Act, recommendations, proposals, or statements on the policies, criteria, or methods to be used in determining or providing the compensation to be paid to the directors or the chief executive officer of an issuer shall be considered proper subjects for action by its security holders. If such recommendations, proposals, or statements otherwise meet the requirements of this section and the rules and regulations of the Commission, an issuer may not omit such recommendations or proposals or any statement in support thereof otherwise required by this section from its proxy statement.

"(2) DISCLOSURE INFORMATION.—Pursuant to the rules and regulations of the Commission, an issuer shall include in its proxy statement, clear and comprehensive information concerning the compensation paid to each director and senior executive, including—

"(A) a single dollar figure representing the total compensation paid to such person, including deferred, future, or contingent compensation, by the issuer during the year to which such proxy statement pertains;

"(B) the estimated present value, represented by a dollar figure, of any forms of deferred, future, or contingent compensation provided during such year; and

"(C) a graphic representation of—

"(i) the compensation referred to in subparagraph (A);

"(ii) comparable figures for the total compensation paid to such person by the issuer during each of the 2 years prior to the year to which such proxy statement pertains; and

"(iii) comparable figures for the estimated total compensation to be paid to such person by the issuer in each of the succeeding 5 years.

"(3) PRESENT VALUE CALCULATIONS.—For purposes of paragraph (2) of this subsection, the Commission shall—

"(A) specify the method for estimating the present value of stock options and other forms of deferred, future, or contingent compensation paid to the directors or senior executives of an issuer; and

"(B) require the issuer to reduce its earnings, as reflected in its earnings statements to its security holders, by the estimated present value of such compensation.".

SEC. 3. SHAREHOLDER NOMINATIONS.

(a) IN GENERAL.—Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following new subsections:

"(i) CORPORATE OFFICER NOMINATIONS BY SECURITY HOLDERS.—

"(1) SECURITY HOLDER NOMINEES.—Subject to the rules and regulations of the Commission, a person or group that is the beneficial owner of voting equity securities representing—

"(A) not less than 3 percent of the voting power of such issuer's securities, or

"(B) not less than $1,000,000 in market value,

may nominate persons for election to the board of directors of the issuer.

"(2) INCLUSION IN PROXY STATEMENT.—Subject to the rules and regulations of the Commission, such nominations shall be included in the issuer's proxy statement and form of proxy, and the person or group making such nominations may provide descriptions or other statements with respect to such nominations to the same extent as the board of directors or management of such issuer, and to the same extent as provided with respect to other nominations.

"(j) AVAILABILITY OF SECURITY HOLDER LIST.—Upon receipt of a written request, an issuer shall promptly deliver its list of security holders of record and any list of beneficial owners used by or available to it to any person entitled to obtain such list under applicable laws. An issuer that fails to promptly provide the list required by this subsection shall be subject to a monetary penalty imposed by the Commission, pursuant to rules or regulations established by the Commission.

"(k) CONFIDENTIALITY.—The Commission shall, by rule or regulation—

"(1) require that the granting and voting of proxies, consents, and authorizations, be confidential; and

"(2) require the tabulation of votes to be performed by an independent third party, certified in accordance with such rules and regulations; and

"(3) provide for the announcement of the results of a vote following such tabulation.

Nothing in this subsection shall be construed to authorize any person to withhold information from the Commission or from any other duly authorized agency of the Federal Government or a State government that is otherwise required by law.".

(a) IN GENERAL.—The amendments made by this Act shall become effective 1 year after the date of enactment of this Act.

(b) COMMISSION ACTION.—The Commission shall promulgate final rules and regulations necessary to carry out this Act not later than 1 year after the effective date of this Act.

SUMMARY OF CORPORATE PAY RESPONSIBILITY ACT

The Corporate Pay Responsibility Act would remove federal barriers to stockholder efforts to limit executive and director pay in publicly-held corporations, by amending the Securities Exchange Act of 1934 to:

(1) allow stockholders, for the first time, to obtain a stockholder vote on proposals recommending changes in corporate policies, criteria and methods used to determine and provide compensation to the CEO and directors;

(2) require clearer and simpler disclosure of executive and director compensation packages, including a bottom-line dollar figure on the total compensation paid to each individual, and a table comparing this compensation to the 2 previous years and projecting its costs for the 5 succeeding years;

(3) require the Securities and Exchange Commission (SEC), for the first time, to specify a method for calculating the present value of stock options and other deferred or contingent compensation and require this compensation cost to be reflected in corporations' earnings statements;

(4) allow stockholders with not less than 3% or $1 million of the corporation's voting equity shares to nominate directors and include their nominees in the corporation's proxy statement and ballot;

(5) require the SEC to support shareholder access to a corporation's stockholder list, when this access is otherwise authorized by law; and

(6) provide for confidential voting of proxies and tabulation of vote results by an independent third party.

By Mr. WIRTH:

S. 1199. A bill to amend the Department of Energy Organization Act to require the Secretary of Energy to establish an Area Office in Grand Junction, CO, and for other purposes; to the Committee on Energy and Natural Resources.

DEPARTMENT OF ENERGY GRAND JUNCTION AREA OFFICE ESTABLISHMENT ACT

Mr. WIRTH. Mr. President, today I am introducing legislation that will strengthen the Department of Energy's [DOE] environmental cleanup program by making the DOE's highly successful Grand Junction Project Office an independent area office under the direct supervision of the DOE's Office of Environmental Restoration and Waste Management.

The DOE considers the Grand Junction Project Office [GJPO] to be a very important part of the department's environmental restoration infrastructure. In the last decade, the Grand Junction Project Office has emerged as one of the DOE's most efficient and resourceful operations.

Chem-Nuclear Geotech, the contractor at the Grand Junction Project Office has successfully managed more than a dozen environmental restoration, geoscience and energy-related projects for the DOE—including the complex remediation and removal of uranium mill tailings wastes from more than 3,900 properties in Mesa County, CO.

The Grand Junction Project Office currently manages programs in 21 States and Korea. Over the years, this office has developed expertise and technical skills that make it one of the DOE's crown jewels. The Environmental Protection Agency [EPA] has indicated that the Grand Junction Project Office was a key component in the cleanup of the Denver Radium Superfund Site—a site which captured the National Superfund Team of the Year Award in 1990.

In short, the Grand Junction Project Office has been entrusted with some of the Federal Government's most difficult and complex environmental problems—and has, by all accounts, performed excellent work for the DOE and the Nation's taxpayers.

The current administrative framework of the DOE has, however, hindered efforts to fully utilize the skills and engineering resources of the Grand Junction Project Office. An out-dated and cumbersome bureaucracy has kept the GJPO reporting to the DOE's Idaho Operations Office, instead of reporting directly to the Office of Environmental Restoration and Waste Management. This arrangement has resulted in the waste of time and resources in an otherwise effective and efficient operation.

The long and short of it, Mr. President, is that the Grand Junction Project Office has outgrown its administrative beginnings. New times and new environmental challenges have encouraged the DOE and other Federal agencies like the EPA and the Department of Defense to use the expertise and engineering resources of the Grand Junction Project Office in managing or supporting complicated environmental cleanups around the country.

Facilities at the project office represent a $50 million Federal investment, including state-of-the-art laboratories and engineering equipment. However, the most important resource is the human one. In the last 20 years this office has nurtured and developed a highly trained and skilled pool of people possessing important talents that should be fully utilized in tackling the myriad of environmental pollution and contamination problems facing the DOE and the Federal Government. It would be a shame to waste these resources in a bureaucratic dispute about administrative hierarchy.

Unfortunately, after more than 2 years of discussions, reams of interdepartmental memoranda, and scores of debates about the future of this facility, it is still underutilized and the department has yet to come forward with a long-range plan for new missions.

I am convinced that the most efficient and least costly way of fully utilizing these important Federal resources is to cut through the jungle of conflicting administrative authority and make this office a DOE area office directly answerable to the DOE's Office of Environmental Restoration and Waste Management. In this way, the Department of Energy will be authorized to use the Grand Junction Project Office as it sees fit—and with a streamlined command structure which will save taxpayer dollars.

Legislation I am proposing today is a step toward cutting out bureaucracy, fully utilizing resources that American taxpayers have already paid for, and getting on with the important—and indeed monumental task—of cleaning up polluted and contaminated sites owned by the Federal Government.

Mr. President, I send the bill to the desk and ask for its appropriate referral.

By Mr. DECONCINI:

S. 1201. A bill to require the Secretary of Veterans Affairs to increase by 60 the number of nursing home beds operated and maintained at the Department of Veterans Affairs Medical Center Nursing Home Care Unit, Prescott, AZ; to the Committee on Veterans' Affairs.

PRESCOTT NURSING HOME CARE UNIT

Mr. DECONCINI. Mr. President, I rise today to introduce a bill to direct the Secretary of the Department of Veterans Affairs to expand the nursing home care unit [NHCU] in Prescott, AZ to 120 beds. This legislation is required to provide adequate and important services to our veterans residing in Yavapai County, AZ. I hope to assure its passage in the 102d Congress.

We have recently been reminded of the great and important service our Armed Forces render to our country. During the Persian Gulf war, our service men and women demonstrated once again their commitment and dedication in serving our country. Now, it is our duty to show that same commitment and dedication to ensure that quality medical care is available to all veterans of the Armed Forces.

Veterans in the northern Arizona counties of Yavapai, Mohave, and Coconino, are not receiving the full support of the VA medical care system which they have earned and deserve. At present, there are only 60 beds available at the Prescott VA NHCU. This 60-bed facility opened in January 1990. Within a week, every bed was filled. Today, almost as many veterans requiring nursing care are on a waiting list for the new facility as those presently receiving care. Countless more northern Arizona veterans in need of nursing care don't even bother to put their names on the waiting list.

While the waiting list grows, the number of older veterans in the primary service area who will require nursing care continues to increase dramatically. Projections show that by 1995, 45,266 veterans will be treated by the Prescott VA Medical Center, 19,176 of whom will be 65 years old or older. Several hundred of these older veterans will require VA nursing care. The existing 60 nursing home beds cannot possibly accommodate the future nursing care needs of northern Arizona's elderly veteran population.

Planning for the VA nursing home facility in Prescott first began in 1975. After several concept changes, the decision was made to go forward with a 120-bed project based upon a lack of community nursing home beds. Projections at that time showed a continued shortage of beds both locally and elsewhere within the Medical Center's Primary Service Area [PSA]. In 1984, the VA included the 120-bed Prescott NHCU in the 1984 VA 5-year facility plan, fiscal years 1986–90. However, a 1984 GAO study reviewing the 5-year plan suggested a 120-bed facility was not necessary given the projected availability of community nursing home beds. A later construction project contract audit by the VA inspector in 1986 supported the GAO's conclusion. But they were wrong as I predicted.

Contrary to the assumptions made by both audit reports, the community nursing care beds cannot reasonably accommodate the current veteran population. The mere fact that the new 60-bed facility was filled in the first week is the best evidence that the assumptions made by GAO and the VA Inspector General were erroneous.

This legislation will not only improve nursing care services for veterans living in the Prescott primary serving area, but will also help veterans statewide. It will free up beds in the Phoenix and Tucson VA Medical Centers Nursing Home Care Units now occupied by northern Arizona veterans. The expansion would also reduce the number of veterans forced to relocate to Tucson and Phoenix in order to receive care. The Prescott expansion is needed today more than ever since the nearest nursing care facility, located over 2 hours away at the Phoenix VA Medical Center, is facing an extreme funding shortfall. Given a $2.5 million-plus medical care center shortfall, the Phoenix director had no other option but to shut down half of his nursing home care unit, leaving open only 60 of its 120 beds.

Mr. President, our veterans must be able to trust the VA to provide nursing care when it is required. Expansion of the NHCU at the Prescott VA Medical Center is vital to maintaining that trust. The need is there. We must respond now and fulfill the Nation's promise to its veterans.

I urge my colleagues to approve this bill, so that elderly veterans in northern Arizona will no longer have to wait for the nursing care they need and deserve from this country.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1201

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN NUMBER OF OPERATIONAL BEDS AT THE DEPARTMENT OF VETERANS AFFAIRS NURSING HOME CARE FACILITY, PRESCOTT, ARIZONA.

(1) MINIMUM NUMBER OF BEDS.—The Secretary of Veterans Affairs shall operate and maintain not less than 120 nursing home beds at the Prescott Department of Veterans Affairs Medical Center Nursing Home Care Unit, located in Prescott, Arizona.

(b) RELATIONSHIP TO MAXIMUM NUMBER OF BEDS.—The requirement in subsection (a) does not authorize an increase in the maximum number of beds authorized to be operated and maintained under section 8110(a)(1) of title 38, United States Code.

By Mr. HELMS:

S. 1202. A bill to amend the Internal Revenue Code of 1986 to allow the one-time exclusion of gain from sale of a principal residence to be taken before age 55 when the taxpayer or a family member suffers a catastrophic illness; to the Committee on Finance.

S. 1203. A bill to amend the Internal Revenue Code of 1986 to provide that the one-time exclusion of gain from sale of a principal residence shall not be precluded because the taxpayer's spouse, before becoming married to the taxpayer, elected the exclusion; to the Committee on Finance.

MODIFICATION OF CAPITAL GAINS TAX EXCLUSION PROVISIONS

• Mr. HELMS. Mr. President, today I am introducing two bills to modify the one-time capital gains tax exclusion that is currently allowed for taxpayers over the age of 55 when they sell a home.

The first bill (S. 1202) would allow a taxpayer to claim the one-time capital gains exclusion before the age of 55 in the event that the taxpayer or a member of the taxpayer's family suffers a catastrophic illness.

The second bill (S. 1203) would allow a taxpayer to claim the exclusion on a sale even though his spouse may have already claimed such a deduction before they were married.

Mr. President, section 121 of the Internal Revenue Code allows an individual over the age of 55 to exclude from taxable income up to $125,000 of capital gains from the sale of a residence. This exclusion may be claimed only once by the taxpayer or his spouse.

S. 1202 is identical to legislation offered in the 101st Congress by our former colleague, Bill Armstrong. It would allow an individual who faces a catastrophic illness in his or her family to take advantage of the one-time capital gains exclusion prior to the age of 55. Under this bill, a taxpayer of any age would be able to exclude from taxable income up to $125,000 capital gains if a parent, spouse, or child of the taxpayer is physically or mentally incapable of self-care and that condition has lasted, or is expected to last, for at least 6 months. Once a taxpayer elects to exercise this exclusion, it would not be available again to that taxpayer.

Mr. President, more and more families face the exorbitant and unexpected cost associated with the onset of a catastrophic illness. Because of the high cost of long-term care, many taxpayers facing these costs are forced to sell their homes to pay medical bills. Unfortunately, the Federal Government imposes a capital gains tax on the profits the taxpayer may realize.

This legislation provides one small way Congress can help families deal with the costs of long-term care without creating another massive and costly new Federal program and without forcing private businesses to carry the burden.

Mr. President, my second bill (S. 1203) would remedy an unintended marriage penalty that exists in section 121. This problem was brought to my attention by Mr. Alan McKease, a 70-year-old constituent from Hendersonville, NC. Mr. McKease's wife suffered from cancer. When she died in 1989, neither she nor Mr. McKease had used the one-time capital gains exclusion that was available to them. They had planned to use the exclusion later to help pay for the cost of a good retirement home.

A couple of years after his wife's death, Mr. McKease married a 70-year-old widow. When he sold his home, he was shocked to learn that he couldn't exercise his one-time capital gains exclusion because his new wife and her late husband had already used the exclusion when they sold a previous residence.

Mr. President, there were ways that Mr. McKease could have avoided this problem. He could have sold his home before he remarried and found a new home, whether or not he was ready to do so. Or, if he and his wife wished to keep his home for the time being, they could have lived together without getting married. In that way, Mr. McKease could have retained his exclusion until he and his second wife decided to sell the home. That is why I referred to this section as containing a marriage penalty.

Mr. President, it should not be necessary for taxpayers to play such games to qualify within the provisions of our income tax laws. That is why I am proposing that we amend section 121 so that taxpayers who find themselves in a situation like that of Mr. McKease will be able to exercise the one-time capital gains exclusion even if their spouse has exercised the exclusion before they were married.●

By Mr. BURDICK, from the Committee on Environment and Public Works:

S. 1204. An original bill to amend title 23, United States Code, and for other purposes; placed on the calendar.

SURFACE TRANSPORTATION EFFICIENCY ACT

Mr. BURDICK. Mr. President, upon the occasion of filing the Surface Transportation Efficiency Act of 1991, and the report accompanying the bill, I make note of the fact that the following Senators have indicated their strong support for the bill:

Senators MOYNIHAN, CHAFEE, SYMMS, LAUTENBERG, LIEBERMAN, BAUCUS, REID, JEFFORDS, CRANSTON, and D'AMATO.

I ask unanimous consent that the Surface Transportation Efficiency Act of 1991, an original bill reported by the Environment and Public Works Committee, be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1204

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Surface Transportation Efficiency Act of 1991".

SEC. 2. TABLE OF CONTENTS.

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Sec. 2. Table of Contents.
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TITLE I

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Sec. 119. Disadvantaged Business Enterprises.
Sec. 120. Availability of Funds.
Sec. 121. Program Efficiencies.
Sec. 122. Use of Safety Belts and Motorcycle Helmets.
Sec. 123. Credit for Non-Federal Share.
Sec. 124. Acquisition of Rights-of-Way.
Sec. 125. Transportation in Parklands.
Sec. 126. Traffic Control Standards.
Sec. 127. Use of Rubber-Modified Asphalt Pavement.
Sec. 128. Rights-of-Way Revolving Fund.
Sec. 129. Scenic and Historic Highways.
Sec. 130. National Highway System.
Sec. 131. Definitions.
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Sec. 133. Repeal of Certain Sections of Title 23 United States Code.
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PART B—NATIONAL RECREATIONAL TRAILS TRUST FUND ACT

Sec. 141. Short Title.
Sec. 142. Creation of National Recreational Trails Trust Fund.
Sec. 143. National Recreational Trails Program.
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PART C—INTELLIGENT VEHICLE-HIGHWAYS SYSTEMS ACT

Sec. 151. Short Title.
Sec. 152. Purpose and Scope.
Sec. 153. Advisory Committee.
Sec. 154. Strategic Plan, Implementation, and Report to Congress.
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Sec. 157. Authorizations.
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SEC. 3. SECRETARY DEFINED.

As used in this Act, the term "Secretary" means the Secretary of Transportation.

TITLE I

PART A—GENERAL PROVISIONS

SEC. 102. DECLARATION OF POLICY.

(a) Subsection 101(b) of title 23, United States Code, is amended to read as follows:

"(b) DECLARATION OF POLICY.—The National Systems of Interstate and Defense Highways is completed. The principal purpose of Federal highway assistance shall henceforth be to improve the efficiency of the existing surface transportation system.

"It is the policy of the United States to facilitate innovation and competition, energy efficiency, productivity and accountability in transportation modes through Federal and State initiative.

"It is the policy of the United State to increase productivity in the transportation sector of the economy through systematic attention to costs and benefits, pursuing the most efficient allocation of costs and the widest distribution of benefits.".

(b) Subsections 101(d) and 101(e) of title 23, United States Code, are hereby repealed.

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

(a) REPEAL OF FISCAL YEAR 1993 AUTHORIZATION FOR INTERSTATE CONSTRUCTION.—Section 108(b) of the Federal-Aid Highway Act of 1956 is amended by—

(1) inserting "and" after "1991";

(2) striking the coma after 1992" and inserting in lieu thereof a period; and

(3) striking "and the additional sum of $1,400,000,000 for the fiscal year ending September 30, 1993".

(b) AUTHORIZATIONS.—The following sums are authorized to be appropriated out of the Highway Account of the Highway Trust Fund:

(1) SURFACE TRANSPORTATION PROGRAM.—For the Surface Transportation Program $7,330,000,000 for fiscal year 1992, $7,700,000,000 for fiscal year 1993, $8,260,000,000 for fiscal year 1994, $9,250,000,000 for fiscal year 1995, and $12,260,000,000 for fiscal year 1996.

(2) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—For Congestion Mitigation and Air Quality Improvement $1,000,000,000 per fiscal year for each of fiscal years 1992, 1993, 1994, 1995 and 1996.

(3) BRIDGE PROGRAM.—For the Bridge Program $2,370,000,000 for fiscal year 1992, $2,460,000,000 for fiscal year 1993, $2,600,000,000 for fiscal year 1994, $2,840,000,000 for fiscal year 1995, and $3,050,000,000 for fiscal year 1996.

(4) INTERSTATE MAINTENANCE PROGRAM.—For resurfacing, restoring and rehabilitating the National System of Interstate and Defense Highways, $2,530,000,000 for fiscal year 1992, $2,620,000,000 for fiscal year 1993, $2,770,000,000 for fiscal year 1994, $3,020,000,000 for fiscal year 1995, and $3,250,000,000 for fiscal year 1996.

(5) INTERSTATE CONSTRUCTION PROGRAM.—For construction to complete the Interstate System, $1,800,000,000 for fiscal year 1993, 1994, 1995, and 1996: *Provided*, that section 102(c) of the Federal-Aid Highway Act of 1987, regarding minimum apportionment, is hereby repealed, and: *Provided further*, that such sums shall be obligated as if authorized by section 108(b) of the Federal-aid Highway Act of 1956.

(6) INTERSTATE SUBSTITUTION PROGRAM.—For the Interstate Substitution Program for projects under highway or transit assistance programs $240,000,000 for each of fiscal years 1992, 1993, 1994 and 1995: *Provided*, that such sum shall be obligated as if authorized by 23 U.S.C. 103(e)(4)(G) for highway assistance programs.

(7) FEDERAL LANDS HIGHWAY PROGRAM.—

(A) For Indian reservation roads $150,000,000 for each of fiscal years 1992, 1993, 1994, 1995 and 1996.

(B) For public lands highways $200,000,000 for each of the fiscal years 1992, 1993, 1994, 1995, and 1996.

(C) For parkways and park highways $100,000,000 for each of the fiscal years 1992, 1993, 1994, 1995, and 1996.

(8) TERRITORIAL HIGHWAY PROGRAM.—For the Territorial Highway Program $15,000,000 for each of fiscal years 1992, 1993, 1994, 1995, and 1996.

(9) NATIONAL MAGNETIC LEVITATION DESIGN PROGRAM.—For the National Magnetic Levitation Design Program $50,000,000 for fiscal year 1992, $75,000,000 for fiscal year 1993, $125,000,000 for fiscal year 1994, $250,000,000 for fiscal year 1995, and $250,000,000 for fiscal year 1996.

(10) FEDERAL HIGHWAY ADMINISTRATION RESEARCH PROGRAMS.—For the purpose of carrying out research as authorized by Section 307, the amount of $120,000,000 for each of fiscal years 1992, 1993, 1994, 1995 and 1996: *Provided*, that such amount shall be made available from within the amount of the deduction authorized pursuant to section 104(a) of title 23, United States Code.

(11) UNIVERSITY TRANSPORTATION CENTERS PROGRAM.—For carrying out the University Transportation Centers Program pursuant to the Urban Mass Transportation Act of 1964, as amended, $5,000,000 for each of fiscal years 1992, 1993, 1994, 1995, and 1996.

(12) HIGHWAY USE TAX EVASION PROJECTS.—For highway use tax evasion projects $2,000,000 for each of fiscal years 1992, 1993, 1994, 1995 and 1996: *Provided*, that these sums shall be available until expended and may be allocated to the Internal Revenue Service or the States at the discretion of the Secretary, and: *Provided further*, that these funds shall be used to expand efforts to enhance motor fuel tax enforcement, fund additional Internal Revenue Service staff, supplement motor fuel tax examination and criminal investigation, develop automated data processing tools, evaluate and implement registration and reporting requirements, reimburse state expenses that supplement existing fuel tax compliance efforts and analyze and implement programs to reduce the tax evasion associated with other highway use taxes.

(13) SAFETY BELT AND MOTORCYCLE HELMET USE.—For the purpose of carrying out programs under section 153 of title 23, United States Code, $45,000,000 for fiscal year 1992, $30,000,000 for fiscal year 1993, and $25,000,000 for fiscal year 1994.

SEC. 104. OBLIGATION CEILING.

(a) GENERAL LIMITATION.—Notwithstanding any other provision of law, the total of all obligations for Federal-aid highway programs shall not exceed—

(1) $15,480,000,000 for fiscal year 1992;

(2) $15,940,000,000 for fiscal year 1993;

(3) $16,840,000,000 for fiscal year 1994;

(4) $18,410,000,000 for fiscal year 1995; and

(5) $20,190,000,000 for fiscal year 1996;

Provided, that limitations under this section shall not apply to obligations for emergency relief pursuant to section 135 and obligations for minimum allocation pursuant to section 157.

(b) DISTRIBUTION OF OBLIGATION AUTHORITY.—For each of fiscal years 1992, 1993, 1994, 1995 and 1996, the Secretary shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways which are apportioned or allocated to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways which are apportioned or allocated to all the States for such fiscal year.

(c) LIMITATION ON OBLIGATION AUTHORITY.—During the period October 1 through December 31 of each fiscal year 1992, 1993, 1994, 1995, and 1996 no State shall obligate more than 35 per centum of the amount distributed to that State under subsection (b) for that fiscal year, and the total of all State obligations during the period shall not exceed 25 per centum of the total amount distributed to all States under subsection (b) for that fiscal year.

(d) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—Notwithstanding subsections (b) and (c), the Secretary shall—

(1) provide all States with authority sufficient to prevent unintended lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned or allocated to a state:

(2) after August 1 of each of fiscal years 1992, 1993, 1994, 1995 and 1996, revise a distribution of funds made available under subsection (b) for that fiscal year if a State will not obligate the amount distributed to it during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during the fiscal year, first in accordance with paragraph (4) of this subsection and, to the extent further obligation authority is available after distribution of the maximum permitted under paragraph (4), then by distributing the remainder giving priority to those States having large unobligated balances of funds apportioned under section 104 and section 144 of title 23, United States Code; and

(3) not distribute amounts authorized for administrative expenses, the Federal lands highways program, and the National Magnetic Levitation Design Program.

(4)(A) Subject to subparagraph (B), a State which after August 1 and on or before September 30 of fiscal years 1992, 1993, 1994, 1995 or 1996, obligates the amount distributed to such State in such fiscal year under subsection (b) may obligate for Federal-aid highways and highway safety construction on or before September 30 of such fiscal year an additional amount not to exceed 5 per centum of the aggregate amount of funds apportioned or allocated to such State—

(i) under sections 104 and 144; and

(ii) for highway assistance projects under section 103(e)(4), which are not obligated on the date such State completes obligation of the amount so distributed.

(B) LIMITATION.—During the period August 2 through September 30 of each of fiscal years 1992 through 1996, the aggregate amount which may be obligated by all States pursuant to subparagraph (A) shall not exceed 2.5 per centum of the aggregate amount of funds apportioned or allocated to all States—

(i) under sections 104 and 144, and

(ii) for highway assistance projects under section 103(e)(4), which would not be obligated in such fiscal year if the total amount of obligational authority provided by subsection (a) for such fiscal year were utilized.

(C) LIMITATION ON APPLICABILITY.—

(i) Subparagraph (A) shall not apply in a fiscal year to any State which on or after August 1 of that fiscal year has the amount distributed to such State under subsection (b) for such fiscal year reduced under paragraph (d)(2).

(ii) This paragraph does not create obligation authority in addition to that provided by subsection (a), but concerns only redistribution of obligation authority.

SEC. 105. UNOBLIGATED BALANCES.

Unobligated balances of funds apportioned for the primary, secondary and urban systems and the railway-highway crossing and hazard elimination programs may be obligated for the Surface Transportation Program as if they had been apportioned for that Program.

SEC. 106. SURFACE TRANSPORTATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Title 23, United States Code, is amended by adding the following new section:

"SEC. 133. SURFACE TRANSPORTATION PROGRAM.—The Secretary shall establish a Surface Transportation Program in accordance with this section.

"(a) ELIGIBILITY.—Projects eligible under the Surface Transportation program shall include—

"(1) construction, reconstruction, rehabilitation, resurfacing, restoration, mitigation of damage to wildlife, habitat, and ecosystems caused by a transportation project funded under this title, and operational improvements for highways (including Interstate highways) and bridges (including bridges on public roads of all functional classifications), including any such construction or reconstruction necessary to accommodate other transportation modes, and including the seismic retrofit and painting of bridges and other elevated structures;

"(2) capital costs for mass transit, passenger rail (including high speed rail), publicly owned intra—or inter city bus terminals and facilities, and magnetic levitation systems, including expenditures on rights of way and associated facilities, and expenses for contracted passenger rail or magnetic levitation service provided by public or private carriers;

"(3) carpool projects and fringe and corridor parking facilities and programs, and bicycle facilities and programs;

"(4) surface transportation safety improvements and programs, including highway safety improvement projects, hazard eliminations, projects to mitigate hazards caused by wildlife, and railway-highway grade crossings;

"(5) surface transportation research and development programs;

"(6) capital and operating costs for traffic monitoring, management and control facilities and programs;

"(7) surface transportation planning programs;

"(8) transportation enhancement activities as defined in section 101;

"(9) transportation control measures listed in section 108(f) of the Clean Air Act, as amended; and

"(10) any other purpose approved by the Secretary.

Provided, that projects other than those described in paragraphs (3) and (4) may not be undertaken on roads functionally classified as local or rural minor collector, unless such roads are on a Federal-aid highway system as of January 1, 1991, except as approved by the Secretary. Surface Transportation Program funds may be used either as part of a highway construction project or as a separate effort to mitigate wetland loss related to highway construction, or to contribute to statewide efforts which comply with the requirements of the Secretary of the Army and the Administrator of the Environmental Protection Agency that restore, conserve, or enhance wetland habitat affected by highway construction. These efforts may include the development of statewide wetland mitigation plans, State or regional conservation and enhancement of wetlands, and other related efforts. Contributions toward these efforts may occur in advance of specific project activity.

"(b) GENERAL REQUIREMENTS.—

"(1)(A) At least 75 per centum of apportionments and obligation authority made available to a State for the Surface Transportation Program in any year shall be divided between—

(i) the metropolitan areas of the State with a metropolitan statistical area population of over 250,000 and areas of the State that are in nonattainment for ozone or carbon monoxide pursuant to the Clean Air Act as amended and have an urbanized area population above 50,000; and

(ii) the other areas of the State;

in proportion to their relative share of the State's population. The remaining 25 per centum of funds may be programmed in any area of the State.

"(B) Notwithstanding the requirements of subparagraph (A), in any State where—

(i) greater than 80 per centum of the population of such State is located in one or more metropolitan statistical areas and greater than 80 per centum of the land area of such State is owned by the United States; or

(ii) such State is non-contiguous with the continental United States;

only 35 per centum of Surface Transportation Program funds shall be divided based on the formula provided in subparagraph (A). The remaining 65 per centum of funds may be programmed in any area of the State.

"(2) Programming and expenditure of funds for projects in metropolitan areas shall be consistent with the requirements of section 134, regarding metropolitan planning.

"(3) Programming and expenditure of funds for projects in non-metropolitan areas shall be consistent with the provisions of section 135, regarding statewide planning.

"(4) Of the apportionments made available to a State under this section, each State must assure that no less than 8 per centum of such funds are programmed for transportation enhancement activities, as defined in section 101.

"(5) In the case where a State constructs a facility under this program with a Federal share of 80 per centum and later converts the facility to operation such that the project would originally have been undertaken with a Federal share of 75 per centum, the State shall repay to the United States, with interest, the amount of the difference in the cost to the United States.

"(6) Each State shall assure that funds attributed to metropolitan and nonattainment areas pursuant to paragraph (1) shall be divided among such areas in a fair and equitable manner based on the relative population of such areas, except that the State may divide funds based on other factors if the State and the relevant metropolitan planning organizations jointly apply to the Secretary for the permission to do so and the Secretary grants the request.

"(7) Each State shall assure that funds attributed to attainment and non-metropolitan areas pursuant to paragraph (1) shall be distributed fairly and equitably among those areas.

"(c) ADMINISTRATION.—

(1) If the Secretary determines that a State or local government has failed to comply substantially with any provision of this section, the Secretary shall notify the State, that, if it fails to take corrective action within 60 days from the receipt of the notification, the Secretary will withhold future payments under this section until the Secretary is satisfied that appropriate corrective action has been taken.

"(2) The Governor of each State shall certify prior to the beginning of each fiscal year that the State will meet all the requirements of this section and shall notify the Secretary of the amount of obligations expected to be incurred for Surface Transportation Program projects during the fiscal year: *Provided*, that the State may request adjustment to the obligation amounts later in the fiscal year. Acceptance of the notification and certification shall be deemed a contractual obligation of the United States for the payment of the Surface Transportation Program funds expected to be obligated by the State in that fiscal year for projects not subject to review by the Secretary.

"(3) Projects must be designed, constructed, operated and maintained in accordance with State laws, regulations, directives, safety standards, design standards and construction standards.

"(4) Any State may request that the Secretary no longer review and approve design and construction standards for any project other than a project on an Interstate highway or other multi-lane limited access control highways, except as provided in section 102(b), regarding resurfacing projects. After receiving any such notification the Secretary shall undertake project review as requested by the State.

"(5) The Secretary shall make payments to a State of costs incurred by it for the Surface Transportation Program. Payments shall not exceed the Federal share of costs incurred as of the date the State requests payments.".

(b) APPORTIONMENT.—Section 104(b) of title 23, United States Code, is amended by—

(1) amending paragraph (1) to read as follows:

"(1) SURFACE TRANSPORTATION PROGRAM.—For the Surface Transportation Program, in a manner such that—

(A) a State's per centum share of all funds allocated or apportioned pursuant to this title for fiscal year 1992 and any fiscal year thereafter, excluding funds apportioned or allocated for the Interstate Construction, Interstate Substitute, Federal Lands Highways, Congestion Mitigation and Air Quality Improvement, Minimum Allocation, National Magnetic Levitation Design, and Emergency Relief programs;

shall be equal to—

(B) such State's per centum share of all apportionments and allocations received under this title for fiscal years 1987, 1988, 1989, 1990 and 1991, excluding apportionments and allocations received for the Interstate Construction, Interstate Substitute, Federal Lands Highways and Emergency Relief Programs, all apportionments and allocations received for demonstration projects, and the portion of allocations received pursuant to section 157, regarding minimum allocation, that is attributable to apportionments made under the Interstate Construction and Interstate Substitute programs in such years: *Provided that*, in calculating a State's per centum share under this subparagraph for the purpose of making apportionments for fiscal years 1992, 1993, 1994, 1995, and 1996, each State shall be deemed to have received one-half of one per centum of all funds apportioned for the Interstate Construction Program in fiscal years 1987, 1988, 1989, 1990, and 1991; and, *Provided further*, that in any fiscal year no State shall receive a percentage of total apportionments and allocations that is less than 70 per centum of its percentage of total apportionments and allocations for fiscal years 1987, 1988, 1989, 1990, and 1991, except for those States that receive an apportionment for interstate construction of more than $50,000,000 for fiscal year 1992.

"(C) ENERGY CONSERVATION, CONGESTION MITIGATION, AND CLEAN AIR BONUS.—This paragraph shall apply beginning in fiscal year 1993 and shall apply only to those States with one or more metropolitan statistical areas with a population of 250,000 or more. The amount of each such State's Surface Transportation Program funds determined pursuant to section 133(b)(1)(A)(i) shall be reduced by multiplying such amount by a factor of 0.9 if the State's vehicle miles of travel per capita is more than 110 per centum of its vehicle miles of travel in the base year. Reductions in apportionments made pursuant to the preceeding sentence shall be placed in a Surface Transportation Bonus Fund and shall be used, to the extent such funds are available, to increase the amount of Surface Transportation Program funds determined pursuant to section 133(b)(1)(A)(i) by a factor of 1.1 for each State affected by this paragraph, if such State's vehicle miles of travel per capita is less than 90 per centum of its vehicle miles of travel per capita in the base year. Funds remaining thereafter in the Surface Transportation Bonus Fund, if any, shall be apportioned to the States affected by this paragraph in proportion to each State's share of Surface Transportation Program funds determined pursuant to section 133(b)(1)(A)(i) among all such States prior to any adjustments made pursuant to this paragraph. Funds so apportioned shall be treated as funds pursuant to section 133(b)(1)(A)(i) ara treated. For the purposes of this paragraph, the term 'base year' shall mean the year 1990 for fiscal years 1993, 1994, and 1995, and shall mean the year 1995 for fiscal years 1996 and all subsequent fiscal years.";

(2) striking "upon the Federal-aid systems" and inserting in lieu thereof "upon the Surface Transportation Program, the Congestion Mitigation and Air Quality Improvement Program, and the Interstate System";

(3) striking "paragraphs (4) and (5)" and inserting in lieu thereof "subparagraph (5)(A}"; and

(4) striking "and sections 118(c) and 307(d)" and inserting in lieu thereof "and section 307".

(c) FEDERAL SHARE.—Section 120(a) of title 23, United States Code, is amended by striking "Subject to the provisions of subsection (d) of this section, the" and inserting in lieu thereof "The"; by striking ", primary, secondary, or urban funds, on the Federal-aid primary system, the Federal-aid secondary system, and the Federal-aid urban system" and inserting instead "Surface Transportation Program funds"; and by inserting "for capital projects that add capacity available to single occupant vehicles, except where the project consists of a high occupancy vehicle facility available to single occupant vehicles at other than peak travel times, and 80 per centum of the cost of construction for other projects", in two places after the words "cost of construction".

(d) GUIDANCE.—The Secretary shall develop and make available to the States guidance on how to determine what portion of any project under section 133 of title 23, United States Code, is eligible for an 80 per centum Federal share.

(e) CONFORMING AMENDMENTS.—The analysis of title 23, United States Code, is amended by striking "133. [Repealed P.L. 90-495]." and inserting in lieu thereof "133. Surface Transportation Program.".

SEC. 107. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Section 149 of title 23, United States Code, is amended to read as follows:

"SEC. 149. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—The Secretary shall establish a congestion mitigation and air quality improvement program pursuant to the requirements of this section.

"(a) ELIGIBLE PROJECTS.—A project may be funded under the congestion mitigation and air quality improvement program—

"(1) only if guidance issued by the Environmental Protection Agency pursuant to section 108(f) of the Clean Air Act, as amended, shows to the satisfaction of the Secretary, after consultation with the Administrator of the Environmental Protection Agency, that the project is likely to contribute to the attainment of any national ambient air quality standard, except in the case where such guidance is not available, only if the project is described in section 108(f) of the Clean Air Act, as amended;

"(2) the project is listed in a State implementation plan that has been approved pursuant to the Clean Air Act, as amended and the project will have air quality benefits; or

"(3) the Secretary, after consultation with the Administrator of the Environmental Protection Agency, determines that the project is likely to contribute to the attainment of any national ambient air quality standard, whether through reductions in vehicle miles travelled, fuel consumption, or through other factors; and

only if the project does not result in the construction of new capacity available to single occupant vehicles, except where the project consists of a high occupancy vehicle facility available to single occupant vehicles at other than peak travel times.

"(b) DISTRIBUTION OF FUNDS.—Apportionments made under this section shall be made available in nonattainment areas as defined pursuant to the Clean Air Act, as amended, with urbanized area populations over 50,000 in proportion to the relative share of weighted nonattainment area population as calculated in section 104(b)(2) within the State; *Provided*, that each State that contains a nonattainment area shall receive a minimum apportionment of one-quarter of one per centum of the apportionment made under this section. Selection of projects for such funds shall be carried out by the metropolitan planning organization for each such area in accordance with the provisions of section 134 of title 23, United States Code.

"(c) FEDERAL SHARE.—The Federal Share payable for a project under this section shall not exceed 80 per centum of the cost of the project."

(b) APPORTIONMENT.—Section 104(b)(2) is amended to read as follows:

"(2) FOR THE CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—In the ratio which the weighted nonattainment area population of each State bears to the total weighted nonattainment area population of all States, where weighted nonattainment area population shall be calculated by multiplying the population of any nonattainment areas within any State that is in nonattainment for ozone by a factor of—

"(A) 1.0 if the area is classified as a marginal nonattainment area;

"(B) 1.1 if the area is classified as a moderate nonattainment area;

"(C) 1.2 if the area is classified as a serious nonattainment area;

"(D) 1.3 if the area is classified as a severe nonattainment area; and

"(E) 1.4 if the area is classified as an extreme nonattainment area;

where the classification of nonattainment areas is that used in the Clean Air Act, as amended, and by further multiplying the population of any non-attainment area by a factor of 1.2 if such area is in nonattainment for carbon monoxide.". Notwithstanding any other provision of this section, any State which is subject to air pollution control measures pursuant to Section 184 (related to Interstate Ozone Air Pollution) or Section 176A (related to Interstate Transport Commissions) of the Clean Air Act Amendments of 1990 shall receive a minimum of one-tenth of one per centum of the total funds apportioned under this section.

(c) CONFORMING AMENDMENTS.—The analysis of chapter 1 of title 23, United States Code, is amended by striking "Sec. 149. Truck lanes." and inserting instead "Sec. 149. Congestion Mitigation and Air Quality Improvement Program."

SEC. 108. BRIDGE PROGRAM.

(a) FEDERAL SHARE.—Section 144(f) of title 23, United States Code, is amended to read as follows:

"(f) The Federal share payable for any project undertaken under this subsection shall be 80 per centum, except for any costs attributable to the expansion of the capacity of any bridge or the construction of any new bridge where such new capacity or new bridge is primarily available to single occupant vehicles, in which case the Federal share payable shall be 75 per centum. In the case where a State constructs a bridge or portion thereof not primarily available to single occupant vehicles pursuant to this section, and later converts the bridge or portion thereof to be primarily available to single occupant vehicles, the State shall repay to the United States, with interest, the amount of the additional cost born by the United States that would have been born by the State had the bridge or portion thereof been originally available primarily to single occupant vehicles.".

(b) NEW CAPACITY GUIDANCE.—The Secretary shall develop and make available to the States criteria for determining what share of any project undertaken pursuant to section 144 of title 23, United States Code, is attributable to the expansion of the capacity of a bridge where the new capacity is available to single occupant vehicles.

(c) BRIDGE PAINTING, SEISMIC RETROFIT, AND MAINTENANCE.—Section 144(e) of title 23, United States Code, is amended by adding at the end "Funds apportioned pursuant to this subsection shall be available for the painting and seismic retrofit of, or application of calcium magnesium acetate on, any bridge eligible for assistance under this section.".

(d) REPEAL OF DISCRETIONARY BRIDGE PROGRAM.—Section 144(g) of title 23, United States Code, is repealed.

(e) LEVEL OF SERVICE CRITERIA.—The Secretary shall, by January 1, 1992, in consultation with the States, establish level of service criteria for the Bridge Program, *Provided* that, notwithstanding the requirements of such criteria or of section 144 of title 23, United States Code, up to 35 per centum of bridge program funds made available to a State in any fiscal year shall be available for expenditure on any public bridge, provided that such expenditure conforms with the bridge management system adopted by the State.

(f) CONFORMING AMENDMENTS.—

(1) The analysis of chapter 1 of title 23, United States Code, is amended by striking "Sec. 144. Highway bridge replacement and rehabilitation program." and inserting in lieu thereof "Sec. 144. Bridge Program."

(2) Section 144 of title 23, United States Code, is amended as follows:

(A) The title is amended to read "Sec. 144. Bridge Program.".

(B) Subsection (b) is repealed; and subsection (c) is amended by striking ", other than those on any Federal-aid system," and by striking "on and off the Federal-aid system;".

(C) Subsection (e) is amended by striking "(1) Federal-aid system bridges eligible for replacement,

(2) Federal-aid system bridges eligible for rehabilitation, (3) off-system bridges eligible for replacement, and (4) off-system bridges eligible for rehabilitation." and inserting instead "(1) Bridges categorized for rehabilitation and (2) bridges categorized for replacement."; and (2) by striking "on the Federal-aid primary system" and inserting instead "under the Surface Transportation Program".

Sec. 109 INTERSTATE MAINTENANCE PROGRAM.

(a) LIMITATION ON NEW CAPACITY.—Section 119(a) of title 23, United States Code, is amended by inserting after the end of the first sentence: "Notwithstanding any other provision of this title, the portion of the cost of any project undertaken pursuant to this section that is attributable to the expansion of the capacity of any Interstate highway or bridge, where such new capacity consists of one or more new travel lanes that are not high-occupancy vehicle lanes or auxiliary lanes, shall not be eligible for funding under this section.";

(b) Adequate Maintenance of the Interstate System.—Section 119(f)(1) of title 23, United States Code, is amended by inserting at the end of the paragraph "The Secretary must find that the State is adequately maintaining the Interstate System to accept such a certification.";

(c) Non-Federal Match Requirement.—

(1) Section 119(a) of title 23, United States Code, is amended by striking "section 120(c)" and inserting in lieu thereof "section 120(d)".

(2) Section 120(d) of title 23, United States Code, is amended to read as follows:

"(d) Interstate Maintenance.—The Federal share payable on account of any project undertaken for the maintenance of Interstate highways under the provisions of section 119 shall either—

"(1) not exceed 80 per centum of the cost of construction, except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State, is of its total area; or

"(2) not exceed 80 per centum of the cost of construction, except that in the case of any State containing nontaxable Indian lands, individual and tribal, public domain lands (both reserved and unreserved), national forests, and national parks and monuments, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage of the area of all such lands in such State is of its total area, except that the Federal share payable on any project shall not exceed 95 per centum of the total cost of the project.

In any case where a State elects to have the Federal share as provided in paragraph (2), the State must enter into an agreement with the Secretary covering a period of not less than one year, requiring the State to use solely for purposes eligible under this title (other than paying its share of projects undertaken pursuant to this title) during the period covered by the agreement the difference between the States share as provided in paragraph (2) and what its State's share would be if it elected to pay the share provided in paragraph (1) for all projects subject to the agreement.".

(d) Guidance to the States.—The Secretary shall develop and make available to the States criteria for determining—

(1) what share of any project funded under section 119 of title 23, United States Code, is attributable to the expansion of the capacity of an Interstate Highway or bridge; and

(2) what constitutes adequate maintenance of the Interstate System for the purposes of section 119(f)(1) of title 23, United States Code.

(e) Non-Chargeable Segments.—Section 104(b)(5)(B) of title 23, United States Code, is amended by adding "and routes on the Interstate system designated under section 139(a) of this title before January 1, 1984" after the phrase "under sections 103 and 139(c) of this title" each of the two times it appears in the first sentence.

(f) Conforming Amendments.—

(1) New title.—The title of section 119 of title 23, United States Code, is amended to read "Sec. 119. Interstate Maintenance Program.";

(2) Analysis.—The analysis for chapter 1 of title 23, United States Code, is amended by striking "Sec. 119. Interstate System Resurfacing." and inserting in lieu thereof "Sec. 119. Interstate Maintenance Program.".

(3) Section 119 of title 23, United States Code, is amended—

(A) by striking out subsection (c), with regard to reconstruction, and inserting in lieu thereof the following new subsection:

"(c) Activities authorized in subsection (a) may include the reconstruction of bridges, interchanges and over crossings along existing Interstate routes, including the acquisition of right-of-way where necessary, but shall not include the construction of new travel lanes other than high occupancy vehicle lanes or auxiliary lanes.";

(B) by striking out subsection (e), with regard to toll facilities;

(C) by striking out, in subsection (a), ", rehabilitating, and reconstructing" and inserting in lieu thereof "and rehabilitating"; and

(D) in subsection (f)—

(i) by striking "PRIMARY SYSTEM" from the title and inserting in lieu thereof "SURFACE TRANSPORTATION PROGRAM"; and

(ii) by striking "rehabilitating, or reconstructing" and inserting in lieu thereof "or rehabilitating".

(4) Apportionment.— Section 104(b)(5)(B) of title 23, United States Code, is amended by striking "rehabilitating, and reconstructing" and inserting instead "and rehabilitating".

SEC. 110. INTERSTATE CONSTRUCTION PROGRAM.

(a) Massachusetts.—Paragraph 104(b)(5)(A) of title 23, United States Code, is amended by striking "upon the approval by Congress, the Secretary shall use the Federal share of such approval estimates in making apportionments for the fiscal year 1993" and inserting in lieu thereof—

"The Secretary shall use the Federal share of the 1991 Interstate Cost Estimate, adjusted to reflect (i) all previous credits, apportionments of Interstate construction funds and lapses of previous apportionments of interstate construction funds, (ii) previous withdrawals of Interstate segments, (iii) previous allocations of Interstate discretionary funds, and (iv) transfers of Interstate construction funds, to make apportionments for fiscal years 1993, 1994, 1995 and 1996 in the ratio in which the Federal share of the estimated cost of completing the Interstate System in a State bears to the Federal share of the sum of the estimated cost of completing the Interstate System in all of the States, except Massachusetts: *Provided*, That Massachusetts shall be apportioned $100,000,000 for the fiscal years 1993, $800,000,000 for the fiscal year 1994, $800,000,000 for the fiscal year 1995, and $850,000,000 for the fiscal year 1996.".

(b) Conforming Amendments.—Paragraph 104(b)(5)(A) of title 23, United States Code, is further amended by striking "1960 through 1990" the two places it appears and inserting instead "1960 through 1996"; and by striking "1967 through 1990" and inserting instead "1967 through 1996".

SEC. 111. FEDERAL LANDS HIGHWAYS PROGRAMS.

(a) Allocations.—Section 202 of title 23, United States Code, is amended as follows:

(1) Subsection (c) is amended by inserting at the end "The secretary shall allocate 66 per centum of the remainder of the authorization for public lands highways for each fiscal year as is provided in section 134 of the Federal-Aid Highway Act of 1987."; and by inserting after "allocate" the words "34 per centum of".

(2) Subsection (a) is repealed and the following subsections are relettered accordingly.

(b) Projects.—Section 204 of title 23, United States Code, is amended as follows:

(1) Subsection (b) is amended by inserting at the end "Funds available for each class of Federal lands highways shall be available for any kind of transportation project eligible for assistance under this title that is within or adjacent to or provides access to the areas served by the particular class of Federal lands highways."; and by striking "forest highways and".

(2) Subsection (a) is amended by striking "forest highways,"; and by inserting at the end "Notwithstanding any other provision of this title, no public lands highway project may be undertaken in any State pursuant to this section unless the State concurs in the selection and planning of the project.".

(3) Subsection (c) is amended by striking "on a Federal aid system and inserting in lieu thereof "eligible for funds apportioned under section 104 or section 144 of this title".

(c) Conforming Amendments.—Section 203 of title 23, United States Code, is amended by striking "forest highways" in two places.

SEC. 112. TOLL FACILITIES.

(a) Repeal of National Policy.—Section 301 of title 23, United States Code, is hereby repealed. The analysis of chapter 3 of such title is amended by striking out the item relating to section 301.

(b) New Requirements.—Section 129 of title 23, United States Code, is amended to read as follows: "Sec. 129. Toll Facilities.

"(a) Prohibition.—Tolls may not be imposed on any existing free Interstate Highway.

"(b) Federal Share Payable.—Except as provided in subsection (e), the Federal share payable for any project under this section shall not exceed 35 per centum of the cost of the project for construction of new toll facilities, and shall not exceed 80 per centum of the cost of the project for rehabilitation of existing toll facilities or conversion of existing free facilities to toll facilities.

"(c) Construction or Conversion of Facilities.—Except as otherwise provided in this section, Federal funds to carry out this title may not be obligated on toll facilities or to convert free facilities to toll facilities. The Secretary may permit Federal participation, on the same basis and in the same manner as participation in projects on free highways under this title, in the construction of any toll highway, bridge, tunnel, or approach thereto, or the conversion of any free highway, bridge, tunnel or approach thereto to a toll facility, upon compliance with the provisions of this subsection, except that no Federal funds may be used to impose tolls on any existing free Interstate Highway. The highway, bridge, tunnel, or approach thereto must be publicly owned. The appropriate State transportation or highway department or departments must be party to an agreement with the Secretary that provides that—

"(1) all tolls received from the operation of the facility, less the actual cost of operation and maintenance, shall be applied to repayment, including debt service and reasonable return on investment, of the party financing the facility, except for amounts contributed by the United States; and

"(2) after the date of final repayment, revenues from tolls in excess of revenues needed to recover actual costs of operation and maintenance shall be used for any transportation project eligible under this title.

"(d) Construction of Ferryboats and Ferry Approaches.—The Secretary may permit Federal participation under this title in the construction of ferryboats and ferry approaches, whether toll or free, subject to the following conditions:

"(1) It is not feasible to build a bridge, tunnel, or other normal highway structure in lieu of the ferry.

"(2) The operation of the ferry shall not be on a route that is classified as local, as a rural minor collector, or as a route on the Interstate System.

"(3) The ferry shall be publicly owned and operated.

"(4) The operating authority and the amount of fares charged for passage on the ferry shall be under the control of the State, and all revenues shall be applied to actual and necessary costs of operation, maintenance, and repair, including replacement of ferryboats.

"(5) The ferry shall be operated only within the State (including the islands which comprise the State of Hawaii and the islands which comprise the Commonwealth of Puerto Rico) or between adjoining States. Except with respect to operations between the islands which comprise the State of Hawaii, operations between the islands which comprise the Commonwealth of Puerto Rico, operations between the islands of Maine, and operations between any two points in Alaska and between Alaska and Washington, including stops at appropriate points in the Dominion of Canada, no part of the ferry operations shall be in any foreign or international waters.

"(6) No ferry shall be sold, leased, or otherwise disposed of without the approval of the Secretary. The Federal share of any proceeds from a disposition shall be credited to the unprogrammed balance of Surface Transportation Program funds last apportioned to the State. Any amounts credited shall be in addition to other funds then apportioned to the State and shall be available for expenditure in accordance with the provisions of this title.

"(e) Congestion Pricing Pilot Program.—(1) The Secretary shall solicit the participation of State and local governments and public authorities for one or more congestion pricing pilot and public projects. The Secretary may enter into cooperative agreements with as many as five such State or local governments or public authorities to establish, maintain, and monitor congestion pricing projects.

"(2) Notwithstanding subsection (c), the Federal share payable for such programs shall be 100 per centum. The Secretary shall fund all of the development and other start up costs of such projects, including salaries and expenses, for a period of at least one year, and thereafter until such time that sufficient revenues are being generated by the program to fund its operating costs without Federal participation, except that the Secretary may not fund any project for more than 3 years.

"(3) Revenues generated by any pilot project under this section must be applied to projects eligible under this title.

"(4) The Secretary shall monitor the effect of such projects for a period of at least 10 years, and shall report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives every 2 years on the effects such programs are having on driver behavior, traffic volume, transit ridership, air quality, and availability of funds for transportation programs.

"(5) Of the sums made available the Secretary pursuant to section 104(a), not to exceed $5,000,000 shall be made available each fiscal year to carry out the requirements of this subsection.".

(c) Existing Toll Facility Agreements.—At the request of the non-Federal parties to any toll facility agreement reached before October 1, 1991 under (1) section 105 of the Federal-Aid Highway Act of 1978; or (2) section 129 of title 23, United States Code, as in effect immediately prior to the date of enactment of this Act; the Secretary shall allow for the continuance of tolls without repayment of Federal funds.

SEC. 113. METROPOLITAN PLANNING.

(a) New Requirements.—Section 134 of title 23, United States Code, is amended to read as follows:

"SEC. 134. METROPOLITAN PLANNING.

"(a) Metropolitan Planning Organizations.—A metropolitan planning organization shall be designated for each urbanized area of over 50,000 in population within any State by agreement among the Governor and the units of general purpose local government. Each metropolitan planning organization shall designate boundaries for a metropolitan area pursuant to subsection (b) and shall carry out the transportation planning process required by this section. Metropolitan planning organizations in existence on or before October 1, 1991 shall be considered as being designated for the purposes of this section. Metropolitan planning organizations that represent portions of multi-State metropolitan areas shall, where feasible, provide for coordinated transportation planning for the entire metropolitan area by adopting a single transportation improvement program for such area. The Governor of any State may enter into such agreements as may be necessary with the Governor of any other State to provide for comprehensive multi-State transportation planning for metropolitan areas that encompass portions of more than one State.

"(b) Metropolitan Area Boundaries.—For the purposes of this title, the boundaries of any metropolitan area shall be determined by the metropolitan planning organization and the Governor. Each metropolitan area shall cover at least the existing urbanized area and the area expected to become urbanized within the forecast period, and may encompass the entire Metropolitan Statistical Area or Consolidated Metropolitan Statistical Area as defined by the Bureau of the Census. For areas designated as nonattainment for ozone or carbon monoxide under the Clean Air Act, as amended, the boundaries of the metropolitan area shall be the boundaries of the nonattainment area, except as otherwise provided by the metropolitan planning organization.

"(c) General Requirement for Planning.—In developing transportation plans and programs pursuant to this section, each metropolitan planning organization shall, at a minimum—

"(1) consider preservation of existing transportation facilities and, where practical, meet transportation needs by using existing transportation facilities more efficiently;

"(2) provide that transportation planning is consistent with applicable Federal, State and local energy conservation programs, goals and objectives;

"(3) consider the need to relieve congestion and prevent congestion from occurring where it does not yet occur;

"(4) conform with the applicable requirements of the Clean Air Act as amended;

"(5) consider the effect of transportation policy decisions on land use and development, and assure that transportation plans and programs are consistent with the provisions of all applicable short- and long-term land use and development plans;

"(6) recommend, where appropriate, the use of innovative financing mechanisms, including value capture, tolls, and congestion pricing to finance projects and programs;

"(7) provide for the programming of expenditure on transportation enhancement activities as required in section 133;

"(8) consider the effects of all transportation projects to be undertaken within the metropolitan area, without regard to whether such projects are publicly funded;

"(9) consider the overall social, economic, and environmental effects of transportation decisions;

"(10) take into account international border crossings and access to ports, airports, intermodal transportation facilities, major freight distribution routes, national parks, recreation areas, monuments and historic sites, and military installations;

"(11) consider the need for connectivity of roads within the metropolitan area with roads outside the metropolitan area; and

"(12) develop a long range transportation plan.

"(d) Transportation Improvement Program.—

"(1) Development of program.—The metropolitan planning organization, in cooperation with the State and relevant transit operators, shall develop a transportation improvement program that includes all projects within the metropolitan area proposed for funding pursuant to this title and the Urban Mass Transportation Act, that is consistent with the long range transportation plan developed by the metropolitan planning organization, and that conforms with the applicable State implementation plan developed pursuant to the Clean Air Act, as amended. The program may include a project only if full funding can be reasonably anticipated to be available for such project within the period of time contemplated for its completion. The program shall be updated at least every two years, and shall be approved by the metropolitan planning organization and the Governor.

"(2) Priority of projects.—The transportation improvement program shall include a priority list of projects and project segments to be carried out within each three-year period after the initial adoption of the transportation improvement program.

"(3) Selection of projects.—Except as otherwise provided in subsection (e), project selection in metropolitan areas for projects involving Federal participation shall be carried out by the State in cooperation with the metropolitan planning organization, and shall be in conformance with the transportation improvement program for the area.

"(e) Additional Requirements for Areas of Over 250,000 Population and Nonattainment Areas Over 50,000 Population.—

"(1) For metropolitan statistical areas of more than 250,000 population within any State and areas with an urbanized area population of over 50,000 that are in nonattainment for ozone or carbon monoxide pursuant to the Clean Air Act, as amended, within any

State, transportation plans and programs shall be based on a continuing and comprehensive transportation planning process carried out by a metropolitan planning organization in cooperation with the State and transit operators.

"(2) The planning process shall include a congestion management system that provides for effective management of new and existing transportation facilities through the use of travel demand reduction and operational management strategies. In nonattainment areas for ozone or carbon monoxide, the development of the congestion management system shall be coordinated with the development of the transportation element of the State Implementation Plan required by the Clean Air Act as amended.

"(3) The Secretary shall assure that each metropolitan planning organization is carrying out its responsibilities under applicable provisions of Federal law, and shall so certify at least once per annum. The Secretary may certify a metropolitan planning organization only if it is complying with the requirements of section 134 and other applicable requirements of Federal law. If at any time after October 1, 1992 a metropolitan planning organization is not certified by the Secretary, the obligation authority attributed to the relevant metropolitan area pursuant to section 133(b)(1) shall lapse and be redistributed to other States in accordance with the requirements of section 104(d)(2), regarding redistribution of obligation authority.

"(4) Selection of projects.—All projects carried out with Federal participation pursuant to this title (excluding projects undertaken pursuant to the Bridge and Interstate Maintenance Programs) or the Urban Mass Transportation Act within the boundaries of a metropolitan area covered under this subsection shall be selected by the metropolitan planning organization and the Governor in conformance with the transportation improvement program for such area and the priorities established therein. Projects undertaken pursuant to the Bridge and Interstate Maintenance Programs shall be selected by the State in cooperation with the metropolitan planning organization and shall be in conformance with the transportation improvement plan for the area.

"(5) The metropolitan planning organization for areas covered under this subsection shall provide for a fair and equitable distribution of funds within the metropolitan area.

"(6) Metropolitan planning organizations for areas covered under this subsection shall provide opportunity for public review of draft transportation plans and programs prior to final approval of such plans and programs.

"(f) Additional Requirements for Nonattainment Areas.—

"(1) Notwithstanding any other provision of law, for areas classified as nonattainment for ozone or carbon monoxide pursuant to the Clean Air Act, as amended, Federal funds may not be programmed in such area for any highway project that will result in a significant increase in carrying capacity for single occupant vehicles unless the project is part of an approved congestion management system.

"(2) If, at the end of any three-year planning period established pursuant to subsection (d), a project to be carried out within such period has not been carried out, any changes in emissions of pollutants that contribute to nonattainment for ozone or carbon monoxide pursuant to the Clean Air Act, as amended, that have been attributed to such project shall be discounted for the purposes of conformity review pursuant to section 176(c) of the Clean Air Act, as amended, (42 U.S.C. 7506(c)) until such time as binding commitments have been made to complete the project by a date certain.

"(3) For the purpose of determining conformity pursuant to section 176(c) of the Clean Air Act, as amended, (42 U.S.C. 7506(c)), the metropolitan planning organization shall take into account emissions expected to result from all projects to be carried out within the metropolitan area, whether such projects are publicly or privately funded.

"(g) Reprogramming of Set Aside Funds.—Any funds set aside pursuant to section 104(f) of this title that are not used for the purpose of carrying out this subsection may be made available by the metropolitan planning organization to the State for the purpose of funding activities under section 135.".

(b) One Percent Set Aside.—Section 104(f) of title 23, United States Code, is amended by striking in paragraph (1) "one-half per centum" and inserting in lieu thereof "one per centum"; by striking in paragraph (1) "the Federal-aid systems" and inserting in lieu thereof "programs authorized under this title"; by striking in paragraph (1) all after the fifth comma and inserting in lieu thereof "except that the amount from which such set aside is made shall not include funds authorized to be appropriated for the Interstate Construction and Interstate Substitute programs."; and by striking in paragraph (3) "section 120" and inserting in lieu there of "section 120(j)".

(c) Apportionment Within a State.—Section 104(f)(4) of title 23, United States Code, is amended by striking "and metropolitan area transportation needs" and inserting in lieu thereof "attainment of air quality standards, metropolitan area transportation needs, and other factors necessary to provide for an appropriate distribution of funds to carry out the requirements of section 134 and other applicable Federal law.".

(d) Conforming Amendments.—

(1) The analysis of chapter 1 of title 23, United States Code, is amended by striking "Sec. 134 Transportation planning in certain urban areas." and inserting in lieu thereof "Sec. 134. Metropolitan Planning.".

(2) Section 104(f)(3) of title 23, United States Code, is amended by striking "designated by the State as being".

SEC. 114. STATEWIDE PLANNING.

(a) New Requirements.—Section 135 of title 23, United States Code, is amended to read as follows:

"SEC. 135. STATEWIDE PLANNING.

"(a) Management Systems.—Each State shall have a Bridge Management System, a Pavement Management System, a Safety Management System, and a Congestion Management System developed in accordance with regulations prescribed by the Secretary, except that any State that certifies to the satisfaction of the Secretary that no significant congestion exists or is projected to exist within such State shall not be required to have a congestion management system. Systems shall include inventories and use current condition data to identify needs. The Secretary may withhold project approvals under section 106 and may decline to accept a notice and certification under section 133(c)(2) if a State fails to have approved systems. The regulations shall provide for periodic Federal review of the Management Systems.

"(b) Traffic Monitoring System.—Each State shall have a Traffic Monitoring System to provide statistically based data necessary for pavement management, bridge evaluation, safety management, congestion management, national studies, and other activities under this title. The Secretary shall establish guidelines and requirements for the Traffic Monitoring System.

"(c) State Planning Process.—Each State shall undertake a continuous transportation planning process which shall—

"(1) take into account the results of the management systems required pursuant to subsection (a);

"(2) take into account any Federal, State or local energy use goals, objectives, programs or requirements;

"(3) take into account any valid State or local development or land use plans, programs, or requirements;

"(4) take into account international border crossings and access to ports, airports, intermodal transportation facilities, major freight distribution routes, national parks, recreation areas, monuments and historic sites, and military installations;

"(5) provide for comprehensive surface transportation planning for non-metropolitan areas;

"(6) be consistent with any metropolitan area plan developed pursuant to section 134;

"(7) provide for connectivity between metropolitan areas within the State and with metropolitan areas in other States;

"(8) take into account recreational travel and tourism;

"(9) take into account any State plan developed pursuant to the Federal Water Pollution Control Act; and

"(10) be coordinated with the development of any State implementation plan required under the Clean Air Act, as amended, and provide for compliance with any relevant requirements of such plan and such Act.

"(d) Additional Requirements for States Containing Non Attainment Areas.—Any State containing an area in nonattainment for ozone or carbon monoxide pursuant to the Clean Air Act, as amended, shall develop and update at least every two years a long range transportation plan. In addition to the requirements in subsection (c), such plan shall—

"(1) incorporate without amendment the provisions of any metropolitan area plan developed pursuant to section 134; and

"(2) provide for coordination in the development of the State transportation plan required pursuant to this section and the State implementation plan required pursuant to the Clean Air Act, as amended.

"(e) Funding.—Funds set aside pursuant to section 307(c)(1) of title 23, United States Code, shall be available to carry out the requirements of this section.".

(b) Conforming Amendments.—The analysis of chapter 1 of title 23, United States Code, is amended by striking "Sec. 135. Traffic operations improvement programs." and inserting in lieu thereof "Sec. 135. Statewide Planning.".

SEC. 115. RESEARCH AND DATA COLLECTION.

(a) Research Program.—Section 307 of title 23, United States Code, is amended as follows:

(1) New requirements.—Subsection (b) is redesignated (b)(1), and the following new paragraphs are added thereafter:

"(2) The highway research program shall include a coordinated long term program of research on Intelligent Vehicle Highway Systems.

"(3) The highway research program shall include a coordinated long term program of research for the development, use and dissemination of performance indicators to measure the performance of the surface transportation system, including indicators for productivity, efficiency, energy use, air quality, congestion, safety, maintenance, and other factors that reflect the overall performance of the surface transportation system.

"(4) The highway research program shall continue those portions of the work of the Strategic Highway Research Program that the Secretary deems to be important.

"(5) The Secretary shall create and administer a transportation research fellowship program to attract qualified students to the field of transportation engineering and research, which shall be known as The Dwight David Eisenhower Transportation Fellowship Program. No less than $2 million per fiscal year of the funds set aside pursuant to section 307 shall be made available to carry out this paragraph.".

(2) Subsection (c) is amended by striking "highway programs and local public transportation systems" and inserting in lieu thereof "transportation programs"; by striking "highway usage" and inserting in lieu thereof "transportation"; and by striking "highways and highway systems" and inserting in lieu thereof "transportation systems".

(b) Federal Share for State Research Activities.—Section 120(j) is amended by striking "85 per centum" and inserting in lieu thereof "80 per centum"; and by striking "exclusive of" and inserting in lieu thereof ", and".

(c) State Authority To Program Funds.—Section 307(c) of title 23, United States Code, is amended by striking "upon the request of the State highway department, with the approval of the Secretary, with or without State funds," in paragraph (1); by striking "Not to exceed 1½ per centum" and inserting in lieu thereof "Two per centum"; by striking "section 104" and inserting in lieu thereof "sections 104 and 144"; and by repealing paragraphs (2) and (3).

(d) Data Collection and Analysis.—

(1) Bureau of transportation statistics.—There is hereby established within the Department of Transportation a Bureau of Transportation Statistics. The Bureau shall be headed by a Director (hereafter referred to as the 'Director'), who shall be appointed by the President with the advice and consent of the Senate, and who shall be removable only for cause.

(2) New requirements.—Section 303 of title 23, United States Code, is amended to read as follows:

"SEC. 303. DATA COLLECTION AND ANALYSIS.

"(a) Program.—The Director of the Bureau of Transportation Statistics, in cooperation with the States, shall pursue a comprehensive, long-term program for the collection and analysis of data relating to the performance of the national transportation system. This effort shall—

"(1) be coordinated with the efforts undertaken pursuant to section 307(b)(3) to develop performance indicators for the national transportation system;

"(2) assure that data and other information is collected in a manner to maximize the ability to compare data from different regions and time periods; and

"(3) assure that data is quality controlled for accuracy and is disseminated to the States and other interested parties.

"(b) Estimates.—The Director shall, on an annual basis, produce estimates of productivity in the various portions of the transportation sector, traffic flows, travel times, vehicle weights, variables influencing traveller behavior including choice of mode, travel costs of intracity commuting and intercity trips, frequency of vehicle and transportation facility repairs and other interruptions of service, accidents, collateral damage to the human and natural environment, and the condition of the transportation system, which estimates shall be suitable for conducting cost-benefit studies and other analysis necessary for prioritizing transportation system problems and analyzing proposed solutions.

"(c) Reports.—Beginning on October 1, 1992, and every 12 months thereafter, the Director shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report containing the estimates described in subsection (b) and otherwise describing the status of the transportation system in the United States.

"(d) Collection of Data.—The Secretary may use any authority granted under this or any other title, or any Act to collect data the Secretary deems to be important in carrying out the provisions of this section.".

(3) Funding.—Section 104(a) of title 23, United States Code, is amended by inserting ", data collection, and other programs" after "research"; and by inserting ", and section 303" after "section 307".

(4) Analysis.—The analysis for chapter 3 of title 23, United States Code, is amended by striking "Sec. 303. [Repealed. P.L. 97-449]." and inserting in lieu thereof "Sec. 303. Data Collection and Analysis.".

(e) Fundamental Property Studies.—(1) The Administrator of the Federal Highway Administration (hereafter in this subsection referred to as the 'Administrator') is directed to conduct fundamental chemical property and physical property studies of petroleum asphalts and modified asphalts used in highway construction in the United States with the primary emphasis of prediction of pavement performance from the fundamental and rapidly measurable properties of asphalts and modified asphalts.

(2) In carrying out the studies in paragraph (1), the Administrator shall enter into contracts with a non-profit organization with demonstrated expertise in research associated in the above areas in order to undertake the necessary technical and analytical research in coordination with existing programs, including the Strategic Highway Research Program, that evaluate actual performance of asphalts and modified asphalts in roadways.

(3) Activities of Studies.—The Administrator in conducting the studies in this subsection shall include the following activities:

(A) fundamental composition studies;

(B) fundamental physical and rheological property studies;

(C) asphalt-aggregate interaction studies;

(D) coordination of composition studies, physical and rheological property studies and asphalt-aggregate interaction studies for the purposes of prediction of pavement performance including refinements of strategic Highway Research Program specifications.

(4) The Administrator, in coordination with a non-profit research organization, shall implement a test strip, the purpose of which shall be to demonstrate and evaluate unique energy and environmental advantages of the use of shale oil modified asphalts under extreme climate conditions. The Administrator shall report to Congress on his findings as required under paragraph (6). Such findings shall include an evaluation of this test strip and legislative recommendations on a national program to support American transportation and energy security requirements. In no event shall this report be submitted after November 30, 1995. For purposes of construction activities related to this test strip the Administrator and the Director of the National Park Service shall make the necessary funds available in equal amounts from the Park and Parklands allocation for the Federal lands highway program.

(5) Authorizations.—The Administrator shall provide at least $3 million for each of fiscal years 1992, 1993, 1994, 1995 and 1996 to carry-out the provisions of paragraph (2).

(6) Annual Report to Congress.—On November 30 of each year, the Administrator shall report to Congress on progress in implementing the provisions of this subsection in the preceding fiscal year. For purposes of fiscal year 1992, the Administrator shall provide a report on proposed activities within one hundred eighty days of enactment of this section.

SEC. 116. MAGNETIC LEVITATION TRANSPORTATION.

(a) Declaration of Policy.—Section 101(c) of title 23, United States Code, is amended to read as follows:

"(c) It is the policy of the United States to establish in the shortest time practicable a United States designed and constructed magnetic levitation transportation technology capable of operating along Federal-aid highway rights-of-way, as part of a national transportation system of the United States.".

(b) National Magnetic Levitation Design Program.—

(1) Management of program.—(A) There is hereby established a National Magnetic Levitation Design Program to be managed jointly by the Secretary and the Assistant Secretary of the Army for Civil Works (hereafter referred to as 'the Assistant Secretary'.) In carrying out such program, the Secretary and the Assistant Secretary shall consult with appropriate Federal officials, including the Secretary of Energy and the Administrator of the Environmental Protection Agency. The Secretary and the Assistant Secretary shall establish a National Maglev Joint Project Office (hereafter referred to as the 'Maglev Project Office') to carry out such program, and shall enter into such arrangements as may be necessary for funding, staffing, office space, and other requirements that will allow the Maglev Project Office to carry out its functions.

(B) Strategic plan.—The Secretary and the Assistant Secretary, in consultation with appropriate Federal officials including the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall develop a national strategic plan for the design and construction of a national magnetic levitation surface transportation system. Such plan shall consider other modes of high speed surface transportation, including high speed rail. The plan shall be completed and transmitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives within 18 months of the date of enactment of this Act.

(2) Phase one grants.—(A) Not later than 3 months after the date of enactment of this Act, any eligible participant may submit to the Maglev Project Office a proposal for research and development of a conceptual de-

sign for a maglev system and an application for a grant to carry out that research and development.

(B) Not later than 6 months after the date of enactment of this Act, the Secretary and the Assistant Secretary shall award grants for one year of research and development to no less than six applicants. If fewer than six complete applications have been received, grants shall be awarded to as many applicants as is practical.

(C) The Secretary and the Assistant Secretary may approve a grant under subparagraph (B) only after consideration of factors relating to the construction and operation of a magnetic levitation system, including the cost-effectiveness, ease of maintenance, safety, limited environmental impact, ability to achieve sustained high speeds, ability to operate along the Interstate highway rights of way, the potential for the guideway design to be a national standard, and the bidder's resources, capabilities, and history of successfully designing and developing systems of similar complexity; *Provided that*, the applicant agrees to submit a report to the Maglev Project Office detailing the results of the research and development, and agrees to provide for matching of the phase one grant at a 90 per centum Federal, 10 per centum non-Federal cost share.

(D) For purposes of this section, the term 'eligible participant' means United States private businesses, United States public and private education and research organizations, Federal laboratories, and consortia of such businesses, organizations and laboratories.

(3) PHASE TWO GRANTS.—Within 3 months of receiving the reports under paragraph (2), the Secretary and the Assistant Secretary shall select not more than 3 participants to receive one-year grants for research and development leading to a final design for a maglev system. The Secretary and the Assistant Secretary may only award grants under this paragraph if they determine that the applicant has demonstrated technical merit for the conceptual design and the potential for further development of such design into a national system, and if the applicant agrees to provide for matching of the phase two grant at a 80 per centum Federal, 20 per centum non-Federal cost share.

(4) PROTOTYPE.—(A) Within 6 months of receiving the final designs developed under paragraph (3), the Secretary and the Assistant Secretary shall select one design for development into a full scale prototype. Not more than 3 months after the selection of such design, the Secretary and the Assistant Secretary shall award one prototype construction grant to a State government, local government, organization of State and local governments, consortium of United States private businesses or any combination of these entities for the purpose of constructing a prototype maglev system in accordance with the selected design.

(B) Selection of the grant recipient under this paragraph shall be based on the following factors:

(i) The project shall utilize Interstate highway rights of way.

(ii) The project shall have sufficient length to allow significant full speed operations between stops.

(iii) No more than 75 per centum of the cost of the-project shall be borne by the United States.

(iv) The project shall be constructed and ready for operational testing within 3 years after the award of the grant.

(v) The project shall provide for the conversion of the prototype to commercial operation after testing and technical evaluation is completed.

(vi) The project shall be located in an area that provides a potential ridership base for future commercial operation.

(vii) The project shall be located in an area that experiences climatic and other environmental conditions that are representative of such conditions in the United States as a whole.

(viii) The project shall be suitable for eventual inclusion in a national magnetic levitation system network.

(c) LICENSING.—

(1) PROPRIETARY RIGHTS.—No trade secrets or commercial or financial information that is privileged or confidential, under the meaning of section 552(b)(4) of title 5, United States Code, which is obtained from a United States business, research, or education entity as a result of activities under this Act shall be disclosed.

(2) COMMERCIAL INFORMATION.—The research, development and use of any technology developed pursuant to an agreement reached pursuant to this section, including the terms under which any technology may be licensed and the resulting royalties may be distributed, shall be subject to the provisions of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701-3714). In addition, the Secretary and the Assistant Secretary may require any grant recipient to assure that research and development shall be performed substantially in the United States, and that the products embodying the inventions made under any agreement pursuant to this section or produced through the use of such inventions shall be manufactured substantially in the United States.

(d) AVAILABILITY OF FUNDS.—Funds authorized to be appropriated to carry out this section shall remain available until expended.

(e) REPORTS.—The Secretary and the Assistant Secretary shall provide periodic reports on progress made under this section to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

(f) CONTRACT AUTHORITY.—Notwithstanding any other provision of law, the requirements of chapter 1 of title 23, United States Code, shall apply to the provisions of this section.

SEC. 117. ACCESS TO RIGHTS OF WAY.

(a) AVAILABILITY OF RIGHTS OF WAY.—Subsection 142(g) of title 23, United States Code, is amended to read as follows:

"(g) In any case where sufficient land exists within the publicly acquired rights-of-way of any highway, constructed in whole or in part with Federal-aid highway funds, to accommodate needed passenger, commuter, or high speed rail, magnetic levitation systems, highway and non-highway public mass transit facilities the Secretary shall authorize a State to make such lands and rights-of-way available with or without charge to a publicly or privately owned authority or company for such purposes.".

(b) AVAILABILITY OF AIRSPACE.—Section 156 of title 23, United States Code, is amended by adding before the period at the end of the first sentence the following: ": *Provided*, That the States may permit governmental use, use by public or private entities for passenger, commuter, or high speed rail, magnetic levitation systems, or other transit, utility use and occupancy where such use or occupancy is necessary for a transportation project allowed under this section, or use for transportation projects eligible for assistance under this title, with or without charge.".

(c) CONFORMING AMENDMENTS.—Section 142 of title 23, United State Code, is amended as follows:

(1) Paragraph (a)(1) is amended by striking "of the Federal-aid systems"; and by striking "project on any Federal-aid system" and inserting in lieu thereof "Surface Transportation Program project or as an Interstate construction project".

(2) Paragraph (a)(2) is repealed.

(3) Subsection (c) is repealed.

(4) Paragraph (e)(2) is repealed.

(5) Subsections (i) and (k) are repealed.

SEC. 118. REPORT ON REIMBURSEMENT FOR SEGMENTS CONSTRUCTED WITHOUT FEDERAL ASSISTANCE.

The Secretary shall update the findings of the report required by Section 114 of the Federal-Aid Highway Act of 1956 to determine what amount the United States would pay to the States to reimburse the States for segments incorporated into the Interstate System that were constructed at non-Federal expense. The report required under this section shall be completed by October 1, 1993, and shall be transmitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

SEC. 119. DISADVANTAGE BUSINESS ENTERPRISES.

(a) CONTINUATION OF CURRENT LAW.—Section 106(c)(1) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended by striking "titles I and III of this Act or obligated under" and inserting instead "the Surface Transportation Efficiency Act of 1991 or obligated under titles I and III of this Act and ".

(b) ADJUSTMENT FOR INFLATION.—Sec. 106(c)(2)(A) of such 1987 Act is amended by striking "14,000,000" and inserting instead "15,370,000".

SEC. 120. AVAILABILITY OF FUNDS.

(a) Section 118 of title 23, United States Code, is amended to read as follows:

"(a) DATE AVAILABLE FOR OBLIGATION.—Except as otherwise specifically provided, authorizations from the Highway Account of the Highway Trust Fund to carry out this title shall be available for obligation when apportioned or allocated, or on October 1 of the fiscal year for which they are authorized, whichever first occurs.

"(b) PERIOD OF AVAILABILITY.—

"(1) INTERSTATE CONSTRUCTION FUNDS.—Funds apportioned or allocated for Interstate Construction in a State shall remain available for obligation in that State until the close of the fiscal year in which they are apportioned or allocated. Sums not obligated by the close of the fiscal year in which they are apportioned or allocated shall be allocated to other States, except Massachusetts, at the discretion of the Secretary. All sums apportioned or allocated on or after October 1, 1994 shall remain available in the State until expended and: *Provided further*, that all sums apportioned or allocated to Massachusetts on or before October 1, 1989 shall remain available until expended.

"(2) OTHER FUNDS.—Except as otherwise specifically provided, funds (other than Interstate Construction) apportioned or allocated pursuant to this title in a State shall remain available for obligation in that State for a period of three years after the close of the fiscal year for which the funds are authorized. Any amounts so apportioned or allocated that remain unobligated at the end of that period shall lapse.

"(c) Alaska and Puerto Rico.—Funds made available to the State of Alaska and the Commonwealth of Puerto Rico under this title may be expended for construction of access and development roads that will serve resource development, recreational, residential, commercial, industrial, and other like purposes.".

SEC. 121. PROGRAM EFFICIENCIES.

(a) Section 102 of title 23, United States Code, is amended to read as follows:

"SEC. 102. PROGRAM EFFICIENCIES.

"(a) Standards.—Except as provided in section 133(c), projects undertaken pursuant to the Surface Transportation Program must be designed, constructed, operated, and maintained in accordance with State laws, regulations, directives, safety standards, design standards, and construction standards. The design and construction standards to be adopted for highways classified as principal arterials shall be those approved by the Secretary in cooperation with the State highway departments and the American Association of State Highway and Transportation Officials. Any State may request that the Secretary no longer review and approve design and construction standards for any project other than a project on an Interstate highway or other multi-lane limited access control highways, except as provided in subsection (b), regarding resurfacing projects. After receiving any such request the Secretary shall undertake project review only as requested by the State.

"(b) Pavement Rehabilitation Projects.—Notwithstanding any other provision of this title, a State highway or transportation department may approve the design of a pavement rehabilitation project or highway resurfacing project on any project constructed pursuant to this title, *provided* that States comply with the requirements of all other applicable Federal laws and regulations.

"(c) Highway Maintenance Standards.—Notwithstanding any other provision of this title, a State highway or transportation department may establish maintenance standards for projects constructed pursuant to this title, which shall be subject to annual approval by the Secretary. The Secretary may not withhold project approval pursuant to section 106 if a State is meeting maintenance standards approved by the Secretary under this section.

"(d) Hov Passenger Requirements.—A State highway or transportation department shall establish the occupancy requirements of vehicles operating in high occupancy vehicle lanes *Provided*, that no fewer than two occupants may be required. For the purposes of this title and the Surface Transportation Efficiency Act of 1991, motorcycles and bicycles shall not be considered single occupant vehicles. Nothing in this title or the Surface Transportation Efficiency Act of 1991 shall be construed as altering the provisions or effect of section 163 of the Highway Improvement Act of 1982.

"(e) Engineering Cost Reimbursement.—A State shall refund to the Highway Trust Fund all Federal funds for preliminary engineering for any project if the project has not yet advanced to construction or acquisition of right-of-way within 10 years of receipt of such Federal funds.".

(b) Historic and Scenic Values.—Section 109 of title 23, United States Code, is amended by adding at the end the following new subsection:

"(p) Where a proposed project under sections 103(e)(4), 133, or 144 involves a historic facility or where such project is located in an area of historic or scenic value, the Secretary may approve such project notwithstanding the requirements of subsections (a) and (b) and section 133(c) if such project is designed to standards that allow for the preservation of these values: *Provided*, that such project is designed with mitigation measures to allow preservation of these values and ensure safe operation of the project.".

(c) Delegation of Responsibilities.—Section 302 of title 23, United States Code, is amended by adding at the end the following new subsection:

"(c) At the request of the Governor of any State, the Secretary is authorized to permit the highway or transportation department of a municipality of over 1 million population within the State to perform all such duties and responsibilities regarding projects undertaken within the municipality as are delegated to it that would otherwise be the responsibility of the State highway or transportation department.".

(d) Conforming amendments.—The analysis of chapter 1 of title 23, United States Code, is amended by striking "Sec. 102. Authorizations." and inserting in lieu thereof "Sec. 102. Program efficiencies.".

SEC. 122. USE OF SAFETY BELTS AND MOTORCYCLE HELMETS.

(a) New Requirements.—Section 153 of title 23, United States Code, is amended to read as follows:

"153. USE OF SAFETY BELTS AND MOTORCYCLE HELMETS.

"(a) State Laws.—

"(1) Fiscal Year 1995.—If, at any time in fiscal year 1994 a State does not have in effect—

"(A) a State law which makes it unlawful for an individual to operate a motorcycle if any individual on the motorcycle is not wearing a motorcycle helmet; and

"(B) a State law which makes it unlawful for an individual to operate a passenger vehicle if any individual in a front seat of the vehicle (other than a child who is secured in a child restraint system) does not have a safety belt properly fastened about the individual's body;

the State shall expend for highway safety programs 1.5 per centum of the amount apportioned to such State for fiscal year 1995 under section 104(b)(1).

"(2) After fiscal year 1995.—If, at any time in a fiscal year beginning after September 30, 1994, a State does not have in effect—

"(A) a State law which makes it unlawful for an individual to operate a motorcycle if any individual on the motorcycle is not wearing a motorcycle helmet; and

"(B) a State law which makes it unlawful for an individual to operate a passenger vehicle if any individual in a front seat of the vehicle (other than a child who is secured in a child restraint system) has a safety belt properly fastened about the individual's body;

the State shall expend for highway safety programs 3 per centum of the amount apportioned to such State for the succeeding fiscal year under section 104(b)(1). A State which is required to expend funds for highway safety programs under this subsection shall expend such funds for purposes eligible under section 402 and section 130.

"(3) Federal share.—The Federal share of the cost of any project carried out under this subsection shall be 100 per centum.

"(4) Availability.—Notwithstanding the requirements of section 118, funds subject to the set aside under this subsection shall be available only in the year for which they were apportioned, and shall thereafter lapse. For the purposes of making expenditures of such funds, a State shall use an amount of the obligation authority distributed for the Surface Transportation Program for the fiscal year in which the set aside apportionments were made equal to the amount required to be expended under this subsection.

"(b) Grants to States.

"(1) State Eligibility.—The Secretary may make grants to a State in accordance with this section if such State has in effect—

"(A) a State law which makes it unlawful for an individual to operate a motorcycle if any individual on the motorcycle is not wearing a motorcycle helmet; and

"(B) a State law which makes it unlawful for an individual to operate a passenger vehicle if any individual in a front seat of the vehicle (other than a child who is secured in a child restraint system) does not have a safety belt properly fastened about the individual's body.

"(2) Use of Grants.—a grant made to a State under this section shall be used to adopt and implement a traffic safety program to carry out the following purposes:

"(A) To educate the public about motorcycle and passenger vehicle safety and motorcycle helmet, safety belt, and child restraint system use and to involve public health education agencies and other related agencies in these efforts.

"(B) To train law enforcement officers in the enforcement of State laws described in paragraph (1).

"(C) To monitor the rate of compliance with State laws described in subsection (a).

"(D) To enforce State laws described in paragraph (1).

"(3) Maintenance of Effort—A grant may not be made to a State under this section in any fiscal year unless the State enters into such agreements with the Secretary as the Secretary may require to ensure that such State will maintain its aggregate expenditures from all other sources for any traffic safety program described in subsection (b) at or above the average level of such expenditures in the State's 2 fiscal years preceding the date of the enactment of this section.

"(4) Federal Share.—A State may not receive a grant under this section in more than 3 fiscal years. The Federal share payable for a grant under this section shall not exceed—

"(A) in the first fiscal year such State receives a grant, 75 per centum of the cost of implementing in such fiscal year a traffic safety program described in subsection (b);

"(B) in the second fiscal year such State receives a grant, 50 per centum of the cost of implementing in such traffic safety program; and

"(C) in the third fiscal year such State receives a grant, 25 per centum of the cost of implementing in such fiscal year such traffic safety program.

"(5) Maximum aggregate amount of grants.—The aggregate amount of grants made to a State under this section shall not exceed 90 per centum of the amount apportioned to such State for fiscal year 1990 under section 402.

"(6) Eligibility for grants.—

"(A) A State is eligible in a fiscal year for a grant under this section only if the State enters into such agreements with the Secretary as the Secretary may require to ensure that the State implements in such fiscal year a traffic safety program described in subsection (b).

"(B) A State is eligible for a grant under this section in a fiscal year succeeding the first fiscal year in which a State receives a grant under this section only if the State in the preceding fiscal year—

"(i) has in effect at all times a State law described in paragraph (1)(A) and achieves a rate of compliance with such law of not less than 75 per centum; and

"(ii) has in effect at all times a State law described in paragraph (1)(B) and achieves a rate of compliance with such law of not less than 50 per centum.

"(C) A State is eligible for a grant under this section in a fiscal year succeeding the second fiscal year in which a State receives a grant under this section only if the State in the preceding fiscal year—

"(i) has in effect at all times a State law described in paragraph (1)(A) and achieves a rate of compliance with such law of not less than 85 per centum; and

"(ii) has in effect at all times a State law described in paragraph (1)(B) and achieves a rate of compliance with such law of not less than 70 per centum.

"(c) MEASUREMENTS OF RATES OF COMPLIANCE.—For the purposes of subsection (b) (2) and (3), a State shall measure compliance with State laws described in subsection (b)(1) using methods which conform to guidelines to be issued by the Secretary ensuring that such measurements are accurate and representative.

"(d) DEFINITIONS.—For the purposes of this section, the following definitions apply:

"(1) The term 'child restraint system' means a device which is designed for use in a passenger vehicle to restrain, seat, or position a child who weighs 50 pounds or less.

"(2) The term 'motorcycle' means a motor vehicle with motive power which is designed to travel on not more than 3 wheels in contact with the surface.

"(3) The term 'passenger vehicle' means a motor vehicle with motive power which is designed for transporting 10 individuals or less, including the driver, except that such term shall not include a vehicle which is constructed on a truck chassis, a motorcycle, a trailer, or any motor vehicle which is not required on the date of the enactment of this section under a Federal motor vehicle safety standard to be equipped with a belt system.

"(4) The term 'safety belt' means—

"(A) with respect to open-body vehicles and convertibles, and occupant restraint system consisting of a lap belt or a lap belt and a detachable shoulder belt; and

"(B) with respect to other passenger vehicles, an occupant restraint system consisting of integrated lap and shoulder belts.".

"(e) AUTHORITY.—All provisions of chapter 1 of this title that are applicable to Surface Transportation Program funds, other than provisions relating to the apportionment formula, shall apply to funds authorized to be appropriated to carry out this section, except as determined by the Secretary to be inconsistent with this section and except that sums authorized by this section shall remain available until expended.".

(b) STUDY.—The Secretary shall conduct a study to collect and analyze data from trauma centers regarding differences in injuries, medical costs, payor mix, and unreimbursed costs of restrained and unrestrained, helmeted and non-helmeted victims of motor vehicle and motorcycle crashes. Of the amounts authorized to be appropriated for fiscal year 1992 to carry out the requirements of this section, not less than $5,000,000 shall be available to carry out this subsection. Public education and information activities in support of State and community motorcycle safety and safety belt programs shall be eligible for funds authorized to be appropriated for this study. Approval by the Secretary of Transportation of the payment of such sums shall establish a contractual obligation of the United States to pay such sums.

(c) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall issue regulations to carry out section 153 of title 23, United States Code.

(d) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking "Sec. 153. [Repealed.] and inserting in lieu thereof "Sec. 153. Use of Safety Belts and Motorcycle Helmets.".

SEC. 123. CREDIT FOR NON-FEDERAL SHARE.

(a) ELIGIBILITY.—A State may use as a credit toward the non-Federal matching share requirement for all programs under this Act and title 23, United States Code, those funds that are generated and used by public, quasi-public and private agencies to build, improve, or maintain transportation infrastructure that serves the public purpose of interstate commerce. Such public, quasi-public or private agencies shall have built, improved, or maintained such transportation infrastructure without Federal funds

(b) MAINTENANCE OF EFFORT.—The credit for any non-Federal share shall not reduce nor replace State monies required to match Federal funds for any program pursuant to this Act or title 23, United States Code. In receiving a credit for non-Federal capital expenditures under this section, a State shall enter into such agreements as the Secretary may require to ensure that such State will maintain its non-Federal transportation capital expenditures at or above the average level of such expenditures for the preceding three fiscal years.

(c) TREATMENT.—Use of such credit for a non-Federal share shall not expose such agencies from which the credit is received to additional liability, additional regulation or additional administrative oversight. When credit is applied from chartered multi-State agencies, such credit shall be applied equally to all charter States. The public, quasi-public, and private agencies from which the credit for which the non-Federal share is calculated shall not be subject to any additional Federal design standards, laws or regulations as a result of providing non Federal match other than those to which such agency is already subject.

SEC. 124. ACQUISITION OF RIGHTS-OF-WAY.

(a) RIGHT-OF-WAY REVOLVING FUND.—Section 108(c)(3) of title 23, United States Code, is amended by striking out "ten" and inserting in lieu thereof "twenty".

(b) EARLY ACQUISITION OF RIGHTS-OF-WAY.—Section 108 of title 23, United States Code, is further amended by adding subsection (d) as follows:

"(d) EARLY ACQUISITION OF RIGHTS-OF-WAY.—Federal funds may be used to participate in payment of the costs incurred by a State for the acquisition of rights-of-way, acquired in advance of any Federal approval or authorization, which are subsequently incorporated into a project, and the costs incurred by the State for the acquisition of land necessary to preserve environmental and scenic values. The Federal share payable of the costs shall be eligible for reimbursement out of funds apportioned to the State when the rights-of-way acquired are incorporated into a project eligible for surface transportation funds, if the State demonstrates to the Secretary that—

"(1) any land acquired, and relocation assistance provided complied with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended;

"(2) title VI, of the Civil Rights Act of 1964 has been complied with;

"(3) the State has a mandatory comprehensive and coordinated land use, environment, and transportation planning process under State law and that the acquisition is certified by the Governor as consistent with the State plans prior to the acquisition;

"(4) the acquisition is determined in advance by the Governor to be consistent with the State transportation planning process pursuant to section 135 of this Act;

"(5) the alternative for which the right-of-way was acquired was selected by the State pursuant to regulations to be issued by the Secretary, which provide for the consideration of the environmental impacts of various alternatives;

"(6) prior to the time that the cost incurred by a State is approved for Federal participation, environmental compliance pursuant to the National Environmental Policy Act has been completed for the project for which the right-of-way was acquired by the State, and the acquisition has been approved by the Secretary under this Act, and in compliance with section 4(f) of the Department of Transportation Act, section 7 of the Endangered Species Act, and other environmental laws as identified by the Secretary in regulations; and

"(7) prior to the time that the cost incurred by a State is approved for Federal participation, both the Secretary and the Administrator of the Environmental Protection Agency have concurred that the property acquired under this section did not influence the environmental assessment of the project, including the decision relative to the need to construct the project or the selection of the specific location.".

(c) CONFORMING AMENDMENTS.—Section 108 of title 23, United States Code, is further amended—

(1) in subsection (a), by striking out "on any of the Federal-aid highway systems, including the Interstate System," each of the two places it appears;

(2) in subsection (c)(2), by striking "on any Federal-aid system"; and

(3) in subsection (c)(3) by striking "on the Federal-aid system of which such project is to be a part".

SEC. 125. TRANSPORTATION IN PARKLANDS.

(a) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Secretary, in consultation with the Secretary of the Interior, shall submit to the Congress a study of alternative transportation modes for use in the National Park System. Such study shall consider the economic and technical feasibility, environmental effects, projected costs and benefits as compared to the costs and benefits of existing transportation systems, and general suitability of transportation modes that would provide efficient and environmentally sound ingress to and egress from National Park lands. Such study shall also consider methods to obtain private capital for the construction of such transportation modes and related infrastructure.

(b) AUTHORIZATION OF APPROPRIATIONS.—From within the sums authorized to be appropriated for subsection 202(d) of title 23, United States Code, $300,000 shall be made available to carry out this section.

SEC. 126. TRAFFIC CONTROL STANDARDS.

The Secretary shall revise the Manual of Uniform Traffic Control Devices to include—

(a) a standard for a minimum level of retroreflectivity that must be maintained for pavement markings and signs, which shall apply to all roads open to public travel;

(b) a standard to define the roads that must have a center line or edge lines or both, provided that in setting such standard the Secretary shall consider the functional classification of roads, traffic volumes, and the number and width of lanes.

SEC. 127. USE OF RUBBER-MODIFIED ASPHALT.

(a) Beginning on the date four years after the date of enactment of this Act, the Secretary shall make no grant to any State under title 23, United States Code, other than for projects or grants for safety where the Secretary determines that the principal purpose of the project is an improvement in safety that will result in a significant reduction in or avoidance of accidents, for any year unless the State shall have submitted to the Secretary a certification that not less than 10 per centum of the asphalt pavement laid in the State in such year and financed in whole or part by such grants shall be rubber-modified asphalt pavement. The Secretary may establish a phase-in period for the requirements established by this section, if the Secretary determines that such phase-in period is necessary to establish production and application facilities for rubber-modified asphalt pavement. Such phase-in period shall not extend beyond the date eight years after the date of enactment of this section. The Secretary may increase the percentage of rubber-modified asphalt pavement to be used in Federally-assisted highway projects to the extent it is technologically and economically feasible and if an increase is appropriate to assure markets for the reuse and recycling of waste tires.

(b) The Secretary may set aside the provisions of this section for any three-year period on a determination, made in concurrence with the Administrator of the Environmental Protection Agency with respect to paragraphs (1) and (2), that there is reliable evidence indicating—

(1) that techniques for mixing and applying rubber modified asphalt pavement substantially increase risks to human health or the environment as compared to the risks associated with mixing and applying conventional pavement;

(2) that rubber-modified asphalt pavement cannot be recycled to the same degree as conventional pavement; or

(3) that rubber-modified asphalt pavement does not perform satisfactorily as a material for the construction or surfacing of highways and roads.

(c) Any determination made to set aside the requirements of this section may be renewed for an additional three-year period by the Secretary, with the concurrence of the Administrator with respect to determinations made under subsections (b)(1) and (b)(2). Any determination made with respect to subsection (b)(3) may be made for specific States or regions considering climate, geography and other factors that may be unique to the State or region.

(d) The Secretary shall establish a rubber-modified asphalt pavement utilization percentage of less than 10 per centum in a particular State, upon the request of such State and with the concurrence of the Administrator of the Environmental Protection Agency, if the Secretary determines that there is not a sufficient quantity of waste tires available prior to disposal in the State to meet the 10 per centum requirement established by subsection (a) and each of the other recycling and processing uses, including retreading, for which waste tires are required.

(e) The Secretary may grant a State credit toward the requirement that 10 per centum of the asphalt pavement used in Federally-assisted highway projects in the State be rubber modified asphalt pavement for volumes of rubber-modified pavement used in other road and construction projects and for asphalt pavement containing rubber at rates less than 60 pounds per ton, provided that the total amount of rubber used in asphalt pavement containing rubber in the State in any year is at least equivalent to the amount that would be used if 10 per centum of the pavement used in Federally-assisted highway projects was rubber-modified asphalt pavement.

(f) For purposes of this section—

(1) the term 'process' means the utilization of tires to reclaim material or energy value;

(2) the term 'recycle' means to process waste tires to produce usable materials other than fuels;

(3) the term 'rubber-modified asphalt pavement' means asphalt pavement averaging not less than 60 pounds of crumb rubber or other tire-derived material for each ton of finished product and may be formulated from hot mix or cold mix processes for use in base or surface applications.

SEC. 128. RIGHT-OF-WAY REVOLVING FUND.

Section 108 of title 23, United States Code, is amended—

(a) in subsection (a) by striking out "on any of the Federal-aid highway systems, including the Interstate System" in each of the two places it appears; by striking out "State highway department" in each of the two places it appears and inserting in lieu thereof "State transportation department"; and by inserting "or passenger rail facility" after "road"; and

(b) in subsection (c) by inserting "and passenger rail facilities" after "highways" in paragraph (2); by striking "on any Federal-aid system" in paragraph (2); by striking "State highway department" and inserting in lieu thereof "State transportation department" in paragraph (2); by inserting "or passenger rail facility" after "highway" in each of the two places it appears in paragraph (3); and by striking "on the Federal-aid system of which such project is to be a part" in paragraph (3).

SEC. 129. SCENIC AND HISTORIC HIGHWAYS.

There is hereby created a National Scenic and Historic Byways Program, and an Office of Scenic and Historic Byways within the Federal Highway Administration, which Office shall administer the program. The Office shall provide technical assistance to the States and shall provide grants for the planning, design and development of State scenic byway programs. The Secretary, in consultation with the Secretaries of Agriculture, Interior, and Commerce, and other interested parties, shall establish criteria for roads to be designated as part of an All American Roads program. The Secretary shall designate the roads to be included in the All American Roads program. Roads considered for such designation shall be nominated by the States and Federal agencies. For all State owned roads nominated by Federal agencies, the State shall concur in the nomination. The sum of $5 million per year is authorized to be appropriated for the purposes of carrying out this section. The Secretary shall establish criteria for allocating such funds to the States.

SEC. 130. NATIONAL HIGHWAY SYSTEM.

Within two years of the date of enactment of this Act, the Secretary shall submit to the Congress a proposal for a National Highway System to provide an intercontinental system of principal arterial routes which will serve major population centers, ports, airports, international border crossings, and other major travel destinations; meet national defense requirements; and serve interstate and interregional travel. The National Highway System shall consist of highways on the Interstate system and other specified urban and rural principal arterials, including toll facilities.

SEC. 131. DEFINITIONS.

(a) NEW DEFINITIONS.—Section 101(a) of title 23, United States Code, is amended adding definitions for "carpool project", "hazard elimination", "magnetic levitation system", "metropolitan area", "open to public travel", "operational improvement", "public authority", "public lands highway", "railway-highway crossing", "reconstruction", and "transportation enhancement activities" as follows:

"The term 'carpool project' means any project to encourage the use of carpools and vanpools, including but not limited to provision of carpooling opportunities to the elderly and handicapped, systems for locating potential riders and informing them of carpool opportunities, acquiring vehicles for carpool use, designating existing highway lanes as preferential carpool highway lanes, providing related traffic control devices, and designating existing facilities for use for preferential parking for carpools.

"The term 'hazard elimination' means the correction or elimination of hazardous locations, sections or elements, including roadside obstacles and unmarked or poorly marked roads which may constitute a danger to motorists, bicyclists or pedestrians.

"The term 'magnetic levitation system' means any facility (including vehicles) using magnetic levitation for transportation of passengers or freight that is capable of operating at high speeds, and capable of operating along Interstate highway rights of way.".

"The term metropolitan area means an area so designated pursuant to section 134.".

"The term 'open to public travel' means that the road section is available, except during scheduled periods, extreme weather or emergency conditions, passable by four-wheel standard passenger cars, and open to the general public for use without restrictive gates, prohibitive signs, or regulations other than restrictions based on size, weight, or class of registration. Toll plazas of public toll roads are not considered restrictive gates."

"The term 'operational improvement' means a capital improvement other than (1) a reconstruction project; (2) additional lanes except high occupancy vehicle lanes; (3) interchange and grade separations; or (4) the construction of a new facility on a new location. The term includes the installation of traffic surveillance and control equipment; computerized signal systems; motorist information systems, integrated traffic control systems; incident management programs; transportation demand management facilities, strategies, and programs; high occupancy vehicle preferential treatments including the construction of high occupancy vehicle lanes; and spot geometric and traffic control modifications to alleviate specific bottlenecks and hazards."

"The term 'public authority' means a Federal, State, county, town, or township, Indian tribe, municipal or other local government or instrumentality with authority to finance, build, operate or maintain toll or toll-free facilities.

"The term 'public lands highway' means a forest road under the jurisdiction of and maintained by a public authority and open to public travel, or any highway through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations under the jurisdiction of and maintained by, a public authority and open to public travel.

"The term 'railway-highway crossing project' means any project for the elimination of hazards of railway-highway crossings, including the protection or separation of grades at crossings, the reconstruction of existing railroad grade crossing structures, and the relocation of highways to eliminate grade crossings.

"The term 'reconstruction' means the addition of travel lanes and the construction and reconstruction of interchanges and over crossings, including acquisition of right-of-way where necessary.

"The term 'transportation enhancement activities' means, with respect to any project or the area to be served by the project, highway safety improvement projects other than repaving projects, railway-highway crossing projects, provision of facilities for pedestrians and bicycles, acquisition of scenic easements and scenic or historic sites, scenic or historic highway programs, landscaping and other scenic beautification, historic preservation, rehabilitation and operation of historic transportation buildings, structures or facilities including historic railroad facilities and canals, preservation of abandoned railway corridors including the conversion and use thereof for pedestrian or bicycle trails, control and removal of outdoor advertising, archaeological planning and research, and mitigation of water pollution due to highway runoff.

(b) CONFORMING AMENDMENTS.—

(1) The definition for "highway" is amended by inserting "scenic easements" after "and also includes".

(2) The definitions for "Federal-aid highways", "Federal-aid system", "Federal-aid primary system", "Federal-aid secondary system", "Federal-aid urban system", "forest highway", "project", and "urban area" are repealed.

(3) The definition for "Indian reservation roads" is amended by striking ", including roads on the Federal-aid systems,".

(4) The definition for "park road" is amended by inserting ", including a bridge built primarily for pedestrian use, but with capacity for use by emergency vehicles," before "that is located in".

Sec. 132. FUNCTIONAL RECLASSIFICATION.

A functional reclassification, which shall be updated periodically, should be undertaken by each State (as that term is defined in section 101 of title 23, United States Code), the United States Virgin Islands, American Samoa, Guam and the Commonwealth of the Northern Mariana Islands, by September 30, 1992, and shall be completed by September 30, 1993 in accordance with guidelines that will be issued by the Secretary. The functional reclassification shall classify all public roads (as that term is defined in section 101 of title 23, United States Code).

Sec. 133. REPEAL OF CERTAIN SECTIONS OF Title 23, UNITED STATES CODE.

(a) The following portions of title 23, United States Code, are hereby repealed, including the chapter analyses relating thereto:

(1) Section 105, relating to programs;

(2) Section 117, relating to certification acceptance;

(3) Section 122, relating to bond retirement;

(4) Section 126, relating to diversion of funds;

(5) Section 137, relating to parking facilities;

(6) Section 146, relating to carpools;

(7) Section 147, relating to priority primary projects;

(8) Section 148, relating to a national recreational highway;

(9) Section 150, relating to urban system funds;

(10) Section 152, relating to hazard elimination;

(11) Section 155, relating to lake access highways;

(12) Section 201, relating to authorizations;

(13) Section 210, relating to defense access roads;

(14) Section 212, relating to the Inter-American Highway;

(15) Section 216, relating to the Darien Gap Highway;

(16) Section 218, relating to the Alaska Highway;

(17) Section 309, relating to foreign countries;

(18) Section 310, relating to civil defense;

(19) Section 311, relating to strategic highway improvements;

(20) Section 312, relating to military officers;

(21) Section 318, relating to highway relocation; and

(22) Section 320, relating to bridges on Federal dams.

SEC. 134. CONFORMING AND TECHNICAL AMENDMENTS.

(a) AMENDMENTS TO TITLE 23, UNITED STATES CODE.—Title 23, United States Code, is amended as follows:

(1) Section 103 is amended as follows:

(A) Subsections (a), (b), (c), (d), and (g) are repealed.

(B) Paragraph (e)(1) is amended by striking "All highways or routes included in the Interstate System as finally approved, if not already coincident with the primary system, shall be added to said system without regard to the mileage limitation set forth in subsection (b) of this section.".

(C) Paragraph (e)(4)(B) is amended by striking the last two sentences and inserting instead "Each highway project constructed under this paragraph shall be subject to the provisions of this title applicable to highway projects constructed under the Surface Transportation Program."

(D) Paragraph (e)(4)(E)(i) is amended by striking "for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year" and by inserting in lieu thereof "until expended".

(E) Paragraphs (e)(4)(H)(i) and (e)(4)(H)(iii) are amended by striking "and 1991" the three places it appears and inserting instead "1991, 1992, 1993, 1994 and 1995".

(F) Subsection (f) is amended to read as follows: "(f) The Secretary shall have authority to approve in whole or in part the Interstate System, or to require modifications or revisions thereof."

(2) Section 104 is amended as follows:

(A) Subsection (b)(6) is repealed.

(B) Subsections (c) and (d) are repealed.

(3) Section 106 is amended as follows:

(A) Subsection (a) is amended by striking "117" and inserting instead "133".

(B) Subsection (b) is repealed.

(C) Subsection (d) is amended by striking "on any Federal-aid System".

(4) Section 109 is amended as follows:

(A) Subsection (a) is amended by striking "on any Federal-aid system".

(B) Subsection (c) is repealed.

(C) Subsection (i) is amended by striking "on a Federal-aid system" and "on any Federal-aid system"; and by striking "the Federal-aid system on which such project will be located".

(D) Paragraph (l)(1) is amended by striking "on any Federal-aid system".

(5) Section 112 is amended by striking subsection (f).

(6) Section 113 is amended—

(A) by striking "on the Federal-aid systems, the primary and secondary, as well as their extensions in urban areas, and the Interstate System,";

(B) by striking "upon the Federal-aid systems,"; and

(C) by striking "on any of the Federal-aid systems".

(7) Section 114 is amended as follows:

(A) Subsection (a) is amended by (1) striking "located on a Federal-aid system" and inserting instead "constructed under this chapter" and (2) striking "117" and inserting "133".

(B) Paragraph (b)(3) is amended by striking "located on a Federal-aid system" and inserting instead "under this chapter".

(8) Section 115 is amended as follows:

(A) The title of subsection (a) is amended by striking "Urban, Secondary," and inserting instead "Surface Transportation Program,".

(B) Subparagraph (a)(1)(A)(i) is amended by striking "section 104(b)(2), section 104(b)(6)" and inserting instead "section 104(b)(1)".

(C) The title of subsection (b) is amended by striking "And Primary".

(D) Paragraph (b)(1) is amended (i) by striking "the Federal-aid primary system or"; (ii) by striking "104(b)(1) or"; and (iii) by striking ", as the case may be,".

(9) Section 116 is amended as follows:

(A) Subsection (a) is amended by striking "The State's obligation to the United States to maintain any such project shall cease when it no longer constitutes a part of a Federal-aid system."

(B) Subsection (b) is amended by striking "on the Federal-aid secondary system, or within a municipality," and inserting instead "within a county or municipality".

(10) Section 120 is amended as follows:

(A) Subsection (c) is amended by striking the last sentence.

(B) Subsection (f) is amended by striking "project on a Federal-aid highway system, including the Interstate System, shall not exceed the Federal share payable on a project on such system as provided in subsections (a) and (c) of this section" and inserting instead "project on the Interstate System shall not exceed the Federal share payable on a project on that system as provided in subsection (c) of this section and any project off the Interstate System shall not exceed the Federal share payable as provided in subsection (a) of this section".

(C) Subsection (k) is amended by striking "for any Federal-aid system" and inserting instead "under section 104"; by striking ", and 155 of this title and for those priority primary routes under section 147"; and by striking "and for funds allocated under the provisions of section 155".

(D) Subsection (m) is repealed.

(11) Section 121(c) is amended by inserting "For projects obligated under section 106" in two places before the word "No"; and by striking "located on a Federal-aid system".

(12) Section 123 is amended by striking "on any Federal-aid system".

(13) Section 124 is amended by striking "of the Federal-aid systems" and inserting in lieu thereof "public roads or bridges except roads functionally classified as local or rural minor collector".

(14) Section 125 is amended as follows:

(A) Subsection (b) is amended (i) by striking "highways on the Federal-aid highway systems, including the Interstate System" and inserting instead "public roads except roads functionally classified as local or rural minor collector" and (ii) by striking "authorized on the Federal-aid highway systems, including the Interstate System" and inserting instead "authorized on public roads except roads functionally classified as local or as rural minor collector".

(B) Subsection (c) is amended by striking ", whether or not such highways, roads, or trails are on any of the Federal-aid highway systems".

(15) Section 130 is amended by striking subsections (a), (e), (f) and (h), and by renumbering the remaining sections accordingly.

(16) Section 139 is amended as follows:

(A) Subsection (a) is amended (i) by striking "on the Federal-aid primary system"; (ii) by striking "sections 104(b)(1) and" and inserting instead "section"; and (iii) by striking "rehabilitating and reconstructing" and inserting instead "and rehabilitating".

(B) Subsection (b) is amended (i) by striking "on the Federal-aid primary system"; (ii) by striking "sections 104(b)(1) and" and inserting instead "section"; (iii) by striking "rehabilitating and reconstructing" and inserting instead "and rehabilitating"; and (iv) by striking "section" in the last sentence and inserting instead "subsection".

(C) Subsection (c) is amended (i) by striking "on the Federal-aid primary system"; (ii) by striking "sections 104(b)(1) and" and inserting instead "section"; and (iii) by striking "restoration, and reconstruction" and inserting instead "and restoration".

(17) Section 140 is amended as follows:

(A) Subsection (a) is amended by striking "on any of the Federal-aid systems,".

(B) Subsection (c) is amended by striking "104(a)" and inserting instead "104(b)".

(18) Section 141(b) is amended by striking "on the Federal-aid primary system, the Federal-aid urban system, and the Federal-aid secondary system" and inserting instead "on public roads except roads functionally classified as local or rural minor collector".

(19) Section 157 is amended as follows:

(A) Subsection (b) is amended (i) by striking "primary, secondary, Interstate, urban" and inserting instead "Interstate, Surface Transportation Program" and (ii) by striking the period at the end of the last sentence and inserting instead "and section 104(a) of the Surface Transportation Efficiency Act of 1991.". (B) Subsection (d) is amended by striking "154(f) or".

(20) Paragraph (a)(2) of section 158 is amended by striking "104(b)(2), 104(b)(5), and 104(b)(6)" and inserting instead "and 104(b)(5)".

(21) Section 215 is amended as follows:

(A) Clause (2) of subsection (c) is amended by inserting at the beginning "except as provided in section 129".

(B) Subsection (e) is repealed.

(C) Subsection (f) is amended by (1) striking "federal-aid primary highway" and inserting instead "Surface Transportation Program" and by (2) striking "and provisions limiting the expenditure of such funds to the Federal-aid systems".

(22) Section 217 is amended as follows:

(A) Subsection (a) is amended by striking ", (2) and (6)", and by striking "paragraphs" and inserting in lieu thereof "paragraph".

(B) Subsection (b) is amended by striking ", (2) and (6)", and by striking "paragraphs" and inserting in lieu thereof "paragraph".

(23) Section 302(b) is amended by striking ", for the construction of projects on the Federal-aid secondary system, financed with secondary funds, and for the maintenance thereof".

(24) Section 304 is amended by striking "the Federal-aid highway systems, including the Interstate System" and inserting instead "Federal-aid highways".

(25) Section 315 is amended by striking "sections 204(d), 205(a), 206(b), 207(b), and 208(c)" and inserting instead "section 205(a)".

(26) Section 317(d) is amended by striking "on a Federal-aid system" and inserting instead "with Federal aid".

(27) Subsection (d) of section 402 is amended (A) by striking "Federal-aid primary highway" and inserting instead "Surface Transportation Program" and (B) by striking "and provisions limiting the expenditure of such funds to the Federal-aid system".

(28) Subsection (g) of section 408 is amended (A) by striking "Federal-aid primary highway" and inserting instead "Surface Transportation Program" and (B) by striking "and provisions limiting the expenditure of such funds to Federal-aid systems".

(b) AMENDMENTS TO THE HIGHWAY SAFETY ACT OF 1978.—Subsection (i) of section 209 of the Highway Safety Act of 1978 is amended by (1) striking "Federal-aid primary highway" and inserting instead "Surface Transportation Program" and by (2) striking "and provisions limiting the expenditure of such funds to the Federal-aid systems".

(c) AMENDMENTS TO THE SURFACE TRANSPORTATION ASSISTANCE ACT OF 1982.—(1) Section 411 of the Surface Transportation Assistance Act of 1982 is amended as follows:

(A) Subsection (a) is amended by striking "Federal-aid Primary System highways" and inserting instead "highways which were designated as Federal-aid primary system highways before the enactment of the Surface Transportation Efficiency Act of 1991".

(B) Subsection (c) is amended by striking "Federal-aid Primary System highways" and inserting instead "highways which were designated as Federal-aid Primary System highways before the enactment of the Surface Transportation Efficiency Act of 1991".

(C) Subsection (e) is amended by striking "Federal-aid Primary System highways" and "Primary System highways" and inserting instead in two places "highways which were designated as Federal-aid Primary System highways before the enactment of the Surface Transportation Efficiency Act of 1991".

(2) Section 412(a) of the Surface Transportation Assistance Act of 1982 is amended by striking "Federal-aid Primary System highways" and inserting instead "highways which were designated as Federal-aid Primary System highways before the enactment of the Surface Transportation Efficiency Act of 1991".

(3) Section 416 of the Surface Transportation Assistance Act of 1982 is amended as follows:

(A) Subsection (a) is amended by striking "Federal-aid highway" in two places and inserting instead "highway which was on a Federal-aid system on the date of the enactment of the Surface Transportation Efficiency Act of 1991"; and by striking "Federal-aid Primary System highway" and inserting instead "highway which was on the Federal-aid Primary System on the date of enactment of the Surface Transportation Efficiency Act of 1991".

(B) Subsection (d) is amended by striking "Federal-aid highway" and inserting instead "highway which was on a Federal-aid system on the date of the enactment of the Surface Transportation Efficiency Act of 1991".

(d) AMENDMENTS TO TITLE 42, UNITED STATES CODE.—Section 5122(8)(B) of title 42, United States Code, is amended by striking "any non-Federal-aid street, road or highway" and inserting instead "any street, road or highway not eligible for emergency relief under title 23, United States Code.".

(e) OPERATION LIFESAVER.—Whenever apportionments are made under section 104(a) of title 23, United States Code, the Secretary shall deduct such sums as the Secretary deems necessary, not to be less than $250,000 per fiscal year, for carrying out Operation Lifesaver.

(f) TECHNICAL CORRECTION TO PUBLIC LAW 101–516.—Section 333 of Public Law 101–516 is amended by—

(1) inserting the following after "SEC. 333.":

"Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"159. Revocation or suspension of the driver's license of individuals convicted of drug offenses.

"(a)(1)"; and

(2) by striking the second sentence of such section.

SEC. 135. RECODIFICATION.

The Secretary shall, by October 1, 1993, prepare a recodification of title 23, United States Code, related Acts and statutes and submit the recodification to the Congress for consideration.

SEC. 136. TIMBER BRIDGE AND TIMBER RESEARCH PROGRAM.

(a) The Secretary of Transportation is hereby authorized to establish a Timber Bridge Construction Discretionary Grant Program.

(1) Of the amount authorized per fiscal year for each of the fiscal years 1992, 1993, 1994, 1995, and 1996 by section 103(b)(3) of the Surface Transportation Efficiency Act of 1991 (relating to the bridge program), $5,000,000 shall be available for obligation at the discretion of the Secretary for such program. The Federal share payable on any bridge construction project carried out under this section shall be 80 per centum of the cost of such construction.

(2) States may submit applications for construction grants in such form as required by the Secretary, who shall select and approve such grants based on the following criteria:

(A) bridge design shall have both initial and long term structural and environmental integrity;

(B) bridge design should utilize timber species native to the State or region;

(C) innovative design should be utilized that has the possibility of increasing knowledge, cost effectiveness, and future use of such design; and

(D) environmental practice for preservative treated timber should be utilized and construction techniques which comply with all environmental regulations.

(b) The Secretary of Transportation is hereby authorized to establish a Program of Research on Wood Use in Transportation Structures.

(1) Of the amount authorized per fiscal year for each of the fiscal years 1992, 1993, 1994, 1995, and 1996 by section 103(b)(10) of the Surface Transportation Efficiency Act of 1991 (relating to Federal Highway Administration Research Programs), $1,000,000 shall be available for obligation at the discretion of the Secretary for such program. The Federal share payable on any research grant shall be 100 per centum.

(2) The Secretary of Transportation, through the Federal Highway Administra-

tion, may make grants to, or contract with States, other Federal agencies, universities, private businesses, nonprofit organizations, and any research or engineering entity for research on any one of the following areas:

(A) timber bridge systems which involve development of new, economical bridge systems;

(B) development of engineering design criteria for structural wood products which improve methods for characterizing lumber design properties;

(C) preservative systems which demonstrate new alternatives, and current treatment processes and procedures optimized for environmental quality in the application, use and disposal of treated wood.

(D) alternative transportation system timber structures demonstrating the development of applications for railing, sign, and lighting supports, sound barriers, culverts, retaining walls in highway applications, docks, fresh and salt water marine facilities and railway bridges; and

(E) rehabilitation measures which demonstrate effective, safe, reliable methods for rehabilitating existing structures.

(3) The Secretary, through the Federal Highway Administration, shall assure that the information and technology resulting from research is transferred to State and local transportation departments and other interested parties.

SEC. 137. VISUAL POLLUTION CONTROL.

(a) Section 131 of title 23, United States Code, is amended as follows:

(1) In subsection (a) by striking "the primary system" and inserting in lieu thereof "those connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary";

(2) In subsection (b)—

(A) by striking "the primary system" in two places and inserting in lieu thereof in each place "those connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary";

(B) by striking "shall be reduced" and inserting in lieu thereof "may be reduced"; and

(C) by striking the words "equal to 10" in the second to last sentence, by inserting in lieu thereof "up to 5", and by striking the last sentence;

(3) In subsection (c)—

(A) by striking "the primary system" and inserting in lieu thereof "those connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary";

(B) by striking "(c)" and inserting in lieu thereof "(c)(1)" and redesignating clauses 1 through 5 as clauses A through E; and

(C) by inserting at the end thereof the following new paragraphs—

"(2) As part of effective control, each State shall maintain an annual inventory of all outdoor advertising signs, displays, and devices required to be controlled pursuant to this section. Such inventory shall identify all such signs as either illegal, nonconforming, or conforming under State law.

"(3) As part of effective control, each State shall assure that signs, displays, and devices required to be removed by this section shall be removed within ninety days of (A) the date upon which they become unlawful or if not unlawful the date upon which they must be removed pursuant to State or local law, or (B), if eligible to receive cash compensation pursuant to this section or to be authorized, the date upon which cash compensation is paid, or the State or local amortization period ends.

"(4) As part of effective control, no State may allow or undertake any vegetation removal or other alteration of the highway right-of-way with the purpose of improving the visibility of any outdoor advertising sign, display, or device located outside the right-of-way.

"(5) As part of effective control, no State may permit any person to modify any outdoor advertising sign, display, or device which does not conform to subsection (c) or (d) of this section to improve its visibility or to prolong its useful life.".

(4) In subsection (d)—

(A) by striking "and primary systems" and inserting in lieu thereof "System and those connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary";

(B) by striking "(d)" and inserting in lieu thereof "(d)(1)"; and

(C) by adding at the end the following:

"(2) After October 1, 1991, no new signs, displays or devices may be erected under the authority of this subsection. Any sign, display or device lawfully erected under State law after October 1, 1991, and prior to the effective date of this section shall be treated as nonconforming.";

(5) In subsection (e) by amending subsection (e) to read as follows'

"(e) The Secretary shall not require a State to remove any lawfully erected sign, display, or device, or device which does not conform to this section and is lawfully in existence on the date which this section becomes effective. Nothing in this subsection shall prevent a State from removing any sign, display, or device.";

(6) In subsection (f) by striking "the primary system" and inserting in lieu thereof "those connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary";

(7) In subsection (g) by amending subsection (g) to read as follows:

"(g)(1) The Secretary may participate in the costs incurred by the State for the following:

"(A) physically removing signs, displays, or devices that are located in areas required to be effectively controlled by this section and are illegal under State law or that are required by this section to be removed and that were lawfully erected and have been lawfully maintained under State law.

"(B) acquiring signs, displays, or devices that are required by this section to be removed and that were lawfully erected and have been lawfully maintained under State law; and

"(2) Payments made to a State by the Secretary may be made for the removal or acquisition of signs, displays, or devices located in areas adjacent to connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary and the Interstate System from funds apportioned to such State under sections 104(b)(1) and 104(b)(5) of this title. For the removal or acquisition of signs, displays, or devices, the Federal share of any costs participated in under this subsection shall not exceed that set forth in section 120(a) for those adjacent to connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary and that set forth in section 120(c) for those adjacent to the Interstate System.

"(3) After September 30, 1991, a State may use to carry out this section in any fiscal year not to exceed 3 per centum of funds apportioned in such fiscal year to such State for the Federal-aid Interstate and the Surface Transportation Program.

"(4) A sign, display, or device acquired with funds made available pursuant to this section may be disposed of by sale or other means to a private party only if the State receives satisfactory written assurances that the material will not be used to construct or reconstruct any outdoor advertising sign, display, or device.";

(8) In subsection (h)—

(A) by striking "the primary system" and inserting in lieu thereof "those connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas as designated by the Secretary";

(B) by striking "(h)" and inserting in lieu thereof "(h)(1)"; and

(C) by adding at the end the following new paragraph:

"(2) No outdoor advertising sign, display, or device shall be permitted by any Federal agency on all public lands or reservations, excluding Indian lands and reservations, owned or controlled by the United States, unless such sign, display, or device conforms to regulations issued by the Federal agency with jurisdiction over, or responsibility for, such land. Such regulations shall be at least as stringent as the requirements of this section and the requirements of the State in which the land is located. The regulations required by this paragraph shall be developed in consultation with the Secretary of Transportation and shall be promulgated within twelve months of the date of enactment of the Surface Transportation Efficiency Act of 1991.";

(9) In subsection (i) by striking "for a highway project on that Federal-aid system to be served by such center or system" and inserting in lieu thereof "(c) for a center or system serving the Interstate System and section 120(a) for a center or system serving public roads off the Interstate System";

(10) In subsection (k)—

(A) by striking the words "Subject to compliance with subsection (g) of this section for the payments of just payments of just compensation, nothing" and inserting in place thereof the word "Nothing"; and

(B) by striking "on the Federal-aid highway systems";

(11) In subsection (m) by striking "Federal-aid primary highway" and inserting in lieu thereof "Surface Transportation Program";

(12) By repealing subsections (n) and (p).

(13) In subsection (f) by striking the period at the end of the first sentence and inserting in lieu thereof "giving priority for using these signs to local, non-franchised businesses.

(14) In subsection (f) by striking the period at the end of the second sentence and inserting in lieu thereof "giving priority for using these signs to local, non-franchised businesses."

(b) On a date no later than one year from the date of enactment of the Surface Transportation Efficiency Act of 1991, the Department of Transportation shall promulgate uniform national regulations to implement this section.

(c) The amendments made by this section shall be effective upon the date of enactment of the Surface Transportation Efficiency Act of 1991: *Provided*, That any amendment which a State cannot implement without legislation shall be effective upon the date of enactment of the Surface Transportation Efficiency Act of 1991 or the end of the first regular legislative session in such State which is commenced after the date of enactment of this section, whichever is later.

SEC. 138. GROSS VEHICLE WEIGHT RESTRICTION.

(a) The fourth sentence of subsection 127(a) of title 23, is amended by adding after "thereof" the following: ", other than vehicles or combinations subject to subsection (d) of this section,".

(b) Gross Vehicle Weight.—Section 127 of title 23, United States Code, is amended by adding a new subsection (d), to read as follows:

"(d)(1) A longer combination vehicle may continue to operate if and only if the Secretary of Transportation determines that the particular longer combination vehicle configuration was authorized by State officials pursuant to State statute or regulation conforming to this section and in actual, continuing lawful operation on or before June 1, 1991, or pursuant to section 335 of Public Law 101-516. All such operations shall continue to be subject to, at the minimum, all State statutes, regulations, limitations and conditions, including, but not limited to routing-specific and configuration-specific designations and all other restrictions, in force on June 1, 1991. Nothing in this subsection shall prevent any State form further restricting in any manner or prohibiting the operation of longer combination vehicles otherwise authorized under this subsection, except that such restrictions or prohibitions shall be consistent with the requirements of sections 2311, 2312, and 2316 of title 49, U.S.C. App. Any State further restricting or prohibition" the operations of longer combination vehicles shall, within 30 days, advise the Secretary of Transportation of such action and the Secretary shall publish a notice of such action in the Federal Register.

"(2) Within sixty days of the date of enactment of this Act, the Secretary shall publish in the Federal Register a complete list of those State statutes and regulations and of all limitations and conditions, including, but not limited to routing-specific configuration-specific designations and all other restrictions, governing the operation of longer combination vehicles otherwise prohibited under this subsection. No statute or regulation shall be included on the list published by the Secretary merely on the grounds that it authorized, or could have authorized, by permit or otherwise, the operation of longer combination vehicles, not in actual, continuing operation on or before June 1, 1991. Except as modified pursuant to the fourth sentence of paragraph (1) of this subsection, the list shall become final within a further 60 days after publication in the Federal Register. Longer combination vehicles may not operate on the National System of Interstate and Defense Highways except as provided in the list.

"(3) For purposes of this section, a longer combination vehicle is any combination of a truck tractor and two or more trailers or semi-trailers which operate on the National System of Interstate and Defense Highways at a gross vehicle weight greater than 80,000 pounds.".

SEC. 139. NATIONAL MAXIMUM SPEED LIMIT.

(a) Section 141 of title 23, United States Code, is amended by striking subsection (a).

(b) Section 154 of title 23, United States Code, is amended to read as follows:

"SEC. 154. NATIONAL MAXIMUM SPEED LIMIT.

"(a) Speed Limit.—A State shall not have (1) a maximum speed limit on any public highway within its jurisdiction in excess of 55 miles per hour other than highways on the Interstate System located outside of an urbanized area, (2) a maximum speed limit on any highway within its jurisdiction on the Interstate System located outside of an urbanized area in excess of 65 miles per hour, (3) a maximum speed limit on any highway within its jurisdiction in excess of 65 miles per hour located outside of an urbanized area which is; (A) constructed to Interstate standards in accordance with section 109(b) and connected to an Interstate highway posted at 65 miles per hour; (B) a divided 4-lane fully controlled access highway designed or constructed to connect to an Interstate highway posted at 65 miles per hour and constructed to design and construction standards as determined by the Secretary which provide a facility adequate for a speed limit of 65 miles per hour; or (C) constructed to geometric and construction standards adequate for current and probable future traffic demands and for the needs of the locality and designated by the secretary as part of the Interstate System in accordance with section 139(c) or (4) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly applicable to all types of motor vehicles using that portion of the highway, if on November 1, 1973, that portion of the highway had a speed limit which was uniformly applicable to all types of motor vehicles using it. A lower speed limit may be established for any vehicle operating under a special permit because of any weight or dimension of that vehicle including any load thereon. Clause (4) shall not apply to any portion of a highway, during the time that the condition of the highway, weather, an accident, or other condition creates a temporary hazard to the safety of traffic on that portion of a highway.

"(b) Speed Data.—Each State shall submit to the Secretary speed-related data as the Secretary determines by rule is necessary for each 12-month period ending on September 30. The data shall be collected in accordance with criteria to be established by the Secretary and shall include data on citations and travel speeds on public highways with speed limits posted at or above 55 miles per hour.

"(c) Motor Vehicle Defined.—As used in this section the term "motor vehicle" means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.

"(d) Certification.—Each State shall certify to the Secretary before January 1 of each year that it is enforcing all speed limits on public highways in accordance with this section. The Secretary shall not approve any project under section 106 in any State which has failed to certify in accordance with this subsection. In preparing a certification under this subsection, the State shall consider the speed-related data it submits to the Secretary under subsection (b).".

PART B—NATIONAL RECREATIONAL TRAILS TRUST FUND ACT

SEC. 141. SHORT TITLE.

This Part may be cited as the "National Recreational Trails Trust Fund Act of 1991".

SEC. 142. CREATION OF NATIONAL RECREATIONAL TRAILS TRUST FUND.

(a) In General.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9511. NATIONAL RECREATIONAL TRAILS TRUST FUND.

"(a) Creation of Trust Fund.—There is established in the Treasury of the United States a trust fund to be known as the "National Recreational Trails Trust Fund", consisting of such amounts as may be appropriated, credited, or paid to it as provided in this section, section 9503(c)(6), or section 9602(b).

"(b) Expenditures From Trust Fund.—Amounts in the National Recreational Trails Trust Fund shall be available for making expenditures to carry out the purposes of the National Recreational Trails Fund Act of 1991.".

(b) Deposit of Unrefunded Highway Trust Fund Moneys.— Section 9503(c) of the Internal Revenue Code of 1986 (relating to Highway Trust Fund) is amended—

(1) by adding at the end thereof the following new paragraph:

"(6) Transfers from the trust fund for nonhighway recreational fuel taxes.—

"(A) Transfer to national recreational trails trust fund.—The Secretary shall annually pay from the Highway Trust Fund into the National Recreational Trails Trust Fund amounts (as determined by the Secretary) equivalent to 0.3 per centum of total Highway Trust Fund receipts, as adjusted by the Secretary pursuant to subparagraph (B).

"(B) Adjustment of percentage.—

"(i) First year.—Within one year after the date of enactment of this Act, the Secretary shall, based on studies of nonhighway recreational fuel usage in the various States, adjust the percentage of receipts paid into the National Recreational Trails Trust Fund to correspond to the revenue received from nonhighway recreational fuel taxes.

"(ii) Subsequent years.—Not more frequently than once every 3 years, the Secretary may increase or decrease the percentage established under clause (i) to reflect, in the Secretary's estimation, changes in the amount of revenues received from nonhighway recreational fuel taxes.

"(iii) Amount of adjustment.—The amount of an adjustment in the percentage stated in clause (ii) shall be not more than 10 per centum of that percentage in effect at the time the adjustment is made.

"(iv) Use of data.—The Secretary shall make use of data on off-highway recreational vehicle registrations and use in making adjustments under clauses (i) and (ii).

"(C) Definitions.—For the purposes of this paragraph—

"(i) Nonhighway recreational fuel taxes.—The term "nonhighway recreational fuel taxes" means the taxes under sections 4041, 4081, and 4091 (to the extent attributable to the Highway Trust Fund financing rate) with respect to fuel used as nonhighway recreational fuel.

"(ii) Nonhighway recreational fuel.—The term "nonhighway recreational fuel" means—

"(I) fuel used in vehicles and equipment on recreational trails or back country terrain, including use in vehicles registered for highway use when used on recreational trails, trail access roads not eligible for funding under title 23, United States Code, or back country terrain; and

"(II) fuel used in campstoves and other outdoor recreational equipment."; and (2) by striking paragraph (2)(C) and inserting the following:

"(C) EXCEPTION FOR USE IN AIRCRAFT AND MOTORBOATS, AND AS NONHIGHWAY RECREATIONAL FUEL.—This paragraph shall not apply to amounts estimated by the Secretary as attributable to—

"(i) use of gasoline and special fuels in motorboats or in aircraft, and

"(ii) use of gasoline as nonhighway recreational fuel as defined in paragraph (6)(C)(ii).".

(c) CONFORMING AMENDMENT.—Section 6421(e)(2) of the Internal Revenue Code of 1986 (defining off-highway business use) is amended by adding at the end thereof the following new subparagraph:

"(C) EXCEPTION FOR USE AS NONHIGHWAY RECREATIONAL FUEL.—The term "off-highway business use" does not include any use as nonhighway recreational fuel as defined in section 9503(c)(6)(C)(ii).".

(d) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Sec. 9511. National Recreational Trails Trust Fund.".

SEC. 143. NATIONAL RECREATIONAL TRAILS PROGRAM.

(a) IN GENERAL.—The Secretary, using amounts available in the Fund, shall administer a program allocating moneys to the States for the purposes of providing for and maintaining recreational trails.

(b) STATE ELIGIBILITY.—

(1) TRANSITIONAL PROVISION.—Until the date that is three years after the date of enactment of this Act, a State shall be eligible to receive moneys under this Act only if such State's application proposes to use the moneys as provided in subsection (d).

(2) PERMANENT PROVISION.—On and after the date that is three years after the date of enactment of this Act, a State shall be eligible to receive moneys under this Act only if—

(A) a recreational trail advisory board on which both motorized and non-motorized recreational trail users are represented exists within the State;

(B) in the case of a State that imposes a tax on nonhighway recreational fuel, the State by law reserves a reasonable estimation of the revenues from that tax for use in providing for and maintaining recreational trails; and

(C) the Governor of the State has designated the State official or officials who will be responsible for administering moneys received under this Act; and

(D) the State's application proposes to use moneys received under this Act as provided in subsection (d).

(c) ALLOCATION OF MONEYS IN THE FUND.—

(1) ADMINISTRATIVE COSTS.—No more than 3 per centum of the expenditures made annually from the Fund may be used to pay the cost to the Secretary for—

(A) approving applications of States for moneys under this Act;

(B) paying expenses of the National Recreational Trails Advisory Committee; and

(C) conducting national surveys of nonhighway recreational fuel consumption by State, for use in making determinations and estimations pursuant to this Act.

(2) ALLOCATION TO STATES.—

(A) AMOUNT.—Amounts in the Fund remaining after payment of the administrative costs described in paragraph (1), shall be allocated and paid to the States annually in the following proportions:

(i) EQUAL AMOUNTS.—50 per centum of such amounts shall be allocated equally among eligible States.

(ii) AMOUNTS PROPORTIONATE TO NONHIGHWAY RECREATIONAL FUEL USE.—50 per centum of such amounts shall be allocated among eligible States in proportion to the amount of nonhighway recreational fuel use during the preceding year in each such State, respectively.

(B) USE OF DATA.—In determining amounts of nonhighway recreational fuel use for the purpose of subparagraph (A)(ii), the Secretary may consider data on off-highway vehicle registrations in each State.

(d) USE OF ALLOCATED MONEYS.—

(1) PERMISSIBLE USES.—A State may use moneys received under this Act for—

(A) in an amount not exceeding 7 per centum of the amount of moneys received by the State, administrative costs of the State;

(B) in an amount not exceeding 5 per centum of the amount of moneys received by the State, operation of environmental protection and safety education programs relating to the use of recreational trails;

(C) development of urban trail linkages near homes and workplaces;

(D) maintenance of existing recreational trails, including the grooming and maintenance of trails across snow;

(E) restoration of areas damaged by usage of recreational trails and back country terrain;

(F) development of trail-side and trail-head facilities that meet goals identified by the National Recreational Trails Advisory Committee;

(G) provision of features which facilitate the access and use of trails by persons with disabilities;

(H) acquisition of easements;

(I) acquisition of fee simple title to property from a willing seller, when the objective of the acquisition cannot be accomplished by acquisition of an easement or by other means;

(J) construction of new trails on State, county, municipal, or private lands, where a recreational need for such construction is shown; and

(K) only as necessary and required by a State Comprehensive Outdoor Recreation Plan construction of new trails on Federal lands, where such construction is approved by the administering agency of the State, and the Federal agency or agencies charged with management of all impacted lands, such approval to be contingent upon compliance by the Federal agency with all other applicable laws, including the National Environmental Policy Act (42 U.S.C. 4321 et seq.), the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended, (16 U.S.C. 1600, et seq.), and the Federal Land Policy and Management Act (43 U.S.C. 1701, et seq.).

(2) USE NOT PERMITTED.—A State may not use moneys received under this Act for—

(A) condemnation of any kind of interest in property;

(B) construction of any recreational trail for motorized use on or through any lands inventoried in the first Roadless Area Review and Evaluation, or pursuant to section 603(A) of the Federal Land Management Policy Act, unless such construction is permitted pursuant to a forest and resource management plan; or

(C) upgrading, expanding or otherwise facilitating motorized use or access to trails predominantly used by non-motorized trail users and on which, as of May 1, 1991, motorized use is either prohibited or has not occurred.

(3) GRANTS.—

(A) IN GENERAL.—A State may provide moneys received under this Act as grants to private individuals, organizations, city and county governments, and other government entities as approved by the State after considering guidance from the recreational trail advisory board satisfying the requirements of section 143(b)(2)(A), for uses consistent with this section.

(B) COMPLIANCE.—A State that issues such grants under subparagraph (A) shall establish measures to verify that recipients comply with the specified conditions for the use of grant moneys.

(4) ASSURED ACCESS TO FUNDS.—Except as provided under paragraphs (6) and (7)(B), not less than 30 per centum of the moneys received annually by a State under this Act shall be reserved for uses relating to motorized recreation, and not less than 30 per centum of those moneys shall be reserved for uses relating to non-motorized recreation.

(5) DIVERSIFIED TRAIL USE.—

(A) REQUIREMENT.—To the extent practicable and consistent with other requirements of this section, a State shall expend moneys received under this Act in a manner that gives preference to project proposals which—

(i) provide for the greatest number of compatible recreational purposes including, but not limited to, those described under the definition of "recreational trail" in subsection (f)(5); or

(ii) provide for innovative recreational trail corridor sharing to accommodate motorized and non-motorized recreational trail use.

This paragraph shall remain in effect until such time as a State has allocated not less than 40 per centum of moneys received under this Act in the aforementioned manner.

(B) COMPLIANCE.—The State shall receive guidance for determining compliance with subparagraph (A) from the recreational trail advisory board satisfying the requirements of section 143(b)(2)(A).

(6) SMALL STATE EXCLUSION.—Any State with a total land area of less than 3,500,000 acres, and in which nonhighway recreational fuel use accounts for less than one per centum of all such fuel use in the United States, shall be exempted from the requirements of paragraphs (4) and (5)(A)(ii) of this subsection upon application to the Secretary by the State demonstrating that it meets the conditions of this paragraph.

(7) RETURN OF MONEYS NOT EXPENDED.—(A) Except as provided in subparagraph (B), moneys paid to a State that are not expended or dedicated to a specific project within four years after receipt for the purposes stated in this subsection shall be returned to the Fund and shall thereafter be reallocated under the formula stated in subsection (c).

(B) If approved by the State recreational trails advisory board satisfying the requirements of section 143(b)(2)(A), moneys paid to a State may be exempted from the requirements of paragraph (4) and expended or committed to projects otherwise stated in this subsection for a period not to exceed beyond 4 years after receipt, after which any remaining monies not expended or dedicated shall be returned to the Fund and shall thereafter be reallocated under the formula stated in subsection (c).

(e) COORDINATION OF ACTIVITIES.—

(1) COOPERATION BY FEDERAL AGENCIES.—Each agency of the United States Government that manages land on which a State proposes to construct or maintain a recreational trail pursuant to this Act is encouraged to cooperate with the State and the Secretary in planning and carrying out the activities described in subsection (d). Nothing in this Act diminishes or in any way alters the land management responsibilities, plans and policies established by such agencies pursuant to other applicable laws.

(2) COOPERATION BY PRIVATE PERSONS.—

(A) WRITTEN ASSURANCES.—As a condition to making available moneys for work on recreational trails that would affect privately owned land, a State shall obtain written assurances that the owner of the property will cooperate with the State and participate as necessary in the activities to be conducted.

(B) PUBLIC ACCESS.—Any use of a State's allocated moneys on private lands must be accompanied by an easement or other legally binding agreement that ensures public access to the recreational trail improvements funded by those moneys.

(f) DEFINITIONS.—For the purposes of this section—

(1) ELIGIBLE STATE.—The term "eligible State" means a State that meets the requirements stated in subsection (b).

(2] FUND.—The term "Fund" means the National Recreational Trails Fund established by section 9511 of the Internal Revenue Code of 1986.

(3) NONHIGHWAY RECREATIONAL FUEL.—The term "nonhighway recreational fuel" has the meaning stated in section 9503(c)(6)(C)(ii) of the Internal Revenue Code of 1986.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(5) RECREATIONAL TRAIL.—The term "recreational trail" means a thoroughfare or track across land or snow, used for recreational purposes such as bicycling, cross-country skiing, day hiking, equestrian activities, jogging or similar fitness activities, trail biking, overnight and long-distance backpacking, snowmobiling, and vehicular travel by motorcycle, four-wheel drive or all-terrain off-road vehicles, without regard to whether it is a "National Recreation Trail" designated under section 4 of the National Trails System Act (16 U.S.C. 1243).

(6) MOTORIZED RECREATION.—The term "motorized recreation" may not, at the option of the State, include motorized conveyances used by persons with disabilities, such as wheelchairs.

SEC. 144. NATIONAL RECREATIONAL TRAILS ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is established the National Recreational Trails Advisory Committee.

(b) MEMBERS.—There shall be 10 members of the advisory committee, consisting of—

(1) 8 members appointed by the Secretary from nominations submitted by recreational trail user organizations, one each representing the following recreational trail uses:

(A) Hiking,
(B) Cross country skiing,
(C) Off-highway motorcycling,
(D) Snowmobiling,
(E) Horseback riding,
(F) All terrain vehicle riding,
(G) Bicycling,
(H) Four-wheel driving;

(2) an appropriate government official, including any official of State or local government, designated by the Secretary; and

(3) 1 member appointed by the Secretary from nominations submitted by water trail user organizations.

(c) CHAIR.—The Chair of the advisory committee shall be the government official referenced in subsection (b)(2), who shall serve as a non-voting member.

(d) SUPPORT FOR COMMITTEE ACTION.—Any action, recommendation, or policy of the advisory committee must be supported by at least 5 of the members appointed under subsection (b)(1).

(e) TERMS.—Members of the advisory committee appointed by the Secretary shall be appointed for terms of 3 years, except that the members filling five of the ten positions shall be initially appointed for terms of 2 years, with subsequent appointments to those positions extending for terms of 3 years.

(f) DUTIES.—The advisory committee shall meet at least twice annually to—

(1) review utilization of allocated moneys by States;

(2) establish and review criteria for trail-side and trail-head facilities that qualify for funding under this Act; and

(3) make recommendations to the Secretary for changes in Federal policy to advance the purposes of this Act.

(g) ANNUAL REPORT.—The advisory committee shall present to the Secretary an annual report on its activities.

(h) REIMBURSEMENT FOR EXPENSES.—Nongovernmental members of the advisory committee shall serve without pay, but, to the extent funds are available pursuant to section 143(c)(1)(B), shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

(i) REPORT TO CONGRESS.—Not later than 4 years after the date of enactment of this Act, the Secretary shall prepare and submit to the Committee on Environment and Public Works of the Senate, and the Committee on Public Works and Transportation of the House of Representatives, a study which summarizes the annual reports of the National Recreational Trails Advisory Committee, describes the allocation and utilization of moneys under this Act, and contains recommendations for changes in Federal policy to advance the purposes of this Act.

PART C—INTELLIGENT VEHICLE-HIGHWAY SYSTEMS ACT

SEC. 151. SHORT TITLE.

This Part may be cited as the "Intelligent Vehicle-Highway Systems Act of 1991".

SEC. 152. PURPOSE AND SCOPE.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Transportation (hereinafter referred to in this title as the "Secretary") shall conduct a program to promote and facilitate the implementation of Intelligent Vehicle-Highway Systems as a component of the Nation's surface transportation systems. The goals of such program shall include, but not be limited to—

(1) the widespread implementation of Intelligent Vehicle-Highway Systems to enhance the capacity, efficiency, and safety of the Federal-aid highway system, including as an alternative to additional physical capacity of that system;

(2) the enhancement, through more efficient use of the Federal-aid highway system, of the efforts of the several States to attain air quality goals, as established by the Administrator of the Environmental Protection Agency pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.), as amended by Public Law 101–549 (104 t. 2399);

(3) the enhancement of safe and efficient operation of the Nation's highway systems;

(4) the development and promotion of Intelligent Vehicle-Highway Systems and an Intelligent Vehicle-Highway Systems industry in the United States, utilizing authority provided under section 307 of title 23, United States Code;

(5) the reduction of societal, economic, and environmental costs associated with traffic congestion; and

(6) the enhancement of United States industrial and economic competitiveness and productivity, by improving the free flow of people and commerce, and by establishing a significant United States presence in an emerging field of technology.

(b) COORDINATION.—The Secretary shall lead and coordinate an Intelligent Vehicle-Highway Systems program and shall foster its use as a key component of the Nation's surface transportation systems. As appropriate, the Secretary shall consult with the Secretary of Commerce, the Administrator of the Environmental Protection Agency, the Director of the National Science Foundation, and the heads of other interested Federal departments and agencies, in carrying out the purposes of this title. The Secretary shall strive to transfer Federally owned or patented technology to State and local governments and to the United States private sector. As appropriate, the Secretary shall maximize the involvement of the United States private sector, colleges and universities, and State and local governments in aspects of such programs, including design, conduct (including operations and maintenance), evaluation, and financial or in-kind participation.

(c) STANDARDS.—The Secretary shall develop and implement standards and protocols to promote the widespread use and evaluation of Intelligent Vehicle-Highway Systems technology as a component of the Nation's surface transportation systems. To the extent practicable, such standards and protocols shall promote compatibility among Intelligent Vehicle-Highway Systems technologies implemented throughout the several States. The Secretary is authorized to make use of existing standards-setting organizations as the Secretary determines appropriate.

(d) EVALUATION.—The Secretary shall establish guidelines and requirements for the evaluation of field and related operational tests carried out pursuant to section 155 of this Act.

(e) INFORMAITON CLEARINGHOUSE.—The Secretary shall establish a repository for technical and safety data collected as a result of Federally sponsored projects pursuant to this title, and shall make such information readily available, upon request, at an appropriate cost to all users, except for proprietary information and data. In carrying out the requirements of this subsection, the Secretary may delegate this responsibility, with continuing oversight by the Secretary, to an appropriate entity not within the Department of Transportation. For the purposes of carrying out the requirements of this subsection, such entity would be eligible for Federal aid, as specified in this title.

SEC. 153. ADVISORY COMMITTEE.

The Secretary is authorized to utilize one or more advisory committees in carrying out his responsibilities under this title. Any advisory committee so utilized shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.), and funding provided for any such committee shall be available from monies appropriated for advisory committees as specified in relevant appropriations Acts, and from funds allocated for research, development, and implementation activities in connection with the Intelligent Vehicle-Highway Systems program under this title.

Sec. 154. Strategic Plan, Implementation, and Report to Congress.

(a) STRATEGIC PLAN.—

(1) STRATEGIC PLAN.—Not later than 12 months following the date of the enactment into law of this title, the Secretary shall formulate, and submit to Congress, a strategic plan for the Intelligent Vehicle-Highway Systems program under this title.

(2) SCOPE OF STRATEGIC PLAN.—In preparing such plan, the Secretary shall—

(A) specify the goals, objectives, milestones of such program and how specific projects relate to these, including consideration of the 5-, 10-, and 20-year timeframes for specified goals and objectives;

(B) detail the status and challenges and non-technical constraints facing the program;

(C) chart a course of action necessary to achieve the program's goals and objectives;

(D) provide for the development of standards and protocols to promote and ensure compatibility in the implementation of Intelligent Vehicle-Highway Systems technologies; and

(E) provide for the accelerated use of advanced technology to reduce traffic congestion along heavily populated and traveled corridors.

(b) IMPLEMENTATION REPORTS.—

(1) IMPLEMENTATION REPORTS.—Not later than 24 months after the date of enactment of this title, and annually thereafter, the Secretary shall submit to the Congress a report on the implementation of the strategic plan required in subsection (a) of this section.

(2) SCOPE OF IMPLEMENTATION REPORTS.—In preparing such report, the Secretary shall—

(A) analyze the possible and actual accomplishments of Intelligent Vehicle-Highway Systems projects in achieving congestion, safety, environmental, and energy conservation goals, as described in this title;

(B) specify cost-sharing arrangements made, including the scope and nature of Federal investment, in any research, development, or implementation project under such program;

(C) assess non-technical problems and constraints identified as a result of each such implementation project; and

(D) include, if appropriate, any recommendations for legislation or modification to the strategic plan required in subsection (a) of this section.

(c) REPORT TO CONGRESS.—

(1) REPORT TO CONGRESS.—In cooperation with the Attorney General and the Secretary of Commerce, the Secretary shall prepare and submit, within 24 months following the date of enactment of this title, a report to Congress addressing the non-technical constraints and barriers to all aspects of the innovation of such program under this title.

(2) SCOPE OF REPORT TO CONGRESS.—In preparing such report, the Secretary shall—

(A) address antitrust, privacy, educational and staffing needs, patent, liability, standards and other constraints, barriers, or concerns relating to such program;

(B) recommend legislation and other administrative action necessary to further the Intelligent Vehicle-Highway Systems program under this title; and

(C) address ways to further promote industry and State and local government involvement in such program.

(3) UPDATE OF REPORT.—Within 5 years following such date of enactment, the Secretary shall prepare an update of such report.

SEC. 155. TECHNICAL, PLANNING, AND PROJECT ASSISTANCE.

(a) TECHNICAL ASSISTANCE AND INFORMATION.—The Secretary is authorized to provide planning and technical assistance and information to State and local governments seeking to use and evaluate Intelligent Vehicle-Highway Systems technologies. In doing so, the Secretary shall assist State and local officials in developing provisions for implementing areawide traffic management control centers, necessary laws to advance such systems, the infrastructure for such existing and evolving systems, and other necessary activities to carry out the Intelligent Vehicle-Highway Systems program under this title.

(b) PLANNING GRANTS.—Subject to the availability of funds, the Secretary is authorized to make grants for feasibility and planning studies to be conducted by State and local governments. Such grants shall be made at such time, in such amounts, and subject to such conditions as the Secretary may determine.

(c) TRAFFIC MANAGEMENT SYSTEMS.—Any interagency traffic and incident management entity, including independent public authorities or agencies, contracted to a State department of transportation for the implementation of traffic management systems of designated corridors, is eligible to receive Federal transportation funds under this title through the appropriate State department of transportation.

(d) FUNDING OF PROJECTS.—In deciding which projects or operational tests relating to Intelligent Vehicle-Highway Systems to fund utilizing authority provided under section 307 of title 23, United States Code, the Secretary shall—

(1) give the highest priority to those projects that would contribute to the national goals and objectives specified in the Intelligent Vehicle-Highway Systems strategic plan required pursuant to section 154 of this title, minimize the relative percentage of Federal contributions to total project costs, but not including Federal-aid funds;

(2) seek to fund operational tests that advance the current State of knowledge and, where appropriate, build on successes achieved in previously funded work involving such programs; and

(3) require that operational tests utilizing Federal funds pursuant to this Act have a written evaluation of the IVHS technologies investigated and key outcomes of the investigation, consistent with the guidelines developed pursuant to section 152(d) of this Act.

(e) AUTHORITY TO USE FUNDS.—Each State and eligible local entity is authorized to use funds provided under this Act for implementation purposes in connection with the Intelligent Vehicle-Highway Systems program.

SEC. 156. APPLICATIONS OF TECHNOLOGY.

(a) CONGESTED CORRIDORS PROGRAM.—The Secretary shall designate transportation corridors in which application of Intelligent Vehicle-Highway Systems will have particular benefit and, through financial and technical assistance, shall assist in the implementation of such systems. In designating such corridors, the Secretary shall focus on automatic vehicle identification, electronic toll collection, highway advisory radio, variable message signage, advanced traveler information systems, and other steps that would reduce congestion, enhance safety, and promote a smoother flow of traffic throughout the corridors.

(b) PRIORITIES.—In designating and providing funding for such corridors, the Secretary shall allocate not less than 50 per centum of the funds appropriated pursuant to this section to eligible State or local entities for application in not less than 3 but not more than 10 corridors with the following characteristics:

(1) traffic density (as a measurement of vehicle miles traveled per road mile) at least 1.5 times the national average;

(2) severe or extreme nonattainment for ozone, as determined by the Administrator of the Environmental Protection Agency pursuant to the Clean Air Act, as amended by Public Law 101-549 (104 t.2399);

(3) a variety of types of transportation facilities, such as highways, bridges, tunnels, toll and non-toll;

(4) inability to significantly expand existing surface transportation facilities;

(5) a significant mix of passenger, public transportation, and commercial motor carrier traffic;

(6) complexity of traffic patterns; and

(7) potential contribution to the implementation of the Secretary's strategic plan developed pursuant to section 154 of this title.

(c) ADDITIONAL FUNDING.—The balance of funds provided under this section shall be allocated to eligible State or local entities for application in corridors with a significant number of the characteristics listed in subsection (a) of this section.

SEC. 157. AUTHORIZATIONS.

(a) CONGESTED CORRIDORS PROGRAM.—For the congested corridors program under section 156, within funds authorized to be deducted pursuant to section 104(a) of title 23, United States Code, there is authorized to be appropriated $150,000,000 for each of fiscal years 1992, 1993, 1994, 1995, and 1996.

(b) AVAILABILITY OF FUNDS.—Funds authorized to be appropriated under this Act shall remain available until expended.

(c) RESERVATION OF FUNDS.—Of the funds provided pursuant to subsection (a) of this section, not less than 5 per centum shall be reserved for innovative, high-risk operational or analytical tests that do not attract substantial non-Federal commitments but are determined by the Secretary as having significant potential to help accomplish long-term goals established by the strategic plan prepared pursuant to section 154 of this Act.

(d) FEDERAL SHARE PAYABLE.—The Federal share payable on account of activities authorized pursuant to this title shall not exceed 80 per centum of the cost. The Secretary may waive this restriction for projects undertaken pursuant to subsection (c) of this section.

SEC. 158. DEFINITIONS.

For the purposes of this part, the term—

(a) "Intelligent Vehicle-Highway Systems" means the development or application of electronics, communications, or information processing, including, but not limited to, advanced traffic management systems, advanced traveler information systems, and advanced vehicle communications systems, used singly or in combination to improve the efficiency and safety of surface transportation systems; and

(b) "corridor" means any major transportation route which includes some contribution of closely parallel limited access highways, major arterials, or transit lines; and, with regard to traffic incident management, it may also refer to more distant transportation routes that can serve as viable options to each other in the event of traffic incidents.

By Mr. PELL (by request):

S. 1206. A bill to amend the International Security and Development Cooperation Act of 1985 to authorize appropriations for fiscal years 1992 and 1993 for the U.S. Commission for the Preservation of America's Heritage Abroad for carrying out that act; to the Committee on Foreign Relations.

U.S. COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD AUTHORIZATION

• Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to amend the International Security and Development Cooperation Act of 1985 to authorize appropriations for fiscal years 1992 and 1993 for the U.S. Commission for the Preservation of America's Heritage Abroad for carrying out that act.

This proposed legislation has been requested by the U.S. Commission for the Preservation of America's Heritage Abroad, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the sectional analysis and the letter from the Executive Director of the U.S. Commission for the Preservation of America's Heritage Abroad, which was received on April 30, 1991.

There being no objection, the material was ordered to be printed in the RECORD as follows:

S. 1206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commission for the Preservation of America's Heritage Abroad Authorization Act of 1992."

AUTHORIZATION OF APPROPRIATIONS

SECTION 1. Section 1303 of the International Security and Development Act of 1985 (16 U.S.C. 469j) is amended to add the following:

"SEC. 1303 (i) There are authorized to be appropriated to carry out the purposes of this Section $50,000 for fiscal year 1992 and such sums as may be necessary for fiscal year 1993 consistent with the Budget Enforcement Act of 1990 (Public Law 101-508)."

SECTIONAL ANALYSIS

Section 1. This section authorizes appropriations of funds to CPAHA for its administrative expenses including the negotiation of bilateral agreements with the governments of European countries for the protection of certain cultural sites, and for the compilation of lists of landmarks which are associated with the foreign heritage of American citizens and which are in danger of deterioration or destruction because of crimes against humanity during World War II.

U.S. COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD,
Potomac, MD, April 25, 1991.

Hon. J. DANFORTH QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am submitting with this letter proposed legislation amending the International Security and Development Act of 1985 to authorize appropriations for the United States Commission for the Preservation of America's Heritage Abroad to carry out its responsibilities as specified in that Act.

The bill provides for authorization of appropriations for the Commission's operation during fiscal years 1992 and 1993. A Sectional Analysis explaining the proposed legislation is enclosed. This legislative proposal is needed to carry out the President's FY 1992 budget.

The Office of Management and Budget advises that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Respectfully,

JOEL L. BARRIES,
Executive Director.•

By Mr. DANFORTH (for himself, Mr. JEFFORDS, Mr. SPECTER, Mr. RUDMAN, Mr. CHAFEE, Mr. COHEN, Mr. DURENBERGER, Mr. HATFIELD, and Mr. DOMENICI):

S. 1207. A bill to strengthen and improve Federal civil rights laws, and for other purposes; to the Committee on Labor and Human Resources.

S. 1208. A bill to amend the Civil Rights Act of 1964 to clarify provisions regarding disparate impact actions, and for other purposes; to the Committee on Labor and Human Resources.

S. 1209. A bill to provide for damages in cases of intentional employment discrimination, and for other purposes; to the Committee on Labor and Human Resources.

CIVIL RIGHTS AND EMPLOYMENT DISCRIMINATION

Mr. DANFORTH. Mr. President, I will momentarily send to the desk for introduction three bills dealing with the issue of civil rights and employment discrimination. These three bills are cosponsored by nine Senators so far, and it is possible that before the close of business today other Senators will be added. The nine Senators including myself are Senators JEFFORDS, SPECTER, RUDMAN, CHAFEE, COHEN, DURENBERGER, HATFIELD, and DOMENICI.

Mr. President, for the past 2 years the most contentious issue we have had before the Congress has had to do with the possibility of overruling through legislation some five or six opinions of the U.S. Supreme Court on the question of employment discrimination. Last year, along with Senator JEFFORDS and Senator SPECTER, I was involved in attempting to mediate the differences between the civil rights community on one hand and the White House on the other hand to try to reach some reasonable consensus.

We came very close last year to accomplishing that objective. Twice, the President of the United States asked Senator JEFFORDS and Senator SPECTER and I to come to the White House to visit with him on the subject of civil rights. Twice, the President in the Oval Office looked us in the eye and told us that he wanted us to try to work out a compromise. There was absolutely no question in my mind last year, and there is absolutely no question in my mind this year, that President Bush wants Congress to pass civil rights legislation which he could sign.

The issue has become enormously divisive, seemingly more divisive with every passing day. But it is important to recognize that there truly is a common ground between the advocates of civil rights legislation in the House of Representatives and the Bush administration.

As Attorney General Thornburgh said just a few days ago, there was agreement on about 80 percent of the issues. What the nine Senators who are involved in this enterprise are attempting to do is to try to build on that common ground and develop a legislative package which has some chance of becoming law.

The President has sent to Congress his legislative ideas. I compliment him for that. But I believe there is virtually no chance that the President's legislation will be enacted into law in its present form.

The House of Representatives is about to pass its version of the civil rights bill. I believe that no matter how well meaning they are in the House of Representatives, there is almost no chance that that bill which passes the House will be enacted into law in its present form.

So the question, remains, how can we move forward? How can we come together with a reasonable accommodation that can become law? The nine Senators who are about to introduce this legislation have taken the point of view that instead of one indigestible lump, which was the problem last year, one major bill trying to encompass a number of different subjects, it would be better to attempt to break that indigestible lump into three more digestible pieces, so we have developed a package of three bills.

The first bill we believe to be almost entirely without controversy and a bill that can be enacted into law, we think, in very short order. It is a bill which would overrule five Supreme Court decisions. Those five Supreme Court decisions are decisions which most people believe should be overruled. This is not the stuff of the controversy that has been raging in the press and on television for the last number of weeks. This truly is a consensus package of proposals for overruling Supreme Court decisions which could be agreed on in very short order.

The second proposal deals with the more knotty issue of defining business necessity and overruling the Wards Cove case decision by the Supreme Court in 1989.

We believe that we have kept the middle ground in dealing with Wards Cove. We provide that the definition of selection practices is a manifest relationship to requirements for effective job performance. Then we say that in the case of nonselection practices, the practices must bear a manifest relationship to a legitimate business objective.

We further say that the plaintiffs in these cases must specify the objectionable practice. It is not enough to lump everything together in an indiscriminate mold. One of the concerns that the business community has had is that it is impossible to prepare a defense if there is no specificity in the complaint that is filed by the plaintiffs.

So specificity is required and we believe that in the definition of business necessity we have come up with a middle course definition. I am sure a definition that will be criticized from both left and right. But it is a reasonable effort to hit the middle.

The third bill has to do with damages. This too has been a very, very contentious issue. Right now in the case of intentional discrimination against a black person, under the law, the black person who has been discriminated against intentionally can recover not only for compensation for lost wages but also for pain and suffering without any limitation at all, and for punitive damages without any limitation at all.

Some organizations, particularly some women's groups, take the position that they should get exactly what the blacks have. However, under current law, while women and the disabled, people who are discriminated against for religious reasons, can get reinstated in the job and can get back pay, they are not entitled under present law to anything by way of pain and suffering or to anything by way of punitive damages. In other words, we have a situation under current law where blacks can get potentially an infinite recovery—women, the disabled, religious minorities can get zero.

It is our view, in this legislation, that somewhere between infinity and nothing there should be room for compromise.

So we have proposed that in the case of pain and suffering and in the case of punitive damages which in this legislation we call equitable penalty, there be caps, and that the caps be differentiated according to the size of the business—that a small employer have a lower cap than a large employer. So the caps in our legislation are $150,000 for an employer of over 100 for pain and suffering, same amount for equitable penalties; and $50,000 for an employer of 100 or less.

Furthermore, we have a provision by which the judge imposes the equitable penalty. We believe that this also adds a degree of certainty as far as the employer is concerned so that there is not the possibility of skyrocketing liability.

Mr. President, the theory in these three bills is very simple. The theory is that while there has been seemingly endless controversy in Congress and in Washington on the question of civil rights, there really is a broad consensus among the American people. I believe that the consensus is that people should be hired on the basis of ability, on the basis of their competence to do the job, and not on the basis of race, or religion, or disability, or anything else.

I think that the overwhelming majority of the people of this country think that discrimination is wrong, that discrimination should be prohibited as a matter of law, that people should not be discriminated against on the basis of their race or on the basis of any other matter of ethnicity or religion or disability.

That is what we attempt to do in this legislation. We attempt to make it possible for people who have been wronged to right this situation in court. We also attempt to make it possible for employers to defend themselves without the necessity of having to resort to quotas.

With respect to damages, we attempt to provide for fair remedies. But fair remedies to us do not include the possibility of hitting the jackpot, of striking gold in the court system.

Clearly, the ability of people to have wrongs redressed does not mean that their recovery should be totally quirky. It does not mean that they should be able to get anything that a clever lawyer could persuade the jury to award them. There should be some control on the amount of recovery.

That, then, is what we have attempted to do in these three bills. We have attempted to find what I am convinced is a national consensus for fairness. We have attempted to split the difference between the contending parties. We have attempted to put together something that is responsible and that we believe can become law.

Mr. President, I hope we will have an opportunity to pass this legislation. I want to again say that people who have been involved in this issue for a long period of time have, in my opinion, been involved for the best of motives, have been very concerned, particularly in recent weeks when there has been a lot of controversy relating to the motives of various people on both sides. I have no doubt whatever that people on both sides genuinely want to accomplish what is fair. They want to end discrimination; they want to correct mistakes that were made by the Supreme Court a couple of years ago. They want to do so without quotas.

I am absolutely convinced that the President of the United States wants to pass a civil rights law. And we hope to help him do just that.

So, Mr. President, I now send to the desk three bills for introduction and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights Restoration Act of 1991".

SEC. 2. FINDING AND PURPOSE.

(a) FINDING.—Congress finds that legislation is necessary to provide additional protections against unlawful discrimination in employment.

(b) PURPOSE.—The purpose of this Act is to respond to recent decisions of the Supreme Court by expanding the scope of relevant civil rights statutes in order to provide adequate protection to victims of discrimination.

SEC. 3. PROHIBITION AGAINST ALL RACIAL DISCRIMINATION IN THE MAKING AND ENFORCEMENT OF CONTRACTS.

Section 1977 of the Revised Statutes (42 U.S.C. 1981) is amended—

(1) by inserting "(a)" before "All persons within"; and

(2) by adding at the end the following new subsections:

"(b) For purposes of this section, the term 'make and enforce contracts' includes the making, performance, modification, and termination of contracts, and the enjoyment of all benefits, privileges, terms, and conditions of the contracts.

"(c) The rights protected by this section are protected against impairment by nongovernmental discrimination and impairment under color of State law.".

SEC. 4. CLARIFYING PROHIBITION AGAINST IMPERMISSIBLE CONSIDERATION OF RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN IN EMPLOYMENT PRACTICES.

(a) IN GENERAL.—Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) is amended by adding at the end the following new subsection:

"(k) Except as otherwise provided in this title, an unlawful employment practice is established when the complaining party demonstrates that race, color, religion, sex, or national origin was a motivating factor for any employment practice, even though other factors also motivated the practice.".

(b) ENFORCEMENT PROVISIONS.—Section 706(g) of such Act (42 U.S.C. 2000e–5(g)) is amended—

(1) by designating the first through third sentences as paragraph (1);

(2) by designating the fourth sentence as paragraph (2)(A); and

(3) by adding at the end the following new subparagraph;

"(B) In a case where an individual proves a violation under section 703(k) and a respondent demonstrates that the respondent would have taken the same action in the absence of any discrimination, the court—

"(i) may grant declaratory relief, injunctive relief (except as provided in clause (ii)), attorney's fees, and costs; and "(ii) shall not award damages or issue an order requiring any admission, reinstatement, hiring, promotion, or payment, described in subparagraph (A).".

SEC. 5. FACILITATING PROMPT AND ORDERLY RESOLUTION OF CHALLENGES TO EMPLOYMENT PRACTICES IMPLEMENTING LITIGATED OR CONSENT JUDGMENTS OR ORDERS.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2) (as amended by section 4 of this Act) is further amended by adding at the end the following new subsection:

"(l)(1)(A) Notwithstanding any other provision of law, and except as provided in paragraph (3), an employment practice that implements and is within the scope of a litigated or consent judgment or order that—

"(i) was entered earlier than the date of the enactment of this subsection; and

"(ii) resolves a claim of employment discrimination under the Constitution or Federal civil rights laws,

may not be challenged under the circumstances described in subparagraph (B).

"(B) A practice described in subparagraph (A) may not be challenged in a claim under the Constitution or Federal civil rights laws—

"(i) by a person who, prior to the entry of the judgment or order described in subparagraph (A), had—

"(I) actual notice of the proposed judgment or order sufficient to apprise such person that such judgment or order might affect the interests of such person and that an opportunity was available to present objections to such judgment or order; and

(II) a reasonable opportunity to present objections to such judgment or order; or

"(ii) by a person whose interests were adequately represented by another person who challenged such judgment or order prior to or after the entry of such judgment or order.

"(2)(A) Notwithstanding any other provision of law, and except as provided in paragraph (3), an employment practice that implements and is within the scope of a litigated or consent judgment or order that—

"(i) was entered not earlier than the date of the enactment of this subsection; and

"(ii) resolves a claim of employment discrimination under the Constitution or Federal civil rights laws,

may not be challenged under the circumstances described in subparagraph (B).

"(B) A practice described in subparagraph (A) may not be challenged in a claim under the Constitution or Federal civil rights laws—

"(i) by a person who, during the period of notice regarding the judgment or order described in subparagraph (A)—

"(I) was an employee of, former employee of, or applicant to, the respondent; and

"(II) prior to the entry of such judgment or order, had actual notice of the proposed judgment or order in sufficient detail to apprise such person—

"(aa) that such judgment or order might adversely affect the interests and legal rights of such person;

"(bb) of any numerical relief in the proposed judgment or order on the basis of race, color, religion, sex, or national origin for any job, position, or other employment opportunity;

"(cc) that an opportunity was available to present objections to such judgment or order by a future date certain; and

"(dd) that such person would likely be barred from challenging the proposed judgment or order after such date; or

"(ii) by a person whose interests were adequately and competently represented by a similarly situated person who had previously challenged the judgment or order on the same legal grounds and with a similar factual situation, unless there has been an intervening change in law or fact.

"(3) Nothing in this subsection shall be construed to—

"(A) alter the standards for intervention under rule 24 of the Federal Rules of Civil Procedure or apply to the rights of parties who have successfully intervened pursuant to such rule in the proceeding in which the parties intervened;

"(B) apply to the rights of parties to the action in which the litigated or consent judgment or order was entered, or of members of a class represented or sought to be represented in such action, or of members of a group on whose behalf relief was sought in such action by the Federal Government;

"(C) prevent challenges to a litigated or consent judgment or order on the ground that such judgment or order was obtained through collusion or fraud, or is transparently invalid or was entered by a court lacking subject matter jurisdiction; or

"(D) authorize or permit the denial to any person of the due process of law required by the Constitution.

"(4) Any action not precluded under this subsection that challenges an employment consent judgment or order described in paragraph (1) or (2) shall be brought in the court, and if possible before the judge, that entered such judgment or order. Nothing in this subsection shall preclude a transfer of such action pursuant to section 1404 of title 28, United States Code.".

SEC. 6. DEFINITIONS.

Section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e) is amended by adding at the end the following new subsections:

"(l) The term 'complaining party' means the Commission, the Attorney General, or a person who may bring an action or proceeding under this title.

"(m) The term 'demonstrates' means meets the burdens of production and persuasion.

"(n) The term 'respondent' means an employer, employment agency, labor organization, joint labor-management committee controlling apprenticeship or other training or retraining program, including an on-the-job training program, or Federal entity or head of a Federal entity subject to section 717.".

SEC. 7. EXPANSION OF RIGHT TO CHALLENGE DISCRIMINATORY SENIORITY SYSTEMS.

Section 706(e) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(e)) is amended—

(1) by inserting "(1)" before "A charge under this section"; and

(2) by adding at the end the following new paragraph:

"(2) For purposes of this section, an alleged unlawful employment practice occurs—

"(A) when a seniority system is adopted, when an individual becomes subject to a seniority system, or when a person aggrieved is injured by the application of a seniority system or provision of the system; and

"(B) if the system is alleged to have been adopted for an intentionally discriminatory purpose, in violation of this title, whether or not that discriminatory purpose is apparent on the face of the seniority provision.".

SEC. 8. AUTHORIZING AWARD OF EXPERT FEES.

Section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(k)) is amended by inserting "(including expert fees)" after "attorney's fee".

SEC. 9. PROVIDING FOR INTEREST AND EXTENDING THE STATUTE OF LIMITATIONS IN ACTIONS AGAINST THE FEDERAL GOVERNMENT.

Section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-16) is amended—

(1) in subsection (c), by striking "thirty days" and inserting "90 days"; and

(2) in subsection (d), in inserting before the period ", and the same interest to compensate for delay in payment shall be available as in cases involving nonpublic parties.".

SEC. 10. NOTICE OF LIMITATIONS PERIOD UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967.

Section 7(e)(2) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(e)(2)) is amended to read as follows:

"(2) If a charge filed with the Commission is dismissed or the proceedings of the Commission are otherwise terminated by the Commission, the Commission shall notify the individual referred to in subsection (d). The individual may bring an action against the respondent named in the charge not earlier than 60 days after the date on which the charge was timely filed and not later than 90 days after the date of the receipt of the notice.".

SEC. 11. COVERAGE OF CONGRESS AND THE AGENCIES OF THE LEGISLATIVE BRANCH.

(a) COVERAGE OF THE SENATE.—

(1) APPLICATION TO SENATE EMPLOYMENT.—The rights and protections provided pursuant to section 1977 of the Revised Statutes (42 U.S.C. 1981), this Act, and the amendments made by this Act shall, subject to paragraphs (2) through (5), apply with respect to any employee in an employment position in the Senate and any employing authority of the Senate.

(2) INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment pursuant to the provisions described in paragraph (1) shall be investigated and adjudicated by the Senate Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(3) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under the provisions described in paragraph (1).

(4) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under the provisions described in paragraph (1), the Select Committee on Ethics, or such other entity as the Senate may designate, shall to the extent practicable apply the same remedies applicable to all other employees covered by the provisions described in paragraph (1). Such remedies shall apply exclusively.

(5) Exercise of rulemaking power.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in paragraph (1) shall be within the exclusive jurisdiction of the United States Senate. The provisions of paragraphs (2), (3), and (4) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

(b) COVERAGE OF THE HOUSE OF REPRESENTATIVES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the purposes of this Act shall, subject to paragraph (2), apply with respect to any employee in an employ-

ment position in the House of Representatives and any employing authority of the House of Representatives.

(2) EMPLOYMENT IN THE HOUSE.—

(A) APPLICATION.—The rights and protections under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.), the Age Discrimination in Employment Act of 1967 (42 U.S.C. 621 et seq.), section 1977 of the Revised Statutes, this Act, and the amendments made by this Act shall, subject to subparagraph (B), apply with respect to any employee in an employment position in the House of Representatives and any employing authority of the House of Representatives.

(B) ADMINISTRATION.—

(i) IN GENERAL.—In the administration of this paragraph, the remedies and procedures made applicable pursuant to the resolution described in clause (ii) shall apply exclusively.

(ii) RESOLUTION.—The resolution referred to in clause (i) is House Resolution 15 of the One Hundred First Congress, as agreed to January 3, 1989, or any other provision that continues in effect the provisions of, or is a successor to, the Fair Employment Practices Resolution (House Resolution 558 of the One Hundredth Congress, as agreed to October 4, 1988).

(C) EXERCISE OF RULEMAKING POWER.—The provisions of subparagraph (B) are enacted by the House of Representatives as an exercise of the rulemaking power of the House of Representatives, with full recognition of the right of the House to change its rules, in the same manner, and to the same extent as in the case of any other rule of the House.

(c) INSTRUMENTALITIES OF CONGRESS.—

(1) IN GENERAL.—The rights and protections under title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, section 1977 of the Revised Statutes, this Act, and the amendments made by this Act, shall, subject to paragraphs (2) and (5), apply with respect to any employee in an employment position in an instrumentality of the Congress and any chief official of such an instrumentality.

(2) ESTABLISHMENT OF REMEDIES AND PROCEDURES BY INSTRUMENTALITIES.—The chief official of each instrumentality of the Congress shall establish remedies and procedures to be utilized with respect to the rights and protections provided pursuant to paragraph (1). Such remedies and procedures shall apply exclusively.

(3) REPORT TO CONGRESS.—The chief official of each instrumentality of the Congress shall, after establishing remedies and procedures for purposes of paragraph (2), submit to the Congress a report describing the remedies and procedures.

(4) DEFINITION OF INSTRUMENTALITIES.—For purposes of this section instrumentalities of the Congress include the Architect of the Capitol, the Congressional Budget Office, the General Accounting Office, the Government Printing Office, the Office of Technology Assessment, and the United States Botanic Garden.

(5) CONSTRUCTION.—Nothing in this section shall alter the enforcement procedures for individuals protected under section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-16) or section 15 of the Age Discrimination in Employment Act of 1967 (42 U.S.C. 633a).

SEC. 12. ALTERNATIVE MEANS OF DISPUTE RESOLUTION.

Where appropriate and to the extent authorized by law, the use of alternative means of dispute resolution, including settlement negotiations, conciliation, facilitation, mediation, factfinding, mini-trials, and arbitration, is encouraged to resolve disputes arising under the Acts amended by this Act.

SEC. 13. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect upon enactment.

(b) CHALLENGES TO EMPLOYMENT PRACTICES IMPLEMENTING LITIGATED OR CONSENT JUDGMENTS OR ORDERS.—The amendments made by section 5 shall apply to all proceedings pending on or commenced after June 12, 1989.

SEC. 14. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the applicaton of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected.

S. 1208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Equal Employment Opportunity Act of 1991".

SEC. 2. FINDING AND PURPOSES.

(a) FINDING.— Congress finds that the decision of the Supreme Court in *Wards Cove Packing Co.* v. *Atonio*, 109 S. Ct. 2115 (1989) has weakened the scope and effectiveness of Federal civil rights protections.

(b) PURPOSES.—The purposes of this Act are—

(1) to overrule the treatment of business necessity as a defense in *Wards Cove Packing Co.*, v. *Atonio* and to codify the meaning of business necessity used in *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971); and

(2) to provide statutory authority and guidelines for the adjudication of disparate impact suits under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.).

SEC. 3. BURDEN OF PROOF IN DISPARATE IMPACT CASES.

(a) IN GENERAL.—Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2) is amended by adding at the end the following new subsection:

"(k)(1)(A) An unlawful employment practice based on disparate impact is established under this title only if—

"(i) a complaining party demonstrates that a particular employment practice or group of employment practices results in a disparate impact on the basis of race, color, religion, sex, or national origin; and

"(ii)(I) the respondent fails to demonstrate that the practice or group of practices is required by business necessity; or

"(II) the complaining party makes the demonstration described in subparagraph (C) with respect to a different employment practice or group of employment practices.

"(B)(i) With respect to an unlawful employment practice based on disparate impact as described in subsection (A), the complaining party shall identify with particularity each employment practice that is responsible in whole or in significant part for the disparate impact, except that if the complaining party can demonstrate to the court, after discovery, that the elements of a respondent's decisionmaking process are not capable of separation for analysis, the group of employment practices as a whole may be analyzed as one employment practice.

"(ii) If the elements of a decisionmaking process are capable of separation for analysis, the complaining party must identify each element with particularity, and the respondent must demonstrate that the element or elements identified that are responsible in whole or in significant part for the disparate impact are required by business necessity. If the respondent demonstrates that a specific employment practice within a group of employment practices is not responsible in whole or in significant part for the disparate impact, the respondent shall not be required to demonstrate that such practice is required by business necessity.

"(C) An employment practice or group of employment practices responsible in whole or in significant part for a disparate impact that is demonstrated to be required by business necessity shall be lawful unless the complaining party demonstrates that a different employment practice or group of employment practices, which would have less disparate impact and make a difference in the disparate impact that is more than merely negligible, would serve the respondents as well.

"(2) In deciding whether a respondent has met the standards described in paragraph (1) for business necessity, the court may receive evidence as permitted by the Federal Rules of Evidence, and the court shall give such weight, if any, to the evidence as is appropriate.

"(3) A demonstration that an employment practice or group of employment practices is required by business necessity may be used as a defense only against a claim under this subsection.

"(4) Notwithstanding any other provision of this title, a rule barring the employment of an individual who currently and knowingly uses or possesses an illegal drug as defined in schedules I and II of section 102)(6) of the Controlled Substances Act (21 U.S.C. 802(6)), other than the use or possession of a drug taken under the supervision of a licensed health care professional, or any other use or possession authorized by the Controlled Substances Act or any other provision of Federal law, shall be considered an unlawful employment practice under this title only if such rule is adopted or applied with an intent to discriminate because of rule, color, religion, sex, or national origin.

"(5) The mere existence of a statistical imbalance in the work force of an employer on account of race, color, religion, sex, or national origin is not alone sufficient to establish a prima facie case of disparate impact violation.

"(b) CONSTRUCTION.—Nothing in the amendment made by subsection (a) shall be construed to overrule any existing case concerning whether recovery is available under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) under a comparable worth theory.

SEC. 4. PROHIBITION AGAINST THE DISCRIMINATORY USE OF TEST SCORES.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2) (as amended by section 3) is further amended by adding at the end the following new subsection:

"(l)(1) It shall be an unlawful employment practice for a respondent, in connection with the selection or referral of applicants or candidates for employment or promotion, to adjust the scores of, use different cutoff scores for, or otherwise alter the results of, employment-related tests on the basis of race, color, religion, sex, or national origin.

"(2) Paragraph (1) shall not apply to a respondent seeking to comply with a court order aimed at remedying past discrimination."

SEC. 5. DEFINITIONS.

(a) In General.—Section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e) is amended by adding at the end the following new subsections:

"(l) The term 'complaining party' means the Commission, the Attorney General, or a person who may bring an action or proceeding under this title.

"(m) The term 'demonstrates' means meets the burdens of production and persuasion.

"(n) The term 'group of employment practices' means a combination of particular employment practices in which each practice is responsible in whole or in significant part for an employment decision.

"(o) The term 'required by business necessity' means—

"(1) in the case of employment practices involving selection, that the practice or group of paractices bears a manifest relationship to requirements for effective job performance; and

"(2) in the case of other employment decisions not involving employment selection practices as described in paragraph (1), the practice or group of practices bears a manifest relationship to a legitimate business objective of the employer.

"(p) The term 'requirements for effective job performance' includes—

"(1) the ability to perform competently the actual work activities lawfully required by the employer for an employment position; and

"(2) any other lawful requirement that is important to the performance of the job, including, but not limited to, factors such as punctuality, attendance, a willingness to avoid engaging in misconduct or insubordination, not having a work history demonstrating unreasonable job turnover, and not engaging in conduct or activity that improperly interferes with the performance of work by others.

"(q) The term 'respondent' means an employer, employment agency, labor organization, joint labor-management committee controlling apprenticeship or other training or retraining program, including an on-the-job training program, or Federal entity or head of a Federal entity subject to section 717."

(b) Interpretation.—It is the intent of Congress in enacting sections 701(o) and 703(k) of the Civil Rights Act of 1964 (as added by subsection (a) of this section and subsection (a) of section (3) respectively) that the sections codify the meaning of business necessity used in *Griggs v. Duke Power Co.*, 401 U.S.C. 424 (1971) and overrule the treatment of business necessity as a defense in *Wards Cove Packing Co. v. Atonio*, 109 S. Ct. 2115 (1989), with respect to an employment practice or group of employment practices.

SEC. 6. COVERAGE OF CONGRESS AND THE AGENCIES OF THE LEGISLATIVE BRANCH.

(a) Coverage of the Senate.—

(1) Application to Senate Employment.—The rights and protections provided pursuant to the amendments made by this Act shall, subject to paragraphs (2) through (5), apply with respect to any employee in an employment position in the Senate and any employing authority of the Senate.

(2) Investigation and adjudication of claims.—All claims raised by any individual with respect to Senate employment pursuant to the provisions described in paragraph (1) shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(3) Rights of employees.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under the provisions described in paragraph (1).

(4) Applicable remedies.—When assigning remedies to individuals found to have a valid claim under the provisions described in paragraph (1), the Select Committee on Ethics, or such other entity as the Senate may designate, shall to the extent practicable apply the same remedies applicable to all other employees covered by the provisions described in paragraph (1). Such remedies shall apply exclusively.

(5) Exercise of rulemaking power.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in paragraph (1) shall be within the exclusive jurisdiction of the United States Senate. The provisions of paragraphs (2), (3), and (4) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

(b) Coverage of the House of Representatives.—

(1) In general.—Notwithstanding any other provision of law, the purposes of this Act shall, subject to paragraph (2), apply with respect to any employee in an employment position in the House of Representatives and any employing authority of the House of Representatives.

(2) Employment in the house.—

(A) Application.—The rights and protections under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) and the amendments made by this Act shall, subject to subparagraph (B), apply with respect to any employee in an employment position in the House of Representatives and any employing authority of the House of Representatives.

(B) Administration.—

(i) In general.—In the administration of this paragraph, the remedies and procedures made applicable pursuant to the resolution described in clause (ii) shall apply exclusively.

(ii) Resolution.—The resolution referred to in clause (i) is House Resolution 15 of the One Hundred First Congress, as agreed to January 3, 1989, or any other provision that continues in effect the provisions of, or is a successor to, the Fair Employment Practices Resolution (House Resolution 558 of the One Hundredth Congress, as agreed to October 4, 1988).

(C) Exercise of rulemaking power.—The provisions of subparagraph (B) are enacted by the House of Representatives as an exercise of the rulemaking power of the House of Representatives, with full recognition of the right of the House to change its rules, in the same manner, and to the same extent as in the case of any other rule of the House.

(c) Instrumentalities of Congress.—

(1) In general.—The rights and protections under title VII of the Civil Rights Act of 1964 and the amendments made by this Act shall, subject to paragraphs (2) and (5), apply with respect to any employee in an employment position in an instrumentality of the Congress and any chief official of such an instrumentality.

(2) Establishment of remedies and procedures by instrumentalities.—The chief official of each instrumentality of the Congress shall establish remedies and procedures to be utilized with respect to the rights and protections provided pursuant to paragraph (1). Such remedies and procedures shall apply exclusively.

(3) Report to congress.—The chief official of each instrumentality of the Congress shall, after establishing remedies and procedures for purposes of paragraph (2), submit to the Congress a report describing the remedies and procedures.

(4) Definition of instrumentalities.—For purposes of this section, instrumentalities of the Congress include the Congressional Budget Office, the General Accounting Office, and the Office of Technology Assessment.

(5) Construction.—Nothing in this section shall alter the enforcement procedures for individuals protected under section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000c–16).

SEC. 7. CONSTRUCTION.

(a) In General.—Except as provided in subsection (b)—

(1) nothing in this Act or the amendments made by this Act shall be construed to limit an employer in establishing job requirements that are otherwise lawful under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.); and

(2) nothing in title VII of the Civil Rights Act of 1964 or this Act shall be construed—

(A) to require or encourage an employer to adopt hiring or promotion quotas; or

(B) to prevent an employer from hiring the most effective individual for a job.

(b) Remedies, Voluntary Actions, and Agreements.—Nothing in the amendments made by this Act shall be construed to affect court-ordered remedies, voluntary employer actions for work force diversity, or affirmative action or conciliation agreements, that are otherwise in accordance with the law.

S.1209

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights and Remedies Act of 1991".

SEC. 2. FINDING AND PURPOSE.

(a) Finding.—Congress finds that additional remedies under Federal law are needed to deter unlawful harassment and intentional discrimination in the workplace.

(b) Purpose.—The purpose of this Act is to provide appropriate remedies for intentional discrimination and unlawful harassment in the workplace.

SEC. 3. DAMAGES IN CASES OF INTENTIONAL DISCRIMINATION IN EMPLOYMENT.

The Revised Statutes are amended by inserting after section 1977 the following new section:

"SEC. 1977A. DAMAGES IN CASES OF INTENTIONAL DISCRIMINATION IN EMPLOYMENT.

"(a) Right of Recovery.—

"(1) Civil rights.—In an action brought by a complaining party under section 706 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(e)) against a respondent who intentionally engaged in an unlawful employment practice prohibited under section 703 of the Act (42 U.S.C. 2000e–2) and engaged in the practice on the basis of the religion, sex, or national origin of an individual, the complaining party—

"(A) may recover the compensatory damages described in subsection (b), in addition to any relief authorized by section 706(g) of the Civil Rights Act of 1964, from the respondent; and

"(B) may request that a court impose the equitable civil penalty described in subsection

(c) against the respondent.

"(2) Disability.—In an action brought by a complaining party under the powers, remedies, and procedures set forth in section 706 of the Civil Rights Act of 1964 (as provided in section 107(a) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117(a))) against a respondent who intentionally engaged in a practice that constitutes discrimination under section 102 of the Act (42 U.S.C. 12112), other than discrimination described in paragraph (3)(A) or (6) of subsection (b) of the section, against an individual, the complaining party—

"(A) may recover the compensatory damages described in subsection (b), in addition to any relief authorized by section 706(g) of the Civil Rights Act of 1964, from the respondent; and

"(B) may request that a court impose the equitable civil penalty described in subsection (c) against the respondent.

"(3) Notice.—A complaining party who requests that a court impose an equitable civil penalty under subsection (c) shall provide notice of the request to the Chairman of the Equal Employment Opportunity Commission and the Secretary of Health and Human Services.

"(b) Compensatory Damages.—

"(1) Determination.—A complaining party may recover compensatory damages under subsection (a) if it is determined that the complaining party had demonstrated the existence of injury requiring compensation by clear and convincing evidence.

"(2) Exclusions.—Compensatory damages awarded under this section shall not include back pay, interest on back pay, or any other type of relief authorized under section 706(g) of the Civil Rights Act of 1964.

"(3) Limitations.—The amount of compensatory damages awarded under this section against a respondent who is not a government, government agency, or political subdivision, for emotional pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, and other nonpecuniary losses shall not exceed—

"(A) in the case of a respondent who has more than 100 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $150,000; and

"(B) in the case of a respondent not described in subparagraph (A), $50,000.

"(4) Prejudgment interest.—The court described in paragraph (1) shall not award prejudgment interest to a complaining party on compensatory damages awarded under this section in an action in which the aggrieved individual is an employee or applicant for employment described in section 717(a) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–16(a)).

"(c) Equitable Penalty.—

"(1) Determination.—

"(A) In General—A court shall impose an equitable civil penalty on a respondent under subsection (a) if the court finds that—

"(i) the respondent engaged in a discriminatory practice or discriminatory practices with malice or with reckless indifference to the federally protected rights of an aggrieved individual; and

"(ii) the penalty is necessary to deter that respondent from engaging in such a discriminatory practice or such discriminatory practices in the future.

"(B) Amount.—The court shall impose an equitable civil penalty sufficient to deter the respondent from engaging in such a discriminatory practice or discriminatory practices in the future.

"(2) Equitable Considerations.—In making the finding described in paragraph (1)(A), a court may consider—

"(A) the nature of the discriminatory practice or practices that are the subjects of the action described in subsection (a);

"(B) the efforts of the respondent to instruct the managers, supervisors, and employees of the respondent about legal requirements regarding employment discrimination;

"(C) the nature of compliance programs, if any, established by the respondent to ensure that discriminatory practices do not occur in the workplace;

"(D) any lawful affirmative action undertaken by the respondent with respect to the group injured by the discriminatory practice or practices are the subject of the action described in subsection (a);

"(E) the availability to the aggrieved individual of an internal grievance procedure or remediation policy established by the respondent;

"(F) whether the respondent made a prompt investigation of the discriminatory practice or discriminatory practices;

"(G) the efforts of the respondent to correct the discriminatory practice or practices; and

"(H) the size of the respondent and the effect of the equitable civil penalty on the economic viability of the respondent.

"(3) Limitations.—The amount of an equitable civil penalty imposed under subsection (a) shall not exceed—

"(A) in the case of a respondent who has more than 100 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $150,000; and

"(B) in the case of a respondent not described in subparagraph (A), $50,000.

"(4) Recovery of Costs.—

"(A) Award of Fees.—If a court imposes an equitable civil penalty in a case brought under this section, the court shall award reasonable attorney's and expert witness fees incurred by the complaining party in seeking the penalty.

"(B) Relationship to Penalty.—The court shall not subtract the amount of the fees described in subparagraph (A) from the amount of the equitable civil penalty imposed against a respondent under this section.

"(5) Application of Proceeds of Penalty.—

"(A) Correction of Discriminatory Practices.—If a court determines, in the discretion of the court, that an equitable civil penalty imposed under this section is needed to correct discriminatory practices at the place of employment, or in the community, in which the discriminatory practice described in subsection (a) occurred, the penalty shall be expended all or in part, as directed by the court, to correct the discriminatory practices. The penalty may be expended to undertake actions such as public awareness or education programs regarding discrimination on the basis of race, color, religion, sex, or national origin, in order to eliminate future discrimination.

"(B) Trust Fund.—

"(i) Full payment.—If a court does not make the determination described in subparagraph (A), the penalty shall be deposited in the Equal Employment Enforcement Trust Fund, established in section 9511 of the Internal Revenue Code of 1986.

"(ii) Payment in part.—If a court directs that part of the penalty shall be expended as described in subparagraph (A), the remainder of the penalty shall be deposited in the Fund.

"(C) Determination.—In making the determination described in subparagraph (A), the court may consider—

"(i) antidiscrimination and antiharassment policies and procedures established by the respondent, prior to the practice that is the subject of the action described in subsection (a), to ensure that discriminatory practices would not occur;

"(ii) corrective actions taken by the respondent on becoming aware of a claim that a discriminatory practice had occurred; and

"(iii) policies and procedures established by the respondent after the claim to ensure that discriminatory practices do not occur again.

"(d) Jury Trial.—

"(1) In general.—If a complaining party seeks compensatory damages under this section, any party may demand a trial by jury.

"(2) Determinations.—If a party requests a trial by jury in an action brought under this section—

"(A) the jury shall determine all factual issues related to liability; and

"(B) if the determination described in subsection (b)(1) is made—

"(i) the jury shall determine the amount of compensatory damages awarded to the complaining party; and

"(ii) the court shall not inform the jury of the limitations described in subsection (b)(3).

"(e) Definition.—As used in this section:

"(1) Aggrieved individual.—The term 'aggrieved individual' means a person who has been subjected to a discriminatory practice.

"(2) Complaining party.—The term 'complaining party' means—

"(A) in the case of a person seeking to bring an action under subsection (a)(1), a person who may bring an action or proceeding under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.); or

"(B) in the case of a person seeking to bring an action under subsection (a)(2), a person who may bring an action or proceeding under title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"(3) Discriminatory practice.—The term 'discriminatory practice" means a practice described in paragraph (1) or (2) of subsection (a).".

SEC. 4. EQUAL EMPLOYMENT ENFORCEMENT TRUST FUND.

(a) Establishment.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end of the following new section:

SEC. 9511. EQUAL EMPLOYMENT ENFORCEMENT TRUST FUND.

"(a) Creation of Fund.—There is established in the Treasury of the United States a fund to be known as the Equal Employment Enforcement Trust Fund (referred to in this section as the 'Fund'), consisting of such amounts as may be appropriated or credited to the Fund as provided in this section.

"(b) Transfers to Fund.—There are appropriated to the Fund amounts equivalent to the additional revenues received in the Treasury as the result of the amendments made by section 3 of the Civil Rights and Remedies Act of 1991.

"(c) Expenditures.—

"(1) Purposes.—

"(A) Civil rights enforcement.—Fifty percent of the amounts in the Fund shall be available, to the extent provided in appropriation Acts, for the purposes of making expenditures to carry out section 706 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5).

"(B) Family violence protection.—Fifty percent of the amounts in the Fund shall be available, to the extent provided in appropriation Acts, for the purposes of making expenditures to carry out section 303 of the Family Violence Prevention and Services Act (42 U.S.C. 10402).

"(2) PAYMENTS BASED ON ESTIMATES.—Payments under paragraph (1) shall be made on the basis of estimates by the Secretary of the Treasury. Proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.".

(b) CONFORMING AMENDMENT.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended in the table of sections by adding at the end the following new item:

"Sec. 951. Equal Employment Enforcement Trust Fund.".

SEC. 5. COVERAGE OF CONGRESS AND THE AGENCIES OF THE LEGISLATIVE BRANCH.

(a) COVERAGE OF THE SENATE.—

(1) APPLICATION TO SENATE EMPLOYMENT.—The rights and protections provided pursuant to the amendment made by this Act shall, subject to paragraphs (2) through (5), apply with respect to any employee in an employment position in the Senate and any employing authority of the Senate.

(2) INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment pursuant to the provisions described in paragraph (1) shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(3) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under the provisions described in paragraph (1).

(4) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under the provisions described in paragraph (1), the Select Committee on Ethics, or such other entity as the Senate may designate, shall to the extent practicable apply the same remedies applicable to all other employees covered by the provisions described in paragraph (1). Such remedies shall apply exclusively.

(5) EXERCISE OF RULEMAKING POWER.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in paragraph (1) shall be within the exclusive jurisdiction of the United States Senate. The provisions of paragraphs (2), (3), and (4) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

(b) COVERAGE OF THE HOUSE OF REPRESENTATIVES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the purposes of this Act shall, subject to paragraph (2), apply with respect to any employee in an employment position in the House of Representatives and any employing authority of the House of Representatives

(2) EMPLOYMENT IN THE HOUSE.—

(A) APPLICATION.—The rights and protections under the amendment made by this Act shall, subject to subparagraph (B), apply with respect to any employee in an employment position in the House of Representatives and any employing authority of the House of Representatives.

(B) ADMINISTRATION.—

(i) IN GENERAL.—In the administration of this paragraph, the remedies and procedures made applicable pursuant to the resolution described in clause (ii) shall apply exclusively.

(ii) RESOLUTION.—The resolution referred to in clause (i) is House Resolution 15 of the One Hundred First Congress, as agreed to January 3, 1989, or any other provision that continues in effect the provisions of, or is a successor to, the Fair Employment Practices Resolution (House Resolution 558 of the One Hundredth Congress, as agreed to October 4, 1988).

(C) EXERCISE OF RULEMAKING POWER.—The provisions of subparagraph (B) are enacted by the House of Representatives as an exercise of the rulemaking power of the House of Representatives, with full recognition of the right of the House to change its rules, in the same manner, and to the same extent as in the case of any other rule of the House

(c) INSTRUMENTALITIES OF CONGRESS.—

(1) IN GENERAL.—The rights and protections under the amendment made by this Act, shall, subject to paragraph (2), apply with respect to any employee in an employment position in an instrumentality of the Congress and any chief official of such an instrumentality.

(2) ESTABLISHMENT OF REMEDIES AND PROCEDURES BY INSTRUMENTALITIES.—The chief official of each instrumentality of the Congress shall establish remedies and procedures to be utilized with respect to the rights and protections provided pursuant to paragraph (1). Such remedies and procedures shall apply exclusively.

(3) REPORT TO CONGRESS.—The chief official of each instrumentality of the Congress shall, after establishing remedies and procedures for purposes of paragraph (2), submit to the Congress a report describing the remedies and procedures.

(4) DEFINITION OF INSTRUMENTALITIES.—For purposes of this section, instrumentalities of the Congress include the Architect of the Capitol, the Congressional Budget Office, the General Accounting Office, the Government Printing Office, the Office of Technology Assessment, and the United States Botanic Garden.

SEC. 6. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be effected.

Mr. DURENBERGER. Mr. President, I am pleased to join my distinguished colleagues, Senators DANFORTH, RUDMAN, JEFFORDS, COHEN, CHAFEE, and HATFIELD, in today introducing a rational civil rights alternative. It is my belief that this bill will pave the way toward a meaningful resolution of the civil rights impasse that the Congress, the administration, business and civil rights groups thus far have been unable to resolve.

The legislation we are introducing consists of three distinct bills: The Civil Rights Restoration Act of 1991, the Equal Employment Opportunity Act of 1991, and the Civil Rights and Remedies Act of 1991.

The first of these three bills, the Civil Rights Restoration Act of 1991, incorporates all of the noncontroversial sections from last year's civil rights bill, and the second and third bills, the Equal Employment Opportunity Act of 1991, and the Civil Rights and Remedies Act of 1991, deal with employment practices that disproportionately affect women and minorities, and damages that are available in employment discrimination law suits, respectively.

By separating the noncontroversial issues contained in the first bill from those issues in the second and third bills, Congress may address immediately the injustices that have resulted from the Supreme Court's misinterpretation of U.S. civil rights law. At the same time, Congress is provided with the opportunity to act carefully to avoid quotas and runaway employment litigation, which are issues of great concern to all of us.

Mr. President, this Nation's civil rights laws are the means to ensure fair employment opportunities for all Americans. In Minnesota, we are keenly aware of the need for fair opportunity. In the past 10 years, Minnesota experienced a 4.9 percent increase in its white population, but a roughly 78 percent increase in black population, 42 percent increase in American Indian population, and 193 percent increase in the Asian American population.

The minority members of the Minnesota community deserves a fair chance at obtaining employment and entering the American economic mainstream. These three bills will help to provide that opportunity for members of those groups.

Mr. President, I have a long history of strongly supporting civil rights. In addition to being a principal sponsor of the Americans With Disabilities Act last year, I have authored the Economic Equity Act and have cosponsored the Equal Rights Amendment. Moreover, in previous years, I voted in favor of legislation that prevented recipients of Federal funds from discriminating on the basis of race, gender, religion, or national origin, and favored legislation that promoted equal access to voting. Based upon this record, there can be no doubt that I am an ardent and zealous champion of civil rights.

Accordingly, I encourage my colleagues to support our initiative, because it will provide immediate relief on the federal level for victims of discrimination.

The Civil Rights Restoration Act of 1991 overturns the Supreme Court's 1989 Patterson versus McLean Credit Union and Lorance versus AT&T decisions. All interested parties, including the administration, civil rights groups and business groups, agree that these two cases incorrectly narrowed the protections available to minorities.

In Minnesota, our legislature passed legislation immediately after Patterson and Lorance that created a State remedy to address these Supreme Court decisions. By separating the civil rights initiative into separate legislation, the U.S. Congress will be following Minnesota's example of dealing with the Patterson and Lorance problems head on to provide meaningful relief to those now denied a necessary employment discrimination remedy.

In addition, the Equal Employment Opportunity Act of 1991, and the Civil Rights and Remedies Act of 1991, broaden the ability of civil rights' plaintiffs to challenge employment actions and obtain appropriate relief, without promoting employment quotas. I am deeply concerned that Congress avoid encouraging employers to hire or promote applicants simply based upon an individual's skin color, gender, national origin or religion.

Accordingly, our bill overturns the Supreme Court's Wards Cove Packing versus Antonio decision, which placed additional and unfair burdens on plaintiffs challenging employment practices that disproportionately excluded minorities and women. At the same time, our bill requires plaintiffs to identify the specific employment practice or practices that cause the adverse impact on minorities, rather than allowing plaintiffs to sue based simply upon the employer having fewer minority employees than one would expect based upon the local population.

The Democratic alternative that is soon to be considered in the House of Representatives does not require plaintiffs to identify these specific employment practices and potentially requires employers to defend all of their employment practices without requiring a plaintiff to demonstrate that the practices caused an adverse impact. To allow such suits would encourage employers to "hire by the numbers" in order to avoid liability—and that is a quota. Especially when coupled with unlimited compensatory and punitive damages, I find that alternative unacceptable.

Mr. President, one of the reasons that I am cosponsoring these measures is because I believe that the bill supported by the administration fails to provide adequate remedies to victims of discrimination. For instance, the administration allows a jury to determine the damages for workplace racial harassment claims, but the Bush administration bill fails to provide the same jury trials for workplace sexual harassment claims. That is simply unfair.

The administration bill also lacks flexibility. Under the President's plan, employers of all sizes would be subject to potential liability of $150,000, even though many smaller employers would be bankrupted by such a large court award, and many large employers could afford that amount without great difficulty.

In contrast, the Civil Rights and Remedies Act of 1991 allows for juries to determine compensatory damages—for pain and suffering—subject to a cap of $50,000 for small employers and $150,000 for large employers. Following the Minnesota model, this initiative also provides for a civil equitable penalty, assessed by the court rather than by a jury, subject to the same $50,000/$150,000 cap.

Uniquely, our legislation encourages courts to require employers that have committed unfair employment practices to spend the civil penalty on race, gender, religion and/or national origin awareness and education programs for the employer's work force and/or in the surrounding community.

After consulting with numerous Minnesota business and civil rights groups, I endorse this use of penalties. Personally, I am convinced that it is ignorance that leads to prejudice, and therefore, the most socially useful expenditure of these penalties will be for such educational awareness programs.

Mr. President, I believe these bills provide adequate remedies for victims of discrimination without raising the specter of runaway jury awards. In my view, this is the best possible solution to the civil rights impasse between the administration, business groups, civil rights groups and Congress.

I urge my colleagues to shed partisanship and give serious consideration to the carefully crafted bills we have introduced today.

Mr. CHAFEE. Madam President, I am pleased to join with a number of my Republican colleagues in introducing a legislative package on civil rights. In one sense, it is with mixed feelings that I do so. I would have preferred to see a compromise reached last year. I certainly would have preferred avoiding the rancor and bitterness of the debate on civil rights that took place. But as no compromise has yet been reached and none seems to be in view, and since the parties appear to be irrevocably divided, we have joined in this undertaking.

In another sense, I join my colleagues with a real stirring of hope. By introducing a measure that falls somewhere in the middle of the competing proposals offered this year, we hope to move debate out of the realm of politics and sound bites, and into the realm of substance. Perhaps if that can be accomplished, we can get on with the matter at hand: Passing a good, fair bill that will afford civil rights protections to all Americans in the workplace.

Before I go further, I would like to state that I believe there are good faith efforts to get a bill. I commend President Bush for his support of civil rights legislation over the years. Indeed, as a Congressman from Texas, he supported civil rights legislation when it was far from popular to do so. I believe that the President indeed does want a civil rights bill, and I am hopeful we can obtain his support for the package of bills we are introducing.

Likewise, I hope that all parties who want a bill and are involved in this debate will give this package positive consideration.

I wish to state also, Madam President, that I like the company I am keeping. Sometimes in legislation one is associated with those for whom one really has a lot of respect, and that is my situation today. I respect the leader of our group in this effort, Senator DANFORTH, and I have equal respect for Senators HATFIELD, JEFFORDS, DOMENICI, SPECTER, RUDMAN, COHEN, and DURENBERGER. All of these Senators are good individuals, and all share a strong commitment to civil rights guarantees. Our effort today stems from this commitment. We want a good fair bill.

Madam President, it has been 2 years since the Supreme Court handed down a series of employment discrimination rulings that established far more stringent requirements than had previously existed in discrimination suits. The decisions had a serious and adverse impact on the ability of persons to fight against discrimination in the workplace. At worst, the Court took a 180-degree turn from what we in Congress over the years have tried to do. At best they took an unnecessarily severe interpretation of our intent. In my mind, these rulings need our attention. We wrote the statutes that the Court interpreted. We must be sure the rights guaranteed by those statutes remain intact.

As I see it, the great majority of Americans flatly oppose discrimination. I do not think there is any argument over that. One of the vital principles held by Americans is that no distinction should be drawn between persons solely because of some artificial factor—such as color, wealth, religion, background or nationality. If there is one concept that is part of the core of what it means to be an American, it is that each individual deserves to be treated fairly and equitably, regardless of who they are or what they look like.

Discrimination runs absolutely counter to that view. Hence, Americans have long supported civil rights protections, protections that truly belong to each and every one of us simply by virtue of our citizenship, and that sadly, are still necessary today. I think we all acknowledge that discrimination still exists, albeit often in a far more subtle and insidious form than in the past. Thus, it is important to keep the tools that are needed to fight discrimination at hand and available.

That is what this effort is about: Making sure these tools are available. To many, the issues regarding "business necessity" or "particularity," and the fights these issues cause, seem dry and detailed and overly fussy. Frankly, in some ways I agree. I think too much fierce debate has stemmed from one word or one phrase. Yet these esoteric terms are the tools I mentioned earlier, those that are needed to combat discrimination. And thus they are important.

What exactly is in our three-bill package? First and foremost, we have chosen to separate out certain of the Supreme Court decisions from the others. One thing revealed during the 1990 legislative battle is that there is in fact general agreement on legislative solutions for some of the cases. Yet during last year's debate those sections of general agreement—on Patterson, Wilks, Lorance, and Price Waterhouse—were unfairly held hostage to the more controversial measures. The first bill, therefore, contains these areas of agreement. It seems to us it is important to do as much as we can right, while continuing to work on the remaining provisions. The sooner those sections become law, the better for workers who are victims of discrimination.

The second bill addresses disparate impact suits as tested by the Wards Cove case. This section clearly was the most controversial part of last year's bill, and is the main provision that invited accusations of quotas. Our legislation builds upon the conference report language of last year. It also builds upon the language discussed by the business and civil rights groups. We believe we have drafted the language in such a way as to avoid the quota problem. This is not a quota bill.

The third bill concerns the extension of compensatory and punitive damages for women, persons with disabilities, and others covered under title VII of the 1964 Civil Rights Act, who now have no recourse to anything more than back pay, attorneys' fees, injunctive relief, or reinstatement. One of the most difficult pieces of this puzzle was how to deal with the issue of damages. Damages do serve an important and useful purpose. They provide compensation to those who are injured, and they provide a strong deterrent against wrongdoing. However, there are many—and I admit I am one—who are concerned about the increasingly litigious nature of our society.

The question is how to ensure both that victims are compensated and that a deterrent value is kept alive, while at the same time preventing a limitless expansion of the system that, overall, is costing us very dearly. Thus, we have worked to craft a damages section that will make certain victims of discrimination are compensated for the real costs incurred as a result of the discrimination. However, we also believe there should be some limit on how much businesses may be fined for such activity, and that the fine itself should go toward fixing—either via the Employment Opportunities Commission or via the workplace itself—the real and harmful problem for which it was awarded.

So as I stated earlier, this is a compromise effort, the purpose of which is to move forward and gain some ground in the area of civil rights. The bill on damages may not be perfect. However, we are not going to gain any ground unless there are limits on the damages. That is clear from last year's debate, and it is clear from what we have seen this year.

Just a word about quotas. I do not doubt there will be those who will attempt to characterize this legislative package, as a proplaintiff quota bill, although I firmly believe that it will not lead to hiring by quota. On the other side of the ledger, there will be those who will characterize this bill as probusiness. I do not think it is pro either.

This package is meant to clarify and to restore civil rights as fairly as possible. It may not be everything. In fact, I suspect every single one of us, the cosponsors, has some concerns with different sections of this package. But we have concluded that we must present something to this body, and something reasonable, if we are to break out of the logjam that currently exists, move forward, and have a bill enacted into law. I might even venture that if this bill pleases no one, we may be on the right track.

My colleagues and I have spent the last 18 months, a year and a half, in an effort to pass a civil rights bill, one that may be signed into law. It has been a long process which has frustrated nearly everybody involved. Last year, we spent a lot of time and went nowhere. The President was not happy; the Senate was not happy; and the House was not happy. That process ended up being a futile effort—no legislation was approved. We believe that this package of bills is a good start. I hope that each of my colleagues in the Senate—from the Democratic or the Republican side—will give it their careful attention and consideration.

I hope cool heads will prevail. Certainly, there is room for discussion on each of these issues. But paramount to having an effective discussion is to first end the bitter debate that has consumed this body for month after month. I hope this is a major step in that direction.

I wish to thank the Chair. I particularly want to thank the distinguished Senator from South Carolina for his permitting me to proceed.

By Mr. PELL:

S. 1210. A bill to amend the Immigration and Nationality Act to provide for the deportation of aliens who are convicted of felony drunk driving; to the Committee on the Judiciary.

DEPORTING NON-U.S. RESIDENT DRUNK DRIVERS

• Mr. PELL. Mr. President, I am today introducing legislation that would allow for the deportation of resident aliens convicted of felony drunk driving. Specifically, my bill would allow for deportation of a non-U.S. citizen convicted of operating a motor vehicle while under the influence of alcohol or illegal drugs, in connection with a fatal crash or a crash in which serious bodily injury has been inflicted upon an innocent party.

Under current law, an alien residing in this country can be deported if he or she commits a crime involving "moral turpitude." Court decisions over the years have established that crimes such as murder, rape, assault, robbery and drug possession are crimes that demonstrate moral turpitude and are grounds for deportation.

However, a non-U.S. resident who gets behind the wheel of a motor vehicle after abusing alcohol or drugs and kills or injures an innocent victim, cannot be deported. Under current law, getting drunk and then killing someone with your car is not considered a sufficient enough demonstration of moral turpitude to warrant deportation.

Mr. President, drunk driving is not a simple traffic offense and should not be treated that way. Since the early 1980's, when I introduced the first in a series of laws forcing a crack-down on drunk drivers, there has been a wholesale change in the way society views drunk driving. I believe it is time for our deportation laws to reflect this fundamental change. An assault or killing committed by a drunk driver should be considered as grounds for deportation.

This legislation may seem draconian to some. Our country has always opened its arms to all people and it is a very serious step to deport someone from our shores. That is why my bill follows current deportation law and gives a presiding judge in a felony case involving an alien the power to recommend against deportation. My bill also specifically states that an alien cannot be deported if this action would subject the alien to persecution on account of race, religion or political opinion. I believe these safeguards will adequately protect aliens from the misapplication of this proposed law.

However, I realize that there may be a need to further modify this bill to accommodate the concerns of my colleagues and I am open to comments, suggestions or improvements.

In 1980, over half of all traffic fatalities in this country were alcohol related. In 1987—the last year statistics were available—this figure showed some decrease. The number of drunk driving fatalities is still much too high and it is up to Congress to look for new ways to deter drunk drivers. My bill will make a small contribution to accomplishing this goal because it will force a very specific group of drivers to think twice before drinking and driving.

Mr. President, the idea for this legislation was suggested to me by a group of people that has had more to do with curbing drunk driving than all the Senators and Congressmen on Capitol Hill. Mothers Against Drunk Driving [MADD] recently marked its 10th anniversary and what this group has accomplished in the past 10 years is remarkable. Quite simply, in one short decade, MADD has changed the way we think about drunk driving and managed to save thousands of lives in the process.

It was MADD that told me about a recent drunk driving case in Florida, convincing me there was a need for my bill. The case involved a man who was living in Florida as an alien. He was convicted of drunk driving after causing an accident in which a 73-year-old woman received serious stomach wounds, a crushed pelvis, a punctured lung, and broken ribs. This was the third drunk driving conviction for this man. I share MADD's view that someone with a record such as this should be deported.

Unfortunately, the law does not allow us to deport a drunk driver who kills or injures someone. My bill would change that.

Mr. President, I ask that the full text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1210

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Section 241(a) of the Immigration and Nationality Act (8 U.S.C. 1251(a)) is amended—

(1) by striking out "or" at the end of paragraph (19);

(2) by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(21) has been convicted of operating a motor vehicle while under the influence of, or impaired by, alcohol or a controlled substance arising in connection with a fatal traffic accident or traffic accident resulting in serious bodily injury to an innocent party.".

(b) Section 241 of that Act is amended by adding at the end thereof the following:

"(h) Subsection (a)(21) shall not apply to any alien described in section 243(h).".•

By Mr. GRAHAM:

S. 1211. A bill to amend title XIX of the Social Security Act to permit the States the option of providing medical assistance to individuals with a family income not exceeding 300 percent of the income official poverty line with appropriate cost-sharing, and for other purposes; to the Committee on Finance.

S. 1212. A bill to amend title XVIII of the Social Security Act to provide coverage for certain preventive care items and services under part B and to provide a discount in premiums under such part for certain individuals certified as maintaining a healthy lifestyle; to the Committee on Finance.

S. 1213. A bill to amend title IX of the Public Health Service Act to require the Director of the Centers for Disease Control to acquire and evaluate data concerning preventative health and health promotion, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH LEGISLATION

Mr. GRAHAM. Mr. President, I rise for the purpose of introducing three health reform bills. The Nation has recently had an opportunity to see how our health care system can operate. When President Bush fell ill, he received the most comprehensive state-of-the-art health care available. He saw expensive physicians, underwent extensive tests. The health care system performed for him. But, Mr. President, if the President of the United States had been one of the 31 to 36 million individuals in this Nation without health insurance, he could have ended up in the emergency room for care, if he received any care at all.

The uninsured are a growing segment of the U.S. population. In 1987 the national medical expenditure survey found that 47.8 million people lacked insurance for all or a part of 1987; 34 to 36 million were uninsured on any given day; 24.5 million were uninsured throughout the entire year.

The following statistics are also from that same NME study. Nearly one in four children, children younger than the age of 18, were uninsured during all or part of the year. Given the need for early intervention and prevention in this critical population, this figure is particularly disturbing. Of non-Hispanic whites 18.6 percent were uninsured; 29.8 percent of black Americans, and 41.4 percent of Hispanic Americans were uninsured for all or part of the year.

According to the General Accounting Office, my State, the State of Florida, with 2.2 million uninsured, 21 percent of our State's population, ranks third in the United States in the number of uninsured persons.

Our health care system is in crisis, Mr. President. There are at least five reasons why this crisis exists.

Although health care coverage is not the only factor in determining health status, it is a key factor in improved health. Medical indigence is associated with lack of care and poor health status.

Two, the entire health care system suffers from being required to provide some care for the uninsured who cannot pay. The uninsured disproportionately seek care in hospital emergency rooms. For example, Jackson Memorial Hospital, the only public hospital in Dade County, Miami, FL, provided $204 million in uncompensated care charges for fiscal year 1990-91.

Health care costs are constantly escalating. According to HHS statistics, national health care spending increased 128 percent from 1980 to 1989 to $604 billion at the end of the last decade.

Employers are struggling to contain the cost of providing employee benefits, and the number of employers who offer benefits or enriched packages is rapidly declining.

Caring for the uninsured in the manner we do has financial and social costs as a fourth part of the health care crisis.

By receiving mostly emergency room care, the uninsured must forego primary care, hardly a cost effective use of funds. Through public programs and private insurance premiums we all pay these costs.

The uninsured pass their behavior patterns and societal inequities down to their families. There are other social costs as well. The inability to move from employment, to have mobility within the work force, is often due to fear of losing insurance coverage, such as the loss of coverage because of pre-existing conditions.

There is a built-in disincentive from leaving the welfare system because of the potential that has for losing Medicaid eligibility. As America ages, due to the economically devastating long-term care cost, unfortunately, Mr. President, the fact is that if you live long enough, there is a high possibility you will die medically indigent.

The last issue of the health care crisis is a philosophical one. Can your society continue to have a two-tiered health care system? Can we claim our system is the best in the world when so many have so little or no access.

Mr. President, I want to consider some of the components of our health care system in an attempt to evaluate this crisis. How has Medicaid fared? The Federal-State program providing medical assistance for those of low income in 1991 has covered about 27.3 million persons.

Due to Medicaid's categorical approach to eligibility, certain needy groups, primarily low-income men and childless couples, do not qualify for coverage.

In the late 1980's, cost containment efforts led to program freezes and reductions in eligibility and in provider payments.

Although Aid to Families for Dependent Children recipients represent about 75 percent of the Medicaid population of over 27 million Americans, 75 percent of Medicaid costs are for the care of the aged, blind, disabled, mostly for nursing home care.

Well, how is the workplace doing, Mr. President? United States employer-based insurance is the primary means of health care coverage. Sixty-six percent of the population—141 million workers—received such coverage according to the 1988 census. In 1988 the General Accounting Office found that

80 percent of the uninsured were either workers or dependents of workers.

Mr. President, I want to underscore that statistic: 80 percent of the uninsured Americans were either workers or dependents of workers.

Small businesses have little ability to spread risk over large numbers of employees, which increases their premiums. Small business insurance coverage then is subject to more exclusions based on health status.

Let us look at a third issue. How well have our preventative efforts worked? In 1985, less than 1 percent of the Federal Government's health care budget was targeted at prevention, at maintaining a high state of wellness.

The term "health care system" is in fact a misnomer. We have a crisis intervention system, with little attention to the maintenance and enhancement of individual Americans.

Philosophically, the Federal Government's involvement has been limited to intervention after major illness: sickness care, kidney dialysis, rather than hypertension medication. Economically, the Federal Government has focused resources on acute care despite the higher costs associated with such care.

Mr. President, the administration estimates that Medicare will spend $116.7 billion during fiscal year 1992 for the health care services for 33 million Americans. But it only will cover mammograms, pap smears, and certain immunizations for treatment purposes. That is the extend to which a $116 billion health care program orients itself toward maintaining a high level of health among older Americans.

The Public Health Service has recently put forth a document, "Healthy People 2000; National Health Promotion and Disease Prevention Objectives." This survey contains a national strategy for preventing major chronic illnesses, injuries, and infectious disease, reiterating that we can no longer afford not to invest in prevention.

There are examples, Mr. President, of where our system is working. I would just like to mention a few with which I am personally familiar in my own State.

In Dade County, FL, a mobile van unit, Medivan, offers primary care to elderly persons living in Dade County and Broward County. These are persons largely unserved, indigent, living in rural or inner-city areas; 2.3 million people in my State receive Medicare benefits, a system neither means tested nor workplace based.

In Dundee, FL, the research program runs a national renowned longitudinal study of 2,500 persons over the age of 65 who undergo yearly free physical exams and counseling. Florida Medicaid is operating four school-based health insurance programs under a demonstration which provides services for previously uninsured children and requires participants to cost share for services from 130 to 185 percent of the poverty level.

Mr. President, how do we hope to build on the existing system's strength and improve its weaknesses? Today I am introducing three health care reform bills based on access, cost, prevention, and research. These bills are not a panacea. They do, however, present a starting point for what we all anticipate will be a national debate commencing soon in this Congress on the future of American health care.

I know that the current occupant of the chair, both from his experience as Governor of the State of Nebraska, and now as a Member of the U.S. Senate, will be a major participant in that debate.

The first of the three bills that I am introducing today is the Medicaid Glide Slope Act of 1991. This bill would allow States to optionally increase Medicaid coverage for all individuals up to the age of 65 to a level to be determined by the State.

Mr. President, this chart summarizes the basic approach of the Medicare glide slope bill. It builds upon the existing Medicaid Program, whatever that program happens to be in an individual State. Then it allows a State, at the State's option, to provide for a glide slope, or actually a stairstep of Medicaid services, between the current extent of Medicaid eligibility and 200 percent above the poverty level. As the indivdual's income increases, their share of the cost of this program would commensurately increase. And between 200 percent of poverty and 300 percent of poverty, there will be the provision allowing individuals to pay in the full cost and gain the benefits of Medicaid health benefits.

This would allow States to establish a Medicaid sliding scale based on income for all individuals wishing to buy coverage and cost share up to 200 percent of the poverty level, and allows States to permit individuals up to 65 and small businesses to buy Medicaid coverage at 100 percent of the average per person cost, up to a percent of the poverty level.

It does not include in the calculation of those average costs the costs incurred for custodial care in the premiums, as these services tend to be the costliest and the least used by the population which would be eligible to participate in this program. It limits what an individual or family would be required to pay to participate to no more than 10 percent of that family's income.

How would the bill work? Let us assume that a State chooses to allow a Medicaid buy-in from 150 to 200 percent of poverty under the Florida Medicaid Program. For example, the average per person cost, minus the custodial nursing home coverage is, in 1989 dollars, $2,944.

With the poverty level of a family of 3 at 130 percent of the poverty level, which in Florida in 1989 would have been $13,368, the family would have paid in premiums of 30 percent of $2,934, or $1,764. However, because of the 10 percent maximum, that family would be able to purchase full Medicaid coverage for a family of 3 for $1,336.

This bill would reduce the disincentive for those who risk losing Medcaid coverage. By accepting income in excess of current Medicaid income limits, it would eliminate the cliff effect where eligibility ends by phasing in coverage with individual financial participation.

It utilizes an existing in-place delivery system. It allows participants to contribute to the program and offsets some of the costs to the State and Federal Government. It allows States to decouple eligibility levels from the current categorical requirements. As the Presiding Officer knows, today, in order to be eligible for Medicaid, one must generally have first been eligible for some other form of welfare, such as AFDC, aid to families with dependent children. This decoupling would facilitate the administration of the overall Medicaid Program.

This would save States money on the front end, as indigent persons could receive medical care from the primary care physician, not requiring the current excessive use of emergency room care. It would allow States flexibility to increase Medicaid coverage according to that individual State's needs and aspirations.

Mr. President, I am introducing a second bill, which would increase Medicaid preventative care coverage. An optional Medicaid immunization health exam, screening benefit, this would provide covered services for such things as physical exams, certain laboratory and screening provisions, counseling services, and other services for high-risk individuals, and immunizations.

This would be an elective program, Mr. President. The beneficiaries who elected to receive this coverage would pay a premium of $5.10 per month. There would be no copayment or deductible.

The bill follows the well-known U.S. Preventive Services task force guidelines on covered services for the elderly. In determining the premium level, it utilized the 1990 study for the Actuary Research Corp., which estimated the cost to provide the above preventative services under Medicaid.

What are the goals of this second measure, Mr. President? As the American population ages, older Americans can increase the healthiness; they can avoid early incapacitation if the emphasis shifts from crisis care to prevention. The increased preventative coverage will eliminate long-term cost for diagnosis and treatment.

Mr. President, I am introducing a third bill to evaluate preventative activities and to formulate practice guidelines. This bill would authorize the Centers for Disease Control to make grants to entities to evaluate which preventative screening and health promotion activities achieved the highest cost benefit and health improvement, utilizing the data to consider these procedures and activities and set appropriate practice guidelines to be contained in a clearing house at the Centers for Disease Control.

It requires this clearing house to disseminate such things as model insurance packages based on these findings. So that insurance coverage employers, governments, and individuals could evaluate what combination of insurance benefits have the highest potential return in terms of the reduction and the prevention of illness and disease, States and insurance companies would be encouraged to utlize this available information.

This third bill would provide a national, well publicized, comprehensive evaluation which is utilized in policymaking and in formulating insurance benefit packages. It would encourage the Federal Government and employees to begin health promotion activities, which in turn reduce long-term health care costs and premature disease and mortality.

It would assist the Department of Health and Human Services in achieving Healthy People 2000 objectives. A provision which is not contained in this bill, but which I believe this data might allow this and future Congresses to consider, would be to begin to tie eligibility for the tax deduction for health insurance to the inclusion within that health insurance of standards of practice that would promote wellness and the prevention of illness and disease.

Mr. President, how will these reform efforts improve and build upon our current health care system? These bills will not provide the answer to our health needs but they are a crucial way to begin addressing the health care crisis our Nation is facing by building upon and reforming our current system.

The Medigap glideslope bill does not address several important issues such as cost containment, physician reimbursement, rising Medicaid cost in proportion of State budgets. Most health care experts agree that health care costs continue to spiral out of control. Doctors are facing lagging Medicaid reimbursement. Administrative houses in States cannot continue to consume their portion of rising Medicaid costs and continue to balance their budgets. The Federal Government may have to assume more of the Medicaid costs in the future.

As you might recall, Mr. President, one of the components of President Reagan's new federalism was for the Federal Government to assume a larger, possibly even the total cost of the income maintenance programs in this country, specifically including the cost of Medicaid. That debate is one for another day. It is my feeling that these issues will be debated in the health reform discussions which our body will soon face and will be included in any serious health care reform effort.

Mr. President, although I do not now have budget estimates for these bills, it has been suggested that they are very compatible in costs to the determinations reached by the Pepper Commission which studied the issue of the provision of expanded health care particularly for older Americans. I am requesting a comprehensive evaluation of these proposals from the Congressional Budget Office.

Mr. President, difficult decisions await all of us as we consider the direction of health care reform. I am pleased that the issue has received this level of discussion of Congress and I hope that these proposals will facilitate the creation of a system which provides health care services to all Americans.

Mr. President, I ask unanimous consent that the full text of the three bills, a section-by-section summary of each of the bills and the accompanying support letters be printed in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1211

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Medicaid Glideslope Act of 1991".

(b) REFERENCES IN ACT.—Except as otherwise provided in this Act, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

SEC. 2. OPTIONAL EXPANSION OF MEDICAID COVERAGE TO INDIVIDUALS WITH FAMILY INCOMES NOT EXCEEDING 300 PERCENT OF THE INCOME OFFICIAL POVERTY LINE.

(a) STATE OPTION.—Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)), as amended by section 4713(a) of the Omnibus Budget Reconciliation Act of 1990, is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by inserting "and" at the end of subparagraph (F); and

(3) by inserting after subparagraph (F) the following new subparagraph:

"(G) at the option of the State, but subject to subsection (z)(2) and section 1916(g)(5), for making medical assistance available to individuals who are described in subsection (z)(1);".

(b) DESCRIPTION OF GROUP.—Section 1902 (42 U.S.C. 1396a), as amended by section 4755(a)(2) of the Omnibus Budget Reconciliation Act of 1990, is amended by adding at the end the following new subsection:

"(z)(1) An individual is described in this paragraph if—

"(A) the individual is not otherwise covered under this title and not eligible to receive coverage under title XVIII of this Act; and

"(B) the family income of the individual does not exceed 300 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

"(2) Notwithstanding subsection (a)(17), for individuals who are eligible for medical assistance because of subsection (a)(10)(G)—

"(A) the income standard to be applied is the income standard described in paragraph (1)(B); and

"(B) family income shall be determined in accordance with a methodology that is no more restrictive than the methodology employed under title XVI of this Act, and costs incurred for medical care or any other type of remedial care shall not be taken into account.".

(c) BENEFITS.—Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)), as amended by sections 4402(d) and 4713(a)(1)(D) of the Omnibus Budget Reconciliation Act of 1990, is amended, in the matter following subparagraph (G)—

(1) by striking "; and (XI)" and inserting ", (XI)";

(2) by striking ", and (XI)" and inserting ", and (XII)"; and

(3) by inserting before the semicolon at the end the following: ", and (XIII) the medical assistance made available to an individual described in subsection (z)(1) shall include only the care and services described in paragraphs (1), (2)(A), (3), (4)(B), (4)(C), and (5) of section 1905(a), and at the option of the State, any service described in section 1905(a)(22)".

(d) PREMIUMS AND COST SHARING.—Section 1916 (42 U.S.C. 1396o) is amended—

(1) in subsection (b), by striking "(A) or (E)" and inserting "(A), (E), or (G)"; and

(2) by adding at the end the following new subsection:

"(g)(1) the State plan shall provide that—

"(A) if the State elects under section 1902(a)(10)(G) to make eligible under this title individuals whose family income does not exceed 100 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved, no premium, deduction, cost sharing, or similar charge may be imposed; and

"(B) if the State elects under such section to make eligible under this title individuals whose family income exceeds the income level determined by such State under subparagraph (B), such election must exceed such income level by 100 percentage points and must provide for a monthly premium and copayments as determined by the State in accordance with paragraphs (2) and (3), respectively.

"(2)(A) Except as provided in subparagraph (C), the amount of the monthly premium imposed under a State plan for any individual described in paragraph (1)(B) shall equal the applicable percentage of the national per capita costs of this title (other than with respect to medical assistance described in paragraphs (4)(A), (7), (14), and (18) of section 1905(a)).

"(B) For the purposes of this paragraph, the applicable percentage equals 10 percentage points for each 10 percentage point bracket (or any portion thereof) such individual's family's income exceeds the income level described in paragraph (1)(A), but shall not exceed 100 percentage points.

"(C) Notwithstanding any other provision of this subsection, the aggregate amount of premiums imposed on the family of any such individual shall not exceed 10 percent of the family income.

"(3) The amount of the copayment imposed under a State plan for any individual described in paragraph (1)(B) shall be determined by such State and shall only apply with respect to such individual whose family income equals or exceeds 150 percent of such income official poverty line.

"(4) The State plan shall provide that a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) may pay to the State on behalf of an individual who is an employee of the small business concern, the full amount of any premium and copayment under this subsection.

"(5)(A) Except as provided in subparagraph (B), the State plan shall provide that an individual who is enrolled in health insurance plan or program to which an employer makes contributions in the preceding calendar year, or is otherwise enrolled in the preceding calendar year in a private health insurane plan or program, shall not be eligible in the following calendar year to receive coverage for medical assistance pursuant to section 1902(a)(10)(G).

"(B) Subparagraph (a) shall not apply to any individual who is unemployed at the time such individual submits an application for coverage under section 1902(a)(10)(G).

"(6) The State plan shall provide, where appropriate, medical assistance to individuals eligible to receive coverage for medical assistance pursuant to section 1902(a)(10)(G) through public school-based health care programs.".

(e) Conforming Amendments.—

(1) Section 1902(a)(10)(C) (42 U.S.C. 1396a(a)(10)(C)) is amended by striking "(A) of (E)" in the matter preceding clause (i) and inserting "(A), (E), or (G)".

(2) Section 1902(a)(17) (42 U.S.C. 1396(a)(17)) is amended by striking "and (m)(4)" and inserting "(m)(4), and (z)(2)".

(3) Section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended by striking "or 1905(p)(1)" and inserting "1905(p)(1), or 1902(z)(1)".

(f) Effective Date.—The amendments made by this section shall apply to medical assistance furnished on or after July 1, 1992.

Section-by-Section Analysis of the Medicaid Glideslope Act 1991

Sec. 1. Short Title. The title would be referred to as the "Medicaid Glideslope Bill of 1991."

Sec. 2. Optional Expansion of Medicaid Coverage to Individuals with Family Incomes Not Exceeding 300 Percent of the Income Official Poverty Level. This section would allow states to optionally expand Medicaid coverage to a level to be determined by the state for all individuals up to age 65 and not exceeding 100 percent of the federal poverty level.

Once states determine that level, states could establish a Medicaid sliding fee scale based on income for a subsequent 100 percent increase for all individuals wishing to buy coverage and not exceeding 200 percent of the poverty level. For the buy in portion, individuals would pay 10 percent of national program costs per person for each 10 percent of income. This percentage of premium costs would increase by each additional 10 percent of the poverty level.

Total premiums could not exceed 10 percent of individual or family income. The premium, which is determined per average national Medicaid program costs, would not include nursing home costs.

States also could permit individuals up to 65 years and small businesses to buy Medicaid coverage at total per person program costs up to 300 percent of the poverty level.

Persons from 150–300 percent of the poverty level would pay a copayment to be determined by the state.

Persons would receive the current minimum benefit package available under Medicaid: inpatient hospital care, outpatient hospital care, laboratory and x-ray services, early and periodic screening, diagnostic, and treatment services, family planning services, physician, and dental care. States could opt to provide additional services.

The section does not allow persons who have received employer provided health insurance in the past year to receive coverage unless they are unemployed.

The state could provide medical assistance to eligible individuals through public school-base health care programs.

S. 1212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELECTIVE COVERAGE OF PERIODIC HEALTH EXAMINATION UNDER MEDICARE PART B PROGRAM

(a) In General.—

(1) Section 1862(a)(7) of the Social Security Act (42 U.S.C. 1395y(a)(7)) is amended by inserting "except as provided in subsection (j)," immediately after "(7)".

(2) Section 1862 of such Act (42 U.S.C. 1395y) is amended by adding at the end the following new subsection:

"(j)(1)(A) In the case of an individual who (in such manner and for such period as the Secretary shall provide) elects to receive coverage for the services described in this subsection and pay the additional premium required under section 1839(g), the exclusion from coverage under subsection (a)(7) shall not apply to expenses incurred for services described in paragraph (2) furnished by a primary care physician (as described in paragraph (3)) during an annual periodic health examination (without regard to the location at which such services are furnished) to diagnose or prevent illness or injury.

"(B) An election under this subsection shall be in such form and manner and for such period as the Secretary may prescribe in regulations.

"(2) The services described in this paragraph shall include—

"(A) the taking of a health history;

"(B) a physical examination, including for all individuals examination for height, weight, blood pressure, visual acuity, hearing, and palpitation for preclinical disease;

"(C) laboratory and screening procedures, including—

"(i) nonfasting total blood cholesterol;

"(ii) fecal occult blood testing;

"(iii) for women, mammogram and Pap smear (as provided in paragraph (4)); and

"(iv) for individuals identified as being at high risk with respect to specific medical conditions—

"(I) fasting plasma gluscoe;

"(II) tuberculin skin test;

"(III) electrocardiogram;

"(IV) dipstick urinalysis;

"(VI) thyroid function test; and

"(VI) sigmoidoscopy;

"(D) counseling services, including—

"(i) counseling for—

"(I) exercise;

"(II) smoking cessation;

"(III) substance abuse; prevention

"(IV) injury prevention;

"(V) dental health; and

"(VI) mental health;

"(ii) for individuals identified as being at high risk for specific medical conditions, counseling for—

"(I) estrogen replacement therapy;

"(II) aspirin therapy; and

"(III) skin protection from ultraviolet light; and

"(iii) advising patients on the need to visit eye specialists for glaucoma testing; and

"(E) immunizations (including administration) (as provided in paragraph (4))—

"(i) as indicated for any individual, for—

"(I) tetanus;

"(II) diphtheria;

"(III) influenza; and

"(IV) pneumonia; and

"(II) as indicated for any individual identified of being at high risk for contracting hepatitis, for hepatitis B.

"(3) For purposes of this subsection, the term 'primary care physician' includes a physician (described in section 1861(r)(1)) who is a family practitioner, internal medicine specialist, general preventive medicine specialist, obstetrical or gynecological specialist, pediatrician, or any other physician conducting a periodic health examination.

"(4) For purposes of this subsection, a mammogram, Pap smear, or immunizations described in paragraph (2)(E), shall be covered and paid for under this subsection during an annual periodic health examination only to the extent that such services are not otherwise covered and paid for under this part.".

(b) Additional Premium for Individuals Electing to Receive Coverage.—Section 1839 of such Act (42 U.S.C. 1395r) is amended by adding at the end the following new subsection:

"(g) Notwithstanding any other provision of this section, the amount of the monthly premium otherwise determined under this section with respect to an individual for months occurring in a calendar year shall be increased by $5.10 with respect to any individual who elects to receive coverage for the services furnished in connection with a periodic health examination described in section 1862(j).".

(c) Payment and Waiver of Copayments.—

(1) Section 1833(a)(1) of such Act (42 U.S.C. 13951(a)(1)) is amended by striking "and (N)" and by adding at the end the following: "(O) with respect to expenses incurred for the services furnished in connection with a periodic health examination described in section 1862(j), the amounts paid shall be 100 percent of the reasonable charges for such services or the fee schedule amount determined under section 1848 for such services,".

(2) The second to last sentence of section 1866(a)(2)(A) of such Act (42 U.S.C. 1395cc(a)(2)(A)) is amended by inserting after "with the first opinion)," the following: "with respect to services furnished in connection with a periodic health examination described in section 1862(j),".

(d) Effective Date.—The amendments made by subsections (a) and (b) shall apply to services furnished after December 31, 1992.

SEC. 2. COVERAGE OF CERTAIN IMMUNIZATIONS UNDER MEDICARE PART B PROGRAM.

(1) by striking "and" at the end of subparagraph (A),

(2) by inserting "and" at the end of subparagraph (B); and

(3) by adding at the end the following new subparagraph:

"(C) such immunizations as the Secretary designates for prevention or treatment of tuberculosis,

meningococcal meningitis, tetanus, and such other infectious diseases as the Secretary determines present a public health problem, furnished to individuals who, as determined in accordance with regulations promulgated by the Secretary, are at high risk of contracting any of such diseases; and".

(b) Waiver of Copayment.—

(1) Section 1833(a)(1) of such Act (42 U.S.C. 13951(a)(1)) is amended in subdivision (B) by striking "1861(s)(10)(A)" and inserting "1861(s)(10)".

(2) The second to last sentence of section 1866(a)(2)(A) of such Act (42 U.S.C. 1395cc(a)(2)(A)) (as amended by section 1 of this Act) is further amended by striking "1861(s)(10)(A)" and inserting "1861(s)(10)".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall apply to items and services furnished after December 31, 1992.

SEC. 3. MEDICARE PART B HEALTHY LIFESTYLE PREMIUM DISCOUNT.

(a) In General.—Section 1839 of the Social Security Act (42 U.S.C. 1395r) (as amended by section 1 of this Act) is further amended by adding at the end the following new subsection:

"(h)(1) Notwithstanding any other provision of this section, the amount of the monthly premium otherwise determined under this section with respect to an individual for months occurring in a calendar year shall be reduced by $1 if the individual is certified by a physician for that year (in accordance with procedures established by the Secretary in regulations) as an individual who maintains a healthy lifestyle.

"(2) An individual may be certified as maintaining a healthy lifestyle under paragraph (1) if—

"(A) the individual does not use any tobacco or tobacco product,

"(B) the individual does not consume medically detrimental amounts of alcohol, and

"(C) the weight of the individual is within a weight range that is appropriate for an individual of the same age and health status

"(D) the individual does not use illegal substances."

(b) Conforming Changes.—Section 1839 of such Act (42 U.S.C. 1395r) is further amended—

(1) in subsection (a)(2) by striking "provided in subsections (b) and (e)" and inserting "otherwise provided in this section".

(2) in subsection (a)(3) by striking "subsection (e)" and inserting "this section".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall apply to premiums imposed after December 31, 1992.

Section-by-Section Analysis of the Medicare Prevention Bill

Sec. 1. Elective Coverage of Periodic Health Examination Under Medicare Part B Program. The section would allow Medicare Part B beneficiaries to elect to receive additional coverage for services provided during a periodic health examination by a primary care physician if beneficiaries pay an additional $5.10 premium per month. Participants would not pay a deductible or copayment.

Covered services include: the taking of a health history, a physical examination, laboratory and screening procedures, including nonfasting total blood cholesterol, fecal occult blood testing, for women, mammograms and Pap smears, for high risk individuals, fasting plasma glucose, tuberculin skin tests, electrocardiograms, dipstick urinalysis, thyroid function tests, and sigmoidoscopies, counseling for a healthy lifestyle, and for certain high risk conditions, immunizations for tetanus, diphtheria, influenza pneumonia, and for high risk individuals, hepatitis and hepatitis B.

Mammograms, pap smears, and immunizations which are covered under current law, shall be included only to the extent that such services are not otherwise covered under current law. Effective date would December 31, 1991.

Sec. 2. Coverage of immunizations under Medicare Part B Program. The section authorizes Medicare Part B coverage of immunizations for prevention and treatment of tuberculosis, influenza, memingococcal meningitis, tetanus, and hepatitis and hepatitis B for individuals at high risk of contracting such diseases. Effective date would be after December 31, 1991.

Sec. 3. Medicare Part B Health Lifestyle Premium Discount. The optional premium would be reduced by $1.00 if an individual is certified by a physician for that year as maintaining a healthy lifestyle. A healthy lifestyle means the individual does not: use any tobacco or tobacco product, consume medically deterimental amounts of alcohol, use illegal substances, maintain a weight that is inappropriate for an individual of a certain age and health status. Effective date would be after December 31, 1991.

S. 1213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

(1) organizations have recently displayed a greater interest in the relationship between the health practices of their employees and the expenditures incurred due to the behavior of such employees;

(2) several private organizations, universities, and business coalitions now use public and private funds to evaluate medical and health promotion work place programs;

(3) a national, well publicized, comprehensive evaluation of the health benefit and cost effectiveness of health promotion and prevention programs has not been provided for the purposes of public and private decision making;

(4) in order to combat the escalating costs of health care, a longitudinal evaluation of the type described in paragraph (3) could be utilized by the public, insurance companies, health care providers, and public health programs to provide the care that best saves money and improves the quality of life; and

(5) a long term evaluation of health promotion and prevention activities and the utilization of research gained as a result of such evaluation would reduce long term health care costs and premature disease and mortality.

SEC. 2 EVALUATION OF HEALTH PREVENTION AND PROMOTION PROGRAMS.

Part A of title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 905. COMPREHENSIVE EVALUATION OF HEALTH PREVENTION AND PROMOTION PROGRAMS.

"(a) Grants.—The Secretary, acting through the Director of the Centers for Disease Control, may award competitive grants to eligible entities for the purpose of enabling such entities to carry out evaluations of the type described in subsection (c).

"(b) Requirements.—

"(1) Eligible entities.—To be eligible to receive a grant under this section an entity shall—

"(A) be a public, nonprofit, or private entity or a university;

"(B) prepare and submit to the Secretary an application at such time, in such form, and containing such information as the Secretary may require; and

"(C) meet any other requirements the Secretary determines appropriate.

"(2) Types of entities.—In awarding grants under this section, the Secretary shall consider applications from entities proposing to conduct evaluations using community programs, managed care programs state and county health departments, public education campaigns, and other appropriate programs. The Secretary shall ensure that no less than 50 percent of the grants awarded under this section be awarded to entities that will use funds received under such grants to conduct evaluations in the work place.

"(c) Use of Funds.—

"(1) Evaluations.—Amounts provided under a grant awarded under this section shall be used to conduct evaluations to determine which preventative health screenings and health promotion activities achieve the highest cost-benefit and health improvement in order to monitor practices and trends in preventative medical care and technology and to evaluate other areas determined appropriate by the Secretary.

"(2) Use of certain individuals.—In conducting an evaluation under this section, an entity shall ensure that data concerning women, minorities, older individuals, dependents, individuals with different income levels, retirees, and individuals from diverse geographical backgrounds, are obtained.

"(3) Minimum services.—In conducting an evaluation under this section it is suggested that a minimum level of screening and other activities should be performed, that shall include—

"(A) blood pressure screening and control (to detect and control hypertension and coronary heart disease);

"(B) early cancer screenings;

"(C) blood cholesterol screening and control combined with stress management;

"(D) smoking cessation programs;

"(E) substance abuse programs;

"(F) dietary and nutrition counseling;

"(G) physical fitness counseling; and

"(H) stress management.

"(4) Use of existing data.—In conducting evaluations under this section, entities shall use existing data and health promotion and screening programs where practicable.

"(d) Sites.—

"(1) Selection.—Recipients of grants under this section should select evaluation sites under such grant that present the greatest potential for new and relevant knowledge.

"(2) Number of sites.—Not less than three nor more than five sites shall be selected by a recipient under paragraph (1).

"(3) Number of evaluations.—Not more than five evaluations shall be operated within the same community.

"(e) Reporting Requirements.—

"(1) REPORTS BY GRANTEES.—Not later than 1 year after receiving a grant under this section, and at least once during every 1-year thereafter, an entity receiving a grant under this section shall prepare and submit to the Secretary a report containing a description of the activities conducted under the grant during the period for which the report is prepared, and the findings derived as a result of such activities.

"(2) CLEARINGHOUSE.—

"(A) ESTABLISHMENT.—The Secretary shall establish a clearinghouse to collect, store, analyze and make available data provided to the Secretary by entities conducting evaluations under this section.

"(B) USE OF DATA.—The clearinghouse shall use data obtained under this section to—

"(i) consider and rank health prevention and promotion activities and procedures in terms of quality, cost, and short- and long-term improvement;

"(ii) consider cost-benefit and quality of life improvements, and other areas determined appropriate by the Secretary, and to establish and disseminate practice guidelines for appropriate care to State and county health departments, State insurance departments, insurance companies, employers, and others determined appropriate by the Secretary; and

"(iii) prepare model prevention insurance packages for dissemination to State insurance departments and entities utilizing information disseminated under this section.

"(C) AVAILABILITY OF INFORMATION.—The clearinghouse shall make all information obtained under this section available to State, county and local health departments, insurers, and other entities determined appropriate by the Secretary.

"(f) TERM OF EVALUATIONS.—Evaluations conducted under this section shall be for a period of not less than 3 years nor more than 5 years. The Secretary may provide an extension of such period if determined appropriate.

"(g) CONSULTATION.—The Director of the Centers for Disease Control shall consult with the Administrator of the Agency for Health Care Policy and Research concerning activities conducted under this section that involve matters or data that is under the control of the Administrator.

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, an amount equal to $500,000 for each site within a community that the Secretary intends to provide assistance to under this section in fiscal years 1992, and such sums as may be necessary during each of the fiscal years 1993 through 1996.

"(2) ADMINISTRATIVE COSTS.—There are authorized to be appropriated for administrative costs under this section, $1,000,000.

"(3) LIMITATION.—Amounts appropriated under this section shall not be utilized to provide services.".

SECTION-BY-SECTION ANALYSIS OF THE CDC-PREVENTION BILL

Sec. 1. Findings. The section reports that employers are interested in the relationship between health practices and health care costs of employees. A national, comprehensive evaluation of the health and cost benefit and cost effectiveness of health promotion and prevention programs has not been provided for policy making purposes. Such a long term evaluation and the utilization of research gained by employers, public health programs, and other appropriate entities would reduce long term health care costs and premature disease and mortality.

Sec. 2. Evaluation of Health Prevention and Promotion Programs. The section authorizes the Centers for Disease Control (CDC) to make grants to public, nonprofit, and private entities to evaluate which preventive screenings and health promotion activities achieve the highest cost-benefit and health improvement and to monitor practices and trends in wellness medical care and technology.

The data will be utilized to consider and rank certain procedures and activities in terms of quality, cost, short and long term improvement and to set guidelines for appropriate practice and, specifically, to provide information on benefit packages that are prevention oriented and cost effective to state, county, and local health departments, and insurance companies. 50% percent of evaluations will occur in the work place, the others will occur in community programs, managed care programs, state, county, and local health departments, and other appropriate entities.

Evaluations would run for 3-5 years, with yearly reports to CDC. Between 3-5 communities could be utilized for evaluation purposes. In a community, contractors may operate up to 5 evaluations. $500,000 per site would be authorized for FY 92 and $1 million would be authorized for administrative costs. Such sums as necessary would be authorized for FY 93-96.

It will be suggested but not required that evaluated programs provide certain health promotion screenings and benefits. Once the study is completed, the information would be made available by the Federal government through a clearinghouse established within CDC.

The clearinghouse will be required to disseminate information and a model insurance package to insurance companies, state, county, and local public health units, and other appropriate entities. States and insurance companies would be encouraged to utilize the available information on health promotion and prevention activities.

AMERICAN COLLEGE OF
PREVENTIVE MEDICINE,
Washington, DC, May 30, 1991

Hon. BOB GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: The American College of Preventive Medicine (ACPM) is pleased to endorse two important bills you will be introducing:

1. A bill to amend title XVIII of the Social Security Act to provide coverage for certain preventive care items and services under part B and to provide a discount in premiums under such part for certain individuals certified as maintaining a healthy lifestyle; and

2. A bill to amend title IX of the Public Health Service Act to require the Director of the Centers for Disease Control to acquire and evaluate data concerning preventive health and health promotion and other purposes.

As the national medical specialty society representing preventive medicine physicians, the American College of Preventive Medicine seeks to advance the science and practice of preventive medicine. ACPM is extremely heartened by the introduction of these bills and is pleased to be able to offer its strong endorsement.

The first bill represents an important landmark for disease prevention and health promotion not only by providing a package of preventive services but by providing proven effective services. ACPM is pleased to have been able to work with your excellent staff on this legislative proposal and is convinced of the importance of having the bill consistent with recommendations contained in the highly regarded and scientifically sound *Guide to Clinical Preventive Services.*

The second bill is consistent with ACPM priorities and represents an important step in the critical ongoing process of establishing a solid scientific base for disease prevention and health promotion activities and interventions.

ACPM strongly supports these legislative proposals and would be happy to continue to work with you and your staff on preventive medicine initiatives.

Sincerely,

SUZANNE DANDOY, MD,
President.

ASSOCIATION OF STATE AND
TERRITORIAL HEALTH OFFICIALS,
McLean, VA, June 3, 1991.

Hon. BOB GRAHAM,
U.S. Senate, Washington, DC.

DEAR SENATOR GRAHAM: On behalf of the Association of State and Territorial Health Officials (ASTHO), which represents the chief health officer from each state, I am writing in support of your initiative which will provide resources to evaluate which preventive screenings and health promotion activities achieve the highest cost-benefit and health improvement outcomes. As the debate over health insurance reform continues and as prevention takes a priority in that debate, the information supplied through your legislation will be crucial in determining effective prevention services.

ASTHO applauds your leadership in this area and hopes to work with you to strengthen the bill as it moves forward. Please contact Valerie Morelli, Associate Director, if ASTHO can be of assistance.

Sincerely yours,

GEORGE K. DEGNON,
Executive Vice President.

WELCOA,
May 21, 1991.

Senator BOB GRAHAM,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR GRAHAM: I am writing in support of the proposed legislation that would amend title IX of the Public Health Service Act by establishing an Office for Health Promotion and Prevention Evaluation Planning. Organizations continue to show greater interest in health promotion activity for their employees and the potential impact these activities have on an employee's health status and health care expenditures. Although a few of the larger organizations such as AT&T and Johnson & Johnson have provided evaluation studies, there is a great need to undertake a national, well publicized, comprehensive evaluation of health improvement and cost efficiency of health promotion and prevention programs.

The outcomes of this type of approach will yield only positive results. With well documented information, more worksites will opt to begin health promotion activities which in turn will yield a healthier workforce and lower health care costs.

I urge you to continue your efforts to win support for this bill.

Sincerely,

HAROLD S. KAHLER, Jr., Ph.D.,
President.

STANFORD CENTER FOR RESEARCH
IN DISEASE PREVENTION,
Palo Alto, CA, May 22, 1991.

Senator BOB GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: Thank you and Ms Susan Emmer for our correspondence during the last two months focused on your new bill to amend the Public Health Service Act to conduct a national demonstration and evaluation of the health and cost efficacy of health promotion programs in the worksite. After reading the draft of your new bill I am writing in strong support of your bill.

Although approximately twenty five (25) demonstration and evaluation projects of comprehensive programs have been conducted to date, these studies are lacking in the uniformity of intervention and analysis which is needed for a national demonstration stated in your bill. Given the existence of these prototype programs, this bill would provide an excellent opportunity for public-private collaboration. Corporations can provide access to a broad cross section of the United States population, academic centers can provide the intervention and analysis, and the US Government can serve a vital leadership function. Most of all, an effort as indicated in your bill would have far reaching public policy applications.

With the extensive sophistication in community based, health interventions and the Corporation Health Program of the Stanford Center, we would be willing to participate in such a project. Also, there are seventeen (17) major corporations (See enclosure) with whom we have worked for seven years. Given our track record, it is certain that a majority of these companies would serve as demonstration sites.

Your proposed bill is timely, necessary, and totally feasible. It represents an excellent example of a public-private initiative which would provide a data base for informed public policy focused on the national crisis in medical costs.

Sincerely yours,

DR. KENNETH R. PELLETIER,
Senior Clinical Fellow.

By Mr. SPECTER:

S. 1214. A bill to direct the Secretary of Health and Human Services to treat physicians services furnished in Lancaster County, PA, as services furnished in a No. II locality for purposes of determining the amount of payment for such services under part B of the Medicare Program; to the Committee on Finance.

CHANGE IN DESIGNATION OF LANCASTER COUNTY, PA, FOR PURPOSES OF MEDICARE SERVICES

Mr. SPECTER. Mr. President, I join today with my colleague in the House of Representatives, Congressman ROBERT WALKER, in introducing a bill to change the designation of Lancaster County for the purpose of Medicare reimbursement. This bill, the Lancaster County Medicare Reimbursement Act of 1991, would correct an imbalance that has existed for many years in the calculations for reimbursement under part B of Medicare for doctors who live in Lancaster County, PA.

Pennsylvania, as with many other States, is divided into four geographic classes for purposes of Medicare reimbursement, with class I receiving the highest reimbursement rates. Only Philadelphia and Pittsburgh fall into this category as medical centers, while class II is for major metropolitan areas. Class III is designated for lesser metropolitan areas, and class IV, in which Lancaster County falls, is for rural areas.

Lancaster may have been a rural county when the original designation was made in 1970. However, since the original designation, Lancaster has developed into a major metropolitan area of more than 400,000 residents, with a high standard of living and access to major social and cultural events. Of 67 counties in the Commonwealth of Pennsylvania, Lancaster is one of the 6 counties that has a population of over 400,000. Moreover, of the 13 Pennsylvania counties designated as class II, in which Lancaster County deserves to be included, only 4 counties are larger than Lancaster. Accordingly, the bill I am introducing will adjust the discrepancy by having Lancaster County designated in class II, where it deservingly belongs.

In spite of all the evidence, the Health Care Financing Administration has refused to change Lancaster's charge class, even though Pennsylvania Blue Shield has already changed Lancaster County's designation for its private business from class IV to class II.

As there may be many rural counties in your own State that are experiencing this unfair treatment, I am hopeful that you will see this legislation as a matter of fairness, and not as a parochial or atypical situation. Nor is this bill without a precedent, as just last year, the Senate passed a similar measure for rural Harvey County in Kansas.

I urge my colleagues to join me in supporting this legislation, which will restore equitable treatment to the doctors of Lancaster County, as well as to ensure the best possible treatment to our Medicare beneficiaries.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1214

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF PHYSICIAN'S SERVICES FURNISHED IN LANCASTER COUNTY IN DETERMINING PAYMENT AMOUNTS UNDER MEDICARE.

With respect to physicians' services furnished in Lancaster County, Pennsylvania, on or after the date of the enactment of this Act, the Secretary of Health and Human Services shall use a number II locality as the locality applicable under section 1842(b) of the Social Security Act in determining the amount of payment made for such services under part B of the Medicare Program.

By Mr. GORTON (for himself, Mr. NUNN, Mr. MCCAIN, Mr. INOUYE, Mr. COCHRAN, Mr. DECONCINI, and Mr. CRAIG):

S. 1215. A bill to amend the Public Health Service Act to establish a program to fund maternity home expenses and improve programs for the collection and disclosure of adoption information, and for other purposes; to the Committee on Labor and Human Resources.

ADOPTION ASSISTANCE AND MATERNAL CERTIFICATES ACT

Mr. GORTON. Mr. President, today I rise to introduce legislation that will create a support network and offer counseling to those mothers who choose both to put their child up for adoption, and for those families who wish to adopt.

This legislation lends support to young mothers who wish to consider adoption as an option, but who do not have the guidance and counseling to pursue that path. It also will ensure that adopted children and families receive the same benefits as biological families: Placing more emphasis on the special needs of all involved in the adoption process.

Sadly, in the United States today, one in four children is born into a single-parent home. The number of children in single female-headed households has increased 81 percent over the past 20 years, and this rise is one of the root causes of family disintegration in our Nation.

The Adoption Assistance and Maternal Certificates Act begins to address the myriad of delemmas plaguing young mothers by creating a new grant program that provides maternal health certificates to low-income pregnant women who enter maternity homes. To assure support for these women, the program is established with a matching grant from the State or participating home.

Maternity homes provide young women a safe haven in which they can experience good counseling, a structured environment, and a variety of other services such as schooling, job counseling, and prenatal care.

In addition, this measure encourages collection of information on adoption in the United States in order to provide a better understanding of the adoption alternative, and requires that agencies provide all available information on a child to a prospective foster or adoptive parent. The agency reimbursement rate is increased when a child is placed within 3 months of becoming legally free for adoption and equal treatment is required for adoptive parents in insurance policies and parental leave benefits.

Mr. President, enactment of this bill will promote permanent, adoptive homes, reduce the number of children in our Nation's foster care programs, and will provide for the best interests of the adoptive child. I encourage my colleagues to join in giving women another choice.

Mr. President, I thank particularly the distinguished Senator from Georgia [Mr. NUNN] whose efforts in my behalf have been of great assistance, and several other original cosponsors who agreed to join in this effort.

I ask unanimous consent that the text of my bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Adoption Assistance and Maternal Certificates Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) in the United States today, 25 percent of children are born into single parent homes;

(2) the number of children in single female-headed homes has increased 81 percent, rising from 7,500,000 in 1970 to 13,500,000 in 1988;

(3) the rise in single-parenthood is one of the root causes of family disintegration in the Nation today;

(4) adoption addresses the problem of family disintegration at the beginning by getting children into solid, two-parent homes and giving birthmothers the opportunity to mature before taking on the adult responsibilities of child-rearing;

(5) adoption is the least chosen option for women in crisis pregnancies, as evidenced by the fact that adoptions have decreased by 38,000 since 1970;

(6) currently, only 6 percent of all teenage mothers choose adoption;

(7) young, unmarried women who make an adoption plan for babies are more likely to complete high school, less likely to live in poverty, and less likely to receive public assistance than single parents;

(8) 60 percent of welfare recipients are, or were at one time, teenage mothers;

(9) several studies show that, when compared to teenagers who keep their babies, teenage mothers who choose adoption are less likely to have repeat unwed pregnancies;

(10) adoption is a good plan for a baby, as demonstrated by the fact that 90 percent of adopted children live with two married parents and 54 percent of the children live in homes with family income three times higher than poverty level;

(11) adopted children have been found to have more confidence than children that are not adopted;

(12) maternity homes provide young mothers a safe haven away from peer pressure and time to consider thoughtfully the best plan for themselves and their babies;

(13) young mothers in maternity homes receive good counseling, a structured environment, and a variety of other services such as schooling, job counseling, and prenatal care;

(14) the relinquishment rate at maternity homes is significantly higher than the general adoption placement rate;

(15) St. Anne's Maternity Home in California reports a 22 percent rate of relinquishment compared to a general rate of relinquishment of only 5 percent in California;

(16) there are approximately 300,000 children in foster care, of whom only 36,000 are legally free and waiting for adoption;

(17) sadly, 40 percent of the children in foster care have been in the system 2 or more years, while 25 percent have been in foster care at least 3 years; and

(18) 60 percent of children in foster care are classified as "special needs" children, meaning they have physical or emotional difficulties, belong to sibling groups, or are minorities or older children.

SEC. 3. MATERNAL HEALTH CERTIFICATES.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following new part:

"PART M—MATERNAL HEALTH AND ADOPTION

"SEC. 399F. MATERNAL HEALTH CERTIFICATES PROGRAM.

"(a) GRANTS.—The Secretary shall award grants to 10 States to enable such States to establish programs to provide maternal health certificates to eligible women within such States.

"(b) STATE ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a State shall prepare and submit to the Secretary, an application at such time, in such form, and containing such information as the Secretary shall require, including—

"(1) an assurance that the State shall establish a maternal health certificates program in accordance with this section;

"(2) an assurance that the State shall establish procedures to comply with the requirements of subsection (f)(3); and

"(3) the name of an agency designated by the State to administer the maternal health certificates program.

"(c) ELIGIBLE WOMEN.—To be eligible to receive a maternal health certificate under a program established under this section, a woman shall—

"(1) be a pregnant female;

"(2) have an annual income (within the meaning of section 1612(a) of the Social Security Act (42 U.S.C. 1382a(a)) but not including the income of, or support received by the woman from, parents, guardians, or the father of the child) that does not exceed 175 percent of the State poverty level;

"(3) be a current resident of a maternity home, on a waiting list for such a home, or receiving outpatient services from such a home;

"(4) prepare and submit, to the State agency designated under subsection (b)(3), an application at such time, in such form, and containing such information as such agency shall require, including—

"(A) the name and address of the maternity home in which the woman resides or intends to reside, or from which the woman intends to receive services; and

"(B) the rates charged by the maternity home and the estimated length of time the woman expects to stay or receive services from the home; and

"(5) comply with any other requirements determined appropriate by the Secretary.

"(d) MATERNITY HOME ELIGIBILITY.—To be eligible to receive a maternal health certificate as payment for services provided to a eligible woman under a program established under this section, a maternity home shall—

"(1) be a residence for pregnant women;

"(2) have the capacity to serve at least four pregnant women concurrently;

"(3) be licensed or approved by the State; and

"(4) provide to eligible women and, where appropriate, to their babies a range of services that are in accordance with the standards promulgated by the Secretary under subsection (g), including standards regarding—

"(A) room and board;

"(B) medical care for the women and their babies, including prenatal, delivery, and post-delivery care;

"(C) instruction and education concerning future health care for both the women and babies;

"(D) nutrition and nutrition counseling;

"(E) counseling and education concerning all aspects of pregnancy, childbirth, and motherhood;

"(F) general family counseling, including child and family development education;

"(G) adoption counseling, which can include referral to a licensed nonprofit adoption agency, if the home is not such an agency;

"(H) counseling and services concerning education, vocation, or employment; and

"(I) reasonable transportation services.

"(e) USE OF CERTIFICATES.—A woman who receives a certificate awarded under a program established under this section shall use such certificate to pay the costs associated with the residence of or services provided to the woman in a maternity home. Such costs shall be reasonably related to the range of services described in subsection (d)(4).

"(f) LIMITATIONS ON CERTIFICATES.—

"(1) TIME.—Certificates awarded under a program established under this section shall cover expenses incurred during a period that shall end not later than 1 month after the birth of the baby to the eligible woman.

"(2) AMOUNT.—The amount of a certificate awarded under a program established under this section shall not exceed, during the period in which the certificate is valid—

"(A) in the case of a resident, $80 per day; and

"(B) in the case of a woman receiving outpatient services, $50 per day.

"(3) MATCHING REQUIREMENT.—Procedures established under subsection (b)(2) shall require that—

"(A) the State agency designated under subsection (b)(3);

"(B) the maternity home receiving a certificate under a program established under this section; or

"(C) both the State agency and the maternity home receiving the certificate;

provide an amount that is at least equal to the amount of the certificate awarded to an eligible woman for the payment of the costs associated with providing residence or services to the woman in a maternity home.

"(g) REGULATIONS.—Not later than 90 days after the date of the enactment of this part, the Secretary shall promulgate regulations to establish the standards described in subsection (c)(4). In promulgating the regulations, the Secretary shall consider such standards as the Council on Accreditation for Families and Children may determine to be appropriate.

"(h) PARTICIPATION IN AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM.—Notwithstanding any other provision of this section, no woman shall be required to participate in the program established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) to be eligible for a maternal health certificate under this section.

"(i) PROHIBITION ON SUPPLANTING OF SERVICES.—No maternal health certificate issued under this section shall be used to supplant existing State, county, or local government funds that are used to provide services similar to those described in subsection (d)(4) for low-income pregnant females.

"(j) EVALUATION.—

"(1) IN GENERAL.—The Secretary shall provide, through grants or contracts, for the continuing evaluation of programs established under this section, to determine—

"(A) the effectiveness of such programs in achieving the goals stated in paragraph (3) in general, and in relation to cost;

"(B) the impact of such programs on related programs, including programs under titles IV, V, and XIX of the Social Security Act (42 U.S.C. 601 et seq., 701 et seq., and 1396 et seq.) and titles X and XX of this Act; and

"(C) the structure and mechanisms for the delivery of services for such programs.

"(2) COMPARISONS.—The Secretary shall include in evaluations under paragraph (1), where appropriate, comparisons of participants in such programs with individuals who have not participated in such programs.

"(3) GOALS.—For purposes of paragraph (1)(A), the goals of this section shall be to—

"(A) increase the availability of services to low-income pregnant eligible women;

"(B) improve the physical and psychological health of such a woman;

"(C) ensure a safe and healthy pregnancy, delivery, and postpartum period for the woman;

"(D) promote the delivery of a healthy baby to the woman;

"(E) increase the knowledge of the woman regarding proper health and nutrition for the woman and her baby;

"(F) increase the ability of the woman to support herself financially;

"(G) help the woman make an informed decision whether to parent her baby or to make an adoption plan for her baby;

"(H) increase the ability of the woman to support her baby financially and emotionally, if the woman so chooses; and

"(I) assist the woman in placing her baby for adoption, if the woman so chooses.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $40,000,000 for each of the fiscal years 1992 through 1994.".

SEC. 4. DATA COLLECTION.

Part M of title III of the Public Health Service Act (as added by section 3 of this Act) is amended by adding at the end the following new section:

"SEC. 399G. DATA COLLECTION.

"(a) DATA.—Not later than 90 days after the date of the enactment of this part, the Secretary shall promulgate final regulations to ensure the inclusion, in the system for which the Secretary promulgated regulations under section 479(b)(2) of the Social Security Act (42 U.S.C. 679(b)(2)), of—

"(1) data concerning adoptions arranged through private agencies that receive Federal assistance; and

"(2) to the extent such data are voluntarily released by private agencies that receive no Federal assistance, data concerning adoptions arranged through the agencies.

"(b) DISCLOSURE AND CONFIDENTIALITY.—The regulations promulgated under subsection (a) shall provide for the establishment of procedures—

"(1) for the disclosure by the Secretary of aggregate information collected under this section relating to adoption and foster care in the United States; and

"(2) for the maintenance of confidentiality by the Secretary, the agencies described in subsection (a)(1), and the agencies described in subsection (a)(2) to the extent such agencies collect information under this section, of information collected under this section with respect to the identity of an individual, unless the Secretary obtains the prior written consent of the individual whose identity the information would reveal.".

SEC. 5. DISCLOSURE REGULATIONS.

Part M of title III of the Public Health Service Act (as added by section 3 and amended by section 4) is further amended by adding at the end the following new section:

"SEC. 399H. ADOPTION DISCLOSURE REGULATIONS.

"(a) IN GENERAL.—Not later than 90 days after the date of enactment of this part, the Secretary of Health and Human Services shall promulgate regulations that require an adoption or foster care agency that receives Federal assistance to disclose, to prospective adoptive and foster parents of a child, and only to such parents, information about the history of the child, including—

"(1) the medical and treatment history of the child;

"(2) information about the social background of the child;

"(3) information about the placement of the child; and

"(4) any record of abuse or neglect of the child.

"(b) CONFIDENTIALITY.—The regulations promulgated under subsection (a) shall specify procedures—

"(1) for disclosing the information described in subsection (a); and

"(2) for maintaining the confidentiality of any information collected under this section that would reveal the identity of an individual who placed a child into adoption or foster care, or committed any criminal act with respect to the child, unless the Secretary obtains the prior written consent of the individual whose identity the information would reveal.".

SEC. 6. EQUAL INSURANCE COVERAGE FOR ADOPTED CHILDREN.

(a) DEFINITIONS.—

(1) INSURANCE CONTRACT.—The term "insurance contract" means a contract for health or life insurance, as determined under State law, which provides coverage of a family.

(2) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, a child placed for adoption, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(b) NONDISCRIMINATION.—It shall be unlawful for any person to discriminate against an individual with respect to the making, performance, modification, or termination of an insurance contract, or the enjoyment of any benefit, privilege, term, or condition of an insurance contract, on the basis of the fact that a son or daughter of the individual is not a biological child of the individual.

(c) RIGHT TO BRING CIVIL ACTION.—

(1) IN GENERAL.—Subject to the limitations contained in this section, any person may bring a civil action to enforce the provisions of this section in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) TIMING OF COMMENCEMENT OF CIVIL ACTION.—No civil action may be commenced under paragraph (1) later than 1 year after the date of the last event that constitutes the alleged violation.

(3) VENUE.—An action brought under paragraph (1) in a district court of the United States may be brought in any appropriate judicial district under section 1391 of title 28, United States Code.

(4) RELIEF.—In any civil action brought under paragraph (1), the court may—

(A) grant as relief against any respondent that violates any provision of this title—

(i) any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court determines appropriate; and

(ii) such damages as the court determines appropriate, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) award to a prevailing party (other than the United States) in the action a reasonable attorney's fee.

(d) CONSTRUCTION.—Nothing in this section shall be construed to require any person to make, perform, modify, or terminate an insurance contract, or extend any benefit, privilege, term, or condition of the contract that the person would not otherwise have provided to an individual with a biological child.

SEC. 7. EQUAL LEAVE BENEFITS FOR ADOPTIVE PARENTS.

(a) DEFINITIONS.—As used in this section:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any "industry affecting commerce", as defined in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) EMPLOY.—The term "employ" has the meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) EMPLOYEE.—The term "employee" means any individual employed by an employer.

(4) EMPLOYER.—The term "employer" means any person engaged in commerce or in any industry or activity affecting commerce.

(5) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including health insurance, sick leave, and annual leave, regardless of whether such benefits are provided by a policy or practice of an employer or through an "employee welfare benefit plan", as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) LEAVE BENEFIT.—The term "leave benefit" means—

(A) any leave provided by the employer to enable a parent to prepare for the arrival of a son or daughter or to care for a son or daughter;

(B) any right to reemployment with the employer after the leave described in subparagraph (A); and

(C) any right to the receipt of pay or employment benefits, or the accrual of seniority, during the leave described in subparagraph (A).

(7) PARENT.—The term "parent" means the biological parent of the child or an individual who stands in loco parentis to a child when the child is a son or daughter.

(8) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, a child placed for adoption, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(b) Nondiscrimination.—It shall be an unlawful employment practice for an employer to discriminate against an employee with respect to a term or condition of any leave benefit on the basis of the fact that a son or daughter of an employee is not a biological child of the employee.

(c) Right To Bring Civil Action.—

(1) In general.—Subject to the limitations contained in this section, any person may bring a civil action against an employer to enforce the provisions of this section in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) Timing of commencement of civil action.—No civil action may be commenced under paragraph (1) later than 1 year after the date of the last event that constitutes the alleged violation.

(3) Venue.—An action brought under paragraph (1) in a district court of the United States may be brought in any appropriate judicial district under section 1391 of title 28, United States Code.

(4) Relief.—In any civil action brought under paragraph (1), the court may—

(A) grant as relief against any respondent that violates any provision of this title—

(i) any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court determines appropriate; and

(ii) damages in an amount equal to any wages, salary, employment benefits, or other compensation denied or lost to such eligible employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) award to a prevailing party (other than the United States) in the action a reasonable attorney's fee.

(d) Construction.—Nothing in this section shall be construed to require an employer to provide any leave benefit that the employer would not otherwise have provided to an employee with a biological child.

SEC. 8. PAYMENTS TO STATES FOR EXPEDITED PLACEMENT UNDER THE ADOPTION ASSISTANCE PROGRAM.

(a) In General.—Section 474(a)(3) of the Social Security Act (42 U.S.C. 674(a)(3)), as amended by section 5071 of the Omnibus Budget Reconciliation Act of 1990, is amended—

(1) by redesignating subparagraph (C) as subparagraph (D);

(2) by striking "and" at the end of subparagraph (B); and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) 80 percent of so much expenditures as are for the recruitment of adoptive parents in any case where the placement for adoption of a child with special needs occurs not later than 3 months after the child is determined under State law to be legally free for adoption, and".

(b) Effective Date.—The amendments made by this section shall apply to payments made for each quarter beginning on or after 60 days after the date of enactment of this Act.

SEC. 9. EXTENSION OF ARMED SERVICES ADOPTION EXPENSE REIMBURSEMENT.

(a) In General.—Section 638(h) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (101 Stat. 1106; 10 U.S.C. 113 note) is amended—

(1) in paragraph (1), by striking ", and before October 1, 1990"; and

(2) in paragraph (2), by striking ", and before October 1, 1990".

(b) Conforming Amendments.—Section 638 of such Act is amended—

(1) in subsection (a)—

(A) in the heading, by striking "Test program" and inserting "Program"; and

(B) by striking "test program" each place the term appears and inserting "program"; and

(2) in subsection (h)—

(A) in the heading, by striking "Test program" and inserting "Program"; and

(B) by striking "test program" and inserting "program".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall apply as if in effect on October 1, 1990.

By Mr. GORTON (for himself, Mr. KENNEDY, Mr. KOHL, Mr. DIXON, Mr. COHEN, Mr. GORE, and Mr. D'AMATO):

S. 1216. A bill to provide for the deferral of enforced departure and the granting of lawful temporary resident status in the United States to certain classes of nonimmigrant aliens of the People's Republic of China; to the Committee on the Judiciary.

CHINESE STUDENT PROTECTION ACT

Mr. GORTON. Mr. President, at the close of the 101st Congress last year, my final remarks on this floor constituted an exhortation, a reprimand, if you will. Those few of my colleagues who remained on the floor that night might remember my lament that we were leaving undone a good and noble deed, leaving undone a job we had begun, but had neither energy nor will to complete.

On that night in October, Mr. President, exhaustion was the legacy of our long and difficult debate concerning the Federal budget and other pressing, last-minute legislation. With those contentious issues settled, our first thoughts—indeed, our only thoughts, it seems—were of home. We had families to see, elections to attend to, private lives to resume. But there were others that night, Mr. President, whose thoughts also were, and are, of home—the Chinese students visiting America when their worlds were set awry by the events of June 4, 1989.

We had attempted to address their dilemma in the Immigration Act of 1990, but the necessary language was dropped in the conference report, due more to lack of time than lack of purpose. We promised ourselves that the plight of these students would be our first order of business upon convening for the 102d Congress.

Then we would have time, Mr. President. There would be no burdensome debates awaiting our return. Revived and renewed, we would turn our energies to the dilemma of these patient young people.

But I need not remind any Member of this body that we began the 102d Congress engaged in a profound and momentous debate of another nature. Once again the best and brightest young people of China, those whose dreams of democracy are in our keeping, were asked to wait while we attended to more urgent matters.

Mr. President, it is enough. Enough waiting, enough postponement of lives, enough procrastination.

Yesterday was June 4 in Beijing, Mr. President, 2 years since the bloody travesty of Tiananmen Square. Two years since the yearning for democracy sweeping the globe was quashed in China. Two years in which our memories of a young man standing down a tank have begun to fade.

But those who dream of democracy in China have not forgotten, Mr. President. In the Chinese language the word for little bottles—"xiao ping"—sounds like the name of the aging leader of China, Deng Xiao Ping. Yesterday, as the second anniversary of the massacre at Tiananmen Square approached, the forced silence in China was interrupted by the defiant sound of breaking little bottles, an oppressed people's courageous reminder that their memories have not faded, and will never fade.

The Chinese Government continues to take steps to hide, if it cannot dispel, those memories. It attempts to quell dissent before it is rekindled. The air of oppression continues to hang heavy in China. But the scattered tinkling of broken glass cuts through that fog of oppression. Rays of hope filter through to those who continue to nurture the dream of a people.

Now it is June 4 in this country, Mr. President, and it is time for this great body to recognize and give substance to those dreams as it began, but failed to do last year.

Mr. President, today I am introducing for myself, Mr. KENNEDY, Mr. KOHL, Mr. DIXON, Mr. COHEN, Mr. GORE, and Mr. D'AMATO, legislation that completes our long-postponed job. It will codify for visiting Chinese students the short-term protections of the Executive order issued by the President in the spring of 1990. It would allow the students to remain safely in this country until January 1, 1994, during which time they may change or adjust their status as immigration numbers become available. Appropriate work and travel authorization and documentation are also provided for.

But more importantly for these young proponents of freedom, and for those in China who derive renewed hope from the fate of their compatriots in America, it will allow Chinese students in this country to make concrete plans for their futures: If by October 1, 1993, the President has not certified to Congress that it is safe for them to return to their homeland, then these students, the cream of Chinese society, will have the right to apply for temporary resident satus, the first step to becoming American citizens.

Mr. President, the thoughts that I just mentioned contain the mundane words of a country whose freedom was long ago achieved and sustained: "Legislation," "codify," "safely," "rights," "citizens." How easily, how dryly, those words of freedom flow daily from our lips and pens. Do we ever feel anymore the flutter of exhultation, the tumult of hope, that our forefathers felt in a small harbor in Boston as they fought and died for the meaning behind these words?

Broken bottles or boxes of tea. What is the difference, really, Mr. President? Freedom's dream was made real by our ancestors and given into our keeping. We can do no less than pass it along to those whose own freedom is still but a dream.

Mr. President, today, June 4, I ask this great body for its support of legislation that will codify the dreams of those who would break bottles to build democracy.

Mr. President, I ask unanimous consent that a copy of the bill in its entirety be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1216

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chinese Student Protection Act of 1991".

SEC. 2. DEFERRAL OF ENFORCED DEPARTURE.

(a) DURATION OF STATUS.—Nationals of the People's Republic of China described in section 245B(a)(1)(B) of the Immigration and Nationality Act, as added by section 3 of this Act, shall have their enforced departure deferred from the United States until—

(1) January 1, 1994, or

(2) July 1, 1994, in the event that the President on or before October 1, 1993, has not certified to the Congress that conditions in the People's Republic of China permit such nationals to return to that country in safety.

(b) TRAVEL DOCUMENTS.—The Secretary of State and the Attorney General shall take all steps necessary with respect to such People's Republic of China nationals—

(1) to waive through the period of deferral of enforced departure the requirement of a valid passport; and

(2) to process and provide necessary documents, both within the United States and at United States consulates overseas, to facilitate travel across the borders of other nations and reentry into the United States in the same status that such People's Republic of China nationals had upon departure from the United States.

(c) WAIVER OF TWO-YEAR HOME COUNTRY RESIDENCE REQUIREMENT.—The two-year home country residence requirement shall not apply to any People's Republic of China national whose enforced departure has been deferred under subsection (a).

(d) ADMINISTRATIVE PROVISIONS.—(1) Any People's Republic of China national whose enforced departure was deferred under subsection (a) shall be deemed to be in lawful status throughout the period of such deferral for purposes of adjustment of status or change of nonimmigrant status.

(2) The Attorney General shall provide to any People's Republic of China national whose enforced departure has been deferred under subsection (a) notice of any expiration of nonimmigrant status in lieu of instituting deportation proceedings and shall provide to such national an explanation of options available.

(e) AUTHORIZATION OF TRAVEL ABROAD.—During the period that a national of the People's Republic of China is in deferral of enforced departure status under subsection (a), the Attorney General shall, in accordance with regulations, permit such national to return to the United States after such brief and casual trips abroad as reflect an intention on the part of such national to continue residence in the United States.

(f) EMPLOYMENT AUTHORIZATION.—During the period that a national of the People's Republic of China is in deferral of enforced departure status under subsection (a), the Attorney General shall grant such national authorization to engage in employment in the United States and shall provide such national with an "employment authorized" endorsement or other appropriate work permit.

SEC. 3. ADJUSTMENT OF STATUS OF CERTAIN NATIONALS OF THE PEOPLE'S REPUBLIC OF CHINA.

The Immigration and Naturalization Act is amended by inserting after section 245A the following new section:

"SEC. 245B. ADJUSTMENT TO LAWFUL TEMPORARY RESIDENT STATUS OF CERTAIN NATIONALS OF THE PEOPLE'S REPUBLIC OF CHINA.

"(a) ADJUSTMENT OF STATUS.—The status of a national of the People's Republic of China shall be adjusted by the Attorney General to that of an alien lawfully admitted for temporary residence—

"(1) if the President has not determined and so certified to Congress on or before October 1, 1993 that conditions in the People's Republic of China permit such aliens to return to that country in safety; and

"(2) if the alien—

"(A) applies for such adjustment during the 9-month period prior to July 1, 1994;

"(B) establishes that the alien—

"(i) lawfully entered the United States before April 11, 1990, as a nonimmigrant described in subparagraph (F) (relating to students), subparagraph (J) (relating to exchange visitors) or subparagraph (M) (relating to vocational students) of section 101(a)(15) of the Immigration and Nationality Act, or changed status to that of a nonimmigrant described in any such subparagraph before April 11, 1990;

"(ii) held a valid visa under any such subparagraph or were otherwise in lawful status as of April 11, 1990; and

"(iii) has resided continuously in the United States since June 4, 1989 (other than brief, casual, and innocent absences); and

"(C) meets the requirements of section 245A(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1255a(a)(4)), except that membership in the Communist Party of the People's Republic of China or any subdivision thereof shall not constitute an independence basis for denial of adjustment of status if membership was involuntary or nonmeaningful and if the alien on or before the date of adjustment of status terminates such membership and renounces communism.

"(b) IMPLEMENTING REGULATIONS.—Not later than January 1, 1993, the Attorney General shall prescribe regulations for the acceptance and processing of applications.

"(c) STATUS AND ADJUSTMENT OF STATUS.—The provisions of subsections (b), (c) (6) and (7), (d), (f), (g), and (h) of section 245A of the Immigration and Nationality Act (8 U.S.C. 1255a) shall apply to aliens provided temporary residence under subsection (a) in the same manner as they apply to aliens provided lawful temporary residence status under section 245(a) of such Act.

"(d) WAIVER OF TWO-YEAR HOME COUNTRY RESIDENCE REQUIREMENT.—The two-year home country residence requirement shall not apply to any national of the People's Republic of China who would otherwise be eligible for adjustment of status under this section but for that requirement.".

Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of legislation that seeks to protect a small group of individuals, who, without the protection of the United States, almost assuredly face persecution in their homeland. The bill, the Chinese Student Protection Act of 1991, will make sure that students from China studying here in the United States will have the full assurance of Congress that they will not be sent back to their homeland against their will.

I am well aware, as I am sure are most of my colleagues, that under Presidential Executive order, those Chinese students studying in our Nation will be protected until January 1, 1994, but what will happen beyond that date remains a mystery. The bill that Senator GORTON and I are introducing today will allow these students to stay in our Nation until January 1, 1994, and will allow them to change their current immigration status within that time. In addition, should the President certify 3 months prior to the January 1, 1994, deadline that it is not safe for these students to return to China, then these students would be allowed to apply for temporary resident status in the United States. This would be the first step toward American citizenship.

Two years ago today, the Government of the People's Republic of China brutally put to an end the brief experiment in democracy undertaken in Tiananmen Square. We cannot forget the Goddess of Democracy, fashioned after our own Statue of Liberty, being torn down by Chinese troops. We cannot forget that lone individual standing defiantly in front of a column of tanks. We cannot forget the hundreds and perhaps thousands of individuals who were killed for daring to dream of a government where the people determine the rule of law.

Our collective memory cannot be allowed to lapse. Sadly though, to many in our Nation, Tiananmen Square is as far away mentally as it is physically. However, to a certain group of students here in our Nation, the struggle is very much alive. We cannot and should not force these students to return to a government that has demonstrated a willingness to imprison and execute the supporters of the democracy movement in China. I am pleased to join Senator GORTON in cosponsoring this bill and I call upon my colleagues to join us in support of this important legislation.

Thank you, Mr. President.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1217. A bill to establish a field office of the Federal Emergency Management Agency in the State of Hawaii; to the Committee on Governmental Affairs.

ESTABLISHMENT OF A FEMA FIELD OFFICE IN HAWAII

• Mr. AKAKA. Mr. President, for myself and my senior colleague, Senator INOUYE, I am introducing legislation today that would require the Federal Emergency Management Agency [FEMA] to establish a permanent field office in the State of Hawaii to serve the disaster needs of the Pacific area.

Mr. President, it is an unfortunate but true fact that the Pacific area suffers from the highest frequency and magnitude of disasters of any FEMA region. In the last 15 years, there have been a total of 33 Presidential declarations of a major disaster in the region, and 7 additional requests that were not declared. FEMA's responsibilities in the area are enormous: its seven Pacific jurisdictions include American Samoa, the Commonwealth of the Northern Marianas Islands, the Federated States of Micronesia, Guam, Hawaii, the Republic of the Marshall Islands, and the Trust Terroritory of the Pacific, also known as the Republic of Palau. These Pacific jurisdictions are located throughout a vast area of the Pacific Ocean covering distances greater than the length and breadth of the U.S. mainland. The State of Hawaii, with a longitude of 155 W and latitude of 20 N, is the most northerly and easterly of the jurisdictions; the Republic of Palau is the farthest west at longitude 135 E, while American Samoa is the most southerly at latitude 14 S.

Its my belief that establishing a field office in Hawaii would measurably aid FEMA in servicing the victims of disasters in the South Pacific. Because Hawaii is 2,400 miles closer to FEMA's South Pacific responsibilities than the San Francisco regional office, such a facility would improve the agency's response to disasters occurring in these areas, if only in terms of reducing travel time and easing the physical and mental toll such travel must take on FEMA personnel and their ability to perform at maximum efficiency. Recent experience clearly demonstrated the difficulty FEMA had in dispatching its employees to hardship areas in the Federated States of Micronesia and Palau. Proximity would also facilitate contacts with local governments, aid in identifying local volunteers and disaster reservist workers, encourage provision of services in a more balanced, culturally and linguistically appropriate manner, and enhance coordination of disaster functions with other federal agencies with disaster responsibilities in the area, such as CINCPAC, the Coast Guard, the Army Corps of Engineers, or the Department of the Interior, all of which have a significant presence in Hawaii and are vital to FEMA's preparedness, response, and recovery efforts.

Mr. President, the recent General Accounting Office [GAO] report entitled "Disaster Assistance: Federal, State, and Local Response to Natural Disasters Need Improvement," which evaluated FEMA's response to Hurricane Hugo and the Loma Prieta earthquake, clearly points out that FEMA requires more staffing throughout the system, particularly in geographically distant areas. Chapter 3 of the report states:

> FEMA's staffing inadequacies were most visible in the Caribbean shortly after Hugo struck. FEMA's New York regional office, which is responsible for the Caribbean, initially deployed a small crew of managers to Puerto Rico and the Virgin Islands with little equipment or other resources. Unprepared for the level of devastation, this crew was overwhelmed by the work needed to establish offices, coordinate with other agencies, and begin the response and recovery efforts.

The report also noted that FEMA did not have sufficient bilingual staff on hand to deal with Hugo's victims in the Caribbean, which further hampered the relief effort.

It is obvious from the GAO study that FEMA needs to have additional, appropriately trained staff who are placed closer to potential disaster sites. FEMA's experience in the Caribbean is applicable to the South Pacific, which arguably has a greater need for FEMA resources than any other region, including the Caribbean. Indeed, the Insular Pacific region has more cultural and linguistic variances than any I can think of, covering a far larger geographic area, consequently presenting FEMA with a significantly greater logistical and administrative problem. Many other agencies with far fewer responsibilities have established representation in the area.

Mr. President, the need for a satellite office to meet the unique needs of the State of Hawaii is also clear cut. First, Hawaii suffers from one to two natural disasters a year, and an additional five or six lesser events about which FEMA is consulted or advised; a permanent agency staff in the islands would make it much easier for FEMA and the relevant State officials to coordinate efforts to address these emergencies as well as participate in joint exercises and training seminars.

Second, the Kilauea Volcano disaster on the Big Island requires constant attention because of its unique, ongoing nature; as my colleagues may be aware, the length of eruptions cannot be accurately predicted—some go on for hundreds of years. In addition, the unpredictability and potential violence of volcanic lava flows—so tragically illustrated in yesterday's eruption of Mount Unzen in southern Japan which killed at least a dozen people—may require a level of response from FEMA that is immediate rather than merely soon.

Third, the fact that units of government in Hawaii are organized differently from those on the mainland—into island size counties that function similar to mainland cities—requires special consideration from FEMA. The agency must develop special expertise, first-hand knowledge, and close contact with Hawaii's Civil Defense in order to make FEMA's system work effectively in the Hawaiian legal and administrative environment. For example, traditional State and interstate "mutual aid" as practiced in the mainland does not work the same in the islands. Staffing and logistics support mechanisms present certain obstacles given the great distances from California, all of which may be affected by natural or artificial hazards.

Finally, FEMA must improve its working relationship with other Federal agencies already established in Hawaii, particularly two I have already mentioned, CINCPAC and the Corps of Engineers. Both of these military resources are called upon and employed frequently in support of Presidential disaster declarations, both in Hawaii and in the Pacific Insular area. The need for an ongoing, close working relationship is obvious. Also, a number of academic and political organizations with which FEMA works closely are located in Hawaii, such as the East-West Center and the Pacific Basin Development Council.

Mr. President, I truly regret the need for this legislation, which I estimate will cost less than half a million dollars annually. I had originally hoped that FEMA would take the initiative in establishing a permanent presence in Hawaii to serve the Pacific region on its own, without the necessity for congressional intervention, but this has not come to pass.

I first asked Director Wallace Stickney to consider the initiative seriously during his confirmation hearings before the Senate Governmental Affairs Committee last summer, shortly after the President had formally declared the Kalapana area of Hawaii a disaster area in the wake of renewed activity by Kilauea Volcano. Soon after, in August 1990, the results of a committee oversight hearing I chaired in Hawaii on FEMA's activities with respect to the Kalapana disaster further convinced me that the ongoing nature of the emergency required more than a transient agency presence in the State. I therefore wrote the Director in January formally asking him to consider establishing a FEMA satellite office in Hawaii.

Unfortunately, Mr. President, FEMA's response to my request is a perfect example of our Government's often bizarre, catch-22 mentality. Signed by Associate Director Grant Peterson, FEMA's reply stated that the Agency agreed with my contention "that the Pacific has been one of the most disaster prone regions for which FEMA has responsibility for providing disaster assistance," and that it planned to conduct a study of the feasibility of permanent staff presence in Hawaii. However, Mr. Peterson then went on to say that "due to the current disaster workload in the Pacific, FEMA resources are strained in our Region IX office in San Francisco, which has responsibility for the Pacific area, and it is not possible at this time to devote the time or staff necessary for a complete and comprehensive study on the feasibility of opening a permanent field office in Hawaii.

Mr. President, my inquiry itself has clearly shown the need for permanent representation. FEMA's absurd response in effect says that, "we have a problem, but because we have a problem, we don't have the time or resources to look at a solution to the problem." This argument is also absurd for two other reasons: First, the savings FEMA would incur from not having to fly as many staff from San Francisco and other regions to various points in the Pacific—and the inevitable adverse effect of such travel on staff efficiency—alone would offset much of the cost of establishing and maintaining a permanent staff in Hawaii. Second, FEMA is already establishing a satellite office in Puerto Rico to serve the Caribbean region, and has advertised for positions to fill the office. Without taking anything away from the need for a Puerto Rico office, the need for a satellite office in the Pacific is at least as great, if not greater. Yet, while a Puerto Rico office is being established, Hawaii with its greater need is not. Frankly, this does not reflect well on FEMA's ability to develop intelligent, consistent policies.

Needless to say, I am very disappointed by FEMA's inaction on this issue. It takes only common sense to understand that establishing a FEMA field office in Hawaii would vastly improve the agency's operational efficiency in the Pacific region. Indeed, as I have said, the facility would likely help pay for itself in transportation savings. I am beginning to wonder whether FEMA's unwillingness or inability to carry out an initiative of this size may extend to larger matters that may affect the safety not only of the Pacific region, but of all other regions as well. I sincerely hope not, Mr. President.

Thank you, Mr. President. I urge my colleagues to support this small, but important measure, which would mean so much for the welfare of disaster victims throughout the Pacific area.●

By Mr. BAUCUS (for himself and Mr. CHAFEE):

S. 1218. A bill to enhance the conservation of exotic wild birds; to the Committee on Environment and Public Works.

S. 1219. A bill to enhance the conservation of exotic wild birds; to the Committee on Environment and Public Works.

CONSERVATION OF EXOTIC WILD BIRDS

● Mr. BAUCUS. Mr. President, today Senator CHAFEE and I, and Representatives STUDDS and BIELENSON, are introducing legislation to conserve wild populations of parrots and other exotic birds, to provide humane treatment of these birds during capture and transport, and to improve the process of importing and quarantining these birds.

The United States is the world's largest consumer of wild-caught exotic birds. We bring into this country each year more than 500,000 parrots and other birds that are taken from the wild.

International trade in many wild-caught, exotic birds species for use as pets is not sustainable, and this trade, in conjunction with habitat destruction and local use, is contributing to a significant decline in these species throughout the world. Consequently, the United States has a responsibility, as the largest market for exotic, wild-caught birds, to eliminate its imports of these birds.

Many nations have partially or totally restricted their exports of live indigenous bird species, but other nations, principally from Argentina, Guiana, Honduras, Tanzania, Senegal, and Indonesia, continue to supply large numbers of wild-caught birds for the international pet trade.

The Conference of the Parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora [CITES] in 1976 urged exporting countries to restrict gradually the collection of wild animals for the pets trade, and recommended that all contracting Parties, including the United States, encourage the breeding of animals for this purpose with the objective of eventually limiting the keeping of pets to those species which can be bred in captivity.

Today, however, current international trade control mechanisms remain inadequate. They are not based on a review of U.S. trade data or on a review of the status of the species in the wild. In addition, many exporting nations lack sufficient resources to adequately assess the effects of trade on their wild avian populations and rare, therfore, unable to determine whether their exports are detrimental to the species in the wild.

Conservation of these wild avian species will be promoted by encouraging the purchase of captive-bred exotic birds for the pet market in lieu of wild-caught birds and facilitating domestic and foreign captive breeding of exotic avian species, thereby reducing the demand for wild-caught exotic birds in the United States and relieving the pressure on wild populations of exporting countries.

Although some efforts have been successful in reducing mortality of birds during transport to and quarantine in the United States, import-associated mortality remains a serious concern.

Clearly, the effectiveness of current Federal regulations and procedures implementing the wildlife trade control provisions of the Endangered Species Act, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Lacey Act, the Animal Welfare Act, and other Federal statutes, and the division of agency responsibilities created thereby, needs to be improved.

Three years ago, the World Wildlife Fund convened a Cooperative Working Group on Bird Trade made up of a wide range of organizations with a common interest in the conservation and humane treatment of birds, including conservation groups, aviculturists, the pet industry, and zoological interests.

In April 1991 most of the members of the Working Group World Wildlife Fund, American Association of Zoological Parks and Aquariums, American Pheasant and Waterfowl Society, Association of Avian Veterinarians, American Federation of Aviculture, International Council for Bird Preservation, National Audubon Society, Pet Industry Joint Advisory Council, and TRAFFIC [USA]—reached agreement on a draft bill to create a comprehensive Federal program to regulate imports and transfers of exotic wild birds.

I am pleased today to sponsor, with Senator CHAFEE and my colleagues in the House, a slightly modified version of this legislation drafted by the Working Group.

Under this legislation, imports of exotic, wild-caught birds for the pet trade would be phased out over the next 5 years and captive breeding efforts would be encouraged. Consequently, the bill seeks to curtail the adverse effects of international trade on wild bird populations while preserving a supply of imported birds for aviculture and captive-bred birds for the domestic pet market.

The bill also would decrease mortality and improve humane treatment and health care of exotic wild birds by reforming the process by which these birds are imported. And it would encourage the public to purchase captive-bred birds in lieu of wild-caught birds.

I also am joining Senator CHAFEE in introducing a modified version of a bill that also is being introduced today in the House by Representatives STUDDS and BEILENSON and supported by Defenders of Wildlife, the Humane Society of the United States, the ASPCA, the Animal Welfare Institute, the International Wildlife Coalition, and the Environmental Investigation Agency.

This second bill would place an immediate ban on the importation of wild-caught birds for pets.

The bill also would require marking of all birds bred in captivity to aid consumers in distinguishing between wild-caught birds and captive-bred birds.

And the bill would require that persons who import wild-caught birds for captive breeding show that wild populations of those birds will not be affected adversely by their importation.

Both of the bills I am sponsoring share the goal that the trade in wild birds for pets should be eliminated. The bills, however, take different approaches toward achieving this goal which will have to be resolved in the coming months.

Nevertheless, I am confident that we will succeed in this effort, and that we will enact legislation in this Congress that places the United States at the forefront of international efforts to conserve the wild birds of this planet.•

• Mr. CHAFEE. Mr. President, I am pleased to join Senator BAUCUS in sponsoring legislation to restrict capture and trade in wild birds. This trade, together with the destruction of habitat, threatens the continued existence of many species of exotic birds and has already driven several species, such as macaws and cockatoos, to the brink of extinction. As the world's largest importer of these wild, exotic birds, it is essential that the United States act quickly to put an end to this destructive trade.

Many States and organizations, including the pet industry, share concern over our Nation's contribution to the decline in wild bird populations throughout Africa, Central and South America and Asia, and are working together to curtail imports of wild birds for the pet trade. Senator BAUCUS and I are introducing two bills today that, while they differ in the particulars, both seek the same goal: conservation of exotic wild birds. Similar bills are being introduced by Representative STUDDS in the House of Representatives. Both bills are the product of compromise and difficult negotiations and, as the Congress considers these bills, I hope we can reach consensus on the best approach.

There are many disturbing aspects of the wild bird trade. A shocking percentage—bordering on 50 percent—of these birds die during capture, holding and shipment. Further, the Department of Justice has estimated that 150,000 exotic birds are smuggled across the Mexican border each year. Given that legal imports of these birds hover around half a million, the large number of birds that are being illegally smuggled across just one of our borders is particularly troublesome.

Exotic birds are popular pets in America and it is by no means our intention to eliminate this option. The answer lies in captive breeding. Captive breeding efforts have increased in recent years and it is likely that U.S. aviculturists will soon be able to supplant the wild-caught stocks with their own. At this time, captive-bred birds are generally more expensive than their wild-caught counterparts, a condition which favors exploitation of wild birds.

Ironically, pet store operators and pet owners report that captive bred birds are better-behaved and are often worth the price differential when it comes to making good pets. In New York State, where a 1984 law prohibits the sale of wild-caught exotic birds, many bird store owners confirm that customers prefer the same tame, captive-bred birds.

While most commercially desirable species are available through captive breeders, a few are not. That, and the desire to encourage bird-breeding programs, is why the legislation being introduced today allows for the continued import of wild birds as necessary for the stocking of captive breeding efforts.

Over the past few years, U.S. imports of wild birds have declined significantly. This is likely a result of public awareness regarding the rapid depletion of wild bird populations and, the increased availability of captive-bred stocks. I believe this trend indicates that the American people are ready to support legislation to stop trade in wild birds.

Mr. President, many of the wild birds supplying the pet trade are already recognized internationally as problem species because it is clear that trade is detrimentally affecting their survival or, in many cases, because there is simply inadequate information to determine the status of the species in the wild. I urge my colleagues to get behind this effort to promote the conservation of wild birds and to support this legislation that will end the importation and sale of these birds as pets.•

By Mr. DECONCINI (for himself, Mr. GRASSLEY, Mr. PELL, Mr. STEVENS, Mr. WALLOP, Mr. LUGAR, Mr. PRESSLER, Mr. BRADLEY, Mr. CRAIG, Mr. D'AMATO, Mr. GLENN, Mr. SASSER, Mr. KERRY, Mr. SIMON, Mr. DIXON, Mr. KENNEDY, Mr. MITCHELL, Mr. COHEN, Mr. ROBB, Mr. MOYNIHAN, Mr. JEFFORDS, Mr. RIEGLE, Mr. LAUTENBERG, Mr. KOHL, Mr. BROWN, Mr. CHAFEE, Mr. METZENBAUM, Mr. ROCKEFELLER, Mr. CONRAD, Mr. COCHRAN, Mr. SARBANES, Mr. BRYAN, Mr. BIDEN, Mr. DODD, Ms. MIKULSKI, Mr. JOHNSTON, Mr. WARNER, Mr. THURMOND, Mr. NUNN, Mr. PACKWOOD, Mr. DOLE, Mr. HATCH, Mr. BREAUX, Mr. LIEBERMAN, Mr. ADAMS, Mr. MURKOWSKI, Mr. SPECTER, Mr. REID, Mr. HOLLINGS, Mr. SHELBY, Mr. DOMENICI, Mr. HATFIELD, Mr. GORE, and Mr. CRANSTON):

S.J. Res. 154. Joint resolution to designate August 1, 1991, as "Helsinki Human Rights Day"; to the Committee on the Judiciary.

HELSINKI HUMAN RIGHTS DAY

• Mr. DECONCINI. Mr. President, as cochairman of the Commission on Security and Cooperation in Europe, known as the Helsinki Commission, I am pleased to introduce today, together with 50 of my colleagues, a joint resolution that authorizes and requests the President of the United States to designate August 1, 1991, as "Helsinki Human Rights Day."

Sixteen years ago, on August 1, 1975, representatives from 35 countries joined together in signing the final act of the Conference on Security and Cooperation in Europe [CSCE], commonly referred to as the Helsinki accords. This agreement covers every aspect of East-West relations, including military security, scientific and cultural exchanges, trade and economic cooperation, as well as human rights and human contacts.

The CSCE participating states, which include all European States, except at this time Albania, the Union of Soviet Socialist Republics, Canada and the United States, have made a commitment to adhere to the principles of human rights and fundamental freedoms as embodied in the Helsinki accords. The principles contained in these accords require the participating states to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language, or religion." They further address a principle which is central to the underlying purpose of the Helsinki agreement; the unrestrained movement of people, ideas and information.

My colleagues and I are introducing Helsinki Human Rights Day in a greatly changed climate. With the dramatic historical changes in Central and Eastern Europe and the Union of Soviet Socialist Republics, we have witnessed substantial improvements in compliance by many signatory states, though problems persist.

There can be little doubt that the Helsinki process, in general, has been instrumental in focusing attention on human rights. As a result, it has improved tangibly the lives of millions of people. The flow of people and ideas is gradually widening, and the prison gates have opened to those who were previously sentenced for calling on their governments to live up to their commitments under the Helsinki accords. The once formidable intellectual, spiritual, and physical barriers between East and West are now weak and slowly crumbling.

These changes are dynamic. A decade ago, many Americans placed lighted candles in their windows to protest the imposition of martial law in Poland and the outlawing of Solidarity. Today, a former chairman of Solidarity is President of Poland.

Vaclav Havel, a world-renowned Czechoslovak playwright, spent time in prison for his human rights activities. Today, he is Czechoslovakia's freely elected President. The Berlin Wall has crumbled and the two German States have been unified. Free and fair elections have been held throughout Central and Eastern Europe and the Soviet Union.

Just recently, the Soviet Union passed in principle a far-reaching and eagerly awaited law on entry and exit for its citizens. It is our hope that the Soviet Government will move quickly to implement this historic legislation and to permit the remaining refusenik families to leave the Soviet Union.

On November 21, 1990, representatives from the signatory states signed the Charter of Paris for a New Europe, a document which has added clarity and precision to the obligations undertaken by the states signing the Helsinki accords.

These improvements are a testament to the efficacy of the Helsinki process and are, according to many leading Eastern Europeans, in part due to the consistent and persistent pressure from the West and from the United States Congress. We can be proud of our record of strong support for the Helsinki process, and one of the reflections of our support has been the annual Helsinki Human Rights Day resolution.

Despite the positive changes that have taken place since the Helsinki accords were signed, our goal toward the realization of an ultimately free, open, and humane Europe has not been met. CSCE faces new challenges—to expand and firmly root democratic pluralism, to encourage market economies, and to ensure minority rights and self-determination.

We believe it is important, therefore, that the President reaffirm the United States commitment to the Helsinki accords and convey to all signatories that respect for human rights and fundamental freedoms is a vital element of continuing progress in the ongoing Helsinki process.

This resolution requests the President to continue his efforts to achieve full implementation of the human rights and humanitarian provisions of the Helsinki accords by raising the issue of noncompliance on the part of any CSCE State which may be in violation. It further requests the President, in view of the considerable progress made to date, to develop new proposals to advance the human rights objectives of the Helsinki process, and in so doing address the major problems that remain, including the question of self-determination of peoples.

By proclaiming August 1, 1991, as "Helsinki Human Rights Day," we reaffirm our commitment to the principles governing the Helsinki accords, principles that mirror those upon which our own Constitution is based.

I urge each Member of this body to support this joint resolution and I ask unanimous consent that the text be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 154

Whereas August 1, 1991, is the sixteenth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (CSCE) (hereafter in this preamble referred to as the "Helsinki accords");

Whereas on August 1, 1975, the Helsinki accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the Helsinki accords express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the participating States have committed themselves to "ensure that their laws, regulations, practices and policies conform with their obligations under international law and are brought into harmony with the provisions of the Declaration of Principles and other CSCE commitments";

Whereas the participating States have committed themselves to "respect the equal rights of peoples and their right to self-determination, acting at all times in conformity with the purposes and principles of the Charter of the United Nations and with the relevant norms of international law, including those relating to territorial integrity of States";

Whereas the participating States have recognized that respect for human rights is an essential aspect for the protection of the environment and for economic prosperity;

Whereas the participating States have committed themselves to respect fully the right of everyone to leave any country, including their own, and to return to their country;

Whereas the participating States have affirmed that the "ethnic, cultural, linguistic and religious identity of national minorities will be protected and that persons belonging to national minorities have the right to freely express, preserve and develop that identity without any discrimination and in full equality before the law";

Whereas the participating States recognize that "democratic government is based on the will of the people, expressed regularly through free and fair elections; and democracy has as its foundation respect for the person and the rule of law; and democracy is the best safeguard of freedom of expression, tolerance of all groups of society, and equality of opportunity for each person";

Whereas on November 21, 1990, the heads of state or government from the signatory States signed the Charter of Paris for a New Europe, a document which has added clarity and precision to the obligations undertaken by the States signing the Helsinki accords;

Whereas the Conference on Security and Cooperation in Europe has made major contributions to the positive developments in Eastern and Central Europe and the Union of Soviet Socialist Republics, including greater respect for the human rights and fundamental freedoms of individuals and groups;

Whereas the Conference on Security and Cooperation in Europe provides an excellent framework for the further development of genuine security and cooperation among the participating States; and

Whereas, despite significant improvements, all participating States have not yet fully implemented their obligations under the Helsinki accords: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 1, 1991, the sixteenth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereinafter referred to as the "Helsinki accords") is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki accords, urging all signatory States to bide by their obligations under the Helsinki accords, and encouraging the people of the United States to join the President and Congress in observance of Helsinki Human Rights Day with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights and humanitarian provisions of the Helsinki accords by raising the issue of noncompliance on the part of any signatory State which may be in violation;

(4) the President is further requested to convey to all signatories of the Helsinki accords that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process; and

(5) the President is further requested, in view of the considerable progress made to date, to develop new proposals to advance the human rights objectives of the Helsinki process, and in so doing to address the major problems that remain, including the question of self-determination of peoples.

SEC. 2. The Secretary of State is directed to transmit copies of this joint resolution to the Ambassadors to the United States of the other thirty-three Helsinki signatory States.•

By Mr. STEVENS (for himself and Mr. MURKOWSKI):

S.J. Res. 155. Joint resolution commemorating the 250th anniversary of the arrival of Vitus Bering in America; to the Committee on the Judiciary.

THE 250TH ANNIVERSARY OF THE ARRIVAL OF VITUS BERING IN AMERICA

Mr. STEVENS. Mr. President, I rise today to introduce a joint resolution to pay tribute to an event of great historical significance to our country: The 250th anniversary of the Vitus Bering expedition to America.

Upon arriving in Alaska in 1741, Bering had achieved an important goal: he found a link between Asia and America. In a period of relatively rapid expansion, beginning with settlements built in the Aleutian Islands to those on Kodiak Island and in Puget Sound, the Russians firmly established their culture, trade, and religion on the North American Continent.

The Russians left our continent in 1867 after Secretary Seward successfully negotiated the purchase of Alaska which became a territory of the United States. The legacy and traditions of the Russian culture live on. Today, not only do we share a cultural heritage in the Arctic, the ties which have bound our Nations together are becoming stronger. As our relationship with the Soviet Union has warmed, tourism and cultural interaction between our countries is beginning to thrive. My resolution would not only celebrate the arrival of Vitus Bering in America, it welcomes our new relationship with the Soviet Union.

Mr. MURKOWSKI. Mr. President, I rise today to commemorate the 250th anniversary of the departure from Kamchatka of the Bering expedition to Alaska. The U.S.S.R. Russian America Committee in Vladivostok will be issuing a proclamation concerning the anniversary to the peoples and Governments of the U.S.S.R. and the United States simultaneously with this resolution.

The U.S. Bering/Chirkov-91 Committee of the Alaska Historical Society is planning jubilee events in Sitka, Cordova, Kodiak, and Unalaska with an international conference in Anchorage in August. In the Soviet Union, celebrations will be taking place in Vladivostok, Petropavlovsk-Kamchatka, Irkutsk, and Bering Island.

The history of this significant voyage in the late 1700's is fascinating. In the summer of 1741, Peter the Great sent vitus Bering, a captain in the Russian Imperial Navy, to explore the ocean between Russia and America. Bering set out in the *St. Peter* with Lt. Alexaii Chirikov cocaptaining a sister vessel, the *St. Paul*. The two vessels left Petropavlovsk in Kamchatka on June 4, 1741. They were soon separated on June 20. The two independently found land in July 1741. They discovered the coast of southeastern Alaska, portions of its southern coast, and some of the Aleutian Islands.

Chirikov's vessel became lost and he and his crew returned that summer to Kamchatka. Bering's ship wrecked on Bering Island, and the crew was forced to spend the winter there. Bering and half of his crew died of scurvy that winter. The survivors managed to repair the ship and return to Kamchatka the next summer. These voyages were the beginning of the Russian discovery of America.

On the *St. Peter* was an extraordinary man, Georg Wilhelm Steller. He was a German naturalist and a member of the Imperial Academy of Sciences. While on the voyage, he visited Kayak Island and the Shumagin Islands. He gathered and recorded information and specimens invaluable to future naturalists. During the crew's 8 months on Bering island, he found a cure for scurvy from local herbs and roots, and saved some of the dying crew. He left descriptions of the arctic fox, the sea otter, the now-extinct sea cow, and a bird named after him, the Steller Jay.

Alaska's heritage is filled with Russian history. Alaska's Russian history and the 250th anniversary of Bering's momentous and daring voyage to Alaska will be celebrated in Alaska and Siberia this summer. Alaskans and Siberians are working together to melt the ice curtain across the Bering Strait. Joint efforts like these help to bring Alaskans and Siberians together, which will in turn increase trade and tourism through the creation of joint ventures. The future of Alaskan-Siberian relations might lie in the discovery and celebration of its past.

ADDITIONAL COSPONSORS

S. 98

At the request of Mr. PRESSLER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 98, a bill to amend the National Aeronautics and Space Administration Authorization Act, fiscal year 1989.

S. 183

At the request of Mr. HELMS, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 183, a bill to amend title 18, United States Code, to establish fair competition between the private sector and the Federal Prison Industries.

S. 240

At the request of Mrs. KASSEBAUM, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 240, a bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans.

S. 280

At the request of Mr. DOLE, the names of the Senator from Oklahoma [Mr. NICKLES], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 280, a bill to provide for the inclusion of foreign deposits in the deposit insurance assessment base, to permit inclusion of nondeposit liabilities in the deposit insurance assessment base, to require the FDIC to implement a risk-based deposit insurance premium structure, to establish guidelines for early regulatory intervention in the financial decline of banks, and to permit regulatory restrictions on brokered deposits.

At the request of Mr. SASSER, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 280, supra.

S. 323

At the request of Mr. CHAFEE, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 323, a bill to require the Secretary of Health and Human Services to ensure that pregnant women receiving assistance under title X of the Public Health Service Act are provided with information and counseling regarding their pregnancies, and for other purposes.

S. 499

At the request of Mr. LUGAR, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 499, a bill to amend the National School Lunch Act to remove the requirement that schools participating in the school lunch program offer students specific types of fluid milk, and for other purposes.

S. 614

At the request of Mr. DASCHLE, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 614, a bill to amend title XVIII of the Social Security Act to provide coverage under such title for certain chiropractic services authorized to be performed under State law, and for other purposes.

S. 619

At the request of Mr. BRADLEY, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 619, a bill to establish a Link-up for Learning demonstration grant program to provide coordinated services to at-risk youth.

S. 679

At the request of Mr. BRADLEY, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 679, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income payments made by public utilities to customers to reduce the cost of energy conservation service and measures.

S. 765

At the request of Mr. MCCAIN, his name was added as a cosponsor of S. 765, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer Social Security taxes on cash tips.

S. 840

At the request of Mr. DURENBERGER, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 840, a bill to amend the Internal Revenue Code of 1986 to provide a simplified method for computing the deductions allowable to home day care providers for the business use of their homes.

S. 843

At the request of Mr. BREAUX, the name of the Senator from Louisiana

[Mr. JOHNSTON] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 849

At the request of Mr. LIEBERMAN, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 849, a bill to amend the Emergency Planning and Community Right-To-Know Act of 1986.

S. 860

At the request of Mr. SIMON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 860, a bill to support democracy and self-determination in the Baltic States and the republics within the Soviet Union.

S. 879

At the request of Mr. DASCHLE, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment of certain amounts received by a cooperative telephone company indirectly from its members.

S. 884

At the request of Mr. PACKWOOD, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Indiana [Mr. LUGAR], the Senator from Arizona [Mr. MCCAIN], and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 884, a bill to require the President to impose economic sanctions against countries that fail to eliminate large-scale driftnet fishing.

S. 911

At the request of Mr. KENNEDY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to expand the availability of comprehensive primary and preventative care for pregnant women, infants and children and to provide grants for home-visiting services for at-risk families, to amend the Head Start Act to provide Head Start services to all eligible children by the year 1994, and for other purposes.

S. 964

At the request of Mr. MCCAIN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 964, a bill to establish a Social Security Notch Fairness Investigatory Commission.

S. 1021

At the request of Mr. MCCAIN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1021, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of long-term care insurance and accelerated death benefits, and for other purposes.

S. 1035

At the request of Mr. SIMON, the names of the Senator from Iowa [Mr. GRASSLEY], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 1035, a bill to amend section 107 of title 17, United States Code, relating to fair use with regard to unpublished copyrighted works.

S. 1087

At the request of Mr. HARKIN, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 1087, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the Pledge of Allegiance to the flag.

S. 1107

At the request of Mr. SHELBY, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1107, a bill to amend title 38, United States Code, to provide for the payment, on an interim basis, of compensation, dependency, and indemnity compensation, and pension to veterans and their survivors and dependents if their claims for those benefits are not decided by the Department of Veterans Affairs within specified time limits.

S. 1130

At the request of Mr. KASTEN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1130, a bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement account.

S. 1160

At the request of Mr. D'AMATO, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1160, a bill to amend and extend programs under the Urban Mass Transportation Act of 1964.

S. 1197

At the request of Mr. KENNEDY, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1197, a bill to amend the Public Health Service Act concerning family planning and to provide for the availability of information and counseling regarding pregnancies, and for other purposes.

SENATE JOINT RESOLUTION 6

At the request of Mr. JOHNSTON, the names of the Senator from Montana [Mr. BURNS], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of Senate Joint Resolution 6, a joint resolution to designate the year 1992 as the "Year of the Wetlands."

SENATE JOINT RESOLUTION 8

At the request of Mr. BURDICK, the names of the Senator from Montana [Mr. BURNS, the Senator from South Carolina [Mr. HOLLINGS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Idaho [Mr. SYMMS), The Senator from Connecticut [Mr. LIEBERMAN], the Senator from Arizona [Mr. DECONCINI], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Kansas [Mr. DOLE], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 8, a joint resolution to authorize the President to issue a proclamation designating each of the weeks beginning on November 24, 1991, the November 22, 1992, as "National Family Week."

SENATE JOINT RESOLUTION 36

At the request of Mr. PRESSLER, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 36, a joint resolution to designate the months of November 1991, and November 1992, as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 72

At the request of Mr. SPECTER, the names of the Senator from California [Mr. CRANSTON], the Senator from Texas [Mr. BENTSEN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washingtion [Mr. ADAMS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Utah [Mr. HATCH], the Senator from New York [Mr. D'AMATO], the Senator from Georgia [Mr. FOWLER], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the week of September 15, 1919, through September 21, 1991, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 73

At the request of Mr. SPECTER, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 73, a joint resolution designating October 1991 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 74

At the request of Mr. LIEBERMAN, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from New Jersey [Mr. BRADLEY], the Senator from Rhode Island [Mr. CHAFEE], the Senator from South Dakota [Mr. DASCHLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Florida [Mr. GRAHAM], the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. HEFLIN], the Senator from Hawaii [Mr. INOUYE], the Senator from Wisconsin [Mr. KASTEN], the Senator from Massachusetts [Mr. KERRY], the Senator from Wisconsin [Mr. KOHL], the Senator from Michigan [Mr. LEVIN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Georgia [Mr. NUNN], the Senator from South Dakota [Mr. PRESSLER], the Senator from Michigan [Mr. RIEGLE], the Senator from Tennessee [Mr. SASSER], the Senator from North Carolina [Mr. SANFORD], the Senator from Illinois [Mr. SIMON], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from

South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 74, a joint resolution designating the week beginning July 21, 1991, as "Lyme Disease Awareness Week."

SENATE JOINT RESOLUTION 95

At the request of Mr. PELL, the names of the Senator from Nebraska [Mr. EXON], the Senator from Arizona [Mr. DECONCINI], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 95, a joint resolution designating October 1991 as "National Breast Cancer Awareness Month."

SENATE JOINT RESOLUTION 107

At the request of Mr. MOYNIHAN, the names of the Senator from Washington [Mr. ADAMS], the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from North Dakota [Mr. CONRAD], the Senator from Kansas [Mr. DOLE], the Senator from Washington [Mr. GORTON], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Rhode Island [Mr. PELL], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 107, a joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day."

SENATE JOINT RESOLUTION 115

At the request of Mr. MOYNIHAN, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Nevada [Mr. BRYAN], the Senator from Rhode Island [Mr. PELL], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Joint Resolution 115, a joint resolution to designate the week of June 10, 1991 through June 16, 1991, as "Pediatric AIDS Awareness Week."

SENATE JOINT RESOLUTION 121

At the request of Mr. DECONCINI, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Maryland [Ms. MIKULSKI], the Senator from Delaware [Mr. BIDEN], the Senator from South Carolina [Mr. THURMOND], the Senator from Washington [Mr. GORTON], the Senator from Rhode Island [Mr. CHAFEE], the Senator from North Dakota [Mr. CONRAD], the Senator from Hawaii [Mr. INOUYE], the Senator from New York [Mr. MOYNIHAN], the Senator from Florida [Mr. GRAHAM], the Senator from Connecticut [Mr. DODD], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Kentucky [Mr. FORD], the Senator from Vermont [Mr. JEFFORDS], the Senator from Oregon [Mr. PACKWOOD], the Senator from North Carolina [Mr. SANFORD], the Senator from Rhode Island [Mr. PELL], the Senator from Missouri [Mr. DANFORTH], the Senator from Michigan [Mr. RIEGLE], the Senator from Indiana [Mr. COATS], the Senator from Florida [Mr. MACK], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 121, a joint resolution designating September 12, 1991, as "National D.A.R.E. Day."

SENATE JOINT RESOLUTION 125

At the request of Mr. SIMON, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Rhode Island [Mr. PELL], the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of Senate Joint Resolution 125, a joint resolution to designate October 1991 as "Polish American Heritage Month."

SENATE JOINT RESOLUTION 126

At the request of Mr. HATFIELD, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 126, a joint resolution to designate the second Sunday in October of 1991 as "National Children's Day."

SENATE JOINT RESOLUTION 130

At the request of Mr. LAUTENBERG, the names of the Senator from Illinois [Mr. SIMON], the Senator from Hawaii [Mr. AKAKA], the Senator from Iowa [Mr. GRASSLEY], the Senator from Wisconsin [Mr. KASTEN], the Senator from Wisconsin [Mr. KOHL], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Idaho [Mr. CRAIG], the Senator from Montana [Mr. BURNS], the Senator from Missouri [Mr. DANFORTH], the Senator from Tennessee [Mr. SASSER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Indiana [Mr. COATS], the Senator from Colorado [Mr. BROWN], the Senator from North Carolina [Mr. HELMS], the Senator from Missouri [Mr. BOND], and the Senator from Tennessee [Mr. GORE], were added as cosponsors of Senate Joint Resolution 130, a joint resolution to designate the second week in June as "National Scleroderma Awareness Week."

SENATE JOINT RESOLUTION 133

At the request of Mr. HOLLINGS, the name of the Senator from North Carolina [Mr. SANFORD], was added as a cosponsor of Senate Joint Resolution 133, a joint resolution in recognition of the 20th anniversary of the National Cancer Act of 1971 and over 7 million survivors of cancer alive today because of cancer research.

SENATE JOINT RESOLUTION 144

At the request of Mr. D'AMATO, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Alabama [Mr. SHELBY], were added as cosponsors of Senate Joint Resolution 144, a joint resolution to designate May 27, 1991, as "National Hero Remembrance Day."

SENATE CONCURRENT RESOLUTION 35

At the request of Mr. GLENN, the names of the Senator from Illinois [Mr. DIXON], the Senator from Mississippi [Mr. LOTT], the Senator from Maine [Mr. MITCHELL], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Tennessee [Mr. GORE], were added as cosponsors of Senate Concurrent Resolution 35, a concurrent resolution expressing the sense of the Congress that the awarding of contracts for the rebuilding of Kuwait should reflect the extent of military and economnic support offered by the United States in the liberation of Kuwait.

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. D'AMATO, the names of the Senator from Tennessee [Mr. GORE], the Senator from Colorado [Mr. WIRTH], and the Senator from New York [Mr. MOYNIHAN], were added as cosponsors of Senate Concurrent Resolution 40, a concurrent resolution expressing the sense of the Congress that the Federal Republic of Germany and the Republic of Austria should take all applicable steps to halt the distribution of neo-Nazi computer games and prosecute anyone found in possession of these materials to the full extent of the law.

SENATE CONCURRENT RESOLUTION 41

At the request of Mr. PELL, the names of the Senator from Colorado [Mr. WIRTH], and the Senator from Tennessee [Mr. GORE], were added as cosponsors of Senate Concurrent Resolution 41, a concurrent resolution to express the sense of the Congress that Tibet, including those areas incorporated into the Chinese provinces of Sichuan, Yunnan, Gansu, and Qinghai that have historically been a part of Tibet, is an occupied country under established principles of international law whose true representatives are the Dalai Lama and the Tibetan Government in exile as recognized by the Tibetan people.

SENATE RESOLUTION 123

At the request of Mr. KASTEN, the names of the Senator from New Hampshire [Mr. RUDMAN], the Senator from Arizona [Mr. MCCAIN], and the Senator from Montana [Mr. BURNS], were added as cosponsors of Senate Resolution 123, a resolution relating to State taxes for mail-order companies mailing across State borders.

SENATE CONCURRENT RESOLUTION 45—RELATIVE TO TRADE WITH THE SOVIET UNION

Mr. DECONCINI submitted the following concurrent resolution; which was referred to the Committee on Finance.

S. CON. RES. 45

Whereas the number of citizens being permitted to leave the Union of Soviet Socialist Republics shows a pattern of increased liberalization of the Soviet Government's emigration practices;

Whereas the Supreme Soviet has commited itself to fully respect the right of its citizens to leave and return to their country under the Helsinki Final Act, all Conference on Security and Cooperation in Europe commitments, and the International Convenants on Human Rights;

Whereas the President has determined that the Union of Soviet Socialist Republics has met the requisite conditions to justify a 12-month extension of the waiver authority under section 402(c) of the Trade Act of 1974; and

Whereas, despite passage of the Law on Entry and Exit by the Supreme Soviet of the Union of Soviet Socialist Republics on May 20, 1991, barriers to emigration still exist: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(a) It is the sense of the Congress that, before recommending in 1992 a waiver of the provisions of section 402 (a) and (b) of the Trade Act of 1974 (19 U.S.C. 2432 (a) and (b)) with respect to the Union of Soviet Socialist Republics, the President should take into consideration—

(1) whether each objective described in subsection (b) has been met with respect to the Union of Soviet Socialist Republics;

(2) whether each such objective will be met during the period of the waiver; and

(3) whether the law and the intent of the Union of Soviet Socialist Republics are in fact resulting in a sustained pattern of emigration and a cessation of hidden barriers to emigration.

(b) The objectives described in this subsection are as follows:

(1) All individuals, who for at least 5 years have been refused permission to emigrate from the Union of Soviet Socialist Republics, are given permission to emigrate.

(2) Restrictions on freedom of movement, including those pertaining to secrecy, are not being abused or applied in an arbitrary manner.

(3) A fair, impartial, and effective administrative or judicial appeals process exists for those who have been denied permission to emigrate.

(4) The Government of the Union of Soviet Socialist Republics is ensuring that its laws, regulations, practices, and policies conform with the Government's international obligations and commitments, including the relevant provisions of the Helsinki Final Act and all Conference on Security and Cooperation in Europe commitments.

Mr. DECONCINI. Mr. President, on June 3, 1991, President Bush made the decision to grant the Soviet Union a 1 year waiver of the Jackson-Vanik amendment to the 1974 Trade Act. This amendment linked U.S. Soviet trade to human rights by denying Communist countries most-favored-nation [MFN] trading status until they permitted substantive and sustained emigration. On December 29, 1990, President Bush notified House Speaker FOLEY that he was waiving the Jackson-Vanik restriction against the Soviet Union for 6 months. Until then, the United States had denied the Soviets MFN because of that country's flagrant violations of its international commitments to respect the right of its citizens to freedom of movement.

During the Gorbachev era and particularly in the last 2 years, however, we have been seeing a marked improvement in Soviet emigration practices. In 1989, according to statistics provided by the National Conference on Soviet Jewry, Jewish emigration was 71,217. That number more than doubled to 186,815 in 1990 and through the end of April 1991 those emigrating had reached 57,800.

On May 20, 1991, the Supreme Soviet, after several lengthy delays, passed in principle a new law on exit and entry from the Soviet Union. It is a law that leaves many questions unanswered and a law that will not even be fully implemented until January 1993.

Last December, Congressman STENY HOYER and I, as co-chairman and chairman of the Helsinki Commission, stated we would be willing to see MFN status granted to the Soviets under certain conditions: Increased emigration, an emigration law, good faith implementation of the law, and the release of long-term refuseniks.

As I mentioned, we have seen progress on all four points, but serious questions remain. For example, we have to ask why there are, 3 years after the signing of the Vienna concluding document of the conference on security and cooperation in Europe [CSCE], more than 150 long-term refusenik families. The Vienna concluding document specifically states that the signatory states will take "the necessary steps to find solutions as expeditiously as possible, but in any case within 6 months, to all applications based on the human contacts provisions of the Helsinki final act and the Madrid concluding document.

One such case is Leonid Kosharovsky, brother of former 17-year refusenik Yuli Kosharovsky. Leonid's wife and his two daughters were allowed to emigrate to Israel in February 1990. However, due to a second degree security classification from Leonid's work more than 10 years ago, Leonid is still denied permission to emigrate. I might add that the plant where Leonid worked was opened to American arms inspectors as part of the INF Treaty verification that was signed by the United States and Soviet Union on December 8, 1987.

Cases such as Leonid Kosharovsky's illustrate the arbitrary and cynical nature which still influences Soviet emigration policy when it comes to state secrets.

I have several concerns about the newly passed emigration law. Under the law, the Soviet Government can deny visas for up to 5 years to individuals who possess state secrets. While the law states that the limit should not exceed 5 years, it would allow a committee under the Soviet Cabinet of Ministers to extend the period of visa denial. Secrecy refuseniks attempting to appeal their visa denial could do so only once every 3 years.

The law would also continue the Soviet practice of requiring persons applying to emigrate to produce an affidavit stating that they owe no outstanding financial obligations to their parents or ex-spouse. Thus, citizens of legal age could have their emigration request blocked by their parents, or an ex-spouse.

A section of the new law also requires those persons subject to military service to serve their military term before being allowed to emigrate. This effectively denies a large segment of the Soviet population its right to freedom of movement.

Because the pattern of implementation remains so cloudy, I am introducing a Senate concurrent resolution that highlights those aspects of Soviet emigration policy that are still a serious cause for concern. Congressman HOYER is introducing identical legislation in the House.

My legislation sends a message to the Soviet Government that Soviet emigration policy will be judged according to the international commitments that government has pledged to honor. Between now and June of 1992, when a Jackson-Vanik waiver will again be addressed by Congress, the Soviets must demonstrate how sincere they are about implementing a truly free and just emigration policy.

The legislation I am introducing today expresses the sense of the Congress that the President should consider the following objectives before providing in 1992 a waiver of the Jackson-Vanik trade restrictions with respect to the Soviet Union.

First, all individuals who, for at least 5 years, have been refused permission to emigrate from the Soviet Union, are given permission to emigrate.

Second, restrictions on freedom of movement, including those pertaining to secrecy, are not being abused or applied in an arbitrary manner.

Third, a fair, impartial, and effective administrative or judicial appeals process exists for those who have been denied permission to emigrate.

Fourth, the Government of the Soviet Union is ensuring that its laws, regulations, practices, and policies conform with their obligations under international obligations and commitments, including the relevant provisions of the Helsinki Final Act and all Conference on Security and Cooperation in Europe [CSCE] commitments.

Mr. President, I urge all of my colleagues to support this resolution.

SENATE RESOLUTIONS 135—AMENDING THE STANDING RULES OF THE SENATE

Mr. HOLLINGS (for Mr. MITCHELL) submitted the following resolution; which was considered and agreed to:

S. RES. 135

Resolved, That paragraph 2 of rule XXV of the Standing Rules of the Senate is amended as follows:

Strike "16" after "Environment and Public Works" and insert in lieu thereof "17".

Strike "18" after "Foreign Relations" and insert in lieu thereof "19".

Strike "14" after "Government Affairs" and insert in lieu thereof "13".

That paragraph 3 (a) of rule XXV of the Standing Rules of the Senate is amended for the One Hundred Second Congress as follows:

Strike "18" after "Small Business" and insert in lieu thereof "19".

SENATE RESOLUTION 136—MAKING CERTAIN MAJORITY COMMITTEE APPOINTMENTS

Mr. HOLLINGS (for Mr. MITCHELL) submitted the following resolution; which was considered and agreed to:

S. RES. 136

Resolved, That the Senator from Pennsylvania (Mr. WOFFORD) is hereby appointed to serve as a member on the Committee on Environment and Public Works, the Committee on Foreign Relations, and the Committee on Small Business.

SENATE RESOLUTION 137—MAKING A MINORITY PARTY APPOINTMENT TO THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HOLLINGS (for Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 137

Resolved, That the following Senator (Mr. Chafee) shall be added to the minority party's membership on the Senate Committee on Banking, Housing, and Urban Affairs for the One Hundred Second Congress until November 6, 1991.

AMENDMENTS SUBMITTED

TELECOMMUNICATIONS EQUIPMENT RESEARCH AND MANUFACTURING COMPETITION ACT

PRESSLER (AND OTHERS) AMENDMENT NO. 280

Mr. PRESSLER (for himself, Mr. GRASSLEY, Mr. SASSER, Mr. BAUCUS, Mr. BURDICK, Mr. CONRAD, Mr. WELLSTONE, Mr. ROCKEFELLER, Mr. SIMPSON and Mr. DASCHLE) proposed an amendment to the bill (S. 173) to permit the Bell Co. to conduct research on, design, and manufacture telecommunications equipment, and for other purposes, as follows:

On page 8, line 12, strike "and".

On page 8, line 15, insert "regulated" immediately after "all".

On page 8, line 18, immediately after "equipment", insert a comma and "including software integral to such telecommunications equipment including upgrades,".

On page 9, line 1, strike "other" and insert in lieu thereof regulated local exchange telephone carrier".

On page 9, line 3, immediately after "equipment", insert a comma and "including software integral to such telecommunications equipment' including upgrades".

On page 9, line 3, immediately "manufacture", insert "for use with the public telecommunications network".

On page 9, line 5, insert "purchasing" immediately before "carrier", and strike the period and insert in lieu thereof a semicolon.

On page 9, between lines 5 and 6, insert the following:

"(9)(A) such manufacturing affiliate shall not discontinue or restrict sales to other regulated local telephone exchange carriers of any telecommunications equipment, including software integral to such telecommunications equipment, including upgrades, that such affiliate manufactures for sale as long as there is reasonable demand for the equipment by such carriers; except that such sales may be discontinued or restricted if such manufacturing affiliate demonstrates to the Commission that it is not making a profit under a marginal cost standard implemented by the Commission on the sale of such equipment;

"(B) in reaching a determination as to the existence of reasonable demand as referred to in subparagraph (A), the Commission shall within sixty days consider—

"(i) whether the continued manufacture of the equipment will be profitable;

"(ii) whether the equipment is functionally or technically obsolete;

"(iii) whether the components necessary to manufacture the equipment continue to be available;

"(iv) whether alternatives to the equipment are available in the market; and

"(v) such other factors as the Commission deems necessary and proper;

"(10) Bell Telephone Companies shall, consistent with the antitrust laws, engage in joint network planning and design with other regulated local telephone exchange carriers operating in the same area of interest; except that no participant in such planning shall delay the introduction of new technology or the deployment of facilities to provide telecommunications services, and agreement with such other carriers shall not be required as a prerequisite for such introduction or deployment; and

"(11) Bell Telephone Companies shall provide, to other regulated local telephone exchange carriers operating in the same area of interest, timely information on the planned, deployment of telecommunications equipment, including software integral to such telecommunications equipment, including upgrade;

On page 9, strike all on lines 20 through 24.

On page 10, line 1, strike "(4)" and insert in lieu thereof "(3)".

On page 11, line 7, insert "(1)" immediately after "(h)".

On page 11, between lines 13 and 14, insert the following:

"(2) Any regulated local telephone exchange carrier injured by an act or omission of a Bell Telephone Company or its manufacturing affiliate which violates the requirements of paragraph (8) or (9) of subsection (c), or the Commission's regulations implementing such paragraphs, may initiate an action in a district court of the United States to recover the full amount of damages sustained in consequences of any such violation and obtain such orders from the court as are necessary to terminate existing violations and to prevent future violations; or such regulated local telephone exchange carrier may seek relief from the Commission pursuant to sections 206 through 209.

CABLE TELEVISION CONSUMER PROTECTION ACT

GORTON AMENDMENT NO. 281

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes, as follows:

At the appropriate place, insert the following:

SEC. . Section 623 of the Communications Act of 1934 (47 U.S.C. 543), as amended by this Act, is further amended by adding at the end the following new subsection:

"(i) A cable operator shall not charge a subscriber for any video programming that the subscriber has not affirmatively requested. For purposes of this subsection, a subscriber's failure to refuse a cable operator's proposal to provide such programming shall not be deemed to be an affirmative request for such programming.".

Mr. GORTON. Mr. President, the Senate Commerce Committee recently considered and approved S. 12, the Cable Television Consumer Protection Act. I am a cosponsor of this bill and strongly believe in the need to encourage competition to the local cable monopoly. Unlike virtually any other business operating in the United States today, cable companies have the ability to charge rates and provide services without either the check of government regulation or the check provided by similarly competing companies.

Many of us have heard from our constituents who are tired of both high rates and poor service. We receive letters every week from cable subscribers who do not believe they should be charged for converter boxes or second outlets.

Soon, Mr. President, our mailboxes will be flooded by a new wave of consumer complaints about the cable companies latest marketing ploy. TCI, the largest cable company, has dreamed up a brilliant new strategy designed to assure a high viewership of its newest movie channel called Encore. TCI expects that it may get 60 or 70 percent of all their subscribers to take this new service. This marketing strategy is dependent upon one simple premise—that the consumer either will not even realize that he or she is subscribing to Encore or will not bother to act to prevent charges from accruing to his or her monthly bill.

You might ask, "how could the consumer possibly be unaware of a new service he has purchased?" Quite simply. Under TCI's new plan, you automatically buy the service, unless you call up the TCI office and cancel it! This practice, which fortunately is no longer used by most businesses, is known as a negative option. Its success relies on the fact that most customers do not scrutinize their junk mail and bill inserts with a fine tooth comb.

I have the unusual distinction, Mr. President, of having received two such negative options, one in Seattle and one here in Washington, DC, an option which I suggest every other Member of this body who lives in the District of Columbia will have received by now.

I have here, Mr. President, a copy of Encore's promotional material. At a quick glance, it appears to be a colorful, glossy brochure advertising a new movie channel. I dare guess most of us would imagine that this is another movie channel that we could opt to add to our regular cable service. There certainly is not much on the cover of the brochure or on the inside fold that would cause us to believe this is an out of the ordinary promotion. If I had not already known about Encore, I do not think I would have been alerted by this little line way down here on the bottom that states, "Inside important information regarding your cable bill and the new Encore optional pay channel." Opening this brochure all the way, you will see a complete listing of all the movies which you will receive for free in the month of June. Not until, and unless, you read all of the text on the bottom half of the brochure will you even realize that you will be billed every month for Encore unless you call this special number to cancel your subscription.

Mr. President, the term "buyer beware" does not even apply to TCI's customers! TCI has figured out a clever way to make money that does not even depend upon its customers deciding to buy its new services. Well, in my view, this is not clever, it is downright deceitful and it must end. Since we obviously cannot rely on TCI and perhaps other cable companies treating their customers fairly, then sadly, we are going to have to rely on Government making it clear that this tactic will not be tolerated.

I understand that several State attorneys general, most particularly including the attorney general of the State of Florida, already have temporary restraining orders against this practice. My successor as attorney general of the State of Washington is in court in that State today seeking such a temporary restraining order.

In addition, however, I am introducing legislation today, which I will offer as an amendment to S. 12, when it comes to the floor for debate in the near future, which will prohibit the negative option and will protect consumers from this type of abusive practice.

TECHNICAL AMENDMENTS TO VARIOUS INDIAN LAWS

INOUYE AMENDMENT NO. 282

Mr. HOLLINGS (for Mr. INOUYE) proposed an amendment to the bill (S. 1193) to make technical amendments to various Indian laws, as follows:

On page 3, strike lines 8 through 21.

On page 3, line 22, delete "4" and insert "3".

On page 4, line 15, delete "5" and insert "4".

On page 4, line 6, delete the word "shall" and insert in lieu thereof the word "may".

On page 2, strike lines 18 through 24 and insert in lieu thereof the following:

"(F) If, during the one-year period described in subparagraph (B) there is a final judicial determination that the gaming described in subparagraph (E) is not legal as a matter of State law, then such gaming on such Indian land shall cease to operate on the date next following the date of such "judicial decision."

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on dairy supply management options on Wednesday, June 19, 1991 from 9:30 to noon and 1:30 to 3 p.m. in SR-332.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 20, 1991, beginning at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following measures currently pending before the subcommittee:

S. 477, a bill to afford congressional recognition of the National Atomic Museum at Kirtland Air Force Base, Albuquerque, NM, as the official atomic museum of the U.S. Government under the aegis of the Department of Energy, and to provide a statutory basis for its betterment, operation, maintenance, and preservation;

S. 628, a bill to direct the Secretary of the Interior to conduct a study of certain historic military forts in the State of New Mexico;

S. 772, a bill to amend title V of Public Law 96-550, designating the Chaco Culture Archaeological Protection Sites, and for other purposes;

S. 855, a bill to amend the act entitled "An act to authorize the erection of a memorial on Federal land in the District of Columbia and its environs to honor members of the Armed Forces of the United States who served in the Korean war";

S. 867, a bill to establish a commission in the Department of the Interior to provide compensation to individuals who lost their land or mining claims to the U.S. Government for the establishment of the White Sands Missile Range; and

S. 1117, a bill to establish the Bureau of Land Management Foundation.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at (202) 224-9863.

Mr. BUMPERS. Mr. President, I would like to announce for the public that two field hearings have been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The first hearing will take place in Honolulu, HI, on July 1, 1991, beginning at 10 a.m. The purpose of the hearing is to consider a proposal to designate the Ka Iwi shoreline on the Island of Oahu as a unit of the National Park System.

The second hearing will take place in Honolulu on July 2, 1991, beginning at 10 a.m. The purpose of the hearing is to examine the operation and status of the U.S.S. *Arizona* Memorial on the 50th anniversary of the attack on Pearl Harbor.

Both hearings will be held in the State Capitol building auditorium in Honolulu.

Because of the limited time available for the hearings, witnesses may testify by invitation only. It will be necessary to place witnesses in panels and place time limits on the oral testimony. Witnesses testifying at the hearings are requested to bring 40 copies of their testimony with them on the day of the hearing. Please do not submit testimony in advance.

Written statements may be submitted for the hearing record. It is necessary only to provide one copy of any material to be submitted for the record. If you would like to submit a statement for the record, you may send it to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, Room 364 of the Dirksen Senate Office Building, Washington, DC 20510, or Senator AKAKA'S district office at P.O. Box 50144, Honolulu, HI 96850.

For further information regarding the hearings, please contact Gladys Karr in Senator AKAKA'S Honolulu office at (808) 541-2534 or David Brooks of the subcommittee staff at (202) 224-9863.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 4, 1991, at 3 p.m. and to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Tuesday, June 4, 1991, at 9:30 a.m. The committee will hold a full committee hearing on GAO's study of the Small Business Administration's 7(a) guaranteed loan program collateral.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, June 4, 1991, at 2 p.m., to receive testimony on the operational use of stealth technology and the use of other classified systems during the Persian Gulf conflict.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BERNARD AND HELEN SADOWSKI WED 50 YEARS

• Mr. SIMON. Mr. President, on June 16, 1941, some very good friends of mine, Bernard and Helen Sadowski, were married at Five Holy Martyrs Church in Chicago. Fifty years later, they are celebrating their golden anniversary. Today I would like to honor Bernard and Helen for their love and devotion to each other and their family.

Bernard served the city of Chicago as a firefighter from 1943 until 1981 when he retired with the rank of deputy district commander. From 1972 until 1976, Bernard honorably served Illinois as the State fire marshal. Furthermore, Bernard has diligently contributed to my staff as a liaison to the Polish community in Illinois. His work has been invaluable.

Helen and Bernard have been blessed with a large family. Their daughter, Linda Hansen, lives in Hoffman Estates, and their son, Ronald Sadowski, and daughter-in-law, Dr. Vickyann Sadowski, live in Wheaton. They have five grandchildren: Daniel, Lisa, Laura, and Lindsey Hansen, and Ann Victoria Sadowski. The Sadowski family is fortunate to have outstanding role models in Bernard and Helen.

Bernard and Helen serve as an example of dedication and faithfulness to each other, their family, and their country. May God bless Helen and Bernard and give them many more years of happiness.•

OPIC'S FIRST ECOTOURISM AWARD

• Mr. JOHNSTON. Mr. President, today I am pleased to bring to the attention of the Senate a creative, forward-looking incentive program which the Overseas Private Investment Corporation [OPIC] established this year to promote projects in developing countries which are compatible with the countries' natural and cultural environments.

Under the leadership of my good friend and OPIC's current president and chief executive officer, Fred Zeder, OPIC has provided financial guarantees to establish a privately owned and managed environmental investment fund. This fund will invest in private business enterprises which demonstrate positive interaction between profitable economic development and protection of the environment. Each investment made will be subject to OPIC's prior approval and monitoring of environmental impacts. In addition, those foreign enterprises in which the fund invests will be required to have a business connection with at least one U.S. corporation.

This fund will provide a showcase of projects which demonstrate the financial viability of investing in environmentally beneficial, sound projects in the developing world. Projects will be concentrated in five areas: sustainable agriculture, forest management, ecotourism, renewable and alternative energy, and pollution prevention and abatement technologies. These are all critically important areas for these nations, and the fund will demonstrate to other private investors that environmental care can improve the viability of projects in the Third World.

One of the most creative examples of what the fund hopes to support in the future is a pioneering project undertaken by two very creative U.S. investors on the island of Pohnpei, one of the four states which comprise the Federated States of Micronesia. This project, the Village Hotel, was the brainchild of Bob and Patti Arthur, who are the first recipients of OPIC's Ecotourism Award. I had the pleasure of meeting the Arthurs and staying at the village several years ago. I can tell you that this project is one of the more sensitively designed, well run, and forward-looking projects that I have seen. The thatched IHMW's—or living units—in which the guests lucky enough to get a reservation stay were planted between trees to take advantge of the natural ventilation and one is lulled to sleep at night in between the sounds of coconuts dropping to the ground. Much of the grounds have been left in their natural jungle-like state, affording guests privacy and the experience this gives with the astounding beauty of this high volcanic island. The driveway into the hotel is not paved, but was given only a coral surface. And the long house, or building which contains the dining facilities, bar, and check-in, was situated overlooking the fabulous lagoon with the lagoon side left open so the guests can have an undisturbed view of the amazing sunrises and sunsets. Bob says the hotel was designed "as a kind of living sculpture" and he is right.

But as important, Bob and Patti have made every effort to preserve the local culture—sponsoring cultural shows in which everyone participates, exhibiting local handicrafts, organizing small and informative boat trips to the incredible Nan Madol ruins, and encouraging their Micronesian employees to talk with the guests so that visitors have a chance to interact with them and get to know something about Pohnpei and the wholehearted hospitality of the Pohnpeian culture.

They have also made every attempt to provide spinoff affects into the local economy—encouraging farmers to make the village a regular stop for selling locally grown produce and fruits, purchasing mangrove crabs and other local catches from fishermen and incorporating these into their five-star menu.

Bob and Patti have shown how sensitively designed projects can have a positive impact on the cultural and economic environment while still making a profit. No one could be more deserving of this award than the Arthurs and I hope their work and contributions will stand as a goal for others in other places around the world.•

BUDGET SCOREKEEPING REPORT

• Mr. SASSER. Mr. President, I hereby submit to the Senate the most recent budget scorekeeping report for fiscal year 1991, prepared by the Congressional Budget Office under section 308(b) of the Congressional Budget Act of 1974, as amended. This report serves as the scorekeeping report for the purposes of section 605(b) of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $0.4 billion in budget authority, and under the budget resolution by $0.4 billion in outlays. Current level is $1 million below the revenue target in 1991 and $6 million below the revenue target over the 5 years, 1991–95.

The current estimate of the deficit for purposes of calculating the maximum deficit amount is $326.6 billion, $0.4 billion below the maximum deficit amount for 1991 of $327.0 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 3, 1991.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1991 and is current through May 24, 1991. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Budget Enforcement Act of 1990 (Title XIII of Public Law 101-508). This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the budget.

Since my last report, dated May 20, 1991, there has been no action that affects the current level of spending and revenues.

Sincerely,
ROBERT D. REISCHAUER.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONGRESS, 1ST SESS., AS OF MAY 24, 1991

[In billions of dollars]

	Revised on-budget aggregates[1]	Current level[2]	Current level +/– aggregates
ON-BUDGET			
Budget authority	1,189.2	1,188.8	–0.4
Outlays	1,132.4	1,132.0	–0.4
Revenues:			
1991	805.4	805.4	(3)
1991–95	4,690.3	4,690.3	(3)
Maximum deficit amount	327.0	326.6	–0.4
Direct loan obligation	20.9	20.6	–0.3
Guaranteed loan commitments	107.2	106.9	–0.3
Debt subject to limit	4,145.0	3,397.1	–747.9
OFF-BUDGET			
Social Security outlays:			
1991	234.2	234.2	
1991–95	1,284.4	1,284.4	
Social Security revenues:			
1991	303.1	303.1	
1991–95	1,736.3	1,736.3	

[1] The revised budget aggregates were made by the Senate Budget Committee staff in accordance with section 13112(f) of the Budget Enforcement Act of 1990 (Title XIII of Public Law 101–508).

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. In accordance with section 606(d)(2) of the Budget Enforcement Act of 1990 (title XIII of Public Law 101–508) and in consultation with the Budget Committee, current level excludes $45.3 billion in budget authority and $34.6 billion in outlays for designated emergencies including Operation Desert Shield/Desert Storm; $0.1 billion in budget authority and $0.2 billion in outlays for debt forgiveness for Egypt and Poland; and $0.2 billion in budget authority and outlays for Internal Revenue Service funding above the June 1990 baseline level. Current level outlays include a $1.1 billion savings for the Bank Insurance Fund that the Committee attributes to the Omnibus Budget Reconciliation Act (Public Law 101–508), and revenues include the Office of Management and Budget's estimate of $3.0 billion for the Internal Revenue Service provision in the Treasury-Postal Service Appropriations Bill (Public Law 101–509). The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[3] Less than $50 million.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONGRESS, 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1991 AS OF CLOSING OF BUSINESS MAY 24, 1991

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			834,910
Permanent appropriations	725,105	633,016	
Other legislation	664,057	676,371	
Offsetting receipts	–210,616	–210,616	
Total enacted in previous sessions	1,178,546	1,098,770	834,910
II. Enacted this session:			
Extending IRS Deadline for Desert Storm Troops (H.R. 4, Public Law 102–2)			–1
Veterans' Education, Employment and Training Amendments (H.R. 180, Public Law 102–16)	2	2	
Dire Emergency Supplemental Appropriations for 1991 (H.R. 1281, Public Law 102–27)	3,823	1,401	
Higher Education Technical Amendments (H.R. 1285, Public Law 102–26)	3	3	
OMB Domestic Discretionary Sequester	–2	–1	
Total enacted this session	3,826	1,405	–1
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in revised on-budget aggregates	–8,572	539	
VI. Economic and technical assumption used by Committee for budget enforcement act estimates	15,000	31,300	–29,500
On-budget current level	1,188,799	1,132,014	805,409
Revised on-budget aggregates	1,189,215	1,132,396	805,410
Amount remaining:			
Over budget resolution			
Under budget resolution	416	382	1

Note.—Numbers may not add due to rounding.●

TRIBUTE TO HOWARD AND ENID CUTLER

● Mr. MURKOWSKI. Mr. President, I rise today to pay tribute to Howard and Enid Cutler. The Cutlers have spent 20 years in the State of Alaska and have made major contributions to the University of Alaska Fairbanks and the community of Fairbanks.

Howard Cutler first came to Alaska to serve as academic vice president of the University of Alaska system in 1962. After 4 years, he left the State but returned again in 1975 when he was named the first chancellor of the University of Alaska Fairbanks. During Dr. Cutler's years of service as its first chancellor, UAF experienced dramatic growth and expanded its horizons developing ties and exchanges with other Pacific rim universities. As the first chancellor, Howard Cutler had to organize the chancellor function and implement the new UAF organizational structure. Early in his term, he insisted on increased faculty leadership in academic affairs. The board of regents named Howard Cutler to the first regents professorship, and he served as regents professor of economics from 1981 to 1983 when he retired from the university.

Particularly sensitive to the social responsibilities of Dr. Cutler's office, Enid and Howard spent a great deal of time developing positive community relations, gaining the respect, and support of the community for the Fairbanks campus and its programs. The Cutlers personally promoted the goodwill of the university through their very active participation in community affairs. They have remained active in the community, regularly attending, and participating in events throughout the year. Enid Cutler is also a well-known portrait artist.

When Dr. Cutler retired from the university, the Cutlers could have chosen to live anywhere but they decided to retire in Fairbanks, AK. The Cutlers are people of integrity, grace, and charm. Their decision to retire in Fairbanks has been Alaska's gain.

Mr. President, I trust you and this body will join me in commending this outstanding Fairbanks couple who have always put forward a positive attitude about Fairbanks, the University of Alaska Fairbanks, and the great State of Alaska.●

MELANIE LESLIE, WINNER OF THE NATIONAL OUTSTANDING SECONDARY VOCATIONAL EDUCATION STUDENT AWARD

● Mr. SIMON. Mr. President, I would like to commend Melanie Leslie, of Beckemeyer, IL, for receiving the 1991 National Outstanding Secondary Vocational Student Award.

Melanie is a student in the Health Occupations Program at Central High School. While enrolled in this vocational program, she gained enough skill to obtain a nurse assistant position in a local nursing home. According to her teacher, Jan Rittenhouse,

> She tends to think of the nursing home residents as her responsibility and not as her job. Since her hiring she has grown to know and love each of "her" residents. * * * She is assertive and caring. Her success is evident as she has been accepted at Illinois State University for the fall of 1991. This student has definite goals for herself and has the ability to pursue her ambitions.

Last year, Melanie and 31 of her fellow health occupation students each raised $4,000 for a trip to the Soviet Union. During her 28-day visit, she visited hospitals, clinics, and cultural sights in Moscow, Leningrad, and Sochi.

Our country needs more students like Melanie Leslie, and I congratulate her on achieving this outstanding honor.●

JOSEPH P. CONNORS JOINS THE EAGLE COURT OF HONOR

● Mr. CHAFEE. Mr. President, during the summer of 1985, a very special 16-year-old young man from East Providence, RI, came to Washington, at my request, and served as a senatorial page. The page program is very challenging to the young people who are selected for it. Usually, it is their first time away from home. Often the schedule is grueling. The pages quickly learn to recognize the faces of 100 Senators, previously unknown to them, and to make their way with ease through the maze of hallways and tunnels that connect the office buildings and the Capitol. It is no easy job.

All of the young people who serve as senatorial pages are special, but Joe Connors stood out from the rest. He broke new ground in the Senate and stood as an example of what could be accomplished by those who are physically and mentally challenged. Joe was the first individual with a serious disability to serve in the page program, and he served with distinction.

While Joe was in Washington, he became something of a celebrity, giving newspaper interviews and even appearing on the NBC morning news program "The Today Show." But this was not the first time he was recognized for his achievements. Joe was also the recipient of the Special Olympics Gold Medal in the area of the butterfly stroke.

I continue to be impressed by Joe. On June 10 he will join the Eagle Court of Honor. This is an honor bestowed on the Boy Scout who has earned 21 merit badges and is the highest tribute offered by the Scouts. It is no surprise to me that Joe has earned this special recognition.

The Boy Scouts stands as a symbol of patriotism, courage, and self-reliance. Joseph P. Connors epitomizes those ideals. I join Joe's friends and family in applauding his tremendous accomplishments.

I ask that a news article pertaining to this matter appear in the RECORD.

The article follows:

SENATE PAGE WHO SETS AN UNUSUAL EXAMPLE

Together a United States senator and a 16-year-old boy from East Providence have made an eloquent statement.

Sen. John H. Chafee appointed Joseph Connors a senatorial page for three weeks this summer. "I just felt in Joe's case," the senator said, "that it would illustrate to the world the capabilities of people with certain disabilities."

Joseph was born with Down's Syndrome or mongolism, a genetic defect manifested in mental retardation and physical disabilities. Last month he won a gold medal in the Special Olympics at the University of Rhode Island.

When he joined Senator Chafee's staff he gained a new distinction. He became the first person with such disabilities to be appointed a Senate page. He is doing things he's never done before and bearing responsibilities of which some might think him incapable. But he's making it and by his example is telling all of us that handicapped people have potential to live normal lives in the community and make a significant contribution.

When Joe and the senator appeared on NBC's "Today" show Wednesday morning, that message got network coverage. Stories in the print media have spread Joe's story far and wide, bolstering the hope that some day the stigma some still attach to being handicapped will be eliminated. When that day comes, Senator Chafee and Joe Connors will be ushered to the front ranks of those who broke down the barriers and helped to promote understanding and compassion for people who struggle daily to overcome mental or physical handicaps.●

TIANANMEN SQUARE: 2 YEARS LATER

● Mr. SIMON. Mr. President, it has been 2 years since the bloody June 4 incident at Tiananmen Square. The world was horrified by those events and inspired by the valor of the Chinese students. We have not forgotten, and we must not forget.

Our national goal today must be to seek to demonstrate to China the wisdom of change—far-reaching reform. If China is to truly join the world community of nations, it must reform itself in the same way as the formerly Communist nations of Eastern Europe and Mongolia. The blood of Tiananmen Square can never be blotted out or covered over. But a commitment by the Beijing regime to introduce democratic reforms and to cease its persecution of the leaders of the Tiananmen Democracy Movement would start the process of healing and begin the reconciliation between China's leaders and its citizens thirsting for freedom.

By contrast, the Chinese leadership's current path of prosecuting the leaders of the Tiananmen massacre is utterly defenseless. The martyred of Tiananmen Square were not criminals; they should and will be hailed as heroes.

We are now considering one way to express our abhorrence of China's human rights abuses—revoking China's most-favored-nation [MFN] trading status. This action would have a significant economic impact. It would send a clear signal to the Chinese leadership that their reprehensible human rights policies swayed by threats from Beijing that cutting off MFN would wreck United States-China relations; after all, MFN is not a right but a privilege. And there are more than dollars at stake here. I recall asking a black South African worker if he had been hurt by United States sanctions. The man said to me, "Senator, I've been hurting for 47 years. I've got three daughters. I can hurt some more if something is done which will help their lives."

There are a number of proposals currently being debated that would place conditions on the renewal of MFN status. The best solution may be a compromise in which the Chinese are told in clear terms that MFN will be revoked if the Government in Beijing does not improve its behavior in certain areas, including human rights.

Another concern of many of us is the status of Chinese students in the United States. In light of the continued repressive policies of the government in Beijing, it is understandable that many of them would not wish to return at the present time.

As a member of the Judiciary Committee Subcommittee on Immigration and Refugee Affairs, I worked with the leaders of both parties to add significant protections to the legal immigration bill to keep the students involved in the democracy movement who were in the United States supporting their colleagues at Tiananmen Square from being forced to return to certain repression.

In the House of Representatives, Congresswoman NANCY PELOSI stepped forward for the Chinese students. Ultimately, it was her legislation that gained overwhelming support in the House and in the Senate and among freedom loving people everywhere. Although it was vetoed by the President, much of the Pelosi legislation was incorporated into the President's Executive order.

Much work still needs to be done. While the new Immigration Act of 1990 expanded the Hong Kong quota and permitted Hong Kong residents to use their visas at any time through the year 2001, it did not contain long term protections for Chinese students. The Executive order provisions effectively expire on January 1, 1994. Students from the People's Republic of China who do not have permanent status by that time may once again be jeopardized.

That is why I will shortly be joining my friend and colleague Senator SLADE GORTON on legislation to require that the President specifically certify that it is safe for these students to return to China. If no certification is forthcoming, then the students will be able to stay here, first as temporary residents and then as permanent residents.

China's sons and daughters must not be forgotten. We hope that they will be able to return and help shape the political and other institutions of their homeland and carry it forward. But if that is not possible, and indications are that China remains out of step, then we must not let the protocols of diplomacy stand in the way of swift action for humanitarian and freedom's sake. This is an imperative for the cause of freedom and democracy throughout the world.●

ORDERS FOR TOMORROW

Mr. HOLLINGS. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Wednesday, June 5; that following the prayer, the Journal of the proceedings be deemed approved to date; that following the time reserved for the two leaders, there be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. HOLLINGS. Mr. President, if there be no further business to come before the Senate today—and I see no Senator seeking recognition—I now ask unanimous consent that the Senate stand in recess under the previous order until 9:30 a.m., Wednesday, June 5.

There being no objection, the Senate, at 6:37 p.m., recessed until Wednesday, June 5, 1991, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, June 4, 1991*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We admit, O God, that we do not always act in concert with the good words we speak and though we call for righteousness and deeds of good will, our actions can fall short of our promises. May the words we say with our lips, O God, rise from the beliefs of our hearts and may all that we believe and say find relevance in our daily responsibilities and opportunities. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. CAMPBELL] please come forward and lead the House in the Pledge of Allegiance.

Mr. CAMPBELL of California led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PRESIDENT "DOTH PROTEST TOO MUCH" AGAINST CIVIL RIGHTS

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, President Bush's recent posturing on the civil rights bill suggests that he "doth protest too much" in arguing against equal opportunities for all Americans on the platform of being opposed to quotas.

The compromise bill we will be voting on today—with wide bipartisan support—specifically outlaws employers from using all quotas.

Last week, in a speech to graduates of the FBI Academy, the President demagoged that despite specific antiquota language that has been added to the civil rights bill, the legislation would force employers to use quotas to avoid being sued. Last weekend, he told West Point graduates that the antidiscrimination bill backed by the overwhelming majority in the House of Representatives is a "quota bill, regardless of how its authors dress it up."

It is unfortunate that the leader of our land, who should be uniting us against divisions in our society, is using divisive rhetoric on the issue of providing a just society.

Regrettably, the President seems more concerned with being politically right than correct on civil rights.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will announce that there will be five 1-minute requests received from each side of the aisle.

McCARTHY TACTICS ON CIVIL RIGHTS BILL

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, as we begin the civil rights debate of 1991 later today, I regret to inform the Members of an op-ed in the New York Times this morning under the title, "More Racism From the GOP."

I think it is indeed tragic that in the pursuit of their cause certain Members of this Congress will resort to such McCarthy tactics in 1991. This begins a personally offensive process we have prevented in this House of Representatives, which is questioning the motives of another Member of Congress.

In addition, I find it tragic that this particular op-ed not once, not twice, not three times, but four times has absolute blatant inaccuracies in advance of its particular position.

Mr. Speaker, I find it tragic that a party would use civil rights to pursue its own agenda of special interests.

Today, unfortunately, we are not going to debate civil rights. We are going to debate lawyers' rights. If you do not believe that, take a look at the contributions from the Trial Lawyers' Association to the Democrats on the House Education and Labor Committee, where in the last campaign they received $106,000 from the trial lawyers, while the Republicans received only $900.

Mr. Speaker, let us today debate the issues on their merits, and Mr. Speaker, I ask you to lead the effort to reject this kind of McCarthyism in 1991.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

Mr. McDADE reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

BAD TRACK RECORD OF SUPREME COURT ON CIVIL RIGHTS

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, today as the civil rights bill begins, we have heard and seen much more rhetoric, both the heat kind and the light kind. But let us put that aside. Let us look at the issue for what it really is.

We would not be here today having to deal with this if we had a Supreme Court that dealt truly with the issues as they were fashioned by the Constitution.

The President said that he has a good record on civil rights. The problem is that the people appointed by the Reagan-Bush administration, and now the Bush administration, have eroded the rights of people. We are here today not to deal with the issue of civil rights or quotas or affirmative action or reverse discrimination. This House did not want to do that again; we thought we had spoken. We are here because the track record of the Supreme Court is so bad on these issues, and this President appointed some of those people and his predecessor, with whom he served as Vice President, appointed some of those people.

We are here to try to undo the damage that has been done to the civil rights of all Americans by virtue of the appointments to the Supreme Court. The responsibility lies with the people who put them there. Make no mistake about that, people ought to understand that.

We are righting wrongs today, wrongs to women, to minorities, to white Americans, and to middle-class

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Americans. That is what we are doing here today, no matter what anybody says about any of the other issues.

IN SUPPORT OF MICHEL SUBSTITUTE FOR H.R. 1

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, today we will be asked to cast our vote for one of three civil rights proposals. Two of these proposals—the Brooks substitute and the Towns substitute to H.R. 1—force us to choose between workers who believe that they have been discriminated against and small businessowners and their employees who may lose their livelihoods to costly litigation or huge damage awards from a civil rights suit.

My colleagues, you do not have to be forced into that impossible choice on the House floor. There is another option.

You can protect the civil rights of our Nation's workers and protect the economic viability of our Nation's smaller firms. How? By voting for the Michel substitute to H.R. 1.

Before you cast your vote for the Brooks substitute to H.R. 1, think about how you are going to explain that vote to the 20 million small businessowners around the country as they go broke.

It is easy to say you are for small business. It is how you vote that really counts.

□ 1210

CIVIL RIGHTS: THE TIME HAS COME TO DO WHAT IS RIGHT

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PANETTA. Mr. Speaker, the fundamental principle that this Nation was founded upon is that all are created equal. But the fundamental reality in this Nation, however, is that we do not always do what we say. It is for that reason that laws, not words alone, are established guaranteeing equality.

The purpose of the civil rights bill that is before the House today is to fulfill the same promise for the civil rights of the 1960's, 1970's, and 1980's and indeed the 1990's when we passed the Americans With Disabilities Act to assure equal justice for all under the law.

I served as Director for the Office of Civil Rights in the 1970's, and I swore then an oath to enforce those laws. But even then the highest law enforcement official in the land, John Mitchell, who was Attorney General, established a tragic double standard when he said, "Watch not what we say but what we do."

The spirit of John Mitchell lives on in the words and actions of this administration, which says it is for civil rights but fails to exert the leadership to make them real.

Civil rights have advanced in this Nation not because they were popular but because they were right.

Mr. President, my colleagues, the time has come to do what is right.

CIVIL RIGHTS ACT: WHAT IT IS AND IS NOT

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, there has been much debate already, and there will be a lot of debate today, over the so-called civil rights bill and what it is and what it is not.

It troubles me deeply to see us so eager to vote on a bill of such enormous importance while the bill still sends so many contradictory messages to the American people.

It says this is not a quota bill, but we would not be in this debate if it was not obviously a quota bill. Even worse than just a quota bill, if you hire by quota in this bill you face a lawsuit, if you do not hire by quota you still face a lawsuit.

It says it will not force employers to hire by the numbers, but it is clear that numbers, not people, are what this bill is all about. It says it outlaws race-norming practices, while it is plain to see that the quotas in this bill would encourage race norming. It says it is necessary to restore lost civil rights, but it departs from all the principles of the original 1964 Civil Rights Act.

I say if this bill is truly worthy of being passed into law, it should be absolutely clear in our minds what exactly this bill will do for America or what this bill will do to America.

DON'T WALK AWAY FROM SPACE STATION FREEDOM

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, Congress has made the development of our space station into a political football—kicking it around, mandating its redesign, calling for additions and subtractions. And as a result, Congress has become a partner in its development whether we like it or not. Now some of my colleagues want to walk away from their responsibility and cancel the project. They want to kill space station Freedom.

By canceling the space station, we would be walking away from our manned space program. Space station Freedom is the cornerstone for manned exploration of space.

We would be walking away from global leadership. Space station Freedom represents a symbol of our determination to retain technological leadership in an increasingly competitive world.

We would be walking away from jobs. Space station Freedom currently provides good high-technology jobs for almost 100,000 Americans.

We would be walking away from our responsibilities to our children. Space station Freedom is the bridge between us and the next generation of Americans. It is a torch that will inspire our children and stimulate their interest in math, science, and engineering.

Mr. Speaker, if we canceled space station Freedom, this country in effect would be walking away from all of this and more. I urge my colleagues not to walk away from the frontier of space. Do not cancel our most important space project. Let us keep space station Freedom alive.

SALUTING SECRETARY OF STATE FOR HIS EFFORTS TO BRING PEACE TO THE MIDDLE EAST

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, all Americans owe a debt of gratitude to our outstanding Secretary of State, James A. Baker III, for his courageous, tenacious, tireless pursuit of a just peace in the Middle East. Ever loyal to President Bush, Jim Baker is also one of the heroes of the Persian Gulf.

The nations of that strife-torn part of the world should heed Secretary Baker's message. Among the lessons of Operation Desert Storm is that this is indeed a shrinking world, and one in which nations and peoples must talk to each other and learn to live in peace. The alternative is more human misery.

Secretary Baker's punishing schedule is only one indication of his deep understanding of the facts and players in world diplomacy and his belief in the cause of peace.

In my 23 years in Congress. I have never known a better, more dedicated, more patient, or more articulate Secretary of State.

The Nation is fortunate for the service of Jim Baker at this critical time, and I join many, I know, in sending him our heartfelt and prayerful thanks.

THE JAPANESE ARE NOT CONCERNED ABOUT AMERICA, THEY ARE CONCERNED ABOUT JAPAN

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Japan spends $100 million a year to lobby our Congress. In addition, Japan invests at an average of $400 million a year to buy our landmarks and to gain access to our business and industry.

But Japan says that is not enough. In an effort to influence American public opinion in their favor, Japan is embarking on a new program; their companies will in fact donate $500 million to American charities.

Now, that is $1 billion a year. Now listen to what the Japanese spokesman said; "We need that to quiet the Japan-bashers in America."

Mr. Speaker, I say this: What the Japanese could not do with the bombs at Pearl Harbor, they are doing to America with dollars and yen. That is not Japan-bashing, that is the truth.

Any Member of Congress, to any foreign nation that will invest $1 billion a year in America, they are not concerned about America, they are concerned about Japan, and Congress had better take a good look at that.

CIVIL RIGHTS: UNINTENTIONAL DISCRIMINATION

(Mr. FAWELL asked and was given permission to address the House for 1 minute.)

Mr. FAWELL. Mr. Speaker, there is a lot of emotionalism with regard to the Civil Rights Act. But I wanted to point out one aspect of it which may be overlooked.

When an employer attempts to defend itself against a charge of disparate impact, which is unintentional discrimination, which involves nonselection employment practices, that is something other than hiring practices, believe it or not he has no defense under this bill, under the substitute.

For instance, let us take a wage plan; that is, of course, an employment practice. It is subject to disparate impact analysis or unintentional discrimination.

A wage plan always produces some disparate impact, any wage plan, and since wage rates relate to market forces and to collective bargaining agreements, for instance, then a defense as is offered in the substitute, which only relates to "effective job performance", means as a practical matter the employer has no defense whatsoever. All that the employer can do if he does not want to be violating the act and have an unlawful employment practice, of course, is to eliminate all the unintentional discrimination from basically solid and reasonable business practices, which may be based upon race, religion, sex, or national origin. And that, of course, means quotas. And that is what the bill is about. In many, many cases, I know it is hard for people to accept that, but it is too bad that not all of us have had the opportunity to go over these bills. There are quotas there. You have a wage plan, there is no defense for the employer to its disparate impact, so the employer would simply have to plead guilty to the charge of unintentional discrimination.

Mr. Speaker, I think that is unfortunate.

CIVIL RIGHTS: THERE SHOULD BE NO NECESSITY FOR A BILL

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, in 1 minute I cannot express all the gratitude I have to people for making it possible for me to have a record today. Forty years ago I missed the last vote I failed to cast on a legislative issue. So, for 40 years I have not missed a legislative vote. I am very proud of that, but I am very grateful to the people in the Congress and also to my family who made it possible for me to make it to the floor for things of that nature. I am also very grateful that our beloved colleague DANTE FASCELL has made this information public.

Before I close my remarks. I would like to say I had an experience earlier this year when I was seeking new tips for my cane. I was out in the sleet and cold of early February, and I could not get across the street. A little black lady that I had never met in my life said, "You are trying to get across the street, aren't you?" And I said, "Yes, I am." She said, "I will take care of that." So she went with her umbrella, waved it in the traffic, and we got across.

That is what we ought to be thinking about, really, when you think about human beings today, that each of us are brother and sister and we ought not really have to have a law to make us behave that way.

But I am grateful that that lady was so kind to me, and I am grateful to the Congress for allowing me to set this voting record which I have set today.

AMERICANS OPPOSE UNLIMITED DAMAGES

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the polls have not changed. H.R. 1 has not changed. It is still the Lawyer's Full Employment Act of 1991. Let me repeat the poll results that you heard on the floor before.

H.R. 1 provides, for the first time, for jury trials, unlimited punitive and compensatory damages in employment law cases. In this Penn & Schoen survey, 70 percent of respondents say that remedies should be based on lost wages and benefits, as in current law, and not be allowed to collect unlimited damages.

The Brooks-Fish compromise, which caps punitive damages at $150,000 but still allows unlimited compensatory awards, is unaffordable for Main Street business. This is merely a cosmetic change.

In addition, 54 percent oppose court trials for these cases; rather, they believe existing administrative processes should be used to resolve the case.

The Brooks-Fish substitute goes too far beyond current law. I urge my colleagues to heed the results of this poll and reject H.R. 1 and the Brooks-Fish substitute.

PROVIDING FOR CONSIDERATION OF H.R. 1, CIVIL RIGHTS AND WOMEN'S EQUITY IN EMPLOYMENT ACT OF 1991

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 162 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 162

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendments made in order by this resolution and which shall not exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and said substitute shall be considered as having been read. No amendment to the bill or to said substitute shall be in order except those amendments printed in the report of the Committee on Rules accompanying this resolution, and all points of order against the amendment printed in the report are hereby waived. Said amendments shall be considered in the order and manner specified in the report, shall be considered as having been read, and shall be debatable for the period specified in the report, equally divided and controlled by the proponent and a Member opposed thereto. Said amendments shall not be subject to amendment. If more than one amendment is adopted, only the last amendment which is adopted shall be considered as finally adopted. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendment as may have been adopted, and any Member may demand a separate vote in the House on the last amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit.

POINT OF ORDER

Mr. SOLOMON. Mr. Speaker, I make a point of order against the consideration of this resolution, and I would ask to be heard on my point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. SOLOMON. Mr. Speaker, this resolution violates House rule XI, clause 4(b), which states that "the Committee on Rules shall not report any rule or order * * * which would prevent the motion to recommit from being made as provided in clause 4 of rule XVI."

And the relevant portion of clause 4 of rule XVI states that, "after the previous question shall have been ordered on the passage of a bill or joint resolution one motion to recommit shall be in order, and the Speaker shall give preference in recognition for such purpose to a Member who is opposed to the bill or joint resolution."

Mr. Speaker, on January 3 of this year, I wrote to you, the majority leader, and the chairman and members of the Rules Committee. With that letter I transmitted a 48-page report prepared by the Rules Committee minority staff entitled, "The Motion to Recommit in the U.S. House of Representatives: The Rape of a Minority Right."

That paper carefully traced the legislative history and intent behind what is now clause 4(b) of rule XI and clause 4 of rule XVI. In essence that report demonstrated beyond any doubt that the whole purpose of the two rules was to give the minority a final vote on its legislative position.

The House already had another provision in rule XVII dating back to 1880 which provided for one motion to recommit, with or without instructions, pending the adoption of the previous question or after it is ordered. But the new rule, which applies only to bills and joint resolutions after the previous question is ordered, was specifically set apart from that to clearly reserve to the opponents the right to offer the motion and get a vote on a final amendment in the form of instructions if the opponents so desired.

As the author of the new rule, Representative John Fitzgerald, a Democrat from New York, put it on offering the language back on March 15, 1909, and I quote:

> Under our present practice, if a Member desires to move to recommit with instructions, the Speaker, instead of recognizing the Member desiring to submit a specific proposition by instructions, recognizes the gentleman in charge of the bill and he moves to recommit * * *

and Representative Fitzgerald concluded:

> Under our practice the motion to recommit might better be eliminated from the rules altogether.

Mr. Speaker, the author left no doubt that he was specifically offering this new House rule to give the opponents a final vote on a proposition in the form of instructions.

I will not quote at length today all the Speakers who have subsequently reiterated this purpose of the new rule. Let me just give you one. Quoting from Cannon's Precedents, volume 8, section 2727, Speaker Gillett, on October 7, 1919, said the following in ruling on a point of order:

> The fact is that a motion to recommit is intended to give the minority one chance to fully express their view so long as they are germane. * * * The whole purpose of this motion to recommit is to have a record vote on the program of the minority. That is the main purpose of the motion to recommit.

Mr. Speaker, the Chair has previously relied on a 1934 precedent to uphold the right of the Rules Committee to restrict the minority's right to recommit.

In that 1934 instance, a rule prohibited amendments to a particular title of a bill "during its consideration," meaning in the House and the Committee of the Whole. And the Chair upheld a point of order against a motion to recommit with instructions that attempted to amend that title.

Mr. Speaker, as the research paper I submitted to you last January made clear, that 1934 point of order was wrongly decided since, if the Rules Committee could prohibit some amendments from being offered in a motion to recommit, by logical extension it could prohibit all. And that would clearly nullify the whole intent of the rule which was to guarantee to the minority the right to offer an amendment in the motion to recommit with instructions if it wished.

The central issue, therefore, is not whether the Rules Committee has preserved the right of a straight motion to recommit, but rather if it has preserved the minority's right to a motion to recommit, in the words of the rule, "as provided in clause 4 of rule XVI." And what that rule's author "provided" for was the right to offer amendatory instructions. About that there should be no question after reading the history and precedents surrounding that rule.

Mr. Speaker, the rule before us does not protect the right to offer a motion to recommit with amendatory instructions because it makes in order a committee amendment in the nature of a substitute as the base bill for amendment purposes. And the adoption of that substitute by the House would preclude any further amendments in a motion to recommit unless the rule had included the words, "with or without instructions." That has been the traditional language included by the Rules Committee dating back to 1909 for the specific purpose of protecting the minority's prerogatives whenever a committee substitute is made base text.

I pointed this out during the Rules Committee's markup of this rule and offered the appropriate corrective language. My motion was rejected on a party line vote after it was made quite clear that the majority was intentionally denying this minority right because it did not want the minority to offer a further amendment. As the chairman put it, we were already given a substitute we could offer during consideration in the Committee of the Whole.

It is clear from the record and this rule that the majority has purposely denied this historic minority right which dates back to 1909.

I therefore urge, Mr. Speaker, that you uphold my point of order and the important principle involved here of preserving and protecting the right of the minority to have a final vote on its program in the motion to recommit. To do otherwise would be to render this rule meaningless and turn the clock back a century on this fundamental minority right on a civil rights bill pending before this House.

□ 1230

I beg you, Mr. Speaker, to rule in our favor.

The SPEAKER. Does the gentleman from Missouri [Mr. WHEAT] wish to be heard on the point of order?

Mr. WHEAT. Yes, Mr. Speaker, I do wish to be heard on the point of order.

Mr. Speaker, the gentleman from New York [Mr. SOLOMON] makes a point of order that the rule inhibits the motion to recommit and, therefore, according to the minority, violates clause 4(b) of rule XI.

Mr. Speaker, I respectfully disagree. Even if the rule prohibited the minority from offering the motion to recommit with instructions, the rule would not violate clause 4(b) of rule XI as long as a simple motion to recommit might be offered. The Rules Committee is not precluded from limiting instructions on a motion to recommit, and this is a well-established parliamentary point.

As the minority pointed out, Speaker Rainey did in fact rule in January 11, 1934, and was sustained on appeal. He said then:

> The Chair will state that the Committee on Rules may, without violating this clause, recommend a special order which limits but does not totally prohibit a motion to recommit pending passage of a bill or joint resolution such as precluding a motion containing instructions relative to certain amendments.

But, Mr. Speaker, as recently as October 16, 1990, the parliamentary point was reaffirmed. The Rules Committee reported a resolution making in order one motion to recommit which may not include instructions. The Speaker pro tempore on this occasion ruled: "Clause 4 of rule XVI does not guarantee that a motion to recommit a bill must always include instructions."

Mr. Speaker, the precedents are clear and unequivocal. If the rule does not deprive the minority of the right to offer a simple motion to recommit the bill or a joint resolution, then the rule does not violate the spirit or the letter of clause 4(b) of rule XI.

Mr. Speaker, I urge that the point of order be overruled.

The SPEAKER. Does the gentleman from New York [Mr. SOLOMON] wish to be heard further on the point of order?

Mr. SOLOMON. Mr. Speaker, if I may, I wish to be heard just briefly in further opposition to the point of order.

Mr. Speaker, it might be argued that this rule does not prohibit all instructions and that the minority is therefore not prevented from getting a final vote on its program by offering general instructions.

Mr. Speaker, that argument just won't wash since the whole purpose of securing this right for the minority back in 1909 was to give it a chance to offer a final amendment in its instructions and to get a record vote by the House on that amendment.

Mr. Speaker, a motion to actually send a bill back to committee with general instructions, even if they contain an amendment, will not necessarily give the House a direct vote on that amendment since the committee is under no compulsion to report the bill back to the House. The measure could just as easily die in committee and the minority would thereby be deprived of the right to ever get a vote on its final amendment. As such, general instructions do not serve the original intent of the rule which was to permit instructions to report back forthwith and thereby give the House a chance to immediately vote on the minority amendment.

In conclusion, Mr. Speaker, according to Procedure in the House, 97th Congress, chapter 5, section 1.2, "The Speaker's role is an impartial one, and his rulings serve to protect the right of the minority to be heard." Mr. Speaker, I urge you to exercise your traditional role in protecting this longstanding right of the minority to be heard through the motion to recommit. Let us be fair in this House.

The SPEAKER. Does the gentleman from Missouri [Mr. WHEAT] desire to be heard further on the point of order?

Mr. WHEAT. Yes, I do, Mr. Speaker.

Mr. Speaker, it is clearly established according to the precedents of the House that while a motion to recommit is guaranteed to the minority, that motion to recommit need not necessarily contain instructions and may be precluded from instructions relative to certain amendments.

Mr. Speaker, I would ask that the Chair overrule the point of order of the minority.

The SPEAKER. The Chair is ready to rule.

Under clause 4(b) of rule XI, the authority of the Committee on Rules to propose special orders of business is not absolute. Clause 4(b) of rule XI contains the following limitation on that authority:

> The Committee on Rules shall not report any rule or order which provides that business under clause 7 of rule XXIV shall be set aside by a vote of less than two-thirds of the members present; now shall it report any rule or order which would prevent the motion to recommit from being made as provided in clause 4 of rule XVI.

Pertinent to the latter restriction, clause 4 of rule XVI addresses the motion to recommit in the following terms:

> After the previous question shall have been ordered on the passage of a bill or joint resolution one motion to recommit shall be in order, and the Speaker shall give preference in recognition for such purpose to a Member who is opposed to the bill or joint resolution.

Under precedent dating to 1934—Speaker Rainey, January 11, 1934, sustained on appeal—and followed as recently as 1990—October 16, 1990, sustained by tabling of appeal—the Committee on Rules may, without violating clause 4(b) of rule XI, recommend a special order that limits but does not wholly preclude a motion to recommit after the previous question is ordered on passage of a bill or joint resolution. A special order that does not preclude a simple motion to recommit does not "prevent the motion to recommit from being made as provided in clause 4 of rule XVI." Clause 4 of rule XVI does not guarantee that a motion to recommit after the previous question is ordered on passage of a bill or joint resolution may always include instructions.

Under the terms of the pending special order, only a motion to recommit with instructions to report an amendment forthwith might be disallowed—if the bill were entirely rewritten by the adoption of a substitute in the House. In no event would the pending rule disallow a simple motion to recommit or even a motion to recommit with general instructions.

Accordingly, the Chair, in support of the precedent established by Speaker Rainey and reestablished last year, overrules the point of order.

Mr. SOLOMON. Mr. Speaker, out of respect for you, I will not appeal the ruling of the Chair, but I would hope that perhaps our Republican leader and you could sit down and discuss the long-range plans that deal with this particular subject. We feel very strongly about it, but I do understand the Chair's ruling.

The SPEAKER. The Chair thanks the gentleman for his consideration.

The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON] pending which I yield myself such time as I may consume. During consideration of this resolution, Mr. Speaker, all time yielded is for purposes of debate only.

Mr. Speaker, House Resolution 162 is a modified open rule providing for 3 hours consideration of H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991, to be equally divided between the chairman and ranking minority member of the Committee on the Judiciary. The bill would amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment.

The resolution makes in order the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill. Said substitute is to be considered as having been read.

The rule further makes in order the following three amendments printed in the report accompanying this resolution, to be considered in the following order: First, the Towns-Schroeder substitute, second, the Michel substitute, and third, the Brooks-Fish substitute. One hour of debate to be equally divided between proponents and opponents is provided for each substitute. The rule further provides that the amendments are not subject to amendment.

If more than one amendment is adopted, only the last amendment which is adopted shall be considered as finally adopted. All points of order against all the amendments are hereby waived. At the conclusion of the consideration of the bill for amendment, the rule provides for one motion in recommit.

The issues in H.R. 1 are not new; they have been discussed extensively last year and this year. The committees have allocated countless hours in hearings and meetings to the consideration of civil rights legislation. Both the Committee on the Judiciary and the Committee on Education and Labor are to be commended for the excellent work they have done with regard to this bill.

Last year this Chamber debated civil rights legislation for more than 10 hours altogether. The rule before the House today provides 6 hours for debate and four alternatives from which to choose.

Mr. Speaker, the need for enactment of this civil rights legislation should be widely recognized. More than 25 years after the landmark Civil Rights Act of 1964, discrimination in the workplace continues—as a study recently completed by the Urban Institute documents.

The study sent matched pairs of white and black men to compete for the same jobs—men with the same qualifications and similar abilities. The study found that white applicants were three times as likely to receive a job offer and almost three times as likely to advance in the hiring process. Fifteen percent of the white applicants received job offers, compared to 5 percent of the blacks. In addition, white men advanced in the hiring process 20 percent of the time, compared to only 7 percent for black men.

Other findings of the study showed that black applicants were treated rudely or unfavorably in 50 percent of their employment efforts, while white men received unfavorable treatment in 27 percent of their job searches.

The results refute popular arguments that current hiring decisions are colorblind or that blacks receive preferential workplace treatment. Affirmative action programs do not foster reverse discrimination by establishing job quotas for minorities or deny employment opportunities to more qualified white applicants.

Despite this evidence to the contrary, public perception persists that minorities now have unfair advantages over whites in hiring. Several national opinion polls indicate that many people believe that to be true. We can do better than fanning the flames of racial disharmony. We must demand of ourselves higher standards than that of political posturing and pandering to prejudice.

Mr. Speaker, it is time for this Chamber to act—for this Congress to act, for the President to act—affirmatively. Discrimination in employment, on account of race, gender, ethnicity, or physical handicap, has no place in America. We are capable of overcoming divisiveness and transforming destructive discrimination into productive diversity. Let us get on with the task before us.

Mr. Speaker, I reserve the balance of my time.

□ 1240

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding, and yield myself such time as I may consume.

Mr. Speaker, I think it is appropriate as we approach the 215th anniversary of our Declaration of Independence and the inalienable rights it espouses, that we should be debating a civil rights bill.

However, I think it is highly inappropriate that we should be considering this civil rights bill under a gag rule that virtually denies most Members of this body their right to fully represent their constituents.

Mr. Speaker, what kind of signal are we sending to the world about this great democracy when we must bring a civil rights bill, yes, a civil rights bill, to the floor of the people's House under a procedure which denies the people the full representation they expect and deserve?

To my friends and colleagues on the other side of the aisle, self-professed Democrats all, I say, "for shame, for shame, for shame; you dishonor your own name." What has democracy come to if it has come to this?

Is there some great tradition or precedent which says that a civil rights bill should not be exposed to more than three amendments? Of course not.

Quite to the contrary, on 9 of the 15 major civil rights bills this House has considered since 1957, there has been a completely open amendment process, including the landmark Civil Rights Acts of 1957, 1964, and 1968.

On three occasions the bills were so noncontroversial that they were considered under suspension of the rules. On only three occasions, once in 1988, and twice last year, have civil rights bills been considered under a restrictive rule like this.

So the great tradition in this House is to consider civil rights legislation under an open amendment process—a process under which all 435 House Members might have an opportunity to fully debate and offer amendments—a process under which a House majority can fully and freely work its will as the Founders of this Government intended.

Yet, Mr. Speaker, when I offered that traditional, open rule for this civil rights bill in the Rules Committee last week, it was shot down on a straight party-line vote, with every Democrat voting against allowing their colleagues a chance to exercise their full rights as Representatives.

We then attempted to make in order the 10 Republican amendments that were requested before the Rules Committee—most of which had already been offered in the Judiciary or Education and Labor Committee markups. Those 10 amendments were also denied on a straight party-line vote.

These were not flaky amendments, they were not frivolous, and they were not dilatory. Each Member had a legitimate viewpoint that should have been allowed debate and a vote on this House floor today. Yet they are being gagged, denied, and shut out by this rule.

Mr. Speaker, let me say that at least this rule is a little fairer than the original one that was being contemplated—a rule that would have permitted a Democrat amendment to the Republican substitute but no Republican amendments to the Democrat substitute. Instead, we now have three free-standing substitutes with each being given a clean up or down vote.

For this small favor, I want to express my gratitude to Chairman MOAKLEY, the Rules Committee majority, and the majority leadership. It makes things a little less unfair, though not fair enough to justify support for this rule.

Mr. Speaker, if all three substitutes fail, we will then have a chance to vote on a fourth substitute—the one reported by the Education and Labor Committee that is made the base text for amendment purposes under this rule.

Should that fail as well, we fall back to H.R. 1 as introduced by Mr. BROOKS. So what we are talking about under this rule is giving the majority party up to four bites of the apple and the minority party just one. How's that for fair?

But that is not all. To add insult to injury, this rule does not give the minority its traditional right since 1909 to offer a motion to recommit, "with or without instructions."

I know there are Members on both sides of this aisle who think we should have the opportunity to offer individual amendments to this bill, like Representatives SCHROEDER, MINK, and KOPETSKI all on your side of the aisle; and for that reason I am urging defeat of the previous question so that we can offer an open rule. I ask you to join us.

Here is that chance for those of you who claim to be liberals to stand up for equal rights for all House Members and the American people that you represent.

A vote against the previous question will be a vote for true democracy and the equality of opportunity for all Members to be coequal participants in shaping this legislation.

In closing, let me leave you with these words form Jefferson's first inaugural:

> Bear in mind this sacred principle, that though the will of the majority is in all cases to prevail, that will, to be rightful must be reasonable; that the minority possess their equal rights, which equal laws must protect, and to violate which would be oppression.

My colleagues, strike a blow against oppression and for minority rights by opening this process up to all the people's Representatives. Let us be both rightful and reasonable by letting the majority work its will.

You have a 2 to 1-plus majority. What are you afraid of, I say to Members, support the defeat of the previous question, and we will bring back an open rule, that will allow every Democrat amendment and every Republican amendment to be offered on this floor. What could be more fair on a civil rights bill that we debate here today?

Mr. Speaker, I reserve the balance of my time.

AN AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SOLOMON

Strike all after the resolving clause and insert in lieu thereof the following:

"That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and said substitute shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.".

REPUBLICAN AMENDMENTS FOR CIVIL RIGHTS RULE REJECTED ON A PARTY LINE VOTE

1. Rep. Solomon: Offer open rule substitute;
2. Rep. Hyde: Restore pre-Wards Cove law;
3. Rep. Moorhead: Eliminate retroactive application;
4. Rep. McCollum: Provide a new remedy for on-the-job harassment with a $150,000 damage cap;
5. Rep. Hyde: Prohibit race-norming in test scores;
6. Rep. Fawell: Provides that an employer's use of measures of academic achievement are presumed to meet the job relatedness requirements;
7. Rep. Fawell: The definition of business necessity shall not be construed to exclude the use of subjective evidence;
8. Rep. Campbell (CA): Strikes provisions overturning Martin v. Wilks;
9. Rep. Young (AK): Assures that requirements of bill do not apply retroactively to the Wards Cove case situation;
10. Rep. Grandy: Limits to $150,000 the total amount of punitive and compensatory damages that could be recovered in intentional discrimination cases, excluding any lost back pay;
11. Rep. Gunderson: Deletes provisions assuring attorneys fees in specified cases; and
12. Rep. Solomon: Offer language to permit motion to recommit, "with or without instructions."

PROCEDURES FOR CONSIDERATION OF MAJOR CIVIL RIGHTS BILLS

Bill Name, Number Procedure, Date, and Disposition:

Civil Rights Act of 1957 (H.R. 6127): Open rule (H. Res. 259), 4-days general debate; adopted 291–117, June 5, 1957.

Equal Pay Act of 1963 (H.R. 6060): Open rule (H. Res. 362), 2-hours general debate; adopted 362–9, May 23, 1963.

Civil Rights Act of 1964 (H.R. 7152): Open rule (H. Res. 616), 10-hours general debate; adopted voice vote, Jan. 31, 1964.

Voting Rights Act of 1965 (S. 1564): Open rule (H. Res. 440), 10-hours of general debate; adopted 308–58, July 6, 1965.

Age Discrimination in Employment Act of 1967 (H.R. 13054): Suspension of the rules; passed 344–13, Dec. 4, 1967.

Fair Housing Act of 1968 (H.R. 2516): Open rule (H. Res. 856), 3-hours general debate; adopted 330–77, Aug. 15, 1967.

Education Amendments of 1972, Title IX, (H.R. 7248): Open rule (H. Res. 661), 4-hours general debate; adopted 371–7, Oct. 27, 1971.

Rehabilitation Act of 1973 (H.R. 8070): Passed under suspension of the rules, 384–13, June 5, 1973.

The Equal Credit Opportunity Act of 1974 (H.R. 11221): Suspension of rules; passed 377–19, April 8, 1975.

Age Discrimination Act of 1975 (H.R. 3922): Open rule (H. Res. 794), 1-hour general debate; adopted 397–0, Feb. 5, 1974.

Voting Rights Act Amendments of 1981 (H.R. 3112): Open rule (H. Res. 222), 2-hours general debate; adopted by voice vote, Sept. 28, 1981.

Civil Rights Restoration Act of 1988 (S. 577): Modified closed rule (H. Res. 391), 1-hour general debate, only one substitute amendment allowed; previous question adopted, 252–158; rule adopted, voice vote, March 1, 1988.

Fair Housing Act Amendments of 1988 (H.R. 1158): Open rule (H. Res. 477), 1-hour general debate; adopted 394–1, June 22, 1988.

Americans with Disabilities Act of 1990 (H. R. 2273): Modified closed rule (H. Res. 394), 1½ hours general debate, only 5 amendments made in order; adopted 237–172, May 22, 1990.

Civil Rights Act of 1990 (H.R. 4000): Modified closed rule (H. Res. 449), 3-hours general debate, only 3 amendments in order; previous question adopted, 247–171; rule adopted, 246–175, Aug. 1, 1990.

SUMMARY

Of the 15 major civil rights bills identified here spanning the years 1957 to 1990, nine were considered under an open amendment procedure, including the landmark 1964 Civil Rights Act, the 1965 Voting Rights Act, and the 1968 Fair Housing Act.

Of the six civil rights bills considered under a restrictive amendment process, three were considered under suspension of the rules (the 1967 Age Discrimination in Employment Act and the 1973 Rehabilitation Act, and the 1975 Age Discrimination Act), with less than 20 Members opposing each bill.

Aside from these three suspension bills, the restrictive amendment process as applied to civil rights legislation is a very recent development, dating back only to 1988. Put another way, of the 12 major civil rights bills considered under order of business resolutions or "rules", only three have limited the amendment process.

(Prepared by Don Wolfensberger, Minority Chief of Staff, House Rules Committee.)

HOUSE OF REPRESENTATIVES,
Washington, DC, January 3, 1991.

Hon. TOM FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I am enclosing for your information and consideration a research paper prepared by the Rules Committee minority staff entitled, "The Motion to Recommit in the House: The Rape of a Minority Right."

The paper carefully traces the legislative history and intent behind the 1909 rules guaranteeing to the opponents of a bill the right to offer a recommital motion *with instructions* and barring the Rules Committee from denying the right "*as provided by*" that provision.

The paper documents that the rule was originally adopted *specifically* for the purpose of allowing a political minority the right to offer *its position* for a final vote of the House through instructions in the motion to recommit. And it goes on to conclude that a 1934 ruling upholding an order of business resolution (or rule) barring certain amendments during consideration of a bill, including as part of recommital instructions, was erroneously decided. Consequently, last year's ruling of the Chair, based on the 1934 precedent, upholding a rule denying any instructions in a motion to recommit was also contrary to the legislative intent behind the rule.

It is my hope that in light of this evidence the majority leadership and the Rules Committee will reconsider their past restrictions and denials of this minority right in the 102nd Congress, and thereby avoid future confrontations and points of order over such a fundamental guarantee.

Sincerely yours,

GERALD B. SOLOMON,
Member of Congress.

Enclosures.

THE MOTION TO RECOMMIT IN THE HOUSE: THE RAPE OF A MINORITY RIGHT

(By Don Wolfensberger)

EXECUTIVE SUMMARY

The motion to commit a matter to a committee has existed in the rules of the U.S. House of Representatives since the first Congress in 1789. The terms "refer," "commit," and "recommit," are nearly interchangeable but their correct usage depends on the parliamentary situation.

In 1880 the House amended its rules to permit the motion to recommit a matter to a standing or select committee, with or without instructions, after the previous question was ordered on bringing the matter to a final vote. Previously it could only be offered prior to the ordering of the previous question. But, for the next fifty years in the House it was the practice that the majority manager of a bill was given priority recognition to offer the motion to recommit a bill just prior to the vote on final passage, either to cure a defect in the bill or simply to block the minority from offering the motion.

In 1909, in a revolt against Republican Speaker Joe Cannon, a new rule was adopted to "give preference in recognition to a Member who is opposed to the bill or joint resolution." As the author of the new rule explained it, the purpose of the new rule was to permit the minority "the right to have a vote on its position on great public questions."

Under the subsequent precedents, priority in recognition was given to the most senior minority party member on the committee of jurisdiction who was opposed to the measure. Moreover, under the new rule, the Rules Committee could not deny this minority right.

The Member offering the motion to recommit had complete discretion to offer the recommital motion in one of three forms: a straight motion to recommit the measure to a committee and thereby kill the bill; a motion to recommit with general instructions, for instance, to require that committee hearings be held on the measure; or a motion to recommit with instructions to report back to the House "forthwith" with a specified amendment—a means whereby the minority could get a final recorded vote on a direct amendment to the bill without actually sending the measure back to committee—the main purpose of the new rule.

The minority party's right to offer a motion to recommit of its choosing has remained nearly inviolate for the better part of the twentieth century. In recent times however, the majority has moved increasingly to restrict this right through order of business resolutions or "rules" providing for the consideration of legislation.

In 1934 the Speaker overruled a point of order that the Rules Committee had abridged the minority's recommital rights by reporting a rule that prohibited amendments to a title of a bill "during its consideration," i.e., in the House as well as in the Committee of the Whole. This effectively barred amendatory recommital instructions since the motion to recommit is offered in the House, just prior to final passage of a bill.

The logical extension of that ruling was that a rule could bar all amendments in the House and thereby preclude any amendatory instructions in a motion to recommit. However, it was not until the 99th Congress (1985-86) that the majority began suppressing the minority's right to this extreme with some regularity. Not only were rules reported barring all but a few amendments "in the House or in the Committee of the Whole," but some were so brazen as to directly state that the motion to recommit "may not contain instructions."

The majority has attempted to justify such radical proscriptions on the minority's recommital right on grounds that the rules involved already provided for a vote in the Committee of the Whole on a minority alternative, and therefore allowing a motion to recommit with amendatory instructions would be given the minority two bites of the apple. The minority's response is that it has an historic right to that final bite, regardless of how many previous bites anyone has taken. Moreover, under rules which already severely restrict the amendment process in the Committee of the Whole, argues the minority, it should be all the more important to preserve this minority right to finally perfect a bill by amendment.

The majority's denial of this minority right has accelerated in the 100th and 101st Congresses, even under what was to be the more benign and bipartisan rule of the new Speaker, Rep. Tom Foley. The complete denial of amendatory instructions was finally tested on a point of order raised by the Republican Leader, late in the 101st Congress. The Chair, relying on the 1934 precedent, upheld this final stripping of the minority.

The purpose of this paper is to trace the evolution of the motion to recommit and the final assault on this minority right by the majority—an assault that culminated in what can fairly be termed "the rape of a minority right." It is the conclusion of this paper that the 1934 precedent on which the 1990 ruling was based was wrongly decided and should be reversed.

[NOTE: The author is minority counsel for the Subcommittee on the Legislative Process of the House Rules Committee.]

THE RECOMMITTAL RULE REVOLT

The motions to refer, commit or recommit are permitted in four different situations under House Rules today: (1) under clause 4, Rule XVI, the motion to refer is listed as the sixth of seven motions in the priority of motions permitted when a matter is under debate; (2) under the second sentence of that same clause, a motion to recommit is permitted by a Member opposed to the measure after the previous question has been ordered on final passage; (3) under Rule XVII, clause 1, a motion to commit, with or without instructions, is permitted pending the motion for or after ordering the previous question; and (4) under Rule XXIII, clause 7, the motion to refer, with or without instructions, is permitted in the House pending a vote on the motion to strike the enacting clause.

The motion to "refer" in Rule XVI was originally called the motion to "commit" and was listed as the second of four in the priority of motions listed in the Rules adopted by the first Congress in 1789. Since early rulings by Speakers held against a referral motion after adoption of the previous question, in 1880 the House adopted Rule XVII, clause 1, permitting a motion to commit with or without instructions either before or after the previous question is ordered. According to the precedents, this rule was authorized so as to afford "the amplest opportunity to test the sense of the House as to whether or not the bill is in the exact form it desires."[1]

However, for the first 30-years under the rule, it was the practice of the Chair to recognize a Member friendly to the motion to recommit. As Speaker Joe Cannon (R-IL) recounted the practice:[2]

"The object of this provision was, as the Chair has always understood, that the motion should be made by one friendly to the bill, for the purpose of giving one more chance to perfect it, as perchance there might be some error that the House desired to correct."

Speaker Champ Clark (D-MO) later reflected a bit differently on the earlier object of this practice:[3]

"The chairman, or whoever had charge of the bill, simply moved to recommit * * * and the Chair would recognize the gentleman in control of the bill, and he would make the pro forma motion to recommit and thereby cut the minority out of making a motion to recommit that had some substance in it."

Consequently, the practice was substantially changed in 1909 in the first in a series of "rules revolts" against Speaker Cannon. A group of insurgent Republicans of his own party joined with the Democrats on March 15, 1909, in defeating the previous question on the majority Republicans' House rules package and substituting a set of Rules proposed by then Minority Leader Champ Clark.

Clark immediately moved the previous question on his substitute set of rules, but he was opposed by a junior member of his party, Rep. John Fitzgerald (D-NY) who protested being gagged and urged defeat of the previous question so that he might offer further amendments to the rules. Surprisingly, Fitzgerald prevailed in defeating the previous question, 180-203, and he was recognized to offer his substitute amendment to the rules resolution. Among other things, a new clause 4 was added to Rule XVI giving priority recognition for the motion to recommit to a Member opposed to the measure, and Rule XI was amended to prohibit the Rules Committee from operating any rule denying an opponent the right to recommit as provided by the new rule.

Specifically, the new clause 4, Rule XVI provided that, "after the previous question shall have been ordered on the passage of a bill or joint resolution one motion to recommit shall be in order, and the Speaker shall give preference in recognition to a Member who is opposed to the bill or joint resolution.[4]

In explaining this portion of his rules substitute, Rep. Fitzgerald said the following:[5]

"I believe the greatest legislative outrages that have been perpetrated in this country have been by means of special rules by which the majority has denied the minority the right to have a vote on its position upon great public questions.

"One of the amendments I submit provides that after the previous question shall have been ordered upon any bill or joint resolution, one motion to recommit shall be in order, and the Speaker shall give priority recognition to some one who is opposed to the bill."

And Fitzgerald went on to observe:[6]

"Under our present practice, if a Member desires to move to recommit with instructions, the Speaker instead of recognizing the Member desiring to submit a specific proposition by instructions, recognizes the gentleman in charge of the bill, and he moves to recommit, and upon that motion demands the previous question. When the previous question is ordered, the motion to recommit is voted down. Under our practice, the motion to recommit might better be eliminated from the rules altogether.

"In addition, there is a provision that the Committee on Rules shall not report any rule or order which will prevent the offering of a motion to recommit as just stated so that the practice that has been followed * * * can not hereafter prevail. The Rules Committee can not bring a rule which would provide that after so many hours of general debate the previous question shall be considered as ordered and that the House without intervening motion shall vote upon the passage of the bill."

EARLY PRECEDENTS ON THE MODERN RULE

In discussing the form and history of this rule, *Cannon's Precedents* observes from the debate on the rule that the change was occasioned by the practice of the Speaker recognizing the member in charge of the bill to offer the motion to recommit, "in effect nullifying the purpose of the motion. This amendment is intended to insure recognition of a Member actually opposed to the measure and afford the House a last opportunity to express its preference on the final form of the bill."[7]

Obviously this has reference to the right to offer a motion to recommit containing amendatory instructions since the House could already express its position on the bill as reported from the Committee of the Whole in the final passage vote.

This view is further bolstered by a ruling of Speaker Champ Clark on May 14, 1912, on a point of order against a rule from the Rules Committee which provided for discharging a House bill from committee, together with Senate amendments, disagreeing to the Senate amendments, and appointing conferees, without intervening motion. After quoting from *Jefferson's Manual* to the effect that rules are instituted as a check and control on the actions of the majority and a shelter and protection to the minority, the Speaker said the following:[8]

"Rules are made primarily to fix an order of business and maintain decorum. But they are also fixed in order that the minority in the lump and the individual member shall have all rights that are permissible in a legislative body."

And he went on to say:

"It is not necessary to go into the history of how this particular rule came to be adopted, but that it was intended that the right to make the motion to recommit should be preserved inviolate the Chair has no doubt whatever."

Another instructive discussion of this rule occurred on October 7, 1919, when a point of order was raised against a motion to recommit a tariff bill with instructions to report back a substitute. The point of order was that the substitute had the effect of altering an amendment already adopted by the House.[9]

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[1] Footnotes at end of article.

Speaking against the point of order, former Speaker Crisp (D-GA) said the following:[10]

"The object of the motion to recommit is clearly to give the minority of the House—the legislative minority and not the political minority—a chance affirmatively to go on record as to what they think this legislation should be, and if a motion to recommit does not permit that, then the motion is futile. * * * It is to give the minority the right affirmatively to go on record as to their views. If the motion to recommit does not mean that, it is absolutely a useless motion."

And Rep. Garret (D-TN) echoed these sentiments when he said:[11]

"The motion to recommit is regarded as so sacred that it is one of the few things protected against the Committee on Rules by the general rules of the House. It is expressly provided that the Committee on Rules may not bring in a resolution which will prevent one motion to recommit. Of course, the reason for that is to protect the minority of the House—that is, the legislative and not the political minority—in its right to present a concrete, comprehensive proposition of legislation. * * * If the Speaker should sustain this point of order, the practical effect would be to do by a parliamentary decision that which the Committee on Rules and the House itself can not do under the general rules of the House. It will practically destroy the efficacy of the motion to recommit with instructions."

Speaker Gillett (R-MA), in overruling the point of order, confirmed the above expressions on the purpose of the motion to recommit:[12]

"* * * the fact is that a motion to recommit is intended to give the minority one chance to fully express their views so long as they are germane. * * * The whole purpose of this motion to recommit is to have a record vote upon the program of the minority. That is the main purpose of the motion to recommit."

THE 1934 PRECEDENT

The first indication of an erosion in the minority's right to offer a recommittal motion of its choosing appears in a 1934 precedent cited in *Deschler's Precedents*:[13]

"The Committee on Rules may not report any order or rule which shall operate to prevent the offering of a motion to recommit as provided in Rule XVI, clause 4, but such restriction does not apply to a special rule which may prevent a motion to recommit with instructions to incorporate an amendment in a title to which a special rule precludes the offering of amendments."

In that 1934 instance, a rule was called up from the Committee on Rules providing for the consideration of an appropriations bill for the Executive Office and various independent agencies, waiving certain points of order and prohibiting amendments to Title II of the bill "during the consideration" of the bill, meaning in the House as well as Committee of the Whole.

Rep. Snell (R-NY) raised a point of order against the rule on grounds that it violated Rule XI which prohibits the Rules Committee from denying the motion to recommit. In a colloquy prior to the point of order it was made clear by the majority that the intent of the rule was to confine the minority to offering a straight motion to recommit and prevent it from offering instructions.

In defense of his point of order, Rep. Snell said:[14]

"It has been the precedent for a great many years that under no circumstances will the minority be prohibited from making a motion to recommit and I have yet never heard anyone express a different opinion on policy or philosophy of the rules of the House. In this way the minority is allowed to place its position before the Congress, and, if enough Members approve of it, they are entitled to a roll-call vote."

Representative Bankhead (D-AL) responded: "There is nothing in this rule that would prevent any Member from offering a motion to recommit on any other phase of the bill except that covered by Title II.

Representative Snell replied: "I know that the interpretation they are putting on this rule is contrary to the spirit of the rules of this House and to every precedent of the House in the last 20 years."[15]

Nevertheless, Speaker Rainey (D-IL) overruled the point of order, saying:[16]

"The special rule, House Resolution 217, now before the House, does not mention the motion to recommit. Therefore, any motion to recommit would be made under the general rules of the House. The contention of the gentleman from New York that this special rule deprives the minority of the right to make a motion to recommit is, therefore, obviously not well taken."

But the Speaker went on to hold:

"It has been held on numerous occasions that a motion to recommit with instructions may not propose as instructions anything that might not be proposed directly as an amendment. Of course, inasmuch as the special rule prohibits amendments to title II of the bill H.R. 6663 it would not be in order after adoption of the special rule to move to recommit the bill with instructions to incorporate an amendment in title II of the bill."

And he concluded:

"The Chair, therefore, holds that the motion to recommit as provided in clause 4, Rule XVI, has been reserved to the minority and that insofar as such rule is concerned the special rule before the House does not deprive the minority of its right to make a simple motion to recommit. The Chair thinks, however, that a motion to recommit with instructions to incorporate a provision which would be in violation of the special rule, House Resolution 217, would not be in order."

The 1934 precedent is cited in the previous volume of *Deschler's*, "Authority of Committee on Rules; Seeking Special Rules." The heading to the precedent reiterates that the Rules Committee may not deny a motion to recommit, but adds that this does not prevent it from prohibiting amendments to a title of a bill and thereby barring such amendments in the motion to recommit as well. The precedent notes that the Speaker's ruling was appealed and upheld by a vote of 260-112.[17]

A "Parliamentarian's Note" at the end of the precedent contains the following observation:[18]

"Normally, such resolutions only prohibit certain amendments during consideration in the Committee of the Whole, allowing a motion to recommit with instructions in the House to add such amendments. This is apparently the only ruling by the Speaker on the authority of the Committee on Rules to limit, but not to prohibit the motion to recommit."

THE ASSAULT WEAPON

To understand the modern-day assault by the majority on the minority's right to recommit, it is useful to better understand the assault weapon being used—the order of business resolution or "rule." There are a variety of bullets that the majority can use in this weapon for the purposes of either seriously disabling or completely incapacitating the minority in its ability to offer a recommital motion of its choosing.

The customary "open rule" does four things: (1) it gives privileged status for the consideration of a specific bill in the Committee of the Whole House on the State of the Union; (2) it prescribes and allocates the general debate time on the bill, dividing it between the majority and minority parties on the committees reporting the bill; (3) it provides for the consideration of amendments under the five-minute rule; and (4) it provides that when the amended bill is reported back to the House from the Committee of the Whole, the previous question is ordered on final passage without intervening motion except one motion to recommit.

A common variation on this occurs when a committee reports an amendment in the nature of a substitute or a consensus substitute is developed by two or more committees after they have reported varying versions of the same bill. In such cases, the Rules Committee makes the amendment in the nature of a substitute in order as an original bill for the purpose of amendment in the Committee of the Whole. This is done in order to preserve the normal amendment process which allows for second degree amendments, that is, amendments offered to amendments to the base text of the bill. Without this language in the rule making the substitute original text for amendment purposes, only one amendment to the substitute could be offered at a time and it could not be perfected because that would constitute a third-degree amendment.

To further preserve the normal legislative process, the rules on such bills specify that when the committee amendment as amended is reported back to the House, a separate vote may be demanded not only on the substitute, but on any amendment adopted thereto the Committee of the Whole. Without this latter clause, the only separate vote that could be demanded would be on the substitute as amended.

And finally, such rules ordinarily provide for one motion to recommit, "with or without instructions," to preserve the right of the minority to offer amendatory instructions. Whereas it is impled in an open rule that instructions may be offered under the term, "one motion to recommit," that is not the case with a committee amendment in the nature of a substitute since an amendment already agreed to by the House may not be further amended.

Put another way, by including the term "with * * * instructions" in the rule, it is understood that, notwithstanding the rule prohibiting amendments to amendments finally adopted by the House, a further amendment to the amendment in the nature of a substitute is authorized in the motion to recommit.

A further complexity in modern-day rules is the practice of restricting the number of amendments that may be offered. While under an "open rule" any Member of the House may offer a germane amendment during consideration of the bill under the five-minute rule, under restrictive order of business resolutions the rule may specify that only certain amendments may be offered or even that no amendments are allowed. When a rule states that "no amendments to the bill or the committee amendment in the nature of a substitute shall be in order except for those specified in the committee report to accompany this resolution," it is understood that this applies only to the consideration of the bill in the Committee of the Whole. It would still be in order to offer a germane amendment in the recommital motion, even though the amendment was not authorized for consideration in the Committee of the Whole by the special rule.

In recent years, though, the Rules Committee has been using new devices in order of business resolutions which limit or deny amendatory recommital instructions. There are two methods used for both limiting and denying such instructions: the indirect and this direct approach.

The indirect way a rule may limit amendments in a recommital motion is by use of langauge which prohibits all but specified amendments "in the House or in the Committee of the Whole." So, even though the rule may go on to allow for "one motion to recommit, with or without instructions," it is clear that those instructions may not include any amendment other than those specifically authorized by the rule.

If, for instance, the rule allowed for only one amendment, a minority substitute, and no other amendment was permitted in the House or the Committee of the Whole, the only amendatory instructions the minority could offer would be its original substitute offered in the Committee of the Whole. It could not even offer the most politically palatable portion of that substitute in its motion to recommit.

The direct ways a rule may limit the minority's right in a motion to recommit are either to specify in the rule what amendment may be offered in the recommital motion or to provide in the rule that no amendment may be offered in the motion to recommit that amends a particular title or section of the bill or that deals with a particular subject matter.

The indirect ways a rule may deny amendatory instructions in a motion to recommit are either by prohibiting any amendment to the bill "in the House or the Committee of the Whole," or by failing to specify that the motion to recommit may be "with or without instructions" when a committee amendment in the nature of a substitute has been made in order. Since such substitutes are invariably reported back to the House with amendments and adopted, the minority is barred in such instances from further amending in its recommital motion.

Finally, the direct way a rule may deny amendatory instruction in a recommittal motion is for it to indicate that the motion to recommit "may not include instructions."

RECENT PRECEDENTS

The most recently published precedents in the House, *Procedure in the U.S. House of Representatives* (97th Congress) contain instances in which the Rules Committee has proscribed the motion to recommit. An instance is cited on Dec. 4, 1975, in which a special rule for the consideration of a tax reform bill prohibited, with certain exceptions, amendments to the bill either in the House or the Committee of the Whole. And yet a motion to recommit was offered with instructions that the Ways and Means Committee not report the bill back to the House until an amendment was included providing that any revenues raised by the bill could not be used to finance government expenditures above a certain level. The precedent concludes, "No point of order was made against the motion," the implication being that one could have been raised.[19]

The same volume of precedents cites several other precedents to the effect that motions to recommit bills could not alter amendments already adopted by the House except by special rules allowing for motions to recommit "with or without instructions."[20]

But the volume also contains the first modern instances cited in which special rules have directly placed limits on motions to recommit. The first instance mandated the precise form any amendatory instructions must take to the pending campaign reform bill.[21] And the second rule involved language permitting one motion to recommit "which may include instructions if the House has not previously agreed to an amendment in the nature of a substitute."[22]

The Parliamentarian's note to this latter precedent explains the "unique language" in the most positive and charitable terms: [23]

"The unique language describing the permissable scope of the motion to recommit on this bill was added by an amendment in the Rules Committee and was intended to allow a motion to recommit with instructions to amend a portion of the bill which had already been amended, except where an amendment in the nature of a substitute had been adopted. The rule thus permitted instructions to eliminate or amend certain amendments already agreed to."

RECENT TRENDS

The limitations on the minority's right to freely offer motions to recommit with instructions, such as those cited in the above precedents, were apparently very rare occurrences. Yet they helped to lay the groundwork for a more sustained, deliberate and far-reaching assault on that right in recent times.

This paper focuses on recommital motions in rules in the 95th through 101st Congresses. This 14-year span begins in 1977—the first year of Rep. "Tip" O'Neill's (D–MA) 10-year rule as House Speaker and of Jimmy Carter's four-year span as President, and the first and only Congress in which Rep. Jim Delaney (D–NY) was to serve as chairman of the Rules Committee.

The Congress has subsequently been presided over by two other Speakers: Rep. Jim Wright (D–TX), Jan., 1987–June 6, 1989, and Rep. Tom Foley (D–WA) June 6, 1989 to the present. The Rules Committee has been chaired by Rep. Richard Bolling (D–MO), from 1979–82, Rep. Claude Pepper (D–FL), from 1983–1989; and Rep. Joe Moakley (D–MA), from 1989 to the present. And the country has witnessed the Republican presidencies of Ronald Reagan (1981–88), and George Bush (1989–present).

Despite the Republican occupancy of the White House for 18 of the last 22 years, House Republicans have retained their minority status for the last 34 consecutive years. In the 95th Congress (1977–78), Republicans in the House numbered 143 or 33% of the total membership. They peaked at 192 Members (44%) in the 97th Congress. And today, they comprise 176 or 40% of the 435 House Members.

Despite (or perhaps because of) a 23% increase in their numbers from the 95th Congress, House Republicans today perceive and regularly protest a marked increase in procedural abuses being heaped upon them by the majority party. The recent increase in the limits on and even denials of the minority's right to offer amendatory instructions in motions to recommit is but a small piece of this picture—little noticed or noted, yet symbolic of growing majority abuses and minority frustrations.

As can readily be seen from Table 1. (next page), the trend in the erosion of the minority's right to recommit is unmistakable. A rule-by-rule examination over the past seven congresses reveals that in the first four of those congresses, from 1977 through 1984, proscriptions on the minority's right were relatively few (15 in all), and were almost totally confined to limitations on rather than denials of amendatory instructions (14 of the 15).

And yet, in the most recent three congresses, 1985 through October 27, 1990, the end of the 101st Congress, the proscriptions on the minority's right to recommit have more than tripled to 59, including 21 limitations on amendatory instructions, and 38 outright denials.

It is instructive to more closely examine the rules granted in those first four congresses, however, for at a certain point they begin to foreshadow the acceleration in the trend that occurred in the most recent three congresses. A listing of all rules limiting or denying amendatory recommital instructions is contained in chronological order in Appendix A. of this paper, together with the bill number and subject matter, and the disposition of the rule.

SINGLE PURPOSE LIMITATIONS

The first seven rules listed, three in the 95th Congress and four in the 96th Congress, only proscribed recommital instructions in a very limited sense by prohibiting one or two amendments per bill, in the House and in the Committee of the Whole. All seven bills involved were appropriations bills, and the prohibited amendments dealt with one of three issues: abortion, Federal pay, and the FTC. Six of these seven rules were adopted by voice votes, while the other rule was overwhelmingly adopted on a rollcall vote of 317–82.

TABLE 1.—SPECIAL RULES IN THE HOUSE LIMITING OR DENYING AMENDATORY RECOMMITAL INSTRUCTIONS: 95TH–101ST CONGRESSES

Congress years	Type of Rule[1]		Total rules limiting or denying ARI
	Limiting ARI[2]	Denying ARI[3]	
95th Congress (1977–78)	3	0	3
96th Congress (1979–80)	8	0	8
97th Congress (1981–82)	2	1	3
98th Congress (1983–84)	1	0	1
99th Congress (1985–86)	7	7	14
100th Congress (1987–88)	9	15	24
101st Congress (1989–90)	5	16	21
Totals	35	39	74

[1] This is based only on rules providing for the initial consideration of bills and joint resolutions, and does not include rules for simple and concurrent resolutions, conference reports, or for the disposition of Senate amendments.

[2] ARI stands for "Amendatory Recommital Instructions." Rules may limit amendatory recommital instructions either by restricting amendments in the House as well as Committee of the Whole, or by directly placing restrictive language in the recommital clause of the rule.

[3] Rules may deny amendatory recommital instructions by barring all amendments in the House or Committee of the Whole; by not including the proviso "with or without instructions" in the recommital clause when an amendment in the nature of a substitute is made in order as original text; or by directly barring instructions in the recommital clause of the rule.

Sources: Legislative Calendars, 95th–101st Congresses; Bound copies of Rules Granted, Committee on Rules, 95th–100th Congresses; "Notices of Action Taken," Committee on Rules, 101st Congress, sine die adjournment, Oct. 27, 1990.

THE TURNING POINT

The turning point came with the final four rules granted in the 96th Congress—three in October of 1979 and one in August of 1980. Two of the three October rules were granted on October 9, 1979, and made in order two differing continuing appropriations resolutions. Moreover, both rules were adopted in the House by voice vote on the same day reported. Both rules provided for consideration of the continuing resolution in the House as in the Committee of the Whole and both limited the amendment process to one subject or one specific amendment. The first rule only permitted amendments germane to the issue of Federal pay, and the second rule only permitted one specified abortion amendment.

In short, since consideration was in the House for both bills and no other amendments were allowed in the House, the motion to recommit was also confined to those specified amendments. Nevertheless, given the urgency of keeping the government running, no issue was made of these restrictive rules and both were adopted by voice vote.

Nine days later, on October 19, 1979, a rule was granted on a Federal Trade Commission authorization bill which allowed for only three specified amendments in the House and the Committee of the Whole in addition to a committee amendment in the nature of a substitute. Thus, any amendatory instructions in a motion to recommit would also be confined to one or more of those same amendments. In this instance the rule was adopted on October 26, 1979, by a rollcall vote of 273–61.

THE RECONCILIATION RULES

While the three rules cited above marked a turning point in the degree to which rules restricted amendatory recommital instructions, it was not until the final limiting rule of the 96th Congress was brought to the floor that the threat to the minority's right actually became a contested issue in debate.

That instance involved the reconciliation bill for fiscal year 1981, H.R. 7765, the first time the reconciliation process had been tried since enactment of the 1974 Budget Act. Under that process, specified committees are directed in the budget resolution to report legislation to achieve necessary savings, either through entitlement changes or revenue increases. The various committee bills are then combined into a single bill by the Budget Committee, without change, and sent to the Rules Committee for a special rule.

The Rules Committee reported a modified closed rule on the bill permitting only three amendments in the House and in the Committee of the Whole: one to strike a superfund subtitle, one to add trade adjustment assistance provisions, and one to eliminate certain cost-of-living adjustment reforms.

On September 4, 1980, Rules Committee Chairman Bolling called up the rule and in his opening statement described the rule as "relatively straightforward and simple," and added, "I would have preferred a completely closed rule."[24]

Rep. Del Latta (R–OH), the manager of the rule for the minority, agreed with Bolling on the importance of the reconciliation process, but took issue with the rule:[25]

"By adopting this rule we are limiting ourselves as to the amendments that can be offered. We have a closed rule being offered to the House on one of the most important pieces of legislation that we will be considering during this session of the Congress."

Latta went on to observe that eight House committees had been given instructions to come up with $6.4 billion in savings. Five of the committees "followed the instructions given them by this House and recommended legitimate, straight-forward spending reductions." But three committees not only recommended the reductions required of them, "but took advantage of the situation and proposed spending increases which will cost the taxpayers of this country $3.1 billion over the next five years." And he added, "Certainly this is a violation of the reconciliation section of the Budget Act, and sets a dangerous precedent for the future."[26]

Finally, Latta urged his colleagues to vote down the previous question on the rule so that he could offer a substitute rule "making in order the amendment . . . that eliminates $3.1 billion in new spending that is provided for in this reconciliation bill . . . [and] make the motion to recommit with instructions. The way the motion is now, it is without instructions."[27]

Chairman Bolling responded to Latta's criticism of the spending increases in the bill saying, "I disagree with him fundamentally." And he went on to explain:[28]

"It is inevitable that in the reconciliation process there will be some trade-offs that increase funding * * * But, there are very substantial offsets which save a great deal of money. I think it would be a mistake if we tied reconciliation up so it could not deal with tradeoffs in that fashion."

And, commenting on the provision in Latta's proposed substitute rule to permit a motion to recommit, with or without instructions, Bolling said the following:[29]

"This is a very tight rule that we initially offer. A recommitment with instructions enables the managers on that side to deal with all the political plums in town. Talk about politics, they could set up a Christmas tree alternative in either direction, either to save or to spend or a combination of the two that would be absolutely incredible."

The previous question on the rule was subsequently adopted, 230–157, and the rule was then adopted on a vote of 206–182.

The 1980 reconciliation fight was precursor of the gigantic reconciliation battle of 1981 which was to yield different results. With a Republican president back in the White House, Republican control of the Senate, Republican ranks in the House swollen from 158 in the previous Congress to 192 in the 97th Congress, and with the help of Southern conservative Democrats, known as "Boll Weevils," the Reagan economic program juggernaut was unleashed.

On the first budget resolution, the Republican substitute containing the President's program was adopted by a vote of 253–176. Instead of the $15.8 billion in reconciliation savings called for by the House Democrats' budget, the Gramm-Latta budget instructed committees to produce $36.6 billion in fiscal 1982 reconciliation savings.[30]

Fourteen of the 15 instructed House committees reported their reconciliation bills as required. The other committee, Energy and Commerce, could not muster a majority vote for its plan so the chairman recommended to the Budget Committee by letter that the Democrats' plan be including in the omnibus bill.

Notwithstanding the Budget Act's prohibition on any Budget Committee changes to the bills reported by various committees, the Budget Committee on a party line vote recommended a substitute containing three changes from the bills reported by the other committees. The only substantive change was inclusion of the unreported Energy and Commerce Democrats' proposal. The Budget Committee estimated that its substitute could result in $37.76 billion in fiscal 1982 savings.[31]

Despite these savings, House Republicans and the White House concluded that the plan did not go far enough in producing entitlement savings. Whereas the reconciliation instructions in the budget resolution called for $8 billion in entitlement cuts, the Democratic plan only produced $3 billion. The resulting Republican-conservative Democrat alternative, known as Gramm-Latta II, would save an additional $5.1 billion in fiscal 1982, but also restore money for some programs such as educational impact aid.[32]

The emergence of this alternative set the stage for a major procedural confrontation in the Rules Committee and on the House floor over procedure—one in which the motion to recommit would play a prominent role.

On June 24, 1981, the Rules Committee, by a party-line vote of 11–5, reported a rule on the reconciliation bill providing for the consideration of a Democratic amendment in the nature of a substitute and six specified amendments consisting of only the spending reduction portions of Gramm-Latta II. The rule intentionally omitted the "sweeteners" from the Republican substitute—the spending increases on such items as impact aid and Export-Import Bank, and it ignored the Republicans' request for a single vote on its entire package.

Moreover, the rule provided for two motions to recommit—one of which "may not contain any instructions," and one of which may include instructions "containing only the following amendments contained in the committee print:", and there again followed a selected portion of the Gramm-Latta II package dealing with social services and educational block grants. Again, this was not a motion to recommit that the Republicans had requested; the majority was attempting to dictate what parts of their package Republicans could offer.

The next day, June 25, 1981, before the controversial rule was called-up, eight Democrats took to the well to deliver one-minute speeches in favor of the rule and separate votes on the spending cuts in the Republican package. They were followed by a barrage of 31 Republican one-minute speeches blasting the rule. The leadoff speaker for the minority was Republican Whip Trent Lott (R-Miss.). Lott, also a member of the Rules Committee, referred to the Rules Committee's action as "one of the most dastardly deeds in the history of the House" and "the most unfair abuse of the rules that I have seen in the 13-years I have been here."[33]

When Chairman Bolling was finally able to call-up the rule some two hours later, he defended his committee's actions in part as follows:[34]

"We tried very hard to be fair in dividing up the minority's consolidated amendment approach. We did exactly the same thing that Gramm-Latta did to the committees of Congress. We made in order only cuts * * *"

But he went on to concede that the cuts the Rules Committee made in order were substantially larger than the consolidated package, "because the consolidated package, unlike what the committees did, was loaded with sweeteners—sweeteners to the tune of about roughly one-half of all the cuts"[35]

Rep. Latta, the rule manager for the Republicans as well as ranking minority member on the Budget Committee, responded:[36]

"We knew that the rule had already been decided by the Democratic leadership and that it would be a packaged vote on the committee bill. But on the Republican package it was a different set of rules they had prepared for us. We were only asking for the same consideration for our package as the Democrats were being given for theirs."

The ranking minority member on the Rules Committee, Rep. Jimmy Quillen (R-TN), used the following colorful metaphor:[37]

"There should be fairness. But what has the Rules Committee done and what has the Democratic Party done? They say, 'Let us have a duel. We are going to use live ammunition but you on this side of the aisle, you Republicans, we are going to make you use blanks.' "

And Republican Leader Bob Michel minced no words in addressing himself to the Speaker and Rules Committee chairman:[38]

"I might have grudgingly conceded to this approach had you given us a clean-cut vote on the 6 to 7 individual parts of our package of amendments. But no, you would not even give us that opportunity. You had to get greedy. I could not believe you would take our individual parts and slice them up into still smaller pieces taking what you want and, of course, discarding what we want.

And, Michel continued:

"What right have you in this so-called great deliberative body to dictate not only the form and substance of our amendments, but the verbiage as well? . . . Mr. Speaker, Mr. Wrights, my friend Mr. Bolling: These are no longer our amendments that are made in order. They are bastards of the worst order for which we disclaim any parental responsibility."

The House proceeded to vote down the previous question on the rule, 210–217, and adopt a substitute rule offered by Rep. Latta. 216–212. That substitute provided for the en bloc consideration of amendments to be offered by Rep. Latta, not subject to amendment or a division of the question and waived all points of order against the package. Moreover, unlike the Democratic rule, the substitute rule provided for one motion to recommit, "with or without instructions."

Despite the subsequent adoption of the Latta en bloc amendments by a vote of 217–211, under the precedents a minority member opposed to the bill on final passage was still entitled to the motion to recommit. Rep. Claudine Schneider (R–R.I.) took advantage of this opportunity and offered a motion to recommit with instructions to restore twice annual cost-of-living adjustments for Federal employees which has been deleted in the Latta package.

Budget Committee Chairman Jim Jones (D–OK) attempted to wrest the motion to recommit away from Rep. Schneider by defeating the previous question so that he could be recognized to offer an alternative motion to recommit with instructions to make changes in the Social Security, student loan and block grant provisions of the Latta substitute. But the House adopted the previous question on the Schneider motion by a vote of 215–212. The House then rejected the Schneider motion on a voice vote.[39]

An ironic postscript to this historic episode occurred on July 31, 1981, when the House considered a rule (H. Res. 203) that made in order both the final conference report on the reconciliation bill (H.R. 3982) and separate bill (H.R. 4331) to restore the Social Security minimum benefits that were reduced in the reconciliation bill. The irony occurred in the portion of that rule dealing with the minimum benefit bill.

The rule provided for the consideration of the unreported bill in the House if called up by Rep. Bolling, and after one hour of general debate, ordered the previous question "to final passage without intervening motion except one motion to recommit, which may not contain instructions." This was the first instance in which a rule had flat-out denied the minority instruction in a motion to recommit, and yet the minority overwhelmingly resisted an effort by Rep. Bruce Vento (D–MN) and others to defeat the previous question on the rule in order to get at the minimum benefit issue in the conference report itself. The previous question was adopted, 271–151, with 166 Republicans voting for it and 21 against, while only 105 Democrats voted for it and 130 voted against.

Because the minority leadership was solidly behind the rule in order to move the reconciliation conference report to the President, no mention was made in debate of the historic precedent being set in denying the minority a motion to recommit with instructions on the minimum benefit bill.

However, due to the turmoil and hard feeling generated by the wrenching 1981 reconciliation experience, the Democrats proceeded with four separate committee reconciliation bills in 1982 rather than taking them through the Budget Committee and combining them into an omnibus bill from the outset, as required by the Budget Act. Three of the four were considered under modified closed rules but preserved the minority's right to offer a motion to recommit of its choosing. The fourth, a noncontroversial veterans bill, was considered under suspension of the rules and passed overwhelmingly, 400–0.

It wasn't until after all four had passed individually that the Democrats combined them into an omnibus bill that was passed by a voice vote on August 10, 1982. The final conference report on that bill passed the House by a vote of 243–176 on August 18, 1982. All told the omnibus bill produced $13.3 billion in savings over three years, a modest accomplishment compared to the massive 1981 effort of $130.6 billion in savings over three years.

Despite this temporary pullback from procedural proscriptions on the minority's motion to recommit on reconciliation bills, the practice of limiting the motion was resumed in the 99th Congress and has continued through the present Congress (see Appendix A).

THE FINAL ASSAULT

In the 98th Congress, the Congress in which Rep. Claude Pepper (D–FL) took over as Rules Committee chairman after the resignation of Rep. Bolling, only one rule was granted which limited the motion to recommit, and that was on the bipartisan Social Security bailout bill. The rule permitted only three specified amendments in the House and in the Committee of the Whole. And even though none was a Republican amendment, the rule passed by voice vote.

The majority was continuing to assert procedural pressures on another front, however, and that was on the related matter of restrictive rules which limited the amendment process in the Committee of the Whole. As can be seen from Table 2 whereas only 15% of the rules were restrictive in Tip O'Neill's first Congress as Speaker, the 95th Congress, by the 98th Congress they had grown to 32% of total rules granted. And this trend accelerated dramatically in the 99th through the 101st Congress, as restrictive rules jumped to 43%. 46% and 55% of the total, respectively.

Perhaps not surprisingly, as Table 3 reveals, rules limiting recommittal motions also began to rise again with the 99th Congress when they totalled 14 or 12% of the rules granted. And the number rose to 24 in the 100th Congress or 20% of the rules, and totalled 21 at the end of 101st Congress, or 20% of all rules granted.

But even more disturbing is the fact that complete denials of amendatory recommittal instructions climbed from 0 in the 98th Congress, to seven in the 99th, 15 in the 100th and 16 by the end of the 101st (see Table 1).

TABLE 2.—OPEN VERSUS RESTRICTIVE RULES, 95TH–101ST CONGRESSES

Congress (years)	Total rules granted [1]	Open rules [2] No.	Percent	Restrictive rules [3] No.	Percent
95th (1977–78)	211	179	85	32	15
96th (1979–80)	214	161	75	53	25
97th (1981–82)	120	90	75	30	25
98th (1983–84)	155	105	68	50	32
99th (1985–86)	115	65	57	50	43
100th (1987–88)	123	66	54	57	46
101st (1989–90)	104	47	45	57	55
Totals	1,042	713	68	329	32

[1] Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

[2] Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.

[3] Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rules, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.

Sources: Rules Committee Calendars & Surveys of Activities, 95th–100th Congresses; "Notices of Action Taken," Committee on Rules, 101st Congress, as of sine die adjournment, Oct. 27, 1990.

TABLE 3.—RULES RESTRICTING AMENDMENTS AND RECOMMITTAL MOTIONS: 95TH–101ST CONGRESSES

Congress (years)	Total rules granted [1]	Rules which restrict amendments [2]	Percent	Rules which limit/deny recommittal motions [3]	Percent
95th (1977–78)	211	32	15	3	1.4
96th (1979–80)	214	53	25	8	3.7
97th (1981–82)	120	30	25	3	2.5
98th (1983–84)	155	50	32	1	0.6
99th (1985–86)	115	50	43	14	12.2
100th (1987–88)	123	57	46	24	19.5
101st (1989–90)	104	57	55	21	20
Totals	1,042	329	32	74	7

[1] Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

[2] Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rules, and rules providing for consideration in the House as opposed to the Committee of the Whole. The percentage is parentheses is the restrictive rules as a percent of total rules granted.

[3] This includes all rules which limit or deny amendatory recommital instructions on the initial consideration of bills and joint resolutions. The percent figure is years in parentheses is the rules limiting or denying amendatory recommital instructions as a percentage of the total rules granted.

Sources: Rules Committee Calendars & Surveys of Activities, 95th–100th Congresses; "Notices of Action Taken," Committee on Rules, 101st Congress, as of sine die adjournment, Oct. 27, 1990.

As can be seen from Appendix A, all seven rules denying amendatory instructions in the 99th Congress were granted in the second session. In all seven instances, the rules specifically stated that the motion to recommit "may not contain instructions." Two of the seven rules, on the trade and sequestration bills were adopted by voice vote; and one, on the drug bill, by an overwhelming margin. The other four rules, on Central America, reconciliation and two on the immigration bill, were contested by a substantial number or, defeated (the first immigration rule).

In the 100th Congress, Jim Wright's first Congress as Speaker, of the 15 rules denying amendatory instructions, three were defeated, seven were adopted with substantial opposition, two were adopted by voice vote (one of which made in order two bills), and two were tabled. The Wright Speakership was to become a lightning rod for minority protests of procedural abuses by the majority. But the denials of the minority's recommittal right were but a small part of a larger pattern of procedural manipulation by the Speaker.[40]

Republican Whip Trent Lott, in a special order entitled, "Changing the Rules," inserted in the *Congressional Record* at the end of the 100th Congress, quoted Thomas Jefferson from his Manual of *Parliamentary Procedure* as follows:[41]

"It is much more material that there should be a rule to go by than what that rule is; that there may be a uniformity of proceeding in doing business not subject to the caprice of the Speaker or captiousness of the members. It is very material that order, decency and regularity be preserved in a dignified public body."

Reflecting on those words, Lott offered the following observation:[42]

"As a Member of the Rules Committee since 1975, I have reviewed with concern the increasing departures from our standing rules and the way they have contributed to a breakdown in orderly procedure and Members' rights, just as Jefferson warned."

Lott proceeded to demonstrate his point by inserting comparative data on the increase in restrictive rules, self-executing rules, rules waiving the Budget Act, and rules prohibiting recommittal instructions.

Lott briefly recounted the history of the rule guaranteeing the minority the motion to recommit, concluding that:[43]

"The legislative history behind the current motion to recommit makes clear that the intent was to permit the minority one final opportunity to get a vote on its position. . . . And yet, despite this clear legislative history and intent . . . the Rules Committee has dictated on 18 occasions in this Congress alone that the motion be rendered futile by prohibiting instructions."

Notwithstanding Republican protests over Wright's rule in the 100th Congress, the 101st Congress proved to be more of the same until Wright resigned under an ethics cloud on June 6, 1989. Of the 14 rules granted prior to Wright's resignation, seven or 50% were restrictive in terms of the amendment process in the Committee of the Whole (See Appendix B), and three (21%) contained denials of amendatory recommittal instructions (see Appendix A.).

One of those three rules, on the drug wars for star wars bill, was defeated; one, on the minimum wage bill, was adopted by voice vote; and one, on the Eastern Airlines emergency strike board bill, was adopted, 254–159.

While the mood of the House improved significantly with the advent of Tom Foley as Speaker and Rep. Joe Moakley (D–MA) as the new Rules Committee chairman (Chairman Pepper died on May 30, 1989), the honeymoon was barely to last the remainder of the first session before the majority resumed its squeeze on the amendment process and on the minority's right to recommit.

Whereas only 12 rules, or 38%, of the 32 rules granted in the first session after Foley became Speaker were restrictive, 37 rules or 64% of the 58 rules granted in the second session were restrictive (see Appendix B). All told, restrictive rules totalled 55% of all rules granted in the 101st Congress, up considerably from Wright's record of 46% restrictive rules in the 100th Congress.

But even more startling is the rise in rules denying the minority's motion to recommit with instructions under Foley. While only one rule, or 3%, of the 32 rules granted during the first session honeymoon denied amendatory instructions, 12 such rules, or 20%, of the 58 rules granted in the second session have denied the minority's right. And as can be seen from Appendix A, four of those 12 denial rules were adopted by voice vote. Six of the others had substantial opposition in rollcall votes, including the defeat of the first crime rule. Eight of the 12 rules denied amendatory instructions by failing to include the phrase "with or without instructions" when a committee amendment in the nature of a substitute has been made in order as original text for amendment purposes. Two of the rules, on the CR and reconciliation specifically forbade instructions. And two others, on most favored nation status on China and Czechoslovakia prohibited any motion to recommit by terms of the trade law's expedited procedures.

Republican cries of protest against rules restricting the amendment process and denying the minority's recommital rights have been mounting in the second session of the 101st Congress. For example, in reviewing the debate on the twelve rules which denied amendatory instructions in the second session, the following extracts are not atypical of the growing mood of Republican frustration and discontent:

On the rule providing for consideration of the child care bill on March 29, 1990, Ranking Rules Republican Jimmy Quillen said:[44]

"This rule is not fair. It absolutely cuts off Republicans. It is one of the worst rules ever reported in this session of Congress. . . . And then, as if to rub salt in the wound, the minority is being denied its one traditional last chance to have its position considered. There will be no motion to recommit with instructions under this rule."

Rep. Jerry Solomon (R–NY), the second-ranking Republican on the Rules Committee, said of the same rule:[45]

"This is the worst rule that has ever come before this House in the 12 years I have been a Member of this body. It is an abuse which is almost unbelievable. You know, democracy is breaking out all over the world; it is spreading all over the world; everywhere except in this House of Representatives."

During debate on the rule for the equity and excellence in education bill, Rep. Lynn Martin (R–IL), the minority manager of the rule noted that this was probably the first time a restrictive rule had been granted on an education bill, and she went on:[46]

"We are slowly but surely strangling deliberative democracy in this House in the name of efficiency and political pragmatism. We are choking off Members who wish to be coequal partners in the legislative process; and we are denying their constituents the full representation they deserve."

And on the denial of recommital instructions, she had this to say:[47]

"To add insult to injury, this rule also denies the minority its traditional right to offer instructions in a motion to recommit. This was denied on grounds that the minority can already offer a substitute under the rule. But why should the majority presume that's what we would offer in the motion to recommit?"

On August 2, 1990, during House consideration of the rule on the Civil Rights Act of 1990, the minority rule manager, Rep. Solomon, offered the following observation:[48]

"Here we are, being asked to consider a civil rights bill under the terms of a closed rule, and how ironic that is. . . . As of today, the House of Representatives will chalk up more restrictive rules than open rules during this 101st Congress, and . . . this is a shame."

And, Solomon went on:[49]

"What many of us, particularly on this side of the aisle, resent is the denial in this rule of the minority's right to offer a motion to recommit with instructions. . . . It has only been in the last few years that the majority has begun to assert that the offering of a minority substitute is our only bite at the apple; but Mr. Speaker, when the House is considering a bill under an open rule, the minority has that right and has always had that right to offer a substitute as well as the right to offer a motion to recommit with instructions."

And, on August 3, 1990, during debate on the campaign reform rule which permitted only one Republican substitute and no recommital instructions, Rep. Bill Frenzel (R–MN) said the following:[50]

"To say that we have to work in the dark to pass election reform is the worst kind of hypocrisy in our democracy. I think the people who vote for this rule can truly be ashamed of themselves. It is absolutely ridiculous to give Members one shot and a few minutes of debate on something that all Members admit is complex."

On September 25, 1990, the House took up the rule on the Omnibus Crime Control Act, a rule which allowed for the consideration of some 45 amendments of over 100 amendments that had been submitted in advance in compliance with a Rules Committee pre-filing requirement. Notwithstanding the large number of amendments made in order, Republicans were incensed that the Committee had not made in order an amendment by Rep. Henry Hyde (R–IL) relating to habeas corpus reform. Instead, the Committee made in order a habeas corpus reform compromise by Rep. Butler Derrick (D–S.C.), even though the amendment had not been filed prior to the deadline.

Rep. Quillen, managing the rule for the minority, observed that his attempt to make the Hyde amendment made in order was rejected his motion on a party-line vote. He went on to observe that the rule even denied the minority its traditional right to recommit with instructions:[51]

"This rule is also unfair because it denies the opportunity for a motion to recommit with instructions to amend the bill. When I asked about this in the Rules Committee I was told that a motion to recommit with instructions could not be allowed because it might be used to to give the House a chance to consider the Hyde amendment."

And he went on:[52]

Listen to that. How do you gang up on somebody like a respected Member of this House, the gentleman from Illinois (Mr. Hyde)?"

Rep. Solomon echoed these sentiments:[53]

"The majority can try to dress it up any way they want to, but a rule which denies the minority its right to offer a motion to recommit with or without instructions is closed by any definition, and it is wrong, wrong, wrong."

A Republican attempt to amend the rule and make in order the Hyde amendment by defeating the previous question was rejected by a vote of 214–209 to adopt the previous question. But the rule itself was subsequently rejected, 166–258.

The Rules Committee reconvened on October 2nd and granted a rule that not only made in order the Hyde amendment but three additional amendments. However, the rule retained the language from the previous one prohibiting any instructions in a motion to recommit. Nevertheless, the House adopted this second crime rule on October 3rd by voice vote.

The issue of denying the minority instructions on motions to recommit instructions came to a dramatic head on October 16, 1990, when the House took up the rule on the Omnibus Budget Reconciliation Act which contained a Democratic modification of the five-year budget summit agreement. The rule provided for three hours of general debate, the automatic adoption of a budget process enforcement title upon adoption of the rule, a Democratic tax alternative package of amendments by Ways and Means Chairman Rostenkowski, and a package of amendments by Budget Committee Chairman Panetta.

Not allowed under the rule was a Republican substitute developed by Reps. John Kasich (R–OH) and Carl Pursell (R–MI). It was presumably denied consideration on grounds it did not meet the five-year deficit reduction goal of $500-billion, falling some $90-billion short. Moreover, the rule denied any instructions in the motion to recommit.

THE POINT OF ORDER

After the rule was called up by Majority Manager Butler Derrick and read by the reading clerk, Republican Leader Bob Michel rose to make a point of order against the rule on grounds that it denied the minority the right to offer instructions in the motion to recommit (see Appendix C for full text of the Michel point of order, the discussion of it, and the Chair's ruling).

Michel recounted the history of the modern-day recommital rule and cited varous Speakers on how the motion was revised in 1909 to permit the minority a right to offer its final alternative to a bill. Michel went on to argue that the key to the meaning of the rule was its prohibition on the Rules Committee's denying a motion to recommit "as provided" by Rule XVI, which was adopted solely to give the minority the option of offering final amendatory instructions:[54]

"It should therefore be obvious that if the Rules Committee is prohibited from denying the minority the right to offer a motion to recommit "as provided" by that second sentence in that 1909 rule, it may not bring in a rule such as this which denies instructions. To do so is to render the rule, which protects our right, null and void. It is not only a violation of the spirit of the rule, but of the literal content of the rule."

The Speaker pro tempore, Rep. Murtha (D–PA), overruled the point of order citing the 1934 precedent:[55]

"In the only precedent directly relating to the question at issue, Speaker Rainey on January 11, 1934, ruled and was sustained on appeal. The Committee on Rules is not precluded under clause 4b, rule XI, from specifically limiting motions to recommit bills or joint resolutions pending the question on final passage to specific type of instructions."

After quoting from Speaker Rainey's ruling, the Chair drew the following conclusion from it:[56]

"Thus, the Committee on Rules has the authority to recommend special rules to the House which may limit, but not totally prohibit, the type of motion to recommit which may be offered, not merely with respect to the general rules of the House, but with respect to germane amendments which might otherwise be in order. Clause (sic) of Rule XVI does not guarantee that a motion to recommit a bill may always include instructions. The Chair, therefore, overrules the point of order."

Rep. Bob Walker (R–PA) immediately rose to his feet and appealed the ruling of the Chair, to which Rep. Derrick responded with a motion to table the appeal. The motion to table was adopted on nearly a straight party-line vote, 251–171 (Rep. Charles Bennett (D–FL) was the only Democrat to vote against the motion to table the appeal.).

Two things should be noted in passing regarding this particular denial of instructions on the motion to recommit. First, the Democrats could not use the argument in this instance that instructions were being denied because the minority was already being allowed a substute during the regular amendment process; they weren't. And secondly, while they instead used the argument that the Republican substitute was not allowed because it did not fully meet the deficit reduction targets of the budget summit agreement, their own package, as amended by the Rostenkowski tax alternative, fell anywhere from $8- to $25-billion short of the $500-billion target, depending on what estimates and economic assumptions are being used.

DISCUSSION

It is clear from both the debate on the adoption of the modern rule governing motions to recommit and the early precedents surrounding it, that its main purpose was to give the minority an opportunity to obtain a vote on a policy alternative at the end of the process. The corresponding rule barring the Rules Committee from denying a motion to recommit in its order of business resolutions was a further safeguard against majority attempts to circumvent or undermine this minority guarantee.

It is also clear from the early procedures that the minority's right to offer a motion to recommit of its choosing was only to be proscribed by the limits imposed by the standing House Rules applicable to the amendment process. All of the procedents found in *Hinds'*, *Cannon's*, and *Deschler's*, relating to impermisible motions to recommit come down to one underlying principle and that is that "it is not in order to do indirectly in a motion to recommit with instructions what may not be done directly by way of amendment." In other words, the motion's instructions must be germane, cannot include appropriations in an authorization (or vice versa), and cannot amend an amendment already agreed to by the House.

Even this latter rule, prohibiting amendments to amendments already finally agreed to, is set aside by longstanding practice of the Rules Committee in instances in which a rule provides for the consideration of a committee amendment in the nature of a substitute as original text for amendment purposes.

As discussed earlier, the inclusion of the phrase "with or without instructions" has, until most recently, been traditionally inserted in such rules to protect the minority's right to offer instructions notwithstanding the adoption of such substitutes.

The 1934 precedent is the sole basis for the Speaker's October, 1990, ruling, and on which the Rules Committee in recent times has justified order of business resolutions or special "rules" which restrict or even deny the minority's right to offer amendatory instructions in a motion to recommit. For if the Rules Committee may block amendments to a portion of a bill both in the House and in a Committee of the Whole, then it may also do so for the entire bill, thereby effectively precluding any amendments in the motion to recommit.

While no one quarrels with the principle that a motion to recommit may not do indirectly that which cannot be done directly by way of amendment, the common interpretation of this precedent prior to 1934 was that this meant that the amendment must be in order under the standing rules of the House. To extend this principle to special rules nullifies the clear intent of the 1909 rule and violates the prohibition on the Rules Committee.

Speaker Clark expressed this in his 1912 ruling[57] when he said the following:[58]

"You can report any rule which you see fit to put upon the books, but as long as that section stands there the Committee on Rules is precluded from bringing in such a resolution as this one. If you bring in a resolution amending the rules, that is a proposition which, of course, the Chair would entertain; but you are not bringing in a resolution to amend the rules, you are bringing in a resolution which violates a rule of the House."

And Speaker Gillett, in his ruling of Oct. 7, 1919[59] also addressed himself to ways in which the minority might be indirectly prevented from offering a motion to recommit with instructions of its choosing:[60]

". . . a committee wishing to avoid allowing the minority to get a record vote could always ingeniously bring in a bill and perfect it by amendments, and then have those amendments adopted in the House, yet it seems to the Chair that thereby they would nullify the main purpose of the motion to recommit."

Indeed, this "main purpose of the motion to recommit" was reaffirmed in a ruling by Speaker Bankhead five-years after the 1934 precedent was established. In holding in favor of a motion to recommit an appropriations bill with instructions to report back forthwith with an amendment cutting $50-million, even though it would indirectly affect amendments already agreed to which increased spending, the Speaker observed that, "the purpose of the motion to recommit . . . is to give those Members opposed to the bill an opportunity to have an expression of opinion by the House upon their proposition."[61]

Notwithstanding this longstanding interpretation that the purpose of the motion to recommit is to permit the minority a vote on its proposition, the same volume of *Deschler's* uses the 1934 precedent as its exclusive authority for drawing the following logical conclusion:[62]

"The Committee on Rules is precluded under clause 4(b) of Rule XI from reporting a special rule which would prevent the motion to recommit from being made as provided in clause 4, Rule XVI (the second sentence), although it may report a special rule limiting to a straight motion, or precluding certain instructions in, the motion to recommit which may be offered on a bill or joint resolution pending final passage."

In other words, even though the 1934 rule only blocked amendments to a single title, it paved the way for future rules barring all amendments in the House and Committee of the Whole, thereby leaving the minority with only a straight motion to recommit. This was confirmed in the October, 1990 ruling.

Ironically, that same section of *Deschler's*, at an earlier point, in describing the four motions to refer under House rules, describes the motion under discussion here as, "the motion to recommit *with* or without *instructions* after the previous question has been ordered on a bill or joint resolution to final passage, provided in the second sentence of clause 4, Rule XVI;".[63] [Emphasis added]

In other words, even though the term "with or without instructions" is not specifically used in that rule, the precedent makes clear that the right to offer instructions is implied. This is at direct odds with the later note (quoted above) which asserts that the Rules Committee may limit the motion to recommit to a "straight motion." For if instructions are clearly implied under clause 4 of Rule XVI, and if the Rules Committee, under clause 4(b) of Rule XI may not "report any rule or order which would prevent the motion to recommit from being made as provided in clause 4 of Rule XVI," then clearly the Rules Committee may not report a rule denying instructions.

The strongest argument the majority has for denying motions to recommit with instructions is that recorded votes have been permitted on amendments in the Committee of the Whole since 1971 and therefore the minority no longer has a need to get a recorded vote in the House on its policy alternative in the motion to recommit.

So long as the minority is given an opportunity to offer a substitute during the normal amendment process and get a vote on it, they argue, the motion to recommit with instructions is a superfluous anachronism and the proverbial second bite at the apple.

While there may be some logic to this argument, it ignores the clear intent of the rule which is being violated each time a rule is granted restricting or denying the minority's right. Moreover, the majority has a tendency to deny the right most often when the rule is already restrictive in terms of what amendments may be offered in the Committee of the Whole.

If the purpose of rules of procedure is not only to permit the majority to work its will, but to protect minority rights and to ensure a truly orderly and deliberative process that will produce the best possible legislative results, then such rules fail on two of three counts. They neither protect the rights of individual Members to offer amendments of their choosing, nor do they contribute to improving legislation through the amendment process.

If anything, the majority should be all the more rather than less protective of the right of the minority to finally amend a bill in the motion to recommit when only a few amendments have been allowed in the Committee of the Whole, both for the sake of sound legislation and Member choice.

If legislating in a deliberative, representative democracy is being reduced to just two votes on major issues—one vote on the majority bill and one on a minority substitute—then all four underscored terms above deserve an entry in *Orwell's Newspeak Dictionary*.

CONCLUSION

Over the last decade, the House of Representatives has undergone a dramatic constriction of individual and minority party rights when it comes to being full participants in the legislative process. The most obvious evidence of this is in the increasingly restrictive special rules limiting the amendment process on the House floor, from 15 percent restrictive rules in the 95th Congress to 53 percent today. This directly affects Members of both parties in fully representing their constituents to the best of their ability.

A lesser noticed but equally disturbing trend is the systematic denial in recent years of the minority's right to offer amendatory instructions in a motion to recommit prior to the vote on final passage of a bill. Such outright denials which were practically nonexistent in the 95th through 98th Congresses, today appear in nearly 20 percent of the rules being granted.

This paper has described this alarming trend as a majority assault on a minority right. But given the frequency and degree to which this denial is being practiced today, it can more accurately be described as the "rape of the minority rights," since one definition of that term is "any outrageous assault or flagrant violation."[64]

When a rule has been adopted for the sole purpose of protecting the right of the minority to offer a final amendment, and yet special rules are being routinely adopted which completely deny that right, then an outrageous assault and flagrant violation has been perpetrated by the majority on the minority.

Such a violation transcends partisan considerations because it goes to the very heart of what a deliberative democracy should be all about. As Jefferson put it in his *Manual*, rules of proceeding are adopted and[65] "become the law of the House, by a strict adherence to which the weaker party can only be protected from those irregularities and abuses which these forms were intended to check, which the wantonness of power is but too often apt to suggest to large and successful majorities."

The 1934 precedent upholding the right of the majority to restrict instructions in a motion to recommit, and the 1990 ruling carrying that precedent to its logical extreme of denying such instructions altogether, are clear examples of the majority circumventing the law of the House through irregular and abusive special rules that repress a minority right for the purpose of perpetuating the wantonness of the majority's powers.

Speaker Champ Clark, on April 7, 1913, overruled a point of order against a minority motion to commit the resolution adopting House Rules for the new Congress to a select committee with instructions. Clark quoted an English precedent from *Jefferson's Manual* to the effect that rules of proceeding were instituted by our ancestors "as a check and control on the actions of the majority and . . . a shelter and protection to the minority against attempts of power."[66]

Clark went on to observe:[67]

"Jefferson goes on to endorse that. The Chair would not feel that he is slavishly bound to follow the decisions of any Speaker, or even of all Speakers, if he were certain that he was right; but some things come to be a settled practice in this country."

In that instance, Speaker Clark indicated a willingness to reverse all former rulings by Speakers on a matter if they did not square with his view of what the correct ruling should be. Fortunately, he was able to cite more recent precedents which upheld the right to offer a motion to recommit after the previous question was ordered on a matter, and even before House Rules had been adopted; and the right of the minority to be recognized to offer the recommital motion with instructions.

The 1934 precedent upholding limits on recommital instructions, and the 1990 ruling upholding a denial of any instructions, were both wrongly decided given the intent and of the 1909 rule. The 1990 ruling relied solely on a bad precedent in order to completely nullify the purpose of the motion to recommit which was to permit the minority a final vote on its policy.

The majority leadership should give more serious consideration to heeding the advice of Democratic Speaker Clark both on not hesitating to reverse bad precedent, and on adhering to rules of proceeding which check the power of the majority and protect the rights of the minority. For majority rule without minority rights soon gives way to tyranny by the majority—a dangerous enemy of the people.

FOOTNOTES

[1] Asher C. Hinds, *Hinds' Precedents of the House of Representatives*, vol. 5, sec. 5443. Washington: Government Printing Office, 1907.

[2] Clarence Cannon, *Cannon's Precedents*, vol. 8, sec. 2762. Washington: Government Printing Office, 1936.

[3] Cannon, vol. 8, sec. 2264. (an April 24, 1916 ruling).

[4] *Congressional Record*, March 15, 1909, p. 22.

[5] *Ibid*.

[6] *Ibid*, p. 23.

[7] Cannon, vol. 8, sec. 2757.

[8] *Congressional Record*, May 14, 1912, p. 6410.

[9] Cannon, vol. 8, sec. 2727.

[11] *Ibid*.

[11] *Ibid*.

[12] *Ibid*.

[13] Lewis Deschler, *Deschler's Precedents*, vol. 7, ch. 23, sec. 25.9 Washington: Government Printing Office, 1976.

[14] *Congressional Record*, Jan. 11, 1934, p. 480.

[15] *Ibid*, p. 481.

[16] *Ibid*, pp. 482–83.

[17] Deschler, vol. 6, ch. 21, sec. 16.9.

[18] *Ibid*.

[19] Lewis Deschler and William Holmes Brown, *Procedure in the U.S. House of Representatives* (97th Congress), ch. 23, sec. 14.13. Washington: Government Printing Office, 1982.

[20] *Ibid*. ch. 23, sec. 15.3.

[21] *Ibid*, ch. 23, sec. 15.8.

[22] *Ibid*, ch. 23, sec. 15.9.

[23] *Ibid*. ch. 23, sec. 15.9.

[24] *Congressional Record*, Sept. 4, 1980, p. 24184.

[25] *Ibid*, p. 24185.

[26] *Ibid*.

[27] *Ibid*, p. 24191.

[28] Ibid, p. 24192.

[29] *Ibid*.

[30] *Congressional Quarterly Almanac*, 97th Congress, First Session, 1981, p. 253. Washington: Congressional Quarterly Inc.

[31] *Ibid*. pp. 258–59.

[32] *Ibid*. pp. 261–62.

[33] *Congressional Record*, June 25, 1981, p. 14053.

[34] *Ibid*. p. 14066.

[35] *Ibid*. p. 14066.

[36] *Ibid*.

[37] *Ibid*. p. 14067.

[38] *Ibid*. p. 14077.

[39] *CQ Almanac*, p. 263.

[40] See, for instance, "An UnRuly House: A Republican View," by Rep. Richard B. Cheney, *Public Opinion*, Jan./Feb., 1989, pp. 41–44.

[41] *Congressional Record*, October 21, 1988, p. E 3655.

[42] *Ibid*.

[43] *Ibid*. p. E 3657.

[44] *Congressional Record*, March 29, 1990, p. H. 1247.

[45] *Ibid*.

[46] *Congressional Record*, July 12, 1990, p. 4545.

[47] *Ibid*.

[48] *Congressional Record*, Aug. 2, 1990, p. 6325.

[49] *Ibid*.

[50] *Congressional Record*, Aug. 3, 1990, p. H 6845.

[51] *Congressional Record*, Sept. 25, 1990, p. H 7999.

[52] *Ibid*.

[53] *Ibid*.

[54] *Congressional Record*, Oct. 16, 1990, p. H 9933.

[55] *Ibid*, p. H 9934.

[56] *Ibid*.

[57] *Cannon*, vol. 8, sec. 2264.

[58] *Congressional Record*, May 14, 1912, p. 6408.

[59] Cannon, vol. 8, sec. 2727.

[60] *Congressional Record*, October 7, 1919, p. 6531.

[61] Deschler, *Precedents*, vol. 7, ch. 23, sec. 26.1.

[62] *Ibid*. sec. 25.

[63] *Ibid*.

[64] *Webster's New World Dictionary*, 2nd College Edition, New York: The World Publishing Company, 1970.

[65] Thomas Jefferson, *Jefferson's Manual of Parliamentary Practice*, sec. 1, as printed in *House Rules and Manual*, 101st Congress. Washington: Government Printing Office, 1989.

[66] *Congressional Record*, April 17, 1913, p. 77.

[67] *Ibid*.

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Legislative Calendars, House Committee on Rules, 95th-101st Congresses.

"Notices of Action Taken," Committee on Rules, 101st Congress.

Rules Granted, Committee on Rules, 95th-100th Congresses.

APPENDIX A.—SPECIAL RULES IN THE HOUSE LIMITING OR DENYING AMENDATORY RECOMMITTAL INSTRUCTIONS: 95TH–101ST CONGRESSES

Rule No. H. Res	Date granted	Rule type: Limit (L) or Deny (D) ARI	Bill number and subject matter and disposition of rule
95TH CONGRESS			
664	June 28, 1977	L	H.R. 7932: Legislative Branch Appropriations. Rule adopted by 279–139, June 29, 1977.
1220	June 7, 1978	L	H.R. 12929: Labor, HEW Appropriations. Rule adopted by voice vote, June 7, 1978.
1236	June 14, 1978	L	H.R. 12928: Public Works Appropriations. Rule adopted. 317–82, June 15, 1978.
96TH CONGRESS			
312	June 12, 1979	L	H.R. 4390: Legislative Branch Appropriations. Previous question defeated, 126–292. Substitute rule adopted by voice vote, June 13, 1979.
335	June 26, 1979	L	H.R. 4389: Labor, HEW Appropriations. Rule adopted by voice vote, June 27, 1979.
408	June 18, 1979	L	H.J. Res. 399: Continuing Appropriations. Rule adopted by voice vote, June 19, 1979.
419	September 20, 1979	L	H.J. Res. 404: Continuing Appropriations. Rule adopted by voice vote, Sept. 21, 1979.
441	October 9, 1979	L	H.J. Res. 412: Continuing Appropriations. Rule adopted by voice vote, Oct. 9, 1979.
442	October 9, 1979	L	H.J. Res. 413: Continuing Appropriations. Rule adopted by voice vote, Oct. 9, 1979.
456	October 18, 1979	L	H.R. 2313: FTC Authorization Rule adopted, 273–61, Oct. 26, 1979.
776	August 28, 1980	L	H.R. 7765: Reconciliation Previous question on rule adopted, 230–157; rule adopted, 206–182, Sept. 4, 1980.
97TH CONGRESS			
169	June 24, 1981	L	H.R. 3982: Reconciliation Previous question on rule defeated, 210–217; substitute rule adopted, 219–208, June 25, 1981.
203	July 30, 1981	D	H.R. 4331: Social Security Previous question on rule adopted, 251–151; rule adopted, 370–52, July 31, 1981.
604	September 30, 1982	L	H.J. Res. 604: Balanced Budget Constitutional Amendment. Rule adopted by voice vote, Oct. 1, 1982.
98TH CONGRESS			
126	March 8, 1983	L	H.R. 1900: Social Security Rule adopted by voice vote, March 9, 1983.
99TH CONGRESS			
296	October 17, 1985	L	H.R. 3500: Reconciliation Rule adopted, 230–190, Oct. 23, 1985.
301	October 29, 1985	L	H.R. 3128: Deficit Reduction Previous question adopted on rule, 219–205; Rule adopted by voice vote, Oct. 31, 1985.
336	December 10, 1985	L	H.R. 3838: Tax Reform. Rule defeated, 202–223, Dec. 11, 1985.
343	December 16, 1985	L	H.R. 3938: Tax Reform. Rule adopted, 258–168, Dec. 17, 1985.
344	December 16, 1985	L	H.J. Res. 491: Continuing Appropriations. Rule adopted by voice vote, Dec. 17, 1985.
415	April 10, 1986	D	S.J. Res. 283: Central America Previous question on rule adopted, 221–208, April 8, 1986.
456	May 15, 1986	D	H.R. 4800: Trade Reform Rule adopted by voice vote.
481	June 24, 1986	L	H.R. 5052: Military Construction Appropriations. Rule adopted 279–148, June 25, 1986.
495	July 16, 1986	D	H.J. Res. 672: Sequestration Extender. Rule adopted by voice vote, July 16, 1986.
541	September 9, 1986	D	H.R. 5484: Omnibus Drug Bill. Rule adopted, 382–19, Sept. 10, 1986.
545	September 10, 1986	L	H.R. 4759: Intelligence Authorization. Rule adopted by voice vote, Sept. 16, 1986.
558	September 23, 1986	D	H.R. 5300: Reconciliation. Previous question on rule adopted, 216–196; rule adopted, 255–157, Sept. 24, 1986.
559	September 25, 1986	D	H.R. 3810: Immigration. Previous question adopted, 196–189; rule defeated, 180–202, Sept. 26, 1986.
580	October 8, 1986	D	H.R. 3810: Immigration. Previous question adopted, 299–103; rule adopted, 278–129, Oct. 9, 1986.
100TH CONGRESS			
38	January 8, 1987	L	H.R. 2: Surface Transportation. Previous question on rule adopted, 331–88; rule adopted by voice vote, Jan. 21, 1987.
116	March 10, 1987	D	H.J. Res. 175: Contra Aid Moratorium. Rule adopted, 227–198, March 11, 1987.
135	March 31, 1987	L	H.R. 1320: Conservation Fund. Rule adopted, 303–110, April 1, 1987.
148	April 22, 1987	L	H.R. 1827: Supplementary Appropriations. Rule adopted, 222–191, April 23, 1987.
151	April 27, 1987	D	H.R. 3: Competitiveness Enhancement. Rule adopted, 326–83, April 28, 1987.
219	July 1, 1987	L	H.R. 2342: Coast Guard Authorization. Rule adopted, 305–96, July 8, 1987.
227	July 21, 1987	D	H.R. 2470: Catastrophic Health. Rule adopted, 248–174, July 22, 1987.
233	July 28, 1987	D	H.R. 3022: Debt Limit. Rule adopted, 243–169, July 29, 1987.
238	August 3, 1987	D	H.J. Res. 132: Armenian Genocide. Rule defeated, 189–201, Aug. 7, 1987.
256	September 9, 1987	L	H.R. 1154: Textile Imports. Rule adopted, 305–111, Sept. 16, 1987.
270	September 22, 1987	L	H.J. Res. 362: Continuing Appropriations. Rule adopted by voice vote, Sept. 23, 1987.
296	October 28, 1987	D	H.R. 3545: Reconciliation. Rule defeated, 203–217, Oct. 29, 1987.
298	October 29, 1989	D	H.R. 3545: Reconciliation. Rule adopted, 238–182, Oct. 29, 1987.
302	November 4, 1987	D	H.J. Res. 394: Continuing Appropriations. Rule adopted by voice vote, Nov. 5, 1987.
310	November 17, 1987	D	H.R. 1720: Welfare Reform. Rule tabled, Dec. 15, 1987.
316	November 19, 1987	D	H.R. ——: Sequester Extender. Rule tabled, Sept. 28, 1988.
331	December 9, 1987	D	H.R. 1720: Welfare Reform. Rule adopted, 213–206, Dec. 15, 1987.
390	March 1, 1988	D	H.J. Res. 484: Contra Aid. Previous question on rule adopted, 225–187; rule adopted, 231–183, March 3, 1988.
441	May 10, 1988	L	H.R. 4471: International Broadcasting. Rule adopted by voice vote, May 12, 1988.
466	June 2, 1988	D	H.R. 3436: Older Americans. Rule defeated, 169–243, June 8, 1988.
478	June 21, 1988	L	H.R. 4800: HUD Appropriations. Rule adopted, 209–206, June 22, 1988.
482	June 22, 1988	L	H.R. 4794: DOT Appropriations. Rule adopted, 266–143, June 28, 1988.
491	July 12, 1988	D	S. 2527: Plant Closing
		D	H.R. 4848: Trade. Rule adopted by voice vote, July 13, 1988.
101ST CONGRESS			
108	March 14, 1989	D	H.R. 1231: Emergency Strike Board, Rule adopted, 254–159, March 15, 1989.
111	March 21, 1989	D	H.R. 2: Minimum Wage. Rule adopted by voice vote, March 22, 1989.
160	May 23, 1989	D	H.R. 2442: Drug Wars for Star Wars. Rule defeated, 205–213, May 24, 1989.
179	June 20, 1989	L	H.R. 2655: Foreign Aid Authorization. Rule adopted, 273–146, June 21, 1989.
249	September 26, 1989	L	H.R. 3299: Reconciliation. Rule adopted, 371–49, Sept. 27, 1989.
256	October 18, 1989	L	H.R. 3385: Nicaragua Assistance. Rule adopted by voice vote, Oct. 4, 1989.
266	October 18, 1989	L	H.R. 3402: Hungary-Poland Develop. Rule adopted by voice vote, Oct. 19, 1989.
273	October 24, 1989	D	H.R. 45: Displaced Salvadorans & Nicaraguans. Rule adopted 263–146, Oct. 25, 1989.
364	March 22, 1990	D	H.R. 3847: Dept. of Environment. Rule adopted by voice vote, March 27, 1990.
368	March 28, 1990	D	H.R. 3: Child Care. Previous question on rule is adopted, 251–171; rule is adopted, 246–176, March 29, 1990.
430	July 11, 1990	D	H.R. 5115: Equity in Education. Rule is adopted, 267–151, July 12, 1990.
434	July 13, 1990	D	H.J. Res. 268: Balanced Budget Constitutional Amendment. Rule is adopted, 348–59, July 17, 1990.
439	July 20, 1990	L	H.R. 3950: Agricultural Resources. Rule is adopted, 283–80, July 23, 1990.
449	August 1, 1990	D	H.R. 4000: Civil Rights. Previous question on rule is adopted 247–171; rule is adopted, 246–175, Aug. 2, 1990.
453	August 2, 1990	D	H.R. 5400: Campaign Reform. Rule is adopted, 232–185, Aug. 3, 1990.
473	September 24, 1990	D	H.R. 5269: Crime Control; Rule is defeated, 166–258, Sept. 25, 1990.
485	October 2, 1990	D	H.J. Res. 647: Disapprove MFN Status for China. Rule adopted by voice vote, Oct. 16, 1990.
486	October 2, 1990	D	H.J. Res. 649: Approve MFN Status for Czechoslovakia. Rule laid on table.
490	October 2, 1990	D	H.R. 5269: Crime Control. Rule adopted by voice vote, Oct. 3, 1990.
498	October 7, 1990	D	H.J. Res. 666: Continuing Appropriations Resolution Rule adopted by voice vote on Oct. 7, 1990.
509	October 15, 1990	D	H.R. 5835: Reconciliation. Rule adopted, 231–195, Oct. 16, 1990.

APPENDIX B.—OPEN VERSUS RESTRICTIVE RULES GRANTED IN THE 101ST CONGRESS

Rule no. H. Res.:	Date granted	Rule type	Bill no. and subject
108	3–14–89	MO	H.R. 1231: Emergency strike board.
111	3–21–89	O	H.R. 1369: Mansfield business center.
112	3–21–89	MC	H.R. 2: Minimum wage.
117	4–4–89	O	H.R. 18: Uniform voting time.
126	4–11–89	MO	H.R. 1487: State Dept. authorization.
127	4–12–89	C	H.R. 1750: Contra aid.
135	4–25–89	O	H.R. 2072: Supplemental appropriations.
138	4–25–89	O	H.R. 1486: Maritime Adm. authorization.
143	5–2–89	O	H.R. 7: Voc. Ed. Act extension.
145	5–2–89	MC	H.Con. Res. 106: Budget resolution.
155	5–16–89	O	H.R. 643: Oil Shale claims.
160	5–23–89	C	H.R. 2442: SDI for drugs transfer.
161	5–23–89	O	H.R. 2392: Oil shale claims.
165	6–1–89	MC	S.J. Res. 113: FSX agreement.
173	6–13–89	MC	H.R. 1278: Financial institutions reform.
179	6–20–89	MO	H.R. 2655: Foreign aid authorization.
195	7–11–89	O	H.R. 2022: Soviet and Indochinese refugees.
196	7–11–89	O	H.R. 989: Tongass Timber Reform Act.
198	7–13–89	O	H.R. 1549: NRC authorization.
199	7–13–89	O	H.R. 1484: Park system review board.
200	7–13–89	O	H.R. 828: BLM authorization.
202	7–17–89	O	H.R. 1056: Federal waste disposal.
211	7–21–89	MO	H.R. 2461: DoD authorization.
224	8–4–89	O	H.R. 1668: NOAA-coastal authorization.
228	8–4–89	C	H.R. 1594: MFN Status for Hungary.
230	8–4–89	O	H.R. 2427: NOAA-satellite authorization.
234	9–7–89	O	H.R. 1759: NASA authorization.
235	9–7–89	O	H.R. 2869: Commodity futures improvements.
236	9–7–89	O	H.R. 1659: Aviation Security Act.
245	9–21–89		H.R. 3299: Budget reconciliation.
249	9–26–89	MC	
246	9–25–89	C	H.J. Res. 407: Continuing appropriations.
254	10–3–89	O	H.R. 2748: Intelligence authorization.
255	10–3–89	O	H.R. 1495: Arms Control authorization.
256	10–3–89	C	H.R. 3385: Nicaragua election assistance.
266	10–17–89	O	H.R. 3402: Polish/Hungarian initiative.
267	10–17–89	O	H.R. 2494: International development.
270	10–19–89	O	H.R. 2459: Coast Guard authorization.
271	10–23–89	MC	H.J. Res. 423: Continuing appropriations.
273	10–24–89	C	H.R. 45: Central American studies.
275	10–26–89	O	H.R. 3443: Airline acquisition review.
277	10–31–89	O	H.R. 1465: Oil spill liability.
278	10–31–89	C	H.R. 2710: Minimum wage.
289	11–13–89	O	S. 974: Nevada wilderness
290	11–15–89	C	H.R. 3660: Ethics Reform Act.
295	11–19–89	MC	H.R. 3743: Foreign assistance Appropriations.
309	1–30–90	MC	H.R. 2190: Voter Registration Act.
338	2–20–90	O	H.R. 2570: Arizona Wilderness Act.
355	3–7–90	MO	H.R. 3581: Rural Economic Development.
360	3–20–90	O	H.R. 644: Wild & Scenic Rivers Amendments.
364	3–22–90	MC	H.R. 3847: Department of Environmental Protection.
366	3–27–90	O	H.R. 1463: Capital metrorail system.
368	3–28–90	MC	H.R. 3: Childhood Education and Development.
372	4–3–90	O	H.R. 2015: Economic Development Act.
373	4–3–90	O	H.R. 1236: Price fixing prevention.
378	4–18–90	O	H.R. 3848: Money laundering amendments.
379	4–18–90	O	H.R. 4380: Super collider authorization.
382	4–25–90	MC	H.Con. Res. 310: Budget resolution.
388	5–9–90	MC	H.R. 770: Family and Medical Leave Act.
392	5–15–90	O	H.R. 4151: Human services authorization.
394	5–16–90	MC	H.R. 2273: Americans with disabilities.
395	5–16–90	MC	H.R. 4636: Supplemental Foreign aid authorizations.
399	5–22–90	MC	H.R. 3030: Clean Air Act amendments.
403	5–24–90	MO	H.R. 4653: Export Administration Act.
408	6–6–90	MO	H.R. 4785: AIDS authorization.
409	6–7–90	MO	H.R. 2567: Reclamation authorization.
410	6–7–90	O	S. 280: Niobrara scenic river.
417	6–20–90	C	H.J. Res. 350: Flag amendment.
....	....		H.R. 5091: Flag statute.
422	6–26–90	O	H.R. 4329: Technology preeminence.
425	6–26–90	MC	H.R. 5114: Foreign Operations Appropriations.
428	7–10–90	O	H.R. 5170: Aviation Safety Act.
430	7–11–90	MO	H.R. 5115: Education Excellence Act.
433	7–13–90	C	H.R. 5258: Balanced Budget Act.
434	7–13–90	MC	H.J. Res. 268: Balanced budget. Constitutional amendment.
435	7–13–90	O	H.R. 1180: Omnibus Housing Act.
439	7–20–90	MO	H.R. 3950: Agriculture authorization.
443	7–30–90	MC	H.R. 5355: Public debt limit increase.
448	8–1–90	MC	H.R. 5350: Temporary debt increase.
449	8–1–90	MC	H.R. 4000: Civil Rights Act.
453	8–2–90	MC	H.R. 5400: Campaign reform.
457	8–3–90	MO	H.R. 4739: Defense authorization.
463	9–12–90	O	H.R. 4330: National Service Act.
466	9–18–90	O	H.R. 4793: Small business reauthorization.
468	9–19–90	O	H.R. 4450: Coastal Zone Act.
469	9–19–90	O	H.R. 5314: Water resources development.
471	9–24–90	C	H.R. 4225: Restricted Weapons Act.
472	9–24–90	O	H.R. 849: Pocket veto bill.
473	9–24–90	MO	H.R. 5269: Comprehensive crime control.
475	9–25–90	MC	H.J: Res. 655: Continuing appropriations.
478	9–26–90	O	H.R. 2039: Job training partnership.
480	9–27–90	O	H.R. 5649: NASA authorization.
484	10–1–90	MO	H.R. 4300: Immigration Act.
485	10–2–90	C	H.J. Res. 647: Disapprove MFN: China.
486	10–2–90	C	H.J. Res. 649: Approve MFN: Czechoslovakia.
487	10–2–90	O	H.R. 5422: Intelligence authorization.
490	10–2–90	MO	H.R. 5269: Comprehensive crime control.
492	10–3–90	C	H.J. Res. 660: Continuing Appropriations.
494	10–4–90	MO	H.R. 4825: Arts, Humanities, Museums.
495	10–5–90	C	H.J. Res. 660: Continuing Appropriations.
498	10–7–90	MC	H.J. Res. 666: Continuing Appropriations.
503	10–10–90	MC	H.R. 4939: MFN for China.
502	10–11–90	O	H.R. 3960: Central Utah projects.
509	10–15–90	MC	H.R. 5835: Omnibus reconciliation.
511	10–16–90	MC	S. 2924: Fish inspection.

Code: A completely open amendment process is provided by an open rule (O). Restrictive rules are those which provide for less than a completely open amendment process and include: closed rules (C), modified closed rules (MC), and modified open rules (MO).

APPENDIX C

POINT OF ORDER BY REPRESENTATIVE BOB MICHEL AGAINST RECONCILIATION RULE DENYING MOTION TO RECOMMIT WITH INSTRUCTIONS, OCT. 16, 1990

(H. Res. 509, Providing for consideration of H.R. 5835)

[From the Congressional Record, Oct. 16, 1990, pp. 29654–29659]

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman will state it.

Mr. MICHEL. Mr. Speaker, because the House has been in somewhat disarray and going through some commotion, did I understand the Clerk to have just read House Resolution 509?

The SPEAKER pro tempore. The gentleman is correct.

POINT OF ORDER

Mr. MICHEL. If so, Mr. Speaker, then I make a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. MICHEL. Mr. Speaker, I make a point of order against House Resolution 509 on grounds that it violates clause 4(b) of House rule XI, and ask to be heard on my point of order.

Mr. Speaker, clause 4(b) of House rule XI provides that, and I quote:

"The Committee on Rules shall not report any rule or order of business which * * * would prevent the motion to recommit from being made as provided in clause 4 of rule XVI."

And clause 4 of rule XVI provides, and again I quote:

"After the previous question shall have been ordered on the passage of a bill or joint resolution one motion to recommit shall be in order, and the Speaker shall give preference in recognition for such purpose to a Member who is opposed to the bill or joint resolution."

Mr. Speaker, those two clauses were adopted as amendments to House Rules on March 15, 1909, when the then minority party Democrats joined with a group of insurgent Republicans to guarantee greater minority rights. Prior to this rules revision, the motion to recommit was controlled by the majority party. This change was instituted for the specific purpose of giving the minority a final vote on this alternative legislative proposal through a motion to recommit with instructions. House Resolution 509, on the other hand, provides that the motion to recommit, and I quote, "may not contain instructions." It therefore is in direct violation of this rule which was purposely designed to guarantee the minority a vote on its alternative by way of instructions.

Mr. Speaker, in support of this argument I quote first from the author of clause 4(b) and rule XI on the day he offered the amendment—Representative John Fitzgerald, a Democrat from New York. In his words:

"Under our present practice, if a Member desires to move to recommit with instructions, the Speaker instead of recognizing the Member desiring to submit a specific proposition by instructions, recognizes the gentleman in charge of the bill and he moves to recommit, and upon that motion demands the previous question. When the previous question is ordered, the motion to recommit is voted down. Under our practice, the motion to recommit might better be eliminated from the rules altogether."

The subsequent rulings of Speakers confirm that the whole purpose of the new rule was to permit the minority of chance to offer a final amendment in a motion to recommit with instructions.

Speaker Champ Clark ruled on May 14, 1912, and I quote:

"It is not necessary to go into the history of how this particular rule came to be adopted but that it was intended that the right to make the motion to recommit should be preserved inviolate."

That is from a precedent found in volume 8 of Cannon's Precedents in section 2757. From that same volume in section 2757 is found a precedent from October 7, 1919. Former Speaker Crisp is quoted as follows:

"The object of the motion to recommit is clearly to give the minority of the House * * * a chance affirmatively to go on record as to what they think this legislation should be, and if a motion to recommit does not permit that, then the motion is futile."

And Speaker Gillett, in deciding the point of order on that occasion, said, and I quote:

"* * * The fact is that a motion to recommit is intended to give the minority one chance to fully express their views so long as they are germane. * * * The whole purpose of this motion to recommit is to have a record vote on the program of the minority. That is the main purpose of the motion to recommit."

Speaker Bankhead, in a 1939 ruling found in volume 7 of Deschler's Precedents, chapter 23, section 26.1 said of this rule, and I quote:

"The purpose of the motion to recommit * * * is to give Members opposed to the bill an opportunity to have an expression of opinion by the House upon their proposition."

Mr. Speaker, the whole key to this point of order and the underlying rule at issue is what is meant in clause 4(b) of rule XI when it says the Rules Committee "shall not report any rule or order of business which * * * would prevent the motion to recommit from being made as provided in clause 4 of rule XVI." It is not sufficient for the Rules Committee to simply permit a straight motion to recommit and prohibit instructions, since it may not prevent a motion "as provided" by clause 4 of rule XVI. And the legislative history of that rule and the early rulings make clear that what was being provided was an opportunity for the minority offer a motion to recommit of its choosing, with or without instructions.

Indeed Deschler's Precedents, in volume 7, chapter 23, section 25 makes this abundantly clear, and I quote:

"There are in the rules of the House four motions to refer the ordinary motion provided for in the first sentence of clause 4, Rule XVI when a question is "under debate," the motion to recommit with or without instructions after the previous question has been ordered on a bill or joint resolution to final passage provided in the second sentence of clause 4, Rule XVI * * *."

Mr. Speaker, that second sentence of clause 4 of rule XVI is the 1909 rule that is at issue in this point of order. And while it does not specifically mention instructions, it is clear from the legislative history behind the rule as well as this recent interpretation from Deschler's that the right of the minority to offer instructions in a motion to recommit is not only implied by the rule, but is the whole reason for the adoption of the rule in the first place.

It therefore should be obvious that if the Rules Committee is prohibited from denying the minority the right to offer a motion to recommit "as provided" by that second sentence in that 1909 rule, it may not bring in a rule such as this which denies instructions. To do so is to render rule, which protects our minority right, null and void. It is not only a violation of the spirit of the rule but of the literal content of the rule.

I therefore urge the Chair to sustain this point of order for the sake of upholding the tradition, the spirit and the letter of the rule in question.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield on his point of order?

Mr. MICHEL. I would be happy to yield to the gentleman from New York.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman may not yield on this point of order.

Does anyone wish to be heard against the point of order?

Mr. DERRICK. Mr. Speaker, I respectfully suggest that the point of order as made by the minority leader is not correct, is not valid. Simply, as the minority leader has pointed out, there is a motion to recommit, but the motion does not have instructions. There is ample precedent in the House over a long period of time that says that a motion to recommit is in order, it is necessary that it also include the instructions.

Mr. SOLOMON. Mr. Speaker, I ask to be heard on the point of order.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLOMON] is recognized.

Mr. SOLOMON. Mr. Speaker and my colleagues, I would point out that at midnight last night, when the Rules Committee was reconvened to meet on this outrageous rule, I brought up the very point that the Republican leader is making, that this was a violation of 81 years of precedent of this House and it was countered at that time with the argument, "Well, you know, in years past we have given you Republicans a substitute to give you a bite of the apple." But I want to point out that in this rule, Mr. Speaker, and everybody here should pay attention, this rule does not even allow a Republican substitute. We made that request by letter of the Republican leader, which is in the record of the Rules Committee proceedings last night.

Never before has a Republican leader been denied his right and at the same time been denied a right of recommittal with instructions. That, Mr. Speaker, is outrageous. You should not stand for it. You have the power to prevent these things from happening and let the American people be heard from all sides of this aisle. And I hope that you sustain his point of order.

Mr. MICHEL. Mr. Speaker, may I further be heard very briefly on the point of order?

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MICHEL] is recognized.

Mr. MICHEL. In response to the distinguished gentleman from South Carolina who makes the point that it is not unique to have straight motions to recommit around here, I would admit to that. But what I am arguing here is the fact that having been denied any kind of an amendment to express our minority point of view in the normal proceeding of things, certainly then we ought to be granted, as I have outlined before, that motion to recommit with instructions, to really be meaningful. Otherwise, there is no vehicle, no opportunity for members of any minority for that matter, to express their feelings, their views on a given piece of legislation.

The SPEAKER pro tempore. Does anyone else wish to be heard on the point of order?

The Chair recognizes the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. May I be heard, Mr. Speaker?

I do not know if it exactly applies to a point of order, but I think it fits in with a statement the gentleman from New York made.

Now, the President of the United States stood in the well of this House—stood here and addressed a joint session of the Congress and stipulated that we wanted $500 billion of budget reductions in the next 5 years. People have labored long hours, weeks and months, to try to get to a $50 billion reduction package the first year and $500 million over 5 years. And it is my understanding——

Mr. WALKER. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman must confine himself to the point or order.

Mr. HEFNER. I am getting to the point of order, Mr. Speaker, if I may be allowed.

Mr. SOLOMON. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. DERRICK. Mr. Speaker, we extended the courtesy to the gentleman from New York. He was not addressing the point of order. And I suggest that we ought to extend the same courtesy here.

The SPEAKER pro tempore. Regular order has been demanded.

The gentleman from North Carolina [Mr. HEFNER] must adhere to the regular order and will address the point of order.

Mr. HEFNER. The point that I make is that the minority has not been denied in this rule process. If my information is correct, and someone can correct me if I am wrong, the minority was offered the opportunity to offer a substitute just as they have the past 10 years in this body. The minority opted not to offer a substitute that got to the $500 billion over 5 years. It did not meet the criteria that every other group has been asked to meet before they offered——

Mr. WALKER. Regular order, Mr. Speaker.

Mr. HEFNER. I think I have made my point. Mr. Speaker, I yield the time.

Mr. DERRICK. Mr. Speaker, I reiterate my original statement on the point of order.

The SPEAKER pro tempore (Mr. MURTHA). Does anyone else wish to be heard on the point or order? If not, the Chair will refer to a ruling by Speaker Rainey, January 11, 1934 cited on page 471 of the Manual and in Deschler's volume 6, chapter 21, section 26.11, and in volume 7, chapter 23, section 25:

"The Chair will state that the Committee on Rules may, without violating this clause, recommend a special order which limits, but does not totally prohibit, a motion to recommit pending passage of a bill or joint resolution, such as precluding the motion from containing instructions relative to certain amendments."

In the only precedent directly relating to the question at issue, Speaker Rainey on January 11, 1934, ruled and was sustained on appeal. The Committee on Rules is not precluded under clause 4b, rule XI, from specifically limiting motions to recommit bills or joint resolutions pending the question of final passage to specific type of instructions.

Speaker Rainey stated on that occasion:

"The Chair, therefore, holds the motion to recommit, as provided in clause 4, rule XVI, has been reserved to the minority and that, insofar as such a rule is concerned, the special rule,—"

And the Chair emphasizes to the House,

"does not deprive the minority of the right to make a simple motion to recommit."

This is Speaker Rainey speaking:

"The Chair thinks, however, that a motion to recommit with instructions to incorporate a provision, which would be in violation of the special rule, and would not be in order."

Thus, the Committee on Rules has the authority to recommend special rules to the House which may limit, but not totally prohibit, the type of motion to recommit which may be offered, not merely with respect to the general rules of the House, but with respect to germane amendments which might otherwise be in order. Clause of Rule XVI does not guarantee that a motion to recommit a bill may always include instructions.

The Chair, therefore, overrules the point of order.

Mr. WHEAT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the sentiments of the gentleman from New York [Mr. SOLOMON] on this very important civil rights bill, that we should have as open and candid a debate as possible. That is in fact the goal of the Committee on Rules, to structure a debate that allows us to openly debate all of the important issues in this civil rights bill, and allows each Member of this body to participate.

Mr. Speaker, I would once again point out to the gentleman from New York [Mr. SOLOMON] that the base bill to be considered is the bill as passed by the Committee on Education and Labor. During committee consideration, the minority had every opportunity to, and it is my understanding did, fully participate.

There are then three complete substitutes that may be allowed to this bill. The first, the Towns-Schroeder amendment, is the bill as passed by the committee last year, again where the minority had every opportunity and actually did participate in the passage of the bill that came out of committee.

The second is the minority substitute, and the minority had no input from the majority members whatsoever as to which amendments ought to go into that minority substitute. Any or all of the 10 amendments that the gentleman referred to could have been included in the minority substitute that can be offered here on the floor today.

The third amendment, of course, is the leadership substitute that will be offered by the gentleman from Texas [Mr. BROOKS] for the majority side. That reflects the compromise bill that has been put together by the great bulk of the majority members on this side.

Mr. Speaker, every philosophical viewpoint does have an opportunity to be debated openly and fully here on the floor of the House of Representatives.

Mr. Speaker, this is a vitally important piece of legislation. Every Member will have an opportunity to speak on this bill, to have their word on this bill, and to have input into this bill. I hope when we are done we will be able to proudly say that we have passed a vitally important piece of legislation, the civil rights bill of 1991.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WHEAT. I am happy to yield to my friend from New York.

Mr. SOLOMON. Mr. Speaker, I would just say to the gentleman from Missouri [Mr. WHEAT] that the gentlewoman from Colorado [Mrs. SCHROEDER] had a very legitimate amendment. She wanted to remove a cap which would have made women equal with regard to all of the issues out there.

□ 1250

The gentleman from Iowa [Mr. GRANDY] had an amendment which would have put caps on everything, which would have also made women equal, the actual opposite position of the gentlewoman from Colorado [Mrs. SCHROEDER]. Those two issues ought to be debated on this floor today. They are not allowed to under this gag rule. That is my argument.

Mr. WHEAT. Mr. Speaker, I would point out to the gentleman that the gentlewoman from Colorado [Mrs. SCHROEDER] did appear before the Committee on Rules originally requesting what we would describe as a single-shot amendment. She then joined with the gentleman from New York [Mr. TOWNS] in offering a complete substitute to the civil rights bill that does in fact address the issue that the gentleman just referred to, the removal of the caps. So there is that opportunity to debate that issue fully and thoroughly from both sides of the philosophical aisle.

Mr. Speaker, for purposes of debate only, I yield 7 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I thank my colleague, the gentleman from Missouri [Mr. WHEAT] for yielding time to me.

Mr. Speaker, it is easy to engage in a politics that divides us, that plays on our fears. Regrettably, it has been episodically a part of American history. We have overcome that. We are back on it again. That is the strategy of the White House.

That is what they have stooped to, pitting men against women, blacks against whites, just to create a campaign issue. It is much more difficult to bring people together, but that is what the job of leadership is all about, each of us representing a half million people, coming to Washington, trying to hold that coalition that we represent in our district together to work toward a fair and more just America.

That is what we do here today, in passing legislation that will be a major victory for equal opportunity for all Americans.

Mr. Speaker, we have taken our time on this bill. We have been patient. My colleagues on the committee, the gentleman from Texas [Mr. BROOKS], the gentleman from Michigan [Mr. FORD], the gentleman from California [Mr. EDWARDS], the gentleman from New York [Mr. FISH], the Black Caucus, the gentleman from Massachusetts [Mr. MOAKLEY], the gentleman from Missouri [Mr. WHEAT], the women's caucus, the conservative forum, many on the other side of the aisle, we have worked day and night, quietly trying to bring to the fold every reasonable concern that has been expressed on this important piece of legislation.

We have outlawed quotas, but the White House is not satisfied. We have brought in the concerns of the business community on damages, on business necessity, but the White House is not satisfied. There seems to be no bipartisan language that will satisfy this administration. Instead the White House stepped in and sabotaged the efforts of major business leaders just as they were about to reach a compromise on this bill.

We were yea 5 from getting there when they jerked the rug out at the White House. Now the President is running a road show around this country, saying this is a quota bill.

Mr. President, read the bill before you hit the road. This is not a quota bill. It specifically outlaws quotas, and anyone who feels that he or she has been denied a job because of a quota will have the right to sue for damages under this bill.

This bill outlaws discrimination and it outlaws reverse discrimination. It is a fair bill to all.

The White House would rather practice politics of division than to bring us together as a Nation. They would rather practice the politics of fear than promote opportunity in the workplace.

Mr. Speaker, to each generation of Americans falls the responsibility to renew the promise of equal opportunity upon which this Nation was founded. We have had ups and downs, starts and stops in the process. Many people have been tortured, have been beaten, have been abused verbally and physically. A half million men and women died over 100 years ago for that right in this country. It has been a painful and a slow process.

Nearly a generation ago Democrats and Republicans stood together firmly, firmly on this floor, in this House, and passed the historic civil rights bill of 1964. Today we are called upon to show that same unity of spirit, that same determination to move this country forward in guaranteeing opportunity for all.

But we also do something very important in our time today, 1991. We are called upon uniquely to stand together against the politics of cynicism, against the politics that would take the rights that belong to all Americans and sell them short for a cheap political slogan or a cheap 30-second commercial.

Mr. Speaker, this country cries out for leadership. We are in a long and a deep recession. The working people of this country do not need a President who tells them that someone else is to blame for taking their jobs. We need a President who recognizes it is his responsibility to help create jobs for all.

The time has come to put the rhetoric aside, to stand up for opportunity and to guarantee that no one in this country is denied the right to a job. That is what this bill is about. That is what this bill is about. Nothing else, nothing more, nothing less.

Mr. Speaker, this is a good rule. This is a good bill. This is good policy. This moves America forward. This is where we want to go.

I urge my colleagues to stay with our committee and to pass this bill to the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Members are reminded to direct their remarks to the Chair and not to the President.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois, Mr. HENRY HYDE.

Mr. HYDE. Mr. Speaker, I want to welcome all of you to a new television game show—it's called "Find the Bill"! It works like this:

The House of Representatives considers very important civil rights legislation for a year and a half.

Two standing committees hold hearings, hear testimony, and eventually debate the bill. Amendments are offered, voted upon, and the legislation is approved.

Then, both committees file detailed reports providing specific legislative history as to what the language means.

But what happens when the time comes to consider this legislation on the floor of the House? Do we consider the legislation so carefully analyzed and debated in the two committees? Don't be foolish—of course not.

Trying to come to grips with the Democrats shifting positions is like holding mercury in your hands.

This rule asks us to debate and vote on two substitutes that, until late last week, we were not even permitted to see.

These new versions were not written by Members of this House in any committee. They were written by the plaintiff's lawyers and certain lobbyists who have a strong self-interest in making sure that this legislation is not affected by the people who are elected to serve in this body.

Oh, and by the way, no amendments are permitted to these new substitute bills.

The rule governing consideration of this civil rights bill is a travesty—it's a repudiation of the democratic process.

This proposed rule gags virtually every Member of this House and interferes with our ability to fully participate in what deserves to be an important and historic debate.

The irony of a civil rights bill being considered under such restricted circumstances shouldn't be ignored. It is the direct opposite of openness and fairness.

Some say "rules of procedure" are just inside the beltway stuff—not really important.

But the rule determines what issues get addressed and what problems get resolved.

If Members can't offer amendments to deal with the problems in a particular bill, the rights of the citizens across this country who elected us are rendered meaningless.

This is an enormously complicated bill, and this procedure allows no real focused debate on many controversial issues.

Most Americans already know that legitimate concerns have been raised about whether or not this bill could result in quotas for hiring and promotion.

Why are we not allowed to offer specific amendments to those sections of the bill which generate those quota concerns?

Further, the entire American business community—companies both large and small—rightly fear the new, unlimited compensatory damages as well as the punitive damages. Why can't we offer amendments specifically aimed at reforming that damages section?

We all know why amendments won't be permitted—they might pass.

The Democratic leadership and the so-called civil rights lobby also wanted to make sure that we couldn't offer our "race norming" amendment separately. Heaven forbid that the House of Representatives should be allowed to vote against discriminatory test scoring.

Instead, behind closed doors the social engineers have come up with new language that they claim responds to our criticism of this practice.

But what their language really does is allow the professional litigators to challenge the legality of all aptitude tests.

The American public should know that their "fix" has the exact opposite effect of what they claim for it.

The rules protect the minority, just as the Constitution is designed to protect citizens from the arbitrary use of governmental power.

When the rules are manipulated as they are here, the idea of free and open debate in the peoples body is violated, and we are all—citizens and legislators—diminished thereby.

In the past, the majority party had a lot more confidence in itself—the Civil Rights Act of 1964, the Voting Rights Act of 1965 and 1981, the Fair Housing Act of 1988, were all landmark legislation—and debated under an open rule.

Why do they fear an open rule? Are we short of time? Have we pressing and urgent business ahead? No, we all know why we are put in this legislative straitjacket—democracy just might work and we might get a better bill, and that cannot be permitted.

Let us retain a measure of self-respect and vote no on this rule.

□ 1300

Mr. WHEAT. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BROOKS], the distinguished chairman of the Committee on the Judiciary.

Mr. BROOKS. Mr. Speaker, I want to thank the gentleman for yielding me this time and say that I am particularly glad today to see that my old and distinguished friend, the gentleman from Illinois [Mr. HYDE], is back in good form, well and healthy, happy, and debating in his usual style and grace.

Mr. Speaker, last week, I went to the Rules Committee with one basic request: That the rule for debate on this legislation be fair and workable. By that, I meant that, given the major issues raised in the volatile debate that has been going on for over a year, each Member of this body would be able to evaluate the competing approaches to the problem of discrimination in the workplace. My request to the Rules Committee was that the rule "permit the comprehensive consideration of the relative merits of the various proposals."

I believe the Rules Committee, under very difficult circumstances, has crafted a rule that will permit debate to proceed in exactly this fashion. Three different approaches have been made in order for consideration by the Members of this body. For example, Members under the rule are permitted to vote for the Towns-Schroeder substitute should they wish to do so. If they would seek, among other things, to have quotas explicitly banned in the legislation we are considering today, they can vote for the Brooks-Fish substitute. On the other hand, if they care to vote for a substitute that does not address the issues of quotas head-on and does not permit women, religious minorities, and the disabled to receive a measure of compensatory damages, they can vote for the Michel substitute.

Three carefully drawn substitutes are before the House and Members can express their will based on individual choice.

It is time to move forward to the debate. Already, far too much heat and far too little light has been generated in the debate over the legislation thus far. This is the second Congress that this legislation has been with us, and its major points of contention has been crystallized in the three substitutes made in order under the rule. As one Member, I am determined to move forward to consider the substance of those three substitutes, and I hope I will be joined by others in this body who care about substance as well.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GOODLING], the distinguished ranking Republican on the Committee on Education and Labor.

Mr. GOODLING. Mr. Speaker, the comment that the President just wants to create a campaign issue is so preposterous that I probably should not even comment on it. The President is not trying to create any campaign issue. His civil rights record is impeccable.

Then he is told to read the bill. Well, the bill is a moving target. Does he read the bill Thursday morning, Thursday afternoon, Thursday evening, Friday morning, Monday morning? Which bill are they talking about? Which one should he read?

The President introduced a bill last year. It was the President who introduced the bill last year who got out in front on the whole issue, because it was the President who thought that the Supreme Court did not rule properly at least on three different occasions. It was the President who decided that there were injustices created by those rulings.

But I want to talk about the rule today, because it is a rule on a civil rights bill. One might think now that the minority party would just give up in attempting to receive equitable treatment in the U.S. House of Representatives, but we are not giving up, particularly on a civil rights bill.

Once again, we are confronted with a rule which will preclude all but one Republican amendment, the Michel substitute, and I keep asking myself: What is it that the majority is afraid of? Is a full debate on the issue, a debate which can best be accomplished through the amendment process, such a bad thing? Apparently the majority believes it is.

Oh, yes, I forgot; I believe someone on the Committee on Rules said that this bill was too complicated for nonlawyers and, therefore, we do not want them messing around with the bill out here trying to amend it. Well, we just might do something to it that would take away the right for full employment guaranteed to lawyers if we got involved.

But I have handled several bills on the floor of the House, and I believe those of us who are nonlawyers are just as capable as those who are lawyers dealing with issues such as the issue before us today.

Mr. Speaker, all I can say is I believe the real reason that we do not want to an open debate on the issue is that many people may have a better understanding of what is in the legislation if we had that debate, and apparently the majority does not want them to have a better understanding.

I will leave until later my criticisms of the Brooks-Fish substitute, a substitute which is certainly no compromise, which contains entirely new provisions not even contained in H.R. 4000 of the last Congress or even in H.R. 1.

But I strongly object to the rule before us today, and I urge my colleagues to vote against it.

Mr. WHEAT. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, today's debate is not about quotas. It is about the politics of race and fear in America.

It is time to tell it like it is. It started with the Reagan campaign in 1980, and it elevated to a new art form by the Bush campaign in 1988.

Let there be no mistake, those campaign ads in 1988 that featured Willie Horton had a meaning. Those campaign ads did not feature Richard Speck, Charles Gacy, Son of Sam, all white vicious killers. It was Willie Horton. Mean, black, and scary, was it not?

But the bottom line is that the President's men know what they were doing. They were able to promote a feeling of fear in that campaign, and it worked. You know it, and I know it, even though no one will address it for some reason.

But now the President has gone from Willie Horton to quotas. One recent quote, "They are going to steal your jobs, workers." Another recent quote, "We must protect the rights of that silent majority." "We, they, they, we," the politics of division, the politics of race, the politics of fear.

Ladies and gentlemen, the sad part in the warning that must come to this Congress is the President's policies are taking America from the melting pot down to a full-blown meltdown, and there is only one body that can fix it, one body that can make it right.

□ 1310

But you see, the truth is if the President had his way, we would have capital gains for the rich people, capital punishment for poor people. That is exactly right, Mr. Speaker. Fast track for the haves, dead-end for the have-nots. One against the other, pursuing political agendas.

It is not going to work any longer. Even the American people are beginning to recognize that political rhetoric.

Let me say this to the Members of Congress who are concerned about their vote today, because the majority in this country believes much of that rhetoric you are going to be afraid to go home and look people in the eye when you vote. You are here to do what is right and if you are going to sit in an ivory tower and watch where the mob goes and then come out and lead them, you are not a leader. On the street you are called a Washington punk.

It is time today to make a tough decision, a decision that is right.

Remember that first Constitution, blacks were considered two-fifths human. Women could not vote. American Indians were allowed to be hunted down, shot and killed, and herded into holding pens; but thank God the Constitution afforded Members the right to reverse that.

But let us tell it the way it is. Women can vote today. Indians can own property. Blacks have gone from slaves to sharecroppers, and they say hopefully maybe CEO's, but you and I both know that will never happen unless America stamps out discrimination, and if Congress does not give a helping hand to the minorities of the country, where is their court of appeal? Do you think it is in the courts of this country?

Jefferson said, "Beware of the appointment of Federal judges for life terms, because they can take the Constitution and mold it like clay in their hands." Jefferson gave Congress maybe the greatest historical document that we should follow.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. WHEAT. Mr. Speaker, I yield 1 additional minute the the gentleman from Ohio.

Mr. TRAFFICANT. Mr. Speaker, I appreciate the additional minute.

There are Members here who will be quoting famous Americans. I do not know if he is all that great or famous an American, but to me I sort of identified with something he said. When the great Vince Lombardi, the great coach of the Green Bay Packers passed away, the news media were very, very crazy about what the members of this team thought of him, because everybody came to the funeral and they were overflowing with love there, you see.

One media man went up to the great defensive end, a black man, Willie Davis, a Hall of Famer now, and he said, "Willie, how did you really feel about Coach Lombardi?"

Willie said, "I loved him. I loved him dearly."

The reporter asked, "Why was that, Willie?"

Willie said, "Because he treated us all alike, like dogs, but all alike."

To the Members of the Congress, our job is to make sure everybody is treated exactly alike here today.

Mr. SOLOMON. Mr. Speaker, I just hope the gentleman supports my motion to defeat the previous question so that every Member is treated equally on this floor today.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DREIER], a distinguished member of the Rules Committee.

Mr. DREIER of California. Mr. Speaker, I rise in strong support of civil rights legislation. It is clear to me that we have a very tragic situation in this country. Race relations are at an extraordinary low, and it is essential that we move ahead with this important legislation.

I think that the most important civil right that can be recognized, as has been said by the gentleman from New York [Mr. SOLOMON] and by the gentleman from Ohio, is the rights of everyone should be protected.

Up in the Rules Committee we moved ahead with several amendments, which I will ask unanimous consent to be incorporated in the RECORD at this point. These are amendments which were offered by Republicans and by a simple party line vote they were rejected. They were amendments which could fashion a reasonable civil rights bill. I want a bill that ensures we do not have a quota system. I want a bill that ensures that everyone is innocent until proven guilty beyond the shadow of a doubt, and I want a bill that ensures that it is not retroactive.

Well, these are the kinds of things we wanted to incorporate. The gentleman from Illinois [Mr. FAWELL], the gentleman from California [Mr. CAMPBELL], the gentleman from Florida [Mr. MCCOLLUM], a wide range of Members had very decent amendments and their civil rights were violated as we considered this up in the Rules Committee, and if we do not defeat the previous question and move ahead with an open rule, Mr. Speaker, we are going to jeopardize the rights of the minority and many on the majority side. So I urge my colleagues to support that.

As we look back at the civil rights legislation that we have had since 1957, every single measure up until 1988 was considered under an open rule.

Mr. Speaker, I also ask that we incorporate into the RECORD at this point the history of the rules under which civil rights legislation has been considered.

I urge defeat of the previous question and ultimately defeat what is clearly a closed rule.

The material above referred to is as follows:

REPUBLICAN AMENDMENTS FOR CIVIL RIGHTS RULE REJECTED ON A PARTY LINE VOTE

1. Solomon: Offer open rule substitute;
2. Rep. Hyde: restore pre-Wards Cove law;
3. Rep. Moorhead: Eliminate retroactive application;
4. Rep. McCollum: Provide a new remedy for on-the-job harassment with a $150,000 damage cap;
5. Rep. Hyde: Prohibit race-norming in test scores;
6. Rep. Fawell: Provides that an employer's use of measures of academic achievement are presumed to meet the job relatedness requirements;
7. Rep. Fawell: The definition of business necessity shall not be construed to exclude the use of subjective evidence;
8. Rep. Campbell (CA): Strikes provisions overturning *Martin v. Wilks;*
9. Rep. Young (AK): Assures that requirements of bill do not apply retroactively to the Wards Cove case situation;
10. Rep. Grandy: Limits to $150,000 the total amount of punitive and compensatory damages that could be recovered in intentional discrimination cases, excluding any lost back pay;
11. Rep. Gunderson: Deletes provisions assuring attorney fees in specified cases;
12. Solomon: Offer language to permit motion to recommit, "with or without instructions."

PROCEDURES FOR CONSIDERATION OF MAJOR CIVIL RIGHTS BILLS

BILL NAME AND NUMBER, PROCEDURE, DATE, AND DISPOSITION

Civil Rights Act of 1957 (H.R. 6127)—Open rule (H. Res. 259), 4-days general debate; adopted 291-117, June 5, 1957.

Equal Pay Act of 1963 (H.R. 6060)—Open rule (H. Res. 362), 2-hours general debate; adopted 362-9, May 25, 1963.

Civil Rights Act of 1964 (H.R. 7152)—Open rule (H. Res. 616), 10-hours general debate; adopted voice vote, Jan. 31, 1964.

Voting Rights Act of 1965 (S. 1564)—Open rule (H. Res. 440), 10-hours of general debate; adopted 308-58, July 6, 1965.

Age Discrimination in Employment Act of 1967 (H.R. 13054)—Suspension of the rules; passed 344-13, Dec. 4, 1967.

Fair Housing Act of 1968 (H.R. 2516)—Open rule (H. Res. 856), 3-hours general debate; adopted 330-77, Aug. 15, 1967.

Education Amendments of 1972, Title IX, (H.R. 7248)—Open rule (H. Res. 661), 4-hours general debate; adopted 371-7, Oct. 27, 1971.

Rehabilitation Act of 1973 (H.R. 8070)—Passed under suspension of the rules, 384-13, June 5, 1973.

The Equal Credit Opportunity Act of 1974 (H.R. 11221)—Suspension of rules; passed 377-19, April 8, 1975.

Age Discrimination Act of 1975 (H.R. 3922)—Open rule (H. Res. 794), 1-hour general debate; adopted 397-0, Feb. 5, 1974.

Voting Rights Act Amendments of 1981 (H.R. 3112)—Open rule (H. Res. 222), 2-hours general debate; adopted by voice vote, Sept. 28, 1981.

Civil Rights Restoration Act of 1988 (S. 577)—Modified closed rule (H. Res. 391), 1-hour general debate, only one substitute amendment allowed; previous question adopted, 252-158; rule adopted, voice vote, March 1, 1988.

Fair Housing Act Amemdments of 1988 (H.R. 1158)—Open rule (H. Res. 477), 1-hour general debate; adopted 394-1, June 22, 1988.

Americans with Disabilities Act of 1990 (H.R. 2273)—Modified closed rule (H. Res. 294), 1-½ hours general debate, only 5-amendments made in order: adopted 237-172, May 22, 1990.

Civil Rights Act of 1990 (H.R. 4000)—Modified closed rule (H. Res. 449), 3-hour general debate, only 3-amendments in order; previous question adopted, 247-171; rule adopted, 246-175, Aug. 1, 1990.

SUMMARY

Of the 15 major civil rights bills identified here spanning the years 1957 to 1990, nine were considered under an open amendment procedure, including the landmark 1964 Civil Rights Act, the 1965 Voting Rights Act, and the 1968 Fair Housing Act.

Of the six civil rights bills considered under a restrictive amendment process, three were considered under suspension of the rules (the 1967 Age Discrimination in Employment Act and the 1973 Rehabilitation Act, and the 1975 Age Discrimination Act), with less than 20 Members opposing each bill.

Aside from these three suspension bills, the restrictive amendment process as applied to civil rights legislation is a very recent development, dating back only to 1988. Put another way, of the 12 major civil rights bills considered under order of business resolutions or "rules", only three have limited the amendment process.

Prepared by Don Wolfensberger, Minority Chief of Staff, House Rules Committee.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. Mr. Speaker, as we begin debate on what many will call a historic civil rights bill it is more than a little ironic that we must conduct our discussions under a rule that is unfair, unjust, and patently discriminatory to both members of the minority party and to minority members of the majority party.

Yes, Republicans are allowed their substitute. Nobody doubted we would be allotted our usual meager ration of dissent, and for good measure members of the Black Caucus and certain female Members of this body are also permitted to offer an alternative to the Brooks bill. But does anyone in this Chamber believe either one of those substitutes has the slightest chance of passage? The game is rigged, Mr. Speaker, the dice are loaded, the deck is stacked. A king of the Hill procedure could allow the Towns-Shroeder substitute to pass by the margin of 435 to 0 in the committee and never get out of the whole House. The Michel substitute could eke out a narrow bipartisan victory and under the parliamentary minefield that is part of this rule, never get out of the House.

So in other words, to quote the eminent jurist, George Orwell, "All animals are equal, but some are more equal than others."

Now, is this really the way the House of Representatives wants to consider landmark civil rights legislation, especially after everything that has been said about a tradition of open rules for civil rights debate? Is this bill any less deserving than the civil rights bill of 1964? Has civil rights become a game that only lawyers can play?

No matter where any of us come down on this issue most of us have to agree that the debate over civil rights has turned ugly. The national media, hungry for a polarizing issue to use as grist for the next Presidential campaign, has waved the so-called quota issue and both sides have snapped at it. We do not have to continue that brawling here today. We can strike down this repressive rule and freely debate the admittedly complicated issues that comprise this legislation. But if we are limited to but three unamendable choices, none of which fully address the concerns of many Members in this House, then we will have no choice. We will make sound bites but not sense.

Mr. Speaker, let me illustrate what I mean by this. There are many minor technical differences in the substitutes such as waivers of attorneys' fees and retroactivity; but there are two main issues that divide us on employment discrimination. First are the rules of proof, the so-called quota issue. The second major concern is damages, Mr. Speaker. Under every bill we consider today our Nation's employers must brace themselves for new standards, dictating not just how they can be sued but for how much. For some mysterious reason the press has chosen to decide that it is only quotas that are the important question.

I have even had a couple of pundits suggest to me that damages are not a significant part of the debate. Well, Mr. Speaker, to that I say if you are one of the many millions of small businesses who will be affected by H.R. 1

damages are not just a significant part of the debate. Damages are the debate.

The National Restaurant Association estimates that over 70 percent of their membership had less than $500,000 in gross receipts last year. Assuming a damage cap of $150,000 that is an enormous blow to the viability of most of our mom and pop diners. Assuming unlimited damages that is a death knell.

□ 1320

With that in mind, I went before the Committee on Rules and requested an amendment to cap damages at $150,000, which is well above the normal settlement in employment discrimination cases. And, Mr. Speaker, I mean all discrimination cases, I mean section 1981 as well as title VII, because I agree with the proponents of the Towns-Schroeder amendment when they argue that there should not be one standard for racial discrimination in this country and another for sexual or religious bias.

But nowhere in the Constitution does it stipulate that equity and parity under the law entitles one to unlimited punitive and compensatory damages. Now, many of you may not agree with this position. Fine. But surely you agree with the right to offer that into the debate today and not just to debate but to also decide the question by a vote. The rule before us does not permit that decision. The rule before us today allows consideration of unlimited damages for all types of employment discrimination. It allows consideration of limited damages for some types of discrimination but it does not allow consideration of limited damages for all types of discrimination.

When the House considered going to war in the Persian Gulf, we allowed time to consider all the options. Last Monday when the House considered our Nation's defense needs, we allowed time for all of the choices. Surely the future of our citizens' civil rights deserves equal time. Surely we are not too busy in this Congress to painstakingly take this bill apart and put it back together so that it truly serves all of our constituents all of the time.

Mr. Speaker, end the discrimination in this debate before its begins. Defeat this rule.

Mr. WHEAT. Mr. Speaker, may I inquire of the Chair how much time remains on both sides.

The SPEAKER pro tempore (Mr. McNULTY). The gentleman from Missouri [Mr. WHEAT] has 9½ minutes remaining and the gentleman from New York [Mr. SOLOMON] has 8½ minutes remaining.

Mr. WHEAT. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the distinguished gentleman from Missouri for yielding.

Mr. Speaker, I would like to respond to some of the things that I have heard down here in the well today. Yes, indeed, this is a historic civil rights debate. It is historic in that what we are trying to do is return civil rights to where they were before the Reagan court got hold of them.

And I think that is exactly what we are talking about. Now we hear a lot of people saying that when we first launched civil rights we brought it to the House floor under an open rule in 1964. Indeed, we did. And there were 125 amendments to the bill. And it went on for days.

But, this is different in that what we are really talking about is five very targeted Supreme Court decisions that eroded away those rights that were given in 1964.

So the real question is why do you open up everything and start all over again? You either believed in 1964, thought it was going along the right track, until it got sidetracked and therefore you are trying to get it back on track, and that is what we are trying to do today. This basically should be rather a housekeeping amendment.

I do not think anybody is saying that this is historic legislation in a new way.

Mr. GUNDERSON. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. I thank the gentlewoman for yielding.

The gentlewoman is saying this bill simply restores the law to where it was before the Supreme Court cases.

Mrs. SCHROEDER. It is dealing with the five Supreme Court cases. I would not say, if I may reclaim my time, I will add one more thing: It does allow women damages for the first time for sexual harassment. If the gentleman does not like that, I am sorry. I think after 200 years it is time.

The gentleman knows that the President's bill severely limits what women can get, and the President—I am not too surprised he belongs to the Skull & Bones that will not even let women in.

Mr. GUNDERSON. Will the gentlewoman yield again?

Mrs. SCHROEDER. The gentleman keeps wanting to use my time.

Let me say the thing that I thought was interesting on your side is you can see that even the President did not like three of the five bills. Now, if he did not like three of the five bills, so he is basically trying to change three of the five bills in the Republican substitute and we are trying to change five of the five, why would he call our bill a pig? I mean are you not offended he would call it a pig? Is it because women are in it? Why is it that he is upset? I do not know that I would want you to have to answer for the President, and I do not think we are allowed to talk about that here. But I must say I was very offended by that.

Mr. GUNDERSON. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. If the gentleman will let me finish, I will.

Mr. GUNDERSON. OK.

Mrs. SCHROEDER. If the gentleman would let me, I would be happy to yield.

My point is that what we are talking about here is a very specifically limited bill. They want—you want to amend three of the five, we want to do five of the five. We want to add women. I am even upset that we have caps on people. You would like to put caps on everybody. OK, that is a debate. But this bill is not a pig.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. McEWEN], a member of the Committee on Rules.

Mr. McEWEN. Mr. Speaker, I rise in opposition to the rule.

Mr. Speaker, for the second time in 2 years the House will consider major civil rights legislation under a closed rule. A closed rule for civil rights legislation is legislative hypocrisy in Orwellian proportions.

Under this closed rule:

Fairness is discrimination;

Civil rights strips minority rights; and

Equal opportunity demands no opportunity to consider amendments.

The House has not always considered important civil rights legislation in such an uncivil environment. In fact, until recently, the spirit of equal opportunity characterized the consideration of civil rights bill on the House floor.

The House had an open rule for the Civil Rights Act of 1957:

An open rule for the Civil Rights Act of 1964;

An open rule for the Voting Rights Act of 1965;

An open rule for the Education Amendments of 1972;

An open rule for the Age Discrimination Act of 1975;

An open rule for the Voting Rights Act of 1981; and

An open rule for the Fair Housing Act of 1988.

Each of these pieces of landmark legislation became law.

On the other hand, last year the House considered the Civil Rights Act of 1990 under a closed rule. As we all know, the debate was acrimonious, the public was divided, and the bill did not become law.

The fact that the House had a closed rule did not determine the ultimate failure of that bill. The American people oppose the use of quotas and preferences in employment matters, and last year's bill promoted those objectionable practices. America wants equal opportunity for all, a colorblind society, not a quota bill. But, I must note that last year's closed rule promoted confrontation and eliminated any opportunity for the full House to craft a compromise. This certainly contributed to the bill's ultimate failure.

As I said, the irony of this entire rules debate is that the majority supports discriminatory procedure for civil rights legislation. Civil rights is about fairness, equal opportunity, and openness. It is about guaranteeing legal rights to all Americans. These very principles are ignored by this rule. Therefore, every Member who supports fairness, free speech, and equal opportunity should oppose this rule.

Most Americans have a mistaken notion of how the House considers important matters like civil rights bills. Maybe it's a vestige of the noble tradition of open rules for important legislation like the past civil rights bills, but most people think their Representatives in Congress have an opportunity to vote on the many controversial and important issues that make up a bill like H.R. 1.

They need to know that is just not the case. Free speech is strangled in this House by rules like this one. Sure, in the short run the Democratic leadership will probably get their bill passed in the exact form they want. They will avoid debate and votes on the numerous important issues that make up this bill. Instead of allowing the Members to take a stand on a number of distinct issues, the Democratic leadership has fashioned a debate that concludes with one or two politically correct votes—votes that can try to portray as either procivil rights or anti civil rights.

But they will fail in the long run because bad process makes for bad law, and running roughshod over minority rights in the House will eliminate any hope of a meaningful compromise that allows a civil rights bill to become law.

In the case of H.R. 1, this closed rule is technically bad policy because it takes a number of different Supreme Court opinions and squeezes them into votes on single broad substitutes that avoid votes on the particular issues by the cases. The different bills then add issues that go beyond any of the cases.

For example, should we use statistics in the proof of discrimination cases? This is a controversial and complicated issue. It deserves consideration on its own.

The issue of the burden of proof in disparate impact cases opens another range of questions. Should particular discriminatory practices have to be singled out? What will be the standard for hiring or promotion decisions? What will be the standard to show a particular practice or test or qualification is truly important to job performance? All important questions.

The original bill and substitutes will create new remedies for many discrimination cases. Compensatory and punitive damages will be available to an entire new category of discrimination cases. Compensatory damages are different than punitive damages, and both are radically different than the historical use of injunctive relief and backpay. The bills consider them in different mixes, but without an open rule, the House will never get to vote on these issues without the excess baggage of the rest of the bill.

And how about the practice known as within-group norming, or race-norming. This is a practice in which test scores are grouped so that an individual's score is only compared to those of other members of his racial or ethnic group. The score is then converted into a percentile rank within that group—and that rank is substituted for the individuals original score. This can drastically alter an individual's score on the test, either increasing or decreasing it if the group score is higher or lower. This House should have a vote on this issue alone, so that the People's House can delve into testing issues.

This is just a few of the important issues that are encompassed by these bills. A closed rule simply does not suit this type of legislation. We owe it to this institution and we owe it to the American people to have a full and open discussion of all the aspects of this important legislation.

The American people are watching this debate. They want civil rights legislation that helps create a colorblind work environment in America—eliminate discrimination against all Americans—without quotas. And it doesn't matter if the quotas are directly imposed or are the result of an overwhelming threat of damaging lawsuits and losses that just makes quotas the easiest choice.

I only hope that the American people take the time to look at this discriminatory rule—I'm confident they will be as disgusted by it as they are disgusted by racism and sexism.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to my neighbor, the gentleman from Connecticut [Mr. FRANKS].

Mr. FRANKS of Connecticut. Mr. Speaker, I rise today in strong opposition to the rule.

As a freshman, it is interesting to see how important procedural rules are in the House of Representatives. As a candidate for Congress, like most Americans, I assumed that legislation entitled civil rights would be considered in free and open debate. Now, as a Congressman, I could see how the majority in this House restricts this right of free and open debate.

After I did some research, I found that prior to the past few years, this was not the case. Civil rights legislation such as the Civil Rights Act of 1957, the Equal Pay Act of 1963, the Civil Rights Act of 1964, and the Voting Rights Act of 1965 all had an open rule.

Now we come to another historic turning point. And, Mr. Speaker, civil rights is an issue that deserves the best democracy has to offer. That includes open debate and the free exchange of ideas. The fate of civil rights legislation rests largely in the hands of the Democrats.

There are differences between the President's bill, H.R. 1375, and H.R. 1. But these differences could be bridged by amendments made on the floor.

Given the opportunity to work its will and, working together, the House could enact civil rights legislation.

Mr. Speaker, I encourage my colleagues to have faith in the democratic process and adopt on open rule for this upcoming civil rights debate. Give the process a chance. It has worked before, and if allowed to function freely it will work again.

Mr. Speaker, support an open rule.

Mr. WHEAT. Mr. Speaker, I yield 30 seconds to the gentleman from Arkansas [Mr. THORNTON].

Mr. THORNTON. Mr. Speaker, I rise in support of the rule.

Mr. Speaker, our Nation was established upon the principle that each individual has rights and responsibilities, and those rights deserve to be honored and respected.

In today's complex world, with all the racket from powerful and competing forces, it's hard for the individual to be heard. We need this civil rights legislation to restore each citizen's ability to defend his or her rights to fair and equal opportunity under the law. Several recent Supreme Court decisions have taken away that ability, and it is up to Congress to give it back.

Mr. WHEAT. Mr. Speaker, I yield 5 minutes to the distinguished gentleman for California [Mr. DELLUMS].

Mr. DELLUMS. I thank the gentleman for yielding.

Mr. Speaker, as we enter the debate on civil rights, I am reminded of a story that I used to tell back in the 1970's, a story about a white sharecroppper and his family ekeing out an existence on several acres of relatively barren land.

One day that sharecropper, working his land in the hot sun, looked up and wiped the sweat from his brow and looked across his land to his tiny, torn, and tattered cabin. He thought about his family, about the children he could not educate; he thought about his family that he could not feed adequately or clothe adequately.

□ 1330

And he said, "Something is wrong. I have to deal with it."

He wiped away the tears, and he decided to put down the plow, and he began to walk a long journey toward the home of the landowner.

He knocked on the door, the door opened, and there was the landowner, white hair, white suit, white shoes, mint julep.

He said, "Mr. Landowner, I'm the sharecropper down the road. I'm eking out an existence on several acres of barren land. I can hardly make it. I can hardly feed and take care of my family. Tell me something. Will there ever be a time when my family and I are able to stand up with dignity and pride, and I can educate my children, and feed my family and clothe them adequately?"

The landowner took a sip from his mint julep and thought for a moment. He said, "You have a serious set of problems, and we're going to take care of them, but right now we've got a problem with them black people. They're trying to achieve rights. They want to be integrated. They want equal opportunity. Creating a problem. So, right now we've got a problem with the black people."

The sharecropper looked at the landowner, and he said, "I'm so happy that I came, Mr. Landowner, because I knew that you would give me the right answer. I knew that you would help me work it out. It's those black people that are the problem, and I'll go back and eke out an existence on my land, and someday it will all get worked out. But I'm worried about the black people, just like you are, Mr. Landowner."

And the last time I saw him, the sharecropper was on his way home with his last few dollars. He bought himself a shotgun, strapped it on his back. The last time I saw him he was eking out an existence on several acres of barren land with a shotgun on his back, looking for blacks.

Mr. Speaker, what am I trying to say? The sharecropper had a real problem. He was white, and he was torn, and he was unemployed, and he owed his soul to the system. When he decided to do something about it, he engaged in a political act. When he went to the landowner, he was confronting the establishment. But the establishment, rather than dealing with the reality of his human misery, the human misery of his wife and his children, he created a scapegoat for him and said, "It's the black people," and sent him off down the road rather than to address this human misery.

Nineteen ninety-one, Mr. Speaker, what is the reality? In 1991, we hear the very same thing. There are white Americans out there leading desperate lives. They are poverty stricken, unemployed, their children are having problems. But rather than the President of the United States, rather than the Congress of the United States standing up and saying, "Let's begin to address the reality of the human condition of this country"—we are not perfect. Why do we not stand up and be honest about it rather than to posing employment, and education, and training and what have you. What do we do? We hide behind the civil rights bill, and we tell that sharecropper that it is those black people's fault. We are doing exactly the same thing. We are engaging in the politics of scapegoating, and what we ought to be doing, Mr. Speaker, is rise to a great height of eloquence, a great height of compassion and understanding and say, "Let's deal with the human misery of whites, and blacks, and browns, and reds, and yellows in this Nation, create employment, rebuild economic infrastructure, and at the same time let's deal with the civil rights bill on its efficacy and its merit."

Mr. Speaker, where is it written where the victims must become defensive about a solution to deal with the victimization? Mr. Speaker, white privilege must end, whether it is in the rhetoric of quotas, or whether it is in the apartheid system in South Africa. A modern world, an evolving world that understands the humanity of all people, has to get beyond white privilege, and I say to my colleagues, "In the course of this debate I will challenge all of you to rise above protecting the powerful, the landowner, the man with the white suit, the white beard, the white hair, the white shoes, and the mint julep, and stand up and defend the poor and the downtrodden, the minorities, in this country, and the women who are leading desperate lives. Racism and sexism is the reality, and scapegoatism is not going to solve the problem. Let's deal with it honestly, and I thank the gentleman for his time."

Mr. SOLOMON. Mr. Speaker, in yielding the balance of our time to our distinguished minority leader, the gentleman from Illinois [Mr. MICHEL], let me just say that we will vote down this previous question and give the gentlewoman from Colorado [Mrs. SCHROEDER], the gentlewoman from the District of Columbia [Ms. NORTON], the gentlewoman from Hawaii [Mrs. MINK], and the gentleman from Oregon [Mr. KOPETSKI], all Democrats, the right to offer their amendments on this floor along with Republicans. Let us be fair.

Mr. Speaker, I yield such time as he may consume to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I rise in strong opposition to this rule and urge my colleagues to vote it down.

Mr. Speaker, the issues of this debate are rooted in a tragedy of history going back to the beginning of the Republic. We do not treat such issues as if they were some piece of minor legislation. We just should not ram them through with a closed rule. But that is exactly what the majority has done with this rule.

Mr. Speaker, I happen to have been a participant in the great civil rights debates of the 1960's. Members will recall Manny Celler of New York was the chairman of the Judiciary Committee in those days and Bill McCulloch of Ohio was our ranking member on the Committee on the Judiciary. I voted for the landmark legislation of freedom. My senior Senator at that time, the distinguished minority leader, Everett M. Dirksen, was a key player over in the other body on that tremendous piece of legislation, and in those days we knew we were negotiating a new consensus about what it means to be an American, and we were proud of it.

Mr. Speaker, I am sad to say this rule is not in the tradition of those great debates. Only since 1988 has the majority sought to limit a civil rights debate. Take a look at the history.

The Civil Rights Act of 1957 had an open rule with 4 days of general debate. That was the first one in which I was involved. I was here in 1957. The Equal Pay Act of 1963 also had an open rule. The Civil Rights Act of 1964 had an open rule with 10 hours of general debate and any number of amendments considered and voted upon. The Voting Rights Act of 1964 had an open rule.

Did these bills suffer from a deadly dose of democratic debate? No. They prospered, they flourished, and they became law.

Last year's debate, however, stifled by a restrictive rule, produced a partisan piece of legislation. Although it passed the House, it did not become law. It did not become law because it did not meet the concerns of the President or a significant number of our Members, and it did not meet the concerns of those who are the victims of quotas. Are we going to go through that same routine today?

My colleagues, listen to these recent headlines:

From the New York Times: "House Democrats Hone Rights Bill in Effort to Gain a Handful of Votes."

From U.S.A. Today: "Civil Rights Bill Shaped to Lure Fence Sitters."

Again from the New York Times: "Jobs Bill Would Allow Numbers Yet Ban Quotas."

And this from the Washington Times: "House Democrats Add Twist to Bill's Quota Provisions."

Is this what the great civil rights tradition of the majority has come down to? Luring and twisting? No "Quotas," just "numbers"? And all for a handful of votes?

Mr. Speaker, this rule will not give the American people the opportunity to hear an open debate. It will not reflect the great civil rights tradition that, a generation ago, remade the Nation.

I oppose this rule quite obviously. I oppose it because in its essence this rule is profoundly out of step, quite frankly, with the spirit of civil rights. Just as the ranking member on the Committee on Rules has just asked my colleagues, I would urge everyone to vote down the previous question, oppose the rule. Frankly, if we get an open rule, then everyone in this body, both sides of the aisle, of every stripe, or whatever, will have their say and an opportunity to speak their minds, and I do not know that we are all that strapped for time around here. The legislative agenda is not all that much that we could not have devoted, for example, this entire week to the most important of all subjects, a thorough discussion of civil rights legislation, and frankly, for those who for one reason or another argue the numbers games, the quota games, or whatever, the free dialogue that normally can take place in an unfettered extended debate brings out the specifics to a degree that Members can then feel much more confident after hearing all that debate of what their vote ought to be when they cast it.

□ 1340

Mr. Speaker, I urge the Members again to vote down the previous question and open this up for a full discussion. And if not, I urge the Members to vote against the rule.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from New York [Mr. SOLOMON] has 1 minute remaining.

The gentleman from Missouri [Mr. WHEAT] has the right to close debate.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, let me say to my colleagues that I used to be a Democrat. There were a lot of good Democrats in those days. My good friend, the gentleman from Missouri, represents the State Harry Truman came from, one of the best doggone Democrats there ever was. We had a lot of other ones—John F. Kennedy. I was a John F. Kennedy Democrat. I was even a Ronald Reagan Democrat before he and I saw the light.

But the Democratic Party lurched so far to the left there just was not room for me any more, and this debate just proves that point.

Mr. Speaker, all of us on this floor ought to vote down the previous question. We ought to give your Members on your side of the aisle the right to offer their amendments. We have all summer to take up other significant issues but right now there is plenty of floor time available for a free and open debate.

Mr. Speaker, let us vote down the previous question so that we bring back to this floor an open rule. Failing that, I urge all Members to vote against the rule.

Mr. WHEAT. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I thank my friend for reminding us of the eternal verity, as he left our party, that it is sometimes better to give than to receive. I would say that I would be all for open rules if that were a consistent preference on the part of my Republican friends. I have never seen anything switch more, including traffic lights, than the Republican Party's position on whether a rule should be closed or open. They want them closed when they think they have a deal, and they want them open when they feel they have not got the votes.

Mr. Speaker, there is absolutely no consistency of principle in anything they have said here earlier today.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind our guests in the Gallery that we are delighted to have them here, but they are not to respond to statements made on the floor.

Mr. WHEAT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have just heard a most interesting debate on this rule. We have heard words like restrictive and even gag rule thrown around in talking about the structure of this rule today. And that is exactly what this rule is, a structured rule.

I would remind all those in the other party and all those watching across America that what this rule does is provide all Members on both sides of the aisle the opportunity to participate in this debate and the opportunity to participate in the bills that came out of the legislative committee and the opportunity to offer complete substitutes to those bills on the floor of the House of Representatives. It is interesting that the gentleman from Massachusetts [Mr. FRANK] pointed to the fact that there were at times what appears to be some inconsistencies on the part of the other party.

Mr. GRADISON. Mr. Speaker, I rise in opposition to House Resolution 162. It is ironic that on a day when the House will consider H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991, legislation which the proponents argue will provide for equal treatment under the law, the Rules Committee has brought a rule to this floor that effectively limits the rights of Members on both sides of the aisle. The limitations on the rights of Members to offer amendments and the restricted time for debate on the critical issues raised by this bill are a travesty.

Since Congress considered the Civil Rights Act of 1957, there have been 15 major civil rights bill considered on the floor of the House. Among these are the landmark Civil Rights Act of 1964, the Voting Rights Act of 1965, the Fair Housing Act of 1968, and title IX of the Education Amendments of 1972. Nine of those fifteen bills were considered under purely open rules, including the landmark statutes that I just mentioned. It is around these statutes that a new consensus on civil liberties in America was forged.

That consensus was built, in part, on the open nature of the rules governing debate in the House. Without the opportunity for an open, public, and participatory debate, that consensus may have eluded us. No one, as the great advances in civil rights were made, could claim that they, or their views, were excluded from the process.

What of the six instances where restrictive rules governed floor debate? In three cases, the Age Discrimination in Employment Act of 1967, the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, the legislation was so noncontroversial that each was considered under suspension of the rules. The same cannot be said of this legislation.

In the last 3 years, a disturbing trend has become apparent where consideration of civil rights legislation is concerned. The Civil Rights Restoration Act of 1988, the Americans With Disabilities Act of 1990, and the Civil Rights Act of 1990, the failed precursor to H.R. 1, were all controversial and all were granted restrictive rules. I voted for the 1988 act and the ADA, but I opposed the restrictive rules which brought them to the floor.

House Resolution 162 is restrictive. Members of the majority on the Rules Committee have indicated on the floor today that the minority had every opportunity to participate in the Judiciary and Education and Labor Committees to amend and perfect the bill. That is little solace to those Members who do not sit on either of those committees.

This rule is unjust and unfair. It continues a brief and troublesome trend in which the traditions and precedents of the House are not respected by the leadership. I urge my colleagues to reject it knowing full well that the majority has covered its bases on the rule just as it has done on the legislation. Passage of the rule is all but assured. That does not make it right.

Mr. Speaker, I urge my colleagues to defeat the rule.

The SPEAKER pro tempore. The time of the gentleman from Missouri [Mr. WHEAT] has expired.

All time has expired.

Does the gentleman from Missouri [Mr. WHEAT] move the previous question?

Mr. WHEAT. Mr. Speaker, in the short time I have remaining, I do move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 259, nays 165, not voting 7, as follows:

[Roll No. 125]

YEAS—259

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Gray
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner

Horn
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—165

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—7

Andrews (NJ)
Foglietta
Hunter
Lehman (FL)
Moody
Sisisky
Waters

□ 1403

Messrs. GILMAN, JOHNSON of Texas, SHAYS, and HORTON changed their vote from "yea" to "nay."

Mr. CHAPMAN changed his vote from "nay" to "yea."

So, the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 247, noes 175, not voting 9, as follows:

[Roll No. 126]

AYES—247

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilirakis
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gray
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hutto
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Mineta
Moakley
Mollohan
Montgomery
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Payne (NJ)
Payne (VA)
Pease
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schumer
Serrano
Sharp
Sikorski
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOES—175

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilbray
Bliley
Boehner
Broomfield
Bunning
Burton
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Houghton
Hughes
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kaptur
Kasich
Klug
Kolbe
Kostmayer
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Mink
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oakar
Orton
Oxley
Packard
Parker
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schroeder
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence

Stearns
Stenholm
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Williams
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—9

Andrews (NJ)
Derrick
Foglietta
Lehman (FL)
Miller (CA)
Moody
Pelosi
Sisisky
Waters

□ 1421

Mr. VOLKMER changed his vote from "no" to "aye."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. PELOSI. Mr. Speaker, I offer a personal explanation of my absence from today's vote on rollcall No. 126, passage of House Resolution 162, the rule for consideration of H.R. 1, the Civil Rights Act. I was unavoidably delayed due to activities commemorating the second anniversary of the Tiananmen Square massacre. Had I been here to vote, I would have voted "aye."

ANNOUNCEMENT OF PROPOSED REQUEST FOR RULE ON H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991

Mr. FASCELL. Mr. Speaker, I rise to inform Members that on Thursday, the gentleman from Michigan [Mr. BROOMFIELD] and myself, for the Committee on Foreign Affairs, intend to request the Committee on Rules to grant a modified open rule for consideration of H.R. 2508, the International Cooperation Act of 1991, which will require that only germane amendments printed in the CONGRESSIONAL RECORD by the beginning of consideration of that legislation be in order.

CIVIL RIGHTS AND WOMEN'S EQUITY IN EMPLOYMENT ACT OF 1991

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to House Resolution 162 and rule XXIII, the Chair declares the House in the Committee on the Whole House on the State of the Union for the consideration of the bill, H.R. 1.

□ 1425

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes, with Mr. MFUME in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. BROOKS) will be recognized for 1 hour and 30 minutes and the gentleman from Illinois [Mr. HYDE] will be recognized for 1 hour and 30 minutes.

Mr. HYDE. Mr. Chairman, pursuant to an agreement on our side of the aisle regarding the general debate time, I yield 40 minutes to the gentleman from Pennsylvania [Mr. GOODLING], and I ask unanimous consent that the gentleman from Pennsylvania be permitted to yield such blocks of time as he sees fit.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am proud to bring to the floor the bill H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991. It may be one of the most important and demanding votes any of us will be asked to make this Congress. And yet, the exertion required and the difficult choices presented frame—as few other bills do—our responsibility as elected officials.

This bill represents a renewal of our shared commitment to decent and equal treatment for all Americans. What this bill is about is requiring fair, unbiased employment policies. It is about assuring that all Americans are permitted to compete in the work place, on the basis of their individual abilities, free from discrimination because of their gender, religion, color, race, or national origin. What this bill is not about is quotas, racial division, and inflammatory arguments designed to set back civil rights and American politics 40 years.

Mr. Chairman, in the decades since the Civil War we have made painful but steady progress in assuring to all Americans an equal chance in their pursuit of the opportunities this great country offers. There were two landmark legislative events in this process. Immediately following that war, we passed a law that guaranteed all people in this country the same rights in business endeavors as were enjoyed by white citizens. Then, In 1964, we passed the Civil Rights Act to explicitly prohibit discrimination in employment on the basis of race, color, sex, religion, and national origin.

However, a series of Supreme Court decisions in 1989 narrowed the interpretation of these laws and threaten to erode the progress we have made. Passage of H.R. 1 is, therefore, essential to assure fair treatment in the work place for all Americans.

H.R. 1 is well-balanced legislation. It will protect women and other groups from discrimination on the job while at the same time avoiding any undue burden on business enterprises in this country in the conduct of their operations.

Following the consideration of H.R. 1 by the Committees on Education and Labor and the Judiciary, additional changes were made in its language to address legitimate concerns that have been raised by the business community. While the bill that was reported by the Judiciary Committee is a good bill, the substitute is better. The changes that have been included in the substitute make it a clearer and more universally acceptable piece of legislation that still remains true to its original intent.

I believe it would be helpful to this debate to compare the Brooks-Fish substitute to the Administration's substitute which will be offered by Mr. MICHEL. I would like to focus on the areas of damages, the legal standard of "business necessity", the issue of testing, and the question of quotas.

In Brooks-Fish, the damages provision applies only to cases of intentional discrimination. It is important to remember that point in light of the distortions coming from opponents who would have people believe that damages are available for any discriminatory practice, intentional or unintentional. This is just not the case. The Brooks-Fish substitute incorporates the damages provision that was passed by Congress last year, making compensatory and punitive damages available but capping punitive damages at $150,000 or the amount of compensatory, whichever is greater.

To defend against a discrimination charge under the Brooks-Fish substitute, businesses are required to demonstrate that employment practices resulting in unintentional discrimination have a "significant and manifest relationship" to the job in question. The words "significant" and "manifest" are taken directly from the 1971 Griggs case. Time and time again, the White House and the Attorney General have said that the key to this legislation was "restoring Griggs". That's what we have done. By contrast, the Michel substitute picks and chooses what it wants to do with Griggs. It adds an extremely lenient standard which permits businesses to do whatever might serve any employment goal, even if the actions are not based on effective job performance. That is the very concept appearing in the Wards Cove case that undermines Griggs. If any substitute is faithful to the holding in Griggs, it is Brooks-Fish.

Both Brooks-Fish and the Michel substitute outlaw so-called race-norming of test scores. In addition, my substitute provides that if you can't use a test that validly and fairly predicts the ability of the test taker to perform the job, then you can use other procedures to assist you in the employment selection process.

In conclusion, Mr. Chairman, I want to say a few words about the issue that has drawn the most attention in this bill and that has provided the most controversy and the least worthwhile contribution to the consideration of H.R. 1. For month after month, as people of good will discussed the merits of the Civil Rights Act of 1991 and sought to reach common ground on what it should contain, a claque of voices off to the side attempted to distract this process by yelling, "quota bill." Now, even in the face of language in the substitute that explicitly outlaws quotas and makes them an unlawful employment practice, even as the authors of the substitute pursued the responsible legislative course of defining specifically just what a quota is—a definition drawn from an opinion by Justice Sandra Day O'Connor—those who want to tear this legislation down have kept up their glib demagogic mantra of "quota bill."

Mr. Chairman, it is a demonstration of the opponent's intellectual bankruptcy and their unwillingness to contribute seriously to this legislative process that they nit-pick the substitute's definition of a quota while at the same time refusing to give even a hint of what their definition of a quota is.

In doing so, the opponents raise the real and dangerous possibility that they are not just against the mandatory numerical requirements that are commonly understood to constitute a quota, but their real agenda is to undo voluntary affirmative action agreements for increasing minority participation in the workplace. Voluntary affirmative action has been a vital part of the pro-civil rights consensus that has built up over the past quarter century, and if the naysayers want to kill it off, they ought to say so straight out.

Mr. Chairman, this is a time of testing for all of us. This bill is a test of what we believe in and what our convictions are. And, I might add, it is a test of what our President believes in as well. The coming days will show us whether this is the President who professes to wish to sign a civil rights bill, or whether this is the President who let his subordinates trash the efforts of affected private parties to reach agreement on the issues involved in this bill. They will show us whether this is the President who speaks glowing words of "racial harmony" as he did this weekend, or whether this is the President who showed such a willingness three summers ago to play the race card in order to achieve short-term political gain. For the sake of the country, for the sake of all that we have achieved through painful progress over the past decades, I hope the answer that we find will be a positive one.

□ 1430

Mr. HYDE. Mr. Chairman, I am pleased to yield 10 minutes to the distinguished gentleman from New York [Mr. FISH], the ranking Republican on the Judiciary Committee.

Mr. FISH. Mr. Chairman, I thank my colleague from Illinois for yielding this time to me.

Civil rights laws are the handmaiden to the great American experiment in self-government. They are the rules by which we conduct our relations with each other and achieve fairness in a multicultural society. Civil rights laws are at once a contract and an affirmation that we have a goal of opportunity and dignity for all; that we value and respect each other. In short, they are the manners of a civilized society.

Since the beginning of the 102d Congress, I have had many opportunities to emphasize to representatives of civil liberties organizations, members of the business community, and colleagues in this body the importance of developing new legislative language that addresses various concerns about H.R. 1. I am pleased today to report that the result of a major redrafting effort is a substitute meriting broad support in the Congress and the country. We definitively answer the "quota" argument not only by providing assurances that employers will have no reason to hire by the numbers but also by explicitly denominating quota use as an unlawful employment practice. The new version of this legislation provides major protections for employers without sacrificing the remedial goals of a critically important civil rights bill.

The initial question supporters of this compromise must answer is why we cannot simply embrace the administration's proposal. The answer—in short—is that the administration alternative is too selective in rectifying injustices that result from recent Supreme Court decisions. Out of the five Supreme Court decisions that are most problematic, the administration—to its credit—devises an appropriate response to two and a portion of a third. The significant omissions in the administration's proposal, however, underscore the importance of favorable action on the Brooks-Fish substitute.

It is disruptive to reopen consent decrees in civil rights cases when groups choose not to intervene in a timely fashion—yet this result in Martin versus Wilks is left untouched by the administration alternative. The Brooks-Fish substitute is responsive to the need for legislation to protect the finality of judgments and orders. We recognize the need to discourage relitigating issues that already have been resolved if the circumstances are fair to those who seek to initiate new challenges.

It is unjust for our courts to ignore reliance on discriminatory employment criteria simply because an employer can show that "its legitimate reasons, standing alone, would have induced it to make the same decision"—yet this gap in civil rights law remains under an administration proposal which fails to rectify the Price Waterhouse problem. The Brooks-Fish substitute gives expression to the conviction that discriminatory practices must be discouraged regardless of whether they turn out to be outcome determinative.

The administration proposal appropriately rectifies the Wards Cove burden of proof problem but fails to address other Wards Cove issues:

First, the administration alternative provides no exception to the requirement that a complaining party link a specific employment practice to "disparate impact," a term that refers to an unintentional adverse impact on women or members of minority groups. The Brooks-Fish substitute, by contrast, provides some flexibility here in recognition of the fact that an employer's own conduct may foreclose the possibility of a complaining party establishing such linkage—and it would be unfair to penalize the victims of alleged discrimination in circumstances that are beyond their control.

Unlike earlier versions of this legislation, however, the Brooks-Fish substitute essentially requires a complainant relying on group practices to obtain a judicial determination that information—linking a specific practice or practices to disparate impact—cannot be obtained from an employer. The requirement of a judicial finding is designed to reassure the American business community that identifying the specific practice or practices resulting in disparate impact is the rule rather than the exception—a requirement that only a court can waive in special circumstances.

Second, the definition of "justified by business necessity" in the administration's proposal is excessively broad—regrettably serving to defeat legitimate discrimination claims. The Brooks-Fish substitute incorporates a compromise provision that is fair to both claimants and employers. The two-pronged, somewhat complicated business necessity definition in H.R. 1—which some employers view as problematic—now is replaced with a single, simple standard that specifies: "[T]he practice or group of practices must bear a significant and manifest relationship to the requirements for effective job performance." Employers are further protected by the substitute's broad definition of "requirements for effective job performance"—a definition that clearly recognizes the emphasis of many businesses on disciplined work habits.

The administration is to be commended for recognizing that courts need greater flexibility—than is available under current law—in fashioning relief for the victims of harassment. Monetary relief, however, cannot appropriately be limited to harassment cases—as in the administration's proposal—because employment discrimination takes other forms that are equally pernicious. It is too late in our national struggle for equal opportunity to contend that damages may be justified for the victims of racial discrimination but not for those who suffer from intentional discrimination based on sex, religion, and national origin.

The Brooks-Fish substitute seeks to place intentional employment discrimination based on various invidious criteria on a footing comparable with discrimination based on race. We have decided, however, to incorporate a punitive damages ceiling applicable to all employers—identical to the ceiling adopted last year following the second conference report—to allay business community concerns about excessive punitive damages awards.

Nothing in the Brooks-Fish substitute provides any basis for concern that statistics can be used in new ways in disparate impact cases. The term "disparate impact," which we purposely do not redefine in this legislation, generally requires looking to the qualified population in the relevant labor market. Employers who choose to disregard qualifications in order to bring the composition of their work forces into conformity with the general population figures do not protect themselves—as opponents of H.R. 1 have suggested—but rather violate civil rights law by discriminating against qualified members of other groups.

The Brooks-Fish substitute removes any ambiguity on this point by explicitly stating that an employer may "rely upon relative qualifications or skills as determined by relative performance or degree of success on a selection factor, criterion, or procedure * * *." [Sec. 102]. We also incorporate into the substitute antiquota language that is much stronger than the corresponding provision of H.R. 1 and last year's final conference reported bill; former language clarifying that "[n]othing in the amendments made by this Act shall be construed to require or encourage an employer to adopt hiring or promotion quotas * * *" is expanded to refer to "require, encourage, or permit"—with the critical word "permit" added. We then remove any possible lingering ambiguity about the legality of reliance on quotas by stating explicitly that "the use of * * * quotas shall be deemed to be an unlawful employment practice under * * * title [VII] * * *."

Significantly, the Brooks-Fish substitute does not merely outlaw quotas imposed in response to this legislation but outlaws quotas more generally with an exception for affirmative action in accordance with existing law.

In the past, I often have parted company from those who have argued that existing law results in reliance on quotas. Such reliance, to the extent that it may exist, clearly and explicitly is barred by the Brooks-Fish substitute—fully justifying describing this substitute as antiquota legislation.

Those who fear that H.R. 1 denigrates the importance of qualifications in employment decisions can, in my view, embrace the Brooks-Fish substitute with confidence that businesses are fully protected in making employment-related decisions based on qualifications. I believe many of my colleagues who have reservations about H.R. 1 will be pleased with our effort to accommodate employer concerns.

In our full committee markup, I welcomed the opportunity to support an amendment offered by the gentleman from Illinois [Mr. HYDE] outlawing group norming of test scores. I am pleased that the Brooks-Fish substitute prohibits the discriminatory use of test scores—and in addition, protects individuals from the use of tests that unfairly discriminate.

I urge my colleagues to read the Brooks-Fish substitute carefully and commend to your attention the significant number of innovations that substantially improve this legislation.

□ 1440

Mr. GOODLING. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I rise in strong support of the President's civil rights bill and in opposition to both Democrat substitutes to H.R. 1, which dramatically, and I believe mistakenly, impair title VII's historic focus on conciliation and settlement of employment discrimination disputes.

I am not normally a suspicious man and try to give others the benefit of the doubt in assessing their motives to the point where many indicate I am naive but the process by which H.R. 1 is finally coming to the floor for consideration leads me to believe that its proponents want an issue, not civil rights legislation. If the proponents of H.R. 1 really wanted civil rights legislation, they would have given Members notice of the substantive change they were making to the bill and they would have tried to build support for those changes among the whole body. If the proponents of H.R. 1 really wanted civil rights legislation, they would have voted for the President's bill, which he has pledged to sign into law and which addresses many of the same issues as H.R. 1. Sadly, the proponents of H.R. 1 chose neither of these courses of action, but instead have rushed to the floor, with little notice, substitute legislation that they claim should diffuse all opposition to the bill. The tragedy is that this game-playing brings the fuzzy far left and far right out of the woodwork back in our districts which does not serve the cause of civil rights at all.

Mr. Chairman, I realize that we have two Democrat substitutes before us, but I will focus my remarks on the Brooks-Fish substitute which is driving our consideration today. The proponents of the Brooks-Fish substitute are claiming that this latest formulation of H.R. 1 addresses both the quota problem and the litigation bonanza that have plagued that legislation since it was first introduced 18 months ago. Mr. Chairman, I have looked at the new language prohibiting quotas and, no matter how many times the proponents deny it, the quota implications are still there. Opponents to H.R. 1 have never argued that the bill would legitimize quotas or that current law would permit them. Our consistent point has been that the pressure on employers to avoid costly lawsuits would lead them to covertly engage in quota hiring and promotion. The only way to eliminate the quota implications is to eliminate the pressure on employers to avoid lawsuits, and the Brooks-Fish substitute for H.R. 1 fails to do this. The substitute fails to eliminate this pressure, because it fails to significantly alter the rules of proof in disparate impact cases which are stacked against employers and because it fails to address in any meaningful way the tremendous liability of employers for punitive and compensatory damages in class actions based on statistical imbalances. The prohibition against quotas contained in the substitute leaves employers in a catch-22: They are liable for disparate impact or intentional discrimination if their workforce numbers don't come out right and they are liable for reverse discrimination if they use race or sex preferences to make the numbers look better.

Even as it fails to deal with the true quota implications of H.R. 1 which are caused by the substantive provisions, the prohibition of hiring or promotion quotas contained in the Brooks-Fish substitute is a very narrow one. The ban only applies to those quotas which are "a fixed number or percentage of persons of a particular race, color, religion, sex, or national origin which must be attained, or cannot be exceeded, regardless of whether such persons meet the necessary qualifications to perform the job." Even in using a quota for hiring or promotion, few employers would resort to selecting individuals who don't meet the necessary qualifications for a job. Thus, the quota ban does not address the types of hiring or promotion practices that typically would be covertly used by employers seeking to alter the makeup of their work force. Indeed, and quite ironically, the narrow definition of "quota" in the bill arguably implies that any other kind of preferential treatment is legal. A supposed prohibition against quotas has become a sweeping endorsement of many forms of work-place preferences. Do we really understand where we are going with all this?

I think Members should also be aware that the Brooks-Fish substitute attempts to codify, in one fell swoop, the whole body of Supreme Court decisions approving the lawfulness of affirmative action. These decisions, which are quite complex and are not entirely consistent, deal with a variety of affirmative action policies in a variety of circumstances. I find it intriguing that a bill, which is being portrayed as reversing six or seven Supreme Court decisions which misinterpreted employment discrimination law, would codify at least the same number of Supreme Court decisions with one stroke of the legislative brush. I am not certain that it is prudent to place the imprimatur of congressional approval on this body of affirmative action law without a thorough examination of the issues.

With respect to the litigation bonanza, again the Brooks-Fish substitute for H.R. 1 fails to make any meaningful change to the punitive and compensatory damages provision that will diminish the bill's litigation incentives. The possibility of huge damage awards is still there and the hope of winning the litigation lottery will induce every good plaintiff's lawyer out there to file title VII claims. The so-called cap on punitive damages that is being touted by the proponents of the substitute is the same cap that was in the bill vetoed by the President last year and is the same cap on punitive damages that is bound by the completely uncapped amount of compensatory damages. We were not fooled last year by this noncap, and we won't be fooled this year.

Mr. Chairman, to touch on one final issue, the language prohibiting race norming that is contained in the Brooks-Fish substitute is typical of the circularity of each provision that is purportedly designed to address concerns generated by the original formulation of the bill. With one hand, the substitute generally prohibits the race norming of employment tests. However, with the other hand, the substitute places so many limits on the use of employment tests at all that it makes the issue of race normings almost meaningless. This giving with one hand and taking away with the other is symptomatic of the political game that is at the heart of this substitute.

Mr. Chairman, I want to support civil rights legislation that will provide real redress to the victims of workplace discrimination and that will not lead to endless courtroom battles that benefit no one but the attorneys. I cannot support these Democrat substitutes for H.R. 1, but I am prepared today, as I was a year ago, to vote yes on the President's civil rights bill and to provide those who suffer the indignity and pain of an employer's bias, meaningful and accessible remedies consistent with title VII's goals of conciliation rather than confrontation and getting back on the job rather than wasting years in court.

□ 1450

Mr. BROOKS. Mr. Chairman, I yield 10 minutes to the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, at the end of my statement I would like to engage in a colloquy with the chairman and will ask for time at that time to do that.

Mr. Chairman, the history of civil rights in America is a history and a story of struggle. It is a story that is filled with setbacks and successes. So, the Declaration of Religious Freedom that founded John Winthrop's Rhode Island, to John Kennedy's inauguration as the first Catholic President, from the Civil War of the 1860's to the civil rights marches of the 1960's, from President Truman's integration of our armed services before Korea to General Powell's command of the Armed Forces during Kuwait, from Frederick Douglass to Dr. King, from the struggle of Susan B. Anthony to win the vote, to the struggle of Sandra Day O'Connor to find a job practicing law, America's march toward freedom has been halting at times, dark at times, but for every one step backward, we have always managed to take two or three steps forward.

Mr. Chairman, in the history of America we know the compelling, moral, and social case for civil rights, and in the pragmatic nature of the American people we see the reward for its justness and its decency. Civil rights works. Because of civil rights, millions of blacks, women, Asians, Hispanics have moved through the door of opportunity and into the mainstream of American life. Because of civil rights millions of Americans are earning more money, paying more taxes, providing more stable and secure homes, and, most important of all, raising their children to believe that the American dream of opportunity is for every person in this country, and it is a reality for all of them.

Mr. Chairman, the legislation before us arises from that history and that proud tradition. The Civil Rights Act of 1991 is an antidiscrimination bill. It restores the law as it existed before the 1989 Supreme Court decisions that weakened an individual's recourse against discrimination and all but denied victims of discrimination protection under the law. It enables the victims of intentional sex and religious discrimination to sue for monetary damages. It abolishes race norming and unfair tests. Under our bill, employers, as always, will hire on the basis of merit. Our legislation grants no one special privileges. In fact, it outlaws special privileges and special preferences. If people feel the sting of discrimination or reverse discrimination, our bill gives them their day in court. Our bill prohibits quotas, and the language we have used is based on language written by Sandra Day O'Connor, a Reagan appointee who has never heretofore been accused of being sympathetic to quotas, white or black, male or female.

Mr. Chairman, all we offer is equal justice. We say no to guarantees. We say no to quotas. But we say yes to equality, dignity, and opportunity for all. The bill is good for all Americans and for America.

So why the fuss? Why the assertion from the highest levels of Government that this bill is somehow a quota bill? I think the answer lies in power politics and protecting privilege.

This country is in the middle of a Republican recession. Millions of working men and women have lost their jobs because of the economic policies of this administration and its predecessor. Thousands of these working men and women live in my hometown in St. Louis, and they have been laid off in droves. Americans, some Americans, want to blame this recession on someone, and so I think the administration wants to blame quotas. They want to find a villain for what is happening to millions of Americans, and so the Bush administration says to those workers, "You didn't lose your job because of our economic policies. You lost your job because of a quota," and more ominously, though implicitly, "You lost your job because of a woman or a minority." They are willing to pit white working people against black working people because they do not want either of them to recognize that under this administration the system works for a few, but not for them. Black or white, they get the same pink slip in a Republican recession.

Mr. Speaker, I do not know if this political tactic will work, but I do know this: It is the first time in the civil rights era that an administration has tried to divide Americans on the basis of race in order to score points in a political campaign.

□ 1500

While we are disappointed by their actions, we are not surprised. The forces who would take us back are simply doing the bidding of powerful interests who believe, mistakenly and cravenly, that progress for society means regress for their bottom lines. Just as they did not want a plant-closing law, just as they did not want a minimum wage change, just as they oppose real health care coverage, today they are asking Congress to shield them from the consequences of intentionally discriminatory hiring decisions.

The reality is that discrimination is bad for business, it is bad for what we value about the United States, and the American people know it. They see through these arguments because they are smart and because they are good, and I think the American people know that words like "hoax" and "big" and "quotas," hard, divisive words that come from the President's lips, do not fairly reflect what is in his heart. They instinctively believe that the man who voted for the Fair Housing Act in 1968, who defended that vote, and who called that vote a proud moment in his public service cannot be at peace with the position he takes today.

And just as Elie Wiesel appealed to Ronald Reagan not to visit Bitburg, we remember his words and say to our President: This place is not your place. Be a unifier, Do not overreach, help us overcome.

Today this House has an opportunity to replace one of those steps backward with a couple of very significant steps forward. Today this House can extend the right to collect damages for discrimination to women who have been harassed on the job. Today this House can open the courthouse door to any American who has been discriminated against because of race or color or gender or creed. Today this House can put some meaning behind the American dream of equal justice under the law.

Mr. Speaker, these are the reasons why we support this bill, and it is why I am proud to ask my colleagues today to support it as well.

Mr. Chairman, before this debate proceeds any further, I think it is essential to clear up any questions about the one issue that the President has attempted to use as a rhetorical smokescreen to obscure—or distort—the important substantive work that you and others have done on the Civil Rights Act of 1991. I refer, of course, to quotas. Would the gentleman, as manager of the bipartisan substitute, respond to a number of questions aimed at establishing the clear intent behind the antiquota provisions for purposes of legislative history.

Mr. BROOKS. Mr. Chairman, if the gentleman will yield, I would be pleased to do so.

Mr. GEPHARDT. Does the Brooks-Fish substitute outlaw quotas, and does the Michel substitute establish a similar prohibition?

Mr. BROOKS. The bipartisan substitute clearly and unequivocally bans all forms of quotas in the workplace. The Michel substitute does not address this issue in any manner.

Mr. GEPHARDT. How do you construe silence in failing to address the issue of quotas?

Mr. BROOKS. The silence of the Michel substitute to address the issue in any manner must be construed to mean that the supporters of the bill believe that there is no legal or business confusion about this point. I must confess that their silence on this point is curious given their repeated statements in public debate about quotas in the workplace. The absence of an antiquota provision in the Michel substitute thus would seem to imply that supporters of that substitute are content with the status quo and do not see the need to clarify the quota issue in legislation.

Mr. GEPHARDT. Mr. Chairman, supporters of the Michel substitute have stated that quotas either cannot or should not be defined. Why has your bill attempted to define the term?

Mr. BROOKS. It is defined for a simple reason: That is what responsible legislators do when dealing with a highly technical legal subject. I must add that the definition is drawn from a 1986 Supreme Court decision by Justice Sandra Day O'Connor—a Reagan appointee of impeccable conservative credentials.

Justice O'Connor supplied a definition of quotas in *Local 28, Sheet Metal Workers* v. *E.E.O.C.*, 478 U.S. 421, because the issue of quota was of concern in that case, just as it is of concern to Congress in this legislation. There is a very fundamental reason why courts develop definitions: Because their decisions affect real people in real ways. In crafting legislation, Congress has no less a responsibility to define terms. By using the O'Connor definition, we will simply be connecting our statutory language to recent legal terminology, which itself was based on existing precedent.

Mr. GEPHARDT. Mr. Chairman, some have claimed that the quota language would forbid quotas in terms of hiring unqualified persons, but would not forbid them with respect to hiring qualified workers. Is this distinction valid?

Mr. BROOKS. The distinction is not valid. The language forbids quotas being applied to any employment situation—whether it would involve qualified or unqualified persons. That is why the bill clearly states that quotas are forbidden "regardless of whether such persons meet necessary qualifications to perform the job."

The adverb "regardless" is purposely used to eliminate any distinction between setting quotas as between qualified and unqualified workers, or as between different qualified employees.

Moreover, those who make this argument also have not read—or choose to ignore—other provisions of the bill that reinforce this interpretation. For example, in section 101(p), the term "effective job performance" indicates that the requirements for effective job performance may include factors other than "actual work activities"—factors bearing on performance such as "attendance, punctuality and not engaging in misconduct and insubordination." Thus, establishing relative job performance qualifications among various qualified workers is solely within the unilateral right of management to run its own business. Obviously, this language, taken together with the plain meaning of the antiquota provisions, rebuts any assertion that quotas are to be tolerated in any context.

Mr. GEPHARDT. Does the quota provision of the bipartisan substitute permit what opponents have called flexible quotas, provided that no fixed numbers or no fixed percentages are established?

Mr. BROOKS. The bill does not permit quotas of any kind. What opponents confuse—purposely or not—is the difference between a quota and a goal. A quota is hiring by the numbers based on race, ethnicity, or gender. This is an illegal employment practice under the bipartisan substitute. As the President himself has endorsed and made clear, goals and timetables are voluntary actions taken by employers who seek to have more diversity in their workplace.

Mr. GEPHARDT. To clarify one more time, under the antiquota provisions of the Brooks-Fish substitute, any person who is harmed by the use of a quota may sue for damages and seek all other available relief?

Mr. BROOKS. That is correct. Any person who is harmed by the use of a quota may seek all available legal remedies under the civil rights statutes—including damages—for such an unlawful employment practice.

Thus the bill makes clear that the same remedies would apply to reverse discrimination as to discrimination.

Mr. GEPHARDT. Mr. Chairman, will the gentleman continue to make these points clear as the bill moves through the legislation process?

Mr. BROOKS. You can bet on it.

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the issues that we debate today are of transcendent importance because they involve the heart and soul of our Constitution—equal protection of the law.

Before we discuss substance, I should like to comment about the effort of some to structure the vocabulary of debate about H.R. 1. The first politically correct notion is to avoid the "Q" word—quotas.

We who believe this is a quota bill, not a civil rights bill, have been warned that we will be held accountable for using what one Member has called the new snarl word, quotas. There exists a whole menu of epithets such as racist, sexist, Euro-centrist which can be used as a substitute for debate on the merits, but at the risk of being called all of the above and more, I propose in the few minutes that I have, to candidly analyze H.R. 1.

I want to utter a shocking statement—a radical statement in the context of today's debate—and that is, that civil rights are for everybody.

The early and middle years of the civil rights movement sounded a battle cry that all fair-minded citizens, the overwhelming number of Americans, could respond to—the essentially moral argument that race must not be a source of advantage or disadvantage to anyone.

This claim sought to shatter what Shelby Steele has called the corrupt union of race and power with principles of fairness and equality.

Back then color-preference was known as white supremacy, and we thought we had delegitimated color preference in 1964. Americans supported, and still support, the Civil Rights Act of 1964 because we recognized racial power as the enemy, and used moral power as the weapon.

The Civil Rights Act was about unifying people. But I fear that H.R. 1 in its consequences, if not its intention, is about dividing people—tribalizing and balkanizing our society—and in the end, when its complexities are understood at the employment offices of countless businesses and factories, it will not have the support of the American people, but their resentment and indignation.

Under H.R. 1, civil rights is no longer about equal opportunity, it has become a contest of statistics. The notion of equality has been subsumed into the concept of proportionality.

I would advise all employers to abandon the outdated claim, "An Equal Opportunity Employer," for the more accurate claim, "A Statistically Proportional Employer" and I would recommend all help wanted signs revert to the old "Irish need not apply" signs in 19th century Boston, and perhaps advertisements can specify: "Help Wanted, four women, two African-American males, and one Hispanic required."

My old-fashioned reading of the Constitution is that the promise of the 5th and 14th amendments is equal protection, not proportional protection of the law.

I oppose H.R. 1 because while it enriches contingency fee lawyers, it impoverishes the principle of the equality of all Americans.

The practical and predictable consequences of this bill—notwithstanding its contrary assertions—is to institutionalize color, ethnic, and gender preferences under the false flag of civil rights.

By stacking the deck against employers they have made this a quota bill, and as Lady Macbeth once complained, all the perfumes of Arabia will not sweeten it.

As Morris Abrams has written, this bill will accomplish precisely what the 1964 civil rights bill stood foursquare against—a color-conscious society.

Now proponents can point to alleged exculpatory language on quotas as their argument that quotas are not required, encouraged, or permitted.

Pity the bewildered employer if his numbers are wrong. He's sued for disparate impact discrimination. But if his numbers are right, he's sued for maintaining a quota.

The word for this is incoherence.

Next, they can point to a too clever by half paragraph that says statistical imbalances in an employer's work force are not "alone sufficient" to show disparate impact. Notice that it is silent about any disparity between the available labor pool and this work force. The reality of this legislation is that it creates a presumption of guilt based only on crude race or gender statistical imbalances in the workplace as compared with the available labor force—and then forces the employer to rebut that presumption under a standard of proof that rules out excellence as a defense, and is almost impossible to meet.

This bill reminds me of the philandering husband caught red-handed who says to his wife: "Are you going to believe what you see or what I tell you?"

This bill rewrites 20 years of civil rights law in its definition of "business necessity," distorting it from the definition in the Griggs case—from having a "manifest relationship to the job in question" to having a "substantial and manifest relationship to the requirements for effective job performance."

Incidentally, I strongly suggest you review the ethnic, racial, religious, and gender makeup of your office and committee staffs—and should you be hiring or promoting, consult the raw statistics—don't bother measuring skills, experience, training, or quality of education, motivation, or anything else.

Forgo the search for excellence, or you'll be personally sued. That's what we're imposing on the rest of the country and that's what we should be imposing on ourselves.

This bill's presumption of guilt and its high hurdle of proof will force employers to hire by the numbers, promote by the numbers. And the imposition of the tort system—you know how well the tort system works for medical malpractice, for products liability, don't you?—and the prospect of jury damages of unlimited amount, both compensatory and punitive, will drive any sane employer to quotas or bankruptcy. But either way, the country and the cause of civil rights is set back 30 years.

The lidless cap on punitive damages is a farce, because the amount of punitive damages can equal the amount of compensatory damages, where the sky is the limit.

You no longer hear the argument that racial preferences are a temporary expedient reserved for the most difficult circumstances—instead they have become an end in themselves, a permanent fixture in our laws and our society, thus emptying the goal of equal opportunity of any substance and generating a poisonous cynicism about racial justice.

Racial preferences destroy the only principal on which a national consensus on race has ever been achieved—that of equal rights for all, and discrimination against none.

In 1963, Dr. Martin Luther King expressed his dream as wanting his children to live in a society where people would be judged not by the color of their skin, but by the content of their character.

Proponents of H.R. 1 insist that it outlaws quotas. The Washington Post, which supports the bill, correctly criticizes the majority in its Monday editorial by commenting:

> We don't think the Democrats helped their cause by including in their bill a definition of quotas that, whatever, its legal provenance, is a straw man. Quotas cannot be limited in definition to forcing employers to hire the unqualified; the question is whether, as among qualified applicants, they will have to hire by the numbers based strictly on race.

Sunday's New York Times comments:

> Court imposed hiring and promotion plans that call for fixed numerical percentages are rare, experts in civil rights law say. And because the civil rights bill defines quotas so narrowly, such progams would still be permitted, even though the measure's supporters say that they are explicitly outlawing quotas.
>
> As presently drafted, the bill defines a quota as hiring or promoting a "fixed number or percentage of persons from a particular group even if they are not qualified to perform the job."

This all reminds me of an old Italian saying: "Though you dress the shepherd in silk, he still smells of the goat."

On race-norming, one paragraph in H.R. 1 purports to outlaw it, only with reference to written tests, while the preceding paragraph really outlaws testing.

This bill codifies racial preferences, and is a quantum leap back from Martin Luther King's dream—and that's a real pity.

Mr. Chairman, I include the Washington Post and New York Times editorials for the RECORD, and reserve the balance of my time.

[The Washington Post, June 3, 1991]

THE HOUSE VOTE ON CIVIL RIGHTS

The hotly contested civil rights bill is expected to come before the House tomorrow, and three versions of the measure will be debated and voted on. By now the apocalyptic scare and hate rhetoric on the subject has moved out far ahead of any prospective impact this legislation is likely to have. The bill now backed by the Democratic leadership embodies a compromise between the other proposals—sponsored by the Black Caucus and the Bush administration—and it also reflects the effect of much backing and forthing over the past year.

To our mind, all these proposals have flaws and no one can be 100 percent certain how any of them would play out. The Democratic compromise, flawed along with the others, strikes us as being the preferable bill. Congress has already spent two years considering these measures, and it is important that some resolution of the matter be concluded well in advance of next year's election campaign. That should not be as difficult as the long wrangle has made it appear.

The debate is ferocious, but the intricate proposals themselves are not exactly the stuff of public argument. That's because the subject matter is fairly technical involving, as it does, questions of shifting burdens of proof, rights to reopen settled cases, and potential damages, actual, compensatory and punitive. Civil rights forces claim that without legislation employment discrimination will be resurgent, while some employers predict that if the Democrats' bill is passed they will be obliged to observe quotas in hiring. Both sides overstate.

Everyone, including the President, agrees that a series of Supreme Court decisions making it harder to win employment discrimination cases ought to be changed by Congress. Proposals other than the administration's however, go beyond that goal in the area of remedies. Now, in all cases except those involving racial discrimination, plaintiffs must bring their cases before a judge who can order only reinstatement, or a promotion and back pay. The leadership and Black Caucus bills would grant jury trials and both compensatory and punitive damages in cases of intentional discrimination on grounds of sex, ethnic or religious origin, and handicap. The Black Caucus bill would allow unlimited punitive damages in all cases—which we think is a bad idea—but the leadership bill caps these penalties.

The threat of quotas is another divisive issue. We don't think the Democrats helped their cause by including in their bill a definition of quotas that, whatever its legal provenance, is a straw man. Quotas cannot be limited in definition to forcing employers to hire the unqualified; the question is whether, as among qualified applicants, they will have to hire by the numbers based strictly on race. In fact though, this hasn't happened in cases involving race where the law already allows jury trials and punitive damages, and it is unlikely to become a major problem under a new law either.

The Democrats need a veto-proof 290 votes for their bill. If they don't have that kind of strength, there will be more negotiations and more revisions. There is already broad agreement on the core of the bill—reversing the Supreme Court's actions. Politics is what has made legislative agreement so hard to achieve. It is a welcome sign that a group of Republicans, led by Sen. John C. Danforth of Missouri, is reportedly trying to break the impasse.

[The New York Times, June 2, 1991]

QUOTAS: DESPISED BY MANY, BUT JUST WHAT ARE THEY?

(By Steven A. Holmes)

WASHINGTON, June 1—Far more than any other issue, quotas—the "Q word," as President Bush called it the other day—has dominated the debate about the civil rights bill. But the sloganeering, campaign advertisements and fervent speeches on whether the legislation will force companies to adopt quotas point out that there is little consensus on the legality of quotas or, indeed, just what they are.

The confusion surrounding job quotas has been compounded by the dearth of clear definitions of the practice in Federal law and by the unwillingness, until recently, of either supporters or opponents of the civil rights bill to say just what they believe quotas to be.

"There is little agreement on what a quota is," said Mark Ditcher, a Philadelphia lawyer who defends corporations in job discrimination suits. "We just know we're not supposed to like them."

Confusion has also been sown by Supreme Court rulings that often appear inconsistent. For example, the Court has ruled that employers may give preferences to nonwhites and women when it comes to hiring and promotion. But the Justices have rejected extending these same preferences when it comes to layoffs.

"There is only one thing that we know: under certain circumstances, race-conscious and sex-conscious plans, including rigid quotas, are lawful," said William Gould 4th, a professor at Stanford Law School. "But under what circumstances is not always clear."

The Supreme Court has allowed judges to require employers to adopt rigid numerical hiring or promotion plans, but only in very narrow circumstances.

In 1986, the Justices upheld a lower court order that directed a New York sheet metal workers union to set up an apprentice program in which 29 percent of the slots would be reserved for nonwhites. A year later, the Justices affirmed a court-ordered plan in which the Alabama State Police had to promote one black trooper to corporal for every white trooper given the same advancement.

In both instances, the High Court determined that the employers had not only discriminated against nonwhites, but had defied previous district court orders to stop. "Both of these cases were situations where the employer was saying, 'I'm not going to pay attention to you,'" said Pamela Perry, a professor at Rutgers University Law School in Camden, N.J. "So the Court decided that there could be no fudging."

Court-imposed hiring and promotion plans that call for fixed numerical percentages are rare, experts in civil rights law say. And because the civil rights bill defines quotas so narrowly, such programs would still be permitted, even though the measure's supporters say that they are explicitly outlawing quotas.

As presently drafted, the bill defines a quota as hiring or promoting a "fixed number or percentage of persons from a particular group even if they are not qualified to perform the job.

The language, based on an opinion written by Justice Sandra Day O'Connor in the 1986 sheet metal workers case, would allow the one-for-one hiring imposed on the Alabama State troopers, for example, since both blacks and whites who were promoted had to have the necessary qualifications.

On Thursday, Mr. Bush denounced the Democrats' bill once again, this time declaring that the restrictive definition of a quota "would allow employers to establish personnel systems based on numbers, not merit."

Some supporters of the bill counter that the definition is in accordance with Supreme Court opinions and, at least the measure says what they mean by a quota—something that the President has yet to do.

"You hear Bush saying, quotas, quotas, quotas," said Afred Blumrosen, a professor at Rutgers School of Law in Newark. "But nobody has said to him, 'Mr. President what do you mean by a quota?'"

Some opponents of the measure like Clint Bolick, director of the Landmark Legal Center for Civil Rights, a conservative group, say they would define a quota as any employment practice that takes into account a person's race or gender. Such an all-inclusive definition would encompass every race- or gender-conscious program, including those that do nothing more than attempt to encourage more blacks and women to apply for a job but gives them no special treatment once they have done so.

* * * * *

Several times since 1979 the Supreme Court has validated such plans. The most recent ruling came four years ago when the Justices voted 6 to 3 to reject a claim of reverse discrimination brought by a man in California who had been passed over for a promotion in favor of a woman who had a slightly lower score in a competitive interviewing process.

In approving the use of either rigid, court-imposed numerical hiring programs or voluntary affirmative action plans with looser goals and timetables, the Supreme Court has set strict terms on when they can be used.

The Court has generally ruled that no employment practice that takes race or sex into consideration can be implemented only to remedy past discrimination. Other motives, like enhancing an employer's image or providing role models for nonwhite children, are not sufficient to justify such practices. The program must be temporary and it may not "unduly trammel" on the rights of third parties, generally white males.

☐ 1510

Mr. GOODLING. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Wisconsin [Mr. GUNDERSON].

Mr. Chairman, I regret we are here today. I regret we are here in this fashion, because it is unnecessary. Very frankly, civil rights ought not be a partisan issue. Very frankly, if this Congress were truly committed to getting a law passed, rather than having a political issue, the overtures made by the gentleman from Illinois [Mr. MICHEL], made by the gentleman from Georgia [Mr. GINGRICH], and made by myself, to the Democratic majority leader, the gentleman from Missouri [Mr. GEPHARDT], to sit down and negotiate a bipartisan bill, would have been responded to in an affirmative way, and we would have repeated what we did last session with the Americans With Disability Act, rather than using race and civil rights as a political issue.

Mr. Chairman, I would like to call to the attention of Members during this debate the greatest secret in this town, and apparently in this country, and that is that the President of the United States has offered us, if we decide to have a bill, rather than an issue, and have reconciliation, rather than confrontation and litigation, a civil rights bill to do as the gentlewoman from Colorado [Mrs. SCHROEDER] suggested in the debate on the bill, and that is to restore the Supreme Court rulings of the late 1980's.

□ 1520

Not too many weeks ago I had the chance to speak to the Madison, WI NAACP on civil rights and on the President's position. I want to share with my colleagues a little bit of what I shared with them. I simply took the charts to my left and I said, let us talk about what is happening in the area of civil rights.

We have the issue of Wards Cove. The President's bill overturns Wards Cove. It does so in the area of business necessity, as does H.R. 1, the substitute, although they obviously use very different language. And I have to say, to quote Sandra Day O'Connor as the basis for your language in Wards Cove, you could not even be accused of plagiarism. You take a word here and a word there, you do not quote at all the holdings of Sandra Day O'Connor in that regard.

Now, we go on from business necessity to the area of shifting the burden of proof. The President shifts the burden of proof. Any time a disparate impact is stated, all of a sudden the President says the burden is on business to prove the business necessity for that disparate impact in their work force. The President says in the area of grouping of practices that, yes, indeed, you have to articulate the specific elements of discrimination in the complaint that you indicate.

Both bills overturn that, obviously in very different ways, as we will find out later on. But the President's bill does overturn it.

Finally, both bills suggest that if indeed one is offered an alternative means and one rejects that alternative means, that is a per se violation of title VII.

Now let us go on. In the area of Lorance, the issue that deals with seniority systems, the President's bill overturns that Supreme Court ruling. So does the Democratic bill.

Let us deal with the issue of Patterson, probably the basic issue in the civil rights debate today, that dealing with discrimination in all aspects of a contract, not just the hiring of that person but in the promotion and all other aspects. The President overturns the Supreme Court on Patterson. Yes, the Democratic bill does, too.

In the area of damages, both bills deal with damages for sexual harassment. Now, I will admit the Democratic bill goes far beyond that, and we will talk about that in just a bit.

In the area of expert witness fees the President says we ought to allow the recovery of expert witness fees in order that that plaintiff might have the opportunity to make the best case possible. H.R. 1 does the same.

So let us take it down the list: Wards Cove, Lorance, Patterson, damages, expert witness fees; the President's bill overturns the Supreme Court in all of those areas. Now, if we have that much that is similar, why do we have a dispute today?

The dispute, ladies and gentlemen, is because of the differences. In the area of Price Waterhouse, the President did not include Price Waterhouse in his bill. Do my colleagues know why? Because since the Supreme Court ruling, every case, every case has been decided on behalf of the plaintiff.

In the area of Martin versus Wilks, the ability to challenge a consent decree, the President has the naive belief that if one is going to be a victim or if one is going to be brought under the impact of a consent decree, one ought to have his or her right to a day in court. Up to 1991, that has been the American way.

Here is where we get into the real differences. That is in the area of damages.

Since 1964, civil rights law in this country has been determined on the basis of reconciliation and make whole. The reality is that H.R. 1 says we reject that, that civil rights law up to this point in time has not worked and that rather what we ought to do is we ought to pursue the opportunity not for reconciliation but for confrontation; not for make whole but for punitive and compensatory damages in jury trials.

If my colleagues believe that litigation is the best way to go on behalf of the victim, then I ask them to go back to those cases I listed earlier, such as Wards Cove, a case filed in 1984, that is still not resolved. Do my colleagues believe that those victims have been served justice by trial and deliberation and appeal? I will be the first one to tell my colleagues, H.R. 1 does not mandate quotas, but I will also be the first one to tell my colleagues H.R. 1 results in quotas. Because as a result of the jury trials, the punitive and compensatory damages, no business with any kind of credible management in this country is going to do anything but take a look at the population of their work force at every possible level, because if he does not do that and there is a disparate impact, there is an opportunity for jury trials. And if there are jury trials, there are punitive and compensatory damages. And in wrongful discharge cases in California, the average compensatory damage is in the area of $600,000 and only on appeals was that brought down to $300,000.

Now, they say they are going to put a cap on damages, $450,000 or compensatory damages, whichever is higher. So the lawyers focus in the area of litigation, and in the area of litigation they focus on jury trials. And in the area of jury trials, they focus on compensatory damages. And, ladies and gentlemen, the cap is gone. And that is why that businesses have to resort to quotas as a protective measure.

We have a chance for bipartisan civil rights. We have a chance for civil rights legislation, not an issue. But that will only happen if we pass the President's bill.

Mr. BROOKS. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. FORD], the distinguished chairman of the Committee on Education and Labor, and I ask unanimous consent that he have the right to assign time en bloc to other Members.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection?

Mr. FORD of Michigan. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today in strong support of H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991. I must start out by saying, I am a little disappointed to hear my friend, the gentleman from Wisconsin [Mr. GUNDERSON], say that he was searching long and hard, like Diogenes, for somebody to sit down and talk to him about a compromise bill.

I have been here every day. Why did the gentleman not talk to me? Nobody came to me to compromise except the White House, who asked me not to talk to the gentleman from Wisconsin as a member of my committee and not to talk to the gentleman from Pennsylvania [Mr. GOODLING], as a member of my committee, but to go over and see Mr. Sununu about negotiating a civil rights bill, an invitation that caused me to chuckle, which caused the gentleman from the White House to get a little embarrassed at me. And I apologized to him and I said, "I have nothing against Mr. Sununu but he isn't elected to anything. You talk to GOODLING and GUNDERSON and other people in my committee who are interested in this. Tell them what you want. I will negotiate with them."

Well, my good friend STEVE GUNDERSON never talked to me, and I want to make it clear on the RECORD that in his search for somebody to develop a bipartisan package, he overlooked the chairman of his own committee.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, will the gentleman deny that during committee deliberations more than once I personally talked to him on the dais and suggested we ought to find a way to work this out?

Mr. FORD of Michigan. As I recall it in the committee deliberations, the gentleman supported a substitute for the bill rather than discuss any changes in the bill, and we had a vote on it. The gentleman asked us not to do it by rollcall because he did not want to be embarrassed.

Mr. GUNDERSON. Mr. Chairman, if the gentleman would yield further, was it not my distinguished chairman of the Education and Labor Committee who suggested that probably he was not the right one to negotiate with on this bill because he was suspect in the eyes of some of his own Democratic Members, and so that I ought to talk to somebody else if I was interested in negotiations?

☐ 1530

Mr. FORD of Michigan. Mr. Chairman, I do not recall ever indicating to the gentleman that I was suspect in the eyes of Democratic Members. Some of the outside organizations might have been suspect at my replacement of the former chairman, and I was sensitive to that earlier in the year, but never any member of my caucus.

Mr. GUNDERSON. If the gentleman will yield further for one more question, if the gentleman is not suspect anymore in the eyes of his caucus, can I suggest that we table this bill at this time and begin bipartisan negotiations for a real civil rights bill that can be signed into law?

Mr. FORD of Michigan. If I thought the gentleman had any authority to deliver any votes from that side, I would sit down with him, but I think it is now apparent that I would be wasting my time and his as well if we started negotiating at this point.

Mr. GUNDERSON. You would sure put us to the test.

Mr. FORD of Michigan. Mr. Chairman, I rise today in strong support of H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991. The need for this legislation grows from a number of recent Supreme Court decisions which weakened Federal safeguards against job discrimination. These decisions, taken together, have put at risk the basic American principles of fairness and equal opportunity for all hard-working American men and women.

H.R. 1 will not affect those employers who provide fair and equal opportunity to all workers based upon their merit and hard work. The bill does not confer any new civil rights; those covered by the bill are already afforded protection under title VII. Nor does the bill create new remedies which are unfamiliar to employers; rather, it extends longstanding remedies available to racial minorities to women and the disabled. H.R. 1 is simply designed to prevent bad employers from doing bad things to good hard-working employees.

The road to this day has not been without potholes. For far too long our bipartisan efforts have been hindered by subterfuge and innuendo. This was recognized last week in a New York Times editorial, which I am submitting for the record along with my written statement.

Substantive opposition has been all but obscured, the editorial suggests. It goes on to say that for Mr. Bush, "to persist so unreasonably in the quota canard invites the belief that he is driven, instead, by ugly political reasons." But he continues with his political campaign based on Willie Horton baiting.

Opponents have argued that H.R. 1 would force employers to resort to quotas; that white men will have to stand aside and give up their jobs to women and minorities. That claim is pure hogwash. This is not a quota bill despite President Bush's petulant insistence.

Nothing in H.R. 1 requires or even remotely suggests such an outcome. As reported by the committee, the bill includes safeguards against such abuses. In simply restoring the law to its pre-1989 state, we seek to continue two decades of experience under legal rules which produced no pattern of quotas.

In fact, the Brooks-Fish substitute flatly outlaws quotas. H.R. 1 states that quotas are not encouraged or permitted. The President's bill and the Michel substitute do neither.

Opponents have argued that H.R. 1 would lead to a "lawyer's bonanza" by affording victims of intentional sex discrimination the remedy of compensatory and punitive damages to redress the offense. I could not disagree more.

Today, victims of intentional race discrimination can recover compensatory and punitive damages under Federal law, but victims of intentional sex discrimination cannot. H.R. 1 corrects that inequity by equalizing the remedies available for all types of intentional discrimination on the job. One cannot look at the history or race discrimination cases, with their severe burden of proof to establish and win claims, and call that history a lawyers' bonanza.

According to a report prepared by Shea & Gardner, a large Washington, DC, law firm, compensatory or punitive damages were awarded in only 69 of 594 racial discrimination cases decided between 1980 and 1990. In two-thirds of these 69 cases, the total damage award was $50,000 or less, and in only 5 instances did the award exceed $150,000.

Mr. Chairman, now is the time to join forces to pass legislation to ensure fair treatment in the workplace for all workers. Our committee heard from one particularly articulate attorney, Nancy Ezold, who told of her successful challenge to her firm's intentional sex discrimination. She was foreclosed from recovering damages simply because she is a woman. H.R. 1 would correct that anomaly by strengthening title VII to permit recovery of monetary damages in all cases of intentional discrimination.

Mr. Chairman, after 15 months of discussion, debate, and attempts at compromise, the truth finally emerged several weeks ago. When discussions between the business community and civil rights groups appeared ready to bear fruit, the President's men resorted to only slightly veiled threats against those who would deny them a political issue.

Electoral politics can be the only reason for a rancorous debate on the substance of the legislation before us. The administration's specious arguments against the legislation are not only dangerous because they intentionally misinform, but also because they are divisive and damaging to our Nation's continuing dialog on civil rights issues.

We have sought to compromise with the President. But, when I suggested earlier this year that all parties join in crafting the best product, the administration responded with an alternative which in many instances codified rather than overturned the misdirected Supreme Court cases.

There is a need to protect hard-working people—women, minorities, people with disabilities, and older workers, among other—from the misguided actions of those who put corporate profits ahead of basic fairness. H.R. 1 is the legislation needed at this time to ensure fair treatment in the workplace for all people.

[From the New York Times, May 28, 1991]

QUOTA? NO, MORE LIKE A CANARD

Don't bother me, says President Bush, with the facts. House Democrats, alarmed at the slogan-slinging that defiles their proposed Civil Rights Act of 1991 as a "quota" bill, are revising it to forbid hiring quotas for minorities and women. The President hasn't seen the revised language yet, but hey—he doesn't have to.

"As far as our experts can tell," Mr. Bush says, "the changes that they are proposing are strictly cosmetic." And according to the White House Press Office, it's still a quota bill. What if it specifically contains language barring quotas? "That is still a quota bill as we regard it," according to a spokesman, Roman Popadiuk.

Mr. Bush may not like the proposed legislation for substantive reasons. But for him to persist so unreasonably in the quota canard invites the belief that he is driven, instead, by ugly political reasons.

The revised bill will probably be made public today. House members will be eager to see whether the Judiciary chairman, Jack Brooks, is right when he says the bill explicitly bans quotas.

In this context, quota means hiring and promoting by race, sex or other characteristics according to fixed percentages and without regard to qualification. Civil rights laws have never authorized that form of discrimination even as an antidote to centuries of bias. Yet the Bush Administration contends that the bill would force employers to use quotas just to avoid getting sued.

That charge has never been fair. The bill's most hotly-contested feature would require employers to justify job practices that disproportionately screen out minorities and women. That, basically, would put the law back where it was before a series of recent Supreme Court misinterpretations. Thus there's no need to speculate. Two decades of experience under the old rules produced no pattern of quotas.

Lack of evidence hasn't stopped the Administration from sounding the quota alarm. That alarm has been effective, as when Senator Jesse Helms raised it in his North Carolina re-election campaign last year. It stirs racial anxieties not easily answered with reason. The explicit ban on quotas is important so that members of Congress can defend themselves against such demagoguery, not because of the merits of the argument.

Barring quotas does not mean that numbers will be meaningless in assessing job discrimination. When a challenged employer asserts that there are no qualified blacks or Hispanics in the available labor pool, the work force has to be measured and compared with the employer's performance.

When Mr. Bush vetoed last year's civil rights bill, 66 senators saw through his "quota" name-calling and voted to override, falling one vote shy. This week the President would do well to get past those "experts," read the new bill for himself and base his opinion on facts rather than surrender to, and foment, ugly fears.

Mr. Chairman, I reserve the balance of my time.

Mr. HYDE. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Chairman, I rise in strong support of the Michel-Hyde substitute, which I believe is a vast improvement over both the legislation—H.R. 1—reported by the Judiciary Committee and the recently unveiled Democrat substitutes. The Michel-Hyde proposal contains all of the language from the President's civil rights proposal—which was introduced as H.R. 1375. I was proud to be an original cosponsor of that measure.

The Michel-Hyde alternative would strengthen the Federal law against employment discrimination without favoring employees or employers. Most importantly, it will accomplish this without pressuring employers to establish quotas. Unfortunately, under the language of H.R. 1 and the Democrat substitutes, employers will believe that the safest response to protect against discrimination claims would be to establish a "quiet quota system" for both hiring and promotion. Instead, the Michel-Hyde substitute relies on and strengthens the existing settlement process under the Equal Employment Opportunity Commission [EEOC]. It would overrule the Wards Cove decision by shifting the burden of proof to an employer once a prima facie case of discrimination has been established in a disparate impact case. However, unlike the committee version of H.R. 1, and the Democrat substitute bills, an employer can rebut that prima facie case if he can show the challenged employment practice has a "manifest relationship" to the employment in question, or that "legitimate employment goals are significantly served" by the challenged employment practice. Thus, importantly, the Michel-Hyde substitute utilizes the standards in *Griggs*, v. *Duke Power Co.* 401 U.S. 421, 432, 1971, and *New York Transit Authority* v. *Beazer*, 440, U.S. 568, 587 n.31, 1979.

The approach in Michel-Hyde is also a tremendous improvement on the difficult damages issue. Both the committee-approved bill and the proposed Democrat substitute would encourage counterproductive litigation in employment disputes by allowing compensatory damages, including damages for pain and suffering, punitive damages and jury trials. Instead, our substitute would continue the current system of backpay and injunctive relief. In addition, it would establish a new equitable remedy for on-the-job harassment—where a judge, rather than a jury, could award equitable damages up to $150,000. This approach will deter harassment without creating a lawyer's bonanza. The provision also provides employees with emergency relief in harassment cases—by allowing a complaining party to seek immediate injunctive relief in a Federal court to halt harassment based upon sex, race, color, religion, or national origin.

Our substitute also comprises other significant changes in civil rights law. For example, the much criticized Patterson case is overruled so as to make it clear that 42 U.S.C. 1981 applies to racial harassment on the job. *Patterson* v. *McLean Credit Union*, 109 S.Ct. 2363 (1989). The substitute also amends title VII to eliminate a needless and unfair limitation on the time for filing challenges to discriminatory seniority systems, overruling *Lorance* v. *AT&T Technologies, Inc.*, 109 S.Ct. 2261 (1989).

Mr. Chairman, when the Judiciary Committee considered this legislation, I offered an amendment that would have made all changes in current law in H.R. 1 prospective only. I argued at that time that it was simply not fair to "change the rules in the middle of the game" for parties already in proceedings before the EEOC or for existing litigants in court. Further, it is particularly unfair to retroactively apply the new law to what are essentially final judgments. For example, after 20 years, $2 million in litigation costs and eight court decisions—the Wards Cove Packing Co. should not be forced to go through more litigation.

Therefore, I am particularly pleased that the Michel-Hyde substitute adopts my effective date language. Section 15 of the substitute makes it clear that this act and the amendments made by this act take effect on the date of enactment. Furthermore, section 15 states that "(T)he amendments made by this Act, shall not apply to any claim arising before the effective date of this Act."

Before concluding, I want to congratulate and express my appreciation to my good friend, the gentleman from Illinois [Mr. HYDE] for bringing the matter of racial discriminatory and ethnic test scoring to light. This practice—technically known as "within-group norming"—is really an already existing strategy to achieve quota hiring. It is a clearly discriminatory practice that should not be permitted under title VII or any other Federal law. Congressman HYDE has done a great public service by bringing this outrageous practice to our attention. I supported his amendment to clarify that race-norming is an unlawful employment practice under title VII, when it was offered in the Judiciary Committee. I am pleased to see that his amendment has now been made part of the Republican substitute.

Mr. Chairman, the Michel-Hyde substitute offers the House of Representatives an opportunity to enact a civil rights bill that is both fair and sensible. It overrules both Wards Cove and Patterson without imposing quota systems or creating a plaintiffs' lawyers paradise. We already know that H.R. 1 and the proposed substitutes would earn a Presidential veto. The substitute offers us an alternative that President Bush can and would sign. I urge an aye vote, at the appropriate time, for the Michel-Hyde legislation.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, H.R. 1 is a moral and intellectual sham. Mr. Chairman, it is a betrayal of the civil rights ethics of this Nation. I am personally embarrassed for its hypocrisy.

The bill co-opts the words civil rights from their legitimate purpose of protecting and guaranteeing the equal rights of every single individual American citizen and protecting and guaranteeing the equal protection of the law for each and every American citizen to the purpose of guaranteeing statistical norming for arbitrarily defined categories litigated by lawyers seeking large settlements. It then goes further in this collectivizing mentality and resurrects under this buzzword blackmail of civil rights the intellectually specious notion of comparable worth.

Mr. Chairman, I cannot tell you how amused I was to find that somebody would take such a cockamamie notion as comparable worth and disguise it within the context of the pretension of affection for the rights of American citizens. Comparable worth is the idea that we can test through sociological models the relative social value of different jobs, not different people, not different groups of people not statistical categories, but different jobs, and determine the extent to which the job of stockbroker has the same relative social value as that of truck driver.

☐ 1540

Comparable worth is in this bill. On that basis alone Members ought to vote against it, and the President would on that basis alone veto the bill.

Mr. BROOKS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I just want to answer some of the charges I have heard down here.

First of all, I will point out that we are talking about keeping on track a bill that passed 27 years ago. Twenty-seven years ago. Therefore, there are no real surprises in what we are attempting to do on the majority side by rolling back these five decisions that really took the mainstream and put it off track.

I also want to point out to my colleagues over there who have been quoting Dr. King and others, he not only talked about race relations, he talked about sex relations. He said we are either going to learn together to live together as brothers and sisters, or we are going to perish as fools.

Now, I think this bill is very important because the historic new inclusion is for sexual harassment in the workplace. People may think that is funny. People may not think that is necessary, and people may think that is a lesser order in which women do not need jury trials, or they do not need adequate damages. I find that very surprising.

However, the same debate was held in 1964 when we took this bill to the floor. It was very interesting because Judge Howard Smith, who was head of the Committee on Rules, was an old segregationist, and he fought civil rights and kept it bottled up for years. Finally, it came to the floor, and he was very angry. He thought what he would do was add a little amendment that would be sure to kill it, and that was to add to the bill a three-letter word called sex—sex discrimination. He thought, "Aha, now we have really put a spear in the heart of civil rights." But there was a very distinguished Congresswoman who was a Republican, by the way, from New York, Katherine St. George, who rose to the occasion and said to this chairman, "Women do not need any special privileges * * * but are entitled to this little crumb of equality. The addition of the little terrifying word 'sex' will not hurt this legislation in any way."

Indeed, it did open the door to women. We are pleading to open the doors equally to women this time, too. I think it is about time.

The CHAIRMAN. The Chair will exercise its prerogative and advise those controlling the debate that the gentleman from Pennsylvania [Mr. GOODLING] has 26 minutes remaining, the gentleman from Illinois [Mr. HYDE] has 26 minutes remaining, the gentleman from Texas [Mr. BROOKS] has 36 minutes remaining, and the gentleman from Michigan [Mr. FORD] has 25 minutes remaining.

Mr. FORD of Michigan. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Chairman, I rise in support of H.R. 1, the Civil Rights and Women's Equity in Employment Act. This legislation simply seeks to restore the fair balance between employers and employees that existed for 25 years prior to the Supreme Court's notorious 1989 term.

Contrary to President Bush's intemperate, racially inflammatory remarks that this legislation would impose quotas, despite his appeal to the worst in human characteristics—ignorance, prejudice, intolerance—this bill is necessary to overturn 6 unjust decisions of the Supreme Court.

Those 1989 decisions gutted title VII's effectiveness in combating employment discrimination against women, Hispanics, and blacks. Although our society has a commitment to the ideal that all citizens should have an equal opportunity to succeed to the extent of their abilities, we have failed miserably to make this promise a reality. Historically, race, sex, national origin, religion have been used as a basis for denying fair employment and equal opportunity.

Mr. Chairman, the Civil Rights Act of 1964 addressed the problem of job discrimination. The antics of our President in attempting to deny the protections of law to those who are discriminated against because of race or sex is a disgrace. He is further dumping on those already impoverished in body and spirit. What a dismal message he is sending to minorities and women, especially the poor ones. What does his ranting about quotas and reverse discrimination convey to those hungry black children in tattered clothing whose fathers are unemployed at three times the rate of white fathers? What does his race-baiting remarks say to those jobless black youth hopelessly trapped in rat-infested tenements? Mr. Chairman, it tells them that America, the land of the free and the home of the brave, is not free and certainly our leaders are not brave. To this large group of disadvantaged, discriminated people, America, with her distorted sense of purpose and direction, where dishonest men frustrate solutions to honest problems, America offers them little hope and no solace. Mr. Chairman, I urge the passage of H.R. 1.

Mr. HYDE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Chairman, the majority's substitute is different than last year. I cannot support it. The President's bill says hiring decisions should be related to the job. I agree.

The majority's substitute says it is OK to prefer an unqualified person to the best qualified person to make your numbers, just as long as a person does not do it every time. I say that is wrong. They say it is OK to prefer a less qualified person to the best qualified person in order to make your numbers every time. I say that is wrong.

The majority says that is not a quota. They are wrong about that, too. It says unless a person can prove a significant and manifest requirement for the best person, they better hire by the numbers. That means unless a person can prove they need a .350 hitter, they have to hire and promote the person who hits .225.

Congress can do better. I hope by the time we are finished there will be a civil rights law all fair-minded people can support.

There has been some discussion about the definition of the word "quota" and it says in the substitute offered by the majority, for the purposes of subsection (a) the term "quota" means a fixed number or percentage of persons of particular race, color, religion, sex, or origin which can be obtained or which cannot be exceeded, regardless of whether such persons meet necessary qualifications to perform the job, regardless of whether they meet those qualifications. That is the only narrow area that the word "quota" is allowed to mean. It is inconsistent with Webster's Dictionary definition, and inconsistent with statements I have heard earlier. There is no other way to read that definition.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, there are two kinds of discrimination cases under title VII, to be very elementary, intentional discrimination or unintentional discrimination. Under the Brooks-Fish substitute, both will be changed, in my view for the worse, and will cause employers to covertly opt for quotas.

Why? One reason is that under a claim of intentional discrimination, the substitute, Brooks-Fish, guts the traditional remedies of back pay and injunctive relief which have served this country well for over 25 years, and in favor of unlimited damages.

□ 1550

Why is this of concern to employers, you may ask? Because a claim of intentional discrimination often uses the same racial or gender job statistical imbalances used to support a claim of unintentional discrimination. Thus, under class action intentional discrimination cases, the employer would face unlimited compensatory damages for mental distress and pain and suffering, plus punitive damages for every member, no matter how numerous of a class action discrimination lawsuit.

The liability exposure would be astronomical, and so would also be the explosion of costs of liability insurance premiums.

Thus, employers will attempt to avoid the statistical imbalances leading to those kinds of exposure, and that is only human nature, and this will be done, of course, covertly.

In addition, under the substitute, an employer may be held liable for such unlimited damages even for employment practices which have no discriminatory intent.

Now, let me repeat that. You can have your unlimited damages even in instances where there is no discriminatory intent.

The substitute establishes an "unlawful employment practice" whenever the complaining party demonstrates "that race, religion, sex or national origin was a motivating factor for any employment practice."

Now, note, it is not stated that there is any discriminatory intent needed and note also that the employer has no defense. It is strict liability in tort.

Thus, if an employer, without any intent to discriminate, were to assign a black officer to a heavily black area because the officer was black and familiar with the area, he would be automatically guilty of an unlawful employment practice and subject to jury awards for unlimited damages upon suit by a white, by an Hispanic, or by a woman or even by the black officer himself.

Now, let us look at unintentional discrimination claims. The bill makes it easier for the plaintiff to prove unintentional discrimination against an employer and almost impossible for the employer to defend itself by showing reasonable justifications for hiring practices which may cause unintentional discrimination.

The only defense an employer has under the substitute is not as to whether its hiring criteria has a manifest relationship to the employer's business or employment, as held in Griggs, but whether its hiring criteria bears a significant relationship to effective job performance, and that is a standard never used by the Supreme Court.

Now, that means that subjective and largely nonjob specific hiring criteria, such as leadership potential, ambition, trustworthiness, common sense, loyalty, good judgment, those traits which are necessary for productive work in the competitive work force, they cannot be measured through objective standardized tests.

The substitute then goes on to make sure that subjecting hiring criteria will not be used by the employer to justify hiring practices by requiring only objective evidence to show job-relatedness. But how can an employer prove job-relatedness for his subjective hiring practices without using subjective evidence?

Mr. Speaker, under the substitute, an employer is even prohibited from presuming—and I tried this in an amendment, to have this amendment passed, from presuming that academic achievements are relevant to job performance, and the committee said partisanly, absolutely not.

Now, Mr. Speaker, there is not one Member of Congress who does not make the presumption that academic achievements are relevant when you interview a job applicant, not one of us.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GOODLING. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois.

Mr. FAWELL. Finally, Mr. Speaker, even if an employer is able to jump through the burden of proof "hoops" to which I have referred of the substitute and finally prove that his hiring criteria was justified, still the employer loses anyway if the complaining party simply shows that there is another hiring practice or a whole group of hiring practices which would have produced less disparate impact, that is to say, less unintentional discrimination, or less statistical disproportions.

Mr. Speaker, add together the obstacles and the potential damages which face the employers of America under this substitute and, of course, you have the fear that is very sound that you are going to have employers opting for quotas. That is very understandable.

Mr. BROOKS. Mr. Chairman, before yielding further, I want to make sure that the RECORD is accurate. Both the gentleman from Illinois [Mr. HYDE] and the gentleman from Wisconsin [Mr. GUNDERSON] made a misstatement when they said that we relied on Justice O'Connor for our definition of business necessity. That is incorrect.

I relied on Sandra Day O'Connor's definition of quota in a 1986 Supreme Court case.

Hopefully the two concepts will not be confused as the debate proceeds.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend, the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I agree with the gentleman, and I have the quote here. While the gentleman's definition of a quota in the bill does not exactly track Sandra Day O'Connor, it is reasonably close.

Mr. BROOKS. Reasonably close, Mr. Chairman, is good enough for government work.

Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I rise in support of the Civil Rights and Women's Equity in Employment Act of 1991. I rise in support of the citizens of this Nation, who live under the tenet that all men and women are created equal, and are endowed with certain inalienable rights.

The fundamental belief of equality and civil rights for all are the principles upon which this country was founded, it is our heritage and our birthright as citizens.

As we engage in this debate we must remember why we are here today.

We are here today to fight against discrimination, not quotas, not damages, but discrimination. We cannot allow ourselves to be diverted by red herring issues that would lead us away from the true purposes of this bill.

We are here to decide whether or not all citizens of this country are entitled to the same rights and privileges as promised them by the Constitution. This includes not only the right to seek justice, but to expect justice in a court of law.

Every day, qualified people are barred from promotions or job opportunities because of discrimination in the workplace. Many more endure constant harassment and prejudice, both overt and covert, in order to put food on the table for their families.

If we do not pass this bill, let me provide you with a few examples of the people who will suffer.

A Hispanic woman applies for a job, but when she starts work she is subjected to abuse from her Anglo colleagues. Unlike them, she is expected to sweep the office and perform other menial tasks. She is paid less because she is told "Hispanics work more slowly than Anglos by nature." She is also denied access to promotional opportunities. Under present law this woman cannot challenge her treatment in court.

An Asian man applies for a job in a white-dominated area of work. He does not get the job. Race is the prime reason, but as an ancillary reason the employer mentions that the man's most recent work had been of a different type. The employer's reason for denying the job to the Asian worker is lawful right now because of the mixed motive.

Employers should not be able to mask their intentional discriminatory practices under the title of "business necessity." Just as racists should not be able to mask themselves behind a white hood.

If we fail to pass this bill, we have failed the people of this Nation. If 290 Members of this body do not vote in favor of this bill, it will be tantamount to turning our backs on all the progress we achieved in the 1960's and 1970's.

If we do not send this bill to the Senate, we effectively close the door on the consideration of any civil rights legislation for years to come.

My colleagues, we will bring shame on this institution if we do not pass the Civil Rights and Women's Equity in Employment Act of 1991.

We were elected by the people of our districts to represent and protect their constitutional rights. If we do not pass this civil rights bill, we have simply failed in our duty to them. We can only go one of two ways, either forward or backward.

My friends, we cannot change the past, but we can shape the future. We have the opportunity to rectify six devastating blows to the freedoms of all Americans, to ensure that anyone, regardless of race, religion, gender or ethnicity, be guaranteed the constitutional protection of their civil rights.

Mr. BROOKS. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute and also the bipartisan substitute that will be before us shortly.

Mr. Chairman, I rise in strong support of H.R. 1, the Civil Rights Act of 1991, legislation designed to insure that our laws prohibiting discriminatory employment practices are more than hollow rhetoric. The central purpose of the bill before us is simply to restore equal employment opportunity law to where it was before a series of recent Supreme Court decisions made it much more difficult for victims of discrimination to get into court and to prove discrimination. In this respect no new legal ground is broken: no new legal standards are established, nor is any new affirmative action remedy proposed. The only new initiative contained within H.R. 1 is to give to women, to persons with disabilities, and to religious minorities the same right to sue for monetary damages in the case of intentional discrimination as is now available to racial minorities.

Given the modest objectives of H.R. 1, the emotional intensity of the debate surrounding this civil rights legislation is remarkable—a commentary, perhaps, on how far we have yet to go in resolving the issues of race and gender discrimination in America, and on how urgent the need is for this legislation.

Make no mistake about it: nothing, absolutely nothing in H.R. 1 is about quotas. In fact, the Democratic substitute before us states unequivocally that "Nothing in * * * this Act * * * shall be construed to require or encourage or permit an employer to adopt hiring or promotion quotas * * *" H.R. 1 simply reinstates the law as it existed for 18 years under the unanimous 1971 Griggs decision, which held that employer practices that worked to disadvantage minorities and women violate title VII unless justified by business necessity. To this day, even the strongest opponents of this legislation have offered no evidence that the Griggs standard led to quotas. If it didn't lead to quotas for 18 years, why the panic all of a sudden about quotas? Furthermore, if employees did initiate racially based quotas, they would be subject to suit on that ground alone. Under current law, and under H.R. 1, quotas are illegal! Period.!

The real issue that is before us is whether we are serious about combatting discriminatory employment practices and upholding the concept of equal opportunity. If there were any doubt about the critical importance of this legislation, surely it was dispelled by a recent study of continued racial bias in access to jobs in America. The Urban Institute study concludes that racial discrimination continues to prevade U.S. workplaces, more than 25 years after it was outlawed. Pairs of young black and white men with similar qualifications, appearances, and personalities were sent to apply for entry-level jobs in Chicago and Washington. While most of the employers did not seem to differentiate by race, the black testers still were three times as likely as their white counterparts to be denied job offers. Such discrimination was particularly apparent in white-collar and sales jobs.

Also on point is a recent publication of the American Medical Association. An editorial in the AMA Journal concludes that "long-standing, systematic, institutionalized racial discrimination" denies many minorities the opportunity to get the kind of medical care generally available to whites. The Journal notes that adequate health insurance is based predominantly on employment and personal wealth, and minority Americans are more likely to be unemployed or underemployed because of past discrimination or continuing racial bias. Indeed, institutionalized racial inequities in America are literally a matter of life and death: a black baby is twice as likely to die within its first year of life as a white infant, and African-Americans have over 6 years lesser life expectancy than white Americans.

Just as racial inequities are institutionalized in America because of past discrimination, so are continued gender inequities. Today, almost half of all American workers are women, the majority of whom work out of economic necessity. Yet women continue to earn only 68 cents for every $1 that men earn; women with a college degree still earn, on the average, less than a man with only a high school diploma. An estimated 40 percent of women experience sexual harassment on the job. And women continue to be blocked from job advancement: Only 3 percent of individuals in upper management positions in business are women.

But the Civil Rights Act of 1991 is not designed to protect only particular groups of workers. To the contrary, its purpose is to insure fairness for all working Americans, white as well as black, male as well as female, by strongly discouraging employers from substituting race or gender for job qualifications.

Mr. Chairman, three decades ago this country of ours began to address America's longstanding racial and social inequalities. Americans were challenged to do some self-examination, to recognize our racial and sex-based myths and stereotypes for what they were, to confront honestly and openly our irrational fears and prejudices, to abandon racially-entrenched institutions and ways of behavior, and to recognize the inherent worth and interdependence of all Americans. The sixties were full of tumult and controversy, and they were difficult and painful years for many of us. But they were also years of vision and rebirth and renewal—as Americans began to understand that we all stood to gain by creating a fairer—and therefore a more harmonious and productive—society. We came to recognize that the American dream of equal opportunity offers not a zero-sum game, but a set of rules that lead to a more just and open society in which all Americans emerge as winners. Brown versus The Board of Education, The Civil Rights Act of 1964, the Voting Rights Act of 1965, the Fair Housing Act of 1968, the Civil Rights Restoration Act of 1988, and the Americans With Disabilities Act of 1990 all helped to strengthen our sense of national unity by reaffirming, in statute and in the courts, America's commitment to full political rights for all and to equality of opportunity. Those were important victories for all of us, and Americans everywhere can take pride in the steps our Nation has taken to close the gap between America's ideals and America's reality.

But all that we worked so hard to achieve in the sixties is now at risk because of a new kind of economic discrimination. The gap between the haves and the have-nots is greater today than at any time since the Great Depression. Racial and ethnic tensions have intensified in cities and on campuses throughout America. Our society is increasingly polarized along racial, ethnic, and economic lines. And we are beginning to see the riots and violence that are the inevitable byproduct of continued injustice.

The Civil Rights Act of 1991 will not solve all of the problems we face. But, by overcoming the effect of some regressive Supreme Court decisions, it will help to bring us together and to preserve the civil rights gains that have been achieved the past few decades.

Mr. Chairman, the Civil Rights Act of 1991 is vitally needed legislation that is deserving of the broadest possible bipartisan support of this Congress. It appears that the White House would rather have an issue than a bill—even at the risk of the social and political turmoil that the rejection of this important civil rights initiative will surely invite. We must not let this manipulative and divisive strategy succeed. Let us act now to make unmistakably clear this Congress' determination to uphold the civil rights laws of this land and to insure their fair and effective enforcement. I urge passage of the Civil Rights Act of 1991.

Mr. BROOKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Chairman, the debate we are engaged in is about eliminating discrimination from the workplace. This goal is not a new one nor is it one that can be ignored. This debate is not about special privileges or granting new rights to certain groups of persons. The Civil Rights Act of 1991 ensures that qualified American workers have the ability to enforce the rights to which we, as Americans, are all entitled to under our Constitution.

The right to seek and secure employment based on one's individual skills and merit without facing the barrier of discriminatory hiring practices is fundamental to a just society. Unless there is equal access to jobs, there is no true equality.

As I speak in support of this bill today, I would like for the Members to consider the debate that took place in 1964. The House debated for 9 days on the historic Civil Rights Act of 1964. Of that, almost 1 day was on title VII, the title we are amending today. Ironically, and somewhat sadly, the rhetoric from those Members opposing the bill today could have been copied from the CONGRESSIONAL RECORD of that time.

Member after Member who opposed the bill in 1964 spoke of the dire effect title VII would have on businesses and free enterprise in America. It was predicted that our constitutional system of Government would come to an end and our system of free enterprise would expire. It was often stated that quotas would have to be put into place if businesses were forced to not discriminate in hiring employees. Such legislation was assailed as "interfering with a businessman's right to hire and fire and promote as he wished; that it would wreck seniority systems and set up quota systems." I cannot believe or accept that we as a Nation and as Members of Congress have not advanced in the 27 years that have passed since the passage of the original title VII.

As the chairman of the Judiciary Committee said at that time, "What is objectionable about much of the criticism directed against the civil rights bill is that it seriously misrepresents what the bill would do and grossly distorts its effects." Such comments are certainly pertinent to today's debate and the public debate that has gone on for the past year.

The drastic consequences predicted in 1964 by the opposition did not materialize under 25 years of civil rights enforcement. There is no rationale basis today for believing that the opposition's predictions will come true in the next 25 years.

Much has been made of the fact that our military is free from discriminatory employment practices. Minorities and women fill a number of prominent positions. In fact, there is a higher level of management type positions held by women and minorities in the military than in the private sector. This should serve as an example of what could be achieved in the private sector if discriminatory hiring practices were not so prevalent in the workplace.

As President Kennedy once said, "No one has been barred on account of his race from fighting or dying for America. There are no white or colored signs on the foxhole or graveyards of battle." In his address to Congress, Gen. Norman Schwarzkopf pointed out that "* * * we noticed when our blood was shed in the desert it didn't separate by race but it flowed together." It would be ironic if those persons who fought together leave the military only to find out they can no longer work side by side because of discrimination.

If I did not support the legislation that we are considering today, it would be tantamount to saying that I believed the Civil Rights Act of 1964 to be a failure. It has not been a failure, but it has not yet achieved its original goal of eliminating discrimination in the workplace. It must be restored in order to achieve this goal.

As Hubert Humphrey stated in 1964, "* * * the Constitution of this country is on trial. The question is whether there will be two kinds of citizenship or one." Congress has a responsibility to provide leadership and enact a national policy that denounces discrimination on all levels and ensures that there is only one type of citizenship.

□ 1600

Mr. CLAY. Mr. Chairman. I am controlling the time for the gentleman from Michigan [Mr. FORD].

Mr. Chairman, I yield 2½ minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Chairman, I rise today to speak in support of H.R. 1, the Civil Rights Act of 1991. Today I read an article in the Washington Post which expressed the fears of some southwest side Chicagoans and Suburbanites as it concerns the Civil Rights Act. I just can't understand their fears because my city of Chicago is a city that has a 41-percent African-American population and, yet, African-Americans do not dominate in public or private sector employment. Their fears cannot be substantiated by any factual information and stem only from the rhetoric that has been coming from the White House. If you look at the fire and police departments in the city of Chicago you will see that discrimination is alive and well. Several white firefighters have filed a reverse discrimination suit that is based on nothing more than fear. I am disheartened because the numbers for African-Americans in these departments do not reflect those in the population. As a matter of fact, most of the decent jobs in the city are controlled by political clout and influenced not by black or white but by the color green, the green that signifies the all-mighty dollar. Now we are faced today with restoring rights that should be fundamental to all Americans.

Mr. Chairman, I have always believed that tearing down barriers to opportunity in America is a moral command for us all. That is why I support this bill. While admitting it is not as strong as I would like, however, it does tear down barriers that were created by the Supreme Court. Between now and the year 2000, 91 percent of the new work force will be minorities and women—the very people who have been victims of discrimination in the past and, all too often, still are denied the opportunity to make their fullest contribution to American life.

In the competitive new world order of the 1990's when America's destiny depends on bringing out the best in all our people, it is more important than ever to continue America's progress toward wiping out discrimination.

Yet the White House fails to realize this simple fact and continues to use divisive terms such as quotas in an attempt to derail this bill and scare white America. The fact is that we all know that the Civil Rights Act of 1991 expressly says that it does not allow quotas. I have said it time and time again that the best way to alleviate quotas and lawsuits is to simply not discriminate. Furthermore, the Civil Rights Act of 1964 didn't result in a slew of businesses initiating quotas, nor have other earlier Supreme Court rulings that interpreted the law. Why should the Civil Rights Act of 1991 bring about quotas? It wouldn't and the White House knows it.

During last year's civil rights negotiations, this bill was revised, compromised, and rewritten and yet the President vetoed it. He played his objections for political advantage, saying in so many words that the bill would victimize innocent white male workers. The President would never use the same words as Louisiana's David Duke, but the message in his rhetoric is the same: White America fear not for George is here to protect you from black folks and women who are trying to gain equal footing. President Bush should be ashamed of himself for what he has done to this country's race relations. By failing to appeal to Americans' sense of justice and fairness, he has further divided the country. His title as the education President was a farce and now he is trying to lull us into accepting him as a civil rights President. Well, it will not happen here.

Remember as we celebrate our great victory in the Persian Gulf, as we parade here in our Nation's capital this Saturday, as we write books and make videos on how victory was achieved, please do not forget that 30 to 35 percent of those troops were African-American men and women who cannot find a job when they return to this country.

Mr. Chairman, in closing, I want to encourage my colleagues on both sides of the aisle to take that courageous and morally just step and vote in support of the Civil Rights Act of 1991.

Mr. HYDE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. Mr. Chairman, the reason that the Democratic bill results in quotas and the President's bill does not is that the Democratic bill replaces the present system of conciliation and mediation through the EEOC with a tort litigation system, with jury trials, and compensatory and punitive damages. I would ask the membership to place themselves in the position of an employer who is sued by an employee, maybe with merit or maybe without merit. After the suit papers are served by the U.S. marshal, the employer goes and talks to his lawyer. He tells the lawyer the story. The lawyer says, "Well, I can probably get the jury to exonerate you, but it will cost about $250,000 in pleadings, depositions, interrogatories, pretrial motions, preparing for trial and then actually conducting the trial before the case goes to the jury for their decision. On the other hand, I think maybe we could buy a piece or a settlement for $50,000," a third of which, of course, will go to the lawyer who brought the suit on a contingency fee basis. The employer then responds to his lawyer and says, "Doesn't that put us in a lose-lose situation?" The lawyer says, "Of course. It is a question of whether you want to pay me a much bigger amount of money to get you exonerated or whether you want to pay this settlement."

The employer then asks the lawyer, "Isn't there any way we can get out of this?" The lawyer says, "Well, I probably could try a motion for summary judgment, which would short-circuit all of this pre-trial cost, if we win it." And the employer says, "Well, then what do I have to do?"

Well, under the Democratic bill what they can do is they can file an affidavit that says that they have hired by the numbers. And because that is an uncontested fact, that is admissible in a motion for summary judgment, and if the judge agrees, then the case is dismissed and the plaintiffs and the plaintiffs' lawyer receive nothing.

However, under the revised Democratic bill that purports to abolish quotas and to make them illegal, the employer cannot even put that in an affidavit for summary judgment. And that is the real cynical curve ball in this new antiquota, alleged antiquota language that is in the Democratic bill.

It is time that we stopped playing games on civil rights. It is time that we look forward to a method of resolving these disputes that encourages settlement, not litigation, and it is time that we balance the scales between employers and those who may be victims of discrimination through a legal process or an adjudicatory process that treats both sides fairly.

The President's bill does that. The Democratic bill does not.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Chairman, we have all heard: "The check is in the mail"; "I gave at the office"—now add to those—"The latest version is not a quota bill."

Unfortunately, the proponents of H.R. 1 continue to resort to political gimmickry to try to pass their bill.

As a small businessman let me tell you the most recent version of the civil rights bill will continue to force small employers to hire by community, racial, and ethnic makeup to avoid expensive and lengthy court battles over hiring and promoting decisions. Such quotas will remain their only sure defense. Under new language added, employers will be sued even if it appears they are hiring by quotas. Your small business constituents are now guilty if they hire by the numbers and guilty if they don't hire by the numbers.

As a member of the Education and Labor Committee, I wanted to alert you to a new wrinkle the majority slipped into the bill during full committee mark-up—comparable worth.

The new provision, "Pay Equity Technical Assistance," better called comparable worth, requires studies by Government employers to identify and eliminate discriminatory wage disparities. The new add-on, slipped in without the benefit of hearings and a full and open debate by the Education and Labor Committee, calls for wage rates based on "work performed and other appropriate factors."

As a small businessman, it sounds like the proponents of comparable worth are using the guise of pay equity to support equal pay for different jobs of similar comparable value.

The comparable worth theory excludes market-oriented factors, such as qualified workers, and wage rates paid by other employers in deciding wage scales for workers. Even worse, the comparable worth theory dictates that Federal bureaucrats determine job worth and wages for American workers. Comparable worth is inherently subjective, counterproductive to current practices of merit pay and established promotion systems. Further, it is incompatible with our free market economy.

As we well know, studies have a way of coming back to haunt Congress as full blown legislative proposals. Do we really want a pay equity study to be the foot in the door toward mandating comparable worth on the private sector? The answer is no.

I oppose any effort to mandate comparable worth in the public or private sector. It is a fundamentally flawed concept which ignores the marketplace in evaluating the fairness of wages.

In addition, the Attorney General Dick Thornburgh, in a letter to the Republican Leader BOB MICHEL, indicated the administration's consistent opposition to comparable worth plans.

While we may not see the words comparable worth in print in H.R. 1, believe me—they are there. This provision, just like the quota bill, should be strongly opposed.

□ 1610

Mr. BROOKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I rise in support of a fair, just, and effective civil rights bill.

The administration has tried to label our bill a quota bill which would require employers to hire by numbers regardless of a person's qualifications for a particular job. In evaluating their allegations, I urge my colleagues to examine the facts.

The Brooks-Fish bipartisan compromise explicitly prohibits the use of quotas by employers. The claim that employers would be required to adopt quotas is baseless. In fact, during the hearings on the Civil Rights Act, employers could not produce any evidence that they were forced to use quotas in response to the Griggs standard during the 18-year period it was in use from 1971 to 1989. All the compromise would do is restore this standard.

The Brooks-Fish compromise is the only proposal we have before us today which would ban the use of all quotas and would entitle the person harmed by quotas to sue for damages. The administration's bill doesn't contain any antiquota language. The administration tries to label this legislation as a quota bill yet produces no evidence to make it stick.

For those of you who believe that civil rights is actually a debate which belongs in the 1960's, I ask you to examine the most recent statistics.

Over the past decade, complaints of sex discrimination and harassment on the job received by the EEOC have increased over 14 percent, while staffing decreased by 24 percent. Women continue to earn only 68 cents for every dollar a man earns in the workplace. The goal of equal pay for equal work continues to elude the vast majority of women in America.

On this important issue, Congress should not be sending mixed messages. Support the Towns-Schroeder substitute which would remove the cap on punitive damages for victims of intentional sex discrimination. The message we are endorsing through this civil rights bill must be one of equal treatment for all victims of intentional discrimination, not unequal remedies for some.

Simple justice requires that Congress enact a strong civil rights bill. If it was my daughter or son being denied a job or a promotion based on discriminatory treatment, I would want them to be able to challenge that injustice. We should not steal the dreams and aspirations of our children by creating a society where our principles are compromised and justice is denied.

Mr. CLAY. Mr. Chairman, I yield 2¼ minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, today is a moment of truth. Today we find out if America—or at least those of us in Congress—mean what we say when we say "and justice for all". Today, we find out if we in Congress have the courage to change how America has come to think in the last 10 years—that civil rights is for a few, not for the many, when in fact, civil rights is for everyone.

I rise in support of civil rights restoration for all Americans. This legislation simply says that every American deserves a fair chance. It says that the Constitution is right. It clears up a Supreme Court misreading to reinstate what was the law of the land for over two decades. As the law was before, our Nation's businesses found it worked well. It didn't lead to quotas—except in cases where an employer was found to discriminate—and only then did a court, after having found that there was systemic discrimination, impose quotas. The law itself does not impose quotas, and the law itself did not trigger unnecessary litigation: In only 69 out of 594 cases during the 1980's were damages awarded. In two-thirds of those cases the award was $50,000 or less.

Unfortunately, there are those who would, for whatever reason, scare the American people into believing that somehow on giving people the right to prevail where they have been denied unfairly is to deny the rest of us fair treatment. Nothing could be further from the truth. It's just plain wrong. We should bring Americans together—not divide them. Congress, the President, and the Justice Department all have a sacred duty to make sure that every American has a fair chance.

To those who buy on to the idea that this is a quota bill, I would like to show them oceanfront property in Arizona. In fact, already the leading business group in America, the business roundtable, has stated that they do not believe this is a quota bill. Their only fear is that they may have to manage fairly or it will cost them big bucks. Remember, most businesses already do the right thing—this bill is for those few who do not.

That is why this bill will not have an adverse effect on most businesses. But it does say that if citizens in the community find that an employer is denying them their rights on the basis of race, ethnicity, or gender, then there ought to be a way for them to have their day in court.

This legislation is simple. It says that you should hire on the basis of merit and ability—not on the basis of stereotypes.

It is about ensuring that we have a color-blind society where every American, regardless of race, creed, or gender, gets a fair chance.

This legislation also calls for valid and fair use of tests and other selection criteria for activities covered under this Act. In part that means that the degree of reliance on tests should not be greater than their ability to predict performance on the specific job in question (not just an ability to do well on other tests or in a training program). Test content should be clearly and directly related to the skills and knowledge required for the job, and the predictive power of the test should be comparable for all race, ethnic, and gender groups. Only after test [content and] predictability have met these standards should determination of "cut" or "passing" scores, if needed, be done. This determination and use should be in accordance with the Uniform Guidelines for Employee Selection Procedures as they currently stand. In any event, the results of tests for activities covered under this Act should never be the sole criteria of selection for activities covered under this Act. Prohibition of group norming for tests under Section 116 also requires that such tests meet close scrutiny under the provisions of Section 115 which bans discriminatory use of tests.

In sum, this modest bill helps ensure that fair opportunity is the birthright of every American. I urge my colleagues to join me in strongly supporting this fair opportunity for all Americans legislation.

Mr. HYDE. Mr. Chairman, I yield 4 minutes to the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Chairman, discrimination does exist in America. It is a hate that erodes the heart and destroys promising futures. It is personally harmful and professionally impeding. It has forced many of us to double our efforts over our competitors for the same outcome of recognition and respect. Discrimination will leave most of us at many times in our lives short of our goals and far short of our rights.

Can we, Mr. Chairman, legislate attitude improvement and outlaw all prejudice and bias? Unfortunately not. Can we, however, attempt to guarantee opportunity, guard against senseless antagonism, and take significant steps toward a color-blind and gender-indifferent workplace? Yes, and only one bill can accomplish these goals in a fair and equitable manner, only one bill protects performance over preference, only one bill will move us rapidly and aggressively toward this utopic workplace without the divisive use of quotas. That is the bill that could wear this President's signature, H.R. 1375.

Mr. Chairman, the President's bill places the burden of proof on the employer to defend his or her hiring practice based on a specific allegation or employment practice. The President's bill caps damages through the discretion of the judge, preventing lengthy and extensive jury trials and keeping it from becoming a lawyers' bonanza, and the President's bill avoids quotas and allows employers to hire the best and brightest regardless of race or gender. If, however, hiring is done along prejudicial lines, the President's bill smokes them out, and it has the firepower to shoot them down.

Now, contrary to the impression some of my colleagues on the other side of the aisle might like to leave this debate with, the American people trust this President. They believe in his leadership, and they have faith in his direction, and this President believes in the greatness of this country derived from the commitment and dedication of all of its people. He believes in freedom and fundamental fairness for all of his people, and he believes, this President truly believes, that H.R. 1375 is the civil rights bill to accomplish that goal.

Yes, to one of my colleagues, we are a nation which almost every day gratefully pledges liberty and justice for all. We, therefore, should pledge our support to H.R. 1375. We should pledge our support to this President.

I would only like to add, Mr. Chairman, that my colleague from Colorado stated that it is time for women to walk through that door of equality, and I agree.

□ 1620

But I do not need government to hold that door for me. Just give me access to that door, and I as a woman will open it for myself.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, the debate we are having here today really revolves around the direction of civil rights in this country. Are we going to continue in the tradition, the bipartisan tradition, of Senators Humphrey and Dirksen and President Kennedy and make civil rights a matter of equal opportunity, or are we going to go in a different direction that guarantees equal results through unequal opportunities, through preferences and through quotas?

Now, the proponents of the major bill before us today say that it is unfair to raise the quota issue. It is not unfair. Two weeks after the major antiquota Supreme Court case of this century came out, these same people proposed the civil rights bill that is really the predecessor of the bill that is before us today, and last year they insisted that their major purpose was to reverse the Wards Cove Packing Co. case, to reverse this major antiquota case of this century, and reversing that case still remains the major purpose.

So it is legitimate to look at what their bill does in terms of quotas. We did not get the fine print until today, but if the Members turn to page 21 of the report, they will find that the definition of quotas that are outlawed is very peculiar. It does appear to outlaw quotas that would lead to the hiring of an unqualified person over a qualified person, but what it does not outlaw and what it appears to allow is the hiring based on race of a less qualified person over a more qualified person. That is quotas. That is patronizing to minorities. That is unfair to those who want to be hired on the basis of merit. That is why the President's bill is better.

Mr. Chairman, let us get a civil rights bill that does not create unequal opportunities, that does not move toward quotas or special preferences. Let us get a civil rights bill that is based on equal opportunity.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Mrs. KENNELLY].

The CHAIRMAN. The Chair will inquire, is the gentleman controlling the time of the gentleman from Texas [Mr. BROOKS]?

Mr. EDWARDS of California. That is correct, Mr. Chairman.

Mr. FORD of Michigan. Mr. Chairman, I also yield 1 minute to the gentlewoman from Connecticut [Mrs. KENNELLY].

The CHAIRMAN. The gentlewoman from Connecticut [Mrs. KENNELLY] is recognized for 2 minutes.

Mrs. KENNELLY. Mr. Chairman, I stand in strong support of passing a civil rights bill here today. There are so many important issues which this bill addresses—it overturns five Supreme Court cases, changes the definition of business necessity, and allows women to collect compensatory and punitive damages for intentional and proven discrimination. Issues that are legally complex and issues which are far too important and serious to relegate to the status of sound bites like "quota." I am proud to be an original cosponsor of this bill, the text of which we are considering today.

Last week I challenged the Democratic compromise proposal. I challenged it because as a Democrat, I thought we could do better. And I challenged it because as a woman, I felt it was my responsibility to speak out on behalf of all women—women who don't always feel free to lend their voices to the political process, however, women that make up over 50 percent of the population and are essential contributors in the workplace. And today on the floor, I must challenge it again.

The compromise package of the Civil Rights Act includes a cap on punitive damages. A cap which I feel codifies a basic inequity. A cap which I feel is wrong and which I continue to oppose.

Mr. Chairman, I fear that to pass a civil rights act which includes a cap on punitive damages for proven and malicious discrimination is to recede in our commitment to protect civil rights for all Americans.

Caps codify inequality. Our legal system is charged with administering justice fairly and equitably. However, with a cap on damages, some individuals guilty of discrimination will be more equal than others. The message will be clear: While discrimination based on race is wrong and worthy of serious punishment, discrimination based on sex is somehow less wrong.

Caps validate specious arguments. Losing a civil law suit for racial discrimination has never caused a business to fail—a small business or otherwise. Winning a sexual discrimination case is hard and rare. Those cases which end with a monetary settlement constitute a small percentage of those tried in our courts. And even when money is awarded, the average settlement for proven racial discrimination is $40,000—a figure well below this proposed cap on damages. And keep in mind, of all the civil rights cases considered in the last decade, only in three were settlements awarded that exceeded $200,000. Settlements are neither that common, nor that high to warrant an arbitrary cap.

Caps deflate the value of damages as effective deterrence against discrimination. The philosophy behind punitive damages is to issue a punishment or penalty to someone who has committed an egregious offense that is so serious, it discourages others from committing similar offenses. In other words, punitive damages appeal to the language of economic choice and business decisions. Damages make discrimination not worth the cost. With caps on damages for proven intentional discrimination, financial deterrence is hampered; and as a result an employer's risk is lessened. Women in the workplace deserve to rank higher on the balance sheets.

Women of America do not want to dominate the work place, but neither do they want to be subordinate in that same work place. There is little dispute, whether H.R. 1, the Towns-Schroeder substitute or the leadership substitute, American workers—men and women—will be better off. All workers will have greater protection against discrimination in the workplace.

I would be irresponsible if I did not also address the Michel substitute. Mr. Chairman, I stand in strong opposition to the Michel substitute.

Mr. Chairman, in the past few weeks we have all been caught up in the legalisms and jargon of the Civil Rights Act. This substitute stands as proof that the many complicated legal issues have been reduced to sound bites and buzz words. When we look at the merits of the Michel substitute, we find that it is an empty shell at the very best, a wolf in sheep's clothing at the very worst.

The Michel substitute proclaims that it will offer additional protection for women in the workplace. However, the only form of discrimination against women this legislation addresses is sexual harassment. If a woman is denied a promotion, a job assignment or a raise based on her sex, the Michel substitute has told her tough luck—she will have no chance to collect compensatory or punitive damages. Only if she is sexually harassed, the most blatant, undeniable form of sex discrimination, will she have a chance at full legal recourse with damages.

And the Michel substitute has ensured that this chance will be slim. Instead of protecting the victims of sexual harassment, the language in the Michel substitute stacks the deck in favor of the harasser. Under the Michel substitute a women must thoroughly exhaust the internal complaint mechanism within her workplace within 90 days, in order for her case to be considered. This time period is half that afforded to victims of racial discrimination and is throughly unreasonable. Exhausting complaint procedures involves reporting the harassment to superiors—superiors which are often the harassers themselves. By stalling the process the guilty party can easily kill a case.

Don't be fooled by the Michel substitute. It may be called civil rights legislation, but its contents are not worthy of its name. This substitute will lure us in with pithy slogans and buzz words, however, it is a wolf in sheep's clothing. It will draw us away from our principles and commitment of ensuring civil rights for all Americans.

I urge my colleagues to oppose the Michel substitute and support the Towns-Schroeder substitute.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Chairman, I rise in strong support of H.R. 1.

H.R. 1 is a well-crafted bill designed to clarify the intent of Congress, designed to answer a Reagan-appointed Supreme Court that is an activist court with a legislative agenda, a conservative legislative agenda, and that agenda must be answered.

Mr. Chairman, this could easily have been taken care of because most of the employers of the Nation who worked with the past civil rights bill found it workable and were willing to help work out a compromise, but the administration does not want to succeed in getting a decent civil rights bill. The administration does not want to have the intent of Congress clarified. The administration wants an issue.

This has been true since August 3, 1980, when Ronald Reagan launched his campaign for President at Philadelphia, MS, in Neshoba County, MS, which is famous for only one thing. Neshoba County, MS was the place where three civil rights workers were murdered during a summer voter registration campaign. He launched that campaign from Philadelphia, MS—and that was the first time that a major party had appealed to the politics of racism, used that politics of race-baiting to win an election. We started making race-baiting respectable. We now have today an eloquent race-baiting appeal being made here on an issue that is being reserved for the 1992 campaign.

This is very dangerous politics. Instead of appealing to such politics or using the politics of race-baiting, we should try to guarantee the rights of every worker to get a decent job. We can win elections that way. You can win elections at the local level that way, and you can win elections with race-baiting at the national level. It works for campaigns, but it undermines the Constitution and it undermines nations. You reach a point similar to the one in Yugoslavia where the Serbians and the Croatians want to get at each other. They do not care about the nation; they would just let the Nation go down the drain.

The Azerbaidzhanis in Russia and the Armenians all want to get at each other. All over the world the easiest way to inflame sentiments and get people excited is to appeal to these kinds of emotions and to divert their attention from the real issues. It wins for candidates, but this use of race-baiting for politics is very dangerous for the Nation and for the Constitution.

We must stop the race-baiting and pass a just and meaningful civil rights bill.

Mr. HYDE. Mr. Chairman, I yield 3 minutes to the learned gentleman from South Carolina [Mr. RAVENEL].

Mr. Chairman, before the gentleman proceeds, will he yield briefly to me?

Mr. RAVENEL. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I would just like to say, with reference to the remarks of the previous speaker, that that activist right-wing Supreme Court yesterday denied prosecutors the right to exercise a preemptory challenge to dismiss a juror because of race. I think that is a progressive ruling by any standard.

Mr. Chairman, I thank the gentleman for yielding.

Mr. RAVENEL. Mr. Chairman, I do not know how many of you folks have ever run a business, but let me say something—it is tough. Only about 3 percent of the people can do it. Most men have to work for a few, and thank goodness for those few, because it is business that has made America what it is today, and it is mostly small business at that.

□ 1630

With all the problems business has to deal with these days, being involved in lawsuits is the most disconcerting.

Under the existing law, if I work for you, and I figure you are discriminating against me, I can charge you with discrimination. If I can prove my charge, my wrongs are going to be righted. All Americans understand that process.

But if Brooks-Fish passes, the shoe goes on the other foot. If I charge my employer with discrimination, then he has to prove that it ain't so. And if he cannot, and the lawyers' fees do not wipe him out, the damages assessed will finish him off, along with all those jobs he provided and all the taxes that he paid.

Good Lord, how mindless can this Congress get?

So despite these new sections outlawing the utilization of quotas, the poor, embattled employer, to protect himself and his employees, hires by the numbers. And what is that? That is quotas. What else?

How more demeaning and insulting can this Congress be to minorities, than to say to them, by enforcing quotas, "Hey, look, you people; in addition, you are not up to the mainstream in this country. And despite the fact that all Americans are assured equal opportunity by our Constitution, we are going to force employers to give you some jobs, because we realize that you cannot earn them on your own."

This is the most antiminority, antibusiness, shameful piece of legislation I have ever run into in the 5 years that I have been here, and I am not going to vote for it.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Chairman, I rise this afternoon in favor of a strong civil rights bill that will reflect the intent of those truths that are a part of the soul of this Nation.

I rise in defense of the dream that envisions a world free from prejudice, discrimination, and racism.

Mr. Chairman, I rise today to talk about this Nation, founded on those truths, that all men are created equal; that they are endowed by their Creator with certain inalienable rights, among them life, liberty, and the pursuit of happiness, in all its many facets in these United States. The history of America is the unique individual initiative on the part of its citizens.

Mr. Chairman, I have looked at these bills that we call civil rights bills of the past several weeks with a very critical eye, with a tremendous amount of critical analysis, based on both sides of the issue, and I have come to a conclusion just today. I have a sense that both bills seek to reduce discrimination in the United States. But which of these bills will be best for the Nation? Which of these bills has the best potential to unite all factions in these United States? Which bill has the potential to unravel that thick vein of prejudice that has clung to this beautiful tree of liberty for 400 years?

Mr. Chairman, I grew up in the forties and the fifties, and I remember those days when there were signs that said "White only." We have moved away from that. We have passed bills and legislation, and we have heard Supreme Court decisions, and heard debate on how we can be one Nation under God, free.

Mr. Chairman, no one bill will erase the fact that there is some discrimination left in the United States. No one bill will be that thing which will create a situation where we will not have racism. But we are taking it a step at a time.

If we want to unite this Nation, if we want to release us from a sense of animosity and acrimony, then we need to look at this in a very critical way.

Mr. Chairman, I rise today to say that the Michel 1375 bill will do that.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CONYERS], a valued member of the Subcommittee on Civil and Constitutional Rights for many years.

Mr. CONYERS. Mr. Chairman, in the last 11 years we have witnessed 3 significant points in civil rights. The first was the wholesale political program by the Reagan administration to attack the Bill of Rights and the judicial and legislative advancements that we have made in this country in enforcing the 13th, 14th, and 15th amendments to the Constitution over the last 30 years. This attack began with an effort to grant tax credits to segregated schools.

The attack continued with the unwillingness of the Justice Department to enforce the Voting Rights Act.

Finally, we witnessed William Bradford Reynolds leading the Civil Rights Division in an effort to dismiss the voluntary affirmative action decrees that had been operative in 51 cities.

Mr. Chairman, we then witnessed the use of anticivil rights litmus tests for the appointment of Federal judges.

So the Court that once gave us Brown versus the Board of Education, Swann versus Charlotte-Meckeleberg, now gives us Wards Cove Packing Co. and Price Waterhouse.

Mr. Chairman, I ask Members to join us in an effort to turn back the Michel amendment and support both the Brooks bill and the Towns and Schroeder bill.

In the last 11 years we have witnessed 3 significant turning points in civil rights. The first turning point we witnessed was a wholesale political program by the Reagan administration to attack the Bill of Rights and the judicial and legislative advancements that we have made in this country in enforcing the 13th, 14th, and 15th amendments to the Constitution over the last 30 years.

This attack began by an effort to grant tax credits to segregated schools. The courts ultimately ruled that granting these credits violated the constitutional principle of equal protection.

This attack continued by an unwillingness of the Justice Department to enforce the Voting Rights Act. In cases involving Mississippi, Louisiana, North Carolina, and Virginia, the Justice Department supported the annexation of areas designed to dilute black voting strength. In 1985, the Reagan Justice Department initiated a series of criminal prosecutions against civil rights workers in the five black-majority counties in Alabama. Over 2,000 mostly elderly black voters were fingerprinted and interrogated by the FBI as to their votes. Eight of the very people who had led the march from Selma to Montgomery, which resulted in the 1965 Voting Rights Act were indicted for voting fraud.

Finally, the William Bradford Reynolds led Civil Rights Division engaged in a campaign to go into court and dismiss voluntary affirmative action decrees that had been operative in 51 cities, despite the fact that none of the cities had requested the Justice Department's assistance. The courts once again rejected the Justice Department's approach in the case of William versus City of New Orleans stating that the Department's position violated the 13th and 14th amendments.

The Reagan administration's lack of success in the courts led to the second significant turning point in civil rights, that was using an anticivil rights litmus test for the appointment of Federal judges, including appointments to the Supreme Court. In one of the great court packing schemes in history, the Reagan and Bush administrations have now succeeded in turning our Federal courts into arenas where no civil rights attorney wants to litigate cases. Thus, the Supreme Court which once gave us Brown versus Board of Education, Swann versus Charlotte-Meckeleberg Board of Education, and Griggs versus Duke Power now brings us Grove City College versus Bell, Ward's Cove Packing Co. and Price Waterhouse versus Hopkins. The Supreme Court which once was an ally in the struggle for equal justice in the country has now become a cruel enemy.

The third and final major turning point in civil rights has been the willingness of the President to set a moral tone in this country which says that it is all right if African-Americans and other minorities are second-class citizens. By pressing the phony racially polarizing quota argument at every available opportunity, and by advancing a toothless civil rights bill which codifies the Ward's Cove case, the President has in effect said that this country owes no legal obligation to remedy the unequal treatment which racial minorities are subject to every day. The President now takes every opportunity to divide our country along racial lines in order to achieve partisan political advantage for the Republican party.

Two months ago the White House sabotaged constructive negotiations between the civil rights and business communities to develop a compromise bill. Encouraged by the number of votes which David Duke received in Louisiana, the President has now decided that any positive progress on civil rights is a political liability. The President now looks to manufacture opportunities, to spread his racial divisiveness, such the recent commencement address at Hampton University.

All of these efforts have lead this country into the new Reconstruction era, where the small progress we have made in racial progress is being eroded. In 1863 the Nation through the Emancipation Proclamation freed African-Americans from physical bondage. But President Andrew Johnson refused to provide these newly freed slaves with any land to make that freedom meaningful, at the same time giving away millions of acres of land in the West and Midwest to white males. Meanwhile State legislatures were passing the "black codes," rolling back the promises of the 13th, 14th, and 15th amendments. We have now returned to the Reconstruction era where the President is leading the charge to reverse civil rights progress.

President Bush has now joined the ranks of Ronald Reagan and Andrew Johnson as the only American Presidents to veto a civil rights bill.

Now some political commentators who are usually supportive of civil rights advancements have been critical of our efforts to overturn these Supreme Court decisions. They have argued that we are spending too much time on this. We are not addressing the more serious concerns effecting our communities such as health care, education, housing, jobs, drugs; and so forth. And we must honestly say that this is true, that this bill will only marginally affect many important issues confronting our communities, and is merely an effort to restore us to where we have been in this country for the past 20 years.

The problem, however, is that it is impossible to move forward while you are being pushed backward. We cannot allow ourselves to lose ground. We cannot abandon the values that have formed the foundation of the civil rights movement. If we do our entire structure may collapse. Which is what those who would reverse our progress are counting on.

I recently came across a 1953 article in Collier's magazine, entitled "Can Eisenhower End Segregation in Washington?" The article talked bout the fact that the first Negro clerical secretary ever to be employed by the White House had recently happened. But the article went on to raise questions about the lack of progress in hiring blacks in theaters, restaurants, and the city fire department. Here we are in this country, nearly 40 years later, still litigating the same issues involving firefighters. The point is we cannot abandon our commitment to our historic struggles to remedy employment discrimination.

Now to the quota issue. The first thing that must be said is that the quota issue is without merit. In last year's bill, H.R. 4000, we said this bill does not "require or encourage an employer to adopt hiring or promotion quotas." Despite this clear language the President vetoed the bill, arguing that we did not mean what we said. This year we have gone even farther. The Brooks substitute bill declares quota unlawful and gives victims the right to sue for damages. The President, before he even saw the new language in the bill again called it a quota bill. There were no quotas in the 20 years since the Griggs case. There will be none after this bill is passed.

It is important to see the quota debate clearly for what it is, merely a new name for an old phenomenon. It is merely the surfacing of old prejudices and latent hostilities that were always there, they are just coming out in the open now. It is an expression of the same vacillation and lack of commitment to equal opportunity where black people and women are concerned.

The irony about our efforts to pass the civil rights bill is that it will in the end help our economy. America will never again return to the economic supremacy it once enjoyed without the work of racial minorities. By the year 2000, our work force will be predominately minorities and women. If we as a nation fail to provide meaningful employment opportunities, if we allow employment discrimination to flourish, our future work force will not be in a position to have America compete economically in the 21st century.

This is why the tactics by some business groups such as the Fair Employment Coalition, are so destructive for America's future. This business group has run race-baiting ads targeting at certain Democratic Members of Congress. These racially divisive tactics should have no place in legitimate legislative lobbying.

Finally it is important at this point to say that unfortunately America has been and continues to be largely a racist society. African-Americans and other racial minorities still live in the basement of our society. Despite the few that have penetrated to slightly higher levels, the majority of African-Americans live in poverty. As the recent Urban Institute study has made plain, racial discrimination is still widespread.

The roots of racism run very deep in the American psyche. Therefore it is easy for the President or any political leader to appeal to the racist instincts and fear of many Americans. Often it is difficult to stand up for what is morally correct. Because what is morally correct may not be politically popular. My colleagues, we are at this hour called on to stand up for what is morally correct. We are called on to stand above the racial politics of George Bush. We are called upon to lead America to a brighter tomorrow.

We are called on to stand up for the principle embodied in the historic Civil Rights Act of 1964—that no man or women should be denied a job, a promotion, or a fair salary, or be harassed at work, because of race, sex, national origin, or religion. I call upon my colleagues to support the Towns-Schroeder bill and the Brooks substitute. Reject the Michel substitute.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SERRANO].

Mr. SERRANO. Mr. Chairman, I rise in vigorous support of a strong civil rights bill, H.R. 1.

I believe that this bill has one goal, and that is to promote equal opportunity for all Americans regardless of race, gender, religion, or ethnicity.

Last year I stated that pervasive discrimination based on race, sex, and skin color is the most destructive element in American society. Since that time American men and women continue to be adversely affected both economically and psychologically by the weakening of laws which undermine the essence of a truly democratic society.

This President should act responsibly to amend such injustice. How many studies are needed to convince Members that racism is still pervasive in this society? The recent Urban Institute report only highlighted what many of us in this Chamber know to be true—that minorities are often denied jobs, and those employed, denied opportunities to advance their careers.

An amendment I sponsored has been incorporated into this legislation. It seeks to address Hispanic and other underserved minority groups whose cases of employment discrimination have not been actively investigated by the Equal Employment Opportunities Commission.

Mr. Chairman, what we are attempting to do is provide minorities and women with that very opportunity that EEOC was created to protect—not preferential treatment as this legislation's opponents claim.

It is sad to note this is the same struggle of the early 1900's—to secure liberty and equal rights today for any American citizen who has experienced discrimination.

☐ 1640

Mr. Chairman, in closing, Mr. Chairman, this coming Monday, New York City will put forth one of its typical ticker tape parades in honor of the troops coming back home. Black, white, brown, yellow, Asian, Native Americans, and women will march hand in hand in equality. Yet once they take off that uniform, there are many in this society who feel that they are not equal.

I believe they are equal. That is why I am supporting H.R. 1.

Mr. HYDE. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, there is already legal recourse for the victims of discrimination. Legal suits can be brought or, in employment cases, complaints can be filed with the EEOC. We just do not need any more laws in this area. We have civil rights legislation and regulations up the ying-yang, Federal, State, county and local laws. The only ones who are going to benefit from this unneeded legislation are those who will benefit from unnecessary litigation. This is right, the lawyers are the ones who are going to benefit.

Of course, politicians and political activists who cannot find work doing anything else also expect to gain from this legislation. And who will not be helped by this obtrusive civil rights bill? The less fortunate of our fellow citizens. That is who will not be helped.

We have got an underclass of people of all races trapped in poverty, living in wretched conditions, enveloped in helplessness and hopelessness. We need economic growth, business expansion, not more civil rights legislation that is redundant and useless.

Mr. Chairman, the breakdown with the family, the failure of our inner city schools, drug and alcohol abuse, the unwillingness of some to take entry level jobs, a welfare system that provides the wrong incentives to people who need an inspiration to change, not pressure to remain the same, these are the factors that will make a difference between deprivation and self-government.

We care about these people living in horrible situations, whatever their race, and they come in all colors. Our hearts break and we really feel a terrible pain for these people who are living a painful existence. Far too many Americans find themselves in these horrible situations.

Rarely is this a result of bigotry. During the 1980's, not only did we not get enterprise zone legislation passed, but the rhetoric from liberals who thwarted that effort deterred the self-improvement of those who needed it the most.

The job explosion experience throughout America during the Reagan years was for far too many a missed opportunity. They were listening to so-called liberal leaders who were telling them that they should not try because they did not have a chance rather than listening to conservatives who were telling them to go for it.

As a result, immigrants who flooded our cities easily found entry level jobs, poor immigrants from Mexico, Asia, and, yes, Africa and black Caribbean islands began to support themselves with dignity, and with hard work and their own personal perseverance they began their personal economic ascent.

We cannot sit by and watch our own citizens being bypassed. The first step is to recognize that racial discrimination plays only a minor role in the economic tragedy befalling our inner cities. We need to talk about getting our economy moving, creating new jobs, and personal economic advancement of our citizens.

Let us level with these people. Let us create jobs and opportunity in their neighborhoods. Let us quit playing the cynical game of ward politics at the national level. Let us defeat this legislation. It is going to hurt those it claims to help.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, I rise in opposition to H.R. 1 which, despite its new packaging, remains a quota bill.

Many of us who oppose this particular bill are longtime supporters of equal opportunity and civil rights for all Americans. And while great progress has been made since the enactment of the Civil Rights Act of 1964, nearly all of us would admit that more needs to be done. Where discrimination in hiring practices still exists, whether on the basis of race, sex, religion, or ethnic background, we must work to completely eradicate it.

Unfortunately, H.R. 1 will not accomplish the goal of bringing about an end to discrimination in the workplace. Its passage will send the wrong message to the American people, cause turmoil and confusion in the business community, clog our courtrooms, and, most regrettably, set the cause of civil rights back.

While supporters of this legislation have claimed in recent days that H.R. 1 is a compromise, it clearly is not. Under the bill's provisions, quotas in hiring and promotion will be encouraged. The new language, intended to prohibit quotas, is nothing more than a new label on the same old product. It offers no protection to employers. In fact, under this legislation, businesses in my Long Island district will face a future clouded by the prospect of jury trials and damage awards in the hundreds of thousands of dollars if they do hire by the numbers.

I am particularly concerned that the bill's supposed punitive damages "cap" of $150,000 or an amount equal to compensatory damages plus equitable relief will be all too easily evaded. In fact, H.R. 1 allows unlimited compensatory damages and there is every reason to believe that $150,000 would be a floor and not a ceiling for awards in job discrimination cases. As many in this Chamber are aware, a recent study found that the average jury-trial award is over $640,000.

It does not make sense to threaten small businesses—the most productive and job producing sector of our economy—with the prospect of bankruptcy and ruin for losing the kind of discrimination suit that H.R. 1 will inspire. The enactment of this legislation will ensure that the only way a vast majority of small businesses can avoid a sudden-death legal challenge is to make sure that their numbers match up. Many owners of small businesses will be forced to resort to quotas in order to protect their livelihoods, and the livelihoods of their employees. Indeed, many others will resort to quotas just to avoid any potential aggravation this bill might cause.

The last few days have seen the supporters of H.R. 1 adjust, amend, modify, and tinker with their bill in the hopes of gaining a supporter here or a supporter there. Yet, at the same time, these same people have accused the President, who put his civil rights plan on the table months ago and made his opposition to hiring quotas well known, of playing politics with the issue.

The President's position has been clear, consistent, and correct throughout this debate and I am proud to be a cosponsor of legislation, H.R. 1375, embodying his antidiscrimination proposals.

Mr. Chairman, I cannot vote for a bill that will destroy jobs, businesses, and lives and, in doing so, severely damage the true cause of equal opportunity and civil rights. I urge my colleagues to stand firm with the President and vote "no" on H.R. 1—a quota bill and in favor of the Michel substitute.

Mr. EDWARDS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Chairman, I rise in strong support of H.R. 1.

This week our Nation's Capital will hold a parade in celebration of our military victory in the Persian Gulf. Countless other parades have been held and will be held throughout the country in honor of our troops as our way of showing our appreciation for the personal sacrifices our soldiers had to endure in order to defend our freedom. During these celebrations, the administration has underscored the substantial contributions of women and minorities to our Desert Storm victory.

The administration has emphasized that the military contributions of those groups of Americans illustrate how our national defense is predicated on a unified America. But while the administration emphasizes unity in the military sphere, its attacks against the civil rights bill only serve to divide our Nation. By opposing H.R. 1, the administration is essentially refusing to protect the very groups of Americans who helped make our military victory a reality—women and minorities. In this regard, I counsel my colleagues to recall President Lincoln's admonition that "A house divided against itself cannot stand." President Lincoln made those remarks on the eve of the Civil War out of this belief that "Government could not endure permanently half free." The same holds true today in the advent of our Desert Storm victory: Either we have full civil rights or we have no rights at all. I encourage you to support H.R. 1.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Chairman, H.R. 1, the Civil Rights and Women's Equity in Employment Act, all boils down to equality and justice.

Must we discuss the epidemic of job-related discrimination that we all, regrettably, know persists in 1991? Do we need to reiterate the litany of offenses, large and small, that take their toll every day in American business society? Do we need to once again spell out for non-believers how these forms of discrimination are linked to other societal problems, serving as the catalyst for widespread discontent, discouragement, and disenfranchisement of millions of Americans? I think not, because we all know it not only exists, but permeates our society.

Anyone who doubts that there are separate economies and separate worlds in the U.S. for white Americans and for members of minority groups need only look at the long lists of ghettos and barrios throughout this country. Anyone who disregards the difficulties of women trying to succeed in business needs a refresher course on contemporary American sociology. The sense of futility and frustration resulting from discrimination in hiring, layoffs, promotions and daily job concerns has a direct relation to substance abuse, homelessness, inadequate health care, and overall poverty. I am simply sick and tired of people being oblivious of the obstacles which millions of Americans face every day. Not every African-American family is as fortunate as the Huxtable family on television's Cosby Show. Department of Labor statistics showing that the percent of unemployed African-American males was over twice as high as for white males again in 1990 is proof of that.

To those critics who suggest that the committee bill and the Towns-Schroeder substitute go too far, I suggest that they consider the issue from the other side of the table. If they were the victim of an injustice in the form of employment discrimination, I believe that they would be hollering so loud that you couldn't hear a plane take off. And their screams would be for a bill even tougher than any of today's proposals.

Mr. Chairman, the committee bill and the Towns-Schroeder substitute we are debating today simply asks that the fundamental American principles of equality and justice be upheld as concrete rights, not dispensed as selective privileges.

As chairwoman of the Government Operations Subcommittee on Government Activities and Transportation through the 1980's, it was clear from our oversight investigations that for women and minorities, there is only an illusion of professional and business equality. Despite all the efforts by Congress to eliminate discrimination in the workplace and to improve the economic well-being of minorities and women, the dreams of equal opportunity are often only dreams.

My subcommittee found after a 2-year investigation of the airline industry, for instance, that the industry continues to deny opportunities from black pilots, managers, and other professionals. Minority airline employees are disproportionately concentrated in low-wage, low-skill positions. Few have been accepted into positions of authority, not to mention roles such as vice presidents and members of the board. The industry remains a bastion of white male domination.

The same picture emerges with respect to employment trends and practices of cultural institutions receiving Federal funds. In an investigation of the Smithsonian, the subcommittee found that in its 142-year history, there has been only one minority assistant secretary. As of 1990, none of the Smithsonian's seven assistant secretaries was a minority. The same underrepresentation extends to curators, researchers, the Board, and its many committees and councils.

In the procurement area, minority- and women-owned firms enjoy limited participation. Despite set-aside provisions and laws to encourage subcontracting with minorities and women, we found that opportunity for these groups falls typically in areas such as janitorial and food service.

And this employment for economic inequality is found in every sector of our economy: in the media, in retailing, in the automobile industry, financial services, professional services, manufacturing, textiles, agriculture—yes, and even the military where minorities and women often bump their heads on the glass ceiling.

With all that is known about discrimination in America, it is shocking that some people still prefer to simply label it "evil" and act as though the problem is cured.

It is unfortunate that civil rights, fairness, democracy and equality are not the issues surrounding this debate today. The debate over this issue—as framed by President Bush and our colleagues on the right—to quote the May 6 issue of Newsweek, "* * * has little to do with setting fair new rules for discrimination suits. It has everything to do with stirring racial resentment * * * on the eve of the 1992 elections."

For example, when discussing the civil rights bill a couple of days ago, President Bush said that what we need to do is "cooperate, not litigate." These were rather odd words coming from a President who recently pulled the plug on negotiations between the business roundtable and civil rights groups on the civil rights bills. He didn't like the possibility that business might actually cooperate, and take away his campaign theme against quotas.

Despite talk on both sides about this bill, the fact remains that the committee bill and the Towns-Schroeder substitute are about law and legal standards. It's in many ways a dry subject. We're told that the bill is for lawyers. And, as I said earlier, President Bush says we should cooperate, not litigate. But, this bill is not about companies that want to cooperate. It's about companies that don't.

Mr. Bush essentially wants a bill with no remedies. Well, we all know that there are rights without remedies. Civil rights without real remedies are merely civil hopes. It is amazing how many countries give all sorts of so-called rights to their citizens which are meaningless because there is no legal remedy when the right is denied.

The framers of the 14th amendment understood the difference between merely granting a right and providing a legal remedy. That's why they specifically included a section that simply reads: "The Congress shall have power to enforce, by appropriate legislation, the provisions of this article." They understood that it would take real laws establishing legal remedies to make the rights granted in the 14th amendment real rights.

Have you ever noticed that whenever we have a bill to regulate business, the President always favors provisions making it easier for business to sue, to appeal, to make it harder for the agency to regulate. But apparently he thinks women and minorities shouldn't be so empowered. If we can sue, apparently all sorts of horrors will happen. He implies that businesses, with their high-priced, experienced lawyers will be so afraid of lawsuits that they'll run for cover. Clearly, the President is simply playing cheap-shot politics with some of the dearest fabric of American democracy.

Which is why we must support the committee-passed bill and the Towns-Schroeder substitute today. The Supreme Court acted as a loose cannon in 1989 when it replaced well-conceived, broadly accepted interpretations with new, haphazard rules that are firmly rooted in a retreat from Government protection of its citizenry. I believe the Court simply made a huge mistake in rolling out a red carpet to prejudice. Our Government's role is not to create a freedom to be racist and sexist.

Today is an historic occasion in the House of Representatives. Today we have the opportunity to restore several essential rights and fashion a non-discrimination ethic for our Nation that is long overdue.

To begin with, courts have recognized that discrimination occurs not only in hiring, but also in promoting and other aspects of employment. In Patterson versus McLean Credit Union, the Court turned the clock back. The committee-reported H.R. 1 and the Towns-Schroeder substitute would reinstate these modern-day protections.

Second, in the Wards Cove case, the Court overturned its decision in the earlier Griggs case by shifting the burden of proof from the employer to the employee on the critical question of whether the discrimination was justified. That conclusion was incomprehensible, because only the employer has access to the employer's information on why they made their decisions. The committee-reported bill and the Towns-Schroeder substitute would restore the Griggs outcome.

Third, Wards Cove also lowered the Griggs standard of business necessity for justifying discrimination. This definition is the key to preventing justification of actions as a business necessity when the primary motivation is discrimination. The committee bill and the Towns-Schroeder substitute would reinstate Griggs here, too.

Fourth, in Lorance versus AT&T, the Court stated that the statute of limitations begins to run when a discriminatory practice is initiated. But that is patently unfair, since an individual employee is not able to keep abreast of every management decision. It may be years until that employee learns of the practice and is affected by it. That should be the time when the statute of limitations begins to run, and both the committee bill and the Towns-Schroeder substitute adopt that policy.

Fifth, in Price Waterhouse versus Hopkins, the Court allows intentional discrimination where it is not the primary factor in a management decision. That conclusion was unjustifiable since even our finest psychologists cannot distinguish between the No. 1 and No. 2 thoughts in the mind of an administrator. How do we really know discrimination was a primary factor? The committee bill and the Towns-Schroeder substitute make it clear that intentional discrimination is never acceptable.

Finally, the committee bill and the Towns-Schroeder substitute stipulate that compensatory and punitive damages, as well as attorney's fees, are available for victims of discrimination.

One of the thorny issues that has emerged in the past few days is the issue of caps on punitive damages for sexual discrimination. The notion that there should be such a limit shows a fear of the American people. Why do I say this? Because damages are decided by juries. And juries are Americans.

Are we afraid that the same people who entered a voting booth and elected us to our office can't be trusted to enter a jury room and make a decision on punitive damages? Explain to your constituents why you're afraid that if 12 of them get in a room, they can't be trusted to determine damages.

Well, I am tired of President Bush and his cronies telling us to cooperate, do not litigate. He and his supporters know all too well that legal remedies make rights and without them, there are no rights. The President thinks he has the votes to sustain a veto, so he feels no need to negotiate. I think the American people know which person doesn't want to cooperate.

Mr. Chairman, I urge my colleagues to support the committee bill and the Towns-Schroeder substitute.

□ 1650

Mr. EDWARDS of California. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. HUGHES], the distinguished chairman of the Subcommittee on Crime of the Committee on the Judiciary.

Mr. HUGHES. Mr. Chairman, I rise today in support of H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991.

As was the case last year, I do so with certain reservations. I commend Chairman JACK BROOKS and ranking minority member HAMILTON FISH for their efforts to craft a compromise which is both fair and reasonable. Although I believe there is still room for improvement, I intend to support the Brooks-Fish compromise.

Some of its provisions will restore civil rights standards that served us well for many years, while others will deal fairly with forms of discrimination that were not addressed by our earlier civil rights laws.

Without this legislation, employment practices which exclude or limit the opportunities of millions of Americans will continue to be left unchallenged. This legislation will correct the regressive tilt in the civil rights law created by five 1989 U.S. Supreme Court decisions.

H.R. 1 will guarantee women the right to sue employers who intentionally discriminate against them, and make monetary damages remedies available to women and religious minorities.

Just as importantly, it will send a clear signal to the business community that intentional discrimination is illegal, and that discrimination in the employment process cannot and will not be tolerated.

Mr. Chairman, the two major criticisms which have been leveled at this bill are that it requires hiring and promotion quotas and that it puts an unfair cap on punitive damages. Neither of these criticisms is valid.

With regard to quotas, the bill specifically states that employers cannot be charged with discrimination simply because of the statistical composition of their work force. In fact, it explicitly prohibits quotas and makes the use of quotas a violation of title VII, entitling the person harmed to damages. With this language, I believe we have eliminated any legitimate basis for calling this legislation a quota bill.

The Brooks-Fish substitute also prohibits the adjustment of employment test scores on the basis of race, color, sex, religion, or national origin, as well as the use of tests which are not valid and fair. This is a major improvement over H.R. 1, as reported by the Judiciary Committee.

The substitute also makes clear that final court orders may not be vacated unless there is a finding of manifest injustice. And finally the Brooks-Fish substitute honestly attempts to restore the business necessity standard of the landmark Griggs versus Duke Power decision.

By comparison, the Michel-administration substitute is a far less satisfactory alternative. It would allow selection practices which are weighted against women or minorities even when they have no relationship to the jobs in question.

In mixed-motive cases, it would permit discriminatory considerations as long as they are not major considerations. I do not believe that we should tolerate a little discrimination and thereby make our country a land of partially equal opportunity for all.

In addition, the administration's proposed limits on damages are inconsistent and arbitrary. Rather than provide true compensation to victims, the substitute bill authorizes equitable awards that would only be granted at the discretion of a judge. In addition, it only proposes these awards in harassment cases, rather than in all intentional discrimination cases. Such a provision is self-defeating and virtually guts the damage provisions of the bill.

Mr. Chairman, discrimination was once legally embraced by our country, and that fact is one of the greatest tragedies in our Nation's history. The rights to life, liberty, and the pursuit of happiness are the very principles make the United States the greatest country in the world. Those rights should not depend on one's race, sex, or religion or national origin.

I urge my colleagues to support the Brooks-Fish substitute and vote for the Civil Rights Act of 1991 on final passage, and oppose the Towns-Schroeder and Michel substitutes.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, I thank the distinguished chairmen BROOKS, EDWARDS, and FORD for their leadership. I rise to support H.R. 1 and the Brooks-Fish substitute. It moves this Nation closer to equity in the workplace, closer to equity in employment, and closer to equal opportunity.

The President said "We want to sign a bill that advances the cause of racial harmony, and we want to sign a bill that encourages people to work together."

But the President said stop to members of the Business Round Table who sought to help develop just such a bill.

The President said, "We have a good record on civil rights and we have a good record on fair play."

But under the President's bill, businesses can refuse to hire employees who will not waive the right to sue; that is not fair play. The President's bill allows businesses to adopt a blanket policy of refusing to settle a suit unless the plaintiff waives attorney fees; that is not fair play.

The President and his high-paid Republican political consultants do not want hard-working Americans to think about what is happening in this country.

The President does not want hard-working women to remember that they earn less than men and that much of the disparity between what men earn and what women earn is due to employment discrimination.

The President does not want hard-working Americans to remember that during the 1980's white male high school graduates with 5 years experience had an average decrease in wages of 18 percent.

The President does not want hard-working Americans to think about their standard of living dropping while the Nation's wealthy have gotten wealthier. The President wants working Americans to think quotas are sending their jobs overseas, and quotas are lowering their standard of living. Baloney.

Men and women, regardless of race, religion, color, or national origin, fought side by side in the Middle East. Let us pass the Civil Rights Act of 1991 so that all Americans can work side by side in the United States.

Mr. HYDE. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I have thought very deeply about the issues surrounding civil rights and what we here in Congress are trying to accomplish, and I've come to the conclusion that what is really at issue here are two very different visions of America.

Here is my vision: It is of an America where people are not denied nor offered greater opportunities in life on the basis of their skin color or sex. I believe, as most Americans do, that people should succeed on merit, on their talent, and on their ability. This is an America where all people, regardless of race, religion, or gender, compete on a level playing field.

But, Mr. Chairman, there are some in this House, supportive of the Brooks-Fish substitute who, sadly, believe in a very different vision for America. They would like to see an America where gender and skin color matter more than talent or ability.

What this bill says is that if you are a woman or a minority you will be given preferential treatment solely on the basis of your race or sex. This is a great injustice to the American people. And most of all, it is a great injustice to the minorities and women whom I finally believe have the talent to succeed on their own—without the help of the U.S. Congress. If we really are intent on helping women and minorities in this country we should quit the quotas now.

What we need is a color-blind society with equal opportunity for all Americans, and not a color-conscious society with equal results for all. I urge opposition to H.R. 1 and support for the Michel substitute.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. HOLLOWAY].

Mr. HOLLOWAY. Mr. Chairman, the last thing our country needs is for us to divide ourselves along racial and ethnic lines. Like it or not, the so-called civil rights bill will do just that—divide us—because it is a quota bill. Now, there is some new language in the bill which specifies that hiring quotas are specifically illegal under the bill.

Sorry, but the bill will still result in quotas. Employers and business owners are going to be so concerned about being hauled into court to prove their innocence, and that is just what they will be required to do under this bill; prove their innocence, prove they did not discriminate. Take it from me: Your small business owner is going to hire defensively to protect himself. The small business owner doesn't want to spend his time in court, he doesn't want to spend business money making some lawyer a little richer. Let me tell you: This bill is heaven for lawyers, and there are too damn many lawyers in this country already. That is the obvious benefit of this civil rights bill, it makes more lawyers more money. Besides being basically unfair, it would encourage more lawsuits and further burden our overworked court system.

Members should face the fact: This bill will drive a wedge between employers and job applicants, cause resentment, and cost money. Business will still face the prospect of jury trials and huge damage awards if they do not hire by numbers.

Mr. Chairman, I am not here to pretend that our society is color blind. I am not going to pretend that the workplace is color blind. But, I am here to tell you, that this bill will make the workplace color conscious. That is wrong. Our workplace should be concerned with skills, ability and need, not color. That is why I am going to vote against this civil rights bill.

□ 1700

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, this is not a debate on civil rights or job discrimination or capping punitive damages for sexual harassment. This is Presidential politics 1992, the opening salvo by the White House to exploit those so-called wedge issues like Willie Horton.

It is very simple. The White House has polled and found by using the word "quotas" they pick up votes. They even threaten business groups that simply wanted to negotiate a bill. Even if this bill were the quota abolition act, the White House would still say it is a quota bill.

Mr. Speaker, let Members rise above this divisiveness in our body politic. Let Members pass this good civil rights bill that addresses job discrimination. Let Members bury the Willie Horton issues once and for all.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise to express my strong support for the Civil Rights and Women's Equity in Employment Act of 1991.

This measure embodies the fundamental principle that each person has an equal opportunity to seek employment and to expect equal pay for equal work. No more, no less.

H.R. 1 recognizes the increasing diversity of our work force and reaches out to millions of mainstream Americans. In doing so, the bill simply brings the laws up to date with the realities of present day America.

A quick snapshot of today's work force reveals the critical role of women who now comprise nearly half of all workers. The Democrats' bill and the bipartisan compromise recognize this legitimate and significant place of women in our economy.

Not so the President's bill.

"You just don't rate," says the President to millions of women. "You don't deserve fair treatment, even if you are the victim of blatant discrimination." That is the President's loud and clear message to hardworking women. That is a slap in the face to the women of America.

H.R. 1 acknowledges that women have the right to equal treatment by providing them with a means to be compensated for intentional discrimination. And H.R. 1 requires that employers hire on the basis of an individual's ability. The bipartisan compromise expressly outlaws quotas and permits a quota victim to sue for damages. Under the substitute, a white male may sue an employer for discrimination just as a black female may sue an employer.

That is what this debate is all about—barring discrimination in the work force. Recognizing the legitimate contributions of workers, regardless of their color, sex, religion, ethnicity, disability.

The Nation's commitment to eradicating discrimination has been advanced by the bipartisan support of all Americans since the late 1950's: President Eisenhower, when he was faced with the first civil rights demonstration. John Kennedy, Lyndon Johnson, Richard Nixon, who played an important leadership role.

Republican congressional leaders like Everett Dirksen have taken this potentially contentious issue above politics.

The exciting part of what is happening today is that Democrats and Republicans in the House and Senate, may be even two-thirds, are maintaining that tradition.

The saddest part of this moment is that the President of the United States is more interested in politics than national unity.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I was a little embrarrassed when the President of the United States suggested that if we were going to look for equal opportunities and equal rights we ought to take a look at what is happening at West Point.

First of all, if there is equality at West Point, the 435 Members had something to do about it. And there is no question in my mind that once we have reached that point, that we do not need quotas, we do not need preferential treatment, we do not need anything because for those who are willing to put their lives on the line, for those who are willing to say that they are anxious to serve, for those that are prepared to say that they want to defend the United States, you bet your life this country is prepared to give a lot of equality, whether it is in the Persian Gulf or whether it is in the invasion of Panama.

What we are talking about is that just being born a citizen of the United States, whether a person is black or white, whether they are male or female, let citizens have an equal playing field. When we take a look at the statistical data as to who is unemployed, who is denied college education, who are homeless, who are jobless, and who are hopeless, we do not find it in West Point.

I hope we start talking as friends and as colleagues around here and get on in doing what we are supposed to do, and that is that God made all people free, and let all people have a civil rights bill that would protect those unalienable rights.

Mrs. UNSOELD. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Florida [Mr. BENNETT].

The CHAIRMAN. Is the gentlewoman from Washington controlling the time of the gentleman from Michigan [Mr. FORD]?

Mrs. UNSOELD. That is correct, Mr. Chairman, and I have yielded 1 minute to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I rise in support of the Brooks-Fish civil rights bill. Things I particularly like in this legislation are:

First, this legislation gives the person discriminated against ample opportunities to seek needed relief, including compensatory and punitive damages.

Second, there is a reasonable cap on the amount of punitive damages allowed.

Third, it explicitly prohibits quotas and makes the use of quotas illegal.

Fourth, the bill makes it illegal for intentional discrimination to be any factor in the employment process; and the offending employer cannot excuse its discriminatory actions by asserting other contributing reasons.

Fifth, the bill reasonably allows an employer's practice to be justified where it "bears a significant and manifest relationship to the requirements for effective job performance."

Sixth, the bill sets a reasonable statute of limitations and starts the running of the statute when the employment practice is adopted or when it has an adverse effect on the plaintiff, whichever occurs later.

One of my greatest joys since I have been in Congress has been to see and help the progress in our laws, and in our country, in the field of eliminating deplorable discriminations. I feel very blessed to have been permitted to play a part in such improvements. The Brooks-Fish bill before us today is a carefully drafted bill that carries us forward again. I hope it can be overwhelmingly approved.

The CHAIRMAN. The Chair would advise the Members controlling general debate that the gentleman from Pennsylvania [Mr. GOODLING] has 7 minutes remaining, the gentleman from Illinois [Mr. HYDE] has 9 minutes remaining, the gentleman from Texas [Mr. BROOKS] has 22½ minutes remaining, and the gentleman from Michigan [Mr. FORD] has 10¼ minutes remaining.

Mr. EDWARDS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Mr. Chairman, I rise in support of H.R. 1.

Mr. Chairman, if you listen to all of the rhetoric, one would think that a major civil rights revolution is about to occur in America.

But if you look at the reality of the legislation we're debating, you will find that's not the case at all.

With the exception of adding damages for women who suffer intentional discrimination, the civil rights legislation we are debating today does not make any radical changes in civil rights law.

It will not create any preferences for minorities.

It will not create any bonanza for lawyers.

It will not cause small businesses to go broke.

It will restore laws which have served our Nation well. It will restore standards like that set by the Court 20 years ago in the Griggs case. The Griggs standard said that if an employment practice disproportionately disqualifies minorities and women, the employer must demonstrate that it is necessary for successful job performance.

There is no evidence anywhere that the Griggs decision promoted hiring by quotas. There is substantial evidence that it promoted hiring by qualifications—and that standard ought to be restored.

Griggs and similar decisions have promoted equal employment opportunity across this country. But they especially helped to transform my region from the old South to the new South. They helped transform the South from a region where people once left to escape oppression, to one where people are now returning in search of opportunity. I don't want to go back to the South of old.

And isn't opportunity really what this debate should be about?

This Congress and the administration should be about creating jobs and opportunities for all Americans and not encouraging them to blame someone else for jobs that are being lost. Two million jobs have been lost in this recession. The average weekly wage for middle income workers has been falling over the last 20 years.

But it is easier to provoke anger and division over a pie that's shrinking, for political gain, rather than to expand the pie. Some people in Washington may get to keep their jobs—but that won't bring one more job to the people of America.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the gentlewoman from the District of Columbia [Ms. NORTON] who has been an enormous help in the writing of this bill.

Ms. NORTON. Mr. Chairman, as a former chair of the Equal Employment Opportunity Commission, I do not recognize the statute that the minority has been discussing. All sides purport to wish to return to the Griggs standard because, of course, the employer should have to justify his own selection standards.

However, the minority wants the Griggs standard to read "any standard that has a relationship to legitimate business goals." Mr. Chairman, any standard that is not illegal or criminal surely will have a relationship to legitimate business goals.

The Griggs standard, the standard of the majority substitute is relationship to the job to be performed. Surely, that is the rational standard, that is the Griggs standard. I might add, that is the standard recognized by the Business Roundtable.

When I was the Chair of the New York City Commission on Human Rights, a suit was filed in court by people who took a fire department test. The court threw out the test because the test had a substantial number of questions about current events, and the court reasoned that if a person was in fact at the top of a building 89 stories high in New York, the first question to come to your mind would not be who was Henry Kissinger, or what is the day's news.

In the same way, we should continue to require that the employer relate his job qualifications to the specific job to be performed, and not only to any legitimate business goal which I submit, Mr. Chairman, is almost anything.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. MINETA].

□ 1710

Mr. MINETA. Mr. Chairman, I rise today in strong support of H.R. 1, the Civil Rights Act of 1991.

Mr. Chairman, who is kidding who with their opposition to this legislation?

Ever since the Supreme Court began chipping away at the laws protecting our civil rights, opponents of civil rights have been chirping away at this bill.

The White House does not want a bill protecting civil rights.

They know it, and we know it.

When the civil rights community and the Business Roundtable began working together to reach a compromise, the White House torpedoed the talks.

When the leadership in this House worked to assure American business about the quota issue, the White House chirped some more.

"It's a quota bill. It's a quota bill. It's a quota bill," They said again, and again, and again—trying to repeat a lie so often that it would be believed as the truth.

When explicit language was proposed to ban hiring quotas, the White House again cried out, "It's a quota bill."

And when that language was made even more direct, the White House flaks were making the media rounds saying, "It's a quota bill"—even before the White House had seen the new language.

Mr. Chairman, it seems that the White House doesn't know the difference between civil rights and civil wrongs.

Before the Supreme Court decisions, we had a system that worked for 18 years and could have worked for years to come.

We need to put that system back in place.

The Civil Rights Act of 1991 will do just that. It is not a quota bill. It has never been a quota bill.

The President cannot veto that reality even if he again chooses unwisely to veto a civil rights bill, as he did last year.

Mr. Chairman, if the President and his advisers persist in their myopia, Congress must not fail to stand up for fairness and the spirit of our Constitution.

Mr. Chairman, I urge my colleagues to support the bill.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, when we fight for civil rights what are we fighting for? Freedom.

We are fighting for the right of every individual to live up to his or her potential in the workplace. We are putting this Federal Government behind every individual so that no person can hurt us or harm us or stop us from succeeding because of their hatreds or their prejudices.

Those who would do this are a relative few, but they must know that they are wrong.

So whether we're male or female or black, brown or white or Protestant, Jew, Catholic, or Muslim or have a limp or a crutch, no one can stop us because of hatred or prejudice.

Through the years great leaders have spoken out on civil rights—

Dr. Martin Luther King, Jr., spoke movingly of "our triumphal march to the realization of the American dream." Dr. King knew then as we do now that the "season of suffering" of discrimination cannot last for long "Because no lie can live forever."

Robert Kennedy told us that the victims of discrimination do not need "the charity and favor of their fellow citizens, but equal claims of right and equal power to enforce those claims."

And our own hero, Congressman JOHN LEWIS, told us last year: "As Members of Congress, we are in a position to create a climate—an environment—to pave the way for the private sector to adhere to equal opportunity * * *.

On civil rights, Presidents have spoken out and have lifted our country higher because of their words.

President Eisenhower: "No true American, no American worthy of the name, would want deliberately to exclude another American from full opportunity to enjoy every guarantee under the Constitution."

President Kennedy: "We cannot afford to be complacent while any individual's rights are denied or abused."

President Carter: "The passage of the civil rights act during the 1960s was the greatest thing to happen to the South in my lifetime.

These words said to Americans: we are one nation—let us respect each other and live up to our greatness.

Now what does President Bush say? "You can't put a sign on a pig and say it's a horse."

He relates our civil rights bill to a pig. How sad for this Nation.

He talks about the civil rights bill at a graduation of cadets and he calls it a pig. When he had the chance to reach into the hearts of our young people and inspire them.

I'm very saddened by this. Saddened for our country. And saddened for this President that it will be written of him that when the debate on civil rights came before him he reached to the fears in our people not to the goodness, he reached to the hatred in our people not to the love, he reached to the division in our people, not to their unity.

I believe better of our people. I believe better of our business community, and I think we should pass a civil rights law that brings us together as one as we say; We stand for the right of each individual to reach for the stars. Because when we do that as a nation, there is nothing that can stop us.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Ohio [Mr. STOKES].

Mr. STOKES. Mr. Chairman, I rise in support of the Brooks-Fish Substitute. This bill is crucial to our efforts to end discrimination in the workplace, and to strengthen the remedies currently available for victims of discrimination.

This Congress attempted to put the issue of discrimination in the workplace to rest 27 years ago when it passed title VII of the Civil Rights Act of 1964. As disappointed as I am to see that we are here today debating issues which should have been resolved by now, the action we take today is necessitated by action taken by the Supreme Court in 1989.

Yesterday, during a press conference here in Washington, civil rights leaders issued a statement which succinctly states the purpose of H.R. 1. They said:

> "The principle of the Civil Rights Act of 1991 is the principle of the historic Civil Rights Act of 1964—that no man or woman

should be denied a job, a promotion, or a fair salary, or be harassed at work, on account of race, sex, national origin or religion. That is a guarantee that all working Americans properly regard as their birthright. Two years ago the Supreme Court turned that right into a cruel hoax, writing in the law a series of loopholes that permit many employers to discriminate with virtual impunity. The Civil Rights Act of 1991 would bring to bear the full force of Federal law to enforce fundamental fairness for American workers.

Specifically, H.R. 1 would close the court-created loopholes:

First, by restoring the higher standard of business necessity that businesses must meet to defend an employment practice that has a disparate impact on women or minorities—a standard used between 1971 and 1989;

Second, by specifying that it is illegal for intentional discrimination to be any factor in the employment process; and

Third, by setting up a procedure to limit the ability of nonparties to later challenge a consent decree resolving an employment discrimination claim.

The action we take today, Mr. Chairman, is both appropriate and proper. It is not an endeavor to provide preferences, quotas or special treatment. It is simply an effort to guarantee that all Americans are afforded equal employment opportunities.

A review of recent data provides a clear picture of the type of disparities this bill attempts to correct. A recent urban institute study concluded that young white men seeking entry level jobs in the metropolitan areas of Chicago and Washington receive favorable treatment, including job offers, three times more often than their equally qualified African-American counterparts. Based on information gathered in the study, researchers noted that job discrimination against African-American men appears to be "widespread and entrenched." The authors of the study also noted that the level of reverse discrimination was limited and "was swamped by the extent of discrimination against African-American job applicants."

Mr. Chairman, these findings hit home for me. The U.S. Department of Labor recently reported that Cleveland, OH, which I represent in Congress has the highest African-American unemployment rate in the Nation. One in five, over 20 percent, of the city's employable African-Americans were unemployed in 1990. For employable whites, the unemployment rate was about 9 percent. These data underscore the need to reaffirm civil rights protections in the workplace.

President Bush asserts that passage of this legislation would result in quotas. This assertion is his attempt to politicize the issue, rather than deal with it as the moral and constitutional issue it is. In recent weeks, he raised the issue when speaking before cadets graduating from West Point. His comments were offensive, particularly in light of the fact that the minorities in that very class will be going into the military, which is the only area of employment in America in which African-Americans are able to acquire the education and training needed to achieve their full ability. Moreover, it is shameful that rather than giving this country the leadership it needs and deserves, the President chooses to use this issue for his own political purposes.

In light of the glaring disparities in the area of employment, the struggle to end discrimination must continue. Passage of H.R. 1 today is crucial to this effort. Otherwise, our efforts in the Congress for the last three decades will have been in vain. We risk having long-established civil rights laws being permanently placed in our Nation's past, rather than having a place in our Nation's future where they belong. I urge you to vote for H.R. 1.

Mrs. UNSOELD. Mr. Chairman, I yield 1½ minutes to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Chairman, as a member of both the Education and Labor and Judiciary Committees, I am proud to have been a part of the debate over this historic measure.

This is not a quota bill. This is an opportunity bill. The problem with the Bush administration is that they just don't believe in people, that people given an equal opportunity have the capacity to do great things. What this bill will do is give everyone an equal opportunity to vindicate themselves in the workplace.

Opponents of this legislation have sought to scare Members of Congress away from this legislation with the same divisive tactics that we saw in the 1988 and 1990 elections.

It is an outrage to me that some people would prefer to play politics when people's rights are at stake. Members of the business community and the civil rights community worked to develop reasonable legislation to advance civil rights and the Brooks-Fish substitute reflects those efforts.

The White House responded by squelching those negotiations and continuing to label the bill—any civil rights bill—a quota bill.

To say this is a quota bill negates the 18 years of history between the Griggs decision and the Wards Cove decision. To suggest that during that time the business community was creating an elaborate system of quotas is just ridiculous. This bill does not take us any further than the law as it existed for the past 18 years before the recent series of Supreme Court decisions which dramatically weakened longstanding protections against discrimination on the job.

We should all be able to agree that every American deserves fair treatment on the job and a workplace free from discrimination.

Approval of this bill is particularly important for women, who are not protected by section 1981 of the United States Code, and who currently, even if they prove that they were the victims of egregious intentional discrimination, can end up with no relief at all from court cases that they have technically won.

H.R. 1 guarantees for the first time the right of a woman to sue an employer who intentionally discriminates against her and to sue for monetary damages as do victims of other forms of discrimination.

I am disappointed that the bill will include a cap on these damages. It is an unfortunate and regrettable turn of the legislative process that to get a veto proof margin, this cap was included. I would have preferred to vote for a bill without caps, that treats everybody equally. There isn't any reason why victims of sex discrimination or religious discrimination or discrimination based on disabilities should have a lesser remedy available.

However, President Bush was planning to criticize—and veto—this bill no matter what compromises were made. Last weekend he chose to attack this legislation at my alma mater, West Point.

When I was at West Point, I too heard a speech about civil rights given by a great American, but it wasn't President Bush, it was Vernon Jordan.

He told a story about an elderly woman sitting on her proch watching young people marching for civil rights go by her house in rural Georgia. And although she was too old to get up and march with them, she was able to rise up and shout at the marchers: march on children, march on.

Today we have the opportunity to tell a new generation, to tell our country to march on. That it is time to go forward and not retreat. This is not the time to surrender to our basest fears but to reaffirm our noblest principles.

Mr. HYDE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. COX].

Mr. Chairman, will the gentleman from California yield to me?

Mr. COX of California. I am delighted to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I just want to respond to the last gentleman from Rhode Island.

He said there were no quotas between Griggs and Wards Cove in 20 years. He is absolutely right, but there were no jury trials with unlimited damages under title VII then. This imposes jury trials with unlimited damages. That is the difference.

Now, the President has taken an awful bad rap all day long here. The gentleman from New Jersey [Mr. HUGHES] says, well, the campaign is starting. It sure is, and you are starting it.

Let me read to you from Watson versus Fort Worth Bank and Trust. The gentleman from New Mexico talked about we are using the word "quotas," a bad word. Well, Sandra Day O'Connor, someone you have been quoting with approbation all day long, said this in a 1988 Supreme Court case, Watson versus Fort Worth Bank and Trust:

> If quotas and preferential treatment become the only cost-effective means of avoiding expensive litigation and potentially catastrophic liability, such measures will be widely adopted. The prudent employer will be careful to ensure that its programs are discussed in euphemistic terms, but will be equally careful to ensure that the quotas are met.

That is where the quota langage comes from, your bill and the logic of Sandra Day O'Connor's statement in the Watson case, and I thank the gentleman for yielding to me.

Mr. COX of California. Mr. Chairman, I do not believe that if H.R. 1 or any of the substitutes becomes law that it will be the end of business and opportunity in America. It will however, be one incremental step along the road that is making America less competitive.

I do not think the people who are supporting this legislation have bad motives, nor do I think that the people who are opposing it have bad motives.

What we ought to do, it seems to me, is leave aside a lot of the rhetoric and focus on what works. What is it that we are trying to do? What we are trying to do is create economic opportunity because that is the way out of these social problems that we care about.

Yet, if we take a look at our record, go back and take a look at the Eisenhower and the Kennedy administrations during which time black teenage unemployment and white teenage unemployment were about the same.

Starting in about 1974, they started to diverge and now black teenage unemployment is over 50 percent.

What we are doing is not working. Minority set-asides, paternalistic group benefits, more government, more regulation, more lawyers and more expense for business, large and small, is not working.

What we are doing in this bill is adding even more lawyers to this overlay of government and we are attacking the most fundamental civil right that each of us enjoys, the right in court to be innocent until proven guilty. This legislation puts the burden of proof on a defendant, and in that sense it goes far to establishing quotas.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. GOODLING. Mr. Chairman, I yield 1 additional minute to the gentleman from California.

□ 1720

Mr. COX of California. It is in that way, by raising the expensive litigation, that this bill will lead to quotas. I should add that the notion, that we have, the rather quaint notion that these cases will all be decided by presenting facts and law to a judge, a benign Judge Wapner, who will then make a decision, is just flatout wrong.

Ninety-three percent of all cases in the Federal system are terminated, ended without a single day of trial. They settle. They settle on the basis of expected costs. Litigation takes years.

By shifting the burden of proof to the defendant, we cause the defendant, regardless of the merits of the plaintiff's case, to settle and to settle sometimes for hundreds of thousands of dollars because those transaction costs are run up by lawyers charging $200 an hour.

It is in this way that we will penalize job creation, raise the cost of doing business, hurt American competitiveness and destroy the best opportunity we have to solve our social problems, economic growth and opportunity in America.

Martin Luther King said, "Judge me by my character, not by the color of my skin." That is the kind of civil rights bill that we need.

Mr. GOODLING. Mr. Chairman, I reserve the balance of my time.

Mr. BROOKS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. Mr. Chairman, I rise in strong support of H.R. 1, the Civil Rights Act of 1991, and say that America is a great Nation, one of growing diversity. By the year 2000, less than a decade, two out of three entrants into the labor market will be nonwhite. Our children will work and live in an environment more diverse than we can imagine.

Mr. Chairman, our focus today should not be on the matter of race but on how we best prepare our Nation to take the greatest advantage of that diversity and that which it can bring to the American business and society as a whole. Preparing our children and our businesses for the next century must be our paramount concern.

Today's children are tomorrow's workers. The Civil Rights Act of 1991 will help bring our Nation's work force into the 21st century.

This bill will encourage American businesses to include women, minorities and the disabled in today's work force so that our businesses will be better prepared for the future, to serve the future of America.

The actions of this Congress and the President will determine what kind of future we leave for our children. By making this bill law, we can guarantee that all Americans have an equal opportunity to succeed in today's society.

Mr. BROOKS. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness.

One hundred and seventy-eight years after the Declaration of Independence was written that promise was finally fulfilled with adoption of the Civil Rights Act of 1964—all Americans—men and women, regardless of race, color, religion, or national origin were guaranteed an equal shot at the American dream—equal access to public accommodations, the provision of State and local government services, and perhaps most important employment.

Now the decisions of a right-leaning Supreme Court threaten to undermine the foundation of these precious rights. Under their Wards Cove decisions—men, women, people of color or certain religious beliefs could be excluded from a job for which they are fully—even best qualified—by virtue of their sex or color if their denial of employment met legitimate employment goals.

The President and his political advisers have cynically labeled this a quota bill. The Brooks-Fish substitute prohibits the use of quotas. The committee bill says nothing in this bill shall be construed to require or encourage quotas, and the Schroeder substitute would restore the pre-1989 Griggs standard which did not result in the adoption of quotas. There are no quotas in this bill, rather, a goldmine of ugly, divisive race- and sex-baiting by an administration more intent on advantages at the ballot box than true equality, fulfillment of the American dream.

Mr. BROOKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. LEWIS].

Mrs. UNSOELD. Mr. Chairman, I also yield 2 minutes to the distinguished gentleman from Georgia [Mr. LEWIS].

The CHAIRMAN. The gentleman from Georgia [Mr. LEWIS] is recognized for 4 minutes.

Mr. LEWIS of Georgia. Mr. Chairman, I rise today to speak on behalf of the Brooks-Fish bill.

Mr. Chairman, I said this last year, during the debate on the Civil Rights Act, and I must say it again this year, this is an old, outdated and insulting argument. It is a shame and a disgrace that, in 1991, we are still debating whether or not we should protect our fellow American citizens from discrimination.

Thirty years ago, I first came to this city as a 21-year-old student to begin a historic journey called the Freedom Rides. As we traveled throughout this Nation, from Washington, into Virginia, through North Carolina, South Carolina, Georgia, Alabama, and Mississippi, I saw those signs that said "white men," "colored men." "white women," "colored women," "white waiting," and "colored waiting."

A large number of individuals and many Members of this body had the moral courage to help bring those signs down. Those signs are gone, and they will never return. We won that battle, but our mission is not over. The fact is, that almost 30 years after the 1964 Civil Rights Act and the 1965 Voting Rights Act, the scars and stains of racism are still deeply embedded in the American society.

I wish to remind my colleagues, the Civil Rights Act of 1991 only attempts to take us back to where we were before the recent Supreme Court decisions. There is nothing radical, there is nothing extreme, and there is nothing revolutionary about this piece of legislation. And I want to restate that there is not one section, one paragraph, one sentence, not one word which would suggest that this is a quota bill. For anyone to suggest this bill has anything to do with quotas is tampering with the truth and misleading the American people.

I must say, Mr. Chairman, that this bill is not a panacea—it is not a cure-all. It will not free millions of Americans from discrimination. But it will send a strong message that discrimination based on sex, on race, on disabilities, will not be tolerated and will not be supported by the Federal Government.

This legislation will help create a climate, an environment which will encourage and affirm the participation of all of our citizens in the workplace. As a body, we must do what we can to remove the remaining walls of racism.

It is strange to me that we have these "Johnny Come Latelies," these self-appointed civil rights do-gooders, many of whom opposed the 1964 Civil Rights Act, the 1965 Voting Rights Act—all at once they know what is best for women, they know what is best for minorities. I am referring to groups like the National Federation of Independent Businesses, the Fair Employment Coalition, the U.S. Chamber of Commerce, and the National Association of Manufacturers. I believe that if it were left up to some of these groups, we might still have those "white only" and "colored only" signs in many parts of our country.

If it were left up to some of these groups, women and minorities would still be the last hired and the first fired, or never hired or never promoted.

How can these groups explain their actions to the men and women returning from the Persian Gulf; Thank you for risking your lives for the "American Way," but sorry, you are not entitled the basic human rights guaranteed in our Constitution simply because of your sex, your race or your religion.

If we can send more than 500,000 of our young men and women, black and white, Protestant, Catholic, and Jew half way around the world to liberate a small nation, why is it so difficult for the 435 members of this body to stand up and liberate our own citizens in our own country from discrimination in the workplace.

I urge my colleagues to support this bill. It will move us—as a people, as a society, as a nation—a step closer to what I like to call the "beloved community," a society where we can forget about race, sex, and color and judge people by their character.

Mr. Chairman, it was Abraham Lincoln who once said, "Those who deny freedom to others, deserve it not for themselves; and under a just God cannot long retain it."

My friends, the message must go forward from this body, through our actions and our votes, that we are one Nation, one people, one family—the American family.

Mr. BROOKS. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from California [Mr. ANDERSON].

□ 1730

Mr. ANDERSON. Mr. Chairman, I rise today in support of the civil rights bill of 1991. For many, this is not an easy vote. But Congress' commitment to civil rights is as important to women, racial minorities, and religious minorities today as ever before. This bill will protect all Americans from the taint of discrimination by elevating our country's laws to a standard once adhered to, and without imposing quotas.

I am unequivocally opposed to quotas. Being a businessman myself, I understand the need to hire qualified personnel in order to survive in today's economy. Businesses must also be allowed to hire, fire, or promote an employee on a merit system, not on the basis of quotas and litigation avoidance. I would not support legislation that would force employers to sacrifice these rights by adopting statistical quotas. The Brooks-Fish substitute is the only measure that regards quotas as an unlawful employment practice and explicitly prohibits their use. Businesses are thus freed from hiring by statistical balance.

The goal of the Democratic civil rights bill H.R. 1 is to promote an equal playing field for all job applicants and employees. Unfortunately, our job markets are not color-blind. A recent study conducted by the Urban Institute found that job applicants who were equally paired in all qualifications, except for race, met with unequal results. White applicants not only received three times more job offers than the black applicants, they also advanced farther in the hiring process three times more often than their black counterparts. Contrary to the administration's position, this study shows that blacks are not getting preferential treatment in the job market. The fact remains that the real obstacle to an equal playing field is discrimination, not reverse discrimination. This bill will create this level field by requiring that job applicants and employees be judged on their abilities rather than on their race, sex, religion, or ethnicity.

The real issues in this debate have been overshadowed by rhetoric. The Civil Rights Act has been accused of both promoting quotas and creating a lawyer's bonanza by allowing punitive damages for women and minorities. Now, after these issues have been addressed, the bill is being linked to race-norming, which, like quotas, has been prohibited by the Brooks-Fish substitute. Congress must now see through this rhetoric and move forward on civil rights. In doing so, we will advance the rights of all Americans. As Americans, we will now look toward the President to sign this just and needed legislation.

Mr. BROOKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I rise in strong support of H.R. 1, as well as the Towns-Schroeder substitute and the Brooks-Fish substitute.

For a third of a century Americans have believed that we ought to move forward, not backwards, in the struggle for equality. They have known that our Nation suffers morally and economically when any person is held down unfairly. They have put their time, their money, and yes, their lives on the line for simple justice—for the belief that there is no room in a great nation for bigotry and racial hatred.

But today that civil rights consensus is threatened. Not from a backlash by the majority. But by an administration hellbent on dividing this Nation for partisan political gain. And by a few white men in black robes who see nothing wrong with an America for the privileged few. Today's Supreme Court would resurrect barriers that most folks thought were knocked down years ago. Sadly, we have gone from a protector to a polluter of civil rights:

For decades, the Court said that an 1866—yes, 1866—law prevented discrimination on the job. Now the Court says that the law only prevents prejudice at the door—at the time of hiring.

For nearly 20 years, the Court told us that an employer had to prove that a racially imbalanced work force was not the result of discrimination. Now the Court says that victims must prove that it was—even though discrimination does not usually leave a paper trail.

And for years, Americans assumed that prejudice had no place in employment decisions. Now we are told that discrimination is just fine, so long as the employer can find a good reason for it—after he has had time to make up an excuse.

Americans believe there is no room for bias and discrimination, no matter what the protectors of privilege say. We did something about the Grove City case. Now we are going to do something about these latest backwards decisions.

Because America will not tolerate racial bias on the job any more than at the time of hiring.

Because employers should prove why racially imbalanced work forces are required by a significant business objective, rather than just preferred as the old way of doing business.

Because discrimination is always wrong, even if it is just part of an employment decision.

And finally, because America knows it's time to face the challenges of the 21st century, not again fight the battles of the past.

Ninety years ago, W.E.B. DuBois said that "The problem of the 20th century is the problem of the color line." When the full history of this century is written years from now, let today be recalled as the day we put that line behind us once and for all.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, Dr. Martin Luther King had a dream, a dream about opportunity and justice for all people in this country, a dream for blacks, for workers, for women, for Hispanics, a dream that unified the United States of America. Now, in 1991, Mr. Chairman, we are afraid to dream. We are not dreaming in 1991; we are afraid of nightmares, nightmares about 30-second commercials that might be played against us.

Mr. Chairman, I rise in support of the Civil Rights Act of 1991 for three reasons. Our next generation of young people in this United States needs to know that civil rights is something that we all believe in. Second, Mr. Chairman, this bill outlaws quotas, and it outlaws intentional egregious discrimination. It is fair and balanced. Third, Mr. Chairman, racial hatred and bigotry is alive and well in the United States when somebody like David Duke, who ran against my father-in-law, Senator J. BENNETT JOHNSTON, in Louisiana gets 44 percent of the vote.

Mr. Chairman, we need civil rights. We need dreams in this country and we need opportunity for all of our people.

Mr. Chairman, I rise in support of the Brooks-Fish substitute to the Civil Rights and Women's Equity in Employment Act of 1991.

Since the enactment of the Civil Rights Act of 1964, we have made substantial progress in eliminating discrimination in the workplace for women and minorities. That progress has not come easily. It has come as a result of the struggles that have taken place in Congress, in the courts and in the streets of this country. However, that progress has been threatened by a number of recent Supreme Court decisions which have cut back substantially on the protections of the act. The bill before us today will restore and strengthen the equal employment opportunities that were severely weakened by Supreme Court decisions in 1989.

This legislation will assure equal access in the workplace for women and minorities and monetary remedies for victims of blatant and intentional discrimination. The denial of equal employment opportunities based on race, sex, or religion cannot and must not be tolerated. People must be judged on the basis of their own abilities, skills, and performance and not by the color of their skin, their gender, or religion.

Mr. Chairman, as we look to the future, it is clear that more women and minorities will enter the work force in the next decade. It is imperative that we, as a nation, open up opportunities for these Americans, which will strengthen our economy and enhance our competitiveness in the world marketplace.

Mr. Chairman, opponents of this measure, including the White House, have attempted to characterize it as a quota bill. I would not support this legislation if it encouraged or required the use of quotas in any way. The sponsors of the legislation have included very strong language in the statute itself which clarifies that nothing in the bill requires, encourages, or permits an employer to adopt hiring or promotion quotas on the basis of race, color, religion, sex, or national origin, and the use of quotas is declared to be unlawful under title VII of the Civil Rights Act.

This bill is not about quotas. It is about fairness and equality in the workplace. It is about reaffirming our Nation's commitment to civil rights and to ensuring that all Americans are afforded equal employment opportunities, and can defend those opportunities in our judicial system. Now is the time for Congress to take the opportunity to say, "Discrimination has no place in American society." I urge my colleagues to support the Brooks-Fish substitute, which protects the rights of women, minorities and the disabled.

Mr. McCOLLUM. Mr. Chairman, I yield 2½ minutes to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, as my colleagues know, I wish the debate on issues like this did not degenerate to finger-pointing on: "You believe in equal opportunity," and, "You don't believe in equal opportunity," back and forth, "if you accept this bill," or, "you don't accept this bill." I think every single Member—in fact, I refuse to believe that there is a single Member of the U.S. Congress that does not believe passionately in equal opportunity and abhors discrimination.

□ 1740

The American public believes in equal opportunity and deplores discrimination, and I think this is evidenced this week by the mayor's race in Denver, CO, where in an open primary, with white and black Democrat and Republican, two blacks came into the run-off of the Denver mayoral election. There were two blacks, and now there will be a black mayor in Denver, a city that is 70 percent white.

I do not think we ought to be debating whether this is a quota bill. Of course it is a quota bill. I think we ought to be debating whether quotas are a good idea in order to solve the problem of discrimination.

Of course this is a quota bill. Let me give the Members an example. Maybe some of the Members saw this on "60 Minutes" a few weeks ago. The Daniels Light Co. in Chicago, IL, is a 100-percent minority company, with 28 employees making lamps. It is a small business making lamps. The EEOC is about to put them out of business because a black lady came and applied for a job. She did not get the job, and she said, "Oh, they must be discriminating against me." So she brought charges against them, and they came in and said, "Yes, you are discriminating. Even though you are a 100-percent minority, you don't have the right ratio between Hispanics and blacks."

The narrator on "60 Minutes" said, "Well, isn't this a quota situation?"

"Oh, no, this isn't a quota situation."

"Well, how did you come to the realization that they didn't have enough blacks in the company?"

And they said, "Well, we drew a circle of the neighborhood, and in that radius there are more blacks than there are Hispanics in that radius."

So they are trying to put this little company out of business, and there will be 28 minority people out on the streets. That is under current law. We could multiply that by a thousand times, and we might have an idea of what this new law would do.

The American people do not want preferential treatment. They want equality. Let me just share this chart with the Members. The Gallup people ran a poll in 1977, 1980, 1984, and 1989. The blue lines indicate the people in America, consistently over 80 percent, that feel that people should be chosen on ability. The red line, about 10 percent over these years, indicates those who feel there should be preferential treatment to correct some kind of a discrimination that they perceive might be there.

Mr. Chairman, this is not a good way to do it. It just divides the American public further.

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. SANTORUM].

Mr. SANTORUM. Mr. Chairman, I rise in opposition to H.R. 1 and in support of the Michel substitute.

Mr. Chairman, I rise today in opposition to H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991.

Mr. Chairman, despite the title of the legislation before us today, I strongly feel that this body has not been presented with a true debate on civil rights or consideration of a true civil rights package. The issue for me today is that of continued fair employment opportunity across the lines of race, sex, religion, and ethnic orientation. While I feel strongly that we must continue to foster this ideal, through responsible legislating in this body, I feel even more assuredly that this legislation, H.R. 1, does not effectively advance this objective.

As we consider legislation which will have such a far reaching impact on the labor force and employment in general, we all must ask ourselves if H.R. 1 is truly the course that our country should take over the next decade and well into the 21st century. The facts are, Mr. Chairman, that H.R. 1 goes well beyond restoration of the Supreme Court cases that have challenged and altered our country's civil rights laws. Employers and the business community will have no recourse, after enactment of this legislation, but to resort to adverse and discriminatory hiring practices. Quite simply, H.R. 1 rewrites 20 years of civil rights law by effectively making racial, ethnic, religious, and sex imbalance alone presumptively illegal. H.R. 1 holds employers guilty until proven innocent by forcing them to justify any racial, gender, religious, or ethnic statistical imbalance in any job in their work force. H.R. 1 eliminates the requirement that a plaintiff identify a specific employment practice causing a racial, ethnic, or gender imbalance. H.R. 1 creates a presumption of guilt so costly to fight that employers will resort to a system of hiring by the numbers. H.R. 1 will deny individuals their day in court by effectively barring challenges to civil rights consent decrees and litigated judgments to which they were not parties. Further, the fear of litigation espoused by H.R. 1 makes greater the temptation to hire by the numbers.

Mr. Chairman, the last point touches on perhaps my biggest concern with H.R. 1. In my opinion, H.R. 1 odes less for the worker or prospective employee than it does for the biggest benefactor, our Nation's lawyers. Enactment of H.R. 1 will only expand the reach of lawyers, lawsuits, and judges by encouraging an endless stream of litigation in pushing the parameters of new mandates on employment and hiring practices. H.R. 1 provides for collection of unlimited punitive and compensatory damages for alleged victims of intentional discrimination. I am inherently opposed to punitive damages and feel that proper redress of unlawful discrimination is better served with the absence of the punitive damages clause. I feel very strongly that punitive damages are only to the benefit of the lawyers and serve as a minor remedy to intentional discrimination victims.

To further this point, let me reference a recent statement by Florida Governor Lawton Chiles announcing his veto of a civil rights bill under consideration in the Florida State Legislature. Governor Chiles, in vetoing a civil rights package similar to H.R. 1, states that "the greatest threat to the civil rights reform movement are laws that mislead the public by raising their expectations, only to discover that the greatest beneficiaries are the lawyers who are involved in the process." Like Governor Chiles, I too am committed to a system for redressing unlawful discrimination that provides timely and effective remedies. I feel that we can achieve this without inducing lawsuits that drag on for years and foster adversarial proceedings. H.R. 1 certainly does not achieve this objective nor does it provide benefits to lawyers in proportion to any potential benefits for their needy clients.

The settlements on lawsuits that will be brought under the provisions of H.R. 1 will indeed be costly. H.R. 1 will undoubtedly lead to an excessive level of costs that will harm the overall interests of those who are subject to unlawful discrimination. Instead of benefiting only a few individuals and the vast majority of lawyers, I strongly feel that we should commit these dollars in the areas of education, equal employment opportunities, and programs which make amends for the devastating effects of past discrimination. While we must vote down this legislation today, this body must not suppress the ongoing dialog and debate on employment equality and opportunity for all. Although H.R. 1 is not the answer, we must continue to seek reform measures for the practices and attitudes of people and individuals who unlawfully discriminate.

Mr. Chairman, I realize that the rule today provides for consideration of a substitute proposal by Mr. BROOKS and Mr. FISH attempting a compromise on several of the provisions that I have outlined today. Also made in order under the rule is H.R. 1375, being presented as a substitute to H.R. 1 by Mr. MICHEL. While I recognize the efforts to draw a consensus on this issue, I firmly believe that the Brooks-Fish substitute falls well short of my obligation to vote for a responsible and effective fair employment opportunity package. As I am an original cosponsor of H.R. 1375, I will be voting for the Michel substitute and am encouraged that the issue of race-norming, addressed specifically in H.R. 1375, has surfaced in the compromise discussions. Here again though, the dressed up substitute language does not come close to meeting the standard of enacting an effective and productive legisative proposal.

As I will continue to encourage voluntary affirmative action, I also realize a pressing need for laws that prohibit intentional discrimination and that provide some redress for our disabled, our seniors', and our womens' communities as well as across race and ethnic lines. In my opinion, however, neither the bill before us, H.R. 1, nor the substitute to be offered later by Mr. BROOKS and Mr. FISH fairly or effectively meets this objective. Given these choices, Mr. Chairman, I urge my colleagues to defeat H.R. 1 and the Brooks-Fish substitute and vote for the Michel proposal.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, it is good tactics for the majority to refer to H.R. 1 as the civil rights bill. Who could be against civil rights?

But though this bill is couched in the language of civil rights, this is not a bill of civil rights at all, but of civil division. The President will veto this bill, Democrats know that. Ask yourself why they won't work to pass a civil rights bill.

Some of my colleagues have stated that we do not need more civil rights laws. I disagree. I do support a civil rights bill, the Michel amendment to H.R. 1.

On the other hand, the benefits of the Democrats bills will never reach the poor. Rather, theirs is a lawyer-employment bill.

The millions of ethnic Americans who today are without jobs, who are without education and without hope, and wake up every morning to the crack dealers on their doorsteps, will never see a benefit from the Democrats' alleged civil rights bill.

So let us bring the debate back to the beginning, and ask an important question.

What are civil rights, anyway, and who should have them?

If this Congress wants civil rights, let us educate our people.

Let us free our neighborhoods from crime and drugs.

Let us build an economy that creates good jobs for all Americans.

And as to who should have civil rights, I say that in America, they are everyone's.

I am supporting the Michel amendment to H.R. 1. And I urge my colleagues to oppose the Brooks-Fish and Towns-Schroeder substitutes.

Mr. BROOKS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, can you imagine the strength and determination it took our colleagues in 1964, 1965, and 1968 to adopt civil rights legislation? It's difficult to believe that this debate is taking place in 1991.

Mr. Chairman, the behavior of the President regarding this civil rights bill is truly deplorable. At a time when the Nation needs every bit of leadership to unite us the President is engaging in the craziest kind of divisiveness—for political purposes.

When David Gergen, Ronald Reagan's media director, says, on national television that from his perspective the behavior of the Bush White House on this legislation is clearly political—the President should know that the fig leaf argument of quotas has slipped off—and he stands exposed.

What we are witnessing is racial politics at its lowest and and meanest. It is a revisting of Willie Horton.

The President may no longer know the difference between civil rights, and civil wrongs. But we do. I urge that we in this House stand up for what is best in America. Vote for Brooks-Fish and the Towns-Schroeder substitutes.

Mr. BROOKS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from North Carolina [Mr. PRICE].

Mr. FORD of Michigan. Mr. Chairman, I yield 1 minute also to the gentleman from North Carolina [Mr. PRICE].

The CHAIRMAN. The gentleman from North Carolina [Mr. PRICE] is recognized for 2 minutes.

Mr. PRICE. Mr. Chairman, it is with disbelief and considerable sadness that I see what the civil rights debate has come to. What the President did last week, using the West Point graduation exercises as the occasion for a distorted and divisive attack on our efforts to resolve this issue, was as cynical and shameless as anything I have seen in politics for a long time.

If there is a more charitable interpretation to put on what he did, and on his speech yesterday before the National Federation of Independent Business, I would like to know what it is—for I have been one who has worked to develop a balanced and fair approach to this issue, and I have concluded only reluctantly that the President has no interest whatsoever in doing that.

I have always considered myself fortunate to have come to political maturity during the early 1960's, during the years when the civil rights struggle captured this country's moral imagination. I remember our efforts to break down the barriers of discrimination in our college town of Chapel Hill, NC, and I remember the flood of emotion that came over me as a young Senate staffer, when I witnessed from the galleries the final passage of the 1964 Civil Rights Act. Those were years of great hope, and they instilled in me an abiding faith that the political process could respond to injustice, that people of good will working together, could overcome division and distrust and achieve great things.

In my part of the country we have no desire to return to the days of racial fears and divisions and demagoguery. We've come too far for that. That is why the President's approach to the civil rights bill is so shocking and upsetting.

We recognized the potential for this sort of polarizing tactic last year, when scurrilous television ads labeled an earlier version of this bill a "quota bill" and attempted to manipulate the emotions of working people. That was distressing but not surprising to us in North Carolina, when we considered the source of those ads. Now, those same tactics are coming from the White House itself, from the President who should be taking the lead in finding common ground on this issue but instead is playing cheap and divisive racial politics.

This is a good bill. H.R. 1, as amended by the provisions of the Brooks-Fish substitute, is a better bill than the one passed last year. The quota charge was always inaccurate and unfair, but this year's bill has even stronger antiquota provisions. The business community has had legitmate concerns about this legislation—about the burden of proof they would have to sustain when their employment policies were challenged, for example, and about the possibility of runaway punitive damages—and these concerns are addressed seriously and substantially in this bill. We have, in fact, codified the agreements reached earlier this year in discussions between business and civil rights leaders—agreements reached before those talks were torpedoed by threats from White House operatives, in an unmistakable indication of what the President's strategy would be.

I will proudly support this revised bill, Mr. Chairman, for it is in the best tradition of our region and our country, standing firm against discrimination in the workplace, taking the interests of all parties into account, devising a solution that brings us together rather than drives us apart. That is the way it has got to be in a country as diverse and as expansive as ours. It is profoundly disappointing and saddening to see these efforts rejected and distorted by a President who apparently would rather have an inflammatory issue than a workable bill. But it is equally clear what we in the House must do. We must put forth our best effort—and the Brooks-Fish substitute, the product of hundreds of hours of consultation and conciliation, represents that. And then we must hold our heads high and pass this bill.

Mr. FORD of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from the Virgin Islands [Mr. DE LUGO].

Mr. DE LUGO. Mr. Chairman, I thank the gentleman for yielding this time to me, and I rise in strong support of H.R. 1.

Mr. Chairman, our great Nation has derived its strength from the diversity of its citizens and the unity of their purpose under our democratic Government where freedoms are guaranteed by the Constitution.

But freedom for all of our Nation's people has not come easily; many today still bear the burden of discrimination, often subtle, sometimes not. And so, the Members of this House have enacted laws to insure that all share equally in the opportunities this country can bestow.

Today, once again, we are called upon to act to assure justice. Statistics have proven that recent court decisions have diminished substantially the ability of Americans to right discriminatory wrongs.

Emotions have run high, and in our efforts to unite our Nation in the guarantee of equal opportunity, deep divisions have been sown among us.

"Quotas." "Caps." "Race norming." These words have created great concern among our constituents and confusion in this House. But amid the rhetoric we must not lose sight of our aim: to ensure that all Americans are treated fairly.

Mr. Chairman, I am most disheartened that the administration has been so disingenuous as to continue efforts to frighten the people of this Nation into believing this legislation is a quota bill. I commend the House leadership for their diligent efforts to meet the President's objections by developing specific language to insure that it is not. The administration knows this, but sadly, continues its divisive efforts to convince Americans otherwise.

I ask my colleagues to support the H.R. 1 substitute offered by Mr. BROOKS and Mr. FISH, legislation that would specify a ban on quotas, cap damages at a fair and reasonable level, and put an end to race norming. I urge my colleagues to give this legislation the support it needs to protect against a Presidential veto.

Mr. Chairman, we must pass this legislation decisively and put the politics of race and disharmony behind us. Then, all Americans can move forward as one, with equality of opportunity and unity of purpose to build a future in which all may share the rewards.

Mr. FORD of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, I rise in support of the substitute offered by the gentlewoman from Colorado [Mrs. SCHROEDER] and the substitute offered by the gentleman from New York [Mr. FISH] and my chairman, the gentleman from Texas [Mr. BROOKS].

Mr. Chairman, I rise in support of H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991. The bill has two titles:

Title I, reported by both the Judiciary and Education and Labor Committees, amends the Civil Rights Acts of 1866 and 1964 to restore and strengthen their prohibition against employment discrimination. The Supreme Court dramatically narrowed these laws in a series of decisions in 1989.

The Wards Cove decision placed a nearly impossible burden of proof on plaintiffs in cases involving non-intentional discrimination. H.R. 1 requires employers to justify practices that have a discriminatory effect.

The Price Waterhouse decision allowed employers to engage in intentional discrimination as long as they also could point to some nondiscriminatory reason to justify their decision. H.R. 1 bans intentional discrimination in all cases.

The Martin versus Wilks case allowed individuals to reopen consent decrees, even where they had an opportunity to participate in the original litigation. H.R. 1 assures that settlements can be reopened only if justified.

The Lorance case created artificial time barriers for filing discrimination suits. H.R. 1 establishes fair time limits to file lawsuits.

The Patterson case allowed racial harrasment on the job, saying that the 1866 Civil Rights Act prohibited discrimination only in the initial hiring decision. H.R. 1 prohibits racial discrimination at all stages of a contract.

Last year, Congress passed an effective bill to overturn these cases, but it was vetoed by the President.

H.R. 1 strengthens the 1964 Civil Rights Act by providing the same damages remedy for all victims of intentional discrimination that is currently available to racial minorities who sue under the 1866 Civil Rights Act. H.R. 1 will allow victims of intentional religious, gender or disability discrimination to receive compensatory and, where appropriate, punitive damages.

The bill before you contains two new sections which were added to reverse Supreme Court decisions announced after committee consideration of this year's bill. Decisions which affect the underlying statutes amended by H.R. 1:

Section 117 of the bill provides protection against employment discrimination to American citizens working for American companies overseas, reversing Aramco, decided March 26, 1991.

Section 118 extends the title VII attorney's fees provisions of H.R. 1 to the Civil Rights Attorney's Fees Act (42 U.S.C 1988), reversing West Virginia University Hospitals, decided March 19, 1991.

Title II encompasses the provisions added to H.R. 1 by the Education and Labor Committee:

Section 201 establishes a 4-year Glass Ceiling Commission to conduct a study and to make findings and recommendations on the elimination of artificial barriers to the advancement of women and minorities to executive and management positions in business.

Section 202 directs the Secretary of Labor to develop a pay equity program. The program will disseminate information, promote research and provide technical assistance to employers seeking to eliminate gender and race-based wage disparities.

Section 204 authorizes EEOC to establish outreach and public information programs for individuals, such as Hispanics and Asians, who historically have been victims of employment discrimination, but who have been underserved by EEOC's enforcement apparatus.

Last year, President Bush did not have a comprehensive proposal until after both Houses considered the bill. He has weighed in now and the Republicans will offer his proposal as a substitute. There have been news accounts and op-ed pieces suggesting there is no significant difference between H.R. 1 and the President's bill. That simply is not true.

The Michel Republican substitute reverses only one of the devastating 1989 Supreme Court decisions, the Patterson case. It does not overrule Martin versus Wilks, thus, allowing endless relitigation of settled cases. It fails to overturn Price Waterhouse, which means employers can commit intentional discrimination so long as they can justify their job action with some other nondiscriminatory motive.

The Michel substitute mitigates the harsh results of Lorance only for seniority systems, not all employment practices. Furthermore, the Republican proposal only partially reverses Wards Cove—it properly returns the burden of proof to the employer to justify discriminatory practices as a business necessity, but then codifies the lower business necessity standard announced by the Court's Wards Cove majority.

Finally, the remedies section is most perplexing. Unlike race claims brought under the Civil Rights Act of 1966, the Republican alternative would not permit compensatory or punitive damages. Instead, it would authorize courts to grant an additional equitable remedy of up to $150,000, but only if the court determines that such a remedy "is needed to deter" the respondent from discriminating, and only if it is "otherwise justified by the equities, consistent with the purpose of this title, and in the public interest." These remedies would only be available for harassment claims. In fact, the Republican alternative would legalize untimely harassment claims—victims of other intentional discrimination would be limited to the existing "make whole" relief currently available under title VII. There are other restrictions too, which when added together provide second-rate remedies for persons with sex, religious, and disability claims.

In conclusion, we have heard much in last year's debate and this year's as well about the quota issue. Much of this debate has been inflammatory and divisive. I urge opponents not to resort to this harmful rhetoric. But to those who still want to tag this a quota bill we say in the words of Eliza Doolittle, "show me."

□ 1750

Mr. GOODLING. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, language was apparently drawn from Justice O'Connor's language in a "Concurring and Dissenting Opinion" from the 1986 Supreme Court case of Local 28, Sheet Metal Workers versus EEOC. Even assuming this was accurately done, it must be noted that this case involved past egregious discrimination on the part of the union, and her comments were directed at attempting to draw the line between the types of workplace preferences courts could order to remedy that kind of past discrimination. But she was not stating that everything that fell outside of the definition of "quota" was therefore permissible. What is or is not permissible workplace preferences, under current law, will vary widely depending on the underlying factual circumstances. Variables include whether the case involves voluntary affirmative action or court-ordered affirmative action, whether past discrimination has been proven, whether the employer is a private or public employer, the degree of burden on innocent whites—for example, forced layoffs would rarely be allowed—the flexibility permitted in reaching numerical targets, the temporary nature of the preferences, the degree to which the less qualified are preferred over the better qualified, and other factors. These factors have been more or less established in a series of not always consistent Supreme Court decisions. Whether these decisions implement sound public policy across the board has never really been debated by the Congress. Justice O'Connor's discussion of quotas in Local 28 is but one small aspect of this case law in one factual situation. It should hardly be used as statutory language.

Indeed, it is worth noting that a year later in the 1987 Johnson case, Justice O'Connor noted, in the context of a voluntary affirmative action plan, that "an affirmative program that automatically and blindly promotes those marginally qualified candidates falling within a preferred race or gender category * * * would violate title VII." Here, she is using a different, more restrictive test. Is this inconsistent with her discussion in Local 28? Not necessarily; the fact situations were simply different, calling for the application of different legal principles.

One cannot legitimately draw one or two sentences from one case and build a statute around it.

The CHAIRMAN. The Chair would advise Members that the gentleman from Pennsylvania [Mr. GOODLING] has 3½ minutes remaining, the gentleman from Illinois [Mr. HYDE] has 3½ minutes remaining, the gentleman from Texas [Mr. BROOKS] has 8 minutes remaining, and the gentleman from Michigan [Mr. FORD] has 2¾ minutes remaining.

Mr. McCOLLUM. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, the civil rights bill that we are dealing with today is a little like the story of Tantalus: Every time he reached for the fruit it was yanked away from him. That is about the way that our Democratic friends have treated the quota issue. They seem ready to concede the point, and then at the last minute they pull away.

Follow the bouncing ball of their logic on this issue. When our Democratic colleagues first introduced H.R. 1, they said that they were doing no more than returning the law to what it had been prior to the Supreme Court's decision in Wards Cove. Then they said, "Well, just in case, we will introduce language in our bill that says it does not require quotas." Then they said, "Well, just to make sure, we will define quotas and then outlaw them—and for good measure we'll let people sue if they do not get a job because of quotas." All I can say, Mr. Chairman, is that I have never seen so much writing about something that is not supposed to exist.

The fact is, Mr. Chairman, that our colleagues on the other side of the aisle have been tap dancing around the core problem of their bill. That is—in the matter of disparate impact, they are not going to the status quo ante, rather they are going to the status quo fantasy. Look at the language that they claim they are taking from the Griggs decision defining "business necessity," a key point in disparate impact cases, I can't find it anywhere in that case, or in any other case for that matter.

Griggs required that where an employment practice had a disparate impact on minorities, the employer can defend the practice by showing that the practice in question has a "manifest relationship to the employment in question." Instead of using this standard, which incidentally has been the law of the land for nearly 20 years now, our colleagues have created a new standard which requires the employers to prove that their practices "bear a significant and manifest relationship to the requirements for effective job performance." I would ask any one of my colleagues on the other side of the aisle to kindly point out to me in what Supreme Court case, let alone where in the Griggs case, their verbatim language appears.

While they are looking that up, I would also ask them to explain how an employer will avoid the need for quotas if a plaintiff only needs to assert that a "group" or "combination of business practices" is having a disparate impact? How is an employer supposed to respond when he is charged with discrimination because somewhere, amidst all the various factors that go into his or her employment decisions, that some unspecified practice is discriminatory? Wards Cove said, in effect, that if you are going to accuse an employer of a discriminatory job practice, you had better be able to say what practice it is. Is this unreasonable?

If you do not think so, then I would ask you to vote against H.R. 1 and the Brooks alternative and vote for the Michel substitute.

Mr. Chairman, the same thing goes for the question of punitive and compensatory damages. In the Michel substitute there are no punitive nor compensatory damages, because there are none in present law. We do not need any under title VII, for the simple reason that back pay and reinstatement on the job have been the traditional remedies for employment discrimination.

We do have in the Michel substitute a special $150,000 equity opportunity if somebody is being harassed in the workplace. It is a much more logical process.

There are quotas as a practical matter in the Democrat proposal, and we ought to vote "no" on it.

There is a very good alternative, the President's bill, the Michel substitute, and that ought to be the "aye" vote.

Mr. BROOKS. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, first let me say that I think designating the civil rights bill as H.R. 1 is significant symbolism, because all of us gathered in this place know that there are significant problems that cut across race and sex and sexual preference and religion that will require the highest and best in all of us. There are significant problems. So H.R. 1 is important, because it seems to me we ought to not have to be engaging in debating our status as blacks, browns, reds, yellows, and whites and men and women and gay and straight and mentally challenged or physically challenged, because we are going to have to come together to address the human misery across all of these lines. It is going to require our best.

Mr. Chairman, why are we here with the civil rights bill? If all employers were of goodwill, if everyone understood that we are all one Nation, there would be no need for a civil rights bill.

Mr. Chairman, those are not the facts. Discrimination in the workplace on the basis of race and sex are vivid realities. All Members know that. So that is why we are here.

Mr. Chairman, what is the context that brings us together in this legislation? What is the context around which we debate? Severe economic problems, poverty rising, mounting unemployment, dwindling benefits, and many other serious and challenging problems that are corresponding and concurrent issues that flow from these problems. And, yes, discrimination in the workplace.

Mr. Chairman, if we were serious about what we are doing, we would not be engaging in the politics of scapegoating; we would be addressing the economic realities of America and passing a significant civil rights bill full of integrity. But that is not what we are doing.

Mr. Chairman, how is this issue being played in America? How is it breaking down? Mr. Chairman, it is breaking down racially.

The front page of the Washington Post: White America believes that they are losing their jobs, that this threatens them.

Mr. Chairman, what we should be doing is addressing that human misery, not attempting to sell white America, steeped in poverty and unemployment, that in some way blacks, browns, reds, yellows, and women, attempting to redress their historical injustice, are in some way threatening them.

Mr. Chairman, to couple these issues at this particular moment is indeed dangerous. I repeat, it is dangerous. When white America is feeling pain, and we suddenly attempt to join these issues at the hip, we are playing a frightening and dangerous, exploitive and manipulative, game. It is called scapegoating politics.

□ 1800

All these problems need to be addressed. First, let us wake up and deal with the honesty that this is an imperfect society and we have not addressed the problems, but let us do it honestly. If we are not about racial and sex equality in this country, then let us say that. Then our expectations are different; we know how to draw the line. But if we are serious, then let us get on with it, not pitting people against people. This is dangerous.

To these issues of quotas, those are just code words. I listened carefully to the debate, two severe arguments dealing with quotas, one says employer faced with litigation engages in quotas, hires on the basis of race and sex. Suddenly the work force is inferior, unqualified. That on its face is a bigoted statement finally.

When we begin to use quotas as a way of separating people, we have engaged in the politics of divisiveness and we should expect more.

I ask my colleagues to move beyond this absurdity and pass the strongest civil rights bill that we can. That is the major statement we make to ourselves, our children, and our children's children.

Mr. BROOKS. Mr. Chairman, I yield such time as he may consume to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, I must reluctantly rise in opposition to H.R. 1 and each of the three substitutes. I find each to be fatally flawed and without the opportunity to amend any of the separate bills, I can support none of them.

It distresses me greatly to oppose the committee and the House leadership in this matter. I abhor discrimination and strongly support civil rights legislation. However, I believe that it would be a grave mistake to pass defective legislation which, rather than resolving the problems of discrimination that continue to divide our society, would merely result in a myriad of lawsuits.

This House has anguished over five Supreme Court cases issued in 1989 dealing with civil rights laws. Wards Cove Packing Co., Inc., versus Atonio; Hopkins versus Price Waterhouse; Martin versus Wilks; Lorance versus AT&T Technologies; and, Patterson versus McLean Credit Union. The expressed purpose of H.R. 1 and each substitute is to overturn this line of cases and return to pre-1989 standards in civil rights case law. However, I find that H.R. 1 and both the Brooks-Fish and Towns-Schroeder substitutes go far beyond overturning these cases and create new standards, new courses of action, and new damages provisions. And they do so with language which, I believe, is not well defined and will result in innumerable court challenges. On the other hand, the Michel substitute does not adequately address the issues either, only overturning two of these cases, codifying, one and not affecting two others.

Let me outline my support and opposition on the principal issues in question. In general I support H.R. 1 and applaud the efforts of my colleagues in crafting this very complex statute. I favor the provision extending title VII application to Congress to guarantee our employees the same protection as everyone else. I favor overturning Patterson versus McLean Credit Union by specifying that section 1981 bans discrimination in all aspects of private contracts. I also favor the overturn of Lorance versus AT&T Technologies to provide that the statute of limitations will begin to run on the later of implementation of the employment practice or when the plaintiff is adversely affected. I agree that there must be finality in consent decrees addressing past discrimination, and, therefore, I favor reversal of Martin versus Wilks. Intentional discrimination is abhorrent in all circumstances and must not be sanctioned. Therefore, I also favor reversing Hopkins versus Price Waterhouse.

Although I am very apprehensive about the provisions dealing with fees, I can accept the allowance to recover reasonable expert fees and awards for reasonable attorney's fees and costs of plaintiffs who successfully defend original judgments. I am cautious, however, because I do not want this bill to become an attorney's relief bill or one which makes it more beneficial for attorneys to go to trial than to settle cases. Therefore, I favor the provisions of the Brooks-Fish substitute which allows attorney's fees to be waived in settlement of disputes.

It is important for plaintiffs to have an adequate time period in which to file claims under title VII and, therefore, I favor the Brooks-Fish substitute provision extending the statute of limitations from 180 days to 18 months.

As I previously stated, I believe that there must be finality in cases of employment discrimination and the statute should encourage the prompt resolution of these cases. Therefore, I favor the administration's approach on effective dates which would apply all provisions of the statute on the day of enactment. To make the application of this bill retroactive would be to encourage the relitigation of numerous cases which have previously been closed.

On the issues of testing and scoring, or "race norming" as it is called, I favor the Brooks-Fish substitute to prohibit the adjustment of test scores on the basis of race, color, sex, religious, or national origin. However, I cannot support the prohibition of tests which are not valid or fair. I do not oppose the concept, but without a specific definition of "valid" and "fair" such language would simply invite litigation and have a deterrent effect on the use of any testing mechanisms.

Although I differ in some ways with the language, I believe that it is important to act on these issues and I could support H.R. 1 in these sections. However, I believe that the bill and the Democratic substitutes are fatally flawed in two very critical areas; disparate impact cases alleging unintentional discrimination resulting from employment practices, and the issue of damages for plaintiffs in cases where international discrimination is proven.

In disparate impact cases there is no intent to discriminate, but certain employment practices "operate as 'built-in headwinds' for minority groups and are unrelated to measuring job capability" *Griggs* v. *Duke Power Co.* (401 U.S. 424). In Griggs the Supreme Court held that a business practice which results in disparate impact and is not required by business necessity is unlawful. Much has been said today about the "business necessity standard" of Griggs. In attempting to codify Griggs language, H.R. 1 provides that an employment practice must "bear a significant relationship to successful performance of the job"; the language of the Towns-Schroeder substitute states, "bear a substantial and demonstrable relationship to effective job performance"; while the Brooks-Fish substitute requires the practice to, "bear a significant and manifest relationship to the requirements for effective job performance"; and, the Michel substitute would require the employer to show that the employment practice "has a manifest relationship to the employment in question" or that the employer's "legitimate employment goals are significantly served by, even if they do not require, the challenged practice."

The Supreme Court language in Griggs actually states that the employment practice must be, "shown to be significantly related to successful job performance" 401 U.S. 424, 426; "intended to measure the ability to learn to perform a particular job or category of jobs" at page 428; "practices that are fair in form, but discriminatory in operation," and "cannot be shown to be related to job performance," and "bear a demonstrably relationship to successful performance of the jobs for which it was used" at page 431; "have a manifest relationship to the employment in question" at page 432; and, be "demonstrably a reasonable measure of job performance" at page 436.

I believe that the opinion of the Supreme Court and the intent of Congress is correctly stated in Griggs 401 U.S. 424, at 431 where it states:

> Discriminatory preference for any group, minority or majority, is precisely and only what Congress has proscribed. What is required by Congress is the removal of artificial, arbitrary, and unnecessary barriers to employment when the barriers operate invidiously to discriminate on the basis of racial or other impermissible classification.

Each substitute attempts to create a different standard than Griggs, and although the language of H.R. 1 is not exact, I believe that it adequately states the rule of business necessity.

Where I have a problem with the disparate impact standard in H.R. 1 is in its expansion of the concept to allow plaintiffs to challenge a group of employment practices resulting in a disparate impact. In cases of unintentional discrimination the plaintiff should be required to challenge specific practices which result in the disparate impact. To allow litigation based upon blanket allegations of disparate impact is to invite plaintiffs to file lawsuits which could frighten employers into hiring by the numbers.

When title VII was enacted, there was no provision for compensatory or punitive damages. One objective was to encourage rapid resolution of disputes arising in the work place. I believe that it is a mistake to extend new damages provisions in title VII actions. New damage clauses are likely to encourage more litigation and refusal to settle disputes in anticipation of a large damages award thus discouraging rapid resolution of complaints.

If the Congress, in its wisdom, does extend compensatory and punitive damages to title VII actions, I believe that it would be unconstitutional to place a cap on damage awards. How can you justify having no limitation on damage awards to a victim of discrimination based upon race yet limit awards to victims of discrimination based upon sex or disability? Either both actions under section 1981 and title VII should be subject to cap limitations on damages, or neither should be. I cannot support the Brooks-Fish substitute which would place a cap on damages. Neither can I support the administration approach of calling the damages "equitable relief." Who was it that said "if it quacks like a duck * * *?"

Finally, let me say that this legislation is not a quota bill, and there is no need to defend it as such. The Supreme Court has already held that quotas are unlawful. However, if the Congress determines that the statute should outlaw quotas, I am in full support. The Brooks-Fish substitute states, "Quota means a fixed number or percentage of persons of a particular race, color, religion, sex, or national origin which must be attained, or which cannot be exceeded, regardless of whether such persons meet necessary qualifications to perform the job." The final phase, "regardless of whether such persons meet necessary qualifications to perform the job", could be interpreted to mean that hiring someone based upon race, and so forth, is unlawful only if the person is not qualified. But if from your pool of qualified candidates you hire someone based upon race, and so forth, it is lawful if the person is a minority, a woman, or disabled, but it is unlawful if the person is a white male. If the intent of this language is to codify affirmative action programs wouldn't it be better to do so plainly rather than requiring a back door interpretation of that statute? I recommend that a period be placed after the words "cannot be exceeded" and delete the remainder of the sentence. This would truly codify Griggs and prohibit "discriminatory preference for any group, minority or majority."

Mr. Chairman, some may say that I am being a purist on these issues, and I must compromise. I believe that I am a purist when it comes to interpretation of the U.S. Constitution. I cannot be anything less. But I am also a realist. I have only been in Congress for 5 months; before that I was in the real world of business and law. Based on my real life experience, I believe that this bill will do little to resolve the problems and much to generate hot litigation on the issue.

The laws we enact must ensure that the rights guaranteed by our Constitution are in fact guaranteed to all the citizens of this great Nation. This is my desire and it is the desire of the people I represent. I want to vote "yes" on civil rights protection, but in order to do so I must be able to vote on legislation that solves problems of fairness in our society rather than creating problems of litigation. I hope that I will soon have the opportunity to vote for such a bill.

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, I rise in opposition to H.R. 1.

Mr. Chairman, discrimination is reprehensible. We should strive to be a society which holds but a single standard of citizenship, and each individual member of our society will be judged on individual merits and abilities, on individual strengths and weaknesses. We should strive to be a society in which no one will be painted with the broad brush of prejudice—a word which literally means "prejudge"—solely on the basis of skin color, or of gender, or of religion, or of disability, or of national origin.

But if we pass H.R. 1 as it stands today, we will not be putting an end to pre-judging; we will be encouraging it. Why? Because H.R. 1 is a quota bill. Make no mistake about it. If a statistical imbalance becomes tantamount to employment discrimination under H.R. 1's relaxed "disparate impact" standards, then the employer who wishes to avoid the costs and burdens of litigation will have no choice but to balance his or her statistics. Translation: hire by the numbers. And that, my friends, is a quota system. That is discrimination.

I believe that we would do well to correct inadequacies in antidiscrimination law wrought by the Supreme Court's controversial 1989 decisions, but H.R. 1 is not the way to do it. A victim of discrimination should have a remedy available and within his or her reach. And we can do this without putting a system of de facto quotas in the American workplace, without presuming guilt until innocence is proven.

I strongly urge my colleagues to vote against H.R. 1 and vote against discriminatory quotas. Civil rights for all Americans can best be secured through the administration's legislative proposal.

Finally, the weakness of the proponents' case for H.R. 1 comes across in the afternoons' debate. I have my own difference fo opinion from time to time with President Bush and do well understand how people can view the same problems in different light, or view various solutions to the same problem as more efficacious, one than the other. But very little has been said here this afternoon by the proponents of H.R. 1 about the merits of H.R. 1. There has been a lot of Bush-bashing, calling him a racist and a lot of other things. Feeling a necessity to indulge in such rhetoric belies the weakness of their substantive arguments. The President is the President of all the people and it is his role to lead us to strive for equality and justice and fairness for all and the overwhelming majority of the American people will not believe that President Bush is a racist because he opposes reverse discrimination. Indeed they will applaud him because the overwhelming majority of people believe deeply in one standard of citizenship for all of our people.

And no one will believe this is not a quota bill in reality when they understand the construction of how it will work if they really want to know how it will work rather than just toss around a lot of rhetoric and all of the rhetoric and accusation of prejudice—name calling when the weight of the argument doesn't carry the argument—will not change the fact of the matter that this bill if it becomes law will indeed result in quotas.

Mr. GOODLING. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, I want to support civil rights legislation that will provide real redress to the victims of workplace discrimination and that will not lead to endless courtroom battles that benefit no one but the attorneys. I cannot support the substitute for H.R. 1 from the other side, but I am prepared today, as I was a year ago, to vote yes on the President's civil rights bill and to provide those who suffer the indignity and pain of an employer's bias meaningful and accessible remedies, consistent with title VII's goals of conciliation rather than confrontation and getting back on the job rather than wasting years in court and, above all, not giving, as I said earlier, the fuzzies on the left and the fuzzies on the right an opportunity to destroy a great Nation.

Mr. Chairman, I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. COLEMAN], an outstanding Member of Congress.

Mr. COLEMAN of Texas. Mr. Chairman, I rise today out of a deep concern about the current state of affairs that our Nation confronts in terms of all Americans coming together and sharing in all that our Nation has to offer. We are a nation founded upon the concepts of equality and justice. Over the years, our Nation has improved dramatically on what these terms mean. As former Congresswoman Barbara Jordan said here in 1974:

> "We, the people." It is a very eloquent beginning. But when that document was completed on the seventeenth of September in 1787, I was not included in that "We, the people." I felt somehow for many years that George Washington and Alexander Hamilton, just left me out by mistake. But through the process of amendment, interpretation and court decision I have finally been included in "We, the people."

H.R. 1, despite all that the Republican Party has chosen to claim, fits within that tradition and does little more than reaffirm our Nation's commitment to equality for racial, sexual, and religious victims of bias. It serves to largely restore the legal status quo that existed for nearly two decades before the 1989 Supreme Court rulings, with no evidence of hiring quotas. We should pass this legislation quickly and move forward as a nation to address other urgent social dilemmas such as: increasing rates of crime and drug abuse, children in poverty, problems with our educational system, unemployment, hunger, the problem of the uninsured, lack of adequate housing and the isolation of the underclass.

Clearly, we as a nation are losing our focus. Rather than pandering to the vision of David Duke, the 1990 Republican candidate for Louisiana senator and former Ku Klux Klan leader, as replacing the name Willie Horton with quota as the code word of the Bush administration, we should be moving toward the vision of Martin Luther King, Jr. As former President Jimmy Carter said in 1976, "I see an America in which Martin Luther King's dream is our national dream."

Sadly, we have stalled in our efforts to move toward that vision. In fact, the discrimination of today is much tougher to stamp out than in the past and we sometimes find ourselves stepping backward. The people like David Duke are tougher to confront these days, as they have shed their robes for pinstripe suits, but the racial intolerance, divisiveness, and sexism remains. By not passing this legislation or having it vetoed by the President, I fear we are sending a subtle message that it is fine to continue discriminatory practices.

Futhermore, I would like to reiterate that H.R. 1 does not allow for quotas—it, in fact, outlaws quotas. H.R. 1 is about equal opportunity and fairness—not equal outcomes. This is the role of Government, to provide equal opportunity, and is something we would be remiss in addressing.

We, the United States of America, are the leader in the world. We, the people of this Nation, must set a firm example to the world that we can all coexist, peacefully and together, regardless of color, race and/or creed. I strongly encourage my colleagues and the President to accept this challenge and approve H.R. 1. Let us move down the road toward racial harmony and equal opportunity—not intolerance.

Mr. FORD of Michigan. Mr. Chairman, I yield back the balance of my time.

Mr. BROOKS. Mr. Chairman, I yield back the balance of my time.

Mr. DORNAN of California. Mr. Chairman, I rise in opposition to H.R. 1.

Mr. Chairman, I rise in strong opposition to the racially divisive and inappropriately-named "Civil Rights Act of 1991."

The liberal sponsors of this legislation are seeking to exploit the emotional response generated when anyone uses the words "civil rights." Appropriately, all decent Americans today are deeply concerned that the civil and constitutional rights of minority groups are guaranteed, and we are extremely sensitive to violations of these rights and outraged when civil rights are abridged. In that regard, I am proud to have been an active supporter of the civil rights movement from the beginning, marching with Martin Luther King in August of 1963 and helping to register black voters in the south in following years. However, H.R. 1 does not represent the ideals for which I and others marched. We marched for a colorblind society. H.R. 1 raises color to the point where it is the only thing that matters. This is not what I and countless others marched for.

We should be equally outraged when the term "civil rights" is used to hide the true meaning of legislation which does nothing to promote equality among racial groups. The sponsors of H.R. 1 have labeled this legislation the "Civil Rights Act" in order to intimidate the members of this body into supporting what is not only a blatant quota bill, but one which would actually hinder the protection of civil rights. The sponsors of H.R. 1 will label those of us who vote against this bill as anticivil rights, or worse. This abuse of the great tradition of the civil rights movement is inexcusable and I, for one, will not play that game.

As if taking advantage of the civil rights movement to mask their quota agenda wasn't enough, the liberals are also exploiting women in their political game. H.R. 1 has been renamed by House Labor Committee Democrats as the "Civil Rights and Women's Equity in Employment Act of 1991." In expanding the bill's label to include the women's movement, liberals are desperately trying to distance themselves from the failed "Civil Rights Act of 1990" because they fear that this quota bill will ultimately share the same fate. Just as this bill will do nothing positive for minorities, it will do nothing positive for women. Call it what you will, this is clearly, undeniably, a quota bill. It deserves the same fate as the 1990 legislation.

No matter how many times you change the face of this bill, you cannot change the fact that it is fundamentally flawed. In a desperate attempt to hide the fact that this legislation will force employers into adopting quota practices, Chairman Brooks has recently included a provision stating that the bill prohibits quotas. Well, you can call a lemon an orange and you can even paint it orange so it won't look like a lemon. But you cannot change the fact that a lemon is a lemon is a lemon. And you cannot change the fact that this bill is, indeed, a lemon.

The legislation we are considering proposes that any employer whose work force does not rigidly reflect the racial balance of the local population could be forced to prove that the criteria used for hiring and promotion were directly related to job performance. This makes employers guilty until proven innocent, which turns due process on its head. H.R. 1 is a thinly veiled attempt to force employers to enact hiring and promotion quotas. As Charles Krauthammer recently pointed out.

> Any employer who dares hire people in such a way as to produce a work force that is not a racial reflection of his community knows that he risks being sued. He knows, too, that if he cannot "demonstrably" link his hiring criteria to job performance—say, good high school grades with being a good salesman—he loses. The natural inclination of any employer will simply be to spare risk and expense by imposing on himself a quota system and hiring people according to race.

Of course, the liberals will never admit that this is the true intention of H.R. 1.

In the 1971 Griggs decision, the Supreme Court ruled that in "disparate impact" cases, those in which the composition of an employers work force did not reflect the racial or ethnic makeup of the population, the employer must prove that the hiring practice used was a business necessity. The Griggs case and other Supreme Court decisions resulted in massive numbers of companies enacting self-imposed hiring quotas. Under Griggs, a plaintiff need only point out a statistical disparity in an employer's work force. From there, the burden of proof lay on the defendant, the employer, to prove that his business practices were not discriminatory. The original Griggs decision effectively meant that employers were guilty until proven innocent! The 1989 Wards Cove decision, which put the burden on the plaintiff to provide that the statistical disparity was the result of discrimination, rather than business necessity, was a sound one. It should not be reversed, as H.R. 1 proposes.

One harmful effect of this quota policy will be that, by forcing employers to hire someone because of his or her race, rather than qualifications, other applicants will be discriminated against. H.R. 1 will not promote racial equality, as the sponsors purport. In practice, it will pit race against race, dividing Americans, and fueling the fire of racial strife. It would also result in those minorities who do have qualifications living under a cloud of suspicion. They will always be dogged by doubts as to whether they gained their position on merit. This could have devastating psychological impacts on minority employees and could cripple the spirit of those trying to better themselves through hard work and determination. I urge my colleagues to seriously consider the terrible effect that this could have on millions of minorities who are struggling to raise their status. These tragic results of the enactment of H.R. 1 will ultimately serve to reverse many of the advances achieved by the civil rights movement.

Another major element of this legislation which is detrimental to minority communities is that it allows the continuation of race norming or within group norming in tests given to job applicants. Under this system, all job candidates are given the same aptitude tests. However, for scoring purposes, applicants are divided into racial or ethnic groups and individuals are judged only against others in their racial or ethnic groups. Percentile scores, rather than percent-correct scores, are reported to potential employers. This means that individuals with lower scores may actually have higher percentile scores than others who scored higher. For example, suppose two applicants both answer 75 out of 100 questions correctly. They should both be in the same percentile among all other applicants, right? Wrong. If those two applicants are of different races, one could receive, for example, a 90 percent score while the other receives a 60 percent score because each are judged only against those of the same racial group.

Race norming is not only divisive and inflammatory, it is directly at odds with everything the civil rights movement fought for over the years: a colorblind society in which every American is judged on his abilities, not on his race. Race norming segregates Americans into racial and ethnic groups, dividing them against each other and ethnic groups, dividing them against each other and encouraging racial strife. While those who have advocated this system may have good intentions, race norming is based on the assumption that those in certain racial groups cannot compete with those in other groups and that they must be treated separately. This assumption not only belittles the abilities of minorities, it smacks of racism. Blacks and other minorities, do not need special testing methods, they need equal opportunities. Given an equal shot at proving their abilities, blacks and other minorities have shown again and again that they can be just as productive and talented as anyone else. Like hiring and promotion quotas, race norming cripples the spirit and determination of those trying to better themselves. Democrats have adopted provisions in their substitute for H.R. 1 to curtail the use of race norming. However, this practice must be completely banned, as mandated in the Republican alternative legislation.

The practice of race norming is more widespread than many of my colleagues may know. It is currently being used by State employment agencies in 34 States, and the Department of Labor is actively encouraging states to utilize this system with the General Aptitude Test Battery [GATB]. Congressman Hyde has offered an amendment to prohibit this destructive practice and I strongly support his proposal, although I know that the liberal majority will shoot down this commonsense proposal—if they even allow it to be debated on the floor of the House.

Of course, since most liberals rarely think about the consequences of their actions, the supporters of H.R. 1 will not admit that this legislation will reverse much of the progress we have made in protecting civil rights. And we have made progress. I can tell you as one who has traveled to over 130 countries that there is no place in the world as racially and religiously tolerant as the United States. No where. But we can do better, though not by instituting quotas or dividing the populace in racial and ethnic categories.

Another effect of this bill is perfectly clear. If H.R. 1 becomes law, there will no longer be unemployed lawyers in the United States. Passage of this legislation will mean an unending supply of discrimination cases for trial lawyers throughout the country. The legislation would allow those claiming discrimination to receive punitive and compensatory damages and demand jury trials. The statute of limitations for filing claims would be extended to 2 years. Individuals could take baseless claims to trial and force employers to settle in order to avoid the high cost of prolonged litigation, which is why H.R. 1 would be more aptly named the "Trial Lawyer's Relief Act of 1991." Passage of the so-called Civil Rights Act may be good news for the liberals at the American Bar Association but it spells disaster for America.

I recently received a letter from one of my favorite liberals, Ed Koch, the former mayor of New York, urging me to vote against H.R. 1. Mayor Koch said that:

> I am opposed to H.R. 1 because it will adversely affect everyone in this country: The vast majority of our citizens will suffer reverse discrimination in employment, while others will be provided preferential treatment and, therefore, blamed for the resulting unfairness. Yet, tragically, this bill does nothing to assist those who need training and better education in order to compete in the labor market.

Ed Koch has been one of the staunchest supporters of the civil rights movement over the years and I can only hope that a few of the liberals in the House of Representatives will open their eyes and see what Mayor Koch so clearly sees.

As H.R. 1 has come closer to consideration by the full House, we have seen a so-called compromise proposal offered which would supposedly cap damages at $150,000. Never mind that the compromise did not include Republicans, but was only a compromise among the Democrats. However, the alleged cap would only apply to punitive damages, not to compensatory damages. Furthermore, and this is the most laughable element of the "compromise," punitive damages would be capped at the greater of $150,000 or amount of compensatory damages, plus back-pay. Not the lesser. Again, since there is no cap on compensatory damages, a $150,000 cap is a falsehood. This noncompromise compromise really has no caps, but it sure has a lot of smoke and mirrors.

I'd like to make one last point. It is simply ridiculous to suggest that with all the problems facing minorities, particularly the black community—the breakdown of the family, crime, drugs, joblessness—that this bill is the answer to what ails black America. This bill would not address one problem confronting America's black underclass. Not one. Instead of passing legislation allowing middle-class blacks the right to sue for compensatory and punitive damages because of some numbers game, we should be passing legislation to establish enterprise zones and tenant ownership of public housing, improving educational performance, dealing seriously with crime, which affects the black underclass more than any other Americans, and keeping black families together. As columnist William Raspberry recently worte, "I think there are issues of far greater significance to our well-being and that to make passage of the bill our No. 1 priority is to divert attention from those more significant issues." In short, H.R. 1 is simply not the answer to the problems of the black community.

I have to wonder whether the liberals who are pushing so hard for the passage of this legislation aren't more interested in the political benefits to be reaped from something, anything, called a civil rights bill rather than in working for legislation which will truly help minorities. For example, the same Judiciary Committee which reported H.R. 1 has for several months refused to take any action on the President's anticrime package, despite the loud cheers from both sides of the aisle when the President called for passage within 100 days after his State of the Union speech. This legislation contains provisions, such as exclusionary rule reform, habeas corpus reform, and the death penalty for certain violent killers, which are absolutely critical to the effort to curtail the violent crime epidemic which is destroying America's inner cities. The war on crime is more crucial to blacks and other minority groups in America, who bear a disproportionately greater burden of the crimes in this country, than this numbers game the liberals are playing in pressing for passage of H.R. 1. Maybe the liberals don't agree with all of the President's anticrime proposals, but they could at least hold hearings on the legislation. Surely, the liberals could at least allow a debate on these issues. Or maybe the liberals are more interested in posturing to minorities than in acting on serious proposals to assist them.

H.R. 1 is an affront to those of us who have always supported meaningful civil rights legislation. Yes; H.R. 1 is bad for business. But it is also for workers, who will suffer the consequences of businesses which are crippled by the implications of this bill. It is bad for minority groups and will cripple the progress we have made on civil rights. In short, H.R. 1 is bad for America and I will not support it.

Mr. MOODY. Mr. Chairman, I rise in support of H.R. 1. I urge my colleagues to vote for this much needed and historic civil rights bill because it is fair. It is needed to help solve what I believe is this Nation's most intractable problem—lack of full economic opportunity for minority Americans. 1989 saw an erosion of then existing civil rights that H.R. 1 would restore and strengthen, reinvigorating the American dream for millions of Americans.

The Civil Rights Act of 1964 was intended to eliminate discrimination in the workplace. Unfortunately, the facts show that substantial and entrenched discrimination still faces women and racial minorities in the workplace. A recent Urban Institute study shows that discrimination for black male jobseekers still exists. Their investigation sent equally qualified white and black male job candidates to apply for the same jobs. This study concluded that in one out of five cases, the white applicant was able to advance farther through the hiring process than his equally qualified black counterpart. The study also found that overall, in 15 percent of the cases, the white was offered a job although his equally qualified black partner was not. This recent, carefully conducted study which clearly demonstrated that blacks were denied equal opportunities cannot be ignored. We must respond to these scholarly findings, and the everyday experience we have all seen.

Studies done on other minority groups, including women, show similar results. Women still earn considerably less than men for the same jobs and are often denied the same career opportunities. These large discrepancies in the workplace cry out for the need to improve civil rights laws here in America in 1991.

Since its introduction early last year, proponents have made many changes, adjustments and compromises in the Civil Rights Act before us today in order to address the concerns of the business community, such as outlawing quotas. This is a carefully crafted piece of legislation that has gone through countless hours of scrutiny from many different people representing many different concerns. But H.R. 1 has two unchanged principal purposes which are at the center of the bill and at the controversy: First, the Act restores the workplace protections enjoyed prior to 1989, and second, the Act strengthens Title VII of the 1964 Civil Rights Act by providing monetary damages for intentional discrimination.

RESTORING EQUAL OPPORTUNITY

Civil rights on the books are meaningless if they don't ensure remedial measures under our court system. Title VII of the Civil Rights Act of 1964 contains a provision which attempts to eliminate the effects of past discrimination and to deter future discrimination but has one serious flaw. It allows no damages remedy. This means that victims of intentional discrimination go uncompensated and employers go undeterred.

Over a hundred years ago, a Reconstruction-era law, section 1981, allowed victims of racial bias both punitive and compensatory damages. H.R. 1 would extend these same benefits to women and religious minorities in 1991. The bill amends title VII to allow women and religious minorities the right to sue for monetary damages for harassment and other forms of international discrimination. This is important because without damages, the deterrent against repeating intentional discrimination would be inadequate.

I oppose placing an artificial cap on monetary damages for intentional discrimination and also support the Towns-Schroeder substitute which removes a cap. We will not have a completely fair and gender-blind bill if we cannot provide the same rights for any group facing intentional discrimination.

The complaints of some small businesses that this expansion in title VII will put them out of business concerns me for two reasons. First of all, businesses have had to comply with this rule for racial minorities since shortly after the Civil War when section 1981 was enacted. This has not bankrupted small businesses. Secondly, damages could be awarded only when an employer is found to discriminate intentionally. Businesses that provide equal opportunities need not be concerned. Hiring practices that simply happen to have disparate impact on women or minority workers cannot result in punitive or compensatory damages. For punitive damages, discrimination must be shown to be intentional.

RESTORING THE BURDEN OF PROOF AND THE QUESTION OF QUOTAS

The allegation that H.R. 1 will create hiring quotas seems to be the biggest misconception about the bill, and is being used as a scare tactic by the bill's opponents. The Act would simply clarify and restore the burden of proof which was established in 1971, and was in place until 1989. Employees would still have to prove discrimination or prove that an employment practice results in the exclusion of qualified women or minorities, before an employer would be required to justify a proven discriminatory practice as a business necessity. The primary and initial burden would fall on the plaintiff, not the employer.

I do not approve of quotas and I don't know any supporters of H.R. 1 that do. In fact, hiring quotas would be illegal under H.R. 1. Specific language was also added to clarify that numerical imbalances alone cannot be used to establish a violation. Section 111 in the substitute specifically says:

> Nothing in the amendments made by this Act shall be construed to require, encourage, or permit an employer to adopt hiring or promotion quotas on the basis of race, color, religion, sex or national origin.

H.R. 1 merely codifies the Supreme Court's 1971 Griggs decision which said that employer practices that work to the disadvantage of women and minorities—called "disparate impacts"—violate title VII unless they can be justified by business necessity. Such practices are said to have a disparate impact on minorities. This was the noncontroversial standard used from 1971 until 1989 when the Supreme Court issued the surprising Wards Cove decision which shifted the burden of proof to the plaintiff. Under the Wards Cove decision the plaintiff would have to prove that a discriminatory practice was not required by business necessity. The Wards Cove decision also made it more difficult for employees to prove discrimination and totally eliminated the responsibility of employers to prove business necessity for discriminatory practices.

Sections 101 and 102 of the Act before us includes the language that restores the Griggs standard by clarifying what needs to be proved when job practices are discriminatory because of disparate impact. This bill requires the plaintiff to show how an employment practice has a disparate impact. H.R. 1 states that an employment practice that has a disparate impact can be defended by an employer as required by business necessity which is defined in section 101 of the bill as having "substantial and manifest relationship to the requirements for effective job performance."

My research into how disparate impact cases are dealt with by the Equal Employment Opportunity Commission [EEOC] has further convinced me that H.R. 1 will not result in quotas. All disparate impact cases have to be investigated by the EEOC which is required to look at hiring and employment records of employers who are accused of discrimination. The EEOC closely examines an employer's records to ensure that only qualified applicants—not just anyone applying—are included when determining if a practice results in disparate impact. The EEOC never looks simply at the numbers of the employees hired, and H.R. 1 would further clarify that they would not be allowed to do so.

The Griggs standard was successfully used for 18 years and was easily understood by employers and employees. This standard did not result in quotas. During the many days of hearings on the civil rights bill there was never any evidence from opponents of the bill showing that it did result in quotas.

I am convinced that H.R. 1 is a fair bill to both employees and employers. It will strengthen our Nation's civil rights laws while ensuring that businesses do not have to impose the use of unfair quotas.

Mr. LEVINE of California. Mr. Chairman. I rise today in support of the Civil Rights Act of 1991 and to dispel some myths that have been flying around since the last election. This bill is about qualified workers who, because of recent Supreme Court decisions, face discrimination on the job that now goes unpunished and uncompensated. Contrary to the claims of its opponents, this bill is not about giving particular groups special protections at the expense of others. In fact, the bill seeks to ensure just the opposite: that all qualified workers have equal opportunity in the workplace. It was carefully crafted to ensure that race, ethnicity, gender, disability, and religion will not be factors in hiring and promotion decisions.

H.R. 1 would restore to the disenfranchised American workers equal opportunity rights lost in Supreme Court decisions in 1989. Not only does the bill not allow quotas, but by statute makes them illegal. Yet in its desperate attempt to politicize the issues of race and gender, the administration and its allies in Congress have labeled this legislation a quota bill.

I oppose quotas. No member of our society should be victimized by artificial quotas as were my parents. If I really believed that this were a quotas bill, even a de facto quota bill, I would oppose it. The language in this bill which forbids quotas is the reason every national Jewish organization in the country supports its passage.

However, quotas are not the real issue at stake. The administration knows that. Instead, the cynical political hacks of the Republican Party have decided that at a time when jobs are tough to come by, they can make political capital out of race-baiting. They used the issue of quotas with incredible success in the recent elections, and they do not want to give it up. They even strong-armed the Business Roundtable into withdrawing from negotiations to find a consensus on H.R. 1 just when those negotiations appeared to be on the brink of success. All this was perpetrated in the name of politics, the politics of fear and cynicism.

This tactic is both absurd and dangerous. It is dangerous because the completely baseless quota allegation has instigated divisiveness at the precise time this country needs unity to deal with such a crucial issue. It is absurd because the bill bans the exact type of quota that the President himself had criticized before the elections.

Beyond the hysterical rhetoric, the facts expose the quota myth. Opponents have asserted that to avoid potential lawsuits, employers would turn to quota hiring. But not one iota of evidence has been produced that shows that the standard the bill seeks to restore, in the 18 years it was in effect, ever led an employer to adopt a quota system. Additionally, under the bill, an employer who resorts to using quotas to comply with the Act will be faced with two lawsuits: one addressing the initial discriminatory practice, and the other addressing the illegal quota. Even without the anti-quota assurances in the bill, this is not a quota bill. Racial preference has always been prohibited under the law. But despite this precedence, the language of the bill makes quotas explicity illegal.

The purpose of this bill is solely to reverse five of the most outrageous Supreme Court decisions of our generation. It will provide women, minorities, and the disabled with a level playing filed to prove that they have been the victims of discrimination. Without this legislation, the cards will be so heavily stacked against discrimination victims they will stand little chance of prevailing in court.

Passage of this bill is critical. It is the most significant civil rights legislation in more than two decades. I urge my colleagues to reject the unfounded, politically based claims of the opponents of the Civil Rights and Women's Equity in Employment Act. It is past time to work toward justice for all Americans. It is time to pass this bill.

Mr. GRADISON. Mr. Chairman, at issue today is how best to address the effects of five decisions handed down by the Supreme Court in 1989 that disturbed settled case law by reinterpreting title VII of the Civil Rights Act of 1964, the principal Federal statute covering discrimination in employment, and section 1981, which bans racial discrimination in the making and enforcing of private contracts, including employment contracts.

In my view, the Court erred in its interpretation of the intent of Congress. I believe the Congress should move to correct the Court's decisions. That is, we should return the law to the status quo ante. However, neither the committee bill, the Towns-Schroeder substitute, or the Brooks-Fish leadership substitute, do that. The Michel substitute, which is very similar to the President's civil rights bill, H.R. 1375, which I cosponsored, is the closest to a strict return to the consensus on employment law that which existed just a short 2 years ago.

There has been a lot of discussion, much of it emotional, about the charges and countercharges about whose bill encourages the use of quotas in the workplace. Politics has dominated this particular discussion much more than dispassionate legal argument. That is unfortunate. In my view, there is ony one way to ensure that quotas will not result from anything we do here. Congress should reinstate the standard, initially set forward in Griggs versus Duke Power Co., concerning business necessity. The Griggs standard was the consensus prior to the Supreme Court's recent decisions.

In addition, the plaintiff in an employment discrimination case should be required to identify the specific practice which causes either an imbalance in the work force or which is the specific cause of discrimination against him. Reliance on merely an abstract statistical numbers game should not be the standard by which discrimination against the individual should be measured.

Only the Michel substitute meets these tests. In fact, one of the most disturbing aspects of the leadership's groping exercise toward constructing a veto-proof majority in this House has been the manner in which the proponents of the Brooks-Fish substitute have altered the definition of business necessity. Three times in the last 4 weeks, definitions in the leadership substitute have been changed to reflect the ever shifting political landscape. The definition currently in the leadership bill has never been the subject of review by the Judiciary Committee. Is this the way discrimination law should be written?

The Michel substitute has been criticized because it does not contain an explicit prohibition against the use of quotas. The Brooks-Fish substitute contains new language, again without being subject to reivew by the Judiciary Committee, that the sponsors claim outlaws quotas. Yet, title VII already prohibits their use. The risk is that the very narrow definition of a quota provided in the Brooks-Fish substitute will, at a minimum, create confusion.

The perverse effect could well be to give plaintiffs, employers, and the courts a guide to the types of quotas that would be permitted. With a narrow definition of a quota, rather than an explicit prohibition as contained in title VII, combined with the definition of business necessity, the Brooks-Fish substitute is an invitation to non-prohibited types of quotas and extensive litigiousness. Towns-Schroeder and the underlying bill are no better.

Beyond the issue of quotas, the Michel substitute is preferable in several other areas. I will mention only two.

The Michel substitute contains language, offered by Mr. Hyde, that prohibits the practice of race-norming. This practice is used by employers and employment agencies to adjust artificially the test scores of job applicants based merely on race and ethnicity. None of the Democratic sponsored options do away with this practice.

I am very concerned that the underlying bill and the Brooks-Fish substitute contain provisions endorsing the concept of comparable worth or pay equity. By requiring the Secretary of Labor to carry out a continuing program of disseminating information critical to organizing a pay equity system, to promote such research, and to provide technical assistance to anyone who requests it, Congress would endorse the underlying concept.

In my view, the economics of pay equity are specious and insupportable. Yet, on a critical issue that could effect millions of Americans there is to be no real debate. These provisions have not been fully debated and no amendment dealing with this issue is permitted on the floor today. What are pay equity provisions doing in this bill anyway? The proponents continue to say they are only interested in restoration of prior law. This section is emblematic of the central problem. This legislation and the Democratic substitutes, are far from mere restoration, which I support.

Mr. Chairman, we have come a long way in this society in eradicating discrimination and building a society that fulfills the promise of the Constitution. Yet, we all know we have a long way to go to realize that promise. We should continue to struggle toward that goal. Congress should do everything necessary to encourage the emergence of a color-blind society in which everyone enjoys equal protection of the law and equal access to justice and the redress of grievances. This was the original mission of the civil rights movement and this is a mission with which all Americans agree.

I am disappointed that the Brooks-Fish substitute, which is likely to pass this body, fails this essential test. I am deeply concerned that this legislation will make our society more color-conscious, rather than less, thereby raising the specter of needless division. I had hoped that the House would rise above the temptation of political posturing to deal with the real problems posed by the decisions of the Supreme Court. Mr. Chairman, this debate is far from the finest hour of the House and this legislation is far from what true civil libertarians should support.

Mr. HANCOCK. Mr. Chairman, today is a sad day for those Americans with good common sense. Today we consider a quota bill which will increase, beyond even what we have already done, the devastation to businessmen in this country. But still we hear from our colleagues on the left that this is the right thing to do.

Ask yourself, is it right to force a business to hire someone less qualified just because their skin is a certain color? Wasn't this race-based mentality the reason for the whole civil rights movement in the 1960's? Didn't Dr. King ask that we judge a man not by the color of his skin but the content of his character?

Liberals are saying that changes in H.R. 1 will make quota illegal. This is equivalent to the Soviet Minister of Finance declaring the Soviet economy will set record profits. Saying so won't make it happen. If H.R. 1 becomes law, businessmen just won't have any other choice than to hire by numbers.

Don't be fooled. This is a quota bill. It is an opportunity for liberals to continue their attack on the very foundations which drive our great Nation. If this bill is passed into law, all American businessmen and women, black, white, red, brown will suffer yet another loss at the hands of those who use race as a weapon.

Mr. DUNCAN. Mr. Chairman, there are so many millions of laws, rules, and regulations on the books today that they haven't even designed a computer that can keep up with them all—much less a human being.

There are thousands of laws, rules, and regulations outlawing every type of discrimination at the Federal, State, and at the local level.

Every form of discrimination is already illegal—regardless of what we do on the so-called civil rights bill today.

This is why it said in USA Today yesterday that Members have heard very little from their constituents on this issue.

What we are really arguing about is lawyers fees ad legal technicalities.

I was a lawyer and judge before coming to Congress and I want to see all lawyers do well.

But lawyers are already making big fees in these cases. Also, we do not need another army of bureaucrats that will become necessary to administer this legislation.

We do not need to place another straitjacket on business. If we really want to help minorities and all people in this country, we will work to allow free enterprise into our system once again.

This would help the economy and would do more to help the working people of this Nation than any law we can pass here on the Congress.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message from the President.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore. (Mr. SKAGGS) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

CIVIL RIGHTS AND WOMEN'S EQUITY IN EMPLOYMENT ACT OF 1991

The Committee resumed its sitting.

The CHAIRMAN. Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Education and Labor is considered as an original bill for the purpose of amendment and is considered as having been read.

H.R. 1

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights and Women's Equity in Employment Act of 1991".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) in a series of recent decisions addressing employment discrimination claims under Federal law, the Supreme Court cut back dramatically on the scope and effectiveness of civil rights protections; and

(2) existing protections and remedies under Federal law are not adequate to deter unlawful discrimination or to compensate victims of such discrimination.

(b) PURPOSES.—The purposes of this Act are to—

(1) respond to the Supreme Court's recent decisions by restoring the civil rights protections that were dramatically limited by those decisions; and

(2) strengthen existing protections and remedies available under Federal civil rights laws to provide more effective deterrence and adequate compensation for victims of discrimination.

TITLE I

SEC. 101. GLASS CEILING COMMISSION.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—Congress finds that—

(A) despite a dramatically growing presence in the workplace, women and minorities remain underrepresented in executive, management and senior decisionmaking positions in business;

(B) artificial barriers exist to the advancement of women and minorities in employment;

(C) enforcement of Federal equal employment opportunity laws by Federal agencies has not effectively addressed such underrepresentation or eliminated such artificial barriers;

(D) the "Glass Ceiling Initiative" recently undertaken by the Department of Labor has been instrumental in raising public awareness of—

(i) the underrepresentation of women and minorities at the executive, management and senior decisionmaking levels in the United States work force; and

(ii) the desirability of eliminating artificial barriers to the advancement of women and minorities to such levels;

(E) the establishment of a commission to examine issues raised by the Glass Ceiling Initiative would help—

(i) focus greater attention on the importance of eliminating artificial barriers to the advancement of women and minorities to executive, management and senior decisionmaking positions in business; and

(ii) promote work force diversity; and

(F) a comprehensive study that includes analysis of the manner in which executive, management and senior decisionmaking positions are filled, the developmental and skill-enhancing practices used to foster the necessary qualifications for advancement, and the compensation programs and reward structures utilized in the corporate sector would assist in the establishment of practices and policies promoting opportunities for, and eliminating artificial barriers to, the advancement of women and minorities to executive, management and senior decisionmaking positions.

(2) PURPOSE.—The purpose of this section is to establish a Glass Ceiling Commission to study—

(A) the manner in which business fills executive, management and senior decisionmaking positions;

(B) the developmental and skill-enhancing practices used to foster the necessary qualifications for advancement into such positions; and

(C) the compensation programs and reward structures currently utilized in the workplace.

(b) ESTABLISHMENT.—There is established a Glass Ceiling Commission (referred to in this section as the "Commission"), to conduct a study and prepare recommendations concerning—

(1) eliminating artificial barriers to the advancement of women and minorities in employment; and

(2) increasing the opportunities and developmental experiences of women and minorities to foster advancement of women and minorities to executive, management and senior decisionmaking positions in business.

(c) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 19 members—

(A) 3 individuals appointed by the President;

(B) 4 individuals appointed jointly by the Speaker of the House of Representatives and the majority leader of the Senate;

(C) 2 individuals appointed by the majority leader of the House of Representatives;

(D) 1 individual appointed by the minority leader of the House of Representatives;

(E) 2 individuals appointed by the majority leader of the Senate;

(F) 1 individual appointed by the minority leader of the Senate;

(G) 2 Members of the House of Representatives appointed jointly by the majority leader and the minority leader of the House of Representatives;

(H) 2 Members of the Senate appointed jointly by the majority leader and the minority leader of the Senate;

(I) the Secretary of Labor; and

(J) the Chairman of the Equal Employment Opportunity Commission.

(2) CONSIDERATIONS.—In making appointments under subparagraphs (A) and (B) of paragraph (1), the appointing authority shall consider the background of the individuals, including whether the individuals—

(A) are members of organizations representing women and minorities, and other related interest groups;

(B) hold executive, management or senior decisionmaking positions in corporations or other business entities; and

(C) possess academic expertise or other recognized ability regarding employment and discrimination issues.

(d) CO-CHAIRPERSONS.—The Secretary of Labor, and one individual appointed under subsection (c)(1)(B) who is designated jointly by the appointing authority, shall serve as the Co-chairpersons of the Commission.

(e) TERM OF OFFICE.—Members and Co-chairpersons shall be appointed for the life of the Commission.

(f) VACANCIES.—Any vacancy occurring in the membership of the Commission shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(g) MEETINGS.—

(1) MEETINGS PRIOR TO COMPLETION OF REPORT.—The Commission shall meet not fewer than five times in connection with and pending the completion of the report described in subsection (j)(2). The Commission shall hold additional meetings if the Co-chairpersons or a majority of the members of the Commission request the additional meetings in writing.

(2) MEETINGS AFTER COMPLETION OF REPORT.—The Commission shall meet once each year after the completion of the report described in subsection (j)(2). The Commission shall hold additional meetings if the Co-chairpersons or a majority of the members of the Commission request the additional meetings in writing.

(h) QUORUM.—A majority of the Commission shall constitute a quorum for the transaction of business.

(i) COMPENSATION AND EXPENSES.—

(1) COMPENSATION.—Each member of the Commission who is not an employee of the Federal Government shall receive compensation at the daily equivalent of the rate specified for GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day the member is engaged in the performance of duties for the Commission, including attendance at meetings and conferences of the Commission and travel.

(2) TRAVEL EXPENSES.—Each member of the Commission shall receive travel expenses, including per diem in lieu of subsistence, as authorized by sections 5702 and 5703 of title 5, United States Code.

(3) EMPLOYMENT STATUS.—A member of the Commission, who is not otherwise an employee of the Federal Government, shall not be deemed to be an employee of the Federal Government except for the purposes of—

(A) the tort claims provisions of chapter 171 of title 28, United States Code, and

(B) subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries.

(j) STUDIES OF ADVANCEMENT OF WOMEN AND MINORITIES TO EXECUTIVE, MANAGEMENT AND SENIOR DECISIONMAKING POSITIONS IN BUSINESS.—

(1) STUDY.—The Commission shall conduct a study of opportunities for, and artificial barriers to, the advancement of women and minorities to executive, management and senior decisionmaking positions in business. In conducting the study, the Commission shall—

(A) examine the preparedness of women and minorities to advance to executive, management and senior decisionmaking positions in business;

(B) examine the opportunities for women and minorities to advance to executive, management and senior decisionmaking positions in business;

(C) conduct basic research into the practices, policies, and manner in which executive, management and senior decisionmaking positions in business are filled;

(D) conduct comparative research of businesses and industries in which women and minorities are promoted to executive, management and senior decisionmaking positions, and businesses and industries in which women and minorities are not promoted to executive, management and senior decisionmaking positions;

(E) evaluate the efficacy of enforcement (including, but not limited to, such enforcement techniques as litigation, complaint investigations, compliance reviews, conciliation, administrative regulations, policy guidance, technical assistance, training, and public education) of Federal equal employment opportunity laws by Federal agencies as a means of eliminating artificial barriers to the advancement of women and minorities in employment;

(F) compile a synthesis of available research on programs and practices that have successfully led to the advancement of women and minorities to executive, management and senior decisionmaking positions in business, including training programs, rotational assignments, developmental programs, reward programs, employee benefit structures, and family leave policies; and

(G) examine any other issues and information relating to the advancement of women and minorities to executive, management and senior decisionmaking positions in business.

(2) REPORT.—Not later than 15 months after the date of the enactment of this Act, the Commission shall prepare and submit to the President and the appropriate committees of Congress a written report containing—

(A) the findings and conclusions of the Commission resulting from the study conducted under paragraph (1); and

(B) recommendations based on the findings and conclusions described in subparagraph (A) relating to the promotion of opportunities for, and elimination of artificial barriers to, the advancement of women and minorities to executive, management and senior decisionmaking positions in business, including recommendations for—

(i) policies and practices to fill vacancies at the executive, management and senior decisionmaking levels;

(ii) developmental practices and procedures to ensure that women and minorities have access to opportunities to gain the exposure, skills, and expertise necessary to assume executive, management and senior decisionmaking positions;

(iii) compensation programs and reward structures utilized to reward and retain key employees; and

(iv) strategies for enforcement of Federal equal employment opportunity laws by Federal agencies as a means of eliminating artificial barriers to the advancement of women and minorities in employment.

(3) ADDITIONAL STUDY.—The Commission may conduct such additional study of the advancement of women and minorities to executive, management and senior decisionmaking positions in business as a majority of the members of the Commission determines to be necessary.

(k) POWERS OF THE COMMISSION.—The Commission is authorized to—

(1) hold such hearings and sit and act at such times;

(2) take such testimony;

(3) have such printing and binding done;

(4) enter into such contracts and other arrangements in any fiscal year only to such extent or in such amounts as are provided in appropriations Acts;

(5) make such expenditures; and

(6) take such other actions;

as the Commission may determine to be necessary to carry out the duties of the Commission.

(l) OATHS.—Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(m) OBTAINING INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal agency such information as the Commission may require to carry out its duties.

(n) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Co-chairpersons of the Commission may accept for the Commission voluntary services provided by a member of the Commission.

(o) GIFTS AND DONATIONS.—The Commission may accept, use, and dispose of gifts or donations of property in order to carry out the duties of the Commission.

(p) USE OF MAIL.—The Commission may use the United States mails in the same manner and under the same conditions as Federal agencies.

(q) CONFIDENTIALITY OF INFORMATION.—

(1) INDIVIDUAL BUSINESS INFORMATION.—Except as provided in paragraph (2), and notwithstanding section 552 of title 5, United States Code, in carrying out the duties of the Commission, including the duties described in subsection (j), the Commission shall maintain the confidentiality of all information that concerns—

(A) the employment practices and procedures of individual businesses; or

(B) individual employees of the businesses.

(2) CONSENT.—The content of any information described in paragraph (1) may be disclosed with the prior written consent of the business or employee, as the case may be, with respect to which the information is maintained.

(3) AGGREGATE INFORMATION.—In carrying out the duties of the Commission, the Commission may disclose—

(A) information about the aggregate employment practices or procedures of a class or group of businesses; and

(B) information about the aggregate characteristics of employees of the businesses, and related aggregate information about the employees.

(r) STAFF AND CONSULTANTS.—

(1) STAFF.—

(A) APPOINTMENT AND COMPENSATION.—The Commission may appoint and determine the compensation of such staff as the Commission determines to be necessary to carry out the duties of the Commission.

(B) LIMITATIONS.—The rate of compensation for each staff member shall not exceed the daily equivalent of the rate specified for GS-18 of the General Schedule under section 5332 of title 5, United States Code for each day the staff member is engaged in the performance of duties for the Commission. The Commission may otherwise appoint and determine the compensation of staff without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and the provisions of chap-

ter 51 and subchapter III of chapter 53 of title 5, United States Code, that relate to classification and General Schedule pay rates.

(s) EXPERTS AND CONSULTANTS.—The Co-chairpersons of the Commission may obtain such temporary and intermittent services of experts and consultants and compensate the experts and consultants in accordance with section 3109(b) of title 5, United States Code, as the Commission determines to be necessary to carry out the duties of the Commission.

(t) DETAIL OF FEDERAL EMPLOYEES.—On the request of the Co-chairpersons of the Commission, the head of any Federal agency shall detail, without reimbursement, any of the personnel of the agency to the Commission to assist the Commission in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(u) TECHNICAL ASSISTANCE.—On the request of the Co-chairpersons of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.

(v) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this section. Such sums shall remain available until expended, without fiscal year limitation.

(w) TERMINATION.—Notwithstanding section 15 of the Federal Advisory Committee Act (5 U.S.C. App.), the Commission shall terminate 4 years after the date of the enactment of this Act.

SEC. 102. PAY EQUITY TECHNICAL ASSISTANCE.

(a) STATEMENT OF PURPOSE.—Recognizing that the identification and elimination of discriminatory wage-setting practices and discriminatory wage disparities is in the public interest, the purpose of this section is to help eliminate such practices and disparities by—

(1) providing for the development and utilization of techniques that will promote the establishment of wage rates based on the work performed and other appropriate factors, rather than the sex, race, national origin, or ethnicity of the employee; and

(2) providing for the public dissemination of information relating to the techniques described in paragraph (1), thereby encouraging and stimulating public and private employers, through the use of such techniques, to correct wage-setting practices and eliminate wage disparities, to the extent that they are based on the sex, race, national origin, or ethnicity of the employee, rather than the work performed and other appropriate factors.

(b) PROGRAM SPECIFICATIONS.—In order to carry out the purpose of this section, the Secretary of Labor shall develop and carry out a continuing program relating to pay equity. Such program shall include—

(1) the dissemination of information on efforts being made in the private and public sectors to reduce or eliminate wage disparities, to the extent that they are based on the sex, race, national origin, or ethnicity of the employee, rather than the work performed and other appropriate factors;

(2) the undertaking and promotion of research into the development of techniques to reduce or eliminate wage disparities, to the extent that they are based on the sex, race, national origin, or ethnicity of the employee, rather than the work performed and other appropriate factors; and

(3) the provision of appropriate technical assistance to any public or private entity requesting such assistance to correct wage-setting practices or to eliminate wage disparities, to the extent that they are based on the sex, race, national origin, or ethnicity of the employee, rather than the work performed and other appropriate factors.

(c) DEFINITION.—For the purpose of this section, the term "other appropriate factors" includes factors such as—

(1) the skill, effort, responsibilities, and qualification requirements for the work involved, taken in their totality;

(2) geographic location and working conditions; and

(3) seniority, merit, productivity, education, and work experience.

SEC. 103. SUBMISSION OF EEOC SUMMARY AND ANALYSIS OF EQUAL EMPLOYMENT OPPORTUNITY DATA.

Section 705(e) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–4(e)) is amended by inserting after the first sentence the following: "The Commission shall include in each such report a summary and analysis of data submitted by employers concerning employment opportunities by sex, race, national origin, or ethnicity occurring among and within industries and occupational groups.".

SEC. 104. EDUCATION AND OUTREACH.

Section 705(h) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–4(h)) is amended—

(1) by inserting "(1)" after "(h)"; and

(2) by adding at the end the following:

"(2) In exercising its powers under this title, the Commission may make grants to State or local governmental entities or public or nonprofit private organizations to carry out educational and outreach activities (including dissemination of information in languages other than English) designed to inform the public (especially individuals who historically have been victims of employment discrimination) concerning rights and obligations under this title.".

SEC. 105. ANNUAL REPORT BY OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS.

Section 718 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–17) is amended—

(1) by inserting "Programs" after "Compliance"; and

(2) by adding at the end the following:

"At the close of each fiscal year, the Office of Federal Contract Compliance Programs shall submit to the Congress and to the President a report that includes—

"(1) a summary and analysis of affirmative action reports submitted to such Office by employers who enter into Government contracts; and

"(2) an analysis of employment opportunities and wage differentials by sex, race, national origin, or ethnicity occurring among and within industries, occupations, job groups, and job titles.".

TITLE II

SEC. 201. DEFINITIONS.

Section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e) is amended by adding at the end thereof the following new subsections:

"(l) The term 'complaining party' means the Commission, the Attorney General, or a person who may bring an action or proceeding under this title.

"(m) The term 'demonstrates' means meets the burdens of production and persuasion.

"(n) The term 'group of employment practices' means a combination of employment practices that produces one or more decisions with respect to employment, employment referral, or admission to a labor organization, apprenticeship or other training or retraining program.

"(o)(1) The term 'required by business necessity' means—

"(A) in the case of employment practices involving selection (such as hiring, assignment, transfer, promotion, training, apprenticeship, referral, retention, or membership in a labor organization), the practice or group of practices must bear a significant relationship to successful performance of the job; or

"(B) in the case of employment practices that do not involve selection, the practice or group of practices must bear a significant relationship to a significant business objective of the employer.

"(2) In deciding whether the standards in paragraph (1) for business necessity have been met, unsubstantiated opinion and hearsay are not sufficient; demonstrable evidence is required. The defendant may offer as evidence statistical reports, validation studies, expert testimony, prior successful experience and other evidence as permitted by the Federal Rules of Evidence, and the court shall give such weight, if any, to such evidence as is appropriate.

"(3) This subsection is meant to codify the meaning of 'business necessity' as used in Griggs v. Duke Power Co. (401 U.S. 424 (1971)) and to overrule the treatment of business necessity as a defense in Wards Cove Packing Co., Inc. v. Atonio (109 S. Ct. 2115 (1989)).

"(p) The term 'respondent' means an employer, employment agency, labor organization, joint labor-management committee controlling apprenticeship or other training or retraining programs, including on-the-job training programs, or those Federal entities subject to the provisions of section 717 (or the heads thereof).".

SEC. 202. RESTORING THE BURDEN OF PROOF IN DISPARATE IMPACT CASES.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) is amended by adding at the end thereof the following new subsection:

"(k) PROOF OF UNLAWFUL EMPLOYMENT PRACTICES IN DISPARATE IMPACT CASES.—(1) An unlawful employment practice based on disparate impact is established under this section when—

"(A) a complaining party demonstrates that an employment practice results in a disparate impact on the basis of race, color, religion, sex, or national origin, and the respondent fails to demonstrate that such practice is required by business necessity; or

"(B) a complaining party demonstrates that a group of employment practices results in a disparate impact on the basis of race, color, religion, sex, or national origin, and the respondent fails to demonstrate that such group of employment practices is required by business necessity, except that—

"(i) except as provided in clause (iii), if a complaining party demonstrates that a group of employment practices results in a disparate impact, such party shall not be required to demonstrate which specific practice or practices within the group results in such disparate impact;

"(ii) if the respondent demonstrates that a specific employment practice within such group of employment practices does not contribute to the disparate impact, the respondent shall not be required to demonstrate that such practice is required by business necessity; and

"(iii) if the court finds that the complaining party can identify, from records or other information of the respondent reasonably available (through discovery or otherwise), which specific practice or practices contributed to the disparate impact—

"(I) the complaining party shall be required to demonstrate which specific practice or practices contributed to the disparate impact; and

"(II) the respondent shall be required to demonstrate business necessity only as to the specific practice or practices demonstrated by the complaining party to have contributed to the disparate impact;

except that an employment practice or group of employment practices demonstrated to be required by business necessity shall be unlawful where a complaining party demonstrates that a *different employment practice or group of employment practices with less disparate impact would serve the respondent as well.*

"(2) A demonstration that an employment practice is required by business necessity may be used as a defense only against a claim under this subsection.

"(3) Notwithstanding any other provision of this title, a rule barring the employment of an individual who currently and knowingly uses or possesses an illegal drug as defined in Schedules I and II of section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)), other than the use or possession of a drug taken under the supervision of a licensed health care professional, or any other use or possession authorized by the Controlled Substances Act or any other provision of Federal law, shall be considered an unlawful employment practice under this title only if such rule is adopted or applied with an intent to discriminate because of race, color, religion, sex, or national origin.

"(4) The mere existence of a statistical imbalance in an employer's workforce on account of race, color, religion, sex, or national origin is not alone sufficient to establish a prima facie case of disparate impact violation.".

SEC. 203. CLARIFYING PROHIBITION AGAINST IMPERMISSIBLE CONSIDERATION OF RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN IN EMPLOYMENT PRACTICES.

(a) IN GENERAL.—Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) (as amended by section 202) is further amended by adding at the end thereof the following new subsection:

"(l) DISCRIMINATORY PRACTICE NEED NOT BE SOLE CONTRIBUTING FACTOR.—Except as otherwise provided in this title, an unlawful employment practice is established when the complaining party demonstrates that race, color, religion, sex, or national origin was a contributing factor for any employment practice, even though other factors also contributed to such practice.".

(b) ENFORCEMENT PROVISIONS.—Section 706(g) of such Act (42 U.S.C. 2000e–5(g)) is amended by inserting before the period in the last sentence the following: "or, in a case where a violation is established under section 703(l), if the respondent demonstrates that it would have taken the same action in the absence of any discrimination. In any case in which a violation is established under section 703(l), damages may be awarded only for injury that is attributable to the unlawful employment practice".

SEC. 204. FACILITATING PROMPT AND ORDERLY RESOLUTION OF CHALLENGES TO EMPLOYMENT PRACTICES IMPLEMENTING LITIGATED OR CONSENT JUDGMENTS OR ORDERS.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) (as amended by sections 202 and 203) is further amended by adding at the end thereof the following new subsection:

"(m) FINALITY OF LITIGATED OR CONSENT JUDGMENTS OR ORDERS.—(1) Notwithstanding any other provision of law, and except as provided in paragraph (2), an employment practice that implements and is within the scope of a litigated or consent judgment or order resolving a claim of employment discrimination under the United States Constitution or Federal civil rights laws may not be challenged in a claim under the United States Constitution or Federal civil rights laws—

"(A) by a person who, prior to the entry of such judgment or order, had—

"(i) actual notice from any source of the proposed judgment or order sufficient to apprise such person that such judgment or order might affect the interests of such person and that an opportunity was available to present objections to such judgment or order; and

"(ii) a reasonable opportunity to present objections to such judgment or order;

"(B) by a person with respect to whom the requirements of subparagraph (A) are not satisfied, if the court determines that the interests of such person were adequately represented by another person who challenged such judgment or order prior to or after the entry of such judgment or order; or

"(C) if the court that entered the judgment or order determines that reasonable efforts were made to provide notice to interested persons.

A determination under subparagraph (C) shall be made prior to the entry of the judgment or order, except that if the judgment or order was entered prior to the date of the enactment of this subsection, the determination may be made at any reasonable time.

"(2) Nothing in this subsection shall be construed to—

"(A) alter the standards for intervention under rule 24 of the Federal Rules of Civil Procedure or apply to the rights of parties who have successfully intervened pursuant to such rule in the proceeding in which they intervened;

"(B) apply to the rights of parties to the action in which the litigated or consent judgment or order was entered, or of members of a class represented or sought to be represented in such action, or of members of a group on whose behalf relief was sought in such action by the Federal government;

"(C) prevent challenges to a litigated or consent judgment or order on the ground that such judgment or order was obtained through collusion or fraud, or is transparently invalid or was entered by a court lacking subject matter jurisdiction; or

"(D) authorize or permit the denial to any person of the due process of law required by the United States Constitution.

"(3) Any action, not precluded under this subsection, that challenges an employment practice that implements and is within the scope of a litigated or consent judgment or order of the type referred to in paragraph (1) shall be brought in the court, and if possible before the judge, that entered such judgment or order. Nothing in this subsection shall preclude a transfer of such action pursuant to section 1404 of title 28, United States Code.".

SEC. 205. STATUTE OF LIMITATIONS; APPLICATION TO CHALLENGES TO SENIORITY SYSTEMS.

(a) STATUTE OF LIMITATIONS.—Section 706(e) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(e)) is amended—

(1) by striking out "one hundred and eighty days" and inserting in lieu thereof "2 years";

(2) by inserting after "occurred" the first time it appears "or has been applied to affect adversely the person aggrieved, whichever is later,";

(3) by striking out ", except that in" and inserting in lieu thereof ". In"; and

(4) by striking out "such charge shall be filed" and all that follows through "whichever is earlier, and".

(b) APPLICATION TO CHALLENGES TO SENIORITY SYSTEMS.—Section 703(h) of such Act (42 U.S.C. 2000e–2) is amended by inserting after the first sentence the following new sentence: "Where a seniority system or seniority practice is part of a collective bargaining agreement and such system or practice was included in such agreement with the intent to discriminate on the basis of race, color, religion, sex, or national origin, the application of such system or practice during the period that such collective bargaining agreement is in effect shall be an unlawful employment practice.".

SEC. 206. PROVIDING FOR DAMAGES IN CASES OF INTENTIONAL DISCRIMINATION.

Section 706(g) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(g)) is amended by inserting before the last sentence the following new sentences: "With respect to an unlawful employment practice (other than an unlawful employment practice established in accordance with section 703(k)) or in the case of an unlawful employment practice under the Americans with Disabilities Act of 1990 (other than an unlawful employment practice established in accordance with paragraph (3)(A) or paragraph (6) of section 102 of that Act) as it relates to standards and criteria that tend to screen out individuals with disabilities)—

"(A) compensatory damages may be awarded; and

"(B) if the respondent (other than a government, government agency, or a political subdivision) engaged in the unlawful employment practice with malice, or with reckless or callous indifference to the federally protected rights of others, punitive damages may be awarded against such respondent;

in addition to the relief authorized by the preceding sentences of this subsection, except that compensatory damages shall not include backpay or any interest thereon. Compensatory and punitive damages and jury trials shall be available only for claims of intentional discrimination. If compensatory or punitive damages are sought with respect to a claim of intentional discrimination arising under this title, any party may demand a trial by jury.".

SEC. 207. CLARIFYING ATTORNEYS' FEES PROVISION.

Section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(k)) is amended—

(1) by inserting "(1)" after "(k)";

(2) by inserting "(including expert fees and other litigation expenses) and" after "attorney's fee";

(3) by striking out "as part of the"; and

(4) by adding at the end thereof the following:

"(2) No consent order or judgment settling a claim under this title shall be entered, and no stipulation of dismissal of a claim under this title shall be effective, unless the parties or their counsel attest to the court that a waiver of all or substantially all attorneys' fees was not compelled as a condition of the settlement.

"(3) In any action or proceeding in which any judgment or order granting relief under this title is challenged, the court, in its discretion and in order to promote fairness, may allow the prevailing party in the original action (other than the Commission or the United States) to recover from either an unsuccessful party challenging such relief or a party against whom relief was granted in the original action or from more than one such party under an equitable allocation determined by the court, a reasonable attorney's fee (including expert fees and other litigation expenses) and costs reasonably incurred in defending (as a party, intervenor or otherwise) such judgment or order. In determining whether to allow recovery of fees from the party challenging the initial judgment or order, the court should consider not only whether such challenge was unsuccessful, but also whether the award of fees against the challenging party promotes fairness, taking into consideration such factors as the reasonableness of the challenging party's legal and factual position and whether other special circumstances make an award unjust.".

SEC. 208. PROVIDING FOR INTEREST, AND EXTENDING THE STATUTE OF LIMITATIONS, IN ACTIONS AGAINST THE FEDERAL GOVERNMENT.

Section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–16) is amended—

(1) in subsection (c), by striking out "thirty days" and inserting in lieu thereof "ninety days"; and

(2) in subsection (d), by inserting before the period ", and the same interest to compensate for delay in payment shall be available as in

cases involving non-public parties, except that prejudgment interest may not be awarded on compensatory damages''.

SEC. 209. CONSTRUCTION.

Title XI of the Civil Rights Act of 1964 (42 U.S.C. 2000h et seq.) is amended by adding at the end thereof the following new section:

"SEC. 1107. RULES OF CONSTRUCTION FOR CIVIL RIGHTS LAWS.

''(a) EFFECTUATION OF PURPOSE.—All Federal laws protecting the civil rights of persons shall be interpreted consistent with the intent of such laws, and shall be broadly construed to effectuate the purpose of such laws to provide equal opportunity and provide effective remedies.

''(b) NONLIMITATION.—Except as expressly provided, no Federal law protecting the civil rights of persons shall be construed to repeal or amend by implication any other Federal law protecting such civil rights.

''(c) INTERPRETATION.—In interpreting Federal civil rights laws, including laws protecting against discrimination on the basis of race, color, national origin, sex, religion, age, and disability, courts and administrative agencies shall not rely on the amendments made by the Civil Rights and Women's Equity in Employment Act of 1991 as a basis for limiting the theories of liability, rights, and remedies available under civil rights laws not expressly amended by such Act.''.

SEC. 210. RESTORING PROHIBITION AGAINST ALL RACIAL DISCRIMINATION IN THE MAKING AND ENFORCEMENT OF CONTRACTS.

Section 1977 of the Revised Statutes of the United States (42 U.S.C. 1981) is amended—

(1) by inserting ''(a)'' before ''All persons within''; and

(2) by adding at the end thereof the following new subsections:

''(b) For purposes of this section, the right to 'make and enforce contracts' shall include the making, performance, modification and termination of contracts, and the enjoyment of all benefits, privileges, terms and conditions of the contractual relationship.

''(c) The rights protected by this section are protected against impairment by nongovernmental discrimination as well as against impairment under color of State law.''.

SEC. 211. LAWFUL COURT-ORDERED REMEDIES, AFFIRMATIVE ACTION AND CONCILIATION AGREEMENTS NOT AFFECTED.

Nothing in the amendments made by this Act shall be construed to require or encourage an employer to adopt hiring or promotion quotas on the basis of race, color, religion, sex or national origin: Provided, however, That nothing in the amendments made by this Act shall be construed to affect otherwise lawful affirmative action, conciliation agreements, or court-ordered remedies.

SEC. 212. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

SEC. 213. APPLICATION OF AMENDMENTS AND TRANSITION RULES.

(a) APPLICATION OF AMENDMENTS.—The amendments made by—

(1) section 202 shall apply to all proceedings pending on or commenced after June 5, 1989;

(2) section 203 shall apply to all proceedings pending on or commenced after May 1, 1989;

(3) section 204 shall apply to all proceedings pending on or commenced after June 12, 1989;

(4) sections 205(a)(1), 205(a)(3), 205(a)(4), 205(b), 206, 207, 208, and 209 shall apply to all proceedings pending on or commenced after the date of enactment of this Act;

(5) section 205(a)(2) shall apply to all proceedings pending on or commenced after June 12, 1989; and

(6) section 210 shall apply to all proceedings pending on or commenced after June 15, 1989.

(b) TRANSITION RULES.—

(1) IN GENERAL.—Any orders entered by a court between the effective dates described in subsection (a) and the date of enactment of this Act that are inconsistent with the amendments made by sections 202, 203, 205(a)(2), or 210, shall be vacated if, not later than 1 year after such date of enactment, a request for such relief is made.

(2) SECTION 204.—Any orders entered between June 12, 1989, and the date of enactment of this Act, that permit a challenge to an employment practice that implements a litigated or consent judgment or order and that is inconsistent with the amendment made by section 204, shall be vacated if, not later than 6 months after the date of enactment of this Act, a request for such relief is made. For the 1-year period beginning on the date of enactment of this Act, an individual whose challenge to an employment practice that implements a litigated or consent judgment or order is denied under the amendment made by section 204, or whose order or relief obtained under such challenge is vacated under such section, shall have the same right of intervention in the case in which the challenged litigated or consent judgment or order was entered as that individual had on June 12, 1989.

(c) PERIOD OF LIMITATIONS.—The period of limitations for the filing of a claim or charge shall be tolled from the applicable effective date described in subsection (a) until the date of enactment of this Act, on a showing that the claim or charge was not filed because of a rule or decision altered by the amendments made by sections 202, 203, 205(a)(2), or 210.

SEC. 214. CONGRESSIONAL COVERAGE.

Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) is amended by adding at the end thereof the following new section:

"SEC. 719. CONGRESSIONAL COVERAGE.

''Notwithstanding any other provision of this title, the provisions of this title shall apply to the Congress of the United States, and the means for enforcing this title as such applies to each House of Congress shall be as determined by such House of Congress.''.

SEC. 215. STATUTE OF LIMITATIONS; NOTICE OF RIGHT TO SUE.

(a) STATUTE OF LIMITATIONS.—Section 7(d) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(d)) is amended—

(1) in paragraph (1)—

(A) by striking out ''180 days'' and inserting in lieu thereof ''2 years''; and

(B) by inserting ''or has been applied to affect adversely the person aggrieved, whichever is later'' after ''occurred''; and

(2) in paragraph (2), by striking out ''within 300 days'' and all that follows through ''whichever is earlier'' and inserting in lieu thereof ''a copy of such charge shall be filed by the Commission with the State agency''.

(b) NOTICE OF RIGHT TO SUE.—Section 7(e) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(e)) is amended—

(1) by striking out paragraph (2);

(2) by striking out the paragraph designation in paragraph (1);

(3) by striking out ''Sections 6 and'' and inserting ''Section''; and

(4) by adding at the end thereof the following: ''If a charge filed with the Commission is dismissed by the Commission, the Commission shall so notify the person aggrieved and within 90 days after the giving of such notice a civil action may be brought against the respondent named in the charge by a person defined in section 11.''.

SEC. 216. ALTERNATIVE MEANS OF DISPUTE RESOLUTION.

Where appropriate and to the extent authorized by law, the use of alternative means of dispute resolution, including settlement negotiations, conciliation, facilitation, mediation, factfinding, minitrials, and arbitration, is encouraged to resolve disputes arising under the Acts amended by this Act.

The text of the committee amendment in the nature of a substitute is as follows:

The CHAIRMAN. No amendment to said substitute shall be in order except those amendments printed in House Report 102–83. Said amendments shall be considered in the order and manner specified in said report, shall be considered as read, and shall not be subject to amendment. Debate time specified for each amendment shall be equally divided and controlled by the proponent of the amendment and a member opposed thereto. If more than one amendment is adopted, only the last amendment which is adopted shall be considered as finally adopted.

It is now in order to consider amendment No. 1 printed in House Report 102–83.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. TOWNS

Mr. TOWNS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. TOWNS: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Civil Rights Act of 1991''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) in a series of recent decisions addressing employment discrimination claims under Federal law, the Supreme Court cut back dramatically on the scope and effectiveness of civil rights protections; and

(2) existing protections and remedies under Federal law are not adequate to deter unlawful discrimination or to compensate victims of such discrimination.

(b) PURPOSES.—The purposes of this Act are—

(1) to respond to the Supreme Court's recent decisions by restoring the civil rights protections that were dramatically limited by those decisions; and

(2) to strengthen existing protections and remedies available under Federal civil rights laws to provide more effective deterrence and adequate compensation for victims of discrimination.

SEC. 3. DEFINITIONS.

Section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e) is amended by adding at the end thereof the following new subsections:

''(l) The term 'complaining party' means the Commission, the Attorney General, or a person who may bring an action or proceeding under this title.

''(m) The term 'demonstrates' means meets the burdens of production and persuasion.

"(n) The term 'group of employment practices' means a combination of employment practices that produces one or more decisions with respect to employment, employment referral, or admission to a labor organization, apprenticeship or other training or retraining program.

"(o) The term 'required by business necessity' means that the challenged practice or group of practices bears a substantial and demonstrable relationship to effective job performance.

"(p) The term 'respondent' means an employer, employment agency, labor organization, joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs, or those Federal entities subject to the provisions of section 717 (or the heads thereof).".

SEC. 4. RESTORING THE BURDEN OF PROOF IN DISPARATE IMPACT CASES.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) is amended by adding at the end thereof the following new subsection:

"(k) PROOF OF UNLAWFUL EMPLOYMENT PRACTICES IN DISPARATE IMPACT CASES.—

"(1) An unlawful employment practice based on disparate impact is established under this section when—

"(A) a complaining party demonstrates that an employment practice results in a disparate impact on the basis of race, color, religion, sex, or national origin, and the respondent fails to demonstrate by objective evidence that such practice is required by business necessity; or

"(B) a complaining party demonstrates that a group of employment practices results in a disparate impact on the basis of race, color, religion, sex, or national origin, and the respondent fails to demonstrate by objective evidence that such group of employment practices is required by business necessity, except that—

"(i) if a complaining party demonstrates that a group of employment practices results in a disparate impact, such party shall not be required to demonstrate which specific practice or practices within the group results in such disparate impact; and

"(ii) if the respondent demonstrates that a specific employment practice within such group of employment practices does not contribute to the disparate impact, the respondent shall not be required to demonstrate that such practice is required by business necessity.

"(2) A demonstration that an employment practice is required by business necessity may be used as a defense only against a claim under this subsection.

"(3) Notwithstanding any other provision of this title, a rule barring the employment of an individual who is currently and knowingly uses or possesses an illegal drug as defined in Schedules I and II of section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)), other than the use or possession of a drug taken under the supervision of a licensed health care professional, or any other use or possession authorized by the Controlled Substances Act or any other provision of Federal law, shall be considered an unlawful employment practice under this title only if such rule is adopted or applied with an intent to discriminate because of race, color, religion, sex, or national origin.".

SEC. 5. CLARIFYING PROHIBITION AGAINST IMPERMISSIBLE CONSIDERATION OF RACE, COLOR, RELIGION, SEX OR NATIONAL ORIGIN IN EMPLOYMENT PRACTICES.

(a) IN GENERAL.—Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) (as amended by section 4) is further amended by adding at the end thereof the following new subsection:

"(l) DISCRIMINATORY PRACTICE NEED NOT BE SOLE MOTIVATING FACTOR.—Except as otherwise provided in this title, an unlawful employment practice is established when the complaining party demonstrates that race, color, religion, sex, or national origin was a motivating factor for any employment practice, even though such practice was also motivated by other factors.".

(b) ENFORCEMENT PROVISIONS.—Section 706(g) of such Act (42 U.S.C. 2000e–5(g)) is amended by inserting before the period in the last sentence the following: "or, in a case where a violation is established under section 703(l), if the respondent establishes that it would have taken the same action in the absence of any discrimination".

SEC. 6. FACILITATING PROMPT AND ORDERLY RESOLUTION OF CHALLENGES TO EMPLOYMENT PRACTICES IMPLEMENTING LITIGATED OR CONSENT JUDGMENTS OR ORDERS.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) (as amended by sections 4 and 5) is further amended by adding at the end thereof the following new subsection:

"(m) FINALITY OF LITIGATED OR CONSENT JUDGMENTS OR ORDERS.—

"(1) Notwithstanding any other provision of law, and except as provided in paragraph (2), an employment practice that implements a litigated or consent judgment or order resolving a claim of employment discrimination under the United States Constitution or Federal civil rights laws may not be challenged in a claim under the United States Constitution or Federal civil rights laws—

"(A) by a person who, prior to the entry of such judgment or order, had—

"(i) notice from any source of the proposed judgment or order sufficient to apprise such person that such judgment or order might affect the interests of such person; and

"(ii) a reasonable opportunity to present objections to such judgment or order;

"(B) by a person with respect to whom the requirements of subparagraph (A) are not satisfied, if the court determines that the interests of such person were adequately represented by another person who challenged such judgment or order prior to or after the entry of such judgment or order; or

"(C) if the court that entered the judgment or order determines that reasonable efforts were made to provide notice to interested persons, consistent with the constitutional requirements of due process of law.

A determination under subparagraph (C) shall be made prior to the entry of the judgment or order, except that if the judgment or order was entered prior to the date of the enactment of this subsection, the determination may be made at any reasonable time.

"(2) Nothing in this subsection shall be construed to—

"(A) alter the standards for intervention under rule 24 of the Federal Rules of Civil Procedure;

"(B) apply to the rights of parties to the action in which the litigated or consent judgment or order was entered, or of members of a class represented or sought to be represented in such action, or of members of a group on whose behalf relief was sought in such action by the Federal government; or

"(C) prevent challenges to a litigated or consent judgment or order on the ground that such judgment or order was obtained through collusion or fraud, or is transparently invalid or was entered by a court lacking subject matter jurisdiction.

"(3) Any action, not precluded under this subsection, that challenges an employment practice that implements a litigated or consent judgment or order of the type referred to in paragraph (1) shall be brought in the court, and if possible before the judge, that entered such judgment or order. Nothing in this subsection shall preclude a transfer of such action pursuant to section 1404 of title 28, United States Code.".

SEC. 7. STATUTE OF LIMITATIONS; APPLICATION TO CHALLENGES TO SENIORITY SYSTEMS.

(a) STATUTE OF LIMITATIONS.—Section 706(e) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(e)) is amended—

(1) by striking out "one hundred and eighty days" and inserting in lieu thereof "2 years";

(2) by inserting after "occurred" the first time it appears "or has been applied to affect adversely the person aggrieved, whichever is later,";

(3) by striking out ", except that in" and inserting in lieu thereof ". In"; and

(4) by striking out "such charge shall be filed" and all that follows through "whichever is earlier, and".

(b) APPLICATION TO CHALLENGES TO SENIORITY SYSTEMS.—Section 703(h) of such Act (42 U.S.C. 2000e–2) is amended by inserting after the first sentence the following new sentence: "Where a seniority system or seniority practice is part of a collective bargaining agreement and such system or practice was included in such agreement with the intent to discriminate on the basis of race, color, religion, sex, or national origin, the application of such system or practice during the period that such collective bargaining agreement is in effect shall be an unlawful employment practice.".

SEC. 8. PROVIDING FOR DAMAGES IN CASES OF INTENTIONAL DISCRIMINATION.

Section 706(g) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–59(g)) is amended by inserting before the last sentence the following new sentences: "With respect to an unlawful employment practice (other than an unlawful employment practice established in accordance with section 703(k))—

"(A) compensatory damages may be awarded; and

"(B) if the respondent (other than a government, government agency, or a political subdivision) engaged in the unlawful employment practice with malice, or with reckless or callous indifference to the Federally protected rights of others, punitive damages may be awarded against such respondent;

in addition to the relief authorized by the preceding sentences of this subsection, except that compensatory damages shall not include backpay or any interest thereon. If compensatory or punitive damages are sought with respect to a claim arising under this title, any party may demand a trial by jury.".

SEC. 9. CLARIFYING ATTORNEYS' FEES PROVISION.

Section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(k)) is amended—

(1) by inserting "(1)" after "(k)";

(2) by inserting "(including expert fees and other litigation expenses) and" after "attorney's fee";

(3) by striking out "as part of the"; and

(4) by adding at the end thereof the following new paragraphs;

"(2) No consent order or judgment settling a claim under this title shall be entered, and no stipulation of dismissal of a claim under this title shall be effective, unless the parties and their counsel attest to the court that a waiver of all or substantially all attorneys' fees was not compelled as a condition of the settlement.

"(3) In any action or proceeding in which any judgment or order granting relief under this title is challenged, the court, in its discretion, may allow the prevailing party in the original action (other than the Commission or the United States) to recover from the party against whom relief was granted in the original action a reasonable attorney's fee (including expert fees and other litigation expenses) and costs reasonably incurred in defending (as a party, intervenor or otherwise) such judgment or order.".

SEC. 10. PROVIDING FOR INTEREST, AND EXTENDING THE STATUTE OF LIMITATIONS, IN ACTIONS AGAINST THE FEDERAL GOVERNMENT.

Section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-16) is amended—

(1) in subsection (c), by striking out "thirty days" and inserting in lieu thereof "ninety days"; and

(2) in subsection (d), by inserting before the period ", and the same interest to compensate for delay in payment shall be available as in cases involving non-public parties.".

SEC. 11. CONSTRUCTION.

Title XI of the Civil Rights Act of 1964 (42 U.S.C. 2000h et seq.) is amended by adding at the end thereof the following new section:

"SEC. 1107. RULES OF CONSTRUCTION FOR CIVIL RIGHTS LAWS.

"(a) EFFECTUATION OF PURPOSE.—All Federal laws protecting the civil rights of persons shall be interpreted consistent with the intent of such laws, and shall be broadly construed to effectuate the purpose of such laws to provide equal opportunity and provide effective remedies.

"(b) NONLIMITATION.—Except as expressly provided, no Federal law protecting the civil rights of persons shall be construed to repeal or amend by implication any other Federal law protecting such civil rights.

"(c) INTERPRETATION.—In interpreting Federal civil rights law, including, but not limited to laws protecting against discrimination on the basis of race, color, national origin, sex, religion, age, and disability, courts and administrative agencies shall not rely upon the amendments made by the Civil Rights Act of 1991 as a basis for limiting the theories of liability, rights, and remedies available under civil rights statutes not expressly amended by such Act.".

SEC. 12. RESTORING PROHIBITION AGAINST ALL RACIAL DISCRIMINATION IN THE MAKING AND ENFORCEMENT OF CONTRACTS.

Section 1977 of the Revised Statutes of the United States (42 U.S.C. 1981) is amended—

(1) by inserting "(a)" before "All persons within"; and

(2) by adding at the end thereof the following new subsection:

"(b) For purposes of this section, the right to 'make and enforce contracts' shall include the making, performance, modification and termination of contracts, and the enjoyment of all benefits, privileges, terms and conditions of the contractual relationship.".

SEC. 13. LAWFUL COURT-ORDERED REMEDIES, AFFIRMATIVE ACTION AND CONCILIATION AGREEMENTS NOT AFFECTED.

Nothing in the amendments made by this Act shall be construed to affect court-ordered remedies, affirmative action, or conciliation agreements that are otherwise in accordance with the law.

SEC. 14. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

SEC. 15. APPLICATION OF AMENDMENTS AND TRANSITION RULES.

(a) APPLICATION OF AMENDMENTS.—The amendments made by—

(1) section 4 shall apply to all proceedings pending on or commenced after June 5, 1989;

(2) section 5 shall apply to all proceedings pending on or commenced after May 1, 1989;

(3) section 6 shall apply to all proceedings pending on or commenced after June 12, 1989;

(4) sections 7(a)(1), 7(a)(3), 7(a)(4), 7(b), 8, 9, 10, and 11 shall apply to all proceedings pending on or commenced after the date of enactment of this Act;

(5) section 7(a)(2) shall apply to all proceedings pending on or commenced after June 12, 1989; and

(6) section 12 shall apply to all proceedings pending on or commenced after June 15, 1989.

(b) TRANSITION RULES.—

(1) IN GENERAL.—Any orders entered by a court between the effective dates described in subsection (a) and the date of enactment of this Act that are inconsistent with the amendments made by sections 4, 5, 7(a)(2), or 12, shall be vacated if, not later than 1 year after such date of enactment, a request for such relief is made.

(2) SECTION 6.—Any orders entered between June 12, 1989 and the date of enactment of this Act, that permit a challenge to an employment practice that implements a litigated or consent judgment or order and that is inconsistent with the amendment made by section 6, shall be vacated if, not later than 6 months after the date of enactment of this Act, a request for such relief is made. For the 1-year period beginning on the date of enactment of this Act, an individual whose challenge to an employment practice that implements a litigated or consent judgment or order is denied under the amendment made by section 6, or whose order or relief obtained under such challenge is vacated under such section, shall have the same right of intervention in the case in which the challenged litigated or consent judgment or order was entered as that individual had on June 12, 1989.

(c) PERIOD OF LIMITATIONS.—The period of limitations for the filing of a claim or charge shall be tolled from the applicable effective date described in subsection (a) until the date of enactment of this Act, on a showing that the claim or charge was not filed because of a rule or decision altered by the amendments made by section 4, 5, 7(a)(2), or 12.

SEC. 16. REPORTS ON IMPACT OF EMPLOYMENT DISCRIMINATION CASES ON CASELOAD AND OPERATIONS OF FEDERAL COURTS.

(a) REPORT REQUIRED.—One year after the date of enactment of this Act the Administrative Office of the United States Courts shall submit to the Committee on Education and Labor of the House of Representatives, the Committee on Labor and Human Resources of the Senate, the Committee on the Judiciary of the House of Representatives, and the Committee on the Judiciary of the Senate a report containing a detailed and objective analysis of the impact of employment discrimination cases on the caseload and operations of the Federal courts, prior to enactment of this Act. The report shall include, but not be limited to, an assessment of—

(1) the number and type of charges of employment discrimination filed with the Equal Employment Opportunity Commission each year since 1964 under title VII of Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.), the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), and section 6(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d));

(2) the disposition of charges referred to in paragraph (1), including the number of charges resulting in the filing of a civil action in Federal court by either the Commission or the charging party;

(3) the number of civil actions filed in the Federal courts alleging employment discrimination in violation of section 1981 or section 1983 of the Revised Statutes (42 U.S.C. 1981 and 1983);

(4) an estimate of the costs to the Federal judiciary of civil actions referred to in paragraphs (2) and (3), including a distinction between the costs of jury trials and nonjury trials conducted pursuant to such actions and a comparison of those costs with other categories of civil actions; and

(5) the disposition of the civil actions referred to in paragraphs (2) and (3) including the time consumed in such disposition, the proportion of those dismissed without trial, the proportion of those where the plaintiff prevailed, and the proportion of those where the defendant prevailed. This analysis shall also compare these dispositions with dispositions of other categories of civil actions.

The report shall also include a survery of current literature analyzing the nature and levels of employment discrimination in the United States and the efficacy of Federal statutes prohibiting such discrimination.

(b) ANALYSIS REQUIRED.—Two years after the date of enactment of this Act, the Administrative Office of the United States Court shall submit to the Committee on Education and Labor, the Committee on Labor and Human Resources, and the Committee on the Judiciary of both the House and Senate a report containing a detailed and objective analysis of the impact of this Act on the caseload and operations of the Federal courts. The report shall include, but not be limited to, an assessment of the additional impact of this Act upon the factors listed in paragraphs (1) through (5) of subsection (a).

SEC. 17. EQUAL CONTRACT RIGHTS FOR WOMEN.

The Revised Statutes of the United States are amended by inserting after section 1977 the following:

"SEC. 1977A. (a) All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by male citizens, and shall be subject to like punishment, pains, penalties, taxes licenses, and exactions of every kind, and no other.

"(b) For purposes of this section, the right to 'make and enforce contracts' shall include the making, performance, modification and termination of contracts, and the enjoyment of all benefits, privileges, terms and conditions of the contractual relationship.

"(c) The rights protected by this section are protected against impairment by nongovernmental discrimination as well as against impairment under color of State law.".

SEC. 18. PROTECTION OF EXTRATERRITORIAL EMPLOYMENT.

(a) DEFINITION OF EMPLOYEE.—Section 701(f) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(f)) is amended by adding at the end the following: "With respect to employment in a foreign country, such term includes an individual who is a citizen of the United States.".

(b) EXEMPTION.—Section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-1) is amended—

(1) by inserting "(a)" after "SEC. 702.", and

(2) by adding at the end the following:

"(b) It shall not be unlawful under section 703 or 704 for an employer (or a corporation controlled by an employer) labor organization, employment agency, or joint management committee controlling apprenticeship or other training or retraining (including on-the-job training programs) to take any action otherwise prohibited by such section, with respect to an employee in a workplace in a foreign country if compliance with such section would cause such employer (or such corporation), such organization, such agency, or such committee to violate the law of the foreign country in which such workplace is located.

"(c)(1) If an employer controls a corporation whose place of incorporation is a foreign country, any practice prohibited by section 703 or 704 engaged in by such corporation shall be presumed to be engaged in by such employer.

"(2) Section 703 and 704 shall not apply with respect to the foreign operations of an employer that is a foreign person not controlled by an American employer.

"(3) For purposes of this subsection, the determination of whether an employer controls a corporation shall be based on—

"(A) the interrelation of operations;

"(B) the common management;

"(C) the centralized control of labor relations; and

"(D) the common ownership or financial control;

of the employer and the corporation.".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall not apply with respect to conduct occurring before the date of the enactment of this Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. TOWNS] will be recognized for 30 minutes and a Member opposed will be recognized for 30 minutes.

Ms. MOLINARI. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute.

The CHAIRMAN. The gentlewoman from New York [Ms. MOLINARI] will be recognized for 30 minutes in opposition.

The Chair recognizes the gentleman from New York [Mr. TOWNS]

Mr. TOWNS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we offer this amendment as the people's alternative—a substitute to H.R. 1 which is based upon the premise that all women and men are created equal and endowed with rights of freedom, justice, and human dignity. We come to this moment, fulfilling our responsibility to those who have entrusted us with this high office. We believe it is our absolute duty to demand and engage those whose vision of governance is exclusive—and not inclusive. It is a nonnegotiable imperative—that we the people should not mean merely male people—but all people.

Minorities and female members of this body have historically confronted major challenges. And thus, today we stand before the people's house demanding first truth, then equity and equality for all.

We bring this substitute for debate because we know that justice is not advanced by retreat from those basic tenets of law which have protected the rights of the few against the prerogatives of the many. We come as male and female supporters of this measure because there is a Constitution that is our birthright. Together, we have fought to protect its precepts at all costs—whether in the deserts of the Persian Gulf, the jungles of Vietnam, on the beaches of Normandy, or the cotton plantations in the Confederacy. We, as African-Americans have inherited a special legacy, born—if you will—of the substantial and manifest relationship of slave to slave master. An era now past, we must not preserve its 21st century manifestations. For our wives, our daughters, our sisters—even our mothers, there is no tomorrow.

On last evening, Mr. Chairman, Mr. WASHINGTON, Mrs. COLLINS, Mr. MFUME, and other colleagues in this House gave America a special moment in history where, in support of the Towns-Schroeder substitute, they appealed to everything that is right and just in this country. They demonstrated by their words and actions the very reason we are sent to this place, to represent the dreams and visions of the people. It is my most fervent desire that we, by our support of this substitute, live out the covenant which you so eloquently articulated—a social order where justice is the supreme ruler and law is but its instrument—where freedom is the dominant creed and order—where equity is the common practice and fraternity the common human condition.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from Colorado [Mrs. SCHROEDER], the cosponsor of this substitute.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in very proud support of this bill. I think for those who are proud of the red, white, and blue tradition of America's civil rights past, this is the bill to back.

This bill you are going to hear a lot about, and there is going to be a lot of misinformation about it, but let me tell you very clearly what this bill is. This bill is the bill that has come out of the Committee on Education and Labor before. It is the pure bill. It deals with the five cases, and only the five cases, plus it deals with women in the workplace, and it does not put caps on damages. That is what it does.

There will be others who say it does not say anything about congressional coverage. Right. Because the Congress dealt with congressional coverage last year when Lynn Martin and myself and many others in this body worked very hard to put in the House fair employment practices. We are covered. We are under it. Why have a system, and it goes. The other bills only say the House can then put together its system. It already did. So that has absolutely no relevance to the debate.

We are going to hear numbers about, well, it does not have the quota language of H.R. 1 in it. That is right, we have the same quota language as the Michel bill, because there were not any quotas ever to begin with. Remember, we are talking about a civil rights bill that is 27 years old. There has never been any quota, and this whole quota issue is a big, big bugaboo that is being used as a new codeword. So ours is the same as the Michel bill on quotas if that is what you want. I think it is the proper one.

Now, in a prior and in general debate, I talked about Congresswoman Katharine St. George, a Republican from New York, who in 1964 during the civil rights debate rose up and said how important it was that we add sex to the 1964 act. Indeed, she was right. If you think of the world as it was in 1964 and the world as it is in 1991, many women have been able to walk in through new doors, new employment doors, because of those doors opened by title VII in that act, and today we are now getting ready to carry it to the next level, and that deals with sexual harassment.

Let us talk about this rampant, rampant new phase that is going on in America. The EEOC has now got over 100,000 cases of sexual harassment that has been filed within the last 3 years. When DOD polled women in the Defense Department, they found that 64 percent said they have been sexually harassed. Sexual harassment in the workplace is still very prevalent.

I think that it is very important that we shut the door on that, and we do that by treating women equally and by allowing them equal damages for this horrendous kind of discrimination. It also allows the disabled and religious groups not to have caps on discrimination.

I must say that I am shocked at the Michel substitute putting caps on other people and not on all people. It seems to me the very basis of civil rights is treating everyone fairly, and I am very surprised that they want to put categories in.

I am even surprised that we have some of those categories in H.R. 1. It is better than the Michel substitute, but it still does not go to the heart of civil rights.

We have heard speech after speech after speech about how civil rights means treating people equally, treating them fairly, treating them squarely and saying that your damages can only be worth so much is not treating them equally; it is not treating them fairly, it is not treating them squarely, and basically we are talking about women, the disabled and we are talking about religious groups.

I rise in very proud support of the bill that returns us to our roots, the bill that deals with the absolute core of what we should be dealing with, and I hope Members in this body rise to support it, because I think that is what America really needs.

Ms. MOLINARI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just like to inquire of the two sponsors on the Democratic side if they know of any members of their political party that will be speaking in opposition so that I can coordinate a portion of my time period?

Mr. TOWNS. No. I am not aware of any.

Ms. MOLINARI. The gentleman is not aware of any?

Mr. Chairman, let me state that I would be happy to yield some time if beforehand members of the gentleman's political party would like to share in some of our time to speak in opposition.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GOODLING], the ranking member of the Committee on Education and Labor.

Mr. GOODLING. Mr. Chairman, I am not going to spend a lot of time on this proposal. We all know what this substitute is all about and why the Rules Committee has gone through this tortured process of allowing three substitutes. This bill is simply being offered up to provide some cover for a few of my colleagues who feel they need to vote for a bill which would provide unlimited punitive and compensatory damages for women. They will justify their vote by saying that equity demands this result because minorities can receive these damages under section 1981 of the 1866 Civil Rights Act while women cannot under title VII. Only through permitting punitive and compensatory damages can parity be achieved, it will be argued.

Well, we will be hearing this argument many times today, so let's address it head on. First of all, its clear that concern for equity, or parity, is not driving this position at all. An equal level of damages for women could be achieved through amending both title VII of the 1964 Civil Rights Act and section 1981 and setting available damages at the same level. What level would be appropriate is difficult to say but certainly the fact no labor statute contains punitive and compensatory damages suggests that some other level would be appropriate. But proponents of H.R. 1 will not even consider this approach. An amendment was offered at Rules which would have done exactly this and set damages for all discrimination cases at $150,000 in addition to back pay. What happened? The Rules Committee refused to allow the amendment.

No—concern for differences in damages awardable under title VII and section 1981 is not driving this debate. What is driving it is a desire for punitive and compensatory damages; the cry for parity is an argument being used to support that position, not vice-versa. Let us quit kidding each other.

Of course, there is another reason the Rules committee has allowed this substitute. When the Brooks substitute comes up, its proponents will no doubt claim that they have compromised on many issues and that the Brooks bill is much more limited than the Schroeder substitute. Well, there are a few differences but all the major problems remain. Indeed, the Brooks Substitute raises new ones, including new no-quota language which appears so limited that it, in effect, appears to endorse all other forms of workplace preferences. But I will leave that debate for later.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, the Towns-Schroeder substitute is a strong civil rights bill. It includes language of H.R. 4000 as it was reported by the Education and Labor Committee last Congress, before many changes were made to meet concerns expressed by the business community. It also addresses a recent Supreme Court decision that restricted implementation of the Civil Rights Act only within the United States, and amends section 1981 of title 42 to provide equal contract rights for women.

Mr. Chairman, I have supported from the beginning the right of women to equal treatment under the Law with respect to damages for intentional discrimination under the Civil Rights Act of 1964. This bill would accomplish that purpose with respect to contracting rights for women. I believe strongly that, in principle, this is the right course. Unfortunately, we are forced to face reality. A provision that provides unlimited damages for women in a bill would mean that that bill could not garner enough votes to carry the day * * * and all the other important provisions contained in the legislation would go down along with the damages provision.

It is important to pass a civil rights bill that we can send to the White House and hope for the President's signature or, at least, to achieve a veto override. I am convinced that unlimited damages in the bill would jeopardize this effort overall. That is why the Brooks-Fish substitute, which will be offered later, caps damages at not to exceed $150,000, or the amount of punitive damages, whichever is greater.

Nevertheless, I commend the sponsors of this substitute for bringing this issue to the floor and for highlighting the issue of equity and equal treatment.

□ 1820

Ms. MOLINARI. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, in our vote today to strengthen civil rights protections for American workers, we have a choice between two competing bills. H.R. 1, the Democratic bill, is the same bill President Bush vetoed last year. By comparison, H.R. 1375 is similar to the bill President Bush introduced last year, although he has strengthened it substantially this year.

SIMILARITIES BETWEEN THE TWO BILLS

First, let's look at just how similar those two bills are:

Both overturn the Supreme Court decision in Wards Cove, allowing the burden of proof to shift to employers when a plaintiff alleges the employer's hiring practices have a "disparate impact" against minorities. H.R. 1 shifts the burden if a plaintiff merely shows that an employer's work force is not exactly matched to the racial makeup of the available work force pool. The President's bill shifts the burden immediately after a plaintiff identifies a specific employment practice that causes the disparate impact.

Both overturn the Supreme Court in Lorance, extending the statute of limitations allowed for challenging discrimination under seniority systems.

Both overturn the Supreme Court in Patterson, restoring the expansive reading of protections against discrimination in all aspects of contracts.

Both contain a new provision allowing damages up to $150,000 for sexual harassment.

Both allow recovery of expert witness fees.

And both prohibit race-norming, the practice of boosting scores for minority applicants based solely on race.

Of the five main Supreme Court decisions overturned by H.R. 1, Martin versus Wilks, which allows victims to challenge consent decrees if the decrees discriminate against them, and if they were not a party to the decree. H.R. 1 prevents victims the right to challenge this discrimination. Neither does the President's bill overturn Price-Waterhouse, regarding cases where discrimination was evident in hiring, but was not the main factor for denying employment. Why not overturn this decision? Because, since the decision, plaintiffs have won every case decided.

Second, if the two bills are so close, why can't we get an agreement? Two issues are driving this debate: Quotas and damages.

QUOTAS UNDER H.R. 1

I'll be the first to admit that H.R. 1 does not mandate quotas. But H.R. 1 results in quotas in this way:

First, where both bills reverse Wards Cove, the Democratic bill forces employers to defend every aspect of their hiring and promoting practices when their work force makeup does not exactly duplicate the available qualified work force pool. In other words, if a community's qualified work force pool is made up of 30 percent whites, 45 percent blacks, and 25 percent Hispanics for example, all businesses in that community are subject to lawsuits if their work force makeup is not racially exactly the same.

Second, if an employer in this community hired 30 percent whites, 30 percent blacks, and 40 percent Hispanics, he or she could be sued for discrimination—based on disparate impact against blacks. Plaintiffs would not need to show where in the employer's practices he or she was discriminating—only that the disparate impact exists. Then, the employer would be forced to defend every aspect of the hiring policies. Even the most sensitive and well-intentioned employer would be subject to a lawsuit if hiring alternative practices were available which cause less of a disparate impact, even if the employer was unaware of the alternative practices.

Third, employers would be forced to defend each practice as a "business necessity". Under the President's bill, this is defined as "having a manifest relationship to the employment in question", consistent with the 20 year old standard under Griggs proponents of H.R. 1 say they want to restore. Under H.R. 1, a completely new standard is set, defined as, "bear(ing) a significant and manifest relationship to the requirements for effective job performance." This language has no legal precedent.

DAMAGES

These problems with H.R. 1 leave employers with such a difficult task that they will be inclined to "keep their numbers right" rather than face lawsuits. The massive expansion of remedies under H.R. 1, to include jury trials, and punitive and compensatory damages, will guarantee employers will do whatever they can to avoid lawsuits.

As an example of what employers might face, a 1988 Rand study of jury trial awards in California found the average total award of wrongful discharge cases in California between 1980 and 1988 was $646,855. Though these awards were typically reduced on appeal, the average total final judgments was $307,628; average compensatory damages were $388,500; average punitive damages were $523,170.

The intent of our civil rights protections under title VII of the 1964 Civil Rights Act has always been to make whole victims of workplace discrimination. This means providing immediate injunctive relief for victims and award of lost wages. The concept was based on the desire to promote conciliation over litigation. H.R. 1 dismisses this historic act in favor of civil penalties against employers. The concept of conciliation turns to confrontation.

BACKLOG IN THE COURTS

If it is true that justice delayed is justice denied, then victims of discrimination will be the biggest losers under H.R. 1. By changing the focus of title VII to promote litigation, victims will be forced to wait years for their cases to be resolved. Consider the following:

In 1989, 39,975 new discrimination charges were filed with the EEOC.

A 1990 "Report of the Federal Courts Study Committee" termed the current delays and congestion in Federal courts a "crisis". According to the report, the number of civil and criminal cases tripled between 1958 and 1988, following decades of slow caseload growth; the number of cases filed in appeals courts increased by 10 times; and since 1969, the number of discrimination suits increased by more than 2,000 percent, from under 400 cases in 1970 to almost 7,500 in 1989.

The 1988 Rand study found wrongful discharge cases under the California system taking an average of 28 months to finalize, ranging from 10 months to 5½ years—not including appeals.

Even under the current system, consider how long it has taken victims of the very cases H.R. 1 proposes to reverse:

Wards Cove: 1974 to 89—15 years.
Price-Waterhouse: 83 to 89—6 years.
Martin v. Wilks: 74 to 89—15 years.
Patterson: 82 to 89—7 years.
Lorance: 83 to 89—6 years.

A LAWYERS DREAM

Finally, H.R. 1 includes an outrageous section, dedicated solely to the Trial Lawyers Association. One provision would prevent out of court settlements between plaintiffs and defendants until the court determines the respetive lawyers' fees have not been waived as part of the settlement. Another would allow lawyers to charge fees to work done after turning down an out of court settlement, even if the final judgment was less than the offer. H.R. 1 overturns three Supreme Court decisions which expressly prevented this kind of money grab by attorneys—but no one has mentioned these cases.

How can these provisions help discrimination victims? They can't. But, they would the Democrats put such outlandish language in a civil rights bill? Because the Trial Laywers PAC has paid them—through PAC contributions—to do it. In the last election cycle, Democrats on the Education and Labor Committee—which passed this bill—were paid over $106,000, or over $4,600 per Democratic member. By comparison, Republicans on the committee received $900, or an average of $64 per member. I simply cannot find any other reason for allowing such special interest provisions to be added to civil rights legislation.

The President's bill completely eliminates the increases for lawyers. Its focus is solely on the victim, and in equitable relief—getting victims back to work—over litigation and punitive damages.

An honest and careful reading of each of these bills must lead to the conclusion that H.R. 1 goes too far, causes too many new problems, pads the pockets of trial lawyers, and denies quick justice to those we are trying to help. Based on this, my vote will not be for huge jury awards, but for immediate relief; not for litigation, but for justice; not for lawyers, but for victims. After spending 2 years working on this issue, I am convinced the President's bill is the best choice we face today.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman from Wisconsin for yielding. I appreciate the gentleman's argument, and I do not think anyone here wants more litigation. That is absolutely right.

However, one of the problems we have is the other alternative. The EEOC is totally clogged and backlogged also. So the other way to go has not been funded adequately enough to keep up with the caseload. I think we get into a real bind that way.

Therefore, I appreciate the gentleman saying that he wishes there was some way to work this out. I would be very willing to, but we have not seen it happen, and we only see the backlog getting bigger and bigger and bigger, so that does not become a very happy alternative.

Mr. GUNDERSON. Reclaiming my time, I agree with the gentlewoman, and I will pledge to the gentlewoman to both work with the gentlewoman to increase funding for EEOC, because I am sincerely looking for alternatives, and I think actually if every Member of this Congress would put half of the emotion and commitment into designing an alternative dispute resolution system that we have put into creating this polarized issue over the last few weeks, we would be successful. I think we all ought to pursue that course.

Mrs. SCHROEDER. I thank the gentleman.

Mr. TOWNS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman from New York for yielding me this time. I have had the privilege and honor of being the chairman of the Subcommittee on Civil and Constitutional Rights for more than 15 years. During the entire time we have had one issue after another affecting women.

I am very proud that in all the votes we have had, the Democratic side has always been unanimous for the legislation. Very little of which, however, has ever become law.

We have voted ERA out of our committee on several occasions. Indeed, 20 years ago we were able to get the two-thirds vote in the House of Representatives. Unfortunately, we were not able to get the vote in all of the three-quarters of the States to make it a part of the Constitution. That should have been the next step, to include women in the Constitution. Equal protection under the laws in the 14th amendment. We used to be able to get that vote in this body.

I am reluctant to point my finger at one particular party for abandoning these issues, because it happens to be my friends here on the left, the Republican Party. We no longer can count on our friends in the Republican Party or on the Republican National Platform to support the ERA. They used to support it, but not anymore.

I want to say amen to what the gentlewoman from Colorado [Mrs. SCHROEDER] said. There is an unforgivable amount of sexual harassment in this country. There has been sexual harassment in the House of Representatives by Members who have been hauled before the Committee on Ethics. It is in the FBI. The Subcommittee chair has been conducting inquiries into that. It is epidemic in our society, and victims should get full damages. It should be the law.

After all, we are Americans. We have a legal system. We are supposed to use it especially for something as egregious as sexual harassment. I am supporting the Towns-Schroeder proposal. I think it is the right proposal. I would like to see an overwhelming vote for the Towns-Schroeder proposal.

Ms. MOLINARI. Mr. Chairman, I yield 30 seconds to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, I just wanted to take the time to point out to our distinguished chairman of the subcommittee that the gentlewoman from New York [Ms. MOLINARI] and Mr. GUNDERSON are both supporters and have been cosponsors of the Equal Rights Amendment.

Mr. EDWARDS of California. Mr. Chairman, if the gentleman will yield, I appreciate that observation, and I would like to consult with the gentleman from Wisconsin and the gentlewoman from New York in the next few days and bring ERA out on the floor, and let Members be proud of the House of Representatives. Bring the votes, we will bring it up.

Ms. MOLINARI. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. FISH], the distinguished ranking minority member of the Committee on the Judiciary.

□ 1830

Mr. FISH. Mr. Chairman, although I view with pride my original sponsorship of this legislation in the 101st Congress, I also derive personal satisfaction from my participation in efforts—at different stages of congressional consideration—to fashion improvements. The Civil Rights Act of 1990, as it emerged from the second House-Senate Conference in October of last year, incorporated a number of helpful provisions designed in response to problems identified by the administration, members of the business community, and others.

This year, a number of my colleagues and I have sought to carry forward the process of reconciling diverse points of view. The Brooks-Fish substitute, which we will consider at a later point, further accommodates employer concerns and provides new assurances to the public that this not a quota bill—and in fact is anti-quota legislation.

I must oppose the Towns-Schroeder substitute because I view it as an unfinished product—one that overlooks efforts to broaden the consensus in favor of this important remedial legislation. The quota issue, in my view, cannot be sidestepped but rather must be addressed head on:

Both H.R. 1 and the Brooks-Fish substitute state in no uncertain terms: "The mere existence of a statistical imbalance in an employer's workforce on account of race, color, religion, sex, or national origin is not alone sufficient to establish a prima facie case of disparate impact violation."

This reassurance relating to statistics, however, is not incorporated in the substitute we now consider.

H.R. 1 provides that "[n]othing in the amendments made by this Act shall be construed to require or encourage an employer to adopt hiring or promotion quotas on the basis of race, color, religion, sex, or national origin * * *." The Brooks-Fish substitute will broaden this language—which already incorporates a 1990 expansion of the formulation—to state unequivocally that the legislation also does not "permit" quotas. The Towns-Schroeder substitute, however, does not include any comparable provision. Explicit language of the Brooks-Fish substitute making the use of quotas an unlawful employment practice also is missing from the substitute we now consider.

The difference between the Towns-Schroeder substitute and the Brooks-Fish substitute that is the subject of the greatest public attention relates to punitive damages. The Towns-Schroeder substitute includes no cap on such damages. The Brooks-Fish substitute, by contrast, caps punitive damages at $150,000 or the sum of compensatory damages and backpay, whichever is greater—a provision identical to last year's final formulation. The inclusion of a cap reflects a general recognition that fears in the business community of excessive punitive damage awards must be addressed if we hope to gain broad support for this legislation.

The essential point is that Brooks-Fish provides damages where none are available under current law. Women and members of certain minority groups who are limited today to equitable relief will have an important new remedy to protect their rights—a remedy currently limited to cases of racial discrimination under 1866 legislation. I submit, Mr. Chairman that limited remedy that can command enough support to become law is better for the victims of discrimination that an unlimited remedy that can precipitate this legislation's defeat.

I intend, Mr. Chairman, to vote against the Towns-Schroeder substitute for the reasons I have indicated.

Mr. TOWNS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. WASHINGTON].

Mr. WASHINGTON. Mr. Chairman, I am going to use 30 seconds and yield back a minute-and-a-half, with the hope that the chairman will yield me the minute-and-a-half back before the end of the debate.

I am going to sit right down here in this chair and I would like for any Member of Congress who wants to just talk about quotas in an intelligent fashion to come and join me on the floor. I hope that is someone who thinks there is a quota in this bill.

In Texas we call that a snipe hunt, when you send people looking for something that does not exist, and quotas is a snipe. I am going to be sitting right here waiting on anybody who thinks this is a quota bill to come down here on the floor and we can spend my minute-and-a-half talking about it.

Ms. MOLINARI. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I thank the gentlewoman for yielding me this time.

I might add that I have been a cosponsor in the ERA amendment also.

I certainly do not want anyone to believe that because I would oppose this legislation that therefore I am antiwomen, as has been alleged I think all afternoon, that somehow I am anti civil rights because I do indeed, I say to the gentleman from Texas [Mr. WASHINGTON], believe there are quotas in "them thar bills." The gentleman from Texas and I have discussed this on numerous occasions. I will be glad to discuss the question more.

I am amazed at how able and capable a Member of Congress the gentlewoman from Colorado [Mrs. SCHROEDER] is. She was before the Rules Committee. She wanted simply to present an amendment that would be attached to the Brooks-Fish bill. That was not allowed for some reason, and so she has given us a whole new bill, I mean, a whole substitute simply so that she can get her point across that she believes that there ought to be unlimited damages.

I find that to be amazing treatment of a preferential nature that I do not think many people could command.

We are all in favor I think of a provision in regard to sexual harassment, but when you look at this particular Towns bill, it already has—I am not sure if I am interrupting conversations over there or not, Mr. Chairman; but when one looks at what is already in the Towns bill, unlimited damages where everyone is treated the same, reference is made to the fact that section 1981 treats certain groups differently, but section 1981 pertains to racial discrimination and the entering into of any contracts, buying a house or whatever it may be, or employment contracts, and it is not very analogous whatsoever to the broad damage sections in this particular bill. In fact, it is so very broad, as I earlier said today, you do not even have to show a discriminatory intent either in terms of sex, race, national origin, or religion.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Ms. MOLINARI. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois.

Mr. FAWELL. What I am trying to say, Mr. Chairman, is that in the Towns bill is the most liberal possible grant of wholesale damages, uncapped, punitive, compensatory, and it appears that even that is not enough.

Now in this bill, as I understand it, they create another section 1981 bill, go outside of the civil rights bill altogether and create a new 1981 section that pertains only to discrimination on the gender, when they have everything that their hearts might desire in regard to this bill.

So I do not see much difference between the damages here and the so-called cap damages that are in Brooks-Fish.

I think all in all it would not matter to me which way it went so far as the damages are concerned, but we have plenty of damages right within the Civil Rights Act if this bill were to pass without having to go off and create another Federal statute, especially for gender discrimination, and harassment is treated in the Michel amendment.

Ms. MOLINARI. Mr. Chairman, I reserve about 7 minutes for my personal speaking time, but I yield 10 minutes of my time to the supporters of the Towns bill.

The CHAIRMAN. Without objection, the gentlewoman yields 10 minutes of her time to the gentleman from New York [Mr. TOWNS].

There was no objection.

Mr. TOWNS. Mr. Chairman, I would like to thank my colleague, the gentlewoman from New York, for yielding 10 minutes of her time, because we do have a good many speakers on this side, and I thank the gentlewoman very much.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Chairman, I appreciate the time to speak in support of the Towns-Schroeder substitute. I think that it affords the House an opportunity to vote for a bill that makes no internal discrepancies to the principle of equity that we are seeking when we talk about civil rights in America.

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I cry out to the membership of this body to consider supporting this bill. If they understand what the principles or equity mean, they certainly do not mean a dual system of justice. We had hoped to be able to offer an amendment to strike the cap from the Brooks-Fish substitute so that we could have a clear up or down vote with respect to this issue. But, barring that opportunity, this is the only clear moment that the Members of this House will have to choose what kind of internal integrity we want to preserve with respect to civil rights.

Times have changed since title VII was first enacted. Millions and millions of women have gone into the workplace. The whole nature or our work environment has changed.

But what has not changed is the concept of inequity that people in the workplace have with regard to women. They are harassed, they are not given job opportunities, they are not given promotions, they are not considered equal at the job site.

So, title VII, no matter how difficult it has been for women to go to court to try to seek equity, all that title VII has been able to give them in terms of recognition of the indignities that they have had to suffer at the workplace is reinstatement to a job they do not want because they cannot tolerate it, or they get the back wages which they lost which they should not have lost in the first place.

All we are saying is: If a worker can go today to court and recover unlimited damages which they have personally suffered and punitive damages against their employer for having perpetrated those injustices, if they come in under race discrimination, why should they not be able to do this under gender discrimination? This substitute would allow us to do that.

Mr. TOWNS. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I rise, my colleagues, in support of H.R. 1. I hear a lot of talk about unlimited damages and this being an employment program for lawyers.

Well, where I was raised, we have a lot of disputes in the streets, in back alleys. And I have been trained that if you have a legitimate complaint, that you are supposed to take it to the court system. We are not talking about unlimited damages unless what we were saying is that we do not have any confidence in juries, in jurors, we do not have confidence in the system.

Now, we have a lot of people who are warehoused in our jails today who really do not believe that they got a fair shake from society. But those of us who are here in the Congress making 125,000 a year, we return home to them each weekend to tell them that there is oppourtunity in this country and that if you have a legitimate grievance against anyone, whether it is because of sex or color, take that matter to court and you will be given an opportunity.

Soon a lot of our veterans will be returning home, and the President has always spoken in glowing terms of our fighting men and women, very glowing terms.

Now, I do not know how much they have been trained about litigation, but one thing is abundantly clear: Our job is to tell them that the system really works.

So let us not start bashing up on the system and saying that lawyers are seeking employment because of the civil rights bill or that our courts are going to be so overburdened because people who have legitimate grievances are going to take them up under a system that has made our country proud.

Another issue that concerns me is that the President seems to believe that the word quota is a word that he should be using as a dagger to kind of separate people who have emotional feelings about quotas.

Now, coming from New York and being as candid as we New Yorkers try to be, when you use quotas you really are trying to scare the heck out of the Jewish community. It is not hardly a code word anymore, it is a word that you are using really to frighten people. And that is because our Jewish friends and constitutents have seen this word quota not used in terms to protect them but used in terms of hurting them.

Now, I believe the President is either kinder and more gentle and unknowingly is being used by racists in the White House, or the President knows exactly what he is doing when he says this bill is a pig and not a horse and it is a quota bill.

But I would like the President to know that at least in New York City and throughout the Nation, our Jewish friends can separate a pig from a horse and a quota from a nonquota and that the Anti-Defamation League, the American Jewish Congress, the Union of American Hebrew Congregations, the National Council of Jewish Women, the Agudath Israel, the Union of Orthodox Jewish Organizations would want the President to know that they are experts on quotas and this bill "ain't no quota bill."

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Chairman, in August of 1980 when Ronald Reagan launched his campaign for the presidency from Neshoba County, MI, which is famous for only one thing and that is for the killing, the murder of three civil rights workers, Ronald Reagan was sending a message. The first time he was introducing racial politics into a national campaign.

Well, Ronald Reagan used the term "States' rights," and that was a code word for "stop the blacks." In 1988, in that campaign, it was Willie Horton. Willie Horton was used, and that was a code word for protection from the blacks. Crime suddenly got translated into protecting people from blacks.

Now we are using the word "quota," the code word this time is quotas. Very elegant arguments are being offered by very intelligent people from the White House in terms of this is a quota bill. That translated means that blacks have taken all the jobs. Never mind the fact that the S&L's are stealing money from the Treasury, there is no money to build the economy, nothing due to the fact that we are in a recession, it is the blacks that are taking all the jobs. This is the politics of race-baiting and has no place in our Nation. I hope that the Members of Congress will return to the track, the right track, and do what this bill is trying to do, get the Supreme Court back to protecting the rights of all our citizens.

Mr. Speaker, I rise in strong support of the Towns-Schroeder substitute for H.R. 1, the Civil Rights and Women's Equity in Employment Act of 1991, and against the other killer substitutes which will be offered today.

This substitute does the necessary job.

We have spent a great deal of time in this and the preceding Congress trying to clean up the messes Ronald Reagan left behind. It has not been easy. From the environment to the S&L scandal to the budget deficit, it's been our misfortune to discover that the Reagan legacy is all too enduring and will be something that we, our children, our grandchildren, and perhaps even their children will have to struggle with for many years to come.

Today, however, we have the opportunity to push aside relatively cleanly and quickly at least one of Reagan's burdensome legacies: By enacting the Towns-Schroeder substitute we can prevent the poisonous civil rights policies of the Reagan administration from being permanently embedded in the laws of our Nation.

For African-Americans and other minorities, the reign of Reagan was catastrophic. The enormity of the changes that Reagan and the neanderthal right succeeded in effecting in the status of minorities in this country over the last decade is frightening to contemplate. Years of steady progress lurched to a halt; the clock did not just stop—it started ticking backward. Here again in America, racism has been made socially acceptable. There are lynchings in the streets of Bensonhurst and Howard Beach. Here again in America, racism has been made politically viable. No less than the Imperial Wizard of the Ku Klux Klan now feels safe to take off his hood and run for political office. And now, thanks to Ronald Reagan's appointments to the Supreme Court, here again in America, racism in the workplace has been made legally tenable.

In its 1989 civil rights decision, the Reagan Supreme Court declared open season on affirmative action and equal employment opportunity in America. Years of consensus and consistent precedent were swept aside. In the Wards Cove decision, in particular, the Court attacked what has been one of the driving forces behind the economic advancement of minorities in this country—the 1971 unanimous Burger court decision in Griggs versus Duke Power Co. that title VII of the Civil Rights Act prohibits "not only overt discrimination but also practices that are fair in form, but discriminatory in operation." Critical protection against systematic racial and sexual discrimination in the workplace has been dramatically scaled back. In essence what the Court has said to employers in Wards Cove is that while you still can't commit blatant, obvious acts of discrimination against minorities and women, if you are sophisticated and discreet about it, we will look the other way. You cannot hang a "No Blacks Allowed" sign on your door, but if you're clever and come up with a standardized test or some other superficially neutral ruse that achieves exactly the same result, no one will stand in your way. You can be a bigot, in other words, so long as you are a kind and gentle one.

The Towns-Schroeder substitute would restore the protections afforded by the 1971 Griggs decision against systematic discrimination. It would put the burden back on the employer to try to justify discriminatory practices. Once a person proves that a practice has a disparate, discriminatory impact, the employer would be required to try to justify the practice by showing that it is necessary to the operation of its business. If it could not, the practice must cease.

In addition, the Towns-Schroeder substitute also strengthens title VII of the Civil Rights Act by permitting victims of intentional discrimination on the basis of sex, religion, or disability to collect monetary compensatory and punitive damages from offending employers. Victims of racial discrimination can currently collect such damages under 42 U.S.C. 1981; victims of sex, disability, and religious discrimination, however, today are limited only to back pay. This is an inexcusable inequity which demands resolution. One form of discrimination is no more odious or reprehensible; the penalties for all employment discrimination, whatever its kind, must each be comparable and they must all be strong.

The leadership-backed substitute does not meet this essential test because it imposes an artificial cap of $150,000 on the punitive damages victims of intentional sex, religious, and disability discrimination could collect. It puts a maximum price tag on human misery and humiliation; no matter how vicious, how disgusting, how damaging the discrimination, the offender's liability for punitive damages is capped at $150,000. The proponents of capping damages or eliminating them altogether profess to be worried about employers having to pay massive, near-bankrupting damages if there is no limit in the law. Well, yes, it will cost them a lot if they intentionally discriminate. And that is the point—to make intentional discrimination prohibitively expensive in this country. Destroying people's lives and ruining their careers should never be cheap. It should cost so much no sane employer will ever be tempted to try it again.

Opponents of H.R. 1 have declined to debate these issues on their merits, choosing instead to mount a race-baiting smear campaign against the legislation. Over and over, without foundation, without evidence, they have loudly insisted that this bill will somehow require, authorize, or encourage employers to adopt quotas in hiring and promotions. In reality, this legislation would prohibit such quotas and the sponsors of the bill have repeatedly amended it to make this absolutely clear. But still the shouting, the nasty smears have continued. Still the White House and others insist that this is somehow a quota bill.

What really seems to be behind all this phony talk about quotas is no high-minded commitment to principle but a small-minded peevishness. The Chamber of Commerce and the radical right do not like this bill and the Griggs decision it would codify because they consider it a hassle, an inconvenience to have to scrutinize their hiring and promotion policies to assure that they do not cause discrimination. As with the Fair Labor Standards Act, the Occupational Safety and Health Act, and every other law we have on the books to try to assure some measure of dignity and equity in the workplace, big business just couldn't be bothered with civil rights. Equal opportunity is a nuisance.

It is conceivable, I suppose, that some of the opponents of this bill are not quite so small-minded and that some of them are actually sincere in their misty-eyed paeans to a colorblind society and their appeals to put the past behind us. But sincere or not, they couldn't be more wrong. After two centuries of genocide, slavery, and oppression, you cannot, in 1991, build a colorblind society by being blind to people of color and you cannot put the past behind you by denying it. We can move forward toward a colorblind society only if and to the extent that we confront our ugly history and begin to act to fulfill this Nation's obligation to try to repair the horrors that have been inflicted upon African-Americans in the past. It isn't easy; it isn't convenient; it isn't cheap. As Martin Luther King put it,

> When millions of people have been cheated for centuries, restitution is a costly process * * * Justice so long deferred has accumulated interest and its cost for this society will be substantial in financial as well as human terms.

In 1991, the debt still to be repaid is large; the gulf between black and white America is wide. The black poverty rate is three times that of whites. The black unemployment rate is two times that of whites. Black per capita income is half that of whites. And the median net worth of black households is one-tenth that of whites.

To make matters worse, this vast gulf has been widening, thanks in large part to the civil rights and economic policies of the Reagan and now Bush administrations. We are moving backward. In its recent report, "A Common Destiny," the National Research Council of the National Academy of Sciences concluded that if we continue down this regressive path laid down during the Reagan era, if current trends in the economic situation of African-Americans continue unchanged, by the year 2000 the economic status of African-Americans relative to that of whites will be the same as what it was in 1960—4 years before the original Civil Rights Act was enacted.

This doesn't have to be. We have the opportunity today to help stop the backward slide, to repudiate the Supreme Court's attack on equal employment opportunity and restore the vitality of our civil rights laws. The Hyde substitute, in contrast, would lock us into the disastrously regressive course set by Ronald Reagan. Represented as a compromise, the substitute is in fact nothing of the kind. It does not overturn most of the destructive civil rights decisions made by the Court in 1989; it does not modify them; and it does not clarify them. Instead, it codifies them as law. This is not a compromise; it is a retreat.

I urge my colleagues to defeat the killer substitute and enact the Towns-Schroeder substitute. Defy the race-baiters; repudiate the liars. Let us put at least one of Ronald Reagan's burdensome legacies behind us this year. Let us get the clock moving forward again on civil rights in America.

Mr. TOWNS. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Illinois, Mrs. Cardiss Collins, an outstanding Member of Congress.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the Towns-Schroeder substitute to H.R. 1. This substitute is the closest thing we have to legislation to restore the full employment rights to all Americans, regardless of race, sex, or religious belief. The Towns-Schroeder substitute is the only one that completely reverses the recent Supreme Court decisions and puts us back where we were when the Court, in 1989, took judicial activism to new extremes.

If the Towns-Schroeder substitute is successful, it means that we will go back to having laws on the books that are there to ensure that minorities and women have an equal shot at fair employment practices. It will once again be illegal to make an employment decision, harass, fire, demote, or refuse to hire anyone based on specious grounds of race, sex, or religious beliefs.

The Towns-Schroeder substitute makes it clear that we as a Nation are serious about providing equal rights to all our citizens in all employment situations. Not almost equal, but equal. Not sort of equal, but equal. Not equal with conditions, but equal. Not equal sometimes, but equal always. Not equal up to a certain amount, but equal. And certainly not equal unless an employer can find some crafty significant and manifest reason to discriminate.

This legislation is neither designed to nor intended to take anything from anyone, or deny anyone any right or opportunity. All we want is to ensure for everyone an equal opportunity to succeed, or fail, in the workplace based on their merit.

The Towns-Schroeder substitute has been endorsed by religious, civic, social, political and educational organizations nationwide. And there is a reason for this broad base of support: this is the right thing to do.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. Espy].

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Mr. ESPY. Mr. Chairman, I thank the gentleman from New York [Mr. Towns] for yielding to me, and I rise in support of the Towns-Schroeder amendment.

Mr. Chairman, I rise today as a proud son of an emerging new South, where at least things are getting better. Thirty years ago I would never have had this opportunity, and I say to Members of this body, and particularly to my southern colleagues, that I am not going back. The Old South was a land divided. It was a land of bitterness and hatred. In the Old South there were whites-only public facilities, whites-only neighborhoods and whites-only jobs. But the Old South is fading away, giving rise to the new South because of concerted actions of blacks and whites, men and women, Mr. Chairman, who believe that each of us are indeed created equal and that sacrificed their lives, and their limbs, and their property for their principle, the principle which is embodied in the Towns-Schroeder amendment.

Mr. Chairman, it is a principle which reaffirms unalienable rights of every American citizen, and that Old South is behind us because Congress had the courage to reject the arguments that civil rights is bad for business, bad for schools, and bad for our communities. Mr. Chairman, the Towns-Schroeder substitute gives us a chance to vote against sacrificing the rights of women, religious and ethnic minorities to political expendiency, and it gives us a chance to do the right thing, rather than the political thing.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. Morella].

Mrs. MORELLA. Mr. Chairman, the Towns-Schroeder substitute is the only civil rights measure, under consideration today, which allows all victims of intentional job discrimination to receive fair and adequate remedies for the injuries they have suffered. Only by allowing punitive and compensatory damages in title VII lawsuits, without the placement of an arbitrary cap on punitive damages, can we correct and deter the most egregious forms of discrimination and ensure equal treatment for all victims of discrimination. To do otherwise will provide unequal remedies for women, the disabled, and certain religious minorities.

All victims of discrimination should be treated fairly and equitably. Currently, victims of intentional racial discrimination already have the benefit of punitive and compensatory damages—without a cap—under section 1981, title 42 of the United States Code. Women who prove that they have suffered gender-based employment discrimination should have that same right to recover compensatory and punitive damages, instead of being subject to a limit on their remedy, as those who prove racial discrimination.

At a time when women continue to comprise an increasing proportion of our workforce and the number of formal EEOC complaints of sexual harassment in the past year reached an all-time high, it is clear that women need equal civil rights protections. Such a cap on damages, for title VII claims, represents a lack of logic and fairness for not only the rights of women, but also the disabled and members of certain religious groups. True equal rights should be simply too important to be compromised.

Mr. TOWNS. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. Dymally].

Mr. DYMALLY. Mr. Chairman, I rise in support of the Towns-Schroeder amendment.

Mr. Chairman, I have listened to the public debate over passage of the civil rights bill with a great deal of dismay. President Bush and his cohorts have attempted to paint this bill as a quota bill that would force employers to conform to hiring practices that would amount to preferential treatment for minorities.

As I address this issue, I wonder what Fannie Lou Hamer, Medgar Evers, Viola Liuzzo, and hundreds of others would think about this time in American history when we are once again debating civil rights legislation.

Mr. Speaker, if discrimination were not present, why are we still waiting for an African-American CEO of a Fortune 500 Company, or an African-American President?

Mr. Speaker, there is a quota system already in place that says the glass ceiling is easily reached for women and minorities while the sky is the limit for those who happen to be white and male.

During the sixties, protesters at the Democratic National Convention in Chicago were chanting "the whole world is watching." This time the world is watching to see if kinder and gentler is a wish or a campaign slogan.

The Towns-Schroeder substitute deserves immediate passage.

Mr. TOWNS. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. Waters].

Ms. WATERS. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute amendment. I know there are those out there wondering what this is all about. We have a Brooks-Fish bill, and why do we have this amendment.

Mr. Chairman, this bill is closer to the 1990 original civil rights bill. It removes the caps on damages for women, it gives some measure of protection to foreign workers, and in general it says that women should have the same equal rights as anybody else in this society.

Mr. Chairman and Members, I have a difficult time explaining to the children in my district why we are at this point in time fighting for rights we thought we already had. I have been attempting to explain to them that the Supreme Court was misguided in its recent decisions of five cases that effectively eroded rights that we thought we already had. The Supreme Court was either misinformed or grossly incompetent in the work that they did, and I can only say to them, "They know not what they do, for they are removing hope from people who thought that this was a fair America."

Today in this Nation black males are languishing on America's corners, jobless, seeking opportunity, wanting the opportunity to buy a house, to raise their families, to participate in the American dream. Hispanics right here in Washington, DC reacted recently because they were tired of being without jobs, no opportunity. And women, and their children. Women are single parents in this country and emerging as a No. 1 poverty category in this country. Yet we have a Supreme Court that has taken away hope and opportunity from all of these categories.

Mr. Chairman, I rise in support of this bill because in an attempt to do away with what the Supreme Court has done we are moving with legislation that is not clean enough, that is not good enough. We may end up with that legislation, Mr. Chairman, but that legislation is not fair to all. It has caps on the damages for women, and this legislation would remove those caps. We need a strong civil rights bill.

Again, I do not know what is going to happen, but I was taught in America's schools that one must fight for what they believe in, and I do believe. I was taught that, yes, this country has been unfair, but we can, by way of amendment and other actions, get some fairness. I believe, Mr. Chairman. I believe as Harriet Tubman believed, I believe as Fanny Lou Hamer believed, I believe as Malcolm, Edgar, and Martin believed. I believe that all of those black and white Americans who marched, and prayed and died for civil rights for this country did not do that in vain.

This is not a quota bill. The President of the United States of America should be ashamed of himself, going before young impressionable minds at graduations, trying to destroy the dream for many Americans. He should be ashamed of himself. He knows this is not a quota bill. He is fanning the flames of fear and intimidation. We should not let him get away with that. We should vote for good clean civil rights legislation and send the message around the world that this is an America of opportunity.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute. There is no disputing that whether Brooks-Fish, the leadership substitute or the Towns-Schroeder substitute is passed today, men and women in the workplace will be better off. All American workers will have greater protection against discrimination on the job.

However, today we are called upon to cast a vote on three alternatives. And given the choice, mine is clear. My vote will be cast for the Towns-Schroeder substitute and I urge you to join me.

We vote in this Chamber often. However, some votes take on certain significance because the result will effect our country as a whole. Today we are casting a significant vote. We are voting to restore one of America's most basic tenants—the civil rights of all American workers.

This substitute does the job purely and cleanly. It goes to the heart of what we intended the Civil Rights Act of 1964 to accomplish: to ensure equal employment protection for all Americans—men and women—all Americans. This substitute does not compromise on that commitment. It does not include a cap on damages for proven intentional discrimination. It is a civil rights bill proudly worthy of its name.

The game of politics involves much in the way of compromise. But today we must stand firm in our principles that cannot be compromised. I urge my colleagues to join me in supporting this substitute.

Mr. TOWNS. Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon [Mr. KOPETSKI].

Mr. KOPETSKI. Mr. Chairman, I rise in support of the Towns-Schroeder substitute and in opposition to the Michel substitute.

If I were a Chinese citizen living in Beijing and the Government passed the Michel substitute to H.R. 1, we would all celebrate in Tiananmen Square, for it would be a significant piece of civil rights legislation for a nation that has none.

We are not in China, however, Mr. Chairman. We are in the United States, and by American standards the Michel substitute is a third-rate proposal.

If we are to pass the bipartisan Brooks-Fish substitute to H.R. 1, we can celebrate because it improves existing law and takes a few steps forward on our march to equality. It is a compromise, no doubt, but it is still second best.

I think we can do better. Third rate and second best should not be acceptable to Americans, especially when it comes to civil rights. Let us let the world celebrate today because the world can say, along with every single American, that the good old U.S.A. is still setting the standard for civil rights in this world. It is not third rate or second best. It is the best. We are not a third-rate country, and I am not going to support a third-rate proposal. I am going to support Towns-Schroeder which does not discriminate against women in this country. Towns-Schroeder is a pure civil rights bill which sets the standard for this Nation into the 21st century.

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Mr. TOWNS. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I rise in strong support of the Towns-Schroeder amendment.

Mr. Chairman, today the House has an opportunity to say loudly and clearly to the American people that any form of employment discrimination is illegal. And that second-class citizenship in the work place is intolerable. And that in instances of job discrimination against women, women should have the right to sue for damages without any limits on compensation. Members can right these wrongs by approving the Towns-Schroeder substitute amendment to H.R. 1, the Civil Rights and Women's Equity in Employment Act.

We fought these battles over 25 years ago. Congress must act again because the five 1989 Supreme Court anti-affirmative action decisions have had a significant and negative impact on equal employment opportunity in this Nation.

In plain English, these Court decisions: Allow a worker to be racially or ethnically harassed on the job; allow employers to show that a discriminatory employment practice is a "business necessity," and would hurt business if the practice was legally denied; allow a decision based on racial, ethnic or gender prejudice not to hire a person, to be justified if the employer could show that the same decision would have been made for non-discriminatory reasons; allow a previous court consent decree settling a job discriminatory suit to be reopened by someone who had previously sat on the sidelines when the decree was approved by a court; and allow the challenging of a company's seniority plans by an employee to be prevented by the Court's interpretation of when the plan begins to run—when the plan was adopted, rather than when its harmful impact was felt.

We have the power to overturn these decisions by voting for the Towns-Schroeder substitute. Our vote will not only strengthen existing civil rights protection for all of the victims of intentional employment discrimination, but would also provide adequate remedies and more effective deterrence in job bias cases.

I strongly believe that women should be able to sue for damages in cases of gender discrimination in the work place. Under current law, only victims of racial discrimination have that right. This is not fair nor just. The second-class citizen aspect of this inconsistency leveled against women needs to be addressed and corrected now.

The Towns-Schroeder substitute would end this inconsistency, and authorize compensatory and punitive damages in gender discrimination suits—without caps, without limits. This is what we need to be concerned about; this is what we need to be for, and vote for.

I prefer no cap on damages, even though I know that a cap will provide a broader vote in the House. The essence of the Towns-Schroeder substitute protects the rights of all victims of intentional discrimination to equal treatment under the law. In effect it would allow women and religious minorities to obtain the same compensatory remedies for employment discrimination as is available to racial minorities, as mandated in current law. The substitute especially has the kind of broad equal employment opportunity protection that this Nation should have had as law long ago.

Attempting to protect the civil rights of those most liable to be discriminated against in the work place is not easy. The highest Court in the land has committed serious damage to civil rights laws designed to protect equal employment opportunity at the jobsite for all Americans. But the work of the Congress is clear whenever fair employment opportunities are stifled by employers or by the courts.

As a cosponsor of H.R. 1 and a cosponsor of H.R. 4000 last year, I am hopeful that Members will do the right thing and support the Towns-Schroeder substitute, which strengthens and clarifies the legal issues brought on by the Supreme Court in its attempts to nullify long-standing interpretations of employment discrimination statutes. As a former colleague Barbara Jordan said, "What that people want is very simple. They want an America as good as its promise."

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute to the Civil Rights Act of 1991.

There is nothing more fundamental to our Nation and to our way of life than freedom and equality of opportunity for all citizens. These are the principles upon which our Nation was founded, and these are the principles which keep our Nation strong.

One of our most important tasks as Members of Congress is to preserve and protect these fundamental principles for all Americans. The Towns-Schroeder substitute calls for strong and equal remedies for all Americans who are victims of intentional discrimination.

This Congress has heard tragic testimony from women who were victims of the most horrible kinds of abuse, and even today in modern America they found that they had nowhere to turn and no way to be made whole for the terrible losses they suffered.

It is essential that we have strong remedies for these victims of intentional discrimination. We need to fight back against the crime of discrimination, not for some Americans but for all Americans. That is what this bill is designed to do, and I urge my colleagues to support the Schroeder-Towns amendment.

Mr. TOWNS. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute. This is the bill that America needs and the bill that America deserves.

Mr. TOWNS. Mr. Chairman, I yield such time as he may consume to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I rise in very strong support of the Towns-Schroeder amendment.

Mr. TOWNS. Mr. Chairman, I yield one minute to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute. I believe it represents the fairest approach to equality in the workforce. This substitute does not contain a cap on punitive damages under title VII. As Americans, we pride ourselves in being the land of liberty and justice for all. It is simply un-American that women, religious minorities, disabled persons, or those of different national origins should be subject to a cap on the amount of punitive and compensatory damages.

It is not true that the expansion of title VII would open the floodgates to frivolous lawsuits. There have been very few cases where damages have been awarded under section 1981, which provides compensatory and punitive damages to victims of intentional racial descrimination. In 42 cases, the combined compensatory and puntive award per case was $50,000 or less. In four cases, plaintiffs received less than $500. In only 69 cases nationwide over the last 10 years, were compensatory or punitive damages awarded.

Let us also take a moment to remember the contributions that women recently made during Operation Desert Shield/Desert Storm. Over 30,000 women willingly and courageously headed for service in a foreign land, leaving their homes and families because duty called. They deserve more than hollow words now—they deserve full protection in the American workforce.

Mr. Chairman, I urge my colleagues to vote in favor of the Towns-Schroeder substitute.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I rise in strong support of the Towns-Schroeder amendment.

The very premise of this civil rights bill is that all victims of discrimination should be equally and fairly compensated. What signal does it send when we say there is a cap on damages for the majority of the American people, females, who constitute 45 percent of the labor force? What signal do we send to the 37 million disabled individuals, our disabled veterans, for example, when we say we are going to put a cap on discrimination with respect to employment?

What about religious minorities? Let us just translate this. A cap on damages protects an employer who sexually harasses his female employees and protects an employer who de facto refuses to hire a veteran because he is disabled, even though he is totally qualified, or an employer who would deny a promotion to a worker because he or she may be Catholic or Protestant. What signal does that send?

Finally, Mr. Chairman, what about the case that is well-publicized of the Stanford University neurosurgeon who quit because of discrimination in the workforce? Does she not deserve compensation of more than $150,000? Is her worth that much less? I think not, and I believe that is unfair treatment.

Mr. TOWNS. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. STOKES].

Mr. STOKES. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute.

This bill will overturn the five key 1989 Supreme Court decisions narrowing the reach of job discrimination laws and authorizing for the first time unlimited compensatory and punitive damages for the victims of intentional job discrimination on the basis of sex, religion or disability (as well as allowing for jury trials in those cases.)

This substitute does not contain the cap on punitive damages for women, religious minorities, and the disabled included in the Brooks-Fish substitute. The substitute does not contain any of the other "compromise" provisions of the Brooks-Fish substitute, including the language explicitly prohibiting the use of quotas, banning "race-norming" of employment test scores, and changing retroactivity provisions.

Mr. Chairman, it is unfortunate that President Bush has abandoned the moral obligation of his office to lead. Instead he has chosen to use the code word "quota" to divide black and white Americans. To politicize the employment rights of minorities and women is wrong. But this President was wrong when he politicized our Nation with "Willie Horton." Once again he has chosen not to give this Nation the moral leadership that it would have gotten from a John F. Kennedy, a Lyndon B. Johnson, or a Franklin D. Roosevelt. I urge the passage of the Towns-Schroeder substitute.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SERRANO].

Mr. SERRANO. Mr. Chairman, I rise in strong support of the Towns-Schroeder substitute.

Of all the civil rights bills on which we will vote today, the Towns-Schroeder bill provides the strongest civil rights protection to the greatest number of American workers.

Under this bill, all Americans who are victims of international job discrimination would be entitled to the same protections. Discrimination is discrimination, whether it is based on sex, religion, disability, or race. The same remedies should be available under section 1981 of title VII to any

American worker whose career or job is threatened by any type of unfair employment discrimination.

By allowing women for the first time to sue for punitive damages in gender discrimination cases, we are making progress. But capping damages only for gender-based discrimination suits is not illustrative of the equitable, just democracy we are trying today to preserve. Let us reaffirm to the American people what all of us here should be sure of: Women have the right to be protected from sexual discrimination in the workplace.

Discrimination and harassment emotionally and economically scar so many American men and women, be they Latino, white, African-American, Asian-American, or Native American. Let us address the real issues that affect all Americans today. We should not allow ourselves to get bogged down in the political rhetoric about quotas that dominates the administration's discussion of civil rights. Civil rights is not about quotas; civil rights is about equality under the law, and opportunity for American citizens.

Let us uphold equality under the law by passing the Towns-Schroeder substitute.

Mr. TOWNS. Mr. Chairman, I yield 3 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, the medical malpractice debate, foreign as it is to civil rights, has found its way into the proceedings of this bill. Women are the big losers, and this is not the first time.

Last year, mammography was included under Medicare for the first time but capped. It is about time that we stopped experimenting with caps, making women the guinea pigs.

This debate on limiting damages, Mr. Chairman, is a case of much ado about nothing. Under permission to insert material into the RECORD, I will include a study that demonstrates that never has so much energy and rhetoric been used and abused in the name of so little. A major law firm, Shea & Gardner, conducted a study of all cases of damages in civil rights reported in the 1980's—594 cases.

□ 1910

The results reveal excessive damages, indeed any damages at all, to be a nonproblem.

Mr. Chairman, the great majority of cases had no damages of any kind, so difficult are damages to prove. There were seven cases per year on average where anything other than back pay was awarded. There were three cases, three cases in the whole decade, of awards of $200,000, and those had truly disgusting facts. The average award in the few cases with damage awards was $50,000 for compensatory and punitive damages combined.

Mr. Chairman, these are reported cases, but they are a reliable indicator, because reported cases tend to be most egregious, which is why they get all the way to trial in the first place.

Mr. Chairman, I hope that Members will not compound the error in spending so much time and energy on damages by despoiling this bill with a discriminatory limit on damages for women, members of religious groups, and disabled people.

Mr. Chairman, I include for the RECORD the report referred to earlier.

MONETARY AWARDS IN TITLE VII AND SECTION 1981 CASES

The average monetary benefits in EEOC administrative cases: $6,221 per case for FY 90; $5,705 per case for FY 89.

Analysis of reported Section 1981 cases between 1980 and 1990; 594 total cases were found:

325 cases were dismissed or plaintiff lost;

148 cases had unknown dispositions; and

121 cases of proven intentional discrimination.

Of the 121 cases of proven intentional discrimination:

52 cases received only equitable relief (e.g. backpay); and

69 cases where plaintiff received compensatory or punitive damages:

40 of these cases had combined compenstory and punitive damage awards of less than $50,000;

2 were appealed with no reported disposition; and

5 had no reported amount.

DAMAGE AWARDS OVER $50,000—COMBINED COMPENSATORY AND PUNITIVE

[Dollars in thousands]

Case name	Compensatory	Punitive
Holland	$20	$501
Jackson	70	70
Gillespie	50	60
Flanagan	50	20
Carter	100	10
Erebia	75	55
Zaklama	85	50
Rowlett	123	300
Marsh	15	50
Williamson	20	100
Johnson	45	150
Walters	150	2
Stallworth	100	1
Anderson	[1] 100	....
Moffett	66	15
Ramsey	35	20
Alston	90	0
Muldrew	52	0
Mitchell	20	500
Block	12	60
Reese	[2] 240	....
Fisher	50	10

[1] Includes back pay.

[2] Includes loss of earnings.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chiarman, I rise in support of the Towns-Schroeder substitute to H.R. 1, the Civil Rights and Women's Equity and Employment Act of 1991. I commend Congressman Towns, chairman of the Congressional Black Caucus, and Congresswoman SCHROEDER, chairwoman of the Congressional Caucus for Women's Issues, for offering this important substitute. What is fundamentally at issue today are national values of equal opportunity and mutual respect.

Today, the House is considering civil rights legislation to overturn five damaging 1989 Supreme Court decisions. In 1 year, the Reagan-Bush Supreme Court overturned 25 years of civil rights legislation and case law and made clear its intentions to impose a conservative agenda through its legal decisions. In order to maintain our Nation's commitment to principles of freedom, equality, fairness, and equity, passage of a strong civil rights bill is imperative.

The administration has turned the effort to pass civil rights legislation into an opportunity to inflame racial tensions. They have characterized equality in the workplace for women and minorities as a source of inequality for others. They have gone to tremendous lengths to disrupt negotiations to fashion workable compromises. These efforts cannot and must not deter us from understanding the true importance of a civil rights bill for America today and tomorrow.

Consider who the civil rights bill is designed to benefit. When we add up women, minorities, and the disabled, we are talking about two-thirds of the American population. Denying equal opportunity to two-thirds of the population is short-sighted as well as unfair. Equality and economic growth are inextricably linked. If we allow discrimination to poison our labor markets, we deprive the country of some of its most valuable and productive members. Equal opportunity helps to unlease economic growth.

The Towns-Schroeder substitute is the best of the three equal opportunity measures before us today and will help us tap the tremendous potential of women and minorities. It will ensure that women and the disabled, for the first time since the birth of our Nation, will have the opportunity to sue for damages. Damages are crucial to the enforcement of civil rights because they put a price tag on discrimination. Damages tell employers that if you discriminate you will pay: The worse the discrimination, the bigger the price tag.

The Towns-Schroeder substitute would not include a cap on damages as provided by the other two measures before the House today. Because victims of racial discrimination were already granted the right to sue for damages 124 years ago, a cap on damages for women and the disabled would undermine the principle of equal opportunity which civil rights legislation is supposed to guarantee.

Mr. Chairman, this substitute is about fairness and equality. The Supreme Court has forced us to answer the question, "Do we as a Nation want to treat all workers, regardless of race, sex, color, religion, or physical handicap, with equality, respect, and human decency?" The Towns-Schroeder substitute allows us to answer an unequivocal "Yes." I urge my colleagues to support it.

Ms. MOLINARI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to say something first of all about the debate that just took place with regard to damages and the fact that a lot of Members that are going to be called together in this Chamber very shortly will be voting against this bill. Some will be voting for very real reasons. Some will be voting because they believe, as I do, that one is not antifemale to stand here and vote on limiting damages. One is in fact strengthening a female hand in the workplace by allowing for damages, but capping damages through a judge for immediate relief.

Mr. Chairman, if anyone in this Chamber believes $150,000 is not enough to deter discrimination, then I think they are very, very wrong. I believe that that is why the American public and the President's bill put a cap on damages.

Mr. Chairman, I happen to believe that not all that women want is to make a multitude of money. They want to make sure that there is enough discouragement from the ability to discriminate so we are not made victims. I happen to believe $150,000 and immediate remedies will do that, and that is included in the President's bill.

Mr. Chairman, I was very happy to yield to my opponents some of my time. They, obviously, feel very strongly about the Towns-Schroeder substitute, and they spoke in a very impassioned way. Some of them talked about their prejudice experiences, and a lot of Members attacked the President.

But let us be truthful here. We know it is not going to be the President that kills the Towns-Schroeder bill, it is going to be the Democratic leadership that kills the Towns-Schroeder bill. Mr. Chairman, you know it, and this side of the aisle knows it. It is the Democratic leadership who felt so strongly against this bill that they delayed a vote on this bill by several weeks and remade this bill.

Mr. Chairman, why? I have not heard one Democrat speak out against the Towns-Schroeder substitute.

The only one who supports the Fish-Brooks substitute was on the Republican side, the gentleman from New York [Mr. FISH]. He told us why he preferred that. Not one Democrat stood up to say why this will not be the bill that is presented to the American people.

Mr. Chairman, apparently no one on the Democratic side has a problem with the Towns-Schroeder bill. I hope, in the spirit of fairness and honesty, that this is the final bill that the Democrats present to the American people, for all the reasons that we just heard, for over half an hour, close to 45 minutes when the time is done. I hope the American public and the supporters of Towns-Schroeder have a problem with this procedure, that will disallow this to be the bill that is brought to the American public. I hope you have a problem with the fact that not one of your fellow Members told you why they disagree with the amendments and the implications of your bill.

Mr. Chairman, we all know this is not the bill that the Democratic leadership will present to the public, and the American public will never know why. They will never know why this is not the bill that will finally see the light of day from this U.S. Congress.

Mr. Chairman, we know why. Because the Democratic leadership wants a bill, any bill. The American public has come forth over the last few weeks and told us they are confused and concerned over civil rights, over the true intentions of the U.S. Congress with regard to this bill. The lack of debate on the Democratic side in this instance truly shows why the American public is confused.

Mr. Chairman, I am confused, and I hope supporters of this bill, the Towns-Schroeder substitute, are just as confused. I hope they demand an explanation for why this is not the bill that the Democratic leadership will bring to the American public and why this is the bill that the Democratic leadership will kill.

Mr. Chairman, it is not the President of the United States that is going to stand between you and the American public. It is in fact your leadership.

Mr. TOWNS. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. SAVAGE].

Mr. SAVAGE. Mr. Chairman, I rise in support of the Towns-Schroeder bill, because it is the only one of the bills that is really a civil rights bill. One of the substitutes is so ridiculous that it allows white males to intimidate employers from hiring fairly by threatening with a suit.

Mr. Chairman, I am not surprised there is so much confusion, because when you live in a practically lily white suburb, and are married in a practically lily white church, you have parents in a lily white cemetery, going to school mainly white, reading newspapers that are white, viewing television that is white, listening to radio stations all owned by whites, you really do not understand what you are doing to America.

But if you understand blacks suffering unemployment two and one-half times yours, earning less than 60 cents for every dollar that you earn, having less than one dollar's net worth for every $10 of a white family, you are apt to make up your mind that you either think blacks are inferior, or we are suffering from a social condition that can be described as racism.

□ 1920

We do not have racism without racists. Nobody is a racist but racism is prevalent. Unless you think blacks are not equal.

I tell you some of you may think that because some of your parents may not have been here when my parents were here, when it was against the law to educate a black, when marriage between blacks was disregarded, when blacks were forced to work to compile wealth for whites but could not get paid, I tell you that unless you understand that we are equal, just as 22 percent of those you praised for heroism over in the Desert Storm, I tell you unless you recognize that we are equal and treat us that way, you are going to create a revolt in this country.

You are going to have to build up your defense budget because you are going to have to kill 1 million of us because young blacks are tired and are not going to tolerate any more of your ignorance.

All we ask is that you deny that this bill does not make blacks equal. The bill 25 years ago did not do it, obviously, since we are not equal now. It simply says you should not have special privilege for white males particularly to end white supremacy. It just says try to make all equal without special privileges for any. This is the bill to deny that special privilege to a sector or our population.

Mr. TOWNS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I rise today in support of the Towns-Schroeder amendment because I am not confused. I have drunk at the colored fountain. I have gone to the colored restroom. I have gone to the back of the restaurant. I am not confused because this very day I read in the New York Times that the RTC, an agency we created to bail out the S&Ls, gave out 126 contracts, two of them to blacks, three of them to Hispanics. I am not confused because on Saturday night, Alfred Jermaine Ewell, in Long Island, NY, was beaten into a coma simply because he happened to be walking along the beachfront with a white woman.

I am not confused because I know that as far as America proclaims it has come, it has not come far enough. Therefore, Mr. Speaker, I rise today in support of this amendment saying that America must become the Nation of equality. It must become the Nation of equal opportunity. It must become the Nation that moves us further beyond the days of the colored times, further beyond the days when there was no equality to the place where there is some, to the place where there is equality for all.

I include for the RECORD an article from the New York Newsday, dated June 4, 1991, entitled "LI Teen in Coma After Racial Attack."

LI TEEN IN COMA AFTER RACIAL ATTACK

(By Susan Forrest)

A black high school football star was severely beaten on Long Island early Sunday, shortly after a white youth objected to his socializing with a white girl at a party, Nassau County police said.

As police sought the attackers, Alfred Jermaine Ewell, 17, of Inwood, L.I., remained comatose at a Far Rockaway hospital. Ewell was struck over the head with bats and sticks by up to seven young white men after a house party attended by up to 150 youths.

"Is he going to be all right? His life is over, unless you have an 'in' with God and know how to wake him up," Ewell's mother, Ernestine, said yesterday. "There has to be justice, right? His life is gone because of the color of his skin. Why?"

Ernestine Ewell, a widow who also has a 13-year-old daughter, said her son is on life support and may have brain damage.

Police said that two white teens—Anthony Franzese, 19, and Stephen Lieberman, 18—and the 16-year-old girl Ewell has been talking to came to his aid during the attack on the Atlantic Beach boardwalk. The three rescuers suffered minor injuries. Franzese and Lieberman were treated at a hospital and released. The girl did not seek treatment.

Police said that at the party, a young man asked the girl what she was doing with Ewell, using a racial epithet, according to Deputy Police Chief Kenneth Carey.

"We're calling it racial because of the verbal epithet," Carey said. "It appears that the person making the statement was ridiculing the girl for being with a black friend."

Ewell is a starting defensive linebacker and offensive fullback for the Lawrence High School football team and a track team sprinter who is called "Streak" because of his speed. Ewell was named "all league" player in Conference One in Nassau County last year, an honor usually reserved for seniors. Police said Ewell was at the party with several football teammates.

The party began to break up about midnight and many of the partygoers walked to the boardwalk. Ewell was sitting on a railing on the boardwalk talking to the girl when he was attacked.

Mr. TOWNS. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas [Mr. WASHINGTON].

Mr. WASHINGTON. Mr. Chairman, approximately an hour ago I made a challenge to anyone who really believed that this was a quota bill to come out behind that thin veil. I will let my time run down.

I will let my time run down.

We are waiting. We are still waiting. Is there one today? Is this a quota bill? Somebody have the courage to stand up and debate me.

I went to a black high school and black college and a black law school. I am not the smartest person here. You can beat me in a debate, if your heart is pure. If you have something to say, give me one example how this is a quota bill. I am waiting.

Mr. HYDE. Mr. Chairman, I will be happy to tell the gentleman why this is a quota bill.

Mr. WASHINGTON. Mr. Chairman, is the gentleman asking me to yield?

Mr. HYDE. Yes, sir.

Mr. WASHINGTON. Mr. Chairman, I yield to the gentleman from Illinois [Mr. HYDE] if he will give me an example of how it is a quota bill.

Mr. HYDE. Mr. Chairman, if a person files a complaint with the Federal court on the grounds that the work force at a certain factory does not truly and correctly mirror the ethnic, gender, and racial composition of the available labor force, now, the employer confronted with that complaint knows that he has a jury trial ahead of him. He knows that they may well, through discovery, find enough to charge intentional discrimination. And then he is subject to unlimited damages.

He, therefore, is very concerned about that. And he wants to know, "How can I avoid this?"

The answer he will get is, hire by the numbers. And so inevitably the threat of expensive, costly and uncertain jury trials and unlimited damages compels an employer to do the prudential thing and hire by the numbers.

That is why it is a quota bill.

Mr. WASHINGTON. Mr. Chairman, in law that is called res ipsa loquitur, which means the thing speaks for itself. Nothing from nothing leaves nothing. He said nothing; there is nothing.

Mr. TOWNS. Mr. Chairman, I yield one-half minute to the gentlewoman from Colorado [Mrs. SCHROEDER], the cosponsor of this bill.

Mrs. SCHROEDER. Mr. Chairman, I want to answer just a few things that were brought out. First of all, in the Republican substitute, there is a cap on any kind of damages for sexual harassment. There are no damages allowed for sexual discrimination. That is really antiwoman in the workplace. I find it shocking.

Others say, well, what about the $150,000 cap? It will be OK for women. Are they kidding?

The young neurosurgeon quitting at Stanford University, I think her career is worth more than $150,000. Let us not put a class ceiling on half the population. Let us treat everyone equally and let us vote for the Towns-Schroeder substitute.

Mr. TOWNS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we have afforded America an opportunity to place justice as the highest common denominator for its people. We place America, now, on notice. Threatened Presidential vetos to the contrary, we shall not deface Martin Luther King's dream. We will not permit the denigration of the legacy of Medgar Evers, Schwerner, Goodman, and Chaney. Abraham Lincoln, surveying the battlefield at Gettysburg challenged: "that we here highly resolve that these dead shall not have died in vain. That this Nation shall have a new birth of freedom. And that this Government of the people, by the people, for the people, shall not perish from this Earth." Do the right thing. Move America ahead. Vote for the Towns-Schroeder amendment.

Mr. ROYBAL. Mr. Chairman, I would like to rise in support of the Towns-Schroeder substitute to H.R. 1, the Civil Rights and Women's Equity in Employment Act.

This substitute is very similar to the civil rights bill which we approved by a large margin last year, only to see it vetoed by President Bush. The Towns-Schroeder substitute is the only version which does not contain a cap on damages for women who are victims of intentional job discrimination. Allowing this cap on damages makes a statement that intentional discrimination against women is less serious than racial discrimination. A cap which affects only some members of our society is in itself a form of inequality and discrimination.

While the Towns-Schroeder substitute does not mention quotas, President Bush has continued to attack every responsible civil rights proposal as a quota bill, and is doing everything he can to create a climate of fear and racial tension by insinuating that any civil rights bill, other than his own, is designed to take jobs from white people and give them to minorities. This rhetoric, which exploits people's racial fears, reminiscent of the President's election campaign and his constant references to Willie Horton.

I urge my colleagues to support the Towns-Schroeder substitute.

Mr. TOWNS. Mr. Chairman, the Towns-Schroeder substitute for the Civil Rights Act of 1991 is a highly technical bill, but its objective is simple—to protect workers from sexual and racial harassment and discrimination in the workplace. The Towns-Schroeder substitute gives workers this protection in its purest form—with no caps on damages, with no limits on remedies for women, and with equal protections for U.S. workers in U.S. companies abroad.

Despite our tireless efforts to dispel the myth of the quota bill, despite an attempt to say in so many words "thou shalt not impose quotas," and despite the fact that the Republican substitute does not even address quotas, the Bush administration continues to fight the Civil Rights Act of 1991 with a campaign of race baiting and misinformation. The Bush administration has accused advocates of the bill of practicing the politics of racial division. But this administration, with its blatant, recurring appeals to underlying racial prejudice in this Nation, has become a master of the game of race politics.

Like all other civil rights bills before Congress, the Towns/Schroeder bill does not mandate or encourage employers to resort to hiring, firing or promoting premised upon race-based or gender-based quotas. The entire quota issue has been a Republican attempt to use inflammatory and divisive racial politics to prevent the majority of Americans from having a fair shot at getting and keeping a job.

Admittedly, the Supreme Court decisions we are seeking to overturn may be difficult for the layman to understand. One of our biggest obstacles in fighting for a civil rights bill has been the difficulty in explaining how a bill that is not well understood by the average American can have any impact on our working constituents.

Nevertheless, the effects of these Supreme Court decisions are real and potentially devastating for the emerging 21st century workforce. So long as Congress fails to make its intent clear, women and minorities will have no recourse but to return to jobs in which they have been racially or sexually harassed. The Supreme Court has stripped workers of any protection against racial or sexual harassment at work. Discriminatory seniority plans cannot be challenged if the discriminatory effect is found more than a few months after the plan goes into effect. Consent decrees for remedying past discrimination can be challenged regardless of whether parties had an opportunity to join the original lawsuit. In cases where business practices have a discriminatory effect on the workforce, employees bear the burden of proof even when the employer controls all the relevant evidence.

Only Congress can fully restore the protections and remedies stripped from American workers by the 1989 Supreme Court decisions. The Towns-Schroeder substitute restores the application of long-standing case law by prohibiting intentional discrimination and employment practices which have a discriminatory effect. The Towns-Schroeder bill provides a broader spectrum of protection for workers faced with employment discrimination, and strengthens remedies available to victims of intentional discrimination.

Mr. WEISS. Mr. Chairman, I rise in support of the Towns-Schroeder substitute to the Civil Rights Act of 1991. This is the only version of the civil rights bill that embodies the true principles of equality and fairness.

Assertions that current civil rights legislation already ensures a level playing field are unfounded and irresponsible. If simple observation does not sufficiently convince my colleagues statistics and studies should. For example, according to data provided by the Congressional Caucus for Women's Issues, an estimated 40 percent of women experience sexual harassment on the job, including sexual teasing, deliberate touching, pressure for dates, and even assault. Women in nontraditional jobs and women of color experience even higher rates of sexual harassment. Women continue to earn only 68 cents for every dollar that men earn. About half of this difference, the Caucus reports, is directly attributable to sex discrimination. Women with a college degree still earn, on average, less than a man with only a high school diploma.

In addition, too many employers still discriminate against qualified, well-trained, and hard-working minorities. A recent Urban Institute study measuring the extent of job discrimination against black job-seekers found that whites advanced further in the hiring process than their qualification-matched black counterparts 20 percent of the time. The study concludes that job discrimination against blacks is entrenched and widespread.

Clearly, we need strong civil rights legislation. The Towns-Schroeder substitute most adequately restores worker protections seriously weakened by a series of 1989 Supreme Court decisions.

First, the Towns-Schroeder substitute is the only legislative option before us today that treats all victims of intentional job discrimination equally. It would provide victims of racial, gender, religious and disability discrimination equal ability to collect compensatory and punitive damages for intentional job discrimination. The Brooks-Fish substitute, while allowing all the aforementioned groups to collect for damages, allows racial minorities to collect unlimited damages while capping the amount of money that women, religious minorities and individuals with disabilities can collect. Most unfair, the Michel substitute allows racial minorities to collect for unlimited damages, but prohibits women, religious minorities, and individuals with disabilities from collecting at all.

Second, by overturning the Wards Cove standard of business necessity, and codifying the Griggs standard, the Towns-Schroeder substitute provides the fairest criterion for judging if workplace discrimination has occurred. Reasonably, it requires that employers prove that their employment practice in question bears a significant relationship of successful performance of the job. The Brooks-Fish substitute waters down this criterion, while the Michel substitute codifies the nearly impossible to prove definition of business necessity included in Wards Cove, one of the Supreme Court decisions that the Civil Rights Act is intended to overturn.

Further, the Towns-Schroeder substitute most fairly deals with retroactive cases. Civil rights legislation is intended to overturn a series of wrongheaded 1989 Supreme Court decisions. The Schroeder-Towns measure justly allows plaintiffs to apply the principles of this civil rights legislation to cases decided after the pertinent 1989 Supreme Court decision. The Brooks-Fish substitute would only allow plaintiffs to apply the principles of this legislation to cases currently pending, and the Michel substitute allows plaintiffs whose claims were dismissed as a result of the Supreme Court's 1989 decisions absolutely no legal recourse.

The Towns-Schroeder substitute will provide women and minorities with the most appropriate means to address the rampant gender, racial and other discrimination that now exist without establishing a quota system. As we all know, quotas are illegal under current law, except if the court has ordered one for employers who have discriminated in the past. The Schroeder-Towns substitute will not change this law. It merely mirrors the decision reached in Griggs versus Duke Power. In congressional hearings for civil rights legislation, not one witness testified that Griggs forced employers to resort to quotas.

It may be painful to admit that America, the home of the free and the brave, is plagued with discrimination. But it is, and I urge my colleagues to vote to give those that have suffered and will suffer under the ugly hand of prejudice real protection under the law. I urge my colleagues to vote for the Towns-Schroeder substitute.

Mr. CLAY. Mr. Chairman, as we take up the Civil Rights Act we will have to remember our American history. In 1776 the framers of the Constitution cited "That all men are created equal, that they are endowed by their creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness." We the representatives of the American people swore to uphold those words. Racism and prejudice does not fulfil those words. Racism is alive and well, in every facet of our lives and most importantly the workplace. Some say that segregation is not apparent in today's society. That it died in the 1960's. But when women, minorities and the disabled must fight to prove through legal action as to why they were not allowed to grab hold of opportunity, the American dream, and a better life for themselves then I must say that segregation and prejudice is not only back, but it never left us.

Mr. Chairman, I rise in support of the Towns-Schroeder amendment to the Civil Rights Act of 1991. This substitute will overturn the adverse decisions made by the Supreme Court and strengthen this Nation's fight against efforts to take away citizen's rights. I support this amendment because it removes quotas from the workplace and requires that the employer documents reasons for refusing to hire someone for a position. However, simply because an employer unintentionally hires many people of a specific ethnic, religious, or economical background, it does not follow that the employer is practicing discrimination.

For the past 20 years, Mr. Chairman, I have seen organizations such as affirmative action, rainbow coalition, and the ERA protect those that were looked down upon by employers in a discriminatory manner without placing pressure on the employers to hire minorities. These organizations must stay in place, not to enforce our actions but to educate Americans on becoming more race conscious in everything they do.

We stand on the forefront of a decision that could change how Americans view one another. That is why I support the Towns-Schroeder amendment. It is the moral, right, and fair decision for all Americans black or white, male or female.

Mrs. COLLINS of Michigan. Mr. Chairman, I come before you to express my support of the Towns-Schroeder substitute. I support this substitute for a variety of reasons, but there is one reason that stands out most of all.

Any so-called civil rights bill that places a ceiling cap on, or doesn't allow for compensatory or punitive damage claims is an unequal rights bill.

This sends a message to women, religious and ethnic minorities, and disabled persons that their plight isn't worth more than $150,000 and creates a new form of economic discrimination. The message is someone must be at the bottom rung of the opportunity ladder, so it might as well be them.

By adopting a claims cap, we tell them that no matter how much, and in what ways, they have suffered from the discriminatory practices of an employer, it's only worth so much.

To disallow compensatory and punitive damages is to say to them that in these times of current economic uncertainty, we can't afford to penalize businesses, regardless of how unfair they treat you. As a woman and an African-American, I am dually insulted by this notion.

A cap or disallowance will allow employers who habitually engage in discriminatory practices to develop the attitude that the claims they will possibly have to pay are merely acceptable business expenses. It will again become an accepted business practice to discriminate, because it won't cost them a whole lot. Employers who run the risk of having to pay through the nose are very careful of the toes they step on.

Mr Speaker, I applaud my distinguished colleagues for crafting a substitute that does not create second class citizenship in the workplace. This substitute sends a message to employers that no one group is better than another. It also gives effective remedies to all people who suffer from discrimination.

I support the Towns-Schroeder substitute because it is the only substitute that adequately presents the definition of business necessity.

If an employer denies positions and promotional opportunities to women and disabled persons for any reason under the guise of business necessity, then that employer should be out of business.

For these reasons, and many others, I urge my colleagues to support and vote yes for the Towns-Schroeder substitute.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from New York [Mr. TOWNS].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TOWNS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 277, not voting 2, as follows:

[Roll No. 127]

AYES—152

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Aspin
Atkins
AuCoin
Barton
Berman
Bonior
Boxer
Brooks
Brown
Bruce
Bryant
Bustamante
Campbell (CA)
Campbell (CO)
Cardin
Clay
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dixon
Donnelly
Durbin
Dwyer
Dymally
Early
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Gibbons
Gonzalez
Gray
Green
Hayes (IL)
Hayes (LA)
Hertel
Horn
Hoyer
Jefferson
Johnson (SD)
Johnston
Jontz
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
Lantos
Levin (MI)
Levine (CA)
Lewis (GA)
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McDermott
McHugh
Mfume
Miller (CA)
Mineta
Mink
Moakley
Moody
Moran
Morella
Mrazek
Murtha
Nagle
Neal (MA)
Nowak
Oakar
Oberstar
Owens (NY)
Pallone
Panetta
Payne (NJ)
Pelosi
Perkins
Peterson (FL)
Rahall
Rangel
Reed
Richardson
Roe
Rose
Roybal
Sabo
Sanders
Savage
Sawyer
Scheuer
Schiff
Schroeder
Serrano
Sharp
Sikorski
Slaughter (NY)
Smith (FL)
Staggers
Stark
Stokes
Studds
Swift
Synar
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wolpe
Wyden
Yates
Young (FL)

NOES—277

Alexander
Allard
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Bacchus
Baker
Ballenger
Barnard
Barrett
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Borski
Boucher
Brewster
Broomfield
Browder
Bunning
Burton
Byron
Callahan
Camp
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Combest
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
DeLay
Derrick
Dickinson
Dingell
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Eckart
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Gordon
Goss
Gradison
Grandy
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hefley
Hefner
Henry
Herger
Hoagland
Hobson
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (TX)
Jones (GA)
Jones (NC)
Kanjorski
Kasich
Klug
Kolbe
Kyl
LaFalce
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Luken
Machtley
Marlenee
Martin
Mazzoli
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moorhead
Morrison
Murphy
Myers
Natcher
Neal (NC)
Nichols
Nussle
Obey
Olin
Ortiz
Orton
Owens (UT)
Oxley
Packard
Parker
Patterson
Paxon
Payne (VA)
Pease
Penny
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Rowland
Russo
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Schulze
Schumer
Sensenbrenner
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Stallings
Stearns
Stenholm
Stump
Sundquist
Swett
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Weber
Weldon
Whitten
Wilson
Wise
Wolf
Wylie
Yatron
Young (AK)
Zeliff
Zimmer

NOT VOTING—2

Lehman (FL)
Sisisky

☐ 1946

Mr. LEWIS of California and Mr. CUNNINGHAM changed their vote from "aye" to "no."

Messrs. KOLTER, GAYDOS, and FRANK of Massachusetts changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

☐ 1950

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. MICHEL: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights Act of 1991".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that additional protections and remedies under Federal law are needed to deter unlawful discrimination.

(b) PURPOSE.—The purpose of this Act is to strengthen existing protections and remedies available under Federal civil rights laws.

SEC. 3. DEFINITIONS.

Section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e) is amended by adding at the end the following new subsections:

"(l) The term 'complaining party' means the Commission, the Attorney General, or a person who may bring an action or proceeding under this title.

"(m) The term 'demonstrates' means meets the burdens of production and persuasion.

"(n) The term 'justified by business necessity' means that the challenged practice has a manifest relationship to the employment in question or that the respondent's legitimate employment goals are significantly served by, even if they do not require, the challenged practice.

"(o) The term 'respondent' means an employer, employment agency, labor organization, joint labor-management committee controlling apprenticeship or other training or retraining programs, including on-the-job training programs, or those Federal entities subject to the provisions of section 717 (or the heads thereof).

"(p)(1) The term 'harass' means, in cases involving discrimination because of race, color, religion, sex, or national origin, the subjection of an individual to conduct that creates a working environment that would be found intimidating, hostile or offensive by a reasonable person.

"(2) The term 'harass' also means, in cases involving discrimination because of sex, (i) making the submission to unwelcome sexual advances by an employer a term or condition of employment of the individual; or (ii) using the rejection of such advances as a basis for employment decisions adversely affecting the individual; or (iii) making unwelcome sexual advances that create a working environment that would be found intimidating, hostile or offensive by a reasonable person.".

SEC. 4. DISPARATE IMPACT CLAIMS.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) is amended by adding at the end the following new subsection:

"(k) PROOF OF UNLAWFUL EMPLOYMENT PRACTICES IN DISPARATE IMPACT CASES.—Under this title, an unlawful employment practice based on disparate impact is established only when a complaining party demonstrates that a particular employment practice caused a disparate impact on the basis of race, color, religion, sex, or national origin, and the respondent fails to demonstrate that such practice is justified by business necessity: *Provided, however*, That an unlawful employment practice shall nonetheless be established if the complaining party demonstrates the availability of an alternative employment practice, comparable in cost and equally effective in predicting job performance or achieving the respondent's legitimate employment goals, that will reduce the disparate impact, and the respondent refuses to adopt such alternative.".

SEC. 5. FINALITY OF JUDGMENTS OR ORDERS.

For purposes of determining whether a litigated or consent judgment or order resolving a claim of employment discrimination because of race, color, religion, sex, national origin, or disability shall bind only those individuals who were parties to the judgment or order, the Federal Rules of Civil Procedure shall apply in the same manner as they apply with respect to other civil causes of action.

SEC. 6. PROHIBITION AGAINST RACIAL DISCRIMINATION IN THE MAKING AND PERFORMANCE OF CONTRACTS.

Section 1977 of the Revised Statutes of the United States (42 U.S.C. 1981) is amended—

(1) by inserting "(a)" before "All persons within"; and

(2) by adding at the end the following new subsections:

"(b) For purposes of this section, the right to 'make and enforce contracts' shall include the making, performance, modification and termination of contracts, and the enjoyment of all benefits, privileges, terms and conditions of the contract.

"(c) The rights protected by this section are protected against impairment by nongovernmental discrimination as well as against impairment under color of State law.".

SEC. 7. EXPANSION OF RIGHT TO CHALLENGE DISCRIMINATORY SENIORITY SYSTEMS.

Subsection 706(e) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(e)) is amended by adding at the end the following sentence: "For purposes of this section, an alleged unlawful employment practice occurs when a seniority system is adopted, when an individual becomes subject to a seniority system, or when a person aggrieved is injured by the application of a seniority system, or provision thereof, that is alleged to have been adopted for an intentionally discriminatory purpose, in violation of this title, whether or not that discriminatory purpose is apparent on the face of the seniority provision.".

SEC. 8. PROVIDING FOR ADDITIONAL REMEDIES FOR HARASSMENT IN THE WORKPLACE BECAUSE OF RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN.

(a) Subsection 703(a) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2(a)) is amended by deleting the period at the end and inserting in lieu thereof "; or" and by adding at the end the following new paragraph:

"(3) to harass any employee or applicant for employment because of that individual's race, color, religion, sex, or national origin: *Provided, however*, That no such unlawful employment practice shall be found to have occurred if the complaining party failed to avail himself or herself of a procedure, of which the complaining party was or should have been aware, established by the employer for resolving complaints of harassment in an effective fashion within a period not exceeding ninety days.".

(b) Section 706 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5) is amended by adding at the end the following new subsections:

"(l) EMERGENCY RELIEF IN HARASSMENT CASES.—An employee or other complaining party alleging a violation of section 703(a)(3) of this title may petition the court for temporary or preliminary relief. If the complaining party establishes a substantial probability of success on the merits of such harassment claim, the continued submission to the harassment shall be deemed injury sufficiently irreparable to warrant the entry of temporary or preliminary relief. A court having jurisdiction over a request for temporary or preliminary relief pursuant to this paragraph shall assign the case for hearing at the earliest practicable date and cause such case to be expedited in every way practicable.

"(m) EQUITABLE MONETARY AWARDS IN HARASSMENT CASES.—

"(1) In ordering relief for a violation of section 703(a)(3) of this title, the court may, in addition to ordering appropriate equitable relief under subsection (g) of this section, exercise its equitable discretion to require the employer to pay the complaining party an amount up to but not exceeding a total of $150,000.00, if the court finds that an additional equitable remedy beyond those available under subsection (g) of this section is justified by the equities, is consistent with the purposes of this title, and is in the public interest. In weighing the equities and fixing the amount of any award under this paragraph, the court shall give due consideration, along with any other relevant equitable factors, to (i) the nature of compliance programs, if any, established by the employer to ensure that unlawful harassment does not occur in the workplace; (ii) the nature of procedures, if any, established by the employer for resolving complaints of harassment in an effective fashion; (iii) whether the employer took prompt and reasonable corrective action upon becoming aware of the conduct complained of; (iv) the employer's size and the effect of the award on its economic viability; (v) whether the harassment was willful or egregious; and (vi) the need, if any, to provide restitution for the complaining party.

"(2) All issues in cases arising under this title, including cases arising under section 703(a)(3) of this title shall be heard and determined by a judge, as provided in subsection (f) of this section. If, however, the court holds that a monetary award pursuant to paragraph (1) of this subsection is sought by the complaining party and that such an award cannot constitutionally be granted unless a jury determines liability on one or more issues with respect to which such award is sought, a jury may be empaneled to hear and determine such liability issues and no others. In no case arising under this title shall a jury consider, recommend, or determine the amount of any monetary award sought pursuant to paragraph (1) of this subsection.".

(c) Subsection 706(e) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5(e)) (as amended by section 7 of this Act) is further amended by adding at the end the following sentence: "For purposes of actions involving harassment under section 703(a)(3) of this title, the period of limitations established under this subsection shall be tolled during the time (not exceeding ninety days) that an employee avails himself or herself of a procedure established by the employer for resolving complaints of harassment.".

SEC. 9. ALLOWING THE AWARD OF EXPERT FEES.

Section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–6(k)) is amended by inserting "(including reasonable expert fees up to but not exceeding $300 per day)" after "attorney's fee".

SEC. 10. PROVIDNG FOR INTEREST, AND EXTENDING THE STATUTE OF LIMITATIONS, IN ACTIONS AGAINST THE FEDERAL GOVERNMENT.

Section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000c–16) is amended—

(1) in subsection 717(c), by striking out "thirty days" and inserting in lieu thereof "ninety days"; and

(2) in subsection 717(d), by inserting before the period ", and the same interest to compensate for delay in payment shall be available as in cases involving non-public parties".

SEC. 11. PROVIDING CIVIL RIGHTS PROTECTIONS TO CONGRESSIONAL EMPLOYEES.

Section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–16) (as amended by section 10 of this Act) is further amended—

(1) in subsection 717(a), by striking "legislative and judicial branches" and inserting in lieu thereof "judicial branch".

(2) in subsection 717(a), by striking "in the Library of Congress" and inserting in lieu thereof: "in the Congress of the United States, or its Houses, committees, offices or instrumentalities, or the offices of any of its Members".

(3) in subsection 717(b), by striking the last sentence and inserting in lieu thereof: "With respect to the Congress of the United States, its Houses, committees, offices, and instrumentalities, and the offices of its Members, authorities granted in this subsection to the Commission shall be exercised in each House of Congress as determined by that House of Congress, and in offices and instrumentalities not within a House of Congress as determined by the Congress.".

(4) in subsection 717(c), by inserting, after "Equal Employment Opportunity Commission" each time it appears, ", or a congressional entity exercising the authorities of the Commission pursuant to subsection (b) of this section,".

SEC. 12. PROHIBITION AGAINST THE DISCRIMINATORY USE OF TEST SCORES

Section 703(b) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) is amended—

(1) in inserting "(1)" after "(b)", and

(2) by adding the following:

"(2) It shall be an unlawful employment practice for an employer, labor organization, employment agency, or joint labor-management committee controlling apprenticeship or other training or retraining (including on-the-job training programs) in connection with the selection or referral of applicants or candidates for employment or promotion, to adjust test scores, use different cut-off scores, or otherwise alter the results of employment-related tests on the basis of race, color, religion, sex or national origin."

SEC. 13. ALTERNATIVE MEANS OF DISPUTE RESOLUTION.

Where knowingly and voluntarily agreed to by the parties, reasonable alternative means of dispute resolution, including binding arbitration, shall be encouraged in place of the judicial resolution of disputes arising under this Act and the Acts amended by this Act.

SEC. 14. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision or amendment to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provisions of this Act to other persons and circumstances, shall not be affected thereby.

SEC. 15. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect upon enactment. The amendments made by this Act shall not apply to any claim arising before the effective date of this Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from Illinois [Mr. MICHEL] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

Mr. EDWARDS of California. Mr. Chairman, I am in opposition.

The CHAIRMAN. The gentleman from California [Mr. EDWARDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, our substitute embodies the language of H.R. 1375, which for all practical purposes is the President's civil rights bill.

The bill stresses fairness over quotas, conciliation over litigation, and unity over divisiveness.

As a Representative who voted for the civil rights bills of 1957, 1960, 1964, and 1965, I am proud to once again support a fair and effective civil rights bill.

I remind my colleagues of a courageous freshman legislator from Texas who in 1967 and 1968 bucked the prevailing sentiment of his region and voted for extending the Civil Rights Commission and for the Fair Housing Act. It was not a popular thing to do in his district or his region, but it was the right thing to do, and he did it.

I was proud to join young Representative George Bush in his votes then, and I am proud to support the position of President George Bush on this substitute now.

The President's bill will significantly strengthen current anti-discrimination law. It will provide a new monetary remedy for victims of on-the-job harassment with equitable damages of up to $150,000.

The President's bill will modify Wards Cove, placing the burden of proof on employers to demonstrate a business necessity for their actions, in cases of unintentional discrimination, and the President's bill will encourage alternatives to endless litigation, including the use of voluntary arbitration.

The President's bill does require the plaintiff to identify the specific hiring practice seen as discriminatory, but what in heaven's name is wrong with that?

It expands title VII to allow a new equitable remedy in cases of harassment, and in all other circumstances applies current legal remedies, including back pay and injunctive relief.

Where the President calls for conciliation, the majority urges more litigation. Their bill makes it far easier for plantiffs to sue, even for the most obscure reasons. That is just about what this country needs now, a new plague of lawsuits.

The President's bill penalizes those who discriminate, no question about it, exactly what a civil rights bill should do.

Whether your name is Kowalski, O'Brien, or Dinardo, whether you are black, a Hispanic, or a woman, whoever you are, you deserve to be treated fairly. That is what the President's bill does. It is good, solid civil rights legislation that rests firmly in the great civil rights tradition of fairness, conciliation, and unity.

The President has demonstrated commitment to civil rights. He showed courage here in the House as a legislator, and he is now showing courageous leadership as President of the United States.

I would urge my colleagues to support the President's position as embodied in the substitute.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. EDWARDS].

The Chair would advise and request of the gentleman that he restate his intention with regard to the allocation and control of his time.

Mr. EDWARDS of California. Mr. Chairman, I yield 15 minutes of my time to the distinguished gentleman from Missouri [Mr. CLAY], representing the Education and Labor Committee, and I ask unanimous consent that he may designate his time in segments.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. EDWARDS of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am sure that it is no surprise to the gentleman from Illinois [Mr. MICHEL] and the folks on the other side of the aisle that over here we do not think very much of the President's bill. I am not going to go into great detail about our objections to it. I am going to put that into the RECORD in the interests of time, but I think I should point out that the Bill of Rights and generally the equal protection clauses in the Constitution are procedural. Most of our liberties in this country rest on procedure. If we are guaranteed due process and procedure and our day in court, our time to dispute the adversaries, we are protected quite generally.

What the Supreme Court did in these five cases is to chip away at the procedures, in the burden of proof, in the other area, and actually what they did would be so easy to reverse, which we tried to do, I should really think this bill could have been brought up on suspension and passed, however, it was not the wish of the President and the others to go ahead and simply reverse these cases, so we have to defeat the proposal offered by the gentleman from Illinois [Mr. MICHEL].

If the committee will forgive me, I will very briefly be a little technical because this is a laywer's bill. We are talking about procedures generally in court where rights were chipped away, were made less by the Supreme Court in a way that seriously damaged people who had rights in employment and they are weaker today because of these Supreme Court decisions.

Although this substitute professes to respond to the five major Supreme Court cases decided in 1989, it fully responds to only one. Both H.R. 1 and the Michel substitute overturn the Patterson case. We agree that discrimination should be prohibited during the life of a contract.

But that is where the similarity ends. The Michel substitute addresses only two other cases in a partial manner, Wards Cove and Lorance, and does not address the other issues raised by the Brooks-Fish substitute.

For the Wards Cove case, the Michel substitute shifts the burden of proof, like H.R. 1, but codifies the low standard of business necessity of Wards Cove—legitimate employment goals are significantly served by, even if they do not require, the challenged practice.

Although the Michel substitute shifts the burden of proof, it makes it very easy for employers to justify practices with discriminatory effects. The Brooks-Fish substitute overturns the Wards Cove definition of business necessity.

The Michel substitute also partially overturns the Lorance case. The Lorance case held that a discriminatory seniority system must be challenged when it is adopted, not when it adversely affects a person.

The Brooks-Fish substitute provides that a person should be able to challenge discriminatory practices when they are adopted or when they adversely affect persons, whichever is later. The Michel substitute agrees, but limits its application to seniority systems.

Lorance has already been applied in cases other than seniority, such as promotions and fringe benefit cases, and the problem should be addressed across the board.

The Michel substitute explicitly affirms the Supreme Court's holding in Martin versus Wilks. In Martin, the Court allowed continuing challenges to settlements of discrimination cases, as long as the challenger was not a party to the original case, even if they had notice of the litigation or their rights were adequately represented. By affirming Martin, the Michel substitute would allow challenges to go on forever, and cases would never become settled. H.R. 1 overturns Martin and keeps most settled cases settled and not subject to constant attack.

The Michel substitute does not address the Price Waterhouse case concerning mixed motive discrimination. In Price Waterhouse, the court held that employers may be able to intentionally discriminate so long as the employer can cite another, nondiscriminatory reason for the employment practice. The Michel substitute would allow proven intentional discrimination, as long as there was another legitimate motive. The Brooks-Fish substitute would prohibit intentional discrimination that was a motivating factor for the employment decision.

The Michel substitute also addresses other key issues of H.R. 1.

On the issue of providing a remedy for victims of intentional discrimination under title VII, the Michel substitute allows courts to award up to $150,000 in "equitable" monetary relief for harassment cases if certain conditions are met.

The Michel substitute is limited on its face to harassment cases, not all types of intentional discrimination. In addition, conditions must be met, including a shorter statute of limitations—90 days—and complaining through the employer's grievance system. Under the Michel substitute, if a victims's actual damages exceed $150,000, the victim could not receive any more than that and the perpetrator would not have to pay any punitive damages.

By placing these further conditions, the Michel substitute would cut back on existing law, incredibly legalizing harassment if the victim does not file a complaint with her employer's grievance system within 90 days of the harassment. Harassment is already illegal under title VII, without these conditions, but without an adequate remedy. The Brooks-Fish substitute provides an adequate remedy.

The Michel substitute prohibits the adjustment of employment test scores, as does the Brooks-Fish substitute. But the Michel substitute does not prohibit the use of discriminatory tests that do not measure job performance and do not fairly predict the ability to do the job. The Michel substitute would lock in the use of discriminatory tests.

The Civil Rights Act of 1991 is designed to make our civil rights laws effective once again. The Michel substitute is a hollow promise of making them effective again. Vote no on the Michel substitute.

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Mr. Chairman, I reserve the balance of my time.

Mr. MICHEL. Mr. Chairman, I yield myself such time as I may consume.

Before yielding to the distinguished gentleman from Pennsylvania, may I inquire of the distinguished gentleman from California, [Mr. EDWARDS], did he say that our substitute overturned one decision or two? The gentleman's remarks should be corrected to two decisions that were completely overturned in our substitute. Of course, in Wards Cove, the significance there is shifting the burden of proof on the employer as distinguished from what it was before. So we have made significant changes in our substitute.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. EDWARDS of California. I thank the gentleman for yielding.

Mr. Chairman, certainly changes were made in the Michel substitute in the Ward's Cove decision. However, the standard established and codified was the Ward's Cove standard, which is a very low standard, and it will allow employers to discriminate much more easily. The gentleman's bill overturns one of the decisions completely, and partially overturns two, and leaves two of them untouched.

Mr. MICHEL. We are dealing somewhat in semantics, but there are significant changes.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman from California a question. He just said that if you do not file your complaint within 90 days you lose your cause of action. Is that what the gentleman was saying?

Mr. EDWARDS of California. If the victim, Mr. HYDE, say there is a victim in a sexual harassment case, under the Michel-President's substitute, the victim must file within 90 days with the employer's procedural setups. But if the victim fails to file, then it is too late and the harassment becomes legal. That is my point.

Mr. HYDE. I might say to the gentleman that is exactly what he said in the New York Times today. He said the bill would even legalize harassment, if the worker did not file a complaint with the employer's in-house grievance system within 90 days. Actually the law provides a 90-day tolling of the statute of limitations. It is for the benefit of the employee that they have 180 days. That is in current law now; 180 days to file a complaint under title 7. And this provision in the Michel bill tolls the statute; it gives the employee another 90 days to file the complaint.

Mr. EDWARDS of California. If the gentleman would yield further, referring to page 5, line 20, of the Michel proposal, where it is very specific that the 90 days, if it is not taken advantage of and if the complaint is not made within that time, it becomes legal and it is too late for the complaint to be filed and, therefore, the victim can have no recourse. I refer you to page 5, line 20, through line 2 on page 6.

Mr. HYDE. Well, there is immediate injunctive relief available, immediately.

So I just think the gentleman, when he said it is legalizing harassment, it is not true. On page 8, lines 17 through 20, the statute of 180 days is tolled for an additional 90 days, if necessary, so the employee can avail himself or herself of the procedure established by the employer.

Mr. MICHEL. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, I too want to correct what the chairman on the other side just said because he interpreted the bill totally incorrectly. All of the Patterson cases reversed, part of Ward's Cove is reversed, all of Crawford is reversed, all of Lorance is reversed.

So if you count those up, you are totally incorrect in what you said the President's bill or the Michel substitute does.

Probably the most important of all is the Patterson case, which is totally reversed by the President's program.

Mr. Chairman, I rise in strong support of the Michel substitute which is the text of the President's civil rights bill plus a provision banning the race norming of employment tests. The Michel substitute is a significant piece of civil rights legislation which provides meaningful relief to victims of workplace discrimination and which addresses many of the same issues as H.R. 1 and the Democrat substitutes that we are considering today.

Like H.R. 1 and the Democrat substitutes, the Michel substitute codifies the disparate impact theory of discrimination by providing that a violation of title VII is established whenever a complaining party demonstrates that an employment practice has a disparate impact on the basis of race, color, religion, sex, or national origin, and the employer fails to demonstrate that the practice is justified by business necessity. Again, consistent with the language offered by my colleagues on the other side of the aisle, the disparate impact provision in the Michel substitute places the burden of proving business necessity on the employer and thus overrules the aspect of Wards Cove that many have agreed was the most significant departure from past case law.

Recognizing the gap in title VII's remedial scheme with respect to on-the-job-harassment, the Michel substitute specifically provides that harassment on the basis of race, color, religion, sex, or national origin is an unlawful employment practice in violation of title VII and it provides a new $150,000 equitable remedy and a right to directly petition a court for immediate injunctive relief. Mr. Chairman, we listened to the testimony of witnesses during our committee hearings that title VII did not provide real relief for victims of workplace harassment and we have tried to close that gap with these new remedies.

The Michel substitute parallels both of the Democrat substitutes in that it reverses both the Patterson case and the Lorance case contrary to what the chairman has said. With respect to the former, the Michel substitute restores the expansive reading of section 1981 that racial discrimination is prohibited in all aspects of the making and enforcement of contracts. As to the latter, the Michel substitute specifies that the statute of limitations for challenging a discriminatory seniority system begins to run when it is adopted or when the individual becomes subject to or is injured by the application of the seniority system. As did my colleagues on the other side of the aisle, we recognized that, in both of these areas, the Supreme Court restricted Federal civil rights protections in a manner that was not consistent with the intent of Congress.

The Michel substitute contains several other provisions which cover much the same ground as H.R. 1 and the Democrat substitute.

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The Michel substitute contains provisions extending title VII protections to congressional employees and allowing that protection to be enforced by Federal court, increasing by ten-fold the amount of expert witness fees that may be collected as part of an attorney's fee award, extending the time period for filing title VII claims applicable to Federal employees and encouraging the use of alternative means of dispute resolution.

Mr. Chairman, I say, "If you go point-for-point through the Michel substitute and through H.R. 1 and the Democrat substitutes, there are many areas of similarity and overlap. The defining difference, however, is that the Michel substitute remains true to title VII's goals of conciliation of discrimination disputes and repair of employment relationships, and true to our Nation's ideals of equal opportunity and achievement based on merit and hard work."

Again I repeat that it was misquoted completely by the chairman when he said that only one is reversed. There are two completely reserved, two that are partially reversed, and of course we did not touch the Brennan decision because Brennan one cannot blame on Reagan, so we did not touch Brennan's decision. We did touch the others, contrary to what my colleagues heard.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say in regard to those who are supporting the Michel amendment that they are either intentionally or unintentionally misreading section 8 on page 11 of the rule for consideration of H.R. 1. Section 8, subsection (a) says in section (3),

> (3) to harass any employee or applicant for employment because of that individual's race, color, religion, sex, or national origin: *Provided, however*, That no such unlawful employment practice shall be found to have occurred if the complaining party failed to avail himself or herself of a procedure, of which the complaining party was or should have been aware, established by the employer for resolving complaints of harassment in an effective fashion within a period not exceeding ninety days.

Mr. Chairman, they have created a harassment procedure, but they may say to the person who has been harassed that if he or she, himself or herself, have that procedure within 90 days, then they lose all possibilities of rendering any justice in that case. I say they are either misreading it intentionally or otherwise, and I think the record ought to clearly show it.

Mr. Chairman, I yield 4½ minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I thank the distinguished chairman for yielding time to me, and let me say at the outset that I may have some harsh things to say, and I want the distinguished gentleman from Illinois [Mr. MICHEL] to know that I am not directing those harsh remarks at him, but the handiwork before us that the administration has proposed and which is presented to us in his name.

Let me start out at the beginning by trying to correct some history. The gentleman from Illinois tried to suggest in his comments that the President has always supported civil rights legislation. It is true that he supported the Fair Housing Act. But he has opposed affirmative action in the workplace proposals going back to 1964. There is just no question about that history, and, when the President gets on television and gets very angry and self-righteous about how he has always been for civil rights, people ought to recognize that he always used to be for family planning, too. When he was in this body, he used to sponsor the family planning legislation. Mr. Chairman, I say, "Baby, look at you now."

Mr. Chairman, the legislation before the House today has little to do with civil rights.

Mr. Chairman, under any analysis, the Michel substitute is the administration's attempt to capture the fairness issue by exploiting racial politics. Nothing could be more sinister.

Compared to the other substitutes, the Michel substitute provides for a lower standard of "business necessity;" that which is used in the *Wards Cove* decision. It allows for no compensatory or punitive damages for women. It also sanctions intentional discrimination in employment practices so long as the discrimination was not a primary motivating factor.

Anything beyond these provisions, the administration claims the result will be unfair reverse discrimination, quotas and undue litigation. Why is the administration so interested in frightening middle-class whites and exaggerating the concerns of the business community on civil rights?

In short, Bush believes the political stakes of civil rights are more important than the political substance of racial equality. Thus, the Michel bill emphasizes the cost—both economic and social—of civil rights to whites by insinuating that whites stand to lose their jobs or businesses will face high compensatory damages. Once again, the Republican strategists want to put race high on the national agenda. This is an old tactic.

During Reconstruction, Republicans—fearful of losing political power—split an alliance between white and black Populists by playing on whites' fears of black domination, politically, economically, and socially. In the same tradition, George Wallace, Richard Nixon, Ronald Reagan, and George Bush have all run campaigns that are intended to divide and conquer. From Nixon's campaign against busing to Bush's Willie Horton ad, the message is loud and clear: whites are the losers in the battle for civil rights.

Nothing could be more false or more tragic. It is undeniable that racial discrimination still lives and breathes today in the United States.

Look at residential housing patterns, home mortgage lending, funding for traditionally-black schools and universities, and the race of CEO's of the major U.S. corporations. Despite the discrimination that exists in these areas and the job market, the advancement of minorities and women have been exceptional—but spotty—in the last 30 years. Yet today, it is more the rule than the exception that women and minorities will receive lower pay and will be passed over for promotions than their white male counterparts.

There is also substantial evidence that minorities and women suffer discrimination in the job interviewing process, as a recent Urban Institute report confirms. These are the ills the Towns-Schroeder substitute tried to cure.

But the real tragedy of the administration's proposal is that it carves a racial chasm between whites and minorities. The Michel substitute would have America believe that well-qualified whites stand to lose their jobs to minorities if a meaningful civil rights bill is passed. That outlook is not only wrong, but it misses an important point.

On strictly a macroeconomic level, if the United States is to become competitive in the global economy, then its work force must overcome significant educational and health care barriers. I would argue to my colleagues that discrimination in the job market is a barrier that must be brought down too.

Demographics show that the United States will be more and more dependent on racial minorities and women to make the American work force productive and competitive. But these people must be given a clear signal that this county recognizes the disadvantages they face, given them recourse when they suffer from discrimination and help them overcome educational and skill-related obstacles. This is not preferential treatment for these groups, but trying to bring a degree of fairness and equality to the marketplace.

The Michel substitute simply fails to address these issues. It fails to recognize that the fate of whites and minorities are wrapped into one, in both social and economic terms. Finally, it chooses to divide the races rather than unify. Congress must do, not what is politically expedient, but what is politically right. Vote against the Michel substitute.

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Mr. MICHEL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. McCOLLUM].

Mr. McCOLLUM. Mr. Chairman, I rise tonight in support of the Michel substitute, the President's bill on civil rights, because I think it provides the tough measures against discrimination in the employment place without the negative aspects of the Democrat alternative.

I think we ought to direct our attention for a minute to the remedies area because I am going to hear a lot more about the quotas I talked about earlier today in general debate, in the aftermath. But in the remedies area we ought to talk for a minute about what is really wrong with the Brooks Democratic substitute that is going to be out here tomorrow and what is basically wrong with H.R. 1.

In the area of remedies, it is very simple. Under present law, the kind of remedies we have under title VII are reinstatement for your job and back pay for what you have lost. There are no rights under present law for compensatory or punitive damages. Compensatory damages are pain and suffering and things like that that we read about all the time in the newspapers. That is the type of thing where you have to have a jury trial. That is the type of thing that is in a lawyers' relief bill. That is the type of thing that the Democratic alternative puts into the law for the first time under title VII, and that is a no-no. That is not in the Michel substitute. There are no compensatory or punitive damages in the President's bill, the Michel substitute, but now that the Democrats have put in theirs, they try to say, "Well, we are going to cap punitive damages so it won't be so bad."

But that is a false cap they put in. They put a $150,000 cap on punitive damages or the amount of compensatory damages so you could double the amount of compensatory. Let us say, for example, that you had $500,000 of normal compensatory damages and $200,000 in backpay; you could have another $700,000 in punitive damages and wind up with a $1.4 million jury verdict under the Democrat alternative, the Brooks substitute, and I think that is gross. That is why the small businessman in this country is so concerned about that.

What does the Michel substitute do? It leaves the law basically the way it is, except that it addresses the one problem that is not addressed currently, and that is harassment in the workplace. It provides for a judge to give equitable relief, with no jury, if he finds harassment, and it provides for up to $150,000 in equitable relief, and it provides for an injunctive relief process in the court if one is really being harassed. And it provides the opportunity which should be availed of by anybody to go in, in an in-house procedure, and try to resolve this within the 90 days it is being debated. And, sure, you have got to avail yourself of that if you are aware of it, like you do most things in the law, but it does not do anything to your time to go in and file a suit because the statute of limitations is tolled during the time you go in and try to resolve this matter in-house. But, yes, you are required to try to resolve the matter in-house, and you do not lose any time by doing that. You gain the opportunity, and everybody gains from the fact that this can be resolved without litigation and without even going before the judge if you can get it done in-house through an effective means.

So, Mr. Chairman, I urge my colleagues, just on the remedy issue alone, to see the difference between these two bills. The Michel substitute, the President's bill, is a sound civil rights, antidiscrimination-in-the-employment-place piece of legislation that we ought to adopt, and the Democrat alternative is a lawyers' relief bill on damages.

Mr. EDWARDS of California. Mr. Chariman, I am pleased to yield 4 minutes to the gentleman from California [Mr. PANETTA], the former director of the Office of Civil Rights of HEW, under a Republican President.

Mr. PANETTA. Mr. Chairman, during this debate all of us have said that we adhere to the fundamental principle this Nation was founded upon, that we are all created equal. But there is also a fundamental reality in this Nation that we do not always do what we say. Indeed the history of civil rights is really the history of that double standard.

Our forefathers declared in the founding of this Nation that we were all equal under God, but accepted slavery. This Nation bled in a civil rights way, the Civil War, to basically free the slaves, but yet a few years later reinstituted slavery under the guise of "separate but equal" in the Plessy versus Ferguson decision. And when the Supreme Court in the *Brown* decision declared that "separate" is inherently unequal, it took almost 25 years to end the dual school system in this country.

When I was Director of the Office for Civil Rights, I never met anyone who did not say that they were opposed to discrimination against blacks, against women, against Hispanics, or against minorities except when it affected their school district, their business, or their politics, and then there was a big difference between what they said and what they did.

John Mitchell, who was Attorney General at the time I was Director of the Office for Civil Rights, gave that principle official status when he said to the American people, "Watch not what we say but what we do." The spirit of John Mitchell unfortunately still lives today, and it lives in the substitute that is presented to us, because the test of this substitute, just like the test of any civil rights bill, is whether or not it provides an effective remedy to a violation of rights, because in this country there is no right unless there is an effective remedy.

The Republican substitute says it is for civil rights, but it fails to provide an effective remedy. It fails to restore the law as it was before all of the Supreme Court decisions that we are concerned about impacted on the remedies. It fails to provide any effective compensation. Yes, it talks about equitable compensation, but it does not deal with real compensation to the victims. And, thirdly, it fails to provide full due process to those who are affected by discrimination.

The tragedy of today, the great frustration of this vote today, is that if the President were truly serious about his commitment to civil rights, there would be no need for separate civil rights bills presented in this House of

Representatives. If he were willing to exercise leadership to resolve these issues, there would be no need for separate civil rights bills being presented to the House of Representatives. If he were to exercise the same kind of leadership that he was willing to exercise on the clean air bill, on the minimum wage bill, on trade legislation, or on the budget agreement, then there would be only one civil rights bill presented to all of us. Unfortunately, there is a difference between what is said and what is done.

Civil rights have advanced in this Nation not because it was popular but because it was right and because there were those who were willing to provide leadership and to make the tough decisions.

Mr. Chairman, I say to my colleagues that the time has come for all of us to do what is right. Let us reject the substitute and adopt a truly effective civil rights law.

Mr. MICHEL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida [Mr. IRELAND].

Mr. IRELAND. Mr. Chairman, I say to my colleagues, before you cast your vote for the Brooks substitute to H.R. 1, I ask you to think about how you are going to explain that vote to the 20 million small business owners around the country.

What will you tell them when these hard working men and women ask you how they are supposed to comply with this law?

This proposal may claim to protect the civil rights of our Nation's workers, but in fact, it could end up actually costing workers their jobs when their small employer is forced into bankruptcy over a civil rights dispute.

The Brooks substitute even with its so-called cap—will expose smaller firms to huge damage awards if the makeup of their work force does not reflect their community in terms of race, ethnic background, religious affiliation and gender.

If their numbers do not match up, small business owners can be challenged by an employee or applicant who believes that he or she has been unfairly discriminated against. The resulting litigation process alone could put many small firms out of business.

Small businesses can't afford to hire attorneys, personnel directors, and employee-relations consultants in order to assure that they are in compliance with this complicated law.

Many small business owners understandably contend that quotas would be their only defense against the costly lawsuits engendered by the Brooks substitute.

Instead of addressing the very real problems with H.R. 1 and the Brooks substitute that would drive our Nation's smaller firms to adopt quotas, proponents of these bills have taken the glib and easy way out.

Just declare that quotas are illegal, and they will cease to exist, they claim. So they put that in their substitute—this is either magic or deception.

But, where does that leave the small business owner? The answer is between a rock and a hard place. It all adds up to a reckless disregard for the one sector of our economy that creates the jobs and keeps our economy moving.

Mr. Chairman, I say to my colleagues, our Nation's small businesses deserve better. We can protect the civil rights of our Nation's workers and protect the economic viability of our Nation's smaller firms.

How? By voting for the Michel substitute, and against the Brooks substitute to H.R. 1.

Mr. Chairman, let me say to my colleagues, it is easy to say you are all for small businesses. But, I remind Members, it is how you vote that counts.

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Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I rise in opposition to the Michel-administration substitute, and will now support the Brooks and others substitute.

One of the things that I found very regretful in the press and in the commencement addresses and all the speeches that the President has given throughout this country is the use of the word "quota." Somehow that is supposed to have a lot of ramifications with respect to language. So, because the gentleman from California [Mr. EDWARDS], and others in the Democratic leadership, said over and over again that this is not a quota bill, what they did was, to make it very, very specific, put in language that is implicit.

Mr. Chairman, I used to teach English. I do not know how you could get more specific than the language of the Democratic substitute.

By the way, the Michel substitute does not have that language in it, so that could be construed as a quota bill.

Mr. Chairman, let me read the language. It says:

> Nothing in the amendments made by this act shall be construed to require an employer to adopt hiring or promotion quotas on the basis of race, color, religion, sex, or national origin.

It then goes on.

Mr. Chairman, there is nothing to do with quotas in this bill. It specifically is in the language of the bill, in the Democratic substitute, but that language is not in the Michel bill whatsoever. So perhaps there is something to do with quotas in that bill, but I know that is not part of this bill.

Mr. Chairman, one other thing that I think is so wrong is that the Michel measure authorizes monetary relief in certain harassment cases, but it will not in any way really be part of the law and the spirit of the law.

Mr. Chairman, I wanted to give a few anecdotal that are actual cases under title VII where women did not receive any kind of compensation.

Mr. Chairman, Nancy Phillips suffered severe financial difficulty and emotional stress after her employer fired her because she was pregnant. Her injuries were exacerbated by the fact that she lost her health insurance, which she had counted on to cover her pregnancy and delivery. But she received no compensation for many of these injuries, even though the court found that her employer violated her rights.

Mr. Chairman, I include other examples for the RECORD.

TITLE VII'S FAILED PROMISE: THE IMPACT OF THE LACK OF A DAMAGES REMEDY

(A Report by the National Women's Law Center)

Individuals who suffer medical, psychological, and other financial harm as a direct result of unlawful discrimination are not compensated for those injuries:

Betty Sowers suffered a psychological breakdown after she was discriminatorily denied a promotion and also sexually harassed. She received nothing for the loss of her health, her emotional distress or for the lost employment opportunities. [Sowers v. Kemira, Inc. (1988)].

Helen Brooms was severely sexually and racially harassed on the job until she finally quit after her supervisor showed her sexually explicit photographs and threatened her life. She fell down a flight of stairs trying to escape him and subsequently suffered a severe depression. The court found that her rights had been violated, but because of the limitations of Title VII she received no compensation at all for her medical injuries. [Brooms v. Regal Tube Co. (1989)].

Ramona Arnold, a police officer, suffered severe anxiety, depression, and stroke-level high blood pressure as a result of a campaign of sexual discrimination by her fellow officers and supervising officers. Although the Court held that she had been severely discriminated against, she received nothing for these injuries. [Arnold v. City of Seminole, Okl. (1985)].

Because of Title VII's limitations, many victims receive no compensation of any type, even when they prove they have suffered severe discrimination:

Gail Derr quit her job after she was unfairly demoted by her supervisor. He told her that it was "dangerous" for women to get too much education and scolded her for having career ambitions when she had two children. Despite the fact that the court found she had been unlawfully discriminated against, Ms. Derr received no compensation because of Title VII's limitations. [Derr v. Gulf Oil Corp. (1986)].

The court found that Hortencia Bohen, a fire dispatcher, had "endured extreme and ongoing sexual harassment", including unwanted sexual touching by her co-workers and being told by her supervisor that what she really needed was to be raped in the bushes. Nonetheless, she received no relief under Title VII. [Bohen, v. City of East Chicago, Indiana (1986)].

Discrimination Victims Who Suffer Professional Injuries Which Are Not Directly Wage

Related Are Not Compensated Under Title VII:

Nancy Ezold bumped against a glass ceiling and suffered permanent damage to her career after being discriminatorily denied a promotion to a pretigious law partnership. However, there are no available remedies under Title VII to compensate her fully for the injury she suffered. [Ezold v. Wolf Block (1990)].

Dr. Jean Jew's scientific career suffered a major setback when she was discriminatorily denied a promotion and harassed by her co-workers. In addition to confronting a glass ceiling, her reputation in the national scientific community was seriously damaged, impeding career mobility and her competitiveness for research grants. Although she was eventually granted her promotion and back pay, the court had no power to award Dr. Jew any remedy under Title VII to address the permanent damage done to her career. [Jew. v. Univ. of Iowa (1990)].

Curtis Cowan received nothing under Title VII after he had been passed up for promotion to a managerial position three times because he was black. The court denied Mr. Cowan back pay because he would not have earned more as a manager during the relevant, short-term period, and Title VII provided no remedy for the humiliation he suffered or the long-term prospects he lost. [Cowan v. Prudential Insurance Co. of America (1988)].

State Law Does Not Provide A Sufficient Alternative; State Tort Laws Typically Include Requirements Which Are Extremely Difficult To Satisfy, And Many Victims Are Barred By State Worker's Compensation Laws From Suing Their Employers In Tort Altogether:

Tamara Class proved that her supervisor made sexually explicit statements and invitations which were "inconsiderate, rude, vulgar, uncooperative, unprofessional and unfair." The court found, however, that this did not constitute the infliction of emotional distress under state law. The only reason her case was not thrown out was that she also alleged retaliation. [Class v. New Jersey Life Insurance Co. (1990)].

Helen Brooms, the nurse whose case is discussed above, was prevented altogether from suing her employer in tort because the court ruled that state worker's compensation law barred such suits. [Brooms v. Regal Tube Co. (1989)].

With Its Compensatory and Punitive Damages Remedy 42 U.S.C. §1981, The Post-Civil War Statute Which Prohibits Racial Discrimination In Employment, Affords Significantly More Meaningful Remedies Than Are Available Under Title VII:

A comparison of decisions awarding damages under §1981 with judgments in similar cases limited to the much narrower relief available under Title VII, makes this point clear.

Christine Townsend was discriminatorily denied a promotion on the basis of her sex. Because she was limited to a claim under Title VII she had no claim to damages. Her relief consisted solely of reinstatement and back pay. [Townsend v. Washington Metropolitan Area Transit Authority (1990)]. Alice Brice, on the other hand, was repeatedly passed over for promotion and otherwise discriminatorily treated on the basis of race. Under §1981, she recovered $50,000 in compensatory damages for a serious medical and nervous condition she suffered as a result of the discrimination and $15,000 in punitive damages. [Williams v. Owens-Illinois, Inc. (1982)].

Virginia Delgado was discriminatorily discharged after being harassed and denied a promotion. Because she was unable to find another job she suffered extreme financial hardship and resulting permanent injury to her health. As the victim of sex discrimination, she could only invoke Title VII remedies and had no claim for damages. [Delgado v. Lehman (1987)]. Compare the case of Charles Grubb who was demoted and fired from his 18-year job as a laundry manager because his employer's new manager believed a black man had no business supervising white women. Mr. Grubb recovered $25,000 under §1981 for his emotional distress. [Grubb v. Foote Memorial Hospital (1985)].

Lois Robinson suffered extreme sexual harassment at her job as a shipwelder where she was subjected to pervasive obscene behavior. She was awared $1 in nominal damages and no other monetary relief under her Title VII claim. [Robinson v. Jacksonville Shipyards, Inc. (1991)]. This stands in stark contrast to the experience of Alvin Hunter who was subjected to a severe campaign of racial harassment and was discriminatorily discharged for complaining. Under §1981 he received $25,000 for indignity and stress and $25,000 in punitive damages. [Hunter v. Allis-Chalmers Corp., Engine Div. (1986)].

Mr. MICHEL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Connecticut [Mr. FRANKS].

Mr. FRANKS of Connecticut. Mr. Chairman, I rise in support of the Michel substitute. As if to draw a line in the legislative and political sand, those who claim to speak for Americans eager to have a fair civil rights bill have accelerated their rhetoric to a fever-like pitch.

As a new Member of Congress and someone who has personally felt the stings and arrows of racism, I have come to realize our country will only evolve into a truly color-blind society once we remove economic barriers and support incentives for people to work and promote themselves as far as their skills and drive will take them.

Does that mean government should turn its head when men and women of different colors are subject to racial and sexual bias? Of course not.

Mr. Chairman, those who support the Michel substitute believe this legislation will level the playing field for all who seek equal opportunities and equal employment. Let us remember that this bill will overturn two of the five Supreme Court decisions in question. It will allow for an award of up to $150,000 in cases of on-the-job harassment.

In disparate impact cases, it will put the burden of proof on the employer. It adopts verbatim the definition of business necessity from the 1971 Griggs decision language.

It will not institutionalize reverse discrimination. It will not promote costly and endless litigation. It will not inhibit American businesses from hiring the best qualified and promoting the most productive workers.

Mr. Chairman, if we do not pass the Michel substitute, and do pass H.R. 1, this Congress will create a structure that will compel businesses to adopt reactive unfair employee practices, and, most important, stifle real economic opportunity for those left out of the American dream.

If we go by the numbers, as H.R. 1 will do, it will result in hiring through quotas. If an employer were unable to prove a practice was necessary to allow for an imbalance, the potential damage award could put that business, particularly a small business, out of business. Guess who would get hurt? The American worker.

Mr. Chairman, is that how we provide opportunity, by drafting laws that could lead to the destruction of businesses, many of whom employ minorities and women?

The Michel substitute is a just alternative. Does discrimination exist? Unfortunately, yes. Should we punish those who violate the law and have a long record of such abuses? Absolutely.

As a former labor relations manager, I know that the old networking system of employment all too often did not include the hiring of minorities and women.

□ 2040

Outreach programs were needed and continue to be needed to ensure fair employment and equal employment opportunities. If the Congress adopts the Michel substitute, we will be sending a positive message to the men and women of our country and to the people of all races that we are ready to move and pursue a truly color-blind society.

The CHAIRMAN. The Chair advises Members controlling debate that the gentleman from Illinois, [Mr. MICHEL] has 8 minutes remaining, that the gentleman from California [Mr. EDWARDS] has 4½ minutes remaining, that the gentleman from Missouri [Mr. CLAY] has 5½ minutes remaining, and that the gentleman from California [Mr. EDWARDS] is entitled to close debate.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Chairman, I thank the gentleman for yielding me time. I rise in opposition to the Michel substitute.

I stood in the well a few minutes ago to ask for support for the Towns-Schroeder substitute because I believed it was fair, it was just. It did not attempt to cap damages in cases of intentional discrimination against women, against religious minorities, against disabled persons.

In the substitute that we are now faced with, there is absolutely no concept of justice because what it does in this area of damages is to limit it to a very, very narrow group of cases dealing with sexual harassment only. The gender discrimination cases are totally left out in this substitute, as though they do not exist in the workplace.

As a matter of fact, the most egregious kind of discrimination against women occurs not in the sexual harassment situation, in my estimation, but it is in the failure of employers to recognize the contribution that women make in the workplace and their absolute entitlement to promotions, to job opportunities. We are talking about job opportunities. We are saying that Americans are fair, that they deal with everyone without regard to sex and race. And yet women know today that they do not have opportunities for advancement. They cannot get promotions. They cannot become partners in law firms. They cannot get promoted into corporate boards.

We know that. We talk about the glass ceiling as though it is some sort of magical wand that is established over society that denies women this opportunity.

There is a division in our debate. The division is intentional discrimination, my friends, and unintentional discrimination. And what I am referring to today in this well is intentional discrimination where individual cases are brought before courts and the courts have determined that has been intentional, deliberate discrimination against a woman or against someone in a religious minority or a disabled person. And having found that there is intentional discrimination, under the current law there is no remedy.

There is no compensatory damages. There is nothing except reinstatement in the job that you have found so unacceptable that you have to challenge your employers and go to court. I find that totally unacceptable.

Therefore, the Michel substitute I regard as unjust. It is going to put into place an injustice in our system of law. It denigrates the whole concept of equal justice before the law.

If we are going to recognize intentional discrimination, then damages have to be allowed for all classes of intentional discrimination, not only the sexual harassment.

One further insult in the area of sexual harassment is that in the very language of the Michel substitute, despite their denials, it says that no such unlawful employment practice shall be found unless the woman goes before her own company's committee that has been established within a period not exceeding 90 days. After 90 days, there is no such opportunity under their substitute to even bring this matter before the attention of the courts, a total denial.

There are so many women in the workplace who suffer under these conditions of discrimination, who take an enormous amount of courage before they step forward. And in many, many cases it is more than 90 days, where they are considering what they should do. And to deny them the basis upon which to bring a lawsuit because they could not act within the 90 days is simply unconscionable.

Therefore, I ask my colleagues to weigh the evidence in the case and to consider the fact that women are in the workplace today and it is because their supervisors, their employers, the people to whom they complain refuse to do anything about it that they have to go to court.

This is not a case of encouraging litigation. It is a case of trying to bring equity by law, and the Congress has this opportunity today to vote down the Michel substitute.

Mr. MICHEL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I rise as a newcomer to this body, someone who came here on a leave of absence from my real job in the real world as a small businessman, someone who has worked in both the public and private sector.

On the campaign trail I said I would support civil rights reform and represent and protect the needs and concerns of small business, and the President's proposal does exactly that. The President's proposal addresses the concerns regarding quotas and legal damages in a balanced and reasonable manner.

It places the burden of proof on the employer and restores the Griggs case standard for defining business necessity. It will not create a disincentive, as H.R. 1 will, to entrepreneurship and new business startups which will limit ultimately opportunities for disadvantaged and minority Americans.

Remember that survey after survey has clearly indicated that most new job creation comes in the private sector from small and very small businesses. And I tell my colleagues, both sides of the aisle, the full right of citizenship means equal opportunity and empowerment for all Americans in the area of education, jobs, housing and health care. We have got an agenda, an empowerment agenda that we have put forth, and it deserves serious consideration and debate by this body.

If we are really interested in extending freedom, opportunity, and dignity to our fellow Americans, we will move away from this debate, this politicization and polarization of every single issue that comes onto the floor of this House, and get to the substantive debate on each one of those areas of opportunity for our fellow Americans.

Mr. CLAY. Mr. Chairman, I yield 1½ minutes to the gentleman from Illinois [Mr. POSHARD].

Mr. POSHARD. Mr. Chairman, Dr. Martin Luther King, in his letters from a Birmingham jail, had these words to say. He said,

> I know that the law of the land says that I cannot ride where I choose on public conveyance, that I may not eat in public restaurants of my choice, that I may not send my children to the best public schools available. But there is a higher law. There is a higher principle which says that I may do all of these things just by virtue of the fact that I am a human being. This higher law is the inalienable rights that our Constitution speaks of that are man-given, not decreed by law, not decreed by some authority, but they are God-given rights that we all enjoy, just by virtue of the fact that we are free people.

□ 2050

In 1964 the law of the land recognized the supremacy of that higher law, and the 1964 Civil Rights Act became a part of those God-given rights.

To the extent that we have fallen away from that watershed mark of 1964, we must find our way back. We must support the Brooks compromise and defeat this amendment.

Mr. MICHEL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. Mr. Chairman, I thank the distinguished minority leader for yielding me this time.

Mr. Chairman, I will just take a couple of minutes to clarify some statements that I think have been made. I think I heard some people on this side allege that the Michel substitute provided only remedies for sexual harassment.

I refer those Members to section 8 of the bill that says, and this is big print, ladies and gentlemen, "Providing for additional remedies for harassment in the workplace because of race, color, religion, sex, or national origin"; in other words, all harassment is wrong, all harassment is actionable.

Next, I also heard or believe I heard that because there is nothing about quotas in the Michel substitute it is a quota bill. Well, there is nothing about murder either, but it is not a murder bill.

I will tell the Members what we do not have in the Michel bill. We do not have this definition: A quota, as defined in the Brooks substitute, a fixed number or percentage of persons of a particular race, color, religion, sex, or national origin which must be attained or which cannot be exceeded regardless of whether such persons meet necessary qualifications to perform the job.

Now, why do we not have that defintion? Because we do not want a quota that is so narrowly defined that if one hires marginally qualified people, if they do not achieve a fixed percentage but go to a flexible percentage, they are still able to get under the law. You can still adjust your numbers accordingly. We do not mention quota because it is not a quota bill, and that is a very important point that I think Members should be aware of when they decide which bill is allowing the establishment of quotas and which bill specifically says we want no quotas to apply.

Mr. EDWARDS of California. Mr. Chairman, I yield 2½ minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, I want to talk about the crux of this matter.

I represent a district that is rather typical, I think, of America. Eighty percent of my constituents reside in small and medium-sized suburban communities. The remaining 20 percent live in northwest Detroit. About half of my constituents work in traditional blue-collar jobs, and half are white-collar professionals.

I have not heard from large numbers in my district about this bill. There has been a relatively small number of personal letters and phone calls. Some might interpret this relative silence as an indication of lack of concern. My hunch is that there are other causes.

First, the silence reflects confusion. Busy with the pressures of their own daily lives, the citizens of the 17th District may find it difficult to sort out the cacophony of words coming from Washington. The silence also reflects fear. Most middle-income citizens and proportionately even more of lower income face serious economic pressures. People wonder whether they can hold onto their current economic place let alone get ahead.

This administration has deftly played to these fears. The emphatic use of the word "quota" regardless of fact undoubtedly has had some impact.

But there is another still silent America out there in the 17th District, citizens wanting an appeal to their hopes, not just their fear. They want leadership which will show how America can combine opportunity for the individual citizen with equal opportunity for all.

I believe there is that quiet understanding in the 17th District.

When it comes to the long-term future of this country, the President's position sells America short. These citizens know that history values Presidential leadership which appeals to our better rather than our worst instincts, and the President who prided himself in uniting America in the cause of a new world order had a chance to bring us together again to help build a new order here at home. Instead, we find division rather than unity, fear rather than harmony.

I oppose the President's bill and urge the defeat of the Michel substitute.

Mr. MICHEL. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of the Michel substitute.

Mr. Chairman. I am strongly opposed to discrimination on the basis of race, religion, sex, national origin, or disability. Equal opportunity is one of the greatest foundations of our Nation, and if the law becomes an obstacle to equal opportunity, the law must be changed.

In 1964, Congress changed the law to prohibit discrimination on the basis of race, color, religion, sex, or national origin. Additionally, Congress created remedies and procedures designed to address cases, end the discrimination, and restore equality. Since 1964, Congress has taken many more initiatives in its attempts to fortify our Nation's foundations and ensure equal opportunity for all Americans. The Michel amendment to H.R. 1 is the next step toward that goal, and I am proud to be an original cosponsor of this legislation.

The President's civil rights legislation, introduced as H.R. 1375 and incorporated into the Michel amendment, significantly strengthens the law to prevent employment discrimination without resorting to quotas. Additionally, this amendment compliments the original intentions of title VII of the Civil Rights Act of 1964, namely, to efficiently resolve claims, end discriminatory practices, and restore equal opportunity in the workplace.

I remain firmly opposed to legislation that will force employers, directly or indirectly, to establish hiring and promotion quotas. While I support legislation aimed at ensuring equal opportunity, I will not support legislation aimed at ensuring equal results.

I also agree that the burden of proof in determining whether a particular practice is justified by a business necessity should fall upon the employer, overturning a key aspect of the 1989 Wards Cove Supreme Court decision. The Michel amendment shifts this burden of proof to the employer, as well as reversing several other Supreme Court decisions standing as obstacles to equal opportunity. However, while remedies for back pay and lost benefits are consistent with restoring equality, I am opposed to legislation that threatens employers with lengthy litigation and unlimited compensatory damages and matching punitive damages.

The Michel amendment strengthens and expands our country's civil rights protection laws. In fact, unlike the other alternatives proposed on the House floor today, it extends antidiscrimination laws to cover employees of the U.S. Congress. If the purpose of this debate is to enact into law stronger civil rights protections, vote for the Michel amendment. Other partisan, political objectives should have no place in a debate of this importance.

I urge all of my colleagues to support the Michel amendment to H.R. 1 and to join me in taking real steps toward ensuring that the United States continues to be an international example of equal opportunity. Let's pass the Michel amendment, get it enacted into law, and strengthen the Civil Rights Act.

Mr. MICHEL. Mr. Chairman, before yielding time to the distinguished gentleman from Illinois [Mr. HYDE] to wrap up the debate on our side, may I express my thanks and appreciation to all Members on our side who spoke so eloquently in behalf of the substitute.

Mr. Chairman, I yield 4 minutes, the balance of our time, to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I have never heard in the space of 1 day so much excellent debate and rhetoric concerning civil rights and equality of opportunity, 80 percent of which did not apply to the bills that we are discussing today, but in a general way was very salutary and I am delighted to have heard it.

The administration that is under such fire today is dedicated to strengthening civil rights laws and ensuring every American's right to be free of unlawful employment discrimination, to be judged first and foremost on merit, on ability, not on race, religion, or statistical composition.

Over a year ago, the President laid down four requirements for a civil rights bill. First, it has to provide equal opportunity without resorting to quotas. Second, it must reflect fundamental principles of fairness. Third, it must not encourage litigation or create a lawyer's bonanza. And, last, it must place Congress under the same requirements as they prescribe for others.

Unfortunately, in the drafting of the substitutes, some of my colleagues on the other side have forgotten these fundamental principles.

Thus, of the three substitutes, only one incorporates these four requirements, and it is the Michel substitute. The Michel substitute is the only bill codifying the actual holding of the Griggs decision which has been the law for the past 20 years.

In cases of disparate impact, unintentional discrimination, Griggs held that where an employment practice is fair on its face but discriminatory in application, the employer may still use the practice if it can be justified by business necessity. Business necessity, as defined in Griggs, means that the practice bears a manifest relationship to the employment in question. The definition will not require years of endless litigation for the courts to determine its meaning as the one in H.R. 1 will.

One need only look at the holding in Griggs and the subsequent case law applying Griggs, New York City Transit versus Beazer, Watson versus Fort Worth Bank, to conclude that this is genuine restoration, an accurate codification of pre-Wards Cove law since 1971.

This is one of the key sections which prevents this bill, unlike the other substitutes, from being a quota bill. We have no need to pile layer upon layer of antiquota language.

A proper construction of the disparate-impact analysis found only in the Michel substitute ensures that employers need not resort to quota hiring in order to avoid such litigation.

Our substitute also grants new relief for victims of harassment. The purpose of this expanded relief is to correct an anomaly under present title VII law whereby victims of harassment obtain monetary relief only if they quit or are fired. We allow a judge to award up to $150,000 in equitable relief to victims of harassment on the basis of race, sex, color, national origin, and religion.

The Michel substitute, interestingly enough, ladies and gentlemen, applies title VII to the Congress and, unlike other substitute, authorizes a private right of action to victims of discrimination once they have worked their claim through our in-house administrative process. It is only right that we give our own employees the same rights we give to every other American worker.

The Michel substitute is the only bill that really outlaws the discriminatory practice of race norming.

□ 2100

Race norming is used by employers and employment agencies to artificially falsify the test scores of job applicants based on race and ethnicity. Changing test scores based solely on someone's race, ethnicity, or national origin is inherently unfair and a misleading practice.

The Michel substitute clearly outlaws this practice without outlawing the use of all aptitude tests which may well be the result of the Brooks substitute.

I urge voting for the Michel substitute as the only legislation in this field that ever will become law.

The CHAIRMAN. The gentleman from California [Mr. EDWARDS] has 2 minutes remaining.

Mr. EDWARDS of California. Mr. Chairman, to close the debate, I yield 2 minutes to the distinguished gentleman from Utah [Mr. OWENS].

Mr. OWENS of Utah. Mr. Chairman, I rise in support of the Brooks-Fish substitute to the Civil Rights and Women's Equity in Employment Act. Over the past 2 years, heated political debate on the complex and controversial provisions, has stalled efforts to strengthen the Civil Rights Act and to repair damage inflicted by the Supreme Court. The Brooks-Fish substitute attempts to break the impasse by incorporating legitimate concerns of the business community.

This bipartisan substitute, similar to the committee bill, would overturn the five key 1989 Supreme Court decisions which made it more difficult for women and minorities to prove discrimination. It also would authorize compensatory and punitive damages in certain title VII cases. Unlike the committee bill, the Brooks-Fish amendment would place a $150,000 cap on punitive damages, or the amount of compensatory damages, whichever is greater. This provision was appropriately included to alleviate the fears of many small business owners.

The Brooks-Fish amendment explicitly prohibits the use of quotas by employers, stipulating that the use of quotas is an unlawful employment practice—the administration proposal contains no anti-quota provisions. The anti-quota provision in the Brooks-Fish substitute will send a clear message to the courts that nothing in the legislation can be interpreted to permit hiring or promoting by fixed numbers or percentages.

This substitute also includes the definition of "business necessity" that was agreed to by the Business Roundtable, specifying that employers have the right to determine the requirements for a job; as long as they are job-related, employers may rely on relative qualifications or skills as the basis for employment decisions. It is ludicrous that the administration can argue that this language, agreed to by the Business Roundtable, can in any way encourage quotas.

The drafters of this compromise have worked very hard to address the fears and concerns of the business community. Many are addressed in this bill. If Mr. Sununu and the President hadn't decided to scuttle the Business Roundtable talks and make this into a polarized political issue, we would have had an agreement by now. We were that close.

It is deeply regrettable that this debate has become so charged and so polarized. In some cases, we have even seen appeals to our darker instincts, from the unforgivable exploitation of Willie Horton in the last Presidential election campaign, and a Senator's racially charged campaign in North Carolina, to the continual rote repetition of quotas, quotas, from Maine to West Point when, in fact, there is no question of quotas in this compromise at all. That is unfortunate and it is divisive, and in its spirit is beneath the dignity and honor of the Presidential office.

We should have simply accepted that we have all made a good faith effort in the bills before us today to address the enforcement and effectiveness of civil rights legislation. We will always have disagreements, for that is the nature of politics. But I believe we are all trying, in good faith, political manipulation aside, to do the right thing and to honor the ideals of America and the principles of equality upon which our country was founded.

There is no credibility to the argument that the Democratic compromise bill will encourage sub rosa quotas from employers. This compromise is the closest of the three bills to simply restoring the protections of the law which were eroded by the five Supreme Court decisions we have heard so much about these last few hours. If quotas were not a problem before Supreme Court decisions changed the law, why would they be now with the passage of the Democratic compromise?

If there are those who are still fearful that passage of this bill will give an unfair advantage to members of minority groups and women in the competition for jobs, they have forgotten what civil rights means. It does not mean that one group is advantaged over another. It means that all Americans have an equal opportunity. If there are those who still find this concept troubling, I have no sympathy for them. Equality of opportunity is the essence of America. Those who object to this, Mr. Chairman, object to America.

I urge the Committee to reject the Michel substitute and support the Brooks-Fish bipartisan compromise.

Mr. BROOKS. Mr. Chairman, I oppose this Michel Substitute because it is a wolf in sheep's clothing. It contains a few of the provisions in the substitute that Mr. FISH, and I will offer later, but, it completely ignores many of the damaging 1989 Supreme Court decisions that need to be reversed. It does not seek an accommodation between the needs of business and workers. Instead, it simply skews all major provisions in favor of corporations, and it fails to establish meaningful procedures and remedies to continue the progress in civil rights that this country had made up until 1989.

This amendment makes it easy for a corporation to justify employment practices that in impact would result in discrimination against women and minorities. It would thus permit corporations to continue practices that have an adverse impact on the ability of whole segments of our population to be treated fairly in the workplace.

Further, this amendment does not adequately address the need for women and minorities to be compensated when they experience intentional discrimination under title VII of the Civil Rights Act of 1964. It permits compensatory or punitive damages in discrimination cases only for racial minorities, and it only provides equitable relief for women and other minorities. These equitable remedies are capped even though actual expenses may be more—and it would limit these awards only to cases of harassment.

The amendment sidesteps the question of quotas—the very issue that its supporters have attempted to exploit as a smokescreen for undercutting civil rights gains of the past 40 years.

But, perhaps the biggest snake in this amendment is the provision entitled "alternative means of dispute resolution." Under the guise of encouraging settlements out of court, this provision could force would-be employees to sign away their ability to enforce their rights as a condition of getting the job, just as long as they do it voluntarily. Would anyone here refuse to sign away that right if confronted by their employer to do so on the first day of work?

Let us be realistic. This substitute is an employer's rights bill masquerading as a civil rights bill. It should be defeated.

Mr. MFUME. Mr. Chairman, I rise in opposition to the Michel substitute and encourage those who are truly in favor of a civil rights bill to follow suit. Last night I called into question the President's sincerity about passing a civil rights bill. After again reading the Michel substitute, my suspicions have come to light right before my eyes.

The Michel substitute in effect codifies the Supreme Court decisions of 1989 and virtually leaves the current rights situation unremedied. The five controversial Supreme Court decisions gutted our Nation's antijob discrimination laws making it more difficult for minorities and women to seek just relief.

Additionally, by limiting monetary relief to only claims of harassment and excluding all other types of discriminatory employment practices. The messages sent from this provision to women, minority, and the disabled is that these persons are second class citizens who threaten the status quo.

One of the primary purposes of the Civil Rights Act of 1991 is to restore the requirement from Griggs versus Duke Power Co. that employment practices which result in a disparate impact against minorities and women must be defended by proof of business necessity shown in terms of its relationship to successful job performance. The employer obligation to prove business necessity was substantially diluted by the Supreme Court's decision in Wards Cove Packing Co. versus Atonio.

The Michel-Bush administration substitute does not require an employer under any condition to demonstrate business necessity in terms of successful job performance, nor does it require proof of necessity. This creates a problem because although a company concedes that its interests do not require a particular employment practice which has a strong disciminatory impact, it may continue using this practice under the administration's bill if the company merely shows that its legitimate employment goals are significantly served by the practice.

This could lead to flagrant discriminatory practices that will undermine our national commitment to civil rights under law.

Mr. Chairman, we have the opportunity to defeat the President and his anti-civil rights agenda. I urge my colleagues to defeat Bush-Michel. It is time to put racially divisive cynacism behind us and join together in supporting the strongest and most progressive bill on the floor.

Mr. KOLBE Mr. Chairman I rise today in support of the Michel substitute to H.R. 1—the true civil rights bill. This country stands for many things, but none more passionately than individual equality and protection under the law. In America, each person should have the equality of opportunity to succeed and each individual is entitled to be treated fairly and equally in that quest. What this country does not stand for, however, are group entitlements preferences, quotas or statistical uniformity based on race.

Simply put, I support the Michel substitute, also introduced as H.R. 1375, because it comes closest to achieving the promise of individual equality under the law.

H.R. 1375 will significantly strengthen the rights of victims of employment discrimination. Among other protections, it provides a remedy of money damages of up to $150,000 for on the job harassment; mandates that Congress comply with the same antidiscrimination laws that apply to everyone else; broadens Federal laws protecting against racial discrimination to cover virtually all aspects of employment; guarantees the rights of victims of discrimination to challenge consent decrees; and requires an employer to justify as a business necessity a particular practice identified by the plaintiff that results in a disparate impact.

In crafting H.R. 1375, offered in this debate as the Michel amendment, the administration and Republican leadership have drawn a bill that is fair to all people and that will discourage color consciousness and encourage color blindness. Unfortunately, H.R. 1 will do just the opposite.

H.R. 1, encourages litigation because it will make it easier to sue in disparate impact cases. It assumes an employer is guilty of discrimination until proven innocent. That an employer actually intended to discriminate need not be proven, only that the employer has the wrong statistical balance in her workforce. In other words, an employer must hire in direct proportion to the racial and sexual composition of the local labor force. Nor is it necessary for the plaintiff to specify which policies in particular have caused the discrimination. Thus, an employer is forced to hire by the numbers.

Statistical proportionality according to race, of course, defies the laws of probability, as any number of innocent social processes could result in disproportionate representation in a particular employment setting. How many Members' staffs are made up in exactly the same racial and sexual proportions to the local labor force? How many Members even know what the percentages are? Who decides which groups are favored and which have to be proportionally represented in the work force? Should, for example, Slavs or Catholics or Aleuts be preferred? What about subpopulations? Where do we stop?

And, most importantly, what happened to the notion of a society based on merit, not on skin color? Clearly, race hiring violates the promise of the Civil Rights Act, which outlaws discrimination against individuals based on their race. By mandating statistical balance, we require employers to hire by race, for if an employer fails to have the right racial makeup, she faces severe penalties; but no penalties for hiring by the numbers. Indeed, the threat alone of multimillion-dollar damage awards is incentive enough to hire by race. In the final analysis, H.R. 1 will result in quotas and discrimination against those who would have been afforded the opportunity based on merit, but lost it based on skin color. Civil rights this is not.

H.R. 1 has other problems, too. The bill precludes challenges to consent decrees by victims of discrimination and it encourages litigation, instead of conciliation. The bill would also apply retroactively essentially changing the rules in the middle of the game and thereby allowing attorneys to reopen cases and sue for new damages.

The supporters of H.R. 1 are well intended but misguided. The people of this country don't want preferences based on race, quotas based on gender or hiring according to skin color. They want equality of opportunity for all people and they want employment issues to be determined on merit. President Bush's bill will allow all people to be judged by the content of their character, according to their abilities and aspirations.

Mr. KYL. Mr. Chairman, I rise in support of the Michel substitute and in opposition to the Brooks-Fish substitute.

I am saddened by much of the debate, Mr. Chairman. Time after time, Members have taken the well to question the President's motives. "He only wants the issue to play politics," they say. "He wants to bring back Willie Horton."

That's a cheap shot. It's unfair. It's untrue. It's hurtful.

Like all the rest of us, George Bush is fallible. But, would anyone here really doubt his personal committment to civil rights, to minorities, to fairness?

George Bush is the epitome of fairness—I don't think there is a discriminatory bone in his body. It says a lot about the merits of the argument against the President's bill—the Michel substitute—that so much time has been spent calling the President a racial hypocrite rather than arguing the merits of his proposal.

Mr. Chairman, none of us oppose civil rights or equal opportunity, and I deeply resent implications to the contrary. Let us candidly acknowledge that the legal issues are arcane. Let us also acknowledge that when Congress allows unlimited damages, and punitive damages, in title VII cases, employers are going to protect themselves by doing what they have to—in this case, hiring by the numbers. The Brooks-Fish substitute causes this result, intended or not. That's why it's called a quota bill. That's why it's wrong, and why the Michel substitute is preferable.

Brooks-Fish attempts to paper over the problem by outlawing quotas; but, the definition of "quota" is illusory, so quotas are not, in reality, prohibited.

This is just as well, because, if the bill really did outlaw quotas, businesses would be faced with a catch-22: don't employ quotas and be sued; employ quotas and be sued.

Another attempt to divert political opposition comes in the form of a cap on punitive damages. But the Brooks-Fish cap is no cap at all. Defined as the higher of $150,000 or the amount of compensatory damages, which is unlimited, there is no cap in reality. This unlimited exposure provides an even greater incentive for employers to avoid litigation by hiring by quotas.

Mr. Chairman, equality is fundamental to our society—equality of every individual. The Michel substitute promotes equality. The Brooks-Fish substitute, unfortunately, will promote divisiveness, preferential treatment and inequality. I urge my colleagues to support the Michel substitute.

Mr. FRANKS of Connecticut. Mr. Chairman, I speak to you as a black Republican, a small businessman, and a believer in equal opportunity, not inordinate special privileges. I also speak to you to as a supporter of the Michel substitute.

I was elected a Member of Congress because of who I am, not what I am. That is the standard by which I wish to be judged by my colleagues.

What our Nation needs, and the Michel substitute provides, is employment based on merit, a system which challenges young people of all colors to achieve.

We must have a color blind society which urges youth to strive for the best that they can be, keeping in mind that their merits will carry them.

The quality of the individual should be the determining factor, not the quantity of individuals. It's quality, not quantity.

Mr. Chairman, I also speak today as a small businessman. Small business is the backbone of this economy and largest employer in the Nation. Without a strong a viable network of small businesses, this country would economically falter.

H.R. 1 and its companions could inevitably have an adverse effect on small businesses everywhere. H.R. 1 would allow for unlimited punitive and compensatory damages and force many employers to hire by the numbers in order to safeguard themselves from astronomical damage awards.

Furthermore, H.R. 1 and its companions define business necessity in a way that has never been held by any court in this land. This will also cause employers to be unsure of how to defend themselves under business necessity.

Small businessmen do not have a lawyer waiting in the wings, like large companies do, to defend their actions. This in turn leads the employer to spend great sums of money just to defend his practices, being ever mindful of the overwhelming damages that could be brought against him and eventually lead to bankruptcy.

We recently saw how one present system can impair small business. A "60 Minutes" program showed how a lamp manufacturer in Chicago was impacted by discrimination litigation. This small business owner, who was operating with little profit, provided much needed employment in a depressed area of Chicago where other employers fear to tread. Along comes the EEOC and says you do not have enough of this group or enough of that group.

So instead of encouraging the employer, we threaten them with a lawsuit which they can not afford.

If H.R. 1 passes this will be repeated with greater vengeance. Law suits, or threat of law suits will close down these employers, and in the end the victims will be the unemployed employees.

We must continue to stress equality under equal opportunity if we are to have any hope of a truly color-blind society.

I urge this body to support the Michel substitute, a truly comprehensive piece of civil rights legislation.

Mr. GALLO. Mr. Chairman, because of my longstanding commitment to civil rights and equality of opportunity for all Americans, I am proud to support the Michel substitute to H.R. 1. This substitute, which embraces the language of President Bush's civil rights bill, and which adds an important provision on race-norming developed by Congressman HYDE, deserves the full support of this House.

Along with President Bush and scores of my colleagues, I have some serious and genuine reservations about the legislation which has been reported to the floor, and about the two other substitutes that will be offered. These reservations include concerns about provisions expanding damages, instituting retroactivity, and gutting the mediation process. I am also concerned about the very real possibility that all the other alternatives would lead to the adoption of quotas by employers as inoculation against long and costly law suits.

If this sounds familiar, that's because it is—I had these same concerns last year with H.R. 1's predecessor, H.R. 4000, a bill I voted against and that President Bush successfully vetoed. I had hoped that before the leadership of the House brought this year's version to the floor, we would have seen some substantive changes from the legislation the Congress was unable to enact into law last year. Unfortunately, that is not the case.

But, it didn't have to be this way. First, because there are other ideas in the House about how to accomplish the noble goals of H.R. 1 without enacting its shortcomings. Second, because these ideas were brought together last March in H.R. 1375, which is now offered as the Michel substitute. This alone is the measure that the Congress should pass and that the President would sign.

I believe that the Michel substitute—which has President Bush's endorsement—will strengthen employment discrimination law without forcing employers to resort to quotas. The Michel substitute will codify the landmark Supreme Court decision found in Griggs versus Duke Power Co. and would overturn a key aspect of the Court's decision in the Wards Cove case. And it would accomplish this clearly and unambiguously—and that can not be said for H.R. 1 or any of the other substitutes that will be offered today.

The Michel substitute would also bring Congress under the same antidiscrimination requirements that it has enacted for the private sector and the executive branch. In short, I think this bill addresses the fundamental problems that H.R. 1 and the other substitutes seek to address, without creating the need for employers to impose unfair quotas to guard against costly lawsuits.

Unfortunately, the rule under which we are considering this legislation makes it very unlikely that this substitute will stand. Why? Perhaps because it might take an issue away from our friends on the other side of the aisle. It seems to me that there are some people who are more interested in perpetuating an issue, than in stopping the perpetuation of discrimination.

I wish we had a real choice today—a choice between the Democrats' proposal and the Republican solution. Then the American people could clearly see and judge the differences which separate our two parties. Instead of being able to choose between two clearly articulated alternatives, we are hobbled by a restrictive rule that muddies the waters and provides more cover than it does choice. This is an unfortunate way to approach an important issue about which honest and well-meaning people have honest and well-considered differences.

I urge all of my colleagues who genuinely want a civil rights bill enacted this year to support the Michel substitute and oppose the others. The Michel substitute gives us the opportunity to enact a truly meaningful civil rights law this year—let's not lose it.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois [Mr. MICHEL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MICHEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 162, noes 266, not voting 3, as follows:

[Roll No. 128]

AYES—162

Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gibbons
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hatcher
Hayes (LA)
Hefley
Herger
Hobson
Hopkins
Huckaby
Hunter
Hyde
Inhofe
Ireland
James
Jenkins
Johnson (CT)
Johnson (TX)
Kasich
Kolbe
Kyl
Lagomarsino
Lancaster
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pickett
Porter
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stump
Sundquist
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—266

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish

Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gilman
Glickman
Gonzalez
Gordon
Gray
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hayes (IL)
Hefner
Henry
Hertel
Hoagland
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Hutto
Jacobs
Jefferson
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickle
Poshard
Price
Rahall
Rangel
Reed
Richardson
Rinaldo
Roe
Roemer
Rose
Rostenkowski
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Staggers
Stallings
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—3

Lehman (FL)
Sisisky
Stark

☐ 2128

Mr. ATKINS and Mr. HALL of Texas changed their vote from "aye" to "no."

Messrs. MCCANDLESS, THOMAS of Georgia, HERGER, and MARTIN changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Mr. BROOKS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

☐ 2130

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LEHMAN of California) having assumed the chair, Mr. MFUME, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws, that ban discrimination in employment, and for other purposes, had come to no resolution thereon.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1790

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1790.

The SPEAKER pro tempore (Mr. LEHMAN of California). Is there objection to the request of the gentleman from Kansas?

There was no objection.

REPORT ON NATION'S ACHIEVEMENTS IN AERONAUTICS AND SPACE DURING 1989 AND 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science, Space, and Technology:

(For message, see proceedings of the Senate of today, Tuesday, June 4, 1991.)

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 392

Mr. MCNULTY. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 392.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

MOVING THE EUROPEAN NEGOTIATORS FOR GATT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, 2 weeks ago, the House and the other body both rejected fast-track disapproval resolutions. If either Chamber had approved their respective resolution, the Uruguay round of the General Agreement on Tariffs and Trade [GATT] would have been effectively ended. Negotiating authority needed by the President to complete the round has now been automatically extended for an additional 2 years.

The current round had been scheduled to conclude last December, but the unwillingness of the European Community to even consider the Hellstrom proposal—named for the Swedish Agriculture Minister—as a starting point for substantive negotiations in the agricultural area, caused the negotiations to collapse. Agreement in the 14 other negotiating areas, such as services, intellectual property and market access were very close or could be envisioned. The remaining issues were easily seen as negotiable and quickly achievable. Indeed, the 15 areas have now been reduced to 7 in large part because of the number of issues that have been resolved. Some major negotiation areas are: market access, services, TRIPS [trade related aspects of intellectual property], textiles, antidumping, TRIMS [trade related investment measures], government procurement, and dispute settlement.

Some critics, primarily European, have wrongly blamed the United States for the failure. The EC was isolated in their agriculture position against the Cairns Group, most developing countries, as well as the United States. Japan and South Korea conveniently found cover in the EC position, but quickly expressed willingness to compromise following the collapse of the round.

Since the collapse in December, Ray MacSharry, the EC Agriculture Commissioner, has indicated that the EC would be willing to negotiate reforms in each of the three crucial components of the agriculture area, as demanded by the Cairns Groups, developing countries and the United States. In very simple terms, only the percentage commitments by which export subsidies will be reduced, market access will be increased, and trade distorting internal subsidies will be reduced, remain to be resolved in the agriculture area.

Political aspirations by a few key European Community officials make resolution of the outstanding agricultural issues, at minimum, extraordinarily difficult. Ray MacSharry is the European Community's Commissioner for Agriculture. It is frequently said that Mr. MacSharry will give up his position in the EC to become a candidate for Prime Minister of Ireland. Jacques Delors, President of the Commission of the European Community, is widely noted as a possible candidate for the French Presidency. While the agriculture vote in each of these two countries is not overwhelming, both are significant swing voter blocks and are viewed as a volatile political group. Undoubtedly, these considerations will make it exceedingly unlikely that these officials will make appropriate and significant concessions in the agriculture area; action undoubtedly seen as harming their potential candidacies.

It is crucial then, that the European industrial community and services industries, and the consumers of the European Community recognize the losses and continued costs they will bear if the Uruguay round is not successfully concluded. European Community agriculture subsidies and protection cost EC taxpayers over $40 billion yearly and consumers over $30 billion annually. The Cairns Group of nations and many developing countries have made success in the agriculture area of the negotiations their No. 1 priority. Without a commitment by the EC to improve import access and reduce export subsidies, they—the Cairns Group and the LDC's—will not agree to open their countries to the financial and other service firms of the developed countries like the EC, the United States, and Japan; nor will they agree to the patent and intellectual property rights reform elements before the Uruguay round. Direct and ongoing losses due to the international piracy of intellectual property easily costs the European Community, as well as United States and Japanese entrepreneurs, the equivalent of billions of dollars on each side of the Atlantic and Pacific every year. Closed services and investment markets also cost EC firms the equivalent of many billions of dollars every year in lost opportunities.

The European Community's industrial and services sectors therefore should, and probably must, convey their support for reforms in the Uruguay round to the European Commission if it is to be successfully concluded. Without significant internal pressure, prospects for a successful round are very poor. The collapse of the Uruguay round last December provides ample evidence that the internal pressure from the EC industrial and service sectors then exerted was not enough to move EC negotiators from their stubborn and unrealistic position on agricultural reforms.

Mr. Speaker, consumers and taxpayers in America, and around the world, have much to gain from a successful Uruguay round of GATT negotiations. This Member would hope that EC officials will not only recognize the losses that will result from a failed round, but also will recognize that preventing reform of the world trading system would deny each of our constituents, and indeed the people of the world, an incredible array of opportunities—including the basic opportunities for our Nation's economy to expand, to continue growing, and to improve individual and our national standards of living.

□ 2140

HONORING THE 45TH ANNIVERSARY OF THE FOUNDING OF THE ITALIAN REPUBLIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to commemorate the 45th anniversary of the founding of the Italian Republic.

Among our allies around the globe, Mr. Speaker, few nations share our values of freedom and self-determination more closely than Italy.

Our partnership with today's Italian Republic stretches back to its inception on June 2, 1946, when the people of Italy voted in a national referendum to adopt a democratic form of government. On that same day, representatives were chosen for a constituent assembly. The assembly adopted a new constitution that took effect on January 1, 1948.

Amid the devastation of World War II, America helped to nurture Italy's fledgling democracy with aid provided primarily through the Marshall plan. And with America's support, the Italian people dedicated themselves to the awesome task of establishing a new democracy. With their tireless determination, the Italian people successfully organized a government that guaranteed basic human rights such as equal treatment under the law, freedom of religion and the separation of church and state. Those basic freedoms continue to thrive today under elected governments that have witnessed a dramatic rebuilding of Italy from the ruins of war.

America's support for Italy's democracy has helped to make that country one of our strongest allies. Since the founding of the Republic, Italian governments have played a crucial role in defending Western Europe as a partner in the North Atlantic Treaty Organization. Most recently, Italy also joined the United States and other nations in providing armed forces and supplies during the war to liberate Kuwait from Iraqi aggression.

As we continue our efforts to promote democracy and human rights throughout the world, I am confident the Italian Republic will continue to play a vital role as a partner in freedom.

That is a fitting legacy for Italy, a nation renowned for the democracy of ancient Rome as well as innumerable other contributions to civilization in areas such as music, art, architecture, literature, and law.

In light of these many accomplishments, Mr. Speaker, I would like to express my very best wishes and congratulations to the people of Italy on the 45th anniversary of the founding of their modern democracy. May the freedom-loving people of Italy continue to enjoy the fruits of their democracy well into the 21st century and beyond.

NATIONWIDE INSURANCE CO.'S COMMITMENT TO COMMUNITY SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. WYLIE] is recognized for 5 minutes.

Mr. WYLIE. Mr. Speaker, Nationwide Insurance Co. is headquartered in Columbus, OH, which I have the honor to represent. I rise to announce that I am recommending to President Bush that Nationwide and it's 43,000 employees be recognized for outstanding service to the communities they serve and that their collective achievements be designated as one of his Thousand Points of Light.

The President's Thousand Points of Light Program is designed to recognize the achievements of individuals or organizations that address our Nation's most pressing social problems through direct and consequential acts of community service. Nationwide's policy has always been to encourage its employees to be involved in their communities and help improve the quality of life of those in need. I am proud to say that the employees have willingly risen to the challenge on countless occasions, and the commitment they have made to their communities has taken on a life of its own. While the company's employees around the country have been involved in a wide variety of selfless services to the needy over the years, I am most familiar with the activities of those in the Columbus area, so I would like to take just a few moments to offer the following examples of what the headquarters employees alone have accomplished.

In 1990, the employees donated $1.9 million to the United Way of Franklin County—over 6 percent of the county total. The Nationwide companies also match, dollar for dollar, all employee contributions. This means that Nationwide contributed in total over 10 percent of all United Way dollars in Franklin County last year.

In 1990, the employees donated nearly 2.5 million units of food to Franklin County's Operation Feed campaign. That was more than one-fourth the local drive's collection of more than 9 million units, which was the largest community total in the United States. If considered as a separate community, Nationwide would have been the second largest food contributor in the country, outpaced by only Franklin County.

In 1989, Nationwide's employees donated 10,684 pints of blood. They have been No. 1 among all blood donor groups in Ohio since 1977.

The employees made solid contributions to the community by their participation in civic, educational, cultural, charitable, church and other organizations, and as elected or appointed public officials. For example, over 200 employees serve directly as volunteers or board members on the United Way's 69 Franklin County agencies. It is a company tradition to encourage employees to get involved in their communities.

Since 1987, Nationwide's employees have supported the Nationwide Insurance Activities Association Literacy Club. Employees interested in learning how to become a tutor may attend class with the Columbus Literacy Council and be reimbursed at one-half the fee. Monthly meetings are held for Nationwide tutors to learn from each other new ways in helping their students. Nationwide facilities are available for tutors to use in teaching their students.

The employees collect shoes for the needy on an ongoing basis. Thousands of pairs of shoes, men's women's and children's, are collected yearly and turned over to a community organization which makes sure they are passed on to those in need.

The employees sponsored the Nationwide's Activity Clown Corp. which makes monthly visits to Children's Hospitals to "serve up smiles" for the patients. They also make visits to nursing homes and participate in community events. In addition, they sponsor Nationwide employees' children in a Cadet Clown Corp.

Each December the employees donate money to help clothe the needy children of the community by giving to Charity Newsies—a Columbus organization that sells special editions of the Columbus Dispatch for charity. Hundreds of Nationwiders also give toys to the One New Toy program for St. Stephens Community House and volunteer their time to sort and box Christmas food baskets. Nationwide's annual Warm and Fuzzy Christmas Tree is decorated with gloves, mittens, scarves, and hats which are donated to help clothe the needy children.

Nationwide's employees participate yearly in the YMCA Corporate Challenge. This is a year-round 16 event competition with other corporations that helps collect money to allow under-privileged children to attend YMCA Day Camp and other special events.

Nationwide purchases and donates approximately 400 to 500 tickets to allow under-privileged children to attend Nationwide Night at the Columbus Clippers baseball game.

Mr. Speaker, in closing may I add that these projects are just a small fraction of the many generous achievements that the good people of Nationwide around the country have demonstrated over the years. If ever a group deserved to be recognized for its compassion and generosity, it is the dedicated people of Nationwide. I believe both they and their company serve as a shining example of what the Thousand Points of Light Program is all about.

THE 10TH ANNIVERSARY OF THE DIAGNOSIS OF THE FIRST CASE OF AIDS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 60 minutes.

Ms. PELOSI. Mr. Speaker, I have called this special order today in recognition of the 10th anniversary of the recognition of the AIDS epidemic. I thank my colleagues for joining me and bringing attention to the magnitude and urgency of this epidemic.

On June 5, 1981, the Centers for Disease Control published the first account of five men in Los Angeles who had developed a rare and inexplicable form of pneumonia. These cases would turn out to be the first reported cases of AIDS.

In the 10 years since the first CDC report, the number of reported cases in the United States has grown now to 200,000, and more than 1 million Americans are believed to be HIV-infected.

In the second decade of the epidemic the CDC projects that we will have another 500,000 cases in the United States and at least 10 million in the world. The magnitude of the epidemic is staggering.

Mr. Speaker, in the course of this special order I will go into some more specifics about prevention, research, care, and how it affects our country and in particular my community of San Francisco, but before I do that, I would like to yield to some of our colleagues who have joined in this special order.

First, Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. STUDDS], who has worked very hard on this issue for a long time, who was here when the AIDS epidemic was first diagnosed, and who can speak about the first decade of AIDS.

Mr. STUDDS. Mr. Speaker, I thank the gentlewoman for yielding, and I commend her for her ceaseless and tireless efforts in this behalf.

Mr. Speaker, to focus on 10 long years of the AIDS epidemic is to relive the loss and the grief, the dispair and the rage of the last decade.

All of that is sadly appropriate.

But in this epidemic we have also, somehow, rediscovered that most human of responses: hope. Since the first case of AIDS was diagnosed 10 years ago, we have also taken some giant steps forward.

Anniversaries are for remembering—and for moving ahead.

Eight years ago, along with my good friend TED WEISS, I stood in this well to participate in a special order, much like tonights. We had gathered to draw attention to a strange and horrible and deadly new disease which was killing Americans by the dozen—and which was being virtually ignored by the Federal health bureaucracy.

By May 1983, 8 years ago, 500 people had died of AIDS.

In my home State of Massachusetts, six had died.

It was, so far as I know, the first time the word AIDS was mentioned on the House floor. In my remarks that night, I observed that epidemiologists were warning that we might have seen no more than the tip of this horrifying iceberg.

As of yesterday, as we all know, over 100,000 Americans are dead. Another million are thought to be infected with the AIDS virus, and 3,000 new cases are reported each month.

Mr. Speaker, this constitutes a public health emergency the magnitude of which our Nation has never experienced, and the consequences of which may rock our entire health care system.

And, of course, it has been an unspeakable tragedy for the individuals whose lives have been touched.

We still do not fully comprehend what causes it and we still do not know what could cure it. Those portions of our Nation's population which have been savaged by AIDS, most particularly the gay community, have endured, and suffered and grieved to the point of numbness—and beyond. It sometimes seems that the principal social activity today of a whole generation of young gay men and women is attending the funerals of equally young friends.

So now, in a quiet and somber chamber, and with some historical perspective, is it so hard to understand the shock and disbelief—then the anger and rage—of dying people whose cries for help went so totally ignored for so long that there was only one explanation: that victims of AIDS were somehow not like victims of legionnaires disease or toxic shock, the fear of each of which sent shockwaves through the White House, the Centers for Disease Control, and the entire Nation.

What other possible explanation was there for the resistance—not for days or months, but for years—to basic AIDS research and education?

Well into the eighties, you will recall, the administration was still proposing cuts in the AIDS research budget, and still forbidding Surgeon General Koop to distribute his own report on AIDS, even after Congress mandated a national mailing of that report. American citizens were, quite simply, starved for basic facts about the epidemic.

Some Members may recall that, at that time, I led what turned out to be a proud parade of Members—many of whom are in this Chamber right now—who took it upon themselves to use the congressional frank to mail the Surgeon General's report to their constituents. Some considered this politically risky. It was not. People in my district and elsewhere thirsted for reliable, authoritative guidance on AIDS: What it was, what it wasn't, and how to minimize the likelihood of getting it.

It was not until a year later, after the death of a widely admired movie star, that the President of the United States dared speak its name and publically acknowlege the existence of the epidemic.

In that era of cold-blooded fiscal analysis, you'd think someone might at least have calculated the financial consequences of AIDS, which have been as staggering as its human costs. Health care expenditures for a typical person with AIDS, average nearly $100,000. We are already talking tens of billions of dollars annually.

Individuals and families are bankrupt before they know what hits them, given this cruelly ironic fact that health insurance tends to vaporize when it's most needed. Employers, meanwhile, are faced with impossible choices between maintaining insurance for a worker with AIDS, or coverage for all other employees.

AIDS sufferers terminated by employers from group insurance policies are, after 18 months, completely vulnerable. People with AIDS are considered uninsurable and are unable to purchase private coverage, at any price. Public assistance, through Medicaid or Medicare, are the only remaining options.

As a result, roughly 40 percent of AIDS patients end up on Medicaid, and the Federal portion of AIDS-related Medicaid spending has risen from $10 million in 1983 to over $650 million this year.

In some of these ways, care—or the lack of it—for people with HIV is not so different from the treatment of people with other illnesses. Health care in this country is delivered in a highly inequitable, wasteful and irrational way. It is ironic that our mistakes and lethargy in confronting the AIDS crisis may be what finally leads us, inevitably, I hope, toward a comprehensive system of universal, national health insurance.

The major difference is that, as they struggle to stay afloat financially, people with AIDS are also suffering from one of the most painful and debilitating diseases known to mankind.

It is, thus, exceedingly difficult for many whose lives have been unthinkably changed by this disease to control the rage. But that must obscure neither the distance we have come, nor the work we still have before us.

The Federal Government has begun to accept some responsibility for dealing with the crisis. Yet State and local governments are still overwhelmed, unable to cope with minimal levels of primary care, much less prevention.

We are now committing far greater resources, some $1.92 billion, to research, which has resulted in some medical headway, especially in treating secondary complications of HIV disease. But there is much more we do not yet understand.

We have made real strides in public awareness. But education is an ongoing process, and the virus continues to spread at an alarming pace. People die senselessly because they lack understanding of how to avoid the virus.

We have slowed the increase of the disease among some groups, including gay men; but the rate of increase is three times higher than that among heterosexuals and newborns. And the most distressing rate of increase is now among people of color.

So where is the hope?

In the thousands of incredibly committed and talented and selfless people who have recognized this emergency as a human tragedy.

In preparing for tonight's special order, I called several of these people and groups in and near my congressional district, just as you could in any city or town in this country, which have been working their hearts out to try to keep the lid on the epidemic locally. I wanted to hear how they, after a few moments of reflection, would sum up the last 10 years.

The metaphor I heard most often from them related, perhaps not surprisingly, to war.

From Larry Kessler, head of AIDS ACTION Committee of Massachusetts, comes the observation that "the war on AIDS has been waged by a strictly volunteer army."

"Let the government," he writes, "acknowledge the heroism of those in the war against AIDS and then roll up its own sleeves."

Others echoed similar themes.

"Outer Cape Cod Health Services, a rural community health center, has provided care for persons with AIDS for 10 years," wrote its executive director, Scott Penn. "We recorded one AIDS death in 1981. Now a HIV-related diagnosis is the second most frequent reason for a medical visit here. With no end in sight."

> As a health administrator who has spent the entire 9 years of my professional career involved in HIV-related services. I feel like a foot soldier in a war where my friends and colleagues are dying around me. With no end in sight.
>
> Although I dispair about 10 years of lost opportunities for controlling the epidemic, I call on the administration for leadership, the Congress for appropriations, and our fellow citizens for compassion. Until there is a cure and a vaccine, we must make certain that no one else becomes infected, while those living with HIV have access to compassionate, comprehensive care.

And from Project Care in the city of New Bedford:

> Rarely, outside of war, have people had to lay witness to the passing of lives which are so precious. On a daily basis we are reminded of our own mortality and the need to cherish each moment.
>
> Our attempts to diminish the loneliness, the pain and the suffering, often seem insignificant amidst the need of those with chronic illness. Our anger surfaces as we look for hope and are met with disdain and distrust.
>
> We will not stop advocating for essential services as well as continued prevention efforts in order that we all may see an end to this suffering. We cannot be content with current efforts as we sit amidst men, women and children who have few treatment options available to them.
>
> We shall not forget those who, in individual and collective efforts, daily perform small miracles. I am talking about professionals, volunteers and caretakers who provide support to those who are infected. It is on this occasion that we need to acknowledge their abundant loving efforts in the struggle against AIDS.

Alice Foley, executive director of the Provincetown AIDS Support Group, writes:

> There is a certain sense of the macabre in marking this anniversary. The sense of tragedy for lives never lived, the staggering reality of the numbers. How did we get from that day 10 years ago to today?
>
> * * * The element of volunteerism seen with this epidemic is immeasurable. As the numbers continue to escalate, how do we take care of the caretakers? The typical volunteer does not exist. They are young, old, men, women, gay, straight, recovering addicts, and parents of people with AIDS. The volunteerism seen with this epidemic is a major hidden cost that could never be assimilated by the health care system.

Albert Camus' character, Dr. Rieux, in "The Plague," writes that as the plague finally vanished from Oran, he

> * * * resolved to compile this chronicle, so that he should not be one of those who hold their peace but should bear witness in favor of those plague-stricken people; so that some memorial of the injustice and outrage done them might endure; and to state quite simply what we learn in time of pestilence: that there are more things to admire in men than to despise.

Mr. Speaker, the AIDS crisis has forced us—as a society and, indeed, within this House—to become much better educated about whole worlds that we once knew very little about. I hope we have learned through this crisis how much more there is to admire in each other than to despise.

□ 2150

Mrs. BOXER. Mr. Speaker, I thank the gentlewoman for having this special order to recognize the AIDS epidemic.

On this occasion I would like to take the opportunity to introduce a resolution calling upon Congress to reaffirm its commitment to ending the AIDS epidemic and to ensuring compassionate and comprehensive care for Americans diagnosed with AIDS.

We must not forget those who have died of AIDS and those who we might yet be able to help. For them, I have introduced the following resolution.

H. RES. —

Whereas, since 1981, more than 170,000 Americans have been diagnosed with AIDS (acquired immune deficiency syndrome) and more than 100,000 of such Americans have died of the disease;

Whereas AIDS is the 2nd leading cause of death among American men between the ages of 25 and 44, and the 5th leading cause of death among American women between the ages of 15 and 44;

Whereas, each year, approximately 40,000 American adults and adolescents are infected with HIV (the human immunodeficiency virus), and at least 2,000 new HIV infections occur among newborns;

Whereas the National Association of Public Hospitals has reported that an average of $2,500 for each AIDS case admitted to public hospitals is uncompensated by private insurance or public programs;

Whereas there is no known cure for AIDS, and the only approved antiviral therapy, AZT, cannot be used by half of all individuals who have HIV; and

Whereas the median length of time for survival of individuals who are diagnosed with AIDS is only 770 days for individuals who receive AZT, and 140 days for individuals who do not receive AZT: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the Congress should act now to end the AIDS epidemic by any means possible; and

(2) the Congress should reaffirm its commitment to ensuring compassionate and comprehensive care for Americans diagnosed with AIDS.

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. STUDDS] for his very poignant statement. It is very heartbreaking to hear these eloquent statements from people on the front line in the fight against AIDS. I am very grateful for the contribution the gentleman has made to this special order this evening.

Mr. Speaker, it is now my privilege to recognize another champion in this fight against AIDS, the gentleman from New York [Mr. GILMAN], who has been relentless in pursuit of a cure, a vaccine, in care, in research, whatever it takes to help us win this battle.

□ 2200

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I rise today to call attention to the widespread AIDS [Acquired Immune Deficiency Syndrome] epidemic and I commend the gentlewoman from California [Ms. PELOSI] for arranging this special order. This month regrettably marks the 10th anniversary of the AIDS epidemic and this dreadful disease shows no sign of relenting. As the AIDS disease continues to spread throughout the United States and the rest of the world, there is a pressing need for more education, more research, and increased awareness.

As of January 1991, over 161,000 cases of AIDS nationwide had been reported with over 100,000 deaths since the virus first appeared in June of 1981. The increasing incidence of AIDS and its concentration among certain groups have spurred an increasing number of research and epidemiological studies.

The total number of AIDS cases worldwide is currently estimated at over 700,000. Alarming research indicates that by the year 1993, the United States alone could be faced with as many as 480,000 cases and 340,000 deaths.

A particular concern of mine is the alarming number of people in my home State of New York who have been afflicted by the AIDS virus. As of 1988, AIDS has become the third leading cause of death in New York City. New York continues to lead the Nation in reported cases of AIDS with 36,459 cases as of March 1991. Furthermore, in New York State it has been reported that there were 200,000 HIV positive individuals statewide.

Although AIDS continues to spread and destroy the lives of thousands upon thousands throughout the world, there are those victims who choose not to lie helpless until death strikes. There are such courageous individuals as 14-year-old Ryan White. Most of you may remember Ryan as the steadfast young man who contracted AIDS through a blood transfusion. The serenity, courage, and wisdom with which Ryan faced his affliction was an inspiration for us all.

The Ryan White story inspired the passing of the Ryan White Comprehensive AIDS Resources Emergency Act of 1990. That law amended the Public Health Service Act to provide grants to improve the quality and availability of care for individuals and families with HIV disease as well as other health care needs.

Additionally, in fiscal year 1991, Congress appropriated $1.8 billion towards AIDS research and education, but more funding is desperately needed.

It is time for all Americans to reflect on how extensively the AIDS disease has spread and how far we have to go in order to effectively respond to the continuing challenges presented by the AIDS epidemic. It is essential that these efforts continue and be accelerated in order to prevent the continuing transmission of HIV and to meet the challenges of AIDS.

Mr. Speaker, in light of the fact that this month commemorates the 10th anniversary of the AIDS virus in the United States, it is imperative that we focus increased attention on the prevention and cure of this deadly disease. AIDS should not be given the honor of another such anniversary.

I thank the gentlewoman for yielding and for her commitment to resolving this public health issue.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for his valuable statement and his hard work on behalf of all of those who are concerned about the AIDS epidemic.

Mr. Speaker, it was my pleasure and privilege when I came to the Congress for 3½ years to serve on the Subcommittee of the Government Operations Committee on Health and Human Services and Interdepartmental Relations. The chairman of that subcommittee, the gentleman from New York [Mr. WEISS], to whom I will yield in a moment, in that capacity as chairman of the subcommittee as well as being Representative of the State of New York, has been one of the national leaders in the fight against AIDS. In a very substantive way, he has made an enormous difference on this issue, especially in relationship to the availability of drugs for AIDS.

It is my privilege to yield to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I thank the gentlewoman for those very generous words.

First, let me express my gratitude to Congresswoman PELOSI for organizing this special order on the 10th anniversary of the AIDS epidemic. It is a sorrowful day because, contrary to popular belief, the tragedy of AIDS is still with us and does not seem to be abating.

The latest surveillance reports tell us that the reported cases of AIDS are approaching 175,000, and there are many others that have not been reported. We know that a million persons are infected with HIV and, unless a scientific breakthrough occurs, they will eventually become desperately ill.

It is important for those of us in the Congress who have been working to support the programs necessary to find a cure, prevent transmission, and provide care for those who are affected to speak out—to remind this Nation that the epidemic is far from over; that in fact, it is increasing as we stand here to commemorate it.

I have had the good fortune to be the chairman of a subcommittee that oversees the Department of Health and Human Services. The subcommittee has continuously monitored the Federal response to this epidemic through hearings and reports on Department policies and programs related to AIDS.

The Federal response in the early years was woefully inadequate. Although Public Health Service employees were alert to the dangers of AIDS and tried their best to bring it to the attention of administration officials at the highest levels, Presidential budget requests were minimal. The Congress had to take the lead in providing funds and direction to fight the spreading epidemic.

We have still not seen the kind of administration leadership necessary to put the epidemic to rest and to provide even minimally adequate treatment, health care, and social services to those whom it strikes.

Just this Thursday, my subcommittee will be holding a hearing on some of the problems faced by women with AIDS. The first woman was identified with an AIDS-like condition in 1981, and yet women are still excluded from many benefits and services because their AIDS-related problems have been neglected from the earliest days of the epidemic. This is especially serious since it is now women who are developing AIDS in the greatest proportion.

As the epidemic climbs into its 11th year, I pledge my continuing efforts to fight this tragic disease. I hope and pray that our efforts will bring relief to all whose lives are touched by AIDS and prevent others from becoming its casualties.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for his statement and for his participation in this special order, but most of all for his leadership in this fight.

In any fight, in any battle, Mr. Speaker, we know how important it is to have fresh recruits. Although the gentleman from Ohio may have been working on this issue outside the Congress, he is a fresh recruit inside of the Congress. He serves on the subcommittee of the gentleman from New York [Mr. WEISS], of the Government Operations Committee overseeing the Department of Health and Human Services. So we are very pleased that he is able to join us this evening.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. HOBSON].

Mr. HOBSON. Mr. Speaker, I thank the gentlewoman from California [Ms. PELOSI].

Mr. Speaker, I rise today in recognition of our Nation's 10-year struggle with the AIDS virus. Indeed, what was first reported in 1981 as a rare form of pneumonia, has turned out in 1991 as a nationwide epidemic.

AIDS is affecting every segment of our society. The official death toll in the United States is well over 100,000 and it is estimated that more than 1 million Americans are infected with HIV. This virus has no social, economic, racial, or political boundaries.

AIDS has spread to every country, every State—and even to our own local communities and neighborhoods. In fact, women and children are the fastest growing group of AIDS cases in the United States. Pediatric AIDS cases are expected to increase more than 10-fold in the next 5 years. The costs for caring for those already infected could reach well over $100 billion.

AIDS is a difficult issue. Because of the fear and hysteria associated with the virus, particularly in its early days, we have been confronted with a health care dilemma we have never before had to face. No one disease—past or present—encompasses all of the challenges posed by AIDS.

We have made some progress in the last 10 years. Through education, we have been able to dispel some of the fear and ignorance directed toward those afflicted with the AIDS virus. Several States have also taken the lead in developing effective AIDS programs.

As a former State senator in Ohio, I authored our State's comprehensive AIDS law. Through more than 2 years of extensive research and public testimony, we developed a plan to help protect the public from further infection and to establish cost-effective care for those already infected. The bill was supported by a diverse group of business, health care, religious and social organizations, including PWA's. It included alternative care facilities for AIDS patients, a contact tracing program through the Ohio Department of Health, along with many of the recommendations from President Ronald Reagan's Commission on AIDS.

However, there are still great challenges ahead. We must continue our press for a cure and effective treatment programs, with the hope of saving those already infected. And we must continue education programs, particularly among our young people, to prevent further spread. We cannot allow ourselves to lose another generation to AIDS. I would also encourage this Congress to examine the effective programs we have established in Ohio and implement them on a national level.

I thank Congresswoman PELOSI for this opportunity to address this most serious issue. It is important we, as leaders of this Nation, take this time to reflect on the full impact of the AIDS epidemic and what we must do to save our children, our grandchildren and our friends from the threat of this disease.

☐ 2210

We must have the courage to stand and see that all people receive the care that is necessary and the compassion that this country has for those who are afflicted with this disease.

I am new to the Congress, and I am, as the gentlewoman said, on the committee of the gentleman from New York [Mr. WEISS], and I pledge to you that I will continue to work for effective and caring legislation in this area.

I thank the gentlewoman very much for this opportunity.

Ms. PELOSI. Mr. Speaker, the gentleman is welcome, and his participation in this fight is most welcome in the Congress, and I am certain on the committee. I thank you very much for participating this evening.

Mr. Speaker, next I yield to another member of the subcommittee of the gentleman from New York [Mr. WEISS]. As I say, it was a special place to have served, because some of the best work on AIDS in the country is done there. It is an oversight subcommittee, and so anything that is not being accomplished soon comes before that subcommittee because of the aggressive leadership of the gentleman from New York [Mr. WEISS] and the full participation, and as you can see this evening, bipartisan participation of the members of the subcommittee and their concern for this issue.

I am pleased tonight to yield to the gentleman from New Jersey [Mr. PAYNE], who has made a very, very special contribution to this fight. He has been relentless, persistent, just constantly, constantly calling to the attention of the country and the Congress how the issue affects his community and, of course, the country as well.

I am very pleased to yield to the gentleman from New Jersey [Mr. PAYNE] as he participates in this special order this evening.

Mr. PAYNE. Mr. Speaker, let me thank the gentlewoman from California for calling this special order tonight. Whether it is about women's rights in the workplace, whether it is about human rights in Tiananmen Square, whether it is about the devastation of AIDS, we find this person in the forefront speaking for those who cannot speak for themselves, and so I feel very delighted to share in this special order.

I also would like to commend my subcommittee chairperson, the gentleman from New York [Mr. WEISS], of the Committee on Government Operations, for the outstanding work that he has done to keep in the forefront through the NIH and the CDC what is going on and what should go on as we deal with this very devastating illness in our country.

I rise today, Mr. Speaker, to register my profound sadness at the passing of a decade of the AIDS epidemic in our Nation. Since that time when physicians and scientists first identified this disease, AIDS has devastated our Nation. It has taken the lives of men, women, and children of every single age group, gender, race, and class.

Since 1981, over 174,000 American people have been diagnosed with AIDS. 110,000 of those have died, and there are estimates that more than a million Americans are infected with the HIV virus.

I am very familiar with the face of AIDS and with the destruction it wreaks. In my district, the very first case of pediatric AIDS was detected. In the largest city in my district, Newark, the caseload has increased 83 percent in just the past 2 years. Newark has one of the highest sero prevalency rates of infection in the Nation. In the wake of this destruction are left abandoned babies, many carrying the HIV virus or exhibiting signs of drug exposure. As I visit the neo-natal intensive care units in my district at Newark's Beth Israel, St. Michael United at College Hospital; I see these innocent victims, helpless in their basinettes.

Ten years after the first published cases of AIDS, we have little to show in terms of progress in battling this deadly disease. Thankfully, we can now test for antibodies to the virus and trace the path of infection. Yet, tragically, we have not succeeded in controlling the tide of infection, nor can we cure the sick once they are infected. Much more must be done in terms of preventive education.

I am heartened, however, by the progress that we have made as of late. Greater attention to the tragedy of AIDS has brought about an increase in funding for research and treatment. While scientists work to discover a cure to the HIV virus, health care professionals have also made strides in caring for people suffering with AIDS.

Perhaps most frightening of all in this tragic situation, is the dearth of clinics and facilities available to drug addicts and pregnant women, both infected and uninfected, who want to escape the cycle of addiction and transmission but cannot find a space. The drug epidemic and the AIDS epidemic are leading a symbiotic existence, and until we begin to solve both problems simultaneously, neither epidemic will ever be brought under control.

I hope that we in Congress recognize this fact and act swiftly to ensure that another decade does not pass before this AIDS crisis is effectively controlled. It will take the full strength, compassion, and support of the American people to triumph over this epidemic, but I am confident that we can succeed.

Ms. PELOSI. Mr. Speaker, I thank the gentleman from New Jersey [Mr. PAYNE] very much for his hard work on this issue and the leadership that he has demonstrated in his community and in the Congress on this. I appreciate his participation in the special order as well as the participation of some of our other colleagues who have submitted statements for the RECORD: the gentleman from Maryland [Mr. MFUME], the gentleman from Utah [Mr. OWENS], the gentlewoman from Maryland [Mrs. MORELLA], the gentleman from California [Mr. FAZIO], the gentleman from New York [Mr. GREEN], and the gentlewoman from California [Mrs. BOXER].

Mr. Speaker, at the beginning of my remarks, before yielding to my colleagues, I mentioned that in addition to the staggering statistics that I quoted, I cited for the country and the world that we were suffering in a particular way in my community in San Francisco in the district which I represent.

In February of this year, San Francisco, a city of 740,000 people, topped the 10,000 mark in the number of AIDS cases diagnosed. This summer we will set another grim milestone when 1 out of every 100 citizens of the city, residents of the city, will have died of AIDS. Twenty-five percent of the deaths in the city each year are now due to AIDS, and the Department of Public Health estimates that approximately 23,000 people and 11 percent of the adult males in the city are infected with HIV.

Given the history of HIV disease, these people will likely become ill over the next 10 to 20 years with the opportunistic disease of AIDS.

The toll of this epidemic in San Francisco and other cities was not even imaginable 10 years ago. We cannot imagine the toll, but it has become completely unacceptable.

Mr. Speaker, in the area of research, one area where we have been making remarkable progress is in basic biomedical research. At the beginning of the epidemic, the disease was mysterious. In the last 10 years, scientists have been able to identify HIV, the virus that causes AIDS, and now the scientific understanding of the virus is impressive.

Progress has also been made in identifying potential therapeutic drugs.

The AIDS epidemic has energized the research community and stimulated rapid progress in understanding the virus. It has also forced the research establishment to deal with complex ethical issues and to reform clinical trials to be more humane and responsive to participants, and, I might add, representative.

□ 2220

At the same time, the epidemic has made the public realize that modern science does not have all the answers—the limits to science now seem much more real than 10 years ago. We do not have a cure.

PREVENTION

Ten years ago, AIDS was mysterious partly because we did not know how it was spread. Now it is hard to imagine very many people in the United States who could not tell you how the AIDS virus is transmitted. We have learned, however, that information alone is not sufficient. Sophisticated prevention demonstration projects sponsored by the National Institute of Mental Health [NIMH] and the National Institute of Drug Abuse [NIDA] have documented the potential for highly successful prevention outreach programs.

Yet, the Centers for Disease Control [CDC] project another 40,000 HIV infections this year. This is unacceptable. The technology discovered in federally supported prevention science has not been transferred to prevention services, and resources allocated to prevention efforts are painfully inadequate.

At this point 10 years into this epidemic, prevention outreach programs remain our best hope of halting the epidemic. At the same time, we must realize that in order to win the war against AIDS a cure or a vaccine will be necessary. Fortunately, we can expect significant progress on vaccine development in the next decade—experimental vaccines may soon be in large-scale international trials. This gives up hope.

PATIENT CARE

The Nation's health care system is in crisis and getting worse.

I have addressed the issue of research and prevention. I would like to spend a moment or so on the question of patient care.

The AIDS epidemic has imposed additional burdens on an already overburdened public health care system. The heavy concentration of AIDS cases in major metropolitan areas—where urban problems are increasing and resources are decreasing—has made matters even worse.

In the first 9 years of the epidemic, the Reagan and Bush administrations wanted no responsibility for the patient care crisis caused by the AIDS epidemic. Thankfully, last year Congress passed the Ryan White Comprehensive AIDS Resources Emergency Act which has begun its promise of bringing much needed relief to the hard hit cities of the United States. Adequately funding this care program in the next few years will prove to be one of the first challenges of the second decade of AIDS.

At this point there is more interest and discussion in national health insurance than at any point since the 1970's. The AIDS epidemic has helped move this debate. My hope is that the new decade will see Congress provide for universal access to a single payer health insurance system. This is needed to remove the menace of illness destroying all of an individual's resources.

I would like to focus on AIDS and the budget now. As my colleagues know, we are now living under severe spending constraints imposed by the 5-year budget agreement. While reducing the budget deficit is a national priority, we must not lose track of our other responsibilities. In the last 12 months, the number of AIDS cases reported in the United States has increased by 34 percent. Yet, the President has proposed to increase spending on AIDS by only 3.4 percent—responding at one-tenth of the need for increased resources. The AIDS epidemic will not stop its relentless course while we struggle with deficit reduction.

We must think about AIDS differently from other priorities, including health priorities. In terms of number of years of life lost before age 65, AIDS will surpass both cancer and heart disease this year. And remember, AIDS is a viral disease which was not identified until 10 years ago. Because of the continued public health threat of this epidemic, an emergency response is required.

Ironically, the AIDS epidemic began at the same time that Ronald Reagan assumed the Presidency. History will reveal that the Reagan administration reacted slowly and with inadequate resources.

I would like to close, Mr. Speaker, by focusing on a quote which was one of my favorites, but which was quoted to us recently by Bill Moyers in a speech in which he quoted George Bernard Shaw. George Bernard Shaw said that the sign of a truly educated person is that person's ability to be moved by statistics. I find the statistics associated with AIDS to be devastating, to be incredible, and to be as I mentioned before unacceptable.

I said in my beginning remarks, 200,000 cases, the reported cases in the United States, with 1 million Americans HIV-infected, 500,000 cases in the next years ahead, and 10 million around the world. Staggering statistics, but we must all be truly educated to these facts and statistics and show our intelligence by being moved by them, moved to action.

Certainly hearing the statistics is a move to compassion and concern, but those two attributes while motivating are no substitute for a positive program of action. I refer to the prospects of research, and I gave an optimistic view of it. I certainly do not think we have achieved enough in terms of making drugs available to those who need them for either a drug like AZT which is not a cure but helps people cope, or with finding the ultimate cure or vaccine for prevention.

Mr. Speaker, I would hope that if we had known what we were facing in 1981, we would have done a much better job as a nation to address the many challenges of the first decade of AIDS. Now we should know what the challenges are for the next decade of AIDS. We have no excuse if we do not redouble our efforts on all fronts—and shape more effective and more humane responses. AIDS affects all of us—and all of us must be part of the solution.

Mr. Speaker, I thank my colleagues for joining in this special order, both those who participated in person and those who submitted statements, and thank so many in the House who have championed the cause over the past 10 years. I would be in big trouble, Mr. Speaker, if I started naming these Members because it is impossible to do that.

Mr. MFUME. Mr. Speaker, I would like to thank the Honorable Congresswoman from California, NANCY PELOSI, for calling special orders on the strides that have been made and the challenges that confront us in the treatment of acquired immunodeficiency syndrome [AIDS].

Since the first AIDS case was reported by the Centers for Disease Control, this previously unknown disease has exploded into a national epidemic that has touched every segment of our society.

I am gravely concerned not only by the impact of AIDS on a global scale but also about the high incidence of AIDS among African-Americans—particularly among women and children.

For example, in my district of Baltimore, MD, there were 1,650 AIDS cases reported and more than two-thirds of those cases were African-Americans. Furthermore, a recent study conducted by the Johns Hopkins University indicates that over half of Marylanders eligible to receive AIDS drug therapy are unable to do so. This is due to either a lack of access to the health-care system or because they cannot afford the care. Although we have come a long way in our understanding and treatment of this fatal disease, medical discoveries will be for naught unless problems such as these are aggressively confronted and solved.

The United States is a Nation that spends 12.2 percent of its gross national product on health care—more than any industrialized nation. Yet we still find that over 33 million citizens are lacking basic health care. It has been estimated that if our health-care system could reduce by half the 24 cents out of every dollar it spends on administrative costs, all those without health insurance coverage could be insured. A greater emphasis needs to be focused by health-care providers and policymakers alike on solutions that will rectify such irregularities.

It is my strong belief that we cannot discuss intervention without first effectively educating those most at risk, tenaciously continuing research, and eliminating those barriers to the health-care system that typically prevent high-risk groups from obtaining adequate treatment.

I am fortunate to have been able to inform my constituency about AIDS through the use of my television program and newsletters and I will continue to support legislation aimed at finding a cure and preventing the spread of this dreadful disease.

Again, I appreciate being given the opportunity to comment on this issue.

Mr. OWENS of Utah. Mr. Speaker, several months ago a milestone passed—the Federal Centers for Disease Control announced that the U.S. death toll for AIDS had reached 100,000. In the next 3 years, the Centers for Disease Control predicts another quarter-million deaths will occur from AIDS. After accidental death, AIDS is the number one killer of men age 25 to 44. It is the fifth leading cause of death among women aged 15 to 44.

Over the last few years the AIDS epidemic has somewhat faded from public consciousness—unfortunately, however, the human immunodeficiency virus that causes AIDS is not going away. In fact, the AIDS virus will continue to spread at rapid rates unless immediate action is taken. A total of 55,460 Americans died of AIDS in 1989 and 1990—55,460—this figure amounts to more than died in the first 8 years of the epidemic.

Over the past decade, the pattern of who is infected with AIDS has changed. The AIDS epidemic has mainly been concentrated in large cities throughout our country. In smaller cities, however, the 1989 figures show that AIDS incidence grew approximately 4 times as fast as in the larger cities. Also most cases of AIDS victims were among gay men and IV users—now, however, new cases of AIDS among gay men rose by 11 percent compared to a 36-percent increase among heterosexuals and newborns. Presently, the female population is the fastest growing group of people with AIDS!

The fiscal year 1992 administration request for the AIDS budget, a 3.5-percent increase from fiscal year 1991, was the smallest increase requested by the administration in several years. Now is not the time to go backwards. Funding in education, prevention, and research must continue at appropriate levels to combat AIDS. I would like to thank congresswoman PELOSI and congressman STUDDS for holding this important special order and for bringing forth the attention this epidemic deserves.

Mrs. MORELLA. Mr. Speaker, I appreciate this opportunity to reflect on the AIDS epidemic over the past 10 years and to discuss our many priorities in this regard for the future. Congresswoman PELOSI has been a tireless advocate for persons with AIDS and their families, and I look forward to continuing to work with her to ensure adequate funding for AIDS research, treatment, education, and prevention programs.

When HIV/AIDS was first diagnosed, it was viewed as a disease primarily affecting gay men. In the past several years, however, the epidemic has spread rapidly throughout our population. Women are now the fastest growing group of persons with AIDS. The Centers for Disease Control predict that HIV/AIDS will be one of the five leading causes of death in women of reproductive age in the United States by the end of this year, and it will be the leading cause of death in African-American women by 1995.

While these statistics are startling, they do not even take into account the full scope of the AIDS epidemic in women, since the number of cases has been substantially undercounted. This undercount is due, in part, to the fact that low-income women often die before they are diagnosed with AIDS, or are diagnosed with AIDS-related diseases, but not with HIV disease. AIDS appears to manifest itself differently in women; women with HIV are prone to different opportunistic infections, such as reproductive tract infections and cervical cancer. And yet, most AIDS research, treatment, and prevention programs focus almost exclusively on men. The little research that has been done has focused primarily on the woman's role as the transmitter of the disease to children, rather than on women as individuals at risk of HIV.

As a result, there are virtually no studies to explore how HIV is transmitted to women, how HIV disease progresses in women, what treatments are most effective for women, and how physical and chemical barrier methods of HIV prevention, controlled by women, can be developed, tested and distributed to women at risk. To date, there is not one clinical trial designed to explore or address the specific clinical concerns of HIV-infected women.

I have introduced legislation to provide $10 million to fund a joint research initiative within NIH and ADAMHA to support both intramural and extramural research concerning HIV transmission, development, treatment, and prevention in women. The bill would also provide $6 million for expanded clinical trials involving AIDS treatment for women. Funding for these trials would be available for support services, such as child care and transportation, to enable low-income women to participate in clinical trials.

In addition to the need for research, there is also a critical need for preventive health services targeted to high-risk women, particularly because these women are often unaware of their risk status. A recent study conducted by the Centers for Disease Control indicated that approximately 80 percent of women who went to public clinics for the treatment of intravenous drug use or sexually transmitted diseases did not believe that they were at risk for HIV.

I have introduced a second bill to provide $10 million to develop innovative, community-based strategies for outreach, prevention, referral services, advocacy, and training targeted at reaching women at high risk for HIV. Such strategies would make use of organizations that already serve this population, such as women's services providers, community-based organizations, community health centers, family planning clinics, and drug abuse treatment providers.

If we are to reach high-risk women, we must develop programs that address cultural, linguistic, and economic factors that prevent women from seeking health services in general. The lack of child care or transportation are major barriers for women, and outreach programs must be based in community sites that are safe places for women and their children. The majority of the advocates and outreach workers should be women in the community who are recovering IV-drug users or peers of the women who are being recruited. These women need assistance in negotiating the system and they need support to stay within it. The AIDS epidemic among women cannot be separated from the social environment in which it predominantly occurs—one of inadequate health care, poverty, drug abuse, and unemployment.

Mr. Speaker, I commend the gentlewoman from California for scheduling this important special order. There are many priorities facing us as we enter the second decade of the AIDS epidemic. I urge my colleagues to work with us to address these challenges so that we can make it the last decade of the AIDS epidemic.

Mr. FAZIO. Mr. Speaker, I rise in commemoration of the 10th anniversary of the AIDS epidemic in the United States.

AIDS continues to spread at alarming rates. The threat continues to grow and the statistics are staggering. Although these statistics are becoming more widely known, they are worth repeating.

Over 174,000 cases of AIDS have been reported in the United States since June 1981. The Centers for Disease Control estimates that there will be approximately 60,000 newly diagnosed cases in 1991. Currently, at least 1 million Americans are HIV infected and 40,000 more of us are expected to become infected. As many as 2,000 babies will be born with the HIV infection this year.

Every day, about 125 people die of AIDS-related causes. Over 110,000 Americans have died of AIDS to date. By 1993, as many as 480,000 cases and 340,000 deaths are expected. AIDS is now the leading cause of death among men aged 30 to 44, among women aged 25 to 39 and among children age 1 to 4.

AIDS is our number one public health concern, and constitutes a national and international emergency. The need for measures to address the crisis in this country is greater than ever, as thousands are dying and enormous strains are being placed on our health care system and local communities. My own State of California has been particularly hard-hit, with the second highest rate of HIV infection in the country. Millions more will continue to be infected until adequate steps are taken to address the spread and treatment of AIDS. But ignorance continues to be our biggest obstacle in the search for a cure.

Education and research are key to conquering the AIDS epidemic. Focusing our efforts and resources on educating both high- and low-risk populations and on support of federally funded research projects will, I hope, move us closer to finding a remedy. Effective and compassionate legislation in support of these efforts is essential if we are to meet this crisis.

Mr. GREEN of New York. Mr. Speaker, first I should like to thank the gentlewoman from California [Ms. PELOSI] for calling this special order to mark the 10th anniversary of the AIDS epidemic.

It was approximately 10 years ago that a group of constituents met with me to talk about a mysterious disease that was killing gay men and the need for research to find out what was happening. It was obvious to me that their case was a compelling one and I joined with the gentleman from California [Mr. ROYBAL], who was also beginning to see the epidemic in his community, and approached the gentleman from Kentucky [Mr. NATCHER], the chairman of the Appropriations Subcommittee on Labor, Health and Human Services, and Education, and the gentleman from Massachusetts, the late Mr. Conte, its ranking minority member, to tell them of the AIDS epidemic and the need for research funds.

The distinguished chairman and ranking member of that subcommittee responded and we got the first appropriations to start the investigation of this epidemic and how to deal with it. Thanks to that initial investment and vastly increased funding in subsequent years, we now know how the disease is transmitted, and we also know some treatments for it. Unfortunately, we do not yet have either a vaccine or a cure, although we hope that further research will yield those results.

As that research continues, we must take care of the problems at hand. We must reaffirm the commitment to prevention and treatment services that we made when we passed the Ryan White CARE bill last year. At that time we recognized the need for prevention services to slow and hopefully stop the transmission of the human immunodeficiency virus, for early intervention services for those who are HIV-positive but are not yet afflicted by the disease and of course, for treatment of those who have full-blown AIDS. The Ryan White bill authorized $875 million for those much needed services and for the first time targeted some of those funds to the communities hardest hit by the AIDS epidemic.

Again, thanks to the foresight of the distinguished chairman from Kentucky Mr. NATCHER, money was set aside, at the request of 23 of my colleagues and me, in the Appropriations Subcommittee on Labor, Health and Human Services, and Education, in anticipation of enactment of the legislation. It was with great disappointment that we learned that the other body had not provided any funding for the CARE bill, making the struggle for full funding an uphill, and ultimately only partially successful battle in the House-Senate conference. As a member of the Appropriations Committee I am all too aware of the budgetary constraints that guide our funding decisions. However, after 9 years and the loss of thousands of lives to AIDS, none of us can afford to turn our backs on the AIDS crisis and the work that needs to be done. The problem that is now associated mostly with the large urban areas of the United States all too soon will be a problem in the suburbs and rural areas of this country. Already, since the Ryan White bill was passed last year, two more cities, Baltimore and Oakland, have been added to the list of targeted communities that need additional funds to deal with the AIDS crisis. How many more cities, towns, and villages will have to be added before we provide the resources that are needed to arrest this epidemic?

I suppose if there is one message that I wish to get across during this special order it is that we must not flag in our efforts to bring an end to this horrible epidemic because much remains to be done, even after 10 years. Let us renew our commitment to the fight against AIDS and back that commitment with adequate resources so that when we return here on June 4, 2001, we will do so to celebrate our victory over AIDS, rather than to mark the start of its third decade as a deadly epidemic.

GENERAL LEAVE

Ms. PELOSI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the matter of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SISISKY (at the request of Mr. GEPHARDT) for today and the balance of the week on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SANTORUM) to revise and extend their remarks and include extraneous material:)

Mr. BEREUTER, for 5 minutes, on June 4 and 5.

Mr. GINGRICH, for 60 minutes, on June 10, 11, 12, 13, 14, 17, 18, 19, 20, and 21.

Mr. WYLIE, for 5 minutes, today.

Mr. GEKAS, for 60 minutes, on June 6.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 60 minutes, on June 6.

Mr. RUSSO, for 60 minutes, on June 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DORNAN of California, on H.R. 1, in the Committee of the Whole today.

Mr. BROOKS to revise and extend his remarks prior to the vote on the Michel substitute in the committee today.

(The following Members (at the request of Mr. SANTORUM) and to include extraneous matter:)

Mr. CAMPBELL of California.
Mr. GOODLING.
Mr. LAGOMARSINO in two instances.
Mr. RHODES.
Mr. GILMAN in two instances.
Mr. BILIRAKIS in two instances.
Mr. KOLBE.
Mrs. MORELLA.
Mr. GEKAS.
Mr. BEREUTER.
Mr. WELDON in two instances.
Mr. GALLEGLY in two instances.
Ms. ROS-LEHTINEN.
Mr. MACHTLEY.
Mr. ROBERTS.
Mr. MICHEL.
Mr. DUNCAN.
Mr. GREEN of New York.
Mr. FIELDS.
Mr. MCEWEN in three instances.
Mr. SANTORUM.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. BEILENSON.
Mr. LANTOS in two instances.
Mr. BONIOR.
Mr. SISISKY.
Ms. SLAUGHTER of New York.
Mr. BROOKS.
Mr. CLAY.
Mr. SWETT.
Mr. DE LUGO.
Mr. CONYERS.
Mr. WISE.
Mr. ROE.
Mr. LUKEN.
Mr. MCMILLEN of Maryland.
Mr. ROSTENKOWSKI.
Mr. YATRON.
Mr. HOYER.
Mr. RANGEL.
Mr. NEAL of Massachusetts.
Mr. REED in two instances.
Mr. DIXON.
Mr. BILBRAY.
Mr. LIPINSKI.
Mr. KILDEE.
Mr. SMITH of Florida.
Mr. ENGEL in two instances.
Mr. WEISS.
Mr. DYMALLY.
Mr. WAXMAN.
Mr. BRYANT.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On June 3, 1991:

H.R. 831. An act to designate the Owens Finance Station of the United States Postal Service in Cleveland, OH, as the "Jesse Owens Building of the United States Postal Service."

H.R. 232. An act to amend title 38, United States Code, with respect to veterans programs for housing and memorial affairs, and for other purposes.

H.R. 2251. An act making dire emergency supplemental appropriations from contributions of foreign governments and/or interest for humanitarian assistance to refugees and displaced persons in and around Iraq as a result of the recent invasion of Kuwait and for peacekeeping activities, and for other urgent needs for the fiscal year ending September 30, 1991, and for other purposes.

ADJOURNMENT

Ms. PELOSI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 28 minutes p.m.), the House adjourned until Wednesday, June 5, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1446. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize the Secretary concerned to transport the remains of a dependent of a retired member of the Armed Forces when the dependent dies in a military medical treatment facility; to the Committee on Armed Services.

1447. A letter from the Director, Office of Thrift Supervision, transmitting the Office's report on the preservation of minority savings institutions, pursuant to Public Law 101-73, section 308 (103 Stat. 353); to the Committee on Banking, Finance and Urban Affairs.

1448. A letter from the Chairman, Consumer Product Safety Commission, transmitting the Commission's report on "Indoor Air Quality," pursuant to Public Law 101-608, section 202 (104 Stat. 3122); to the Committee on Energy and Commerce.

1449. A letter from the Department of Energy, transmitting the Department's report pursuant to section 120(e)(5) of the Comprehensive Environmental Response, Compensation, and Liability Act [CERCLA]; to the Committee on Energy and Commerce.

1450. A letter from the Secretary of Education, transmitting the semiannual report of the inspector general for the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1451. A letter from the Secretary of Health and Human Services, transmitting the semiannual report of the inspector general for the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2515, 2526); to the Committee on Government Operations.

1452. A letter from the Secretary of Transportation, transmitting the semiannual report of the office of inspector general for the period ended March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1453. A letter from the Chairman, Consumer Product Safety Commission, transmitting the semiannual report of activities of the inspector general covering the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1454. A letter from the Department of Justice, transmitting the semiannual report of the inspector general for the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2515, 2526); to the Committee on Government Operations.

1455. A letter from the Administrator, General Services Administration, transmitting the semiannual report of the inspector general for the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1456. A letter from the Director, Office of Personnel Management, transmitting the semiannual report of the inspector general and the management response for the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2515, 2526); to the Committee on Government Operations.

1457. A letter from the Inspector General, U.S. Information Agency, transmitting the semiannual report of the inspector general covering the period October 1, 1990 through March 31, 1991, pursuant to Public Law 99-399, section 412(a); to the Committee on Government Operations.

1458. A letter from the U.S. Soldiers' and Airmen's Home, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1990, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

1459. A letter from the Deputy Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation to provide for increases in authorization ceilings for land acquisition and development in certain units of the National Park Service and for operations of the Volunteers in Parks Program, and for other purposes; to the Committee on Interior and Insular Affairs.

1460. A letter from the Federal Prison Industries, Inc., Department of Justice, transmitting the fiscal year 1990 annual report of the board of directors of Federal Prison Industries, Inc., pursuant to 18 U.S.C. 4127; to the Committee on the Judiciary.

1461. A letter from the Secretary, the Foundation of the Federal Bar Association, transmitting a copy of the association's audit report for the fiscal year ending September 30, 1990, pursuant to 36 U.S.C. 1101(22), 1103; to the Committee on the Judiciary.

1462. A letter from the Assistant Secretary, Civil Works, Department of the Army, transmitting the report on the feasibility of navigation improvements for the York and Pamunkey Rivers, VA; to the Committee on Public Works, and Transportation.

1463. A letter from the Assistant Secretary, Civil Works, Department of the Army, transmitting a copy of a report entitled, "A Review of the U.S. Army Corps of Engineers Selection and Evaluation Process for Water Resources Development Projects"; to the Committee on Public Works and Transportation.

1464. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend expiring laws authorizing the Department of Veterans Affairs to establish nonprofit research corporations, to contract for alcohol or drug treatment services, to make State home grants, to contract for the care of United States veterans in the Philippines, to furnish adult day health care services, and for other purposes; to the Committee on Veterans' Affairs.

1465. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to authorize the Secretary of Veterans Affairs to remove any restrictions and conditions on land conveyed by the VA to Temple Junior College, Temple, TX; to the Committee on Veterans' Affairs.

1466. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to authorize the Secretary of Veterans Affairs to accept gifts for the benefit of all Departmental programs; to the Committee on Veterans' Affairs.

1467. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to improve the collection of special occupational taxes from retail dealers in distilled spirits, wines, and beer; to the Committee on Ways and Means.

1468. A letter from the Secretary of Labor, transmitting the Department's annual report on black lung benefits during calendar year 1989, pursuant to 30 U.S.C. 936(b); jointly, to the Committee on Education and Labor and Ways and Means.

1469. A letter from the Nuclear Waste Technical Review Board, transmitting the Board's finding, conclusions, recommendations relating to high-level radioactive waste or spent nuclear fuel, pursuant to 42 U.S.C. 10268; jointly, to the Committee on Energy and Commerce and Interior and Insular Affairs.

1470. A letter from the Assistant Secretary of State for Legislative Affairs; transmitting a report on the transfer of property to the Republic of Panama under the Panama Canal Treaty of 1977 and related agreements, pursuant to 22 U.S.C. 3784(d) jointly, to the Committee on Foreign Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPIN: Committee on Armed Services. H.R. 2038. A bill to authorize appropriations for fiscal year 1992 for intelligence activities of the U.S. Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. 102–65, Pt.2). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURTHA: Committee on Appropriations. H.R. 2521. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102–95). Referred to the Committee of the Whole House on the State of the Union.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 2508, a bill to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate the act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes (Rept. 102–96). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HUGHES:

H.R. 2520. A bill to provide that law enforcement officers and other Federal employees in southern New Jersey be treated, for purposes of certain pay provisions of the Federal Employees Pay Comparability Act of 1990, in the same manner as if they were serving in the New York-Northern New Jersey-Long Island, NY–NJ–CT Consolidated Metropolitan Statistical Area; to the Committee on Post Office and Civil Service.

By Mr. MURTHA:

H.R. 2521. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

By Mr. BRYANT:

H.R. 2522. A bill to provide that the compensation paid to certain corporate officers shall be treated as a proper subject for action by security holders, to require certain disclosures regarding such compensation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. CAMPBELL of California (for himself, Mr. Gingrich, Mr. Lewis of California, and Mr. DeLay):

H.R. 2523. A bill to ensure the competitiveness of the United States in the world economy, jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. CONYERS (for himself, Mr. Brooks, and Mr. Hamilton):

H.R. 2524. A bill to provide accountability in the use of Presidential directives, and for other purposes; to the Committee on Government Operations.

By Mr. MONTGOMERY (for himself and Mr. Stump):

H.R. 2525. A bill to amend title 38, United States Code, to codify the provisions of law relating to the establishment of the Department of Veterans Affairs, to restate and reorganize certain provisions of that title, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MRAZEK:

H.R. 2526. A bill to award congressional gold medals to Frank Capra, James Stewart, and Fred Zinnemann; to the Committee on Banking, Finance and Urban Affairs.

By Mr. RANGEL:

H.R. 2527. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of Blue Cross and Blue Shield organizations; to the Committee on Ways and Means.

By Mr. RINALDO (for himself, Mr. Roybal, Mr. Michel, Mr. Gingrich, Mr. Lewis of California, Ms. Oakar, Mr. Archer, Mr. Lent, Mr. Hughes, Mr. Edwards of Oklahoma, Mr. Hunter, Mr. DeLay, Mr. Wolf, and Mr. Smith of New Jersey):

H.R. 2528. A bill to amend the Internal Revenue Code of 1986 to encourage the coverage of older Americans by private long-term care insurance; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 2529. A bill to amend title 23, United States Code, to provide for a maximum speed limit of 65 miles per hour on all highways located outside of urbanized areas; to the Committee on Public Works and Transportation.

By Mr. SANDERS:

H.R. 2530. A bill to assist and encourage the development through the States of a system of universal comprehensive health care; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. SAWYER:

H.R. 2531. A bill to amend title XI of the Higher Education Act of 1965 in order to encourage urban educational institutions to form partnerships to use their knowledge and resources for the solution of severe urban problems; to the Committee on Education and Labor.

By Mr. STALLINGS:

H.R. 2532. A bill to amend the Internal Revenue Code of 1986 to permit certain trusts to be shareholders in subchapter S corporations; to the Committee on Ways and Means.

By Mr. SWIFT:

H.R. 2533. A bill to increase and index the Presidential Election Campaign Fund income tax check off amounts, to clarify and realign the priority of expenditures from such fund, and for other purposes; jointly, to the Committees on Ways and Means and House Administration.

By Mr. CARDIN:

H.R. 2534. A bill to amend title XVIII of the Social Security Act to impose standards relating to the prevention of fraud and abuse on suppliers of durable medical equipment under part B of the Medicare program, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. WAXMAN:

H.R. 2535. A bill to amend the Social Security Act to assure universal access to health insurance for basic health services in the United States through qualified employer health plans and a public health insurance plan, to contain costs and assure quality in the provision of health services, to reform the provision of health insurance to small employers, and for other purposes; jointly, to the Committees on Energy and Commerce, Ways and Means, and Education and Labor.

By Mr. HUCKABY (for himself, Mr. English, Mr. Emerson, Mr. Alexander, Mr. Anthony, Mr. Combest, Mr. Hatcher, Mr. Hayes of Louisiana, Mr. Holloway, Mr. McCrery, Mr. Parker, Mr. Skelton, Mr. Tanner, and Mr. Taylor of Mississippi):

H.R. 2536. A bill entitled the "Disaster Assistance Act of 1991"; to the Committee on Agriculture.

By Mr. MORAN:

H.R. 2537. A bill to ensure that law enforcement officers and agencies are responsive to the public by establishing minimum standards designed to promote effective and responsible policing and to provide for the rights of law enforcement officers and citizens in alleged cases of police misconduct; to the Committee on the Judiciary.

By Mr. PETERSON of Florida:

H.R. 2538. A bill to amend the Federal Water Pollution Control Act; jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

By Mr. SMITH of New Jersey:

H.R. 2539. A bill to designate the Federal Building and U.S. Courthouse located at 402 East State Street in Trenton, NJ, as the "Clarkson S. Fisher Federal Building and U.S. Courthouse"; to the Committee on Public Works and Transportation.

By Mr. STUDDS (for himself, Mr. Beilenson, Mr. Hertel, Mr. Manton, Mrs. Unsoeld, Mr. Jefferson, Mr. Costello, Mr. Frank of Massachusetts, Mr. Gejdenson, Mr. Gordon, Mr. Johnston of Florida, Mr. Kostmayer, Mr. Mfume, Mr. Peterson of Florida, and Mr. Wilson):

H.R. 2540. A bill to promote the conservation of wild exotic birds by ending imports of exotic birds for the pet trade; jointly, to the Committees on Ways and Means, Energy and Commerce, and Merchant Marine and Fisheries.

H.R. 2541. A bill to promote the conservation of exotic wild birds by curtailing imports of wild caught birds for the pet trade; jointly, to the Committees on Ways and Means, Foreign Affairs, Merchant Marine and Fisheries, Agriculture, and Energy and Commerce.

By Mr. TORRICELLI:

H.R. 2542. A bill to amend title 23, United States Code, to require States to adopt the uniform system for handicapped parking established by the Secretary of Transportation and recognize the parking stickers for certain individuals with disabilities of other States; to the Committee on Public Works and Transportation.

By Mr. TRAFICANT:

H.R. 2543. A bill to amend the Trade Agreements Act of 1979 to authorize the U.S. Trade Representative to rescind any waiver of requirements of the Buy American Act with respect to products purchased from foreign countries that discriminate against certain domestically produced products; to the Committee on Ways and Means.

By Mr. HOYER (for himself, Mr. PORTER, Mr. FASCELL, Mr. FEIGHAN, Mr. RICHARDSON, Mr. RITTER, Mr. SMITH of New Jersey, Mr. WOLF, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ANNUNZIO, Mr. BEREUTER, Mr. BERMAN, Mr. BLILEY, Mr. BONIOR, Mr. DEFAZIO, Mr. ECKART, Mr. ENGEL, Mr. FOGLIETTA, Mr. GILMAN, Mr. GUARINI, Mr. HERTEL, Mr. HOCHBRUECKNER, Mr. HORTON, Mrs. JOHNSON of Connecticut, Mr. JONES of Georgia, Mr. KOLTER, Mr. LAFALCE, Mr. LEHMAN of Florida, Mr. LENT, Mr. MAVROULES, Mr. OWENS of Utah, Mr. PAYNE of New Jersey, Mr. RANGEL, Mr. ROE, Ms. SLAUGHTER of New York, Mr. SWETT, and Mr. HUGHES):

H.J. Res. 264. Joint resolution designating August 1, 1991, as "Helsinki Human Rights Day"; jointly, to the Committee on Post Office and Civil Service and Foreign Affairs.

By Mr. HUCKABY:

H.J. Res. 265. Joint resolution proposing an amendment to the Constitution of the United States to provide that expenditures for any fiscal year shall not exceed receipts for the fiscal year; to the Committee on the Judiciary.

By Mr. HOYER:

H. Con. Res. 162. Concurrent resolution to express the sense of the Congress that the President should consider certain factors in 1992 before recommending extension of the waiver authority under section 402(c) of the Trade Act of 1974 with respect to the Union of Soviet Socialist Republics; to the Committee on Ways and Means.

By Mrs. BOXER:

H. Res. 164. Resolution expressing the sense of the House of Representatives that the Congress should act now to end the AIDS epidemic; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

162. The SPEAKER presented a memorial of the Senate of the State of Louisiana, relative to England Air Force Base; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 or rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 53: Mr. ACKERMAN.

H.R. 123: Mr. ERDREICH, Mr. PARKER, Mr. MCCRERY, and Mr. DORNAN of California.

H.R. 289: Mr. FALEOMAVAEGA, Mr. FROST, Ms. KAPTUR, Mr. LEWIS OF GEORGIA, Mr. MFUME, Mr. MRAZEK, and Mr. WALSH.

H.R. 290: Mr. COSTELLO, Mr. FEIGHAN, Mr. JACOBS, Ms. WATERS, and Mr. WEISS.

H.R. 291: Mr. BENNETT, Mr. COSTELLO, Mr. EMERSON, Mr. FROST, Mr. HERGER, Mr. JEFFERSON, and Mr. SCHEUER.

H.R. 292: Ms. WATERS.

H.R. 300: Mr. RIGGS.

H.R. 303: Mr. ORTIZ, Mr. RAMSTAD, and Mr. HOCHBRUECKNER.

H.R. 304: Mr. KILDEE, Mr. LAGOMARSINO, Mr. RAMSTAD, Mr. FAZIO, and Mr. JOHNSON of South Dakota.

H.R. 310: Mr. HERTEL, Mr. INHOFE, Mr. PACKARD, and Mr. CAMPBELL of Colorado.

H.R. 317: Mr. SHAYS and Mrs. COLLINS of Michigan.

H.R. 327: Mr. PETERSON of Florida.

H.R. 373: Mr. BILBRAY, Mr. CLAY, Mr. DELLUMS, Mr. DIXON, Mr. ESPY, Mr. EVANS, Mr. GRAY, Mr. JONES of Georgia, Mr. RANGEL, Ms. NORTON, Mr. PAYNE of New Jersey, Mr. SAVAGE, Mr. SERRANO, and Mr. TORRES.

H.R. 381: Mr. MOODY, Mr. LAFALCE, Mr. PAXON, Mr. SMITH of New Jersey, and Mr. ASPIN.

H.R. 576: Mr. WOLPE, Mr. MCMILLEN of Maryland, Mr. BOUCHER, and Mr. BORSKI.

H.R. 642: Mr. JENKINS and Mr. LUKEN.

H.R. 643: Ms. SLAUGHTER of New York.

H.R. 739: Mr. GILLMOR.

H.R. 766: Mr. MINETA.

H.R. 786: Mr. MARKEY and Mr. MACHTLEY.

H.R. 816: Mr. JONTZ.

H.R. 951: Mr. CLEMENT, Mr. BACCHUS, Mr. MARLENEE, and Mr. SOLOMON.

H.R. 999: Mr. KOLTER, and Mr. TAYLOR of Mississippi.

H.R. 1007: Mr. OWENS of Utah, Mr. FRANKS of Connecticut, Mr. LIPINSKI, Mr. MCMILLEN of Maryland, and Mr. ESPY.

H.R. 1048: Mr. BEVILL.

H.R. 1067: Ms. SNOWE, Mr. AUCOIN, Mr. DUNCAN, Mr. SAXTON, Mr. ROSE, Mrs. LOWEY of New York, Mr. BATEMAN, Mr. WALSH, Mr. SAVAGE, Mr. BRUCE, Mr. COX of Illinois, Mr. RHODES, Mr. PORTER, Mr. FEIGHAN, Mr. PACKARD, Mr. BROWDER, Mr. NAGLE, Mr. FAZIO, Mr. UPTON, Mr. HANSEN, Mr. COSTELLO, Mr. EVANS, Mr. SOLARZ, Mr. MCNULTY, Mr. SENSENBRENNER, Mr. HAYES of Illinois, Mr. SOLOMON, and Mr. BACCHUS.

H.R. 1072: Mr. JEFFERSON, Mr. MACHTLEY, and Mr. DIXON.

H.R. 1073: Mr. JEFFERSON, Mr. MACHTLEY, and Mr. DIXON.

H.R. 1120: Mr. OWENS of Utah.

H.R. 1128: Mr. FEIGHAN and Mr. JACOBS.

H.R. 1129: Mr. BEREUTER, Mr. CARPER, Mr. FEIGHAN, and Mr. JACOBS.

H.R. 1155: Mr. RAVENEL and Mrs. BENTLEY.

H.R. 1168: Mr. GORDON and Mr. ARMEY.

H.R. 1188: Mr. TAYLOR of Mississippi, Mrs. UNSOELD, Mr. GINGRICH, Mr. FRANK of Massachusetts, and Mr. FISH.

H.R. 1222: Mrs. LOWEY of New York, Mr. BROWN, and Mr. HOCHBRUECKNER.

H.R. 1325: Mr. BRUCE, Mr. ANTHONY, Mr. JONTZ, and Mr. ENGLISH.

H.R. 1341: Mr. HOYER.

H.R. 1346: Mr. RIGGS, Mr. NEAL of North Carolina, Mr. SERRANO, and Mr. MORAN.

H.R. 1360: Mr. LAFALCE, Mr. PETERSON of Florida, Mr. JOHNSON of South Dakota, Mr. MACHTLEY, Mr. MARKEY, and Mr. KOSTMAYER.

H.R.1363: Mr. LIVINGSTON.

H.R. 1406: Ms. LONG, Mr. SANGMEISTER, Ms. ROS-LEHTINEN, Mr. CAMP, Mr. KOPETSKI, Mr. WOLPE, Mr. WALKER, Mr. NEAL of North Carolina, Ms. NORTON, Mr. RAVENEL, Mr. BUSTAMANTE, and Mr. TANNER.

H.R. 1418: Mr. HOBSON.

H.R. 1450: Mr. SHARP, Mr. VALENTINE, Mr. CONDIT, and Mr. ASPIN.

H.R. 1454: Mr. MURPHY, Mr. MINETA, Mr. JOHNSON of South Dakota, Mr. JONES of Georgia, Mr. BRYANT, Mr. DARDEN, Mr. MCMILLEN of Maryland, Mr. BUSTAMANTE, and Mr. MATSUI.

H.R. 1458: Mr. SOLOMON.

H.R. 1473: Mr. MATSUI, Mr. BROWDER, and Mr. GALLEGLY.

H.R. 1516: Mr. GILLMOR, Mr. JONES of Georgia, Mr. WILLIAMS, and Mr. HEFNER.

H.R. 1531: Mr. GEJDENSON and Mr. MOORHEAD.

H.R. 1539: Mr. BILBRAY, Mr. CONDIT, Mr. ESPY, and Mr. JONTZ.

H.R. 1541: Mr. WALSH.

H.R. 1552: Ms. DELAURO.

H.R. 1566: Mrs. JOHNSON of Connecticut, Mr. LIGHTFOOT, Mr. THOMAS of Georgia, Mr. JONES of Georgia, Mr. PETERSON of Florida, Mrs. UNSOELD, Mr. LEHMAN of Florida, Mr. BEREUTER, and Mr. GEJDENSON.

H.R. 1573: Mr. BACCHUS, Mr. JOHNSTON of Florida, Mr. ROGERS, Mr. ESPY, Mr. MYERS of Indiana, Mrs. LLOYD, Mr. JONES of Georgia, and Mr. JONES of North Carolina.

H.R. 1599: Mr. BONIOR, Mr. LEWIS of Florida, Mr. JENKINS, Mr. MCCANDLESS, and Mr. DINGELL.

H.R. 1635: Mr. STALLINGS, Mrs. MORELLA, and Mr. PANETTA.

H.R. 1643: Mr. BILBRAY and Mr. LIPINSKI.

H.R. 1669: Mr. WHEAT and Mr. CAMPBELL of Colorado.

H.R. 1694: Mr. JONTZ, Mr. TRAFICANT, Mr. HOCHBRUECKNER, Mr. ANDREWS of New Jersey, Mr. SANDERS, Ms. NORTON, Mr. FROST, and Ms. KAPTUR.

H.R. 1707: Ms. DELAURO, Mr. GRANDY, Mr. MARTINEZ, Mr. DWYER of New Jersey, and Mr. INHOFE.

H.R. 1717: Mr. SMITH of Florida.

H.R. 1771: Mr. ANDREWS of New Jersey, Mrs. COLLINS of Illinois, Mr. COLEMAN of Missouri, Mr. FAWELL, Mr. GILLMOR, Mr. HENRY, Mr. HUBBARD, Mr. KOLTER, Mr. KOPETSKI, Mr. LANCASTER, Mr. MCEWEN, Mrs. MINK, Mr. OXLEY, Mr. RAHALL, Mr. TAUZIN, and Mr. THOMAS of California.

H.R. 1774: Mr. DIXON and Mr. STAGGERS.

H.R. 1791: Mr. EMERSON, Mr. FROST, Mr. MILLER of Ohio, and Mr. ECKART.

H.R. 1809: Mr. SHAYS, Mr. FIELDS, Mr. ANDERSON, Ms. ROS-LEHTINEN, Mr. INHOFE, Mr. BILBRAY, Mr. GILLMOR, and Mr. LIGHTFOOT.

H.R. 1900: Mr. TAYLOR of Mississippi, Mr. SANGMEISTER, and Mr. JENKINS.,

H.R. 2029: Mr. VENTO, Mr. KENNEDY, and Mr. REED.

H.R. 2030: Mr. KOLTER.

H.R. 2086: Mr. DAVIS, Mr. FRANK of Massachusetts, Mr. JEFFERSON, and Mr. BORSKI.

H.R. 2089: Mr. DWYER of New Jersey and Mr. JOHNSTON of Florida.

H.R. 2109: Mrs. BYRON, Mr. MACHTLEY, Mr. LOWERY of California, Mrs. UNSOELD, Mr. SCHEUER, and Mr. FALEOMAVAEGA.

H.R. 2114: Mr. VENTO and Mr. SERRANO.

H.R. 2152: Mr. CONDIT.

H.R. 2197: Mr. ANDREWS of New Jersey and Mr. KLUG.

H.R. 2246: Mrs. BOXER and Mr. FROST.

H.R. 2248: Mr. MARKEY and Mr. MILLER of Washington.

H.R. 2258: Mr. ABERCROMBIE, Mr. HUGHES, and Ms. LONG.

H.R. 2280: Mr. PETERSON of Florida.

H.R. 2336: Mr. SENSENBRENNER, Mr. MCEWEN, and Mr. DWYER of New Jersey.

H.R. 2387: Mr. GILCHREST.

H.R. 2407: Mr. ZIMMER, Mr. McCLOSKEY, Mr. BROWDER, Mr. BEVILL, Mr. SLAUGHTER of Virginia, Mr. DORNAN of California, Mr. COLEMAN of Texas, Mr. HAYES of Louisiana, Mr. ANDREWS of New Jersey, Mrs. UNSOELD, Mr. CONDIT, Mr. PICKLE, Mrs. MEYERS of Kansas, Mr. MARKEY, Mr. FISH, Mr. DWYER of New Jersey, Mr. STAGGERS, Mr. MINETA, Mr. BILIRAKIS, Mr. DeLAY, Mr. DARDEN, Mr. RINALDO, Mr. BREWSTER, Mr. ANDREWS of Texas, Mr. MONTGOMERY, and Mr. LUKEN.

H.R. 2408: Mr. LIPINSKI.

H.R. 2448: Mr. ANNUNZIO, Mr. BROWDER, Mr. BROWN, Mr. BUSTAMANTE, Mr. CHANDLER, Mr. DOWNEY, Mr. ENGEL, Mr. EVANS, Mr. FIELDS, Mr. FROST, Mr. GORDON, Mr. INHOFE, Mrs. KENNELLY, Mr. LANTOS, Mr. LEWIS of California, Mr. MATSUI, Mr. McCOLLUM, Mr. McMILLAN of North Carolina, Mr. PENNY, Mr. PICKLE, Mr. SKAGGS, Mr. SUNDQUIST, Mr. VOLKMER, Mr. YOUNG of Alaska, and Mr. JOHNSON of South Dakota.

H.R. 2463: Mr. DeFAZIO, Mr. WILLIAMS, and Mr. JEFFERSON.

H.J. Res. 23: Mr. BARNARD, Mr. BENNETT, Mr. BORSKI, Mr. DE LA GARZA, Mr. DICKINSON, Mr. DYMALLY, Mr. EARLY, Mr. FORD of Tennessee, Mr. GRANDY, Mr. HENRY, Mr. JOHNSON of South Dakota, Mr. McCLOSKEY, Mr. McCOLLUM, Mr. MICHEL, Mr. MILLER of Washington, Mr. NEAL of Massachusetts, Mr. PACKARD, Mr. RAVENEL, Mr. RAY, Mr. ROE, Mr. ROSE, Mr. SAWYER, Mr. SHARP, Mr. WELDON, and Mr. WHITTEN.

H.J. Res. 28: Mr. GOODLING, Mr. RAVENEL, and Mr. WILSON.

H.J. Res. 69: Mr. TORRES, Mr. NAGLE, Mrs. LOWEY of New York, Mr. COX of California, Mr. RAMSTAD, Mr. WYLIE, and Mr. LEACH.

H.J. Res. 91: Mr. FAWELL, Mr. CALLAHAN, Mr. EMERSON, Mr. POSHARD, Mr. HERTEL, Mr. LEACH, Mr. LEWIS of California, Mr. McDADE, Mrs. MEYERS of Kansas, Mr. KLUG, Mr. McCOLLUM, Mr. SHARP, Mr. YATRON, Mr. MARTIN, Mr. SWIFT, Mrs. VUCANOVICH, Mrs. COLLINS of Michigan, Ms. HORN, Mr. CHANDLER, and Mr. KILDEE.

H.J. Res. 95: Mr. JACOBS, Mr. PALLONE, Mr. PURSELL, Mr. DYMALLY, Mr. DIXON, Mrs. COLLINS of Illinois, and Mr. PETERSON of Florida.

H.J. Res. 106: Mr. SOLOMON.

H.J. Res. 123: Mr. SKELTON, Mr. NEAL of Massachusetts, Mr. KLECZKA, Mr. MAVROULES, and Mr. RIGGS.

H.J. Res. 130: Mr. MARKEY, Mr. TRAXLER, Mr. GRANDY, Mr. CARDIN, Mr. LUKEN, Mr. AuCOIN, Mr. ROSE, and Mr. LAUGHLIN.

H.J. Res. 180: Mr. ABERCROMBIE, Mr. CALLAHAN, Mr. CAMP, Mr. DICKINSON, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HUTTO, Mr. MAVROULES, MR. McCLOSKEY, Mrs. MORELLA, Mr. PORTER, Mr. RAY, and Mr. ROSE.

H.J. Res. 219: Mr. JONTZ, Mr. ANDREWS of Maine, Mr. AuCOIN, Mr. COUGHLIN, Mr. FROST, Ms. HORN, Mr. WAXMAN, Mr. DE LA GARZA, Mr. SAWYER, Mr. HUTTO, Mr. STARK, Mr. JOHNSON of South Dakota, Mr. BEVILL, Mr. BORSKI, Mr. BREWSTER, Mrs. COLLINS of Michigan, Mr. ERDREICH, Mr. HATCHER, Mr. EDWARDS of Texas, Mr. SYNAR, Mr. SKAGGS, Mr. WELDON, Mr. SOLARZ, Mr. HENRY, and Mr. DeFAZIO.

H.J. Res. 242: Mr. SPRATT, Mr. TALLON, Mr. THOMAS of Wyoming, Mr. TRAFICANT, Mr. VALENTINE, and Mr. YATRON.

H.J. Res. 257: Mr. BILBRAY, Mr. BOUCHER, Mr. CHANDLER, Mr. DELLUMS, Mr. DE LUGO, Mr. EMERSON, Mr. ERDREICH, Mr. FASCELL, Mr. GEKAS, Mr. HEFNER, Mr. JONTZ, Mr. KOLTER, Mr. LIPINSKI, Mr. McMILLEN of Maryland, Mr. MFUME, Ms. MOLINARI, Ms. OAKAR, Mr. PAXON, Ms. PELOSI, Mr. PURSELL, Mrs. ROUKEMA, Mr. STARK, Mr. STOKES, Mr. TALLON, and Mrs. VUCANOVICH.

H. Con. Res. 35: Mr. NEAL of North Carolina.

H. Con. Res. 43: Mr. GONZALEZ.

H. Con. Res. 65: Mr. SMITH of New Jersey.

H. Con. Res. 105: Mr. ECKART, Mr. HARRIS, Mr. MACHTLEY, and Mr. PORTER.

H. Con. Res. 146: Mr. GILLMOR and Mr. LANCASTER.

H. Res. 87: Mr. BALLENGER, Mr. DANNEMEYER, Mr. TRAFICANT, and Mr. EDWARDS of Oklahoma.

H. Res. 116: Mr. GONZALEZ, Mrs. LOWEY of New York, Mr. NAGLE, Mr. VENTO, and Mr. FISH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 392: Mr. McNULTY.

H.R. 1790: Mr. GLICKMAN.

EXTENSIONS OF REMARKS

TRIBUTE TO ETHEL L. PAYNE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. DYMALLY. Mr. Speaker, I rise today with a great deal of sadness as I mourn the death of Ms. Ethel Payne. Ethel Payne is considered by many to be the "first lady" of the black press. I can recall reading her articles in the Chicago Defender and the Pittsburgh Courier. These black publications were the major sources of news for the black community.

Mr. Speaker, to say that Ethel Payne was a seasoned journalist is indeed an understatement. Ethel Payne was literally on the front line when African-American journalists weren't recognized in standard journalistic circles. In fact, she was the first black women to serve as a commentator to appear on network television. Ms. Payne covered two wars and the administrations and campaigns of six Presidents. She was particularly known for her sensitive handling of international affairs. Ms. Payne reported from 30 countries and interviewed leaders on 6 continents.

Mr. Speaker, fortunately the written works of Ethel Payne continue to live. Her papers are found in collections in the New York Library system and Howard University. Her spoken words were recorded by the Washington Press Club Foundation for their oral history project.

Ms. Payne was a native of Chicago and a graduate of Northwestern University. She has served as a visiting professor of journalism at Fisk University and Jackson State University and was a former Ford Foundation fellow. She is a past president of the prestigous Capitol Press Club.

Ms. Payne will always be remembered for her elegance and her strong sense of commitment to helping those who couldn't help themselves. Ms. Payne proudly served on the Board of Africare, an organization dedicated to relief on the Continent of Africa.

Mr. Speaker, I'm glad to have been privleged enough to know Ethel Payne and our society is better because she passed this way.

I express my deepest sympathies to the family and friends of Ethel Payne. Although she is gone, the quest for equality continues. Ethel, we won't give up the fight.

JUNE 4, 1991: HEALTH CARE RECRUITER RECOGNITION DAY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mrs. MORELLA. Mr. Speaker, I am pleased to rise today to join the National Association for Health Care Recruitment in proclaiming today, June 4, 1991, Health Care Recruiter Recognition Day.

As we all know, the quality of our Nation's health care depends on much more than the technology and the material resources which we put into it. Rather, it depends on those individuals who dedicate their professional lives to medicine; nurses, physicians, physical therapists, pharmacists, occupational therapists, and other professionals. These are the individuals on whom we have come to depend for efficient and effective health care.

Recruiting bright, motivated professionals to the health care field is thus of crucial importance. In this regard, the National Association for Health Care Recruitment, under the leadership of Gail Glasser, has been especially important. NAHCR, which is composed mainly of registered nurses, has been extremely active and highly successful in its efforts to attract the most qualified individuals to the health care profession.

This year, NAHCR's 16th, has been proclaimed "The Year of the Recruiter." It is a year in which we celebrate the skill, motivation, and dedication of health care recruiters across the country. Without them, our health care system would certainly suffer I am grateful to all of the individual recruiters who have worked so diligently during the past year, and I am pleased to salute them all on National Health Care Recruiter Recognition Day.

A SALUTE TO THE ANGELES NATIONAL FOREST

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. GALLEGLY. Mr. Speaker, it is an honor to rise today to honor our national forests during their centennial year, and to pay special recognition to the Angeles National Forest, California's first national forest.

As many of my colleagues know, after Congress established the Forest Reserve Act, the Yellowstone Park Timber Land Reserve was established just outside Yellowstone National Park on March 30, 1891. That reserve is now part of the Shoshone and Teton National Forests. A year later, the San Gabriel Forest Reserve, now Angeles National Forest, was established.

Today, the 155 national forests around the Nation indeed serve as lands of many uses. Millions of Americans each year camp, hike, fish, ski, and picnic in our forests. In addition, the timber from these forests—harvested carefully and scientifically—has gone into millions of homes. And through the careful management of the U.S. Forest Service, watersheds and wildlife have been protected and allowed to flourish.

Because of the foresight of Americans a century ago, these forest lands are here today for all of us. I am confident that they will be here a century from now as well, continuing to benefit our grandchildren and great-grandchildren as they have enriched our lives in so many ways.

Open houses will be held in the Angeles National Forest on June 14, 15 and 16 to mark the centennial and to demonstrate how the forest is protected and what animal and plant species live there. I ask my colleagues to join me in honoring our forests and in celebrating 100 years of use and enjoyment.

PRAISING THE TESTIMONY OF DR. JAMES RENIER, CHAIRMAN AND CEO OF HONEYWELL, INC., BEFORE THE COMMITTEE ON WAYS AND MEANS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. RANGEL. Mr. Speaker, I would like to share with the House the very perceptive and forward thinking testimony given today before the Committee on Ways and Means by one of our Nation's prominent business leaders, Dr. James Renier, chairman and CEO of Honeywell, Inc. Dr. Renier was testifying during hearings to examine factors affecting U.S. international competitiveness. He made it abundantly clear that our Nation cannot be competitive without recognizing that we must invest in our children. It is not enough to improve our schools, Dr. Renier declared we must insure a foundation for that education. I hope that all my colleagues will read Dr. Renier's testimony and give heed to his plea:

STATEMENT BY DR. JAMES J. RENIER, CHAIRMAN AND CEO, HONEYWELL, INC.

Mr. Chairman, I appreciate the opportunity to testify on the ability of American companies to compete successfully in world commerce. I appear in two capacities: as the Chairman and CEO of one of those companies, Honeywell, headquartered in Minneapolis; and as a Vice Chairman of the Committee on Economic Development and Chairman of its Subcommittee on Education and Child Development.

I can speak for a broad segment of business in thanking the committee for taking up this critical issue. You have observed, Mr. Chairman, that there was a time when "there was little reason to focus on opening foreign markets and encouraging domestic firms to sell abroad." But, as you said, "Those days are gone forever."

Speaking for Honeywell, we are a stronger international competitor today as a result of fundamental restructuring that began in 1986. But we are concerned about the strength of American industry in general. In my own industry, for example, domestic competition has changed considerably. Bailey Controls is now owned by IRI, an Italian firm. Robertshaw, Foxboro and Barber-Coleman have been acquired by Siebe of the U.K. And others are now owned by foreign interests.

My education and much of my business experience is in technology, and I can best contribute to the Committee's investigation by offering some observations on the function of technology in international competition.

Global competitors, like Honeywell, depend on at least five leverage points: cost of capital, productivity, scale of production, global distribution and technology. Our ability to compete in terms of capital and production relies heavily on our ability to take a long-term view of the development, protection and utilization of technology.

Let me begin with utilization. America is still a world leader in computer-aided engineering, artifical intelligence, software engineering, computer-integrated manufacturing. These technologies, and others, can produce competitive gains if we utilize them effectively. That requires skilled people who can work in this high-tech environment.

Today's jobs require a median of 12.5 years of education. But jobs created during this decade will require 13.5 years. And by the year 2000, a third of all jobs will require a college degree. The Committee is well aware that we are falling short of these requirements, and that the data—with few exceptions—promises slight chance of competing with the well-educated Asians and Europeans.

Earlier this year, the subcommittee I chair on the Committee for Economic Development published a report on U.S. education titled "The Unfinished Agenda." It sounded a warning: The education goals of the president and the nation's governors will not be reached unless we first solve serious social problems that face our children and our schools. Too many of our children are sent to school too hungry, too ill, too angry and too frightened to even think about learning. If you take poverty, neglect, living environment and minority status together, almost 40 percent of the nation's children go to school with a disadvantage that may have them beaten before they start.

Teachers say they can teach only when children are ready to learn. Before they can start the academic program, they have to help their students work through the learning handicaps of poor health, meager social development, low emotional stability and a lack of curiosity.

In Minnesota, we think our education is pretty good. But even there, we see the same problems as the rest of the country. We have more children living in poverty than we had 10 years ago, more children born to single parents, more children subject to abuse and neglect. Teachers say they are forced to deal with "unsettling and sometimes chaotic family situations".

The result is that Minnesota education is taking the national trend. Our dropout rate has been climbing for a decade and our ACT scores and SAT scores have been going down. It has reached the point where business is genuinely worried. In the past 10 years, we have doubled state spending on education. But today less than half of Minnesota business people think education now meets their needs. And in high-tech companies only about 25 percent of them are even somewhat satisfied.

Today, when you go into a school in Minnesota and schools all across the country, you were them struggling with new social responsibilities that have been thrust upon them.

Teachers have to spend too much of their time dealing with social problems rather than teaching. And this means that neither the social nor the academic needs of the children are being adequately met. One superintendent told me of 52 services which schools must provide: drug education, day care, training for teenage parents, suicide prevention and others. Many of these are mandated by law and many are unfunded.

In Minnesota we have the additional problem that our school year is among the shortest in the country. So with the schools' social responsibilities and students' social activities, there is even less time for learning.

We often hear the phrase "restructuring the nation's schools." But in my state and the other 49, the schools have already been restructured once; the plight of poor families has forced public schools to accept a new mission. Schools used to exist almost solely to provide an academic education. Now they have also become institutions for administering social services. They no longer have time to deliver a sufficient curriculum.

We have an ad hoc system that is too preoccupied with filling students' personal needs to do a good job of teaching—but lacks the resources, the staff and the administrative flexibility to carry out the social mission successfully.

The change in the schools has been caused by a change in the family. The traditional, cohesive family unit not represents only eight percent of American families. Today, the typical family is a looser, laxer arrangement that is too often unable to provide adequate learning readiness. Unless we recognize the way we have distorted the traditional school system to meet this change, and unless we redesign the school system to meet both the academic and social agendas, we are asking for trouble. If we want the schools to become surrogate families, and take on the responsibility of preparing children to learn—in addition to taking them through the learning process—then we must design a school system that can carry out this mission.

Unless we are prepared to do that I doubt that we will have the workforce to support our technical goals. I doubt we can compete effectively with the better educated and single minded workers in many other leading industrial countries.

In the final analysis, the success of our education program rests with our states and communities. But federal programs such as Head Start and the Supplemental Food Program for Women, Infants and Children can make an important contribution to learning readiness. Programs like these, along with the educational R&D programs announced by President Bush, are a proper function—what I would call the corporate role—for the federal government. The business and community leaders I talk with appreciate the support Congress has given these programs. And we would urge the Congress to work toward giving them full funding. At CED we estimate the cost at an additional $10 billion in new federal, state and local funding. This is slightly more than double present federal funding, and will have to be phased in over several years.

But it is an investment that should not be postponed. Head Start was begun in 1965, but has never had funding to serve all eligible youngsters. If the program had been available to all eligible children, today, 25 years later, we would have a full generation of young adults more likely to be self-sufficient, participative citizens, making important contributions to productivity and to the competitive strength of the United States.

Our public education system is the bedrock of future competitiveness. We must not let ignorance or denial of the new social realities lead to its destruction.

I want to move now to the necessity of protecting the U.S. technology base. Long-term, risky and expensive investments in technology developments are made on the assumption that, if successful, investors will enjoy a long-term return on the investment, and build on its initial success.

But sizeable investments can be jeopardized by patent infringements and other violations of intellectual property rights, as I can personally attest. Patent infringements have cost our company many millions of dollars. When suit is brought, it may be years before it goes to trial. And under these circumstances, it is possible for technologies to become obsolete before disputes are resolved.

Given this experience, Honeywell places a premium on establishing effective, enforceable intellectual property rules through the Uruguay Round and other trade negotiations. It is important, however, that the negotiations do not result in a weakening of the protection now provided by section 337 of U.S. trade law.

Another protection issue is whether our international competitiveness is affected by foreign investments in high technology companies. Overall, foreign investment is a positive force in our economy and Honeywell supports the open investment policies which have been maintained by the government.

We should be especially alert, however, to the long-term potential risks associated with foreign control or ownership of critical technologies. It is simply responsible to consider the implications. Will foreign investment increase our vulnerability in these technologies? Will the commitment to these technologies be sustained by the new owners? Will the loss of some firms affect our ability to sustain a viable critical technology base?

The interagency Committee on Foreign Investment in the United States (CFIUS), in concept at least, performs a valuable review function. But are we satisfied that they have been stringent enough?

I understand the Committee has been notified of 540 foreign investment cases since 1988, that only 12 cases have undergone a formal investigation and that only one was blocked. The Committee does not make its deliberations public—but it's somewhat surprising that only one-fifth of one percent of these cases had serious national security implications.

As the CEO of a high-tech company, making decisions on technology investments every day, it is important for me to know how concerned Congress is about this issue.

I would like to close with a few words about the development of technology.

Right now, we are congratulating ourselves on the power that U.S. technology exhibited in the Gulf war. But many of these smart weapons were developed in the 1960s and '70s. According to a recent analysis of scientific papers, the quality of American research dropped during the 1980s in key manufacturing technologies. Another analysis reports that while our patent strength has increased by about 30 percent since 1983, Japan's strength has increased 100 percent.

Development of technology cannot be turned off and on like a faucet. It requires a long-term commitment. For example, Honeywell, with the U.S. Navy, began R & D on the Ring Laser Gyro—a gyro for aircraft navigation that uses laser beams instead of moving parts—in 1962. It has since become the standard of the industry, worldwide, but it did not become profitable until 1985.

In the midst of long-term development programs like this, a company is subject to risk. There is always a technical risk; your invention may not work. But we also have to weigh every dollar in R&D against the drain on earnings per share, the other business opportunities lost, and the impact on financial performance.

Yet, these investments are vitally important—not just to the company, but to the whole nation. The Laser Gyro is part of a superior navigation system, which is part of a superior aircraft. One industry in which the U.S. retains world leadership is aircraft production—thanks, in part, to two decades of investment in the Laser Gyro. It took a lot of know-how, resources and patience. And frankly, given the present short-term environment, I wonder if we would undertake such a development today.

Mr. Chairman, I would hope you believe as I do that our key technologies are national assets, not just corporate properties, and that they should be treated as such by the nation.

What concerns me is that, just as we have reacted with ad hoc response to changes in the education area, we seem to be reacting to changes in technological competition in a similar ad hoc fashion. Governments of industrial countries provide support for the development of critical technologies—support we have historically received in this country from the Department of Defense. Like it or not, much of this nation's electronics and control technology has come from defense R&D programs. This support is likely to decrease, however, with the cost pressures facing the DOD.

Like the utilization and protection of technology, advances in the state of the art will not happen automatically. Industry must see the potential gain in the enterprise, and must be confident that Congress understands and considers industry needs.

I thank the chairman and the committee for the opportunity to express these observations.

ROBERT MAXWELL ON THE IMPORTANCE OF WESTERN ASSISTANCE TO THE SOVIET UNION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. LANTOS. Mr. Speaker, Robert Maxwell's rise to the top is the stuff on Horatio Alger novels.

Known to New Yorkers as the person who saved the New York Daily News, Maxwell is a man of considerable talent and drive. His achievements in the field of publishing are numerous and impressive, but his interests are as varied as they are fascinating. Mr. Maxwell wears many hats. Besides being a newspaper, book, and magazine publisher, Mirror and Pergamon Press, he is a television and film producer. He is also the chairman of sporting clubs and events. Mr. Maxwell heads up Britain's National AIDS Trust fundraising effort. From A to Z, Mr. Maxwell makes his mark.

Born in Czechoslovakia, Robert Maxwell has had extensive experience in international matters. At the age of 16, he fought in the Czech underground. By the end of the Second World War, he was commissioned in the field as a British army officer and was awarded Britain's Military Cross. After the war, Maxwell was responsible for maintaining a free press in the British sector of Berlin, thus beginning his distinguished publishing career.

Robert Maxwell has had a special relationship with a number of leaders of the Soviet Union and the former Communist countries of Eastern Europe. Although Robert Maxwell is a dedicated democrat, with a small "d", he brings to the question of relations with the Soviet Union and Eastern Europe a special experience and understanding.

Mr. Speaker, it is because of Robert Maxwell's unusual perception of the Soviet Union that I call to the attention of my colleagues the editorial which appeared in yesterday's edition of the New York Daily News. It calls for Western assistance to the Soviet Union, and it was signed by Mr. Maxwell, himself.

In view of the current importance of the debate on this issue in the United States and among our Western allies, I ask that Robert Maxwell's editorial be placed in the CONGRESSIONAL RECORD, and I urge my colleagues to give it the careful and thoughtful attention that it deserves.

WE MUST INVITE GORBACHEV

(By Robert Maxwell)

It is the economic, political and military interests of the United States and Europe, that Mikhail Gorbachev remain the most powerful leader in the East. A favor to him is a favor to us.

That's why it is right for President Bush to strongly support the invitation for Gorbachev to join in next month's London economic summit, at which Prime Minister John Major of Britain will play host.

It is why it will be equally right to put our hands in our pockets for the Soviet Union. In the end it would save us money.

President Mitterrand of France and Chancellor Kohl of Germany were enthusiastic about the invitation. President Bush and John Major hestitated, but now following the Primakov mission to Washington they know it makes sense. Only the Japanese, as short-sighted as they are rich, still hold out.

Gorbachev needs for his country no less than a new Marshall Plan minded by the rich nations attending the London summit, a plan of the kind that restored the prosperity of Western Europe after the war.

After 75 years of communisim the Soviet Union is a gray monument to failure—weary waiting lines, dreary prospects, rationing, shortages, rampant corruption and inflation.

But it remains a mighty nuclear power, with its missiles still pointing toward New York, Washington, Chicago, Los Angeles, London, Paris, Rome, Bonn and Tokyo. And we still spend billions updating our missiles targeting Moscow, Lenigrad, Vladivostok, etc., etc.

Gorby needs our cash, technology and management know-how. We need his political survival at home and his political help abroad. The victory in Desert Storm could not have happened without his political support.

He can aid mightily in achieving a Middle East settlement of the kind desired by President Bush and Israel. He can help with the early release of our long-suffering hostages. He can make real and deep arms cuts possible to the benefit of all.

Gorbachev must have a success. Inviting him to the summit table is a start. He is too proud to come with a begging bowl, but we must make sure his plate isn't left empty.

THE 50TH ANNIVERSARY OF U.S. PARTICIPATION IN WORLD WAR II

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. GILMAN. Mr. Speaker, yesterday I enjoyed the distinct priviledge of participating in the kick-off ceremonies marking the "Week For the National Observance of the 50th Anniversary of World War II." This week-long celebration commences the commemoration of the 50th anniversary of U.S. participation in the Second World War, which will stretch from this coming December 7 until 1995.

Mr. Speaker, I am honored to serve on the National Archives World War II Commemorative Committee. I am 1 of 83 veterans of World War II who are current of former Members of Congress who serve on this committee.

A National Archives traveling exhibition will open near the Lyndon B. Johnson Presidential Library in San Antonio, TX, on December 7, 1991, and then travel throughout the Nation until the 50th anniversary of V–J Day in 1995. We are hopeful that millions of Americans will take advantage of this opportunity to share in the commemoration of one of the seminal events in American history.

Mr. Speaker, I was pleased to have been one of the original cosponsors of the resolution calling for this commemoration. Census figures tell us that a vast majority of Americans today have no first-hand memory of World War II. Those of us who did experience the events of those years owe it to future generations to pass on the lessons learned during that time. Only those of us who experienced life and combat during a "total" war can appreciate the importance of ensuring that it never happen again. Only those of us who lived through the horror of being attacked by those who perceived us as weak can understand the importance of maintaining our strength. Only those of us who witnessed the horrors of the holocaust and the devastating inhumanity of ruthless totalitarianism can understand the need for universal human rights.

We on the National Archives World War II Commemorative Committee are especially grateful to the Archivist of the United States, Don W. Wilson, for the outstanding service he has performed in putting this program together. His service in assisting Americans to remember World War II, and collecting the memories and the archives of that struggle before they are lost forever to the mists of time, are truly extraordinary, and he deserves our commendation.

Likewise, we salute Brig. Gen. Robert F. McDermott, U.S. Air Force, retired, the chairman and chief executive officer of the United Services Automobile Association for helping collect the corporate funds and individual donations which make this exhibit possible and for effectively planning this exhibit.

Mr. Speaker, after our Commemorative Committee briefing yesterday, we participated in a public ceremony. Michael P.W. Stone, our Secretary of the Army, delivered extremely inspirational remarks which underscored the significance of World War II on all our lives. He accurately pointed out how any war—but most especially a total war such as World War II—changes every aspect of our society in ways that neither friend nor foe can anticipate.

Our keynote speaker was the co-chairman of the National Archives World War II Commemorative Committee, Senator ROBERT DOLE of Kansas. Himself a hero of World War II, the Senator articulately explained the significance of World War II in words that cannot be improved upon.

So impressed was I by the Senator's comments that I ask that they be read into the CONGRESSIONAL RECORD at this point, so that they can be shared with all our colleagues and all of our constituents:

WW II NATIONAL OBSERVANCE

(Remarks of Senator Bob Dole)

Whatever else you say about old soldiers, they never forget. Today, we assemble at this shrine of democracy to insure that they are never forgotten.

We recall an earlier war, even as we commemorate the quick and successful completion of another conflict halfway around the world. Later this week, Washington will welcome home the men and women of Desert Storm. It's hard to believe, but some people question this outpouring of national pride. Maybe they are embarrassed by the cheering and the chants—the flagwaving and the unabashed love of country that inspired America's volunteer Army and that sustained it in the bleak deserts of Arabia.

Surely no one can mistake this week's observances as a glorification of war—least of all the soldier, who must suffer the scars and terrors of battle. No: What we celebrate this week are the human qualities that lend nobility to the battlefield. The courage and selflessness. The sacrifice and the professionalism. Qualities exhibited by American fighting men and women on the road to Kuwait and on the sands of Iwo Jima.

Chiseled into the front of this building is the phrase, "What is past is prologue." If the Smithsonian is America's attic, then the National Archives is America's strongbox. Here are enshrined the charters of our nationhood. The declaration that made us independent. The Constitution that made us whole. And the Bill of Rights, which after two centuries remains a guidepost in humanity's age old struggle to be free.

There is not a way of putting a value on such documents—or on the national character they define. Wars shape character. They also express it. Fifty years ago, Americans from every walk of life stopped what they were doing on a Sunday afternoon in December. I was in college at the time, waiting tables in a University of Kansas frat house. Truth is, I didn't take the world very seriously before December 7, 1941.

Nor was I alone. For most of us, the events in Europe existed dimly in radio broadcasts or newspaper stories. The news from half a world away served to remind Americans of why we had abandoned the old world 300 years earlier. After all, why should we worry about a continent that seemed bent on self-destruction? Weren't we protected from harm's way by two oceans, gigantic moats behind which even the largest country could take shelter?

All that changed on December 7, 1941, when American isolation was blasted along with the Navy outpost at Pearl Harbor. In a single afternoon, the term "national security" was redefined to read "international obligations." Soon, ten million of us went off to fight a total war against dictators for whom a declaration, a constitution, or a bill of rights would be anathema.

Many never came back. They rest on foreign soil: In the chalkfields of northern France, the jungles of Asia, or on the floor of the deep Pacific. Some came home physically or psychologically scarred for life. To this day, they wear their injuries as proudly as their medals, because both were earned in a noble cause. Still others returned to a very different land from the one they left to avenge the boys of Bataan and Pearl Harbor. For if the war changed those who fought it, it changed America even more.

This, too, is part of the 50th anniversary observance that begins this week. A war that shattered artificial barriers of race and sex. A war that took American women out of the home and ushered them into the workforce. A war that paved the way for the modern women's movements, a quiet revolution that insists, "We, the People" who wrote a constitution, must live up to the promises of equal treatment that it contains.

World War II was an equal opportunity conflict. The enemy shot equally at white, black, or brown targets. On a battlefield, the blood of black soldiers and white all flows together, in a crimson stream of mutual valor.

Fortunately, the young G.I.'s who returned home to America in 1945 could not reconcile the fight against Hitler with acceptance of Jim Crow. So in defeating the scourge of Nazi racism, we also declared war on bigotry—beginning in our own backyard.

During the next four and a half years, millions of war stories will be told. Some of the most moving will form the heart of a major traveling exhibit opening December 7 in San Antonio. For making it possible for today's Americans to experience an earlier generation's rendezvous with destiny, we are all indebted to the United States Automobile Association, and to the exhibit planners of the National Archives.

Between now and 1995, we will examine what has been called "the last good war." At special exhibits, conferences, reunions, film festivals, educational workshops, and a shot of other events, we will remember the war and those who fought it. Not only giants like Eisenhower, Patton, MacArthur, and Bradley—but the nameless heroes who went to their deaths known only to God.

We will recall places like Casablanca, Anzio, Normandy, and Midway. We will marvel over a Nation united in defense of all that we hold most sacred. But we will not forget the abuses that occurred when wartime emotions ran amuck and some of our own people were punished for the simple fact of their national ancestry.

Hopefully, we will draw lessons from the war before the war—from that intense battle of words waged between those who thought it was possible in the 1930's to isolate America from global mainstream and those who accepted the responsibilities that accompany international leadership.

Great nations measure their greatness in the obligations they honor and in the ideals they uphold. America is no exception.

Fifty years later, for example, we all wish that nations would leave their neighbors undistrubed. We wish the world might build fewer tanks so it could spend more fighting poverty and disease. We wish that no young American would ever again be forced to leave his loved ones and take up arms in some far off killing field.

Yet if these past fifty years have taught us anything, it is the danger of wishful thinking. In the modern world, wishes are no substitute for will. That is something we learned at terrible cost in fighting what Winston Churchill called the most unnecessary of all wars.

And because we learned it, we were willing and able to respond quickly when an Iraqi dictator tried to swallow a tiny neighbor. Like the warriors of my day, the troops of Desert Storm fought, not for territory but for justice, not for plunder, but for righteousness. The ideals for which they fought have yet to be implemented in every American home. But then, that's what sets us apart. Thanks to the documents displayed in this building's rotunda, we are a Nation that has never become, but it is always becoming.

The people of the National Archives know that where you come from says a lot about where you're going. So if you want another reason to remember the war that began fifty years ago, consider this: By recalling a world at war, we might hasten a world where children recall only peace.

That could be the greatest of all legacies from the citizen soldiers who rescued civiliation itself from a long, starless, night of the soul.

INTERNATIONAL COMPETITIVENESS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. ROSTENKOWSKI. Mr. Speaker, today the Committee on Ways and Means began a series of hearings on factors affecting U.S. international competitiveness. Over, the next few months, we will examine a wide range of issues—from tax and trade policy to education and training—that can help to determine whether America is adequately prepared to participate in the global economy we will face in the next century. We were privileged this morning to begin the hearings with testimony from the Speaker of the House. Speaker FOLEY gave us an excellent overview of the challenges before us. For the benefit of all Members, the text of his prepared remarks follows:

STATEMENT OF SPEAKER THOMAS S. FOLEY

I. INTRODUCTION: THE REALITIES OF THE NEW WORLD ORDER

In the past four decades, the United States has the proud achievement, along with its allies, of having defended the values of political and economic freedom with remarkable success. These victories include the defeat of communism as a military threat in Western Europe and the triumph and exposition of democratic values in Eastern Europe. By forging a multi-state coalition against the aggression of Saddam Hussein and leading the military operation, we reaffirmed our great influence in world affairs.

In the aftermath of the Persian Gulf conflict, however, the United States is in a sobering position. After World War II, we found ourselves in an international community as the one preeminent victorious combatant and economic power. Today, we are surrounded by economic powers, some growing and some already giants, in a global environment of competition and fast-paced progress.

We now face serious domestic problems, and the fundamental challenge of how to regain our relative international economic competitive advantage.

While the problems we face are serious, we should place the issues in proper perspective. The United States is still the world's leading economy, with resources, technology, and a $5 trillion GNP unequaled by any other country. The GNP of our nearest competitor, Japan, is only about half the size of ours. However, since 1980, our economy has declined in relative terms.

The consensus of economists point to the decline in productivity as the principal cause of the relative erosion of the United States' traditional global economic leadership. During the 1980's, for instance, Japan achieved a productivity growth of about 3 percent per year, as opposed to a 1 percent figure for the United States, at the same time as Japan's overall GNP grew by an average of approximately 4 percent compared to less than 3 percent for the United States.

While a number of factors may account for our lagging productivity, many economists are now singling out three recent governmental policies as serious structural impediments to our economic growth and international competitiveness. The first finding has been the critical importance of public infrastructure investment to the long-term productivity growth of the American economy, and the lack of such investment by the United States relative to other nations. The second factor, in this age of increasing globalization of capital and technology, is our declining investment in human capital, namely the education and training of our citizens, probably the most significant investment we can make to boost our economy and its ability to compete globally in the 1990's and the next century. Thirdly, we have been deficient in encouraging the levels of research and development needed to maintain the American lead in technology.

II. REBUILDING AMERICA'S COMPETITIVE EDGE: INFRASTRUCTURE

Our nation's core infrastructure—our streets and highways, mass transit systems, airports, water and sewer systems, and electrical and gas facilities—is an essential component to a competitive economy. It affects the cost of all goods and services, thereby having a direct relation to the productivity of our workforce. Poor infrastructure increases the costs in making and transporting goods, which translates into a less productive and efficient economy. On the other hand, a quality system of infrastructure using the latest technologies will decrease the ultimate cost of goods and services.

Since the 1960's, our country's net investment in our basic infrastructure has nearly come to a halt, dropping from well over 2 percent of GNP in the 1960's to less than .5 percent during the mid-1980's. Japan and West Germany, on the other hand, have averaged spending 5 percent and about 2.5 percent of their GNP, respectively, for infrastructure during the period 1973 through 1985.

Recent studies by economists demonstrate this decline in spending has caused a corresponding decline in the growth rate of productivity in the United States, while those other nations have seen their growth rates accelerate. One well-known study by a former Federal Reserve economist attributed as much as 80 percent of America's decline in productivity since the early 1970's solely to the decline in infrastructure investment.

During the highpoint in our nation's infrastructure building, President Kennedy recognized the critical importance of infrastructure investment in world competitiveness. "Affecting the cost of every commodity we consume or export," pronounced Kennedy, "[our transportation system is] vital to our ability to compete abroad. It influences both the cost and the flexibility of our defense preparedness, and both the business and recreational opportunities of our citizens." Kennedy, at that time, proposed raising taxes on diesel fuel, tires, and heavy trucks to cover the large expenditure needed to finish the interstate system. He also took a political risk by asking Congress to prevent a planned reduction in the gasoline tax.

We must readopt President Kennedy's attitude and fiscal commitment towards our infrastructure. Simply put, infrastructure investment has been all talk and no action during the 1980's. At the same time, we were building a $22 billion surplus in unspent highway trust funds. We ought to begin spending the surplus for its intended reason. Furthermore, dedicating a greater part of an increased gasoline tax to infrastructure spending will also spark the rebuilding that we need.

Moreover, infrastructure investment does not simply mean increased resources for our roads, but also critical investment in new technologies. For instance, the United States needs to encourage the installation and development of fiber optic networks, as these will form the basis of 21st century information and communications links. Japan, again, is currently implementing a $10 billion program to install fiber optics in every home and business.

We could use high speed rail systems to decrease the strains on our highways and roads. Germany and France are currently using such trains as an environmentally sound and efficient mode of transport. As another example, the ground-based air traffic control system in the United States has not been revamped since the 1960's, resulting in an inefficient use of airspace and needless delays. Use of global satellite navigation systems would significantly reduce traffic buildup, decrease delays and accidents.

III. EXPANDING AMERICA'S MARKETABLE SKILLS: EDUCATION

Today, we live in a truly international marketplace. The world's leading corporations, including American multi-nationals, compete globally, while the movement of both capital and technology are not confined to national borders. In this environment, a nation's competitive advantage comes to depend principally on its will and ability to expand and mobilize the marketable skills of its citizens.

Like infrastructure, the quality of our educational system is directly related to our ability to compete and maintain a premier role in world affairs. Only by developing the minds and talents of our people can we expand the pool of skills needed to research, design, and produce marketable products and services, and, equally as important, to maintain an active electorate upon which our nation's political and governmental foundations have been built.

As with our nation's investment in infrastructure, our financial commitment to education and training during the 1980's was one of little action. In seven of eight years in the Reagan Administration, the President asked Congress to make large cuts in education, almost 34 percent less in one year alone. Congress resisted, increasing education spending by 13 percent during that decade. But it is grossly insufficient to our needs. During the 1970's, federal spending on education increased 37 percent, and even that was inadequate.

While higher education remains a successful and well financed venture in this country, primary and secondary education is in need of serious attention. When studies indicate that half of 17 year-olds in the United States cannot easily read or even understand a newspaper editorial, we have a real crisis for the future of our country, not only in economic terms but also for the future of a democracy that depends upon an educated electorate.

Japan's educational system, by comparison, lavishes attention to the primary and secondary schools rather than the schools of higher learning. At the same time, the system is geared towards the average child rather than the exceptional one.

To be a teacher in Japan is a high honor, and by addressing someone as "Sensei", or teacher, you pay them the highest compliment. We must provide American teachers with the same respect, although this will involve changing long settled attitudes. Clearly, Congress must set an example, even if a small one, legislatively. Congress should expand the federal role in training and recruiting teachers. We must in particular consider affording significant scholarships to students choosing to teach in disadvantaged areas or teaching subjects in which skilled teachers are lacking, such as science and math. A federal board to certify teachers with outstanding skills is another idea worthy of consideration.

We must also recognize that education does not simply start in formal schools. Early intervention through Head Start and other successful federal programs begins the education process—a process that is not neglected in Europe and Japan.

Even with the successes of higher education in the United States, only about one quarter of our population ever graduates from a college or university. Germany and other European countries have adopted youth apprenticeship programs in conjunction with the business community which provide valuable on-the-job training to non-college bound students. A cooperative skill-based training program between the schools and businesses increases the productivity of the workforce, at the same time decreasing the rapidly growing gap between college graduates and high school graduates. German employers, for example, believe their training system provides a major competitive advantage over firms in other countries. About 70 percent of young Germans enter the job market through their apprenticeship program. Only six months after passing the German apprenticeship examination, over 68 percent of graduates were working in occupations for which they are trained. German executives attribute much of their business success to their sophisticated workforce, largely trained directly by them under the apprenticeship program.

I am not advocating a wholesale adoption of another country's system of learning. But we must recognize and consider characteristics of other systems that will improve education generally here in the United States. Unfortunately, we have difficulties changing or implementing educational policies in the United States because we have, rightfully, sought local control over the policy of our educational institutions at the primary and secondary level. As a consequence, there are almost 15,000 school boards in the United States. Although I do not point to this example as a model for our nation, the Minister of Education in France can sign an order on one day that will directly affect the next day 54,000 elementary and secondary schools.

Another difficult educational problem we face is the need to develop better programs to retrain workers who lose their jobs. For example, twenty-nine years ago when Congress took up the Trade Expansion Act, this Committee adopted a forward looking recommendation by President Kennedy to establish a special program, called trade adjustment assistance, to ensure that the theory of free trade helping everyone would always be, in fact, a reality. President Kennedy was very clear about the program he had in mind, stating "This cannot be and will not be a subsidy program for governmental paternalism. It is instead a program to afford time for American initiative, American adaptability, and American resiliency to assert themselves."

Unfortunately, the United States has never achieved a successful dislocated worker program either in trade adjustment assistance or in the Job Training Partnership Act. But just because the task is difficult does not mean we can give up. A program to retrain workers is absolutely essential if the United States is to draw full benefits from the dynamism of world trade.

It is not simply enhancing capital formation that increases productivity, but enhancing labor and its skills has, according to many economists, a direct link to overall productivity growth. As another example, greater management/labor cooperation—having employees more involved in workplace decisions—has led to stunning productivity increases in those companies that have embarked on such a course.

The education of, and commitment to, our workforce at all stages of development—whether it be at the primary or secondary level, or at a point where a job is lost—is crucial to our future competitiveness. By combining the best elements of our educational system and those of our competitors, and allowing for job retraining to rechannel our resources, we can expand the skills of our workforce and our ability to meet global challenges.

IV. INCREASING AMERICA'S INNOVATION: TECHNOLOGY

Our country continues to be the world's leading source of new technologies. But we have fallen behind in supporting much-needed research and development. Germany, for example, now spends 136 percent more in non-military research than we do in proportion to GNP. America has discovered new technologies, such as the VCR, but, in a matter of a few years, has lost the markets for such technologies to overseas competitors. Whether it be investment in new infrastructure technologies or the development of commercial products, only by encouraging research will the United States keep its leading edge in innovative technologies and, equally as important, in keeping a hold on the everdeveloping markets for these technologies.

V. SHARING THE BURDEN OF INTERNATIONAL AFFAIRS

Rising to our domestic challenges is not the only key to maintaining our nation's international competitiveness. It will be incumbent on other nations to come forward with a more supportive role in confronting international challenges. The United States cannot continue to bear the preponderant cost of meeting the post-war world problems in the same sense and proportion that we have borne them in the past four decades, and at the same time meet the domestic problems of its own society. If Germany and Japan as they are today were present at the founding of the United Nations, strong members of the international community in good standing, they would most likely be permanent members of the UN Security Council. If we are to ask such countries to share an expanding role in international affiars, we must be willing to ensure that they are recognized proportionately within various international bodies.

VI. CONCLUSION

Although still the leading economic power in many respects, the United States cannot ignore its relatively declining edge in world markets. At least three structural impediments must be removed in order for us to reverse this trend. First, we must commit resources to improve our infrastructure and related technologies. Second, we must reshape and improve our educational system, including the creation of a job training system. Finally, we must encourage more non-military research and development.

I am delighted to have had the opportunity to testify before the Ways and Means Committee on such a timely topic, and wish these hearings the greatest success in coming forward with constructive solutions. Thank you.

DON EDWARDS ON CIVIL RIGHTS IN NEW YORK TIMES

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. BROOKS. Mr. Speaker, our distinguished colleague from California, DON EDWARDS, has worked long and hard on the issue of civil rights throughout his 29 years in the U.S. House of Representatives. There is probably no one in this body who is more knowledgable on the subject, nor more committed to protecting the rights of all Americans and wiping out racial intolerance, than he is. Today, as we consider the civil rights bill of 1991, I believe it is important that his extremely well-written letter to the editor of the New York Times—in today's edition—be brought to each Member's attention. Following is the text of the letter:

[From the New York Times, June 4, 1991]

MORE RACISM FROM THE G.O.P.

(By Don Edwards)

WASHINGTON.—When the landmark Civil Rights Act of 1964 was passed by the Congress, Republicans voted for it 4 to 1. But in considering the Civil Rights Act of 1991, the G.O.P. seems less interested in a civil rights bill and more interested in reviving race as a campaign issue for 1992. This is part of a consistent pattern.

In 1988, the Bush-Quayle campaign exploited racial fears in the shameless Willie Horton ads. In the 1990 elections, the party successfully exploited the civil rights bill with race-based TV ads misrepresenting the bill and pandering to racist fears. The party now seems intent on continuing this policy. Republican leaders have repudiated David Duke, the Republican Louisiana legislator and former Ku Klux Klansman, yet the President's men do not shrink from using the very code words—like "quotas"—that Mr. Duke uses to spread paranoia about blacks' taking jobs from whites. The phony smoke screen of "quotas," fanned by a slick and expensive public relations campaign, has obscured the debate about the bill's real goals.

The Democratic leaders' bill, which has bipartisan support, will not create quotas. It merely reverses 1989 Supreme Court decisions that weakened anti-discrimination laws in employment that had worked fairly and effectively for nearly 20 years. In fact, the bill explicitly makes quotas illegal, permitting a quota victim to sue for damages.

The Democratic bill would bring consistency to civil rights damage suits. Existing law allows compensatory and punitive damages for intentional discrimination based on race; the bill extends this right to people intentionally discriminated against because of sex, disability or religion.

Today, the House is to vote on three bills: a bipartisan compromises sponsored by the Judiciary Committee chairman, Jack Brooks, and the committee's senior Republican, Hamilton Fish; the strong version written by the House Education and Labor Committee last year, and President Bush's substitute.

The compromise will be approved overwhelmingly. It includes understandings reached in discussions between civil rights and business leaders—discussions scuttled by White House intimidation, on Mr. Bush's orders, with Bush aides saying the quota issue must be kept alive for future elections.

The Brooks-Fish bill limits punitive damages for intentional discrimination to $150,000, a provision many of us have fought for two years but whose inclusion is essential if we are to approach the two-thirds vote needed to override a promised Bush veto. Last year's bill will be offered so members of both parties can vote for a stronger "pure" bill that does not limit punitive damages.

Attorney General Dick Thornburgh calls the Brooks-Fish substitute a "hoax." He is wrong. It is the Administration's substitute that is a hoax. It fails to reverse most of the Supreme Court cases the compromise bill seeks to overturn. It makes it easy for businesses to justify practices that, have discriminatory effects.

The phoniest part of the Bush bill pretends to provide additional remedies to victims of harassment but actually places more obstacles in their way. The bill would even legalize harassment if the worker did not file a complaint with the employer's in-house grievance system within 90 days.

Enactment of the Democrats' bill would signal an end to the diminution of our rights by a Supreme Court now controlled by a Reagan-Bush majority. The bill would return to ordinary working people procedural rights like a reasonable time period for filing a complaint, equitable rules on proving discrimination and protection against discrimination in employment contracts.

In restoring these rights, the bill would give all workers—whites, racial and religious minorities, women, men and people with disabilities—a fair chance at fighting discrimination, and the right to seek damages. It is unworthy of the President to play racial politics to defeat it.

IT IS TIME TO ESTABLISH CONGRESSIONAL OVERSIGHT ON WHITE HOUSE NATIONAL SECURITY DECISIONS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. CONYERS. Mr. Speaker, today I am introducing, on behalf of myself and Mr. BROOKS, chairman of the Committee on the Judiciary and former chairman of the Committee on Government Operations, and Mr. HAMILTON, chairman of the Subcommittee on Europe and the Middle East, the Presidential Directives and Records Accountability Act.

The purpose of this bill is to establish a routine process for congressional oversight on the issuance of national security directives. This bill seeks to bring these critical decision documents under the control of the law and provide for increased public accountability.

National security decision directives, now called NSD's or NSDD's under prior administrations form a significant body of national law and policy. They may regulate anything from the war on drugs, to policy governing space exploration, to nuclear proliferation, to actions in the Persian Gulf. They are, however, cloaked in secrecy. They are not called to the attention of anyone outside the executive branch, even after they are declassified. This legislation would bring them under an appropriate level of congressional oversight.

This is intended to treat NSD's the same manner as other Presidential directives. If the President issues an Executive order or other proclamation, that directive must be registered pursuant to the terms of the Federal Register Act. However, directives such as NSD's are not covered. This bill would extend the coverage of the Federal Register Act to any Presidential directive which establishes policy, directs the carrying out of law or policy, authorizes or requires the use of appropriated funds or other resources—including personnel, or otherwise asserts or appears to assert an authority of the President.

I believe that the excesses of recent years are a clear warning that secret policymaking is dangerous to our national government. Under our Constitution, the Congress is an equal partner in the creation and development of national policy. All too often we have discovered that the executive branch has been carrying out policies of which Congress has not been informed. On occasion, particularly during the Iran-Contra affair, the executive branch has acted despite the law. We all remember that the Iran-Contra scandal was launched by Presidential directives not shared with Congress because the authors of this criminal act knew the Congress would know better.

During the past year, as chairman of the Government Operations Committee, I have been engaged in an ongoing dialog, with General Scowcroft, the President's National Security Adviser. The White House has refused to provide even a list of NSD's issued by the Bush administration. I did not seek the actual NSD's themselves, just a numbered list with the titles and a brief summary of each.

It is interesting to note that the National Security Adviser and his legal counsel insist that they do provide to the appropriate congressional committees information about relevant policies when asked to do so. Unfortunately, there is no way for congressional committees to know about the existence of these executive policy directives when they are cloaked in secrecy. Similarly, when Congress is not informed, how can it know of new directives which replace old policies or which break new ground?

This bill would place no restrictions upon the President's authority to establish and carry out national policy. It would only require that such policies be numbered and registered with the Office of the Federal Register and that copies of each such directive be transmitted to the Speaker of the House and the President of the Senate. If necessary for reasons of national security, they could be classified.

If such a practice had been in effect during the decade of the eighties, Congress would have had an early-warning system which might have permitted us to escape the disastrous consequences of the failed Iran hostage policy.

Until recently the executive branch claimed the need for such excessive secrecy about national policy because of the exigencies of the cold war and the Soviet threat. That threat has now evaporated. It is time for the executive to recognize that the Congress is not an adversary from whom its policies must be concealed.

The text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Presidential Directives and Records Accountability Act".

SEC. 2. CONTROL OF THE USE OF EXECUTIVE DIRECTIVES.

(a) DEFINITION OF EXECUTIVE DIRECTIVE.—Section 1501 of title 44, United States Code, is amended—

(1) by designating the 4 indented paragraphs thereof in order as paragraphs (1), (2), (3), and (4);

(2) in paragraph (3), as so designated by striking "and" after the semicolon at the end;

(3) in paragraph (4), as so redesignated, by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(5) 'Executive directive' means any written instrument, other than a Presidential proclamation or Executive order, that—

"(A) is signed or endorsed by, or is issued at the direction of, the President, or an appointee in the Executive office of the President; and

"(B)(i) establishes policy, (ii) directs the carrying out of law or policy, (iii) authorizes or requires the use of appropriated funds or other resources (including personnel), or (iv) otherwise asserts or appears to assert an authority of the President;

except that such term does not include a finding under section 662 of the Foreign Assistance Act of 1961 (22 U.S.C. 2422).".

(b) FILING AND REGISTRATION OF EXECUTIVE DIRECTIVES.—Section 1503 of title 44, United States Code, is amended—

(1) by inserting "and directives" after "Filing documents" in the heading of such section;

(2) by designating the text of such section as subsection (a); and

(3) by adding at the end the following new subsection:

"(b)(1) The original and 3 duplicate originals or certified copies of each Executive directive shall be filed with the Office of the Federal Register on the next business day following the date the Executive directive is issued. The Archivist of the United States shall cause to be noted on the original and copies of each such Executive directive the day and hour of the filing and shall number such filings sequentially in the order filed. The original of all Executive directives shall be permanently retained as a part of the Archives of the United States.

"(2) Upon filing, one copy of each Executive directive shall be immediately transmitted by the head of the Office of Records Management to each of the Speaker of the House of Representatives and the President pro tempore of the Senate. In the case of directives which contain information which may be withheld from disclosure under section 552(b)(1) of title 5, such copies shall be transmitted and maintained in the manner required by the rules and procedures of the House of Representatives and the Senate, respectively, to protect the information therein from improper disclosure.".

SEC. 3. PROTECTION OF PRESIDENTIAL AND OTHER FEDERAL RECORDS.

(a) INFORMING EMPLOYEES OF PRESIDENTIAL RECORDS ACT REQUIREMENTS.—Chapter 22 of title 44, United States Code, is amended by adding at the end the following new section:

"§ 2208. Informing Employees of Requirements

"(a) Each officer or employee who is appointed or detailed to, or otherwise employed in, a position in the Executive Office of the President or Vice President, or on the immediate staff of the President or Vice President, shall receive, and shall at the time of employment sign a receipt for, a notice describing the requirements of this chapter and of the procedures for controlling, managing, and preserving Presidential or Vice Presidential records.

"(b) Each such officer or employee shall, at the time of vacating any such position, receive a copy of the notice required by subsection (a) shall be prepared jointly by the Archivist and the counsel to the President.".

(b) ESTABLISHMENT OF OFFICE OF RECORDS MANAGEMENT.—Chapter 22 of title 44, United States Code, is further amended by adding at the end the following new section:

"§ 2209. Office of Records Management.

"There shall be in the Executive Office of the President an Office of Records Management. The Office shall be responsible for securing compliance with the requirements of this chapter and for carrying out such other functions as may be assigned by the President. The Office shall consult with the Archivist before making any significant change in the practices or procedures used to secure such compliance.".

(c) AUTHORITY OF THE ARCHIVIST TO DEFINE RECORD.—Section 3301 of title 44, United States Code, is amended by adding at the end the following: "The Archivist of the United States shall have final authority in the Executive branch to determine what constitutes such a record for purposes of chapter 21 through 33 of this title and may issue such rules, regulations, and guidelines as may be necessary for such purposes.".

(d) CONFORMING AND TECHNICAL AMENDMENTS.—

(1) CHAPTER ANALYSIS.—The analysis for chapter 22 of title 44, United States Code, is amended—

(A) by striking out the item pertaining to section 2205 and inserting the following:

"2205. Exceptions to restricted access."

and

(B) by inserting after the item pertaining to section 2207 the following:

"2208. Information employees of requirements.

"2209. Office of Record Management.".

(2) TECHNICAL CORRECTION.—Section 2201(3) of title 44, United States Code, is amended by striking "thereof" and inserting "thereof".

MEMORIAL DAY AT GETTYSBURG

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. GOODLING. Mr. Speaker, Memorial Day is a holiday whose significance sometimes becomes vague and distant. On Monday, May 27, 1991, Memorial Day, I was afforded the honor to participate in a very special ceremony in Gettysburg, PA, within my 19th Congressional District. The meaning of this day was once again made vivid to me as I joined with others in a funeral procession led by a riderless black stallion, a solemn symbol of the fallen soldier.

Gettysburg usually celebrates Memorial Day with a parade and other activities, but this year's celebration included an especially memorable interment ceremony of unidentified remains of Civil War soldiers from both the North and South who died at the Battle of Gettysburg, Antietam, and Chancellorsville. The ceremony was held at the Gettysburg National Cemetery following a procession through the town which included a memorial service conducted by clergy of the common faiths present in the Civil War period. The impressive 3d U.S. Infantry, or "Old Guard" who maintain the 24-hour vigil at the Tomb of the Unknown Soldier, also participated in this notable event, their first excursion outside of Washington, DC, and Arlington National Cemetery.

Frank Bracken, Deputy Secretary of the Interior, served as the event's keynote speaker. Mr. Bracken stressed the importance of rememberance of those who have fallen in war when he said, "It is for this we honor them: The cause they believed in, their devotion, and their sacrifice." His closing remarks included the endorsement of world peace and harmony.

The burial and ceremony to honor those who have sacrificed in war can only repay a part of the great debt we owe. They fought to protect the freedom we enjoy, thus we must work to preserve that freedom and see that this Nation continues to adhere to the principles upon which it was founded. Though firsthand experience is necessary for full appreciation, I was very impressed by Gettysburg's ceremony and hope to share the experience.

THE BENS PRINCIPLES ON CRITICAL TECHNOLOGIES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. GILMAN. Mr. Speaker, I rise today to direct my colleagues' attention to a new initiative that opposes the spread of nuclear, chemical, and biological weapons as well as the missile delivery systems that are used to launch these weapons. Business Executives for National Security [BENS] has designed a set of principles which all nations should adhere to. The BENS principles address the moral and ethical aspects of exporting materials that could be used in the construction of these weapons of mass destruction.

These principles are not designed to replace U.S. laws governing exports. They are designed to complement the existing set of laws and regulations by not only questioning whether or not a given export sale is legal but also whether that sale is a right decision. In this respect, the principles are similar to the Sullivan principles which for a long period dealt with business practices in South Africa.

We cannot hope to stop all of the harmful, or potentially harmful sales of components for weapons of mass destruction simply by passing new laws. It is necessary to establish an export control regime which would permit and even encourage legitimate exports, while simultaneously preventing those sales that have the potential of presenting danger to the world at large. This undertaking will require the active cooperation of the business community. Accordingly I am pleased to see that the BENS principles were initiated by an organization of leading business executives.

I invite my colleagues to review and support these principles and I request that the full text of the principles be inserted at this point in the CONGRESSIONAL RECORD:

THE BENS PRINCIPLES: GUIDELINES FOR EXPORTS

Business Executives for National Security (BENS), a national, nonpartisan trade association, believes that the proliferation of weapons of mass destruction and terror, and the technology to deliver them, is an urgent problem requiring immediate attention. BENS recognizes the importance of not unduly disrupting trade, but believes that American business should place first its responsibilities toward national security. Therefore, in addition to complying with all statutory and treaty restrictions, business should base its commercial activities on moral and ethical considerations.

(1) This company is committed to halting the spread of nuclear, biological, or chemical weapons, or missile delivery systems.

(2) This company will support the letter and spirit of current and future laws against the proliferation of such weapons.

(3) This company will not knowingly export products or technologies likely to be used in the unlawful or unconscionable development of such weapons.

(4) This company will make every effort to discover and document the ultimate destination and use of its products.

(5) This company will urge domestic and foreign businesses to abide by these principles.

Each signatory should develop its own methods to advance these principles in the operation of its domestic and foreign subsidiaries. Special emphasis should be focused on "choke point" exports, such as raw material and machinery used in producing nuclear weapons and missile technology. Senior management should cooperate with BENS, proliferation experts, and government agencies to determine appropriate action regarding suspect countries and projects.

WAIVER OF JACKSON-VANIK FOR THE U.S.S.R. IS AN IMPORTANT STEP TOWARD NORMALIZATION OF TRADE RELATIONS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. BEREUTER. Mr. Speaker, yesterday President George Bush informed Congress of his intention to waive Jackson-Vanik for Czechoslovakia, Bulgaria, Mongolia, and most important, the Soviet Union. The waiver for the Soviet Union is particularly significant, for it is the first step in the long-waited normalization of trade relations. This Member would like to take a moment to commend the President for his decision.

Clearly, the Soviet Union continues to pursue policies that are objectionable to the United States. It denies true self-determination to the people of the Baltic States, and the democracy movement in many regions is under attack by reactionary forces. It is altogether proper that the United States should press to advance the cause of human rights in the Soviet Union. We should seek to ensure that the people of Latvia, Lithuania, and Estonia are permitted to determine their own future. But we should not hold trade hostage to these efforts.

Over the years the United States has fought to promote the rights of Soviet minorities, particularly the Jewish minority, to emigrate. The Jackson-Vanik amendment to the 1974 Trade Act has been instrumental in pursuing this policy. And Jackson-Vanik has now achieved its objective. Last month the Supreme Soviet voted final approval to a comprehensive emigration law. In short, the Soviet Union appears to have addressed the concerns raised in Jackson-Vanik. It is time now to recognize and reward these Soviet efforts by a waiver of Jackson-Vanik.

In the next few weeks the State Department will be examining the new Soviet emigration law. If, as appears likely, the law is judged to satisfy the concerns raised in Jackson-Vanik, then the granting of normal tariff status, or the so-called most-favored-nation trade status, will most certainly be forthcoming. The granting of MFN, which really confers normal tariff status, is an important step if commerce between the United States and the Soviet Union is to grow.

Mr. Speaker, this Member applauds President Bush for his decision to waive Jackson-Vanik for the Soviet Union, and would urge him to move as rapidly as possible to confer the normal trade status of MFN. This Member urges the Congress, would urge this body to work closely with the executive branch in order to speed the granting of normal tariff status for the Soviet Union.

HONORING AILEEN E. BURNS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. ENGEL. Mr. Speaker, this week, the Westchester Irish Committee is holding its annual cocktail party-buffet during which it honors individuals who have worked tirelessly to improve the local community. I wish to particularly recognize one of the honorees, Aileen Burns, a life-long resident of the city of Yonkers in my congressional district.

Aileen has demonstrated a concern for issues that effect her fellow Irish-Americans, as well as a dedication to serving the community. She currently is the employment manager at St. John's Riverside Hospital in Yonkers, and she is working toward continuing her health care career by pursuing a masters of science in Health Services at Iona College.

Aileen has also been an active member of the American-Irish Association for the past 10 years, including a stint as the first woman president of the organization. She has served on the Scholarship, Heritage Day and Journal Committees for the Association, and she also serves on the Yonkers Mayor's Irish Advisory Board.

In short, Aileen Burns is the type of young woman of whom we can all be proud. She has remained true to her heritage and served her community and country well. It is a pleasure to join the Westchester Irish Committee in recognizing her outstanding accomplishments.

A NOTEWORTHY ACHIEVEMENT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. MICHEL. Mr. Speaker, I take this opportunity to introduce to my colleagues a fine and talented group of musicians—the Georgetowne Middle School Band of North Pekin, IL. These young men and women of note will perform a concert on the Ellipse of the White House this Thursday at 10 a.m. I know that this performance will delight its audience with the high level of competence and quality for which the Georgetowne Middle School Concert Band and Jazz Band are known.

I join with the Marquette Heights-North Pekin communities in offering my congratulations on this fine accomplishment and wish the musicians continued success.

At this time, Mr. Speaker, I would like to insert the resolution passed by the Tazewell County Board proclaiming June 6 as Georgetowne Middle School Band Day.

PROCLAMATION

Whereas, on June 4th thru June 8th, the Marquette Heights-North Pekin Georgetowne Middle School Concert Band will be traveling to Washington, D.C.; and

Whereas, they will perform a concert on the Ellipsis of the White House on Thursday, June 6th at 10:00 a.m.; and

Whereas, the District 102 Concert Band will be exemplary ambassadors of their parents, the Marquette Heights-North Pekin communities, Tazewell County, and the Peoria area; and

Whereas, Congressman Robert Michel understands the significance of this event and plans to share these memories into the Congressional Record;

Therefore be it resolved that the Tazewell County Board proclaim June 6th to be recognized in the beloved community of Marquette Heights-North Pekin, Tazewell County, Illinois, and proclaim said day as being Georgetowne Middle School Band Day.

THE SOVIET BID FOR WESTERN AID

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. MCEWEN. Mr. Speaker, I rise to bring to the attention of my colleagues this column from the Cincinnati Enquirer by Robert Webb. Many in Washington and some of our allies argue that the West should provide massive financial aid to prop the ailing Soviet system to shore up support from President Gorbachev. But Robert Webb cautions that "any Western economic aid to the Soviet Union * * * should be conditioned on the firmest possible guarantees of a free-market economy. Any such aid, moreover, should be mainly in the form of loans guaranteed by the Soviets' immense natural resources, including gold."

Mr. Speaker, I commend it to my colleagues.

At this point, please enter into the CONGRESSIONAL RECORD the attached column, "The Soviet Bid for Western Aid":

THE SOVIET BID FOR WESTERN AID

The portrait of a Soviet Union near economic death may be vastly overdrawn. Its gold reserves alone may be worth $34 billion. None knows the precise value of its oil reserves, but they must be immense. And its diamond assets are by no means meager.

Yet Soviet President Mikhail Gorbachev is calling for $100 billion in economic aid from the West. He wants to lay his case before the approaching London economic summit of the United States and six other industrial nations. No Soviet leader has ever before made such a plea and certainly not to that forum. That Gorbachev would suggest the gravity of his, if not his country's, position.

Gorbachev has long been on the political ropes, suffering from the failures of perestroika. Russians and other Soviet peoples have tasted or sensed enough of life in the West to convince them that much has gone wrong in their country. They blame the Communist Party, which Gorbachev continues to defend despite the sharp drop in his popularity.

YELTSIN POPULARITY

Yet Soviet poet Yevgeny Yevtushenko, member of the Supreme Soviet parliament who visited Cincinnati recently, cautions that the popularity of Russian Republic President Boris Yeltsin, Gorbachev's main political rival, may be partly because he is not at the nation's helm. Yevtushenko, who represents Cincinnati's Soviet sister city, Kharkov, has a point.

Those most in charge of their nations often lose much of the popularity they had before their ascent to power. It happened to U.S. President Lyndon B. Johnson and to former British Prime Minister Margaret Thatcher, not because of any corruption but because of their decisions. Johnson's were connected with the Vietnam War, Mrs. Thatcher's mainly with her unflagging support of a poll or head tax.

Tough decisions, especially when widely perceived as wrong, diminish popularity. But popularity should be no leader's primary aim. That aim should be the right decisions, whatever the cost in popularity. It all too often doesn't work that way, and any nation suffers to the extent it doesn't.

Gorbachev would be less than human, perhaps, if he wasn't concerned about the depths to which his popularity has sunk. Even in a society still centrally controlled and largely undemocratic, it must hurt to be as widely disliked as the polls show him. This isn't to suggest that's why he wants massive economic aid from the West. He may well believe only such a funds infusion can prime the Soviet pump toward the freer economy he promises in exchange.

Given the menace of a militarized, Stalinist-type Soviet Union, the option Gorbachev seems now to favor would be worth almost any price to the West. NATO wouldn't have agreed on a cut of at least 50% in U.S. forces in Europe, for example, if Moscow hadn't changed as much as it has already. That cut should mean huge U.S. tax savings eventually. Further reductions could come with the pullback of Soviet troops enabling NATO to count on three months or more warning for any ground attack by Moscow. A world largely unthreatened by the Soviet Union is treasure to behold.

But Bruce D. Porter, Bradley senior research associate of the Olin Institute for Strategic Studies at Harvard University, makes a strong case in the spring issue of the National Interest for not underrating the Russian Republic, far and away the Soviet Union's largest, richest and best armed. In a June Harper's excerpt, Porter recalled Alexis de Tocqueville's prediction in Democracy in America (published in 1835) that Russia was also destined for U.S.-type greatness. Porter sees Russia's resurgence "both as a global power and as a continuing obstacle to Western interests."

"By the turn of the century, Moscow will still be in the seat of some kind of government," Porter wrote. "That government—whether communist, democratic, fascist, nationalist or autocratic—will control at least the current territory of the Russian Republic . . . and probably the Ukraine, Byelorussia, and Kazakhstan as well. If it succeeds in holding together this 'Slavic core,' it will have inherited nearly 92% of the territory and over 80% of the population of today's Soviet Union." He said such a residual union would still possess most of Moscow's current military capacity, "including the biggest, best-equipped army in Europe and the largest nuclear arsenal in the world."

GUARANTEES NECESSARY

Any Western economic aid to the Soviet Union, then, should be conditioned on the firmest possible guarantees of a genuine shift to political freedom and a free-market economy. Any such aid, moreover, should be mainly in the form of loans guaranteed by the Soviets' immense natural resources, including gold.

But most Western aid should be in expertise, cultural exchanges and trade, as in the Cincinnati-Kharkov model. Americans and other Westerners, moreover, have much to learn from as well as teach a country incalculably rich in its ethnic diversity, talent and natural resources.

THE POLICE ATHLETIC LEAGUE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Ms. LEHTINEN. Mr. Speaker, I am proud to announce the unveiling of the Metro Dade Police Department's Police Athletic League. The league will consist of youth programs in basketball, baseball, bowling, swimming, boxing, dance and WRAP, an anti-drug program for youths.

WRAP, an acronym for Winning Recreation Alternative Program, will include supervision of neighborhood parks by police officers. In fact, most of the Police Athletic League consists of off-duty police officers volunteering their time to help children.

Many officers are to be thanked for this wonderful endeavor. Among them are Sgt. Al Bonanni, the director of the P.A.L.; Officer Rodney Polite; Officer Myron Williams; Sgt. Jim Dibenardo; Officer Ted Peterson; Officer Angelo Singleton; Lt. Harold Hasenback; Sgt. Joe Delancy; and Officer Jim Colongelo.

In its first year of existence, the league also has one of the most comprehensive summer camps in the State with one of the best dance programs in the country. Its baseball team will consist of some of the best Dade County athletes with off duty police officers as coaches.

Much of the $150,000 required to support the League will come from money seized from drug dealers. It is truly heartwarming to know that money formerly directed at corrupting our youths will now be put into educating them.

The Police Athletic League will soon be counseling children throughout all of Dade County and thereby promoting our safe and productive future. It is with great pride that I call this organization to the attention of the House and the American public.

COMMENCEMENT ADDRESS OF PHYLLIS KAMINSKY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. LAGOMARSINO. Mr. Speaker, I recommend to my colleagues the following commencement address given by Phyllis Kaminsky to the Utica College of Syracuse University. I have the privilege and honor to serve with Phyllis Kaminsky on the board of directors of the National Republican Institute for International Affairs. The institute, one of the core grantees of the National Endowment for Democracy, has played a very instrumental role in assisting Democratic political parties around the globe struggling to realize representative forms of government in countries where development has been stunted by command economies and monopolistic political structures. The institute has been active in Latin America, Africa, Asia, the Middle East and, of course, Eastern and Central Europe. Phyllis Kaminsky has helped guide the institute and has participated directly in many of its programs. Most notably, she has served as leader and resident-expert on the complex and tense situation in Yugoslavia.

Phyllis' address revolving around the issue of responsibility in leadership and citizenship as the final burden of freedom is very insightful and warrants the close attention of my colleagues.

COMMENCEMENT ADDRESS DELIVERED BY PHYLLIS KAMINSKY

Chancellor Eggers, President Simpson, Members of the Utica College Foundation Board and National Alumni Council, Utica College Faculty and Staff, Family and Friends of the Graduating Seniors, and the Graduating Seniors of the Class of 1991:

RESPONSIBILITY: THE FINAL BURDEN OF FREEDOM

Not surprisingly, my remarks today are about the future—your future and our country's future. As Charles Kettering said: "We shall all be concerned about the future because we will have to spend the rest of our lives there."

The past 20 years—for most of you the span of your lifetimes—has been a period of relative peace and prosperity in this country. You leave Utica College today to become part of the generation that will lead this country into the 21st century, a challenging and exciting prospect that will demand the best of each and every one of you.

When you depart the halls of campus today, you will begin writing a new chapter in the book of your lives. This new chapter will build on the portions of the story you have already written, using the knowledge you have gained here and reflecting the people and events that have had an influence on you.

But all of you are part of a bigger story—you are part of the "great American experience"—a chronicle of a democracy that is a little over two hundred years old. A.M. Rosenthal recently wrote in the New York Times "Democracy does not guarantee happiness. It just gives people the chance to pursue it—an inspiration upon which America was created."

There is much that needs to be done for our country and, by example, for those in the world who look to the United States for global moral and political leadership. It is up to Americans to strengthen America from within, to preserve our unique experiment in freedom and to passionately guard against those who would divide us against each other.

America is a country of many blessings.

Former Prime Minister Margaret Thatcher recently said: "Americans and Europeans alike forget how unique is the United States of America. No other nation has been built upon an idea—the idea of liberty. No other nation has successfully combined people of different races and nations within a single culture.

Both the founding fathers of the United States and successive waves of immigrants to your country were determined to create a new identity. Whether in flight from persecution or from poverty, the huddled masses with few exceptions welcomed American values, the American way of life and American opportunities. And America herself has bound them to her with powerful bonds of patriotism and pride."

America is a country of possibility—the possibility of making things happen, of turning possibility into opportunity. And America is also a nation with many complex and pervasive problems.

The problems are familiar to all of us—persistent budget and trade deficits, increasing violence and homelessness in our cities, an unrelenting drug problem, a crumbling infrastructure, and deteriorating public schools, those institutions which are the very foundation of our democracy—our American way of life.

A few short months ago, we were a deeply divided and pessimistic nation worried about economic decay and political paralysis. And then we followed our President into a war against aggression and a quick, brilliantly-executed military victory. Victory was followed by a surge of patriotic rallies and flag-waving unmatched by anything in this generation. As an extraordinarily diverse society, the United States is not unified along lines of race, religion or culture. An external threat is the one thing with the power to bond our nation into a unified whole. Now that the threat has receded, we need to redirect this unanimity and solidarity to build for a future without war.

It would be tragic, indeed, if the nation's pride in our recent military success overseas diverted it from tackling the enormous problems at home—the internal threat. It should be possible to exercise international leadership while at the same time harnessing the same unity of purpose and commitment in a comprehensive effort to renew and rebuild our country and its inner cities, to restore its economic growth, and replenish its wealth. We should be guided by the words spoken on June 22, 1989 by President Bush. He said: "From now on in America, any definition of a successful life must include serving others."

At the same time that we Americans grapple with our domestic challenges, slowly, perhaps very slowly, the world around us is demanding more and more freedom. We are witnessing an unparalleled explosion of ethnic self-discovery and a strong assertion of popular will—from Kurdistan to Lithuania—from Quebec to Kashmir—from Tibet to Solvenia—from Sri Lanka to Northern Ireland.

Our democracy and free-enterprise economy were the beacons of light that freedom fighters followed in Eastern Europe and the Soviet Union. In this "democracy" revolution our political and economic system is the model for the world.

Having participated in a number of election observation missions to Central Europe, where people were voting for the first time in a free multiparty election, I could not help but be moved by the enthusiasm and determination of these new voters as they participated in the democratic process. And now, after the birth of democracy and the establishment of the rule of law to replace the whim of dictators, Eastern European nations will experience severe economic hardship over the next few years before their democratic reforms begin to bear fruit.

A couple of months ago a city worker in Moscow when asked him how his life had changed now that this country had embarked on the road to democracy. His answer was: "We may be worse off today than we were five years ago, in every material way. But I don't care, because at least we have got a little air to breathe. We must never forget how stifling, how dead it was before."

In contrast to our nation which was founded upon an idea, Eastern Europe is defined not by ideology but by national character. The difficulty of the transition from communism to democracy appears to have been grossly underestimated both by the East Europeans themselves and by the West.

Casting ballots was simple compared with the task of setting up a society in which different people and different groups respect each other's rights, including the right to govern, the right to disagree and the right to be different. European societies lack the social flexibility and openness of the United States. The melting pot still works here, as Margaret Thatcher points out.

And, even closer to our shores, in Central America, voters line up at the polling stations gambling to participate in a democratic process, while knowing full well that they could lose their lives by doing so—by receiving a bullet rather than a ballot. The long lines of voters that stretched for miles in El Salvador, Guatemala, Honduras, and Haiti remain vivid images for all of us.

In Africa, the seeds of democracy are being planted and the Continent is awakening—bringing to the African peoples for the first time the possibility of free expression, economic opportunity and political participation.

And in Asia, we must never forget the Goddess of Democracy—the Statue of Liberty of the courageous Chinese students in Tiananmen Square or the poignant plea for assistance by the Dalai Lama of Tibet when he visited Washington recently—a reminder from a gentle people engaged in a largely forgotten struggle for their freedom.

Ordinary people are the true heroes of our time. Ordinary people tore down the Berlin Wall. Ordinary people ousted the dictators. Ordinary people demanded their rights in Latin America and Eastern Europe. And ordinary people are enduring the harsh sacrifices in the painful transition to a free and open society.

Americans have a special responsibility to reinforce these ordinary heroes in every way we can. They seek their freedom and risk the danger because they are convinced there is a strong America willing to protect them.

In a June 1982 address to the British Parliament several years before the dramatic events of 1989, then President Reagan said: "Let us now begin a major effort to secure the best—a crusade for freedom that will engage the faith and fortitude of the next generation. For the sake of peace and justice, let us move toward a world in which all people are at last free to determine their own destiny."

Each day, the U.S. Government hosts dozens of foreign visitors who have come to the United States to study our system and our great documents—the Declaration of Independence, the Constitution, the Bill of Rights. It is very possible that they know them even better than perhaps we ourselves do.

In his address to a joint session of Congress, Vaclav Havel, President of Czechoslovakia, said of those documents:

"They inspire us all. They inspire us despite the fact that they are over 200 years old. They inspire us to be citizens."

His words should reinspire us to be good citizens—to renew our commitment to learning and participation—the very things people around the globe are risking everything to achieve. The warning signs of complacency have already appeared in the U.S. when barely half of the eligible voters participate in our national elections, and even fewer bother to participate in congressional races.

American citizens are required to exercise their rights of citizenship—through the voting booth, the census form and tax returns. And now, more than ever, Americans are declining to do so.

And the group of citizens between the ages of 18 and 25 represent the largest number of "democracy dropouts". It is indeed ironic that at a time when democracy is flourishing around the world, it is in danger of losing its foothold in this country.

Those nations seeking to learn from us demonstrate that we have much to learn from them. They teach us to appreciate the freedoms we enjoy and they revitalize the principles which we honor, yet take for granted.

Democracy in the final instance depends upon an informed and involved population, citizens able to evaluate and then play a role in the course of international affairs. The diploma you receive today symbolizes the hope that you will use the knowledge and communications skills you acquired to ensure that our democracy endures for your children and their children.

The world is inspired by the powerful meaning of documents written over two hundred years ago because our founding fathers left us a legacy of confidence in the citizen—a social contract that constitutes our greatest political and moral strength. In return, the citizen was granted the greatest gift of all-personal freedom.

President Bush has appointed me to serve as a member of the Board of Visitors of the U.S. Air Force Academy. While out in Colorado Springs recently, I talked with a first year Academy cadet who was reflecting on his new life in the military and the rigorous demands on him since his enrollment at the Academy. He told me about a prisoner of war during Vietnam who had inspired him to serve his country and develop a true appreciation for the freedom that our country stands for.

As the cadet tells it, the POW, in desperation, scrawled the words "Freedom has a certain taste to it" on the wall of the caves before he died. Like the POW, the cadet had also known the freedom of the outside world beyond the Academy and he understood the prisoner's burning desire to taste it once again. It helped him understand the struggles that people go through to protect freedom and why Americans, both young and old, risk their lives in far-off places to preserve freedom for those who don't even comprehend its significance.

Some generations are tested more severely than others. The Utica College Class of '91 will be called upon to apply what they have learned in a complicated and highly charged international environment, to live in an interdependent world and be part of the information society—to be the "builders of democracy" and "make the world safe for diversity" as President Kennedy said in 1963. May you approach these challenges with an appreciation of what we are and have achieved as a nation and a vision of what we can become.

As you record your chapter in the chronicle of America, I hope that you will ensure for future generations a strengthened America, a responsible and unfettered democratic process, a government that adheres to the rule of law based on justice for all, and a pluralistic society that respects and protects all ethnic traditions. That is the essence of this special place—the United States of America—the inspiration for the lyrics of the song that many of you know well, "I'm proud to be an American where at least I know I'm free".

For the first time since Vietnam, American historians are referring to a Second American Century, a century when American leadership will truly be able to shape and define the world—a global experiment in democracy, with America leading the way. Individual freedom, equal opportunity and cultural diversity are the most precious commodities of this noble experiment. The Second American Century will be shaped by people who have confidence in themselves and who inspire confidence in our nation and its institutions. The Second American Century must also begin at home.

If Americans want it, there can and will be a Second American Century, one in which we assure the ultimate triumph of our democratic ideals and direct the tides of change into channels that will benefit all mankind, not just a select few.

In my election observation travels in Hungary, Czechoslovakia and 4 republics of Yugoslavia, I made it a point, in each case, to talk directly with voters outside the polling stations. The common thread that ran through their comments was their willingness, in fact, their eagerness to participate and be held accountable for their vote. They were determined to exercise their newly-won right and prepared to pay the price of democracy.

These voters have sent us a message—a message we cannot ignore. It is time for Americans to roll up their sleeves, recharge their batteries and assume the "final burden of freedom" as President Bush has said—the dual responsibility of leadership and citizenship.

Good luck to you all.

SACRED HEART HOSPITAL—CHAMPIONS

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. WELDON. Mr. Speaker, I wish to congratulate the Sacred Heart Hospital Medical Center in Chester, PA, for being honored as a statewide finalist of the Pennsylvania Hall of Fame Champions of Older Workers.

This project seeks to identify, promote, and honor Pennsylvania employers who have made noteworthy efforts to hire older workers and to increase employment opportunities for people 55 or older. The hospital located in the city of Chester, just outside of my district, was nominated by the senior employment program of the Delaware County Services for the Aged.

Sacred Heart Hospital aims to utilize the experience and wisdom of older workers. These older workers have a great deal to offer our community. Their experience, reliability, and pride in their work is unmeasurable. By utilizing our older citizens, Sacred Heart reaps the benefits of a largely untapped resource of our work force. In addition to the great service they provide to others, our senior citizens receive gratification for performing this much-needed public service.

Mr. Speaker, not only does this hospital offer an outstanding opportunity for older workers, Sacred Heart also has an excellent reputation for servicing the "poorest of the poor". By employing these older citizens, Sacred Heart has established an economically efficient system to give medical attention to all our citizens regardless of ability to pay. Sacred Heart's enlightened employment practices should serve as a role model for all employers.

Mr. Speaker, on behalf of the Seventh District of Pennsylvania I applaud the Sacred Heart Medical Center for their excellent service commitment to our community.

THE 100th ANNIVERSARY OF MOVIEMAKING AND AMERICAN FILM

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. WEISS. Mr. Speaker, in 1993 moviemaking will celebrate its 100th anniversary. To mark this occasion, I have introduced a resolution to honor this treasured American art form and distinctively American innovation.

The art and science of moving pictures was developed through the work of numerous creators in the United States—including Thomas Edison—and was perfected through many American inventions. But while America has contributed to the technology involved in moviemaking, it has left its indelible mark on the moving picture art and has indeed transformed this art form.

Films have reached every one of us—each of us has favorite pictures and beloved stars. America is home to unforgettable icons, from Charlie Chaplin and the Marx Brothers to Bogie and Bacall, John Wayne, and the thousands of larger-than-life men and women both of past years and in the present who command the silver screen both home and abroad.

Movies are more than an entertaining art form; they are also a successful creative enterprise. Moreover, they are America's ambassador to the world, conveying American values and beliefs, styles and attitudes. Their images and messages help convey the goals and aspirations of not only Americans but of people in every corner of the globe.

This resolution recognizes this wonderful American art form and calls for a nationwide celebration of the motion picture centennial through exhibitions, festivals, educational programs, and other activities. The resolution recognizes the American Film Institute [AFI]—whose founding legislative mandate is to help preserve the heritage of American film—and its role in helping to coordinate these activities. It also calls upon the AFI to join with regional entities and other interested groups throughout the country in related activities.

Hopefully, this resolution will assist in helping all Americans to celebrate an art form which has touched generations of Americans, which continues to not only entertain but inspire, and which has written a living history of our Nation's cultural heritage.

Mr. Speaker, I insert the text of the resolution in the RECORD:

H. CON. RES. —

Whereas in the late 19th century inventors around the world focused on discovering a means of artificially reproducing movement so that it appeared to viewers that they were actually seeing the movement as it occurred;

Whereas this discovery led to the emergence of the art and science of motion pictures through the work of many creators in the United States and other countries;

Whereas during this period the technology necessary to create motion pictures was perfected in a series of exciting American inventions, which included the development of the kinetograph and kinetoscope by Thomas Edison and W.K.L. Dickson, and the perfection of strip film by George Eastman;

Whereas the cycle of invention, innovation and improvement continued without pause during the 1890's with the construction of Thomas Edison's first film studio, dubbed the "Black Maria", and in 1893 a series of technological innovations marked a turning point in the development of the motion picture;

Whereas the first commercial presentation of Edison's kinetoscope by the Holland Brothers in New York City demonstrated the public's fascination with motion pictures, and as the demand for kinetoscope films grew, Edison's invention was marketed internationally;

Whereas motion pictures have the power to touch our hearts, souls, and imaginations, and shape our hopes, dreams, and even our national consciousness;

Whereas the motion picture serves as America's ambassador to the world, conveying American values, beliefs, styles, and attitudes, transforming world culture with its potent images and making the global village a reality;

Whereas motion picture production is not only art but also one of America's most successful creative enterprises;

Whereas the motion picture has entrenched our cultural heritage with unforgettable characters who have become American icons, from Harold Lloyd, Charlie Chaplin, and the Marx Brothers to the immortal Garbo and the eternal Lillian Gish, from Bogie and Bacall, John Wayne, Sidney Poitier and Cicely Tyson to Indiana Jones, E.T., and the thousands of other larger-than-life men and women who commanded the silver screen, and from these legends are precious film moments that are forever etched in our memories and imaginations;

Whereas in 1965 President Lyndon Johnson signed the legislation leading to the formation of the American Film Institute and proclaimed that the Institute's mandate would be to recognize the moving image as an art form, preserve the heritage of film and television, and identify and train the next creative generation;

Whereas on September 26, 1989, at a ceremony which celebrated the motion picture as the art form of the 20th century, President and Mrs. Bush honored the American Film Institute and reaffirmed its role as the national organization devoted to advocating, nurturing, and preserving the art of film and video;

Whereas the American Film Institute is a national leader in film and video arts and is devoted to advocacy for and preservation of the art of film, television and video; and

Whereas the American Film Institute is poised to spearhead the nationwide celebration of film's centennial during 1993: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) all Americans should have the opportunity to celebrate the 100th anniversary of film in 1993 with exhibitions, festivals, educational programs and other forms of observance; and

(2) the American Film Institute has a leadership role in implementing and coordinating the national centennial celebrations and in joining with regional entities and other interested parties in organizing other events relating to the 100th anniversary of this great American art form.

SIERRA CLUB RESOLUTION HONORING SIL CONTE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. WAXMAN. Mr. Speaker, the Sierra Club's board of directors recently adopted a resolution honoring our former colleague Silvio Conte. The Sierra Club resolution is a fitting tribute to Sil and a reminder to all of us of his extraordinary commitment and his lasting accomplishments. I am delighted to include the resolution in today's RECORD:

SIERRA CLUB BOARD OF DIRECTORS RESOLUTION

The Sierra Club Board of Directors deeply regrets the passing of Representative Silvio Conte, a true public servant and friend of the environment. Representative Conte fought for the public interest during his 32 years in Congress. He introduced and advocated significant environmental initiatives which had far-reaching national, as well as local, impacts, benefiting the people of Massachusetts and all Americans.

Representative Conte was a true leader in the fight to cut sulfur and nitrogen oxide emissions which cause acid rain. His decade-long fight to stop acid rain culminated in the passage of the Clean Air Act of 1990, which includes a strong acid rain control program. This victory was due to this persistent, tireless fight to protect our lakes, trees, and lungs from acid rain.

Representative Conte fought to protect wetlands from wasteful agricultural development by introducing the Swampbuster Improvement Act. He advocated the restoration of drained wetlands because he understood the delicate balance between this unique ecosystem and the health of its surrounding environment. He championed legislation to prohibit mineral exploration and development in pristine and fragile Antarctica. Representative Conte also worked to stop pork barrel projects such as the Garrison Diversion Project, which threatened critical fish and wildlife habitats.

His leadership for environmental protection will be sorely missed. Sierra Club will honor Silvio Conte's memory and contributions by working to effectively implement the Clean Air Act, and by fighting to maintain nature's delicate balance.

REMEMBERING TIANANMEN SQUARE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. LANTOS. Mr. Speaker, 2 years ago today, the world was shocked by the image of brutality and violence in Tiananmen Square. It was on this day that the decrepit leadership of

China stooped to the use of force in order to maintain its illegitimate grip on power. Today, the congressional human rights caucus held an event to commemorate this sad anniversary. We remembered the massacre of those freedom-loving students and we reaffirmed our commitment to fight for the cause for which they died.

How sadly ironic it is, then, that the debate over most-favored-nation [MFN] trading status for China will reach a fevered pitch this week. The anniversary of the democratic uprising and its brutal repression underscores just how regrettable the President's call for MFN status really is.

With all due respect to the President, his position on China is dead wrong. His policy both fails its stated purpose and is completely devoid of moral direction.

The President argues that a policy of economic engagement with the Chinese dictators is the best policy the United States can follow. Through trade with China, the President maintains, we stand a better chance of influencing the policies of that Communist nation. The facts, however, tell another story.

In the 2 years since the massacre, what has the administration to show for this policy? What has been the great payoff for pursuing this strategy of business as usual? What will it take before we realize that the administration's policy is bankrupt?

In the name of imports and exports, the administration seems willing to ignore the principles upon which this Nation was founded. There are many of us, however, who believe with all our might that respect for democracy and observance of individual human rights throughout the world is this Nation's most important export.

During today's congressional human rights caucus event on the steps of the Capitol, I recalled other such events when we demanded reform from brutal governments around the world. From those same marble steps, we called for the freedom of Nelson Mandela. Today he is free. We called for the Waterloo of the tyrant Nicolae Ceausescu of Romania. Today the Romanian people have shed the yoke of his repression and are light years closer to joining the brotherhood of free nations.

Today, we called for the end of repression in China. That day, too, will come.

Today, June 4, 1991, Tiananmen Square is teeming with security forces wielding cameras and sticks to intimidate anyone who might go to that great monument to democracy's struggle. Those hooligans might succeed in keeping those who love freedom from placing white flowers of remembrance where blood once stained the square. But they are incapable of stomping out the spirit of China's democratic movement. That spirit is inexorable. It will soon rise up and strike at the old men of Beijing. It will defeat them.

When a statue is erected in Tiananmen Square honoring those young heroes of democracy who gave their life for its cause, I pray the United States will be on the moral side of history. But if that day comes tomorrow, history will not judge the policies of this Nation kindly.

HONORING HELEN ANN HENKEL

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. ENGEL. Mr. Speaker, today I wish to pay tribute to Helen Ann Henkel, a distinguished member of the Slavic community in Yonkers, who is being honored with the Book of Golden Deeds Award by the Exchange Club of Yonkers.

The Book of Golden Deeds Award is a prestigious honor given to an outstanding individual who has provided many years of service and dedication to the Yonkers community. Helen Henkel certainly fits this description. As chief clerk in the Yonkers Department of Public Works, she has coordinated many essential city services. In addition, she serves as vice chair for the Yonkers Board of Ethics, second vice president for Big Brothers and Big Sisters of Yonkers, and on the board of directors of a host of other important civic organizations.

The Exchange Club of Yonkers, which was founded in 1937, has a long history of raising funds for the improvement of the community. It is a group that judiciously bestows its honors on those rare individuals who have given freely and selflessly to the people of Yonkers. Helen Henkel is only the ninth recipient of the Golden Deeds Award in the 54 years of the Exchange Club of Yonkers, and she is the first local female recipient of the award.

As the granddaughter of Polish and Ukrainian immigrants who came to this country at the turn of the century, Helen Henkel has carried on the rich traditions of her heritage while also giving generously to her community and country. I salute her today along with the Exchange Club of Yonkers.

OUR TOPSY-TURVY CHINESE POLICY

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. McEWEN. Mr. Speaker, I rise to bring to the attention of my colleagues a column from the Cincinnati Enquirer by Thomas Gephardt. At a time when our Government is considering extending China most-favored-nation status, this insightful piece reminds us that Communist China's "history is an unbroken record of violence against human rights." I commend it to my colleagues.

At this point, I enter into the CONGRESSIONAL RECORD the attached column: "Our Topsy-Turvy Chinese Policy."

[From the Cincinnati Enquirer, June 2, 1991]

Our Topsy-Turvy Chinese Policy

President Bush interrupted his Memorial Day weekend to pick up an honorary degree at Yale University and to defend most-favored-nation trade status for the People's Republic of China. The president's position is at sharp odds with the view of many congressional Democrats who have not forgotten China's crackdown on pro-democracy dissidents in Beijing's Tiananmen Square two years ago this week.

The continuing debate about U.S. relations with the Chinese is another illustration of the topsy-turvy nature of U.S. politics. It's no wonder Americans are confused about who's on first.

PARROTING THE DEMOCRATS

President Bush is saying today substantially what the Democrats were saying prior to 1972, when President Nixon stunned the world with his personal trip to Beijing to begin the process normalizing diplomatic relations.

Congressional Democrats, by the same token, are saying today substantially what conservative Republicans were saying prior to 1972.

From the time the Communists achieved control of the Chinese mainland in 1949 to the moment of the Nixon initiative of 1972, Democrats were arguing that the United States simply couldn't ignore a billion Chinese.

Those were also years in which the Republicans were saying that the Communists had installed an oppressive government whose tenets were so contrary to America's historic principles that recognition would be unconscionable.

Now we find President Bush parroting the pre-1972 Democratic line: If we isolate China, we abandon all hope of influencing its domestic behavior. And we find Democrats saying substantially what the pre-Nixon Republicans were saying: Cordial relations with the Chinese only reinforce the authority of those hard-liners in Beijing who were the authors of the Tiananmen Square crackdown in which some 5,000 Chinese students died.

The irony of it all is that anyone was surprised by what happened in Tiananmen Square two years ago. That massacre was wholly consistent with China's 40-year tradition of handling political dissent. If anything, Tiananmen Square was a tame replay.

Between 1949 and 1952, China's new Communist government seized all farmland and put between 50,000 and several million landlords to death.

Between 1953 and 1957, agriculture was collectivized, and peasants were brutally forced to combine their landholdings into cooperatives.

China's Great Leap Forward, which began in 1958, was a nationwide campaign to increase industrial and agricultural output at a ferocious human cost.

In 1966 came the Cultural Revolution, which saw Chinese young people organized into semimilitary units to crush suspected counterrevolutionaries and to drive professionals and intellectuals into the countryside to perform menial labor.

China's genocidal campaign against Tibet killed a full sixth of the Tibetan people and drove thousands more into exile.

ATROCITIES IGNORED

No one knows how many Chinese were brutalized and murdered during these years of consolidation. There were, after all, no television cameras to record the carnage. But just because these outrages were not recorded by the U.S. television networks doesn't mean they didn't happen.

Communist China's history is an unbroken record of violence against human rights. If, notwithstanding that record, the existence of the Chinese nation could not be ignored in the 1950s and '60s, why is it so easy for congressional Democrats to ignore it today?

TRIBUTE TO SHELDON S. SOLLOSY

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. REED. Mr. Speaker, I rise today to pay tribute to Sheldon S. Sollosy, who will this week be named recipient of the Providence Rotary Club's 1991 Rhode Island Distinguished Citizen Award. Mr. Sollosy, who has since 1954 served as president of Manpower, Inc. of Providence, has long distinguished himself as an activist in Rhode Island's business and Jewish communities, and has consistently devoted considerable time and effort to various charities. I join thousands of Rhode Islanders in praising his worthy selection for this award.

The impressive range of Mr. Sollosy's community involvement reflects his devotion to business, education, faith, and his fellow Rhode Islanders. He is vice chairman for the Government Affairs Council of the Greater Providence Chamber of Commerce, vice president of the Providence Public Library, and a member of the Workers Compensation Advisory Council, the board of the Public Education Fund, and the Governor's Small Business Council. He is also chairman of religious practices for the Jewish Home For The Aged, and a director of the Genesis School, the Jewish Federation of Rhode Island, Leadership Rhode Island, the Turks Head Club, and the Providence Performing Arts Council.

In recent years, Mr. Sollosy has served as president of the Rhode Island Chamber of Commerce, honorary president of Temple Torat Yisrael and Providence Hebrew Day School, a delegate to the White House Conference on Small Business, and chairman of the Rhode Island March of Dimes during the last outbreak of polio.

For his efforts, Mr. Sollosy has been named Small Business Leader of the Year by the Greater Providence Chamber of Commerce, recipient of the distinguished Amudim Award by Providence Hebrew Day School, and recipient of Brandeis University's Distinguished Community Service Award.

Mr. Speaker, I ask you and my fellow colleagues to join me in saluting distinguished Rhode Island citizen Sheldon S. Sollosy. Thousands of Rhode Islanders, like myself, have been touched by Sheldon's many gestures of compassion, enthusiasm, and innovation, and I am proud that he has undertaken much of his work in my representative district. I join family and friends who next week celebrate his many contributions.

EAGLE SCOUT BRIAN M. LAMARSH HONORED

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is Brian M. Lamarsh of Troop 49 in the Lakewood section of Warwick, and he is honored this week for his noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required from areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, safety, environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, Brian Lamarsh led a group of Scouts in landscaping the House of Hope temporary shelter in Warwick.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Brian Lamarsh. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has through its 80 years honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that Brian Lamarsh will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that Brian Lamarsh undertook his Scout activity in my representative district, and I join friends, colleagues, and family who this week salute him.

AFRICA'S EXPLODING POPULATION

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. CLAY. Mr. Speaker, Africa's population is at an all-time high today, and is rapidly increasing each year. Africa's current population includes 661 million people, experts say that Africa is on course to double in just 24 years, and approach 1.5 billion by the year 2020. There appears to be no way to provide such a vast majority of people with the basic necessities of life. These necessities include food, shelter, and jobs, not to mention education and health services. Action must be taken immediately to deal with this situation and to see that it does not get any worse. The most helpful organizations seems to be the voluntary family-planning programs. It seems apparent that more support for family planning in Africa should be provided by the United States and other developed countries. We must all work together to solve this problem. An editorial by Mr. Werner Fornos recently appeared in the St Louis Post-Dispatch. It offers an excellent analysis of the population crisis in Africa, and I commend it to my colleagues.

[From the St. Louis Post-Dispatch, Apr. 12, 1991]

EXPLODING POPULATION, EXPLODING PROBLEMS

(By Werner Fornos)

Deprivation, poverty and hunger are so commonly associated with Africa that it is only natural to wonder if and when so many nations on that beleaguered continent will ever be free from the specter of imminent catastrophe.

A brief comparison between the state of Missouri and the African nation of Senegal brings home the brutal disparities between the developed and developing worlds. Missouri and Senegal are about the same size. There, however, the similarities end, Missouri has a population of 5 million. Senegal's population of 7.4 million will double in only 26 years. The nation is already experiencing the deadly toll that rapid population growth takes on the health of a nation's people particularly women and young children. In Senegal, 128 infants died for every 1,000 live births. In Missouri the figure is 9.9. The statistics for the rest of Africa are no less grim.

A recent example is the Human Development Index, by which the United Nations Development Program measures the quality of life in 130 countries. The index tries to determine purchasing power required for a decent living standard in different countries. It combines life expectancy and adult literacy with gross domestic product per capita, weighted according to price levels. Of the 20 countries with the lowest human development rating, 17 are in Africa.

An exporter of food only 30 years ago, sub-Saharan Africa today is more greatly dependent on imports than any other region of the world. Children under 5 account for 50–80 percent of its total mortality, compared to only 3 percent for the same age group in Europe. In Mali, the desert has advanced 220 miles south in only two decades.

Meanwhile, the global focus on the Persian Gulf crisis and the extrication of Eastern Europe from the Soviet yoke has shoved to the back pages in the news of famine in Sudan and Ethiopia. But perhaps editors no longer consider famine in Africa to be news. After all, didn't Sudan and Ethiopia just have a major drought five or six years ago?

They did. But from all indications, the present famine will be as devastating as the drought of 1984–85 and probably worse, affecting about 10 million people.

A recent visit to Africa reinforced my long-held belief that the very survival of countries in this fastest-growing region of the world hinges upon a vast reduction of population growth. Projections of the continent's human numbers are astounding, offering little cause of optimism about the region's future.

Africa's population of 661 million is on course to double in only 24 years and approach 1.5 billion by 2020, while the per capita gross national product for the region is only $600. Nigeria, Africa's largest country with a population of 118.8 million, expects 42 million more people by the end of the century and a total population of 273.2 million by 2020.

These spiraling human numbers can only lead to unthinkable socioeconomic problems. There is simply no way to provide such a rapidly growing population with food, shelter and jobs, let alone education and health services.

From every conceivable indication, much of Africa will have to rely on foreign assistance well into the 21st century. But more and more countries of the region are arriving at the conclusion that voluntary family planning programs are the best hope of providing any light at the end of this long, dismal tunnel.

Zimbabwe has established a national family planning program that is a model for sub-Saharan Africa. In a continent where national percentages of couples who use modern birth control methods flounders in single digits, Zimbabwe has a 36 percent acceptance rate. A $15 million family planning information and communication effort by the U.S. government aims to increase that rate to 50 percent within the next six years.

At the same time, Zambabwe shows signs of progress in development that should be the envy of its neighbors. It should certainly be apparent by this time that rapid population growth erodes economic advancement. Though bringing down fertility rates does not necessarily guarantee prosperity, few countries with high population growth—other than a smattering of Middle East oil sheikdoms—have any hope at all of improving their quality of life.

It is true that Zambabwean women are still averaging 5.7 children during their reproductive lifetime, but 10 years ago they were having seven. If other countries of sub-Saharan Africa where seven children per women are the norm can replicate Zambabwe's success in lowering its growth rate—and the pace can be significantly accelerated—the region may still be able to balance its population with its resources. If not, Africa must continue its reliance upon foreign aid, which has along, with every other commodity, a saturation point.

THE CORPORATE PAY RESPONSIBILITY ACT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. BRYANT. Mr. Speaker, today I am introducing a bill to give stockholders a voice in the way executive pay is set by their corporations. In an economic system based on capitalism, it is hard to believe that such a law is necessary.

Lately, news stories have carried numerous examples of ever-increasing executive pay. Business Week stated that the pay levels were mind numbing. Time magazine headlined its article on executive pay: "CEO's: No Pain, Just Gain." Forbes magazine stated in red letters—on its' cover—that the current pay system "doesn't make sense."

The average pay for a CEO is over 100 times the average pay of the average worker. Even the great financier J.P. Morgan said no executive should make more than 20 times the average pay of the average worker.

As recently as 10 years ago our pay ratios were close to that target, but this is no longer the case. Other countries of the world are much closer to the mark. A Japanese CEO earns about 17 times more than the average worker; in Germany the figure is about 23 times. But here in America, our gap is now 100 times—sometimes much more.

I believe it is one thing to have extraordinary pay for spectacular performance. It's another to have fabulous pay for dismal or even mediocre performance. Yet such extraordinary pay for poor performance is becoming the norm in corporate America.

Recently, newspapers reported that although Eagle-Picher Industries filed for bankruptcy in January of this year, last year its top five executives got a raise of more than 30 percent.

I am sure everyone will concede that 1990 was a difficult year for business in this country. But as corporate management was asking average workers to tighten their belts, decisions made in too many corporate boardrooms led to enormous pay raises—without the stockholders having any say in the matter.

The facts are that CEO pay in America vastly exceeds CEO pay in other countries; that increases in CEO pay in America exceeds the pay of our other workers; and that CEO pay in America has continued to rise in the face of falling company profits.

In the 1960's and 1970's, the pay of our schoolteachers, engineers, factory workers, and corporate CEO's was increasing at about the same rate. In the 1980's CEO pay increased in an unbalanced proportion to workers salaries.

In the history of our country, there has never been such a wide pay gap between the earnings of our CEO's and average workers.

The spectacular CEO pay increases and widening pay gap of the 1980's were not linked to increased profitability at American companies. Just the opposite is true: Executive pay rose at the same time corporate profits stagnated or dropped.

The 1980's saw CEO pay shoot up past the inflation rate, while the hourly wages of other employees failed to keep up with inflation, and company profits dropped well below inflation. This trend appears to be continuing: In 1990, I understand that CEO pay rose another 7 percent while corporate profits fell by the same amount.

In short, CEO pay increases are outpacing inflation, the pay of other American workers, the pay of CEO's in other countries, and company profits. Several compensation experts have characterized CEO pay as spiraling out of control.

A similar story applies to the members of corporate board—the people who are charged with setting the CEO's pay. Those directors of the corporation have also seen their pay skyrocket, to an average of $45,000 for the equivalent of about 2½ weeks' work. Some receive as much as $94,000. That cash payment is on top of such benefits as insurance, travel expenses and pensions.

It seems to me that in boardrooms across America, the directors and the CEO's are getting rich together, even when their companies are losing money.

A witness at a hearing held a few weeks ago by the Governmental Affairs Oversight Subcommittee, chaired by Senator LEVIN, stated that:

> "[T]the board members are dependent upon and thus beholden to just one person, the CEO, for their positions, pay, and perks. So it doesn't surprise me a bit that there is not a lot of argument when it comes to the day where the board approves the CEO's pay. It is a you-scratch-my-back, I'll-scratch-yours system of corporate governance. Under the system, the executives are doing exactly what we would expect. They are increasing their pay year after year regardless of performance:

Believe it or not, Federal Government regulations actually hinder any stockholder efforts to curb executive pay.

A ruling by the Securities and Exchange Commission allows corporations to ignore stockholder proposals on pay and prevent those proposals from being put to a shareholder vote.

The SEC regulation—the Shareholder Proposal Rule—states that any shareholder who has held 1,000 dollars' worth of stock for at least a year is eligible to submit a shareholder proposal to a corporation. The corporation then has to circulate the proposal in its proxy statement and put it to a shareholder vote, unless the proposal falls into one of the SEC's exceptions.

The SEC rule considers proposals on pay to be an exception. So corporations can simply ignore stockholder proposals on executive and director compensation.

Another SEC regulation controls the disclosure of compensation information, and, despite SEC efforts to require clear disclosure, all too often, even knowledgeable investors are at a loss to figure out complex pay packages spread over multiple pages in annual proxy statements.

Nowhere in an annual report is there one list that adds all compensation and gives the bottom line in pay and perks for each executive and director. Nor is there any easy way to compare current pay to past years or to project the future costs of the very intricate pay packages that are common today.

Finally, there is no mechanism which allows shareholders to nominate directors and include them in the corporation's proxy statement and ballot. As a Senate witness testified:

> We know the theory of the corporation. The shareholder elects the board to represent their interests, and then the board's job is to choose the management and set the compensation package. But, in reality, this theory is turned completely upside down, because the way the process works, the management appoints the board. . . . And whether the shareholders vote for the management's slate, against the slate, or whether they vote at all, they get the management slate. There is no competition for board seats. Worse yet, there is no mechanism for the shareholder to nominate an alternative board member.

As long as shareholders are barred from the nomination process, directors will have only a weak sense of loyalty and accountability to stockholders. And directors simply won't have an incentive to confront the CEO or each other about their runaway pay.

Shareholders have made it clear that they are angry about excessive pay and angry about SEC practices which block shareholder attempts to do something about it. One Senate witness testified that skyrocketing CEO pay, unrelated to corporate performance, is the "smoking gun that proves the lack of meaningful accountability of managements of large American corporations today."

The witnesses also testified that these practices threaten American competitiveness. They explained that executives who receive huge pay increases when the company is doing poorly not only lose their incentive to improve corporate performance, but also damage the morale of workers far down the pay scale and damage investor interest in buying American stock.

That is why I am introducing the Corporate Pay Responsibility Act. Senator CARL LEVIN has authored and introduced the same bill in the Senate—based on his subcommittee's extensive research on the issue and the hearings testimony he heard last month.

The purpose of our legislation is to get the Federal Government out of the way of stockholders who are angry about runaway pay and want to hold their corporations accountable for it.

The bill would reduce the Federal barriers to effective stockholder action on excessive executive pay.

First, it would allow stockholders to vote on proposals addressing how a corporation should set executive and director pay.

Second, it would require corporations to provide clearer and simpler disclosure of executive and director pay packages.

Third, the bill would allow shareholders with not less than $1 million or 3 percent of a corporation's stock to nominate directors and include their nominees in the proxy statement and ballot.

Finally, the bill would provide for confidential voting of proxies and require the SEC to support shareholder access to a corporation's stockholders when this access is otherwise authorized by law.

Mr. Speaker, the owners of the corporations—the stockholders—ought to have the right to question inappropriate executive pay at their annual shareholder meetings. They ought to have the right to propose changes in their corporation's compensation policies, criteria and methods for setting CEO and director pay. After all, it is their money.

By increasing shareholder participation in compensation policies and practices, the Corporate Pay Responsibility Act would provide some CPR to revive American competitiveness.

I invite my colleagues to join me in removing the Federal Government's stumbling blocks to shareholders who want to increase corporate performance and stop runaway executive pay.

SUMMARY OF CORPORATE PAY RESPONSIBILITY ACT

The Corporate Pay Responsibility Act would reduce federal barriers to stockholder actions on corporate policies and methods which determine the pay of executives and directors.

If enacted into law, the Act would amend the Securities Exchange Act of 1934 to:

(1) allow stockholders, for the first time, to obtain a stockholder vote on proposals recommending changes in corporate policies, criteria and methods used to determine and provide compensation to the CEO and directors;

(2) require clearer and simpler disclosure of executive and director compensation packages, including a bottomline dollar figure on the total compensation paid to each individual, and a table comparing this compensation to the 2 previous years and 5 succeeding years;

(3) require the Securities and Exchange Commission (SEC), for the first time, to specify a method for calculating the present value of stock options and other deferred or contingent compensation and require this compensation cost to be reflected in corporations' earnings statements;

(4) allow stockholders with not less than 3% or $1 million of the corporation's voting equity shares to nominate directors and include their nominees in the corporation's proxy statement and ballot;

(5) allow stockholders' access to the corporation's list of stockholders and impose monetary penalties on corporations who refuse this access; and

(6) provide for confidential voting of proxies and tabulation of vote results by an independent third party.

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Corporate Pay Responsibility Act".

SEC. 2 CORPORATE OFFICER COMPENSATION.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following new subsection:

"(h) CORPORATE OFFICER COMPENSATION.—

"(1) SECURITY HOLDER PROPOSALS.—For purposes of this Act and the rules and regulations issued by the Commission under this Act, recommendations, proposals, or statements on the policies, criteria, or methods to be used in determining or providing the compensation to be paid to the directors or the chief executive officer of an issuer shall be considered proper subjects for action by its security holders. If such recommendations, proposals, or statements otherwise meet the requirements of this section and the rules and regulations of the Commission, an issuer may not omit such recommendations or proposals or any statement in support thereof otherwise required by this section from its proxy statement.

"(2) DISCLOSURE INFORMATION.—Pursuant to the rules and regulations of the Commission, an issuer shall include in its proxy statement, clear and comprehensive information concerning the compensation paid to each director and senior executive, including—

"(A) a single dollar figure representing the total compensation paid to such person, including deferred, future, or contingent compensation, by the issuer during the year to which such proxy statement pertains;

"(B) the estimated present value, represented by a dollar figure, of any forms of deferred, future, or contingent compensation provided during such year; and

"(C) a graphic representation of—

"(i) the compensation referred to in subparagraph (A);

"(ii) comparable figures for the total compensation paid to such person by the issuer during each of the 2 years prior to the year to which such proxy statement pertains; and

"(iii) comparable figures for the estimated total compensation to be paid to such person by the issuer in each of the succeeding 5 years.

"(3) PRESENT VALUE CALCULATIONS.—For purposes of paragraph (2) of this subsection, the Commission shall-

"(A) specify the method for estimating the present value of stock options and other forms of deferred, future, or contingent compensation paid to the directors of senior executives of an issuer; and

"(B) require the issuer to reduce its earnings, as reflected in its earnings statements to its security holders, by the estimated present value of such compensation.".

SEC. 3. SHAREHOLDER NOMINATIONS.

(a) IN GENERAL.—Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following new subsections:

"(i) CORPORATE OFFICER NOMINATIONS BY SECURITY HOLDERS.—

"(1) SECURITY HOLDER NOMINEES.—Subject to the rules and regulations of the Commission, a person or group that is the beneficial owner of voting equity securities representing—

"(A) not less than 3 percent of the voting power of such issuer's securities, or

"(B) not less than $1,000,000 in market value,

may nominate persons for election to the board of directors of the issuer.

"(2) INCLUSION IN PROXY STATEMENT.—Subject to the rules and regulations of the Commission, such nominations shall be included in the issuer's proxy statement and form of proxy, and the person or group making such nominations may provide descriptions or other statements with respect to such nomination to the same extent as the board of directors or management of such issuer, and to the same extent as provided with respect to other nominations.

"(j) AVAILABILITY OF SECURITY HOLDER LIST.—Upon receipt of a written request, an issuer shall promptly deliver its list of security holders of record and any list of beneficial owners used by or available to it to any person entitled to obtain such list under applicable laws. An issuer that fails to promptly provide the list required by this subsection shall be subject to a monetary penalty imposed by the Commission, pursuant to rules or regulations established by the Commission.

"(k) CONFIDENTIALITY.—The Commission shall, by rule or regulations—

"(1) require that the granting and voting of proxies, consents, and authorizations, be confidential; and

"(2) require the tabulation of votes to be performed by an independent third party, certified in accordance with such rules and regulations; and

"(3) provide for the announcement of the results of a vote following such tabulation.

Nothing in this subsection shall be construed to authorize any person to withhold information from the Commission or from any other duly authorized agency of the Federal Government or a State government that is otherwise required by law.".

SEC. 4. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall become effective 1 year after the date of enactment of this Act.

(b) COMMISSION ACTION.—The Commission shall promulgate final rules and regulations necessary to carry out this Act not later than 1 year after the effective date of this Act.

ADDRESS BY C.L. SHARMA, DEPUTY DIRECTOR-GENERAL FOR MANAGEMENT, UNESCO

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. TORRES. Mr. Speaker, today I rise to bring to the attention of my colleagues an important message of progress made by the United National Educational, Scientific, and Cultural Organization [UNESCO].

When the United States made, what I consider to be, a misguided step and withdrew from UNESCO in December 1984, it made a threefold indictment of this international body: First, the organization was badly managed; second, it was embarked on excessive budgetary growth; third, its activities had become highly politicized and divisive.

Since 1984 UNESCO has made clear and undeniable progress in implementing dramatic reforms in its management, budget, personnel policy, and programs. Credit for this progress is in great part due to the leadership of UNESCO's Director-General, Federico Mayor.

Mr. Mayor recently asked his deputy for management, C.L. Sharma, to undertake a mission to Washington, to brief myself and a number of my esteemed colleagues on recent developments in UNESCO. To this point, I would like to share with my colleagues the address given by Mr. Sharma upon the occasion of his visit to Washington on April 22, 1991.

It is particularly timely that this progress report on UNESCO be brought to your attention. My esteemed colleague, the gentleman from Florida, Mr. DANTE B. FASCELL, has informed me that H.R. 1415, authorizing appropriations for fiscal years 1992 and 1993 for the Department of State, includes language mandating a report by the Secretary of State on the activities of UNESCO, to be submitted to the Congress not later than 60 days after the enactment of the legislation.

With this in mind I ask that my colleagues judge for themselves whether UNESCO has successfully addressed the issues raised by our Department of State. In addition, I would ask whether it is time for the Congress of the United States to instruct the Department of State to permit this country to rejoin the international scientific, cultural, and academic communities which are now linked so successfully in common democratic purposes through UNESCO.

ADDRESS BY C.L. SHARMA, DEPUTY DIRECTOR-GENERAL FOR MANAGEMENT, UNESCO

President Werner Furnos, of the Conference of Washington Representatives of the United Nations, thank you for this invitation. I would also like to thank Congressman Esteban Torres for his sponsorship of this luncheon, as well as the Americans for the Universality of UNESCO.

It is a great honour and pleasure for me to be able to spend this afternoon at lunch with you here on Capitol Hill today. Congressman Torres, who as you know, was the United States' Permanent Delegate to UNESCO in the latter 1970s, is a man of rare vision. He has consistently supported international co-operation in UNESCO's fields for many years and he has been largely responsible with his friends in the Congress, for placing the UNESCO question on the agenda of the Government. We greatly value his support and, of course, we also welcome the questions and, if I may say so, the very hard questions that he often puts to us about the reform process at UNESCO.

The United Nations Association in this country, in its Chapters and in its national organization both here in Washington and in New York, have been a force for "thinking globally and acting locally" which we at UNESCO value very highly. The UNA as we all know, has been a force for rigorous and careful analysis on UNESCO questions. Its studies, which include its independent panel's review of UNESCO and its independent work with the Sierra Club on the environment, have all helped to focus attention on those things that UNESCO has been accomplishing under its Director-General, Mr. Federico Mayor, and on the programme matters of high priority like the environment, in which UNESCO plays so important a role in the UN system. We know that the United Nations Association of the United States has played a courageous and sometimes a lonely role. It has consistently been a voice of fair play and has stood up with a great deal of courage and consistent commitment to finding out the truth about UNESCO at times when it was subjected to unfair criticism and even attack by very powerful forces. I would like to pay tribute here, at this luncheon on Capitol Hill, to the leadership of the United Nations Association of this country and particularly to Mr. John Whitehead whom I had the pleasure of meeting in New York last week, and to Secretary Elliot Richardson and to Jeff Laurenti, who has unstintingly worked to bring the image of UNESCO and its reality into focus both within the UN Association and here in the hall of Congress.

About a year ago, Secretary of State Baker issued a report on UNESCO which frankly, we found to be factually confusing, and consequently leading to biased conclusions. There had obviously been a failure to consult relevant branches of the United States Government and specialists in UNESCO's fields of education, science, culture and communication in reaching these conclusions. Many of the so-called facts presented in this report were not facts at all but mere unfounded suppositions. However, that is a matter of the past now. I believe the time has now come for the United States Government to review this matter afresh, particularly in the light of the current process of change at UNESCO. I base my arguments not on intentions or plans to reform this or that aspect of UNESCO's programme or management or budget—the need for reforms in these areas having motivated the United States' withdrawal in 1984—rather, I speak at this time of what has actually been done and of the Director-General's detailed proposals for the coming biennium (1992-93) which will go to the Organization's Executive Board meeting next month for its observations and recommendations to the General Conference which will meet in the fall.

At its last session, UNESCO's Executive Board recommended that the Organization should try to achieve substantial programme concentration, appropriate changes in the structure of the Secretariat, and a negative budget growth aimed primarily at administrative and support services, while ensuring the strengthening of programme actions in areas of vital interest. This follows on the far-reaching decisions of the last General Conference to eliminate contentious and politicized content from the programme and to focus UNESCO's actions on the catalytic pursuit of priorities in education, science, culture and communication.

My role as Deputy Director-General for Management, is to assist in the process of careful and continual change to improve the Organization's ability to "deliver the goods" to its Member States in such key areas as Literacy and Basic Education, Higher Education, Environment and Basic Scientific Research, Preserving the Cultural Heritage—both physical and non-physical, Promoting the Free Flow of Information and working for improved international co-operation in the Social Sciences and the Humanities with particular emphasis on Human Rights. All this, of course, is within UNESCO's proper sphere of action. Thus, under the overall guidance of the Director-General, and with the Deptuty Director-General for Programme, the effort has been both substantive and administrative to put more of UNESCO's resources to work on those precise things where the Organization can make a difference.

The focus on efficient programme implementation, and on moving forward to the frontiers of knowledge and skill would not have been possible if UNESCO had remained an arena for empty political rhetoric. In establishing a better dialogue with the governing bodies, in assisting them in the exercise of their full constitutional responsibilities, the Director-General has not flinched from insisting on an end to the controversies of the past. This crucial but delicate task was accomplished at the twenty-fifth session of the General Conference, held in 1989, when it definitively ended the debate on the New World Information and Communication Order and unanimously adopted a new policy dedicated to the free and uninhibited flow of information both within and among societies. This was a positive endorsement of the role of a pluralistic and private press and media throughout the world. For more than a year now that policy has taken practical form in a series of East-West and North-South press meetings dedicated to supporting independent media through direct co-operation between professional organizations in this and other countries with newborn media in Central Eastern Europe and parts of the developing world. The Warsaw School of Journalism has just opened its doors as a result of this public and private co-operation co-ordinated, encourage, and brought to fruition by UNESCO.

Similarly, UNESCO's work in Human Rights and Peace Research is rigorously focused on education and scientific research with specific emphasis on individual rights and in particular on an Apartheid-free South Africa.

As most of you know, this year will see a General Conference at UNESCO, when the Programme and Budget for the coming biennium (1992-93) will be proposed by the Director-General along with the recommendations of the Executive Board. In preparing this document, it has been our aim to concentrate the programme around important initiatives in which UNESCO can contribute to efforts by the UN system as a whole to solve problems old and new that threaten the stability and quality of lives. For example, the proposed programme will significantly increase resources dedicated to world-wide efforts to provide Basic Education For All (in co-operation with the World Bank, the United Nations Development Programme and UNICEF within the UN system and with, by the way, the United States Agency for International Development here, in Washington). It will also build on the World Climate Conference toward the 1992 UN Conference on Environment and Development (in co-operation with UNEP, WMO and the non-governmental International Council of Scientific Unions). It is important to note that both of these co-operative ventures in the vital fields of education and environment, were initiated by the Director-General of UNESCO as part of a general policy of forging more and more cost-effective linkages with the international community in addressing priority issues. The same holds true for work in

Population Education, and the fight against AIDS and drug abuse in which UNESCO's work is financially and programmatically linked to the relevant agencies of the UN system.

From a management perspective, you may be interested in knowing that the budget, which we intend to present to the Executive Board next month will represent a 2.6% decrease from what it would have been, had the standard zero growth budget which has been the recent norm in the UN system been adopted. We will probably be the first Organization of the system to come up with a reduced budget. This represents a reduction of 11 million dollars over the previous biennium's figures re-costed for inflation. This reduction of 11 million dollars in our proposed budget is being achieved through the abolition of posts, as many as 62, mainly in administrative and support services. Other areas include curtailment of meetings and documentaion including those of the governing bodies, staff travel and other administrative expenses. The result is that, despite the overall 11 million dollar reduction, we will be able actually to increase programme funds substantially for major program areas. This increase is 3.7 percent.

At the same time, UNESCO's personnel and management systems are undergoing considerable reform. Based on the recommendations of a Commission which we had appointed headed by Mr. Knut Hammarskjold of Sweden and the advice of a Panel chaired by Austrailia's Ambassador to the United Nations, Mr. Peter Wilenski, we have adopted a new system of personnel evaluation under which all staff clearly know their expected tasks, and performance appraisal is done objectively and rigorously. This is to ensure that excellence is rewarded and that under-productivie staff can be reassigned or sanctioned. Moreover, despite the limited financial resources, we have been inducting young probationers into the Secretariat to rejuvenate it and to ensure that an inverted age-pyramid begins to turn around. Concerning previous criticisms that UNESCO is top-heavy, it should be mentioned here that we are eliminating a number of posts at Director-level and above in UNESCO, and the number of such posts even now is proportionately lower than in the other comparable agencies of the UN system.

On a micro-level, which is none the less symbolic of our efforts, the self-financing activities like the UNESCO Commissary and the Restaurant Services, which used to be in deficit until recently, are now turning significant profits.

Assuming that the United States' departure from UNESCO was a temporary separation and not a permanent divorce, it may be worth while going through the reasons which led to this separation and which were summarized in various reports prepared by your Government at the time of withdrawal and thereafter. Remarkably, the State Department Report of April last year, did not cover these issues as rigorously or as completely as it should have. Since this was not done, it might be useful for me to do it very briefly now.

1. In 1984, and as recently as a year ago, the State Department felt that the New World Information and Communication Order made UNESCO potentially a party to restricting press freedom. Certainly, this is not the case now. The New World Information Order is no longer in UNESCO's programme and it has been completely replaced by a strategy which places due emphasis on the private, pluralistic and independent sources of news.

2. The State Department in 1984, looked askance at what it considered to be an overconcentration on People's Rights which was viewed as a step back from the defense of individual human rights. I can tell you that since the last General Conference the reverse is the case.

3. The State Department also felt that UNESCO was hostile to the private sector. Our cooperation with private media and business is fully demonstrable, vital to our programme, and is bearing fruit.

4. Work on peace and disarmament was felt to overlap with other bodies of the UN system. In these fields, as well as those I have discussed above, UNESCO is cooperating fully with the system and has set up mechanisms to avoid any overlap.

5. UNESCO's budget was considered excessive at a time when other agencies were keeping to zero-growth policy. UNESCO is the only Agency today which has come up with a reduced budget proposal, as I mentioned earlier.

6. UNESCO was considered inefficient and overly contralized both in the powers of its Director-General and in staff and initiative at Headquarters. Decentralization, individual initiative and accountability are the order of the day at UNESCO with a collegial decision-making process in the Directorate, and a gradual shift of staff, programme and project responsibilities out to the field. UNESCO has modernized its communication systems and its reporting system. Several Field Officers which were hitherto performing primarily liaison functions have now been converted to offices performing intersectoral programme activities.

Finally, UNESCO's programme was considered to be overly dispersed with too few resources going to too many small programme actions. The new Budget, now provides clear and quantifiable evidence that personnel and finances are being focussed around priority clusters of activities. As a result, in the Programme and Budget proposals i.e. the 26 C/5, the number of sub-programmes is reduced from 51 to 43 and the number of programme actions has been reduced from 151 to 114, a 25% reduction.

Ladies and gentlemen, the process of reform is never complete in any organization and certainly not one as complex as UNESCO. There will always be room for further improvement. So is the case with us. However, as the above quick recount shows, genuine and sustained efforts are bearing fruit now, and the time has come to redouble our efforts to work together, toward a goal of eliminating an unnatural situation which has existed for the last few years. By that I mean the U.S. absence.

After all, as democracy tries to take root in Central Eastern Europe, Latin America and now Africa, can the United States with its commitment to freedom everywhere, hold back from rejoining an organization which is totally dedicated to its initial Constitutional missions and which is doing everything within its means to function more effectively in the pursuit of these goals which involve individual human rights, freedom and what our Director-General calls, the culture of democracy?

Let us work together to fix that. As T.S. Elion wrote in *The Choruses in the Rock*: "And all that is ill, you may repair if you walk together . . . And all that was good you must fight to keep with hearts as devoted as those of your fathers who fought to gain it."

TRIBUTE TO REV. MSGR. VINCENT P. COBURN, J.C.D. ON THE 50TH ANNIVERSARY OF HIS ORDINATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. ROE. Mr. Speaker, it with the greatest pride that I rise today to pay special tribute to a very special member of our clergy in my Eighth Congressional District Msgr. Vincent P. Coburn who will celebrate the 50th anniversary of his ordination to the priesthood at the 12 noon Mass at St. Thomas the Apostle Church of Bloomfield, NJ. A reception in his honor will be held immediately following the Mass in Herron Hall, St. Thomas the Apostle School, located adjacent to the reactory.

Mr. Speaker, Monsignor Coburn was born September 15, 1915, in Newark, NJ, the eighth child of John J. Coburn and Grace Theresa Mullin, who were married in St. James Church, Newark, NJ in 1899. He was baptized Vincent in St. Rose of Lima Church in the Roseville section of Newark on September 23, 1915. He entered first grade at St. Rose of Lima Parochial School in September 1921, received his first Holy Communion in the spring of 1922 and the Sacrament of Confirmation the same day in the old Church at St. Rose, became a member of the first boys choir and graduated from the eighth grade in 1929. He entered Seton Hall Preparatory School in September 1929 and graduated in June 1933. He was accepted at Seton Hall College for the fall term of 1933 and graduated with a degree of bachelor of arts in 1937. The previous year, as was the custom then, he was accepted at the seminary of the Immaculate Conception at Darlington, NJ and was ordained to the holy priesthood on June 7, 1941. His first priestly assignment was to study canon law at the Catholic University of America in Washington, DC, entering in September 1941. After receiving the degrees of bachelor and licentiate in canon law in the next 2 years, he received the degree of doctor of canon law on May 17, 1944. The title of his published doctoral thesis was "Marriages of Conscience".

During summers while studying in Washington, he began the revision of the ecclesiastical tribunal of the archdiocese of Newark. Upon completion of his studies, he was assigned to temporary parish posts for a year because of the shortage of priests due to the duration of the Second World War. On June 1, 1945, he was designated as assistant chancellor, and advocate-notary of the tribunal, with residence at St. Patrick's Pro-Cathedral in Newark, NJ. At St. Patrick's he also served as youth director, moderator of the Boy Scouts, and was involved in various other parish endeavors. In 1948 Father Coburn's teenage boys basketball team won the archdiocesan Catholic Youth Organization championship.

A neighboring parish plant, St. Bridget's, had burned to the ground in great part in July 1953. In September 1954, Father Coburn was directed to rebuild and revitalize that parish. This was done, and in 1955 Centers for the Blind, Deaf, and Retarded were established at St. Bridget's as part of the work of the Mount

Carmel Guild of the archdiocese. An apostolate for the Spanish-speaking was started at the same time in the parish. On August 26, 1968, Monsignor Coburn was made pastor of the parish of St. Thomas the Apostle, Bloomfield, NJ, where he remained until his retirement on September 10, 1985.

Paralleling his work in the above parishes, Father Coburn was directed in 1945 by the archbishop to organize and develop the court system of the tribunal. When completed in January 1953, he was appointed officialis, or presiding judge of the tribunal for all cases and causes in first instance and for appeals from the other dioceses of the State of New Jersey. He was named a papal chamberlain to his holiness, Pope Pius XII, with the title of very reverend monsignor in 1954, and elevated to the rank of domestic prelate with the title of right reverend monsignor in 1958. Monsignor Coburn resigned as presiding judge of the Newark tribunal in 1973, but has remained as a judge in the Newark tribunal and as a part-time judge in the tribunal of the diocese of Palm Beach, FL.

Monsignor Coburn has fulfilled a number of other archdiocesan assignments over the years. He was a consultor to the archbishop from 1960 to 1978, the first chairman of the priests personnel board from 1968 to 1969, a member of the priests senate from 1969 to 1973 and a founding member of the "Cursillo" movement in the archdiocese. He established in Newark the "Casa do Colores" for the conducting of cursillos for men and women in both Spanish and English. He taught tribunal processes in the seminary of the Immaculate Conception from 1957 to 1958. He also taught a course on the history and value of the law of the church as affecting civil law in the United States at the Seton Hall Law School from 1955 to 1964. Again, he was president of the Eastern Conference of the Canon Law Society of America for a term in the late fifties and taught canon law in the Diaconate School of the archdiocese for the entire time the school was located in Newark. He was designated by Pius XII, as the apostolic visitator to the Franciscan Sisters of the Poor in 1958. He was also a trustee of St. Michael's Hospital in Newark for many years and a trustee and member of the board of directors of the Mount Carmel Guild from 1960 to 1973. He was president of the Newark Clergy Association at the time of the 300th anniversary of the founding of the city. He was moderator of the Catholic Forum from 1952 until 1973 and chaplain of Court Seton of the Catholic Daughters of America from 1965 until 1968.

Monsignor Coburn was present at the concluding sessions of the Second Vatican Council as an observer for the archdiocese. He tried over the years to implement the findings of the council in his parish work, particularly in the establishment of the Parish Council, which was of invaluable help in the administration of the parishes where he was assigned. Perhaps the most enjoyable assignments he fulfilled were the establishment of the September Club for senior citizens at St. Thomas the Apostle Parish, and the teaching of religion to the sixth grade pupils in St. Thomas Parish School, and the parish confraternity of christian doctrine classes.

For the past 5 plus years, Monsignor Coburn has been a resident at the rectory of the parish of St. Rose of Lima, Short Hills, NJ. He is the moderator of the Lifelighters Senior Club and is generally available when needed at the discretion of this kindly pastor and personal friend, Msgr. William P. Devine.

Mr. Speaker, as Msgr. Vincent P. Coburn celebrates the 50th anniversary of his ordination to the priesthood, I know that you and all of our colleagues here in the Congress will want to join me in extending our warmest greetings and felicitations for the excellence of his service to his faith, our Nation, and all of mankind. We do indeed salute an esteemed pastor, exemplary clergyman, and great American—Rev. Msgr. Vincent P. Coburn, J.C.D.

OPPOSITION TO MFN STATUS FOR CHINA

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. VALENTINE. Mr. Speaker, 2 years ago today the Chinese Government began a brutal crackdown on prodemocracy demonstrators in Beijing. As we remember the brave individual who refused to yield to a tank and the students who gave their lives in the peaceful expression of the democratic ideal, let us not forget our own country's current involvement with that nation.

As we examine our trading policies with China, we must remember the vital American industries that will be threatened by another extension of most-favored-nation status to China.

The textile industry in my State has been devastated by foreign competition. Our textile industry will never be able to compete with a system that uses forced prison labor to manufacture garments at below rockbottom prices.

I do not believe it is in our best interests to continue the demolition of the American textile industry while rewarding the repressive policies of the Chinese Government by an extension of most-favored-nation status, and I urge my colleagues to join me in opposition to this extension.

ONE MAN BEATS THE ODDS

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. BILIRAKIS. Mr. Speaker, daily, Americans are confronted with the horrors of drug abuse. Every night, the evening news brings us fresh evidence of the destruction drugs brings to families and whole communities.

The Bush administration has rightfully committed America to fighting drugs in every way possible. This year, we will spend almost $12 billion to interdict drugs at our borders, to fight drug violence on our streets and to help those Americans who have fallen victim to drug addiction.

Mr. Speaker, the problems of drug abuse cannot be minimized. Once in awhile, however, the steady stream of bad news is interrupted by a glimmer of hope, evidence that despite the enormity of the problem, progress is being made and human lives are being turned around.

And to prove it, I bring to the attention of my colleagues the uplifting story of Jonathan Wade, a young man from my district who not only raised himself out of the quagmire of drug addiction but is doing the same for others as well.

At one time, Jonathan Wade led the high life, smoking cocaine every day and making money selling drugs. Then suddently in 1984, his world came crashing down. He was arrested for the sale and possession of drugs. He lost his job and his family.

But instead of giving up, Jonathan Wade picked up his crumpled life and pieced it back together. He successfully completed a 28-day drug treatment program at Sun Coast Hospital and has been clean ever since. As commendable as quitting drugs was, however, Jonathan Wade didn't stop there.

He entered St. Petersburg Junior College in 1985 and graduated with a 3.32 grade point average. At the same time he was putting himself through school, Jonathan was also active in anti-drug activities in his community and was working to re-establish a strong relationship with his three sons.

He founded Operation Par, Parental Awareness and Responsibility, in 1984 and numerous other recovery support groups for people addicted to drugs and alcohol. Today, Jonathan Wade works 40 hours a week as an addiction counselor at Largo Correctional Center and 20 hours a week as a recruiter of minority students for St. Petersburg Junior College. He recently earned his second associate degree and plans to enter the University of South Florida in the fall to earn a master's degree in rehabilitation counseling.

Recently, Jonathan Wade was aptly recognized for his tremendous achievements. He was one of seven people in America to receive the Achievement Against the Odds Awards.

Mr. Speaker, Jonathan Wade has transformed his life. The son of an alcoholic, he has rejected drugs and alcohol and broken the cycle of addiction. Through his ordeal, he developed tremendous strength and faith in the future. Jonathan Wade believes in the power of education and every day, he brings that message to more and more young people.

What Jonathan Wade is today, versus what he used to be, is testimony to the rightness of our commitment to ridding America of the scourge of drugs. Jonathan Wade believes that America can kick the drug habit. He has proven it can be done.

Mr. Speaker, I can think of no one who is more deserving or representative of the spirit of the Achievement Against the Odds Award than Jonathan Wade.

LEGISLATION TO END IMPORTS INTO THE UNITED STATES OF WILD-CAUGHT EXOTIC BIRDS

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. BEILENSON. Mr. Speaker, I am delighted today to join my good friend and colleague from Massachusetts, GERRY STUDDS, the chairman of the House Subcommittee on Fisheries and Wildlife Conservation, in introducing legislation to end imports into the United States of wild-caught exotic birds.

The international trade in macaws, amazons, cockatoos, toucans, African greys, and other exotic birds taken directly from their habitats in Latin America, Africa, and elsewhere to supply the demand for house pets is an appalling practice which, because it is largely unregulated, has resulted in devastating declines in populations of some of the world's most beautiful birds. Nearly one quarter of the world's 300 parrot species are at risk of extinction—some, such as the beautiful South American macaw, may already be beyond any hope of recovery. Others, such as the blue-fronted amazon, may soon be eliminated from large portions of their native habitats.

Each year the pet industry in the U.S. imports over 500,000 of the estimated 8 to 20 million birds taken from the wild each year, more than half of which belong to species listed as threatened under the Convention on International Trade in Endangered Species [CITES], the international treaty which governs wildlife trade.

Worse, the wild bird trade is characterized by an alarming degree of cruelty. Crammed into shipping crates with little air, food, water or freedom to move, millions of birds—up to one-half of all birds caught in the wild by some estimates—die of suffocation, dehydration, starvation or disease before leaving the country of origin. Of those birds which reach the United States, nearly one in six is either dead on arrival or dies while in quarantine as a result of inhumane conditions during transit. Shocking as these rates of mortality seem, they are an accepted cost of business for most bird traders.

Just as alarming is the extensive environmental destruction which often accompanies the taking of wild birds, as trees and other vegetation are destroyed to locate birds inhabiting tropical rain forests and other sensitive ecosystems. In addition, although parrots and other rain forest birds are known to play a principal role in the dispersal of seeds and the pollination of plants, little research has been done on the potential adverse effects of removing essential species from the rain forest ecosystem.

The true extent of the damage the bird trade has wrought on bird populations and their habitats is still unknown because many exporting countries lack the resources necessary to assess the impact of unregulated trade or to provide adequate protection for their wildlife. Over 100 countries have laws banning the export of wild exotic birds, yet unless consuming countries, such as the United States, agree to prohibit imports, these countries are powerless to stop the trade.

To address this crisis and help bring an end to this brutal trade, the gentleman from Massachusetts and I are introducing two bills which represent the culmination of nearly 3 years' study and discussion by the wildlife conservation and animal welfare communities, the pet industry, bird breeders, zoos and veterinarians. Though the two proposals are different in detail, they have a common goal: to prohibit imports of wild exotic birds for the pet industry.

In doing so, we hope to promote a viable, humane, and well-regulated captive-breeding industry, both in this country and abroad, which will meet the demand for house pets, discourage smuggling, and help ensure the survival of the most endangered species.

Mr. Speaker, the importation of wild birds is a cruel, inhumane, and environmentally destructive practice which must be stopped—before these birds are faced with extinction. I urge my colleagues to join us in supporting this worthy effort.

NORTH AMERICAN FREE TRADE AGREEMENT

HON. CRAIG A. WASHINGTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. WASHINGTON. Mr. Speaker, I would like to thank all of my constituents that were in attendance at the Eighteenth Congressional District Town Hall Meeting on Trade. I was pleased to have the opportunity to discuss my views on the proposed North American Free Trade Agreement. Although foreign trade is important to our national economy, given our State's proximity to Mexico, it is especially significant here in Texas. Before I continue, however, allow me to give you some background on this proposal.

President Bush is very interested in expanding trade opportunities for American businesses. To that end, he would like to negotiate a free trade agreement between the United States, Canada, and Mexico. His goal is to create a huge North American free trade zone which would include 360 million consumers, with annual trade of $200 billion and economic output of $5.5 trillion. The trilateral negotiations between the United States, Mexico, and Canada are scheduled to get formally underway this summer, with the hope of completing an agreement by the end of the year.

FAST TRACK APPROVAL PROCESS

To that end, the President formally notified Congress on February 5, 1991 that he intends to use the so-called "Fast Track" approval process to secure Congressional approval of the proposed trade agreement. The "Fast Track" process is intended to streamline the regular approval process in the Congress. Once the implementing legislation is introduced, the fast track rules operate to require an up-or-down vote in the House and the Senate, without amendments, within 60 days.

WORLDWIDE TRADE AGREEMENTS STALLED

The President's effort to secure the North American agreement comes shortly after the world's trading nations failed to reach a worldwide agreement on trade issues. In fact, they recently admitted that they will miss the March 1, 1991 deadline for completing the Uruguay round of multilateral trade talks intended to continue the General Agreement on Tariffs and Trade, [GATT]. In light of this failure to reach a worldwide agreement, the President's efforts to secure a North American agreement is likely to fuel fears by other trading nations that the United States has abandoned the GATT process and is pursuing an alternative policy of promoting regional trading blocs instead.

CONCERNS ABOUT MEXICO

The proposed new trade agreement with Mexico is particularly controversial. Supporters of a United States-Mexico free trade agreement claim that it benefits both nations. They say that it would not only increase American exports to Mexico, it would help spur growth and economic development in Mexico and thereby reduce pressure for northward migration. Critics respond that the agreement would do more to increase United States imports from Mexico than exports to Mexico. As a result, it would bring about the export of American manufacturing jobs, rather than goods, south of the border.

My immediate concern centers on the interests of American workers as a whole. Under trade agreements already in place, tens of thousands of American workers have lost their jobs and tens of thousands more have seen employment opportunities vanish. Where are these jobs now? Certainly not in the United States. They're now in other countries like Mexico, or the nations of the Pacific rim, where wages are a fraction of those earned by workers in the United States. Foreign workers also do not have many of the rights of American workers, such as fair labor standards, nor do they have even the most basic workplace safety and health protections. While I do think that opportunities should be available for workers in other nations, I don't think those opportunities should come at the expense of working people here in the United States.

I am also very concerned about possible threats to the environment brought about by the treaty. While our country has a vast array of environmental laws to protect our air and water, those protections are considerably weaker—and in some cases nonexistent—in Mexico. For example, the majority of Mexican communities along the Texas border have sewage treatmemt systems which are woefully inadequate by American standards, and they significantly contribute to pollution of the Rio Grande River. Similarly, air pollution standards in Mexico are also lax, posing a health threat on both sides of the border. Moreover, the use of many toxic chemicals banned in the United States is legal in Mexico, and hazardous wastes are often casually disposed.

CAREFULLY CONSIDER FREE TRADE—REJECT FAST TRACK

A trade agreement may well benefit the United States and its neighbors. In light of the many complex issues to be resolved, however, congressional consideration of such an agreement warrants a great deal of thought and careful analysis. Members of Congress should study the many issues involved and retain their right to amend the agreement. Since the fast-track process would reduce the time available for careful consideration and eliminate the possibility of amendments, I believe that Congress should reject fast track and use the ordinary, more deliberate approach.

My constituents in the Eighteenth Congressional District expressed concerns relating to tariffs, subsidies, the environment, economic development, and the labor force. I would like to state those concerns and remedies offered for each concern.

The Sierra Club felt that their main concern was the issue of tariffs. Tariffs are often utilized to shield industries that are not competitive and are a form of protectionism. This group was most concerned with tariffs that are utilized to advance a certain social goal. For instance, if the United States wants to save family farms, the United States would ensure that foreign competition would be equal to that of the United States. If the United States wants to advance that social goal, it would limit the entry of certain types of products that may cause harm to the environment. For example, the United States might limit the importation of certain endangered species, or some tropical woods. If all barriers to trade are lifted with the free trade agreement then the United States would not be able to use this form of protection for the environment. In that respect, the Sierra Club is concerned about the tariff issue and would like to see that issue addressed.

In addition to the tariff issue, there were concerns about subsidies. The Sierra Club wants to internalize the costs that pollution have on society so that the polluter pays for their harm to the environment. These can be applied in the form of subsidies. The Sierra Club can support subsidies which provide benefits for the public. These subsidies for the public benefit include, but are not limited to, subsidies to farmers to allow some of the farmland to fallow as wildlife habitat. These subsidies should be looked at differently when discussed in the context of the free trade agreement.

The concerns relating to the environment are critical because environmental hazards know no boundaries. An example of an environmental hazard that affects both countries is pesticide usage. Some pesticides are banned in the United States because they are hazardous to the health of people. However, these same pesticides are used in Mexico and could appear in our food if it is shipped from Mexico. The Houston Audubon Society expressed their concerns that pesticides allow cumulative damage to all species. Mexico's regulations are inadequate and would put the American farmer at a competitive disadvantage if he or she complied with American standards. The Houston Audubon Society also felt that the Bush administration had not adequately addressed these concerns in the public hearings held at the committee level. They felt that the request for an extension of fast track is an attempt to pass legislation not approved by Congress in the 1990 farm bill. Houston Audubon are supportive of fast track and free trade, but felt that their concerns should be addressed in the free trade agreement.

The free trade agreement and the extension of fast track authority also raised concerns about economic development. The mayor's office of the city of Houston sent out a message that we should recognize the importance of trade to the Houston economy. We have an opportunity to participate in an agreement that hopefully will provide long standing benefits. The city of Houston, as a local governmental entity expressed a desire to be a partner in trade with those involved.

The American and Mexican workers are a concern to all involved in the discussion. The needs of the American worker are of utmost importance. Concerns about job loss mean the most to the 18th Congressional District. Jobs are the first priority to most Americans. If jobs are lost, what happens to those individuals. Will they be protected? Will other jobs be provided for those individuals? If jobs move to Mexico this will not necessarily help the Mexican worker because of rampant exploitation in wage rates. There was data given by the AFL-CIO and the steelworkers that stated there would be an overwhelming job loss to America. However, the data given by those in favor of fast track showed an overwhelming gain in jobs to replace those lost.

At the conclusion of the town hall meeting the representative from the Texas Chamber of Commerce expressed the current status of this issue the best. He said that he had received a bootleg copy of the free trade agreement and wanted to share that copy with everyone. He held up a folder containing blank pages. Since the fast track authority has been extended, that is what we have to deal with at this time. Those blank pages give us an opportunity to let President Bush know that the 18th Congressional District is aware that there is not an agreement yet and we will stand up and have our issues addressed.

TIANANMEN SQUARE

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. SWETT. Mr. Speaker, I rise today to commemorate a sad but important anniversary. Two years ago in Tiananmen Square, on a dark day for human freedom, government troops of the People's Republic of China ruthlessly and bloodily put an end to an historic movement toward democracy that had been sweeping that nation.

Government troops with armored personnel carriers and tanks entered the square and massacred hundreds of unarmed protesters. These Chinese citizens had come to Tiananmen Square to lodge their protest nonviolently. They did not call on their fellow countrymen to engage in violence. They simply asked for a chance to take part in shaping their country's destiny.

The Government did not stop its brutality there. It engaged in executions following the massacre and unleashed a wave of repression against prodemocracy activists across China and Tibet. Kangaroo courts meted out prison sentences ranging from 10 to 20 years, and these same courts continue to imprison these real freedom fighters.

On this 2-year anniversary, we cannot even be sure of the status of many of these victims of repression. The Government's cruelty is matched only by its secrecy. Take the case of Xiao Yuan, a staff member of Science and Technology Institute of the Central China Teachers' University in Wuhan. Xiao was arrested on July 12, 1989, and was accused of helping to conceal wanted dissident Wang Juntao. He was reportedly indicted in January 1990, but he still had not been tried by late 1990. His present legal status and whereabouts remain totally unknown.

Mr. Speaker, what kind of government is this that not only punishes people that work for peaceful change, but then tries to conceal its brutal repression from the rest of the world? The Chinese Government has gambled that the West will forget Tiananmen Square and the bloody events that followed. But the continuing clamor of our voices shows that we will not forget, and that we do care. We care about Xiao Yuan and his colleagues. We care about the fallen students. We care about those who cannot return. We care about those suffering today in the jail cells of China and Tibet.

Because we care, because we will not forget, we must insist on a higher standard than political expediency when making our judgment about the most favored nation status to the People's Republic of China; our policies must be consistent with our principles. We must send a clear signal to those who request our trade assistance.

Why does this administration reward China's continuing repression? Why does this administration reward a government that violates the human rights of its own people? For the sake of our own principles and values, and for the sake of the repressed victims of State-sponsored violence, we must not renew MFN for the butchers of Beijing.

Mr. Speaker, let us commit ourselves to ensuring that such tragic atrocities of Tiananmen Square are never forgotten. Let our collective memory become a clear deterrence to those leaders who make a mockery of democracy. We must be certain that those who have fallen did not die in vain. Let us never give up our struggle for the freedom of one-fifth of mankind.

THE 50TH ANNIVERSARY OF UKRAINIAN INDEPENDENCE

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Ms. SLAUGHTER of New York. Mr. Speaker, as a member of the Honorary Committee of the National Observance of Ukrainian Independence, I am proud to join Ukrainian-Americans across the country in commemorating the 50th anniversary of the Act of Restoration of the Ukrainian Independent and Indivisible State on June 30.

Ukrainian independence was reborn in a difficult hour 50 years ago. That independence was short-lived, but its spirit has survived half a century of Soviet repression and it continues to buoy modern-day aspirations for freedom.

Joseph Stalin wanted Ukrainians to become Russians; but, despite his condemnation of the Ukrainian Catholic Church and the mass imprisonment of Ukrainian nationalists, Stalin never succeeded in breaking the spirit of Ukraine and destroying its rich culture. Today, our commemoration of Ukrainian independence is as much a celebration of this rich culture and proud history as it is a prayer for the political future of Ukraine.

I am pleased to represent in Congress the more than 3,600 Ukrainian-Americans of greater Rochester, NY. Like Ukrainian-Americans across the country, this active and spirited community in upstate New York has dedicated itself to the preservation of the Ukrainian language, culture, and customs. They have also worked earnestly to provide relief to their Ukrainian brothers and sisters overseas who continue to suffer the devastation of Chernobyl and the repression of the Soviets. In Congress, I am proud to support the efforts of Ukrainian-Americans through my work with the Helsinki Commission and through my sponsorship of legislation supporting independence for Ukraine and all Soviet Republics which seek such status.

During the past 50 years the time for restored Ukrainian sovereignty has never been more right than it is today. As a new world order takes shape, friends of Ukraine here in the United States and around the globe are reminded of Ukraine's aspirations for freedom from Soviet control. We continue to pray and work for the realization of this just ideal.

IT'S TIME TO ALLOW TAIWAN TO JOIN THE GATT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. LAGOMARSINO. Mr. Speaker, less than 2 weeks ago this House engaged in lengthy debate over future American trade policy and objectives. Much focus was given to the benefits and importance of GATT. Knowing of my colleagues' interest in the subject, I would like to share the following commentary that appeared in the Los Angeles Times.

I recommend reading the last line first. The editorial addresses the question of Taiwan's application to join GATT, and states emphatically, "Keeping it out is silly." As one of the most successful trading nations in the world Taiwan has a right to sit with the other trading nations of the world and be a formal adherent to the rules of international trade established under GATT auspices.

Any issue with the mainland concerning who governs China has been avoided, as the application has been submitted under the name of "Customs Territory of Taiwan, Penghu, Kinmen and Matsu." The application does not purport to represent the mainland. The time to recognize economic realities and cast aside irrelevant political questions is now. Just as the commentary states, to do otherwise is silly.

[From the Los Angeles Times, Nov. 10, 1990]

WHY NOT TAIWAN NOW?

BEIJING SHOULD FINESSE ONE-CHINA ISSUE, DROP OPPOSITION TO GATT ENTRY

Imagine a world without Taiwan. Beijing would certainly like to, but that's hardly conceivable now. This booming island nation is among the largest and most successful traders in the world.

Even so, Taipei, still suffering from more than four decades of political isolation, faces the prospect of being shut out of the General Agreement on Tariffs and Trade—the key group of 100 nations that seeks to oversee world trade.

But economic isolation of Taipei makes no sense to anyone—except to its arch nemesis Beijing.

Beijing opposes Taiwan's application to become a member of GATT because of its "one-China" policy. How smart is that? After all, Beijing's own GATT application has been on hold since the Tian An Men Square massacre in June of 1989.

Beijing should somehow finesse the one-China issue. After all, Taiwan tried to do just that, exhibiting sensitivity to Beijing when it made its application in January, not as sovereign government but as the "Customs Territory of Taiwan, Penghu, Kinmen and Matsu," the islands off the Chinese mainland.

Where is the United States?

The State Department has expressed concerns about Taipei's bid, especially since Beijing has backed the U.S. position in the Persian Gulf and the effort for a peaceful solution in Cambodia. But the U.S. trade representative is encouraging GATT membership.

Economic isolation of Taiwan is, practically speaking, impossible. Taiwan is the 13th largest trading nation and the United States' fifth largest trading partner. Its foreign reserves of $60 billion are second only to Japan's. Taipei and Beijing both are members of the Asian Development Bank and Pacific Economic Cooperation Council. Although the two have no official ties, Beijing benefits from investment, tourism and capital from Taipei.

Taipei should be allowed to join GATT because as a member it would be obliged to follow trading rules established internationally. Keeping it out is silly.

H.R. 2535, THE PEPPER COMMISSION HEALTH CARE ACCESS AND REFORM ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. WAXMAN. Mr. Speaker, few problems facing this Nation are more urgent—or require more leadership—than the task of reforming our health care system. More than 33 million Americans have no protection against the costs of basic health services, and millions more are only a paycheck away from losing the coverage they have. And, for all Americans, the cost of health care is spiraling out of control. These conditions are deplorable, and require us to act, and to act quickly.

Last September, after a year of hearings and meetings, the Pepper Commission issued a landmark report setting forth a blueprint for reforms in this country's health care system. I supported the Commission's recommendations, and I am committed to advancing its objectives of making basic health care accessible to all Americans and restraining the growth in health care costs. Today I am proud to introduce comprehensive legislation to implement the Commission's recommendations. I am honored to be joining my colleague, Senator JAY ROCKEFELLER, the distinguished chairman of the Commission, who has introduced the companion bill in the Senate (S. 1177).

Mr. Speaker, I do not believe there is any disagreement here that our health care system is failing, or that things will get worse if nothing is done. The two-volume, 555-page Pepper Commission report provides ample documentation of these facts. We have tried partial solutions like expansions of Medicaid eligibility, and reform of Medicare payment methods. But, important as these incremental steps have been, our efforts have been undercut by the lack of a national policy assuring coverage for all and our failure to control health care costs.

It is clear to me that our existing public programs cannot continue to meet their obligations if current expenditure trends continue. Moreover, workers and their employers will increasingly be unable to find or afford basic health coverage, and providers will simply be overwhelmed by the cost of providing services to those who do not pay.

Unfortunately, the Bush administration seems content to sit back and watch our health care problems mount. Recently an administration official was quoted as saying that they're not neglecting this issue, they'd just rather have a good proposal than a quick one. This is, to say the least, a curious comment for an administration that's been in office for the last 2½ years, during which the problems in the health care system have worsened.

The proposal Senator ROCKEFELLER and I are sponsoring is hardly quick—it's taken months of study, consultation, and drafting. But it is good. It builds on the strengths of the existing system—and there are many—but it also corrects many major defects.

Under this bill, most Americans would continue to have insurance coverage provided through their employers, and their employers would have powerful new tools to control spiraling health insurance premiums. Private health plans would be prohibited from excluding persons from coverage or canceling existing coverage on the basis of individual health status. Insurance pricing practices in the small employer group market would also be subject to Federal standards based on community rating methods.

I want to emphasize that insurance reforms alone will not move us toward our goals. If we eliminate medical underwriting and require community rating, but we do not set Federal standards for basic benefits or require employers to provide coverage, the result—I fear—will be more uninsured persons, and higher costs for those continuing to purchase coverage.

Under my bill, Americans outside the work force would have access to health insurance through a public program which—like Medicare—would be run by the Federal Government and—unlike Medicaid—would not be tied to the welfare system. This program would serve those employees and family members whose employers choose to pay rather than offer private health insurance coverage, as well as those now eligible for Medicaid and those who are uninsured. Existing State payments for basic health services provided to

Medicaid eligibles—an estimated $14 billion—would be phased out over a 3-year period, easing the fiscal crunch that many States now find themselves in and freeing up State resources to pay for improvements in, and expansion of, nursing home and community-based care to elderly and disabled individuals.

In order to keep expenditures in both the public and private health plans manageable, the bill includes a number of cost control features recommended by the Pepper Commission, including incentives for managed care, cost-sharing for covered services, and promotion of clinical practice guidelines. I also have provided in my bill the opportunity for employers to elect the payment rates established by the public plan for basic services. These payment rates, which are based on Medicare payment rules, offer employers protection against unreasonable or unpredictable cost increases.

The bill would be financed on a pay-as-you-go basis. The public health insurance program would be paid for through employer and employee premiums and a surtax on personal and corporate income tax liability. The surtax would be set at the level necessary to generate the revenues necessary to meet the costs of the program not covered by employer and employee premiums. The public program cannot be paid for from premium income alone because of the need to subsidize low-income families and the likelihood that the plan will enroll many individuals with poor health status who cannot now obtain private coverage. The advantage of the surtax is that it is broad-based, moderately progressive, and able to keep pace with program spending over time.

This bill will cost money. There is simply no responsible way to give over 33 million uninsured Americans access to basic health care services without putting more resources into the system. I do not yet have CBO estimates, but the Pepper Commission estimated that its recommendations would, at full implementation, cost the Federal Government about $24 billion a year in 1990 dollars. This is obviously a major social policy commitment. But we have to remember that the longer we wait to solve the problem of the uninsured, the more it will cost. And the longer we wait to face up to the issue of controlling health care costs, the more our health care spending will increase. Inaction is an extremely costly option for patients, for employers, and for Federal, State, and local governments.

This bill is not perfect. It reflects the basic thrust of the Pepper Commission's solutions to the major health care access problems. In my view, it can and should be strengthened. One of its major shortcomings is the failure of the basic benefit package to include outpatient prescription drugs. Obviously, although drugs are central to the practice of modern medicine, their high cost makes it difficult for patients to comply with prescribed therapies, undermining the quality and effectiveness of the medical care they receive. Furthermore, millions of Americans with chronic diseases simply cannot afford the cost of their life-sustaining drugs. I intend to develop a proposal to add coverage for prescription drugs to the private and public plan basic benefit package. I believe it can be done without greatly increasing private premiums or public expenditures.

The Pepper Commission report also contained recommendations for addressing the long-term care crisis facing this country. I support these recommendations as well, and I intend this summer to introduce legislation implementing them. However, the bill I am introducing today speaks only to the issues of access and cost containment for basic health care services.

I am encouraged by the growing interest in these issues in Congress. In striking contrast to the administration, the Democratic leadership in both the House and the Senate is making serious efforts to forge a consensus within the party on the essential elements of a health care reform initiative. It is gratifying to those of us who served on the Pepper Commission to see many of our recommendations forming the basis for agreement among many of our colleagues.

I intend to begin holding hearings on the issue of health care reform in the Subcommittee on Health and the Environment this summer. I expect to take testimony from Members who have introduced other reform proposals so that we can better understand the differences among the bills and begin to develop a consensus on a common approach. I look forward to working with Senator ROCKEFELLER and my colleagues in the House to develop legislation that can be enacted in this Congress. What follows is a brief summary of the bill:

BRIEF SUMMARY OF THE PEPPER COMMISSION HEALTH CARE ACCESS AND REFORM ACT OF 1991

Overview: At full implementation, all Americans would have coverage for basic health services through one of the following: (1) private group health insurance offered by their employers; (2) a new, Federally-administered public health insurance program; (3) Medicare; or (4) qualified individual health insurance policies. Basic health services would include hospital, physician, diagnostic, preventive, and limited mental health services. With the exception of preventive services, these services would be subject to deductibles and coinsurance requirements, with an overall annual limit on cost-sharing of $3,000 per family. Private purchasers—employers, unions, health insurers, managed care plans—would be able to use the same payment rates for basic health services that Medicare and the new public program use. Health insurance products sold to firms with 100 or less employees would be subject to minimum standards designed to make group coverage accessible to employers. Low income persons would be eligible for subsidies that limit or eliminate cost-sharing obligations. Capital funds would be made available to expand primary care and public health delivery capacity. The bill would be financed on a pay-as-you-go basis, with funds for the public health insurance plan coming from a combination of employer and individual premiums and a surtax on personal and corporate income tax liability. These reforms would be phased in over 5 years.

Employer-based Coverage: By full implementation, all employers with 25 or more employees would be required to offer coverage for basic health care services to their full-time employees and dependents on a "play or pay" basis. Employers could meet this requirement by (1) purchasing private group health insurance (or self-insuring), or (2) paying a premium set at a fixed percent of payroll to enroll their employees and dependents in the public health insurance plan. The percent of payroll would be fixed by the Secretary of HHS to assure that employers do not have stronger incentives to enroll their employees in the public health insurance plan than to insure them privately. If the Secretary does not set the percent, the bill would set it at 7. Employers opting to purchase private group insurance coverage would be required to pay at least 80 percent of the premium; low-income employees could qualify for subsidies (paid by the public plan) for their share of premiums and deductibles.

Employers with fewer than 25 (but more than 4) employees would be subject to this "pay or play" requirement only if, by the end of the 4th year after enactment, less than a specified target percentage of their employees have no coverage for basic health services. Employers with fewer than 5 employees would be exempt from this requirement altogether; they and their employees could enroll in the public plan on an individual basis.

Public Health Insurance Plan: Beginning with the third year after enactment, all individuals who are not covered through their employers (or through an individual qualified health insurance policy) would be eligible to enroll in a public health insurance plan. The plan would offer coverage for the same package of basic health services (including parallel deductible and coinsurance requirements) that employers would be required to offer, plus early and periodic screening, diagnosis, and treatment (EPSDT) services for children. The Secretary would be directed to develop clinical practice guidelines with respect to these services to assure quality. The public plan would be administered by the Federal government using private fiscal agents to process claims. The program would have no ties to Medicaid or the welfare system. Low-income individuals enrolling in the public plan would also be eligible for premium and deductible subsidies related to income.

Medicare: The Medicare program would be left intact. Beneficiaries would be able to obtain Medigap supplemental coverage through the public health insurance plan. Coverage of preventive services would be expanded to include colorectal cancer screening. Low-income beneficiaries would be eligible for assistance with Medicare premiums, deductibles, and cost-sharing requirements under the public plan.

Medicaid: Current Medicaid beneficiaries would receive coverage for basic health services under either the new public health insurance plan or through their employers. Medicaid benefits that are not included in the basic health services package (e.g., prescription drugs, nursing home care) would continue to be offered through the current Medicaid program under existing rules. Current State spending for Medicaid coverage for the basic health services would be phased out entirely by full implementation.

Cost Containment: The basic health services package is subject to deductibles of $250 per individual, $500 per family. The public health insurance plan would pay for basic health services using Medicare payment rules. Private purchasers (health insurers, employers, labor-management funds, etc.) would, at their option, be able to use the public plan's payment rates in purchasing basic health services for their own enrollees. The bill would preempt State laws mandating the coverage of services other than those contained in the basic health services package, as well as State laws restricting the use of qualified managed care plans.

Small Group Insurance Reforms: States would be required, by the third year after enactment, to enforce minimum federal standards on all health insurance products marketed to employers. No qualified plan could deny or limit coverage of basic health services to any individual on the basis of health or risk status. The Secretary of HHS, in consultation with the Secretary of Labor, would apply minimum standards to self-insured employment-related plans. If a State failed to establish or maintain an acceptable regulatory program, the Secretary would be authorized to certify all health insurance products marketed to employers in the State. Qualified health plans offered to small employers (100 or fewer employees) would be required to offer at least a basic benefit plan, use community rating, guarantee issue and renewal of policies, and meet certain information disclosure requirements.

Financing: The costs of the public health insurance plan would be financed from three sources: (1) the premiums (set at a fixed percent of payroll) paid by those employers opting to enroll their employees in the public plan; (2) the premiums (set on a community-rated basis) paid by individuals enrolling in the public plan on a non-employment basis; and (3) the revenues from a surtax on personal and corporate income tax liability. The surtax would be set at a level necessary to generate the revenues needed to fund the public plan costs that are not covered by the employer and individual premiums. Funds from all three sources would be credited to a Public Health Insurance Trust Fund, from which benefits would be paid.

Primary Care and Public Health Delivery Capacity: The Secretary would be directed to spend, each year, between 0.5 and 1.0 percent of the amounts in the Public Health Insurance Trust Fund for construction and modernization of new public health and primary care delivery sites in underserved urban and rural areas. The Secretary would also be directed to report every five years on the impact of this bill on achieving the goals and objectives in Healthy People 2000.

Transition: The bill's requirements would be phased in over the first 5 years after enactment.

Year 1: Secretary of HHS develops regulations and guidelines; NAIC develops small group market health insurance reform standards.

Year 2: Medicaid coverage extended to all pregnant women and infants below 185 percent of poverty at 100% Federal expense. States must legislate small group market health insurance reforms [check].

Year 3: Public plan begins operation, enrollment available to all. Large employers (more than 100 employees) required to offer private coverage for basic health services to employees and families or to enroll them in public plan. State benefits mandates preempted for large employers. Carriers may not market unqualified health insurance products to employers. Private payors have option to use public plan payment rates in purchasing basic health services. Survey of coverage among employees of small firms (less than 25 but more than 4 employees) to determine percentage target for coverage of uninsured workers.

Year 4: Medium-size employers (more than 24 but less than 101 employees) required to offer private coverage for basic health services to employees and families or to enroll them in public plan. State benefits mandates preempted for medium-size employers. Small group market reforms effective. Coverage among employees of small firms re-surveyed to determine whether target for coverage of uninsured workers is met.

Year 5: All Americans required to have coverage for basic health services through (1) employer group health insurance, (2) public health insurance plan, or (3) individual qualified health insurance policy. If small employers do not meet target for coverage of uninsured workers, they are subject to same "pay or play" requirements as large and medium-size firms.

CONGRATULATIONS TO THE PITTSBURGH PENGUINS

HON. RICK SANTORUM

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. SANTORUM. Mr. Speaker, I rise today to congratulate the Pittsburgh Penguins for their recent victory in the Stanley Cup finals. As a longtime fan, I take great joy in this team's efforts and accomplishments.

One cannot fully appreciate the Penguins' accomplishments without understanding the history. Twenty-four long years ago, the Pittsburgh Penguins hockey club joined the NHL. The team, much like its namesake, was an awkward little creature that failed to fly for 23 years. Prior to that, the minor league hockey club, the Hornets, tormented hockey fans with their inept play. But last Saturday, when Mike Lang—the team's creative announcer—told fans that Elvis had just left the building, the Pens confirmed that they could soar to the pinnacle of the National Hockey League and become only the 10th franchise in modern history to win the cup.

Throughout the years the Pens have put on the ice some of the worst teams in NHL history. Oh, there were some bright spots along the way, thanks to the likes of Ken Schinkel, Syl Apps, Dave Burrows, and Rick Kehoe. But in a league in which almost everyone makes the playoffs, the Pens always found a way not to. In fact, they were in the playoffs fewer times than nearly any other team in the decade of the 1980's. The franchise hit rock bottom in 1983 when it managed to win only 18 of 80 games.

Ironically that humble season saved hockey in Pittsburgh. Following the season the Penguins drafted Mario Lemieux as the first pick in the first round of the NHL draft. With him the hopes of Pittsburgh hockey fans were immediately ignited. Mario carried the hopes that the Penguins would finally achieve the glory of Pittsburgh's Pirates and Steelers. Mario's magic made hockey nights in Pittsburgh exciting. Fans knew that on any given night they could witness Mario beat NHL goalies "like a rented mule." The fans came and cheered Lemieux, but the team never jelled.

This year the Pens hired "Badger" Bob Johnson, the first U.S. citizen to coach an NHL champion in more than 50 years. General Manager Craig Patrick, and super-scout Scotty Bowan, assembled one of the finest groups of men ever to take the ice. Proven winners such as, Paul Coffey, Bryan Trottier, Joey Mullin, Ron Francis, and Jiri Hrdina were contributors with Jaromir Jagr, Ulf Samuelson, Jim Pack, Paul Stanton along with scoring leaders "The Recchin' Ball," Mark Recchi, and "The R.T. Express," Kevin Stevens. They blended the experience of seasoned veterans with the youth and talent of spirited youngsters to bring Lord Stanley's Cup to the City of Pittsburgh.

The victory was especially sweet for those Penguins who gave so much to the team during the building years. Troy Loney, Bob Errey, Randy Hillier, Frank Pietrangelo, and Phil Bourque together endured some of the most difficult years of Penguins hockey.

This championship did not come easily. The team lost the first game in each of their four playoff series, including three home losses. In a way, this characterized the history of the Penguins; the Pens never seemed to like to do things the easy way. With exciting comebacks they finished strong, despite the injuries, the controversies, and the caliber of the competition. By winning the Cup, the Penguins showed the heart of true champions. With pride and poise they exemplified the character of the city. And in their play they returned the faith and enthusiasm of their fans.

The enthusiasm of Penguins fans is no small issue. The Igloo has sold out close to 90 percent of the time during the past several seasons. Pittsburgh fans love thier sports teams, and the players love their fans. Last year we witnessed the depth of sentiment for this team by the fans in the region. I am referring to the outpouring of concern and affection for goalie Tom Barrasso during his greatest time of need. Tom's daughter, Ashley had cancer and he was forced to leave the team for part of the season. The show of love and support for Tom and his family exemplified Pittsburgh's relationship with their sports heros. At the victory rally, when Tom said that he loves the Pittsburgh area, he joined a long list of athletes who have fallen in love with western Pennsylvania. Players from all sports and all parts of the country have chosen to make their homes in the Pittsburgh area even after having been traded to other teams.

Penguin players don't just live in Pittsburgh, they become part of Pittsburgh by getting involved with the people of our region. Even in the lean years the Penguins found a way to join with the community to help our charities. For example, the Penguins serve dinners at the annual Sixty-five Roses Dinner to raise money for cystic fibrosis. Tom Barrasso hosts golf outings for the Ashley Barrasso Foundation for cancer research. The Penguins also raise money for the Arthrities Foundation and the Pittsburgh Cancer Institute, not to mention their work for amateur hockey in the region. Acts like this have bonded team and community in the most special and enlightening of ways.

When the Penguins returned to Pittsburgh after the championship series, an estimated 30,000 fans were on hand to welcome them home. This number is impressive unto itself, but the team did not arrive in Pittsburgh until 3:30 in the morning. Receiving Pittsburgh sports champions at Greater Pitt Airport has become somewhat of a tradition in western Pennsylvania. The fans were there for the Pirates with their recent success and Steelers in their glory years, but they had never gathered in numbers approaching this.

Three days after the final victory, the city held a rally at Point State Park to honor the champs. The rally was at noon, but the crowd started to gather at daybreak. An estimated 80,000 people jammed into the park, standing with 85 degree heat and 80 percent humidity. At the airport and at the park there was what one commentator called, "an old-fashioned love-in." There were no riots, no looting, no stampeding crowds, just positive enthusiasm and honest respect for the hard work which brings success.

Now is the time to savor the victory for the players, the owners, the fans and the entire Pittsburgh area. For it will be only 5 months until Elvis returns to the building to the music of Jaws, the cries of "Ulf! Ulf! Ulf!" and the raising of the Stanley Cup banner to the ceiling of the Igloo. The glory of this season will fade into a pleasant memory, but the spirit that is Pittsburgh will continue to make this area truly some place special for years to come.

OUR HOPE IS "ACTING AMERICAN"

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. McEWEN. Mr. Speaker, I rise to bring to the attention of my colleagues this column from the Cincinnati Enquirer by Tony Lang. Now that Capitol Hill is focused on civil rights, Tony Lang reminds us of the proud American tradition of equal opportunity based on the individual rights guaranteed by the Constitution. He reminds us that groups do not have rights under the Constitution, and that all of us are guaranteed rights not because of our color, but because we are Americans.

I commend it to my colleagues.

At this point, please enter in the CONGRESSIONAL RECORD the attached column: "Our Hope is 'Acting American'".

OUR HOPE IS "ACTING AMERICAN"

(By Tony Lang)

God help us if the proposed 1991 Civil Rights Act ends up as just some legalistic language game, with the issues of de facto hiring quotas still left in doubt.

The entire rights movement has gotten so muddied lately, we got blacks advocating "separate but equal" schools and whites wondering: What ever happened to good old-fashioned civil-rights ideals such as "integration" and "equal opportunity"?

My own intellectual anchor in all this controversy over quotas, affirmative action and multiculturalism is that the U.S. Constitution guarantees individual rights—not group rights. But you should know pressure groups and ideologues attack even this ideal on the grounds that American individualism ultimately benefits "individuals" belonging to the dominant power group—meaning "white males."

SEPARATIST ILLUSION

Yes the separatist movement is largely about power and control, which is largely illusory since real power comes from such mundane things as schooling, competence, hard work and jobs. That's why the 1991 Civil Rights Act *could* be so important, but all the legal hiring guarantees in the world aren't going to much good if 40% to 60% of young black males keep dropping out of school first or mocking their more industrious classmates for "acting white."

We are all fortunate that industrious blacks like Gen. Colin Powell, Dr. William Cosby or the Rev. Martin Luther King were not unduly concerned about "acting white."

We need to get back to the unifying ideal of "acting American"—*e pluribus unum* and all that.

Much more vocal leadership is needed both from black spokesmen and from the White House on this *American* issue. The huge pool of unemployed black males is everybody's problem. It is first and foremost the problem of the individual unemployed black male. If he gets it implanted firmly in his head that studying hard in school and achieving is "acting white," he is doomed and no Civil Rights Act is going to save him.

Group hiring quotas are too easy a straw man to knock down in a country founded on individual rights. Okay, so group hiring quotas with rigidly set numbers based on percentages in the population seem un-American. The real question is: What are we going to do about all these unemployed or unemployable young men?

Somehow, we must get them trained and hired. Black leaders say: You cannot leave equal-opportunity hiring simply to the good faith of employers. You cannot count on them to act American and do the right thing. Approximate affirmative-action goals must be spelled out by law.

Employers with an obvious racial imbalance ought to be expressly seeking qualified blacks to hire. But if unable to find or attract any, employers certainly should not be leaving those positions empty and telling qualified whites they need not apply, as I'm told is occurring these days in some university departments.

Almost as sad as young black males sneering at school achievement as "acting white" is the disgrace of industrious black graduates being turned away from jobs or promotions after they have played the game the way they were told, studied hard, got a good education and asked nothing more than an equal opportunity to get hired. Studies suggest discrimination against black hires is still a significant problem in the U.S. workplace.

It is no consolation to a qualified unemployed black that other educated blacks seem to write their own ticket in some corporations and may even receive preferential treatment over whites in assignments or promotion. It is no consolation that educated Asians or Hispanics or women or even fat white males may also suffer hiring discrimination. It is no consolation that certain immigrants from much more impoverished circumstances may have less trouble getting hired or achieving.

AN EQUAL SHOT

It still comes down to that single qualified black individual who ought to have an equal shot at getting hired. It is a case-by-case question for the employer: Am I acting American? Hiring fairly? Without discrimination against skin color. Employers seldom hire groups. They hire individuals. Which is one more reason constitutionally protected individual rights—not group rights—are still every American's best hope.

A TRIBUTE TO ASHER HOWARD

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. DUNCAN. Mr. Speaker, Asher Howard, who served for 19 years as the county judge of Blount County, TN, was recently honored for his years of public service.

May 20 was declared as Asher Howard Day in Blount County. No one I can think of would be more deserving of such a tribute.

Judge Howard served on the Blount County Court—now commission—and served as the county executive.

He ran the county government like a business and ran it economically and efficiently.

But he also ran it with his heart and showed great compassion for his fellow man.

He knew that it is neither kind nor compassionate for a government to spend money it does not have or take even one penny more from the people than is absolutely necessary.

We need more men like Asher Howard in this Nation today.

He was one of my father's closest friends, and he has been a very good friend to me, too.

I hope that he enjoys his retirement years, and I want to wish him the best in the future.

When Judge Howard was honored for his years of community service, the Maryville-Alcoa Daily Times ran a news story and editorial which I would like to call to the attention of my colleagues.

MAKING A DIFFERENCE IN THE COUNTY

(By Adele McKenzie)

Few people have ever made the impact on Blount County that one transplanted Kentuckian, Asher Howard, made during his 26 years of public service.

"Judge Howard" as most think of him today, came to Blount County to work at the Aluminum Company of America and Blount County has been home ever since.

Under his guidance, Howard left office as Blount County judge (equivalent to current county executive office) with the county showing a net worth of $350 million and a bonded indebtedness of only $2.5 million. To top that, he also left the legacy of $7.25 million in the fund balance.

While county judge, Howard would proclaim, "Blount Countians get as much for their tax dollars as any taxpayers in the state."

He also said, "Blount County is run on a business-like basis, not on the basis of partisan politics."

Howard still talks about how members of the court, now called county commission, both Republican and Democrats, always voted what each thought was best for the county as a whole. "We had top quality on the county court and it showed in what we could do," he says.

"Blount County voters would not tolerate political blocs back then, they demanded a lot from their public officials, and they got it," says Howard.

It was under Howard's administration that the sheriff department moved to their merit system and began to retain trained officers rather than wholesale turnover of officers every two years, which was then the term of the sheriff.

Howard also brought the county into its computer operation. This followed five years after he and others thought a $17,000 bookkeeping machine would answer most of the problems. When the machine became overloaded, Howard was ready to "go whole hog and get the best," as he puts it. He also introduced the county to the concept of a budget director.

Under Howard's leadership, the county's 1907 courthouse grew in size with one completed addition in 1957 and a second annex dedicated in 1979. The original courthouse also had extensive renovation as a result of the second annex.

Especially fitting was the planning for consolidation of the county's high schools that resulted in Everertt, Porter, Townsend and Walland being served by Heritage High School, and Lanier and Friendsville closing as high schools with the opening of William Blount.

Howard had taught math at Walland High School where he started the football program after World War II. Fred Sentell wanted him coaching at Townsend High School and Howard responded.

Concern over the schools was the catalyst that brought Howard into politics. He was riding to UT with Mack Davis, John Webb and Ralph Greaser and frequently the conversation turned to the deplorable condition of the school buildings.

Davis urged Howard, who had served in the Marine Corps, to run for county court. Davis went so far as to get the late Sam H. Dunn, who was an attorney, to prepare the qualifying petition and then secured the needed signatures of qualified voters to launch Howard's political career. He was elected a member of the Blount County Quarterly Court in 1948 and served until 1955 when he became Blount County Judge, a position he filled until 1974.

When Howard was a member of the county court and then county judge, there were 41 members of the court.

Land for Heritage was purchased and the school, as yet unnamed, was being designed when Howard left office by his own choice, deciding that he would not run again, a choice that his wife, Mildred "Lum" was especially happy when it was made.

Mrs. Howard, a Townsend native, was the daughter of Bruce Myers. Today, the Howards live next door to the Myers' homeplace. Growing up in a "sawmill town" Myers had taken his family to Virginia where he operated a sawmill and then to Path Fork, Ky., where Mildred and Asher met.

During Howard's administration, the size of the county court was reduced to 21, the size of the present county legislative body or county commission. "I petitioned for a body of nine, but I got 21" he says.

Howard had the vision that is today the Blount Industrial Development program. He secured a grant that enabled purchase of the Henry Lane Farm, which is now the major part of the Blount County Industrial Park.

"This is probably the best thing that I accomplished as county judge," Howard admits.

"I feel I left the county with positive change and that I gave the county court and the officeholders leadership," Howard says.

Howard made it a habit to make a daily visit in each office every day. This was his way of knowing what was going on and being a part of the county in all ways possible. It also enabled him to have a handle on the budget preparation.

Howard admits to some disappointments from his time in office. He tried desperately to make the county the first in the state with a countywide sewer system.

Another dream was to see the county with garbage pickup service. He spent a great deal of time working on both and later conceded that without metropolitan-type government, the sewer system would be virtually impossible. He initiated a plan to have a dumpster in most communities where residents would bring their garbage. This has now been replaced by private haulers in the county but many continue to discard garbage with little thought of others and the environment.

Today, he still regrets that he was unable to get zoning and planning in place.

BLOUNT HONORS ASHER HOWARD FOR 26 YEARS IN COUNTY SERVICE

Today is Asher Howard Day in Blount County. Many of his friends will gather at noon at the Airport Hilton to honor this Townsend resident who served 26 years as a member of the county court (commission) and/or as county judge (executive).

Retired since 1974, he lives on Asher Howard Road, just a block off Lamar Alexander Parkway in Townsend. He hasn't been idle during that time but has been active in organizations and has kept regularly in touch with his many friends throughout the county. In the last couple of years he has been bothered with leukemia, a form of cancer which stops the bone marrow from producing blood cells.

Asher will be 79 on July 23 but he gets around just the same, meeting regularly with a group of friends for breakfast and attending Alcoa Kiwanis Club's weekly meeting.

Born and reared in Pathfork, Ky., in Harlan County, Asher met his wife Mildred, known to her many friends as "Lum," when her family moved temporarily from Townsend, a sawmill center, to the farm on which Asher was raised in Kentucky to operate a sawmill. A number of Townsend residents were employed at the Kentucky operation. They were married June 26, 1936.

Asher completed two years at Union College at Barbourville, Ky., got a certificate and began teaching in Kentucky. In 1941 Asher was employed in ALCOA's high tension yard. He worked and went to school at U-T at a time when the company paid the tuition.

In 1946 he heeded the call of Blount County Schools Superintendent L. M. Ross to teach at Walland and revive a football program which had not existed since about 1930. He did that but his friend J. Fred Sentell, Townsend principal, talked him into taking over as football coach at Townsend in 1947.

Perhaps his best team included a passing attack with Dale Carnes throwing and Carl "Skeet" Myers catching. That team lost to a strong Everett team by only one point at Everett and caught the imagination of a lot of local fans.

Amos and Andy Trotter, who had the Buick dealership here, lured Asher into the automobile sales field. Asher sold four cars on one Saturday and was hooked on that profession for a while.

The former Marine was elected to the county court (commission) from Townsend in 1948 and served until 1955 when he was elected judge (executive). During the last five years on the court, he served as judge pro-tem. In the fall of 1954, Blount County Court elected Asher Howard, a Republican, judge to succeed the late George D. Roberts who had died while in office. However, there was a difference of opinion over who could name the successor to a judge and Gov. Frank Clement named Democrat Bill Register to the post. A court case placed Howard in office June 1, 1955, and he later was reelected until he decided to retire.

A 32nd Degree Mason and Shriner, he served on the Townsend Chamber board, and the Smoky Mountain Passion Play board, was a member of the Boy Scout Council, served on the boards of Chilhowee Nursing Home, Tennessee Air Pollution Board, was chairman of the State Community Development Board, and President of the Tennessee County Judges Association.

Here are some of the other things which occurred under his leadership:

The county began paying deputies who previously depended on fees for their services.

Abolished the three-member county highway commission and replaced it with a one-man superintendent.

Bought many rights-of-way in order to widen county roads.

Established and maintained a good sized unappropriated balance in the budget, enabling the county to have a better cash flow, minimize its bonded indebtedness, and frequently build county buildings with taxes over a two-year period.

The first county planning commission was established, abolished because of public opposition, and then reestablished.

Insisted that what is now U.S. 321 from Maryville southwest toward Lenoir City had a four-lane right-of-way, delaying the project until the state approved the wider right-of-way. (Loudon County and area chambers of commerce are trying to get the road widened to four lanes from the county line to the Fort Loudoun Bridge.)

Began Blount's strong efforts at industrial development.

About 1970, Asher tried to "sell" the state on building a major road along the approximate route followed by the Lamar Alexander Parkway from Circle Drive on West Broadway to the Maryville College entrance on Walland Highway. Asher got the state commissioner of transportation here and walked the route with him. Later they flew the route.

Asher's dedication to public service and his interest in the welfare of the entire county have been outstanding. It is a very appropriate time for the county to pay a long overdue tribute. Have a great day Asher!

PENNSYLVANIA STUDENTS CONDUCT VOTER REGISTRATION DRIVES

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to the 25 students in Mr. Robert McCloskey's ninth grade civics class at Central Dauphin East Junior High School in suburban Harrisburg, PA. As part of their class project, these students went out to their neighborhoods and were determined to get people to register to vote.

Through their determined efforts, these students were able to sign up 71 people to vote. In past years, Mr. McCloskey's classes have registered more than 2,000 area citizens to vote. I am so glad to see these energetic young people learn first-hand about the procedures that allow Americans to exercise the all-important right to vote.

It is my hope that this useful exercise will foster greater interest in how government works among our young people, and that they will take an active role in civic affairs in the years ahead.

Mr. Speaker, I ask all of my colleagues to join me in paying tribute to Mr. McCloskey and his fine students for their efforts in promoting greater public awareness and involvement in our Nation's democratic process.

THANK YOU WEST VIRGINIA BUSINESSES FOR THANKING OUR TROOPS

HON. BOB WISE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. WISE. Mr. Speaker, I rise today to offer my sincere thanks to the American men and women of Operations Desert Shield and Desert Storm. But I know I am certainly not alone in my gratitude.

We all have heard hundreds of speeches in this Chamber and across the country expressing our country's gratitude and support for the job our troops did during the victory in the Persian Gulf.

But today, I would like to add an additional expression of appreciation—this one to more than 400 business owners and operators throughout West Virginia who have been taking part in what is known as Desert Storm Discount. This program provided a way for the State's business community to say "thank-you" to the men, women, and families of Operation Desert Storm. Today I wish to say "thank-you" to the businesses which participated.

A few months ago I asked the West Virginia National Guard, the West Virginia Chamber of Commerce, the local chapter of the Employers Supported Guard and Reserve, and the West Virginia Retailers Association to join me in organizing the Desert Storm Discount. The response was enthusiastic and contagious.

Our goal was to get businesses to offer discounts on goods and services to people who were activated for Operation Desert Shield and Operation Desert Storm and their dependents. My office had been receiving dozens of calls from people who faced financial uncertainty because their husbands, wives, fathers, or mothers had been activated as part of our Nation's response to the Persian Gulf crisis.

Once the war was won and the troops began coming home, our hope was that businesses would make it easier for those families to make the purchases which they had to put off during the war, to get loan from a bank, and to enjoy a meal, an evening out, or a getaway trip with a loved one who had been gone.

Retailers, restaurants, bowling alleys, supermarkets, pharmacies, dry cleaners, travel agencies, barber and beauty shops, banks, car dealerships and service shops, a whitewater rafting outlet, a resort hotel, and most every other kind of business participated.

Each of them agreed to offer a discount of between 5 and 30 percent off goods and services for a 2-week period which ended last Saturday. But even though the designated period is officially over, some businesses are continuing to offer discounts as their way of saying "thank you" to the troops.

So today I say " thank you" to them—all 406 of them. They made the Desert Storm Discount program a success and provided an additional "welcome home" for the men and women who answered their country's call. So Mr. Speaker, I would like to call the attention of the Congress to the businesses which made the Desert Storm Discount program a success.

In Berkeley County:
Berkeley Carpet and Ceramic—Inwood.
First Look Photo—Martinsburg.
J.C. Penney's—Martinsburg.
People's National Bank—Martinsburg (3 locations).
Ponderosa—Martinsburg.
Rolane Factories Store—Martinsburg.
Shoney's—Martinsburg.
Uniglobe Preferred Travel—Martinsburg.
In Cabell County:
American Telephone—Huntington.
Amsbury's Factory Outlet—Huntington.
Bazaar—Huntington.
Beldens Jewelers—Barboursville.
C.J. Reuschlein—Huntington.
Chilli Willi's—Huntington.
Foard Harwood Shoes—Barboursville.
Foard Harwood Shoes—Huntington.
Foodland—Barboursville.
Foodland—Chesapeake, OH.
Foodland—Huntington (4 locations).
Foodland—Lesage.
Foodland—Milton.
Foodland—South Point, OH.
J.C. Penney's—Barboursville.
K-Mart—Chesapeake, OH.
Master's Tuxedo—Barboursville (2 locations).
Master's Tuxedo—Huntington.
Mattress Warehouse—Barboursville.
One Hour Martinizing—Huntington.
Rax Roast Beef—Huntington (2 locations).
Shaw's Jewelers—Barboursville.
Shoney's—Huntington (3 locations).
Stationers—Huntington.
Stone and Thomas—(Barboursville).
Stone and Thomas—(Huntington).
Stride Rite Bootery—Barboursville.
In Fayette County:
Dr. Carl Hansen—Fayetteville.
J.C. Penney's—Mt. Hope.
Lilly's Crown Jewelers—Mt. Hope.
Mountain River Tours—Hico.
Rax Roast Beef—Oak Hill.
In Greenbrier County:
Shoney's—Lewisburg.
Stone and Thomas—Lewisburg.
In Hancock County:
Rax Roast Beef—Weirton.
Stone and Thomas—Weirton.
United National Bank—Weirton.
In Harrison County:
Arby's—Bridgeport.
Betsy's Inc./DBA Stride Rite Shoes—Clarksburg.
Bob Evan's Restaurant—Bridgeport.
Camelot Music—Bridgeport.
Chaplan Jewelers—Clarksburg.
Chik-fil-A—Bridgeport.
Corn Dog—Bridgeport.
Disc Jockey—Bridgeport.
Foto 1—Bridgeport.
Head Hunters—Bridgeport.
Health Connections—Bridgeport.
Holiday Hair Fashions—Bridgeport.
J.C. Penney—Bridgeport.
J.D. Bentley—Bridgeport.
Jack's Friendly Furniture—Clarksburg.
Kids Only—Clarksburg.
Monfried Optical—Bridgeport.
Mrs. Powell's Cinnamon Rolls—Bridgeport.
Peanut Shack—Bridgeport.
Pearle Vision—Bridgeport.
Ponderosa—Bridgeport.
Rax Roast Beef—Bridgeport.
Sara Regina's Bridal & Floral—Clarksburg.
Shoney's—Bridgeport.
Sterling Optical—Bridgeport.
Stone and Thomas—Bridgeport.
Stone and Thomas—Clarksburg.
Video World—Clarksburg.
Wendy's—Bridgeport.
In Jackson County:
Rax Roast Beef—Ripley.
Shoney's—Ripley.
Tetrick Showcase Jewelry—Ravenswood.
Tetrick Showcase Jewelery—Ripley.
In Jefferson County:
J.C. Penney's—Charles Town.
Stuck & Alger Pharmacy, Inc.—Charles Town.
In Kanawha County:
Allen Lucas Nissan—Charleston.
Ames—Charleston.
Ashmore Optical—Charleston.
Bazaar—Charleston.
Boll Furniture—Charleston.
Boulevard Recreation Center—Charleston.
Candy Factory—Charleston.
CBM Computer Center—Charleston.
Cellular One—Charleston.
Charleston Department Store—Charleston.
Charleston Deli—Charleston.
Charleston School of Beauty—Charleston.
Collector's Choice—Charleston.
Contemporary Galleries—Charleston.
Currey's Bike Shop—Nitro.
Deb Shops (Kanawha Mall)—Charleston.
Delfine's—Charleston.
Disc Jockey—Charleston.
Dudley's—Charleston.
Elegant Impressions—Charleston.
Galperin Jewelry—Charleston.
Gene's Fine Jewelry—Charleston.
Goldfarb Electric Supply Company—Charleston.
Grayfields—Charleston.
Herbert Music Company—Charleston.
Intimate Moments—Charleston.
J.C. Penney's—Charleston.
Jackie Z's—Charleston.
Joe Holland Chevrolet—Charleston.
Jones Business Machines—Charleston.
Kelly's Mens Shop—Charleston.
Kentucky Fried Chicken—Charleston.
Kip's Discount—Charleston.
Lee Eyewear (Quincy Mall)—Belle.
Life Stride Shoes—Charleston.
Lighter Than Air—Charleston.
Lilly's Keepsake Diamond Center (Kanawha Mall)—Charleston.
Lilly's Keepsake Diamond Center (Town Center)—Charleston.
Lowe's (Quincy Mall)—Belle.
Lowe's—Charleston.
Mark Christopher Carpets—Charleston.
Master's Tuxedo—Charleston (2 locations).
Master's Tuxedo—Nitro.
Mattress Warehouse—Kanawha City.
Mattress Warehouse—South Charleston.
Medical Center Pharmacy—Charleston.
Merle Norman—Charleston.
Merrill Photo Supply—Charleston.
Minute Man Press—Charleston.
Nature's Furniture, Inc.—Charleston.
One Valley Bank—Charleston.
Payless Shoes (Kanawha Mall)—Charleston.
Photo One—Charleston.
Pied Piper—Charleston.
Property Protection Company—Charleston.
Rax Roast Beef—Charleston.

Rax Roast Beef—South Charleston.
Regis—Charleston.
Sears and Roebuck—Charleston.
Sherwin Williams—Charleston
Shoney's—Charleston.
Shoney's—Cross Lanes.
Shoney's—Dunbar.
Shoney's—Kanawha City.
Shoney's—South Charleston.
Shoney's—St. Albans.
Silk 'n Memories—Charleston.
Skeffington's—Charleston.
Smorgasbord—Charleston.
Sodaro's Electronics—Charleston.
Sport Mart—Charleston.
Sports Card Connection—Charleston.
Stamper's Jewelers—Charleston.
Stateside Imports (Kanawha Mall)—Charleston.
Stone and Thomas—Charleston (2 location).
SVI Pharmacy—Charleston.
The Computer Doctor—Charleston.
Tolley's Bible Bookstore—Charleston.
Value City Furniture—St. Albans.
Venture Lanes—St. Albans.
Vogue Dress Shop—Charleston.
Waldenbooks (Kanawha Mall)—Charleston.
In Lewis County:
J.C. Penney's—Weston.
Rax Roast Beef—Weston.
TCI of West Virginia—Weston.
79 Speedway—Weston.
In Logan County:
Ira A. Watson, Company (Watson's)—Logan.
Lilly's Crown Jewelers—Logan.
Shoney's—Logan.
TCI of West Virginia—Logan.
In Marion County:
Crowley's Hallmark—Fairmont.
Friendly Furniture—Fairmont.
Hot Sam Pretzels—Fairmont.
Leed's Candies—Fairmont.
Rax Roast Beef—Fairmont.
Ray's Jewelers Inc.—Fairmont.
Rider Pharmacy—Fairmont.
Shoney's—Fairmont.
Stone and Thomas—Fairmont.
Zasloff's Jewelry Palace—Fairmont.
In Marshall County:
Allen's Bootery—Moundsville.
Blake's Kiddie Korral and Attic—Moundsville.
Budget Interiors—Moundsville.
Dr. W.M. Isminger—Moundsville.
Fay's Jewelry—Moundsville.
Grand Vue Park—Moundsville.
Josabeth, Inc.—Moundsville.
Joseph's Trophy Case—McMechen.
Lightners Plumbing and Heating—Moundsville.
Rax Roast Beef—Moundsville.
Rich's Quick Print—Moundsville.
Tire America—Moundsville.
United National Bank—Moundsville.
Weusbauer's Flowers—Moundsville.
Young's Cafeteria—Glendale.
In Mason County:
Fruth Pharmacy—Pt. Pleasant.
Shoney's—Pt. Pleasant.
In Mercer County:
Blacor Steel—Bluefield.
Bluefield College Bookstore—Bluefield.
Cole Motor Company—Bluefield.
Colonial Jewelers—Bluefield.
Dr. Assaad Mounzer, MD—Bluefield.
First Community Bank—Bluefield.
Flower's Baking Company—Bluefield.
H & M Shoe Stores—Bluefield.
H. Lynden Graham, CPA—Bluefield.
J.C. Penney's—Bluefield.
Kammer Furniture/Kammer Security—Bluefield.
Larry Douglas—Bluefield.
Lilly's Crown Jewelers—Bluefield.
Magic Mobile Homes—Bluefield.
Mercer Health Center—Bluefield.
Mountaineer Bowling Lanes—Bluefield.
Ms. and His—Bluefield.
Mullins Travel—Bluefield.
New Graham Pharmacy—Bluefield.
One Valley Bank—Princeton.
Physical and Occupational Therapy Services, Inc.—Bluefield.
Royal Jewelers—Bluefield.
Shoney's—Bluefield.
Shoney's—Princeton.
Southern Office Supply—Bluefield.
Southside Professional Pharmacy—Bluefield.
Stone and Thomas—Bluefield.
The Wellness Center—Bluefield.
Tomchin Furniture—Bluefield.
Tomchin Furniture—Princeton.
Willis Chiropractic—Bluefield.
In Mingo County:
J.C. Penney's—Williamson.
In Monongalia County:
Boston Beanery—Morgantown (2 locations).
Camelot Music—Morgantown.
Dr. Dominic Raymond, Dentist—Morgantown.
Eyecare Center—Morgantown.
Elderbiermann—Morgantown.
Freshen's Yogurt—Morgantown.
Gordon Jewelers—Morgantown.
Harold Weiss Jewelers—Morgantown.
Hero Hut—Morgantown.
Hot Stuff—Morgantown.
I Can't Believe It's Yogurt—Morgantown.
J.C. Penney's—Morgantown.
Kay Jewelers—Morgantown.
Kobe of Japan—Morgantown.
Last Word—Morgantown.
Lilly's Crown Jewelers—Morgantown.
Living Quarters—Morgantown.
Monfried Optical—Morgantown.
Morgantown Phone Center—Morgantown.
Musselman Jewelers—Morgantown.
One Valley Bank—Morgantown.
Payless Shoes—Morgantown.
Photo Express—Morgantown.
Rax Roast Beef—Morgantown.
Regis Hair Salon—Morgantown.
Repairs Plus—Morgantown.
Rugby's Biestro—Morgantown.
Sbarro's—Morgantown.
Sears and Roebuck—Morgantown.
Shoney's—Morgantown.
Sport Mart—Morgantown.
Stone and Thomas—Morgantown.
Things Remembered—Morgantown.
Universal Jewelry—Morgantown.
Victory Ford—Morgantown.
Video World—Morgantown.
Wendy's—Morgantown.
In Nicholas County:
Nicholas Printing, Inc.—Summersville.
Rax Roast Beef—Summersville.
In Ohio County:
Capital Music Hall—Wheeling.
Crone's—Wheeling.
Doc William's Country Store—Wheeling.
Posin's Jewelers—Wheeling.
Rax Roast Beef—Wheeling.
Rich's Quick Print—Wheeling.
Stone and Thomas—Wheeling.
Stone's Terrace Shop—Wheeling.
TCI of West Virginia—Wheeling.
Tire America—Wheeling.
In Putnam County:
19th Hole Tavern—Poca.
Country Expressions—Hurricane.
Master's Tuxedo—Scott's Depot.
Mattress Warehouse—Winfield.
McKerr's Fashions—Hurricane.
Rax Roast Beef—Hurricane.
Shoney's—Winfield.
In Raleigh County:
Beckley Welding Supply—Beckley.
Lilly's Crown Jewelers—Beckley (2 locations).
Shoney's—Beckley.
Stone and Thomas—Beckley.
In Randolph County:
Shoney's—Elkins.
Stone and Thomas—Elkins.
In Summers County:
New River Scenic Whitewater Tours—Hinton.
In Tucker County:
Mountaintop Realty (Canaan Valley)—Davis.
Timberline Resort—Davis.
In Upshur County:
Stone and Thomas—Buchannon.
In Wetzel County:
AAA Mobile Homes, Inc.—New Martinsville.
Adena Industries—New Martinsville.
AHA Mobile Homes—New Martinsville.
Barth's Florist—New Martinsville.
Bee Electric—New Martinsville.
Lilly's Crown Jewelers—New Martinsville.
Mason's Clothiers—New Martinsville.
Neville Olds Cadillac Buick Jeep Eagle—New Martinsville.
Rax Roast Beef—New Martinsville.
TCI of West Virginia—New Martinsville.
In Wood County:
J.C. Penney's—Parkersburg.
Master's Tuxedo—Parkersburg.
Mattress Warehouse—Marietta, OH.
Mattress Warehouse—Parkersburg.
Model Carpet—Vienna.
Obermeyer Florist—Parkersburg.
Pat's Upholstery and Factory Outlet—Parkersburg.
Rax Roast Beef—Parkersburg (2 locations).
Shoney's—Parkersburg (2 locations).
Sid's Furniture Mart—Parkersburg.
Stables Motor Lodge—Parkersburg.
Stone and Thomas—Vienna.
TCI of West Virginia—Parkersburg.
Wharton Cadillac Olds—Parkersburg.
YMCA—Parkersburg.
In Wyoming County:
Tomchin Furniture—Mullins.
Statewide chains:
Kentucky Fried Chicken—Statewide (34 locations).
Lowes—Statewide (21 locations).
K-Mart—Statewide corporate owned—(17 locations).

IN HONOR OF CALVIN H. WHEATLEY

HON. RON de LUGO

OF VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. DE LUGO. Mr. Speaker, I rise to honor a most distinguished Virgin Islander, Calvin H. Wheatley. I can say without fear of contradiction that there is no man with more experience in the operations of the executive branch of the Virgin Islands Government than Calvin. He has worked alongside eight Virgin Island Governors, both appointed and elected, in capacities up to executive assistant. His sense of continuity, his understanding of government operations, his ability to get the job done, is unequaled. It is precisely because of these qualities that Calvin is called back into government service again and again, to serve with continuing excellence the people of his native Virgin Islands.

Through the years, Calvin has also been closely involved in the banking industry. As an officer for Citibank, he left to manage the People's Bank, an effort to bring banking and banking services to a broader cross-section of the Virgin Islands community. He eventually rose to the position of president before returning to Citibank to manage its offices on St. Croix and St. Thomas.

Calvin has been extremely active in community service. As district chairman, president, and a member of the executive board of the Boy Scouts of America in the Virgin Islands, he has been essential to the development of the strong foundation which makes it the excellent organization it is today. He has also served on the Virgin Islands board of directors of the Girl Scouts of America, on the board of the United Way of St. Thomas-St. John, as an officer of the St. Thomas-St. John Chamber of Commerce, on the board of the Police Athletic League, and as chairman of the board of the Virgin Islands Government Employees Retirement System.

Calvin has been honored many times for his service to the people of the Virgin Islands, receiving the Boy Scouts' Distinguished Citizen Award and Silver Beaver Award, the American Legion Award of Merit, the Wilbur LaMotta Community Service Award, the Business and Professional Womens' Club Community Service Award, and the 1984 St. Thomas Rotary Man of the Year Award. He is also an inductee in the Virgin Islands Sports Hall of Fame.

On June 10, 1991, Calvin will be installed as the new civilian aide to the Secretary of the Army for the Virgin Islands. In this capacity, he will serve as the military's liaison to the territory, maintaining the strong link forged many years ago between Virgin Islands civilians and U.S. military forces.

Mr. Speaker, Calvin Wheatley is an outstanding Virgin Islander, a gentleman of the highest regard, a man who has been an important player in the historic events that shaped the Virgin Islands for the past almost 50 years.

No one deserves more than Calvin recognition for his many and continuing contributions to the Virgin Islands and her people.

TRIBUTE TO JIMMY HERMAN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. MILLER of California. Mr. Speaker, I rise to pay tribute to one of the outstanding leaders of the labor movement in this country and a very good personal friend of mine, Jimmy Herman.

Jimmy is retiring this year after nearly 40 years in service with the International Longshoremen's and Warehousemen's Union, one of the great labor organizations of our Nation and a leading force for progressive labor policies on the west coast. No one played a greater role in shaping the courageous agenda of that organization than Jimmy Herman.

Born in Newark, NJ, Jimmy Herman joined his first trade union at the age of 17, the National Union of Marine Cooks and Stewards.

After serving in a number of positions, Jimmy moved to San Francisco where his negotiating skills made him an outstanding union representative. His roles as a west coast union leader included presidency of ILWU Local 34, service as a member of the Pacific Coast longshore negotiating committee and ILWU representative to many trade union conferences.

Since 1977, Jimmy has served as the president of the ILWU and is generally recognized as one of the leading voices in America for a strong, honest union movement, one that is committed not only to its members' well-being but to international peace and justice. Jimmy's work as president reaffirms the highest tenets of the union movement and the spirit of labor brotherhood, and we have all benefited by his wise leadership over the years.

I have worked with Jimmy and the ILWU on many occasions, and I would like to mention just two. He was a leading force in support of the Longshore and Harbor Workers' Compensation Amendments of 1984, which I helped write as chairman of the Subcommittee on Labor Standards. We made historic strides forward in the area of workers' compensation in that law, especially in the area of aiding those injured due to exposure to asbestos and other occupationally related diseases and disabilities.

Jimmy also was a major force within the antiwar movement during the many struggles of the 1980's concerning Central America and the shortsighted and harmful role this Nation played in Nicaragua and El Salvador. Jimmy not only challenged the predominant political views in the Nation but also fought many in the labor movement who did not share his wise view of these destructive policies. And in the end, I think Jimmy's analysis was borne out by the facts and by history.

Jimmy has also donated substantial amounts of his free time and his energy to a number of charitable community organizations, serving on the board of directors for both St. Anthony's Kitchen and the outstanding Delancey Street Foundation's rehabilitation program.

Jimmy Herman's numerous contributions to labor organizations, to peace, to international understanding and cooperation and to his community mark his active life as one that has benefited men and women not only in San Francisco and the west coast but throughout the world.

On the occasion of his retirement, I am proud to join my colleagues in honoring this great American who, I am delighted to say, has also been a close friend and colleague for many years. I wish him well, many years of happiness and continued productivity.

THE PRESIDENTIAL ELECTION CAMPAIGN FUND PROTECTION ACT

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. SWIFT. Mr. Speaker, I am introducing today the Presidential Election Campaign Fund Protection Act, a bill to correct certain technical oversights in the original public funding legislation and make the process more efficient for both Presidential candidates and the Federal Election Commission.

The Presidential election funding system was established by Congress in the early 1970's as one of the key reforms to increase public confidence in Government following the incredibly corrupt fund-raising practices that were uncovered in the Watergate scandal.

The public, and Congress, were outraged to discover that millions of unregulated dollars not subject to disclosure requirements were poured into the 1972 election, often with strings attached—like the appointment of an ambassadorship or other high Government office. Almost every conceivable form of corruption resulting from the mix of private money with public policy was exposed during the Watergate revelations.

The immediate result of this scandal was broad campaign reform legislation, with the Presidential Election Campaign Fund being an integral part of those reforms.

The fund seeks to minimize the impact of private moneys by providing for the public financing of Presidential primary and general elections through the voluntary income tax checkoff. This program has worked extremely well since its inception, with 49 of the 50 major-party candidates who have run for the Presidency since 1976 participating in the program. During the 1988 election, however, large sums of undisclosed private money crept back into the process through the so-called soft money loophole. To maintain the integrity of the Presidential funding system, Congress must pass, prior to the 1992 election, legislation to shut off this potentially corrupting funding source.

The bill I am introducing today deals with the immediate problem of fund solvency. The Presidential public funding law, as enacted, contained a structural flaw that guaranteed that the fund would eventually run out of money. The problem is that the original legislation authorizing the $1 checkoff made no provision for periodic adjustments in the amount of the checkoff to allow for inflation. At the same time, however, on the other side of the ledger, campaign spending limits were indexed for inflation and have been rising steadily. As a result, the FEC now projects that the fund may face a shortfall during 1992 and will definitely be in the red by 1996.

As you know, Mr. Speaker, the fund's income is derived entirely from the $1 checkoff on the Federal income tax return. From 1976 through 1981, over 25 percent of the income tax returns were checked for the fund. This percentage has slowly declined over the past 9 years to a figure now just below 20 percent. The dropoff in taxpayer participation has, of course, meant a decline in fund income.

There have been many guesses as to why the participation rate has declined, so the Federal Election Commission researched this problem and discovered, not surprisingly, that an overwhelming majority of taxpayers knows very little about the goals of the program, how the fund is used, or why it was created. The FEC has now embarked on a modest education program, aimed not only at the general public but also at professional tax preparers who are now responsible for almost 50 percent of all returns and apparently fail to ask their clients whether they wish to participate.

While an education program is obviously desirable, the critical issue is the imbalance between the payout rate and the declining real value of the checkoff amount. The fact is, a dollar checked off in 1973 is worth only 36 cents today. My bill increases the checkoff amount to $3 and indexes it for future inflation. Even with slight fluctuations in participation, the $3 rate will provide adequate funds for 1996 and the index factor should take care of future demands. The FEC has so testified and all the projections support them.

This legislation makes two other important funding adjustments. First, it reorders the payout priorities of the fund so that general election candidates receive first payment followed by primary candidates and the parties are last. This is the obvious order of preference and I believe everyone is agreed on it.

The bill will also require the Treasury Department to take estimated receipts into account when calculating cash on hand. This is a standard accounting device to handle the possibility of a temporary cash flow problem during early 1992 primaries.

So I believe these technical changes will shore up the receipt end of the fund and ensure the intent of the original act.

My bill also deals with three other concerns which have arisen over the past 14 years of implementation. The first is simply another recognition of the 165 percent inflation factor and increases the matching fund eligibility threshold from $5,000 in each of 20 States to $12,500 in each of 20 States. This should not be any particular additional burden to a national candidate.

A second concern has to do with convicted felons being eligible for matching funds. My bill would prohibit candidates convicted of public funding process felonies from receiving fund payments.

Finally, the bill repeals the State-by-State spending limits for Presidential elections. This requirement has proven to be an enormous expense and headache for everyone without appreciably improving the selection process. Something like 60 percent of all the FEC audit time is allocated to this one area. Repeal will save everyone money without doing any harm to the integrity of the system.

Opponents to the Presidential Election Campaign Fund have attacked it because only 20 percent check off, claiming the remaining 80 percent are opposed to the fund. The only legitimate research indicates that most of the 80 percent is either not aware of the fund or doesn't understand it, so there is no validity in the opposition argument. Some have claimed that the moneys could be better spent on other programs, but that can be said of any line item, and I think that opponents would be hard pressed to argue that a restoration of public trust in their Presidency took a back seat to any other program.

The fund is also attacked because it is public financing, and a tortured effort is made to confuse the fund with possible public funding proposals for congressional elections. As mentioned earlier, the fund was explicitly created through public funding to avoid a repeat of the corruption of 1972.

And that, of course, raises the basic question which all opponents to the fund must answer. If you don't like the fund, what's your alternative? Are you willing to go before the American people and say you want to return to the days of black bags and grocery sacks full of illicit contributions? Are you anxious to put the White House up to the highest bidder? How short do you think the American public's memory really is?

The Presidential Election Campaign Fund has succeeded in restoring a sense of public confidence in the Presidential selection process. It is a very small price to pay for public trust, because without that trust no other Federal program can succeed. The Protection Act legislation is essential to the continued integrity of the fund and the Presidential election process.

THE 65 MPH SPEED LIMIT

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. ROBERTS. Mr. Speaker, today I am introducing legislation to allow States the authority to adjust—when determined safe—the speed limit on rural roads to 65 mph. The bill is similar to legislation I introduced in the 101st Congress.

As the House and Senate continue to formulate the reauthorization of the blueprint of our national highway policy, in the Surface Transportation Act, I believe discussion of the remaining restrictions of the 55-mph speed limit should be addressed. Congress has previously deemed that States could independently determine the speed limit on interstate highways up to 65 mph. However, that action left previous restrictions on States' authority to increase the speed limit on all other roadways.

If adopted, my legislation would specifically allow Governors the right to raise the speed limit to 65 mph on all roadways without the penalty of losing Federal highway improvement funds. Currently, States face millions of dollars in fines, up to 10 percent of their State's allocation of their Federal highway funds, if they set speed limits above 55 mph on roadways that are not part of the Interstate Highway System.

Mr. Speaker, State governments are better able to evaluate the safety and traveling needs of their residents, not Congress or Washington bureaucrats. State transportation specialists are more familiar with local roadways and are responsible for their care and maintenance.

Many complaints have been heard throughout rural America regarding the mandatory 55-mph speed ceiling Congress has imposed on rural roads. I urge my colleagues to allow States to address the questions raised by these parties by supporting my legislation.

THE DILEMMA OF BUDGET RESTRAINTS VERSUS SCIENTIFIC INQUIRY

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, nobody refutes the fact that, in a world of limitless fiscal resources, we would all like to forge ahead on a science project of the importance of the superconducting super collider. The potential for life-enhancing discoveries from the SSC is extraordinary. The SSC will help us to unravel the mysteries of the atom, and to better understand the makeup of matter. This, in turn, will provide us with insight into the origins of the universe, and will assist us in our efforts to harness energy forces for the benefit of mankind.

But in reality, budget constraints must be respected. Further, we need to proceed at a pace that our pocketbooks can handle, understanding all along that there are present-day demands that require our attention—housing, environmental protection, and veterans' care, just to name a few. While I voted on Wednesday, May 29, against the Eckart-Wolpe-Slattery amendment to eliminate all SSC funds for fiscal year 1992, I agree in principle that we need to moderate the pace at which we move on this extraordinarily complex engineering project. For budgetary reasons, had it come up for consideration, I would have voted for the Eckart amendment, which would have trimmed only fiscal year 1992 construction funds from the general science budget, but allowed research and development funds to continue. Without a viable program still underway, international partners have no incentive to continue with their participation—they could easily walk away from the project, effectively bringing the SSC to a permanent halt.

Mr. Speaker, if the space station debate has taught us anything, it is that we must proceed deliberately on engineering projects of this magnitude—we need to set milestones where we evaluate our progress and reevaluate the validity of our final goals. In particular, we need to assess, at various points in time, the level of international participation and overall cost projections. This will ensure that our science dollars are being well spent and that the American taxpayer is getting the best value for his tax dollar.

SPRINGFIELD INDIANS SHAKE, RATTLE, AND ROLL TO ANOTHER CALDER CUP TITLE

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. NEAL of Massachusetts. Mr. Speaker, it is with extreme pleasure that I share with you the news of the Springfield Indians winning the Calder Cup Trophy for the second straight year. The "Tribe" has now won a total of seven championships in their 48 years in the American Hockey League.

What is more remarkable than beating their arch rivals, the Rochester Americans, in the finals for a second straight year, is that only two players remained from last year's team. With a new affiliation with the Hartford Whalers, the Indians inherited a team that won a total of only 11 games last year. Not only was this a new team, it was also the youngest team in the league. This fact did not deter their superb coach, Jimmy Rodgers, or their general manager, Bruce Landon. Their never say die attitude was never more evident when down three games to one they rallied to beat Fredericton in the opening round of the playoffs. It continued when the Indians rallied from a two-game deficit to beat Rochester in front of a packed house at the Springfield Civic Center.

Springfield has always had a proud tradition of great hockey throughout its years in the American Hockey League. As a charter member of the AHL, Springfield has entertained thousands of hockey fans in western Massachusetts. I am confident that we will be rewarded with more great moments in the future.

Mr. Speaker, Springfield, MA, has always been recognized as the birthplace of basketball. With continued success from the Springfield Indians we might be also known as the permanent resting place of the Calder Cup.

TRIBUTE TO TIMOTHY S. CAREY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. FISH. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to a county legislator from my district and a good friend, Timothy S. Carey.

On Sunday, June 9, 1991, Tim will be honored by the Westchester Irish Committee for his dedication and work on behalf of a number of issues of concern to the Irish community. I cannot think of anyone more deserving of this praise. As a cochairman of the ad hoc congressional Committee for Irish Affairs, I have been particularly grateful for his sponsorship of resolutions in the Westchester County Legislature in support of the MacBride principles, Joe Doherty and Sean Mackin.

Besides being one of the founders of the Westchester Irish Committee and an original member of the Northern Westchester Division of the Irish Immigration Reform Movement, Tim Carey has a long history of involvement in political and government affairs. A successful political consultant, he is a contributing author of "Finishing First: A Campaign Manual," and a lecturer on electoral and governmental politics.

Tim Carey is an outstanding public servant and member of the Westchester community. Because of his efforts on behalf, not only of the Irish-American community, but of all of his constituents, I am proud to have the opportunity to bring Tim to your attention today.

A TRIBUTE TO HEATHER J. CROWSHAW

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Heather J. Crowshaw, of East Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for East Providence Senior High School in East Providence, RI.

This award is presented to the student, chosen by East Providence High School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Heather J. Crowshaw has more than fulfilled this criteria. She is ranked first in a class of 364 students. She has maintained an extraordinary GPA of 93.83.

I commend Heather J. Crowshaw for her outstanding achievements and wish her all the best in her future endeavors.

TENTH ANNIVERSARY OF NEWTON ACTION FOR NUCLEAR DISARMAMENT

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. FRANK of Massachusetts. Mr. Speaker, I want to congratulate the members of Newton Action for Nuclear Disarmament on their 10th anniversary this Sunday, June 9. I regret very much that I will not be able to attend the birthday—especially since it will be held one block from my home in Newton. But I know that my friends in NAND will be warmly and duly praised by Mayor Ted Mann, who will be equal to this occasion as he is to all others.

The members of NAND have been models of effective and informed citizen action. For 10 years they have fought for a world and an America in which peace and justice prevail. Even those who disagree with some or all of NAND's positions recognize the genuineness of their commitment and the selflessness of their work. And I personally have found my association with them to be extraordinarily beneficial to me and my work. Currently, I am working with them in our effort to give the American people the benefit of the reductions in the military budget to which we are entitled, and from which our society would benefit enormously. I am delighted to be able to be working with this excellent organization in this important cause.

CONGRATULATIONS TO TED WIATR

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. POSHARD. Mr. Speaker, it is my honor to rise before my colleagues in the U.S. House of Representatives and congratulate Ted Wiatr, a young man from my district from whom I expect to hear great things in the future.

Ted recently competed in the National Geography Bee here in Washington as the Illinois State champion. He and 57 other young people from the United States and its territories matched wits in an event designed to increase our understanding of the world around us.

The National Geographic Society estimates 5 million students took part in the initial round at 38,000 schools. Ted won the Illinois championship by competing against 103 students from much larger schools in major metropolitan areas. But under the guidance of instructor Ron Snyder, this eighth grade student from St. John's Lutheran School in Red Bud, IL, won the State title and earned the right to come to Washington. Although he invested a great deal of hard work to get this far, Ted also credits his success to his classmates who helped him prepare, and to his parents, who were with him every step of the way.

A recent test of high school seniors found only a little better than half of them could find their way around a map of the world, with only half of them understanding the purpose of the Panama Canal. In times like these it is encouraging to know there are some students who are interested in the world around them, and are excited to learn about the fascinating people and places out there. John Wiatr, Ted's father, tells me he used to pull out a road atlas on family trips and Ted would eagerly absorb its details. That is the kind of intellectual curiosity our schools and communities should encourage, and as someone who started in public service as a classroom teacher, I believe this geography bee is a good idea.

I am always pleased when someone from southern Illinois represents our area so well, and that is certainly the case with Ted Wiatr. Ted will enter high school this fall, and although it's probably a little early to decide these kinds of things, I am encouraged to know he expresses an interest in being a teacher himself.

On behalf of the people of southern Illinois I congratulate Ted on his achievements and wish him the best in the future.

A TRIBUTE TO RON AUSTIN

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. GREEN of New York. Mr. Speaker, I rise today to pay tribute to a man whose boundless generosity and selfless dedication to troubled youths has distinguished him as a philanthropist of the highest grade.

In 1971, when Mr. Ron Austin created the SPARK program at Julia Richman High School—a public high school in my district—he opened a channel through which teenagers would unburden themselves of problems that most of us have never confronted and most likely never will.

The SPARK program gives young people who feel alone and secluded due to the enormity of their problems the opportunity to discuss their feelings and experiences with other youths in similar situations. Such predicaments might include having drug-addicted parents or being addicts themselves, being physically and sexually assaulted by a parent or a parent's boyfriend or girlfriend, pregnancy, and homelessness. Talking about these circumstances, often for the first time, gives a teenager the support and acceptance that is essential to coming to deal with his or her problems.

Mr. Austin's understanding, respect, and admiration for these students has enabled him to communicate successfully with them at a time when communication with most adults in their lives is severely strained. But to say that Mr. Austin's communications skills are the root to his success would be saying too little. When the youths in the SPARK program talk about Mr. Austin, they speak about one of the few adults who genuinely means it when he says he loves them. And clearly, from the amount of devotion shown to Mr. Austin, he is loved by them.

The SPARK program has proven to be much more than a class. Those who participate in SPARK have become a family. Sometimes they lean on each other and at other times they support each other. When they speak about the love they have for one another, they express themselves with words and revelations not often made by those so young. Although most of them are teenagers, experience has made them older than their years.

Beyond the personal level, there is no doubt SPARK has been a scholastic triumph. Attendance and grades improve as students become members of SPARK, and their talents are given a chance to rise above the debris of emotional trauma.

I commend these students for their incredible strength in facing their problems and trying to overcome them. Mr. Austin said, "My respect and admiration for the resilience and resourcefulness of the young people that I work with is boundless."

I should like to offer my respect and admiration to Mr. Austin by encouraging all my colleagues to commend him for making great things possible for those whose lives have been filled with only the bad.

KILDEE HONORS PAGES

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. KILDEE. Mr. Speaker, I would like to take this opportunity to express my personal gratitude to all of the pages for their faithful service in the House of Representatives. Their tenure here has been extremely exciting. They were present during the President's State of the Union Address and also during his speech at the end of Operation Desert Storm. In addition, they have seen President Chamorro of Nicaragua and Queen Elizabeth II.

I would also like to commend these dedicated and hard working young people as they will soon be leaving to complete their high school education. They are: Warren C. Aceron, Kara A. Adamson, Alejandro V. Aguirre, Elizabeth J. Ambrose, Kenneth E. Archer, Anne K. Barkis, Scott A. Beal, Roger L. Beckett, Wendy M. Bianchini, Angela M. Biga, Michelle N. Billig, Julie L. Bolkin, Rachel D. Borak, Edward K. Brooks, Whitney A. Campbell, Suzann L. Corrigan, Misti H. Coy. Lauren E. Creamer, Teri E. Cross, Michelle H. Custer, Allison H. Davis, Timothy B. Duffy, Jennifer A. Dukarski, Donald W. Dyer, Jr., Randall A. Fine, Kevin J. Gentner, James R. Geraci, J. Brian Gomillion, Vikram D. Gopal, Any J. Graveman, Stacey T. Gutenkunst, Ann C. Guthmiller, Sarah A. Holt, John A. Hosinski, Duane A. Humeyestewa, Sam P. Jacks, Karen M. Keller, Jennifer M. Kersey, Andrew S. Kosegi, Sarah P. Leonard, Samuel E. Lisman, Alfonso Martel, Vicki D. McAvoy, Rebecca K. McKee, Camilla B. Messing, Nicholas K. Mitsis, Hilary K. Munger, Gilmer L. Murdock, III, Amanda C. Murphy, John L. Noppenberg, III, R. Russell Orben, III, Lori C. Palmer, Austin R. Perez, Nathan M. Powers, Amanda J. Prince, Guy A. Raz, David I. Rappaport, James S. Sager, Michelle M. Semple, Christina M. Sinck, Suzanna L. Smith, Rachelle L. Snowdon, Melissa J. Stevenson, Walter B. Stilwell, IV, M. Paige Williams and Joshua M. Zeitz.

The service of these pages is integral to the effective operation of the House of Representatives. These individuals with their diverse backgrounds, represent what is good about our country. Common denominators of this group are their academic achievements and the courage they have demonstrated in venturing so far from the security of their homes. Through this experience they have witnessed a new culture, made new friends, and learned the details of how this Government works.

As we all know, much is required of those who do become congressional pages. Along with being immersed in a new environment, the pages must possess the maturity to balance competing demands for their time and energy. In addition, they must have the dedication to work long hours and the ability to interact with people at a personal level. I am sure they will consider this to be one of the most valuable and exciting times in their lives, and that with this experience they will continue to lead successful and productive lives. Mr. Speaker, as Chairman of the Page Board, I ask my colleagues to join me in honoring this group of distinguished young Americans. They will certainly be missed.

THE 1991 AMERICAN COMPETITIVENESS ACT

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. CAMPBELL of California. Mr. Speaker, not long ago, America was universally considered the world's strongest economic power. Now we are one of several. America has become dependent on foreign capital to finance its trade and budget deficits. Our performance standards no longer are recognized as the world's best. No more does the "Made in the U.S.A." label guarantee the highest quality around.

Many have pointed the blame for this slide toward the American worker and manager. I disagree. America's ingenuity and ability to produce quality goods are second to none.

What badly needs improvement is government. Right now, government penalizes Americans for doing the very things we must do to compete—investing in the future, researching and developing new products, working together to solve common problems.

We can reverse America's competitive slide, but we must first admit that we ourselves have been part of the problem. Government must stop punishing individuals for being daring and creative.

Today I am introducing a bill, the 1991 American Competitiveness Act, to unharness the engine of American private enterprise. I am pleased to be joined in introducing this eight-point plan by the distinguished minority whip, Mr. GINGRICH; the chairman of the Republican Conference and my California colleague, Mr. LEWIS; and the chairman of the House Republican Task Force on Competitiveness, Mr. DELAY.

The American Competitiveness Act consists of the following components:

COMPONENTS OF THE AMERICAN COMPETITIVENESS ACT

1. MAKING THE R&D TAX CREDIT PERMANENT

Our competitiveness sprouts from our ability to create, develop, and market new products. But under current law, the tax credit for research and development expenses is not permanent; it must be renewed by Congress every year. And virtually every year, the R&D tax credit is held hostage until the waning days of the fiscal year before it is finally renewed. Companies cannot plan for the future with any certainty because they do not know whether the R&D credit will still exist the following year.

The American Competitiveness Act would make the R&D credit permanent. It will assure our firms of the beneficial tax consequences of long-range R&D investments.

2. CAPITAL GAINS TAX RELIEF FOR LONG-TERM INVESTMENTS

Investment capital is crucial to our long-term competitiveness. It is the fuel that allows existing businesses to expand and entrepreneurs to put their new ideas in action. Unfortunately, our capital gains tax is higher than that of nearly all our major trading partners. Most capital gains in the United States are taxed at 31 percent. Japan averages a five percent rate. Germany imposes no capital gains tax at all on assets held for more than 6 months.

A permanent cut in the capital gains rate is an essential step toward making our country more competitive. The American Competitiveness Act creates a tax exclusion varying from a low of 50 percent for assets held for two years to a high of 100 percent for assets held for five years. The plan, thus, encourages the long term holding of assets.

3. ENCOURAGING INVESTMENT IN START-UP COMPANIES

The American Competitiveness Act creates a special incentive for investing in start-up companies through a 50 percent exclusion for capital gains derived from initial stock offerings that are held for two years. This provision will reward the founders of start-ups—the engineers, risk-takers, and investors who give up the security of working for established companies for the challenge of creating our future Fortune 500 firms.

4. ELIMINATING THE TAX INCENTIVE FOR TAKEOVERS

Current tax law favors debt over equity. Interest paid on corporate debt is tax-deductible, but dividends paid to shareholders are not. This distinction creates a built-in tax incentive for increasing a company's debt—which is at the heart of a leverage buyout.

By eliminating takeovers driven by tax considerations, we will allow takeovers to proceed on the merits, and thereby enable our firms to do a better job of focusing on productive, long-range planning. The American Competitiveness Act makes dividends deductible and eliminates this unhealthy bias.

5. BRINGING OUR LABOR LAWS INTO HARMONY WITH TODAY'S WORKPLACE

The essential elements of our labor laws were written more than fifty years ago. There has not been a comprehensive overhaul since.

The labor-management relationship has changed dramatically in that time period. The Depression-era assumption of antagonism has given way to cooperation and mutual education. Yet some aspects of our labor laws inhibit progress, most notably, section 8(a)(2) of the Labor Management Relations Act. Concern over sham unions created a rather stringent prohibition on employers working directly with employees on matters of working conditions.

The American Competitiveness Act would reform 8(a)(2) to enable all firms and unions to work together to achieve common goals.

6. REMOVING UNREASONABLE RESTRICTIONS ON PENSION FUND MANAGERS

The Employee Retirement Income Security Act (ERISA) places excessive restrictions on pension fund managers by forcing them to accept a stock purchase offer if the offer price is above the market price. This is a bad rule. While a given offer price may be attractive, there often are many other issues that managers must take into consideration before they agree to a transaction. Pension fund managers should be permitted the flexibility to make decisions that will guarantee both the short and long term interests of their firms.

The American Competitiveness Act would give managers the ability to take factors other than price into consideration when they evaluate purchase offers.

7. PROTECTING INTELLECTUAL PROPERTY RIGHTS

Investors are understandably hesitant to risk their money in new products and technologies when there exists a significant danger their ideas will be pirated in another country. While section 337 of our trade law provides some protection to our firms, it is cumbersome; markets can be lost during the time it takes to prosecute a case.

The American Competitiveness Act corrects section 337 by making it easier to exclude goods that violate our intellectual property laws.

8. ENHANCING THE BUSINESS-EDUCATION PARTNERSHIP

Only by cooperating will business and educators be able to train workers to meet the challenges of the next century. Toward this end, the American Competitiveness Act contains a tax incentive for companies to lend their employees to schools and colleges to assist in teaching students and preparing course materials.

Mr. Speaker, we can prevent America's competitive slide, but to do so will require admitting to ourselves that we have been part of the problem. Government must stop punishing individuals for being daring and creative. It must stop working against the people it is supposed to be helping.

I urge my colleague to work with me to enact the 1991 American Competitiveness Act.

A TRIBUTE TO ANTHONY J. PERAICA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. LIPINSKI. Mr. Speaker, today I rise to pay tribute to Mr. Anthony J. Peraica, who has recently been named Business Person of the Quarter by the Garfield Ridge Chamber of Commerce in Illinois.

Born in Trogir, Yugoslavia in 1957, Mr. Peraica immigrated to the United States in 1970. He has a bachelor's degree in political science from the University of Illinois and was admitted to the Illinois Bar in 1984 after graduating from John Marshall Law School in 1983. Currently, Mr. Peraica heads a six-person law firm in Chicago.

The Garfield Ridge Chamber of Commerce has bestowed this high honor upon Mr. Peraica because of the active role he plays in his community. As vice chairman of the Peck Elementary Local School Council and a board member of the Boy Scouts of America, he has had a very positive influence on the youth in his neighborhood. Mr. Peraica is also involved with organizations which benefit the community as a whole. He is a loyal member of the Garfield Ridge Chamber of Commerce and as such takes the time to attend meetings, plans community programs, and coordinates festivities.

I would like to thank Mr. Peraica for his time and dedication, and I ask my colleagues to join me in congratulating him on this outstanding achievement. He is an asset to the community and a role model for all.

HONORING GOSPEL SINGER CASSIETTA GEORGE

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. DIXON. Mr. Speaker, I rise today for the purpose of joining the Christian and black gospel community as it celebrates 48 years of gospel music by Cassietta George in a national tribute to be held at Praises of Zion Baptist Church in Los Angeles, CA.

A native of Memphis, TN, Ms. George began her gospel music career at the tender age of 4, first singing at her father's church. Before long, she would ascend the stage participating in school concerts and at various community events in and around Memphis, inspiring people throughout the area, even in Mississippi and Arkansas.

In 1953, Ms. George became a member of the world famous Caravans, which then featured such renowned gospel artists as Albertina Walker, Louise McDonald-Ross, the late Rev. James Cleveland and John Erin Davis. Later, that group would feature the talent of other great gospel artists such as Inez Andrews, Shirley Caesar, Delores Washington, Dorothy Norwood, the late Bessie Griffin, and Josephine Howard.

After leaving the Caravans, Ms. George moved to Los Angeles, embarking on a successful solo recording career during which she has recorded more than 15 albums and written over 80 songs which have been recorded by her and other gospel artists. She is most noted for her remarkable solo recording of "Walk Around Heaven" which has endured as a standard over the years.

Ms. George has performed throughout the Nation from Robin Dell Park in Philadelphia to Carnegie Hall. She also has the rare distinction of having performed with the Los Angeles Symphony Orchestra under the direction of the great Zubin Mehta and has two Grammy nominations to her credit.

Mr. Speaker, it gives me great pleasure to be able to add my voice to those which have showered deserved praise over this wonderfully talented gospel artist over the last five decades. Please join me then in paying tribute to a lady who for 48 years has contributed so much to America by spreading a message of love, and by inspiring millions of people both here and abroad with her music. Cassietta George is indeed a treasure and I sincerely wish her, her family and her admirers only the best of all things in the years to come.

SOVIET PERFORMANCE AND FUTURE WAIVERS OF JACKSON-VANIK

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. HOYER. Mr. Speaker, yesterday President Bush announced his intention to grant the Soviet Union an additional 1-year waiver of the Jackson-Vanik amendment to the 1974

Trade Act. This amendment links United States-Soviet trade to human rights by denying nonmarket countries most-favored-nation [MFN] trading status until they permit substantive and sustained emigration. On December 29, 1990, President Bush notified Speaker Foley that he was waiving the Jackson-Vanik restriction against the Soviet Union for 6 months. Six months have passed and the President has once again certified that the Soviets are living up to their commitments by allowing record numbers of Soviet citizens to emigrate.

Mr. Speaker, I do not intend to oppose a waiver. The Soviets, especially during the past 2 years, have made considerable progress in their emigration practices. In 1989, according to statistics provided by the National Conference on Soviet Jewry, Jewish emigration was 71,217. That number more than doubled to 186,815 in 1990 and through the end of May 1991 those emigrating had already reached 73,000. The numbers for Germans are just as encouraging. In 1990, more than 148,000 ethnic Germans arrived in the Federal Republic of Germany, up by 60 percent from 98,134 in 1989. The Soviets have indicated that between 440,000–460,000 citizens left the Soviet Union during 1990. And the numbers for this year indicate that this emerging trend will continue.

Recently, on May 20, 1991, the Supreme Soviet, after several lengthy delays, passed in principle a new law on exit and entry from the Soviet Union. The legislation represents a significant improvement over existing Soviet law. However, several sections fall short of internationally recognized standards, including those of the conference on security and cooperation in Europe, on freedom of movement issues. In addition, the law will not even go into effect until January 1993. Since the waiver authority of Jackson-Vanik is now for 1 year, it is imperative that the Soviets continue to perform in the emigration sphere.

As Chairman of the Helsinki Commission, I have long urged the Soviets to implement those commitments they have undertaken within the Conference on Security and Cooperation in Europe.

It is for this reason, that I, along with Senator DECONCINI, the Cochairman of the Helsinki Commission, am introducing a sense of the Congress resolution that asks the President to consider certain "performance" factors before providing a waiver in 1992 of the Jackson-Vanik amendment. This resolution would basically see to it that the Soviets are living up to their commitments in implementing their recently passed emigration legislation.

The resolution would ask the President to consider the following objectives before providing in 1992 a waiver of the Jackson-Vanik trade restrictions.

First, all individuals who, for at least 5 years, have been refused permission to emigrate from the Soviet Union, are given permission to emigrate.

Second, restrictions on freedom of movement, including those pertaining to secrecy are not being abused or applied in an arbitrary manner.

Third, a fair, impartial, and effective administrative or judicial appeals process exists for those who have been denied permission to emigrate.

Fourth, the Government of the Soviet Union is ensuring that its laws, regulations, practices, and policies conform with their commitments under its international obligations, including the relevant provisions of the Helsinki Final Act and all conference on security and cooperation in Europe commitments.

I urge my colleagues to review this resolution and join me in supporting it.

Mr. Speaker, I cannot complete my thoughts on the President's decision to extend waiver authority at this time without noting that an official investigation of the bloody events in Vilnius in January has been released and concludes that the deaths were caused "not by shots from troops or by being run over by tanks, but by shots from Lithuanian fighters and other causes."

This report is not only incredible, it is insulting and outrageous. The findings have no relation to fact. Mr. Speaker, the investigation is a cover-up and I regret that the Soviet Government cannot come to terms with the freely elected governments of the Baltic States. It has released Eastern Europe from its grip—it is time to do so with other States that have never sought to be part of the Soviet Union.

A TRIBUTE TO FRANK SAIN

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. BILBRAY. Mr. Speaker, I rise today to recognize a distinguished member of the Las Vegas community. On July 1, 1991, after dedicating 10 years to the Las Vegas Convention and Visitors Authority as executive director, Frank Sain will be retiring.

Mr. Sain's contributions to Las Vegas' growth in the tourism industry have been widespread throughout his career. If you will, please imagine the number of annual visitors to Las Vegas doubling within the past decade. Last year itself saw 20.3 million visitors to this city. As a result, Clark County's gaming revenues have increased from $1.6 biilion to an incredible $4 billion.

Las Vegas would not have been able to accommodate the phenomenal growth without the vision of Frank Sain. During the last 10 years, the Las Vegas Convention Center has undergone $100 million in expansion and renovation projects. Acting as executive director, Mr. Sain orchestrated the opening of international offices which have helped to significantly increase the number of foreign visitors to Clark County each year.

It is not enough to say that Frank Sain's presence within the Las Vegas Convention and Visitors Authority will be missed. But rather his departure will be felt throughout the Las Vegas community. I know that my fellow Members of Congress will join with me in thanking Frank Sain for his dedication to bettering Las Vegas and in wishing him well in his future.

INTRODUCTION OF THE ETHICS IN HOME MEDICAL EQUIPMENT ACT OF 1991

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. CARDIN. Mr. Speaker, today I am introducing legislation that will put an end to much of the fraud and abuse in the home medical equipment industry. While home medical equipment is a vital component of our Nation's health care system, in recent years some unscrupulous medical equipment suppliers have cheated the Medicare Program out of millions of tax dollars. My legislation attempts to prevent these abuses from occuring in the future so that our scarce Federal resources can be devoted exclusively to providing needed medical care to our Nation's senior and disabled citizens.

The abusive practices in the home medical equipment industry have been well documented by a variety of sources. Special recognition should be given to Senators COHEN and SASSER, Representative BRIAN DONNELLY, the General Accouting Office and the Inspector General at the Department of Health and Human Services for their efforts to bring to light a wide range of fraud and abuse in home medical equipment. In addition, NAMES and other representatives of the legitimate home medical equipment industry have been strong proponents of reform. I appreciate their assistance in drafting this legislation and their ongoing interest in cleaning up the industry. My legislation attempts to address many, but not all, of the problems these parties have revealed.

The home medical equipment industry is one of the few major health provider or supplier categories in Medicare that is not subject to governmentally recognized standards of practice, health and safety. The ease with which businesses may be created and begin billing Medicare for home medical equipment is an invitation for abuse to fly-by-night operations. My bill would require the Secretary to establish certifications standards to assure patient safety and the availability of high quality covered items for suppliers of covered items, ostomy bags and supplies related to ostomy care. Within 3 years any supplier that has not been certified under these criteria will not be eligible for reimbursement from Medicare. By making quality of service a requirement for entry into this industry a great deal of the abuses we have seen can be prevented.

Because significant differences in reimbursement levels and coverage policies continue to exist between carriers, some companies have engaged in the practice of forum shopping. This consists of suppliers shopping around to locate their business operations, or their billing operations, in areas serviced by a carrier that pays more and has a more liberal coverage policy. My legislation would require suppliers to bill the carrier having jurisdiction over the geographic area of the residence of the patient to whom the item is furnished. This is a simple, clear rule which will put an end to the abuse of forum shopping. I would urge the Congress and the Health Care Financing Administration to explore this issue further. I can think of no reason for Medicare coverage policy for home medical equipment to differ from one region of the country to another.

The third major reform in this legislation is a prohibition on physicians referring a patient for a covered item to a home medical equipment company in which the physician or an immediate family member has (a) an ownership or investment interest in the provider, or (b) other compensation arrangements with the provider. This prohibition is the same as the prohibition enacted in OBRA 1989 regarding physician referral to clinical laboratories. Under Medicare law, the physician is the gatekeeper to the DME benefit. The integrity of the physician's responsibilities both to the Medicare Program and to the patient must be maintained.

The bill includes several provisions which are consistent with the passage of last year's antihassle legislation. The bill modifies the prohibition on suppliers filling out certificates of medical necessity so that this prohibition will be targeted to the list of potentially overused items. Last year's oxygen retesting language is amended to make it consistent with the new uniform certification of medical necessity form drafted by the Health Care Financing Administration. In addition, an up front purchase option is provided in instances where an item is needed for longer than the rental period more than 75 percent of the time or where the patient has a condition, recognized by the Secretary, that will warrant long-term use of the equipment. An exception is provided for the mandatory submission of claims for inexpensive items of less than $50.

Finally, the bill has two provisions aimed at easing the blow of the over $2 billion in cuts mandated in last year's reconciliation legislation. Prior to last year Medicare paid 10 percent of the purchase price of a capped rental item for up to 15 months. OBRA 1990 cut this reimbursement by reducing payment from months 4 through 15 to 7.5 percent—for a possible total of 120 percent. Many suppliers have complained that this change will be very difficult to incorporate into their billing practices. My legislation would simply restore monthly payment to 10 percent per month, while limiting the number of months of payment to 12—again, for a possible total of 120 percent.

The bill also provides that during the 2-year transition to national price limits no item may be reduced by more than 15 percent per year. At the end of the transition, all items would still be subject to the national limits. This provision is consistent with the protection provided to physician fees during the transition to the resource based relative value scale. It was an appropriate policy for physician payment reform, and is, I believe, appropriate for home medical equipment.

Both the monthly capped rental and the limitation on annual payment reductions provisions involve expenditures above the Medicare baseline and therefore are subject to the PAYGO requirements of last year's budget agreement. Although at this time I do not have a funding proposal to cover these costs, I fully intend to comply with the spirit and the letter of the PAYGO requirements as they apply to this legislation.

TRIBUTE TO REV. DR. VINCENT D. BECKETT

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. WELDON. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Rev. Dr. Vincent D. Beckett who will be celebrating his 100th birthday June 6, 1991.

Rev. Dr. Vincent Beckett has been an integral part of the Woodland Avenue Presbyterian Church for over 70 years. His congregation has been blessed by his servitude and dedication to Our Lord Jesus Christ. I am indeed pleased to pay tribute to this man of God on this joyous occasion.

May I add, Mr. Speaker, that Rev. Dr. Beckett has faithfully served our community with the fortitude and conviction that it so deeply needs. We are proud of his accomplishments and honored to celebrate his 100th birthday.

Mr. Speaker, I ask that we all take a moment to offer our praise and extend best wishes to Rev. Dr. Vincent D. Beckett as he celebrates this momentous occasion with his family and many friends.

THE THEODORE R. GIBSON MEMORIAL FUND

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Theodore R. Gibson Fund is a nonprofit organization in Coconut Grove, FL, that is dedicated to fostering unity among different ethnic groups and to the establishment of charitable, educational, religious, health, scientific, and cultural programs that will benefit all people regardless of their ethnic background.

For the first time, the charity will honor worthy representatives of various ethnic communities in Dade County who have made significant contributions to unity and harmony among south Florida's multiethnic community. These honorees and their spouses are The Hon. and Mrs. Maurice Ferre, Mr. and Mrs. Garth Reeves, and Mr. and Mrs. David Lawrence. Through their efforts, cooperation between Dade County's many ethnic groups is now underway.

The Gibson Memorial Fund has made great strides in its attempts to eradicate numerous problems. Its efforts include programs geared toward caring for the needy, early childhood development, educational enhancement, employment opportunities, health care for the underprivileged, cooperation with other charities, neighborhood improvement, and civil rights. Its board of directors include Mrs. Thelma V.A. Gibson, president; Mr. Frank J. Cobo, first vice president; Mrs. Verneka S. Silva, second vice president; Ms. Sondra Wallace, secretary; Commissioner of Miami J.L. Plummer, treasurer; Rabbi Herbert M. Baumgard; Mr. T. Willard Fair; Mr. Wilfredo "Willy" Gort; former mayor of Miami Mr. David T. Kennedy; Ms. Esterlene Lewis; Mr. Gene Marks; Mr. Vernon Philip; Mrs. Carmetta Russell; Mr. Harry L. Russell; Mr. Gonzales T. "Guy" Sanchez; Mr. Robert Wilder; and Commissioner of Dade County Sherman S. Winn.

The Theodore R. Gibson Memorial Fund and its honorees deserve the utmost distinction in their efforts to promote unity and harmony in south Florida.

HONORING DR. JOEL KAHN

HON. CHARLES LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1991

Mr. LUKEN. Mr. Speaker, I rise today to congratulate Dr. Joel Kahn of Cincinnati, OH, on being named National Multiple Sclerosis Society's Father of the Year. This award honors Dr. Kahn for his ability to be an exceptional father despite the handicap that multiple sclerosis has given him.

The honor recognizes a father who has multiple sclerosis for his outstanding parenting in light of the limitations imposed by chronic illness. Dr. Kahn was diagnosed with MS in 1976. By 1980 he decided he could no longer walk and maintain the stamina necessary for all his daily responsibilities, so he adapted to an electric scooter. In naming him the winner, judges were impressed by his concern for educating children.

Dr. Kahn is an active member in the community. He volunteers with Everybody Counts, an educational program designed to convey to school students just how special people are, regardless of their particular strengths or limitations. Dr. Kahn wants these children to see beyond a person's disability and see the total person. Dr. Kahn is also a member of a Cincinnati community task force. He took part in an extensive study examining long-range computer needs in the local school system.

Dr. Kahn doesn't think of himself as disabled. He plays kickball, baseball, and goes bowling with his 6-year-old son. He also made the switch from mechanical engineering to industrial engineering at Proctor & Gamble where he works. As his mobility problems increased he felt that they prevented him from carrying out his duties as a mechanical engineer, so he changed his career to industrial engineering. He received his Ph.D. in industrial engineering in 1986 and today is the director of his local industrial engineering society and serves as an adjunct professor of engineering at the University of Cincinnati.

Dr. Joel Kahn should be considered a hero. He has made considerable contributions to both the youths and the school system of his community. The support and dependability he has provided are immeasurable by numbers or words. I would like to express both my appreciation and admiration for his accomplishments. I am proud to have a person like Joel Kahn in my district. He is an inspiration to us all.